UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 91st CONGRESS
FIRST SESSION

VOLUME 115—PART 30

DECEMBER 19, 1969, TO DECEMBER 23, 1969
(PAGES 40115 TO 41455)

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1969

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of America

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SENATE—*Friday, December 19, 1969*

The Senate met at 11 o'clock a.m. and was called to order by Hon. **James B. Allen**, a Senator from the State of Alabama.

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father, as we gaze once more upon the manger scene, may the child-heart of simple faith and trust be born in us again. Lead us to the truth which is understood not by logic but by poetry and music and a soul in tune with the infinite and eternal. In the long hours of toil keep us from being pushed or pinched by the day's program, but preserve in us an area of serenity and quiet strength. May we come to that reality of Thy sustaining and abiding presence we have never known before. And may we serve in the spirit of Him who came to be the servant of all. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will read a communication to the Senate.

The assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., December 19, 1969.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. James B. Allen, a Senator from the State of Alabama, to perform the duties of the Chair during my absence.

Richard B. Russell,
President pro tempore.

Mr. ALLEN thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, December 18, 1969, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Labor and Public Welfare and the Committee on Armed Services be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nomination on the Executive Calendar will be stated.

AMBASSADOR

The assistant legislative clerk read the nomination of Henry J. Tasca to be U.S. Ambassador to Greece.

The ACTING PRESIDENT pro tempore. The question is, Will the Senate advise and consent to the nomination?

Mr. GOODELL. Mr. President, on Tuesday, December 9, I requested Senate Majority Leader **Mansfield** to place a temporary hold upon the consideration of the nomination of Henry J. Tasca to be U.S. Ambassador to Greece.

I did not take this action because I believed the United States should indefinitely postpone sending an ambassador to Greece.

On September 25, the Senate adopted a resolution (S. Res. 205) declaring that when the United States recognizes a foreign government, that action does not in itself imply that we endorse its policies. I agree with the principle set forth in this resolution, and I voted for it. In general, the establishment and maintenance of diplomatic contacts with other nations should reflect the realities of international politics, not our preferences.

Greece now is ruled by a brutal dictatorship that does not hesitate to make systematic use of terror and torture.

The repressive nature of the Greek regime does not, 'however, justify a permanent refusal to dispatch an ambassador to Athens—any more than Soviet police state methods would justify withdrawing our Ambassador in Moscow.

Nor was my action based on any reservations concerning Mr. Tasca's qualifications. He is, as I have stated previously, a most able diplomat who is fully qualified for this sensitive post.

I requested a temporary hold on consideration of the nomination because I was convinced it was not the propitious moment to approve an ambassador—as the Council of Europe was about to consider the expulsion or suspension of Greece from the Council for violation of the basic human rights of Greek citizens.

I was fearful that the confirmation of a U.S. ambassador a few days before the Council's meeting would be misconstrued in Europe as a gesture of support for the junta and as an attempt to intrude ourselves into a decision that should have been made by Europeans themselves.

The Council's meeting has now taken place. The Greek dictatorship was forced to resign from membership in this body of democratic nations.

The strong stand of the members of the Council is most gratifying. It will be a clear signal to the forces behind the junta that the patience of the European democracies with the Greek junta's cruel and dictatorial methods has run out.

Now that the Council of Europe has met, the dispatch of an ambassador to Athens could no longer be interpreted as a sign that the Senate of the United States opposes strong disciplinary action by the Council against Greece.

Accordingly, I have decided to release the hold I requested on the consideration of Mr. Tasca's nomination. I am hopeful he can be confirmed soon, and I will vote for his confirmation.

While I will not oppose this nomination further, I would like to register my concern over the failure of the United States to make effective use of its diplomatic influence to press for more humane and democratic policies in Greece.

Reform in Greece is needed in the interest of simple humanity and justice. The victims of the Greek dictatorship are human beings. They must not be harassed, terrorized, and tortured. If we show no interest in preventing this sort of suffering, our claims of representing democratic and humanitarian ideals become no more than a mockery.

Reform in Greece is needed to preserve our credibility. We simply cannot afford to profess a double standard of morality—one for Communist nations and one for rightwing dictatorships with which we happen to be allied. No one will believe our protests against repression in Czechoslovakia or Russia if we turn a blind eye to tyranny in Greece.

Finally, reform in Greece is needed to protect our security. Continued repression only increases the chances of a civil war—one which the Greek Communists could exploit to reestablish the influence they lost in the late 1940's.

The men supporting the junta are realists. Faced with strong and insistent demands for reform from the United States and its European allies, these men may well be induced by self-interest to press for more humane policies. Faced with an ineffectual U.S. response, they will have little incentive for change.

Regrettably, the official reaction of the State Department to the junta's police state practices has been most ineffectual.

Despite indications that the forces in Greece undergirding the junta might press for reforms in response to a strong U.S. stand, the State Department has evinced little more than mild disapproval for the regime's harsh policies. The Department has succeeded in conveying the impression that it is far more concerned about what hypothetically might happen to our military bases in Greece than with what is actually happening to the basic human rights of the Greek people.

A glaring example of this sort of complacency was the Department's stand on the ouster of Greece from the Council of Europe.

The Council is restricted by its charter to those countries that "accept the principles of rule of law" and the enjoyment by all citizens of "human rights and fundamental freedoms." The Greek dictatorship patently fails to meet either of these requirements.

Before the Council met last Friday, the official position of the State Department was "neutrality" on the side of the junta. Persistent reports came from Paris that the State Department was lobbying with European foreign ministries for retention of Greece in the Council.

The basis of the Department's pro-junta stance was the familiar one of fear of loss of the NATO bases in Greece. The Department was naive enough to believe threats by semiofficial Greek sources that if Greece was ousted from the Council of Europe it might "reconsider" its membership in NATO. It chose to overlook the fact that the Council is a purely advisory body of parliamentary representatives that has never included the authoritarian government that has been associated with NATO and Portugal. It also chose to overlook the fact that the junta has strong security and economic interests in the maintenance of the bases which would make its departure from NATO extremely unlikely.

As events turned out, the Department miscalculated entirely. Its lobbying effort failed, and Greece was forced out of the Council. Not surprisingly, Greece decided to continue its NATO association.

Unfortunately, this was not an isolated incident. It reflects the basic attitude of the State Department at the working level. Department officials profess a desire for reforms by the junta, but they fail to convey any urgency or real determination. They seem more concerned with explaining away the junta's actions than with inducing constructive changes.

I am hopeful that Mr. Tasca's departure for Greece will signal a change of policy. I hope that he will be sent with new instructions for a tough stand toward the Greek regime's police state methods. I hope our State Department will become an effective advocate of reform in Greece.

A crucial test of U.S. intentions will be its decision on resuming regular military aid to Greece. It was most unfortunate that the Senate chose last week to override the ban proposed by the Senate Foreign Relations Committee on military assistance to the junta. The resumption of full military aid at this time would be a clear sign of support for the present regime's policies. Regular arms aid should be withheld until meaningful steps toward democratization are taken.

Our foreign policy must reflect something more than a mere chess game of power politics. It should embody our underlying commitment to humanitarian and democratic ideals.

The fundamental principles upon which our Nation was launched, if they mean anything at all, should be no less fundamental in shaping the relationship of our Government toward other peoples.

Where a great democracy has fallen, as in Greece, we must avoid policies that can be construed as support for those who strangled it.

Morality should not grind to a halt at our borders. We should not park our consciences when we pick up our diplomatic passports.

Mr. President, having said all this, I believe the withholding of approval by the Senate of the nomination of an ambassador to Greece 3 days before the Council of Europe met did avoid involving this country directly in that decision in the Council of Europe. I understand this was read with some meaning by members of the Council of Europe that at least the U.S. Senate was refusing at that time to take action that could be interpreted as support of the Greek junta.

I believe at this point it is in our interest to have an ambassador dealing at the highest level in Greece to present our views forcefully to the Greek junta and other elements or establishments of Greece that we want the Greek Government to move back toward democracy; that we do not attempt to dictate their form of government or attempt to tell them what change should be made, but we do say we will not support a government which engages in widespread violation of basic human rights of people. These violations of basic human rights in Greece by the junta are well documented.

Mr. President, under all these circumstances I withdraw my opposition to the nomination of Henry J. Tasca to be U.S. Ambassador to Greece.

Mr. MOSS. Mr. President, I congratulate the Senator from New York on his statement regarding the nomination of Henry J. Tasca to serve as our Ambassador to Greece. I differ with him somewhat on his conclusion as to the timing on this matter but I agree heartily with what he said about this matter.

I am one of those Senators who had a "hold" against the nomination for the very reasons discussed by the Senator from New York, but I thought the time of the pending action of the Council of Europe would have been most inopportune for the United States to confirm an ambassador to the junta in Greece.

This morning, therefore, I wish to announce I still object to the confirmation of Henry J. Tasca as U.S. Ambassador to Greece at this time because it is still so closely associated with the action that happened in the Council.

I do not oppose Henry J. Tasca because of his lack of qualification for the position. He has already distinguished himself as Ambassador to Morocco and through a fruitful career in the American Foreign Service.

I think he is eminently qualified. I want to underline this point: that I do not question his qualification, or his worthiness in any respect. I oppose the confirmation now, because I feel that for the Senate to act at this time to send an American of ambassadorial rank to Greece would be a blunder in timing.

There are a number of reasons why. I shall mention several.

Earlier this month, the Council of Europe expelled Greece from that organization. I know that the colonels in Greece say they withdrew. But the fact is that the Council voted to expel Greece at the end of this year on the charge that the Greek Government had failed to restore democratic freedoms, and the colonels withdrew rather than face the humiliation of being kicked out.

The Council of Europe is not an economic alliance. It is an association of democratic governments designed expressly to advance democracy and human rights. Their moral disapproval of the regime in Greece shows quite clearly how the people on the other side of the Atlantic feel about the military junta which holds that country in its tyrannical grasp. The Council abhors the present Greek Government. And furthermore, many of them feel that it is only Amerca's apparent friendship for the regime—only our apparent support of the colonels—which keeps them in power.

For the U.S. Senate to confirm an ambassador to Greece hard on the heels of strongly expressed European disapproval of the regime would be little less than a slap in the face to many of our allies.

Second, according to no less an authority than former Greek Minister Constantine Mitsotakis, with whom I conferred recently, the next few months—possibly the next 3 months—offer the last opportunity for a restoration of the Greek democracy without a blood bath. This opinion is also shared by my good friend Elias Demetracopoulos, a distinguished European editor and a leader of the resistance movement against the junta in America, who accompanied Mr. Mitsotakis to my office.

The history and temperament of the Greek people practically assure us there will be an effort sometime in the future to force out the colonel's government—even if it drenches the country in blood.

No other people, on the face of the earth, understand more fully the desire of the Greek people for freedom, than do the people of the United States. Greece may have been the cradle of democracy, but we have made democracy work—and work reasonably well, for almost 200 years. The Greeks feel deeply their bond with us. They are relying on us now in their time of great travail.

Why give them cause to doubt our support—why douse their spirits and quench their thirst for freedom—by accrediting a man with the rank of Ambassador to the junta government. It would be an affront to the Greek patriots.

Third, since the Nixon administration has not yet come up with a policy on Greece, why do we need a man of ambassadorial rank there? America's affairs can well be handled by the competent career men already in our Embassy there. Must we fill the rank of ambassador right now?

Mr. President, in the 2½ long years since the military junta took over Greece, there has not been even one small step toward the restoration of a parliamentary government.

We hear stories every day about people being brutalized in courts, and in prisons. Civil liberties are dead. Normality and freedom and liberty and order and security are only words which the colonels use from time to time—they have no real meaning to the people.

I realize that sending an American ambassador to Greece does not necessarily mean that this country approves of the present government. But most certainly if we do not send an ambassador—if the United States would postpone action on confirmation of Ambassador Tasca for some of the reasons I have outlined, it would certainly be construed as an expression of our disapproval of the junta regime.

I suggest confirmation be delayed. It is time to stop showing cordiality and friendship for the colonels, to stop exchanging visits and honors with them, and to start openly showing some sympathy for the people who are striving to restore the democratic freedoms that we hold so dear in our own country.

The U.S. Senate should not at this juncture in history be in the process of confirming a U.S. ambassador to Greece.

Mr. GOODELL. Mr. President, will the Senator from Utah yield?

Mr. MOSS. I am happy to yield to the Senator from New York.

Mr. GOODELL. I want to express my gratification for the very fine statement the Senator has made.

We are in essential agreement. I think the only area where we may differ is on the question of sending an ambassador.

I agree with the Senator's comment that the next 3 months will be critical in Greece, that unless steps are taken to ease the repression there and move toward democracy, Greece may well enter into a blood bath and revolution, one that will be difficult to control, because revolutions never can be controlled.

I think it is imperative, under those circumstances, that we have an ambassador there at the highest level putting the pressure on the Greek junta, talking to the top leaders in Greece, expressing our concern.

I would emphasize that although the Council of Europe has expelled Greece, as the Senator has indicated, the European nations who are members of the Council of Europe have ambassadors to Greece in Athens and they are there, as I hope our Ambassador will be there, to express the deep concern of the peoples they represent over what is happening in Greece.

The record should be made clear, although the Senator and I differ on the timing of this approval, that I certainly, and I think the Senate, in approving the nomination—if that does occur—are not in any way indicating to the Greek junta our approval of their policies.

As a matter of fact, it is precisely the opposite.

I think that our Ambassador should now go there to indicate our disapproval at the highest levels.

The Senator, who has just spoken so eloquently, thinks that we should not send an ambassador because that would be a means to indicate our disapproval.

Thus, our only difference is in the way we express our disapproval of the Greek junta.

I thank the Senator from Utah for yielding to me.

Mr. MOSS. I thank the Senator from New York. He and I are in agreement that U.S. disapproval of the junta should be demonstrated. Our only difference is whether the signal has been adequately given by a rather temporary delay or whether it should be delayed further.

I am perfectly willing to acknowledge that such a signal has been given so that the people of Europe, and the Greek people themselves, understand that there is no degree of approval but, as a matter of fact, high disapproval of the regime of the junta over there, and that now we are sending our representative there to have a spokesman on hand to deal directly with the junta.

As I say, this may possibly be so, but I have felt that it is so close, still, to the action taken by the Council of Europe, that perhaps our disapproval should be underlined even more clearly.

One thing that disturbed me a bit in talking with Mr. Mitsotakis, and with others, is that there is a feeling among some of the Greeks that the United States has some sympathy for the junta; that, in fact, it has been said—rumors spread so easily—that the junta would not stay in power at all were not the Pentagon in league with it.

We know that that is not true, but I am wondering whether we should not send the signal in more clearly than we have, that it is not true that we support the junta in any way.

But in either event, I think having this colloquy on the floor and this expression made in the U.S. Senate is helpful indeed to try to get word to the Greek people that we have great affection and sympathy for the Greek people; we would like to see them have control of their own destiny and have democracy reestablished in their country; and we are hopeful that in some way we can help them back to controlling their own destiny democratically, without having a terrible blood bath, which may be imminent.

Mr. GOODELL. Mr. President, will the Senator yield further?

Mr. MOSS. I yield.

Mr. GOODELL. I think the Senator will agree with me that, in any event, Mr. Tasca should understand that the U.S. Senate wants him to go to Greece as an ambassador—if his nomination is approved—to express, in the strongest terms, our disapproval of the suppression and brutality occurring in Greece under the junta.

I think we can agree that whether the decision to send an ambassador to Greece was wise or not will be judged by the action taken by Mr. Tasca as Ambassador in Athens. If he goes over there and makes our voice stronger and clearer to the junta, then it will have been a valuable contribution in sending the U.S. Ambassador to Greece now.

I think the Senator and I would agree that, assuming the Ambassador goes, that is what we want him to do, and we hope the State Department and the President give him that kind of instruction.

Mr. MOSS. I heartily concur with the Senator and thank him for that expression.

I rather expect that the confirmation of Mr. Tasca will be confirmed. I hope there is not the least shadow of reflection of his ability or integrity coming from my remarks, because I think he is a fine, able man; but I concur with the Senator that, if he goes there, he should go there with a message, as strongly expressed as can be expressed, that we do not sympathize with the actions of the Greek junta; we sympathize with the Greek people and we want freedom and civil rights reestablished in Greece at the earliest possible time and without a blood bath.

Mr. GOODELL. If the Senator will yield, that point, I think, was made unmistakably clear the day the U.S. Senate reversed the decision on military aid to Greece; we immediately thereafter, and unanimously, passed a provision that decried what was going on in Greece and urged the Greek Government to move back to democracy. That was a unanimous action.

Mr. MOSS. Mr. President, I yield the floor.

Mr. BAYH. Mr. President, I listened with a great deal of interest to my colleagues from Utah and New York, and I find myself in complete agreement with their general thoughts. I see, once again, however, that it is possible for reasonable men to pursue the same goal by different means. I find, on weighing all of the facts, that my colleague from Utah, has made an equally persuasive case.

At this time, I, personally, am opposed to Senate consideration of the nomination of Henry J. Tasca as U.S. Ambassador to Greece. But I am inclined to lay aside my personal inclinations in the interest of Senate procedure.

I do not question the qualifications of Ambassador Tasca. It has been pointed out that he has served with distinction as Ambassador to Morocco and has proved his abilities as a diplomat during a long foreign service career. I oppose consideration of his nomination at this time for the same reasons I opposed the amendment of my distinguished colleague, the Senator from Connecticut (Mr. DODD), striking section 508A from the foreign aid authorization bill, as a demonstration to the Greek Government, the Greek people, and the world, that the Congress of the United States does not approve of the practices of the current military regime in the cradle of democracy.

This regime's policy of torture and denial of constitutional rights has been a matter of deep concern to me, not only as a U.S. Senator, but as a citizen of the United States. In a country where we take for granted those rights, it is difficult for us to imagine a normal political life without them. Yet the Greek people are now suffering from the deliberate denial of basic human and political rights.

I would remind the Senate once again, of the action taken November 18 by the European Commission of Human Rights, when it delivered a scathing report to the Council of Europe detailing its findings that the regime in Greece has allowed torture to be used against its political opponents "as an administrative practice" and that the regime has failed to prove its claim that the suspension of civil liberties had been justified by an internal emergency.

As has also been pointed out, on December 12 Greece withdrew from the Council of Europe but only when it became clear that she would be suspended until democracy and human rights were restored to the Greek people.

As I pointed out a moment or two ago, the only means available to the Senate to express its disapproval is to lay this nomination over for a short period of time. Then when we come back early in January, we could quickly confirm the nomination of this man, who is fully capable of pursuing the course the Senator from New York has suggested he should pursue and that, hopefully, he will. If he was not so inclined, I think, after reading the debate and being informed, he certainly will be. I appreciate, however, the unusual nature of this procedure and so I shall not press the matter.

Mr. President, would it be in order to address a parliamentary inquiry at this time?

The PRESIDING OFFICER. It is in order.

Mr. BAYH. As part of the advice and consent authority that is set forth in the Constitution, is it possible, in confirming the nomination of an ambassador, for the Senate to fix a time certain on which the confirmation of the nomination would take place?

The PRESIDING OFFICER. The Chair would be of the opinion that that would not be within the province of the Senate. The Senate has the duty at this time of passing on the confirmation, yes or no.

Mr. BAYH. May I address a further parliamentary inquiry?

The PRESIDING OFFICER. A parliamentary inquiry is in order.

Mr. BAYH. Is it possible for the Senate to fix any condition, such as a time at which the Ambassador would present his credentials? In other words, would it be possible for us to advise and consent with the stipulation that the credentials would not be presented before January 15, for example, as a display of our displeasure with the Greek regime?

The PRESIDING OFFICER. The Chair is advised that that would not be in order. The Senate has the right to confirm or reject. If it wishes to postpone consideration, it has that authority; but as long as it acts on a confirmation affirmatively, then it is within the province of the State Department to give the nominee his assignment.

Mr. BAYH. I appreciate the Chair's clarifying this point.

I realize that it would be possible for the Senate to move to defer consideration. After listening to the discussion between the Senator from New York and the Senator from Utah, though, the Senator from Indiana is inclined to follow the course of action expressed by the Senator from New York. I do not want it to appear that the Senate is refusing to cooperate with President Nixon in the formulation of his traditional foreign policy prerogatives. I wish it were possible for us to cooperate with the President and still indicate our displeasure with the Greek regime. It is not possible according to the Chair's ruling.

Mr. PELL. Mr. President, it is tragic that on the same day that Greece was forced out of the Council of Europe for its repressive policies and its practice of torture, the Senate voted to continue the authorization of military assistance to that unhappy country.

It was argued here on the Senate floor that we should not interfere in the domestic affairs of a friendly nation—and the definition of not interfering is that we should continue the authorizing of many millions of dollars of military support and weapons for that country.

My definition of not interfering is "doing nothing." But, I guess what we have now is the new Alice in Wonderland look—not to interfere means to have a massive aid program—to interfere is not to have such a massive aid program. Be that as it may, the net result of the actions of the Council of Europe and of our Senate is that the Greek people now realize that the Greek regime is abhorrent to the Western European democracies, but the object of acceptance and support by our own Nation.

From reactions I have already received, I understand that the United States is now, more than ever, identified by the Greek people as a supporter and an advocate of the junta. One immediate result of this action is the statement by Col. George Papadopoulos, the present Greek chief of government, to the effect that no elections will be held in the foreseeable future.

What a slap in the face to the United States is this announcement coming as it does, immediately after our action in the Senate that specifically authorized the continuation of military assistance, by knocking out my provision specifically denying continuation of such assistance in the committee bill. Now let it not be thought that we are turning the other cheek when, in a very few moments, we confirm the nomination of Henry Tasca as our Ambassador to Greece.

I am confident he will make a fine ambassador, but he certainly will have a difficult mission.

The Pentagon approves of the Greek Government as an efficient government and one which provides agreeable ports of call for our military forces. The executive branch of our Government has never vigorously expressed itself; as a whole it really has a "no policy" policy. Our Senate is divided as shown by the 45-to-38 vote last week. And our people as a whole have a justified revulsion to the Greek regime.

In voting for the nomination of Henry Tasca, I wish him luck in an exceedingly difficult position. May he have success in relaying the abhorrence of the American people for the practices of the recalcitrant Greek regime and in nudging it back onto the path of civilization, democracy, and freedom. And may he particularly succeed in reducing or—and this would be truly wonderful—in eliminating the use of torture by the junta as a matter of administrative practice.

Finally, in voting for the confirmation of Henry Tasca's nomination, I am following what I have always believed is the correct policy when it comes to having diplomatic relations with a foreign government: The more abhorent the regime, the more we dislike the regime, the more we disapprove of the regime, the more important it is to have top level representation at that regime's capital.

If we want to tangibly express our disapproval, let us not do so just in word, but let us off our aid, because by doing that, we hurt that regime; but by not having top level representation, we are simply cutting off our nose to spite our face, and I do not think this serves our national interest.

I ask unanimous consent to have printed in the RECORD the news story from Athens, headlined, "Greece's Premier Bars Early Vote: Defies Europeans," written by Alvin Shuster and published in the New York Times of December 16, 1969.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Dec. 16, 1969]

GREECE'S PREMIER BARS EARLY VOTE; DEFIES EUROPEANS; HE BRUSHES ASIDE COUNCIL'S CONCERN—SAYS REGIME WILL RULE INDEFINITELY

(By Alvin Shuster)

ATHENS, December 15.—Premier George Papadopoulos tonight ruled out any possibility of early elections in Greece and insisted that the aims of the army-backed Government must be met first.

In an unyielding speech, which made no mention of any new liberalizing measures, the 51-year-old Premier said that the Government would continue indefinitely to exercise all executive and legislative powers of the country. He said this was because "the people will it, because it is in their interest and because it is history's command."

Brushing aside the concern in the Council of Europe about the failure to announce an election date, Mr. Papadopoulos said: "This is a matter that concerns only us because it concerns our life and the life of our nation."

HE WARNS ALLIES

He warned Greece's Western allies to beware of the threat of democracy in their own nations. He said that Greece withdrew from the Council of Europe last Friday rather than be suspended because she could not take orders on how to run her affairs. Greece has become accustomed to bitterness from her allies, he added.

Mr. Papadopoulos, who led the army coup d'état on April 21, 1967, spoke to the nation on radio and television from the chamber once used by Greece's Parliament. It was an emotional address, delivered in high-pitched tones before an audience of about 500, including Aristotle S. Onassis, the multimillionaire shipowner.

The Premier insisted that Greece now had a form of government that "in substance insures total freedom to the individual, except those working against public order and security." The people gave a mandate to the Government by their approval in September, 1968, of a new Constitution he said.

PREMIER LISTS GOALS

Most of the provisions of the Constitution dealing with civil and personal liberties remain suspended under existing martial law. The Government is now preparing a series of special laws aimed at eventual implementation of the constitutional provisions.

In discussing national elections, Mr. Papadopoulos said the Government would give one year's notice before elections were held to enable new political parties to be formed. He said that national elections would follow local elections, but he offered no timetable for local elections either.

As necessary requirements for elections, the Premier listed a series of goals. Among them was the reorganization of Government machinery, the "cleansing of social institutions" and improvements in the economic, social and political areas.

"Unless these are achieved and the country becomes healthy and capable of accepting the constitutional reforms, we shall not proceed to elections," Mr. Papadopoulos said.

HE TERMS REGIME A SAVIOR

Throughout the speech, Mr. Papadopoulos likened Greece to a ship whose "crew had become cowardly in a storm" and had turned to the armed forces for help. His Government merely wants to lead Greece to a safe harbor, he said.

"Yet some of our friends are treating us like pirates rather than saviors of a ship, either because they want to impose their will or out of solidarity with the old deposed crew," he said. "But the Greek people have always shouted 'hands off us' whenever foreign powers try to impose their will."

The Premier urged Greeks to buy fewer foreign goods in favor of more Greek products "as a sign of faith in your country." He also said that businessmen should be content to hold their prices.

"Public order and security," he said, "shall be preserved at the present level."

Mr. CHURCH. Mr. President, I commend the distinguished Senator from Rhode Island for his remarks. He has expressed my views so much better than I could express them that I simply associate myself with the address he has just made.

Mr. McGOVERN. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending question, in executive session, is whether the Senate shall advise and consent to the nomination of Henry J. Tasca as Ambassador Extraordinary and Plenipotentiary of the United States to Greece.

Mr. McGOVERN. Mr. President, I quite agree with the statement of the Senator from Rhode Island (Mr. PELL) with reference to the qualifications of the nominee, Mr. Tasca. I am sure that he is a man who will bring good qualifications to the appointment. But I should like the Senate to know that I was one of the Senators who joined with the Senator from Utah (Mr. MOSS), the Senator from North Dakota (Mr. BURDICK) and others in asking the leadership to hold up on this nomination for a period of time, not because I was interested in blocking the nomination, but simply to signify to the people of Greece and, indeed, to world public opinion, the concern that many of us have about the Greek military dictatorship that has, at least temporarily, destroyed democracy in Greece.

I think it is a great loss to the cause of freedom around the world that Greece, which has symbolized throughout history so much of the spirit of freedom and human dignity, has fallen under the control of the group of military dictators who brutally seized power some time ago.

I regret very much what I regard as a serious mistake by the Senate, a few days ago, in approving the amendment offered by the senior Senator from Connecticut (Mr. DODD) which in effect lends American approval to this undemocratic military regime in Athens, by extending American military aid. I do not know of anything that we could have done that would have been more unwise than using American military power and the moral endorsement behind that resolution to signify to the world that, somehow, we are interested in preserving this regime that is now in control in Athens.

I very frankly hope that regime will be swiftly replaced, that it will be a short-lived experience for the people of Greece, and that a more democratic system can be restored in that part of the world. It is the sheerest kind of hypocrisy for this great country of ours to talk about advancing the cause of freedom, and then use the tax funds of the people of this country to maintain in power the kind of undemocratic, unfree, and unrepresentative regime that now holds the people of Greece in its grip.

I very earnestly hope that this Ambassador whose nomination we are about to confirm will use whatever influence he has to keep our Government fully informed on the realities of what is taking place in Greek politics today, so that we will not make the kind of tragic errors in the future that we made on this floor a few days ago when we called for the extension of American military support to that kind of a government. What we did is a defeat for freedom; and I vote for this ambassadorial nomination only on the grounds that I hope that by maintaining diplomatic relations we will come to a better understanding of the tragic forces that are now in play in what was once a free nation.

Mr. PELL. Mr. President, will the Senator yield for a question?

Mr. McGOVERN. I yield.

Mr. PELL. Was the Senator as struck as I was, in the course of that short debate, by the weird argument I have just cited, wherein one of our colleagues said we ought to be very reluctant to appear to be dictating to or meddling in the internal affairs of other governments of the world? Apparently his definition of not interfering or meddling is that we should continue this huge military assistance program to Greece.

However, if we stop this military assistance, then we are meddling and interfering. What can we do to let the American people know that we are interfering by sending military assistance?

This is the point that the press and the country has lost sight of, that we have a new Alice in Wonderland definition of interfere. And under this new definition, to interfere is not to send massive support but to let a nation alone, and not to interfere is to send massive support.

Mr. McGOVERN. Mr. President, I could not agree with the Senator more.

It is an indication of how far we have come in assuming that military aid to right-wing governments represents an investment in freedom. It does not represent an investment in freedom. It represents a setback for it.

It does not represent an investment in the cause of self-determination.

The same logic that the Senator has brought out here so well is one of the things that has concerned me for many years about our involvement in Southeast Asia.

We talk about our interference there as advancing the cause of self-determination. The truth of the matter is that the presence of American military might in such overwhelming force in Vietnam is the very factor that is preventing the process of self-determination from asserting itself. It is preventing the local indigenous political force from asserting itself in South Vietnam.

And that is true with reference to the point the Senator makes in Greece. I commend him for making what seems to me to be a valuable contribution to our understanding.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield.

Mr. CHURCH. Mr. President, does not the Senator feel that our policy toward Greece is a rather frightening example of how close we are coming to the use of "doublethink" as described in Orwell's "1984." The language we use to label our policies is the very opposite of their reality. This is true of Greece and, as the Senator points out, the same tendency is to be found in our semantic treatment of our massive intervention in Vietnam.

More and more, we use words that are, in fact, the opposite of reality. And this was the very phenomenon forecast by Orwell in projecting the kind of totalitarian state he anticipated would overtake us by 1984.

Sometimes I think we are halfway there, and moving ever more rapidly in that direction.

Mr. McGOVERN. I think the Senator's point is well taken with reference to double thinking.

We have seen the same kind of phenomena with reference to our domestic situation here in terms of national priorities.

The Senator from Rhode Island and the Senator from Idaho know that we have just come from a discussion as to what should be the proper response to the President's statement that he is going to veto the appropriation bill on health, education, and welfare on the ground that it is inflationary.

Congress, as I understand it, has increased by $1.5 billion the amount of appropriations for these various programs that relate to the health, education, and welfare of the American people. And that is said to be inflationary. Yet, when we come to the military sector of the budget, the Congress of the United States has reduced the amount requested by the President by more than $5 billion.

Presumably, that is an anti-inflationary effort on the part of Congress. We have reduced and taken out of circulation some $5 billion that would otherwise have been spent for military purposes. Yet, we are accused of adding to the inflationary pressures in the country because we have added a modest amount to the programs designed to improve the health, education, and welfare of the American people.

This relates directly again to the point that the Senator from Rhode Island and the Senator from Idaho have been making, that we have come to the viewpoint where we think a military investment of any kind, if it is an investment in a military dictatorship that suppresses the freedom of its own people, represents an investment in the cause of freedom and that money spent to improve the quality of our own people is dangerous and inflationary. That is double thinking.

Mr. CHURCH. I concur wholeheartedly.

Mr. PELL. Mr. President, is it not the responsibility of a free press to express clearly what the thought is? And when we use "Alice in Wonderland" looking glass talk, it seems to me that there is an obligation to tell the taxpayers exactly what is meant so that when someone says, "We shall not interfere or meddle in the affairs of another nation," the story should say, "By not interfering is meant sending massive military assistance to that nation."

I think the people as a whole, if they knew the Alice in Wonderland chatter that we sometimes engage in, would laugh at us. And that would bring us back to using the words we should use.

Mr. McGOVERN. Mr. President, that would show that foreign aid is getting "curiouser and curiouser every day."

Mr. PELL. Mr. President, I would make that point that we in public office are opinion formers and that those who interpret our words have a responsibility to clarify some of the doubletalk.

THREATENED VETO OF AN APPROPRIATION BILL

Mr. HARRIS. Mr. President, as in legislative session, I would like to say a few words about the President's threat to veto the HEW appropriation bill and also to veto the tax reform bill.

Mr. DOLE. Mr. President, a parliamentary inquiry.

Mr. HARRIS. Mr. President, I believe I have the floor. I did not yield it for that purpose. If the Senator wants me to yield for a question, I will be glad to do so.

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Kansas for the purpose of making a parliamentary inquiry?

Mr. DOLE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOLE. Mr. President, do I understand that we are in executive session?

The PRESIDING OFFICER. We are in executive session. A Senator can speak as in legislative session on request.

Mr. DOLE. Mr. President, may I inquire as to the pending business?

The PRESIDING OFFICER. The pending business is the confirmation of the nomination of Mr. Henry J. Tasca to be Ambassador Extraordinary and Plenipotentiary to Greece.

Mr. HARRIS. Mr. President, the consumer price index for November was just announced. It showed the steepest jump in consumer prices since last June.

The actual increase was 0.5 percent. The seasonally adjusted annual rate for November was 7.2 percent.

Mr. President, the steepest increase was in food. The food increase was 0.7 percent, with particularly high increases in the consumer price index for vegetables, eggs, clothing, homeownership costs, and services.

Also, the wholesale price index has just been announced. And it shows that in the wholesale price index we have just seen the biggest jump in 6 months.

It includes a 3-percent increase in food costs. Eggs, for example, went up 23 percent. Turkeys, just in time for Christmas, went up 6.7 percent. Vegetables went up 34 percent on the wholesale price index.

There is no question that inflation is a tremendous worry for this country. It is one thing which should concern every one of us. However, I do not think that the President of the United States has properly placed the issue before the people of the United States.

The Congress of the United States has been fiscally responsible. It has lowered the total appropriations on all appropriation bills which have been sent to it by more than $5 billion less than the President's budget. More importantly, this Congress has decided to begin to get the priorities of this country straight by reducing by more than $5 billion the amount of money the President asked for military appropriations, and it decided that it wanted to do more for the people of this country in health and education by raising that appropriation by approximately $1.5 billion.

I say that if the President of the United States wants to veto that bill, then Congress ought to override his veto, either now or when we return after the first of the year.

I am proud that the conference committee on the tax bill, according to this morning's report, has that bill about in balance in revenue raised and revenue spent with the bill which came to us from the House of Representatives and to the Senate floor from the Finance Committee, of which I am a member.

I am proud, too, that the conference committee on the tax bill has decided to raise the personal exemption and has decided to raise social security by 15 percent.

In his recent press conference, the President said that if those two items were in the bill, he would veto it. I say it should be sent to him. If he does veto it, that veto should be overriden by Congress.

Mr. President, I hope the President will use the influence of his office, as he has not done up to this moment, in wage and price decisions. I hope he will at long last use the influence of his office to bring down these scandalously high interest rates.

We will have a conference report before us today, handled by the distinguished Senator from Wisconsin (Mr. PROXMIRE), which will provide the President additional power to hold down interest rates—powers similar to those which were given to the President during the Korean war. The President of the United States, unfortunately, has opposed those additional powers for himself. I hope that once we give him those powers, as I think we will do today, he will use them to bring interest rates down—interest rates which have risen to the highest level in 100 years and which themselves are the greatest fuel for the fires of inflation that presently exist.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. HARRIS. I yield.

Mr. DOLE. First, I commend the Senator for recognizing that we do have inflation. We have had it, as the Senator knows, for several years.

Mr. HARRIS. May I say that I have spoken on this issue practically every day, and I am glad that the Senator from Kansas also is concerned about inflation. I do not recall how he voted on every amendment when the tax bill was before the Senate. Most of his colleagues rather overwhelmingly voted against additional tax reforms which would have increased the revenue raised by that bill and for most of the measures which lost revenue and were adopted.

But I am glad to say that it seems from this morning's press reports that the conference has gotten that bill back in about the same kind of revenue spent-revenue lost balance that existed when it came from the Finance Committee.

Mr. DOLE. Let me pursue my question. I recognize that the Senator from Oklahoma may be speaking now as a Senator and also as the chairman of the National Democratic Party. I conclude, therefore, there might be a bit of politics in the statement just made, but since——

Mr. HARRIS. May I say on that point that I would not think there is any more politics in inflation from our side of the aisle than perhaps from the other side of the aisle.

I think that the President has not been fair in what he said about the inflation which presently exists in this country and which he said he was going to do something about, but which to this moment is worse—steep climbs in the Consumer Price Index and the Wholesale Price Index just out, interest rates still up. Not enough being done by the President, that I can see, about those problems, except trying to shift the blame to Congress, which I think cannot be done under the facts, since total cumulative appropriation bills to this date, as has been pointed out on the floor earlier today, are more than $5 billion less than the President asked us to appropriate.

Mr. DOLE. My question, after that statement, is this: Assuming that the Senator recognizes there has been inflation not just since January 20, but for several years and that the President inherited a deficit of about $30 billion in the last couple of years of the Senator's administration, what does he suggest be done to halt inflation besides indicating the President has some omnipotent power with which he can stop inflation? What are the Senator's suggestions?

Mr. HARRIS. I will go back over it for the Senator from Kansas.

Mr. DOLE. I just asked for the Senator's views.

Mr. HARRIS. I will be glad to go back over it.

I invite the Senator's attention to every issue of the RECORD for the last 5 days. For example, the other day I put in the RECORD the reports concerning two members of the Federal Reserve Board which point up that the present policy of the Federal Reserve Board, which has been supported by this administration—the traditional tight money policy, which has raised interest rates to their highest level in a hundred years—is a ruinous policy and is likely to lead us into even more difficult economic times unless it is reversed.

The President of the United States, as so many noted economists have said in recent months, is the place where the public interest must be announced. Even Prof. Milton Friedman, a man who places in my judgment, too much emphasis on monetary policy, feels that this administration must loosen up this tight-money policy or it is going to lead us into much tougher economic times.

A conference report will come to the floor very soon today which will, over the objections of this administration, grant the administration additional power over interest rates. I hope the Senator from Kansas will support that bill and that, with those powers granted, the President will then begin at last to bring down the interest rates.

Furthermore, virtually so many economic experts in this country believe that the President long since helped to increase the inflationary spiral in this country and the inflationary pressures in this country by announcing, before his inauguration and after his election and inauguration, that he would, by and large, pursue a hands-off policy in wage and price decisions. It seems to me that that is a rather incredible position for a man to take who had suggested to the country that he was going to be an activist President. I think we need an activist in this field.

Mr. McGOVERN. Mr. President, will the Senator yield?

Mr. HARRIS. I yield to the Senator from South Dakota.

Mr. McGOVERN. I should like to make this observation. Some suggestion has been made about the Senator from Oklahoma raising this issue in the context of political overtone. The truth of the matter is that the President laid down this issue when he threw down the gauntlet and accused Congress of being indifferent to the problems of inflation.

The truth is that Congress has had one way of dealing with inflationary pressures, which is to reduce excessive military spending by more than $5 billion.

The President has suggested another way to deal with inflation, which is to deal with it by fighting it at the expense of the poor, by fighting it at the expense of education, by fighting it at the expense of health and the problems of the older people in this country.

That is what this issue is all about. It is a question of whether we are going to save $1.5 billion, as the President has suggested, by vetoing a bill that increases the amount he requested for such programs as hospital construction, mental health, combating air pollution, cancer research, heart research, elementary and secondary educational, and vocational education. All those items, which have been approved by Congress, add approximately $1.5 billion above what the President requested.

But I suggest to the Senator that every one of those investments, far from adding to inflation, actually will, in the long run, combat inflation.

For example, I think it was the Senator from Texas (Mr. YARBOROUGH) and the Senator from Washington (Mr. MAGNUSON) who pointed out, in the caucus that has just been held on the majority side of the aisle that one of the reasons why we have inflation in this country today is the swollen cost of medical care. One Senator told about his wife going into the Georgetown Hospital for a checkup for some 2½ days and getting a bill for $661. I understand the reason for that cost is that there is a shortage of hospital space, there is a shortage of doctors, nurses, research personnel, and medical personnel of all kinds.

By cutting back on the investment we are making in breaking that bottleneck of medical shortages, the President, in effect, is asking us to maintain that scarce availability of medical services that is responsible for the inflated costs. I think the investment we are making in medical research and hospital construction, the research to find an answer to some of the terrible diseases, such as cancer and heart disease, is an investment that will reduce the costs the American people are paying.

The same thing is true with respect to our investment in education. It is not inflationary but it will help our people become more productive, more creative, and less dependent on welfare in the long run. I think people of this country should understand very clearly what is at stake.

It is not a question of who is for inflation or who is against inflation. The question is, What is the best way to combat inflation?

I think Congress has taken proper action to scale the excessive and swollen military budget. We have increased the budget in those areas that improve the quality of life for the people of America. As far as I am concerned, I am willing to stand on that issue. I hope this message goes across to the country loud and clear.

Mr. HARRIS. I thank the Senator. I rose for the purpose of commenting on the consumer price index just announced this morning which showed the steepest jump since June. One of the items that showed the highest increase was the cost of services—health services, for example. As the distinguished Senator from South Dakota pointed out, Congress has decided it wants to change the priorities and to do more in the health-manpower field, as the bill would do, which the President threatens to veto.

But I wish to emphasize what the distinguished Senator has just pointed out. Even though we have increased appropriations in this field we have reduced other appropriations, such as more than a $5 billion reduction in the budget in military expenditures, and we have voted reductions of more than $5 billion in total appropriations below what the President asked us to spend.

Mr. McGOVERN. Mr. President, will the Senator yield on that point?

Mr. HARRIS. I yield.

Mr. McGOVERN. One Senator asked the staff of the Committee on Appropriations to figure out the total reduction in all appropriation bills, not just the military bill, but all appropriation bills. How much has the Senate reduced those total appropriation bills below the amount requested by the President? That figure is $5.79 billion. In other words, almost $5.8 billion represents the total reduction in all the appropriations below the President's request. This, it seems to me, is irrefutable proof that Congress has been responsible in facing up to the problems of inflation.

The only question is our judgment about where those cuts should have been made. Frankly, all that $5.7 billion represents cuts in military spending, as the Senator knows, but what is almost another $1 billion was cut from programs other than the Labor-HEW appropriation.

I believe the Senate demonstrated in its overwhelming vote we feel it cannot and should not be cut if we are going to meet our responsibility.

Mr. HARRIS. I agree with the Senator.

Mr. PELL. Mr. President, will the Senator yield?

Mr. HARRIS. I yield to the Senator from Rhode Island.

Mr. PELL. Would it not be correct to say that the rate of inflation in the past month—and inflation is a cruel tax on the unfortunate American people and taxpayers—has been pretty close to twice the monthly average of the 8 years prior to this year.

Mr. HARRIS. The Senator is correct. Prior to the announcement this morning, the preceding Consumer Price Index announcement showed the consumer price index on meat, fish, and poultry, for example, went up in the first 8 months of this year almost as much as in those entire preceding 8 years combined. Now, we have just seen an announcement this morning which shows the latest Consumer Price Index had the steepest climb since June.

Mr. PELL. I thank the Senator for his reply. It is a telling and a very simple statistic. During the last 8 months it has been greater than it has been in any similar period in the previous 8 years.

Mr. HARRIS. Almost as much.

Mr. PELL. Almost.

I wish to make another point. I wonder if the Senator agrees that in fiscal terms or in the financial world one often hears of a prudent man policy. When one is a trustee, the prudent policy is to invest in those forms of economic activity which will have capital growth, as well as immediate return. What we are talking about here is capital investment concerned with human beings as in education and health, which increases production and longevity.

Those are true capital investments, which have more long term returns in capital growth than investments in hardware of one sort or another. An excellent example is the money spent on the GI bill after World War II, which has already produced more in tax revenue alone because of the increased earnings of those persons who were benefited by the program. I submit a query to the Senator. Is it not the prudent policy to invest in human resources as opposed to hardware?

Mr. HARRIS. I think the Senator put the question very well. Further, the fact that the cost of living has continued to rise is very much bound up with the need for a 15-percent increase in social security. The fact that prices have continued to rise is very much bound up with the need for an increase in the personal exemption. The cost of living has gone up two and a half times since the original $600 exemption was written into the law, and yet the President said he would veto a bill which included both an increase in the personal exemption and a 15-percent increase in the social security. I say let him do so. He said he was going to veto a bill which increases health and education services, antipollution programs, and other social expenditures by about $1.5 billion, but nevertheless is a part of total fiscal action by Congress which reduces the overall total budget by more than $5 billion. I say let him do so. That is an issue which can be joined.

If he does veto those two bills in preference to what we have done—reducing, for example, military expenditures by more than $5 billion, resetting and reorienting the priorities of this country, speaking out for the aged, speaking out for the schoolchildren, speaking out for those involved in health and social security, speaking out against pollution of human environment, and speaking out for the working men and women of this country who need that increase in the personal exemption, I say let him do so, and the Congress should override those vetoes now, or after we come back after the first of the year, and join those issues because I think they are good ones to be joined.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. HARRIS. I yield to the distinguished Senator from Kansas.

Mr. DOLE. Mr. President, I can make a political speech on my own time but do point out the President is making an effort to erase the mistakes of the past 8 years and two previous administrations. It takes some time. The Senator from Oklahoma would like to have seen more done this year, but it may take 11 or 12 months, or perhaps 18 months, 24 months, or 3 years, to undo some of the damage done in 8 years.

Mr. HARRIS. If I may interrupt the distinguished Senator, the Senator keeps saying, "Give us some time; give us some time." I say, "For heavens sake, one-fourth of the term to which this President was elected has now expired, 1 full year."

The other day I had printed in the CONGRESSIONAL RECORD—and I now invite the attention of the Senators to it—a detailed report of the optimistic statements we have had from time to time by Dr. Arthur Burns, Secretary David Kennedy, and other spokesmen for this administration.

It reminds me of saying, "prosperity is just around the corner," when they have been saying, "interest rates are about to go down, that is just around the corner; prices are about to go down, that is just around the corner."

I listed these administration predictions in the CONGRESSIONAL RECORD from an article written by Clayton Fritchey, and I invite the Senator's attention to that listing.

At some point in time, the people of this country are entitled to action from the Chief Executive, and that is what I was calling attention to this morning, as I rose to comment on the Consumer Price Index, just announced, which, rather than showing prices stabilizing, as the administration has continually for the past 6 months predicted, shows, once again, that the Consumer Price Index has gone up—has made its steepest jump since June.

It is time for action. It is not time for raising phony issues, for passing the buck to Congress.

President Harry S. Truman, one of the great Presidents of this country, who grew up and now lives near the home State of the distinguished Senator from Kanass, and mine, had a sign on his desk—as the Senator so well knows—"The buck stops here."

I think that the American people are saying that now to the President of the United States.

Mr. DOLE. Mr. President, will the Senator from Oklahoma yield briefly?

Mr. HARRIS. I yield.

Mr. DOLE. My only point is, let us forget about the partisan overtones and recognize that we have a shared responsibility—the Congress and the executive branch—to do something about inflation, and to recognize it. Everyone in the Senate recognizes or should recognize the problem we have.

It is fine to say that inflation has worsened more in the past 11 months than in the previous 8 years, but that is not accurate nor does it solve the problem.

It is fine to say that there should be an increase in social security. We all want that.

It is fine to say that there should be an increase in personal exemptions—we all desire that.

The point is that, even more important to our senior citizens and all other Americans, regardless of ideology, is to stop inflation because the sacrifices they are making through the inflation route will be more severe than any I know of.

Accordingly, I would only call upon the Senator from Oklahoma to recognize that we cannot have both increased spending and lower taxes.

I certainly commend President Nixon for having courage. He has the hard choice to make. The buck does stop at his desk, as the Senator pointed out.

But when the Senator rises on the floor of the Senate to denounce the President, when he rises on the floor of the Senate to make all sorts of comments and decisions, he does not have to bite the bullet. He does not have to make the tough decision regarding a possible veto.

Thus, I would say again that there should be a recognition by all in the Senate that to compare inflation to last week, last month, last year or 5 years ago is meaningless unless we do something about it. Let us not fault the President because he has the courage to veto a measure in an effort to halt the inflationary spiral. Let us not fault the President for recognizing and standing up to inflation. The Senator from Oklahoma knows that inflation will have greater impact on those living on fixed incomes, especially our senior citizens, than what we may or may not do with reference to any one bill or program.

I say again it is one thing to rise on the floor of the Senate and make a political speech by denouncing the President—whichever administration it may be—but it is quite another to share the responsibility.

I believe that we all have a part of that responsibility as Members of this body.

Mr. HARRIS. Mr. President, the Senator from Kansas is very defensive, and rightly so, it seems to me, about what has been said here about the economy.

I rose simply to call attention to the Consumer Price Index which was announced today, and to indicate my concern about continued inflation despite the regular and optimistic reports and predictions from this administration that we read.

So, I simply would say that each of us in this body has a responsibility in that regard. I think we are exercising it very well with the kind of priorities that Congress has set. I had simply said that. The Senator rose and asked me to say what I thought should be done, and I said what I thought should be done by the Chief Executive in response to the Senator's question.

I say again that if the President makes the choice to go against the old people who need that 15-percent increase in social security, against the workingman who needs that increase in the personal exemption because of increased inflation, to go against the Congress in the way it has reordered priorities by reducing military expenditures by more than $5 billion and increasing expenditures in such vital areas as health, education, antipollution, and so forth, by $1 billion and a half, but still leaving a budget with a net decrease of more than $5 billion below what the President asked—if he decides to make that choice, that is his choice and the issue is joined.

Mr. TYDINGS. Mr. President, will the Senator from Oklahoma yield?

Mr. HARRIS. I yield.

Mr. TYDINGS. Would the Senator not agree that the President and the Vice President made great use of the communications media, particularly television, for the purpose of demonstrating their faith and interest in the so-called silent majority? They have utilized the finest techniques of Madison Avenue to get their so-called message across, that they are interested in the typical American family.

I ask the Senator from Oklahoma whether, when the issue comes to the dollars and cents of tax reform and tax relief to the average American family as opposed to the special interests, when it comes to the issue of some small increase in domestic spending which affects the average American family, whether the President and the Vice President are not talking, on the one hand, out of one side of their mouths to incur favor, yet, out of the other side, when we get down to tax reform and tax relief and the actual fight against inflation, they are pulling the rug out from under the average American family and turning their backs on them?

They come up and defend on the floor of the Senate the so-called tax reform proposal which elicits 25 percent of a dollar tax relief to those with $20,000 income and above, and then they turn around and fight on the floor of the Senate an increase in the exemption from $600 to $800 which would help every middle-income family in the United States.

They say on the one hand that they will veto a $1 billion-plus increase in the HEW budget because it is inflationary, and yet they give no credit whatsoever to the Senate which has reduced $5 billion from the President's request in defense appropriations.

I ask the Senator from Oklahoma how can they justify to the American people such completely opposite statements on one side and an action on the other?

Mr. HARRIS. I do not think it can be justified. I think the Senator has stated that rather well. I do not believe there would be any major tax reform, nor would there be the kind of overdue tax reduction which has overburdened the lower- and middle-income taxpayers, except that Democrats stood together and demanded there not be an extension of the surtax unless there was also tax reform and tax reduction.

I believe that those are issues which are critical issues for the people of this country, as are the issues of increased social security, the human environment, health, and education, for example.

Mr. TYDINGS. I ask the Senator from Oklahoma, would not the Senator agree with me that so far as coming to grips with the problem of inflation in this country is concerned, we have really nothing but lipservice from the administration, as well as the failure of the administration to exercise leadership either with big business or with big labor in a manner which his three predecessors, Presidents Eisenhower, Kennedy, and Johnson did, the sole reliance being the raising of high interest rates with Fed? Would the Senator not agree that this puts all the burden, or nearly a majority of the burden of trying to curb inflation on the homebuilding industry in the United States and, really, rather than curbing inflation is increasing inflation, and the longer the administration fails to take leadership in this area, the worse the inflation is going to become?

Mr. HARRIS. The Senator is quite right. "Credit crunch" and "tight money" have become words as familiar to the U.S. public as the name of the Vice President. Economists as disparate as Walter Heller and Milton Friedman have warned that the extremely restrictive monetary policies of the Federal Reserve Board, which have reduced the growth of the money supply to zero, should be eased.

Friedman, a leading Nixon economic adviser, is especially pessimistic:

> We are heading for a recession at least as sharp as that in 1960–61. There is more than a 90% chance of that. There is a 40% chance of a really severe recession, such as occurred in 1957–58, when unemployment reached 8%.

The potential home buyer feels the credit crunch when he tries to finance a loan, with mortgage interest rates running about 15 percent higher this year—a high interest rate which the average homeowner will carry until he completes his payments 20 or 30 years from now. And the U.S. Government now finds itself as much a victim of tight money as the buyer of a $25,000 home. This year Congress set a legal allowance of $2 billion for uncontrollable, built-in increases in expenses. Increased interest cost on the public debt alone has mounted by $1.5 billion—using up 75 percent of the limit Congress set. These increased costs will ultimately be borne, of course, by the average U.S. taxpayer. Further, the President himself has pointed out that the Government faces additional costs because of "a potential shortfall in the sale of Government financial assets, due to the persistence of high interest rates."

Despite the administration's stringent monetary control, big banks have found ways to circumvent the restrictions to meet the demands of large corporations which were willing to pay exorbitant interest rates and priced the small borrower, the small businessman, local, State, and even the Federal Government, out of the marketplace.

I wholeheartedly support the action of the House of Representatives in passing interest and credit controls devised by Chairman WRIGHT PATMAN and his Banking and Currency Committee. These Democratic initiatives will help lower interest rates, fight inflation, assist the housing industry and small business, and help provide more jobs. The conference report on the bill will give the President power to authorize controls over extensions of consumer and business credit during times of inflation—controls necessary to relieve the current cruel interest rates. The President has not yet used the full influence of his office in moderating price and wage spirals and has, curiously enough, opposed this bill which will give him greater power to deal with high interest rates. I hope that he will decide to use these legal measures when they are passed by the full Congress.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. HARRIS. I yield.

Mr. DOLE. In these discussions we tend to forget the item of the Vietnam war, which was left on the doorstep of the present President of the United States on January 20, 1969. That has had some impact and it, too, is a household word. This. I might add, is another way President Nixon is exercising his "veto." He is trying to end the war in Vietnam. Under his leadership, we may get that done. When it is done, there may be additional money for the projects the Senator has mentioned and perhaps there will not be further discussion about who is responsible for inflation.

We can select what is favored by one Senator, or one issue, but let us take a look at the No. 1 issue, which is the war in Vietnam. Senators on both sides of the aisle will agree that, by and large, President Nixon has dealt with it very successfully—not always with the cooperation of Senators on both sides of the aisle, I might add—but he has dealt with it successfully thus far.

If we were all to use the same zeal and cooperation, with the support of the American people, on the war on inflation as we have on the war in Vietnam, we might bring it to an end.

It is disturbing and discouraging to this Senator that some conveniently forget the war in Vietnam when talking about inflation and costs. So do not forget the war in Vietnam President Nixon inherited on January 20, 1969.

Mr. HARRIS. Mr. President, I note that the Senator has apparently given up trying to argue about inflation and interest rates and has decided instead to talk about some other subject.

Mr. PELL. I wonder if the Senator would give any thought to really moving from talk to wage and price controls, which none of us want to see, but which may be necessary for the protection of the victims of inflation and might seem to be the solution.

The PRESIDING OFFICER. Does the Senator from Rhode Island wish to seek the floor?

Mr. PELL. I beg the Chair's pardon. Mr. President——

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Would the Senator from Kansas have any reaction to the thought of having wage and price controls as being a means of moving from talk and from various ideas into something that would really stop inflation, which is, as has been pointed out, the cruelest tax that faces our American people?

Mr. DOLE. I think that is something to consider. It is a little alien to those on this side of the aisle. We do not like Federal controls, but I say, in all sincerity, it may come to that.

HENRY J. TASCA

Mr. DOLE. Mr. President, I ask for the yeas and nays on the confirmation of the nomination.

The PRESIDING OFFICER. The yeas and nays have been requested on the confirmation of the nomination of Henry J. Tasca to be Ambassador to Greece.

Mr. PELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The clerk will call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded, so that I may proceed.

Mr. PELL. I withdraw my request.

The PRESIDING OFFICER. Without objection, it is so ordered.

H.R. 11959, VETERANS EDUCATIONAL NEEDS

Mr. CRANSTON. Mr. President, I ask unanimous consent that I may proceed for more than 10 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I would like to speak on a matter directly analogous to the matter that we have just heard discussed on the Senate floor, the threatened cuts in the HEW budget. We face a similar slash in education and health benefits for the men who have fought for our country in Vietnam and elsewhere and are not now being given the level of education and health care that they desperately need. To deprive them of this for the same reason—because we have to make sacrifices to combat inflation—and specifically to ask men who have fought in Vietnam to now make another sacrifice at home in the war against inflation I believe to be heartless, unjust, and unacceptable.

I would like to speak briefly on the exact situation that our country and these veterans are presently facing.

Specifically, I am reporting to my colleagues in relation to H.R. 11959, the House bill covering veterans' educational needs, which was passed by the Senate on October 23 with an extensive substitute amendment.

After the passage of the substitute by the Senate 7 weeks ago, the House yesterday repassed the bill, substituting provisions of House-passed bills for the Senate substitute. It rejected virtually all significant parts of the Senate's special educational package for high school dropout veterans and only slightly increased its 27 percent GI bill rate increase up to 30 percent.

The House also failed to retain Senate retroactivity of rate increases. The House was offered no alternative to this watered-down package.

The chairman of the Senate Committee on Labor and Public Welfare, the distinguished Senator from Texas (Mr. YARBOROUGH), and I yesterday asked the Senate to disagree to the House amendment and appoint conferees. This was done. Then, at once, I went off the floor and called the chairman of the House committee, requesting a conference on Friday or Saturday. The Senate conferees were ready to meet day and night, if necessary, to reach agreement on this vital legislation before our Christmas recess.

But, to my regret, the chairman of the House Veterans' Committee said that the House Members could not meet in a conference now; that we would have to wait until after Congress reconvened on January 19.

Unfortunately, this delay will affect hundreds of thousands of deserving Vietnam veterans, war orphans, and widows trying to pursue GI bill education and training with a grossly outmoded rate structure.

The Senate does not want to accept for them, and I am convinced that they themselves do not want to accept, a poor substitute package which fails to restore comparability to Korean GI bill rates which were available to veterans of that war, and which fails to provide retroactive increases back to the first of the school year, and which fails to propose any substantive programs to attract and assist dropout veterans—almost 25 percent of all separatees—to take advantage of GI benefits.

It is basically the President of the United States, not the House of Representatives or the members of its Veterans' Committee, that is responsible for this delay.

I categorically reject the President's expressed view that the Senate rate increase should be denied because of the war on inflation. The hint of a veto, if we passed a measure restoring aid to the Korean level, like the direct threat of a veto of the analogous HEW appropriation bill made by the President last night, apparently influenced the House's action. I understand the concern of House Members. A veto would mean another, even longer delay, in giving to Vietnam veterans the aid they need to get back to school. However, the President's approach, in effect, asks for double sacrifices from men who have fought our battles abroad.

First they made the sacrifice of fighting in Vietnam. Now that they have come back home, they are asked to make another sacrifice to help stem inflation that comes directly out of that war itself.

I do not believe Congress wants these men sacrificed on the altar of the administration's policies to combat inflation caused directly by the war these men were fighting. That makes sense to none of us.

Finally, let me make abundantly clear that GI bill education costs, like Veterans' Administration hospital and medical care costs, must be counted completely as a cost of waging war.

I do not hear anyone say, "Deny our servicemen the bullets and mortars and armaments they need to wage the war." Yet the administration is willing to pursue policies which discriminate against Vietnam veterans and deprive them of our paying the cost of the war that relates to their educational needs.

Why should we do less? I ask the Senate, why should we do less for Vietnam veterans than we did for Korean veterans? Are we discriminating, for some reason? Because this is an undeclared war? What reason has been advanced? I have heard none. The 46-percent increase the Senate bill provides in GI benefits would mean only that we would provide for Vietnam veterans the exact level of educational aid that we gave to Korean veterans.

Hearings which the Veterans' Affairs Subcommittee is presently holding indicate that not only Vietnam veterans, but all veterans—veterans of World War I, World War II, and the Korean war—are being shortchanged at present on first-rate medical and hospital care in veterans hospitals. This is totally intolerable. It cannot be countenanced.

Chairman TEAGUE in the House of Representatives has waged a superb battle in an effort to close this medical care gap. He has established how great the gap is in many respects.

In our hearings we are now finding some new evidence of incredibly bad situations developing in terms of the medical care we are not providing to men who were badly wounded in Vietnam, or men who were wounded in any of the wars our Nation has fought.

We join with Chairman TEAGUE in this effort. We pledge ourselves to see to it that the Senate is fully informed early next session of exactly what our committee has found, and exactly what VA medical and hospital needs are, after we have established those needs.

Finally, to refer back to the situation relating to GI educational benefits, we conferees on the Senate side are gravely disappointed that our attempts to secure a conference have failed. We look forward to a conference at the earliest possible date selected by the House conferees in charge, and we will then report back to the Senate what can be done to meet the great education and training needs of our Vietnam veterans.

AMBASSADOR

Mr. FULBRIGHT. Mr. President, I was going to speak on the Tasca nomination. Did the Senator from New York intend to address himself to that subject?

I understood we were ready to vote on the matter, and I was going to say a few words. I understand the yeas and nays are ordered.

Mr. JAVITS. May I say to the Senator from Arkansas that my problem is that I have another executive meeting at 2. But I will sit down and wait until he finishes.

Mr. FULBRIGHT. Mr. President, I dislike to inconvenience the Senator, but I was told this was the proper order.

Mr. JAVITS. Mr. President, I ask unanimous consent that upon the completion of the remarks of the Senator from Arkansas, I may proceed for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Arkansas is recognized.

Mr. FULBRIGHT. Mr. President, the pending business, as I understand it, is the nomination of Mr. Henry Tasca as Ambassador to Greece.

The PRESIDING OFFICER. That is correct.

Mr. FULBRIGHT. I should like to say a word or two by way of background.

Mr. Tasca has been a distinguished representative of the Foreign Service. His nomination was held up in the committee for some time, and I was responsible for holding it up. There were at least two distinct reasons for that.

One was that I thoroughly disapprove of the cruelty and ruthlessness of the military regime in Greece. I think that the treatment the Greek regime gives to so many of the enlightened citizens of that country is intolerable. I did not wish to be a party to an action which might seem to approve of such a regime by quickly and readily approving this appointment.

That was only part of the reason. The other side of the coin was that, at the same time the administration had nominated an ambassador, and a distinguished man, to Greece, it had refused, according to the newspapers, or declined—I do not know exactly what the correct word would be—to name an ambassador to Sweden. The press reports indicated that this was because of administration disapproval of Swedish policy, particularly with respect to its attitude toward our policy in Vietnam.

Furthermore, and as a related matter, not too long ago the Cranston resolution was considered and agreed to by the Senate. I supported it. That Senate resolution stated a very wise rule; namely, that approval or disapproval of a regime is not indicated by recognition. This resolution was in general terms and certainly was not directed at Greece alone and, in any case, the question of recognition is not technically involved in the appointment of ambassadors either to Greece or Sweden. I make this statement however, because someone has said that holding up the nomination of Mr. Tasca for these few weeks is a violation of the spirit, at least, of the Cranston resolution. I do not think it was. It was not a question, there, of recognition. Also, the delay involved a combination of our Government's refusal to name an Ambassador to Sweden and the rather rapid way in which the administration had designated a new ambassador to Greece.

In any case, after some time, administration spokesmen assured me that they would proceed to nominate and name an ambassador to Sweden. I said with that assurance, I was perfectly willing to proceed. This was never a matter of personality or any criticism of Mr. Tasca himself; it involved our overall policy—and I have no objection to approving the nomination of Mr. Tasca.

But I want to reiterate that I do not approve of the Greek regime. It is not just because of my sympathy and concern for the Greek people, although that is an important reason. I think it is a great tragedy for that country, which in a sense is the birthplace and originator of the whole concept of democracy. We owe more, I expect, to Greece than to any other single country for the basic ideas under which our country has been developed, and particularly our political institutions. In addition, the Greeks are a small and very brave people, and I have great sympathy when I see the tragedy of their being mistreated by their own Government.

In addition, I am very much concerned about an attitude that seems to be growing in this country. Even though it is the Americans, my own constituents, and my own Government, that concern me more than anyone else or anyone else's government, nevertheless it makes me very uncomfortable and unhappy to see how callous our Government seems to have become about military dictatorships which mistreat their own people, and destroy even the basic human qualities of respect for the individual and respect for the dignity of the individual human being. When they engage in torture, as has been reported so often and so freely to be the case in Greece, and especially torture of the leading intellectual people of their country—their great musicians and their great writers are picked out and especially subjected to the most degrading kind of treatment—I hate to see our country become so callous that, for some ulterior political purpose—in this case, it is said, because Greece is an anchor to NATO—we overlook all these things and give them special treatment and active assistance.

I do not advocate that we go in and try to change their regime. That is up to the Greek people. We have had enough of physical intervention, as demonstrated in Vietnam and the Dominican Republic. But we should not give active support, such as we are giving to the Greek colonels. This I object to. It shows, in my view, a lack of appreciation for simple basic human rights and human dignity; and it is disgraceful, in my view, for this country, which professes all this concern for individuals and for human dignity, to engage in it.

This type of thing, it seems to me, cannot help but lead to increasing cynicism on the part of our young people, as well as those of our older people who are at all interested in humanity, because we profess one thing and do another. It is the type of hypocrisy which I think is very damaging to our reputation in the minds of thinking people.

So I regret that our country seems to be put in such a position. I think we should not give this assistance, and very substantial military assistance, to a regime which mistreats its own citizens. I think it is a reflection on our own sense of discrimination and our own principles with regard to human dignity. Therefore, although I strongly deplore what we are doing in supporting Greece with military aid, I shall now support the nomination because I do not regard sending an ambassador, and do not believe it should be regarded, as approval in the least of the regime, and because it is in accord with what I think was the sentiment of the Cranston resolution, which this body approved, not quite unanimously but overwhelmingly.

The political representation of this country is not to be taken as a sign of approval of the policies of the military regime. The sending of an ambassador is simply an essential instrument of international relations—essential to the conduct of our international relations. It should not be interpreted as supporting the regime.

I do not approve of the regime and hope that it will change. Only recently it found itself compelled to resign from the Council of Europe because it was about to be excluded because its policies were rejected by other members of the Council of Europe.

I believe that the Europeans have as much, if not more, interest in NATO than we do. Why sometimes we value the importance of matter to NATO more than they do in Europe is beyond my comprehension.

Mr. President, with these remarks I am ready to vote for the confirmation of the nomination. I want to make it clear that I do not approve of this regime. I also want to make it clear that we ought to send an ambassador to Sweden, a country which is one of the most humane and civilized countries in the world.

I have no criticism of Sweden and its actions with regard to this or any other matter. Sweden is a very advanced country. But they disagree with our policy in Vietnam. And we have therefore failed to name an ambassador to Sweden.

I hope that our Government will promptly name an ambassador to Sweden.

Mr. AIKEN. Mr. President, I feel that the United States has been severely handicapped by not having an ambassador in Athens.

With the loss of our naval bases in North Africa, there are only a few rather tenuous harbors left for our fleet in the Mediterranean. The Russian naval strength in the Mediterranean is now said to be about equal to our own.

One of the places where our Navy is still welcomed, entertained, or able to find a harbor is Greece. I do not believe that confirming the nomination of an ambassador to Greece will in any way obligate us to approve or disapprove the kind of government the Greeks have there.

I feel there are those who do not feel kindly toward approving an ambassador to Greece who would feel very much worse if our fleet were to leave the Mediterranean.

An exchange of ambassadors with another country does not mean that we approve of their form of government.

I call attention to Senate Resolution 205 which was enacted by the Senate not long ago. The resolution was introduced by the junior Senator from California (Mr. CRANSTON). I cosponsored the resolution with him.

The resolution reads:

> It is the sense of the Senate that when the United States recognizes a foreign government and exchanges diplomatic representatives with it, this does not of itself imply that the United States approves of the form of ideology or policy of that foreign government.

If the Senate takes the position that it should confirm the nomination of Mr. Tasca to be Ambassador to Greece, it would not mean that we approve of the present form of the Greek Government.

I have no excuse for our failure to send an ambassador to Sweden. There should be one there, and I am advised a selection has already been made.

So I hope we confirm Mr. Tasca's nomination. There is no question of his ability. That point has not been raised at any time during our discussions.

The question was whether we would, in effect, be approving the Greek Government by appointing an ambassador to that country.

We are the ones who are paying the price by not having an ambassador there.

Mr. DODD. Mr. President, I support the nomination of the Honorable Henry J. Tasca as Ambassador of the United States to Greece.

Ambassador Tasca is a career Foreign Service officer with more than two decades of experience in Europe, North Africa, and the Far East.

He is also an economist of note, who has at different times served as U.S. Treasury representative in Rome, as alternate U.S. Executive Director of Monetary Fund, as Deputy Director of the Marshall plan, and as AID Director in Italy.

He also ranks as one of our top experts on NATO affairs, having served as deputy to Ambassador Harriman on the NATO Council from 1958 to 1961.

In his most recent assignment, as U.S. Ambassador to Morocco, he conducted himself, according to all reports, with exceptional distinction.

If there is opposition to Ambassador Tasca, it cannot possibly be on the grounds of qualifications, because the Senate has rarely been called upon to approve a nominee more qualified in terms of both general background and specific exprience in the area to which he is being assigned.

The opposition is based, rather, on the belief that no American Ambassador should be accredited to Athens so long as Greece does not enjoy constitutional government.

It is for this reason that the American ambassadorship in Athens has remained vacant for more than a year now. And it is for this reason that the Senate Foreign Relations Committee took 4 months to act on the nomination of Ambassador Tasca.

Mr. President, I believe that we have been playing a dangerous and strange game with the American ambassadorship to Greece.

Although most of those who oppose the nomination are among the first to protest against any suggestion of intervention in the affairs of other nations, the fact is that our failure to appoint a new American Ambassador to Greece for almost 1 year now does constitute a kind of intervention in the internal affairs of Greece.

I do not say this by way of approving the present military government in Greece. I remind the Senate that only last Friday, when we were discussing military aid to Greece, I introduced a resolution which was unanimously approved, saying that it was the sense of the Senate that the United States should use its influence to bring about the earliest possible return to constitutional rule in Greece.

When we deliberately abstain from appointing an ambassador, however, we are not merely intervening in the affairs of Greece, but to compound the damage, we are depriving ourselves of those normal diplomatic contacts which could and should be used to convey our thoughts and suggestions to our Greek allies.

And to make matters worse, we are undercutting the NATO alliance, because without access to Greek harbors and airfields and anchorages, the position of NATO in the eastern Mediterranean would be critical indeed.

I consider our failure to dispatch an ambassador to Greece strange because it seems to involve a double standard which is applied to the prejudice of our allies and to the advantage of our enemies.

When Moscow invaded Czechoslovakia, with the support of several of its Warsaw Pact quislings, in August of last year, I know of no one among those who today oppose the appointment of an American ambassador to Athens who demanded that we refuse to accredit an American ambassador to Moscow until the Red army vacated Czechoslovakia and restored the Dubcek government.

Mr. President, I earnestly hope that the Senate of the United States will put an end to this dangerous and hypocritical and self-defeating game.

In the present critical situation in the affairs of Greece and of NATO and of the Mideast, it is imperative that America be represented in Athens by an ambassador of qualified background.

Ambassador Tasca has this background.

His nomination should be approved.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Mr. Henry J. Tasca to be Ambassador and Plenipotentiary to Greece. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Georgia (Mr. RUSSELL), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Maryland (Mr. TYDINGS), are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from New Jersey (Mr. CASE), the Senators from Illinois (Mr. PERCY and Mr. SMITH), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Kentucky (Mr. COOPER) is absent because of illness in his family.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Tennessee (Mr. BAKER) and the Senator from Nebraska (Mr. HRUSKA) are detained on official business.

If present and voting, the Senator from Nebraska (Mr. HRUSKA), the Senators from Illinois (Mr. PERCY), and (Mr. SMITH), and the Senator from Texas (Mr. TOWER) would each vote "yea."

The result was announced—yeas 79, nays 4, as follows:

[No. 266 Ex.]

YEAS—79

Aiken
Allen
Allott
Bayh
Bellmon
Bennett
Bible
Boggs
Brooke
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Church
Cook
Cotton
Cranston
Curtis
Dodd
Dole
Dominick
Ellender
Ervin
Fannin
Fong
Fulbright
Goldwater
Goodell
Gore
Gravel
Griffin
Gurney
Hansen
Harris
Hart
Hartke
Hatfield
Holland
Hughes
Jackson
Javits
Jordan, N.C.
Jordan, Idaho
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
Metcalf
Miller
Mondale
Montoya
Murphy
Muskie
Packwood
Pastore
Pearson
Pell
Prouty
Proxmire
Randolph
Ribicoff
Saxbe
Schweiker
Scott
Smith, Maine
Sparkman
Spong
Stennis
Stevens
Talmadge
Thurmond
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.

NAYS—4

McCarthy
Moss
Nelson
Young, Ohio

NOT VOTING—17

Anderson
Baker
Case
Cooper
Eagleton
Eastland
Hollings
Hruska
Inouye
McIntyre
Mundt
Percy
Russell
Smith, Ill.
Symington
Tower
Tydings

So the nomination was confirmed.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nomination.

The PRESIDING OFFICER (Mr. COOK in the chair). Without objection, it is so ordered.

Mr. HARTKE. Mr. President, on the occasion of the Senate's confirmation of Mr. Henry J. Tasca as U.S. Ambassador to Greece, I want to express my deep concern about the continuing deterioration of the political situation in Greece. It is a situation which, if it continues to worsen, could well lead to a new Vietnam—this time in Europe.

I want also to express my dismay at the fact that the present administration is following the same set of policies established by the previous administration that must inevitably lead to disaster, not only for Greece but for long-range American interests in that vital part of the world. The net result of these policies has been that the majority of the Greek and European peoples generally believe that the United States is responsible for bringing the military junta to power in the first place and maintaining it in power since April 21, 1967.

As early as August 10, 1966, 8 months before the colonels destroyed Greek democracy in its own ancient birthplace, I had occasion to refer to the impending disaster in an interview with the political editor of the Athens Daily Post, Mr. Elias P. Demetracopoulos. "If we want," I said, "to avoid more Vietnam and Dominican Republic interventions in other crucial parts of the world, both the White House and Capitol Hill should thoroughly investigate these grave charges voiced in Greece against the United States."

The following year it was my unhappy distinction to be the first Member of this body to visit Athens after the colonels came to power. I had lengthy talks then with their leaders. The impression I gained from those conversations has only been reinforced by events in the interim. And that is why last Friday I voted against granting U.S. military assistance to the present regime. How tragic it is that a majority of the Senate determined otherwise on the very day that member nations of the Council of Europe took the unprecedented action of forcing Greece to resign from the council because of the regime's violation of the human rights of the Greek people and its torturing of political opponents. I might add that the Council took this step in the face of intense lobbying by American spokesmen arguing against it.

Thus the Greek issue has now become a European issue. The action of our allies last week constitutes a sharp diplomatic slap against our policies in that area. We had better heed the warning before it is too late.

The Truman Doctrine of 1947 saved Greece from becoming a satellite of the Soviet Union. The Greek people have been deeply grateful to us for this, but their gratitude is turning now to resentment and worse because of our support of the dictatorship. If we fail to join our European allies in their efforts to restore democracy to Greece, we may soon be faced with developments too terrible to contemplate. And we may end up by having to bury, with our own hands, that Truman doctrine which is so proud a milestone in our postwar resistance to tyranny.

Mr. President, these pressing issues have been dealt with in characteristically cogent fashion by Mr. Clayton Fritchey in an article appearing in today's Washington Evening Star. I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHY DOES U.S. BACK GREEK REGIME?

(By Clayton Fritchey)

After the military dictatorship that runs Greece hurriedly quit the Council of Europe to avoid being kicked out for violating democratic freedoms, the country's former finance minister, Constantine Mitsotakis, now an opposition leader, said, "The next step is up to the United States." It is indeed but when that step is taken it is not going to please Mitsotakis and his fellow exiles.

While the hopes of the democratic exiles have been raised by the council's indictment of the military junta, these oppositionists know that it is not enough in itself to topple the regime or even generate serious reforms, unless the United States also applies pressure on the generals, for the junta can afford a European boycott as long as it can count on the support of the American government.

Instead of joining in the isolation of the junta, however, the Nixon administration is about to resume full military aid for the regime, and it is also about to send a new U.S. ambassador to Athens as further recognition of the dictatorship.

The Senate Foreign Relations Committee has been doing what it can to delay both actions to indicate its disapproval of the Athens government, but that strategy is about exhausted. Sen. Claiborne Pell, D-R.I., got the committee to amend the foreign aid bill to forbid all arms for Greece, but, with administration blessing, the amendment was defeated a few days ago by the full Senate. The committee has also been holding up the confirmation of Henry Tasca as the new ambassador to Athens, but he will soon be on his way nevertheless.

All this, of course, is going to be dismaying to the democratic exiles. Also, it explains why our European allies are so skeptical about our objectives in Vietnam, especially the Nixon-Johnson protestations that the United States has to fight in Vietnam because it is dedicated to upholding the principle of self-determination.

Even that leading hawk and veteran anti-Communist, Sen. Karl Mundt, R-S.D., finds this line too much to swallow. After hearing Defense Secretary Melvin Laird and Secretary of State William Rogers (in secret session) emphasize "self-determination" as the No. 1 U.S. objective in the war, Mundt felt compelled to say, "I do not think there is self-determination in Greece . . . I do not think they have self-determination in Portugal . . ."

Mundt could have cited 50 other countries where, unlike South Vietnam, the United States has been unmoved by the suppression of self-determination and democracy. In fact, in many instances, such as Taiwan and Thailand, the United States is actively helping the very governments which abolished self-determination.

Mundt thought the administration would be on better ground if it substituted resistance to aggressive communism as its prime objective. But that, too, is subject to glaring inconsistencies. Why, for example, could the United States tolerate a Communist takeover in North Vietnam, but not in South Vietnam? Why is communism acceptable only 90 miles away in Cuba, but not acceptable 10,000 miles away in one small corner of Asia?

The conclusion that our European friends draw from this is that neither our dedication to self-determination nor Communist containment is absolute. When it suits our interest to back democracy or fight communism we sometimes do so. Otherwise, we look the other way, as in Czechoslovakia and Hungary, or Brazil and Argentina.

In the case of Greece, however, the Europeans think we could do much to restore self-determination at no cost and little or no risk. The administration's answer is that it must help the junta because the Greek arm is supposed to be the southern anchor of the North Atlantic Treaty Organization. Our allies point out that NATO is designed to protect Europe, and if the Europeans are not worried about the alleged southern anchor why should the United States be so fearfull?

After all, the United States has been exclusively equipping the Greek army for over 20 years, and so far it has used the arms only to subdue the Greek people. If the security of Western Europe depends on this Fascist force, Europe is in a bad way.

LEGISLATIVE SESSION

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Leonard, one of his secretaries, and he announced that the President has approved and signed the following acts and joint resolution:

On December 15, 1969:

S. 564. An Act for the relief of Mrs. Irene G. Queja; and

S. 2019. An Act for the relief of Dug Foo Wong.

On December 16, 1969:

S.J. Res. 143. Joint Resolution extending the duration of copyright protection in certain cases.

On December 18, 1969:

S. 118. An Act to grant the consent of the Congress to the Tahoe regional planning compact, to authorize the Secretary of the Interior and others to cooperate with the planning agency thereby created, and for other purposes.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed the bill (H.R. 14944) to authorize an adequate force for the protection of the Executive Mansion and foreign embassies, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled joint resolution (S.J. Res. 54) consenting to an extension and renewal of the interstate compact to conserve oil and gas, and it was signed by the Acting President pro tempore.

HOUSE BILL REFERRED

The bill (H.R. 14944) to authorize an adequate force for the protection of the Executive Mansion and foreign embassies, and for other purposes, was read twice by its title and referred to the Committee on Public Works.

PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. BYRD of West Virginia. Mr. President, notwithstanding the fact that the morning hour has expired, I ask unanimous consent that there now be a period for the transaction of routine morning business, with statements limited to 3 minutes, making an exception in the case of the Senator from New York.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order, the Senator from New York is recognized.

FIGHTING INFLATION: RECESSION OR STABILITY?

Mr. JAVITS. Mr. President, I rise to voice my serious concern over what appears to be a basic change in the administration's policy for fighting inflation, a change that is relevant to the current debate over whether we are already in—or the 50–50 chance that we will soon be in—a serious recession.

The basic change in policy to which I refer is the abandonment by our monetary authorities of the strategy of orderly monetary restraint which was considered so important by the administration last spring. This strategy was intact last spring, but during the summer and fall we have seen it give way to a system of monetary repression. It is now bringing about a state of affairs causing alarm among prominent economists and which, if allowed to persist, would accelerate the danger of serious recession without bringing a halt to the steep rise in prices.

Since the administration is responsible for this change, it can also be responsible for not allowing it to persist and for reverting again to orderly monetary restraint.

I would also like at this time to outline the steps I think Congress should take to mitigate the suffering which this change will necessarily bring about.

The present administration was brought to power, at least in part, as a result of widespread dissatisfaction among Americans over the "guns and butter" approach of the Johnson administration, a course which involved us heavily in an unpopular war in Southeast Asia and brought on crippling inflation at home. What was obviously needed on the economic front was strong leadership to bring the budget back into balance and to coordinate this fiscal policy with a system of orderly monetary restraint.

As far back as July 1968, presidential candidate Nixon had charged that the inflation has resulted "primarily from an expanding money supply," which in turn had been fed by the monetization of budget deficits. To correct this condition, Mr. Nixon said, required reversing the irresponsible fiscal policies which produced these deficits.

The President's message to the Congress, in March of this year, on combating inflation, correctly pointed out that "only a combined policy of a strong budget surplus and monetary restraint can now be effective in cooling inflation." This diagnosis echoed public statements of administration economic policymakers, all of whom emphasized the need to get monetary and fiscal policies back on to the proper course of restraint.

What was meant by "restraint" was spelled out by the Chairman of the Council of Economic Advisers last spring. Fiscal policy, he said, would be directed toward achieving a strong budget surplus in 1970. With regard to monetary policy, Dr. McCracken added:

> There is one element here that is very important—that monetary and credit policy remain on a course of relatively slow expansion.

These words were said in March of this year. On May 20, in testimony before the House Banking and Currency Committee, Dr. McCracken repeated this view when he characterized existing monetary policy as, "moving along a course permitting only a slow and cautious expansion of the money supply."

Looking back over the past 10 months, I believe that the administration has made commendable progress in bringing fiscal policy back on the right track, assuming the Congress does not jeopardize this progress by an improvident tax reform bill.

With regard to monetary policy, however, I fail to see the slow expansion of money and credit which Dr. McCracken thought was so very important. The growth of the money supply has been at an absolute standstill since late spring, causing alarm among prominent economists as to the effects of continuing this state of affairs any longer, and the total supply of commercial bank credit has remained virtually unchanged since last April. Is this the relatively slow expansion of money and credit which we were told in March was very important?

In fact, Mr. President, what we have at the moment is not monetary restraint—it is monetary repression—and I submit that the responsibility for this lies not only with the Fed, which formulates monetary policy, but also with the administration, which is on record as supporting it.

Some explanation for this fundamental change in policy can be found by examining policy statements of administration economic advisers over the course of the past several months. What emerges is the distinct impression that the makers of monetary policy have panicked, and have abandoned their previous approach of firm restraint. That approach was originally designed to slow down the economy—to head it back onto a noninflationary path.

The policy of firm restraint—in the words of Secretary Kennedy last February—was to last "until there are unmistakable signs" that we are headed back on this path. But the same Secretary Kennedy in October has been looking for different signs. According to Secretary Kennedy, the administration still wants the signs to be unmistakably clear, but this time he says the signs must also show "that the balance of risk has shifted from inflation to recession."

In other words, the administration and the Fed plan to slam on the brakes, and not to let off until there are unmistakable signs that the brakes may lock.

While the administration does not formulate monetary policy on a day-to-day basis, it does closely coordinate its long-range objectives with those of the Federal Reserve Board and, in the final analysis, bears primary responsibility for the state of the economy.

I urge the administration and the Federal Reserve Board at this time to heed the growing concern of economists and legislators including the Joint Economic Committee itself, and bring monetary policy on to the track of a slow but stable increase in the money supply.

At the same time, so that the administration can realize significant budget surpluses for the near future, I urge that Congress in the House-Senate conference on the tax reform bill reexamine the tax rate reductions in the reform bill now before us, including the very worrisome action which the Senate took in raising the personal exemption to $800. I do not put the self-financed social security increase in the same class; we should not expect the Social Security Trust Fund to finance the Government debt as it is presently doing.

Failure to act in both these policy areas and on both these levels of Government could quickly bring this country into the grim situation of continued price inflation coupled with a mild or not so mild recession.

In some sectors of the economy we have pretty grim conditions right now. If the housing industry, for example, reflected the state of the economy as a whole, we could say we were in the middle of a full-blown recession.

Also, Federal, State, and local government financing has been hard hit by soaring interest rates.

Prices of stocks are at a 3-year low.

We have viewed with alarm the ominous weakening of the employment market this year and November culminated a 4-month slide in industrial production this year.

I believe that two of the most important areas determining the Nation's economy are housing and unemployment.

HOUSING

For two decades the stated objective of Federal housing policy has been to provide every American with "a decent home and a suitable living environment." Only last year this objective was translated into a specific national housing goal of 26-million units in 10 years—or 2.6 million annually.

On the basis of present housing starts we will not even approach that goal. At the beginning of this year, housing production was at 1.9-million units. It now stands at 1.3 million, and by the end of this year it is said that we will be building houses at a rate of only 1 million units a year—well under half the production needed to meet the national goal.

Probably the single most important reason for this failure has been the pattern of rapidly escalating costs in the building industry, in excess of increases in the cost of living. Increases in the cost of money have been most dramatic. Interest rates have gone up so high that the housing industry is today on the verge of a major recession.

The tragic irony of the situation is to be found in the contradictions of Federal policy. In 1 year we enact bold new housing programs and establish national housing goals. Yet, in the next year, the administration supports changes in both tax legislation and monetary policy which could make it impossible to implement the national housing policy which has been authorized.

It would appear that periodic crises in housing are built into our economic system and the present structure of our financial institutions, and that housing will always bear the major burden of tight money.

But this need not be so. I believe that these institutional inadequacies can and must be corrected, so as to attract Government and institutional funds into the mortgage market, and to prevent disintermediation by the smaller investor out of that market. In a word, housing must be sheltered from the full impact of a high interest rate policy.

Among the reforms which I support are the following:

First. Requiring the Federal Reserve to deal in the open market in certain major Government mortgage securities, as a means of implementing monetary policy, and under conditions consistent with orderly markets for these securities. In hearings on this subject in the House Banking and Currency Committee this October, Federal Reserve Chairman Martin conceded that a requirement of this sort which was directed toward improving the market for housing issues along with sound monetary policy was not objectionable. I believe, therefore, that there is a difference between this proposal and any other approach which would merely amount to a "pipeline" from the housing industry to the Fed.

Second. I would urge placing similar requirements—with similar safeguards—on Government trust funds to invest certain percentages of their portfolios in residential mortgage paper.

Third. Two new types of mortgage paper were authorized by the 1968 and 1969 Housing Acts. The first is the federally guaranteed mortgage pool secured obligations authorized under section 804 of the Housing Act of 1968. The second is the "tandem" or "pass-through" approach authorized in the 1969 bill, which has just been sent to the White House, under which Ginny Mae-serviced mortgages can be discounted to Fanny Mae. I recommend full utilization of the mortgage pool authority, and of the tandem approach when enacted.

Fourth. I urge the Treasury Department to pay greater heed to our housing needs in its debt management policies.

I have mentioned the potential of Government trust funds. But I would also urge that the Treasury Department seriously consider raising the minimum denomination on short-term Treasury bills and notes to an amount far greater than the $1,000 minimum now on the market. In its search for lendable money, the Federal Government should compete with, but not be in a position to overwhelm, savings institutions which support the housing market. A raise in this minimum denomination—to $15,000 to $20,000—would discourage disintermediation from such institutions and bring more money into those financial intermediaries which can most actively support the housing market.

In addition to these recommendations, I support actions by both the Labor Department and the building trades unions toward reducing barriers to entry into the building trades. To the extent to which inflation in the housing industry has been caused by a tight labor market, a loosening of this market through reducing these barriers will help solve a social problem, as well as this economic one.

UNEMPLOYMENT

When employers eventually realize that they really cannot see the light at the end of the tunnel of tight money and monetary repression, they will adjust their sales forecasts—and their labor force—accordingly. The results will not be pleasant, for it will mean that no amount of retraining or computerized job banks will prevent a substantially higher rate of unemployment.

Mr. President, the unemployment figures this year should teach us that we cannot be complacent about our efforts to cope effectively with the problems of unutilized and underutilized workers. On a quarter-to-quarter basis, unemployment has been rising since the beginning of the year. In September, it jumped half a percentage point, to 4 percent. The recently published 3.4 percent rate for November has been generally interpreted as less important than other factors which show a weakening of the employment market. For example, unemployment rates for manufacturing and blue collar workers remain high. Most analysts agree that basic pressures in the economy point toward further rises in the unemployment rate.

The administration has assured us all along that its policies for cooling off inflation would not create an unacceptable rise in unemployment. Treasury Secretary Kennedy repeated this pledge shortly after the September unemployment figures were announced. However, the administration has heretofore failed to give us an idea of what constitutes an unacceptable rate. Furthermore, I see no planning on the part of the administration for measures to cope with the kind of unemployment which we are courting with the present state of monetary and fiscal policies.

There may have been a time when a 4½-, a 5- or even a 6-percent unemployment rate was a normal and acceptable thing. However, progress and the achievement of our goals have a way of turning around on us and becoming starting points for nobler attempts. Our consciences require us to keep setting our sights high.

For this reason, I believe that the rise in unemployment rates over the first three quarters of this year, coupled with the ominous signs which I see for this rate in the future are completely unacceptable.

While large-scale unemployment remains only a grim prospect, it is incumbent upon us to step up our thinking now on the extent to which manpower programs can be designed to ameliorate the hardships that unemployment promises.

The administration deserves commendation for recognizing, in its proposed manpower bill, which I introduced on August 12, the need for increasing our manpower effort in the event of an increase in national unemployment to 4½ percent or higher. Title V of that bill, provides an automatic appropriation of additional funds in an amount equal to 10 percent of the sums already appropriated for that year, in the event that the unemployment rates rises above 4½ percent.

The additional funds would be used in financing training and related activities for unemployed individuals, on the implicit theory that unemployment will provide the opportunity for many to participate in training and supportive programs. This is a valid concept.

But, I also believe we must explore the possibilities of expanded public employment. The administration has taken the position that it will not create new public sector jobs for the disadvantaged and unemployed, but that its new public services careers program—JOBS—will try to put the disadvantaged into jobs as they become open by resignation or normal expansion.

The Commission on Technology, Automation, and Economic Progress estimated in 1966 that 5.3 million new jobs could be created through public service employment. An OEO study recently suggested 4.3 million such jobs. And a 1969 study by the Upjohn Institute indicated that the mayors of the 130 largest cities alone could use another 280,000 persons on municipal payrolls immediately.

In citing these statistics, I am not referring to "make-work" jobs, but to positions that would provide communities with needed public services, while providing the opportunities to individuals. These statistics point out a need which is far greater than the administration is apparently prepared to admit.

I will soon introduce amendments to the manpower training bill to develop the public sector jobs concept so as to meet this need.

CONCLUSION

The fact that a speech about monetary and fiscal policy must necessarily encompass an examination of housing and unemployment suggests that further work needs to be done about refining the decisionmaking process in the Government. The Federal Reserve System controls monetary policy, but it is not charged with insuring the stability of the housing industry which it so greatly affects. The Treasury Department already has the authority to carry out some of my recommendations, but it is admittedly not the Treasury's job to define our national housing or manpower goals and capabilities.

Informed public opinion now demands a greater effort on the part of government to subject its decisions to the test of our social priorities. Nevertheless, there is no organized mechanism within the Congress or the executive for accomplishing this task.

This year I cosponsored a bill which would take a significant step in this direction, and on Tuesday I offered an amendment which would further refine its effect. These proposals would establish a Council of Social Advisers within the executive and an Office of Goals and Priorities Analysis within the Congress. Recommendations of these bodies would come under congressional and public scrutiny in open hearings. The debate over national priorities, now carried out in diverse and diffuse forums could, through such a proposal, find an efficient channel for constructive and informed action.

Our economy stands at a fork in the road. Faded maps and dark skies make the journey dangerous. One road leads to slow economic stabilization, the other to a turndown or even a recession. Neither road can guarantee safety from the risk of inflation. Whether we choose one road or the other we must not forget the reason we have set forth on the journey at all; that is, the relief of human suffering and the improvement of the human condition.

I hope the administration will give heed to these words and to these suggestions.

THE MYLAI MASSACRE

Mr. CHURCH. Mr. President, we have all been shocked at the unfolding news of the tragedy at Mylai.

Numerous newspapers in my State—both daily and weekly—have commented editorially. In sum, these editorials, I think, represent much of the reaction of my constituents to this tale of horror.

I ask unanimous consent to have printed in the Record the following editorials:

An editorial entitled "Not the Way To Fight a War," published in the Idaho Statesman of November 22, 1969.

An editorial entitled "The News About Mylai," published in the Idaho Statesman of December 4, 1969.

An editorial entitled "At Mylai, Punish the Truth," published in the Post-Register of Idaho Falls, Idaho.

An editorial entitled "Stream of Thought," published in the North Idaho Press, of Wallace, Idaho, November 28, 1969.

An editorial entitled "Possible Precedent at Mylai," published in the Lewiston Morning Tribune, and reprinted in the Idaho State Journal of December 8, 1969.

An editorial entitled "Taking the Nazi Route," published in the News-Tribune of Caldwell, Idaho, November 23, 1969.

An editorial entitled "In Spite of Atrocities," published in the Blackfoot News, Blackfoot, Idaho, December 3, 1969.

An editorial entitled "A Stench in Vietnam," published in the Idaho State Journal of November 26, 1969.

An editorial entitled "A New Burden in Vietnam," published in the Intermountain Observer, of Boise, Idaho, November 29, 1969.

An editorial entitled "'Irreversible' Withdrawal," published in the Rexburg Standard, Rexburg, Idaho, December 2, 1969.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Idaho Statesman (Boise), Nov. 22, 1969]

NOT THE WAY TO FIGHT A WAR

War is brutal, frustrating and maddening. So if a few U.S. soldiers massacre Vietnamese civilians in a village it can be put down as evidence of the horrors of war.

But it is shocking and depressing and a blow to the assumption that all righteousness is on the U.S. side in this struggle. Americans don't believe in fighting that way.

Now the other side—which has been guilty of numerous massacres—can say that the Americans do it, too.

There is a difference. When the other side kills innocent people, it is apparently a matter of deliberate policy, accepted in Hanoi.

The U.S. Army officially rejects the idea of cold blooded murder. Hence the charges against the eight Green Berets in the death of a South Vietnamese civilian, and now the charges against a lieutenant in My Lai killings.

It isn't surprising that there is shock and surprise in the U.S., or that there are voices in Congress asking for an investigation. It would be more shocking if Americans weren't concerned.

In the case of the Green Berets the murdered man was apparently an agent, a participant in the war. Accounts of the My Lai killings indicate that innocent civilians were massacred en masse, similar to the way the Communists massacred civilians at Hue.

The Communist propagandists will suggest that this is common U.S. practice, with official sanction—in the same style that some critics of anti-war protest here brand all protesters as traitors.

How sorry are Americans about this incident? The degree of sorrow would be a good measurement of our genuine concern about the fate of the people of Vietnam.

[From the Boise (Idaho) Statesman, Dec. 4, 1969]

THE NEWS ABOUT MYLAI

News reports on interviews with men who were at My Lai have become a matter of controversy. But the U.S. Court of Military Appeals declined to accept a request to ban them.

The question before the court was whether it felt the news reports would interfere with Lt. William Calley's right to a fair trial. It said that insuring a fair trial was the responsibility of the military judge.

Another matter is involved, of course. Some people don't believe the press should report the interviews because it is disagreeable to read or hear them. Still others find them agreeable, because they tend to reinforce an impression that U.S. involvement is wrong.

Gov. Ronald Reagan complained about the My Lai news stories on grounds that they might prejudice a trial. He didn't feel any constraint, however, about offering his own comments. He said if events happened as described then "I think anyone has to realistically accept that in war and in the heat of combat these things have happened as long as there have been wars."

He also said the U.S. was probably the only country to consistently look with abhorrence on such acts.

That is one way to look at it. But because such instances may occur in wars doesn't excuse them any more than it could excuse the North Vietnamese massacre of civilians at Hue. It is questionable whether the United States is the only nation that consistently abhors such acts, alhough it may be comforting to make such a self-righteous assumption.

It is difficult to separate feelings and attitudes about the war in Vietnam from My Lai. One good example is the South Vietnamese government which denied that there was any massacre at My Lai and then sent an investigating team to find out what happened.

Do we indeed sincerely abhor what we have been told happened at My Lai? Or do we abhor more than the deaths of the Vietnamese the fact that our assumption that Americans could never do such a thing is challenged?

Is publicity about My Lai resented because it might impair Lt. Calley's right to a fair trial, or because we don't like to hear about it?

There is another question. How can we, if we are not greatly disturbed by the deaths at My Lai, be sincere in our support of a war on behalf of the people of South Vietnam? We either care about those people and their fate or we do not.

My Lai in itself, if the charges are correct, does not prove U.S. policy in Vietnam is wrong. An entire nation can't be blamed for the actions of a few. But if many of us are not really disturbed about loss of life at My Lai it could help explain what we have been told happened there.

[From the Idaho Falls (Idaho) Post-Register]

AT MAILAI, PUNISH THE TRUTH

On December 19, 1675, a thousand armed men from four New England colonies carried out a search-and-destroy mission. Their target was the Rhode Island encampment of neutral Indians harboring refugees from the tribe of the warring Indian leader called King Philip.

The colonists had suffered much from the depredations of the savages and were not in a mood for temporizing or discriminating between friend and foe, combatant and noncombatant.

In what has gone down as "The Great Swamp Fight," they attacked the Indian village, set fire to 600 wigwams and caused, directly and indirectly, the deaths of some 300 old men, women and children while suffering only 60 deaths among their own force.

A respectable "kill ratio" even by today's standards.

In January, 1879, the long struggle to pacify a hostile continent, if not to win the hearts and minds of its aboriginal inhabitants, was virtually concluded at Fort Robinson, Nebr., with the massacre by the U.S. Cavalry of the remnant of rebellious Cheyennes, whose only crime was that they insisted on occupying ancestral lands coveted by the white man.

Between these two events lie 200 years of broken treaties, bloodshed and atrocities, on large scale and small, committed by both white men and red.

This is not to dredge up the old charge that "violence is as American as apple pie," which is no more nor less true than that compassion for the underdog is a traditional American characteristic.

It is to suggest, however, that in all times and in all wars certain circumstances and conditions have brought out the worst in the best of men.

As cruelty toward their enemies was the norm among the Indians, so is it among the Viet Cong and North Vietnamese and as so-called civilized Europeans often dealt back to the Indian measure for measure, so have a few American boys matched the savagery of the foe in Vietnam.

"The only good Indian is a dead Indian," said the Indian fighters, and meant it. A similar feeling seems to be in Vietnam that, "The only gook you can be sure isn't a Viet Cong is a dead gook." . . . but, again, among a few.

Women and children in Vietnam have lobbed grenades at Americans, planted booby traps, lured them into ambushes. In this war, the basic rule of survival has been to shoot first and ask questions afterward.

But never before in this war have American fighting men been accused of wantonly and coldbloodedly slaughtering women, children and even babies.

Americans have recoiled in horror and disbelief as details have unfolded in recent days. There is, to be sure, no incontrovertible proof that GIs deliberately gunned down civilians. Pictures of piled-up bodies do not show how or by whose hand they were killed.

But the charges are too grave and too horrible and corroboration is coming from too many sources to be swept aside.

The Army's investigation into the matter must be pushed until all the facts are known and published to the world, not because it matters what the world thinks of us, which it does, but because it matters more what we think of ourselves. By all means, the Senate should initiate its own investigation as several of its members have demanded.

The ugly truth of what can happen when civilized standards of behavior are put aside for one instant must be faced, lest in attempting to save a nation from communism we place ourselves in danger of losing something infinitely more valuable—our own decency, humanity and self-respect.

But, above all, let us keep it in perspective. A fraction of U.S. soldiery was involved. And let us keep in mind that every day—every day, we repeat—of the war, the Viet Cong have kidnaped and murdered village leaders and mere village members just because they have consorted with the South Vietnamese and their allies. It is so easy to conjure up comparisons with the Nurenburg trials for example, as some columnists have. There is no comparison with the Nuremberg trials and the long Nazi flight from reason. Atrocity was a policy with the Nazis, government-sanctioned and was widely known and accepted. It is decidedly never sanctioned by U.S. Policy. It was a strange abberation of a few in a strange war undoubtedly who had been repeatedly the target of Viet Cong men, women and even children.

[From the Wallace (Idaho) North Idaho Press, Nov. 28, 1969]

STREAM OF THOUGHT

(By R.J.B.)

It is true, of course, that the alleged massacre of South Vietnamese civilians by Army men is "abhorrent to the conscience of all the American people", as a spokesman for President Nixon said Wednesday.

But there are other aspects of the case that deserve more soul searching by the American people than this rather obvious comment.

One is the rather flagrant attempt to make it a political matter by declaring that the alleged incident occurred 10 months before the Nixon administration took over. The alleged massacre is not a political matter—if it were then perhaps the Army investigators should learn whether the officer charged in the affair, Lt. William L. Calley, Jr., is a Republican or a Democrat.

The issue is not one of politics, nor a question of whether the alleged massacre occurred under Democratic or Republican administrations. The issue is one of Army attitude toward situations of this kind in relation to the fact that the men who are fighting in Vietnam are civilians drafted for the job of fighting a war that has become perhaps the most unpopular conflict this nation has ever fought.

It is important that we keep in mind this is not a professional army that is doing the fighting—but young men taken from civilian life or studies and made to serve one year of their service life in Vietnam. After their "hitch" they return to civilian life or studies.

With that thought in mind, it is relevant to ask why, if this incident did occur, did it take letters from a discharged soldier to bring it to light? It is relevant to ask why the alleged incident did not reach the attention of the Secretary of Defense until April, this year although it occurred on March 16, 1968. It is relevant to ask whether it would have come to his attention at all, if Ronald L. Ridenhour, an ex-GI, had not sent copies of a 2000 word letter to 30 congressmen, government executives and Army officials last March relating details of the story. It is relevant to ask why, in view of these letters sent in March, the affair did not come to the attention of the Secretary of the Army until April.

It also is relevant to ask if other such incidents have occurred, as alleged, and if they will come to light only if ex-GI's make the facts known.

These questions are relevant because they concern Army policy—not Republican or Democratic politics—and because the Army is responsible for the minds, and consciences, and morals, as well as the physical lives, of the one and a quarter million young Americans—most of them draftees—who have fought in South Vietnam.

The presidential spokesman Wednesday said the incident should not be permitted to reflect on these young Americans.

Of course it doesn't. It reflects on Army officials who obviously, from the facts established, either condone, permit, overlook or encourage such incidents. If they didn't the investigation of an incident that allegedly occurred in March 1968, would have been completed before November, 1969. One is led to wonder whether there would have been an investigation at all, if it were not for Ridenhour's letter.

The incident does not reflect on the million and a quarter young Americans who have served in South Vietnam.

It does reflect on those civilians in this country who have written Ridenhour criticizing him for what he did. He is quoted as saying "People are saying, 'what's his angle? What prompted him to do this? Money' "

As Ridenhour said:

"It's not that I was so right, but that so many people were wrong."

This is the fact that should be abhorrent to the American conscience.

Is honesty, morality, conscience so suspect in this nation that a man must "have an angle" if he lives by these rules?

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[From the Lewiston (Idaho) Morning Tribune, Dec. 8, 1969]

POSSIBLE PRECEDENT AT MYLAI

Are we going to take every helicopter pilot and B52 pilot who makes a mistake and call him a murderer?—Sen. Ernest F. Hollings.

Senator Hollings was equating the possibility that children were murdered at point-blank range at My Lai with the inadvertent liquidation of innocents from 50,000 feet.

The children are dead either way, so maybe it makes no difference. But it does make a difference with the other victims of the war—the once civilized men who are brutalized by the experience of pulling the trigger.

Both the bombing deaths and the suspected My Lai murders are reprehensible, but for two very different reasons. The flaw in bombing villages you cannot see is that it is such an indiscriminate weapon. Even a man who wanted to avoid killing children could not. The My Lai incident, if it happened, involved weapons that permit the utmost discrimination. If the charges are true, men who could easily have avoided killing innocents did so anyway.

It is different in war to determine where conventional killing of the enemy leaves off and outright atrocity begins. That is even more true in a guerrilla war where it is often impossible to distinguish between combatants and noncombatants.

But lining up people and shooting them, whether they are enemy soldiers who could be captured instead, or civilians, as in the case of My Lai and Hue, is clearly an atrocity and a crime in war or peace.

The Hue massacre is somehow less shocking because it was committed by those on the other side, whom we are told, are capable of such acts. The My Lai case is another matter. Those being charged with the crime are our own countrymen, who are supposed to know better.

It might not be so surprising if one psychopath had cropped up among the thousands of officers in Vietnam and given such an order. What is difficult to accept is that anyone would follow such an order. Such questions were at the heart of the Nuremberg war trials.

There is, however, one faint silver lining to this tarnished cloud. Atrocities were an official government policy with the Nazis. Atrocities are against the policy of this government, and American soldiers are being brought to trial by the American government, charged in effect with war crimes.

[From the Caldwell (Idaho) News-Tribune, Nov. 27, 1969]

TAKING THE NAZI ROUTE

(By Pete Hackworth)

It is amazing to us that the American people are taking the Nazi Germany route while there live so many individuals who personally remember the road signs along that highway toward totalitarianism.

As President Nixon is fond of saying we want to make it clear that we are not saying the United States is in any imminent danger of falling under a dictatorship, or that our national character will be changed over night.

However, dictatorships and national character aren't sudden things. Sometimes they appear to be sudden, but they're not.

Many of us taking an attitude on the Agnew press attack and the Song My massacre that reflects the attitude of millions of Germans relative to Hitler (no comparison to Agnew—please) and his minions.

A great many intelligent and concerned U.S. citizens are saying of Agnew's official implied threat against the networks and disparagement of the printed media that he's right . . . the press (especially the biggies) should be put in its place, toned down, made to present a "balanced" news picture.

We submit that that is one of the road signs mentioned above.

On the subject of the Song My massacre, many concerned U.S. citizens are saying that the press should lay off, let the officials do the investigating, make the announcement. A great many are saying the press should flat out shut up—"this is WAR!" Still others are saying, "They were just following orders."

Do those road signs seem familiar to you?

If they don't, they should.

The American public not only is entitled to ALL of the details that can be dredged up by the press and officialdom, but it is necessary that nothing be placed in the way of the press presenting every scrap of information obtainable having to do with the disgraceful affair.

The Song My thing is out of character—the national character. We the People can't afford this divestment.

"Some civilians are killed by American troops and look at all the fuss. But the Communists can kill them by the thousands, and nothing is ever said."

That's another criticism of the American press.

And it's not true.

This newspaper and hundreds of other U.S. newspapers have carried stories and photos by the dozens of Communist atrocities. It's just that we expect such rotten behavior from a dictatorship-directed military operation. We see the pictures, we read the stories, and it registers as just another one of those deplorable things.

But when the press rightly takes up the hue and cry against such an outrage committed by American troops, the people—in their shame—retreat behind one of the totalitarian road signs and say, in effect, "Let the officials take care of it," The press is told to stop washing our bloody linen in public—it hurts our conscience.

When a totalitarian-directed Viet Cong guts a village chief and leaves his body hanging in a tree to stink up the place, it is a terrible thing.

When an American soldier does it—or its equivalent—it is infinitely worse.

[From the Blackfoot (Idaho) News, Dec. 3, 1969]

IN SPITE OF ATROCITIES

The thought of young American men committing war crimes is a foreign thought, something previously attributed to Nazis and Arabs.

And yet, young American men are currently accused of atrocious behavior in Vietnam and the accusations are not surprising. Whether or not the men involved are found guilty by courts martial, the thought will still remain that atrocities committed by American soldiers are a possibility.

The capability of atrocity is perhaps a new concept in the continuing Vietnam war, but it is not a surprising concept because there is a war in Vietnam. War itself is atrocious, and so-called atrocities have little shock value any longer.

When Idaho Atty. Gen. Robert Robson was in Blackfoot a while back, he said, in effect, war between peoples is inevitable. "We are witnessing again the song of the dove of peace," he said, then set himself the task of showing the futility of the dove.

Robson said he didn't believe God intended man to be an animal of peace. And, he said, if man wasn't by nature dissatisfied, he'd accomplish nothing.

Perhaps Robson is correct. Man's dissatisfaction with man is doomed to manifest itself in war of one kind or another, in violent death of some kind, in eternal opposing forces of totalitarianism.

It is beginning to appear likely that President Nixon will follow the Johnson footsteps in Vietnam. Perhaps Mr. Nixon won't "escalate," but keeping American troops and equipment there is in itself a form of escalation.

The assassination deaths of John and Robert Kennedy and Martin Luther King demonstrate that the atrocious is now commonplace, acceptable. If that's hard to swallow, think back on how many times you heard the comment, "Good, the so-and-so deserved it."

President Nixon pooh-poohs the peace marchers and lauds the telegram senders and thereby burns in our minds the fact the U.S. is a warlike country.

We are warlike, Robson seemed to be saying, so it follows that we may as well be good at waging war. That thought is similar to a quote from a mythical U.S. Army general to the effect, "Vietnam may not be the best war, but it's the only one we've got."

Some peace seekers see the alleged U.S. atrocities in Vietnam as some kind of coagulant or turning point in opinion at home.

At this point, that could be called a false hope.

Maybe admitting we are a warlike people is the first step toward changing ourselves into a peace loving people. Through all our wars we have claimed we were fighting for peace, a gross contradiction in terms.

Perhaps instead of marching on Washington each month, the peace seekers could send telegrams. This seems to be a more effective way of touching the President. It is more impersonal, takes less trouble and is less human, but telegrams carry more weight than actual human bodies.

Finally. peace seekers should expect no policy change because of any alleged atrocities. The intensity of the peace effort must continue in spite of that.

[From the Pocatello (Idaho) State Journal, Nov. 26, 1969]

A STENCH IN VIETNAM

To those Americans who thought the abortive murder case involving eight Green Berets smelled strongly, the current revelations unfolding around the alleged massacres of South Vietnam civilians are enough to make one's gorge rise.

The Army so far has officially charged only two persons with complicity in the alleged murder of 109 civilians in the 1968 raid on the village of My Lai. But there are voices being raised from all corners, spilling tales that will implicate many more.

If American soldiers, as it has been reported, moved into the village and simply gunned down unarmed civilians including women and children, then the white hat is off forever. Never mind that it is the nature of this dirty war that the enemy may be one of those ragged civilians by day, and a pajama-clad Viet Cong by night.

How do you round up people, and shoot them like cattle? Even if they were uniformed enemy soldiers—not women and little children?

Not all Americans, or even many, are guilty of such atrocities. And the enemy, even while trumpeting propaganda to the world over this alleged incident, is a hundred times more guilty. He slaughtered thousands at Hue, and he makes terror his principal weapon.

But to millions of Americans, this is the latest chapter in the saga of how a noble campaign on behalf of a small and weak nation degenerated into a military misadventure with consequences that threaten to be disastrous.

There will be a new hue and cry for an immediate pullout, and it will be more difficult for the President to stand firm unless he is reassured that most Americans still support him in his announced plan for disengagement.

We think most persons do, and we urge the President to be resolute in his planned system of withdrawals while strengthening the South Vietnamese. In the meantime, we hope the Army's belated investigation of the massacre incident is now swift and thorough. A breath of fresh air is badly needed there.

[From the Boise (Idaho) Intermountain Observer, Nov. 29, 1969]

A NEW BURDEN IN VIETNAM

Reports filtering out of Washington, Saigon and the village of Song My appear to indicate that the acknowledgement of an atrocity, committed by American soldiers, will soon be added to the weight the country already bears from its involvement in the Vietnam war.

The needless killing of women and children, captured prisoners and others who get in the way is a part of any war. There is no such thing as a humane war, and no military force which ever took the field—ours included—can lay claim to having acted more compassionately than another.

Seldom, however, is the brutal nature of warfare brought home to a country in such a way as to cause it to question the justice of the cause. That is because the war itself serves as justification for the things which are done in its name.

But Vietnam is no ordinary war. The fact that it is unpopular and that, after five years, no end is in sight, robs many Americans of the opportunity for rationalization. As a consequence, such incidents as the massacre at Song My, hideous and brutal as it appears to have been, are likely to have grave impact on public opinion despite the Army's efforts to bring the perpetrators to an accounting.

Were it true, as President Nixon would have us believe, that a formula has been devised for bringing an end to American involvement in the war in the foreseeable future, then perhaps it would be possible to dismiss this latest incident as a closing episode of a chapter which is now largely behind us. After all, it occurred more than 18 months ago.

But, unhappily, there are scant grounds for placing confidence in the President's assurances. The limited troop withdrawal plan now in effect is not so much a formula for getting the United States out of the war as it is a formula for keeping the United States in it.

The plan is no more than a tactical shift designed to replace American combat forces with the combat forces of the Saigon government—a tactic which has been tried repeatedly and unsuccessfully in the past. The United States commitment to maintain the Saigon government in power by any means and at whatever cost apparently remains unchanged.

So long as the commitment remains, and so long as any American troops remain in South Vietnam to back it up, the war can be counted on to continue indefinitely. The Viet Cong and the North Vietnamese have made it plain they do not intend to settle for a political compromise on our terms. We have made it plain we do not intend to impose such a settlement by knocking them out militarily, even if that were possible. The Saigon government has made it plain—even though the Pentagon and the Nixon Administration do not publicly acknowledge it—that it lacks the popular support necessary to preserve itself without our military intervention.

As the war drags on, as the inadequacy of the Nixon plan becomes more apparent, and as the frustrations mount at home, Americans are going to find new burdens such as the Song My massacre increasingly difficult to bear.

[From the Rexburg (Idaho) Standard, Dec. 2, 1969]

"IRREVERSIBLE" WITHDRAWAL

The Slaughter at My Lai, and hints of other similar episodes in Vietnam, give further impetus to the rising popular desire in the United States to get out of this terrible war. There is more and more reason for devoutly desiring an end to the fighting, and to the cost that this conflict imposes on our society.

In such a situation, one looks for reassurance that the administration is attuned to this widespread feeling—that it is determined to extricate us from the morass of Vietnam as quickly as possible. Such assurance has been given by President Nixon. Now, encouragingly it has been reaffirmed in even more direct terms by Secretary of State William P. Rogers.

The secretary said in an interview for the National Educational Television network that the present course of withdrawing our forces, while at the same time shifting the burden of defense to the South Vietnamese, is "irreversible." There was no equivocating, no hiding behind the language of diplomacy. Rogers said flatly: "We are withdrawing troops. We are going to Vietnamise the war. We are going to get American soldiers out of combat. And that is irreversible."

It must be noted that this sheds no light on how fast the withdrawal will move. At the present rate, a long time would pass before U.S. troops in Vietnam were down to anything like a mere standby force. Still, it is good to have that word, "irreversible," given such emphasis by one so close to the President.

There was encouragement, too in something else Rogers said. After years of official attempts in both the Nixon and Johnson administrations to flesh out a rather thin justification for our involvement in Vietnam, we now have this from the secretary of state: "We are not going to fight any major wars on the mainland of Asia again . . . unless we have the American public and the Congress behind us."

That, said Rogers, is the lesson the United States has learned in Vietnam. Let us hope that he is right on this point, and not merely optimistic. Those eminent military men who over the years had warned against committing this nation to war on the Asian land mass have beyond question been proved right. Now, happily, we have begun the "irreversible" process of getting out.

THE ONLY ALTERNATIVE: A REPLY TO THE PRESIDENT ON VIETNAM

Mr. CHURCH. Mr. President, following President Nixon's November 3 address to the Nation on the Vietnam war, I was asked by the editors of the Washington Monthly to write a reply in the nature of a rebuttal.

The resulting article was published in the December issue of the Monthly, in which I undertake to state the case for an orderly, systematic disengagement from the war as the only course offering us "a sure and certain path of extrication."

I ask unanimous consent that my article published in the Washington Monthly, entitled "The Only Alternative," be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE ONLY ALTERNATIVE—A REPLY TO THE PRESIDENT ON VIETNAM

(By Senator FRANK CHURCH)

On November 3, 1969, President Nixon appealed to the country for more patience with his Vietnam policy—for more time. To his credit, he stressed that "we are finally bringing American men home," but, like his predecessor, he could not find the rsolution to cut the knot that binds us to the Saigon generals. The United States thus remains committed to a war that we have been able neither to end nor to win. Ironically the reasons for the deadlock are much the same as those which governed the final outcome of our own struggle for national independence nearly two centuries ago.

In the second year of the American Revolution, the great William Pitt rose in the House of Lords and spoke words which, in a less civilized nation, might have been taken for treason. "My Lords," he declared, "you cannot conquer America. . . . You may swell every expense and every effort still more extravagantly; pile and accumulate every assistance you can buy or borrow; traffic and barter with every little pitiful German prime that sells and sends his subjects to the shambles . . . your efforts are forever vain and impotent, doubly so from this mercenary aid on which you rely, for it irritates, to an incurable resentment, the minds of your enemies. . . . If I were an American, as I am an Englishman, while a foreign troop was landed in my country, I never would lay down my arms—never—never—never!"

The England which Pitt counseled was not a decrepit nation but a rising empire still approaching the peak of its power. The inglorious end of the American war, from the British point of view, was not followed by a worldwide loss of confidence in Britain's word or Britain's power. Yorktown was followed by Waterloo and in the 19th century Great Britain acquired vast new domains, becoming the vital center of world commerce and industry. The real loser of the American Revolutionary War was America's ally, France, whose prodigal waste of resources—all for the sake of humbling England—almost certainly helped bring about the French Revolution of 1789. To compound the irony, when the British Empire finally did disintegrate, it was not in the wake of defeat but of British "victories" in the two world wars.

The paradox turns back upon us full circle. The victory denied George III by ragtag American rebels fighting to end foreign rule has now, nearly two centuries later, been denied to us in distant Vietnam by stubborn, native guerrilla fighters equally determined to drive the foreigner from their land.

Faced with their implacable resolve, what kind of "victory" can be won? The "victory" of holding a proud people hostage? The "victory" of inflicting a "favorable kill ratio" upon an enemy who will not quit? The "victory" of maintaining a puppet government in Saigon propped up by the money we lavish on it and sustained in the field by the troops we send—and others we hire—to fight for it? No, there is no "victory" we can win in Vietnam worthy of the name. President Nixon himself conceded as much. Six months ago, he said, "We have ruled out attempting to impose a purely military solution on the battlefield."

When, on November 3rd, he again addressed the nation on the subject of Vietnam, he sought not to reach for the laurels of an unobtainable victory, but to reject the sackcloth of an abject defeat.

"The precipitate withdrawal of all American forces from Vietnam," he warned, "would be a disaster not only for South Vietnam but for the United States and the cause of peace. . . . Our defeat and humiliation in South Vietnam . . . would spark violence wherever our commitments help maintain the peace—in the Middle East, in Berlin, eventually even in the Western Hemisphere. For the future of peace," the President repeated, "precipitate withdrawal would be a disaster of immense magnitude."

It is unnecessary to dispute these dire prophecies, as no responsible critic of the war calls for our "precipitate withdrawal" from Vietnam. Webster defines "precipitate" as "acting very hastily or rashly; impetuous; very sudden, unexpected or abrupt." I am unaware that any member of Congress, in either party, has urged the President to preside over an American rout in Vietnam. Nor is there any real pressure elsewhere in the country—even on the campuses—for a Dunkirk-type evacuation. Mr. Nixon simply conjured up a dragon in order to slay the monster before the approving eyes of his vast television audience. Then, just to be sure no one had missed the screen, he recited how he has spurned the advice of those who pleaded with him to adopt "a popular and easy course," only to imply, a few minutes later, that the course he had adopted faced no resistance more formidable than that of a "vocal minority" of dissidents seemingly bent on surrender.

Setting these political theatrics aside, what are the real alternatives open to us for ending American participation in the Vietnamese War? In his speech, President Nixon mentioned two of the three courses that are actually available. He said, "We can persist in our search for a just peace through a negotiated settlement if possible, or through continued implementation of our plan for Vietnamization if necessary—a plan in which we will withdraw all of our forces from Vietnam . . . as the South Vietnamese become strong enough to defend their own freedom." Left unmentioned was the third course: a deliberate, orderly withdrawal of American forces which depends neither upon the willingness of Hanoi to give in, nor of Saigon to take over. If we are to free ourselves from the morass in which we are now caught, the third course alone offers us a sure and certain path of extrication.

THE FIRST COURSE—A NEGOTIATED SETTLEMENT

As for the first course, a negotiated settlement, the President himself all but writes it off. He concedes, despite his many overtures, that "no progress whatever has been made except agreement on the shape of the bargaining table," and he charges that the fault lies with Hanoi. Here in the United States, that proposition looks incontestable. From our point of view, the terms we have offered are unprecedented in their generosity. We say, let the people of South Vietnam decide by free elections who shall govern them. What could be fairer than that? What, indeed, could be more reasonable?

Yet the likelihood remains that the North Vietnamese and the Vietcong will continue to reject even the most "reasonable" proposals we can make. They have been at war for over 20 years and have lately been on the receiving end of something over three million tons of American bombs. They have also been betrayed before by foreign governments: by the French in 1946, who promised a referendum and then refused to hold it, by the United States in 1956, when the Eisenhower Administration upheld Ngo Dinh Diem in his refusal to hold the elections provided for in the Geneva Accords. These are not experiences to encourage reasonableness. The enemy may indeed be in a most unreasonable state of mind. Even the most carefully constituted electoral commission, even the most painstaking arrangements for a fair, internationally-supervised election, if that is possible, could well run up against an impenetrable wall of mistrust. If this seems outrageous, we might ask ourselves how, during our own civil war, the Union government would have responded to a British or French proposal for an internationally supervised plebiscite on Southern secession!

In his November speech, President Nixon held that Hanoi alone opposes self-determination for the people of South Vietnam. Once again he assured us that Saigon stood ready to accept the peoples' verdict, presumably even if elections were to result in a communist victory.

Mr. Nixon may think so, but not Mr. Thieu. Consistently and repeatedly he has made it clear that his government has no intention of accepting a "coalition with the Communists" or "domination by the Communists" under any circumstances whatever. No sooner had Thieu returned from his love-feast with President Nixon at Midway last June than he proclaimed: "I solemnly declare that there will be no coalition government, no peace cabinet, no transitional government, not even reconciliatory government." If we must wait at the conference table in Paris for Saigon and Hanoi to compose their differences, then we shall probably have to sit there until pigs sprout wings.

Still, Mr. Nixon stalls for more time, trying to pry loose a settlement with modest troop withdrawals. He talks of bringing pressure on Hanoi. But you cannot bring pressure on an enemy by starting to leave! His real purpose is to bring pressure on Saigon to dignify our exit by accepting a transitional arrangement that will make it seem to the American people that the war has not been entirely pointless, that all the sacrifices have not been in vain.

So we wait, month after month, for some miracle to occur in Saigon or Hanoi that will bring the moribund peace talks back to life. We hint to Hanoi that progress at the conference table, or a winddown of the war, will mean faster withdrawal of American troops, while we tell Saigon that the peace will depend on the demonstrated ability of their forces to replace our own. In the resulting muddle, all we have succeeded in doing is to place the time-table out of our hands into theirs.

A policy wrong from the start can't be made to come out right. Our country is accustomed to imposing unconditional surrender on its enemies; there can be no compromise settlement of the war in Vietnam which will be applauded by the American people. Nor can there be any settlement worthy of reliance, regardless of its terms, for once we have left, no force remains to keep it.

THE SECOND COURSE—VIETNAMIZATION

The Nixon alternative to a negotiated peace is the "Vietnamization" of the war, by which he means turning the battle back, little by little, to the Thieu-Ky regime. How long this will take depends on Saigon, since it is clear that American disengagement cannot be completed until the South Vietnamese army, in the President's words, "becomes strong enough" to assume the full burden of the war. Thus does Mr. Nixon pin our hopes for a successful withdrawal in the future upon the very government which has proven the root cause of our failure in the past.

Had an honest and patriotic government ruled in Saigon, it would have beaten the Vietcong long ago, with no more than material support from the United States. The Vietnamese people are not lacking in military courage and resourcefulness; the Vietcong have demonstrated that. What is lacking is the ability of the Saigon government to inspire either the confidence of its people or the fighting spirit of its army. There is little mystery as to why this ability is lacking. An American study team made up primarily of prominent churchmen recently reported, after a trip to Vietnam, that the Thieu government ruled by terror, using torture and brutality to suppress political opposition, and that the regime relied more upon police state tactics and American support to stay in power than upon true representation and popular support.

Of all the misrepresentations which have been perpetrated about Vietnam none has been more insulting to the intelligence and offensive to the moral sensibilities of young Americans than the portrayal of the Saigon regime as an upholder of freedom and democracy.

Still, it is to this corrupt, incompetent rule of the Saigon generals that President Nixon looks for the implementation of his plan to extricate the United States from the war. He speaks of changing the military mix in Vietnam by first replacing American ground troops with South Vietnamese, while leaving our supply and support forces—air, artillery, engineers—in their combat roles. Gradually, the argument goes, these forces too could be reduced and returned home. So revealed, "Vietnamization" is not really a formula for leaving an American army engaged in Vietnam indefinitely. Its purpose is not to get us entirely out, but to keep us partially in.

Mr. Townsend Hoopes, former Under Secretary of the Air Force, has just completed a brilliant book on Vietnam called *The Limits* *of Intervention*. In it he discusses the inherent weakness of any plan for partial withdrawal:

"At best, such a course is a prescription for interminable war; partially disguised by the declining level of U.S. participation, it would in fact require our country to sustain a continuing burden of war casualties and heavy dollar costs that would become open-ended as we leveled off our forces at 100,000 men or thereabouts.

"Sooner or later, and probably sooner, the American people would reawaken to the fact that they were still committed to the endless support of a group of men in Saigon who represented nobody but themselves, preferred war to the risks of a political settlement and could not remain in power for more than a few months without our largescale presence. These things are predictable because the Thieu regime is both self-serving and wholly unrepresentative; its strong anti-communist stance (which our support has both nurtured and hardened) bears little or no relation to the vaporous, myth-filled, unideological, village-oriented political sentiments of the vast majority of people who inhabit the non-country of South Vietnam.

"At worst, the course of partial withdrawal would produce a progressive erosion of the military situation in Vietnam, leading downward to a time when we faced the prospect of outright defeat. With U.S. strength reduced to 100,000 men, with no corresponding enemy reduction and with no dramatic improvement in the South Vietnamese government and army, developments could seriously threaten the safety of our smaller forces and thus pose the same hard question we faced in 1965—to escalate or liquidate. Were the United States to face, several months or years from now, the serious prospect of military defeat in Vietnam, I believe that fact would strain our capacity for wise choice beyond the breaking point, and that any decision in such circumstances could only further divide our people and imperil our political process."

Little can be added to so lucid and devastating an indictment of the Nixon plan for partial withdrawal, except perhaps this: To persist in a policy which offers us neither hope of winning nor hope of ending our marathon involvement in this tragic war—already the longest in our history—can only compound frustration at home and fuel the unsavory search for scapegoats.

In much the same way that the German General Staff, which had actually initiated Germany's surrender in World War I, later perpetuated the myth of defeat by betrayal on the home front, the men who led us into the Vietnam quagmire have sought to place the blame for the catastrophe on their domestic critics, on those of us who said that we never should have entered the quagmire in the first place and who now insist that we ought to get out. The "real battlefield," according to this self-serving doctrine of the architects of failure, is not in Vietnam but in America, where, if only the critics would be silent, the will of the enemy would supposedly be broken. "Let us understand," said the President, "North Vietnam cannot defeat or humiliate the United States. Only Americans can do that."

The failure to make any progress at the conference table is also being laid at the feet of the critics: "For the more divided we are at home," Mr. Nixon admonishes us, "the less likely the enemy is to negotiate in Paris."

Furthermore, Mr. Kissinger complains, "It's awfully hard to play chess with twenty kibitzers at your elbow, all of them demanding explanations of the purpose of every move, while your opponent listens."

The "Kibitzers" who are such an inconvenience to Mr. Kissinger are the very dissenters whose protest finally persuaded President Johnson to stop the escalation of the war and go to the conference table. Had these critics remained silent as the war makers would have had them do, the limited war in Vietnam might by now have escalated into a full-scale war with China. Whatever hope of peace there now is, it is the "kibitzers" gift to the architects of failure. Long may they "kibitz," acting, let it be remembered, on their own concept of patriotism—which is not the patriotism of silent acquiescence in a policy they detest, but the patriotism of Camus, who would have us love our country for what it ought to be, and of Carl Schurz, that "mugwump" dissenter from McKinley imperialism, who proclaimed: "Our country, right or wrong. When right, to be kept right; when wrong, to be put right."

THE THIRD COURSE

For the reasons I have endeavored to set forth, I believe that neither the prospects for a negotiated settlement nor the probable consequences of a partial withdrawal offer us any reasonable hope for resolving our predicament in Vietnam. For my part, I advocate a third course, ignored by the President in his address, but contained in a bipartisan resolution which Senator Mark Hatfield (R-Ore.) and I joined in introducing earlier this year. The operative language is the following:

"*Be it resolved,* That it is the sense of the Senate that, having furnished South Vietnam with an American shield for the past five years to allow for the development of its political and military capacities, the time has arrived for the people of South Vietnam to take charge of their own destiny; and be it further

"*Resolved,* That this can be accomplished only through a more rapid withdrawal of American troops, and a commitment by the United States to fully disengage from South Vietnam, pending such reasonable interval as may be necessary to effect an orderly transition on the battlefield, and provide for the safety of American troops and those who may wish to leave with them."

Nearly everyone now recognizes that our intervention in Vietnam was in error. Two years ago, our political skies were still filled with hawks; today scarcely a hawk can be seen on the wing. President Nixon himself, once a ferocious hawk, may not openly admit, but he implicitly acknowledges, that this country has no vital interest at stake in Vietnam. Otherwise, we couldn't possibly leave the outcome for others to decide, even in a free election.

The time has come for the pretense to end; for the prideful nonsense to stop about securing an "honorable settlement" and avoiding a "disguised defeat." The truth is that as long as our troops stay in South Vietnam, we shall occupy a hostile country. There is no way that the United States, as a foreign power and a Western one at that, can win a civil war among the Vietnamese. Even now, five years after we entered the conflict, it remains a struggle between rival factions of Vietnamese for control of the government in Saigon. The outcome rests, now as before, on the Vietnamese themselves.

If we can find the resolution to end our protracted involvement in this war, we shall suffer no lasting injury to our power or prestige. I do not think that the liquidation of our intervention in Vietnam will mean the loss of our global greatness, any more than the loss of the American colonies cost England her greatness in the 18th century, or any more than the loss of Algeria and Indochina cost France her national stature. On the contrary, the end of empire was not a defeat for France but a liberation, in the wake of which a demoralized nation recovered its good name in the world and its own self-esteem. The termination of our war in Vietnam would represent a similar liberation for America, and even a victory of sorts—a victory of principle over pride and of intelligent self-interest over messianic delusion.

The United States government is not a charity-dispensing institution; its primary obligation is not to the Saigon generals, or to some portion of the Vietnamese people, but to the American people, to their security and well-being. When all is said and done about our "honor" and "commitment," the fact remains that our presence in Vietnam can be justified—if it can be justified—in terms of American interests, correctly defined as the freedom and safety of the American people.

"A nation cannot remain great," the President said on November 3rd, "if it betrays its allies and lets down its friends." But what more can the Saigon generals expect from us? The amount of money, weapons, ammunition, food, equipment, and supplies we have funneled into South Vietnam is beyond belief, vastly exceeding the outside help given North Vietnam and the Vietcong by all the communist governments combined. To fight for the South, we have sent an American expeditionary force of half a million men; no Russians or Chinese have been imported to fight for the North. Hanoi and the Vietcong do their own fighting. I say that Saigon—with larger and better-armed forces in the field than any arrayed against it—must stop relying on us to fight its war. We have kept our pledges, and done far more besides. We didn't undertake to make South Vietnam the 51st American state; we didn't promise to stand guard over the 17th parallel as though it were an American frontier.

But, the President argues, if we were to allow the Vietcong and the North Vietnamese to prevail, there would be "a collapse of confidence in American leadership, not only in Asia but throughout the world." Here Mr. Nixon espouses Mr. Rusk's concept of an exemplary war, which presumably demonstrates to other countries that the United States stands willing to intervene militarily to prevent communist-provoked internal "wars of national liberation" from succeeding. Yet, in his November address, the President reiterated what he had earlier disclosed in Guam, that the United States has a new policy: in the future, Asian governments must defend themselves against subversion from within and not look our way again. The motto, "No more Vietnams" cannot be reconciled with the fiction that we are still fighting an exemplary war in that country.

Withdrawing from Vietnam, according to President Nixon "would promote recklessness in the councils" of the Communist powers, and "would cost more lives. It would not bring peace, but more war." The assertion that by fighting in Vietnam we prevent other wars is pure speculation, rooted not in evidence but in analogy, the analogy of the 1930's when appeasement whetted Nazi Germany's appetite for aggression.

No good historian will buy that analogy. History unfolds more in paradoxes than in parallels. Mark Twain once observed that "We should be careful to get out of an experience only the wisdom that is in it—and stop there; lest we be like the cat that sits down on a hot stove-lid. She will never sit down on a hot stove-lid again—and that is well; but also she will never sit down on a cold one anymore." In the case of Vietnam we would do well to settle for the unwisdom that is in it and stop the sacrifice of real American lives for the sake of saving hypothetical ones in some conjectural war in an unforecastable future.

We dare not, says the President, abandon the South Vietnamese to "a massacre that would shock and dismay everyone in the world who values human life." Here again we are dealing with something that might happen; in the meantime does no one who values human life feel "shock and dismay" by the senseless sacrifice of American lives in endless assaults on useless hilltops and by death tolls of hundreds of GI's every week? Surely there is another way to protect those

South Vietnamese who may feel the need for sanctuary, if it comes to that. Better that we open our own gates to them than keep on sending Americans to die for them in their own land. As for the Saigon generals, there should be ample facilities for them on the French Riviera.

The most dangerous result of withdrawing from Vietnam, President Nixon contended on November 3rd, turns out not to be external but internal. "We would lose confidence in ourselves," he said. "Oh, the immediate reaction would be a sense of relief that our men were coming home. But as we saw the consequences of what we had done, inevitable remorse and divisive recrimination would scar our spirit as a people." Now, all of us have reason to fear the re-emergence of a new era of Joe McCarthyism in America. One wonders why the President insists on building the trap so large. Why does he continue to clothe this war in sacred language which has no bearing on its reality, as though "virtue" and "freedom" and the shape of the future itself were really at stake in Vietnam?

As Tom Wicker of The New York Times observed in his column on the Sunday following Mr. Nixon's address: "If the President wants . . . peace to be accepted in this country, it would be more logical for him to use such occasions as Monday's appearance to make a positive case that the American commitment to Vietnam has been honored. The most ever claimed for that commitment was that the United States had obligated itself to halt an aggression and give the people of South Vietnam an opportunity for self-determination. Dating from the first air strikes against the North in 1964, the 'aggression' has been staved off for five years. . . ." [In that time, I might add, we have told the world that a duly-elected government has been installed in Saigon.] "Surely," Wicker continues, "if the American people could be shown that the United States has done as much as possible of what it supposedly set out to do, it would be easier for Mr. Nixon to persuade the nation to expect something less than military victory." To this, I say, "Amen."

THE NATIONAL INTEREST

What indeed does Vietnam have to do with the vital interests of the United States, which is to say, with the freedom and safety of the American people? I attempted to define those interests more than four years ago, shortly after our full-scale intervention in Vietnam began. As to freedom, I said:

"Freedom, as a matter of fact, is not really at issue in South Vietnam, unless we so degrade freedom as to confuse it with the mere absence of communism. Two dictatorial regimes, one sitting in Hanoi, the other in Saigon, struggle for control of the country. Whichever prevails, the outcome is not going to settle the fate of communism in the world at large, nor the problem of guerrilla wars. They did not begin in Vietnam and will not end there. They will continue to erupt in scattered, far-flung places around the globe, wherever adverse conditions within a country permit communist subversion to take root."

And as to the safety of the American people, I added:

"Nor can it be soundly contended that the security of the United States requires a military decision in South Vietnam. Our presence in the Far East is not anchored there. Saigon does not stand guard over Seattle. We conquered the Pacific Ocean in the Second World War. It is our moat, the broadest on earth, from the Golden Gate to the very shores of China. There is no way for the landlocked forces of Asia to drive us from the Pacific; there is no need for us to retain a military base on the mainland of Asia."

After five years of futile warfare, I see no reason to alter that evaluation of American interests. The plain fact is that we did not then and do not now, have a vital interest in the preservation of the Thieu-Ky government, or even in the preservation of a noncommunist government, in South Vietnam. Nor do we have a vital interest in whether the two Vietnams are united or divided. We have preferences, to be sure, and our pride is at stake after committing ourselves so deeply, but preference and pride are sentiments, not interests. From the standpoint of our interests, we have been fighting an unnecessary war for five long years, making it possibly the most disastrous mistake in the history of American foreign policy. It can never be vindicated; it can only be liquidated.

The war in Vietnam has been more than unnecessary; it has been unsuccessful as well, and that, in the hard world of politics, is usually the greater crime. The Dominican intervention was unnecessary, illegal, and destructive of our relations with Latin America, but it achieved its immediate objective, the suppression of a revolution, with the result that the issue has not remained to plague and divide us. Had Mr. Rostow and his colleagues been right in 1965 in their supposition that the war in Vietnam could be won with "surgical" air strikes and a few months of ground warfare, the question of the war's necessity would not be the lacerating issue that it is today. But the Vietnam strategists were neither wise nor prescient nor lucky. With disastrous insensitivity to the thought processes of an alien culture, and with contemptuous disregard of the warnings offered by some of us in the Senate, they applied their "scientific" theories of warfare in the apparent belief that the Vietnamese would respond to "graduated" degrees of punishment as they themselves would have responded—by weighing immediate costs against prospective gains. But the Vietnamese turned out not to be scientists. They reacted irrationally and unaccountably by refusing to give up. Their calculations of cost and gain turned out to be different from ours; their willingness to endure punishment turned out to be greater than we had thought possible.

As a result, Vietnam is destined to revert to the control of the Vietnamese. Whether on the basis of a negotiated peace or an unnegotiated withdrawal, American forces will eventually have to be removed from Vietnam. When that happens, if not before, the Vietnamese civil war will be settled—as it should and would have been settled long ago but for American intervention—by the interplay of indigenous forces within Vietnam. Indeed, the chance for a political settlement among these forces may well hinge on our leaving, for it is hard to believe that the Saigon generals will ever settle, as long as they can depend on an American army to keep them in power.

There are—as we have learned and should have known without this trial by fire—limits to the ability of an alien power to work its will in a hostile environment. Our own civil war provides an example: after four years of savage warfare and 11 years of military occupation, the Union finally withdrew its forces from the South, allowing that region to revert to the political domination of the same people who had dominated the secessionist Confederacy. Another example is provided by the Boer War, Britain's turn-of-the-century "Vietnam." After more than two years of frustrating warfare against a guerrilla force of provincial rebels—in the course of which the mighty British Empire became an object of universal scorn and detestation—the British finally beat the Boers, organized the Union of South Africa and then, perforce, turned the political control of the country back to the defeated Boers, who have dominated South Africa ever since.

The common factor in the American Civil War, the Boer War, and the Vietnam War is that each confronted a dominant alien power with an intolerable dilemma: it could impose its will only by the sustained application of overwhelming force; the alternative was to withdraw that force, leaving the indigenous factions to strike their own natural balance more or less as they would have if the alien power had not intervened in the first place. In the one instance "victory" becomes insupportable; in the other meaningless.

Weighing this dilemma along with the other main considerations I have discussed—that this war is a failure and was never in our interests to begin with—what is to be inferred for a strategy of peace?

The point of departure is the clear, candid acknowledgment of our own lack of vital interest in the internal regimes of the two Vietnams. This means that we must break through the pride barrier which has thus far deterred us from admitting that, from the standpoint of our own interests, this war is and always has been a mistake. The purpose of this admission is not flagellation but freedom—the freedom of action which will only be ours when we end our thralldom to the Saigon generals and begin to act in our own interests and no longer on the basis of theirs.

The imperative is that we get out. This does not mean, of course, that the South Vietnamese government would be left helpless in the face of its enemies. It would still have 1,200,000 men under arms as against a total of 250,000 Vietcong and North Vietnamese soldiers now in South Vietnam. If Saigon's army could be inspired to defend the Saigon government, it would survive; if it could not be so inspired, then the government does not deserve to survive. In any case, we have done enough. We have fought their war for five long years and sacrificed 45,000 American lives. It is enough!

The process of disengagement need not be a long, protracted one. We can initiate it immediately by starting to withdraw forces on a significant scale—not the token scale initiated by the Nixon Administration. At the present rate of withdrawal, American troops will be engaged in Vietnam for the next eight to ten years!

For our own part, we have neither the need nor the right to sacrifice a single American life for any objective exceeding our own vital interest, which is the preservation of the freedom and safety of the American people. If this be thought ungenerous or unaltruistic, I put it to you that no nation has the moral right to be generous or altruistic with the lives of its own citizens. Perhaps a totalitarian nation, conceiving itself a spiritual entity transcending its individual citizens, may claim that right. A democratic nation cannot; its very existence is for the purpose of protecting and serving its citizens.

WHY WE MUST GET OUT

That is why it has become so necessary to disengage from Vietnam, because a process of deterioration has begun in our society which cannot be arrested, much less reversed, until we do get out. Dividing the American people as no issue since the Civil War has divided them, the war in Vietnam has been the cause and catalyst of great domestic ferment in the United States. The crisis it has directly caused is a moral one: the deep offense done to so many Americans by the blatant incompatibility of this war with the traditional values of our society. At the same time, by diverting financial and political resources and by dividing and demoralizing the American people, the war has incapacitated us for effective action in respect to the worsening crises of race and poverty, crime and urban deterioration, pollution and ecological decay.

None of this has to do with simple war-weariness, or, as President Nixon seems to think, with any lessening of the American people's "moral stamina and courage to meet the challenge of Free World leadership." Something more fundamental than fatigue is involved. Twenty-five years ago the American people were simultaneously fighting two great wars on a vastly greater scale and at an even larger cost than the war in Vietnam, and their spirit never flagged. It is not just the burden of leadership or the exertions of warfare that outrage so many of our citizens, but it is this war, with its blood-soaked strategy of attrition, its unsavory alliance, and its objectives—which are both irrelevant to our interests and offensive to our principles. Nor is "weariness" in any way descriptive of what the war critics are experiencing; they are not tired but angry—angry about the needless killing and the stubborn pride which has kept us from putting a stop to it.

I recently received a letter from a young man who is deeply troubled by these matters. A portion of my reply follows:

"The deep disillusionment of young people in their country has its roots in the Vietnam war. When the power of the state is used to force young men to fight a war they believe to be wrongful, under penalty of imprisonment if they refuse, the seeds of sedition are sown. We now reap the bitter harvest, manifested in angry uprisings on campuses from coast to coast. . . .

"Whenever the limb is shaken, all the leaves tremble. Once the moral authority of the government is rejected, on an issue so fundamental as a wrongful war, every lesser institution of authority is placed in jeopardy. Every sacred principle, every traditional value, every settled policy becomes a target for ridicule or repudiation. Cauldrons of anarchy soon begin to bubble and boil.

"So it has happened that our country is coming unstuck. The ferment distorts every issue; perspective is lost. . . .

"I am convinced that we must end the war—or at least our participation in it—before we can begin to stick this country back together again. Then we must have the help of men like you, men who haven't abandoned all faith and who regard the job as worth doing."

Even now there is one thing in which we can take hope, and that is the great force of our American moral traditions. Out of all the dissent and disruption, we have learned something about ourselves—that we still believe in our own values, that Jefferson's idea of liberty and Lincoln's idea of equality and Woodrow Wilson's idea of a world community of law are still capable of moving us and guiding our behavior. We have learned, to be sure, that we are capable of violating our traditional values, but we have also learned that we are not capable of violating them easily, or permanently, or indeed without setting in motion the regenerative forces of protest and moral reassertion.

There will be time enough, when peace is restored, to contemplate the "lessons of Vietnam." Perhaps, if peace comes in the way that I believe it must come, some of our recent and present leaders will take it as the war's "lesson" that America has shown itself unworthy of world leadership. Others will conclude that we must develop more sophisticated techniques of intervention, or that we must improve our "social science," or substitute political and economic for military means of intervention. Still others, at the opposite extreme, will probably judge that we must never again involve ourselves in war on a distant continent. All of these propositions, and variations upon them, will undoubtedly be put forth as the "lessons" of Vietnam, but my own hunch is that none of these will stand as a definitive "lesson" or as a reliable guideline for the future.

It may be that there is no lesson in Vietnam other than the modest one suggested by James C. Thompson, Jr. of Harvard: "Never again to take on the job of trying to defeat a nationalist anticolonial movement under indigenous communist control in former French Indochina." Or the equally modest lesson: that we must for a time—not necessarily forever—tend to neglected matters at home. Or perhaps we will have learned nothing more than that we are a people with a moral tradition, a people who discriminate among their wars and who do not easily act against their own traditional values.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON CERTAIN FACILITIES PROJECTS PROPOSED FOR THE AIR FORCE RESERVE

A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting, pursuant to law, a report on the location, nature, and estimated cost of certain facilities projects proposed to be undertaken for the Air Force Reserve, dated December 9, 1969 (with an accompanying report; to the Committee on Armed Services.

REPORT OF ADVISORY COMMITTEE TO THE COOK COUNTY DEPARTMENT OF PUBLIC AID ON PRESIDENT NIXON'S WELFARE PROPOSAL

A letter from the chairman, advisory committee to the Cook County Department of Public Aid, transmitting a report prepared by the Committee on President Nixon's Welfare Proposals (S. 2986 and H.R. 14173) (with an accompanying report and list); to the Committee on Finance.

REPORT OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on management of the logistics airlift system contracted for by the Air Force, Department of the Air Force, dated December 18, 1969 (with an accompanying report); to the Committee on Government Operations.

REPORT ON U.S. ASSISTANCE PROGRAMS IN ETHIOPIA

A letter from the Comptroller General of the United States, transmitting a secret report on U.S. assistance programs in Ethiopia (with an accompanying report); to the Committee on Government Operations.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. MAGNUSON, from the Committee on Commerce:

Douglas William Toms, of Washington, to be Director of the National Highway Safety Bureau.

Mr. FULBRIGHT. Mr. President, from the Committee on Foreign Relations I report favorably sundry nominations in the Diplomatic and Foreign Service which have previously appeared in the CONGRESSIONAL RECORD and ask unanimous consent, to save the expense of printing them on the Executive Calendar, that they lie on the Secretary's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations, ordered to lie on the desk, are as follows:

Thomas D. McKiernen, of Massachusetts, and sundry other persons, for appointment and promotion in the Diplomatic and Foreign Service.

Mr. GOLDWATER. Mr. President, from the Committee on Armed Services I report three flag and general officer nominations in the Navy and Air Force. I ask that these names be placed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations, ordered placed on the Executive Calendar, are as follows:

Gardiner Luttrell Tucker, of Virginia, to be an Assistant Secretary of Defense;

Lt. Gen. James W. Wilson (major general, Regular Air Force), U.S. Air Force, to be placed on the retired list, in the grade of lieutenant general;

Rear Adm. Eugene P. Wilinson, U.S. Navy, for commands and other duties determined by the President, for appointment to the grade of vice admiral while so serving; and

Vice Adm. Arnold F. Schade, U.S. Navy, for appointment as Navy senior member of the Military Staff Committee of the United Nations.

Mr. GOLDWATER. Mr. President, in addition to the above, I report 108 nominations in the Army in grade of lieutenant colonel and below. Since these names have already been printed in the CONGRESSIONAL RECORD, in order to save the expenses of printing on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations, ordered to lie on the desk, are as follows:

Arthur C. Harris, Jr., for reappointment in the active list of the Regular Army of the United States, from temporary disability retired list;

William R. Bates, and sundry other persons, for appointment in the Regular Army of the United States; and

Juan G. Santiago Rijos, scholarship student, for appointment in the Regular Army of the United States.

By Mr. HRUSKA, from the Committee on the Judiciary:

James L. Browning, Jr., of California, to be U.S. attorney for the northern district of California.

By Mr. McCLELLAN, from the Committee on the Judiciary:

Lynn A. Davis, of Arkansas, to be U.S. marshal for the eastern district of Arkansas; and

Lee R. Owen, of Arkansas, to be U.S. marshal for the western district of Arkansas.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GOLDWATER, from the Committee on Armed Services, without amendment:

H.R. 944. An act to amend section 404(d) of title 37, United States Code, by increasing the maximum rates of per diem allowance and reimbursement authorized, under certain circumstances, to meet the actual expenses of travel (Rept. No. 91–622).

By Mrs. SMITH of Maine, from the Committee on Armed Services, without amendment:

H.R. 14227. An act to amend section 1401a (b) of title 10, United States Code, relating to adjustments of retired pay to reflect changes in Consumer Price Index (Rept. No. 91–623).

By Mr. STENNIS, from the Committee on Armed Services, without amendment:

H.R. 14571. An act to amend the Central Intelligency Agency Retirement Act of 1964 for Certain Employees, as amended, and for other purposes (Rept. No. 91–624).

By Mr. TYDINGS, from the Committee on the District of Columbia, without amendment:

S. 3009. A bill to authorize the Commissioner of the District of Columbia to enter into contracts for the payment of the District's equitable portions of the costs of reservoirs on the Potomac River and its tributaries, and for other purposes (Rept. No. 91–625).

By Mr. BIBLE, from the Committee on the District of Columbia, with amendments:

S. 1626. A bill to regulate the practice of psychology in the District of Columbia (Rept. No. 91–626).

BILLS AND A JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. PACKWOOD:

S. 3262. A bill to establish the French Pete Creek Intermediate Recreation Area; to the Committee on Interior and Insular Affairs.

(The remarks of Mr. Packwood when he introduced the bill appear later in the Record under the appropriate heading.)

By Mr. CRANSTON:

S. 3263. A bill for the relief of Maria Pierotti Lanci; to the Committee on the Judiciary.

By Mr. FONG:

S. 3264. A bill to waive the statute of limitations with respect to a certain claim against the United States by the State of Hawaii; to the Committee on the Judiciary.

(The remarks of Mr. Fong when he introduced the bill appear later in the Record under the appropriate heading.)

By Mr. MANSFIELD (for himself and Mr. Inouye):

S. 3265. A bill for the relief of Mrs. Anita Ordillas; to the Committee on the Judiciary.

By Mr. COOK (for Mr. Cooper) (by request):

S. 3266. A bill to amend the Railroad Retirement Act of 1937 so as to increase the amount of the annuities payable thereunder to widows and widowers; to the Committee on Labor and Public Welfare.

By Mr. DOMINICK (for himself, Mr. Bellmon, Mr. Fannin, Mr. Goldwater, Mr. Javits, Mr. Kennedy, Mr. Mondale, Mr. Murphy and Mr. Randolph):

S. 3267. A bill to amend title III of the Higher Education Act of 1965, relating to developing institutions, in order to promote the availability of higher education to Indians; and

S. 3268. A bill to amend title V of the Higher Education Act of 1965, in order to improve educational opportunities for Indians; to the Committee on Labor and Public Welfare.

(The remarks of Mr. Dominick when he introduced the bill appear later in the Record under the appropriate heading.)

By Mr. HART:

S. 3269. A bill for the relief of Tsung-Yao T'ien (Tien); to the Committee on the Judiciary.

By Mr. BYRD of West Virginia (for Mr. Hollings):

S. 3270. A bill to amend the act of March 4, 1915, relating to the welfare of seamen in order to authorize the two watch system on certain voyages of less than 1,800 miles; to the Committee on Commerce.

S. 3271. A bill for the relief of Fred Earl Stephenson; to the Committee on the Judiciary.

By Mr. STEVENS:

S. 3272. A bill to extend to shipping in the Alaska trade the construction differential and operating differential subsidies now provided to shipping in foreign commerce; and

S. 3273. A bill to exempt Alaskan trade from sections 289 and 883 of the Cabotage laws; to the Committee on Commerce (by unanimous consent).

(The remarks of Mr. Stevens when he introduced the bills appear later in the Record, under the appropriate heading.)

By Mr. FULBRIGHT (by request):

S. 3274. A bill to implement the Convention on the Recognition and Enforcement of Foreign Arbitral Awards; to the Committee on Foreign Relations.

(The remarks of Mr. Fulbright when he introduced the bill appear later in the Record, under the appropriate heading.)

By Mr. MONDALE (for Mr. Inouye):

S. 3275. A bill for the relief of Miss Alma Carrillo Custodio; to the Committee on the Judiciary.

By Mr. NELSON:

S. 3276. A bill to provide for the development of a low-emission engine for motor vehicles and for assistance to American industry in putting such engine into production as a replacement for the internal combustion engine; to the Committee on Commerce.

By Mr. KENNEDY (for himself, Mr. Mondale, Mr. McGovern, and Mr. Harris):

S.J. Res. 168. A joint resolution to provide for a White House Conference of Indians and Alaska Natives; to the Committee on Interior and Insular Affairs.

(Remarks of Mr. Kennedy when he introduced the joint resolution appear later in the Record, under the appropriate heading.)

S. 3262—INTRODUCTION OF A BILL TO ESTABLISH THE FRENCH PETE CREEK INTERMEDIATE RECREATION AREA

Mr. PACKWOOD. Mr. President, today I am introducing legislation to create the French Pete Creek Intermediate Recreation Area within the Willamette National Forest in Oregon.

This proposed legislation has evolved after long and serious negotiations with the U.S. Forest Service. French Pete Creek is one of a kind. There exists nowhere else in the Oregon Cascades such a combination of a major untouched valley, a sweep of unbroken forest from low elevation to high elevation with all its associated ecological connotations, with all its associated opportunities for a special kind of recreation experience. I believe the people of Oregon have the right to experience the recreation, scenic and esthetic, which this valley has to offer, and which is becoming virtually extinct in our country. No valley remains within the Oregon Cascades that can offer all the characteristics of French Pete Creek drainage—a continuous stretch of unbroken, typical old growth virgin forest, in a totally unroaded and unlogged state.

It is the purpose of the bill I am today introducing to preserve this experience as part of our American heritage. This legislation would create an "intermediate recreation area" which would be administered by the Secretary of Agriculture; and wherein there would be no road construction, or timber harvest activities of any kind; no use of motor vehicles, motorized equipment or other mechanical transport; and no structures or installations, except as is necessary to meet emergency health and safety standards.

On the other hand, it would provide for trail construction, primitive walk-in campsites, trail bridges, sanitary facilities, and other necessary facilities.

In an article in the June 1968 Journal of Forestry, it was pointed out by professional forest ecologists that virgin forest communities typifying highly productive, low elevation sites are already scarce. I believe French Pete is one of the few remaining. I believe it is the only such valley left in the Oregon Cascades. I strongly feel it is worth saving and must be saved.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3262) to establish the French Pete Creek Intermediate Recreation Area, introduced by Mr. Packwood, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

S. 3264—INTRODUCTION OF A BILL WAIVING THE STATUTE OF LIMITATIONS WITH RESPECT TO A CERTAIN CLAIM AGAINST THE UNITED STATES BY THE STATE OF HAWAII

Mr. FONG. Mr. President, I introduce, for appropriate reference, a bill, the purpose of which is to grant a waiver of the statute of limitations in connection with the tort claim of the State of Hawaii against the United States.

My bill would waive the time limitation as set forth in section 5 of the act of March 9, 1920 (41 Stat. 526, 46 U.S.C. 745), as to the State of Hawaii's claim against the U.S. Bureau of Commercial Fisheries for damages to a pier owned by the State of Hawaii which resulted from the collision of the vessel *Townsend Cromwell* with the vessel *Neptune* in Kewalo Basin, Honolulu, Hawaii, on or about January 15, 1964. It does provide that such statute of limitations shall not apply in the case of any suit brought within 2 years after the date of enactment of this bill by such State.

The facts and circumstances giving rise to the claim of the Harbors Division, Department of Transportation, State of Hawaii, against the U.S. Bureau of Commercial Fisheries are as follows:

On or about January 15, 1964, the vessel MV *Townsend Cromwell,* under the control and supervision of employees and/or agents of the U.S. Bureau of Commercial Fisheries, collided with the vessel MV *Neptune* in Kewalo Basin, Honolulu, Hawaii. At the time of the collision, the *Neptune* was docked alongside of berth 104, Kewalo Basin. The catwalk on berth 104 was, and is, owned, operated, and maintained by the Harbors Division, Department of Transportation, State of Hawaii. The collision pushed the *Neptune* into the catwalk of berth 104, causing the berth to collapse. The damage being substantial, it was not economically feasible to repair the catwalk.

In meetings as to liability and the filing of a claim against the U.S. Bureau of Commercial Fisheries, officials in the harbors division of the State's department of transportation were apparently informed and advised by officials of the U.S. Bureau of Commercial Fisheries that the claim could be administratively settled under the Federal Tort Claims Act.

On September 17, 1965, and in reliance upon the representations and advice of the U.S. Bureau of Commercial

Fisheries, the legal section of the department of transportation, acting on behalf of the harbors division, filed a claim for $6,597 under the Federal Tort Claims Act. The claim was filed on form 95–103, "Claims for Damage or Injury," as supplied by, and submitted to the U.S. Bureau of Commercial Fisheries. The time of filing the said claim was well within the 2-year statute of limitations imposed by 46 U.S.C. 745.

Eleven months after submission of the State's claim, and after the statute of limitations had run, the deputy attorney general who had submitted the claim was informed by Mr. Lewis S. Flagg III, Associate Solicitor, Territories, Wildlife and Claims, Department of the Interior, by letter dated August 15, 1966, that the claim could not be administratively settled. The grounds were:

First, that the claim was an admiralty claim and did not come under the Federal Tort Claims Act:

Second, that that office could not administratively settle the claim under the provisions of the Federal Tort Claims Act; and—

Third, that the 2-year statute of limitations had run against the State, thereby barring any action against the U.S. Bureau of Commercial Fisheries.

Further requests by the attorney general of the State of Hawaii, Mr. Bert T. Kobayashi, that the claim be settled administratively or that the statute of limitations be waived for this claim proved fruitless. On Feburary 25, 1969, the U.S. Department of Justice confirmed that the claim was barred by the statute of limitations and that the claim could not be settled administratively.

The bill I now send to the desk would right this injustice, and I urge its favorable consideration.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3264) to waive the statute of limitations with respect to a certain claim against the United States by the State of Hawaii, introduced by Mr. FONG, was received, read twice by its title, and referred to the Committee on the Judiciary.

S. 3267 AND S. 3268—INTRODUCTION OF BILLS IMPROVING EDUCATIONAL OPPORTUNITIES FOR INDIANS

Mr. DOMINICK. Mr. President, I am introducing two bills which will implement some of the recommendations made by our Special Subcommittee on Indian Education. The first bill assists developing colleges for Indians; the second, encourages young Indians to enter the teaching professions, and at the same time provides aid to teachers in Indian schools.

Title III of the Higher Education Act is designed to assist in raising the academic quality of colleges which have the desire and potential to make a substantial contribution to the higher education resources of our Nation, but which for financial and other reasons are struggling for survival and are isolated from the main currents of academic life. The present law enables the U.S. Commissioner of Education to set up a national teaching fellow program as well as assist in the creation of cooperative arrangements under which these colleges may draw on the talent and experience of our finest colleges and universities. In addition, these arrangements may bring in the educational resources of business and industry, all in an effort to improve academic quality.

The law requires, however, that any of the developing institutions must be in existence for at least 5 years in order to be eligible for assistance.

Our subcommittee recommended that the Commissioner be authorized to waive the 5-year requirement in those cases of recently established colleges for educating Indians. An example of a college which the subcommittee intends should become eligible for consideration as a result of this bill is the Navajo Community College, which was established in January 1969.

My second bill would correct a serious deficiency in the Education Professions Development Act, relating to the various considerations involved in training and retraining teachers, attracting new personnel, and so forth.

According to the National Advisory Council on Education Professions Development, schools and programs operated by the Bureau of Indian Affairs are not now technically eligible for the benefits available under this act.

Moreover, I am concerned that schools operated by an agency of an Indian tribe, such as the Rough Rock demonstration school, may not have access to these resources.

As I have said before, one of our prime goals should be to shift from reliance on Indian experts to reliance upon expert Indians. What better way is there to achieve some forward momentum in this direction than to attract the Indian youth in this country to the teaching profession, and see that they receive our support as they continue to teach?

Mr. President, the following Senators have asked to join in cosponsoring the proposed legislation: Messrs. BELLMON, FANNIN, GOLDWATER, JAVITS, KENNEDY, MONDALE, MURPHY, and RANDOLPH.

Since these bills deal with Indians, but in fact deal with education, I ask that the assignment of these bills be considered carefully, because it is my opinion that they should properly come before our Committee on Labor and Public Welfare.

I ask unanimous consent that both bills be printed in the RECORD.

The PRESIDING OFFICER. The bills will be received and appropriately referred; and, without objection, the bills will be printed in the RECORD.

The bills (S. 3267) to amend title III of the Higher Education Act of 1965, relating to developing institutions, in order to promote the availability of higher education to Indians; and

(S. 3268) to amend title V of the Higher Education Act of 1965, in order to improve educational opportunities for Indians, introduced by Mr. DOMINICK, for himself and other Senators, were read twice by their titles, referred to the Committee on Labor and Public Welfare and ordered to be printed in the RECORD, as follows:

S. 3267

A bill to amend title III of the Higher Education Act of 1965, relating to developing institutions, in order to promote the availability of higher education to Indians

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 302 (d) of the Higher Education Act of 1965 is amended by inserting before the semi-colon at the end thereof a comma and the following: "except that the Commissioner may waive the five year requirement of this clause with respect to an institution located on or near an Indian reservation in any case in which he determines that such action will increase the availability of higher education to Indians".

S. 3268

A bill to amend title V of the Higher Education Act of 1965, in order to improve educational opportunities for Indians

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 503 (a) of the Higher Education Act of 1965 is amended (1) by inserting after "and higher education," the following: "including the need to provide such programs and education to Indians," and (2) by inserting after "the Department of Labor," the following: "the Department of the Interior,".

SEC. 2. Section 504(a)(1) of the Higher Education Act of 1965 is amended by inserting after "secondary schools" the following: "(including such schools operated by the Department of the Interior for Indians or by an agency of an Indian tribe.)".

SEC. 3. Section 505 of the Higher Education Act of 1965 is amended by inserting after "shall consult with" the following: "the Secretary of the Interior,".

SEC. 4. Subsections (a) and (d) of section 552 of the Higher Education Act of 1965 are each amended by inserting after "in all the States" a comma and the following: "including such needs in schools operated by the Department of the Interior for Indians, or by an agency of an Indian tribe.".

SEC. 5. Section 553(a) of the Higher Education Act of 1965 is amended by inserting at the end thereof the following: "The Commissioner may also enter into arrangements with the Secretary of the Interior, or with an agency of an Indian tribe, and use funds appropriated for the purpose of this section, for carrying out the purpose of this section with respect to schools operated by the Department of the Interior for Indians, or by an agency of an Indian tribe."

S. 3272 AND S. 3273—INTRODUCTION OF BILLS PERTAINING TO ALASKAN TRADE

Mr. STEVENS. Mr. President, I introduce today two bills of extreme importance to my State.

Alaska is a land of great potential. Ours is a vast land with a wealth of natural resources. It has hundreds of millions of acres of virgin forest lands. It is laced with thousands of miles of clean rivers. It is underlain with a wealth of minerals, including the largest proven reserves of petroleum in the United States.

But, Alaska is also a land of people—hearty, strong, industrious people of all ethnic backgrounds. These people are forging a new State, building homes and roads and industries that will turn a land of potential into one of productivity, that will turn a promise of the future into an asset of the present.

Alaska has long been termed the "last frontier," and this description is accurate. Alaska now stands in the position occupied by California in 1850, or by the 13 colonies in the 17th Century. And it shares the problems those pioneers of yesterday faced: isolation, lack of adequate communications, lack of sanitation facilities, and lack of adequate transportation. Most of these problems can be related to one factor—the great distances between the frontier and the nearest civilization. In the case of the colonies, it was 3,000 miles of open sea, in the case of California, it was 2,000 miles of unsettled plains and mountains, and in the case of Alaska it is either thousands of miles of rugged, unsettled Canadian northwest or thousands of miles of both sheltered and open seas. In all previous frontier situations the great distances over which supplies to sustain the pioneers had to be carried resulted in a high cost of living. And these distances also prevented products produced on the frontier from being competitive with similar products produced in settled areas even though the frontier producers may have had lower manufacturing costs. The Alaskan frontier has the same problems.

But Alaska's transportation problem is not simply the result of the great distances involved. Modern technology has so shrunk the world that people can travel to and from Alaska in a matter of hours whereas previous pioneers took weeks and even months to reach the frontier. Ship borne commerce can travel from Seattle to Anchorage in a fraction of the time it took to reach the colonies from Europe or California from the east coast. And, this same technology that greatly reduced the time involved has also reduced the costs. It cost $250 to fly from New York to California as late as 1936; the same flight can now be made for just over $100. Giant trucks traveling superhighways can deliver freight from New York to California at a fraction of the costs involved a few decades ago.

Then, why does Alaska still have this great transportation problem? It is not a result of such technology not being available to Alaska; it is. Alaska has consistently taken advantage of the latest technological advancements. Our highway standards already provide for the more efficient large trucks now being considered by Congress for the Interstate System. The latest jet aircraft fly in and out of our modern airports. Our ships employ the latest developments in containerized shipping.

The source of the problem can be isolated to two basic facts: Alaska is not contiguous to the South 48 by land, and an anomoly in our shipping laws substantially increases the cost of shipping by sea.

Alaska is as dependent on ocean shipping as an island. There is no railroad connecting Alaska with the South 48—though there should be. The only highway to the South 48 is still unpaved for over 600 miles of its length. Both automobiles and railway rolling stock are transported on barges or ferries. Air transportation is the only other means of mass transportation of passengers and merchandise to and from Alaska. And, at present, it is too expensive for the carrying of bulk cargo. So, oceangoing vessels must do the task.

Even though Alaska must rely on a single mode of transportation instead of the myriad of alternatives available to the South 48, there would be no problem if this mode of transportation were competitive with the alternatives. And, on a worldwide basis, it is. World trade reached a staggering $487 billion last year, and machinery shipped from Germany to Greece did not find itself at a competitive disadvantage because it went by ship rather than rail. In fact, in many instances ocean shipping is cheaper than alternative modes.

This is so partly because most of the shipbuilding nations of the world subsidize ocean shipping. These subsidies take many forms. Greece, for instance, exempts from income taxation for 10 years any ship brought under the Greek flag. Several nations provide either tax benefits or low interest rates for ship construction loans. France, Italy, and Japan and the United States provide direct subsidies for construction and operation of ships in domestic and foreign commerce.

But the United States has done a most peculiar thing. It has divided its shipping into two categories—foreign commerce and coastwise trade—and we subsidize the former to a great extent, but do nothing to make the latter competitive. Of the 11 major shipbuilding nations surveyed by the Joint Economic Committee of the U.S. Congress in 1963, three provided direct construction or operating subsidies to both foreign and domestic shipping and three provided such subsidies to domestic shipping only, but only one—the United States—provided direct operating and construction subsidies to ships engaged exclusively in foreign commerce, while denying such subsidies to its own domestic shipping industry. This anomaly in our shipping policy was a result of the unusual way in which we backed into subsidies.

The safety of passengers, crews, and merchandise on board oceangoing vessels has always been of great concern to the United States. During the past century we have taken a number of steps to assure that American passengers, crews, and merchandise would receive the maximum protection from ocean disasters, particularly fire, that technology allowed. In 1886, we prohibited the carrying of passengers on foreign vessels between American ports. In 1912 we prohibited the registry of foreign built vessels under the American flag unless they were engaged exclusively in foreign commerce. In 1920 we prohibited the carrying of merchandise on foreign built ships between American ports. This body of law is commonly known as the Jones Act. The reason for this heavy restriction against the use of foreign built vessels was, in part, predicated on the fact that we could control the method of construction of ships only if they were built in our own shipyards. Our safety record since the enactment of the Jones Act is an enviable one. There has not been one death due to fire on a nonmilitary ship built to our specification since these safety precautions were taken.

But the building of ships to these safety standards has been costly, and the ability of our merchant marine to compete in foreign commerce was greatly impaired. In 1936 we took steps to correct this problem by the enactment of construction differential and operating differential subsidies. However, since foreign built and foreign manned vessels could not operate in the coastwise trade—that is, trade between American ports—the subsidies were not extended to all shipping, but only to shipping which competed directly with foreign shipping.

The decision to exclude coastwide shipping from subsidization was based on two assumptions: That coastwise shipping was protected from competition by cheaper foreign shipping by operation of the Jones Act and that alternate methods of shipping among the United States did not receive construction differential or operating differential subsidies either.

These two assumptions, which may have had validity in 1936, are no longer valid today.

First, coastwise shipping, insofar as Alaska is concerned, does indeed receive competition from foreign shipping. Alaska imports almost all of its consumer goods and pays for them by exporting its natural resources. This is a typical frontier situation. The colonies exported agricultural products in exchange for manufactured goods from Europe. California exported lumber and gold and later fruits and vegetables in exchange for consumer products from the East. But California did not enjoy the option of an alternate market that Alaska does.

Alaska finds that Japan, a little over 3,000 miles away, has a great demand for its natural resources and is able to supply consumer goods in return. The "South 48," of course, is less than 2,000 miles away and offers the same market. However, Alaska finds itself shipping increasing quantities of its natural resources to foreign countries and importing increasing amounts of consumer goods from these countries in preference to the "South 48." In 1967, Alaska's five largest harbors reported handling 2,561,200 tons of imports, of which 538,800 tons—or more than 20 percent—was imported from foreign countries. In 1967 these same ports reported handling 1,279,800 tons of exports, of which 704,700 tons—or nearly 60 percent—was shipped to foreign countries. Alaska's three major timber-producing areas exported 333,000 tons of lumber to foreign countries, principally Japan, while only 3,000 tons went to the other 49 States. No one can tell me that there is no foreign competition in shipping when the shipping rates in foreign commerce make it economically advantageous to ship lumber, badly needed in the South 48 less than 2,000 miles away, to Japan over 3,000 miles away.

In testifying before the Subcommittee on Minerals, Materials, and Fuels recently, former Senator Kuchel pointed out that southern California will soon experience a shortage of natural gas. One solution to this problem is to ship liquified natural gas from Alaska to California. But, as Mr. Kuchel, pointed out:

The natural gas industry is faced with a paradox. The "lower 48" states are experiencing a rapid growth in the demand for natural gas, while generous supplies remain untouched in Alaska. Gas consumers in Japan and other countries may ultimately reap the benefit of these valuable Alaska reserves, since Alaska LNG can be transported to those countries in lower-cost, foreign-built vessels. On the other hand, American gas companies may find it economically advantageous to import LNG from foreign countries because such supplies can be carried in lower-cost tankers.

Mr. President, on October 10, Alaska began exporting LNG to Japan. Mr. Kuchel's prophecy is not conjecture, it is reality.

The assumption that coastwise trade does not require subsidization because it does not compete with foreign trade is wholly erroneous insofar as Alaska is concerned. Foreign commerce does compete, and it is winning. Alaska is being treated like a foreign country because of the anomaly in our shipping laws created by this erroneous assumption.

The second assumption on which the decision to exclude coastwise trade from subsidization was based is equally fallacious. The alternate methods of transportation are subsidized to a far greater extent than coastwise shipping. Highway user taxes exacted of all users, including passenger autos, build highways. Railroads received incentives to build their original rights-of-way, and they developed a system of rail transportation that was the envy of the world. Railroads no longer receive significant subsidies, and the decline that has resulted is evident to even the casual observer. In order to restore passenger rail service Congress is now being asked to commit $10 billion to the urban mass transit system—much of it for rail carriers. The fact that unsubsidized coastwise shipping is not competitive is clearly evidenced by the small fraction of cargo now carried in that trade compared to the volume handled by alternate transportation modes.

How does this concern Alaska, which does not have these alternate means of transportation? When California depended on shipments by ocean going commerce to supply its needs, the cost of living there was fantastic. As low-cost subsidized rail and truck transportation came to California, its cost of living grew closer to that of the east coast, until today it is a modest 10 percent higher than elsewhere in the South 48 and is actually lower than in some east coast cities. But Alaska cannot take advantage of this subsidized overland transportation because it does not have an unbroken land route to Alaska. It is not contiguous to the South 48 and it cannot control or subsidize the development of such transportation since a foreign country separates us from the rest of the United States. We depend to a great extent on ocean-going shipping and must work with that method of transportation.

So, Alaska is left with two basic facts with which it must reckon. The subsidies to non-ocean-going transportation are not available to Alaska because it does not have such transportation alternatives, and the subsidies which make ocean-going transportation competitive are denied Alaska because of the Jones Act restriction. There are two possible solutions to this dilemma: Alaska could be removed from the Jones Act restriction so that it could take advantage of the lower cost of foreign transportation, or Alaska ocean-going trade could be subsidized to offer to Alaska the same low transportation costs that the subsidization of alternate modes offers to the South 48. The bills I am introducing today are designed to accomplish these two solutions respectively.

The first would make the Jones Act restrictions inapplicable to ships operating in the Alaska trade. It would allow foreign vessels to compete with domestic carriers in shipping between points in Alaska and the rest of the United States. It would permit the registry of foreign-built ships under the American flag for purposes of engaging in the Alaska trade. It would permit foreign-built and foreign-operated vessels to carry passengers and merchandise between Alaska and the rest of the United States. It would solve the problems I have outlined without direct cost to the American taxpayer, since no subsidization by our country is involved. Of course, it is a foregone conclusion that American-built vessels could not compete without such subsidization, but it is a solution from Alaska's point of view. It is a "meat ax" approach to a problem that could be more deftly handled by a scalpel, and that is what the second bill I am introducing is designed to accomplish.

The second bill would retain the Jones Act restrictions intact. Alaska would not be opened up to direct foreign shipping competition, but it would still receive benefits as if it had. The bill simply extends to ships engaged in the Alaska trade the construction-differential and operating-differential subsidies now available to American ships engaged in foreign commerce. It is a logical step from the fact I have demonstrated that the Alaska trade does indeed compete with foreign commerce. It is a logical step also in view of the fact that Alaska cannot enjoy the subsidization granted to alternate modes of transportation in the South 48. Alaska, therefore, is not asking for special treatment, but is only asking that it receive the same benefits already granted to the South 48 through subsidies to alternate transportation methods.

The policies expressed in the Jones Act are national policies designed to benefit all Americans equally. But because of Alaska's geographical position as a noncontiguous State, the burden of these policies falls far more heavily on my State than on the contiguous 48. Because of the availability of alternate modes of transportation in the South 48, Alaska and Hawaii have ended up bearing almost the entire burden of these national policies. It is simply unfair to require that two States should bear the burden of policies designed to benefit all the States. My bill would recognize this unfairness insofar as Alaska is concerned and provide a simply way to remedy it.

I ask unanimous consent that the bills be referred to the Committee on Commerce. They pertain to amendments to the Jones Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bills (S. 3272) to extend to shipping in the Alaska trade the construction differential and operating differential subsidies now provided to shipping in foreign commerce, and (S. 3273), to exempt Alaskan trade from sections 289 and 883 of the Cabotage laws, introduced by Mr. Stevens, were received, read twice by their titles, and referred to the Committee on Commerce (by unanimous consent).

S. 3274—INTRODUCTION OF A BILL IMPLEMENTING THE CONVENTION ON THE RECOGNITION AND ENFORCEMENT OF FOREIGN ARBITRAL AWARDS

Mr. FULBRIGHT. Mr. President, by request, I introduce for appropriate reference, a bill to implement the convention on the recognition and enforcement of foreign arbitral awards.

The bill has been requested by the Acting Assistant Secretary of State for Congressional Relations and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the Record at this point, together with the letter from the Acting Assistant Secretary of State dated December 3, 1969, to the Vice President.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the letter and the bill will be printed in the Record.

The bill (S. 3274), to implement the Convention on the Recognition and Enforcement of Foreign Arbitral Awards, introduced by Mr. Fulbright (by request), was received, read twice by its title, referred to the Committee on Foreign Relations, and ordered printed in the Record, as follows:

S. 3274

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 9, United States Codes, is amended by adding:

"Chapter 2.—Convention on Recognition and Enforcement of Foreign Arbitral Awards

"Sec.
"201. Enforcement of Convention
"202. Agreement or award falling under the Convention.
"203. Jurisdiction; amount in controversy.
"204. Venue.
"205. Removal of cases from State courts.
"206. Order to compel arbitration; appointment of arbitrators.
"207. Award of arbitrators; confirmation; jurisdiction; proceeding.
"208. Chapter 1; residual application.

"§ 201. Enforcement of Convention

The Convention on the Recognition and Enforcement of Foreign Arbitral Awards of June 10, 1958, shall be enforced in United States courts in accordance with this chapter.

"§ 202. Agreement or award falling under the Convention

An arbitration agreement or arbitral award arising out of a legal relationship, whether contractual or not, which is considered as commercial, including a transaction, contract or agreement described in section 2 of this title, falls under the Convention. An agreement or award arising out of such a relationship which is entirely between citizens of the United States shall be deemed not to fall under the Convention unless that relationship involves property located abroad, envisages performance or enforcement abroad or has some other reasonable relation with one or more foreign States. For the purpose of this section a corporation is a citizen of the United States if it is incorporated or has its principal place of business in the United States.

"§ 203. Jurisdiction; amount in controversy

An action or proceeding falling under the Convention shall be deemed to arise under the laws and treaties of the United States. The district courts of the United States (including the courts enumerated in section 460 of Title 28) shall have original jurisdiction over such an action or proceeding, regardless of the amount in controversy.

"§ 204. Venue

An action or proceeding over which the district courts have jurisdiction pursuant to section 203 of this title may be brought in any such court in which save for the arbitration agreement an action or proceeding with respect to the controversy between the parties could be brought, or in such court for the district and division which embraces the place designated in the agreement as the place of arbitration if such place is within the United States.

"§ 205. Removal of cases from State courts

Where the subject matter of an action or proceeding pending in a State court relates to an arbitration agreement or award falling under the Convention, the defendant or the defendants may, at any time before the trial thereof, remove such action or proceeding to the district court of the United States for the district and division embracing the place where the action or proceeding is pending. The procedure for removal of causes otherwise provided by law shall apply, except that the ground for removal provided in this section need not appear on the face of the complaint but may be shown in the petition for removal. For the purposes of Chapter 1 of this title any action or proceeding removed under this section shall be deemed to have been brought in the district court to which it is removed.

"§ 206. Order to compel arbitration; appointment of arbitrators

A court having jurisdiction under this chapter may direct that arbitration be held in accordance with the agreement at any place therein provided for, whether that place is within or without the United States. Such court may also appoint arbitrators in accordance with the provisions of the agreement.

"§ 207. Award of arbitrators; confirmation; jurisdiction; proceeding

Within three years after an arbitral award falling under the Convention is made, any party to the arbitration may apply to any court having jurisdiction under this chapter for an order confirming the award as against any other party to the arbitration. The court shall confirm the award unless it finds one of the grounds for refusal or deferral of recognition or enforcement of the award specified in the said Convention.

"§ 208. Chapter 1; residual application

Chapter 1 applies to actions and proceedings brought under this chapter to the extent that chapter is not in conflict with this chapter or the Convention as ratified by the United States."

SEC. 2. Title 9, United States Code, is further amended by inserting at the beginning:

"Chap.	Sec.
1. General provisions	1
2. Convention on the Recognition and Enforcement of Foreign Arbitral Awards	201"

SEC. 3. Sections 1 through 14 of title 9, United States Code, are designated "Chapter 1" and the following heading is added immediately preceding the analysis of sections 1 through 14: "Chapter 1.—General Provisions".

SEC. 4. This act shall be effective upon the entry into force of the Convention on Recognition and Enforcement of Foreign Arbitral Awards with respect to the United States.

The letter, furnished by Mr. FULBRIGHT, follows:

Hon. SPIRO T. AGNEW,
President of the Senate.

DEAR MR. VICE PRESIDENT: On behalf of the Department of State I am forwarding draft legislation to implement the Convention on the Recognition and Enforcement of Foreign Arbitral Awards. The Senate gave its advice and consent to United States accession to the Convention on October 4, 1968. At the hearings on the Convention, the witness from the Department informed the Foreign Relations Committee that deposit of the United States instrument of accession would be deferred until the Congress enacted the necessary implementing legislation (Senate Executive Report No. 10, 90th Congress, 2d Session).

The Federal Arbitration Act, which has been codified in Title 9 of the United States Code, embodies basic national policy concerning arbitration. The Secretary of State's Advisory Committee on Private International Law, which includes representatives of the American Bar Association, the Conference of Chief Justices, and the Conference of Commissioners on Uniform State Laws, suggested that the Department discuss with a small group of representatives of the American Arbitration Association, members of the arbitration bar, and law school professors, the most effective approach to the implementing legislation. The consensus of the group, with which the Department of Justice concurs, was that rather than amending a series of sections of the Federal Arbitration Act it would be preferable to enact a new chapter dealing exclusively with recognition and enforcement of awards falling under the Convention. This approach would leave unchanged the largely settled interpretation of the Federal Arbitration Act. Moreover, it would avoid complicated interlineations which, while facilitating implementation of the Convention, might also mislead or confuse persons dealing with cases falling under the Federal Arbitration Act but not under the Convention.

The proposed new chapter has eight sections.

Section 201 provides that the Convention shall be enforced in United States courts in accordance with the provisions of the proposed new chapter.

Section 202 defines the agreements or awards that fall under the Convention. The second sentence of section 202 is intended to make it clear that an agreement or award arising out of a legal relationship exclusively between citizens of the United States is not enforceable under the Convention in United States courts unless it has a reasonable relation with a foreign State.

Section 203 gives original jurisdiction over any action or proceeding falling under the Convention to the District Courts of the United States regardless of the amount in controversy. Section 204 establishes venue with respect to such action or proceeding.

Section 205 permits removal of an action or proceeding relating to an agreement or award falling under the Convention from a State court to a District Court of the United States.

Section 206 permits a court to direct that arbitration be held at the place provided for in the arbitration agreement. Since there may be circumstances in which it would be highly desirable to direct arbitration within the district in which the action is brought and inappropriate to direct arbitration abroad, section 206 is permissive rather than mandatory.

Section 207 deals with confirmation of an award made under the Convention. A similar provision is included in section 9 of the Federal Arbitration Act.

The purpose of section 208 is to make the provisions of the Federal Arbitration Act applicable to actions brought under the Convention to the extent that such provisions are not in conflict with the implementing legislation or the Convention as ratified by the United States.

The Department of State has been informed by the Bureau of the Budget that there is no objection from the standpoint of the Administration's program to the submission of this proposal to the Congress for its consideration.

Sincerely yours,
H. G. TORBERT, Jr.,
Acting Assistant Secretary for Congressional relations.

SENATE JOINT RESOLUTION 168—INTRODUCTION OF A JOINT RESOLUTION PROVIDING FOR A WHITE HOUSE CONFERENCE OF INDIANS AND ALASKA NATIVES

Mr. KENNEDY. Mr. President, within the past few months three volumes have provided us with broad analyses of various issues relating to the American Indian and Alaska native. The Senate Subcommittee on Indian Education, the Citizens' Advocate Center, and Vine Deloria, Jr., have all reached the same conclusion: in the words of the subcommittee report, this Nation's Indian affairs has been "a national tragedy and a national disgrace."

The statistics indicating the extent of poverty of American Indians have been repeated again and again. Mr. Deloria, a Standing Rock Sioux, observed almost as an aside that "Indians rank lowest of any group in every conceivable statistic used to measure poverty." To what should we attribute this plight that Mr. Deloria describes? His answer: "It is the fault of the U.S. Government."

It should be clear by now that if any progress is to be made in Indian affairs, we must stop offering the white man's solutions as the only solutions to the Indians' problems. We should use as a premise, not a conclusion, that each American Indian and Alaska native must be provided with the full measure of his rights and privileges. He must be able to enjoy them in our society, if he chooses. Otherwise, he must feel secure in their enjoyment on his own land, on his own terms.

And, most importantly, we must learn his terms; we must provide the native American with a vehicle for making his voice heard here in Washington, by Congress and the Executive. We must listen to that voice, as well. I believe we should start by providing for a White House Conference of American Indians, to be convened as soon as possible. I am sending to the desk, on behalf of myself and Senators MONDALE, MCGOVERN, and HARRIS, a resolution to authorize such a conference.

The white man has sought both comprehensive and piecemeal solutions to the "Indian problem" for centuries.

Annihilation seemed to be our first solution. Puritans settling in the New

World burned Indian villages and shot their inhabitants or sold them into slavery. Bounties were set on Indians, and thus did the English introduce scalping to this country before the French and Indian War.

Although less direct in our approach following these early days, this Nation's policy "to Christianize and civilize the nation" has been no less destructive to Indian society. Assimilation was the ultimate goal—our goal, not theirs. Subjugation was the means.

Probably the most consistent feature of Federal Indian policy through the years, besides its failure, has been the lack of Indian participation in its formulation. In 1928, the Meriam report, commissioned by the Secretary of the Interior, surveyed the social and economic conditions of the American Indians and the administration of Indian programs. The report concluded that one of the most serious deficiencies in Indian administration was the exclusion of Indians from the management of their own affairs.

The Citizens' Advocate Center, over 40 years later, outlined the many solutions formulated by various governmental agencies for the red man's betterment and concluded:

> History, if it has taught anything, should demonstrate that unless the Indians can shape their own policies and priorities and have the opportunity to participate—an opportunity which is, after all, integral to American democracy—the solutions will fail.

We have studied the Indian, his tribes, his history, his customs. We have mounted task forces, study groups, research teams. We have come up with reports, studies, analyses, histories. Volume after volume of them.

These reports and studies have been important and valuable. But there is still a need for a more unified policy formulation, greater legislative oversight, and greater participation by Indians and Alaska natives in the total process. On the congressional side, we need more data, and more reliable data, on Indian needs and on Federal programs operating to meet them. The Special Subcommittee on Indian Education, in a little over 2 years, has provided us such data in the area of education. We should not stop there. I have thus recommended the establishment of a Select Committee on the Human Needs of the American Indian, and I shall soon introduce a resolution to authorize such a committee. This committee would gather and analyze data and work on programs and priorities necessary for Congress to carry out its legislative oversight function in this area.

But we need more than a congressional committee; more than another Executive task force. We need a vehicle for involving Indians and Alaska natives, on more than a token or after-thought basis, in the actual analysis and formulation of Federal policy and Federal programs. To this end, I am introducing today a resolution to provide for a White House Conference of American Indians and Alaska natives.

The final report of the Indian Education Subcommittee followed 2 years of hearings and extensive investigations into many aspects of the human needs of American Indians and Alaska natives. That report explored and analyzed the failure of national Indian policy throughout this country's history and recommended emphatically, in the following language, that Congress authorize a White House Conference on American Indian affairs:

> The Subcommittee has found that one of the primary reasons for the failure of national policy and programs for American Indians has been the exclusion—or only token involvement—of Indians in determining policy or planning of programs. A White House Conference on American Indian Affairs would be a dramatic reversal of this unyielding practice.

My resolution calls for broad-scale participation of Indians and Alaska natives in extensive deliberations at the local, regional, and national levels of the conference. I outlined this approach to the National Congress of American Indians in October of this year. It was endorsed by the NCAI and by the present Commissioner of Indian Affairs. Funds are to be provided equal to those Congress authorized for the White House Conference on Aging, reflecting our equally strong commitment to the American Indian and Alaska native.

I understand that some Indians feel it important to disassociate the conference provided in any congressional resolution from the White House as such. For example, one member of the American Indian Task Force suggested that a "red house conference" be authorized. I believe that we cannot ignore the prestige and attention accorded a conference of white status, wherever it is held. And as I earlier mentioned, it is important that the Indians be clearly heard by the Government and by as large a segment of the public as possible. I am thus using this designation, but I do suggest this as a proper area of inquiry by the committee considering the resolution.

The resolution provides that the Office of Economic Opportunity and the National Council on Indian Opportunity will be the contracting authorities and provide back-up services for the various stages of the conference. Indian and Alaska native tribes, communities, groups, and organizations will be responsible for actually conducting the conference. Participation of minority Indian groups and dissenting tribal factions is to be provided. Thus, the conference recommendations will be not only for the Indian people, but also by them.

We can all look forward to the recommendations that would come from such a White House Conference—to the information and to the insights that we would be provided with. It is time we raise to the highest status the voices of the American Indian and Alaska native. They have been listening to our voices, silently, for long enough.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 168), to provide for a White House Conference of Indians and Alaska Natives, introduced by Mr. Kennedy (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

ADDITIONAL COSPONSORS OF BILLS

S. 2218

Mr. KENNEDY. Mr. President, on behalf of the Senator from Maryland (Mr. Tydings), I ask unanimous consent that, at the next printing, the names of the Senator from Indiana (Mr. Bayh), the Senator from Utah (Mr. Bennett), the Senator from Nevada (Mr. Cannon), the Senator from Idaho (Mr. Church), the Senator from New Hampshire (Mr. Cotton), the Senator from Missouri (Mr. Eagleton), the Senator from Oklahoma (Mr. Harris), the Senator from South Carolina (Mr. Hollings), the Senator from Hawaii (Mr. Inouye), the Senator from Washington (Mr. Jackson), the Senator from Maryland (Mr. Mathias), the Senator from South Dakota (Mr. McGovern), the Senator from Utah (Mr. Moss), the Senator from Wisconsin (Mr. Nelson), and the Senator from Oregon (Mr. Packwood) be added as cosponsors of S. 2218, to amend the Elementary and Secondary Education Act of 1965 and related Acts, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 2846

Mr. KENNEDY. Mr. President, on behalf of the Senator from Maryland (Mr. Tydings), I ask unanimous consent that, at the next printing, the name of the Senator from Minnesota (Mr. Mondale) be added as a cosponsor of S. 2846, the Development Disabilities Services and Facilities Construction Act of 1969.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL COSPONSOR OF A RESOLUTION

SENATE RESOLUTION 166

Mr. KENNEDY. Mr. President, on behalf of the Senator from Maryland (Mr. Tydings), I ask unanimous consent that, at the next printing, the name of the Senator from Virginia (Mr. Spong) be added as a cosponsor of Senate Resolution 166, to provide for an International Conference on Problems of Human Environment.

The PRESIDING OFFICER. Without objection, it is so ordered.

MANPOWER TRAINING ACT OF 1969—AMENDMENT

AMENDMENT NO. 440

Mr. BOGGS. Mr. President, I submit an amendment intended to be proposed by me and the distinguished Republican leader (Mr. Scott), the distinguished assistant majority leader (Mr. Kennedy), and the distinguished Senator from Pennsylvania (Mr. Schweiker), to S. 2838, the proposed Manpower Training Act of 1969. This amendment would establish a new category of program that would be eligible for funds under title I of this legislation.

Specifically, the language of my amendment is designed to insure that the Federal Government can and will provide financial support to the opportunities industrialization centers.

The OIC concept was developed 5 years ago by the Reverend Dr. Leon Sullivan, a minister in Philadelphia. From this idea and money raised by Dr. Sullivan's congregation, the OIC concept of self-help job training has been expanded to some 75 cities across the Nation. Only one-third of the OIC's receive financial support from the Federal Government. Yet each provides an important adjunct to Federal manpower programs, an important blending of local needs with national goals.

Earlier this year, I introduced S. 1362, a bill that would enable the Federal Government to offer more adequate financial support to the OIC program. Since that time, of course, the proposed Manpower Training Act has been introduced by the distinguished Senator from New York (Mr. Javits). This is an attempt to coordinate the Government's programs for training the unemployed and the underemployed. It is my belief that the approach of this bill, S. 2838, has merit: Too many of these programs are widely scattered among various agencies, fragmenting the effort and undermining the goal.

While I personally believe it is important to formally recognize the OIC program through legislation. I believe we should not neglect this opportunity to use the Manpower Training Act to assist the OIC programs and thus strengthen the Federal Government's program in manpower training. As this important Manpower Training proposal is discussed by the Congress, I believe we should consider the OIC proposal in conjunction.

Therefore, I have prepared an amendment to the language of S. 2838. I must also add that the OIC approach meshes well with the intent of the Manpower Training Act. Both seek to invest increased authority and responsibility for program development in the States and cities.

You will notice that the amendment does not offer any reference to the title of the opportunities industrialization centers. Part of the approach of S. 2838 is to free the existing manpower training programs from the naming game.

While I believe it may still prove helpful to legislate Federal participation in the OIC's by name at some later date, every approach should be considered to insure that this important community program is given our full support.

The PRESIDING OFFICER. The amendment will be received, printed, and will be appropriately referred.

The amendment was referred to the Committee on Labor and Public Welfare.

ANNOUNCEMENT OF RESUMPTION OF HEARINGS ON AMENDMENTS TO THE VOTING RIGHTS ACT OF 1965

Mr. ERVIN. Mr. President, I announce that the Subcommittee on Constitutional Rights will resume hearings on amendments to the Voting Rights Act of 1965, on January 27, 28, 29 and February 3, 4, and 5, 1970, in room 2228, New Senate Office Building.

So that all may understand what is being considered, I ask unanimous consent that the Voting Rights Act of 1965, the administration's proposed amendments (S. 2507), and the proposed simple extension of 5 years (S. 818) be inserted at this point in the Record.

There being no objection, the material referred to was ordered to be printed in the Record, as follows:

Public Law 89–110, 89th Congress, S. 1564, August 6, 1965

An act to enforce the fifteenth amendment to the Constitution of the United States and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act shall be known as the "Voting Rights Act of 1965".

Sec. 2. No voting qualification or prerequisite to voting, or standard, practice, or procedure shall be imposed or applied by any State or political subdivision to deny or abridge the right of any citizen of the United States to vote on account of race or color.

Sec. 3. (a) Whenever the Attorney General institutes a proceeding under any statute to enforce the guarantees of the fifteenth amendment in any State or political subdivision the court shall authorize the appointment of Federal examiners by the United States Civil Service Commission in accordance with section 6 to serve for such period of time and for such political subdivisions as the court shall determine is appropriate to enforce the guarantees of the fifteenth amendment (1) as part of any interlocutory order if the court determines that the appointment of such examiners is necessary to enforce such guarantees or (2) as part of any final judgment if the court finds that violations of the fifteenth amendment justifying equitable relief have occurred in such State or subdivision: *Provided,* That the court need not authorize the appointment of examiners if any incidents of denial or abridgment of the right to vote on account of race or color (1) have been few in number and have been promptly and effectively corrected by State or local action, (2) the continuing effect of such incidents has been eliminated, and (3) there is no reasonable probability of their recurrence in the future.

(b) If in a proceeding instituted by the Attorney General under any statute to enforce the guarantees of the fifteenth amendment in any State or political subdivision the court finds that a test or device has been used for the purpose or with the effect of denying or abridging the right of any citizen of the United States to vote on account of race or color, it shall suspend the use of tests and devices in such State or political subdivisions as the court shall determine is appropriate and for such period as it deems necessary.

(c) If in any proceeding instituted by the Attorney General under any statute to enforce the guarantees of the fifteenth amendment in any State or political subdivision the court finds that violations of the fifteenth amendment justifying equitable relief have occurred within the territory of such State or political subdivision, the court, in addition to such relief as it may grant, shall retain jurisdiction for such period as it may deem appropriate and during such period no voting qualification or prerequisite to voting, or standard, practice, or procedure with respect to voting different from that in force or effect at the time the proceeding was commenced shall be enforced unless and until the court finds that such qualification, prerequisite, standard, practice, or procedure does not have the purpose and will not have the effect of denying or abridging the right to vote on account of race or color: *Provided,* That such qualification, prerequisite, standard, practice, or procedure may be enforced if the qualification, prerequisite, standard, practice, or procedure has been submitted by the chief legal officer or other appropriate official of such State or subdivision to the Attorney General and the Attorney General has not interposed an objection within sixty days after such submission, except that neither the court's finding nor the Attorney General's failure to object shall bar a subsequent action to enjoin enforcement of such qualification, prerequisite, standard, practice, or procedure.

Sec. 4. (a) To assure that the right of citizens of the United States to vote is not denied or abridged on account of race or color, no citizen shall be denied the right to vote in any Federal, State, or local election because of his failure to comply with any test or device in any State with respect to which the determinations have been made under subsection (b) or in any political subdivision with respect to which such determinations have been made as a separate unit, unless the United States District Court for the District of Columbia in an action for a declaratory judgment brought by such State or subdivision against the United States has determined that no such test or device has been used during the five years preceding the filing of the action for the purpose or with the effect of denying or abridging the right to vote on account of race or color: *Provided,* That no such declaratory judgment shall issue with respect to any plaintiff for a period of five years after the entry of a final judgment of any court of the United States, other than the denial of a declaratory judgment under this section, whether entered prior to or after the enactment of this Act, determining that denials or abridgments of the right to vote on account of race or color through the use of such tests or devices have occurred anywhere in the territory of such plaintiff.

An action pursuant to this subsection shall be heard and determined by a court of three judges in accordance with the provisions of section 2284 of title 28 of the United States Code and any appeal shall lie to the Supreme Court. The court shall retain jurisdiction of any action pursuant to this subsection for five years after judgment and shall reopen the action upon motion of the Attorney General alleging that a test or device has been used for the purpose or with the effect of denying or abridging the right to vote on account of race or color.

If the Attorney General determines that he has no reason to believe that any such test or device has been used during the five years preceding the filing of the action for the purpose or with the effect of denying or abridging the right to vote on account of race or color, he shall consent to the entry of such judgment.

(b) The provision of subsection (a) shall apply in any State or in any political subdivision of a state which (1) the Attorney General determines maintained on November 1, 1964, any test or device, and with respect to which (2) the Director of the Census determines that less than 50 per centum of the persons of voting age residing therein were registered on November 1, 1964, or that less than 50 per centum of such persons voted in the presidential election of November 1964.

A determination or certification of the Attorney General or of the Director of the Census under this section or under section 6 or section 13 shall not be reviewable in any court and shall be effective upon publication in the Federal Register.

(c) The phrase "test or device" shall mean any requirement that a person as a prerequisite for voting or registration for voting (1) demonstrate the ability to read, write, understand, or interpret any matter, (2) demonstrate any educational achievement or his knowledge of any particular subject, (3) possess good moral character, or (4) prove his qualifications by the voucher of registered voters or members of any other class.

(d) For purposes of this section no State or political subdivision shall be determined to have engaged in the use of tests or devices for the purpose or with the effect of denying or abridging the right to vote on account of race or color if (1) incidents of such use have been few in number and have been promptly and effectively corrected by State or local action, (2) the continuing effect of such incidents has been eliminated, and (3) there is no reasonable probability of their recurrence in the future.

(e)(1) Congress hereby declares that to secure the rights under the fourteenth amendment of persons educated in American-flag schools in which the predominant classroom language was other than English, it is necessary to prohibit the States from conditioning the right to vote of such persons on ability to read, write, understand, or interpret any matter in the English language.

(2) No person who demonstrates that he has successfully completed the sixth primary grade in a public school in, or a private school accredited by, any State or territory, the District of Columbia, or the Commonwealth of Puerto Rico in which the predominant classroom language was other than English, shall be denied the right to vote in any Federal, State, or local election because of his inability to read, write, understand, or interpret any matter in the English language, except that in States in which State law provides that a different level of education is presumptive of literacy, he shall demonstrate that he has successfully completed an equivalent level of education in a public school in, or a private school accredited by, any State or territory, the District of Columbia, or the Commonwealth of Puerto Rico in which the predominant classroom language was other than English.

Sec. 5. Whenever a State or political subdivision with respect to which the prohibitions set forth in section 4(a) are in effect shall enact or seek to administer any voting qualification or prerequisite to voting, or standard, practice, or procedure with respect to voting different from that in force or effect on November 1, 1964, such State or subdivision may institute an action in the United States District Court for the District of Columbia for a declaratory judgment that such qualification, prerequisite, standard, practice, or procedure does not have the purpose and will not have the effect of denying or abridging the right to vote on account of race or color, and unless and until the court enters such judgment no person shall be denied the right to vote for failure to comply with such qualification, prerequisite, standard, practice, or procedure: *Provided*, That such qualification, prerequisite, standard, practice, or procedure may be enforced without such proceeding if the qualification, prerequisite, standard, practice, or procedure has been submitted by the chief legal officer or other appropriate official of such State or subdivision to the Attorney General and the Attorney General has not interposed an objection within sixty days after such submission, except that neither the Attorney General's failure to object nor a declaratory judgment entered under this section shall bar a subsequent action to enjoin enforcement of such qualification, prerequisite, standard, practice, or procedure. Any action under this section shall be heard and determined by a court of three judges in accordance with the provisions of section 2284 of title 28 of the United States Code and any appeal shall lie to the Supreme Court.

Sec. 6. Whenever (a) a court has authorized the appointment of examiners pursuant to the provisions of section 3(a), or (b) unless a declaratory judgment has been rendered under section 4(a), the Attorney General certifies with respect to any political subdivision named in, or included within the scope of, determinations made under section 4(b) that (1) he has received complaints in writing from twenty or more residents of such political subdivision alleging that they have been denied the right to vote under color of law on account of race or color, and that he believes such complaints to be meritorious, or (2) that in his judgment (considering, among other factors, whether the ratio of nonwhite persons to white persons registered to vote within such subdivision appears to him to be reasonably attributable to violations of the fifteenth amendment or whether substantial evidence exists that bona fide efforts are being made within such subdivision to comply with the fifteenth amendment), the appointment of examiners is otherwise necessary to enforce the guarantees of the fifteenth amendment, the Civil Service Commission shall appoint as many examiners for such subdivision as it may deem appropriate to prepare and maintain lists of persons eligible to vote in Federal, State, and local elections. Such examiners, hearing officers provided for in section 9(a), and other persons deemed necessary by the Commission to carry out the provisions and purposes of this Act shall be appointed, compensated, and separated without regard to the provisions of any statute administered by the Civil Service Commission, and service under this Act shall not be considered employment for the purposes of any statute administered by the Civil Service Commission, except the provisions of section 9 of the Act of August 2, 1939, as amended (5 U.S.C. 1181), prohibiting partisan political activity: *Provided*, That the Commission is authorized, after consulting the head of the appropriate department or agency, to designate suitable persons in the official service of the United States, with their consent, to serve in these positions. Examiners and hearing officers shall have the power to administer oaths.

Sec. 7. (a) The examiners for each political subdivision shall, at such places as the Civil Service Commission shall by regulation designate, examine applicants concerning their qualifications for voting. An application to an examiner shall be in such form as the Commission may require and shall contain allegations that the applicant is not otherwise registered to vote.

(b) Any person whom the examiner finds, in accordance with instructions received under section 9(b), to have the qualifications prescribed by State law not inconsistent with the Constitution and laws of the United States shall promptly be placed on a list of eligible voters. A challenge to such listing may be made in accordance with section 9(a) and shall not be the basis for a prosecution under section 12 of this Act. The examiner shall certify and transmit such list, and any supplement as appropriate, at least once a month, to the offices of the appropriate election officials, with copies to the Attorney General and the attorney general of the State, and any such lists and supplements thereto transmitted during the month shall be available for public inspection on the last business day of the month and in any event not later than the forty-fifth day prior to any election. The appropriate State or local election official shall place such names on the official voting list. Any person whose name appears on the examiner's list shall be entitled and allowed to vote in the election district of his residence unless and until the appropriate election officials shall have been notified that such person has been removed from such list in accordance with subsection (d): *Provided*, That no person shall be entitled to vote in any election by virtue of this Act unless his name shall have been certified and transmitted on such a list to the offices of the appropriate election officials at least forty-five days prior to such election.

(c) The examiner shall issue to each person whose name appears on such a list a certificate evidencing his eligibility to vote.

(d) A person whose name appears on such a list shall be removed therefrom by an examiner of (1) such person has been successfully challenged in accordance with the procedure prescribed in section 9, or (2) he has been determined by an examiner to have lost his eligibility to vote under State law not inconsistent with the Constitution and the laws of the United States.

Sec. 8. Whenever an examiner is serving under this Act in any political subdivision, the Civil Service Commission may assign, at the request of the Attorney General, one or more persons, who may be officers of the United States, (1) to enter and attend at any place for holding an election in such subdivision for the purpose of observing whether persons who are entitled to vote are being permitted to vote, and (2) to enter and attend at any place for tabulating the votes cast at any election held in such subdivision for the purpose of observing whether votes cast by persons entitled to vote are being properly tabulated. Such persons so assigned shall report to an examiner appointed for such political subdivision, to the Attorney General, and if the appointment of examiners has been authorized pursuant to section 3(a), to the court.

Sec. 9. (a) Any challenge to a listing on an eligibility list prepared by an examiner shall be heard and determined by a hearing officer appointed by and responsible to the Civil Service Commission and under such rules as the Commission shall by regulation prescribe. Such challenge shall be entertained only if filed at such office within the State as the Civil Service Commission shall by regulation designate, and within ten days after the listing of the challenged person is made available for public inspection, and if supported by (1) the affidavits of at least two persons having personal knowledge of the facts constituting grounds for the challenge, and (2) a certification that a copy of the challenge and affidavits have been served by mail or in person upon the person challenged at his place of residence set out in the application. Such challenge shall be determined within fifteen days after it has been filed. A petition for review of the decision of the hearing officer may be filed in the United States court of appeals for the circuit in which the person challenged resides within fifteen days after service of such decision by mail on the person petitioning for review but no decision of a hearing officer shall be reversed unless clearly erroneous. Any person listed shall be entitled and allowed to vote pending final determination by the hearing officer and by the court.

(b) The times, places, procedures, and form for application and listing pursuant to this Act and removals from the eligibility lists shall be prescribed by regulations promulgated by the Civil Service Commission and the Commission shall, after consultation with the Attorney General, instruct examiners concerning applicable State law not inconsistent with the Constitution and laws of the United States with respect to (1) the qualifications required for listing, and (2) loss of eligibility to vote.

(c) Upon the request of the applicant or the challenger or on its own motion the Civil Service Commission shall have the power to require by subpena the attendance and testimony of witnesses and the production of documentary evidence relating to any matter pending before it under the authority of this section. In case of contumacy or refusal to obey a subpena, any district court of the United States or the United States court of any territory or possession, or the District Court of the United States for the District of Columbia, within the jurisdiction of which said person guilty of contumacy or refusal to obey is found or resides or is domiciled or transacts business, or has appointed an agent for receipt of service of process, upon application by the Attorney General of the United States shall have jurisdiction to issue to such person an order requiring such person to appear before the Commission or a hearing officer, there to produce pertinent, relevant, and nonprivileged documentary evidence if so ordered, or there to give testimony touching the matter under investigation; and any failure to obey such order of the court may be punished by said court as a contempt thereof.

Sec. 10. (a) The Congress finds that the requirement of the payment of a poll tax as a precondition to voting (i) precludes persons of limited means from voting or imposes unreasonable financial hardship upon such persons as a precondition to their exercise of the franchise, (ii) does not bear a reasonable relationship to any legitimate State interest in the conduct of elections, and (iii) in some areas has the purpose or effect of denying persons the right to vote because of race or color. Upon the basis of these findings, Congress declares that the constitutional right of citizens to vote is denied or abridged in some areas by the requirement of the payment of a poll tax as a precondition to voting.

(b) In the exercise of the powers of Congress under section 5 of the fourteenth amendment and section 2 of the fifteenth amendment, the Attorney General is authorized and directed to institute forthwith in the name of the United States such actions, including actions against States or political subdivisions, for declaratory judgment or injunctive relief against the enforcement of any requirement of the payment of a poll tax as a precondition to voting, or substitute therefor enacted after November 1, 1964, as will be necessary to implement the declaration of subsection (a) and the purposes of this section.

(c) The district courts of the United States shall have jurisdiction of such actions which shall be heard and determined by a court of three judges in accordance with the provisions of section 2284 of title 28 of the United States Code and any appeal shall lie to the Supreme Court. It shall be the duty of the judges designated to hear the case to assign the case for hearing at the earliest practicable date, to participate in the hearing and determination thereof, and to cause the case to be in every way expedited.

(d) During the pendency of such actions, and thereafter if the courts, notwithstanding this action by the Congress, should declare the requirement of the payment of a poll tax to be constitutional, no citizen of the United States who is a resident of a State or political subdivision with respect to which determinations have been made under subsection 4(b) and a declaratory judgment has not been entered under subsection 4(a), during the first year he becomes otherwise entitled to vote by reason of registration by State or local officials or listing by an examiner, shall be denied the right to vote for failure to pay a poll tax if he tenders payment of such tax for the current year to an examiner or to the appropriate State or local official at least forty-five days prior to election, whether or not such tender would be timely or adequate under State law. An examiner shall have authority to accept such payment from any person authorized by this Act to make an application for listing, and shall issue a receipt for such payment. The examiner shall transmit promptly any such poll tax payment to the office of the State or local official authorized to receive such payment under State law, together with the name and address of the applicant.

Sec. 11. (a) No person acting under color of law shall fail or refuse to permit any person to vote who is entitled to vote under any provision of this Act or is otherwise qualified to vote, or willfully fail or refuse to tabulate, count, and report such person's vote.

(b) No person, whether acting under color of law or otherwise, shall intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce any person for voting or attempting to vote, or intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce any person for urging or aiding any person to vote or attempt to vote, or intimidate, threaten, or coerce any person for exercising any powers or duties under section 3(a), 6, 8, 9, 10, or 12(e).

(c) Whoever knowingly or willfully gives false information as to his name, address, or period of residence in the voting district for the purpose of establishing his eligibilty to register or vote, or conspires with another individual for the purpose of encouraging his false registration to vote or illegal voting, or pays or offers to pay or accepts payment either for registration to vote or for voting shall be fined not more than $10,000 or imprisoned not more than five years, or both: *Provided, however,* That this provision shall be applicable only to general, special, or primary elections held solely or in part for the purpose of selecting or electing any candidate for the office of President, Vice President, presidential elector, Member of the United States Senate, Member of the United States House of Representatives, or Delegates or Commissioners from the territories or possessions, or Resident Commissioner of the Commonwealth of Puerto Rico.

(d) Whoever, in any matter within the jurisdiction of an examiner or hearing officer knowingly and willfully falsifies or conceals a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious, or fraudulent statement or entry, shall be fined not more than $10,000 or imprisoned not more than five years, or both.

Sec. 12. (a) Whoever shall deprive or attempt to deprive any person of any right secured by section 2, 3, 4, 5, 7, or 10, or shall violate section 11 (a) or (b), shall be fined not more than $5,000, or imprisoned not more than five years, or both.

(b) Whoever, within a year following an election in a political subdivision in which an examiner has been appointed (1) destroys, defaces, mutilates, or otherwise alters the marking of a paper ballot which has been cast in such election, or (2) alters any official record of voting in such election tabulated from a voting machine or otherwise, shall be fined not more than $5,000, or imprisoned not more than five years, or both.

(c) Whoever conspires to violate the provisions of subsection (a) or (b) of this section, or interferes with any right secured by section 2, 3, 4, 5, 7, 10, or 11 (a) or (b) shall be fined not more than $5,000, or imprisoned not more than five years, or both.

(d) Whenever any person has engaged or there are reasonable grounds to believe that any person is about to engage in any act or practice prohibited by section 2, 3, 4, 5, 7, 10, 11, or subsection (b) of this section, the Attorney General may institute for the United States, or in the name of the United States, an action for preventive relief, including an application for a temporary or permanent injunction, restraining order, or other order, and including an order directed to the State and State or local election officials to require them (1) to permit persons listed under this Act to vote and (2) to count such votes.

(e) Whenever in any political subdivision in which there are examiners appointed pursuant to this Act any persons allege to such an examiner within forty-eight hours after the closing of the polls that notwithstanding (1) their listing under this Act or registration by an appropriate election official and (2) their eligibility to vote, they have not been permitted to vote in such election, the examiner shall forthwith notify the Attorney General if such allegations in his opinion appear to be well founded. Upon receipt of such notification, the Attorney General may forthwith file with the district court an application for an order providing for the marking, casting, and counting of the ballots of such persons and requiring the inclusion of their votes in the total vote before the results of such election shall be deemed final and any force or effect given thereto. The district court shall hear and determine such matters immediately after the filing of such application. The remedy provided in this subsection shall not preclude any remedy available under State or Federal law.

(f) The district courts of the United States shall have jurisdiction of proceedings instituted pursuant to this section and shall exercise the same without regard to whether a person asserting rights under the provisions of this Act shall have exhausted any administrative or other remedies that may be provided by law.

Sec. 13. Listing procedures shall be terminated in any political subdivision of any State (a) with respect to examiners appointed pursuant to clause (b) of section 6 whenever the Attorney General notifies the Civil Service Commission, or whenever the District Court for the District of Columbia determines in an action for declaratory judgment brought by any political subdivision with respect to which the Director of the Census has determined that more than 50 per centum of the nonwhite persons of voting age residing therein are registered to vote, (1) that all persons listed by an examiner for such subdivision have been placed on the appropriate voting registration roll, and (2) that there is no longer reasonable cause to believe that persons will be deprived of or denied the right to vote on account of race or color in such subdivision, and (b), with respect to examiners appointed pursuant to section 3(a), upon order of the authorizing court. A political subdivision may petition the Attorney General for the termination of listing procedures under clause (a) of this section, and may petition the Attorney General to request the Director of the Census to take such survey or census as may be appropriate for the making of the determination provided for in this section. The District Court for the District of Columbia shall have jurisdiction to require such survey or census to be made by the Director of the Census and it shall require him to do so if it deems the Attorney General's refusal to request such survey or census to be arbitrary or unreasonable.

Sec. 14. (a) All cases of criminal contempt arising under the provisions of this Act shall be governed by section 151 of the Civil Rights Act of 1957 (42 U.S.C. 1995).

(b) No court other than the District Court for the District of Columbia or a court of appeals in any proceeding under section 9 shall have jurisdiction to issue any declaratory judgment pursuant to section 4 or section 5 or any restraining order or temporary or permanent injunction against the execution or enforcement of any provision of this Act or any action of any Federal officer or employee pursuant hereto.

(c)(1) The terms "vote" or "voting" shall include all action necessary to make a vote effective in any primary, special, or general election including, but not limited to, registration, listing pursuant to this Act, or other action required by law prerequisite to voting, casting a ballot, and having such ballot counted properly and included in the appropriate totals of votes cast with respect to candidates for public or party office and propositions for which votes are received in an election.

(2) The term "political subdivision" shall mean any county or parish, except that where registration for voting is not conducted under the supervision of a county or parish, the term shall include any other subdivision of a State which conducts registration for voting.

(d) In any action for a declaratory judgment brought pursuant to section 4 or section 5 of this Act, subpenas for witnesses who are required to attend the District Court for the District of Columbia may be served in any judicial district of the United States: *Provided*, That no writ of subpena shall issue for witnesses without the District of Columbia at a greater distance than one hundred miles from the place of holding court without the permission of the District Court for the District of Columbia being first had upon proper application and cause shown.

Sec. 15. Section 2004 of the Revised Statutes (42 U.S.C. 1971), as amended by section 131 of the Civil Rights Act of 1957 (71 Stat. 637), and amended by section 601 of the Civil Rights Act of 1960 (74 Stat. 90), and as further amended by section 101 of the Civil Rights Act of 1964 (78 Stat. 241), is further amended as follows:

(a) Delete the word "Federal" wherever it appears in subsections (a) and (c);

(b) Repeal subsection (f) and designate the present subsections (g) and (h) as (f) and (g), respectively.

Sec. 16. The Attorney General and the Secretary of Defense, jointly, shall make a full and complete study to determine whether, under the laws or practices of any State or States, there are preconditions to voting, which might tend to result in discrimination against citizens serving in the Armed Forces of the United States seeking to vote. Such officials shall, jointly, make a report to the Congress not later than June 30, 1966, containing the results of such study, together with a list of any States in which such preconditions exist, and shall include in such report such recommendations for legislation as they deem advisable to prevent discrimination in voting against citizens serving in the Armed Forces of the United States.

Sec. 17. Nothing in this Act shall be construed to deny, impair, or otherwise adversely affect the right to vote of any person registered to vote under the law of any State or political subdivision.

Sec. 18. There are hereby authorized to be appropriated such sums as are necessary to carry out the provisions of this Act.

Sec. 19. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the remainder of the Act and the application of the provision to other persons not similarly situated or to other circumstances shall not be affected thereby.

Approved August 6, 1965.

S. 2507

A bill to amend the Voting Rights Act of 1965, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act shall be known as the "Voting Rights Act Amendments of 1969."

Sec. 2. Section 4 of the Voting Rights Act of 1965 (79 Stat. 438; 42 U.S.C. 1973b) is amended as follows:

(a) Strike subsection (a) and substitute the following:

"(a)(1) Prior to January 1, 1974, no citizen shall be denied the right to vote in any Federal, State, or local election because of his failure to comply with any test or device."

(b) Strike subsection (b) and designate present subsection (c) as (a)(2).

(c) Strike subsections (d) and (e) and add the following as subsection (b):

"(b)(1) No citizen of the United States who is otherwise qualified to vote in any State or political subdivision in any election for President and Vice President of the United States shall be denied the right to vote in any such election for failure to comply with a residence or registration requirement if he has resided in that State or political subdivision since the first day of September next preceding the election and has complied with the requirements of registration to the extent that they provide for registration after that date.

"(2) If such citizen has begun residence in a State or political subdivision after the first day of September next preceding an election for President and Vice President of the United States and does not satisfy the residence requirements of that State or political subdivision, he shall be allowed to vote in such election: (A) in person in the State or political subdivision in which he resided on the last day of August of that year if he had satisfied, as of the date of his change of residence, the requirements to vote in that State or political subdivision; or (B) by absentee ballot in the State or political subdivision in which he resided on the last day of August of that year if he satisfies, but for his nonresident status and the reason for his absence, the requirements for absentee voting in that State or political subdivision.

"(3) No citizen of the United States who is otherwise qualified to vote by absentee ballot in any State or political subdivision in any election for President and Vice President of the United States shall be denied the right to vote in such election because of any requirement of registration that does not include a provision for absentee registration.

"(4) 'State' as used in this subsection includes the District of Columbia."

Sec. 3. Section 5 of the Voting Rights Act of 1965 (79 Stat. 439; 42 U.S.C. 197c) is amended to read as follows:

"Sec. 5. (a) Whenever the Attorney General has reason to believe that a State or political subdivision has enacted or is seeking to administer any voting qualification or prerequisite to voting, or standard, practice or procedure with respect to voting which has the purpose or effect of denying or abridging the right to vote on account of race or color, he may institute for the United States, or in the name of the United States, an action in a district court of the United States, in accordance with sections 1391 through 1393 of title 28, United States Code, for a restraining order or a preliminary or permanent injunction, or such other order as he deems appropriate.

"(b) An action under this section shall be heard and determined by a court of three judges in accordance with the provisions of section 2284 of title 28 of the United States Code and any appeal shall be to the Supreme Court."

Sec. 4. Section 6 of the Voting Rights Act of 1965 (79 Stat. 439; 42 U.S.C. 1973d) is amended by striking the words "unless a declaratory judgment has been rendered under section 4(a)" and by striking, immediately after the words "political subdivision," the words "named in, or included within the scope of, determinations made under section 4(b)."

Sec. 5. Section 8 of the Voting Rights Act of 1965 (79 Stat. 441; 42 U.S.C. 1973f) is amended by striking the words "Whenever an examiner is serving under this Act in any political subdivision the Civil Service Commission may" and substituting the following:

"Whenever the Attorney General determines with respect to any political subdivision that in his judgment the designation of observers is necessary or appropriate to enforce the guarantees of the fifteenth amendment, the Civil Service Commission shall".

Section 8 is further amended by adding the following sentence at the end thereof:

"A determination of the Attorney General under this section shall not be reviewable in any court."

Sec. 6. Section 14 of the Voting Rights Act of 1965 (79 Stat. 445; 42 U.S.C. 1973l) is amended by striking subsections (b) and (d) and designating subsection (c) as (b).

Sec. 7. The Voting Rights Act of 1965 (79 Stat. 437; 42 U.S.C. 1973) is amended by redesignating sections 17, 18, and 19 as sections 18, 19, and 20, respectively, and inserting the following new section:

"Sec. 17. (a) There is hereby created a temporary Commission, to be known as the National Advisory Commission on Voting Rights (hereafter called the Commission), which shall be composed of not more than nine members who shall be appointed by the President. The President shall designate one member to serve as Chairman.

"(b) The Commission shall undertake to make a study of the effects upon voting and voter registration of laws restricting or abridging the right to vote, including laws making residence, economic status or passage of literacy tests and other tests or devices a prerequisite to voting. The Commission shall also study the impact of fraudulent and corrupt practices upon voting rights. The Commission shall conduct such hearings as it deems appropriate and shall consult with the Attorney General, the Secretary of Commerce, and the Civil Rights Commission, and with such other persons and agencies as it deems appropriate. The Commission shall report to the President and the Congress, not later than January 15, 1973, the results of its study and make its recommendations for legislative or other action to protect the right to vote. The Commission shall cease to exist thirty days following the submission of its report.

"(c) As soon as practicable following enactment of this statute and after consultation with the Attorney General and the Civil Rights Commission, the Secretary of Commerce shall make special surveys, in States which utilize literacy and other tests or devices, and in other States, to collect data regarding voting in Presidential and other elections, by race, national origin, and income groups. The Secretary of Commerce shall transmit this data, together with other pertinent data from the Nineteenth Decennial Census, to the Commission.

"(d) The Commission is authorized to request from any executive department or agency any information and assistance deemed necessary to carry out its functions under this section. Each department or agency is authorized, to the extent permitted by law and within the limits of available funds, to cooperate with the Commission and to furnish information and assistance to the Commission.

"(e) Members of the Commission who are Members of Congress or in the executive branch of the Government shall serve without additional compensation, but shall be permitted travel expenses, including per diem in lieu of subsistence as authorized by section 5703 of title 5, United States Code, for persons intermittently employed. Other members of the Commission shall be entitled to receive compensation at the rate now or hereafter provided for GS–18 of the General Schedule for employees for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Commission. While traveling on official business in performance of services for the Commission, members of the Commission shall be allowed expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons intermittently employed. The Commission shall have an Executive Director who shall be designated by the President and shall receive such compensation as he may determine, not in excess of the maximum rate now or hereafter provided for GS–18 of the General Schedule under section 5332 of title 5, United States Code. The Commission is authorized to appoint and fix the compensation of such other personnel as may be necessary to perform its functions. The Commission may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code."

Sec. 8. The provisions of this Act shall become effective on August 6, 1970, except that section 7 shall become effective immediately.

S. 818

A bill to extend the Voting Rights Act of 1965 with respect to the discriminatory use of tests and devices

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4(a) of the Voting Rights Act of 1965 (79 Stat. 438; 42 U.S.C. 1973b(a)) is amended as follows:

In the first and third paragraphs, after the words "during the", strike the word "five" and substitute the word "ten".

In the first paragraph, after the words "a period of" strike the word "five" and substitute the word "ten".

ORDER OF BUSINESS

Mr. **PROXMIRE**. Mr. President, I ask unanimous consent to speak for 5 minutes in the morning hour.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

CONGRESS HAS MADE A $5 BILLION CUT IN PRESIDENT'S BUDGET REQUESTS

Mr. **PROXMIRE**. Mr. President, the impression has gotten around the country that the President is being responsible on fiscal policy and that Congress is being irresponsible; that Congress is spending money wildly; that we are, so far as the HEW budget is concerned, so far beyond the budget that the President, unfortunately, has to veto the measure.

This, I suppose, is not the fault of the press. The press is being honest and objective in reporting this news, but I think it is the fault of those of us who are on the Appropriations Committee and have responsibility for reporting to the Congress and the country on what we have done.

The fact is that the Congress has cut presidential requests sharply; that we have made cuts on most appropriation bills.

Let me document that. We have cut approximately $5 billion from the President's request for new obligational authority. We have cut almost $3 billion in fiscal 1970 outlays. I am including the Health, Education, and Welfare appropriation bill, as well as all the other bills. The fact is that if we take a look at the action that we have taken so far, we find that on only four of the 14 fiscal year 1970 appropriation bills has the Senate provided amounts above the President's requests. One is on the agriculture bill. One is on public works. One is on labor, health, education, and welfare. One is on transportation. These are the only bills in which Congress has provided money over the President's requests.

The fact is that if Congress had done exactly what President Nixon had asked us to do, we would have appropriated $5 billion more than we have appropriated.

I wonder how many people in the country really appreciate that? I am sure they have gotten the impression, especially in view of the action of the President last night, that the President is laboring hard to hold an irresponsible Congress in check. The fact is precisely the contrary. The cuts Congress has made is the biggest anti-inflation news of the year.

Contrary to the impression the Nixon administration is trying to put across, it is the Congress which has acted constructively to stem inflation. Congress this year has cut the President's budget.

It is therefore ironic that the President should now exhort the Congress to cut spending and that he should now threaten to veto funds for schoolchildren, for the poor, for the ill, and for the unskilled at the end of a year when he has sent to the Hill one inflationary budget request after another, from the ABM and the B-1 superbomber to the SST.

The President yesterday voiced his concern that the Labor-HEW appropriations bill is too costly at this critical point in the battle against inflation. It is strange that the President did not give way to a similar concern when he gave the go-ahead to the SST or when the Pentagon decided to ask for money for the B-1 superbomber and countless other unneeded weapons systems.

The President has tried to give the impression that we in the Congress are irresponsible spendthrifts. The facts are just the opposite.

What the Congress has done is to change the administration's priorities. We cut the military budget, which is far and away the most significant cause of the present inflation. We increased somewhat the funds for the poor. We cut back on proposed foreign aid abroad. We used some of the money to help the needy here at home. But, overall, we made a major cut in Presidential requests.

We have cut hardest in the military budget because that is where the greatest dividends in the war on inflation were to be found. Military spending is the most inflationary spending the Government does because it does not supply a marketplace need.

We have increased the funds for investment in people, where the payoff is largest. The President gives us no credit for cutting his inflationary requests. Yet he tells us he will veto the bill for health, for schools, and for the development of the human resources of the country.

The Congress—and I am talking about the House and the Senate—reduced the Treasury-Post , Office-Executive Office appropriation by $38 million.

It reduced the independent offices bill.

It reduced the Department of Housing and Urban Development by $226 million.

It reduced the Interior Department appropriation by $10 million.

It reduced the State, Justice, Commerce, Judiciary appropriations bill by $111 million.

It reduced the legislative branch appropriation by $27 million below the request.

It will reduce the military construction bill by approximately $400 million, depending on what happens in conference. The House was $466 million under the President's request. The Senate was $313 million under the Presidents request.

Congress reduced the District of Columbia appropriation by $60 million below the President's request.

It reduced the Department of Defense appropriation $5.637 billion below the President's request.

It reduced the foreign aid appropriation between $1.071 billion and $858 million. Probably it will be about a $1 billion reduction below President Nixon's request.

Mr. **GOLDWATER**. Mr. President, will the Senator yield?

Mr. **PROXMIRE**. I am glad to yield.

Mr. **GOLDWATER**. Did I understand the Senator from Wisconsin to say that the Appropriations Committee cut defense spending by $5 billion?

Mr. **PROXMIRE**. The fact is that the action on new obligational authority so far was to reduce defense expenditures by a total of $5.637 billion below the revised budget request and to cut outlays by more than $3 billion below the President's request.

Mr. **GOLDWATER**. If I am not mistaken, it seems to me that the Senate Armed Services Committee provided about $1.7 billion——

Mr. **PROXMIRE**. The Senator is correct; that is a very good correction. The fact is that the Armed Services Committee did that. Further action on the floor cut it somewhat but did not cut very much more than the Armed Services Committee had recommended and what the Appropriations Committee had recommended. That is a good correction. I should have said the action of the Congress, not just the Appropriations Committee, reduced the President's request overall by $5 billion in obligational authority and by about $3 billion in spending outlays below what the President requested in his revised budget.

Mr. **GOLDWATER**. Again I may be mistaken, but it seems to me Secretary Laird accomplished most of that $5 billion reduction.

Mr. **PROXMIRE**. I am talking about cuts below the estimate of the Secretary. We are almost $9 billion below President Johnson's defense budget. Secretary Laird cut a little less than $4 billion below President Johnson's budget, and we went another $5 billion below Secretary Laird.

Mr. **GOLDWATER**. I just wanted to get the record straight. I know the Appropriations Committee works very diligently and that it has its problems on the floor when we continue to add billions of dollars to bills that we should not be adding billions of dollars to; but I think it is proper to recognize that a Republican administration, with a Republican Secretary of Defense, really got the ball rolling on cutting military expenditures.

Mr. **PROXMIRE**. Who got the ball rolling is a question.

Mr. **GOLDWATER**. The Armed Services Committee——

Mr. **PROXMIRE**. There were many who were responsible for it. There were critics of wasteful military spending. I think there are enough billions of dollars in cuts here to permit a number of people to get credit.

Certainly Secretary Laird deserves credit for cutting below the request of

Secretary Clifford and President Johnson's requests, but Congress as a whole made the big reduction. As we know, the Senate cut the amount lower than the House did.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. ALLOTT. I think it goes beyond that. If the Senator will examine the RECORD, I think he will find Secretary Laird's cut, in conjunction with the President's, which is reflected in the reduced appropriation, resulted in $3.5 billion below the President's original budget figure.

Mr. PROXMIRE. I am not talking about the original budget figure. I am talking about the latest revised budget. If we followed the recommendation of Secretary Laird and the President we would have been $5 billion above. We would have spent $5 billion more than we did.

Mr. ALLOTT. That is true, but the $5 billion cuts the President speaks of are reflected because of an additional $3.5 billion to $4 billion of Defense spending curbs by Secretary Laird, which are reflected in the $5 billion the Senator is talking about. This is below the revised estimate.

Mr. PROXMIRE. We have received cooperation from the Secretary of Defense, that is true. The point I am making is what I am sure is the impression around the country. In fact, it is the impression in this body. I brought this up, frankly, in our caucus this morning. Senators were astonished. They could not get over it. They wanted to get the table I will introduce to document the greater fiscal responsibility of Congress. I am sure the overwhelming majority of the people do not know that Congress reduced the President's requests sharply.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. PROXMIRE. I am happy to yield.

Mr. WILLIAMS of Delaware. There is no question that Defense has been cut——

Mr. PROXMIRE. I am talking about overall cuts, not only in Defense, but other departments.

Mr. WILLIAMS of Delaware. Defense and a few of the others. When he speaks of Defense is it not true that the Senator is talking about pipeline appropriations which will feed into the economy months and years later? We have to take the initial step in appropriations, but those cuts will not show up until months or years later. It is a fact that right now, as a result of carryover appropriations last year and before, mandatory expenditures are running considerably higher than they were a year ago in Defense.

Mr. PROXMIRE. May I say to the Senator, first, that these cuts are cuts below what the President requested, for the future.

Mr. WILLIAMS of Delaware. That is right.

Mr. PROXMIRE. In addition to that, it is a fact that in terms of outlays, not obligational authority, but outlays—and this has the inflationary impact—the Senate is not $5 billion below on Defense, but about $3.1 billion below. But it is substantially below, and I assert that Congress is playing a bigger role in fighting inflation or cutting spending than the President is.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. PROXMIRE. I ask unanimous consent that I may proceed for 5 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS of Delaware. No, I think the figures—and we will have them over here in a moment, and I shall put them in the RECORD—the exact spending figures on Defense are running higher now than they were a year ago due to the excessive amount that was appropriated and contracts made in earlier years. The most recent daily Treasury report shows expenditures of all agencies are running about $5 billion higher than they were last year.

Mr. PROXMIRE. I did not know that, but I accept the word of the Senator from Delaware. He is always accurate in these things. But the point is that that is not the result of action by this Congress.

Mr. WILLIAMS of Delaware. Not entirely.

Mr. PROXMIRE. We cannot control what previous Congresses have done and what this President and the Secretary of Defense have decided to do now, this year. But what we have done this year is cut the appropriations, both the obligational authority and the outlay far below what the President requested in Defense and these other areas.

Mr. WILLIAMS of Delaware. The Senator is correct on Defense, and that reduction will show up later in reduced expenditures; and whether the reduction is the result of action by the Armed Services Committee, the Secretary of Defense, or Congress, it is certainly a step in the right direction, and one that is long overdue.

But what has the inflationary aspect now is that, as a result of large appropriations heretofore made and in the pipeline, expenditures must be carried on to fulfill our contract obligations. We are actually spending more money in the first 5 months of this fiscal year than we did in the corresponding months of fiscal year 1969, by about $5 billion.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. SPARKMAN. I am glad that the Senator changed his credit line to Congress as a whole, because action on these bills is always by Congress as a whole, both Houses.

Mr. PROXMIRE. Yes, absolutely. That statement that the Appropriations Committee has made the cuts was unfortunate. This was action by Congress as a whole.

Mr. SPARKMAN. I want to get this point clear: The Senator is speaking of the appropriations that have been passed by this Congress, as against the requests of the President, even under his revised estimates?

Mr. PROXMIRE. That is correct.

Mr. SPARKMAN. In this Congress; we are not dealing with previous Congresses.

Mr. PROXMIRE. That is right.

Mr. SPARKMAN. I wonder if the Senator has checked on previous Congresses. I do not know how it stands now, but I know several years ago I checked on it, and I found out that Congress almost always appropriates less money than the President requests.

Mr. PROXMIRE. The Senator is absolutely correct. I checked 2 years ago, and found that for the preceding 24 years, Congress was below the President 24 times. Every year it was below the President. This year we are doing one of our better jobs. Rarely have we cut as much as $5 billion below the President, though we have on occasion. Back about 1954 I think Congress cut something like $12 billion below the President.

The point I am making is that Congress has cut well below the President this year, and, as the Senator adds, we have done that consistently over the years.

Mr. SPARKMAN. I think a great many people get the idea that Congress is supposed to go exactly by the rule book as laid down by the Bureau of the Budget functioning for the President. I think we are in danger of losing the proper perspective. Historically, the legislative body is supposed to be on the one that, as we say, controls the purse strings; is that not correct?

Mr. PROXMIRE. Yes, indeed. This is the one real power Congress has. The President has the power of the sword; we have the power of the purse.

Mr. SPARKMAN. And it is a constitutional power.

Mr. PROXMIRE. That is right.

Mr. SPARKMAN. And the power the executive has is to recommend to Congress.

Mr. PROXMIRE. The President proposes, Congress disposes.

Mr. SPARKMAN. Yes; and the President recommended, this year, sums that totaled more than $5 billion above what Congress has appropriated?

Mr. PROXMIRE. Exactly.

Mr. SPARKMAN. That is a simple story, is it not?

Mr. PROXMIRE. Yes, indeed.

Mr. SPARKMAN. I appreciate the Senator's bringing out these facts. We are not dealing with current expenditures; they are controlled by past appropriations, are they not?

Mr. PROXMIRE. That is correct.

Mr. SPARKMAN. And we are talking about this only because, in his letter last night, as I understand, the President referred particularly to this bill because it exceeded his request?

Mr. PROXMIRE. Correct.

Mr. SPARKMAN. By the way, there is another thing, too. We receive a lot of criticism about dragging our feet on appropriation bills. Does the Senator from Wisconsin know what happened with reference to this Health, Education, and Welfare appropriation bill while it was pending, so far as additional requests from the White House are concerned?

Mr. PROXMIRE. How much were they? I am sure they were very substantial.

Mr. SPARKMAN. More than $3 billion.

Mr. PROXMIRE. More than $3 billion, that is right.

Mr. SPARKMAN. Came up here in additional requests.

Mr. PROXMIRE. From the President.

Mr. SPARKMAN. We were asked to add those items to the bill.

Mr. PROXMIRE. That is right.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. PROXMIRE. I ask unanimous consent to proceed for 5 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPARKMAN. Does the Senator know how recently some of those requests came?

Mr. PROXMIRE. How recently did they come?

Mr. SPARKMAN. How long ago it was when the last one came up?

Mr. PROXMIRE. No; I do not.

Mr. SPARKMAN. I heard the chairman of the subcommittee, the able Senator from Washington (Mr. MAGNUSON), say that some of those requests came up only 2 weeks ago.

Mr. PROXMIRE. Two weeks ago the President was asking us to spend more?

Mr. SPARKMAN. Asking for money, yes. And now he says because we went over what he asked for in this particular bill, it is inflationary and, therefore, he is going to veto it. Did the President say anything about the bills—Defense, for instance—where we cut $5 billion under what he requested?

Mr. PROXMIRE. Not a word.

Mr. SPARKMAN. Or any of these other bills the Senator has so well pointed out?

Mr. PROXMIRE. Independent offices, foreign aid, and a number of others. Of the 14, 10 of them were reduced.

Mr. SPARKMAN. Ten out of the 14 we reduced?

Mr. PROXMIRE. Exactly.

Mr. SPARKMAN. I certainly commend the Senator for bringing out these important facts for the Senate and for the country, and I hope the word gets around that that is the way Congress is acting, instead of in a reckless, irresponsible manner, as so many have charged us with acting.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. SPARKMAN. If there is fiscal responsibility in the Government today, it has been exercised by Congress.

Mr. PROXMIRE. There is no question about that, in the area of spending. Of course, we have to see what comes out of the tax bill.

Mr. SPARKMAN. Yes; I am not referring to the tax bill.

Mr. PROXMIRE. I understand it is in pretty good shape. As far as spending is concerned, there is no question but that the Senator is absolutely correct, and that, as the Senator from Delaware has indicated, there has been substantial reduction in spending.

Mr. WILLIAMS of Delaware. Will the Senator yield?

Mr. PROXMIRE. I yield to the Senator from Delaware.

Mr. WILLIAMS of Delaware. Much has been made of the requests of the administration for some additional appropriations for some program in HEW. Normally those requests keep coming in at intervals and are included in the supplemental appropriation bill. This year we were so late with our regular appropriation bills that they were all included. Next year we shall have a second supplemental. This is the first time we have ever had appropriation bills held up this late. They should have been acted upon months ago.

And when we speak of the HEW bill I am not unmindful of the fact that when it was reported out earlier this week the Senate was actually debating the bill for about 3 hours before it came back from the printer. It was to my mind highly irresponsible for the Senate to have been asked to vote on a bill 3 hours before it was printed. I am sure that the Senator from Wisconsin will concur that we should have these appropriation bills at least a day or two ahead of time.

As to the amount of the HEW bill, it was $1,496,566,000 above the budget at the time of the final rollcall here in the Senate. This was for increased expenditures, and that is why the President is so concerned.

Mr. PROXMIRE. The Senator is correct. We were well under, as I say, on 10 of them. That was one of the four on which we were over; and, in the aggregate, we are more than $5 billion under what President Nixon asked Congress to find; and, in addition, in terms of the inflationary fight, we are about $3 billion under the President in terms of outlay of cash. This year, right now, in terms of the amount that will be spent during the fiscal year.

Mr. WILLIAMS of Delaware. I agree with the first part of the Senator's statement, that we have cut the appropriations back for some projected or future expenditures. In actual current expenditures we have not cut back. For instance, the $1,496 million we have added to HEW are mandatory expenditures, and the President could not impound the funds. While Defense is cut back, he could have impounded funds in certain areas where they are not for contractual obligations.

I mentioned a moment ago how expenditures were rising. I notice that the Defense military expenditures for the first 5 months of this year are about $250 million more than they were for the corresponding period last year.

On the military for the first 5 months of this year they were $37.352 billion compared with $37.102 billion in the corresponding 5 months for fiscal year 1969. That has to do with the fact that there were such large appropriations for the earlier years, and we have to pay for these contracts now. It takes time to shut it off.

Mr. PROXMIRE. The Senator is absolutely right. That was under both President Johnson and President Nixon. They were both involved. President Johnson asked for more money than Congress provided. That money was in the pipeline. It is being spent. President Nixon can spend that money on defense.

Mr. WILLIAMS of Delaware. He can cut back in the future, but not now. He is obligated to pay for contracts previously incurred under the prior administration.

In agriculture there is $1.2 billion more cost this year to carry out contractual obligations than in the corresponding period.

Mr. PROXMIRE. And agriculture is one of the four out of the 14 programs which the Senate increased above the President's request.

Mr. WILLIAMS of Delaware. On this item alone there is $1.2 billion in extra cost for the first 5 months.

HEW expenses are up $720 million. The increase on the interest on the national debt was $500 million more in the first 5 months of this year than last year. That is to pay the interest on the money we borrowed to cover last year's deficit.

Altogether our expenditures in the first 5 months of this fiscal year have increased $9.5 billion above the corresponding 5-month period last year whereas our income increased only $6 billion. We are running about $3.7 billion more deficit than last year.

I notice that on December 12 our national debt had climbed up to $372 billion.

We are increasing our national debt by an average of about $720 million a month right now to pay for the operating expenses of the Government. That is the reason that I said we could not afford any reduction in taxes at this time.

Mr. PROXMIRE. I agree with much of the thrust of what the Senator is saying. We are spending enormous amounts of money, and we will probably have to spend more in the future.

However, so far, in terms of responsibility, as between this Congress and the Nixon administration, if we had followed to the letter the advice of the Bureau of the Budget, we would have appropriated $5 billion more than we have appropriated and provided for outlays of more than $3 billion more than we are providing.

So, this Congress, I would say, has been more responsible in the area of spending and has fought harder to combat inflation than has the President of the United States.

Mr. WILLIAMS of Delaware. Mr. President, I cannot agree with the Senator from Wisconsin on that point.

Mr. PROXMIRE. I am talking about this year.

Mr. WILLIAMS of Delaware. Our mandatory programs, the Veterans' Administration, and various other programs that are mandatory, have been approved in the Congress. In fact, if Congress continues to save money as this Congress is saving money we shall save ourselves into a state of bankruptcy. The Senator will agree with me that we are not making any headway when we run behind by $720 million a month.

Mr. PROXMIRE. The Senator agrees with me that we are $5 billion below the requests.

Mr. WILLIAMS of Delaware. We have cut back on Defense requests but have increased the mandatory expenditures to more than offset it.

Mr. PROXMIRE. Defense is only one out of the 10 that have been cut back. Four others have been increased, and there have been substantial cuts elsewhere.

Mr. HART. Mr. President, will the Senator yield, so that I may attempt, perhaps by oversimplifying my question, to clarify what the Senator from Wisconsin is suggesting?

Mr. PROXMIRE. I yield.

Mr. HART. Mr. President, let us assume that we have been what we are sometimes charged with being, a rubberstamp. If this Congress had rubberstamped the Nixon budget request, would we be authorizing more money than we as independent agents are authorizing?

Mr. PROXMIRE. Yes; because if we had been a rubberstamp and done everything they asked us to do we would have been providing more than $5 billion more than we did provide.

Mr. HART. Mr. President, so, except for Congress, which in the minds of most of the people of the country is a big spender, except for Congress and its responsible action, if there had not been any Congress intervening, the President would be in a position of pumping out more money.

Mr. PROXMIRE. The Senator is absolutely correct. The administration is a big spender. There is no question about that.

Mr. HART. I think that comes as a surprise to some Members of the Congress.

Mr. PROXMIRE. I think it does, too. But there is not any question about it.

Mr. ALLOTT. Mr. President, the executive branch is always the spender. Congress does not spend money.

Mr. PROXMIRE. That may be, but the executive branch last night with their dramatic—some would call it a "snow job"—action gave the impression very skillfully that it was cracking down on a spendthrift Congress that was throwing money around like a drunken sailor, in port after a year at sea. The administration pointed out that it is constrained now to act to veto the HEW bill under these circumstances.

Mr. ALLOTT. I think one thing that was not understood last night at all, except by a handful of people, if I may say so—and I am not sure that even some of those intimately involved really understood—is the fact that the Labor, Health, Education, and Welfare appropriation bill—which is I guess still in conference, although I am not sure what the situation is at the moment—contains so many items which the President must spend and must spend this year. And the President pointed that out.

It was pointed out in some 3 hours of conferences in which the majority leader and several of the senior appropriations people were involved, along with the minority leader and the distinguished Senator from North Dakota (Mr. YOUNG), who is the ranking minority member on the Appropriations Committee, and the senior Senator from Colorado. This was pointed out repeatedly, again and again.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PROXMIRE. Mr. President, I yield myself an additional 5 minutes.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for another 5 minutes.

Mr. ALLOTT. Mr. President, this is where the real impact of the HEW bill is going to come, and the real impact so far as spending and inflation.

There are two points I would like to ask the Senator about. The Senator has been a member of the Appropriations Committee for some time, I do not recall exactly how long.

Mr. PROXMIRE. I have been a member of that committee for 6 years.

Mr. ALLOTT. I have been a member of that committee now for 10 years. And I do not think there was ever an instance on an overall basis that Congress was not somewhere in the neighborhood—and I had these figures at one time and am trying to recall them—of between $5 billion and $7 billion a year in its appropriation bills below the President's budget.

Mr. PROXMIRE. I made a study of that about 2 years ago. I found that for the preceding 24 or 25 years, Congress has been under the President's budget every year. There is no question about that. One year they were under his budget by $12 billion. They are usually under it by $1 billion or $2 billion.

This is a good Congress in this respect. It is more than usual below the President's request. They are being tremendously economical. This is one of the better Congresses, I would say.

There have not been more than one or two Congresses in the past that have done a better job in terms of cutting requests.

Mr. ALLOTT. Mr. President, of the $5 billion the Senator has talked about that Congress has cut, about $3.5 billion in round figures of those cuts are subsequent cuts that were made by the President and Secretary of Defense Laird in the Defense Department and are reflected in the Defense appropriation bill.

Mr. PROXMIRE. The Senator can put any interpretation he wants on it. However, we have taken the latest revised budget of December 17. If we could get the figures for today, we would use them. As of December 17, 1969, it was $5 billion above what Congress provided.

Mr. ALLOTT. Yes. I will agree to that unadorned statement. But of that $5 billion, approximately $3.5 billion of the cut is reflected in subsequent cuts and expenditures in the Defense Department made between the President and Secretary Laird.

Mr. PROXMIRE. Secretary Laird said he was cutting reluctantly; that, in his view, it could hurt our defense, and that he was doing this only because he felt he had to accommodate a Congress that insisted on it.

Mr. ALLOTT. If we are going to talk about that, we could get into another area.

Mr. PROXMIRE. It was not done of his volition.

Mr. ALLOTT. Our whole defense system in this country has been brought to a shambles by the Vietnam war. There are so many areas in which to protect ourselves that we will have to make large expenditures, and we still have a long way to go in that respect.

I want to say one other thing, if the Senator will yield—and I know he does a great deal of work in this area. I wonder whether he agrees with me that one of the most phony things that ever came down the track is the so-called combined budget, or unitized budget, under which we have been operating the past 2 or 3 years. And does the Senator believe that we would do much better, in dealing with figures such as he had in his hand a few moments ago—new obligational authorities and so forth—to go back to the administrative budget, in which we say we appropriate, and we do appropriate?

I know that the Senator is far too smart to think that, as a businessman or as a professional man, he could mix his customers' funds with his own and think he could get away with it. We all know that none of us could. But in the Government of the United States, that is exactly what we are doing under the budgetary system.

Mr. PROXMIRE. The new budget, as the Senator knows, is the result of a Johnson committee, but it was a Johnson committee headed by the present Secretary of the Treasury, David Kennedy. The executive director of the group that made the study and recommended the budget was Robert Mayo, the present Director of the Budget. These gentleman recommended that Congress would be better served by this kind of consolidated budget. I think it gives us a better picture of the impact of Federal spending on the country.

The Senator is correct in pointing out that it does not give us as clear a picture as the administrative budget did of the effect on the national debt and of many other relationships. We ought to have them all in mind, if we are going to make a fair judgment of our own actions and of the effect on the country as a whole.

Mr. ALLOTT. I think that the Secretary of the Treasury, in that task force—or committee, or whatever it was; I do not know its official designation—in doing this, I think it was one of the biggest mistakes the country ever made, because in the first year everybody was confused because part of the departments were operating under one budget and another. But you cannot take the income into trust funds—and social security is a trust fund—and the income, for example, from the highway fund and treat it as income of the Government.

Mr. PROXMIRE. I think the Senator from Colorado has a good point, inasmuch as we ought to have all these budgets in mind and should not pick one as if it is the only one that counts.

CONGRESS HAS REORDERED PRIORITIES

Mr. President, what Congress really has done here is to reorder our priorities. We have cut the overall spending, but we have cut military spending, cut military construction spending, cut spending in many other areas, and we have added to the appropriations for Health, Education, and Welfare. In my view, that is about the healthiest and most wholesome thing Congress could do at this time. We have reordered our priorities, and I think properly so.

I ask unanimous consent that a table documenting and reflecting what I have just spoken of be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE NO. 1.—ACTIONS ON INDIVIDUAL BILLS AFFECTING BUDGET AUTHORITY AND OUTLAYS (EXPENDITURES) (AS OF DECEMBER 18, 1969)[1]

[In thousands of dollars]

Items acted upon	NOA			Outlays		
	Congressional actions on budget authority (changes from the revised budget)[1]			Congressional actions on budget outlays (changes from the revised budget)[1]		
	House (1)	Senate (2)	Enacted (3)	House (4)	Senate (5)	Enacted (6)
Fiscal year 1970:						
Appropriation bills (changes from the revised budget):						
Treasury, Post Office, and Executive Office (H.R. 11582, Public Law 91-74)	−42,382	−34,519	−38,482	−37,000	−30,600	−34,000
Agriculture and related agencies (H.R. 11612, Public Law 91-127)	−160,907	+405,236	+251,341	+53,000	+294,000	+166,000
Second supplemental, 1969 (H.R. 11400, Public Law 91-47)				−92,700	−64,700	−75,000
Section 401 outlay ceiling					(−1,900,000)	(−1,000,000)
Independent Offices and Department of Housing and Urban Development (H.R. 12307, Public Law 91-126)	−471,325	−177,521	−226,099	−61,000	−25,900	−40,000
Interior and related agencies (H.R. 12781, Public Law 91-98)	−15,810	−8,090	−10,481	−15,300	−11,800	−7,800
State, Justice, Commerce, the Judiciary and related agencies (H.R. 12964)	−130,070	−83,350	−111,272	−71,000	−40,600	−56,100
Labor and Health, Education, and Welfare and related agencies (H.R. 13111)	+1,078,365	+1,637,286		+521,000	+653,000	
Legislative Branch (H.R. 13763, Public Law 91-145)	−26,850	−29,842	−27,826	−7,900	−8,800	−8,700
Public Works (H.R. 14159, Public Law 91-144)	+301,469	+789,451	+552,030	+10,500	+67,400	+50,000
Military Construction (H.R. 14751)	−466,741	−313,854	−356,844	−37,000	−26,500	−29,000
Transportation (H.R. 14794)	+34,546	106,579	+89,265	−172,000	−43,260	−153
District of Columbia (H.R. 14916)	−40,151	−55,295	−60,332	−14,000	−13,800	−18,800
Department of Defense (H.R. 15090)	−5,318,152	−5,955,544	−5,637,632	−3,000,000	−3,250,000	−3,200,000
Foreign Aid (H.R. 15149)	−1,071,544	962,626		−167,000	−146,000	
Supplemental, 1970 (H.R. 15209)	−63,490	−17,721		−5,670	+30,000	
Subtotal, appropriation bills	−6,393,042	−4,699,310	−5,576,332	−3,096,070	−2,617,500	−3,406,400

[1] See explanation below:

Explanation of table: The table indicates that 11 of the 14 appropriation bills affecting fiscal year 1970 appropriations have been enacted. (The 15th bill, the second supplemental, 1969 affects 1970 outlays but not appropriations.) The total reduction in new obligational authority from that requested by President Nixon is $5,576,332. (Total, Col. 3.)

Three bills have yet to be enacted. These are the Labor-HEW bill, the Foreign Aid bill and the supplemental, 1970. In each case, the final amount enacted will be an amount somewhere between the amount the Senate enacted and the amount the House enacted.

The Labor-HEW bill will be between $1,078,365,000 and $1,637,286,000 over the President's request.

The Foreign Aid bill will be from $962,626,000 and $1,071,544,000 under the President's request. The supplemental, 1970 will be from $63.5 million to $17.7 million under the President's request.

The final net result will in any case mean a cut in the new obligational authority (NOA) of at least $5 billion below the President's request and a cut of $3 billion in outlays below the amount the President requested in his revised budget.

CONVENTION ON THE PRIVILEGES AND IMMUNITIES OF THE UNITED NATIONS—REMOVAL OF INJUNCTION OF SECRECY

Mr. BYRD of West Virginia. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from Executive J, 91st Congress, first session, the Convention on the Privileges and Immunities of the United Nations, transmitted to the Senate today by the President of the United States, and that the convention, together with the President's message, be referred to the Committee on Foreign Relations and ordered to be printed, and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message from the President is as follows:

To the Senate of the United States:

I transmit herewith the Convention on the Privileges and Immunities of the United Nations with a view to receiving the advice and consent of the Senate to accession.

The United Nations General Assembly unanimously approved the Convention on February 13, 1946, to give precision to the obligations of members under Articles 104 and 105 of the United Nations Charter. Of the 126 United Nations Members, 100 have already become parties to the Convention.

As host to United Nations headquarters the United States bears special responsibility for the status of the United Nations, its officials, and representatives of its members. We should have acceded to the Convention long ago. Over the years, our failure to do so has become a source of embarrassment to the United States as well as increasingly troublesome to the U.N. Secretariat and to a growing number of U.N. Member states.

The Convention was submitted to the first session of the 80th Congress for approval by Joint Resolution together with the Headquarters Agreement Between the United States and the United Nations. The Headquarters Agreement was approved by both Houses of Congress and entered into force on November 21, 1947. The Convention was approved by the Senate and the House Committee on Foreign Affairs, but the House as a whole took no action. It was resubmitted to the 81st Congress, but once again no action was taken. It has not subsequently been resubmitted up to this time although I understand the Chairman of the Foreign Relations Committee inquired during the last Congress as to its status.

In accordance with the more usual practice concerning conventions dealing with diplomatic and consular matters, I have decided now to submit the Convention to the Senate for action under the treaty power of the Constitution. The enclosed report of the Secretary of State explains the Convention and its relation to existing law. Many of the privileges and immunities provided by the Convention are already accorded by the Headquarters Agreement or by the 1945 International Organizations Immunities Act. But under existing law full diplomatic status is not accorded to the Secretary-General, to Under Secretaries-General, or to non-resident representatives from other countries to United Nations meetings. Accession to this Convention would close these and other anomalous and unintended gaps.

It is my hope that the Senate of the United States will consider this long overdue matter and consent to United States accession at an early date.

RICHARD NIXON.

THE WHITE HOUSE, *December 19, 1969.*

ADDRESS BY SECRETARY OF COMMERCE STANS BEFORE NATIONAL MARKETING CONFERENCE

Mr. MOSS. Mr. President, on December 4, 1969, Secretary of Commerce Maurice H. Stans addressed the opening session of the National Marketing Advisory Conference, which had as its focus marketing and consumer interests. This important annual conference brought together 54 of the country's marketing leaders representing manufacturers, retailers, advertising agencies, and graduate schools of business. In his keynote speech, Secretary Stans reaffirmed his commitment to the American consumer in a most lucid and forceful manner. I believe his ideas will be of interest to all Senators. I ask unanimous consent that his address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY THE HONORABLE MAURICE H. STANS, U.S. SECRETARY OF COMMERCE, BEFORE THE NATIONAL MARKETING ADVISORY COMMITTEE, NATIONAL MUSEUM OF HISTORY AND TECHNOLOGY, WASHINGTON, D.C., DECEMBER 4, 1969

INTRODUCTION

Mr. Cleaves has already pointed out that this is an unusual and highly significant meeting of the National Marketing Advisory Committee. I am particularly pleased that in addition to more than 40 members of NMAC who are here for tomorrow's working session with the Department of Commerce, we also have with us tonight representatives of the White House, other Federal agencies, key Congressmen and Senators, and the press. You all are vitally interested in our conference subject—Marketing and Consumer Interests.

I have really been looking forward to this opportunity to exchange views on consumer matters with this top group of marketing executives, which represents both manufacturers and retailers. Without the vital link provided by marketing, producers and consumers could not deal with each other effectively and goods would pile up at our factories. There would be many products ill-suited to customer needs and conversely, important wants would go unrecognized and unfilled. Our whole society would be a vastly different place if it were not for the American marketing system which it is your job to foster and advance.

First, I want to say how much we in the Department of Commerce value our relationship with the NMAC. You have provided us with expert assistance and wise counsel in the past on a wide range of marketing problems. We sincerely appreciate that help. We hope that this particular conference will afford you, the marketing leaders of the country, and those of us in government, with a unique forum to talk and plan together on how to best meet the growing consumer needs of our most important constituents—the American public.

BUSINESS-CONSUMER RELATIONS

A prime secret of the success of the U.S. competitive enterprise system has been the great freedom of interaction between buyers and sellers. That freedom has generated the most dynamic and productive economic system in the world. We need to preserve that system, and build upon its effectiveness.

But that does not mean that there are no problems in the marketplace.

In our complex technological society today, the individual buyer often feels isolated and helpless in what he regards as an increasingly impersonal environment. In fact, this may be the key consumer problem. We all know that purchasing choices are very personal decisions. Even when such decisions are based on factual comparisons and on adequate information, the final decision is a matter of individual judgment. The mass marketplace of today arouses a natural sense of frustration despite its very real contributions to our ever higher material standards of living. When sufficient knowledge on which to base our purchases is missing—and when product dissatisfaction results—the consumer's sense of frustration can reach great heights. Congressmen, Senators and the President himself are no longer surprised at receiving angry letters of consumer complaint with calls for Government action.

Without question the consumer is justified in complaining about products that do not work, warranties that are meaningless, services that do not serve, repairs that cost too much, and workmanship that is shoddy. Even though perhaps only 1% of business is intentionally responsible for these abuses, they reflect upon all.

The consumer has been heard on these matters. Business has recently been placing much greater emphasis on voluntary consumer protection programs. But the efforts to date have left the consumer still not satisfied. One thing should be said in defense of the business community. Without doubt companies have been afraid to meet, to discuss such matters as product standards, sizes and similar subjects for fear of anti-trust action. Certainly we must remove this threat in the interest of the consumer to pave the way for voluntary business action.

The extent to which legislation becomes a substitute for free operation of the marketplace in the future will depend on how responsibly we all act—businessmen, those of us in all parts of Government, and even the consumer organizations themselves. But whether we take the legislative route or the route of voluntary action or some blend of both, we need to understand what it is that we really are seeking to protect.

BASIC CONSUMER RIGHTS

These are some of the basic rights of the consumer which I believe we must all acknowledge:

First, the consumer certainly must have protection from fraud, deceit, and misrepresentation.

Second, he must have access to adequate information to make an intelligent choice among products and services.

Third, he must be able to rely on products working as represented.

Fourth, he must have the right to expect that his health and safety will not be endangered by his purchases.

Fifth, our marketing system must provide him with a wide range of choice to meet individual tastes and preferences.

THE CHALLENGE

It is this last consumer right which reflects the great strength of our current marketing system and yet causes the most difficulty in assuring the other four rights.

As you gentlemen well know, meeting this challenge is easier said than done. The government could, for example, legislate standards for a whole range of "perfect" products. What would be the point, however, if it forced prices so high that the great majority of consumers wouldn't or couldn't buy the goods? There have been attempts to bring out such products. You may have heard about the electric toaster that was guaranteed not to give an electric shock no matter how badly it was misused. And it really worked. That toaster lived up to its billing. The only problem was that it took twice as long to make a piece of toast and cost 20% extra. You all can guess what happened. Customers weren't willing to pay more and wait longer for their toast just to have that extra protection.

More simply, not every automobile driver wants a Cadillac. His needs may be less and he wants to pay less. He should have that right of choice.

Also, it is pretty clear that there is no "average consumer." At least my wife doesn't think she's average in this regard, and I'll bet yours doesn't think she is either. For each individual consumer, product life and performance legitimately have different meanings and value. The fact is that product qualities which are important to some individuals for some uses are not important to others. To restate, the challenge is how to maintain and preserve a diversity in the options available to the consumer while preventing abuses.

BUYER'S BILL OF RIGHTS

From the very beginning of this Administration, President Nixon asked all of us who have consumer responsibilities to give top priority to developing a more constructive consumer program. On October 30th he sent to Congress a "Buyer's Bill of Rights" that will give consumers new protection and at the same time build on the inherent strengths of the American marketing system. The President's program represents an Administration-wide effort focused through Mrs. Knauer, his Special Assistant for Consumer Affairs, and drawing in the Federal Trade Commission, the Departments of Justice, Commerce, and Health, Education and Welfare, and the Office of Economic Opportunity. The President called for:

A New Office of Consumer Affairs in the White House:

Expanded powers for the Federal Trade Commission;

A new Division of Consumer Protection in the Department of Justice;

A new consumer protection law with provisions for consumer class action;

A new consumer products testing law;

A newly activated commission on consumer finance;

Expanded Government consumer education activities;

Increased Federal attention to product safety;

Stronger enforcement of food and drug laws;

Expansion of consumer activities in the Office of Economic Opportunity;

Greater Federal efforts to strengthen State and local consumer programs; and,

A new look at warranties and guaranties and possible legislative remedies.

These proposals stand as the most significant set of Presidential recommendations ever made on consumer interests. Let me emphasize that in this program there is ample room for constructive, voluntary initiatives by business.

The President's consumer program has been hailed as a very significant and positive step forward. There are other views being put forward too. There are those who would resist change and attempt to keep the status quo. There are others who seem to believe that the answer to consumer problems is to have the Government go much further in master-minding the marketplace. Some of their proposals seem to focus only on the very small percentage of present shortcomings while failing to retain the benefits of legitimate market competition.

There is, in my opinion, a middle ground solution. If the American marketplace is to be made to serve the consumer better, we need active involvement throughout the entire marketing community. We want you to use your knowledge and voices in business and trade associations and in the universities where the businessmen and consumers of the future are forming their attitudes which will shape our world of tomorrow.

You men are the top business communicators of America. We are counting on you to make yourselves heard as never before, particularly in the area of voluntary improvements.

VOLUNTARY ACTION

How far can we go and what do we really mean by voluntary action? Let's talk some specifics. We can't expect the impossible. No amount of voluntary action (or legislation either, for that matter) to reduce package size proliferation can give us both standard sizes *and* standard weight of contents. An ounce of perfume and an ounce of cornflakes weigh the same, but they can't be packaged in the same size containers. We are dealing here with the laws of physics rather than the laws of the courts. Lawmakers can't change the laws of physics.

On the other hand, this can go too far. Will we really serve the consumer by standardizing the size and shape of perfume bottles?

But we in Commerce have had some good experiences with voluntary actions which have taken place in a framework of law. The National Bureau of Standards wrote the performance specifications for refrigerator door latches to prevent children from being entrapped. Voluntary innovative action by private manufacturers produced the magnetic door latch to meet the need. Working together, business and Government conceived a better product and ended needless deaths

Do we always need a framework of law

to have effective voluntary action? Let's look at another case. For a year we have been working, along with the President's Special Assistant for Consumer Affairs and others, to guide the major household appliance industry towards voluntary improvements in warranties, guaranties, and service. Frankly, it has been complex and difficult going. But we do see significant progress. Their warranties and guaranties *are* now simpler, easier to read and understand. Agreements *have* been reached on parts availability, the meaning of "authorized" and "factory trained" service, and the location of model numbers where purchasers can read them without undue effort. I understand that agreement has been reached, after more than a decade of indecision, on how much a pound of wash really is, and we didn't even ask them to settle that one.

Gentlemen, we would like to launch more joint Government-business efforts like this major appliance project. We would welcome suggestions either from the retail or manufacturing segments of industry.

MANDATORY ACTION

At the other end of the spectrum there are important mandatory approaches to protecting the consumer. What would our marketplace be like without the rigid standards of weights and measures? Where would we be without standardization on household electric current, light bulbs or pipe threads. You may have noticed that we finally have reached agreement in the lumber industry on a standard size of a 2 x 4. Differences in wet and dry measurement will be eliminated and construction costs will be cut without strength impairment.

As the President indicated in his Consumer Message, there are some other areas where the mandatory approach can underlie a sounder program. The proposed consumer product testing law aims not at having Government test every product but at determining what tests should be performed to give the consumer the right information on which to base his purchasing decision. And to have Government certify what constitutes a proper testing procedure to develop that information. We believe this proposal is a sound and practical way to help our consumers be better buyers and our manufacturers and retailers be more reliable sellers.

SUMMING UP

What we can observe, then, is that there is no single answer to the protection of the consumer. We must find the best blend of purely voluntary action, voluntarism within a framework of law, and mandatory regulations. Each has its place, and ours is the task of matching each to the need.

How each individual acts—each businessman, each trade association, each Government official and each consumer group—will determine how well we match up problems with the right answers. By helping us and by helping yourselves in your businesses, you can play a crucial role. You are close to the consumer. You know, or know how to find out, what he really needs and wants. You also know business, what it can and cannot do. And as our advisors, you have come to know Government, what we can do and what we must do. You are the professionals on whom the responsibility has fallen to fill two key functions:

First, the early-warning system for business to recognize emerging consumer problems and their solutions *before* business's inability or unwillingness to solve the problem requires the Government to act; and,

Second, where and when it is necessary for Government to act, you can serve as the most effective business spokesmen to Government on the basis of your unmatched knowledge of the consumer and the marketing system.

So gentlemen, please recognize that we take most seriously our responsibility to see that the consumer's rights in the marketplace are protected, that the needs of the consumer are being met, and that our marketing system, which we recognize as the world's most productive engine for meeting the consumer's needs, is functioning up to its potential.

Our intent is to act where and when we see consumer problems going unmet, but to do so in a manner which improves the functioning of the marketplace. This means protecting the consumer's freedom of choice and preserving fair initiative for the producer.

Our expectation is that business will recognize the wisdom and profit of meeting the consumer's needs on its own, and of cooperating to the utmost with Government when our involvement is required.

RESPECT FOR THE U.S. AIR FORCE

Mr. GOLDWATER. Mr. President, having spent many years of my life in the Air Force Reserves, I naturally hold this branch of our military in great respect. Never, though, have I been so proud of the U.S. Air Force as when I visited 18 of their bases in Vietnam and Thailand during the last several weeks.

My pride, in fact, stems from the obvious pride that every member of the Air Force in that theater has in the service they are giving. Commanders, pilots, enlisted men, noncommissioned officers, and officers all reflect this. I have been trying to put this feeling into words, but I read an article, entitled "Tactical Air Power," written by Gen. William Momyer, and published in the November-December issue of Ordnance, which does it far better than I can.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TACTICAL AIR POWER: OUR SUPERBLY TRAINED PILOTS MUST HAVE FIRST-CLASS FIGHTER AIRCRAFT

(By Gen. William W. Momyer)

Today's pilots are the most professional we have produced. As many did, I flew fighters in World War II. As Commander of the 33rd Fighter Group, I trained and took to war what I considered to be the best pilots ever to climb into a cockpit. There was no question in my mind that they were good, considering what we knew at the time about fighting an air force.

I arrived in Korea just before that war ended. As Commander of the 8th Tactical Fighter Wing, I had a first-hand opportunity to see what kind of pilots we were producing some 10 years after the conclusion of World War II. These pilots were flying at speeds never thought possible in World War II. I was soon convinced that these Korean veterans exceeded the hard-core professionals we produced in World War II. They destroyed the MiG's at a 14 to 1 advantage.

All my previous views about pilots had to be changed when I went to Vietnam some 11 years after Korea. As I watched our pilots perform under the most exasperating kind of limitations, the true attributes of experts were prevalent throughout all our operations. These pilots are superb in all categories of airmanship. This ability to produce men of such quality is the greatest source of strength in our Air Force—of all our armed services.

As long as we have men dedicated to their country and their profession as we have in Vietnam, I am convinced the security of this Nation will never be jeopardized because of inadequate military leadership.

We can't defeat an enemy air force which is equipped with modern aircraft unless we have first-class aircraft for our superbly trained pilots. We must provide our pilots with the best weapons that are within our imagination, ingenuity, and skill to produce. We must rely upon industry to provide the same high standards of performance in our weapons that we demand of our combat pilots. Nothing less is acceptable. There must be teamwork between industry and the military to produce the most effective fighting potential for the dollar invested. The taxpayer is entitled to nothing less.

The war in Vietnam has indicated what is needed if we are to maintain our tactical air forces in the posture required to support our national policy and strategy. Every war produces new requirements by virtue of the peculiarities of the combat. This war is no different than previous ones in this respect.

The need for gaining and maintaining air superiority was never more self-evident than in Vietnam. Our air operations against the North Vietnamese Air Force prevented it from being a factor on the battlefields of South Vietnam. As I flew around Vietnam it didn't take much imagination to visualize what the effect would have been if there were MiG–21's over the ports of Cam Ranh Bay, Da Nang, Saigon, and our supply depots at Long Binh and Nha Bey.

With the heavy concentration of supplies and equipment we had in those ports and depots, even a limited air attack would have had a major effect on all our ground operations. We are able to concentrate our resources for better efficiency because of the uncontested air superiority we have enjoyed throughout the war. We know from World War II what happened to the German Army when the Allied air forces cut their logistics to pieces. In Vietnam, because of the nature of the terrain, our logistics are far more vulnerable than in World War II and Korea.

Maintaining air superiority is a continuous and never-ending task because of the sanctuaries enjoyed by the enemy. By the nature of our objectives and the character of the geography, the enemy defenses had a distinct advantage. To get into important targets, we had to penetrate the full gamut of his defenses. Hence he could configure his defenses to meet the approaches our strike forces had to take on penetration.

For the first time our tactical air forces were fighting in an arena where we didn't have the flexibility of employing the full potential of our striking power. Consequently, we couldn't use the tactics that characterized our operations in World War II and even in Korea. This imposed upon us the necessity of meeting the enemy defenses head on. No military commander elects these tactics unless he has no other option or unless the enemy is particularly vulnerable to a frontal assault.

With our air operations in North Vietnam, we had no other option or alternative in the field but to go at the defenses direct. The magnitude of these defenses was formidable. The total number of antiaircraft guns numbered about 7,000—with 3,000 to 4,000 of them in the Hanoi area. We suffered most of our losses from these weapons. I would estimate that about 60 per cent of our air combat losses were from antiaircraft guns.

With so many guns, there was no way to get into the target area without being highly exposed. The high speed of penetration of our strike forces limited the time in the target area while the ability of pilots to execute accurate dive-bomb runs in a matter of a few seconds further reduced the exposure. In addition to these techniques, we used some of the flak-suppression tactics of World War II but with different munitions. The CBU is an excellent munition for flak sites and I don't know a pilot who doesn't want them when going against a defended target.

I am sure the antiaircraft fire would have been less effective without the enemy's surface-to-air missiles (SAM's). Most pilots have a healthy respect for SAM's. The effectiveness of these weapons has been vastly overrated—but this still doesn't minimize them as a potent threat. I can remember in the late 1950's when many were postulating the death of the aircraft as a weapon because of the lethality of the surface-to-air missile. This hypothesis has been proved wrong by the relatively low kill rate of the missile.

The SAM's, however, limited the altitudes at which we could employ our strike force without unacceptable vulnerability. The SA–2, like all other such missiles, is less effective at lower altitudes but increases in effectiveness until reaching its optimum altitude of between sixty and seventy thousand feet. At these altitudes it has achieved its maximum speed and therefore has its highest kill probability. At the very low altitudes, it is still picking up speed and the target aircraft has a greater potential for evasion.

These characteristics of the SAM made our operating altitudes, at best, a compromise. If we moved into the higher altitudes to avoid the antiaircraft guns, the SAM's became very difficult to handle. On the other hand, if we stayed at the lower altitudes to minimize the SAM's, the antiaircraft artillery (AAA) was maximized and our losses would go up.

We constantly shifted our altitudes of attack to take advantage of electronic countermeasure (ECM) coverage, the position of antiaircraft batteries, SAM locations, and MiG performance versus our aircraft.

This was a different combination of defenses than we had encountered in previous wars and led to the development of new techniques to be able to live and fight in such an environment. The defenses were more aggravating than one would have to deal with if the area of operation were comparable in size to Europe. Confronted with a front of defenses packed into an area of about 100 miles by 60, our problem was severe. We couldn't flank or deceive it because of its concentration. The directions of penetration were limited because of the close proximity of the Chinese border.

Not much has been said about the real unsung heroes of the war. They were quite a small group of men who flew the Iron Hand aircraft. They were the elite of the strike force. These pilots led the attacks in suppressing the SAM's. Normally, they flew in flights of four. Many times they were able to pick up the SAM's before launch and by firing a Shrike air-to-ground missile often either knocked out the SAM or forced it out of the air.

These flights were the first into the target area and the last to leave. It took great courage, skill, and dedication to fly these missions.

The North Vietnamese unloaded everything they had at these pilots. When the SAM's and AAA were not giving them a hard time, the Mig's were after them. Our losses would have been much higher without these flights covering the penetrating forces during ingress to and egress from the target.

The Iron Hand is a new element in tactical air warfare, but it is here to stay. I believe we will require these highly specialized pilots to help minimize the missile threat. Whereas we used a 2-seater F–105 for the mission in Vietnam, I believe that whatever high-performance fighters we buy for the future, some of them will have to be dedicated to this effort.

Even though eventually we must have a self-possessed capability for all fighters to destroy SAM's, it seems to me, we probably will have to work our way around to this position over a period of time because of the specialized nature of the task.

In addition to the Iron Hand flights, electronic countermeasures (ECM) became a most essential element of our force. It was not until the spring of 1967 that we were able to get an operational ECM pod for our fighters. With this equipment, the strike force carried their jammers into the target area.

This demanded some special tactics, ones that were very difficult to execute with the high speeds we were flying. Nevertheless, we gained much greater tactical flexibility with the introduction of this equipment. There was a significant reduction in losses as well as an appreciable gain in bombing accuracy.

This type of equipment will be essential to the future of tactical air warfare. Much ingenuity will be needed to keep ahead of the enemy as well as to be able to package the equipment with minimum penalty in weight and aircraft performance.

Where the standoff jamming aircraft fits into the tactical forces for the future is uncertain. Unless such an aircraft has the same performance as the strike force, it seems to me the enemy will drive it out of effective jamming range. To expect a standoff jammer to operate in heavy defenses of AAA, SAM's, and fighters is perhaps too much. For this reason we must be extremely cautious about how we apply resources for this function.

At the moment, I am inclined to think the EB–66 is probably the last of the standoff jammers we will have in the tactical force. This makes the problem critical in the development of organic ECM for fighters and reconnaissance aircraft.

There has been much said and written about the MiG's and the air battles. Our kill rate never reached the level it did in Korea and, I think, for some very good reasons. Whereas we had a 14-to-1 kill rate in Korea, the final rate in Vietnam was about 2 to 1. It reached a high of 4 to 1 in late summer of 1967.

Actually, the total number of MiG's based in North Vietnam didn't vary much between the summer of 1966 and the halt of the bombing on November 1, 1968. I would estimate the total aircraft in the North Vietnamese Air Force didn't exceed 120 aircraft. At any given time, there were about 50 to 60 MiG's in North Vietnam, with the remainder held in reserve in China.

Beginning in the fall of 1966 we saw a major change in the North Vietnamese air-defense system. With their redundancy in early-warning radars, the problem of tracking our strike forces was not significant. Getting the AAA, SAM's, and fighters working together so that the opportunities of each weapon could be taken advantage of seemed to be their most severe problem. In a small area, this is not an easy task and is one of the reasons I think the North Vietnamese defense system was so slow in developing into a problem for us.

Once this coordination was achieved, we began to encounter some new tactics that were difficult to cope with. With the excellent GCI control, the MiG's could be vectored very accurately on the ingress or egress routes to make an attack at our 6-o'clock position. We were particularly vulnerable during penetration with a load of bombs.

Because of fuel limitations, the strike force couldn't do much better than 480 knots prior to the target. In the target area, the speeds would be boosted to over 500 knots.

The MiG controllers would try to vector the MiG's in behind us and then have the pilots boost their speed up over Mach 1. This type of an attack with a heat-seeking missile is most difficult to handle. The attacker has the advantage of position and speed. All fighter pilots dream of being in such an advantageous position on an enemy aircraft. Even though our combat air patrols (CAP) were alert to these tactics, they still were difficult to stop.

To make it even more difficult, we had to make a visual identification before our air-to-air missiles could be fired. With this type of restraint, it meant the enemy was almost within firing range before we could do anything about it. This was a tremendous advantage to the enemy since he was always free to fire by being under his own controllers while we were never free to fire until the enemy was on top of us.

If we had been allowed a missile-free environment, I think our kill rate would have been far different. The superior performance of our aircraft at the lower altitudes was the only thing which made our position tolerable. If we are to be confronted with such restraints in the future, we need some breakthroughs on visual identifications at ranges three and four times that of the naked eye.

I think we have got to approach the problem differently in the future. It seems to me we must have a missile-free authority in order to break the enemy attack before it develops. To do this we will have to move our command and control closer to the air battlefield.

Our proposal for the Airborne Tactical Air Control Battle System (ATACBS) is designed to accomplish his. We would bring this command-and-control platform into such close proximity to the air battle it would be able to provide just as positive control for our fighters as the enemy does for his.

If we achieve this tactical advantage of being able to know where all of our forces are, I see no reason why we shouldn't be able to operate missiles free as long as we are under control of the ATACBS or have a visual contact.

It will probably cost us some effort to protect the ATACBS, but we may have to sterilize an area of AAA, SAM's, and fighters in order for it to be brought close enough to the battle to control our forces effectively. I don't think we can count on a sanctuary for the protection of this platform or being able to operate over open seas like we could in the Gulf of Tonkin.

In the Korean war we were able to keep most of the enemy airfields knocked out between the Yalu and the ground battlefield. Our daily effort against these airfields left the enemy no alternative but to base in China as a sanctuary and then sortie across the Yalu when he thought it was to his advantage. It is surprising that we destroyed as many MiG's as we did under these conditions.

The airfields in North Vietnam were not released for attack until the spring and summer of 1967. By this time the enemy had well developed revetments and large dispersal areas. Under these conditions, the task of destroying the aircraft and making the runway unusable was very difficult. With the large labor force he had, an airfield could be put back in operation almost as fast as we could take it out.

Dut to poor weather, we rarely had sufficient good days to sustain our attacks against the airfields. The North Vietnamese would move their aircraft into China as our attacks developed and then return as soon as the airfield was repaired. Many times they would intercept the strike force which was attacking airfields and, if the airfield was damaged, recover in China.

If we could have kept the airfields in North Vietnam in an unusable condition, the MiG's operating from bases in China, wouldn't have been a significant threat to our strike forces.

This is one of our most pressing problems today—a new munition that will effectively crater a runway with a high degree of delivery accuracy. With such a weapon we would require a minimum of follow-on attacks to force the enemy air out of range. We could do this in World War II because of the large force which could be put against German airfields. I don't think we will ever see a time again when we will have forces of such size to do this task. We must, therefore, look to new developments that will let a small number of fighters neutralize in airfield for a protracted time.

Finally, it was the superior performance of our fighters at the operating altitudes we flew which made it possible to contain the MiG's in the north. There is no substitute for superiority in performance. Our foresight in developing the F–105 and F–4 was the decisive element in our gaining air superiority. Without the high performance of these aircraft, it would not have been possible to sustain the air offensive in such a heavily defended area.

Our tactical air forces must be continuously modernized to meet the new tactical weapons of the enemy. Because air superiority is of such fundamental importance to the survival of air and surface forces in war, we have placed the attainment of a new tactical fighter as the dominant requirement today.

The F–15 is proposed as a replacement for the F–4. With its high speed, maneuverability, and bomb load, I see no reason why we won't be able to live and fight regardless of the enemy defenses we can visualize in the future. We must be sure that specifications prescribed for the F–15 are met and that late add-ons don't increase the weight and degrade performance.

We are in a highly competitive time period with rapid advancements in aircraft performance. The air force which is able to control the air will dictate the outcome of the battle.

Our tactical air forces are at an all-time high in combat experience. The Vietnam war has produced a higher proportion of combat veterans than any other time in our history. On the other hand, the Vietnam war has not produced the new weapon systems needed for the future. This is the task ahead which will require the most critical judgment we have.

Without our overwhelming air superiority, I am convinced there would be no Vietnam peace negotiations; much larger forces would have been required; greater casualties would have occurred; and in all probability we would have a war of far greater size. Our forces have fought magnificently in Vietnam under conditions which have challenged all the courage and discipline we could muster.

PROTECTING OURSELVES

Mr. PROXMIRE. Mr. President, the Human Rights Convention on Genocide was adopted in December of 1948 by the United Nations General Assembly. Over 70 nations have signed this convention since its adoption. The United States has not.

One reason for our failure to join other nations in a declaration against this crime is the question of the value and effectiveness in ratifying such a convention.

A United Nations report has, I think, answered this urgent question in the correct perspective. It stated:

> The effectiveness of any law depends upon its acceptance and application. It will, therefore, be incumbent upon all nations to develop the necessary moral force, to be expressed in decisions to apply the Genocide Convention, if peoples and their cultures are to be saved from obliteration. At stake is not only the solidarity of nations in preserving human life, but the interdependence and mutual borrowing among various cultures on which civilization rests. Consequently, it is hoped the feeling will grow in world society that by protecting national, racial, religious and ethnic groups everywhere, we are protecting ourselves. Towards this end, the Convention establishes that the international community cannot tolerate acts of genocide which threaten the very foundation of world order. Further, it obligates contracting states to pass effective national legislation. In this way, the laws of individual nations will reaffirm and thus strengthen international law.
>
> Another and inestimable effect of the Convention would be that it represents the moral force of a unanimous proclamation by member states that "genocide is a crime under international law, contrary to the spirit and aims of the United Nations and condemned by the civilized world." It is widely held that the very existence of the Convention and the severe penalties for which it calls will act as a deterrent.

The United Nations report stresses the "moral force" of this convention. Can Senators doubt the value of such a force? Has the Nation not relied many times on moral force to generate the public awareness of a problem and to generate public pressure for change in the form of law? I believe that an international moral could also be developed that would one day be responsible for the elimination of the crime of genocide from the earth forever.

The value of ratifying this convention can also be seen in the comment by the United Nations that by protecting national, racial, religious and ethic groups everywhere, "we are protecting ourselves." It is in the interest of self interest, then, that we should consider and ratify the Human Rights Convention on Genocide.

FRANCHISING—SMALL BUSINESS BOON OF BOONDOGGLE?

Mr. WILLIAMS of New Jersey. Mr. President, on two occasions recently, I have spoken to the Senate regarding the franchising concept and its implications on small business.

I have scheduled 3 days of public hearings on January 20, 21, and 22 before my Small Business Subcommittee on Urban and Rural Economic Development, to explore "The Impact of Franchising on Small Business."

On these same occasions, I have had printed in the RECORD articles on franchising that appeared in U.S. News & World Report and Newsweek magazines. These articles were noteworthy, in my judgment, in that they discussed many new and interesting developments now taking place within the franchising system. The public needs to know more about franchising. Housewives and the elderly should know more about franchising. Small businessmen and prospective small businessmen need to know more about franchising.

Mr. President, I am calling for an education in franchising. Why is this so important? Why do we need to explore the franchising concept in search of knowledge?

The explanation is simple. Franchising has grown so phenomenally in the last few years that it now accounts for over $90 billion in annual sales, over 10 percent of our entire gross national product. There are 600,000 franchisees operating in the United States today, most of which are small businesses.

Franchising was for many years a "sleeping giant" within our economic system. We have now witnessed its awakening.

The amazing success stories of franchising have also been accompanied by some equally depressing failures.

The ever present con artist and swindler are using the franchise phenomenon to lure unsuspecting and uninformed small businessmen into back alleys of deceptions, fraud, and trickery.

The public must learn all about franchising—its attributes, advantages, and benefits—as well as its somewhat shady side—if we are to produce an intelligently cautious investor.

Mr. President, I wish to share with my fellow Senators an article which appeared recently in Parade magazine entitled, "Franchise Frauds: How To Lose Your Life Savings Without Really Trying." I ask unanimous consent to have this article printed in full at the conclusion of my remarks.

I submit that a thorough reading of this article by Senators and other readers of the CONGRESSIONAL RECORD will serve to make us all better informed and intelligently cautious. We will want an answer to the question: Is Franchising a Small Business Boom or Boondoggle? I hope our January hearings will provide that answer.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FRANCHISE FRAUDS: HOW TO LOSE YOUR LIFE SAVINGS WITHOUT REALLY TRYING

(By James D. Snyder and Robert F. Hickox)

Big corporations and crushing taxes are driving the small businessman into oblivion. Right?

Wrong. This year some 500,000 Americans will take the plunge into self-employment—25 percent more than ten years ago. The increase comes largely from franchising. By offering the "little guy" a piece of the action, plus management guidance and quality control, franchisers have carved out an $80 billion industry whose 400,000 "partners" operate everything from pizza parlors to pet shops to ear-piercing salons.

But unfortunately, the wave of success ridden by reputable firms like McDonald's, Howard Johnson's, Burger Chef and Burger King has created an undertow in which con artists suck out the life savings of those who plunge in without testing the water. The Post Office Department, for example, reports that franchise rackets have shot up to the top of the list of 68 fraud categories policed by its network of mail fraud inspectors. Since 1964 alone, they've investigated more than 550 franchise schemes and obtained some 220 convictions. The damage just from those already behind bars exceeds $120 million.

How do franchise frauds operate? An excellent teacher is Harold ("Wild Man") Pritchard, a long-time St. Louis promoter of dubious renown until he confirmed the description by literally painting himself into a corner. A few years ago, ads appeared in various publications under the banner of "National Chem-Plastics Corporation." For fees of $3000 to $7000 "qualified investors" could obtain exclusive territorial franchises to sell an "amazing liquid plastic coating for all surfaces . . . which eliminates waxing and painting." If you signed up, Chem-Plastics promised to help you get started with a direct mail advertising campaign and by sending in trained salesmen. One small condition: you had to sign an agreement to buy at least 500 gallons of the wonder product each month. But even then, if you wanted out after 30 days, Chem-Plastics would take the product off your hands at cost: $6 a gallon.

How could you lose? In truth, you couldn't win, as postal authorities and Better Business Bureaus began to learn through irate letters. The miracle product turned out to be an ordinary floor paint sold to Chem-Plastics by an unsuspecting manufacturer for $2 a gallon. Pritchard and his sales crew never furnished franchisers with sale training, never produced the direct mail aids, refused all requests for refunds, and even had the gall to assign investors overlapping sales territories. Pritchard was eventually sent upstream for ten years—and five of his cohorts for lesser terms—but not until scores of gullible investors had willingly handed him life savings totaling $1.5 million.

BUSINESSMEN, TOO

Some might say that people so gullible deserved their fate. But the fact is that franchise frauds can victimize even businessmen with years of experience. Recently, dozens of construction contractors, cement masons and plumbing firms received offers to "share in the family swimming pool construction boom" by becoming franchised dealers for corporations with such glamorous names as Bermuda Pools, Inc., Cinderella Pool Corp., and Town & Country Pools. Pulling the strings behind all three corporate facades was a group of 11 "promoters" headed by 46-year-old Clair Wagner.

Terms: magnificent. A display pool would be sent free. Dealers would have to purchase pool construction kits worth $2000 each, but wouldn't have to pay until each was sold. Only $3000 in "good faith money" would be needed to seal the deal—to be returned later.

It wasn't. Promises of sales training and advertising aid also failed to materialize. The display pool and construction kits did arrive but accompanied by a C.O.D. bill for $2000 each. Franchisers usually wised up after a few shipments, but by then they'd already been abandoned. By the time postal inspectors caught up with Wagner, he had taken an estimated 400 businessmen for $1 million. Wagner was sent to jail.

Overlapping territories, "can't miss" come-ons, unreturned deposits, unfulfilled advertising and training assistance are all part of the franchise fraud's stock in trade. But there are many other tools often more subtle. A few examples:

"Pyramid" distributorships

"Fradulent multilevel distributorships are in many ways like the illegal chain letter or lottery," says Chief Postal Inspector William J. Cotter. "In most such cases, families with savings of from $2000 to $10,000 are lured into buying a distributorship for a 'fabulous' new product which can bring them five- and six-figure incomes." Typical was the carpenter in Oklahoma who mortgaged his furniture to invest $1200 after being swept off his feet at a lavish free dinner by a Tulsa-based company, the National Marketing Association. The carpenter and others at the dinner were told how they could earn more than $15,000 a year by taking out franchises to sell a cleaning solvent named "Terrific." Part of the "Terrific Success Plan" called for the investor to share in the company's growth by inviting friends and relatives to other dinners featuring impressive speakers and a "beauty queen" as hostess. Once friends of the "sponsor" signed up, too, he'd get a percentage of their initial investment plus a commission on all sales in their territories.

The big hitch; each new recruit's profits depended on keeping the chain going by roping in others for "sub-franchises." By the time National Marketing Association's chain was broken and its president sent to jail for ten years, it had taken 400 investors for $400,000.

"Dumping" equipment

Just as the pyramid seller is more interested in the franchise than the product, some swindlers use the attractive word "franchise" merely as a cover to sell equipment. The vending machine industry, for example, is rife with promoters who lure customers with newspaper ads seeking persons to "service coin-operated machines" or to "invest in an established vending route." Invariably when the prospect makes his inquiry, he's told that no "established" route is open at the time. "But don't worry," the salesman comforts him. "If you'll agree to buy our vending machines, we'll help you find 'hot' locations and even pay local license fees." A schoolteacher in Jacksonville, Fla., decided to buy 20 hot-nut vending machines at $100 apiece—a seemingly low price in view of the "up to" $3000 in sales each machine was supposed to yield annually. None of the promises showed up in the contract signed by the victim—only the obligation for $2000. When he later protested that he'd received no help in establishing the franchise territory, the company agreed to "place" his machines. It did—at lonely bus stops, dingy stores, and even at an abandoned train depot. Only after the promoters had been caught and sentenced to three years for swindling $350,000 from others like himself did the schoolteacher learn the machines had cost the company only $17 each.

The "secured" investment

"You can't lose. Your entire investment has been secured by an equal value of goods at our warehouse," the "Terrific" products salesman told the carpenter who plunked down $1200 for a franchise. He even got a gilt-edged receipt, which of course turned out to be worthless. And even had the inventory really been "secured," chances are that its value (determined, naturally, by the promoter) would have been a fraction of its worth on the open market.

In a similar vein, the Federal Trade Commission warns against promoters who vow to buy back a franchisee's equipment and inventory if he wants out. Says the FTC: "This may show up in the contract language as merely giving the franchiser an *option* to repurchase—and, of course, no assurance that the option will be exercised."

The "switcheroo"

The franchise is authentic; only the quality of the product has been changed to milk the innocent. This was what 32-year-old James Fallin of Minneapolis had in mind when he offered record sales franchises under such names as Economy Record Service, Discount Record Service and Hit Parade Record Company. Recordings of top name artists were promised. But when the delivered products turned out to be amateurish "cuts" by unknown performers, some 3000 inexperienced franchisees found themselves minus a combined $750,000. Fallin has pleaded guilty and awaits sentencing.

The "name game"

One of the Post Office Department's mail fraud specialists in Washington recently received a puzzled inquiry from an executive of the National Biscuit Company in New York. Nabisco, he explained, had received angry letters from Texas residents threatening to sue the company for selling them fraudulent franchises. "We told them we don't offer franchises," he said. "Now we're wondering if the Post Office might know what this is all about." Indeed it did. Several weeks beforehand mail fraud experts in Dallas had closed in on 28-year-old Russell Lee Hildebrand, who headed "Nabisco Snack Varieties." His scheme was cut in the usual pattern: advertisements to operate "Nabisco Snack Routes," which turned out to be a come-on for selling vending machines which yielded their owners little. But by using a name linked by implication to a reputable, nationally known company, Hildebrand had to fight the suckers off. He's now fighting a grand jury indictment.

Unauthorized franchises

While some promoters prey on an established company's good name, others sell franchises *in* their name, but without their sanction. One classic case got its start when the Marathon Battery Co. of Wausaw, Wis. (now Gould Marathon Battery Co.), granted a legitimate sales distributorship to a firm called Mercury Electronics, Inc. of Dallas. Shortly afterward Marathon got a query from Mercury: "Would it be all right if we authorized other distributors to sell your batteries to retail stores?" Sure, said Marathon. "Our distributors don't have exclusive territories. We can't stop you from selling to other wholesalers."

The Wisconsin firm was amazed, however, when it learned from the Federal Trade Commission that Mercury Electronics had formed the "Marathon Sales Company," represented itself as a subsidiary of the battery manufacturer, and advertised "exclusive franchises" to all who would get up sizable fees.

The franchiser made sure that its territories didn't overlap, but left unsaid one fact: those who thought they alone could sell Marathon batteries in their territory found themselves competing with many other battery distributors in the same retail stores.

When federal officials caught onto the game, they faced a dilemma: should they take the long months necessary to build a criminal case, during which many more unwitting investors might lose their life savings? Or should they shoot for a quick settlement that would halt the practice at once? They chose the latter. Officials of Mercury Electronics signed an FTC "consent order," which while agreeing to stop the franchise plan, carried no penalty nor admission of guilt

The above case demonstrated one of franchising's side effects. Franchising, with all its unique characteristics, sprouted so suddenly and grew so fast that efforts at regulation have never been able to keep pace. The FTC is now finding that even some of the oldest prosperous franchise agreements give the parent company almost totalitarian control of its franchisees. Recent court decisions have, for example, outlawed contracts which force a franchise to buy from suppliers who pay the franchiser a kickback, or make him finance all credit purchases through its own wholly owned loan company.

SENATE BILL

If Sen. Philip A. Hart has his way, Congress may soon balance the scales. The Michigan Democrat, who chairs the Senate's powerful antitrust subcommittee, introduced a bill in April requiring all franchise contracts to allow impartial arbitration in the event of disputes with franchises. One of Hart's main goals: "to curb the ability of the franchiser to whip the franchisee into line by threat of cancellation."

Mere laws, however, don't seem to curb the appetite of the determined con man. California, for example, recently enacted a statute requiring new franchise organizations to register their proposed plans with the State Attorney General just as stock offers are now submitted in advance to the Securities and Exchange Commission. Results? "Negative, if anything," complains a veteran franchiser with a multimillion-dollar restaurant business. "It may seem strange," he says, "but the public now tends to think that anyone offering a franchise has been cleared by the Attorney General's office. The con man, who doesn't bother with such things, now goes about his promoting under what amounts to a veil of official protection."

Until the laws do catch up with franchising frauds—if ever—it appears that the new franchisee will have to look to other sources for protection. One place is the industry itself, whose ideals are embodied in the Chicago-based International Franchise Association, whose 260 company members represent more than 75,000 franchised outlets. IFA claims that 79 of every 20 franchisees who sign up with its members make it through the critical first five years, compared to five in 20 for those who go it alone.

"One of the basic reasons for starting the association was the desire by established, reputable companies to set themselves apart from the charlatans who were doctoring age-old con games and calling them franchises," says IFA's refreshingly frank 36-year-old director Thomas O. Robinson. "We take pains to investigate the business reputations and financial records of all companies who apply for membership. We have also developed a code of ethics, which all members pledge to follow by signing affidavits. We think the great majority live up to the code but I'll be the first to admit that we haven't got the power to police it.

TEN-POINT CHECKLIST

"Despite all we try to do," says Robinson, "protection in the long run depends on the prospective franchise himself." He offered PARADE readers a ten-point checklist:

1. Make sure the promoter does indeed have all the franchisees he claims.

2. If a product is involved, find out who makes it, is it the franchiser? If someone else, who controls its price to the franchisee?

3. Does the product measure up to official quality standards? Are there any government restrictions on its use? Several persons, for example, recently bought franchises to sell large neon signs, only to learn that their sales were severely restricted by local ordinances.

4. Double check all claims of "guaranteed earnings" and "secured investments." Most reputable franchisers don't promise either.

5. If advertising or training aids are offered, find out exactly what they include.

6. Under what conditions can your franchise contract be canceled?

7. Does your agreement obligate you to buy a minimum amount of goods or services each month from the franchiser? If so, beware. Most reputable franchisers don't require it.

8. Check the franchiser's financial record through sources like Dun and Bradstreet and the Better Business Bureau.

9. Does the franchiser say a market study has been made of your potential franchise area? If so, ask who did it. Get a copy and read it in full.

10. Make your own market study. Find out how the product compares with competitors in price and performance. Take a lesson from a retired Army colonel and his wife who paid $4000 for a garage full of cosmetics. According to the franchiser's sales plan, all they had to do was recruit college kids for door-to-door routes, sell them the cosmetics for $5000. The salesmen would add another $1000 to make up the actual consumer price, and everyone would be happy.

Had the couple bothered to learn cosmetics marketing, they would have found that most established door-to-door sellers must mark up the manufacturer's price by 100 percent to make ends meet. By selling at a mere 25 percent markup, the military couple's business was doomed from the start.

"The latter experience demonstrates what I feel is the cardinal rule for any prospective franchisee," says IFA's Tom Robinson. "For heaven's sake get in touch with the guy who already operates one of the franchises. Suppose it even costs you $50 in long-distance calls. What's that compared to the $2000 or $20,000 you're about to invest?"

Another bit of advice comes from Chief Postal Inspector William Cotter. "Before you plunge into that 'fabulous franchise'," he says, "stop and think how hard you really worked for that savings."

THE NATIONAL INTEREST IN OIL IMPORT CONTROLS

Mr. **MURPHY**. Mr. President, I am deeply concerned about the widely publicized misconceptions that the oil import controls initiated by President Eisenhower and continued under the administrations of President Kennedy and President Johnson are not necessary for national security. These controls are vital to national security and actually serve well the interests of consumers as well as our military forces in assured supplies of oil and gas at reasonable prices.

First, let me set the record straight on the erroneous assumption that oil import controls costs billions of dollars. The price index for petroleum products this year is only 2.5 percent higher than in 1957–59, the period immediately prior to import controls, whereas the general cost of living is up over 20 percent. If other goods and services had increased only as much as the price of petroleum, consumers would be saving billions of dollars and would not be complaining about inflation and following practices that cause individuals and business to pay record interest rates for money.

Second, the idea that foreign oil is cheap assumes incorrectly that the price would not increase if we were dependent upon it and overlooks the large supply of low-cost natural gas supplied by the domestic petroleum industry. Demands for oil abroad are increasing so rapidly that what seems to be a surplus will prove quite temporary, as happened when the United States found a lot of new oil in the 1930's, with the result that foreign oil prices will increase sharply.

We must realize that the domestic petroleum industry supplies as much energy for us in the form of cheap natural gas as in the form of crude oil. The wholesale price of that natural gas is much cheaper than any natural gas that can be imported from overseas sources. We now use 20 trillion cubic feet of natural gas a year and probably save an average of 25 cents per thousand cubic feet, or about $5 billion a year, compared with the use of liquified natural gas imported by tankers.

Third, we have created a false sense of security by talking about crude oil imports representing only 12.2 percent of domestic production. In fact, petroleum imports are already 22 percent of our total demand. Furthermore, these imports are concentrated heavily on the east coast. For the east coast, 85 percent of the industrial fuel oil used currently is already imported, and the fact that these imports are free from controls provides benefits for this area not enjoyed by other areas that use gas. The east coast also uses large amounts of other imported oil, so that it now depends on imports for 50 percent of all oil it uses. If imports were greatly liberalized, the east coast would become almost entirely dependent on foreign oil. In that case, facilities to supply the east coast with oil from domestic sources would no longer exist or be available to take care of this area in emergencies.

Fourth, removal of controls on oil imports would have serious adverse effects on the entire economy. It would greatly depress the drilling of wells in the United States, affecting jobs everywhere, from the steel mills in Pittsburgh to the suppliers of pumps and tanks in the Midwest and the companies engaged in well servicing in the producing areas. Reduced production of oil and gas would also mean much less tax revenue for local, State, and Federal Governments. Such action would also drive out of business thousands of small operators in producing, refining, and related service operations, reducing competition and concentrating the remaining business in the hands of a few large companies.

The consequences that I have set forth as a result of removal of controls are economic realities that would affect every citizen as well as our national security. Protecting national security by means of stockpiling foreign oil has been mentioned but that would require billions of dollars of Federal money and still not avoid drastic economic consequences in the United States. We cannot expect private investors to maintain their properties in standby condition without payment of the same return they realize from operations which they must have to pay out and justify their investments.

The oil industry is a vital part of our economy affecting the lives of every citizen. We are all consumers of oil and gas, and we all benefit greatly from the better life that these attractive and reasonably priced forms of energy have made possible. Also, the vast investments made in this industry represent holdings by millions of individuals and stockholders. Even those who do not own oil stocks directly are affected if they own mutual funds or have interests in pension funds whose portfolios include a substantial portion in petroleum companies.

The petroleum industry of the United States has served the Nation well for many years. It has brought us from the "horse and buggy days" to the age of jets and space travel. It has provided the power for victory by our military forces in all our wars. It has increased our supplies of oil and gas enormously and provided us with products that became increasingly attractive in terms of the pay for an hour's work. It will continue to serve us well if we maintain in effect sound and reasonable policies of import controls and of differential tax treatment suited to the hazardous and unusual business of petroleum exploration and development.

NATIONAL GENERAL SERVICES PUBLIC ADVISORY COUNCIL

Mr. **MURPHY**. Mr. President, Robert L. Kunzig, Administrator of General Services, has recently formed a National General Services Public Advisory Council in keeping with President Nixon's desire for greater public involvement in the operations of the Federal Government.

I am pleased to learn that California is represented on the council by Jay Davis, Jr., of Monrovia.

Mr. Davis is vice president and a director of the Los Angeles-based Southern Counties Gas Companies, and also chairman of the American Gas Association. In addition, he is chairman and director of the Pacific Coast Gas Association.

Mr. Davis attended Fresno State College and the University of Southern California, where he majored in mathematics and English.

GSA is indeed fortunate to have obtained the services of such an outstanding civic-minded citizen.

MARY E. SWITZER TAKES A NEW JOB

Mr. RIBICOFF. Mr. President, Mary E. Switzer, the Administrator of the Social and Rehabilitation Service at HEW, is leaving the Government to become vice president of the World Rehabilitation Fund.

I have known Miss Switzer for many years. She was one of my most trusted and capable associates when I was Secretary of the Department of Health, Education, and Welfare.

She is also a dear friend.

Our Government will miss her wise counsel and competent administration. However, I know that in her new position at the World Rehabilitation Fund she will continue to make an important and constructive contribution to social and medical progress.

With the ending of her Federal career in 1970, Miss Switzer will complete 48 years of public service spanning an era marked by unprecedented changes and far-reaching improvements in federally supported social programs. As an administrator of major Federal social agencies for two decades, Miss Switzer exerted enormous influence over the evolution and expansion of federally financed services to millions of people in need of help.

Miss Switzer leaves Government service from the post of Administrator of the Social and Rehabilitation Service within the Department of Health, Education, and Welfare. This agency, organized August 15, 1967, with Miss Switzer as its first head, combines under her unified administration welfare and social programs with a total annual budget exceeding $8 billion. For more than 2½ years, as administrator of Federal programs serving the needy, the disabled, children and youth, and the aged, she has carried the largest adminstrative responsibility of any woman in the history of our Government.

A native of Newton, Mass., Miss Switzer is a 1921 graduate of Radcliffe College. Her Federal career began the following year when she became a junior economist in the Treasury Department. The first of many promotions came within a year, and her long rise to the highest level of the career service was underway. By 1928 Miss Switzer was handling press intelligence for the Secretary of the Treasury, and she subsequently served with that Department's representative on President Hoover's White House Editorial Report Service.

In 1934 Miss Switzer was named assistant to the Assistant Secretary of the Treasury who had supervisory responsibilities over the U.S. Public Health Service, and from that time to the present she has nurtured a deep and enduring concern for public health, and for the delivery of health and medical services. When the Public Health Service was transferred in 1939 to the Federal Security Agency—forerunner of the Department of Health, Education, and Welfare—Miss Switzer became assistant to the Administrator with special concern for public health and vocational rehabilitation services.

In this capacity Miss Switzer served during World War II as the Federal Security Agency representative with the Procurement and Assignment Services for Physicians, Dentists, Sanitary Engineers, and Nurses. She helped develop the Government's system for assuring maximum use of the Nation's medical and health manpower during the war emergency, and she served with the War Research Service which developed scientific policies and projects in support of the war effort. For this latter service she received the President's Certificate of Merit, the highest wartime award for civilians. Immediately following the war Miss Switzer was a member of the President's Scientific Research Board, which produced the widely used series of reports on "Science and Public Policy."

In 1950 Miss Switzer was named head of the Federal-State program for the rehabilitation of the disabled, a post which she held until her appointment as administrator of the Social and Rehabilitation Service in August 1967. As commissioner of the Vocational Rehabilitation Administration, Miss Switzer made sweeping changes in the public rehabilitation program and made recommendations to the Department and to the Congress which resulted in vastly expanded and improved services to the disabled.

When Miss Switzer assumed responsibility for administering vocational rehabilitation in 1950, this program was rehabilitating fewer than 60,000 disabled persons a year for useful work. Of this number, only about 200 were mentally retarded—a particularly difficult and challenging group to serve. The vending stand program which provides earning opportunities for blind operators under the Randolph-Sheppard Act was a source of employment in 1952 for about 1,500 blind persons, and the gross business of these small enterprises amounted to less than $19 million a year.

In the face of pressing needs for expansion of vocational rehabilitation services in the United States, there was no organized national training program to help meet the demands of public and voluntary rehabilitation agencies for professional staff members. Only 12 rehabilitation counselors graduated from American universities in 1950, and only three of the Nation's medical schools were providing their undergraduate medical students with any training in rehabilitation methods. No organized research program in the field of rehabilitation existed in 1950 to seek new methods and techniques for making rehabilitation services more effective.

One of several major social programs under Miss Switzer's administration, the public vocational rehabilitation program today is rehabilitating more than 240,000 disabled Americans a year for useful work. Many of these are severely disabled; about 8,000 of them are blind, and 25,000 of them are mentally retarded. The number of blind persons given employment through the vending stand program has grown to more than 3,300, and these 3,300 small enterprises now are doing a gross annual business of $86.4 million.

When she was commissioner of Vocational Rehabilitation, Miss Switzer instituted a comprehensive training program through which universities across the country are supplying a wide variety of professional specialists for both public and voluntary rehabilitation agencies. Training is provided in such fields as medicine; physical, occupational, and speech therapy; rehabilitation counseling, psychology, prosthetics, and orthoptics; workshop administration and other specialties involved in rehabilitation. Last year more than 5,000 rehabilitation counselors were graduated in this country—a far cry from the mere dozen who entered this profession in 1950.

Today, in contrast to the three medical schools offering undergraduate training in rehabilitation for medical students, most of the Nation's 98 schools of medicine and osteopathy routinely provide such training. Seventy-six of these schools are providing training supported by the Social and Rehabilitation Service. The far-reaching research program initiated by Miss Switzer today supports a wide variety of advanced research undertakings in universities, rehabilitation facilities, and other institutions with research competence. This research program has brought about vast improvements in rehabilitation methods and techniques, benefiting uncounted thousands of severely disabled individuals.

One achievement of which Miss Switzer is especially proud is the establishment in 1960 of an international rehabilitation research program. This was in part the product of an interest in international affairs extending back to her college years when she majored in international law at Radcliffe, and her subsequent participation as a U.S. representative in international proceedings which led to development of the constitution for the World Health Organization. Miss Switzer helped work out the idea of using foreign currencies owed to the United States by foreign governments for the support of rehabilitation research abroad. Since this program got underway in 1961, 237 projects have operated in 12 countries. Forty-eight new projects in seven countries were approved in 1969. Through these projects, rehabilitation and medical specialists in foreign countries receive valuable training which otherwise would not be possible, and rehabilitation methodology is advanced throughout the world.

In fiscal terms alone the Federal vocational rehabilitation agency grew under Miss Switzer's leadership from a small agency that invested only $20.5 million in the rehabilitation of the disabled in 1950 to the dynamic organization now acknowledged to be making a substantial impact on the problem of disability throughout the United States. The agency's budget for 1969 amounted to $433.2 million—an investment that will be repaid many times over by taxes collected from the thousands of disabled men and women provided with the capacity and the opportunity to work and to earn.

August 15, 1967, is a significant milestone in Miss Switzer's public service. On that date she assumed responsibility for unifying under her leadership all of the major welfare and rehabilitation programs of the department and heading them in a new direction. As administrator of the newly constituted Social and Rehabilitation Service, Miss Switzer faced the enormous task of welding into a single organization the income support programs for needy Americans, rehabilitation services for the disabled, and specialized services for mothers and children, for youth, and for the aged.

Five major Federal agencies serving millions of Americans were brought under the new agency. Its functions included providing cash assistance, in 1967, to 7.6 million persons—about 4 percent of the population—supporting medical assistance for 6 million needy persons a year, providing rehabilitation services for the Nation's disabled, extending Federal assistance for medical services for 450,000 crippled children each year, helping a quarter million women a year obtain family planning services, and assisting 700 projects in the course of a year in providing services for 19 million Americans over 65. To carry out its far flung missions, Miss Switzer's new agency began with a work force of 1,900.

The Social and Rehabilitation Service under Miss Switzer's guidance has simplified procedures for needy people to obtain public assistance and other social services, and has ameliorated the punitive aspects which often had been associated with welfare payments. Both the agency's experience and its research proved Miss Switzer's conviction that the overwhelming majority of welfare recipients prefer work and self-support to idleness and dependency.

Exercising her prerogatives to unify social programs, Miss Switzer has achieved close and effective relationships between the welfare and rehabilitation components of her agency. As a consequence, increasing numbers of persons on welfare as a result of disability are receiving rehabilitation services on a priority basis, and increasing numbers thereby are enabled to become wholly or largely self-supporting. One of the success stories still being written is the work incentive program through which welfare recipients are provided with job training and job opportunities in cooperation with the Department of Labor's manpower training and placement programs.

Miss Switzer regards the monumental task of organizing the Social and Rehabilitation Service and welding it into an effective instrument for administering and advancing major social programs as on the way to being accomplished. She also recognizes the considerable contributions of the constituent agencies under her control to the emerging concepts upon which legislative proposals for a new and improved welfare system are largely based.

Miss Switzer was elected to the position of vice president of the World Rehabilitation Fund by the Board of Governors of the Fund on December 2, 1969. At that time the Board asked her to assist the Fund's efforts to carry out its growing worldwide commitments in the rehabilitation of the disabled. In her new capacity, Miss Switzer will be in charge of the Fund's Washington office which she will establish, and will be responsible for the Fund's relationships with the U.S. Government, with national and international voluntary organizations, and with international health agencies. She also will provide technical consultation to these agencies on behalf of the Fund. She will also be associated on the domestic scene with the Association of Schools of Allied Health Professions, a longtime interest of hers.

Miss Switzer has been the recipient of many honors both in the United States and abroad. She received the President's Certificate of Merit, highest wartime award given civil servants, for her work in medical manpower procurement and scientific research programs. In 1956 she received the Department of Health, Education, and Welfare Distinguished Service Award.

She received the Albert Lasker Award in 1960 for her contributions to international rehabilitation programs. In 1966 she received the National Civil Service Award, the Hadassah Myrtle Wreath Award, Dignity of Man Award from the Kessler Institute for Rehabilitation, and Distinguished Service Medal from the National Society for Crippled Children and Adults. Her most recent one has special significance—the George Deaver Award from the Institute for the Crippled and Disabled.

Honorary degrees have been conferred on Miss Switzer by Tufts University, Gallaudet College, Western College for Women, Adelphi College, Boston University, Duke University, Women's Medical College of Pennsylvania, California College of Medicine, Springfield College, Manhattanville College of the Sacred Heart, Temple University, New York University, Smith College, Assumption College, Hofstra University, and Russell Sage College.

Miss Switzer is a past president of the National Rehabilitation Association and twice served as president of the American Hearing Society. In 1946 she was the U.S. representative to the first International Health Conference which developed the charter for the World Health Organization. She served on the American Preparatory Commission and later as a delegate to the First World Congress on Mental Health. In 1949 she was a delegate to the Second World Health Assembly. She is vice president for North America and member of the Council of the International Society for Rehabilitation of the Disabled. In 1968 she was vice chairman of the U.S. delegation to the First United Nations Conference of Ministers Responsible for Social Welfare. In June 1969, Miss Switzer was appointed the first woman to serve on the board of directors of Georgetown University and in October 1969, as the first woman to be appointed a trustee of Assumption College.

Miss Switzer has served as a member of the board of trustees, Radcliffe College; board of trustees, Menninger Foundation; board of visitors, St. Elizabeths Hospital; advisory council, Community Services Committee, AFL–CIO; and the Board of the World Rehabilitation Fund.

A longtime resident of Alexandria, Va., Miss Switzer finds time to participate actively in the civic affairs and social life of her home community.

For the Washington Post of December 18, 1969, reporter Mary Wiegers wrote an informative article about an interview with Miss Switzer. The interview captures the flavor of Miss Switzer's inviting and charming personality.

I ask unanimous consent that article be printed in the Record.

On January 3, 1968, Miss Switzer spoke before the HEW Forum. Her address is most informative—and inspiring. I ask unanimous consent that it be printed in the Record.

There being no objection, the items were ordered to be printed in the Record, as follows:

Mary Switzer: Welfare, Work, and Wisdom

(By Mary Wiegers)

Since Mary Switzer "came to Washington with the Harding gang," eight Presidents have come and gone.

Through all those administrations, Mary Switzer was making a steady climb from a clerk's post in the U.S. Treasury Department to the job she holds today as head of the U.S. Department of Health, Education, and Welfare's Social and Rehabilitation Service.

The SRS is an agency organized in 1967 with Miss Switzer as its first head. It combines welfare and social service programs with a total annual budget exceeding $8 billion, and distributes funds to the needy, disabled, children and the aged. It also makes Miss Switzer the executive with the largest administrative responsibility of any woman in government.

Now at the age of 69, the tough-minded bureaucrat with the Boston accent is retiring. HEW Secretary Robert Finch announced yesterday that he is accepting her resignation "with regret," to be effective in mid-February.

As the announcement was being released, the gray-haired, sparkling-eyed Miss Switzer sat at a conference table outside her office and talked about her 48 years of government service.

She reflected on the future of the welfare program, and the landmark decision which merged welfare, rehabilitation and social services and what it could mean.

She recalled highlights from her career, the jobs she didn't get, the ones she did—like becoming the first person to organize a bacteriological and chemical warfare program, and the first to head federal programs for rehabilitation of the disadvantaged.

The beginning, she recalled, was pretty inauspicious. "I came in at the bottom as a junior economist in the division of statistics in the Treasury Department. If there's one thing I have no gift for, it's research." On the day the Graf Zeppelin flew over Washington, she was fired. But the Treasury Department is "paternalistic" and took her back as a mimeograph operator.

That first setback didn't last long. By 1928, Mary Switzer was handling press intelligence for the Secretary of the Treasury. By 1934 she was assistant to the assistant secretary, who supervised the Public Health Service.

In 1939, when the Public Health Service was transferred to the Federal Security Agency, forerunner of HEW, Miss Switzer became assistant to the administrator. During the war, she managed the Procurement and Assignment Services for Physicians, Dentists, Sanitary Engineers and Nurses. For her work she received the President's Certificate of Merit, the first of many honors.

She also organized a research program on bacteriological and chemical warfare. "I had to do it because, strangely enough in today's light, the Army and Navy wouldn't do it. They thought it was contrary to the Geneva Convention. I've often thought how terrible it was, that I did that though I don't know. I don't see much difference between one weapon and another, though on the scale they're doing it today, it's unnecessary and unreal. Anyway we developed some good medical information valuable to researchers later on, so I suppose some good came out of it."

In 1950, Miss Switzer became head of the federal-state program for the rehabilitation of the disabled. Thirteen years later, she was made commissioner of the vocational rehabilitation administration, when HEW Secretary Anthony Celebrezze thought that rehabilitation ought to be co-equal with welfare. In 1967, Secretary John Gardner sold her on the idea of merging the two areas and she was appointed head.

That merging, she felt, was an important and wise step. What she'd like to see now is a merging of services for the individual on the local level.

"The next five years are years that need the thrust in the field to get much closer interaction of these services in the community." She would like to see the individual get medical needs, welfare assistance, disability training, and so on, all in the same place, and with all the bureaus working together.

"There has to be a willingness to give up sovereignty on everybody's part to give people what they have to have. There must be decentralization of authority to regions. This big government has to have some glue—has to put things together."

The SRS, she believes, is the part of HEW that is concerned about the individual. "It's like a southern mansion with three pillars. There's health on one side, education on the other and us in the middle.

"Health and education deal mainly with institutions. And sometimes the institutionalized structure stops before they ever see a person. SRS reaches down to the individual.

"One of the most exciting exposures to involvement was with the National Welfare Rights Organization people. During the Poor People's march, we met with them or their representatives every day for a month.

"The greatest eye opener of that was the difficulty they had getting something done on the local level."

Miss Switzer lives in Alexandria and has made it a point to take part in community affairs there. "It's essential if you have a job like mine, where you are telling people what to do in the communities. It's one thing to tell people what to do, but to do it yourself is to find out how difficult it really is.

"In the Rehabilitation Administration, I had every letter of complaint followed up immediately. Now I've adopted that program in welfare, but I've found the welfare people are not as responsive. I suppose after years in the field they become kind of tough."

On the welfare program, Mary Switzer is a firm believer that "people shouldn't get something for nothing. I think we made the biggest mistake when we saw the welfare load growing, when we didn't emphasize work."

She added that work must be made dignified and meaningful again, as it's not been "in this age of permissiveness."

"I think that one good part about Mr. Nixon's welfare program is that it doesn't put a premium on breaking up homes." In the past, she explained, a man didn't work if, for instance, he had a wife and three children, because he could get more money for his family by deserting them and letting them get welfare.

"I don't see anything else that will change the present psychology of not minding dependency, except to make it more attractive to be employed."

Miss Switzer, herself, is going to continue to be employed after her retirement. On Dec. 2, she was elected vice president of the World Rehabilitation Fund, and when she leaves government service in February, she'll set up an office at 1 Dupont Circle for the fund.

She'll also work with the Association of Schools for Allied Health Professions in Washington.

"But if I want to take a day off, I'll be able to. When I feel like cooking my spiced gooseberry preserves and yellow tomato preserves, I can."

Her HEW office is filled with more than 40 awards she has received, among them the Albert Lasker award and the National Civil Service award. Sixteen colleges have given her honorary degrees. She is the first woman to serve on the board of directors of Georgetown University, and the first woman to be appointed trustee of Assumption College.

Miss Switzer was born in Newton, Mass. Her parents came from Ireland. About the one disappointment in her life was that she didn't become assistant director of the mint, a job she badly wanted at the time. "Nellie Tayloe Ross was director then, and she said no. She didn't want another woman around her. When I think of what a dead end that job would have been . . ." said Miss Switzer, her voice trailing off.

Rehabilitation: An Act of Faith

(By Mary E. Switzer)

I see the Social and Rehabilitation Service in terms of people. I feel an intensely personal identification with hundreds of rehabilitated people I have met all over the world. One of my most vivid recollections is of a young man in Portland, Oregon, who had broken his neck in an automobile accident two years before I saw him. He was then a patient in a nursing home, had been bedridden and almost helpless for two years.

His physical disability was severe, almost insupportable, but his spiritual and social disability was even worse. He had been a brilliant young commercial art student in a school where a number of handicapped individuals had been trained by the Oregon Department of Vocational Rehabilitation. The teachers and staff of this school knew about rehabilitation and immediately thought of it in connection with this young man. Counselors, teachers, friends, and family worked with him to try to bring him out of his depression so he could embark again in the world of art, where he had such a promising career.

For two years this was without avail, and then suddenly the spark revived and hope returned. Faith in him had never been lost, and this faith by those who were committed to see him through, combined with all their kindnesses and acts of love, helped to bring about this miracle.

He was in a modest nursing home, rather a grim place it seemed to me as I visited him, and I thought it would be hard to revive any spirit in that atmosphere. He came from a limited family background, and family resources had long since been used up in his physical care.

The day I visited him, he spoke with a certain degree of enthusiasm about getting back to his drawing and painting. He had begun by copying the little portraits of children that families wanted enlarged. I must have gotten across to him my elation at his response, because a month or so later he sent me a lovely picture of the head of a little boy with something very special in his eyes—one of his first comeback efforts.

This little boy looks down at me in my office every day and gives me the inner strength to do impossible things. It reminds one that this young man made it. He went back to his art work with almost no motion anywhere except in the tips of his fingers. He painted and drew, and people in downtown Portland began to buy his paintings. He began to earn money and to be almost self-sustaining. And what did he do with the first money he earned? He paid it back to the Welfare Department on which he had been dependent for two years.

This case has almost every lesson any rehabilitation case could have. Most of all, it illustrates the axiomatic fact that without faith, hope can hardly be revived. My life with rehabilitation has been a continuous renewal of acts of faith by myself and thousands of others who had joined in writing the rehabilitation story, which brought us last August to the creation of the Social and Rehabilitation Service.

FAITH IN OUR COUNTRY

Today, I reaffirm anew my abiding faith in the strength of our country, and I do so because I have been able to look back on other days when faith was hard to sustain. We are all the result of the road over which we have come, of the people who have inspired us, of the work which has challenged us and built our experience, and we are also frequently standing at "crisis corner"—as we are today—looking back and looking ahead, and wondering.

In the course of my long Government service, I have heard warnings. I heard it long ago from President Roosevelt, when in his first inaugural he said, "The only thing we have to fear is fear itself." Today, we are again on the verge of succumbing to fear—fear of the complicated and seemingly uncontrollable forces creating problems beyond our power to solve.

But not long after President Roosevelt's clarion call, revolutionary things happened to our social fabric. The Social Security Act was passed and a floor was built under the disasters of the depression. It is well to recall here that this floor had financial grants that remain the main support of dependent people today, and it had work programs in great variety—WPA, NYA, PWA, and so on. Then in 1939, the Federal Security Agency was created, bringing together for the first time the constellation of services that constituted the Federal Government's investment in its human resources of health, education, and welfare.

I was one of the staff members chosen by the first Administrator, Paul McNutt, to attempt to unify at least the philosophy behind what was for those days a major shift in Federal policy. Before much progress was made to forge a unified agency, the war came and, with it, seemingly insurmountable problems for this new and struggling agency.

But our faith was unbounded in those days. We had faith in our manifest destiny, and faith in our own ability to do what had to be done. During those years, I learned about scarce medical manpower and how scientific research could be organized by Government grants and contracts. I was exposed to the miracles that were taking place in the care of the injured in battle. Dr. Howard Rusk was building the rehabilitation service of the Air Force, Henry Kessler had the Navy program, and the Army, too, was making its contribution, especially in work for the blind at Valley Forge and Avon.

The civilian program of vocational rehabilitation, reaching only a few thousand people a year, was chafing under its inability to respond to the war needs, when suddenly, in 1943, disability became a serious fact in our consciousness and trained manpower a national need. Congress passed the 1943 amendments to the Vocational Rehabilitation Act, the first gesture of recognition that not only the war-disabled, but all disabled people, were entitled to a chance for a full life and for an opportunity to contribute to the needs of our country.

CREATIVE FORCES OF HEALING

Finally the war was over and the creative forces of healing were finding their way back into civilian life. Dr. Rusk went to New York to found his great center and begin his years of tireless education of the United States and the world in what rehabilitation could mean to the faith and hope of that world. He and others began to demand more and more of the civilian program, no longer satisfied with small victories when so many great ones needed to be won for peace.

The forties gave way to the fifties, and one day the then Federal Security Administrator, Oscar Ewing, said to me, "I want you to take over the vocational rehabilitation program, expand it, and breathe new life into it." With the support of leaders becoming constantly more numerous, vocal, and influential, with another act of faith, I did. Fifteen years later, the greatest challenge that rehabilitation has ever had was given to it and to me when Secretary Gardner created the Social and Rehabilitation Service on August 15, 1967.

HELP AND HOPE—FOR ALL IN NEED

What were the ingredients of the years that brought such a profound expression of faith in the rehabilitation program? An important foundation stone was the creation of the Department of Health, Education, and Welfare in 1953. Its motto, "Spes Anchora Vitae—Hope the Anchor of Life," seemed to make a special plea to reaffirm once more our faith that more could be done for the disabled, for the underprivileged, and for all those in need.

Gradually, the philosophy of helping people constructively to be what they have it in themselves to be permeated the new Department's thinking about the future and influenced its choice of programs to advocate. And so Congress passed the 1954 Vocational Rehabilitation Amendments, coupled with companion pieces enacted the same year—such as the amendment to the Hospital and Medical Facilities Act which made it possible to build rehabilitation facilities, the first step toward the Social Security disability payments program. But more important than all of these separate acts was the national commitment to serve all the disabled and return them to useful work at the earliest possible time.

Without the basic features of the new 1954 Act, properly exploited through the 1950's, rehabilitation would not be where it is today; it would not have its opportunity now, or its obligation.

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As we moved through the busy fifties and came into the sixties, a sense of uneasiness was growing again in our society, based on a slowing down of civil rights progress, unemployment (especially in marginal groups), mounting decay in our cities, and economic upheavals resulting from our tremendous technological changes.

And then we had another stirring challenge. Just as many were asking for the impossible from their country, a young President said in his inaugural, "Ask not what your country can do for you—ask what you can do for your country." How many times in the past six years have we thought about that challenge? Like President Roosevelt's—great words, it unleashes something within us when we are tired, frustrated, and frightened. We renew again our faith in our America, because we *know* we can do *something* for our country. Building on the past and the lessons of the past, the future becomes clear and hopeful.

A GREAT MOMENT FOR REHABILITATION

In what now looks to me like a fairly sequestered, pleasant valley, the rehabilitation program was also coming of age in the sixties. It was in August 1962 that President Kennedy in a ceremony in the Rose Garden at the White House memorialized the fact that we had reached an annual goal long sought for—more than 100,000 disabled men and women had been rehabilitated through our public program in a single year. This was a great moment in the lives of many of us.

As we look back today upon the success story that rehabilitation is, we see a well-established public program with its roots now in every community in the country—a mosaic of local community groups serving the mentally retarded, the cerebral palsied, the blind, and some antedating the idea of rehabilitation, but unknowingly committed to its philosophy.

We look back, too, from any one of hundreds of rehabilitation facilities designed to provide under one roof the many services we have learned to give, many of which were unknown in the historic past.

We look back from the apex of our educational institutions—hundreds of them—where thousands of dedicated, talented people are acquiring the knowledge and skills to go forth to share the burden.

Today, the success of vocational rehabilitation owes much—perhaps all that is distinctive in the program—to the principle that the serving person gives himself to the served; he thinks first of the disabled person as a human being in need of something and, in the giving of that something, the giver receives even more, to store up for the next cycle of sharing.

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DARING TO INNOVATE

Now, just a word about two or three of the distinctive characteristics which have made rehabilitation popular and which have lessons for us today. I think the research and demonstration program broke ground in demonstrating new methods of dealing with old problems and daring innovations in tackling new ones. First of all, it identified areas of need that were not now served. A good example is the field of mental retardation where one of the first and earliest projects was a work training and evaluation effort to show what the mentally retarded could really do. And against a hundred mentally retarded young people who were rehabilitated at the beginning of the program we had about ten thousand last year—and these were in a whole variety of jobs, including the civil service. This is an old story now, but it's a good example too of how a pebble dropped in a pool makes concentric circles that have far-reaching effects. This led to the cooperative effort with school systems—first, for the mentally retarded and, finally, for all disabled youngsters—to try to get as early as possible a hold and a continuing program for their vocational adjustment.

All this was before President Kennedy's task force so that when that report came out, the rehabilitation program was able to take full advantage of it. It resulted in the establishment of comprehensive research and training centers and extensive new legislation which is now a matter of history. And it led, of course, to the inclusion of the major parts of the mentally retarded program in the new agency, the Social and Rehabilitation Service.

Another series of projects concerned the older handicapped worker. Here again the same procedure was followed—first, a demonstration showing new ways of doing things, spreading it by a wide variety of other projects and, finally, the public program taking it on.

Public assistance cases have always been a major concern of rehabilitation agencies and a *great* variety of projects have been tried in this area. The cost-effectiveness of these projects have been outstanding. One of the most interesting and successful, in the State of California, shows an 80-percent success story, after 30 months, of people working who were originally on public assistance.

NEW EMPLOYMENT OPPORTUNITIES

An area of tremendous importance is to open up a new and special employment opportunities. I think we would all agree that, with the complexities of the labor market for any group that has special problems, the necessity of experimenting with new kinds of professional opportunities is fundamental. A few of the more dramatic examples I'll just mention in passing:

We had a training program in spoken Russian for the blind, among the group of people who have a special talent for language, in order to supply much need translators.

The Theater for the Deaf opens up to the deaf a whole range of professional opportunities and related occupations in theater.

For the retarded, we have *very* comprehensive experiments still going on in banking, in making candles, and in a whole variety of other jobs.

For the mentally ill, amazing success has been achieved in special training for women in home economics projects.

For the blind, there have also been training programs for tax assisters in Internal Revenue.

And oftentimes the research grants have led to legislation. Our statewide rehabilitation planning grew out of a grant to the Oklahoma Joint Committee of the Legislature for surveying the needs of that State.

In the last several years we have been concentrating particularly on private industry, and the importance of tying in employers in the process of evaluation and adjusment of mentally disabled and physically disabled people. Among the outstanding areas here:

Fountain House in New York works with 34 different employers handling the personal adjustment of mental patients returned from State hospitals. This project—right in the center of one of the most difficult sections of New York City—offers great promise as a pattern for attempting to do something with the hard core unemployed in our central cities. There is a similar project in Philadelphia.

In Seattle, 100 employers are tied in to vocational evaluation—and this is the third year of that project which includes employers as part of the team.

A BRIDGE TO THE COMMUNITY

Equally as important as rehabilitation projects themselves and the value of the work that comes from them is the bridge that is built to the community by the use of community facilities. Almost every organization in this country that has anything to do nationally, statewide, or locally, with any phase of physical disability is tied in to the rehabilitation program in one way or another.

This means a tremendous constituency of people who are committed to serve not only with their dollars, with themselves, with the voluntary effort that goes along with it, but with a total understanding of what the problem of disability can be. And this kind of cooperative efforts, I think, has great significance for the Social and Rehabilitation Service and the short and long future of public welfare.

* * * * *

In 1965, President Johnson proposed, and Congress passed without a single dissent, a bill authorizing more than a billion dollars for vocational rehabilitation programs in the years ahead. It did this with the clear understanding that somehow the last 15 years had shown that the basic structure of trying to create community resources, facilities, spirit, and commitment to help disabled people be what they have it within them to be was a national program of great significance.

EXTENDING REHABILITATION TO SOCIALLY HANDICAPPED

But more important for our immediate consideration is the fact that public discussion and knowledge of what rehabilitation had accomplished might be extended to reach other millions, people who were not victims of precise physical or mental disability, but who were handicapped at least as seriously by social, educational, cultural, economic, and other limitations. In essence, there was a growing consensus that problems of the perennially poor and fundamentally disadvantaged should be attacked on the same general basis as had been used with the physically and mentally handicapped.

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In 1963, as Commissioner of Vocational Rehabilitation, I testified before the Senate Committee on Employment and Manpower, and said:

"I have wondered many times if some of the concepts and methods of operation of the vocational rehabilitation program might not be profitably put to use in attacking some of the unemployment problems of the nondisabled as well as the disabled . . . there is within the unemployed group a 'hard core' of people whose problems will not yield to standard procedures of education, training, and hiring. . . . I believe many of them could be prepared for jobs and placed in employment if we had an organized national program to deal with them individually, as we now approach the problem of rehabilitating handicapped people on an individual basis."

In the past five years, these views have been projected in numerous action programs aimed at experimenting with and testing the workability of such an effort—in the poverty program, the manpower development and training program, and others.

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ACTION TO IMPROVE PUBLIC WELFARE

And where are we now, as we face the momentous changes which we hope to influence for an improved quality of life for those we serve? The creation of the Social and Rehabilitation Service is an effort on the part of the Secretary to recognize the need for a guiding principle, and he has chosen rehabilitation to influence the change in our public welfare programs.

The President recognized the need for taking a new look at the welfare system when he said yesterday as he signed the new Social Security Amendments of 1967:

"The welfare system today pleases no one. It is criticized by liberals and conservatives, by the poor and the wealthy, by social workers and politicians, by whites and by Negroes in every area of the Nation. My recommendations to the Congress this year sought to make basic changes in the system. Some of these recommendations were adopted. They include a work incentive program, incentives for earning, day care for children, child and maternal health services, and family planning services. I believe these changes will have a good effect.

"Other of my recommendations were not adopted by the Congress. In their place, the Congress substituted certain severe restrictions. I am directing Secretary Gardner to work with State governments so that compassionate safeguards are established to protect deserving mothers and needy children. The welfare system in America is outmoded and in need of a major change."

And then he announced appointment of a commission to look into all aspects of welfare and related programs.

CREATION OF SRS

Now, the first step in this major change was taken by the creation of the Social and Rehabilitation Service. A major purpose of the reorganization was to place the concept of rehabilitation at the very heart of the new agency. Another major purpose was to bring together programs that have as their objective service to certain target groups—to improve the ability to work together, to make it possible to have a better coordinated approach, to simplify relationships with States and communities, and to get service more efficiently, more effectively, and faster to the people we are in business to serve. And the major target groups that we have in the Social and Rehabilitation Service are, of course, the disabled, the aged, and families, especially children.

Another purpose the Secretary hoped to accomplish was to unsnarl the complexities of the cash payments part of welfare from its service programs. And so it was decided that the payments process would be administered as the Assistance Payments Administration and the service components would be added to the programs that are in the best position to promote the extension and enlargement of services to the target groups. Title XIX, the Medical Assistance Program, is so important and in such a developing stage that it required a separate administration—the Medical Services Administration—so that it could pursue its objectives and so that we could watch carefully this development.

The reorganization was also a recognition of public disaffection with certain aspects of the public welfare program because of the continually increasing costs of the program of Aid to Families with Dependent Children (AFDC), and the absence of any substantial effort to help people to independence by training them for work. The growing relief load in a period of prosperity, coupled with all the other problems of poverty, civil rights, and poor housing associated with the city ghettos, is hard for people to understand. They tend to blame "welfare."

NEW CONCEPTS NEEDED

The public attitude has to be changed. The key to most change is in the hands of the thousands of people who have given their lives to service in departments of public welfare throughout this country and who have been committed to the improvement of the lives of the people they served. But added to this concern must be other ingredients. There must be the ingredient of providing incentive to help people to be independent and to be removed from dependency on welfare, as well as to have an adequate level of welfare where this remains necessary. We must stress those aspects of the program that are constructive, that have as their objective work training, family planning, proper day care, and all of the things that can be used positively to develop a public welfare program which more nearly meets the needs of our people.

Combining with other programs—like those of the Office of Economic Opportunity, the Department of Labor, and the work in our cities—is our great challenge. And we will not meet it looking backward. We will not meet it by being unwilling to make exceptions. We will not meet it unless we are daring, and really revolutionary in our concepts. And I believe we *can* be, because I believe we *must* be. I believe the survival of this country as we know it and love it depends upon this act of faith.

I believe that we can take this new law, as it was signed, make the constructive approach to it that is expected of us, use the lessons that have been learned from the rehabilitation program, and bring into focus the kinds of programs that we feel are important, are essential, and are right. We must never forget that we are the main advocates of the people who are dependent upon us for educational programs, for health programs, for economic support, for the quality of life that is just as essential as the material aspects of life. And for this we have an opportunity again, I think, to reaffirm our faith in ourselves, in our capacity, in the strength of our Government, and in the leadership that we have in this Department.

I'll close by quoting a favorite verse from Carl Sandburg which expresses pretty well what we would like all of us to have in our hearts:

"I see America, not in the setting sun of a black night of despair ahead of us.

"I see America in the crimson light of a rising sun fresh from the burning, creative hand of God.

"I see great days ahead, great days possible to men and women of will and vision."

GENERAL SERVICES PUBLIC ADVISORY COUNCIL

Mr. MURPHY. Mr. President, General Services Administrator Robert L. Kunzig has named Mr. Stanley W. McKiernan, a prominent Los Angeles attorney, to the newly created General Services Public Advisory Council.

Public awareness of the impact of governmental activities upon the daily lives of all citizens is basic to the democratic process. The variety and scope of GSA activities makes it desirable to establish a special advisory committee so that the views of the public can reach the highest level of policymaking at GSA.

Mr. McKiernan is a member of the California Bar Association. He received his bachelor's degree at the University of Wisconsin, his master's at the University of Southern California, and his law degree at Southwestern College of Law.

I am sure that the wide and varied background which Mr. McKiernan brings to the Council will be a valuable asset to Administrator Kunzig.

ALCOHOL—THE IGNORED DRUG

Mr. JAVITS. Mr. President, I commend to the attention of Senators a series of three articles on alcoholism written by Colman McCarthy and published recently in the Washington Post. I ask unanimous consent that the full text of the articles, entitled "Alcohol: The Ignored Drug With the Polished Image," "Getting Off the Bottle and Staying Off," and "Alcohol's Indecent Disease," be printed in the RECORD at the conclusion of my remarks.

The Senator from Utah (Mr. Moss), and I, representing a completely bypartisan effort, have been trying since 1966 to establish alcoholism as an acknowledged illness which needs to be treated as a sociomedical problem, how the Senator from Iowa (Mr. HUGHES), as chairman of the Special Alcoholism and Narcotics Subcommittee, of which I am the ranking minority member hereafter, has given the fight on alcoholism—the fourth major "disease" in America—the energy and the leadership which the consummation of this total effort requires. Senator HUGHES has been tireless in leading the fight against alcoholism and has conducted hearings on the problem in Washington, New York, Los Angeles, and Denver, in an effort to focus attention of the public on the disease afflicting approximately 5 million Americans. Senator HUGHES may have been reluctant to call this series of articles to the attention of the Senate because of the prominence—rightfully given—of his own role in the fight against alcoholism. Therefore, I have taken the liberty of placing the series of articles in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

ALCOHOL: THE IGNORED DRUG WITH THE POLISHED IMAGE

(By Colman McCarthy)

Not long ago, Iowa Senator Harold Hughes, a former alcoholic, remarked, "as long as we put the liquor salesman on the city council and put the marijuana salesman in jail, we're going to have trouble from the young."

And trouble in lots of others ways, too. One of the side effects of the present preoccupation to the evils of marijuana and other drugs is that what is perhaps the most widely destructive drug of all—alcohol—continues on, almost as unnoticed as uncontrolled. Those who see the alcohol drug as making the country more and more an alcoholic society are often laughed off or put off. Even those who try to do something in a practical way are often blocked. Recently, a lawyer acquaintance driving on a Long Island highway saw a drunk driver careening along in heavy traffic. The lawyer, a brave man, waved the drunk to the shoulder. He detained him until a trooper arrived. When the latter did come, he was astonished at the lawyer's actions. How dare he disrupt traffic. The lawyer said he was only trying to prevent a potential accident. Only after he threatened to make a citizen's arrest of the drunk and report the trooper to his sergeant did the trooper agree to detain the drunken driver.

Current statistics reveal that some 80 million Americans regularly drink: 72 per cent male, 57 per cent female; 82 per cent of the Catholic population, 56 per cent among Protestants. The Distilled Spirits Institute reports that in 1968 in Washington, 5.9 million gallons of liquor were purchased, not including beer or wine.

Nationally, six to nine million people are alcoholics. This makes alcoholism the fourth major disease in America, following cancer, heart disease and mental illness. Aside from the alcoholics themselves, some 20 million others—family and friends—suffer materially and emotionally by having to live with them.

According to an estimate by Dr. William Terhune, a former Yale Medical School professor and writer of the authoritative book, "The Safe Way to Drink," alcoholic men outnumber women five to one among the poor; in the upper class, the ratio is equal. A recent study by the Department of Transportation said that one driver out of every 50 is drunk; not merely drinking, but drunk. Last year, an estimated 25,000 traffic deaths and 200,000 injuries involved drinking drivers. In 1965, said the FBI, two million arrests—one in three—were for public drunkenness. The North American Association of Alcoholism Programs estimates the cost to industry from absenteeism and accidents due to alcoholism at $2 billion annually.

Despite this massive evidence of the drug's harm to the individual and danger to the society, little is done to control either it or its effect.

Among the social reasons for ignoring the dangers of alcohol is that many do not even classify it as drug. The marijuana of the hippies, the heroin of the junkie, the LSD of the hallucinates who leap from buildings: those are the drugs that get attention and worry the Establishment. Never mind that marijuana, for examples, does not necessarily lead to addiction, nor mental or physical deterioration—all of which are effects of alcohol. Thus, says Dr. Joel Fort, director of the Center for Treatment and Education on Alcoholism, Oakland, Calif., "smoking one marijuana cigarette can lead to many years in prison, while the alcohol user drinks with impunity despite the many dangers to himself and society."

Many social drinkers, particularly those with a sophisticated self-image, laugh off the effects of alcohol. Yet even one mild drink hampers both intelligence and efficiency. Dr. Terhune tells how some medical schools demonstrate to future doctors the effect of alcohol on the intelligence. The students are given "two written examinations on subsequent days, with similar questions. The first exam is written under the usual circumstances without alcohol. Preceding the second one, each man is given one bottle of beer to drink . . . At the end of the second examination, the students are asked these questions: first, is this exam easier, harder or about the same as the one yesterday? Second, have you done better worse, or as well as yesterday?

"Most of the students reply that the second test is easier and that their marks are better. However, the grades on the second exam are approximately 17 per cent lower."

A second social reason for ignoring the dangers of the alcohol drug is due to its well-informed and highly shined image. The alcoholic beverage industry in the United States grosses $12 billion a year, and spends nearly $200 million on advertising, a figure exceeded only by car and food ads. In a recent New Yorker magazine, 28 out of 71 full-page ads were for alcohol. Perfume was next with 6 out of 71.

The liquor ads unfailingly associate the consumption of the drug with sex, success, smartness, elegance, youth, health and beauty. Shrewdly, they often stress the high integrity of the liquor maker; occasionally, this is a hooded monk—Brother Timothy is popular—or a Kentucky mountaineer, even though most monks and mountaineers are too busy with prayer or poverty to produce or profit by liquor.

Partly as a result of the advertising, partly from a national tradition that does not limit liquor consumption to mealtime or festivities, the alcohol drug is in heavy demand. Some 800 million gallons of wine and distilled liquor and 100 million barrels of beer are legally produced annually. Forty thousand liquor stores, along with uncounted grocery and drug stores, help Americans to have a yearly alcohol intake per capita of 17 gallons. According to Dr. Philip White of the AMA, the average 70-year-old American has downed 510 gallons of gin.

Legally, sale of the alcohol drug is more and more widely sanctioned. The Prohibition repeal legislation that began in 1933 culminated three years ago when the last remaining statewide ban on liquor sales ended in Mississippi. Beyond this, the drug has been available over the counter without prescription and, despite such laws as forbidding sales to minors and known inebriates, virtually available to anyone who is half-determined to get it.

The federal government takes in $4 billion a year on liquor taxes, second only to individual and corporate income taxes. Hence, weakly devised and lamely enforced controls are allowed to stand, lest the golden egg-laying goose be killed. Legislatures, particularly on the state level, are eagle-eyed by the powerful liquor lobbies and seldom pass alcohol control legislation without industry opposition. The legislatures have had difficulty passing strong laws against drunken driving; as of January 1969, only 11 states fully complied with the National Safety Standards on alcohol.

Many of the legal restraints upon alcohol are applied to public drunks. A disproportionate number involve the alcoholic poor in slums and skid rows, with many of these being repeat offenders. In 1957, the Committee on Prisons, Probation and Control in the District of Columbia studied six chronic offenders; they had been arrested 1,409 times and had served a total of 125 years in jail.

In January 1966, a Washington lawyer, Peter Barton Hutt, appealed the case of chronic and homeless alcoholic Dewit Easter before the U.S. Court of Appeals. In a major ruling, the court said that chronic alcoholism was a defense against a drunkenness charge because the defendant "has lost the power of self-control in the use of intoxicating beverages." Instead of being slapped in jail for the usual 90 days or fined $100, alcoholics like Easter, said the court, should be given medical treatment.

In Washington, public alcoholics can expect better-than-average medical treatment, since the Easter decision only affected the District of Columbia. In most other areas of the country old laws apply. Last year, the Supreme Court ruled against a Texas alcoholic who appealed his conviction for public drunkenness. Ironically, the court's ruling was based in part on the theory that putting the man in jail was the best treatment he could get, since nothing else was available. Thus, the Supreme Court says that until health facilities are available, alcoholics can continue to be punished, not rehabilitated.

Having the ball thrown to it by the courts, the medical profession drops it in nothing flat. No medical school offers a comprehensive course in the nation's fourth major disease. Most hospitals won't be bothered with alcoholics, especially not after the drying out period. Insurance companies have been reluctant to cover the illness. As of January 1969, no armed forces veteran has ever received disability compensation due to service-connected alcoholism. The nation has some 25,000 psychiatrists, but most are wary of alcoholic patients; even if the neurosis is relieved, the alcohol dependency is seldom altered, since the latter is now an organic as well as a psychic problem.

The Nixon administration has shown its concern by refusing to ask for funds in the last budget for the operation of alcoholism units in its some 200 community mental health centers. The current budget for federal alcohol programs is about $10 million a year. This means that about 90 cents a year is spent by the federal government on each alcoholic.

It is almost a sick joke, but the lack of concern and money given to this enormous national problem is enough to drive anyone to drink. Alcoholics have other reasons, but they are happy to have this one, too.

GETTING OFF THE BOTTLE AND STAYING OFF

One of the most fearsome alcoholics in Washington is Sen. Harold E. Hughes (D-Iowa). He is a tall, large-bodied, dark, muscular man who, when he has a few shots of liquor in him, can rage and fume like a dozen Elmer Gantrys. But there is one important difference between Hughes and the Gantrys of the alcoholic world, as well as one difference between Hughes and the drunks who drive cars and kill people, or the winos who pass out in gutters or the upper class boozers who have wives and butlers to cart them upstairs after the fifth martini; the difference between Hughes and these alcoholics is that Hughes hasn't had a drink in 15 years.

"I'm not a practicing alcoholic now," he says, in a deep, low voice, but he is like any other alcoholic who doesn't drink. "Despite how long a man may be sober, if he suddenly resumed drinking, the progressive and compulsive nature of this disease would once again take over."

From the time Hughes was 16 until he was 32, the bottle was the most important thing in his life. "I remember the first drink I had," he said last week in his Senate office, "some bathtub juice called Cream of Kentucky. That was during the days following the Depression and Prohibition, and in Ida Grove, Iowa, you had to take any kind of booze you could get. The 75 cents a pint stuff was good enough for me.

"In high school, I was a wild spree drinker. A long weekend or holiday would come along and that would be it. I'd drink and drink and drink. In college, the sprees increased and I regularly lost control of myself. By the time I went into the army, I was hooked. I needed it the way you need food."

Hughes is an intelligent man, and he rightly calls alcohol a drug. Many people think alcohol is a stimulant, others call it a depressant. "But it's a drug—dirty, vicious and brutal. It's the mainstay drug of the American adult society. The kids get lectured about pot from their parents; but the kids are smart and know hypocrites when they see them—the anti-pot adults are the same ones who can't get through the day or face the night without the most dangerous drug of all, alcohol."

Since he came to the Senate a year ago, after three terms as governor of Iowa, Hughes has been going up and down the country talking about alcoholism. He is chairman of the Senate Subcommittee on Alcoholism and Narcotics; hearings have been held in Washington, Los Angeles, New York and Denver. Doctors like HEW's Roger Egeberg, actresses like recovered alcoholic Mercedes McCambridge, lawyers. Alcoholic Anonymous speakers and others have testified with facts and personal horror stories that America, with 80 million drinkers and about 10 million alcoholic addicts, is virtually an alcoholic culture.

For himself, Hughes tells audience after audience, reporter after reporter that alcoholism is not an irreversible disease, that in nearly all cases it can be treated, controlled or prevented, that it's a health problem not a moral problem.

People listen. It is impressive to have before them such a towering, soft-spoken man who is an ex-drunk who made it to the U.S. Senate. The people listen, but the politicians in power don't. The Johnson budget for fiscal 1970 requested $4 million pinmoney for community assistance grants for alcoholism programs. Hughes angrily says this is "like trying to stop a tidal wave with a single sandbag."

As for the Nixon administration, it needs the sand elsewhere; its first budget has dropped the $4 million sum and as yet it has not been appropriated. "It's just as bleak here in the District of Columbia," said Hughes. "When local officials were ordered to cut their current spending, one of the first suggested reductions was in the alcoholism program of the Health Department The targets of the economy move were a very modest program for halfway houses for recovering alcoholics and a badly needed second detoxification center.

"So nationally and locally, alcoholics get the same treatment as when we pass by and see them dead drunk in the gutter: we look the other way."

When asked what he does at Washington cocktail parties when hostesses come around with drinks, Hughes says he politely asks for fruit juice or a soft drink. "Occasionally though, I just say, 'I'm an alcoholic, so I can't drink.' But this usually comes as a shock to people; not that I'm an alcoholic, but that I come out and say so."

Actually, Hughes is a recovered alcoholic. "'Recovered' is the accurate word, not 'reformed.' You don't speak of a 'reformed' cancer or heart patient, or a 'reformed' tubercular or diabetic. So it's just as inaccurate to speak of a 'reformed' alcoholic.

"Of course, people use reformed because alcoholism is still seen by many as something sinful. The Irish refer to it as 'the curse' or 'the weakness.' And then the moralizers say that drunkenness is condemned in the Bible. These attitudes are one reason why so pitifully little is done in this country for alcoholics. Why spend money on sinners? If the drunks would just stop their sinful ways, the problem of alcohol would go away."

In many ways, Hughes was lucky during his drinking years. He lived in a small town in Iowa where the cops didn't put drunks in jail, but took them home instead. "I was 26 and working for a trucking line," said Hughes, "when I first saw something was wrong with me. Until then, I didn't consider myself an alcoholic. This is the classic attitude of all alcoholics. They diagnose themselves, but they never call it an illness. The alcoholic is always the guy next to you on the bar stool. He's the one who needs the AA.

"I'd swear off for periods, three months, six months, once for 14 months. Then I'd say to myself, 'There, I've proven I can lay off, so now it's O.K. if I take two or three drinks now and then.' This is the subtlest of rationalizations. So I'd have two or three snorts. Then one day I woke up and didn't know where I was or how I got there."

Hughes does not know how many times he quit drinking. "But each time I meant it. That's what people don't realize about an alcoholic: when he says he quits, he really does mean it. Just the way you'd mean it if you said I want to quit having cancer or quit being diabetic. The reason so many alcoholics relapse so often is because society gives them practically no support. Not only are treatment facilities rare or non-existent, but alcohol has become so much a part of our culture that the diseased man can hardly get away from what makes him sick."

When asked how he finally got off the bottle, Hughes says he doesn't know. "All I'm sure of is that I didn't have a drink today. I can't think about a lifetime of quitting. I just think of today. I'm free today."

It is said of Hughes around Washington that he is a one-issue Senator, that he can't go for very long without talking about "the problem." Perhaps the criticism is true. It is also true that Washington has trouble with politicians who have passion. They upset the pace. They won't lay off.

Hughes does not see himself as a crusader, rather as a man using politics to relieve suffering. In his speeches and conversations, he talks about other killers that take the lives of Americans needlessly: heart disease, Vietnam, lack of auto safety. Alcoholism is part of the death pattern in America. Since he was once a part of that pattern himself, Hughes feels he has a right to ask others to put down their drinks for a minute and listen to him.

ALCOHOL'S INDECENT DISEASE

When a person in the downtown area of any major American city falls to the street in a seizure brought on by a coronary attack or is the victim of an automobile accident or a fainting spell, he will likely be taken quickly to a hospital, put in a bed and be given moderate to excellent medical care until healthy or recovered. Society is conscientious in tending to its decently sick.

But if a person happens to have the indecent disease of alcoholism and falls sick to the street, one of three probable fates await him, none of which includes a hospital bed; first, he lies there until he gets himself up and can move on. During the passed-out time, he will either be beaten, robbed, ignored or snickered at by passersby. Second, if he is part of the skid row subculture that every city supports, he will either be brought to jail, to a last-rate drunk-tank or, in the case of only about four American cities, to a well-run detoxification center.

Third, if he is a middle- or upper-class citizen, he will likely be taken by friends to his home where the sick person may have jokes made about his "bender", or how "good old Bill really tied one on." Even doctors occasionally look on diseased drinkers with humor; said the physician attending the death of alcoholic poet Dylan Thomas: "He died of a massive insult to the brain."

Many see the public alcoholic as the most pathetic, the most hopelessly sick. Locally, on any night of any week, they can be seen stumbling, crawling or being escorted into the D.C. public health detoxification center at 619 N St. NW. Most of the incoming cargo were once healthy, happy and employed men, with wives and families. Now, as they sit in the waiting room with Renoir and Degas reprints on the wall, they are broken, defeated men, almost completely forgotten by society. They are not happy-drunk, the way Dean Martin cutely poses; nor glib-drunk, the way Norman Mailer gets; nor funny-drunk, like Jackie Gleason. Instead, they are puking, urinating, stinking, besotted drunk, classic tributes to what happens when Americas most popular drug is abused.

Washington is one of the few cities lucky enough to have a good, all-around detoxification center, even though, cursed by the fickle House District Budget Committee, it lives with an uncertain future. With a staff of 38 full-time professionals and sub-professionals and a 75-bed capacity, the center had admitted over 14,000 patients since opening in May 1968, although many of these are repeats. The patients have ranged from a drunken youth brought in by his ear by his mother to a sozzled, homeless alcoholic admitted 67 times.

The men are treated immediately on entry by a registered nurse, bathed and clothed. They are served high-protein meals, receive counseling and job-finding guidance. Most important, they are treated like human beings who are sick. A doctor is at the center every afternoon to provide medication and attend to any accompanying illness. Since the center, by law, is an emergency operation, the patients are allowed to leave after 24 hours. Some go back to the streets and the bottle, others to the rehabilitation center at Occoquan, Va., where a more permanent program is offered. The cost per patient per day at the D.C. detox center is $18.32, which in terms of U.S. hospital costs is unbelievable low.

Until a few years ago, a person diseased by overuse of the alcohol drug had only the Alcoholics Anonymous for hope of recovery, assuming he wanted recovery. The AA, which began in 1934 and has about 300,000 U.S. members, still has the best recovery record of any program. But taking nothing away from it, the AA's success may be because it has virtually had the field to itself. Only in recent years have community health boards, county and state departments of health and federal health officials become involved. Like alcoholics the morning after, the awakening has been slow.

More and more, stories appear about alcohol disease programs achieving remarkable success in their local area: well-known examples include the OEO project in Iowa, the Manhattan Bowery project set up by the VERA Institute of Justice, the enlightened program in Montgomery County, Md., to name a few.

Most of these programs, and the growing number like them—such as Al-Anon and Alateen for friends and relatives of problem drinkers—are for the rich and poor. Many are unique because they bring together services and staff that formerly worked on the problem separately, if not competitively.

Since these programs are new, this invariably means that politicians and planners are breathing down their necks for results; politicians know how to be scrupulous about wasting public money when they want to be. But what the politicians need here is not scrupulosity but patience, the same patience they have in awaiting "results" from cancer, heart and other research programs—which no politician would dare criticize or deny funds.

An alcoholic is a person whose drinking messes up some, or all, parts of his life; about one in 20 Americans has been diseased by the drug. No one completely knows the exact causes of the sickness, nor are the changes it effects in the body and psyche completely known. Alcoholism cannot be cured, at least not in the sense that the sick person can return to "normal" drinking.

The pattern of alcoholism is complex. Some persons are hooked from the first drink. Others drink for years, see the disease coming and seek help, the way they would seek help for oncoming cancer or leukemia. Millions, who know the drug is harmless if not abused, drink sanely and on appropriate occasions. But when a person's body chemistry and psychic reactions become conditioned to whiskey, gin, bourbon, rye, rot-gut or whatever, that's it. He is either an alcohol addict or an alcohol dependent for whom there is no such thing as "one drink."

Over-all, authorities like Sen. Harold Hughes, Dr. Selden Bacon of Rutgers, Gus Hewlett of Washington, have been saying for years that what is needed is the development and implementation of a total national alcohol policy. Many of the answers to curing alcoholism are there: in the exciting new programs and centers which need only to be funded and multiplied by the hundreds if the country wants seriously to control its most costly disease.

How to prevent the millions today who will become alcoholics 10 or 20 years from now is another question. Prohibition is not the answer. What is needed is some combination of education, awareness, legislation, money and outrage. The American public is odd. Its fury can be whipped up about cyclamates, chicken meat in hotdogs, unsolicited credit cards, smut in the mails—none of which kills anyone. But an enormous and deadly disease like alcoholism, which annually wastes countless lives and billions of dollars, rarely raises a murmur. A voice may be raised occasionally by a senator, a film, perhaps a newspaper article, but the drinking, dying and wasting goes on. It occurs among and by businessmen who "need a snort" at the cocktail lounge, the clerk at the office parties, the housewife who nips secretly during the day, the priest in the lonely rectory, the military man trapped by the routine of army life. These, and the other alcoholics like them, don't need excessive sympathy, nor lectures, nor jail sentences, nor smiles. What they need, categorically, is medical and psychological treatment; like any other sick person with a disease he is helpless to cure himself.

NATIONAL COMMISSION ON MATERIALS POLICY—II

Mr. BOGGS. Mr. President, I continue to be gratified by the response that my proposal to establish a National Commission on Materials Policy has received among the experts in fields related to materials and the environment.

My proposal, contained in amendment 153 to S. 2005, has generated many letters offering what I consider to be a valuable analysis of the need, scope, and urgency for such a commission. Members of the Ad Hoc Committee for the Environment have been particularly helpful in this evaluation.

To bring Senators up to date on the wide support for such a study of our national material needs and utilization, I ask unanimous consent that copies of these letters as well as questions that were the basis for the letters be printed in the Record following my remarks.

There being no objection, the material was ordered to be printed in the Record, as follows:

National Commission on Materials Policy

There are several questions on which your comments would prove most helpful in a consideration of legislation to create a National Commission on Materials Policy.

1. On the basis of your own experience, do you know of any important issue under the general heading of National Materials Policy that you believe is receiving insufficient attention today?

2. Should a commission, as proposed in this amendment, investigate the availability and use of materials? What limitations and restrictions, if any, should be placed on the consideration of the availability and use of materials by such a commission?

3. Do you believe that the directives in the amendment to such a commission are adequate? How might they be strengthened?

4. Do you believe that a 1½ year life and a $2,000,000 authorization is sufficient for an optimum contribution by such a commission?

5. Can you suggest other knowledgeable individuals whom the Committee might profitably contact to gain a broader analysis of this amendment?

6. Do you believe the establishment of this Commission would serve a useful purpose?

7. Have you any suggestions for improvements to the amendment?

Any additional comments or thoughts you might wish to make would be greatly appreciated.

Michigan State University,
October 17, 1969.

Hon. J. Caleb Boggs: In reply to your letter concerning S. 2005, National Materials Policy:

(1) I am in favor of the intent of bringing better research and development to bear on the more effective use, recycling and conserving of materials and on preventing environmental degradation from inadequately handled materials.

(2) The establishment of a Commission would, if well staffed, move us ahead on this very urgent matter.

(3) The duties of the Commission are well thought out and clearly stated. I can think of only one major point that, in my opinion, ought to receive special emphasis. This is the need to put the materials policy question into the larger systems questions; e.g., many aspects of effective solid waste management could be made more congruent with excess heat problems in power generation with the scrubbing of nutrients from urban waste water and these in turn with the need for more green space—recreational facilities.

In essence, what I'm saying is that the congruity of solution options to a number of needs should be specifically sought and the research and development objectives should adopt this additional objective from the beginning.

(4) I can endorse this legislation both as an environmental scientist and as a concerned citizen. Please convey to Senator Boggs my appreciation for his efforts in this timely legislation.

Sincerely yours,
John E. Cantlon,
Provost.

State University of New York,
Stony Brook, October 23, 1969.

Senator J. Caleb Boggs,
U.S. Senate.

Dear Sir: Thank you very much for your letter of October 1. On reading rather quickly the report and the amendment, I would like to offer my strong support for the Commission suggested in the amendment. This is outside my direct area of expertise, but I do find myself somewhat concerned with the duties of the Commission.

While the Commission is an excellent idea, its prospective duties are so broad that there is a dangerous possibility that the report of the Commission will receive undue weight and may hamper the development of later and more detailed inquiries. That is, a determination of national and international materials requirements, priorities, and objectives, both current and future, is a tremendously tall order, particularly if it is to be done in a year and a half, and for two million dollars.

It requires the Commissioners developing an insight into present and future technology that is almost superhuman. Similar remarks can be made with reference to all seven of the proposed duties of the Commission. This is in part taken into consideration in part B in which the Committee is authorized to seek outside consultation in this development. Even so, I feel rather strongly that a one and one half year life, which is indicated for the Commission, is excessively short.

If an expert is taken on, in all probability he will not be able to simply reel off to the Commission the answer to their questions. If he is a thoughtful and serious person, he will have to devote a fairly extensive period of time to it, probably sandwiched between other duties. It is not a trivial fact that I waited two weeks to answer your letter. This was not a lack of interest on my part, but due simply to the fact that other things must get done all the time.

It is to be expected that when presented with extremely grave questions of the sort you have outlined, serious answers will take a long time.

I would suggest that the Commission be activated as soon as possible and that interim reports be presented as soon as they are ready, but that the life of the Commission be somewhat longer, if possible. Also it is not obvious whether the two million dollars is to include simple consultants fees or actual research support. If research support is contemplated in answering specific questions then I believe that the two million dollars is an inadequate sum. Certainly a reasonably generous appropriation for this purpose at this time will more than repay itself in the relatively near future in terms of savings in not only materials technology, but in the social problems that are almost certain to arise if the problems of solid waste disposal are not solved quickly and in a fairly elegant fashion.

I hope that these remarks are relevent. If you feel that I can be of any further service, please call on me.

Yours,
Lawrence B. Slobodkin,
Director, Ecology and Evolution Program.

Harvard University.
October 29. 1969

Senator J. Caleb Boggs,
U.S. Senate.

Dear Senator Boggs: First let me apologize for being so tardy in replying to your letter of October 1. There was some delay in this letter reaching me because this fall I left The Brookings Institution to become Associate Dean of the John F. Kennedy School of Government at Harvard University. There has been further delay because the demands on my time in my new assignment here at Harvard have been many. I trust that it is still not too late to comment on the proposed creation of a National Commission on Materials Policy.

I think that the creation of a Commission along the lines proposed in the amendment which you have introduced together with a number of your colleagues in the Senate can serve a useful purpose, and I think the general charge to the Commission included in this amendment will point the Commission at the main items that should concern them. In this regard, I have only one suggestion for an additional charge to the proposed Commission, which might appear as another item under Section 204(a). Item (6) calls for the Commission to consider "means to effect coordination and cooperation among Federal departments and agencies. . . ." It seems to me that there is an additional requirement for coordination and cooperation, namely between the Federal Government and its agencies on the one hand and state and local government on the other. Moreover, there are some problems and issues involving materials, and certainly some environmental quality issues, which require effective cooperation between the Government of the United States and foreign nations. It seems to me that the Commission might usefully be specifically urged to consider ways and means of effecting such cooperation and coordination.

Another question which occurs to me as I read the amendment has to do with the proposed reporting date for the Commission. The subject is so difficult, and the amount of information and data which the Commission will want to assemble and analyze is so vast, that I question whether a really useful report could be produced in a period as short as a year and a half. I would urge that you consider modifying your amendment to call for an interim report at the end of one and a half years with an additional year made available to the Commission before submitting its final report. This would probably also require some increase in the amount authorized to support the work of the Commission.

The amendment permits the President to appoint to the Commission private citizens as well as people currently in government service. I think that the proposed Commission would be more apt to perform an effective service for the American people if it were composed solely of persons drawn from the private sector. In particular, I question whether it is wise to have on the Commission people currently holding government positions which involve them in the subject matter of the Commission. Their presence might tend to inhibit the kind of recommendations the Commission might otherwise develop (e.g. short-term budgetary issues may influence what they feel free to propose). Let me emphasize that I am not questioning the qualifications and objectivity of any particular individual official currently serving the Administration. However, my own experience in government suggests to me that there are inevitably certain inhibitions placed on an official when he is asked to participate in the work of a Commission of this sort. I recognize that there is on occasion an offsetting advantage in that if one or more members of such a Commission are officials in the Executive Branch, they are often able to facilitate the Commission's gaining access to the information relevant to its tasks. Nonetheless, on balance, I would have the President confine his appointments to the Commission to distinguished people from private life.

One other very minor thought which occurs to me has to do with the name of the Commission—though I do not think that names of such bodies have any significant affect on what they actually do! Nonetheless, given the charge to the Commission, a title such as "National Commission on Materials Policy and Environmental Quality" might give the public a somewhat clearer idea of the range and emphasis which you intend for this Commission.

I hope that these few comments will be of some use, but let me emphasize that I think that none of them are of great moment, and I hope that your proposed amendment is acted on favorably by the Congress.

Sincerely yours,

William M. Capron.

New York, N.Y.,
November 4, 1969.

Hon. J. Caleb Boggs,
U.S. Senate.

Dear Senator Boggs: Thank you very much for your letter inviting my comments on the amendment to S. 2005 which you and Senators Baker, Bayh, Cooper, Eagleton, Inouye, Montoya, Muskie, Pearson, Randolph and Spong have proposed.

In 1951 and 1952 I had the honor to serve as chairman of the President's Materials Policy Commission which conducted a study similar to the one which your amendment would entrust to a National Commission on Materials Policy. Since then I have been a member and chairman of the board of directors of Resources for the Future, Inc., a nonprofit organization established in 1952 to conduct scholarly research in the field of natural resources. While in no sense an expert, I have, over the past 17 years, maintained a keen interest in the field of materials policy. This is a matter that touches virtually all aspects of our national life. The availability of materials, their use and re-use, the development of alternatives, the disposal of waste products—all these are of increasing urgency as our population grows and our society becomes more interdependent.

On the basis of my own observations as an interested layman and from what I know to be the opinions of the ablest scholars in the field, I believe there can be no doubt that the national interest would be served by the creation of a National Commission on Materials Policy as your amendment proposes.

The new Commission would have the opportunity to consider once again a proposal made 17 years ago by the President's Materials Policy Commission but never implemented and to make a recommendation with regard to it. The proposal, briefly, was that there be a single agency in the federal government designed to keep all aspects of the materials problem under continuous study, especially future requirements for specific commodities. There was no doubt in our minds seventeen years ago that the task of creating such an agency within the federal structure would be no simple matter. The sheer volume of data involved was formidable then. Today it is immense. But today we have an incomparably more sophisticated computer technology to help with the job and, perhaps more important, we have a greater degree of awareness than ever before in our history of the imperative need to know what is happening to the materials that sustain our lives.

I believe that you and your colleagues are performing a most valuable service in bringing to the attention of Congress the continuing and still unmet need for a comprehensive and sustained study of our national materials policy.

My very best regards.

Sincerely yours,

William S. Paley.

Dotation Carnegie Pour la Paix
Internationale,
November 10, 1969.

Hon. J. Caleb Boggs,
Committee on Public Works.

Dear Senator Boggs: I am writing in response to your letter of October 1, 1969 asking for my comments on the proposed amendments submitted by you and your colleagues that would establish a National Commission on Materials Policy. The delay in my response is due entirely to the fact that I am spending a sabbatical year in Geneva, and did not receive the material until fairly recently. I hope these brief comments do not arrive too late to be of some use.

I will restrict my remarks to those aspects of the question with which I am most familiar, though I can only say that the general purposes of the amendments have my wholehearted support. Quite clearly we must devote much more effort than we have to date on questions revolving around the use of the world's material resources, and a new National Commission seems to me to be an effective way to begin that process. I am not convinced that that is the only way, and in fact would prefer to see more direct institutional and programmatic innovations in the Executive Branch and the Congress. Realistically, however, a Commission may be the only way to get started.

Let me make my comments briefly in a series of points:

1. I believe the idea of a Commission initiated by the Congress, rather than the Executive, has considerable attractiveness since it offers the opportunity to enhance the information and analysis resources available to the Congress. For the future, it seems to me that this is a critical objective not only in the materials field but in many others related to science and technology. Of course, this creates the reciprocal requirement that the Congress will take the recommendations of the Commission seriously.

2. The biggest gap in the proposal, and in the report of the ad hoc Committee, I believe is in the references to the international implications of materials policy. I cannot help but be convinced that we are heading for a time in which nations will have to invent new, or much more effective, international mechanisms to deal with global problems of all kinds, such as the fair allocation of resources; regulation of the use of resources from the point of view of efficiency, pollution, etc.; monitoring of activities considered today to be purely national concerns; potential international ownerships of some resources, and so forth. These issues are mentioned in both the amendments and the report, but I would recommend much more explicit reference to insure that the makeup of the Commission and its studies adequately deal with these questions.

My concern here is that we will continue to view this largely as a national problem with some international dimensions, when in fact I think it is now, or will soon be, essentially an international problem that nations must approach in a quite new framework.

3. Lastly, I would raise as a question whether the wording of the amendments adequately reflect the fact that, as I believe, such a Commission is likely to come forth with substantial and consequential recommendations for programs (such as a global geochemical survey), and for institutional change in the U.S. Government as well as in the international community. This may only be a matter of interpretation of the charge of the proposed Commission (I find the phrase "means to effect coordination and cooperation among Federal departments and agencies . . ." to be quite weak) or of the legislative history of the amendments. But I would hope there is sufficient scope given to the Commission to enable them to make far-reaching proposals if they so desire.

Aside from these comments, I have little to offer to what I consider to be your excellent initiative. I hope it succeeds, even in these times of excessive budget stringency; it is of great importance. I hope these thoughts are of some use.

Yours sincerely,

Eugene B. Skolnikoff,
Professor of Political Science, M.I.T.

Hercules Inc.,
Wilmington, Del., November 10, 1969.

Hon. J. Caleb Boggs,
U.S. Senate.

My Dear Senator Boggs: In response to your letter of October 1 (which I have not answered sooner because of foreign travel), I have studied the Solid Waste Disposal Act passed by the 89th Congress (S. 306) . . . Public Law 89–272 . . . Title II . . . October 20, 1965) together with the Muskie Amendment S. 2005 and the amendment now proposed by you and under review by the Committee on Public Works.

In so far as your amendment concerns the establishment of a National Commission on Materials Policy for the determination of recycling, reuse or disposal of waste materials, I think that meets a very important present need. While the Solid Waste Disposal Act puts this increasingly important part of the federal environmental improvement program under the Secretary of Health, Education and Welfare, it does not seem to provide anywhere for an external advisory function. Your amendment would correct this serious deficiency.

While our cities are being threatened with inundation by their own junk, HEW seems to be dragging its heels a bit. A Commission such as you describe would make the situation more visible, and perhaps result in some positive action—as we are now seeing in the water and air pollution areas.

The duties of the Commission, as you have spelled them out, go well beyond the above purposes. In my view, these are much too broad to be accomplished effectively in the period of time—1½ years—and for the financial support provided—$2 million. It would seem to me, therefore, that the duties of the Commission could well be focused initially on the restricted purposes outlined under Section 204(a)(3); this part of the program should be implemented immediately. In this event, I think the useful tenure of such a group could be five to ten years, with an initial budget something like $1 million annually.

Sincerely,

Bob Cairns,
ROBERT W. CAIRNS,
Vice President.

UNIVERSITY OF CALIFORNIA, DAVIS,
November 10, 1969.

Hon. J. CALEB BOGGS,
U.S. Senate.

DEAR SENATOR BOGGS: Thank you for sending me the draft of S. 2005, and the document Towards a National Materials Policy.

The amendments which you and your senate colleagues propose to S. 2005 constitute an excellent document, which correctly establishes the relation between conservation of materials, population size, recycling and environmental quality.

I very strongly urge that these amendments be passed into law at the earliest possible moment, and cite only one example to illustrate the urgency of the problem.

At the moment, two groups of voices are crying out important messages in Washington.

The first group of distinguished, and demonstrably expert voices are expressing increasing alarm at the U.S. petroleum situation. The North Shore strike will add only between 10 and 100 billion barrels to the stores under the 48 coterminous states, which stores, it is now obvious, will be Half Gone by the winter of 1975–76. Also, the estimates of future demand, that is, for use rates of 3 billion barrels a year by the fall of 1975 and exponentially higher use rates thereafter, are all gross underestimates, because no one foresaw, as recently as 1963, that use rates in jet aviation would rise 4.4 times per decade.

The second group of distinguished voices in Washington are approving and advocating an S.S.T. Fleet for the U.S. of 500 planes by the fall of 1978. This is an unmitigated disaster for the U.S. The President, in 1978, whoever he is, may be in the ludicrous position of having to come before the public and explain why an investment of 60 million dollars for each of 500 planes must be Scrapped before being used, on the grounds of depletion of energy resources. Insofar as the academic world can read the President's mind, the decision to go ahead on the S.S.T. was based purely on arguments relating to national prestige, and international balance of trade. The S.S.T. will not be particularly profitable, will not represent a significant improvement in safety, will not economize on fuel, and will have a marginal effect on portal-to-portal transit time, because of the time spent getting to and from the airports.

Clearly, there is an urgent and crying need for a national materials policy, and a Commission that will be listened to by the president.

Yours very truly,

KENNETH E. F. WATT,
Professor of Zoology.

MUSEUM OF COMPARATIVE ZOOLOGY,
THE AGASSIZ MUSEUM, HARVARD UNIVERSITY,
November 12, 1969.

Hon. J. CALEB BOGGS,
U.S. Senate.

DEAR SENATOR: Thank you for your inquiry about the amendment to bill S. 2005.

It would seem to me that such a National Commission on Materials Policy would indeed be most valuable. There has never been any organized planning in this area and very little careful and well integrated analysis of the relevant problems. Assigning the task to this Commission to make a full and complete investigation of the materials problem cannot help but be of immense value.

It would seem to me, and I hope this is clearly brought out in the amendment, that the "materials problem" has two major components. One is the conservation of nonrenewable resources and the other one is the disposal of solid wastes. The question of nonrenewable resources has already received a good deal of attention and is, I presume, fairly well in hand.

The situation is quite different for the question of the disposal of solid wastes. A drive along any country road makes one distressingly aware of this problem. Hundred thousands of miles of American roads are littered on both sides with empty bottles and empty beer or soft drink cans. The problem was compounded when the principle of nonreturnable bottles are introduced. The old tin cans eventually rusted away, the new aluminum cans will last several life times.

I am afraid that ultimately more will be needed than merely research. Model legislation will have to be proposed that will protect the community and our beautiful American landscape against the "bottle thrower."

These are serious and difficult problems, and it is, therefore, doubly important that a Commission soon be appointed to study the problems and make proposals for their solution.

I congratulate you on taking such an active part in this important legislation.

Sincerely yours,

ERNST MAYR,
Alexander Agassiz Professor of Zoology.

NATIONAL AUDUBON SOCIETY,
November 10, 1969.

Hon. J. CALEB BOGGS,
U.S. Senate.

DEAR SENATOR BOGGS: I wish to thank you for requesting my views with regard to your amendment to S. 2005. I am in complete agreement with you as to the desirability of establishing a National Commission on Materials Policy. It is certainly essential that we develop a unified national approach to the problems of the development, use, and, increasingly critical, the disposal of materials. The proposed commission promises to perform this important function.

Sincerely,

CHARLES H. CALLISON,
Executive Vice President.

JOHNS-MANVILLE RESEARCH & ENGINEERING CENTER,
November 14, 1969.

Hon. J. CALEB BOGGS,
U.S. Senate.

DEAR SENATOR BOGGS: Thank you for giving me the opportunity of commenting on your amendment to S. 2005.

As I understand it, your amendment would establish a commission to define and appraise clearly the many problems of materials' recovery, use and disposal, and to make available to the Administration and to Congress the expert recommendations of this commission.

Your proposal appears to enter a much broader field of study than is covered in S. 2005, to which it is an amendment.

We recognize that a solid waste disposal problem does not begin at the point of disposal; it begins with the procurement of the original raw material, and develops through every phase of processing, distribution and consumption. Your amendment provides needed recognition of this aspect of the situation, but also goes much farther by getting into all aspects of materials' policy.

This makes us wonder if the National Materials Policy proposal ought not to be made a separate proposal, rather than tied to S. 2005? Or perhaps the directives for study should be more specific in directing attention to disposal and re-cycling problems.

We hope these brief comments will be helpful.

Sincerely yours,

EDMUND M. FENNER,
Director, Environmental Control.

NOVEMBER 17, 1969.

Hon. J. CALEB BOGGS,
Washington, D.C.

DEAR SENATOR BOGGS: My most sincere apologies for the delay in responding to your request of October 1, 1969 for an evaluation of S. 2005 and the report "On a proposed Commission on National Materials Policy."

I have read the report; particularly those sections dealing with effects on environmental quality, and believe that it is quite to the point. It substantiates, I believe, the need for a central Federal body to spearhead required action. In terms of action required, it appears critical that a central point from which to coordinate a concerted effort to meet National objectives be determined.

Loosely quoting the report:

"Decisions are being made piecemeal with partial information."

"No central source of information."

"At least 19 departments and agencies sponsor applied research, 15 in long range policy planning, 20 perform materials information functions."

"No central point from which to coordinate a concerted effort."

"Authority of Government is needed to achieve concerted action."

S. 2005, by creating a National Commission on Materials Policy, initiates only the first step in the final solution of the overall problem which seems to require strong Federal control through appropriate legislation. As such, it is to be recommended, and I look forward to its enactment.

The real problem is that we just don't know enough about the entire ecological system to enable a complete response. Mr. Huddle, in his paper, points out that the area of salvage and disposal (of waste materials) is least amendable to automatic correction, and Mr. Garnsey adds that the disposal of waste materials is noneconomic, and shows the need for a complete review of the materials problem. He states, ". . . a general system embracing a continuous flow of materials must be conceptualized and analyzed." Mr. Gershinowizt adds, "One must consider the environment as a whole and that human beings and their cultural and social activities are a part of nature."

A problem of staggering dimensions is thereby postulated, and indeed, several writers refer to the need for large scale "systems analysis" supported by high speed computerized facilities. My experience in analysis of complex systems forces me to accept this conclusion, but with considerable tenderness and care!

In conclusion, Senator, I would sincerely support S. 2005 as a forward step in the right direction. I would recognize it as "'only one small step" and hope that it will lead to further initiative on the part of the Congress.

My most sincere appreciation to you and your colleagues for your forward looking interest in the future of our United States.

Sincerely,

Francis J. Enge.

Stanford University,
November 18, 1969.

Hon. J. Caleb Boggs,
U.S. Senate, Committee on Public Works, Washington, D.C.

Dear Sir: Please forgive the long delay in sending you an evaluation of the amendment to create a National Commission on Materials Policy. Such a comprehensive re-evaluation of the U.S. situation in regard to available resources and the more efficient use of them appears to be long overdue. I hope that this Commission will lead to the establishment of a permanent agency that will continue to monitor the resources situation in all the aspects covered by the amendment (and in greater detail by the excellent ad hoc committee report), particularly in relation to the environment and the recycling and reclaiming of materials.

It is to be hoped that the days of a wasteful America are numbered. We and the world can no longer afford such behavior. I expect that this Materials Policy Commission can make a great contribution by making clear just how limited the world's resources are and by providing guidelines for more prudent utilization of them. In this connection, I hope that the Commission's findings will be given wide publicity and that the U.S. government will promptly act on any measures that seem appropriate in accordance with the findings.

I appreciated very much the opportunity to look over the materials study and the proposed amendment, both of which are very well conceived. Please let me know if I can provide any further assistance.

Very sincerely,

Paul R. Ehrlich,
Professor of Biology.

Rocky Mountain Center
on Environment,
November 19, 1969.

Hon. J. Caleb Boggs,
U.S. Senate.

Dear Senator Boggs: Please excuse my tardiness in replying to your inquiry as to my reaction to your amendment to the Solid Waste Disposal Act to create a National Commission on Materials Policy. I am, frankly, overwhelmed with the request for reactions to various environmental legislation.

Before responding briefly to your seven specific questions, I have this general comment. While those of us who have been engaged for a number of years in conservation work, the time when there was little or no national concern about the quality of our environment, the current interest of Congress is indeed welcome. However, I feel there is some need for coordination of the numerous environmental programs that are now being proposed, including proposals for fourteen or more environmental quality commissions, committees, joint committees, councils, etc. Is it wise to have a separate commission on every separate environmental problem or should our concern for the *total* environment be coordinated within the same agency, commission or department? I think this is true of your proposed national commission for materials policy as well as other proposed commissions on special environmental problems.

As to your seven questions, my brief response is:

1. Certainly, a number of items are receiving insufficient attention. Foremost among them I believe is the whole question of reclamation of metals and so-called "recycling." Congress is considering a bill such as yours at the same time as considering (or may have already passed) a policy on mining development which is geared to "full development and utilization" of our resources—translated meaning all out, no holds barred mineral exploration and development. This certainly is not consistent with your proposal for study of reclamation and recycling of metals. I think that we already have the technology to reclaim used metals of the mining industry would stand still for it.

2. A commission such as you propose, if established, certainly should not have any "restrictions and limitations" imposed on it in its consideration of the availability and use of materials. However, you can be assured the certain special interests will want to exempt their particular material, be it iron ore, tungsten, molybdenum, pulp and paper, or whatever. It is certainly true that our emphasis has been on availability or *supply* of materials and not on their use in any conservation sense.

3. In Section 204 of the proposed amendment, "Duties of the Commission," I am not clear as to the meaning of charging the commission to recommend "opportunities and incentives for the operation of the free enterprise system" unless this is intended to win the support of the U.S. Chamber of Commerce. Unfortunately, the goals and objectives of the business community which represents the "free enterprise system" is not always harmonious with the other objectives of your bill. I also think the types of materials that you are referring to should be spelled out with particularity although the bill would not be limited to cover only those mentioned in this list.

4. No, I think the job of such a commission would be a continuing one and increasing importance as the nation gains in population size. Again, this is another argument before putting the responsibilities of your commission under a somewhat larger umbrella concerned with a total environment which would have a continuing, ongoing, regularly funded opportunity.

5. I do not have the names of other specialists in solid waste disposal or materials policy whom I could recommend.

6. Please refer to my general comment prior to the questions.

7. I have already made some brief suggestions.

I am sorry that I was not able to reply earlier.

Yours very truly,

Roger P. Hansen,
Executive Director.

November 18, 1969.

Hon. J. Caleb Boggs,
U.S. Senate,

Dear Mr. Boggs: I have received your letter of October first, the follow-up of October third, the one-page Natl. Comm. on Materials Policy listing 7 questions, copy of S. 2005, and the Library of Congress Report "Toward a National Materials Policy". I regret the undue delay in answering: I have been away from my desk for a considerable time (my only way of finishing work on a book).

I have now given these papers my considered attention.

I am solidly in favor of your Amendment as expressed in S. 2005. To reply to your questions by number:

1. It is not necessary to list any specific important issue. The total integrated situation needs attention. We need sources of energy, and yet we are heat-polluting our rivers. We mine lead and sulphur, and yet the air is polluted with them. We are planning to mine phosphates in estuarine areas in the Southeast, and destroy those estuarine areas, yet phosphates are a pollutant from our best sewage disposal plants. Let's get together, even if it seems to cost more "today".

2. I would be less concerned about what materials were used by the Commission, than what human materials went in to the Commission! Section 203 a. I would strongly recommend that a majority of the members of the Commission be "generalists" and ecologists as indicated not by the positions they hold, but by their publications and established interests. Such a majority should not be specialists on any one material. If otherwise, the total purpose of the Commission will be lost.

3. No further opinion at this time.

4. Okay for a starter. After that, would depend on how this program is integrated with other broad generalist ecological programs.

5. No suggestion at this time.

6. YES

7. None, other than the above. The problem is basically an ecological one—of quality man in a quality environment.

In the Library of Congress report "Toward a National Materials Policy", there were repeated references to the increasing human populations, and thus providing for them. I consider such statements irresponsible. Like a slatternly common-law couple on welfare, having a new child regularly each year. The very need for this Commission shows that too many people want too much. The time is overdue to put a clamp of the national irresponsibility of the burgeoning human population.

Sincerely,

Frank E. Egler,
Member, Board of Advisors, Ad Hoc Committee for the Environment.

The University of Chicago,
November 25, 1969.

Hon. J. Caleb Boggs,
U.S. Senate.

Dear Senator Boggs: The amendment which you and your colleagues have introduced to establish a National Commission on Materials Policy seems to me to guide federal action in this field in a positive direction, but to have one major handicap. The difficulty is that such actions, unless carefully coordinated with related actions in the resource and economics field, may have a divisive rather than integrating effect on national policy.

Clearly, there are important issues which are not receiving sufficient attention these days and which would benefit from some special kind of investigation. One-and-a-half years probably is too short a time when one considers the difficulties of organizing a venture of this sort.

More import, it would seem highly desirable for such activity to be linked with broader efforts to deal with the complex issues of policy towards manipulation of the environment. Would there not be great gain to relating the National Materials Policy Commission proposal with related proposals for government agencies dealing with environmental quality and natural resource consideration policy?

Sincerely,

Gilbert F. White.

California Institute of Technology,
December 2, 1969.

Hon. J. Caleb Boggs
U.S. Senate.

Dear Senator Boggs: I was pleased to receive your letter of 29 October 1969 enclosing S. 2005 and the print of the Committee on Public Works entitled "Toward a National Materials Policy," April 1969.

I believe it is a most useful step to integrate materials management and waste management for, in fact, nothing is really consumed. Any intelligent management of materials must take account of the problems of waste disposal. Furthermore, the economics of salvage should be credited with the money saved on waste disposal. For example, if the intangible costs of environmental blight due to non-degradable aluminum cans could be attached to the beverage industry and the consumer, the invention of aluminum cans would probably look like a step backwards instead of forwards. The same applies to the massive influx of no-return bottles in the marketplace, which unfortunately leads to a sharp increase in the litter of broken glass in our public ways and greater loads on our refuse systems.

I enclose one recent article of mine entitled "Man, Water, and Waste." This deals mostly with the problem of liquid wastes and sewage sludge rather than solid wastes. Solid waste management is of interest to me but is outside my basic area of expertise.

If you have further technical questions about solid wastes, may I suggest that you write to my colleague, who is expert in such matters, Professor Jack E. McKee, Keck Laboratory of Environmental Health Engineering, California Institute of Technology. Professor McKee is a very well known environmental engineer and is a member of the National Academy of Engineering.

Sincerely yours,

Norman H. Brooks,
Professor of Civil Engineering.

Peat, Marwick, Mitchell & Co.,
December 4, 1969.

Hon. J. Caleb Boggs,
U.S. Senate.

Dear Sir: Several of my associates and I have completed our review of your Amendment to S. 2005 and the Report prepared, at your request, by the Materials Policy Study Group. Our detailed comments relative to the seven questions included with your letter of November 10 are contained in the enclosed document. In summary, there are two basic points which we would make as a result of our evaluation:

1. We believe the Amendment is excellent. We concur completely with the need for and the stated purpose of the Amendment and further believe that a National Commission on Materials Policy is an appropriate vehicle for developing such a national policy. Thus, while the enclosed detailed evaluation suggests some possible changes to the Amendment, these are changes in emphasis on detail.

2. We believe that the report, and consequently the Amendment, gives insufficient attention to the problems of *how* a National Materials Policy might be carried out organizationally and administratively. It is our view that the *major* obstacle to the achievement of the "Ideal Posture for Materials in the year 2000" is not one of either policy definition or economic or technological feasability, but rather one of developing the organizational and administrative mechanisms necessary to *implement* the appropriate National policy and *apply* the appropriate technology. We, therefore, would recommend that Section 204 of the Amendment be expanded to explicitly include in the duties of the Commission, the requirement to examine and recommend alternative organizational and administrative means to implement the appropriate policy.

Peat, Marwick, Mitchell & Co. recognizes the vastly challenging problems to management posed by the proposed policymaking, policy-implementing effort in materials production, utilization and salvage. As this effort progresses, PMM & Co. would hope to have the opportunity to work with the Subcommittee and, eventually, the Commission in assisting to achieve the stated objectives of the proposed legislation.

Again, I deeply appreciate this opportunity to cooperate with the Subcommittee on Air and Water Pollution and sincerely look forward to other opportunities to comment on significant new legislation in the near future.

Sincerely yours,

Bruce A. Wilburn,
Principal.

Comments on the Amendment to S. 2005 Proposing the Establishment of a National Commission on Materials Policy Legislation

This document has been prepared in response to a request from Senator J. Caleb Boggs of Delaware, a member of the United States Senate Subcommittee on Air and Water Pollution. It responds to the seven questions asked by Senator Boggs in his letter of November 10, 1969, requesting review and comment on the proposed legislation.

It was prepared as a public service by staff members of Peat, Marwick, Mitchell & Co. under direction of Bruce A. Wilburn, Principal. Specific comments follow:

Question 1.—On the basis of your own experience, do you know of any important issue under the general heading of National Materials Policy that you believe is receiving insufficient attention today?

Insufficient attention is given to the very difficult question of how to formulate and implement necessary organizational and administrative arrangements to "facilitate orderly progress in materials posture" (LRS Report p. 17).

While it is clear that a large number of public and private organizations are currently part of the problem, i.e., they are involved in one or more stages of the materials production, utilization and salvage process, it is not at all clear how they might interact so as to close the cycle. While much has been written about the technological or economic feasibility of closing a number of key material cycles, little attention has been paid to the question of how, and by whom, this would be accomplished.

The complex nature of the organizational problem is made explicit in the "salient questions" defined by the LRS Report and in the testimony on S. 2005 of witnesses before the Subcommittee on Air and Water Pollution last April. However, the need to develop a suitable methodology for the development of new institutional and organizational forms is not made explicit. That is, granted that certain organizational characteristics are necessary (such as areawide jurisdiction, intergovernmental linkages and/or a combination of public and private resources and capabilities), what procedures must be developed to incorporate into decision-making processes of all affected organizations the necessary coordinations and appropriate disciplines for:

Urban landscaping and ecology;

Social engineering;

Systems management and development; and

New technology utilization?

When a procedure is developed which provides an approach to these issues, and specific institutional arrangements are suggested, a second tier of questions needs to be addressed:

What are the relevant needs of potential users, contributors and others affected by the proposed organizations?

Which needs are currently unmet by government and private activities in materials management?

What alternative functions of the proposed organizations would most nearly correspond to unmet needs?

What criteria for material management system organization may be derived from comparable existing service organizations or from more recent systems organizations which evolved in the Aerospace environment?

A very fundamental question which should be addressed by the Commission is this: How, institutionally and organizationally, should we change from an "open-loop" materials production, utilization and salvage process involving large numbers of individual organizations, with independent decision-making capability, into a "closed-loop" system? This question is basic and has not yet, in our opinion, been receiving sufficient attention.

Question 2.—Should a Commission, as proposed in this amendment, investigate the availability and use of materials? What limitations and restrictions, if any, should be placed on the consideration of the availability and use of materials by such a Commission?

As a general statement, it would seem appropriate to put few, if any, limitations and restrictions on the scope of the Commission's investigations. However, were the Commission to devote too much of its effort to the investigation of the availability and use of specific materials, it would run the risk of either duplicating effort now being accomplished by other organizations or failing to explore sufficiently more critical issues of national policy.

The NMPC's consideration of the availability and use of materials should be related to and perhaps limited by the activities of organizations such as the National Water Commission, the National Council on Marine Resources and Engineering Development, the President's Water Resources Council, the Public Lands Law Review Commission, and the President's Environmental Quality and Urban Affairs Councils.

The combined result of these studies ought to be a set of mutually consistent environmental management policies dealing with different levels of abstraction and specificity. Fractionalization of institutional responsibilities is well recognized as a major defect in both environmental and urban management. Unless the NMPC serves through its own organization and definition of its functions to alleviate this condition, a primary mission of the national policymaking effort in materials production, utilization and salvage will fall short of achievement.

Question 3.—Do you believe that the directives in the Amendment to such a Commission are adequate? How might they be strengthened?

We would offer the following suggestions:

Section 204(4) could be made more explicit on the need to engage private industry in the achievement of a nearly " 'closed system' in which materials retained value throughout the system and were recycled rather than discarded" (LRS Report p. 15). Along with social cost pricing, this would seem to be an essential element of an effective materials management system. The description of a major industry in the LRS Report, whose functions would be to collect, classify and process waste and distribute recovered waste values, in effect describes what must occur, rather than what merely might occur, in the materials salvage phase in order to realize national materials policy objectives.

Similarly, Section 204(6) could be strengthened by reference to the necessity of a metropolitan/regional approach to materials usage.

Section 204 might require the determination of recommended means of implementing systems analysis and operations research techniques in the development of alternative programs and priorities.

Section 204 could be strengthened by specifically requiring a determination of "necessary organizational and administrative arrangements to facilitate orderly progress in materials posture," as stated by the LRS Report, Part IV C.

Question 4.—Do you believe that a 1½-year life and a $2,000,000 authorization is sufficient for an optimum contribution by such a Commission?

These allotments have sufficed for other Commissions with similar functions and ought to suffice here.

Question 5.— Can you suggest other knowledgeable individuals whom the Committee might profitably contact to gain a broader analysis of this Amendment?

Professor Richard S. Rosenbloom, Harvard Business School, Soldiers Field Road, Boston, Mass.

Professor William J. Abernathy, Graduate

School of Business, Stanford University, Stanford, Calif.

Professor Stanley Jacks, Massachusetts Institute of Technology, Sloan School of Management, Room 52-541, Cambridge, Mass.

Senator John J. Moakley, Commonwealth of Massachusetts, State House, Room 312, Boston, Mass.

Mr. Henry Lyman, Publisher, Salt Fisherman's Magazine, c/o Salt Water Sportsman, Inc., 10 High Street, Boston, Mass.

Mr. Peter S. Hunt, Consultant, 832 Palmer Road, Bronxville, N.Y.

Question 6.—Do you believe the establishment of this Commission would serve a useful purpose?

Without question, yes.

Question 7.—Have you any suggestions for improvements to the Amendment?

These are generally covered in the answers to the preceding questions. Specifically, we would suggest strengthening the wording in Sections 204(a)(4) to direct the Commission to investigate social cost pricing and the economics of recycling specific, high-volume materials, such as paper, glass, steel and aluminum, through the materials process. We would also suggest that Section 204(a)(6) direct the Commission to explore alternative metropolitan/regional approaches to materials management. Further, we would recommend the addition of a Section, 204(a)(8), directing the Commission to identify alternative organizational and administrative arrangements to implement the recommendations of the Commission.

One administrative suggestion we would make is to eliminate the $100 per diem rate ceiling cited in 204(b)(3). The rate is unrealistically low and would preclude the Commission from obtaining the services of either the major consulting organizations or most highly-qualified academic consultants.

KEEP AMERICA BEAUTIFUL, INC.,
December 5, 1969.

Senator J. CALEB BOGGS,
U.S. Senate.

DEAR SENATOR BOGGS: Thank you for inviting our comments on your proposed Amendment to Senate Bill 2005. My delay in responding is attributable to a heavy travel schedule and the KAB annual meeting just recently completed.

We endorse the establishment of a National Commission on Materials Policy. Certainly the Commission can be an effective vehicle with which to increase public understanding and concern of the limitations of our natural resources. Indeed, the investigation of the availability and use of materials is long overdue.

An inventory of our natural resources by a National Commission would provide the opportunity to bring together appropriate government departments and agencies, along with the professionals from the private sector, to determine restrictions and establish a priority list of materials. Such an inventory may further indicate the need for a government/industry program to develop regional markets for expanding utilization of secondary materials.

Research and determination of methods for re-cycling and re-use of materials as laid out in S. 2005, is an extremely important area for Commission study. A regional concept of municipalities, in cooperation with industry, might be considered as a method for encouraging further research in the re-cycling area.

There are two further areas that we feel should be given more attention by the Commission. In view of the fact that municipalities are contributing in excess of 60% of the Nation's water waste and a substantial portion of the air pollution, the upgrading of municipal disposal systems would be an appropriate area for study. Providing more stability to public works efforts, enabling them to plan long-range programs, should also be considered.

Although we have no special recommendations as to the life of the Commission, we would recommend that an additional period of time be set aside to acquaint the public with the findings of the Commission's report. Consideration might be given to the development of a broad based public educational program to gain the understanding and support of any costs, limitations or material restrictions determined by the Commission and any subsequent action that may be recommended.

In response to your suggestion that we provide the names of knowledgeable individuals who might contribute a broader analysis of this Amendment, we are recommending that you solicit the view point of members serving on the Materials Disposal Research Council which is a committee of environmental technicians in the packaging field. The President and address of that organization is:

Mr. Richard L. Cheney, President, Materials Disposal Research Council, c/o Glass Container Manufacturers Institute, Inc., 330 Madison Avenue, New York, N.Y.

As you know, the activities of Keep America Beautiful are currently confined to litter prevention, but we hope our views, based on marginal experience within the solid waste field, will make some meaningful contribution to you and your colleagues in considering broader objectives to your proposed Amendment.

Sincerely,

ALLEN H. SEED, Jr.,
Executive Vice President.

TENNECO CHEMICALS, INC.,
December 9, 1969.

Hon. J. CALEB BOGGS,
U.S. Senate.

DEAR MR. SENATOR: I appreciate the honor of being asked to comment on S. 2005, the National Materials Policy Act of 1969.

It is my view that the nation's interests in the long run will be best served by a single governmental department, rather than the current situation in which responsibility for protecting the country's environment and resources is shared by a variety of departments, committees and councils. However, such a drastic reorganization will require time and study, and considerably more insight into many environmental and resource use problems which at present are not fully understood.

Taking the questions you ask in order, I have the following comments:

1. The use of low sulfur coal for heating and power generation to meet certain state air pollution laws is a waste of a precious natural resource.

2. The commission should investigate the availability and use of materials without restriction.

3. I believe line 24, page 3 should read "(1) to *require* the cooperation . . ."

I doubt the sum of $100 per diem stated on page 4, line 13 is adequate. I believe an allowance of $300 per diem is necessary to obtain the services of consultants and experts in the present market.

4. I believe the commission's assigned task is too important not to be done on a continuing basis, although it may not be necessary to perpetuate the commission to accomplish this. I suspect $2,000,000 is too little to do the job properly.

5. Dr. A. Joel Kaplovsky, Chairman, Department of Environmental Sciences, Rutgers—The State University, New Brunswick, New Jersey.

6. Most emphatically YES.

7. None at this time.

I trust these comments are of some value.

Very truly yours,

STEPHEN C. BROWN,
Director of Environmental Science.

GENERAL SERVICES PUBLIC ADVISORY COUNCIL

Mr. MURPHY. Mr. President, General Services Administrator Robert L. Kunzig has named a resident of Washington, Mr. Ray A. Watt, to membership on the newly created General Services Public Advisory Council.

The Council was formed for the purpose of creating greater public involvement in the operations of the Federal Government.

Mr. Watt is the president of the National Corporation for Housing Partnerships, and is one of the Nation's leading homebuilders and a pioneer in construction of housing for minority races. Also, he is a trustee of the National Housing Center and a past president of the Homebuilders Association of Los Angeles, Orange and Ventura Counties.

Following attendance at the University of California at Los Angeles and employment at Douglas Aircraft during World War II, Watt formed the R. A. Watt Construction Co. in 1947. During the ensuing 22 years, his firm developed more than 30,000 homes, 6,000 apartment units, and numerous commercial and industrial projects and mobile home parks in southern California.

Administrator Kunzig is fortunate to have acquired a man of Mr. Watt's background. I am sure his wide and varied background will be a valuable asset to the Council.

REPORT ON PRISONS SERVES IMPORTANT PUBLIC SERVICE

Mr. RIBICOFF. Mr. President, Eugene J. Brown, president of the Ottaway News Service and publisher of the Danbury, Conn., News-Times, has performed an important public service in writing a series of newspaper articles about Federal prisons.

The articles are informative and productive. Other Senators will find them of interest.

I ask unanimous consent that the articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

PRISON PIONEERS WORK-RELEASE PLAN

(By Eugene J. Brown)

A prisoner of the Federal Correctional Institute stopped me as I was wandering around the prison compound on a sunny day and asked if I were a writer.

"Yes." I answered, "but . . ."

The "yes" was enough for him. "Write about this! I am suing the attorney general for $1 million!"

My new client was a sturdy middle-aged Negro.

The other inmates sitting on the bench with him edged away as if they had heard the story too many times before.

"Why the million? Why are you suing the attorney general?"

He replied: "I had a gall bladder attack in another prison. They operated and told me I'd have just a little scar," and he widened his fingers to show me about a four-inch scar. "You see what they did to me!" and with that he ripped open his shirt to show a neat scar about 15 inches long.

"Was that being honest?" he asked. "That's why I am suing the government for a million!"

I carefully examined the scar and said it might be worth a million in damages and I would indeed write about it and send him a copy.

This million dollar suit was the 18th case given to me by the inmates of Danbury, Connecticut's Federal Correctional Institute as I wandered around the compound, in dormitories and shops over the course of two weeks. My purpose: Find out how prisoners live in prison and what is being done to prepare them for eventual release.

Most of the two weeks I wandered alone. At the warden's invitation I talked with prisoners without any supervision by guards.

I had asked the warden, Frank Kenton, if I could do a story on what happens to human beings shut behind locked doors and iron bars. My story would naturally take me beyond that and into the areas of rehabilitation and work-release, the programs for which the Danbury Federal Institution is creating nation-wide interest.

The warden is an old hand at being interviewed. Network TV crews and top reporters have been in his jail to tell about the work-release program. Magazine feature writers have published numerous articles on the success of the program. It has been the focus of publicity since it started in 1966.

"Work-release" is a plan whereby prisoners at a correctional prison, who meet very rigid requirements, leave the prison during the day and work in the adjacent community in skilled jobs which pay the going rate. They return to prison at night, pay board and room, and give half their pay to their families. This work-release usually occurs in the last year or six months of their sentence. Theoretically it gives them a money stake and prepares them for the outside world. I call the plan "work release," the warden refers to it as a "community-based program."

The first morning of my visit I sat in Warden Kenton's office while he philosophized on prisoners and his crusade—"work release." After some conversation he said: "Why don't I fix you up with an I.D. (Identity) card and you can come and go into the prison freely and talk with the prisoners by yourself." I thanked him for his confidence; mentioned that one of the prisoners had said to me. "Watch out for the warden, he is a pacifying S.O.B.

He laughed. "Find out for yourself."

The administrative officers of the institute want to talk about "work release." It is dramatic, the results are evident, and other prisons are following the Danbury work-release." Right now only 50 out of 700 meet the criteria set up to enable an inmate to qualify to work on the outside. These 50 are a most carefully selected group.

But what about the lives of the other 650 men at the FCI?

About 150 of the 700 inmates at Danbury are NARA men. Many inmates told me they were NARA men with the same matter-of-fact attitude that one says he's a Yale-man or Princeton or Dartmouth-man.

NARA signifies a method of addict rehabilitation. In 1966 Congress passed the Narcotic Addicts Rehabilitation Act. This is a nation-wide attempt to cure convicts of the drug habit which contributed to their crime. The reasoning develops that if addiction is eliminated the reasons for crime tend to diminish. Every state in the union also is wrestling with the same problem. Today there are more addicts than ever before in our history. Congress hopes that the NARA program is a good beginning towards curing addicts.

Most of the NARA men at Danbury's FCI are there because they committed a crime of stealing, forgery, first-time bank holdup, drug-selling and crimes of that nature. Before final sentence is pronounced by a judge an investigation is made to determine why the criminal did what he did. The probation report often reveals that he stole to feed his drug habit. Obviously the penologists reason, unless his drug habit is cured, he will get out and steal again.

"How do we cure his drug habit?"

An Ottaway News Service Feature—Part III: Prison Designed Mainly for Rehabilitation

(By Eugene J. Brown)

A federal correctional institute such as the one in Danbury, Conn. is not primarily designed to punish a man for his crime. Its purpose is to get the man rehabilitated as quickly as possible. "Get him out of prison and back into ordinary life," I was told by several officers.

Many prisoners I talked with, in the compound or sitting on their bunks, would argue this point. They say the administration wants to keep them "locked up."

The correctional philosophy makes little impression on an embittered inmate, who thinks he has served his time.

Theoretically a drug addict can be recommended for parole by the prison NARA parole board. Their recommendations are then considered by the formal parole board which agrees in 90% of the cases.

I listened one afternoon as Dr. Robert Rapkin, his staff and Dr. Margaret Lindner personally interviewed six parole applicants. As each man entered the crowded office, Dr. Rapkin would ask him if he had any objections to "a reporter" listening in. None objected.

Dr. Rapkin had spent a number of years at Massachusetts State Hospital as a resident psychiatrist. He told me that the food, conveniences, medical care, etc. were better at the Danbury FCI than in most state institutions.

A number of prisoners told me later in the week that state prisons "treat you like dogs." Beatings are not unknown in state prisons.

According to prisoner stories state prisons teach nothing and give nothing. "You come out feeling like an animal," a prisoner said.

FOOL-PROOF BOTTLE

The first inmate applying for parole that afternoon talked in a pleasing Southern accent. A fluent speaker about 40, he had been very helpful in therapy groups, at Danbury and at other prisons. Instead of using such terms as "jailed" he would use "incarcerated" and very naturally too.

He said he was entitled to parole as he was a "new" man and was damn tired of seeing his life go down the drain on account of drugs. He wished to go back to his father in Kentucky and a "lady friend whose company I enjoy." He was once married but not currently.

It was explained to him that he would have to undergo urine tests every week during his entire probation period plus some surprise tests. He agreed that he could handle that all right. (Drugs show up in urine.) He laughed: "You can't fool the bottle!"

In discussing cases with parole officers later, I was advised that addicts of middle age who have spent most of their life stealing to support their habit are good prospects to break off because they can look back on a wasted life and a probable tragic future. These men often succeed in breaking the habit, even after 20 years of addiction.

The group recommended the Kentuckian for parole consideration. I too thought he was entitled to return to his "lady friend."

The second case was a young white Virginian of a good family. He was subjected to long questioning by the parole group. He had been in the FCI about a year and felt that he had learned his lesson and was ready to move out. He was careful in his answers to the questions, spoke frankly of his good points as well as those which he thought would give him future trouble. The board decided favorably.

A few days later while visiting the intensive treatment unit, there was my friend from Virginia. He had broken the rules, contrary to the promises he had made to the board.

READY FOR WORLD

Mr. McDowell the knowledgeable black man had been in prisons for 15 years except for one 18-month period. In response to questions he said drugs made him a thief. He spoke fluently:

"Now, the thrill of drugs is gone. It was a big illusion, a dream, a myth! I know that there is something better in life than drugs, and I think I am now ready to face the world."

If this speech was rehearsed, he was indeed a fine actor. It sounded both spontaneous and sincere.

Asked how he managed to stay out of prison for that 18-month period, he said he had joined the Moslem religion. The parole report showed that he was a leader of a small group of devoted Moslems at the FCI.

He repeated, "I am a dedicated Muslim. You can't give my religion lip service, you've got to live it." (The Muslim religion has a very strict code which forbids drinking, drugs or other vices.)

He sensed that the board was divided, especially as they had detailed information covering all the infractions of the past 15 years. One member asked him if his parole was not recommended at this time, what would he do? He replied that he had the patience to continue as an inmate but he did not feel that the board considered fully his religion and his determination. His parole was deferred for consideration in a few months.

Late that afternoon in the therapy session, McDowell was bitter at this lack of confidence. But when I met him again that evening in the compound, he seemed composed and was looking forward to his next parole hearing.

BARBER TRADE

One parole applicant had learned the barber trade. He had adhered to prison discipline and cared little about learning any other trade. The board voted unanimously to recommend him for parole. (I thought otherwise).

In discussion afterwards they pointed out that nothing would be accomplished by keeping him in prison any longer. He had attained his educational goals. He had a trade and had as good a chance as anyone else of staying out of prison.

Parole officers practically live with these inmates. They have a feeling if rehabilitation has "taken" or if the convict is just "hustling" them.

They do not look upon prison as a place for further punishment. By the time the inmate reaches Danbury FCI, the purpose is to get them out of prison and back into society. This may strike many citizens as a revolutionary philosophy, but it is basic to the Federal Correctional System.

An Ottaway News Service Feature—Part IV: Addicts Not Qualified for Work Release

(By Eugene J. Brown)

After wandering around the dormitories, dining rooms and the walks of the Federal Correctional Institute at Danbury, Conn., for a week, the prisoners took me for granted and would often start a conversation without any prompting.

In one dormitory a middle-aged man stopped me and said he didn't mind prison so much as he had committed a "wrong," but he did mind being forced to shave off his goatee. He asked me if I had had mine long and I said "about a year."

"What are you in for," I asked.

"Well, I was working with a veterinarian and we used drugs on the animals. After a while I started to slip a few pills to my friends," he said.

At the gate I asked another inmate the usual, "Why are you here?"

"I have 10 kids and you can't support 10 kids without stealing," he replied.

I surmised that 10 seemed like a valid reason and suggested that when he got out that he at least stop at 10. (He laughed rather hollowly.)

HALF ARE ADDICTS

Probably half of 700 inmates at this federal prison are or have been drug addicts.

A drug addict does not qualify for the work-release program because the chief of police in the City of Danbury is not anxious to complicate his law duties with known drug addicts from the prison.

Most of the inmates blame the warden for this. The truth is that the prison administration thinks that an addict undergoing therapy in the prison is just as good a risk for work release as the other inmates. The final responsibility, however, rests with the police chief where the correctional institute is located.

Dr. Robert Rapkin, the chief psychiatrist, thought that the drug rehabilitation program might end up with a 25 per cent cure rate.

HEROIN PROBLEM

Heroin is the major drug of addicts, commented Dr. Rapkin. The heroin user doesn't bother with marijuana. "Why fool around with junk when you can go places with heroin," is their attitude. Addiction is not a problem of race. However the white addicts tend to come from middle class homes and are usually young.

Several addicts in private conversations asked me how could they prove they were ready for "society" unless they got a chance to prove themselves on work release?

Others said there should be a pilot program for addicts on work release to see how it would work out. My assumption is that this is being tried in isolated instances, without publicity, in certain prisons.

Some of the staff men told me they thought an addict was a good work-release risk as any infraction while on the outside would stretch their terms out interminably. Most of them were on indeterminable sentences up to 10 years.

Dr. Rapkin told me that what is being done at the FCI will be evaluated after several years of drug therapy. At present there is almost no medication, just group therapy, counseling and the reward of early release.

While sitting in the parole hearings, I was attracted to the reasoning of Robert Garcia, a senior case worker who had been sent North to help on the rehabilitation of addicts in federal prisons.

Mr. Garcia came from Laredo, Texas, and speaks fluent Spanish. He was enthusiastic about his successes and became depressed, he said, when some of his cases did not respond to the rehabilitation processes.

He agreed with Dr. Rapkin's statement that "cure rates" depended upon both the probation officers who checked with addicts after they got out of prison and the competence of the case workers in the prisons.

Dr. Rapkin had told me previously many young addicts won't quit until they have been in the dregs of hell and have lost everything. Then they are more amenable to therapy.

HAD ENOUGH

Some people just quit voluntarily—after they have had enough of losing everything.

Is there drug addiction in the prison? Undoubtedly. Surprise shakedowns, stripping the men for drugs, urine tests, etc. can only slow down the traffic. An addict will "shoot" aspirin, Darvan, or anything, if he can't get heroin.

Garcia did have one ray of sunshine. He remarked that 70 per cent of first offenders will stay off dope after therapy.

Garcia is especially valuable because most of the Puerto Ricans are much more at home in the Spanish language. He commented that the average Puerto Rican makes a model prisoner, but the hard case Puerto Rican is the "toughest of all."

AN OTTAWAY NEWS SERVICE FEATURE—PART V: EDUCATIONAL, VOCATIONAL PROGRAMS

(By Eugene J. Brown)

At the Danbury, Conn. FCI, like many other correctional institutes, the open dormitories and cell blocks surround an open compound containing baseball field and bleachers, basketball and handball courts, walks and flower gardens. With the exception of men in the intensive treatment cells, the other inmates circulate freely around the vast compound.

Some years ago, federal correction prisons, including Danbury, were often called "Country Clubs" because they differed from the public's concept that "prison is for punishment."

These correction centers have never lived that appellation down. There are numerous federal prisons where the inmate is there for punishment. The atmosphere of such a prison is grim and rugged. However, one must keep in mind that the federal correctional prisons are primarily centers for rehabilitation, that within reason they try to impress the prisoner with his chances of rehabilitation if he will take advantage of the prison's educational and vocational opportunities.

RECREATION IN WINTER

I spent several evenings in the compound watching the ball games, the bocci players or the younger men playing basketball and handball. It was ideal August weather. Recreation in the winter, however, is much more difficult, and many complain that there is nothing to do on cold days except work and be a prisoner.

Edward Mannion, who has been in charge of recreation at the prison for over 25 years, said they did miss the winter recreation gym which had been converted to industrial use.

I suggested that keeping 700 men over the long winter months with no athletics were indeed confining. Mannion said (and he is an exercise enthusiast), that he hadn't ever noticed that exercise or lack of it made a man either a better inmate or better able to adjust to the outside. Nevertheless, he is constantly on the alert to promote interest in athletics.

The dining room is light and spacious. Food is American style and about average; the vegetables are tasty and plentiful; the menu includes a green salad and dessert. For men with ethnic or Southern backgrounds, it would probably take time getting used to the menu. I thought the variety seemed good, but inmates complained that it wasn't their idea of "food."

A store is open to the men where they can buy up to $20 per month, mostly food, soft drinks, ice cream, candy and cigarets. In the evening a great many men had paper containers from which they were spooning ice cream. A sign in the store read: "Absolutely no exchanges. All sales final." Another sign: "No personal checks accepted."

The prison baseball team is usually around the top of the local leagues. All games are at home; some players would like to "go on the road." Most of the inmate spectators cheer the town team, to the dismay of the prison champions.

Many of the older prisoners just sit or walk around in the compound during the evening. Of the younger men, some lift weights, or play games or sit and talk the time away.

There are movies two or three times a week. TV is available in the dormitories after work and on Sundays.

Book racks with free paperbacks are placed throughout certain buildings. No one needs to account for the loan of a book. A group of three black men, however, complained that there was too much friction and not enough "meaningful" books. They wanted more material on black history and the biographies of great men. One man with a minimum education asked: "Why don't the warden give the library more books that explain the meaning of life?"

DORMITORIES

The dormitories are as varied as residential areas in the outside world. Several of the "dorms" have two tiers of individual cells on each side with cots on the ground floor-walk area to accommodate the overflow. The men do prefer individual cells where they can keep their photographs and other possessions.

We walked through a number of dormitories with double bunks in low-walled cubicles; others had a cubicle for each man. Inmates were busy repainting the area as there is always plenty of experienced labor available to keep the prison in top shape.

AN OTTAWAY NEWS SERVICE FEATURE—PART VI: FEW DRAFT EVADERS AT DANBURY

(By Eugene J. Brown)

During my two weeks of visiting the prison at Danbury, Conn., I would seek out the warden for short visits mostly to check on the stories, factual or rumored.

Warden Frank Kenton said that there was no truth to a current rumor that the prison has a great number of draft evaders. (Many evaders get from three to five year terms and are sent to other federal prisons, although they might spend the last year in Danbury).

He did say that during World War II Danbury had a great number of draft evasion convicts.

Danbury is no longer a haven for income tax violators. At present there are only 30 out of the 700 inmates committed for tax evasion. Those who sell counterfeit money, first offense, those who rob banks for the first time and get caught, often do their penance at Danbury. Forgers also find Danbury their place of temporary employment.

About 1,000 inmates are committed a year and 1,000 go out. Ed Mannion, recreational director, has seen 19,000 men come and go, most of whom he has had personal contact with during his years at the prison.

Only a few inmates are in Danbury prison for crimes of violence, although a few may be sent for rehabilitation during their final months.

Mixing the younger men with the older men usually results in teaching the younger ones the tricks of crime. One young fellow told me that his term in the prison was the best thing that ever happened; he was picking up the trade of a card-dealer and would head for Las Vegas the hour he got out.

Being in prison destroys a man's natural dignity; it makes men bitter and revengeful. Eight cases out of 10 return to prison. In prison one is constantly under the scrutiny of a guard who is firm and inclined to enforce the rules as written. Most of them don't trust "cons." Most guards come from small western or midwestern towns and may be incapable of understanding "the criminal mentality" of the larger cities.

One afternoon I found my way into the educational building where a few prisoners were working on a mimeograph prison newspaper. There had been a lapse of some months of an in-prison publication, now the prison had a new editor, Ronn Arquette.

He seemed to be in his early 30's, and he handled himself like an experienced newspaper editor.

He had a crew of four in the makeup department and a dozen reporters in other parts of the jail.

I asked him of his previous experience. He replied: "I've been an editor four times. Once in a Texas State Prison and three times in federal prisons."

His reputation for editorial competence is so well known that apparently no matter what crime he commits, he is automatically assigned to the editor's job.

As I was leaving the compound one evening I sat down to rest my feet beside a middle-aged man, M. Silbert from Maryland. He said he was in for misplacing $3,000. He was a first-termer and hoped to get out in six months on parole. He had sold his home so that his family could live while he was an inmate.

He said: "I made a mistake and am paying for it . . . but this is a swell place to be. They treat you decently; the food is as good as I get at home. I highly recommend this prison." We chatted a few more minutes, and, as I got up to leave he called: "Be sure to send me a copy of your story."

Three black men were cooling themselves off on a low stoop, and I sat down and stretched out my legs again.

None of them wanted to talk and seemed suspicious of me. I said that I was a reporter and, when they wouldn't believe that, I told them I was a spy for the warden. That broke their reserve .

One was on the NARA Program but didn't think therapy was any good. He was a mason by trade and exclaimed: "What the hell is the use of my learning any other trade here? I'm a damn good mason and that's my trade. Anything else is garbage!"

Another young man had had 15 months of twice a week therapy. He claimed that they got too many evasive answers in therapy, but lately they were getting more direct replies. I asked him of his educational background. Said he had had two years at Columbia University.

While walking through the administration office one day, Mannion, the recreational director, introduced me to a very pleasant chap who was ready to go to work as a plumber's apprentice the next day in a local town shop. His brother was also on the work release program as a carpenter. I asked why he was a guest at the FCI. He told me that he and his brother held up a bank. It was a first offense, and they were caught as most amateurs are. My impression was that the two brothers had had their fill of prison and crime and were excellent prospects for normal life of release.

The case workers repeated to me that first offenders have the best chance of staying out of future trouble, though approximately eight out of 10 inmates return. But then, two out of 10 are "saved."

AN OTTAWAY NEWS SERVICE FEATURE—PART VII: PRISON'S INDUSTRY KEEPS

(By Eugene J. Brown)

The inmate in a federal prison in which correction is stressed as part of the inmate's life, fills his days by working in "in-prison industry," the service departments, and on "work release."

Industry in Danbury Federal Correction Prison includes glove making, various electrical component assemblies, maintenance, and the development of skills in small motor repairs, oil burner maintenance, plumbing and heating and similar trades.

The prisoner can also go to school, a privilege available on his free time.

In prison industry such as the glove factory, an inmate can make up to about $60 a month. His board and room are free.

The sewing and cutting of gloves in the Danbury prison still has a great number of workers, though this type of work is being phased out, as there is little future for men in "gloves" on the outside.

The hum of the glove machinery made conversation difficult, but I found one table where prisoner Robert Bruer was temporarily idle. Mr. Bruer had finished his quota for the day but the rules required him to stay at his post until quitting time two hours hence.

Bruer, about 30, had worked on the Baltimore Sun and was now in the FCI for selling counterfeit money. He was quiet and rather shy, had a high school education, and wanted to go on to college for an electronics course.

He hoped some day to get on the work release program when he could meet the requirements. He said rehabilitation at the state prisons was mostly a farce and that they made hardened criminals out of the young men sent there. Bruer is separated from his wife.

Time and again an inmate would tell me that he was separated or divorced. Many wives divorced prisoner-husbands, or crime may have broken up the family previous to his sentence.

Most enthusiastic in the administration of the prison are the instructors involved in industrial training. Watching inmates with no particular previous skill master the art of repairing small motors such as used on outboards, chain saws, lawn mowers, snow blowers and boats in a matter of 19 weeks is rewarding to the teachers.

I noticed in the small motors shop several Puerto Ricans who couldn't understand English, laboriously following motor diagrams and diagnosing mechanical problems.

There is a ready market in the city for graduates of the small-motors classes on work-release or when paroled.

There is a waiting list of inmates to get into the small-motor repair school, but the course requires individual instruction. There are not enough full-time teachers.

The plumbing, heating and custodial school takes inmates without previous experience and gives them a working knowledge of the trade. The instructor showed me a number of letters from former inmates who wrote of their new jobs and expressed their genuine gratitude for what they had learned in prison. These small successes make a teacher's life meaningful in or out of prison.

I did run into a few men who had taken the small-motors course, had received their high school educational equivalency and numerous other certificates, and were still in prison. After they had gone through all the "motivation" programs, there is little to do except serve their time. That's when "punishment" really sets in.

In addition to the glove shop, the big industry is "Cable." This usually involves attaching electric fittings to cable, much of which is on contract to local industry. In this industry the men can make up to $100 a month which supplements their family income or gives them a stake when released.

Many families of prisoners are on welfare. When a judge sentences the average criminal to a prison, the taxpayer supports the family he left behind.

Many convicted men arrive at prison with only the rudiments of elementary education. Some may have had a year or two of high school. The prison educational department makes a special effort with these uneducated inmates in both academic and vocational courses with the result that most of them do earn the equivalent of a high school diploma before they are released.

A few men with special problems or special aptitude may be sent to the local high or vocational school for further education.

The three career men who run the educational department of the prison said that their biggest problem is to get the inmates motivated.

Prisoners who work all day in "industry," kitchens, etc., have to want education to go to school at night. Even the instructors suggest that working prisoners should be given two hours off four days a week to attend school to supplement the motivation.

Younger criminals unfortunately usually look upon more education as "the bunk."

The desire for more education was mostly confined to Negroes whose willingness is the result of their belief that they got into "trouble" because of lack of education.

I met men in the glove shop in the "Cable" industry who felt that the work they were doing was meaningless—if it was designed to teach them a useful trade. And correctional administrators would be inclined to agree.

Working in prison industry does serve to give the families of the prisoner supplementary income, and he can also accumulate a bank account available to him on release. Working also keeps him occupied while in prison and that too has some therapeutic value.

The occupational skills which are fast being introduced into the correctional prisons is a tremendous advance in the area of giving a man a trade which will help keep him out of future trouble.

The prisoner grouses if he sees no future in what the prison is trying to do for him. If the grousing is bitter, he tends to give up hope. In this writer's opinion, the "hopeless" convict will most likely return to crime.

Perhaps one of the brightest spots about my stay in the prison was my contacts with career men who are in prison educational and vocational systems. Knowing that they are going to have a large percentage of "failures" they still manage to avoid a professional cynicism.

Personally, after observing the performance of prison teachers, instructors and shop managers, I was amazed at their enthusiasm. I would have thrown up my hands within seven days.

AN OTTAWAY NEWS SERVICE FEATURE—PART VIII: DANBURY WARDEN OPPOSES CONJUGAL VISITS

(By Eugene J. Brown)

On several days when Warden Frank Kenton had time, he would lunch with me in the prison administrative room which served the same menu as the prisoner cafeteria. This relaxed hour usually gave me an opportunity to probe his views on the habits of prisoners and their problems.

Kenton said that one of his unpleasant duties was attempting to answer a wife on the release date of her husband. Many mothers would make a plea for "consideration" as they would often say that as long as the husband was in jail the children were the butt of ridicule from their playmates. Others just feared that the long separation would break up the family.

Kenton had no formula for the man who keeps on committing crimes—except to lock him up and isolate him from society. I gathered from some of his remarks that habitual criminals are often made that way when they are thrown into contact with older and hardened convicts. Today, even in the state prisons, there are sincere attempts being made to separate first termers from the habitual criminal.

"The warden flatly denied the rumor that the prison held a number of young men who secured a felony conviction of one year by stealing a car and crossing a state line for the purpose of avoiding the draft. The draft does not take felons. I asked the Warden and several the staff about the place of religion in the rehabilitation of criminals. The prison has full-time Catholic and Protestant chaplains A few men are granted the privilege of attending church in the city.

I could not determine from the staff if religion played any role in rehabilitation. I questioned some of the convicts and those I did talk with were not interested in formal religion, except perhaps for the Muslims.

I asked Kenton if he was in favor of conjugal visits under circumstances where a prisoner would be able to live with wife and family on weekends or have extended weekend visits.

Kenton said that he might be puritanical but he opposed conjugal visits. "They tend to degrade the meaning of marriage."

From Kenton's attitude I surmised that he would vehemently oppose the experiment. This writer thinks it is quite unrealistic to isolate men from families for extended periods of time. It is a punishment only sanctioned in times of war.

Kenton maintained that the best way to bring the family together was to keep the inmate in prison the shortest possible time. "Return him to his family as quickly as you can," was his formula for the rehabilitated convict.

Alcoholics Anonymous has an active chapter in the FCI at Danbury. A group of 24 inmates meet each Wednesday; on Sundays outside AA groups send in leaders for the group therapy sessions. The FCI unit is sponsored by the Danbury chapter, and they do a fine job according to anonymous members.

AA graduates, when paroled, can also go to a Halfway House in Waterbury, Conn., which admits parolees only. At this house they can spend up to 90 days adjusting to the routine of working and living outside and hopefully away from chronic alcoholism.

Sick call in a prison is from 7 to 7:30 a.m. Two excellent full-time physicians and two dentists keep occupied with their 700 patients plus the 1,000 who come in and out each year.

The private hospital cells do not cost $50 per day and the dental work is free.

One doctor said that one of the benefits of prison practice is your ability to see your patient daily if needed—the patient is always around.

In two of the hospital rooms were young healthy-looking men with needle-induced hepatitis. A rather common affliction of addicts.

After inspecting the very modern medical and dental facilities, I came away with the thought that the body gets far better care than the soul.

The average citizen seldom gets locked up behind bars, and I remarked to the warden that I had no particular reaction to the experience while visiting his facilities. In fact, looking out a skyscraper window makes me far more squeamish. He replied: "You would make an ideal inmate, however visitors are often locked for fun and react uncomfortably within only a few minutes."

I asked Kenton why a few men on work-release attempt to escape with only a month to serve. He replied that some run away as the end of the term expires with the unconscious hope that they will be caught. They are afraid of facing the problem of being on their own. This "shortitis" can take the form of a nervous illness as the end of their term approaches—and even require hospitalization. The warden called it a Cinderella Syndrome: The pumpkin wants to stay a pumpkin.

The warden said he really couldn't answer the question satisfactorily as the reasons are just too complex.

The average prisoner, however, wants to get out, and the reward of a shortened sentence for good behavior is a powerful motivating force, commented Kenton.

Kenton thought I could help by spreading the word that the correctional system was a wonderful opportunity for young people who contemplate going into social service work. There is a dearth of social workers in the system. He said it offered educational opportunities . . . and a chance to do a great good.

AN OTTAWAY NEWS SERVICE FEATURE—PART IX: PRISON'S WORK-RELEASE PROGRAM REWARDING

(By Eugene J. Brown)

The work-release program based on community participation is the most exciting event to affect the Federal Prison System in recent years.

The program has worked in Danbury at the Federal Correctional Institute because Warden Frank Kenton and his officers sold the City of Danbury on the idea of becoming actively involved in the program.

The success and some of the problems of work release are outlined in this and the concluding article to follow.

One inmate on work release who worked in the city during the day and slept in the jail at night complained that if the warden thought enough of him to put him on "work release" why didn't he allow him to join his employer's evening bowling team.

Another "work release" prisoner with an 8 to 5 job in the city said that for the first time in years: "I feel like a human being."

And Warden Kenton said to me in the course of one two-hour conversation: "I stake my career on the success of the work release program."

A captain on the 4 to midnight shift in the compound commented as we were watching the dusk ball game: "I've seen a lot of things tried in my life to help a prisoner and this (work release) is the first one that is working."

What is work release?

A prisoner with a short term or in the last year of his sentence, who meets very rigid requirements, can work on the outside during the day or night for standard outside wages, he returns to jail for sleep and weekends when not working.

At present only 50 out of 700 inmates meet the difficult criteria set up. He cannot be a sexual deviate, an alcoholic, a drug adict or have been sentenced for a crime of violence. He must have in-prison training for the job and show an attitude and record that will practically guarantee his success on the job.

He must abide by a long list of rules including: Do no favors for other prisoners in jail, make no phone calls, send no letters on the outside, bring nothing into the prison or drive an automobile. In addition he submits to surprise "strip-downs" for possible contraband when he returns at night.

He pays the Government $2 a day for room and board, sends half of his earnings to his family and must have the guts to withstand the temptations of the free world.

If he fails, his parole date is set-off further; he is condemned by his fellow prisoners for "fouling up" the program and back to the prison routine he goes.

Three weeks before my visit, three work-release men got drunk and were taken off the program. The succeeding three weeks resulted in a spotless record—all rules were obeyed.

The work release people meet as a group every Wednesday to discuss the week's happenings and problems. At the meeting I attended, Mr. Paul T. Walker, the deputy Warden ran it with the attitude of a genial college coach or even as a neighborhood scoutmaster.

One prisoner complained at the open meeting that he was only permitted to take out one pack of cigarets a day. Permission was granted for 2 packs plus a cancer warning.

A member of the Muslim sect complained bitterly that for a week his sandwiches on the job from the prison kitchen were pork, forbidden in his religion. Walker said he would arrange more of a variety of sandwiches.

After the meeting one of my inmate friends (J.P.) an orderly at Danbury Hospital on the team which responded to emergency calls in the cardiac unit, said that work release saved his sanity. His parole was due in a few weeks and he planned to go back into the construction business.

One evening around eight, I asked an inmate to take me over the Danbury House, the dormitory for the work-release prisoners.

I sat down on a bed next to a reclining inmate and asked if he minded talking. We were joined by five or six others who demanded that I write about their "beefs."

One shouted off with: "If the Warden trusts us to go out and work each day, why can't we spend the weekends with our families? We wouldn't escape!"

Another: "Some of the pens in the west have little houses where our families can live outside the jail on weekends. Why can't we have that in Danbury?" (The warden told me on another day that it was an interesting idea but that he had never heard of it in the U.S.)

Several men doing journeymen work but getting apprentice pay didn't like the idea of working on the outside for less than journeymen union wages. (Most get good comparable wages.)

Some said that their educational programs which qualified them for outside work should also entitle them to special privileges.

All said that they were fearful of making a misstep which would affect their parole. The pressure bothers them.

Towards the end of our conversation a prisoner, overhearing the group, stepped in and said: "Hell man, bad as it is . . . it is still better than staying in jail all day." After a silence, they nodded their heads in agreement.

I couldn't resist saying to a white North Carolinian who had been sentenced for bootlegging, what he was going to do when he got out. In pure Southern he said: "Well suh, I'm piling up my stake and when ah git out, I'm going right back to bootlegging cuz that's muh trade."

"Yes," I said, "and in three months you'll be right back here."

"No suh," he replied, "Last time they got me cuse I talked too much. Now I've learned to keep muh mouth shut."

Work release with the proper community cooperation and the wholehearted support of the warden and his staff prepares the prisoner for the major adjustment from prison life to an every-day routine of "outside" society. Without this intermediate step, the adjustment is traumatic for many prisoners. They then fall back on crime.

AN ONS FEATURE—PART X: SOME CALL WARDEN A MOLLYCODDLER

Telephone calls from citizens to Warden Frank Kenton accusing him of mollycoddling work-release prisoners are not unusual. Some people just abhor the idea of prisoners working in the town.

However neither uncommon are notes from congressmen wherein they enclose copies from prisoners claiming discrimination because the warden won't put them out on work-release.

The prisoners and the warden of the federal correctional prison agree on one fact. The attitude of the outside community determines the success of releasing prisoners for work; the prisoners say "the help of the townspeople makes the 'thing' work."

One said: "The outside people are the redeeming feature of work-release." Being treated like a human being meant more to this prisoner than the money or the freedom.

One of the sparkplugs of the work-release system is Ed Mannion of Bethel, Conn., who is recreational director and a job-seeker for the prisoners. He has spent more than 25 years at the local FCI.

"Our personal success is judged if we can keep the man from coming back," Mannion said.

Mannion retains a paternal interest about the men after they leave the prison. They write to him about their jobs and their hopes of success. They tell him about their families, their homes and say "thanks." Mannion, as well as the others do get depressed at their "failures" and are inclined to wonder where the mistakes were made.

I told him that my personal attitude was a more casual . . . "as long as you are working with human beings, the successes are going to be less than the failures."

Warden Kenton of the FCI is easy to know. He has three boys with the usual problems of a father. He has risen in the prison system to the warden's position and has spent his whole life, adult life primarily, in the correction area of prisons.

Kenton had just been promoted to a correction prison on the West Coast which specializes in the rehabilitation of young convicts. He was due to leave in two weeks.

Kenton is the opposite of a "jailer." He acts more like a manager of men whose job is to sell ideas.

His stint in Danbury has lasted nine years. He says that perhaps it has been too long, for wardens tend to lose their enthusiasm after five years. Perhaps Kenton would have lost his enthusiasm after five years had it not been for the inception of the work release program in 1965.

The warden wanted to talk exclusively about the program for, as he says, "now we have something that works." It is a matter of great satisfaction for him to go to a convention where penologists and social workers convene and have the professionals ask him for more details about the "Danbury" plan.

I use the term "Danbury plan," only because this is a successful program. It could be labeled San Francisco or Springfield, Mo., as the program is being tried in other federal prisons; even certain state prisons are now attempting work-release procedures.

Kenton warned, "We can give the inmate the tools for normalcy but sooner or later the responsibility has to be assumed by the general public."

Kenton takes a businessman's approach to locking men up: "The profit is based upon the percentage of human beings that we can successfully return to the outside world."

"When a prisoner leaves here, our success is determined if we can keep him in normal society for two years; for three years or for more." The warden said, "It is sort of a numbers game."

"Very few of us think that keeping a man in prison has much effect on rehabilitating him. Whether the prisoners think so or not, we are working here to get the man out into normal family life. Rehabilitating him. Whether the prisoners the prison may give him the equipment to cope with society but beyond that it is the community's responsibility," continued Warden Kenton.

"What will happen to your work release system if jobs become scarce?" I asked Kenton.

The question disturbed him: "No jobs, no work-release. Big trouble," he replied.

I asked why are there only 50 men now out on work-release when the figures have run as high as 100.

"In this area," he replied, "we are not playing a numbers game, we have rigid requirements as to who can go out. If only 50 meet the requirements, that is that," he said, and then continued, "many men who could meet the requirements are eliminated by detainers which means that on release they will be picked up by other enforcement officers."

The warden and his staff, at this time, are not prepared to veer from the very rigid requirements which they think have contributed to the excellent reputation which the program has in the community. He said that 50 men out on work release who are going to succeed is far better than having twice that number out just because we want to make a "record."

Most everyone in the system maintains that the prisoner is out to "hustle or con" you, and I think most prisoners think the same of those who run the prison.

This failure of communications makes "rehabilitation" a dirty word to prisoners, but as one merely reporting the situation as it exists, it is just one phase of the vast science of criminology.

My discussions with prisoners and administrators, however, would suggest the prisoners understand far less about the purpose of "correction" than the administration hopes they do.

As I gathered my material to say goodbye to the warden, his zeal for work-release could not be contained.

"If you can convey any kind of message, thank God for the American trait of wanting to help unfortunate people. They have made our work-release really possible."

ACTION ASKED ON MUTUAL FUNDS

Mr. McINTYRE. Mr. President, in an editorial published yesterday, the Washington Post called for House action on the mutual fund bill which the Senate has already passed on two different occasions.

As a sponsor of the bill in the Senate, I have been greatly concerned by the inaction of the House, and I think this editorial reinforces the urgency of this matter and the need for immediate enactment.

So I would hope that my colleagues in the other Chamber would carefully consider what this editorial has to say, and then take some positive steps toward passage of this important legislation.

Mr. President, I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Dec. 18, 1969]

REGULATING MUTUAL FUNDS

Only a few weeks ago it appeared that impediments to enactment of the Securities and Exchange Commission's mutual fund bill had been eliminated. Representatives of the commission had met with spokesmen for the industry for full discussion of the commission's proposed regulations. The SEC had agreed to compromises which it deemed to be reasonable, and the investment companies seemed to acquiesce. With this understanding, the Senate passed the bill unanimously. New objections have now been raised in the House Subcommittee on Commerce and Finance, but the problems of mutual fund investors have not gone away, and legislation in this sphere becomes more urgent every month.

When Congress passed the existing law in 1940, investment companies of this kind were new, and the need for strict regulation of their fees was not apparent. The net asset value of all mutual funds at that time was only $450 million. That sum has since been multiplied by 120, bringing the assets of mutual funds this year to more than $54 billion. Size has brought many economies in operation, yet some companies are still paying the same advisory fees (traditionally ½ of 1 per cent).

Advisory fees are said to be the largest element in the total expenses of mutual funds. One authority places mutual fund outlays for advisory fees at two thirds of total expenses. While other costs have declined 51 per cent in the last 20 years of the mutual fund boom, advisory fees have shrunk in proportion to investments by only 23.5 per cent and there is no present means of bringing them into a reasonable relationship.

Chairman Hamer H. Budge of the SEC made a strong case for enactment of that agency's corrective bill before the House subcommittee the other day. This is an area in which the competition of the market place simply does not operate. Nor is it likely that self-regulation would prove effective. The size and importance of the industry, plus the fact that the advisers are virtually in a position to fix their own fees, seem to make public regulation essential despite the complications of fixing generally applicable standards.

The Senate bill is also designed to lower mutual fund sales prices. The SEC thinks the existing "sales loads" should be cut from about 8.5 to 5 per cent. The Senate bill would allow the National Association of Securities Dealers to make rules prohibiting "excessive sales loads" subject to review and alteration by the SEC after 18 months.

Small investors would also obtain substantial relief from so-called "front-end loads" under the bill. At present up to 50 per cent of the first year's payments under a contract to buy mutual fund shares by installment may be deducted for sales commissions, even though many such contracts are suspended after a few years. The SEC wanted to abolish the "front-end load" entirely but had to be content with halfway reforms.

Finally, the bill would put some restraints on the payment of "performance fees" to registered investment companies. The SEC found many fees of this kind to be grossly unfair to investors. I have given long and conscientious study to the operations of the mutual funds, and while its proposed remedies for the abuses uncovered may be in some respects experimental, we think enactment of this bill is in the public interest.

NUCLEAR TEST BAN TREATY SAFEGUARDS

Mr. JACKSON. Since June 1963, the United States and the Soviet Union have reached agreement in four areas of arms control. We began, in mid-1963, by establishing and maintaining a communications system to minimize the chance of a catastrophic accident or miscalculation in moments of crisis. In the aftermath of the Cuban missile crisis we took measures to assure positive control over the previously uncertain channels for rapid and authoritative communication—measures that represented the first successful attempt to control nuclear armaments in concert with the Soviet Union.

A few months later the U.S. Senate voted to approve the limited nuclear test ban. Since then we have made great progress in keeping outer space a demilitarized zone, and have tried, through the institution of the nonproliferation treaty, to control the diffusion of nuclear weapons.

More recently, the effort to search out areas in which agreement to limit armaments can be reached has taken us to Geneva, where measures to control the use of the seabed for military purposes and to limit chemical and biological weapons are under consideration, and to Helsinki where the strategic arms limitation talks are underway.

In Geneva and Helsinki more serious consideration is being given to arms control now, this year, than in all the years of the nuclear era put together. The interest of the Senate in the test ban agreement did not end with its ratification. The safeguards program established in conjunction with the agreement gave physical expression to the concern of many Senators that we take such measures as are necessary to maintain the position of this country with respect to the evolution of nuclear weapons technology. It was the intention of this program that the United States should always maintain the infrastructure necessary to make a timely response to any abrogation of the treaty, and, by so doing, to make plain to the Soviets that they cannot hope that our unreadiness will enable them to conduct a one-sided crash program leading to some military advantage.

In the current context of extensive arms control negotiations in Helsinki and Geneva, we remain mindful that the persistence of the Executive in adhering to the understanding given to the Senate on the safeguards program will constitute an important element in the approach of many Senators to further measures of arms control.

By way of review, the safeguards were adopted after members of the Joint Chiefs of Staff in testifying before the Senate Armed Services Committee and the Joint Committee on Atomic Energy recommended them as necessary if the proposed treaty were not to operate against our national security interests. The safeguards, in brief, are:

(1) The conduct of comprehensive, aggressive, and continuing underground nuclear test programs;

(2) The maintenance of modern nuclear laboratory facilities and programs;

(3) The maintenance of the facilities and resources necessary to resume promptly atmospheric testing should it be deemed essential to our national security or should the treaty be abrogated by others; and

(4) The improvement of our capability to monitor and detect violations of the treaty and to maintain our knowledge of foreign nuclear activity.

Since the adoption of the Limited Test Ban Treaty in 1963, staff members of the Joint Committee on Atomic Energy and the Preparedness Investigating Subcommittee have continually monitored the safeguard program to insure that the safeguards are implemented in accordance with the presidential commitment. Each year since 1963, I have presented a report to the Senate assessing the safeguard program. This is the sixth annual report and, as on the five previous occasions, I am able to report that, on the whole, our implementation of the treaty safeguards for the period since the last report has been very satisfactory.

However, there has been a most significant development in the plans for the future regarding implementation of Safeguard 3; i.e., the maintenance of facilities and resources necessary to resume promptly atmospheric testing should it be deemed essential to our national security or should the treaty be abrogated by others. I have been advised that the Defense Department and the Atomic Energy Commission have reached a decision to revise the national nuclear test readiness program in what has been described quite candidly as an economy measure. The DOD and AEC revision will reduce the readiness program budget for fiscal year 1971 and future years to approximately one-third of the previous program. The resulting degradation in our "readiness to test" posture will be reflected principally in increases in response time. We are informed by the Defense Department and AEC that all essential tests previously planned will still be feasible under this reduced posture and that the end date for such a test program would not need to be changed—only the beginning. Presumably, the planned program could be compressed to achieve the previously planned end date.

This proposed revision to our "readiness to test" program is a matter of some concern to me. Any degradation in the response time raises the serious political question: How long would the "test window" stay open if testing were resumed by the Soviets? Pressure to reinstate the ban would begin as soon as the Soviets completed their test series and stopped testing. If the "window" were closed before we completed our tests the results might be the achievement of an insurmountable technological advantage by a potential adversary.

The Nuclear Safeguard Subcommittee has a responsibility to the Senate and the Nation to inquire more thoroughly into the effects of this degradation. This is the first significant reduction in the nuclear safeguards program. It may well be that a revision in the test plan is justified and that a stretch out in the response time is acceptable. Certainly, if economies can be made in the program without adversely affecting the national security, I for one, would applaud the action. A careful and critical review of the continuing need for each element in the safeguard program is a healthy and commendable function of the DOD and AEC. In addition to the Administration's examination, however, I consider that it is incumbent on the Safeguards Subcommittee to inquire closely into a decision which will have a major impact on the safeguards program.

The original assurances that the safeguards would be maintained were given by President Kennedy in August of 1963. They were reaffirmed by President Johnson in April 1964, but the present Administration has not formally stated its policy in this regard.

I plan to arrange for the Secretary of Defense, the Chairman of the Joint Chiefs of Staff, the Chairman of the Atomic Energy Commission, the Director of the Defense Atomic Support Agency, and the Directors of the two AEC laboratories, Livermore and Los Alamos, to appear before the Subcommittee to testify on the possible technological and political impacts of this decision and on the policy of this Administration regarding the continued implementation of Safeguard 3 as well as the other Safeguards which are our responsibility to oversee.

As has been my practice in the past, I would like to discuss now the record of the Atomic Energy Commission and the Department of Defense in implementing each of the safeguards over the past year. Considerable detail will be included in order to provide as broad a dissemination of this information as is possible without compromising our Nation's security.

SAFEGUARD 1—UNDERGROUND TEST PROGRAM

This safeguard requires the aggressive conduct of a continuing comprehensive underground nuclear test program designed to add to our knowledge and improve our weapon systems in all areas of significance to our military posture. The underground test program is providing substantially more information than was expected when the safeguards were formulated in 1963. Through the acquisition of more sophisticated technologies from the continuing underground test program and the research activities conducted by the laboratories (Los Alamos Scientific Laboratory at Los Alamos, N. Mex., the Lawrence Radiation Laboratory at Livermore, Calif., and the Sandia Laboratories) which support the test program, there has been continued development in our capability to conduct a variety of full-scale underground nuclear tests. Many of the techniques used were not envisioned as possible when the underground test programs first began. The continuing underground test program is of paramount importance in the continued growth of the U.S. capabilities in both the defensive and offensive categories.

During fiscal year 1969 the BOWLINE test series continued the underground test program at Nevada test site at about the same level as CROSS TIE, the fiscal year 1968 test series. Two tests in the fiscal year 1969 BOWLINE series were Plowshare experiments (peaceful uses) and three were DOD effects tests which were logistically and technically supported by the AEC. The remainder of the BOWLINE tests were AEC weapons development tests.

The AEC program to conduct higher yield testing on Pahute Mesa at the Nevada test site has proceeded in an expeditious manner. Since my last report two more high yield tests have been conducted there, the largest of which had a yield of about one megaton. The two supplemental test areas have now reached an operational status, one in central Nevada and one in Amchitka Island in the Aleutian Islands chain off Alaska. The site calibration test MILROW at Amchitka was conducted on October 2, 1969, with a yield in the one megaton range with no untoward effects generated. For fiscal year 1970 the planned weapons development program is directed toward the primary objectives of weaponization, weapon feasibility, advanced technology and site calibration. Because of a reduction in the amount of funding for AEC weapons development which will be available in fiscal year 1970, the level of activity will be somewhat reduced from the 1969 level.

SAFEGUARD 2—MAINTENANCE OF MODERN LABORATORIES AND PROGRAMS

The second safeguard requires the maintenance of modern laboratory facilities and programs in theoretical and exploratory nuclear technology which will attract, retain, and insure the continued application of human scientific resources to those programs on which progress on nuclear technology depends. The laboratory program is conducted by both the Atomic Energy Commission and the Department of Defense.

The three weapons laboratories, contractor operated for the AEC, have since the last report continued to operate as progressive research organizations in the nuclear, as well as in nonnuclear fields. The nuclear research and development programs are conducted by Los Alamos Scientific Laboratory and the Lawrence Radiation Laboratory at Livermore. The nonnuclear engineering and development activities are conducted by Sandia Laboratories. In each of the laboratories the work performed can be classified into three primary areas of interest:

(a) The fundamental research of general interest to a broad range of development needs;

(b) Advanced development of specific concepts; and

(c) The weaponization of these concepts into stockpile weapons or weapon systems.

Of primary importance to the long-range vitality of the nuclear weapons development program is the emphasis which is placed on activities devoted to developing in advance the new design concepts so important to realizing the new state-of-the-art weapons necessary for assuring the capability of meeting future defense requirements. Emphasis on preweaponization development effort must be maintained in order to insure advancement of technology to meet the potential threat of the future and readiness to meet the future weaponization requirements as they rise. The Atomic Energy Commission reports that the combination of the challenging research program in both nuclear and nonnuclear weapons technologies, the continuing, progressive, highly complex nuclear testing program, and the maintenance and improvements in required laboratory facilities have continued the laboratories' ability to retain or recruit the necessary technical and scientific staff.

A major factor in the maintenance of progressive laboratories is the constant need to up-date both facilities and equipment, both of which are vital to providing for a wide spectrum of forward looking scientific research and development programs. A measure of the magnitude of this requirement is found in the total of about $385 million which has been authorized or obligated for new or up-dated laboratory facilities and equipment at Sandia, Los Alamos, Livermore and the Nevada Test Site during the 6-year period of fiscal year 1964 through fiscal year 1966. The fiscal year 1970 budget allocates about $6 million for construction and $51 million for equipment.

In carrying out its part of the responsibility for implementation of Safeguard 2, the Defense Department has expended research in nuclear technology in Government laboratories and contractor facilities. These DOD programs help insure a continuing source of top scientific personnel.

Some of the accomplishments of the DOD in implementing the second safeguard during this reporting period are as follows:

Significant progress has been made in obtaining better calculations of radiation environments in the atmosphere and within various structures.

Calculations of radiation transport at low altitudes, including air/ground interface were completed for use in studying missile silo radiation hardness.

Vulnerability and hardening research was expanded for design, test, and evaluation of strategic reentry vehicles and related systems components.

Improvements were made in calculations of the magnitude of shock waves induced in materials by X-ray depositions and the ensuing propagation and attenuation of the shock.

A 20-ton high explosive surface burst test was used to check theoretical calculations of structural damage due to air blast induced ground shock from a nuclear explosion.

Models continue to be developed for high altitude nuclear phenomenology for anti-ballistic-missile radars and communications. A first generation computer code for radar degradation and a 6-volume communication handbook describing nuclear effects on radio propagation was published in late 1968.

Land and naval system vulnerability/hardening, medical effects of nuclear radiation and general development of laboratory simulation of nuclear effects has continued. The overall program has been active and responsive to service requirements.

In summary, our evaluation of both the AEC and DOD program for implementation of Safeguard 2 is that the laboratories continue to be vigorous, their facilities and technical and scientific talent are being maintained in a high state of competence, and their programs are supporting the second safeguard effectively.

SAFEGUARD 3—READINESS-TO-TEST PROGRAM

The third safeguard requires the maintenance of facilities and resources necessary to institute promptly nuclear tests in the prohibited environments (atmosphere, underwater and space) should they be deemed essential to our national security. The capability to conduct such a nuclear test series on short notice was first attained by the AEC and DOD on January 1, 1965. Since then, the national nuclear test readiness program has been reviewed twice at the presidential staff level. It was revised in October 1968 and the revised program was approved by the White House in March 1969.

The revised national nuclear test readiness program required some additional preparation to achieve readiness to carry out the revised program. In the meanwhile, the DOD and AEC maintained their readiness to resume testing in the prohibited environments with a significant program. As indicated in my report of last year, the revised readiness program included:

1. Full proof of the survivability of hardened reentry vehicles when they are subjected to a realistic nuclear environment while in their operational modes;

2. Evaluation of the effects of ABM radar operation from detonations at high altitude;

3. Obtaining realistic data on the electromagnetic fields created by nuclear detonations at low and high altitudes;

4. Cratering, ground shock and debris effects on hardened systems and installations;

5. Air burst and underwater shock effects related to problems of antisubmarine warfare and modern ship structures.

As budgetary constraints grew tighter and tighter during this past year, the AEC and the Department of Defense felt compelled to revise the national nuclear test readiness program once again. Details of the revision are, of course, classified and the committee has not yet had an opportunity to thoroughly examine and evaluate the full impact of the budgetary reductions.

As I indicated earlier, I have invited the Secretary of Defense, the chairman of the Joint Chiefs of Staff, the chairman of the Atomic Energy Commission to appear before the committee and testify on the possible technological and political impacts of this decision. For that reason this report, as it pertains to Safeguard 3, must be considered tentative pending the completion of the hearing, which I hope to have some time during the early part of the next session.

SAFEGUARD 4—IMPROVEMENT OF OUR CAPABILITY TO MONITOR AND DETECT VIOLATIONS

Safeguard 4 requires the improvement of our capability within feasible and practical limits to monitor the terms of the treaty, to detect violations, and to maintain our knowledge of foreign nuclear activity, capabilities and achievements. The VELA program is a joint AEC/DOD program supervised by the DOD's Advanced Research Projects Agency. It is a research and development effort being jointly conducted to improve the U.S. capabilities for detecting, locating, and identifying nuclear detonations. The VELA program has three subprograms: VELA Uniform—detection of underground nuclear explosions, VELA Satellite—detection by satellites of nuclear explosions in space or in the atmosphere; and VELA Surface Based—detection of nuclear explosions in space by ground based equipments.

All of these subprograms are discussed and managed under Safeguard 4, but it should be noted that one of these subprograms, VELA Uniform, while it produces important information and gives us a capability to detect, locate and identify underground nuclear explosions and to research technical methods that could be used by other nations to evade detection or identification of underground nuclear explosions, does not contribute directly to the safeguards program of the Limited Test Ban Treaty. This capability might become much more significant in the event that the talks that started in Helsinki result in some agreement or that the United States and the Soviet Union should enter into treaties contemplating more comprehensive test prohibitions.

VELA UNIFORM—DETECTION OF UNDERGROUND NUCLEAR EXPLOSIONS

The seismic location capability is being improved by application of knowledge gained from a systematic study of all factors affecting hypocenter determinations based on teleseismic data. Analysis of data available from recent studies indicates that if source bias can be effectively removed, then large events can be located within areas of only a few kilometers at high confidence. Investigation of source bias is being conducted through comprehensive evaluation of Long Shot as well as Nevada Test Site data. A working three-dimensional earth model computer program has been developed for evaluating the travel time effects of differing crustal and upper-mantle structures on location accuracy. Preliminary analyses have been initiated to test new earth models which may lead to prediction of travel time anomalies (source bias) in uncalibrated regions.

The objective of the large array program is to develop and demonstrate the utility of larger rays and associated automated data processing techniques for detection and identification of small seismic events. To achieve this, three large arrays have been or are in process of being constructed and a seismic array analysis center has been established in Washington, D.C. The Montana array is complete. Construction on the large aperture Norwegian seismic array began in July 1968 and is expected to be completed by the end of this year. The Alaskan long-period array was begun in April 1969.

Another area of effort is to evaluate technical methods that might be used by other nations to evade seismic detection or identification of underground nuclear explosions. As with most of the other VELA uniform program, this effort is only incidentally associated with the safeguards to the Limited Test Ban Treaty but might take on increased importance in a more comprehensive test ban situation. The research program includes theoretical studies, laboratory research, and chemical and nuclear experiments.

VELA SATELLITE PROGRAM

The VELA Satellite subprogram, with its five successful launches in five attempts and long-lived payloads, is recognized in the field of space technology as a highly successful endeavor. All spacecraft except those from Launches I and II continue to function about as planned. Launch I spacecraft have been retired from active service in view of several factors: (1) Their more limited capability when compared to subsequent launches; (2) the cumulative effect of malfunctions which have decreased their capability; and (3) the undue burden placed on the spacecraft tracking and data handling facilities. The Launch II spacecraft, while functioning reasonably well, are not now being utilized on a routine basis because of the improved capabilities of Launches III, IV, and V.

CONCLUSION

To summarize the status of implementation of the safeguards program we can say that over the past year DOD and AEC have made satisfactory progress in protecting the national interest under the terms of the Limited Nuclear Test Ban Treaty. The underground test program continues to provide important information far beyond what was originally expected. The laboratories are vigorous and productive and, as a result, they are able to insure their vitality by retention and recruitment of high calibre technical and scientific staff. Safeguard No. 4 was adequately supported during the past year. It is only in the area of Safeguard No. 3—Readiness to Resume Testing in the Prohibited Environments—that budget constraints are being imposed which will result in degradation of the safeguards program. Whether this is the beginning of a change in emphasis or a justifiable adjustment of priorities which will still retain an acceptable level of readiness is a question into which the coming year will provide additional insights and on which the subcommittee intends to take additional testimony.

BILL OF RIGHTS DAY, HUMAN RIGHTS DAY—THE PRESIDENT AND THE BILL OF RIGHTS

Mr. KENNEDY. Mr. President, some of us have worried and wondered whether there is beginning a serious erosion of the rights and freedoms guaranteed to all Americans by our Constitution. Because reassurance from the executive branch on this score has been limited, or given only in the context of actions or statements which seem to contradict the assurances, it is especially gratifying to note that President Nixon last week expressed his—and the Nation's—continuing dedication to constitutional liberties and especially to the Bill of Rights. In proclaiming December 15 as Bill of Rights Day. The President pointed out that "the founders of our Republic had fought for individual liberty and for representative and responsible government," and that "In the first 10 amendments to the Constitution they sought to insure that the power of the Government would not abridge the rights of citizens." He stressed that "the Bill of Rights is the law of the land" and expressed the hope "that we may rededicate ourselves as a united people to the task of assuring to every person—regardless of his race, sex, creed, color, or place of national origin—the full enjoyment of his basic human rights."

This is an important message for today, especially since it comes from the President of the United States. So that all Members of Congress, as well as all those who carry out the President's policies, may appreciate his commitment to constitutional liberties and human rights, I ask that the proclamation proclaiming Bill of Rights Day and Human Rights Day be included in the Record.

There being no objection, the proclamation was ordered to be printed in the Record, as follows:

Bill of Rights Day and Human Rights Day

(By the President of the United States of America)

A PROCLAMATION

One hundred seventy-eight years ago, the Bill of Rights was ratified and incorporated as part of the United States Constitution. The founders of our Republic had fought for individual liberty and for representative and responsible government. In the first ten amendments to the Constitution they sought to ensure that the power of the government would not abridge the rights of citizens.

More than twenty years ago, the United Nations General Assembly adopted the Universal Declaration of Human rights. The founders of the United Nations had endured a world war brought on by those who denied the rights of men to equality and justice and who abrogated the rights of nations to exist in peace.

The two documents—the Bill of Rights and the Universal Declaration of Human Rights—are close in spirit although widely separated in time. The Bill of Rights is the law of the land. The Universal Declaration is a statement of principles, of common standards of achievement for all peoples and all nations. We in the United States are engaged in unremitting efforts to give real meaning to these standards for every American, to assure to every person the full enjoyment of his basic rights.

Now, therefore, I, Richard Nixon, President of the United States of America, do hereby proclaim December 10, 1969, as Human Rights Day and December 15, 1969, as Bill of Rights Day, and call upon the people of the United States of America to observe the week of December 10–17, 1969, as Human Rights Week, to the end that we may rededicate ourselves as a united people to the task of assuring to every person—regardless of his race, sex, creed, color, or place of national origin—the full enjoyment of his basic human rights. Let us act so as to provide an example that will point the way in the struggle to promote respect for human rights throughout the world.

In witness whereof, I have hereunto set my hand this ninth day of December, in the year of our Lord nineteen hundred sixty-nine, and of the Independence of the United States of America the one hundred ninety-fourth.

Richard Nixon.

CONCERN ABOUT REMARKS OF SECRETARY OF STATE ROGERS ON MIDDLE EAST

Mr. CRANSTON. Mr. President, I am deeply concerned by Secretary of State Rogers' recent remarks on the Middle East situation. By calling for a balanced approach to this critical area of the world, he strongly implied that our past policies were unbalanced. That is not true.

The simple fact of the matter is that the United States of all the major powers has been the only one with a balanced Middle East policy. Time after time we have urged the Arabs to recognize the reality of the State of Israel, to sit down with Israel representatives to negotiate a true peace, and to allow for both sides freely to share and exchange in the wealth, resources, and progress of modern life.

The Secretary's remarks are being interpreted in diplomatic circles as being primarily directed toward moves Israel should make, especially returning territory overrun during the 1967 war. His speech was an ill-advised attempt to move Arab leaders closer toward peace. It has had precisely the opposite effect—it has hardened Arab resistance to a peaceful settlement. When the one major power with a sensible position on the Middle East crisis makes statements which seem to unhinge its heretofore firm policies, it is not at all surprising that the side being favored—the Arab side—becomes even more intransigent.

Where is the balance in this kind of a policy?

What sense does it make to urge Israel to withdraw from Arab territories—territories only occupied by Israel in self-defense—when there is absolutely no reason to believe the Arabs are prepared to accept the existence of Israel, to make peace with her, and to end Israel's concern for her own security?

As my colleagues know so well, there will never be peace in the Middle East until the parties to the conflict there are willing to become the parties to the peace. There must be a binding contractual agreement between Israel and her Arab neighbors, an agreement arrived at directly by the parties themselves—not imposed by outside powers.

I believe that in foreign policy as in domestic policy, actions speak louder than words. The actions of the Soviet Union in the Middle East speak for themselves. Almost $10 billion worth of Russian arms have been shipped into Arab countries in the last 12 years. Arab armies have been completely resupplied with modern jets, tanks, artillery, and missiles in the last 2 years. Soviet military instructors have swarmed into the area. And now, for the first time, Russian weapons are being shipped directly to various terrorist organizations. Also there has of late been an increase in intemperate attacks on United States and Israel policies in the Middle East in the Russian press.

The Soviet policy is simple: to radicalize the Arab world with arms and with rhetoric. The ostensible target is Israel; the real target is moderate Arab leaders and moderate Arab governments throughout the area. The Soviets have done nothing to demonstrate that they want peace in the Middle East. Apparently, they just want to keep the pot boiling.

Faced with this situation, the United States must react with patience and with firmness. We must counter Soviet arms shipments to the Arab world with military and economic assistance to Israel to enable her to maintain parity in arms and to sustain the continuing economic burden of continual military preparedness.

We must also continue to point out to our Arab friends that this dispute is no more in their interests than it is in the interests of Israel. Russian arms and military equipment cannot alleviate the population explosion in the United Arab Republic nor can they relieve the misery of the Palestinian refugees. Arab socialism and Arab unity will never be advanced by a holy war against Israel, nor will they be advanced by falling under the domination of Russia. America will see to it that Israel will always have the tools to defend herself. And each defeat will drive the Arab world deeper and deeper into the embrace of the Russian bear.

When the leaders of the Arab world realize that a permanent peace with Israel is in their interests and in the interests of their people, there will be a just settlement. Foreign Minister Eban has repeatedly said that all things are possible in a condition of peace.

Until a permanent peace comes we must not let our sensible long-term policies in the Middle East be nibbled away at by those who shortsightedly seek short-term tactical advantages there.

RETIREMENT OF DR. JOHN SLOAN DICKEY, PRESIDENT OF DARTMOUTH COLLEGE

Mr. McINTYRE. Mr. President, last week my alma mater, Dartmouth College, honored its president, John Sloan Dickey, who has announced his retirement.

Dr. Dickey has served as president for 25 years. During his tenure, this small men's liberal arts college in Hanover, N.H., has emerged as one of the leading academic institutions in the Nation. Dartmouth's stature today as one of the top colleges in the country is in no small part due to John Sloan Dickey's leadership, his dedication, and his imagination.

At a time when university officials throughout the land are being subjected to criticism from all sides, I offer a well deserved tribute to this fine educator.

I ask unanimous consent that an editorial entitled "The Dickey Years at Dartmouth," published in the Lebanon, N.H., Valley News, December 13, 1969, be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Lebanon (N.H.) Valley News, Dec. 13, 1969]

THE DICKEY YEARS AT DARTMOUTH

Whenever institutional cement has been allowed to set around curricula and administrators, campus dissent has taken explosive forms. And where internal rigidity has been combined with outside urban pressures, as at Harvard and Columbia, violence has verged on catastrophe

This may be one instance when Dartmouth's upstate location has been helpful. But geography does not confer immunity from disorder, (as the Parkhurst affair proved), and it is to John Sloan Dickey, honored today after 25 years at the helm of Dartmouth, that one must look for keeping this institution relatively loose and responsive to changing needs.

Scholastically, Dartmouth under Dickey came from behind in the Ivy League. From the first, Dickey recognized that there must be scholars as well as outstanding jocks on scholarship, and that the Big-Green-party-boy image must be replaced. So he set out, in his own words, to "compete with the best for the best".

By raising faculty compensation and instituting such benefits as faculty fellowships, Dickey directed the recruitment of a new team to replace one that was superannuated. Funds were also found to broaden opportunity for deserving but needy students.

For twenty years the campus was visited by persons of distinction from every area of endeavor who spoke of the great issues of our times for the benefit of seniors. Dartmouth's Public Affairs Center, with its emphasis on participation in public life, from Senatorial offices to those of local town managers, was an outgrowth of this 1947 Dickey innovation.

In 1954 Dickey persuaded the trustees to study what the college should accomplish in the fifteen years remaining before its bicentennial. Doctoral programs under the faculty of Arts and Sciences were re-instituted, and deliberately kept small so that Dartmouth would have, in the president's words, "an undergraduate educational operation worthy of celebration as she moved from her second to her third century".

In turn, the fourth oldest medical school in the nation was reconstituted to take greater advantage of its proximity to the regional medical facilities of the Mary Hitchcock Memorial Hospital and, most recently, to provide more physicians and better medicine through a shortened and sharpened MD degree program. Two other professional schools, Thayer and Tuck, received essential encouragement.

The most dramatic innovations, the Hopkins Center and the time-sharing concept of computer usage, underlined Dartmouth's transition from a provincial institution to one with concern for the whole man and woman, outside as well as inside the academic community. And perhaps the most "relevant" programs on and off campus are those developed under the Tucker Foundation, inspired by President Dickey, and named after William Jewett Tucker, the last of Dartmouth's minister leaders. The idea behind ABC, A Better Chance, came to the president following discussion in 1964 with preparatory school headmasters over the needs of disadvantaged youngsters in the secondary school level.

Most recently Dickey insisted that the merits of the black demands for an Afro-American program on campus be examined. "No white man," (said JSD), "no matter how hard he tries, can understand the burdens black Americans carry from 100 years of discrimination on top of 200 years of slavery".

As John Sloan Dickey prepares to retire in the countryside he loves, he leaves with the satisfaction that Dartmouth is no longer a small parochial voice in the wilderness. Thanks to his quarter century of responsive leadership, the numbers of those who love her are now legion. And as his door was always open to anyone who sought his counsel, so the doors of a grateful community will always be open to him.

SUPPORT FOR FUNDS TO IMPLEMENT COAL MINE HEALTH AND SAFETY ACT GIVEN BY CHAIRMAN CARL PERKINS OF HOUSE LABOR COMMITTEE

Mr. RANDOLPH. Mr. President, last night, during the consideration of the supplemental appropriations bill, 1970, I offered for myself and the junior Senator from Pennsylvania (Mr. Schweiker) amendments to add to that measure $25 million for expenses necessary to improve health and safety in the Nation's coal mines—$10 million for the Department of Health, Education, and Welfare and $15 million for the Department of the Interior. We are grateful that the amendments were agreed to and that the Senate followed this action by agreeing also to the conference report on the new Federal Coal Mine Health and Safety Act, which now needs only affirmative action by the President of the United States to become law.

I desire at this time to officially recognize that, through inadvertence, we failed in our discussion of the need for the appropriations addition to bring to attention and place in the legislative record a communication by the distinguished chairman of the House Committee on Education and Labor, the Honorable Carl D. Perkins of Kentucky, relating to the funding essential to provide for payments incident to black lung disease, for health research and medical examinations, for coal mine safety research, and for coal mine health and safety enforcement.

Chairman Perkins' letter to the distinguished chairman of our Appropriations Committee, Mr. RUSSELL, with copies to the Senators from West Virginia, is of vital importance to the legislative history in support of the amendments agreed to. The able Representative from Kentucky was chairman of the House-Senate conference and submitted conference report No. 91–761 to accompany S. 2917, the bill to improve the health and safety conditions of persons working in the coal mining industry of the United States. Chairman PERKINS provided outstanding leadership, along with his subcommittee chairman, Representative JOHN DENT, of Pennsylvania, on the legislation in the other body, and he presided with dispatch and fairness over the remarkable achievement of the conference in agreeing to report the complex measure following a single day of meeting and working diligently and amicably in that conference.

Again, I highly commend the services performed for the Nation, and especially for the coal miners, by those leaders and their colleagues from the House. And our colleagues in this body, led by Chairman RALPH YARBOROUGH of our Committee on Labor and Public Welfare, and Chairman HARRISON WILLIAMS of New Jersey, chairman of the Subcomitttee on Labor, are deserving of praise for persevering on this measure to a fruitful conclusion. In my 25 years of service in the Congress, rarely have I observed and worked at the side of a colleague who devoted as much time and expended as much effort with diligence, patience, and intelligence as did Senator WILLIAMS of New Jersey in presiding over hearings and subcommittee sessions and in Senate management of the Coal Mine Health and Safety Act of 1969. He is deserving of a special tribute, as is the ranking minority member of our Labor Subcommittee and its parent Committee on Labor and Public Welfare, the senior Senator from New York (Mr. JAVITS), who likewise devoted an inordinate amount of time and energy with acumen to the development of the landmark health and safety legislation. The untiring and intelligent performances by the members of staffs of the Labor Committee and Senate members of the committee deserve special recognition and I commend them.

Mr. President, I ask unanimous consent to have printed in the RECORD the December 18, 1969, letter from Chairman PERKINS of the House Committee on Education and Labor to Chairman RICHARD B. RUSSELL of the Senate Committee on Appropriations, concerning appropriations to implement actions under the Federal Coal Mine Health and Safety Act of 1969.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON EDUCATION AND LABOR,
December 18, 1969.

HON. RICHARD B. RUSSELL,
Chairman, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: As you know, last night the House of Representatives passed the landmark conference report on the Federal Coal Mine Health and Safety Act of 1969.

I, and I am sure you, too, are quite anxious to see that there is no delay in implementing this important legislation to protect our Nation's miners and to provide needed benefit payments to those miners afflicted with pneumoconiosis, commonly called, "Black Lung" disease, and their widows.

I have consulted with the two Departments concerned in administering this Act, namely Interior and Health, Education, and Welfare, and I find that the following amounts are needed for the remainder of this fiscal year to get this program off the ground:

To Health, Education and Welfare:

(a) Black Lung Payments—$7 million to develop standards by April 1, 1970 and to pay initial claims filed between that date and July 1, 1970.

(b) Health Research and medical examinations—$3.5 million (a portion of this sum will be reimbursed).

To Interior:

(a) Safety Research—$8 million.

(b) Health and Safety Enforcement—$7 million.

I nóte that your committee approved the fiscal supplemental appropriations bill for this fiscal year for floor action today. I strongly urge you to amend this bill to include the above sums so we can get immediate action by these departments in helping the miners and their families. I assure you that, once included in the Senate, I will work actively in the House to gain acceptance.

I appreciate your kind consideration of this matter which is of critical importance to many people in Kentucky, West Virginia, Virginia, Pennsylvania, and other coal producing states.

With warmest regards.

Sincerely,

CARL D. PERKINS,
Chairman.

THE LAPEER COUNTY COURTHOUSE

Mr. HART. Mr. President, the American Bar Association has for some time featured courthouses of unusual architectural interests on the cover of its monthly journal. The November cover pictures the Lapeer County Courthouse, the oldest courthouse still in use in Michigan.

The journal has an interesting article about the history of the courthouse and the efforts of the Lapeer County Press in preserving it.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MICHIGAN'S OLDEST

Mark Twain's remark that the report of his death was an exaggeration may be applied to the courthouse on our cover this month—the Lapeer County Courthouse. For through the years it has been considered a wreck, or a disgrace or just plain falling down, and it has been threatened with extinction, destruction or replacement. Yet it stands today, perhaps in better condition than it has ever been, on Nepessing Street in Lapeer, Michigan, a thriving little city in southeastern Michigan, proudly bearing the mantle of the oldest courthouse in Michigan still in use.

The courthouse, constructed in 1839, was the product of a feud that proved profitable for the residents of Lapeer. The first settler of Lapeer, A. N. Hart, got into a fuss with the second settler, J. R. White, who arrived a few days later—a fuss that a later Lapeer County history described as "more or less bitter". By 1839 Hart and White, both of whom were lawyers, each had built a courthouse and offered it to the public. Hart won what was called the "Courthouse War" when the board of supervisors bought his building for $3,000, although it had cost him $10,000 to erect it. White's courthouse became the Lapeer Academy and later the town's high school. Everyone was happy about the war.

Time and wear and tear took their toll, for by 1879 a committee of the board of supervisors sadly noted that the "courthouse is fast going to decay on account of the crumbling of the walls and poor condition of the underpinning". The committee also observed that, "The yard around the courthouse is in a dirty and filthy condition by reason of cattle being allowed to run therein." The cows were chased away and the building moved to a new foundation.

In 1887 a supervisor from Imlay City, a town that aspired to the status of Lapeer County seat, charged that the county buildings were a "shame and a disgrace" and said Imlay City was prepared to spend $50,000 for a new courthouse, if, of course, it were located in Imlay City. But this move was defeated.

By the 1960s the building had fallen into disrepair again. It had not been painted since before World War II, and the paint was peeling. It was stained from rusted pipes; it had dirty windows; the yard was weedy; the heating system was erratic. The move for rejuvenation and restoration was led by the *Lapeer County Press*, which offered money for an architectural survey of the building. This showed that the building was structurally sound, and a restoration fund was established. The *Press* sponsored what was described as the "biggest dance ever held in the county", the paper paying all the expenses and half the proceeds going to the fund. The board of supervisors allocated funds, but unfortunately the restoration was not completed.

A brand new building to house the county offices has been built behind the old courthouse, now 130 years old. But many of the citizens of Lapeer County now realize they have a jewel in their midst, and they are determined to protect and cherish it. If they have their way, the Lapeer County Courthouse will last another hundred years.

HARTFORD COMMON COUNCIL APPEALS ON BEHALF OF SOVIET JEWS

Mr. DODD. Mr. President, all people and all religions are persecuted under communism. But for some reason the Communist regimes in the Soviet Union and other countries have singled out the Jewish people for special persecution.

They are villified in the press in terms reminiscent of Nazi propaganda; but they are denied the right to defend themselves.

They are barred from many positions and made to feel unwanted in a hundred different ways; but they are denied the right to emigrate from the Soviet Union to Israel or other countries.

Their religion is dying in the most literal sense because the Soviet Union for several decades now has maintained a near total ban on the publication of Hebrew religious books and on Jewish theological seminaries.

These facts have become widely known in recent years and have resulted in many protests.

I believe that the American attitude toward Soviet treatment of her Jewish citizens was most eloquently expressed in a recent resolution adopted by the court of common council of the city of Hartford, Conn.

The resolution wound up by appealing to the Soviet Government "to restore to Soviet Jews their full rights and to grant to those who wish to leave the right to be reunited with wartorn families and to join their brethren in other countries, whether in Israel or in other countries."

Mr. President, I ask for unanimous consent to have printed in the Record the full text of the resolution adopted by the court of common council of the city of Hartford on December 8, 1969.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

City of Hartford,
Hartford, Conn., December 10, 1969.

Resolution

This is to certify that at a meeting of the Court of Common Council, December 8, 1969, the following resolution, sponsored by all members of the Council of the City of Hartford, Connecticut, was passed unanimously.

Whereas, Chanukah, the Festival of Lights, is being celebrated by Jews throughout the world from December 4, 1969 through December 12, 1969; and

Whereas, This year the world-wide commemoration of the adoption of the Universal Declaration of Human Rights—a contemporary proclamation against tyranny—coincides with Chanukah, an ancient victory over oppression; and

Whereas, It is fitting that as we commemorate Human Rights Day, we give thought to the situation of more than three million Jews in the Soviet Union, the largest Jewish community in the world outside the United States, who are denied the fullest means of religious and cultural self-expression based on the rights guaranteed them by Soviet Law; now, therefore, be it

Resolved, That the Court of Common Council hereby appeals to the Government of the Soviet Union to restore to Soviet Jews their full rights and to grant to those who wish to leave the right to be reunited with war-torn families and to join their brethren in other countries, whether in Israel or in other countries.

Robert J. Gallivan,
City Clerk.

EXPENDITURE REFORM NEEDED EVEN MORE THAN TAX REFORM

Mr. GRIFFIN. Mr. President, in a recent column, entitled "John S. Knight's Notebook," Mr. Knight emphasized that expenditure reform is needed even more than tax reform.

While Senators may not agree with Mr. Knight's comments, I am sure there will be no dissent regarding his tribute in the same column to two of the Senate's most distinguished Members—Senator Spessard L. Holland, of Florida, and Senator John J. Williams, of Delaware.

Mr. President, I ask unanimous consent that these parts of Mr. Knight's column, published in the Detroit Free Press of Sunday, December 14, 1969, to which I have referred, be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Expenditure Reform Is Needed Even More Than Tax Reform

It was not so many years ago that Lyndon Johnson was taking pride in his ability to hold the federal budget under $100 billion.

"I'm going to keep it lower than Kennedy's," he told me in December of 1963.

While this hope was never fully realized, it was not until 1966 that the federal administrative budget rose above the $100 billion mark. As late as fiscal 1961, the unified budget, which includes trust funds, had only been $97.8 billion.

Now comes Arthur Burns, presidential counsellor and soon to become chairman of the Federal Reserve, with a prediction that the federal budget will total more than $200 billion in the next fiscal year.

Mr. Burns reminds us that the budget has grown as much in the last nine years as it did in nearly two centuries of the republic's history. He says that while much of the increase has been attributed to the Vietnam war, "the fact is that civilian programs are the preponderant cause" of the growth in spending.

And Mr. Burns really gets to the heart of the matter when he observes that "the need for expenditure reform may be even greater than the need for tax reform."

Unhappily Congress and the American people are traveling in an opposite direction.

For years we have been brainwashed with the nonsense that since America is the richest nation in the world, we can afford everything. Yet the facts are all to the contrary.

There is a limit to the sums of money that can be raised by taxation to cover both the essential needs of government and the ill-considered forays into unprecedented prodigality.

Yet we blithely pursue the course of fiscal irresponsibility when all economic indicators signal a turn to fiscal discipline.

In 1966, the need for a tax increase was clearly indicated when federal outlays were on a sharply rising trend. But President Johnson, when advised that more money would be required to pay for the Vietnam war and his Great Society programs, thought otherwise. The result was a $25 billion deficit for the fiscal year 1968.

Highly expansive monetary and credit policies of the past three years have brought inflation and high price levels. The Nixon administration is attempting to apply corrective measures which Chairman Paul W. McCracken of the President's Council of Economic Advisers believes will eventually "cool off overheated economic conditions."

Meanwhile Congress is playing politics with a "Christmas tree" tax reform bill designed to win votes with highly inflationary boosts in personal exemptions and Social Security benefits.

When the resultant loss in revenues of approximately $9 billion is added to another $12 billion drop beginning in mid-year as the 10 percent surcharge expires, another huge deficit is in prospect unless halted by a presidential veto.

As Dr. McCracken points out, "we revel in larger incomes and a growing economy. But as incomes rise, aspirations also rise and the visible list of unmet demands for the family, the city, the state or the nation never seems to get shorter."

In other words, we live in an undisciplined society which pursues its own selfish ends without thought of sacrifice or fear of the future.

President Nixon's opposition in Congress is making a cynical play or votes in the forthcoming election year.

If he vetoes the tax bill as rewritten by the Senate-House conference committee, his opponents will charge him with ignoring human needs. If he allows it to become law, the nation suffers another setback to fiscal stability.

Mr. Nixon's choice is clear. With inflation as the nation's most plaguing problem, he must stand against the woolly-headed legislators who are inviting more of it in the future.

THE NATION'S LOSS

Speaking of the Senate, Florida's Spessard L. Holland and Delaware's John J. Williams will not seek re-election at the expiration of their present terms.

Spessard Holland is a courtly legislator of conservative persuasions who nevertheless led the successful fight for abolition of the discriminatory poll tax.

He served his state admirably as governor in the war years and brought about needed tax reforms and support for public education. Spessard Holland won the Distinguished Service Cross as a member of our fledgling Air Corps in World War I.

In Florida and Washington, the Senator is known for his integrity, his tolerance of opposing opinion and great strength of character.

Sen. John J. Williams of Delaware is sometimes called the "conscience of the Senate."

His relentless digging and probing into dubious practices and governmental waste have brought him an enviable reputation as one of our most useful public servants.

Sen. Williams finds the tax bill passed by the Senate a "cruel hoax" on the public.

Sens. Holland and Williams are a cut apart from the new breed of legislators who think more of public posturing than the substance of what they say and do.

The nation is greatly in their debt.

RETIREMENT OF JUSTICE SAMUEL LEIBOWITZ—GIL HODGES PLAYING FIRST BASE

Mr. KENNEDY. Mr. President, last Monday, Justice Samuel S. Leibowitz, one of America's great judges, formally announced his retirement. Justice Leibowitz came to the bench of the New York State Supreme Court in Brooklyn nearly 30 years ago, after a distinguished career as one of the Nation's best known defense attorneys.

An article published last Tuesday in the New York Times records the eloquent tributes paid to Justice Leibowitz at the retirement ceremony by his colleagues, and captures much of the judge's warmth and his strong and colorful personality. As one of his fellow judges put it, Justice Leibowitz was a "tough judge," but he was tough only on those who demanded toughness.

Justice Leibowitz' 76 years belie the youth, and vitality, the broad interests and solid Brooklyn background he always displayed both on and off the bench. As he said last Monday in discussing his retirement:

> I feel young enough so that it seems like its summer, and Gil Hodges is playing first base in Ebbetts Field.

There are others who will record better than I the many highlights of Justice Leibowitz' long and distinguished career. But I cannot let this occasion pass without remarking briefly on what he regards as the proudest moment of his career, his role as unpaid defense attorney for the Scottsboro boys in one of the great cases in American constitutional history, and one of the principal cornerstones of the meaning of due process of law and equal protection of the laws in our Constitution.

None of us who recalls the Scottsboro case from law school, or who has come to know it subsequently in this Chamber in the course of our debates on law enforcement, civil rights, and neighborhood legal services, can fail to have deep respect for the talent and perseverance of Justice Leibowitz. In this time of continuing controversy over these issues, it is worth recalling the history of that celebrated case, since it is one of the landmarks on the road we have traveled to equal justice for all our citizens.

A brief description of the Scottsboro case is given by Louis H. Pollak, dean of the Yale Law School, in his recent anthology, "The Constitution and the Supreme Court, a Documentary History," and much of the remarks that follow are adapted from Dean Pollak's excellent commentary. The case is also the subject of a newly published book "Scottsboro, a Tragedy of the American South" by Dan T. Carter.

As Dean Pollak states, the Scottsboro case draws its name from the town of Scottsboro, Ala. There, in 1931, nine Negro youths—two of them boys of 13 and 14—were charged with raping two white prostitutes, who were fellow passengers on a freight train. Eight of the youths were found guilty and sentenced to death. One conviction was set aside by the Alabama Supreme Court. The seven remaining convictions were reviewed by the U.S. Supreme Court, which reversed the convictions on the ground that the defendants had not been adequately represented by counsel at their mass trial. See *Powell* v. *Alabama,* 287 U.S. 45 (1932).

It was at this point that Mr. Leibowitz entered the case. He appeared as defense counsel for the defendants at their second trial, and he remained in the case throughout its tortuous subsequent history. Two of the defendants were retried, and the Supreme Court again reviewed the ensuing death sentences. The Court once again reversed, this time on the ground that Negroes had been systematically excluded from both the grand jury and the trial jury. See *Norris* v. *Alabama,* 294 U.S. 587 (1935); *Patterson* v. *Alabama,* 294 U.S. 600 (1935).

Subsequently, the State of Alabama dropped the rape charges against five of the nine youths, although one of them later pleaded guilty to stabbing a sheriff. But, in 1936 and 1937, the other four youths were retried and convicted. Three of the four received long jail sentences, and the fourth received a death sentence, which was later commuted to life imprisonment. Three of the four were later paroled. The fourth, Haywood Patterson—with whom Mr. Leibowitz is pictured in a photograph accompanying the Times article on his retirement, escaped, and died in 1952 in a Michigan prison, where he was under sentence for manslaughter.

As many experts have stated, there is good reason to believe that the defendants in the Scottsboro case were guilty only of being members of a mistreated minority, not of the offenses charged. The case reflects local American criminal justice at its worst. It is not representative of the way American criminal procedure works in the ordinary case.

At the same time, the Scottsboro case is symptomatic of what can happen when constitutional limitations break down. And one of the Supreme Court's great accomplishments in the three decades since the case caused grave national and international concern has been to move forward aggressively, in a long series of relatively unnoticed criminal cases, to promulgate new and more rigorous constitutional standards.

To many experts, the Court's initial intervention in the Scottsboro case is the starting point for the Court's new vigilance in vindicating the guarantee of "due process of law," and much of the credit for launching the Court on this path rightfully belongs to Mr. Leibowitz.

The first time the Scottsboro case reached the Supreme Court, the dominant question was whether the lawyers assigned to represent the defendants at their trial had furnished their young and unlettered clients anything more than token legal representation. The Supreme Court, in an opinion written by the deeply conservative and deeply conscientious Justice George Sutherland of Utah examined the question of whether the defendants had been represented by counsel in any meaningful sense. Finding the answer to be in the negative, Justice Sutherland then addressed himself to the question of whether, at least in some circumstances, the due process clause of the 14th amendment required the State to furnish counsel. The fact that the Federal Bill of Rights required the Federal Government to accord due process, and also specifically guaranteed the accused a lawyer in a Federal criminal trial did not deter Justice Sutherland from reading "due process" in the 14th amendment to include, at least in capital cases, the right to assistance of counsel. Thereby, the Court took a major step on the path of "incorporating" fundamental rights into the 14th amendment.

The second time the Scottsboro case reached the Supreme Court, the issue was whether Negroes had been unfairly excluded from the grand jury and the trial jury. Mr. Leibowitz argued the case in the Supreme Court, the first time he had ever appeared before that Court. In the course of his argument, Mr. Leibowitz noted that Alabama law did not on its face exclude Negroes from jury service, but insisted that there was a long and unbroken tradition of systematic exclusion throughout the State. One of the questions in the case concerned whether the names of Negroes had been forged on jury rolls offered as exhibits by the State. During his oral argument before the Justices of the Supreme Court, Mr. Leibowitz declared that the jury rolls were fraudulent, and that the fraud had been perpetrated not only on the defendants in the case but on the U.S. Supreme Court itself.

At this point, in one of the most dramatic moments in the history of the Supreme Court, Chief Justice Charles Evans Hughes interrupted Mr. Leibowitz and asked him whether he could prove the forgery. Mr. Leibowitz produced the jury rolls and offered them for the inspection of the Court. One by one, each of the Justices examined the names in questions under a magnifying glass, while Mr. Leibowitz explained the mechanics of the forgery. Later, Mr. Leibowitz learned that this was the first time in its history that the Supreme Court had allowed such an exhibit to be brought into the Court, since the Court deals almost solely with question of law, not questions of fact like the existence of forgery.

Subsequently, in vindicating the position argued by Mr. Leibowitz and reversing the defendants' convictions, Chief Justice Hughes held that the systematic exclusion of Negroes from jury service had deprived the Negro defendants of their right to the equal protection of the laws under the Constitution. "The question in the case," said the Chief Justice, "was not so much the principle, but the facts: That the question is one of fact," he said, "does not relieve us of the duty to determine whether in truth a Federal right has been denied."

Mr. President, I ask unanimous consent that the New York Times article on Justice Leibowitz, to which I referred, be printed in the RECORD. In addition, since much of the atmosphere of the Scottsboro case is set out in Justice Sutherland's opinion for the Supreme Court in Powell against Alabama, I ask unanimous consent that an excerpt from the opinion be printed in the RECORD. I also ask unanimous consent that the Court's opinion in Norris against Alabama, to which Justice Leibowitz contributed so much, be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

[From the New York Times, Dec. 16, 1969]

A "TOUGH JUDGE" MELLOWS ON HIS RETIREMENT

(By Paul L. Montgomery)

Justice Samuel S. Leibowitz heard his last "Oyez" yesterday at a tearful retirement ceremony in State Supreme Court in Brooklyn.

The hot-tempered 76-year-old judge, who moved to the bench 29 years ago after a mercurial career that included defending Al Capone and the Scottsboro Boys, fought for speech for one of the few times in his life when he arose to address the gathering who had come to pay him tribute.

"There are few times a man is bereft of words to express the feelings that are in his heart," Justice Leibowitz said, peering out over the courtroom.

There was absolute silence in the court, filled with 30 of his colleagues on the bench and a lunch-hour crowd of courtroom veterans.

There was a moment when he tried to go on, and couldn't. Then the man who was known as one of the toughest judges the city has seen reached under his robe for a handkerchief to dry his eyes. At last, he went on.

"I've lived a million lives in my time," he said. "How can I say good-by. It's like ringing down a curtain on a person's life.

"They say old soldiers never die, they just fade away. Well, when this old soldier dies it will be decided by the Chief Justice in Heaven, but the old soldier must decide for himself whether he fades away. As long as God Almighty gives me the strength, I don't propose to fade away. I propose to serve the cause of justice as long as I am able."

TRIBUTES ARE SPOKEN

The judge looked over at his wife of 50 years, who sat weeping in a corner of the hushed courtroom.

"They spoke of me as a tough judge," he said. "Well, Belle can tell you how nights went by when I tossed in bed until dawn trying to figure out what to do with the poor devil to be sentenced in the morning."

Four of Justice Leibowitz's colleagues in Supreme Court—Anthony J. DiGiovanna, Murray H. Pearlman, John R. Starkey and John E. Cone—spoke in tribute to him.

"This is an unprecedented occasion," said Justice DiGiovanna. "In my 21 years on the

Supreme Court and 40 years in public life I have never heard of a ceremonial meeting of the justices such as this."

Justice Starkey recalled how Justice Leibowitz used to handle 450 or 500 cases a year on the old Kings County Court.

"Sam was only tough on those who demanded toughness," he said. "We didn't have many recidivists from Sam Leibowitz."

The audience, recalling the 30- or 60-year sentences he used to mete out to muggers and stick-up artists, laughed for the only time in the ceremony.

When it was over, court attendants and guards crowded around to wish Justice Leibowitz well in his retirement. Under the law, justices may be reappointed for three two-year terms after they pass their 70th birthday. Dec. 31 marks the end of Justice Leibowitz's third extra term.

Justice Leibowitz said he would join the faculty of the Practicing Lawyers' Institute, and give lectures at law schools on trial techniques. He will also be a counsel with the Manhattan law firm of Jacob D. Fuchsberg, who served as Mario A. Procacino's campaign manager in the recent mayoral election.

Before his election as a judge, Justice Leibowitz had made a reputation as one of the country's leading trial lawyers. Of 140 clients tried for first-degree murder, only one was sent to the electric chair.

In an interview in his chambers yesterday after the ceremony, he attributed his later toughness on the bench to his early association with criminals.

"For 22 years I lived with them all—Scarface Capone, all of them," he said. "I know what you do with a dangerous snake. [If] you couldn't take the fangs out, at least you put him away where he can't bite anybody."

Justice Leibowitz said one improvement would be to permit conjugal visits in prisons, something that is allowed now only in Mississippi. "You keep a man in prison away from women, you tear his insides out, you make him a shell," he said.

The judge said that, in his long career, he was proudest of his participation in the Scottsboro Case. As the unpaid defense attorney for nine black Alabama youths accused in 1931 of raping two white prostitutes, he won new trials for them by showing before the Supreme Court that blacks were systematically excluded from Alabama juries.

"If there's anything else I can take to my grave, it's that I got the first black man on a jury in the South in the history of the United States," he said.

By mid-afternoon, Justice Leibowitz had regained the peppery form that won him the enmity of defendants, lawyers and even some of his colleagues on the bench. The judiciary committee of the Association of the Bar of the City of New York opposed his reappointment in 1963 on the ground that he showed "habitual arrogance and discourtesy to lawyers and litigants." He was reappointed anyway.

Justice Leibowitz was asked if he felt old.

"I feel young enough so that it seems like it's summer, and Gil Hodges is playing first base in Ebbetts Field," he said.

Someone asked him what he would do with his robe now that he had retired.

"Who the hell knows," he retorted. "They'll probably bury me in it."

Powell v. Alabama, 287 U.S. 45 (1932)

Mr. Justice Sutherland delivered the opinion of the Court.

These cases were argued together and submitted for decision as one case.

The petitioners, hereinafter referred to as defendants, are negroes charged with the crime of rape, committed upon the persons of two white girls. The crime is said to have been committed on March 25, 1931. . . .

. . . [T]he defendants were tried in three . . . groups. . . . Each of the three trials was completed within a single day. Under the Alabama statute the punishment for rape is to be fixed by the jury, and in its descretion may be from ten years imprisonment to death. The juries found defendants guilty and imposed the death penalty upon all. . . .

In this court the judgments are assailed upon the grounds that the defendants, and each of them, were denied due process of law and the equal protection of the laws, in contravention of the Fourteenth Amendment, specifically as follows: (1) they were not given a fair, impartial and deliberate trial; (2) they were denied the right of counsel, with the accustomed incidents of consultation and opportunity of preparation for trial; and (3) they were tried before juries from which qualified members of their own race were systematically excluded. These questions were properly raised and saved in the courts below.

The only one of the assignments which we shall consider is the second, in respect of the denial of counsel; and it becomes unnecessary to discuss the facts of the case or the circumstances surrounding the prosecution except in so far as they reflect light upon that question.

The record shows that on the day when the offense is said to have been committed, these defendants, together with a number of other negroes, were upon a freight train on its way through Alabama. On the same train were seven white boys and the two white girls. A fight took place between the negroes and the white boys, in the course of which the white boys, with the exception of one named Gilley, were thrown off the train. A message was sent ahead, reporting the fight and asking that every negro be gotten off the train. The participants in the fight, and the two girls, were in an open gondola car. The two girls testified that each of them was assaulted by six different negroes in turn, and they identified the seven defendants as having been among the number. None of the white boys was called to testify, with the exception of Gilley, who was called in rebuttal.

Before the train reached Scottsboro, Alabama, a sheriff's posse seized the defendants and two other negroes. Both girls and the negroes then were taken to Scottsboro, the county seat. Word of their coming and of the alleged assault had preceded them, and they were met at Scottsboro by a large crowd. It does not sufficiently appear that the defendants were seriously threatened with, or that they were actually in danger of, mob violence; but it does appear that the attitude of the community was one of great hostility. The sheriff thought it necessary to call for the militia to assist in safeguarding the prisoners. . . . Soldiers took the defendants to Gadsden for safekeeping, brought them back to Scottsboro for arraignment, returned them to Gadsden for safekeeping while awaiting trial, escorted them to Scottsboro for trial a few days later, and guarded the court house and grounds at every stage of the proceedings. It is perfectly apparent that the proceedings, from beginning to end, took place in an atmosphere of tense, hostile and excited public sentiment. During the entire time, the defendants were closely confined or were under military guard. The record does not disclose their ages, except that one of them was nineteen; but the record clearly indicates that most, if not all, of them were youthful, and they are constantly referred to as "the boys." They were ignorant and illiterate. All of them were residents of other states, where alone members of their families or friends resided.

However guilty defendants, upon due inquiry, might prove to have been, they were, until convicted, presumed to be innocent. It was the duty of the court having their cases in charge to see that they were denied no necessary incident of a fair trial.

First: the record shows that immediately upon the return of the indictment defendants were arraigned and pleaded not guilty. Apparently they were not asked whether they had, or were able to employ, counsel, or wished to have counsel appointed; or whether they had friends or relatives who might assist in that regard if communicated with. . . .

April 6, six days after indictment, the trials began. When the first case was called, the court inquired whether the parties were ready for trial. The state's attorney replied that he was ready to proceed. No one answered for the defendants or appeared to represent or defend them. Mr. Roddy, a Tennessee lawyer not a member of the local bar, addressed the court, saying that he had not been employed, but that people who were interested had spoken to him about the case. He was asked by the court whether he intended to appear for the defendants, and answered that he would like to appear along with counsel that the court might appoint. The record then proceeds:

"The Court: If you appear for these defendants, then I will not appoint counsel; if local counsel are willing to appear and assist you under the circumstances all right, but I will not appoint them

"Mr. Roddy: Your Honor has appointed counsel, is that correct?

"The Court: I appointed all the members of the bar for the purpose of arraigning the defendants and then of course I anticipated them to continue to help them if no counsel appears.

"Mr. Roddy: Then I don't appear then as counsel but I do want to stay in and not be ruled out in this case.

"The Court: Of course I would not do that——

Mr. Roddy: I just appear here through the courtesy of Your Honor.

"The Court: Of course, I give you that right; . . ."

And then apparently addressing all the lawyers present, the court inquired:

". . . well are you all willing to assist?

"Mr. Moody: Your honor appointed us all and we have been proceeding along every line we know about it under Your Honor's appointment.

"The Court: The only thing I am trying to do is, if counsel appears for these defendants I don't want to impose on you all, but if you feel like counsel from Chattanooga—

"Mr. Moody: I see his situation of course and I have not run out of anything yet. Of course, if Your Honor proposes to appoint us, Mr. Parks, I am willing to go on with it. Most of the bar have been down and conferred with these defendants in this case; they did not know what else to do.

"The Court: The thing, I did not want to impose on the members of the bar if counsel unqualifiedly appears; if you all feel like Mr. Roddy is only interested in a limited way to assist, then I don't care to appoint—

"Mr. Parks: Your Honor, I don't feel like you ought to impose on any member of the local bar if the defendants are represented by counsel.

"The Court: That is what I was trying to ascertain, Mr. Parks.

"Mr. Parks: Of course if they have counsel, I don't see the necessity of the Court appointing anybody; if they haven't counsel, of course I think it is up to the Court to appoint counsel to represent them.

"The Court: I think you are right about it Mr. Parks and that is the reason I am trying to get an impression from Mr. Roddy.

"Mr. Roddy: I think Mr. Parks is entirely right about it, if I was paid down here and employed, it would be a different thing, but I have not prepared this case for trial and have only been called into it by people who are interested in these boys from Chattanooga. Now, they have not given me an opportunity to prepare the case and I am not familiar with the procedure in Alabama, but I merely came down here as a friend of the people who are interested and not as paid counsel, and certainly I haven't any money to pay them and nobody I am interested in had me to come down here has put up any fund of money to come down here and pay counsel. If they should do it I would be glad to turn it over—a counsel but I am merely here at the solicitation of people who have become interested in this case without any payment of fee and without any preparation for trial and I think the boys would be better off if I step entirely out of the case according to my way of looking at it and according to my lack of preparation of it and not being familiar with the procedure in Alabama. . . ."

Mr. Roddy later observed:

THE CONSTITUTION AND THE SUPREME COURT

"If there is anything I can do to be of help to them, I will be glad to do it; I am interested to that extent.

"The Court: Well gentlemen, if Mr. Roddy only appears as assistant that way, I think it is proper that I appoint members of this bar to represent them, I expect that is right. If Mr. Roddy will appear, I wouldn't of course, I would not appoint anybody. I don't see, Mr. Roddy, how I can make a qualified appointment or a limited appointment. Of course, I don't mean to cut off your assistance in any way—Well gentlemen, I think you understand it.

"Mr. Moody: I am willing to go ahead and help Mr. Roddy in anything I can do about it, under the circumstances.

"The Court: All right, all the lawyers that will; of course I would not require a lawyer to appear if—

"Mr. Moody: I am willing to do that for him as a member of the bar; I will go ahead and help do anything I can do.

"The Court: All right."

And in this casual fashion the matter of counsel in a capital case was disposed of.

* * * * *

. . . [T]he trials immediately proceeded. the defendants, young, ignorant, illiterate, surrounded by hostile sentiment, haled back and forth under guard of soldiers, charged with an atrocious crime regarded with especial horror in the community where they were to be tried, were thus put in peril of their lives within a few moments after counsel for the first time charged with any degree of responsibility began to represent them.

It is not enough to assume that counsel thus precipitated into the case thought there was no defense, and exercised their best judgment in proceeding to trial without preparation. Neither they nor the court could say what a prompt and thoroughgoing investigation might disclose as to the facts. No attempt was made to investigate. No opportunity to do so was given. Defendants were immediately hurried to trial. . . . Under the circumstances disclosed, we hold that defendants were not accorded the right of counsel in any substantial sense. To decide otherwise, would simply be to ignore actualities. . . .

* * * * *

The fact that the right involved is of such a character that it cannot be denied without violating those "fundamental principals of liberty and justice which lie at the base of all our civil and political institutions" (Hebert v. Louisiana, 272 U.S. 312, 316), is obviously one of those compelling considerations which must prevail in determining whether it is embraced within the due process clause of the Fourteenth Amendment, although it be specifically dealt with in another part of the federal Constitution. Evidently this court, in the later cases enumerated, regarded the rights there under consideration as of this fundamental character. That some such distinction must be observed is foreshadowed in Twining v. New Jersey, 211 U.S. 78, 99, where Mr. Justice Moody, speaking for the court, said that ". . . it is possible that some of the personal rights safeguarded by the first eight Amendments against National action may also be safeguarded against state action, because a denial of them would be a denial of due process of law. Chicago, Burlington & Quincy R. Co. v. Chicago, 166 U.S. 226. If this is so, it is not because those rights are enumerated in the first eight Amendments, but because they are of such a nature that they are included in the conception of due process of law." While the question has never been categorically determined by this court, a consideration of the nature of the right and a review of the expressions of this and other courts, makes it clear that the right to the aid of counsel is of this fundamental character.

It never has been doubted by this court, or any other so far as we know, that notice and hearing are preliminary steps essential to the passing of an enforceable judgment, and that they, together with a legally competent tribunal having jurisdiction of the case, constitute basic elements of the constitutional requirement of due process of law. The words of Webster, so often quoted, that by "the law of the land" is intended "a law which hears before it condemns," have been repeated in varying forms of expression in a multitude of decisions. . . .

What, then, does a hearing include? Historically and in practice, in our own country at least, it has always included the right to the aid of counsel when desired and provided by the party asserting the right. *The right to be heard would be, in many cases, of little avail if it did not comprehend the right to be heard by counsel. Even the intelligent and educated layman has small and sometimes no skill in the science of law. If charged with crime, he is incapable, generally, of determining for himself whether the indictment is good or bad. He is unfamiliar with the rules of evidence. Left without the aid of counsel he may be put on trial without a proper charge, and convicted upon incompetent evidence, or evidence irrelevant to the issue or otherwise inadmissible. He lacks both the skill and knowledge adequately to prepare his defense, even though he may have a perfect one. He requires the guiding hand of counsel at every step in the proceedings against him. Without it, though he be not guilty, he faces the danger of conviction because he does not know how to establish his innocence.* If that be true of men of intelligence, how much more true is it of the ignorant and illiterate, or those of feeble intellect. If in any case, civil or criminal, a state or federal court were arbitrarily to refuse to hear a party by counsel, employed by and appearing for him, it reasonably may not be doubted that such a refusal would be a denial of a hearing and, therefore, of due process in the constitutional sense.

In the light of the facts outlined in the forepart of this opinion—the ignorance and illiteracy of the defendants, their youth, the circumstances of public hostility, the imprisonment and the close surveillance of the defendants by the military forces, the fact that their friends and families were all in other states and communication with them necessarily difficult, and above all that they stood in deadly peril of their lives—we think the failure of the trial court to give them reasonable time and opportunity to secure counsel was a clear denial of due process.

But passing that, and assuming their inability, even if opportunity had been given, to employ counsel, as the trial court evidently did assume, we are of opinion that, under the circumstances just stated, the necessity of counsel was so vital and imperative that the failure of the tiral court to make an effective appointment of counsel was likewise a denial of due process within the meaning of the Fourteenth Amendment. Whether this would be so in other criminal prosecutions, or under other circumstances, we need not determine. . . .

NORRIS V. ALABAMA

CERTIORARI TO THE SUPREME COURT OF ALABAMA

No. 534. Argued February 15, 18, 1935.—Decided April 1, 1935.

HEAD NOTE

1. Exclusion of all negroes from a grand jury by which a negro is indicted, or from the petit jury by which he is tried for the offense, resulting from systematic and arbitrary exclusion of negroes from the jury lists solely because of their race or color, is a denial of the equal protection of the laws guaranteed to him by the Fourteenth Amendment. P. 589.
2. Whenever a conclusion of law of a state court as to a federal right is so intermingled with findings of fact that the latter control the former, it is incumbent upon this Court to analyze the facts in order that the enforcement of the federal right may be assured. P. 590.
3. Evidence reviewed and found to establish systematic exclusion of negroes from jury service in two Alabama counties, solely because of their race and color. Pp. 590, 596. 229 Ala. 226; 156 So. 229 Ala. 556, reversed.

CERTIORARI, 293 U.S. 552, to review a judgment affirming a conviction of rape.

Mr. Samuel S. Leibowitz for petitioner.

Mr. Thomas E. Knight, Jr., Attorney General of Alabama, with whom *Mr. Thomas Seay Lawson*, Assistant Attorney General, was on the brief, for respondent.

OPINION OF THE COURT

Mr. CHIEF JUSTICE HUGHES delivered the opinion of the Court.

Petitioner, Clarence Norris, is one of nine negro boys who were indicted in March, 1931, in Jackson County, Alabama, for the crime of rape. On being brought to trial in that county, eight were convicted. The Supreme Court of Alabama reversed the conviction of one of these and affirmed that of seven, including Norris. This Court reversed the judgments of conviction upon the ground that the defendants had been denied due process of law in that the trial court had failed in the light of the circumstances disclosed, and of the inability of the defendants at that time to obtain counsel, to make an effective appointment of counsel to aid them in preparing and presenting their defense. *Powell* v. *Alabama,* 287 U.S. 45.

After the remand, a motion for change of venue was granted and the cases were transferred to Morgan County. Norris was brought to trial in November, 1933. At the outset, a motion was made on his behalf to quash the indictment upon the ground of the exclusion of negroes from juries in Jackson County where the indictment was found. A motion was also made to quash the trial *venire* in Morgan County upon the ground of the exclusion of negroes from juries in that county. In relation to each county, the charge was of long continued, systematic and arbitrary exclusion of qualified negro citizens from service on juries, solely because of their race and color, in violation of the Constitution of the United States. The State joined issue on this charge and after hearing the evidence, which we shall presently review, the trial judge denied both motions, and exception was taken. The trial then proceeded and resulted in the conviction of Norris who was sentenced to death. On appeal, the Supreme Court of the State considered and decided the federal question which Norris had raised, and affirmed the judgment. 229 Ala. 226; 156 So. 556. We granted a writ of certiorari. 293 U.S. 552.

First. There is no controversy as to the constitutional principle involved. That principle, long since declared, was not challenged, but was expressly recognized, by the Supreme Court of the State. Summing up precisely the effect of earlier decisions, this Court thus stated the principle in *Carter* v. *Texas*, 177 U.S. 442, 447, in relation to exclusion from service on grand juries: "Whenever by any action of a State, whether through its legislature, through its courts, or through its executive or administrative officers, all persons of the African race are excluded, solely because of their race or color, from serving as grand jurors in the criminal prosecution of a person of the African race, the equal protection of the laws is denied to him, contrary to the Fourteenth Amendment of the Constitution of the United States. *Strauder* v. *West Virginia*, 100 U.S. 303; *Neal* v. *Delaware*, 103 U.S. 370, 397; *Gibson* v. *Mississippi*, 162 U.S. 565." This statement was repeated in the same terms in *Rogers* v. *Alabama*, 192 U.S. 226, 231, and again in *Martin* v. *Texas*, 200 U.S. 316, 319. The principle is equally applicable to a similar exclusion of negroes from service on petit juries. *Strauder* v. *West Virginia, supra; Martin* v. *Texas, supra*. And although the state statute defining the qualifications of jurors may be fair on its face, the constitutional provision affords protection against action of the State through its administrative officers in effecting the prohibited discrimination. *Neal* v. *Delaware, supra; Carter* v. *Texas, supra*. Compare *Virginia* v. *Rives*, 100 U.S. 313, 322, 323; *In re Wood*, 140 U.S. 278, 285; *Thomas* v. *Texas*, 212 U.S. 278, 282, 283.

The question is of the application of this established principle to the facts disclosed by the record. That the question is one of fact does not relieve us of the duty to determine whether in truth a federal right has been denied. When a federal right has been specially set up and claimed in a state court, it is our province to inquire not merely whether it was denied in express terms but also whether it was denied in substance and effect. If this requires an examination of evidence, that examination must be made. Otherwise, review by this Court would fail of its purpose in safeguarding constitutional rights. Thus, whenever a conclusion of law of a state court as to a federal right and findings of fact are so intermingled that the latter control the former, it is incumbent upon us to analyze the facts in order that the appropriate enforcement of the federal right may be assured. *Creswill* v. *Knights of Pythias*, 225 U.S. 246, 261; *Northern Pacific Ry. Co.* v. *North Dakota*, 236 U.S. 585, 593; *Ward* v. *Love County*, 253 U.S. 17, 22; *Davis* v. *Wechsler*, 263 U.S. 22, 24; *Fiske* v. *Kansas*, 274, U.S. 380, 385, 386; *Ancient Egyptian Order* v. *Michaux*, 279 U.S. 737, 745.

Second. The evidence on the motion to quash the indictment. In 1930, the total population of Jackson County, where the indictment was found, was 36,881, of whom 2688 were negroes. The male population over twenty-one years of age numbered 8801, and of these 666 were negroes.

The qualifications of jurors were thus prescribed by the state statute (Alabama Code, 1923, § 8603): "The jury commission shall place on the jury roll and in the jury box the names of all male citizens of the county who are generally reputed to be honest and intelligent men, and are esteemed in the community for their integrity, good character and sound judgment, but no person must be selected who is under twenty-one or over sixty-five years of age, or, who is an habitual drunkard, or who, being afflicted with a permanent disease or physical weakness is unfit to discharge the duties of a juror, or who cannot read English, or who has ever been convicted of any offense involving moral turpitude. If a person cannot read English and has all the other qualifications prescribed herein and is a freeholder or householder, his name may be placed on the jury roll and in the jury box." See Gen. Acts, Alabama, 1931, No. 47, p. 59.

Defendant adduced evidence to support the charge of unconstitutional discrimination in the actual administration of the statute in Jackson County. The testimony, as the state court said, tended to show that "in a long number of years no negro had been called for jury service in that county." It appeared that no negro had served on any grand or petit jury in that county within the memory of witnesses who had lived there all their lives. Testimony to that effect was given by men whose ages ran from fifty to seventy-six years. Their testimony was uncontradicted. It was supported by the testimony of officials. The clerk of the jury commission and the clerk of the circuit court had never known of a negro serving on a grand jury in Jackson County. The court reporter, who had not missed a session in that county in twenty-four years, and two jury commissioners testified to the same effect. One of the latter, who was a member of the commission which made up the jury roll for the grand jury which found the indictment, testified that he had "never known of a single instance where any negro sat on any grand or petit jury in the entire history of that county."

That testimony in itself made out a *prima facie* case of the denial of the equal protection which the Constitution guarantees. See *Neal* v. *Delaware, supra*. The case thus made was supplemented by direct testimony that specified negroes, thirty or more in number, were qualified for jury service. Among these were negroes who were members of school boards, or trustees, of colored schools, and property owners and householders. It also appeared that negroes from that county had been called for jury service in the federal court. Several of those who were thus described as qualified were witnesses. While there was testimony which cast doubt upon the qualifications of some of the negroes who had been named, and there was also general testimony by the editor of a local newspaper who gave his opinion as to the lack of "sound judgment" of the "good negroes" in Jackson County, we think that the definite testimony as to the actual qualifications of individual negroes, which was not met by any testimony equally direct, showed that there were negroes in Jackson County qualified for jury service.

The question arose whether names of negroes were in fact on the jury roll. The books containing the jury roll for Jackson County for the year 1930–31 were produced. They were produced from the custody of a member of the jury commission which, in 1931, had succeeded the commission which had made up the jury roll from which the grand jury in question had been drawn. On the pages of this roll appeared the names of six negroes. They were entered, respectively, at the end of the precinct lists which were alphabetically arranged. The genuineness of these entries was disputed. It appeared that after the jury roll in question had been made up, and after the new jury commission had taken office, one of the new commissioners directed the new clerk to draw lines after the names which had been placed on the roll by the preceding commission. These lines, on the pages under consideration, were red lines, and the clerk of the old commission testified that they were not put in by him. The entries made by the new clerk, for the new jury roll, were below these lines.

The names of the six negroes were in each instance written immediately above the red lines. An expert of long experience testified that these names were superimposed upon the red lines, that is, that they were written after the lines had been drawn. The expert was not cross-examined and no testimony was introduced to contradict him.[1] In denying the motion to quash, the trial judge expressed the view that he would not "be authorized to presume that somebody had committed a crime" or to presume that the jury board "had been unfaithful to their duties and allowed the books to be tampered with." His conclusion was that names of negroes were on the jury roll.

We think that the evidence did not justify that conclusion. The Supreme Court of the State did not sustain it. That court observed that the charge that the names of Negroes were fraudulently placed on the roll did not involve any member of the jury board, and that the charge "was, by implication at least, laid at the door of the clerk of the board." The court, reaching its decision irrespective of that question, treated that phase of the matter as "wholly immaterial" and hence passed it by "without any expression of opinion thereon."

The state court rested its decision upon the ground that even if it were assumed that there was no name of a negro on the jury roll, it was not established that race or color caused the omission. The court pointed out that the statute fixed a high standard of qualifications for jurors (*Green* v. *State*, 73 Ala. 26; *State* v. *Curtis*, 210 Ala. 1; 97 So. 291) and that the jury commission was vested with a wide discretion. The court adverted to the fact that more white citizens possessing age qualifications had been omitted from the jury roll than the entire negro population of the county, and regarded the testimony as being to the effect that "the matter of race, color, politics, religion or fraternal affiliations" had not been discussed by the commission and had not entered into their consideration, and that no one had been excluded because of race or color.

The testimony showed the practice of the jury commission. One of the commissioners who made up the jury roll in question, and the clerk of that commission, testified as to the manner of its preparation. The other two commissioners of that period did not testify. It was shown that the clerk, under the direction of the commissioners, made up a preliminary list which was based on the registration list of voters, the polling list and the tax list, and apparently also upon the telephone directory. The clerk testified that he made up a list of all male citizens between the ages of twenty-one and sixty-five years without regard to their status or qualifications. The commissioner testified that the designation "col." was placed after the names of those who were colored. In preparing the final jury roll, the preliminary list was checked off as to qualified jurors with the aid of men whom the commissioners called in for that purpose from the different precincts. And the commissioner testified that in the selections for the jury roll no one was "automatically or systematically" excluded, or excluded on account of race or color; that he "did not inquire as to color, that was not discussed."

But, in appraising the action of the commissioners, these statements cannot be divorced from other testimony. As we have seen, there was testimony, not overborne or discredited, that there were in fact negroes in the county qualified for jury service. That testimony was direct and specific. After eliminating those persons as to whom there was some evidence of lack of qualifications, a considerable number of others remained. The fact that the testimony as to these persons, fully identified, was not challenged by evidence appropriately direct, cannot be brushed aside. There is no ground for an assumption that the names of these negroes were not on the preliminary list. The inference to be drawn from the testimony is that they were on that preliminary list, and were designated on that list as the names of negroes, and that they were not placed on the jury roll. There was thus presented a test of the practice of the commissioners. Something more than mere general asseverations was required. Why were these names excluded from the jury roll? Was it because of the lack of statutory qualifications? Were the qualifications of negroes actually and property considered?

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[1] The books containing the jury roll in question were produced on the argument at this bar and were examined by the Court.

The testimony of the commissioner on this crucial question puts the case in a strong light. That testimony leads to the conclusion that these or other negroes were not excluded on account of age, or lack of esteem in the community for integrity and judgment, or because of disease or want of any other qualification. The commissioner's answer to specific inquiry upon this point was that negroes were "never discussed." We give in the margin quotations from his testimony.[2]

We are of the opinion that the evidence required a different result from that reached in the state court. We think that the evidence that for a generation or longer no negro had been called for service on any jury in Jackson County, that there were negroes qualified for jury service, that according to the practice of the jury commission their names would normally appear on the preliminary list of male citizens of the requisite age but that no names of negroes were placed on the jury roll, and the testimony with respect to the lack of appropriate consideration of the qualifications of negroes, established the discrimination which the Constitution forbids. The motion to quash the indictment upon that ground should have been granted.

Third. The evidence on the motion to quash the trial venire. The population of Morgan County, where the trial was had, was larger than that of Jackson County, and the proportion of negroes was much greater. The total population of Morgan County in 1930 was 46,176, and of this number 8,311 were negroes.

Within the memory of witnesses, long resident there, no negro had ever served on a jury in that county or had been called for such service. Some of these witnesses were over fifty years of age and had always lived in Morgan County. Their testimony was not contradicted. A clerk of the circuit court, who had resided in the county for thirty years, and who had been in office for over four years, testified that during his official term approximately 2500 persons had been called for jury service and that not one of them was a negro; that he did not recall "ever seeing any single person of the colored race serve on any jury in Morgan County."

There was abundant evidence that there were a large number of negroes in the county who were qualified for jury service. Men of intelligence, some of whom were college graduates, testified to long lists (said to contain nearly 200 names) of such qualified negroes, including many business men, owners of real property and householders. When defendant's counsel proposed to call many additional witnesses in order to adduce further proof of qualifications of negroes for jury service, the trial judge limited the testimony, holding that the evidence was cumulative.

We find no warrant for a conclusion that the names of any of the negroes as to whom this testimony was given, or of any other negroes, were placed on the jury rolls. No such names were identified. The evidence that for many years no negro had been called for jury service itself tended to show the absence of the names of negroes from the jury rolls, and the State made no effort to prove their presence. The trial judge limited the defendant's proof "to the present year, the present jury roll." The sheriff of the county, called as a witness for defendants, scanned the jury roll and after "looking over every single name on that jury roll, from A to Z," was unable to point out "any single negro on it."

For this long-continued, unvarying, and wholesale exclusion of negroes from jury service we find no justification consistent with the constitutional mandate. We have carefully examined the testimony of the jury commissioners upon which the state court based its decision. One of these commissioners testified in person and the other two submitted brief affidavits. By the state act (Gen. Acts, Ala., 1931, No. 47, p. 55), in force at the time the jury roll in question was made up, the clerk of the jury board was required to obtain the names of all male citizens of the country over twenty-one and under sixty-five years of age, and their occupation, place of residence and place of business. (*Id.*, p. 58, § 11.) The qualifications of those who were to be placed on the jury roll were the same as those prescribed by the earlier statute which we have already quoted. (*Id.*, p. 59, § 14.) The member of the jury board, who testified orally, said that a list was made up which included the names of all male citizens of suitable age; that black residents were not excluded from this general list; that in compiling the jury roll he did not consider race or color; that no one was excluded for that reason; and that he had placed on the jury roll the names of persons possessing the qualifications under the statute. The affidavits of the other members of the board contained general statements to the same effect.

We think that this evidence failed to rebut the strong *prima facie* case which defendant had made. That showing as to the long-continued exclusion of negroes from jury service, and as to the many negroes qualified for that service, could not be met by mere generalities. If, in the presence of such testimony as defendant adduced, the mere general assertions by officials of their performance of duty were to be accepted as an adequate justification for the complete exclusion of negroes from jury service, the constitutional provision—adopted with special reference to their protection—would be but a vain and illusory requirement. The general attitude of the jury commissioner is shown by the following extract from his testimony: "I do not know of any negro in Morgan County over twenty-one and under sixty-five who is generally reputed to be honest and intelligent and who is esteemed in the community for his integrity, good character and sound judgment, who is not an habitual drunkard, who isn't afflicted with a permanent disease or physical weakness which would render him unfit to discharge the duties of a juror, and who can read English, and who has never been convicted of a crime involving moral turpitude." In the light of the testimony given by defendant's witnesses, we find it impossible to accept such a sweeping characterization of the lack of qualifications of negroes in Morgan County. It is so sweeping, and so contrary to the evidence as to the many qualified negroes, that it destroys the intended effect of the commissioner's testimony.

In *Neal* v. *Delaware, supra*, decided over fifty years ago, this Court observed that it was a "violent presumption," in which the state court had there indulged, that the uniform exclusion of negroes from juries, during a period of many years, was solely because, in the judgment of the officers, charged with the selection of grand and petit jurors, fairly exercised, "the black race in Delaware were utterly disqualified by want of intelligence, experience, or moral integrity, to sit on juries." Such a presumption at the present time would be no less violent with respect to the exclusion of the negroes of Morgan County. And, upon the proof contained in the record now before us, a conclusion that their continuous and total exclusion from juries was because there were none possessing the requisite qualifications, cannot be sustained.

We are concerned only with the federal question which we have discussed, and in view of the denial of the federal right suitably asserted, the judgment must be reversed and the cause remanded for further proceedings not inconsistent with this opinion.

Reversed.

MR. JUSTICE MCREYNOLDS did not hear the argument and took no part in the consideration and decision of this case.

RECESS

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate stand in recess, awaiting the call of the Chair, with the understanding that the recess not extend beyond 3:45 p.m. today.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Thereupon (at 2 o'clock and 9 minutes p.m.) the Senate took a recess subject to the call of the Chair.

The Senate reassembled at 2:33 p.m., when called to order by the Presiding Officer (Mr. HART in the chair).

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL MORTGAGE CREDIT—CONFERENCE REPORT

Mr. PROXMIRE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2577) to provide additional mortgage credit, and for other purposes. I ask unanimous consent for the present consideration of the report.

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[2] "Q. Did you ever exclude from the jury rolls any negroes because you found first, he was a man under twenty-one years old or over sixty-five, and he was excluded by reason of his age; secondly because he was a person who wasn't esteemed in the community for being a decent and honorable citizen, for good sound common sense and judgment, did you ever see or hear of them not going to take that negro because he wasn't esteemed in the community for good sense and judgment? A. No, sir.

"Q. Did you ever have occasion to say, I can't take that negro because he is a fellow that has a disease which may affect or does affect, his mentality, did you ever say that to yourself, with reference to any particular negro? A. No, sir, negroes was never discussed.

"Q. Did you ever say to yourself as a jury commissioner in compiling those lists, I am not going to take that negro because he has been convicted before of a crime involving moral turpitude, have you ever excluded a negro on that ground, did you ever find any negro that came within that category, under your personal knowledge in Jackson County? A. I couldn't recall any, no, sir, I don't know.

"Q. Have you ever known of any negro in Jackson County who was excluded by reason of the fact that he could not read English, and that negro at the same time wasn't a free holder or householder, did you ever say I can't take that negro because he is prohibited under the rules from serving by reason of that provision? A. No, sir.

"Q. Or anybody in your presence? A. It never was discussed.

"Q. You had been a jury commissioner how long? A. I was on it under Bibb Graves administration, 1928, 1929, 1930.

"Q. Three years? A. Yes, sir.

"Q. And you never had occasion to exclude any negro in Jackson County by reason of the disqualifying provisions I have just called to your attention? A. Not to my personal knowledge, no, sir.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of December 18, 1969, pp. 38989–38991, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. PROXMIRE. Mr. President, the bill which came out of conference is a very controversial bill and a very important anti-inflation bill. It could be one of the most important anti-inflation bills of the year. It tries to provide a better opportunity for small businessmen and for housing, which have been so badly hurt by the high interest rates, while at the same time it provides a voluntary credit system and, in addition, a standby mandatory credit system that would be available to the President to counteract high interest rates and try to hold down credit costs so they will not become more inflationary than they are at the present time.

In my opinion, the conference committee has combined the best provisions of both the Senate and House bills in order to give the President and the administration the maximum authority for slowing down inflation and increasing the supply of mortgage credit.

The need for this legislation has been fully documented in the hearings held before the Senate and House Banking Committees and in the reports of those committees. Housing starts are down 30 percent from the start of the year and in the opinion of industry observers, we are in the worst housing shortage since the end of World War II. Interest rates have skyrocketed to well over 8 percent and are approaching 9 percent in some sections of the country.

The bill reported by the conference committee includes the Senate provision which increases the Treasury borrowing authority of the Home Loan Bank Board from $1 billion to $4 billion. This provision was not contained in the House bill and I am pleased that the conferees accepted the Senate version. In my view it is the most meaningful provision of the bill.

If implemented, it can reduce mortgage interest rates by as much as 1 percentage point because of lower cost Treasury borrowing.

Not many people realize it, but the Federal Home Loan Bank Board has supplied nearly half the mortgage credit extended by savings and loan associations in 1969. Since savings and loan associations provide the bulk of credit for single family mortgages, their position in the home financing field is crucial.

Unfortunately, as the total volume of credit is squeezed the Home Loan Bank Board must pay higher and higher rates to obtain the funds for mortgage lending. The latest Home Loan Bank issue cost the agency a record 8.70 percent. This cost must be passed on to the home buyer with the result that hundreds of thousands of middle-income families are being priced out of the housing market.

As a matter of fact, I remember being told earlier this year by builders in Milwaukee that anybody with an income of less than $10,000 a year could forget about buying a home. That means 70 percent of American families are unable to buy a home. They cannot buy homes; they can buy trailers and live in them or live with their relatives, but at a time when new family formations are making new records, these people are unable to buy homes.

Lower cost Treasury borrowing can reduce borrowing costs by 1 percentage point or more and thus reduce the average home buyer's monthly payments by $15.00 per month.

The second most important provision in the bill gives the President the authority to implement selective credit controls. Under the Senate version, these controls would be administered on a voluntary basis. That is, the President or his designee could establish committees of private lenders who would work out voluntary guidelines for channeling credit to the most essential uses such as housing, small business, agriculture, and State and local governments.

That version was tried during the Korean war, and it was found to be very effective. As a matter of fact, the administrators of the measure made a report, shortly afterward, which highly commended the experience and indicated that it was very helpful in holding down prices, as well as holding down interest rates.

Under the House version, the President was given authority to implement mandatory controls on consumer and business credit. These controls could limit the amounts which lenders could lend or borrowers could borrow as well as the terms by which such credit could be extended including the maximum rate of interest, the minimum down payment, the maximum maturity and the frequency of repayment. In addition, the Federal Reserve Board which would administer the controls could require borrowers or creditors to be licensed or registered and in so doing could prescribe the aggregate amounts of credit which could be extended or acquired by such creditors or borrowers for specified purposes.

Mr. President, we all know we live in a credit economy. Very few people buy things for cash. This proposal means giving the President an instrument which is broad and selective enough to use if he needs to slow down inflationary forces, virtually to the degree he wishes to do it. It is giving the President a most important and powerful instrument.

The timing is especially propitious because we are passing it before the administration thinks it is necessary, but, on the basis of many predictions, inflation could become so serious next year that the administration would need it, and it could then use it and not have to wait for long debates in the Senate and the House.

Under both the Senate and House versions, the implementation of selective credit controls would be at the option of the President and only if he deemed such controls necessary to fight inflation.

The conferees wisely decided to accept both the Senate and House provisions and thus provide the President with the widest range of options in combatting inflation.

The conferees gave him both voluntary credit controls and mandatory credit controls. He can use either one to any degree to which he wants to use it.

Under certain circumstances, voluntary credit controls might be most appropriate. Under other circumstances, mandatory credit controls might be more effective. It is also possible that the President might want to extend voluntary credit controls to one sector of the economy while at the same time extending mandatory credit controls to another sector. All of these options would be open to him under the conference bill.

Since monetary and fiscal policies have not succeeded in slowing inflation we ought to give the President the widest possible authority for bringing price increases under control.

A third important provision deals with the financing of the small business investment company program. Because of action by the Bureau of the Budget, SBA loans to SBIC's were cut off earlier this year. In order to provide a source of funds, the Senate passed legislation, S. 2540, to permit SBA to guarantee loans to SBIC's made by private lenders.

The House amended S. 2577 by adding a provision directing the SBA to make an additional $70 million available to SBIC's from its business loan and investment fund. It is expected that there will be $115 million available in this fund by the end of the fiscal year, hence the use of the $70 million for the SBIC program will still leave $45 million.

The Senate conferees agreed to the House amendment and expect the provision to be promptly implemented by the SBA. A precedent for using the business loan and investment revolving fund for SBIC loans without additional appropriation authority already exists in view of recent action by the SBA to use this fund for making $15 million available to Minority Enterprise SBIC's.

Mr. President, in addition to the three major items I have listed, the conferees agreed on a number of lesser issues.

First, the extension of flexible deposit rate control authority was extended to March 22, 1971, as provided by the House bill rather than September 22, 1970, as contained in the Senate bill.

Second, the Senate conferees agreed to the House provision which reduced the amount of insurance payments savings and loan associations must make to the FSLIC by eliminating creditor obligations from the base from which premiums are computed.

Third, the Senate conferees accepted the House provision giving the Federal Reserve Board the authority to establish reserve requirements against commercial paper borrowing of bank affiliates. Both bills also authorize deposit rate control authority with respect to such borrowing.

Fourth, the Senate conferees agreed to a modified House provision increasing the amount of deposit insurance for banks and savings and loan associations from $15,000 to $20,000. I think to many people this will be very important. Savings are now insured for up to $15,000 in any bank or savings and loan association. This provision increases the maximum amount from $15,000 to $20,000 for banks and savings and loan associations.

No change was made to the sections of both bills which extend limited deposit rate control authority to uninsured financial institutions and which increase the Federal Reserve Board's authority to levy higher reserve requirements on Eurodollar borrowing.

So, Mr. President, all of the provisions of this bill have been designed to lower interest rates, fight inflation, help housing, small business, and employment, and make mortgage credit more available. I wholeheartedly recommend the adoption of the conference report to achieve these objectives.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Several Senators addressed the Chair.

Mr. DOMINICK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. BYRD of West Virginia. Mr. President, I move that the Senate stand in recess until 3:45 p.m., today.

The motion was agreed to; and (at 2 o'clock and 48 minutes p.m.) the Senate took a recess until 3:45 p.m., the same day.

The Senate reconvened at 3:45 p.m., when called to order by the Presiding Officer (Mr. Cook in the chair).

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Schweiker in the chair). Without objection, it is so ordered.

Mr. BENNETT. Mr. President, on November 13 this body considered S. 2577, a bill which provided Federal regulation over State institutions, $4 billion in Treasury borrowing to the Federal Home Loan Bank System, and authority to establish voluntary credit controls similar to those used during the Korean war. In addition to these three major items which I opposed strongly at that time, the bill had several other provisions which had received almost complete support by the committee. One of these items is the extension of regulation Q authority, providing that Federal regulatory authorities can regulate rates of interest and dividends paid by banks and savings and loan associations. That authority needs to be extended now because it expires on Sunday, the 21st of this month.

Mr. President, it is unfortunate that the need to extend that authority has been used as a hostage to bring about a legislative proposal containing authority for controls on our economy which has never been equaled in the history of this country. Not even during the worst periods of World War II was such authority granted. Mr. President, if such authority were necessary and if the administration had asked for such authority and if the committees responsible for such legislation on both the House and Senate sides had spent time considering the provisions contained in this proposal which has now come before the Senate, I would certainly not feel as strongly as I do. I would like to say, however, Mr. President, that this has not been the case. The Senate considered its bill several months ago. There was no provision for this broad authority in the Senate bill. I have followed carefully the proceedings which brought about the House version of S. 2577. A bill was introduced; members of the committee were asked to vote on the bill without having any knowledge of what it contained or a chance to have carefully considered its provisions. No hearings were held on its provisions, and it was enacted by the House on Wednesday, the 17th, just 2 days ago. Unfortunately, the pressures of the present situation forced a conference at 1 o'clock yesterday afternoon to reconcile the differences between that bill which passed late the day before and the Senate version, which passed some time ago. There was not an opportunity for Members of the Senate to be fully acquainted with what the House had done, since we did not know what their action would be until the night before. Now, without any interim during which Members of the Senate could consider what the conferees agreed to, we take this up on the Senate floor.

Mr. President, I believe I would be safe in saying that there are very few Members of this body who have any idea what is contained in this bill. Unfortunately the Senator from Texas (Mr. Tower) was out of town because of a misunderstanding that a conference would not be held yesterday and I was unable to attend the conference because of responsibilities I had at another conference on tax legislation which I felt I could not interrupt in order to attend the second conference. This put the whole burden of responsibility on the Senator from Massachusetts (Mr. Brooke). I am informed that he did a good job. But I was appalled when I discovered that the conference committee had approved authority for the Federal Reserve Board to "prohibit or limit any extensions of credit under any circumstances the Board deems appropriate." I was also surprised to learn that the conference committee had agreed to the establishment of a Federal usury statute limiting the amount of interest that may be paid on any extension of credit. In addition, authority is granted for the Federal Reserve Board to bring about an action whenever it appears that any person is about to engage in any act which would violate this authority—not after the authority has been violated, but when perhaps someone decides subjectively that a man is about to violate it. Let me repeat, Mr. President, never in the history of this Nation has such broad authority been given to any President or any agency of the Government to control private credit transactions in the United States.

I was interested to note that title III of the report which is before us reads that the Small Business Administration shall promptly increase the level of its financing functions by $70 million. It seems to me that we should recognize in the Congress that it is not our prerogative to determine and to require certain amounts of money to be spent while at the same time we have set ceilings above which the administration cannot go.

Mr. President, I do not want to take a great deal of time on this issue. I realize the situation we face in the Senate. We are driving to get through our work before the holiday begins. And we are under the added pressure that legislation which is important will expire on Sunday if we do not act. I feel, however, that this is legislating at its worst, that it is irresponsible for us to accept such broad authority and to make such mandates without proper consideration by the committees and without the two bodies of Congress really having had time to study and understand the extent to which this bill could change the credit pattern in the United States.

I cannot support the conference report.

Fortunately, this authority is permissive and not mandatory. I hope that those to whom it is being transferred will have the wisdom—I am sure they do—to ignore the authority. What I fear is that the fact that this measure has been passed will be used by some as though it were a mandate and to harass and attempt to put pressure on the authorities given this power, in order to try to put themselves in a position later to make charges of failure if in fact the situation does not clear up quickly.

President Nixon did not ask for this grant of authority and members of his party, I think, by and large, strongly oppose it.

Another thing that worries me very much is that we may now be setting a precedent and that, having given discretionary authority, we can be urged later to transfer this to mandatory authority on the ground that the people to whom it was given have failed to use it and they must be mandated and forced to use it.

I realize that under the circumstances it is going to be impossible to defeat the acceptance of the conference report, and that is, therefore, not my purpose. But I could not with clear conscience let it be accepted without calling the attention of the Senate to what I consider some very real dangers.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. GRIFFIN. I commend the distinguished Senator for his statement and associate myself with it.

I call attention to the fact that the Senator from Utah comes to the floor to make this statement after many long hours in the conference on the tax bill.

The Senator may have said this when I was not in the Chamber. I am somewhat concerned about the way this conference report agreement was handled. It is very important, far-reaching legislation. I know that the Senator from Utah was tied up with the tax bill. There was some misunderstanding as to whether or not there was to be a conference, and the Senator from Texas could not attend. The House did not even have hearings, as I understand it, on the mandatory provisions that were added in that body.

Mr. BENNETT. That is my understanding.

Mr. GRIFFIN. I believe that just the procedure provides very substantial grounds for objection to this conference report, in addition to the merits.

Mr. BENNETT. I feel that way, but I would like to say to my friend, the Republican whip, that I have had the cooperation of the Democratic leadership today. They wanted to bring it up around noon. I was in the other conference. I asked them if they would delay it until approximately 3 o'clock. I do not know why 3 o'clock should be sacred, except that is the time we quit this morning in the other conference. They did delay it until 2:30 and then I understand that you and the Senator from Colorado (Mr. DOMINICK) made it possible to hold off action on the report so that I could be here.

So that from that point of view, I have had an opportunity to express myself before action is taken. But the whole thing disturbs me.

Mr. GRIFFIN. I will say, too, that so far as the floor leadership of the majority party is concerned, they cooperated with the leadership on this side of the aisle in making sure that it did not go through until the Senator from Utah did have an opportunity to be on the floor.

But it seems to me disturbing that this far-reaching measure has not had that kind of consideration which I think many people would like to see.

Mr. PROXMIRE. Mr. President, this bill is the home buyers' bill of the year. This industry urgently needs help. This bill provides it.

We have heard much talk about the need to fight inflation. This bill is the most significant action Congress can take this year to combat inflation and help the depressed homebuilding industry.

The bill gives the President authority to slow inflation and bring down interest rates through selective credit controls;

The bill provides up to $4 billion in borrowing authority to be used for mortgage lending;

The bill closes several loopholes which big banks and large corporations have used to escape from tight money;

The bill provides $70 million of funds already appropriated for loans to small business investment companies;

The bill extends until March 22, 1971, the authority to prevent inflationary rate wars between financial institutions.

Mr. President, I move that the Senate agree to the conference report.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Wisconsin.

The motion was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, informed the Senate that pursuant to the provisions of section 3 (a) Public Law 91–129, the Speaker appoints as members of the Commission on Government Procurement the following Members on the part of the House: Mr. HOLIFIELD and Mr. HORTON; and the following member from outside of the Federal Government: Joseph W. Barr, of Maryland.

The message also requested the Senate to return to the House of Representatives the message informing the Senate that the House had agreed to the amendments of the Senate to the bill (H.R. 9634) entitled "An act to amend title 38 of the United States Code in order to improve and make more effective the Veterans' Administration program of sharing specialized medical resources."

The message further announced that the House had agreed to the amendment of the Senate to the bill (H.R. 9334) to amend title 38, United States Code, to promote the care and treatment of veterans in State veterans' homes.

The message also announced that the House had agreed to the report of the committee on conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 14580) to promote the foreign policy, security, and general welfare of the United States by assisting peoples of the world to achieve economic development within a framework of democratic economic, social, and political institutions, and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14751) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1970, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14794) making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1970, and for other purposes; that the House insisted on its disagreements to the amendments of the Senate numbered 2, 14, and 15 to the bill.

The message further announced that the House had agreed to the concurrent resolution (H. Con. Res. 473) authorizing the Clerk of the House to make a correction in the enrollment of the bill (H.R. 14751).

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 740) to establish the Cabinet Committee on Opportunities for Spanish-Speaking People, and for other purposes, and it was signed by the Acting President pro tempore.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FOREIGN ASSISTANCE ACT OF 1969—CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 14580) to promote the foreign policy, security, and general welfare of the United States by assisting peoples of the world to achieve economic development within a framework of democratic, economic, social, and political institutions, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of December 18, 1969, pp. 39833–39840, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. FULBRIGHT. Mr. President, I shall be very brief in explaining the conference agreement. The Senate authorized a total foreign aid program of $1,970,650,000. The House authorized $2,193,900,000—making a difference of $223,250,000. The conference agreement is for $1,972,525,000—or $1,875,000 above the amount approved by the Senate. Although I do not take any pride in this bill—because it means a temporary continuation of a program which is a failure—I think the Senate conferees reached an agreement on amounts which is better than the Senate could reasonably expect.

The bill authorizes appropriations for both fiscal years 1970 and 1971. The Senate conferees recognized the difficulties involved in trying to draw up a complete new aid program between the time the President's recommendations to Congress are due on March 31, and the likely early adjournment next year, due to election campaigns. The 2-year authority will free the Committee on Foreign Relations to spend more time on study of new, long-range policy in the coming year than would have been possible if it were necessary to go through the renewal ritual again next year.

The only significant substantive addition to the bill approved by the Senate is the authorization of an Inter-American Social Development Institute. The Institute would be a public corporation, whose board of directors would be subject to confirmation by the Senate. The purpose of the Institute would be to stimulate the use of people-to-people channels for aid in social and economic development of Latin America. It is, admittedly, an experiment, a new approach to distribution of aid and, for that reason, it was limited to use of $50 million in economic aid funds, as the administration decides, for fiscal years 1970 and 1971. The committee will follow the progress of the Institute and give careful study to its record of operations in connection with its development of a new aid program in 1971.

Mr. President, when I presented the foreign aid bill to the Senate I said, that I took no pleasure in doing so, and that the bill was being presented with reluctance rather than enthusiasm. The same holds true for this conference report. But, as a compromise between the Senate and House bills, the agreements is, I believe, satisfactory and reasonable.

Mr. FULBRIGHT. Mr. President, I move that the conference report be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. AIKEN. Mr. President, I favor approval of the conference report.

Mr. FULBRIGHT. Mr. President, I renew my motion for adoption of the conference report.

The motion was agreed to.

Mr. COOK. Mr. President, I should like the record to show that I voted in the negative on the conference report.

Mr. MANSFIELD. Mr. President, I should like the record to show that I voted in the negative on the conference report.

Mr. HATFIELD. Mr. President, I should like the record to show that I voted in the negative on the conference report.

"AGNEW'S CRITERIA"

Mr. FULBRIGHT. Mr. President, my attention has been attracted to an editorial published in the Baltimore Sun of December 17, 1969, entitled "Agnew's Criteria."

I think it is a significant editorial from the leading newspaper of Baltimore and it comments upon the action that the Vice President has taken to implement the threats he made in his first speech in attacking the news media.

Those were words. Now it seems that the Vice President has proceeded to apply the principle to exclude representatives of newspapers who do not agree with his policies.

So we now have the gradual unfolding of the policy of the Vice President, that only those who agree with his approach to public policy will be allowed to report his trips.

I might say, however, that his trips around the world are not made at his expense but are public trips and thus it is assumed his traveling expenses are paid by the Government.

Therefore, I do not believe that he should properly be allowed to exclude representatives of great newspapers from access to the news because news is the breath of life to a newspaper.

I believe that this is a questionable precedent. If it is to be applied not only to newspapers but later to television, we will certainly end up with a managed press.

Mr. President, I ask unanimous consent to have the editorial printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Baltimore Sun, Dec. 17, 1969]

AGNEW'S CRITERIA

In a speech in Des Moines in mid-November, Vice President Agnew discussed the question of the handling of news and news commentary by the television networks, and then told his listeners:

"In tomorrow's edition of the Des Moines *Register* you will be able to read a news story detailing what I said tonight; editorial comment will be reserved for the editorial page, where it belongs. Should not the same wall of separation exist between news and comment on the nation's networks?"

Strictly as to newspapers, Mr. Agnew did seem at that time to understand the clear distinction any respectable newspaper makes between news on the one hand and editorial comment on the other.

Yet now, as is detailed in our news columns today, *The Sun* is denied news coverage of the Vice President's coming Asian trip in part because, according to his press secretary, Mr. Agnew dislikes editorial comment he has received on our editorial pages. This is one instance, it seems to us, in which the facts themselves provide sufficient comment.

PEACE IN VIETNAM

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed in the RECORD a very interesting article written by James Reston, entitled "Something Happened on the Way to Peace."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOMETHING HAPPENED ON THE WAY TO PEACE

(By James Reston)

WASHINGTON.—Despite all President Nixon's efforts to clarify his Vietnam policy in the last few weeks, two fundamental questions remain.

First, does he intend to withdraw "all of our forces" from Vietnam, or all United States "combat forces?" He says one thing one time and the other another time, and the difference between the two is estimated in official quarters at between 100,000 and 200,000 men.

Second, does his peace plan depend on his assumption that the South Vietnamese can successfully defend their country either with or without the logistical support of noncombat United States troops, and if they cannot, do we keep our troops there indefinitely?

In his Vietnam speech on November 3, Nixon said: "The American people cannot and should not be asked to support a policy which involves the overriding questions of war and peace unless they know the truth about that policy." He added in this same speech that he not only wanted peace, but had put into effect "a plan which will bring the war to an end regardless of what happens on the negotiating front."

For over a quarter of a century, Hanoi has been fighting and negotiating to get rid of all foreign troops—first against the Japanese, then the French, and now the Americans. No doubt its aim in doing so was to establish its control over all of Vietnam.

During the last few years, the United States has built at Cam Ranh Bay, on the coast of South Vietnam, an air and naval base which is the best in Asia, all the more important with the decline of Singapore and the eventual transfer by treaty of Hong Kong to China.

Accordingly, it has been a fundamental question throughout the Paris negotiations, whether the United States really meant to scale down its war effort or whether it meant to get out, leaving Cam Ranh Bay and many other modern military bases as a potential prize in the future struggles between the Vietnamese themselves.

On May 14 of this year, President Nixon stressed that the United States wanted, "no military bases" in Vietnam, "no military ties" and would accept "any government in South Vietnam that results from the free choice of the South Vietnamese people themselves."

In short, he was willing to risk then the chance that Cam Ranh Bay and all the United States military supplies in the hands of the South Vietnamese would fall to a Communist government, though he has always rejected the enemy claim that there could be "no free choice of the South Vietnamese people themselves" under the present government in Saigon.

In recent weeks, however, the Nixon administration's emphasis has seemed to change. The commitments to withdrawal have become less precise. In his November 3 speech, Nixon talked both about withdrawing "all" American forces and at another place "all combat forces." In his news conference this week, he said merely:

"We have a plan for the reduction of American forces in Vietnam, for removing all combat forces from Vietnam, regardless of what happens in negotiations."

The questions here are fairly obvious. A plan to withdraw "all forces" is one thing, but a plan to withdraw all "combat forces" could leave a couple of hundred thousand Americans in Vietnam to maintain and fly the planes and helicopter gun ships and continue to train and supply and help direct the Vietnamese.

A strong argument is made at the Pentagon for doing just that, but we do not know whether this is "the plan" and obviously it makes a difference in the enemy's calculations about whether to go on fighting or to negotiate.

The President's assumption that the South Vietnamese can successfully take over the fighting as we withdraw our combat units raises an equally interesting question. For if his policy is to stick with the South Vietnamese until they demonstrate that they are secure, all they have to do is prolong their inefficiency in order to guarantee that we will stay in the battle indefinitely.

In recent weeks, the President has run a successful and even brilliant campaign on the politics of Vietnam on the home front, but he is still stuck on the war front and the peace front.

In fact, he has done so well against his critics recently, that he may have seen persuaded the original political and strategic objectives in Vietnam are still within his grasp. If so, he would not be the first to try it. Presidents Johnson and Kennedy passed that way themselves.

PRESIDENT NIXON'S WARNING THAT HE WILL IMPOUND FUNDS ON DOMESTIC PROGRAMS

Mr. FULBRIGHT. Mr. President, I have been intrigued by the threats, or rather the assurances, by the administration that it will not only veto congressional acts which involve spending of which it does not approve, but also according to the article entitled "Nixon May Freeze Funds" written by Dan Thomasson, that it will freeze funds which are duly appropriated for the use of the people of this country.

The reason why this has attracted my attention is that it prompts me to recall how determined the administration was when we had up such items as the ABM earlier in the year, which involved vast expenditures of public funds. In those cases, there was never mention made of the inflationary nature of those expenditures which, in most cases, will be far greater than the sums mentioned in the article. Those sums are, in many cases, quite small.

One of them is $4 billion compared to the ABM which, for example, on its first estimate would cost about $7 billion. Then upon revision, it was $10 billion. I think the latest figure now is about $15 billion. So that, by the time it gets into production no doubt it will be $30 billion to $40 billion.

Thus, it seems to me an odd inconsistency that on the one hand certain programs are inflationary while on the other hand other programs, in the weapons field particularly, are not.

Perhaps, before very long, the administration can explain to the people this inconsistency.

I ask unanimous consent to have printed in the Record the article to which I have referred.

There being no objection, the article was ordered to be printed in the Record, as follows:

Nixon May Freeze Funds

(By Dan Thomasson)

President Nixon has warned he will impound funds in most government domestic programs during the next six months to protect the nation's already inflationary economy from further damage by excessive congressional spending and revenue reductions.

House and Senate Republican leaders said today they had expected Mr. Nixon would follow this course of not spending all Congress appropriates rather than veto congressional spending measures which would exceed his self-imposed spending limitation of $192.9 billion for this fiscal year.

The President made his intentions clear yesterday in a public letter to Congress obviously aimed at influencing conference committee action on the tax-reform bill and on several remaining appropriations measures.

Mr. Nixon said that actions already passed by at least one House of Congress could add about $4 billion to Federal spending this year and added that congressional inaction on several revenue raising requests had cost another $1 billion.

"This combination of action and inaction would load an additional $5 billion onto an already overheated economy," he said.

The President also noted that the Senate version of the tax bill would take away another $1.6 billion in revenues this fiscal year thru an increase in the personal income tax exemption and retention of part of the investment tax credit for business.

In the fact of this, Mr. Nixon said:

"If the Administration is to achieve its goal of slowing down the rise in prices, it will have to reserve funds on many popular spending programs."

"The other course—of appealing to sundry interests—would run directly counter to the public interest," he said.

Mr. Nixon appealed to leaders of both houses of Congress to join him in holding down spending "no matter what the cost of political popularity."

The President's letter came as the Senate was passing a Health, Education and Welfare Department appropriations bill providing $1 billion more than the President had requested—split about 50-50 between health research programs and Federal aid to education.

There had been reports Mr. Nixon, in a gesture to dramatize the seriousness of the fiscal situation, might take the unusual step of vetoing some appropriations bills with budget overruns.

But House GOP Leader Gerald R. Ford, Mich., said today that he believes the President wants to avoid any unnecessary confrontation with the Democratic-controlled Congress at this point and, therefore, will fall back on his authority not to spend some of the funds appropriated.

In his letter to Congress, Mr. Nixon pointed out that with the expiration of the income tax surcharge next July 1, revenues for fiscal 1971 must be figured from a base $8.5 billion lower than formerly expected.

He also said other increases in uncontrollable Federal payments, like the interest on the national debt, will raise next fiscal year's budget expenditures "probably above $200 billion."

RETURN TO THE HOUSE OF H.R. 9634

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, at the request of the House, H.R. 9634, to amend title 38 of the United States Code in order to improve and make more effective the Veterans' Administration program of sharing specialized medical resources, be returned to that body.

The PRESIDING OFFICER. Without objection, it is so ordered.

BUDGETS AND EXPENDITURES

Mr. WILLIAMS of Delaware. Mr. President, earlier today there was discussion about how much Congress had appropriated and how much it had allegedly saved in reducing the budget requests, and so forth.

In order to set the record straight, I thought I had better compile a tabulation. We have not reduced appropriations during this Congress.

Mr. GRIFFIN. Mr. President, the senior Senator from Delaware is making a very important statement. It should be listened to, and I hope that the Chair will call the Senate to order.

The PRESIDING OFFICER. The Senate will please be in order.

Mr. WILLIAMS of Delaware. I am going to have the various tabulations printed in the Record, and they show on the major appropriation bills this year that the bills as reported by the Appropriations Committee to the Senate—this does not include supplemental bills which may have been enacted last year or this year, they are assumed to cancel out—but appropriation bills as they came to the Senate, including Defense, and so forth—have been increased by a total of $6,231,901,000 above last year's appropriations.

Then, offsetting that, on three appropriations, including Defense, we reduced the total by $3,173,712,000. When we subtract that we find that the Senate this year in its appropriations appropriated $3,058,189,000 more than was appropriated for the same agencies last year. This does not include the amount added to the appropriation bills by rollcall votes or voice votes in the Senate.

This year, for example, on the HEW appropriation alone the Senate added $511 million to the committee bill. That is not included.

The breakdown shows, going back to Agriculture first, that this year for fiscal 1970 the bill as it was reported to the Senate would appropriate $7,636,797,650. That compares with $5,536,050,300 in fiscal 1969, or last year, or an increase of $2,100,747,350.

I ask unanimous consent that the committee tabulation for both of these years as appearing in the committee report be printed in the Record.

There being no objection, the tabulation was ordered to be printed in the Record, as follows:

REPORT

[To accompany H.R. 11612]

The Committee on Appropriations, to which was referred the bill (H.R. 11612) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the changes made:

Amount of bill as passed House—Total new (obligational) authority	$6, 806, 655, 000
Amount of increase by Senate committee—New (obligational) authority	830, 142, 650
Amount of bill as reported to Senate—New (obligational) authority	7, 636, 797, 650

REPORT

[To accompany H.R. 16913]

The Committee on Appropriations, to which was referred the bill (H.R. 16913) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1969, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the changes made:

Amount of bill as passed House—Total new (obligational) authority	[1] $5, 523, 635, 500
Amount of increase by Senate committee—New (obligational) authority	12, 414, 800
Amount of bill as reported to Senate—New (obligational) authority[2]	[1] 5, 536, 050, 300

[1] Includes contract authorization of $220,000,000 and authorization to spend from debt receipts totaling $424,000,000, but excludes sums to liquidate contract authority; amended by Senate to include $195,5000,000 for con-

tract authorization, and $449,000,000 authorization to spend from debt receipts.

[2] Does not reflect reductions made pursuant to Public Law 90–218 and excludes proposed supplementals for 1968.

Mr. WILLIAMS of Delaware. The second is the Interior Department. This year, fiscal 1970, on the Interior Department the bill, as reported by the Senate, called for $1,544,819,900. This compared to last year's appropriation for this agency of $1,402,915,000, an increase of $141,844,100.

I ask unanimous consent that excerpts from reports Nos. 416 and 1255 on these two bills of this year and last year be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

REPORT

[To accompany H.R. 12781]

The Committee on Appropriations, to which was referred the bill (H.R. 12781) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1970, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the changes recommended:

Amount of budget estimates, 1970	$1, 569, 454, 500
Bill as passed by the House	1, 540, 184, 700
Increases over House bill recommended by committee	4, 635, 200
Total of bill as reported	1, 544, 819, 900

REPORT

[To accompany H.R. 17354]

The Committee on Appropriations, to which was referred the bill (H.R. 17354) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1969, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the changes recommended:

Amount of budget estimates, 1969 [1]	$1, 577, 112, 300
Bill as passed by the House	1, 411, 680, 300
Decreases under House bill recommended by committee	−8, 704, 500
Total of bills as reported	1, 402, 975, 800

[1] Includes $22,000,000 for National Foundation on the Arts and the Humanities not considered by the House of Representatives.

Mr. WILLIAMS of Delaware. Mr. President, next let us consider the legislative branch. This year's appropriation bill, as reported by the Senate, authorized $344,060,817 as compared with $298,151,396 last year. This was an increase of $45,909,000 to run the legislative branch this year.

I ask unanimous consent that excerpts from the committee reports for both of these years be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

REPORT

[To accompany H.R. 13763]

The Committee on Appropriations, to which was referred the bill (H.R. 13763) making appropriations for the legislative branch for the fiscal year ending June 30, 1970, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the changes made:

Amount of bill as passed House	$284, 524, 057
Amount of increase by Senate committee	59, 536, 760
Amount of bill as reported to Senate	[1] 344, 060, 817

[1] Includes $59,631,260 in Senate items not considered by House.

REPORT

[To accompany H.R. 18038]

The Committee on Appropriations, to which was referred the bill (H.R. 18038) making appropriations for the legislative branch for the fiscal year ending June 30, 1969, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the changes made:

Amount of bill as passed House	$247, 497, 349
Amount of increase by Senate committee	[1] 50, 654, 047
Amount of bill as reported to Senate	298, 151, 396

[1] Includes $50,423,447 not considered by House.

Mr. WILLIAMS of Delaware. Mr. President, the next appropriation I mention is for State, Justice, and Commerce. This year's appropriation bill for these agencies was $2,369,949,700 as reported to the Senate. Last year it was $1,874,444,000 for these same agencies, or an increase this year of $495,505,700 on the appropriation for these agencies.

I ask unanimous consent that the committee tabulations for these 2 years be printed in the RECORD.

There being no objection, the tabulations were ordered to be printed in the RECORD, as follows:

REPORT

[To accompany H.R. 12964]

The Committee on Appropriations, to which was referred the bill (H.R. 12964) making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1970, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the changes made:

Amounts in new budget (obligational) authority

Amount of bill as passed House	$2, 335, 634, 200
Amount of increase by the Senate	34, 315, 500
Amount of bill as reported to Senate	2, 369, 949, 700

REPORT

[To accompany H.R. 17522]

The Committee on Appropriations, to which was referred the bill (H.R. 17522) making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1969, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the changes made:

Amounts in new budget (obligational) authority

Amount of bill as passed House	[1] $1, 794, 981, 500
Amount of increase by the Senate	79, 462, 500
Amount of bill as reported to Senate	[1] 1, 874, 444, 000

[1] Excludes $207,275,000 appropriations to liquidate contract authority ($206,000,000 for operating differential subsidies: $1,275,000 for State marine schools.)

Mr. WILLIAMS of Delaware. The next appropriation, Mr. President, is for the independent offices. There is a reduction in the appropriation for this department this year. Appropriations as reported to the Senate were $14,981,949,000. Last year these same agencies received $15,546,552,000, which shows a reduction for those agencies of $564.603 million. However, the record should show that while this indicates a reduction it was more than offset by supplemental appropriations later.

I ask unanimous consent that excerpts from both of those reports be printed in the RECORD at this point.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

REPORT

[To accompany H.R. 12307]

The Committee on Appropriations, to which was referred the bill (H.R. 12307) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, offices, and the Department of Housing and Urban Development, for the fiscal year ending June 30, 1970, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the changes made.

The report reflects the new budget concept and presents the effects of the committee's recommendations in terms of new budget (obligational) authority, which includes appropriations, authorizations to spend public debt receipts, and contract authorizations, less appropriations to liquidate contract authorizations.

Amounts in new budget (obligational) authority

Amount of bill as passed House	$14, 909, 089, 000
Amount of increase by Senate	72, 860, 000
Amount of bill as reported to Senate	14, 981, 949, 000

REPORT

[To accompany H.R. 17023]

The Committee on Appropriations, to which was referred the bill (H.R. 17023) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, offices, and the Department of Housing and Urban Development, for the fiscal year ending June 30, 1969, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the changes made.

The report reflects the new budget concept and presents the effects of the committee's recommendations in terms of new budget (obligational) authority, which includes appropriations, authorizations to spend public debt receipts, and contract authorizations, less appropriations to liquidate contract authorizations.

Amounts in new budget (obligational) authority

Amount of bill as passed House	[1] $13, 670, 636, 000
Amount of increase by Senate	1, 875, 916, 000
Amount of bill as reported to Senate	[1] 15, 546, 552, 000

[1] Exclude sums to liquidate contract authority ($122,000,000). Includes advance funding for urban renewal programs ($1,250,000,000).

Mr. **WILLIAMS** of Delaware. Next, I refer to the Public Works and pollution control appropriation. The bill as reported by the Senate this year provided for $4,993,428,500, as compared with $4,727,462,500 last year. That is an increase of $265,966,000. That was a substantial increase this year for those agencies.

I ask unanimous consent that excerpts from the committee reports on both of those bills, this year's and last year's, be printed in the RECORD at this point.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

REPORT

[To accompany H.R. 14159]

The Committee on Appropriations, to which was referred the bill (H.R. 14159) making appropriations for public works for water, pollution control, and power development, including the Corps of Engineers—Civil, the Panama Canal, the Federal Water Pollution Control Administration, the Bureau of Reclamation, power agencies of the Department of the Interior, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1970, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the changes made:

Amount of bill as passed by House	$4,505,446,500
Amount of increase by Senate (net)	487,982,000
Amount of bill as reported to Senate	4,993,428,500

REPORT

[To accompany H.R. 17903]

The Committee on Appropriations, to which was referred the bill (H.R. 17903) making appropriations for water and power resources development, including the Corps of Engineers, the Panama Canal, the Bureau of Reclamation, the Federal Water Pollution Control Administration, and power agencies of the Department of the Interior, the Atlantic-Pacific Interoceanic Canal Study Commission, the Delaware River Basin Commission, the Interstate Commission on the Potomac River Basin, the Tennessee Valley Authority, the Water Resources Council, and the Atomic Energy Commission, for the fiscal year ending June 30, 1969, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the changes made:

Amount of bill as passed House	$4,499,223,000
Amount of increase by Senate (net)	228,239,500
Amount of bill as reported to Senate	4,727,462,500

Mr. **WILLIAMS** of Delaware. Next, I refer to the appropriation for the Departments of Labor and HEW. This year the bill as reported by the Senate called for expenditures of $20,819,691,700. Last year these agencies received $18,488,800,000. This was an increase of $2,330,891,700. That was the big increase for those agencies. As I said before, even this increase does not include the $511 million extra which was added to this bill by amendments in the Senate this year.

I ask unanimous consent that excerpts from both of those reports be printed at this point in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

REPORT

[To accompany H.R. 13111]

The Committee on Appropriations, to which was referred the bill (H.R. 13111) making appropriations for the Departments of Labor and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1970, and for other purposes report the same to the Senate with various amendments and present herewith information relative to the changes made:

Amount of bill passed by House	$17,573,602,700
Amount added by Senate (net)	3,246,089,000
Total of bill as reported to Senate	20,819,691,700

REPORT

[To accompany H.R. 18037]

The Committee on Appropriations, to which was referred the bill (H.R. 18037) making appropriations for the Departments of Labor and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1969, and for other purposes report the same to the Senate with various amendments and present herewith information relative to the changes made:

Amount of bill passed by House	$17,232,871,000
Amount added by Senate (net)	1,255,929,000
Total of bill as reported to Senate	18,488,800,000

Mr. **WILLIAMS** of Delaware. Next, I refer to the Department of Transportation appropriation. For fiscal 1970 the bill as reported to the Senate called for $2,140,052,630. Last year this agency operated on $1,788,341,000. This was an increase of $351,711,630.

I ask unanimous consent that excerpts from both of these reports be printed at this point in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

REPORT

[To accompany H.R. 14794]

The Committee on Appropriations, to which was referred the bill (H.R. 14794), making appropriations for the Department of Transportation for the fiscal year ending June 30, 1970, and for other purposes, report the same to the Senate with various amendments and present herewith information relative to the changes made:

Amount of bill as passed House	[1] $2,095,019,630
Amount of increase by Senate (net)	45,033,000
Amount of bill as reported to Senate	[2] 2,140,052,630

[1] Includes $220,000,000 for 1971.

[2] Includes $200,000,000 for 1971.

REPORT

[To accompany H.R. 18188]

The Committee on Appropriations, to which was referred the bill (H.R. 18188), making appropriations for the Department of Transportation for the fiscal year ending June 30, 1969, and for other purposes, report the same to the Senate with various amendments and present herewith information relative to the changes made:

Amount of bill as passed House	$1,353,391,000
Amount of increase by Senate	434,950,000
Amount of bill as reported to Senate	1,788,341,000

Mr. **WILLIAMS** of Delaware. The military construction appropriation bill as reported to the Senate this year called for an appropriation of $1,690,064,000, which is a reduction from last year's appropriation. Last year it was $1,744,936,000, which shows a reduction of $54,872,000.

I ask unanimous consent that excerpts from both of those reports be printed at this point in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

REPORT

[To accompany H.R. 14751]

The Committee on Appropriations to which was referred the bill (H.R. 14751) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1970, and for other purposes, reports the same to the Senate with various amendments, and presents herewith information relative to the changes made:

Amount of bill passed by House	$1,537,177,000
Amount of increase by Senate from the House	152,887,000
Total of bill as reported to Senate	1,690,064,000

REPORT

[To accompany H.R. 18785]

The Committee on Appropriations, to which was referred the bill (H.R. 18785) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1969, and for other purposes, reports the same to the Senate with various amendments, and presents herewith information relative to the changes made:

Amount of bill passed by House	$1,765,019,000
Amount of decrease by Senate from the House	20,083,000
Total of bill as reported to Senate	1,744,936,000

Mr. **WILLIAMS** of Delaware. Mr. President, last year the Department of Defense appropriation bill, as reported to the Senate, called for new expenditures in the amount of $71,886,893,000. This year the Defense Department was given $69,332,656,000, or a reduction in the Department of Defense appropriations this year of $2,554,237,000.

I ask unanimous consent that excerpts from the committee reports on both those bills be printed at this point in the RECORD.

There being no objection, the excerpts are ordered to be printed in the RECORD, as follows:

REPORT

[To accompany H.R. 15090]

The Committee on Appropriations, to which was referred the bill H.R. 15090 making appropriations for the Department of Defense for the fiscal year ending June 30, 1970, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the changes made:

Amount of bill as passed House (new obligational authority)	$69,960,048,000
Amount of decrease by Senate committee	−627,392,000
Total of bill as reported to Senate	69,332,656,000

REPORT

[To accompany H.R. 18707]

The Committee on Appropriations, to which was referred the bill H R. 18707 making appropriations for the Department of Defense for the fiscal year ending June 30, 1969, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the changes made:

Amount of bill as passed House (new obligational authority)	$72, 239, 700, 000
Amount of decrease by Senate committee	−352, 807, 000
Total of bill as reported to Senate	71, 886, 893, 000

Mr. WILLIAMS of Delaware. The Treasury and Post Office Departments appropriations last year called for total expenditures of $8,158,877,000. This year the appropriation was $8,787,208,000, or an increase of $628,331,000 for that agency.

I ask unanimous consent that excerpts from those reports be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

REPORT

[To accompany H.R. 11582]

The Committee on Appropriations, to which was referred the bill (H.R. 11582) making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies for the fiscal year ending June 30, 1970, and for other purposes, report the same to the Senate with various amendments and present herewith information relative to the changes made:

Amount of bill as passed House	$8, 779, 345, 000
Amount of increase by Senate	+7, 863, 000
Amount of bill as reported to Senate	8, 787, 208, 000
Less net postal revenues (as estimated in 1970 budget)	−6, 507, 013, 000
Amount of new budget (obligational) authority as reported to Senate	2, 280, 195, 000

REPORT

[To accompany H.R. 16489]

The Committee on Appropriations, to which was referred the bill (H.R. 16489) making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies for the fiscal year ending June 30, 1969, and for other purposes, report the same to the Senate with various amendments and present herewith information relative to the changes made:

Amount of bill as passed House	$8, 155, 624, 000
Amount of increase by Senate	+3, 253, 000
Amount of bill as reported to Senate	8, 158, 877, 000
Less net postal revenues (as estimated in 1969 budget)	−6, 377, 824, 000
Amount of new budget (obligational) authority as reported to Senate	1, 781, 053, 000

Mr. WILLIAMS of Delaware. Mr. President, with respect to all these agencies—and I am talking about the bills as they were reported to the Senate—the Senate this year has been far more liberal than last year in increasing appropriations, and this does not include the supplemental appropriation of this year, which of course, will add to the total.

This report shows that there has been a total increase of $6,231,904,000 offset by a reduction of $3,173,712,000, which, as I stated earlier, represents an increase of over $3 billion in appropriations this year over last year for the same agencies. This does not include the increases for HEW and other agencies.

In addition, there are not included in this total the several other expenditure items which were approved by the Senate within the past 2 weeks on at least a 2-to-1 rollcall vote, which would require expenditures over and beyond those reported in the appropriation bills of an additional $10 billion if they become law. They are in conference committees at this time. I cite a few of them.

I am not referring to the increases in social security payments of 15 percent or 10 percent, whether they are to be effective January 1 or April 1, as is proposed by the administration. I am not including that in this calculation.

Let us consider a few of the amendments adopted on the floor during the debate on the tax bill. One amendment proposed an increase in social security benefits to a minimum of $100 a month. This would have cost $2 billion per year. Reducing the age of retirement to 60 would cost $600 million. The Ribicoff amendment providing tax credits for college tuition would cost $1.7 billion, and the Hartke amendment will cost $720 million, that is if they are accepted by the conference committee and become law. I assume Senators who voted for them did so in good faith. That would call for extra expenditures of $5 billion. Those expenditures were not included in the other totals, and those amounts would be expended immediately.

This has been an extravagant Congress—let that point be understood. That should be made clear for the RECORD. I do not want the impression to go out in the country that this Senate has done a tremendous job of cutting expenditures, because if we continue to cut expenditures as we have been doing we are going to put this country into bankruptcy. At the rate that this Congress proposes to spend money it will bankrupt the Federal Treasury.

When we discuss appropriations we should keep in mind those which call for prompt spending and those that call for projected spending. It is true that the so-called $5 billion in these reductions in appropriations are, to a large extent reductions from requests, as pointed out in the colloquy with the Senator from Wisconsin, and are not reductions in expenditures as compared with last year. In fact, we find these agencies always ask for more than they expect to get. They are always reduced, but even after their requests are reduced the final answer has been an increase of billions. It is like the wife who goes to look at a hat and finds a $75 hat marked down to $40. She buys it and goes home and tells her husband that she has saved $35, when she has actually paid $20 more than she ordinarily would have paid.

Congress has appropriated this year $3 billion to $4 billion more than it appropriated last year for comparable agencies, and that cannot be described as a reduction in any language. The Senate has authorized increases in expenditures which if they become law will amount to extra expenditures of over $7 billion. Sure we reduced Defense appropriations by a couple of billion dollars below last year's level, but we also cut it last year by $2.5 billion. In both instances, however, we are cutting back expenditures projected for the future. I support that. The only way we are going to cut expenditures this year and next year is by cutting appropriations today and stopping the authorization of these expenditures, but let us not kid the taxpayers that this means an immediate reduction.

Many of these programs trigger mandatory expenditures, and to that extent they are fanning the fires of inflation. That is what the President was speaking about last night when he referred to the HEW expenditures. Many of these programs are triggered into action immediately upon becoming law. They are programs, in which the Government would have no choice but to spend the money. The President does not have the authority to impound the funds of some of these programs comparable to what he can do with respect to many other agencies. For example, suppose Congress decides it wants to approve *x* million dollars for a nuclear carrier. That may represent an appropriation of hundreds of millions of dollars, but it is not going to be spent for many years to come. They are projected expenditures, and theoretically the President can impound those funds and not spend them at all. He does have discretionary authority to impound at least some of these funds, and to that extent it is his responsibility as well as our responsibility.

But the President has promised to hold the total expenditures for this fiscal year down to $192.9 billion. This Congress, by an overwhelming vote, instructed him to hold it to $191.9 billion, but it cannot be held to that figure unless we in Congress cooperate. If Congress insists, for example, on overriding his veto and approves these larger programs that require expenditures above what is in the budget he must either make an offsetting reduction in some other department, which may hurt more, or exceed the ceiling.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield to the Senator from Wisconsin.

Mr. PROXMIRE. First, Mr. President, the Senator from Delaware has devoted most of this discussion to a contrast between this year's appropriations and last year's appropriations.

Mr. WILLIAMS of Delaware. That is correct.

Mr. PROXMIRE. He does not dispute what he said this morning, which is that Congress has reduced appropriations below the President's budget requests by about $5 billion.

Mr. WILLIAMS of Delaware. That is right, but that is not at all unusual. Last year we reduced President Johnson's budget by $7 billion. We always reduce it below the budget request, but that does not alter the fact that in the end the appropriations were still increased above the expenditures of last year.

Mr. PROXMIRE. But, Mr. President, there have been very few Congresses that have reduced it this far below the request. This Congress has done a better job than Congresses have usually done in reducing the expenditures recommended by the President.

In the second place, the statistics given by the Senator from Delaware show that there was a net increase in appropriations over last year of less than $3 billion. This is true. The appropriations that he considered amount to approximately $1 billion. This means an increase of only about 2 percent, while we have had inflation, since last year, of 5 percent. That means that in terms of resources actually at work appropriated by Congress, we are actually reducing the resources, not increasing them.

I agree with the Senator from Delaware that we ought to do all we possibly can to hold down expenditures. When you consider that there are wage increases involved here, and very serious price increases involved, the fact is that this Congress has done a job of holding down expenditures that I think should not be distorted because of the fact that there have been some increases involved also.

Mr. WILLIAMS of Delaware. I am not trying to distort the picture.

Mr. PROXMIRE. I know the Senator is not. He is very fair and responsible.

Mr. WILLIAMS of Delaware. As I say, we have reduced the President's budget requests this year, but last year Congress reduced the President's figures by about $7 or $8 billion. The agencies always ask for more than they expect to be appropriated.

The Senator points out that there have been salary increases. That is true, and those are not figured into this calculation. They will have to be offset with supplemental appropriations, which will increase the expenditures over and beyond this figure I am using here today.

Those are the items over which we have no control. And I remind the Senator that I have just pointed out that the $3 billion in extra appropriations which were in the first tabulation do not include the more than $10-billion in additional expenditures voted here on the floor of the Senate during the past 2 weeks when we had the tax reform bill before us. Many of these multibillion-dollar expenditures were passed with but two dissenting votes on the other side of the aisle, so I assume they were all for it. There were only two dissenting votes recorded against the $10 billion in added expenditures attached to the so-called tax reform bill.

Mr. PROXMIRE. As to the salary increase, in the one appropriation bill that I handled and worked on, the District of Columbia appropriation bill, one of the big reasons why we had to appropriate the amount we did—and, incidentally, we were about 25 percent below the President's budget request—was that there was a salary increase for 1970 over 1969. There will be another increase coming on, but there already is an increase written into that appropriation bill, and I am sure that is probably true as to each and every appropriation bill we have passed.

Mr. WILLIAMS of Delaware. No. The increases are not all provided for in the appropriation bills. Many of them developed later and will need extra appropriations.

Mr. PROXMIRE. Not all of them, that is true.

Mr. WILLIAMS of Delaware. In addition, this does not include the additional $5 billion in expenditures that will be triggered as a result of the votes in Congress during the last 2 weeks on four items alone. If those who voted for them meant what they said, if they honestly voted for those measures, such as the $2 billion for the $100 minimum for social security, or the $1.7 billion for a tax credit for college tuition, or the $600 million to reduce the retirement age to 60, or the $700 million cost of the Hartke amendment which provided for a $20,000 exemption, across the board, on the investment tax credit, then the increased expenditures are over $5 billion.

Now, if those measures were only approved by Senators with tongue in cheek, Senators who had no thought that the conferees would agree to them, and there are to be no appropriations made one could subtract that $5 billion and just call it all political poppycock.

Mr. PROXMIRE. Of course, we cannot separate the one from the other. They have the same effect on the budget.

Mr. WILLIAMS of Delaware. I am putting them on the basis of how they are going to affect the total expenditures. When we are talking about combating inflation we have to talk about the total expenditures being approved. Surely we can assume these additional $5 billion in expenditures were voted for in good faith—and I do not question the good faith of those who voted for them—then there is an additional $5 billion going into the spending stream, and that must be included in the Senator's report.

If Senators are perfectly satisfied just to show their constituents back home that they voted for the benefits but they have no intention of those provisions becoming law. I agree it will have no effect on inflation, but we will know when we get the conference report whether this was but merely a political maneuver.

I do not want the statement to go unchallenged that this Congress, particularly the Senate, has such an excellent record for economy, because I must say we are going to end up in the poorhouse at the rate we are saving money. This has been one of the most extravagant Congresses on record.

We had a deficit 2 years ago of $25 billion. We had a deficit last year, and we will have a deficit again this year. We are running behind right now at a rate of over $700 million a month. We are borrowing that much to finance this Government. I do not think we can finance the expanding requirements of this Government unless we continue to borrow, which will further fan the fires of inflation.

Everyone professes to be concerned about the high interest rates, but the reason that there are high interest rates is that there is a shortage of money to borrow. If you do not believe it ask the young couple who are trying to finance a mortgage for their home. They cannot find the money at reasonable rates. They have to pay an exorbitant rate, and that is because the Government is continuously going to the money market and siphoning off all the available investment capital. Savings that would normally be available for investment are used to finance the cost of expanding Government.

To finance the deficit just a couple of years ago we took $25 billion out of the economy in 1 year. We are operating now at a deficit rate of $700 million a month.

Our national debt today is around $372 billion. It was $350 billion just 17 months ago. We simply cannot continue to go down the road of borrowing money to finance all of the many programs that are now in effect.

The same is true of tax reduction. We talk about reducing taxes. Certainly we would all like to reduce taxes, but if we expect to reduce taxes merely by borrowing money, paying 8 percent for the money in order to finance the tax reduction, we will only be kidding ourselves. We will not be getting anywhere. The only real way to reduce taxes is to cut back first on the cost of operating the Government.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. FULBRIGHT. The Senator said a moment ago, in his discussion with the Senator from Wisconsin (Mr. PROXMIRE), that there was a reduction last year, fiscal year 1969, of $7 billion below the budget estimate, and this year, $5 billion. To which budget is this reduction related?

Mr. WILLIAMS of Delaware. Both the Nixon budget and the Johnson budget.

Mr. FULBRIGHT. The Johnson budget for fiscal 1969 provided a reduction of $7 billion?

Mr. WILLIAMS of Delaware. No, but the Congress reduced the Johnson budget.

Mr. FULBRIGHT. How much has the Johnson budget for 1970 been reduced from the Nixon budget for 1970?

Mr. WILLIAMS of Delaware. I think the Johnson proposed budget for 1970 was about $3 billion or $4 billion higher than the Nixon budget. I do not have the exact figures before me. Perhaps the Senator from Wisconsin could tell us.

Mr. PROXMIRE. It was $3 billion or $4 billion higher in this case alone.

Mr. FULBRIGHT. Let us take the Johnson budget in both instances, the one for 1969, the other for 1970. There has been a larger decrease this year from last year in relation to the Johnson budget, has there not?

Mr. WILLIAMS of Delaware. If we compare what was appropriated with what President Johnson asked we can say that we have saved a lot of money. The mere fact that Johnson or Nixon or any other President asked for a specific amount does not mean that they need the full amount.

Mr. FULBRIGHT. The Senator from Delaware is the one who made the comparison. I was only taking the Johnson budget to begin with. I confess that it is like a sleight-of-hand trick. It is not unusual for Presidents to request large amounts and then show how economical they have been at the end of the year, after their requests have been reduced.

Mr. WILLIAMS of Delaware. They might need but $80 million; yet they ask for $100 million, get $90 million, and then say that they saved $10 million. The country will go broke on that kind of savings.

Mr. FULBRIGHT. I asked how the Senator from Delaware compared the Johnson budget with the Nixon budget, after the Nixon budget came with a reduced request.

Mr. WILLIAMS of Delaware. I wish the Senator from Arkansas had paid attention, I was comparing appropriations this year with appropriations last year, and the Senator from Wisconsin referred to appropriations requested in the Johnson budget.

Mr. FULBRIGHT. I was making the same point the Senator was making with regard to the reduction below the budget estimate. It seems to me that the big difference is the difference between the present administration's requests and what Congress has provided with respect to priorities for which to spend the money. Earlier this year Congress made a determined effort to cut both immediate and future expenditures on a gadget called the ABM. The Senator will recall that we spent some time on that item. The administration went all-out to prevent this body from reducing expenditures in this field, did it not?

Mr WILLIAMS of Delaware. That is correct. I think about $300 million was involved at the time.

Mr. FULBRIGHT. It was estimated to be anywhere from $10 billion to $20 billion over a period of years, but $300 million immediately. Actually, in this year's budget, $300 million-plus is provided, not all to be expended immediately, but a substantial amount.

Then we come to the SST. That is another matter in which the Senator from Wisconsin has been interested. There was a debate about the matter and we fought this.

The administration used all of its power to pass this kind of an appropriation. Congress comes along now in some instances and wishes to change the priority. And the administration is deeply opposed to it.

I think this is much more significant than the overall amount. There is a difference of opinion as tc what is important in our expenditures.

Mr. WILLIAMS of Delaware. There is no question about it.

Mr. FULBRIGHT. None of us want to spend money for the sake of spending. I do not want to leave the impression that Congress is profligate in spending money.

On the one hand, the administration gets its way in the field of weapons and in the field of war. I would have assumed that the war would have been wound down by now. But it has not. On the other hand, Congress is getting impatient to respond to the demands of the people in this country.

That leads to a divergence which is very serious.

I agree with the Senator that if we continue to do this, we will go bankrupt. This is a very sad commentary to make, but basically there is a difference in views on what is important to the country.

Neither side wants us to go broke. However, each side believes that the particular expenditures in which they are interested are much more important to the country than those of the other.

Mr. WILLIAMS of Delaware. I appreciate that. I am not debating the merits or the demerits of individual programs at the moment.

I would expect that if each Senator issued a list of priorities we would get 100 variations on priorities. However, the Senate does finally let the majority opinion establish priorities.

I am not debating the merits or demerits or the priorities. I am taking the view that at this point we are spending far beyond our income, and we certainly have to take that into consideration.

I agreed with the Senator from Wisconsin earlier today that the fact that Congress did cut the budget request and made reductions in Defense and other items is good, and as the long-range effect there will be substantial reductions in expenditures.

The Senator is correct. We cannot always evaluate the long-range cost of today's appropriations.

In the Public Works program one item involved between $60 million and $70 million. The money was for the initial costs on a series of new public works projects. The Senator from Wisconsin and I joined in an effort to delete that section. If we had been successful we would have stopped projects that when completed would have cost over $1.5 billion.

We cannot always relate today's cost to the long-range cost.

As an example, I have here the most recent daily Treasury reports. The date is December 11. It shows that in the first 5 months of this fiscal year our expenditures, or withdrawals, totaled $104,244,000,000 as compared to $94,493,000,000 in a comparable 5½ months in the last fiscal year. That is an increase of around $10 billion in spending.

To offset that, our income or deposits from all categories of the Government were $84.8 billion this year as compared with $78.8 billion last year. Our income from all departments—excise taxes, employment taxes, income taxes, and other income—has increased in this 5½ month period by around $6 billion, but our spending has increased by around $9.5 billion to $10 billion.

That means that we are about $3.5 billion further behind this fiscal year than we were last fiscal year.

I am speaking on a cash basis. That is what we are dealing with when we speak of inflation.

It is true that to the extent we hold down future appropriations the ultimate effect will be expenditure reductions in years to come. However, we need some immediate reductions, right now.

I call attention to the fact that it is costing us now over $1 billion a month just to pay the interest on the national debt. At some point, somewhere, we have to stop adding to these appropriations and adding to the necessity for the Government to borrow money in order to finance their costs.

I think another problem has been—and I made this statement many times when President Johnson was in office—the practice of what I called a phony bookkeeping system under which we include, as if it were normal income, the assets accruing in the various trust funds and use that increase in order to report to the American taxpayers a balanced budget or a surplus. It is misleading to the American taxpayer, and I criticized it on many occasions as a deceitful practice.

I regret to say that the present administration has adopted the same accounting system. I think it is just as wrong and misleading today to include trust funds as though they were normal revenue as it was when it was done under the preceding administration.

By no stretch of the imagination can the Government spend one dime of this trust fund money to defray the cost of building a battleship or paying the salaries of the Government employees or to defray the cost of any single Government program. It cannot do it under the law.

These are trust funds, and the Government is the trustee. I think it is misleading to the American people to include those accumulated accounts as though they were normal revenue for the purpose of presenting a good financial report to the American taxpayers as to what it costs to operate the Government.

I criticized this phony practice very strongly under the preceding administration, and I do not think any more of it today.

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. HANSEN. Mr. President, I understood the Senator to say that the initial appropriations made by this Congress exceeded those of the previous Congress. I am not speaking about the supplemental appropriations, but am comparing the appropriations of this year with a year earlier.

Mr. WILLIAMS of Delaware. The Senator is correct. They exceed last year's by about $3 billion. After we make the allowance for the reduction in defense and the other reductions the net total is an increase of around $3 billion. It is more than $3 billion when we consider what was added on the floor of the Senate, and that does not include the $10 billion revenue loss that would arise from the series of Senate amendments attached to the so-called tax reform bill.

Mr. HANSEN. Mr. President, does the Senator agree that President Nixon in the presentation of the budget to Congress planned sufficient revenue so as not to add to the imbalance in our budget?

Mr. WILLIAMS of Delaware. Yes, but

we cannot answer that until we find out exactly what happens to the so-called tax reform bill which is now pending in the conference. I can only say that the bill as it was passed by the Senate would have played havoc with expenditures in the next calendar or fiscal year. The total cost of the Senate amendments was approximately $10.5 billion more than was in the budget. When fully effective they would increase the expenditures on an annual basis of about $10.5 billion. In approving those large tax reductions and increased expenditures the Senate was acting most irresponsibly.

Mr. HANSEN. If we are talking about inflation and about the success or the lack of success that probably characterizes our present position, is it not fair to look at not only those expenditures which have been authorized by Congress but to examine as well the sources of revenue upon which the Federal Government must depend in order to meet those expenses?

Mr. WILLIAMS of Delaware. That is correct.

I think that two of the mistakes this Congress has made in connection with combating inflation was the delayed action in either extending or not extending the surcharge, delay in answering the question of whether we would or would not repeal the investment tax credit and, if so, the effective date and what the exemptions would be, so that business would know what we were doing. There is no excuse for this delayed action.

I think this uncertainty creates further disturbances and problems in American business, and it is most unfortunate.

By the same token, I think that the delay by Congress last year in acting on President Johnson's request for the surcharge—I think his request was in January—interfered with his efforts to combat inflation at that time. I think it took us until July to get it passed. If we had done it promptly I believe it would have been much better, even though we made it retroactive and the final answer came out the same mathematically. An equally contributing factor to the present inflation was President Johnson's refusal to cooperate in reducing government expenditures.

Another mistake that was made with respect to inflation was that after we did finally pass the surcharge last year the Federal Reserve Board loosened credit and pumped a considerable amount of money into the economy in the last 6 months of last year, over and beyond that which was normal. I think the Federal Reserve Board agree they made a mistake.

Mr. HANSEN. I agree with the Senator that, certainly, we have to examine closely, as he has done—and I compliment him for it—the expenditures that have been made.

I criticize, with him, the unified budget that has been embraced by this administration. I criticized President Johnson a year ago when he proposed to present a budget to Congress which I thought was deceptive and misleading because it did not tell the public what the facts were, and I think the same charges are equally applicable today. The trouble with the unified budget is that it introduces elements into the total Federal fiscal picture which are misleading.

I invite the Senator's response to this question: While we do not yet know what the conference committee report will show on the tax bill, insofar as the actions of Congress go, what is the opinion of the senior Senator from Delaware as to the recommendations coming from the Senate with respect to reductions in income?

In order that I might be better understood, let me try to illustrate what I am asking the Senator.

When we increase the personal exemption from $600 to $800, will this have an impact upon the income from the income tax that would ordinarily come to the Federal Government?

Mr. WILLIAMS of Delaware. As it was passed by the Senate, the impact in the next 2 years would have been approximately $6.1 billion reduction in revenue. There was some offsetting tax reform in that bill, but we should set the record straight on that. While they figured that there was a net $6.4 billion increase in revenue under the tax reform bill, so to speak, as it left the Senate this amount was arrived at in this manner: The extension of the excise taxes on automobiles and telephones for the next 12 months, which everybody concedes is going to be done, was $4.2 billion of that. The repeal of the investment tax credit last April would be $2.5 billion of additional revenue in this fiscal year, and it would ultimately go to $3.3 billion. That is not exactly tax reform. The additional revenue from the tax reform bill as it was reported by the committee would be $1.4 billion. To offset that, the committee bill would reduce taxes next year for the low-income taxpayers by $1.7 billion, thus leaving a gain of about $6.4 billion.

That tax reform revenue includes the change in depletion allowance, the change in the recapture clause of the depreciation, and so forth. But the Senate whittled that $1.4 billion tax reform revenue away by $500 million, and as the bill was passed by the Senate it only provided $900 million additional revenue from tax reform.

I do not think you can take that figure and then say that you are going to use that revenue to finance a $4-billion to $5-billion tax reduction.

I do not question the arguments that can be made for tax reduction—if only you did not have to finance it with borrowed money. For example, if you finance the $6-billion tax reduction with borrowed money it will cost the Government $480 million a year for the interest to provide that tax reduction. I do not think that makes sense, and I do not think the American people think so. Such irresponsible action only further fans the fires of inflation.

Every time the cost of living is increased 1 percent in this country it costs the consumers of America $5 billion in increased cost of living. We are pricing many a young man out of the market when he wants to buy a home and start his family. He cannot get a mortgage, and he cannot afford to pay the interest.

We have to give some consideration to the impact that inflation is having on these people, as well as the fact that this inflation has pauperized many of the retired people in this country.

Mr. HANSEN. Is it not a fact that since the last social security increase was authorized—which, as I recall, was less than 2 years ago—the cost of living has risen 9¼ percent?

Mr. WILLIAMS of Delaware. That is correct, and if we do not check inflation, regardless of what increase is made in social security, it will be taken away from them in a few months. In order to help these people we in Congress, as well as the administration, must take the steps to reduce the cost of government. I am not placing all the blame in Congress, but we have to check this inflationary spiral. Many a man in this country retired 10 years ago on what the Senator and I would have advised him was adequate to take care of him and his wife the rest of their lives, the income from a pension or from his life insurance or savings, but as a result of the increased cost of living, or the reduced purchasing power of the dollar, which is the definition of inflation, that man today is having a job to meet the living costs of his family. Many of them have to resort to public welfare in order to survive. I think it is a crime that as a result of inflation our Government has destroyed the security of many a hard-working American who retired on what he thought was an adequate amount. We in Congress and the administration—this administration or the preceding administrations, whichever it may be—are responsible for this inflationary spiral. I think we have the responsibility to bring it under control, and it cannot be brought under control by a continuation of the spendthrift tactics of this present Congress.

This Congress, especially the Senate did not act fiscally responsible when it turned what started out as a tax reform measure into a politically motivated Santa Claus package, promising benefits to a lot of people that they never intended to become law. In order to bring inflation under control it is going to mean all of us are going to have to say no to a lot of programs that have a lot of merit—programs that we would like to support in normal times but which we recognize we cannot afford today.

I hope that in this Congress, working together on both sides of the aisle, we can bring these expenditures under control. What I am stating here is not in contradiction of the remarks of the Senator from Wisconsin (Mr. PROXMIRE) earlier today. He was speaking about reductions in projected expenditures. I support him, and I have supported him on many proposals. What I have outlined today is how we have increased the cost of government far above what it cost only a year ago. This has been the most expensive Congress in American history.

I yield the floor.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I am about to call up the conference report on military construction. I wish to inform the Senate that following this it is my intention to call up the conference report on OEO.

MILITARY CONSTRUCTION APPROPRIATION BILL, 1970—CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14751) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1970, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The assistant legislative clerk read the report. (For conference report, see House proceedings of December 18, 1969, p. 39886, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. MANSFIELD. Mr. President, the committee agreed on an overall figure of $1,647,074,000 for the military construction bill for fiscal year 1970. This is an amount of $42,990,000 under the figure allowed by the Senate and $109,897,000 over the amount approved by the House, and $356,844,000 under the budget estimate of $2,003,918,000. The conferees agreed on the following amounts for the military services and the Department of Defense:

Army, $287,228,000.
Navy, $300,028,000.
Air Force, $284,327,000.
Defense agencies, $33,915,000.
Army National Guard, $15,000,000.
Air National Guard, $13,200,000.
Army Reserve, $10,000,000.
Naval Reserve, $9,600,000.
Air Force Reserve, $5,300,000.
Family housing, $688,476,000.

Mr. President, I wish to emphasize that the military construction bill this year is indeed an austere bill. The percentage of reduction for the military services from the budget estimate amounts to approximately 23 percent. However, I wish to point out that this bill provides for all of the essential operational facilities needed by the military services. I can state categorically that there are no moneys in this bill which would afford plush accommodations for the military services.

I do not intend to make a long and involved statement of the conference committee's actions. The conference report and the statement of the managers on the part of the House explain in a succinct manner the complete action of the committee.

I shall be glad to answer any questions which individual Senators may have regarding construction projects in their State.

I ask unanimous consent at the conclusion of my remarks on this bill that a tabulation comprising the summary of the conference action on the military construction appropriation bill for fiscal year 1970 be included in the RECORD.

The PRESIDING OFFICER (Mr. GRAVEL in the chair). Without objection, it is so ordered.

(See exhibit 1.)

Mr. MANSFIELD. Mr. President, before I close, I wish to thank the members of the Military Construction Subcommittee who assisted in the preparation of this bill. The penetrating questions asked at the hearings, as well as their measured judgment in the consideration of the bill, were of inestimable help. I wish to thank particularly the ranking minority member of the subcommittee, the junior Senator from Delaware (Mr. BOGGS), the senior Senator from Nevada (Mr. BIBLE), and the ranking minority member of the full committee, the senior Senator from North Dakota (Mr. YOUNG). Their faithful attendance at the hearings, sound judgment, and complete cooperation are deeply appreciated. The thanks of the committee also goes to our able counsel, V. M. (Mike) Rexroad, for his outstanding services, his keen understanding, and his deep devotion to his work.

I would also like to thank the able staff member of the Armed Services Committee, Mr. Gordon Nease, and Mr. Edmund Hartung, the minority counsel, for their fine help and advice.

EXHIBIT 1—SUMMARY OF CONGRESSIONAL ACTION ON THE MILITARY CONSTRUCTION APPROPRIATION BILL, 1970 (H.R. 14751)

Item	New budget (obligational) authority, fiscal year 1969	Budget estimates of new (obligational) authority, fiscal year 1970	New budget (obligational) authority recommended in the House bill	New budget (obligational) authority recommended in the Senate bill	Conference action	Conference action compared with—		
						Budget estimate	House	Senate
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Appropriations:								
Military construction, Army	$548,126,000	$395,600,000	$240,446,000	$297,597,000	$287,228,000	−$108,372,000	+$46,782,000	−$10,369,000
Military construction, Navy	291,513,000	397,200,000	271,605,000	305,377,000	300,028,000	−97,172,000	+28,423,000	−5,349,000
Military construction, Air Force	222,141,000	389,100,000	253,505,000	302,349,000	284,327,000	−104,773,000	+30,822,000	−18,022,000
Military construction, defense agencies	83,396,000	74,500,000	28,720,000	43,165,000	33,915,000	−40,585,000	+5,195,000	−9,250,000
Transfer, not to exceed	(20,000,000)	(20,000,000)	(20,000,000)	(20,000,000)	(20,000,000)			
Military construction, Army National Guard	2,700,000	15,000,000	15,000,000	15,000,000	15,000,000			
Military construction, Air National Guard	8,300,000	13,200,000	13,200,000	13,200,000	13,200,000			
Military construction, Army Reserve	3,000,000	10,000,000	10,000,000	10,000,000	10,000,000			
Military construction, Naval Reserve	5,000,000	9,600,000	9,600,000	9,600,000	9,600,000			
Military construction, Air Force Reserve	4,300,000	5,300,000	5,300 000	5,300,000	5,300,000			
Family housing, defense	583,700,000	694,418,000	689,801,000	688,476,000	688,476,000	−5,942,000	−1,325,000	
Homewoner assistance fund, defense	6,200,000							
Total appropriation amounts	1,758,376,000	2,003,918,000	1,537,177,000	1,690,064,000	1,647,074,000	−356,844,000	+109,897,000	−42,990,000
Portion applied to debt reduction	−82,898,000	−86,618,000	−86,618,000	−86,618,000	−86,618,000			
Grand total, new budget (obligational) authority	1,675,478,000	1,917,300,000	1,450,559,000	1,603,446,000	1,560,456,000	−356,844,000	+109,897,000	−42,990,000

Mr. MANSFIELD. Mr. President, I move the adoption of the conference report.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. WILLIAMS of Delaware. Mr. President, I as one who has just made reference to the excesses in our appropriations for this fiscal year I would like to point out that this is one of the three appropriation bills that were approved at a lower figure than last year. The tabulation which I had printed in the RECORD earlier showed a $54,872,000 reduction for this agency as compared with last year's. I wish we had a similar report for the other appropriations but unfortunately we do not.

Mr. MANSFIELD. I am delighted to have the recognition accorded to this committee. It is well merited.

Mr. BOGGS. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. BOGGS. Mr. President, I wish to add my support to the report of the conference, which has just been made by the Senator from Montana (Mr. MANSFIELD). I feel satisfied the needs of the services have been met and at the same time every possible economy has been made.

Mr. MANSFIELD. Mr. President, I move that the conference report be agreed to.

The report was agreed to.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION TO MAKE CORRECTIONS IN THE ENROLLMENT OF MILITARY CONSTRUCTION APPROPRIATION BILL

Mr. MANSFIELD. Mr. President, I ask that the Presiding Officer lay before the Senate a message received today from the House of Representatives in connection with the military construction appropriation bill which has just been passed, and ask for its immediate consideration.

The PRESIDING OFFICER. The Chair lays before the Senate Concurrent Resolution 473, received today from the House of Representatives, which will be stated.

The legislative clerk read as follows:

H. Con. Res. 473

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House of Representatives, in the enrollment of the bill (H.R. 14751) making appropriations for military construction for the Department or Defense for the fiscal year ending June 30, 1970, and for other purposes, is hereby authorized and directed to make the following correction in the text of the House engrossed bill:

On page two of the House engrossed bill, strike out "Public Law 91–____" and insert "Public Law 91–121."

Mr. MANSFIELD. Mr. President, this measure does not in any way conflict with the total amount; it is merely the correction of an error and a technical oversight.

I ask for the adoption of the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 473) was agreed to.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL TOMORROW, SATURDAY, DECEMBER 20, 1969, AT 12 O'CLOCK NOON

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ECONOMIC OPPORTUNITY AMENDMENTS OF 1969—CONFERENCE REPORT

Mr. NELSON. Mr. President, I file the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3016) to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, to authorize advance funding of such programs, and for other purposes. I ask unanimous consent that the conference report be printed in the Record.

There being no objection, the conference report was ordered to be printed in the Record, as follows:

Conference Report (H. Rept. 91–778)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3016) to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, to authorize advance funding of such programs, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "Economic Opportunity Amendments of 1969".

TITLE I—EXTENSION OF THE ECONOMIC OPPORTUNITY ACT OF 1964 AND RELATED PROVISIONS

EXTENSION OF ECONOMIC OPPORTUNITY ACT

Sec. 101. (a) Section 161 of the Economic Opportunity Act of 1964 (redesignated section 171 by section 201 of this Act) is amended (1) by striking out "for which he is responsible", and (2) by striking out "three" and inserting in lieu thereof "five".

(b) Sections 245, 321, 408, 615, and 835 of such Act are each amended by striking out "three" and inserting in lieu thereof "five".

(c) Section 523 of such Act is amended by striking out "two" and inserting in lieu thereof "four".

AUTHORIZATION OF APPROPRIATIONS

Sec. 102. (a) For the purpose of carrying out the Economic Opportunity Act of 1964, there are hereby authorized to be appropriated $2,195,500,000 for the fiscal year ending June 30, 1970, and $2,295,500,000 for the fiscal year ending June 30, 1971.

(b) Notwithstanding any other provision of law, unless expressly in limitation of the provisions of this section, of the amounts appropriated pursuant to subsection (a) of this section for the fiscal year ending June 30, 1970, and for the next fiscal year, the Director shall for each such fiscal year reserve and make available not less than $328,900,000 for the purpose of local initiative programs authorized under section 221 of the Economic Opportunity Act of 1964 and the remainder of such amounts shall be allocated, subject to the provisions of section 616 of such Act, in such a manner that of such remaining amounts so appropriated for each fiscal year—

(1) $890,300,000 shall be for the purpose of carrying out parts A and B of title I (relating to work and training programs);

(2) $46,000,000 shall be for the purpose of carrying out part D of title I (relating to special impact programs);

(3) $20,000,000 shall be for the purpose of carrying out part E of title I (relating to special work and career development programs);

(4) $811,300,000 shall be for the purpose of carrying out title II, of which $398,000,000 shall be for the Project Headstart program described in section 222(a)(1), $90,000,000 shall be for the Follow Through program described in section 222(a)(2), $58,000,000 shall be for the Legal Services program described in section 222(a)(3), $80,000,000 shall be for the Comprehensive Health Services program described in section 222(a)(4), $62,500,000 shall be for the Emergency Food and Medical Services program described in section 222(a)(5), $15,000,000 shall be for the Family Planning program described in section 222(a)(6), and $8,800,000 shall be for the Senior Opportunities and Services program described in section 222(a)(7);

(5) $12,000,000 shall be for the purpose of carrying out part A of title III (relating to rural loans);

(6) $34,000,000 shall be for the purpose of carrying out part B of title III (relating to assistance for migrant and seasonal farmworkers);

(7) $16,000,000 shall be for the purpose of carrying out title VI (relating to administration and coordination); and

(8) $37,000,000 shall be for the purpose of carrying out title VIII (relating to VISTA).

If the amounts appropriated pursuant to subsection (a) of this section for any fiscal year are not sufficient to allocate the full amounts specified for each of the purposes set forth in clauses (1) through (8) of this subsection, then the amount specified in each such clause shall be prorated to determine the allocations required for each such purpose.

(c) In addition to the amounts authorized to be appropriated pursuant to subsection (a) of this section, there are further authorized to be appropriated the following:

(1) $14,000,000 for the fiscal year ending June 30, 1971, to be used for the Special Impact programs described in part D of title I;

(2) $34,700,000 for the fiscal year ending June 30, 1971, to be used for the Special Work and Career Development programs described in part E of title I;

(3) $180,000,000 for the fiscal year ending June 30, 1971, to be used for the Project Headstart program described in section 222(a)(1);

(4) $32,000,000 for the fiscal year ending June 30, 1971, to be used for the Legal Services program described in section 222(a)(3);

(5) $80,000,000 for the fiscal year ending June 30, 1971, to be used for the Comprehensive Health Services program described in section 222(a)(4);

(6) $112,500,000 for the fiscal year ending June 30, 1971, to be used for the Emergency Food and Medical Services program described in section 222(a)(5);

(7) $15,000,000 for the fiscal year ending June 30, 1971, to be used for the Family Planning program described in section 222(a)(6);

(8) $3,200,000 for the fiscal year ending June 30, 1971, to be used for the Senior Opportunities and Services program described in section 222(a)(7);

(9) $15,000,000 for the fiscal year ending June 30, 1971, to be used for the program of assistance for migrant and seasonal farmworkers described in part B of title III; and

(10) $50,000,000 for the fiscal year ending June 30, 1971, to be used for Day Care projects described in part B of title V.

PARTICIPATION OF CHILDREN IN HEADSTART PROJECTS

Sec. 103. Paragraph (1) of section 222(a) of the Economic Opportunity Act of 1964 is amended by adding at the end thereof the following new sentences: "Pursuant to such regulations as the Director may prescribe, persons who are not members of low-income families may be permitted to receive services in projects assisted under this paragraph. A family which is not low income shall be required to make payment, or have payment made in its behalf, in whole or in part for such services where the family's income is, or becomes through employment or otherwise, such as to make such payment appropriate."

AMENDMENTS WITH RESPECT TO LEGAL SERVICES PROGRAM

Sec. 104. (a) Section 222(a)(3) of the Economic Opportunity Act of 1964 is amended by striking out "counseling, education, and other appropriate services" and inserting in lieu thereof "legal counseling, education in legal matters, and other appropriate legal services".

(b) Section 222(a)(3) of such Act is amended by adding at the end thereof the following: "Members of the Armed Forces, and members of their immediate families, shall be eligible to obtain legal services under such programs in cases of extreme hardship (determined in accordance with regulations of the Director issued after consultation with the Secretary of Defense): *Provided*, That nothing in this sentence shall be so construed as to require the Director to expand or enlarge existing programs or to initiate new programs in order to carry out the provisions of this sentence, unless and until the Secretary of Defense assumes the cost of such services and has reached agreement with the Director on reimbursement for all such additional costs as may be incurred in carrying out the provisions of this sentence."

EMERGENCY FOOD AND MEDICAL SERVICES

Sec. 105. Section 222(a)(5) of the Economic Opportunity act of 1964 is amended to read as follows:

(5) A program to be known as 'Emergency Food and Medical Services' designed to provide on an emergency basis, directly or by delegation of authority pursuant to the provisions of title VI of this Act, financial assistance for the provision of such medical supplies and services, nutritional foodstuffs, and related services, as may be necessary to counteract conditions of starvation or malnutrition among the poor. Such assistance may be provided by way of supplement to such other assistance as may be extended under the provisions of other Federal programs, and may be used to extend and broaden such programs to serve economically disadvantaged individuals and families where such services are not now provided and without regard to the requirements of such laws for local or State administration or financial participation. In extending such assistance, the Director may make grants to community action agencies or local public or private nonprofit organizations or agencies to carry out the purposes of this paragraph. The Director is authorized to carry out the functions under this paragraph through the Secretary of Agriculture and the Secretary of Health, Education, and Welfare in a manner that will insure the availability of such medical supplies and services, nutritional foodstuffs, and related services through a community action agency where feasible, or other agencies or organizations if no such agency exists or is able to administer programs to provide such foodstuffs, medical services, and supplies to needy individuals and families."

NEW SPECIAL EMPHASIS PROGRAMS AUTHORIZED

Sec. 106. Section 222(a) of the Economic Opportunity Act of 1964 is amended by adding at the end thereof the following new paragraphs:

"(8) An 'Alcoholic Counseling and Recovery' program designed to discover and treat the disease of alcoholism. Such program should be community based, serve the objective of the maintenance of the family structure as well as the recovery of the individual alcoholic, encourage the use of neighborhood facilities and the services of recovered alcoholics as counselors, and emphasize the reentry of the alcoholic into society rather than the institutionalization of the alcoholic. Of the sums appropriated or allocated for programs authorized under this title, the Director shall reserve and make available not less than $10,000,000 for the fiscal year ending June 30, 1970, and not less than $15,000,000 for the fiscal year ending June 30, 1971, for the purpose of carrying out this program.

"(9) A 'Drug Rehabilitation' program designed to discover the causes of drug abuse and addiction, to treat narcotic and drug addiction and the dependence associated with drug abuse, and to rehabilitate the drug abuser and drug addict. Such program should deal with the abuse or addiction resulting from the use of narcotic drugs such as heroin, opium, and cocaine, stimulants such as amphetamines, depressants, marihuana, hallucinogens, and tranquilizers. Such program should be community based, serve the objective of the maintenance of the family structure as well as the recovery of the individual drug abuser or addict, encourage the use of neighborhood facilities and the services of recovered drug abusers and addicts as counselors, and emphasize the reentry of the drug abuser and addict into society rather than his institutionalization. Of the sums appropriated or allocated for programs authorized under this title, the Director shall reserve and make available not less than $5,000,000 for the fiscal year ending June 30, 1970, and not less than $15,000,000 for the fiscal year ending June 30, 1971, for the purpose of carrying out this program."

TECHNICAL AMENDMENT REGARDING TIME OF APPROPRIATIONS OBLIGATION

Sec. 107. (a) Section 242 of the Economic Opportunity Act of 1964 is amended by inserting after the first sentence thereof the following new sentence: "Funds to cover the costs of the proposed contract, agreement, grant, loan, or other assistance shall be obligated from the appropriation which is current at the time the plan is submitted to the Governor.".

(b) All obligations under the Economic Opportunity Act of 1964 which have been heretofore recorded substantially as provided in the amendment made by subsection (a) of this section are hereby confirmed and ratified.

AMENDMENT OF RURAL LOAN PROGRAM

Sec. 108. Section 302(a) of the Economic Opportunity Act of 1964 is amended by striking out "such families, and" and inserting "such families, or".

APPLICABILITY TO TRUST TERRITORY

Sec. 108. Section 320(a) of the Economic Opportunity Act of 1964 is amended by striking out "and title II" and inserting ", title II, title III–A, and title IV".

AMENDMENT TO PROVIDE INCREASED FELXIBILITY IN USE OF FUNDS

Sec. 110. Section 616 of the Economic Opportunity Act of 1964 is amended by—

(1) inserting after the phrase "10 per centum" the first time it appears in such section, the following: "for fiscal years ending prior to July 1, 1970, and not to exceed 15 per centum for fiscal years ending thereafter;" and

(2) striking out "but no such transfer shall result in increasing the amounts otherwise available for any program or activity by more than 10 per centum" and inserting in lieu thereof the following: "but no such transfer shall result in increasing the amounts otherwise available for any program or activity by—

"(1) more than 100 per centum in the case of any program or activity for which the amounts otherwise available are $10,000,000 or less; or

"(2) more than 35 per centum in the case of any program or activity for which the amounts otherwise available exceed $10,000,000".

ADEQUATE LEADTIME

Sec. 111. (a) Part A of title VI of the Economic Opportunity Act of 1964 is amended by adding at the end thereof the following new section:

"ADVANCE FUNDING

"Sec. 622. For the purpose of affording adequate notice of funding available under this Act, appropriations for grants, contracts, or other payments under this Act are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation."

(b) In order to effect a transition to the advance funding method of timing appropriation action, the amendment made by subsection (a) shall apply notwithstanding that its initial application will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

CREDITING SERVICE OF A VISTA VOLUNTEER

Sec. 112. (a) Section 8332 of title 5, United States Code, is amended as follows:

(1) in subsection (b)—

(A) strike out "and" at the end of clause (5);

(B) strike out the period at the end of clause (6) and insert in lieu thereof a semicolon and the word "and"; and

(C) add at the end thereof the following new clause:

"(7) a period of service of a volunteer under part A of title VIII of the Economic Opportunity Act of 1964 only if he later becomes subject to this subchapter."

(2) in subsection (j)—

(A) after "1956," in the first sentence, insert "the period of an individual's services as a volunteer under part A of title VIII of the Economic Opportunity Act of 1964,";

(B) before "volunteer or volunteer leader" in the second sentence, insert "volunteer under part A of title VIII of the Economic Opportunity Act of 1964 or as a"; and

(3) before the period at the end of the last sentence, insert a comma and the following: "and the period of an individual's service as a volunteer under part A of title VIII of the Economic Opportunity Act of 1964 is the period between enrollment as a volunteer and termination of that service by the Director of the Office of Economic Opportunity or by death or resignation".

(b) Section 833 of the Economic Opportunity Act of 1964 is amended by—

(1) striking out in subsection (a) "subsection (b)" and inserting in lieu thereof "section 8332 of title 5 of the United States Code, and subsections (b) and (c) of this section"; and

(2) adding at the end thereof the following new subsection:

"(c) Any period of service of a volunteer under part A of this title shall be credited in connection with subsequent employment in the same manner as a like period of civilian employment by the United States Government—

"(1) for the purposes of section 852(a)(1) of the Foreign Service Act of 1946, as amended (22 U.S.C. 1092(a)(1)), and every other Act establishing a retirement system for civilian employees of any United States Government agency; and

"(2) except as otherwise determined by the President, for the purposes of determining seniority, reduction in force, and layoff rights, leave entitlement, and other rights and privileges based upon length of service under the laws administered by the Civil Service Commission, the Foreign Service Act of 1946, and every other Act establishing or governing terms and conditions of service of civilian employees of the United States Government: *Provided*, That service of a volunteer shall not be credited toward completion of any probationary or trial period or completion of any service requirement for career appointment."

(c) The amendments made by subsections (a) and (b) of this section shall be effective as to all former volunteers employed by the United States Government on or after the effective date of this Act.

USE OF CLOSED JOB CORPS CENTERS FOR SPECIAL YOUTH PROGRAMS

Sec. 113. (a) Notwithstanding any other provision of law, the Director of the Office of Economic Opportunity shall establish procedures and make arrangements which are designed to assure that facilities and equipment at Job Corps centers which are being discontinued will, where feasible, be made available for use by State or Federal agencies and other public or private agencies, institutions, and organizations with satisfactory arrangements for utilizing such facilities and equipment for conducting programs, especially those providing opportunities for low-income disadvantaged youth, including, without limitation—

(1) special remedial programs;

(2) summer youth programs;

(3) exemplary vocational preparation and training programs;

(4) cultural enrichment programs, including music, the arts, and the humanities;

(5) training programs designed to improve the qualifications of educational personnel,

including instructors in vocational educational programs; and

(6) youth conservation work and other conservation programs.

(b) To achieve the objectives of this section, the Director of the Office of Economic Opportunity shall consult with, elicit the cooperation of, and utilize the services of the Administrator of the General Services Administration, and the Secretaries of Agriculture, of the Interior, and of Labor.

PROVISION WITH RESPECT TO DIRECTOR'S AUTHORITY TO DELEGATE FUNCTIONS

Sec. 114. The authority of section 620(d) of the Economic Opportunity Act of 1964 shall not apply to the Legal Services program authorized under section 222(a)(3) of such Act. The Director of the Office of Economic Opportunity shall not delegate the program authorized under such section 222(a)(3) to any other existing Federal agency.

AMENDMENT WITH RESPECT TO WITHHOLDING CERTAIN FEDERAL TAXES BY ANTIPOVERTY AGENCIES

Sec. 115. Upon notice from the Secretary of the Treasury or his delegate that any person otherwise entitled to receive a payment made pursuant to a grant, contract, agreement, loan or other assistance made or entered into under the Economic Opportunity Act of 1964 is delinquent in paying or depositing (1) the taxes imposed on such person under chapters 21 and 23 of the Internal Revenue Code of 1954, or (2) the taxes deducted and withheld by such person under chapters 21 and 24 of such Code, the Director of the Office of Economic Opportunity shall suspend such portion of such payment due to such person, which, if possible, is sufficient to satisfy such delinquency, and shall not make or enter into any new grant, contract, agreement, loan or other assistance under such Act with such person until the Secretary of the Treasury or his delegate has notified him that such person is no longer delinquent in paying or depositing such tax or the Director of the Office of Economic Opportunity determines that adequate provision has been made for such payment. In order to effectuate the purpose of this section on a reasonable basis the Secretary of the Treasury and the Director of the Office of Economic Opportunity shall consult on a quarterly basis.

TITLE II—SPECIAL WORK AND CAREER DEVELOPMENT PROGRAMS

Sec. 201. Title I of the Economic Opportunity Act of 1964 is amended by redesignating part E as part F, by renumbering section 161 (as amended by this Act) as section 171, and by inserting after part D the following new part:

"Part E—Special Work and Career Development Programs

"STATEMENT OF PURPOSE

"Sec. 161. The Congress finds that the 'Mainstream' program aimed primarily at the chronically unemployed and the 'New Careers' program providing jobs for the unemployed and low-income persons leading to broader career opportunities are uniquely effective; that, in addition to providing persons assisted with jobs, the key to their economic independence, these programs are of advantage to the community at large in that they are directed at community beautification and betterment and the improvement of health, education, welfare, public safety, and other public services; and that, while these programs are important and necessary components of comprehensive work and training programs, there is a need to encourage imaginative and innovative use of these programs, to enlarge the authority to operate them, and to increase the resources available for them.

"SPECIAL PROGRAMS

"Sec. 162. (a) The Director is authorized to provide financial assistance to public or private nonprofit agencies to stimulate and support efforts to provide the unemployed with jobs and the low-income worker with greater career opportunity. Programs authorized under this section shall include the following:

"(1) A special program to be known as 'Mainstream' which involves work activities directed to the needs of those chronically unemployed poor who have poor employment prospects and are unable, because of age, physical condition, obsolete or inadequate skills, declining economic conditions, other causes of a lack of employment opportunity, or otherwise, to secure appropriate employment or training assistance under other programs, and which, in addition to other services provided, will enable such persons to participate in projects for the betterment or beautification of the community or area served by the program, including without limitation activities which will contribute to the management conservation, or development of natural resources, recreational areas, Federal, State, and local government parks, highways, and other lands, the rehabilitation of housing, the improvement of public facilities, and the improvement and expansion of health, education, day care, and recreation services;

"(2) A special program to be known as 'New Careers' which will provide unemployed or low-income persons with jobs leading to career opportunities, including new types of careers, in programs designed to improve the physical, social, economic, or cultural condition of the community or area served in fields of public service, including without limitation health, education, welfare, recreation, day care, neighborhood redevelopment, and public safety, which provide maximum prospects for on-the-job training, promotion, and advancement and continued employment without Federal assistance, which give promise of contributing to the broader adoption of new methods of structuring jobs and new methods of providing job ladder opportunities, and which provide opportunities for further occupational training to facilitate career advancement.

"(b) The Director is authorized to provide financial and other assistance to insure the provision of supportive and follow-up services to supplement programs under this part including health services, counseling, day care for children, transportation assistance, and other special services necessary to assist individuals to achieve success in these programs and in employment.

"ADMINISTRATIVE REGULATIONS

"Sec. 163. The Director shall prescribe regulations to assure that programs under this part have adequate internal administrative controls, accounting requirements, personnel standards, evaluation procedures, availability of in-service training and technical assistance programs, and other policies as may be necessary to promote the effective use of funds.

"SPECIAL CONDITIONS

"Sec. 164. (a) The Director shall not provide financial assistance for any program under this part unless he determines, in accordance with such regulations as he may prescribe, that—

"(1) no participant will be employed on projects involving political parties, or the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship;

"(2) the program will not result in the displacement of employed workers or impair existing contracts for services, or result in the substitution of Federal for other funds in connection with work that would otherwise be performed;

"(3) the rates of pay for time spent in work-training and education, and other conditions of employment, will be appropriate and reasonable in the light of such factors as the type of work, geographical region, and proficiency of the participant; and

"(4) the program will, to the maximum extent feasible, contribute to the occupational development and upward mobility of individual participants.

"(b) For programs which provide work and training related to physical improvements, preference shall be given to those improvements which will be substantially used by low-income persons and families or which will contribute substantially to amenities or facilities in urban or rural areas having high concentrations or proportions of low-income persons and families.

"(c) Programs approved under this part shall, to the maximum extent feasible, contribute to the elimination of artificial barriers to employment and occupational advancement.

"(d) Projects under this part shall provide for maximum feasible use of resources under other Federal programs for work and training and the resources of the private sector.

"PROGRAM PARTICIPANTS

"Sec. 165. (a) Participants in programs under this part must be unemployed or low-income persons. The Director, in consultation with the Commissioner of Social Security, shall establish criteria for low income, taking into consideration family size, urban-rural and farm-nonfarm differences, and other relevant factors. Any individual shall be deemed to be from a low-income family if the family receives cash welfare payments.

"(b) Participants must be permanent residents of the United States or of the Trust Territory of the Pacific Islands.

"(c) Participants shall not be deemed Federal employees and shall not be subject to the provisions of law relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employment benefits.

"EQUITABLE DISTRIBUTION OF ASSISTANCE

"Sec. 166. The Director shall establish criteria designed to achieve an equitable distribution of assistance among the States. In developing those criteria, he shall consider, among other relevant factors, the ratios of population, unemployment, and family income levels. Of the sums appropriated or allocated for any fiscal year for programs authorized under this part not more than 12½ per centum shall be used within any one State.

"LIMITATIONS ON FEDERAL ASSISTANCE

"Sec. 167. Programs assisted under this part shall be subject to the provisions of section 131 of this Act."

And the House agree to the same.

Gaylord Nelson,
Ralph W. Yarborough,
Claiborne Pell,
Edward Kennedy,
Walter F. Mondale,
Alan Cranston,
Harold E. Hughes,
J. Javits,
Winston Prouty,
Managers on the Part of the Senate.

Carl D. Perkins,
Roman Pucinski,
John Brademas,
James G. O'Hara,
Hugh L. Carey,
Augustus F. Hawkins,
William D. Ford,
William D. Hathaway,
Patsy T. Mink,
James Scheuer,
Lloyd Meeds,
William Clay,
Louis Stokes,
Ogden R. Reid,
Managers on the Part of the House.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. NELSON. Mr. President, I ask unanimous consent that the staff of the Committee on Labor and Public Welfare be given the privilege of the floor during the debate on the OEO bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL RAILROAD SAFETY ACT OF 1969 AND HAZARDOUS MATERIALS TRANSPORTATION CONTROL ACT OF 1969

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar No. 614.

The PRESIDING OFFICER. The bill will be stated by title.

The Bill Clerk. A bill (S. 1933) providing for Federal railroad safety.

The PRESIDING OFFICER. Is there objection to the Senator from West Virginia?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Commerce with amendments strike out all after the enacting clause and insert:

Purpose

Section 1. Congress declares that the purpose of this Act is to promote safety in all areas of railroad operations and to reduce railroad-related accidents, and to reduce deaths and injuries to persons and to reduce damage to property caused by accidents involving any carrier of hazardous materials.

TITLE I—RAILROAD SAFETY

§ 101. Short title

This title may be cited as the "Federal Railroad Safety Act of 1969".

§ 102. Rail safety regulations

(a) The Secretary of Transportation shall (1) prescribe appropriate rules, regulations, and standards for all areas of railroad safety and (2) conduct, as necessary, research, development, testing, evaluation, and training. However, nothing in this Act shall prohibit the bargaining representatives of common carriers and their employees from entering into collective bargaining agreements under the Railway Labor Act, including agreements relating to qualifications of employees, which are not inconsistent with rules, regulations, or standards prescribed by the Secretary under this Act.

(b) Hearings shall be conducted in accordance with the provisions of section 553 of title 5 of the United States Code for all rules, regulations, or orders issued by the Secretary including those establishing, amending, revoking, or waiving compliance with a railroad safety standard under this Act, and an opportuntiy shall be provided for oral presentations.

(c) The Secretary may waive in whole or in part compliance with any rule, regulation, or standard established under this Act, if he determines that such waiver of compliance is in the public interest and is consistent with railroad safety. The Secretary shall make public his reasons for granting any such waiver.

(d) In prescribing rules, regulations, and standards under this section the Secretary shall consider relevant existing safety data and standards.

(e) The Secretary shall issue initial railroad safety rules, regulations, and standards based upon existing safety data and standards, not later than September 1, 1970. Eighteen months after enactment of this Act the Secretary shall issue new and revised railroad safety rules, regulations, and standards under this Act.

(f) Any final agency action taken under this section is subject to judicial review as provided in chapter 7 of title 5 of the United States Code.

§ 103. Emergency powers

If through testing, inspection, investigation, or research carried out pursuant to this Act, the Secretary determines that any facility or piece of equipment is in unsafe condition and thereby creates an emergency situation involving a hazard of death or injury to persons affected by it, the Secretary may immediately issue an order prohibiting the further use of such facility or equipment until the unsafe condition is corrected. Subsequent to the issuance of such order, opportunity for review shall be provided in accordance with section 554 of title 5 of the United States Code.

§ 104. Grade crossings

(a) The Secretary shall submit to the President for submission to the Congress, within one year from the date of enactment of this Act, a comprehensive study of the problem of eliminating and protecting railroad grade crossings with his recommendations for appropriate action including, if relevant, a recommendation for equitable allocation of the economic costs of any program.

(b) In addition the Secretary shall, insofar as practicable, under the authority provided by this Act and pursuant to his authority over highway, traffic, and motor vehicle safety, and highway construction, undertake a coordinated effort toward the objective of developing and implementing solutions to the grade crossing problem.

§ 105. State regulation

The Congress hereby declares that laws, rules, regulations, and standards relating to railroad safety shall be nationally uniform to the extent practicable. A State may adopt or continue in force any law, rule, regulation, or standard relating to railroad safety until such time as the Secretary has adopted a rule, regulation, or standard covering the subject matter of such State requirement. A State may adopt or continue in force an additional or more stringent law, rule, regulation, or standard relating to railroad safety when necessary to eliminate or reduce a local safety hazard, and when not incompatible with any Federal law, rule, regulation, or standard, and when not creating an undue burden on interstate commerce.

§ 106. State participation

(a) No provision of this Act shall apply to railroad facilities, equipment, rolling stock, and operations within a State when the safety practices applicable to same are regulated by a State agency which submits to the Secretary an annual certification that such State agency: (1) has regulatory jurisdiction over the safety practices of such railroad facilities, equipment, rolling stock, and operation; (2) has adopted each Federal safety rule, regulation, and standard applicable to such railroad facilities, equipment, rolling stock, and operation established under this Act as of the date of the certification; (3) is enforcing each such rule, regulation, and standard, as interpreted by the Secretary, and the law of the State makes provision for the enforcement of same by such State agency or courts of the State by way of injunctive and adequate monetary sanctions substantially the same as are provided under this Act; except that the rules, regulations, and standards of the Secretary prescribed under section 102(a) of this Act involving rolling stock and employee qualifications shall also remain in full force and effect as Federal law within the State and the Secretary shall retain the exclusive authority to assess and compromise penalties and request injunctive relief for the violation of such rules, regulations, and standards involving rolling stock and employee qualifications and to recommend prosecution thereof as provided by sections 109 and 110 of this Act; and except that, sections 103, 105, 108 and subsection (f) of this section of this Act shall apply in every State.

(b) Each annual certification shall include a report, in such form as the Secretary may by regulation provide, showing: the name and address of each common carrier by railroad subject to the safety jurisdiction of the State agency; all accidents or incidents reported during the preceding twelve months by each such carrier involving personal injury requiring hospitalization, fatality, or property damage exceeding $750 or such other higher amount as the Secretary may prescribe, together with a summary of the State agency's investigation as to the cause and circumstances surrounding such accidents or incidents; the record maintenance, reporting, and inspection practices by the State agency to enforce compliance with such safety standards, including a detail of the number of inspections made of rail facilities, equipment, and operation by the State agency during the preceding twelve months and such other information as the Secretary may require. The report included with the first annual certification need not show information unavailable at that time. If after receipt of annual certification the Secretary determines that the State agency is not satisfactorily enforcing compliance with such safety rules, regulations, and standards, he may, on reasonable notice and after opportunity for hearing, reject the certification or take such other action as he deems appropriate to achieve adequate enforcement, including the assertion of Federal jurisdiction. When such notice is given by the Secretary, the burden of proof shall be upon the State agency to show that it is satisfactorily enforcing compliance with Federal safety rules, regulations, and standards.

(c) With respect to any railroad facilities, equipment, rolling stock, and operation for which the Secretary does not receive such an annual certification, the Secretary may enter into an agreement with a State agency to authorize such agency to provide all or any part of the inspection service necessary to obtain compliance with Federal safety rules, regulations, and standards applicable to such railroad facilities, equipment, rolling stock, and operation.

(d) Upon application, the Secretary shall pay out of funds appropriated pursuant to this Act or otherwise made available up to 50 per centum of the cost of the personnel, equipment, and activities of a State agency reasonably required, during the ensuing fiscal year, to carry out a safety program under such a certification or agreement. No such payment may be made unless the State agency making application under this subsection gives assurances satisfactory to the Secretary that the State agency will provide the remaining cost of such a safety program and that the aggregate expenditures of funds of the State for the safety program will be maintained at a level which does not fall below the average level of such expenditures for the last two fiscal years preceding the date of enactment of this section.

(e) The Secretary is authorized to conduct such monitoring of State enforcement practices and such other inspection and investigation as may be necessary to aid in the enforcement of the provisions of this Act.

(f) The certification which is in effect under subsection (a) of this section shall not apply with respect to any new or amended Federal safety rule, regulation, or standard for railroads established pursuant to this Act after the date of such certification. The provisions of this Act shall apply to any such new or amended Federal safety rule, regulation, or standard until the State agency has adopted such rule, regulation, or standard and has submitted an appropriate certification in accordance with the provisions of subsection (a) of this section.

§ 107. Existing statutes

(a) The Act of March 2, 1893, as amended (27 Stat. 531, 532; 45 U.S.C. 1–7, inclusive) except as related to power or train brakes, the Act of March 2, 1903, as amended (32 Stat. 943; 45 U.S.C. 8 and 10) except as related to power or train brakes, the Act of April 14, 1910, as amended (36 Stat. 298, 299; 45 U.S.C. 11–16, inclusive), the Act of May 30, 1908, as amended (35 Stat. 476; 45 U.S.C. 17–21, inclusive), the Act of March 4, 1915, as amended (38 Stat. 1192; 45 U.S.C. 30), the joint resolution of June 30, 1906, as amended (34 Stat. 838; 45 U.S.C. 35), the Act of May 27, 1908, as amended (35 Stat. 325; 45 U.S.C. 36), the Act of March 4, 1909, as amended (35 Stat. 965; 45 U.S.C. 37), the Act of May 6, 1910, as amended (36 Stat. 350; 45 U.S.C. 38–43, inclusive), and section 441 of the Act of February 28, 1920 (41 Stat. 498; 49 U.S.C. 26, as amended), are repealed. The substantive requirements of the Acts repealed herein, and all orders, rules, regulations, standards, requirements, and permits prescribed or issued pursuant thereto and in effect on the date of enactment of this Act, are continued in effect as regulations of the Secretary under this Act until amended, repealed, or modified by the Secretary in accordance with the provisions of section 102(b) of this Act.

(b) No suit, action, or other proceeding and no cause of action under the statutes repealed in subsection (a) of this section shall abate by reason of enactment of this Act.

§ 108. General powers

(a) In carrying out his functions under this Act, the Secretary is authorized to perform such acts including, but not limited to, conducting investigations, making reports, issuing subpenas, requiring production of documents, taking depositions, prescribing recordkeeping and reporting requirements, carrying out and contracting for research, development, testing, evaluation, and training (particularly those aspects of railroad safety which he finds to be in need of prompt attention), and delegating to any public bodies or qualified persons, functions respecting examination, inspecting, and testing of facilities or equipment, or persons, as he deems necessary to carry out the provisions of this Act.

(b) The National Transportation Safety Board shall have the authority to determine the cause or probable cause and report the facts, conditions, and circumstances relating to accidents investigated under subsection (a) above, but may delegate such authority to any office or official of the Board or to any office or official of the Department, with the approval of the Secretary, as it may determine appropriate.

(c) To carry out the Secretary's and the Board's responsibilities under this Act, officers, employees, or agents of the Secretary or the Board, as the case may be, upon display of proper credentials, are authorized to enter upon, inspect, and examine rail facilities and equipment and pertinent records at reasonable times and in a reasonable manner.

(d) All orders, rules, regulations, standards, and requirements in force, or prescribed or issued by the Secretary, pursuant to this Act shall have the same force and effect as a statute for purposes of the application of the Act of April 22, 1908, as amended (35 Stat. 66) (45 U.S.C. 53, 54).

§ 109. Penalties

(a) It shall be unlawful for any railroad to disobey, disregard, or fail to adhere to any rule, regulation, order, or standard prescribed by the Secretary under this Act or established or continued in effect pursuant to section 107(a) of the Act.

(b) The Secretary shall include in, or make applicable to, any railroad safety rule, regulation, order, or standard a civil penalty for violation thereof in such amount not less than $250 nor more than $1,000 as he deems reasonable.

(c) Any railroad violating any rule, regulation, order, or standard prescribed by the Secretary under this Act shall upon conviction thereof be fined the civil penalty applicable to the standard violated. Each day of such violation shall constitute a separate offense. Such civil penalty is to be recovered in a suit or suits to be brought by the Attorney General on behalf of the United States in the district court of the United States having jurisdiction in the locality where such violation occurred. Civil penalties may, however, be compromised for any amount by the Secretary prior to referral to the Attorney General. The amount of any such penalty, when finally determined, or the amount agreed upon in compromise, may be deducted from any sums owing by the United States to the person charged.

(d) In any action brought under this Act, subpenas for witnesses who are required to attend a United States district court may run into any other district.

§ 110. Injunctive relief

(a) The United States district court shall, at the request of the Secretary of Transportation and upon petition by the Attorney General on behalf of the United States, have jurisdiction, subject to the provisions of rule 65 (a) and (b) of the Federal Rules of Civil Procedure, to restrain violations of this Act or to enforce rules, regulations, orders, or standards established hereunder.

(b) In any proceeding for criminal contempt for violation of an injunction or restraining order issued under this section, which violation also constitutes a violation of this Act, trial shall be by the court, or, upon demand of the accused, by a jury, conducted in accordance with the provisions of rule 42(b) of the Federal Rules of Criminal Procedure.

§ 111. Annual report

(a) The Secretary shall prepare and submit to the President for transmittal to Congress on March 1 of each year a comprehensive report on the administration of this Act for the preceding calendar year. Such report shall include but not be restricted to—

(1) a thorough statistical compilation of the accidents and casualties occurring in such year;

(2) a list of Federal railroad safety standards in effect or established in such year;

(3) a summary of the reasons for each waiver granted under section 102(c) of this Act during such year;

(4) an evaluation of the degree of observance of applicable railroad safety standards;

(5) a summary of outstanding problems confronting the administration of this Act in order of priority;

(6) an analysis and evaluation of research and related activities, including the policy implications thereof, completed and technological progress achieved during such year;

(7) a list, with a brief statement of the issues, of completed or pending judicial actions under the Act;

(8) the extent to which technical information was disseminated to the scientific community and consumer-oriented information was made available to the public;

(9) a compilation of—

(A) certifications filed by State agencies (including municipalities) under section 106(a) which were in effect during the preceding calendar year, and

(B) certifications filed under section 106(a) which were rejected by the Secretary during the preceding calendar year, together with a summary of the reasons for each such rejection; and

(10) a compilation of—

(A) agreements entered into with Senate agencies (including municipalities) under section 106(c) which were in effect during the preceding calendar year, and

(B) agreements entered into under section 106(c) which were terminated by the Secretary during the preceding calendar year, together with a summary of the reasons for each such termination.

(b) The report required by subsection (a) shall contain such recommendations for additional legislation as the Secretary deems necessary to strengthen the national railroad safety program.

TITLE II—HAZARDOUS MATERIALS CONTROL

§ 201. Short title

This title may be cited as the "Hazardous Materials Transportation Control Act of 1969".

§ 202. Authorization

(a) The Secretary shall, within six months from the date of enactment of this Act:

(1) Establish facilities and technical staff to maintain within the Federal Government the capability to evaluate the hazards connected with and surrounding the various hazardous materials being shipped.

(2) Establish a central reporting system for hazardous materials accidents to provide technical and other information and advice to the law enforcement and firefighting personnel of communities and to carriers and shippers for meeting emergencies connected with the transportation of hazardous materials.

(3) Conduct a review of all aspects of hazardous materials transportation to determine and recommend appropriate steps which can be taken immediately to provide greater control over the safe movement of such materials.

(b) The authority granted the Secretary by this Act shall be in addition to the authority granted by sections 831 to 835, inclusive, of title 18 of the United States Code.

(c) The Secretary shall prepare and submit to the President for transmittal to the Congress on or before March 15 of each year a comprehensive report on the transportation of hazardous materials for the preceding calendar year. Such report shall include, but not be restricted to (1) a thorough statistical compilation of the accidents and casualties occurring in such year which involved the transportation of hazardous materials; (2) a list of relevant Federal standards in effect or established in such year; (3) a summary of the reason for each waiver or exemption granted pursuant to sections 831 to 835, inclusive, of title 18 of the United States Code; (4) an evaluation of the degree of observance of safety standards for the transportation of hazardous materials; and (5) a summary of outstanding problems created by the transportation of hazardous materials.

(d) The report required by subsection (c) of this section shall contain such recommendations for additional legislation as the Secretary deems necessary.

TITLE III—MISCELLANEOUS PROVISIONS

§ 301. APPROPRIATION AUTHORIZATION

There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

§ 302. SEPARABILITY

If any provision of this Act or the application thereof to any person or circumstance is held invalid, the remainder of this Act, and the application of such provision to other persons or circumstances shall not be effected thereby.

Mr. PROUTY. Mr. President, as the ranking minority member on the Surface Transportation Subcommittee, I have shared with my distinguished colleagues the realization that an effective railroad safety act was needed. When I joined as a cosponsor of S. 3061, the administration's "Railroad Safety and Research Act of 1969," I pointed out the compelling reasons for prompt action. At that time I pointed out that there are around 30,000 railroad accidents a year. These accidents, Mr. President, cost the industry—and ultimately the American public—$266 million in 1967 alone.

Examining the legislation concerned with railroad safety, all of us were appalled. In the first place, most legislation now on the books concerning railroad safety is from 50 to 75 years old. Its vintage stands as a stark reminder that laws often fail to keep pace with technology in our changing society.

Moreover, Mr. President in examining the existing laws, it was quite apparent that for several generations a piece-meal approach has been followed which left vast areas affecting railroad safety unregulated.

Last Spring, Mr. President, the distinguished senior Senator from Indiana (Mr. HARTKE) conducted hearings concerning the need for legislation at the Federal level for the purpose of insuring railroad safety. Prior to those hearings, Mr. President, Secretary Volpe of the Department of Transportation had created a task force to study the problem and come up with an effective and a fair solution. That task force, Mr. President, was truly a remarkable task force. First, it was made up of representatives of railroad management, representatives of railroad labor, and representatives from the States. Reginald M. Whitman, the Federal Railroad Administrator, was chairman of the task force.

I recall, Mr. President, when the Commerce Committee first held hearings on railroad safety in the latter part of May, Mr. Whitman testified before our committee. Concerning the work of the task force, he stated at that time:

> We have set a target date of June 30, for our report to the Secretary. I may sound too optimistic but until I know otherwise, I expect labor, management and the States to take full advantage of the unique opportunity and challenge of participating in the development of Federal policy.

Primarily because of Mr. Whitman's dedication, persistence, and skill the task force made its report exactly on time. Mr. Whitman spelled out the recommendations of the task force to the Surface Transportation Subcommittee at hearings held in Indianapolis, Ind., in the middle of July. Unfortunately, I was unable to attend those hearings but the distinguished Senator from Indiana (Mr. HARTKE) who chaired those hearings, summed up my feelings concerning the task force when he told Mr. Whitman:

> I want to offer my congratulations for the fine work that you have done and I hope you will convey to the Task Force my sincere appreciation for the fact that they have moved as rapidly as they have in this field.

In addition, the task force, under the direction of Reginald Whitman, issued a report which not only was put together and finalized within 60 days, submitted when promised, and was comprehensive, but it was also unanimously supported by the broad spectrum of interests represented on the task force. The specific recommendations of the task force were:

First. That the Secretary of Transportation, through the Federal Railroad Administration, have authority to promulgate reasonable and necessary rules and regulations establishing safety standards in all areas of railroad safety, through such notice, hearing, and review procedures as will protect the rights of all interested parties.

Second. In order to strengthen the administration of Federal rail safety regulations, there should be established a National Railroad Safety Advisory Committee to advise, consult with, and make recommendations to the Secretary on matters relating to the activities and functions of the Department in the field of railroad safety. The committee would be chaired by the Federal Railroad Administrator with the remaining members appointed by the Secretary to represent equally the State regulatory commissions, railroad management, and labor. The Secretary would submit to the committee proposed safety standards and amendments and afford it a reasonable opportunity to prepare a report on the technical feasibility, reasonableness, and practicability of each such proposal prior to adoption. The committee may propose safety standards to the Secretary for his consideration.

Third. Existing State rail safety statutes and regulations remain in force until and unless preempted by Federal regulation. Administration of the program should be through a Federal-State partnership, including State certification similar to the certification principles set forth in the Federal Natural Gas Pipeline Safety Act of 1968.

Fourth. The Advisory Committee be directed to study the present delegation of authority to the Association of American Railroads' Bureau of Explosives in certain areas of the Transportation of Explosives and Other Dangerous Articles Act.

Fifth. A research program be initiated by Government and industry into railroad safety technology, which should be funded immediately for an initial 3-year period, over and above existing research programs.

Sixth. Formal employee training programs be expanded by railroad management, with the cooperation of labor and Government, for the purpose of insuring compliance with safe operating practices and reducing the impact of human error in the accident experience.

Seventh. An expanded, concerted program of grade crossing safety be undertaken utilizing established Federal and State agencies and advisory groups to set uniform procedures and standards. Early attention must be given to the development of improved crossing protection at lower cost plus greater emphasis placed on driver education and traffic enforcement. In addition to more extensive use of existing Federal funds now allocable to present highway safety programs, there must be new sources of funding to finance expanded grade crossing program.

Eighth. The Federal Railroad Administration should revise, in consultation with railroad management, labor, and State regulatory commissions, its rules for reporting of accidents. The aim should be to make the data more current, more uniform and to identify causes more accurately.

I think Mr. Whitman best summed up the significance of this excellent Task Force Report when he made the following comment during the Indiana hearings:

> Of great significance is the fact that the recommendations represent the unanimous views of management, labor and the states. We have here a landmark development in labor-management cooperation. The report sets the stage for a new era of cooperation in building a safer railroad system. We hope to build from this base of mutual interest and commitment to rail safety, a meaningful program that will get the job done.

Mr. President, I think we owe a debt of gratitude for the work done by the Railroad Safety Task Force because in reality that group set in motion close cooperation between the many economic and political interests affected by any railroad safety legislation.

Mr. President, I believe that S. 1933, as reported by the committee, is a good bill. It attacks the problem of railroad safety with a comprehensive overall approach.

As a result of an amendment which I had adopted in committee, the bill is divided into three titles.

Title I of the bill embodies the Federal Railroad Safety Act of 1969. Title II of the bill contains the Hazardous Materials Transportation Control Act of 1969. Title III contains miscellaneous provisions.

Under the Federal Railroad Safety Act of 1969, which would be enacted by the passage of the bill, the Secretary of Transportation is given broad powers to prescribe appropriate rules, regulations, and standards for all areas of railroad safety.

In addition, Mr. President, the Secretary is granted the authority to conduct research, development, testing, and evaluation in all areas of railroad safety.

Mr. President, I think both of these powers are extremely important. As I have previously mentioned, the piecemeal approach to railroad safety now in existence is far from satisfactory. Under the act, the Secretary of Transportation can direct a coordinated effort toward the goal of reducing railroad accidents, thereby making railroads safe both for employees who work on them and for the general public.

Perhaps even more important, Mr. President, is the power given to the Secretary authorizing research into how we can make our railroads truly safe.

I am reminded, Mr. President, of a

recent accident in Laurel, Miss. After thorough investigation of that accident, the National Transportation Safety Board came to the conclusion that a broken wheel from one of the cars caused the accident. Perhaps, Mr. President, more research in the specific area concerning the types and design of wheels used on boxcars could have averted that accident.

I could go on and enumerate the hundreds of variables that contribute to train accidents and in each and every case one always comes to the conclusion that additional research is needed in order to know for certain the best way to build and run a railroad safely.

Mr. President, as a member of the Senate Labor and Public Welfare Committee I am keenly aware of the importance of successful collective bargaining. For that reason I supported a proviso in section 102 of the bill which would clearly point out that collective bargaining could be used as a vehicle for establishing safety standards that are not inconsistent with safety regulations issued by the Secretary. As originally written, the proviso permitting collective bargaining was so broad that it could have undermined the basic goals of this act—namely, management and labor through collective bargaining could have had agreed upon standards that were less stringent than those established under this act.

Mr. President, I was pleased that the majority of the committee agreed with me and adopted my amendment which encourages collective bargaining for more stringent standards which are not inconsistent with those established by the Secretary of Transportation but at the same time would insure the fact that collective bargaining will not be used as a vehicle for undermining safety standards.

In section 103 of the bill, Mr. President, the Secretary is given emergency powers so as to stop any trains which might create a safety hazard to the public.

In section 104, Mr. President, we face up to perhaps the greatest problem affecting railroad safety, that is the number of accidents that occur at grade crossings. Historically we all know that because railroad tracks were in existence long before the automobile literally hundreds of thousands of grade crossings present a great threat to both automobile and railroad safety. Under this section of the act the Secretary is authorized to conduct a comprehensive study of ways and means to correct the grade crossing problem. In addition to the immediate things that can be done to lower the accident rate at grade crossings is a congressional mandate for the Secretary of Transportation to look into ways of financing whatever needs to be done.

Mr. President, sections 105 and 106 establish a close working relationship between the Federal Government and State Governments. I was particularly pleased that through my efforts the States and the Federal Government were able to work in partnership which was satisfactory to both parties. Only through close cooperation between Federal and State Governments can we hope to have an effective program.

In section 107 several laws which have become obsolete through the passage of time are repealed. For example, the Ash Pan Act of 1893 is repealed. That act required that the wood-burning locomotives stop at various intervals in order to empty their ash pans.

Unfortunately Mr. President, certain problems remain inasmuch as some of these old laws continue to be on the books. For example, acts such as the locomotive Inspection Act and the so-called power brake law were proposed to be repealed by the administration bill. I also favored their repeal.

My reasons were simple. Under this act a State that meets the criteria set forth for State certification takes over the responsibilities for carrying out the railroad safety enforcement within their State. Because certain laws were not repealed, a State such as Pennsylvania—which I am sure will be certified to carry out railroad safety law—will not be able to do the total job. As a consequence of not repealing certain laws, the Federal Railroad Administrator will also be forced to send people into the State to carry out the Locomotive Inspection Act and other laws which were not repealed. This duplication of effort may turn out to be wasteful and ineffective. Nevertheless, I feel that those laws which were repealed go a long way toward helping us create an up-to-date, modern railroad safety law.

Section 108 of the bill, Mr. President, gives the Secretary certain general powers so that he can effectively obtain the necessary facts for setting railroad safety standards. The right of the National Transportation Safety Board to conduct accident investigations is also maintained.

Finally, this section makes certain that none of the rules, regulations, nor other provisions promulgated by the Secretary in any way, shape, or form effect the Federal Employee Liability Act.

Section 109 provides civil penalties for any carriers which do not obey regulations under this act.

Section 110 grants the Attorney General the power to seek injunctions in order to restrain the violators of this act.

Finally, section 111 provides that there be an annual report so that we in Congress can make certain that this statute is continuously kept up to date

Mr. President, I think that title II of the bill may also turn out to be a most important piece of legislation. It establishes the Hazardous Materials Transportation Control Act of 1969. Mr. President, I think the shipments of poisonous gas last spring reminded all of us that tremendous quantities of hazardous materials are shipped in interstate commerce.

During the hearings, we all learned of some bad accidents in the States of Indiana, Mississippi, and elsewhere, where local firemen and policemen did not really know the contents of burning boxcars and tank cars.

The Hazardous Materials Transportation Control Act of 1969 will set into motion the apparatus necessary for establishing a Federal control whereby local officials can find out important information pertaining to the types of chemicals to be used to extinguish other chemicals and how to protect the public in those situations where serious accidents do occur.

Mr. President, the Hazardous Materials Control Act applies to all common carriers. In the future, I believe that the Federal Government, by collecting and disbursing information at its disposal, will be able to provide an important and valuable service to State and local officials in times of emergencies.

Mr. President, I am proud to be a member of this committee which has reported such an important piece of legislation. The distinguished senior Senator from New Hampshire (Mr. Cotton) was most helpful in adding his assistance to the enactment of this legislation.

On the other side of the aisle, the distinguished senior Senator from Indiana (Mr. Hartke) is to be congratulated for his diligence in conducting very comprehensive hearings.

Finally, Mr. President, I ask unanimous consent that two memorandums be inserted in the Record immediately following my remarks. One is from the Comptroller General of the United States; the other is prepared by the staff of the Department of Transportation. Both of these memorandums clearly demonstrate that the repeal of certain antiquated laws by section 108 of this act in no way, shape, or form affects any rights or privileges under the Federal Employees Liability Act.

There being no objection, the material was ordered to be printed in the Record, as follows:

Comptroller General of the
United States,
Washington, D.C., December 19, 1969.

Hon. Winston Prouty,
U.S. Senate.

Dear Senator Prouty: Reference is made to your letter of December 11, 1969, in which you requested our opinion as to the effect the repeal section of Committee Print No. 1 of S. 1933, 91st Congress (which, if enacted into law would be cited as the "Federal Railroad Safety Act of 1969"), might have upon the Federal Employers' Liability Act.

Apparently, you are particularly concerned with the effect that the part of section 8(a) of S. 1933, which, among other things would repeal the "Act of March 2, 1893, as amended (27 Stat. 531, 532; 45 U.S.C. 1–7 inclusive), except as related to power or train brakes," might have upon the act commonly known as the Federal Employers' Liability Act, as amended, which is codified in 45 U.S.C. 51–60.

Nothing in section 8(a) of S. 1933 purports to specifically repeal the provisions of 45 U.S.C. 51–60. Also nothing in the introductory remarks made by Senator Hartke on April 22, 1969, in connection with his introduction of S. 1933 shows any intention that those provisions be repealed.

Section 8 of the act of March 2, 1893 (45 U.S.C. 7), provides that an employee of any common carrier engaged in interstate commerce by railroad who may be injured by any locomotive, car, or train in use contrary to the provisions of that act shall not be deemed thereby to have assumed the risk thereby occasioned although continuing in the employment of such carrier after the unlawful use of such locomotive, car, or train has been brought to his knowledge. This provision would be included in the provisions repealed by section 8(a) of S. 1933.

There would remain in effect the provisions of 45 U.S.C. 54 which provide:

"In any action brought against any common carrier under or by virtue of any of the provisions of this chapter to recover damages for injuries to, or the death of, any of its employees, such employee shall not be held to have assumed the risks of his employment in any case where such injury or death resulted in whole or in part from the negligence of any of the officers, agents, or employees of such carrier; and no employee shall be held to have assumed the risks of his employment in any case where the violation by such common carrier of any statute enacted for the safety of employees contributed to the injury or death of such employee."

As originally enacted the provisions of 45 U.S.C. 54 were held to relate to violations of such statutes as the act of March 2, 1893, 27 Stat. 531, and other acts known as the Safety Appliance Acts found in sections 1–16 of 45 United States Code and to other acts subjecting common carriers in interstate commerce to particular obligations for the safety of their employees, but that where such violations are not involved, the defense of assumption of risk is available under this section of the Federal Employers' Liability Act. See *Great Northern Railway Co., et. al.* v. *Leonidas,* 305 U.S. 1, 59 Sup. Ct. 51, 83 L. Ed. 3, and cases therein cited. The section was amended after that decision. However, the amendment would not affect the holding.

The safety rules, regulations, and standards which the Secretary of Transportation is to prescribe under S. 1933 might be comparable to and take the place of those statutes enacted for the safety of employees, which S. 1933 would repeal. It is conceivable, however, that the courts could construe 45 U.S.C. 54 as being applicable only to *statutes* enacted for the safety of employees and not applicable to rules, regulations and standards prescribed pursuant to S. 1933 if enacted into law and having the same objective. The intention of the Congress in this respect should be clarified. We suggest this could be accomplished by inclusion in the bill, possibly as section 8(c), of a provision substantially as follows·

"An employee of any common carrier engaged in interstate commerce by railroad who may be injured by any locomotive, car, or train in use contrary to a rule, regulation, or standard prescribed pursuant to this Act shall not be deemed thereby to have assumed the risk thereby occasioned, although continuing in the employment of such carrier after the use of such locomotive, car, or train contrary to such rule, regulation, or standard has come to his attention or been brought to his knowledge."

Aside from the above we do not see any possible adverse effect that the provisions of S. 1933 which would repeal the act of March 2, 1893, might have on the rights of employees under the Federal Employers' Liability Act.

Sincerely yours,

B. Y. KELLER,
Assistant Comptroller General of the United States.

MEMORANDUM OF LAW

The question has been raised on whether replacement of existing rail safety statutes by administrative regulations pursuant to the proposed Federal Railroad Safety Act of 1969 (S. 1933) could diminish the rights of rail employees in civil suits to recover damages for injuries or deaths arising out of violations by interstate rail carriers of those existing rail safety statutes and regulations. The answer is no.

The Federal Employers' Liability Act (45 U.S.C. 51–60) (hereinafter FELA) is the exclusive and inclusive remedy for injuries to or the death of a rail employee employed in interstate commerce. *New York Central R.R. Co.* v. *Winfield,* 244 U.S. 147 (1917). This is true even if the employee fails to bring himself within the statute and alternative remedies would otherwise be available. *Id.* 153–54. States are prohibited from presuming a waiver of the federal rights or forcing an election between the federal and an alternative state right. *Erie* v. *Winfield,* 244 U.S. 170 (1917). While the rigidity of these rules was somewhat modified in the case of unconscionable conduct by the carrier in *South Buffalo Railway Co.* v. *Ahern,* 344 U.S. 367 (1953), this case has not been followed and the *New York Central* and *Erie* cases should be considered controlling.

The Federal Employers' Liability Act is a negligence statute. 45 U.S.C. 51. Whether a complaint states a claim of negligence and a particular injury is within the statute is determined by federal law, as is the standard of recovery after the evidence has been presented. *Urie* v. *Thompson,* 337 U.S. 163 (1949). Respecting the negligence issue the Court stated in *Urie* at 174:

"What constitutes negligence for the statute's purposes is a federal question, not varying in accordance with the differing conceptions of negligence applicable under state and local law for other purposes. Federal decisional law formulating and applying the concept governs."

This rule has not been modified in subsequent cases and remains the controlling law on the subject. The fact that the FELA uses a negligence concept should not be construed as preventing the imposition of a stricter standard in accordance with well known principles of negligence law.

The rail safety statutes contained in 45 U.S.C. 1–34, 45 U.S.C. 61–66, and 49 U.S.C. 26 require compliance by interstate rail carriers with certain safety appliances, equipment standards, and hours of service limitations. Decisional law imposes an *absolute* standard of compliance with these standards on such rail carriers. Such carriers are not excused from compliance by any showing of care, however assiduous. *O'Donnell* v. *Elgin, Joliet & Eastern R. R. Co.,* 338 U.S. 384 (1949). In analyzing the negligence problem, the Court stated at 390:

"But this Court early swept all issues of negligence out of cases under the Safety Appliance Act. For reasons set forth at length in our books, the Court held that a failure of equipment to perform as required by the Safety Appliance Act is in itself an actionable wrong, in no way dependent upon negligence and for the proximate results of which there is liability—a liability that cannot be escaped by proof of care or diligence." (Citations omitted.)

Thus, whenever an interstate carrier is in violation of these statutes and an injury arises from such defect, the carrier is liable irrespective of negligence. *Id.* 390–391, 394; *Urie, supra* at 195; *Lilly v. Grand Trunk Western Railroad,* 317 U.S. 481, 485 (1942). Any violation of a rail safety regulation is considered a violation of the statute for purposes of a carrier's liability. *Atcheson, Topeka & Santa Fe Ry.* v. *Scarlett,* 300 U.S. 471, 475 (1937); *Urie, supra at* 195; *Lilly, supra* at 488. These rules have not been modified in subsequent cases.

Certain of the existing rail safety statutes would be repealed by the proposed Federal Railroad Safety Act of 1969. However, the substantive provisions of these statutes would thereafter be preserved as regulations of the Secretary until modified or otherwise changed under the proposed Act. We understand that subsection (e) of section (2) of S. 1933, as reported, contemplates a comprehensive regulatory scheme within a definite time period. Therefore, any such modifications or changes will be made as part of a general comprehensive regulatory program.

Many FELA cases rely on the general substantive language of the statutes rather than on specific statutory or regulatory requirements. For example, in *Lilly* v. *Grand Trunk Western Railroad Co., supra,* the petitioner fell from the top of the locomotive tender, allegedly after slipping on some ice. An ICC regulation provided in part that "top of tender behind fuel space shall be kept clean, and means provided to carry off waste water." The Court concluded at 488 that:

"The failure of petitioner's counsel to call Rule 153 to the attention of the trial court should no more deprive petitioner of its benefits than the failure to plead specifically the Federal Employers' Liability Act foreclosed the application of that Act on appeal to test correctness of the trial judge's refusal to charge in *Grand Trunk Western Railway Co.* v. *Lindsay,* 233 U.S. 42, *especially when, as here, the rule only fortifies a result which we think the jury could probably have reached, even in the absence of such a rule.*" (Italic ours.)

In *O'Donnell* v. *EJ&E Railway Co.,* supra, the employee met an unwitnessed death while working as a switchman in the defendant's yards. As a result of a broken coupler two cars separated from a moving cut of cars and collided with other standing cars. The latter cars were driven into cars whose couplers the decedent stated he was going to adjust shortly before the collision occurred.

At the trial, the plaintiff asked that the jury be instructed that breaking of the coupler in and of itself was negligence per se. The trial court refused to so instruct. On appeal the Court of Appeals with one dissent sustained this refusal so to charge saying:

"'We do not believe the Act required defendant to furnish couplers that would not break. We think the true rule is that where a coupler does break, the jury may, if they think it reasonable under all the circumstances, infer that the coupler was defective and was furnished and used in violation of the Act. The cases go no further than to hold that from the breaking of a coupler the jury may infer negligence.'" *Id.* 486, quoting 171 F. 2d at 976.

Reversing the Court of Appeals the Supreme Court stated at 387 that "[A] close and literal reading of the Safety Appliance Act, 45 U.S.C. 52, suggests that two functions only are required of couplers: that they couple automatically by impact, and that they uncouple without requiring men to go between the ends of the cars." (Citations omitted.) However in further analyzing the negligence problem, the court stated beginning at page 388:

"It is hard to think of a coupler defect in which greater danger inheres to workmen, travelers and all to whom the railroad owes a duty, than one which sets cars running uncontrolled upon its tracks. We find it difficult to read the Safety Appliance Act to require that cars be equipped with appliances which couple automatically by impact and which may be released without going between the ends of cars, but which need not remain coupled in the meantime. The Act so construed would guard against dangers incident to effecting an engagement or disengagement while ignoring the even greater hazards which can result from a failure of a coupling to perform its main function, which is to stay coupled until released.

"We hold that the Safety Appliance Act requires couplers, which after a secure coupling is effected, would remain coupled until set free by some purposeful act of control."

Thus, in both of these FELA cases the court found a general safety purpose beyond the literal requirements of either the statute involved in the *O'Donnell* case or the regulation involved in the *Lilly* case and allowed recovery on such a general safety purpose.

Therefore, with respect to the statutes being repealed in light of the Supreme Court's holdings in *O'Donnell, Scarlett, Urie,* and *Lilly,* it is evident that the proposed conversion pursuant to the proposed statute of these specific statutory requirements to specific regulatory requirements would not diminish in any way the absolute standard of liability imposed for injuries arising from violation of such requirements.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time, and passed.

The title was amended, so as to read: "A bill to provide for Federal railroad safety, hazardous materials control and for other purposes."

Mr. HARTKE. Mr. President, the passage of comprehensive railroad safety legislation by the Senate represents a most important step in the Federal Government's attempt to improve safety in all modes of transportation.

The purpose declared in this bill is to promote safety in all areas of railroad operation, to reduce railroad related accidents, and to reduce death and injuries to persons and to reduce damage to property caused by accidents involving any carrier of hazardous materials.

The Senate Committee on Commerce in reporting favorably the comprehensive railroad safety legislation embodied in S. 1933 has determined that the soaring accident rate on the Nation's railroads coupled with the great potential for disaster when an accident occurs requires early and effective governmental attention. The committee has also made the judgment that the Federal Government in its effort to provide for greater safety on the Nation's railroads should enlist the assistance of those States which have the capability and which are willing to join in the effort. The committee, by its action also recognized that the railroad industry is the only mode of transportation in the United States which presently is not subject to comprehensive Federal safety regulation.

Five full days of hearings were held in 1969 by the Subcommittee on Surface Transportation. During those hearings approximately 50 witnesses representing almost every conceivable viewpoint relevant to safety on the railroads testified before the subcommittee. Included among the witnesses were representatives of the National Transportation Safety Board, the Federal Railroad Administration, the Office of Hazardous Materials—in the Department of Transportation—railroad labor, railroad management, the Department of Interior, the Department of Defense, mayors, fire chiefs, chiefs of police, State police, health officials, military firefighters, individual railroad employees, concerned citizens, representatives of rail passengers, the Secretary of Transportation, the National Association of Regulatory Utility Commissioners, the Chairman of the Product Safety Commission, and private consumer counsels. The basic thrust of the testimony in a voluminous hearing record is that the unsafe conditions which persist on some railroads are very serious, particularly in view of the fact that with the introduction of higher speed, longer and heavier trains, the increased carriage of deadly and dangerous materials, the possibility of a major catastrophe is ever present.

Train accidents have been steadily increasing and so have the dangers flowing from them. The number of such accidents rose from 4,149 in 1961 to 8,028 in 1968, an increase of 93.5 percent since 1961. The number of deaths from all kinds of railroad accidents rose from 2,127 in 1961 to 2,359 in 1968. While the number of deaths from railroad accidents exceeds substantially the number of annual deaths in aviation accidents, these statistics do not provide an accurate picture of the potential for disaster attending the operation of the Nation's railroads. Railroads today are transporting extremely flammable explosives highly reactive and poisonous substances throughout the Nation's metropolitan areas and countrysides. It has been reported to the committee that there are 25 new dangerous commodities considered for marketing purposes every day. Often as the committee learned so well during its hearings, the hazardous materials carried are so exotic and represent such an unknown factor that control of fire and contamination resulting from an accident is too often beyond the capability of local authorities. Special fire fighting equipment and procedures may be necessary for each of several kinds of materials that are being transported on a single train. Biological and chemical warfare materials including deadly nerve gases have been shipped in the past and may be shipped in the future by the Defense Department on the Nation's railroads. Increased accidents, greater speeds and more hazardous shipments provide an extremely lethal combination so that with increased frequency, train wrecks threaten whole communities with flame explosions, and contamination by poisonous chemicals.

The legislation approved today will, I am convinced, contribute greatly to improving safety on the railroads. Fashioning this measure was not a simple matter, however, and I take this opportunity to commend Senator WINSTON PROUTY the very able Senator from Vermont. Senator PROUTY has always been a strong advocate of greater safety on the railroads and early recognized the problems. He is the ranking minority member on the Subcommittee on Surface Transportation and as such has been very successful in attaining his goals. Without Senator PROUTY's great contribution to the effort of drafting a good safety bill it would have been impossible for the Subcommittee on Surface Transportation and the full Committee on Commerce to overcome the extremely abundant obstacles to committee approval of a comprehensive rail safety measure. Senator PROUTY brought many of the opposing parties together in his office and personally worked to thrash out agreement upon some of the most bitterly contested issues.

Let me say also that the distinguished chairman of the Senate Commerce Committee, Senator MAGNUSON, demonstrated once again his outstanding leadership abilities in gaining approval of this bill by the full Commerce Committee. Senator MAGNUSON has fought long and hard to improve safety in all modes of transportation. The passage of this bill is another milestone in his distinguished career.

Mr. MAGNUSON. Mr. President, I am gratified that the Senate has at long last approved a comprehensive rail safety bill. Unsafe conditions on some railroads have long been of concern to many Members of the Senate. We have now done something about that concern. I know from personal experience the formidable obstacles that have been placed in the way of congressional approval of rail safety legislation over the years. The chairman of the Subcommittee on Surface Transportation, Senator VANCE HARTKE, made a monumental effort to obtain approval of this vital legislation. He deserves the gratitude of the entire Nation for what is truly an outstanding achievement. Approval of this bill has truly been a bipartisan effort, however. The ranking minority member of the subcommittee, Senator PROUTY as well as other Members from both sides of the aisle have worked long and hard on this legislation.

EXTENSION OF PROVISIONS OF THE PUBLIC HEALTH SERVICE ACT

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 613.

The PRESIDING OFFICER. The bill will be stated.

The BILL CLERK. A bill (S. 2660) to extend and otherwise amend certain expiring provisions of the Public Health Service Act for Migrant Health Services.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Labor and Public Welfare with amendments on page 2, line 2, after "1972", insert "and"; in line 3, after "30", strike out "1973, $35,000,000 for the fiscal year ending June 30, 1974, and $10,000,000 for the fiscal year ending June 30, 1975" and insert "1973"; and, after line 5, insert a new section, as follows:

SEC. 2. Section 310 of the Public Health Service Act is further amended by adding immediately after the final sentence thereof the following new sentence: "For the purposes of assessing and meeting domestic migratory agricultural workers' health needs, developing necessary resources, and involving local citizens in the development and implementation of health care programs authorized by this section, the Secretary must be satisfied, upon the basis of evidence supplied by each applicant, that persons broadly representative of all elements of the population to be served and others in the community knowledgeable about such needs have been given an opportunity to participate in the development of such programs, and will be given an opportunity to participate in the implementation of such programs."

So as to make the bill read:

S. 2660

A bill to extend and otherwise amend certain expiring provisions of the Public Health Service Act for migrant health services

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 310 of the Public Health Service Act is amended by striking out "$9,000,000 each for the fiscal year ending June 30, 1968, and the next fiscal year, and $15,000,000 for the fiscal year ending June 30, 1970", and inserting in lieu thereof "$15,000,000 for the fiscal year ending June 30, 1970, $20,000,000 for the fiscal year ending June 30, 1971, $25,000,000 for the fiscal year ending June 30, 1972, and $30,000,000 for the fiscal year ending June 30, 1973".

SEC. 2. Section 310 of the Public Health Sevice Act is further amended by adding immediately after the final sentence thereof the following new sentence: "For the purposes of assessing and meeting domestic migratory agricultural workers' health needs, developing necessary resources, and involving local citizens in the development and implementation of health care programs authorized by this section, the Secretary must be satisfied, upon the basis of evidence supplied by each applicant, that persons broadly representative of all elements of the population to be served and others in the community knowledgeable about such needs have been given an opportunity to participate in the development of such programs, and will be given an opportunity to participate in the implementation of such programs."

The PRESIDING OFFICER. The question is on agreeing to the amendments.

The amendments were agreed to.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. YARBOROUGH. Mr. President, I ask for third reading of S. 2660.

The bill was ordered to be engrossed and to be read a third time.

The bill was read the third time.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that the Committee on Labor and Public Welfare be discharged from further consideration of H.R. 14733 and that the Senate proceed to the immediate consideration of H.R. 14733.

The PRESIDING OFFICER. Without objection, it is so ordered. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 14733) to amend the Public Health Service Act to extend the program of assistance for health services for domestic migrant agricultural workers and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. YARBOROUGH. Mr. President, I am indeed gratified to support the passage of this bill to extend and improve health services for domestic migratory farmworkers, which I introduced earlier this year.

The need for increased funds for migrant health services is graphically illustrated by comparing statistics that reveal the per capita expenditures of $12 for health care for migrants, compared with the per capita expenditures of well over $200 for health care for the Nation as a whole. Migrants have been shown to have an incidence of tuberculosis 17 times greater, and infestations with worms 18 times greater, than is seen among patients in private physicians' offices.

Notwithstanding this great need, Federal funds for the years 1967 through 1969 for migrant health services totaled less than $25 million for all 3 years. My bill, S. 2660, authorizes Federal funding for the years 1971 through 1973, which total $75 million or more than triple the funds that were appropriated for 1967 through 1969. The need is great—we must try to meet it.

The bill also strengthens congressional support for the involvement of migrants in the development and implementation of health care programs for their benefit. The Secretary must be satisfied by the project applicant that persons broadly representative of all elements of the population to be served will be given an opportunity to participate in the development and implementation of programs to improve migrant health services. Thus, the migrants themselves must be involved in the health projects.

The Committee on Labor and Public Welfare agreed unanimously that the migrant health program should be "a permanently and separately identifiable program." The action taken by the Public Health Service to destroy the separate identity and operation of the migrant health program must be reversed. The staff should be reinstituted as a core unit.

We are on the road to overcoming generations of neglect. We should continue on this road. S. 2660 provides an opportunity. As chairman of the Committee on Labor and Public Welfare, I urge its immediate passage.

Mr. President, I move that all after the enacting clause be stricken and that the text of S. 2660 as amended be inserted in lieu of the text of H.R. 14733.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment of the amendment and the third reading of H.R. 14733.

The amendment was ordered to be engrossed and the bill (H.R. 14733) to be read a third time.

The bill was read the third time, and passed.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that S. 2660 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

The title was amended so as to read: "To extend and otherwise amend certain expiring provisions of the Public Health Service Act for migrant health services."

SENATOR ELLENDER ADDRESSES THE NATIONAL AERIAL APPLICATORS ASSOCIATION CONFERENCE

Mr. ELLENDER. Mr. President, I ask unanimous consent that an address I delivered before the National Aerial Applicators Association Conference in New Orleans on December 9, 1969, be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS DELIVERED BY SENATOR ALLEN J. ELLENDER BEFORE THE NATIONAL AERIAL APPLICATORS ASSOCIATION CONFERENCE, NEW ORLEANS, LA., DECEMBER 8, 1969

I am glad to be with you and to add my voice to those welcoming you to the Queen City of the South, New Orleans. Although December is not the best time of the year to visit this city, it is still a good place in which to have a good time.

I realize it is not always easy to address professional groups, such as the one now facing me. It is always taken for granted that experts know more about their own business than a humble Senator, who must always keep his ear to the ground and measure the reaction that follows any position he may take when the public is involved.

Your Executive Director has informed me that today your members must not only be top-fight pilots, but also—and I quote—"knowledgeable in chemistry, physics, agronomy, farming and engineering, meteorology, and cost-accounting." In regard to the last qualification named—I would like to say—"cost-accounting", of all things! If any of you are good at cost-accounting and happen to lose your job, I wish you would come and work for the government, particularly in the Department of Defense. What we badly need there are people able to count the cost of the programs which are advocated. This applies not only to the dollar cost to the taxpayers, but to the social cost—the cost which must be borne by our society as a whole, including the taxpayer, the consumer, the farmer, the city dweller—in fact, the entire environment which supports the American public.

I am pleased to note the theme of this Conference—"SAFETY IN '70." I think it is very appropriate, as it reflects the dangerous times in which we live. We are all concerned with safety. There is danger lurking in the streets of our large cities, particularly our capital city of Washington. South Vietnam wants to be safe from North Vietnam, North Vietnam from China. China must dream of protection from Russia. Russia desires safety from the United States and the United States wants to be safe from Russia. I repeat—what an appropriate theme you have selected.

Seriously speaking, security is one of the foremost psychological needs of mankind. It always has been, and I presume that it always will be. What is important, however, is that some danger is real and some danger is only imagined. It is to this point that I want to address myself today. Sometimes the imagined dangers can be more serious than the real ones, for men are moved as much by myth as they are by logical reasoning.

There are several problems facing this Conference today, and facing the chemical industry as a whole. You know your business better than I; you are experts in your field, and I will not presume to tell you how to run your affairs. I will speak to you, therefore, as a long-term Chairman of the Senate Committee on Agriculture and Forestry, and as one who has some knowledge and experience with the forces of public opinion, and how these forces can act to shape changing public policy.

This nation is becoming increasingly concerned with the growing problem of pollution, along with the means to control the use of those substances which may cause the pollution of our water and atmosphere. There are many reasons for this heightened public awareness. Unfortunately, however, such an increase in public awareness usually breeds emotionalism, and some people are then inclined to lose their sense of reason. Politics becomes involved, and whenever that happens, even many men and women in public life seem to lose their sense of reason. They listen to the cry of pressure groups and often-times do not use their own God-given common sense.

This awareness, I must observe is being reinforced by a growing scientific, governmental, and public concern about the problem of pollution in general. This is a concern which is coming to be shared by private industry, and by groups such as your Association. I take much encouragement from this attitude, for these are the forces which are the movers and doers of our society.

It may not be entirely true, as some still think, that what is good for General Motors is good for the nation, but as soon as General Motors realizes that; gasoline fumes represent a clear and present danger to our society, the problem will be attacked and probably licked. The government can lead the way, as it must do on occasion, but in the final analysis real progress depends upon the wholehearted cooperation of those who produce, develop, and find use of our national wealth and resources.

We can consider other factors in this increasing public awareness as well. There is the discovery of DDT in the far and uninhabited reaches of the world, for instance, or the discovery of oily waste material in the Sargasso Sea, a thousand miles from any shoreline or shipping lane, to cite another example. Still, it seems to me that there are two primary sources for the increased public concern with pollution that we have seen developing in the last few years.

First, and perhaps most important, is the development of machines able to measure tolerances down to levels previously unheard of. Thus, at one stroke, we found substances present in food, water and air that we did not know were there. What the presence of small quantities of poisonous materials means to human life is a subject of scientific controversy. The man on the street, however, has no difficulty in jumping to a conclusion.

The second factor involved in our heightened awareness and the change in attitude toward pollution in general is the advent of television. Television is capable of graphically displaying a polluted river and showing the effects of pollution to all the people in the country. People in some parts of the country may never have seen a large river in their lives, or heard of a fish-kill. But after seeing on their television screens the thousands of dead fish piled up on a river bank, they are quick to sit down and write their Congressmen to have something done about the situation immediately.

A good example took place only a few months ago in my own Parish of Terrebonne. Thousands of fish were found floating along the south shore of Lost Island, which parallels our coastal waters.

Pictures of the dead fish were taken and printed in some of our local newspapers. Water pollution for certain was the cause according to some who were not acquainted with the facts. Some alleged that the oil or gas industry was the culprit or maybe it was the pesticide used to kill sugar cane borers or maybe DDT that was used to kill weeds, caused the fish kill. After a survey was made by some of our local people it was found that a large fishing boat loaded down with menhaden, a fish from which oil is extracted, floundered on a sand bar and in order to put the boat afloat, it was necessary to dump its cargo of fish. No pollution was found, but it was too late to give the true picture and in the minds of some, the cause of the fish kill was pollution.

This is largely the problem facing your Association today. A fish-kill occurs somewhere on the Mississippi after a farmer upstream has dusted a few acres of cotton. In the public mind, DDT is automatically the villain. A detailed study by the Fish and Wildlife Service and the United States Department of Agriculture may later determine that DDT had nothing to do with this particular fish-kill. The real cause may have been industrial over-flow, or a drop in the oxygen supply, or too much sewage from an upstream city, but it is usually too late to undo the damage done to the farmer by an over-zealous public.

Public opinion is a vital and effective force in this country. In some areas it is more effective than in others. This is true in different areas of public policy. I have noticed, for instance, that the greatest outcry against the use of pesticides is in those regions where their use is almost unknown, or is of little economic importance to the agricultural producer. Yet in those general areas of policy-making which have to do with pollution control, public opinion is exerting a powerful force. By and large, this is long overdue, and I welcome the development.

But one of the difficulties is that very often those who are most concerned with a national problem are those who know relatively little about it. Because of this, the danger the public feels at present takes on many qualities of a myth. Whether the danger actually exists is sometimes beside the point. The fact is that people think it does. They feel insecure, unsafe, and they want something done about it. Emotion takes the place of reason, as I pointed out before, especially when those concerned with a public problem have no economic stake in its solution, or feel they have none.

It is the responsibility of reasonable men to keep things in perspective. It is our duty to balance what can be done today with what ought to be done tomorrow, when everything in the world is near perfect.

Those authorities whose business it is to know the facts, those who manage the testing stations scattered through Louisiana, Mississippi, and the entire Southeast, feel that DDT applied in a safe manner, according to regulations, represents little danger to the environment. It does not build up to dangerous levels in the soil, and its potential can be controlled.

Far greater danger to the pollution of our lakes and streams comes from industrial production and from the use of DDT and similar control chemicals in our vast urban areas. It is this that may be responsible for the high levels of toxic substances found in the fish of the Great Lakes and other areas. We face a far greater change from industrial and municipal sources than we do from the limited chemical applications made on Southern cotton fields.

Make no mistake about it—I am not saying that the dangers from the widespread use of persistent agricultural chemicals is non-existent. What I am saying is that in my judgment the worst teeth of this dragon can be pulled by training, and by the use of wise methods of application. Furthermore, it is a danger which we must face if cotton production in the South, as we know it, is to continue in the future.

A very recent study by the United States Department of Agriculture indicates that if the use of the most common chemicals were restricted on a selective basis, increased production costs in the Southeast would have amounted to an average of $3.12 per treated acre. This would have totaled $15.4 million in 1966 and would have represented 1.2% on the farm value of cotton lint and cotton seed in that year. The biggest increase would have been in the Delta Region, and would have amounted to $6.8 million or an average of $4 per treated acre.

Those who have studied this problem in the U.S. Department of Agriculture are in agreement that the use of persistent pesticides will be necessary until other substances are developed by our chemical industry. The industry itself is hard at work on this problem because of its economic implications. The government is also at work. I am informed that two-thirds of the pesticide research conducted by the Department of Agriculture is aimed at the development of non-persistent, less dangerous chemical compounds. Today, as you well know, what we have to work with is generally less effective and greatly more expensive. Some of them are even more dangerous to human and animal life than DDT and similar compounds.

We come now to what might be done—no, what *must* be done to protect the legitimate interests of your Association, and the interest of American agriculture. If the use of pesticides is immediately and seriously curtailed in agricultural applications, the price of our products will climb even faster than it is at present under inflationary pressures. If we are forced to compensate for increased insect damage by increasing the acreage devoted to our staple crops—cotton, corn, wheat, and the like—we will find that insects and crop diseases have an infinite capacity to reproduce. We will find that a danger largely misunderstood by the public can come to have real and serious consequences. Not only will your Association and the American farmer be hurt, but all our citizens will suffer. We are all consumers, and we all make regular visits to the grocery store.

As I said earlier, I am speaking to you today as one knowledgeable in agriculture, and also as one with some experience in the making of public policy. As such, I yield to no man in my concern with the dangers facing our environment from the effects of pollution. Less than a month ago, I persuaded the Senate to increase by almost five times the amount of money budgeted for this fiscal year in water pollution control work. The House of Representatives would agree to only $800 million, or four times the amount requested by the Nixon Administration. There is a problem, without question, but we must deal with the facts and not with the myth. This latest action by the Congress, which I sponsored, is one way to get at the problems which are real.

The widespread use of persistent pesticides will remain under attack because public opinion is demanding changes in present policy, and because, in my estimation, fact is mixed with fancy, and reason is mixed with emotion. This does not make the attacks any easier for the farmer to face, for as I mentioned earlier, it is not only real danger which frightens people, but what they see as dangerous.

It seems to me that your task, the task of those segments of American agriculture vitally affected, and the task of the chemical industry, is to approach this problem over two avenues. First, you may implement the theme of this Conference—"Safety in '70"—which I would expand to mean safety in all the '70's. A great deal of work has already been done in adding to the safeguards of those who fly the planes and handle the materials, and this has been of benefit to all of you. The use of better control techniques must be developed so that the smallest possible quantities of pesticides can be used, and those applied only to those areas in need. You, yourselves, know these problems, and I am glad to see that you are moving to meet them. You must continue to do so.

Your activities are already regulated by the Department of Agriculture, the Federal Aviation Administration, and the State Agricultural authorities. Now the Departments of Health, Education and Welfare, and Interior, are trying to barge into the act. This pressure will continue; make no mistake about it. What you must do is work to make the areas of concern cause for the smallest possible concern.

As a second part of this first avenue of approach, all efforts to develop non-persistent insecticides for agricultural use must be supported.

As I mentioned, the government and the

industry are already doing much in this direction, but more can and must be accomplished. With the tide of public opinion running as it is, I do not think that much time is left. I have supported the research effort by the Department of Agriculture, and also by the Department of Health, Education and Welfare, and I promise to work for increased efforts in this direction.

The second avenue which should be explored by all parties dealing with this problem, and this includes those with an over-riding concern with the environment, is to work to get dangerous pesticides banned for nonessential uses. This is perhaps the best way we have of separating fact from myth. There is no good reason for use of heavy doses of of DDT on the shade trees along the streets of our cities, for example, and I could cite many other examples of what I would call abuses of the use of pesticides. Other substances can be used with greater safety, and if the expense of application is higher, this becomes a part of the social cost that we all must pay for a decent place in which to live.

We have returned to this question of social cost, which I referred to in the beginning of my remarks. It is a phrase which we are going to hear more and more in the decade of the 1970's. If Vietnam can be settled and we can enter an essentially peaceful era, the attention of the nation is going to be focused on its domestic problems. For too long, in my estimation, too much of our attention has been directed abroad. In our transportation system, our cities, our entire national environment, in the way in which we live today, problems have been allowed to get a start and grow up more or less behind our backs, to catch us unawares.

Changes in public policy are going to be made bit by bit, but the results are going to be seen across-the-board in the years ahead. These changes will be expensive—for government, for private industry, and for the consumer. I rate myself as a conservative in economic matters, for I try to maintain a healthy respect for prudence and good business when it comes to using other peoples money, to say nothing of my own. Yet there is little that I and the Congress can do to halt the trends which are in the making. I doubt that anything could be effective in this regard, short of a hair-curling depression, which none of us wish to see. The most that can be done by rational men is to control the direction of the changes that are taking place—to try and channel the trends for the betterment of all our people. For my part, I would rather see the tax money spent here at home than in questionable foreign adventures that drain the nation's wealth. I would much prefer that we make every effort to settle our differences with Russia than to continue an arms race that may lead to the destruction of mankind.

During the 1970's the expenses of improving our society will be too much for either the taxpayer or our industrial producers to bear alone. The cost will have to be borne by the consumers of all our goods, and by those who benefit from clean water and fresh air. If the public decides that electric lines should be put underground, electric rates will go up. If we decide finally that filthy, dangerous and polluted rivers are unacceptable to our people, the costs to those who use that water will increase. This is a fact that those who advocate expensive programs sometimes fail to point out. In an industrial society of 250 million people, it will be almost impossible for any individual to live very cheaply.

Those who deal with agriculture have already felt the pressures of this social cost in a multitude of ways, from the farmer in his fields, to the housewife in the supermarket. If uninformed concern with the pesticide problem is allowed to concentrate on myth, without due regard for the facts, this cost could increase immensely, overnight. Those groups advocating more stringent environmental controls are genuine in their alarms. But we must be certain that their concern is balanced with the efforts of our farmers and producers in the attempt to protect and expand our food supply.

I am convinced that a balance can be worked out which will benefit and cause undue harm to no one. For the time being, however, it is best that this problem be dealt with by those most knowledgeable in regard to the facts. For that reason, it seems to me inadvisable to allow controls of pesticide application when used for agricultural purposes to pass into hands other than those concerned with American agriculture.

There are those at the highest levels of government who apparently desire to see this control diffused to the Department of Health, Education, and Welfare, and perhaps to the Department of the Interior. I frankly see nothing to be gained by this, and I see many dangers which might flow from it. In short, our present laws should be enforced as written by the Congress, and by those agencies to whom authority was given by the Congress.

When more progress is made along those two avenues I have pointed out to you, when other non-persistent, effective substances have been developed, perhaps we can look at the problem differently. At the present, however, I do not favor proposals to diminish the authority of the Department of Agriculture over an activity so vital to our agricultural well being. You may rest assured that as Chairman of the Senate Committee on Agriculture and Forestry I will resist such a move. There is not much time to be lost, however, and I urge all of you to do everything possible to develop a constructive approach to these problems that will be with us in the years ahead.

In conclusion I would like to call to your attention a classic case in which I participated, a few years ago before I was elected to the United States Senate. This case illustrates the need for scientific studies before reaching conclusions as to the damages that may come from alleged pollution.

Several years after oil and gas were discovered in our Louisiana coastal waters, oyster fishermen complained that their oysters were dying. The fishermen and their lawyers commented that the culprits must be the many oil companies that produced oil and gas near and in the waters where oysters were grown. Damages were claimed from the oil companies which denied that the production of oil and gas killed oysters.

Damage suits involving several hundred thousand dollars were filed and I was asked to represent some of the oil companies. At first I refused to take the cases and I asked for time to look into the matter. For over six months I studied the situation and I suggested to the oil companies that they hire some scientists to do some research in our coastal waters in order to find out the reason for the death of so many oysters. In my studies I found that oysters were dying away from the oil and gas fields, and that oysters survived in the oil fields and I concluded that oil and gas explorations could not cause the death of so many oysters.

The lawyers for the plaintiffs insisted that their cases be fixed for the trial and we, the lawyers for the defendants, asked for time in order to obtain evidence indicating the real cause of the death of oysters. In the meantime our scientists were busy and could come to no definite conclusions except that their opinions were that neither the oil nor gas killed the oysters.

One case finally came to trial and after several weeks of taking testimony the trial judge concluded that the plaintiffs had not made out their cases. An appeal was taken to our Supreme Court in Louisiana and after arguments were heard the high court reversed the judgment of the lower court and the oil company involved was ordered to pay damages.

At that time we had no recourse. Many more suits were filed involving millions of dollars. Our scientists keep on working in their research efforts. Believe it or not about six months after the oil companies were forced to pay damages our scientists found the cause of the death of the oysters. It was neither oil nor gas that did the damages but a bug or parasite that attacked the adductor muscle of the oysters, making it impossible for the oyster to open and close its shell. As a result the oysters died. Soon after the discovery was made all the remaining suits were withdrawn or dismissed.

I repeat, this is a classic example of what good results can be obtained through research. Many operators, like yourselves, may be convicted in the eyes of the public before the truth is surfaced.

I hope that you in cooperation with the Department of Agriculture will continue in your research to find pesticides that will kill the bugs but not pollute the land and water.

ORDER OF BUSINESS

Mr. **BYRD** of West Virginia. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. **BYRD** of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

RECESS

Mr. **BYRD** of West Virginia. Mr. President, I ask unanimous consent that the Senate stand in recess for 15 minutes.

Thereupon (at 6 o'clock and 5 minutes p.m.) the Senate took a recess.

The Senate reassembled at 6:20 p.m., when called to order by the Presiding Officer (Mr. McINTYRE in the chair).

PROCLAMATION OF JANUARY AS "NATIONAL BLOOD DONOR MONTH"

Mr. **KENNEDY**. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on Senate Joint Resolution 154.

The **PRESIDING OFFICER** laid before the Senate the amendment of the House of Representatives to the joint resolution (S.J. Res. 154) to authorize and request the President to proclaim the month of January of each year as "National Blood Donor Month", which were, in line 5, strike out "annually".

In line 6, strike out "of each year" and insert "1970".

And amend the title so as to read: "Joint resolution to authorize and request the President to proclaim the month of January 1970 as 'National Blood Donor Month'."

Mr. **KENNEDY**. Mr. President, I move that the Senate agree to the House amendments with an amendment.

The **PRESIDING OFFICER**. The clerk will state the amendment.

The legislative clerk read as follows:

At the end of the bill, add the following new section:

"SEC. —. Notwithstanding any other provision of law, the citizenship or nationality of Erneido A. Oliva shall not prohibit the Secretary of the Senate from paying compensation, for a period not to exceed 6 months, to the said Erneido A. Oliva while serving as an employee of the Senate."

Mr. GRIFFIN. May I ask the Senator from Massachusetts if this was cleared with the ranking Republican members?

Mr. KENNEDY. Yes.

Mr. GRIFFIN. I thank the Senator very much.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Massachusetts.

The motion was agreed to.

VACATING OF ORDER FOR ADJOURNMENT UNTIL NOON TOMORROW

Mr. KENNEDY. Mr. President, I move that the previous order adjourning the Senate until tomorrow at noon be vacated.

Mr. GRIFFIN. Mr. President, reserving the right to object, and I shall not object, can the distinguished acting majority leader tell me whether this contemplates that the OEO will be the pending business tomorrow at 11 a.m. instead of 12?

Mr. KENNEDY. It does.

Mr. GRIFFIN. I thank the Senator.

The PRESIDING OFICER. The question is on agreeing to the motion of the Senator from Massachusetts.

The motion was agreed to.

ORDER FOR ADJOURNMENT UNTIL 11 A.M. TOMORROW

Mr. KENNEDY. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 11 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF TRANSPORTATION APPROPRIATION BILL, 1970—CONFERENCE REPORT

Mr. STENNIS. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14794) making appropriation for the Department of Transportation and related agencies for the fiscal year ending June 30, 1970, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of Dec. 18, 1969, p. 39888, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. STENNIS. Mr. President, let me state that the conference report was signed by all the conferees.

I have a brief statement to make explaining the results of the conference.

All differences have been resolved with the exception of an amendment involving language which would authorize the Secretary to make transfers relating to staff functions, and the amount of liquidating cash for Federal-Aid Highways—trust fund. These last two matters have been left in disagreement and are not included in the conference report which I am describing.

I am happy to report that the House conferees have accepted the Senate amendment providing $50 million for an additional amount in 1970 for Grants-in-Aid for Airports. There was no money requested for airports this year because we were expected to pass a users tax; the civil supersonic aircraft funding has been resolved at $85 million—$95,958,000 in the House version and $80 million in the Senate version; the advanced funding for the Urban Mass Transportation Fund for 1971 has been resolved at $214 million—$220 million in the House version; $200 million in the Senate version.

I am advised that in separate actions following the approval of the report, the House has further insisted upon its disagreements to amendments numbered 2, 14, and 15—described in paragraph 2 of this statement. It is my intention, following the adoption of the report and the official advice from the House with respect to these disagreements, to move that the Senate recede from its amendments numbered 2, 14, and 15.

The total arrived at following these actions on the bill is $6,670,149,000, which is $652,157,000 over 1969 appropriations, $102,456,000 under the 1970 estimates, $55,719,000 over the House version, and $108,792,000 under the Senate version of the bill.

Mr. President, I move the adoption of the conference report.

The motion was agreed to.

Mr. STENNIS. Now, Mr. President, I ask that the Chair lay down the message with reference to the other items.

The PRESIDING OFFICER. The clerk will report the amendments in disagreement.

The LEGISLATIVE CLERK. Resolved, that the Senate recede from its amendments numbered 2, 14, and 15.

Mr. STENNIS. Mr. President, those are the items that the House conferees took back in disagreement, and the House sustained them.

Amendment No. 2 was the language whereby we gave authority to Secretary of Transportation Volpe to make certain transfers of personnel from various administrations under the Department of Transportation. The House insisted that that authority not be granted. It had been granted for 2 years to the preceding Secretary. Our committee thought, and the Senate approved, that he should be given that authority for more than the mere 5 months he had it.

But that has been resolved now, and I am going to move that the Senate recede from that amendment.

The others, 14 and 15, are companion amendments relating to $100 million that the House reduced in the Highway Trust Fund appropriation. The funds are paid out of the Trust Fund but have to be appropriated each year. That money has already in effect been promised to the States, and they have already made contracts against it.

We thought, and the Senate agreed, that we should provide all of it now, but the House disagreed. It will be handled some time later in that exact amount. So it is a matter that does not have to be done right now.

I, therefore, move that the Senate recede from its amendments just described, amendments 2, 14, and 15.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Mississippi.

The motion was agreed to.

Mr. STENNIS. Mr. President, I ask unanimous consent to have printed in the RECORD a summary on this bill, reflecting the amounts appropriated in fiscal year 1969, the budget estimates for fiscal year 1970, the amounts agreed to in the House and Senate versions of the bill, and the conference action.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF THE BILL, H.R. 14794

Item	New budget (obligational) authority, 1969	Budget estimates of new (obligational) authority, 1970	Version of bill		Conference action
			House	Senate	
TITLE I					
DEPARTMENT OF TRANSPORTATION					
OFFICE OF THE SECRETARY					
Salaries and expenses	$10,150,000	$12,900,000	$11,500,000	$11,750,000	$11,600,000
Transportation planning, research, and development	6,000,000	20,000,000	8,000,000	14,000,000	11,000,000
Consolidation of departmental headquarters			4,520,000	4,520,000	4,520,000
Total, Office of the Secretary	16,150,000	32,900,000	24,020,000	30,270,000	27,120,000
COAST GUARD					
Operating expenses	371,500,000	389,015,000	386,000,000	386,000,000	386,000,000
Deduct amount applied to debt reduction	—126,000	—131,370	—131,370	—131,370	—131,370
Acquisition, construction, and improvements	90,000,000	77,300,000	57,300,000	75,700,000	66,500,000
Retired pay	53,000,000	57,750,000	57,750,000	57,750,000	57,750,000
Reserve training	25,900,000	26,600,000	25,900,000	26,600,000	25,900,000
Research, development, test, and evaluation	4,000,000	14,900,000	14,500,000	14,500,000	14,500,000
Total, Coast Guard	544,274,000	565,433,630	541,318,630	560,418,630	550,518,630

SUMMARY OF THE BILL, H.R. 14794—Continued

Item	New budget (obligational) authority, 1969	Budget estimates of new (obligational) authority, 1970	Version of bill		Conference action
			House	Senate	
TITLE I—Con.					
DEPARTMENT OF TRANSPORTATION—Con.					
FEDERAL AVIATION ADMINISTRATION					
Operations	$705,354,000	$767,000,000	$767,000,000	$767,000,000	$767,000,000
Facilities and equipment	120,000,000	134,000,000	224,000,000	224,000,000	224,000,000
Research and development	27,000,000	47,500,000	41,000,000	41,000,000	41,000,000
Operation and maintenance, National Capital Airports	9,120,000	9,800,000	9,500,000	9,800,000	9,650,000
Construction, National Capital Airports	700,000	3,200,000	1,900,000	1,900,000	1,900,000
Grants-in-aid for airports, 1970	30,000,000				
Grants-in-aid for airports, additional 1970				50,000,000	50,000,000
Civil supersonic aircraft development		95,958,000	95,958,000	80,000,000	85,000,000
Rescission of unobligated funds	[−30,000,000]				
Total, Federal Aviation Administration	892,174,000	1,057,458,000	1,139,368,000	1,173,700,000	1,178,550,000
FEDERAL HIGHWAY ADMINISTRATION					
Limitation on general expenses	[66,431,000]	([1])			
Office of the Administrator salaries and expenses:					
Appropriation		[1] 1,830,000]	1,650,000[	1,687,000[	1,650,000
Trust fund limitation		[1] [13,057,000]	[12,467,000]	[12,627,000]	[12,627,000]
Bureau of Public Roads: Limitation on general expenses		[1] [69,143,000]	[59,012,000]	[59,230,000]	[59,121,000]
Federal-aid highways (trust fund—appropriation to liquidate contract authorization)	[4,155,370,000]	[4,530,000,000]	[4,419,279,000]	[4,519,657,000]	[4,419,279,000]
Right-of-way revolving fund (trust fund—appropriation to liquidate contract authorization)		[50,000,000]	[40,000,000]	[40,000,000]	[40,000,000]
Highway beautification:					
Appropriation	1,064,000	1,250,000	1,100,000	1,100,000	1,100,000
Appropriation to liquidate contract authoriaation		[10,000,000]	[5,000,000]	[5,000,000]	[5,000,000]
Limitation on obligations		[24,802,000]	[16,100,000]	[16,100,000]	[16,100,000]
Traffic and highway safety:					
Appropriation	26,500,000	[1] 34,146,000	27,550,000	37,550,000	29,550,000
By transfer	[1,200,000]	[2,100,000]	[2,000,000]	[2,100,000]	[2,050,000]
State and community highway safety (appropriation to liquidate contract authorization)	[50,000,000]	[50,000,000]	[30,000,000]	[30,000,000]	[30,000,000]
Limitation on obligations	[65,000,000]	[75,000,000]	[65,000,000]	[75,000,000]	[70,000,000]
Motor carrier safety	2,080,000	[1] 2,364,000	2,300,000	2,300,000	2,300,000
Forest highways (appropriation to liquidate contract authorization)	[29,000,000]	[30,000,000]	[18,000,000]	[30,000,000]	[25,000,000]
Limitation on obligations	[29,000,000]	[29,000,000]	[12,000,000]	[29,000,000]	[18,000,000]
Public lands highways (appropriation to liquidate contract authorization)	[7,600,000]	[12,000,000]	[7,000,000]	[7,000,000]	[7,000,000]
Limitation on obligations	[12,500,000]	[13,000,000]	[3,000,000]	[13,000,000]	[8,000,000]
Chamizal Memorial Highway		4,000,000	4,000,000	4,000,000	4,000,000
Inter-American Highway	2,000,000				
Total, Federal Highway Administration	31,644,000	43,590,000	36,600,000	46,637,000	38,600,000
FEDERAL RAILROAD ADMINISTRATION					
Office of the Administrator, salaries and expenses	900,000	1,300,000	1,000,000	1,050,000	1,050,000
Bureau of Railroad Safety	3,790,000	4,450,000	4,050,000	4,050,000	4,050,000
High-speed ground transportation research and development	13,000,000	14,000,000	10,000,000	12,000,000	11,000,000
Railroad research	300,000	500,000	300,000	300,000	300,000
Payment to Alaska Railroad revolving fund	580,000				
Total, Federal Railroad Administration	18,570,000	20,250,000	15,350,000	17,400,000	16,400,000
URBAN MASS TRANSPORTATION ADMINISTRATION					
Salaries and expenses	[2] [853,000]	2,000,000	1,500,000	1,500,000	1,500,000
Urban mass transportation fund:					
Fiscal year 1970	175,000,000				
Fiscal year 1971		250,000,000	220,000,000	200,000,000	214,000,000
Total, Urban Mass Transportation Administration	175,000,000	252,000,000	221,500,000	201,500,000	215,500,000
ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION					
Limitation on administrative expenses	[550,000]	[630,000]	[600,000]	[600,000]	[600,000]
Total, title I, Department of Transportation	1,677,812,000	1,971,631,630	1,978,146,630	2,029,925,630	2,026,688,630
TITLE II					
RELATED AGENCIES					
National Transportation Safety Board:					
Salaries and expenses	4,798,000	5,100,000	5,000,000	5,100,000	5,050,000
Civil Aeronautics Board:					
Salaries and expenses	9,850,000	10,400,000	10,200,000	10,200,000	10,200,000
Payments to air carriers	45,000,000	34,661,000	33,500,000	33,500,000	33,500,000
Total, Civil Aeronautics Board	54,850,000	45,061,000	43,700,000	43,700,000	43,700,000
Interstate Commerce Commission:					
Salaries and expenses	24,664,000	25,508,000	25,000,000	25,254,000	25,127,000
Washington Metropolitan Area Transit Authority:					
Federal contribution	43,772,000	43,173,000	43,173,000	43,173,000	43,173,000
Total, title II, related agencies	128,084,000	118,842,000	116,873,000	117,227,000	117,050,000
Total, titles I and II, new budget (obligational) authority	1,805,896,000	2,090,473,630	2,095,019,630	2,147,152,630	2,143,738,630
Consisting of appropriations:					
Fiscal 1969	[1,600,896,000]				
Fiscal 1970	[205,000,000]	[1,840,473,630]	[1,875,019,630]	[1,947,152,630]	[1,929,738,630]
Fiscal 1971		[250,000,000]	[220,000,000]	[200,000,000]	[214,000,000]
Memorandums:					
Appropriations to liquidate contract authorizations	[4,241,970,000]	[4,682,000,000]	[4,519,279,000]	[4,631,657,000	[4,526,279,000]
Appropriations for debt reduction	[126,000]	[131,370]	[131,370]	[131,370]	[131,370]
Rescission of unobligated funds	[−30,000,000]				
Grand total	[6,017,992,000]	[6,772,605,000]	[6,614,430,000]	[6,778,941,000]	[6,670,149,000]

[1] Adjusted to conform with House and Senate Committee allowances.

[2] By transfer.

Mr. STENNIS. Mr. President, I want to express my appreciation to the members of the committee. The Senator from New Jersey (Mr. Case), the ranking minority member on the subcommittee, is not here just now. The Senator from Colorado (Mr. Allott) is a valuable member of the subcommittee, as is the distinguished Senator from Maine (Mrs. Smith). They were also conferees.

I want to express my appreciation to all members of the subcommittee. I think that the bill as it emerged in final form will be sound and good for the Nation.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. ALLOTT. Mr. President, I would like to yield first to the distinguished Senator from Maine (Mrs. Smith) if she wishes to speak.

Mrs. SMITH of Maine. Mr. President, I would like to say that we all owe the distinguished Senator from Mississippi a debt of gratitude for the dedicated way in which he has carried through on this bill—a very difficult bill. I at least want to thank him.

Mr. ALLOTT. Mr. President, will the Senator yield further?

Mr. STENNIS. I yield to the Senator from Colorado.

Mr. ALLOTT. Mr. President, I want to underscore and emphasize the remarks made by the distinguished Senator from Maine, because I participated in this matter. I am sorry that official business keeps the distinguished Senator from New Jersey, who is the ranking minority member of the committee, off the floor, because he has worked so hard and so devotedly on the bill.

Of course, none of us is completely happy with the bill, as we hardly ever are, but we had to yield on those points in order to get a bill. All in all, we have done a good job. I think the whole Transportation Department will be stronger. Those of us who are vitally interested in the transportation area know it means much to our country, and particularly to the large city areas, where it is important to resolve transportation problems.

I am sure the distinguished Senator said this while I stepped out of the Chamber, but I would like to say it because it needs to be said. I think we ought to pay particular tribute to the efficient members of the staff, John Witeck, for the majority, and Bob Clark, the minority member, who devoted much time and effort to enable us, first of all, to bring a bill out of the subcommittee which the full committee would adopt, and then to carry the bill on the floor, and then to assist us in asserting the Senate's position in conference. Without them, we could not have done it. Their assistance has been invaluable.

Again I pay tribute to the distinguished chairman. It is wonderful to work with him. The time he has devoted to this bill has paid off, in my opinion, for the good of the United States.

Mr. STENNIS. Mr. President, I thank the Senator. I am most grateful for the fine work he has done this year and in preceding years and on the authorizing committee. I know he has made many outstanding contributions. I join him in his tribute to our staff members. They always go the second mile and are very efficient.

ADJOURNMENT UNTIL TOMORROW, SATURDAY, DECEMBER 20, 1969, AT 11 A.M.

Mr. KENNEDY. Mr President, if there is no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 11 o'clock tomorrow morning.

The motion was agreed to; and (at 6 o'clock and 35 minutes p.m.) the Senate adjourned until tomorrow, Saturday, December 20, 1969, at 11 a.m.

CONFIRMATIONS

Executive nomination confirmed by the Senate December 19, 1969:

Ambassador

Henry J. Tasca, of Pennsylvania, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Greece.

HOUSE OF REPRESENTATIVES—*Friday, December 19, 1969*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

The people that walk in darkness have seen a great light: they that dwell in the land of the shadow of death, upon them hath the light shined.—Isaiah 9: 2.

O God, to whom glory is sung in the highest, while on earth peace is proclaimed to men of good will, grant that good will unto us, unto the citizens of our land, and unto the nations of the world that peace may live in our hearts and in the hearts of all people.

Guide, strengthen, and give wisdom to our President, our Speaker, Members of Congress, and all who labor with them that there may be justice and good will at home and freedom and peace between the nations of the world.

Make us humble in faith, genuine in love, concerned about the needy that the Christmas spirit may live in our lives and find expression in daily living throughout the new year.

In the spirit of Christ we pray. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 15209. An act making supplemental appropriations for the fiscal year ending June 30, 1970, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 15209) entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1970, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Byrd of West Virginia, Mr. Pastore, Mr. Holland, Mr. Ellender, Mr. McClellan, Mr. Magnuson, Mr. Stennis, Mr. Young of North Dakota, Mrs. Smith, Mr. Hruska, and Mr. Allott to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15090) entitled "An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1970, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2917) entitled "An act to improve the health and safety conditions of persons working in the coal mining industry of the United States."

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following titles:

S. 740. An act to establish the Cabinet Committee on Opportunities for Spanish-Speaking People, and for other purposes.

The message also announced that the Senate agrees to the amendment of the House to amendments of the Senate to a bill of the Senate of the following title:

H.R. 9233. An act to amend title 5, United States Code, to promote the efficient and effective use of the revolving fund of the Civil Service Commission in connection with certain functions of the Commission, and for other purposes.

The message also announced that the Presiding Officer of the Senate, pursuant to Public Law 115, 78th Congress, entitled "An act to provide for the disposal of certain records of the U.S. Government," appointed Mr. McGee and Mr. Fong members of the Joint Select Committee on the part of the Senate for the Disposition of Executive Papers referred to in the report of the Archivist of the United States numbered 70–3.

APPROPRIATION FOR INDIAN HEALTH SERVICES ADOPTED BY SENATE

(Mr. EDMONDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDMONDSON. Mr. Speaker, yesterday the other body by a vote of 80 to zero adopted an amendment which added $2,000,000 to the appropriation for Indian health services in this country.

The amendment was one offered principally by the senior Senator from Oklahoma, Senator HARRIS, with 11 Senators as cosponsors.

I think a case was made on the floor of the Senate that overwhelmingly justified the addition of these funds. Generous use in the Senate debate was made of a report recently submitted by two Members of the Indian Affairs Subcommittee of the House Committee on Interior and Insular Affairs pointing out drastic shortages of medicine and of personnel in three Indian hospitals in Oklahoma.

I hope and earnestly pray that the House conferees will accept the addition of this money without a great deal of delay and without a great deal of controversy, because it is urgently needed if we are to give quality medical care to our first Americans. There is good reason to believe that we are today seeing needless deaths and needless prolonged illness in our Indian hospitals because of the shortages which prevail. I earnestly beseech our conferees on behalf of the House to accept this addition of funds that has been added in the other body.

TIME TAKEN UP BY QUORUM CALLS

(Mr. COLLIER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLLIER. Mr. Speaker, it seems appropriate on this 19th day of December, as this Congress is limping toward a belated adjournment, that we give some consideration to all the factors which contribute to a really unnecessary situation. For obvious reasons we cannot go into all of them at this time, but there is one which deserves the attention of the Members of this House, particularly since the Legislative Reorganization Act is pending before the Rules Committee.

Perhaps it has not occurred to you that we had in the 90th Congress 397 straight quorums—completely useless straight quorum calls consuming an average of 30 minutes apiece—which means a loss of the equivalent of 24 working days per Member of this body. We have already had 172 of these straight quorums this year. It seems to me that all of us can put this time to better use. If someone can come up with anything that resembles a justification for this type of useless routine, I certainly would like to hear it.

SEASON'S GREETINGS

(Mr. WILLIAMS asked and was given permission to address the House for 1 minute.)

Mr. WILLIAMS. Mr. Speaker, once again, this newsletter reaches you amid the spirit of the holiday season, that time of year during which Americans gather within their groups of family and friends to participate in what, to them, is basic in their respective beliefs and traditions.

This is the joyous season in which Americans, of whatever religious conviction, find common bond in man's belief in God and in man's determination to preserve the dignity and freedom which God intended.

From myself, my family, and staff—to you and yours—go every good wish for the full blessings and joy which only this holiday season can afford.

MEDICAL SCHOOLS ARE UNDERFINANCED

(Mr. CARTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CARTER. Mr. Speaker, the medical schools and medical students in our country are undergoing a difficult period of underfinancing.

I have a letter from the dean of the University of Kentucky Medical School, in which he states that 45 percent of the students currently in the health professions programs project financial deficits during this academic year, and that the total amount of these shortages will approximate $100,124.

Almost certainly some of these students may be forced to withdraw unless supplemental funds are found. In view of the critical health needs of the State of Kentucky, and the very limited economic reserves available to most of our students—for example, 39 percent of the students in their first year classes are from families where annual gross income is under $10,000. I feel that any and all steps toward restitution of these funds should receive your immediate attention.

The administration has asked that the medical schools in the United States graduate 1,000 more physicians this year. Can we afford, then, to cut back our aid to medical schools and our medical students at this time when we have been asked for an increased number of graduates? Are the necessary funds to be withdrawn?

I strongly urge, Mr. Speaker, that the conferees on the HEW bill include sufficient funds for loans for the medical students and for the medical schools, so that these young physicians so necessary to improvement of the health of the United States may be graduated.

THE TENNESSEE-TOMBIGBEE WATERWAY IS A LEGITIMATE FEDERAL PROJECT

(Mr. EDWARDS of Alabama asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDWARDS of Alabama. Mr. Speaker, during the last few weeks, I have mentioned some urgent reasons why construction of the Tennessee-Tombigbee Waterway should begin. This project affects some 23 States directly and many others indirectly. However, it is oftentimes difficult to think about its effect in those terms. I would like to discuss briefly today, nine counties in Alabama that will be contiguous to the waterway and will certainly directly benefit by the commerce and industry the project will stimulate.

These nine counties lie in the southwestern region of the State. Eight of the counties are considered rural by Office of Economic Opportunity standards. Seven must participate in the Department of Agriculture's food stamp program. The other two participate in the commodity distribution program. All are well below the national average in health personnel and hospital beds per 100,000 population ratio.

With respect to income, all nine counties have more families with incomes below $3,000, on the average, than the rest of the Nation. To cite 1969 statistics:

In one county between 25 and 35 percent of the families earn less than $3,000. Another has between 35 and 50 percent in this category. Five of the counties have 50 to 65 percent who earn less than $3,000. And two counties have incomes of less than $3,000 going to between 65 and 80 percent of the families.

Remember that the new poverty level has been set at just under $3,000. When I say to you that the Tennessee-Tombigbee Waterway will provide new life for one of the poorest areas of the South, I am not just whistling "Dixie."

In terms of buying power per capita the figures are even more demoralizing. The range lies between $883 to $1,636.

I have mentioned many times in connection with the Tennessee-Tombigbee Waterway project, the great effect it will have on moving people off welfare rolls and onto payrolls. Let me cite to you a few figures that indicate the level of employment in these areas: I will use two counties as examples.

In Choctaw County, based on 1960 population figures, 8,891 were in the eligible labor force of males over 14 years of age. Of this group only 3,644 were actually employed. That is less than 40 percent of the eligible males. In the case of the 8,979 females of the same age only 1,308 are working—less than 15 percent.

In Washington County 10,639 males over 14 years of age were in the eligible labor force. Of this group only 4,671 were employed—less than 45 percent. In the case of the 11,243 females of the same age only 2,262 were working—around 20 percent.

Large amounts of taxpayers' dollars are poured into these counties to help the people of the area. But these tax dollars are doing nothing to permanently alter the situation and only bring the promise of continued dependency on the Federal Government. For a mere $316 million over 10 years, this Federal Government can build a project that will help put an end to this perpetual cycle of welfare, poverty assistance, and handouts. I hope the President and this Congress will back such a project wholeheartedly.

PUTTING OUR FISCAL HOUSE IN ORDER

(Mr. ARENDS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARENDS. Mr. Speaker, what I am about to say may make me the most unpopular Member of this body. I am willing to take that risk.

The risk I am taking is of no consequence compared to the risk to our country's well-being that many of my colleagues seem willing to take simply to serve what they conceive to be in the interest of their own political well-being.

I have been checking voting records. I have been amazed to find many of those who voted against continuation of the surtax to be consistently voting for increases in Government spending.

As much as I would like to have this session of Congress adjourn that we may have a vacation period before the opening of the next session, I am advocating that the President veto any appropriation bill which he finds excessive. I am advocating that the President veto any so-called tax reform bill sent to him that materially reduces much-needed revenue. I am advocating that the President keep us here and do whatever may be necessary to put our fiscal house in order.

Never in my many years' service in this House have I witnessed such disregard for the economic health of our country and the welfare of our people suffering from the ever-increasing prices.

ANOTHER INCREASE IN WHOLESALE PRICES

(Mr. ANDERSON of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDERSON of California. Mr. Speaker, on Wednesday we were presented some events that allegedly indicate that results are showing up in the administration's fight against inflation. We were given "tangible evidence that we are beginning to make some progress in relieving those excessive pressures on the economy that have been driving up the cost of living."

But today, we are presented with some hard realistic evidence that appears to contradict the optimistic attitude of the administration.

The Bureau of Labor Statistics revealed that overall wholesale prices rose 0.6 percent in November. This is the largest monthly increase since May. This increase brought the Wholesale Price Index up to 114.7, an increase of 4.7 percent in the past year.

When wholesale prices go up, retail prices usually follow suit. Thus, increases in prices for the wholesaler are usually passed on to the consumer.

The wholesale price of food rose 3 percent during this period. If retail prices rise by a like amount, the housewife will have to buy 3 percent less food or spend 3 percent more money in order to provide the same menu she offered her family in May.

Perhaps the administration's "evidence" does not consider the needs of the average consumer. Perhaps the evidence is relieving the inflationary pressure only for a privileged few. The evidence from the Bureau of Labor Statistics illustrates higher prices for those of us who do our own shopping in the grocery store—those of us who do not believe that "progress" of this type is to be welcomed.

BLACK PANTHER INVESTIGATION

(Mr. ROSTENKOWSKI asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. ROSTENKOWSKI. Mr. Speaker, following the announcement that the Justice Department will have a grand jury investigation in the city of Chicago, the State's attorney of Cook County held a press conference. I feel that Mr. Hanrahan's observations should be noted. Therefore, I am including his statement in the RECORD at this point:

> Assistant Attorney General Jerris Leonard of the Department of Justice today told me that because the Black Panthers had *refused* to be interviewed by the FBI it was impossible for the FBI to complete its preliminary investigation.
>
> As a consequence of this refusal by the Black Panthers, Mr. Leonard told me the Department of Justice was forced to abandon its preliminary investigation and would now try to get Black Panther testimony through a Federal Grand Jury.
>
> This decision by the Department of Justice was made *despite* the continuing willingness of our officers to be interviewed by FBI agents.
>
> It is *outrageous* that the Department of Justice would abandon its established practices because of the refusal of the Black Panther party to tell the truth to FBI Agents. It is *amazing* that the Black Panthers, who claim their civil rights were violated, would refuse to support their claims by giving the facts to the FBI.

PERMISSION FOR HOUSE MANAGERS TO FILE CONFERENCE REPORT ON H.R. 15149, FOREIGN ASSISTANCE APPROPRIATIONS, 1970

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on H.R. 15149, a bill making appropriations for foreign assistance for the fiscal year ending June 30, 1970, and for other purposes.

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the request of the gentleman from Louisiana?

There was no objection.

CORRECTION OF RECORD WITH RESPECT TO H.R. 9334

Mr. TEAGUE of Texas. Mr. Speaker, on yesterday the Speaker recognized me for a unanimous consent request to take from the Speaker's table the bill H.R. 9334, with the Senate amendment thereto, and concur in the Senate amendment.

The CONGRESSIONAL RECORD, on page 39800, shows that this is what occurred, although the number of the bill shown in the RECORD is incorrectly shown as H.R. 9634.

The error in the number was also repeated in the message to the Senate later on yesterday, the Senate was mistakenly informed that the House had concurred in the amendments of the Senate to H.R. 9634, rather than in the Senate amendment to H.R. 9334.

I therefore ask unanimous consent that the CONGRESSIONAL RECORD be corrected to show that I asked for the consideration of H.R. 9334 instead of H.R. 9634.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas.

There was no objection.

Mr. TEAGUE of Texas. Mr. Speaker, I also ask unanimous consent that the Clerk be directed to request the Senate to return to the House of Representatives the message on the bill (H.R. 9634) to amend title 38 of the United States Code in order to improve and make more effective the Veterans' Administration program of sharing specialized medical resources.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

CALL OF THE HOUSE

Mr. MINSHALL. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. BOLAND. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 341]

Abbitt
Adams
Alexander
Anderson, Tenn.
Andrews, Ala.
Ashbrook
Ashley
Baring
Bolling
Brock
Cahill
Carey
Celler
Chisholm
Clancy
Clark
Clay
Conyers
Corman
Dawson
Diggs
Eckhardt
Edwards, Calif.
Erlenborn
Farbstein
Foley
Fraser
Fulton, Tenn.
Gallagher
Gray
Grover
Gubser
Hall
Harvey
Hébert
Hungate
Karth
Kirwan
Kleppe
Kluczynski
Kyros
Lipscomb
McCarthy
MacGregor
Martin
May
Miller, Ohio
Morse
Morton
Moss
Myers
O'Neill, Mass.
Ottinger
Patman
Pelly
Pepper
Pike
Pirnie
Poage
Powell
Pucinski
Rees
Reifel
Rosenthal
St Germain
Sandman
Scheuer
Sisk
Skubitz
Stephens
Sullivan
Teague, Calif.
Tunney
Vanik
Watkins
Whitehurst

The SPEAKER. On this rollcall 357 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERMISSION FOR HOUSE CONFEREES TO HAVE UNTIL MIDNIGHT SUNDAY, DECEMBER 21, TO FILE CONFERENCE REPORT ON H.R. 13270, TAX REFORM ACT OF 1969

Mr. MILLS. Mr. Speaker, on behalf of the conferees on the part of the House I ask unanimous consent that the conferees may have until midnight Sunday, December 21, to file a conference report to accompany H.R. 13270, the Tax Reform Act of 1969.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object—and I do so only so that the Members of the House might have an understanding of the situation—this does not mean that the conference committee will not finish its work today. The timing of the request for Sunday night is to give an opportunity to put the language of the report that has to be filed and the amendments that have been agreed to into proper form.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Arkansas.

Mr. MILLS. Mr. Speaker, I appreciate the gentleman bringing up the matter because it is true that a number of changes have been made in both the House bill and the Senate bill that require variations in the language of one or the other or both of those bills. That language, being part of the Internal Revenue Code, has to be drawn and included in the conference report. Our decisions undoubtedly will be completed fairly soon.

Mr. BYRNES of Wisconsin. At least we hope so.

Mr. MILLS. Mr. Speaker, if the gentleman will continue to yield, we, as the gentleman knows, stayed in session last night and left the House about 5 minutes of 3.

Mr. BYRNES of Wisconsin. This morning.

Mr. MILLS. This morning. We did so thinking that we could get through last night, but the hamburgers we had for supper in the conference room, and the little bit of milk we drank, stimulated us at least until 3 o'clock, and when we saw that it was not going to furnish enough stimulus to our minds to enable us to stay there all night we broke up with the understanding that we would come back today and complete our decisions. I would hope very earnestly that we will not be in conference very long today.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman.

Mr. GERALD R. FORD. Under the program that has been announced, would the report be available for Members on Monday?

Mr. MILLS. That is hard to predict. I certainly hope it will be. I understand the Government Printing Office is heavily loaded at the moment and will be from now until we adjourn or recess or whatever we do.

I was told yesterday that on a similar request, to have until midnight to file a report, that the report was not available in printed form, in that connection, until or by at least noon the next day.

I would think, if it is agreeable with the Speaker and the majority leader—and I would like to get his opinion on this, so that the membership may be given now some idea of the time—that on Monday or Tuesday we would vote. Very frankly, it might be better to predict now that we will be ready to vote sometime on Tuesday than to have to undertake to do it on Monday, although I would like for it to be possible to do it Monday, but because of the possibility that the report itself would not have been printed and available to the membership in time for them to have a look at it, it might be best to consider setting it for Tuesday.

I do not mind asking unanimous consent, but the only way we can schedule it and take it up before it is available, as I understand the rules, is to ask unanimous consent that we may take it up even though it has not been printed. I do not think I want to make that kind of request.

Mr. BYRNES of Wisconsin. Well, I would add that I do not think that I could accede to that kind of request.

Mr. MILLS. Of course not.

Mr. BYRNES of Wisconsin. This bill encompasses so much and it is so vital that every Member should have an opportunity to see what has been done in conference. This is particularly true in this case because of the possible differences between the House bill, the Senate bill, and the conference decisions.

The big difference frankly so far, I think we can predict, will be the difference that we will have between the Senate bill and the conference report.

Mr MILLS. Yes, I think that there will be more similarity up to this point, in the conference report and the House bill, and I think I can take all of you into our confidence and say that in the bill that passed the House we recoup through our reform provisions over a period of time, an estimated $6.9 billion, and that when the Senate completed its action on the bill that amount had been materially reduced perhaps by as much as one-half.

My recollection is, and I would like the gentleman's memory to assist me here—but my recollection is that the decision so far made within the conference, with respect to the reforms, would bring the amount back close to the House bill, so we would recoup some $6.5 billion through the reforms.

Mr. BYRNES of Wisconsin. I would not agree with that figure because the gentleman has added into that figure the extension of the surtax.

Mr. MILLS. No, no.

Mr. BYRNES of Wisconsin. And the excise tax extension also when you are talking about the $6.5 billion figure.

Mr. MILLS. No, no, I am not adding it—I am not adding those. I am adding, and what we are talking about, are those items listed as reform items—as reform items—and not the 5 percent surcharge for 6 months of 1970, or the excises.

Mr. BYRNES of Wisconsin. I am talking about the balance between the two.

Mr. MILLS. I am not talking about 1970. I am talking about the figure in the conference report which corresponds to the figure in the House-passed bill—or $6.9 billion. This of course, is not the immediate figure but a figure over a period of time.

Mr. Speaker, I want to point out that we are almost in line with the House-passed bill so far as the recoupment through reform is concerned. That is the point I wanted to make.

Mr. BYRNES of Wisconsin. I thank the gentleman. I do not want to quarrel with those figures.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I am glad to yield to the gentleman from Oklahoma.

Mr. ALBERT. Mr. Speaker, of course we are hoping that the situation is such, but it might be possible to bring it up on Monday and we are hopeful of that even if it be late on Monday.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman.

Mr. MILLS. That suits me fine. So many Members have asked me the question about when we might take this up, that I thought we needed to have this colloquy so that it would be understood that after today the only thing that is holding it up is the completion of the conference report by our technicians, and the printing of the conference report.

If it is made available to us on Monday and Members have an opportunity to look at it on Monday, we could, of course, bring it up on Monday.

Mr. ALBERT. If the gentleman will yield further, we are very hopeful, the House is, as the distinguished chairman and ranking member of the committee know, that we might get out on Monday. But I would like to state that should we fail to be able to do so, by reason of the fact that the report is not printed and available, we would hope on Monday to ask to come in quite early on Tuesday and see if we could finish it on Tuesday.

Mr. BYRNES of Wisconsin. I would emphasize to the gentleman that we are not only getting many inquiries about when we will conclude action but we are also getting many inquiries about what we have done. I seems to me we have to allow ample time for Members to find out what we have done before they will be prepared to vote on this legislation.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the minority leader.

Mr. GERALD R. FORD. I would like to ask the distinguished majority leader, in light of what he just said about what he would hope to do in reference to Tuesday, if we should meet on Tuesday, is there any harm in asking unanimous consent now that we come in at an earlier hour on Tuesday so that we know in advance that that would be the plan if we should meet on Tuesday?

Mr. ALBERT. I would prefer not to make that request right now. We have had discussions about coming in at 10 o'clock on Tuesday. We may make the request later.

Mr. GERALD R. FORD. But we do have the majority leader's statement as to his intention.

Mr. ALBERT. I understand the Speaker will recognize me for the purpose of making such a request to come in no later than 10 o'clock on Tuesday if we do not have the report on Monday.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from California.

Mr. HOLIFIELD. I thank the gentleman for yielding. I would strongly urge that this policy be followed, and that at the proper time a request be made that we meet at 10 o'clock on Tuesday morning. Many of us have reservations for the Tuesday noon plane for the west coast. It is hard to get reservations, by the way, at this time of the year. Many of us want to be home with our families at Christmastime. This is said without any degree of criticism of the committee. I know what a terrific job they have had and the problems they have had. I would hope that every step will be taken by the leadership to permit some of us who live on the west coast to have an opportunity to fulfill our reservations on Tuesday in order that we might be home for Christmas.

Mr. LANDRUM. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Georgia.

Mr. LANDRUM. With reference to what the gentleman from California (Mr. HOLIFIELD) has had to say, the same statement applies to some of us who live on the east coast and on the Atlantic seaboard. While I fully appreciate the situation in which my distinguished chairman and my friend from Wisconsin find themselves, we have been told here that we certainly could have this report available to us on Monday, and if we have to wait until Tuesday to vote, then it occurs to me the leadership ought to be able now to give us some indication of what hour we can expect to get out of here. I have been trying to make reservations for 2 weeks, and I have not been able to get them. I know others who are in the same situation. I am trying to discharge my responsibilities. If someone does not make a request and get some information as to what we can expect, this whole business is going to wind up in a dilemma.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the majority leader.

Mr. ALBERT. May I take the House into my confidence. I have been advised by some Members they would object to coming in early on Tuesday. So I would like to work that out, at least, before I make the request.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Iowa.

Mr. GROSS. I wonder if I might make a suggestion. It is not my desire to in any way hold up the sine die adjournment of this session of the Congress, but we ought to have a copy of the conference report in hand when it is called up. May I make the suggestion that we extend the time for consideration of the conference report? Under the rules, an hour would be allocated to its consideration. When the conference report comes before the House for consideration, could the time for discussion of the conference report be extended, say, to 2 hours?

I am sure we would get far more from having the opportunity, if we cared to use it, to ask questions of the gentleman from Arkansas (Mr. MILLS) and the gentleman from Wisconsin (Mr. BYRNES) and the other members of the Ways and Means Committee.

I would be perfectly willing to come in at an early hour if the time for discussion of the conference report could be extended. This conference report will have tremendous ramifications and it is highly technical. I am confident the House will learn far more of the actions taken in conference by extending the time for discussion than it will in any other way.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Arkansas.

Mr. MILLS. Mr. Speaker, I think the point made by my friend, the gentleman from Iowa, is a good one. This is perhaps one of the most all-inclusive tax bills that the Congress has had an opportunity to consider since I have been a Member of the Congress. There is very little of the Internal Revenue Code that is not affected or changed by it.

Members will recall we had an excessive amount of time to discuss the bill when we had it on the floor under general debate. If it would facilitate the matter in any way, I would not be averse as we call up the conference report, if the Speaker and others think it parliamentarily in order, to ask unanimous consent that on this particular conference report the time might be extended for an additional hour so that we can have that 2 hours. We might not use all of it, but I would not want to deprive any of my colleagues of the opportunity of asking the gentleman from Wisconsin or me or any other House conferees any questions the Members might have about the conference report. I think most Members would have some questions about the very voluminous conference report.

Mr. WAGGONNER. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Louisiana.

Mr. WAGGONNER. Mr. Speaker, I thank the gentleman for yielding. It seems to me from the colloquy that has developed here involving the leadership, that the final item of business for this first session will be the adoption of the conference report on tax reform.

I would just like to ask the leadership if they would tell us when we can expect to vote—since we are clarifying the tax issue—on the HEW conference report and the foreign aid conference report.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Mr. Speaker, those are matters that are still within the jurisdiction of the Committee on Appropriations. We intend to discuss those matters with the distinguished chairman, and we will advise the House just as soon as we can.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Michigan

Mr. GERALD R. FORD. Mr. Speaker, I thank the gentleman for yielding.

I would like to ask the distinguished majority leader, inasmuch as I have had a number of inquiries this morning and this afternoon, about whether or not, in the light of these developments, we would meet tomorrow for a session on Saturday.

Mr. ALBERT. If the gentleman will yield further, the answer to that, as far as I know, is yes, because we have other conference reports that we must dispose of.

We would like to come down to Monday with no other business than the tax bill, if possible. We want to meet tomorrow to finish all the other conference reports, if possible.

I would like very much to go along with the suggestion made by the gentleman from Iowa and concurred in by the chairman of the committee. I would suggest that the gentleman ask that permission. I cannot see any possible harm that would come from it, and possibly considerable good would come from it, if this bill is ready on Monday and Members can have the extra time so we might dispose of this bill on Monday.

Mr. BYRNES of Wisconsin. It might be possible, Mr. Speaker, that with the additional time there would be more of a possibility of considering it on Monday under circumstances assuring every member of an opportunity to know what is in the bill.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. Mr. Speaker, I yield to the gentleman from Arkansas.

Mr. MILLS. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, in the light of the colloquy that has just occurred, I ask unanimous consent that when the conference report is considered——

The SPEAKER. The gentleman from Arkansas has one unanimous-consent request pending now, that the conferees have until midnight Sunday to file the conference report.

Mr. BYRNES of Wisconsin. Mr. Speaker, I withdraw my reservation.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

PROVIDING AN ADDITIONAL HOUR FOR CONSIDERATION OF THE CONFERENCE REPORT ON H.R. 13270, TAX REFORM ACT OF 1969

Mr. MILLS. Mr. Speaker, I ask unanimous consent that when the conference report to accompany H.R. 13270, the Tax Reform Act of 1969, is called up for consideration by the House that there be an additional hour—a total of 2 hours—to consider the conference report.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair would like to make an observation. The Chair does not like to make observations from the chair, but this is an unusual situation, and colleagues will understand.

The Chair agrees with the statement made by the majority leader, that it is hoped to get the conference report up

Monday. That is the strong conviction and strong hope of the Chair, that the conference report will be brought up Monday.

All Members realize Christmas is only a few days off and this is important to Members. If a satisfactory climate can be developed—and evidently a satisfactory climate has been developed with the extension of the additional hour, which the gentleman from Iowa (Mr. Gross) wisely suggested—the Chair is of the strong hope that the chairman of the committee and the members of the conference committee will be in a position where the conference report will be called up on Monday next.

CONSIDERATION OF TAX REFORM ACT OF 1969

(Mr. HOLIFIELD asked and was given permission to address the House for 1 minute.)

Mr. HOLIFIELD. Mr. Speaker, if I may have the attention of the distinguished chairman of the Ways and Means Committee, I should like to make a suggestion for consideration.

It is customary for us to receive galley prints of the reports before they are in final print. If the gentleman would order a few extra galley prints for the Members who are especially interested and would like to look at the report before the printed report is available, it might be of assistance.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Arkansas.

Mr. MILLS. I doubt in this instance if it would be possible for us to comply with the suggeston. We will need until probably 11:55 p.m. Sunday night to even file this. The galleys we will have will be full of errors, to begin with, and will have to be corrected. If we submit them to the Members there might be so many errors in them initially that they really would not get a true understanding of the conference report.

Mr. HOLIFIELD. The gentleman's suggestion is satisfactory.

Mr. MILLS. I am hoping to get it out and available early Monday morning.

APPOINTMENT AS MEMBERS OF THE COMMISSION ON GOVERNMENT PROCUREMENT

The SPEAKER. Pursuant to the provisions of section 3(a), Public Law 91-129, the Chair appoints as members of the Commission on Government Procurement the following members on the part of the House: The gentleman from California (Mr. Holifield) and the gentleman from New York (Mr. Horton); and the following member from outside the Federal Government: Joseph W. Barr, of Maryland.

CONFERENCE REPORT ON H.R. 14751, MILITARY CONSTRUCTION APPROPRIATIONS, 1970

Mr. SIKES. Mr. Speaker, I call up the conference report on the bill (H.R. 14751) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1970, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of December 18, 1969.)

Mr. SIKES (during the reading). Mr. Speaker, I ask unanimous consent to dispense with further reading of the statement of the managers on the part of the House.

The SPEAKER pro tempore (Mr. Holifield). Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER pro tempore. The gentleman from Florida is recognized for 1 hour.

Mr. SIKES. Mr. Speaker, the conference report approves $1,560,456,000 in new obligational authority to support the military construction programs of the several military services in fiscal year 1970. This amount is $356,844,000 below the Nixon budget estimates and $997,994,000 below the Johnson budget. It is $115,022,000 below comparable appropriations for fiscal year 1969. It is $109,897,000 above the House-passed bill and $42,990,000 below the Senate-passed bill.

It will be recalled that this measure passed the House on November 13 before the conferees on the authorizing bill had reached agreement. It was necessary therefore to make adjustments to the House-passed appropriations bill to reflect the final outcome of the authorization legislation. This partly was due to the fact that meritorious projects were added in conference. A detailed list of these and other changes to the House bill is contained in the conference report.

Some of the major items approved for the Army which were not contained in the House-passed bill are an instruction facility for $2,830,000 at Fort Knox, Ky., which will provide needed space for armor and reconnaissance training; a maintenance instruction facility for enlisted aircraft mechanics at Fort Rucker, Ala., for $3,636,000; an administrative and classroom building in the amount of $9,891,000 which will allow barracks buildings currently being used for the purpose to be returned to their proper use, at Brook Army Medical Center, Tex.; and a cadet activities center at the U.S. Military Academy, West Point, N.Y., for $16,814,000. The continuing problem with cost escalation at West Point is a very serious one. For that reason, the conference report contains language to force the Army to deal aggresively with this problem and to encourage them to stay within cost estimates. In a related action at West Point, the authorizing legislation deleted $3,399,000 which had been requested by the Army to cover a cost overrun for a hospital and supporting utilities at West Point.

The major Navy projects which were allowed by the conferees over the House-passed bill include: recruit barracks and a mess hall at the Naval Training Center, Orlando, Fla., in the total amount of $10,308,000; barracks at the Naval Training Center, San Diego, Calif., Marine Corps Recruit Depot, San Diego, Calif., and the Marine Corps Air Station, El Toro, Calif.; and $11,988,000 to replace facilities at the Naval Construction Battalion Center, Gulfport, Miss., which were damaged in Hurricane Camille. The major item deleted from the House bill in the conference action was a hospital at Camp Pendleton, Calif., in the amount of $19,805,000. There has been a substantial cost overrun on this project and it cannot be built in the required scope for the amount which was authorized.

For the Air Force, the conferees added to the House bill: a composite recruit training and housing facility in the amount of $7,789,000 at Lackland Air Force Base, Tex., the sole Air Force recruit training center; three data processing plants, at Barksdale Air Force Base, La., Sheppard Air Force Base, Tex., and Keesler Air Force Base, Miss.—these facilities are necessary to house "phase 2" data processing equipment for the Air Force, which is already installed or on order. The remaining facilities in support of this program were denied. Airmen dormitories at George Air Force Base, Calif., Luke Air Force Base, Ariz., and a WAF dormitory at Loring Air Force Base, Maine, were restored. At the request of the several services, the following items to replace items which were destroyed by fire were included in the Senate bill and have been retained in the conference: an officers open mess at Eglin Air Force Base, Fla.; a refueling vehicle depot at Keesler Air Force Base, Miss.; and an officers open mess at McGuire Air Force Base, N.J.

For the Department of Defense agencies, the conferees restored various items which had been deleted in the House-passed authorizing bill. However, the reductions made in the House-passed appropriations bill for Department of Defense emergency construction and reductions from unobligated balances were largely retained.

For family housing, the committee of conference recommends $688,476,000. This represents every penny authorized for fiscal year 1970. It will provide 4,800 units of new family housing, a number that is totally insufficient when compared to the needs in this area. I take this opportunity to express once again the feeling of the committee that family housing construction has been insufficient in the past and that the current deficit in military family housing must be met in a realistic manner in the future.

I would like to point out that it has been the policy of the Congress in the past not to provide for the purchase of bulk milk dispensers with funds appropriated for military construction or, in fact, in other appropriations for the Department of Defense. There are no funds contained in this bill for the purchase of bulk milk dispensers and none of the funds contained in this bill are to be so used.

Mr. Speaker, I now insert a table which shows the action taken on the bill for fiscal year 1970:

MILITARY CONSTRUCTION APPROPRIATION BILL, 1970

[In thousands]

	Appropriations, 1969	Budget estimate, 1970	Passed House	Passed Senate	Conference action	Conference action compared with—			
						Appropriations, 1969	Budget estimate, 1970	House	Senate
Military construction, Army	$548,126	$395,600	$240,446	$297,597	$287,228	−$260,898	−$108,372	+$46,782	−$10,369
Military construction, Navy	291,513	397,200	271,605	305,377	300,028	+8,515	−97,172	+28,423	−5,349
Military construction, Air Force	222,141	389,100	253,505	302,349	284,327	+62,186	−104,773	+30,822	−18,022
Military construction, Defense Agencies	83,396	74,500	28,720	43,165	33,915	−49,481	−40,585	+5,195	−9,250
Military construction, Army National Guard	2,700	15,000	15,000	15,000	15,000	+12,300			
Military construction, Air National Guard	8,300	13,200	13,200	13,200	13,200	+4,900			
Military construction, Army Reserve	3,000	10,000	10,000	10,000	10,000	+7,000			
Military construction, Naval Reserve	5,000	9,600	9,600	9,600	9,600	+4,600			
Military construction, Air Force Reserve	4,300	5,300	5,300	5,300	5,300	+1,000			
Total, military construction	1,168,476	1,309,500	847,376	1,001,588	958,598	−209,878	−350,902	+111,222	−42,990
Family housing, defense	583,700	694,418	689,801	688,476	688,476	+104,776	−5,942	−1,325	
Portion applied to debt reduction	−82,898	−86,618	−86,618	−86,618	−86,618	−3,720			
Subtotal, family housing	500,802	607,800	603,183	601,858	601,858	+101,056	−5,942	−1,325	
Homeowner assistance fund, defense	6,200					−6,200			
Grand total	1,675,478	1,917,300	1,450,559	1,603,446	1,560,456	−115,022	−356,844	+109,897	−42,990

Mr. Speaker, I yield now to the distinguished gentleman from Michigan (Mr. CEDERBERG), the ranking minority member of the committee.

Mr. CEDERBERG. Mr. Speaker, while this conference report does not suit me in all of its aspects, I signed the report. I think we have reached a good compromise with the other body on this bill. The question of adequate military construction for the Defense Department is something that is of concern to all of us, and I believe this bill for fiscal year 1970 is a step in the right direction but a rather small step in the overall need for modern defense facilities. I do concur in the remarks of the chairman of the subcommittee, the gentleman from Florida (Mr. SIKES).

Mr. SIKES. Mr. Speaker, I yield such time as he may require to the gentleman from California (Mr. TALCOTT).

Mr. TALCOTT. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I was one of the conferees, but I was dissatisfied with the report, so I did not sign it.

I want to explain that I did attend each of the five meetings of the conferees, but the committee and the Congress, I feel, are not appropriating enough funds for operation and maintenance of the defense plant and facilities. Family housing is inadequate and most other facilities need rehabilitation and modernization. Unless we provide more funding for our defense plant and facilities, they will continue to deteriorate. My principal reason for not assigning the conference report involves a classified matter. I do not believe the classification of the item was necessary, but nevertheless I am bound by the classification and therefore I cannot discuss the project, but it was important and is essential to our national security. Deferment of the project jeopardizes our national and individual security. I think the project should be funded. For that reason I did not sign the conference report.

Mr. SIKES. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING CLERK OF THE HOUSE, IN ENROLLMENT OF H.R. 14751, TO MAKE CORRECTION IN TEXT

Mr. SIKES. Mr. Speaker, I call up the concurrent resolution (H. Con. Res. 473) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 473

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House of Representatives, in the enrollment of the bill (H.R. 14751) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1970, and for other purposes, is hereby authorized and directed to make the following correction in the text of the House engrossed bill:

On page two of the House engrossed bill, strike out "Public Law 91– " and insert "Public Law 91-121."

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SIKES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days during which to extend their remarks on the matters discussed in connection with the conference report on the military construction bill and to include certain statistical facts.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

CONFERENCE REPORT ON H.R. 14580, FOREIGN ASSISTANCE ACT OF 1969

Mr. MORGAN. Mr. Speaker, I call up the conference report on the bill (H.R. 14580) to promote the foreign policy, security, and general welfare of the United States by assisting peoples of the world to achieve economic development within a framework of democratic economic, social, and political institutions, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the statement.

(For conference report and statement see proceedings of the House of December 18, 1969.)

Mr. MORGAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we have just finished a very difficult conference, and we have not been able to bring back everything that we wanted to.

This was not because we did not do our best.

We found that we were not in a strong bargaining position.

Time was not on our side.

We were dealing with people whose attitude toward U.S. foreign policy in general and toward military assistance in particular differ from those of a majority of the Members of the House.

We did not reach a meeting of the minds on basic issues, and we had to accept compromises that no one liked.

Although we failed to bring back several provisions of the House bill which Members of the House regard as important and which the House conferees also recognize as being important, there is some good news.

For those who believe that we always spend too much money on foreign aid, I can report that we bring back a total figure of $1,972,525,000, which is $221,375,000 less than the amount in the House bill.

On the other hand, for those who believe that the foreign assistance program is essential to the implementation of U.S. foreign policy, the bill we bring back retains both the Overseas Private Investment Corporation and the Inter-American Social Development Institute which were approved by the House.

Even with the limited funds which will be available in the next 2 years, it should be possible to make significant improvements in our efforts to assist other countries by making use of these two new organizations.

We did not succeed in retaining the specific authorization of military assistance funds for the Republic of China and for Korea.

The Senate refused absolutely to go above a total figure for military assistance of $350 million. This is an increase of $25 million above the amount in the Senate bill. Under the circumstances, the House conferees believed that any earmarking of funds for the Republic of China or Korea, which are already included in the worldwide total, would result in such a reduction in the military assistance available to help other countries maintain their defenses that it would be detrimental to our own security.

The Senate bill included a provision that would limit the number of military personnel who could be brought to the United States for training to 50 percent of the number of civilians brought to the United States under the Hays-Fulbright bill. This would have had the effect of cutting the number of military trainees by more than half. We got the Senate to agree that the military trainees could be equal to the number of Hays-Fulbright students.

The bill as it passed the House included a lot of language which was a revision and updating of existing law. The Senate bill left existing law alone pretty much except for specific amendments which they thought were important.

After 3 days of argument about specific provisions in both bills, the conferees agreed to follow the procedure of amending existing law rather than incorporating the revisions and restructuring contained in the House bill. As a result, much of the language of the House bill was eliminated but comparable or related provisions of existing law remain in effect.

Mr. Speaker, I hope that the House will consider the bill we have brought back from conference on its merits. I know that some will be inclined to vote against the conference report as a protest against our foreign policy or because certain sections of the bill did not survive the conference.

I am sure that I speak for all of the House conferees when I say that I am convinced that this is the best we can do. I do not believe that sending the bill back to conference would enable the House to get anything more than we already have.

I urge the adoption of the conference report.

Mr. GROSS. Mr. Speaker, will the distinguished chairman of the committee yield to me?

Mr. MORGAN. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I thank the gentleman for yielding.

I believe the gentleman said that the conference provided $221 million less than the House bill. Is that correct?

Mr. MORGAN. That is right, $221 million.

Mr. GROSS. However, it is still some $200 million above the actual appropriation for last year.

Mr. MORGAN. The gentleman is correct. I think the gentleman also understands that the final figure for this year's appropriation has not been settled. I want to assure the gentleman that there is a great deal of difference in the two appropriation bills as they passed this body and the other body, and they will have to be worked out in conference to determine the amount to be appropriated this year.

Mr. GROSS. Yes, I understand that we have not yet acted on the conference report on the appropriation. But the authorization bill is some $200 million more than was actually appropriated for the foreign aid program last year.

Mr. MORGAN. The figure was somewhere in the neighborhood of $1.7 billion appropriated last year.

Mr. GROSS. This is the program that started out many years ago as a 5-year program, and is still with us, and apparently always will be with us.

I should like to note, if I may have the indulgence of the chairman, that I am opposed to the conference report, and will vote against it if there is to be a rollcall. I do not intend to ask for a rollcall because I have made my record clear as to my position on foreign aid on many previous occasions. However, I do want the record to show that I am opposed to the conference report.

Mr. MORGAN. I want to say to every Member of the House that the gentleman from Iowa is a member of the Committee on Foreign Affairs, and I am sure every member of the committee knows his position about this type of legislation.

I also want to tell the Members of the House that he is a very valuable and hardworking member of the committee. His constructive criticism is very frequently helpful and I am very glad to have him aboard my committee.

Mr. Speaker, I now yield to the gentleman from Indiana (Mr. ADAIR).

Mr. ADAIR. Mr. Speaker, the gentleman from Pennsylvania has reviewed the major points that were agreed upon in the conference. As he has noted, the House conferees worked very diligently to sustain the House position. Although we were obliged to yield on a number of points, we were successful in bringing back to the House a bill that included a number of features which will improve the administration of this program.

In my opinion, it is quite significant that the Senate agreed to a 2-year authorization, as provided for in the House bill. This will give the executive branch time to carefully scrutinize the Peterson Commission report which is due early next year, and to consider new directions for the program beginning with fiscal year 1972.

Also, the House conferees were able to retain the Overseas Private Investment Corporation, an important new concept upon which the Foreign Affairs Committee held extensive hearings. While the Senate Foreign Relations Committee did not include OPIC in its bill, this feature was added on the Senate floor, and we were pleased that authorization for the corporation was retained in conference.

The total authorization of $1,972,525 is a reduction of more than $200 million from the figure of $2,193,900 originally authorized by the House. Although this is a sizable cut, it does provide a figure approximately the same as that authorized a year ago.

The Senate conferees accepted the House language pertaining to authorization for a prototype desalting plant in Israel, with an amendment authorizing $20 million instead of $40 million, and a requirement that the President determine the feasibility of developing such a plant.

The authorization for military assistance was a particularly difficult area upon which to reach agreement. We finally agreed upon the figure of $350 million for worldwide military assistance—which is the same allocation the House had given this category—but we were unable to retain line items for South Korea and the Republic of China.

In summary, the House conferees worked hard to sustain the House position and the result is one we should support. I urge that the conference report be approved.

Mr. Speaker, I yield to the gentleman from Florida (Mr. CRAMER).

Mr. CRAMER. Mr. Speaker, the Soviet Union continues its insidious efforts at undermining the balance of power in the troubled Middle East. The Communists are pouring a seemingly unending stream of military armaments into the hands of sworn enemies of the beleaguered State of Israel and are challenging the seapower of the free nations in the area.

The United States must reaffirm its long-standing policy of protecting Israel's integrity, and over the years I have strongly supported measures to this end, including last year's authorization of the sale of at least 50 F–4 Phantom jet fighters to Israel in an effort to restore a balance of power in this area. This sale has been successfully negotiated and delivery of the jet fighters began in September of this year at the rate of four a month, with the completed delivery scheduled for the end of this fiscal year.

The military threat to Israel persists as the Middle East arms buildup continues to spiral, and will not, in the long run, result in a peace to that volatile area. However, war is virtually assured if Israel's enemies are allowed to gain the upper hand militarily and to upset the delicate balance needed to preserve peace.

Israel must be allowed to live in peace. An all-out Israel-Arab confrontation must be forestalled. And the best way to insure this is to provide Israel with the jet fighters—to offset Communist planes—it needs to defend itself.

In addition to providing military support, the United States is also moving to meet the critical water shortage problems of the area.

Contained in this current authorization—in section 219 under technical cooperation and development grants, title II—is one of the most significant long-range efforts to break through this serious economic and water shortage problem. This section provides for a large-scale water treatment and desalting prototype plant to be constructed in Israel "as an integral part of a dual-purpose power generating and desalting project." The U.S. participation includes the "financial, technical, and such other assistance as the President deems appropriate to provide for the study, design, construction, and, for a limited demonstration period of not to exceed 5 years, operation and maintenance of the water treatment and desalting facilities of the dual-purpose project." The sum of $20 million is provided for to accomplish this "program for peaceful communication."

This is the beginning of a needed long-range development program to stabilize Israel and perhaps will show the way to further stabilization of other countries in the area where water problems exist. I strongly support this effort.

Mr. MORGAN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LENNON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 208, nays 166, not voting 59, as follows:

[Roll No. 342]

YEAS—208

Adams
Addabbo
Albert
Anderson, Calif.
Anderson, Ill.
Annunzio
Arends
Aspinall
Ayres
Barrett
Beall, Md.
Bell, Calif.
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Brademas
Brasco
Brooks
Broomfield
Brotzman
Brown, Mich.
Buchanan
Burke, Mass.
Burton, Calif.
Bush
Button
Byrne, Pa.
Byrnes, Wis.
Cederberg
Cohelan
Conable
Conte
Corbett
Coughlin
Culver
Cunningham
Daddario
Daniels, N.J.
Davis, Wis.
Dellenback
Dennis
Dent
Dingell
Donohue
Dulski
Dwyer
Edmondson
Eilberg
Erlenborn
Esch
Evans, Colo.
Evins, Tenn.
Farbstein
Fascell
Feighan
Findley
Fish
Flood
Foley
Ford, Gerald R.
Ford, William D.
Frelinghuysen
Friedel
Fulton, Pa.
Garmatz
Giaimo
Gibbons
Gilbert
Gonzalez
Green, Oreg.
Green, Pa.
Griffiths
Gubser
Gude
Hamilton
Hanley
Hanna
Hansen, Idaho
Harrington
Hathaway
Hawkins
Hays
Heckler, Mass.
Helstoski
Hicks
Hogan
Holifield
Horton
Hosmer
Howard
Jacobs
Johnson, Calif.
Jones, Ala.
Karth
Kastenmeier
Kazen
Kee
Keith
Koch
Kyros
Lloyd
Lowenstein
McClory
McCloskey
McCulloch
McDade
McEwen
McFall
McKneally
Macdonald, Mass.
Madden
Mahon
Mailliard
Mann
Mathias
Matsunaga
May
Mayne
Meeds
Melcher
Mikva
Minish
Mink
Monagan
Moorhead
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Nedzi
Nelsen
Nix
O'Hara
O'Neill, Mass.
Ottinger
Patman
Patten
Perkins
Philbin
Pickle
Pike
Pirnie
Podell
Preyer, N.C.
Price, Ill.
Pryor, Ark.
Quie
Railsback
Reid, N.Y.
Reuss
Riegle
Robison
Rodino
Rogers, Colo.
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roth
Roybal
Ruppe
Ryan
St. Onge
Sandman
Scheuer
Schneebeli
Schwengel
Shriver
Smith, Iowa
Smith, N.Y.
Springer
Stafford
Stanton
Steiger, Wis.
Stokes
Stratton
Symington
Taft
Teague, Calif.
Teague, Tex.
Thompson, N.J.
Thomson, Wis.
Tiernan
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waldie
Weicker
Whalen
White
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H.
Wold
Wolff
Wright
Wydler
Yates
Yatron
Zablocki
Zwach

NAYS—166

Abernethy
Adair
Andrews, N. Dak.
Baring
Belcher
Bennett
Berry
Betts
Bevill
Bow
Bray
Brinkley
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Burton, Utah
Cabell
Caffery
Camp
Casey
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Collier
Collins
Colmer
Cowger
Cramer
Crane
Daniel, Va.
Davis, Ga.
de la Garza
Delaney
Denney
Derwinski
Devine
Dickinson
Dorn
Dowdy
Downing
Duncan
Edwards, Ala.
Edwards, La.
Eshleman
Fisher
Flowers
Flynt
Foreman
Fountain
Frey
Fuqua
Galifianakis
Gaydos
Gettys
Goldwater
Goodling
Griffin
Gross
Grover
Hagan
Haley
Hammerschmidt
Harsha
Harvey
Hastings
Hechler, W. Va.
Henderson
Hull
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Pa.
Jonas
Jones, N.C.
Jones, Tenn.
King
Kuykendall
Kyl
Landgrebe
Landrum
Langen
Latta
Lennon
Long, La.
Long, Md.
Lujan
McClure
McDonald, Mich.
McMillan
Marsh
Meskill
Michel
Miller, Ohio
Mills
Minshall
Mize
Mizell
Mollohan
Myers
Natcher
Nichols
Obey
O'Konski
Olsen
O'Neal, Ga.
Passman
Pettis
Poff
Pollock
Price, Tex.
Purcell
Quillen
Randall
Rarick
Reid, Ill.
Rhodes
Rivers
Roberts
Roe
Rogers, Fla.
Roudebush
Ruth
Satterfield
Saylor
Schadeberg
Scherle
Scott
Sebelius
Shipley
Sikes
Skubitz
Slack
Smith, Calif.
Snyder
Staggers
Steed
Steiger, Ariz.
Stubblefield
Stuckey
Talcott
Taylor
Thompson, Ga.
Utt
Waggonner
Wampler
Watson
Watts
Whalley
Whitehurst
Whitten
Williams
Winn
Wyatt
Wylie
Wyman
Young
Zion

NOT VOTING—59

Abbitt
Alexander
Anderson, Tenn.
Andrews, Ala.
Ashbrook
Ashley
Blackburn
Blanton
Bolling
Brock
Cahill
Carey
Carter
Celler
Chisholm
Clark
Clay
Conyers
Corman
Dawson
Diggs
Eckhardt
Edwards, Calif.
Fallon
Fraser
Fulton, Tenn.
Gallagher
Gray
Hall
Halpern
Hansen, Wash.
Hébert
Kirwan
Kleppe
Kluczynski
Leggett
Lipscomb
Lukens
McCarthy
MacGregor
Martin
Miller, Calif.
Montgomery
Morse
Morton
Moss
Pelly
Pepper
Poage
Powell
Pucinski
Rees
Reifel
St Germain
Sisk
Stephens
Sullivan
Tunney
Watkins

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Moss for, with Mr. Conyers against.

Mr. Rees for, with Mr. Montgomery against.

Mr. Pucinski for, with Mr. Andrews of Alabama against.

Mr. Morse for, with Mr. Carter against.

Mr. Morton for, with Mr. Martin against.

Mr. Celler for, with Mr. Watkins against.

Mrs. Hansen of Washington for, with Mr. Abbitt against.

Mr. Miller of California for, with Mr. Alexander against.

Mr. Gray for, with Mr. Pelly against.

Mr. Fallon for, with Mr. Lipscomb against.

Mr. Kluczynski for, with Mr. Blackburn against.

Mr. Hébert for, with Mr. Ashbrook against.

Mr. Cahill for, with Mr. Kleppe against.

Mr. Halpern for, with Mr. Lukens against.

Mr. Tunney for, with Mr. Brock against.

Mrs. Sullivan for, with Mr. Reifel against.

Mr. Carey for, with Mr. Hall against.

Mr. Corman for, with Mr. Stephens against.

Until further notice:

Mr. Anderson of Tennessee with Mr. McCarthy.

Mr. Clark with Mr. MacGregor.

Mr. Diggs with Mr. Leggett.

Mr. Blanton with Mr. Fulton of Tennessee.

Mr. Fraser with Mr. St Germain.

Mr. Edwards of California with Mrs. Chisholm.

Mr. Gallagher with Mr. Clay.

Mr. Kirwan with Mr. Powell.

Mr. Sisk with Mr. Pepper.

Mr. Ashley with Mr. Eckhardt.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. MORGAN. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to extend their remarks on the conference report just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CONFERENCE REPORT ON H.R. 14794, DEPARTMENT OF TRANSPORTATION APPROPRIATIONS, 1970

Mr. BOLAND. Mr. Speaker, I call up the conference report on the bill (H.R. 14794) making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1970, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of December 18, 1969.)

Mr. BOLAND (during the reading). Mr. Speaker, I ask unanimous consent that the further reading of the statement of the managers on the part of the House be dispensed with.

The SPEAKER pro tempore (Mr. HOLIFIELD). Without objection, it is so ordered.

There was no objection.

The SPEAKER pro tempore (Mr. HOLIFIELD). The gentleman from Massachusetts (Mr. BOLAND) is recognized for 1 hour.

Mr. BOLAND. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, there are three amendments that are in actual disagreement. I will offer motions that the House insist on its disagreement with the Senate amendments.

Under the position of the managers on the part of the House, the conference agreement would be $102 million less than the budget request and $55.7 million more than the House amount.

If the House gave in to the Senate position on the amendments in disagreement, the conference agreement would be only $2 million less than the budget request and $156 million more than the House amount.

The first amendment in disagreement, No. 2, involves language which would permit the Secretary of Transportation to transfer personnel into the Office of the Secretary.

During the first 2 years of the new Department, in order to help in the establishment of the new Department, we granted broad transfer authority to the Secretary. We think the Department is now sufficiently mature to budget for positions where positions are required.

Congress has a right to know where and how funds appropriated will be spent. No other department of Government has the authority in question. We feel that it is time to return to the regular order.

The other two amendments in disagreement involve liquidating cash in the highway program. In the hearings, we were informed that the President felt that in order to hold the line on spending, some reduction would be made in highway construction and that it was estimated that $100 million of the $4.5 billion requested would not be utilized. We felt that this 2-percent reduction was reasonable and we went along with the President. At a time when reductions are being made across the board, it is unreasonable to expect that the highway program would not be affected.

In the items agreed to in the conference, the House position on the Coast Guard Reserve prevailed, but $9.2 million was added to the House amount for acquisition, construction, and improvements for the Coast Guard.

For the FAA, the House agreed to the Senate increase of $50,000,000 for grants-in-aid for airports: We had hoped that the new airways-airports legislation would have been passed by this time and the new program be in effect, but it has not passed and the $50,000,000 will permit the continuation of the present program.

The funds agreed to for the SST program are $10.9 million less than the House amount. The lateness of the year makes the sum provided adequate.

An increase of $2 million more than the House amount is provided for Traffic and Highway Safety. The increase is for high priority research projects. In my opinion—and it is the opinion of the majority of the members of the subcommittee—the additional funds should be spent in the area of experimental safety cars. There is $1 million in the House-passed amount for this program, but the work has been proceeding too slowly.

The total amount which has been appropriated, including the $1 million which the House appropriated in the bill this year, and the $500,000 in the previous appropriations, account for the $1,500,000 for this program to build a prototype safety car. We think the department has been dragging its feet in this area, and have provided $2 million over the House bill for contract research, and we hope that the Department of Transportation will use this money in the direction of providing prototype cars.

The Senate added $7 million for this program and directed that the $7 million be used for the development of a safe prototype car. It would build some 15 cars, and the $7 million would fully fund the program. The concept of the car has not as yet been established. It is the judgment of the members of the subcommittee that the design and specifications ought to be established before the program is fully funded. When the design and specifications are justified and indicate a justification for a continuation of the development and building of the prototype then, at least in my judgment, the House will go along with the program.

I might also say that the conference agreement provides $214 million for the Urban Mass Transportation Administration, $6 million less than the House amount. The cut made by the Senate is in research and demonstration grants. The full amount of $176 million requested in the budget for capital facilities grants is provided by the terms of the conference.

I am delighted to yield to the distinguished gentleman from Ohio (Mr. MINSHALL).

Mr. MINSHALL. Mr. Speaker, as the chairman of our subcommittee has pointed out, I regret the disagreement on the two items he has mentioned. I think it is important that the House insist on its position.

I would like to add one thing to the comments of my good friend from Massachusetts about this experimental safety car program. For the information of the House, there was inserted on the floor of the other body an amendment providing for $7 million to construct a so-called prototype safety car. In my opinion, this is just the beginning of a multi-million-dollar boondoggle. I do not know why in heaven's name the Government of the United States should get into the car-building business, when any of the "big three" automobile manufacturers would be willing to build them on their own at a much less cost.

I agree especially with the fact that we have included $50 million in the conference agreement for grants-in-aid to airports. As the chairman has mentioned, the user tax legislation is not yet passed, and there will apparently be a need for this money in the year ahead to provide adequate funds to help the States to build some of these airports throughout the country.

Mr. GROSS. Mr. Speaker, will the gentleman yield very briefly?

Mr. BOLAND. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, the distinguished gentleman from Massachusetts spoke quite rapidly, and I was not able to keep up with all the figures he gave. Do I understand the approximately $56 million is largely as a result of the airport program?

Mr. BOLAND. Yes, $50 million of the increase is attributable to the grants-in-aid to the airports.

Mr. GROSS. Mr. Speaker, I should have said $56 million about the figure approved by the House.

Mr. BOLAND. The gentleman is correct.

Mr. GROSS. The bulk of that goes for the airports?

Mr. BOLAND. That is correct.

Mr. FARBSTEIN. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from New York.

Mr. FARBSTEIN. Mr. Speaker, in connection with the statement just made that $7 million was appropriated for a prototype automobile because there is concern about the safety factors being built into the automobile, there are two points I would like to raise.

Mr. BOLAND. Mr. Speaker, will the gentleman yield for a correction? There is no $7 million in this conference report for the building of a prototype safety car. The amount of money which was included by the conferees was $2 million, which we hope the Department of Transportation will use for this purpose.

The Senate did add an amendment for $7 million for the purpose to which the gentleman from New York is now addressing himself. The $7 million, according to the debate in the Senate on this item, would fully fund the development of 14 prototype safety cars. These cars, as the gentleman so well knows, are based on the Traffic Safety Act of 1966. That is the basic authority for the department to go ahead and construct the cars.

At least in my judgment, and I think in the judgment of many of the Members, the Department has been dragging its feet in this area. It was the hope of this subcommittee, and I believe the majority of this House and of the Senate, that the Department of Transportation will address itself to this problem. There is no way in which the Department is ever going to find out what the safety factors of a car ought to be unless they build a complete prototype. I agree with the gentleman in this respect.

Mr. FARBSTEIN. I am generally in agreement with what has been said by the gentleman with respect to the manufacture of prototype safety automobiles; but I am concerned not alone with the question of safety, because Government action in this area will benefit mainly those who own automobiles and only incidentally nonowners like those who are injured by automobiles.

I am also concerned about auto-caused air pollution because it affects everyone who breathes. I believe the Department of Transportation should be working on prototype engines that will do away with air pollution. This means testing alternatives to the present internal combustion engine.

Mr. Speaker, I would like to know whether or not these prototypes will include experimental engines on automobiles, which will contain engines other than the internal combustion engines, like steam, electric, or turbine, so that all people who suffer today as a result of the polluted air will benefit from this, and not just those who operate automobiles or those who are injured by automobiles or who ride in automobiles.

Mr. BOLAND. Mr. Speaker, let me respond to the gentleman from New York by saying that his feelings are shared by this committee, and, I am sure, by the Members of this House.

As the gentleman knows, the Department of Health, Education, and Welfare, and specifically the Public Health Service, is engaged in the matter of pollution caused by the internal cumbustion engine.

I would agree with the gentleman that one of the ways to meet this problem is by a cooperative effort on the part of HEW and the Transportation Department to get at the problem the gentleman speaks so eloquently to.

Mr. FARBSTEIN. If the gentleman will yield further, it is just that I should like the legislative history to reflect that the Congress' intention is not alone for the prototype to be concerned about safety in the building of the automobile. The Department of Transportation also should concern itself, in building that prototype, with the internal combustion engine, and building prototype automobiles with different types of engines in order that the questions of smog and air pollution may be developed.

Mr. BOLAND. At the moment, the matter of pollution really is within the jurisdiction of HEW. It is hopeful that there will be some coordination between DOT and HEW in this area.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. I yield to my distinguished colleague from Illinois, a member of the subcommittee and a conferee.

Mr. YATES. I thank the gentleman for yielding.

Mr. Speaker, as a member of the conference I agreed with the conference report with two exceptions.

I excepted on amendment No. 9, which appropriates $50 million for grants-in-aid to airports. The House had put none of this money in the bill.

In view of the statements which have been made by President Nixon, about conserving construction money at this time, I have a hunch that the President may freeze these funds. There are more important uses for this money at this time and I do not believe this appropriation should have been approved. I excepted to it.

The other appropriation to which I excepted was the allocation of funds for the supersonic aircraft. I have made my position abundantly clear in the House before this time, and I will not go into it further. Unfortunately, it is not possible to have a rollcall on the appropriation.

I am particularly delighted with the action by the conference on an amendment pertaining to the construction of or the possible addition of funds for the jetport in Miami. As the Members of the House will recall, I offered an amendment to prohibit the expenditure of the funds for any airport in Florida which was likely to interfere with the ecology of the Everglades without first there having been made a study by the Departments of Transportation and Interior.

Under the language of this bill, I believe it is noteworthy that the amendment which has been incorporated signals the awakening of millions of Americans to the importance of environmental issues in the coming years. The fact that there was no opposition in either House is indicative of the wide consensus which has been built up concerning the high priority which must be given to protecting our national heritage.

The Everglades is a particularly spectacular example of that heritage, a dynamic mixture of wildlife and natural beauty unmatched anywhere in the country. The Everglades, for all its vibrancy, is fragile in terms of ecological balance. That must be maintained so that the area will not degenerate into a swamp.

The Congress by its action today is taking a long step toward insuring that the Everglades will continue as a part of our great wilderness natural heritage to be handed down to the coming generations.

Mr. OTTINGER. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from New York.

Mr. OTTINGER. Is the subcommittee recommending to the House that we insist on more funds for the SST than agreed upon in the conference?

Mr. BOLAND. No. The conference agreed on the sum of $85 million for the SST. When the bill left the House we had $95,958,000 for the SST. The Senate reduced this to $80 million. When we got to conference, some of the House conferees believed that was not a sufficient amount of money to continue with the orderly development of the prototype phase, phase 3. So the conferees added $5 million to the Senate amount.

Mr. OTTINGER. The conferees are not in disagreement?

Mr. BOLAND. No. It is not a matter in the amendments in disagreement.

Mr. ROGERS of Florida. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Florida.

Mr. ROGERS of Florida. I just wanted to comment on the discussion which went on regarding air pollution and the automobile engine. As the chairman of the subcommittee has stated, this really is handled by HEW in the air pollution program.

The Committee on Interstate and Foreign Commerce has already started hearings on clean air. We have heard from automobile companies and the Department of Transportation. We will continue these hearings next year. A great deal of progress is being made. We mean to keep pressure on to meet this problem, but I believe we are beginning to recognize it. It is really not a part of the appropriation in this bill. As you say, your bill goes more to safety, and the air pollution problem is concerned with HEW, and the Interstate and Foreign Commerce Committee is very much on top of it and will continue to be. I am encouraged by the testimony from a number of individual companies that they are working on different types of engines to try to solve the problem. We hope they will continue this type of work.

Mr. Speaker, I thank the gentleman for yielding to me.

Mr. MELCHER. Mr. Speaker, will the gentleman yield to me?

Mr. BOLAND. I yield to the gentleman from Montana.

Mr. MELCHER. I thank the gentleman for yielding.

My question is with regard to the supersonic transport. How much will this lead to, this $85 million being appropriated here, in total expenditures?

Mr. BOLAND. How much would it lead to?

Mr. MELCHER. In the next few years in the way of appropriations.

Mr. BOLAND. This is an appropriation for the fiscal year 1970. It will be $85 million. I presume that when the budget for fiscal year 1971 comes in, the amount requested might reach as high as $350 million. By that time, it will bring the total appropriations probably to about $1 billion. The Federal share of the cost of research and development, for the production of two prototypes, plus 100 hours of test flying, will come to about $1.2 billion or $1.3 billion.

Mr. MELCHER. Does this amount and the apparent succeeding steps that will lead to more than a $1 billion appropriation from the Treasury—and I do not know whether the gentleman from Massachusetts is prepared to answer me, but perhaps somebody on the minority side can answer this question—does this have the approval of the Bureau of the Budget and the President?

Mr. BOLAND. This was a recommendation submitted by the President of the United States and by the Bureau of the Budget. This item came up as a budget amendment in October.

Mr. MELCHER. This expenditure for the supersonic transport, which I understand has serious problems with the sonic boom and the airplane when built may not be able to be used over the continental United States as a result—this appropriation leading up to the $1 billion expenditure does have the approval of the President and the Bureau of the Budget and it is the same administration and Bureau of the Budget that are calling necessary funds for education and health expenditures inflationary. It is one and the same group, is it not?

Mr. BOLAND. I prefer to have the minority respond to that.

Let me say that this program also had the approval, of course, of President Johnson and President Kennedy.

Mr. YATES. But the answer to the gentleman's question is yes, is it not?

Mr. MELCHER. I would like to hear from the minority side.

Mr. MINSHALL. I would like to point out to the gentleman that the supersonic transport program, as I mentioned when we discussed and debated this bill, has had the approval of both President Johnson and President Kennedy and has had the approval of every Congress during those administrations. Of course, this House overwhelmingly approved the supersonic transport program when we voted on it this year during the debate on the Department of Transportation bill, and the Senate did accordingly.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. I am glad to yield to the gentleman from Illinois.

Mr. YATES. For a correction on what the gentleman from Ohio said.

The gentleman is correct that the supersonic transport has been approved in the Committee of the Whole during various debates. However, there has never been a record vote in the House directly on the question of the supersonic transport because the parliamentaly situation did not permit it.

Mr. MINSHALL. The gentleman is correct. We approved it in the Committee of the Whole, but it was overwhelmingly approved.

Mr. BOLAND. We have been all through this debate on the SST for a number of years.

I now yield to the gentleman from Montana further.

Mr. MELCHER. I would like to point out that both President Johnson and President Kennedy placed education and health before the supersonic transport, but now we find the supersonic transport ahead of health and education. The administration wants to cut back the health and education funds, but not this appropriation.

Mr. MINSHALL. The gentleman is just making a political statement that is completely politically motivated and does not need any comment.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Illinois.

Mr. YATES. I think the gentleman from Montana has made a very valid point. The President has indicated and the press has carried stories that he will veto the appropriations that the Congress has approved for education. On the other hand, he has approved funds for the SST. In one case his words are clear. He will not veto appropriations for the SST, but he will veto certain items which are contained in the HEW appropriation bill for education and health if they exceed a certain amount.

Mr. CARTER. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Kentucky.

Mr. CARTER. I would say concerning the SST, the leadership in this field has been gained by Russia and by Britain and France.

As you know, last year, at my own expense, I visited the factory where the Concorde is being manufactured in England. They are far ahead of us. If we are afraid of the sonic boom, I might mention this fact: The Concorde is so constructed that it will fly at a lower rate of speed over the continental limits of the United States and will cause no more trouble than the 747.

Certainly, Mr. Speaker, I feel that we should reestablish our leadership in this field and I support the SST program.

Mr. PICKLE. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Texas.

Mr. PICKLE. I thank the gentleman for yielding.

I notice in that section of the report pertaining to the Federal Railroad Administration, amendment No. 23, shows that you appropriate $11 million for the high-speed ground transportation research and development program. I assume that this is for the regular research and development program?

Mr. BOLAND. The gentleman is correct.

Mr. PICKLE. And, Mr. Speaker, if the gentleman will yield further, no money, then, is recommended for the high-speed ground demonstration project, the facility project, which has been recommended, and the site, about which concern has been expressed?

Mr. BOLAND. The gentleman is correct. It is not in the budget and it is not in the bill.

Mr. PICKLE. In other words, the administration has not made a recommendation as to the site?

Mr. BOLAND. The Department has not made a recommendation as to the site.

Mr. PICKLE. Does the gentleman know why this decision has not been made?

Mr. BOLAND. No, I suppose it is because they still are considering a number of sites and have not come to a conclusion on where that site will be. I presume this would be the reason for the delay.

Mr. PICKLE. I suppose that is correct, but I think it is regrettable that we have lost some 15 months time in this valuable project and I would hope that we can get a firm recommendation soon.

Mr. BOLAND. Under leave to extend, I place in the RECORD a summary table showing the actions of Congress on the bill:

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1969 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1970

[In thousands]

Item	New budget (obligational) authority, 1969	Budget estimate of new (obligational) authority, 1970	House bill	Senate bill	Conference action	Conference action compared with—			
						New budget (obligational) authority, 1969	Budget estimate, 1970	House bill	Senate bill
Office of the Secretary	$16,150	$32,900	$24,020	$30,270	$27,120	+$10,970	−$5,780	+$3,100	−$3,150
Coast Guard	544,274	565,434	541,319	560,419	550,519	+6,245	−14,915	+9,200	−9,900
Federal Aviation Administration	892,174	1,057,458	1,139,358	1,173,700	1,178,550	+286,376	+121,092	+39,192	+4,850
Federal Highway Administration	31,644	43,590	36,600	46,637	38,600	+6,956	−4,990	+2,000	−8,037
Federal Railroad Administration	18,570	20,250	15,350	17,400	16,400	−2,170	−3,850	+1,050	−1,000
Urban Mass Transportation Administration	175,000	252,000	221,500	201,500	215,500	+40,500	−36,500	−6,000	+14,000
St. Lawrence Seaway Development Corporation	(550)	(630)	(600)	(600)	(600)	+(50)	−(30)		
Total, title I, Department of Transportation	1,677,812	1,971,632	1,978,147	2,029,926	2,026,689	+348,877	+55,057	+48,542	−3,237
Total, title II, Related Agencies	128,084	118,842	116,873	117,227	117,050	−11,034	−1,792	+177	−177
Total, titles I and II, new budget (obligational) authority	1,805,896	2,090,474	2,095,020	2,147,153	2,143,739	+337,843	+53,265	+48,719	−3,414
Consisting of appropriations:									
Fiscal 1969	(1,600,896)					(−1,600,896)			
Fiscal 1970	(205,000)	(1,840,474)	(1,875,020)	(1,947,153)	(1,929,739)	(+1,724,739)	(+89,265)	(+54,719)	(−17,414)
Fiscal 1971		(250,000)	(220,000)	(200,000)	(214,000)	(+214,000)	(−36,000)	(−6,000)	(+14,000)
Memorandums:									
Appropriations to liquidate contract authorizations	(4,241,970)	(4,682,000)	(4,519,279)	(4,631,657)	(4,526,279)	(+284,309)	(−155,721)	(+7,000)	(−105,378)
Appropriation for debt reduction	(126)	(131)	(131)	(131)	(131)	(+5)			
Rescission of unobligated funds	(−30,000)					(+30,000)			
Grand total	(6,017,992)	(6,772,605)	(6,614,430)	(6,778,941)	(6,670,149)	(+652,157)	(−102,456)	(+55,719)	(−108,792

Mr. REUSS. Mr. Speaker, I protest once again, and certainly not for the last time, the inclusion of funds for the supersonic transport.

In addition to the sheer waste of taxpayers' dollars involved in the SST, a substantial question is presented concerning the afront to the environment caused by the sonic boom and airport noise of the proposed plane. Assurances that the SST would not be allowed to fly over populated areas, accompanied by a certain amount of wobbling, were made during the House debate on the SST last November 18.

In order to set the matter to rest, I addressed the following letter to President Nixon on November 24:

NOVEMBER 24, 1969.

Hon. RICHARD M. NIXON,
President,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: The House debate on November 19 over your request for $96 million to continue development of a supersonic transport (SST) showed that many Members of the House were concerned about potential "noise pollution" from this aircraft—both sonic boom and airport noise.

It would help to lay to rest this concern if you gave Congress and the American people your formal assurance on two points:

(1) That no commercial supersonic aircraft will be allowed to fly over populated areas at boom-producing speeds, and

(2) That no commercial supersonic aircraft, U.S. or foreign, will be certified by the Federal Aviation Administration if the airport noise which it generates (both community noise and sideline noise) is greater than that from the most noisy commercial subsonic aircraft certified at that time by the FAA.

Assurance on the first point would implement a suggestion of your Ad Hoc Task Force on the SST. The Environmental and Sociological Panel of that Task Force said that:

"It is essential that the public be formally assured by appropriate authorities that commercial supersonic flight over land will not be permitted and that SST design, development, and economic considerations are and will remain restricted to over water routes."

This recommendation was reinforced by Dr. Lee A. DuBridge, Director of the Office of Science and Technology, in a letter to Transportation Under Secretary James Beggs:

"Surely we must have a policy statement that there shall be no supersonic operations by the SST over any populated areas."

In addition, Dr. Raymond L. Bisplinghoff, Dean of the School of Engineering at MIT and a consultant to the FAA Administrator on the SST program, told the Administrator in a February 7, 1969, memo on the new Boeing SST design:

"A very useful public statement at the present time would be one indicating that the B-2707-300 design was conceived from the very beginning as an overwater machine and that under no circumstances could it ever be operated over populated land areas."

With regard to the airport noise problem, the assurance I ask would carry out the intention of Congress as expressed in Public Law 90-411 (July 21, 1968, 49 U.S.C. 1431) "to afford present and future relief and protection to the public from unnecessary aircraft noise. . . ."

I hope to hear from you shortly.

Sincerely,

HENRY S. REUSS,
Member of Congress.

My letter produced the following reply from the White House:

THE WHITE HOUSE,
Washington, December 4, 1969.

Hon. HENRY S. REUSS,
House of Representatives,
Washington, D.C.

DEAR MR. REUSS: Thank you for your letter to the President regarding the concern of many Members over the possibility of "noise pollution" by the supersonic transport.

I know the President will be interested in the points you raised in your letter on this matter. We shall call your letter to his early attention and be in further touch with you.

With cordial regard.

Sincerely,

WILLIAM E. TIMMONS,
Deputy Assistant to the President.

So we still do not know whether the SST will be allowed to fly over populated areas.

Mr. BOLAND. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to recondsider was laid on the table.

AMENDMENTS IN DISAGREEMENT

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 2: Page 2, line 11, insert the following: ": *Provided*, That whenever the Secretary determines that staff functions being performed elsewhere in the Department could be performed more economically and effectively by the Office of the Secretary, he may, during the current fiscal year, transfer such functions to the Office of the Secretary."

MOTION OFFERED BY MR. BOLAND

Mr. BOLAND. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BOLAND moves that the House insist upon its disagreement to the amendment of the Senate numbered 2.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that Senate amendments Nos. 14 and 15 be considered en bloc.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The clerk will report the amendments.

The Clerk read as follows:

Senate amendment No. 14: Page 10, line 16, strike "$4,419,279,000" and insert in lieu thereof "$4,519,657,000."

Senate amendment No. 15: Page 10, line 20, strike "$3,533,765,964" and insert in lieu thereof "$3,634,143,964."

MOTION OFFERED BY MR. BOLAND

Mr. BOLAND. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BOLAND moves that the House insist upon its disagreement to the amendments of the Senate numbered 14 and 15.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and on the several motions was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the conference report on the Department of Transportation appropriation bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AUTHORIZING PRINTING OF ADDITIONAL COPIES OF CONFERENCE REPORT TO ACCOMPANY H.R. 13270, TAX REFORM ACT OF 1969

Mr. FRIEDEL. Mr. Speaker, by direction of the Committee on House Administration, I offer a resolution (H. Res. 761) and ask unanimous consent for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 761

Resolved, That there shall be printed concurrently with the conference report to accompany H.R. 13270, "A Bill to Reform the Income Tax Laws," three thousand additional copies for the use of the House Document Room.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AMENDING TITLE 5, UNITED STATES CODE, PROVIDING FOR ADDITIONAL POSITIONS IN GRADES GS-16, GS-17, AND GS-18

Mr. HENDERSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 2325) to amend title 5, United States Code, to provide for additional positions in grades GS-16, GS-17, and GS-18.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2325

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 5108(a) of title 5, United States Code, is amended by striking out "2,577" and inserting in lieu thereof "2,772".

(b) Section 5108(b)(2) of such title is amended by striking out "28" and inserting in lieu thereof "44".

(c) Section 5108(c)(1) of such title is amended by striking out "64" and inserting in lieu thereof "90".

(d) Section 5108(c)(2) of such title is amended by striking out "110" and inserting in lieu thereof "140".

(e)(1) Section 5108(c) of such title is amended by striking out "and" at the end of paragraph (8), by striking out the period at the end of paragraph (9) and inserting "; and" in place thereof, and by inserting the following new paragraph:

"(10) The Secretary of the Smithsonian Institution, subject to the standards and procedures prescribed by this chapter, may place a total of eight positions in the Smithsonian Institution in GS-16, 17, and 18."

(2) Section 5315 is amended by inserting the following new paragraph after paragraph (91):

"(92) Assistant Secretary, Smithsonian Institution."

SEC. 2. Section 4 of the Act entitled "An Act to provide certain administrative authorities for the National Security Agency, and for other purposes", approved May 29, 1959, as amended (50 U.S.C. 402, note), is amended to read as follows:

"SEC. 4. The Secretary of Defense (or his designee for the purpose) is authorized to—

"(1) establish in the National Security Agency (A) professional engineering positions primarily concerned with research and development and (B) professional positions in the physical and natural sciences, medicine, and cryptology; and

"(2) fix the respective rates of pay of such positions at rates equal to rates of basic pay contained in grades 16, 17, and 18 of the

General Schedule set forth in section 5332 of title 5, United States Code.

Officers and employees appointed to positions established under this section shall be in addition to the number of officers and employees appointed to positions under section 2 of this Act who may be paid at rates equal to rates of basic pay contained in grades 16, 17, and 18 of the General Schedule.".

SEC. 3. Of the additional positions authorized to be placed in GS–16, 17, and 18 by the amendment made by subsection (a) of the first section of this Act, forty-five positions shall initially be allocated by the Civil Service Commission to those positions which the Commission determines are identical or substantially identical to positions now classified in GS–16, 17, or 18, but which have not been identically classified because of the numerical limitations contained in section 5108(a) of title 5, United States Code, prior to the date of enactment of this Act.

AMENDMENT OFFERED BY MR. HENDERSON

Mr. HENDERSON. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HENDERSON: Strike out all after the enacting clause and insert the following:

"That (a) section 5108(a) of title 5, United States Code, is amended by striking out '2,577' and inserting in lieu thereof '2,727'.

"(b) Section 5108(b)(2) of such title is amended by striking out '28' and inserting in lieu thereof '44'.

"(c) Section 5108(c)(1) of such title is amended by striking out '64' and inserting in lieu thereof '90'.

"(d) Section 5108(c)(2) of such title is amended by striking out '110' and inserting in lieu thereof '140'.

"SEC. 2. Section 4 of the Act entitled 'An Act to provide certain administrative authorities for the National Security Agency, and for other purposes', approved May 29, 1959, as amended (50 U.S.C. 402, note), is amended to read as follows:

" 'SEC. 4 The Secretary of Defense (or his designee for the purpose) is authorized to—

" '(1) establish in the National Security Agency (A) professional engineering positions primarily concerned with research and development and (B) professional positions in the physical and natural sciences, medicine, and cryptology; and

" '(2) fix the respective rates of pay of such positions at rates equal to rates of basic pay contained in grades 16, 17, and 18 of the General Schedule set forth in section 5332 of title 5, United States Code.

Officers and employees appointed to positions established under this section shall be in addition to the number of officers and employees appointed to positions under section 2 of this Act who may be paid at rates equal to rates of basic pay contained in grades 16, 17, and 18 of the General Schedule.' "

The SPEAKER. The question is on the amendment offered by the gentleman from North Carolina (Mr. HENDERSON).

The amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

(Mr. HENDERSON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HENDERSON. Mr. Speaker, I rise in support of S. 2325, as amended.

I believe that every Member of this body who knows me and my voting record would agree that I have not made it a practice to support or sponsor expensive programs or proposals of doubtful or questionable worth. I have consistently voted in favor of spending cuts and economy.

But the way to save money so far as personnel is concerned is to hold down programs. When Congress authorizes a program or creates a department or agency and delegates responsibility to it, then it is completely false economy to establish such rigid and arbitrary manpower and salary ceilings that the program or agency cannot be efficiently managed and operated.

All of us know that an essential ingredient of a successful business operation is good, capable management. All of us know that in our leading industries in the private sector, the competition for executives with demonstrated management, scientific, and engineering ability is extremely intense.

The same is true of the Federal Government. The Chairman of the Civil Service Commission appearing before the Manpower and Civil Service Subcommittee on November 9 indicated the administration's strong support of subject legislation and pointedly stated the case of the departments and agencies in these words: "In 1967 and 1968, the Commission described the needs for additional quota spaces as pressing but today in 1969, the need has ceased to be pressing, it is critical."

I feel that every Member of this body and the taxpaying public wants the various programs of the Federal Government to be managed and administered by executives who have the ability to administer them wisely, economically, and in accordance with the intent of the Congress.

PURPOSE

The purpose of S. 2325, as amended, is to provide for the establishment of certain management, administrative, scientific and research and development positions in the three highest Federal career service salary grades, which are needed for the successful and efficient conduct of new and/or expanded programs and functions authorized by the Congress and other essential Government activities.

AMENDMENT

The Post Office and Civil Service Committee of the House amended S. 2325 by rejecting 45 additional supergrades earmarked for regional office adjustments in several departments and agencies, and eight supergrades and one executive pay level IV position earmarked specifically for the Smithsonian Institution. The Manpower and Civil Service Subcommittee in its public hearing did not receive sufficient evidence to warrant the additional supergrades for regional office adjustments. The Post Office and Civil Service Committee does not consider it wise to earmark specifically supergrades as S. 2325 provided, as passed by the Senate, for the Smithsonian Institution.

POSITIONS AUTHORIZED

S. 2325, as amended by the House Committee on Post Office and Civil Service, authorizes 150 additional positions in grades GS–16, GS–17, and GS–18 of the General Schedule for allocation among departments and agencies in the executive branch in accordance with procedures established and administered by the U.S. Civil Service Commission to carry out the congressional policy laid down in Public Law 87–367:

Provides 16 additional top-grade positions for the Library of Congress;

Increases by 26 the number of positions in grades GS–16, GS–17, and GS–18 in the General Accounting Office;

Increases by 30 the number of positions in grades GS–16, GS–17, and GS–18 for the Federal Bureau of Investigation in the Department of Justice; and

Removes the quota restriction on the number of engineering and scientific positions in the National Security Agency, Department of Defense.

PUBLIC HEARING

The Manpower and Civil Service Subcommittee on November 5, 1969, held a public hearing on H.R. 12476 by Messrs. DULSKI and CORBETT. The Chairman of the Civil Service Commission, Hon. Robert E. Hampton, supported subject bill, providing for all items as now reflected in S. 2325, as amended by the committee.

Chairman Hampton did not request any supergrade positions in addition to those provided in subject bill as amended.

Favorable reports were received from the heads of the Federal Bureau of Investigation, the General Accounting Office, and the Library of Congress. There were no adverse reports.

JUSTIFICATION

For the Civil Service Commission pool there are now 2,577 spaces available for the Commission to allocate among the departments and agencies of the executive branch according to priorities of need.

Subject bill would increase this number to 2,727. The Congress has not increased the number of spaces in the Commission "pool" since 1966, when 177 were, at that time, given to the Civil Service Commission. However, since 1966, Congress has authorized large expansions in several existing programs and created many new ones. Examples of these programs are:

Highway safety, Department of Transportation;

Air and water pollution, Department of Health, Education, and Welfare;

Drug abuse and control, Justice Department;

Urban renewal, Department of Housing and Urban Development;

Vocational rehabilitation, the Departments of Labor and Health, Education, and Welfare.

The Federal Bureau of Investigation now has 110 supergrades and their last increment was 35 in 1966. There are currently no supergrade vacancies in the Bureau. The additional positions, according to FBI officials, are needed for increased activities in the criminal, security and civil fields. For example, from 1956 to date, the FBI primary investigative jurisdiction has increased from 140 categories to over 180. In turn, six additional field offices have been established.

The General Accounting Office would have an increase from 64 to 90 supergrade positions by enactment of subject legislation. In 1966 GAO received 25 of these positions. Currently there are no vacancies. Comptroller General Elmer

Staats has indicated to the committee an urgent requirement for 14 supergrade positions for the accounting, auditing and investigative responsibilities and 12 positions for legal, policy, technical and administrative functions.

Library of Congress now has 28 supergrades and this number would be increased by 16 to 44. The Librarian of Congress, Hon. L. Quincy Mumford, has indicated such reasons as the following for additional top jobs in the Library: the application of computers to control and to use information stored in card catalogs, the expansion of the Copyright Office, and increased use of automation for the Legislative Reference Service.

National Security Agency would be extended the same authority and flexibility afforded most of the other Federal agencies as to hiring top-level scientific and engineering personnel. The Secretary of Defense and the Chairman of the Civil Service Commission recommended this legislative change. Enactment of this provision would place the National Security Agency on an equal basis with most other agencies relative to the recruitment of highly skilled scientific personnel, especially in the cryptologic science.

CONGRESSIONAL CONTROL OVER ALLOCATION OF SUPERGRADE POSITIONS

For the past few years the members of the Post Office and Civil Service Committee have felt that the present system of controlling supergrades is as realistic and feasible a procedure as we have been able to develop. The various departments and agencies go the Civil Service Commissioners and indicate positions for review as to supergrade levels. The Commissioners evaluate each position as to whether it justifies a supergrade level. If it is, then the agency must justify priority over the requests of other departments and agencies. Likewise, the Commissioners evaluate the qualifications of each supergrade nominee. This procedure insures to Congress that the Civil Service Commission serves as the monitor of needs of Government for supergrade positions.

An alternative to this system would be for each congressional committee to legislate the supergrade requirements for the various departments and agencies over which it has jurisdiction. Thusly, there would be no control over these top-level jobs with such legislative procedure. The present system will only work if required positions for the Civil Service Commissioners to allocate to departments and agencies are made available. The pool of available positions at the Commission is now "dry."

CIVIL SERVICE COMISSION RESPONSIBILITY

The committee strongly recommends that the Civil Service Commission, in carrying out its responsibilities in allocating the 150 additional authorized supergrade positions, be most careful to allocate them to the departments and agencies that have the greatest need in view of the total number available. Any action to distribute these positions without regard to their need will certainly lead to a serious undermining of the confidence of the Congress as to the Commissioners' stewardship over the control of supergrades.

DISTRICT OF COLUMBIA GOVERNMENT

In his official report to the Congress on March 18, 1969, for the enactment of legislation providing for additional supergrades, the Chairman of the Civil Service Commission stated that, "Under current plans, from 20 to 25 of these additional supergrade positions would be made available to the government of the District of Columbia." This committee has received no testimony or no evidence whatsoever that would justify additional supergrade positions for the District of Columbia government.

The District of Columbia government currently has 60 city officials at the supergrade level. These are positions that, at the lowest supergrade level, pay more money than that earned by 27 of our State Governors. Only 15 of our State Governors are paid salaries higher than those now paid to the District of Columbia Corporation Counsel, the Directors of Highways and Traffic, Program Development, Public Safety, and Public Health, all of which are at the GS-18 level.

I believe that the District of Columbia government is currently overloaded in high-paying positions and see no justification for additional allocations by the Civil Service Commission of any of the positions being made available in this bill.

COSTS

It is estimated that for the 222 supergrade positions, plus an estimated increase of some 15 supergrade-level engineering and scientific positions in the National Security Agency, as provided by S. 2325, as amended by the committee, the annual cost will be approximately $2.4 million.

Mr. Speaker, in the interest of continued congressional control of top management positions in the Federal Government and in the interest of efficient administration of our Government, I urge the House to act favorably on S. 2325, as amended.

(Mr. GROSS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GROSS. Mr. Speaker, it is with reluctance that I have agreed to the passage of this legislation. I have done so only in an effort to maintain at least some control on the part of Congress over the number and allocation of Federal employees in grades 16, 17, and 18.

These supergrades should never have been permitted. It is a device to provide higher pay that was supposed to be used sparingly as a reward for meritorious service of the highest order. There are now several thousand of these employees and the executive branch of Government must be put on notice that with respect to supergrades and scientific and professional employees any further increases in the foreseeable future will meet with this Member's opposition.

GENERAL LEAVE TO EXTEND

Mr. HENDERSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the Senate bill just passed by the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

ORDER OF BUSINESS AND AUTHORITY FOR SPEAKER TO DECLARE RECESS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the House may proceed with special orders at this time and that subsequent to the disposition of all special orders, the Speaker may declare a recess subject to the call of the Chair.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

Mr. PETTIS. Mr. Speaker, reserving the right to object, I do not know whether this has been cleared with the leadership on this side of the aisle. Can the gentleman from Oklahoma indicate that?

Mr. ALBERT. It has not been cleared with the leadership. We would assume that the leadership would be agreeable to it because we have cleared all the business that is before the House, and we are hopeful that the other body might send over a conference report or two this afternoon because we have a total of eight conference reports yet to dispose of prior to adjournment.

In view of that, we would expect that everyone would be agreeable to the request.

Mr. PETTIS. May I further ask the gentleman from Oklahoma, may we then reasonably expect that there will be business tomorrow?

Mr. ALBERT. We feel quite certain that there will be business tomorrow.

Mr. KYL. Mr. Speaker, will the gentleman yield?

Mr. PETTIS. I yield to the gentleman.

Mr. KYL. Mr. Speaker, could the majority leader inform the membership as to the time frame? In other words, if we are not called back by some time certain, could we consider that we are through for the day?

Mr. ALBERT. I have not discussed this with other Members of the leadership. I can assure the gentleman, we would not make this an unreasonably long day.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma (Mr. ALBERT)?

There was no objection.

PERSONAL ANNOUNCEMENT

(Mr. CARTER asked and was given permission to address the House for 1 minute.)

Mr. CARTER. Mr. Speaker, as it happened I was unavoidably kept away from the floor of the House a little while ago and did not get to vote on the foreign aid conference report. If I had been here, I would have voted against it and I would like for the RECORD to show that.

The SPEAKER pro tempore. The gentleman's statement will appear in the RECORD.

THE LATE THORNTON HARDIE

(Mr. WHITE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WHITE. Mr. Speaker, the State of Texas has lost one of its great civic leaders, a widely known and highly respected lawyer, a forceful and eloquent figure on the political scene, a courtly respected gentleman.

Mr. Thornton Hardie came to El Paso as a young graduate of the University of Texas Law School in 1913. He has practiced law in El Paso for more than 56 years; certainly he was one of the senior members and former presidents of the El Paso Bar, a distinguished legal scholar, and the senior member of the highly respected firm of Hardie, Grambling, Sims & Galatzan.

Excellence in legal training and practice, in civic life, and especially in the field of education, were basic themes of his life. For 6 years, he served our State with great distinction as a member of the board of regents of the University of Texas system, as chairman of the board for 2 years, 1961 to 1963. He also served as a member of the Texas Council for Higher Education, and was a member of the Philosophical Society of Texas.

In politics, Mr. Hardie was an eloquent defender of those principles of constitutional government which he believed essential to our Nation's well-being. Opponents and allies alike respected his great ability and admired his unfailing courtesy and courtly bearing.

In our community of El Paso, he was honored in the field of business, having served as vice president and director of the El Paso National Bank, director of the Southern Union Gas Co., and the Rio Grande, El Paso & Santa Fe Railroad Co.

His imprint upon the city of El Paso and the State of Texas has been great beyond measure. His memory will remain bright among his four children, all of whom are outstanding civic leaders, 18 grandchildren and eight great-grandchildren, his brothers and sisters, and his many friends.

Other Members of this body, who had the good fortune to know Mr. Thornton Hardie, I am sure will join in the sentiments that here was a citizen whose career of service deserves our admiration and respect.

MIDDLE EAST RESOLUTION AMENDMENT

(Mr. FINDLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FINDLEY. Mr. Speaker, daily the fighting in the Middle East increases, daily the tension multiplies, daily the toll of Arabs and Israelis killed mounts—and each day the likelihood grows that open warfare will erupt between nations in that part of the world. If that fateful, violent day comes again as it did in 1957 and 1967, the position of the United States may well determine the future of mankind. The military and political support which our Government gives to one side or the other will drastically affect the outcome of any war in the Middle East, whether it spreads beyond the immediate bounds of the conflict, whether it involves a confrontation with the Soviet Union, and whether once again American boys are called upon to put their lives on the line to support their Government's foreign policy.

Does the United States have a commitment that might draw us into a conflict in the Middle East? If it exists, how does it compare with the commitment our Nation undertook in Vietnam? Who would make the decision as to whether our interest justifies military action? What is the possibility of the United States becoming embroiled, through a Vietnam-like process of gradualism, in another undeclared war—this time perhaps posing an even greater risk of escalation to a nuclear confrontation?

These are questions the Congress and the American people are entitled to ask, particularly at this moment of mounting crisis in a region with which our country has so many cultural, religious, ethnic, and economic ties.

The answers will come as a surprise—indeed, a shock—to most Americans, including, I daresay, most of the Members of Congress.

Still in full force on the statute books is a resolution enacted by Congress in 1957 which states a broad area of national commitment to the preservation of the integrity of nations in the Middle East. It is far more specific than the formal obligations cited as justification for our entry into the conflict in Vietnam. In fact, the all but forgotten Middle East Resolution makes the Gulf of Tonkin Resolution pale by comparison. It places in the hands of the President the exclusive authority to make the determination that military action is required and to order into action military forces without limit. It relieves the President even of the necessity of consulting with the Congress, as well as the necessity of securing advance congressional approval.

It leaves open the possibility of another Vietnam-like experience, another undeclared war—this time bringing into basic confrontation the vital interests of the world's two superpowers.

What President—and especially one now dealing with the agony of disengagement from the Vietnam tragedy—would wish to use this awesome power without first consulting thoroughly with the Congress and gaining from the Congress specific approval. Surely, President Nixon would be the last person intentionally to permit the military doctrine of gradualism to draw the Nation into another large-scale undeclared war.

Indeed, President Nixon's statement this week that he approves of the Senate appropriation bill amendment forbidding ground combat troops from being introduced into Thailand and Laos suggests that the President would likewise welcome congressional restraint on similar authority in the Middle East.

This estimate of Presidential intention, while reassuring, does not relieve the Congress of its own responsibility to the American people. Under the Constitution, the power of the sword is vested in the Congress. This power it unwisely surrendered in 1957, and this power it must regain. To argue that the resolution is dormant and would never be cited is scant comfort.

In the fall of 1964, President Johnson would have scoffed at a forecast that he would use the Gulf of Tonkin resolution and the SEATO treaty as justification for sending a half-million men into war.

Such a possibility has not been ruled completely out in the Middle East. During the 10-day battle in November between the Lebanese Army and Arab guerrilla forces, Secretary of the Navy John H. Chaffee told a London news conference, "I think certainly the United States is not anxious to become involved in land deployment in the Mediterranean." But if circumstances became serious and required it, he said, "I think we could do it." He added that, "I think the United States would need very strong reasons for landing troops from the 6th Fleet."

No one can forecast with accuracy the passions and pressures which may be generated by future events and brought to bear on institutions of our Government.

If experience has taught us anything, it has shown how fragile peace really is, and how difficult it is to draw the fine line between U.S. involvement as a provider of noncombat military support and U.S. involvement in combat itself.

Difficult though it may be, the Congress must assume responsibility for that line drawing. The chore cannot wisely be left to the President, even one as experienced and chastened as Mr. Nixon.

The power of the sword—one of the two great powers reserved by the Constitution to the legislative branch—is clearly and exclusively established as a congressional prerogative by this mandate of article I, section 8 of the Constitution, "The Congress shall have power to declare war."

There are some, myself among them, who believe that Congress has not adequately fulfilled its responsibility in this regard in the past. Irrespective of differing views on points of history, each of us surely wants to guard the legislative prerogative of power over the sword in any future conflict which might entail the use of U.S. troops.

If war should break out in the Middle East—and there is every indication that this is a real possibility—the Congress should formally and officially participate in any decision fixing the role the United States would take in such a conflict. The Constitution says we must, and the people who elected us have the right to expect us to exercise our judgment in just such a circumstance.

Yet, in the event of war in the Middle East, would the Congress be called upon to exercise its constitutional authority before our military forces are used?

Under existing law, as interpreted when it was enacted, it is clear that the decision could be made to send American combat troops in almost unlimited numbers into the Middle East to fight on any side or as a buffer between sides without specific approval by the House or the Senate.

The Middle East resolution, passed in

the early months of 1957 when the menacing military posture of the Soviet Union seemed to threaten the stability of the countries of the Middle East, states:

> The United States regards as vital to the national interest and world peace the preservation of the independence and integrity of the nations of the Middle East. To this end, if the President determines the necessity thereof, the United States is prepared to use armed forces to assist any such nation or group of such nations requesting assistance against armed aggression from any country controlled by international communism: Provided, That such employment shall be consonant with the treaty obligations of the United States and with the Constitution of the United States. Pub. L. 85–7.

This act has never been repealed. It has no specified date of expiration. It is permanent law.

Let there be no mistake. This resolution, passed under circumstances in the Middle East which have radically changed in the intervening 13 years, requires neither consultation with Congress nor congressional approval before the President can send American men to fight in a war.

When Secretary of State John Foster Dulles testified on the resolution before the Joint Senate Armed Services and Foreign Relations Committees he made that point abundantly clear in response to this question put to him by Senator Kefauver.

> Senator Kefauver. But can you give us that as an assurance, that before the Armed Forces of this Nation will be used under circumstances which might bring about a substantial conflict, that the President would ask for a declaration that a state of war existed?
>
> Secretary Dulles. Not prior to their use; no sir.

And in response to Senator Fulbright's query, "Who determines whether or not a country is Communist dominated?" the Secretary of State replied, "That determination would be made by the President."

This broad delegation of congressional power is far greater than the grant of authority in the SEATO treaty which President Johnson often cited as authority for American military actions under the Gulf of Tonkin resolution. Under article IV of the SEATO treaty, each party to the treaty pledged, in accordance with its "constitutional processes," to "act to meet the common danger" resulting from "aggression by means of armed attack in the treaty area against any of the parties."

The hearings on the SEATO treaty in 1954 made it perfectly clear that some form of congressional action would be required to authorize military action under article IV. Senator Wiley, the chairman of the Senate Foreign Relations Committee unmistakably clarified the meaning of the phrase "constitutional processes" when he asked Secretary of State Dulles the following question:

> Senator Wiley. So whether it were the threat mentioned in Section 2 [of article IV] or the common danger resulting from open attack, action could be taken only after consultation with Congress?

To this, the Secretary of State unqualifiedly answered "yes."

Again, later in the hearings, the Secretary of State affirmed that the President "would act through the Congress if it were in session, and if not in session [he would] call Congress."

There was no similar pledge by Secretary Dulles in the hearings on the Middle East resolution. To the contrary, as indicated to Senator Kefauver above, the Secretary specifically stated that the President need not consult first with the Congress, nor seek any kind of congressional authority or supportive action, prior to committing U.S. Armed Forces to fight in the Middle East. Secretary Dulles did say that the President might, under certain circumstances, call Congress into session after he had committed troops and the war had already begun. This comment demonstrated clearly the degree to which the resolution relieved the Congress of its war-making power.

The only military action taken under authority of the Middle East resolution unquestionably supports this interpretation.

When President Eisenhower sent U.S. Marines into Lebanon without prior congressional approval on July 14, 1957, he cited the Middle East resolution—passed 16 months earlier—in support of his action, although the aggression was being carried out exclusively by Arab nationals using Soviet weapons. As further justification, he listed the pattern of conquest by the Communists in Greece in 1947, Czechoslovakia in 1948, China in 1949, Korea and Indochina in 1950, and stated:

> We now see in the Middle East . . . the same pattern of conquest with which we became familiar during the period of 1945 to 1950. This involves taking over a nation by means of indirect aggression; that is, under the cover of a fomented civil strife the purpose is to put into domestic control those whose real loyalty is to the aggressor.

Referring to the Korean war, President Eisenhower went on to say, "All the world knew that the North Koreans were armed, equipped and directed from without for the purpose of aggression."

Times have changed since the Congress passed the Middle East resolution over a decade ago. The nature of the conflict has changed. Although Soviet power remains and in some respect is much greater, who can say with precision that any country in the Middle East is, in the words of the resolution, "controlled by international communism"? The fierce independence and nationalism of Arabs is only partly nurtured by Soviet ambition and aid. To the deep wounds of many years are added the scars of the 7-day war. Tension and conflict are seen more in nationalistic terms today than in terms of confrontation between the free world and international communism.

At the same time the Soviet threat has taken on a more menacing, although changed, character. The Soviet Union is now a superpower whose nuclear weapons are acknowledged to be in the same class as those of the United States. It is also a first-rate naval power, operating extensively for the first time throughout the Mediterranean.

If a confrontation should occur between the United States and the Soviet Union over the Middle East, our country would no longer hold the decisive advantages of yesterday, even though the danger of intimidation of these states by massed displays of Soviet ground forces no longer seems so great.

These changes make all the graver the risks entailed by a confrontation with "international communism" in that region. Such a confrontation may come. The time may also come when the United States will find it clearly in its interest to go to war. But the stakes are now so mountainous as to make absolutely vital formal congressional approval before any such decision is effected.

The Congress can deal expeditiously with a challenge in whatever manner is appropriate. Let no one doubt the capability or the capacity of the Congress to act with dispatch if the occasion merits it. The comment of Senator Lyndon B. Johnson, later to be President, at the hearings on the Middle East resolution are as instructive as they are ironic. Referring to the request in the resolution for $200 million to support U.S. economic and military aid, the Senator told Secretary Dulles:

> I think that you can trust the Congress to act with reasonable care on matters vitally affecting this Nation and not to drag their feet. I know of no disposition to do so. It seems to me if the Secretary of State and the President feel the need for further information before they reach a conclusion, that they will give the Congress the same privilege they reserve for themselves.

The attitude of the American people has also changed quite markedly over the last decade. We have learned from bitter experience the limitations of limited wars.

We have learned that a war effort which has been denied the unifying force of formal congressional support and approval is gravely shortchanged. We have found that a limited military response ordered on his own by the President can lead the Nation into a paralyzing and seemingly bottomless quagmire. From this experience, I believe the Congress has become convinced that the American people will not support U.S. involvement in a foreign war unless and until such involvement has been given formal approval by the Congress.

Because of these two changed factors, plus the constitutional responsibility mentioned earlier, I am today introducing an amendment to the Middle East resolution. It would clearly spell out the role of Congress in any decision to commit U.S. forces to the Middle East under the authority of that resolution.

Retaining all the basic language of the resolution, the amendment would add three significant words, "and the Congress," to the operative clause permitting the commitment of armed forces. It would cause section 2 of the resolution to read, in pertinent part:

> Furthermore, the United States regards as vital to the national interest and world peace the preservation of the independence and integrity of the nations of the Middle East. To this end, if the President *and the Congress* determine the necessity thereof, the United States is prepared to use armed forces to assist any nation or group of such nations requesting assistance against armed aggression from any country controlled by international communism: Provided, That such employment shall be consonant with the treaty

obligations of the United States and with the Constitution of the United States.

This amendment does not in any way lessen our commitment to peace, justice, and national security in the Middle East. Nor does the amendment in any way lessen our commitment to stand fast against Communist encroachment in that part of the world. Outright repeal of the Middle East resolution might very well have that effect.

Acceptance by the Congress of the amendment I propose would have the undeniable effect of reaffirming congressional support for and commitment to a stable, peaceful, independent Middle East. At this point in our history when the shadow of Vietnam seems to dull many of our commitments around the world, it would be wise for the United States to renew its commitment to stand fast against Communist penetration in this part of the world.

My amendment restores Congress to its proper decisionmaking role, recognizing that before the United States can constitutionally commit armed forces to preserve "the independence and integrity of the nations of the Middle East," approval by the Congress, as well as the President is required.

This amendment would not infringe upon the legitimate right—in fact the duty—of a President to commit troops in the Middle East or elsewhere under certain limited circumstances without prior specific approval by the Congress. As Commander in Chief, the President has the implied power to repel attack and to protect the lives and property of U.S. citizens.

However, these exceptions to the general rule of prior congressional approval cannot properly be interpreted loosely. Thus, a President cannot cite as authorization the need to protect American lives or property when in fact there is no clear and substantial showing of danger to such at the time of the intervention.

Similarly, the power to repel attack is not an unlimited one. The right of self-defense is undeniable, but this authority permits only a limited response to a specific situation, and it terminates when the need for self-defense terminates. Beyond this, any intervention by American forces must be preceded by specific congressional approval.

The need for action on this amendment is urgent. If the volcano of war does erupt in the Middle East, the United States may well decide to send troops to help restore peace and stability to that part of the world. But let the decision to do so result from the constitutional processes which form the strength and security of our Nation and in which the role of Congress is fixed by the Constitution and not by the pleasure of the President. Let the decision to send troops, or not to do so, result from a synthesizing debate and vote—actions which will help forge a unified public will behind national policy. Such a unified will can best be forged on the one great anvil of democracy, the Congress of the United States.

MYLAI INVESTIGATION

(Mr. MINSHALL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MINSHALL. Mr. Speaker, on November 20 I took the floor to ask for a complete investigation of the alleged atrocities at Mylai. I am glad to see that the Congress and the Department of Defense are conducting in-depth investigations.

Yesterday I received a letter from Mr. Raymond J. Kappel, secretary of the Fairview Park, Ohio, Jaycees, detailing a meeting in July 1968, at which Ronald Haeberle showed his now-famous color photographs taken at Mylai.

Mr. Kappel, who did not attend that meeting, wrote the letter in his capacity as secretary of the group, at the request of fellow Jaycees who were present when the pictures were shown. I have discussed Mr. Kappel's letter with a member who was there, and he states that the facts are accurately represented.

I know that my colleagues are tremendously concerned with the alleged events at Mylai and, accordingly, I am making this letter part of the Record and am sending copies of it to the appropriate Department of Defense officials:

The Fairview Park Jaycees, Inc.,
Fairview Park, Ohio, December 11, 1969.

Hon. William E. Minshall,
Rayburn Office Building,
Washington, D.C.

Dear Mr. Minshall: The Fairveiw Park Jaycees have been deeply disturbed by the alleged massacre at My Lai on March 16, 1968. We also are concerned about the sensationalism of the publicity concerning My Lai.

On July 10, 1968, Mr. Ronald Haeberle presented a slide show on Vietnam at our monthly meeting. The main theme of his presentation was Vietnam countryside until the final few slides, which showed Vietnamese people, whom Mr. Haeberle said were killed as a result of a military search-and-destroy mission. The slides were the same as photographs that are now getting sensational publicity by the news media. We were sickened by the photographs. We questioned Mr. Haeberle as to how these deaths occurred. He stated that his unit was on a search-and-destroy mission and that the village was a V. C. stronghold; that the villagers were warned two days in advance by dropped leaflets and voice communication that the village was going to be destroyed, and that they should leave, and that anyone remaining would be considered a V. C. The manner in which he made his presentation generally left the group with the impression that this act was justifiable.

As to what occurred in My Lai, we now question the use of these pictures by various publications and news media, 1½ years after they were taken.

We feel that the Government should thoroughly investigate the alleged massacre, and that the truth should be determined.

Sincerely yours,

Ray Kappel,
Secretary.

THE MAIL ON MYLAI

(Mr. RIVERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RIVERS. Mr. Speaker, I would like to read the House a sentence from a letter recently received from a man in Keene, N.H.:

> I am an interstate bus driver (28 years old), and if a thug accosted me and robbed me, you can bet the news in reporting the incident would say "*alleged* assault," but here (the massacre) they almost never bother to say "alleged."

And here is another sentence from the same letter:

> Politicians often think people are fooled by the press, but this is not true.

This letter from young Mr. Greg Murphy, of Keene, N.H., sums up very well the feeling expressed in the overwhelming majority of the mail received by our committee on the Mylai investigation.

The main thrust of concern among those who write to us is that the news media have tried and convicted the American soldiers in Vietnam before the case has been proved and that our committee should investigate the whole matter in depth and not prejudge the case.

I think Mr. Murphy has summed up very neatly the reaction many of us here have had to the reporting of this story in his reference to the fact that the papers did not even bother to use the word "alleged." Our mail would indicate that a similar reaction has been experienced by people throughout the country.

Our committee has received over 325 letters, and new batches of mail are delivered daily. There is a great interest on the part of the American people. The mail comes from all parts of the country and from people in all walks of life. Of course, we have rceeived letters critical of our procedures and critical of statements I may have made in public interviews. But a staff review indicated that the mail is running approximately 20 to 1 in favor of our manner of procedure.

Those who write to us seem to be principally concerned that we get all of the facts before jumping to conclusions and that we assure that the rights of the American soldiers involved are protected. The people are greatly concerned that these matters will reflect unfairly on all of the GI's who have served in Vietnam.

The most frequent comment in our correspondence is concerned that the press and TV reports have assumed the guilt of the men accused before any investigation or any court-martial is completed.

Again, I want to say to Members of the House that the subcommittee I appointed under the chairmanship of the distinguished gentleman from Louisiana (Mr. Hébert) will press forward with a thorough investigation and will not rest until all of the facts are in. That subcommittee will determine if there has been a massacre, if there was who was guilty, and the extent to which the Army's system is at fault. That subcommittee will be diligent to protect the rights of individuals.

We shall not be swayed from our constitutional responsibilities by the glare of the TV lights or the slant of the editorialists.

Mr. CLEVELAND. Mr. Speaker, will the gentleman yield?

Mr. RIVERS. I am delighted to yield to the gentleman from New Hampshire.

Mr. CLEVELAND. Mr. Speaker, I would like to compliment the distinguished chairman of the Committee on Armed Services on his fine statement and, because he has used a letter of one of my constituents, I would like to thank him for having selected that particular letter. I think it is fairly typical of letters I have received from other constituents. The motto of the State of New Hampshire has been and it still is, "Live free or die." There are many tough-minded, thoughtful people in the Granite State.

Mr. RIVERS. I want to thank the gentleman.

PRESS COVERAGE OF THE ARMED SERVICES COMMITTEE INVESTIGATION OF THE MYLAI INCIDENT

(Mr. NICHOLS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include a newspaper article.)

Mr. NICHOLS. Mr. Speaker, I read with great interest the comments of our colleague, Congressman BOB SIKES, of Florida, concerning the press coverage of the Armed Services Committee investigation of the Mylai incident. I agree with him 100 percent, and I want to add my endorsement to his statements about Chairman MENDEL RIVERS and the chairman of the special subcommittee looking into the Mylai incident, Congressman F. EDWARD HÉBERT, of Louisiana. It is an honor and a privilege to serve with these gentlemen, and I know that they have only the good of America at heart in this or any other matter which comes before our committee.

If there is any man in the Congress who would do a better job of investigating these charges than Congressman HÉBERT, I do not know who he is. As a career newspaperman for some 20 years before coming to the Congress, he knows that there is no use to try to whitewash or cover anything as important as this. Chairman RIVERS and Congressman HÉBERT want only to see that justice is done in this case.

While the press is quick to publicize incidents such as that which allegedly occurred at Mylai, they seldom make an effort to bring to the public's attention both sides of the situation. For instance, the Columbus, Ga., Ledger, on Tuesday, December 16, ran a picture which was taken some 2 weeks before the incident showing Vietcong women and young boys carrying arms in Mylai. Such a picture would not, of course, be of interest to certain newspapers because it would not help their case in prosecuting those Army officers who have been accused of participating in this incident.

I believe any man going into an area where he knew women and children were part of the Vietcong force would be particularly wary of anyone. I ask unanimous consent that this article from the Columbus Ledger be inserted in the RECORD at this point.

ARMY PHOTO SHOWS VC UNIT STATIONED IN MYLAI AREA

A photograph of a Viet Cong unit based in the My Lai (4) area was made available Monday by a man who had served with the 11th Infantry Brigade at the time of the incident of March 16, 1968, which has brought charges that G.I.'s committed murder against Vietnamese civilians.

He said the photograph came from a roll of film captured in a Viet Cong basecamp in the Song My village area (My Lai was one of the hamlets of this village) two weeks before the My Lai raid.

An officer who had served with the 11th Brigade during its organization and as both a field commander and staff officer, he said the photograph was developed by the brigade public information office photography laboratory, some copies retained by that office, others given to inteligence sources.

Identification of some of the individuals in the group of 38 armed Vietnamese, including three young women and several very young boys, was made by 11th Brigade intelligence offices, he said.

Kneeling in the center of the group one arm akimbo, with a holstered pistol, is the military leader of the unit, he said.

Standing at the far left, without a weapon, in peasant garb of black pajamas, and obviously older than the armed guerrillas, is the unit's political officer, he said.

Third from right, with a U.S. M–1 rifile, posed on one knee, is a "combat hero" and squad leader in the unit, the officer said.

Men in the photograph have a 60 mm. mortar, carbines, and M–1 rifles of U.S. manufacture and Mat 49 submachineguns of French manufacture—typical Viet Cong armament as opposed to North Vietnamese regulars who carry Chinese-Communist manufactured weapons of Russian style.

One man, standing on the right of the one identified as the political officer, wears a North Vietnamese regular's field uniform, as does the squad leader in the front row. (The man by the political officer was believed to be his body guard, the officer said.)

PFC. CHARLES F. TYSON III, LOVED HIS NATION AND HIS HOME, MARTIN COUNTY, FLA.

(Mr. ROGERS of Florida asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ROGERS of Florida. Mr. Speaker, on Monday, November 10, 1969, a special Veterans Day memorial service was held at Martin County High School, Martin County, Fla., to honor Pfc. Charles F. "Chuck" Tyson, an alumnus of that school, who gave his life in Vietnam.

Charles Tyson graduated from Martin County High School in June 1968. His favorite pastimes were surfing and swimming, both very popular in beautiful and scenic country located on the Atlantic Ocean, just north of West Palm Beach.

On September 17, 1968, Charles Tyson enlisted in the U.S. Marine Corps. He completed his basic training with flying colors and was very proud to be a marine.

In March 1969, he arrived in Vietnam and on March 29 observed his 20th birthday as a member of 3d Platoon, Company M, 3d Battalion, 5th Marine Regiment.

Private first class Tyson was assigned as a rifleman in the 1st Squad of the 3d Platoon of M Company and on the afternoon of June 21, 1969, Company M was engaged in a search-and-clear operation approximately 4 miles east of the Marine base at An Hoa, Quang Nam Province, Republic of Vietnam. The enemy was encountered and during the ensuing battle, Pfc. Charles Tyson was struck by small-arms fire and was killed. He was buried on July 8, 1969, at Fern Hill Cemetery, Stuart, Fla., in Martin County with military honors.

His commanding officer as well as his fellow marines had a deep affection and respect for Charles Tyson for they knew he was a sincere and dedicated marine who loved his country, and particularly Martin County.

His thoughts were of Martin County High School, Stuart, Fla., when he wrote to his parents in January of this year, prior to his departure for Vietnam. I would like to enclose that letter at this point in the RECORD for the benefit of my colleagues:

JANUARY 29, 1969.

TO MY LOVING MOM AND DAD: Even though I don't like to mention such things, it is a necessary step that must be taken. If by some odd stroke of fate I should not return from my coming tour in Vietnam, there are a few things I would like done.

1. First to be buried at Stuart, Florida.
2. To take the flag from my funeral and give it to Martin County High School. In addition I want $500 to be used to erect a monument to all those students past, present, and future who have given their lives in defense of their God and country. With an inscription by Nathan Hale, "I regret that I have but one life to give for my country."
3. $2,000.00 from my insurance policy to be used in 2 $1,000.00 scholarships for the most deserving male and female students of Martin County High School.
4. The rest is to be used by the two of you as you see fit.

PFC. CHARLES F. TYSON III.

The wishes of Pfc. Charles F. "Chuck" Tyson were carried out at the Martin County High School on November 10.

The flag from his casket was presented to the Martin County High School by Charles' parents, Mr. and Mrs. Leonard R. Tyson, who now live in South Bay, Fla., a short distance from Stuart, where Mr. Tyson is now acting chief of police. That flag now flies over Martin County High School and has a very special meaning to the students there.

The monument for which Charles bequeathed $500 will be designed by the students of Martin County High School and will be constructed in the courtyard. Charles' parents will give a savings bond to the student who contributes the most toward the design of the monument.

A scholarship is being established at the school to provide $1,000 each to the most deserving male and female student at Martin County High School as Charles requested.

Mr. Speaker, words are most inadequate to express one's respect and admiration for this young man. Yet, I do not believe Pfc. Charles F. Tyson III would want us to linger in sorrow, but would rather have us heed the words of Nathan Hale in these troubled times:

> I regret that I have but one life to give for my country.

Mr. Speaker, I think this Nation will continue to be strong as long as we have young men of this caliber.

THE NORTH AND SOUTH MUST HAVE EQUAL TREATMENT IN DESEGREGATION

(Mr. THOMPSON of Georgia asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. THOMPSON of Georgia. Mr. Speaker, it is my understanding that the southern strategy of the Nixon administration is to treat the South in exactly the same manner as the other sections of the country. Day before yesterday a decision was rendered by a three-judge Federal panel and a suit brought by the Justice Department against my State of Georgia, requiring the State school board to administer the desegration of the schools. The three-judge Federal panel, after listening to the pleas of the Justice Department attorneys, set forth certain mathematical racial balance requirements wherein each school in each district must have so many Negroes and so many whites. This is done under the guise of equal protection of the law. I maintain that equal protection of the law provides that there should be no discrimination against any person because of his race, creed, or color, and that to force a child out of his neighborhood because of his race, creed, or color is, in fact, denying him equal protection of the law.

I have in my hand a copy of an article appearing in our Atlanta Constitution, Tuesday of this week, wherein 2,000 white schoolteachers are protesting a recent Federal appellate court decision ordering mathematical proportional integration of each school faculty. In Atlanta, this means 57 percent black teachers in each school and 43 percent white teachers in each school. I disagree that this is equal protection of the laws, but returning to my major point, I have today written Attorney General Mitchell a letter and I have asked him to carry out his announced intention of treating all sections of the country as equals, and to file suit against Northern States who have segregated schools such as in Detroit, Chicago, and New York, and force proportional balance on them as Attorney General Mitchell's suit has done to the State of Georgia. If my President, of whom I am very proud, and his Attorney General are sincere in their statement that the southern strategy is to treat the South as the rest of the Nation then let us have the same action which Attorney General Mitchell brought against Georgia, brought against Northern States. I insert the text of my lettter and news article at this point:

HOUSE OF REPRESENTATIVES,
Washington, D.C., December 19, 1969.

Hon. JOHN MITCHELL,
Department of Justice,
Washington, D.C.

DEAR MR. ATTORNEY GENERAL: Please note the attached newspaper clippings, wherein mathematical racial balance is being required by the Federal courts in schools in the State of Georgia.

Much of this is due to your action and the Justice Department suits, including the one which you brought against the entire State of Georgia.

Will you bring this same type of action against Northern states wherein there are racially identifiable schools?

If racial balance is to be forced on the South by Federal court action initiated through the Justice Department and implemented through busing, pairing and school closing (356 closed thus far), should not the same be forced on the North?

It was within your power to bring suit against Georgia, which you did. Will you now bring suit against Northern states, which is also within your power? I would be completely distressed to find that you favor a system of double standards wherein racial balance is required in the South but not in Chicago, Detroit, New York and other areas. This I sincerely hope is not the case.

If you expect the South to vote Republican, treat us no differently than any other part of the country. Do not oppress us; treat us as equals and file suit against the racially identifiable schools in the North.

May I please have an early reply.

Kindest regards.

Yours very truly,

FLETCHER THOMPSON,
Member of Congress.

[From the Atlanta (Ga.) Constitution, Dec. 16, 1969]

WHITE TEACHERS VOW TO FIGHT FACULTY DESEGREGATION ORDER

(By Richard M. Miles)

The Atlanta Education Association, representing some 2,000 white city school teachers, Monday night declared a recent federal court decision ordering proportional integration of school faculties as discriminatory and vowed to fight the ordered Feb. 1 desegregation of classroom teachers.

The resolution passed on the heels of a warning from Atlanta School Supt. John Letson, who said, "There will be no shenanigans. We will work as professionals."

Letson had told the group that he saw no way Atlanta schools could avoid mixing their teaching staffs 57 per cent black and 43 per cent white—in each school—as ordered by the Fifth District Court of Appeals in October.

Gaining a three-to-one margin after two hours of heated discussion and bickering, the resolution read:

"Our individual and collective civil rights are being discriminated against by the Fifth Circuit panel of U.S. judges, therefore, I move that we as an association draw up:

"1. A resolution explaining the undemocratic procedures, results, etc., thus requesting the reverse (sic) of their decision; and

"2. Our executive committee look into the legal feasibility of an immediate suit to change the court order."

Introduced by Kathy Byrd, a teacher at Hutchenson Elementary School, the resolution's architect and fervent spokesman was Hutchenson Principal A. D. Jones.

Jones told a reporter later, "Yes, I'm against integration. And I want our teachers to have a right to make their own decisions."

During the debate on the resolution, sometimes spiked with personal attacks, Jones said, "We ought not take this sitting down as an association.

"We ought to move for a delay until this is done all over the country—that is, I see this as discrimination against us."

Jones meant by local discrimination that other regions of the nation are not being forced to integrate their faculties in each school on a ratio equal to the racial ratio of teachers in the entire system as is the case in Atlanta.

Letson said when questioned by a Constitution reporter, however, that the only local discrimination was that the Atlanta area had a greater percentage of Negroes than some other sections of the country.

Therefore, any mixing in the Atlanta school system would more obviously change the complexion of the entire system.

Letson also said that faculty integration would probably crystalize sentiment against city-county government consolidation.

"I think it would have the opposite effect (thus not stimulating consolidation desires) because the Atlanta system is about 60-to-40 Negro-to-white; the Fulton County system is about 75-to-25. If we consolidated, the overall system would have a ratio of about 50–50."

AEA is the local unit of the Georgia Education Association and has no Negroes on its rolls. The Gate City Association is the Negro teacher association in Atlanta.

No Negroes attended the Monday night meeting, although they teach at schools in which AEA members teach.

Questioned before the passage of the resolution about what the city school board would do if such a move evolved, Letson would only say:

"The Atlanta school system has never offered any kind of resistance to court orders." He added, "I intend to find a way to implement the court order."

How?

"We'll just play it by ear," he said.

Earlier in the evening, Letson told about 200 teachers and representative delegates, who were authorized to vote, that the Board of Education would establish three criteria for achieving racial balance on faculties:

1. The assignments must be approached in a positive manner and with fairness to all persons—teachers and students—concerned.
2. That he hoped the teachers could act as professionals and "all work together" in drawing up a plan.
3. "Come what may . . . this is another challenge to a professional approach . . . We must look at the long term advantages of a well-devised plan of faculty integration," he said.

Leading off the Monday session of the AEA, Georgia Educational Association's E. C. Mitcham Jr., set three goals for the GEA during the upcoming General Assembly:

1. Making sure Georgia education gets at least $60 million of the total $125 million legislators will deal out this session;
2. Take steps to inaugurate a program providing for a statewide kindergarten program;
3. Making provisions for reducing the pupil-teacher ratio to 25 to one.

Mitcham said that the "General Assembly will probably put a freeze on taxes at the present level" and that it would therefore be a tight squeeze for education to get the funds it needs to improve and expand.

[From the Washington Post]

COURT ORDERS GEORGIA TO OVERSEE INTEGRATION

(By Bruce Galphin)

ATLANTA, December 17.—A federal court ordered the Georgia State Board of Education today to assume responsibility for local school desegregation and to withhold state funds from districts that do not comply. Both phases of the ruling in the case create new law.

This is the first time that a state board has been named the agent to achieve desegregation.

The three judges of the Northern District of Georgia sat en banc for the first time since Georgia's original school integration case 11 years ago. They ordered the State Board to comply with the order by early spring of next year.

The withholding of state funds is a potent weapon, because in Georgia about two-thirds of all public school funds come from the state treasury.

The federal ruling also presumably means that dozens of school districts in Georgia that have lost federal funds because of noncompliance with HEW guidelines now will be eligible to reapply for them as soon as the order is carried out.

The order was signed by Judges Sidney O. Smith Jr., Newell Edenfield and Albert J. Henderson Jr. It dwelt on the confusion in the South resulting from a lack of uniform integration standards and set forth the court's own definition.

These are the minimum standards the court set for a "unitary" school system:

The ratio of minority students in each school must be between one-half and 1½ the actual school population ratio.

A similar range shall apply to faculty and staff.

All facilities and employment shall be uniform at each school.

Extra curricular activities must be opened to all people, faculty and staff regardless of race.

As an example the court said that if a system were 40 per cent black and a school had an enrollment of 400, that would mean that 80 to 240 Negro pupils would have to be enrolled.

The court's standard for faculty integration appears to fall short of the exact ratio recently ordered by the U.S. Supreme Court.

The order said it was neither requiring nor prohibiting the closing of school buildings, the rezoning of school attendance districts, "freedom of choice," busing, pairing of schools nor neighborhood schools. "All of these are but means at the disposal of every local school board to achieve the necessary result," the ruling declared.

The court said the State School Board and Department of Education are better equipped to "monitor the progress" of desegregation than the court. It said the courts would be overwhelmed and "all other legal business (would) cease" if the courts were to take on the task of district-by-district and school-by-school integration.

"Moreover, the prospect of the courts acting as administrators or 'super school boards' is contrary to the concept of the judge's traditional role, and is anathema to our system of local public education," it said.

The suit against Georgia and the state Board of Education was an innovation. It was the first time the Justice Department had sued an entire state in a school case. There is a statewide school desegregation order in Alabama, but it was brought by private plaintiffs.

The order applies to 81 of Georgia's 191 school districts. The others either are in compliance with HEW standards or already are under court jurisdiction.

Gov. Lester A. Maddox called the decision "a violation of the laws of our land." But he added the decision would not be appealed to a higher court.

"There is only one remaining appeal," Maddox said, "and that is with the parents, both black and white, who can come to the defense of these children who have been betrayed."

In their order the judges told the State Board of Education to obtain compliance plans from individual school districts by March 1, 1970, and to submit them to the court by April 1. The state is forbidden to disburse any state funds to a district not meeting the court's deadlines.

A SAGA OF 30 YEARS, A TRIBUTE TO BILL HENRY

(Mr. GERALD R. FORD asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. GERALD R. FORD. Mr. Speaker, it has just been brought to my attention that this month marks the 30th anniversary of my good friend Bill Henry's outstanding column, "By the Way," in the Los Angeles Times. I shall append this memorable column to these remarks.

Thirty years may seem a long time to write a daily newspaper column but, as many of my colleagues know, this is but one of Bill Henry's talents. Throughout the Nation he is best remembered, perhaps, as the voice who for many years summarized the news each evening over the CBS radio network; here in Congress as the chairman of the radio correspondents' galleries who added the word "television" to its title, and headed the national political convention coverage for both major party conventions ever since 1952.

I know Bill best, however, not as a political commentator and columnist but as a sports enthusiast whose interest began back in 1911 when he reported on the Occidental College football games while studying as an undergraduate there. It was Bill Henry more than any other one person, who made the Olympic games in Los Angeles in 1932 an outstanding success, and he has been an adviser to and member of the U.S. Olympic Committee ever since. He was a great sports reporter and sports editor, and I am inclined to believe that sports remain his first love.

Bill was one of the first American war correspondents of World War II. In Europe for an Olympic meeting he was pressed into service by CBS and his newspaper for the Russo-Finnish War of 1939, was later assigned to the RAF in Europe and to the South Pacific. He wound up in Washington in 1942, and has been a friend and confidant of every President since.

His column of December 7, follows:

A Saga of 30 Years

(By Bill Henry)

It's been 30 years—Dec. 10, 1939—since the day this column first appeared in this space. A lot of things have happened since then, probably more changes than any other three decades since the beginning of time. I had been called home from my proud position as the first American uniformed war correspondent with the Royal Air Force in World War II, and, as I look back now, I realize the truth of the old French saying, "The more things change the more they are the same."

That summer I had been in Helsinki while the great powers attempted to head off World War II by negotiation nearby, just as the U.S.A. and the U.S.S.R. have been trying to head off a holocaust these last few weeks. That had been followed by a mysterious war-that-wasn't-a-war as hard to explain as our hostilities with Hanoi in 1969. People called it the "phony war," and all sorts of incredible things had happened. An RAF friend of mine named Cobber Kain had shot down several Luftwaffe planes and on one occasion I had even been hailed as a hero when I showed up in my uniform at the wreckage and the two frightened German airmen had tried to surrender to me.

SAME PROBLEMS TO WRITE ABOUT

I had flown home from the war front in a big Boeing seaplane whose passenger list was headed by Ambassador Joseph P. Kennedy, who remained a headline personality for the ensuing 30 years. As we soared from Lisbon to the Azores and Bermuda he worried about what he should say to the reporters when we arrived, and I wondered what pearls of wisdom I should include in my maiden effort as a roving columnist. I had written on a myriad of topics during my years on The Times, but my sudden reputation had been made as a war correspondent and I was succeeding a chap who had written mostly about the tendency to put too much lettuce and not enough mayonnaise in drugstore sandwiches.

Censorship then, as now, was a red-hot topic and on the advice of Franklin P. Adams, who has been a bigtime column writer for many years, I included in my first column an "Epitaph to a Censor" which had been dashed off in an idle moment by one of the RAF blue-pencil boys. It went as follows:

"Here at length in sweet repose
A censor lies; But who God knows.
When raving pressmen shot him dead
Filled like his pencil, full of lead
E'en in the graveyard, he was game;
Arose and blackened out his name."

NOTHING IS SOLVED

So, it would appear, the passage of 30 years, with the invention of the H-bomb, the glorious vision of the United Nations, and even the space age, the human race seems obsessed with many of the same problems that provided the headaches of 30 years ago. We seem to be capable of thinking up new problems to worry about without having the capacity to solve the problems we already have. The only refuge of the columnist that I have found is to follow the thinking of the late Alexander Woollcott whose definition of the columnist art was, "Writing is the art of putting black words on white paper in succession until the impression is created that something has been said."

Bill Henry made his first broadcast in the days of the crystal set—1923. He has had nearly a half century of broadcast affiliation and has worked for each of the major networks throughout his career.

His intense interest in athletics led him into sports announcing during these early days. In 1932 he served as technical director of the Olympic Games in Los Angeles. Aside from covering these games, the most recent in Tokyo in 1964, he authored a book "An Approved History of the Olympic Games," in 1948.

He joined NBC in 1952 and aside from general assignments, he served as anchor man on the platform of eight national conventions. In that same year, NBC won the conveted "Headliner's Award" for convention coverage and was attributed in large part to the excellent reporting of Bill Henry as the lead commentator.

After the nomination of General Eisenhower, 67 VIP's mounted the platform to wish success to Ike. Henry identified each of them without missing a single name.

I salute Bill and wish him many more happy anniversaries.

Mr. ALBERT. I would like, Mr. Speaker, to associate myself with the tribute which the distinguished minority leader has paid to Mr. William M. Henry who is known to all of us as Bill. For the last five national conventions he has presided over the radio and television arrangements and he is loved and admired and respected by all the political leaders of both parties of our generation.

My fellow Oklahoman Will Rogers said he never knew a man he did not like; I have never met anybody who did not like Bill Henry and very few who did not feel like he was a personal friend. This is a rare and wonderful quality, especially in the news business covering the world of politics.

Since he served as aide to Vice President Nixon on his 1956 and 1957 goodwill trips to Africa and around the world, I suppose that Bill's sympathies are with the present Republican President, but from my own dealings with him and from the way he has treated me in his reporting I would never have known. He is always fair and honest and always in good humor, which is all anyone can ask of any newsman.

The honors that Bill Henry has received in nearly 60 years of reporting are too many to mention; president of the Radio Correspondents Association here, a National Headliners Award, an International Olympic Diploma, a Freedom Foundation Award, a fellow of Sigma Delta Chi, these are only a few.

I am sure I speak for all my colleagues when I wish Bill many more years of entertaining and enlightening us in his "By the Way" column and on the air.

Mr. HOLIFIELD. Mr. Speaker, Bill Henry has been writing for the Los Angeles Times for 58 years in one capacity or another, and for the last 30 as the author of one of its most popular columns, "By the Way." I have seen times change and the Times change, and they even endorse me nowadays, but I can remember when the only friendly words I could expect to find in my morning paper were those of Billy Henry.

Now I have heard Bill's heart is with the Republicans, but the fact is that Bill's heart is big enough for everybody, and that his friendship was never partisan, and fairness and good nature were always his trademarks. We Californians are especially proud of this distinguished native son who has contributed so much to his fellow men in his full career. He has literally walked with kings, queens, emperors, and presidents, but he certainly kept the common touch, and I am honored to salute him on this anniversary.

Mr. LIPSCOMB. Mr. Speaker, on behalf of the Republican members of the California delegation, many of whom have the privilege of calling Bill Henry a good and close friend, I would like to join in expressing our appreciation of his many years of straight and decent Washington reporting and wish him many more.

I can understand why he prefers the southern California climate of his "By the Way" Ranch to the Nation's Capital at this season of the year, but we hope he will be back on the campaign trail next year. He has been more than a great reporter and news analyst, he has been a warm and wise counselor to many of us, in both parties, just as he was many years ago to another new Member of this body who is now the President of the United States.

My heartfelt congratulations to Bill and his charming wife Corinne on the 30th anniversary of his ever-popular column.

GENERAL LEAVE

Mr. GERALD R. FORD. Mr. Speaker, I ask unanimous consent that all Members may have permission to extend their remarks on the 30th anniversary of Bill Henry's column, "By the Way."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

FREER TRADE

(Mr. MOLLOHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOLLOHAN. Mr. Speaker, President Nixon yesterday committed his administration to a "freer exchange of goods among nations," with the ultimate goal of dismantling trade barriers altogether.

I think we all support the idea of freer trade, and we all realize that expanded world trade will open vast markets to the United States. At the same time, we know that we cannot allow this Nation's industrial plant to be anything other than self-sufficient. We cannot allow imports to so dominate the markets of this Nation that industries vital to our political and economic independence are jeopardized.

I submit to the Congress that it is unwise for this Nation to be substantially dependent upon any nation for either raw materials or finished products in industries of basic importance to our national welfare when the sudden shift of world events can deprive us of channels of commerce overnight.

It is wiser by far to insure that we maintain competence in all important industries if we wish to remain a commercially and politically independent power in today's world.

The flat-glass industry and the handglass industry have been forced into a serious decline by the failure of the Government to work out a well-reasoned trade policy which can afford enough protection to an industry to preserve the country from substantial dependence upon foreign imports for its products in this area. The lessons of this failure are now being learned by the steel industry, the textile industry and the electronics industry. The problem before us in all these industries is to prevent them from being so seriously compromised by imports that the country's industrial ability in these areas is prejudiced.

Last year, the United States increased its exports by just under 10 percent, but its imports increased by nearly 24 percent. The President contended that this was due largely to inflation, but I think we would be remiss if we were to overlook the fact that the economies of other nations, many of which we helped to rebuild following the last war, are aggressively and capably pursuing a far-ranging export program. The United States, with its vast wealth, is naturally a prime target of these programs.

Consequently, I hope this Congress will in the next session very carefully consider the entire range of our Nation's commitments to herself and to the rest of the world. Within that framework we must mold a trade policy which will allow us to maintain our own industrial capability in all vital industries, and pursue with the other nations the goal of larger economic benefits that an expanded world trade can provide.

A DISPLAY OF PURE POLITICS

(Mr. WILLIAM D. FORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WILLIAM D. FORD. Mr. Speaker, in the last few days, in the 11th hour of this session of the Congress, we have been treated to the most amazing and brazen display of power politics in the modern history of our country.

Within the last few days, as the most important legislation considered by this Congress is in conference committees, when its fate is hanging in the balance, we have seen an amazing display of a flood of letters and messages coming to the congress from President Nixon in a direct attempt to intimidate Members of Congress in their consideration of that legislation.

If the Members will pick up this morning's paper, they will discover that in at least four areas the President is attempting to influence the people now sitting in the conference committees, by threatening to veto the legislation they are even now considering in our behalf.

Just as an example, he threatened last night, by letter to the Senate, that he will veto the Health, Education, and Welfare appropriation bill which this House passed by a vote of 393 to 16 on July 31.

He is going to veto, according to this morning's paper, the committee mine safety bill, because he does not like it, even though the House passed it by a vote of 389 to 4 and just two nights ago reiterated its support for that legislation by passing the conference report on a vote of 333 to 12.

We passed a pay increase for all Federal employees, in an attempt to try to keep pace with the increase in the cost of living. That bill, H.R. 13000, passed this House by a vote of 311 to 51. The President threatened "I will veto the Federal Government employees' pay bill because it is inflationary." But if you will look at yesterday's Washington Daily News, you will find a headline story that says, inflationary or not, if he can make an under-the-table political deal to buy his postal corporation scheme he will no longer consider it inflationary, and he will sign the bill. In other words—he now offers what appears to be a greater increase in pay than the Senate voted in the bill he said he would veto—if we will buy the corporation.

A bill that is passed by Congress, he considers to be inflationary when he cannot get what he wants with it. However, it ceases to be inflationary when he can use it to get something else he wants to accomplish, even while asking us to buy a pig in a poke.

The social security bill passed on the floor of this House by a vote of 397 to 0. Nothing could be more bipartisan than that. The veto threat for a social security benefit increase comes despite the fact that the elderly and the disabled on fixed incomes are most in need of additional income if they are not to be deprived of adequate food and the other basic necessities of life. The social security increase voted by both Houses would do nothing more than to help them keep pace with the present cost of living.

I submit that the President of the United States has forgotten that we are a three-part coordinate Government, and he is now attempting to substitute White House power politics for the will of the people as expressed by its elected Representatives in the House and in the Senate.

The doctrine of separation of powers among the three branches of the Government has served this Nation well for nearly 200 years. I, for one, do not propose to see it scrapped now.

The appropriations committees and both Houses of Congress have deliberated conscientiously to produce a bill which will continue, to a minimum degree of effectiveness, basic domestic programs in the use of health, education, labor, and the attack on poverty. It is our responsibility to our constituents to do so. We represent the American people. We cannot be intimidated by anyone, even the President of the United States, into abdicating our responsibility.

In his 11th-hour communication to the Senate last night, December 18, the President of the United States demonstrated once again that education appears nowhere on the priority list for his administration. In telling us that he would veto the Labor-HEW appropriation, H.R. 13111, as too expensive, he sided with those who would rather look at shiny military hardware than take the hand of a hungry and homeless child. This is the gut issue in our deliberations.

The Nixon administration has a lot of interesting educational moonshots on the launching pad, but the President hides behind the Bureau of the Budget when someone asks where the money is to pay for the fuel. We are promised a "right to read" program, and the Nixon budget cuts out the money for school libraries and textbooks. We are going to build up our community colleges, but my strongest magnifying glass fails to reveal an additional penny requested for higher education. We are going to feed an extra 3 million youngsters in the school lunch program, but the administration has not told us how.

Is it not tragic that the poor, who live in desperation, may watch the man who lights the national Christmas tree, veto a bill that would give their children a better education?

I propose that we repudiate this hypocritical administration and show the American people, our constituents who look to us for help, that we have the intestinal fortitude to override Mr. Nixon's veto—if indeed he dares do such a thing.

It is abundantly clear that education today is not a luxury but a necessity. It is equally clear that necessities have priority over all else as the expenditure of funds is determined.

Living within ones means is surely an admirable characteristic but going without food is hardly a way to live within family means.

Education of our children is the lifeblood of our Nation. There is no choice to be made. This necessity of our national welfare must be the highest priority.

To use education funds to buy time or gain political advantage is a cruel hoax on the American people.

MORTGAGE MONEY CRISIS

The **SPEAKER**. Under a previous order of the House, the gentleman from Maryland (Mr. HOGAN) is recognized for 5 minutes.

Mr. HOGAN. Mr. Speaker, I am sure that many of the Members are aware that earlier this fall the Federal National Mortgage Association announced that it would no longer purchase FHA-insured and VA-guaranteed mortgages covering 1- to 4-family properties located in the District of Columbia. This came as result of fears by FNMA that covered loans made at the prevailing rates in the District might be declared in violation of the provisions of the District of Columbia Code limiting the legal interest rate, including points, to 8 percent per annum.

This has had a very adverse effect on the economy, business community and progress of housing in Washington. In addition to the lack of funds available for financing home purchases by moderate income families, the development of low-income ownership housing under section 235 of the Housing and Urban Development Act is being severely restricted, as well as efforts of the District of Columbia Redevelopment Land Agency in relocating persons displaced by urban renewal projects.

Showing his concern over this problem, Mayor Walter E. Washington has met with various concerned elements of the community, District of Columbia government officials, and Housing and Urban Development and Federal National Mortgage Association officials, the result of which was unanimous support for legislation temporarily exempting FHA-insured and VA-guaranteed loans from the District of Columbia usury laws. The Mayor expressed the support of the District of Columbia government for this legislation as an intermediate step to alleviate the situation while a review of the interest rate policies is undertaken by the District government. This review, presumably, will be followed by further recommendations.

After familiarizing myself with the problems involved, I am in agreement with Mayor Washington and others that such a temporary exemption is desirable. I have, therefore, today introduced such legislation in response to this immediate need of the District of Columbia.

I recommend this bill to your attention and urge prompt action by the House District of Columbia Committee and by the House of Representatives on this bill.

TAKE PRIDE IN AMERICA

The **SPEAKER**. Under a previous order of the House, the gentleman from Ohio (Mr. MILLER) is recognized for 5 minutes.

Mr. MILLER of Ohio. Mr. Speaker, in 1967, there were 918 amateur and professional opera companies in the United States that presented 5,487 performances.

PANAMANIAN COUP AND COUNTERCOUP, DECEMBER 15–16, 1969, DRAMATIZE NECESSITY FOR ACTION ON CANAL SOVEREIGNTY RESOLUTIONS

The **SPEAKER**. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 10 minutes.

Mr. FLOOD. Mr. Speaker, the ousting on December 15, 1969, of Gen. Omar Torrijos, commander of the National Guard of Panama, followed by his restoration on December 16, does not surprise anyone acquainted with the history of that country. It merely conforms to its characteristic of endemic revolution, endless intrigue, and political instability.

The facts in the incident are simple. While General Torrijos made a secret visit to Mexico City to attend horse races, two of his subordinates, Col. Ramiro Silvera and Col. Amado Sanjur, led a coup and proclaimed themselves, respectively, as the commander and deputy commander of the National Guard. Lt. Gen. Rodrigo Garcia, who remained loyal to Torrijos, refused an appointment as Chief of Staff, slipped out of the country, flew to El Salvador to inform Torrijos who had gone there from Mexico, and accompanied him back to Panama.

In a dramatic return to Panama on December 16, Torrijos was acclaimed as a hero, reasserted his control of the National Guard and imprisoned the ringleaders of the revolt. About 18 persons related to the officers under arrest took refuge in the U.S. Canal Zone territory. General Torrijos has announced that he will dismiss Col. Jose Maria Pinilla and Col. Bolivar Urrutia, who have been serving respectively as figurehead provisional President and Vice President of the military government.

In view of the failure of the major papers of Washington to publish realistic editorial appraisals of the significance of the coup and counter coup and many requests from my colleagues for my views, I would stress that these are mere occurrences in a land of inherent political instability and that more such events can be expected in the future. Also, I would emphasize that the December 15–16 coups in Panama better than anything I can say illustrate the criminal stupidity of the treaty proposals to cede to Panama any sovereignty over the Canal Zone or any part in the management and defense of the Panama Canal.

This situation is in nowise a casual one that can be shrugged off by the United States. Our Nation has a tremendous responsibility involved and must keep its authority unimpaired. It is naive and stupid to think otherwise. The fate of the world may depend on what we do at Panama and all experience shows that it is best for Panama, the United States, and the world at large for the United States to continue its undiluted authority in the premises.

Mr. Speaker, starting on October 27, 1969—Theodore Roosevelt's Birthday—more than 100 Members of this body have sponsored identical resolutions that oppose cession of any sovereign rights or jurisdiction over the Canal Zone and Panama Canal to any other nation or any international organization. Because of the imperative necessity for making the position of our Government clear, I urge prompt action by the House on the indicated resolutions that were referred to the Committee on Foreign Affairs, which committee has not yet acted thereon.

PARENTS LOSE COOL ON DRUG ABUSE

(Mr. MEEDS asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. MEEDS. Mr. Speaker, among the new entrants in the American language is the phrase, "Don't blow your cool." This admonition was first served up to us over-30 types by young people who later classified most adults as "up tight."

Working on behalf of effective drug abuse education legislation, I and my colleagues on the Select Education Subcommittee had to confront this phenomenon. Drug abuse, we found, often opens the widest chasm between the generations.

We learned that the motives for using and abusing drugs are as important to education as the chemical properties of the sustenances themselves. Presenting the facts and offering sympathetic counseling will do more for effective education than will the table-pounding, jail-threatening approach. Indeed, the "hard line" method may actually harm education, for it can cause young people to "turn off" completely.

Some how-not-to-do-it methods are illustrated very clearly in a recent Wall Street Journal article written by Jack Morris. The drug education bill passed by the House on October 31 is an attempt to make facts and understanding prevail over the fear and fantasy described so well by Mr. Morris. Mr. Speaker, I include the article in the Record at this point:

Panicked Parents: Hastily Formed Groups Spring Up Across United States To Fight Drug Problem—They Seek to Halt Spreading Use by Youths, but Tactics of Some Called Unsound—Hard-Line Approach Is Best

(By Jack H. Morris)

A Smithtown, N.Y., citizens committee, alarmed over the growing use of drugs by teen-agers, recommends that all high school students be given blood and urine tests to determine who's using what. The school board in Clifton, N.J., considers imposing saliva tests. Parents in Montgomery County, Md., outside Washington, urge school authorities to ban publications and muzzle teachers that suggest marijuana laws be liberalized. And under parental pressure, the Grossmont High School District near San Diego attacks the problem by expelling drug experimenters in wholesale lots.

Such developments are taking place in hundreds of suburbs and small towns. Across the country parents' groups and concerned citizens are banding together in committees, councils and ad hoc organizations to "do something"—almost anything—to combat the drug problem.

"Parents are in a panic and they simply don't know how to proceed," says John Barringer, director of health programs in the Tucson schools.

WIDENING THE GAP

In New York state, where a recent survey found parents more concerned about drug abuse than muggings, unemployment, racial tension or poor schools, 57 communities have launched drug study groups since last spring and state officials say 72 more groups are being formed. At least four committees are operating at the state level in **Massachusetts**; so many local bodies are digging into the problem there that regional councils have been set up to keep track of them all. Indeed, in many communities around the nation it's not uncommon to find a formal committee appointed by the board of education or town government vying for expert witnesses and newspaper publicity with a loosely organized group of overwrought parents.

The Nixon Administration is giving strong backing to the use of local committees to attack the drug problem, though perhaps not to some of their more extreme activities. Earlier this month the President told a conference of 41 governors that "we all must go back to our communities and wage a campaign—a campaign of education and information" about teen-age drug abuse. Mr. Nixon added that while he had previously thought that the answer to the drug problem "was simply to enforce the law," he now sees the solution in the hands of local groups of parents and educators.

The primary concern of most committees is to prevent more youngsters from being drawn into drug use. Many groups claim that their reasoned approach has struck a responsive chord among potential experimenters. Some have received small Federal grants to help carry on their projects. Nevertheless, there is growing concern among the nation's health officials that many of the parents' groups, however well-meaning, may be widening the generation gap by their frenzy.

IT CAN'T HAPPEN HERE

"It's frightening to see so many of these committees handing out information on a subject on which they have only fragmentary knowledge at best," says Dr. George Mizner, professor of psychiatry at the University of Colorado Medical Center and a student of the "drug culture." In many cases, he adds, high school students are better informed about drugs than their parents or teachers.

Many suburban and small-town parents are uninformed about drugs because until recently they simply could not believe the problem would arise in their orderly communities—and thus largely ignored it. But now they are coming face to face with the drug crisis.

Domenic Conti, a real estate salesman in the Philadelphia suburb of Willingboro, N.J., for instance, was so taken aback recently when his PTA group learned that dozens of children were sniffing glue in the woods behind an elementary school that he immediately formed Code W, an organization to alert to parents to the drug danger. "This just hit us right square between the eyes," recalls Mr. Conti. "We had no idea this was was going on here."

VISITORS UNWELCOME

The Montgomery County War on Narcotics League had much the same beginning. It was hammered together last spring by Malcolm Lawrence, the former commercial attache to the U.S. embassy in Switzerland, who had just returned to the Washington area with his nine children. When two of his children reported they had been offered marijuana during their first week of school, he jumped into action.

In a seven-point plan of attack, his group last month urged the Montgomery County Board of Education to censor "mind-bending" literature and dismiss teachers who counsel known drug users instead of turning them over to police. Other proposals include: Closing the school ground to unauthorized persons, compelling students to remain at school for lunch (on the theory they might meet a pusher if they walked home) and closing down the school smoking area (Mr. Lawrence believes it is difficult to tell what students are smoking).

So far, the board has taken no action. It has its own advisory committee, which has just concluded a survey of student attitudes toward drugs. That group is headed by a professor of government at Georgetown University and counts a number of doctors, psychiatrists and educators, plus three students, among its 17 members.

It was a similarly prestigious committee composed of a state district court judge, an attorney, a physician who has worked with narcotic addicts, a Methodist minister and a 17-year-old high school student, that proposed blood and urine tests in Smithtown, N.Y. The tests, which would cost about $3.50 each, wouldn't detect marijuana or LSD, two of the more popular drugs among students. But they could spot use of barbiturates, amphetamines or morphine derivatives.

Although the New York Chapter of the American Civil Liberties Union has threatened to sue if any child is forced to take these tests without his parents' permission, John V. N. Klein, Smithtown supervisor, contends the committee's stand has been well received in his Long Island suburb. Another of the recommendations calls for a speakers bureau to ferret out and condemn any voices in the community that say marijuana isn't a dangerous drug or that minimize the drug problem.

The hard-line Smithtown approach contrasts with the increasingly lenient view of marijuana use being taken by a number of national health officials and narcotics experts.

"A youngster who smokes one marijuana cigaret isn't a dope fiend," Dr. Stanley F. Yolles, director of the National Institute of Mental Health and associate administrator of the Department of Health, Education and Welfare, told a Senate subcommittee hearing in September. "It is extremely unfortunate," he added, "that by the continued exaggerated emphasis on the supposed dire evils of marijuana smoking, we make it extremely difficult to tell people what the real risks of use of specific kinds of drugs are."

POLLS UNDERSCORE CONCERN

A few community groups share this attitude. At United Community Services of Metropolitan Boston, which advises several local drug committees, staffer Marion Freeman tells member groups: "You must distinguish between drug use and abuse. If you preach total abstinence, forget it." She suggests that "safe" drugs be approached the same way alcohol usually is, stressing temperance and sensible use. "I'm not saying you must teach the pleasures of drugs, but at least you must be honest in explaining their dangers," she adds.

But such views apparently aren't widespread among adults. In a nationwide poll in September, Sindlinger & Co., an opinion research firm, found 91% of the public is concerned over teen-agers' use of marijuana, 85% oppose its being legalized and 84% express the fear that marijuana is very harmful to the user. (By contrast, only 33% view alcohol as very harmful.) Similar findings were uncovered in a Gallup poll in October.

"I'm positive that a hard-line approach is the best way," says Rexford Hall, a retired lumber dealer and the former president of the school board for the Grossmont High School District in California, where 342 students have been expelled in the past two years for using drugs. Although the public supports the school's policy of automatic dismissals, a committee of teachers and professionals in the area has asked the board to reconsider and to distinguish between youthful experimenters and hardened pushers.

The major weapon in most drug committee arsenals is education—and they aim it at parents as well as students. Chemicals that smell like marijuana are burned at PTA meetings so parents can tell whether that odor in their son's room is really pot. Booklets are prepared cautioning mothers to keep tab on their children's belongings—a lost transistor radio or misplaced clothing may have been exchanged for drugs—and to be alert to changes in their offspring's personality or behavior.

CHANGES IN CURRICULUMS

Some teachers fear the groups are overdoing it. After reading one group's booklet describing the effects of various drugs, a Maryland teacher exclaims: "My God, after a day in class with these kids, I've got all the symptoms—tiredness, depression, red eyes, hypertension. . . ."

Parent groups in nearly every state are clamoring for changes in school curriculums. Most seek improved drug education classes and the introduction of such classes at the junior high or elementary level. But other groups are criticizing courses they feel are too explicit.

For example, schools in several California and Arizona cities have come under attack for courses exploring why students use drugs. Opponents contend such courses encourage students to make individual choices instead of relying on the traditional values of church and home. Teachers in other systems have been berated for prying when, to illustrate the positive as well as negative aspects of drugs, they asked students to list items found in their family medicine chests.

There is some justification for this uneasiness. Consider this question being asked fifth-grade students this fall in Saratoga Calif.: "A person should never try LSD . . . (A) With others present (B) Without an older companion present (C) In the morning (D) All of the above. The answer listed as correct is B.

OUT OF CONTEXT?

The question was drafted by Raytheon Co., the Lexington, Mass., Defense contractor, which has branched into educational publishing. Company spokesmen contend the question is taken out of context from material dealing with safeguards for those youngsters who are going to use drugs regardless of their harmful effects. "We certainly don't favor indiscriminate use of this material—it's pretty straight-forward—but we don't believe you should keep kids ignorant and hope for the best, either," a spokesman says.

Daniel Ungaro, superintendent of the Saratoga schools, says that some of the Raytheon questions are "terrible" but that the material comes on film strips and it isn't easy to edit out sections without destroying the continuity. Also, he says, the company's material in general is far better than much of what is being passed off as drug information today. "Some of the stuff we've seen makes (drug) trips look so good that the kids would be eager to take them," he says.

To help combat erroneous material, the National Institute of Mental Health is supplying schools and drug committees across the country with reams of factual material on drug use, which it claims is neither "screechy nor preachy." Armed with an $800,000 appropriation, the agency has handed out some 11 million pieces of literature and thousands of posters, radio spots and TV scripts since March. A volunteer committee of businessmen in Washington, D.C., stuffed more than a million pieces of NIMH material in utility, bank and business billings last month.

The NIMH program is aimed at the suburban teen-ager. A psychedelic poster asks this question about drugs: "Will they turn you on, or will they turn on you?" And a radio commercial with an acid rock beat strikes chords of idealism by reminding youngsters they can change what's wrong in the world if they keep their heads—straight. A separate campaign for ghetto youths plays on black pride by depicting heroin as "slavery, 1969."

A number of parents' groups have gone beyond education to attack what they believe to be the root cause of drug use. A committee formed by Lenape Regional High School, Medford, N.J., has just opened a phone line, manned by trained volunteers who will listen to student gripes, complaints and problems on any subject. "We're finding that those who use drugs often have no communication with their parents," a leader of the organization says. "If we give them someone to tell their troubles to, they'll be less likely to turn to drugs."

PESTICIDE CONTROL

(Mr. MONAGAN asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. MONAGAN. Mr. Speaker, I was delighted to find the editorial which follows in the Meriden Journal of December 8.

The promptness with which this newspaper responded to my statement advocating greater control over pesticides clearly shows the public support in this country for legislation directed at this goal.

Since the editorial speaks for itself I simply append it to my previous statement for the information and illumination of my colleagues:

Monagan for Pesticide Control

U.S. Rep. John S. Monagan has joined the battle for more rigid control of pesticides. He is drafting legislation that would grant to the Secretary of Health, Education and Welfare authority to ban or limit the use of pesticides whenever their use presents a potential health hazard. The bill would also give the Secretary of the Interior authority to cancel the registration of pesticides if they constitute a danger to fish or wildlife, or to environmental contamination.

Monagan in a recent speech claimed the Department of Agriculture ignored a total of more than 1,600 objections registered by HEW to proposed registrations on grounds of health and safety. He said the department had consistently failed to take prompt cancellation action in cases of this kind. Monagan, chairman of the Special Studies Subcommittee of the House, accused USDA of a "public be damned" attitude in failing to establish procedures for warning pesticide purchasers of potential hazards.

The Federal Insecticide, Fungicide and Rodenticide Act provides that before pesticides can be sold in interstate commerce a manufacturer must register his product with the Department of Agriculture and attest to its safety and efficacy. Up to now, more than 45,000 pesticide formulations, involving more than 900 individual compounds have been registered.

Monagan has raised his voice with special emphasis in a cause that needs strong support. The recent moves against DDT have made the public aware of dangers which have been too poorly comprehended. But DDT still has its defenders, and they command strong influence in Washington. They would like to take shelter under the wing of the Department of Agriculture, for most of them are farmers. Evidently the department has listened sympathetically to their complaints.

SURVEY FAVORS LICENSING OF OPERATORS OF RECREATIONAL BOATS

(Mr. MONAGAN asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. MONAGAN. Mr. Speaker, on December 8 I introduced H.R. 15140, a bill to provide for a coordinated boating safety program. In my remarks following the introduction, I stated that the growing popularity of recreational boating had brought with it many problems. These, I noted, were the increasing number of deaths due to carelessness in the operation of these boats; increasing numbers of personal injuries, increasingly costly property damage, and a host of problems for the U.S. Coast Guard, as well as for States having recreational boating programs.

If enacted, I stated that the provisions in my bill could substantially ameliorate many of the problems now plaguing the sport of recreational boating. I further stated that one of the benefits which I hoped would result from passage of my bill would be the certification of all operators of recreational boating—that this one factor alone would amply reduce the present high death and accident rate on our waterways.

I am encouraged now to see that certification of operators of recreational boats is recognized by boaters themselves as a necessity for safety on our waters. In a survey of 10,000 boat owners recently undertaken by Boat Owners Association of the United States, 69.9 percent favor licensing or certification of all boat operations.

This BOA survey received eminent attention by Mr. Dick Handler, whose excellent column, "Sportsmen's Corner" is a regular feature of the Waterbury-American of Waterbury, Conn. Because I believe all persons interested in recreational boating should have an opportunity to see the BOA survey as it appears in Dick Handler's December 4 column, I include the column in the Record:

Sportsmen's Corner

(By Dick Handler)

Over two-thirds of the nation's boating public surveyed in an extensive poll has virtually asked for licensing of all recreational boat operators, according to results of the survey taken by the Boat Owners Association of the United States.

The results of the nationwide survey of 10,000 boatmen across the country show that 69.9 per cent favor licensing or certification of all boat operators. The Boat-U.S. Survey results, which were made at five major boat shows during 1968 and a mail poll of members of the survey organization, conflict directly with previous industry-sponsored surveys and the views of a number of state and federal boating administrators.

The report categorized the 10,000 replies into four major classifications: Geographical region, operator experience, size of boat and power boat vs. sailboats. In each instance the report shows a majority of boatmen heavily favoring the licensing of operators.

According to the survey, the attitude of boatmen toward licensing appears to be fairly uniform throughout the various geographical boating regions. The margin by which all areas favored licensing was in the 60 percentile range, except for the New York Area (New York, Connecticut, New York, Connecticut, New Jersey), which showed a high of 73 per cent.

The Boat-U.S. report cites the operator's license to be the strongest apparent influence on attitude toward licensing. Of boatmen with three or more years of experience, 67.6 per cent favor licensing, while those with less than three years experience favored licensing by 81.4, by far the largest plurality in any category.

The survey results indicated the owner of the larger size boat is less inclined toward licensing than the smaller boat owner. Although owners of boats 26 feet and over reported to be 65.4 percent in favor of licensing, owners of boats under 26 feet voted a significantly higher 71.2 per cent in favor.

Sailboat and power boat operators showed little difference in opinion on the licensing issue. A total of 71.1 per cent of the sailboat operators voted in favor of licensing as did 68.2 per cent of the power boat operators.

The results of the survey show an unexpected endorsement for the most stringent control alternatives presented in the survey. The report indicates 78 per cent favor licensing ALL boat operators rather than limiting licensing to only certain age groups or certain types of boats. In addition, 52 per cent report favoring a licensing program, administered by states under standards set up by the federal government rather than by either the state or federal government alone.

Another surprising result of the survey is the attitude of boatmen about the qualifications for an operator's license. The highest vote, 46 per cent of those surveyed, favored a written and operating test, while 38 per cent called for the completion of an approved course as the qualification for an operator's license.

Geographically, the licensing or certification for operators of pleasure boats was favored by 62.6 per cent in the Northeast (Rhode Island, New Hampshire, Vermont, Massachusetts, Maine); 66 per cent in Mid Atlantic (Pennsylvania, Maryland, Delaware, Virginia, Washington, D.C.); 67.3 per cent in Southeast and Gulf area (North and South Carolina, Georgia, Alabama, Mississippi, Louisiana and Texas); 65.4 per cent in Florida; 68.3 per cent in Midwest area (Illinois, Wisconsin, Michigan, Minnesota); and 62.9 per cent in all other states.

In licensing, 81.4 per cent of those with under three years experience favored it, 67.6 per cent in the three or more years group, and 75.9 per cent of those who did not specify their experience.

Favoring licensing were 71.2 per cent of the owners of boats under 26 feet, 65.4 per cent in the 26-foot and over group and 69.9 of those who did not specify the size of their boat.

In the power vs. sail group, 68.2 per cent of the power owners favored licensing while 71.1 per cent of the sail favored it. Another 69.9 per cent of the boat owners who did not specify their type of boat favored licensing.

On the question of who should be licensed, 77.6 per cent said all operators, 8.9 per cent said certain age groups and 13.5 per cent said certain boat types. On the subject of what qualifications, 38.4 per cent said complete approved course, 13.8 per cent said written test, 46.2 per cent said written and operating test and 1.6 responded "other."

Asked whether the state or U.S. government should do the licensing, 23.2 said federal government, 24.6 said states, and 52.2 said states under federal standards.

The survey was taken by mail within the Boat-U.S. Organization, an almost-10,000-member group, and at the five major 1968 boat shows: New York, Boston, Suffolk Downs, Washington and Chicago.

A uniform 8x5 inch preprinted poll card was used. Each card listed the questions. Each completed poll card was checked for duplication. More than one card received from the same person, or member of a family (same surname and address) were excluded from tabulation. All poll cards collected or received by mail were turned over to an independent auditor for data reduction and compilation.

The survey corroborates the results of a sampling involving 1,600 responses conducted by Boat-U.S. in 1967. In that poll, 67 per cent of the respondents favored licensing.

THE ANNUAL BOXCAR SHORTAGE CRISIS: NEW PROPOSAL FOR AN OLD PROBLEM

(Mr. MIZE asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. MIZE. Mr. Speaker, India and the other developing nations suffer from chronic distribution and storage equipment shortages at harvest time. Much of the crop in those struggling lands is lost each year to rat and insect infestation, weather damage, and the other hazards that grain is vulnerable to when not properly protected.

Storage facilities must be available throughout the year in widely diverse locations, but transportation facilities must be kept in reserve—or used for other purposes—during the growing seasons to be called upon at harvest time for fully responsive, efficient, and timely movement of produce to major terminals and processing centers.

Our technicians have so advised agribusiness and government representatives in the third world.

Regrettably, the United States suffers from the same infirmity and the situation in our case is wholly inexcusable.

Mr. Speaker, at this moment millions of bushels of grain are lying out on the ground in the Middle West, exposed to the elements and subject to substantial losses. This distressing condition is caused by a chronic boxcar shortage which has escalated to crisis proportions in the western regions.

This annual loss, this example of national inefficiency, must be countered and overcome before the next harvest season.

A NEW PROPOSAL FOR AN OLD PROBLEM

The solution to this technically complex and heretofore baffling problem may have been devised at last. The proposal has come—not from the shippers and producers or from the Interstate Commerce Commission—but from the affected railroads themselves. It is the culmination of an intensive 4-year study commanding the best brains in the business.

The plan realistically acknowledges that railroads, when it becomes economically advantageous to "hoard" boxcars belonging to other lines and pay assessed per diem rates, will do so rather than return them to their owners.

The harvest season brings with it huge localized transportation demands for limited periods of time. It should be clear that no system of regulating the distribution of boxcars is acceptable unless it has the ultimate effect of inducing eastern and southern lines to return cars to the Midwest and Far West during the harvest season. This new proposal takes positive steps to achieve the essential flow of cars to points of critical need.

Per diem rates for control of foreign boxcars are to be increased to realistic levels, and the destructive "mileage" requirement is to be eliminated. Mileage payments have the effect of discouraging the very result most hoped for, for lines will pay the lower per diem rate while awaiting cargo to move in the direction of the boxcar's destination.

Workable incentive rates may be imposed by the ICC in cases of localized shortage, to effectively require a flow to the area of most critical need.

Together these various penalties and per diem assessments, based entirely on "time held" and not on "mileage traveled," will encourage railroads to divest themselves of foreign cars when those cars are desperately needed elsewhere. Railroads will further be encouraged to increase their own inventory of rolling stock.

In 1966, I was a cosponsor of legislation which was designed to eliminate localized boxcar shortages. The bill became Public Law 89–430, but the ICC reported that it could not implement the system of incentives contemplated in the act. Needless to say, the problem did not go away.

Therefore, I am today introducing legislation to implement the plan that I have been discussing. It establishes per diem rates and permits the ICC to impose additional penalties for boxcar hoarding. It has been devised by those who must live with it—the railroads that have been frustrated year after year in their efforts to provide top-flight service to their customers.

This legislation is the result of an exhaustive study, and I join thousands of shippers and millions of producers in the sincere hope that it will solve this embarrassing problem. It is particularly embarrassing since the western lines have looked to Government to assist them in solving it for so many years and they have looked in vain.

I urge the earliest possible hearings and prompt action by Congress on this legislation, for we must insure that effective steps are taken before the annual period of crisis rolls around next year.

PASSPORT OFFICE

(Mr. MONAGAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MONAGAN. Mr. Speaker, the other body has added to the supplemental appropriations bill, H.R. 15209, the amount of $310,000 for the Passport Office of the State Department. In view of the recommendation of the Director of the Office that a passport issuing facility be established in Connecticut, this addition is good news for our State.

Since this bill has already passed the House, it is not possible to effect any change in the original bill but I want to express the hope that the conferees will leave this item in the bill during their discussions of the different versions of the two bodies.

The critical nature of the passport problem in Connecticut needs no further advertising and the need for action is obvious. If this addition, which was made through the efforts of Senator DODD, can be retained in the bill it will help to provide in Connecticut the type of service that should be made available to applicants for passports.

RECESS

The SPEAKER. The Chair declares the House in recess subject to the call of the

Chair. The bells will be rung 15 minutes before the House reconvenes.

Accordingly (at 3 o'clock and 2 minutes p.m.), the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 5 o'clock p.m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the support of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2577) entitled "An act to provide additional mortgage credit, and for other purposes".

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2543. An act to prohibit the movement in interstate or foreign commerce of horses which are "sored," and for other purposes.

CONFERENCE REPORT ON S. 2577, LOWERING INTEREST RATES, FIGHTING INFLATION, HELPING SMALL BUSINESS, AND EXPANDING THE MORTGAGE MARKET

Mr. PATMAN. Mr. Speaker, I call up the conference report on the bill (S. 2577) to provide additional mortgage credit, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of December 18, 1969.)

Mr. PATMAN (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with, since the report is available now and is printed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. GERALD R. FORD. Mr. Speaker, reserving the right to object, will the distinguished chairman of the committee or other members of the committee take some time to explain the conference report for the benefit of the membership?

Mr. PATMAN. Certainly.

Mr. GERALD R. FORD. Mr. Speaker, I withdraw my reservation of objection.

Mr. PATMAN. And adequate time will be yielded to the minority.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The gentleman from Texas is recognized for 1 hour.

Mr. PATMAN. Mr. Speaker, the conference committee on the disagreeing votes of the two Houses on S. 2577 met in conference yesterday and agreed to the following conference language:

First, regarding the extension of regulation Q, the House insisted upon and prevailed in its position that regulation Q authority be extended to March 22, 1971, in place of the Senate provision which would have provided an extension of this authority only to September 22, 1970.

Second, the language in both bills concerning extension of rate control authority to nonfederally insured financial institutions was almost identical. The provisions contained in the House and Senate bills on this subject were adopted without objection in both Houses and affect only the State of Massachusetts. The language adopted in the conference provides temporary authority to extend Federal deposit rate control over nonfederally insured financial institutions where State officials lack comparable authority and only in those instances where noninsured savings deposits in the State exceed 20 percent of total savings deposits. It is anticipated that the State authorities in Massachusetts will move immediately to extend their authority over these noninsured institutions as soon as the State legislature can consider this matter.

Third, the language contained in the House bill which would have established a secondary market authority for the Federal Home Loan Bank System was adamantly disagreed to by the Senate and the conference report does not contain this provision.

Fourth, the language in the House bill over which there was no disagreement and which would simplify the premium structure of the FSLIC and make additional funds available for housing was accepted by the Senate conferees.

There was little difference between the language of the House and Senate which would provide authority to the Federal Reserve Board to establish rate regulations and reserve requirements for commercial paper issued by banks or bank holding companies. The House language prevailed in conference.

The language in both bills was identical concerning the establishment of authority for the Federal Reserve Board to establish reserve requirements on Eurodollar borrowings.

The House-passed bill changed the law for national banks and would have allowed them to make mortgage loans up to 90 percent of the appraised value of the property and permit maturities up to 30 years, instead of the present limit for maturities up to 25 years. There was no similar language in the Senate bill. This language was deleted in conference based on the reasoning that there had been no indication whatsoever that national banks wanted or would take advantage of this liberalized authority to make loans on home mortgages.

Regarding the FDIC and FSLIC insurance, the House bill provided for an increase in the maximum insurance protection for commercial banks and savings and loan deposits from the existing $15,000 to $25,000. The Senate bill contained no similar language. The Senate conferees agreed with an increase in principle, but insisted and prevailed in their view that the amount should be increased from $15,000 to $20,000, and not to the $25,000 as contained in the House bill.

The House bill provided for Presidential standby authority to request the Federal Reserve to institute selective credit controls when necessary to curb inflation. Comparable Senate language provided for the suspension of our antitrust laws to permit reinstatement of the Korean war-type of voluntary credit control agreements. The conferees decided that both provisions should be included in the legislation, based on the rationale that the President should have all necessary powers and discretion to fight inflation, including both standby credit control authority and the right to encourage voluntary agreements to restrain credit. Therefore, the conference report before you contains both the House and Senate language on this subject.

The House amendment provided authority for the use of $70 million of direct lending for the Small Business Administration in its small business investment company loan program. The Senate conferees agreed to accept the House language with an amendment so that any possible constitutional question would be eliminated. The conferees, however, it should be noted, were insistent upon the principle contained in Title III of the House bill, namely that the $70 million of funds be made available immediately for the small business investment company program out of the business loan and investment funds.

Finally, the Senate bill contained language which amended the Federal Home Loan Bank Act to provide authority for the purchase by the Secretary of the Treasury of Home Loan Bank obligations in an amount of an additional $3 billion. The Senate amendment also amended the provision of this section relating to the terms and conditions of such purchases.

The House insisted upon the addition of a further amendment to make sure that the additional borrowing authority would be of some practical assistance to the housing industry and thereby accepted the Senate language with an amendment to the effect that this new authority contain a direction as to the circumstances of its utilization. The determination of whether and when these circumstances arise involves the exercise of judgment and the responsibility for this decision as contained in the proposed agreed language would rest ultimately with the Secretary.

Mr. DE LA GARZA. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Texas.

Mr. DE LA GARZA. Mr. Speaker, I would like to ask the distinguished chairman of the committee this question: There is some concern in Texas that this application of Federal regulations to uninsured savings and loans or uninsured banks would affect a bank in Texas. Does the gentleman understand this to be the situation?

Mr. PATMAN. It is my understanding that it applies exclusively to Massachusetts and to no other State.

Mr. DE LA GARZA. And the legislative

history is such that the amendment is drafted so as to make the letter of the law applicable only to the State of Massachusetts. Is that correct?

Mr. PATMAN. That is right.

Mr. DE LA GARZA. I thank the gentleman.

Mr. PATMAN. Next is the creation of a secondary market for conventional home mortgages through the Federal Home Loan Bank System.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Iowa.

Mr. GROSS. Is the gentleman now dealing with section 206?

Mr. PATMAN. Yes, title II of the House bill. We agreed to accept both, I will state to the gentleman from Iowa—one which the House passed with reference to it and also the voluntary one passed by the Senate, the Korean war title.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Ohio.

Mr. BOW. In the House bill as it passed, as I recall there was a provision providing that if there were insufficient funds appropriated, that the Small Business Administration should immediately advise the executive branch and the executive branch should clear the item so as to provide the funds. I see by the report that the gentleman is filing that that language has been stricken; am I correct in that?

Mr. PATMAN. That is correct.

Mr. BOW. I thank the gentleman and, in my opinion, that action helps to improve the bill considerably.

Mr. Speaker, I will now yield such time as he may consume to the gentleman from New Jersey (Mr. WIDNALL).

Mr. WIDNALL. Mr. Speaker, our chairman has accurately described what took place in the conference, and actually many of the things that were in the motion to recommit are now embodied in the bill. I think the one point that caused a great deal of controversy on the House floor was the question of controls, and the conferees in their wisdom decided to accept both the Senate version and the House version, and give the option to the President if he felt controls were necessary to be invoked, even controls as were voluntary controls during the Korean war period that were embodied in the Senate bill, and the ones embodied in the House bill.

We feel that this is a satisfactory solution to the impasse that we had reached within the conference.

The other measures that have been taken have eliminated some of the high points of the controversy when the bill was on the House floor, and while the three minority members on the conference did not sign the conference report, this was because we had not seen it in final form as drawn up, and there was some question of some language that we felt had to be resolved in our own minds.

This has been resolved, and I believe that all three Republican conferees—or minority conferees—will vote for passage of the measure and I would urge adoption of the conference report.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I thank the gentleman for yielding.

Let me see if I get this straight on the subject of authority for institution of credit controls: section 205 of the House bill, there was no change in that; is that correct, insofar as the House version?

Mr. PATMAN. No change in that part. The only change we added on is the authority to institute voluntary controls.

Mr. GROSS. Was there any change in section 206, the extent of controls and the eight paragraphs contained therein which delegate in my opinion unconscionable power to the President to invoke controls? Was there any change in this?

Mr. PATMAN. Well, of course that is a matter of opinion, but we do not think it is unusual. The President does not have to use this. You know, in controls, if you wait until they must be put on right then, it causes much more trouble than if you anticipate the possibility of controls in advance, and give that power to the President. Knowing that power is there, it has some effect by itself, and then later on if the President wants to apply the controls to a part or all of the economy it is up to him to do it.

Mr. GROSS. I have no desire to prolong this here this afternoon—this was pretty well debated the other day, the extent of these controls—but the gentleman is saying to me categorically that there was no change in section 206, extent of controls?

Mr. PATMAN. In section 205 there is no change.

Mr. GROSS. I beg the gentleman's pardon?

Mr. PATMAN. There is no change in section 205.

Mr. GROSS. There is no change, they remain the same? What about section 206?

Mr. PATMAN. I have not gotten to section 206. The gentleman asked me to yield, and I went back to the particular question the gentleman asked, but there was a little change in section 206.

Under (10) the Board, upon being authorized by the President under section 205 and for such period of time as he may determine by regulation:

> (10) prescribe maximum ratios, applicable to any class of either creditors or borrowers or both, of loans of one or more types or of all types.
>
> (A) to deposits of one or more types or of all types.
>
> (B) to assets of one or more types or of all types.
>
> (11) prohibit or limit any extensions of credit under any circumstances the Board deems appropriate.

Then the gentleman is saying, you added two more paragraphs to the nine that are enumerated in the bill; is that correct?

Mr. PATMAN. That is correct.

Mr. GROSS. The gentleman mentioned September 22, 1970, I believe, as being too close to an election. Since when has the gentleman from Texas become gun shy with respect to an election or to politics?

Mr. PATMAN. It is not the politics of it so much as the fact that Congress probably would not be in session at that time. It would be a deadline at a time when Congress would not be in a position to give much consideration, and that is really the argument that persuaded us in this respect.

Mr. GROSS. Let me take this opportunity to compliment the gentleman from Texas as being the greatest optimist in the Congress and in this country, if he thinks that this Congress is not going to be in session next September 22. This is beyond comprehension—here we are almost on Christmas eve and we are in session. I hope the gentleman is right, but I fear that even with his long experience here, he is misjudging the situation that may prevail next year.

Mr. PATMAN. I am hopeful that we will get through earlier next year and oftentimes that does happen in an election year.

Mr. BARRETT. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Pennsylvania.

Mr. BARRETT. Mr. Speaker, just 2 days ago the House passed S. 2577 after substituting the language of H.R. 15091, as amended. Passage was by a vote of 259 yeas to 136 nays. As I said on Wednesday, this bill is vital to those in need of decent housing and a protection to those who are paying exorbitant interest rates, and also in the best interests of the country as an anti-inflationary measure. The action of the House on Wednesday was a display of responsibility and a manifestation of congressional concern over the tight money policies of our Government and the continuing inflation of our economy.

We now have before us the conference report on that measure, reconciling the differences between the House and Senate. This measure reaffirms the congressional desire and intent to take action against the inflationary pressures in our economy. It provides several methods to supply much-needed funds to the home mortgage market under conditions which it is hoped will tend to lower home mortgage interest rates. One of these is an increase in the insurance of savings accounts in federally insured banks and savings and loan associations from $15,000 to $20,000.

The measure also provides much-needed funds to small business through the SBA. And from the viewpoint of credit restraint provides the authority and tools for selective areas of control.

I strongly urge its adoption by the House.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Indiana.

Mr. MADDEN. Mr. Speaker, I want to commend the chairman and the ranking member as well as the members of the Committee on Banking and Currency for this conference report which possibly may be the most outstanding piece of legislation we have passed in this session of the Congress so far as getting the country back on the track economically.

I want to call your attention to the Wall Street Journal of this morning in reference to a statement by Arthur F. Burns, the chairman designate of the Federal Reserve Board. I quote from the Wall Street Journal:

> BUSINESS AND FINANCE
>
> Easier credit is a possible goal after the contents of the tax bill and budget proposals are known, Arthur F. Burns, chairman-designate of the Federal Reserve Board, told a committee before his Senate confirmation. He said he hopes resolving of doubts about the Nixon Administration's fiscal policy will lay the foundation for easing credit "within the next two to four weeks." His comments buoyed stock prices, with the Dow-Jones industrial average spurting 13.86 points to 783.79, on volume of almost 16 million shares.

Mr. Speaker, I think this Congress in passing this bill by a big, substantial majority last week gave notice to the White House as to how the Congress felt about loosening up and opening up and getting some industries operating and helping small business and making a drive toward reducing interest rates.

This piece of legislation, I think, is what spark-plugged the statement by Mr. Arthur F. Burns. Of course, you read the statement in this morning's paper along the same line where the headline is "Burns Confirmed for Fed, Hints Easier Money Policy."

So, Mr. Speaker, your committee really got the economy of this country moving in the direction of an upward trend.

I have in my hand a letter which I received this afternoon. It comes from the Bank of Indiana, 575 Broadway, Gary, Ind. I shall read one paragraph and then ask to have the remainder of the letter printed in the RECORD:

> While our own SBIC cannot benefit, we urge your approval as being beneficial to the country as a whole.

Mr. Speaker, I ask unanimous consent that the entire letter may be printed in the RECORD at this point.

The SPEAKER pro tempore (Mr. DELANEY). Is there objection to the request of the gentleman from Indiana?

There was no objection.

The letter is as follows:

BANK OF INDIANA,
Gary, Ind., December 16, 1969.

Hon. RAYMOND J. MADDEN,
House of Representatives,
U.S. Congress,
Washington, D.C.

DEAR RAY: It has been brought to my attention that H.R. 15091, which contains a directive to the President to release the sum of Seventy Million ($70,000,000) Dollars in direct loans for Small Business Investment Companies, may come to a vote on Wednesday or Thursday of this week.

I was unable to reach you by phone and hope that this arrives in time for you to give serious consideration to a vote of approval.

Both Ray Daly and myself have been closely associated with the program for a number of years, both in its infant stage as well as on its current ripening stage, and we are firmly convinced that its horizons and benefits are unlimited.

While our own SBIC cannot benefit, we urge your approval as being beneficial to the country as a whole.

Best personal regards.

T. J. RADIGAN,
Vice President and Trust Officer.

P.S.—For your information, negotiations are again underway to effect a sale of the Hotel Gary. Steve Divich is interested.

Mr. PATMAN. Mr. Speaker, I yield 5 minutes to the distinguished majority leader (Mr. GERALD R. FORD).

Mr. GERALD R. FORD. Mr. Speaker, I appreciate the gentleman from Texas, the chairman of the committee, yielding this time to me. I would like to yield at this time to the gentleman from Ohio (Mr. STANTON) to make some comments, and then I shall follow his remarks.

Mr. STANTON. Mr. Speaker, I appreciate the minority leader yielding. I shall take only a minute or two to explain to the minority Members, who, unitedly on Wednesday night stood in opposition to this bill, what has occurred. As you will remember, it was our side of the aisle that felt that the Senate-passed version, S. 2577, was far superior to the bill that was presented before the House at that time. As a member of the conference, I am proud to tell the minority Members that the conferees did not change more than one or two sentences of the entire S. 2577, the Senate-passed version. That was our motion to recommit.

So I would like once again to impress upon the Members the fact that as we look forward to fighting inflation and creating more housing in this country in the immediate future, that we do not lose track of what the President said, that the most necessary thing we can do in this Congress at this time in this country is to curtail spending in this particular Congress.

Mr. GERALD R. FORD. Mr. Speaker, first, I thank the gentleman from Ohio for laying out the factual situation in relation to the conference report, the bill that went from the House to the conference, the bill that was offered as a motion to recommit by those of us on our side, the bill that came from the committee, and the bill that was passed in the House, which a good many Members on our side thought was an inflationary proposal. We believed then and we believe now that the motion to recommit which we offered, which was virtually the Senate bill, was good legislation. It almost passed. I think the vote was 206 to 193. I am delighted that the final version of this legislation as it is in the conference report more nearly reflects the original Senate version and the motion to recommit. The net result is that we have good legislation and not the kind of legislation that left the House and was rammed through the House several days ago.

Mr. PATMAN. Mr. Speaker, I yield to the gentleman from California (Mr. HANNA) such time as he may consume.

Mr. HANNA. Mr. Speaker, I thank the chairman of our great committee for yielding to me. I commend the committee on making available to the country one piece of legislation which I think will have more effect in 1970 than almost anything else the Congress has done, if the President see fit to use all the power made available in this legislation.

I suggest to the Members that, absent constructive changes, we are going to see in 1970 an upward movement in economic activity and a downward movement in the gross national product. An upward movement in price and in unemployment and a downward movement in the standard of living. I suggest the tight money policy standing alone would have kept us in this kind of posture. I am hopeful the administration will see fit to use and will know there are other tools that have to be brought into effect if we are not going to continue to have a depression in those sectors of the economy involving the people least capable of handling it, those people in small businesses, the poor people, the builders, the construction workers, and the people looking to the Government for assistance in the many programs which have helped us since the last depression.

Mr. Speaker, I compliment the chairman and the members of the conference committee for the work they have done.

Mrs. SULLIVAN. Mr. Speaker, as a conferee on the part of the House on S. 2577, I join in urging House concurrence with the conference report. When constituents ask us during the holiday period, Mr. Speaker, what we are doing, or have done, about high interest rates and the unavailability of mortgage funds for the purchase of homes, this bill can be cited a responsible and effective answer. This bill provides the tools to the President of the United States to combat inflation, and to channel credit into those areas of the economy which the national interest dictates.

Instead of big businesses continuing to borrow all of the money they need at whatever interest rate—conscionable or unconscionable—they are asked to pay, necessary funds could be channeled instead into loans for housing, into State and local bond issues to build schools or provide essential needs, into loans for small business, and so on.

The bill before us represents largely a consensus of Democratic members of the House Committee on Banking and Currency. Not all of us were in favor of every single provision, but we all joined in cosponsoring or endorsing a Democratic approach to the serious problem of inflation. I am sorry the minority party conferees from the House decided not to sign the conference report. Eventually, I think they will join us in deciding that the powers we are now giving to the President in this bill will be of tremendous help to a Republican President in saving this country from a continuation and worsening of the credit inflation we are now in.

A BILL TO FIGHT INFLATION, HELP HOUSING AND SMALL BUSINESS

Chairman PATMAN, of the Committee on Banking and Currency, has explained the provisions of the bill as agreed to in conference. The Treasury is being authorized and instructed to lend up to $4 billion to the Home Loan Bank Board, on request of that agency, to lend in turn to savings and loans for home mortgages. We add $70,000,000 of funds to the small business investment companies. We control the inflationary use of Eurodollars now being lent in this country at very high interest rates. We provide clarification of Federal Reserve Board powers in regulating commercial paper issued by banks and their affiliates—which represents about 10 percent of all commercial paper now being issued. Another part of the bill deals with the much broader problem of commercial paper issued by nonbank sources, which is probably one of the most inflationary trends in the entire economy.

We extend until March 22, 1971, instead of September 22, 1970 as provided in the Senate bill, the power of the regulatory agencies to control interest rates paid by banks on savings accounts, or by savings and loans on share accounts. This authority—regulation Q—expires at the present time at midnight December 21.

FEDERAL INSURANCE ON DEPOSITS

Two of the major provisions of the bill as finally agreed to in conference originated in separate bills I had introduced earlier this year. One is the provision raising the limit of Federal insurance on bank deposits or savings and loan accounts from $15,000 to $20,000, as my bill, H.R. 14836, had provided. In committee, this figure was raised to $25,000, and the House agreed to that. But at the request of the Senate conferees, who had no comparable provision in their bill, we compromised at $20,000. This should bring more money into bank deposits and savings and loans from investors with substantial resources, who are reluctant to keep on deposit in any one account more than the amount covered by Federal insurance.

STANDBY POWERS FOR SELECTIVE CREDIT CONTROLS

The most far-reaching provision of the conference bill is the title of the House bill authorizing standby, selective controls over any or all types of credit. This title is taken from a bill I introduced on November 24, H.R. 14954. We added to it in conference a provision agreed to in the Senate to permit the President to institute a system of voluntary credit controls such as were in effect during the Korean war, including a period during that war when we also had compulsory credit controls over consumer credit and real estate credit.

In conference, we felt that the authority for voluntary controls, involving suspension when necessary of the antitrust laws, gives the President an additional resource to choose from in taking appropriate steps to fight a credit inflation. We do not attempt to dictate what form of credit controls he should seek to impose, if any; the powers are left to his discretion.

TRUSTING THE PRESIDENT WITH BROAD POWERS

The powers conferred upon the President by this legislation cannot solve present inflation problems unless the President chooses to use those powers. It will be up to him. He will have a wide choice of weapons to use in fighting high-interest rates, the mortgage money famine, the curtailment of small business expansion, and the distortion in credit supply.

With the power, of course, goes the responsibility to use the power responsibly. We are willing to trust the President of the United States with broad powers in the credit field, as we do in so many other fields. But if he refuses to use those powers effectively when the economic situation urgently requires their use, then the political responsibility can be clearly placed—and that, too, is important in a democracy.

But we did not write this bill in order to embarrass the President. We wrote it in order to give him the tools a President should have in order to cope with inflation danger. Undoubtedly there will be pressures upon him to use these powers, or some of them, when he thinks they should not be used. Any man who has been given the responsibility to lead this country as President must have the fortitude to resist pressures he deems are not in the public interest; he must also have the courage to use his great powers when the public interest requires, even when the exercise of Presidential power in the public interest is sometimes unpopular. The burdens of the Presidency are many, including the necessity of sometimes doing unpopular things.

But I think the people of the United States would firmly support this President, or any President, in taking courageous steps to stop an inflationary spiral gripping this country, and in getting funds into the housing area where this step is desperately needed, even if that means temporarily courtailing some unnecessary credit expenditures by business or consumers.

WHAT ARE THE RIGHT PRIORITIES IN USE OF CREDIT?

We are blessed with a dynamic, expanding economy which, at the present time, is expanding much more actively in some directions than in others. The question confronting our society is: in what direction do we now need more expansion than in others? Rich as we are, we cannot afford to indulge every economic wish. Should we use the weight of Government to revive the housing industry? It is dying for lack of credit. Should we use the weight of Government to assure expansion of our educational system, our public facilities and equipment, our attack on environmental hazards, and for many other purposes essential to the survival of our way of life? Periodically, in periods of tight money, the things we are obligated as a Government to accomplish are defeated by diversion of capital and resources to less essential purposes.

On November 24, when I first introduced the bill which is now incorporated into this legislation to provide standby authority to the President and the Federal Reserve Board to impose selective controls over any or all forms of credit, I had no idea that this proposal would so quickly find its way into a bill presented to both Houses for a final vote, although I said I would try to have it considered with the legislation then pending to extend regulation Q. I believe it is the first time credit controls of this far-reaching nature have been brought before Congress. The authority to control consumer and real estate credit was first given to Government in World War II by Executive order of President Roosevelt under wartime powers. In 1950, Congress wrote similar powers into the Defense Production Act, after the start of the Korean war. In 1951, Congress repealed that power, and we have never had it available since then. In 1966, the House Committee on Banking and Currency accepted an amendment to the Defense Production Act sponsored by Congressman REUSS and I to restore standby authority for consumer and real estate credit. It was defeated on the House floor. Now we are voting on a bill which extends similar authority not only over consumer and real estate credit but over all forms of credit. On Wednesday, the House upheld this proposal. In conference yesterday, the Senate Conferees agreed to this idea, along with the proposal the Senate had passed suspending the antitrust laws to permit voluntary agreements by the credit industry to ration credit.

The House conferees from the majority side were willing to accept this Senate provision when the Senate conferees agreed at the same time to accept our proposal for broad powers to regulate credit. We did not instruct or order the President on which form of credit controls or regulation he should use—we give him the power to use both types, or either, or none at all.

BACKGROUND OF CREDIT CONTROL TITLE OF BILL

Following, Mr. Speaker, is the press release issued on November 24 on the introduction of the bill which became title II of this measure dealing with standby credit controls.

As will be noted, there is no compulsion on the President to act. But there is an expectation that, as President, he will weigh carefully and with an objective mind the need for using these powers when the necessity arises.

The news release referred to follows:

MRS. SULLIVAN INTRODUCES BILL FOR STANDBY POWERS TO REGULATE ALL FORMS OF CREDIT, INCLUDING BUSINESS CREDIT

Within hours after Secretary of the Treasury David M. Kennedy was quoted as believing standby controls over consumer credit "may be necessary", Congresswoman Leonor K. Sullivan (D-Mo.) today introduced a bill to authorize the President to order the regulation not only of consumer credit terms but of all business credit, too, including so-called commercial paper.

The regulatory powers could be exercised only after the President made a finding that they were needed "to prevent or control inflation generated by the extension of credit in an excessive volume." The Board of Governors of the Federal Reserve System would administer the controls, at the President's direction, deciding the maximum amount of loans, minimum down payments, maturity periods, and the rates which can be charged.

"Secretary Kennedy's statement in the papers this morning that standby credit controls 'may be necessary' had nothing to do with my decision to introduce the bill," Mrs. Sullivan declared. "But it is interesting to me that he recognizes now the possible need for such legislation. I tried to get him to endorse the idea during hearings of the Banking and Currency Committee months ago, but he would not do so at that time. My new bill has been in preparation for many weeks, and was finally delivered to me by the Office of the House Legislative Counsel on Friday afternoon, so it was my intention to introduce it today in any event."

Congresswoman Sullivan, a ranking Member of the Committee on Banking and Currency and Chairman of its Subcommittee on Consumer Affairs, has tried for three years to get standby consumer credit controls enacted into law. An amendment agreed to in the Banking Committee in 1966 to restore such powers to the Defense Production Act of 1950 was defeated in the House Floor.

She revived the effort in 1967 in the original version of the bill which became the Consumer Credit Protection Act of 1968, which includes the Truth in Lending Act, but the consumer credit controls provision was dropped in Committee for lack of support at that time.

During hearings of the Banking Committee in June of this year on the increase in the prime rate, Mrs. Sullivan again brought up the possible need for standby controls over rates and terms of consumer credit transactions, and also raised the question of a need for regulatory powers over the terms of business credit. She pointed out then that so-called commercial paper, issued by banks and finance companies to raise short-term funds from corporations and big investors, was not subject to Federal regulation of any type.

Federal Reserve Board Chairman William McChesney Martin conceded at those hearings that commercial paper could be inflationary and contribute to the increase in interest rates generally. He said the possibility of Federal regulation of such credit should be studied.

Under the Sullivan bill introduced today, the President could authorize the Federal Reserve to "regulate and control any or all extensions of credit, for such periods as the President directed. Among other things the Board could:

(1) require registration or licensing of credit grantors;

(2) prescribe the maximum amount of credit which could be extended in connection with any loan, purchase, or other extension of credit;

(3) prescribe maximum maturity, minimum periodic payments, and maximum periods between payments;

(4) set rates;

(5) obtain injunctions;

(6) institute actions for both civil and criminal penalties for violations. Maximum penalties would be $1,000 fine and 1 year in jail.

The bill is entitled the "Credit Control Act."

Congresswoman Sullivan declared: "A predominant part of the Administration's fight against inflation seems to be devoted to the effort to tighten availability of credit, through higher and higher interest rates. This effort has had the effect of pricing moderate cost housing, small business, and state and local agencies, out of the market for credit. It has not stopped inflation.

"Rather than continue to ration credit by price alone, I think the American people would be glad to have the burden of fighting inflation spread more evenly across all elements of the economy, by requiring reasonable restrictions on those forms of credit which are most inflationary. Obviously, there is far greater demand for credit than funds available, and under those circumstances, the big corporations which can afford to pay whatever rate is charged are getting all of the credit they need, while the home buyer, and the small businessman, and governmental subdivisions are out in the cold.

"Selective credit controls, which this bill would authorize, could be utilized to channel credit into those activities which best serve the national interest, rather than, as at present, those which return the highest profit. I am sure everyone in the home building industry will welcome this approach, and so will every citizen whose living costs have risen so sharply because of the high cost of borrowing money."

Mrs. Sullivan said she will try to have her bill considered either as part of other legislation now before the Banking Committee dealing with interest rates paid by banks and savings and loans to depositors, or as a separate measure.

Mr. PATMAN. Mr. Speaker, I find it rather strange that our minority friends are now embracing the conference report on S. 2577 as if it were their bill. This is our Democratic bill. No one will be mislead by the vote on the conference report on this legislation. One need only look at the conference report to see who signed the report. It will be noted that the Democrats from both bodies signed the report, but no House Republicans did. This should make the facts evident and the play by our minority friends obvious.

Mr. GROSS. Mr. Speaker, if this conference report is approved without a rollcall vote, I want the RECORD to show that I am opposed to it as I was 2 days ago when it originally passed the House.

This legislation provides untrammeled power to the President to delegate to the Federal Reserve Board, a private financial institution, life and death control over the credit of this Nation and its citizens.

This without even the declaration of an emergency.

Mr. Speaker, this is the kind of power of which dictators are made.

It is provided, for instance, that "transactions or persons or classes of either to be registered or licensed."

Literally interpreted, this means that it would be illegal for one person to make a loan or extend credit to another unless he or she was licensed or registered.

It is also provided that the Federal Reserve Board would have the authority to "prescribe the maximum rate of interest, maximum maturity, minimum periodic payment, maximum period between payments, and any other specification or limitation of the terms and conditions of any extension of credit."

These are only two of a long list of the most drastic restrictions conceivable.

Mr. Speaker, had this legislation provided that the President "upon the declaration of an emergency" could proceed to invoke such controls upon the people of this nation I would have been constrained to support it. No such condition is imposed.

As I said in debate on this measure 2 days ago, "this is unconditioned power No President should seek and should refuse if granted to him."

I realize that this country is in financial trouble. Through the years I have warned of the consequences that would flow from the wild spending in which this Government has indulged. I have warned, too, that a financial breakdown would unquestionably result in unholy delegated powers being vested in the Executive of this huge Central Government.

Here is another warning, written into the law of the land, for all to see.

Mr. PATMAN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

Mr. GERALD R. FORD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 360, nays 4, answered "present" 2, not voting 67, as follows:

[Roll No. 343]

YEAS—360

Abernethy
Adair
Adams
Addabbo
Albert
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Arends
Ashley
Aspinall
Ayres
Barrett
Beall, Md.
Belcher
Bell, Calif.
Bennett
Betts
Bevill
Biaggi
Biester
Bingham
Blackburn
Blanton
Blatnik
Boggs
Boland
Bow
Brademas
Brasco
Bray
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, Calif.
Bush
Button
Byrne, Pa.
Byrnes, Wis.
Cabell
Caffery
Carter
Casey
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cohelan
Collins
Colmer
Conable
Conte
Corbett
Coughlin
Cramer
Crane
Culver
Daddario
Daniel, Va.
Daniels, N.J.
Davis, Ga.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denney
Dennis
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Dorn
Dowdy
Downing
Dulski
Duncan
Dwyer
Edmondson
Edwards, Ala.
Edwards, La.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Farbstein
Fascell
Feighan
Findley
Fish
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Ford, William D.
Foreman
Fountain
Fraser
Frelinghuysen
Frey
Friedel
Fulton, Pa.
Fuqua
Galifianakis
Garmatz
Gaydos
Gettys
Giaimo
Gibbons
Gilbert
Goldwater
Gonzalez
Goodling
Gray
Green, Pa.
Griffin
Grover
Gubser
Gude
Hagan
Haley
Halpern
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Harvey
Hathaway
Hawkins
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Hogan
Holifield
Horton
Hosmer
Howard
Hull
Hungate
Hunt
Hutchinson
Ichord
Jacobs
Jarman
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Karth
Kastenmeier
Kazen
Kee
Keith
King
Koch
Kuykendall
Kyl
Kyros
Landrum
Langen
Leggett
Lennon
Lloyd
Long, Md.
Lujan
McClory
McCloskey
McClure
McCulloch
McDade
McDonald, Mich.
McEwen
McFall
McKneally
McMillan
Macdonald, Mass.
Madden
Mahon
Mailliard
Mann
Marsh
Mathias
Matsunaga
May
Mayne
Meeds
Melcher
Meskill
Michel
Mikva
Miller, Ohio
Mills
Minish
Mink
Minshall
Mize
Mizell
Mollohan
Monagan
Moorhead
Morgan
Morton
Mosher
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Hara
O'Konski
Olsen
O'Neal, Ga.
O'Neill, Mass.
Ottinger
Passman
Patman
Patten
Perkins
Pettis
Philbin
Pickle
Pike
Pirnie
Podell
Poff
Pollock
Preyer, N.C.
Price, Ill.
Pryor, Ark.
Purcell
Quie
Quillen
Railsback
Randall
Reid, Ill.
Reuss
Rhodes
Riegle
Rivers
Roberts
Robison
Rodino
Roe
Rogers, Colo.
Rogers, Fla.
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Roth
Roudebush
Roybal
Ruppe
Ruth
Ryan
St. Onge
Sandman
Satterfield
Saylor
Schadeberg
Scherle
Scheuer
Schneebeli
Schwengel
Scott

Sebelius
Shipley
Shriver
Sikes
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Snyder
Springer
Stafford
Staggers
Stanton
Steed
Steiger, Ariz.
Steiger, Wis.
Stokes
Stratton
Stubblefield
Stuckey
Symington
Taft
Talcott
Taylor
Teague, Calif.
Teague, Tex.
Thompson, Ga.
Thompson, N.J.
Thomson, Wis.
Tiernan
Udall
Ullman
Utt
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waggonner
Waldie
Wampler
Watson
Watts
Weicker
Whalen
Whalley
White
Whitehurst
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H.
Winn
Wold
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young
Zablocki
Zion
Zwach

NAYS—4

Camp
Gross
Price, Tex.
Rarick

ANSWERED "PRESENT"—2

Collier
Cowger

NOT VOTING—67

Abbitt
Alexander
Anderson, Tenn.
Andrews, Ala.
Ashbrook
Baring
Berry
Bolling
Brock
Burton, Utah
Cahill
Carey
Cederberg
Celler
Chisholm
Clark
Clay
Conyers
Corman
Cunningham
Dawson
Diggs
Eckhardt
Edwards, Calif.
Fallon
Fisher
Fulton, Tenn.
Gallagher
Green, Oreg.
Griffiths
Hall
Hastings
Hays
Hébert
Hicks
Kirwan
Kleppe
Kluczynski
Landgrebe
Latta
Lipscomb
Long, La.
Lowenstein
Lukens
McCarthy
MacGregor
Martin
Miller, Calif.
Montgomery
Morse
Moss
Pelly
Pepper
Poage
Powell
Pucinski
Rees
Reid, N.Y.
Reifel
Rostenkowski
St Germain
Sisk
Stephens
Sullivan
Tunney
Watkins
Whitten

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Moss with Mr. Lipscomb.
Mr. Pucinski with Mr. Brock.
Mr. Rees with Mr. MacGregor.
Mr. Conyers with Mr. McCarthy.
Mr. Kluczynski with Mr. Landgrebe.
Mr. Fallon with Mr. Hastings.
Mrs. Griffiths with Mr. Morse.
Mr. Hébert with Mr. Hall.
Mr. Edwards of California with Mr. Powell.
Mr. Fisher with Mr. Ashbrook.
Mr. Carey with Mr. Reid of New York.
Mr. Whitten with Mr. Reifel.
Mr. Clay with Mr. Tunney.
Mr. Lowenstein with Mrs. Chisholm.
Mr. Anderson of Tennessee with Mr. Cunningham.
Mr. Andrews of Alabama with Mr. Burton of Utah.
Mr. Clark with Mr. Cederberg.
Mr. Abbitt with Mr. Lukens.
Mr. Alexander with Mr. Latta.
Mr. Baring with Mr. Kleppe.
Mr. Fulton of Tennessee with Mr. Watkins.
Mr. Eckhart with Mr. Pelly.
Mr. Hays with Mr. Martin.
Mr. Gallagher with Mr. Berry.
Mr. Hicks with Mr. Cahill.
Mr. Diggs with Mr. Kirwan.
Mr. Corman with Mrs. Sullivan.
Mr. Long of Louisiana with Mr. Montgomery.
Mr. Pepper with Mr. Rostenkowski.
Mr. St Germain with Mr. Sisk.
Mr. Stephens with Mr. Miller of California.

Mr. BRAY and Mr. BROWN of Michigan changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. PATMAN. Mr. Speaker I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to and to include extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CONFERENCE REPORT ON S. 3016, ECONOMIC OPPORTUNITY ACT AMENDMENTS OF 1969

Mr. PERKINS submitted the following conference report and statement on the bill (S. 3016) entitled "An act to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, to authorize advance funding of such programs, and for other purposes":

CONFERENCE REPORT (H. REPT. No. 91–778)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3016) to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, to authorize advance funding of such programs, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "Economic Opportunity Amendments of 1969".

TITLE I—EXTENSION OF THE ECONOMIC OPPORTUNITY ACT OF 1964 AND RELATED PROVISIONS

EXTENSION OF ECONOMIC OPPORTUNITY ACT

SEC. 101. (a) Section 161 of the Economic Opportunity Act of 1964 (redesignated section 171 by section 201 of this Act) is amended (1) by striking out "for which he is responsible", and (2) by striking out "three" and inserting in lieu thereof "five".

(b) Sections 245, 321, 408, 615, and 835 of such Act are each amended by striking out "three" and inserting in lieu thereof "five".

(c) Section 523 of such Act is amended by striking out "two" and inserting in lieu thereof "four".

AUTHORIZATION OF APPROPRIATIONS

SEC. 102. (a) For the purpose of carrying out the Economic Opportunity Act of 1964, there are hereby authorized to be appropriated $2,195,500,000 for the fiscal year ending June 30, 1970, and $2,295,500,000 for the fiscal year ending June 30, 1971.

(b) Notwithstanding any other provision of law, unless expressly in limitation of the provisions of this section, of the amounts appropriated pursuant to subsection (a) of this section for the fiscal year ending June 30, 1970, and for the next fiscal year, the Director shall for each such fiscal year reserve and make available not less than $328,900,000 for the purpose of local initiative programs authorized under section 221 of the Economic Opportunity Act of 1964, and the remainder of such amounts shall be allocated, subject to the provisions of section 616 of such Act, in such a manner that of such remaining amounts so appropriated for each fiscal year—

(1) $890,300,000 shall be for the purpose of carrying out parts A and B of title I (relating to work and training programs):

(2) $46,000,000 shall be for the purpose of carrying out part D of title I (relating to special impact programs);

(3) $20,000,000 shall be for the purpose of carrying out part E of title I (relating to special work and career development programs);

(4) $811,300,000 shall be for the purpose of carrying out title II, of which $398,000,000 shall be for the Project Headstart program described in section 222(a)(1), $90,000,000 shall be for the Follow Through program described in section 222(a)(2), $58,000,000 shall be for the Legal Services program described in section 222(a)(3), $80,000,000 shall be for the Comprehensive Health Services program described in section 222(a)(4), $62,500,000 shall be for the Emergency Food and Medical Services program described in section 222(a)(5), $15,000,000 shall be for the Family Planning program described in section 222(a)(6), and $8,800,000 shall be for the Senior Opportunities and Services program described in section 222(a)(7);

(5) $12,000,000 shall be for the purpose of carrying out part A of title III (relating to rural loans);

(6) $34,000,000 shall be for the purpose of carrying out part B of title III (relating to assistance for migrant and seasonal farmworkers);

(7) $16,000,000 shall be for the purpose of carrying out title VI (relating to administration and coordination); and

(8) $37,000,000 shall be for the purpose of carrying out title VIII (relating to VISTA).

If the amounts appropriated pursuant to subsection (a) of this section for any fiscal year are not sufficient to allocate the full amounts specified for each of the purposes set forth in clauses (1) through (8) of this subsection, then the amounts specified in each such clause shall be prorated to determine the allocations required for each such purpose.

(c) In addition to the amounts authorized to be appropriated pursuant to subsection (a) of this section, there are further authorized to be appropriated the following:

(1) $14,000,000 for the fiscal year ending June 30, 1971, to be used for the Special Impact programs described in part D of title I;

(2) $34,700,000 for the fiscal year ending June 30, 1971, to be used for the Special Work and Career Development programs described in part E of title I;

(3) $180,000,000 for the fiscal year ending June 30, 1971, to be used for the Project Headstart program described in section 222(a)(1);

(4) $32,000,000 for the fiscal year ending June 30, 1971, to be used for the Legel Services program described in section 222(a)(3);

(5) $80,000,000 for the fiscal year ending June 30, 1971, to be used for the Comprehensive Health Services program described in section 222(a)(4);

(6) $112,500,000 for the fiscal year ending June 30, 1971, to be used for the Emergency Food and Medical Services program described in section 222(a)(5);

(7) $15,000,000 for the fiscal year ending June 30, 1971, to be used for the Family Planning program described in section 222(a)(6);

(8) $3,200,000 for the fiscal year ending June 30, 1971, to be used for the Senior Opportunities and Services program described in section 222(a)(7);

(9) $15,000,000 for the fiscal year ending June 30, 1971, to be used for the program of assistance for migrant and seasonal farmworkers described in part B of title III; and

(10) $50,000,000 for the fiscal year ending

June 30, 1971, to be used for Day Care projects described in part B of title V.

PARTICIPATION OF CHILDREN IN HEADSTART PROJECTS

Sec. 103. Paragraph (1) of section 222(a) of the Economic Opportunity Act of 1964 is amended by adding at the end thereof the following new sentences: "Pursuant to such regulations as the Director may prescribe, persons who are not members of low-income families may be permitted to receive services in projects assisted under this paragraph. A family which is not low income shall be required to make payment, or have payment made in its behalf, in whole or in part for such services where the family's income is, or becomes through employment or otherwise, such as to make such payment appropriate."

AMENDMENTS WITH RESPECT TO LEGAL SERVICES PROGRAM

Sec. 104. (a) Section 222(a)(3) of the Economic Opportunity Act of 1964 is amended by striking out "counseling, education, and other appropriate services" and inserting in lieu thereof "legal counseling, education in legal matters, and other appropriate legal services".

(b) Section 222(a)(3) of such Act is amended by adding at the end thereof the following: "Members of the Armed Forces, and members of their immediate families, shall be eligible to obtain legal services under such programs in cases of extreme hardship (determined in accordance with regulations of the Director issued after consultation with the Secretary of Defense): *Provided*, That nothing in this sentence shall be so construed as to require the Director to expand or enlarge existing programs or to initiate new programs in order to carry out the provisions of this sentence unless and until the Secretary of Defense assumes the cost of such services and has reached agreement with the Director on reimbursement for all such additional costs as may be incurred in carrying out the provisions of this sentence."

EMERGENCY FOOD AND MEDICAL SERVICES

Sec. 105. Section 222(a)(5) of the Economic Opportunity act of 1964 is amended to read as follows:

"(5) A program to be known as 'Emergency Food and Medical Services' designed to provide on an emergency basis, directly or by delegation of authority pursuant to the provisions of title VI of this Act, financial assistance for the provision of such medical supplies and services, nutritional foodstuffs, and related services, as may be necessary to counteract conditions of starvation or malnutrition among the poor. Such assistance may be provided by way of supplement to such other assistance as may be extended under the provisions of other Federal programs, and may be used to extend and broaden such programs to serve economically disadvantaged individuals and families where such services are not now provided and without regard to the requirements of such laws for local or State administration or financial participation. In extending such assistance, the Director may make grants to community action agencies or local public or private nonprofit organizations or agencies to carry out the purposes of this paragraph. The Director is authorized to carry out the functions under this paragraph through the Secretary of Agriculture and the Secretary of Health, Education, and Welfare in a manner that will insure the availability of such medical supplies and services, nutritional foodstuffs, and related services through a community action agency where feasible, or other agencies or organizations if no such agency exists or is able to administer programs to provide such footstuffs, medical services, and supplies to needy individuals and families."

NEW SPECIAL EMPHASIS PROGRAMS AUTHORIZED

Sec. 106. Section 222(a) of the Economic Opportunity Act of 1964 is amended by adding at the end thereof the following new paragraphs:

"(8) An 'Alcoholic Counseling and Recovery' program designed to discover and treat the disease of alcoholism. Such program should be community based, serve the objective of the maintenance of the family structure as well as the recovery of the individual alcoholic, encourage the use of neighborhood facilities and the services of recovered alcoholics as counselors, and emphasize the reentry of the alcoholic into society rather than the institutionalization of the alcoholic. Of the sums appropriated or allocated for programs authorized under this title, the Director shall reserve and make available not less than $10,000,000 for the fiscal year ending June 30, 1970, and not less than $15,000,000 for the fiscal year ending June 30, 1971, for the purpose of carrying out this program.

"(9) A 'Drug Rehabilitation' program designed to discover the causes of drug abuse and addiction, to treat narcotic and drug addiction and the dependence associated with drug abuse, and to rehabilitate the drug abuser and drug addict. Such program should deal with the abuse or addiction resulting from the use of narcotic drugs such as heroin, opium, and cocaine, stimulants such as amphetamines, depressants, marihuana, hallucinogens, and tranquilizers. Such program should be community based, serve the objective of the maintenance of the family structure as well as the recovery of the individual drug abuser or addict, encourage the use of neighborhood facilities and the services of recovered drug abusers and addicts as counselors, and emphasize the reentry of the drug abuser and addict into society rather than his institutionalization. Of the sums appropriated or allocated for programs authorized under this title, the Director shall reserve and make available not less than $5,000,000 for the fiscal year ending June 30, 1970, and not less than $15,000,000 for the fiscal year ending June 30, 1971, for the purpose of carrying out this program."

TECHNICAL AMENDMENT REGARDING TIME OF APPROPRIATIONS OBLIGATION

Sec. 107. (a) Section 242 of the Economic Opportunity Act of 1964 is amended by inserting after the first sentence thereof the following new sentence: "Funds to cover the costs of the proposed contract, agreement, grant, loan, or other assistance shall be obligated from the appropriation which is current at the time the plan is submitted to the Governor.".

(b) All obligations under the Economic Opportunity Act of 1964 which have been heretofore recorded substantially as provided in the amendment made by subsection (a) of this section are hereby confirmed and ratified.

AMENDMENT OF RURAL LOAN PROGRAM

Sec. 108. Section 302(a) of the Economic Opportunity Act of 1964 is amended by striking out "such families, and" and inserting "such families, or".

APPLICABILITY TO TRUST TERRITORY

Sec. 159. Section 609(1) of the Economic Opportunity Act of 1964 is amended by striking out "and title II" and inserting ", title II, title III–A, and title IV".

AMENDMENT TO PROVIDE INCREASED FLEXIBILITY IN USE OF FUNDS

Sec. 110. Section 616 of the Economic Opportunity Act of 1964 is amended by—

(1) inserting after the phrase "10 per centum" the first time it appears in such section, the following: "for fiscal years ending prior to July 1, 1970, and not to exceed 15 per centum for fiscal years ending thereafter;" and

(2) striking out "but no such transfer shall result in increasing the amounts otherwise available for any program or activity by more than 10 per centum" and inserting in lieu thereof the following: "but no such transfer shall result in increasing the amounts otherwise available for any program or activity by—

"(1) more than 100 per centum in the case of any program or activity for which the amounts otherwise available are $10,000,000 or less; or

"(2) more than 35 per centum in the case of any program or activity for which the amounts otherwise available exceed $10,000,000".

ADEQUATE LEADTIME

Sec. 111. (a) Part A of title VI of the Economic Opportunity Act of 1964 is amended by adding at the end thereof the following new section:

"ADVANCE FUNDING

"Sec. 622. For the purpose of affording adequate notice of funding, available under this Act, appropriations for grants, contracts, or other payments under this Act are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation."

(b) In order to effect a transition to the advance funding method of timing appropriation action, the amendment made by subsection (a) shall apply notwithstanding that its initial application will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

CREDITING SERVICE OF A VISTA VOLUNTEER

Sec. 112. (a) Section 8332 of title 5, United States Code, is amended as follows:

(1) in subsection (b)—

(A) strike out "and" at the end of clause (5);

(B) strike out the period at the end of clause (6) and insert in lieu thereof a semicolon and the word "and"; and

(C) add at the end thereof the following new clause:

"(7) a period of service of a volunteer under part A of title VIII of the Economic Opportunity Act of 1964 only if he later becomes subject to this subchapter."

(2) in subsection (j)—

(A) after "1956," in the first sentence, insert "the period of an individual's services as a volunteer under part A of title VIII of the Economic Opportunity Act of 1964,";

(B) before "volunteer or volunteer leader" in the second sentence, insert "volunteer under part A of title VIII of the Economic Opportunity Act of 1964 or as a "; and

(3) before the period at the end of the last sentence, insert a comma and the following: "and the period of an individual's service as a volunteer under part A of title VIII of the Economic Opportunity Act of 1964 is the period between enrollment as a volunteer and termination of that service by the Director of the Office of Economic Opportunity or by death or resignation".

(b) Section 833 of the Economic Opportunity Act of 1964 is amended by—

(1) striking out in subsection (a) "subsection (b)" and inserting in lieu thereof "section 8332 of title 5 of the United States Code, and subsections (b) and (c) of this section"; and

(2) adding at the end thereof the following new subsection:

"(c) Any period of service of a volunteer under part A of this title shall be credited in connection with subsequent employment in the same manner as a like period of civilian employment by the United States Government—

"(1) for the purposes of section 852(a)(1) of the Foreign Service Act of 1946, as amended (22 U.S.C. 1092(a)(1)), and every other Act establishing a retirement system for civilian employees of any United States Government agency; and

"(2) except as otherwise determined by the President, for the purposes of determining seniority, reduction in force, and layoff rights, leave entitlement, and other rights and privileges based upon length of service under the laws administered by the Civil Service Commission, the Foreign Service Act of 1946, and every other Act establishing or governing terms and conditions of service of civilian employees of the United States Government: *Provided*, That service of a volunteer shall not be credited toward completion of any probationary or trial period or completion of any service requirement for career appointment."

(c) The amendments made by subsections (a) and (b) of this section shall be effective as to all former volunteers employed by the Unitde States Government on or after the effective date of this Act.

USE OF CLOSED JOB CORPS CENTERS FOR SPECIAL YOUTH PROGRAMS

Sec. 113. (a) Notwithstanding any other provision of law, the Director of the Office of Economic Opportunity shall establish procedures and make arrangements which are designed to assure that facilities and equipment at Job Corps centers which are being discontinued will, where feasible, be made available for use by State or Federal agencies and other public or private agencies, institutions, and organizations with satisfactory arrangements for utilizing such facilities and equipment for conducting programs, especially those providing opportunities for low-income disadvantaged youth, including, without limitation—

(1) special remedial programs;

(2) summer youth programs;

(3) exemplary vocational preparation and training programs;

(4) cultural enrichment programs, including music, the arts, and the humanities;

(5) training programs designed to improve the qualifications of educational personnel, including instructors in vocational educational programs; and

(6) youth conservation work and other conservation programs.

(b) To achieve the objectives of this section, the Director of the Office of Economic Opportunity shall consult with, elicit the cooperation of, and utilize the services of the Administrator of the General Services Administration, and the Secretaries of Agriculture, of the Interior, and of Labor.

PROVISION WITH RESPECT TO DIRECTOR'S AUTHORITY TO DELEGATE FUNCTIONS

Sec. 114. The authority of section 620(d) of the Economic Opportunity Act of 1964 shall not apply to the Legal Services program authorized under section 222(a)(3) of such Act. The Director of the Office of Economic Opportunity shall not delegate the program authorized under such section 222(a)(3) to any other existing Federal agency.

AMENDMENT WITH RESPECT TO WITHHOLDING CERTAIN FEDERAL TAXES BY ANTIPOVERTY AGENCIES

Sec. 115. Upon notice from the Secretary of the Treasury or his delegate that any person otherwise entitled to receive a payment made pursuant to a grant, contract, agreement, loan or other assistance made or entered into under the Economic Opportunity Act of 1964 is delinquent in paying or depositing (1) the taxes imposed on such person under chapters 21 and 23 of the Internal Revenue Code of 1954, or (2) the taxes deducted and withheld by such person under chapters 21 and 24 of such Code, the Director of the Office of Economic Opportunity shall suspend such portion of such payment due to such person, which, if possible, is sufficient to satisfy such delinquency, and shall not make or enter into any new grant, contract, agreement, loan or other assistance under such Act with such person until the Secretary of the Treasury or his delegate has notified him that such person is no longer delinquent in paying or depositing such tax or the Director of the Office of Economic Opportunity determines that adequate provision has been made for such payment. In order to effectuate the purpose of this section on a reasonable basis the Secretary of the Treasury and the Director of the Office of Economic Opportunity shall consult on a quarterly basis.

TITLE II—SPECIAL WORK AND CAREER DEVELOPMENT PROGRAMS

Sec. 201. Title I of the Economic Opportunity Act of 1964 is amended by redesignating part E as part F, by renumbering section 161 (as amended by this Act) as section 171, and by inserting after part D the following new part:

"Part E—Special Work and Career Development Programs

"STATEMENT OF PURPOSE

"Sec. 161. The Congress finds that the 'Mainstream' program aimed primarily at the chronically unemployed and the 'New Careers' program providing jobs for the unemployed and low-income persons leading to broader career opportunities are uniquely effective; that, in addition to providing persons assisted with jobs, the key to their economic independence, these programs are of advantage to the community at large in that they are directed at community beautification and betterment and the improvement of health, education, welfare, public safety, and other public services; and that, while these programs are important and necessary components of comprehensive work and training programs, there is a need to encourage imaginative and innovative use of these programs, to enlarge the authority to operate them, and to increase the resources available for them.

"SPECIAL PROGRAMS

"Sec. 162. (a) The Director is authorized to provide financial assistance to public or private nonprofit agencies to stimulate and support efforts to provide the unemployed with jobs and the low-income worker with greater career opportunity. Programs authorized under this section shall include the following:

"(1) A special program to be known as 'Mainstream' which involves work activities directed to the needs of those chronically unemployed poor who have poor employment prospects and are unable, because of age, physical condition, obsolete or inadequate skills, declining economic conditions, other causes of a lack of employment opportunity, or otherwise, to secure appropriate employment or training assistance under other programs, and which, in addition to other services provided, will enable such persons to participate in projects for the betterment or beautification of the community or area served by the program, including without limitation activities which will contribute to the management conservation, or development of natural resources, recreational areas, Federal, State, and local government parks, highways, and other lands, the rehabilitation of housing, the improvement of public facilities, and the improvement and expansion of health, education, day care, and recreation services;

"(2) A special program to be known as 'New Careers' which will provide unemployed or low-income persons with jobs leading to career opportunities, including new types of careers, in programs designed to improve the physical, social, economic, or cultural condition of the community or area served in fields of public service, including without limitation health, education, welfare, recreation, day care, neighborhood redevelopment, and public safety, which provide maximum prospects for on-the-job training, promotion, and advancement and continued employment without Federal assistance, which give promise of contributing to the broader adoption of new methods of structuring jobs and new methods of providing job ladder opportunities, and which provide opportunities for further occupational training to facilitate career advancement.

"(b) The Director is authorized to provide financial and other assistance to insure the provision of supportive and follow-up services to supplement programs under this part including health services, counseling, day care for children, transportation assistance, and other special services necessary to assist individuals to achieve success in these programs and in employment.

"ADMINISTRATIVE REGULATIONS

"Sec. 163. The Director shall prescribe regulations to assure that programs under this part have adequate internal administrative controls, accounting requirements, personnel standards, evaluation procedures, availability of in-service training and technical assistance programs, and other policies as may be necessary to promote the effective use of funds.

"SPECIAL CONDITIONS

"Sec. 164. (a) The Director shall not provide financial assistance for any program under this part unless he determines, in accordance with such regulations as he may prescribe, that—

"(1) no participant will be employed on projects involving political parties, or the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship;

"(2) the program will not result in the displacement of employed workers or impair existing contracts for services, or result in the substitution of Federal for other funds in connection with work that would otherwise be performed;

"(3) the rates of pay for time spent in work-training and education, and other conditions of employment, will be appropriate and reasonable in the light of such factors as the type of work, geographical region, and proficiency of the participant; and

"(4) the program will, to the maximum extent feasible, contribute to the occupational development and upward mobility of individual participants.

"(b) For programs which provide work and training related to physical improvements, preference shall be given to those improvements which will be substantially used by low-income persons and families or which will contribute substantially to amenities or facilities in urban or rural areas having high concentrations or proportions of low-income persons and families.

"(c) Programs approved under this part shall, to the maximum extent feasible, contribute to the elimination of artificial barriers to employment and occupational advancement.

"(d) Projects under this part shall provide for maximum feasible use of resources under other Federal programs for work and training and the resources of the private sector.

"PROGRAM PARTICIPANTS

"Sec. 165. (a) Participants in programs under this part must be unemployed or low-income persons. The Director, in consultation with the Commissioner of Social Security, shall establish criteria for low income, taking into consideration family size, urban-rural and farm-nonfarm differences, and other relevant factors. Any individual shall be deemed to be from a low-income family if the family receives cash welfare payments.

"(b) Participants must be permanent residents of the United States or of the Trust Territory of the Pacific Islands.

"(c) Participants shall not be deemed Federal employees and shall not be subject to the provisions of law relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employment benefits.

"EQUITABLE DISTRIBUTION OF ASSISTANCE

"SEC. 166. The Director shall establish criteria designed to achieve an equitable distribution of assistance among the States. In developing those criteria, he shall consider, among other relevant factors, the ratios of population, unemployment, and family income levels. Of the sums appropriated or allocated for any fiscal year for programs authorized under this part not more than 12½ per centum shall be used within any one State.

"LIMITATIONS ON FEDERAL ASSISTANCE

"SEC. 167. Programs assisted under this part shall be subject to the provisions of section 131 of this Act."

And the House agree to the same.

CARL D. PERKINS,
ROMAN C. PUCINSKI,
JOHN BRADEMAS,
JAMES G. O'HARA,
HUGH L. CAREY,
AUGUSTUS F. HAWKINS,
WILLIAM D. FORD,
WILLIAM D. HATHAWAY,
PATSY T. MINK,
JAMES H. SCHEUER,
LLOYD MEEDS,
W. L. CLAY,
LOUIS STOKES,
O. R. REID,
MARVIN L. ESCH,
ALPHONZO BELL,
Managers on the Part of the House.

GAYLORD NELSON,
RALPH W. YARBOROUGH,
CLAIBORNE PELL,
EDWARD KENNEDY,
WALTER MONDALE,
ALAN CRANSTON,
HAROLD E. HUGHES,
JACOB K. JAVITS,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3016) to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, to authorize advance funding of such programs, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted a new text. The conference report recommends a substitute text for both the Senate bill and the House amendment. Except for minor technical and clarifying differences, this statement describes the actions of the conferees insofar as they recommend changes in the House amendment.

PROVISIONS WITH RESPECT TO LEGAL SERVICES PROGRAMS

The Senate bill provided that none of the funds authorized to be appropriated as additional amounts for carrying out legal services programs during fiscal year 1971 may be used to pay lawyers who are disbarred or suspended from the practice of law. The House amendment contained no comparable provision. The Senate recedes.

The Senate bill prohibited the Director from delegating his authority to carry on legal services programs to other Federal agencies. The House amendment contained no comparable provision. This provision of the Senate bill is retained in the conference substitute.

The Senate bill provided that, in the case of legal services programs, the Governor's veto would apply to any "portion of any contract, agreement, grant, loan, or other assistance" and that the power to override that veto would be a nondelegable power of the President. The House amendment contained no comparable provision. The Senate recedes.

The House amendment, unlike the Senate bill, limited the types of "counseling, education, and other appropriate services" which could be provided under legal services programs to "legal counseling, education in legal matters, and other appropriate legal services". The Senate recedes.

The House amendment contained a provision, which had no counterpart in the Senate bill, which provided that members of the Armed Forces and their families would be eligible to obtain legal services under legal services programs in cases of extreme hardship (determined in accordance with the Director's regulations issued after consulting with the Secretary of Defense). It provided that the costs of providing these services would be reimbursed by that Secretary. The agreement reached in conference retains the provisions of the House amendment in this regard except that it deletes the provision for reimbursement of costs by the Secretary of Defense and inserts in lieu thereof a statement that nothing in this new provision will be construed to require the Director to expand or enlarge existing programs in order to carry out this new directive unless the Secretary of Defense assumes the costs of these services and has reached an agreement with the Director on reimbursement for all such additional costs as may be incurred in carrying out the new provision. The conferees recognize that servicemen, qualifying under legal services guidelines, are presently eligible for such services and are receiving help and representation. No inference is to be drawn that such assistance is to be curtailed or eliminated. It is the understanding of the managers on the part of the House that the Department of Defense is considering developing its own programs to provide these legal services. The inclusion of this new provision is not intended to supplant this effort but rather to offer an alternative which it is hoped the Department will consider.

HEADSTART AND FOLLOW THROUGH

The Senate bill continued in effect the present provisions of law under which Project Headstart programs and Follow Through programs are carried on. In contrast the House amendment repealed the provisions of present law which authorize the Director to carry on Project Headstart and Follow Through programs, and substituted therefor, in a new title IX, provisions for special comprehensive preschool programs and programs providing for intensive Follow Through education for primary school children. The conference agreement adopts the organizational approach of the Senate bill in this regard, so that Project Headstart and Follow Through programs will be carried on, as they are today, under section 222(a)(1) and (2).

The Senate bill amended the existing provision of law relating to Project Headstart programs to provide that under regulations which the Director could prescribe, children who are not members of low-income families could be permitted to receive the benefits of the Head Start program. It provided that a family which is not of low income could be required to pay for these services. The House amendment did not contain this provision. The substitute agreed to in conference adopts this provision but requires, rather than permits, families which are not of low income to pay, or that payments be made on their behalf, for these services.

Headstart regulations presently permit as much as 10% of an individual class to exceed the poverty level with respect to income. The managers on the part of the House, feel that participation in programs carried on under this Act by persons who are not of low income makes a positive contribution to such programs, but feel that the costs of their participation should be provided other than through OEO funds. The managers wish to make clear that the programs are to continue to have a poverty focus and that the very poor children are to have a distinct preference. Participation of higher income children should not be permitted where it might deprive low-income persons of the benefits of these programs. Where their participation is permitted their families should be required to make appropriate payments on account of the benefits they receive or payment should be made on their behalf. This view of the conferees is consistent with the position taken by the Congress with respect to other programs authorized under the Act, such as the comprehensive health services program, that while the very poor should have preference, access to program benefits need not always be limited solely to those below the established "poverty" line.

NARCOTICS AND DRUGS

The Senate bill provided for a new special program to be called a "drug rehabilitation program" and also provided a new special program for Alcoholic Counseling and Recovery. The House amendment provided a somewhat similar program to be called a "Narcotic Addict Recovery Program," but contained no provision comparable to that in the Senate bill relating to the Alcoholic Counseling and Recovery program. The Senate bill reserved $10,000,000 for fiscal year 1970 and $15,000,000 for fiscal year 1971 for the Alcoholic Counseling and Recovery program, and reserved $5,000,000 for fiscal year 1970, and $15,000,000 for fiscal year 1971, for the Drug Rehabilitation program. The conference substitute adopts these provisions of the Senate bill, but it should be noted that the reservations of funds for these programs which are retained in the conference substitute are made subject to the prior reservation of funds for local initiative programs carried on by community action agencies.

SPECIAL WORK AND CAREER DEVELOPMENT PROGRAMS

The House amendment added a new part E to title I of the Act which provided a new authorization for special "Mainstream" programs involving work activities directed at the needs of chronically unemployed poor, and a special "New Careers" program to provide unemployed or low-income persons with jobs leading to new career opportunities. The House bill authorized the appropriation of $110,000,000 for this purpose for fiscal year 1970 and such amounts as may be necessary for the fiscal year 1971. The Senate bill contained no comparable provision. The conference substitute adopts the substance of this provision of the House amendment. However, it deleted the separate authorization of appropriations, and in lieu thereof added to the general section dealing with authorization of appropriations in the amount of $20,000,000 for the fiscal year 1970 and the first fiscal year 1971. The managers on the part of the House are fully aware that the Director has delegated to the Secretary of Labor authority to carry on programs similar to those provided for in this new part. The conferees agreed that those existing programs could continue to be carried particularly, but not exclusively, in connection with the concentrated employment programs, and that the scope of their activities not be reduced by reason of the enactment of this additional provision. It had been the plan of most of the House Managers that the Director would be directed to retain, rather than delegate, this new authority.

They did not insist, however, that he do so; but they do insist that these programs and other manpower and job programs be carried on as originally conceived and designed by the Congress, that there be no reduction in their magnitude, that recent limitations on eligibility (such as those dealing with older workers) be removed, that the "New Careers" program retain real substance and not be limited to public service activities, that substantive efforts such as those going on at the University of Minnesota be encouraged to improve and continue. In short, the managers on the part of the House will insist that the policies and purposes enunciated by the Congress be adhered to. It is their expectation that under this part special emphasis will be placed on single purpose programs, that programs of limited size and scope will be carried out, especially in rural areas, and that the rural poverty areas will receive an equitable share of the assistance being provided. The Director and/or his delegate administrator of this part will be expected to report to the committee on the policies and progress of these programs biannually beginning six months after the enactment of this Act. The Managers on the part of the House reemphasize and redirect the attention of the Secretary of Labor to the language on page 7 of the House Report (91–684) dealing with manpower programs.

EMERGENCY FOOD AND MEDICAL SERVICES

The House amendment contained a provision, which had no counterpart in the Senate bill, which added a new title X to the Act under which the Director would carry out intensive programs to eliminate hunger and malnutrition. The amendment also repealed the authority in the existing law which provides for an emergency food and medical service program as a special emphasis program to be carried out under section 222(a). The amendment authorized the appropriation of $92,000,000 for the fiscal year 1970 and such amounts as may be necessary for fiscal year 1971 for carrying out this new program. The conference substitute does not contain all of the provisions of the House amendment, but instead substitutes for the existing authority in section 222(a) for carrying out emergency food and medical services the substantive language contained in the House provision, with a minor amendment to assure that the services will be provided only on an emergency basis. The substitute also deletes the requirement in the House amendment that particular emphasis be given to programs which serve the elderly and the extremely young. The conferees wish to emphasize their desire that the Director should encourage the employment of elderly persons as regular, part time, and short-term staff in programs carried on under this paragraph.

AMENDMENT OF RURAL LOAN PROGRAM

The House amendment made an amendment to the provisions of the Act governing the rural loan program. This provision, which had no counterpart in the Senate bill, is retained in the conference report. The managers on the part of the House expect that, with the adoption of this amendment, the Farmers Home Administration will consider applications for loans under this Part to elderly people for the purpose of making repairs and improvements to their homes.

APPLICABILITY TO THE TRUST TERRITORY

The House amendment contained a provision, which did not appear in the Senate bill, to ensure that the benefits of titles III–A and IV of the Act are available in the Trust Territory of the Pacific Islands. The Senate recedes.

ADVANCE FUNDING

The Senate bill provided that appropriations for grants, contracts, or other payments under the Act are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation. This provision authorizing advance funding had no counterpart in the House amendment. The advance funding provision is retained in the conference substitute.

TIME OF OBLIGATION OF APPROPRIATIONS

The Senate bill provided that funds to cover a contract, agreement, grant, loan, or other assistance shall be treated as obligated at the time the plan is approved by the Office of Economic Opportunity and submitted to the Governor for consideration as required by section 242 of the Act, and also ratifies past practices of the Office of Economic Opportunity which is in accord with this provision. While the House amendment did not contain this provision, the House committee in its report recognized the problem and approved the practice, and the managers on the part of the House agree that it should be included in the conference substitute.

CREDITING SERVICE OF A VISTA VOLUNTEER

The Senate bill provided that service as a VISTA volunteer would be credited as if it were Federal service for purposes of determining retirement benefits under Fedral law. The House amendment did not contain this provision. The House recedes.

AUDIT REQUIREMENT

The Senate bill provided that the Comptroller General shall have access "for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to the financial assistance received by any agency under this title". The House amendment did not contain this provision. The Senate recedes.

USE OF CLOSED JOB CORPS CENTERS FOR SPECIAL YOUTH PROGRAMS

The Senate bill provided that facilities and equipment of the closed Job Corps centers will, where feasible, be made available for use by State or Federal agencies and other public or private agencies, institutions, and organizations, for conducting programs, especially programs providing opportunities for low-income disadvantaged youth. The House amendment did not contain this provision. The House recedes.

AMENDMENT WITH RESPECT TO WITHHOLDING CERTAIN FEDERAL TAXES BY ANTIPOVERTY AGENCIES

The Senate bill provided that, upon receipt of assistance under the Act, the recipient must set aside a portion of the amount received sufficient to satisfy expected liability under the Federal Insurance Contributions Act and the Federal Unemployment Tax Act. It also provided that, upon notice from the Secretary of the Treasury, when any person otherwise entitled to receive funds under the Act is delinquent in paying these taxes, or in depositing withheld income or social security taxes, the Director must suspend payments and provide no further assistance, until the Secretary of the Treasury notifies him that the recipient is no longer delinquent or that adequate provision for payment has been made. The House amendment did not contain this provision. The conference substitute makes major changes in this provision. It does not include the requirement that recipients of assistance under the Act must set aside the amount necessary to satisfy its expected liabilities for taxes under the Acts referred to above. It also provides that when a delinquency occurs the Office of Economic Opportunity, instead of suspending all further assistance, will suspend only so much of the assistance as may be necessary to satisfy the delinquency. Further, it provides that new assistance may be given when the Director determines that adequate provision has been made for paying any delinquency which is outstanding. The conference substitute includes a further provision which states that, in order to effectuate the purposes of the section on a reasonable basis, the Secretary of the Treasury and the Director of the Office of Economic Opportunity must consult on a quarterly basis.

AUTHORIZATION OF APPROPRIATIONS

The Senate bill provided authorizations of appropriations for the fiscal year 1970 of $2,048,000,000. The House amendment in contrast authorized the appropriation for fiscal year 1970 of $2,343,000,000, of which $1,563,000,000 was authorized for carrying on programs for which the House did not make separate authorization of appropriations. The bill agreed to in conference authorizes the appropriation of $2,195,500,000 for the fiscal year 1970.

For the fiscal year 1971, the House amendment authorized the appropriation of such sums as may be necessary. The Senate bill authorized the appropriation for that year of $2,148,000,000, but, in addition, authorized the appropriation of the following:

(1) $14,000,000 for Special Impact programs under part D of title I,

(2) $240,000,000 for Project Headstart programs,

(3) $32,000,000 for Legal Services programs,

(4) $80,000,000 for Comprehensive Health Services programs,

(5) $150,000,000 for Emergency Food and Medical Services programs,

(6) $3,200,000 for the Senior Opportunities and Services programs,

(7) $15,000,000 for assistance for migrant and seasonal farm workers under part B of title III, and

(8) $50,000,000 for Day Care projects under part B of title V.

The conference substitute authorizes $2,295,500,000 for the fiscal year 1971 and authorizes the additional amounts which were authorized by the Senate bill with the following exceptions: (1) an additional authorization of $15,000,000 for family planning programs; (2) the additional amount for Headstart is reduced to $180,000,000; (3) the additional amount for Emergency Food and Medical Services is reduced to $112,500,000.

ALLOCATIONS

The House amendment did not provide allocations to specific programs of amounts appropriated, except to the extent the separate authorizations contained in the House amendment for special work and career development programs, special preschool and Follow Through programs, and intensive programs to eliminate hunger and malnutrition constituted a separate allocation of appropriations.

The Senate bill in contrast provided special allocations for a number of the programs carried on under the Act. These were the following:

(1) $890,300,000 for work and training programs under title I.

(2) $46,000,000 for special impact programs under part D of title I.

(3) $1,012,700,000 for community action programs under title II, of which $338,000,000 would be for Project Headstart programs, $60,000,000 for Follow Through programs, $58,000,000 for legal services programs, $80,000,000 for comprehensive health services programs, $25,000,000 for emergency food and medical services programs, $15,000,000 for family planning programs, and $8,800,000 for senior opportunities and services programs.

(4) $12,000,000 for rural loan programs,

(5) $34,000,000 for migrant and seasonal farm worker programs,

(6) $16,000,000 for administration and coordination under title VI,

(7) $37,000,000 for carrying out VISTA.

The conference substitute adopts the plan of the Senate bill with a major change. As adopted by the conferees, $328,900,000 must be reserved and made available for each of the fiscal years for local initiative programs carried on under section 221 of the Act, and only the remainder of the appropriations for each such year would be allocated in the prescribed manner. The amount so reserved is not subject to transfer under Section 616 of the Act. The allocations described above are retained in the conference substitute, except that a new allocation of $20,000,000 is made for carrying out the new part E of the Act. It should be noted that the provisions of the Senate bill requiring pro rata reductions in allocations where appropriations are insufficient to make such allocations in full are retained in the conference substitute, but, of course, the funds reserved for local initiative programs would not be subject to such reductions. It should also be noted in considering these allocations that the conference substitute retains the provisions of the Senate bill which require the Director to reserve and make available not less than $10,000,000 for the fiscal year 1970 and not less than $15,000,000 for the fiscal year 1971 for carrying out the new Alcoholic Counseling and Recovery program and to reserve and make available not less than $5,000,000 for the fiscal year 1970, and not less than $15,000,000 for the fiscal year 1971 for carrying out the new Drug Rehabilitation program.

TRANSFERS

Section 616 of the Act authorizes 10 percent of the amount appropriated or allocated from any appropriation for carrying out any program or activity under the Act to be transferred and used for carrying out any other program or activity under the Act, but no such transfer can result in increasing the amount otherwise available for any program or activity by more than 10 percent. The Senate bill amended this provision to permit the transfer of 15 percent of the amount appropriated or allocated for a program or activity for the fiscal year 1970 and 20 percent thereafter. It also deleted the provision which limits the amount which may be transferred to any program or activity. The conference substitute modified the Senate language to provide that no more than 10 percent of the funds appropriated or allocated for one program or activity may be transferred to another program or activity during fiscal 1970 and no more than 15 percent may be so transferred thereafter. With respect to the limitations on the transfers resulting in increases in the amounts available for any program or activity, the conferees agree that for activities or programs for which $10,000,000 or less is available a maximum of 100 percent could be added. For any program or activity for which more than $10,000,000 was available no more than 35 percent may be added.

It should be noted that in at least two respects the agreement of the conferees underscores the overwhelming determination by the House of Representatives on Friday the twelfth of December that title II and the programs authorized thereunder are and must remain Community Action Programs. The elimination of the Murphy amendment relating to the governor's veto power over legal services programs and the provision of a special reservation of funds for local initiative programs underscore the intention of the conferees that the community action program was, and is intended to be, a program locally designed and locally administered. The managers on the part of the House encourage the Director of OEO to explore, along the lines previously mentioned in the House committee report, the opportunities for increased State involvement in poverty programs. It must be quite clear, however, that State domination over program planning, conception, or administration is not intended. Any changes in policy or regulation that would establish a preference for State rather than local determination and local control of community action programs will be inconsistent with the intention of the Congress.

Carl D. Perkins,
Roman C. Pucinski,
John Brademas,
James G. O'Hara,
Hugh L. Carey,
Augustus F. Hawkins,
William D. Ford,
William D. Hathaway,
Patsy T. Mink,
James Scheuer,
Floyd Meeds,
W. H. Clay,
Louis Stokes,
Ogden R. Reid,
John Dellenback,
Marvin L. Esch,
Alphonzo Bell,
William A. Steiger,
Managers on the Part of the House.

APPOINTMENT OF CONFEREES ON H.R. 15209, SUPPLEMENTAL APPROPRIATIONS, 1970

Mr. MAHON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 15209) making supplemental appropriations for the fiscal year ending June 30, 1970, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Messrs. Mahon, Whitten, Rooney of New York, Boland, Flood, and Steed, Mrs. Hansen of Washington, and Messrs. Bow, Jonas, Cederberg, and Rhodes.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 15209, SUPPLEMENTAL APPROPRIATIONS, 1970, UNTIL MIDNIGHT TOMORROW

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tomorrow night to file a conference report on H.R. 15209, making supplemental appropriations for fiscal year 1970, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 13111, DEPARTMENTS OF LABOR AND HEALTH, EDUCATION, AND WELFARE APPROPRIATIONS, 1970, UNTIL MIDNIGHT TOMORROW

Mr. MAHON. Mr. Speaker, on behalf of the gentleman from Pennsylvania (Mr. Flood) the chairman of the Subcommittee on Labor and Health, Education, and Welfare of the Committee on Appropriations, I ask unanimous consent that the managers on the part of the House may have until midnight tomorrow night to file a conference report on H.R. 13111, making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies for the fiscal year ending June 30, 1970, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. GERALD R. FORD asked and was given permission to address the House for 1 minute.)

Mr. GERALD R. FORD. Mr. Speaker, I take this time for the purpose of asking the distinguished majority leader the program for tomorrow, if he is able to give us that now.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Mr. Speaker, we will not ask to go over, so we will meet at 12 o'clock tomorrow.

We have outstanding, as the gentleman knows, conference reports on three appropriation bills—for foreign aid, for Labor-HEW, and the supplemental—and on the following bills:

Economic Opportunity Act amendments, Export Control, and Environmental Quality as well as the tax bill. Of course, we know we will not get the tax bill tomorrow, but we will take up as many as possible, hopefully all of these six conference reports, the three appropriation ones and the other three tomorrow, if they are ready tomorrow.

Mr. GERALD R. FORD. Mr. Speaker, I thank the gentleman from Oklahoma.

RESEARCH NEEDED ON MARIHUANA

The SPEAKER pro tempore (Mr. Giaimo). Under a previous order of the House, the gentleman from Connecticut (Mr. Monagan) is recognized for 20 minutes.

Mr. MONAGAN. Mr. Speaker, I have recently urged the establishment of a commission to determine the character or marihuana and the effect of its use in order to provide a firm factual basis upon which to found decisions as to its regulation.

I have said that the facts are not completely known and this is true insofar as ultimate conclusions are concerned. However, there are a few undisputable facts and I should like to set them out here.

Up to the present there has been little research performed relating to the effect marihuana—dihydrocannibol—has on human users and, in turn, the users' impact on our society. Much of the completed work suffers due to methodology. Further, the completed research and other available data has not been adequately pulled together or evaluated.

The active drug compound found in the various forms of marihuana is dihydrocannibol. The quantity of dihydrocannibol present varies with the form of marihuana as grown in different areas of the world. Thus, the pharmacological and psychological action varies with the type of marihuana that the individual uses. As with any drug the dose-response differs with each individual user. Thus there is a different response to American marihuana, Mexican marihuana, Indian marihuana, Vietnamese marihuana, Turkish marihuana, or hashish, in the individual user. Also, within the past few years dihydrocannibol and some of its active isomers have been successfully synthesized so the problem has been further compounded.

The administration has not moved as fast as it should in taking constructive steps regarding drug abuse. The administration's Control of Dangerous Substances Act of 1969 calls for the delegation of authority to the Department of Justice to classify drugs and to conduct drug research. True, Justice does not have the primary authority to conduct drug research but the Department of Health, Education, and Welfare's Public Health Service and its component units already have the statutory delegation to conduct drug research including marihuana—dihydrocannibol. Justice's proposed legislative authority would be concurrent with existing Department of Health, Education, and Welfare authority. The National Institute of Mental Health of Public Health Service's Health Services and Mental Health Administration—HSMHA—has a Narcotic Addiction and Drug Abuse Addiction Division. The President's Commission on the Causes and Prevention of Violence in its recent report, "Challenging Our Youth," stated:

> We recommend that the National Institute of Health, working with selected universities, greatly expand research on the physical and psychological effects of marijuana use.

The National Institutes of Health—NIH—is another component of the Public Health Service other than HSMHA of which the National Institute of Mental Health is an integral part. It is obvious that the present legislative authority is more than adequate to conduct extensive marihuana—dihydrocannibol— research but what is needed are the necessary ingredients of leadership, direction and funding.

In the recent past we have attempted to discover or create nonaddictive drugs. We were told about the nonaddictive wonders of meperidine—Demerol—vis-a-vis morphine only to discover it, too, was addictive. Later eminent scientists informed the world that other compounds such as phenazocine and pentazocine were nonaddictive. Again with adequate use phenazocine and pentazocine were proven to be addictive—producers of drug dependence. Twenty years ago Food and Drug Administration officials told us that the artificial sweetners, dulcin, and P-4000, were harmful but that the artificial sweeteners, cyclamate and saccharin were considered safe for food and drug use. Did we know better at that time?

But one thing that was clear—there was inadequate research and knowledge available at that time to make a reliable judgment—for within the past months the Food and Drug Administration and other governmental and scientific bodies decided that cyclamates are, in fact, potentially harmful to the user. It is probable that many of these compounds could have been determined to be harmful originally if their sponsors and responsible individuals had performed the necessary research. However, it appears that they, too, were committed to their statements of safety, nontoxicity or nonaddiction to become involved in needed research of the drug's effect on humans.

In the past the terms, "potential analgesic," "narcotic," and "addicting" were equated. The term "narcotic" now has more than scientific significance but our professional scientific spokesman before the Congress does not adequately make this distinction. The American Medical Association, National Academy of Science-National Research Council, and World Health Organization have adopted the general term "drug dependence" with an appropriate modifier designating a specific type, to cover all kinds of drug abuse. We should be aware that individuals may become dependent upon a wide variety of chemical substances that produce central nervous system effects ranging from stimulation to depression. What must be determined is the drug's potential for inducing dependence in certain individuals. Some individuals are more likely than others to abuse or overuse the drug of use and, under certain conditions may develop a dependence. It is in this context that we must act now to conduct research, evaluate the research and reach legal conclusions as to the drug, dihydrocannibol—more commonly used and referred to as marihuana.

In 1960 the authorities arrested 1,700 youths on the grounds of possession and/or use of potent analgesic drugs and/or marihuana. Last year, 1968, 33,000 youths, including 6,000 girls, were arrested for this reason—an increase of nearly 2,000 times in less than 10 years. At present, one out of four major crimes—felonies—are committed by youths under 18 years of age—another large increase of youth participation.

Thus we need to know, if it is possible, just what is the relationship of the increase in drug abuse and use by youth to the increase in crime due to youth.

Basically, this means, therefore, that we must have a scientific basis in reaching conclusions about the effect of marihuana. It is to this end that my bill, H.R. 14981, is directed since it would create a commission for this very purpose. With this commission and with the studies made under its aegis, we would expect to have the knowledge which would enable us to deal intelligently with this drug as in contrast with the emotional, uninformed, and contradictory action that we find today.

QUESTIONS AND ANSWERS IN A LABOR NEWS CONFERENCE, NOVEMBER 11

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. DENT) is recognized for 60 minutes.

Mr. DENT. Mr. Speaker, I thought you would be interested in the questions and answers brought out in a recent Labor News Conference, on November 11. For that reason I am taking the liberty of presenting them to you. They are as follows:

LABOR NEWS CONFERENCE

A top union officer today called for multination agreements to curb the export of jobs and import of products that are having a growing adverse effect on both U.S. workers and industries.

"Soft goods, ceramics, plate glass and steel" are among the industries hard hit by U.S. owned plants along the Mexican border and "in other low-wage countries, particularly in the Far East," said Howard D. Samuel, vice president of the Amalgamated Clothing Workers of America, AFL–CIO. Samuel appeared on Labor News Conference an AFL–CIO produced public affairs interview broadcast Tuesday at 7:35 p.m. (EST), on the Mutual Broadcasting System.

He said that some 200 such plants have been built just south of the Mexican border in the last few years, where wages range as low as "30 cents an hour" for the 20,000 workers they employ. He said that in addition to substandard wages, tax breaks granted by the Mexican government and U.S. "tariff benefits" encourage manufacturers to set up foreign assembly plants.

"Now 'assembly' is a fairly broad word," Samuel stressed, pointing out that it includes "putting together all the components of a television set or a radio . . . or most of the operations in making a shirt, or suit, or a ladies' garment." But, he noted, Mexican consumers get no "benefit out of the manufacturing operations that are being set up there," for "even when things are made within its borders (by U.S. companies), they have to be shipped out."

Samuel said that U.S. textile and apparel imports are "growing 70% a year" in general, and as much as 400% to 500% on some items, but that American consumers gain no advantage in either quality or price. He pointed out that "garments coming from European countries, where the wage levels are considerably lower than wage levels in the United States, are sold for the same or higher prices than American-made garments of the same quality."

"The beneficiary is not the consumer, it is the retailer," he declared, and the retailer "is doing very well, indeed."

Samuel was questioned by Lloyd Schwartz, Washington bureau chief for the Fairchild Publications, and Neil Gilbride, labor correspondent for the Associated Press.

LABOR NEWS CONFERENCE

(Mutual Broadcasting System, program 29, series 9, November 11, 1969.)

Subject: Mexico's Border Industrialization.

Guest: Howard D. Samuel, vice president of the Amalgamated Clothing Workers of America, AFL–CIO.

Reporters: Neil Gilbride, labor correspondent, Associated Press; Lloyd Schwartz, Washington bureau chief, Fairchild Publications.

Moderator: Frank Harden.

MUTUAL ANNOUNCER. The following time is presented as a public service by this station and the Mutual Broadcasting System.

HARDEN. Labor News Conference. Welcome to another edition of Labor News Conference, a public affairs program brought to you by the AFL–CIO. Labor News Conference brings together leading AFL–CIO representatives and ranking members of the press. Today's guest is Howard D. Samuels, vice president of the Amalgamated Colthing Workers of America, AFL–CIO.

A major problem for U.S. workers has been created by policies of both the U.S. and Mexican governments that have encouraged a large number of U.S. companies to set up plants just south of the Mexican border. Goods produced at shamefully low wages flow into the United States to compete with products made under U.S. labor standards and at U.S. wages. The AFL–CIO is convinced that non-union plants, evasion of Mexican laws and cheap labor production for the high-priced U.S. market, build neither friendship between the two nations, nor economic development on the Mexican side of the border. Here to question Mr. Samuel about the border-jumping problem which is symptomatic of a broader, international problem, and what organized labor believes can and must be done to meet it, are Lloyd Schwartz, Washington bureau chief for the Fairchild Publications, and Neil Gilbride, labor correspondent for the Associated Press. Your moderator, Frank Harden.

And now, Mr. Schwartz, I believe you have the first question?

SCHWARTZ. Mr. Samuel, the Mexican border problem seems to be symptomatic of an even broader issue—growing import competition. Just how serious is this, and what are its dimensions?

SAMUEL. Well, the competition of imports is very serious, and has been growing more serious in the past few years.

It has affected a number of industries, particularly those in the soft goods. It has also affected such industries as ceramics, plate glass, steel.

These imports come not only from Mexico—with the impetus of the Mexican Border Industrialization Program—but also, from many other countries, particularly, the low-wage countries of the Far East.

GILBRIDE. Mr. Samuel, can you put some kind of money figure on that—how large it is—the imports and, perhaps, how many jobs it may be costing American workers?

SAMUEL. I would not know that for all industries, and I am not even sure that those figures are readily available. We know that in Mexico, for example, in the last few years, about 200 plants have been erected under the industrialization program.

Workers there are getting 30 cents an hour—and there are approximately 20,000 of those workers.

Now, I can't say that there have been 20,000 jobs lost. It is not a one-for-one relationship. But, we know that many thousands of jobs have been lost. In some cases, we have been able to trace them directly—on nearly a one-to-one-basis.

GILBRIDE. How does the Mexican border program work?

SAMUEL. The Mexican Government put it into operation about five years ago.

They offer tax benefits. And, the United States offers a tariff benefit. These apply to a company that goes down there and only assembles goods, rather than produces them.

Now, "assembly" is a fairly broad word. It would include, for example, putting together all the components of a television set or a radio set.

It would also mean most of the operations and making a shirt, or suit, or ladies' garment.

The products must then be sent back to the United States—they cannot be sold in Mexico. So, the Mexican consumer does not get any benefit out the manufacturing operations that are being set up.

GILBRIDE. What's the theory behind them not being sold in Mexico?

SAMUEL. Well, Mexico has a very closed border. It is not even a member of the General Agreement on Tariffs and Trades—GATT. Mexico has very restrictive import policies—it permits practically nothing to be imported.

So even, as in this case, when things are made within its borders, they have to be shipped out.

GILBRIDE. Is this making of products at cheap wages and sending them back here, exclusive to Mexico?

SCHWARTZ. This particular policy is, and, of course, it depends a good deal on the fact that Mexico is along our border. This offers a tremendous advantage to companies. Shipping costs are negligible.

SCHWARTZ. Mr. Samuel, traditionally, organized labor has been free-trade-oriented, and opposed to trade barriers. Now we find them sort of in the protectionist corner. Does this make you uncomfortable, or, is there justification in the economics aspects—the loss of jobs, for example?

SAMUEL. Well, I think that some of the old bromides of the 30's really can't be maintained in our current world-wide economy.

I don't think the term "'protectionist," for example, really has much meaning any more, and, I am not sure that the term "free trade" has much meaning any more.

Really, we have to look at imports—international trade—as a major part of our economy. And, we have to apply to it the same kind of planning and programming that we apply to practically every other part of our economy.

SCHWARTZ. Are you willing to accept some voluntary restrictions by other countries—restrictions geared to the growth of our Gross National Product, for example?

SAMUEL. Well, what we are asking for, for example, in our own industry—apparel manufacturing—is voluntary agreements on a multi-national basis. In other words, all countries participating.

These agreements would recognize the growth of our own population and our own consumption. But, they would add an element of regulation to the increasing level of imports, which are at the present time, increasing without any regulation.

SCHWARTZ. Is there any possibility for developing and adopting international labor standards, so that there wouldn't be this disparity in wage scales?

SAMUEL. Number one, I am not sure that there is really much possibility of developing international labor standards. And number two, even if you had them, you wouldn't really get rid of the disparity.

In Korea, for example, the average wage in our industry is 8c an hour. Now, how can you establish minimum wage standards in Korea that would be reasonable in the Korean economy—which would not still maintain a tremendous differential between Korea and the United States?

In other words, you could double and triple the wage in Korea, and it would still be a fraction of what we pay in the United States. So, international wage standards would be good for the people who would benefit from them—the working people—but they would not solve the international trade problems.

GILBRIDE. Well, Mr. Samuel, how can you possibly hope to combat this low-wage competition without, what I think you would call, "protectionist"—that is, I suppose, high tariffs on imports—and quotas?

SAMUEL. Well, as I suggested before, we hope to achieve, in our industry, agreements among all nations, regulating imports among all nations. Incidentally, this would not only regulate imports to the United States. For example, Japan, which has a higher living standard and higher costs than Korea, would also have some kind of regulation to protect it against overwhelming imports from Korea, or the Philippines, or India, which have even lower standards than Japan.

In other words, all nations would be bound by these ties, which would add an element of planning and programming to imports for all countries. Without this, the country with the highest standards of living—which is the United States—is the target of imports from all over the world.

As a result, our imports are climbing, on a generalized basis, at something like 70 percent a year—in apparel and textiles—and on some individual items, as much as four to five hundred percent a year.

Now, this rate of increase is too much for us to support.

We can support a rate of increase which is more moderate. But, we cannot support a rate of increase which is not regulated at all.

GILBRIDE. What is this 70 percent a year gain in imports doing to the industry in the United States and to the workers in that industry?

SAMUEL. Well, as far as textiles and apparel are concerned, we believe that in the last four to five years, we have lost, probably 200 thousand jobs in our industry, largely due to the import factor.

Imports have been particularly harsh in the textile area. But, they are also climbing now in various items of apparel. For example, the knitted sweater industry in this country is almost out of business. Gloves have been very hard hit. Shirts are coming in in tremendous numbers. So are slacks.

Almost every item has been hit to some extent.

GILBRIDE. Well, this certainly seems to be very tough on that industry and the workers in it in this country. Does anybody benefit? Does the average American consumer benefit, through lower prices for imported goods—those made in Japan, or Formosa, or somewhere else?

SAMUEL. Not generally, on a quality basis. We have found—and of course, I can't speak for every garment that is brought into this country, because many manufacturers and many countries are involved—we have found that in many cases, the garment brought here from another country is made under somewhat inferior standards, because the labor is relatively inexperienced and low-paid. There is not much incentive for craftsmenship.

But, even more important, generally, the retail store is benefitting from a much higher mark-up. For example, garments coming from European countries, where the wage levels are considerably lower than wage levels in the United States, are sold for the same, or higher prices than American made garments of the same quality.

The beneficiary is not the consumer, it is the retailer. He is doing very well, indeed.

SCHWARTZ. Mr. Samuel, isn't this low-wage competition just as severe a problem for business as it is for labor? And if so, what is business doing about it? Are they cooperating with labor on this? Is it a joint effort?

SAMUEL. There is no question about the effects on industry. There are limits of course, to joint efforts. But, the textile and apparel industries are working very hard—and generally, in the same direction that the labor movement in those industries is working—that is, to achieve multi-national agreements.

SCHWARTZ. What happens if you don't get these agreements—if Congress does not pass quota laws? What happens to the industry and the jobs?

SAMUEL. I think the industry will probably change radically. It won't disappear, but it will change so radically that the present state of the industry will disappear. It will take some other form. I am not sure what it will be.

I don't think incidentally, that the projections you suggest will happen. I think that if we cannot achieve multi-national agreements on a voluntary basis, Congress will pass a law. There is no question in my mind that some action will be taken.

SCHWARTZ. Is there any evidence that this industry is uneconomic and perhaps just cannot compete, and therefore, is expendable?

SAMUEL. No. As a matter of fact, just the opposite.

There are several reasons why it is useful to have imports. One obvious advantage is that in some industries there isn't much competition among companies and prices rise immoderately. Imports have a leveling effect on prices in those cases. But, this is not true of textiles and apparel, which are among the most competitive industries in the nation. Prices there, generally speaking, have been below—until at least the very last few months—far below the rate of increase prices of other types of products manufactured in this country.

Secondly, imports can be justified, because they bring in some unusual products that are not made here. Again, this is not true in textiles and apparel. There are foreign designers, it is true, who have unusual design ideas. But, they are immediately hired by American firms.

Our firms can make the same kind of dashing, modern suit that a French firm makes, obviously. There is no special skill involved in that.

Thirdly, there may be some degree of foreign efficiency. That isn't particularly true either, in apparel, because in both cases, the capital requirements are very modest—the sewing machines, cutting tables, cutting machines. Neither foreign nor American firms have any special efficiencies, as far as manufacturing is concerned.

So really, the only benefit that the international trade in apparel and textiles has is that the foreign countries have much lower wage rates.

This is one area where we can't compete. And I don't think this country wants us to compete.

Now, the danger to us is very specific. These industries—apparel and textiles—employ about 2½ million people. It's the largest manufacturing employment of any industry in the country. Many of these employees are women—many are members of minority groups.

Generally, the industry has moderate skill requirements. So, if there is a more severe decline in employment, or a threat of unemployment in our industry, the people who are going to be hurt are Negroes, Puerto Ricans and Mexican-Americans, particularly. They are going to be women. Many of them really don't have great access to other industries—don't have very many skills. I think this is exactly what this nation does not need at the present time.

We are spending a great deal of money, through our poverty programs, manpower training welfare, and so forth to try to make sure that these people—women and members of minority groups—become a part of the labor market. If we continue to allow major imports in these areas, it is going to have just the opposite effect.

GILBRIDE. I take it, Mr. Samuel, that you have discussed this problem with United States government officials, such as, I suppose, the State Department. What kind of answers do you get from these people on this question?

SAMUEL. Well, the Administration, as you probably know, has committed itself to the effort to reach multi-national agreements with other countries. This starts at the White House.

The major job of bringing about these agreements has been entrusted to Secretary Stans, of the Commerce Department. Secretary Stans is in full agreement with these goals. The industry, and labor in apparel and textiles, are working very closely with the Secretary.

The Labor Department also has a certain amount of input and is involved in this.

I would say, in all candor, that in these matters, the State Department is always likely to bring up the rear.

GILBRIDGE. Why is this? Do they want to maintain friendly relations—is that the basic reason?

SAMUEL. I think the State Department is still motivated by the Cordell Hull kind of international trade theory, which was valid back in the 1930's. I think it is less aware of the economic problems that face our country, and really is inspired, almost entirely, by a desire to have smooth and easy relations with other countries.

And, I think it overlooks economic problems at its own doorstep.

GILBRIDE. Well, in trying to get some kind of agreement with another country—what would be the motivation for instance, for Japan to agree to such a thing, if they suddenly found a good market here for their goods?

SAMUEL. Well, Japan, to a certain extent, will serve its own self-interests, to a certain extent.

Japan, as I mentioned before, is now beginning to suffer from the pressures of imports from even lower-wage countries. Japan is not a particularly high-wage country, by the way. There, you have something around 35¢ or 45¢ an hour.

But, as I said, Korea is at 8¢—and some other countries are at 10¢ and 15¢. And they are beginning to threaten Japan.

So, if a world-wide agreement is worked out, Japan can also look forward to a good deal more stability.

However, I would point out that Japan, like most countries—except the United States—when it comes to industries such as these, which are vulnerable to international trade—most countries are much, much more—if I may use the word—"protectionist" than we are. It is only the United States that has relatively open doors. The other countries, perhaps learning by our example, have not done this. What we are trying to do, really, is open all doors, including those to countries like Mexico and Japan, which don't permit imports of apparel to some moderate level of imports.

SCHWARTZ. Mr. Samuel, men's and boy's clothing prices are continuing to rise. Apparently, there is another round yet to come. Won't this aggravate the competitive pinch and give foreign made merchandise even greater appeal and advantage in the U.S. market?

SAMUEL. Well, there is a question of fact here. There has been some rise, which was long overdue. And I must say, I represent the union in the men's clothing industry, and the industry does not need me to defend its pricing policies.

But, the fact is, we know that for a long time, the men's apparel, and I think a major segment of the ladies' apparel industry also, lagged behind the price levels of most consumer goods. In the last few months or year, some of those price levels have been forced up. They simply couldn't manage without at least some kind of price increase.

I suppose it would have some effect in our struggle against imports. But, no pattern has appeared as yet. As a matter of fact, the prices of some imports are going up also.

SCHWARTZ. Do you see any sign that manufacturers in your industry and others are prepared to become more competitive by producing lower-priced merchandise or perhaps lower-quality goods?

SAMUEL. I read, in a publication called the Daily News Record, that some manufacturers are looking forward—perhaps, next season—to opening up lower-priced lines—yes.

GILBRIDE. Are some of them, Mr. Samuel, tempted to take their own operations overseas—I think, we call those "runaway companies?"

SAMUEL. Yes. A great many are tempted. Those under contract with the Amalgamated cannot, because they are bound by a union contract that requires that all their production be made under union conditions—Amalgamated's union conditions.

Some non-union companies have taken their production abroad. And some, of course, are now moving into the Mexican border area, which we discussed earlier.

GILBRIDE. Does the United States government seem to encourage this kind of thing, in any way?

SAMUEL. Generally, I think the policy of the United States government is not to encourage it. It is not against the law, however.

There is nothing to prevent a company that does not have a union contract, for example, to, in effect, runaway.

I consider this a very crude form of export of jobs.

I don't think there is any possible benefit to America, when a country closes a plant here and opens it up across the Mexican border, or in Hong Kong, or in Jamaica.

That simply means, we have lost "X number of jobs," and those countries have gained them—at a much lower wage level.

SCHWARTZ. Mr. Samuel, the State Department and the Administration take the position that boycotts of imports are unwise because they interfere with foreign policy. Do you agree with this? Or, is your union waging boycotts or planning to wage some against import competition?

SAMUEL. Yes—the Amalgamated has, Mr. Schwartz. We have instituted several demonstrations—not boycotts. We have done it in New York; we have done it in Chicago, and Los Angeles, and are planning several in other cities. We've done this for several purposes.

First of all, to help concentrate our educational efforts in a single area—to dramatize our policies. And we have received of course, a certain amount of public attention.

We also want to put a little extra bit of pressure on the various agencies of our government—agencies which have the responsibility for carrying out Administration policy, in trying to achieve multi-national agreements.

We are trying to show our government, and the country with which they are bargaining, that there is real feeling and real concern in this country about this issue.

GILBRIDE. Mr. Samuel, isn't there a federal program to help American workers who are displaced by imports?

SAMUEL. There is a section of the Tariff Act which does provide adjustment assistance. I think that until recently—and I have just seen an early article and haven't read the whole thing yet—there had never been a case approved.

The Act is so rigid that it has never been able to be applied. It has been, in effect, simply non-functioning.

GILBRIDE. Well, has no one ever been helped?

SAMUEL. Oh, there have been many applications. All have been turned down. The law is such that, in effect, an industry would have to be wiped out—and some direct connection established between the fact that it was wiped out by imports.

At any rate the rules are so rigid that it has been non-functional.

SCHWARTZ. Mr. Samuel, would you agree that industry generally has been lax in developing export markets? It is claimed that there are large markets for the taking, but that industry has shown little interest in getting into them.

SAMUEL. Well, I can't tell you about all industries. I suppose it is true that in some areas, some industries could be more aggressive

In our industry, it really isn't easy. In the first place, as I indicated before, an awful lot of countries in this world do not permit imports. We are the only ones that really have that wide open door. That is one of the reasons everybody is victimizing us.

You can't export garments to Japan, for example—nothing.

You cannot export any garments to Mexico.

These are two of the great violators of our borders, as far as imports are concerned. And this is true of many other countries. So, you can be just the most aggressive manufacturer, Mr. Schwartz, but there are many borders that you simply can't cross.

SCHWARTZ. Why doesn't this country insist on a proportional treatment for our own merchandise?

Samuel. Well, that is exactly what we are trying to accomplish with the multi-national agreements—that is exactly what we are trying to accomplish.

Gilbride. I think, Mr. Samuel, that many people are under the impression that we do have some kind of quota system to limit imports. Is that true in just some industries?

Samuel. Yes—it is true, in some instances. I should have mentioned it before, Mr. Gilbride. It is true that we do have the precedent of a multi-national agreement in cotton. The problem is, as soon as the agreement was signed, because it did not include woolen apparel, or textiles, or synthetics, or man-made apparel and textiles, much of the imports began to flow into those areas.

So, what we are, in effect, asking our government is to close the loophole.

We now have an agreement that is working reasonably well in cotton. Now we have to expand it to embrace these other two major areas of textiles and apparel.

Schwartz. Mr. Samuel, would improved industrial technology, for example, help close this competitive gap? How about higher productivity per man-hour?

Samuel. Well, in our industry, productivity is pretty well assured, because it is almost entirely piecework. In other words, the worker earns more the faster he works—obviously, under very strict controls, to avoid exploitation. But the fact is, productivity is built in—incentives are built in.

As far as improvements in technology, it is very difficult—in apparel, the least.

Basically, we have not found a way of avoiding two hands and a sewing machine.

In textiles, there has been a tremendous increase in technology. And, I think that will continue.

Harden. Thank you, gentlemen. Today's LABOR NEWS CONFERENCE guest was Howard D. Samuel, vice president of the Amalgamated Clothing Workers of America, AFL–CIO. Representing the press were Neil Gilbride, labor correspondent for the Associated Press, and Lloyd Schwartz, Washington bureau chief for the Fairchild Publications. This is your moderator Frank Harden, inviting you to listen again next week. LABOR NEWS CONFERENCE is a public affairs production of the AFL–CIO, produced in cooperation with the Mutual Broadcasting System.

Mutual Announcer. The preceding program time was presented as a public service by this station and the Mutual Broadcasting System. The opinions expressed are solely those of the participants.

ACTIVITIES AND ACCOMPLISHMENTS OF THE JOINT COMMITTEE ON ATOMIC ENERGY IN THE 91ST CONGRESS, FIRST SESSION (1969)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. Holifield) is recognized for 30 minutes.

Mr. HOLIFIELD. Mr. Speaker, as chairman of the Joint Committee on Atomic Energy, I have directed the preparation of a summary of the activities and accomplishments of the Joint Committee during the first session of the 91st Congress.

The Joint Committee has completed its 23d year of carrying out its legislative and "watchdog" responsibilities of the U.S. atomic energy program. As a charter member of the Joint Committee, I look back with pride at the developments of atomic energy in the past 2 decades. We have seen our defenses strengthened and we have seen the peaceful atom come of age.

This summary report shows, I believe, that the Congress and the Joint Committee have again contributed significantly to the continued leadership of the United States in the peaceful and military applications of atomic energy. The functioning of the committee clearly demonstrates the ability of the Congress to deal effectively in the oversight of this great energy source which portends so much for the future.

I wish to thank all the members of the committee for their close cooperation in the committee's work.

Additionally, at this time, I believe it is worthwhile to provide a general outline, at least as I see it today, of the tentative scope and magnitude of the Joint Committee review of atomic energy matters to take place in the forthcoming second session of the 91st Congress.

As in previous years the committee plans to give priority attention to the fiscal year 1971 authorizing legislation. Hearings on the authorization bill normally begin shortly after it is submitted by the administration.

The Joint Committee plans to schedule public hearings during the week of January 26, 1970, in continuation of its study of the environmental effects resulting from the siting and operation of nuclear, hydro, and fossil fueled electric powerplants. We plan to receive testimony from representatives of State governments, environmental groups, private industry, and the public at large. Testimony was received last fall from Federal agencies having responsibility in this field. The final record, which will result from these hearings will constitute an up-to-date compendium on all effluents from electric powerplants.

It is expected that the initial executive hearing of the Joint Committee will be its annual briefing by CIA on intelligence matters with particular reference to the nuclear capabilities of Communist China and the U.S.S.R.

Also the committee plans to receive an executive briefing early in the session from the Director of the Arms Control and Disarmament Agency on progress and proposed plans relating to the strategic arms limitation talks—SALT—now going on in Helsinki.

Other topics which will probably be considered by the Joint Committee include:

First, a review of the AEC's breeder reactor program. Frankly, as I have already stated in the public record, I am not satisfied with progress in this vitally important endeavor. The committee has noted that this is the highest priority program in the AEC's civilian nuclear power program. The Joint Committee during its review of the 1971 AEC budget, will stress the importance of vigorous pursuit of goals which have been established by the AEC and approved by this committee.

Second, continuing close scrutiny of the matter of the ownership and operation of the AEC's gaseous diffusion plants which supply the enriched fuel needed by the rapidly expanding nuclear power industry. We expect to consider this matter primarily in the context of the committee's review of the AEC's proposed fiscal year 1971 budget request although certain aspects, such as prices for enriching services and antitrust considerations, may be treated separately.

Third, the so-called practical value legislation, which would have the effect of requiring all, or virtually all, applications for a license to construct a nuclear powerplant to undergo a prelicensing antitrust review by the AEC in consultation with the Department of Justice, will also be examined. Affected Federal agencies have already testified on the bills relating to this matter. Next year during our deliberations we plan to hear from representatives of private industry and members of the public.

Commercial Plowshare services legislation, which has already been subject to extensive hearings, will also probably receive legislative consideration.

The committee also plans to review the U.S.-controlled thermonuclear research program, particularly in light of the recent advances in this field made by the United States and the Soviet Union.

In the military field the committee will look carefully into the matter of the need for advanced nuclear-powered submarines to keep pace with the ever-increasing efforts by the Soviet Union in this field.

The committee also expects to analyze the impact of fund reductions on the so-called four safeguards which were instituted at the time of the signing of the Limited Nuclear Test Ban Treaty in 1963 to insure that our national security would not be endangered as a result of compliance with the terms of this treaty.

There are numerous items of proposed legislation now pending before the committee. Executive agency comments on all of these bills have been solicited. Comments on some of the measures have been received; as to others we are still awaiting the views of affected or interested agencies. Depending upon the comments received from these agencies, and depending also on the committee's overall schedule, a number of these bills will be scheduled for hearings during the coming year with a view to committee action thereon during the second session of the 91st Congress.

Consideration may be given to holding hearings on the development, growth, and state of the atomic energy industry.

In the world today atomic energy, which was virtually unkown three decades ago, touches almost every facet of life in America from the missiles that defend us to the civilian power production so vitally needed to take care of our burgeoning population. The impact of the atom ranges from the moon where the nuclear generator, SNAP–27, powers experiments placed there by the Apollo 12 astronauts, to the research and development aimed at placing a small nuclear battery near the heart to permit life to continue which might otherwise be snuffed out.

Mr. Speaker, I include the Joint Committee's summary report of its activities and accomplishments during the first session of the 91st Congress in the Record:

Activities and Accomplishments of the Joint Committee on Atomic Energy in the 91st Congress, First Session, 1969

FOREWORD

It has been the practice of the Joint Committee on Atomic Energy at the close of each session of the Congress to submit for the information of the Congress, the Executive Branch and the public a report of its activities. (The report for the second session of the 90th Congress was printed in the Congressional Record of October 11, 1968, S-12585.)

The Joint Committee on Atomic Energy was organized on August 2, 1946. It consists of nine members from the Senate and nine members from the House of Representatives. No more than five from each body can be members of the same political party. The chairmanship alternates between the Senate and the House of Representatives with each Congress.

Present membership is: Chet Holifield, California, Chairman; John O. Pastore, Rhode Island, Vice-Chairman; Melvin Price, Illinois; Wayne N. Aspinall, Colorado; John Young, Texas; Ed Edmondson, Oklahoma; Craig Hosmer, California; John B. Anderson, Illinois; William M. McCulloch, Ohio; Catherine May, Washington; Richard B. Russell, Georgia; Clinton P. Anderson, New Mexico; Albert Gore, Tennessee; Henry M. Jackson, Washington; George D. Aiken, Vermont; Wallace F. Bennett, Utah; Carl T. Curtis, Nebraska; Norris Cotton, New Hampshire.

Congressman William H. Bates of Massachusetts, a most esteemed and valued member of the Committee since January 19, 1959 died on June 22. Representative Catherine May of Washington was appointed on July 24, 1969 to fill the vacancy created by his death.

The Joint Committee is one of the few committees established by statute, rather than by rule of each House and is unique in several respects. For example, it is the only Joint Committee of the Congress with legislative functions, including the receipt and reporting of legislative proposals. The committee is also charged by law with legislative responsibility as "watchdog" of the U.S. atomic energy program. As part of its responsibilities, the committee follows closely the classified activities of the executive agencies, including the Atomic Energy Commission and the Departments of Defense and State, concerning the peaceful and military applications of atomic energy.

In all these activities, the Joint Committee on Atomic Energy, representing the Congress and the public, seeks to assure the implementation of the following statutory policy expressed in the Atomic Energy Act of 1954:

"The development, use, and control of atomic energy shall be directed so as to make the maximum contribution to the general welfare, subject at all times to the paramount objective of making the maximum contribution to the common defense and security * * *."

During the 91st Congress, first session, the Joint Committee met on a total of 52 different occasions, 38 of which were public and 14 of which were executive meetings.

A total of 17 publications consisting of hearings, reports, and committee prints were published or are in the process of being printed by the Joint Committee in its first session of the 91st Congress. These publications include testimony taken in executive session with classified material deleted before printing.

A list of the publications follows: (1969 (91st Cong., first sess.)):

AEC Authorizing Legislation, Fiscal Year 1970:

Part 1: Hearings April 17 and 18.

Part 2: Hearings April 24 and 25.

Part 3: Hearings April 29 and 30.

AEC Report (H. Rept. 91-315; S. Rept. 91-244): June 17 and 18, 1969.

AEC Omnibus Legislation 1969:

Hearings: September 12, 1969.

Report (H. Rept. 91-691; S. Rept. 91-553): November 24, 1969.

Atomic Energy Legislation through the 91st Congress, 1st session: Committee print, December 1969 (available when printed).

Current Membership of the Joint Committee on Atomic Energy, Committee Print, February.

Environmental Effects of Producing Electric Power: Hearings October 28, 29, 30, and 31, November 4, 5, 6, and 7, 1969 (Available when printed).

Future Ownership of Gaseous Diffusion Plants: Hearings July 8 and 9, August 5, 7, and 8, 1969.

LaCrosse Boiling Water Reactor Project: Hearing May 4, 1967.

Naval Nuclear Propulsion Program: Hearing April 23, 1969.

Nuclear Explosion Services for Industrial Applications: Hearings May 8, 9, and July 17, 1969.

Preliminary Antitrust Review of Nuclear Powerplants: Hearings November 18, 19 and 20.

Radiation Standards for Uranium Mining: Hearings March 17 and 18.

Selected Materials Concerning the Future Ownership of AEC's Gaseous Diffusion Plants: Committee Print, June.

Selected Materials on Environmental Effects of Producing Electric Power: Committee Print, August.

I. LEGISLATIVE ACTIVITIES

A. Atomic Energy Commission Fiscal Year 1970 Authorization Act (Public Law 91-44): The review by the Joint Committee of the Atomic Energy Commission's request for authorization of appropriations for fiscal year 1970 was delayed until the incoming Nixon Administration had submitted its budget. The Johnson Administration budget submission was made January 15 and the Nixon revised budget was submitted April 15. The Joint Committee convened its hearings on the AEC request on April 17 to consider the proposed authorization bill (H.R. 10130, S. 1884) and held 14 sessions during the succeeding 8 weeks. Two hearings, to consider the nuclear weapons and naval propulsion programs, were held in executive session because a review of classified data was involved. The record of the public hearings was published in three volumes entitled "AEC Authorizing Legislation, Fiscal Year 1970." A declassified record of the hearing on naval reactors was published under the title "Naval Nuclear Propulsion Program—1969."

Following its deliberations on the proposed measures, the Joint Committee voted to file "clean bills." On June 16, Representatives Holifield, Price and Hosmer introduced H.R. 12167 and Senator Pastore introduced S. 2416. These measures were favorably reported on June 17 (H. Rept. 91-315) and June 18 (S. Rept. 91-244) respectively.

The reported authorization bill, which recommended an increase in authorization of appropriations of $6.232 million over the Administration's revised request, passed the House without amendment on June 24. The Senate passed the bill on June 26 after amending it by reducing the total authorization to the level of the Administration's request. On July 1, the House acceded to the amendment and passed the bill as amended by the Senate. On July 11 the President signed the Act into law (Public Law 91-44). The law authorizes appropriations to the Atomic Energy Commission for fiscal year 1970 in the amount of $2,448,052,000 as follows:

Operating expenses	$1,967,050,000
Plant and capital equipment	481,002,000
Total authorization	2,448,052,000

Among the highlights of the Joint Committee report, which accompanied the authorization bill, were the following:

The committee expressed its continuing concern about the *Naval Nuclear Propulsion Program* and restored to that program $4 million which had been cut during the Administration's budget review process. The committee set out the facts as to advance by the Soviet Union in the improvement of their submarine capability and urged support of a vigorous research and development effort to assure technological superiority in the face of Soviet numerical supremacy. The committee also expressed strong support for a nuclear surface warship development and construction program.

In the field of *reactor development and technology,* the committee increased requested funds by $7.3 million for *civilian power reactors* and $3.0 million for the *cooperative power reactor demonstration program.* The former evidenced the Committee's support of alternate reactor concepts—high temperature gas-cooled reactor (HTGR), gas-cooled fast reactor (GCFR), and molten salt reactor (MSR)—while the latter indicated the view of the committee that the project definition phase of the liquid metal fast breeder reactor (LMFBR) program should proceed with the necessary involvement of several participants employing various approaches.

The Plowshare program received the largest monetary boost from the committee with the addition of $10.5 million to the requested funds. The committee made clear its dissatisfaction with the funding level of this program over the past five years. In the view of the committee the promise for domestic commercial applications and the international obligations embodied in the Nonproliferation Treaty demand substantially increased financial support. The committee believes the potential of this technology for improving natural gas and other mineral resources reserves cannot be realized without an efficient and adequately funded research and development program.

B. Legislation requiring prelicensing review of competitive and environmental effects of nuclear power plants (S. 212, H.R. 8289, H.R. 9647, S. 1883, S. 2768): On November 18-20, the Joint Committee held hearings on legislation (S. 212, H.R. 8289, H.R. 9647, S. 1883, and S. 2768) relating to the prelicensing review of nuclear powerplants from the standpoint of their competitive and environmental effects. The principal bills involved are commonly referred to as "Practical Value" legislation, inasmuch as they would abolish the present provision under the Atomic Energy Act requiring the prelicensing of antitrust review of only those types of nuclear powerplants determined by the AEC to have achieved "practical value." As a result of this legislation, all or virtually all nuclear powerplants would be subject to such prelicensing review.

The first phase of hearings featured testimony by representatives of Government agencies with an interest in the legislation. Testimony was received from officials of the Departments of Justice and the Interior, the Atomic Energy Commission, and the Office of Science and Technology. At the conclusion of the hearings on November 20, it was announced that due to the heavy floor schedule in both Houses of Congress and the end-of-the-session workload of the Joint Committee, the committee would not be able to hear the testimony of private industry, special interest groups, and the general public on these measures prior to the close of this session of Congress. It is expected that such hearings will be scheduled relatively early in the next session of Congress.

The record of the first phase of these hearings is being prepared for publication and distribution to the public prior to scheduling the second phase of the hearings. The printed record will appear under the title "Prelicensing Antitrust Review of Nuclear Powerplants."

C. Legislation to authorize industrial plowshare services (H.R. 477, S. 1885, H.R. 10288): On May 8 and 9 and July 17 the Joint Committee held hearings on H.R. 477, S. 1885, and H.R. 10288, bills which would authorize the AEC to make peaceful nuclear explosion services available on a commercial basis, both domestically and abroad, as various applications of nuclear explosive devices for peaceful purposes achieve commercial feasibility. H.R. 477 was introduced on January 3, 1969, by Representative Hosmer for himself and Representatives Holifield, Price of Illinois, Aspinall, Young, Bates, Anderson of Illinois, and McCulloch. S. 1885, an identical bill, was introduced on April 18, 1969 by Senator Pastore, for himself and Senators Anderson and Bennett. A third bill, also identical, was introduced on April 21, 1969 by Representative Edmondson.

During the May 8 and 9 hearings, the Joint Committee heard testimony on this legislation by representatives of Government agencies with interests and responsibilities in connection with domestic and foreign Plowshare applications. Witnesses who testified represented the AEC, the Departments of the Interior, State, and Health, Education and Welfare, and the Arms Control and Disarmament Agency. All generally supported enactment of the legislation.

Subsequently, on July 17, the committee heard the views of non-Government witnesses who expressed an interest in testifying on the legislation. Representatives of the Atomic Industrial Forum, the International Nuclear Corp., the OER Geonuclear Corp. and El Paso Natural Gas Co. testified in support of the legislation.

The record of these hearings was published in December 1969 under the title "Nuclear Explosion Services for Industrial Applications." It is expected that the Joint Committee will convene during the second session of the 91st Congress to consider reporting this legislation, possibly with certain modifications suggested on the basis of the committee's extensive hearings. Hearings on similar legislation in the 90th Congress, on which no final action was taken by the committee, were published in 1968 under the title, "Commercial Plowshare Services."

D. 1969 Omnibus Legislation: On September 12, the Joint Committee held a hearing to consider a number of bills to amend various provisions of the Atomic Energy Act. Those bills were:

H.R. 9644 and H.R. 9648 introduced by Chairman Holifield (by request) on March 27 and their companions S. 1879 and S. 1882 introduced by Vice Chairman Pastore (by request) on April 18;

S. 1878 introduced by Senator Pastore on April 18; and

H.R. 12697 introduced on July 9 by Chairman Holifield (by request) for himself and Representative Price of Illinois.

The committee met in executive sessions on September 12 and November 18 on these measures and voted to file "clean bills." H.R. 14925 was introduced on November 20 by Chairman Holifield (for himself, Representative Price of Illinois, and Representative Hosmer) and S. 3169 was introduced on November 21 by Vice Chairman Pastore. On November 24, the committee voted to report those bills and reports (H. Rept. 91-691 and S. Rept. 91-553) were filed on that date. The bill passed the Senate without amendment on December 1. The House approved the bill on December 15.

The bill fundamentally accomplishes four amendments to the Atomic Energy Act of 1954, plus technical amendments to assure consistency and clarity in the Act. The principal amendments would:

1. Extend for an additional 5-year period (to September 1, 1974) the authority of the AEC to compel licensing of patents found "affected with the public interest" in accordance with applicable requirements of the Atomic Energy Act.

2. Increase, from five to ten years, the maximum term of imprisonment for unauthorized diversion of special nuclear materials and related offenses.

3. Remove from four sections of the Act, pertaining to penalties for crimes committed with intent to injure the United States or to secure an advantage to a foreign nation, the authority to impose the death penalty and the language which restricts the imposition of imprisonment for life to those cases wherein the jury so recommends. Such restrictive language has been found by the U.S. Supreme Court to be unconstitutional in both the Federal Kidnaping Act and the Federal Bank Robbery Act.

4. Provide authority for the AEC to impose civil monetary penalties for violation of the licensing provisions of the Atomic Energy Act or any rule, regulation, order or license issued thereunder. The amount of the penalty is limited to $5,000 for any single violation and $25,000 for all violations occurring within any period of 30 consecutive days.

II. AGREEMENTS FOR COOPERATION

A. Civil: Under the provisions of the Atomic Energy Act of 1954, as amended, proposed agreements for cooperation in the peaceful uses of nuclear energy between the United States and other nations must be submitted to the Joint Committee and a period of thirty days must elapse while Congress is in session before such agreements become effective. In accordance with such procedures, five civil agreements, with the approval of the President were submitted to the committee by the Department of State and the Atomic Energy Commission during 1969.

Two of the submitted agreements were for research activities only. One effected amendments to the existing agreement with Iran and the other superseded the agreement with Portugal. The remaining agreements included power production activities as well as research functions. Of these, the agreement with Venezuela was to be amended while the agreements with Argentina and Austria were superseded. All of the new agreements reflected the updated provisions for private ownership of special nuclear materials provided in the 1964 legislation as well as application of safeguards inspection procedures by the International Atomic Energy Agency (I.A.E.A.) to assure that material is not diverted to other than peaceful purposes.

In addition, the U.S.-I.A.W.A. bilateral agreement for Application of Safeguards to U.S. Reactor Facilities was extended by mutual agreement, for a six month period to expire on January 31, 1970. That program assists the International Agency in developing and improving its safeguards competence.

B. Military: Under the Atomic Energy Act of 1954, as amended, proposed agreements for cooperation with another nation or with a regional defense organization involving development, utilization and control of atomic energy for military purposes in the interest of mutual defense and security, are required to be submitted to the Joint Committee for a period of sixty days while Congress is in session before becoming effective.

On March 10 the committee held hearings in executive session on an amendment to the Agreement between the United States and the United Kingdom for Cooperation on the Uses of Atomic Energy for Mutual Defense Purposes of July 3, 1958.

The amendment which would provide for the transfer of nuclear fuel for the United Kingdom's submarine program prior to December 31, 1979 was submitted to the Congress just prior to adjournment in November 1968.

The representatives of the Atomic Energy Commission and the State Department agreed to make arrangements with the U.K. to insure that the negotiating record with the U.K. indicates that the uses that may be made by the U.K. of the materials to be furnished by the U.S. are clearly understood. This has been accomplished.

The 60 days ended March 13, 1969 and the amendment became effective on March 28, 1969.

III. INFORMATIONAL HEARINGS

A. Environmental Effects of Producing Electric Power: On October 28, 29, 30 and 31 and November 4, 5, 6 and 7, the Joint Committee held Phase I of its public hearings on the environmental effects of producing electric power from all types of electric powerplants. During this phase testimony was received from the Federal agencies and organizations having responsibility in these matters, namely: Science Advisor to the President, the Federal Power Commission, the Atomic Energy Commission, the Department of the Interior, the Department of Health, Education, and Welfare, the Federal Radiation Council, and the Department of Agriculture.

Information was received with respect to the policies of the Executive Departments on matters of air and water pollution, thermal effects, adequacy of radiation criteria and standards and related matters. The Joint Committee print of this hearing record, entitled "Environmental Effects of Producing Electrical Power, Part I." to be published in early January 1970, will contain a compendium of information on chemical effluents, thermal discharges, and radioactive liquid and gaseous releases from conventional and nuclear powerplants, which is without parallel.

Phase II of these hearings is scheduled to be conducted early in 1970 and will afford an opportunity for representatives of State governments, private industry, environmental groups, and the public-at-large to present testimony furnishing their own views as a well as commenting upon those already presented by the Government agencies during Phase I of the hearings.

B. Radiation Standards for Uranium Mining: On March 17 and 18 the Joint Committee's Subcommittee on Research, Development, and Radiation held hearings on the subject of radiation standards for uranium mining. The committee looked into the requirements that the uranium mining industries would be expected to meet, the epidemiological studies forming the basis for the radiation standards, and the reasons for delay in Federal Radiation Council action toward arriving at a standard. Subsequent to these hearings the Secretary of Health, Education and Welfare appointed a special review committee to perform a continuing review of the situation regarding uranium mining standards. In addition, the Secretary of Labor, after meeting with representatives of uranium mining companies, developed a revised guideline for the processing of "variation requests."

C. Future Ownership of the AEC's Gaseous Diffusion Plants: During extended hearings which began on July 8 and 9 and continued on August 5, 7 and 8, the Joint Committee considered the question of future ownership and operation of the AEC's uranium enrichment facilities. These plants are presently the only available means for the provision of uranium enrichment services required by the rapidly expanding U.S. private nuclear power industry, and constitute the one significant link in the nuclear fuel cycle remaining under Government ownership and operation. The production facilities, which are located at Oak Ridge, Tennessee; Paducah, Kentucky; and Porthmouth, Ohio, represent a Government investment of approximately $2.3 billion.

Witnesses who testified during these hearings represented the Atomic Energy Commission, the General Accounting Office, American Public Power Association, Atomic Industrial Forum, Consolidated Edison Company of New York, Consolidated Enrichment Corporation, Edison Electric Institute, National Coal Association, National Rural Electric Cooperative Association, and the Tennessee Valley Authority. Mr. Philip Sporn, testifying on his own behalf, also appeared as a witness. The record of these hearings was published in December under the title "Future Ownership of the AEC's Gaseous Diffusion Plants."

Testimony during these hearings indicated a diversity of views as to whether the plants should be transferred to private purchasers, a government corporation, or some other form of ownership, or should remain within the AEC. There were also varying views as to the timing of any such transfer.

Subsequent to the hearings and after consultation between White House officials and members of the Joint Committee, President Nixon announced on November 10 that he was requesting the AEC to continue to operate the enrichment plants, but under a separate Directorate within AEC. The President expressed the view that the Federal Government's responsibility for uranium enrichment should eventually be ended; however, AEC operation of the enrichment facilities should continue until such time as "various national interests" would best be served by the sale of the facilities to the private sector. In the interim, the President said, the AEC is to "carry on the AEC's businesslike management of plant operations and establish separate accounts fully reflecting commercial criteria for financial accounting."

On November 10, shortly after the President's announcement the Chairman of the Joint Committee issued a statement in which he generally applauded the President's plan to retain the plants under Government ownership until the day arrives—"assuming the day does arrive," he added—that they can be sold to industry "under circumstances that fully protect the public interest. . . ." Chairman Holifield expressed disappointment that the Presidential announcement set forth no specific plans to fund needed improvements to the enrichment plants. In this regard, Representative Holifield said:

"President Nixon has not yet faced up to the urgent need for starting construction for plant improvements needed to provide the additional enrichment capacity to fuel the nuclear plants which will come on line in the late 1970's.

"Reliance on present enrichment service sales without a definite commitment on the part of the Administration to support an appropriation of at least $130 million in the fiscal 1971 budget introduces an element of uncertainty which I fear will affect new acquisition of nuclear plants by electric utilities. If the Administration decides it cannot make such a budgetary commitment in the near future, I think it should advocate a self-funding Government corporation, so that assurance of funding can be arranged without further delay." [1]

In light of the Presidential announcement, the AEC is now reexamining its enrichment service charges to determine whether any change in pricing policies is required as a result of the proposed new operating procedures. In view of the potentially critical importance of this matter to the entire nuclear industry, the Chairman of the Committee has requested that the AEC submit the results of its review to the Committee immediately upon completion, and keep the Committee fully and currently informed of all significant interim developments in this connection.

D. The Antiballistic Missile Program: On March 4, the Joint Committee held two hearings in executive session on ABM. Representatives of the Department of Defense and of the Atomic Energy Commission presented testimony concerning aspects of the U.S. ballistic missile defense program including concept, capability, reliability, vulnerability, and command and control functions.

In early 1968 the Joint Committee announced that it had asked the General Accounting Office to maintain a surveillance of the actions being taken in connection with the proposed ABM system. The Committee has requested the GAO to continue such a review and analysis of this important program.

On August 6, 1969 the Senate defeated by a vote of 51–49 an antideployment amendment concerning the SAFEGUARD ABM system, and on December 8 the House voted to appropriate funds for initial deployment.

E. Safeguards Under Limited Test Ban Treaty: The Joint Committee has continued to maintain a careful scrutiny of the Department of Defense and the Atomic Energy Commission activities in support of the four safeguards established in connection with the Limited Nuclear Test Ban Treaty.

In 1963 during the debate on the Limited Nuclear Test Ban Treaty the Senate was assured by the Executive Department that our national security would not be jeopardized if the Treaty were signed because four "safeguards" were being instituted to insure that the United States would not be taken by surprise if the terms of the Treaty were violated. These safeguards are:

(1) the conduct of a comprehensive, aggressive underground nuclear weapons testing program;

(2) the maintenance of modern nuclear weapons laboratories;

(3) the maintenance of the necessary personnel and facilities to resume atmospheric testing on short notice in the event of an abrogation of the Treaty by the Soviet Union; and

(4) the improvement of our capability to monitor the terms of the Treaty, to detect violations and to maintain our knowledge of Sino-Soviet nuclear activities.

During the AEC FY 1970 authorization hearings on April 17, the Chairman of the AEC stated:

"The fiscal year 1970 estimate for the off-continent test readiness program will permit maintenance of essential elements of the current readiness capability while we embark on certain new activities related to the attainment of the goals of the new national nuclear test readiness plan."

On October 30, the Chairman of the Joint Committee was informed by letter from the Deputy Secretary of Defense that because of budget restrictions the Joint Task Force charged with maintaining atmospheric test readiness would be disbanded, although a small planning office would be attached to the Washington Headquarters of the Defense Atomic Support Agency.

The Joint Committee is concerned that safeguard provisions adopted in 1963 are being eroded. In the event that the Treaty is abrogated the United States may find itself in the same difficult position it was in 1961 when the USSR broke the "informal" moratorium on nuclear testing in the atmosphere. In this connection the Chairman of the Joint Committee requested the Chairman of the AEC to provide certain classified information which the committee will evaluate prior to proceeding further.

F. Naval Reactor Program: On April 23, the Joint Committee held hearings in executive session on the naval nuclear propulsion program. At these hearings three extremely important issues were discussed: (1) the rapidly expanding Soviet naval threat, (2) the need for a vigorous nuclear submarine development and construction program, and (3) the need for upgrading our nuclear powered surface naval striking forces.

It is clear from Admiral Rickover's testimony and the testimony of other Department of Defense, Navy and Central Intelligence Agency officials to various committees of Congress that the Soviet Union is embarked on a program which receals a singular awareness of the importance of seapower and an unmistakable resolve to become the most powerful maritime force in the world.

The Joint Committee concluded its hearings on this matter by reaffirming in the Foreword to these hearings that the Congress must take the initiative to insure that the new warships we build for our first line naval striking force will have nuclear propulsion, and to insure that the program for improving and building nuclear submarines is aggressively pursued. The hearings entitled "Naval Nuclear Propulsion Program—1969" were published in June 1969.

G. Food Irradiation: During FY 1970 authorization hearings on April 17, testimony showed that the AEC had asked the Bureau of the Budget to include in the AEC FY 1970 budget request a total of $1,450,000 for the two food irradiation programs, $700,000 in Eulogy and Medicine program, and $750,000 in Isotopes Development Program. Subsequently when the proposed AEC budget was submitted to the Congress, the entire $1,450,000 had been deleted and the AEC's food irradiation program was eliminated.

The Joint Committee, in its report on the authorization bill, recommended that $750,000 be restored to the budget for the purpose of conducting the Division of Isotopes Development's low dose radiation preservation studies. While no appropriations were approved for this program for FY '70, both Houses did indicate in their respective reports, that the program should be continued by using other available program funds.

The Joint Committee believes that this program has the potential for achieving far-reaching benefits and expects to continue to support work in this field.

H. Confirmation Hearings: The Senate Section of the Joint Committee met in public session on May 22 to consider the nomination of Theos J. Thompson to be a member of the Atomic Energy Commission for the remainder of the term expiring June 30, 1971. The Senate confirmed the nomination on May 26. Theos Thompson replaced Gerald F. Tape.

On August 7, the Senate Section of the Joint Committee met in public session to consider the nomination of Clarence E. Larson to be a member of the Atomic Energy

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[1] The full texts of the President's, AEC and the Joint Committee's November 10 announcements are printed on pages H 11161–H 11163, November 19, 1969 Congressional Record.

Commission for the term of five years expiring June 30, 1974. The Senate confirmed the nomination on August 8. This position was held by Francesco Costagliola whose term expired on June 30, 1969.

IV. CLASSIFIED ACTIVITIES

A. NATO: The Joint Committee continues to follow closely developments in NATO particularly the plans and programs promulgated by NATO's Nuclear Planning Group for possible response to aggression from the East.

An associated matter of concern to the Committee is the protection of classified information in NATO. In the past several years there have been significant security leaks in NATO. The most recent incident involving apparent compromise of classified information was revealed to the public by the arrest last August of a French national employed by NATO. He was charged with a "grave breach of security."

B. Intelligence Briefings: Representatives of the Central Intelligence Agency, the Department of Defense and the Atomic Energy Commission have presented briefings to the Committee on intelligence matters with particular reference to Communist China and the USSR.

C. Strategic Arms Limitation Talks (SALT): On November 17 the United States and the Soviet Union began talks on strategic arms limitation in Helsinki, Finland. In connection with these talks, the Chairman of the Joint Committee has exchanged correspondence with the Secretary of State and the Director of the Arms Control and Disarmament Agency. The Committee believes that these discussions bear significantly on U.S. national security and expects to follow very closely developments in this vitally important area.

D. AEC Rocky Flats Plant Fire: On May 11, a major fire occurred at the Rocky Flats Plant of the AEC. The plant, which is 21 miles northwest of Denver, Colorado, produces plutonium parts for nuclear weapons. The facility is operated for the AEC by the Dow Chemical Company. The fire, which caused an estimated $45 million damage, occurred in Building 776–777. Several million more dollars will be required to recycle the plutonium involved in the fire and for decontamination of the building. Very little of the plutonium in the fire will not be recoverable for reconversion from the oxide to metal.

The Joint Committee sent a staff representative to the scene to provide the Committee with a first hand report on this matter Subsequently the Joint Committee strongly urged the AEC to re-evaluate practices and procedures at Rocky Flats and other AEC installations with particular reference to improving fire prevention and fire protection.

V. OTHER ACTIVITIES

A. IAEA: A representative of the Joint Committee on Atomic Energy participated in the 13th General Conference of the International Atomic Energy Agency (IAEA) which began September 23. The Conference representatives stressed the importance of developing effective world-wide safeguard inspection procedures to insure that nuclear material is not diverted from peaceful purposes to nuclear weapons development. It is expected that Euratom and IAEA will be discussing in detail ways and means of working out mutually acceptable inspection procedures to implement Article III of the NPT following the signature by West Germany of the Treaty.

B. Nuclear Test, Amchitka, Alaska: Congressman Chet Holifield, Chairman of the Joint Committee, was present at the control point on the island of Amchitka, Alaska, when a nuclear device of about one megaton was detonated underground on Thursday, October 2. Preceding the test, despite the assurances of the Atomic Energy Commission and its consultants that the test would be safely conducted, there were numerous groups and individuals both in and out of Alaska who opposed the test because of fear of possible aftershock and tsunami problems as well as concern for possible effects on the ecology.

In a statement on the Floor of the House (Congressional Record of October 6, 1969, p. 28714) upon his return, Mr. Holifield reported," . . . the test was successful in every phase . . . the explosion's register on the Richter scale was exactly as predicted . . . There was no release of fission products to the atmosphere . . . There was no deleterious effect upon the ecology that could be traced to that event . . . The particular test on Amchitka Island has been watched closely by the Joint Committee since it was proposed some 3 years ago. We have been aware of every state of its development. We have approved the program as being essential to the national security."

C. National Accelerator Laboratory: The President's FY '70 budget requested $96 million for construction for the National Accelerator Laboratory and the 200 BeV accelerator now under construction at Batavia, Illinois. This sum was reduced to $64 million by the House and increased to $70 million by a House-Senate Conference. A study made earlier in the year by the AEC had indicated that to keep construction on schedule and to produce a first proton beam by July 1972 would require a minimum of $89 million for FY 1970 construction funds. It was estimated that funding below $89 million, for example, at the $50–60 million level would result in a one year delay and an increase in costs of $30 million above the estimated total of $250 million.

A major concern of the Joint Committee is that the scientific experts now assembled to design and supervise construction of the accelerator will become discouraged and seek employment elsewhere; thus, the 200 BeV could be delayed further. Should this happen, the United States would remain in second place in the field of experimental high energy physics, behind the Soviet Union which now has a 76 BeV accelerator at Serpukhov. At present the largest U.S. accelerator operates at about 33 BeV.

D. Nuclear Power on the Moon: The Apollo–12 astronauts left on the Moon four experiments, a central data processor and a radio system for data transmission. This Apollo Lunar Surface Experiment Package (ALSEP) is powered by a nuclear generator which uses the heat of decay of plutonium 0238. The heat is applied to one side of a series of thermoelectric devices which generate electricity directly. This nuclear electrical generator, which has no moving parts, is the Space Nuclear Auxiliary Power System. It is the sole source of power for ALSEP.

The experiments, which are expected to record data for at least a year, are a passive seismic experiment, a lunar surface magnetometer, a solar wind spectrometer, and suprathermal ion detector. The SNAP–27 generator should be functioning normally significantly longer than a year. A complete description of the moon experiments powered by the SNAP–327 nuclear power supply was placed in the Congressional Record of December 8, page 37746, by Chairman Holifield.

Two other nuclear electrical generators are also powering systems in space. The SNAP–19 is providing most of the power for the Nimbus weather satellite and the SNAP–3 navigational satellite, launched in 1961, is still operating.

E. Medical Advances: The Joint Committee has for several years encouraged the clinical research program of Dr. George C. Cotzias and his colleagues at the AEC's Brookhaven National Laboratory in the use of L-dopa for the clinical treatment of neurological diseases, with primary emphasis on Parkinson's disease. L-dopa also significantly helps miners with chronic manganese poisoning. The latest use has been against another neurological disease—dystomia musculorum deformans—which seriously affects children by twisting its victim's limbs and sometimes by making them writhe uncontrollably from head to foot.

Dr. Cotzias was awarded the Albert Lasker award in November 1969 for having developed the protocol which demonstrated the effectiveness of large daily doses of L-dopa in the treatment of Parkinson's disease. Dr. Cotzias' efforts were described by the New England Journal of Medicine as "the most important contribution to medical therapy of a neurological disease in the past 50 years."

TRIBUTE TO HON. DOMINICK V. DANIELS

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PERKINS. Mr. Speaker, on June 3 of this year our distinguished colleague from New Jersey (Mr. Daniels), as chairman of the Select Subcommittee on Labor, initiated what I believe are monumental hearings on legislation to encourage States to improve their workmen's compensation laws and to assure adequate coverage and benefits to employees injured in the mining industry. The specific legislation under consideration at that time was H.R. 11476.

Mr. Daniels, as chairman of that subcommittee, diligently covered the field of workman's compensation law in intensive hearings throughout the month of June, concluding on July 15. It was largely due to the work of that subcommittee, under his leadership, that the benefit payment provisions to miners suffering from black lung disease and to the widows of miners who have died due to this disease were incorporated in the provisions of the Federal coal mine health and safety legislation which this Congress has just cleared and sent to the President for signature.

Mr. Daniels' subcommittee, in executive session and in many meetings with staff and experts in the field, worked on all aspects of the problem of providing benefits to miners and their families where the miner, because of his exposure to coal dust, was no longer able to support his family. It is a great credit to his ability as a legislator, as a lawyer, and as a person sensitive to the needs of a group of citizens of this country who have long been ignored that title IV of the Federal Coal Mine Health and Safety Act of 1969 will soon be law. I would not want the first session of the 91st Congress to conclude without having made these observations. The monumental forward step taken in assuring healthy and safe working conditions in mines may have obscured the equally monumental legislative accomplishment that is represented by the final clearance by the House and Senate of title IV of this act.

CONTROVERSIAL MRS. MITCHELL

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, for a while the gaucheries of Mrs. John Mitchell were good for a laugh.

But when she sees fit to ridicule Swahili, the lingua franca of much of Africa, a language which an increasing number of young black Americans are studying, it is time for some one to say: Enough.

Apparently, the Attorney General is amused by it all. Then, perhaps the President should politely but firmly ask Mrs. Mitchell to mind her manners.

The following article appeared in the Washington Post for Tuesday, December 16:

MARTHA MITCHELL SPEAKS UP

(By Dorothy McCardle)

Attorney General John N. Mitchell's popularity has slipped to second place at the Justice Department when it comes to mail and requests for speeches.

"The Justice Department mail is overwhelmingly for my wife these days," he said last night. "Everybody writes to her.

"I used to get a lot of requests for speeches, too. Not any more. They all want my wife."

The Mitchells returned to the Washington party scene after a holiday in Florida, which followed Mrs. Mitchell's controversial statements on television and to the press. She caused a sensation when she called peace demonstrators "liberal Communists."

The Mitchells were among the 70 guests entertained at the George Town Club by Robert Keith Gray, former Secretary to the Cabinet in the Eisenhower Administration. Former First Lady Mamie Eisenhower came down from Gettysburg for the party, which was given in honor of Secretary of Defense and Mrs. Melvin R. Laird.

Martha Mitchell, who has been variously reported as under "house arrest" and "gag rule" by her husband, was beaming, and he was beaming proudly her way. Both were full of fun and laughter over all the talk she has stirred up.

"Gag Martha?" quipped Mitchell. "That would be impossible."

Will she make these speeches?

"Yes, indeed, just as soon as she learns to speak Swahili," he quipped.

In fact, she is ready for plenty more interviews, her husband said, "so long as they are conducted in Swahili."

"Want to hear some Swahili?" quipped Martha Mitchell, and she squeaked her tongue in and out as everybody laughed.

She was wearing a beige evening gown, heavily encrusted in brilliants, by Harvey Beren. She said a waiter had spilled ice cream down her back first time she wore it in New York.

"I always try to create a little fun wherever I go," she said. "The one trouble about Florida was that there weren't any Washington newspapers with all those stories about me."

The Attorney General said he had enjoyed comedian Bob Hope's comments about his wife at the White House Sunday night.

The Attorney General never stopped smiling until talk turned to his own job.

"I've got a terrible job," he said. "But it's a job that needs to be done, and I'm here to try to do it for the President."

Mr. Speaker, it is of course possible that Dorothy McCardle's account was inaccurate or unfair. If so, then a public correction and apology should be made.

Do I make too much of the incident? A brilliant writer, Nicholas von Hoffman, writing in today's Washington Post, suggests that I do not. As Mr. von Hoffman points out, the Attorney General and his wife, who are reported very fearful of revolutionary activity in this country, ought to reflect on whether their behavior could be contributing to the very thing they fear.

Mr. von Hoffman might have reminded his readers of another high society lady who reportedly said: "If they have no bread, let them eat cake."

I call attention particularly to the penultimate paragraph of Mr. von Hoffman's article:

[From the Washington Post, Dec. 1, 1969]

REVOLUTION

(By Nicholas von Hoffman)

It is impossible to date a mood, a psychological era. But if the beginning are lost it is retrospectively obvious that some time in the middle years of this decade we began to feel differently about ourselves. We began to relish and cultivate a sense of doom and revenge; we spoke of the Fire Next Time and we liked the feelings the thought of fear induced in us; we spoke of Armageddon and Apocalypse like people who wanted what the rest of mankind dreads.

We ascended the helix of violence, crime, confrontation, counter-confrontation, riot, arson and assassination as though we were going through a sexual experience. We enjoyed it. We proclaimed ourselves the sick society with a necrophiliac delight in the pathology of pathology. After each act of bloodletting we were not content with seeing it on the TV screen; we had commissions to dredge it up again, show us the killing in new lights and use the analysis of the latest acts of savagery as grounds to predict yet more. Our violence commissions and their reports never lead to legislation—their function is to soothsay the doom we delight in hearing prognosticated.

In the last months new elements have become discernible in the mood. The first is suspicion. There are now millions of people who believe their phones are being tapped. Congressmen, senators, high government and business officials presume it in their belief that the government is increasingly in the hands of spies and blackmailers. In the most unlikely and exalted places there is talk of repression and concentration camps.

The second is the talk of revolution. Six or seven years ago only paranoid reactionaries gabbled about revolution. For everybody else the subject was laughable. Now the word is used everywhere and all the time, and not merely as metaphor or hyperbole as in the Dodge Rebellion or the Sexual Revolution.

People say the word again and again, meaning they expect in some vague, indefinite, but not too far future time, a violent, political upheaval will come to pass. The word is tossed around thoughtlessly but with the connotation that it will solve our problems, take care of everything, make us well. If you try to pin people down as to how this last and most awful political act is going to make anything better, you don't get answers; you get emotional expectations. Their words in reply suggest that a great welling up and solidifying of masses of people will provide a purging, a burning and a purification of the great, collective, social soul. They talk like people drained of energy who see the revolution as a dynamo of massive, undifferentiated human force which recharges and revives them.

Such talk centers among the rich and the near rich. It began among the young but it's spread to the parents and the grandparents so you can hear dowager millionairesses drop casual remarks about the revolution.

The prevalency of revolutionary talk has sprung up in two or three years. Maybe it's simply a fashion and, like bell-bottom trousers, people will tire of it, but that's not certain. We don't know much about revolutions, but what we do know makes it impossible to shrug off the conversations as having no consequence.

It has been observed that no government or master class has ever been overthrown from below. They've committed suicide. (We're speaking of true revolutions, not putsches, coup de'etats or CIA palace takeovers.) The rulers, the rich, the people with presumably the most stake in the status quo lose faith in themselves and belief in the goodness and worthwhileness of both their duties and their heritage.

The revolutionary talk isn't coming primarily from blacks or white factory workers or Mexican farm labor but from the top, from people with money and people with means to broadcast their ideas and convince others. It is this fact that makes it highly unlikely that, the Constitution aside, the government will indulge in the wholesale political repressions that are forever being predicted. The government isn't going to put its own children in jail. Black Panthers, of course, are a totally different question.

This rage for revolution, so common in the western world, derives from feelings and beliefs that are often admirable and courageous. When you see a Sarah Lawrence or a Yale boy working on a production line to start a revolutionary cadre, it's hard not to salute them for their selflessness, but their altruism doesn't make what they're doing less reckless or badly thought out.

"We know to our sorrow that freedom has been better preserved where no revolution ever broke out, no matter how outrageous the circumtsances of the powers that be, and that there exist more civil liberties even in countries where the revolution was defeated than in those where the revolutions have been victorious," writes Hannah Arendt in one of the few good books on the subject (*On Revolution*, Viking Press, N.Y., 1965, $1.65).

But people with the revolutionary rage in them take freedom and civil liberties for granted in their justifiable anguish over such questions as racism, war and poverty. What they forget is that there is no reason to think pulling down the formal, governmental structure of the country can solve these problems while there is every reason to believe a revolution will add new ones.

The great problem a revolution would bring with it would be the establishing of any other kind of government that the American people could accept as legitimate. It doesn't matter how much good can be said for it; the fact is that every revolutionary government goes through the tortures of the damned trying to achieve the legitimation and acceptance which bring stability and the possibility of going forward with any kind of social or economic program.

The legitimation of the American government is the Constitution, a document which we revere with considerably greater and realer piety than we do our various religions. We do it not only because it actually is an amazing political creation but because it is nearly 200 years old, and we believe in it in a sense that is more than patriotic, more than governmental. It cannot be replaced by something better because we believe in it, our Constitution, nobody else's, and it is this which gives the system legitimate authority, stability and therefore the possibility of quiet and humane improvement and perfection.

One of the most alarming aspects of the kind of talk we're getting now is a discrediting attack on the Constitution's authority. Arendt puts it this way, "Revolutions always appear to succeed with amazing ease in their initial stage, and the reason is that the men who make them first only pick up the power of a regime in plain disintegration; they are consequences but never the causes of the downfall of political authority . . . The loss of authority in the powers-that-be, which indeed precedes all revolutions, is actually a secret to no one, since its manifestations are open and tangible, though not necessarily spectacular; but its symptoms, general dissatisfactions, widespread malaise, and contempt for those in power, are difficult to pin down since their meaning is never unequivocal."

That's where we are now. The Constitution, our stabilizer, our continuity, our guarantee of freedom for those who have it and our promise for those who don't, is suffering authority drainage. But as Miss Arendt says, the picture is equivocal. The revolutionary enragees bring the final and binding laws into contempt, but so does the Attorney General who is reported smiling while his wife runs off at the mouth at parties making tasteless, racist imitations of somebody speaking Swahili.

If you think you're a revolutionary, know what you're getting all of us into, and if you're not, don't talk like one.

THE FUTURE OF MICRONESIA

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, yesterday, in the course of two special orders, my able colleague, the gentleman from New York (Mr. Carey), and I discussed the situation in the Trust Territory of the Pacific Islands, now known as Micronesia. The gentleman from Arizona (Mr. Udall) also contributed to the discussion. I refer to pages 39858 to 39866 of the Record.

During the colloquy between the gentleman from New York (Mr. Carey) and myself, some difference of opinion emerged as to the degree to which the United States may proceed on its own, without the approval of the U.N. Trusteeship Council and the Security Council, to make arrangements for the self-determination of the Micronesians to which we are committed. My friend and colleague suggested that, because Micronesia is characterized as a "strategic trust territory" under the U.N. Charter, the United States has wider latitude in this regard than was true of the other states administering trust territories. I must record my disagreement.

A strategic trust territory is different from others mainly in that the administering authority may establish bases and station forces there, and in that the Security Council, rather than the General Assembly, is the U.N. body which has jurisdiction.

Of the 11 original trust agreements, nine have been terminated after a process of self-determination under procedures approved by the appropriate U.N. bodies. I have never before heard it suggested that the procedure in this regard would be any different for a strategic trust territory.

In order that the Members of Congress and other readers of the Record may be reminded of the degree to which our administration and the ultimate disposition of the Trust Territory of the Pacific Islands is subject to the United Nations Charter and U.N. procedures, I insert herewith the text of the trusteeship agreement and the relevant articles of the U.N. Charter:

Trusteeship for Former Japanese Mandated Islands—Agreement Approved by the Security Council of the United Nations April 2, 1947

Approved by the President of the United States of America July 18, 1947, Pursuant to Authority Granted by Joint Resolution of the Congress of the United States of America July 18, 1947

Entered into Force July 18, 1947

PREAMBLE

Whereas Article 75 of the Charter of the United Nations[1] provides for the etsablishment of an international trusteeship system for the administration and supervision of such territories as may be placed thereunder by subsequent agreements; and

Whereas under Article 77 of the said Charter the trusteeship system may be applied to territories now held under mandate; and

Whereas on 17 December 1920 the Council of the League of Nations confirmed a mandate for the former German islands north of the equator to Japan, to be administered in accordance with Article 22 of the Covenant of the League of Nations; and

Whereas Japan, as a result of the Second World War, has ceased to exercise any authority in these islands;

Now, THEREFORE, the Security Council of the United Nations, having satisfied itself that the relevant articles of the Charter have been complied with, hereby resolves to approve the following terms of trusteeship for the Pacific Islands formerly under mandate to Japan.

ARTICLE 1

The Territory of the Pacific Islands, consisting of the islands formerly held by Japan under mandate in accordance with Article 22 of the Covenant of the League of Nations, is hereby designated as a strategic area and placed under the trusteeship system established in the Charter of the United Nations. The Territory of the Pacific Islands is hereinafter referred to as the trust territory.

ARTICLE 2

The United States of America is designated as the administering authority of the trust territory.

ARTICLE 3

The administering authority shall have full power of administration, legislation, and jurisdiction over the territory subject to the provisions of this agreement, and may apply to the trust territory, subject to any modifications which the administering authority may consider desirable, such of the laws of the United States as it may deem appropriate to local conditions and requirements.

ARTICLE 4

The administering authority, in discharging the obligations of trusteeship in the trust territory, shall act in accordance with the Charter of the United Nations, and the provisions of this agreement, and shall, as specified in Article 83 (2) of the Charter, apply the objectives of the international trusteeship system, as set forth in Article 76 of the Charter, to the people of the trust territory.

ARTICLE 5

In discharging its obligations under Article 76(a) and Article 84, of the Charter, the administering authority shall ensure that the trust territory shall play its part, in accordance with the Charter of the United Nations, in the maintenance of international peace and security. To this end the administering authority shall be entitled:

1. to establish naval, military and air bases and to erect fortifications in the trust territory;
2. to station and employ armed forces in the territory; and
3. to make use of volunteer forces, facilities and assistance from the trust territory in carrying out the obligations towards the Security Council undertaken in this regard by the administering authority, as well as for the local defense and the maintenance of law and order within the trust territory.

ARTICLE 6

In discharging its obligations under Article 76(b) of the Charter, the administering authority shall:

1. foster the development of such political institutions as are suited to the trust territory and shall promote the development of the inhabitants of the trust territory toward self-government or independence, as may be appropriate to the particular circumstances of the trust territory and its peoples and the freely expressed wishes of the peoples concerned; and to this end shall give to the inhabitants of the trust territory a progressively increasing share in the administrative services in the territory; shall develop their participation in government; shall give due recognition to the customs of the inhabitants in providing a system of law for the territory; and shall take other appropriate measures toward these ends;
2. promote the economic advancement and self-sufficiency of the inhabitants, and to this end shall regulate the use of natural resources; encourage the development of fisheries, agriculture, and industries; protect the inhabitants against the loss of their lands and resources; and improve the means of transportation and communication;
3. promote the social advancement of the inhabitants, and to this end shall protect the rights and fundamental freedoms of all elements of the population without discrimination; protect the health of the inhabitants; control the traffic in arms and ammunition, opium and other dangerous drugs, and alcohol and other spirituous beverages; and institute such other regulations as may be necessary to protect the inhabitants against social abuses; and
4. promote the educational advancement of the inhabitants, and to this end shall take steps toward the establishment of a general system of elementary education; facilitate the vocational and cultural advancement of the population; and shall encourage qualified students to pursue higher education, including training on the professional level.

ARTICLE 7

In discharging its obligations under Article 76(c), of the Charter, the administering authority shall guarantee to the inhabitants of the trust territory freedom of conscience, and, subject only to the requirements of public order and security, freedom of speech, of the press, and of assembly; freedom of worship, and of religious teaching; and freedom of migration and movement.

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[1] Treaty Series 993, 59 Stat. 1031.

ARTICLE 8

1. In discharging its obligations under Article 76(d) of the Charter, as defined by Article 83(2) of the Charter, the administering authority, subject to the requirements of security, and the obligation to promote the advancement of the inhabitants, shall accord to nationals of each Member of the United Nations and to companies and associations organized in conformity with the laws of such Member, treatment in the trust territory no less favourable than that accorded therein to nationals, companies and associations of any other United Nation except the administering authority.

2. The administering authority shall ensure equal treatment to the Members of the United Nations and their nationals in the administration of justice.

3. Nothing in this Article shall be so construed as to accord traffic rights to aircraft flying into and out of the trust territory. Such rights shall be subject to agreement between the administering authority and the state whose nationality such aircraft possesses.

4. The administering authority may negotiate and conclude commercial and other treaties and agreements with Members of the United Nations and other states, designed to attain for the inhabitants of the trust territory treatment by the Members of the United Nations and other states no less favourable than that granted by them to the nationals of other states. The Security Council may recommend, or invite other organs of the United Nations to consider and recommend, what rights the inhabitants of the trust territory should acquire in consideration of the rights obtained by Members of the United Nations in the trust territory.

ARTICLE 9

The administering authority shall be entitled to constitute the trust territory into a customs, fiscal, or administrative union or federation with other territories under United States jurisdiction and to establish common services between such territories and the trust territory where such measures are not inconsistent with the basic objectives of the International Trusteeship System and with the terms of this agreement.

ARTICLE 10

The administering authority, acting under the provisions of Article 3 of this agreement, may accept membership in any regional advisory commission, regional authority, or technical organization, or other voluntary association of states, may co-operate with specialized international bodies, public or private, and may engage in other forms of international co-operation.

ARTICLE 11

1. The administering authority shall take the necessary steps to provide the status of citizenship of the trust territory for the inhabitants of the trust territory.

2. The administering authority shall afford diplomatic and consular protection to inhabitants of the trust territory when outside the territorial limits of the trust territory or of the territory of the administering authority.

ARTICLE 12

The administering authority shall enact such legislation as may be necessary to place the provisions of this agreement in effect in the trust territory.

ARTICLE 13

The provisions of Articles 87 and 88 of the Charter shall be applicable to the trust territory, provided that the administering authority may determine the extent of their applicability to any areas which may from time to time be specified by it as closed for security reasons.

ARTICLE 14

The administering authority undertakes to apply in the trust territory the provisions of any international conventions and recommendations which may be appropriate to the particular circumstances of the trust territory and which would be conducive to the achievement of the basic objectives of Article 6 of this agreement.

ARTICLE 15

The terms of the present agreement shall not be altered, amended or terminated without the consent of the administering authority.

ARTICLE 16

The present agreement shall come into force when approved by the Security Council of the United Nations and by the Government of the United States after due constitutional process.[2]

Certified corrected true copy.

For the Security Council Affairs Department.

D. PROTITCH,
Director in Charge of Security Council Affairs Department.

CHAPTER XII—INTERNATIONAL TRUSTEESHIP SYSTEM

ARTICLE 75

The United Nations shall establish under its authority an international trusteeship system for the administration and supervision of such territories as may be placed thereunder by subsequent individual agreements. These territories are hereinafter referred to as trust territories.

ARTICLE 76

The basic objectives of the trusteeship system, in accordance with the Purposes of the United Nations laid down in Article 1 of the present Charter, shall be:

a. to further international peace and security;

b. to promote the political, economic, social, and educational advancement of the inhabitants of the trust territories, and their progressive development towards self-government or independence as may be appropriate to the particular circumstances of each territory and its peoples and the freely expressed wishes of the peoples concerned, and as may be provided by the terms of each trusteeship agreement;

c. to encourage respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language, or religion, and to encourage recognition of the interdependence of the peoples of the world; and

d. to ensure equal treatment in social, economic, and commercial matters for all Members of the United Nations and their nationals, and also equal treatment for the latter in the administration of justice, without prejudice to the attainment of the foregoing objectives and subject to the provisions of Article 80.

ARTICLE 77

1. The trusteeship system shall apply to such territories in the following categories as may be placed thereunder by means of trusteeship agreements:

a. territories now held under mandate;

b. territories which may be detached from enemy states as a result of the Second World War; and

c. territories voluntarily placed under the system by states responsible for their administration.

2. It will be a matter for subsequent agreement as to which territories in the foregoing categories will be brought under the trusteeship system and upon what terms.

ARTICLE 78

The trusteeship system shall not apply to territories which have become Members of the United Nations, relationship among which shall be based on respect for the principle of sovereign equality.

ARTICLE 79

The terms of trusteeship for each territory to be placed under the trusteeship system, including any alteration or amendment, shall be agreed upon by the states directly concerned, including the mandatory power in the case of territories held under mandate by a Member of the United Nations, and shall be approved as provided for in Articles 83 and 85.

ARTICLE 80

1. Except as may be agreed upon in individual trusteeship agreements, made under Articles 77, 79, and 81, placing each territory under the trusteeship system, and until such agreements have been concluded, nothing in this Chapter shall be construed in or of itself to alter in any manner the rights whatsoever of any states or any peoples or the terms of existing international instruments to which Members of the United Nations may respectively be parties.

2. Paragraph 1 of this Article shall not be interpreted as giving grounds for delay or postponement of the negotiation and conclusion of agreements for placing mandated and other territories under the trusteeship system as provided for in Article 77.

ARTICLE 81

The trusteeship agreement shall in each case include the terms under which the trust territory will be administered and designate the authority which will exercise the administration of the trust territory. Such authority, hereinafter called the administering authority, may be one or more states or the Organization itself.

ARTICLE 82

There may be designated, in any trusteeship agreement, a strategic area or areas which may include part or all of the trust territory to which the agreement applies, without prejudice to any special agreement or agreements made under Article 43.

ARTICLE 83

1. All functions of the United Nations relating to strategic areas, including the approval of the terms of the trusteeship agreements and of their alteration or amendment, shall be exercised by the Security Council.

2. The basic objectives set forth in Article 76 shall be applicable to the people of each strategic area.

3. The Security Council shall, subject to the provisions of the trusteeship agreements and without prejudice to security considerations, avail itself of the assistance of the Trusteeship Council to perform those functions of the United Nations under the trusteeship system relating to political, economic, social, and educational matters in the strategic areas.

ARTICLE 84

It shall be the duty of the administering authority to ensure that the trust territory shall play its part in the maintenance of international peace and security. To this end the administering authority may make use of volunteer forces, facilities, and assistance from the trust territory in carrying out the

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[2] Approved by the Security Council of the United Nations, Apr. 2, 1947; and by the Government of the United States of America, July 18, 1947.

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obligations towards the Security Council undertaken in this regard by the administering authority, as well as for local defense and the maintenance of law and order within the trust territory.

ARTICLE 85

1. The functions of the United Nations with regard to trusteeship agreements for all areas not designated as strategic, including the approval of the terms of the trusteeship agreements and of their alteration or amendment, shall be exercised by the General Assembly.

2. The Trusteeship Council, operating under the authority of the General Assembly, shall assist the General Assembly in carrying out these functions.

CHAPTER XIII—THE TRUSTEESHIP COUNCIL

COMPOSITION

Article 86

1. The Trusteeship Council shall consist of the following Members of the United Nations:

a. those Members administering trust territories;

b. such of those Members mentioned by name in Article 23 as are not administering trust territories; and

c. as many other Members elected for three-year terms by the General Assembly as may be necessary to ensure that the total number of members of the Trusteeship Council is equally divided between those Members of the United Nations which administer trust territories and those which do not.

2. Each member of the Trusteeship Council shall designate one specially qualified person to represent it therein.

FUNCTIONS AND POWERS

Article 87

The General Assembly and, under its authority, the Trusteeship Council, in carrying out their functions, may:

a. consider reports submitted by the administering authority;

b. accept petitions and examine them in consultation with the administering authority;

c. provide for periodic visits to the respective trust territories at times agreed upon with the administering authority; and

d. take these and other actions in conformity with the terms of the trusteeship agreements.

Article 88

The Trusteeship Council shall formulate a questionnaire on the political, economic, social, and educational advancement of the inhabitants of each trust territory, and the administering authority for each trust territory within the competence of the General shall make an annual report to the General Assembly upon the basis of such questionnaire.

VOTING

Article 89

1. Each member of the Trusteeship Council shall have one vote.

2. Decisions of the Trusteeship Council shall be made by a majority of the members present and voting.

PROCEDURE

Article 90

1. The Trusteeship Council shall adopt its own rules of procedure, including the method of selecting its President.

2. The Trusteeship Council shall meet as required in accordance with its rules, which shall include provision for the convening of meetings on the request of a majority of its members.

Article 91

The Trusteeship Council shall, when appropriate, avail itself of the assistance of the Economic and Social Council and of the specialized agencies in regard to matters with which they are respectively concerned.

WHO IS TO BLAME

(Mr. GIAIMO asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GIAIMO. Mr. Speaker, yesterday's Washington Post carried a letter to the editor from my friend and colleague, the distinguished chairman of the Committee on Appropriations. This letter is particularly significant because it describes accurately and impartially some of the reasons for this year's disgraceful delay in the appropriation process.

While the administration has blamed the Congress for much of this delay, and vice versa, Chairman MAHON stated correctly that the blame for this extraordinary delay must be shared by all those responsible for recommending amounts and appropriating them. The chairman also points out that one of the key reasons for delay in this process is the requirement that "enactment of authorization bills must precede appropriations."

The efforts of our colleagues on the various authorizing committees are worthy of our praise, for these committees are examining more programs—most of which are extremely complex—than ever before. This close scrutiny of our programs is vital if we in the Congress are to fulfill our responsibility to the taxpayers of this Nation. There comes a time, however, when we must stop scrutinizing and start funding.

In order to expedite passage of appropriation bills, my colleague from New Hampshire (Mr. WYMAN) has introduced House Resolution 557, which provides that after the beginning of each fiscal year appropriation bills may be considered even though their authorizations have not been enacted into law. As a cosponsor of this measure, I want to emphasize that this resolution is not intended in any way to dilute the powers or duties of the authorizing committees.

The Committee on Rules is now considering proposals to change the dates of the fiscal year. I strongly support such proposals. It is obvious that the present July 1 to June 30 fiscal year—a relic from the days when Congress was in session for only a few months each year—is no longer adequate for our complex federal system.

As we conclude this session of Congress under threat of a special session, the time has come for us to seriously contemplate changing the fiscal year and changing the rules under which appropriation bills are considered. Only by making these and other changes can we supply the people of this Nation with the modern, efficient, economical Government which they will need in the 1970's and beyond.

In order to clarify this situation and to make it clear what we must do to remedy it, I wish to include at this point in the RECORD the letter of Chairman MAHON to the editor of the Washington Post:

HOUSE APPROPIATIONS CHAIRMAN'S REVIEW

Your editorial of Dec. 11, "The Money Bills for Christmas," makes sharp reference to the delays in enactment of the appropriation bills, apportioning the blame among the administration and both houses of Congress. But the record will clearly show that the House Committee on Appropriations has not been the major stumbling block.

I agree with much of your editorial, but I must say that, in my judgment, it is not quite on the qualitative par of your editorial of Oct. 31, "Appropriations Logjam," which I thought was so perceptive and well balanced that I inserted it in the Congressional Record.

Even allowing for some extenuating circumstances—which you do—I would agree that neither the administration nor the House or Senate has done acceptably well in regard to processing the money business this year.

Next year, many of the delays inherent in setting up a new administration will not beset the executive team. This will be of inestimable value to Congress. Moreover, as chairman of the Appropriations Committee, working in cooperation with the leadership on both sides of the aisle, we have definite plans for doing a much more expeditious job.

Your editorial of Dec. 11 departs in a significant and, to me, disappointing way from the underlying assessment that blame for late appropriations can be shared generally by all those responsible for their processing. You say that much of the blame for this logjam belongs on the House side, the House leaders allowing "the managers of the money bills to amble along at their own pace instead of fixing a date for the reporting of each bill." I include a statement of the Majority Leader made on the floor of the House on Oct. 29, 1969:

"Mr. Albert . . . Further, Mr. Speaker, I want to compliment the gentleman from Texas (Mr. Mahon). Every year he has come in with a schedule or agenda of bills from his committee. He has followed it, I believe, as religiously as any committee in the House has been able to follow an agenda, and he has done an outstanding job. He has been thwarted time and time again by the lack of authorizations and by matters beyond his control . . ."

I would be deeply grateful if you would print for your readers the following facts which seem the most pertinent, since they involve the six regular appropriation bills still pending in Congress. You point out that "enactment of authorization bills must precede appropriations."

Taking the bills one by one, here is the record:

1. *Defense*. The underlying authorization bill passed the Senate Sept. 18; the House Oct 3; cleared Congress Nov. 6; signed into law Nov. 19.

The Committee on Appropriations reported the appropriation bill Dec. 3; the House passed it Dec. 8. Now in Senate.

2. *Military Construction*. Authorization bill passed House Aug. 5; the Senate Nov. 11; cleared Congress Nov. 21; signed into law Dec. 5.

The Committee on Appropriations reported the appropriation bill Nov. 12; passed House Nov. 13; passed Senate Dec. 8. Now in conference.

3. *Foreign Assistance*. Authorization bill passed House Nov. 20; on Senate floor today (Dec. 12).

The Committee on Appropriations reported the appropriation bill on Dec. 8; the House passed it Dec. 9. Now in Senate.

4. *District of Columbia*. The D.C. revenue authorization bill passed the House Aug. 11;

the Senate Oct. 13; cleared Congress Oct. 30; signed into law Oct. 31.

The Committee on Appropriations reported the appropriation bill Nov. 20; the House passed it Nov. 24; the Senate passed it Dec. 11. It is now in conference.

5. *Labor-HEW*. Despite absence of enacted authorization bills for the antipoverty program and several other programs normally funded in this bill, the Committee on Appropriations reported this bill on July 24 and the House passed it on July 31. It is now in the Senate.

6. *Transportation*. When we reported this bill on Nov. 13 and passed it on Nov. 18, it was necessary to adopt a rule making it in order despite the lack of enacted authorization bills for the urban mass transportation and traffic and highway safety programs.

This bill is still pending in the Senate.

In closing, let me commend you for your generally fair and well intentioned statements on what is perhaps the most important single business of the Congress.

GEORGE MAHON,
Chairman, House Committee on Appropriations.

WASHINGTON.

FOREIGN ASSISTANCE APPROPRIATIONS, 1970—CONFERENCE REPORT

Mr. **PASSMAN** submitted the following conference report and statement on the bill (H.R. 15149) making appropriations for foreign assistance for the fiscal year ending June 30, 1970, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 91–779)

The Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15149) "making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1970, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 7, 9, 11, 14, 23, 25, 26, 29, 30, and 42.

That the House recede from its disagreement to the amendments of the Senate numbered 10, 12, 20, 27, 32, 33, 34, 35, 36, 37, 38, 39, 40, and 41, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$353,250,000"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$166,750,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$81,500,000"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$105,000,000"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert: "$13,000,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13; and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert: "American schools and hospitals abroad (special foreign currency program): For assistance authorized by section 214(d), $3,000,000 for the University of North Africa, Tangier, Morocco; $1,000,000 for the Vocational School for the Underprivileged in Israel, and $500,000 for the Merkaz Lechinuch Ichud, Israel, in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States."

And the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$395,000,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$12,500,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$255,000,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$300,000,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert: "$37,500,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$51,000,000"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$3,700,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$404,500,000"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$9,000,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 6, 8, and 31.

OTTO E. PASSMAN,
JOHN J. ROONEY (except as to appropriations to two of the institutions on page 3 of the bill),
JULIA BUTLER HANSEN,
JEFFERY COHELAN (except as to No. 25),
CLARENCE D. LONG,
JOHN J. MCFALL,
GEORGE MAHON,
GARNER E. SHRIVER,
SILVIO O. CONTE (except as to No. 25),
DONALD W. RIEGLE, Jr.,
FRANK T. BOW,
Managers on the Part of the House.

GALE W. MCGEE,
ALLEN J. ELLENDER,
SPESSARD L. HOLLAND,
JOSEPH M. MONTOYA,
HIRAM L. FONG,
NORRIS COTTON,
JAMES B. PEARSON,
MILTON R. YOUNG,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at a conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15149) making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1970, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I—FOREIGN ASSISTANCE ACT ACTIVITIES

Funds appropriated to the President

Economic Assistance

Amendment No. 1.—*Technical assistance:* Appropriates $353,250,000 for technical assistance instead of $313,800,000 as proposed by the House and $396,870,000 as proposed by the Senate. This amount will be distributed as indicated in amendments numbers 2, 3, and 4 below.

Amendment No. 2.—Appropriates $166,750,000 for Worldwide technical assistance instead of $150,000,000 as proposed by the House and $183,500,000 as proposed by the Senate.

Amendment No. 3.—Appropriates $81,500,000 for Alliance for Progress technical assistance instead of $75,000,000 as proposed by the House and $90,750,000 as proposed by the Senate.

Amendment No. 4.—Appropriates $105,000,000 for Multilateral organization technical assistance instead of $88,800,000 as proposed by the House and $122,620,000 as proposed by the Senate.

Amendment No. 5.—Provides that not less than $13,000,000 shall be available only for the U.N. Children's Fund instead of $14,000,000 as proposed by the Senate.

Amendment No. 6.—Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment.

Amendment No. 7.—Restores limitation proposed by the House and deleted by the Senate to preclude transfers between the three different technical assistance appropriations contained in amendments 2, 3, and 4 above.

Amendment No. 8.—*American schools and hospitals abroad:* Reported in disagreement. The managers on the part of the House will offer a motion to appropriate $26,050,000 instead of $24,050,000 as proposed by the House and $24,550,000 as proposed by the Senate. The increase of $1,500,000 above the Senate bill is the result of action taken on amendments 9, 10, 11, 12, and 13 below.

In connection with this program the Committee of Conference agrees that if A.I.D. finds that any institution contained in these amendments is an institution that has received funds under this bill under another name, it shall not be eligible to receive the funds provided by this appropriation. In addition, the Committee of Conference is agreed that funds provided for the various unbudgeted institutions shall be of a "one-shot" nature and the Appropriations Committees will not consider providing funds for any institutions unless there is a budget estimate submitted by the Executive requesting funds for such institutions.

Amendment No. 9.—Appropriates $3,000,000 for the Weizmann Institute as proposed by the House instead of $2,500,000 as proposed by the Senate.

Amendment No. 10.—Appropriates $1,400,000 for Merkaz Lechinuch Ichud as proposed by the Senate instead of $1,900,000 as proposed by the House.

Amendment No. 11.—Appropriates $5,000,000 for Hadassah (expansion of medical facilities in Israel) as proposed by the House instead of $4,000,000 as proposed by the Senate.

Amendment No. 12.—Appropriates $1,200,000 for Beth Yaacov Avat Girl's School, $800,000 for the Educational Center of Galilee, and $500,000 for a hospital in Chemke, Nigeria, as proposed by the Senate.

Amendment No. 13.—*American schools and hospitals abroad (special foreign currency program)*: Appropriates $4,500,000 in in excess foreign currencies for the following institutions, $3,000,000 for the University of North Africa, Morocco; $1,000,000 for the Vocational School for the Underprivileged; and $500,000 for the Merkaz Lechinuch Ichud as proposed by the Senate. The Committee of Conference deleted local currency funds for the Weizmann Institute and for Hadassah in view of its action on Amendments 9 and 11.

Amendment No. 14.—*Prototype desalting plant:* Appropriates $20,000,000 as proposed by the House to finance planning, design and specifications only. No part of the recommended appropriation is to be used for constuction until the proposed project has been reviewed by the appropriate committees of the Congress.

Amendment No. 15.—*Supporting assistance:* Appropriates $395,000,000 instead of $300,000,000 as proposed by the House and $414,600,000 as proposed by the Senate.

Amendment No. 16.—*Contingency fund:* Appropriates $12,500,000 instead of $10,000,000 as proposed by the House and $15,000,000 as proposed by the Senate.

Amendment No. 17.—*Alliance for Progress, development loans:* Appropriates $255,000,000 instead of $200,000,000 as proposed by the House and $337,500,000 as proposed by the Senate.

Amendment No. 18.—*Development loans:* Appropriates $300,000,000 instead of $265,000,000 as proposed by the House and $350,000,000 as proposed by the Senate.

Amendment No. 19.—*Overseas Private Investment Corporation, reserves:* Appropriates $37,500,000 instead of $75,000,000 as proposed by the Senate.

Amendment No. 20.—*Overseas Private Investment Corporation, capital:* Appropriates funds (estimated to be $20,000,000 in fiscal year 1970) as proposed by the Senate for use as a revolving loan fund to make dollar loans for high priority development projects in the developing countries.

Amendment No. 21.—*Administrative expenses, A.I.D.:* Appropriates $51,000,000 instead of $50,000,000 as proposed by the House and $51,125,000 as proposed by the Senate.

Amendment No. 22.—*Administrative expenses, State:* Appropriates $3,700,000 instead of $3,500,000 as proposed by the House and $3,730,000 as proposed by the Senate.

Military Assistance

Amendments Nos. 23, 24, 25 and 26.—*Military Assistance:* Insert appropriate section numbers; appropriate $404,500,000 instead of $454,500,000 as proposed by the House and $350,000,000 as proposed by the Senate; and restore language deleted by the Senate earmarking $54,500,000 for the Republic of China.

General Provisions

Amendment No. 27.—Deletes language proposed by the House and stricken by the Senate prohibiting the furnishing of economic assistance to any country which furnishes economic assistance to Communist China.

Amendment No. 28.—Makes available not more than $9,000,000 for research under Sec. 205(a) of the Foreign Assistance Act of 1961, as amended, instead of $8,000,000 as proposed by the House and $10,000,000 as proposed by the Senate.

Amendment No. 29.—Restores language proposed by the House and stricken by the Senate regarding the withholding of economic assistance to any underdeveloped country which purchases sophisticated weapons systems.

Amendment No. 30.—Conforms section number.

Amendment No. 31.—Reported in technical disagreement. The managers on the part of the House will offer a motion to restore the language proposed by the House with an amendment conforming certain section numbers in this bill to appropriate section numbers in the Foreign Assistance Act of 1969.

TITLE II—FOREIGN MILITARY CREDIT SALES

Amendment No. 32.—Deletes language proposed by the House and stricken by the Senate providing funds for expenses of foreign military credit sales.

TITLE III—FOREIGN ASSISTANCE (OTHER)

Amendment No. 33.—Conforms title number.

Peace Corps

Amendment No. 34.—Appropriates $98,450,000 as proposed by the Senate instead of $95,000,000 as proposed by the House.

Department of the Army—Civil Functions

Ryukyu Islands, Army, Administration

Amendment No. 35.—Appropriates $18,790,000 as proposed by the Senate instead of $14,000,000 as proposed by the House.

Amendment No. 36.—Makes available for administrative and information expenses $3,151,000 as proposed by the Senate instead of $3,100,000 as proposed by the House.

TITLE IV—EXPORT-IMPORT BANK OF THE UNITED STATES

Amendment No. 37.—Conforms title number.

Amendment No. 38.—Makes available $3,427,413,000 for program activity as proposed by the Senate instead of $2,537,343,000 as proposed by the House.

Amendment No. 39.—Makes available $2,420,000,000 for equipment and service loans as proposed by the Senate instead of $1,972,200,000 as proposed by the House.

Amendment No. 40.—Makes available $5,548,000 for administrative expenses as proposed by the Senate instead of $5,280,000 as proposed by the House.

TITLE V—GENERAL PROVISIONS

Amendment No. 41.—Conforms title number.

Amendment No. 42.—Deletes language proposed by the Senate prohibiting expenditure of appropriated funds in excess of those authorized to be appropriated for the fiscal year 1970.

Otto E. Passman,
John J. Rooney (except as to appropriations to two of the institutions on page 3 of the bill),
Julia Butler Hansen,
Jeffery Cohelan, (except as to No. 25),
Clarence D. Long,
John J. McFall,
George Mahon,
Garner E. Shriver,
Silvio O. Conte (except as to No. 25),
Donald W. Riegle, Jr.,
Frank T. Bow,
Managers on the Part of the House.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. Conyers (at the request of Mr. O'Hara), for an indefinite period beginning the week of December 15, on account of illness.

Mr. Corman, for Friday, December 19, 1969, on account of official business.

Mr. Pepper (at the request of Mr. Sikes), for December 19 and 20, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Pettis); to address the House and to revise and extend their remarks and include extraneous matter:)

Mr. Hogan, for 5 minutes, today.

Mr. Miller of Ohio, for 5 minutes, today.

(The following Members (at the request of Mr. Daniel of Virginia); to revise and extend their remarks and to include extraneous matter:)

Mr. Flood, for 10 minutes, today.

Mr. Gonzalez, for 10 minutes, today.

Mr. Monagan, for 20 minutes, today; to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. Jones of Tennessee); to revise and extend their remarks and include extraneous matter:)

Mr. Dent, for 60 minutes, today.

Mr. Holifield, for 30 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Gross and to include extraneous matter.

Mr. Gross to extend his remarks prior to passage of the conference report on H.R. 15091, today.

(The following Members (at the request of Mr. Pettis) and to include extraneous matter:)

Mr. Watson in two instances.

Mr. Bell of California.

Mr. Beall of Maryland.

Mr. Springer.

Mr. McClory.

Mr. Taft in four instances.

Mr. Schwengel in two instances.

Mr. Bob Wilson.

Mr. Wyman in two instances.

Mr. Reid of New York in two instances.

Mr. McKneally.

Mr. Dellenback.

Mr. Grover.

Mr. Steiger of Wisconsin.

Mr. Conte.

Mr. Schneebeli.

Mr. Anderson of Illinois.

(The following Members (at the request of Mr. Daniel of Virginia) and to include extraneous matter:)

Mr. Stuckey.

Mr. Wolff.

Mr. St. Onge in two instances.

Mr. Matsunaga in four instances.

Mr. Long of Maryland in six instances.

Mr. Rooney of Pennsylvania in eight instances.

Mr. Daniels of New Jersey in 10 instances.

Mr. Johnson of California in two instances.

Mr. Mikva in six instances.

Mr. Scheuer.

Mr. Nichols.

Mr. Harrington in two instances.

Mr. Ryan in five instances.

Mr. Gonzalez in two instances.

Mr. Dingell in two instances.

Mr. Fisher in four instances.

Mr. Jacobs.

Mr. Rivers in three instances.

Mr. O'Neal of Georgia.

(The following Members (at the request of Mr. Jones of Tennessee) and to include extraneous material:)

Mr. Marsh in three instances.

Mr. Rooney of New York in three instances.

Mrs. Griffiths.

Mr. Patten.

Mr. Conyers in six instances.

Mr. Ottinger.

Mr. Friedel in two instances.

Mr. Helstoski.

Mr. O'Neal of Georgia.

Mr. Matsunaga in six instances.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2543. An act to prohibit the movement in interstate or foreign commerce of horses which are "sored", and for other purposes; to the Committee on Interstate and Foreign Commerce.

SENATE ENROLLED BILL AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled bill and a joint resolution of the Senate of the following titles:

S. 740. An act to establish the Cabinet Committee on Opportunities for Spanish-Speaking People, and for other purposes; and

S.J. Res. 54. Joint resolution consenting to an extension and renewal of the interstate compact to conserve oil and gas.

BILL PRESENTED TO THE PRESIDENT

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee did on December 18, 1969, present to the President, for his approval, a bill of the House of the following title:

H.R. 14916. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1970, and for other purposes.

ADJOURNMENT

Mr. JONES of Tennessee. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 7 minutes p.m.) the House adjourned until tomorrow, Saturday, December 20, 1969, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1424. A communication from the President of the United States relative to the appropriations for fiscal year 1970 for the Department of Health, Education, and Welfare, the Department of Labor, and the Office of Economic Opportunity (H. Doc. No. 91-206); to the Committee on Appropriations and ordered to be printed.

1425. A letter from the Comptroller General of the United States, transmitting a report on U.S. assistance programs in Ethiopia; to the Committee on Government Operations.

1426. A letter from the Deputy Secretary of Defense, transmitting a report of real and personal property of the Department of Defense as of June 30, 1969, pursuant to the provisions of the National Security Act of 1947, as amended; to the Committee on Armed Services.

1427. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing); transmitting notification of the location, nature, and estimated cost of certain facilities projects proposed to be undertaken for the Air Force Reserve, pursuant to the provisions of 10 U.S.C. 2233a(1); to the Committee on Armed Services.

1428. A letter from the Deputy Under Secretary of the Army (International Affairs); transmitting the index of the legislation enacted during 1969 by the Legislature of the Government of the Ryukyu Islands; to the Committee on Armed Services.

1429. A letter from the Comptroller General of the United States, transmitting a report on the effectiveness and administration of the comprehensive health services program under title II of the Economic Opportunity Act of 1964, Chicago, Ill., Office of Economic Opportunity; to the Committee on Education and Labor.

1430. A letter from the Assistant Secretary of Defense (Comptroller), transmitting the annual report of the Department of Defense relative to its disposition of foreign excess personal property located in areas outside of the United States, Puerto Rico, and the Virgin Islands for fiscal year 1969, pursuant to the provisions of section 404(d) of title IV of the Federal Property and Administrative Services Act of 1949, as amended; to the Committee on Government Operations.

1431. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Federal Food, Drug, and Cosmetic Act to establish a code system for the identification of prescription drugs, and for other purposes; to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DAWSON: Committee on Government Operations. Marketing of Federal obligations participation certificates (16th rept.) (Rept. No. 91-772). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Government Operations. Government rejected consumer items (17th rept.) (Rept No 91-773). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Government Operations. Procurement of 2.75-inch aircraft rocket launchers (Rept. No. 91-774). Referred to the Committee on the Whole House on the State of the Union.

Mr. DAWSON: Committee on Government Operations. Accident and injury data (Rept. No. 91-775). Referred to the Committee of the Whole House on the State of the Union.

Mr. POAGE: Committee on Agriculture. H.R. 11832. A bill to provide for the establishment of an international quarantine station and to permit the entry therein of animals from any other country and the subsequent movement of such animals into other parts of the United States for purposes of improving livestock breeds, and for other purposes; with amendments (Rept. No. 91-776). Referred to the Committee of the Whole House on the State of the Union.

Mr. EVINS: Select Committee on Small Business. Report on the position and problems of small business in procurements financed by the Agency for International Development (Rept. No. 91-777). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee of Conference. Conference report on S. 3016 (Rept. No. 91-778). Ordered to be printed.

Mr. PASSMAN: Committee of Conference. Conference report on H.R. 15149 (Rept. No. 81-779). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CUNNINGHAM:

H.R. 15355. A bill to amend the Small Business Act to authorize assistance to small business concerns in financing structural, operational, or other changes to meet standards required by Federal law or State law enacted in conformity therewith; to the Committee on Banking and Currency.

By Mr. FEIGHAN (for himself, Mr. Rodino, Mr. Dowdy, Mr. Eilberg, Mr. Meskill, and Mr. Dennis):

H.R. 15356. A bill to amend the Immigration and Nationality Act to facilitate the entry of certain nonimmigrants into the United States and for other purposes; to the Committee on the Judiciary.

By Mr. FREY (for himself, Mr. Haley, Mr. Cramer, Mr. Rogers of Florida, Mr. Burke of Florida, and Mr. Chappell):

H.R. 15357. A bill to provide for the establishment of a national cemetery in Florida; to the Committee on Veterans' Affairs.

By Mr. GIAIMO (for himself, Mr. Boland, Mrs. Hansen of Washington, Mr. McDade, Mr. Patten, and Mr. Reifel):

H.R. 15358. A bill to amend the National Foundation on the Arts and the Humanities Act of 1965, as amended; to the Committee on Education and Labor.

By Mr. JARMAN:

H.R. 15359. A bill to prohibit certain uses of the names of members of the Armed Forces who have died as a result of combat actions, and for other purposes; to the Committee on the Judiciary.

By Mr. McMILLAN:

H.R. 15360. A bill to amend the District of Columbia Minimum Wage Act to provide an exemption from the overtime provisions of that act for certain motor carrier employees whose hours of service are subject to regulation by the Interstate Commerce Commission; to the Committee on the District of Columbia.

By Mr. MEEDS (for himself, Mr. Daniels of New Jersey, Mr. Perkins, Mrs. Green of Oregon, Mr. Thompson of New Jersey, Mr. Dent, Mr. Brademas, Mr. Carey, Mr. Hawkins, Mr. William D. Ford, Mr. Hathaway, Mrs. Mink, Mr. Scheuer, Mr. Burton of California, Mr. Gaydos, Mr. Stokes, Mr. Clay, Mr. Powell, and Mr. Esch):

H.R. 15361. A bill to establish a pilot program designated as the Youth Conservation Corps, and for other purposes; to the Committee on Education and Labor.

By Mr. MEEDS (for himself and Mr. Blatnik, Mr. Kastenmeier, Mrs. Hansen of Washington, Mr. Adams, Mr. Foley, Mr. Dingell, Mr. Hicks, Mr. Howard, Mr. Saylor, Mr. Pelly, Mrs. May, Mr. Wyatt, and Mr. Sandman):

H.R. 15362. A bill to establish a pilot program designated as the Youth Conservation Corps, and for other purposes; to the Committee on Education and Labor.

By Mr. MIKVA (for himself, Mr. Leggett, Mr. Halpern, Mr. Harrington, Mr. Roybal, and Mr. Podell):

H.R. 15363. A bill to create an Office of Defense Review; to the Committee on Armed Services.

By Mr. MIZE:

H.R. 15364. A bill to amend the Interstate Commerce Act in order to give the Interstate Commerce Commission additional authority to alleviate freight car shortages, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. REID of New York:

H.R. 15365. A bill to provide that Federal Assistance to a State or local government or agency for rehabilitation or renovation of housing and for enforcement of local or State housing codes under the urban renewal program, the public housing program, or the model cities program, or under any other program involving the provision by State or local governments of housing or related facilities, shall be made available only on condition that the recipient submit and carry out an effective plan for eliminating the causes of lead-based paint poisoning; to the Committee on Banking and Currency.

H.R. 15366. A bill to provide Federal financial assistance to help cities and communities of the United States develop and carry out intensive local programs to eliminate the causes of lead-based paint poisoning; to the Committee on Banking and Currency.

H.R. 15367. A bill to provide Federal financial assistance to help cities and communities of the United States develop and carry out intensive local programs to detect and treat incidents of lead-based paint poisoning; to the Committee on Interstate and Foreign Commerce.

H.R. 15368. A bill to require labeling of certain packages transported in interstate commerce containing alligator hides or products made therefrom; to the Committee on the Judiciary.

By Mr. SCHNEEBELI:

H.R. 15369. A bill to amend title II of the Social Security Act to eliminate the reduction in disability insurance benefits which is presently required in the case of an individual receiving workmen's compensation benefits; to the Committee on Ways and Means.

By Mr. THOMPSON of Georgia (for himself, Mr. Collins, Mr. Broyhill of Virginia, Mr. Edwards of Alabama, Mr. Fisher, Mr. Griffin, Mr. Jarman, Mr. Kuykendall, Mr. Montgomery, Mr. Perkins, and Mr. Rivers):

H.R. 15370. A bill to prohibit public officials from operating dual school systems, and from requiring racial balance in school systems, and for other purposes; to the Committee on Education and Labor.

By Mr. WOLD:

H.R. 15371. A bill to amend the Interstate Commerce Act in order to give the Interstate Commerce Commission additional authority to alleviate freight car shortages, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ANDREWS of North Dakota:

H.R. 15372. A bill to establish a Joint Committee on Environmental Quality; to the Committee on Rules.

By Mr. BROWN of California (for himself, Mr. Burton of California, Mr. Carter, Mr. Dent, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Howard, Mr. Mikva, Mrs. Mink, Mr. Ottinger, Mr. Podell, Mr. Pollock, Mr. Thompson of New Jersey, and Mr. Wolff):

H.R. 15373. A bill to provide for the establishment of not less than seven regional law enforcement academies, and for other purposes; to the Committee on the Judiciary.

By Mr. CELLER:

H.R. 15374. A bill to amend section 355 of the Revised Statutes, as amended, concerning approval by the Attorney General of the title to lands acquired for or on behalf of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. COHELAN (for himself, Mr. Reuss, Mr. Bingham, Mr. Carey, Mr. Brasco, Mr. Tiernan, Mr. Conyers, Mr. Pepper, and Mr. Hathaway):

H.R. 15375. A bill to establish a Commission to study and investigate incidents of alleged mistreatment or other misconduct directed against citizens of South Vietnam by U.S. troops operating in Mylai 4 Hamlet, Quang Nai Province on or about March 1968; to the Committee on Armed Services.

By Mr. CONTE (for himself, Mr. Broyhill of North Carolina, Mr. Button, Mr. Horton, Mr. Kluczynski, Mr. Stanton, and Mr. Widnall):

H.R. 15376 A bill to amend the Small Business Act; to the Committee on Banking and Currency.

By Mr. CONYERS (for himself, Mr. Whalen, Mr. Bingham, Mr. Brown of California, Mr. Button, Mr. Gilbert, Mr. Helstoski, Mr. Mikva, Mr. Pepper, Mr. Podell, Mr. Rees, Mr. Reid of New York, Mr. Rosenthal, and Mr. Roybal):

H.R. 15377. A bill to establish a national program to provide income supplements to every family in need thereof; to the Committee on Ways and Means.

By Mr. FEIGHAN:

H.R. 15378. A bill to establish a joint Committee on Environmental Quality; to the Committee on Rules.

By Mr. HANSEN of Idaho (for himself and Mr. McClure):

H.R. 15379. A bill to amend the Military Personnel and Civilian Employees' Claim Act of 1964 to permit the settlement of claims for personal property loss suffered by members of the uniformed services occupying off-base quarters if such loss is attributable to a major disaster; to the Committee on the Judiciary.

By Mr. HOGAN:

H.R. 15380. A bill to exempt FHA and VA mortgages and loans from the interest and usury laws of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. McMILLAN:

H.R. 15381. A bill to amend the District of Columbia Income and Franchise Tax Act of 1947 with respect to the taxation of regulated investment companies; to the Committee on the District of Columbia.

By Mr. PERKINS:

H.R. 15382. A bill to amend the Watershed Protection and Flood Prevention Act of 1954, as amended; to the Committee on Agriculture.

H.R. 15383. A bill to provide for orderly trade in bicycles; to the Committee on Ways and Means.

By Mr. SCHEUER:

H.R. 15384. A bill to amend the Tariff Schedules of the United States to increase the exemption from duty to $300 in the case of residents of the United States returning from South America, Central America, the Caribbean, and certain other areas; to the Committee on Ways and Means.

By Mr. SIKES:

H.R. 15385. A bill to establish a Joint Committe on Environmental Quality; to the Committee on Rules.

By Mr. TIERNAN:

H.R. 15386. A bill to authorize the U.S. Commissioner of Education to establish educational programs to encourage understanding of policies and support of activities designed to enhance environmental quality and maintain ecological balance; to the Committee on Education and Labor.

By Mr. BOB WILSON:

H.R. 15387. A bill to provide additional penalties for the use of firearms in the commission of certain crimes of violence; to the Committee on the Judiciary.

H.R. 15388. A bill to amend the Internal Revenue Code of 1954 to provide for correction of inequities respecting losses of retired pay sustained by certain individuals who retired from the Armed Forces before June 1, 1958; to the Committee on Ways and Means.

By Mr. FINDLEY:

H.J. Res. 1037. Joint resolution to amend Middle East Resolution; to the Committee on Foreign Affairs.

By Mr. GROVER:

H.J. Res. 1038. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. HARRINGTON:

H.J. Res. 1039. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 or rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. O'NEILL of Massachusetts:

H.R. 15389. A bill for the relief of Nicolas Mitidieri; to the Committee on the Judiciary.

By Mr. TAYLOR:

H.R. 15390. A bill for the relief of George W. Sharman; to the Committee on the Judiciary.

By Mr. ZABLOCKI:

H.R. 15391. A bill for the relief of James E. Porter; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

359. The SPEAKER presented a petition of the City Council, Danville, Va., relative to activities of the American Electric Power Co., which was referred to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

PLIGHT OF THE FOOTWEAR INDUSTRY

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. BURKE of Massachusetts. Mr. Speaker, may I bring to the attention of the Members of the U.S. Congress a speech made by Joseph M. Corcoran, president of Jones & Vining, Inc., of Brockton, Mass., on November 14 at the Statler Hilton Hotel in Boston.

Mr. Corcoran is an outstanding businessman in my congressional district, and is highly respected by those in the footwear industry. I thought because of the nature of his remarks the Members would be interested in what he had to say.

The speech follows:

REMARKS OF JOSEPH M. CORCORAN

I think that I ought to say at the outset that we are all not only in the same industry but, considering the stormy weather we're sailing through, we're all in the same boat.

But as suppliers to the shoe industry, perhaps our perspective is a little bit different, and so I'd like to look at the problem that we all face and see if our different perspective can't help us all to chart a new course.

The basic problem, of course, is imports. Everything else springs from it, it would seem. And even if imports are not the essential problem itself, at least they are the focal point from which stem a great many other problems which can be identified.

The industry is doing some remarkably fine work in attacking the problem. A great many committees and individuals are working very hard and very sincerely to apprise Washington of the seriousness of the import situation. I would like to say at this point that I stand one hundred per cent behind every effort being made to solve this problem.

But the wheels of government, as the textile people and others have discovered, are a long time turning. By the time the tariff situation is resolved, most of us may be long gone from the shoe industry.

In the meantime, we must do something about our immediate situation before it gets any worse. Like the bee, who couldn't wait for aerodynamics to figure out a way for him to fly, we have to get off the ground right now in order to save the domestic shoe industry.

In view of this, perhaps the different perspective I mentioned can offer yet another line of attack on the problem to supplement the industry's efforts in Washington.

Retailers aren't placing *all* of their orders overseas. It's just the *initial* orders that are going to the foreign manufacturers. For reorders they come to us.

After the initial styles and sizes are sold—or almost sold—to the public, and the retailer knows which ones have caught the buyer's fancy, do they rush through more orders for these items from Europe?

They do not. They show their belated confidence in us, and their dependence upon us, by telling us to go ahead and duplicate the most popular European shoes immediately.

They tell us to go ahead full speed, tool up fast, get the machines going and the people work. We then recruit additional help through frantic, costly advertisements and other promotional tools. When the people come in, we have to train them fast, because the ones we trained last season have gone off to higher-paying, steadier jobs in other industries. To meet delivery dates, we have to pay plenty of overtime, of course.

We get the orders out. Then what happens? We have to shut down the machines and watch the help go off to other jobs while we wait for the next big rush. Today, with lower unemployment and higher pay outside the shoe industry, we've lost this season's workers and any opportunity to teach them our skills.

Another factor is the problem of cash. Now, we must have operating cash to exist. But the retailer can't pay us immediately because he's used up his cash paying on the line for European shoes. As a result, the domestic manufacturer waits anywhere from 90 to 120 days for his money.

We understand the retailer's problem. He's got a right to conduct his business to make a profit, too. But we also know that, in all American industry, there were 800 business failures last year, predominently attributable to the fact that suppliers couldn't hold on until they collected on their accounts receivable.

Today, most people are paying around 12 per cent for their money, if you average it out. If a way could be found to force the foreign factories to pay interest on the money tied up in shoes manufactured for American distribution—instead of demanding and receiving cash—it could make a difference of 25 per cent or more in their charges to our retailers. This would go a long way towards offsetting our necessarily higher costs. Narrowing the mark-down would cause the retailers to take another look at the disadvantages of purchasing abroad, because they know we produce better products faster.

They know, but they forget. We haven't told them lately. We haven't gone over with them the basic advantages of long-term savings over short-term bargains.

Footwear News, in its October 16th issue says, and I quote:

"A Footwear News check of women's shoe manufacturers found most had noticeable delays in receiving orders. But retailers' reluctance to commit themselves for spring also is attributable to uncertainty about the economy, tight money and previous commitments on imports."

Note the phrase "previous commitments on imports." If the retailers had such previous commitments on domestic orders, they'd have no such reluctance—they know us, and they know we're both flexible and dependable and we shouldn't let them forget it. We should also remind them—and ourselves—that any kind of upheaval in Europe—economic, political or war—induced—would put this country in a terrible spot if we didn't have a healthy domestic shoe industry. We can't let it go down the drain, for the retailer's sake as well as our own.

Now, you may have the impression somewhere in the back of your minds that as a representative of the last makers I'm talking to you from the sidelines—viewing your troubles from the point of non-involvement.

This isn't the case at all, but you cannot be faulted for gaining such an impression in view of some of the advertisements for foreign shoes.

You've seen ads reading "Shoes from Italy made on American lasts." "Shoes from Spain made on American lasts." "Shoes from Japan" and so forth.

These statements are just not true. I know of no foreign shoes made on American lasts. They decide on the style, make the last model here, and send it to Europe where the lasts are made in foreign factories. No domestic last manufacturer I know is producing lasts for Europe. And I know of none who are planning to.

Like you, we get into the act later, when you ask us for a rush re-order of an initial order which neither you nor we had anything to do with. We send you more of what we never sent you in the first place, just as you do with the retailer.

So we all get into the act after the retailer has found out what the public wants, based on what the foreign manufacturers gave him to sell. And we wait for our money just as you do. In fact, we wait for the same money you wait for, when you come right down to it, like the PT boats in World War II, our factories and our people are considered just as expendable as yours.

The people part is the most tragic part of any economic upheaval. Because the shoe field is a low-paying industry by American standards, we find it difficult to attract young people. What kind of long-term security can we offer them to offset the higher wages in other areas, if we're going to have to lay them off between orders?

We're certainly not going to attract these youngsters, or convince retailers and the consumer of the advantages of American-made shoes with the impression we're giving now. We are putting forth an image of an old and tired industry—a picture of old people, old factories and practically no marketing sense—in the greatest marketing nation in world history, by far.

This must make the importers happy—they don't have to do much to hasten our doom. We've made a do-it-ourselves project out of the situation.

Now, I'm not going to go any further about our problem without proposing a solution. It's basic, and it can be acted upon right away. It takes work, of course, but it's the kind of work we know how—or used to know how—to do better than anyone.

You may remember that the Last Makers Association wholeheartedly recommended the adoption of the Battelle Institute's report on sizings and gradings. We did this because we felt strongly that the substitutions of over-all standard grades would eliminate the specific size tariff problem and not sacrifice fit or fashion.

This alone would offer the retailer a major advantage. The Europeans leave him stranded with no inventory of the most popular sizes and styles, and foist on us the chore of producing them on the double.

We can forecast the styles and sizes which will be most in demand. We know what Europe is doing as soon as they know, if not before. And we can produce a variety of sizes so that the retailer will have the ones he needs most, the ones he won't be stuck with. The less called for sizes will still be available to him and he will be able to reorder the ones that are in demand from the supplier he ordered them from in the first place.

Here is our opportunity to restore our rightful place in the market. But we have to let the retailer know that we are wide awake, not old and stodgy. We've got to reflect confidence in ourselves and our tradition as the greatest marketing nation in the world. We're not kids on our first date—we're not asking for the order, we're insisting on it, because we know we can produce. We want the retailer to know it.

We should begin immediately to concentrate on better marketing programs—from the actual person-to-person hard sell through all the ancillary back-up of the most sophisticated promotional, display and advertising material.

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We've got to convince the retailer that we can anticipate the shoe styles and sizes that will sell, just as well, if not better than the Europeans can. We know what Americans want in other fields—why not in footwear?

The Europeans, as I said, are producing from our basic last models. We can certainly make lasts and shoes from our own basic models. We can produce them faster, deliver them faster, handle re-orders immediately, and turn out a better, more durable all-around product.

That leaves the problem of costs. The Europeans can undersell us. Can this be solved? I believe so.

Starting with domestic manufacturers from the beginning is going to give the retailer advantages which will outweigh his apparent big mark-up on foreign shoes.

We should remind the retailer that, with us—as he's undoubtedly learning now—his shoes will be delivered, if we are the initial manufacturers, when he wants them. This goes for both his first orders and his re-orders. With the domestic manufacturer already tooled up, re-orders can be handled speedily, efficiently and with no worry about time-lag, during which the consumer can change his mind about styles, or simply become impatient and decide to wait until next year to buy any but the most basic shoes out of necessity.

And—through us, or because of us—the retailer's commitments, which later become previous commitments, are completely flexible, as opposed to rigid, non-cancelable orders placed overseas.

Still on the American vs. European cost differential, we must show the retailer that it is inefficient as well as expensive to go abroad on a one-shot deal. He finds out that style XYZ is a runaway popularity winner. Then, knowing that the Europeans will only accept cash for re-orders, to be delivered sometime or other, he must wait for the new shipments to cross the ocean. So he comes to us and has to wait anyway. This simply wouldn't be the case if he had ordered from us in the first place. When he pulls us in after the barn door is closed, he can't reasonably expect fast production.

I believe we can show the retailer why they should order from us in the first place. I suspect that we've been beefing about a problem whose practical aspects could well unravel the whole situation. Have you reminded a retailer lately that with us he doesn't have to tie up cash immediately, as he does abroad. That he doesn't have to limit his quantities in case a style or grade doesn't sell? That with us he doesn't have to gamble on a suddenly-popular shoe not being produced immediately to meet the demand?

You might call this hard-sell. But it's at least selling facts. Or you might call it "Hard-Reminding", telling the retailers facts they once knew, before the so-called mark-up advantages blotted out all other considerations.

We must radiate more confidence; confidence that we can produce and reproduce in a hurry, especially if we're in on the job from the beginning, which we should be. We must show the confidence that we have the talents to provide variety and style in shoes, just as we do in clothes and automobiles and food and thousands of other products.

And, every once in awhile, we must keep inserting the thought that they don't have to tie up their cash when they're dealing with us.

Nobody believes that the Europeans are better marketers than we are. But they have taken chapters from our marketing texts and used them to sell our retailers. And they've done it in a hurry—they're quick studies. As recently as 1960, when the only imports in any quantity were coming in from England, their "packaging" consisted of two shoes tied together with shoelaces—no attractive wrapping or point-of-sale back-up promotion.

Unless you believe that all our marketing know-how and marketing experts have left our shores for Europe, you have every reason to believe that we *can* still take advantage of American creative promotional expertise.

Basically, what I'm saying is that while we should keep pounding on the doors in Washington, we can't wait for the portals to open if we are to survive.

We must understand that our position against imports is soundly based in economics, and we must make the position clear to the retailer. We must organize our facts, and sell hard to show the retailer that *his* future—not just ours—resides in a sound domestic shoe industry, and not in blinding short-term gains.

The story is as old as Faust. You get a lot now, but you give away your soul for it tomorrow. And we'd better sell hard on this point, because if we don't sell it, we've lost the right to survive. We've got to be the vigorous industry we once were, or we've lost the right to ask for anything.

We reflect confidence when we breathe slowly, instead of gasping. And we'll all breathe easier when it dawns on us that we can get back to the business of building a strong shoe industry in America.

We can build such an industry if we do our job right. And an important part of this job will be done if you merely point out one major truth to your customers.

That truth is this: a strong basic shoe manufacturing industry is as vital to the retailer's existence as it is to ours.

Because, if we go by the boards, the European manufacturer will have a stranglehold on the American retailer—what will mark-ups mean then?

And, if the domestic shoe manufacturing industry passes into limbo, why can't the European manufacturer, in addition to raising prices as high as he likes, also start his own retailing chains in America?

The caption under a recent cartoon in Leather and Shoes reads:

"I always bought my shoes cheaper from Franklin Discount, and I'd be right there today if they hadn't gone out of business."

That's what I mean. Thank you.

FAILURE TO PASS EXTENSION OF VOTING RIGHTS ACT OF 1965

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. DANIELS of New Jersey. Mr. Speaker, last week the House, by a margin of only a few votes failed to support the extension of one of the most important and effective legislative endeavors in the long struggle for civil rights—the extension of the Voting Rights Act of 1965.

When the act was first passed in 1965 we were convinced that it would take at least a decade to correct the injustice which had developed over the past century. Political expedience, however, required that the 1965 act have a lifetime of only 5 years.

I shall not go into the statistical evidence of the success of the 1965 act except to note that in the six States fully covered by the act, Negro voter registration rose in 3 years from 877,000 in 1965 to 1,617,000 in 1968. In the one State not fully covered, Negro voter registration rose by 60,000 in the same 3 years. It had been hoped that another million Negro voters, who had until now been afraid to vote, could be registered.

The 1965 act was basic in that it not only recognized the constitutional right to vote but enforced the means to obtain and retain the right as well.

Some of us too often forget that the Constitution is meant to be followed in all cases and all circumstances. By so doing the American system will prosper.

The Constitution was not meant to be followed only when convenient or when following it does not cause us discomfort or hamper our ambition. By so doing the American system will fail those who keep the faith as well as those who misuse it. The consistent deprivation of rights of one particular group of citizens, whether they are black or white or poor or old is a cancerous weakness in any democracy. It will infect even the healthiest portion of the body politic.

I have now considerable concern about the radicalization of an increasing number of middle-class working Negroes who are just now coming into the "establishment." These people, believing that their own hard work and the support of their rights by the Government have put them within reach of success and true equality, may lose faith in the system and join the radical fringes if they become convinced that the Congress will not protect their guaranteed rights.

GALLUP, N. MEX., HONORS OUR SERVICEMEN

HON. ED FOREMAN

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. FOREMAN. Mr. Speaker, every community in this great Nation has servicemen who have served, or are serving, in Vietnam. We are very proud of our young American servicemen. This week in the city of Gallup, N. Mex., the community is recognizing the dedication of one of their servicemen. Sp4c. Santos Abeyta is an example of our outstanding New Mexico residents in the Armed Forces—young men we can be proud of because of their dedication to the American cause of peace and freedom.

Specialist Abeyta has just returned from Vietnam. He distinguished himself by exceptional service and was awarded the Bronze Star Medal for meritorius service, and the Army Commendation Medal with the Oak Leaf Cluster.

In awarding just one of these medals Army officials stated:

> Private First Class Abeyta distinguished himself by exceptional heroism in connection with military operations against an armed hostile force in the Republic of Vietnam on 30 May 1969 while assigned to Company C, 4th Battalion, 12th Infantry, 199th Light Infantry Brigade. On that date, Private First Class Abeyta was participating in a reconnaissance in force operation when his unit came under intense hostile small arms fire. As his squad maneuvered to protective cover, Private First Class Abeyta exposed himself to the withering enemy fire long enough to draw their fire and determine their exact location. Having determined the enemy's po-

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sition, he and his squad leader assaulted the concealed position and succeeded in neutralizing it. His alert and aggressive actions contributed immeasurably to the defeat of the enemy force with no casualties among his fellow soldiers. Private First Class Abeyta's valorious action and devotion to duty were in keeping with the highest traditions of the military service and reflect great credit upon himself, the 199th Light Infantry Brigade and the United States Army.

As the residents of Gallup and radio station KGAK honor Specialist Abeyta and his family, I know the Members of Congress will want to join me in expressing appreciation to our dedicated servicemen and wishing them and their loved ones a peaceful, happy holiday season.

WALK FOR DEVELOPMENT

HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. ERLENBORN. Mr. Speaker, there is a project called Walk for Development, which is sponsored by the American Freedom from Hunger Foundation, 1717 H Street NW., Washington, D.C. 20006. This project raises money to help poor people and, more important, gets young people involved in the problems of their less fortunate contemporaries.

In order to make his walk useful, each participant must first persuade one or more adult sponsors to contribute to the charities, which have been announced in advance. Sponsor contributions vary. Some pay 25 cents a mile, some a dollar. Some young people walk for one sponsor, some for a hundred, some for even more.

One of these Walks for Development was held last May in DuPage County, Ill.

The difficulties of organizing this walk were described in an article which appeared in a recent issue of Good Housekeeping magazine. Because of some legal technicalities, which were troublesome but altogether proper, the money was impounded by the attorney general of Illinois for a time.

It was released, however, in time so that more than $77,000 could be turned over at Thanksgiving time to help people in Illinois, in Mississippi, in India, and in Biafra.

This is a time when many young people have been misled into violence, destruction and hate. In such a time, it is refreshing to hear of 5,000 youngsters and a few adults who would undertake a 30-mile walk. None has ever known real hunger or poverty, but their impulses are toward kindliness, wholesomeness, and charity.

Mr. Speaker, I insert the following excerpts from the Good Housekeeping article in the RECORD:

THEY WALK TO FEED THE HUNGRY

(By Charles and Bonnie Remberg)

Just the day before, 3,000 young people had invaded tiny Zap, North Dakota. In a drunken orgy of window-smashing and firesetting, they had roamed the streets and left the helpless village in shambles.

Now, more than 800 miles away, the early Sunday-morning stillness found some 5,000 teen-agers massed on a high school football field in the tranquil Chicago suburb of Villa Park, Illinois.

Tense excitement crackled through the crowd as speakers shouted from a platform to deafening cheers. Suddenly, the mob broke from the field and surged into the street. Those in the lead were running. Filling the pavement curb-to-curb, the teens headed for a middle-class residential section, where many families were still asleep.

Gleefully, a handsome eighteen-year-old named Chuck Steinbach, the driving force behind the youthful throng, leaped to the platform for a better view. "My God!" he shouted. "There's no stopping them now." For, as far as he could see, a mighty human river rolled resolutely forward. . . .

Startled homeowners who stumbled, still in nightclothes, to their picture windows may have felt apprehensive at first. But before that day last May was over, adults in Villa Park and surrounding communities realized that these young people stood in sharp contrast to their peers at Zap and other sites of recent adolescent destructiveness. Instead of hell-raising, these teen-agers were on a "Walk for Development," peacefully giving their energy to help fight widespread and growing human hunger.

Such walks began in this country about a year ago, under the auspices of the American Freedom from Hunger Foundation in Washington, D.C., a private, nonprofit organization supported by leaders in business, labor, social welfare, agriculture and education. Since then, an estimated 150,000 largely-middle-class young people, from 35 communities, ranging in size from Aurora, Iowa (population 600) to Los Angeles, have turned their "sole power" into dollars for the needy.

Each walker recruits "sponsors" to pay him, from a few cents to several dollars, for every mile he hikes over a charted 26- to 32-mile course. So the youngsters not only draw public attention to the problem of hunger but earn hard cash for a variety of imaginative self-help anti-poverty projects in the United States and abroad. Thus far, youthful walkers have raised almost $1,000,000, with more walks scheduled for this fall.

* * * * *

The Villa Park, Illinois, walk was started by high school senior Chuck Steinbach. The son of a television repairman, Chuck is a soft-spoken young man with sideburns and a Bobby Kennedy mop of brown hair, a mind keen enough to put him on the dean's list, and a personal magnetism that made him student-council president at Villa Park's sprawling Willowbrook High School. Although he grew up amidst the flowering trees and comfortable homes of Chicago's western suburbs, he has what friends call "exceptional sensitivity" for the less fortunate. "When Chuck looks at a picture of a starving kid in Biafra," says Richard Cargill, the student council's faculty adviser, "I think he *feels* hunger."

During the summer of 1968, with Biafra much in headlines, Chuck grew increasingly aware of hunger as a mounting world crisis. He read expert predictions that within the next three decades, as the world's population doubles, millions will die of famine. Already seven persons every minute are dying worldwide from malnutrition and starvation, and one child in three now living will carry for life the irreversible effects of food deficiencies. Even in the United States, the most affluent nation on the globe, government researchers estimate that at least 10,000,000 impoverished men, women and children suffer from inadequate diets. "I could see that hunger is linked to a whole range of social problems—war, racism, political chaos, poverty," Chuck recalls. "But like most other people, I didn't see how I could help."

Then at a church youth conference, he heard about the Foundation's walks. Curious, he drove to Madison, Wisconsin, and on November 16 joined in one with 5,500 other hiking youngsters.

"It was one of the most moving experiences of my life," he remembers. * * *

By early last February, Chuck Steinbach had formed a "core committee" of thirteen enthusiastic students from eleven suburban high schools and colleges to organize a Walk for Development in Villa Park and adjacent communities.

On the surface, the group seemed almost hopelessly diverse. One was a boy who spent nearly all his spare time at the library; a few had been involved in such activities as voluntarily tutoring ghetto children; several were style- and popularity-conscious youngsters whose main interests were parties and school-sponsored events, and another was a boy who had compiled one of the worst disciplinary records at his high school.

All, however, were committed to a single philosophy. Explains Tom McDermott, a freshman at Elmhurst College: "We wanted to show other students that it's possible to help improve society without being disruptive and destructive. And we wanted to wake up the adult community to the problem of hunger and to communicate that kids can be responsible when given a chance to do something meaningful."

With May 11, Mother's Day, agreed upon as the walk date, the committee began attacking the problems of organization, coordination and troubleshooting, all the while scrambling to stay abreast of school obligations and part-time jobs.

From the Foundation, they obtained a long list of carefully researched foreign self-help projects needing assistance. They chose two to help: an institute in Lucknow, India, that teaches young farmers literacy and new agricultural methods, and a center in Biafra which is establishing a weaving industry for displaced persons. As part of their learning process, however, committee members themselves were to ferret out deserving domestic projects.

For more than two months, a subcommittee headed by Jan Wallinder, seventeen, followed leads supplied by social agencies, church groups and antipoverty organizations in the Chicago area. To their surprise, they discovered that hidden among the affluence of their own DuPage County (where, in Chuck's words, "Most of us equate hunger with not having a second dessert") was considerable hard-core poverty. Census statistics revealed that at least 4,300 families in the county fall below the poverty line, including some who live nineteen to a two-bedroom apartment or who exist on beans and bread in flooded basements and rat-run shacks.

Certain that publicity about such need so close to home would shock the uninformed, Jan and her group kept digging until they discovered a newly formed organization called Project HOPE. It had been started by concerned citizens in nearby Wheaton to buy and rehabilitate homes with volunteer funds and rent them cheaply to welfare mothers and their children. Then, through personal counseling from HOPE members, families could learn to utilize their own talents and resources to shake off the yoke of poverty.

As the second domestic beneficiary, the committee chose the Delta Ministry, an interfaith program aimed at making unemployed Mississippi fieldworkers economically self-sufficient.

As word of the walk spread, students from more than eighteen high schools and six colleges from throughout the western suburbs wanted to join in, so schools chairman Tom McDermott took on the massive job of organizing subcore committees in each school to handle publicity and walker registration. Other committee members tracked down amateur radio operators and rescue squads to operate a communications network on the day of the walk. Still others persuaded adults to man the thirteen checkpoints that would be set up every few miles along the route where sponsor cards could be stamped to show the mileage covered. In addition, there were hundreds of "Sole Power" lapel buttons to be made and sold to cover organizing costs; press releases to be written and news conferences conducted speaking engagements about world hunger to be lined up during a whirlwind visit by Wolf and a United Nations food expert; bank accounts to be opened; tax receipts to be distributed to contributing sponsors; toilet and food facilities for 5,000 to 10,000 walkers to be arranged.

Just laying out the 30-mile route mushroomed into a logistics nightmare. Chuck and route chairman Jill Feldmann, seventeen, spent hours driving suburban streets before settling on a course that began and ended at Willowbrook High School and twisted through five suburbs. They spent long nights poring over law books to be certain that their plans conformed with village ordinances because, as Chuck explains, "The idea was to work within the law and walk within the law." They appeared before village boards to explain their cause and persuade city officials to grant parade permits, and then they had to confer with police officials to coordinate manpower deployment and traffic control for the walk day.

Not everything went perfectly, however. "We were always fighting the fear people have of kids," Jill says. "It seems that when they think of students getting together these days, they usually think of riots." Also, the teens discovered, in some suburban areas many persons still oppose efforts to aid the poor and the sending of money overseas. Policies at some schools prohibited publicizing walk plans. Trustees on one village board delayed nearly a month before finally granting a walk permit; another town refused to okay the solicitation of sponsors. When the committee wrote to 150 area churches asking for help in making sandwiches for the walk and in spreading information about world hunger, only twenty responded. "Some kids who had never been involved in anything before were discouraged by all the doors that closed," says nineteen-year-old Cathy Johnston, who served as Chuck's coordinator. "But they learned to keep going until they found doors that opened."

By the time the walk was just ten days off, students were eagerly pursuing sponsors. Enthusiasm was high.

Then trouble surfaced that made earlier problems seem like minor annoyances.

Right-wing elements in the western suburbs suddenly began issuing a barrage of false accusations. The Foundation was a Communist front, the extremists charged, and the teen-agers were trying to "undermine a fundamental American institution" by hiking on Mother's Day. Some of the proceeds would be pocketed by the kids instead of being given to the poor, some opponents asserted, and the Foundation would keep at least 65 percent of the money raised. One critic even saw evidence of a diabolical plot in the fact the the line of walkers would temporarily block off residential driveways. A "newsletter," filled with innuendo and insinuation, was widely distributed and a telephone campaign was launched to urge parents to withdraw permission for their children to walk and sponsors to cancel their pledges.

"After all their work, the kids were pretty shook at first," recalls Mrs. Linda Eller, a suburban youth leader. "But they realized they had a responsibility to fulfill, and in the face of this intense hostility they forged ahead."

On the Friday night before Mother's Day, the committee held mass sandwich-making parties with bread, cheese and peanut butter donated by local businesses. Saturday they put up route markers and tied up scores of loose ends. That night, Chuck was so exhausted he couldn't sleep. "All that work," he kept thinking, "and tomorrow is it."

Mother's Day dawned to a cloudless sky, and by 6 A.M. young people were starting to gather on Willowbrook's grounds. White kids in hippie garb and blacks with Afro hairdos milled together with girls in bell-bottoms and sandals and boys with hiking boots and knapsacks. Kids whose parents had dropped them off in expensive cars stood talking to a boy who had walked in from Aurora, Illinois, 25 miles away. Whole families, including grandparents, stood hand in hand. Many teens had brought younger brothers and sisters. Ministers who were sponsored by their congregations, and teachers sponsored by their students, arrived to walk. One boy flashed sponsor cards bearing almost 250 names. High school track teams and college fraternities and sororities had challenged each other, and some carried hand-lettered signs reading, "30 miles on a dare, show the world how much you care." A young woman in a wheelchair and two retarded youths waited quietly for the walk to begin.

By eight o'clock, a crowd of more than 5,000 filled the school's athletic field. When core committee member Jay Lyons climbed onto a platform and shouted, "How many are going 30 today?" the responding cheer was ear-splitting.

Then a state legislator began calling out the names of schools represented. The mob was fired into action. The six track teams broke from their positions and ran into the street, with the walkers surging after them. The Walk for Development was under way.

After the initial two and one-half miles, the curb-to-curb tide of walkers reached the first checkpoint. As they swarmed around the tables where volunteers from women's clubs and civic organizations were stamping sponsor cards, the committee presented a daisy to each mother among the walkers.

By the third checkpoint, three and one-half miles away on the shore of a lake in suburban Glen Ellyn, the dropout rate was beginning to show. Relays of "toe trucks" were picking up those who could not continue, and the thinned line kept mostly on sidewalks now. Men in radio communications cars estimated that the walk stretched for more than six miles.

By the lake, many youngsters, already blistered, tied their shoes around their necks and went barefoot. A father led his two sons in leg relaxing exercises. One eager hiker, an eight-year-old girl, admitted, "This sure gets my feets sore. But," she grinned, "I'll keep going 'cause I'm worth 70 cents a mile."

It was nearly noon when the trickle of walkers arriving at the fourth checkpoint, nine miles along the route in Wheaton, swelled to a stream. Hundreds of sandwiches were served out of new garbage cans, taped with signs that said: "We're walking because some people still have to eat from these." The walkers, many limping with pain, slumped wearily to the ground to eat. A volunteer nurse applied bandages to blistered feet.

Slowly the sky darkened, and a cool rain began. Still the walkers pushed ahead.

On the way to checkpoint six, a middle-aged housewife opened her home as a rest-room stop. By early afternoon, 150 kids an hour were trooping into her two bathrooms. "It's a wonderful way to spend Mother's Day," she declared. "We can all learn something from these kids. They're showing the good that can come if every person just does what he can on every need he meets."

At checkpoint eight, ten miles from the finish line, a rock band was on hand to boost morale. But, one hiker observed as he bandaged his numb and bleeding feet, "We're on automatic pilot now. The only thing that keeps us going is sheer will."

"Kids didn't even want to stop to rest," co-coordinator Cathy Johnston remembers, "because they knew their legs would tighten up and they wouldn't be able to walk." Along the way, grade-school children who wanted to help set up free water and fruit juice stands.

The track teams, running the full course, had arrived back at Willowbrook before one o'clock. At five, the rain over, walkers started limping in. Many had worn through their shoes and the soles of their socks.

After eight, as darkness fell and the temperature dropped, Chuck dispatched trucks to pick up those walkers still on the route. Not one would accept a ride.

The last walkers reached the edge of the school grounds at nine. Some students were carrying others whose legs had given out. One father was in the group with his seven-year-old son, and the eight-year-old girl with "sore feets," whose older sister had dropped out earlier, had walked the distance. One teen-age girl crossed the finish line and collapsed, sobbing, "I made it, I made it!"

That evening, the school had been rented to an adult theater group. As one of the playgoers arrived, he looked disdainfully around at the exhausted young people sprawled in his path. "Why don't you get these kids out of here?" he complained to officials. "People are coming here to see a drama."

It never struck him that his statement was the ultimate in irony.

In all, in this area where in Chuck's words, "people get in their cars to go across the street to the mailbox," 1,800 youngsters had crossed the finish line.

In the days that followed, the walkers hobbled back to their sponsors, displayed their stamped cards and collected more than $60,000.

Even more important than the money, potentially, was the human concern the walk had awakened. Some adults, alerted for the first time to poverty in DuPage County, are working to establish branches of Project HOPE in their own communities. Teachers are begininng to integrate studies of world hunger and the effects of malnutrition into their courses. Teen-agers are looking for other ways they can help combat poverty, and Chuck Steinbach and his committee are drafting a list of projects in the Chicago area that need volunteer aid. "There is a lot that Americans can do," says Bill Kokontis, a student from Maryknoll Seminary. "We have a lot of wealth—not just money, but healthy people with energy who can think and work."

Other towns, too, have found walks to be the catalysts for a wide variety of community involvement. In Eugene, Oregon, the mayor was so impressed with the responsibility of young people that he established an active youth-advisory council to his office. In Minneapolis, school curricula have been changed to deal more realistically with poverty and other social issues. In Buffalo, adult leaders have laid plans for working with teen-agers on a full range of community projects. In Denver and other cities, some teens, because of their walk experiences, have decided to pursue careers that deal with social problems.

At the next-to-last checkpoint on the Villa Park walk, a long-haired girl sat bandaging her feet.

"Do you thing we're going to make it?" her boy friend asked.

"Of couse we're going to make it," she answered. "I've got a feeling we're going to make it for a long time to come. Maybe tomorrow is going to be better, after all."

ALLEGED MASSACRE AT SONGMY, IN VIETNAM

HON. ALAN CRANSTON

OF CALIFORNIA

IN THE SENATE OF THE UNITED STATES

Wednesday, December 17, 1969

Mr. CRANSTON. Mr. President, the Far Eastern Economic Review, a widely read political and economic weekly published in Hong Kong, editorialized on December 4 about the alleged massacre at Songmy, in Vietnam. The editors cogently commented on that tragic incident. I believe their remarks are worthy of the attention of all Senators. I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A DIRTY WAR

When American enquiries have unearthed all the available facts about the massacre at My Lai, the name might rank with Pearl Harbour, Lidice and Hola Camp as symbols of the depths to which anger, violence frustration can reduce man. The evidence so far suggests that a unit of combat soldiers were driven to breaking point in a war against an elusive enemy who has, by terror or persuasion, won the co-operation of a sizable proportion of the population the Americans are trying to defend. For the GI in Vietnam, every civilian is a potential guerilla.

Most of the South Vietnamese people he meets are either the dregs of a de-moralised society (the pimps, the prostitutes, the blackmarketeers) or the badly-trained and poorly-led ARVN. For him, the war makes little sense; it has no obvious connection with America's national interest; it seems impossible to win on the battlefield, and it has done little to create a strong, free society in the South which could provide a viable alternative to communist domination. A war fought for lost ideals must sour the souls of the men conscripted to defend South Vietnam from external agression, in which they find the foe so difficult to distinguish from the friend. Saigon claims that at My Lai the Americans defeated a "communist stronghold". It says much about the character of the war that defenceless old men, women and children could be so described.

If the massacre took place it was unforgivable, but it can be understood. The brutality of both sides is sickening. Hanoi's propaganda about My Lai and other alleged massacres comes ill from men whose hands are stained with the blood of the mass murders at Hue (the only difference between that and what purportedly happened at My Lai being that the NLF and the Vietcong were not indiscriminate, and were better able to distinguish between acceptable compatriots and "collaborators"). The most repulsive communist dictator, Walter Ulbricht, has of course joined in the worldwide cries of horror, and too many organs of opinion in those countries which are committed to the rule of law have joined in the chorus which has prejudged the issue.

Too many people have forgotten the real import of the horror of My Lai—that the US has not hesitated to open investigations or to bring criminal proceedings against those alleged to be responsible. It is unthinkable that a communist state would publicly accuse members of its armed forces of acts of barbarism, but American standards demand that justice be done, whatever the cost to the nation and to the morale of its soldiers. If a massacre did take place, the impending revelations can only increase doubts about the war in the minds of the American public and will deepen that nation's continuous soul-searching. This, too, is a factor in the strength of America: the nation may be divided over the war, but its democratic structure can withstand division while ensuring that responsible men are held up to constant public scrutiny. Opinion may be swayed by revulsion over My Lai and thus have great impact on the future conduct of the war. But what the American people must ask themselves is whether a war which can reduce men on both sides to the level of animals can realistically be regarded as a crusade to defend those values for which American civilisation stands.

PENNSYLVANIA SOLDIER GIVES VIEWS ON VIETNAM

HON. J. IRVING WHALLEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. WHALLEY. Mr. Speaker, I have received recently a letter from a Pennsylvania soldier, fighting in Vietnam, outlining his thoughts on various aspects of the Vietnam war. Sp6c. David C. Cavaness, serving with the 19th Engineer Combat Battalion at Bao Loc, Vietnam, stated his concern for the "future of Southeast Asia," and I think his letter deserves national recognition. The text, printed by one of our local newspapers, the Windber Era, is as follows:

SOLDIER GIVES VIETNAM VIEWS

DEAR CONGRESSMAN: I and many others have patiently waited a long time for results for America from all the compromising to the enemy in Vietnam. The elimination of air raids has just enabled more men and material to come south to kill more Americans, Allies and civilians. Everyone can now see that the Paris talks have just been used by the Communists as an extension of the battlefield. The pull-out of our troops adversely affects the war, both directly and morale-wise—particularly in the largely VC-held Delta region. Also, why are we pulling vital troops from here when we still have combat units in the Dominican Republic? (Why are they there?)

The Administration's consideration of antimilitary proposals by the "peace-niks" and their supporters has just cost us more lives, time and money. We cannot just tell the ARVNs to take over the war because the South Vietnamese simply are not capable, either now or in the near future. Korea showed that you can't turn a mass of Asian peasantry into a modern military machine quickly, or even in several years: it has taken two decades to make the Korean Army as competent and battlewise as it is today.

The american people are rightly disgusted by the present handling of the war and a "No-Win" policy. However, it is just a vocal few (including the American Communists) who want us to pull out unilaterally. I hope you are not being influenced by the few rabble-rousers conducting the current anti-war riots in U.S. cities. I'm sure the great majority of our loyal citizens want a successful solution to the war; a great many of us want to WIN. War without victory is still un-American.

Our military leaders must be allowed to use the full potential of our tremendous air and sea power and other weaponry as needed to put an end to this endless war. Who is the Administration afraid of? The subversive peace-niks? Red China? The Soviet Union? None of the Communist powers could do any more in Vietnam than they already are doing. Atomic weaponry is not needed. For example, the enemy is mostly dependent on the port of Haiphong which can be easily blockaded or destroyed.

Dictator Ho Chi Minh's recent death automatically leaves a large power vacuum in North Vietnam. The time to win the war is NOW. The enemy is losing the war and we must now press on for total VICTORY and not surrender any Vietnamese to the evil Communists. The Communists can be defeated; the civil wars in Malaya, Bolivia, Greece and Korea are examples.

I am vitally concerned for the future of Southeast Asia: a great mass of the world's population is here. What are you doing to help win the war? Are you going to casually let the Communists win Vietnam? (Remember how the U. S. Government, through the influences of just a few subversives, wrongfully permitted the Red takeover of mainland China?)

Sincerely yours,

Sp6c. DAVID C. CAVANESS,
Hq. Co., 19th Engr. Bn (Combat).
BAO LOC, VIETNAM.

DEATH OF GORDON LOGAN, JR., ANACORTES, WASH., IN VIETNAM

HON. HENRY M. JACKSON

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Wednesday, December 17, 1969

Mr. JACKSON. Mr. President, recently in Anacortes, Wash., a fine young soldier from my home State was buried. He lost his life in Vietnam. Gordon Logan, Jr., only 20, was the new generation of a family that served this country in the Army in the Civil War, World War I, World War II, and now Vietnam.

The loss of this young man was a terrible blow to his family and to his community. His father, Gordon W. Logan, Sr., served in city government in Anacortes and is now in Aberdeen, Wash., employed by that municipality.

Mr. Logan recently wrote to me expressing his thanks for my comments which were read at the funeral of his son. He also sent along the recorded thoughts of his daughter, Margo, which was written just after learning of the death of her brother.

Her remarks about her brother and our country are worthy of the attention of all the readers of the CONGRESSIONAL RECORD. I ask unanimous consent that they be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

TO THE PEOPLE

November 12, 1969 is a day that will never be forgotten by me. My brother, Pfc. Gordon W. Logan Jr. was killed in Vietnam. It's a terrible, frightening time for me. I feel really alone knowing I can never talk to him or laugh with him again. He had so much going for him, now everything is wiped out and Gordy is laying somewhere in Vietnam waiting to come home to his friends and family one last time.

I can't help thinking about the War Moratorium last month. Maybe if they hadn't had it, my brother would still be alive. After the moratorium I got a letter from my brother, telling me how the Communists had started a new offensive. Up until then things had been fairly quiet with little Communist activity.

XUM

The North Vietnamese and the Viet Cong probably feel that the Americans don't really care if they kill their guys and that they aren't a proud people. Quite a few don't act like they are proud.

Maybe the people who want us to pull out all the troops immediately think after that we'll feel good and all the other nations of the world will smile at us and say once again America is a great country. Don't count on that for long. If we pull out right now and the Communists do take over and really mess up the rest of Southeast Asia, all those countries that patted us on our backs will turn around and condemn us for leaving.

My brother had ideals. Gordy was proud to be an American. Many people act like it's not right to be proud of this country because of its problems. And don't try to blame the government for all the wrongs in this country. If you want things in this country to be right, you have to do right yourselves. And that sometimes takes courage.

Gordy believed in freedom. Maybe that's why so many people are against the war. They might not truly believe in freedom. Ask yourselves how you would feel and act if a black family moved next door to you. After you have answered that truthfully then ask yourselves if you truly believe in freedom.

I don't want Gordy to have died in vain. I will always try in any little way I can to make this a better country. I am proud to be an American and I'm very proud of my brother. Gordy will always be a guide in my life and anything I try for in life will be for him.

MARGO LOGAN,
His sister.

SOCIAL SECURITY AMENDMENTS

HON. SIDNEY R. YATES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. YATES. Mr. Speaker, I want to give my wholehearted approval to the bill passed, earlier this week which provided a 15 percent across-the-board increase in social security payments. Since the last benefit increase the cost of living has risen by 9 percent, so this latest boost does little more than hold the line. It is important that we recognize that this increase, though it is substantial and badly needed, is merely a stopgap measure that cannot substitute for an overall change in policy regarding our Nation's responsibilities to its older citizens.

The 15-percent increase, which is the same amount I suggested in my bill H.R. 13914, is still not enough. The increase will leave millions of annuitants still in poverty, unable to provide for themselves the basic necessities of a dignified existence. It is important to note that this increase amounts in many cases to only $9 per month, a little more than 30 cents a day. We would be deluding ourselves to think that 30 cents a day is going to go very far in alleviating the burdens of those living on fixed incomes.

Many of my constituents are retirees and they write me often to explain their difficulties in making ends meet. The situation has been unchanged for several years now, and as long as periodic increases in benefits do no more than take up the inflationary slack, it is difficult to hold out much hope that things will be improved.

I have offered legislation which would modify the retirement test by allowing annuitants to earn $2,400 annually without suffering a loss in benefits. The present earnings ceiling of $1,680 is no longer acceptable. It requires many retires, even if they are able to work, to live on less than $2,400 per year, well below the poverty level. There is much useful work that citizens over 65 can accomplish and it is surely not in the national interest, to say nothing of their personal interest, to discourage them from doing it.

We lose sight of the fact, I think, that the elderly citizens of our country are an invaluable national resource that must be protected so that we can all share the fruits of their accumulated experience and wisdom. In recent years the United States has been called "the country of the young," but at the same time life spans have increased so that we have more people than ever over the age of 65. With the current emphasis on youth we tend to ignore the special contributions to be made by our Nation's senior citizens. The older citizens in my district are a constant source of inspiration and amazement to me. Theirs has been a major and magnificent contribution to the greatness of America. We must not let them down.

VETERANS' DAY ADDRESS BY ASSISTANT SECRETARY OF THE NAVY JAMES D. HITTLE

HON. ROBERT W. PACKWOOD

OF OREGON

IN THE SENATE OF THE UNITED STATES

Wednesday, December 17, 1969

Mr. PACKWOOD. Mr. President, I ask unanimous consent to have printed in the Extensions of Remarks an address delivered by Hon. James D. Hittle, Assistant Secretary of the Navy for Manpower and Reserve Affairs, at the Veterans' Day luncheon in Roseburg, Oreg., November 11, 1969.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS BY HON. JAMES D. HITTLE, ASSISTANT SECRETARY OF THE NAVY (MANPOWER AND RESERVE AFFAIRS), AT THE VETERANS' DAY LUNCHEON, ROSEBURG, OREG., NOVEMBER 11, 1969

INTRODUCTORY REMARKS

It is for me a real honor and pleasure to be with you at this gathering of veterans on this Veterans' Day.

I bring to you the good wishes of our Commander-in-Chief, President Richard M. Nixon, who personally knows of your celebration today, and greetings from the Secretary of Defense, the Honorable Melvin R. Laird, and the Secretary of the Navy, the Honorable John H. Chafee. As you know, in my position my principal responsibilities are matters pertaining to people. And I am glad to report to you that these three leaders are people who care about people.

One of the reasons I'm glad to be here is that I can join with you in honoring the veterans who have served our Nation since its birth and whose services have been indispensable to our Nation's growth, progress, and most certainly its survival.

One of the reasons our Nation has survived and our freedoms have flourished is that whenever our Nation or our way of life has been threatened by alien forces each generation of veterans, in its turn, has shouldered arms and marched toward the sound of enemy guns. One thing that we veterans know, as each generation of veterans before us well knew, is that our survival will be guaranteed by brave men who serve on the firing line, not by protesters in the placard picket-line.

But Veterans Day is not only for remembering past generations of veterans who have done their duty and marched on. It is also a day for honoring today's fighting men who are facing up to the obligations, responsibilities, and—yes, the high privilege—of citizenship that of wearing the uniform of the United States Armed Services.

They are the latest generation of American veterans. Having been repeatedly to Vietnam since the early days of the struggle, I can tell you that today's fighting man is fully measuring up to the example you set in terms of patriotism, professional skill, and unquestioned valor. And, let me say right at this point that anyone today who has serious misgivings about the character and the patriotism of American youth should go to Vietnam—and those misgivings will be dispelled.

Officers and NCO's who have commanded in World War II, Korea, and now in Vietnam, are high in their praise of today's young American fighting men. They say without exception that the young serviceman today is by far the best we've ever had in the Armed Forces.

Of course, the reference to the magnificent services being performed by young Americans serving in Vietnam brings us squarely face to face with probably the most important single issue facing our Nation.

It is the issue of supporting our Nation and our Commander-in-Chief—The President—in this difficult time.

It is the natural role of responsible and understanding American citizens to make it crystal clear, through a show of patriotic solidarity that the protesters, the dissenters, and the faint-hearted are *not* the majority of the American people.

During my last visit to Vietnam, I was repeatedly told by our fighting men, many serving their second tours of duty there, that they hoped that the President would be supported fully in his Vietnamization policy and the resulting properly timed measured withdrawal of U.S. forces. They said that if he gets this backing from the American people—as I am sure he will—their efforts in South Vietnam will come out successfully.

I know that I need not tell you veterans the danger of the proposals for a precipitant withdrawal of U.S. forces from South Vietnam.

The President of the United States clearly set forth the pitfalls of such a dangerous policy when he spoke in clear terms to the American people a few nights ago.

As the President so well pointed out, such a precipitant withdrawal would allow the Communists to repeat the massacres which followed their takeover in North Vietnam 15 years ago. At that time the Communists murdered more than 50,000 people and hundreds of thousands more died a slow death in the slave labor camps.

And, of course, our precipitant withdrawal would endanger well over a million Roman Catholic refugees who fled to South Vietnam when the Communists took over in the north. These are people who value freedom of religion and the desire to worship God in their own way above all worldly possessions. They left their farms, their homes, their personal possessions and fled south, often with little more than their Bible.

On one of my recent visits to Vietnam I had the opportunity to talk with one of these

Catholic refugees from the north. We sat in a quiet corner of a side street tea-room in Saigon. He has, today, a very modest job—but enough to provide food and some sort of roof for his family. Yet, he has, he said, freedom. I asked him what would happen if the Communists should take over South Vietnam. He thought for a moment and said, "The answer is simple. There would be nothing but torture and death for my family and myself."

Are those who are today advocating a precipitant pull-out willing to sacrifice a million people, such as this man and his family. Apparently, such sacrifice is acceptable to some of the protesters, demonstrators, and placard carriers.

Just because the bloodletting and torture would take place on the other side of the world doesn't make it acceptable to you veterans from the moral standpoint.

You know that freedom is indivisible, and that the destruction of freedom anywhere means the destruction of some freedom everywhere.

A precipitant withdrawal from South Vietnam would mean also, as the President so pointedly stated, that it would be the first defeat in our Nation's history and that would end worldwide confidence in American leadership.

As veterans, you and I know full well that no nation can survive and reach the fulfillment of its destiny by letting down its friends, breaking its word, and running scared before the oppressor.

If history teaches anything, it is that nations, like people, cannot with impunity break their pledge or shirk their responsibilities.

I am confident that we all shared a sense of reassurance and new confidence when the President told the Nation on November 3rd that he was not going to take the easy way out; he was not going to endanger the quest for peace by such a precipitant withdrawal. That he would not, in effect, preside over a retreat that would trigger a disaster of immense magnitude.

By leading us in a policy of standing firm by our word, by our pledge, to our allies and friends, and being faithful to ourselves, the President also is moving toward the goal that veterans, perhaps more than any other group, so devotedly hope for. That goal is a firm and honorable peace. Veterans know war. Therefore they treasure peace. But we know that peace at any price is the easiest thing to get. All we have to do to get that kind of peace is to surrender. We also know that peace at any price is not really peace. It's the silent peace of the concentration camp—the blood splattered wall—the mass graves. But achieving an honorable peace is not a unilateral endeavor. After listening to the President's point-by-point account of the actions he has initiated in his quest for peace, one can only come to the simple but inescapable conclusion that failure to achieve peace in Vietnam rests firmly with Hanoi and not with the United States and our allies.

In his search for the end to the conflict, the President has adopted the policy of Vietnamizing our efforts. This effort, as the President so well stated, is a key to "The search for peace."

I would like to talk to you for just a few minutes with respect to the matter of Vietnamization of the struggle in South Vietnam. It means to shift gradually the responsibilities of peace winning to the South Vietnamese.

Of course, the protesters, the demonstrators, and the fainthearted who criticize our stand in Vietnam against oppression say that the South Vietnamese won't carry their own load and that they won't fight. Well, let me say that this is nothing but sheer falsehood and vicious propaganda.

Let me give you a few facts about the lie that the South Vietnamese won't fight.

As you veterans well know, the number of battle-dead is a good indicator of the willingness of a people to fight. So let's take the matter of South Vietnam's military combat dead. Since 1961, about 96,000 South Vietnamese troops have been killed defending their country against Communist aggression. This by any count is a heavy toll in combat dead. Yet the real significance of war casualties is in relation to the proportion of total population.

If we project South Vietnam's 96,000 combat dead into our U.S. population, which is about 13 times that of Vietnam, we can better appreciate the impact of the war on the Vietnamese.

The South Vietnamese combat dead total is the equivalent of 1,200,000 combat dead for the United States.

This means, in turn, that on a percentage of population basis, the total of military war dead suffered so far by Vietnam is: More than 13 times our combat dead in World War I; over three times our combat dead in World War II; about 33 times our combat dead in the entire Korean War.

And what about the civilian population? They, too, have bled and died. Since 1961, 71,600 civilians have been killed or kidnapped as a result of deliberate Communist terror. In terms of percentage of the South Vietnamese people, and the ratio to the U.S. population, it is the same as if close to 900,000 Americans civilians were killed or kidnapped in a reign of terror. To bring it even closer to home, it is the same as if the entire metropolitan area of Seattle—every man, woman, and child—were killed or kidnapped.

Therefore, when judged on a relative basis with what our own nation suffered in our great struggles against oppression, South Vietnam measures up extremely well.

South Vietnam has, in terms of percentage of its population killed in combat, set a high example of opposition to communism, sacrifice, devotion to freedom and determination to keep it.

What South Vietnam has paid and is paying in blood to stay free deserves the commendation, not the condemnation, of freedom-loving people.

And still the South Vietnamese are fighting and dying to turn back Communist aggression. And what is more, they are fighting better all the time. I can report this to you based upon comparisons I have personally made in repeated trips to Vietnam over the last five years. In these visits, I have been to every major combat area from the DMZ to the Delta.

Just about a year ago, I began to sense that something new and dramatic and encouraging was happening in South Vietnam. Time and again, U.S. fighting men, both officers and NCOs, told me that the least understood development taking place then in South Vietnam was the tremendous improvement in the South Vietnamese forces. One battalion commander in the northwest highlands, who had been fighting alongside a South Vietnamese unit, told me indignantly that the improvement in the South Vietnamese Army was then the most important untold story of the war.

I was in South Vietnam again a little over a month ago. On that occasion, the improvement in the fighting ability of the South Vietnamese was increasingly evident. In the Delta, for instance, the U.S. Navy has turned over close to half of our river patrol craft to the South Vietnamese Navy. These are the boats that have been fighting the tough, close-quarter war in opening up the waterways that are the arteries of commerce and the pathways to security in the rich Delta area.

I can report to you that the South Vietnamese Navy has assumed this responsibility willingly. It is continuing the operation of the river patrol craft, and it is conducting operations skillfully.

You are all aware that the policy of shifting the burden to the South Vietnamese as they gain in strength has resulted in the President's programed withdrawal of over 60,000 U.S. fighting men.

But there are other hard, clear indicators which to me have been the measure of success of our efforts in South Vietnam. For instance, roads that 18 months to two years ago were virtually impassable due to enemy action are today opened for normal day-time traffic. Villages are being brought back to the mainstream of political and economic life. A big start, in terms of a war-torn nation, has been made in establishing a constitutional form of government. And this is no mean accomplishment for a nation fighting for its very survival against an enemy attacking from without and within.

Even the railroad running north along the coast from DaNang to Hue is now operating with amazing regularity. Two years ago, when I was in the northern part of South Vietnam the railroad was not, from the practical standpoint, even functioning.

Probably one of the best summations of this whole farsighted policy of Vietnamization was expressed to me by a battle experienced lieutenant colonel who is on his second tour of duty in Vietnam. He said, "All of the investment in lives, blood, money, and material that the United States has made in the last five years is just now beginning to pay the big dividends in South Vietnam's increasing combat ability."

And so at this critical juncture of history when we have started to move across the threshold of success in this long, bitter conflict, it should be abundantly clear that the precipitant withdrawal which to many loud protesters are urging is nothing but a blueprint for surrender.

As veterans well know, to pull out in the face of an aggressive and vicious enemy is an invitation to disaster. You and I know, too, that regardless of how a precipitant withdrawal is described in flimsy theory, it really means pulling down the Stars and Stripes, running up he white flag, and everybody running down to the beach to get aboard a ship for home. You and I know that is not the American way. And, as the President of the United States told us, it's not going to be his way.

I'd like to relate to you just a few of the remarks made to me by our fighting men in Vietnam.

Soon after the decision was made to openly enter the Vietnamese conflict, I visited Vietnam. The Marines had gone ashore from the Fleet at the strategic coastal location of Chu Lai. I arrived there while the Marine operations were still continuing against surrounding enemy units, and while the Seabees were still constructing the expeditionary aircraft runway. I wanted to know what our young men in Vietnam who were doing the fighting thought about the anti-war picketing and protesting back home. I asked one young Marine, about 20 years old, in embattled Chu Lai what he thought of those carrying placards "We won't fight in Vietnam."

He said: "I wish I had one of those smart protesters here. I'd like to take him with me on outpost duty tonight. There's a V.C. (Viet Cong) sniper who's been trying to get me for the last three nights. But I haven't been able to nail him yet." He paused and smiled. "I'd sure like to get him in my foxhole when that sniper starts working on us. I want to see how much that protester will wave his placard then."

His speech finished, he trudged through the sand back to his platoon. In a few hours he'd be back on outpost duty, trying to "nail" the Communist Viet Cong sniper before the sniper could get him.

Recently, while flying to a conference at Pearl Harbor, I noted a young corporal a few rows back from me in the plane. During the flight, I walked back and sat down and told him that I had served in the Marine Corps and started chatting with him.

He was, he told me, on his way to Vietnam. I asked him, "Is this your first time out" He said, "No, I'll be going in to my second extension." I said, "Why have you served one full year, extended for one six-month period, and now are extending for another six months?" He said, "Well, the first time I extended I did it because some of my close friends had been killed in action, and I wanted to get even. I got it, but I also, during that added six months, realized how necessary and important our job is that we are doing in Vietnam, and I wanted to keep on doing more of it."

But probably the best and most memorable explanation of duty I have ever heard came from a young Negro Army sentry on a lonely observation post overlooking Cam Ranh Bay. I stopped in the course of a visit to talk with him. I asked him if he had a family. He said "Yes, I'd just been married a few months before I came out here again." I asked, "What does your wife think of your coming to Vietnam a second time?" He said, "She agreed when I told her that I believed I should be back here. I volunteered for a second tour." I said to him, "Why did you volunteer in spite of the fact that you had been married only a few months?" He thought for a moment and said in very simple language, "I think that it's every American's duty to do what he can to help his country when it is in trouble."

But, if there's anybody who has earned the right to complain about fighting in Vietnam, it is the man who has been wounded in that fighting. He has paid for that right with the high price of his blood and, too often, his limbs.

I can report to you now on the basis of personal knowledge that if you want to hear gripings, complaints, and criticisms about our Nation standing against Communism in Vietnam, then don't go to the hospital wards and visit the wounded from the Vietnam Battlefront. Those who have borne the brunt of battle are not the ones who are beefing about it.

A few months ago in Pearl Harbor I visited the battle casulaties who have been flown in for treatment in Tripler General Hospital. Among the wounded I talked with was a young corporal. One leg was in traction, an arm was in a cast, and he had machinegun holes in his stomach.

I stopped and chatted with him. I asked him how long he had been in Vietnam before he was hit. He said he had been there almost two years. I asked him why almost two years, as the required tour was one year. He replied that he had twice voluntarily extended his duty. I asked him "why did you do that?"

He replied, "I was assigned to train and fight with a local village militia platoon in the northern hill country." He continued, "I found out how much these people wanted to be able to defend their villages and their families against Communism. I knew what I was doing was important, and I wanted to keep on doing it." And then he added, "I believed that those village militia men would stand and die rather than let me be captured. I found out I was right. I would have been killed or captured if they hadn't stood by me. When we were hit by a big V.C. unit, two were killed in defending me when I was wounded."

A few months ago, I visited the Vietnam casualties at the Great Lakes Naval Hospital just outside Chicago. Above the bed of every Vietnam casualty was a United States flag. Each wounded fighting man, when he leaves the hospital can take the flag from over his bed with him. And, they do. And, when a new casualty comes in, he wants a flag over his bed without delay. This, again, is a reflection of the genuine patriotism, devotion, and inherent goodness of those who know what it means to defend their flag and what it stands for.

I strongly suspect that the attitude of some of these men would not get a very high grade from some of the dreamy theorists who pose as moralists in protesting against our Vietnam policy. However, I for one stand in admiration and respect for the kind of spirit reflected in their statements. It reflects the kind of courage, toughness, and determination that helped carry our Nation from the Atlantic across the mountains, rivers, prairies, to the Pacific. It is the kind of spirit that made our Nation free and made it great. And we can be glad that this spirit still exists in our youth.

At a Naval hospital in the south, I was talking to a young Army corporal. He had been sent to a Naval hospital because it was near his home. I noted that he had lost a leg below his knee. I asked him about the action in which he was hit. He said he was on Hamburger Hill. That was just about the time the critics of our Vietnam policy were engaged in the Monday morning quarterbacking and saying that it was a battle that should not have been fought. I was curious about the corporal's reaction to such opinions. I said that since he had been on the Hill and lost a leg there, what was his reaction to those who were saying that he should not have been there in the first place. He thought for a few moments and said, "This war isn't going to be won by the protesters back in the U.S. It's going to be won by the guy with the rifle who takes the high ground."

And, I'd like to tell you about a young sergeant I spoke to recently. He had lost his left leg near the hip and his right arm had been shattered by a shell fragment. The arm was in a cast and he still faced a number of operations. He was a red-headed lad who looked like he had shaved only a couple of times in his life. I asked him what he thought about the protesters, the demonstrators, and the placard carriers. He said, "Well, I'm going to get out of here one of these days and if I happen to see any of those people stomping on the American flag or holding up the North Vietnam flag, somebody had better grab me quick, because I am going after their throats."

And finally, there was the Marine corporal who had lost both legs. In the course of my chat with him, I asked him what he was going to do when he was discharged to civilian life. He said he was going to college. I asked him what he was going to take. He said he was going to be a teacher. I said that is certainly a most commendable objective, but I was curious as to why he wanted to be a teacher. He looked at me and said, "Well, I think I've earned the right to tell the youngsters what this country is all about."

So, in conclusion, I thank you for the privilege of joining with you in honoring those who have fought and who are fighting in the defense of America and freedoms in which we believe. And, I am sure that you will join with me in admiration of today's American fighting men who are demonstrating that courage, devotion, professionalism, soldierly virtues, and patriotism are still in abundant supply. We can also be sure that America's destiny is not going to be decided by placard-carrying demonstrators in the streets who urge surrender, sacrifice of our friends, and disgrace for ourselves.

Rather, we join today in the reassuring realization that we face our destiny under the leadership of a President who has taken the Nation into his confidence and in so doing has placed his faith in the courage and common sense of the American people;—a President who has chosen the right way rather than the easy way.

MRS. GLADYS COFFEY HARPER, RECIPIENT OF 1969 DAISY LAMPKIN AWARD BY PITTSBURGH NAACP

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. MOORHEAD. Mr. Speaker, Mrs. Gladys Coffey Harper, of Pittsburgh was this year's recipient of the Daisy E. Lampkin award for major contributions in the field of human rights. Mrs. Lampkin was the first field secretary for the NAACP and a member of the national executive board when she died.

Nothing I could say could possibly add to the fine tribute Mrs. Harper was paid by the Women's Auxiliary of the NAACP on the occasion of this award in Pittsburgh, November 8, except that, in the tradition of Mrs. Lampkin, she has that rare combination of intellect, ingenuity, drive, and devotion to the service of others, which uniquely qualifies her for this honor.

The tribute to Mrs. Harper is included herewith in the RECORD for the attention of my colleagues:

GLADYS COFFEY HARPER

Gladys Coffey Harper, awardee of the 1969 Daisy E. Lampkin Award for major contributions in the field of human rights.

A native Pittsburgher, Mr. Harper, the second of eight children spent her early years in the Hill District. The daughter of a self-employed sign painter, she attended Miller Elementary School then Baxter Junior High as her family moved from the Hill District to Homewood.

She was graduated with honors at the age of sixteen from Westinghouse High School where she majored in academic studies. Gladys was a senior athletic leader at Westinghouse, the first black senior leader in the City of Pittsburgh.

Working after graduation as a sales clerk she managed to save enough money to open her own business by the age of 20. Called Budget Exchange, the store on Herron Avenue provided linens and clothing at discount prices to low-income families. When customers did not have enough money to pay for badly needed clothing she often let them have it free.

At night, Gladys attended Wharton's School of Beauty Culture. After she passed her State Boards and was licensed under the Department of Public Instruction, the Exchange was converted to Glady's Beauty Salon. Underlying this venture was a childhood desire she always cherished—to be able to fix her own hair.

After visiting Kane Hospital and discovering the lack of adequate facilities and personnel to provide beauty care for black female patients, Mrs. Harper realized that blacks and the poor were being shortchanged by their government. At this point she became interested in politics. Determined to change this inequity Gladys discussed this situation with responsible public officials and the inequity was corrected. A black beautician was employed for the first time in Kane Hospital. Gladys realized that blacks suffered in many instances because they were not an integral part of the political system. A close friend of the late Councilman Paul F. Jones, she brought to his attention many similar complaints about governmental inadequacies.

Gladys Harper credits the late Councilman Jones and former County Commissioner Howard B. Stewart for her decision finally to give up private enterprise entirely and to build a career instead in public service.

She joined the Allegheny County Health Department to work in the Bureau of Biostatistics in 1958. After successfully completing training in the IBM School of Education, she was promoted to Supervisor. During this same period Gladys ran successfully for Democratic Committeewoman in the Hill District and served in that capacity for five years. In 1963 when her Health Department position came under Civil Service and she had to forego formal political activity she resigned as committeewoman. During her tenure, however, she managed to effect many civic improvements including street paving, the first Dempster-Dumpster installation for trash disposal in her district, salt distribution for icy sidewalks, door-to-door fire safety inspections of homes and summer recreation programs for the youngsters. The aged and handicapped also were helped through her efforts.

Despite her busy schedule, Gladys found time to be a group worker in the Anna B. Heldman Center where she organized the first neighborhood-based health clinic, coordinating her contacts and work in the Health Department with her efforts to build a better community. Working with block clubs on Lincoln and Roberts Street, she was instrumental in bringing hundreds of adults and children to the clinic for free chest x-rays, blood tests, immunizations and counseling provided by the Health Department.

In 1965 she was named Chief of the OEO Health Services Bureau in the Health Department where she trained a fulltime staff of neighborhood-based health and sanitation aides to help carry on her work in the community. When the federally funded OEO program was taken over by the County, she was named Chief of the Bureau of Health Referral Services.

Last Spring as Special Consultant For Community Affairs, Gladys consolidated her work with community groups and intensified efforts to identify community health needs. Paramount among these was the need to develop a program to prevent drug abuse among young people.

For almost two years she has visited public and parochial schools throughout the County, lecturing and presenting films on the problems of drug abuse. She also has lectured on prevention of drug abuse to civic organizations and church groups as well as at correctional institutions for teenage boys and girls.

Gladys was the recipient of a scholarship to Rutger's University where she completed a special course on alcoholism. At Columbia University Teacher's College, she attended a special training program on drugs. This spring she will get her BA Degree as a Sociology Major from the University of Pittsburgh and has arranged for independent studies toward her master's degree.

The wife of Attorney Thomas A. Harper, Gladys is a life member and a former Board member and Youth Council Advisor of the NAACP. Under her direction and leadership the Pittsburgh Youth Council was cited twice for State honors. In 1967 Mrs. Harper won the Isabelle Strickland Award for outstanding Youth Advisor in Pennsylvania. She also developed a tutorial and supportive services program for Freedom Unlimited, Inc., to help underachievers in public schools. When time permitted she served on the negotiating teams of UNPC and the NAACP for employment opportunities.

As a member of the Anna B. Heldman Society, Gladys helped in the repair and distribution of toys to needy youngsters. The group now focuses attention on purchasing shoes for needy children.

Mr. Harper is a member of the Business and Professional Women's Club; one of the Commissioners and Treasurer of PACE (Persons Aiding Citizen Enterprise); Chairman of the Civic Action Committee of Wesley AME Zion Church; and a charter member of the League of Community Health Workers, Inc. She serves on the Urban League's Health Committee and the Narcotic Advisory Committee. She is a member of the American Society For Public Administration, The American Public Health Association and the Royal Society of Health, London, England.

Because of her success in the development of training programs utilizing indigenous neighborhood-based health workers, she served as Technical Assistant Specialist in the Health Division in the Office of Economic Opportunity under Theodore Berry, Director.

To her credit are also three publications.

LOCAL VFW ASKS SUPPORT OF PRESIDENT

HON. G. ELLIOTT HAGAN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. HAGAN. Mr. Speaker, I am proud to call to the attention of my colleagues the article which appeared in the First District newspaper, the Dublin, Ga., Courier-Herald, October 13, and which is the same text that was broadcast on the local Dublin radio station, WMLT, three times daily on October 13, 14, and 15.

I certainly share these same views expressed by the 400 members of Veterans of Foreign Wars, Post No. 6544, of Laurens County, Ga., The article follows:

LOCAL V.F.W. ASKS SUPPORT OF PRESIDENT

Veterans of Foreign Wars Post 6544, of Laurens County, today urged that all citizens speak out in support of the President of the United States and the efforts of the United States government to stem the flow of Communism in South Vietnam.

Speaking on behalf of Post No. 6544, Commander Madden said: "The delegates attending the V.F.W. National Convention in August in Philadelphia, Pa., unanimously urged that our government continue to seek victory in Vietnam and that all of our citizens lend their full support to the men on the fighting front.

"Frankly, we are sick and tired of listening to a very vocal minority undermining the bargaining position of our President and in so doing endangering the lives of our men on the fighting front. It is my belief that the time has come when the much talked about. silent majority should speak out. We must let the men on the battlefield know that they have the support of the people at home and we must let Hanoi know that the President has the support of the people in this country.

"It is my hope that the people of this area will speak out on this issue and that other patriotic, civic and fraternal groups will join with us in this crusade. I am firmly convinced," Commander Madden concluded, "that if we fail to speak out now, the vocal minority in this country will most certainly take over all that is meaningful in this land of ours. No one seeks peace more urgently than the Veterans of Foreign Wars, but we will not seek peace at any price which is what the vocal minority is calling for today."

TRIBUTE TO MR. HUGH T. BENNETT, SR.

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. JONES of Tennessee. Mr. Speaker, recently, tribute was paid to one of Tennessee's leading citizens, Mr. Hugh T. Bennett, Sr., by one of the Eighth District's fine newspapers, the Milan Exchange, and the Humboldt-Courier-Chronicle. The article, entitled "Mr. Gibson County," was written as a special assignment by Mr. and Mrs. A. H. Williams of Humboldt, Tenn.

Squire Bennett, I am happy to say, has been a close personal friend of mine for many years, and I have often looked to him for guidance and counsel. Since Mr. Bennett has served as a noble inspiration to me and to countless other Teneseeans throughout his 88 years, I call attention to the article which I am inserting in today's RECORD.

"MR. GIBSON COUNTY"—ESQUIRE HUGH T. BENNETT, SR.

(By Mr. and Mrs. A. H. Williams)

Esquire Hugh T. Bennett is the next Man of Eminence the Milan Exchange is delighted to present in this series of stories relative to personages living within the boundaries or natives of Gibson County. Years ago he attained the "Title" which he still proudly, modestly bears—"Mr. Gibson County." He is a friend—a close personal one—to countless thousands of persons not only in his home and native county, where he has lived all his 88 and a half years within a radius of six miles from his present home near Fruitland, but throughout Tennessee and a wide portion of the Mid-South. He served nine six year consecutive terms as Magistrate in Gibson County from the Third Civil District—a tenure longer than any man in history. He, during the time, served one two-year term (1909–10) as Representative in the General Assembly of Tennessee; three two-year terms (1923–25–27) as State Senator from the county; was Clerk of the State Senate for the sessions of the two-year terms of 1915–17–19–21; served on the Gibson County Democratic Executive Committee from 1910 'til 1924; was for several two-year terms an Eighth District member of the State Democratic Executive committee; serving for two terms as West Tennessee Chairman of this important group.

Mr. Bennett was appointed Examiner for the Inheritance Tax Division of the Tennessee Department of Finance and Taxation in 1930 his territory being officially all of West Tennessee outside Shelby County (but we understand from reliable sources that he had special assignments in 90 of Tennessee's 95 counties), retaining this position until his retirement 20 years later in 1951.

Of the many records Esq. Bennett must have set during his long period (54 years) of unselfish service to his county as a member of the County Court there are two of which we are as positive as human investigation makes possible: he was the youngest member ever elected to the court (23 years of age when first chosen) and held this record for the first 12 years of his membership in the body; and when he declined to permit being qualified for his 10th consecutive term on the County Court the Magistrates unanimously elected him as Honorary Magistrate for Life, the only such honor ever received. Another unusual thing about Mr. Bennett's services as Magistrate—at the time of his retirement he had served under every County Judge Gibson County had to that date, because prior to 1905 the County Court was presided over by a chairman. Mr. Bennett, therefore, succeeded his father, the late W. N. Bennett, who had served on the court for several years, becoming a member of the first Court under its first Judge.

While it may be a fact, and it is, that his homestead during 'squire Bennett's entire life has veered only a half dozen miles from its present spot in south-central Gibson County just a wee bit north west of Fruitland (an attractive snow-white frame dwelling, nestling among giant oaks and poplars whose century-old anniversaries have long since past) he has taken under his affectionate care the entire 600 square miles of "his domain"—living about the same distance from two of the larger towns (Humboldt and Trenton, five miles from each) and only some 10 or 12 miles from the other towns and communities of the county, growing steadily in beauty and size (and the "doings and sayings" of "Mr. Gibson County") throughout the State and other areas of the nation were responsible in no mean measure for the present surge of development of the County—they predicted the 1970 census of population for the area will be larger than 10 years ago, even though there has been throughout the country an exodus of people from rural areas to the larger cities).

But this "county-wide affection" of Mr. Bennett's took in the central and northern part of the country as well or as we may properly say "in more ways than one", really, because his lovely wife whom he says "has stood by me for 67 years" is the former Miss Ethel Yandell of Rutherford (and the light of love that beamed from Mrs. Bennett's eyes as she heard her bridegroom of 1902 speak, spoke more than words for the "many years" task of "standing by" her distinguished husband). . . .

Then there was the time that Mr. Bennett campaigned with Bob (Robert Love) Taylor in this area. He accompanied him to Milan, after speaking in Humboldt, for a major speech in one of the famous Taylor appearances when seeking high office (among other things he was Governor of Tennessee 1887–1891 and again in 1897–99; U.S. Senator from Tennessee 1907–12. His opponent at times was his brother, Alfred A. Taylor as staunch a member of the G.O.P. as was Bob a Democrat. The "War of the Roses" between these two brothers, one choosing the white rose, the other the red, as a symbol of his platform, is one of the most heated sessions of politics in Tennessee history.) In the latter days of Bob Taylor's political life, when Mr. Bennett was associated with him, he became more kindly toward his brother as he was at the Milan gathering when he said "I've reached that time in life when I even have a kindly feeling toward the Republicans . . . did you know I have a brother who is suffering the same disease?"

Another picturesque and famous statesman and politician with whom Mr. Bennett had close personal association was the great Presidential aspirant, William Jennings Bryan. The Gibson County "Squire" says he will never forget the momentous trip he made with other Gibson Countians on the Bryan train through Gibson County to Union City and on through West Tennessee and Middle Tennessee to Nashville. . . .

For the last two or three years Esq. Bennett has been having trouble with his voice. It has weakened somewhat and seems to trouble him quite a bit. One doctor (a good friend) told him "Don't worry, you've talked enough already." And, to tell the truth, Mr. Bennett has had to do a lot of talking during his life to render the service to and accomplish the many things for his constituency—but "not enough" as far as the elderly Squire was concerned.

Another doctor told him "all boys' voices change." Neither did this do him any particular good.

Therefore he decided to go to a specialist for a general checkup deciding to go to one of the "name doctors" in Memphis, who had not only an office but most of one floor of a large building at his disposal. After a few hours of thorough examination "from head to toe" according to Mr. Bennett, the doctor called him into his office, with his son who had driven him to the offices, and after they were all seated the doctor said, "Mr. Bennett we have examined you thoroughly (this was less than two years ago) and we are unable to find one single thing wrong with you." To which Mr. Bennett smiled in his usual gracious manner and said, "now that is mighty fine. . . . what do I owe you? and when the doctor replied, "fifty dollars" the radiation of the Bennett smile shaded just a bit. The son consoled him, a bit perhaps, when he said after they left the office, "why dad, I'd give $100 for that kind of information." Mr. Bennett still "laughs out loud" about this trip—but he prefers, if either, the $50 figure. . . .

"Statesman . . . one skilled in public affairs and art of government; a person of great ability and prominence in politics." So says one of these writers' "book-helpers" whose facts are taken more literally than too many people accept the undeniable facts of the Holy Bible. And to us the term truly (statesman) applies to our "Mr. Gibson County", Esquire Hugh T. Bennett. He served without flaw or blemish and without opposition at the polls with one exception when he overwhelmingly defeated his opponent.

The only time Mr. Bennett was opposed in an election was when a would-be magistrate linked his name (Mr. Bennett's) with the late Malcolm R. (Ham) Patterson in the earlier days of Mr. Bennett's career at a time when Mr. Patterson was in partial ill repute in the state, even among some of his Democratic associates. At that time Esq. Bennett was thought to be "sticking with Ham" and his one and only political opponent in nine races for the County Court thought this assumption-of-fact might swing the election away from the ever-undefeated Bennett. But how wrong he was. Esq. Bennett won hands down and never afterward had to electioneer for the position—except out of the sheer love of meeting his Gibson County friends and learning their problems. An interesting sidelight on this episode. When Gov. Patterson realized that for a time circumstances got so bad that it was expedient for him to take himself out of the political limelight for a time. Later he unexpectedly showed up at the Statehouse in Nashville and when he was discoverd in the executive chambers of the Capital he was given an ovation. In response he arose and addressed the large crowd: "Ladies and gentlemen I'm still a Democrat—about the stillest Democrat in the state." But not so with Mr. Bennett. Throughout his long, active political life—and even after he retired, or tried to leave the public eye—he was anything else but a "still Democrat." Once in 1924 his name was on the ballot three times, without an opponent as was customary, for the offices of Senator, Magistrate and County Democratic Committeeman. He withdrew as candidate for Committeeman, saying, "Three times is too much for one man's name to appear on the same ballot."

Esquire Bennett's community service has not been restricted to politics. Since 1912 he has served as Elder in the Presbyterian Church, U. S. (Southern) in Fruitland, his hometown and hometown church which is 144 years old—one of the oldest religious organizations of the said-to-be oldest denomination in West Tennessee. He has served his church state-wide and nationally, attending the General Assembly of his church a number of times. the first being in Jacksonville, Fla. in 1926. On the occasion of the Centennial of the General Assembly (which is the church's highest court) Esq. Bennett was chosen to represent the Western District Presbytery of Tennessee and one of the lasting regrets of his life is that illness in his family prevented his making this particularly important session of the group. The three oustanding loves in this great citizen's life, after a lifetime of acquaintance and observation, are his wife and family, his church and his politics—Democratic, that is, as we have intimated.

To begin with, a man having traveled the very high and long road, as he has, of statesmanship, finance, politics, church administration and various other top-rated endeavors, is of necessity a naturally erudite person, "topped off with considerable 'book learning', as he was, and is. Mr. Bennett received his formal education, after his first years in public school, at the old Southern Normal University in Huntingdon, Tenn., one of the strongest institutions of learning in the Mid-South where the "three R's" meant what they implied. It was considered to be one of the South's finest schools of its day with students from practically every state in the Union. "One thing for certain" Mr. Bennett well remembers, "there were no 'demonstrations.'" We asked Mr. Bennett what his attitude might be on the current series of demonstrative marches, property damage and other confusions on the college campuses and elsewhere which are alarming the nation and he said with emphasis "Why it's awful-terrible" and he shuddered briefly and there was an added flush on his pleasant, handsome countenance. He also attended the University of Tennessee, Knoxville. . . .

Even though he "retired" in '51 from daily-grind activity (and he loved every minute of it) he was called on in 1956 to again serve on the State Democratic Committee. And he complied, serving as vice-president from West Tennessee on that body. . . .

Something else Mr. Bennett fondly remembers and enjoys recounting is the unusual story of his faithful mule "Old Joe" who lived to the ripe age of 32 years, serving not only for a long while as his owner's Modus Operandi of transportation and a "watch dog" about the home. "Old Joe", reminisces Mr. Bennett, "was purchased as being just an extra-good, young work mule, an essention on the farm of the early days . . . but quickly it was found that this beautiful animal was a trotter and a fast one at that, having almost, it was declared, a 2–40 gait, top-speed for a race horse . . . besides this he developed into a "watch dog" about the home and in his own manner advising the household when intruders were on the premises."

But Old Joe's main purpose in the beginning of Mr. Bennett's spectacular political career was to pull the candidate about the county in a spick and span shinning buggy. It was said of the shrewd Mr. Bennett that he used Old Joe instead of his sleek "buggy horse" in order to keep the voters ever mindful that he was a farmer. Old Joe was a help in other ways, too. In one of the county campaigns there was another candidate for a different office who was making the same circuits as was Mr. Bennett (Mr. Bennett, by the way, made the rounds, even though he had no personal opposition, to keep informed of his peoples' problems). This non-competitive politician happened to drive a frisky young mare to his speaking appointments, sometimes arriving there ahead of his friend, Mr. Bennett. Now it so happened, says his owner, that Old Joe "fell in love" with this mare and by his antics when he and Mr. Bennett approached a speaking engagement platform the driver could tell whether or not the other speaker had already arrived and consequently gage his speech accordingly.

This faithful mule and friend was finally retired to the family pasture for a well-deserved good old-age of rest. But all too soon a younger animal kicked the old retiree, broke a leg, necessitating his being "put to sleep." There was much sadness at the Bennett place when the faithful, four-legged servant was wrapped in sheeting and buried at a revered spot on the farm.

Among the many honors that came his way, Esq. Bennett says he feels that probably the greatest was his being chosen as a delegate to the State Constitutional Convention in 1953 (the county just wouldn't agree to his full retirement). It was during that session that Tennessee's Constitution was amended for the first time since 1870. And who was the Secretary of that Convention? Why, of course, it was our own "retired", Esquire for Life, Bennett.

Money doesn't seem to have ever been a special bother to our lovable and liked "subject" of the past two weeks. Most of his life he has been, apparently "well-to-do" financially. In fact he learned the value of a dollar early in life as a boy on his father's farm where he worked in season "from dawn 'til dark", setting the pace for all the farmhands, white and black, who were at his side—and his dad saw to it that the "pace" wasn't a slow one (and he has kept that pace throughout life).

Young Bennett and his friends on weekends would hie to the Pea Ridge Community or to the old Gibson Wells resort for dancing until at least the latest hours of the evening. Mr. Bennett was a pronounced expert at the favorite dance of the day "The Weaverly Wheat."

The only thing "money-wise" thought of or discussed was a choice 1867 nickel he found as a boy, lost it by dropping it through a knot hole in the floor of his home, recovered it much later when his home was torn down and the ancient coin returned, and now kept as a valuable relic—how valuable he does not know because he has not investigated and it is not for sale at any price.

'Squire Bennett recalls with his infectious smile . . . the celebration of his Golden Wedding Anniversary while his loyal and lovely wife of 67 years, the former Miss Ethel Yandell of Rutherford, beams adoring approval. This affair took place at the home of one of his sons, Willis Bennett, and Mrs. Bennett who with the other two sons and their wives, Mr. and Mrs. Hugh Taylor Bennett Jr. and Mr. and Mrs. W. F. (Billy) Bennett were hosts. . . .

Mr. Bennett was not what would be termed a "marrying magistrate", his records showing the uniting of only 110 couples during his long tenure as a member of the county court. "That's due principally" he says "because the state got a little strict on its rules and the 'run-away-couples' went to Mississippi. . . .

The late T. H. Alexander, noted newsman during the time Mr. Bennett was serving as State Senator from Gibson County, puts in a few words the general feeling of Mr. Bennett's state and county about him: "Senator Hugh T. Bennett of Fruitland is the very salt of the earth. I expect he is the most popular member of the Senate. Loyalty to his friends is one of his predominating traits but when it clashes with his sense of duty I suspect it would be a very painful situation to him but his course would be clear . . . Senator Bennett was one of the most useful and efficient members of the last Senate . . . he ought to be sent back to Nashville without the formality of opposition" (and he was). . . .

Our last glimpse of Mr. Bennett on the day of our fine visit with him and Mrs. Bennett was to see him, walking briskly about his beautiful lawn, holding the walker at about a 45 degree angle in the air and making "better time" in his late afternoon constitutional than these writers would ever attempt.

BIPARTISAN INTERN PROGRAM

HON. CARL ALBERT

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. ALBERT. Mr. Speaker, last summer the Democratic and Republican House leadership appointed a bipartisan intern committee to provide a program for the many young students who work each summer in Members' offices. As a part of the program inaugurated by the bipartisan intern committee an intern seminar program was developed by two members of the committee, Mr. Mark Talisman of the staff of Representative Vanik and Mr. Francis O'Gorman of the staff of Representative McDade.

The seminar program scheduled 57 separate seminars. Over 60 speakers from every branch of government and private endeavor participated in presenting material on 25 different subjects chosen in advance by the students themselves. The chairmen of the seminar program committee have prepared a report on that program. Because of the great interest in it which has been expressed by a great number of students and by a number of colleges and universities, I include the report:

Report to the Speaker of the House of Representatives, the Honorable John W. McCormack, on the Summer Intern Seminar Program for 1969

INTRODUCTION

There were over 950 interns working in offices of Members and Committees of the United States House of Representatives during the summer of 1969. They were a most diverse group, representing every state in the union, almost every college and university and dozens of high schools. The interns ranged in age from 17 to 26 years old, and had varied and extensive interests.

For some ten weeks during this summer, 1969, Congressional summer interns observed first hand the operation of the Congress and the duties of each member. They were a most impressive group of young people, well educated, articulate, hard working, and curious. Idealism, not partisanship, was at the heart of their poltical philosophy. Most Members detected in their youthful employees a healthy spirit of inquiry, of the sort that all Americans proudly affirm as the first necessity for good representative government. These young people possessed strong critical faculties, in the best tradition of our democracy. Debate, discussion and dissent have rarely been more fruitful than this past summer in the Congress.

The Leadership of the House of Representatives—Hon. John McCormack, Speaker; Hon. Carl Albert, Majority Leader; Hon. Gerald R. Ford, Minority Leader—sponsored the Bi-Partisan Intern Program in order to organize activities for this group of young Americans working in the House.

These young people had come from all over the United States. They wanted to meet and talk with each other. They wanted to listen to and question the Legislators who were also their bosses. They wanted to be exposed to the political currents and the Nation's leaders that only the Capital can offer.

The members of the Intern Program decided that an appropriate forum for the discussion of ideas about government and about our government today might be a series of informal seminars.

DESCRIPTION OF SEMINAR PROGRAM

With no goals more specific than those previously stated, and with an abiding commitment to the "bi-partisan" in the name, the "Seminar Committee' was constituted an integral part of the Bi-Partisan Intern Program.

Two members of the program—Mark Talisman, Administrative Assistant to Representative Vanik, and Frank O'Gorman, Administrative Assistant to Representative McDade—agreed to serve as Co-Chairmen. Gerry Simons, a member of Mr. Vanik's staff, was appointed Staff Director, and assigned to run the seminars on a day-to-day basis.

The Seminar Committee was created in order to achieve several related purposes: (1) provide on a continuous basis for discussion of some vital issues related to the Ninety-First Congress; (2) enlarge the understanding of the legislative process; (3) present the views of experts on issues of national and international consequence; (4) encourage the exchange of ideas among Members of Congress, Congressional staff and the large delegation of young men and women serving as summer interns.

A serious effort was made to involve the interns in determining the shape of the seminar program. They chose, by ballot, twenty-five topics for seminars. They preferred to limit attendance in order to keep the size of the seminars small and to preserve the informal atmosphere.

The House interns expressed a clear desire to study "substantive" over "procedural" problems of the Congress. For example, "Urban Programs" and "ABM" were overwhelming choices, while a very small number evidenced interest in "Parliamentary Procedure" and "Legislative Drafting." Nevertheless, the final list did contain several titles related to the internal structure and function of the Congress, including "Tactics on Controversial Legislation," "Lobbying," "Investigations and Hearings," "Committee System," "Ethics," "Congressional Reform," and "Freshman Member." We are left merely to speculate about how this group's tastes may have changed during the course of the summer. The complete seminar title list will be inserted at the conclusions of these remarks.

The Committee, while continuing to solicit the opinions of the interns, proceeded to invite a substantial number of what were considered the most capable, responsible, and articulate spokesmen on the various issues. Every reasonable effort was made to obtain the opposing views represented in the Congress on all these problems. There were some rejections, but on the whole the response was most favorable.

It seemed natural to draw most heavily on the greatest intellectual and political resource in the Congress: the Members themselves. However, the guests also included a large number of staff and outsiders, most of whom either currently or formerly were connected with government service.

How well did the program measure up to the bi-partisan nature of the enterprise? Very well, it is agreed among members. With significantly few exceptions, the broadest possible range of opinions were aired. There were occasional panel discussions. The usual practice was to have several speakers in different sessions on the same topic. Perhaps the next factor which most assured a balanced presentation was the intellectual responsibility shown by the speaker himself toward the controversial nature of the discussion. The speaker frequently was careful to separate his political judgments from historical facts.

Discussion was on an "off-the-record" basis, a fact appreciated by more than a few of the principals. It is agreed that this situation helped make their remarks more candid, complete, and original.

Where possible, the interns received in advance readings suggested by the speaker. Reading material usually consisted of speeches, bills, or articles in the Congressional Record. A general reading list on the

Congress, compiled with professional assistance, was also made available.

The Seminar Committee endeavored to maintain a flexible posture—where it was unfortunate to lose a scheduled speaker, more often than not a qualified substitute was successfully engaged.

The objective was to conduct, where feasible, a series of small seminars on each topic—the length and scope of each series to be determined by the amount of interest sustained by the participating interns. As a result, there were, for example, several seminars on "Congress and the American University", "ABM" and the "Committee System", and only one on "View From the Court" and "Ethics."

There were fifty-seven seminars with a total of sixty-six speakers on twenty-five topics.

At first, each participating intern (650 out of 950 official interns signed up for the seminars) was asked to choose eight areas in which to specialize: he was guaranteed admission to all the seminars in the eight fields.

Each intern received a small card that served as notification of a seminar and as his ticket of admission. Certain problems—the work involved in printing the cards, limitation of attendance to allow each participant as close a view of the speaker and subject as possible, and the stated preference of some guests for a larger audience—caused a modification in the system. A general schedule was published every two weeks. The interns were requested to attend only those seminars for which they were registered, unless special permission was obtained. Certain programs, at the discretion of the Committee, were opened to all interns.

The results were very satisfactory. Attendance was sustained at a high rate throughout. When the program was operating fully, three or four seminars per day was a common occurence.

The seminars were held in House committee rooms, subcommittee hearing rooms, on the Senate side, and occasionally in the Coolidge Auditorium of the Library of Congress. Many perfessional staff members in Congressional offices and committees were extremely cooperative in obtaining use of various rooms in which the seminars were held. This high level of support contributed significantly to this program's success. The Seminar Committee has already indicated its grateful appreciation to those who cooperated in this way, but also wishes to do so publicly.

Each seminar was planned for an hour in duration. Most speakers prepared opening remarks. There was always a lengthy question period. Many speakers encourage comments as well as inquiries, and, at times, it seems fair to say, the discussion reached the elvated level of real "dialogue."

At the recess in mid-August the interns were given a questionnaire to complete. It was designed to help the Committee review and improve the seminar program. A copy of the questionnaire is included in the Appendix. Some of the results are as follows from the 169 respondents:

1. What was the quality of the seminars? High *67.5%*. Medium *37.5%*. Low *0%*.

2. How did you find the choice of speakers? Excellent *62.8%*. Satisfactory *37.5%*. Poor *.2%*.

3. Was there enough variety to the program? Yes *79.7%*. No *20.3%*.

4. On balance, do you feel that opposing views were adequately represented? Yes *60.4%*. No *39.6%*

5. Did your Member and Administrative Assistant approve you attending these seminars? Yes *88.3%*. No *11.7%*. Sometimes *0%*. Objected *0%*.

The average intern attended many of the seminars, felt he learned a great deal from the program, would like to receive college credit in the future, and feels confident that work performed in the seminars would not conflict at all with office duties.

The interns suggested the need for many administrative changes in the summer program which in the opinion of this committee could be easily implemented to improve measurably the operation of this program. Among those criticisms and suggestions presented by the interns were the need for better and speedier notification of meetings, more discussions and debate and less question and answer and formal presentation by speakers, better regulated scheduling of seminars to allow more seminars at the beginning than at the end of the program.

Some additional suggestions were as follows: that the seminars aim even deeper into the topics; that the seminars stress the political process, that is, the problems of writing and enacting legislation; that more speakers represent views outside the Congress (some preferred lobbyists, minorities, powerful groups); that Executive-Legislative interrelationships be explored at greater depth; that the interns themselves can make a greater contribution to the program, by doing suggested reading; that more time should be available, in conjunction with this kind of a program, to observe "Congress in action," particularly the committee process, floor action; that the best sessions were those with small numbers of participants; that informal get-togethers with Congressmen would be appreciated; that debates might elicit more meaningful discussion of issues and help listeners compare the merits of differing presentations; that college credit could and should be arranged for participation in the seminar program.

Some typical reactions to the seminars from the interns from every part of the country were as follows: "The seminars were generally excellent and usually well coordinated," Margaret Maxwell, Phoenix, Arizona; "Make sure Members know the merits and strong points of this program so they will be more inclined to vote for funding of the intern program," David Edinger, Whittier, California; "The intern program should definitely offer college credit for interns. The exposure it has given me taught me more than I can say," Patti Klamecki, Milwaukee, Wisconsin; "All in all a real good program. I sure wish I could have attended more," Frank Sullivan, South Bend, Indiana; "Many students, vitally interested in the machinery of government, will be unable to become interns if pay is not given. I urge you to seek a change in this situation," Robert Sacknovitz, Philadelphia, Pennsylvania; "The best aspect of this program was the opportunity to make first hand value judgments about the personalities involved in National Affairs," Jesse M. Liebman, New York, New York; "The best seminars were ones concerning the political life of the speaker. Rehashing of current issues, while at first interesting, became boring as people repeated things," Christopher Kurs, Springfield, Virginia: "I feel that with stronger Congressional support, the program can develop into more dynamic proportions by presenting more speakers and activities." Jonathan T. Holt, Cheshire, Connecticut; "I am grateful to the Intern Committee for working so hard to keep us busy and contented with the seminars," Beverly Bradford, Birmingham, Alabama; "As an overall assessment, I thought the whole program was well organized, and the greatest, I don't know how anyone could cut it down, I consider myself lucky," Chery Guess, Casper, Wyoming; "I feel an attempt should be made to keep seminar size as small as feasible without restricting who may or may not come," Dave Mangham, Florence, Alabama.

It is the hope of the Committee, supported by the interns' views, that college credits can be granted for seminar work next summer, if this program is continued. Through an arrangement that, it has been assured, could be worked out with a local university, interns who write a substantive paper on a topic chosen at the beginning of the summer would be eligible, upon favorable review of their work, to receive course credit.

Several universities from different parts of the country have already expressed an interest in participating in such a program. In such a program the intern might be able to use an office project as the basis for his paper.

Another suggestion being actively considered foresees an editorial board of House interns and university scholars which would publish a periodic journal on public policy affairs composed of the papers written by the summer interns.

There are numerous unexplored directions which the seminar concept might go based upon the great success enjoyed by the program this summer.

It is the sincere hope of the Seminar Committee that it be allowed to continue its program during the summer of 1970 based upon the outcome of this year's program.

It would be the hope of the Intern Seminar Committee that the Congress see fit to reinstitute its financial support which it had previously given.

The high degree of participation in the seminar program by a great majority of the summer interns produced a fine atmosphere of learning, debate and discussion which should be maintained during the coming summer. It would indeed be unfortunate to reduce, impair, or neglect to cultivate the great educational opportunities which clearly are available in the Congress and can easily be exposed by the Intern Seminar Program.

It has been a sincere privilege for us to serve in this program. We are grateful to the Speaker of the House of Representatives, the Honorable John W. McCormack, to the Majority Leader, the Honorable Carl Albert and to the Minority Leader, the Honorable Gerald R. Ford for unstinting support of our endeavor. We hope we have, through this program, met their minimum expectations.

Frank O'Gorman,
Mark E. Talisman,
Co-Chairmen.
Gerry Simons,
Staff Director.

1969 SEMINAR PROGRAM

July 1—Hon. Allard Lowenstein, Hon. W. E. Brock, Students and Politics.

July 10—Hon. Shirley Chisholm, Freshman Member/Urban Problems.

July 11—Hon. John Brademas, Hon. William A. Steiger, Congress and the American University.

July 15—Hon. Chet Holifield, Committee Chairman.

July 15—Hon. John Gardner, Urban Problems.

July 15—Hon. Richard Bolling, Congressional Reform.

July 17—Hon. J. Glenn Beall, Jr., Hon. Thomas Eagleton, Freshman Member.

July 17—Mr. Russell Hemmenway, The Committee for an Effective Congress.

July 17—Hon. Paul Douglas, Hon. Sam Gibbons, Hon. Charles Vanik, Politics of Tax Reform.

July 22—Mr. Argyll Campbell, Lobbying

July 24—Dr. Alton Frye, MIRV.

July 25—Dr. Jeremy Stone, ABM.

July 25—Hon. William Proxmire, Defense Spending and National Priorities.

July 28—Hon. George Mahon, Committee Chairman.

July 28—Hon. Clifford Case, MIRV.

July 29—Hon. Abraham Ribicoff, Urban Problems.

July 29—Mr. Samuel Halperin, Tactics on Controversial Legislation.

July 29—Hon. Paul Nitze, ABM.

July 30—Mr. Mark Talisman, Politics of Tax Reform.

July 31—Hon. Averell Harriman, East-West Relations.

July 31—Hon. Birch Bayh, Electoral College Reform.

August 1—Hon. Wilbur Cohen, Social Welfare Programs.

August 4—Hon. Karl Mundt, Vietnam.

August 4—Hon. Paul McCloskey, Hon. Thomas Rees, Congressional Reform.

August 4—Hon. William McCulloch, Electoral College Reform.

August 4—Hon. Peter Dominick, ABM.

August 5—Mr. Mark Talisman, Running a Political Campaign.

August 5—Hon. William S. Moorhead, MIRV.

August 5—Mr. Richard Kaufman, Investigations and Hearings.

August 6—Mr. John Sontag, East-West Relations.

August 7—Hon. Brock Adams, Congressional Reform.

August 7—Hon. Paul Findley, Agricultural Programs.

August 7—Mr. Peter Hart, Running a Political Campaign.

August 8—Mr. Boris Davydov, East-West Relations.

August 8—Mr. M. Rasgotra, View from the Embassy.

August 8—Mr. George Vincent, Jr., Running a Political Campaign.

August 11—Mr. John Swanner, Ethics.

August 11—Hon. Robert Packwood, Freshman Member.

August 11—Hon. Allard Lowenstein, Students and Politics.

August 12—Hon. Emory Swank, East-West Relations.

August 12—Mr. Andre Baeyens, View from the Embassy.

August 12—Mrs. Evelyn Dubrow, Mr. Clarence Mitchell, Lobbying/Tactics on Controversial Legislation.

August 13—Hon. James Allen, Congress and the American University.

August 13—Mr. David Broder, The Press on Capitol Hill.

August 13—Hon. Samuel Stratton, MIRV.

August 14—Mr. Nasir S. Batayneh, The Middle East.

August 14—Mr. Amitai Etzioni, Defense Spending and National Priorities.

August 14—Mr. Dean Costin, Tactics on Controversial Legislation.

August 15—Mr. Asher Naim, The Middle East.

August 15—Mr. Jack Anderson, The Press on Capitol Hill.

August 15—Mr. Robert Wagner—Urban Problems.

August 18—Mr. Patrick Kennedy, VISTA.

August 19—Hon. A. S. Mike Monroney, Congressional Reform.

August 19—Mr. Jaroslav Zantovsky, View from the Embassy.

August 19—Mr. Jack Schuster, Congress and the American University.

August 20—Mr. Joseph Califano, View from the White House.

August 21—Dr. Howard Penniman, Prof. D. B. Hardeman, Dr. Stephen Horn, Assessing the Role of Congress.

The following persons were invited to participate in the Seminar Program under the listed topics, but for various reasons were unable to appear:

Hon. Edith Green, Congress and the American University.

Hon. H. R. Gross, Congress and the American University.

Hon. Willard Wirtz, Urban Problems.

Hon. Charles Goodell, ABM.

Hon. Gale McGee, ABM.

Hon. Stuart Symington, ABM.

Hon. John Sherman Cooper, ABM.

Mr. Alexander Barkan, Running a Political Campaign.

Mr. David Mixner, Running a Political Campaign.

Hon. Henry Jackson, Defense Spending and National Priorities.

Hon. Robert McNamara, Defense Spending and National Priorities.

Hon. Charles Percy, Defense Spending and National Priorities.

Hon. Byron R. White, View from the Supreme Court.

Hon. Warren E. Burger, View from the Supreme Court.

Hon. Thurgood Marshall, View from the Supreme Court.

Hon. Potter Stewart, View from the Supreme Court.

Hon. J. W. Fulbright, Vietnam.

Hon. Albert Gore, Vietnam.

Hon. John Tower, Vietnam.

Hon. Frank Church, Vietnam.

Hon. Eugene McCarthy, Vietnam.

Mr. William Timmons, View from the White House.

Hon. William B. Spong, Social Welfare Programs.

Hon. Llewellyn Thompson, East-West Relations.

Hon. Dean Rusk, East-West Relations.

Mr. Ray Denison, Lobbying.

Mr. Paul Duke, The Press on Capitol Hill.

Mr. Joseph Kraft, The Press on Capitol Hill.

Mr. Neil MacNeil, The Press on Capitol Hill.

Mr. James Reston, The Press on Capitol Hill.

Mr. Richard Valeriani, The Press on Capitol Hill.

Mr. Ralph Nader, Investigations and Hearings.

Hon. John W. Byrnes, Politics of Tax Reform.

Mr. Walter Reuther, Politics of Tax Reform.

Mr. George Wilson, MIRV.

Hon. Joseph Clark, Ethics.

Hon. Louis Stokes, Freshman Member.

Hon. Harold Hughes, Vietnam.

Hon. William Saxbe, Freshman Member.

Hon. Emanuel Celler, Electoral College Reform.

Hon. Walter Hickel, Environmental Problems.

Hon. Russell Train, Environmental Problems.

Hon. Stewart Udall, Environmental Problems.

Hon. John Freeman, View from the Embassy.

Hon. Walter Washington, Urban Problems.

BORN FREE

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. LANDGREBE. Mr. Speaker, Pfc. Kenneth McDaniel, 21, of Lowell, Ind., was killed in action in Vietnam on August 13. Although there are many Americans who question our role and commitment in Vietnam, Private McDaniel is an example of a dedicated young American, serving his country bravely, who knew why he was in Vietnam and was willing to stand up, yes, and to give his life for the principles on which his country was founded. I think my fellow colleagues will be interested in reading the words he wrote in a letter to his parents just a few days before his death:

BORN FREE

The sky is dark and gray
As a young soldier gets down to pray.
O Dear God, hear my prayer this day
For I have a feeling that I will pass away
Before battle comes another day.
And if it is to be, O Lord, then hear what I have to say.
Some people think I'm wrong for being here
Fighting proudly for country dear
But no matter what they say
Here I am and here I'll stay.
Many friends of mine have come and gone
And many more will come to fight on
For we are fighting to keep our country free
From Communism and in its place put Liberty
Our forefathers before us fought this cause
And now we stand and pause—
And think quietly to ourselves should we be here
Yes! for now we too stand proudly for country dear.

ONE-FIFTH OF MEMBERS NOW BACK ENVIRONMENT COMMITTEE

HON. DONALD G. BROTZMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. BROTZMAN. Mr. Speaker, today I am reintroducing my proposal to establish a standing Committee on the Environment in the House of Representatives. I am gratified by the support my proposal has received from other Members. With today's additions, 88 Members have joined me in cosponsoring the resolution to create the Committee on the Environment.

Support for this committee is broadbased. There are Republicans and Democrats supporting the resolution, and I think I can safely say that all philosophical shadings of our two great political parties are represented. In addition, support comes from all parts of the country. Forty States are represented as are all of the 21 standing committees of the House.

Mr. Speaker, I feel my proposal is particularly timely in view of the speculation that the quality of the environment and the need to protect the Nation's land, water, and other physical resources is to be a dominant theme in President Nixon's upcoming state of the Union message. The committee would have jurisdiction over most of the environmental crises which today beset the Nation and the world, including water pollution, air pollution, weather modification, waste disposal of all kinds, the use of pesticides and herbicides, and acoustic problems. At this point, I am inserting an article from the front page of the December 7, 1969, Washington Post in the RECORD:

[From the Washington Post, Dec. 7, 1969]

NIXON TO PRESS IMPROVEMENT IN QUALITY OF 1970 ENVIRONMENT

(By Carroll Kilpatrick)

The quality of the environment and the need to protect the nation's land, water and other physical resources is now expected to be a dominant Nixon administration theme next year.

The President began work several weeks ago on the State of the Union address—his first—which he will deliver to a joint meeting of Congress next month.

As the message began to take shape, the environment was the major domestic theme, officials said last week.

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Mr. Nixon himself pulled aside the curtain a bit when he told the nation's governors and their wives that when he speaks to them next, in February, it would be on how to challenge young Americans "to move forward on the whole subject of the quality of life in America," including environment.

Earlier this year, Mr. Nixon established the Environmental Quality Council and has met a number of times with it.

In addition to attacking air and water pollution, the President said that the emphasis should be on "how we can move forward on all fronts so that life in this country in addition to being very rich and very strong can also have that extra dimension of idealism" that caught the imagination of the world at the time of the birth of the Republic.

A high official said that one example of what the President was talking about was a $15-billion Interior Department plan to attack water pollution.

Secretary of the Interior Walter J. Hickel has proposed a plan whereby the federal government would cooperate with the states and local communities in attacking this serious problem. It would be a 20-year, pay-as-you-go plan with the federal government guaranteeing the principal costs and the local governments guaranteeing the interest costs on the necessary bonds.

Hickel has estimated that it would cost $10 billion to protect the rivers and lakes from the discharge of sanitary sewers and $5 billion from the discharge of storm sewers. He said storm sewers can be almost as polluted as sanitary sewers.

Hickel has argued that a "national commitment" must be made, with the federal government providing guidance and the capital investment and local communities doing the work.

This fits the President's concept of the new federalism, Hickel believes. The pay-as-you-go feature amortizes the huge cost over a period of years, making it possible to launch the program without large initial expenditures.

Hickel also has recommended the establishment of a new Cabinet department, that would be known as the Department of Natural Resources and Environment, to take over much of Interior's work and other environment work scattered in other departments.

If the House of Representatives is going to meet the environmental challenges of the seventies, it is imperative that our committee machinery be revised as I have proposed. Despite the excellent work which has been done within our existing committee structure in some environmental areas, generally speaking, our approach has been fragmented and sporadic when a unified, hard-driving approach is sorely needed.

Mr. Speaker, I am pleased to announce that 26 Members today joined in sponsoring resolutions identical to House Resolution 375 which I introduced on April 28, 1969. They include Messrs. Adair, Arends, Beall of Maryland, Brademas, Bush, Button, Daniels of New Jersey, Devine, Esch, Frelinghuysen, Goodling, Hastings, Kuykendall, Luken, McKneally, Mathias, Matsunaga, Morse, Nelsen, Pelly, Pollock, Sandman, Scott, Shriver, Stokes, Thomson of Wisconsin, and Tiernan.

The 61 Members who previously joined me in sponsoring resolutions identical to House Resolution 375 include Messrs. Addabbo, Anderson of Illinois, Biester, Blackburn, Broyhill of North Carolina, Buchanan, Burke of Florida, Burton of Utah.

Messrs. Cahill, Camp, Carter, Don Clausen, Conte, Coughlin, Cowger, Dent, Dingell.

Messrs. Fish, Foreman, Gubser, Halpern, Hansen of Idaho, Hechler of West Virginia, Mrs. Heckler of Massachusetts, Messrs. Hogan, Horton, Hunt.

Messrs. Kleppe, Kyros, Lloyd, Lujan, McClory, McCloskey, McDade, Mann, Mayne, Mikva, Mollohan.

Messrs. Pike, Podell, Quie, Reid of New York, Riegle, Rooney of Pennsylvania, Saylor, Roth, Scheuer, Schneebeli, Sebelius, Stanton, Steiger of Arizona.

Messrs. Taft, Talcott, Teague of California, Whitehurst, Williams, Wold, Wright, Wyatt, and Wyman.

A LESSON IN REALISM

HON. JACK EDWARDS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. EDWARDS of Alabama. Mr. Speaker, President Nixon made a major impact on the Nation in his recent televised press conference.

The Birmingham News of December 10, 1969, called it "a lesson in realism." Attached is the full text of the News editorial:

A Lesson in Realism

Throughout President Nixon's news conference Monday night, whether he was talking about Vietnam or feeding the hungry or tax policy, one got the feeling that here was a man who is tough-minded, disciplined and determined to reintroduce the word "responsibility"—fiscal responsibility, legal responsibility and social responsibility—into the American vocabulary.

On a steady diet of pie-in-the-sky, we have grown flabby; listening to wishing-will-make-it-so philosophers has made us reluctant to stand eyeball to eyeball with hard reality.

* * * * *

Mr. Nixon seemed to be saying to the nation:

Sure, you want peace in Vietnam. So do I. But there is no magic wand to wave, there is no cheap and easy peace. A real peace may require Americans to endure the agonies of war for yet a little longer.

Sure, you want to end poverty and to insure that no American's stomach need go empty. So do I. But such proposals as the one by the just-adjourned national conference on hunger—that the federal government guarantee a minimum income of $5,500 a year, a program that would cost $70 to $80 billion annually—are patently unrealistic and do more to set back than to advance serious efforts to aid the poor.

Sure, you want your taxes cut. So do I. But the hard fact is that your government has obligations which must be met, and these must be balanced against revenue; and I, as President, have a responsibility to consider the impact of fiscal measures on a dangerously overheated economy—so that you, the consumer, won't have to bear the brunt of still another round of inflated prices.

* * * * *

All of this, it seems to us, shows a resoluteness of purpose of the sort the nation has needed in its chief executive. We hope that Mr. Nixon will continue to be firm in his determination and candid in his messages to the American people.

Americans can do whatever is necessary for their own and their country's good, their history proves, if they understand what it is. One of the most useful services the President can perform is to inspire, by personal example, a renewed sense of responsibility in citizenship.

There are no panaceas, no easy, instant answers to the tough problems confronting us, and those who encourage belief to the contrary do no favor to anyone.

RED CROSS TO THE RESCUE

HON. LIONEL VAN DEERLIN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. VAN DEERLIN. Mr. Speaker, for many years, Charles L. Israel, of San Diego, has served the American Red Cross, both as a professional and as an unpaid volunteer. During World II, he was a field director in the military welfare division; and in the years since, he has continued his work with the organization, primarily in its disaster relief program.

Recently, he was called upon to serve in the Louisiana-Mississippi area, after the devastation caused by Hurricane Camille. Leaving his family and his real estate business behind in California, Mr. Israel spent a month in Mississippi, helping people dig out from the ruins of the storm and seeking ways to mend their broken lives.

At this point, I include with my remarks a letter from Mr. Israel to his wife, concerning his experiences in Mississippi. I urge my colleague to read it, for I feel it provides new insight into the vital work being done by the American Red Cross and its volunteers.

The letter follows:

Red Cross is doing a job and without the assistance given, the families here would be so emotionally upset it would take years to recover from the shock of the enormity of the situation.

The fortitude of the people, the victims of the hurricane, is something to behold. The winds, waves, knew no race, religion, or color; it struck all, the rich, the poor, the middleman.

All need help and the Red Cross is on the job giving immediate assistance to meet all emergency needs, and the case processors are on the job assisting families plan and helping families financially. When the family has done all it could for itself, Red Cross steps in to meet the needs and fills in the gap.

Certainly without this assistance a goodly section of the country would be years in recovering from the effects of this hurricane.

So it is only through the help of all the people in this land of ours assisting with funds channeled through the organization, with the know-how, the American Red Cross, that a community so hard hit can come back and start life anew.

To help our fellowman is a privilege and should be embossed upon the minds of our fellow countrymen. The "Oh Wells," they can do it all themselves, they should become obsolete.

For my part I am glad I came to help. It is good to see a smile come to the faces of the victims of the hurricane when help is given and an encouraging word is spoken and they know their fellow Americans do care.

The story just has to be told and retold until all of the people know the worth of the American Red Cross and all the people of our land become part of the Red Cross program just by opening up their hearts and their purses or giving of themselves.

A disaster can strike anywhere in this land of ours and one never knows when he too, may need assistance. It would be comforting to know that a great humanitarian organization such as the American Red Cross has the backing of all the people and will be able to step in to do the job of alleviating suffering caused by castrophic situations.

When disaster strikes it should be a privilege to help and not a duty. The Amercan Red Cross is charged by our government to do the job and needs the help of all the people of this great nation of ours.

CHARLES L. ISRAEL.

THE GATE CITY OF THE SOUTH

HON. FLETCHER THOMPSON

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. THOMPSON of Georgia. Mr. Speaker, as Congressman from Georgia's Fifth District which includes most of Atlanta, I have a great pride in Atlanta, her progress, and her history.

Many Members of this body who have flown through Atlanta recently have been impressed with her airport facilities, and others who have visited the city recently have been amazed at the growth and revitalization of her business district. Still others know of Atlanta regretfully only through having read Margaret Mitchell's "Gone With the Wind" or seen the movie version.

Atlanta has a great history, dating back to 1836 when the first log cabin was built. One of my constituents, Mr. Hubert F. Lee, editor of Dixie Business magazine, recently sent me a copy of the Lone Scout magazine of February 10, 1917, which contained an article he wrote about Atlanta's history. So that other Members may become acquainted with our city's background, I insert in the RECORD the article from Lone Scout about Atlanta. The article follows:

THE GATE CITY OF THE SOUTH

(By Lone Scout Hubert F. Lee)

ATLANTA, GA.—The Gate City of the South was not always known as Atlanta. Because some Lone Scouts are interested in how my city got its name I am going to write the history of Atlanta.

In 1836 Mr. Hardy Ivy built the first log cabin on the site of what is now Atlanta. One year later the Western and Atlantic Railroad selected this place for its terminus and the place was called "Terminus."

The second house was built by John Thrasher in 1839, and the first business firm, Johnson & Thrasher, opened a little store. In 1842 the settlement had six dwellings, and a daughter was born to Mr. and Mrs. Carlisle. That same year the first train ran from Terminus to Marietta, and the first two-story house was erected, and the first real estate auction took place.

In 1843 Terminus was incorporated under the name of Marthasville, in honor of the pretty daughter of the Governor of Georgia. At this time Marthasville had a railroad office, a sawmill and two stores.

In 1847 the legislature changed the name to Atlanta. The town had 500 inhabitants. Three years later the population was 3,000, and was 6,000 four years later.

About this time there were sixty stores, a courthouse, and a theater. The annual trade was $1,500,000.

One year later the city was lighted with gas, and the Atlanta Medical College was established.

The "boom" period began in 1859. The population was 11,500. In that year twenty brick stores were built, four hotels, four machine shops, two planing mills, four tanneries, one large rolling mill, one clothing factory and fifteen churches. The panic in 1857 did not hurt Atlanta. The first directory, in 1859, showed that the city had three fire departments, seven Masonic lodges, one Odd Fellows society, two temperance societies, seven newspapers, five hotels, fifteen manufacturing concerns.

Up to the Civil War period the mayors of the city were Moses Ferminalt, Benjamin Borar, W. Buell, J. Norcross, G. O. Gibbs, John Mims, W. M. Butte, A. Nelson, John Glenn, William Eyzard and Luther J. Glenn.

The above is true and I hope to see it in "Our Dear Old Lone Scout."

YEAR OF APOLLO—1969—U.S. SPACE ACCOMPLISHMENTS

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. FULTON of Pennsylvania. Mr. Speaker, the National Aeronautics and Space Administration has outlined the U.S accomplishments in space in 1969. It is a pleasure to set out for the American people the fine progress which is the result of cooperation of everyone in our space program with our competent astronauts. Their news release of December 20, 1969, follows:

NEWS RELEASE No. 69–161

The year of the Apollo Moon landings—1969—the year of close-up studies of Mars and, closer to home, a year when communications satellites, space weather observation and scientific examination of the Earth's environment from orbit continued with increasing sophistication.

Following the Apollo 9 and 10 readiness missions, the first lunar landing mission was launched July 16 and man set foot on another celestial body for the first time four days later.

"That's one small step for a man, one giant leap for mankind" were the words of Apollo 11 Commander Neil A. Armstrong as he swung down from the Lunar Module to the dusty Sea of Tranquility at 10:56 p.m. EDT July 20.

Exactly four months later Apollo 12 Commander Charles "Pete" Conrad led a second two-man exploration team to the Moon, this time in the Ocean of Storms.

The era of manned exploration of other planets had begun—bringing to fruition the ten-year effort of the government-industry-university complex in which 400,000 Americans had brought about the first major milestone in unlocking the secrets of the universe.

Two unmanned spacecraft, Mariners 6 and 7, flew by Mars in July and August revealing it to be different than—rather than resembling—either the Moon or Earth.

Results of the flyby in which 200 photos of Mars were taken confirmed earlier data received from Mariner 4 in 1964 that there are numerous craters and the atmosphere is roughly equivalent to that of Earth at about 100,000 feet altitude.

But the unprecedented clarity of the new pictures showed numerous craters including one about 300 miles in diameter as well as one vast stretch of over 1,200 miles with almost no craters. The only identifiable cloud was a very thin streak hanging 20 to 30 miles off the edge of the planet.

Ice cap temperatures were measured to be very similar to that of dry ice although one experimenter believes there may be water ice at the edge of the cap.

In the meteorological satellite area, Nimbus 3 was placed in polar orbit. Shortly after launch, it was apparent that not only the cloud cover photos being returned were of excellent quality, but a new step forward in meteorology had been taken. A weather bureau official called it a breakthrough as significant to meteorology as the launch of the first satellite.

He referred to the vertical temperature measurements, air pressure, vapor content and wind speeds taken at numerous locations around the world on a daily basis.

NASA also launched a regular meteorological operational satellite for ESSA, ESSA 9, in February, and four communications satellites were launched for Communications Satellite Corp. One of the four, Intelsat III F–5 failed to achieve orbit because of a launch vehicle malfunction.

Two more Orbiting Solar Observatories, OSO's 5 and 6, were launched by NASA during the year to continue the study of the Sun and another Interplanetary Monitoring Platform, IMP–G, and an Orbiting Geophysical Obesrvatory, OGO–6, were launched to study the medium near Earth and out to more than 100,000 miles in space.

Other launches for outside organizations included an ionospheric sounding satellite, ISIS 1; ESRO I–B and German Research Satellite–A, both scientific satellites, and a communications satellite, Skynet–A, for the British Ministry of Defense.

Another important flight during the year was Biosatellite 3. This was the first mission involving a primate and though it was aborted far short of its scheduled flight of one month, results from the flight were important.

New knowledge about the structure and behavior of cancer cells was a surprise 1969 research dividend. Researchers at the NASA Langley Research Center, Hampton, Va., developed a microscope technique that permitted time-lapse photographs of cell division mechanisms in healthy and cancerous tissues.

In aeronautical research, the promising NASA super-critical wing concept moved from hand-crafted, wind tunnel refinements into preparation for full-scale flight tests. The concept, also originating at Langley, has stirred unusual interest because of its potential for enhancing both the cruise performance and the operational economics of subsonic jet airliners. Flight tests will be made with such a wing mounted on a modified jet fighter acquired by NASA from the U.S. Navy.

The goal was to get data on how space radiation might affect cellular growth. What they discovered and recorded was that cancer cells split, but remain connected by thin, stretchy linkages and that one cancer cell could cause connected cells to divide in sequence by sending a sort of chain reaction-stimulus through the linkages.

Double success twice rewarded NASA's efforts in tracking and data acquisition in 1969, with the successful lunar landing flights of Apollo 11 and 12, and the two Mariners flying close to Mars.

The Manned Space Network performed virtually without flaw in maintaining contact on two flights, with two Apollo spacecraft at once—the Lunar Module stationed on the Moon, the Command Module continuing in lunar orbit. The 85-foot antennas of the major stations at Goldstone, Calif.;

Canberra, Australia, and Madrid, Spain, used main and wing, or backup, antennas to carry out this long-range double-track task. In addition, with 210-foot antennas at Goldstone and Parkes, Australia, they provided live television direct from the Moon to an audience estimated, for Apollo 11, in the hundreds of millions of persons over many modern nations.

The Mars feat attracted the interest of astronomers because the cameras of Mariners 6 and 7 returned 200 high quality photos of the planet in a period of some 12 hours—a gross gain from the technology possible with Mariner 4, in 1965, when 22 Mars pictures were transmitted in 175 hours. Last July 31 and Aug. 5 Mariner 6 and 7 passed within 2,000 miles of Mars to scan two different faces of the planet, and transmitted photo and other data to Earth over a distance of 60 million miles.

NASA's international program broke new ground in 1969 with an agreement with India for use of a synchronous communications satellite to broadcast TV directly into 5,000 Indian villages for such program objectives as population control and agriculture improvement. The year also saw the successful launching of three scientific satellites in cooperative programs with Canada, Germany and the European Space Research Organization (ESRO).

More than 50 foreign countries continued to obtain daily meteorological data directly from NASA and ESSA weather satellites by means of inexpensive automatic picture transmission (APT) ground receiving stations. The cloud-cover photographs received contributed widely to improved weather forecasting and storm advisories.

NASA continued to transfer to industry, small business and the scientific community the new technology coming out of space-related research and development activity. Most of this technology comes from NASA field centers where specialists review research and development projects for promising new ideas. NASA contractors, also, are required to report inventions, discoveries, innovations and improved techniques they develop in work for NASA.

MAJOR NASA LAUNCHES IN 1969

Date	Name	Launch vehicle	Launch site	Mission	Results	
					Vehicle	Mission
January 22	OSO 5	Delta	KSC	Solar observation	Success	Success.
January 30	ISIS 1	do	WTR	Ionosphere sounding	do	Do.
February 5[1]	Intelsat III F-3	do	KSC	Communications	do	Do.
February 24	Mariner 6	Atlas-Centaur	KSC	Mars fly-by	do	Do.
February 26[1]	ESSA 9	Delta	KSC	Weather	do	Do.
March 3	Apollo 9	Saturn V	KSC	LM checkout	do	Do.
March 27	Mariner 7	Atlas-Centaur	KSC	Mars fly-by	do	Do.
April 14	Nimbus 3	Thor-Agena	WTR	Weather R. & D	do	Do.
March 18	Apollo 10	Saturn V	KSC	LM lunar orbit	do	Do.
March 21[1]	Intelsat III F-4	Delta	KSC	Communications	do	Do.
June 5	OGO 6	Thor-Agena	WTR	Geophysical studies	do	Do.
June 21	Explorer 41	Delta	WTR	Interplanetary studies	do	Do.
June 28	Biosatellite 3	do	KSC	Biological studies	do	Unrated.
July 16	Apollo 11	Saturn V	KSC	First manned lunar landing	do	Success.
July 25[1]	Intelsat III F-5	Delta	KSC	Communications	Failure	Failure.
August 9	OSO 6	do	KSC	Solar physics	Success	Success.
August 12	ATS 5	Atlas-Centaur	KSC	Communications and technology	do	Unrated.
August 27	Pioneer 5	Delta	KSC	Solar studies	Failure	Failure.
October 1[1]	ESRO 1-B	Scout	WTR	Polar ionosphere	Success	Success.
November 7[1]	GRS 1	do	WTR	Energetic particles	do	Do.
November 14	Apollo 12	Saturn V	KSC	Manned lunar exploration	do	Do.
November 21[1]	Skynet	Delta	KSC	Communications	do	Do.

[1] Non-NASA mission.

GOOD GUYS

HON. LOWELL P. WEICKER, JR.

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. WEICKER. Mr. Speaker, in this era of raised voices and angry confrontation, I would like to call my colleagues' attention to a group of quiet men who mirror the true Christmas spirit.

About 4 years ago in Bridgeport, Conn., in my district, Mr. Joseph Mastronardi, Jr. and Mr. Jules J. Bues organized a reunion of classmates and friends whom they grew up with in the North End of Bridgeport. As Mr. Mastronardi notes, the men who attended the reunion were all "good guys," the type of guys you would be proud to call your friend.

From this reunion stemmed the North End Good Guys, a group of guys who quietly share their friendship with the sick, the underprivileged, the poor, and any family in their community in distress. There are now about 300 members in the North End Good Guys of Greater Bridgeport who help their neighbors and spread good will without publicity or fanfare.

This group of Good Guys is constantly active throughout the year, but during the holiday season they are particularly active. Last year they distributed more than 1,000 toys to youngsters and plan a similar project this year. There are many needy families who will have a Christmas dinner, thanks to the Good Guys.

When you know that there are men in this world like the North End Good Guys, who truly love their neighbor, the meaning of the phrase "Christmas Spirit" certainly has greater depth.

TRANSPORTATION AND THE ELDERLY

HON. HARRISON A. WILLIAMS, JR.

OF NEW JERSEY

IN THE SENATE OF THE UNITED STATES

Wednesday, December 17, 1969

Mr. WILLIAMS of New Jersey. Mr. President, within recent months the U.S. Senate Special Committee on Aging and several of its subcommittees have taken testimony on the "Economics of Aging: Toward a Full Share in Abundance."

Our witnesses have given us much information about generally inadequate retirement income, and they have given us example after example of the drains upon that income: inflationary health care costs, rapidly rising real property taxes, and inflation in general.

There is another, less obvious drain: the extra living costs that arise when transporation is inadequate, too costly, or even nonexistent. At one recent hearing, for example, we heard about an elderly woman who was trying to earn a few dollars doing housework. But it costs $1 for carfare each day she works. And so she walks 15 blocks each way to cut down the fare she must pay.

It seems to make little difference whether the committee is taking testimony in rural or urban areas. At a recent hearing in Appalachia, one witness told about a 78-year-old woman, with a monthly income of $85, who had to pay a neighbor $5 once a month to take her into town so that she could purchase food stamps. There was no other way to get there, and her neighbor was almost as poor and old as she was.

Transportation has been mentioned so often at our economics hearings that I decided on December 6 to conduct an information session in Paterson, N.J., solely on that subject. Paterson was selected because it has an active Office on Aging, because transportation studies have been conducted there within recent years, and because it has a large population of elderly residents.

Much valuable information was gathered, and I ask unanimous consent that three statements given at that time be printed in the RECORD. These statements provide useful insights, as well as proposals for change.

Further grassroots testimony was provided by a panel of elderly residents of Passaic County. Mrs. Minnie Barrow of Totowa, Mrs. Florence Baum of Paterson, Mrs. Mary Donkersloot of Clifton, Mrs. Violetta Hill of Wayne; and Mrs. Odessa Owen of Paterson.

Their expert testimony was that of the older person who finds it increasingly difficult to go shopping, to visit friends in the hospital, to go to centers for recreational events, and to go to their own doctor or to a clinic.

One woman said that it costs her 70

cents and she must make a transfer to travel only about 2 miles in order to reach the city center on aging. Another said that it takes 2 hours and costs more than a dollar to visit friends in a hospital.

Shopping problems were described: It is too difficult to carry heavy bundles while attempting to board a bus—when a bus can be found. Many elderly persons, it was reported, stay at home most of the time simply because it is too expensive and too much trouble to use whatever public transportation may be available.

It is clear, from their testimony, that the Senate Committee on Aging should look deeper into the problems described in Paterson. We should, for example, learn more about the probable effects of reduced fares for the elderly during nonrush hours. Asked at the hearing whether such an arrangement would be acceptable and helpful to them, the panel of elderly residents emphatically said yes. The committee should also look further into the question of design barriers that make public transportation inaccessible or unattractive to the elderly and also to the handicapped. As the author of mass transit legislation now before the Congress, I might add that I will do all possible to assure that accessibility is built into transportation systems of the future.

Fortunately, there is reason to think that there is growing awareness of transportation problems encountered by the elderly.

Representatives of the U.S. Department of Transportation and the Administration on Aging were on hand at the Paterson meeting, and they described new research efforts which should shed light on relevant subjects. In addition, a representative of the New Jersey State Department of Transportation described the potential usefulness of a "Dial-a-Bus" proposal which would provide on-call service in urban areas.

The people of Paterson and others at the December 6 meeting, have my thanks for providing weighty evidence about the need for closer attention to the transportation problems of the elderly.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

TESTIMONY BEFORE THE SENATE HEARING ON "TRANSPORTATION ASPECTS OF THE ECONOMICS OF AGING," PATERSON, N.J., DECEMBER 6, 1969

(By Mort Schwartz, chairman, Passaic County Council on Aging)

The county office on aging was established in 1968 by the Freeholders of Passaic County as a result of their recognition of the growing problems of the aging.

May I emphasize the last few words of that opening statement—*the growing problems of the aging*. We have come to recognize in recent years that the normal problems associated with old age are being compounded day after day by the evolutionary course of our social and economic habits of living.

Concern for health as we grow old, although still the paramount consideration, is accompanied by fear of financial insecurity, and apprehension as to the difficulty of continuing active and mobile.

Senior citizens on fixed incomes are being strangled by an economy that each year experiences a significant rise in the cost of living.

Senior citizens who, as their residential needs diminish, relocate to smaller or less elaborate housing, often find themselves isolated from friends and relatives in suburban or rural areas in which transportation is not readily available.

Appropriately, this hearing is entitled, "Transportation Aspects of the Economics of Aging." The subject of transportation cannot be isolated with respect to the senior citizen. The capability to be active and mobile after retirement is more often than not dependent on individual economic considerations.

The senior citizen scrutinizes expenditures in a different light than his younger neighbors. A bus trip to New York City costing a dollar is often equated with a meal. Unhappily, the dollar fare cuts into the amount of money allocated for food in many budgets.

Although they are worth repeating, the comments I have just made pertain to the aged in general, and the situations are well-known to all of us here. Let us then be specific with respect to conditions in our local area.

Passaic county, with a population approaching one-half million, has approximately 50,000 senior citizens distributed throughout its 16 municipalities. Almost 90% of the total population is concentrated in the lower half of the county, and three cities: Clifton, Passaic and Paterson account for almost 70%.

In size, the county has 194 square miles of land and eight square miles of water. More than two-thirds of this total area is still rural. Three municipalities in the upper half of the county: West Milford, Ringwood and Wanaque comprise 60% of the total square mileage.

The transportation situation within this configuration is briefly as follows:

The only existing major highways are routes 46, 3 and 21 which all barely skirt the very southern tip of the county, and Route 23 which moves from south to north along the county's western boundaries. Three additional limited access highways are now being built in bits and pieces with long delays. These are the new routes 80 and 287, and the existing route 208 in Bergen county which is being extended northward.

In the upper half of the county, only two roadways: county routes 511 and 513 provide arteries of any consequence, and both primarily allow north-south flow.

Two existing railroads—Erie Lackawanna and the New York Susquehanna & Western—are given over almost entirely to carrying freight, and the few commuter trains still available all terminate at the Hudson tubes in Jersey City.

Local intra-county bus services are considerable in the lower half of the county where population is dense. Local bus service is extremely limited in the upper half of the county, but a few lines do link Paterson with some of the northern municipalities.

Several major inter-state bus lines provide service to New York City from both the upper and lower halves of the county.

What does all this ad up to? The conclusion that current transportation development in Passaic County leaves much to be desired with respect to the senior citizen.

Bus and train schedules, as well as road construction, are designed for the commuter or the inter-county traveler. Little or no improvement has been realized in public transportation on a local basis. Major attention for the future is focused on highways, rather than municipal and county roads or means of expanding public conveyances.

In addition to the present shortcomings, a projection of population trends indicates a requirement for much study and planning concerning local transportation needs, and most important a change of emphasis is necessary.

More and more families are relocating to suburban and rural areas as current population booms continue. In Wayne, for example, where my family resides, the population has increased almost four-fold in the past 20 years. It is now anticipated that populations will increase 50% in such northern municipalities as West Milford and Ringwood during the next 10 years.

Senior citizen ratios throughout the county now range from 5 to 15% of local populations. It is probable that these ratios will remain fairly constant as families relocate.

From a recent study of national social security statistics, it was determined that the population of retired persons in New Jersey is growing faster than the national average; and that those 65 and over leaving the State are of higher than average income, while those of the incoming migration are in lower income brackets.

These statistics warn us that transportation problems will degenerate to the critical stage unless some positive, constructive steps are taken.

Before embarking on some concrete suggestions to improve transportation for the senior citizen, I would like to take a few minutes to outline some basic philosophy.

The word "retirement" is defined by Webster's Dictionary as "withdrawal" or "seclusion." My own definition includes this qualification: Retirement is withdrawal from full-scale daily labor for income. Retirement does not mean withdrawal or seclusion from society or social activity.

Key words for the senior citizen are those mentioned at the beginning of my remarks: activity and mobility. Both are essential to the maintenance of mental and physical well-being.

Consider these illuminating facts:

(1) The average person at retirement is in good health.

(2) The majority of senior citizens live alone, not with families.

(3) The onset of senility is associated closely with immobility and isolation.

One aspect of the need for activity and mobility for the retired person is not personal but is his value to the community. Where transportation has been provided, he has proved his worth in volunteer service. Staten Island is an outstanding example. In an experimental project there, 450 senior citizen volunteers assisted day care centers, youth serving organizations and hospitals with countless hours of service.

Now, for some constructive ideas which perhaps are worth investigation. First of all, with respect to public conveyances, it is suggested that both buses and trains initiate special reduced rates for senior citizens before and after peak hours of commutation. Perhaps this objective could be realized by Federal or State subsidy. Presently, huge sums of money go into construction of highways which often are obsolete before completion by virtue of congestion. Funds might better be used for mass travel to move large numbers of people faster and more safely.

It is further suggested that some transfer method be implemented to allow senior citizens to move from one public conveyance to another without cumulative charges. In most cases, intra-county travel involves transfer from one bus line to another to reach outlying destinations. Again, Federal or State subsidy may be required.

On a local level, it is suggested that individual communities, particularly suburban and rural, utilize existing school buses for the purpose of short haul jitney service. Most school buses, whether privately-owned or operated by boards of education, see limited daily service. Before and after school openings and closings, these vehicles could be dispatched on scheduled runs to and from hospitals, shopping centers, housing developments, recreation areas, etc. In this case, local subsidy by municipal government may be necessary.

To avoid impending road traffic problems by alleviating already congested arteries, county and State officials should make every effort to expedite construction of Routes 287, 80 and 208.

In closing, may I expound a strategy of daily living that is difficult to follow, but extremely beneficial if exercised. The ability to act at the outset of a problem, rather than the alternative of reacting when the situation becomes critical. It is possible that we have already arrived at the critical stage concerning the plight of the senior citizen. If this is not so, let us all strive to act together to prevent future hardships.

TESTIMONY BEFORE THE SENATE HEARING ON "TRANSPORTATION ASPECTS OF THE ECONOMICS OF AGING," DECEMBER 6, 1969, PATERSON, N.J.

(By Constance Midkiff, executive director, Paterson, N.J., Office on Aging)

It is with inordinate pleasure that I welcome this hearing to Paterson today. Since the Paterson Office on Aging opened in February 1967, transportation for older citizens has been one of our major concerns.

Paterson, with a population of approximately 150,000 has an estimated 18,000 citizens 65 years of age and older. Ten years ago a survey of aging—their numbers and needs—was made here in cooperation with Mrs. Eone Harger and the State Division on Aging.

At that time the 65 and over population was 14,000. Of these 46% were men, 54% women; 46% of those interview were single—most of them widowed. 14% lived alone. 8½% lived in cold water flats. 54% were dependent upon Social Security. About 6% were living on Old Age Assistance. 9% were still working. 8% depended upon their children for support. 28% had not seen a doctor within the year. 22% had been sick during the week in which they were interviewed. 6% were bedfast. 17% said they had no one to care for them in sickness. 20% had no opportunity to meet other people their own age.

In commenting on this survey, Mrs. Harger, who had worked closely with the Survey Committee, stated that many of the results were anticipated but what shocked the Committee was the intensity of the needs revealed. The statistics gave a picture of too many older people living alone, shut in and shut away from a full life—a profile of isolation which gave breath and blood to the statistics and pointed out directions that Paterson must explore in order to add a measure of security, comfort and companionship to the lives of its older residents. "What the people of Paterson plan to do about the conditions of the survey is up to them," Mrs. Harger concluded.

This challenge went virtually unmet for six years. During this period the 65 years and over population increased by about 4,000 and the percentage increase in all areas of need indicated by the survey was proportionate.

Five low income Senior Citizen housing projects were built during this period by the Housing Authority with a total of 590 units, but other than this very little was done.

Mayor Lawrence F. Kramer was made aware of Paterson's neglect of its older citizens and one of his campaign promises in 1966 was to do something about the problems of aging if elected Mayor. Creation of the Office on Aging was Mayor Kramer's first official act. Again through the cooperation of Mrs. Harger and the State Division on Aging, funds for the office were obtained under Title III of the Older Americans Act.

A Council on Aging widely representative of the community was organized in March of 1967. Goals set by the Council were community awareness and involvement of the total community in the problems of aging.

The Council has worked diligently and with some success in the areas of health, housing, nutrition, recreation, education and social activities. This is the end of the three year pilot project in Paterson and the City, with the Office on Aging and the Council, is evaluating the project and making permanent plans for meeting the growing needs of older citizens.

I have gone into this background to indicate that even though Paterson was made aware of the situation facing its older people by a scientific survey made by a group of concerned citizens, nothing was done to prepare for the growing needs of an expanding older population until Mayor Kramer involved himself in these problems and identified himself with Paterson's older people. My pleasure in this hearing today is that Senator Williams through investigation of various aspects of the economics of aging is involving himself and the country in the problems of aging. I think it is abundantly clear that the community and the so-called establishment must move together in order to prepare for the growing needs of this growing segment of the population. Transportation for the aging has been one of the major concerns of the Paterson Council on Aging from the beginning. We have been concerned not just with transportation to and from special events such as concerts, theatres, the State Fair, etc. The Council has extended its interest to consultation with transport companies and to the State legislature. Special effort has focused on:

1. Cost—which limits mobility for those on limited fixed income. This relates to employment for those who need a little extra work to supplement social security payments, participation in education, recreation and social events, visiting family, friends, clinics, physicians, hospitals, shopping, etc. We have proposed reduced fares during the non-rush hours which we believe would create greater movement and increase business as well as relieve some of the isolation existing among older people. Even with permissive legislation now in existence, we have been unsuccessful in our efforts to reduce cost.

2. Schedules—during week-days and Sundays long waits are necessary involving time and exposure especially dangerous to health in bad weather.

Many people are deprived of work and opportunity to worship in their own Churches because they have no way to get there.

3. Routings—involving two fares are an extra drain on the pocket book and limit older people to their own living areas or neighborhood.

4. Lack of safety in the loading and unloading zones is often reported. Many complain of the difficulty of getting on and off busses. The handicapped are virtually isolated because of this problem.

Paterson has much to offer in its shopping areas, parks, library, its agencies and institutions, but her older people who helped to build the city are now deprived of their use through forced immobility. It has been said that the United States is the only country in the world that consults its teen-agers on world affairs and tells its older people to go out and play.

Even if the older citizen accepted this admonition, he cannot afford the expense of getting to the playground.

TESTIMONY BEFORE THE SPECIAL COMMITTEE ON AGING ON "TRANSPORTATION ASPECTS OF THE ECONOMICS OF AGING", DECEMBER 6, 1969, PATERSON, N.J.

(By Gene Weltfish, Ph.D., professor of anthropology, director of the project)

As part of a project titled "The Study of Transportation as a Factor in the Lives of Low Income Individuals and Families" (State of New Jersey, Dept. of Community Affairs, Trenton: Grant, Title I, Higher Education Act of 1965, Public Law 89–329, Community Service and Continuing Education Programs, through the Office of Special Projects, Fairleigh Dickinson University):

Three statistical surveys were conducted in the city of Paterson and surrounding areas in the past year, two of them now being computer-processed, one covering 1600 households, the other about 1000 businesses in and around Paterson, obtained with a view to getting an insight into the transportation problem within the varying functional contexts. They were conducted by Professors Bishr and B'Racz, economists of Fairleigh Dickinson University who are here today to answer questions. People of all ages including the elderly appear in the study.

Our findings show that the transport system in the city of Paterson resembles that which prevails in a number of cities, developed prior to World War I; only some of these have been modernized:

(1) The bus lines originate in the outlying towns and come into the central city; they are owned by various private companies in those several towns.

(2) Their service orientation is transportation from town to city and back to the town of origin; they have very few stops in Paterson itself.

(3) Their franchises insure that no one of them takes the same route.

This means that any transfer from one line to the other involves paying another full fare and walking from one to the other, a process that is both costly and time-consuming.

For the elderly it certainly excludes any freedom of travel economically or physically. They are severely confined.

Suggested Remedy: Conditional on the development of a fully-coordinated transport system in Paterson, there is need for a *Senior Taxi System*, since reduced fares on the present bus system can hardly serve to take the people where they want to go. The elderly could be provided with a limited number of coupons for rides, possibly between certain hours. There is a Veteran's Taxi Service in Paterson that might be enlisted for this purpose. Possibly less sturdy machines than those in ordinary taxi service could be utilized.

As in most of this country, the majority of Senior Citizens of Paterson live throughout the community and this transportation is of great importance so that they can enjoy normal and complete lives; there are also 6 or 7 homes for the aged in Paterson which represents a concentration of people who could conveniently be served in these terms, supplemented by older but still usable school buses for group occasions.

I fully believe that with a modicum of mobility, the Senior Citizen will think of ingenious ways to help himself and others of the community to the lasting benefit of all of us. There is a lot of talent going to waste.

I want to thank you for the interest you have shown in this community and in this very vital issue and hope for a successful outcome.

RESULTS OF QUESTIONNAIRE

HON. JOHN E. MOSS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. MOSS. Mr. Speaker, late in September I sent questionnaires to my constituents to determine their views on the major issues pending before the Congress, 15,455 questionnaires were answered and returned to my office and have been tabulated by computer. The

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questions and the percentages of responses follows:

THIRD CONGRESSIONAL DISTRICT QUESTIONNAIRE

1. Which one of the following do you believe should be the policy of the United States in Vietnam?

a. to reduce the level of fighting while the Paris peace negotiations are in progress—14.1.

b. to continue military operations at the present level regardless of developments in the Paris peace talk—7.1.

c. to immediately withdraw unilaterally all our troops from Vietnam—34.2.

d. to discontinue negotiations and step up military operations to attain a military victory—17.1.

e. to urge a coalition government in South Vietnam, based on U.N. supervision of national elections—27.5.

2. What policy should the United States adopt for assuring peace and stability in the Middle East?

a. A formal alliance with Israel that would assure our intervention in the event of an Arab attack—2.1.

b. Inclusion of Israel into NATO that would assure our intervention in the event of an Arab attack—4.8.

c. Press for a negotiated settlement through the United Nations—47.8.

d. Join with the Soviet Union to guarantee formally the terms of a peace settlement—10.1.

e. Closer ties to Arab nations notwithstanding objection of Israel—2.9.

f. Insistence on direct negotiations between Israel and the Arab nations—32.4.

3. Should the President obtain approval of Congress before United States troops are committed to fight in foreign countries? Yes, 86.9. No, 13.

4. Should our government build an anti-ballistic missile system? Yes, 47.1. No, 52.4.

5. Which of the following do you support?

a. Retaining the Electoral College system as it is—3.7.

b. Elect the President and Vice President by direct popular vote of the people—79.6.

c. Revising the Electoral College voting to reflect proportional strength actually won by a candidate in each state—16.7.

6. Do you favor lowering the voting age of Americans to 18 years in Federal elections? Yes, 47.6. No, 52.4.

7. Which one of the following proposals concerning the draft law do you prefer?

a. The present system, which defers full-time college students—7.9.

b. A random-chance lottery system, with no student deferments for men at the age of 19 years only—25.4.

c. A professional, all volunteer military—35.9.

d. Universal conscription for national service, e.g. Peace Corps, Domestic Services, as well as the Armed Services—22.9.

e. Deferments for post graduate college students in critically import fields—8.

8. What position would you favor regarding cigarette advertising?

a. Ending all cigarette advertising—48.

b. Permitting the cigarette industry to continue all forms of advertising without restriction—12.2.

c. Stipulating that a tobacco health warning must accompany all forms of cigarette advertising promotion—39.8.

9. Do you favor President Nixon's 1970 budget cut of 18 per cent in traffic and highway safety funds? Yes, 33.3. No, 66.7.

10. Would you favor Federal legislation to guarantee comprehensive warranty protection on consumer products? Yes, 85.3. No, 14.7.

11. Do you favor retaining the surtax on incomes? Yes, 21.7. No, 78.3.

12. If inflation continues, should Congress enact wage and price controls? Yes, 74. No, 26.

13. In light of the recent moon landing, would you favor:

a. Continued funding of our space program at its present level of $3.8 billion a year—28.

b. Reduce spending for space exploration and spend more for community development—65.9.

c. Increase allocations for space exploration—3.4.

d. Phase out the space program—2.7.

14. Do you favor:

a. increasing Federal aid to education—54.3.

b. reducing allocations of Federal aid to education—13.2.

c. maintaining Federal aid to education at its present level—32.5.

15. If you favor an increase in Federal aid to education, in which area should it be distributed?

a. elementary education—40.1.

b. secondary education—24.7.

c. college education—35.1.

16. Regarding foreign aid, would you prefer:

a. Reducing the foreign aid program—41.8.

b. Continue it at about the current level (1.7 billion—1969)—9.2.

c. Restrict foreign aid to non-military aid only—34.1.

d. Assisting only the developing nations—14.8.

17. Would you favor a program of Foreign investment guarantees in Latin America and other underdeveloped countries which would utilize the resources or recipient countries thus producing maximum benefits for minimum American dollars? Yes, 69.8. No, 30.2.

18. What should the Federal Government do about the increasing crime rate?

a. Increase anti-poverty community action expenditure—30.2.

b. Increase Federal assistance to local police, for higher salaries, improved training and better equipment—30.1.

c. Provide stiffer penalties for all crimes—31.4.

d. Establish a Federal police force—1.8.

e. Enact more stringent laws controlling firearms—6.5.

19. Do you feel that the Federal Government is doing enough to combat air and water pollution? Yes, 6.5. No, 93.5.

20. Would you favor the Federal Government enacting more stringent regulations with regard to air and water pollution? Yes, 94.5. No, 5.5.

21. Would you favor the Federal Government taking a more active role in assisting family planning? Yes, 61.6. No, 38.4.

22. If so, indicate your preference as to method:

a. Tax credits for smaller families—23.7.

b. Creation of family planning centers for the distribution of population-control information—56.1.

c. Nothing, Federal involvement would constitute an invasion of privacy—19.6.

INFORMATION ON THOSE RESPONDING

Sex: 68.7 percent male; 31.3 percent remale.

Age group: 1.2 percent under 21; 27.8 percent, 21–35; 34.1 percent, 36–50; 25 percent, 51–64; 11.9 percent, 65 and over.

Education level: 3.98 percent, grades 1–8; 22.1 percent, high school; 36 percent, some college; 37.8 percent, college graduate.

Family income bracket: 12.62 percent, under $5,000; 30.74 percent, $5,000 to $10,000; 34.20 percent, $10,000 to $15,000; 22.41 percent, over $15,000.

Voting preference in last election: 51.39 percent, Democratic; 40.99 percent, Republican; 1.74 percent, independent; .59 percent, American Independent Party; 5.26 percent, Peace and Freedom Party.

Did you vote in the last election: 92.68 percent, yes; 7.31 percent, no.

STUDENT GROUP GATHERS TO HELP, NOT PROTEST

HON. RICHARDSON PREYER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. PREYER of North Carolina. Mr. Speaker, we have had an example in my State recently of the most positive aspects of "youth power." At a time when the image of our young people often suffers because of the activities of a few individuals, it is particularly impressive to learn of projects such as this North Carolina student task force. I am particularly pleased with their approach to anticipating problems of student unrest in our high schools before they occur and I am proud that the leadership of this effort includes two students from the district I represent in Congress: Lyn Bundy of High Point, and DeWitt McCarley of Greensboro. The following press release and editorial tell about this most commendable program:

STUDENT GROUP GATHERS TO HELP, NOT PROTEST

RALEIGH.—High school students representing all sections of North Carolina gather in Raleigh November 24 to discuss student unrest with State Superintendent Craig Phillips and members of his staff. Their purpose, however, was not protest. They came to formulate plans to involve high school students in positive school activities that will help to eliminate unrest.

The students are members of the Task Force on Student Involvement, created last summer by State Superintendent Phillips. The group is composed of two representatives of each of the State's eight educational districts.

The Task Force serves as a liaison group with State education administrators and will meet monthly in Raleigh to discuss student problems, human relations, and involvement plans, said Miss Debbie Sweet, coordinator of youth activities for the State Department of Public Instruction. Members will also act as speakers to present student views to local groups, and each representatives will be responsible for organizing a smaller task force in his district, according to Miss Sweet. Walker Reagan, a student at Enloe High School in Raleigh, is student director of the group.

We must tap the creativity of students themselves to solve the problems of our schools, said State Superintendent Phillips. To date the group has been highly successful, and I have great confidence that it will continue to produce significant results, he said.

Members of the Task Force attending the meeting were Jennie Baird of South Mills, Camden County High School; Eric Vernon of Greenville, J. H. Rose High School; Lannie Merrick and Jeff Plummer of Wilmington, New Hanover High School; John Speller of Louisburg, Scotland High School; DeWitt McCarley of Greensboro, Grimsley High School; Lyn Bundy of High Point, Andrews High School; Suzanne Allen of Locust, Concord High School; Bertram Hogue of Charlotte, North Mecklenburg High School; Wilson Cherry of Salisbury, Boyden High School; Barton Suddereth of Hickory, Claremont Central High School; Danney Fisher of Candler, Enka High School; Anne Martin of Asheville, Asheville High School; Valerie May and Walker Reagan of Raleigh, Enloe High School.

[From the Raleigh (N.C.) News and Observer, Nov. 27, 1969]

Worth Listening To

Whoever had the idea of setting up a youth task force on student involvement and high school problems in North Carolina—and apparently it was State School Supt. Craig Phillips—can take a bow and should get applause from all Tar Heels while doing so. This group held its first meeting on Monday in Raleigh. It was enough to show the state that it can learn a lot by listening to the young people in its public schools.

The session was a marked contrast to the image of youth so prevalent today in America. The 15 students assembled to discuss ways of heading off high school unrest spoke realistically, creatively and responsibly. They were critical, but constructive about it. They singled out various wrongs about student organizations, but are determined to seek ways to right them. They displayed, overall, an impressive insight into various problems.

Only one example of that insight was the comment of a panel member that student government councils and committees are the province mostly of a minority of top students and cannot be really effective at self-government until they are made to "include the ones who don't get along with the principal, too—not just the ones who are always up in the principal's office." It may be that these students have a better awareness than many in their parents' political parties about the importance of rank-and-file participation.

This task force has a bundle of projects in mind, including studies of student councils and election processes with an eye toward making student government more accurately represent student bodies. It also will ponder the feasibility of holding community meetings where students, parents and businessmen could get to know each other better. One wishes the student group well in all these efforts. Phillips commented Monday that his department puts "a great deal of faith" in what the task force can accomplish. If Monday's meeting is an accurate indication, the faith is very well placed.

AFDC IN CALIFORNIA—FACT AND FICTION

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. WALDIE. Mr. Speaker, there is a profound need in my own home State of California for long-overdue changes in the aid for families with dependent children—AFDC—program. Perhaps out of deference to taxpayers already heavily burdened with tax obligations, California has not provided the AFDC program with badly needed increased benefits.

A recent study by the California Assembly Committee on Health and Welfare revealed that malnutrition among children in California is reaching alarming proportions. The committee also concluded from testimony before it that malnutrition among children from infancy to age 3 is a casual factor in mental retardation.

A constituent of mine, Mr. Donald H. Fibush, of Walnut Creek, Calif., was sufficiently moved by the above information that he prepared a fact sheet on AFDC in California.

I believe that it is in the interest of the Members of the Congress that I insert this fact sheet into the RECORD.

Fact Sheet Concerning AFDC

Today almost 800,000 children in California receive AFDC (Aid for Families with Dependent Children). This is over 11% of all children in the state. Of these, approximately half or 400,000 are in families which have no other income than AFDC.

The present amount of money provided for these 400,000 children is the amount which was determined to meet minimal needs in 1957. The only increase since then is $3 per month which was provided by the Federal government. In the 13 year period since 1957 minimal need costs have increased more than 26%.

ERRONEOUS CONCEPTIONS CONCERNING AFDC

1. That most of the caseload involves parents who are unemployed and don't want to work.

Correct information: The number of AFDC families involving unemployed parents (AFDC–U) varies from 20,000 to 30,000 maximum (the fluctuation is due to seasonal employment). Thus, this represents a very small percentage of the children mentioned above. Also, less than half of those referred to the California State Employment Service for enrollment in the WIN program have been enrolled by CSES and less than a fifth have been placed in employment.

2. That parents would rather remain on AFDC than work.

Correct information: The maximum AFDC payment for 1 adult and 1 child is $148 per month; 1 adult and 2 children, $172; and 1 adult and 3 children, $221. These amounts are supposed to provide food, clothing, shelter and all the necessities of life, even the $1 per month which is allowed for a child to take public transportation to school. The result is that children go hungry and without proper clothing or safe, healthful housing. This increases school drop-outs and delinquency, as well as many health problems. In contrast, individual adults receive the following per month: Blind, $200· Aged, $194; Disabled, $165.

3. That women are having many children out of wedlock in order to receive more AFDC money.

Correct information: The average number of children for AFDC families in California is almost exactly the same as that for all families in the state. The additional amount allowed for each successive child per month after the first is $24, $49, $42, $37, $30, $25, $18, $13, $6.

4. The AFDC families are perpetrating frauds by misrepresenting their assets and income.

Correct information: Every survey that has been made has indicated that this constitutes a small number. No one knows how much fraud there is. In any event, we pride ourselves as Americans in helping others in need and we should not force hundreds of thousands of children in California to go hungry because of the acts of the adults who are the parents of some of them.

5. That most AFDC recipients are negro.

Correct information: Two out of three are white.

Hundreds of thousands of children are going hungry because of these misconceptions!

ADDITIONAL INFORMATION WHICH MIGHT BE HELPFUL IN DISCUSSING AFDC

What we are really trying to say in the attached material is that we should establish some *real* priorities in our demands upon the state treasury and that the top priority should be to see that children are not hungry and without proper clothing and decent, healthful shelter. This is more important than education, mental retardation, mental health, physical health, etc.—hungry kids have health problems, mental problems, learning problems, and social problems in all areas. This cannot wait for the Federal Government and the State government to try to change our entire welfare program even though everyone agrees that has to be done too!

ADDITIONAL FACTS NOT COVERED IN THE ATTACHED MATERIAL

The property taxes in the counties for all welfare (general assistance, adult, blind, aged & disabled, and AFDC) represent only about 5% of the total real property taxes. They represented 10.6% of the state general fund budget in 1968. AFDC represented 4.0% of the latter.

Approximately 30% of all the people in our penal institutions are former AFDC children.

Low cost public housing (subsidized) is exceedingly small in relation to the need and demand. For example, in Contra Costa County there are 2700 families on the waiting list and the waiting list is increasing at the rate of 150 per month.

The WIN job training and placement program which is comparatively new and is operated by the California State Employment Service by Federal mandate and to which all eligible AFDC recipients are referred by the Welfare Departments of the Counties is ridiculously underfinanced for the job it is intended to perform. The result is that a small percentage of those referred are in training and a much smaller percentage have been placed in jobs. For example, in Contra Costa County for the first year of the program which just ended 3,000 referrals have been made of which only 491 have been placed in training and of these only 131 have been employed.

The failure of the state since 1957 to increase the amount of AFDC payments in which they will participate with the counties (which yields 1½ Federal dollars for each state dollar) has resulted in counties having to provide many additional "special need" dollars with the attendant *increase in property taxes* in the counties. For example, in Contra Costa County this has more than doubled from approximately $236,000 to approximately $573,000 in the past two years. The $236,000 would have yielded an additional $1,180,000 state and federal money if the state had participated.

WHEN IS INFLATION NOT INFLATION

HON. CARL ALBERT

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. ALBERT. Mr. Speaker, it is clear that the economic policies of the administration are of increasing concern, not only to Members of Congress, but to people throughout the country. In that regard, I would like to call the attention of my colleagues to an article which appeared recently in the December 1, 1969, issue of Floor Covering Weekly. The article, by Mr. Larston D. Farrar, entitled "When Is Inflation Not Inflation?—When the Nixon Cabinet Interprets It to the Nation," follows:

When Is Inflation Not Inflation?—When the Nixon Cabinet Interprets It to the Nation

(By Larston D. Farrar)

Obviously, we are entering a strange, new period in U.S. life, and particularly in the economic field, when the administration is acting on the belief, expressed in *Reflections Of A Bachelor*, that "the only time most people can save money by not spending it is when they haven't got any."

It also is a time when members of the Nixon cabinet are going around the country predicting a "gradual cessation" of "inflation" meaning higher prices) because there are going to be more higher prices!

Incredible? Not a bit of it. Here are excerpts that Maurice H. Stans, Secretary of

Commerce, gave on Oct. 29, 1969, before the 1970 Business Outlook Conference of the Los Angeles Area Chamber of Commerce. If he is not saying that "inflation" is being stopped by higher prices, then you can call us a monkey's uncle and even put a rope around our neck, start grinding an organ and watch us jump for peanuts and coins that the people may throw on the sidewalk.

Mr. Stans started his speech by pointing out that the total increase in prices this year (1969) would be about 5%. Parenthetically, some economic authorities say 6%, but we will leave Mr. Stans' assertion alone.

Then he stated that the Nixon Administration's "program of fiscal and monetary restraint has forestalled the boom conditions that would have made an economic bust inevitable."

And then he declared:

"Our forecast suggests that the real rate of growth in the economy will continue at a slow pace into 1970, followed by a modest pickup in the growth rate in the last half of the year.

"For 1970 as a whole, Gross National Product is expected to reach about $980 billion, a gain of 5%, most of which will be the result of price increases. This 1970 gain would be less than now expected for 1969, when GNP will probably advance by about 7.8% to $933 billion, with slightly less than 3% in real output.

"Private forecasts of capital spending in 1970 indicate an advance in the range of 5 to 9%. Taking into account probable higher prices (another forecast of continued inflation, in different words!) . . . these estimates suggest little rise from 1969 in real terms."

There you have it clearly. There is a claim that the program of fiscal and monetary restraint has forestalled inflation, and, in the same breath, a forecast that inflation (higher prices) will continue all next year.

"With the moderation in overall economic growth, personal income is expected to grow more slowly," Mr. Stans continued. "In turn, this is likely to lead to a slowdown in consumer spending at retail stores . . . But expenditures for services should continue to increase in line with the recent trend (which, of course, has been toward higher and higher service fees for little or no comparable service, which is inflation in a different way)."

In short, even here, Mr. Stans both is predicting a slowdown in business and a rise in inflation (higher prices) in 1970, whereas the Government's "war," if there really is one, is supposed to be on price rises, and not an economic activity, as such.

As Mr. Stans knows, labor unions this year have been averaging about 6% in increased benefits through collective bargaining, threatening to strike, or actually striking. He thinks it is terribly crass of labor unions members to win as much in pay increases as they have been losing through inflation (higher prices), and so he suggested to the businessmen that they should take a harder line against labor unions in 1970.

"With the economy growing at a slower rate in early 1970, it is necessary that collective bargaining be conducted on a more realistic basis, and that wage increases not be as large as in 1969."

This is the Nixon Administration line to businessmen. If you want to hold your profit margins, don't revolt against the banker's 10% on money you must borrow, or against the higher machinery or supplier costs, but take a firm stand against your labor and, if necessary, undergo a strike, which may cost you more, not only in money and lost production, but also in worker goodwill and even customers (who will be shopping elsewhere while you are on a strike).

Such a "program" as this one—which apparently was built by the same men who made up the administration's war on crime, which has achieved nothing—in the economic field can be termed with only one word: *chaotic*.

The labor unions have proved through long years that they are invincible when they get to the strike weapon. Well-organized unions, beyond doubt, *can* impose their will on employers, or shut the company down tightly, or make life so miserable for the company there can be no denying the laborer whatever he reasonably demands.

At a time when prices already are going higher—due to all the "normal" costs going up, from the wages of money to the rents paid to landlords—the White House apparently wants to see more and more millions of workers engaged in strikes. These workers not only will suffer, in terms of less income (while the strikes are in progress), so will the merchants in the strike-hit communities.

And, as has been proved even by the General Electric strike, while one company is being hit by labor difficulties, another takes advantage of it (Westinghouse) by announcing price increases on all its products that compete with GE appliances, radios, TV sets, etc., in the marketplace. The consumer will pay, and pay dearly, for the Nixon Administration policy, if it is pursued, and if it is followed by many big business units.

The Secretary of Commerce was correct in telling the businessmen—all except the bankers among them—that they face a bleak profit picture in 1970. The bankers, of course, are expecting more profits in 1970 than they made this year, for bank profits have risen every year since 1952, when the last President who had any inclination whatever to joust with them was in the White House.

Total interest income has gone up from $11.7 billion a year in 1952 to close to $60 billion this year, or a hike of more than five times in 17 years. If labor income had gone up comparably during the same period, the minimum wage would be $5 an hour, instead of $1.60 an hour.

In other words, if a TV repairman who charged you $15 to tinker with your set in 1962 had raised his prices as fast as the bankers have raised the price of money, he would now blithely charge $75 anywhere in the United States for a single visit to your home to repair the set, plus parts.

This reporter has lived a long time (54 years) and has read many fanciful speeches made by "responsible" men, but he honestly never dreamed he would see such a speech as this one by a Secretary of Commerce, both boasting about "cooling off" the economy and lessening inflation (price hikes) while blithely predicting just as much of a price increase for an upcoming year as the nation already is experiencing. This is having your cake, eating it, and then acting as if it is still on the table. This time next year, Mr. Stans, if he can get away with this, still will be fighting a mythical "war" against inflation, and if there are people who believe this one, then there likely will be many who will believe that he is still in there fighting a year from now.

FLOOD CONTROL—VITAL TO LOS ANGELES COUNTY

HON. CHARLES E. WIGGINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. WIGGINS. Mr. Speaker, few areas of this Nation are secure from the ravages of periodic flooding. Fortunately, most areas susceptible to flooding lie in broad rural river basins where the potential for loss of life is minimized.

The unique topography of the southern California basin, coupled with its dense urban and suburban population, makes it especially vulnerable to "killer" floods. Few people are more familiar with the critical nature of this problem, or have been more intimately involved in its control, than the longtime supervisor for Los Angeles County, Frank G. Bonelli.

Since the control of flood waters in the southern California area is a cooperative effort between the U.S. Army Corps of Engineers and the local flood control district, the succinct account of this partnership effort, written by Supervisor Bonelli, which appeared in Los Angeles area papers, may be of interest to all Members.

Supervisor Bonelli's article follows:

FLOOD CONTROL—VITAL TO LOS ANGELES COUNTY

(By Frank G. Bonelli)

PART I

Floods—and the threat of floods—are nothing new to Los Angeles County. They go back to the days of the early Mission padres and probably well before that. Early settlers in the basin lived in constant fear of heavy winter rains and the resultant damage to ther crops and homes as well as the threat to their lives. It wasn't unusual for citizens to get into row boats rather than hitching up their teams when visiting friends or family in other parts of the County in the early days.

Two primary factors are responsible for creating a situation which prompted one observer to describe the Los Angeles Basin as "one of the most flood prone areas for its size and density of population in the entire country." A shallow plain some 25 miles in depth from the ocean is encircled by the San Gabriel Mountains which rise rapidly to heights of ten thousand feet. From October to April, intense storms frequently arrive from the Pacific depositing heavy amounts of precipitation along the mountain range. Runoff attains a high velocity and poses a recurring threat to life and property.

These two factors—geography and uncertain weather patterns—have produced damaging floods which have been recorded since 1815 and, in a period of less than 100 years, have altered the courses of the Los Angeles and San Gabriel Rivers many times. Since 1862, over 20 storms have produced major floods in the County.

In the predominantly agricultural setting characteristic of the area until 1889, floods were frequent but did not cause appreciable property damage or casualties. However, between 1889 and 1914 there was a significant population migration into the Los Angeles Basin. Many of the new settlers were unaware of the latent flood potential and were unprepared for a flood in 1914 which caused property losses of over $10 million, isolated thousands of citizens, and took many lives.

This disaster crystallized the need for a comprehensive, basin-wide flood control program and mobilized public opinion in its support. It was also apparent that any such undertaking should be closely correlated with the conservation of flood waters.

An act of the California State Legislature established the Los Angeles County Flood Control District on June 12, 1915. Its boundaries include all of the County except part of the Antelope Valley and the islands off the coast, comprising approximately 2,700 square miles.

This legislation vested direction of the District's programs in the Los Angeles County Board of Supervisors who sit in an "ex-officio" capacity as the agency's governing board.

Initial efforts of District engineers involved collection and interpretation of data needed for preparation of an overall master plan. Early bond issues helped finance construction of major flood control and water con-

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servation reservoirs built by the District as well as a portion of the channel improvements.

A comprehensive plan for flood control and water conservation was officially adopted by the Board of Supervisors in 1931. It has been used by the District and U.S. Army Corps of Engineers in developing the Federal government's participation in the local program.

Engineers have used a variety of techniques in implementing the plan. Flood control reservoirs have the primary job of absorbing flood peaks, retaining debris carried by flood waters, and controlling the release of relatively silt-free waters through channels to their outlets. The District has constructed 14 dams in the major watersheds of the County as the front line in the flood fight.

The steep slopes of the San Gabriel Mountains frequently trigger the rapid movement of large amounts of gravel, boulders and other debris during intense storms. This problem is all too often compounded by late season watershed fires which lead to the age-old "fire-flood" sequence.

To meet this problem, the District has constructed over 60 debris basins near the months of some of the smaller canyons. Their function is to retain debris and allow waters to be released in downstream channels. Removal costs are considerable but far less than the damage which might result if the materials were allowed to flow uncontrolled downstream.

Reaching out below the District's dams are miles of channel which must transport water released from reservoirs and debris basins as well as runoff from lowland areas. Over 400 miles of channels have been constructed to harness flood waters and assure their orderly flow to the District's water spreading grounds or the ocean.

As the comprehensive plan has moved from the drawing board to the completion stage, greater protection is afforded the citizens of the County. It forms the backbone of a system designed to prevent "killer" floods from threatening the lives and properties of seven million County citizens.

PART II

The long battle to control flooding in Los Angeles County has enlisted all levels of government. Development of a comprehensive plan by the County Flood Control District back in 1931 was the catalyst that brought local, State and Federal agencies into the fray.

Congress, in 1936, enacted legislation authorizing Federal participation in various flood control projects throughout the nation, including Los Angeles County. Prosecution of the program was assigned to the U.S. Army Corps of Engineers and the Flood Control District was designated as the responsible local agency to cooperate with the Federal government in carrying out this assignment locally.

District participation includes providing rights of way and bridge relocation or reconstruction costs as well as operating and maintaining the facilities upon completion. Under terms of the State Water Resources Act of 1945, the District is eligible for reimbursement of funds expended on the Federal flood control program.

The Corps of Engineers has constructed permanent channel improvements on the Los Angeles River, San Gabriel River, Ballona Creek, Pacoima Wash., Rio Hondo, Compton Creek, and on many of their tributaries. Besides constructing its own phase of the program. The Flood Control District operates and maintains the Federal channels upon completion.

In addition to channel work, the Corps has built five major flood regulating reservoirs which, by Congressional action, it also operates and maintains.

Significant contributions to flood control in the County have also been made by the U.S. Department of Agriculture. Joint erosion control projects consisting generally of temporary or permanent channel improvements have been developed by the Soil Conservation Service and the Flood Control District.

Close collaboration between the District and the U.S. Forest Service has fostered the development of watershed stabilization programs along the San Gabriel Mountains. These involve upstream check dams which are engineered by the District and built by the Forest Service. This program is particularly significant because of the rising cost of flood protection in the County.

Up to this point in our discussion of flood control in Los Angeles County, we have concentrated upon the development of a comprehensive system with the essential task of reducing the threat of catastrophic floods endangering lives and property. Since World War II, the explosive growth of Los Angeles County emphasized local drainage and street runoff problems characteristic of intense residential and commercial development.

Rapid urbanization accentuated the urgent need for correcting ponding at intersections and in low-lying areas during heavy storms.

It was obvious in the early 1950's that a program of storm drain construction to carry surface waters from local areas to improved channels was sorely needed but imposed too heavy a financial burden on individual municipalities. On the recommendation of this League of California Cities and the Flood Control District, the Board of Supervisors authorized presentation to the voters of a $179 million storm drain bond issue at the November, 1952, general election.

The program called for design of the individual projects to be performed by the cities where they were to be located and by the County Engineer for unincorporated areas. Flood Control District engineers review plans, prepare specifications and administer contracts under competitive bid procedures. The District also operates and maintains the facilities upon completion.

Approval of the 1952 bond issue and subsequent programs of $225 million in 1958 and $275 million in 1964 have gone a long way in meeting the critical need for local drainage in burgeoning Los Angeles County. All of the problems have not yet been solved and additional programs will have to be undertaken in the future to assure the safety and health of all our citizens.

PART III

Fortunately for latter-day citizens of Los Angeles County, the men and women who worked to put together the legislation which created the Los Angeles County Flood Control District in 1915 were extremely farsighted. They recognized the area would continually be plagued by a water problem and the District Act directs the agency to conserve as well as control the flood waters falling in the basin.

In carrying out this responsibility, the District in the early 1930's began constructing a series of spreading grounds adjacent to streams and channels.

The mountain topography of Los Angeles County makes it possible to furnish only limited storage for water in surface reservoirs. However, porous deposits of sands and gravels permit the percolation of surface waters into large underground basins for later pumping and use.

Spreading grounds consist of a series of shallow, levied areas composed of materials which allow percolation into subsurface basins.

The need to save as much water as possible is graphically illustrated by the fact that although we import water from the Colorado and Owens Rivers, the County still depends upon its underground resources for about 40% of its daily needs.

Seawater encroachment into fresh water underground basins adjacent to the coastline in Southern California has become critical in recent years. This occurs whenever the water table is drawn below sea level and a path exists between the sea and the groundwater reservoir. To meet this threat, the Flood Control District has developed three "barrier" projects to protect vulnerable regions.

A series of "recharge" wells are situated near the coast and are used to create a "mound" or barrier of fresh water to block further sea contamination. One project is located along the west coastline of the County from near International Airport to the Palos Verdes Hills, another is in the Alamitos-Seal Beach area in east Long Beach, and a third is situated in the Dominguez Gap region of Wilmington.

To further augment water for its reservoirs and spreading operations, the Flood Control District, in cooperation with a private consulting firm, has engaged in a cloud seeding program for several years. Although it is generally agreed that no way has yet been found to make it rain, this program is designed to coax additional moisture from certain types of storms as they pass over the area.

The extra precipitation falls in an area controlled by District reservoirs, adds to the runoff into those structures and is eventually transported downstream for spreading as a conservation device.

In summing up this series on the flood control program in Los Angeles County, I would be remiss if I didn't mention the storm operations activities of the District.

Certain staff members of the agency are given specific duties relating to the protection of life and property and when rain begins falling over the Los Angeles Basin, these personnel are on the job, both in the field and office, assuring that the complex flood control and water conservation system operates to its maximum efficiency. This operation continues on an around the clock basis throughout the storm and for a number of days thereafter.

Looking back over the years that the flood control program has been developing in Los Angeles County, it is obvious that we are the beneficiaries of a long line of devoted citizens and public servants who came to grips with the problem and charted a course for its solution.

Last January and February, the Los Angeles Basin was subjected to a series of intensive storms. Except for areas such as Glendora and Azusa which were hard hit because of massive watershed fires late last summer and communities still needing additional protection, region came through the prolonged inundation with relatively little damage. Experts at the Corps of Engineers estimated that existing flood control works prevented $1.5 billion in property damages alone—and there is no way of telling how many lives were saved.

Which amply underscores the title of this series—flood control *is* vital to Los Angeles County.

THE IMPACT OF CUBAN REFUGEES ON THE ECONOMY OF SOUTH FLORIDA

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. PEPPER. Mr. Speaker, one of the outstanding representatives of the Cuban refugee community in my congressional district in Miami is my close personal friend, Dr. Bernardo Benes, vice presi-

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dent of the Washington Federal Savings & Loan Association of Miami Beach. Dr. Benes is a distinguished graduate of the University of Havana where he obtained his education as an attorney and as an accountant, was a partner of one of the most distinguished Cuban jurists before becoming legal consultant to the Cuban Treasury Department. He is the author of two books including one on capital corporations which won him first prize in the competition sponsored by the Cuban Bar Association. He fled Castro's Communist terror in Cuba in late 1960 and began as a $65-a-week employee of Washington Federal Savings & Loan. He has now advanced to the position of vice president in charge of all branch operations, savings operations, accounting, security, and all mortgage activity for Latin American customers. His success story in the United States has been featured in Fortune magazine as well as in other publications but he considers his U.S. citizenship, obtained August 20, 1969, one of his greatest achievements. Dr. Benes recently spoke to the Economic Society of South Florida on the impact of Cuban refugees on the economy of south Florida. I would like for my colleagues to have the benefit of Dr. Benes' remarks and I am inserting them in the RECORD at this point:

[Speech to be delivered before the Economic Society of South Florida, Inc. on "The Impact of the Cuban Refugees on the Economy of South Florida" in Miami, Florida. September 17, 1969]

BY: DR. BERNARDO BENES, VICE PRESIDENT—WASHINGTON FEDERAL SAVINGS AND LOAN ASSOCIATION OF MIAMI BEACH, FLORIDA

I have been present at many talks such as this and I have noticed that one of the ways in which a guest speaker would start his talk is by making one or two jokes; however, with your leave, I am not going to follow this custom which seems to be proverbial in the United States, but I will begin with an idea which I consider very serious and which, unfortunately, is lost in the struggle of everyday life.

I wonder how many of those here present have thought of the similarities between Berlin, in the old continent, and South Florida, in this continent. The Wall of Berlin, an artificial barrier created by man, divides Berlin in two. On one side East Berlin, which has gone backwards, has declined under a communist regime. On the other side, West Berlin, which has set an example of what a group of men receiving foreign support were able to do for the economic, political and social recovery of a nation.

As you may all know, this caused late President John F. Kennedy to make, a few months before his assassination, one of the finest speeches the World has heard, when he invited those who thought that a totalitarian and materialistic regime could do more for its citizens than a group of men living under a democratic regime to come to Berlin.

The Straits of Florida, created by nature, separate our beloved Cuba from this progressive and beautiful area of Florida.

In Cuba, for the last decade, a dictatorial and materialistic regime has made its people suffer miseries and tragedies beyond human understanding. . . . On this side, 225,000 Cubans have reorganized their lives, both economically and socially, and today they can give you and the World an example of what most qualified independent sources have considered to have been a great contribution to South Florida and to the country . . . achieved through liberty, love and dedication.

The same analogy exists when comparing the motivation of the Germans in East Berlin and the Cubans who live in Cuba, when the former, risking their lives, jump over the Wall of Berlin where many fall dead from the bullets of the guards, and the latter who, in the most unbelievable and rudimentary rafts, try to cross the Straits of Florida, only to die, in many instances, from the bullets of the communist patrols, or are drowned at sea; however, some of them, Germans and Cubans eventually reach their ultimate objective: to live in freedom. . . .

The words of President Kennedy may be repeated . . . with the proper geographical change.

It would be immodest on my part to try to impress you with numbers and statistics which may tire you this afternoon, but I do want to make it known clearly and emphatically that nothing of what we have been able to do in this area would have been achieved without the great sense of humanity, support and comprehension of the majority, not to say all, of the community of South Florida.

We are not too many; we are not too few. We are not all wealthy. Many of us are really poor. But few or many, rich or poor, all of us freely acknowledge the debt we owe to not just America but to the people of America. It is a debt we have begun to repay with our hearts, with our minds and with our labor.

In order to analyze the contribution made by Cuban refugees to the economy of Miami we have to explain that, unlike the majority of other groups of immigrants who have contributed to the formation of this great country, Cubans have come to the United States, and to this area, for political reasons, and, therefore, we have been political exiles. As years have gone by, Cubans have been assimilated by the community and have gradually changed their initial status of political exiles for that of immigrants.

Regardless of the fact that independent sources establish a number of between 2,500 and 6,000 Cuban businesses in Dade County, we consider that the major contribution which we have offered the U.S., and the Miami area specifically, has been the human resources which we have supplied. We find, for example, Cuban doctors practicing in Miami who may very well be compared, as far as their qualifications are concerned, with their American counterparts. To mention only one example, Dr. Manuel Viamonte, a Cuban doctor, less than 40 years of age, is the Chairman of the X-ray department of the University of Miami, Jackson Memorial Hospital and Mt. Sinai Hospital, and is considered one of the most prominent men in the field of radiology.

Another example is the student Rafael Peñalver, who was designated by the "Outstanding American Foundation" as the most outstanding youth in the U.S. How much these human resources have contributed to the economic development of South Florida I leave to your judgment.

I will now like to refer to some of the specific areas to which Cuban refugees have greatly contributed.

1) The opening in this area, especially in the Coral Gables area, of offices of national companies doing business in Latin America is directly due, in addition to the geographical factor, to the existence of bilingual technical and secretarial personnel, which these companies need and are presently hiring.

2) Latin American tourists today come to Miami in greater numbers since the language barrier, which would be a handicap in other cities, does not exist in Miami. It is this fact, and not only its geographical position, which makes the city of Miami the true "gateway" for Latin America.

3) I shall not go deeply into the facts governing the hotel business in Miami and Miami Beach, but I want to mention only that more than 50% of all personnel in hotels are of Cuban extraction.

4) The extraordinary growth experienced by the garment industry, which according to information published by the New York Times, now ranks as second or third in importance in the United States. The same growth applies to the boat manufacturing industry.

5) The import and export business, not only as regards Latin America, but also with the Far East and Europe, has made of this area a great electronic center as well as an important shoe distribution area.

6) In the building industry, the contribution of Cuban manual workers as well as contractors has been outstanding. We can assure you that foremen who arrived from Cuba only a few years ago are now small contractors and some of them may even show a net worth of more than a quarter million dollars.

7) I won't elaborate on the special sense of identity of Latin culture which our coming has given to the city of Miami, but I do invite you to visit a "mini-gallery of oil paintings which is located on 8th Street between 22 and 23 Avenues, occupying a space 46 inches wide, listen carefully: 46 inches wide by 19 feet deep, where Cuban artists sell their paintings to North Americans and Cubans alike. Any time you pass by this place you may see what I have just explained.

Another example of what our coming has given to this area is in the Restaurant business. In the Supper Club "Les Violines", where clients from cities as far away as London, Los Angeles and New York make their reservations well in advance, you may spend an evening as if you were in one of the major capital cities of the World. There are truly approximately 10 Restaurants with this cosmopolitan flavor in the area.

8) Going back to our 8th Street, I wish to tell you that the United Fund has on record a list of 386 retail businesses existing on this NEW avenue, and I say "new" comparing it to what it was at the beginning of this decade.

9) In the financial field, most local Banks, Insurance Companies and Stock Brokers are always on the lookout for Cuban personnel at managerial level. We have two Cubans who are Presidents of local banks.

We could go on and on mentioning examples such as these, but it is not my intention to tire you with them. Today the income of the Cuban population is over $350 million a year, which is higher than the income of all residents of at least 10 Capital cities in Latin America.

I remember my very dear friend Marshall Wise, then Director of the Cuban Refugee Program, and an outstanding civic and community leader, when he said in October 1966: "The criers of doom of the community in 1962 said that the influx of Cubans to this area would:

"take away jobs from needy Americans,
increase the crime rate,
affect South Florida tourist industry,
create slums and depress the real estate market,
affect our school system and slow up the education of our own children".

History, and the records of different public and private entities prove that it was not true then and is not true now . . . and I add: if it was not true in 1962 and in 1966 when Marshall Wise said it, it is even less of a fact today in 1969.

What the future will be, only God knows. . . . In the meantime, we can only see the projections of the Dade County Planning Department on population increase in Dade

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County. By the year 1980 the population of Miami will have increased by 450,000 from today's population, or 40,000 a year. If this is true, Dade County will be the first county in the history of this country, at least in the last century, where the majority of the population increase will be represented by foreigners: CUBANS.

The best proof of the impact of the Cubans on this community is the number of politicians who are actively seeking the support of the Cubans in this community. Five years ago we hardly knew the name of the politicians in this county. Today, some of them are so popular with us that sometimes we feel that we have known them all our lives, and we still believe that politicians have a 6th sense. They cannot be wrong.

There is no admission charge to enter into the United States. No one has ever had to buy his way in. And no one has ever really been asked to make any kind of repayment for being allowed to come in. And this has gone on for three and a half centuries since 1619.

But in those 350 years, everyone who has come—all of the refugees from all of the places—has made some significant contribution to forming the kind of country in which all of us are privileged to live today.

This is the real repayment—and it is the only one that means anything at all. If you will look around you at just this one community, I think that you will see your Cuban neighbors are making this kind of repayment—to Miami, to Florida and to America.

And I, as an individual, will continue to do everything within my power to work for the betterment of this community, America, and of all mankind.

INDIANA GIVES VOLUNTEERISM A BOOST

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. LANDGREBE. Mr. Speaker, the failures of the Federal Government in trying to solve all the Nation's ills, large and small, have been often noted. But realistically, we must also realize that if big government is not the answer to everything, we must look for the solution elsewhere.

In my home State of Indiana, we have found a way. Many people have given mere lipservice to the late John F. Kennedy's words, "Ask not what your country can do for you, but ask what you can do for your country." In Indiana, we have believed in this principle long before they were spoken by Mr. Kennedy.

A column in last night's Washington Star written by Chicago Sun-Times Reporter Charles Bartlett provides two excellent examples that have been highly successful in Indianapolis, the examples of two responsible ladies, Mrs. Margaret Moore and Mrs. Mattie Coney. I would only add that the spirit of self-help prevails throughout the State, not merely in our State capital. This spirit is exemplified by our Governor, Edgar D. Whitcomb, whose creative approach to solving the State's problems without bankrupting the State's taxpayers has been an example we would do well to follow in Washington.

Mr. Speaker, I submit for inclusion at this point in the RECORD the column of Mr. Bartlett:

[From the Washington Evening Star, Dec. 16, 1969]

INDIANA GIVES VOLUNTEERISM A BOOST

(By Charles Bartlett)

INDIANAPOLIS.—When President Nixon finally begins his campaign to inspire languid Americans to become volunteers, he can draw heavily on this city where the spirit of self-help is running strong.

In fact the pace of volunteerism among the Hoosiers is so lively that Nixon's efforts to date appear languid by comparison. While the Nixon campaign has been grounded in disagreements on how to stimulate private citizens to tackle public problems, various people here have taken on some tasks with impressive results.

Indiana's new governor, Edgar Whitcomb, is making the most of this Hoosier spirit to get done some of the things which need to be done without running up the budget. For example, he is asking 60 Indiana corporations to assign socially minded junior executives to work for a year at setting up day care centers in counties where they are needed.

Whitcomb, an innovative Republican who wants to keep his credentials as a fiscal conservative, is leaning so hard on volunteers that the success or failure of his administration is likely to depend on their response. His initial experience has been auspicious.

A group of private companies was persuaded last spring to find a large number of summer jobs for college students. Another businessman's committee has come up, at Whitcomb's request, with 632 recommendations for cutting the cost of state government.

The volunteer spirit is flowering at this conservative crossroads because the Hoosiers are increasingly disposed to believe they can more effectively do for themselves many things for which they have relied in the past upon bureaucrats. Their self-confidence stems in part from the recent achievements of two unusual women.

Mrs. Margaret Moore, a 59-year-old newspaperwoman with deepset eyes and a strong chin, has transformed feminine indignation against crime into a crusade that has enlisted an army of local women in a gamut of activities directed at the root causes. The ladies have executed some original initiatives so effectively that they have won the enthusiasm of police officials who were once wary of their intrusion.

Since 52 percent of the juveniles who commit crimes are school dropouts, the ladies seek out youngsters who leave school and try to persuade them to go back. They claim to have succeeded with 2,000. Since the courts are part of the problem, two ladies sit in every court every day. "It's amazing," says a police officer, "how much the atmosphere is changed by the presence of those little ladies with white gloves and beaded hats."

The ladies have invaded every area where they might have a constructive impact, even to the extent of staging receptions for each graduating class of police recruits. "Battling crime is women's work," says Mrs. Moore, "because we have the time. We have had no trouble getting the volunteers we need."

One offshoot of the crusade against crime is the success of a forceful Negro, Mrs. Mattie M. Coney, at forming over 1,000 block clubs to struggle against the deterioration of character and environment in poor neighborhoods. "If you learn to live where you are," says Mrs. Coney in her evangelizing way, "you'll know how to live when you move."

Mrs. Coney is frankly engaged in persuading poor blacks to shoulder their own problems and correct their own habits instead of putting the blame on the whites. She is organizing them to cooperate with the establishment for their own advancement, and she claims the mood is running with her.

The experiences of both ladies have obvious applications in other cities and they are both in heavy demand for speeches. In fact, Mrs. Moore described her work at a 1968 luncheon for "doers" that Mrs. Lyndon Johnson gave in the White House, but Eartha Kitt stole the headlines with an outcry against the war.

The test of Nixon's leadership in volunteerism will be his ability to transform achievements like these into national stimuli. The evidence here is that the people are ready to be rallied into joining constructive initiatives. The President can light the torch and show the way.

THE ATTORNEY GENERAL'S PHILOSOPHY OF LAW ENFORCEMENT

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. MIKVA. Mr. Speaker, the December issue of Judicature, the Journal of the American Judicature Society, contains an article based on the remarks of Attorney General John N. Mitchell to the American Bar Association's annual dinner meeting on August 13, 1969. The article is quite revealing about Mr. Mitchell's philosophy of law enforcement.

Mr. Mitchell claims to be simply following a middle-of-the-road policy; playing the "reasonable man" in adjusting the competing claims of law enforcement efficiency and civil liberties. He says:

> The mark of the "reasonable man" is to balance the interests; to strike a bargain between the perfect and the possible; to adhere to a moral ideal where that adherence is compelling. But, in general, to negotiate a practical middle-of-the-road solution.

This philosophy raises the interesting question of what the compromise is between a moral course of action and one which is immoral—perhaps a course which is only a little immoral.

More specifically, Mr. Mitchell elaborates his philosophy of wiretapping and preventive detention. He talks first of wiretapping against organized crime—which of course avoids the problems raised by the sweeping wiretapping authorizations in the 1968 Omnibus Crime Act. That act authorizes wiretapping if it "may" lead to information on such notorious organized crime activity as "interstate transportation of stolen property." For State and local officers it goes even further and authorizes taps when they may provide information on such vicious organized criminal activity as crimes "dangerous to life, limb, or property" and punishable by 1 year in jail.

Mr. Mitchell indicates that he is merely following the precedent set by his predecessors in authorizing wiretapping without seeking judicial warrants in national security cases—perhaps not realizing that Supreme Court decisions in 1968 clearly established that wiretapping is now subject to the fourth amendment's

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ban on unreasonable searches and seizures and its specific warrant requirement. As of my last reading, the fourth amendment contained no exception for national security cases.

Finally, the Attorney General indicates the considerations which underlie the administration's preventive detention proposal. Mr. Mitchell states that there are two goals which money bail is expected to achieve:

> They are: first, to insure a man's appearance in court; and second, to insure that, being under the jurisdiction of the court, he will be law-abiding during the period of his release.

This version of the purposes of bail contrasts interestingly with the Supreme Court's interpretation of the eighth amendment in *Stack* v. *Boyle*, 342 U.S. 1 (1951), the leading case on the subject:

> The right to release before trial is conditioned upon the accused's giving adequate assurance that he will stand trial and submit to sentence if found guilty . . . Since the function of bail is limited, the fixing of bail for any individual defendant must be based upon standards relevant to the purpose of assuring the presence of the defendant.

Obviously Mitchell on the U.S. Constitution is totally self-supporting and is an unprecedented improvement of that revered document.

I believe the Attorney General's remarks need little more elaboration. They speak for themselves in delineating his philosophy of law enforcement.

The article referred to follows:

WIRETAPPING AND PRETRIAL DETENTION—BALANCING THE RIGHTS OF THE INDIVIDUAL WITH THE RIGHTS OF SOCIETY

(By John N. Mitchell)

(NOTE.—This article is based on an address by Attorney General Mitchell to the Annual Dinner Meeting of the American Bar Association on August 13, 1969, and includes only those portions of the address which pertain to judicial administration.)

I have now been in office almost seven months. And I think that, perhaps, I have a professional obligation to describe to the American legal community the philosophy that has prevailed and will continue to prevail during my tenure as the 67th attorney general.

As you know, the attorney general is the president's lawyer and takes presidential guidance as to the type of America—the type of "ordered liberty under law"—that this administration wants for our citizens.

Thus, permit me to remind you of some of the principles enunciated by President Nixon in his inaugural address: "The laws have caught up with our conscience. What remains is to give life to what is the law."

"For all of our people," the president added, "we will set as our goal the decent order that makes progress possible and our lives secure."

I believe that the great majority of Americans want "to give life to what is the law" by having their laws reflect "decent order" with "progress."

"The life of the law," as Mr. Justice Holmes said, "has not been logic; it has been experience. The felt necessities of the time, the prevalent moral and political theories, intuition of public policy, avowed or unconscious, even the prejudices which judges share with their fellow men, have a good deal to do with the syllogism in determining the rules by which men should be governed."

The great developments in the law over the last decade have properly attempted to serve, as Mr. Justice Holmes said, "the felt necessities of the time." In general, we have attempted to equalize the public benefits available to all our citizens—the poor defendant with the rich defendant, the minority group student with the majority group student, the minority political party member with the majority political party member, the city dweller with the rural dweller, and the presumably innocent accused with the prosecutorial powers of the state.

As lawyers, we all should be proud of these developments.

But having laid these great foundations, it is, perhaps, only historically natural that, at this time, we take the opportunity to reflect upon and evaluate our recent progress.

It is undeniable that some of our new concepts have areas of error which ought to be corrected. Minor adjustments do not imply an abandonment of a principle but rather a dedication to making that principle work.

But—who is to make the decision as to which adjustments are necessary and how they will be implemented?

THE "REASONABLE" POLICY

As the attorney general, I have the burden of making many of these decisions and my guide is the ancient common law guide of the "reasonable man" whom our forefathers established as the enlightened compromiser in a pluralistic society.

The mark of the "reasonable man" is to balance the interests; to strike a bargain between the perfect and the possible; to adhere to a moral ideal where that adherence is compelling. But, in general, to negotiate a practical middle-of-the-road solution.

That is our over-all policy approach in the Justice Department.

It is, I grant you, not very glamorous to be a "reasonable man." But it is the reasonable men of this world who have studied new concepts, who have adopted those which were compatible with progress, who have funded them and make them work.

One of the most difficult problems today is that the misrepresentation, the posturing, and the extravagant rhetoric of the last few years have offered promises which cannot be delivered, and have set as immediate goals programs which will take a decade to complete.

For example, there are those who expect crime or racial discrimination to be eliminated tomorrow.

It has, for this reason, become fashionable to argue that many legal issues of the nation must be cast rigidly as a right of the individual or a right of society. I do not wish to argue semantics. But individuals make up society.

When a guilty man is acquitted, it is not a vague amorphous group called society which is damaged. It is you, individually, who are damaged, because that man may assault or mug you.

Conversely, when society convicts an innocent man, individual rights are again sacrificed—not only the individual right of the defendant but the individual right of each one of you who could some day be placed in the dock. And you have a right to condemn a society which fails to accept the task of insuring that, under our Constitution, the guilty are convicted and the innocent are acquitted.

It is a question of balance and moderation in order to solve problems and, perhaps just as importantly, to ward off more extreme solutions which may be demanded.

In this context, permit me to cite a few examples of some of the difficult decisions that have been made since January 20, and, in so doing, to explain to you how we attempted to balance the equities so that the best constitutional interests of as many individuals as possible would be served.

The first example I would like to cite is the current controversy over wiretapping—as it applies to organized crime and national security intelligence gathering and prosecutions.

The basic constitutional and moral controversy stems from the conflict between the individual citizen's right to privacy in his home and his office versus the individual citizen's right to demand that his government properly investigate those persons whose criminal activities pose a substantial danger to the general welfare and thus to the personal security of each citizen.

PRIVACY AND WIRETAPPING

The Fourth Amendment to the Constitution establishes the right to privacy by protecting each citizen "against unreasonable searches and seizures."

Because the right to privacy has never been viewed as absolute, the right of government officials to conduct searches and seizures in appropriate circumstances has never been questioned.

Thus, the Fourth Amendment ban against unreasonable searches must be read in the light of the purposes for which our Constitution was adopted: "to promote the general welfare and to secure the blessings of liberty" to this nation.

It is undeniable that organized crime presents a substantial threat to our "general welfare."

Operating over a long period of time with relative immunity from the judicial process, the nationwide syndicate of organized gangsters corrupts our political institutions, intimidates the legitimate businessman, subverts the ideals of the trade union movement, flourishes on the victims of poverty, and, in a very real sense, undermines the foundation upon which our constitutional protections stand.

Most recognized law enforcement experts have repeatedly stated that wiretapping is our most useful tool in obtaining information about this organized criminal syndicate.

Because wiretapping is an invasion of privacy, a judgment must be made as to whether it is "reasonable" to wiretap in a particular case in order to obtain information that is necessary to combat organized crime.

Congress addressed itself to this issue in Title III of the Omnibus Crime bill of 1968. It authorized the Department of Justice to install electronic eavesdropping devices on organized racketeers by application to a court and upon a showing of probable cause.

We decided to use Title III to authorize wiretaps of organized gangsters because we believe that the statutory requirement of probable cause by warrant provides substantial assurance that the privacy of innocent persons will not be unreasonably invaded.

Furthermore, I also insisted—and continue to insist—that each application and full supporting papers be personally presented to me for my evaluation.

The result to date has been satisfactory. There have been authorized, as required by the circumstances in each case, a limited number of electronic eavesdropping devices which have proved, so far, to be highly productive.

I have refused to authorize a number of application which, upon inspection, posed more dangers to personal privacy than would be warranted, in my opinion, by the information which the tap was designed to collect.

As one could have predicted, the department has been criticized by both sides—by those who want massive wiretapping on the 5,000 known members of organized crime, and by over-sensitive civil libertarians who claim that any wiretapping is an invasion of privacy.

But as lawyers, I ask you to consider the problem and to make your own judgment as to whether our middle-of-the-road position—although not compatible with either extreme—is not "order with progress" in the area of organized criminal investigations.

NATIONAL SECURITY

The other aspect to the wiretap controversy is the non-court authorized electronic surveillance for national security purposes.

Here again, we were faced with constitutional polarities. There are those who believe that every search conducted by government under any circumstances must conform to the Fourth Amendment requirements of a warrant issued by a magistrate.

And there are others who believe that, on the slightest pretext of national security, the executive should be able to conduct searches free from any court ordered showing of probable cause.

When I became attorney general, I was informed that every attorney general for the past 25 years has authorized electronic surveillance as a means of gathering foreign intelligence information and intelligence information concerning domestic organizations which pose a serious threat to the national security.

This power has been exercised under the constitutional prerogative of the president to protect the security of the nation upon the belief that the courts would accept the attorney general's determination that the search was necessary.

Thus, I decided that, as the president's lawyer, it was right and proper for me to defend the actions of my predecessor attorneys general who acted on behalf of their respective presidents. We have submitted this matter to the courts for their decision and we will, of course, abide by their rulings.

As a safeguard against abuse, a complete review of every existing national security wiretap was instituted. Each application must be presented to me personally with full supporting documentation. The result has been a restricted use of non-court authorized electronic surveillance.

We have used this approach of compromise and moderation in other areas of the criminal law where extremists argue for absolutes rather than policies carefully tailored to the problems to be solved.

PRETRIAL DETENTION

For example, the nation is well on its way—and rightfully so—to eliminating money bail as a pre-condition for release in non-capital cases. The money bail system, as it was practiced until the early 1960s, made an accused's pretrial freedom depend upon his bank account.

The Eighth Amendment bars excessive bail. We had always assumed that reasonable bail was quantitative in relationship to the crime. But, as our social consciences became more aware of poverty in America, we began to look at bail qualitatively, i.e., what is reasonable bail for the financial circumstances of each defendant. Using this approach, we first examined the goals which money bail was expected to achieve.

They are: first, to insure a man's appearance in court; and second, to insure that, being under the jurisdiction of the court, he will be law-abiding during the period of his release.

Initial studies showed that the best guarantors of a man's appearance were his ties to the community and his employment record. Initially, we took the view that the type of crime charged and his prior criminal record were of no consequence and that his good behavior, while out on pretrial release, would be assumed.

After four years of bail experiments and a careful re-evaluation of the facts, we have concluded that a prior criminal record, and the type of crime charged, are very relevant as to whether an accused will be law-abiding when he is released.

The latest FBI statistics show that 82 percent of all persons arrested in 1968 had a previous arrest, that 70 percent were previously convicted, and that 46 percent had been imprisoned under a prior sentence.

In addition, the FBI report shows that 67 percent of accused burglars, 71 percent of accused auto thieves, and 60 percent of accused robbers had been arrested in the previous 7-year period.

In the District of Columbia, in 1968, of 557 persons indicted for robbery, 63.7 percent of those released prior to trial were rearrested for additional crimes while awaiting trial.

Thus, we decided that an adjustment was necessary to protect those innocent members of our society who might be victims of an accused criminal whose character and background showed high recidivist tendencies.

The adjustment we have proposed to Congress is an amendment to the Federal Bail Act which would establish selected pretrial detention on a limited basis with strong safeguards against abuse.

Our bill would hold for pretrial detention only those persons who appear to be so "dangerous" that their release pending trial would probably result in a crime.

We have provided for a full hearing, permitting the accused to be represented by counsel, to present witnesses on his own behalf and to cross-examine the witnesses against him. There is a right to appeal promptly and the right to be tried within sixty days or to demand release.

The main criticisms against our bill are that it penalizes presumably innocent persons by imposing pretrial imprisonment and that it is impossible to predict, with complete accuracy, whether a particular arrested person will commit a crime.

The answer to these criticisms is that even under the money bail system, presumably innocent persons were denied their freedom, and that we are establishing a much more careful method of determining who should not be released.

We believe that in the limited number of cases where pretrial detention will be used, the right of the individual member of society to be protected from a crime will be carefully balanced against the right of a presumably innocent person accused to be given his freedom pending trial—a freedom that will only be limited if there is the most overwhelming evidence that he may commit a crime while released.

I know that there are those who argue that no arrested man should be denied his freedom until he is convicted, and I know that there are those who argue for more extensive pretrial detention on the grounds that society needs even more protection than we have proposed.

But we have selected a moderate course—a course that is constitutionally consistent and is adjusted to the realities of the crime problems of the day.

ORDER WITH PROGRESS

And so you see that in critical decision-making areas—wiretapping and pretrial detention as in other areas—this administration has tried, and will continue to try, for the decent order with progress that all reasonable men must want for our nation.

We will continue to resist extremism and over-reaction, and I suppose we will continue to receive the most virulent criticism from both ends of the spectrum.

We live in difficult times where moderation is frequently rejected—where the practical and progressive reasonable man, seeking a common-sense solution, is drowned out by the cries of extremism.

But if the reasonable men of this nation do not come together now in a sincere attempt to hear our differences and improve our institutions—both in the law and in other areas—I feel that we may be headed for even more tragic times.

APOLLO 12—NEW ERA FOR SCIENCE

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. TEAGUE of Texas. Mr. Speaker, a recent editorial in Aviation Week and Space Technology by Mr. Robert Hotz, discusses the importance of postlunar landing exploration of the moon and its contributions to a better understanding of the earth and solar system. Mr. Hotz points to the depth of management capability developed in the Apollo program and the applicability of this resource to other national problems. He further analyzes the significance and value of man in accomplishing the many and varied experiments on Apollo 12. Mr. Hotz points also to the contributions man may be expected to make in future scientific exploration of the moon on future Apollo flights. I commend this editorial to your reading:

APOLLO 12—NEW ERA FOR SCIENCE

(By Robert Hotz)

Apollo 11 ended man's long-cherished dream to plant his feet on the moon. Apollo 12 opened a new era of scientific exploration that promises to finally yield many of the secrets of the solar system and the universe beyond.

Apollo 12 was an extremely fruitful mission in many ways. Among its major achievements are:

Management depth. Many of the stars of the superb Apollo management team departed or were shifted to other posts in the interval between the success of 11 and the launch of 12. The Apollo 12 mission was managed largely by the NASA second and third teams. Their excellent performance revealed what depth of unusually high-quality management the Apollo program has developed. This is a resource that should be applied widely to other national problems.

Systems reliability. The Apollo system has gone to the moon only four times and landed only twice. Yet it has proved its reliability as a dependable space transportation system. The journey to and from the moon has become routine in less than a year. Only the landing on and the ascent from the moon still pose some problems that require more experience for final solution. This does not mean that peril has disappeared from lunar exploration. There are still points at which failure of some component, such as the ascent stage engine, means disaster. Opportunity for human error is always present. Lunar explorers will still be braving dangers as serious as those that faced the 15th Century explorers of the earth's oceans and the pioneers of flight. But Apollo has provided them with a more-reliable vessel than anybody dreamed possible when Sputnik first beeped.

Value of man. All the Apollo lunar missions have added increments of evidence on why man is essential for the fullest exploitation of a space transportation and scientific exploration system. But Apollo 12 provided evidence that will begin a diminuendo of the unmanned vehicle chorus to a barely audible moan. Without man aboard, Apollo 12 would have never reached the moon. Without man aboard, it could not have provided such a rich harvest of scientific data. When lightning-like discharges blew the primary electrical power systems barely half a minute after launch, it took the cool analysis

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and action of the crew with help from Mission Control to recycle the inertial platform and enable the flight to continue. The fate of Atlas 13–B in early 1959 provided a clue to the probably alternative. It was launched similarly through a heavy cloud layer. On burning through the top, all telemetry and other signals were lost permanently. Its ultimate fate is still unknown. Man in the spacecraft loop is expensive in dollars and payload. But it is an investment that pays tremendous dividends.

Scientific exploration. Apollo 12 demonstrated for all the world to hear, if not see, what the purpose of the Apollo program really is. It dispelled completely the myth that Apollo was simply a technical tour de force with no meaning beyond the lunar landing. It demonstrated in a startling variety of ways that the main goal of Apollo is to enable man to explore the moon and search for the secrets of our existence.

First, there was the erection of the nuclear-powered scientific station. Without man to implant then properly and to adjust them, even scientists now concede, these instruments would not be sending back the stream of exciting new data now being received on earth. The SNAP-27-powered complex of scientific measuring instruments now functioning on the Ocean of Storms is the pioneer prototype of permanent manned scientific working stations that will appear on the moon before the end of the next decade.

Second, there was the incredible activity of man himself as an explorer and geologist during a total of 16 hr. on the lunar surface. Certainly no other period in the history of science has yielded so much data per hour. Apollo 11 proved that man could survive and work on the lunar surface. But Apollo 12 provided some of the surprising parameters of just how long, how hard and how productively he really can work there. With moderate modifications to the present EVA equipment, there is every indication that these parameters can be extended far beyond any original hopes.

Third, there was the astounding demonstration of the ability to link the geological expertise of the scientific panel gathered in Houston's Mission Control room with the space engineering and operational expertise of Pete Conrad and Alan Bean some 250,000 mi. away on the moon. This scientific exploration by remote control in real time—instant science—is an achievement that will take some time to penetrate the scientific community fully.

It is revolutionary watershed for science. It is going to force scientist to change their methods of research, analysis and publication. There will no doubt be some now-distinguished names that will cling desperately to their hoary traditions and stubbornly resist these revolutionary changes. But the great scientific names of the future will be those who recognize the unprecedented opportunity the manned space flight program provides for a massive attack on the frontiers of knowledge. The future belongs to those scientists who learn quickly how to work with the space engineers either by remote control or inside the orbiting laboratories that will certainly be a part of the next generation of manned spacecraft.

Finally there was that reverberating echo of the impact of Intrepid's ascent stage on the lunar surface that does not fit any prior theory on the composition of the moon. There are the surface pictures showing the surprisingly firm and gentle slope of the Surveyor crater; the green rocks in Conrad's sample bag; the varying color and texture of the lunar surface dirt, and the strange geyser-hole type mounds.

All of this is new and untraditional knowledge of the moon. Man's initial exploration of the moon has perforated many long-held theories and raised more questions than it has answered. But a great new era of scientific exploration opened with Apollo 12. Eventually, all of the answers will be forthcoming.

LUNAR ATMOSPHERE

HON. GRAHAM PURCELL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. PURCELL. Mr. Speaker, the Apollo 13 astronauts have now finished their postflight quarantine and the United States is again reaping the scientific knowledge of another successful trip to the moon.

One of the most important devices which the astronauts set up on the surface of the moon during this last flight was the LAD, the lunar atmosphere detector, which was developed by the University of Texas system.

We have generally accepted the fact that there is no atmosphere on the moon, and until the opportunity came up under which this could be looked at first hand, no one gave much thought to the possibility. The LAD has been left on the lunar surface in hopes of finding a "lunar atmosphere" which some scientists believe exists. The University of Texas is providing the means of finding out, and I would like to take this opportunity to commend these men for their work. I would like to insert in the RECORD at this point, a copy of a news release from the University of Texas at Dallas which explains this particular project in detail:

"THERE ISN'T ANY" MOON ATMOSPHERE; BUT THE UNIVERSITY OF TEXAS, DALLAS/MSC TEAM WILL SEND MEASURING INSTRUMENT VIA APOLLO 12

DALLAS.—The most common description of the Moon's atmosphere is: There isn't any.

That's a good-enough conclusion for many purposes, some of them scientific. But two scientists, from Dallas and Houston, will be in NASA's Manned Spacecraft Center Experiment Mission Control room on Wednesday, Nov. 19, to see their experiment begin to measure what's really there.

About 2 o'clock that morning, Apollo 12 Astronauts Charles (Pete) Conrad, Jr., and Alan L. Bean will deploy an instrument package on the lunar surface, 300 feet away from their "Intrepid" module.

The whole ALSEP package (Apollo Lunar Surface Experiments Package), its weight reduced from an on-Earth value of 280 pounds down to 48 pounds in the Moon's gentler gravity, will include five scientific experiments.

Possibly the last item, and the smallest, to come off the bar-bell equipment pallet will be an instrument that looks a lot like a camera in a two-tone case. It will be placed about 55 feet beyond the ALSEP data center and power generator.

This is LAD, for short, Lunar Atmosphere Detector, for long. It is has also been known as a cold cathode gauge experiment.

It was suggested to NASA/MSC four years ago by Acting President Francis S. Johnson of The University of Texas at Dallas, who was then professor and head of space sciences at UTD's private predecessor, the Southwest Center for Advanced Studies.

Co-investigator for the moon-atmosphere experiment is Mr. Dallas Evans of Manned Spacecraft Center's Lunar Surface Program Office.

Project manager and engineer at UTD is Mr. James M. Carroll of Garland, Texas.

LAD will be literally connected to the Lunar Ionosphere Detector (LID) as the two units stand close together on the Moon's surface. LID, which has also been identified as a suprathermal ion detector experiment (SIDE), will be furnished by Dr. John W. Freeman of Rice University. The two related experiments were "mated" there before the entire ALSEP package was brought together in Houston and transferred to Cape Kennedy.

MOON ATMOSPHERE IS ALMOST TOO THIN TO IMAGINE

The Johnson-suggested experiment is designed to sense variations of atmospheric pressure at the lunar surface by producing an electric discharge in the ionization gauge—which is open to the lunar atmosphere—and measuring the electric current in the discharge.

As Doctor Johnson says, the idea that there isn't any atmosphere on the Moon is "generally acceptable, because escape processes exist that can remove it."

But, he also says—in a briefing paper prepared for discussions with Astronauts—"observations made so far, such as the refraction or bending of starlight and radio waves when the Moon comes between us and a star, don't rule out the presence of an atmosphere with a pressure of about 10 millionths torr."

(Atmospheric pressures are measured in torr, after Galileo's pupil, Evangelista Torricelli, who found in 1643 that the weight of all the air above a point on the Earth's surface equals the weight of a column of mercury about 30 inches tall) .

Without worrying about decimals that have 10 zeroes followed by the numeral 1, a 10 millionth, this amount of pressure can best be called a very good vacuum.

But some gas particles are there. In Earth's nitrogen-oxygen atmosphere, the molecules are about one 10 millionth of an inc hapart. On the Moon, they would be 1/100th of an inch apart.

(If oxygen and nitrogen molecules could be enlarged 220 million times, they'd come out about the size of baseballs. On that scale, an inch equals 3,500 miles. The molecules would be one yard apart on Earth, but in the vacuum of space they would be most of 50 miles apart. This example doesn't apply to the Moon's atmosphere directly, but illustrates a very good vacuum).

An atmosphere at pressure of 10 millionths torr is still a significant atmosphere, says Doctor Johnson. The questions about it, after pressure is determined by LAD's activity, are: What kinds of gases are present on the Moon, and what are their sources?

MOST CERTAIN MOON-ATMOSPHERE SOURCE: THE SOLAR WIND

"The most certain source of lunar atmosphere is the solar wind, which strikes directly on the Moon's surface," says Doctor Johnson in the briefing paper. "The wind, which is ionized or electrically charged, should become neutralized on the lunar surface and be released as a neutral gas.

"The gas may be trapped on the lunar surface itself for some time, but the rate of release from the surface must be equal to the rate at which solar wind particles strike the surface. The gas concentrations, or atmosphere, that result from the solar wind depend on the loss processes from the atmosphere, and this is by escape from the lunar atmosphere to space."

The solar wind is no gentle zephyr. It's a million-mile-an-hour stream of charged particles coming from the Sun in a thin plasma, or gas mixture.

Moon-surface atmospheric physics isn't like that on Earth, where the solar wind is blocked off by a strong magnetic field. Near the lunar surface, "an ionized gas particle, formed from the neutral atmosphere by ionization due to the utlraviolet sunlight, is first 'kicked' at right angles to the flow of the solar wind by the wind's electrical field," explains Doctor Johnson.

As the ionized particle gains velocity, the magnetic field of the solar wind turns its motion back to the same general direction as the wind's flow.

"Some of the particles are directed back into the lunar surface, where they undergo neutralization—electrons from matter rejoining with ions—and are restored to the atmosphere."

Many of the particles don't strike the surface, but are carried away by the solar wind.

"The average atmospheric particle lifetime, for the heavier gases, depends mainly on the time required for solar radiation to ionize one atmospheric gas particle," says Doctor Johnson. "It's about 10 million seconds." This is about 115 days.

"The lifetime of gases on the Moon should be expected to be about that length of time for neon and heavier gases, and less for gases lighter than neon, because there is still more effective loss mechanism for the lighter gases."

PREDOMINANT GAS FROM SOLAR WIND SHOULD BE NEON

"The predominant gas of solar origin to be expected on the Moon is neon," says Doctor Johnson in the briefing paper. "Lighter gases, such as hydrogen and helium, should be less prevalent because of more rapid escape due to thermal motion, and heavier gases less prevalent because they are not so abundant in the solar wind." Among the heavier gases are argon, krypton, and xenon.

The solar wind is not an oxygen-carrier. The conditions that produced oxygen molecules on Earth involve water, solar energy, and early life itself, and are not matched on the Moon or the Sun.

There may be some small input to the lunar atmosphere as meteors strike the surface and release gases by vaporization, says Doctor Johnson. He calls this a "possibly significant source."

LAD may be able to detect gas intermittently released from vents on the lunar surface, he says, if such a release occurs—which would infer possible volcanic action, or below-surface heat. Some short-time luminous events have been recorded on the Moon by astronomers, and these have been interpreted as possible intermittent gas release. But the illuminations have not been satisfactorily explained.

"Atmospheric measurements will have greatest significance if it turns out that measured gases are of internal origin, related to the geochemistry of the Moon," says Doctor Johnson.

"But the real significance in this case will emerge only if the composition of such gases is measured, and this is something that can't be done with the Lunar Atmosphere Detector, or ionization gauge."

A mass spectrometer is needed to measure gas composition, and one is already being tested in the space physics laboratories at UT Dallas. Joining with Investigators Johnson and Evans, Assoc. Prof. John H. Hoffman of UTD's Atmospheric and Space Sciences Division faculty has completed the design of a "high-sensitivity, miniaturized magnetic sector mass spectrometer" and is evaluating its suitability for use on the lunar surface, under a separate NASA/MSC contract with UT Dallas.

The later-generation instrument "has the additional powerful advantage that it can recognize a significant but small presence of a particular gas in the presence of a large amount of other gases that are less significant," says Doctor Johnson. This will be especially important if contaminating gases are present in large amounts.

APOLLO 12 WILL CREATE "AIR POLLUTION" PROBLEMS ON MOON

There certainly will be "pollution" of the Moon's ultra-thin atmosphere from Apollo 12 rocket engines and surface operations, says Doctor Johnson. About 10 tons of volatiles will be released near the lunar surface during "Intrepid's" descent, surface, and ascent operations.

The amount of contaminating gas molecules will be about equal to the amount of solar wind particles striking the entire lunar surface in about three hours.

"The critical question is: How quickly will the contamination clear up?"

LAD's entrance aperture—the part that resembles a camera's lens—will be turned away from "Intrepid" when the ALSEP package elements are placed on the surface. With LAD some 350 feet from the lunar module, this will avoid come pressure and backscattering effects, especially at takeoff.

More important in the contamination problem, says Doctor Johnson, is probably the adsorption of exhaust gas on the lunar surface, and its slow release. The proportion of the 10 tons of exhaust gases that will "soak" into the surface, and the time needed for its release are not yet known.

If gas retention time at the surface is short, contamination may not be significant after one day. If it is long, three hours or more, the rate of improvement may be much slower. "Contamination could prove to be a problem for several months" in that case, says Doctor Johnson.

LAD was constructed from an improved version of a laboratory ionization gauge furnished by National (now Norton) Research Corporation of Cambridge, Mass., with associated electronics by Marshall Laboratories (now Time Zero Corporation) of Torrance, Calif. The gauge was tested at UT Dallas, and transferred to the Houston assembly point, where Bendix Corporation has been the prime contractor to bring the ALSEP hardware together.

ALSEP for Apollo 12, in addition to the lunar ionosphere detector from Rice, and LAD, will include a new seismic experiment prepared jointly by Columbia University, Massachusetts Institute of Technology and the University of Hawaii; instruments to measure the Moon's magnetic and electrical fields, jointly by NASA-Ames Research Center and Manned Spacecraft Center, and an experiment to measure the direction and intensity of the solar wind, furnished by Jet Propulsion Laboratory, California Institute of Technology.

ALSEP's electrical power, for both the experiments and the radio transmitters that will beam date back to Earth, will come from a nuclear generator, the first ever carried to another space body from Earth. Fueled by Plutonium 238, it is designed to keep ALSEP operating around the clock for at least one year of 14-day lunar days and nights.

CONGRATULATING GOVERNMENT EMPLOYEES

HON. G. ELLIOTT HAGAN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. HAGAN. Mr. Speaker, in these times when there is seemingly so much ingratitude in our society, it is indeed refreshing to receive a letter from one of my fine constituents which portrays real appreciation to the Federal Government. Many times the fine services of a Federal agency, like the Veterans' Administration, are taken for granted and unheralded.

This letter, I am sure, will let these dedicated Government employees know that the performance of their duties and untiring efforts are appreciated.

Mrs. Shackelford's letter is as follows:

DUBLIN, GA.,
December 10, 1969.

HON. G. ELLIOTT HAGAN,
House of Representatives,
Washington, D.C.

MY DEAR MR. HAGAN: Your recent expression of sympathy following the death of my husband, Sidney C. Shackleford, in the VA Center at Dublin, Georgia, was very kind. Hearing from you has prompted me to direct these words to you with the request that you please redirect them as you think appropriate.

My huband, a service-connected veteran of WWII, had long had contact at intervals with officials of the Veterans Administration. Their desire seemed always to render every service available to him and was accomplished with courtesy that permitted and encouraged his dignity. This in itself warrants my resolve to communicate appreciation.

When I mention to you that his death was preceded by a three year period during which he was hospitalized in each of the four VA Hospitals in Georgia so that every resource and facility of modern medicine be offered him in his fight for life as good as he could have for as long as he could have it, you begin to see, I am sure, the dilemma of one small voice trying to thank so many for so much. I must say that his excellent care was matched by courtesy and at times almost unbelievable concern for him and his family.

Surely, pride in such an Organization that functioned so untiringly and so well in my husband's case is justified among those who direct it. Please accept the gratitude of his family.

Very truly yours,
(MRS. S. C.) OLENE SHACKELFORD.

Having served for a time on the Veterans Committee of the House. I am well aware of the dedication of these people. Mrs. Shackelford has performed a service herself by bringing this to the attention of her Congressman and the general public. I am sure my colleagues will agree that her sincere letter of appreciation is indeed refreshing.

COWINNERS OF LANE BRYANT VOLUNTEER AWARDS

HON. F. BRADFORD MORSE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. MORSE. Mr. Speaker, some 21 years ago the Lane Bryant Volunteer Awards were created with the objective of seeking out and calling public attention to those Americans who were making significant contributions to their fellow man through positive, volunteer action against massive social problems.

Since 1948, the first year in which the awards were given, 38 domestic awards and six international awards have been made. The recipients have represented all walks of life but one common denominator characterizes them all—the encouragement of self-help through mutual involvement. Each provided aid and support to those in need but in addition they did what in the end is far more important—they taught others how to begin working toward a life of self-reliance and dignity.

The purpose of the Lane Bryant Volunteer Awards is to bring the work of these unrecognized people to public light and public acknowledgment. As founder Raphael Malsin said of the awards:

> They serve as a kind of X-ray into the inner workings of our society. They illuminate the trouble spots, they highlight the symptoms, they show us the best and the worst. They are a kind of laboratory where we can see healing ideas being tested. They are a tribute to the power of individuals, the best kind of individuals.

This year four Lane Bryant Volunteer Awards were made at a ceremony at the Department of State on December 4. It is my privilege to have known and admired one of the recipients, Sam Greene, for many years. He is a truly outstanding and unique American.

So that my colleagues may share in the appreciation of the fine work which these people are doing, I insert at this point in the RECORD, a brief description of the contributions which each of the award winners has made. It makes for very heartwarming reading, Mr. Speaker, and I know my colleagues will want to join me in extending our thanks and our congratulations to these truly selfless Americans.

HUGH DOWNEY, COWINNER, INTERNATIONAL AWARD

In a remote province of Ethiopia 3,500 feet above sea level, a 28-year-old native of Kansas City, Missouri labors in the hot, arid terrain. He is working to help people who are fighting not only the natural enemies of poverty and disease, but the human hostilities that exist in the unsettled areas as well.

Hugh Downey came to Ethiopia as an enlisted man in the United States Army. A chance meeting with a priest introduced the young soldier to the poverty of the remote villages. From that moment he was committed to teach the villagers how to help themselves in every way possible.

After Mr. Downey's discharge from the Army in 1965, he only returned home long enough to marry his childhood sweetheart and to seek support from among his friends and family for the people of Ethiopia. Then the Downeys returned and, despite tremendous obstacles, have recorded an impressive list of achievements.

Through their efforts, 10 schools, currently educating 1,000 pupils, have been built, equipped and staffed. Ten brick making machines, imported from the United States, have been loaned to villages to transform grass hut structures into sturdy, clean homes. One village has a church, council hall and many residences and, as a reward for its progress, has been presented with a gasoline powered generator for electricity.

An orphanage of five buildings, designed free of charge by an American architectural firm, houses 100 orphans. A school connected with the orphanage is open to an additional 100 day students from poor families in the area. Its scholastic standing is recognized as among the best. A public library of over 5,000 volumes was established in Keren. It was so popular that the municipality has taken over its operation.

The Downeys personally combatted two serious malaria epidemics, obtaining quantities of medicines, organizing and supervising a distribution system. They have organized and taken part in medical safaris, carrying aid into remote areas never before having the benefit of modern medicine. They continually minister to the sick and afflicted in a large area surrounding the town of Keren. Presently, they are building a 75 bed hospital in Keren, a modern structure designed by an American architectural firm. Joining with the officials of Keren, the Downeys have helped establish an obstetrical clinic which is nearly ready for use.

With all this incredible activity, the Downeys have also managed to maintain a home. providing room, board and tuition for secondary school students who otherwise would be unable to continue their education. They have financed young native businessmen in establishing trades for which they are suited In addition, Mr. Downey has conducted small, but successful agricultural experiments.

These accomplishments have taken their toll. Mrs. Downey lost her first baby in Keren and was once wounded in the leg by a stray rifle shot. Happily, the Downeys welcomed the birth of their son, Hugh Michael, on March 3, 1969.

Mr. Downey has been commended by His Imperial Majesty Emperor Haile Selassie. H. H. Ras Asseratte Kassa, Governor General of Eritrea, stated that even more important than Mr. Downey's physical accomplishments, is his moral force. Governor Kassa pointed out that he is a man of peace and of much creative ability, compassion and intelligence. Hugh Downey conveys to the people the need for the commitment to self-government, the need for hard work in a spirit of sacrifice and growth. He actively trains Ethiopian citizens to take over the various projects he initiates, and inspires others to start similar projects on their own.

Praise for Hugh Downey does not come from high places alone. A river near Keren has been renamed. . . . The River Hugh.

SAM GREENE, COWINNER, INTERNATIONAL AWARD

Uncle Sam, to the people of Guatemala, is not the United States Government, but a retired New York businessman, Sam Greene. Mr. Greene might have been content to live in leisure at his comfortable home on the shore of Guatemala's beautiful Lake Atitlan, but his keen sense of obligation to help his neighbor, his sadness at seeing the poverty stricken hopelessness of many highland Indians, and his ever active practical mind prompted him to take action.

The late President Kennedy once said: "One man can make a difference." Sam Greene proves this to be true, but would have added: "The biggest bank in the world is the pair of hands of a poor man." For Sam Greene has altered the philosophy of volunteerism and community action with a startingly simple thesis: If you loan a poor man money *in terms he can understand* (a penny a day), he would prefer to borrow the money and build for himself.

The Fundacion del Centavo, or Penny Foundation, was Sam Greene's unique penny-a-day program for rural community improvement. In 1962, he interested 70 Guatemalan businessmen in establishing a revolving fund from which loans are made to village groups for social programs they themselves choose. The people do the work and they pay for the materials and administrative costs plus interest in terms of a few cents a day, an idea which can be grasped by even the illiterate. In one case a pure water system immediately reduced high medicine costs, providing a saving even while paying off the loan. Each successful project not only gives a community self-respect and hope, but also it brings the traditionally isolated Indian into the economy as a consumer, saver, and taxpayer.

Reimbursement on projects has been over 90%. The Penny Foundation now has capital of $200,000 including a matching grant from the Agency for International Development. The Pan American Development Foundation and the Inter-American Development Bank have used Sam Greene's help in establishing similar programs in Ecuador, the Dominican Republic, Mexico, Colombia, and Chile. Formation groups are meeting in Nicaragua, Honduras, Venezuela, and Peru.

Because ill persons cannot easily help themselves, Sam Greene at age 76 rides horseback into remote villages to make lists of needed medical equipment for isolated clinics. Then he helps find the necessary supplies. During recent epidemics he was instrumental in obtaining $160,000 in polio vaccine and $17,000 in vaccine making equipment. He is helping to form an integrated immunization program for all of Central America. He raised $50,000 for a non-profit fund used to finance young doctors and dentists who wish to establish a practice in rural areas, most of which have one doctor per 100.000 people.

Mr. Greene also developed the first low cost life insurance program, designed to keep poor families from going into debt when a family member dies. This is important when one remembers that interest rates of 10% per month are common in Central America. He has begun a private sector land reform program whereby a sharecropper can buy his land, work it, and pay for it. He developed for the Ministry of Education an arrangement for rural education by television.

One of his favorite programs is based on the idea of leverage. Funds that stay in the United States are used as guarantees for loans made by Latin American banks for social development. The result is that United States capital is not exported but is used to help the Latin Americans to do their own development financing.

"Don't say I'm a philanthropist—I'm not," emphasizes Sam Greene. "I'm a good organizer." Whatever the terminology, his programs produce direct results at the grass roots level. His ideas on the use of money bring the pride of accomplishment, the pride of not begging, and the pride of paying one's way.

The Guatemalans think so too—they awarded him the Order of the Quetzal, the country's highest honor. He is the only American to have received it.

BRONSON GENTRY, WINNER, NATIONAL INDIVIDUAL AWARD

On a Monday morning in Detroit, young children cross at the once dangerous corner of Kitchner and Jefferson—safely. They might have been killed or seriously injured, as others had been, while the community was unable to secure a traffic light.

On a Tuesday evening in Detroit, parents attend a "coffee conference." They speak informally with their children's teachers—gaining valuable insights—bridging the generation gap. They might have been sitting at home, asking one another where they had failed.

On a summer day in Detroit, a group of youngsters swim in their recreation area's new pool. They might have been out vandalizing a supermarket.

On Thanksgiving day in Detroit, a woman serves her fourteen children a fine turkey dinner, though they had been living on meager funds. They might have had very little to be thankful for.

The outlook for many Detroit citizens might have been very bleak . . . if it were not for the efforts of Bronson Gentry.

The city of Detroit, like many others, has experienced its share of restlessness, disorder, vandalism and crime. With his strong belief in community self-help, Bronson Gentry organized his neighbors into groups able to take action against these social ills.

As scoutmaster of a troop he founded, Mr. Gentry guided his young men in an exhibition aimed at curbing vandalism. In addition, he sponsored a program on crime and vandalism for local merchants and churches, and was instrumental in organizing and directing a citizens' vigilance committee to maintain discipline on school buses.

An urban renewal program elsewhere in the city resulted in a housing shortage in

Mr. Gentry's neighborhood, as well as overcrowded schools and increased crime. Mr. Gentry took action. He petitioned City Hall for the improvement of Maheras Field, a recreational facility that had deteriorated to the extent that it was no longer safe for children. As a beginning he requested the construction of baseball diamonds, to be followed by a new field house, and finally, a swimming pool. The city's initial response was good. However, when the next fiscal year arrived, the money was suddenly diverted elsewhere. But not for long. Mr. Gentry went to work once more, and the money was reallocated for Maheras.

Bronson Gentry waged an unrelenting campaign for neighborhood conservation, undertaking an ambitious battle to have dangerous and dilapidated houses torn down. He offered reasonable plans for the use of lots left vacant, organized alley cleanups, improved street lighting, initiated more frequent garbage pick-ups and regular police patrols. He saw to it that traffic lights were installed on busy street corners where they were desperately needed and worked to rid the streets of abandoned and junked cars.

A leader in the volunteer anti-crime patrol which keeps a watchful eye on the city, Mr. Gentry went "into the streets" with a large group of men to "cool things down" when a summer disturbance threatened to erupt into a riot. As a result of his activities in this area, he recently received the Police Citizen Award in recognition of his outstanding contribution to police-citizen cooperation and understanding. The *Detroit News*, originator of the award, felt that Mr. Gentry displayed a unique sense of the individual's obligation to the community.

Recognizing the problems of overcrowding in the schools, Bronson Gentry led the fight for the construction of a new school. As head of a Project Advisory Committee, he prepared educational specifications for the new facility, which is now located next to Maheras Field, affording the area's children a place to play after school without having to cross dangerous intersections. Another first for the school is a community kitchen-lounge for informal parent-teacher conferences.

Bronson Gentry has demonstrated an unusual rapport with neighborhood youngsters. One of his most successful undertakings has been his work with boys involved in vandalism or petty theft. Parolled in his custody and "sentenced" to a few weeks of work in his basement, they spend every free hour working with saws and lathes, learning how to build, to create, to spend time constructively. Youngsters rarely want to leave when the "sentence" has been completed.

As chairman of the Youth Recreation committee of the Riverview Community Council, Mr. Gentry leads the area's boys and girls in projects designed to benefit needy families. Among their yearly activities is the distribution of Thanksgiving baskets to large families, widows and senior citizens.

Bronson Gentry is not a professional; he is a janitor in a local factory. He is concerned about his community, and is an indomitable force in its preservation. With his help, the future just might be a great deal brighter for the citizens of Detroit.

Scotland Community Development, Inc., Winner, National Group Award

Ramshackle houses on rutted dirt roads, surrounded by junked cars, mountains of rubbish and other debris of poverty. Shanties without indoor plumbing, running water, electricity, modern heat or trash removal. Crumbling homes. Helpless squalor. This was the community of Scotland in Montgomery County, Maryland.

An enclave of 50 Negro families whose median income of $80 a week had to be stretched to cover the expenses of families of six, seven, eight or more. These were the residents of Scotland.

A fast-growing, progressive county, where affluent white suburbanites enjoy lovely park lands, expensive new homes and one of the highest median incomes in the nation. This is the rest of Montgomery County.

Since the turn of the century, the residents of Scotland, mainly descendants of slaves, heeded the advice of their ancestors and held onto their land even when they had nothing else. But, in 1965, the roots of their rural community were severely strained by land speculators who sought acreage to house Washington's upper middle class. The future was indeed bleak for Scotland's citizens, who had no resources for relocation. The Save Our Scotland (SOS) Committee was set up by county, civic and church leaders, as well as some sympathetic Bethesda neighbors, to investigate avenues of action for the area. SOS moved the county to repair the town well and extend water and sewer services to the local church, and organized an ambitious clean-up campaign. As the community began to take on more and more responsibility for itself, the Scotland Community Development Corporation (SCDC) was formed.

The basic concept behind SCDC was that the local residents pool their combined land holdings, sell some of them, and build new housing on the remaining acreage. Then began the tortuous process of title-searching. Volunteers uncovered extremely complicated systems of ownership, to the extent where one resident was found to own 1/108 of his quarter acre plot. As the process of land buying progressed, model communities were designed, with the main requirements drawn by Scotland's citizens to conform with their own life-styles. An example is the inclusion of front porches on the townhouses, a rarity today. The final result is a plan which includes six basic types of townhouses, ranging in size from two to five bedrooms.

With the aid of a Housing and Urban Development (HUD) grant of $78,400, the 100 units are now being completed. As they become ready, families will take possession, and their old shacks will be demolished, thus avoiding the trauma of forced relocation. Seventy-five of the units will be low rental, the others will be for sale through the life insurance industry's billion dollar housing fund.

Residents who owned land in Scotland have traded it for equity in housing. Others, such as Melvin Crawford, president of the SCDC, can gain equity in their homes through their own labor. Mr. Crawford, a maintenance man with a wife and seven children, spent 42 years in a "dilapidated four room house not fit to live in." He and his family have chosen their new three bedroom home in the development—with available room for expansion.

Along with the task of building new homes, the SCDC has accomplished many other goals. Anticipating some of the problems of the first year of residence, they held a benefit which raised over $8,000 to hire a full-time social worker. They have instituted such services as tutorials, community newsletters, emergency legal help and a highly successful furniture drive. The Scotland Teen Health and Beauty Workshop, instituted this past year, offers girls a variety of activities dealing with fashion, dieting, cosmetics, creative exercise and modeling. A "mod fashion tour of Georgetown" and a tea with informal modeling are highlights of their activities to date.

The Scotland Community Development, Inc., saw a problem, studied it, and went into action. Using their own resources, hundreds of people from diverse backgrounds worked together to create in Scotland a climate of opportunity in which individuals can become economically and socially viable citizens—all within the familiar and comfortable surroundings of Montgomery County. *This* is the Scotland of today . . . and tomorrow.

AMERICA FOR AMERICANS—OR COMMIES?

HON. JOE SKUBITZ

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. SKUBITZ. Mr. Speaker, I think that my colleagues would be extremely interested in a hard-hitting editorial written by Fred Krueger, editor of the Baxter Springs Citizen, on our Vice President, SPIRO AGNEW.

Mr. Krueger's editorial sums up the feelings of the people in the Fifth Congressional District of Kansas. Fred Krueger is one of our fearless Kansas editors who calls them as he sees them.

America for Americans—Or Commies?

I am departing from my regular column format today for what we believe is a very important reason . . . to publicly state the position of our newspaper in regard to recent events taking place in America.

First of all, we strongly support the speech given by our Vice President the other evening concerning national television network news broadcasting.

For sometime now we have been extremely concerned over the way all three national TV networks have dredged the depths of insignificance to bring the anti-American philosophies, the hippies and the Stokley Carmichaels into national prominence.

As if by preplanned pattern, national TV news has become a direct tool for the salesmanship of communism, "the new culture", and every other cause aimed either at hate for America or the surrender of America.

Americans are now watching and hearing on TV exactly what the elite few want us to see and hear in a powerful attempt to sway public opinion.

We are pleased that our Vice President had the "guts" to stand up for us the way he did . . . but, we also note with utter disgust a few politicians who are as usual placing their personal ambitions above the good of our great country by publicly denouncing this stand. We challenge All Americans irregardless of their politics to unite by placing America first and politics second in these times of crisis.

Secondly, we want to go on record supporting our President as our team quarterback in regard to the terrible war in Viet Nam.

We all know the so-called Peace Moratoriums were originally organized and principally financed by Peking, Moscow and Havana for the sole purpose of bringing about the total surrender of America by enlisting Americans to do their impossible job for them.

Of course North Viet Nam's next move will be to take the war directly to wherever Americans are located in Viet Nam in order to make the sting of future peace moratoriums more effective.

It all boils down to one basic fact . . . The Communists are still determined to use every means at their disposal to overthrow our government and bury us all as they have threatened they will do from the beginning.

It is up to "the great silent majority", representing over 90% of the American people, to Speak Up Now! Let the networks (not our local stations) hear from you. Let your congressman know how you feel!

Just remember . . . Russia also has a "great silent majority" representing 90% of the Russian people, but their silent majority remained silent too long and Russia is now ruled with an iron fist by the 10% who call themselves "Communists".

Do You believe it can't happen here . . . ?

XUM

BIG TRUCK BILL

HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. SCHWENGEL. Mr. Speaker, my editorial for today is from the Columbia, S.C., State Record. The editorial follows:

PRO, CON TRUCK TESTIMONY PILES UP

WASHINGTON.—Testimony for and against bigger trucks on federal interstate highways piled up before a House subcommittee last week with opponents outnumbering advocates in contrast to the preceding week.

Those stating their opposition to the proposal or portions of it included the American Automobile Association, the American Association of State Highway Officials, the General Federation of Women's Clubs and the Iowa director of highways.

Coming out in favor of it were Rep. Al Ullman, D-Ore., and William W. Owen, president of the Dayton, Ohio, City Transit Company.

It is the industry position that wider, heavier and in some cases longer buses and trucks would be safer and more comfortable and actually easier on the nation's highways than those presently in use. Critics dissent vigorously.

The bill would increase weight limits on a single axle from 18,000 to 20,000 pounds, on tandem axles from 32,00 to 34,000 pounds and raise the present gross weight limit of 73,280 pounds to as much as 108,000 pounds on a nine-axle truck.

It would permit widening of trucks and buses from eight to eight and one-half feet and impose a 70-foot length limit. There is presently no federal limit, but all but three states have limits of 65 feet or less.

The measure also contains a grandfather clause allowing states that now permit vastly larger trucks to continue to do so indefinitely.

The highway officials' association said this provision would "provide the opening for the encouragement of further escalation and liberalization of weight regulations."

But Ullman told the subcommittee on roads of the House Public Works Committee that the clause is essential, at least for Oregon which permits operation of mammoth triple-unit trailer combinations as much as 105 feet long.

George F. Kachlein Jr., executive vice president of Triple A, called the measure "an antisafety bill almost identical with the big truck bill which failed of passage last year."

Kachlein declared "we cannot ask 100 million drivers to be guinea pigs by increasing the sizes and weights and then researching the effects. The research should be done first."

Owen testified in behalf of the entire bill but said the width increase is essential to the bus industry. Presently, he said, many large cities already have the eight-and-one-half-foot-wide buses but they cannot leave city limits.

John Gunther, executive director of the United States Conference of Mayors, said the conference does not object to the wider buses but is against other provisions in the bill.

Douglas B. Fugate, vice president of the highway officials association testified a study by the association shows that "an increase from the 18,000-pound to the 20,000-pound load can result in an average loss of the result in an average loss of the remaining life of (highways and bridges) between 25 to 40 per cent. To increase it to "2,000 pounds can result in the loss of pavement life of close to 60 percent . . ."

CONGRESSMAN DURWARD HALL ADDRESSES GROCERY MANUFACTURERS OF AMERICA

HON. DAN KUYKENDALL

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. KUYKENDALL. Mr. Speaker, recently our colleague, Congressman DURWARD G. HALL delivered an important address before the Grocery Manufacturers of America in New York City. Because Congressman HALL discussed some very vital issues concerning the relationship between Government and industry, I take this opportunity to include his remarks in the RECORD.

Congressman HALL's address follows:

SPEECH BY REPRESENTATIVE DURWARD G. HALL

Mr. Chairman, it is indeed a pleasure for me to be here today, to get away from the "self-characterized, effete corps of impudent snobs", and dine with a group of those hardy Americans who still have courage enough to mix their drinks with Fresca!

I can't begin to tell you how good it is to occasionally take rest and recreation leave from the Nation's Capitol, described by some as a domed psychiatric center, and to my knowledge, the only institution in the world that's run by its own inmates.

I am happy to report, that things in Washington are about the same as usual—

Adam Clayton Powell is still out of town; Judge Haynsworth is still on trial; Dr. Knowles is now developing his own foreign policy, and Speaker John McCormack's pay telephone has been disconnected.

The Congress has even found time to pass some legislation. For example: The Congress has—

Doubled the Presidents salary; raised its own pay by 40 percent; enhanced their own retirement; hired more office personnel, and last week voted to add to (and consolidate) its equipment (office, that is!).

Now those are the major items, But, believe it or not, the House of Representatives has come up with some constructive legislation too—

We have passed and sent to the Senate a good tax reform measure; we have started the wheels rolling toward election reform; we have passed legislation aimed at equalizing the draft; we have produced a strong military preparedness bill, including the ABM, and my Assistant Secretary of Defense, health matters!

We have helped insure the safety of the Nation's coal miners by enacting the Coal Mine Safety Act; we have passed the Housing and Urban Development Act of 1969 (against my vote, I might add), and we have passed the air transportation bill.

There is much more to be accomplished in the 91st Congress. Legislation yet to be enacted, but now on the drawing boards include:

Postal reform; farm legislation; sex-oriented mail; and amendments to the Social Security Act.

As of now we have so far held off on authorizing any legislation for poverty and foreign aid!

There is much to be done, but in the words of John Randolph, the principles of free government in this country have more to fear from over legislation—than from any other cause.

A few years ago, I got tired of trying to make sense out of all the double talk that was going on, and I coined the phrase "credibility gap," before the Southern States Industrial Council—in two words I said "a mouthful"!

Today, I'm going to be even more efficient with my words—

If you take the "cr" out of credibility gap you'll have the topic of my speech. I want to say a few words about the "edibility gap."

And whether these two words are also a mouthful, depends on whether the Federal health officials still give a "politician," the option to eat his own words if somebody thinks they're unhealthy.

This audience knows better than anyone (that I can think of), what I mean about edibility gap. I'm talking about food additive safety. I'm talking about cyclamates and monosodium glutamate—unpronounceable technical terms a year ago, but household words today. I'm talking about salt and sugar and caffeine and modified starches and saccharin—and anything else that man decides is fitting to stuff rats with. Food supplements, drug additives, insecticides, the Delaney amendment and its need for changes. In short, edibility and your responsibility.

I don't like to eat my own words, or anything else that might be unhealthy. But, as Chairman Dunning's introduction pointed out, I'm from Missouri. And you all know what that means. You'll have to show me! I'm also a family physician, a hillbilly surgeon, and called the "Ridge-Runner Doc," so I know a little about what is healthy and what is not healthy. Old enuff to lived through the cholesterol scare three times!

Being from Missouri and being a medical doctor, I don't take kindly to anybody trying to scare me into protecting my health, or the health of my constituents. I want the facts first. Then I'll listen. And if I have to act to protect the public's health, I'll act quickly!

Nowadays, it has become fashionable to mix fact-finding with fact-telling.

The fact that the press reports the fact that someone is trying to prove something, leads to the fact that the public gets concerned. This leads to the fact that industry, government agencies, and Congress get concerned. And, more often than not, this leads to the fact that the world becomes concerned. (Shades of silent springs!)

But, everybody has a fact tolerance—you give people too many facts and they get confused. And that's the point. We've got to do a lot more fact-finding and a lot less fact-telling.

The Federal Government can't always do this! The last administration came to us with a bill to raise the debt limit and at the same time awarded a significant grant to the University of California to study comic strips to promote our understanding of them.

If we need Federal aid to understand comic strips, we can never hope to understand the effects of ingesting cyclamates and monosodium glutamate, or the use of L-dopa, as it's called, for limited and experimental prescription of Parkinson's disease.

As you are very much aware, the Secretary of Health, Education, and Welfare ordered food and drug manufacturers to cease using cyclamates, due to tests in which a large dosage of a cyclamate mixture resulted in findings of cancer in several rat bladders.

Also, very much in the news lately, are some controversial tests with MSG and baby mice. Injections of high dosage of MSG were reported to have resulted in brain damage to baby mice.

A young lady acquaintance of one of my staff members called a regional office of a Federal Government agency. As a consumer who likes gravy and can afford to eat it, she asked a Federal functionary to explain what the problem was, with "MSG." He answered that MSG was found to have caused cancer in baby mice when given in doses ten times as great as a human baby would normally receive. Shades of passe mother's milk and cute efficient filtering processes.

He has gotten his mice and his rats and his cyclamates and MSG confused. Worse, he had spread his confusion. Maybe you can't blame him, with all of the facts about food safety that are being thrown around these days. But this is how the "edibility gap" widens and confidence in industry and government breaks down.

Let's look at history for a minute—Surtoyona—

The first recorded case of concern over food safety involved a gentleman named Adam who took a bite out of an apple. We may presume that the apple contained no pesticide residue. But ever since that bite, man has been emotionally and economically concerned with food purity, and other problems!

Food, like the air we breathe, is a necessity. But unlike the air, food became a medium of commercial exchange. The simple trading of agricultural crops, evolved into a primitive network involving "specialists" who could take foods from producers and get them to consumers in pretty and efficient packages—for a profit.

Students of the Middle Ages know that the slightest suspicion of food adulteration by a merchant of those times resulted in his meeting with some of the cruelest punishment, then conceived by man.

Historically, one of the first and most certain methods of testing food safety was strictly empirical. If some one died or got sick from eating a particular food, the people in his community, stopped eating that food. This was a rather hit-and-miss method that used human beings as test animals. You all recall the kings "tester", as well as jester!

Some of you will recall that in the early 1900's scientists got very interested in feeding food to animals to trace its effect on the body. One of the major discoveries arising out of these comparative anatomy experiments was identification of vitamins. One of the major effects of these efforts was a public interest in nutrition and food purity.

Naturally, Congress became involved. In 1906 it passed the predecessor of today's Food, Drug and Cosmetic Act. This act contained a strong provision on food adulteration.

Meanwhile, great technological feats were being performed by private industry, competition and the open market place of risk, service and investment!

Enterprising businessmen realized the value of offering food that was consistently good. They produced more and more packaged goods. They increased their quality control. They used more food additives and supplements. They built up consumer confidence, and brand loyalty. But they also raised questions in consumers' minds—how was all this magic being done? Are these new foods safe?

Again, congress responded! In 1938, the Food and Drug Act was completely revitalized. Authority was given to the food and drug administration to issue definitions and standards of identity for foods, to assure that they met proper scientific criteria. Food additives were recognized as beneficial, if used properly.

In 1956 Congress passed the Food Additives Amendment to the Food and Drug Act, it resulted in a detailed system for recognizing as safe some additives that were presently being used, and for Federal approval of other additives before they were used in foods.

The 1958 amendment recognized the growing public concern over "food additive" safety. It also recognized another great concern of that time, as now—cancer—one of the four horsemen of human disorder, of unknown etiology but all the more universally feared by people!

A clause was inserted into the amendment that, among other things, directed the Secretary of Health, Education, and Welfare to disapprove as unsafe, any food additive on which the permarket tests showed that it caused or was presumed to abet cancer in man, or animal.

Note the steady encroachment of centralized government—at least as a third party intervenor.

Now your president, George Koch tells me that ever since Grocers Manufacturers of America was incorporated in 1910 (the great year of my birth), one of its corporate articles has been, and I quote: "To preserve a high standard of purity of the articles dealt in, by its members."

Extensive industry testing of foods and particularly food additives has been the actual practice for many years. Cyclamates is a case in point. I'm told by experts that more safety tests have been run on cyclamates than on any other additive. A couple of weeks ago, one of these tests—done for a GMA member—resulted in a finding of bladder cancer in several of the hundreds of rats used in the two year study. I'm an expert on rats, famous for being against the Federal Government's "War on Rats."

These few, I am told, were among rats fed extremely high doses of a cyclamate mixture for their entire lives. Upon verifying the results, the company involved (in which I proudly profess to own a few shares over twenty years), immediately reported the findings to the Food and Drug Administration. The probable effects of acting responsibly and reporting these findings were well known to the company—even though they knew that the tests bore no reasonable relation to the amount of cyclamates a human being could ever consume. The tests had resulted in a cancer findings.

You all know what happened.

Public announcement of this action caused shudders in the food industry, and panic among diabetics. Physicians in my district are writing for my advice—what should they tell their patients, how are their patients going to be protected? If, as the FDA says, some cyclamate products will be available for use under a physician's direction, does this mean that prescriptions will have to be issued for the products? And will the products have to be sold by a pharmacist?

Even though the FDA says that it will allow some cyclamate products to be sold as drugs, some additional and very disturbing questions come to my mind: Will the costs be boosted so high that diabetics, and people suffering from obesity won't be able to afford them? Will the market become so small that you people sitting in this audience won't be able to economically and profitably produce them?

No one has answers to these questions yet. The situation and those affected by it are in a state of confusion. Many Monday morning quarterbacks, nervous Nellies, Harbingers of Doom, have found this time of confusion a ripe one for publicizing their own pet theories about the safety or lack of safety of other food additives. In politics we call it demagoguery, to use the nicest term, and it is not foreign, I might add.

Secretary Finch, in ordering cyclamates off the market, stated, and I quote "my decision to remove cyclamates from the list of approved substances in no sense should be interpreted as a 'lifesaving' or emergency measure."

The Secretary also stated that there was no evidence that cyclamate could cause cancer in human beings. But if there were any showing of cancer in tests on the substance, he said, the law required him to prohibit its use.

Perhaps this is the time for Congress to take another look at a law which allows anyone to perform any test—no matter what base or how relevant it is—that could result in depriving consumers of a product, that might be perfectly safe or essential in certain circumstances. Perhaps we should ask the national academy of sciences to give us their opinion of the scientific validity of this law!?? The new attorney general? The expected counsel for the Congress, if we reorganize?

We have also seen a great deal of publicity about MSG lately. Monosodium glutamate has been used, they tell me, since the Ming dynasty. It is a natural ingredient in most proteins, and the human body itself produces it as part of the digestion process. In fact, if you want to get technical, MSG is derived from glutmatic acid, one of the amino acids that are the building blocks of protein. Are we to bar the south Vietnamese Nom Hoa from U.S. citizens overseas?

All of the fuss about MSG started when a psychiatrist injected massive doses of MSG into baby mice and later found evidence of brain damage. Many experts challenged these results on the basis of their being founded on injection, rather than oral feeding, and because of the absence of certain controls thought necessary for a toxicological study.

Now, I can leave these almost jurisdictional arguments to the toxicologists and psychiatrists, but what bothers me most about these studies was the way they were publicized. On the basis of his studies, the researcher publicly questioned the safety to unborn babies, whose mothers ate foods containing MSG. Further, he replied to criticism of his studies by saying that the burden was not on him to establish their relevancy to human safety. Those who advocate the use of MSG had the burden of proving his studies without relevance, he said. (Shades of thalidomide!) Fright survives, and happiness retreats before the muse!

As a man of science, this disturbs me! It is one thing to do inventive basic research. It is entirely another thing to pose, publicly inventive and alarming questions based on this research, then shift the responsibility for carrying the tests to their logical conclusions.

It's sort of like a man yelling "fire!" in a crowded movie theatre, but depending on everybody else to make sure way for him, before they run out. If he's seen a flame, I'd like to know about it, but I'd also feel a lot better running toward that exit if I were sure he knew what a flame looked like.

As a matter of fact, the whole food additive question must seem like that movie house to the average housewife. A man in the front row yells "fire!" and the usher yells back, "I don't see any fire!" But you know that housewife is going to leave the theatre— either because she doesn't want to take even the slightest chance;—or if a rare serene type, just because she can't enjoy the picture, with all that crazy yelling going on. And you, my good audience, own the theatre!

I thank you for your attention, and I appreciate the opportunity to appear before you today. I encourage you to involve yourselves in the mechanics of good government. If not as an organization, then as a responsible individual citizen. Call on your Congressman, write letters to your Congressman, make your views known, testify before your congressional committees—you have a George that will do it for you and not to you! This is the essence of good representative Government in a Republic. Remember, in this Republic, even the votes of the vicious and the stupid count! But under any other system they might be running the whole show.

WINNING PUBLIC SUPPORT

HON. JAMES A. McCLURE

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. McCLURE. Mr. Speaker, on December 5, I had the pleasure of attending the 60th Western Forestry Conference in Spokane, Wash. It was my good fortune to be present for an address by Mr. Ernest J. Hodges, president of the American Forestry Institute. I was particularly impressed with his description of the ways in which foresters are helping to maintain our environment. In these days when our concerns are focused on the quality of our environment it is refreshing to see the positive contributions of an industry pointed out as Mr. Hodges has done.

When many point their fingers in wrath at the forest industry for the conditions which accompany logging operations, I am glad to see someone so justifiably point out that trees absorb the carbon dioxide fouling our air and replace it with oxygen, forests protect our waters and provide a place of quiet beauty to soothe harried souls.

The entire speech is thoughtful and challenging and I include it in the Record at this point:

WINNING PUBLIC SUPPORT

In these meetings you have spent time on subjects of great importance to us all. The care with which you have been looking at the problems of forest utilization, yield and management should be encouraging to thoughtful men in our industry.

I am also encouraged at the theme of our discussion today. You have put a 60-year frame of reference of these events. You have shown by this that you are thinking far ahead as you must.

My subject this morning is: Winning Public Support.

I am sure you will be relieved to hear that I think we have nothing very much to worry about in that—especially if we use our 60-year time span.

Winning public support is easy. That is, under proper circumstances, winning public support is easy. As in growing trees, there are certain steps which must be taken if we want to be successful. If we try shortcuts, or neglect our homework or look for lazy ways, we will probably not succeed. Just as in silviculture. You men are wise in the ways of nature and you know your jobs very well. You know that nature can be capricious, nature won't be rushed and yet can be built upon if properly approached.

On the other hand, people are part of nature, too. We speak of "human nature"—usually meaning that man has certain built-in characteristics, which are not always noble, not always wise—so we say "it's human nature" when he is fractious. However, people can be nourished and cultivated and brought along, so today let's take a look together at this process.

In my trade of communications we have a jargon, certain trade terms that are understood within the working group. Words such as motivational, attitudinal, opinions, publics and so on. We do campaigns to reach thought leaders or, as some call them, "influentials." We break our media and other means of reaching people down into their parts just as we segment the broad mass of the public itself into parts. That is our vocabulary, just as you have your vocabulary. So this morning, let me borrow from your vocabulary a little as we discuss winning public support.

As I said earlier, winning public support is easy. But step one of winning public support is tough—step one is gaining their attention. That is the slow, very tough part.

It is tough to gain the attention of the public. We will explore that in greater detail in a moment—because step one in winning public support should be taken only after a lot of preparation. Note, I am beginning to borrow from your vocabulary. Preparation—Just as in growing trees, there are certain procedures which must be logically and patiently followed.

First is research. It's such an obvious thing that we should have "people research laboratories," just as we research tree species, site preparation, genetics, soil conditions, rainfall and bugs—and yet it is often overlooked. These kinds of opinion research and attitude evaluation cost no more than any other research we routinely do. But I am sure you will agree with me that it requires a certain amount of discipline not to have instant attitudes about what people think and will be interested in. I am sure you will agree that we often have to change our minds when "nature's humans" don't react as we want them to.

So, in my trade, as in yours, we must do the site inspections, determine the soil conditions, plan our approaches. We have to determine what kind of seed will have the chance for survival.

We all know that people are bound up—each of us with our own bundle of prejudices. Some are so full of this that they will prejudge us without opening their minds at all. They are seemingly impervious to any fact which might cause them to change their emotional position. So when we are doing our research, analyzing our mental sites, we must find out as well as we can, which groups can be made to listen to us without prejudging or, at least without their prejudices blocking our attempts entirely and then we must get their attention.

Some groups judge us in Emerson's terms. You recall the quote, I am sure:

"What you are stands over you . . . and thunders so that I cannot hear what you say to the contrary."

There are groups, or publics, who feel that way about our industry. They have an image of us that prevents them from hearing us. And therein lies a great irony. It is enormously ironic that our industry has a reputation for doing exactly the opposite of what we are doing. Why? You must ask yourselves that question.

But it is ironic, indeed, that large groups of people—fortunately not all the people—think that we plunder, we rape, we despoil and we leave an ecological barren stripped of trees, devoid of plant life, empty of game and the song of birds. Some even foolishly believe that the soil is left lifeless, never to produce growth again.

This is the mistaken image which "thunders" at people when we try to reach them with the true story of resource management, of wildlife conservation, of the renewal and restoration we practice.

Gentlemen, our image is that of the "spoilers," even "plunderers," yet, in modern times, we should be known as the "growers" and even "conservers."

And that is what winning public support is all about.

But let's get back to how this can be changed, how public support can be won.

We do our research, our homework. We make our plans and decide where we can hope to get relatively unprejudiced reception. We decide what seeds to try to plant and what tools we shall need. It is surely educational material of all sorts, it will include editorial material and advertising. None of these tools cost any more used in selling ideas than they do in selling a product. Accomplishing it may be a little harder—the advertising may have to be a little better and we may have to use more of it—for longer periods—because changing a mind, altering an emotional position, is somewhat harder than making someone want and buy a piece of beautiful plywood panelling. But it can be done. (Unless we do the first we might not be able to do the latter.)

So you have located your site for growth, you have done your studying and you plant your seeds. You don't wait for them to fully germinate, because fertilizer should be applied promptly in the form of reinforcement of the ideas you have planted. This may take the form of television and radio and movies, but again, this costs no more than it does to use the same tools, the same media, to sell lumber.

Now as ideas sprout, you continue the nourishment, you prune and thin, practice mensuration, and refine your methods. You take the time, have the patience to let them mature and succeed.

Success!

You have won public support. As I said earlier, it is easy if we take all the right steps and the time to do the job properly.

Is now the time to try to do this?

Yes, for it is already late. We may be overwhelmed by more attention than we expect Before we are, we should ask—

Have we done a good job?

Do we have the right kinds of seeds to plant, can we tell a good story?

You bet your sweet bippy, we can. Brand X doesn't have the story we do. In fact, we can make claims no other brand can make.

For example:

Automobiles foul the air and the auto industry has "consented" that it tried to avoid the day they had to do something about this.

But our trees absorb carbon dioxide and replace it with fresh, pure oxygen.

Some industries stain the water used in manufacturing but in the meantime, our forests protect watersheds and regenerate pure, clean streams.

Billboard industries create ugliness, you create beauty.

The aircraft industry creates noise, our forests muffle and absorb sound.

The mineral industries can only extract but you replace. You replace not only with a better crop but with the fish and the fowl and the beasts so beloved of those wildlife lovers who should be supporting us with all of their passionate vigor. Another irony.

You see, we have what Rosser Reeves, a well-known advertising man, called The Unique Selling Proposition. We have something different and something better to sell than others do. As I said before, it is toweringly ironic that our benefits are not seized upon and trumpeted for us. But that is not the nature of things when human beings are involved.

Here I must be critical. The irony is that while we are deserving of much praise, we have failed in one important aspect in trying to plant seeds in the minds of the public. We have committed the cardinal sin in the field of communications, and in agriculture as well. We have tried to plant the wrong seeds. We have tried to tell the public only about what interested us—jobs, economics, input to gross national product and the abstracts of how much they need us to supply them with growth and materials. We have sounded self-serving and we have come over to them as proprietary.

"It's ours and we know best," has been heard.

As a result, we got little attention and a low quotient of belief.

All the public seems to know about us is that we "leave holes in the sky," and barren earth below. The fact of regrowth has not been offered to the public minds in terms they care about or even notice or believe.

When we think in terms of gaining the first attention of the public we must think about what a tough job that is to do. And it is even tougher to keep their attention, to let an idea fully take root.

An example we might ponder. After the excitement and pride and curiosity of watching the first man take the first step on the moon, how many of us would have dared to predict that the second time would not be very interesting to the public. But that is the fact—and after all that preparation and the

XUM

millions of miles in silent space, Commander what's his name, may best be known to history for accidentally pointing that TV camera at the sun. The public can indeed be fickle. But it can be won, public support can be gained.

We in the forest industries must not fail in our attempts to win public support because of impatience. That is why your time-frame of 60 years is important. It will not take 60 years to win public support but it will not be lastingly done in one year. We make tremendous investments in a long-term crop which requires calm confidence. If we just as calmly set about the long-term job of assuring public support, we shall succeed.

But let us all remember that image I spoke of. That was a long time building and it will take time to change it. We shouldn't join the angry, the impatient, the ones who want instant love and immediate acceptance.

As we think of studying our problem and the publics who in their segments make up the general public, we must keep that time span and patience in mind.

For an example. How about this public segment. If we think in terms of instant acceptance, this is one we might well ponder. I will read a quote from someone whe describes it pretty well:

"There are persons who constantly clamor. They complain of oppression, speculation, pernicious influence of wealth. They cry out loudly against all banks and corporations and the means by which small capitalists become united in order to produce important and beneficial results. They carry on mad hostility against all institutions. They would choke all the fountains of industry and dry all streams."

You see, we have some making up to do, for that quote was voiced 131 years ago on the floor of the United States Senate by Daniel Webster. That is a clue to how long business itself has been suspect to a portion of the public. There are a few who will damn us just because we are business.

But there may also be another factor in our favor despite our business role.

That is the current concern for environment which is sweeping like a wildfire across this country. I know you are seeing this, too—but from my vantage point I can see it spreading and becoming a crown fire. It is gathering speed and power at a nearly unbelievable rate.

Curiously this is encouraging to me—even a cause for confidence. It means that winning public support may be easier—if we do our job, as a responsible industry. When people are genuinely concerned about something they are much more likely to pay attention. So that may make an important part of our job easier—or harder, depending on how we go about it.

If we do not convince the public that we have a sincere concern for the environment and are doing something about it, they will go right on perpetuating the ironies of which I spoke earlier. They will mistake our role entirely, as some already have. They will make false assumptions. They will be easy converts to the myth that we leave holes in the sky and nothing useful or beautiful below. As an industry we cannot long survive on those terms. This country no longer has patience for such.

Gentlemen—we need not let this happen. We *can* win public support because we can demonstrate that we do care. We can gain attention and harvest lasting, meaningful support, but there are no short-cuts—there is no natural generation here for *we* are the seed trees. There are none yet on the site and re-generation will come later if we do our planting well now.

Have we the will? Can we come together—north and east—west and south? Can we come together regardless of the species of our particular interests? Can we come together to plan the plans, to take the time, to do the work required in winning public support? Can we stay together to re-seed, to perpetuate the growth of good will we gain?

Gentlemen—those are the questions for you to answer—for I cannot.

If you have the will to do these things, the American Forest Institute is dedicated to helping. But you are the keepers of the future of our industry—AFI can only support you. You must make the promises—we can only help you keep them.

Thank you.

NEBRASKA WOMAN'S THERAPY HELPS NEEDY IN WORLD

HON. GLENN CUNNINGHAM

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. CUNNINGHAM. Mr. Speaker, at this time of the year it is refreshing to learn of the many ways people are helpful to their fellow man.

A story in the December 4 issue of the Burt County Plaindealer tells of the efforts of an 88-year-old great-grandmother, Mrs. Julia Gilbert, of Tekamah, Nebr. For the past 12 years, Mrs. Gilbert has made a baby quilt each week for the interdenominational Church World Service relief drive. She does this as therapy to help ease her arthritis.

Mr. Speaker, would it not be wonderful if we had more people like Mrs. Gilbert? The article follows:

"IT'S THERAPY"—ARTHRITIS HELPS SEW 500 QUILTS

Mrs. Julia Gilbert doesn't claim to be Tekamah's champion quilt maker. In fact, she's quite modest about the 50 baby quilts she has completed during the last year for the interdenominational Church World Service's relief drive.

"It's therapy," the 88-year-old great-grandmother says. It helps ease my arthritis."

She turns out a three-foot-square baby quilt at the rate of about one each week. She pieces the quilt tops from scraps of cloth, then adds lining and a back to each one.

Whenever her arthritis starts to pain, Mrs. Gilbert said, she goes to her 50-year-old sewing machine for a session of "therapy." The exercise her fingers receive through handling of the articles helps to control the arthritis pain.

For many years her machine was a treadle type, operated by foot power. She finally consented several years ago to have the venerable sewing companion converted to electric power.

Mrs. Gilbert began quilting regularly when she was 76. During those past 12 years she has completed more than 500 quilts for tots. All have been distributed around the world through charitable organizations. No two quilts have been identical.

Church work is another activity which Mrs. Gilbert considers as therapy. She is the oldest—and one of the busiest—member of Tekamah's Baptist Church. She seldom misses a Circle or prayer meeting and she is a regular member of the church's adult Sunday school class.

At 88, Mrs. Gilbert has more energy than some women half her age. She concedes, however, that the arthritis in her knees has slowed her down somewhat.

She hasn't stopped, though. After her 88th birthday last month, and after she had delivered her year's production of quilts for overseas shipment, she began anew. So far she has already finished seven quilts for next year's drive.

THE INDIANAPOLIS NEWS—A CENTURY OF PUBLISHING HISTORY

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. BRAY. Mr. Speaker, on December 6, 1969, the Indianapolis News marked 100 years of publishing. As Thomas Hardy wrote in his "The Newspaper Soliloquizes":

"Yes, yes; I am old. In me appears
The history of a hundred years.
Empires', kings', captives' births and deaths;
Strange faiths and fleeting shibboleths;
Tragedy, comedy, through my pages
Beyond all mummed on any stages;
Cold hearts beat hot, hot hearts beat cold,
And I beat on."

May the heart of the News beat on for another century. Following is the letter of congratulations from President Nixon to the publisher, Mr. Eugene C. Pulliam, and the lead editorial from the News on its 100th birthday:

THE WHITE HOUSE,
Washington, November 22, 1969.

Mr. EUGENE C. PULLIAM,
Publisher, the Indianapolis News,
Indianapolis, Ind.

DEAR GENE: As The Indianapolis News celebrates a century of service to its readers, I am proud to be among those who applaud its distinguished reputation.

Published on December 6, 1869, a day before its inception in order to cover a message delivered to the Congress by President Grant, this fine publication has continued to be a sensitive, responsive and faithful chronicler of current events. As it has grown, it has also extended its adherence to journalistic integrity and to the highest principles of the free press. And it has never lost sight of the responsibility that cherished freedom incurs.

On this auspicious milestone in its history, I want to applaud your unshakable tradition of sound, prompt, reliable reporting. Your staff and readers have my warm congratulations and my hope that your high ideals may accompany you across the threshold to of current events. As it has grown, it has

Sincerely,

RICHARD NIXON.

[From the Indianapolis News, Dec. 6, 1969]

THE NEXT 100

Today The News celebrates a century of publishing history—a century in which it has lived and grown with the burgeoning city of Indianapolis.

Dec. 7, 1869, was the scheduled publishing date of Vol. 1, No. 1, under youthful publisher John H. Holliday—although, with typical enterprise, Holliday actually came out with his first paper the previous day to give his readers a full report on a speech by President Ulysses S. Grant.

In the century which has elapsed since then, The News has expanded continually and changed its physical location to accommodate the requirements of growth. It has dealt with major happenings at the local, state, and national levels alike. The paper has lived through an era of enormous changes in America, and has attempted to portray these fully and accurately to its readers.

Amid this change, The News has tried to play a consistent role—of service to our state and community, and to the principles which undergird the American republic. It has taken its stand in behalf of liberty and limited power, integrity in the political process, the rule of law and justice at all levels of government.

In attempting to serve these ends, we believe the freedom of the press is of the utmost importance and have tried to speak out forcefully in its behalf. The News has contended that the public can best be served by a press which is vigilant to maintain the fundamental values upon which America was founded. It has attempted to use these values as guidelines by which to judge the issues.

As freedom of the press is important for the well-being of the nation, so is a general regime of freedom essential to the liberty of the press. We have contended that all American freedoms depend upon the restraint of power and adherence to the rule of law. The free press and the free society are mutually interdependent.

Those have been the standards by which The News has been guided in the past. On the occasion of this centennial, we reaffirm our dedication to these standards, and trust that in the 100 years to come The News, our city, and the cause of freedom will all be able to flourish together.

SERVICEMAN IS HUMAN

HON. RICHARD L. ROUDEBUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. ROUDEBUSH. Mr. Speaker, Mr. James Neal, editor of the Noblesville Daily Ledger, has written a superb column about a marine veteran's experiences and views on Vietnam.

The television networks and liberal press in the East have chosen to all but ignore the hideous torture of American soldiers.

For some reason the liberal media seems to always choose the side of the story most derogatory to America, and most favorable to the Communist enemy.

More truth can be found in the daily newspapers of the Midwest than in any of the Eastern press which are little more than sounding boards for Hanoi propaganda.

Every Member of Congress should examine this account by a former marine. The article follows:

SERVICEMAN IS HUMAN

(By Jim Neal)

A Marine, wounded in action in Vietnam and now living in Noblesville, has come to the defense of GIs allegedly involved in a massacre of women and children at My Lai.

Martin A. Vincel, 21, now on the temporary disability, retired list, struck out at critics who, he says, "don't know what they are talking about."

"The serviceman is only human," he said. "We had orders to shoot if we saw anything. If anything moved, you shot it. You didn't ask who was there."

Vincel, who is currently unemployed because he is carrying shrapnel in both legs below the knees, claims the public only hears what the government wants them to hear.

"What gets me is all these people sit back and voice opinions and they don't know what they are talking about.

"I feel the public has been misinformed.

"I think it is right we are over there, but you can't win a war when you can't stop their supplies coming into South Vietnam.

"How can they pull out all these troops and let our guys die for nothing.

"South Vietnam won't be able to hold them back. They're not organized enough. We could never depend on them. If anything happened they ran."

Vincel was with the 3rd Marine Division. He enlisted from Ft. Lauderdale, Florida, after graduating from high school there. It was October of 1966.

He was on a search and destroy mission, platoon size, when he stepped on a booby trap and was wounded. The date was Jan. 18, 1968. He was treated at Guam for three weeks and finally was hospitalized in a Navy installation at Key West, Fla. He was only 19 when he was released on July 24, 1968.

Since then he has married a Noblesville girl, Sandra Shell, has a 5-months-old baby, and is currently seeking employment.

Getting a job is difficult because Vincel can't stand on his feet very long. He also claims that places are reluctant to hire him because they do not want to assume any responsibility for his disability. Although Richard Mallery, Hamilton County's Veteran Service Officer, points out that there is no responsibility, most employers are dubious anyway.

Vincel, whose mother is Ida Mae Blakley of Noblesville, was employed in Ft. Lauderdale briefly and later worked part time here at Warner Commercial Body Co.

"People stick up their noses when they hear I've been in Vietnam," he said.

"I never saw any massacre. If they shoot at you, you've got to shoot back. If they say don't shoot until they shoot at you, they're crazy.

"You don't know who to shoot at. They (Viet Cong) don't wear uniforms.

"The kids sell you cokes with poison in it. They throw grenades at you.

"Nobody likes to shoot a kid, but you learn when you first get over there you don't trust nobody.

"They call it booby trap heaven around Da Nang.

"If you've seen one village, you've seen 'em all.

"I've met a lot of villagers and talked to them. Some could speak English. The people don't want war, but they don't want to be ruled by the Communists either.

"They've been fighting for a long time to get freedom.

"All South Vietnam is doing is what we did in America. They want some help to get their independence.

"But they (war critics) are turning the American people against the serviceman. It's wrong. Without a military we aren't going to have a country.

"Sure, I saw some dead children. They were killed by mortar or artillery fire.

"I also saw this guy hanging up in a tree, skinned. He was a GI.

Vincel was a Corporal. He was a team leader, which means he had three men working under him. His unit received a Presidential citation and he received a Purple Heart. He didn't get a good Conduct ribbon. He hadn't been in service long enough.

COMMUNITY MENTAL HEALTH CENTERS

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. BOLAND. Mr. Speaker, on December 16, the House passed significant new legislation—legislation that would extend for 3 more years the program of matching grants for construction and staffing of community mental health centers. The bill, still further, would extend for an equal period of time the matching grants program for specialized services in the treatment of alcoholism and narcotics addiction.

The need for such legislation is plain—indeed, conspicuous. The bleak and forbidding State hospitals to which the mentally disturbed are routinely committed are simply not adequate. Startling reports—indeed, chilling reports—have indicated just how inadequate many State psychiatric institutions have become. In many cases, they offer little more than the most cursory custodial care and virtually no therapy. New community mental health centers—where psychiatric patients can receive treatment in their own communities, where early counseling will help prevent the kind of severe phychosis that demands hospitalization—are one of this country's most pressing needs.

Continued programs for the treatment of alcoholism and narcotics addiction would answer a need of equal urgency. Alcoholism—despite the spate of publicity about marihuana and LSD—remains the most alarming drug problem in the United States. And addiction to opiates—heroin, for example, or morphine—gives rise to about 40 to 50 percent of the violent crime rate in any major city despite the fact that narcotics addicts are far fewer in number than alcoholics.

The legislation will carry on one of the few successful Federal programs that offer hope to the mentally disturbed and to those addicted to drugs.

OFFICE OF ECONOMIC OPPORTUNITY

HON. EARL B. RUTH

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. RUTH. Mr. Speaker, as a cosponsor of the bill to continue the operation of programs by the Office of Economic Opportunity through June 30, 1971, it was with regret that I was forced to vote against the bill.

I joined in introducing the bill, H.R. 12321, on June 23, 1969. But the bill as reported out by the Committee on Education and Labor had little appearance to the original measure which still shows my name as a sponsor. I voted against the bill in committee and voted for recommittal in the House.

The circumstances that have forced me to oppose legislation which I cosponsored is really not so difficult to understand. The original purpose of H.R. 12321 was to give the agency's Director another 2 years to put its house in order. This bill, in fact, was only 14 lines in length.

On the other hand the bill sent by the committee to the full House covered 16 pages, added three new titles loaded with new programing, and increased the administration's budget request for the agency by about $300 million.

The agency Director, Donald Rumsfield, had committed himself to a more orderly and efficient operation of the program, tightened administration, a more rational allocation of resources, and a general improvement of the program.

This is a worthy endeavor on his part. But when the Nixon administration states it needs lower funds to operate the agency it just does not make sense for Congress to add a whole host of new projects to clutter the function of an expensive operation. I simply could not vote for the new bill. It was no longer the bill I cosponsored.

A MOUNTAIN OF A MAN

HON. JOHN WOLD

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. WOLD. Mr. Speaker, the very nature of our civilization seems to carry the seed for the destruction of traits that make man human. Our vast cities and densely crowded ghettos mitigate against the development of independence and self-sufficiency in our children. But these are still character habits that are just as necessary as ever.

In my district, the great State of Wyoming, we like to think people take on the rugged characteristics of our magnificent mountains. Honesty is the rule rather than the exception. Self-sufficiency and independence are traits imposed on us by the elements which still make the efforts of man seem puny.

We are proud of our State and, although wanting it developed, we hope to keep it relatively unsullied by the hand of man. We also want to share its bounties with other Americans. We hope their visit will give them a sense of the elemental forces of nature.

This week Life magazine carried a story about a fellow Wyomingite, Paul Petzoldt, of Lander, who even there is a "mountain of a man." He is an iconoclastic, rugged individual dedicated to preserving the beauties of nature and to teaching Americans to enjoy the wilderness without the trappings of our mechanize dcivilization. "Our students hunger for reality," Petzoldt told the Life interviewer.

They can find it with Paul Petzoldt in the mountains of Wyoming at the National Outdoor Leadership School which he operates in conjunction with the University of Wyoming and Kansas State Teachers College.

I recommend that my colleagues take the time to watch the first "Aloca Hour" special of the 1970 television series during the week of January 18. It will feature Paul Petzoldt and the National Outdoor Leadership School.

Our civilization is so complex we tend to lose sight of reality even though its harshness and beauty surround us every moment. Paul Petzoldt encourages Americans to sample the reality of nature and from that experience gain new inspiration for our more mundane lives.

THE LEFT AND THE MORATORIUM

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. ASHBROOK. Mr. Speaker, in the Congressional Record of October 16, I inserted extensive remarks on the "fall offensive," the program that brought thousands of protesters to Washington in October and November and which involved four organizations: The Vietnam Moratorium Committee, the Student Mobilization Committee, the New Mobilization Committee, and the SDS. The purpose of the fall offensive was to pressure the administration into an immediate, unilateral withdrawl of American troops from Vietnam regardless of the consequences to the security and safety of the people of South Vietnam. Although extensive treatment of the radical nature of the fall offensive appeared at various times in the Congressional Record, comparatively little appeared in the press concerning the involvement of extremist influences in the program. A notable exception was the comprehensive series of articles released by the Copley News Service on December 1 entitled "The Left and the Moratorium" which probed into the character and operations of the four organizations mentioned above.

The six-part series was authored by Francis J. McNamara, formerly staff director of the House Committee on Internal Security—until recently known as the House Committee on Un-American Activities—whose experience in the investigation of internal security matters extends over a period of 20 years. Through his intimate knowledge of the past performances of these radical groups and buttressed by a review of their literature and interviews with representatives of some of the groups, Mr. McNamara provides a valuable insight into a campaign which duped countless sincere Americans regarding its aims and radical motivation.

Since the fall offensive activities, the Student Mobilization Committee, the New Mobilization Committee, and the Vietnam Moratorium Committee have made public plans for future projects. In light of this, the Copley News Service and Mr. McNamara have rendered a valuable service in alerting the public to the true nature of these organizations. To help further in disseminating this information, I include the six-part series of the Copley News Service entitled "The Left and the Moratorium" by Francis J. McNamara at this point in the Record:

The Left and the Moratorium

NATIONAL PERSPECTIVE I: MORATORIUM LEADERSHIP HAD COMMUNIST, NEW LEFT TINGE

(Editor's note.—On two occasions this fall, the Vietnam Moratorium signaled mass protests against U.S. involvement in Vietnam. In most instances, the moratorium movement sought what they termed "immediate withdrawal" of U.S. forces. Who was behind the organization of the moratorium? Most participants sincerely objected to the war and were non-Communists. But Francis J. McNamara, former staff director of the House Committee on Internal Security, has written six articles which disclose the extent to which New Left and Communist organizations were closely involved in coordinating planning for the Oct. 15 Moratorium Day and the demonstrations of Nov. 13 through Nov. 15. He shows how some moratorium leaders misrepresented the stated purposes of the moratorium, after leading antiwar "dove" figures had given their names to the cause.)

(By Francis J. McNamara)

Washington.—The nation's capital is quiet and orderly again. The rioting and violence have ended. The Nov. 13–15 anti-Vietnam demonstrations are history.

The American taxpayer will foot the bill for the damage to public property and the cost of the extra police, the National Guard and thousands of federal troops moved into Washington to preserve the peace.

He is comparatively lucky. Some Washington businessmen will pay twice—both taxes and immediate cash outlays to repair damage to their property.

Yet everything is as normal in Washington as it ever can appear to be in the capital.

But things have changed and in ways that can't be seen on the surface.

In mid-October, people all over the world heard that 500,000 Americans joined in a "moratorium" to oppose the U.S. military involvement in South Vietnam.

A month later, they heard reports that the largest "antiwar" demonstration in the history of the United States, staged for the same purpose, took place in Washington itself; that the American flag at the Department of Justice was pulled down and—if only briefly—replaced by the flag of the Viet Cong.

On the same day, Nov. 15, anti-U.S.-in-Vietnam demonstrations took place in many nations.

This was no coincidence. It was all carefully coordinated and, aided by the international Communist propaganda machine. The desire was to project to the world the image of "people" everywhere assembling to protest, often with violence, U.S. intrusion and war-making in Vietnam.

The United States has suffered a defeat as a result of this campaign. It's not only that Washington was damaged as a city, but that America was damaged as a nation, with all that that implies in today's world.

Who was responsible? As one might expect, many are blaming it all on the SDS Weathermen, the Yippies and a handful of other small revolutionary groups.

That is oversimplifying. They couldn't have done it by themselves. And even if their members alone were responsible for every single act of violence and destruction in Washington, it would be unfair to place all the blame on them for the real and important damage done—even though they desired it. They merely did "their thing" when handed the opportunity on a golden platter.

The Washington "peace" rally and the violence that followed it comprised the most successful Communist united front operation to take place in the United States in many years. It was the result of months of careful planning and cooperative effort on the part of four organizations engaged in what they termed the "Fall Offensive Against the War in Vietnam."

The four groups are the New Mobilization to End the War in Vietnam (New MOBE) and its co-working Student Mobilization Committee (Student MOBE), Vietnam Moratorium Committee (VMC) and Students for a Democratic Society (SDS).

The New Mobilization Committee, technically the sponsor of the Nov. 15 Washington demonstrations, made many statements that it decried violence and wanted only a peaceful, orderly demonstration. The Student Mobilization did the same thing. The Moratorium Committee has always taken that position. SDS also promised it would not "instigate" violence.

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But all the while they were making these statements, these groups were collaborating in an operatioin that would almost surely end in violence—largely because certain of their leaders wanted it.

David Dellinger, long the top official of New "MOBE," is a Hanoi-Havana visitor and served as the national coordinator of MOBE's No. 15 Washington-San Francisco demonstrations. He made an inflammatory speech to more than 200,000 people at the Washington rally and then urged them to join in marching on the Department of Justice—where, as had been announced, an "attack" was to take place.

The power spots in New MOBE are saturated with Communists and Hanoi sympathizers. If either of these Communist capitals said, "No violence," there would have been none—at least not without a feud in MOBE that would have generated such heat the issue would have come to public attention. As it is, the contending (and cooperating) Moscow and Trotskyist Communists in the group had squabbled over lesser issues, such as program speakers.

By keeping the Oct. 15 moratorium peaceful to create the impression of belief in law and order, additional innocents were enticed into the climactic Nov. 15 action. Rioting and destruction in Washington itself following the huge rally would have far more worldwide propaganda value than the quiet fading away of a quarter of a million people.

The Nov. 15 demonstrations, climax of a three-day series of antiwar activities, were a Communist-engineered operation designed to serve the most important of today's Communist objectives—an immediate, unconditional pullout of U.S. forces from Vietnam so that Communists can take over the country.

In retrospect, the most important fact about the demonstrations was the revelation of a weakness in U.S. ability to deal effectively with internal Communist subversion.

The plans for the Nov. 15 and earlier related demonstrations have been a matter of public record for almost five months. There has been no secret about the organizations involved, their nature, objectives, leadership and past records. Yet there was no revelation of Communist involvement until the time of the Oct. 15 moratorium when a few senators and representatives presented facts which indicated that Communists were deeply entrenched in the Fall Offensive.

Even then these facts went largely unreported.

But the October and November demonstrations became two of the most widely reported events of the year. Yet in few accounts did the word "Communist" appear.

Antiwar and anti-draft demonstrations, on a smaller scale, took place four years ago. President Johnson publicly expressed concern at the time that well-meaning Americans might have been the victims of Communist exploitation.

He gave full support to a Department of Justice investigation to determine the role of Communists in the demonstrations.

The results of the investigation were never made public.

After MOBE's October, 1967, assault on the Pentagon, House Democratic floor leader Carl Albert said the marchers included "every Communist and Communist sympathizer who was able to make the trip." He also charged that the demonstration had been "basically organized by international communism."

Republican floor leader Gerald Ford then revealed that at a White House meeting President Johnson had read to him and other Republican leaders a secret report revealing that the demonstration was organized by international communism. He asked that the report be made public.

Attorney General Ramsey Clark visited Ford and said the report could not be revealed without compromising sources of information and creating a new wave of "McCarthyism." This claim was also made by Secretary of State Dean Rusk.

Ford argued that the American people were mature enough to receive such information without reacting hysterically.

He got nowhere. The report was not released.

The results of suppressing the truth about the Pentagon demonstration were seen in November. Thousands upon thousands of idealistic, well-meaning young Americans turned out to support another operation by the same outfit—an operation designed to injure the United States and help its enemies, who are also enemies of all that the overwhelming majority of the demonstrating youngsters believed in. Thousands of adults were similarly misled.

The files of the Federal Bureau of Investigation, Central Intelligence Agency, congressional committees and local police departments bulge with information about Communist involvement in the Nov. 15 and related demonstrations.

Compromising sources of information is a minor problem in this case—there's much that can be revealed without injury to any intelligence operation.

It would have been different if Sens. Eugene McCarthy, George McGovern and Charles Goodell had organized a rally of true dissenters, making it clear that they vehemently opposed, and also would condemn, the Communist Viet Cong revolution in South Vietnam and North Vietnam's aggression against the south.

But instead of this, the senators gave their indorsement and support to a demonstration which was corrupted with communism.

Just how deeply the radical left and Communists were involved, however divided they may be on various issues, can be documented?

NATIONAL PERSPECTIVE II: MORATORIUM BACKERS PROVE CONTRADICTORY AS TO MOTIVES

WASHINGTON—Millions of words have been spoken and written about the Vietnam Moratorium.

It has been the subject of television network specials, numerous editorials and columns and extended straight news coverage.

The first phase came on Oct. 15. Many people again stopped "business as usual" Nov. 13–15 to demonstrate against the war. And David Hawk, one of the four initiators of the sponsoring Vietnam Moratorium Committee (VMC), also told this writer that it is a "safe assumption" there'll be still another moratorium in December.

The Vietnam Moratorium Committee's original announced plan was to hold a moratorium every month that the war continues, extending it by one day each month. Then, if the war does not end by May, 1972, it would call for a complete shutdown of America. No one would do anything but protest the war, day in and day out, until every last American was pulled out of Vietnam.

This, of course, will never happen—and the VMC knows it.

Meanwhile, argument continued for weeks about the statements of the President and vice president on the original Oct. 15 moratorium. There was hot debate about whether it was good or bad, right or wrong, supportable or insupportable. And despite all the words, most people did not have the facts they need to make an informed judgment on the issue.

No one would be in a position to form an intelligent opinion about the Green Bay Packers, for instance, if he looked at the football team in isolation. You have to know something about the game, and the competition.

So it is with the Vietnam Moratorium Committee. The purpose of this series is to give some background information about the VMC, the game it is playing, other teams in its league, and key personalities who might be compared to football stars and coaches.

What Was Moratorium Day For?

A basic issue is the purpose and aim of the VMC and its moratoriums. There's been a lot of confusion about this. To help clarify it, Rep. John Anderson, R-Ill., called David Mixner, another of the initiators and directors of the Moratorium Committee, to get a clear statement of its objective.

Anderson wanted this statement because congressional supporters of the Oct. 15 moratorium had announced their intention of keeping the House of Representatives in session through the night of Oct. 14 in honor of the observance. The great majority of members opposed, and eventually defeated, this move.

Congressman Anderson taped Mixner's answer to his question so that he could quote it with complete accuracy on the floor of the House. This is what Mixner told him: "We want out now, and this is not contingent on anything that Hanoi or the Viet Cong might do."

Has VMC told the public this is its aim? Let's look at the record.

One of its first organizing efforts was a letter addressed to interns working for the government in Washington last summer. The letter said Moratorium Day in October would be held so people could spend the day working "to end the war."

Later, there was a "Student Call For A Vietnam Moratorium" sent to campuses throughout the nation.

The moratorium, it said, was for "taking the issue of peace in Vietnam to the larger community." (In any early mailing of this call, VMC said about 200 student leaders had signed; in later mailings "about 500.")

A Faculty Call, mailed later, said the moratorium was to "further build sentiments for peace" and to express "opposition to the prolongation of the war." Over 60 professors were listed as signing this call. According to VMC, this was only a partial listing of those who had indorsed it.

A moratorium organizing memo, mailed in September, said that participation in the moratorium is "a commitment to intense work and to peace." Another release, "The Vietnam Moratorium," said the moratorium "is an effort to maximize public pressure to end the war."

Then there were three full-page newspaper ads. The first ad said:

"What we are working toward, ultimately, is the largest and broadest antiwar movement ever seen in the United States."

The same statement of purpose was contained in the third ad. The only difference was that the word "ultimately" was left out.

The second ad proclaimed that on Oct. 15 students and faculty would leave classes to talk about "the madness of Vietnam." The big eyecatcher, however, was this large, bold-type legend, "We Support October 15." Under it were listed the names of four senators—Charles Goodell, Mark Hatfield, Eugene McCarthy and George McGovern—followed by the names of 11 other persons of varied prominence. A brief statement by each one appeared under the name. At the bottom of the ad in small print readers were asked to work on Oct. 15 "for an early withdrawal of all our troops from Vietnam."

These ads were reproduced as VMC posters and distributed throughout the country.

A lettersize fold-over brochure prepared for Oct. 15 was the cheapest and therefore probably the most widely distributed VMC promotional item for M-Day.

It included the statement of purpose quoted above from the first ad. It also said:

"The Vietnam Moratorium Committee is an ad hoc group formed solely for the purpose of stimulating and supporting broad-based public action against the war in Vietnam," Note that word, "solely."

Sam Brown, VMC's chief spokesman, was interviewed on "Face the Nation" on Oct. 12, just three days before the first Moratorium Day. Facing a nationwide audience, he made conflicting statements about its purpose. First he said it was "immediate withdrawal," and claimed several times that VMC had "consistently" said this. Later in the program he changed it to withdrawal "as rapidly as it is possible to do so." In answering a subsequent charge that VMC's aim was "vaguely stated," Brown again changed position and said withdrawal "no later than Dec. 1 of next year, and that is not immediate."

Yet the very next day Mixner told Congressman Anderson that the aim was immediate and unconditional pullout. Moreover, VMC has been claiming ever since then that that is and has been its purpose. It is no wonder that even after Anderson quoted Mixner on VMC's aim, other congressmen who supported the moratorium rose to speak for it and made incorrect statements about its purpose.

There was much deceit, in the way VMC promoted its October Moratorium. The VMC wants this country to cut and run from Vietnam—no ifs, ands, or buts about it, and no matter what the consequences. Yet prior to Oct. 15, it never came out and stated this bluntly in appealing to the public to support its activities and donate money.

Hundreds of thousands turned out on the Oct. 15 Moratorium Day in response to the VMC's broad and generalized appeals for "peace in Vietnam," "ending the war" and an "early withdrawal" of U.S. forces.

But how many would have responded if the VMC had honestly stated that Moratorium Day's purpose was to have this country's forces pulled out of Vietnam instantly and unconditionally?

I called the offices of the four senators whose names appeared in the ad (Oct. 8) as Moratorium Day supporters. The same question was asked of each one: Does the senator support, or has he ever supported, an immediate, complete and unconditional pullout from Vietnam? In each case the answer was the same: "No."

Was the October Moratorium Day a success? It was and it wasn't. The successful aspect of it will be treated later.

VMC claimed that "millions" would observe the Oct. 15 Moratorium. Nothing like that happened. Most turnout estimates run to about 500,000, though VMC representatives have been reported as claiming over a million.

"We have not gone into the numbers game, you just can't tell," Hawk told this writer. He gave an example of what he meant, "A university closes for the day. Can you count all the students as supporters? There's a rally on campus and later one in the (nearby) city. Some students go to both. There's duplication."

Regardless of the numbers, however, M-Day was a failure because the great majority who turned out did not support VMC's position and were not converted to it by the day's events.

Ironically, it was the VMC-enlisted big name speakers who guaranteed the failure. They spoke, one after the other, against VMC's objective.

Former Supreme Court Justice Arthur Goldberg called for a "prompt and systematic withdrawal" of U.S. troops. Sen. Edward Kennedy, D-Mass., urged that all combat troops be withdrawn in a year and others by the end of 1972—a far cry from the VMC's demand.

Rev. Ralph Abernathy said that the only things to be discussed in Paris were "the safe exit of the Americans and political asylum for South Vietnamese who want it."

The VMC speakers list for M-Day contained the names of over 175 persons who were scheduled to address observances. It cautioned that "not all" had indorsed the moratorium. Thirteen senators, 35 congressmen and about a dozen persons formerly prominent in government appeared on the list. Few support the VMC position. Most are on record as opposing it—and these were the speakers who attracted the largest audiences.

The nature of many M-Day activities also refutes the claim of its organizers that the day was a roaring success. Numerous observances were completely religious in nature, with no policy content at all. In quite a few cases, the "observances" were gatherings of schoolchildren.

Undoubtedly a number of speakers urged immediate withdrawal. Herbert Marcuse, philosopher of today's advocates of violence, was a scheduled speaker; so were far-leftist writer I. F. Stone, five of the persons now being tried in Chicago for conspiring to incite riots during last year's Democratic Convention, and others with lengthy records of activity in behalf of Communist front organizations.

No doubt, too, 95 per cent of those who favor a complete and unconditional withdrawal turned out on Oct. 15. The 5 per cent who didn't just couldn't make it for some reason or other. But there's every reason to believe that many speakers and the great majority of those demonstrating on M-Day did not favor VMC's position. I asked Hawk for his estimate of how many of the demonstrators actually supported an immediate, unconditional pullout.

"I have no estimate," he said. "I guess the ad was right when it said a lot did not support it."

Hawk was certain, though, that much was accomplished.

But as you read the papers and hear the news each day, you realize a very important point: Hawk is wrong. The pull-outers are a small minority and there are still many points of view on what to do about Vietnam.

NATIONAL PERSPECTIVE III: FALL OFFENSIVE LINKS SOME VIETNAM WAR FOES, REDS

WASHINGTON.—The Vietnam Moratorium Committee (VMC) did not, alone and on its own, turn out hundreds of thousands of people on Moratorium Day, Oct. 15.

Nor did it do so when moratorium, phase II, rolled around in November, and thousands again turned out to protest the U.S. role in the war in Vietnam.

VMC has had a lot of help in its operations and, without this help, nothing like what was seen on Oct. 15—and on Nov. 13–15—would have taken place. Many organizations have not received the recognition due them for such success as has been attributed to VMC's operations.

What groups are these? They are the teams playing in the "Fall Offensive" league with VMC. These other teams are the New Mobilization Committee to End the War in Vietnam, the Student Mobilization Committee to End the War in Vietnam and the Students for a Democratic Society (SDS).

Just what is the Fall Offensive?

It is a series of escalating "actions," as their originators call them, against U.S. involvement in the Vietnam War. Its full name is "Fall Offensive Against the War in Vietnam." The objective of the offensive was to exert such massive and intense pressure on the Nixon administration that it would abandon all effort to assist South Vietnam; it would pull out completely and immediately.

Many persons taking part in the Fall Offensive, unfortunately, did not realize its ultimate aim.

The program, worked out by the four participating groups last summer, was as follows (including minor changes since agreed upon):

Sept. 24—New Mobilization Committee—Chicago Actions in support of the "Conspiracy 8," tried for conspiring to incite the riots during the 1968 Democratic Convention.

Oct. 8–11—SDS—"Bring the War Home" Actions in Chicago.

Oct. 15—Vietnam Moratorium Committee—Moratorium Day.

Oct. 25—New Mobilization Committee—Chicago Actions in support of the "Conspiracy 8."

Nov. 8–15—SDS, —Joe Hill Caucus—Week of local activity to promote Nov. 15 actions.

Nov. 13–14—Vietnam Moratorium Committee—Moratorium Days.

Nov. 13–14—New Mobilization Committee—March Against Death; Washington, D.C.

Nov. 14—Student Mobilization Committee—National Student Strike.

Nov. 15—New Mobilization Committee—Mass Marches and Rallies, Washington and San Francisco.

The Fall Offensive "actions" are not limited to the U.S.—Moratorium Day, Oct. 15, was observed in several places overseas, almost exclusively by U.S. citizens. For that reason, the demonstrations were few and small. But Nov. 15, the climax of the offensive, was different. Communist and radical groups in foreign countries were utilized and demonstrations were held in Paris and the French provinces, Italy, West Germany, Holland, Belgium, Norway, Sweden, Denmark, England, Australia, New Zealand and Chile.

The U.S. organizers of the Fall Offensive did not plan and coordinate all these foreign operations themselves. They do not have the personnel, finances or resources. Outside help was given.

Some of the U.S. leaders of the Fall Offensive could tell you how, who, where and why.

But if you asked, they would profess ignorance or come up with an amazingly simple explanation, such as: "Oh, people all over the world are so incensed about what the United States is doing to the Vietnamese people that, when they heard about our offensive, they decided that they had to do something to help."

Many Communists, America haters, and Moscow, Peking, Castro, Hanoi and Viet Cong sympathizers took part in the Fall Offensive. But the first thing that should be said is that it is not claimed nor implied that VMC, the sponsor of Moratorium Day, is Communist.

But it is true that the Vietnam Moratorium Committee is working with Communists.

Many of the groups working with VMC in the Fall Offensive call themselves "peace" or "antiwar" organizations. They are neither. They are not pacifist. They are not antiwar as such. They have never condemned a Communist "war of national liberation."

But U.S. military efforts, direct or indirect, large or small, to help halt a Communist takeover or some non-Communist nation, immediately arouse their opposition.

Before discussing these groups, let's touch briefly on a bit of recent history. It will help us appreciate the full significance of the Fall Offensive and provide a framework for objective judgment of the Vietnam Moratorium Committee.

On Jan. 23, 1967, then Rep. Edwin E. Willis, who was the chairman of the House Committee on Un-American Activities, warned that "an assortment of Communists of both the Peking and Moscow varieties, fellow travelers, Marxists, radicals, pacifists and professional 'peace' agitators" had launched a "crash program" to undermine and sabotage U.S. resistance to Communist military aggression in Vietnam.

Their stepped-up agitation and propaganda campaign against American Vietnam policy, he said, would culminate in what they had designated "Vietnam Week," the week of April 8–15, 1967. Later, but before the event, the Willis committee published a report, "Communist Manipulation and Control of Vietnam Week," which revealed how Communists had initiated and controlled this operation.

Vietnam Week, in effect, was the "Spring Offensive" of that year. The April 15, 1967, New York and San Francisco rallies which capped the week's actions were the largest anti-Vietnam war demonstrations held in this country—until Oct. 15, 1969.

With the exception of the newly formed Vietnam Moratorium Committee, the groups which organized Vietnam Week in 1967 are the same groups which organized the Fall Offensive.

NATIONAL PERSPECTIVE IV: MOBE IS RADICALLY ANTI-WAR, ANTI-U.S.

The New Mobilization Committee to End the War in Vietnam, under a variety of names, has been in existence for a little more than three years.

First called the Nov. 8 Mobilization Committee, it was formed in Cleveland in September, 1966, to make opposition to the Vietnam war an issue in that year's election.

It changed its name to "Spring" Mobilization Committee to End the War in Vietnam, while organizing Vietnam Week, 1967. Several months after Vietnam Week it again changed its name and became the "National" Mobilization Committee to End the War in Vietnam, or "National MOBE."

Under that name, it staged the October, 1967, "confrontation" during which the Pentagon was stormed; the 1968 Chicago Democratic Convention demonstration which ended up with large-scale rioting, and also the Jan. 20, 1969, "counter-inauguration" in Washington which also resulted in violence, though on a smaller scale.

MOBE, under its varied names, has been the country's major anti-U.S. in Vietnam war agitation organization. It is an umbrella-type group, serving as the planner, director and coordinator of operations for the groups affiliated with it whose members provide muscle for its operations. Most of these are in the Communist front, Communist-infiltrated and radical-left category; a few are pacifist.

A study shows that at no time since it was formed in 1966 has MOBE published propaganda or agitated on any issue that conflicted with Communist policies. The 1967 Willis Committee report found Communists "dominant" in MOBE when it was known as the Spring Mobilization Committee.

This is also true of New MOBE today.

New MOBE held a "Mass Rally" in Chicago on Sept. 24, the opening day of the trial of the "Conspiracy 8," as those charged with conspiring to foment a riot during the 1968 Democratic Convention have dubbed themselves.

A few hundred staged an all-night vigil the night before the trial and perhaps 500 turned out for the morning rally outside the Federal Building. Later in the day those taking part in a Grant Park rally numbered about 700. It was a far cry from the 5,000 to 10,000 turnout originally predicted. Black Panthers and the various SDS factions were represented.

There was violence, primarily the work of the SDS Weathermen faction. Thirteen persons were injured—two demonstrators, nine policemen and two city prosecutors. More than a score of Weathermen have since been indicted on various charges ranging from mob action to aggravated assault. New MOBE and the other SDS factions renounced the Weathermen violence.

MOBE's special interest in the Chicago trial is based on the fact that six of the eight defendants are key MOBE activists. Dave Dellinger, New and old MOBE chairman, is also coordinator of the Washington and Chicago actions in the Fall Offensive; Tom Hayden, a founder of SDS and of the new, secret Revolutionary Union, was a co-director of MOBE's 1968 Chicago Convention operation; Rennie Davis, also an SDS founder, worked with Hayden in 1968 as the other co-director for Chicago, was coordinator of the Counter-Inaugural and co-director for New MOBE's recent Chicago demonstration; Jerry Rubin, Yippie founder, served as coordinator of MOBE's 1967 Pentagon confrontation; John Froines, assistant professor of chemistry at the University of Oregon, was on the MOBE staff during the '68 convention, as was Lee Weiner, a Northwestern University graduate student working toward a doctor's degree in sociology.

(The other two original defendants were Bobby Seale, California chairman of the Black Panthers, since convicted of contempt of court, and Abbie Hoffman, another Yippie leader. Both have been MOBE collaborators, though not officials.)

New MOBE was the sponsor of the two big events in the Fall Offensive:

The march Against Death at Washington, D.C., and mass marches and rallies in Washington, D.C. and San Francisco.

New MOBE conceived and launched the Fall Offensive Against the War in Vietnam under its former name, National MOBE.

This was accomplished by having a number of its key leaders enlist the cooperation of a few other "peace" activists in issuing a call to a National Anti-War Conference which was held in Cleveland on July 4–5 of this year. The conference was hosted by the Cleveland Area Peace Action Council, a MOBE affiliate and the organization that sponsored the September, 1966, meeting at which the original MOBE was formed.

About 700 people attended the Cleveland meeting, most of them representing groups that had been affiliated with the old MOBE.

The conference ended with formal approval of the Fall Offensive. The Trotskyist Communist newspaper, The Militant, reported that it was generally agreed at the Cleveland conference that the offensive could have "explosive political impact in the fight to end Washington's aggression against the Vietnamese revolution."

Is New MOBE Communist? Not completely—because the Communists don't want it that way. There just aren't enough full-fledged party members in this country—even when you put the Muscovites, the Pekingese, the Trotskyists and all the splinter groups together—to put on a demonstration of such proportions that it could have national and international importance.

The Commnists want "clout," impact. To get that they need two things, respectability and numbers.

How do they get these? By enlisting non-Communists in their operations—many of them: the 100 per cent fellow travelers who can always be counted on to rally to the cause, as well as the lesser fellow travelers who will respond on certain issues; the independent radicals and extremists, the non-party Marxists, the far-out pacifists (particularly useful for "ceace" operations), the malcontents and anyone else they can coax, cajole or hoodwink into working for their cause.

Some of the "respectables" they enlist are always pushed to the forefront of their maneuvers and given impressive titles to provide cover for the more unsavory elements and the Communists, open and secret, who share power in the organization with them.

It should be stressed, however, that New MOBE is not a Communist "front" in the traditional sense of the term.

When MOBE originally was formed, there already were many fronts in existence, some formed for the specific purpose of agitating and propagandizing against this country's efforts to prevent a Communist victory in Vietnam. In addition, the outcome of the Vietnam war is tremendously important to world communism. There's more at stake than just South Vietnam. The issue is so vital to Communists of all types that competing groups (Moscow, Peking, etc.) were willing to forget their ideological and tactical differences to unite for the common good.

Do Communists dominate the MOBE coalition? Consider these facts:

The following are some of the many persons, all identified or professed Communists, who were associated with the Cleveland Anti-War Conference at which New MOBE was ostensibly formed and/or are now serving New MOBE in one capacity or another:

Arnold Johnson, legislative representative and public relations director of the Communist Party, who was imprisoned for conspiring to overthrow the United States, and who has been with MOBE since its founding three years ago; Prof. Sidney Peck of Case-Western Reserve University, a veteran MOBE official; Irving Sarnoff, leader of the Peace Action Council in California, who has served on the District Council of the Southern California CP; Otto Nathan, who was denied a passport by the State Department some years ago on the grounds he had been a party member in Germany and invoked the Fifth Amendment in 1956 rather than tell a Congressional Committee if he was then a party member; Jack Spiegel of the Chicago Peace Council, who has run for public office on the CP ticket; Leroy Wolins, leader of the Veterans for Peace in Vietnam; Dorothy Hayes, active in the Womens International League for Peace and Freedom and Women Strike for Peace; Phil Bart, long associated with the Daily Worker who is now chairman of the Ohio CP; Ishmael Flory of the Afro-American Heritage Association in Chicago; also ILWU official Louis Goldblatt and party members such as Ben Friedlander, Hershel Walker, Orville Leach, Elliot Waxman and Anne Braden.

The Communist Party's youth group, the Du Bois Clubs, are represented by Gene Tournour, their national secretary, and by Jay Schaffner and Marc Beallor.

Dave Dellinger, veteran MOBE official, held the key post of coordinator of the Washington-San Francisco November demonstrations. Dellinger is often described as a pacifist, though he told the HCUA last year he is not one and has stated (in May, 1963) that he is a Communist, but not of the Soviet variety.

The Trotskyist Communists, rivals and generally more radical, are represented by their long-time leader, Fred Halstead, and also by Harry Ring, Lew Jones and Gus Horowitz. Their youth group, the Young Socialist Alliance, has an official voice in running New MOBE through Larry Siegle, its national chairman and editor of the YSA magazine, Young Socialist, also in Peter Vinther, Allan Myers, and Carol Lipman, all of whom serve on New MOBE's steering committee.

Key MOBE leaders, it is important to remember, have been frequent visitors to foreign Communist capitals such as Hanoi, Havana, Prague and Moscow. Examples are Dellinger; Tom Hayden; Rennie Davis and Prof. Robert Greenblatt are two others.

Greenblatt, a New MOBE steering committee member, went to Europe last year where he met with Viet Cong and North Vietnamese agents. He carried with him a note of introduction from Tom Hayden, MOBE's Chicago Democratic Convention project co-director, to Col. Lau of the North Vietnamese army, who was deputy chief of Ho Chi Minh's Paris negotiators at the time. The letter explained that Greenblatt had just returned from Hanoi, that he was a National MOBE coordinator, worked closely with Dellinger and Hayden and would be in Paris for a few days in case there were "any pressing questions" Col. Lau might want to discuss with him. Hayden, who had first met Lau in Hanoi, closed his note to Lau with these words: "Good fortune! Victory!"

"The task before the New MOBE is very clear," says New Mobilizer, the VMC voice; in addition to demanding the "immediate and unconditional" withdrawal of all U.S. forces in Vietnam, it must further insist that there be "no future wars of intervention at home or abroad against oppressed and exploited people who are asserting their rights of self-determination in the quest for human liberation."

Translated from Communist jargon that means: the Communist revolution in Vietnam (aided by North Vietnam, Peking and Moscow) must be allowed to succeed, and the United States must never again intervene to prevent the success of any Communist revolution anywhere—even here in this country.

New MOBE considered Moratorium Day and other Washington actions in the Fall Offensive so important that it moved its national headquarters from New York to the nation's capital to be on the scene and in the best possible position to lend assistance. It rented space in the same building with the Vietnam Moratorium Committee, on the floor immediately above its offices.

What does New MOBE think of the United States?

"American society has become a death machine . . .

"The Death Machine is not a gigantic accident—it has operators and they make a profit. They make a profit from not making automobiles safe, not ending air and water pollution, not feeding the poor, not cleaning up the coal mines . . .

"We must rescue the nation from the warmaker . . . this is only a small part of a long-term effort to create a society committed to Life and Freedom."

For anyone who might be puzzled about what is meant by a society "committed to Life and Freedom," the Communists in MOBE could spell out what precisely those words mean. Obviously, it would not include profit.

NATIONAL PERSPECTIVE VERSUS STUDENT MOBE—SDS PLAY ROLES IN RADICAL ANTIWAR MOVE

The Student Mobilization Committee to End the War in Vietnam, usually referred to as the Student Mobilization Committee (SMC) or "Student MOBE," describes itself as "the national organization of all high school and college students who are united in uncompromising struggle against the war in Vietnam."

Unlike the Vietnam Moratorium Committee (VMC) it does not mince words in proclaiming precisely what it stands for: "Our program is clear and straightforward. We are for the immediate and unconditional withdrawal of ALL U.S. troops from Vietnam."

Student MOBE's prime role in the Fall Offensive was to organize a national student strike against the war on Nov. 14, the second day of the November Moratorium and the same day New MOBE began its March Against Death in Washington.

Student MOBE grew out of a proposal made by Bettina Aptheker of Berkeley Free Speech Movement fame that a nationwide student strike against the war be held in 1966. Daughter of the Communist Party's chief theoretician, she was a professed party member herself at the time and was elected to the Party's National Committee in June, 1966. She promoted her strike concept at the 1966 SDS national convention and in publications and gatherings of the Communist Party's youth group, the W.E.B. Du Bois Clubs of America. Her organizing efforts led to the issuance of a formal "call" to a student strike conference which was held in Chicago in December, 1966.

The conference organizers, Bettina Aptheker and other Communists among them, made no secret of the fact that the full spectrum of Communist groups in the United States was represented at the gathering. To those attending, it was also obvious that the representatives of these groups played key roles in the proceedings.

Among them were: the Communist Party USA and its youth organization, the W.E.B. Du Bois Clubs; the Progressive Labor Party, which represents the Chinese wing of the U.S. Communist movement; the Socialist Workers Party, the Trotskyist Communist organization, and its youth arm, the Young Socialist Alliance (YSA). Youth Against War and Fascism, the youth group of a Trotskyist splinter movement, the Workers World Party, was also present. Students for a Democratic Society and various Communist front organizations were also represented.

Bettina Aptheker's strike proposal failed to win approval at the meeting—primarily because the delegates doubted they were capable of successfully organizing a national strike in the near future. Student MOBE, however, was born at this conference.

Since its formation, Student MOBE has served as the right arm of the name-changing adult MOBE, organizing student support for Vietnam Week, the Pentagon confrontation, etc. It has also undertaken various projects of its own—on April, 1968, student strike against the war, for example, in which it claims (with great exaggeration) that about one million took part.

It boasts of its past harassment of President Johnson. "We demonstrated wherever Johnson went until the antiwar movement forced Johnson to go everywhere unannounced."

Now Presient Nixon is its target. "We have announced our plans to do the same to Nixon. There will be *no peace* for Nixon until all the troops are brought home." (*Italic* indicates bold type in original).

In announcing its "No Peace for Nixon Campaign" on Sept. 29, SMC promised to demonstrate at every public appearance the President made until he directed a complete, immediate and unqualified withdrawal of all U.S. forces from Vietnam.

Students MOBE also promotes antiwar agitation and propaganda within the armed forces. For this purpose, it has formed the GI Press Service, edited by Allan Myers, a SMC member, former serviceman, and a member of the Trotskyist Young Socialist Alliance who also serves on New MOBE's steering committee.

From birth, Student Mobe has been a united front organization, a combine of various groups, many openly Communist, uniting their efforts to draw as many youths as possible into the anti-Vietnam War movement. About a year and a half ago, however, an important change took place. As a result of a long-simmering feud, the CP element walked out in a huff, leaving the young "Trots" in command. As J. Edgar Hoover stated earlier this year, Student MOBE "is controlled by members of the Young Socialist Alliance, the youth group of the Socialist Workers Party."

Carol Lipman, SMC executive secretary, is the key to YSA control of Student MOBE. A leading YSA member, she serves on the editorial board of Young Socialist, the group's official publication. Miss Lipman also serves on the steering committee of New MOBE.

Student MOBE held an antiwar conference in Cleveland on July 6 of this year, the day immediately following New MOBE's gathering. At this conference, according to the Militant, the Trotskyist Communist newspaper, it voted to enter "into building the fall antiwar offensive" which was described as "an ambitious plan to build the most massive and intense series of antiwar actions yet."

An interesting development took place at this conference. SDS has generally kept itself aloof from formal cooperation with the activities of Student MOBE and similar groups in recent years, although it has permitted its local chapters and individual members to participate on their own if they so desire. An SDS delegation appeared at SMC's Cleveland conference, however, interrupted the proceedings by chanting "Ho, Ho, Ho Chi Minh" and "Dare to Struggle, Dare to Win," and then marched up to the podium and took over the microphone.

The SDSers harangued the other delegates for about 15 minutes.

In a more cooperative mood, the Student MOBEers, at the request of the SDS delegation, added an SDS workshop to their agenda.

The Student MOBE conference voted to work on a fall offensive that coincided, point-by-point, with the Fall Offensive approved by New MOBE the day before.

Recounting the action taken at Student MOBE's Cleveland meeeting regarding the various operations in the Fall Offensive, the Militant reported: "SMC will also help build the nationwide moratorium against the war, planned by the Vietnam Moratorium Committee for Oct. 15; leaders of SMC and the Moratorium Committee agreed to cooperate in getting the participation of hundreds of thousands of students."

How strong is Student MOBE? How big a role did it play in turning out students for Moratorium Day? It is difficult to say and no one knows exactly. Carol Lipman has claimed SMC has about 1,500 branches. On the other hand, Don Gurewitz, 23-year-old SMC organizer and Case-Western Reserve grad, has given the number of local branches as 1,000—and that may be an exaggeration.

Student MOBE, like New MOBE, moved from New York to Washington to be where the key action in the Fall Offensive would take place.

Carol Lipman, Student MOBE's executive secretary, addressed two Oct. 15 Moratorium gatherings—the Wayne State University and Detroit citywide rallies. She called the President a liar and added:

"We will force Nixon's abdication like we forced Johnson's abdication. . . . There will be no peace for you, Mr. President, until . . . all our men are home."

She also had a reply to the Vice President's statement that Moratorium leaders and sponsors should repudiate the message of support from the premier of North Vietnam: "No, Mr. Vice President Agnew, we won't repudiate the message. . . . We welcome the message."

If you wonder about the violence that took place in Washington Nov. 14 and 15, consider what one of its own members has said about the nature of the Young Socialist Alliance whose members, as Student MOBErs, turned out en masse for the "actions" on those days.

YSA member Jose Rudder, by his own admission, is a former member of the Du Bois Clubs and their parent organization, the Communist Party. He left them "greatly disillusioned about the whole left." Then he began to read the literature of the YSA and its parent body, the Socialist Workers Party. He came to this conclusion:

"I was a Marxist, a Communist, and I believed in the revolution. . . . The only organization that I could see that was concerned about . . . seeing the revolution take place in this country was the YSA. So I decided to join."

There have been two significant changes in Students for a Democratic Society (SDS) since its informal participation in Vietnam Week, 1967.

First, Communist penetration of the organization, particularly by the Peking-oriented Progressive Labor Party (PLP), has become more and more evident. At the June, 1969, SDS convention, the PLP made an unsuccessful bid to take over the organization.

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This led to the splintering of SDS into two factions, the more radical Weathermen group and the Revolutionary Youth Movement II. The PLP element, now known as SDS–PL, was expelled and is now a separate group with its headquarters in Boston.

The second change in SDS has been a marked trend toward violence, particularly destructive by explosives. SDSers in a number of areas have been arrested for bombings and one is now on the FBI's most wanted list for blowing up high voltage towers supplying power to a Colorado plant manufacturing helicopter armor and missile parts.

In the FBI's annual report for fiscal 1969, J. Edgar Hoover wrote: "The militant core of New Left extremism is the Students for a Democractic Society (SDS). During the last year, this group has reflected an ever-increasing Marxist-Leninist revolutionary posture. Several SDS leaders publicly identified themselves as revolutionary Communists. The SDS openly espouses the overthrow of our institutions of free society (called the 'Establishment') through violent revolutionary action. Never before in American history has there been such a strong revolutionary Marxist movement of young people so eager to tear down established authority."

SDS delegations took part in the Cleveland conferences on both New and Student MOBE, where the actions in the Fall Offensive were planned.

An SDS delegation also spent eight days conferring with Viet Cong agents in Havana early last July. The Vietnam war was a major topic of discussion. The delegation came back to this country resolved "to establish another front against imperialism right here in America—to 'bring the war home.' "

The one action SDS was responsible for in the Fall Offensive, the Oct. 8–11 demonstrations in Chicago, were carried out under the slogan "Bring The War Home!" As expected, the action was marked by destruction, violence, injury and scores of arrests. In a brutal attack, one SDSer broke the neck of a Chicago city attorney. He has been charged, among other things, with attempted murder.

The violence was primarily the work of the ultraradical Weathermen faction of SDS. It was denounced by the Revolutionary Youth Movement II and the Black Panthers and Young Lords, who had also taken part in the action.

SDS is a problem to the other Fall Offensive groups. The Vietnam Moratorium Committee, rejecting violence and the concept of revolution accepted by others in the coalition, is naturally wary of SDS and has been denounced by it as "counterrevolutionary."

The dominant Communist elements in both New and Student MOBE are more concerned about SDS' stand-offishness, its refusal to cooperate with other organizations. They are also annoyed by the tendency of the Weathermen faction to engage in what they consider senseless and counterproductive violence.

The CP newspaper, the Daily World, published an editorial "Memo to SDS" shortly after the October Moratorium. It criticized SDS for "looking on from the sidelines" at "the very moment of the greatest mass turnout . . . for peace and against imperialism." It also hit SDS for its useless, damaging, "thoughtless" tactics and closed with these words:

"In the coming struggles . . . the masses of American working men and women could use your help and support. Think it over."

SDS' size has been an important factor in the yearning for its help. It is by far the largest of the New Left groups (claiming 40,000 members in some 250 chapters) and its membership greatly exceeds that of any Communist party or front in the country. SDS participation in any "mass" Left-Communist demonstration is still important to an impressive showing.

As was true in the case of past MOBE mass demonstrations, individual members and chapters of SDS turned out with a will for the November actions. Even the Weathermen gave their formal cooperation—and promised no violence. Amazingly, their promise was believed by some officials.

For legal and public relations purposes, MOBE officials have always said they want peaceful, orderly demonstrations. They said that about the Democratic Convention last year and repeatedly said the same thing about the Washington-San Francisco November actions this year. Yet they never told SDS to stay away and actually, through the Daily World and Guardian, pleaded for its turnout.

NATIONAL PERSPECTIVE VI: MORATORIUM COMMITTEE SEEN AS NAIVE, VULNERABLE

The Vietnam Moratorium Committee (VMC) is the babe-in-the-woods of the Fall Offensive, both from the point of view of its existence as an organization and the age of its leaders.

It was formed in June of this year. Two of its four leaders are 26-year-olds; one is 24 and another, the lone female, is 23.

Sam Brown has been the group's chief spokesman. His fellow VMC founders and coordinators are David Hawk, David Mixner and Marge Skenclar.

Brown and Hawk are ex-divinity students (Harvard and Union Theological, respectively). Brown, Mixner and Skenclar worked in Sen. Eugene McCarthy's '68 campaign, and both Brown and Skenclar in the "Dump Johnson" movement. Brown, Mixner and Skenclar have held positions with the National Student Association (Brown is currently on its National Supervisory Board). Brown and Skenclar were active in the 1967 anti-Viet war operation called Vietnam Summer.

In his latest book, Theodore White, the recorder of recent presidential campaigns, quotes Brown as saying:

"We've recognized the true nature of the United States. We saw the United States attack Cuba, it attacked the Dominican Republic, it attacked South Vietnam. The Communists are now a fragmented force; the United States is now the great imperialist-aggressor nation in the world."

That is not a pro-Communist statement. It indicates a distaste for imperialism and aggression and, at least indirectly, recognizes that Communist powers have been imperialists and aggressors in the past. Nevertheless it is a demonstrably false statement—a reflection on Brown's knowledge and thus on those who follow his policy recommendations.

More damaging to Brown is a statement made by Dr. Martin Abend (Metromedia TV news commentator), in his Oct. 12 broadcast. Dr. Abend, also a professor of political geography at New Jersey State College, said that Sam Brown favors a Communist victory in Vietnam.

Brown's pro-Viet Cong views, Dr. Abend believes, explain his "keen interest" in having the United States pull out of Vietnam immediately and unconditionally.

As previously mentioned, Brown and Marge Skenclar were associated with the 1967 Vietnam Summer project, another anti-Viet war operation that was supported by a varied assortment of radicals and leftists that included Lee Webb, former national secretary of SDS; Mike Ansara of Harvard SDS, and Richard Fernandez, who has served as sponsor, treasurer and steering committee member of Mobe in various phases of its transition from "November 8" to "Spring," "National," etc.

President Nixon's statement that U.S. policy regarding Vietnam would not be influenced by the Moratorium or other street demonstrations Brown found "deeply disturbing." It was "surely unintended," the President "cannot mean" what he said. It was "distressing . . . the degree of isolation" it reflected, a "rigid stance" and he surely hoped the President would not "further isolate" himself from the American people.

David Hawk, Brown's right-hand man, was an All-American diver at Cornell where he obtained a B.A. degree in social sciences before going on to Union Theological Seminary for a time. He did voter registration work in Hattiesburg, Miss., and also helped organize the Mississippi Freedom Democratic Party which challenged the regular Democratic Party delegation's seat at the Atlantic City convention.

He worked for SNCC again in Georgia in 1966—voter registration work and organizing a tenant's union in a low-cost housing project.

Though Stokely Carmichael was prominent in Students Non-Violent Coordinating Committee (SNCC) at this time and engaged in inflammatory racial agitation, Hawk says he did not know him.

Earlier this year, working on the staff of the National Student Association (NSA), Hawk organized a draft resistance campaign among campus leaders. The result of his work became evident on April 22 with the public release of a letter addressed to President Nixon and signed by over 250 student body presidents and campus newspaper editors from 190 colleges and universities.

The letter proclaimed the signers would refuse to be drafted, even if it meant going to jail. They could see no justification for the war in Vietnam. Therefore their "integrity and conscience" would not permit them to accept military service.

Hawk admitted to me that he had worked on this project on NSA time and using NSA facilities. I asked if there had been formal NSA approval of it. He said there had not been but that NSA had adopted a resolution against the draft three years ago. When I asked if the resolution approved defiance of the draft, he said it did not. "But it clearly gave a mandate for the letter," he claimed. He pointed out that the letter was not illegal—just saying you will defy the draft at some future time is not a crime.

Hawk had been indicted for refusing to report for induction earlier this year. Recently, a pretrial motion to dismiss the charges against him was rejected.

Like Brown, Hawk has a problem seeing integrity or good in the U.S. government. The present draft law admittedly contains inequities. Congress has been wrestling to reform it for years. Yet when the President announced new draft reform measures, temporary draft suspensions, and additional Vietnam troop withdrawals in September, Hawk saw these only as a "cynical and calculated attempt to fool the public."

VMC is against more than the war in Vietnam. It has advocated a general assault on this country's over-all defense organization. Its July 8 letter to government summer interns said that while they worked to build up support for the October Moratorium "other antiwar activities . . . will, of course, continue."

What "other" activities? The letter spelled them out—"against the draft, ROTC, ABM, CBW, counter-insurgency research, and so on."

David Hawk announced on Oct. 9 that VMC would distribute throughout the services a GI Referendum which would ask servicemen this question: "Should the United States bring the rest of the GIs home from Vietnam now?"

The full story of this VMC effort to promote antiwar propaganda and agitation with-

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in the Armed Services has not been told. Here it is:

On Sept. 29, the VMC addressed a letter to "GI Newspaper Editors," bringing the Fall Offensive and Moratorium Day to their attention and asking their help in organizing GI participation in a "recurring moratorium." The Oct. 15 demonstration, the letter pointed out, would help build a two-day moratorium in November and give the GIs the chance to focus "legal opposition" to the war on military bases.

"We realize that GIs cannot go on strike," the letter said. It also pointed out that a recent DOD directive banned antiwar meetings as such. Therefore, it suggested, say the directive is not clear and ask permission to hold a basewide meeting to discuss GI constitutional rights in the light of the directive. Ask the commanding officer or one of his subordinates to address the meeting—and put him on first if the invitation is accepted.

"Call Us Collect," VMC said, for legal help and outside civilian support if you have trouble getting permission. If permission is denied, let us know and we will try to arrange an off-base meeting. If a meeting is approved: "We suggest that this meeting be an open forum for ideas on what GIs can legally do to protest the war. Be sure to start by covering exactly what are your rights . . .

"Certainly you will want to discuss the calendar for the 'Fall Offensive' and provide literature about events scheduled in the next two months. We will see that this information and material is provided."

A list of suggested on-base actions followed: pass base resolutions on the war; see chaplain to get a CO application; change insurance beneficiaries to include a "peace" organization; send telegrams to government officials; hold a fast; boycott products of "right-wing," "pro-war" companies (Schick Razor, which has given free razors to servicemen, was named as an example). Finally, there was this suggestion:

"Cancel those damn savings bonds."

VMC's GI Referendum ballots, the letter said, would be returned to Seaman Roger Priest. Priest faces a general court-martial on charges of soliciting servicemen to desert and commit sedition, and promoting disloyalty and disaffection in the armed services. The charges are based on articles published in his "underground" GI newspaper, OM, The Serviceman's Newsletter.

I asked Hawk what GI newspapers the VMC letter had been sent to. Hawk replied, "All of them; as many as there are." What kind of papers? The underground ones. Where did he get the names? Answer: From Carl Rogers, of Servicemens LINK to Peace, "a good friend of ours who works downstairs."

What is Servicemens LINK to Peace? I was told, "it helps GIs in incidents—like the Priest defense, publicity and so on."

Hawk indicated a copy of the GI Referendum ballot pasted on the wall. I noted that it did not have VMC's name on it. Hawk agreed.

Carl Rogers is on the Steering Committee of Mobilization Committee to End the War (New MOBE) as head of Servicemens LINK to Peace, one of MOBE's newly acquired "GI organizations." He is also the head of a group called the Committee for the Presidio '27,' set up to defend military prisoners in the stockade at San Francisco's Presidio who were accused of mutiny. Both of these organizations have their headquarters at 1029 Vermont Ave. in Washington, the same building that houses VMC, NMC and SMC.

The "underground" GI newspapers to which VMC mailed its referendum are not, like the civilian type, largely pornographic. They fall into the "political" and subversive class—filled with antiwar propaganda of the type disseminated in Roger Priest's OM.

Student MOBE's GI Press Service, run by the young Trotskyist, Allan Myers, recently circulated a list of these "GI Antiwar Papers." There were 42 on the list, most of them distributed from post office boxes near military bases. Four were published abroad. Myers is on the New MOBE steering committee with Hawk and Rogers.

It was Rogers who arranged a meeting between Hawk, a score or so of other VMC workers and Sen. Goodell in a New York apartment last Sept. 13. The result: the introduction of Sen. Goodell's resolution calling for the withdrawal of all U.S. troops from Vietnam by the end of 1970. Hawk said he and Rogers were the only New MOBE representatives at the meeting.

On a recent visit to New MOBE headquarters I was told 100 organizations had joined the organization, despite the fact that New MOBE leaders have been reported as claiming only 60.

When I went to see David Hawk I knew that New and Student MOBE had made a big push for Oct. 15.

In addition to the thousands of leaflets, brochures and posters distributed, New Mobilizer had features advance articles on Moratorium Day by VMC leaders such as David Mixner and Marge Skenclar. The Communist Party, the Socialist Workers Party, their youth groups and other Communist organizations affiliated with New MOBE had also gone all-out for Moratorium Day.

Published reports that VMC had its own organizers in the East but had used MOBE organizers in the West and Midwest were mentioned and Hawk was asked how many New MOBE organizers VMC had used.

His reply contradicted his earlier claim that MOBE organizers had not made any difference: "It's not like theirs and ours . . . in the big cities MOBE has the old sectarian left groups . . . a lot of the New MOBE groups are on the Moratorium steering committee and on MOBE's so the same people—Clergy and Laymen Concerned and Women Strike for Peace—are working for the Moratorium Committee . . . Most organizers worked for both."

Hawk said the VMC founders had come to Washington with an organizing list of 15,000—Kennedy and McCarthy businessmen and contacts, people who had worked for causes, etc. They, too, had been used. But it was clear that MOBE organizers and Communist MOBE organizations had played a very important role in promoting the Oct. 15 turnout.

This was emphasized at a later point when Hawk was asked about the question of Communist influence in MOBE and the Fall Offensive. He deprecated the influence of the Communist Party.

"They don't really have any control. That comes from groups that bring prestige, influence, money."

"Which ones?"

"Women Strike for Peace, Clergy and Laymen Concerned about Vietnam, SANE, New Democratic Coalition, Student MOBE . . ."

"You say Student MOBE has prestige, influence, money?" I interrupted.

"They have numbers. They can produce," Hawk replied.

When Sam Brown was asked about VMC association with Student MOBE on "Face the Nation," he replied: "We have no association with the Student Mobilization Committee."

Hawk was asked whether he considered Communists enemies of, or a danger to, this country and if he believed in working with them. He answered:

"We do not recognize New MOBE as Communist, nor is Student MOBE, though it is true that the Communist Party of the U.S., which is defunct and harmless, more conservative than most New Left groups, has one vote on the steering committee of 70 members (of New MOBE). That is the extent of Communist input in New MOBE."

The issue of communism is "irrelevant; it's an attempt to slander the patriotism of those against war."

What about the Trotskyist influence added to the CP, doesn't that concern you?

"Concern, yes, sure . . . But there's much overlap in the group. New MOBE's center of gravity is a bit to the left of us. Some in New MOBE do not believe in electoral politics. Our center of gravity is people who believe in electoral politics."

When talking about Communist influence in the Fall Offensive, I asked Hawk whether he thought the Soviet Union, Red China and North Vietnam were enemies and a danger.

"I don't see any danger from Russia. It's not about to attack us." But he agreed world powers "always compete."

The Moratorium Committee, like New MOBE, has denounced the November violence and said it was not responsible for it.

But this does not clear it of blame for the damages and personal injury to young demonstrators, many of whom were enticed into going to Washington and San Francisco through its earlier Moratorium organizing efforts and subsequent direct appeals.

Immediately after the October Moratorium there were press reports that serious doubt existed about VMC support for New MOBE's November actions because of the presence of "radicals" in MOBE. It was difficult to believe them. There had been such close ties between the groups and VMC owed so much to SMC and NMC for their help that if they did not reciprocate, they would have been denied any further assistance for future moratoriums, which would hurt VMC badly. Not surprisingly, the alleged doubt was resolved by a VMC decision to help MOBE.

On Oct. 28, VMC sent a letter to its organizers, affiliates and "friends" announcing that the November Moratorium would take place on the 13th and 14th. The letter called attention to New MOBE's March Against Death and added that "Many supporters of the moratorium will be participating in this solemn event."

VMC persisted in its support of New MOBE's Washington action even after it became known that the Weathermen faction of SDS and other violence-prone and revolutionary groups would take part in it.

ESTABLISHMENT OF HOUSE ENVIRONMENT COMMITTEE URGED

HON. ANCHER NELSEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. NELSEN. Mr. Speaker, increasingly, our society is recognizing that the 1970's will be the decade in which we must take action to restore and preserve our environment.

To adequately treat only water pollution will require national expenditures of $30 billion, according to the Federal "Cost of Clean Water" study, and that estimate is just for a 5-year period.

Every year in America we throw away over 30 million tons of paper, 4 million tons of plastics, 48 billion cans, and 26 billion bottles.

It has been stated that if all forms of pollution were to be treated, the combined municipal, State, Federal, industrial, and private expenditures would cost at least $10 billion per year for 20 years or $200 billion by 1990.

The cost will be great and the ener-

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gies the Congress must focus on the problem must also be great. For this reason, I am cosponsoring a resolution to establish a Standing Committee on Environment in the House of Representatives. The committee would be vested with legislative responsibility for water quality, air quality, weather modification, solid waste disposal, pesticides, herbicides, and acoustic pollution.

As the House committees are organized today, air pollution is considered separate from water pollution, and other vital facets of our environmental pollution is one great problem with many different aspects. It makes little sense to remove foul chemicals from the air and put them in the water.

The committee system has the great advantage of being able to encourage expertise in specific problems. One of the greatest problems facing us is the maintenance of our ecology, and only a permanent standing committee can adequately and efficiently handle it.

HEALTH CARE

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. OTTINGER. Mr. Speaker, on Thursday, December 4, in remarks in the CONGRESSIONAL RECORD, I called for increases in Federal support for programs of medical research and education and health services to avert a threatened crisis in health care in this Nation.

In that speech I outlined a six-point program which would provide the absolute minimum funding needed at a cost of only $263 million, less than the Nation invested in the one moon shot last month.

Since that time I have received expressions of support from leading health professionals throughout the United States. Each of these underscores the grave damage that the recent Federal cutbacks will do to health programs in this country.

Congress is now in the process of making the final decisions on the funding of the various health programs and I believe that it is important to do so with full awareness of the serious issues at stake. For that reason on December 9 I placed in the RECORD 21 statements that I had received from health professionals. Today I am placing in the RECORD an additional 23 statements, which I commend to my colleagues' attention:

EXPRESSIONS OF SUPPORT FOR PROGRAMS OF MEDICAL RESEARCH

ROBERT J. GLASER, M.D., DEAN, SCHOOL OF MEDICINE, STANFORD UNIVERSITY MEDICAL CENTER, STANFORD, CALIF.

Thanks so much for your thoughtfulness in sending me a copy of the remarks that you are to deliver on the Floor of the House on December 4. I read them with great interest, and found myself much encouraged to know that you are putting forth a major effort to try to convince your colleagues of the need for providing adequate support for medical education and medical care. I think the term "pound foolish" is an absolutely correct one in respect to the present attitude toward the support of medical schools and teaching hospitals. At a time when the health care demands are mounting steadily, it is essential that our medical schools be adequately supported. In fact, at this point in time we are being cut back badly, and unless something is done to rectify the situation, I see grave concern for the future. Even with adequate help in the way of financial support, the task before us is monumental.

JOSEPH R. D'PALMA, M.D., DEAN, THE HAHNEMANN MEDICAL COLLEGE AND HOSPITAL OF PHILADELPHIA, PA.

Your remarks made on December 4th, 1969 concerning "Cut Backs in Federal Health Programs" are most appropriate. The situation in most medical schools with regards to financing is rapidly becoming a bankrupt situation. Unless help comes soon from the Federal Government we will be forced to cut back on our programs. This will mean scientist and teachers out of work, less production of medical personnel and an inferior product. You have my complete endorsement. Keep up the good work.

CAMPBELL MOSES, M.D., MEDICAL DIRECTOR, AMERICAN HEART ASSOCIATION, INC., NEW YORK, N.Y.

I greatly appreciated the advance copy of your remarks made on the floor of the House on Thursday, December 4. I couldn't agree with them more—they were well-done.

MRS. NANCY A. PERSILY, SPECIAL ASSISTANT TO THE DEAN, MOUNT SIANI SCHOOL OF MEDICINE, NEW YORK, N.Y.

Thank you very much for sending me a copy of the speech that you will deliver to the House of Representatives on December 4th, 1969. I regret that my comments will probably not reach you by the time you deliver your remarks, since Thanksgiving weekend must have held up the mail delivery: I just received your commentary: I am most impressed with your analysis of our Health Care crisis and the priorities that you have set in dealing with our health crisis. As a representative of a new medical school, I am of course, very sensitive to the comments that you have made about the need for more money to be channelled into the schools that have begun over the last decade or so. It is most important to emphasize the fact that there was tremendous pressure to build new schools of medicine and other allied health professions. The Federal Government was, of course, the one to put so much pressure on the States and private universities, to build these institutions, and should have assumed a substantial responsibility in supporting these new developing programs. However, just as these new schools were beginning—when their start-up costs were highest, the Federal Government rescinded many of its promises for funding, thus placing them in the critical position they are in today. Your analysis of the need for more allied health professionals and the definitive proposal for more student aid are two exceedingly important things included in your statement. Giving money for teachers to *teach* is by far one of your most important thoughts. Every medical school has had the problem of knowing that the money they receive for research purposes will be going towards teaching purposes. Every school does it, every school knows that every school does it, and even the Federal Government knows that this is true, and still this is the only way that medical schools are able to receive any funds for the purposes of the education of their students. This is certainly an inequity and in many ways indeed a fraud. I think that your statement which puts the cards on the table is indeed a most important one.

SPURGEON B. EURE, O.D., PRESIDENT, ASSOCIATION OF SCHOOLS AND COLLEGES OF OPTOMETRY

I have recently reviewed your remarks entitled "Pound Foolish", and find them to be right on target. Your examples are well taken and certainly are true of all professions under the health care scheme. If the Federal programs were cut back, or in reality, purchasing power of our present grants is reduced, I'm afraid that many professional schools would have to close. This could be the case of Southern College of Optometry, which graduates approximately 20% of all the optometrists in the nation.

MICHAEL E. DEBAKEY, M.D., BAYLOR COLLEGE OF MEDICINE, HOUSTON, TEX.

Thank you for your letter of November 26, 1969, and the opportunity to review the remarks you will make on the Floor of the House Thursday, December 4, 1969, concerning the deplorable cutbacks in Federal programs. This excellent presentation is most convincing.

PIERRE M. GALLETTI, M.D., PH. D., CHAIRMAN, DIVISION OF BIOLOGICAL AD MEDICAL SCIENCES, BROWN UNIVERSITY, PROVIDENCE, R.I.

Thank you for the advance copy of your remarks to be given on the Floor of the House. I congratulate you on your generous and farsighted intervention, particularly in reference to an increase in institutional funding, loans and scholarships, and support for training of health professionals other than physicians.

F. C. PANNILL, M.D., DEAN, THE UNIVERSITY OF TEXAS MEDICAL SCHOOL AT SAN ANTONIO, SAN ANTONIO, TEX.

Thank you for the courtesy of sending me an advance copy of the remarks that you will make on December 4. I wish to congratulate you for your thoughtful and provocative presentation of a problem that has faced medical school administrators for the last several months. As a new school of medicine in its second year of operation, our growth and progress have been seriously inhibited by the curtailment in federal funds which occurred at the same period of time. It is reassuring to have had the opportunity to review your remarks and please let me know if I may provide you with any additional information which might be helpful in pursuing this matter further.

BERNARD J. CONWAY, ASSISTANT EXECUTIVE DIRECTOR, LEGAL AFFAIRS, AMERICAN DENTAL ASSOCIATION, CHICAGO, ILL.

The American Dental Association commends you for your strong statement on the need to expand federal support for health research and health profession education grants. Your remarks in the December 4 issue of the *Congressional Record* present an irrebuttable justification for Congress to appropriate the maximum authorized for educational grants and at least a 10 per cent increase over fiscal 1969 for research grants. The Association recently presented testimony before the Senate on appropriations for dental activities in HEW. I am enclosing a copy of that testimony to illustrate particularly the severe problems facing the dental schools because of inadequate financial support.

CLIFFORD G. GRULEE, JR., M.D., DEAN, COLLEGE OF MEDICINE, UNIVERSITY OF CINCINNATI, CINCINNATI, OHIO

I sincerely appreciated your courtesy in sending me a copy of your remarks to be presented on December 4th. Just as I began to dictate this note to you one of my most respected departmental chairmen called to discuss the devastating impact that federal cutbacks were already having on his department. We are wondering how we will maintain the integrity of some of the teams of investigator teachers that have been so vital in our programs of all sorts in recent years. As a medical educator, I deeply appreciate the position you are taking in speaking out concerning our needs at a time when the nation is demanding increased output of health manpower, and when it should be continuing to demand the type of research output that I consider to be essential to the future.

GARY L. FILERMAN, EXECUTIVE DIRECTOR, ASSOCIATION OF UNIVERSITY PROGRAMS IN HOSPITAL ADMINISTRATION, CHICAGO, ILL.

I am writing to acknowledge with thanks the copy of your speech on Federal support for medical research and health services presented on the floor of the House on December 4, 1969, which you were kind enough to send to us. The presentation is effective and very much to the point of many of our concerns. We are particularly hopeful that Congress will develop a recognition of the importance of developing a profession of hospital administration in order to bring more effective management to these institutions in which the vast majority of the nation's health professionals work. Federal support for hospital and health care administration education is very small at the present time and a further reduction would be contrary to every national effort to improve the management of expensive and scarce health resources. So your interests and efforts are to be commended.

FRANK R. LEMON, M.D., ASSOCIATE DEAN, CONTINUING EDUCATION, COLLEGE OF MEDICINE, UNIVERSITY OF KENTUCKY, LEXINGTON, KY.

I have just finished reading a copy of your remarks to be made on the floor of the House, Thursday, December 4, 1969. You certainly have made a succinct statement of the major problems facing medical education and the imbalance in our national priorities to the approach to the problems of health. I was particularly pleased, as an epidemiologist formerly active in the tobacco and health field, to see your inclusion of remarks regarding the absurdity with which our nation supports the production of this noxious substance as compared with its efforts to eliminate major diseases caused by that same substance. The dispatch with which the government acted in regard to cyclamate, based upon infinitesimal evidence, is in stark contrast. Thank you again. We do need your support. Medicine and medical care is in my opinion going to be irreparably injured unless there is some early change in the bleak financial outlook.

HAMILTON B. G. ROBINSON, SCHOOL OF DENTISTRY, UNIVERSITY OF MISSOURI-KANSAS CITY, KANSAS CITY, MO.

Thank you for sending me a copy of your remarks on the Floor of the House on Thursday, December 4th. I am in complete agreement with the need for full funding in the areas of health manpower. I certainly would not limit this to medical education or even to medical and dental education but to the health manpower throughout medicine, dentistry, nursing and the other health related areas. The Federation of Associations of the Schools of the Health Professions is greatly interested in full funding for the health manpower programs and its current Chairman, Dr. Myron Wegman, so testified at the Senate on December 3rd. On December 2nd I appeared before the Appropriations Committee of the Senate to present the needs in dental manpower and dental health for the American Dental Association and the American Association of Dental Schools. We hope that you will continue your activities on behalf of full funding for health manpower, health research and health services.

EMANUEL SUTER, M.D., DEAN, COLLEGE OF MEDICINE, UNIVERSITY OF FLORIDA, GAINESVILLE, FLA.

Your remarks to be made on the floor of the House on Thursday, December 4 regarding medical research and health services certainly emphasize some of the important omissions creeping into our planning and budgetary processes with increasing rapidity. As do you, I feel our entire system of medical research in education is threatened without offering any constructive alternative solutions. Although we all realize certain things should be done differently, we would only destroy the old structure once a new structure has been planned or implemented. As far as specific recommendations are concerned, I believe they would help to take care of some of the difficulties. In addition, however, it is most important that the Department of Health, Education, and Welfare prepare a well thought out ten-year plan for the development of health services and health education—hopefully reaching the objective established a few years ago of providing first rate and equal health care to all citizens.

RULON W. RAWSON, M.D., DEAN OF MEDICINE AND VICE PRESIDENT, AND ERICH HIRSCHBERG, PH. D., ASSOCIATE DEAN FOR RESEARCH, NEW JERSEY COLLEGE OF MEDICINE AND DENTISTRY, NEWARK, N.J.

Thank you so much for sending us an advance copy of remarks you plan to make on the floor of the House tomorrow, December 4, 1969. We strongly support your efforts to reverse the present trend of cutting back Federal support for medical education and research. The significant decreases in funding in all categories, particularly research grants, student loans, and other operational funds, are particularly damaging to the efforts of the more recently established medical schools, such as ours, which do not have broad endowments or large boards of affluent alumni. It is evident, however, that even in the best established medical schools the current fiscal restrictions at the Federal level present a clear and present danger to the maintenance of the educational and investigative efforts which have in the past led to such significant advances in the solution of major health problems in our country. We are greatly encouraged to have so eloquent and well informed a spokesman fighting the good fight for us in the halls of Congress. We hope your efforts to maintain at least present funding for both medical education and biomedical research receive wide support among your colleagues.

EDMUND J. M'TERNAN, DEAN, SCHOOL OF ALLIED HEALTH PROFESSIONS, STATE UNIVERSITY OF NEW YORK, STONY BROOK, N.Y.

I have just had the opportunity to read the remarks which you made on the Floor of the House on December 4, 1969 relating to the disastrous effects of Federal spending cutbacks in the field of health. I heartily concur with your statements and appreciate your courage in bringing this matter to the attention of the Congress at this point in time. As an educator concerned with the personnel-short and explosively growing Allied Health field, I especially appreciate the fact that you included Allied Health by name in your comments. On January 1, 1970, I will end my term as a member of the National Advisory Allied Health Professions Council. Because of my service on the Council, I have had an opportunity to see, perhaps better than most people, the beginning results of the poorly funded but germinal Allied Health Professions Act of 1966. The ultimate but unfavorable effect of the present Federal spending policy relating to this Act will not be realized for many years and will adversely affect the health care of all Americans for a generation or more. I sincerely hope that your colleagues in the Congress and the Administration heed your remarks and accept your recommendations.

WINSTON K. SHOREY, M.D., DEAN, UNIVERSITY OF ARKANSAS SCHOOL OF MEDICINE, LITTLE ROCK, ARK.

Thank you very much for sending me a copy of the remarks which you made in the House of Representatives on December 4 regarding the crisis in health, research, and medical education. It is very encouraging to us who are deeply involved in these problems to hear a voice in Congress recognizing the problems and insisting that something be done about them. You are appreciated.

R. H. FELIX, M.D., DEAN, SCHOOL OF MEDICINE, ST. LOUIS UNIVERSITY, ST. LOUIS, MO.

"Thank you very much for your thoughtfulness in sending me a copy of your remarks entitled, "Pound Foolish Cut Backs in Federal Programs Threaten Nation with Growing Health Crisis," which you delivered in the House of Representatives on December 4. It is very heartwarming to those of us who are trying so hard to educate physicians to meet the manpower shortage in this country to know that there are members of Congress such as yourself who realize what it takes to do the job and how badly the job needs being done. You merit the thanks of every person in the United States and if I had my way you you would get it.

K. ALBERT HARDEN, M.D., DEAN, COLLEGE OF MEDICINE, HOWARD UNIVERSITY, WASHINGTON, D.C.

Congratulations on your forthright stand upon perhaps the most important issue facing Congress today. Our nation's health and its future would be irreparably damaged by the proposed cutbacks in health care and health education programs.

S. B. GUEBERG, M.D., PROFESSOR AND CHAIRMAN, DEPARTMENT OF OBSTETRICS AND GYNECOLOGY, MOUNT SINAI SCHOOL OF MEDICINE, N.Y.

I thank you for your reply to my letter and for the copy of the excellent speech to the Congress delivered on Thursday, December 4, 1969. I write only to congratulate you on the accuracy of your appraisal of our difficult health situation and the excellence of the presentation of this plight that you have made. I think the emphasis you have placed on the financial aspect of the problem will be very effective for it would appear from recent tendencies in our Society that property is regarded more highly than life. Please keep up the good fight. Health is a major concern of all of us, both professionals and lay persons, and indeed has become a major "industry". Since the retirement of Senator Lister Hill and the death of Congressman Fogarty, there has been a few strong voices in the Congress with deep and primary concern for health care. I welcome you to the ranks of these persons with your broad ranging, in depth analysis of our health needs. You have invited me with courtesy to write to you about problems which may be of concern to me; please believe I shall not do so but only write about problems in which I have not only concern but some authority.

PAUL R. DONNELLY, DIRECTOR, DEPARTMENT OF HOSPITAL AND HEALTH CARE ADMINISTRATION, ST. LOUIS UNIVERSITY, ST. LOUIS, MO.

I want to assure you that I heartily endorse the comments which you make in your statement and hope that if there is any way that I can assist in giving further support to the efforts to increase the priority of health manpower training that you will let me know. As a Director of a Graduate Program in Hospital Administration I am well aware of the acute need for support for all health manpower services, and I certainly appreciate your support of this in the remarks which you prepared.

CLIFFORD GROBSTEIN, DEAN, SCHOOL OF MEDICINE, UNIVERSITY OF CALIFORNIA, SAN DIEGO, CALIF.

I want to express my thanks and to congratulate you for your speech on the House Floor on Thursday, December 4, a copy of which you kindly sent in advance. You have very effectively stated the case on a very important issue. As the Dean of a developing medical school I could not help but note your remarks especially directed to our problems. I shall be very interested in being kept informed as your plans for legislation creating a special fund for new institutions of health training progress.

LEROY P. LEVITT, M.D., DEAN, THE CHICAGO MEDICAL SCHOOL, CHICAGO, ILL.

I have read your advance copy of the remarks that you will make on the Floor of the House December 4, 1969. It is a clear, succinct, accurate statement of the scene that exists today in medical education, medical research, and the health care and delivery system. On behalf of this institution, I commend you for your forthright stand in these vital issues.

DARK SIDE OF THE MOON SHOT

HON. JERRY L. PETTIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. PETTIS. Mr. Speaker, at a time when some political leaders are criticizing elements of the news media for careless and superficial reporting, it is interesting to note a topflight news executive taking his colleagues in the Nation's press to task for the triviality that marked their coverage of the Apollo 11 moon shot.

I refer specifically to the excellent article in the fall issue of the Columbia Journalism Review entitled, "The Dark Side of the Moonshot Coverage," by Edwin Diamond, a senior editor of Newsweek. This has nothing to do with politics, though one might be inclined after reading the article to accept the validity of the recent Executive criticism of the press.

So that all our colleagues will have the opportunity to read Mr. Diamond's superb critique, I ask that the article be inserted in the RECORD at the conclusion of my remarks:

THE DARK SIDE OF THE MOONSHOT COVERAGE

(By Edwin Diamond, senior editor of Newsweek)

President Nixon, in a burst of egregious rhetoric which must have shaken the Bible Belt as severely as any recent Supreme Court declaration, proclaimed it "the greatest week since the Creation." Elmer Lower, president of ABC News, more modestly called it the "news story of the century" (and assigned 300 men to cover it—considerably more than were needed to launch the Saturn 5 rocket from Cape Kennedy). Indisputably, the 500,000-mile, eight-day flight of Apollo 11 to the moon was the most watched and written about single event in history.

In this country, according to A. C. Nielsen data, 53.5 million TV households (93.9 per cent of everyone owning a set) watched the coverage, an average of fifteen hours, thirty-five minutes—the largest U.S. TV audience ever.

Fifty national networks elsewhere relayed coverage for 230 hours of communications satellite time, exceeding all previous records.

Many American daily and some large foreign newspapers published special sections or extensive features, with the New York *Times* employing the largest headline type it has ever used—96-point, or one-inch high—for the banner lines "Men Land on Moon" and, in the last edition, "Man Walks on Moon."

There was, as has been recounted, much in which the media could take pride. More than for any previous event, the world was indeed a global village. Among large populaces, only the citizens of China and the Soviet Union were denied simultaneous participation.

On a less cosmic level, Apollo 11 also represented one of those major events like a political convention, a war, or an assassination in which competitors meet head to head for audience attention and critical acclaim. Here, almost all the competitive verdicts were clear-cut: most TV critics agreed that tireless and able Walter Cronkite easily trounced the teams of Huntley-Brinkley-McGee on NBC and Bergman-Reynolds on ABC. AP bested UPI, obtaining up to 70 per cent of the page one play in competitive editions during the flight. Among newspapers, the New York *Times* was in a class by itself.

Yet when all the splash and dash of media coverage are subjected to some routine tests of journalistic performance, one feels similarities to the morning after an especially memorable party. NASA had been host to an exciting week-long event, all right; the three astronauts were perfect heroes with whom to spend time—competent, clear-eyed, courageous. But precisely what were all those other people doing there—Steve Allen, Julie Harris, James Earl Jones, Duke Ellington and his band? Though the networks kept insisting on the "epic" nature of the event, they succeeded in turning history into an extra-length Johnny Carson show. The ABC documentary on Apollo, for instance, was narrated by Efrem Zimbalist, Jr., the "star" of an ABC–TV dramatic series. A touch of blatant commercialism is to be expected. But the danger is that media which took so many bows may begin to believe their own press releases.

The networks, according to *Variety*, spent some $13 million (including millions lost on pre-empted time), and the print media had as many years to prepare for the lunar landing as NASA had. Did anyone get his money's or his time's worth? Was there a better way to spend the money and time? More to the journalistic point, were all the essential facts clearly presented? Were the appropriate conclusions drawn from the facts? Was the event placed in context and related to other concerns of the audience? Was the meaning of the moment isolated and elaborated?

Any critical inspection of the dark side of the moon coverage exposes embarrassingly basic weaknesses and structural faults in media performance. According to the usual formulation of the way the media covers a story, TV and radio give the breaking news, and newspapers and magazines provide the background and interpretation. In the case of Apollo 11, the full news failed to get through on TV—the hours of continuous coverage to the contrary; in print, with only a few exceptions, the background context and interpretation never materialized adequately—nine years of preparation time to the contrary. Here we were, Earthmen, ready to set foot on another body in the solar system Earth's satellite—and not, incidentally, a "planet" as several commentators and writers persisted in misnaming the moon. Flank speed, clear out the white space, here is a story that newspapers could really run with. So one might have thought. But the performance of preparing the readers for the event is spotty at best.

The Los Angeles *Times*, for example, must be counted among one of the four or five best papers in the country, but did not offer any distinguished or distinctive material before the flight, though it serves an area that is buoyed up by the aerospace industry. The Washington *Post*, another superior newspaper, has a highly competent science staff but it was confined before liftoff to straight advance stories plus one major Sunday turn. The *Post*'s reporting was superior—if it only had been laid out and illustrated with flair. Even in Houston, home base of Mission Control and the astronauts, the *Chronicle* and the *Post* had to flesh out their largely routine coverage with copy from the New York *Times* and the Washington *Post*-Los Angeles *Times* Service.

The thought of men going to the moon stirred few imaginative juices even in the most committed media space boosters. *Life*, America's foremost picture magazine, has been a showcase of the national space program since a peculiar 1962 financial arrangement gave it the magazine rights to the astronauts' "personal stories" [see box]. Yet despite *Life*'s close partnership in the space program, the magazine's major preparatory effort consisted mainly of a coy farewell to the "old" moon plus twelve pages of color pictures of famous tides around the world (the moon's pull on Earth—get it?). To my knowledge only two newspapers attempted to prepare material equal to the event: the New York *Times* and *Today*, a Gannett paper in the Cape Kennedy area. Taking into account the respective resources available, *Today* did a much better job.

The *Times'* coverage began taking shape last March 10, when, in a memo to his editors, production men, and cartographers, Managing Editor A. M. Rosenthal asked what turned out to be some wrong questions: "Are there people outside the paper whose brains we should start picking for planning and contributions? What special qualities can we give our coverage, because of the talents and techniques available to us, that nobody can match?" The *Times* proceeded to pick brains preponderantly outside the paper, and mostly official NASA brains at that. In fact, the result of Rosenthal's memo—the *Times'* major preparatory supplement, Man and the Moon—resembled more a bland government history than an independent analysis.

The *Times'* own science and space staff has suffered from some defections and a split personality in recent years; the paper had, until a post-flight realignment in mid-September, both a Science News Coordinator and a Science Editor. In the event, the staff writers were outnumbered in the supplement pages by the guest government contributors. Man and the Moon contains a modest fifteen pages of editorial matter, after ads and the cover are subtracted. Of the thirty-one articles in the section, only seven were written by *Times* staff men (including a short feature by television critic Jack Gould). As if to underline the *Times'* own apparent staff limitations, one of the longer stories in the package was by Henry F. S. Cooper, Jr., a staff writer from *The New Yorker*. No fewer than sixteen articles were signed by present or past NASA officials. Most of these were official accounts with all the life squeezed out of them, despite heavy rewriting by the *Times*. Little of the real flesh-and-blood vitality—and human frailities—of the past decade of the American space venture were offered in these accounts.

Among the missing stories, to take only the most obvious examples, were the Cold War beginnings of the space program; John F. Kennedy's search for a space spectacular "that the U.S. could win"; the spurious nature of the "moon race" with the Russians (we raced only ourselves); the separate fiefdoms and the abrasive clash of personalities in NASA; the logrolling politics of space appropriations and decisions that put the Manned Spacecraft Center in Texas and other installations in Louisiana and Massachusetts; the shoddy workmanship of some of the biggest U.S. firms and slipshod Government management procedures that led to the death of three astronauts—in short, the full, as opposed to the official, story of Apollo. Instead of the carefully pruned Government accounts, how much better to have loosed some young tigers—or some old ones—on the *Times* staff back in March. But the *Times* chose, as *Times Talk*, the paper's house organ later explained, to send its Science News Co-

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ordinator to NASA headquarters, where he was "promised full cooperation."

At the same time the three American networks were also getting in bed with NASA. This union, however, was a little more natural. Previously in these pages [Summer, 1965], I have observed that the alliance of TV and the U.S. space program was a marriage made in heaven; that the network news organizations need the space program to employ fully their undeniable journalistic muscle during dry news spells between Presidential election years. What I didn't see quite so clearly at the time was the obvious corollary that the space program needs the TV networks. Like Tang, Gulf Oil, Western Electric, Philco-Ford, or any of the other TV advertisers who utilized the tube during the flight to sell their products, NASA must push space spectaculars to win friends, influence Congressmen, and keep the budget appropriations coming in. This public relations factor, as much as abstract doctrines about Freedom of Information and the American Public's Right to Know, accounts for NASA's laudable open-skies information policy.

Less than a decade ago, when the infant U.S. space program was still in the grip of the military, space launchings were clandestine ventures held behind high security fences. Today at Cape Kennedy a media city springs up for each launching. For Apollo 11, a permanent concrete stand worthy of Belmont or Santa Anita held 4,000 pencil reporters, and a babble of foreign voices testified to the international nature of the event. No fewer than fifty-five countries were represented, according to NASA, including Yugoslavia, Rumania, and Czechoslovakia. Alongside the grandstand, a trailer city of radio-TV vans brought the whole drama live and in color to listeners around the world. After the launching, much of the news corps was airlifted by commercial planes to Houston, where NASA public information offices kept them informed twenty-four hours a day.

Most newsmen and even those critics who cast a cold eye on the Government in general have tended to regard the open skies policy as a valued example of reality television—an actual event in actual time—and thus a great boon to the viewer. Yet Apollo 11 demonstrated that this form of reality TV is at best a mixed blessing; there are only thirty to forty minutes of *real* reality TV in a space flight, even one as soaring as the eight-day Apollo 11 mission. There are the last minutes of the countdown, the five or six minutes of liftoff and powered flight within range of the camera, and at the very end the twenty or thirty minutes on the carrier waiting for the spaceship to splash down. That leaves the main events beyond the TV eye. To an extent, NASA has been helpful about these gaps in the pictures: handheld cameras, for example, have been deployed for in-flight telecasts from the past few Apollo missions, and it is common knowledge among the trade that they are done as *media events.*

If NASA was able to oblige the networks with in-flight and on-the-moon telecasts that solved part of the reality TV problem, it was not able to do so much for the visual medium during the rest of the mission, and especially for those thirty-two-odd hours the networks had cleared from Sunday morning, July 20, to Monday evening, July 21. Indeed, news executives at CBS, NBC, and ABC had to convince the money men at the level of William Paley, Robert Sarnoff, and Leonard Goldenson: 1) to cancel regular commercial programming for the hours on the moon; 2) to pay for elaborate sets and moon simulators to enable TV to provide video with the audio; and 3) to sign the checks for such guest talent as former astronaut Walter Schirra, who reportedly has a $100,000 contract with CBS.

Producers began lining up talent for their coverage, matching poet-for-poet (ABC had James Dickey, CBS had Marianne Moore); media-personality-for media-personality (NBC mobilized Barbara Walters and Joe Garagiola, ABC had Steve Allen and the premiere of "Moon Maider" by Duke Ellington, and CBS offered Orson Welles); astronaut-for-astronaut (to counter the CBS coup in getting Schirra, NBC signed up *two* astronauts); scientist-for-scientist (ABC had Robert Jastrow, NBC had Harold Urey); and pundit-for-pundit (Marshall McLuhan and Bill Moyers on ABC, Rod McKuen and Marya Mannes on NBC, Ray Bradbury and Arthur Goldberg on CBS). By launching day, the producers found that they had more commitments and more talent than they could effectively employ. One scientist signed by one of the networks as a commentator said he had a "great sense of sitting around and not being used; the producers didn't seem to have too much understanding of the science of the event."

Before the launching, the single best Apollo story from a journalistic viewpoint was the role of Wernher von Braun and other German-born alumni of Peenemünde. The imposing von Braun had built the Saturn 5 rocket and was always ready when a NASA appropriations bill floundered to appear and win over Congress. The New York Times' Bernard Weinraub sniffed at the edge of the story in an interview with Dr. Kurt Debus, a quiet man with a Heidelberg duelling scar who is now the director of the Kennedy Space Center.

During the pre-launch news conference at Cape Kennedy there was almost a novelistic contre-temps when a West German radio correspondent asked von Braun to answer a question in German so he could record it for his listeners. Von Braun handled the curve ball nimbly, answering first in English. Norman Mailer, special correspondent for Life, took it all in. In fact, Mailer's Life articles, for which he will earn a reported $1 million after book and overseas rights are sold, made von Braun the central figure of the narrative. Mailer saw the subtleties of relationship between the American-born NASA directors and the German-born field leaders ("NASA is sensitive about origins," he wrote); he saw the dialectic of the news conference as von Braun—"sound, sensible, quick as mercury"—supplied the lead for the A.M.s and the overnights while von Braun's co-conferees dawdled and bobbled questions. He observed the fatuous reporters who applauded and gave a standing ovation to the people they were supposed to be questioning.

This adulation was particularly galling. One would think that reporters temporarily check their friendships and even their patriotism at the door of news conferences and go in and ask enlightening questions. Instead, many newsmen apparently see themselves as agents of the subject rather than as his potential adversaries. Thus the president of the National Association of Science Writers, a newspaperwoman who should know better, recently expressed her "thrill" at having had "a tiny role in mankind's historical step"—she had been in Houston covering the flight. And Walter Cronkite, who also should know better, moved out of his critic's seat on the aisle at a New York Sigma Delta Chi meeting, to defend the space program against "left-wing opposition."

Once the astronauts left earth, the coverage—apart from live pickups from the principals—deteriorated. In this second flight phase there were outright errors of fact (APOLLO BREAKS OUT OF EARTH'S PULL, the Houston *Chronicle* mininformed its readers). Armstrong and Aldrin set down on the moon after an agonizing descent during which their computer malfunctioned, their fuel ran low, dust clouds obscured their vision in the final seconds, and Mission Control was at a loss to know where precisely the Eagle had landed. Yet there was little enlightenment from the networks about what was happening. The full story of those final two minutes of the Eagle's descent was not put together until at least four days later—mostly by Richard Witkin of the New York *Times*, a pencil reporter working in New York with his curiosity and his telephone. One of the old hands at space reporting who had another beat at the *Times* and had been drafted for the moon coverage, Witkin had heard along with everyone else Aldrin's cryptic messages abcut "Program Alarm 1202 . . . Program Alarm 1201 . . . Program Alarm 1203." Curious, after he returned to New York he began phoning various sources at Mission Control. By Thursday afternoon, after the astronauts had splashed down in the Pacific, Witkin had his story. He described how the *Eagle* had landed with "the margin of success . . . much narrower than the world realized." He quoted Lt. Gen. Samuel C. Phillips, director of Project Apollo, as saying: "We came awfully close to having to abort."

Witkin doesn't claim an exclusive; he says that Jules Bergman, the hard-working science editor of ABC, developed much the same material about the same time. Also Rudy Abramson, of the Los Angeles *Times* and Tom O'Toole of the Washington *Post* apparently performed creditably as bird dogs and were the first to get tapes of the touch-and-go phase of the lunar descent.

Especially revealing is a log of NBC's coverage kept by Kenneth Paul, a 1969 Dartmouth graduate who served last summer as a magazine trainee:

"In the first hours after lunar touchdown, there seems to be a failure to keep abreast of breaking news . . . insufficient explanation of the 'minor problems' that arose: the communications difficulties, the landing. . . . Topless showgirls in Las Vegas are shown uncorking champagne at the moment of landing. . . . Ray Scherer report from NBC's European Space Center . . . still more reactions than news. Good feature on the fantastic interest and coverage in West Germany, an unconscious ironic set-up for later talk with von Braun. Cologne experts give frighteningly clipped comments. . . . BBC moon expert Patrick Moore: 'No admiration can be too great. This is obviously a moment that humanity can never forget.' . . . Mrs. Armstrong tells reporters, 'I'm just about as excited as you-all are.' Still more reactions. Rev. Herman Weber in special Wapakoneta (Armstrong's hometown) service. . . . Mrs. Pat Collins with intelligent, sharp rejoinder to the newsman's limp question, 'Isn't Mike a little disappointed up there with the others down on the moon'—'Don't you think he's probably with them in spirit?' Asked if she'd watch the moon walk on TV—what an idiotic question—she came back, 'Oh positively—Is anyone going to bed?' . . . Interview with Sen. Muskie . . . A Truffautesque piece on space pioneer Hermann Oberst and his protege von Braun—the old codger eats cake while von Braun drones on about the old man's visionary contribution. . . ."

When the story returned to earth, there was the same dearth of reportorial digging, on the tube and in newspapers. One blank centered on the astronauts, who had gone into quaratine to protect the world against extraterrestrial germs and, some thought half facetiously, to protect their contract with *Life* and Field Enterprises. A few enterprising reporters such as Evert Clark of *Newsweek* managed to penetrate the isolation barrier by the simple expedient of interviewing on a not-for-attribution basis the official who had been interviewing the astronauts. As a result, much of what the astronauts had to say in their stories in *Life* proved hardly fresh at all.

Another, more serious blank involved the growing dissatisfaction of scientists within NASA over the dominance of the engineers and what scientists considered undue emphasis on public relations. Here was a story of conflict and controversy, the kind on which reporters are supposed to thrive. Feelings were so inflamed that at one point early in the moonwalk the scientists, fuming at what they regarded as time-wasting planting of the U.S. flag and a telephone call from the President, actually phoned mission control and chivvied them about "civic ceremonies" when the crew was supposed to be collecting priceless rock samples. In fact, the dissatisfactions dated at least from last April, but it was not until the Manned Spacecraft Center's director of science, Dr. Wilmot Hess, announced his resignation on August 1 that anyone developed the story of the "scientists' complaint." And then only one newsman, Victor Cohn of the Washington *Post*, did the story in detail with quotes and background. On August 5, one of the astronaut/scientists, Dr. F. Curtis Michel, resigned—the fourth such scientist/astronaut (as contrasted to pilot/astronaut) to do so; not until September was Michel interviewed extensively about his conviction that NASA discriminated against the scientist/astronauts in flight assignments.

Where had all the reporters gone? Just possibly the constant blaring of the ubiquitous "squawk boxes" in Houston—there are perhaps 250 at the MSC and in rooms and hotels where reporters gather—may inhibit performance of basic news work; it is as if the overload of sensory stimuli by eager information officers at NASA has made "facts" and "leads" effortless to acquire and, in the process the muscles and synopses of the media have atrophied. It may even signify a permanent genetic change in the media, as more Government and private agencies discover that the way to keep newsmen flabby is to spoon feed them steadily with more information than they can use.

Another bobble at Houston involved a sin of commission rather than omission. When the first samples of moon rocks arrived at the Lunar Receiving Laboratory, the hard-core specialists standing by applauded and stamped their feet and sent out lead after lead as successive protective gear came off and the rocks became visible to all. What they largely failed to point out was that an unmanned Surveyor probe had soft-landed on the moon a few years before and radioed back a good deal of the same information that the Apollo 11 rocks were disclosing—at considerably cheaper rates than Apollo. Moreover, the report of the Surveyor findings had been published in the magazine *Science* by Prof. Anthony Turkevich only a few weeks before the Apollo 11 flight; informed—and full—accounts might have at least mentioned that the science of Apollo 11 could be performed by alternate transportation modes.

But is anyone so naive as to believe that science or the quest for knowledge are the motivating forces behind the U.S. manned spaceflights? What then is? This is a question that might have properly been aired. David Satter, a young university graduate and former college newspaper editor, now a Rhodes scholar, watched all of CBS' coverage and came away with the question on his mind. Said Satter:

"I took away the impression that CBS, despite its thorough job of reporting, had missed the point. . . . Everyone from Walter Schirra to Robert Heinlein, the science fiction writer, assumed that it was [significant], that it heralded the beginning of a new age. There was no one to answer questions like, can this feat yield any immediate benefits, and if not, how long will it be before any kind of return—other than a propaganda return—can be gained from this massive investment? It is possible that we do not despite everything have the resources to follow up this project, that we cannot, in fact, finance every project that we are technologically capable of undertaking? And if we are not, how do we choose between projects? What are the differences between this exploration and famous explorations in the past? Does this trip not have a radically different *raison* than, say, Marco Polo's journey to China? It was questions like these that I felt were left unanswered in the adulation heaped on the astronaults, the space project, and the American common man."

In truth, air time and newspaper space were given to the critics of Apollo—who by and large were as simpleminded in their anti-Apollo arguments as the space boosters have been in their blue-sky declarations. It was almost too easy to go, as Jimmy Breslin did, to a New York City *barrio* while the men were walking on the moon and write about all the rats and overflowing garbage cans. That's what football pros call a "cheap shot." Breslin, as much as anybody, knows that the money cut from the space program by any presently imaginable U.S. Congress would not naturally flow into big-city ghettoes. During Apollo 11 the whole space priorities vs. domestic priorities discussion became a kind of surrogate for the Larger Issues of the Nation—to no one's credit. Even on camera Walter Cronkite for some reason felt compelled to boost the program and to slam the young and the disaffected with: "I wonder what all those kids who pooh-poohed this program are saying now?" After listening to Cronkite, radical journalist Andrew Kopkind suggested that if the "kids" had any spirit left they would break into the CBS space simulation center at Grumman Aircraft in Bethpage, Long Island, and scream: "Pooh Pooh!"

"Pooh-pooh" suggests the level of banality reached by both the Apollo advocates and most of its critics. It could have been an elevating and eventually a self-revealing week in the history of man's lurching attempts to understand his world and himself. But no one had the time or the inclination to approach meaningful material in a fresh way, to seriously consider, for example, the proposition: "We go to the moon because we want to, we don't fix the urban mess because we don't want to." The only thing I saw anywhere that came close was the CBS-TV program called *Nearer to Thee*? Physicist William Davidon, sculptor Richard Lippold, and theologian Rev. Theodore A. Gill, among others, met in an unadorned, unhooked-up CBS studio and, for a change, TV had something to say. Lest too many people hear it, it was at 10 a.m. Sunday EDT.

What will save the media from their own inadequacies during the next "story of the century?" Will anyone be prepared to do basic digging and clear interpretation? Who will even care? Certainly not shortsighted editors who offer official histories, or ratings-minded producers who perform as ringmasters for a Big Top on the tube, or reporters bereft of imagination who ask astronauts' wives "how do you feel now?" or journalists who see themselves as participants and allies of the Government. As veteran journalist James Cameron recently pointed out in the English weekly *New Statesmen*, the media used to be criticized for "sensationalism"—blowing up petty matters into big stories. Now, he says after watching the Apollo coverage, the charge is exactly the reverse—the media have succeeded in trivializing momentous stories. "The papers and the telly, confronted with genuinely significant and even vital events, reduce them intuitively to a sort of basic piffle . . . a level of numbing banality."

Few of the reporters who covered the flight in Houston were aware of this accusation. They were hearing somewhat sweeter thoughts from Wernher von Braun: "I would like to thank all of you for all of the fine support you have always given the program, because without public relations and good presentations of these programs to the public, we would have been unable to do it." The final apotheosis of the press: It has made the von Braun-NASA space team, and it is grovelingly grateful.

OEO PROGRAM MUST IMPROVE

HON. JOE SKUBITZ

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. SKUBITZ. Mr. Speaker, there is not any question in my mind that the Office of Economic Opportunity—OEO—needs to be vastly improved because of scandals within some of the agency projects in various parts of the Nation. Unfortunately, we can expect any new program will have growing pains. However, OEO must improve and must do so quickly.

I supported OEO Director Donald Rumsfeld because I have great faith in our former colleague's ability to improve the situation at OEO. I supported his request for more time and funds because I feel that Mr. Rumsfeld is entitled to a chance to make the program work.

From the reports which I receive from my congressional district in Kansas we are fortunate to have an OEO program that apparently has worked well. The enclosed article in the Parsons, Kans., Sun of December 6, 1969, edited by Clyde Reed, sums up the situation very well. I am sure that if the program had marked failures that Editor Reed would have discovered them and reported them in his fine newspaper. The article follows:

SEK–CAP's Report: Poverty's Harsh Facts

Pittsburg.—The seven-county southeast Kansas community action organization, reported to its constituents here Friday night on the harsh facts of poverty.

More than 3,700 persons received assistance and took part in various SEK–CAP programs last year.

Three thousand of them have incomes which are below poverty guidelines. Only half of them are on social welfare rolls.

SEK–CAP put it bluntly in a report at its first annual meeting:

"Hundreds of families in southeast Kansas are existing on less than $75 a month, in poor housing, are suffering from malnutrition, are doing without proper doctor, dental and medical care.

"Hundreds will do without these services rather than be stripped of their dignity by some welfare representatives."

"We are engaged in a war against the common enemy of mankind—poverty," said a position paper adopted by SEK–CAP's multi-county board and read by James W. Garrison, director to 750 persons.

Surveys made by community organization aides in the seven counties comprising the SEK–CAP jurisdiction—Allen, Bourbon. Cherokee, Crawford, Labette, Linn and Montgomery—found that 2,726 individuals or families are living on less than $125 a month. Of that number, 1,136 are getting social welfare assistance.

The surveys numbered 380 in Allen County, 356 in Bourbon, 458 in Cherokee, 454 in Crawford, 347 in Labette, 192 in Linn and 539 in Montgomery.

SEK–CAP has made "hundreds of referrals" to existing agencies, the report said, such as employment offices and welfare agencies.

"By following up on these referrals, we are finding many people being discouraged or talked out of the food stamp program, medicaid and other services to which they are entitled.

"Our groups are going to take action on changing these injustices. We have already

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improved the attitudes of many agencies and we plan to continue in our efforts to make poverty a little easier to bear."

Community-action covers adult and tutorial education, family planning, emergency food and medical services, Head Start classes and other functions.

The U.S. Office of Economic Opportunity provided $810,000 for SE-CAP's budget in 1968–69, while nonfederal costs, principally in the form of contributed services, totaled $218,008.

A breakdown of costs revealed that administrative expenses for the year were $95,409, of which $59,905 was for personnel. The rest was covered in such items as travel, rent and equipment.

SEK-CAP listed 53 professional employes, including 36 engaged in Head Start, and 116 nonprofessional employes, 58 of whom are in Head Start.

Gov. Robert Docking, principal speaker at the dinner, said that SEK-CAP is helping make southeast Kansas a better place in which to live.

"Industry any SEK-CAP can work hand-in-hand to provide this region with a sound economy," the governor said.

"A certificate of merit" from SEK-CAP was presented at the dinner to Clyde M. Reed, editor and publisher of The Parsons Sun, "for demonstrated social concern" and service "beyond the call of civic duty."

Robert H. Booker of Parsons, president of the Labette County Community Action Board, made the presentation in SEK-CAP's behalf.

POW TESTIFIES

HON. RICHARD L. ROUDEBUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. ROUDEBUSH. Mr. Speaker, the liberal media have attempted an all-out smear of an American hero and prisoner of war who has returned home to describe the terrible effects of pro-Hanoi statements made by prominent American leaders.

John Loften, Jr., has documented this incredible press attack on an American who has dared give Congress the true facts of POW life in Communist North Vietnam.

To the liberal media, an American hero is an object of scorn who must be destroyed, while anti-American statements are given full credibility by left-wing press sympathizers.

Lofton's fine article appeared in the December 10, 1969, edition of the Indianapolis News. For the clarification of the 91st Congress, it follows:

Liberal Media Maul Major Rowe

(By John Lofton, Jr.)

While the liberal media have given full coverage to the alleged U.S. massacre at My Lai hamlet in Vietnam, they have been something less than enthusiastic about publicizing the barbarities of the Communists.

The recent visit to Capitol Hill by Maj. James N. Rowe is a case in point.

Invited to appear before the House Armed Services Committee to tell what it was like to be a captive of the Viet Cong for five years, Maj. Rowe accepted. After hearing his tale, several members of Congress were so impressed they asked the major if he would make individual films with them for showing back in their congressional districts. He agreed.

In the films, the major spoke of what Communists try to do to a prisoner:

"The Viet Cong have actually two goals with an American POW. First, they want to get as much propaganda value from him as they can while they have him. This is during indoctrinations. This is while they're trying what they call thought correction. Their major premise being that you're wrong, politically, socially, anything to do with religious concepts—you're wrong.

"The second goal they have is they want to try and get an American POW [prisoner of war] to violate our Code of Conduct, as they interpret it. They feel as if they can do this, that an American POW, if he is sent back to the U.S., will be punished by the government for violation of the code and once punished by the government, will be alienated and can be picked up by a left-wing organization and used as a propaganda tool for the anti-war movement or whatever they might have right within the United States. This is a far-reaching goal that they have with American POWs."

Maj. Rowe talked of the effect of U.S. anti-war propaganda:

"During this period of time (1963–67) they drew from their own sources: Radio Hanoi, Radio Liberation, etc. Generally speaking, this was ineffective because this was a Vietnamese writing for an American and even the syntax, the way they wrote their ideas were different from ours . . . But in the latter part of 1967, they ceased quoting any of their sources, dropped them completely, and began drawing from American sources, our own news media in the U.S. They started drawing from statements made by prominent individuals within our government (Sens. Mansfield, Morse, McGovern, Fulbright), people of note within the U.S. . . . They were quite free in using this . . . Radio Hanoi was free with their quotes.

"Radio Liberation drew quotes from American sources such as the Associated Press, United Press International, Time, Newsweek, Life, Look, the Washington Post and the New York Times. The political cadre who were in charge of indoctrination began to include these in the context of their lesson plans when they gave us actual indoctrinations so that it was a well-rounded attack and it was being drawn from right within the U.S."

Now, what kind of coverage did Maj. Rowe get on his trip to Washington to tell the Armed Services Committee about life in a Communist prison camp? Following is the lead paragraph from the front-page story in the Washington Post headlined "Major Held Five Years by Viet Cong Wages Fight on Doves in Congress:"

"With the sponsorship of hawkish congressmen and the knowledge of the Pentagon an Army major who is a Vietnam hero is attacking antiwar legislators and certain newspapers and magazines."

Later on in the story, reporter Bernard Nossiter tells us very straightfacedly that Maj. Rowe "poses in reverse the problem raised by servicemen who sign antiwar ads and march in peace parades. One central difference, however, is the high level sponsorship Rowe enjoys." Another central difference is that Maj. Rowe is speaking up for his country. An argument could also be made that those antiwar GIs signing ads and marching in parades also have high level sponsorship but not in this government. But that's another story.

This first Washington Post story appeared on a Sunday. Four days later, the follow-up story appeared, spread across eight columns headlined: "Major's Anti-Dove Activities Are Criticized in Congress."

Bristling at what he called the major's "vicious attacks," Ohio Sen. Stephen Young, labeled Rowe a "puppet of the Pentagon propagandists" and asserted that the major had "unmitigated effrontery" in questioning the patriotism of Sen. McGovern, a decorated World War II pilot.

In any event, it all goes to illustrate what Vice-President Agnew was griping about when he issued his celebrated call for more fairness and objectivity in the media.

At this rate, the only way an American POW is going to be able to get coverage is if it can be proven that he abused his captors.

HOUSE CONCURRENT RESOLUTION 454

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 15, 1969

Mr. PHILBIN. Mr. Speaker, I think one of the most inhumane aspects of the current war in Vietnam is the refusal of our enemies to accord proper treatment as prescribed under the Geneva conventions to prisoners of war.

I recognize the difficult problem presented to our Government by the unfortunate and unhappy situation, but I think Congress must continue to urge the State Department to move in every way we can to seek viable agreements with the enemies, and with the world community, including the parties to the Geneva conventions and the United Nations, to make sure that rules of human conduct, compassion, sympathy, and kindness be substantiated, strengthened, and substituted for the calloused, merciless disregard of ordinary human values and the conventions that have been displayed by Hanoi and its collaborators.

I urge that our State Department continue to give these matters most persistent, dedicated attention, to the end that we may be able, not only, to perfect the Geneva conventions, but search vigorously for ways and means by which they can be respected, considered and enforced by all nations.

It is time that North Vietnam and the National Liberation Front responded to the appeals of other nations to treat American prisoners of war, and all such prisoners, like human beings, and accord them their human rights under international law and existing conventions.

The plight of American prisoners held in bondage by the Hanoi government is a question that must be resolutely handled by this Government. I recognize that efforts have been made, but they certainly must be intensified, concentrated, and exerted in a dedicated forceful manner that will leave no question in the minds of Hanoi or the nations of the earth about our determination to seek and get humane treatment for our prisoners and all other prisoners being held by the North Vietnamese Government.

I recognize that it is very difficult to deal with this Government. We have been trying for several years now to get peace with them and these efforts have been stepped up in Paris during the past year or more, and, yet, our fervent pleas for peace and a world freed of the horrors of war have fallen on deaf ears. Only a stony silence of contemptible, insulting

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retorts have been the responses to our many appeals. Yet I urge that we continue to make these appeals and go into the United Nations and every other form that we think can be helpful to get compliance with human laws and rulings of the Geneva Convention regarding Hanoi's treatment of our prisoners. This is a question which we must follow up with special, vigorous attention and unflagging effort.

PLATTSMOUTH BAND "KNOCKS 'EM DEAD" IN CHICAGO

HON. GLENN CUNNINGHAM

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. CUNNINGHAM. Mr. Speaker, the Plattsmouth, Nebr., High School band marched in Chicago's State Street Council Christmas Parade on November 30, making the 500-mile trip by bus.

The Cass County youngsters performed before an estimated 500,000 persons along the parade route. And it was no ordinary performance, according to the Chicago Daily News.

In a story reprinted by the Plattsmouth Journal, the Chicago paper said "the kids from Plattsmouth did indeed knock 'em dead."

Mr. Speaker, that is quite a tribute to my young constituents and I am certain my colleagues join me in extending congratulations for a job extremely well done.

The editorial follows:

The Kids From Plattsmouth Swing!

A bearded red-costumed visitor from the North Pole was the one who came the farthest to appear in Chicago's 40-block-long Christmas parade.

But far and away the parade performers from next-farthest away were 92 high school boys and girls in royal and Columbian blue band uniforms.

All the way from Plattsmouth, Neb., they had been in Chicago since Friday without ever dropping into the International Amphitheatre to see the International Live Stock Exposition, which runs through Sunday.

"These kids see lots of stock shows," said Jack Herweg, band director.

If not for the stock show, then what did they come for?

What the small-town kids from the 550-enrollment school came for was to knock 'em dead in the big city—and Sunday afternoon, on State St., they did.

The Air Force Song, The Navy Song ("Anchors aweigh . . ."). The Marine Hymm. The Field Artillery Song. . . .

All marches any band can do.

But all marches, also, that only a really good band can do well.

Before an estimated 500,000 persons who watched the State Street Council's 35th annual parade, the kids from Plattsmouth (Pop. 7,000) did indeed knock 'em dead.

"They love to put on a show for people every time they get a chance," said Hedweg, in explaining his musicians' unprecedented 500-mile journey to Chicago to play fewer than half a dozen songs.

One of eight band members who didn't make the trip was Lynn Munhall, laid up with the flu.

She was to have helped carry the large white-letters-on-royal-blue-background sign reading "Plattsmouth, Nebraska, High School" that preceded the band as it marched smartly southward from Wacker Dr. to Congress.

But another girl (Renee Wilson, normally a bass clarinetist) filled in for Lynn at the last minute. And even without Lynn, the kids from Plattsmouth put on a great show.

PASTOR STREATER DISCUSSES THE PEACE MARCH

HON. L. MENDEL RIVERS

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. RIVERS. Mr. Speaker, Mr. and Mrs. Robert Himm of Daly City, Calif., have graciously brought to my attention a letter from John B. Streater, pastor of the First Baptist Church of San Francisco, to his congregation discussing the peace march in San Francisco.

This is one of the most thoughtful and forthright discussions of this issue that I have seen, and I take this opportunity to have it placed in the Congressional Record so that all of the Members of the House may have the opportunity to ponder Pastor Streater's words.

Pastor Streater was in China when the Communists took over there in 1949. He is a man who knows whereof he speaks. His letter follows:

November 7, 1969.

Dear Sir: I recently received a letter from "Professionals for Peace," soliciting my participation in the so-called "November 15th *Peace March* in San Francisco." I am aware that many clergymen in our city will be participating in that march. However, as Pastor of one of the first protestant churches in California, and the oldest Baptist church in California, I would like to make it clear that the clergymen in that parade, November 15, do not represent me or the church I serve, as well as great numbers of evangelical churches in the bay area.

I disapprove of the November 15 demonstration for the following reasons.

(1) Although people may say that this is an immoral war, in fact, it is just the opposite. The most immoral think I can imagine would be for us to desert the South Vietnamese and let them fall into the hands of the Communist butchers of the North.

I was in China when the Communists took over in 1949, and saw their horrible program of torture, murder and brainwashing. One of the greatest tragedies of our history is that we failed to help the people of China in their hour of need.

(2) Americans have been giving millions of dollars annually, as well as giving their sons and daughters for foreign missions for generations. This effort for foreign missions is for the purpose of delivering people from darkness, slavery and bondage. For clergymen now to contradict this great history of modern missions, and say that there are more important things than protecting the rights of the Vietnamese people, is beyond by imagination. If we should immediately pull out of Vietnam, and that is what these clergymen and the peace protestors are trying to force our Government to do, there would be the greatest slaughter of innocent people that country has ever seen. The only moral thing we can do is to see that the Vietnamese have the right to choose their own form of government.

(3) The action of these clergymen and others in the so-called peace march, is actually prolonging the war by giving the North Vietnamese Communists the assurances that we really are not going to fight through to a just peace, but that we really are going to fake out and let them have what they want.

(4) The so-called peace marchers are actually propagating the old song of the isolationists down through the history of this country. They apparently would have us take the attitude that we don't care what happens to any other nation of people as long as we can be fat and healthy in this country. They are saying it is more important to raise our standard of living than to give the people of South Vietnam the opportunity of living in a free world.

(5) I am against this march, and particularly for clergymen to participate in it because it is unchristian, un-American and inhuman. It is unchristian, for they want us to ignore the rights and needs of the weak. It is un-American, for they want us to disobey our laws and the leadership of our elected officials. It is inhuman because they want us to refuse to hear the cries of the men, women and children in Vietnam whose husbands, wives, children and parents have been slaughtered by the terror tactics of the North Vietnamese.

(6) I am against this so-called peace march and the clergy participants because it belittles and degrades our servicemen, and particularly, those who have died trying to free the Vietnamese.

Finally, I would appreciate very much your help in informing all the people of the San Francisco Bay Area that the ministers marching on November 15, do not represent all the ministers, in fact, only a very few ministers of the Gospel of the Bay Area.

Sincerely yours,

John B. Streater,

Pastor, First Baptist Church of San Francisco; Immediate Past President, West Bay Ministers Alliance; Immediate Past President, West Bay Committee of National Association of Evangelicals; Member, Board of Directors, Kiwanis Club of San Francisco; Chairman of the Board of Directors of the Scandinavian Seamen's Mission, San Francisco; Vice President, Evangelical Concerns, Inc., San Francisco.

MICHIGAN LOSES AN OUTSTANDING EDUCATOR

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. BROOMFIELD. Mr. Speaker, it is with a mixture of pride and sadness that I call the attention of my colleagues to the appointment of my good friend, Dr. Durward P. Varner, as chancellor of the University of Nebraska.

For the past 10 years, Dr. Varner has been chancellor of Oakland University, an outstanding educational institution located in the 18th Congressioal District of Michigan which I represent.

Under Dr. Varner's stewardship since it began operating in 1959, Oakland University has achieved a national reputation and become one of the fastest growing universities in Michigan.

It has been acclaimed throughout the country for its high scholastic standards and particularly for the excellence of the Meadow Brook Music Festival and the Meadow Brook Theater which thrived under Dr. Varner's encouragement.

A graduate of Texas A. & M., Dr. Varner was an agricultural economics professor at Michigan State University before being named Michigan State's first vice president in 1955.

During those years, Dr. Varner worked under the Honorable Clifford M. Hardin, our present Secretary of Agriculture, the man Dr. Varner will succeed at the University of Nebraska.

When Oakland University was created from a 1,400-acre estate near Rochester, Mich., Dr. Varner was named to head the new branch by former Michigan State President Dr. John A. Hannah, who is now the Administrator of the U.S. Agency for International Development.

During the past decade, Oakland University has grown from its original enrollment of 500 students to more than 6,000 and is now moving to establish its own graduate programs. Despite its rapid growth, Oakland University has maintained the highest intellectual and academic standards due principally to Chancellor Varner's personal dedication to those ideals.

More than just a top-notch educator, Dr. Varner made outstanding contributions to Michigan and our country as a citizen. He has devoted a great deal of his personal time and energy to country-to-country foreign assistance efforts in which Michigan has been involved and to the encouragement and furtherance of the arts in Michigan.

There is no one in Michigan who will be missed more than Dr. Varner just as there is no one more deserving of the success and high honor he has been accorded.

CATHOLIC PRIEST KILLED

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. LONG of Maryland. Mr. Speaker, I am indebted to Mr. Joseph J. Hess, of Parkville in Baltimore County, for calling my attention to an article in The Catholic Review. Father John B. Buu Dong was found in a mass grave outside of Hue. He is the fifth Catholic priest killed in the Hue area by the Vietcong during the Tet offensive.

At this point I should like to share this article with my colleagues:

Body of Vietnamese Priest Found in Mass Grave in Hue

Hue, Vietnam.—The body of a Vietnamese priest killed by the Viet Cong during the Tet offensive of February, 1968, was found outside Hue city.

The priest, Fr. John B. Buu Dong, 56, was pastor of a parish east of Hue when he was taken away in February, 1968.

That was the last that was seen of him until his body was uncovered in a mass grave.

During their 25-day occupation of the old imperial city of Hue—starting Jan. 31, and ending Feb. 24, 1968—the Viet Cong launched a reign of terror resulting in the massacre of at least 3,000 people. The bodies of 2,800 have been found and 1,000 are missing.

From the gruesome evidence uncovered in mass graves over the past year and a half, most of the people of Hue do not expect to see any of the missing alive.

With the finding of Father Buu Dong's body, it is now known that the Viet Cong killed five Catholic priests. Fr. M. Cressonier, 60, and Fr. Pierre Poncet, 36, were killed early in the occupation. They were members of the Paris Foreign Mission Society. Fr. Guy de Compiegne, 48, and Fr. Urbain David, 52, Benedictine priests from the Thein An monastery, were also killed.

Father David's body was found bound with seven others. From the position of the bodies it appeared that they were forced to stand in the common grave, which was eight feet deep. Because dirt was found in their mouths, it is thought that some were still alive when the grave was filled.

Two Vietnamese priests are still missing since the days of the Hue massacre. They are 74-year-old Fr. Michael Haynh Ngoc Bung and 61-year-old Fr. Joseph Le Van Ho.

Three Sacred Heart and two De la Salle brothers, all Vietnamese, also were victims of the Viet Cong. The bodies of the Sacred Heart brothers were found last year. The De la Salle brothers have not been found yet.

Three students of the Hue major seminary are still listed as missing.

MAYOR RICHARD LUGAR OF INDIANAPOLIS

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. BRAY. Mr. Speaker, the election of Indianapolis Mayor Richard Lugar as vice president of the National League of Cities carries implications far beyond those immediately apparent.

As the mayor put it in a speech prior to the vote, the question was whether the league would work with other levels of government, or stand outside and constantly criticize.

Following is the full text of the mayor's remarks, and also an editorial from the Indianapolis Star of December 11, 1969:

Text of the Remarks of Richard G. Lugar, Mayor, Indianapolis, Ind.

The National League of Cities has sounded the alarm and outlined the critical problems of the cities. No one will challenge the fact that all cities will be sorely tested.

The point at issue is whether the National League of Cities will assume primarily a role of incessant criticism of all other levels and forms of government in America or whether we will evolve a constructive and more harmonious relationship with the national administration of President Nixon, the United States Congress, State Governors and Legislatures, and County officials.

I believe that constructive inter-governmental cooperation is vital for the future of cities. I am pleased that President Nixon has initiated a vigorous domestic program and I am certain on the basis of personal experience that the President is eager to work closely with Mayors, Councilmen, and City Managers to reform the governmental structure and the quality of services offered to citizens of cities.

I am equally certain that the President is eager to receive some signs of appreciation from the League of Cities that his efforts are recognized. Similar signs of good will would be appreciated by State Governments.

The luxury of thousands upon thousands of words of condemnation is a luxury we cannot afford.

I am a candidate for Vice President of the League of Cities because I believe that local city governments can and will succeed in meeting human needs. Much of this success will come because we were persuasive in obtaining assistance from others.

Specifically our leadership needs to be compatible and friendly with others who can help us. President Nixon has asked me to serve as Vice Chairman of the Advisory Commission on Inter-Governmental Relations, as a member of his Task Force on Model Cities, as one of four mayors who worked out the mandatory pass-through provision in the revenue sharing discussions with Governors and County officials.

I am optimistic about the 1970's because I have seen and shared in great advances for cities in 1969.

The National League of Cities needs greater strength through the recognition of city councilman and officials of cities large and small. Having gained the benefit of that strength, we need to begin to smile more and frown much less, to express genuine gratitude with as much fervor as heartfelt complaint.

We need to begin to look and to act like winners and stop sounding like pitiful candidates for charity.

I am taking this unusual step of actively seeking the office of Vice President of the League of Cities because I am certain that I can present the case for cities to the President, to the Congress, to State Governments and gain new allies for the great cause of better cities. All Americans want to help us. Our task is to point the way, to thank those who help, to win those who now wait for our leadership.

Mayor Lugar's Victory

The victory of Indianapolis Mayor Richard G. Lugar over New York Mayor John V. Lindsay for vice-president of the National League of Cities has significant aspects.

It portends increased national stature for the Indianapolis mayor who had already received nationwide attention as a guest on network television programs and more recently as vice-chairman of the Commission on Intergovernmental Relations, to which post he was appointed by President Nixon.

The vote is generally regarded as a setback to Lindsay's future as a national political leader. He was a persistent critic of the Nixon administration's policies on urban affairs.

A few hours before the vote Lugar said, "The point at issue is whether the (league) will assume primarily a role of incessant criticism of all other levels and forms of government in America or whether we will evolve a constructive and more harmonious relationship with the national administration of President Nixon, the United States Congress, state governors and legislators, and county officials."

The league represents 14,600 municipalities, most of them small or suburban. In the past, large-city mayors headed the league and stressed issues pertinent to huge metropolises. Lugar's trumph is being assessed by league observers as being the result of a revolt of the membership and also as a sign that smaller cities and incorporated suburban communities may be closer to the Nixon administration's policies than to those expressed by Lindsay and other chief executives of bigger cities. Lugar clearly stated that he was running on a pro-Nixon platform, adding that he was "certain that the President is eager to receive some sign of appreciation from the League of Cities that his efforts are recognized."

In essence, Mr. Nixon maintains that, to a large extent, cities must solve their own affairs. Lindsay's pronouncements indicate that most urban ills should be cured by mass infusion of Federal funds.

Besides eliciting the normal feelings of pride that come from having the "hometown boy" win, Lugar's victory appears to strengthen the concept that municipal problems can't be solved simply by demanding more Federal funds. Anything that makes that truth more evident is a plus—for Indianapolis and for all other municipalities.

MEET PRESIDENT ROGERS

HON. CHARLES H. GRIFFIN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. GRIFFIN. Mr. Speaker, the current issue of Banking magazine has an interesting article on Mr. Nat S. Rogers, president of the American Bankers Association.

Mr. Rogers is one of the most dynamic business and financial leaders in the Nation. Personable and popular, Mr. Rogers made many contributions to the economic and cultural life of Mississippi before moving on to newer and larger responsibilities as president of the First City National Bank in Houston earlier this year.

I commend the following article to the attention of my colleagues:

MEET PRESIDENT ROGERS

(By Richard L. Kraybill)

During 1969 Nat S. Rogers has moved from the presidency of the Deposit Guaranty National Bank of Jackson, Miss., to the presidency of First City National Bank of Houston, Texas. And in this same year he has moved from the vice-presidency of The American Bankers Association to the office of president. Nat Rogers has been aptly described as a man on the move.

His first move occurred 32 years ago when, as a lad of 17, he left his home town, New Albany, Miss., to attend Millsaps College in Jackson. After graduating in 1941 with a BA degree, he joined the U.S. Navy in which he served for the duration of World War II.

His next move was to Cambridge, Mass., after the war where he attended the Harvard Business School as a George F. Baker Scholar. He earned his MBA degree there in 1947 and then returned to Jackson to carry on the family banking tradition by joining the credit department of the Deposit Guaranty National Bank.

Although Nat Rogers remained in Jackson from 1947 to 1969, he continued to be a man on the move during those years. He rose through numerous position in that bank, each involving increased responsibilities. In 1958 he was elected a director and, later that same year, he was named president. He was appointed the bank's chief executive officer in 1966.

Not content with serving just his own bank. Nat Rogers has worked diligently for the entire banking cmmunity in his state, in the area, and throughout the nation. His vigorous participation in the activities of the Mississippi Bankers Association led to his election as president of the Junior Bankers Section and later to the presidency of the MBA, an office his father had held just 25 years earlier.

Besides serving the state organization, he was also very active with Robert Morris Associates holding the titles of Southeastern President, National Director, and National Membership Chairman. He is on the board of trustees of the Foundation for Full Service Banks and has served as vice-chairman of the Region Eight Advisory Committee to the Comptroller of the Currency on Banking Policies and Practices. In addition to this he found time to serve as a lecturer at the School of Banking of the South at Louisiana State University from 1957 through 1960.

President Rogers entered A.B.A. activities with his customary enthusiasm when he was appointed to its Committee on Credit Unions in 1961 and he rose to the chairmanship of that committee in 1964–65. That same year he became a member of the Executive Committee of the A.B.A. Savings Division. The following year he was elected vice-president of the Savings Division and in 1966–67 he was chosen the Savings Division president. He has also served as the Mississippi representative on the Executive Council of the A.B.A.

The new president is active in other areas as well as in the field of banking. As a man on the move he has been president of the Jackson Civitan Club and the Jackson Chamber of Commerce; he was both chairman and president of the United Givers Fund; he was president of the Andrew Jackson Council of the Boy Scouts of America; and he has served the American Red Cross at the local, state, regional, and national levels.

MANY OTHER INTERESTS

His varied outside business interests are reflected in the many directorships he has held, which include those of the Mississippi Valley Title Insurance Company; the First Mississippi Corporation; Standard Life Insurance Company; Mississippi Steel Corporation; Mississippi Chemical Corporation; Coastal Chemical Corporation; and the Mississippi Power and Light Company. These are in addition to his directorships in the First National Bank of New Albany; the Merchants and Planters Bank of Tchula; and the Rankin County Bank.

Nat Rogers has always displayed a keen interest in education. He has served as a trustee of the Mississippi Foundation of Independent colleges. He has also retained close ties with his alma mater having served her as chairman of the Development Committee and chairman of the Finance Committee, as well as being president of the Millsaps College Alumni Association. In 1960 he was named Millsaps College Alumnus of the Year.

Clearly Nat Rogers is a man on the move, and a man who will continue to move. But even more important, he is a man who moves with care and consideration. Before accepting the position of president of First City National Bank last February, for example, he made sure that it would not prevent him from continuing his work with the A.B.A. In discussing his move at that time he said, "A paramount condition of my acceptance has been the complete and wholehearted willingness of the First City National Bank for me to accord the highest priority to the duties of my A.B.A. office."

While his activities as vice-president of A.B.A. took about a quarter of his time last year, he recently estimated that he will be spending about twice as much time this year to fill his role as president. As he moves into this new and challenging position, he brings energy, experience, and executive ability that will provide a sound basis for the continued growth of the A.B.A.

ACCENT ON PLANNING

Nat Rogers is a man with complete faith in the future. His only fear is complacency; and he believes that the best weapon to use against complacency is planning. He has cautioned bankers, "Unless we develop the will and skill to project our thinking into the future, the past will someday return to haunt us as financial has-beens."

To illustrate the importance of planning, he cited the MICR program as an example of what can be accomplished by anticipating future needs. "When it was started back in 1954," he explained, "annual check volume was only 8-billion, yet even this was beginning to put a strain on our capabilities. Today we are able to process almost triple that number." By way of contrast he added, "Without this planning effort, we might well have found ourselves in the same position as the securities industry."

As a sidelight to his statements on planning, it was gratifying to note that the new A.B.A. president is well aware of the problems that face the smaller banks. "There is a tendency to overlook the fact that half the nation's banks fall in the $7,000,000 and under bracket," he acknowledged, "but smallness is no reason for failure to plan ahead." He then listed some things the small bank could do to prepare for the future.

Nat Rogers, a man of firm convictions, leaves no doubt about his attitude toward the dual banking system. He has clearly stated, "Those of us who are steeped in the traditions of American banking believe unreservedly in the dual banking system. It is unnecessary to point out that to think otherwise would be a banking heresy—especially since we have the record of more than a century that demonstrates its efficacy in serving the great American free enterprise economy."

He went on to point out that the 1970s will be a critical decade in the history of American banking with the industrial and social transformations that will occur. Not the least of the many problems we face, said Nat Rogers, is the development of influences that could "sweep away the dual banking system unless it retains a functional efficiency to respond to the needs of the new day." He will do all he can to support the vitality of a dual banking system and help it to retain such a functional efficiency.

Although he is fully in favor of the dual banking system, he does not approve of establishing still another system by permitting nonbanking institutions to expand into the field of commercial banking. He admitted that there may be instances where avenues of conversion should be opened. However, he insisted, there is no reason for allowing nonbanking institutions to "assume the powers and prerogatives of commercial banks, but avoid paying the price in terms of regulation or taxation."

EMPHASIS ON EDUCATION

While he may be a man on the move, Nat Rogers is never so hasty that he overlooks the obligations of the banking industry toward others. It was typical of him to say, "One of the most serious problems facing the business community today is training the undereducated worker to fill a useful role in our highly technical society. The banking industry must accept this challenge on a broad front, and improved training programs will go a long way toward helping it to discharge this obligation."

Education is a subject of great interest to Nat Rogers and he discussed its importance to banking. He pointed out that banks are finding it necessary to place stronger emphasis on training and education than on experience as a principal criterion for advancement. Among the reasons for this he lists the tremendous growth in banking, the high turnover, and the career disruptions of World War II that created an age gap between today's senior management and the men who will move ahead as replacements.

"Banker schools are essential, but they cannot fully meet the needs," he said as he called attention to the problem of the smaller banks that find it difficult if not impossible to send a key man to a resident school. One answer to this problem, he explained, is in the cooperative effort of banks, mainly on the local level, working within the framework of A.I.B. to develop programs for senior management.

XUM

Like most men on the move, the new A.B.A. president keeps an eye on the road as he advances. He is always looking toward the future and evaluating today's actions in terms of their effect on the future. In considering the many recent changes that have occurred, he had this to say, "The tradition of America has always been progress, but change has usually been accomplished through a relatively slow evolutionary process.

"Today we see that the increasing rapidity of change necessitates an accelerated transformation in our society. We can no longer meet change by direct confrontation, solving each problem as it comes up. If we are to maintain a viable society, we must anticipate change. We must be ready with the solutions before the problems occur. And the proper concern of banking must extend beyond the marketplace to the community at large."

Perhaps his whole philosophy on this subject was best expressed in the succinct statement, "The first rule for the future in banking must be involvement." It is his firm opinion that the bank and the community must join in working toward full employment opportunities, decent housing, and top educational facilities. Ever conscious of the needs of smaller banks, he added, "Our social problems are not exclusive to the large city nor to the big city banks."

On the subject of the one-bank holding company, Nat Rogers disagrees with those critics of banking who see this trend as being in direct conflict with the public interest. He said, "This restrictive view of the proper role of banking seems to ignore the fact that our industry is already one of the most closely regulated in the country." He went on to say that banks must have the opportunity to evolve, to change with the times. "Otherwise, they will lose the solvency and soundness required to perform their traditional functions in our economy. An enlightened approach on the part of the regulatory agencies is definitely in the public interest, for restrictive interpretations of existing regulations could well bar banks from evolving with today's dynamic economy."

On the truth-in-lending bill Nat Rogers was very optimistic. "If it is successful in making people more conscious of credit costs, it can't help but bring more business to banks," he maintained. The average borrower doesn't pay close attention to rates; his main care is whether he can meet payments. This attitude, said Nat Rogers, leads to irresponsible credit commitments which favor competitors who charge higher rates than the commercial banks.

The tight money situation is of special concern to Nat Rogers not only because it limits the ability of banks to participate fully in the revitalization of our society, but also because of the erroneous belief by some that banks have created the situation or benefit from it. On the one score he has said, "It is imperative that we bankers recognize the ramifications of tight money and that we exercise discretion in our banking policies to promote stability and encourage real growth."

Concerning the other aspect of tight money he said, "Equally important is informing the public that bankers have not created tight money, nor are they the beneficiaries of the stringency. The fact that banks are catalysts serving to equate supply and demand in today's strained market isn't generally appreciated by most people. Never before has the need been so urgent that this story be told simply and convincingly to all the people."

In pursuing this theme he pointed out that bankers must "communicate particularly and persuasively with the political establishment and with the public. This process is essential to the understanding and support which banking must obtain to meet its challenges."

To A.B.A.'s man on the move, these challenges are opportunities to exercise initiative. In meeting these challenges Nat Rogers can be counted upon to use that initiative and to plan for change rather than merely react to it.

ECONOMIC OPPORTUNITY ACT

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. MURPHY of New York. Mr. Speaker, it has often been said: "To be a little poor is to die a little each day. This truism, unfortunately, sums up the unfortunate plight of many Americans in this land of plenty.

I have always been committed to the eradication of poverty and human misery. As the record will show, I have always supported by vote and action the aspirations of the war on poverty.

Yet, it is ironic but true, that poverty has become a big business with the poor and the hungry being exploited by certain cults. Poverty is still a national disgrace despite the opportunity—the hope—offered by Congress more than 5 years ago when it passed the Economic Opportunity Act of 1964. Mistakes have been made, glaring ones, but the Office of Economic Opportunity has subtley given the poor a voice and a chance to shape their own destiny.

On Friday, December 12, the House of Representatives voted overwhelmingly 276 to 117 to extend over the next 2 years the life of the Office of Economic Opportunity. Heated debate preceded that vote, which included a 231-to-163 vote against recommitting this important legislation. I, of course, voted against the recommital move and for the extension. I unqualifiedly opposed an offered amendment that would have gutted the OEO by giving State governments a veto power over OEO activities. The substitute would have created an administrative nightmare and done little to further the goals of a national commitment toward eliminating poverty and injustice.

I remarked earlier that mistakes have been made in the well-intentioned drive to once and for all erase the specter of poverty. There have, as the record will show, been instances of exploitation by opportunists.

For example, I have recently unearthed evidence that New York City tax dollars were funneled through the Human Resources Administration to send 30 busloads of protesters to Washington last April for demonstrations against proposed cuts in the antipoverty program. For this, I have been called a liar, despite conclusive evidence provided by the General Accounting Office.

I have since learned that an antipoverty employee was instrumental in recruiting New York high school students to participate in the November 13 to 15 antiwar moratorium here. Poverty officials have again denied the charge despite documentation. I have asked the mayor of New York to order the HRA to cooperate with the GAO in a Federal probe to determine whether antipoverty funds are being diverted for harmful and meaningless extravaganzas like the above-mentioned demonstrations.

I will continue to battle the waste of hard-earned tax dollars. I will continue to unearth and correct malfeasance in public office. I will continue to insure that funds appropriated by the Congress for the poor and the underprivileged go to the poor and the underprivileged and not into the pockets of "instant politicians."

The poverty bill extension that recently passed the House does not include in its provisions a credit card for unauthorized use of payrolls and salaries. There is no language in the act that can possibly be broadened or construed to allow the tainted jiggling of funds for such miscarriages as those mentioned above.

My commitment to the poor is a continuing one as is my commitment to justice and integrity in the administration of programs designed to best help the poor.

DOUBLE TALK ON CIVIL RIGHTS

HON. JAMES C. CORMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. CORMAN. Mr. Speaker, with all due respect to the Vice President, it is not only the eastern establishment press that is concerned about vital issues facing the country. The Los Angeles Times today frankly and succinctly comments on the strange game the Nixon administration is playing with the issue of civil rights.

On the one hand, as we have seen in recent weeks, Secretary Finch has opposed restraint in carrying out the Supreme Court's October 29 mandate that "every school district is to terminate dual school systems at once and to operate now and hereafter only unitary schools." Yet, the Attorney General of the United States just a few days ago shifted enforcement of school desegregation cases in the South away from its own Civil Rights Division and made them the responsibility of U.S. attorneys in the South, who are known to have little sympathy for the policy to finally terminate all dual school systems.

The Attorney General's action, a spokesman for the Justice Department said, was due to a lack of personnel in the Department—that they just do not have enough attorneys to do the job. Yet, the Attorney General saw to it that the extension of the 1965 Voting Rights Act was defeated on the floor of the House last week and that his substitute bill was passed. Surely, the substitute bill, calling for enforcement in all 50 States, as opposed to the few States covered in the defeated bill, would need many more attorneys than the Department now has, since it is obviously short on attorneys and cannot enforce school desegregation cases. Double talk, again?

And again, when the House acted on the voting rights bill, the "Dear JERRY" letter from the President obviously played a big part in making possible the passage of the Attorney General's substitute bill. But the next day, when the House acted on the OEO bill, no "DEAR JERRY" letter was received, and the simple extension of the OEO bill passed, even though there was an obvious effort by the Republican leadership in the House to scuttle the OEO programs.

Mr. Speaker, the administration's doubletalk to enhance its "southern strategy" politics is a dangerous game to play.

The Los Angeles Times' editorial on the subject is worth the attention of every Member of the House, and I place it in the RECORD:

DOUBLE TALK ON CIVIL RIGHTS

The mood of Congress is running against civil rights.

Last week the House voted to dilute the Voting Rights Act of 1965.

And, last week and this, Democrats and Republicans alike unexpectedly deserted the cause of civil rights in certain crucial Senate votes on the proposal to remove from the Department of Health, Education and Welfare the power to deny federal funds to racially segregated schools.

It was gratifying to see Robert H. Finch, secretary of health, education and welfare, declare the Nixon Administration is "unalterably opposed" to the restriction. The federal government's power to cut off federal funds is the most effective tool it has for enforcing the Supreme Court's mandates.

But public opinion polls show that most of the white majority in this country think the black man has gained enough.

Congressmen read the polls. So does the Administration.

And the Nixon Administration has not been speaking with one voice on the subject of school desegregation

While Finch presses for positive enforcement of the law, Atty. Gen. John N. Mitchell engages in what is at best a kind of negative enforcement. His Justice Department lawyers go into court to ask for delays in implementing the Supreme Court's recent rulings that "deliberate speed" is no longer a viable approach in desegregating Southern schools. He shifts the burden of school desegregation cases away from the Civil Rights Division of the Justice Department and gives it to the local U.S. attorneys in the South, who can be counted on to tread lightly.

The process of desegregation in the South cannot, of course, be stopped. As fast as the Justice Department asks for delays, the Supreme Court says again there won't be any. Meanwhile the President has promised, as of course he must, to enforce the law.

That is not quite the point. The Southern Regional Council argues persuasively that "the false hopes engendered by the Administration have laid the seed for new resistance in the South."

And why are those seeds being sown? A "southern strategy" for the Republican Party, probably; also probably, the President's reading of where his majority lies, among northern whites as well as southern whites.

The kind of ambivalent politics the President is practicing with the constitutional rights of black Americans is, we suggest, short-sighted politics.

It can only, as it already has, dishearten and embitter black Americans, with all portents for future disorder which such a mood entails. It can only encourage Americans who are not black to think that our racial problems will be solved more easily than they, in fact, can be.

CONGRESSMAN WILLIAM D. FORD OF MICHIGAN ADDRESSES INTERNATIONAL EDUCATORS

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. BRADEMAS. Mr. Speaker, recently, my distinguished colleague on the Education and Labor Committee, the gentleman from Michigan (Mr. WILLIAM D. FORD) was honored by being invited to be the keynote speaker at an important international education conference in Athens, Greece.

Congressman FORD spoke at the 16th Annual Conference of the Near East-South Asia Council on International Schools. The council represents administrators from 24 countries in the Near East and South Asia, which serve the children of Americans stationed abroad.

Few persons realize the scope of this huge overseas school system, which is responsible for educating nearly a quarter of a million American children.

Mr. Speaker, the Athens Conference was attended by teachers and administrators representing American schools in a wide range of nations, including Afghanistan, Austria, Colombia, France, Greece, India, Israel, Jordan, Kuwait, Lebanon, Nepal, Pakistan, Saudi Arabia, Switzerland, Turkey, and the United Arab Republic.

Congressman FORD, in his excellent address, put into perspective some of the many problems faced by those who are entrusted with the task of educating the children of our servicemen and civil servants who are serving our Nation in other lands.

Mr. Speaker, I insert the text of Congressman FORD's talk in the CONGRESSIONAL RECORD at this time and commend it to the attention of our colleagues:

REMARKS OF THE HONORABLE WILLIAM D. FORD

At the outset I would like to make the very obvious observation that I am happy to have this opportunity to return to Greece.

This is my third visit to Greece, and unfortunately, like my preceding visits, will be all too short, but I am sure you will agree with me that we could not be in a more interesting or appropriate place for the purpose of discussing education.

I would like to thank the Near East-South Asia Council on International Schools and your President, Mr. Tom Johnson, for inviting me here to speak on American education at home and abroad.

It is my privilege to serve in the House of Representatives on the Education and Labor Committee, and particularly as a member of the General Education Subcommittee of that Committee having primary responsibility for writing federal legislation affecting elementary and secondary education.

As we say in the House, I should like to associate myself with the remarks of the gentleman from Indiana, Representative John Brademas, who is my colleague on the Education and Labor Committee and who spoke to an education group here in Athens in September of 1967. He said at that time, and I quote him:

"It is, I think, most appropriate that we discuss education here in Athens—it was the Greeks, after all, who were the first genuine educators of the western world—the first to raise profound questions about how to educate both children and men. But even as the ancient Greeks criticized their educational system, we too—modern Americans and modern Greeks—must answer serious questions about our own systems of learning and teaching."

I have been asked to speak briefly with you today of the progress in American education both at home and abroad with particular emphasis on what I view from the Washington scene as the Federal government's concern for, and commitment to, this progress.

AMERICAN QUALITY EDUCATION ABROAD

I certainly hope that during my brief say here at your Conference I will have the opportunity to exchange ideas, through direct personal discussions, with those of you attending this Conference as administrators, school board members, sponsors and professional educators directly involved in providing "American-quality" education to American dependent school children in the many countries represented here today. I know that such an exchange will add to such experience as I have gained during the past five years as a member of the Education and Labor Committee. We are truly eager to actually learn and know of our overseas schools in the many nations we serve around the world.

Most of you in attendance at this meeting are directly involved in the administration of programs of elementary and secondary education for American children living with their parents in the Near East and South Asia.

You are the people with the direct responsibility for operation of what, for want of a better term, we refer to as "American-sponsored" elementary and secondary schools.

The stated purposes of the Federal assistance program for these schools are to help the schools to provide adequate education for U.S. government dependents and to demonstrate to foreign nations the philosophy and methods of American education.

I need not tell you what a tremendous challenge this is when measured against the unique circumstances under which you operate.

At the present time the Federal government is involved in the direct and full financing or the partial support of a worldwide education system comprising approximately 438 schools in well over 100 countries. The rough breakdown of the distribution is as follows: 215,073 students attend these schools in elementary and secondary grades including 181,348 Department of Defense Dependents and 33,725 non-Department or civilian dependents and approved foreign nationals in the case of schools such as those you represent here.

This worldwide school system now employs 12,452 teachers and administrators with 7,839 in the Department of Defense School System and 4,613 in schools supported by the government through the State Department.

Although this year's budget for this educational system is more than $177 million and this system of schools if located in any State in the continental United States would be one of the largest in our country, most American citizens and even some members of Congress are barely aware of your existence or purpose.

We would like to think that the hearings and investigative trips undertaken by the Special Subcommittee of the Education and Labor Committee headed by Congressman John Dent of Pennsylvania which was begun by a Special Resolution adopted by the House of Representatives in 1965 and has carried forward ever since, has contributed to a greater understanding within the Congress of the need for support for this great worldwide system of schools and their educational product.

THE FEDERAL EFFORT IN EDUCATION

It was my privilege in January of 1965 to be assigned to the General Education Subcommittee of the Committee on Education and Labor in the United States House of Representatives at the very beginning of one of the most exciting periods of activity that the Committee has ever experienced.

Our Committee wrote the Elementary and Secondary Education Act of 1965 which was hailed by President Johnson as the greatest breakthrough in Federal support for public education in 100 years. More importantly, however, this signaled a new awareness in the Congress of its responsibility to American education.

I need not recount to you the great difficulty encountered by the friends of education over the past 50 years in attempting, without success, to bring the Federal government into partnership with the States and local school districts for the support of elementary and secondary schools and for assistence to our institutions of higher education as well. The first real awakening of the Federal establishment to its responsibility for the support of education in our country really came toward the end of the Eisenhower administration and in the beginning of the Kennedy administration. I am sure that you have heard the now famous statement of the former Commissioner of Education, Francis Keppel, who said he thought perhaps the greatest breakthrough for Federal aid to education in the United States came from Sputnik. You will remember that when the Russians successfully orbited the earth with Sputnik, the American public suddenly came face-to-face with the realization that we were not keeping up with other major countries in the world in the support of the institutions necessary to provide the trained persons needed by a country such as ours in a very complex and rapidly changing and shrinking world. Although somewhat sudden, this increase in American commitment to education was, I believe, best characterized by President John F. Kennedy when he said:

"Education is both the foundation and the unifying force of our Democratic way of Life—it is the mainstream of our economic and social progress—it is the highest expression of achievement in our society, ennobling and enriching human life. In short, it is at the same time the most profitable investment society can make and the richest reward it can offer."

EDUCATION AS A NATIONAL RESOURCE

Lest I mislead you, I should not like you to think from what I have just said that we are any place close to the goal of a full commitment of the magnitude which many of us believe to be absolutely necessary at the Federal level. The Congress has passed more pieces of legislation affecting education in our country and providing greater support from the Federal level than ever before in the history of our country. However, we have not yet had a forthright and unqualified commitment by Congress to the proposition that the level of education of Americans is a national resource entitled to the massive commitment of national resources to its development and support in the same measure as any other essential national resource.

With all the legislation we have passed, including the Elementary and Secondary Education Act of 1965 and the many additional programs that have followed it, we find our Federal contribution to elementary and secondary schools within the United States at the present time to be something less than 8% of the annual expenditure for education at this level from all sources. In my own state of Michigan, for example, the current rate of Federal expenditure from all programs is less than 5% of the total expenditures for elementary and secondary education in the state. It seems clear, therefore, that the Federal Government's present commitment to education in our country, though significant, still falls far short of the commitment of national resources necessary to reflect our willingness to have the Federal government become a full contributing partner in the effort to provide quality education in all parts of our nation.

Recent events in Washington have, however, been most encouraging, and I see the American education community as well as the American public awakening to the realization that the Federal government will have to make a much greater financial contribution to the assistance of our state and local school systems if we hope to keep pace with the ever-increasing demand being made on those systems by a growing, energetic, mobile and ever-urbanizing American population. It is clear that the events of the past few years have brought home to Americans, more than ever before, a realization that our position as a leading country in the world depends upon our ability as a people to educate ourselves to compete successfully not only in technology but in every other way if we are to remain a leading nation of the world.

CUTBACKS IN EDUCATION FUNDS

This year we were dismayed when the outgoing President recommended an education budget that would have spent more money than we have spent before but which would not even keep pace with the increased costs being absorbed by ongoing programs. We viewed with even greater dismay, however, the budget of President Nixon who cut back the recommended appropriations for education on almost every front and recommended no money at all for some of our most successful ongoing programs. During the campaign of 1968, Mr. Nixon stated, on many occasions, his strong support for the commitment of the Federal government to support of education at all levels. Just some of his quotes—

"American opportunity begins in the classrooms of this nation for young and old alike:"

"When we talk about cutting the expenses of government—either Federal, State, or Local—the one area we can't shortchange is education:"

"Education is the area in which we must keep doing everything that is necessary to help achieve the American dream:"

And then finally he said on many occasions—

"We call on every citizen to join with us in an action program for education."

However, after taking office, the President, not content with the cuts in education proposed by the Johnson Administration budget, proceeded to slash programs to the extent that some would be entirely wiped out. Here are a few examples:

Mr. Nixon proposed only 39% of the authorized amounts for Title I of the elementary and secondary education programs—the program for deprived children and youth: 20% of the authorization for vitally-needed supplemental education centers and services: 37% of the authorized money for strengthening state education departments: only 15% of the money earmarked for educating the handicapped; 25% of the authorization for bi-lingual education; and just 30% of the funding necessary for school operating expenses in areas with high concentrations of Federally-connected children—the "Impacted Areas" program which has been almost fully funded since its inception in 1950.

Having said this—why am I encouraged by recent happenings in Washington? The education community of America responded to the challenge presented by this shortsightedness on the part of both a Democratic and a Republican administration. Those of us who have been advocating a greater financial effort found support coming to us from across the country in our efforts to broaden the Federal commitment and participation.

THE REASONS FOR OPTIMISM

In a totally unprecedented move, the House of Representatives earlier this year overthrew the recommendations of the powerful House Appropriations Committee by the adoption of a package of amendments now known throughout the country as the "Joelson Amendment," which added one billion one hundred and twenty million dollars to the appropriations recommended by the President in his budget. This billion dollar-plus increase was passed in the House of Representatives by an overwhelming majority.

This didn't just happen. It didn't happen because of brilliant speeches or brilliantly-executed parliamentary maneuvers on the part of the friends of education who are members of Congress.

More realistically, it happened because the education community brought itself together in a concerted effort to impress the Congress with the urgency of their needs in the America of 1969.

A tremendous effort was put forth by organized groups of people interested in education ranging from the American School Boards Association, through the American Association of Libraries, the National Education Association, the Great Cities Schools Association, the AFL-CIO and many others who have been friends of education. This resulted in a coalition of over fifty organizations which early this year began a massive action program to impress their representatives in Congress with the need for immediate and meaningful action in the more adequate funding of the many educational programs we had previously authorized.

One member of the House, who was obviously piqued at the success of our efforts to overturn the Appropriations Committee and add this money to education, characterized these people from the education community as the new "Educational-Industrial Complex," and in a speech on the House Floor warned ominously that they might be a greater threat than the much-talked about "Military-Industrial Complex."

The Senate subsequently supported our efforts and in fact indicated its willingness to go even further than the House had gone in increasing the Federal commitment to Education.

These efforts and the results produced, in my view, signal an era when education and educators are coming into their own as a political force to be reckoned with. This may indeed be the great breakthrough that will make it possible for us to set a goal for education like landing on the moon; then to set out to do whatever is found to be necessary to accomplish that goal.

In short, I would like to say that from my vantage point on the Education and Labor Committee, where we have the unique opportunity to hear and to learn from people in all phases of education from throughout all parts of the country, it appears that although education is facing the greatest challenge it has ever before faced in America, it is now moving more rapidly than ever before to meet that challenge. I believe that we are in one of the most exciting periods of change and growth ever experienced by institutionalized education in our country.

THE INVESTMENT PAYS OFF

Although the proliferation of new educational programs supported by Federal funds is not ambitious when measured in Federal dollars, against dollars of annual expenditures for education by other units of government, the effect of these Federal programs and expenditure of these funds from the Federal level has been very dramatic.

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Through categorical aid, the Federal government has placed at the disposal of experienced and imaginative leaders at the state and local level funds which cannot be swallowed up by the building pressures and increasing costs that go on each year outside of the effective control of school administrators. In other words, an administrator attempting to develop programs for the special needs of educationally-deprived children in a big-city ghetto or in the hills of Appalachia has been able to develop these programs with Federal aid without having to fight to take the funds from the general school budget.

Local school administrators have done what I believe to be an outstanding job of using their funds for innovative programs which in many instances are proving to be so successful that local pressure has developed to appropriate funds from local and state sources to expand these programs to the many students not reached by the Federal categorical aids.

In spite of all of the publicity given to the alleged taxpayer revolt in our country, people are voting to increase taxes for the purpose of financing education at the local and state level in greater amounts than ever before. The American citizen is communicating his concern for quality education for American children to his local school board, his county and state officials and now to his representatives in the Congress and in the Executive Branch. The school teacher, the school administrator and the school board member have all discovered that they can and must organize themselves as a special interest group with what we sometimes refer to as "political clout." The "special interest" is of course quality education available to every young American without regard to where or under what circumstances he attends school—what greater and more worthy special interest might one serve?

AMERICAN-SPONSORED SCHOOLS OVERSEAS

Now what about the American student, at the elementary and secondary grade level, who by virtue of the temporary residence of his parents in a foreign country while in the service of American government or American private enterprise does not have access to the American public school system of which I have been speaking?

The numbers of these pupils in our overseas schools and the importance to our nation of their parents being in the countries where they are found dictate the urgent need for serious concern for the quality of education available to them.

Lacking a clearly defined national policy with regard to the responsibility of the United States Government for the educational opportunities afforded these children, the Congress has nevertheless recognized its responsibility for the education of the dependents of military and civilian employees of the United States Government through development of school systems such as the D.O.D. school system or the payment of education allowances to offset the unavailability of American Government provided facilities. A responsibility for supporting the presence of private citizens employed by American private enterprise has also been recognized by our government.

In 1965 when the Select Committee of the Education and Labor Committee made its trip to foreign countries inspecting the schools attended by defense dependents, we more or less stumbled across the American-sponsored schools because of the number of D.O.D. dependents attending them on a tuition-basis. Since that time the Committee has had an increased interest in and growing concern for the American student attending such schools.

During the past years we have gathered a substantial amount of material through closer contact with Mr. Ernest Manino, Director of the Office of Overseas Schools in the U.S. Department of State; Mr. Gordon Parsons, and former teachers and administrators in such schools who appeared before our Committee from time to time. The Dent Committee has made on-the-spot inspections of facilities and held discussions with faculty, administration and students as well as parents in a substantial number of countries where the schools are located.

The Committee has visited American-sponsored overseas schools in Europe, Africa, Central America, South America, the Near East and South Asia, and East Asia.

Because the American-sponsored overseas schools are not Government owned or controlled, (I know of no one on our Committee who advocates that they be Government owned or controlled) we have been somewhat reticent in our recommendations for administrative modifications of the programs we saw. People here from the Department of Defense schools will recognize that some of the greatest progress made since the Committee began working with those schools has been made by the administrative changes evolving from criticisms and suggestions emanating from the Committee.

COMMITTEE RECOMMENDATIONS

The basis for our recommendation that the Federal government do more to support the overseas schools was started in the first report that the Dent Committee made to the Congress and has been repeated many times by the Committee and its members in many places.

All Committee members recognized almost immediately the salutary effect the activities of the State Department's Department of Overseas Schools has had on the "American-sponsored" schools and the need to increase this activity at every level. The Dent Committee said in its report to the 90th Congress:

"It is apparent that resources of the United States Government available for the improvement of educational opportunities for American Children should also be made available to American-citizen children living overseas. Their parents are serving the interests of the United States abroad: They are in danger of becoming educationally-disadvantaged youth if resources which would be available to them at home are denied them while their parents serve abroad."

Bear in mind that the Committee report went on to say to our colleagues in the Congress that we were generally favorably impressed with the quality of education offered, the curriculums, and most definitely, the facilities of the various schools visited. We nevertheless developed some areas of concern and directed our attention toward them in subsequent years.

We are convinced that there is much more that we need to know about your schools and your problems but that there is much to be done on the basis of what we have encountered. The Committee has already made some general and some specific recommendations to the Congress and to the Federal agencies which might implement them by Executive action, and we do have some specific legislation pending.

In the area of legislation the Committee has recommended some things which might be done: (1) Review all existing Federal aid to education legislation with a view to providing extension of the benefits of such legislation to students, teachers and school systems overseas. For example:

(a) Tailoring the provisions of the International Education Act of 1966 to provide funds for training programs for staff employed in these schools to be held within or outside the United States and not limited to United States citizens;

(b) Amending the National Defense Education Act to include the Overseas Schools under the loan provisions of Title III for equipment and remodeling and under the teacher institute provisions of Title XI to provide for institutes to be held outside the United States again not limited to United States citizens;

(c) Amending the Higher Education Facilities Act or other appropriate construction legislation to permit overseas schools to borrow under long-term, low-interest rates for academic construction and remodeling with such loans contingent upon the recommendation of the Office of Overseas Schools; and other appropriate agencies such as the U.S. Office of Education.

(d) Extend coverage under Title II, III and IV of the Elementary and Secondary Education Act of 1965 to children enrolled in overseas schools.

I should say here that some of these recommendations have already been implemented with regard to the D.O.D. school system and some legislative attention has been focused on attempting to do the same for "American-sponsored" schools. You might be interested in my bill, H.R. 13285 cosponsored by other members of the Education and Labor Committee to extend the Loan Forgiveness features of the National Defense Education Act of 1958 to teachers "in American schools abroad supported by the United States." Although action has not yet been taken on this bill there is considerable sympathy for its purpose among the members of the Education and Labor Committee.

NATIONAL OVERSEAS EDUCATION BOARD

Another bill which you should be interested in even though it does not at the present time include you within its terms is H.R. 10308 introduced by Mrs. Mink of Hawaii and cosponsored by me and other members of the Education and Labor Committee. This bill would establish a "National Overseas Education Board" which would not be an operating agency for overseas schools but would be the one central coordinating agency for all overseas education; that might be calculated to guarantee some semblance of equal treatment for American children overseas through formation and implementation of some identifiable national policy with regard to our responsibility toward them.

Other specific recommendations that have been made include amending foreign aid legislation to permit the lending of P.L. 480 funds for long-term-low-interest construction loans and attempts to loosen up the restriction on the use of counterpart funds for teachers' salaries, textbooks and teaching materials.

We might also review the deductibility of corporate gifts to overseas schools with the purpose of encouraging this practice by American corporations doing business in foreign countries.

In closing, I should like to make some brief observations on some matters of particular concern to me and at least some of the other members of the Committee at the present time. If I may use what may be a nonsequitur—the one thing we found that the American-sponsored elementary and secondary schools overseas have in common with each other is that each one of them is unique.

GENERAL CONCERNS

In expressing some general concerns, I do not intend to imply that they are found in all or even a majority of the schools which you represent here but they have been found by the Committee frequently enough to make them worthy of consideration:

1. The private schools meet an educational need and there is great freedom in the development of the curriculum; however, many of these schools can only provide a very miniminal educational program.

2. In some cases, the private schools are established to meet a need of the private companies and the children of United States Government employees are third or last in priority for admission.

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3. Sometimes requirements of the Ministry of Education of the host country limits or controls the educational program: For example, in Buenos Aires, the American curriculum is taught in English in the mornings, but the Argentine Government requires that the Argentine curriculum be taught in Spanish in the afternoon.

4. The private schools, generally, have a greater mixture of children and teachers than the Department of Defense schools. In Rome, Italy, the faculty came from some 15 different countries. This can have a very fine and stimulating educational effect, but might not be good for the student returning to a state-side school after a short time.

5. Most of the private schools have financial problems. The schools, generally, must or desire to accept children from host-nation countries. The tuition charged will not provide monies for teachers' salaries and instructional supplies comparable to the stateside of Department of Defense educational programs. Teachers' salaries are generally low and as a result, many teachers are employed who lack formal education and qualifications and have some other principle reason for being in the country.

6. In many cases, APO facilities are not available to the private schools; thus, costs of getting books and supplies into a country are increased.

7. In many cases, influential people on the Board of Governors exercise too much control over the educational program. Sometimes this board is dominated by "old-timers," and semi-permanent members of the business community.

8. There is no uniformity in curriculum offerings or in instructional materials and textbooks being used.

9. In general, the facilities of private schools seem quite adequate. We have some concern about the Federal government providing grants for some facilities and then the children of Federal employees being required to pay the same tuition as others, when their sponsors did not contribute substantially to building costs. It seems that Uncle Sam is paying twice.

As I said, these are generalized concerns and are not offered as a criticism of the "American-sponsored" schools, but merely as an outline of the specific areas in which the Federal government might assist in guaranteeing equal and quality education abroad, as indeed we should at home.

BILL PASSED TO ESTABLISH CABINET COMMITTEE ON OPPORTUNITIES FOR SPANISH-SPEAKING PEOPLE

HON. MICHAEL A. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. FEIGHAN. Mr. Speaker, it is with great pleasure that I call attention to House passage of S. 740, a bill to establish a Cabinet Committee on Opportunities for Spanish-Speaking People. This legislation does more than create another committee. It demonstrates our Government's real concern for those Spanish-speaking people living in many parts of our country.

S. 740 promises to assure that Federal programs are reaching all Spanish-speaking and Spanish-surnamed Americans and it purports to seek out new programs that may be necessary to bring more Spanish Americans into the mainstream of American life. The Committee members will be appointed by the President and will work closely with Federal agencies to focus on the special needs and problems of this group.

It is unfortunate that the situation in our society demands that such a committee be established but the sad facts are true and the committee is indeed necessary. For the last 2 years it has operated as the Inter-Agency Committee on Mexican-American Affairs but the problems dealt with by the committee are not confined to Mexican Americans alone but affect the many Puerto Rican and Cuban Americans who reside in our country. For this reason, the Congress felt that a new committee must be formed which would properly respond to the needs of the large Spanish-speaking population in America.

New guidelines have been formulated for the committee and I look forward to the enactment into law of this legislation so that we may proceed with alacrity to the problems at hand.

THE PHARMACEUTICAL INDUSTRY AND THE CHANGING HEALTH CARE SCENE

HON. JOHN T. MYERS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. MYERS. Mr. Speaker, I am proud to count the Chas. Pfizer & Co., Inc., among the many outstanding industries in my congressional district. The chairman of the board and president of Pfizer, Mr. John J. Powers, Jr., recently addressed the 95th annual meeting of the National Wholesale Druggist Association. In that address, Mr. Powers explained that commitments in six areas of service have earned world leadership for the American pharmaceutical industry. I would like to share the complete text of Mr. Powers' remarks with my colleagues:

THE PHARMACEUTICAL INDUSTRY AND THE CHANGING HEALTH CARE SCENE

Ladies and gentlemen, I have taken due note of the topic that I was supposed to discuss today, namely, the pharmaceutical industry and the changing health care scene. And frankly, I think a talk on that subject is a bit premature. I don't know anybody who can do a good job on that topic. A lot of us, however, have been devoting a great deal of our time, our efforts, and our thoughts to this subject. And I'd like to talk to you today, if I may, in a rather informal fashion about certain fundamentals of the situation which should engage our attention before we can clearly define the changing scene and begin to work towards shaping the future of the pharmaceutical industry and health care in the United States.

I will start by trying to get some historical perspective. Recall with me, for a moment, that wonderful man, the general practitioner of 35 or more years ago, as most of us remember him as kids. That wonderful man who came to the house and he put his cheek against the baby's cheek to take his temperature. And he had an abundance, in most cases, of the greatest of all drugs—tender-loving care. This is a great man in the history of the health care system. But he had an extraordinarily thin armamentarium, as we say these days—in that black leather bag—very few specifics at all. And since those days, this kind of an audience hardly needs to be reminded of what's happened: the emptying of tuberculosis hospitals; the number of mental health beds going down instead of sharply up as was predicted even fifteen years ago; the killers that were number one on the list back in the days I spoke of—at the bottom or even gone; life expectancy changing from something like 59 or 60 in the '30's to a little over 70 today. You may even know, you may even have checked, as I did to be sure, that it takes the average workman in America less time, less work, to pay for these new drugs today than for those old ones yesterday.

This record of the American pharmaceutical industry is certainly a remarkable one. So how can we be such a subject of attack? To a certain extent this is understandable. We like to knock down the man on top. This is an American game. As kids we all played King of the Hill. And there is something healthy, something good about this attitude—that is, until extremism steps in with its bitter edge, its hostility and its basic irrationalism. Through the '40's and the '50's this was a young, growing, lusty industry—and, like all youngsters, it was vulnerable. It was all too ready a target for the extremism of the '60's—the decade of confrontation. But this type of confrontation does not solve problems. It is basically destructive and in the melee which has ensued in this decade the voices became loud and shrill.

There was discourse, to some extent. There was some dialogue, but it was not thoughtful. Indeed, to me it sometimes seems not entirely clear what the debate has been about. Because there have been three kinds of people with whom we have been confronted. The first and, I believe, the smallest group is comprised of those who have sought to destroy or hobble this and other industries in America simply because they are private industries engaged in making a profit. In the second, somewhat larger group, are those who wanted to make a constructive criticism of this new, young, lusty industry, growing too fast, it was said, for its own good in a rapidly changing world, which perhaps could stand greater discipline. But there has been a much larger number within a third group where unfounded or distorted charges were hurled, and they hurt, not because they were valid, but because they gained the headlines of America and began to build a false legend about an entire industry—an industry which was the envy of the world outside its own country.

I think perhaps I have been most disturbed to find recently some members of the scientific and the intellectual community allowing themselves to be caught up in this tumultuous swell of irrational criticism when we ought to have been able to depend on this community to bring rational thought to such contentious questions and to solve problems—not add to them.

Quite recently, a man who has a reputation of great distinction in medicine said: "The overall system of drug evaluation is chaotic, biased, profit dominated, unscientific, unsafe and often dishonest." This unsupported and untrue statement is basically destructive. He doesn't help with that statement. It is not helpful to men of good will and of reason who seek ways to face our problems, and to make the most of our opportunities to build for America the best possible system of health care. The astonishing thing was that this type of statement was made at all by a man of science.

Second, a truly distinguished scientific publication—to my great surprise—recently carried a typical "good-guy," "bad-guy" kind of article about the pharmaceutical industry. It was out of character. It was shrill. However, in a subsequent issue of that same publication there was a thoughtful editorial

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deploring the attack of extremists on this nation's institutions, particularly on industry "just for being private industry." The editor reminds us that the road marked by undue restrictions on the private sector is the road that leads to control by government bureaucracy. This surprised me quite a bit because it is no longer acknowledged quite so much as it might have been ten and twenty years ago that government bureaucracy indeed should have some limitation. Are these second thoughts? Or perhaps even new thoughts for this publication?

Has extremism at least for the pharmaceutical industry begun to run its course as so often it does? Have the shrill voices done their job (if we may grant them that much) by pointing more clearly than perhaps anything else could to the need for men of good will not to confront but to meet together in common purpose to accomplish worthy objectives for this country? I think, I hope, I begin to sense this in today's atmosphere. There are striking evidences of it. Most important among them is the White House statement on this subject, issued on July 10 of this year. It said this about reshaping the health care system: "Much of the burden must be taken up by the private sector, since it has the primary responsibility for the delivery of health care. Unless government and our vast array of private institutions can learn to work together we cannot succeed." And finally the statement said: "We will ask and challenge American business to involve itself in the health care industry, including the creation of new and competitive forms of organization to deliver comprehensive health services on a large scale. . . . What is ultimately at stake," said the statement, "is the pluralistic, independent, voluntary nature of our health care system. We will lose it to pressures for monolithic, government-dominated medical care unless we can make that system work for everyone in this nation."[1] This is language we understand; this is a call for help—a duty, to which we will respond. It's been a long time since we've heard anything quite like that from government in this country on this subject.

I cannot help but select another interesting example of the possibility of a new mood which I think puts the case well. This is an article by Dr. Ingelfinger in the *New England Journal of Medicine*,[2] decrying government regulation which does not improve but may even destroy. This is a fascinating and a thoughtful article. For today's purposes let me quote only from some of his concluding paragraphs, in which he points out that "the inimical confrontations that characterize exchanges between these two bodies (government and industry) benefit no one. . . . In this hostile atmosphere," he says, "extremist accents are vociferous and loud." But he urges that there is no reason why the professions, the drug firms and government should not work together. He said, "Some orderly system must replace the piecemeal decisions, the public hassles, and legal maneuvers that now appear to characterize the making, selling and using of drugs. That the groups involved will have conflicting points of view is inevitable. But their resolution, not their aggravation, will have to be the goal. Extremists identify problems. Sometimes they clearly precipitate them. But solutions must be sought and achieved by moderates."

So let us all begin to look for the solutions. And as far as we in the pharmaceutical industry are concerned, I believe we must once again seize the initiative we lost several years ago and assume our proper share of the responsibility for the shaping not just of our own future, but also of the new world of health care. I think we should begin by recognizing that we are probably the least understood industry in this country, in spite of all the publicity we have received—or, perhaps I should say, because of it. So this is the broad starting point for us in the industry: to be sure we know ourselves and to make ourselves known to others. This means to me objective, third-party studies of who we are, what we are, and how we operate. We have got to straighten the record as a necessary part of beginning to work on the future.

I say this because those of us who are close to this industry see an industry which I sometimes wonder if ever anybody else sees at all. The world of headlines and the real world are far apart. We should bring them together. This is an industry of commitment which—if I may picture this industry to you for just a moment in broad strokes—begins with a commitment to research. This is the raison d'etre of our industry, if anything is. More is spent on research by this industry than its total net income, and it is estimated that government will contribute in 1969 only 1.5 percent—the lowest for any U.S. industry. Research is the principal, though not the sole, source of the great social benefits of life and health to be derived from this industry. Yet, I think it is perhaps the least understood part of our industry, and most strikingly misunderstood sometimes by those who are also in the health care field.

Next is the commitment to development which I distinguish from research because it is in itself an important, difficult, time-consuming kind of work requiring highly-skilled people, complex techniques and equipment. It is often the most important step in bringing something new to the public either through product or process development or both. It was so with penicillin. Penicillin was discovered in 1928, and in 1941 it was little more than a curious laboratory phenomenon when it was brought to America for development. And I am not embarrassed at all to say that I believe there was one company that led in this development effort, and that company was Pfizer, the first developer of an efficient deep tank fermentation process that made penicillin a practical reality. The evidence—it was Pfizer penicillin on the beachhead at Normandy in 1944. This was a development job.

The third important commitment is to manufacture under high standards of quality control. Now this whole business has changed drastically in our generation as completely new types of products and processes have evolved. New techniques have emerged, new methods of assay, new ways to test. And it is sometimes a bit irritating to have the professional critics judge our past conditions by present standards and present knowledge. Look at us as we are today. Our commitment here is complete and it's big and expensive.

And the fourth commitment which I have not too often seen discussed publicly, is distribution. Our products through our wholesalers, our retailers and the hospitals are 100 percent available throughout the United States. Now, Sears Roebuck, I have been told, likes to point with pride—and rightly so—to the fact that it has 85 percent distribution. Why not 100 percent? Too expensive? Probably not worth it. But if a prescription is written tonight in any hamlet in these United States of America, the odds are large indeed that it will be promptly filled by some corner drugstore, or even be already in the doctor's bag. This is a tremendous job of making products available through the wholesaler, the retailer and the hospital, and our detail men are a strong adjunct to this—checking stocks and inventories, seeing that stocks are maintained at adequate levels and emergency needs met promptly. But this process is buried in our published profit and loss statements where it is usually included in a single line that says selling and general administrative expenses. The distribution system of the pharmaceutical industry is, however, a great service to the American public. It is a critical stage in the delivery of pharmaceuticals to the consumer, and in my view, our accounts should be organized so that the role of this essential service can be better measured.

Next among the basic commitments is education. We have an extensive education system. It begins with the detail man, but it is in our literature, in the distribution of reprints from the technical journals, our symposia, our hospital meetings, our films—a tremendous educational network directed towards every physician, pharmacist and hospital. And in every analysis of this system that I can recall even by our critics, one thing we get back clearly from the doctor is that certainly to a significant extent, our activities in relation to them, are truly educational and a true service to the medical profession and, therefore, to the patient.

Now finally, there is promotion—sheer, straight building of the market and share of the market. Our industry is different from others in degree but not in kind. Attention must be attracted to the products available, especially new products. This history of marketing proves that people do not beat a path to your door to buy that better mousetrap. The market must be made. We must take greater care, but we must still build the market. This is a typical free enterprise type of operation which is expensive and necessary and without it the other services would not be possible.

So there they are, these six commitments of the pharmaceutical industry.

The most significant thing about this briefly told story is that it brings home that the pharmaceutical industry is not just a manufacturing industry, but a service industry as well. We are a service and a product industry with six commitments of profound social value. This is basic to an understanding of what we are.

At the beginning of this talk, I touched so lightly as hardly to have done it on some of the accomplishments of this industry. But, in the future, even more should be expected of this industry because knowledge builds on knowledge in geometric progression. And the evidence is all there, that there will be a speaker like me 30 or 35 years from now, making the kind of comparison I did at the outset of my remarks and probably likening us, too, to some equivalent of the kindly old general practitioner who had hardly anything in his black bag.

But some members of this industry do not assume all of these commitments. Some, hardly any of them. And I think this contrast helps bring the significance of these commitments into clear perspective.

I remember many years ago encountering one of these people in this category of little or no commitments, and out of sheer curiosity, I said to him, "How do you operate? I know you don't do any research. I doubt if you do any development. I've never seen any advertising, and you don't have any detail men do you?" And he got a big laugh out of this. And he said, "It's simple enough. First of all, I'm not a full-line house, I pick and choose the fast-moving items that are already developed, like the best-selling products in the Pfizer penicillin line." This was many years ago, as I said. But he said, "I can make these products and, in fact, I can make them cheaper than you can—you're too fancy. And I can send a postcard to the druggist. Not all across the nation, not even throughout all of my state. But I can send a postcard to the druggist and say I've got penicillin available at the lowest price on the market. They won't all come to me, but I'll get my share." He said, "I'm going down to Palm Beach this winter. What are you doing?"

I don't deny that man his right to operate in that fashion as long as his products meet proper quality standards. I don't even criticize. But I ask this question: What is the relative social value of this entrepreneur. I don't mean the value of his enterprise to himself. I mean the value to society. This is what is in issue these days. This is what the debate is really all about, or should be about. To some, the lower prices of the drugs he supplies will seem an important social contribution. But just what is the net value to society of that price differential, when it is achieved by largely or completely avoiding those vital service commitments to research, development, quality control, distribution, education, and marketing that has earned world leadership for the American pharmaceutical industry, and on which the progress of therapeutics very substantially depends? What is the real price of that low price drug? And who pays it?

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[1] Text in *New York Times*, July 11, 1969.

[2] September 4, 1969, p. 526 ff.

So this is the point of beginning for our industry—to know ourselves through serious study, to welcome the beginning of the possible new atmosphere as the shrill cries seem to moderate, or at least as some moderate voices begin to be heard. Before us now is the difficult problem of the future of health care in this country. Our hope and our responsibility is to participate with our new partners—government, the medical profession, and academia, in building for the future. The old way of hostile hearings and regulatory battles has little to do with this future—indeed can only hinder and impede it. In a word, if we are to build the future it will be by cooperation. In that necessary cooperative effort, the pharmaceutical industry is ready to do its part.

AMENDING TITLE 28, UNITED STATES CODE, TO EXTEND THE TIME FOR FILING TORT ACTIONS BY CERTAIN PERSONS

HON. JACOB H. GILBERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 15, 1969

Mr. GILBERT. Mr. Speaker, I support H.R. 10124, offered by the gentleman from Massachusetts (Mr. DONOHUE), to extend the time for filing tort actions by persons under the age of 21, or insane or mentally ill, or imprisoned on a criminal charge.

I have sponsored a similar bill in past Congresses and in this Congress—H.R. 4155, 91st Congress. The bill will modify existing law by providing that the 2-year statute of limitations applicable to tort actions against the Government will not run against persons under legal disability at the time the action accrues, and that, such individuals may present the claim within 2 years after the disability ceases. We should recognize the fact that persons suffering from legal disabilities and particularly those who are under age are actually being deprived of their rights because of the presently overstrict limitation provision in subsection (b) of section 2401, title 28 of the United States Code.

There is a demonstrated need for this legislation. I support H.R. 10124 and I commend my distinguished colleague (Mr. DONOHUE) for the action of his subcommittee in bringing this bill to the House floor.

PLAYING WITH FIRE IN THE MIDDLE EAST

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. OTTINGER. Mr. Speaker, I am deeply disturbed about the apparent erosion by the Nixon administration of our position of support for a fair and permanent resolution of the conflict between Israel and her Arab neighbors in the Middle East.

The basis of our policy has been to promote a settlement by direct negotiations between the parties of their disputes over borders, recognition, refugees, and access to international waterways and, until such a settlement can be reached, to assure Israel's invulnerability to Arab attack.

The first disturbing indication that the Nixon administration was backing away from this policy occurred at its inception when Gov. William Scranton announced, after a Presidential fact-finding tour of the area, that the new administration was going to pursue a more "even-handed" policy. Next came a period of equivocation over delivery of Phantom jets to Israel in pursuance with prior commitments. While the jets have now been promised, they still have not been delivered.

These events led to sincere fears that "even-handedness" meant abandoning Israel in favor of Republican oil interests in the Arab States.

These fears were heightened when the United States supported the United Nations resolution condemning Israel for her attacks on Lebanon in response to actions of Arab terrorists in blowing up an El Al airliner at Beirut airport without any condemnation for the Arab attacks which provoked the incident. This hardly seemed even-handed. Nor did our abstention from subsequent one-sided U.N. Middle East resolutions or our silence in the U.N. during the public hangings by Iraq of Jews.

These fears were again aroused when the U.S.-proposed four-power talks to promote a Middle East settlement with France and Russia committed to side with the Arabs. They were barely assuaged by our assurances that the four powers would concern themselves solely with broad guidelines for peace and not the specifics of a settlement which we stated would be left to direct negotiations.

The State Department's latest pronouncement inviting resumption of official recognition of the Arab States that have sworn to annihilate Israel and are daily sending terrorists across her borders to kill her citizens can but confirm these fears.

Worse yet, Secretary Rogers' recent speech putting forward specific border settlement proposals, undermines Israel's chief bargaining position requiring direct negotiations of the details of a settlement. Indeed, since only direct negotiations can produce a permanent and lasting settlement, the State Department's position seriously jeopardizes the prospects for peace in that troubled area.

It seems clear that President Nasser and his radical Arab associates will interpret Secretary Rogers' latest overtures as a signal that they are free to pursue, with Soviet assistance, their policy of military adventurism against Israel and her people. This encouragement could well prove to be explosive.

Indeed, it is significant that no sooner had Secretary Rogers spoken than the Soviet Union's prime minister promised increased military aid for Egypt and reaffirmed his nation's support for the terrorist Arab guerrilla movement.

I think it is clear that the Soviet-Arab strategy is to create an atmosphere of such intense crisis that the United States would force major concessions upon Israel as the price for a temporary respite. And temporary it clearly would be, for no arrangement worked out in the absence of direct negotiations between Israel and the Arabs can hope to have any permanence.

We cannot, we must not let ourselves be coerced into such a position, for to do so would jeopardize the political independence and territorial integrity of Israel without achieving a meaningful peace in the Middle East. To undermine Israel at this time would merely whet the radical Arab appetite for full-scale assault on Israel and increase the risk of a wider war.

It is appropriate to remind ourselves of the statements made by John Foster Dulles when he was Secretary of State under President Eisenhower:

> The preservation of the State of Israel is one of the essential goals of United States foreign policy.

Israel is the one bastion of freedom in the Middle East. By encouraging the Arabs, we are playing with fire in an explosive situation. If the Arabs mount a major attack on Israel, we can hardly avoid becoming involved. It is eminently in our interests to prevent such a conflict from breaking out and to return to the sound principles for a sound settlement that this country has pursued until the present.

BIG TRUCK BILL

HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. SCHWENGEL. Mr. Speaker, my editorial for today is from the Arizona Republic. The editorial follows:

CONGRESS LEFT TO DECIDE SAFETY QUESTION OF HEAVIER TRUCKS

WASHINGTON.—The Nixon administration left it up to Congress yesterday to decide whether heavier and bigger trailer trucks and buses are safe enough to be permitted to travel on interstate highways.

Federal Highway Administrator F. C. Turner told a House public works subcommittee his agency did not have "sufficient reliable evidence" to determine whether the increased sizes of trucks and buses proposed in controversial legislation would mean additional safety hazards to motorists.

If Congress decides motorists safety is not affected "measurably," Turner said, the ad-

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ministration would urge that implementation be delayed until July 1, 1972, rather than on the date of passage. The government needs the three years to set performance standards for the bigger trucks, he said.

Turner's long-awaited disclosure of the administration position on the bill, while not an endorsement, brought smiles to the faces of subcommittee members who support the legislation.

As opponent, Rep. Fred Schwengel, R-Iowa, said it was "incredible" that the Transportation Department did not recommend delay in action on the bill until it could collect adequate safety data.

The bill, supported by the trucking industry and opposed by the American Automobile Association, would increase from 8 feet to 8½ feet the maximum allowable width of trucks and buses using the interstate highway system.

The limit on weight would be raised from 73,280 pounds to 108,500 pounds. The length, which is not limited now, would be set at 70 feet. Turner recommended a maximum length of 65 feet.

CHRISTIAN HIGHER EDUCATION AND THE SEVENTIES

HON. BILL NICHOLS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. NICHOLS. Mr. Speaker, on November 18, 1969, Dr. Harry Philpott, president of Auburn University, addressed the Alabama Baptist State Convention in Birmingham. Dr. Philpott is an ordained Baptist minister although he has never held a pastorate, his entire career has been in the field of education. In his address, Dr. Philpott outlined the continuing need for Christian higher education in the years ahead. I would like to share his thoughts on this important subject with my colleagues by inserting his remarks in the Record at this point:

Christian Higher Education and the Seventies

Our emphasis on Christian higher education continues a glorious phase of Baptist history. It is well to remind ourselves of the fundamental importance of education in the development of Baptist churches. Our present-day heritage has many roots but none is more important than the leadership of Luther Rice in the 19th Century. One commentator has described his return from Burma to solicit support for Judson's pioneering missionary enterprise as the single most important event in Baptist history during the 19th Century. He arrived with a great zeal for missions but discovered the support necessary for these could not be obtained because of the fragmented character and separatism of the Baptist churches and because of the appalling lack of education within the ministry and the leadership of the churches. If the missionary endeavor was to move forward, it was necessary to bring the churches together in associations and conventions and to overcome the lack of education and understanding.

With unequaled devotion, Rice traveled throughout the eastern and southern United States drawing Baptists together, presenting the missionary challenge and sparking the organization of Baptist colleges and schools. The difficulty of his task can be seen in the fact that an early division in the ranks of the Baptists separated those who believed in education and missions from those who opposed such endeavors by the churches. Our forebearers proudly proclaimed themselves Missionary Baptists and equally emphasized their great concern for education. Church-related educational programs, academies, colleges, universities and seminaries characterized the educational enterprises of our churches and continue to be a basic emphasis of our Christian mission today. Despite the problems which face us educationally and the changes in American education which have had their effect on our programs, we would be disloyal to our Baptist heritage and, more importantly, unworthy of the future if we did not continue to give major importance to these endeavors.

I stand before you today as a concerned individual with a troubled soul. I have always held, and still do, a firm belief in the dual system of higher education as we have known it in the United States. Problems which face both the private sector and the public sector of higher education are as difficult, if not more difficult, than at any time in our history. During this century we have witnessed undreamed of expansion in public education, while the private and church-related institutions have been forced by a variety of circumstances to simply hold their own, as a rule. In Alabama for example, in the last ten years we have seen a 115 per cent enrollment increase in our institutions of higher learning, with only a small proportion of this coming in the private and church-related sector. Our best estimates indicate that a 70 per cent increase in higher education enrollment will take place in the next decade, again with the overwhelming percentage being in the public institutions.

Changing circumstances have dictated new patterns for our Baptist programs in higher education. While continuing, as we absolutely must, support for our own institutions, we have been challenged to develop Baptist Student Programs in our public institutions. The developing Junior College system in Alabama has opened a new opportunity for student work in many of our churches and for the State Convention. Christian higher education today requires that we meet student needs whatever type of institution they attend.

It should not be supposed that the public institutions are immune from the same problems private institutions face in attempting to fulfill their responsibilities. We are witnessing at the present time, and I can only predict that this trend will accelerate in the next ten years, an obliteration of the line which distinguished private and public institutions of higher learning in the past. Tax dollars now provide as much as 45 per cent of the annual operating budgets for some private and denominational institutions while public institutions must avidly seek private gift support to supplement governmental appropriations.

We have only to remind ourselves that in every State Convention of Southern Baptists this year the issue of tax support for our institutions, or government aid in a variety of forms, will be a major consideration. I have no simple answer to resolve this issue but from a survey of recent history can only offer the prediction that in the decade ahead some form of support from the governments will be required for the continued existence of our institutions. Our task will be to devise programs which will safeguard, so far as possible, the administration of our schools in private hands and which will draw a clear line of distinction between activities which are religious in character and those which are common to the educational experience of all students.

In this connection, I am pleased with the growing understanding being shown by my fellow Baptists in placing the day by day decisions in such matters in the hands of trustees and the administrators of our institutions. Large conventions can express overall policies and desires but simply do not have the time and background information to make a judgment on individual programs and opportunities. I am a firm believer that authority in such matters must be delegated to competent persons who will then be held accountable for the decisions reached.

Our program of Christian higher education is further threatened by the overall crisis which faces our collegiate institutions in the nation today. Traditionally in America we have had great faith in education as the ultimate solution to our major problems. Suddenly, we find ourselves in a situation in which a superficial observer might conclude that higher education is the source of great problems in our nation today. So much has been written about the crisis on the campus that it is not necessary to provide additional documentation for a group such as this. Suffice it only to say that the situation is extremely complicated and no simple description of campus unrest is possible. We must be honest in recognizing that since higher education occupies such a central role in the preservation of American democracy, those who would undermine our ideals and our liberties have chosen these institutions as the prime target for destruction. Small in number but extremely vocal, attracting an undue amount of attention from the news media and the public, they nevertheless do represent a grave threat to all of higher education.

Recently one of my friends in journalism told me that the events which are most important to the news media are those which describe substantial changes in life as we have known it and those which are totally unexpected. Riots and disorder on the campus, so foreign to the previous tranquility of the academic environment, fall into the latter category and make the news. Two hundred thousand American collegians last year, out of a total enrollment of 6,500,000, are estimated to have had any involvement whatsoever, even as onlookers, in campus disorders. The 6,300,000 students who went about their educational endeavors with devotion and calmness have escaped notice. It is this latter group, in my opinion, which will ultimately shape the future of our nation.

However, we cannot escape the fact that within this group there are serious questions being raised and serious problems encountered which must be faced realistically by all of us in education in the next decade. Their quest for relevance in the curriculum, their impatience with the ethical hypocrisy of their elders and their desire for knowledge of the meaning and significance of life constitute the great challenge to the Christian educator today and in the future. More than the problems, more than the crisis, it is our response to these needs that should be of primary concern to Baptists today.

We have a great educational heritage and I wish to testify to a personal undiminished faith in our capacity to make even greater contributions in the future. I am reminded of the words of Robert A. Millikan, a great physicist in my collegiate days: "We have come from somewhere and we are going somewhere. The great Architect of the Universe never built a stairway that leads to nowhere." Our Baptist institutions and our public institutions have not been built through years of dedicated labor and service in order that they may be destroyed. The problems and the crisis of the moment do not symbolize the beginning of the end but rather a larger opportunity for greater service. This will be true if we are undergirded by the basic faith of our Christian gospel. In the words of St. Paul: "Beloved, now are we the Sons of God and it doth not yet appear what we shall be."

In speaking of Baptist higher education in the next decade I would like to choose as a text some words of Paul in his Second Epistle to Timothy. Writing in discouraging times, his spirit remained buoyant and his faith firm. He points out to the young Disciple, "For God hath not given us the spirit of fear; but of power, and of love, and of a sound mind." Those who simply fear for the future of our Baptist programs of education are lacking in the faith that, to those who love God, things will work together for the good.

As we face the decade ahead, we are animated not by fear and doubt but by a sense of power. It is rather ironic that a struggle for power has characterized so much of the disorder on the campus today. An educational institution—and the same thing is true in a church—that is characterized by a struggle for power, for authority and control, is suffering great harm. It is foreign to the intellectual enterprise when raw power is utilized by any segment of the institution's constituency. A college as well as a church moves forward when there is cooperative interaction, mutual understanding, and a dedication to the larger mission.

The power which Paul speaks of to Timothy comes from a deep commitment to the Christian interpretation of life. The power of Christian higher education is to be found in its opportunity to transmit to succeeding generations this comprehensive understanding of the meaning of existence. The late Walter Lippmann once observed: "We have established a system of education in which we insist that while everyone should be educated there is nothing in particular that an educated man must know." The growth of factual knowledge through research and experimentation gives to our young people more and more to learn. It has also fragmented our programs and resulted too often in an educational program for narrow specialists. The cry for relevance from our young people today is often the cry for unified meaning and understanding in the midst of confused diversity. Our young people need a religious faith which can provide a dynamic unity of understanding. This was the role of Christianity in the lives of our forefathers and it is the reassertion in our educational programs of this metaphysic which provides us with power for the future.

Again Paul reminds us that we were not given a spirit of fear but of love. Our young people are troubled by the impersonality of our lives and so many of our institutions. Too many of them are lonely, yearning for a warm community but unable to find it. When we deal with the masses as we are forced to do in education today, we have the temptation to think of students only as numbers and not as individual human personalities, sacred in the sight of the God who made them.

Again, it is interesting that some of our revolters have latched on to the basic necessity for love and appropriated it for their own. Unfortunately, their definitions and descriptions of love are a parody on the concept set forth by Jesus Christ. The fact, however, that they seek to capitalize on love should re-enforce our own commitment to its importance in education and all aspects of life.

One of the memorable addresses that I have heard in my lifetime was delivered by the late Douglas Southall Freeman at the dedication of the Library at the University of Florida. Dr. Freeman was for many years the editor of the Richmond News-Leader and author of the Pulitzer Prize-winning biography of Robert E. Lee. At the conclusion of his address he made the rather startling observation that the most important thing about the library was not to be found in the size of the building or the books that it contained. Its future usefulness would be determined by whether or not there was love for human beings on the part of those who served in it. Justifying this observation from personal experience, he told how as a boy of nine he had accidently walked into a private library in Richmond. A kindly librarian, who loved little boys, ignored the fact that he was not entitled to be there, and led him to a shelf containing biographies of American heroes and invited him to read. This was the beginning of a life-long interest for him. In later years he told of encountering many librarians whose attitude seemed to be one of daring him to try to get any help or service from them. Whenever such events took place, he stated that he uttered a silent prayer of thanks to God for the fact that his first encounter with a librarian was with one who loved little children.

Love for human beings is still basic to all of education. A teacher may achieve competence in a subject matter field but without love and a desire to help others can never be a competent communicator of the material. A university or a college which is not undergirded by an interest in individuals and a concern for their development will never fulfill its educational mission. "Let love be genuine" should be an imperative for all of us in education.

Paul reminds us also that we do not possess the spirit of fear but of a sound mind. While true education must concern itself with more than intellectual attainments, this remains our central concern. As John Maysfield has written: "A true university is a place where those who hate ignorance may strive to know, where those who perceive the truth may strive to make others see." Christian higher education rests on the words of Jesus that "you shall know the truth and the truth shall make you free."

This matter is of particular importance to those of us who are Baptist because of our historic emphasis on the freedom and sufficiency of the individual to formulate his faith, based on his understanding of the revelation of the scriptures. An open mind with freedom to explore and propound is essential to our institutions as well as our churches. Occasionally our enthusiasm for a particular point of view leads us to forget this basic tenet of our faith. I have heard a Baptist stand on a Convention floor and say that our Baptist colleges should teach nothing but the things that all Baptists believe. I fear that having determined beliefs on which there was complete unanimity, there would be very little left for the curriculum to cover. We must guard against attempts to creedalize our faith and to tyrannize a sincere seeker for truth.

In a recent speech John Gardner, former Secretary of Health, Education and Welfare, spoke of two groups of people who were a danger to our institutions of higher learning. He referred to them as unloving critics and uncritical lovers. Throughout history our institutions have been under attack by some who were anti-intellectual and anti-educational. Unloving critics, may have sought for a variety of reasons to undermine our programs and our witness. On the other side, there have been those who have been so devoted to the institutions as they knew them that they have smothered them in complacency and tradition. Both groups are equally harmful. Our institutions need the critical assistance and the incisive suggestions of those who love them and wish to see them advance. It has been said that "he has a right to criticize who has a heart to help." It is Baptists in this category who will assist our institutions in the development of sound minds.

The minds which we seek to develop are not limited to factual information and empirical observations. Rather, they possess the capacity to reason and to understand within the context of a great faith. Education itself is an enterprise of faith. Someone has said that any fool can count the number of apples on a tree but that it takes a wise man to count the number of trees in an apple. It is a faith in our young people, a faith in the future and a faith in the realization of God's purpose for our lives that motivates us.

In retrospect, the problems and difficulties we face are small compared with the circumstances confronting Luther Rice on his return to America. There is an old Greek proverb which says: "Things worthy of admiration are never easily won." The world we dream of, the institutions devoted to the work of the Kingdom of God and the cause we seek to advance demand not a spirit of fear but of great faith. The willingness of each of us to assume our responsibility in our time will determine our stewardship of a great heritage we have received from those who have gone before.

Two men were climbing in the Pyrenees Mountains—one a novice and the other a veteran. Having been overtaken by nightfall, they spent the night sleeping on a ledge. Early in the morning a storm which the Latins call Euroclydon blew across the peaks. The frightened neophyte cried out, "I think this is the end of the world!" The veteran climber responded, "No, this is how the dawn comes in the Pyrenees."

In prayerful confidence and devoted service, let each of us resolve that the Seventies will witness a new dawn of advance for Christian higher education in our nation.

UNSOLICITED CREDIT CARDS MENACE CONSUMER

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. ROSENTHAL. Mr. Speaker, unsolicited credit cards have become one of the major scourges of the Nation's consumers. The cards have been an open invitation to mail fraud and can expose unsuspecting individuals to possible liability.

The Nixon administration initially supported the idea of a ban on unsolicited credit cards, but more recently modified its stand. Such action is contrary to the best public interest and must be revoked to eliminate the irresponsible mailings once and for all.

The following two editorials in the Washington Post and the Washington Star provide an excellent analysis of the unsolicited credit card problem:

[From the Washington (D.C.) Post, Dec. 11, 1969]

THE PRESIDENT'S COMMITTEE ON WHOSE INTERESTS?

Back in September, we had some harsh words to say about the people who send out unsolicited credit cards and we thought that the President's Committee on Consumer Interests was with us. It had urged the Federal Trade Commission, as we did, to adopt a proposed regulation barring companies under its jurisdiction from sending these cards to you without finding out first if you want them. It had also asked Congress, as we had done, to bar these unsolicited mailings by companies not within the FTC's jurisdiction, notably banks and transportation companies.

Now we find out that for some reason not exactly clear these White House guardians of consumer interests have had a change of heart. The problem had better

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be studied some more, the committee's legislative director testified the other day. An outright ban on such mailings, he said, might give the banks and companies and stores that have already sent them out an unfair advantage over those who haven't done it yet.

That argument may have some appeal to those who look at credit cards only from the corporate viewpoint. It is exactly the argument made to Congress in recent weeks by the business interests. But one hopes for better from the President's Committee which is, after all, supposed to be concerned with *consumer interests*. Consumers who have already had to bend, fold, spindle, mutilate and destroy far too many unwanted credit cards are likely, we think, to regard it as a pretty sleazy argument. It is a little like a farmer refusing to lock his chicken coop after the first raid by the foxes for fear of being unfair to the rest of the foxes.

The case against the mailing of unsolicited credit cards is simple. The price on a stolen credit card is $100 in the underworld and postal officials say these mass mailings have caused a seven-fold increase in mail fraud cases in recent years. That, alone, is sufficient cause for Congress to act. When you add the inconvenience these mailings cause consumers, the possible liability to which they are exposed, and the invasion of their privacy, the case for congressional action becomes overwhelming. The advice of the White House guardians of consumer interests is of no help on this issue, and won't be until the guardians discover that the word consumer means one who uses, not one who sells.

[From the Washington (D.C.) Star, Dec. 9, 1969]

CURBING THE CREDIT CARD BLIZZARD

It is regrettable that White House consumer aide Robert Meade has backed away from his strong stand in favor of an across-the-board ban on unsolicited mailings of credit cards. When he appeared before the House Postal Subcommittee on November 19, Meade was all for such a ban. He cited the $100 million a year loss resulting from thefts of unsolicited credit cards. He also mentioned the nuisance value to the addressee who is obliged to destroy these cards or return them.

But in his recent appearance before the Senate Subcommittee on Financial Institutions, Meade trotted out the stale argument that such an across-the-board curb would be unfair to newcomers to the plastic credit field. In point of fact, the White House aide explicitly rejected this argument in his November 19th testimony for a very good reason. If these newcomers have a credit card that people want, the card will sell itself with the aid of a credit card application and appropriate advertising materials. Unsolicited mailings are not required to make the sale.

In any event, the White House surely owes less solicitude to these newcomers to the plastic credit field and more to the millions of American families a hair-breadth above the poverty line who have been bombarded with unwanted credit cards. Despite considerable congressional prodding, the administration has yet to send forth a bill that addresses this problem. Meanwhile, the appearances of Mr. Meade before interested congressional panels serve to mark time. Eventually, of course, the administration will have to bite the bullet and let the public know whether it favors a complete curb on unsolicited credit card mailings. In our view, it would do well to come out promptly for such a curb before all of us are buried under mounds of these cards.

THE BLACK PANTHERS: THE UNFIT MARTYRS

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 16, 1969

Mr. MIKVA. Mr. Speaker, there has been much misinterpretation and much distortion of the Black Panther "shootout" in Chicago last week and the efforts of citizens and public officials to obtain an impartial report on that event. Mayor Daley has called for an impartial report on the matter; the Civil Rights Division of the Department of Justice, has announced that it will investigate the shootout; and a national ad hoc committee of distinguished lawyers has indicated that it plans a citizens' inquiry.

What is ironic about this nationwide interest in the Chicago shootout is that the Black Panthers are the unlikeliest of martyrs. The Black Panthers were and are a gun-toting, violence-preaching group of self-proclaimed political revolutionaries. It it all the more tragic that the Black Panthers' violent philosophy and their inherent lack of appeal to the vast majority of our citizens—black and white—have been obscured by the unanswered questions which surround the early morning raid on the Panther apartment in Chicago. The more quickly these questions can be answered and all citizens' doubts resolved, the more quickly attention will again focus on the real question—whether the Panthers' philosophy of violence and the gun has anything of value to contribute to solving the problems of race relations in America. My own belief is that it does not.

These thoughts were brought out recently in an editorial in the Washington Evening Star. I insert the editorial, "The Unfit Martyrs," at this point in the RECORD:

[From The Washington (D.C.) Evening Star, Monday, Dec. 15, 1969]

THE UNFIT MARTYRS

The Black Panthers—in case anyone needs reminding—is a small, loud, revolutionary organization which preaches race hatred, extols violence, collects arms and excels in gutter invective. Today, this isolated band of extremists is being vested in the cloak of martyrdom by many who, short weeks ago, were counted among the Panthers' most active ideological foes.

This turn of events is something more than regrettable. It is extremely dangerous.

The cause of the unlikely martyrdom is a series of police actions in several cities over the past year: Raids that have resulted in hundreds of arrests and—according to Black Panther figures—the killing of 28 of its members.

The raids—again according to Panther spokesmen—were the result of a national policy of harassment, orchestrated by the Justice Department, and dedicated to the extermination of the Black Panther membership.

These charges of "genocide" and "police murder" were dismissed by most of the community as wild rhetoric. Then, on December 4, Chicago police raided a run-down West Side apartment. The head of the Illinois Black Panthers and a Panther leader from Peoria were killed, four Panther members wounded, three others arrested. One policeman was wounded.

Four days later, in Los Angeles, 300 policemen surrounded a Panther headquarters and, after a four-hour gun battle, arrested 11 members.

The Chicago case became the center of immediate, intensive investigation and controversy. While final judgment must be suspended, it can be said that serious doubt has been cast on the police contention that they were met by heavy fire when they tried to enter the apartment. The Los Angeles raid, following so close behind the Chicago incident, fortified a growing suspicion that something more than isolated local police action was involved.

Nine members of Congress asked the Violence Commission to investigate the Chicago raid. Six Negro House members announced their own unofficial probe of the incident. The Urban League and the American Civil Liberties Union called for a broad investigation of police actions against the Panthers. Roy Wilkins said that the police actions "take on the aspect of a vendetta." Ralph Abernathy called on his followers to support the Panthers, and expressed a fear that his organization might be next on the list.

These charges must be taken seriously. If local police or the Justice Department are in fact undertaking to short-circuit the law in order to rid society of a band of dangerous troublemakers, that activity must be halted at once. Immediate consideration should be given to the formation of a special presidential commission to study the charges. The membership should include the questioning members of Congress and the thoughtful, moderate Negro leaders whose faith has been shaken.

We doubt that evidence of a national police conspiracy will turn up. But we would like to be certain. And aside from the ultimate findings, the formation of such a commission would have the immediate effect of halting the contagion of fear and distrust that has already spread to an alarming proportion of the black community.

NIXON CRITICIZED FOR OUSTER OF MORGENTHAU

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. KOCH. Mr. Speaker, I was informed this afternoon that President Nixon and the Attorney General are ousting Robert Morgenthau from his position as U.S. attorney in the southern district of New York.

It is not easy for me to make a comment upon this matter for personal reasons; namely, that the successor appointed, Whitney N. Seymour, Jr., was my adversary last November when I ran for Congress. My statement is not intended to in any way reflect upon Mr. Seymour, who is a distinguished member of the New York bar.

However, the implication of the Attorney General's action are such as to require me to speak out. Robert Morgenthau, in the years that he has served, has been held by those familiar with criminal enforcement as the most outstanding U.S. attorney of this and recent decades. He has conducted his office without regard to party affiliation. To him, it meant

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nothing that a prospective defendant was high placed and a member of the same party in which Morgenthau was enrolled. The most recent conviction of Carmine DeSapio, former New York County Democratic leader, under the personal direction of Robert Morgenthau established this fact beyond the shadow of a doubt.

I feel reasonably certain that other high figures both in the Democratic and Republican Parties will be very relieved to see him go because of his pending investigations. There have been few in this country willing to undertake a real battle against the Mafia, who are entrenched in so many States and corrupting public officials on every level. In the recent Marcus scandal, it was Robert Morgenthau's office that obtained convictions of a high city official and a Mafia don. If he is given the opportunity to finish out his term, I feel certain that the corruption which exists in the State of New York, as in the State of New Jersey, will be rooted out.

In that same Marcus case, the present Manhattan county leader of the Republican Party, Vincent Albano, was named as a political fixer and so what we have seen only partially uncovered to date is a sordid picture involving one former Democratic county leader and the current Republican county leader. It would be a shame and a scandal to interrupt these investigations.

I urge Robert Morgenthau to remain on under his fixed term which does not expire until 1971 and I call upon the President to rescind the appointment necessitating Morgenthau's resignation.

If the Attorney General means business in his fight against crime and the corruption of public officials, he has no business relieving Mr. Morgenthau who has been engaged in this fight for a far longer time than Mr. Mitchell.

When Robert Morgenthau leaves his position as U.S. attorney it should be to become the successor of J. Edgar Hoover.

PRAYERS FOR USE IN PUBLIC SCHOOLS

HON. RICHARD L. ROUDEBUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. ROUDEBUSH. Mr. Speaker, each week we are offering five children's prayers for insertion in the CONGRESSIONAL RECORD.

These prayers may be repeated by children in the Nation's public schools as a means of overcoming the evil effects of the Supreme Court ban on prayer and Bible reading in the public schools.

The prayers follow:

I

What is before us we know not, but this we know: That all things are ordered and sure. Everything is ordered with unerring wisdom and unbounded love by Thee, our God, who art Love. Grant us in all things to see Thy hand.

II

Thine is the day, O Lord, and Thine is the night; grant that the Sun of Righteousness may abide in our hearts to drive away the darkness of evil thoughts.

III

Our Father, may the world not mould us today, but may we be so strong as to help mould the world.

IV

O Lord, Thou knowest how busy I must be this day; if I forget Thee, do not Thou forget me.

V

Father, may I so live the life of love this day that all those with whom I have anything to do may be as sure of love in the world as they are of the sunlight.

ACCENT ON HAND SKILLS

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. DERWINSKI. Mr. Speaker, since we in the House have passed additional legislation to expand vocational training, I was pleased to note the emphasis which the Illinois General Assembly is also placing on the subject.

A very timely editorial in the Chicago Heights Star, Sunday, December 14, very effectively emphasizes the value to the Nation of expanded vocational training programs. The editorial follows:

ACCENT ON HAND SKILLS

In one of his recent books, philosopher Eric Hoffer makes the persuasive point that, other national assets notwithstanding, countries whose people are skilled in the manual arts have a priceless economic advantage over countries in which hand skills have been allowed to deteriorate.

As proof of this he points to our own country, where mechanical geniuses such as Henry Ford, Thomas Edison and Cyrus McCormick—"Yankee mechanics all"—helped make America the workshop of the world. He also cites the classic cases of West Germany and Japan, whose economic recovery following World War II is among the most remarkable industrial achievements of the postwar era.

As though in confirmation of the concept that artisans are as important as artists in the national make-up, the Illinois General Assembly recently appropriated $34 million to expand vocational training in the public schools. Distribution of funds will be based to some degree on shortages in local work forces and on the need for training new manpower.

A distinctive feature of the new, more liberal state-aid program is that, for the first time in Illinois, elementary schools also are eligible to receive funds for vocationally oriented programs. The schools may use the money for such things as field trips, group guidance classes, guest speakers and other activities that enable pupils to learn about day-to-day operations in business and industry.

Under the expanded program, the state will reimburse participating schools on the basis of students served, rather than on the basis of actual teaching hours. It also permits the state to reimburse schools for up to 50 per cent of the cost of any vocational facilities that they build and up to 60 per cent of the cost of vocational training equipment. Because many schools are hard-pressed financially, this provision could be especially helpful.

As a result of the increase in state aid, Bloom, Rich, Homewood-Floosmoor, Crete-Monee, Thornton and Thornton-Fractional high schools are considering formation of a co-operative in vocational education. As currently envisioned, different vocational subjects would be centered at the various schools. This arrangement would remove another current obstacle—the lack of space at the various schools for use in vocational training.

When the Russians sent Sputnik I aloft in 1957, educators and U.S. government officials immediately began placing great emphasis on highly technical skills needed for our accelerated space program. It was not until just recently that we have come to realize something that we had forgotten—the fact that auto mechanics, carpenters and TV repairmen also are important to a healthy national economy.

The new state-aid vocational training program is a commendable step in the direction of creating a pool of young people whose manual skills will assure them of well-paying employment as they help keep the national economy functioning in good order.

LATIN AMERICAN TEACHING FELLOWSHIPS PROGRAM

HON. F. BRADFORD MORSE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. MORSE. Mr. Speaker, I have had the pleasure of serving for over 2 years on the national advisory board of the Latin American teaching fellowships program, which is operated by the Fletcher School of Law and Diplomacy at Tufts University. My very able associate from the Committee on Foreign Affairs, DON FRASER, also serves on the board, along with the senior Senator from New York, JACOB JAVITS.

I know of no other program that has shown a greater degree of imagination and innovation in the area of Latin American educational cooperation than the Tufts program. As an example of that innovation, I would like to introduce into the RECORD an article from the October 23, 1969, issue of Business Latin America.

The intern program described in this article benefits all parties concerned: the multinational business, the Latin American university, and the teaching intern.

The multinational business receives a direct benefit because the intern works with them directly in their own operation. He comes to the company with real skills and a high degree of knowledge about the culture and the language of the country. He also serves as a direct link between the company and the university where he teaches.

Second, the Latin American university receives a first-rate teacher for the 2 or 3 years that the man serves as an intern. This is of particularly critical importance because a man is a much more effective teacher the second or third year. Also, because his living stipend is provided by the company, the university's very limited resources are not further diluted.

Third, the teaching intern, because of this unique experience, gains a much greater understanding of the people in the country where he works. When he returns to teach in our own universities or to work here at home, he brings this awareness and understanding with him.

Finally, I would like to commend the program because of the close ties that LATF has developed in Latin America, particularly in Venezuela and in Mexico. In Venezuela they are working in close collaboration with the North American Association—truly one of the outstanding and unique organizations anywhere in the Americas. The NAA has done much, since its founding in 1942, to increase the bonds of friendship and understanding between Venezuela and the United States. They have very wisely concentrated on education, and it is encouraging to me to see the close ties between the Latin American teaching fellowship program and the North American Association.

In Mexico, LATF is working in productive cooperation with the Comite Norte-Americano Pro-Mexico. This excellent organization has as its aim the development of knowledge and understanding about our closest Latin American neighbor in the United States. I am gratified that the Comite and the LATF have developed such a productive working relationship.

Mr. Speaker, I am pleased to be associated with this effort and I think my colleagues will find the following article from Business Latin America of great interest:

LATIN AMERICAN TEACHING FELLOWSHIPS PROGRAM OFFERS LATIN AMERICAN COMPANIES SKILLED LAWYERS, ECONOMISTS, AND MBAs

If your company prefers to recruit management locally wherever possible, but faces short-term needs for specialized executive personnel that cannot be filled in this way, you should look into a novel graduate fellowship program that has helped other companies bridge this gap. The Latin American Teaching Fellowships Program (LATF), sponsored by the Fletcher School of Law and Diplomacy,[1] places young US-trained lawyers, economists, and MBAs with US subsidiaries and national firms in the region, giving the "interns" an opportunity to learn about international business at first hand while teaching in Latin America.

Working on flexible part-time schedules that allow them time to teach, the interns receive a monthly stipend of $450 to $550, paid by the companies indirectly through LATF to avoid conflict with local labor law stipulations. LATF itself covers transportation costs. The duration of fellowships varies between one and three years, and firms maintain the right to cancel the arrangements at any time.

ACCURATE MATCHING

So successful has the two-year-old LATF internship program been, that every sponsoring company has requested additional interns and the list of waiting firms far outstrips the number of available interns. Participating sponsors credit their uniformly favorably reaction toward the LATF program to the care with which the interns' skills, experience and interests are matched with company needs.

The First National City Bank branch in São Paulo, which is stepping up local recruitment efforts, received an economist whose graduate course work emphasized long-range manpower planning. Such accurate matching is possible because LATF initially approaches the local subsidiary, although it is the parent company which ultimately chooses the intern.

The LATF internships were originally devised simply as an alternative funding technique to outright solicitation of donations for a program that had been strictly academically oriented. The idea was the LATF participants could finance their stints as instructors in universities and business schools by working part-time with US companies. By now, however, the internships have acquired an attractiveness that equals that of the academic portion.

Moreover, sponsoring companies such as Ford, Union Carbide, and IBM have discovered that their highly specialized interns can fill important gaps in local planning, market research, or legal projects, whose short-term duration does not warrant the hiring of full-time personnel. or example, Union Carbide put its economist intern to work coming up with alternate funding strategies for its bulk chemical facilities. The intern's next project: contingency planning for Union Carbide in the event that Venezuela does join the Andean Common Market.

Ford's Venezuelan subsidiary decided it wanted to sponsor an LATF lawyer on a permanent basis after its first intern became in effect the legal middleman between parent-company lawyers and Ford's Venezuelan law firm. The LATF intern centralized company contacts with local lawyers, allowed Ford to verify lawyers' billing and, although he was not a practitioner of Venezuelan law, saved the company time and money by researching basic legal questions on his own. IBM also asked for and got a lawyer, the company's second intern, for its regional headquarters in Montevideo.

Companies have found that their interns' close relationship with local universities and graduate business schools gives them valuable contact with prime sources of potential local management recruits. The First National City Bank's intern in São Paulo, who will be concentrating on manpower planning, will also be teaching at Brazil's leading graduate school, sponsored by the Getulio Vargas Foundation (*BL* '68 p. 158). IBM has utilized its Buenos Aires-based intern, who is an economist with advanced computer training, to determine how local universities can integrate computers into their academic programs. One food processing firm, which is still on the LATF waiting list, wants an intern to work-out an in-company training program that will give its local management trainees the analytical judgment they need to develop investment projects themselves rather than simply carry them out on assignment.

The biggest advantages of LATF interns, according to several companies, are their fluency in Spanish or Portuguese (an LATF requirement) and their receptivity to projects that involve close relations with local groups. Union Carbide's Venezuelan subsidiary feels that its intern's ability to speak the language, and his willingness to consult with local sources on financing projects, alerted the company to potential problems of public opinion.

Still, one highly technical sponsoring company admits that the enormous amount of training that subsidiary management must give an intern who is only going to be with the company a limited time is a definite drawback. Another firm pointed out that because of the strong interest in academic careers among LATF participants, any company that wants to recruit its own LATF intern will have to work hard.

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[1] Companies interested in the program may write Mr. William Cloherty, Latin American Teaching Fellowships Program, Fletcher School of Law and Diplomacy, Tufts University, Medford, Mass. 02215.

VOLUNTEERS IN SERVICE TO AMERICA

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. VANIK. Mr. Speaker, those Members of this House who have been supporters of the Office of Economic Opportunity are indeed pleased with the high level of support which the Congress has shown in the past week in extending for 2 years this vital program.

Our former colleague, Don Rumsfeld, deserves a great deal of credit for his splendid efforts and commitment to this vital endeavor. He has already clearly demonstrated his talent and skill for administration. His commitment to the ideals of this program will mean a great deal to millions of Americans who seek assistance for meeting their most basic human needs. Don Rumsfeld has passed this critical test and we applaud him in his work. He has done a fine job thus far and we all wish him continued success.

Too many times in moments of heat and the passion of debate on the floor of the House and the other body years of work could be minimized, and good and worthy programs could be altered detrimentally. This was not the case with the action taken on extension of OEO.

Among the most vital and successful programs within the Office of Economic Opportunity has been the Volunteers in Service to America. The test of the success of any program is the loyalty and devotion which is shown by the VISTA volunteers who have labored so diligently who have easily met this test manifold. The difficult nature of the assignments have clearly proved that those who have stuck by their work, when they could have chosen much easier lives, have committed themselves instead to the very highest service to their fellow citizens and to their country. There has been no nobler demonstration of complete devotion than has been shown by our VISTA volunteers and the very dedicated and creative staff which so skillfully guides the work of this legion of volunteers.

No organization, however committed to the right goals, can function, without strong, effective, and honorable leadership. As is well known, the inspiration required to sustain idealism in on-going programs for a long period of time is no mean feat. Padraic Kennedy, VISTA's National Director, has clearly demonstrated his extraordinary ability to combine idealism with hard-nosed management abilities so that those who participate in the programs which he directs do not lose any of the spirit and excitement, the challenge and practical application of the fundamentals upon which our society is based.

No higher tribute can be paid to any man than is paid to Pat Kennedy when one looks at the record that has been established of the work accomplished by VISTA volunteers toward improving the lot of millions of Americans.

This long list of accomplishments is clearly on the record to be tested and

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examined. But ultimately the real test of this kind of sensitively balanced program is the steadfastness and loyalty of the program's volunteers and the acceptance of their work by their fellow Americans who seek assistance and find it so readily among a willing, energetic, and committed corps of volunteers and staff.

If VISTA's future could be shaped with the successes of its past, it will make a continuing and significant contribution to the poor of this Nation. Under the skillful and dynamic guidance of Padraic Kennedy, VISTA has grown from an idea to the effective and popular program it is today. Kennedy, who came to Washington in the earliest days of the administration of President Kennedy to help form the Peace Corps, moved to the Office of Economic Opportunity at Sargent Shriver's bidding and helped to draft the basic design of the VISTA program.

Let me review some of the important developments which have taken place in the VISTA program under Kennedy's leadership. Recruitment and selection standards are tougher. Volunteers entering VISTA are more mature, more experienced, and more highly skilled. Some 73 percent of all VISTA applicants are college graduates, and 44 percent of those entering bring with them a professional skill, such as legal or business training. Projects have been upgraded and are now larger, with greater concentrations of volunteers for greater visibility and impact.

VISTA's improvements did not come about by chance. They were the direct result of Kennedy's insistence upon constructive and sweeping changes. Many innovative programs launched in the past year have involved the resources of universities and professional schools in poverty projects in their own communities. While increased emphasis has been placed upon the recruitment of specially skilled volunteers such as lawyers, business school graduates, urban planners, architects, and health specialists, VISTA has gone one step further and joined forces with schools of business administration to assist in economic development and ghetto entrepreneurship. And in schools of social work, law, education, architecture, and planning, VISTA has put education into action by mounting programs under university sponsorship in which students combine service to the poverty community with study in specially designed curriculums.

In my own city of Cleveland, I have seen this new breed of skilled volunteer at work. VISTA volunteer attorneys under the sponsorship of the Hough Development Council acted as legal advisers to the major project of the Hough Development Council, the Martin Luther King Memorial Shopping Plaza. These hard-working young men set up the legal corporation, drafted lease forms for merchants, drew up the necessary papers for the Hough Development Council to qualify for SBA loans, negotiated the financing of the new shopping plaza's stores and townhouses with local banks, and assisted with the purchase of urban renewal land from the city. And these dedicated volunteers are only a few of those who have turned to VISTA for an opportunity to serve, because today VISTA has more than 1,500 volunteers with special skills.

VISTA has turned for an essential kind of know-how and leadership to the poverty community itself. Now one out of every three volunteers entering the program has been recruited from the ranks of the poor. In Alaska, VISTA has recruited Eskimos; in Arizona the Navajos are at work on the reservation; in Puerto Rico, over 200 volunteers serve in their own communities; and in large cities, poverty-level volunteers are teamed with specially skilled volunteers to produce an impact felt throughout the neighborhoods in which they live and work.

VISTA has become a tough and sophisticated program. But it did not happen overnight. In 1965 and 1966, while Peace Corps was attracting the students, VISTA was virtually unknown. Today, however, a Gallup poll tells us that 56 percent of all university students, more than 3 million, are interested in VISTA service. In another poll, three out of four parents said they would like their sons to serve in VISTA. The demand for volunteers from potential sponsors far exceeds the number VISTA can field on its budget; and applications for service have increased 27 percent in the last year alone. And VISTA is popular with my colleagues in the Congress, from both parties. This year, Congress authorized more funds for the VISTA program than even VISTA requested—a tribute to the program's impact and significance in the effort to end poverty, and to Padraic Kennedy's imaginative and creative guidance.

A significant problem which clearly arises from the experience we have received from the work of VISTA volunteers and the creative national staff is that much more can and should be done by our citizens for our own citizens. VISTA clearly demonstrates we have a very long way to go to meet head on the vast problems confronting our Nation. The wonderful proof of VISTA volunteers' successes shows undeniably that, when, and if, we as a Nation decide to make that dimension of commitment toward solving our problems of human need, our people can and will respond with their skills and their commitment. All that we need is for Government to respond in kind.

It is my sincere hope, shared by many of my colleagues, that men of the caliber of Pat Kennedy and hundreds of his associates, will continue actively to serve our country despite the rebuffs and discouragement of their labors, knowing that the rewards will continue to be as great as have been those resulting from their splendid work at VISTA.

UNIVERSITY OF TEXAS RANKS SEVENTH IN STUDENT POPULATION

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. PICKLE. Mr. Speaker, the University of Texas this fall enrolled the seventh largest number of students among higher education systems in the United States. The main branch of the University of Texas system, its nerve center, is in Austin.

A report released by the University of Cincinnati shows the University of Texas system with a total enrollment of 64,572, including students enrolled in extension courses.

Last year, the University of Texas system also placed seventh nationally.

LEGISLATION TO ENCOURAGE SPREAD OF HOMEOWNERSHIP

HON. DONALD E. LUKENS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. LUKENS. Mr. Speaker, today the house owner represents a vital stabilizing element in the American economy. However, today it is becoming more and more difficult for all Americans to own a home or property. We need to make it easier for desiring Americans to have a stake in the economy.

Thus I am introducing a bill today that hopefully will encourage the spread of homeownership. One of the main impediments of house hunters has been the scarcity of adequate mortgage money to finance the purchase of new homes. This bill would facilitate the movement of funds into the mortgage market.

The bill would allow the taxpayer to exclude from his gross income for Federal tax purposes the first $750 of interest income received by him from his deposits held in a thrift institution. It would encourage the flow of savings to thrift institutions by increasing the effective yield of return to investors. As a result, these institutions would have more funds available for domestic mortgages, thus creating more capital for home construction.

Tight monetary policy instituted to combat inflation has devastated the mortgage market. What money is available for the purchase of a new home is available at extremely high interest rates. Fiscal policies, such as tax incentives, could provide the necessary incentive to encourage the flow of savings back into the mortgage market and stabilize what is now a cyclical housing and mortgage market due to tight monetary policies and inflation.

We are in danger of losing our American tradition of becoming a nation of homeowners. The housing shortage that faces the country today is reaching emergency proportions. The way that we meet the challenge of more housing will shape the living environment to come.

Two major studies have concluded that over 26 million new homes will be needed in the decade of 1968–78. We must average 2.6 million new homes per year for the next decade to meet our housing requirements. This is double the rate of homes built in the past 20 years. It is unlikely that this year even 1.4 million homes will be started. By 1970, it is estimated that there will be a housing shortage of 1.8 million units.

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Growing population coupled with inflation have created this shortage of homes. Nationwide, less than 1 percent of the homes today are vacant, the lowest figure in decades. This kind of trend is restricting the traditional mobility of our population as people are reluctant to move if adequate housing is not available.

The housing shortage is affecting the lives of all income brackets. House hunters are finding that houses are more expensive and the downpayment and monthly payments are becoming exorbitant. Downpayments have gone up as much as $2,000 on a medium price home in the past year and more where market conditions are tight. Mortgage interest has risen from an average of about 6.5 percent in 1967 to over 8.5 percent in recent months. For instance, on a $25,000 mortgage, the 1.5 percent rise in interest over last year's average, means the homeowner forks out an additional $20 to the monthly carrying cost.

In cities such as Cleveland, it is estimated that prices of homes have risen 10 percent over last year. Low- to middle-income families are being left high and dry because in most parts of the country houses in the $15,000 range are no longer being built due to the rising cost of homes.

Inflation has devastated the mortgage market. Tight monetary policy has almost dried up money available for financing the purchase of new homes, and that money which is available is at extremely high interest rates. Without money, buyers cannot purchase homes, and builders will therefore not build new homes.

Over 40 percent of the Nation's mortgage money is supplied by thrift institutions such as savings and loans and mutual banks. In the first 10 months of this year there has been a 44-percent reduction in the deposits of thrift institutions as compared with last year. These institutions are restricted by the Government to a maximum of 5-percent interest paid to the depositors. The present tight monetary policy has resulted in available cash being invested where interest rates are higher, resulting in a decrease of funds available for mortgages. Therefore most home buyers have difficulty in finding a lender with sufficient money to invest and the expertise to evaluate a mortgage.

I feel that the overall advantages of this bill would offset any potential disadvantages that might result from the loss of revenue to the U.S. Treasury. This bill counters inflation and offers incentives to meet the housing requirements of today and the future. Its counterinflationary factors are:

It reduces the costs of obtaining loans by reducing pressure for higher interest rates since money supply is being increased.

It reduces pressures inflating the costs of housing by bringing about a greater supply of houses on the market. Money going into housing is for permanent rather than consumable items, a noninflationary direction.

It encourages savings by individuals.

The bill hopefully will promote the free enterprise concept by encouraging private funds and initiative to meet the country's housing problems. This is preferable to costly Federal subsidy and control over housing.

REDS AID RALLY

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. BROYHILL of Virginia. Mr. Speaker, a friend of mine, Mr. J. A. Cheeseman, 2800 Quebec Street NW., Washington, D.C., has been visiting in California, and wrote me this week expressing his interest in how far more carefully documented is the reporting of the recent so-called moratorium on the west coast than in the Washington metropolitan area.

Mr. Cheeseman felt, and I agree, that not only the residents of the Washington area, but all who read this RECORD, would benefit from reading a series of articles by Francis J. McNamara, which appeared in the San Diego Union December 7 through 12 of this year. The articles follow:

HELPED ORGANIZE MORATORIUM—REDS' ROLE IN RALLY REVEALED

(By Francis J. McNamara)

(EDITOR'S NOTE.—On two occasions this fall, the Vietnam Moratorium signaled mass protests against U.S. involvement in Vietnam. In most instances, the moratorium movement sought what they termed "immediate withdrawal" of U.S. forces. Most participants sincerely objected to the war and were non-Communists. But Francis J. McNamara, former staff director of the House Committee on Internal Security, has written six articles which disclose the extent to which New Left and Communist organizations were closely involved in coordinating planning for the demonstrations.)

WASHINGTON.—The nation's capital is quiet and orderly again.

The rioting and violence have ended. The Nov. 13–15 anti-Vietnam demonstrations are history.

The American taxpayer will foot the bill for the damage to public property and the cost of the extra police, the National Guard and thousands of federal troops moved into Washington to preserve the peace.

TAXPAYER LUCKY

The taxpayer is comparatively lucky. Some Washington businessmen will pay twice—both taxes and immediate cash outlays to repair damage to their property.

Yet everything is as normal in Washington as it ever can appear to be in the capital.

However, things have changed and in ways that cannot be seen on the surface.

In mid-October, people all over the world heard that 500,000 Americans joined in a "moratorium" to oppose the U.S. military involvement in South Vietnam.

A month later, they heard reports that the largest "antiwar" demonstration in the history of the United States, staged for the same purpose, took place in Washington itself; that the American flag at the Department of Justice was pulled down and—if only briefly—replaced by the flag of the Viet Cong.

On the same day, Nov. 15, anti-U.S.-in-Vietnam demonstrations took place in many nations.

This was no coincidence. It was all carefully coordinated and aided by the international Communist propaganda machine. The desire was to project to the world the image of "people" everywhere assembling to protest often with violence, U.S. intrusion and war-making in Vietnam.

The United States has suffered a defeat as a result of this campaign. It is not only that Washington was damaged as a city, but that America was damaged as a nation, with all that implies in today's world.

Who was responsible? As one might expect many are blaming it all on the SDS Weathermen, the Yippies and a handful of other small revolutionary groups.

UNFAIR BLAME

That is oversimplifying. They could not have done it by themselves. And even if their members alone were responsible for every act of violence and destruction in Washington, it would be unfair to place all the blame on them. They merely did "their thing" when handed the opportunity.

The Washington "peace" rally and the violence that followed it comprised the most successful Communist united front operation to take place in the United States in many years. It was the result of months of careful planning and cooperative effort on the part of four organizations engaged in which they termed the "Fall Offensive Against the War in Vietnam."

The four groups are the New Vietnam (New MOBE) and its co-working Student Mobilization Committee (Student MOBE), Vietnam Moratorium Committee (VMC) and Students for a Democratic Society (SDS).

The New Mobilization Committee, technically the sponsor of the Nov. 15 Washington demonstrations, made many statements that it decried violence and wanted only a peaceful, orderly demonstration. The Student Mobilization did the same thing. The Moratorium Committee has always taken that position. SDS also promised it would not "instigate" violence.

REDS IN POWER

However, all the while they were making these statements, these groups were collaborating in an operation that would almost surely end in violence, largely because certain of their leaders wanted it.

David Dellinger, long the top official of new "MOBE," is a Hanoi-Havana visitor and served as the national coordinator of MOBE's Nov. 15 Washington-San Francisco Demonstrations. He made an inflammatory speech to more than 200,000 people at the Washington rally and then urged them to join him in marching on the Department of Justice, where, as had been announced, an "attack" was to take place.

The power spots in New MOBE are saturated with Communists and Hanoi sympathizers. If either of these Communist capitals had said, "No violence," there would have been none—at least not without a feud in MOBE that would have generated such heat the issue would have come to public attention. As it is, the contending (and cooperating) Moscow and Trotskyist Communists in the group had squabbled over lesser issues, such as program speakers.

QUIET FADING

By keeping the Oct. 15 moratorium peaceful to create the impression of belief in law and order, additional innocents were enticed into the climactic Nov. 15 action. Rioting and destruction in Washington itself following the huge rally would have far more worldwide propaganda value than the quiet fading away of 250,000 people.

The Nov. 15 demonstrations, climax of a three-day series of antiwar activities, were a Communist-engineered operation designed to serve the most important of today's Communist objectives—an immediate, unconditional pullout of U.S. forces from Vietnam so that Communists can take over the country.

U.S. WEAKNESS REVEALED

In retrospect, the most important fact about the demonstrations was the revelation of a weakness in U.S. ability to deal effectively with internal Communist subversion.

The plans for the Nov. 15 and earlier related demonstrations have been a matter of public record for almost five months. There has been no secret about the organizations involved, their nature, objectives, leadership and past records. Yet there was no revelation of Communist involvement until the time of the Oct. 15 moratorium when a few senators and representatives presented facts which indicated that Communists were entrenched in the fall offensive.

Even then these facts went largely unreported.

However, the October and November demonstrations became two of the most widely reported events of the year. Yet in few accounts did the word "Communist" appear.

PROBE KEPT SECRET

Antiwar and anti-draft demonstrations, on a smaller scale, took place four years ago. Then President Lyndon Johnson publicly expressed concern that well-meaning Americans might have been the victims of Communist exploitation.

He gave full support to a Department of Justice investigation to determine the role of Communists in the demonstrations.

The results of the investigation were never made public.

After MOBE's October, 1967, assault on the Pentagon, House Democratic floor leader Carl Albert said the marchers included "every Communist and Communist sympathizer who was able to make the trip." He also charged that the demonstration had been "basically organized by international communism."

Republican floor leader Gerald Ford then revealed that at a White House meeting President Johnson had read to him and other Republican leaders a secret report revealing that the demonstration was organized by international communism. He asked that the report be made public.

Attorney General Ramsey Clark visited Ford and said the report could not be revealed without compromising sources of information and creating a new wave of "McCarthyism." This claim was also made by Secretary of State Dean Rusk.

Ford argued that the American people were mature enough to receive such information without reacting hysterically.

He got nowhere. The report was not released.

The results of suppressing the truth about the 1967 demonstration were seen in November. Thousands upon thousands of idealistic, well-meaning young Americans turned out to support another operation by the same outfit—an operation designed to injure the United States and help its enemies, who are also enemies of all that the overwhelming majority of the demonstrating youngsters believed in. Thousands of adults were similarly misled.

RALLY INDORSED

The files of the FBI Central Intelligence Agency, congressional committees and police departments bulge with information about Communist involvement in the Nov. 15 and related demonstrations.

Compromising sources of information is a minor problem in this case—there is much that can be revealed without injury to any intelligence operation.

It would have been different if Sen. Eugene McCarthy, D-Minn., Sen. George McGovern, D-S.D.; and Sen. Charles Goodell, R-N.Y. had organized a rally of true dissenters, making it clear that they vehemently opposed, and would condemn, the Communist Viet Cong revolution in South Vietnam and North Vietnam's aggression against the south.

However, instead of this, the senators gave their indorsement and support to a demonstration which was corrupted with communism.

Just how deeply the radical left and Communists were involved, however divided they may be on various issues, can be documented.

IMMEDIATE PULLOUT SOUGHT—MORATORIUM LOST BACKING WHEN TRUE GOAL REVEALED

(By Francis J. McNamara)

WASHINGTON.—Millions of words have been spoken and written about the Vietnam Moratorium.

It has been the subject of television network specials, numerous editorials and columns and extended straight news coverage.

The first phase came on Oct. 15. Many people again stopped "business as usual" Nov. 13–15 to demonstrate against the war. David Hawk, one of the four initiators of the sponsoring Vietnam Moratorium Committee (VMC) also said it is a "safe assumption" there will be still another moratorium in December.

The Vietnam Moratorium Committee's original announced plans was to hold a moratorium every month that the war continues, extending it by one day each month. Then, if the war does not end by May, 1972, it would call for a complete shutdown of America. No one would do anything but protest the war, day in and day out, until every last American was pulled out of Vietnam.

This, of course, will never happen—and the VMC knows it.

ARGUMENT CONTINUES FOR WEEKS

Meanwhile, argument continued for weeks about the statements of the President and vice president on the original Oct. 15 moratorium. There was hot debate about whether it was good or bad, right or wrong, supportable or insupportable. Despite all the words, most people did not have the facts they need to make an informed judgment on the issue.

The purpose of this series is to give some background information about the VMC, its aims, similar groups, and key personalities.

What was Moratorium Day for?

A basic issue is the purpose and aim of the VMC and its moratoriums. There has been a lot of confusion about this. To help clarify it, Rep. John Anderson, R-Ill., called David Mixner, another of the initiators and directors of the Moratorium Committee, to get a clear statement of its objective.

Anderson wanted this statement because congressional supporters of the Oct. 15 moratorium had announced their intention of keeping the House of Representatives in session through the night of Oct. 14 in honor of the observance. The great majority of members opposed the move and eventually defeated it.

Anderson taped Mixner's answer to his question so that he could quote it with complete accuracy on the floor of the House. This is what Mixner told him: "We want out now, and this is not contingent on anything that Hanoi or the Viet Cong might do."

Has VMC told the public this is its aim? Let's look at the record.

TAKEN TO LARGER COMMUNITY

One of its first organizing efforts was a letter addressed to interns working for the government in Washington last summer. The letter said Moratorium Day in October would be held so people could spend the day working "to end the war."

Later, a "student call for a Vietnam moratorium" was sent to campuses throughout the nation.

The moratorium, it said, was for "taking the issue of peace in Vietnam to the larger community." (In an early mailing of this call, VMC said about 200 student leaders had signed it; in later mailings "about 500.")

A "faculty call," mailed later, said the moratorium was to "further build sentiments for peace" and to express "opposition to the prolongation of the war." More than 60 professors—called a partial list—were listed as signing this call.

A moratorium organizing memo, mailed in September, said participation in the moratorium is "a commitment to intense work and to peace." Another release, "The Vietnam Moratorium," said the moratorium "is an effort to maximize public pressure to end the war."

Then there were three full-page newspaper ads. The first ad said:

"What we are working toward, ultimately, is the largest and broadest antiwar movement ever seen in the United States."

The same statement of purpose was contained in the third ad. The only difference was that the word "ultimately" was left out.

NAMES OF 4 SENATORS LISTED

The second ad proclaimed that on Oct. 15 students and faculty would leave classes to talk about "the madness of Vietnam." The big eyecatcher, however, was this large, bold-type legend, "We Support October 15." Under it were listed the names of four senators—Charles Goodell, Mark Hatfield, Eugene McCarthy and George McGovern—followed by the names of 11 other persons of varied prominence. A brief statement by each one appeared under the name. At the bottom of the ad in small print readers were asked to work on Oct. 15 "for an early withdrawal of all our troops from Vietnam."

These ads were reproduced as VMC posters and distributed throughout the country.

A lettersize fold-over brochure prepared for Oct. 15 was the cheapest and therefore probably the most widely distributed VMC promotional item for M-Day.

It included the statement of purpose quoted above from the first ad. It also said:

"The Vietnam Moratorium Committee is an ad hoc group formed solely for the purpose of stimulating and supporting broad-based public action against the war in Vietnam." Note that word, "solely."

Sam Brown, VMC's chief spokesman, was interviewed on "Face the Nation" on Oct. 12, just three days before the first Moratorium Day. Facing a nationwide audience, he made conflicting statements about its purpose.

CHANGES POSITIONS ON WITHDRAWAL

First, he said it was "immediate withdrawal," and claimed several times that VMC had "consistently" said this. Later in the program he changed it to withdrawal "as rapidly as it is possible to do so." In answering a subsequent charge that VMC's aim was "vaguely stated," Brown again changed position and said withdrawal "no later than Dec. 1 of next year, and that is not immediate."

Yet the very next day Mixner told Anderson that the aim was immediate and unconditional pullout. VMC has been claiming ever since then that that is and has been its purpose. It is no wonder that even after Anderson quoted Mixner on VMC's aim, other congressmen who supported the moratorium rose to speak for it and made incorrect statements about its purpose.

There was much deceit in the way VMC promoted its October Moratorium.

Hundreds of thousands turned out on the Oct. 15 Moratorium Day in response to the VMC's broad and generalized appeals for "peace in Vietnam," ending the war" and an "early withdrawal" of U.S. forces.

How many would have responded if the VMC had honestly stated that Moratorium Day's purpose was to have this country's forces pulled out of Vietnam instantly and unconditionally?

SENATORS OPPOSE IMMEDIATE PULLOUT

I called the offices of the four Senators whose names appeared in the Oct. 8 ad as

Moratorium Day supporters. The same question was asked of each one: Does the senator support, or has he ever supported, an immediate, complete and unconditional pullout from Vietnam? In each case the answer was the same: "No."

Was the October Moratorium Day a success? It was and it wasn't.

VMC claimed that "millions" would observe the Oct. 15 Moratorium. Nothing like that happened. Most turnout estimates run to about 500,000, though VMC representatives have been reported as claiming over a million.

Regardless of the numbers, however, M-Day was a failure because the great majority who turned out did not support VMC's position and were not converted to it by the day's events.

Ironically, it was the VMC-enlisted big name speakers who guaranteed the failure. They spoke, one after the other, against VMC's objective.

Former Supreme Court Justice Arthur Goldberg called only for a "prompt and systematic withdrawal" of U.S. troops. Sen. Edward Kennedy, D-Mass., urged that all combat troops be withdrawn in a year and others by the end of 1972—a far cry from the VMC's demand.

FEW SUPPORT VMC POSITION

The Rev. Ralph Abernathy said that the only things to be discussed in Paris were "the safe exit of the Americans and political asylum for South Vietnamese who want it."

The VMC speaker list for M-Day contained the names of more than 175 persons who were scheduled to address observances. It cautioned that "not all" had endorsed the moratorium. Thirteen senators, 35 congressmen and about a dozen persons formerly prominent in government appeared on the list. Few support the VMC position. Most are on record as opposing it—and these were the speakers who attracted the largest audiences.

The nature of many M-Day activities also refutes the claim of its organizers that the day was a roaring success. Numerous observances were completely religious in nature, with no policy content at all. In quite a few cases, the "observances" were gatherings of schoolchildren.

Undoubtedly a number of speakers urged immediate withdrawal. Herbert Marcuse, philosopher of today's advocates of violence, was a scheduled speaker; so were far-leftist writer I. F. Stone, five of the persons now being tried in Chicago for conspiring to incite riots during last year's Democratic Convention, and others with lengthy records of activity in behalf of Communist front organizations.

No doubt, too, 95 per cent of those who favor a complete and unconditional withdrawal turned out on Oct. 15. The 5 per cent who didn't just couldn't make it for some reason or other. But there's every reason to believe that many speakers and the great majority of those demonstrating on M-Day did not favor VMC's position.

RED GROUPS AID MORATORIUM—MAJOR "FALL OFFENSIVE" A COMBINED OPERATION

(By Francis J. McNamara)

WASHINGTON.—The Vietnam Moratorium Committee (VMC) cannot claim sole responsibility for turning out hundreds of thousands of people on Moratorium Day, Oct. 15.

Nor could it make a similar claim when moratorium phase II rolled around in November, and thousands again turned out to protest the U.S. role in the war in Vietnam.

VMC had a lot of help in its operations and, without this help, nothing like what was seen on Oct. 15—and on Nov. 13-15—would have taken place. Many organizations have not received the recognition due them for such success as has been attributed to VMC's operations.

GROUPS LISTED

What groups are these? They are the teams playing in the "Fall Offensive" league with VMC. These other teams are the New Mobilization Committee to End the War in Vietnam, the Student Mobilization Committee to End the War in Vietnam and the Students for a Democratic Society (SDS).

Just what is the Fall Offensive?

It is a series of escalating "actions," as their originators call them, against U.S. involvement in the Vietnam war. Its full name is "Fall Offensive Against the War in Vietnam." The objective of the offensive was to exert such massive and intense pressure on the Nixon administration that it would abandon all effort to assist South Vietnam; it would pull out completely and immediately.

Many persons taking part in the Fall Offensive, unfortunately, did not realize its ultimate aim.

The program, worked out by the four groups last summer, was as follows (including minor changes since agreed upon):

Sept. 24—New Mobilization Committee—Chicago actions in support of the "Conspiracy 8," tried for conspiring to incite the riots during the 1968 Democratic Convention.

Oct. 8–11—SDS "Bring the War Home" actions in Chicago.

PROGRAM DESCRIBED

Oct. 15—Vietnam Moratorium Committee—Moratorium Day.

Oct. 25—New Mobilization Committee—Chicago actions in support of the "Conspiracy 8."

Nov. 8–15—SDS, Joe Hill Caucus—Week of local activity to promote Nov. 15 actions.

Nov. 13–14—Vietnam Moratorium Committee—Moratorium Days.

Nov. 13–14—New Mobilization Committee—March Against Death at Washington, D.C.

Nov. 14—Student Mobilization Committee—National student strike.

Nov. 15—New Mobilization Committee—Mass marches and rallies, Washington and San Francisco.

OVERSEAS, TOO

The Fall Offensive "actions" are not limited to the U.S. Moratorium Day, Oct 15, was observed in several places overseas, almost exclusively by U.S. citizens. For that reason, the demonstrations were few and small.

However, Nov. 15, the climax of the offensive, was different. Communist and radical groups in foreign countries were utilized and demonstrations were held in Paris and the French provinces, Italy, West Germany, Holland, Belgium, Norway, Sweden, Denmark, England, Australia, New Zealand and Chile.

The U.S. organizers of the Fall Offensive did not plan and coordinate all these foreign operations. They do not have the personnel, finances or resources. Outside help was given.

Some of the U.S. leaders of the Fall Offensive could tell you how, who, where and why.

If you asked, they would profess ignorance or come up with an amazingly simple explanation, such as: "Oh, people all over the world are so incensed about what the United States is doing to the Vetnamese people that, when they heard about our offensive, they decided that they had to do something to help."

WORK WITH REDS

Many Communists, America haters and Moscow, Peking, Castro, Hanoi and Viet Cong sympathizers took part in the Fall Offensive. The first thing that should be said, however, is that it is not claimed or implied that VMC, the sponsor of Moratorium Day, is Communist.

It is true that the VMC is working with Communists.

Many of the groups working with VMC in the Fall Offensive call themselves "peace" or "antiwar" organizations. They are neither. They are not pacifist. They are not antiwar as such. They have never condemned a Communist "war of national liberation."

Before discussing these groups, let's touch briefly on a bit of recent history. It will help us appreciate the full significance of the Fall Offensive and provide a framework for objective judgment of the VMC.

On Jan. 23, 1967, then-Rep. Edwin E. Willis, who was chairman of the House Committee on Un-American Activities, warned that "an assortment of Communists of both the Peking and Moscow varieties, fellow travelers, Marxists, radicals, pacifists and professional 'peace' agitators" had begun a "crash program" to undermine and sabotage U.S. resistance to Communist military aggression in Vietnam.

Their stepped-up agitation and propaganda campaign against American Vietnam policy, he said, would culminate in what they had designated "Vietnam Week," the week of April 8–15, 1967. Later, but before the event, the Willis committee published a report, "Communist Manipulation and Control of Vietnam Week," which revealed how Communists had initiated and controlled this operation.

With the exception of the newly formed Vietnam Moratorium Committee, the groups which organized Vietnam Week of 1967 are the same groups which organized the Fall Offensive.

MOBE CALLED MAJOR ANTIWAR GROUP—IT'S ON HAND WHENEVER THERE'S AGITATION, DEMONSTRATIONS

(By Francis J. McNamara)

The New Mobilization Committee to End the War in Vietnam, under a variety of names, has been in existence for a little more than three years.

First called the Nov. 8 Mobilization Committee, it was formed in Cleveland in September 1966 to make opposition to the Vietnam war an issue in that year's election.

It changed its name to "Spring" Mobilization Committee to End the War in Vietnam, while organizing Vietnam Week 1967. Several months after Vietnam Week it again changed its name and became the "National" Mobilization Committee to End the War in Vietnam, or "National MOBE."

MOBE, under its varied names, has been the country's major antiwar organization. It is an umbrella-type group, serving as the planner, director and coordinator of operations for the groups affiliated with it whose members provide muscle for its operations. Most of these are in the Communist front, Communist-infiltrated and radical-left category; a few are pacifist.

COMMUNISTS DOMINATE

A study shows that at no time since it was formed in 1966 has MOBE published propaganda or agitated on any issue that conflicted with Communist policies. The 1967 Willis Committee report found Communists "dominant" in MOBE when it was known as the Spring Mobilization Committee.

This is also true of New MOBE today.

New MOBE held a mass rally in Chicago Sept. 24, the opening day of the trial of the "Conspiracy 8," as those charged with conspiring to foment a riot during the 1968 Democratic Convention have dubbed themselves.

MOBE's special interest in the Chicago trial is based on the fact that six of the eight defendants are key MOBE activists. Dave Dellinger, New and old MOBE chairman, is also coordinator of the Washington and Chicago actions in the fall offensive; Tom Hayden, a founder of Students for a Democratic Society and of the new, secret Revolutionary Union, was a co-director of MOBE's 1968 Chicago Convention operation.

BACKGROUNDS GIVEN

Rennie Davis, also an SDS founder, worked with Hayden in 1968 as the other co-director for Chicago, was coordinator of the Counter-Inaugural and co-director for New MOBE's recent Chicago demonstration. Jerry Rubin, Yippie founder, served as coordinator of MOBE's 1967 Pentagon confrontation. John Froines, assistant professor of chemistry at the University of Oregon, was on the MOBE staff during the '68 convention, as was Lee Weiner, a Northwestern University graduate student working toward a doctor's degree in sociology.

The other two original defendants were Bobby Seale, California chairman of the Black Panthers, since convicted of contempt of court, and Abbie Hoffman, another Yippie leader. Both have been MOBE collaborators, though not officials.

New MOBE was the sponsor of the two big events in the fall offensive, the March Against Death at Washington, D.C., and mass marches and rallies in Washington, D.C., and San Francisco.

New MOBE conceived and launched the fall offensive Against the War in Vietnam under its former name, National MOBE.

This was accomplished by having a number of its key leaders enlist the cooperation of a few other "peace" activitists in issuing a call to a National Antiwar Conference which was held in Cleveland last July 4-5. The conference was hosted by the Cleveland area Peace Action Council, a MOBE affiliate and the organization that sponsored the September 1966 meeting at which the original MOBE was formed.

NOT COMPLETELY RED

Is New MOBE Communist? Not completely—because the Communists don't want it that way. There just aren't enough full-fledged party members in this country—even when you put the Muscovites, the Pekingese, the Trotskyists and all the splinter groups together—to put on a demonstration of such proportions that it could have national and international importance.

The Communists want impact. To get that they need two things, respectablity and numbers.

How do they get these? By enlisting non-Communists in their operations—many of them: the 100 per cent fellow travelers who can always be counted on to rally to the cause, as well as the lesser fellow travelers who will respond on certain issues; the independent radicals and extremists, the non-party Marxists, the far-out pacifists (particularly useful for "peace" operations), the malcontents and anyone else they can coax, cajole or hoodwink into working for their cause.

MANY FRONTS

Some of the "respectables" they enlist are always pushed to the forefront of their maneuvers and given impressive titles to provide cover for the more unsavory elements and the Communists, open and secret, who share power in the organization with them.

When MOBE originally was formed, there already were many fronts in existence, some formed for the specific purpose of agitating and propagandizing against this country's efforts to prevent a Communist victory in Vietnam. In addition, the outcome of the Vietnam war is tremendously important to world communism. There is more at stake than just South Vietnam. The issue is so vital to Communists of all types that competing groups (Moscow, Peking, etc.) were willing to forget their ideological and tactical differences to unite for the common good.

Do Communists dominate the MOBE coalition? Consider these facts:

The following are some of the many persons, all identified or professed Communists, who were associated with the Cleveland Antiwar Conference at which New MOBE was ostensibly formed and/or are now serving New MOBE in one capacity or another:

Arnold Johnson, legislative representative and public relations director of the Communist Party, who was imprisoned for conspiring to overthrow the United States, and who has been with MOBE since its founding three years ago.

Prof. Sidney Peck of Case-Western Reserve University, a veteran MOBE official.

Irvin Sarnoff, leader of the Peace Action Council in California, who has served on the District Council of the Southern California Communist Party.

DENIED PASSPORT

Otto Nathan, who was denied a passport by the State Department some years ago on the grounds he had been a party member in Germany and invoked the Fifth Amendment in 1956 rather than tell a congressional committee if he was then a party member.

Jack Spiegel of the Chicago Peace Council, who has run for public office on the Communist ticket.

Leroy Wolins, leader of the Veterans for Peace in Vietnam.

Dorothy Hayes, active in the Women's International League for Peace and Freedom and Women Strike for Peace.

Phil Bart, long associated with the Daily Worker who is now chairman of the Ohio Communist party.

Ishmael Flory of the Afro-American Heritage Association in Chicago.

Also involved are International Longshore Workers Union official Louis Goldblatt and party members such as Ben Friedlander, Hershel Walker, Orville Leach, Elliot Waxman and Anne Braden.

The Communist party's youth group, the Du Bois Clubs, are represented by Gene Tournour, their national secretary, and by Jay Schaffner and Marc Beallor.

Dave Dellinger, veteran MOBE official, held the key post of coordinator of the Washington-San Francisco November demonstrations. Dellinger is often described as a pacifist, though he told the House Committee on Un-American Activities last year he is not one and has stated (in May 1963) that he is a Communist, but not of the Soviet variety.

RIVAL REDS

The Trotskyist Communists, rivals and generally more radical, are represented by their long-time leader, Fred Halstead, and also by Harry Ring, Lew Jones and Gus Horowitz. Their youth group, the Young Socialist Alliance, has an official voice in running New MOBE through Larry Siegle, its national chairman and editor of the YSA magazine, Young Socialist, also in Peter Vinther, Allan Myers, and Carol Lipman, all of whom serve on New MOBE's steering committee.

Key MOBE leaders, it is important to remember, have been frequent visitors to foreign Communist capitals such as Hanoi, Havana, Prague and Moscow. Examples are Dellinger; Tom Hayden; Rennie Davis and Prof. Robert Greenblatt.

Greenblatt, a New MOBE steering committee member, went to Europe last year where he met with Viet Cong and North Vietnamese agents. He carried with him a note of introduction from Tom Hayden, MOBE's Chicago Democratic Convention project co-director, to Col. Lau of the North Vietnamese army, who was deputy chief of Ho Chi Minh's Paris negotiators at the time.

The letter explained that Greenblatt had just returned from Hanoi, that he was a National MOBE coordinator, worked closely with Dellinger and Hayden and would be in Paris for a few days in case there were "any pressing questions" Lau might want to discuss with him. Hayden, who had first met Lau in Hanoi, closed his note to Lau with these words: "Good fortune! Victory!"

TASK "VERY CLEAR"

"The task before the New MOBE is very clear," says New Mobilizer, the VMC voice; in addition to demanding the "immediate and unconditional" withdrawal of all U.S. forces in Vietnam, it must further insist that there be "no future wars of intervention at home or abroad against oppressed and exploited people who are asserting their rights of self-determination in the quest for human liberation."

New MOBE considered Moratorium Day and other Washington actions in the Fall Offensive so important that it moved its national headquarters from New York to the nation's capital to be on the scene and in the best possible position to lend assistance. It rented space in the same building with the Vietnam Moratorium Committee, on the floor immediately above its offices.

STUDENT MOBE LINKED WITH ACTIVITIES OF REDS

(By Francis J. McNamara)

The Student Mobilization Committee to End the War in Vietnam, usually referred to as the Student Mobilization Committee (SMC) or "Student MOBE," describes itself as "the national organization of all high school and college students who are united in uncompromising struggle against the war in Vietnam."

Unlike the Vietnam Moratorium Committee (VMC) it does not mince words in proclaiming precisely what it stands for: "Our program is clear and straightforward. We are for the immediate and unconditional withdrawal of all U.S. troops from Vietnam."

Student MOBE's prime role in the Fall Offensive was to organize a national student strike against the war on Nov. 14, the second day of the November Moratorium and the same day New MOBE began its March Against Death in Washington.

PROMOTED BY RED

Student MOBE grew out of a proposal made by Bettina Aptheker, of Berkeley Free Speech Movement fame, that a nationwide student strike against the war be held in 1966. Daughter of the Communist party's chief theoretician, she was a professed party member herself at the time and was elected to the party's national committee in June, 1966.

She promoted her strike concept at the 1966 SDS national convention and in publications and gatherings of the Communist party's youth group, the W. E. B. DuBois Clubs of America. Her organizing efforts led to the issuance of a formal call to a student strike conference which was held in Chicago in December, 1966.

The conference organizers, Bettina Aptheker and other Communists among them, made no secret of the fact that the full spectrum of Communist groups in the United States was represented at the gathering. To those attending, it also was obvious that the representatives of these groups played key roles in the proceedings.

Among them were the Communist Party USA and its youth organization, the W. E. B DuBois Clubs; the Progressive Labor Party which represents the Chinese wing of the U.S. Communist movement; the Socialist Workers party, the Trotskyist Communist organization, and its youth arm, the Young Socialist Alliance (YSA).

Youth Against War and Fascism, the youth group of a Trotskyist splinter movement, the Workers World party, also was present. Students for a Democratic Society and various Communist front organizations were represented.

STRIKE REJECTED

Bettina Aptheker's strike proposal failed to win approval at the meeting—primarily because the delegates doubted they were capable of successfully organizing a national strike in the near future. Student MOBE, however, was born at this conference.

Since its formation, Student MOBE has served as the right arm of the name-changing adult MOBE, organizing student support for Vietnam Week, the Pentagon confrontation, etc. It also has undertaken various projects of its own—an April, 1968, student strike against the war, for example, in which it claims (with great exaggeration) that about one million took part.

It boasts of its past harassment of President Johnson. "We demonstrated wherever Johnson went until the antiwar movement forced Johnson to go everywhere unannounced."

Now President Nixon is its target. "We have announced our plans to do the same to Nixon. There will be no peace for Nixon until all the troops are brought home."

UNITED FRONT GROUP

In announcing its "No Peace for Nixon Campaign" on Sept. 29, SMC promised to demonstrate at every public appearance the President made until he directed a complete, immediate and unqualified withdrawal of all U.S. forces from Vietnam.

Student MOBE also promotes antiwar agitation and propaganda within the armed forces. For this purpose, it has formed the GI Press Service, edited by Allan Myers, a SMC member, former serviceman, and a member of the Trotskyist Young Socialist Alliance who also serves on New MOBE's steering committee.

From birth, Student MOBE has been a united front organization, a combine of various groups, many openly Communist, uniting their efforts to draw as many youths as possible into the anti-Vietnam War Movement. About a year and a half ago, however, an important change took place. As a result of a long-simmering feud, the Communist party element walked out in a huff, leaving the young "Trots" in command. As J. Edgar Hoover stated earlier this year, Student MOBE "is controlled by members of the Young Socialist Alliance, the youth group of the Socialist Workers party."

Carol Lipman, SMC executive secretary, is the key to YSA control of Student MOBE. A leading YSA member, she serves on the editorial board of Young Socialist, the group's official publication. Miss Lipman also serves on the steering committee of New MOBE.

SDS TAKES OVER

Student MOBE held an antiwar conference in Cleveland on July 6 of this year, the day immediately following New MOBE's gathering. At this conference, according to the Militant, the Trotskyist Communist newspaper, it voted to enter "into building the fall antiwar offensive" which was described as "an ambitious plan to build the most massive and intensive series of antiwar actions yet."

An interesting development took place at this conference. SDS has generally kept itself aloof from formal cooperation with the activities of Student MOBE and similar groups in recent years, although it has permitted its local chapters and individual members to participate on their own if they so desire. An SDS delegation appeared at SMC's Cleveland conference, however, interrupted the proceedings by chanting "Ho, Ho, Ho Chi Minh" and "Dare to Struggle Dare to Win," and then marched up to the podium and took over the microphone.

In a more cooperative mood, the Student MOBE'rs, at the request of the SDS delegation, added an SDS workshop to their agenda.

The Student MOBE conference voted to work on a fall offensive that coincided, point-by-point, with the Fall Offensive approved by New MOBE the day before.

Recounting the action taken at Student MOBE's Cleveland meeting regarding the various operations in the Fall Offensive, the Militant reported: "SMC will also help build the nationwide moratorium against the war, planned by the Vietnam Moratorium Committee for Oct. 15; leaders of SMC and the Moratorium Committee agreed to cooperate in getting the participation of hundreds of thousands of students."

CLAIMS 1,500 BRANCHES

How strong is Student MOBE? How big a role did it play in turning out students for Moratorium Day? It is difficult to say and no one knows exactly. Carol Lipman has claimed SMC has about 1,500 branches. On the other hand, Don Gurewitz, 23-year-old SMC organizer and Case-Western Reserve grad, has given the number of local branches as 1,000—and that may be an exaggeration.

Student MOBE, like New MOBE moved from New York to Washington to be where the key action in the Fall Offensive would take place.

Carol Lipman addressed two Oct. 15 Moratorium gatherings—the Wayne State University and Detroit citywide rallies. She called the President a liar and added:

"We will force Nixon's abdication like we forced Johnson's abdication . . . There will be no peace for you, Mr. President, until . . . all our men are home."

She also had a reply to the vice president's statement that Moratorium leaders and sponsors should repudiate the message of support from the premier of North Vietnam. "No, Mr. Vice President Agnew, we won't repudiate the message . . . We welcome the message."

If you wonder about the violence that took place in Washington Nov. 14 and 15, consider what one of its own members has said about the nature of the Young Socialist Alliance whose members, as Student MOBErs, turned out en masse for the actions on those days.

EX-DU BOIS MEMBER

YSA member Jose Rudder, by his own admission, is a former member of the DuBois Clubs and their parent organization, the Communist party. He left them "greatly disillusioned about the whole left." Then he began to read the literature of the YSA and its parent body, the Socialist Workers party. He came to this conclusion:

"I was a Marxist, a Communist, and I believed in the revolution . . . The only organization that I could see that was concerned about . . . seeing the revolution take place in this country was the YSA. So I decided to join."

There have been two significant changes in Students for a Democratic Society (SDS) since its informal participation in Vietnam Week, 1967.

First, Communist penetration of the organization, particularly by the Peking-oriented Progressive party (PLP), has become more and more evident. At the June, 1969, SDS convention, the PLP made an unsuccessful bid to take over the organization. This led to the splintering of SDS into two factions, the more radical Weathermen group and the Revolutionary Youth Movement II. The PLP element, now known as SDSPL, was expelled and is now a separate group with its headquarters in Boston.

The second change in SDS has been a marked trend toward violence, particularly involving explosives. SDSers in a number of areas have been arrested for bombings and one is now on the FBI's most wanted list for blowing up high voltage towers supplying power to a Colorado plant manufacturing helicopter armor and missile parts.

BRANDED BY HOOVER

In the FBI's annual report for fiscal 1969, J. Edgar Hoover wrote: "The militant core of New Left extremism is the Students for a Democratic Society (SDS). During the last year, this group has reflected an ever-increasing Marxist-Leninist revolutionary posture. Several SDS leaders publicly identified themselves as revolutionary Communists. The SDS openly espouses the overthrow of our institutions of free society (called the 'Establishment') through violent revolutionary action. Never before in American history has there been such a strong revolutionary Marxist movement of young people so eager to tear down established authority."

SDS delegations took part in the Cleveland conferences on both New and Student MOBE, where the actions in the Fall Offensive were planned.

An SDS delegation also spent eight days conferring with Viet Cong agents in Havana early last July. The Vietnam war was a major topic of discussion. The delegation came back to this country resolved "to establish another front against imperialism right here in America—to 'bring the war home.'"

"BRING WAR HOME"

The one action SDS was responsible for in the Fall Offensive, the Oct. 8–11 demonstrations in Chicago, was carried out under the slogan "Bring the War Home!" As expected, the action was marked by destruction, violence, injury and scores of arrests. In a brutal attack, one SDSer broke the neck of a Chicago city attorney. He has been charged, among other things, with attempted murder.

The violence was primarily the work of the ultraradical Weathermen faction of SDS. It was denounced by the Revolutionary Youth Movement II and the Black Panthers and Young Lords, who also had taken part in the action.

The dominant Communist elements in both New and Student MOBE are more concerned about SDS' stand-offishness, the refusal to cooperate with other organizations. They also are annoyed by the tendency of the Weathermen faction to engage in what they consider senseless and counterproductive violence.

The Communist newspaper, the Daily World, published an editorial "Memo to SDS" shortly after the October Moratorium. It criticized SDS for "looking on from the sidelines" at "the very moment of the greatest mass turnout . . . for peace and against imperialism." It also hit SDS for its useless, damaging, "thoughtless" tactics and closed with these words:

"In the coming struggles . . .

the masses of American working men and women could use your help and support. Think it over."

SIZE VITAL FACTOR

SDS' size has been an important factor in the yearning for its help. It is by far the largest of the New Left groups (claiming 40,000 members in some 250 chapters) and its membership greatly exceeds that of any Communist party or front in the country.

SDS participation in any "mass" left-Communist demonstration is still important to an impressive showing.

As was true in the case of past MOBE mass demonstrations, individual members and chapters of SDS turned out with a will for the November actions. Even the Weathermen gave their formal cooperation—and promised no violence. Amazingly, their promise was believed by some officials.

MORATORIUM GROUP LEADERS CALLED PRO-VIET CONG

(By Francis J. McNamara)

The Vietnam Moratorium Committee (VMC) is the babe-in-the-woods of the Fall Offensive, both from the point of view of its existence as an organization and the age of its leaders.

It was formed in June of this year. Two of its four leaders are 26-year-olds; one is 24 and another, the lone female, is 23.

Sam Brown has been the group's chief spokesman. His fellow VMC founders and coordinators are David Hawk, David Mixner and Marge Skenclar.

Brown and Hawk are ex-divinity students (Harvard and Union Theological, respectively). Brown, Mixner and Miss Skenclar worked in Sen. Eugene McCarthy's '68 campaign, and both Brown and Miss Skenclar in the "Dump Johnson" movement. Brown, Mixner and Skenclar have held positions with the National Student Association (Brown is currently on its national supervisory board). Brown and Miss Skenclar were active in the 1967 anti-Viet war operation called Vietnam Summer.

BOOK BY WHITE

In his latest book, Theodore White, the recorder of recent presidential campaigns, quotes Brown as saying:

"We've recognized the true nature of the United States. We saw the United States attack Cuba, it attacked the Dominican Republic, it attacked South Vietnam. The Communists are now a fragmented force; the United States is now the great imperialist-aggressor nation in the world."

That is not a pro-Communist statement. It indicates a distaste for imperialism and aggression and at least indirectly, recognizes that Communist powers have been imperialists and aggressors in the past. Nevertheless it is a demonstrably false statement—a reflection on Brown's knowledge and thus on those who follow his policy recommendations.

More damaging to Brown is a statement made by Dr. Martin Abend (Metromedia TV news commentator) in his Oct. 12 broadcast. Abend, also a professor of political geography at New Jersey State College, said that Sam Brown favors a Communist victory in Vietnam.

Brown's pro-Viet Cong views, Abend believes, explain his "keen interest" in having the United States pull out of Vietnam immediately and unconditionally.

VARIED ASSORTMENT

As previously mentioned, Brown and Marge Skenclar were associated with the 1967 Vietnam Summer project, another anti-Viet War operation that was supported by a varied assortment of radicals and leftists that included Lee Webb, former national secretary of SDS; Mike Ansara of Harvard SDS, and Richard Fernandez, who has served as sponsor, treasurer and steering committee member of the Committee to End the War in Vietnam (MOBE) in various phases of its transition from "November 8" to "Spring," "National," etc.

President Nixon's statement that U.S. policy regarding Vietnam would not be influenced by the moratorium or other street demonstrations Brown found "deeply disturbing." It was "surely unintended;" the President "cannot mean" what he said. It was "distressing . . . the degree of isolation" it reflected, a "rigid stance" and he surely hoped the President would not "further isolate" himself from the American people.

David Hawk, Brown's right-hand man, was an All-American diver at Cornell where he obtained a B.A. degree in social sciences before going on to Union Theological Seminary. He did voter registration work in Hattiesburg, Miss., and also helped organize the Mississippi Freedom Democratic Party, which challenged the regular Democratic party delegation's seat at the Atlantic City convention.

He worked for SNCC again in Georgia in 1966—voter registration work and organizing a tenant's union in a low-cost housing project.

RESULT OF WORK

Though Stokely Carmichael was prominent in Students Non-Violent Coordinating Committee (SNCC) at this time and engaged in inflammatory racial agitation, Hawk says he did not know him.

Earlier this year, working on the staff of the National Student Association (NSA), Hawk organized a draft resistance campaign among campus leaders. The result of his work became evident on April 22 with the public release of a letter addressed to President Nixon and signed by over 250 student body presidents and campus newspaper editors from 190 colleges and universities.

The letter proclaimed the signers would refuse to be drafted, even if it meant going to jail. They could see no justification for the war in Vietnam. Therefore their "integrity and conscience" would not permit them to accept military service.

Hawk admitted to me that he had worked on this project on NSA time and using NSA facilities. I asked if there had been formal NSA approval of it. He said there had not been but that NSA had adopted a resolution against the draft three years ago. When I asked if the resolution approved defiance of the draft, he said it did not. "But it clearly gave a mandate for the letter," he claimed. He pointed out that the letter was not illegal—just saying you will defy the draft at some future time is not a crime.

"A CYNICAL ATTEMPT"

Hawk had been indicted for refusing to report for induction earlier this year. Recently, a pretrial motion to dismiss the charges against him was rejected.

Like Brown, Hawk has a problem seeing integrity or good in the U.S. government. The present draft law admittedly contains inequities. Congress has been wrestling to reform it for years. Yet when the President announced new draft reform measures, temporary draft suspensions, and additional Vietnam troop withdrawals in September, Hawk saw these only as a "cynical and calculated attempt to fool the public."

VMC is against more than the war in Vietnam. It has advocated a general assault on this country's over-all defense organization. Its July 8 letter to government summer interns said that while they worked to build up support for the October moratorium "other antiwar activities . . . will, of course, continue."

What "other" activities? The letter spelled them out—"against the draft, ROTC, ABM, CBW, counter-insurgency research, and so on."

David Hawk announced on Oct. 9 that VMC would distribute throughout the services a GI referendum which would ask servicemen this question: "Should the United States bring the rest of the GIs home from Vietnam now?"

NOT BEEN TOLD

The full story of this VMC effort to promote antiwar propaganda and agitation within the armed services has not been told. Here it is:

On Sept. 29, the VMC addressed a letter to "GI Newspaper Editors," bringing the Fall Offensive and Moratorium Day to their attention and asking their help in organizing GI participation in a "recurring moratorium." The Oct. 15 demonstration, the letter pointed out, would help build a two-day moratorium in November and give the GIs the chance to focus "legal opposition" to the war on military bases.

"We realize that GIs cannot go on strike," the letter said. It also pointed out that a recent DOD directive banned antiwar meetings as such. Therefore, it suggested, say the directive is not clear and ask permission to hold a basewide meeting to discuss GI constitutional rights in the light of the directive. Ask the commanding officer or one of his subordinates to address the meeting—and put him on first if the invitation is accepted.

"Call Us Collect," VMC said, for legal help and outside civilian support if you have trouble getting permission.

OPEN FORUM

If permission is denied, let us know and we will try to arrange an off-base meeting. If a meeting is approved: "We suggest that this meeting be an open forum for ideas on what GIs can legally do to protest the war. Be sure to start by covering exactly what are your rights . . .

"Certainly you will want to discuss the calendar for the 'Fall Offensive' and provide literature about events scheduled in the next two months. We will see that this information and material is provided."

A list of suggested on-base actions followed: pass base resolutions on the war; see chaplain to get a CO application; change insurance beneficiaries to include a "peace" organization; send telegrams to government officials; hold a fast; boycott products of "right-wing," "pro-war" companies (Schick Razor, which has given free razors to servicemen, was named as an example). Finally, there was this suggestion:

"Cancel those damn savings bonds."

"A GOOD FRIEND"

VMC's GI referendum ballots, the letter said, would be returned to Seaman Roger Priest. Priest faces a general court-martial on charges of soliciting servicemen to desert and commit sedition, and promoting disloyalty and disaffection in the armed services. The charges are based on articles published in his "underground" GI newspaper, OM, The Serviceman's Newsletter.

I asked Hawk what GI newspapers the VMC letter had been sent to. Hawk replied, "All of them; as many as there are." What kind of papers? The underground ones. Where did he get the names? Answer: From Carl Rogers, of Servicemen's LINK to Peace, "a good friend of ours who works downstairs."

What is Servicemen's LINK to Peace? I was told, "it helps GIs in incidents—like the Priest defense, publicly and so on."

Hawk indicated a copy of the GI referendum ballot pasted on the wall. I noted that it did not have VMC's name on it. Hawk agreed.

Carl Rogers is on the Steering Committee of Mobilization Committee to End the War (New MOBE) as head of Servicemen's LINK to Peace, one of MOBE's newly acquired "GI organizations." He is also the head of a group called the Committee For the Presidio '27, set up to defend military prisoners in the stockade at San Francisco's Presidio who were accused of mutiny. Both of these organizations have their headquarters at 1029 Vermont Ave. in Washington, the same building that houses VMC, NMC and SMC.

"POLITICAL" CLASS

The "underground" GI newspapers to which VMC mailed its referendum are not, like the civilian type, largely pornographic. They fall into the "political" and subversive class—filled with antiwar propaganda of the type disseminated in Roger Priest's OM.

Student MOBE's GI Press Service, run by the young Trotskyist, Allan Myers, recently circulated a list of these "GI Antiwar Papers." There were 42 on the list, most of them distributed from post office boxes near military bases. Four were published abroad. Myers is on the New MOBE steering committee with Hawk and Rogers.

It was Rogers who arranged a meeting between Hawk, a score or so of other VMC workers and Sen. Charles Goodell (R-N.Y.) in a New York apartment last Sept. 13. The result: the introduction of Sen. Goodell's resolution calling for the withdrawal of all U.S. troops from Vietnam by the end of 1970. Hawk said he and Rogers were the only New MOBE representatives at the meeting.

On a recent visit to New MOBE headquarters I was told 100 organizations had joined the organization, despite the fact that New MOBE leaders have been reported as claiming only 60.

When I went to see David Hawk I knew that New and Student MOBE had made a big push for Oct. 15.

ADVANCED ARTICLES

In addition to the thousands of leaflets, brochures and posters distributed, New Mobilizer had featured advance articles on Moratorium Day by VMC leaders such as David Mixner and Marge Skenclar. The Communist party, the Socialist Workers party, their youth groups and other Communist organizations affiliated with New MOBE had also gone all-out for Moratorium Day.

Published reports that VMC had its own organizers in the East but had used MOBE organizers in the West and Midwest were mentioned and Hawk was asked how many New MOBE organizers VMC had used.

His reply contradicted his earlier claim that MOBE organizers had not made any difference: "It's not like theirs and ours . . . in the big cities MOBE has the old sectarian left groups . . . a lot of the New MOBE groups are on the moratorium steering committee and on MOBE's so the same people—Clergy and Laymen Concerned and Women Strike for Peace—are working for the Moratorium Committee. . . . Most organizers worked for both."

LATER POINT

Hawk said the VMC founders had come to Washington with an organizing list of 15,000—Kennedy and McCarthy businessmen and contacts, people who had worked for causes, etc. They, too, had been used. But it was clear that MOBE organizers and Communist MOBE organizations had played a very important role in promoting the Oct. 15 turnout.

This was emphasized at a later point when Hawk was asked about the question of Communist influence in MOBE and the Fall Offensive. He deprecated the influence of the Communist party.

"They don't really have any control. That comes from groups that bring prestige, influence, money."

"Which ones?"

"Women Strike for Peace, Clergy and Laymen Concerned about Vietnam, SANE, New Democratic Coalition, Student MOBE. . . ."

When Sam Brown was asked about VMC association with Student MOBE on "Face the Nation," he replied: "We have no association with the Student Mobilization Committee."

Hawk was asked whether he considered Communists enemies of, or a danger to, this country and if he believed in working with them. He answered:

"We do not recognize New MOBE as Communist, nor is Student MOBE, though it is true that the Communist party of the U.S., which is defunct and harmless, more conservative than most New Left groups, has one vote on the steering committee of 70 members (of New MOBE). That is the extent of Communist input in New MOBE."

The issue of communism is "irrelevant; it's an attempt to slander the patriotism of those against war."

What about the Trotskyist influence added to the CP, doesn't that concern you?

"Concern, yes, sure . . . But there's much overlap in the group. New MOBE's center of gravity is a bit to the left of us. Some in New MOBE do not believe in electoral politics. Our center of gravity is people who believe in electoral politics."

The moratorium committee, like New MOBE, has denounced the November violence and said it was not responsible for it.

DAMAGES, INJURY

But this does not clear it of blame for the damages and personal injury to young demonstrators, many of whom were enticed into going to Washington and San Francisco through its earlier moratorium organizing efforts and subsequent direct appeals.

Immediately after the October moratorium there were press reports that serious doubt existed about VMC support for New MOBE's November actions because of the presence of "radicals" in MOBE. It was difficult to believe them. There had been such close ties between the groups and VMC owed so much to SMC and NMC for their help that if they did not reciprocate, they would have been denied any further assistance for future moratoriums, which would hurt VMC badly. Not surprisingly, the alleged doubt was resolved by a VMC decision to help MOBE.

On Oct. 28, VMC sent a letter to its organizers, affiliates and "friends" announcing that the November moratorium would take place on the 13th and 14th. The letter called attention to New MOBE's March Against Death and added that "Many supporters of the moratorium will be participating in this solemn event."

VMC persisted in its support of New MOBE's Washington action, even after it became known that the Weathermen faction of SDS and other violence-prone and revolutionary groups would take part in it.

BULLETS ALONE WILL NOT WIN VIETNAM-TYPE WARS

HON. GEORGE P. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1969

Mr. MILLER of California. Mr. Speaker, the Alameda, Calif., Times-Star carried an editorial recently by the distinguished correspondent, Ray Cromley, entitled "Bullets Alone Will Not Win Vietnam-Type Wars."

I know of no man more capable of making a judgment in this field than Ray Cromley. His long experience in the Orient before and during World War II has given him the understanding that few have of how to deal with the people in that area of the world.

I congratulate the Times-Star for placing this article on its editorial page.

The editorial follows:

BULLETS ALONE WILL NOT WIN VIETNAM-TYPE WARS

(By Ray Cromley)

An Army captain, adviser to the district chief in Duc Pho, not too many miles away from the reported massacre at My Lai (Song My), rides in his jeep talking to an associate. He accidentally runs down a chicken. Immediately he turns around, drives back to the hamlet he has just passed through, finds the chicken's owner and apologizes in Vietnamese. He offers to pay. But the farmer says: "No, that's all right." and thanks the captain profusely for caring. The captain says he won't give him money for the chicken, then, but perhaps he can give him a little toward buying a pig.

At the other end of South Vietnam, down toward Ca Mau, an Army truck stalls in the mud and, in getting out runs off the road and destroys a part of a rice field. A major gets out of his vehicle, finds out who owns the field and says, since he is responsible for the damage, it is his responsibility to reimburse the farmer for the loss.

From then on, wherever this unit goes, the word spreads out ahead that "the unit with a heart for the people" is coming.

The contrast between these incidents and what reportedly occurred at My Lai (or Song My) is not only the difference between decency and savagery, it is the difference between winning and losing a war as well.

For the military logic of Vietnam-type wars is that they are not won primarily by bullets (though bullets may be very necessary at times). They are won primarily by incidents such as the episodes above. They are lost by massacres, by calling native people "gooks" or "slopes" or "dinks" and by other acts that show disdain for the dignity and lives of the people living there.

In this type of a war, an army cannot win if it loses sight of its main objective—preserving the people it is there to defend.

Civil action at its best (as the defeat of Che Guevarra in Bolivia proves) is not an incidental good will gesture. It is a basic element of victory.

It may mean the difference between a local government that can stand on its own feet as a visible, democratic entity able to handle subversive totalitarian insurgencies and a country so divided it will crumble regardless of how many U.S. troops are deployed.

Respect for the Vietnamese is not a matter only of good will. It may mean, for example, being informed beforehand by the local citizenry of enemy ambushes . . . or not being informed and falling into VC traps.

As a guerrilla in World War II, this reporter lived behind enemy lines only because he had the support of the local people. If that support goes, a guerrilla is dead.

This friendship with the people (by both Americans and Vietnamese officials) can destroy the very will of the Viet Cong to fight. For a guerrilla cannot operate in a community united against him.

But disdain for local people can make new converts for the Viet Cong faster than bullets can kill VC troops.

COLLUSION AMONG ELECTRIC UTILITIES

HON. LEE METCALF

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Wednesday, December 17, 1969

Mr. METCALF. Mr. President, on April 24, 1969, 84 electric utility executives gathered at the Northstar Inn in Minneapolis. They represented eight major utilities, the leadership of the industry in the region stretching from Illinois to Montana. They came to attend a municipal seminar sponsored by the North Central Electric Association.

For a number of the executives, the meeting offered an opportunity to renew old acquaintances with men they had planned with at previous municipal seminars. They had gathered at the inn on June 6 and 7, 1968, and on June 8 and 9, 1967. They had met back in April 1966, at Hopkins House, at the intersection of Highways 7 and 494 in Hopkins, Minn. Their North Central Electric Association was 12 years old now, having been formed in 1957, in Minneapolis, "to advance the art and science of the production, distribution and use of electricity for light, heat, and power for public service" in Minnesota, North and South Dakota, and adjacent States.

Two of the companies represented at this year's seminar—Northern States Power and Otter Tail Power—serve portions of Minnesota and both Dakotas.

Of the 84 participants, 50 men came from Northern States Power. One company, Montana-Dakota Utilities, serves portions of those three States and also eastern Montana. Interstate Power serves parts of Illinois, Iowa, Minnesota, and South Dakota; Iowa Public Service serves portions of Iowa and South Dakota. The service area of Black Hills Power & Light covers areas of both Wyoming and South Dakota. Two of the participants confine their electric service to two States. They are Northwestern Public Service, which operates in South Dakota, and Minnesota Power & Light. A Wisconsin Utility, Superior Water, Light & Power, had sent representation to the 1967 and 1968 meetings.

The program in 1967 was typical of the annual seminars. Presidents, vice presidents, and division managers of the member utilities and General Electric discussed various aspects of the perennial subject, municipal; that is, city-owned, electric systems. Members divided into study groups, then reassembled to hear findings and conclusions from a panel consisting of President David Heskett, of Montana-Dakota Utilities, President A. V. Hartl, of Otter Tail Power, Vice President J. W. Hoffman, of Northern States Power; and Robert Asheim, administrative vice president of Black Hills Power & Light. The panel was moderated by E. A. Savage, division manager of Minnesota Power & Light.

President Hartl of Otter Tail served also as president of the North Central Electric Association in 1967. The previous year, at Hopkins House, he had keynoted the seminar after which one of his vice presidents, Bob Bigwood, moderated a report session covering areas of the Upper Midwest where people were threatening to provide themselves with electricity, rather than purchasing it from a member company.

Vice President S. E. Sewell, of Northwestern Public Service Co., then reported which groups of people were troubling the investor-owned utilities. There were quite a few. They included small-town businessmen, politicians, and editors who questioned utility practices, city councilmen looking for revenue, members of the Farmers Union, National Farmers Organization, and rural electric cooperatives, people who commuted from towns served by municipal power, retired farmers, and diesel salesmen.

What could be done about those agitators? R. G. Asheim, administrative vice president of Black Hills Power & Light, and S. Laskin, vice president of Minnesota Power & Light, gave the answers. The utilities should marshal their massive and pervasive strength, to the end that they would be able to buy out small city-owned systems and forestall any attempts to deny renewal of utility franchises by councils or voter referendums.

The minutes of that meeting spell out the details of their recommendations:

> Utility should maintain effective control of the campaign at all times, while not having it apparent or obvious . . .
>
> Use the unions for support . . .
>
> Use letters to the editors, preferably by an outsider . . .
>
> Place company insurance in a manner that allows insurance agencies in all communities to share in company's insurance program . . .
>
> Use local banks wherever it is practical and try to get participation from banks in all communities served by the company . . .
>
> Hire housewives for precinct workers during franchise renewal . . .
>
> Encourage employees to belong to local, civic and service organizations and to be active in local politics, and on some occasions run for public office . . .
>
> Be sure election procedure is well organized for poll watchers, babysitters, rides to the polls . . .
>
> Use Home Service girls for customer contacts and franchise work . . .
>
> Have dinner meetings with all news media . . . schedule meetings with news media people on a regular basis. One company was reported to have gone into this aspect "quite intensively." Company officials were reaping dividends from their regular contacts with these (news) people.

The following year, 1967, 80 utility officials gathered at the Northstar Inn. C. T. Sickel, division manager of Minnesota Power & Light, told how utility officials quietly arranged for public officials in Gilbert, Minn., to front for the company in its effort to obtain the city light plant. I quote from the North Central Electric Association's own account of his report:

> There was no difficulty in getting the City Council to agree to a special election in which the sale of the municipal system would be placed on the ballot. By law, this requires the unanimous consent of the council. Steps were taken to have a Taxpayers Committee formed for the purpose of selling the city on the advantages of the sale of their municipal distribution system to MP&L Co. Two members of the council were to spearhead this committee. No formal announcement was made to the people of Gilbert, nor was a date set for an election.

Dell B. Raymond, vice president for marketing of Iowa Public Service, discussed an aspect of utility marketing which differs from the image of that specialty which the utilities project, in the Midwestern schools, through their sponsorship of work study booklets and business-education days:

> We filed a bill in both the House and Senate,

Reported Vice President Raymond—

> Our company had a very favorable chairman . . .

Then Richard Bennett, general sales manager for Montana-Dakota Utilities, issued his plea for "believable" answers to the unsettling statements, abroad throughout the region, which were disrupting the utilities' efforts to increase their monopoly.

> Does anyone—

He asked—

> have concise believable answers to the following claims advanced by municipal ownership advocates:
>
> a. The private electric utilities are not really a part of the historic American free enterprise system.
>
> b. Since most communities own and operate their water and sewer systems, there certainly is nothing Socialistic or fundamentally wrong with a city owning its own electric facilities.
>
> c. Why shouldn't the city own its electric system and keep all the profits at home for community betterment instead of permitting the utility company to drain off all that money and send it to small groups of wealthy stockholders and bankers in the big cities?

Truly alarmed, Mr. Bennett reported that even chambers of commerce no longer found the utility litany believable. Indeed, the businessmen were organizing the opposition.

> In each community, where we have experienced municipal ownership agitation, he reported, "it is the businessmen and their business organizations, such as the Junior Chamber of Commerce and the commercial club, who are spearheading the municipal ownership movement.

The president of Montana-Dakota Utilities, David M. Heskett, summarized the findings of the roundtable study group assigned the topic, "Acquisition of Municipal Systems." He noted:

> Many attempts are being made to acquire municipal systems, by different utilities.

He said:

> Careful planning and handling was important, adding that the psychological impact of a successful acquisition of a municipally-owned system warrants more time, attention and aggressiveness than this type of effort is apparently receiving in most utilities today.

His panel has stressed, as had previous speakers ,the importance of subterfuge and elaborate, costly political action. President Heskett presented the step-by-step approach to sellouts reported by one utility:

> 1. Survey the community first for sentiment. (Use a professional survey organization.)
> 2. Hire a consultant.
> 3. Use a local man to engineer and front for the effort. Set up an office and put the man to work with the acquisition as his sole assignment.
> 4. Use retired people, relatives, and similar groups for contact work.
> 5. Remember that an election won't be won on main street. There has to be contact in the residential areas.
> 6. Use women to make calls and catalog everyone as to their position on an acquisition attempt.
> 7. Minimize accounting aspects in any brochure and develop suitable illustrative artwork. Economic factors should be set out and interpreted for understanding.
> 8. Use voter registration lists for contacts and ignore others.
> 9. Use newspaper advertising and direct all efforts toward the election.
> 10. On interviewing, use a tailgate conference each night to determine standing in community and to learn from the combined experience of those making contacts.
> 11. The consultant's fee could fall in the neighborhood of $100 per day plus costs with an undertaking in a larger community probably costing more.

Mr. President, the documents upon which my remarks above are based have been entered into the record of the Federal Power Commission Docket E-7278. This is an antitrust case regarding the town of Elbow Lake, Minn., which chose to provide its own power. Elbow Lake sought to supplement its diesel generation and obtained an allocation of power from the Bureau of Reclamation. Otter Tail Power, one of the members of the North Central Electric Association, refused to wheel the Bureau power to the municipal and the suit ensued.

This year, on July 19, the Justice Department filed an antitrust suit against

Otter Tail, accusing it of monopolizing the sale of electric power to 464 towns in Minnesota and the Dakotas. I commended the Department for its action at the time. This is a cast of historic importance to all small power systems, municipal-, cooperative-, and investor-owned, which are dependent on transmission facilities which they do not control.

The North Central utilities' own accounts of their actions and further plans to decrease what little competition they have, indicate the seriousness and scope of their effort to undermine independent local governments. These reports by the utilities indicate widespread conspiracy to monopolize the market. They show the need for filing additional antitrust suits. I shall shortly ask the Attorney General to file such additional antitrust suits as are necessary to dismantle unlawful monopoly.

State laws may also have been violated. One Minnesota utility official spoke to this point. I shall refer these documents to the appropriate attorneys general.

The record of these meetings also reveals that the utilities made substantial expenditures which should be borne by the stockholders, rather than customers. The decision as to which group pays is made by the various State utility commissions, not by the Federal Power Commission, which is sharply restricted in its regulatory authority.

However, in two of the States here involved—Minnesota and South Dakota—there are no State utility commissions with responsibilities affecting electric utilities. The other States involved have commissions with exceedingly small staffs, most of them now attempting to analyze the record number of rate increase requests that have been put before them this year by various utilities, including some of the members of the North Central Electric Association.

The audit staff of the Federal Power Commission is so small, in comparison with the mammoth electric and gas industries, that accounts of these utilities are not audited by the FPC more than once every 5 to 7 years.

The FPC can do better than that, and it should. The books of all the members of the North Central Electric Association should be audited now, by the FPC, and the findings made public. The job should begin in the two States where the public does not even have a weak, understaffed State commission, Minnesota and South Dakota. And the audit should cover at least the 4 years that the utility officials are known to have been concerting to kill off their competition.

If the FPC needs more money to do the job, it should ask for it promptly.

The distinguished Senator from Washington will recall that some years ago the FPC investigated a comparable situation in Washington, when investor-owned utilities were attempting to kill off public utility districts. The FPC documented the purchase of politicians and press by the I O U's and widespread use of front organizations by the utilities.

If the FPC does not promptly audit the books of these companies and report its findings, the Congress itself, which has delegated regulatory responsibility to the independent commissions, should do the job.

Mr. President, were S. 607, the Utility Consumers' Counsel Act, now law, the questionable expenditures by members of the North Central Electric Association would be a matter of public record and convenient access. The long-term, commonsense, fair way to curb utility excesses is through illumination of their accounts.

During the hearings on S. 607, witnesses from the city of Danville, Va., testified before the Senate Subcommittee on Intergovernmental Relations. They told how American Electric Power and its subsidiary, Appalachian Power, working closely with a citizens committee, saturated the Media with advertisements in opposition to the bond issue necessary to finance the expansion of the municipal powerplant. An audit this year by the FPC identified almost $25,000 in expenditures by Appalachian Power in its effort to defeat the referendum. The audit further showed that a substantial portion of the political expenditures were improperly accounted by Appalachian Power. And it showed that some expenditures by the citizens committee opposing the bond issue had been billed to Appalachian Power. I would add that the antimunicipal activity in Danville, as reported in the hearings on S. 607, and the FPC auditors report, which appears in the July 24, 1969, CONGRESSIONAL RECORD beginning on page 20735, are strikingly similar to the 11-point program set forth by MDU President Heskett, as referred to above.

Mr. President, I ask unanimous consent to have printed in the RECORD the documents regarding the North Central Electric Association to which I have referred. They are the programs for the 1966, 1967, 1968, and 1969 municipal seminars, reports by NCEA on the 1966 and 1967 seminars and the organization's constitution.

I also ask unanimous consent to have printed in the RECORD the testimony of the Federal Power Commission auditor who went into Otter Tail Power books this year. His testimony describes how political advertising, payments to front organizations, participation in North Central Electric Association activities and costs of bill stuffers were improperly accounted and passed on to the utility's customers.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

NORTH CENTRAL ELECTRIC ASSOCIATION, ONE DAY CONFERENCE ON THE COMMUNITY—UNDERSTANDING IT RETAINING ITS GOODWILL

Harry C. Johnson, Chairman.

Date: Tuesday, April 26, 1966.

Time: 8:30 A.M. Daylight Time (If Adopted).

Location: Hopkins House, Highways 7 & 494, Hopkins, Minn.

The basic conference objective

To study the problem of promotion of municipally-owned electric systems and to discuss and determine: What Is Happening, What's The Problem, Why It's Happening, What Can Be Done About It, How To Keep It From Happening.

The conference program

8:30 A.M. *A Keynote Talk*—Objective: To set the tone of the conference with emphasis on the need and merit of working together in analyzing the problem and in finding solutions. A. V. Hartl, President, Otter Tail Power Company.

What is happening

9:00 A.M. *A Panel Discussion*—Objective: To exchange information on past and existing cases of municipal agitation, with each company, if it wishes, presenting one case where the case was either won, lost, or caught at an early stage of development. Moderator: R. W. Steele, President, Interstate Power Company.

Cases

Montana-Dakota Utilities—Hazen, N.D.—Current problem.

Minnesota Power & Light—Crosby, Minn.—Caught in early stage.

Interstate Power Company—Buffalo Center, Iowa—Won.

Northwestern Public Service Co.—Parkston, S.D.—Re-establish confidence in town and won.

Otter Tail Power Company—Elbow Lake, Minn.—Lost.

Iowa Public Service Co.—Alton, Iowa—Lost.

Black Hills Power & Light Co.—Hot Springs, S.D.—Lost Franchise, not town.

Northern States Power Company—Southwest Fargo, N.D.—Won.

10:30 A.M. to 12:00 Noon. *Round-Table Study Groups.*

What's the problem

Group # 1—Objective: To isolate and identify—

a. The earliest indication of a possible problem.

b. The factors which gave impetus to the movement.

c. The groups and type of people within the community who were most susceptible to persuasion in favor of the movement.

Conference Leader: S. E. Sewell, Vice President, Northwestern Public Service Company

Why it's happening

Group # 2—Objectives:

1. To isolate and identify the factors from outside the community which were at work.
2. To determine if common factors or influences were present in all or most situations and if so, what they were.
3. To establish, if possible, criteria for determining presence of a community bias in favor of municipal ownership.
4. To study the individual "catalyst" and what makes him effective.

Conference Leader: J. W. Hoffman, Vice President, Northern States Power Company

What can be done about it

Group # 3—Objective: To exchange information on effective, proven approaches and techniques used in combating and suppressing either developing or full-blown cases of municipal agitation.

Conference Leader: R. G. Asheim, Administrative Vice President, Black Hills Power & Light Company

How to keep it from happening

Group # 4—Objective: To exchange information on community relations programs of proven value, how such programs are implemented and how their results are measured to the end that no community dissatisfaction comes into being.

Conference Leader: S. Laskin, Vice President—Commercial, Minnesota Power & Light Company

12:00 Noon to 1:30 P.M. Noon Recess.

2:45 P.M. *Report-Back Session—Study Groups*—Objective: To report findings and conclusions of study groups to all those in attendance at the conference and with group leaders serving as a panel to provide the opportunity for concluding general exchange of opinions and observations. Moderator: R. M. Bigwood, Vice President—Management Services, Otter Tail Power Company

4:00 P.M. Conference Adjourns.

The keynote talk, panel presentation and study group reports, together with such additional pertinent commentary as may come out of the concluding general session, will be assembled in a confidential conference report which will be provided to all conference participants.

WHAT'S THE PROBLEM

Conference Leader: S. E. Sewell, Vice President, Northwestern Public Service Company.

Summary: Dissatisfaction with service, company people or policy, municipal finances, which is translated into a growing fester that ultimately progresses into a relationship problem.

Objective: To isolate and identify.

A. The earliest indication of a possible problem.

1. Where there is a history of municipal ownership agitation in a community, special attention should be given.

2. Attempt to get a new franchise several years ahead of expiration date whenever time appears to be favorable. Then there will be time to take corrective action if trouble develops.

3. Dissatisfaction with rates, either municipal or general. Resistance to street lighting or other municipal contracts. Large number of high bill complaints or large number of arrears.

4. Hostile newspaper with regular appearance of unfavorable editorials or news stories. Unfavorable letters to the editors.

5. Local or state political candidates who raise issue of rates, taxes, franchises, and general policies of utility (such as underground service.)

6. When normally friendly people start changing their attitude toward the Company or attempt to avoid Company employees. Any indication that Company employees are not accepted in civic organizations.

7. Municipal ownership agitation in neighboring communities.

8. REA active in a community, such as a new REA headquarters building, REA seeking to serve municipal loads, etc.

9. Special attention should be given to towns with unusually high municipal debt or where there is gross earnings tax agitation.

10. Communities who have no Company employees located in the community are particularly vulnerable.

11. Low merchandise volume in a community when Company has an active merchandising program.

12. Community which establishes a municipal gas operation.

13. Presence of diesel salesmen.

B. The factors which give impetus to the movement.

1. Isolated cases where customer has an unusually high bill due to high demand, seasonal load, etc.

2. Request for renewal of a franchise or street lighting contracts which usually brings up the amount city is paying for street lighting, water, and sewer pumping.

3. Requests by REA for a franchise.

4. New city administration that finds itself with a depleted city treasury with promises and requests for more municipal services and demands for lower taxes.

5. Lack of good public relations and contacts with community leaders, municipal and school officials.

6. Lack of good public information program on taxes, rate reductions, earnings, and new investments for improved service.

7. REA and Bueau employees, living both in and outside of community, who become active in the community.

8. Activity by engineering consultants, equipment salesmen, and bonding companies.

9. Availability of other sources of low cost wholesale supply power, such as Bureau of Reclamation, Basin Electric Cooperative, etc.

C. The groups and types of people within the community who were most susceptible to persuasion in favor of the movement.

1. Farmers Union and NFO.

2. Employees of REA or Bureau of Reclamation living in the community.

3. Retired and sidewalk farmers.

4. Marginal businessmen, particularly appliance dealers, and those badly in arrears.

5. Businessmen in smaller community who are susceptible to pressure from REA members.

6. Attorneys who represent REAs, cooperatives, or liberal organizations.

7. Council that is not business oriented.

8. Those with historical grudges.

9. Commuters from municipal plant towns.

WHY IT'S HAPPENING

Conference Leader. J. W. Hoffman, Vice President, Northern States Power Company.

Summary: Possibly, in brief, the "Why it's Happening" is:

1. Need for money by the community.

2. Poor representation by the company.

3. Effective leadership for municipal ownership, aided by outside interests such as the Bureau of Reclamation, REA, rate experts, bonding companies, and engineering companies.

Objective:

A. To isolate and identify the factors from outside the community which were at work.

1. There appear to be a number of factors from outside the communities which are common to most cases. There is agitation by those who wish to earn a fee through studies on the feasibility of municipal ownership, such as rate experts, bonding companies and, in some instances, equipment manufacturers, although the promotional work by the diesel engine companies in the past seem to be not too prominent.

2. Publicity originating from communities that are investigating municipal ownership tends to spread the idea to other adjacent communities and cause interest and publicity in these other communities.

3. Communities in the marketing area of the Bureau of Reclamation are particularly vulnerable due to the low rates offered by the Bureau. This situation is sometimes further aggravated by REA's operating in the area who indicate they might supply power requirements beyond the Bureau allocations.

B. To determine if common factors or influences were present in all or most situations and if so, what they were.

1. The most common factor seems to be the community's need for more revenue, and municipal ownership of the electric utility seems to be a possible source.

2. Another factor is a community where the utility investment is relatively low, which was reflected in a low tax benefit to the community. Most municipal agitation occurred in communities under 2500 population—possible in part due to this low utility investment.

3. Sometimes the utility representative in the community is not doing an adequate public relations job. This is difficult to evaluate, but it was the consensus that the best possible personnel be located in the communities that have been historically troublesome.

4. There were always one or two effective community leaders supporting the program where the threat of municipal ownership became serious. Oftentimes these leaders were long-standing opponents of the utility.

C. To establish, if possible, criteria for determining presence of a community bias in favor of municipal ownership.

1. Frequently the community leaders avoid meetings with company representatives and company employees. There is a relatively high level of complaints about service and rates.

2. Where there is some indication of possible favor for municipal ownership, many companies have initiated surveys either directly by company personnel or by public survey organizations. For the most part, results of these surveys have been very helpful.

3. Close examination of newspaper articles and editorials in the local paper might offer evidence of community bias in favor of municipal ownership.

4. Communities in which a large number of cooperative organizations are located tend to be more vulnerable to municipal ownership programs.

5. Nearness to Municipal Plants.

D. To study the individual "catalyst" and what makes him effective.

1. It seems that each troublesome community had one individual capable of organizing a municipal ownership agitation. This "catalyst" in most instances is sincere in his beliefs and dedicated to the program. In some instances his actions and thinking are the result of being a dedicated antagonist of the power company or the capitalistic system. Possibly this individual is a dissident customer of long standing.

2. These individuals almost reach the point of being incorrigible from the viewpoint of the utility, but it was generally agreed that the utility representative should continue to cultivate these people in the hope of neutralizing their attitudes.

3. The effective "catalyst" normally enjoys a good standing in the community, frequently is a politician with considerable ability, and possibly has some personal ambitions. In any event, this individual should not be ignored, for he always remains a potential problem.

WHAT CAN BE DONE ABOUT IT

Conference Leader: R. G. Asheim, Administrative Vice President, Black Hills Power & Light Company.

Summary: Good public relations throughout the companies by constant customer contact and careful education and use of employees were the key points in the discussion. Operate always as if you are getting ready for a franchise election.

Objective:

To exchange information on effective, proven approaches and techniques used in combating and suppressing either developing or full-blown cases of municipal agitation. The subject was divided into two parts: A. What can be done to prevent municipal agitation. B. What can be done to suppress agitation once it has started.

A. What can be done to prevent municipal agitation.

1. Isolate problems and set up priority list to solve them.

2. Keep in contact with people and convince them of your sincerity and interest.

3. Regular contacts with all customers.

4. Work with industrial development groups and be alert to industry moving into your towns.

5. Give good service and then tell the people you gave them good service.

6. Use Home Service girls for customer contacts and franchise work.

7. One company hired housewives for precinct workers during franchise renewal.

8. Have strong public relations-minded employees.

9. If you have problems with an employee, either train him properly or move him out of the area. Unions can be worked with on this problem.

10. Generally, most companies encourage and permit employees to run for council positions. Special permission is required for any state position. Permission will depend

on individual and the job he may hold with the company.

11. Generally, hourly-paid employees are permitted to run for local office by all companies.

12. Most companies would discourage an employee running for office if the company feels problems would result because of it.

13. Careful analysis must be made, however, because it was brought out that some employees have broadened their knowledge and improved themselves considerably even though originally they were thought not to have the capability.

14. One of the dangers involved if an employee is discouraged from running for office and later is successful, you may lose the man to the other side.

15. Take care of the little complaints—good service is expected.

16. Must find ways and means to be important to the customer.

17. Keep employees well informed.

18. Use local employee for customer contacts as much as possible.

19. Operate always as if you are getting ready for a franchise.

20. Be sure to contact all groups including school boards.

21. Take leadership in tax equalization studies. It was felt by most of the group that it would be an advantage for the power companies to have the tax benefits paid on a broader area.

22. Use careful selection of information in ads and brochures.

23. Use Political Action Course in company to improve knowledge of employees in politics.

24. Have dinner meetings with all news media.

25. Discourage franchise "bait" and take franchise election by itself. Most power companies pay franchise election costs. Some companies tie a franchise election in with large expenditures in a given community.

26. The word "franchise" does not connote a favorable reaction. The use of "operating permit" seems to be more readily accepted.

27. One company uses meter readers on their regular routes to tell franchise stories.

28. Merchandise selling has definite public relation assets.

29. If possible, work with consulting engineers in your areas.

B. What can be done to suppress agitation once it has started.

1. Isolate the problems on a priority basis.

2. Door-to-door campaign for telling company story.

3. Develop organization structure to deal with problems.

4. Keep in touch with all the people including your opponents.

5. Use the unions for support.

6. Use letters to the editors, preferably by an outsider.

7. Develop citizens committee. It is desirable to have this committee work in its own behalf.

8. Seek out a leader with equivalent quality or better than the leader of the opposition.

9. Guide citizens committee with accurate, up-to-date information.

10. Try to have at least some of the leaders free from boycott possibilities.

11. Businessmen may be the first to leave your committee under pressure.

12. Use survey to aid in defining the problems.

13. Use local people on house-to-house canvas to determine attitudes of the people.

14. Catalog these people with a card index file.

15. In later stages of campaign, keep a day-to-day contact with all the key people.

16. Be sure election procedure is well organized for poll watchers, babysitters, rides to the polls, etc.

17. Work closely with advertising agency.

18. Analyze opposition report and hit its weak spots.

19. Set up timetable to include all phases of the election.

20. Absentee voting is very important and employees should know the details involved in this procedure.

21. Know legal problems involved with elections.

22. Do not neglect opposition people—a convert is very important.

23. Use common terms to keep the public from being confused—use people talk.

24. Use service clubs to inform the people.

25. Keep utility ads and contacts positive.

26. Utility should maintain effective control of the campaign at all times, while not having it apparent or obvious.

27. Timing is very important—do not use all your material too soon.

28. Coffee parties for telling company story.

29. Do not say during the franchise campaign that you must have the franchise for a particular reason and find yourself defending the issue later.

Reasons why company should have franchise:

1. Gives endorsement of company by the city.

2. Aid for securing financing.

3. Possible elimination of duplication of facilities.

4. Establishes contractual arrangements with the city.

5. Guarantees the city electric service and aid from the utility.

HOW TO KEEP IT FROM HAPPENING

Conference Leader: S. Laskin, Vice President—Commercial Minnesota Power & Light Company.

Summary: Give the best possible service at all times.

Objective:

To exchange information on community relations programs of value, how such programs are implemented and how their results are measured to the end that no community dissatisfaction comes into being.

Conclusions summarized as follows:

1. Get acquainted and stay acquainted with council members, school board members and community leaders. Some companies have made it a practice for their managers to attend a minimum of two meetings per year of councils, school boards, etc., sending reports of these meetings to the General Office. One company has a practice of inviting each council annually to an appreciation dinner.

2. Take surveys from time to time. Many of the companies are using customer surveys on a regular basis. One company said that they are able to trend the results of these surveys and can spot problem areas before they blossom into real problems.

3. Don't trust any one employee to know what is going on in a town. Sometimes an employee is not contacting all of the elements in a community and has a distorted view of the situation in that particular area.

4. Encourage employees to belong to local, civic and service organizations and to be active in local politics, and on some occasions running for public office.

5. Carry on employee information programs, especially for all employees who contact the public. This is being done by various companies through meetings, publications and other data furnished employees.

6. It was suggested in borrowing funds, companies use local banks wherever it is practical and try to get participation from banks in all communities served by the company.

7. Place company insurance in a manner that allows insurance agents in all communities to share in company's insurance program.

8. Make sure you have a well qualified man in a local manager's job. Most of the cases where companies developed trouble could be traced to the fact that the local manager did not know what was happening in his community and had not made contacts with the proper people to keep abreast of the situation.

9. Encourage labor organizations in their opposition to public power. There has apparently developed quite a surge of labor resentment against public power and this could be a very pertinent tool in our fight against the public power advocates.

10. Use area development as a tool to build a good image for your company locally. Most companies have information which is of great help to local communities in area development. Proper use of this information through the local manager and area development staff can greatly enhance our public image in a community.

11. Work with people in education. One of our great problems is to let educators—superintendents, principals and teachers—know something of our business. This problem is being worked on by various means, such as business-education days, scholarships, work study booklet now being used by two companies, and various other methods.

12. Cultivate your enemies. Most managers do not relish the thought of talking to people opposed to our manner of doing business. Many dividends are obtained by cultivating people opposed to us and, although they may not be won over to our side, with the proper approach they can certainly be neutralized in many situations.

13. Organize and encourage plan tours. Many companies are doing this for various groups, such as councils, school people, service clubs, etc.

14. Schedule meetings with news media people on a regular basis. One company has gone into this quite intensively and say that they are reaping dividends from these regular contacts with these people.

15. Use modern street lighting to improve your relationship in municipalities. The greater value of your rate sources should be offered to communities to better their systems and in turn better our relationships with the communities.

16. Settle damage claims promptly. One company has a practice of authorizing their managers to make settlements on claims within 24 hours, if possible.

17. Maintain strong and firm collection policies. It was the unanimous feeling of the group that where good public policies are maintained, public relations are generally better.

North Central Electric Association Municipal Seminar, June 8–9, 1967

(Minnesota Power & Light Co., sponsor)

Officers of NCEA: A. V. Hart, President; D. M. Heskett, Vice President; C. K. Larson, Treasurer; R. B. Newman, Secretary.

Municipal Seminar Representatives:

Black Hills Power & Light Company: Robert G. Asheim.

Interstate Power Company: Ken Gordon, K. L. Meyer, Mead Schenck, G. J. Muir, R. W. Steele.

Iowa Public Service Company: Warren Kane, Jack Kinney, Dell Raymond, R. G. Ruisch, Ed Wendell.

Minnesota Power & Light Company: W. L. Claffey, Sylvester Laskin, E. A. Savage, Charles T. Sickel, George Spurbeck, Fred E. Stout.

Montana-Dakota Utilities Company: Irvine Bates, R. T. Bennett, Warren Dotseth, W. L. Hayes, D. M. Heskett, Louis Lenhardt, Robert Naylor, Mark Scharff, John Stewart.

Northern States Power Company: D. L. Anderson, R. H. Slotten, Donald L. Haugum, F. D. Johnson, E. C. Spethman, J. H. Schreier, S. J. Pettersen, A. E. Hassinger, W. R. Williams, H. L. Larsen, Lewis J. Crain, W. A. Daniel, R. D. Cook, S. J. Johnsrud, J. H. Mertz, Dennis F. Sunderman, Wendell D.

Wischer, G. H. Lund, John Mullins, J. W. McKellip, E. V. Berkstrom, D. D. Butterwick, H. J. Dreis, R. L. Vannelli, A. D. Brusven, T. G. Cote, P. J. Cressy, J. W. Hoffmann, D. W. King, R. J. Lebens, J. E. Meyer, Jr., J. E. Rudolph, H. W. Spell, C. L. Sundem, L. W. Tuskey, F. J. Vojta, P. W. Beck, R. E. Hanson.

Northwestern Public Service Company: Jack Boub, Donald Solum, S. E. Sewell, Ivan Strommen, R. A. Wilkins.

Otter Tail Power Company: K. H. Berquist, R. M. Bigwood, P. J. Brewer, A. V. Hartl, Harry Johnson, Ralph Johnson, Ralph B. Newman, Robert Hygard, L. E. Yates.

Superior Water, Light & Power Company: H. W. Holton.

South Dakota Electric Information Institute: William Johnson.

AGENDA: NORTH CENTRAL ELECTRIC ASSOCIATION MUNICIPAL SEMINAR

(Northstar Inn, 618 Second Avenue South, Minneapolis, Minn., Tele. No. 335-9351, June 8 and 9, 1967)

Thursday—June 8, 1967

6:00 p.m. Social Hour.

7:00 p.m. Dinner.

8:30 p.m. Announcements—E. A. Savage.

8:40 p.m. Introduction of dinner speaker by George Spurbeck, General Sales Mgr., Minnesota Power & Light—Duluth.

Speaker—Frank Hershey, District Mgr., Electric Utility Sales Div. of General Electric Company, Milwaukee, Wisconsin, "Street Lighting and the Municipality."

Friday—June 9, 1967

(Ballrooms 4 and 5)

General Chairman—E. A. Savage, Division Manager, Minnesota Power & Light, Little Falls, Minnesota.

General Secretary—Fred E. Stout, Division Manager, Minnesota Power & Light, Duluth, Minnesota.

8:30 a.m. Welcome—E. A. Savage, Chairman.

8:33 a.m. Our Challenge in Municipal Relations: Sylvester Laskin, Vice President, Minnesota Power & Light.

8:45-10:00 a.m. (Ballroom 4 & 5) What Is Currently Happening: A Panel Discussion—Objective: To exchange information on current issues affecting municipal systems.

8:45 a.m. Relations in Company Towns in Which REA Headquarters are Located: Harry C. Johnson, Controller & Treasurer, Otter Tail Power Company, Fergus Falls, Minnesota.

8:56 a.m. Attempted Purchase of Municipal Systems: C. T. Sickel, Division Manager, Minnesota Power & Light, Eveleth, Minnesota.

9:07 a.m. Missouri Basin Municipal Power Agency: Richard Lebens, Mgr., Area Power Contracts, Minneapolis, Minnesota.

9:18 a.m. Are Profits Reported in Municipally-Operated Towns Realistic?: K. L. Meyer, Executive Assistant, Interstate Power Company, Dubuque, Iowa.

9:29 a.m. Association of Municipal Electric Utilities: Dell Raymond, Vice President-Mktg., Iowa Public Service Co., Sioux City, Iowa.

9:40 a.m. With Towns Operating Sewer and Water Systems, Why Not Electric as Well?: Richard Bennett, General Sales Manager, Montana-Dakota Utilities, Minneapolis, Minnesota.

9:51 a.m. Gross Earnings Payments to Municipalities—Legal Identity and Municipal Powers: Arland Brusven, Attorney-at-Law, Northern States Power Co., Minneapolis, Minnesota.

10:02 a.m. Comments: E. A. Savage, Chairman.

10:10 a.m. Coffee.

Round table study groups

10:30-12:00 Noon (Marquette Room). Acquisition of Municipal Systems: Objective: Examine recent efforts in this field, both successful and unsuccessful, in an attempt to learn methods of approach and action most effective.

Conference Leader: D. M. Heskett, President, Montana-Dakota Utilities.

Secretary: Robert Bigwood, Vice President, Mgt. Services, Otter Tail Power Company.

(Hennepin I) Electric Franchises: Objective: To examine methods and practices employed in negotiating franchise renewals, determining most effective methods. (a) Provisions of franchises; (b) Ownership of street lighting and signal systems.

Conference Leader: Robert Asheim, Adm V. Pres., Black Hills Power & Light.

Secretary: R. A. Wilkins, Div. Mgr., Northwestern Public Service, Huron, South Dakota.

(Hennepin II) Organizations of Municipal Groups: Objective: Exchange information relative to newly-formed groups and existing groups that might have the effect of organizing municipalities or encourage them to own and operate electric distribution systems.

Conference Leader: J. W. Hoffman, Vice Pres., Northern States Power Co.

Secretary: Dell Raymond, V. Pres.-Mkting., Iowa Public Service Company.

(Ballroom 6) Needs of Municipalities for Additional Revenue: Objective: Exchange of information relative to experience with municipalities regarding franchise fees, gross earnings, taxes, operating permit, fees, etc. To discuss the municipal electric operation as a source of revenue to municipalities.

Conference Leader: A. V. Hartl, President, Otter Tail Power Company.

Secretary: K. L. Meyer, Exec. Ass't., Interstate Power Company.

1:30-2:40 p.m. Noon Luncheon.

2:40 p.m. (Ballrooms 4 & 5) Report Back Session of the Study Groups: Objective: To report findings and conclusions of study groups to all in attendance in a general session with group leaders serving as a panel.

Moderator: E. A. Savage, Minnesota Power & Light.

Panel: D. M. Heskett, Montana-Dakota Utilities; A. V. Hartl, Otter Tail Power Company; J. W. Hoffmann, Northern States Power; R. G. Asheim, Black Hills Power & Light.

4:00 p.m. General discussion.

4:25 p.m. Remarks by Ralph B. Newman, Secretary.

4:30 p.m. Seminar adjourns.

Sectional meetings

1. Each person will pay for his own room at the hotel.

2. Meals and hospitality will be charged to the N.C.E.A. The Secretary will be sent the bills by the hotel or motel. The total bill will be divided by the number of people participating in the meeting. The Secretary will then bill each *Advisory Committee member* in each *member company;* based on the number participating from the company.

3. The Secretary of the N.C.E.A. will then send the money collected from each company to the treasurer of the N.C.E.A. for payment of bills for the meeting.

4. The chairman of each sectional meeting will appoint a secretary to keep the minutes of the meeting. The minutes will be approved by the *chairman* and the *Advisory Committee member* from the sponsoring company. A copy will be sent to the President and Vice President prior to publication for any comments, prior to general distribution by the Secretary of the N.C.E.A.

5. When they have approved the minutes, the chairman will forward the minutes to the Secretary who in turn will duplicate the approved minutes. The minutes will be forwarded to:

A. Those participating in the meeting.

B. The Executive Committee members of N.C.E.A.

C. The Advisory Committee members of N.C.E.A.

ATTEMPTED PURCHASE OF MUNICIPAL SYSTEMS

(By C. T. Sickel, Division Manager, Minnesota Power & Light, Eveleth, Minnesota)

Many municipally operated electric distribution systems in the State of Minnesota are presently operating less efficiently than systems served retail by investor owned utilities. The measure of efficiency is based on the cost per KWH to the consumer. In the past few years the trend has been for the rates of the investor owned utilities to continue downward, or at least to hold their own, while municipal systems have had to increase rates. In the majority of these municipalities, the relationhip between the investor owned utilities and the municipality is excellent. The municipality is generally a good wholesale customer of the investor owned utility and there has been no animosity between the city or village and the utility.

These statements would lead one to believe that it would be a fairly simple transition for the investor owned utility to acquire these municipal distribution systems, based on the overall benefit that the consumer would realize. This, however, has not been the trend. I would assume that the problems in Minnesota Power & Light Company territory are similar to the problems being uncovered by other investor owned utilities in acquiring distribution systems. In order to more easily analyze the problems, I will take the specific case of the City of Gilbert, Minnesota, as an example in an attempt to point out the main problems which must be overcome.

The City of Gilbert is a community of approximately 2500 population. The city has been a wholesale customer since Minnesota Power & Light Company was formed in 1924. MP&L's relationship with this community has been excellent and there has never been agitation from the electric company towards the City of Gilbert for purchase of their system. On two occasions during the past 10 years the City of Gilbert has inquired into the conditions for purchase of their distribution system by Minnesota Power & Light Co. In these cases, meetings were held with the mayor, council and city clerk. The issue has never been presented to the public for a vote. The present average electric service rates in the City of Gilbert are approximately 20–25% higher than comparable Minnesota Power & Light Co. rates. During the past year the entire council has been working with MP&L Co. representatives in an attempt to reach an agreement on a purchase price, and the conditions surrounding selling their distribution system. All of the numerous meetings held with the council were on an extremely friendly basis and the councilmen have been quite truthful and frank in their comments on the situation.

The basic financial considerations with the City of Gilbert will be overly simplified so as not to burden this talk with statistics. Briefly, the present total cost to taxpayers of the City of Gilbert for electric service is $172,100. The estimated total cost to the taxpayers if Minnesota Power & Light Co. served Gilbert as a retail customer would be $139,500.

[To be put on blackboard or easel]

Present municipal revenue	$167, 000
Cost of present municipal services	7, 100
Present taxes paid by M.P. & L. in community	(2, 000)
Total cost to taxpayer	172, 100
Revenue if served retail by M.P. & L.	136, 000
Cost of municipal services if served by M.P. & L. Co	15, 200
Estimate of taxes if distribution system owned by M.P. & L. Co	(11, 700)
	139, 500

In addition to the direct savings to the electric customer, the purchase price of the system was adequate to retire present bonded indebtedness, plus the city's portion of an additional bonded indebtedness to install a new water system in the City of Gilbert. Federal funds would pay for 50% of the water system with the city to finance the remaining 50%. The City of Gilbert is actually in need of financial help and the financial picture seemed to favor disposing of the electric system.

There was no difficulty in getting the City Council to agree to a special election in which the sale of the municipal system would be placed on a ballot. By law, this requires the unanimous consent of the council. Steps were taken to have a Taxpayers Committee formed for the purpose of selling the City on the advantages of the sale of their municipal distribution system to M.P. & L. Co. Two members of the council were to spearhead this committee. No formal announcement was made to the people of Gilbert, nor was a date set for an election. Again on the surface it would appear that the immediate savings to the customer, coupled with a cash value to be paid for the system, which was to be ear-marked for a necessary facility, would almost assure that a ⅔ majority vote for the proposal would carry in an election. The cold political facts, however, are that this is extremely difficult to present to the voters, especially when legally the investor owned utilities are not free to use their personnel to distribute information on the possible acquisition.

An independent audit was made of Gilbert's electric distribution operation covering the past 10 years. When the audit was completed, the council and city attorney studied the results. The method of figuring savings to a community from the standpoint of the utility and the municipality was then pointed out to be quite different. MP&L showed a savings to the taxpayer of $32,600 per year, plus the advantages to be gained by the purchase price. From the standpoint of the municipality's governing body, a deficit of $30,400 per year was indicated. This peculiar play on figures came about as follows: MP&L indicated the $32,600 savings to the taxpayer by calculating the difference between the present yearly cost of $172,100 and the $139,500 yearly cost if MP&L served the city retail. The audit indicated that the City of Gilbert presently is taxing at their legal per capita limit; consequently the additional taxes that MP&L would pay, whereas it would reduce the taxpayer's burden in the community, would not increase the moneys available to the council. The municipal services which the City of Gilbert would be billed for would have to come out of the general tax fund, which would reduce the moneys available for other projects by the amount of $15,200. This peculiar quirk was interpreted to mean that the governing body would actually have a loss of $30,400 per year over the present moneys available. The reasoning was that they presently could cover the municipal services directly from the electric distribution revenues over and above general taxation levels. This would not be true if the system were sold to the private utility. They arrived at the $30,400 figure by stating that not only would they have to pay $15,200 for municipal services, but $15,200 would not be available to spend on present projects.

The audit which was made was not made public and the council's greatest fear seemed to be that the results of the audit would become generally known, which would probably have caused a clamor for a rate reduction by the taxpayers. It was inferred that the audit showed an annual profit of $15–200,000 which would actually raise the deficit in the council's eyes to between $45 and $50,000 per year. It was pointed out that as long as the municipality retained the electric distribution system, they had a method of collecting additional revenue when needed without going to a vote of the people, and still stay within the legal limit of per capita taxation.

The council realized that whereas a majority of the taxpayers in Gilbert would properly evaluate the issue and vote for the sale of the electric distribution system, the opposition would be supplied with immediate ammunition and could point out that some present services would have to be cut as there would be less money available. This would put the council in the position of having to expain which services should be cut. The fact that the taxpayer would actually save substantially would be overlooked by many voters.

It was the consensus of opinion of the mayor and city council that whereas they still favored selling the distribution system, a ⅔ majority vote on the propositon would be impossible. It was estimated that the proposal would carry by a 50–55% majority, but not a 67% majority. This, coupled with the talk of tax relief to communities through the State government, led all concerned to abandon the idea of a municipal election at the present time.

It is interesting to note in the analysis of the Gilbert situation that the purchase price of the distribution facility was not the major factor. The ⅔ majority vote definitely was the factor which could not be overcome. The organization of a truly effective committee from the City of Gilbert to present information regarding the sale would be extremely difficult. The taxpayer would definitely have to make himself heard and the taxpayer's organization would have to put forth a tremendous effort to acquaint all of the voters of the issues involved in order to hope for a ⅔ majority vote.

MISSOURI BASIN MUNICIPAL POWER AGENCY

(By Richard Lebens, manager, area power contracts, Minneapolis, Minnesota)

Before discussing the Missouri Basin Municipal Power Agency as such, let's put it in proper perspective as to objectives. This Agency is merely the latest addition to a group of organizations having the same goal—the promotion and extension of public power throughout the area. First at the post and the original leader in the field was East River Electric Power Cooperative, Inc. Next came the Mid-West Electric Consumers Association with the first involvement of municipal systems. This was followed by Basin Electric Power Cooperative hurriedly formed to stop Andy Freeman's group in North Dakota, and finally the Missouri Basin Systems Group.

Now it may be that, with all our other problems, we have failed to devote sufficient thought and planning to a very disturbing movement by this group. I refer to the increasingly bold efforts to establish what can best be described as joint cooperative-municipal pooling organizations. There is nothing unique about the concept. It simply applies the principles of the super generation and transmission cooperative to groups of municipals.

There has been a continuously increasing emphasis on municipal systems by the public power oriented organizations since they offer such groups an opportunity for expansion. The municipal systems are scattered throughout the service areas of the investor-owned companies. Their loads can be used by the public power groups to promote generation and duplicating transmission systems.

A good example is the Southwest Minnesota Power Association formed way back in 1959 by seven municipal systems and two cooperatives. The group considered construction of a 69 kv or 115 kv line to tie the member systems together and to extend westward to the Bureau's Sioux Falls substation.

The Missouri Basin Systems Group was formed in January 1963. The Municipal Subcommittee of the Systems Group immediately took over and actively promoted the Southwestern Minnesota activities. Soon, the announced membership included 15 municipal utilities and 8 rural electric cooperatives, and they were in Washington requesting the appropriation of $35,000,000 of federal funds for the Bureau of Reclamation to construct approximately 600 miles of 115 kv and 230 kv transmission lines. We were able to stop this but temporary setbacks do not deter these public power groups, and this plan is far from dead.

In 1964, continuing its "empire building" tactics, the Municipal Subcommittee of the Missouri Basin Systems Group engaged the Washington Law Firm of Ely, Duncan and Bennett to prepare a report and recommendations upon means by which the municipal power systems in the Missouri Basin might secure the "advantages of size" in the cooperative planning and construction of generation and transmission facilities to meet their load growth. The report was submitted in June 1965.

The report recommended the formation of the Missouri Basin Municipal Power Agency as a separate entity under the Iowa Joint Powers Act. A form of agreement to set up the Agency was included and activity to secure members was immediately started.

The Agency is governed by a nine-member Board of Directors selected from the municipal representatives. Arie Verrips, Superintendent of the Sioux Center, Iowa, municipal utility is General Manager of the Agency. Verrips is also Chairman of the Systems Group Municipal Subcommittee and the prime mover in this group.

The Agency is organized on a nonprofit, tax-exempt basis. Preliminary financing was recommended to be by moderate assessments on the members with contributions from the Missouri Basin Systems Group because of their interest in the engineering studies to be made. Generation and transmission construction is to be financed by the issuance of tax-exempt revenue bonds. A recent announcement indicates that the Agency attorneys are working with the bonding companies on language so the Agency can be ready to issue bonds to obtain funds for construction when the time comes.

The first annual meeting was held on November 17, 1966, with 26 municipal members. We know that membership has increased to over 30 with the bulk of the membership from Iowa. As far as I know, only three Minnesota municipals—Windom, Jackson, and Lakefield—have joined.

The Board of Directors authorized R. W. Beck and Associates to make an engineering study for the Agency. The study will include all the municipals in the Bureau marketing area and some of the outside area. Wheeling arrangements and power sources available will be investigated to determine how much transmission and ultimate generation will be needed. Verrips recently announced that the Bureau 115 and 230 kv transmission system for southwestern Minnesota proposed in 1964 will be needed for the municipal loads, so as I said earlier, this scheme to extend the public power system to the east is not dead.

The legal report also suggested that the Agency may operate as the contracting agency with the Bureau of Reclamation for power for its members and bill its members at cost plus a small surcharge. We have recently learned that the Agency is negotiating a contract for 100,000 kilowatts of firm power with the Bureau.

A further activity involves the possibility of cooperation with Basin Electric looking to a joint venture with Basin in financing a second unit in Basin's Stanton Plant. This would be accomplished through a wholly-owned, nonprofit corporation organized under the laws of North Dakota. Basin would operate the plant and deliver power to the

Agency in amounts reflecting the Agency's proportionate contribution to the cost.

In examining the activities of the Agency to date, you will note the close tie into the Missouri Basin Systems Group and Basin Electric. It is readily apparent that the municipals are being used by the powers that be in the Systems Group to expand their empire and any benefits that may accrue to the municipals are purely incidental.

The potential dangers to the investor-owned companies are also readily apparent. If the Agency is successful in obtaining a large block of Bureau power for resale to members, we will surely see activity offering membership to towns outside the marketing area. Large scale generation jointly financed with 2% REA money and revenue bonds can become a reality. The ability to sell to municipal systems the subsidized low cost power from such a unit has some unpleasant connotations such as increased municipal agitation in our retail towns.

A Missouri Basin Systems Group Newsletter contained the following: "With the present difficulty of the Bureau of Reclamation and REA borrowers in getting adequate capital for construction, the Municipal Power Agency's prospective ability to get tax-exempt bond financing could be useful indeed."

Obviously, the public power people recognize the potential for expansion represented by the municipal systems. To counter this we, the investor-owned companies, must increase our activities with the municipals. We must make available some of the benefits of pooling to the smaller systems. The alternatives are obvious.

NORTH CENTRAL ELECTRIC ASSOCIATION MUNICIPAL SEMINAR, JUNE 9, 1967

(By Dell B. Raymond, vice president—marketing, Iowa Public Service Company)

Municipal enabling legislation passed by the Iowa Legislature

The Iowa Legislature meets every two years for a period of what we use to consider 100 days. After the Legislature changed renumeration of the legislators from an annual basis to a daily basis, the legislative period became prolonged. In the 1965 Session it ran for 145 days and in the 1967 Session, today, June 9, it is 149 days and there appears to be a long road ahead.

During the 1965 Session, a Bill was introduced in the House, "To Authorize Joint Exercise of Governmental Powers by Public Agencies."

This was known as House File 188 and a copy of the entire Bill is attached.

The main purpose of the Bill was set out in Section I, which reads as follows:

Section 1. The purpose of this act is to permit State and local governments in Iowa to make efficient use of their powers by enabling them to provide joint services and facilities with other agencies and to cooperate in other ways of mutual advantage. This act shall be liberally construed to that end.

In Section 12, a "fence" was built around the administration of the Bill, which reads as follows:

Section 12. Any one (1) or more public agencies may contract with any one (1) or more other public agencies to perform any governmental service, activity, or undertaking which any of the public agencies entering into the contract is authorized by law to perform, provided that such contract shall be authorized by the governing body of each party to the contract.

The Bill appeared to be innocuous and frankly, we did not realize the scope of the interpretation of this legislation.

Bill passed both the House and the Senate with very few dissenting votes.

Using this Legislation as a vehical, there were two groups of communities developed within the State of Iowa, one of which was a group of 12 municipals that became members of the Corn Belt Co-op, at Humboldt and the other was 21 municipals in Western Iowa that joined the Midwest Electric Consumers Association, as an agency of the Missouri Basin System. Many of the latter group were located in Iowa, but it was not limited to the Iowa Municipals.

At the start of the 1967 Session, we filed a Bill in both the House (Bill HF-388) and the Senate (Bill S-414) which reads as follows:

An Act relating to joint services by municipal bodies.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section twenty-eight E point ten (28E. 10), Code 1966, is hereby amended by striking from line eleven (11) the period and inserting in lieu thereof the words "; provided, however, no agreement under this chapter shall provide for generation, transmission or distribution of electricity."

There was considerable lobbying on this Bill, both by the utilities and the municipals but the REC's and the State REA were very active in lobbying against it. This was referred to the Cities and Towns Committee in the House and the Governmental Affairs Committee in the Senate.

Our Company had a very favorable chairman in the Cities and Towns Committee (House) and it was brought to the Committee's attention on April 5, 1967. At that time, it was moved to table the Bill by a vote of 12 to 9, with 4 members not voting.

The Senate Committee as of this date, has not considered the Bill.

On May 17, it was moved in the Cities and Towns Committee in the House to reconsider the tabling of this Bill. Again, the Bill lost by a vote of 14 to 19. Inasmuch as the Rules of the House required ⅔ majority to remove from the table, the vote was 3 votes short.

During the week of May 29th, a sifting committee was set up in the House and one of their early actions was to bring House File 388 to the floor.

Final action on the Bill was held on the afternoon of Tuesday, June 6, after an hour and a half of debate and bitter denunciation of the utility lobbying, the Bill lost 48 to 65.

For all practical purposes, the Bill is now dead for this Session. Most of the opposition came from representatives from towns with municipal electric utilities.

The whole point of this paper is this. . . . Each Bill that goes to the Legislature should be watched very carefully for any sleepers or possibility of expanded interpretation. It was the case in this particular piece of legislation.

This of course is a monumental task (over 1500 Bills in the past Iowa Session) and a must, if we are going to keep on top of situations like this.

WITH TOWNS OPERATING SEWER AND WATER SYSTEMS, WHY NOT ELECTRIC AS WELL?

(By Richard Bennett, general sales manager, Montana-Dakota Utilities, Minneapolis, Minn.)

Being assigned a part on this program proves the fallacy of cooperating with the program chairman. When Ralph Newman sent out notice of the meeting, he asked for suggested topics that might be appropriate for the agenda. I sent in several suggestions and—wouldn't you know. I was assigned one of them. Really, I was looking for information rather than a speaking engagement! I was just a bit confused as to how to treat the assigned subject since it is only one part of several questions posed. Since this rash of municipal ownership agitation is an area problem which involves all utilities in the NCEA group, the questions suggest some possibilities for joint action, as follows:

1. Would it be desirable to establish an automatic, dependable clearing house among NCEA utility members for any and all information which might prove useful in combating municipal ownership?

2. How best can such a clearing house be organized?

3. Would it be desirable for NCEA utility members to jointly sponsor a thorough, in depth study by qualified people of the municipal operations currently being held by the pro-municipal forces as "proof positive" of all the benefits and big profits to be achieved by a community through municipal ownership of their electric system. We are thinking of communities like—Howard, South Dakota; Faith, South Dakota; Arlington, South Dakota; Colman, South Dakota; Groton, South Dakota; Maddock, North Dakota; Park River, North Dakota; and others.

4. If desirable, how best could a study of this kind be organized and financed?

5. Since Senator Lee Metcalf's and Vic Reinemer's book "Overcharge" is now being used as the bible by pro-municipal ownership forces to whip up anti-private utility sentiment in municipal ownership campaigns, shouldn't there be an expert analysis of the book to point out areas of bias, half truths, etc. to be used in rebuttal? Who could best make such an analysis?

6. Does anyone have concise, believable answers to the following claims advanced by municipal ownership advocates:

a. The private electric utilities are not really a part of the historic American free enterprise system.

b. Since most communities own and operate their water and sewer systems, there certainly is nothing Socialistic or fundamentally wrong with a city owning its own electric facilities.

c. Why shouldn't the city own its electric system and keep all the profits at home for community betterment instead of permitting the utility company to drain off all that money and send it to small groups of wealthy stockholders and bankers in the big cities—?

It is quite apparent the pressure on our communities is going to get a good deal worse before it gets better. I think we should explore the idea of coordinating the efforts of all of our companies and fight this battle as a well organized group rather than each company more or less going it alone.

These questions were born out of our recent experiences in combatting the municipal ownership forces in several locations but specifically in McLaughlin, South Dakota, where, incidentally, we are batting .500. We won one close election on this issue last November and lost a close one on the same issue last April. Out of the crucible of these two rough and tumble elections, the pro-municipal ownership crowd have, we think, revealed their basic plan and propaganda line. It is skillfully designed to erode any pro-utility sentiment in a community, disassociate private utilities from the American free enterprise system and then build up a community state of mind whereby it appears logical and desirable to vote out their present electric supplier and vote in city ownership of the electric facilities.

It is obvious the municipal ownership crowd have studied communities in the area. They have catalouged franchised expiration dates and decided to "zero in" on towns of 900–1500 population as the most vulnerable. Many of these communities are too small to justify a local utility office. In many instances, they do not have a resident serviceman. Most of these towns are losing population and struggling to maintain schools, streets, water systems and other essential services. Many people in these communities believe that if the town had modern facilities such as playgrounds, swimming pools, hospitals, etc., young people would be encouraged to remain in the town and industry might locate in the community. Of course, the burning question is how to finance such facilities. It isn't any wonder then that the story of *big profits* from municipal ownership has great appeal. It sounds like a "cure all" for all municipal problems.

Since the "big profit" story is the real "hot button" argument in selling a community on municipal ownership, don't you think a thorough professional study of the actual financial status of municipal systems in our area would be useful? I can assure you, based on our recent experiences, the pro-municipal profit propaganda cannot be "beat down" successfully with generalities.

Businessmen usually are the political and economic leaders of the community, so the municipal ownership propaganda is aimed at this group. The membership of both the junior and senior Chambers of Commerce and commerical clubs are the prime targets. Knowing the vast majority of businessmen in our area are inclined to be pro-private enterprise, they are subjected to skillful propaganda, designed to break down their pro-utility, pro-private enterprise attitudes. It goes something like this:

"Is your present utility company really interested in your town? Are they to be completely trusted? Here's a copy of a recent book on private electric utility operations by Senator Lee Metcalf and Vic Reinemer of Montana called 'Overcharge.' Read it and pass it around to others when finished."

I am sure you are aware that copies of this book are being distributed to City Council members, clergymen, and other thought leaders in many communities in our service area. The purpose, of course, is to sow seeds of suspicion and distrust among our customers. Can we afford to ignore the impact of the book in our communities? Don't we need an antidote for this poison—in the form of an expert analysis written in nontechnical, believable language—an expose that purges out the bias, half truths, etc. contained in this book?

The pro-municipal forces list specific municipal operations with published net profit figures. Now, in the light of sound utility accounting and operating practices, these profits may be overstated but, believe me, the time has come when we have to offer specific proof that such is the case. Making such a study could be a joint effort of the companies represented here.

After sowing seeds of suspicion about the private utility serving the community, the next argument goes like this: "A private utility company is not a part of the historic American free enterprise system." It's a monopoly with guaranteed earnings. Being a monopoly, it has no competition. If you don't like the utility or its service, you can't purchase a similar product from another competing supplier. You have no freedom of choice like you do when you buy cars, gasoline, groceries, clothing, insurance, etc.

And then comes this argument. Certainly there is nothing Socialistic about a town owning and operating its electric system. Practically all cities own their water and sewer systems. These are public utility services rendered to all residents of the community. No one labels these city owned businesses Socialistic. So, what's so different about the city owning its electric system?

Now, since our city needs money desperately, doesn't it make sense to own our electric system and keep all the profits at home for community betterment instead of permitting the utility company to drain off all that money from our town and send it to a bunch of well-heeled stockholders and bankers in the big city?

Is this propaganda effective in convincing small town businessmen that municipal ownership does not violate their belief in the free enterprise system? We believe it is! In each community where we have experienced municipal ownership agitation, it is the businessmen and their business organizations, such as the Junior Chamber of Commerce and the commercial club, who are spearheading the municipal ownership movement.

There are many other side angles to the municipal ownership propaganda but the foregoing are the essentials.

We need the best, the most logical and believable answers to these arguments. I would like to suggest we should organize within this association to obtain the best answers and fight this movement as a coordinated group. It is evident our pro-public power adversaries have attained a high degree of organization and coordination among their many different groups, so let us do likewise!

Thank you.

REPORT OF THE ROUND TABLE STUDY GROUP ACQUISITION OF MUNICIPAL SYSTEMS, JUNE 8–9, 1967

Conference Leader: D. M. Heskett, President, Montana-Dakota Utilities Company.

Secretary: R. M. Bigwood, Vice President, Management Services, Otter Tail Power Company.

The Counter Insurgency

The assignment of this study group was to examine recent efforts in the field of acquisition of municipal systems, both successful and unsuccessful, in an attempt to learn methods of approach and action most effective. While the discussion did not reveal any recent successful acquisition attempts, it did point up that many attempts are being made to acquire municipal systems by different utilities, that these attempts are meeting with varying degrees of success—without the utility—in most instances—losing ground, that the stage can be set for subsequent successful efforts by careful planning and handling of a present attempt, that acquisition is not an impossibility, and that the psychological impact of a successful acquisition of a municipality-operated system warrants more time, attention and aggressiveness than this type of effort is apparently receiving in most utilities today.

The following covers the basic points which came out of the discussion and which would, hopefully, be of the most interest and, therefore, of the most help to the participating companies in any review of the conference proceedings:

Obstacles to Acquisition:

1. The required ⅔ majority favorable vote This is also a protection for the utility in keeping a municipal from voting out the investor-owned utility.

2. Proving without offending that a municipal system is less efficient than an investor-owned system, and that a sale would be to the advantage of the community. Convincing the community is the need and also the problem.

3. Lack of availability of realistic and accurate muncipal financial statements.

4. Metcalf's and Reinemer's "Overcharge" and other unwarranted castings of suspicion on the utilities. "Utility not really free enterprise." Refuting of Metcalf's and Reinemer's book handled briefly and very ably in an article in the Investment Dealers Digest, March 27, 1967.

5. While there is no set pattern, municipal rates are substantially lower than can be offered by the utilities, with commercial rates generally the most favorable to municipal operation in comparison with what the utility can offer. This leads to business support of municipal operation—a matter of dollars, not philosophy.

6. People unwilling to take sides, especially if the feeling is that a vote to sell would not achieve the needed majority.

7. American Public Power Association (A.P.P.A.) underground involvement when continuation of a municipal operation threatened.

8. Citizens of a community believe or have been convinced that a municipal operation can or is doing much for the community.

9. The psychological barrier to a sale imposed by the community citizen having a pride of ownership in "my own system."

10. Delays promoted as "not rushing into this thing" or "let's study for awhile."

A Major Developing Concern:

Cooperating groups of municipals with such groups developing or acquiring blocks of power, engaging in joint plant ventures, contacting other municipals, and in other ways fostering the idea of economic gain community by operating its own municipal distribution system.

Assists to Acquisitions:

1. The merit of taking utility operation out of local politics.

2. The ability to promise an efficient operation and a properly maintained system. (So many municipal systems are in poor condition and are in need of major revamping.)

3. The certainty of developing an expanded tax base for the community.

4. An active citizens committee that willingly takes the initiative and carries the ball—actually a starting "must" in any acquisition attempt.

5. Showing up the opposition as persons with personal axes to grind—no objectivity or making of decisions based on accurate information or merit.

6. Young people under 30 and older people who tend to be more favorable to acquisition and using them in any effort.

7. Staying alert to any municipal acquisitions nationwide and trying for local newspaper publicity on such acquisitions.

8. A good Public Service Commission.

Consultants' Views on Techniques—Reported by one utility:

1. Survey the community first for sentiment. (Use a professional survey organization.)

2. Hire a consultant.

3. Use a local man to engineer and front for the effort. Set up in an office and put the man to work with the acquisition as his sole assignment.

4. Use retired people, relatives, and similar groups for contact work.

5. Remember that an election won't be won on main street. There has to be contact in the residential areas.

6. Use women to make calls and catalog everyone as to their position on an acquisition attempt.

7. Minimize accounting aspects in any brochure and develop suitable illustrative artwork. Economic factors should be set out and interpreted for understanding.

8. Use voter registration lists for contacts and ignore others.

9. Use newspaper advertising and direct all efforts toward the election.

10. On interviewing, use a tailgate conference each night to determine standing in community and to learn from the combined experience of those making contacts.

11. The consultant's fees could fall in the neighborhood of $100 per day plus costs with an undertaking in a larger community probably costing more.

Offering Price to a Community:

This is a matter of considering many factors condition of the system, worth potential, publicity impact of acquiring, etc. The merit of offering a community several options was discussed—a matter of determining how the purchase sum could be provided to a community for the greatest advantage to the community. It was felt that there was merit in assuring that a purchase sum benefit a community over the longest possible period of time.

Illustration of an Acquisition Attempt:

One of the participating utilities reviewed an acquisition attempt with the following of a quick review of that attempt and some of the conclusions reached.

The situation involved a community of approximately 3,500 population, no utility commission in the community, some industry, a 4,000 KW generating plant, and a load of approximately the same dimensions. In 1965, exploring of the possibility of acquisition started. The superintendent of the municipal system was neutral. The city council was 100% in favor of going to an election. A utility committee was assigned to make a study. A past study by Pfeifer and Shultz and other sources of information were used. The utility committee asked the utility for general terms and conditions. This committee came forth with a favorable report and said everything but sell. A citizen advisory committee, which was developed, asked the utility to provide information, and then took over the effort with the utility company working behind the scenes. The biggest problem seem to be that the people felt the issue would be badly defeated and didn't want to commit themselves. This was hindsight.

The selling was undertaken primarily through block parties with the emphasis strictly on the economics of the sale of the system. Opposition to the sale started to develop late and showed up for the first time in January, 1967, with the election following in March, 1967. The vote was 51.1% in favor of the sale, short of the necessary ⅔ majority needed to authorize sale. An accomplishment was that the election stopped installation of additional generation. Another election is likely. The utility company came out of the effort with a good image. A very active citizens committee still viewed as a key to the success of such an undertaking. The utility company in the next effort, when and if undertaken, may speak to community groups, such as service clubs. It should be recognized that the opposition was organized and it was effective. The American Public Power Association appeared.

Needs:

1. A close watch on bills that go to legislatures and a depth study of such. Stumbling blocks to acquisition can be introduced and stumbling blocks can be removed through legislative action.

2. A careful and continuing analysis of community gross earnings. Tax implications and possibilities—contract versus tax aspects of such needs exploration.

3. A task force established on a continuing basis to study problem in more depth, come up with a definitive program which provides step-by-step guidance on acquisitions and to provide for reviewing and updating techniques based on experience.

4. A clearinghouse in N.C.E.A. on matters of municipal agitation or unrest. Desirable as acquisitions may be it has to be recognized that our No. 1 objective and need is to retain those communities we do have and to continue an involvement in their growth and development.

NORTH CENTRAL ELECTRIC ASSOCIATION MUNICIPAL SEMINAR, JUNE 9, 1967

Round Table Study Group—Electric Franchises

Conference Leader: Robert Asheim, Adm. Vice President, Black Hills Power and Light Company.

Secretary: R. A. Wilkens, Assistant to the President, Northwestern Public Service Company.

Present: Don Eck, Iowa Public Service Company; Don Eng, Otter Tail Power Company; George Spurbeck, Minnesota Power and Light Company; Dennis Sunderman, Northern States Power Company; S. E. Sewell, Northwestern Public Service Company; Irvine Bates, Montana-Dakota Utilities Company; D. L. Anderson, Northern States Power Company; N. L. Larsen, Northern States Power Company; Charles T. Sickel, Minnesota Power and Light Company; R. L. Vannelli, Northern States Power Company; J. E. Rudolph, Northern States Power Company; R. A. Wilkens, Northwestern Public Service Company; Robert Asheim, Black Hills Power and Light Company; Donald L. Haugum, Northern States Power Company; A. D. Brusven, Northern States Power Company.

The purpose of this round table discussion was to examine methods and practices employed in negotiating franchise renewals, determining the most effective methods.

First of all, a general brainstorming session was held to discuss things cities occasionally ask utility companies to put into franchises. Some of the items follow:

1. A percentage of the gross revenue, a tax or an annual operating fee.
2. Free Municipal service.
3. No interest loans, such as for park improvement facilities.
4. Municipal services exemption from the gross earnings tax.
5. Pressure for underground residential distribution.
6. Provisions for determining transmission route selection.
7. Terms of the franchise set as to shorten the normal length of time or duration.
8. Franchise vs. Operating Permit. (the word franchise is often misleading and some prefer to offer an operating permit for a certain number of years.)
9. A periodic review of the franchise after a set of number of years with a "buy out" provision at the time of review.
10. Rate equilization with larger cities or reducing rates in special cases.
11. Set rates included in the franchise.
12. Total service contract.
13. Stated municipal or company ownership of street lights.
14. Ornamental street lights.
15. Economic operating report.

A general discussion followed examining the methods and practices employed in negotiating franchise renewals, and in determining the most effective methods to employ. A detailed breakdown of some problem areas and recommended procedure follow:

I—Renewals of franchises

A—Know and recognize external opposition to normal franchise renewals.

1. REA preparation of booklets.
2. Rural service area agreement granted by REA as an incentive.
3. Engineering and other aids from REA's.
4. Hungry consultants.
5. Bonding companies.
6. Some equipment suppliers or manufacturers.
7. Gas company promoting total energy.
8. U.S.B.R. encourages change to municipal ownership.
9. Municipal electric associations.
10. Empire builders.

B—Know and recognize areas of internal opposition.

1 Some city employees.

2. Opportunists agitating for municipal ownership.
3. Local REA residents on councils and in community action groups.
4. Dissatisfied customers.
5. Consistent agitators.
6. Ethnic groups favoring community ownership e.g. Hutterites, Mennonites.
7. Liberal political groups.
8. Liberal teachers, preachers, bankers and lawyers.
9. Form of city government.

C—General problems and factors to be recognized and acknowledged.

1. Poor and inadequate local utility personnel.
2. Poor company image.
3. Poor utility service.
4. Reluctance of companies to modernize rates.
5. Eliminating offices in communities.
6. Changing or eliminating personnel in communities.
7. Failure to start franchise preparation soon enough.
8. Community demand for two-way feed (electric).
9. Problems in explaining reasons to the community that they should grant the utility company a franchise.
10. Demands or restrictions of P.U.C. or lack of P.U.C.
11. Possible rate differential for franchised towns.
12. Use of "indeterminate permit" by P.U.C. in place of franchise.

D—Techniques used by opposition which should be expected and prepared for.

1. Last minute handout sheets or flyers.
2. Public meetings.
3. "Underground meetings."
4. P.A. system (mobil).
5. Letters to editors and other newspaper articles.
6. Free trips to REA and public power facilities, such as the Basin plant.
7. Youth education or "brainwashing."
   a. Washington, D.C. trips.
   b. Essay contests.
   c. Talent contests.
   d. Teachers and textbooks.
8. Organized local citizens and committees.
9. Agitation by other municipal and public electric leaders.
10. Rate comparisons.
11. Half truths and inuendos.
12. Canvassing community attitude.
13. Telephone campaigns.
14. Advertising campaigns.

E—Proper procedure for obtaining franchise.

1. Importance of complying with legal requirements.
2. Adequate and early groundwork.
   a. Home service contact.
   b. Stepped up advertising.
   c. Individual contact.
   d. Providing betterment facilities in advance.
   e. Providing good service.
   f. Maintaining good contacts with municipal leaders and thought leaders.
   g. Supporting good community, city and political leaders.
   h. Good company citizenship.
   i. Proper timing.
3. Anticipating opposition and preparing good defense.
4. Prepared advertising campaign, customer oriented.

II—Ownership of street lighting and signal systems

Some companies felt there is a definite advantage to owning 100% of the street lights.

A—Ownership of Street Lighting.

1. Advantages of 100% utility ownership of street lights.
   a. Improved maintenance.
   b. Company image.
   c. Ownership of street lights makes municipal ownership more difficult.
   d. Better standards of street lighting usually results.
   e. More opportunities for contact with city fathers.
   f. Provides standardization of fixtures and service.
2. Advantages of city owning part or all of the street lighting system.
   a. Part of costs of ornamental system can be assessed against property.
   b. Lower operating costs to city.
   c. Eliminates frequent changes in new system.
   d. Decreases demand for company capital outlays.

B—General viewpoint on ownership of Signal Systems.

1. Advantages of company owning them.
   a. None.
2. Disadvantages of the company owning them.
   a. May be liability if company owns them.
   b. Involves company maintenance.
   c. Metering or flat rate is a problem.

C—Ownership of Fire and Air Raid Sirens.

1. Some companies include this with water pumping rates, most leave this up to the city.

REPORT OF THE ROUND TABLE STUDY GROUP ON ORGANIZATIONS OF MUNICIPAL GROUPS, JUNE 8 AND 9, 1967

Conference Leader: J. W. Hoffman, Vice President, Northern States Power Company.

Secretary: Dell Raymond, Vice President, Marketing, Iowa Public Service Company.

There were 19 in attendance at the meeting of this group. Very interesting and informative discussion developed and for the most part pertained directly to the subject matter.

There appears to be no national trend in the number of municipals during the past 20 years although there now seems to be more agitation developing particularly in the Missouri Basin. There is also considerable interest among the municipals to group together or become a part of other groups.

There recently was an initial meeting of the "Missouri Basin Municipal Power Agency." This meeting was held in November 1966 and now has 30 members. It is an attempt by municipals in the Missouri Basin to band together for bargaining purposes and develop programs for interconnection. This power agency would own and operate generation and transmission facilities. The agency would also arrange for wheeling, wholesale power, interties with other systems and all associated contractual arrangements. At this early date, it is difficult to predict the future of this organization but it definitely is potentially dangerous.

It appears the greatest single threat toward the organization of municipals as well as the threat of existing retail towns becoming municipally owned is through the efforts of the Basin Electric Power Cooperative and the East River Power Cooperative. These organizations have numerous field men attempting to attract customers of other suppliers. These organizations are also active in securing REA appropriations for the construction of transmission which will permit them to wheel Coop and Bureau power to municipal communities as well as their distribution Coop members. Through this program the REA transmission system would become the backbone for interconnecting muncipals one with another as well as providing access to other power sources. In general this use of the REA transmission system is a new expanding threat and can easily become part of a public power transmission grid.

The MAPP program which now has 26 municipal members was discussed. This organization is in part an association of municipals and is a deterrent to the threat of these municipals becoming part of some competing group.

There does not seem to be any definite pattern among the utilities regarding interconnected with municipal communities. Some utilities do not as a general practice interconnect with municipals in their service territory. Others actively pursue a program of interconnecting where ever possible. Some utilities were connected with all of their communities in their service territory and others are connected with none of these communities. Some companies feel an interconnection obtains good relations with the municipal and some control, and others feel an isolated municipal will become unprofitable and more available for purchase.

The discussion indicated there is a definite acceleration of activity among municipals presumably brought about by national publicity on power pooling and transmission grids and the economic advantages of these programs. There was an instance in Wisconsin where two communities were interconnected by a jointly financed transmission line. There was another instance in Wisconsin where municipal communities purchasing wholesale power were attempting to bargain with the power supplier as a unit.

In summary, the greatest single threat to organizations of existing municipal communities and the loss of existing retail communities was through the activity of some of the REA organizations. These Cooperatives disregard the true intent of REA and attempt to secure funds to expand their generation and transmission programs part of which is to be used to attract municipal communities. Communities in the range of 500 to 1500 population seem to be particularly vulnerable. Recognizing the possible future of some of these new developments in municipal activities would make it highly desirable for the investor owned utilities to be fully advised of all local and regional activity.

NORTH CENTRAL ELECTRIC ASSOCIATION MUNICIPAL SEMINAR, JUNE 6 AND 7, 1968

Officers of NCEA: D. M. Heskett, President; C. K. Larson, Vice President; H. C. Johnson, Treasurer; R. B. Newman, Secretary.

Municipal Seminar Representatives:

Black Hills Power & Light Company: R. E. Furois, Joe Rovere, Robert G. Asheim, Mrs. Kay Nolan.

Interstate Power Company: K. L. Meyer, Ken Gordon, G. J. Muir.

Iowa Public Service Company: E. A. Wendel, Jack Kinney, Rod Robertson.

Minnesota Power & Light Company: Parker Lowell, W. L. Claffey, Glen J. Alden, E. A. Savage, Charles T. Sickel.

Montana-Dakota Utilities Company: David M. Haskett, Warren Dotseth, Richard L. Jacobson, L. N. Lenhardt, H. L. McLarnon, Irv Bates, Mark Scharff, John Stewart, R. T. Bennett, William Murray.

Northern States Power Company: C. K. Larson, D. D. Butterwick, R. L. Vannelli, N. J. Dreis, N. W. Ecklund, R. B. Burg, Russell Slotten, R. E. Pile, John Mertz, N. L. Larsen, W. Rowe Williams, W. A. Daniel, Selmer Johnsrud, L. J. Crain, R. D. Cook, Dennis Sunderman, Lad Karel, John Mullins, Peter W. Beck, Richard E. Hanson, F. E. Utecht, John A. June, Frank A. Graham, James A. Swanson, Forrest Johnson, M. D. Olson, R. J. Lebens, Ed C. Spethmann Merv Tretter, Joe Meyer, Lee Tuskey, Roy Berglund, J. B. McMains, Jack W. Hoffmann, F. J. Vojta, D. W. King, P. J. Cressy, R. E. Setzler.

Northwestern Public Service Company: S. E. Sewell, R. A. Wilkens, G. G. Hoover, Robert Stewart.

Otter Tail Power Company: T. V. Reese, Mel Sunby, Harry C. Johnson, P. J. Brewer, Mel Olson, L. M. Robinson, Henry Berquist, Robert Bigwood, Ralph S. Johnson, R. W. Nygard, Gordon Solee, A. D. Millard.

Superior Water, Light & Power Company: Harold W. Holton, Richard D. Kennedy.

Others: Warren May, Attorney-at-Law, Pierre, South Dakota; A. W. Benkusky, Manager, MAPP, Minneapolis; W. B. Farrell, Coordinator, MAPP, Minneapolis.

Presiding: Robert G. Asheim.

Recording Secretary: John Mertz.

Thursday, June 6

12:00. Noon Luncheon, Ballrooms 4, 5 & 6.

12:45 p.m. Ballrooms 1, 2 & 3: Review of the past two Municipal Seminars—Harry C. Johnson.

1:00 p.m. The Velva, N. D. Campaign. Moderator, R. W. Nygard.

A Mayor's Role in Municipal Agitation: Ernest Sands, Mayor, Velva, N.D.

A Local Employee on the Firing Line: Walter Kraft.

A Manager's Role in Municipal Elections: Henry Berquist.

Wrap-Up; R. W. Nygard.

2:30 p.m. Coffee Break.

2:45 p.m. Acquisition of Municipal Electric Systems: R. J. (Dick) Lebens.

General approach to get request: R. J. (Dick) Lebens.

Details of NSP Offer: R. J. (Dick) Lebens.

Case history of Bayport: Merv Tretter.

Case history of Mazeppa: Joe Meyer:

Case history of LeSueur: Les Tuskey.

These discussions all involve "How to Counteract the Municipal Power Profit Story."

3:40 p.m. The Hot Springs, S.D. Elections. Moderator, Robert G. Asheim.

Pitfalls to Avoid and Getting Results: Joe Rovere.

Door-to-Door Contact by a Home Service Representative: Mrs. Kay Nolan.

4:40 p.m. Supreme Court Decisions in the Cases Involving Miller, S.D. and Salem, S.D.: Warren May, Attorney.

6:00 p.m. Social Hour, Foyer.

7:00 p.m. Dinner, Ballrooms 4, 5 & 6.

8:00 p.m. Trends in Thinking That Lead to Municipal Agitation: Fred Danforth, Central Surveys, Shenandoah, Iowa.

Friday, June 7

(Ballrooms 1, 2 & 3)

8:30 a.m. Plan for the Day: Robert G. Asheim.

8:40 a.m. Municipal Relations, K. L. Meyer: Early warning signals of municipal unrest. Customer contacts, customer relations programs. How do you get closer relationships with community thought leaders? Why should a community grant a franchise to an investor-owned utility?

10:00 a.m. Coffee Break.

10:15 a.m. Municipal Electric Systems: History of Municipal Electric Systems, Ed C. Spethmann. (Who and what is behind the growing threat of municipal power agitation?)

Developing Relations with Municipal Electric Systems: Dick Lebens.

Municipal Utility Power Pooling in the Last Year . . . Ed C. Spethmann.

A Possible Research Program to Determine the Profits of Municipal Systems in the NCEA area:

a. Suggested program: Ed Spethmann;

b. Professor Cowles' Economic Evaluation of LeSueur: Roy Berglund.

c. Development of Economic Purchase Price: Roy Berglund.

The Merits of A Franchise Tax: Merv Tretter.

12:00. Noon Luncheon, Ballrooms 4, 5 & 6.

1:00 p.m. Legislative and REA Matters Moderator: E. A. Wendel.

Panel Members: James McMain, Minnesota; Ken Gordon, Iowa; R. L. Jacobson, N. Dak.; William S. Murray, N. Dak.; Warren May, South Dakota.

Territorial Problems With Distribution REA's.

Territorial Protection and State Laws Governing Same in the NCEA Area.

Legislation to create a Minnesota Utilities Commission.

Serving Municipal Utilities Outside Corporate Limits.

Functions of Municipal Utility Associations in the States Covered by NCEA.

3:00 p.m. Coffee Break.

3:15 p.m. Beautification and its Effects on the Industry, Dave Masten: Trees, Underground, Transformers, Use of Colored Poles.

Reports on Municipal Agitation and Elections. (Ten minutes per person) Paper on each will be given the chairman to be used in the report of the meeting.

1. Freeman, S. D.: R. A. Wilkens.
2. McLaughlin, S. D.: Warren Dotseth.
3. Finley, N. D.: R. W. Nygard.
4. Hankinson, N. D.: Les Robinson.
5. Aurora, S. D.: P. J. Brewer.
6. Elbow Lake, Minn.: Mel Olson.

Summary of meeting and conclusions: John Mertz.

Question and Answer Period.

5:00 Adjournment.

NORTH CENTRAL ELECTRIC ASSOCIATION MUNICIPAL SEMINAR, APRIL 24, 1969

Officers of NCEA: C. K. Larson, President; F. W. Griffith, Vice President; H. C. Johnson, Treasurer; R. B. Newman, Secretary.

Municipal Representatives:

Black Hills Power & Light Company: Bob Asheim, Joe Rovere, R. E. "Dint" Furois.

Interstate Power Company: K. L. Meyer, C. R. Morley, Paul Larimore, J. G. Halbmaier, A. F. Gertjejansen, Bidney Bergie, G. J. Muir.

Iowa Public Service Company: Scott Phelps, R. J. Reideler, R. G. Ruisch, W. I. Pierce, H. C. Schogren, Jon Cleghorn, S. M. Swanson.

Investor-owned Utilities of South Dakota: William A. Johnson.

Minnesota Power & Light Company: Glen J. Alden, E. A. Savage.

Montana-Dakota Utilities Company: Warren Dotseth, Irv Bates, Louis Lenhardt.

Northern States Power Company: M. L. Blaskey, Arland D. Brusven, O. C. Christianson, P. J. Cressy, J. F. Jordan, D. W. King, J. E. Meyer, E. H. Schentzel, Edward C. Spethmann, M. B. Tretter, F J Vojta, L. C. Whitney, D. L. Anderson, R. H. Slotten, D. J. Chmiel, R. J. Graf, C. D. Moline, F. D. Johnson, M. D. Olson, S. J. Pettersen, F. E. Utecht, J. A. Flynn, R. W. Steuernagel, L. A. Gauthier, A. E. Hassinger, J. B. Delano, D. W. McCarthy, C. L. Sundem, J. C. Pearce, H. K. Junge, H. W. Spell, Norman L. Larsen, L. J. Crain, W. A. Daniel, R. D. Cook, Selmer J. Johnsrud, Robert B. Burg, Darrell D. Butterwick, Nicholas J. Dreis, Norman W. Ecklund, Frank E. Graham, Ronald L. Vannelli, Gerald R. Wallace, Dennis F. Sunderman, Wendell D. Wischer, Lad Karel, John Mullins, R. E. Hanson, J. A. June, A. M. Ryser.

Northwestern Public Service Company: S. E. Sewell, R. A. Wilkens.

Otter Tail Power Company: Harry C. Johnson, P. J. Brewer, R. W. Nygard, Trevor Reese, Vic Zeiher, Les Robinson, Ted Rotenberger, Henry Berquist, Al Seltz.

Thursday, April 24, 1969

9:00 A.M. Seminar Objectives: K. L. Meyer.

9:15 A.M. Group Discussions. (Each group will meet in a separate room).

GROUP I—Chairman, Ed C. Spethmann

Legislation: Status of Utility Regulation by States, City Charters, Utility Franchise and/or Gross Receipts Tax, Source of Tax Monies for Municipalities.

GROUP II—Chairman, Robert Asheim

Municipal Acquisitions: "Municipals in Business", Case Histories, Formula for Acquisition.

GROUP III—Chairman, Warren Dotseth

Municipal Agitation: Case Histories, Existing Problems, Review of Elbow Lake Situation.

GROUP IV—Chairman, Scott Phelps

Associations (Friends and/or Foes): Municipal Utilities Organizations, Heartland Project, Rural Electric Cooperatives, Minnesota Valley Co-op.'s Offer To Buy System At Granite Falls.

GROUP V—Chairman, Harry C. Johnson

Customer Relations: Planned Activities, Opinion Surveys, Street Lighting Promotion, Rate Increases.

10:30 A.M. Coffee Break.
10:45 A.M. Continue Group Discussions.
12:00 Noon Luncheon.
1:15 P.M. General Session: Reports on Results of Group Discussions.
1:15 P.M. Group IV—Scott Phelps.
1:35 P.M. Question & Answer Period.
1:45 P.M. Group I—Ed Spethmann.
2:05 P.M. Question & Answer Period.
2:15 P.M. Group II—Robert Asheim.
2:35 P.M. Question & Answer Period.
2:45 P.M. Coffee Break.
3:00 P.M. Group III—Warren Dotseth.
3:20 P.M. Question & Answer Period.
3.30 P.M. Group V—Harry C. Johnson.
3:50 P.M. Question & Answer Period.
4:00 P.M. Adjourn.

Sectional meetings

1. Each person will pay for his own room at the hotel.

2. The noon luncheon will be paid by NCEA. The Secretary will be sent the bills by the hotel or motel. The total bill will be divided by the number of people participating in the meeting. The Secretary will then bill each Advisory Committee Member in each member company based on the number participating from the company.

3. The Secretary of the NCEA will then send the money collected from each company to the treasurer of the NCEA for payment of bills for the meeting.

CONSTITUTION AS APPROVED BY ASSOCIATION MEMBERS AT THE MEETING IN MINNEAPOLIS NOVEMBER 21, 1957, NORTH CENTRAL ELECTRIC ASSOCIATION

Article I—Name

The name of this Association shall be North Central Electric Association.

Article II—Object

The object of this Association shall be to advance the art and science of the production, distribution and use of electricity for light, heat and power for public service.

In the furtherance of this object its activities shall be largely educational and for the fullest development of the electrical engineering arts and sciences in all their branches.

It shall not be engaged in business.

Article III—Membership

Section 1. Members shall be regularly incorporated privately managed electric companies or individuals located in the states of Minnesota, North and South Dakota and adjacent states, engaged in producing and supplying electricity for light, heat and power for public use. Each member shall be entitled, through its regularly accredited delegate, to attend all meetings of the Association, to vote and to hold office.

Section 2. Honorary Members shall be elected upon unanimous recommendations of the Executive Committee and approved by a two-thirds vote of the Association. They shall have all the privileges of members except the right to vote, to hold executive office, and to attend executive sessions.

Section 3. Every application for membership shall be made in writing to the Secretary, and shall contain an agreement on the part of the applicant to comply with the requirements of the Constitution, if elected. The application shall be referred to the Executive Committee, and if approved by a majority the applicant shall become a member.

Section 4. In the case of a corporation the membership shall stand in the name of the company, and such company shall have the right to represented at any meeting of the Association by its accredited delegate

Section 5. Resignations must be in writing, addressed to the Secretary, and will be accepted if the member is not indebted to this Association.

Section 6. A member may be expelled from the Association upon a report and motion to that effect made by a majority of the Executive Committee at any general meeting of the Association. The vote shall be by ballot and shall require two-thirds of the votes cast for its adoption.

Article IV—Dues

Section 1. The annual dues of members shall be a percentage of the gross revenue from the retail sale of electrical energy for the preceding calendar year as determined by the Executive Committee. The minimum dues of members shall be $10.

Section 2. There shall be no dues collected from Honorary Members.

Section 3. All dues shall be payable in advance. Any members in arrears for ninety days from date of billing shall be suspended from all privileges of membership but may be reinstated by action of the Executive Committee.

Article V—Officers

Section 1. The officers of this Association shall be a President, a Vice President, a Secretary, a Treasurer and an Executive Committee. The President, Vice President and Treasurer shall be elected annually by ballot by members' delegates and shall assume office on their election. They shall hold office for one year or until their successors have been duly elected. The Secretary shall be elected by the Executive Committee.

Section 2. The Executive Committee shall be composed of the President, the Vice President, the President of the preceding year and at least seven other members elected from the membership, who shall hold office for one year, or until their successors have been duly elected.

Section 3. Ad interim vacancies among the officers shall be filled by the Executive Committee.

Article VI—Management

Section 1. The Executive Committee shall be the governing body of the Association, subject to the control of the Association by its action in annual or special meetings. All questions before the Executive Committee, except as elsewhere provided, shall be determined by a majority vote of those present. Seven members of the Executive Committee shall constitute a quorum. The Committee shall pass on all applications for membership; shall recommend action upon all members in arrears for dues; shall in the absence of any specially appointed Committee, attend to all business in the interests of the members of the Association.

Section 2. The President shall preside at all meetings of the Association and of the Executive Committee. He shall name all such Committees as may seem to him desirable, subject to the approval of the Executive Committee. He shall be an ex-officio member of all Committees. He may call meetings of the Committee's whenever he deems it advisable to do so, and he shall be required to call a meeting of the Executive Committee on the written request of three members of the same. In the case of his absence or disability, his office shall be filled by the Vice President.

Section 3. The Secretary shall take the minutes of all the proceedings of the Association and of the Executive Committee, and enter them in proper books. He shall collect all moneys, send notices to the members of the meetings and perform whatever other duties may be required by the Executive Committee.

Section 4. The Treasurer shall receive from the Secretary and safely keep all funds of the Association; keep correct account of the same and pay all bills approved by the Executive Committee. He shall submit a report at the annual meeting, approved by the Executive Committee and certified to by an Auditing Committee.

Section 5. The Secretary and Treasurer shall each be bonded for an amount to be fixed from time to time by the Executive Committee, the expense of which shall be paid by the Association. The bond shall be approved by the Executive Committee and shall be in the custody of the President.

Article VII—Election of officers

Section 1. Previous to each annual meeting the President shall appoint a Nominating Committee, none of whom are officers of the Association, and the said Nominating

XUM

Committee shall, at each annual meeting, submit a list of nominees for the several offices.

Any accredited delegate may make additional nominations, and when such nominations are seconded by any other accredited delegate, that nominee's name shall be placed before the Association and be voted upon. After the lists have been closed by resolution, a ballot shall be taken and the nominees receiving the greatest number of votes shall be declared elected. When there is no contest the Secretary may be instructed to cast the ballot.

Article VIII—Meetings

Section 1. The annual meeting shall be held at a time and place set by the Executive Committee.

Section 2. Special meetings of the Association may be called by the Executive Committee, and shall be called on the written request of five (5) members of the Association. Any business not otherwise prohibited may be transacted at these meetings.

Section 3. Notice of the time and place of the annual meeting or of special meetings, shall be mailed to all members at least two weeks before the date set for the same, and shall state the purpose of the meeting.

Section 4. At any meeting of the Association a majority of its members shall constitute a quorum for the transaction of business.

Section 5. A roll call shall be ordered on the demand of five (5) members on any question before the Association. Where it is not otherwise specified, the accredited delegates shall cast their vote by rising.

Section 6. Voting by proxy shall not be allowed at any meeting of the Association or of any of its Committees but an accredited substitute representative without vote may attend.

Section 7. The usual parliamentary rules shall apply to all meetings of the Association or of its Committees.

Article IX

Any amendments to the Constitution shall be proposed by not less than three (3) members and shall be presented in writing to the Secretary, and copies of the same shall be sent to all members at least twenty (20) days before being acted upon. A two-thirds affirmative vote of all members in good standing shall be required to adopt the amendment.

Article X

This Association may, with the approval of two-thirds of the members at a meeting called for the purpose, merge with other associations having a similar constitution, and all assets of this Association shall forthwith become the property of the resulting Association and the corporate life of this Association shall cease.

PREPARED TESTIMONY OF WILLIAM CONNELLY

(In the Matter of *Village of Elbow Lake* vs. *Otter Tail Power Company*, Docket No. E-7278)

Q. Would you please state your name and address?

A. My name is William Connelly and I reside at 101 G Street, S.W., Washington, D.C.

Q. And what is your occupation?

A. I am a supervisory auditor in the Division of Audits, Office of Accounting and Finance, Federal Power Commission.

Q. Have you had any formal education in accounting?

A. Yes. I graduated in 1960 from Northeastern University, Boston, Massachusetts, with a Bachelor of Science degree in business administration, with a major in accounting. Since that time I have attended or taken courses to maintain or increase my proficiency in accounting.

Q. What has been your professional experience in accounting?

A. Since September 1960, I have been employed by the Federal Power Commission as an auditor on various field investigations of licensees, electric utilities, and natural gas companies to establish the original cost of utility plant and to determine compliance with the Commission's Uniform System of Accounts, and more recently, in the Washington office as Assistant to Chief, North Central Region, Division of Audits.

Q. I take it your audit reports are used as a basis for Commission action?

A. Yes. They are.

Q. Do you belong to any professional societies?

A. Yes. I am a member of the Federal Government Accountants Association.

Q. Have you had occasion to examine certain books and records of Otter Tail Power Company?

A. Yes, I have.

Q. When did you make your examination?

A. On Friday, June 27, 1969, I was present at the deposition of Mr. Harry C. Johnson, Controller and Treasurer, of Otter Tail Power Company. This deposition related to certain accounting practices and procedures of Otter Tail Power. Following the deposition, I examined certain books and records of the company for compliance with the Commission's Uniform System of Accounts with the assistance of Mr. Dennis Duffy, a Federal Power Commission auditor.

Q. How long did your examination take?

A. The examination took approximately two weeks.

Q. Will you briefly explain the purpose of the FPC's Uniform System of Accounts?

A. The purpose of the Uniform System of Accounts, and the related report forms, is to promote uniformity and consistency in the recording, classifying and reporting, on a functional basis, transactions of the utility. This accounting and the subsequent reporting are useful as a tool to aid management and investors, as well as regulatory commissions, in performing their proper roles to insure that the amounts charged to the consumer are just and reasonable within the framework of regulatory requirements.

Q. What is Account 426.4 of the Commission's Uniform System of Accounts prescribed for public utilities and licensees?

A. Account 426.4 is entitled, "Expenditures for certain civic, political and related activities," and reads as follows:

"This account shall include expenditures for the purpose of influencing public opinion with respect to the election or appointment of public officials, referenda, legislation, or ordinances (either with respect to the possible adoption of new referenda, legislation or ordinances or repeal or modification of existing referenda, legislation or ordinances) or approval, modification or revocation of franchises; or for the purpose of influencing the decisions of public officials, but shall not include such expenditures which are directly related to appearances before regulatory or other governmental bodies in connection with the reporting utility's existing or proposed operations."

Q. When was Account 426.4 promulgated by the Commission?

A. It was promulgated as Order No. 276 in the year 1963 and is found in the Commission Reports at 30 FPC 1539.

Q. Prior to that time were there any accounts prescribed by the Commission to cover expenditures required to be accounted for in Account 426.4?

A. Yes. Account 426, Other income deductions, and prior to the revision of the Uniform System of Accounts in 1961, Account 538, Miscellaneous income deductions. This was based upon the Commission's memorandum opinion in the Northwestern Electric Company case reported at 2 FPC 369 and following that, the ECAP case reported at 24 FPC 278. In addition, the Commission had issued on November 27, 1945 Accounting Interpretation E-110 in regard to this type of expense. Accounting Interpretation E-110 was adopted by the National Association of Railroad and Utilities Commissioners and appears as NARUC Interpretation 58.

The Commission stated in the ECAP case (24 FPC 278, 289) that, "The fact that NARUC likewise adopted this interpretation of its System of Accounts, as set forth in Accounting Interpretation E-110, or the fact that we have, for convenience and uniformity, regarded the NARUC interpretation, as interpreting our System of Accounts, does not detract from our prior interpretation of our System of Accounts, nor does it give rise to any errors in the promulgation of this interpretation of the System of Accounts or its application to respondents."

Q. You have already testified that you were present at the taking of the deposition of Mr. Johnson, is that correct?

A. Yes.

Q. And you heard his testimony as to how he would account for expenditures for advertising for the purpose for influencing public opinion as to the election of public officers, referenda, proposed legislation, proposed ordinances, repeal of existing laws or ordinances, approval or revocation of franchises; for the purpose of influencing decisions of public officers; or having any direct or indirect relationship to political matters?

A. Yes.

Q. Would you give the thrust of his response?

A. Mr. Johnson indicated that under his interpretation and pursuant to his instruction, only exepnditures regarding national political issues would be recorded by Otter Tail Power in Account 426.4,

Q. How is Mr. Johnson's view implemented in Otter Tail Power's accounting procedures?

A. It was implemented by Otter Tail Power Company's Accounting Circular No. 22 dated January 1, 1967 and approved by Mr. Johnson which states, in part, "This account will not include any expenditures for present or proposed legislation or ordinances related directly to our business The appropriate operating expense accounts will be used for these expenses."

Q. Do you agree with Mr. Johnson's interpretation of Account 426.4?

A. No, I do not. The text of Account 426.4 makes no mention of restricting its use to national political issues. Further, the Commission in Order No. 276 which established Account 426.4 specifically included "Advertising in various mass communication media to influence the election or appointment of public officers or proposed legislation at Federal, state, or local levels." (30 FPC 1542). Further, it is difficult for me to construe the words "ordinances" or "franchises" as having anything to do with national political matters.

Q. In your opinion, what are the results of the accounting followed by Otter Tail?

A. Expenditures properly chargeable to Account 426.4 were improperly charged to other accounts of the company.

Q. What was the purpose of your audit?

A. The purpose of my audit was to determine if expenditures of a political nature has been made by the company and to determine the extent of such expenditures. In order to do this, it was also necessary to determine if such expenditures were properly classified according to the Commission's Uniform System of Accounts. This would also be helpful in determining what additional staff action should be taken.

Q. Did you have any material made available to you which would indicate such costs were incurred by Otter Tail?

A. I had available to me advertisements published in newspapers, brochures and other material distributed in municipalities which were supplied by a representative of Elbow Lake Municipal Electric System and purported to be paid for by Otter Tail Power

Company. I also had materials supplied to me which purport to originate with local groups which I discuss later. The representatives of Elbow Lake also supplied press clippings which accused Otter Tail Power of intervening in local elections in its service territory.

Q. Do you have copies of some of the advertisements, brochures, clippings and other material with you?

A. Yes, I do.

Mr. Examiner, I ask that these be marked for identification as Exhibit No. 36 (C1), consisting of eighteen schedules.

Q. What was the scope of the time period covered by your audit review?

A. A review of a general nature was made for the period 1959 through 1968. I then selected two years of this period for examination of certain 900 expense accounts of the company. Due to the time limitations only selected 900 accounts and company subaccounts of these 900 accounts were tested.

Q. What do you mean by 900 accounts?

A. The accounts dealing with customer accounts expenses, sales expenses and administrative and general expenses.

Q. Did you prepare an Exhibit showing the 900 accounts and listing the subaccounts you examined?

A. Yes.

Mr. Examiner, I ask that these be marked for identification as Exhibit No. 37 (C2), consisting of two schedules.

Q. Is it correct that many of the advertisements with respect to Elbow Lake appear in papers prior to 1962?

A. Yes, but the company had destroyed the vouchers which would disclose payments in regard to expenses in connection with Elbow Lake advertisements. This is allowed by the Commission's regulations for preservation of records, but made an audit for years prior to 1962 impractical.

Q. Is there any other way to track down the vouchers once those vouchers have been destroyed, in your opinion?

A. It would be possible that some of the expense vouchers had been retained because charges with a longer expiration time than those destroyed were recorded on the same voucher, but this would be coincidence.

Q. Was it practicable for you to make an audit for the entire period 1962 to the present time?

A. No. Due to the time limitations such an audit would have been impracticable.

Q. Could you explain this briefly?

A. The company's system of recording charges is to show only a voucher number and an amount on the subsidary account ledger card. To examine seven years of the company's records would require examination of several thousand vouchers and would take several months. I, therefore, confined my examination to the years 1966 and 1968 and even for those years, only to selected 900 accounts or subaccounts where I suspected possible misclassified expenses might be found.

Q. What were the results of your audit?

A. We found evidence that the company had made expenditures to influence local political matters and these expenses were improperly classified in that they were not recorded in Account 426.4.

Q. Were there any balances reported in Account 426.4?

A. No. Apparently they have never used the account.

Q. Do you have any examples of such evidence of this type of expenditure?

A. Yes.

Mr. Examiner, I would like to have marked for identification as Exhibit No. 38 (C3), consisting of four schedules.

Q. Could you describe this Exhibit?

A. I refer first to Exhibit No. — (C), Schedule No. 1 which consists of Voucher No. 54653. It shows payment of a billing of Harold E. Flint and Associates by Otter Tail Power Company for a special project in Velva and for other services. The supporting documentation for portion of this charge are billings by the Velva Journal of Velva, North Dakota in the amount of $475.75 on one occasion which was carried forward on account and to which an additional amount of $4.80 was added for a total of $480.55. The billing of $475.75 was to Mrs. Dorothy Becker, Committee for Sound Government. According to the ads run in the Velva papers some of which are identifiable with this billing and are shown in Exhibit No. — (C1), Mrs. Dorothy Becker was also associated with the Committee for Free Enterprise, as its Treasurer. From the ad run it appears that the Committee for Free Enterprise and the Committee for Sound Government were one and the same. The ads in my opinion are political in nature.

Q. Would you please describe schedule 2 of Exhibit — (C3)?

A. Schedule 2 is company Voucher No. 57705 which is a payment to Lewis and Bullis, a law firm, of Wahpeton, North Dakota, in the amount of $634.62. The supporting detail for this voucher shows that it is payment for service rendered to the Taxpayers Association in Hankinson, North Dakota election contest.

Q. What kind of election was that?

A. It is my understanding that it was a political election to provide for a municipal electric power system. The election was contested by a Mr. Roy P. Anderson who wished to enjoin the city of Hankinson, North Dakota from engaging any consultants for preliminary engineering services and spending money on other services to explore the ultimate feasibility of the undertaking of a municipal electric system.

Q. What else does the voucher show?

A. Voucher 57705 in the supporting documentation shows expenses incurred and paid for by Lewis and Bullis in regard to Anderson vs. the City of Hankinson case. I am advised by counsel that the history and facts of this case are discussed in Anderson v. City of Hankerson, N.D. 157 N.W. 2d 833 (Supreme Court of North Dakota, April 3, 1968).

The voucher we are discussing now is a final payment of $634.42 and was charged by Otter Tail Power to Account 426.5, Other deductions. The preceding payment in regard to this matter was made on Voucher 38169, such payment totaled $1,590.48 and was charged to Account 355, Poles and fixtures. Referring back to the supporting documentation of Voucher 57705, it states that $1,590.40 was donated to the Taxpayers Association by Otter Tail Power Company and paid to Lewis & Bullis. In addition to the vouchers mentioned, Voucher 33115 shows a payment of $454.35 to Lewis & Bullis. The supporting documentation shows that this payment for services in the Hankinson matter prior to the Taxpayers Association engaging the firm. This amount of $454.35 was charged to Account 923, Outside services employed. The payments extended over the period November 15, 1966 to September 10, 1968 and show that the company financed the Taxpayers Association suit against the city of Hankinson.

Q. Does that conclude your explanation of this Exhibit?

A. Yes.

Q. What other information did you find with respect to the company engaging in litigation of municipals' electric operations?

A. There were two vouchers that we examined that had to do with the franchise election at Aurora, South Dakota. The first was Voucher 52950, a payment of $147.05 to Cheever and Mydland which was charged to Account 923, Outside services employed, and the second was Voucher 52111 paid Austin, Hinderaker and Hackett in the amount of $271.33 which was also charged to Account 923. The two firms were used because a member of the Cheever and Mydland firm was a candidate for elective office and apparently the firm withdrew to avoid any conflict of interests. The firm of Austin, Hinderaker and Hackett filed a suit for the company in regards to the municipal election. The company was unsuccessful in the suit. This information was secured from Mr. Emmen, an Otter Tail Power employee, when these vouchers were questioned during our examination. In addition, the review of the information supplied by the representative of Elbow Lake disclosed that the company was active also in the Colman, South Dakota election. My review of the Director's minutes indicated this to be the case because in the Directors' minutes of May 29, 1961, it is stated, "Report was made on Colman, South Dakota where the company is resisting the establishment of a municipal distribution system."

Q. Did you find indications of other improper charges?

A. Yes, in the following area. The company has engaged on various occasions Central Survey, Inc. of Shenandoah, Iowa, a public opinion sampling firm, to determine the customers' reaction to regulation of cooperatives and municipals, if the area would be better served by municipals or private power companies, and other general customer reaction to the company's policies and advertising programs.

Q. What were the magnitude of those expenditures?

A. The amounts, which vary, from approximately $500 for a limited study in regards to how North Dakotans feel to regulation of cooperatives and municipalities to approximately $10,000, or more, for a survey of the overall company service area regarding total company operations which would include questions as to preference in power supply.

Q. What other indications did you find of charges having political implications?

A. The District Managers and certain officers of the company regularly entertained members of the State Legislatures and members of the city governments.

Q. Do you have enough information about these dinners to express an opinion as to whether the charges were improperly classified?

A. No, I do not.

Q. What were the magnitude of the amounts spent on these dinners?

A. The amounts would range normally from about $50 to $200 depending on the number of guests. The amounts might total several thousand dollars per year.

Q. How frequent were they during the period of time you studied?

A. The expenses for the dinners where found in many of the expense vouchers we examined with a minimum of an annual dinner for each district, and, more frequently, at the discretion of the District Manager and/or the officer.

Q. What other employee's time and expenses are more clearly chargeable as political expenses?

A. In June 1968, a municipal seminar was sponsored by the North Central Electric Association. The overall theme of this seminar was how to prevent agitation for municipal electric systems and what to do if such agitation was present. A portion of the meeting was devoted to the acquisition of existing municipals' electric systems.

Q. Did you obtain copy of the program of that meeting?

A. Yes, I did.

Q. Who attended the meeting?

A. Approximately 80 employees or officers from ten privately-owned electric companies in the area attended this meeting.

Q. How many were there from Otter Tail Power Company?

A. According to the program 12 employees of Otter Tail Power Company attended the meeting.

Q. Do you have a copy of the program to submit for the record?

A. Yes, I do.

Mr. Examiner, I would like to have marked for identification as Exhibit No. 39 (C4) *twelve* page booklet entitled, "NECA, North Central Electric Association Municipal Seminar" of June 6 and 7, 1968.

Q. Did you find any employee or officer salary or expense charged to Account 426.4 in connection with either this program or any of the other activities discussed above?

A. No, I did not.

Q. Are there any other expenses that should, in your view, be charged to the political advertising account?

A. Yes. I have copies of what are known as "stuffers" which are political in their nature and properly chargeable to Account 426.4. I have copies of advertisements run in the local newspapers, which are properly chargeable to Account 426.4. I also have the copy of a written draft of television advertisement which shows the intervention of the Federal Government into the electric industry in a bad light.

Mr. Examiner, I would like to have marked for identification as Exhibit No. 40 (C5) consisting of three schedules.

Q. What part of the television advertisement are you referring to?

A. Starting on page 6 of the advertisement with Video Item 19 through 23 and Audio which would be broadcasted at that time. On page 13 Video Item 41 and Audio portion broadcasted at that time.

Q. Would you explain your criteria for determining these ads are political in nature?

A. Certain ads which were used in the ECAP case already cited are reproduced or discussed at 20 FPC 108. These ads used by Otter Tail Power are in the same vein as those already indicated by the Commission as political in nature.

Q. Do you have any total cost of these ads to submit for the record?

A. For these various advertisements in newspapers and TV, and the bill stuffers, no attempt was made due to time limitations to determine the cost that was incurred because of the impracticality of segregating costs between Account 913, Advertising, Account 930, Miscellaneous general expenses and Account 426.4 on the various vouchers from Harold E. Flint and Associates, and from other sources from which the company obtained advertising material.

Q. Do you have any figure to supply the Commission which would indicate the total amount of company expenditures properly chargeable to Account 426.4 even in the two years you concentrated on?

A. No. For all the reasons indicated above, a complete audit was not possible and I was unable to determine the magnitude of Otter Tail's total expenditures for this purpose. If such expenditures had been properly accounted for the balances in Account 426.4 would have supplied this information. All I can say is that it is some undetermined part of the amounts shown on Exhibit No. 2 schedule 1.

Q. Does that conclude your testimony?

A. Yes.

AN OLD PRO LOOKS AT THE CAMPUS

HON. GLENN CUNNINGHAM

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. CUNNINGHAM. Mr. Speaker, Dr. William H. Thompson, dean emeritus of the University of Nebraska at Omaha and a very dear friend of mine, recently discussed the Nation's problems on campus before the West Omaha Rotary Club.

Dr. Thompson is no johnny-come-lately to the campus. He taught 10 years in high school, 10 years in college and spent 30 years as a college professor and administrator.

Mr. Speaker, his remarks, which follow, merit not only the attention of my colleagues here in the House, but concerned people throughout this land of ours:

AN OLD PRO LOOKS AT THE CAMPUS

(By William H. Thompson, Ph. D.)

I submit the following qualifications for appearing before you. I taught 10 years in high school, 10 years as a college teacher, 30 years as a college professor and administrator. I have survived two campus riots and one student body strike. I have fired 10 faculty members in one day and 35 students in one day. I have endured innumerable parades, complaint committees, appearances before my superiors and a bushel basket of unfriendly newspaper items. These, among other matters I will not mention, are my credentials for speaking to you today. During this career I've made many mistakes—among them was the flunking of the mayor's son. I've appeared before boards of education, boards of regents, superintendents, presidents, faculty and ministerial committees to answer for my deeds. I have only one virtue to offer to you and that is—I did not run away! These, gentlemen, are my credentials.

My recent visit to the campus of the University of California in Berkeley is the stimulus that produces my reaction today. As I stood at the entrance to campus of one of the world's most beautiful and famous universities and saw it spew out its scummy product, my heart was sick beyond all description. To walk through Telegraph Street leading to the main gate of this temple reared to learning is an unforgettable experience. It is unbelievable to see the dirty, ugly horde of young people eating, drinking, sleeping, in what was to have been one of the most lovely and attractive streets of the world. This desecration was enhanced by odorous hawkers of newspapers paid for and furnished by Chinese communists as a means for their support. These newspapers are pornographic and contain the most indescribable filth possible to print. The editorial page spoke of the "New Utopia" brought by the revolution which would dissolve the family. The first page ran an ad inviting all to a party, "Come bottom-less or top-less, or both; however, you have to furnish your own pot." The descriptions of filth parties were among the social items of the day. Long diatribes on Mao's Communism was an added feature.

This impossible situation can only be believed by seeing. I am advised that this street has the highest veneral disease ratio in the world. Its denizens are supported by welfare contributions from parents and money from communistic sources.

Policemen on campus describe the population of the university as two kinds—bright, ordinary young people; others extending from the bearded left-wingers to the most degenerated "hippies." I was advised that about one-third of the faculty members were "hippies." I talked with one of these faculty members who had the remnants of last Tuesday's soup in his beard and a breath that reminded one of last night's beer. He smelled like a stable and looked like he had slept in a box car. I asked him what he represented in the university and he said, "The New Left." I felt he should have been left long ago. And this brings out the real villain of the piece—his name is never mentioned; he gets no publicity and yet in my judgment is largely responsible for many of the unspeakable conditions on the faculties of our universities.

He is the man who hires the faculty, too often on the basis of academic proficiency alone. I submit to you that our youth deserve better than the character of "The New Left." Our universities owe it to our young generation to be led and instructed by men of character, personality and appreciation of the issues of life—certainly by men who are loyal to the country that preserves us all.

The policemen surveyed the scene with me and they told me of a new breed called "street people," who are joined by the hippies of the university. They stated that the campus plan of the Chinese communists is to corrupt the bright and young of this generation and thus prepare the downfall of our nation. They told me many people come from all over the world to see this festering menace. They were very emphatic in stating that if it were not for the support of Governor Reagan, the police could not control the situation.

I have talked to many college administrators from various parts of the country. They told me that what is happening in Berkeley is part of the plot by which communism is invading the campus and ultimately plans to achieve the destruction of the Republic by the hands of those who have received its greatest benefactions. They are skillfully and intelligently led; their agents invade every campus, break no laws and prey upon the credulity and the urge for adventure that exists in all youth. They ply their destructive schemes by an ingenious and insidious philosophy which challenges our whole system of values.

I had felt that men like J. Edgar Hoover, Dr. Fred Schwartz and Billy Hargis—and hosts of others—were blowing blatant horns of exaggeration; but as one looks into the existing situation, his mind changes. One asks the question: How can these things be? The agony of this question should be borne by every American. Perhaps we should thank God for the many thousands of dedicated professors and scientists who are faithful to their responsibilities—and for the further fact that they still are in the great majority. I have found administrators more alert to the threatening disaster. They realize it, but often feel helpless for many reasons. I would like to discuss a few with you.

No. 1. It is my opinion that television and news media have been large contributors to the present situation. In my view the modern newspaper is a journal of abnormal psychology and television is the most modern means of confusion, distortion and disorientation of the mind of man yet invented. The dregs of campus society are glorified through the news media presenting their abominations to world-wide audiences. I hesitate to think what would have happened to me when I was wandering through the academic forests attempting to keep the preserves safe for all who wished to learn. I can see myself now . . . running to the moon with the news and TV boys breathing down my neck with the do-gooders just behind in hot pursuit.

One opens the paper to page 16—or must tune in TV soap operas featuring "Over the Back Fence,"—or—"Chatting with Aunt Sally," to find out anything normal or natural about the human animal.

No. 2. Our universities have become temples of data processing. Freshman Joe is only a number. He is too often fed a curriculum of mental pap such as: how to fish in the northwest—play games on the recreation field—fourth-grade English dignified by title, "English I"—contemporary problems where he learns to take a bath, stand up when ladies enter the room and the proper use of Right Guard. He is taught by a graduate student who cares less about Freshman Joe and his cohorts than how to finish his dissertation and go into research and thus disappear from the legitimate function of the university, namely, teaching. Joe is hounded by a horde of disinterested, ill-prepared, poorly-paid harpies known as counselors; and at the end of the year finds himself depersonalized and descended into probation because he never made his Brownie points—known in the academic world as grade point averages. In the meantime highly-paid academicians empty bottles into test tubes, push rats through mazes, cook bacteria and write scholarly papers for journals and make 13 copies for their government grant. Freshman Joe sees the name of the "Great Man" of the catalogue on his office door, but that's about as far as he gets to knowing him.

It is sad to think that the great multi-university of today has too little place for the Olive Grove of Socrates, or the Crack in the Castle Wall of Pastalozzi, or the Walk to Emaus with Christ.

No. 3. While one may find many difficulties with this great civilizing institution called the university, the predicament we face is not totally explained in terms of the university. I may illustrate my point by telling you of a clinical experience I recently had. A little boy, seven years old, was sent to me for psychological analysis. He had set his home on fire three times and the last time he nearly made it. In talking with him, I said, "Johnny, why did you do it?" He looked at me with big earnest eyes, "Oh, Doctor, it was the only way I could get my folks to come home."

We have produced a generation gap by falling off cocktail stools, rushing into all the social and economic go-getterisms and when at home, cluing in on the TV so that we live with our children as strangers—little realizing that there are some characters who communicate with them and who think with them—but, it is too often, not ourselves. The English have a saying, "We send our son to the schoolmaster, but the school boy educates him."

There are many facets to this problem. I might mention a few: Our political leaders compromise with indolence, greed, sloth and are forging more and more chains upon the producer and adding more and more stuffing to the feather-bedding for those who will not work. We have witnessed the degeneration of the stage and the debauch of the motion picture. We place more emphasis on sex obscenity than any society since the Roman hey-day. We have emptied sex of its spiritual values and accepted the poverty-stricken idea of motel short order sex. In our great city of Chicago, there stands in the city square, a tremendous so-called "art form." The politicians and professors gathered at the acceptance ceremonies. They talked of public relations, international relations and modern art. The ignorant crowd gaped at the "big shots." A taxi driver remarked, "I don't know what it is all about and I don't think they do." And yet, here was a modern exhibit of sculpture, in the center of one of the greatest cities, which daily speaks of the depersonalization of man. Modern art has praised the monsters that have wriggled from the caverns of the subconscious of Picasso—and others.

From the mouths of our clergy, too often, come the dragon-breath of socialism, welfarism, Mao-ism, that lead to personal degeneration in the name of the social gospel. Our educators, too often, compromise with ease and get-something-for-nothing pressures from a public that wants the symbols of education without the price. Consequently we have divested our curricula of the difficult discipline of the classics. We have accepted, too often, the objective of education as a custodial function. Just keep them off the streets; Thanks to the non-failure policy of our public and parochial schools, we have overwhelmed our universities with a host of semi-illiterates. The universities have adjusted to this flood of incompetence by cheapening the curriculum and debasing the degrees—so that a college degree, now, merely serves as an I.D. card when applying for a job or a ticket of admission to the Society of the Lounge.

Our courts have compromised with crime and the officers of the law are badgered as never before in the history of this country. Even the ancient and honorable practice of medicine is gradually sinking into the Fabian morass of mediocrity.

All this is not unnoticed by our youth. You had better believe it! It would be a complete distortion to think what is being said is the real picture of our youth, for never has there been in recorded history, a generation whose average health and strength is greater. Never has there been before, among the children of man, a generation equal to the intelligence, ability and capacity to perform. These now provide the footfalls in the halls of our institutions of learning. They are capable of the challenge for greatness. However, they are the victims, daily bathed, in the glorified dregs of our society and the iniquities of our generation as projected by the news media. They are frustrated by the lock step of inferiority in our schools. They are neglected by their parents; uninspired by our churches; disgusted with our political infidelities—and thus are rendered easy prey for the hot, seductive breath of moral degeneration, political anarchy, religious nihilism and complete personal disaster.

I ask you—what is wrong with an honest devotion to the things that have made this country great, its constitution, its moral fiber, its productive work, its great freedoms, its mighty expressions of mercy and good will, its happy, cooperative living, its unprecedented opportunities?

I ask you—what is wrong with, "In God We Trust?" Every true teacher knows that if these banners are held high—our youth will respond.

I ask you—shall we shake ourselves out of the slough of despond and stand again in the sunshine of our rightness, our strength, our manhood and our proven values—or shall we go stuttering and stumbling, brawling and burning, reeling and bleeding, back over the hill of yesterday to barbarism?

"CURIOUS" RATING APPALLING

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. DANIELS of New Jersey. Mr. Speaker, the Hudson Dispatch of Hudson County, N.J., recently published an editorial urging review of our present laws against the distribution of obscene materials. The editorial calls upon the Congress to tighten up controls on pornography and cited a recent New Jersey Superior Court case in which the New Jersey court was unable to ban an obscene movie because of the "U.S. Supreme Court's failure to issue a clear-cut definition of obscenity."

Because of the importance of this matter to my colleagues I am including the editorial in the RECORD. The editorial follows:

"CURIOUS" RATING APPALLING

A New Jersey Superior Court judge has given the controversial Swedish film, "I Am Curious, Yellow" a bad review but in the process also gave it a tremendous boxoffice boost. Judge Mintz' refusal to ban the showing of the picture can be linked directly to the U.S. Supreme Court's failure to issue a clear-cut definition of obscenity.

The decision favored the producers and the promoters of the picture because the court found that it had a modicum of redeeming social value. Although it is patently offensive to the community and appealed to purely prurient interests, it did not fail all three standards for obscenity as defined by the nation's highest tribunal and the New Jersey laws.

If ever there was any doubt that the statutes governing obscenity and pornography needed revision, the ruling by Judge Mintz points up the need for revamping of the law. The decision does not reflect the judge's personal view, he found the film appalling and a bore, but is based on the letter of the law and the protections of an individual prescribed in the First Amendment of the constitution.

It was a setback for the counties of Essex, Middlesex and Union who joined in the battle to ban the picture. It also involves legal actions instituted or contemplated in Bergen and elsewhere against exhibition of the film which strangely passed the scrutiny of U.S. censors and customs agents.

There should be no hesitancy among the counsels for the three counties involved in the trial to file an immediate appeal and carry the case to the highest court of the land if need be. Its receptivity there should be amicable and reassuring for Chief Justice Burger has displayed some firm views against smut, which did not prevail under the aegis of Chief Justice Warren who was responsible for the vague obscenity ruling, which tends to be onerous to the local judiciaries and tends to confuse the public.

The State of Arizona has banned "Curious" because it was ruled unqualifiedly obscene. Its dominant theme is abnormal sex life, an element that has gained widespread display in innumerable movies, in books and on the theatrical stage of America. The subject, contrary to the mores of the nation and appalling to the community standards, which so predominates, "I Am Curious, Yellow", was aptly termed a "cesspool of filth" by a priest who is a member of the Presidential Commission on Pornography and Obscenity.

The New Jersey decision provides an appropriateness for a reminder to the presidential board to expedite its study and prepare some meaningful recommendations to the White House and the congress that will tighten the rules against distribution of questionable material and the importation of obviously offensive and lascivious pictures.

MERCHANT MARINE REVITALIZATION

HON. HASTINGS KEITH

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. KEITH. Mr. Speaker, the President's recent commitment to restoring America's merchant marine to its rightful place in the world's fleets is a welcome step to me. For too long we have listened to the so-called experts who decided that a competitive merchant marine was no longer in our national interest to support.

The war in Vietnam, where 97 percent of the materiel involved was shipped by sea, proved them wrong. And so today we have a national administration that, for the first time in decades, has committed itself to the goal of a front-rank merchant marine for the United States.

Navy magazine has taken note of this situation, and in no uncertain terms has delineated the steps this Nation must take in this vital area. I commend it to the attention of my colleagues and the public.

The editorial follows:

WHY CAN'T WE TAKE THE MARITIME LEAD?

President Nixon's message to Congress laying out a program for revival of the U.S. Merchant Marine is perhaps the most significant maritime pronouncement that has come from the White House since World War II. It is a breakthrough in that for the first time since 1945, an American President has said in effect, "we must do much more at sea." We must fully exploit and enhance our natural oceanic advantages, our fortunate geography and our fundamental maritime expertise, said Mr. Nixon.

After more than a generation dominated by top level U.S. land-minded strategy, this is the greatest news in years. But it is only a first step, an encouraging beginning. For the first time in many years, we see hope that with a strong, maritime-minded Chief Executive and courageous, dedicated and knowledgeable officials in the key posts of Maritime Administrator and Chairman of the Maritime Commission, ready and willing to take leadership, things are starting to happen.

CONGRESSIONAL LEADERS SUPPORT PROGRAM

Congressional leaders long have been pressing for modernization of both the Merchant Marine and the Navy. They can be counted upon not only to carry out Mr. Nixon's maritime shipping plan, but also support the vital naval ship modernization program.

Those who have been dragging their feet must heed President Nixon's challenge to rebuild the Merchant Marine at a reasonable expense. He spoke specifically, in his challenge, of the shipbuilding industry, ship operators and seamen. But the obstructionists also include those in the Defense Department, Navy and other governmental agencies who have been denying the need of a strong merchant marine as an arm of defense for years. They must get behind the President.

Some years ago, the late Secretary of Defense Charles Wilson made history with a comment that he liked hound dogs, who earned their keep, more than kennel dogs, who took handouts. Engine Charlie was criticized for this but most people agreed. Unfortunately there have been kennel dogs in the maritime industry, ready to take handouts without producing results. They must start building, operating and manning ships and cooperating under the new program or—as President Nixon indicated—the whole deal is off. What he meant is not entirely clear, but his plan includes both a carrot and a stick. Many assume he might build some ships abroad, as some of his land-minded advisors have recommended. We think building abroad would be a fundamental mistake, for the maritime industry is indivisible and the Navy, Merchant Marine and U.S. shipbuilding industry must stand or fall together. We believe Ed Hood when he says the industry will produce. It must.

M'NAMARA POLICY PROVEN WRONG

There also have been administrators and cost analysts in the Pentagon and elsewhere in Government who resist steps to attain a viable U.S. Merchant Marine industry. Andy Gibson, one of the strong men so much needed today, took on the Defense Department last month when he sharply attacked Pentagon officials before a House committee for failing to adequately support the Nixon Program. For many years, former Defense Secretary Robert McNamara had refused to recognize the Merchant Marine as necessary to defense, apparently on the false, money-saving theory that airlift would take care of defense needs. Viet Nam proved him wrong, when sealift carried some 97 per cent of the war supplies to our forces there, but he and his aides never admitted it publicly.

The McNamara anti-maritime policy still evidently lingers among those gifted theoretical thinkers just below the top who write the policy papers in the Pentagon. It is encouraging that when Gibson spoke out publicly, Defense Secretary Laird felt compelled to answer. Laird's statement repudiated his subordinates, asserting his "complete support for the Nixon program."

We say the President's statement is only a beginning for a variety of other reasons. Despite the efforts of Chairman Rivers, Representative Bennett and others, the Navy shipbuilding program seems destined to be limited to about $2.6 billion—up from last year but way below what is necessary to do something about the dangerous block obsolescence of the Fleet.

But we also are optimistic about the prospects of the SS *Manhattan's* feat in opening a Northwest Passage to commercial shipping. It could lead to a breakthrough in maritime affairs, if the Nation follows up by exploiting the northern mineral riches of Alaska and Canada by shipping. This means not only building more giant ice-breaker tankers, but much more resolute research and development in this field—such as redesigning ships, both merchantmen and warships, to penetrate the heavy Arctic ice; new concepts of ice-breaking rather than the use of brute force; and new navigational aids, etc. This development could be revoluntionary, perhaps more important than another Panama Canal or two, and also open the way for newly needed seabased early warning and missile-intercept systems, akin to SABMIS.

MARITIME COORDINATION NEEDED

Many other things must be done to take advantage of President Nixon's precedent-breaking pronouncement. The first must be to convince our top leaders that the future strategy of the United States lies in moving more of America's strength to sea. This means reversing the current division of U.S. military and military-oriented research and development funds, which now give about three-fourths of the large sums available to land-oriented purposes (Army and Air Force) and only one-fourth to seabased systems.

One badly needed move is to provide some sort of high level coordination of all maritime matters, such as now exists in Moscow. Maritime affairs are now badly fragmented, with the Navy under the firm control of the Secretary of Defense (and largely turning its back on its traditional second function of aiding American foreign commerce), and the Coast Guard, Maritime Administration, Bureau of Commercial Fisheries, and the Coast and Geodetic Survey, etc., divided among various departments.

Another step should be setting definite goals, such as the late President Kennedy laid down for putting Americans on the moon in the 1960s. We spent billions and did it. If somewhat smaller goals could be fixed for maritime aims, miracles could be performed. Instead of spending a few million dollars a year for shipbuilding and oceanic research, here and there, with no clear goal, we might, for example, set out to build a new type ship that can cross the Atlantic at an average speed of 100 knots by 1980—there are such craft in test—and do it.

GOVERNMENT AS A GOD

HON. ODIN LANGEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. LANGEN. Mr. Speaker, yesterday, I was the discussion leader at the regular weekly prayer breakfast. The breakfast is a meeting of several Members of Congress at which we discuss the issues of the day and how they can be interpreted within the framework of religious belief. In my remarks, I quoted from the text of a sermon that came to my attention some time ago. Several of my colleagues expressed an interest in the sermon. It is written by J. Lester McGee of the Centenary United Methodist Church of St. Louis. The sermon concerns the listlessness of American life in many circles where the Federal Government has tried to be not only the administrator of justice and maker of rules but also giver of life and worker of miracles. The text of the sermon follows:

COME UNTO THE GOVERNMENT ALL WHO ARE WEARY AND HEAVY LADEN

(From a sermon by J. Lester McGee, D.D.)

Many of our visitors, some of whom travel and get to visit all kinds of churches, say to me that everywhere they go to church they hear nothing but socialistic themes—and they get very hungry for a simple Gospel message of inspiration and hope.

You who hear me often know that I do not ride this Social-Gospel Hobby Horse. I believe I have something to share much broader, deeper, and certainly more durable.

To me it is unfortunate that some ministers are so caught up in this socialistic syndrome they have nothing to offer the inner man. All they know to do, or want to do, is to fill his belly with food, provide him a clean pad, a coffee house, and a playboy club and they have fulfilled their divine commission as Christ's minister.

I heard a minister of much experience and sound wisdom say that Jesus was interested in people and He fed them and healed them, and then told them to go and sin no more. But today, he said, we feed them, house them, heal them, and then tell them: "Go right on sinning, fellows, we're with you all the way." This is the one fallacy of the secular gospel.

I was in a meeting a few months ago with the ministers of the downtown-midtown area, and we were discussing what we could do together to help people. Out of my experiences here at Centenary and elsewhere, I suggested among other things a cooperative pastoral counseling center for the poor, the people who can't pay the fees charged by other counseling groups. One of the ministers, in the social ministry vanguard, bowled me over with the question: "What is that?" When I explained it meant sitting down with individual persons and families and talking over their problems in confidence and understanding and trying to help them with solutions, he quickly said he wanted no part of that. You see, that wasn't organizing the ghettos, demonstration for peace in Vietnam, or parading in front of city hall.

Let me hasten to say that I do believe Christianity has a dramatic word to say on the rightful priority of social concerns—including the elimination of pockets of poverty and racial discrimination, and the promotion of public righteousness. There are social implications of Christian commitment which I will discuss in the next few sermons. The point of this sermon is: We are pooped people. We are tired, weary, exhausted, frustrated, anxious and confused. The only hope we see is Prince Charming Government caring for us from the cradle to the grave. We have shifted the plea: "Give us this day our daily bread" from God to government. This I call The Pooped People Philosophy.

Here it is: "I used to think I was poor. Then they told me I wasn't poor, I was needy. Then they told me it was self-defeating to think of myself as needy, that I was culturally deprived. Then they told me deprived was a bad image, that I was underprivileged. Then they told me underprivileged was overused, that I was disadvantaged. I still don't have a dime, but what the heck! The government will house me, feed me, clothe me, send my kids to school from Head Start through college, provide them with a swimming pool and a playground. The Supreme Court will protect my rights, and brother I've got my rights! Society will excuse me when I do wrong, heal me when I am sick, care for me when I am old, and bury me when I am dead. And when I am dead I am dead. There is no God. I don't need heaven. The government gives it to me here." There it is, a strange new philosophy of life we are instilling in both the old and the new generations.

A curious change seems to have occurred in our national philosophy with respect to problems and work, grit and sacrifice, all conditioned by one word: Gimme!

Our heritage as Americans is that of a people with courage and resourcefulness aplenty for tearing great problems to pieces. Then there arose among us the notion that ideally nobody should have a problem, that part of the function of government, and of civilization, is to relieve us of all problems. This is because we are humanitarians. We don't want anyone to suffer. We want to alleviate pain. This is as it should be. But there is a great danger here, and I fear we have reached that danger line in our American life. America is so busy being its brother's keeper we have perhaps forgotten how to be our brother's brother.

Some one has said if Abe Lincoln had lived today, the Rotary Club would have provided him with books, the Lions' Club with a reading lamp, and Kiwanis would have supplied his cabin with a floor; the minimum wage law and social security would have protected him; unemployment insurance would have paid him between rail-splitting jobs; the Railsplitters Union would have increased his take-home wages periodically; a scholarship would have sent him to college. In fact, Abe would never have found it necessary to study law or go into politics . . .

When I first felt called to the ministry, I had not been to college. I took a student pastoral charge consisting of five small country churches paying me a total salary of $600 for the year. On that I matriculated in college, bought my books, housed and fed and clothed myself, bought an old car to travel to and from my churches. There was no scholarships. I received no outside help. Yet I did have to do considerable evangelistic moonlighting to make ends meet. And I did not go in debt.

A Kentucky minister friend who is the Registrar of the Board of Ministerial training of my old home conference told me a few days ago that now when a young man wants to go into the ministry he is given a nice little church with a parsonage, a minimum salary of $4,200, and practically all his schooling, books, etc. But that conference is now faced with a new kind of dropout problem. The fellows get their education at the church's expense and then promptly drop out of the ministry and enter another field. This is happening all over Methodism and in other denominations as well.

Our college classrooms are filled with irresponsibles who are not there seeking knowledge because they or their parents have paid dearly for it, but there under a "grant" or "loan" which motivates as little as it burdens.

I could talk at length on the innumerable doles, gratuities, handouts and subsidies, and proposals for more and more of them. For example, there is the proposal, put forward in all seriousness by knowledgeable people, that every American be "guaranteed an annual income" by the federal government.

My friends, isn't it just human nature for those who receive handouts to look upon them as something to which they are entitled, as something that rightfully belongs to them?

Then there is the tendency to depend upon such gifts, rather than exert oneself to the greatest possible effort to meet his own needs. From the lowliest panhandler on the street to the worthiest recipient of today's social security benefits we are being "spoiled rotten" and rockabyed to sleep to the strains of that haunting lullaby known as the Beggar-American Rhapsody "Gimme gimme, gimme gimme gimme."

Time does not permit me to discuss the economic problem which commonsense leads us to anticipate as we pay for this paternalism. You know the old bromide about the feasting bureaucrats who say: "Get into poverty. That's where all the money is."

It is a common and careless assumption, but a false and dangerous one, that federal expenditures are from some other source than your own pocket, that the government pays, not you. This is as naive as the patient who told his psychiatrist he was making long distance calls to himself. "Isn't that expensive?" asked the doctor. "Oh no, it doesn't cost me a cent. You see, I always reverse the charges."

Now please do not go away and say I disapprove of helping those really in need. I am a Methodist and Methodists have a great social creed. Just let me read one brief word from that creed: "The concern of both churches and government should be for the inclusive welfare of persons, for their freedom and dignity, and for their successful functioning in community life, as well as for their physical maintenance. But needs should be met in such ways that dependency is discouraged and spiritual development made possible."

Where are the old proverbs: "God helps those who help themselves . . . Man's extremity is God's opportunity."? Are these just silly, sentimental, idealistic back numbers now repealed and ready to be junked?

Not long ago, an outstanding American said that before a nation can have A Great Society it must first have great people. Many people have been stirred by this challenge for a great society, and certainly we need it. But if a great society could be built with economic blueprints, or with brain power, or with money power, it would now be a reality.

America has the knowhow. We are conquering our rivers. We will eliminate air pollution. We will rid our cities of slums and poverty ghettos. We have harnessed the power of electricity, and now the power of the atom is bending to our will. We have comforts and conveniences and luxuries to dispense to all. But unfortunately we are missing the one blueprint by which we can create a great society, and that blueprint deals with values that are moral, spiritual and eternal. I listened to Svetlana Stalin during her press conference and the thing that impressed me in her reasoning to come to America was that emerging spiritual quality which was there dormant in her make-up all the time she was being oriented to communism. We can go secular as far as we dare, but without this depth dimension there is no hope. A few years ago a Russian leader wanted to bury us. Now the danger is that we will bury ourselves under our own potential and abundance of material things.

A teacher asked her class to write essays on that popular picture of the Revolutionary War called The Spirit of '76. Three men are in it. They are marching men. One plays a fife. One beats a drum. The third man has his head bandaged.

Well, one boy wrote his essay this way: "The Spirit of '76 is a picture of three men. One is blowing his horn. One is beating his drum. The other has the headache."

Here is a picture of our present day trying to build a great society. We are blowing our horns telling what we are going to do. We are beating our drums telling what we are doing. But many people still have headaches, and they have headaches because they have heartaches, because our lives are so shallow and irresponsible.

We do not want the Kingdom of God and His righteousness. We do not even want to labor for the things that perish. We want them doled to us. "Give us this day our daily bread—our daily fun, our daily kicks, our daily ease."

Jesus gave us the blueprint for the great society. Hear Him say: "Whoever hears these words of mine and does them, he is like a wise man who built his house on a rock foundation . . ." And that rock foundation must be made up of specific ingredients. As commonplace and cliched as it sounds I must list these ingredients: a sense of personal responsibility, hard work, determination, industry, sweat, perseverance, frugality, sacrifice.

Respectfully, I should like to recommend a change in the Lord's Prayer . . . recommended in the Christian Century. Where it now reads: "Give us this day our daily bread," I would like to see that phrase updated to read: "Give us this day the strength to earn our daily bread." I truly believe that is what Jesus meant. His whole life and ministry typified that. Remember, God decreed a long time ago that man should earn his bread by the sweat of his brow . . .

The Pooped People Philosophy is "Come unto the government all who are weary and heavy laden." I think there are only two ways of really getting pooped, fagged out, exhausted. One is from listlessness, idleness, shiftlessness, irresponsibility, panhandling. Nothing tires and depresses more than that. Isn't it frustrating to have no other source of sustenance and strength than the government? To be so completely at the mercy of a paternalistic society? What does this do to one's pride, self-respect? One of the tragedies of our time is this loss of personal dignity and self-respect.

The other way of becoming exhausted or pooped is from effort, grit, hard work, determination, struggle, perseverance, sacrifice, giving it your best, your all, trying to stand on your own two feet . . . And when you have done that, my friend, on any level of human endeavor, it is to you Jesus says: "Come unto me all you who labor and are heavy laden . . ." It is He and not the government, or anyone or anything else, who gives assurance, a sense of well-being, dignity and rest.

THE GSA NATIONAL PUBLIC ADVISORY COUNCIL

HON. HENRY BELLMON

OF OKLAHOMA

IN THE SENATE OF THE UNITED STATES

Thursday, December 18, 1969

Mr. BELLMON. Mr. President, it was most gratifying to me to learn of the effort being made by the General Services Administration to get a firsthand reading on how it can be of most service to the American people. I am speaking, of course, about the National Public Advisory Council which GSA Administrator Robert L. Kunzig, has named to counsel him on agency policies, plans, and programs. Among the 16 distinguished citizens of the United States whom Mr. Kunzig has selected for this important responsibility is Al Snipes of Oklahoma City, a man I have long known and respected, and whose dedication to the development of the Oklahoma City area and the rest of the State knows no bounds.

I am sure that this same dedication will make Mr. Snipes a most valuable adviser to Mr. Kunzig, who is to be congratulated for this forward step in administration. Mr. Snipes has wide experience in the insurance and real estate investment areas and now is a director of the Grants Square Bank in Oklahoma City. His leadership in civic activities is as outstanding as his business career. Selection of men of such high caliber to advise our Government is a credit to the entire Nixon administration.

CONFEREE'S ACTION ON NUCLEAR NAVAL PROPULSION VESSELS

HON. CHET HOLIFIELD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. HOLIFIELD. Mr. Speaker, I wish to take this opportunity to commend the conferees on the fiscal year 1970 Defense appropriation conference for their prompt action on the bill. I want to take special note of the accomplishments of the conferees concerning the naval nuclear propulsion appropriations.

First, I was most pleased to see the $20 million, which was deleted by the Senate, for the eighth submarine of the new high-speed SSN-688 class, restored. If the $20 million had not been restored we would have had a significant delay in this important addition to our fleet. The $20 million thus restored permits us to proceed in the way planned in the House-passed appropriation bill. Now we can proceed with the procurement of the long-lead items which control the delivery of these advanced type submarines.

I was also pleased to note that the conferees saw fit to go along with the Senate in the inclusion of $10 million for the fifth nuclear-powered guided missile ship of the new DXGN class, which is to escort our nuclear aircraft carriers. The $10 million permits us to get started with the procurement of controlling items for this ship in accordance with the authorization bill passed earlier—Public Law 91-121—which authorized the procurement of long lead-time items for the fifth DXGN.

The Senate and House Appropriations Committees and the Armed Service Committees, the Joint Committee on Atomic Energy and the Navy have strongly advocated nuclear escorts for all of our nuclear carriers. Only with such escorts is it possible to take full advantage of the outstanding superiority of nuclear propulsion for carrier task groups. The authorization of the fifth DXGN is especially important since this ship will be the first nuclear escort for the nuclear carrier CVAN69—our third nuclear carrier—which was included in the fiscal year 1970 appropriation bill.

I expect the Defense Department to proceed expeditiously on the procurements for both of these ships.

ENVIRONMENTAL POLLUTION

HON. CHARLES H. PERCY

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Thursday, December 18, 1969

Mr. PERCY. Mr. President, I ask unanimous consent to have printed in the RECORD four addresses recently delivered by four very prominent Americans. Each has addressed himself to the increasingly critical problems of environmental pollution. That these men would choose this as their common topic bespeaks both the critical state of environmental problems and the quality of leadership they are willing to exert in the struggle to find solutions.

This sort of involvement by members of the private sector in the important problems of our society is one of the hallmark of American democracy. Some of this country's best heritage has grown out of the interest and involvement of the private citizens. Messrs. John Swearingen, Laurance S. Rockefeller, John L. Gillis, and Brooks McCormick fully typify this keen social consciousness.

To illustrate the community of concern they have expressed, I have joined statements made by each into the following single statement. In my judgment, it summarizes the nature of the problem and the commitment required if environmental quality is to be a reality.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

"There is no denying the gravity of the problem. Individually and collectively, we have defied the laws of intelligent housekeeping for so long as to impair the quality of our environment to a serious degree." (Swearingen) "Like a well-known headache remedy, the strategy must be a combination of active ingredients. The ingredients include clearly-defined goals, regulations that are strong yet reasonable, a system of incentives to hasten the adoption of the proper treatment facilities." (Gillis) "There is no substitute for the dedicated desire of industry and government to understand the gravity of the total environmental problem and their earnest resolve to respond to it." (McCormick) "A little over six years from now we will celebrate our 200th birthday as a nation. There is no better birthday present we can give ourselves and our grandchildren than a redoubled effort to preserve, enhance, and redeem the basic building blocks of America's environment and indeed its greatness—our air, our land, and our water." (Rockefeller)

STATEMENT AT NATIONAL EXECUTIVES CONFERENCE ON WATER POLLUTION ABATEMENT WASHINGTON, D.C., OCTOBER 23, 1969

(By John E. Swearingen)

Before getting into the specific factors on which we have been invited to comment here, I would like to note some general considerations which are fundamental to any successful efforts to cope with pollution.

All of us have been exposed to a great deal of rhetoric about pollution in recent years. To the extent it has awakened the public to the existence of the problem, this is positive. To the extent that it has tended to concentrate mainly on industrial pollution, it has been misleading.

There is a danger that the public is coming to believe that most of the problem can be eliminated simply by imposing strict controls on industry. Unfortunately, the problem is far too complex to be legislated out of existence, and crash programs aimed at symptoms rather than underlying causes are more likely to lead to economic waste than to environmental improvement.

In any event, we are not likely to make much headway in the fight against pollution unless we recognize that:

1. Environmental pollution is both a social and an economic problem.

2. It must be approached and solved on a practical basis—in terms of costs versus benefits.

3. In one manner or another, the costs must inevitably be borne by the consuming public—which means all of us.

4. A rational and effective approach to pollution control is impossible without a genuine understanding of what the problem is, why it has developed, and what the roles of industry, government, and the individual should be in meeting the problem. In short, there is urgent need for an overall perspective—a philosophy of pollution control.

The central question is not whether we should have cleaner water, but how clean, at what cost, and how long to take to do the job.

The fact that these considerations are frequently ignored in popular discussions of the problem does not diminish their validity. No one can argue with the premise that wherever pollution can be scientifically demonstrated to be a genuine hazard to human health, it should be eliminated immediately and regardless of expense. But when closely examined, many cases of environmental pollution prove to be esthetic in nature, rather than genuine health hazards.

Beyond question, pollution has increased hand in hand with growth and concentration of population and with the introduction of technology. Some degree of pollution is part of the cost involved in achieving the benefits made possible in a technological society. This is merely one more counter at which no free lunch is available. Our challenge is to identify the complex sources of pollution and keep them within socially and economically tolerable limits.

There are good number of people around who are convinced the curses of technology outweigh its blessings. My own view is closer to that expressed in the findings of a major study of the progress of technological societies, whose authors concluded: "Without its progress since the 19th Century, most men alive today would not have been born; those alive would have been sentenced to disease, filth, and even greater misery than exists in the world today. We are in better shape because of it."

While industry presents one easily identifiable source of pollution, the unhappy fact remains that a water pollution problem of national magnitude would still be with us if pollution were somehow completely eliminated from all industrial operations. As one leading government enforcement official has noted, an underlying cause of water pollution is that all over the country we have municipal sewage systems that are inadequate for the loads imposed on them in the last few years. Or let us consider agriculture. Agriculture withdraws twice as much water from streams and wells as public water utilities and manufacturing industry combined. A portion of this water finds its way back into rivers and streams, and we really don't know very much about the conditon in which it is returned—although there are grounds for concern.

When it comes to paying the tremendous costs which are going to be involved in arresting and reversing pollution of our waters, the public can readily recognize its direct financial involvement when called upon to vote on a local bond issue to underwrite improved sewage treatment facilities. But the same principle applies when it comes to pollution-control expenditures by industry. These are simply an additional cost of doing business, and—like all other costs—must ultimately be passed on to the consumer. As for government grants to control pollution, that bill will be rendered to us all by the Internal Service.

There is no denying the gravity of the problem. Individually and collectively, we have defied the laws of intelligent housekeeping for so long as to impair the quality of our environment to a serious degree. Before the situation is further compounded by the projected new waves of population about to crash down upon us, concerted action is necessary. But since all segments of society have created the problem, all will have to be parties to the solution.

Turning now specifically to petroleum operations, I should note that the industry's official recognition of its obligation to undertake pollution abatement dates back over 40 years. The first formal program in the industry was launched in the 1920's, with publication of the American Petroleum Institute's first "Manual on Disposal of Refinery Waste." Now grown to more than 500 pages and six volumes, the manual reflects in detail the state of air and water pollution abatement technology in oil refining. Two of its volumes deal with water pollution control, two with air pollution control, one with chemical wastes, and one with solid waste disposal. The manual covers all known sources of potential contamination, and its suggested treatment methods are systematically revised as industry research provides new information on which to base effective action.

Over the years, as the individual oil companies have carried on research into all aspects of pollution problems associated with petroleum operations, the industry has jointly sponsored additional research at leading universities and research institutions—frequently in conjunction with governmental bodies. Sharing of improved technology, along with heavy capital expenditures, has led to significant advances in water pollution abatement.

Let me cite just a few examples:

In production, the industry has worked for many years to solve a particularly difficult conservation problem—the disposal of brine. Brine is present in almost all petroleum-bearing underground formations, and comes to the surface with the oil—typically about two to three barrels of brine per barrel of crude. The newest practice is to return the brine to the underground formation from which is was produced, or to some other brine-bearing formation. Sometimes it is injected down exhausted wells. More often, new wells are drilled specifically for brine disposal. As a result of years of cooperative effort, the industry now safely disposes of nearly six billion barrels of oil-field brine each year.

As the search for oil and gas has moved offshore, new conditions have been met and new techniques developed, to minimize the chance of pollution. During offshore drilling operations, it is normal to use at least three and often four, blowout preventors and numerous control valves. Offshore wells are also equipped with a special automatic safety device, called a down-hole storm choke, which closes when there is a rupture in the system. On a typical offshore drilling rig, every precaution is taken to minimize any contamination. Nothing intentionally goes overboard—from soapy water to bathroom waste. The driller's bit never touches the ocean water, and all action takes place within steel pipes, which are sealed off from underground fresh water supplies.

In refining, large quantities of water are essential. Where 1,500 to 1,800 gallons were once used in the process of refining a barrel of crude oil, the fresh-water intake today can be as low as 100 gallons per barrel. Recirculation of cooling water is the principal means by which this reduction has been possible, using the same water as many as 25 to 30 times.

In marketing and transportation, leaks and spills constitute potential pollution sources. On pipeline river crossings where the line would be vulnerable to accidental damage from shipping, and, consequently, to leaks, the pipe is usually wrapped in thick concrete and buried in a trench, well below the river bed. In various parts of the country, where petroleum installations are adjacent to harbors and inland waterways, the industry has joined with local governmental agencies to contain and clean up spillages of oil that may occur. In most instances, industry has agreed to purchase the needed materials, and the local fire department or the Coast Guard has agreed to store the materials until needed and to deploy the equipment should a spill occur. More than 40 of these programs are now in operation or under development, and they illustrate the effectiveness of local cooperative approaches to the solution of local problems.

The cost of these, and the many other steps taken to prevent water pollution, is considerable. To get some appraisal of the expenditures involved, the American Petroleum Institute's Committee for Air and Water Conservation directed a questionnaire to petroleum companies early last year asking for data on their 1966 and 1967 pollution control expenditures in the United States and for projections of 1968 expenditures. Since all companies do not record costs in exactly the same manner, instructions and formulas were provided to standardize reporting for the study. The participating companies, incidentally, process 97 per cent of all the crude oil refined in the United States.

The study found that expenditures for water conservation totaled $145 million in 1966, $190 million in 1967, and were estimated at over $200 million for 1968. As might be expected, capital expenditures account for the largest single portion of costs, followed by operating and maintenance expenditures, and administrative and research and development costs. Within the various operating segments of the industry, the heaviest expenditures are being made in production and manufacturing, with marketing and transportation accounting for smaller shares. While these amounts are not precise, they represent a serious attempt to measure the sums being spent each year for the specific purpose of avoiding water pollution.

Despite the progress made, some difficult problems remain. Among those receiving intensive study are more efficient, lower-cost methods of removing contaminants from a refinery's waste effluent streams, and more effective methods of disposing of the sludge from both intake and effluent water treatment and from process operations.

Beyond this is the larger, and continuing, problem of human error and equipment failure. This will never be completely controlled, and accidents will continue to happen from time to time. Nevertheless, when you consider the scale of the petroleum industry's operations, I think the record of minimizing these occurrences is little short of remarkable.

The U.S. economy is currently consuming oil at a rate of over 13 million barrels a day. That is over half a billion gallons every 24 hours. To find, produce, process, transport, and market this tremendous volume is quite an undertaking—apart from the problem of occasional accidental contamination. At the same time, the petroleum industry recognizes its responsibility and will continue to do all it can to prevent contamination stemming from its activities.

I have already noted the cooperative—or volunteer fire department—approach to deal swiftly with smaller oil spills in harbors and waterways. However, in the wake of the wreck and breakup of the Torrey Canyon off the British coast, and the blowout in the Pacific offshore waters near Santa Barbara, it has become recognized that new measures are needed to deal with spills wherever they occur.

One hopeful approach is contained in the present efforts of the United Nations Intergovernmental Maritime Consultative Organization—or IMCO—to work out appropriate amendments to international conventions that will provide better safeguards against unpredictable marine disasters and establish the right of a nation to take swift action to defend its coastlines against the effects of accidents in international waters.

Meanwhile, the petroleum industry has taken a significant step to deal with some of the legal and insurance problems raised by accidents involving foreign flag vessels. This is the Tanker Owners' Voluntary Agreement Concerning Liability for Oil Pollution—or TOVALOP for short—which was initiated earlier this year.

TOVALOP is a plan under which tanker owners accept, as a contractual obligation, the responsibility for cleaning up oil spills their vessels cause, or for reimbursing any national government for its own cleanup costs. The plan provides up to $10 million per incident per vessel for this purpose. However, this is not merely an insurance plan, but a voluntary assumption of responsibility on the part of participating tanker owners—who must enroll their entire fleets.

Because the plan is international, it solves the problem a government—including our own—would otherwise have in gaining jurisdiction over an offending vessel of foreign registry. Although TOVALOP was initiated only this year, more than 50 per cent of the Free World's tanker tonnage is already enrolled. In addition, a committee within the American Petroleum Institute is considering ways a similar plan might be devised to cover cleanup of spills from both offshore and onshore facilities here at home.

The Institute has also embarked on a major new program of research and development to help forge a new technology for coping with spills effectively and swiftly. Some $600,000 has been appropriated for the remainder of 1969 for the first phase of this program, through which the industry hopes to learn how oil can be recovered from rough water, what treating agents are most effective, and how and where they can be used safely.

The Institute will also be co-sponsor, along with the Federal Water Pollution Control Administration, of a four-day conference on oil spill prevention and control this December in New York City. The program will cover the whole gamut of issues raised by recent oil spills and explore the present state of the art in dealing with spills.

Because of the tremendous publicity given to the Santa Barbara blowout, let me say parenthetically that the threat of such occurrences has been greatly exaggerated, as have the consequences. To date, 8,000 wells have been drilled on Federal offshore lands, with only 16 blowouts. Twelve of these were gas wells, and caused no pollution. Of the remaining four, only one—at Santa Barbara—caused a significant amount of pollution, and the environmental effects were only temporary.

Despite early fears of damage to marine animals, there have been no fatalities due to oil among whales, sea lions, or seals. This has been confirmed by specialists from the Department of the Interior, the California Department of Fish and Game, and the U.S. Navy. Fishing in the Channel is as good as ever, and no serious effects on other marine life have been reported.

Tragically, several thousand birds were lost during the emergency. Fortunately, however, most of the victims were members of very populous species, so that now—nine months after the blowout—bird counts appear to be back to normal. At the same time, cleaning up after the Santa Barbara spill was an extremely costly, back-breaking chore—and one that the industry devoutly hopes will never have to be repeated.

Turning briefly now to some of the broader considerations bearing on any efforts to make significant further strides toward the goal of cleaner water, I think it is clear that a number of practical obstacles remain to be overcome.

In arriving at decisions in this area, any corporate management faces a dual responsibility—to conserve not only natural resources, such as water, but also social and economic resources, such as capital. The state of the art in waste controls, for example, makes it feasible to design pollution control facilities into a new plant much more economically than they could be added onto an old plant. With a new facility, conservation objectives can be achieved as an integral part of a profitable investment—and can be factored into its cost.

Correction of undesirable situations in older plants is sometimes extremely difficult, both technologically and financially. In some cases it is impossible to bring an old facility up to new standards without such heavy expenditures that a currently profitable facility becomes marginal, or a marginal operation is forced into the red. Many older installations represent a major payroll in their communities, and to close them would constitute local economic disaster.

Even in designing a new facility, it usually becomes apparent at an early stage that, while significant improvements in pollution control can be made at reasonably modest cost, further additional investments will achieve smaller and smaller improvements. Finally one reaches a point beyond which prohibitive incremental investments are required for small incremental improvements. Some place along the line, economic penalties outweigh social benefits, and management—along with society at large—must determine where that occurs in evaluating the cost and benefit involved in a given project.

In arriving at proper solutions to water-control problems, it is essential that decisions be based on facts, not on suppositions or suspicion. Urgent situations create a responsibility to develop facts speedily, but not the responsibility to act before facts are determined. In its planning for conservation, industry needs reasonable assurance that a proposed solution is not motivated solely by a desire to solve the problem, but is backed up by enough facts to insure that it is the best available solution.

When it comes to appraising the attitudes of stockholders and customers, it would appear that while both groups are in favor of cleaner water, the former are also interested in maintenance of dividends, and the latter in low product prices. There is nothing surprising in this, and it runs parallel to the views of the public at large. Opinion surveys have found that the public is increasingly concerned about pollution in general, considers industry the major culprit, and favors control measures. However the surveys also suggest that public enthusiasm for pollution control is matched by reluctance to pay even a modest share of the cost.

This attitude will have to change. As I noted earlier, the benefits of cleaner water will be achieved only by facing the inevitable costs, which promise to be very large. Leaving industrial contamination aside, the cost of providing adequate municipal sewage treatment facilities has, by itself, been estimated at over $30 billion through the year 2000.

The range of cost-versus-benefit choices is already extremely wide, and will grow wider as federal, state, and municipal programs for pollution control are put into effect. Only if the economic facts are widely understood can the public make an informed decision in each case, based on willingness to pay for a stated degree of water cleanliness.

The cost-versus-benefit approach will not result in a Utopia, with an environment as pure as our first pioneers found it; rather, it will result in water quality that is acceptable, and compatible with the multiple needs of a technology-centered society.

It is clear that the responsibility to act in defense of our essential natural resources, such as water, extends across the entire social structure of the nation—individuals, industry, and local, state, and federal governments. As an extension of its internal planning, the petroleum industry recognizes that it should cooperative actively with government. The widespread, yet localized, nature of water pollution has tended to create a situation in which different levels of government—acting more or less independently—have endeavored to cope with problems by applying widely varying forms of legislation and regulation.

It is our belief that scientific knowledge and a sense of social responsibility are the only sound bases for legislation and regulation. Having developed control programs requiring large-scale expenditures to meet varying governmental requirements and being subject to future regulatory activity, we are acutely aware of the need for definite goals. Without clear objectives, crash programs rather than planned ones are likely to result. This leads to a situation in which everyone is sure to lose, but not at all certain to win.

Pollution problems are not monolithic; they vary widely according to geographical conditions. In reference to regulatory responsibility, the petroleum industry supports the principle that the level of government best able to cope with a specific conservation problem has the responsibility to take necessary action.

Such action should be tailored to local conditions. Mere copying of regulations adopted by other governmental units fails to recognize the diversity of local needs. It is part of industry's responsibility to work to help clarify these local needs.

So far as the petroleum industry is concerned, I think we have made commendable progress in trying to work out realistic and attainable timetables for water pollution abatement, in conjunction with the various governmental agencies involved. In nearly every instance of which I am aware, our operations have been scheduled to exceed the established and projected requirements, and we expect to continue on this course.

I might note that this task is not being made any easier for us by recent efforts to increase the level of federal taxation on petroleum operations. In appraising the future, the central long-term problem facing the petroleum industry is how to meet its huge demands for capital.

Total capital and exploration expenditures by the domestic oil industry last year rose to an estimated $9 billion, over half of which was called for in exploration and production. The total represents an increase of 50 per cent since 1963, and the problem of generating funds of this magnitude year after year is acute—especially in an era of inflation compounded by a relentless cost-price squeeze. With rising demand for both oil and gas, it is clear that capital needs are going to accelerate even faster, on the basis of the recent record.

This means that appropriation requests for pollution-control activities will have to compete for a share of increasingly hard-come-by capital funds needed to carry out our basic business of fueling the economy.

If the expenditures called for are based on factual evidence indicating that demonstrable social benefits will outweigh economic costs, and that the timetables are realistic, I have no doubt that the petroleum industry willl accomplish its share of the job. We are committed to do no less.

Water Pollution: Coordination for Control

(By John L. Gillis)

It is a pleasure to be at your very important Convention. But I have a confession to make . . .

I am a "non-expert" in a field in which you people are the acknowledged experts—the control of water pollution. But, like yourselves, I am involved in the quest for practical solutions. And I do have some pretty definite and, hopefully, not-too-uninformed opinions on the subject. So, I thank you for inviting me to share them with you.

My opinions regarding water pollution are tempered largely by two things. First, I spend many leisure hours out of doors—in the meadows, in the woods, or on some lake or stream. I've seen what human negligence does to the environment. But at the same time, as an executive of a large corporation, I know that responsible pollution abatement involves both triumphs and frustrations.

I do not intend to belabor the fact that each of us—whatever our station in the scheme of things—has a responsibility to help improve the quality of our surroundings. We all know that. Rather, I would like to suggest a line of attack—a strategy, if you will—to help bring the problem to manageable proportions by 1980.

Let me start by referring to my home base. To a degree, Monsanto's approach to pollution control summarizes the line of attack I shall discuss in a few moments . . .

First, we cooperate with pollution control officials and agencies at all our location communities. In the past two years, with guidance from those agencies, we have spent roughly 15-million dollars to curb pollution at our locations. We also coordinate our efforts within the company, through seminars, workshops and other exchanges of ideas and experience.

Second, many of our key people are directly involved in a range of pollution abatement activities. The company's president, Ed Bock, for instance, is former chairman of the Manufacturing Chemists' Association's advisory council on environmental health. We are also proud of our Ron Sadow. Two years ago, your organization awarded him your William Rudolfs Award for his outstanding contribution to industrial pollution control.

And third, as you all know, Monsanto recently took an even more dynamic stance by moving into pollution control as a full-fledged business venture.

In short, we believe there is only one rational way to manage pollution problems—and that is through an all-out, fully-coordinated, head-on attack.

A moment ago, I suggested 1980 as a target year to bring water pollution under control. When you consider what we Americans have achieved in the conquest of outer space in the past decade, a ten-year program to cleanse inner space seems to me an altogether reasonable proposition.

It may be that the same idea will be expressed later this month, when the Department of the Interior convenes the National Executives' Conference on Water Pollution Abatement. Assistant Secretary Carl Klein spoke of it in his keynote remarks.

An objective of the Executives' Conference is to bring the environmental program of businesses and government into closer alignment. And I, for one, applaud that objective. Without the fullest cooperation of all concerned, the nation's water pollution will never be truly resolved.

For that reason, I expect the Interior Department might want to consider following through with other Conferences, that are even wider in scope. One such Conference might even represent the widest practical range of interests, both public and private. Its purpose could be to unify the nation's many abatement efforts in a common attack on water pollution.

Your own Federation, for one, could contribute in many ways to an ecumenical conference of that sort. To give it a descriptive name, it might be called the National Conference to Coordinate Water Pollution Control Activities.

And there are a number of fairly obvious topics I believe such a Coordination Conference would need to cover . . .

The matter of goals, for instance. How much pollution control can we reasonably attain by 1980? By that year, according to one leading scientist, our output of sewage and related waterborne wastes will be sufficient, in dry seasons, to consume all the oxygen in all our river systems. And to magnify the problem, the American requirement for fresh water is expected to about double between now and 1980.

Of course, most of this demand will have to be met by reuse. And that makes the quality requirements of the local water supply *even more* critical.

Then, I image the Conference will want to assess our technological ability to meet those goals. Again and again, we Americans have shown a remarkable facility, where problem-solving is concerned. Witness our space programs. Furthermore, as the American Chemical Society observes in their recent study, a lot of our existing water pollution control technology is being utilized too little—if at all.

To make efficient use of our present technology, though, the Conference would need to ask some pretty basic questions—such as, How pure does the water need to be? . . . and, Can we actually afford to attain that degree of purity?

In other words, whatever standards are established, they should be reasonable. Water of pristine purity is attainable—*if* we are willing to pay the price.

That, in turn, raises another question for the Conference. Namely, are we, as American citizens, willing to pay our share for an improved environment? According to a recent Gallup survey, the answer is, Yes. Nearly three-fourths of the respondents said they would be willing to pay some additional taxes to improve our natural surroundings.

Of course, it is possible that some of Dr. Gallup's respondents did not realize the true cost of pollution control. Let's suppose, for example, that an all-out campaign, nationwide, were to be initiated tomorrow to build or correct the highest-priority waste water treatment facilities. That includes municipal and industrial treatment plants, plus the required sewers. Over the next five years, the cost would be an estimated 29-billion dollars.

That's a lot of money. It's equal to about 150 dollars per year per American. Still, it's less than the total federal expenditures on space programs in the past five years. Whatever the price, however, it will eventually have to be borne by all of us.

Such expenditures will be money down the drain, so to speak, unless there is a strong, clearly defined working relationship among all parties involved. Remarkably enough, this is not always the case. The respective responsibilities among various local, state and federal agencies are sometimes poorly coordinated.

As a case in point, I read recently of a company that has been dumping tons of solid waste into a nearby lake. So far, the complaints of the local citizenry have been to no avail. Last year, the Department of the Interior called upon that company to stop the dumping. Whereupon, the company produced a dumping permit, issued by the Army Corps of Engineers.

Last I heard, Interior had abandoned its insistence, and dropped the problem in the laps of the states bordering the lake. So far as I know, that's how the matter stands today—unresolved.

Take another example. Interior has required each state to guarantee that municipalities will have secondary treatment in operation within the next five years. As you know, many states have already raised their matching share. Some have even prefinanced the federal portion.

Yet, as former Undersecretary of the Interior, David S. Black, recently observed, "The federal government—which imposed this requirement—has not kept its side of the bargain." Dollars sufficient to the task have simply not been appropriated.

In contrast, let's consider an example of well-coordinated environmental control. Not long ago, a large mining company decided to open a new operation in Colorado. Hopefully, the company could carry out the operation with minimum damage to the area. So, it sought—and got—the advice of a number of organizations, both public and private.

With the advice of those groups, the company built two reservoirs, several-thousand feet of underground pipeline and other facilities. As a result, two lovely mountain streams were protected that might otherwise have been virtually destroyed. I understand the company has recently stocked one of the reservoirs with trout, and opened it to fishermen.

A good question to ask at this point might be: Why don't more industries follow the example of that mining company and invest in a clean environment? One reason is that most companies must be able to justify a major capital investment to their stockholders. Pollution control installations are usually costly and non-profit producing, and are, therefore, difficult to justify.

That being so, a sensible idea would be to offer economic incentives—such as tax credits—to businesses that take swift, decisive action to control pollution.

In addition, federal legislators may want to enact laws—stricter than those now on the books—compelling industrial pollution control by a specified time. I expect that approach could be highly successful—*provided*, the laws applied equally to all. Inequitable enforcement would give some companies an advantage over their competitors, and, therefore, the laws would be self-defeating.

Stronger pollution control laws would enable businesses to justify their expenditures for abatement equipment. After all, most of us are happy to obey the law—particularly, when there's a policeman watching us.

Based on past performance, however, I expect that some industries will vigorously oppose the enactment of stiffer pollution control laws. To do so, however, would be to oppose the trend of the times. The fact is, stiffer laws are being enacted right now—whether we like them, or not. California's new water quality act is an example. And some existing laws are being given sharper teeth.

In these circumstances, I believe a more constructive and enlightened stance for the business community would be one of cooperation and coordination. For example, business can—and should—participate directly in the framing of meaningful laws and local water quality standards. Otherwise, we may well find ourselves shackled with strictures we cannot live with.

One major contribution the Conference could make would be to explore a relatively new idea. This is the concept that many pollutants can be recovered and reused. Some people call it "recycling." A friend of mine calls it "cash from trash."

Whatever you call it, there are often business opportunities to be found in the stuff people throw away. When we, at Monsanto, first considered going into environmental control systems as a business, we started by making a checklist of substances that are commonly cast off—to become pollutants of air, water or land.

The resulting list was a long one. Eventually, we had to turn it over to a computer. But that list revealed some interesting facts about pollutants . . .

Aluminum beer and soda cans are an example. You see them every day, cluttering our highways and waterways. Chances are, most of those cans will be around for years, because—unlike some other substances—aluminum does not rust or corrode.

But, if people knew the money they could get for them, I'll bet you'd see the cans picked up in a hurry. According to Reynolds Aluminum, the scrap value of those cans is now about 200 dollars a ton.

Likewise, considerable treasure is going up in smoke—literally. From the stacks of coal-burning power stations and factories, some 300 million dollars' worth of sulfur oxides are lost to the atmosphere each year. Yet those sulfur oxides could be recovered as marketable sulfuric acid.

Fly-ash, from those same stacks, contains potentially recoverable amounts of rare and costly metals—such as beryllium and germanium. After these metals have been recovered, the fly-ash can be further used for construction, road building, or agricultural purposes.

Waste water, both industrial and municipal, makes for special problems, of course. Such pollutants as organics, nutrients, viruses, inorganic salts, and even heat, are difficult to process. And the magnitude of the problem grows with each passing year. Still, given the funds and the will to succeed, I see no reason why these pollutants, too, cannot be utilized—or eliminated altogether.

Heat, for example, is simply good energy going unused. But in Oregon, warm water from industries is being used experimentally to irrigate farmlands. Early reports indicate the extra warmth speeds the growth and increases the size of plants.

In some European industrial communities, factories share their steam and hot process-water, then pipe it to nearby housing developments for central heating.

Removal of biodegradable organics is a perpetual headache, of course. You people are familiar with the shortcomings of most of the conventional procedures. They are often variable in efficiency, and they usually require large tracts of valuable acreage to construct. In this regard, new and novel ideas are needed to reduce BOD more dependably, and with less expenditure of money and land.

My point is, that all of us—we in industry, in particular—can expect ourselves to become increasingly involved in this recover-or-eliminate concept of pollution control. It may even be that, before long, the manufacturer of a new product will be required to account for that product's ultimate disposal.

If it comes to that—and it probably will—the time to plan would be at the product's development stage. At that point, it would be relatively easy to determine:

(1) whether the product can be used and reused, perpetually;

(2) converted to some other useful form; or

(3) neutralized entirely, in some non-polluting manner.

To put it bluntly, those three choices are the *only* alternatives to pollution of water, air or land. There are no other. Therefore, it is upon perpetual use, recovery or total neutralization of pollutants that an abatement strategy must focus.

Like a well-known headache remedy, the strategy must be a combination of active ingredients. The ingredients include clearly-defined goals . . . regulations that are strong yet reasonable . . . a system of incentives to hasten the adoption of the proper treatment facilities.

Most of all, the strategy requires the unswerving cooperation of all those involved—public and private sectors, alike.

I realize there is nothing particularly novel in suggesting that all sectors combine forces to do battle with pollution. The Department of the Interior, among others, has urged as much on many occasions.

The Department has never had a better opportunity than now, to translate that idea into action. For one thing, public sentiment is now inclined toward "doing something" about pollution.

Following the National Executives' Conference, the Interior Department could—and should—announce plans for a National Conference to Coordinate Water Pollution Control Activities. The scope of such a Conference ought to comprise the widest possible representation. And its object should be, to initiate an all-out, fully-coordinated, ten-year program against water pollution.

Arranging for a Conference of such magnitude will not be an easy task, to be sure. But the responses to such a Conference would more than compensate the effect involved.

The Coordination Conference should definitely set its sights high. But there should be no illusions that water pollution can be *totally* eliminated in a ten-year span. Still, given—an all-out, adequately reinforced campaign, I firmly believe the problem can be reduced to manageable proportions in that time.

And if we can accomplish that much, I'm sure you agree, we will have accomplished a lot.

ONE COMPANY'S ATTACK ON WATER POLLUTION

(By Brooks McCormick)

I welcome the undersecretary's invitation to participate in the first government-industry water pollution conference. Indeed, I am honored, along with my employer, International Harvester Company, for the privilege of kick-off position in this two-day symposium on water pollution abatement. It may well be true this nation and the world face no graver problems than those of environment. Almost everywhere we look we see the signs of environmental deterioration.

The history of man has been the history of his efforts to take command of his environment, to control those elements around him upon which he depends for his very life. His method throughout most of that period has been extremely primitive and shortsighted. He has been concerned only with the immediate effects of his actions, with solutions for imminent problems and answers to current questions.

He has been so impressed that his environment, out of control, could destroy *him* that he has been oblivious of the possibility that he might destroy *it*—and himself in the process. And he has become aware of that possibility only in the most recent history. It may be one of the most important lessons mankind can ever learn.

This year, we have been privileged and thrilled to witness the first landing of human beings on the moon. Many people have attempted to assess the significance of that feat, and it will probably be years before we will appreciate its full meaning. But if it does no more than offer us the experience of a completely hostile environment, it can be worth its enormous cost. If it helps only to awaken our appreciation of this life-supporting planet and quicken our resolve to preserve it, the money this nation has spent and will spend on lunar exploration will prove to have been a bargain.

So while water is the subject of our deliberations today, I believe we need to be aware that it is concern for *total* environment that has brought us together. There can be no question that we must end the pollution of water. But neither should we doubt for a moment that the measures we take for abatement must be made in context with improving the quality of our total environment. We will be treating one element of something that, in essence, is indivisible. This, it seems to me, must be the underlying qualification of everything we say today.

I will, of course, be speaking for International Harvester Company and, therefore, in a sense, I will be representing the farm equipment industry as some of the advance literature for the conference has suggested. At the same time, I must point out that my Company is also a maker of trucks and construction equipment as well as internal combustion and gas turbine engines, aerospace components, and steel.

In short, I do not represent my assigned category in the same exclusive way some of my colleagues on this program represent theirs. A more pertinent category for us would be "automotive metalworking" because the majority of International Harvester products move on wheels or tracks and are self-propelled and because the bulk of our manufacturing operations are classified as metalworking.

Still, the attitude of my Company toward water pollution in particular, and human environment in general, gets its essential character from our origin as a farm equipment company and our long alliance with agriculture.

It takes little imagination to associate farm equipment companies with a consuming interest in the conservation of water and soil resources. You can go back as far as you like in the history of the industry and find documented evidence of efforts and accomplishments in promoting and teaching conservation.

And incidentally, this was not "conservation for conservation's sake" which, Time Magazine says, has been "freely scorned" by Secretary Hickel. It was conservation to enhance the life support elements for growing plants—conservation to maintain and improve the quality of the agricultural environment.

Now I'm not going to tell you it was sheer altruism that originally motivated farm equipment companies. Nor was it any clairvoyant vision of the day man would begin to realize he was seriously in danger of destroying his environment. It was just plain, good business. Water and soil conservation for the farmer was also market conservation for the Company.

But precisely for that reason, a highly favorable attitude toward the conservation of environmental resources became ingrained very early in the structure of our Company—and, I am sure, in that of other farm equipment firms. A natural feeling of responsibility for our corporate economic well-being became interchangeable with a feeling of responsibility for the quality of the agricultural environment. The relationship between them was as compelling as it was obvious.

Another strong influence on the present attitude of my Company toward environmental problems was the change that occurred nearly thirty years ago in our basic concept of the business. Like many other firms, ours had grown up with the belief that the affairs of our enterprise were largely private, that our major obligation to the public was to be law-abiding, ethical and constructive in our decisions and actions.

Then a former president of our Company introduced the concept that when a corporation reaches a certain size, it ceases to be a purely private business organization and becomes, in a sense, a social institution. He felt this was true because such size made the Company a tremendous influence, for good or bad, on the lives of thousands and thousands of people.

From this change of thinking evolved the concept of an enterprise operated not only in the interests of its owners but equally in those of its customers, its employes and the communities in which its people live and conduct business.

The implication of this point of view are many and varied. But essentially it stands as a formalized statement of social responsibility, a statement made at least a quarter of a century before it became fashionable to charge business and industry with an utter lack of social consciousness.

The significance of this statement in the context of today's conference is readily apparent. For when we talk about water pollution specifically or about environment generally, we're actually talking about society—about people and the effects of environment upon them.

Then there is a third reason for International Harvester's sincere concern about environmental problems. It grows out of the first two, and it is shared by the entire farm equipment industry.

We are justifiably proud of the contribution our Company and this industry have made in lifting the burden of drudgery from the farmer and thereby helping to unlock the door to the highest standard of living in this nation that the world has ever known.

Had it not been for agricultural mechanization, 70 or 80 percent of our population would still be farming—and farming laboriously. The industries represented here today would be vastly different if they existed at all. The professions would have few practitioners. And the Department of the Interior's jurisdiction might still be limited to the general land office, the patent office, the bureau of Indian affairs and the pension office—as it was in 1849. This would still be an agrarian nation.

But we might also not have a water pollution problem or an air pollution problem, or a traffic safety problem, or an urban problem.

As a developing nation, ours needed food and fiber more than it needed almost anything else. We were not unlike many of the struggling new nations of the world today. The farm equipment industry provided the tools to meet the needs of development. As a result, farming eventually ceased to be the inevitable vocation of our people, and for the first time, they were free to choose among a myriad vocations essential to the country's continuing development.

They were also free to choose where they would live, to concentrate themselves in cities where the increasingly sophisticated problems of their advancing civilization could be solved more easily. And essentially it has been this concentration of lives and living that has revealed the problem of environment to which we address ourselves today.

Our industry, as a result of its heritage, is in a unique position to understand its responsibility and that of industry generally, to take the lead in ending pollution where we are directly responsible for it. And I believe the positive, cooperative action of industry and government can set an example that will motivate the kind of total action our very grave situation now demands.

The stated policy of International Harvester in the matter of industrial pollution has evolved from this kind of background. It very simply says in twenty-one words: Within the limits of technical and economic feasibility our Company intends to prevent pollution of water and air by its facilities.

I want to make it clear this is fully as much a description of past practices as a declaration of intentions. For example, we have—I almost said always, but at least for a very long time—collected our spent materials—such as soluble oils and cutting oils and disposed of them through scavenger services. And as long as 16 years ago, before the present level of concern about water pollution was even imagined, we installed a waste treatment plant at our largest truck manufacturing operation to remove oils from storm sewers. At that time, we even had to establish our own standards for water quality. I think it is significant that we still believe that system is capable of performing within standards that will eventually be set by pollution control authorities.

As of the end of our 1968 fiscal year, we had spent more than $14 million for installation of water and air pollution controls in the present decade.

A few moments ago, I used the generic term "metalworking" and "automotive" to define the essential nature of our manufacturing activities. Compared with many of those represented here today and with some others not represented, these activities do not involve a very large use of water. Therefore, I would be the first to admit that the water pollution problem we faced in most of our plants is considerably smaller than that of some of our other speakers.

We do operate a small steel mill in Chicago, however, which does consume water in significant quantities. There was a time when this plant—which has a capacity of about one million tons of steel a year—probably used as much process water as all our metal working operations combined.

I say "there was a time" this was true. It is not true today, because we have been making dramatic reductions in our requirement for input water in steel making. Perhaps a word about our accomplishment at this plant—IH Wisconsin Steel Works—is in order. For it does represent a type of industrial operation in which water pollution control is particularly difficult.

By the way, this mill is located some ten miles south of the Loop, and the origin of its name is now growing somewhat obscure.

We began earnestly to combat water pollution at Wisconsin Steel 25 years ago when we installed our first thickener for separating blast furnace flue dust from water. At that time we were drawing perhaps 120 million gallons of water per day from the Calumet River and were discharging virtually all of it directly into the river through thirteen outfalls.

Today, through the processes of cooling, cleaning, and recirculation, we have cut our demand for input water by one-half and have completely eliminated all but three outfalls.

This has cost our Company, along with air pollution control devices, $11.5 million at this one installation. Our remaining plans call for expenditures of several millions more. When this program is completed it is contemplated that we will be drawing only five million gallons of water from the river and that there will be no outfalls to it.

Of course, in the process of accomplishing this, we have spent considerably larger sums literally to replace our traditional production method with an entirely new one. We switched from open hearth to basic oxygen steel making, built a new rolling mill, installed continuous casting, vacuum degassing and a new battery of coke ovens, to list just the major changes.

It is clear, I am sure, that the first cost of solving our pollution problem at Wisconsin Steel would have been considerably larger had we attempted it without making these alterations in our facilities. The economic advantage we achieved in modernizing the steelmaking process help to partially offset the cost of pollution control and certainly hastened our accomplishment of it.

No longer can there be any question that such measures as water pollution abatement must occupy the highest levels of priority in industry and government. But it is equally clear that only a profitable enterprise can afford the cost of what must be done. Just as government can spend nothing it does not first collect in taxes, industry can spend nothing it does not first earn in profit.

Any management today that does not understand its responsibility to society for the preservation of a living environment is derelict in its duty. But an even greater dereliction would be its failure to perceive and adopt a strategy of action that will provide income for maintaining the profitability of the enterprise as well as for meeting its pressing social obligations. Bankrupt businesses don't pollute streams. But they don't meet payrolls either. Neither do they pay taxes, manufacture products, patronize suppliers or contribute to education.

The principal industries my Company represents have not been high profit industries. Essentially, we make machine tools for the most cost-conscious professionals you'll find anywhere—the farmer, the truck operator and the construction contractor. In the present decade, our net income has averaged about 3.6 percent on the dollar of sales. We'd like it to be higher and we're doing everything we can think of to make it higher. Still we are not likely, in the near term, to achieve the income levels enjoyed by some other types of U.S. business firms.

On the other side of the picture, first costs of abatement equipment are high—particularly if it must be installed in operating plants not otherwise involved in sales-or income-producing physical changes. In addition, there is the cost (which some people tend to forget) of operating, maintaining and updating abatement systems. The finest equipment available is only as good as the care it receives in use.

Our particular plan of attack on both water and air pollution takes two forms. One is *correction*, the other *avoidance*. Corrective action involves the installation of physical facilities and normally is most practical when an operation is undergoing some extensive physical change or when we are undertaking new construction. Today in my Company, pollution abatement is a primary consideration in every plan for facility rearrangement and a part of every new construction contract.

For example, at our Louisville, Kentucky tractor factory we have just announced a $3.5 million program to install wet scrubbers and two electric furnaces for air pollution abatement in our foundry there. While the wet scrubbers will clean the air, they in effect merely solve an air pollution problem by creating a water pollution problem. So our plans for Louisville also include a complete water filtration and recirculation system. In the case of the new electric furnaces, which will replace a pair of the old cupolas, they will virtually avoid pollution at the very outset.

This then leads to that other arm of our plan of attack—avoidance—which is equally important but somewhat less dramatic. It is required in our Company today that, before a new process or new material may be employed by any operation, prior approval must be secured from our Manufacturing Research department. The physical welfare of our employes and avoidance of pollution are principal considerations of this procedure. If water pollution proves to be the potential result of adopting a new process or material, our people seek alternatives that will avoid it. The success of this program has been impressive in many instances, and we have been able not only to avoid pollution but also the cost of abatement.

These two approaches to water pollution abatement, in my opinion, make it possible for business management to meet its responsibilities to society as well as to the enterprise, its owners, employes and customers. Management has no alternative but to meet *both* obligations to the best of its ability.

Such considerations as these simply have to be factors in setting the timetables of abatement. They have to be taken into account along with such other practical matters as adequate time for planning and engineering, the ability of suppliers to deliver necessary hardware, contractor's schedules, and the adoption of definitive codes by control authorities.

In my view, there is no substitute for the dedicated desire of industry and government to understand the gravity of the total environmental problem and their earnest resolve to respond to it. There also is no substitute for a thorough understanding of the economic needs of business if we are to succeed in solving these problems of natural environment. Nothing could motivate industry to positive action like real improvement in the quality of our economic environment. The two are directly related, and it is not likely we will have one without the other.

What we have to do can be stated simply enough—as Professor Odum of the University of Georgia has expressed it: "We have got to stop thinking of ourselves as being in the growth stage of civilization and realize that we are in the mature stage. Up to now, we have been a consumptive, destructive civilization. We must learn to re-cycle and re-use."

Thank you indeed for your courteous attention. I look forward with keen interest to the views and remarks of others on what appears to be a most interesting panel.

Remarks of Laurance S. Rockefeller, Before The Fifth Avenue Association, Waldorf Astoria Hotel, New York City, October 22, 1969

Thank you Mr. Cutler. I appreciate the honor the Association pays me today. I accept it gratefully, not only for myself, but also for those with whom I have been associated over the years.

I personally feel close to the work of the association. Not only was I born a few doors off Fifth, but I have lived and worked on the Avenue most of my life as have five generations of our family.

Thus, we as a family are particularly indebted to and pleased to be associated with the Fifth Avenue Association. Rockefeller Center has long been an active and enthusiastic member. Father's goals in the design of Rockefeller Center were very much in line with your goals.

As we now know, he was far ahead of his times in insisting that rentable space in the Center be sacrificed so that there would be open space and lower buildings as well as high rise towers. The fact that these buildings, some of them now almost forty years old, are competitive with the newest office space confirms his vision that good planning and aesthetic concern can be good business.

The great environment you have helped to create is testimony to your high regard for these same principles. I shall not dwell on achievements today, but rather I want to bring to your attention what I believe are urgent *new* problems which need your consideration.

The environmental quality of the Fifth Avenue area is closely linked with that of New York City as a whole. You cannot be an island of beauty amidst a sea of ugliness for very long.

Thus, the most pressing environmental threats to the greatness of the Fifth Avenue area are those which face the City generally. I would rank them as air pollution, water pollution, and the collection and disposal of garbage and other forms of solid waste.

Let's look at what air pollution alone means for the Fifth Avenue area.

As reported on the front page of the New York Times Sunday, the Federal Department of Health, Education, and Welfare says that New York's air pollution is the worst in the country.

This is understandable because New York is a complex mechanism.

There are 1.5 million autos, trucks, and busses in the City; 500,000 jets land and take off each year, some 12,000 apartment house incinerators burn trash, and 150,000 multi-dwelling heating units burn oil or coal.

The City itself operates 47 furnaces burning rubbish, and almost all of these are still sub-standard. Con Edison operates 11 power generating stations within the City.

Together these sources send something like 3 million tons of pollutants a year into our air. For those fascinated with statistics or perhaps just interested in their health, this means that each New Yorker must cope with something like five times his own weight each year in noxious substances in the air.

What does all this stuff do to us?

In the first place, it hurts our health. The research on the medical effects of air pollution is not precise, but it doesn't require unusual perception to know that tons of carbon monoxide and hydrocarbons and sulphur can't do us any good.

We also know that air pollution is expensive. Things get dirty and cleaning costs go up. Chemicals in air pollution react with materials and shorten their lives. Tires, ladies nylons, brass door plates, and even limestone buildings are eaten away by the acids which air pollution creates.

One estimate says that air pollution costs each American some $65 a year. If this is true across the country, the figure must be much higher in the Fifth Avenue area.

The hard fact is that we are not devoting enough of our resources to combating air pollution effectively. New York City spent about $4 million last year. Across the country, the federal government spent $88.7 million and most of this is on research rather than control.

We need particularly urgent efforts to overcome the pollution effects of automobiles. The industry itself is doing research, but we need a partnership effort of business, government, and citizens to accelerate progress dramatically. We, in New York, must join with our California friends in insisting upon and assisting in progress.

I personally believe that we must not only develop cleaner engines for the future, but we must also find a practical means of reducing pollution from cars now on the road. If we do not, cleaner air will indeed be a long way off.

This situation of a growing threat and too little money spent and too little action taken is also true of water pollution and solid waste management across the country and here in New York City.

We don't have time to detail facts and figures, but the significant point is that these threats to our overall environment are direct threats to Fifth Avenue also.

No matter how good a job you do, the air on Fifth Avenue still blows from Hackensack, and the water flows from Poughkeepsie.

The people of this country have decided that they want action to clean up their country. They have demanded action from their political leadership, but in a sense, they have been misled. In response to their concern, the Congress has enacted a number of bold new programs for environmental quality.

They look quite good on the books, but until now, the money to do the job promised in the legislation simply hasn't been forthcoming. For example, the Congress authorized $1 billion for water pollution control this year, but only $214 million appeared in the budget.

There has been a real citizens revolt over this, and it looks as though the Congress is going to appropriate substantially more.

What can you as an association and as corporate and individual citizens do about these general threats to environment?

The answers aren't as easy as they are when you are dealing with your immediate business area, but there are important contributions you can make.

First, make sure that the Fifth Avenue area itself is doing all it can do to minimize its contributions to air and water pollution and to excess solid waste.

Second, city, state, and federal programs need your support. From time to time bond issues appear on the ballot to provide funds for pollution abatement. The dramatic fact is that you and the people of this City voted a billion dollars for state pure water programs. We must continue this outstanding support and encourage all levels of government to become full partners.

Third, your elected officials should know how you feel about these matters. The problems of pollution are so vast that it takes government action to clean them up and government action only comes about when our political leaders know that the public wants it.

Finally, I hope that this association will not only continue its leadership in creating a better environment in which to do business, but I hope that it will expand its influence.

You have demonstrated that a quality environment is good business, that it can bring customers, and profit. But you have also shown that environmental quality can bring a special spirit, a special sense of place to an area which gives it excitement and meaning all of its own.

Fifth, Park, and Lexington are rather long avenues. They run all the way to 135th street and beyond. Perhaps some of you see the Abraham Lincoln Houses or the Rivington Houses on your way to Scarsdale on the New York Central.

Environmental quality is important there as well as further down the Avenue. Trees, flowers, and revitalized open space can bring dignity and pride and hope where only despair existed before.

For the past two years, in this very area, an agressive group of Harlem businessmen and community leaders have been trying to raise funds to create planters and modern sidewalk kiosk facilities to enhance their street scenes. The City has agreed to match their money dollar for dollar. Yet, they have not been able to secure sufficient support, and the destructive rioting after Dr. King's murder has set them back further. This appears to be a project worthy of support, and I hope this association might help.

A little over six years from now we will celebrate our 200th birthday as a nation.

It has been suggested that a major theme of the celebration be a dedication to protecting and enhancing our environment for coming generations of Americans.

There is no better birthday present we can give ourselves and our grandchildren than a redoubled effort to preserve, enhance, and redeem the basic building blocks of America's environment and indeed its greatness—our air, our land, and our water.

I hope that your association will play a major role in marking this date of national rededication—by not only continuing its work of the past but also by expanding its efforts across this island and across this City and in doing so, setting an example for the nation.

WORKING MODELS FOR URBAN REDEVELOPMENT

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. MIVKA. Mr. Speaker, the problem of revitalizing our decaying urban centers troubles all of us. Daily we struggle to find effective ways to halt urban blight and initiate urban progress. The problem is so complex that many people have despaired of finding any workable solutions.

In light of these complex problems, I believe that my colleagues would be interested in the remarks of Mr. Ronald Grzywinski, vice chairman of the board of Hyde Park Bank & Trust Co. Mr. Grzywinski recently addressed the Urban Coalition in Chicago on how to redevelop our cities. His address reveals a depth of understanding about this most perplexing problem.

Mr. Grzywinski explains how the bank which he represents has enabled minority businessmen to found and to develop business enterprises. Though it is a relatively small institution, Hyde Park Bank & Trust has been a leader in backing up its rhetoric with action. Based on his work with the bank and other urban activities, Mr. Grzywinski sets forth some viable models for combining capital, talent, and community control in the crucial effort of redeveloping urban America.

Mr. Grzywinski's timely remarks follow:

REMARKS BY MR. GRZYWINSKI

I have been asked to speak on the activities of the Urban Development Division at the Hyde Park Bank. I will do so briefly, and then turn to the broader and deeper problems of total urban economic development with which I am concerned at the Adlai Stevenson Institute.

The Hyde Park Bank is a small to medium size institution. At year-end it had total assets of $60.8 million and employed approximately 125 persons. By comparison, the Chase Manhattan Bank, second largest in the nation, had total year-end resources of $19.3 billion; approximately 315 times as large. The bank is located in the Hyde Park-Kenwood Community, approximately six miles south of downtown Chicago and the home of the University of Chicago. The community of 50,000 population is liberally oriented, racially integrated, affluent, but economically segregated. Majority ownership of the bank is through a holding company whose stock is concentrated in the hands of community residents and bank management. Illinois law prohibits branch banking.

The Urban Development Division was established in the spring of 1968, with an operating budget of $20,000 to carry it through year-end. Its primary purpose was to extend credit to black entrepreneurs for business establishment or expansion. At the time no Chicago area bank was internally organized specifically to finance and counsel minority businessmen. The Urban Development Division initially was staffed by two non-bankers hired from outside the bank. Milton Davis, formerly employed by the University of Chicago, and for three years president of the Chicago Chapter of CORE, was named director. He is now a vice president of the bank.

Our objectives in establishing the division were three:

First, to make credit available at competitive interest rates through conventional banking channels to credit-worthy black businessmen.

Second, to demonstrate to the banking community that, with appropriate diligence, counseling, and selectivity, loans to black businessmen are not categorically an unmanageable or extraordinary risk.

Third, to finance our urban development activities without sacrificing bank earnings.

To accomplish this third objective the Urban Development Division solicits deposits from major corporations, churches, government units, and philanthropic organizations which would not normally do business at a small, outlying bank. We pay the same rate of interest on their time deposits and provide the same level of service for their demand account as any other bank, but apply a major portion of our earnings on their deposit against the extraordinary expense incurred in counseling, processing, and servicing a portion of loans to inexperienced, small businessmen.

To date, the Urban Development Division has made loans in excess of $1.4 million to approximately 55 businesses. At month end 2 loans were delinquent with no loss anticipated; one loan of $1,500 has been charged off, but recovery has begun and should be completed within four months. The division is supported by deposits totalling $4.6 million, (8.5% of the bank total), from 54 different entities. Nineteen of the corporations are listed on the New York Stock Exchange. The full time staff has grown to five, including a fellow assigned by the Robert Kennedy Memorial. The earnings allocation on supporting deposits not only recovered the bank's initial $20,000 investment, but has completely offset the division's increased operating expenses. Activities have broadened to include the financing of community owned, profit oriented businesses and low income housing projects. The community objective is to use the profits from these businesses to finance such community projects as day care and medical care centers, manpower training facilities, supplemental police protection, sidewalk lighting, and other community needs.

Our experience has taught us several lessons:

First: The availability and use of competent counseling is as important as credit in the success of an inexperienced entrepreneur.

Second: The bank staff must have deep rapport with its clientele; a genuine feeling and understanding for the problem of black deprivation; a commitment to work together; a willingness to spend the required time looking at each credit application as it is presented, knowing in advance that many will not be bankable, but that many must be reviewed to find the viable few. Having found a promising proposition, it must be worked through to completion by exploring all the alternative financing methods. This attitude reflects a philosophical commitment to the concept of change, within and through the existing system.

Third: Fundamental credit principles must be adhered to, but with an understanding of the distinction between principle and practice. As an example, the borrower must not be allowed to become sloppy or careless in meeting loan repayment due dates, but if his business is experiencing sound and accelerated growth, or if his credit needs were legitimately underestimated, we must find ways to increase his credit supply. Also, if the credit report reveals a past history of judgments on an otherwise qualified prospective borrower, the application is not automatically denied. These judgments are investigated with the understanding that unscrupulous and exploitive merchants have often used the judgment device to force uninformed people to continue patronizing their outlets for shoddy, overpriced merchandise. We also believe that the equity to start a business sometimes may not be financially measurable; instead it might include the borrower's work experience and other personal achievements.

Fourth: Senior management must be totally committed to success. Because urban development programs are innovative, experience is lacking and failures are magnified.

Fifth: When cooperation with government agencies is required, the business leader must understand the constraints and tradition under which a public servant labors. Innovative and creative interpretations of federal regulations have not been the historical route to rich rewards. Under Bob Dwyer, and earlier, Tom Gause, the Chicago office of the Small Business Administration has moved from timid, sincere reservation to quick, cooperative responsiveness.

Sixth: Because it has senior management commitment, independent funding through supporting deposits, and the ability to clearly measure successes and failures, the staff of the Urban Development Division feels it has a mandate to plow ahead, to innovate, and to thoughtfully explore the ways in which the bank's resources can be brought to bear on the problem of inner city development.

I will turn now to some general ideas about urban economic development. The majority of this audience already knows that economic injustice and suffering are the rule rather than the exception for millions of black Americans who are unable or unwilling to move out of the nation's ghettos. It is not necessary to recount here how much deprivation manifests itself in housing, in employment, in education, in personal welfare, and safety. It is well known, at least in scope, if not in depth and intensity, to even the most casual reader of the popular press.

During the past several years, the federal government has spent vast sums attempting to remedy one or another facet of the problem, but without the urgent priority of national commitment. Foundations, commissions, some universities and other organizations have prepared volumes of detailed and heavily foot-noted analyses of the problem; some few have recommended specific action and some fewer yet have themselves acted. More recently business has begun to involve itself. However, it is my observation that all these activities, all these programs taken separately, have produced little or no visible effect. They have been a tonic, a band aid on a cancer, an attempt to treat each speckled, smallpoxed, symptom rather than the body ravaged with disease.

Urban redevelopment is a complex task requiring sophisticated planning, specialization, financing, and organization. It requires a system approach to problem solving. It requires the building of new teams of planners, financiers, executive implementors, political relations experts, and entrepreneurs. It requires the belief that there is no one best way to solve a problem, but rather many good ways. It requires bold new ideas, bold action, and bold men.

Urban redevelopment requires three basic elements: capital to seed the regenerative process; talent to intelligently do the seeding; and community control to point out the fertile ground, protect the seedlings and harvest the fruits to be shared.

If we look around the nation today we can find many successful urban development programs. In Boston, Eastern Gas and Fuel Associates took the leading private role in a massive housing rehabilitation program. Using incentives currently available in FHA housing legislation, the company was able to combine low equity investment, depreciation, and the market potential of new gas customers to earn a profit which was large enough to assign key executives to the task. In Chicago, the Kate Maremont Foundation in partnership with the Woodlawn Organization just held its grand opening for a new low-rise, 500 unit housing project. Their community owned shopping center is under construction and, along with several community owned businesses, will contain a food supermarket owned jointly with a major food retailer.

In several cities, such major corporations as Xerox, IBM, Kodak, Aerojet General and others have assisted in establishing new ghetto based manufacturing facilities. The Rev. Leon Sullivan, starting in Philadelphia, has now established over ninety Opportunities Industrialization Centers which draw on existing Dept. of Labor grants, channeled through business corporations, to train people, helping them "to grow self confident through mastering new work skills." In California, Arcata Investment Company has started a minority group Small Business Investment Company to generate equity investments and credit in the urban ghettos. On November 6th, eighteen sponsors, including such giants as Prudential Insurance and Phillips Petroleum announced their intentions to operate similar SBICs. Commercial banks around the country are now beginning to extend urban development credit.

The purpose of the preceding recitation has been only to show that scattered models are not lacking for successful and often profitable urban development in such key areas as housing, education, job creation, equity investment, and wealth building. But as I stated earlier, all these activities are disjointed. They usually attack only a single facet, of a great need, within a single ghetto community. Truly, band aids on a cancer! The need today is to draw on the experience of these models and combine these separate and diverse efforts into a concerted, systems-oriented attack on the problem.

How do we proceed? I suggest the following:

First: The neighborhood or community is the most logical unit for development. It is manageable; the people are usually organized into a community association possessing common complaints and goals for health, education, welfare, and safety. A community base of development is consistent with the current notion that place should serve residents' needs and not those of outside interests. This concept is a response to the lack of participation, the frustrated sense of powerlessness among minorities. Deteriorated housing exists within specific communities; medical, recreational, and day care needs exist within specific communities; the unemployed and underemployed are real people, not just statistics, and they live in specific communities. Urban communities have an identity, a sense of being. They are no different from the thousands of self-governing often smaller, suburban communities we all know, except that the citizens are usually black and usually poor.

Second: The federal government has neither the talent nor the experience to affectively manage and implement an innovative, major systems project. During the past two decades, such programs for research, development, and construction have been contracted out to private industry and institutions which have developed internal systems capabilities. The ghetto economy has an inordinate need for credit, capital infusion, and wealth creation. As Ted Cross has pointed out: "The great talent of the government to achieve political and social change—and indeed its vast economic power as the largest bank in the world, must not be confused with its meager ablity for the job of building production and marketing skills—and blending these skills with credit and risk capital for the creation of wealth." Moreover, when government is not leading, is not remedying a clearly understood and acknowledged social problem of staggering proportions, those of us who are deeply concerned, who are morally committed to the righteousness of social economic justice, and who perceive the ultimate wrath of failure, must not throw up our hands and say there is nothing we can do until the government enacts a viable program. The stakes are too high.

Third: More than any other institution, big business, mature industry as Galbraith says, not only possesses the resources and ability to do the job, but should also have the highest motivation. Financial bigness is one measure of potential capability. As an example of how big business is financially qualified to muster the necessary talents and resources, it is worth noting that several of the nation's largest corporations each have annual gross revenues which far exceed those of any single state. The revenue of General Motors is approximately eight times that of New York State and slightly less than ⅕ of the federal government. On the other hand, it is also worth noting that, while all business involvement in ghetto development

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has been infinitesimal in relation to need, Cross pointed out that the most creative urban projects have originated with entrepreneurial organizations, often dominated by a creative businessman skilled in taking risks and in entering seemingly unpredictable market situations. These are companies that are highly innovative and successful, constantly seeking new opportunities.

Business should be fully involved in developing the ghetto, not only because it represents earnings and manpower creation opportunities, but because the public expects business to become involved. There is a growing public reaction against big business based on the feeling that business is exploitative and not developmental, that it is eminently powerful but undemocratic. If big business does not respond to the desires and aspirations of the public which provides its revenues, if it fails to employ its vast resources in leading the way to social economic justice, it first will be cut off from a supply of talent, the non-self-generating factor of production, and ultimately will be subject to growing pressure for increased legislative control. If business and other institutions do not become more responsive and attuned to the just demands of society, we soon will see the formation of new, white-collar unions. These unions will not seek increased personal remuneration; instead, they will try to apply internal corporate and institutional pressure to achieve broad-based social objectives. They will demand personal sabbaticals at full pay, in order to apply the talents of industrial experience to solving the problems of poverty. They will systematically withhold educated talent from socially unresponsive institutions. And they will publicize data ranking the developmental attitudes of industrial and educational institutions competing for the same talent.

However, if farsighted business management does intend to involve itself, if the visionaries intend to commit their institutions, they must learn that business must first *earn the right* to participate in this great challenge of the 20th century. The record for selfless business development has been so dismal that big business is not trusted by the young people or by the urban community leaders; it is thought to be hypocritical, insincere, and inconsiderate of the public interest.

What can the Urban Coalition do? To answer that, let us look at the strengths and assets of the Coalition:

First: The Urban Coalition is founded on the principle of coalition. It is held in high but perhaps fading esteem by both established institutions and the leaders of the poor. As Mr. Gardner remarked at a White House dinner this past June. "The Coalition is a unique organization, bringing together diverse elements of American life."

Second: Because of its stature, the Urban Coalition should be capable of raising far more money to rebuild America than its present annual budget of $4.4 million. However, to do so, the Coalition will need a concrete plan with specifically identified goals and objectives.

Third: Because of studies such as that presented here today by Bill Kaye, and because of its field experience in various cities, the Coalition should be a comprehensive repository of acquired skills and knowledge on urban problems around the county.

In view of these assets, I suggest that the Urban Coalition redirect its major thrust along the following lines:

1. That it select six to twelve urban ghetto communities from around the country which are reasonably well organized, possess a clear understanding of their community needs, and are willing to participate in a massive community development project.

2. That the Coalition then invite several major business and educational institutions to submit bid proposals for each of the target communities. The proposals would recognize the right of community control, and would spell out in specific detail the goals, plan of action, scope of work, method of organization, financing, talent resources, and ownership sharing concepts which the institution would use in a systematic redevelopment of the community, recognizing not only the corporate need for profit, but the community's need to possess a self-generating source of profits and talent to finance and operate a variety of necessary or supplementary local social services, such as medical and day care, recreation, education, etc.

3. The Coalition would then award a development contract of sufficient size to allow that institution with the best proposal in each communiy to assemble staff and begin operation. In effect, the Coalition award would provide all or a portion of the risk capital required to begin the regenerative process. Thereafter, with private financing and government grants for existing programs, this type of comprehensive systems oriented rebuilding process should be self-generating. Ideally, the Coalition's initial investment would be returned over the long term from housing and business profits.

Obviously there is no guarantee that this approach will work, but there is evidence to show that it works in other applications. We cannot wait; the time for waiting has passed. We cannot go slow; we have been doing that for too long. Whole generations of Americans have been born poor and have died poor as the United States moved slowly. The Urban Coalition still has the opportunity to mold the common faith that our urban problems can be solved, but it must move. The proposal just presented allows for innovative approaches to urban problem solving. It would release the creative talents of American industry and education on our most wretched national problem.

This past spring my wife and I visited the beautiful and ancient city of Bath in southwestern England. As we were touring The Royal Cresent, a residential area of great beauty and architctural unity, we came upon this graffiti which I think is worthy of our continuing reflection: "The city is dying—look to your heads."

AMENDMENT OF RAILWAY LABOR ACT—NATIONAL RAILROAD ADJUSTMENT BOARD

HON. HARLEY O. STAGGERS

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. STAGGERS. Mr. Speaker, I have introduced a bill to amend the Railway Labor Act to adjust the membership of the first division of the National Railroad Adjustment Board. As a result of the merger of four unions out of the five formerly represented on that division, it has been impossible for the strict requirements of the law with respect to the composition of the first division to be complied with. Legislation is necessary to adjust the law to the prevailing situation relating to the membership of the first division, but there has been disagreement among the parties as to the terms of that legislation.

Agreement has finally been reached between the two unions involved and representatives of all the carriers involved, and this bill reflects the exact terms of that agreement.

I anticipate expeditious action on this bill, so that it can become law early during the next session of the Congress, so that this first division can get back to work handling its backlog of claims.

SENATE—*Saturday, December 20, 1969*

The Senate met at 11 o'clock a.m. and was called to order by Hon. WILLIAM B. SPONG, JR., a Senator from the State of Virginia.

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

As we approach the Christmas celebration, I shall offer as our convening prayer today the first prayer from space made by American astronauts as they orbited the moon in Apollo 8 on Christmas Eve, 1968.

Let us pray:

"Give us, O God, the vision which can see Thy love in the world in spite of human failure. Give us the faith to trust the goodness in spite of our ignorance and weakness. Give us the knowledge that we may continue to pray with understanding hearts, and show us what each one of us can do to set forward the coming of the day of universal peace. Amen."

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will read a communication to the Senate.

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., December 20, 1969.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. WILLIAM B. SPONG, JR., a Senator from the State of Virginia, to perform the duties of the Chair during my absence.

RICHARD B. RUSSELL,
President pro tempore.

Mr. SPONG thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, December 19, 1969, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2577) to provide additional mortgage credit, and for other purposes.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 15209) making supplemental appropriations for the fiscal year ending June 30, 1970, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Mahon, Mr. Whitten, Mr. Rooney of New York, Mr. Boland, Mr. Flood, Mr. Steed, Mrs. Hansen of Washington, Mr. Bow, Mr. Jonas, Mr. Cederberg, and Mr. Rhodes, were appointed managers on the part of the House at the conference.

The message further announced that the House had passed the bill (S. 2325) to amend title 5, United States Code, to provide for additional positions in grades GS–16, GS–17, and GS–18, with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills; and they were signed by the Acting President pro tempore:

S. 59. An act to authorize the Secretary of the Army to adjust the legislative jurisdiction exercised by the United States over lands within the Army National Guard facility, Ethan Allen, and the U.S. Army Materiel Command Firing Range, Underhill, Vt.;

S. 2917. An act to provide for the protection of the health and safety of persons working in the coal mining industry of the United States, and for other purposes;

H.R. 9366. An act to change the limitation on the number of apprentices authorized to be employees of the Government Printing Office, and for other purposes;

H.R. 14580. An act to promote the foreign policy, security, and general welfare of the United States by assisting peoples of the world to achieve economic development within a framework of democratic economic, social, and political institutions, and for other purposes; and

H.R. 15090. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1970, and for other purposes.

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that statements in relation to the transaction of routine morning business be limited to 3 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PRESIDENT'S COUNCIL ON YOUTH OPPORTUNITY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 616.

The ACTING PRESIDENT pro tempore. The joint resolution will be stated by title.

The Assistant Legislative Clerk. A joint resolution (H.J. Res. 764) to authorize appropriations for expenses of the President's Council on Youth Opportunity.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report, No. 91–621, explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of House Joint Resolution 764 is to authorize appropriations for the operation of the President's Council on Youth Opportunity. Senate Joint Resolution 116, which is identical to House Joint Resolution 764, was introduced by Senator Mundt on June 2, 1969, and referred to this committee.

The President's budget for 1970 includes an estimate of $357,000 for the expenses of the Council and the appropriation of this amount is dependent upon the enactment of authorizing legislation as required by Public Law 90–479, which provides:

No part of any appropriation contained in this or any other Act, shall be available to finance interdepartmental boards, commissions, councils, committees, or similar groups under section 214 of the Independent Offices Appropriation Act, 1946 (31 U.S.C. 691) which do not have prior and specific congressional approval of such method of financial support.

THE PRESIDENT'S COUNCIL ON YOUTH OPPORTUNITY

The President's Council on Youth Opportunity was established by Executive Order 11330 on March 9, 1967. The Executive order was issued on the recommendation of an interagency task force which had studied existing youth programs in the summer of 1966.

The Council is responsible for the coordination, evaluation, and encouragement of the many youth opportunity programs of employment, education, and recreation administered by various departments and agencies of the Federal Government, and for assuring their effectiveness. A related responsibility is to work closely with the State and local governments and the private sector, to encourage greater participation in youth opportunity efforts, particularly among disadvantaged youth.

The Executive order designates the Vice President as Chairman of the Council and provides for a membership consisting of the Secretaries of Defense, Interior, Agriculture, Commerce, Transportation, Labor, Health, Education, and Welfare, Housing and Urban Development, the Attorney General, the Chairman of the Civil Service Commission, and the Director of the Office of Economic Opportunity.

The establishment of the Council grew out of the need for coordination of all youth opportunity programs at all levels. In the cities federally funded programs were found to be operating out of numerous separate and distinct agencies. There were State-funded programs, city-funded programs, business programs, school programs, voluntary programs, self-help programs, and others. There were hundreds of such programs in each large city—nearly all operating in relative isolation, unaffected by and unaware of similar or related programs. There was both duplication and disorganization, and the net result in many cities was that the young people who needed help the most were not being involved in the countless programs which were intended to serve them.

The following was determined to be essential in making summer youth programs more effective:

First, early and firm decisions by the Federal Government on the assistance it will make available to communities for summer youth programs.

Second, early and effective local planning.

Third, imaginative and innovative programing at all levels that take full advantage of the existing capabilities and resources of individual communities.

Fourth, involvement of young people themselves in the planning, implementation, and evaluation of programs.

Fifth, linking summer programs to ongoing, year-round programs.

Sixth, sound evaluations upon which to base future programs.

Seventh, fuller involvement of private sector resources.

The PCOYO staff was organized into four divisions to respond to these needs:

(1) The Federal program planning and coordination division maintains continuous liaison with Federal agencies. The staff of this division collects and compiles information on Federal youth programs available to the cities and also feeds back to the Federal agencies staff findings and recommendations. The major effort is to provide information on available Federal funds early enough to make it possible for the cities to effectively and meaningfully plan for the use of those funds.

(2) The State-local relations division is the Council's field staff through which technical assistance is provided to cities and States and information is obtained from the cities pertaining to their needs and the impact of Federal programs. This provides the cities and States with one centralized contact covering the full-range of available Federal and national assistance in the youth program area.

(3) The voluntary organizations division maintains continuous liaison with the national offices of about 150 voluntary groups such as the Boys Clubs, United Fund, Boy Scouts, Girl Scouts, and YMCA. Through this office many of the same functions are achieved within the voluntary sector as are achieved at the Federal and local levels by the previously mentioned divisions.

(4) The research and public affairs division is essentially a data gathering and informational clearinghouse. Through it information is collected on all programs at all levels and disseminated to Federal agencies, State and local government, voluntary organizations, and youth program leaders.

The House report contains examples of the impact the work of the Council has had, as follows:

(1) Local communities now have much earlier knowledge of available Federal assistance. In Neighborhood Youth Corps, for example, Secretary of Labor Shultz announced approximate funding levels and slots on March 24. This contrasts with late May in 1967. Also, the Office of Economic Opportunity now makes its summer program funds available to local community action agencies as part of annual refunding rather than as a separate funding process. This makes information available much earlier and is also helping to impress upon local community action agencies the concept of year-round youth programing.

(2) Each of the 50 major cities and many smaller communities now have summer youth programs coordinators and coordinating units composed of representatives of various public and private agencies involved in youth programing. No such local coordination existed prior to establishment of the PCOYO.

In the major cities, where coordination is a particularly difficult undertaking, small Federal planning grants have been made available to enable the hiring of a full-time coordinator and supporting staff within the mayor's office. The grants were secured through the efforts of the PCOYO.

These steps at the local level have helped to better coordinate Federal assistance, and have had a substantial impact on utilization of existing local resources.

(3) The use of Federal resources other than funds has been significantly expanded. One outstanding example is that more than 600 military installations and National Guard units provided activities or equipment and facilities to 250,000 poor youth in the summer of 1968, an increase of 100,000 youth from the previous summer. Another example is provision of medical services by the Public Health Service to poor youth employed directly by Federal agencies in the summer months.

(4) Private sector efforts have been greatly expanded. This is particularly true of voluntary organizations with which PCOYO has maintained continuous liaison. The Boy Scouts, for example, provided free resident camping for 50,000 poor, non-Scout youth in 1968, compared to 265 in 1966. This summer, the goal is 75,000. In their annual reports, the Boy Scouts have credited PCOYO with stimulating these changes.

The PCOYO obtained the voluntary assistance of local advertising executives in the 50 major cities to work with city officials in promoting youth programs and informing the public of youth activities. The photographic industry is providing equipment and photographic skills training for inner-city youth. Free tickets have been obtained for poor youth to attend movies and professional athletic contests. Free airplane rides were provided for more than 10,000 poor youth in 1968.

(5) A quota system for the hiring of poor youth by Federal agencies was established. The quota in 1967 was one poor youth for every 100 regular employees. In 1968, the quota was one poor youth for every 40 regular employees. More than 78,000 poor youth were employed in this program in 1968.

(6) The establishment of a summer youth jobs program within the National Alliance of Businessmen, and the implementation of that program in 1968 and 1969, is the result of the work of the PCOYO.

(7) The provision of $750,000 in sorely needed transportation assistance for 1969 summer youth programs by the Departments of Transportation and Housing and Urban Development is the result of PCOYO efforts.

(8) Because of PCOYO encouragement, many cities have established youth advisory boards to work with the mayor and his staff on summer programs. Young people from slum neighborhoods have been employed to staff program coordinating units. A few cities have reserved funds specifically for programs designed and operated by youth.

(9) At the request of the PCOYO, four major evaluations of summer youth programs have been made in the past 2 years, and a nationwide survey has been made of camping opportunities for youth in the summer months.

(10) The report of a National League of Cities survey of summer youth programs in 86 cities published in the June issue of Nation's Cities magazine said: "One of the side benefits of the Nation's summer youth programs has been the continuance on a year-round basis of some activities that originally were exclusively summer activities."

These are some of the specific developments which have resulted from the work of the Council. The total effect has been development of a more rational and effective approach to summer youth programs, both within the Federal Government and between the Federal Government, local program sponsors, and the private sector.

Total Federal assistance for 1969 summer youth programs is more than $600 million. These funds will provide jobs for 700,000 and educational and recreational activities for millions more.

The PCOYO staff is presently working with the cities on these programs and will be monitoring and evaluating these programs throughout the summer months. Present staff work also includes preparation of a stay-in-school campaign to reach summer program participants and plans for improving the transition of summer youth programs to the fall months.

In the fall, inter-agency work groups will be established to begin planning for coordination of Federal assistance for 1970 summer youth programs. Recommendations from these work groups will be submitted to the Council and the President for approval and then implemented within the various Federal departments and agencies.

Coordination of Federal youth programs does not happen in the natural course of events. There was little or no coordination prior to the establishment of the PCOYO, and there is little reason to expect that the relationships and coordination which have been developed would continue to exist without the work of the Council staff.

BUDGET JUSTIFICATION

This appropriation will provide funds for the executive director and staff who will direct the development and coordination of summer programs which can contribute to the sound development of youth through special education, employment, recreation, and health services.

OBJECT CLASSIFICATION
[In thousands of dollars]

	1968 actual	1969 estimate	1970 estimate
Personnel compensation:			
Permanent positions	21	28	28
Positions other than permanent	183	142	139
Total compensation	204	170	167
Personnel benefits:			
Civilian employees	9	8	10
Travel and transportation of persons	68	50	63
Transportation of things			1
Rent, communications, and utilities	58	50	66
Printing and reproduction	24	45	20
Other services	129	21	25
Supplies and materials	11	11	4
Equipment	2	2	1
Total obligations	505	357	357

AGENCY REPORTS

Agency reports favoring the enactment of this joint resolution have been received from the Bureau of the Budget, the Civil Service Commission, the Equal Employment Opportunity Commission, and the Departments of Agriculture, Commerce, Defense, Health, Education, and Welfare, Housing and Urban Development, Interior, Justice, and Labor. The General Accounting Office has advised this committee that it has no special information as to the desirability of this measure and therefore would make no comments concerning its merits.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Labor and Public Welfare and the Committee on Commerce be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations on the Executive Calendar will be stated.

NATIONAL HIGHWAY SAFETY BUREAU

The assistant legislative clerk read the nomination of Douglas William Toms, of Washington, to be Director of the National Highway Safety Bureau.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

DEPARTMENT OF DEFENSE

The assistant legislative clerk read the nomination of Gardiner Luttrell Tucker, of Virginia, to be an Assistant Secretary of Defense.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

U.S. AIR FORCE

The assistant legislative clerk read the nomination of Lt. Gen. James W. Wilson, 520–44–0902FR (major general, Regular Air Force), U.S. Air Force, to be lieutenant general.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

U.S. NAVY

The assistant legislative clerk read the nomination of Rear Adm. Eugene P. Wilkinson, U.S. Navy, to be vice admiral, and the nomination of Vice Adm. Arnold F. Schade, U.S. Navy, to be Navy senior member of the Military Staff Committee of the United Nations.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

DEPARTMENT OF JUSTICE

The assistant legislative clerk proceeded to read sundry nominations in the Department of Justice.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

NOMINATIONS PLACED ON THE SECRETARY'S DESK—THE ARMY, THE DIPLOMATIC AND FOREIGN SERVICE

The assistant legislative clerk proceeded to read sundry nominations in the Army and the Diplomatic and

Foreign Service which had been placed on the Secretary's desk.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

ELIE ABEL

Mr. MANSFIELD. Mr. President, it was with a great deal of interest that I noted the other day that one of the most sensitive and one of the most active and accurate reporters in the field of journalism, Mr. Elie Abel, has been appointed dean of the School of Journalism at Columbia University.

Mr. Abel has not only made a reputation in the field of TV journalism but also in the media of the press. He is a highly competent reporter, he is a man who has a decidedly good background, he has a reputation which I believe is worldwide, and his experience covers the globe.

I am delighted with this outstanding appointment. I am sorry that the TV segment of the press is losing one of its most distinguished reporters. I am happy that he is turning to a field in which he has had an enduring interest. I congratulate Columbia University on its good judgment in selecting a man of the character, the talent, the ability, and the integrity of Elie Abel.

I ask unanimous consent that an article entitled "Reporter Turns Dean," written by Lawrence Van Gelder, published in the New York Times of Saturday, December 20, 1969, be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Reporter Turns Dean: Elie Abel

(By Lawrence Van Gelder)

When Elie Abel was 12 or 13 years old, he met a man who seemed to him "a dashing fellow indeed." "I liked the cut of his jib," Mr. Abel said, and he also admired the man's flashy convertible.

"How did you manage all this?" Mr. Abel asked.

"I'm a reporter," came the reply. Mr. Abel's course in life was likely charted right then and there. Looking back yesterday, the 49-year-old Mr. Abel said, "There are not many things in journalism that I have not had a chance to do at one time or another."

Next February, Mr. Abel, whose career in journalism has embraced newspapers, radio and television as a national and foreign correspondent, will enter a new phase of his profession.

His selection by the trustees of Columbia University as the dean of its Graduate School of Journalism was announced yesterday by Andrew W. Cordier, president of the university.

The appointment, effective Feb. 1, will return the tall, graying, Canadian-born Mr. Abel to the 57-year-old institution where he was awarded a master of science degree in journalism in 1942.

"We are gratified that a man of such high stature and broad experience has accepted this post," said Dr. Cordier. "Mr. Abel's ability and leadership in both print and broadcast journalism, which he has demonstrated in this country and abroad, prepare him well for the administration of the journalism school's wide-ranging and innovative programs."

LEAVING N.B.C.

To take up his new duties, Mr. Abel will relinquish his post as diplomatic correspondent for the National Broadcasting Company.

"If you had asked me a year ago if I had any interest in this job, I probably would have said you were out of your mind," Mr. Abel said yesterday. "I decided I had done my share of running around the world and in more recent years of running to airports with microphones in my hand."

But Mr. Abel, whose first named is pronounced ELL-ee, sees a challenge in taking on his new assignment at a time when "the business is changing very fast."

"I think it's hard at this point to see where it will be 10 years from now," he said. "I do feel that in such a period of change a school with the resources of Columbia ought to be out exploring in new patterns of journalism and working as closely as possible with newspapers, radio and television to help prepare young people.

"I think we need to develop new sensitivity and above all the capacity to present a story that is of some significance with all the skill and talent we can find."

The selection of Mr. Abel ends a search for a new dean that began with the resignation in August, 1968, of Edward W. Barrett, who served for 12 years. In the interim, Richard T. Baker has served as acting dean.

BORN IN MONTREAL

Mr. Abel, son of the former Rose Savetsky and the late Jacob Abel, was born on Oct. 17, 1920, in Montreal. While studying at McGill University, where he earned a bachelor of arts degree in 1941, he served as a school-news reporter for The New York Times.

After graduation, he joined The Windsor (Ont.) Daily Star as a reporter for several months before crossing the border to attend the Graduate School of Journalism at Columbia.

His master of science degree, he recalled once, was awarded in absentia, as he had been called to service with the Royal Canadian Air Force. Before leaving school, he also won a Pulitzer Traveling Fellowship, "but it was kept in cold storage for me" until V-E Day.

Mr. Abel, stationed primarily in Scotland, served as a radar man aboard flying boats and later as a combat correspondent, attaining—he fondly recalls—the rank of acting sergeant (unpaid), which meant that he received a corporal's stipend.

A day after his discharge, Mr. Abel joined the staff of The Montreal Gazette, but left after a few months to utilize his traveling fellowship by serving as a correspondent in Europe for the North American Newspaper Alliance, covering the Nuremberg war-crimes trials and the first attempts at four-power government in Germany.

He toured the Soviet Union, was arrested by security police in Poland and returned to the United States where he served for two years, until 1949, as United Nations correspondent for the Overseas News Agency.

WAS TIMES REPORTER

For the next decade, he was a reporter for The New York Times, in Detroit, Washington, Europe and in India. After leaving The Times, he served for two years as the Washington Bureau chief of The Detroit News before joining N.B.C.

In 1966, he wrote "The Missile Crisis" and he is hoping to find some spare time to work on some new book-length projects.

Mr. Abel, who became a United States citizen in 1952, has been married since Jan. 28, 1946, to the former Corinne Adelaide Prevost, the red-haired daughter of a newspaperman.

Mr. Abel and his wife, whom he met on a blind date under the clock at the Biltmore Hotel, have two children, Mark, who is 21 years old, and Suzanne, who is 20.

By taking his new post, Mr. Abel will begin apartment-hunting in New York, leaving behind a Federalistera home in Alexandria, Va. He counts music as his "number one extra-curricular interest" and is looking forward to concert-going in the city.

WHY THE TAX REFORM BILL SHOULD BE VETOED

Mr. SAXBE. Mr. President, last night, on receipt of the basic news of what is in the so-called tax reform bill, I sent a letter to the President, suggesting that he veto this bill. Since that time, a number of my friends who have been interested with me in the so-called new priorities have suggested that there might be a conflict, in that I and others are urging that we spend more money in the area of crime—perhaps as much as we are today—that we go into the areas of pollution; that we spend money there and we urge that the States do likewise, and not only air pollution but also water pollution and in all the environmental problems that besiege our country; that we feed our hungry; that we do away with unnecessary misery wherever it is found in this country; that all this takes money; that I voted for the HEW bill, and will continue to do so, because it would do some of the things that I think are extremely important.

The tax bill, it seems to me, is a complete failure in meeting headon this responsibility for a new priority. Some say, "Well, take $20 billion away from the military." I would willingly do this. I want to cut back on the military spending. I have voted that way in the matters that have come up on the floor with respect to the appropriation—certainly, on the ABM and other questionable projects that will build up into many more billions of dollars than the original indication.

But that does not solve the problem, when we do it here; and the only solution, it seems to me, is to meet our responsibility in new taxes—taxes that would hit those not in the $7,000 and below bracket but the great mass of earners in this country. This money can come from no other place. When we borrow money to tackle these so-called priorities, we are diluting the money that is available to the point that we have lost ground.

I cite an example: The city of Toledo has made an effort to cure the pollution of Lake Erie, which is a very serious problem. I might say in that regard that we could clean up industrial pollution of the lake in 10 years. But the big problem is the pollution of the cities by people, by open sewers. The city of Cleveland

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has over 50 outfalls into Lake Erie, and every time there is over a half inch rain, they dump the raw sewage into Lake Erie, and then we wonder why this is a sick lake. The city of Toledo, in having a bond issue, in conjunction with Federal money, to try to build a new sewage disposal plant, cannot even sell the bonds. Yesterday, Pennsylvania tax-free bonds sold for 7 percent. As the rates get up to 8 or 9 percent, I believe this amounts to almost 15 percent for a man in the 50-percent bracket.

So the city is trying to sell bonds to solve a problem. It has found the market has disappeared and that it could not sell the bonds; and when they do get the money from the sale of bonds, it will not accomplish the purpose.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Ohio may proceed for 10 additional minutes.

Mr. SAXBE. I thank the Senator.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SAXBE. In other words, the cost is going up faster than they can get bids to sell the bonds. What is the reason? The reason is inflation.

I heard the argument which took place, and I know that other Members of the Senate have heard the argument, that as long as we increase the indebtedness of this country based upon the gross national product, that this is comparable to a business. It is said that a business must borrow money if it is going to keep going. Those who make that argument refer to General Motors or A.T. & T. and other businesses that borrow huge amounts of money. The difference is that General Motors is not printing money, as we are, and if they were printing money they would have the same problems we do.

Our borrowing is based in good part on credit. It is paper and stands for nothing more than an IOU, a check from our own Government, and as it becomes cheaper and cheaper, people are paying more money for the same thing.

So in this tax bill we come along and say we can do these things and cut taxes without doing irreparable damage. I think many of us want to increase social security benefits. What we have done to older people in this country is a tragedy. People who thought they would live to a dignified old age are public charges because the little money they were able to save and the little money they receive will not do the things that need to be done. One does not have to go very far from here to see old folks living in poorly heated hotel rooms and barely eating because the security they bought with depression dollars will not keep them today.

Mr. President, it could be your parents or my parents because this inflation, once started, affects everyone. Yet we have turned our backs on this problem. We in the Senate have avoided our responsibilities. I do not care if it is politics; and I do not want to denounce anyone. However, it is a plain fact that we have avoided our responsibilities. We have avoided our responsibilities by giving tax relief where tax relief is not needed, by actually cutting rates of taxation, by permitting loopholes to continue, and by avoiding our responsibility. These things seem only too apparent to me.

I do not believe we are fooling anyone and if we are, I do not think we are going to do it very long because an irresponsible Congress simply cannot survive in these times. I want this country to be strong. I want to change the environment for the better. I want the new priorities. I think this is extremely important. I want to give the people hope that we are going to work ourselves out of these differences that are too apparent in this country. But we cannot do it unless we are willing to pay for it, and we have to recognize the only place we are going to get money to do these things is from the graduated income tax. There is not going to be a fairy godmother who is going to come along with a wand.

So we come out with a tax bill in which we say we are going to do these things in connection with health, education, and welfare, and other things on borrowed money, and that the dollar is going to be just as good as it ever was. I do not think that is going to happen.

Therefore, I do hope the President will veto the bill. I do not know that we will be more responsible next year than we have been this year, but I know that if we are not more responsible the people in this country are going to point the finger where it belongs.

PUBLICATION OF "HANDBOOK FOR SMALL BUSINESS"

Mr. BIBLE. Mr. President, early next week the Government Printing Office will publish for the benefit of the American small businessmen everywhere the third edition of the "Handbook for Small Business" which was approved by the Congress recently with its adoption of Senate Concurrent Resolution 46 of which I had the honor of introducing several months ago in my capacity as chairman of the Senate Small Business Committee. The handbook is intended by its sponsors, the House and Senate Select Committees on Small Business, as a comprehensive reference work to explain the programs of the Federal Government which may be of benefit to the Nation's 5½ million small, family, and independent business firms.

Such firms can profit from Federal activity as suppliers of over $50 billion in goods and services purchased yearly by the U.S. Federal Government, as potential buyers of surplus Government property or users of Federal facilities, as entrepreneurs seeking financial and management assistance, as disaster victims eligible for loan help, and as beneficiaries of the $16 billion of annual research and development performed at the public expense. They may also be protected by and subject to regulation by Federal agencies, and should thus be aware of the rules of the game.

In behalf of the committee, I would like to thank all of the administrators, public information officers, and program specialists of the executive branch and independent agencies whose cooperation and work in supplying descriptions of their small-business-related operations made this publication possible. We wish to recognize in particular, the contributions of the Small Business Administration which assisted our two committees in reviewing the material and furnished a series of apt illustrations and a subject matter index which we feel will enable the handbook more attractive and easier to use.

The format of the volume remains the responsibility of our committees. We have expanded its coverage 100 percent, increased its illustrations 200 percent, and its reference systems 300 percent over prior editions. We have included explanations of the most recently enacted assistance programs, such as in the disaster loan, flood, and riot insurance, and strengthened descriptions of already existing aids.

So far as the committee is aware, this handbook is the only volume that draws together the many programs of 25 executive departments, offices, and independent agencies and relates them meaningfully to each other and to the whole picture.

In a world where the sales of the five largest U.S. corporations constitute over 8 percent of the gross national product, and the "Fortune 500" accounts for more than 45 percent, it is important to recall that small business still creates 40 percent of the gross national product and employs 50 percent of the labor force in this country.

In the Small Business Act of 1953, Congress declared as a matter of national policy that—

> The Government should aid counsel, assist, and protect, insofar as is possible, the interests of small-business concerns in order to preserve free competitive enterprise . . . and strengthen the overall economy of the Nation.

It has been my privilege to work with many of the men who pioneered this bill, and the Small Business Investment and Tax Acts of 1958, as well as the many perfecting amendments which created the foundation for small business institutions in this country.

The handbook summarizes this work of many years and reflects credit upon its originators. It is also a practical tool for the small businessman to gain a wider knowledge and wider participation by small firms in Federal activities. This, in turn, can help keep the climate in this country favorable for the founding, growth, and independence of business in the future.

Copies of the handbook, designated as Senate document 91–45, are available to Members of the Congress, House and Senate Select Committees on Small Business, and to the general public from the Superintendent of Documents, Government Printing Office, Washington, D.C., at a cost of $1.75.

CHANGE OF REFERENCE

Mr. MANSFIELD. Mr. President, the Record of December 3, 1969, at page

36594, shows that the bill, S. 3197, relating to a bridge between the United States and Canada was referred to the Committee on Public Works. It should have been referred to Foreign Relations.

Mr. President, I ask unanimous consent that the Committee on Public Works be discharged from further consideration of the bill (S. 3197) to authorize the Thousand Islands Bridge Authority to construct, maintain, and operate an additional toll bridge across the St. Lawrence River at or near Cape Vincent, N.Y., and that it be referred to the Committee on Foreign Relations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE REVISED TAX BILL

Mr. GRIFFIN. Mr. President, I do not know whether President Nixon will sign the revised tax bill which has been agreed upon in conference, assuming that both Houses approve the report early next week. On that point, I cannot speak for the President.

But as far as this Senator is concerned, I want to acknowledge with considerable pleasure and relief that the conference agreement is a great improvement over the Christmas tree version of the tax bill which passed the Senate earlier.

In particular, I note that in providing for a personal exemption increase, the conferees rejected the Gore amendment, which would have triggered an excessive first year revenue loss—a loss that could not have been imposed responsibly at this critical stage in the battle against inflation.

On the other hand, I am pleased that the conferees saw the wisdom of the Percy-Dole approach which was offered during the Senate debate as an alternative to the Gore amendment.

The conference agreement, like the Percy-Dole amendment, provides for a very modest first year adjustment in the personal exemption with gradual step increases thereafter until the exemption reaches $750 in 1973. By taking this gradual approach, the revenue loss in the critical first year is minimized—a result which the President is bound to prefer as he considers whether to sign or veto the revised bill.

In the absence of more details, I shall not comment upon other aspects of the complex tax reform agreement. But I do wish to commend the conferees, who represented the Senate and the House, for choosing this more responsible of the two methods for increasing the personal exemption.

And, if those of us who championed the Percy-Dole approach, in preference to the Gore amendment, should feel somewhat vindicated at this point, perhaps it will be understood.

Mr. President, as the chart which follows my remarks will clearly indicate, the provisions on personal exemptions in the conference agreement are much closer to the approach taken by the Percy-Dole amendment than to the so-called Gore amendment. Hopefully, the chart will serve as a useful tool in keeping this issue in perspective in the days ahead.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COMPARISON OF GORE, PERCY-DOLE AND CONFERENCE PROVISIONS ON PERSONAL EXEMPTIONS

	1970	1971	1972	1973
Personal exemption:				
Gore amendment	$700	$800	$800	$800
Percy-Dole amendment	650	700	750	750
Conference report	[1] 650	650	700	750
Revenue loss:				
Gore amendment	3,267,000,000	6,406,000,000	6,406,000,000	6,406,000,000
Percy-Dole amendment	1,633,000,000	3,267,000,000	4,839,000,000	4,839,000,000
Conference report	816,000,000	1,633,000,000	3,267,000,000	4,839,000,000

[1] Effective July 1, 1970.

Mr. SCOTT. Mr. President, I am so glad that the assistant Republican leader has made these comments on the tax reform-tax relief bill because, as I have been predicting for days, the ultimate conference report on this matter of the exemptions is closer to the Percy amendment as modified by the Dole amendment than it was either to the House or Senate bills. It does not have the excessively heavy inflationary impact of the Senate bill and yet it recognizes that, for the first time since 1948, some relief in the form of an increase in exemptions is desired. It has eased the impact by raising the exemption to $650 next July 1 so that taxpayers will receive an average exemption of $625 for the next calendar year; then the exemption is raised to $700 on January 1, 1972, and $750 a year later.

This will help people with large families, as well as the elderly who will secure a double exemption. It is a useful and desirable compromise.

Moreover, the difference between the Senate bill and the conference report over an 18-month period will be a reduction in the inflationary impact of approximately $9.5 billion.

Well, that is really a lot of "scratch" as the lingo would have it. That is a tremendous easing of an intolerable inflationary pressure which the Senate-passed version would have imposed.

President Nixon made it clear in some of his conversations that he could never have accepted the Senate version. It would have been vetoed; there is no doubt about that.

The hope of avoiding a veto has, of course, improved considerably by the very wise action of the Senate and the House conferees.

There are some things in the bill which are very good news to the poor and the near-poor. About 5 to 5½ million persons in those categories will be removed from the tax rolls. The tax impact on millions of others will be increased. A minimum tax has been set which will affect nearly everyone. Nearly everyone outside the lower brackets will have to pay some tax.

A maximum tax is included, too, so that the incentive to go out and produce and add to the gross national product is retained.

The President asked for tax reform in his April tax message. He has received some of the things for which he asked. I think the bill goes far toward achieving the President's main objective, which is that the poor should pay no tax and that no affluent person should escape paying a tax.

Moreover, something must be done to find a way to improve the housing situation, the credit situation, and the extremely tight money policy, which can be bad, ultimately, unless the fight against inflation succeeds at the other end; namely, in the fiscal effects of the tax bill and by way of holding down the levels approximating the budget and the various appropriation bills, without reduction of the inflationary impact at this end.

By these methods, tight money would continue, but the more we hold down the inflationary impact, the greater the chance we will have, sometime next year, of loosening up the monetary controls which in turn will help the construction industry and the housing industry.

For these reasons, I think it is worth noting that the influence of the President has helped to bring about a better bill.

The President's insistence on tax reform, as far back as late April and continuing throughout the procedures on the tax bill, has attained for us some important tax reform and tax relief.

The President's position on the Senate version of the tax bill, the President's position on the HEW-Labor appropriations, is helping to let out some of the steam from the inflationary pressures in the economy.

Therefore, I have considerably more hope today than I had before for the conference report, as we await the action of Congress and the action of the President on the tax bill, but I believe now that the odds of it being signed by the President are better than the projection that it would be vetoed.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Tennessee (Mr. GORE) may have an additional 7 minutes to his 3 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE TAX BILL

Mr. GORE. Mr. President, I listened with surprise and amusement at the pleas in confession and avoidance by the distinguished Senator from Pennsylvania, the able minority leader (Mr. SCOTT), and the distinguished junior Senator from Michigan, the able assistant minority leader (Mr. GRIFFIN). I would like to remind them of the well-known quotation, "Of all sad words of tongue or pen, the saddest are these: 'It might have been.' "

After their unsuccessful attempt to steal in broad daylight the middle position—an increase to $800—from the senior Senator from Tennessee with respect to the amendment increasing the personal exemption during the course of Senate consideration, which was noticeably and notably abortive, they now attempt jointly to steal from the senior Senator from Tennessee credit for the increase in personal exemption. Indeed, they go so far as to express glee that the conference committee, in their words, rejected the Gore amendment.

Quite to the contrary, Mr. President. The Gore amendment is the principal feature of tax relief in the bill as to which, it is hoped, both Houses will approve a conference report on Monday.

The increase in personal exemption is not as much as the senior Senator from Tennessee sought. The increase is to $750. The amendment approved by the Senate was $800. But, in compromise with the conferees representing the House of Representatives, the conference took those portions of the House bill favorable to the average taxpayer—to wit, a low-income allowance and an increase in the minimum standard deduction—and combined them with the low income allowance, the single individual's tax and the increase in personal exemption, of the Senate bill to produce a tax bill that is slightly more beneficial to the average low and lower middle income taxpayer than the bill that passed the Senate. It is roughly equivalent in benefits to the Senate bill, but for a typical taxpayer in the suburbs with a taxable income of $10,000 or $12,000 and a wife and two children, there may be a few dollars' advantage in the conference report, at least in some instances. It is generally equivalent, however, in tax relief for the mass of our people to the Senate-passed bill.

Mr. President, I ask unanimous consent to include in the Record a table of the tax reduction for typical taxpayers that will occur on January 1, 1970, and July 1, 1970.

There being no objection, the table was ordered to be printed in the Record, as follows:

AMOUNT OF TAX TO BE WITHHELD UNDER CONFERENCE BILL, H.R. 13270[1]

Wages and salaries			Monthly			Weekly		
Annual	Monthly	Weekly	1st half calendar 1970	2d half calendar 1970	Calendar 1973	1st half calendar 1970	2d half calendar 1970	Calendar 1973
			Single person					
$6,000	$500	$115.38	$75.42	$71.30	$61.70	$17.46	$16.51	$14.28
$9,000	750	173.08	127.92	123.80	111.70	29.58	28.63	25.82
$12,000	1,000	230.77	191.22	184.89	163.16	44.17	42.71	37.69
			Married with 2 dependents					
$6,000	$500	$115.38	$39.08	$35.64	$24.21	$9.09	$8.28	$3.47
$9,000	750	173.08	82.42	76.14	62.54	19.10	17.63	12.17
$12,000	1,000	230.77	128.41	119.13	102.54	29.72	27.55	21.40
			Married with 4 dependents					
$6,000	500	115.38	22.68	17.39	5.88	5.33	4.07	1.40
$9,000	750	173.08	64.42	57.72	42.96	14.96	13.38	9.96
$12,000	1,000	230.77	109.42	100.22	82.54	25.35	23.19	19.10

[1] Based on percentage method of tax withholding.

Mr. GORE. Mr. President, this is a Democratic tax bill—make no mistake about that. This tax reduction for the mass of American taxpayers has been brought about by a Democratic Congress, without aid of either the Republican leadership of this body or of the Treasury of the United States or of the President of the United States or of the Vice President of the United States.

Mr. SCOTT. Mr. President, will the Senator yield at that point?

Mr. GORE. Not yet.

Mr. SCOTT. Since he has referred to the leadership?

Mr. GORE. Not just now. I will in a moment. Let me complete my brief statement on this particular point and I will then yield.

Until the very last night, indeed, at about 3:30 in the morning of the last night of the conference, the Assistant Secretary of the Treasury informed the conferees on the part of both the House and the Senate that President Nixon, to the last, opposed, and then opposed, and it was then stated to us he did oppose, and a statement from the President was read to the conference opposing, any increase in the personal exemption.

So, Mr. President, let the taxpayers of the country know that the increase in take-home pay they will receive in their paychecks of the first week in January, and a still larger take-home pay in the first paycheck they receive in July, is the result of the Democratic Congress, over the objections of the President, over the objections of the Vice President, over the objections of the Treasury Department, and without the assistance of the leadership of the Senate on the other side.

I yield.

The ACTING PRESIDENT pro tempore. The Senator from Pennsylvania.

Mr. SCOTT. Mr. President, if the Senator is finished, I will seek the floor in my own right.

Mr. GORE. I yield to him, if he wishes.

Mr. SCOTT. I have listened with some interest and would have been appalled except I recognize a reelection speech when I hear one——

Mr. GORE. Mr. President, I yield for a question, not a political speech.

Mr. SCOTT. There was no question about that, but I now ask a question. The question is, if the Senator seeks to secure for himself all the credit for an amendment which largely represented the efforts of the Senator from Illinois (Mr. Percy) and the Senator from Kansas (Mr. Dole); but if he seeks for himself and the majority of the Congress the credit, he should also accept the blame for the inflationary impact in every appropriation bill. If you are a majority for one purpose, you are a majority for all purposes.

Mr. GORE. I am glad the Senator raised that question, because the record will show that this Congress has reduced the budget requests of President Nixon by more than $5 billion. Ten of the 14 annual appropriations bills passed by the Congress have been in amounts less than those requested by the President. I hope the news media will carry that story to the American people.

Who is responsible for the inflation in expenditures? Not the U.S. Congress. The Congress, let me repeat, has reduced 10 of the 14—I repeat, 10 of the 14—annual bills, to a total reduction below that recommended, requested, and urged by the President, of more than $5 billion.

Mr. MONDALE. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. MONDOLE. Would it not be a fair interpretation of the President's position to say that he is not objecting so much to what he calls the inflationary direction of the expenditures—because we are $5 billion below his budget—but to the way we choose to apply the resources of this country to human needs? That is where the objection is.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. GORE. Mr. President, I ask unanimous consent to have 5 additional minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GORE. Mr. President, I had not intended thus to speak today, but when I came into the Chamber, the distinguished assistant minority leader was acclaiming to the Senate that the conferees had rejected the Gore amendment.

I do not like to stand here and claim credit, but before the eyes of the entire country, my friends on the other side attempted to steal from the senior Senator from Tennessee the amendment to raise the personal exemption to $800; and now they are attempting to steal credit for the final approval of such an amendment.

It is not that I wish to claim credit, but I do not wish to be stripped of it, nor do I wish to see a false claim for credit laid to it by those who tried to gut it and defeat it, and deny it to the taxpayers who need it so badly.

Mr. SAXBE. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. SAXBE. There are those of us, I am sure, on both sides of the aisle, who have an entirely different attitude from that of the Senator from Tennessee. There are those of us who would like to have seen the President's budget approved, those who feel there are priorities that require additional expenditures in such areas as pollution and aid to our hungry. That money is needed.

I do not find fault with the HEW bill. I do not find fault with these proposed expenditures. They are very necessary expenditures. What I find fault with is trying to run with the hare and hold with the hounds, where we go into a tax reform bill and wind up with a tax reduction bill, at the same time when we are crying for needed expenditures that the President sees and I think most Senators see and realize that we need.

If we cannot face up to our responsibilities by saying, "Yes, we need these things in this country, and we are going to pay for them rather than giving tax relief to me, tax relief to the Senator from Tennessee, and tax relief to the general taxpayer—not the poor, not the underprivileged, but by giving tax relief so that a fellow can say, 'I got $3 off this month, therefore I am going to vote for this candidate,' " I do not think this is good government, and I think it is an abdication of our responsibility here, because we know that inflation is going to take away, at the grocery store, what we refuse to collect to pay our honest debts. We cannot borrow money to do all the things and correct all the things that harm us in this country—and they are many—and I hope, not on the basis of the expenditures, but I hope that we do not fail to chin the limb when it comes to paying for these things.

Mr. **GORE.** I appreciate the statement of the able junior Senator from Ohio. I must confess to him that I had doubts that we should have a big tax reduction this year.

But that was not the choice that was presented to the Senate. The President had recommended a big tax cut; but he had recommended the big tax cut mostly for those in high-income brackets, and if we must have a tax reduction, I believe—and now it is established that an overwhelming proportion of the Democratic Congress believes—that the tax reduction should go primarily to those who need it most. That is the victory that was won, over the last 3 months, in the committee, on the floor of the Senate, and in the conference committee at 3:30 in the morning; and credit for that victory does not belong, in any part, to the leadership on the other side of the aisle.

They tried to prevent it. The President tried to prevent it. The Treasury Department tried to prevent it. Yet there will be a tax reduction in the withholding tax, an increase in take-home pay, of almost every taxpayer, beginning with his first paycheck in January 1970, and a still larger take-home pay when the personal exemption goes into effect in July of 1970; and they can thank the Democratic Representatives for that. They cannot thank the Republican leadership, who today are attempting to steal away from the lowly Senator from Tennessee the credit which he does not claim. [Laughter.]

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SCOTT. Mr. President, I yield first to the Senator from Florida, though I am barely able to restrain my tears until I have an opportunity to speak further.

Mr. GURNEY. Mr. President, I should like to answer some of this argument about the Democrats being entirely responsible for this increase in the personal exemption. I should like to point out that the first offering of the Senator from Tennessee in committee was for an increase in the personal exemption to $1,250. With stout Republican opposition, aided by some Democrats, we managed to stave that off. It would have resulted in a loss of $18 billion plus—utterly unacceptable.

Then the Senator came to the floor, when the tax bill was open for amendment, with an offering of a $1,000 personal exemption—again with a totally unacceptable loss of revenue. The President could not possibly have lived with it, and it would have added all kinds of gasoline to the fires of inflation.

Then the Senator came up with $800, which we bought, in an amendment of the Senate. I must say that I voted for the Percy amendment, because it was sound, it made sense, and it is now pretty much in the tax bill. It was the Percy amendment the conferees bought.

Mr. GORE. Mr. President, will the Senator yield?

Mr. GURNEY. No; I do not yield. The Senator has had plenty of time. He can get the floor later.

Mr. SCOTT. That is why I have the floor.

Mr. GURNEY. Then finally, in the conference, the conferees came up with a figure of $750, which comes close to the $800 figure that the Senator from Tennessee offered in his amendment, but the timing is entirely different in how it goes into effect, and the end result closely resembles the Percy amendment offered by the Republicans and supported by the Republicans when the tax bill was before the Senate and open for amendment.

I think credit ought to be given where credit is due. Probably had not the Senator from Tennessee offered his amendment, the personal exemption might not have been raised. But it is also true that Republicans, in the committee, on the floor, and in the conference, finally got the thing down to where it could be accepted and where it would make sense; and if there is any kind of a personal exemption that means anything, it was the Republican Party that made is so.

Mr. GORE. Mr. President, will the Senator from Pennsylvania yield on a point of personal privilege, since the Senator has made reference to me?

Mr. SCOTT. I have not referred to the Senator. I am about to refer to the Senator, however. I am wondering if it is not a fact, as I have understood, that the Senator is not a lion——

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. SCOTT. I ask unanimous consent to proceed for 3 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCOTT. I wonder if it is not a fact that the distinguished—by no means lowly, but distinguished—senior Senator from Tennessee, who is reputed to be and was indeed a lion on the floor for the vast expenditure of Federal funds; and who seems to have subdued his critics here with notable success as to the excessive cost involved, lion though he was on the floor, he was a lamb in the conference, since the conference preferred, not the Gore amendment at all, but virtually the Percy amendment.

I am sure that will be contested, and therefore some time later today, we shall be prepared to offer some figures and tables that will show that the conference report was indeed much more near the Percy-Dole amendment than the amendment of the Senator from Tennessee, the Gore amendment.

I think we are all inclined to a little politics around here from time to time. But when the categorical imperative enters this Chamber, reason flies out of our nonwindows and the categorical imperative is that all good is on one side of the aisle and all evil is on the other.

"That ain't so, never was, and never will be."

Both sides labored and brought forth what was a monstrosity. And we sent this eight-headed, 11-legged animal over to conference. It lost some of its more horrendous appendages and has returned in somewhat more human form.

That is the point we were trying to make.

Mr. President, I yield to the Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. GRIFFIN. Mr. President, very briefly, the resemblance of the conference agreements to the Percy-Dole substitute which was considered is the fact—and much more—the ultimate fact, that the personal exemption represents $750, which was the case in the Percy-Dole amendment.

The important point, even more than that figure, is what happens the first year in the development of the Percy-Dole substitute.

We were trying to provide for a revenue loss the first year—when the battle against inflation is so critical—that might be acceptable to the President.

The conference agreement provides for an increase in the personal exemption, as I understand it, of only $50 in the first year. And that is only effective during part of the year.

The Percy-Dole substitute provides for an increase of $50 in the first year.

On that point, the conference agreement provision represents a revenue loss of only $816 million in the first year. By contrast, the Gore amendment would have involved an increase in revenue loss by nearly $3 billion.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SCOTT. Mr. President, I yield myself 3 additional minutes.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 3 additional minutes.

Mr. SCOTT. Mr. President, I yield to the Senator from Michigan.

Mr. GRIFFIN. Mr. President, that is the crucial difference between the conference agreement and the so-called Gore amendment, and also I think it underscores and underlines the similarity between the approach of the Percy-Dole amendment and the conference agreement.

Mr. SCOTT. Mr. President, I have checked with the Treasury in the course of this colloquy and with persons interested in the conference. I am told that the conferees and certainly the Treasury feel that they have excised from the bill with malice prepense the fiscal irresponsibility heretofore imbedded in it by the Gore amendment.

They regarded that as fiscally irresponsible, and I do. And it is out of the bill. And the distinguished senior Senator from Tennessee can labor mightily by voice and speech from now until election day, 1970, or any other date certain.

And perhaps he will convince some. That is the name of the game. But he will never convince me that the Gore amendment is in the bill. It is out of the bill. It has been given a decent burial and what is in the bill is the Percy-Dole amendment for which I am immensely grateful.

Mr. President, I yield the floor.

Mr. GORE. Mr. President, I have just listened to the peroration of the distinguished minority leader. I think it was appropriate that during this colloquy the senior Senator from Wyoming (Mr. McGEE) introduced the subject of supergrades for the civil service system. That causes me to comment that in this day of ours, characterized as it is with the rapidity of change and elevated opinions on super-duper tax bills, it is also the time of super civil service grades and super dum-dums.

Mr. HARRIS. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. HARRIS. Mr. President, this rather ridiculous argument against calling the Gore amendment the Gore amendment reminds me of a story. I cannot remember exactly how it goes. However, it is to the effect that defeat is an orphan, but victory has many fathers.

This is what it now looks as though they are trying to do after they have fought so hard against everything. The workingman wants this tax reduction. And tax relief is a part of tax reform. And I think that the working people of our country well know that we would not have ever gotten to this point except for the efforts of the distinguished senior Senator from Tennessee (Mr. GORE).

Mr. GORE. Mr. President, I thank my able friend, the Senator from Oklahoma.

I would really not like to extend the colloquy much longer. I just want to close it by reminding my friends, the leaders and the assistant leader on the other side, of another reference in our literature to the effect that a rose by any other name would still smell the same.

DEATH OF FORMER SENATOR JAMES H. DUFF, OF PENNSYLVANIA

Mr. SCOTT. Mr. President, it is with extreme sorrow that I report to the Senate that a former Senator from Pennsylvania and former Governor of our Commonwealth, the Honorable James H. Duff, died today. A spokesman for George Washington Hospital announced that Senator Duff, aged 86, collapsed at National Airport, was taken to the hospital, and pronounced dead at 9:43 a.m. We have no further details, so I shall say nothing further now except that I was a longtime friend, associate, and admirer of Big Jim Duff. We will miss him greatly. We shall have more to say in the form of a memorial tribute at a later date.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. SCOTT. I yield.

Mr. JAVITS. I should like to join the distinguished Republican leader in expressing my sadness at the death of Jim Duff, an old friend of mine. He lived a very rich life and died at a ripe old age. We shall miss him.

Mr. SCOTT. He died as he always wished to—with his boots on.

Mr. JAVITS. I extend my condolences to the members of his family.

Mr. SCOTT. And so do I.

GREEK-TURKISH ECONOMIC COOPERATION

Mr. JAVITS. Mr. President, on several occasions, I have brought to the attention of the Senate the work which was initiated by the NATO Parliamentarians Conference, now the North Atlantic Assembly, looking toward Greek-Turkish economic cooperation. Reports on this matter were presented to the Senate on June 3, 1965, October 20, 1965, January 19, 1967, December 15, 1967, January 28, 1969, and some remarks on the subject were included in my report on a trip abroad which was presented to the Senate on July 2, 1969.

A number of important developments have taken place during calendar 1969, which I should like to lay before the Senate.

At the outset, to put the work which has been done on this project in its proper context, requires some brief comment on the political situation in the area, and of the relationship of this project to that situation.

The project for Greek-Turkish economic cooperation, although launched by an inter-parliamentary body, was conceived of as essentially a private effort. Through its good offices, working with the private sector, but with governmental support and approval, possibilities in economic development yielding mutual benefits to Greece and Turkey could be expanded. The effort was designed to function in the economic and not in the political sphere.

Thus, the major thrust of the project has been to bring together participants from Greece and Turkey, where possible mainly from the private sector, to work together in such areas as tourism, the cooperative exploitation of such natural resources as fish, the increase of agricultural exports to Western Europe, and the common development of the border region between the two countries along the shores of the Meric/Evros River. It is, I think, fair to say that although the emphasis of this effort was thus in the noncontroversial area of economic benefit to both sides, the parliamentarians had in mind, when the project was initiated, not only the fact that Greeks and Turks were among the less-developed members of the NATO alliance, but also the fact that work on mutually beneficial development projects would tend to increase contacts between the peoples of Greece and Turkey, and hopefully to ameliorate the tensions which at the time existed as a consequence of the Cyprus dispute.

In these objectives, it is fair to say that the project initiated in 1965 by myself and by my Greek and Turkish parliamentary colleagues, Messrs. Kasim Gülek and Alexander Spanorrigas has been eminently successful. Despite much initial skepticism it has, in fact, proved possible to bring Greeks and Turks together and to produce useful and cooperative work. And that has been done even at a time when tensions in the area were extremely high. The result, I believe, has been a substantial contribution to U.S. foreign policy objectives and, I may note, the U.S. Government has consistently supported this effort. So also has there been a contribution to the security which is the aim of NATO itself. In this latter belief, I am, incidentally, reinforced by the comments on several occasions of the Secretary General of NATO, Manlio Brosio.

The recent course of political developments in Greece cannot pass unnoticed—as I am, also, chairman of the Political Committee of the North Atlantic Assembly—a committee which had occasion to consider a deeply troubled report on this situation as recently as October last.

It has been my hope, as it must be the hope of all friends of human liberty and of the Greek ideal of moderation and tolerance which forms so large a basis of our own political system, that swift progress would be made in Greece, toward restoration of a representative parliamentary system, and that present restrictions on essential liberties would quickly be removed. It remains my conviction that this must come, and that it would greatly contribute to the security, stability, and welfare of the Greek state, and of the Greek people.

In this context a continued and increased measure of cooperation on projects leading to the economic and social betterment of the peoples of Greece and Turkey, and to peace in the southeastern area of NATO continues to be vital. As the project for Greek Turkish Economic Cooperation is such a project, it benefits all. For this reason, I continue the support which I have given in the past to the objectives of the project which are designed to bring together, the peoples of that often-troubled area of the world, to ameliorate the relationships between them, to increase their cooperation on mutually beneficial works, and to set up institutions which can serve as channels of communication between the Greek and Turkish peoples.

With this introduction, Mr. President, I should like to deal with some of the attainments of the project during 1969,

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and with some of the prospects for its future work.

First. The project has been administered over the course of the past several years by the Eastern Mediterranean Development Institute, a nonprofit unincorporated association. The board of directors consists of nationals of the NATO countries, with a large majority being nationals of Greece and Turkey.

In the course of the past year, indigenous sister organizations have been set up in Greece and in Turkey themselves, and funds have been raised in local currency to meet their necessary expenses. Work has been going forward on various projects of the sort mentioned above.

In several of these areas, there has been substantial progress.

In the field of tourism, a notable success was achieved when, in March 1969, the Greek National Tourist Organization and the Turkish Ministry of Information and Tourism held a meeting in Istanbul, at which were present as observers the deputy chairman of the EMDI, the Honorable Kasim Gülek, and its executive director, the Honorable Seymour J. Rubin. At the March meeting, the two sides approved, subject to ratification, the first intergovernmental document signed between Greece and Turkey since the eruption of the difficulties over Cyprus. This was a procès-verbal which is intended to lead to a formal agreement on cooperation in the field of tourism. The agreement which is contemplated would call for the establishment of a permanent consultative committee before which can be laid various proposals of mutual benefit in touristic endeavors.

Subsequent to the meeting of officials in March, further meetings of a less formal sort have been held. The most recent of these was held in Athens on December 5, 1969. At these meetings, the private sector of both countries has strongly expressed its support for cooperation on tourism, and has agreed that the lifting of visa restrictions for tourists of Greek and Turkish origin would be of mutual benefit to the two countries. Were this to be done, it would largely restore the freedom of transit between the two countries which had existed after the farsighted arrangements which were made in the mid-1920's by the two great statesmen of the area, Venizelos and Ataturk.

Additionally, others outside the region have expressed strong interest in participating in touristic developments. A meeting thus was held under the sponsorship of the Deutschebank in Frankfurt on October 13, at which various German and Italian interests, together with a representative of the International Finance Corporation, discussed the possible organization of research and financing entities which might help to promote tourism in the region.

Tourism in this region is of great importance. It is already a major source of income so far as Greece is concerned; it promises to be an equally useful source of foreign exchange on the Turkish side. Moreover, the touristic area of the Aegean is so interlaced between the Turkish mainland and the Greek islands as to make regional development not only attractive to tour operators and to developers of touristic areas, but practically at least in the long run, inevitable.

The administrative arrangements which are contemplated under the procès-verbal of March 1969, should make a continuing contribution to this development and should help to develop continuing working relationships between the two sides.

A major endeavor of the project for Greek Turkish Economic Cooperation and the Eastern Mediterranean Development Institute has been that involving the Meric/Evros River. In previous reports, I have noted that this work has moved forward extraordinarily well, with a heavily documented prefeasibility or reconnaissance study having emerged in late 1966 from the joint work of a large group of Turkish, Greek, and German experts. This report was revised and in its final form approved, subject to slight modification, at a large international meeting held in Frankfurt in September 1967. It was then put in the hands of various international financing bodies such as the World Bank and the European Investment Bank, and has been extensively discussed with the United Nations Development Programme which, with the IBRD, had been kept au courant at all stages of the research and study work. After a considerable amount of preparatory discussion, both the Greek and the Turkish Governments have officially notified the UNDP of their desire to move forward with further developmental work on the Meric/Evros, with the help of the UNDP. As of early December 1969, a senior representative of the UNDP has visited both Greece and Turkey for discussions with experts and governmental officials there. These discussions are expected to lead to an official proposal to be laid before the next governing board of the UNDP in the spring of 1970.

Hopefully, this work will lead to a full scale feasibility study financed by the UNDP and the Greek and Turkish Governments, with certain small pilot projects included, in areas of land management, irrigation, and small power projects in this sensitive area, the border between Greece and Turkey in Thrace. Should full scale implementation of this feasibility study be undertaken, the final scale of expenditure is estimated in the neighborhood of $100 to $150 million. This is obviously a matter of great importance both to the economies of Greece and Turkey, and to the population of this politically sensitive border area.

It is important to note, as I have mentioned in previous reports, that the Meric/Evros River rises in Bulgaria, where it is called the Maritsa, and that the Bulgarian Government has in several ways expressed interest in the developmental work which I have just mentioned. This interest was expressed, for example, in a visit to me of the Bulgarian Ambassador in Washington. Prior to its recent contacts with the Greek and Turkish Governments, the UNDP consulted with Bulgarian authorities in Sofia. It would be premature to make any predictions as to whether the Meric/Evros project may evolve not merely into a binational and regional development project, but into one which would form a link based on mutually useful development work between East and West. That prospect in any case remains open, and is partially encouraged by a recent amelioration of relationships between Turkey and Bulgaria and between Greece and Bulgaria.

Finally, in this respect, it should be mentioned that one of the objectives of EMDI has been from the outset to stimulate the activities of others on developmental projects in the Greco-Turkish area. This attempt to achieve a multiplier effect with the efforts of EMDI has had more than a reasonable amount of success.

Thus, not only have tourism projects evolved and have physical and business connections with the two sides developed, but a new project has been set in motion in the field of agricultural research in the Meric/Evros region.

This is a project funded by the Thyssen Foundation of Germany, and led by a group of German agronomists to investigate the conservation of soils which on both the Turkish and the Greek side of the river have been eroded over the course of many years by excessive grazing and by improper methods of land management. This project, which is a direct outgrowth of the work done by the German, Turkish, and Greek team on its Meric/Evros study, is at present under way. Hopefully, other aspects of the basic Meric/Evros study will lead to further exploratory and scientific work of this same general sort. The prospect of this happening seems to be quite good, since the basic material upon which further research proposals can be based is already contained in the Meric/Evros report, and since that report itself demonstrates the feasibility of a joint and cooperative research effort.

On other projects of EMDI, it is not necessary at this stage and in this form to say much in detail. Work is proceeding on projects having to do with the export of agricultural produce to Western Europe and on investigation of the ecological conditions affecting fish resources in the eastern Mediterranean. The recent meeting of the board of directors of EMDI received a new suggestion that EMDI could perhaps contribute to the training of Greek and Turkish guest workers in Western Europe, and to the evaluation of methods by which the skills of these workers could be put more effectively to work when they returned to their own countries.

A proposed meeting of industrialists of the two countries is to take place shortly in Istanbul and its program has been expanded to include the development bankers of both countries.

In short, there are ample opportunities for cooperative work, opportunities which can be seized if conditions permit.

Second. I turn now to a new and potentially extremely important aspect of the work which has, until now, been done on the project for Greek-Turkish economic cooperation under the auspices of the EMDI. This arises out of the

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recommendations contained in the report of the rapporteur of the Political Committee of the North Atlantic Assembly, the Honorable Erik Blumenfeld, of Germany. This report, which was considered by the Political Committee of the North Atlantic Assembly at its meetings in Brussels in October 1969, under my chairmanship, suggested the desirability of expanding the objectives of EMDI and of establishing a Mediterranean development organization. The recommendation was carefully considered by the Political Committee. It was, therefore, considered also by the Economic Committee of the Assembly, under the chairmanship of Mr. Bishop, of the United Kingdom. During the discussion, it was suggested that, after preliminary work, a governmental conference should be convened with the aim of establishing a Mediterranean development organization "with the ultimate aim that responsibility for furthering the project should be entrusted to the Eastern Mediterranean Development Institute." I append a copy of the resolution which emerged from the deliberations of both the Political and Economic Committees of the North Atlantic Assembly to this statement.

There are many problems as well as many opportunities presented by this recommendation, which was endorsed at the plenary session of the North Atlantic Assembly. Yet any new type of organization in the field of economic development enters an already crowded arena. It is clear, moreover, that cooperation between donors in any such organization is difficult, and a recommendation which contemplates, as this one does, some type of organizational unity between "donors" and "recipients" makes the task even more complicated. Nonetheless, there is at present no specific organization which deals with the developmental problems of the Mediterranean base, nor is there one which expresses those NATO responsibilities which lie in the field of development. It was for these reasons that both the Political and Economic Committees at the plenary session endorsed the recommendation annexed hereto.

Since the adoption of this recommendation, a number of steps have been taken to move forward with this project. I have consulted with Mr. Blumenfeld and with Mr. Rubin, the Executive Director of EMDI, here in Washington. Subsequently, the matter has been discussed by Mr. Rubin with Greek and Turkish board members of EMDI and, immediately thereafter, with the chairman of the Economic Committee of the North Atlantic Assembly, with Mr. Blumenfeld, and with M. Phillippe Deshormes, the Secretary-General of the North Atlantic Assembly.

Based upon an analysis prepared by Mr. Rubin, further work is going forward to explore both the problems and the possibilities with a view toward a meeting at the International Secretariat of the North Atlantic Assembly in March next, which will consider the establishment of a working group, as called for in the recommendation and which will attempt to establish a program of work for that working group. The timetable set up at the Paris meeting of December 9, 1969, suggests that it should be possible to lay a specific proposal before the fall 1970 meeting of the North Atlantic Assembly.

Many difficulties will have to be overcome before one may reasonably say that progress has been made toward the objectives of the recommendation annexed hereto. But work has been started on this project in a good spirit, with a desirable objective in mind and with the first prerequisite of success; that is, knowledge of the difficulties.

In these circumstances, I think it is justifiable to hope that the experience with the project which was begun by the NATO parliamentarians in 1964–65 and which has yielded highly useful results is only the beginning of an enlarged and even more useful experiment in international cooperation for economic and social development.

CONVEYANCE OF CERTAIN MATERIALS TO EMOGENE TILMON, LOGAN COUNTY, ARK.; ENOCH A. LOWDER, LOGAN COUNTY, ARK.; J. B. SMITH AND SULA E. SMITH, MAGAZINE, ARK.; AND WAYNE TILMON AND EMOGENE TILMON, LOGAN COUNTY, ARK.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Chair lay before the Senate messages on S. 65, S. 80, S. 81, and S. 82, in that order, and that the Senate agree to the House amendment in the case of each measure.

These bills are relatively minor items, all dealing with a related subject.

The ACTING PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 65) to direct the Secretary of Agriculture to convey sand, gravel, stone, clay, and similar materials in certain lands to Emogene Tilmon of Logan County, Ark., which was, on page 2, line 2, strike out ": *And provided further*, That such sand, gravel, stone, clay, and similar materials shall only be used on said tract."

The amendment was agreed to.

The ACTING PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 80) to direct the Secretary of Agriculture to convey sand, gravel, stone, clay, and similar materials in certain lands to Enoch A. Lowder of Logan County, Ark. which was, on page 2, line 2, strike out ": *And provided further*, That such sand, gravel, stone, clay, and similar materials shall only be used on said tract".

The amendment was agreed to.

The ACTING PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 81) to direct the Secretary of Agriculture to convey sand, gravel, stone, clay, and similar materials in certain lands to J. B. Smith and Sula E. Smith, of Magazine, Ark., which was, on page 2, line 3, strike out ": *And provided further*, That such sand, gravel, stone, clay, and similar materials shall only be used on said tract."

The amendment was agreed to.

The ACTING PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 82) to direct the Secretary of Agriculture to convey sand, gravel, stone, clay, and similar materials in certain lands to Wayne Tilmon and Emogene Tilmon of Logan County, Ark., which was, on page 2, line 2, strike out ": *And provided further*, That such sand, gravel, stone, clay, and similar materials shall only be used on said tract."

The amendment was agreed to.

ADDITIONAL POSITIONS IN GRADES GS–16, GS–17, AND GS–18

Mr. McGEE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2325.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2325) to amend title 5, United States Code, to provide for additional positions in grades GS–16, GS–17, and GS–18 which was to strike out all after the enacting clause, and insert:

> That (a) section 5108(a) of title 5, United States Code, is amended by striking out "2,577" and inserting in lieu thereof "2.727".
>
> (b) Section 5108(b)(2) of such title is amended by striking out "28" and inserting in lieu thereof "44".
>
> (c) Section 5108(c)(1) of such title is amended by striking out "64" and inserting in lieu thereof "90".
>
> (d) Section 5208(c)(2) of such title is amended by striking out "110" and inserting in lieu thereof "140".
>
> SEC. 2. Section 4 of the Act entitled "An Act to provide certain administrative authorities for the National Security Agency, and for other purposes", approved May 29, 1959, as amended (50 U.S.C. 402, note), is amended to read as follows:
>
> "SEC. 4. The Secretary of Defense (or his designee for the purpose) is authorized to—
>
> "(1) establish in the National Security Agency (A) professional engineering positions primarily concerned with research and development and (B) professional positions in the physical and natural sciences, medicine, and cryptology; and
>
> "(2) fix the respective rates of pay of such positions at rates equal to rates of basic pay contained in grades 16, 17, and 18 of the General Schedule set forth in section 5332 of title 5, United States Code.
>
> Officers and employees appointed to positions established under this section shall be in addition to the number of officers and employees appointed to positions under section 2 of this Act who may be paid at rates equal to rates of basic pay contained in grades 16, 17, and 18 of the General Schedule.".

Mr. McGEE. Mr. President, the measure with the adjustment has been cleared with both sides. I move that the Senate concur in the House amendment to the Senate bill which was to strike out a provision for 45 additional supergrades and a provision for eight supergrades specifically allocated to the Smithsonian Institution.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Wyoming.

The motion was agreed to.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The **ACTING PRESIDENT** pro tempore laid before the Senate the following letters, which were referred as indicated:

WESTERN HEMISPHERE AFFAIRS

A letter from the Secretary of State, transmitting a draft of proposed legislation to reorganize and strengthen the United States Government structure for dealing with Western Hemisphere affairs (with accompanying papers); to the Committee on Foreign Relations.

REPORT OF THE DEPARTMENT OF DEFENSE ON REAL AND PERSONAL PROPERTY

A letter from the Deputy Secretary of Defense, transmitting, pursuant to law, a report on the fixed property, installations, and major equipment items, and stored supplies of the military departments maintained on both a quantitative and monetary basis (with an accompanying report); to the Committee on Armed Services.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. **EAGLETON**, from the Committee on the District of Columbia, with amendments:

S. 2694. A bill to amend the District of Columbia Police and Firemen's Salary Act of 1958 to increase salaries, and for other purposes, with amendments (Rept. No. 91-629).

By Mr. **MAGNUSON**, from the Committee on Commerce, with amendments:

S. 2289. A bill to amend the Interstate Commerce Act, as amended, in order to make unlawful, as unreasonable and unjust discrimination against and an undue burden upon interstate commerce, certain property tax assessments of common and contract carrier property, and for other purposes (Rept. No. 91-630).

NINETEENTH ANNUAL REPORT OF SELECT COMMITTEE ON SMALL BUSINESS—INDIVIDUAL VIEWS (S. REPT. NO. 91-627)

Mr. **BIBLE**. Mr. President, I submit the 19th annual report of the Select Committee on Small Business.

I ask unanimous consent that the report be printed, together with individual views of Senators JAVITS, SCOTT, and HATFIELD.

The **PRESIDING OFFICER**. The report will be received; and, without objection, the report will be printed, as requested by the Senator from Nevada.

REPORT ENTITLED "THE EFFECTS OF CORPORATION FARMING ON SMALL BUSINESS"—REPORT OF A COMMITTEE—INDIVIDUAL VIEWS (S. REPT. NO. 91-628)

Mr. **BIBLE**. Mr. President, from the Select Committee on Small Business, I submit a report entitled "Impact of Corporation Farming on Small Business." I ask unanimous consent that the report be printed, together with individual views of the Senator from Colorado (Mr. DOMINICK).

The **PRESIDING OFFICER**. The report will be received; and, without objection, the report will be printed, as requested by the Senator from Nevada.

EXECUTIVE REPORTS OF A COMMITTEE

Mr. **MAGNUSON**. Mr. President, from the Committee on Commerce, I report favorably sundry nominations in the Coast Guard which have previously appeared in the CONGRESSIONAL RECORD and I ask unanimous consent, in order to save the expense of printing them on the executive calendar, that they lie on the Secretary's desk for the information of any Senator.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The nominations, ordered to lie on the desk, are as follows:

David W. Hiller, and sundry other officers, for promotion in the Coast Guard; and

Paul L. Milligan, and sundry other Reserve officers, for appointment to the Coast Guard.

BILLS INTRODUCED

Bills were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. **JAVITS**:

S. 3277. A bill to amend the Mental Retardation Construction Act to extend and improve the provisions thereof, and for other purposes; to the Committee on Labor and Public Welfare.

(The remarks of Mr. JAVITS when he introduced the bill appear later in the RECORD under the appropriate heading.)

By Mr. **ERVIN** (for himself, Mr. ALLEN, Mr. EASTLAND, and Mr. HOLLAND):

S. 3278. A bill to amend the Civil Rights Act of 1964 by adding a new title, which restores to local school boards their constitutional power to administer the public schools committed to their charge, confers on parents the right to choose the public schools their children attend, secures to children the right to attend the public school chosen by their parents, and makes effective the right of public school administrators and teachers to serve in the schools in which they contract to serve; to the Committee on the Judiciary.

By Mr. **BIBLE**:

S. 3279. A bill to extend the boundaries of the Toiyabe National Forest in Nevada, and for other purposes; to the Committee on Interior and Insular Affairs.

(The remarks of Mr. BIBLE when he introduced the bill appear later in the RECORD under the appropriate heading.)

By Mr. **TALMADGE**:

S. 3280. A bill for the relief of Sergio I. Leguizamon; to the Committee on the Judiciary.

By Mr. **MONTOYA** (for himself, Mr. CANNON and Mr. RANDOLPH):

S. 3281. A bill to amend section 139 of title 23, United States Code, relating to additions to the Interstate System; to the Committee on Public Works.

(The remarks of Mr. MONTOYA when he introduced the bill appear later in the RECORD under the appropriate heading.)

By Mr. **YARBOROUGH**:

S. 3282. A bill for the relief of Jean Rawls Fairbank; to the Committee on the Judiciary.

S. 3283. A bill for the relief of John L. Clark; to the Committee on Armed Services.

By Mr. **KENNEDY**:

S. 3284. A bill to authorize the acquisition and maintenance of the Goddard Rocket launching site in accordance with the act of August 25, 1916, as amended and supplemented, and for other purposes; to the Committee on Interior and Insular Affairs.

(The remarks of Mr. KENNEDY when he introduced the bill appear later in the RECORD under the appropriate heading.)

By Mr. **YARBOROUGH**:

S. 3285. A bill for the relief of Mrs. Louise Sheridan; to the Committee on the Judiciary.

By Mr. **MAGNUSON** (for himself, Mr. GRIFFIN, Mr. PEARSON, Mr. PROUTY, and Mr. SCOTT) (by request):

S. 3286. A bill to assist consumers in evaluating products by promoting development of adequate and reliable methods for testing characteristics of consumer products; to the Committee on Commerce.

(The remarks of Mr. MAGNUSON when he introduced the bill appear later in the RECORD under a separate heading.)

S. 3277—INTRODUCTION OF THE MENTAL RETARDATION SERVICES AMENDMENT OF 1969

Mr. **JAVITS**. Mr. President, I introduce, for the administration, the Mental Retardation Services Amendments of 1969. The bill assures the continuing support of the Federal Government in providing services and expanded facilities for the mentally retarded, including special incentives to encourage these activities in areas having the most critical need.

Included among the activities for which grants could be made under the bill are the provision of services for the mentally retarded—operation grants—construction of mental retardation facilities; development and demonstration of new or improved techniques for provision of services for the mentally retarded; training of personnel to work on the various problems of the mentally retarded; and State and local planning, administration, and technical assistance.

I am pleased that the administration bill provides:

First, the maximum on the Federal share of the costs of new projects, including construction projects, shall be 75 percent except in poverty areas where 90 percent would be permitted;

Second, the duration of support for projects providing mental retardation services is to be extended from the present 51 months to 8 years except for poverty areas where support could be granted for 10 years; and

Third, the Federal share of support for projects providing services would decline gradually, from a maximum of 75 percent in the first 2 years to 10 percent in the 8th year, and in poverty areas from 90 percent in the first 2 years to 10 percent in the 10th year.

Other major features of the bill provide that operational support would continue to be provided to recipients who have already received commitments for future support under the existing law; Federal funds for all types of mental retardation projects in a State would not be less than the amounts allotted to the State in fiscal year 1970 for construction of community mental retardation facilities; joint funding arrangements with other Federal programs could be entered into; and before grants are made, States must be given an opportunity to review and make recommendations on projects in their jurisdictions.

In order to meet the problem to which the President called attention in his message of April 30, 1969, to the Congress on improving the administration of Federal programs, the Department of Health, Education, and Welfare has provided in the bill for consolidating the present separate categories of grants for construction of mental retardation facilities, for construction of university affiliated facilities, and for initial staffing of community mental retardation facilities into a single, flexible program of grants to public or nonprofit agencies covering facilities and services for the mentally retarded.

Appropriations authorizations are requested for 3 years.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3277) to amend the Mental Retardation Construction Act to extend and improve the provisions thereof, and for other purposes, introduced by Mr. JAVITS, was received, read twice by its title and referred to the Committee on Labor and Public Welfare.

S. 3279—INTRODUCTION OF A BILL TO EXTEND BOUNDARIES OF THE TOIYABE NATIONAL FOREST

Mr. BIBLE. Mr. President, I introduce, for appropriate reference, a bill to extend the boundaries of the Toiyabe National Forest in Nevada.

The purpose of the bill, is to aid in the protection, improvement, and proper maintenance of the watershed, wildlife, recreation, and natural environment values of the lands in the Lake Tahoe Basin, much of which is already embraced within the boundaries of this national forest. The bill would extend the national forest boundary to include 12,920 acres of largely undeveloped, privately owned lands along the Nevada side of the lake.

Lake Tahoe is a unique body of water set in a basin which, despite encroachment by urban development, still retains much of its natural environmental beauty. It is one of the Nation's outstanding natural assets.

The stability of the natural conditions contributing to the clarity of the lake waters and the natural beauty of the surrounding area is being threatened by expanding urban development. These lands should not be overdeveloped. Overdevelopment will occur if present trends continue. Outside of the already planned or developed subdivision areas, the land reasonably suitable for development is limited. The portion I am concerned with in Nevada should be made available for the use and enjoyment of the general public through careful development of outdoor recreation facilities and full protection of the area's natural beauty and attractiveness. All of the resources in this and other critical watershed areas within the basin need planned and coordinated management, to provide protection, improvement, and maintenance of the natural environment. This can best be achieved through the controls that can be exercised through additional public ownership.

One of the critical problems is time. The lands covered by this bill are all private, and should be acquired now as parts of the national forest before urban development has expanded to the point where properly planned protection and development would be difficult or impossible.

The terrain surrounding beautiful Lake Tahoe is mountainous. Most of it is steep and rugged but with some relatively level areas along the shorelines and ridgetops. Most of the area is covered with second growth stands of timber varying in age from 40 to 80 years. A few virgin stands exist in some relatively inaccessible areas.

The watershed is very important for its yield and quality of water. Frequent flood conditions require the maintenance of a healthy vegetative cover to stabilize the soil.

All this area needs to be managed for the protection of important recreation, watershed, timber, wildlife, and other resources. Public ownership and administration would enhance and maintain the natural environment and scenic values so important to the Lake Tahoe area.

The Forest Service administers 48.2 percent of the land within the basin surrounding Lake Tahoe, but only 2 percent of the shoreline. They have an established organization that could assume administration of the particular area with which this bill is concerned.

Adjacent areas are intensively used for residential purposes. There are approximately 4,000 yearlong residents most of whom live adjacent to the Douglas County portion of the area. The main residential areas are at Kingsbury, Tahoe Village, Elk Point, Zephyr Cove, and Glenbrook. In the summer months, the resident population doubles to approximately 8,000 people, and the transient summer population using the recreational resources in the basin is probably over 100,000 per day. There are approximately 10 million people within a 6-hour driving distance of the area.

The Nevada State Legislature passed Nevada Senate Joint Resolution No. 15, February 26, 1969, requesting me to introduce legislation to expand the Toiyabe National Forest boundary to include this area. The Governor of Nevada and other officials also favor the addition and feel action must be taken promptly to bring these critical private lands into public ownership. The Carson City Nevada Board of Supervisors and the Douglas County Board of County Commissioners—both representing directly affected communities—have passed resolutions favoring this proposed forest boundary extension. Also on September 17, 1969, the Nevada-Tahoe Regional Planning Agency endorsed the proposed extension of the Toiyabe National Forest.

This proposed extension of the national forest boundary will preserve the natural beauty and environmental quality of the Lake Tahoe shoreline in Nevada for the benefit of generations to come. This is enlightened, farsighted legislation, and I hope we will be able to move ahead with it expeditiously.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3279) to extend the boundaries of the Toiyabe National Forest in Nevada, and for other purposes, introduced by Mr. BIBLE, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

S. 3281—INTRODUCTION OF A BILL RELATING TO ADDITIONS TO THE INTERSTATE HIGHWAY SYSTEM

Mr. MONTOYA. Mr. President, I introduce on behalf of myself and Senators CANNON and RANDOLPH, a bill to amend section 139 of title 23, United States Code, the highway law of the United States, which would provide a means for designating additions to the Interstate System.

This legislation is the result of hearings held by the Subcommittee on Roads at Carson City and Ely, Nev., and Roswell, N. Mex., in October and November of this year. In many places in the United States, of which the New Mexico and Nevada examples are only representative, there are highway routes which should be part of our National System of Interstate and Defense Highways but which are not because of the mileage limitations imposed by the basic law. Without committing the Congress or the Nation on a large scale extension of the interstate program, this measure together with the existing provisions of section 139 will give to the States greater flexibility in deciding where their highway funds should be expended.

The communities not now located on the Interstate System are at a severe competitive disadvantage with respect to those which are. Many changes have taken place in the growth of cities and the development of industries since the system was originally laid out over 20 years ago. The bill, which I introduce today, will in no way commit the Federal Government to spending great amounts of money on another interstate highway program. It will, however, provide States which believe that additional links are needed to use their regular Federal-aid highway funds to construct roads to the standards set for this great national system.

As the chairman of the Committee on Public Works, Senator RANDOLPH of West Virginia, has clearly indicated, next year we will give serious consideration to the further development of our highway program. It is my hope that this legislation which we introduce today, will be part of the explorations and deliberations of the Congress as it provides the statutory framework for meeting our national transportation needs.

Under the bill, the choices will lie with the States and the States must make written commitments to build these roads. In the interim, the areas served by Federal-aid primary highways can be designated as part of the Interstate System and proper community planning and industrial development can be fostered and facilitated. I ask that a copy of the bill be printed in the RECORD at this point.

The PRESIDING OFFICER. The bill will be received and appropriately re-

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ferred; and, without objection, the bill will be printed in the Record.

The bill (S. 3281) to amend section 139 of title 23, United States Code, relating to additions to the Interstate System, introduced by Mr. Montoya, for himself and other Senators, was received, read twice by its title, referred to the Committee on Public Works, and ordered to be printed in the Record, as follows:

S. 3281

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the existing language of section 139 of title 23, United States Code, shall be designated as subsection (a) and a new subsection (b) added as follows:

"(b) Whenever the Secretary determines that a highway on the Federal-Aid primary system would be a logical addition or connection to the Interstate System and would qualify for designation as a route on that System in the same manner as set forth in paragraph 1 of subsection (d) of section 103 of title 23, United States Code, he may upon the affirmative recommendation of the State or States involved designate such highway as part of the Interstate System. Such designation shall be made only upon the written agreement of the State or States involved that such highway will be constructed to meet all the standards of a highway on the Interstate System within 12 years of the date of the agreement between the Secretary and the State or States involved. The mileage of any highway designated as part of the Interstate System under this subsection shall not be charged against the limitations established by the first sentence of section 103(d) of this title. The designation of a highway as part of the Interstate System under this subsection shall create no Federal financial responsibility with respect to such highway except that Federal-Aid highway funds otherwise available to the State or States involved for the construction of Federal-Aid primary system highways may be used for the reconstruction of a highway designated as a route on the Interstate System under this subsection. In the event that the State or States involved have not substantially completed the construction of any highway designated under this subsection within the time provided for in the agreement between the Secretary and State or States involved, the Secretary shall remove the designation of such highway as a part of the Interstate System. Removal of such designation as result of failure to comply with the agreement provided for in this subsection shall in no way prohibit the Secretary from designating such route as part of the Interstate System pursuant to subsection (a) of this section or under any other provision of law providing for addition to the Interstate System."

S. 3284—INTRODUCTION OF A BILL TO AUTHORIZE THE ACQUISITION OF THE GODDARD ROCKET LAUNCHING SITE BY THE NATIONAL PARK SERVICE

Mr. **KENNEDY**. Mr. President, I introduce, for appropriate reference, a bill to authorize the acquisition of the Goddard Rocket Launching Site in Auburn, Mass., by the National Park Service.

In this year of man's first lunar landings, there is special reason to pause and to reflect on the accomplishments of Dr. Robert H. Goddard. He was to the moon rocket what the Wright brothers were to the airplane. His pioneering work—beginning in the early decades of this century—led to his launching of the first liquid propelled rocket on March 16, 1926. It rose 41 feet and traveled 184 feet in 2.5 seconds.

Dr. Goddard was born in Worcester, Mass., in 1882. In later years he became a professor at Clark University in that same city. This man, who has been called the father of modern rocketry, decided on his life's work at the early age of 16. He had read H. G. Wells' "War of the Worlds" and later in a letter to Wells said:

> It made a deep impression. The spell was complete about a year afterward, and I decided that what might conservatively be called "high altitude research" was the most fascinating problem in existence.

We in Massachusetts are particularly proud of the work of Dr. Goddard, but we realize that his accomplishments have significance for the entire country—indeed, the whole world. Therefore I am pleased to introduce this measure which would bring this site of the first rocket launching under the management of the National Park Service.

It is my hope that my colleagues will act on this bill during the next session, so that we can insure that this most notable historic site is not lost to the Nation.

Perhaps the best description of this man's dream can be found among his own writings. Again, in writing to H. G. Wells, he summarized his thoughts on his life's work:

> How many more years I shall be able to work on the problem I do not know. I hope as long as I live. There can be no thought of finishing—for aiming at the stars, both literally and figuratively, is a problem to occupy generations. So that no matter how much progress one makes, there is always the thrill of beginning.

I ask unanimous consent that two articles describing the life and work of Dr. Goddard be printed in the Record at this point, and that the text of the bill also be printed in the Record.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill and articles will be printed in the Record.

The bill (S. 3284) to authorize the acquisition and maintenance of the Goddard rocket launching site in accordance with the act of August 25, 1916, as amended and supplemented, and for other purposes, introduced by Mr. Kennedy, was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the Record, as follows:

S. 3284

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to preserve for the inspiration of present and future generations the site in the town of Auburn, Massachusetts, on which Doctor Robert H. Goddard launched the first liquid-propelled rocket on March 16, 1926, the Secretary of the Interior is authorized to acquire and maintain such site in accordance with the provisions of the Act entitled "An Act to establish a National Park Service, and for other purposes," approved August 25, 1916 (39 Stat. 535; 16 U.S.C. 1–4), as amended and supplemented.

Sec. 2. There are hereby appropriated such sums as are necessary to carry out the purpose of this Act.

The articles presented by Mr. Kennedy, are as follows:

[From the New York Times, Nov. 20, 1966]

ROBERT H. GODDARD: THE FATHER OF MODERN ROCKETRY

(By Milton Lehman)

(The late Milton Lehman was the author of a biography of Robert H. Goddard, "This High Man," published in 1963.)

The turning points in history are seldom turned by the aphorisms that historians attribute to them. Possibly Caesar, crossing the Rubicon, actually said: "Jacta alea est." Perhaps Galileo, recanting before an ecclesiastical court his theory that the earth moves around the sun, said sotto voce: "But still it moves!"

The major scientific events of this century which launched the air age and the space age, however, elicited no such ringing aphorisms.

The first flight of a modern rocket—powered by gasoline and liquid oxygen—took off at midday on March 16, 1926, 40 years ago. Its creator, Dr. Robert H. Goddard, a physics professor at Clark University in Worcester, Mass., conducted his experiment in secrecy, a characteristic which marked one of the most inventive careers in American science and engineering.

March 16 was a clear, cold day in Worcester, with snow on the ground and no promise of spring in the sharp morning air. The rocket professor was bundled in a great-coat, muffler, and woolen cap against the Massachusetts chill, thanks to his wife's concern for his health.

NO COUNT DOWN

In this costume, Goddard left the Clark campus with his machinist, Henry Sachs, driving through town and up Pakachoag Hill to nearby Auburn and the farm of Aunt Effie Ward, his distant relative. Parking near a ravine, the two men slid and eased a number of wooden crates packed with rocket paraphernalia to a secluded spot near a cabbage patch and rigged up their gear.

The maiden flight rocket consisted of steel tubing, 10 feet long, framing a two-foot motor and nozzle. In a try for added stability, the inventor had positioned the motor and nozzle ahead of, rather than behind, the small fuel tanks. He believed, in error, that the engine would thereby travel more truly, much as a wagon follows the tug of a child. Later, he installed the motor at the rear of the rocket, where it has remained.

Shortly after noon, the rocket was ready, mounted in a launching frame contrived of pipes. There was no countdown, no electrical system to ignite the fragile machine. The mechanic, Sachs, merely lighted an alcohol stove beneath the motor with a flame on a long stick, and then ran toward a makeshift barricade for protection. There Goddard, allowing 90 seconds for ignition, released the cords that held the rocket down, and the device roared up as oxygen and gasoline combusted.

"ALMOST MAGICAL"

Only two others watched the maiden flight. The professor's wife, Esther K. Goddard, stood by with a cranked-up movie camera which unfortunately ran down just before the lift-off. Dr. Percy M. Roope, Goddard's assistant in the Clark physics department, was assigned to operate a theodolite and a stop watch. Roope reported that the rocket climbed 41 feet high and traveled 184 feet in the two and one-half seconds before it crashed.

Of this flight, Goddard later wrote in his journal: "It looked almost magical as it rose, without any appreciably greater noise or flame, as if it said: 'I've been here long enough; I think I'll be going somewhere else, if you don't mind.' "

Goddard's written comment was hardly stuff for history nor was his spoken comment for the record as recalled by Mrs. Goddard: "I think I'll get the hell out of here!"

He was an invalid, as well as a new Ph.D., at Clark University in 1914 when his first two patents in rocketry were granted. Basic to rocket development, these two patent introduced the essential features of every modern rocket, whatever its thrust or trajectory: the use of a combustion chamber with a nozzle; the feeding of propellants, liquid or solid, into the combustion chamber; and the principle of the multiple or step rocket.

In 1916, he was earning $1,000 a year as an assistant professor at Clark, but these funds were no match for the rocket experiments he had in mind. He applied to the Smithsonian Institution for help and sent along a monograph of his theories called "A Method of Reaching Extreme Altitudes." The Smithsonian asked for "some idea of the expense" in making a high-flying rocket.

"I venture," Goddard said, "to name $250 as perhaps a reasonable figure for one of the rockets. It might, of course, be more. . . ."

It was a fantastic miscalculation. The Smithsonian gave him $5,000 initially and, ultimately, more than twice that amount. He received modest support from the Army Signal Corps during World War I; from the U.S. Navy after the war; and, through the intercession of Charles A. Lindbergh in 1930, a foundation grant of about $20,000 a year administered by Harry F. Gugghenheim.

Through 40 years of rocket research, Goddard had only about $250,000 to spend on all his rocket inventions, his crews, salaries, his "hardware," his patent fees, and the maintenance of his household.

To this support, he added the powerful ingredient of his own purpose to produce:

—The progenitor of the "bazooka" before the end of World War I, the device which helped defeat the Panzer divisions of Nazi Germany in North Africa in World War II.

—The stimulus, through his few published papers and his many published patents, to the rocket developments in Germany and Russia.

—The rocket, ignored by the United States, which became the Germany V–1, or "buzz bomb," of World War II.

—The Goddard rocket of 1939—a miniature in detail and components of the German V–2 rocket of 1943 which was fired against England.

—The basic concepts of rockets now on the drafting boards or still to come, employing ionized and nuclear power, and, among future possibilities, employing solar motors and sails to navigate the universe.

[From the Washington Evening Star,
July 16, 1969]

Goddard Deserves Niche as Father of Rocketry—A Scientist's Dream Outlasted the Taunts

(Harry F. Guggenheim, president and editor-in-chief of Newsday, a Garden City, Long Island, newspaper, was for many years a close friend and supporter of Dr. Robert H. Goddard, the father of modern rocketry. Goddard's research and experiments, many of which were supported by the Guggenheim Fund for the Promotion of Aeronautics, paved the way for the Apollo project. Here Guggenheim reminisces on the impact of this pioneer of space flight.)

(By Harry F. Guggenheim)

There is a special place in our thoughts for Robert H. Goddard. He was to the moon rocket what the Wright brothers were to the airplane.

He has been dead now for almost 25 years. He died without the fame that accrued to the Wright brothers in their lifetime. But he died still believing that man would one day shatter the fetters of Earth's gravity and stride majestically into the vast reaches of space. I wish he were here now to share this moment. It belongs to him.

Goddard was a physicist and professor at Clark University in Worcester, Mass., when I first heard of him.

In 1898, when he was 16, he read H. G. Wells' "War of the Worlds" which, as he would later write personally to Wells, "made a deep impression. The spell was complete about a year afterward, and I decided that what might conservatively be called 'high altitude research' was the most fascinating problem in existence."

He devoted himself to that problem with prodigious energy for the rest of his life. It would cost him isolation, ridicule, and eventually years of his life. "God pity a one-dream man," he wrote as he began his work.

Goddard began to experiment with small rockets early as 1908.

Eleven years later he published a paper entitled "A Method of Reading Extreme Altitudes," which espoused a theory that rocket power could lift a large payload to great heights if the rocket were designed to use its fuel effectively.

IDEA OF LUNAR LANDINGS

He was careful to mention the possibility of lunar landings only casually, lest he frighten away potential sponsors. But despite his almost indifferent mention of the subject, the press seized upon the paper with gross exaggeration.

The headlines were all similar to this one: "Modern Jules Verne Invents Rockets To Reach Moon."

It wasn't so, of course, but the effects were to cause Goddard considerable humiliation.

Goddard was embarrassed—he had intended to stress only the scientific aspects of his research—but he was not deterred. He continued his experiments, without public attention, and on March 16, 1926, launched the first liquid propelled rocket. It rose 41 feet and traveled 184 feet in 2.5 seconds.

The flight was so inconspicuous that no one paid any attention. But Goddard considered it a feat equivalent to the Wrights' first airplane flight.

Three years later, on July 17, 1929—almost 40 years to the day before Apollo 11 would take off for the moon—Goddard tried again. This time he had a model 11½ feet long, 26 inches wide, and weighing 35 pounds when empty. It rose 20 feet above the 60-foot launching tower, turned right, rose another 10 feet and then crashed to earth 171 feet away.

Goddard instantly considered the experiment a success. But as he and his associates were surveying the scene, according to his biographer, Milton Lehman, "they heard the shriek of a siren. They looked up to see a police patrol car, two ambulances and a convoy of automobiles stopping in Aunt Effie's farmyard. Two policemen, perhaps expecting catastrophe, inspected the rural scene, saw the steel tower, and asked questions. . . . Neighbors were saying that an airplane had crashed and exploded."

Goddard tried to quiet the policemen's fears, but two reporters who had come with them were already inspecting the charred field.

"The moon-rocket man," one reporter said. "How close did you get this time?"

Again Goddard was adrift in a sea of publicity. Lehman wrote:

"He wanted to tell the public that, yes, the rocket would be man's great prime mover. Yes, it would eventually reach the moon. But the public kept asking the same old question. When would it happen? When will your rocket do what you say it can do?"

"The headlines and front-page stories were all that he feared. They made him out as a reckless moon seeker, a public amusement." His neighbors in Worcester, afraid that "Moony Goddard" was going to wipe them all out in some mad experiment, demanded that he remove his tests. Goddard was distressed.

But, ironically, that very publicity was to give him a new lease.

At that time, Charles A. Lindbergh was a guest in my home in Port Washington, N.Y. I had met him when he came to Roosevelt Field for his historic flight to Paris—from which, I anticipated, he would never return. He did get back, much to my surprise, and subsequently became a consultant for the Daniel Guggenheim Fund for the Promotion of Aeronautics. This was a fund created by my father to promote research and education in aeronautics and to help encourage flying as a means of transportation. I was then the fund's administrator.

Lindbergh and I had talked on several occasions about the potential of spaceflight. He had often expressed the opinion that airplanes, confined as they were to the Earth's atmosphere, would ultimately prove too "limited" for the full scope of man's aspirations. We had discussed rocketry for its potential in delivering large quantities of mail over great distances.

On this particular day, we were discussing the work of the fund, when Mrs. Guggenheim interrupted us to read aloud from the New York Times an item about a rocket exploding near Worcester, Mass., the day before. When she finished reading the fascinating account of the scientist and his problems with his neighbors, I suggested to Lindbergh that he visit this man Goddard in behalf of the fund and discuss his work.

Lindbergh did call and Goddard, quite surprised, invited him to come to Worcester.

In their meeting, Goddard confessed his vision of one day soaring through the Earth's atmosphere into the reaches beyond. He explained the differences between rockets and the techniques he believed could be employed for invading the unknown limits of space.

From this meeting, Lindbergh returned impressed by the scientist and his ideas. We agreed that support should be obtained to underwrite Goddard's experiments. Lindbergh made the case to my father, Daniel, as I left to begin my duties as ambassador to Cuba. Daniel Guggenheim endorsed our proposals and agreed to provide the funds for a 2-year period. After his death, the Daniel and Florence Guggenheim Foundation took up support of Goddard's work until 1941.

These grants made it possible for him to give up teaching and, for the first time, to devote his full energies to rocket research. They also enabled him to move from New England, where his neighbors regarded him as a nut, to Roswell, N.M., where he would have freedom, privacy and open space.

During the years that followed, I was able to observe the man and his work first-hand. I was deeply touched by his modest, self-effacing manner, his cheerfulness, and his optimism.

NUMEROUS DISAPPOINTMENTS

His disappointments were considerable.

Once, in 1935, Lindbergh and I journeyed to Roswell to watch a test flight. It failed. He refused to accept it as any more than a temporary setback, a problem to be solved. He did solve it, and later, in writing to explain what happened he said, with that wry pleasantness that marked his whole demeanor: "I have not yet forgiven fate for bringing the matter of the gasoline orifices to my attention just at the time you and Colonel Lindbergh were here."

His letters were examples of clear and descriptive prose.

By 1940, Goddard had built a rocket that was very similar to the German V2 missiles which were to assault London three years later.

Goddard and I visited Washington to urge military leaders to consider the military potential of rockets, but they were not interested. It was not until the end of the war that the oversight was obvious. Questioned by Army officers about the devastating V2, a German scientist incredulously replied: "Why don't you ask your own Dr Goddard?"

His investigations, as the American Rocket Society would say after his death, covered almost every principle involved in both the theory and practice of high-power rockets.

Among his inventions are included the first liquid-fuel rocket, the first smokeless powder rocket, and the first practical automatic steering device for rockets. It is no wonder that the rocket society would concede to Goddard the almost single-handed development of rocketry "from a vague dream to one of the most significant branches of modern engineering."

But it goes far beyond that. He left us more than inventions. He left an example of the extraordinary accomplishments that await the man who perseveres. He left a testimony to the power of one solitary individual to effect change and to transform the future.

And most of all, he left a vision.

"He never lost the dream," his wife, Esther, has said.

"He knew that he would build something that would go higher than anything had gone before, and that eventually man would explore space, with the moon only the first step."

I have thought of him often in these days of preparations for that "first step." When he died his work was generally unrecognized; now it is about to be fulfilled.

"How many more years I shall be able to work on the problem I do not know," Goddard wrote to H. G. Wells in 1932. "I hope as long as I live. There can be no thought of finishing—for aiming at the stars, both literally and figuratively, is a problem to occupy generations.

"So that no matter how much progress one makes, there is always the thrill of beginning."

S. 3286—INTRODUCTION OF CONSUMER PRODUCTS TESTING ACT OF 1969

Mr. MAGNUSON. Mr. President, I introduce, for appropriate reference, the proposed Consumer Products Testing Act of 1969. This bill, a part of the President's consumer package, is designed to assist consumers in evaluating products by promoting development of adequate, reliable methods for testing characteristics of consumer products.

The bill reflects the growing concern of many of us in both the Congress and administration over the adequacy, meaningfulness, and soundness of many consumer standards and laboratory seals on consumer products.

Although the committee will want to review thoroughly the provisions of this proposed legislation, the administration is to be commended in taking the initiative to focus congressional concern on this most significant problem, and it is the intention of the Commerce Committee to schedule hearings promptly during the next session of Congress.

I ask unanimous consent that the text of the bill, together with the letter of transmittal and section-by-section analysis be printed at the close of my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill, letter, and analysis will be printed in the Record.

The bill (S. 3286) to assist consumers in evaluating products by promoting development of adequate and reliable methods for testing characteristics of consumer products, introduced by Mr. Magnuson (for himself and other Senators), by request, was received, read twice by its title, referred to the Committee on Commerce, and ordered to be printed in the Record, as follows:

S. 3286

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Consumer Product Testing Act of 1969."

Section 1. (a) For purposes of this Act, the term "consumer product" shall mean a type of article of personal property, without reference to brand name or source, customarily sold for family or household use, consumption, or enjoyment.

(b) For purposes of this Act, the term "testing method" shall mean a test method or procedure by which particular characteristics of a consumer product may be clearly evaluated.

(c) The term "agency" means an executive agency as defined in section 105 of title 5, United States Code, but does not include the General Accounting Office, and the term "responsible officer" refers to the head of an agency designated pursuant to section 2 or the officer designated by the head of such agency to perform the functions under this Act.

Sec. 2. (a) It is the purpose of this Act to assist consumers in obtaining reliable and meaningful information regarding consumer products by promoting the development and use of methods for testing objective characteristics of such products.

(b) The Director of the Office of Consumer Affairs (the "Director") shall, after consultation with the Director of the Office of Science and Technology and giving due regard to the statutory missions and capabilities of the several agencies, designate the appropriate agency responsible for the performance of the functions set forth in section 3 with respect to any consumer product or class of consumer products.

(c) When the Director determines that, with respect to a consumer product or class of products, the interests of consumers would be furthered by the development or approval of testing methods, he may request the responsible officer of the appropriate agency to implement the procedures set forth in section 3 with respect to such class or to one or more products within such class.

(d) In determining to which products priority of consideration should be given under section 3, the Director shall give due consideration to the requests of other officers of the executive branch, consumers, and manufacturers of such products; to the technical complexity, numbers and importance of such products to consumers; and to such other factors as he may deem relevant.

Sec. 3. With respect to each consumer product or class of products as to which a request has been made of him under section 2(c), each responsible officer shall:

(a) Identify which testing methods have been adopted, or from time to time are being considered for adoption, by private standard-making organizations or independent testing laboratories for such product or class;

(b) Evaluate whether the testing methods described in subsection (a) relate to those characteristics of such products or class, including performance, content, and durability, which should and can be tested to provide pertinent information to consumers;

(c) Evaluate whether the methods specified by such private organizations or laboratories for testing the characteristics described in subsection (b) are adequate, and if so approve the same;

(d) Confer and consult with such private organizations and laboratories, and with other interested parties with respect to the activities referred to in subsections (a), (b), and (c);

(e) After appropriate opportunity for comment by interested persons, cause to be published in the Federal Register the results of his evaluation carried out under subsections (b) and (c);

(f) Develop adequate testing methods if he finds that no testing method or inadequate testing methods exist with respect to a product or class of products, and that expeditious development of adequate testing methods through such qualified private organizations or laboratories is not feasible; and cause to be published in the Federal Register such testing methods as he may develop;

(g) Prescribe by order or regulation the information to be included in any advertisement or other public statement by a manufacturer, distributor, or other seller which is to the effect that a consumer product has been tested in accordance with methods approved or developed pursuant to this section in order to make such statement not false or misleading.

Sec. 4. (a) It shall be unlawful for any person, with intent to induce or to encourage the purchase or consumption of any consumer product, (1) to falsely represent that such product has been tested in accordance with testing methods approved or developed pursuant to section 3; (2) to make any false or misleading statement or to omit to state any material fact necessary to make any statement not misleading with respect to the test results on any consumer produce represented as having been tested in accordance with such methods; (3) to make any statement regarding a consumer product which does not comply with an applicable order or regulation issued pursuant to section 3(g); or (4) to falsely represent or imply that any officer, or agency, or instrumentality of the United States has endorsed, certified, or approved such consumer product or the accuracy of any test performed on such product.

(b) The district courts of the United States shall have jurisdiction over suits by the Attorney General to prevent and restrain violations of subsection (a) and over suits by persons injured by such violations for damages and equitable relief without regard to the amount in controversy. A suit under this subsection may be brought in the district court of any district in which the defendant resides or is found.

(c) Any person who knowingly violates any provision of subsection (a) of this section shall, in the case of a natural person, be punished by imprisonment for not more than one year or by a fine of not more than $5,000, or both, or in any other case, be punished by a fine of not more than $50,000.

(d) No publisher, radio broadcast licensee, or agency or medium for the dissemination of advertising, except the manufacturer, packer, distributor, or seller of the commodity to which the violation relates, shall be liable under subsection (c) or liable for damages under subsection (b) by reason of the dissemination of any advertisement or statement in violation of this section, unless he has refused, on the request of the Attorney General, to furnish the Attorney General the name and post office address of the person who caused him to disseminate such advertisement.

(e) The provisions of section 13(b) of the Act of September 26, 1914, as amended (15 U.S.C. 53(b)), shall apply to the grant of equitable relief under this section.

Sec. 5. In carrying out responsibilities conferred upon him under this Act each responsible officer may:

(a) To the extent necessary, acquire or establish additional facilities and purchase additional equipment for the purpose of carrying out such responsibilities.

(b) Request any Federal agency to supply (on a reimbursable basis if appropriate) such statistics, data, testing methods, progress reports, and other information as he deems necessary to carry out such responsibilities.

(c) Subject to such general guidelines as may be promulgated by the Director, issue, amend, and revoke such rules and regulations as he deems appropriate to carry out such responsibilities.

SEC. 6. Nothing in this Act shall supersede any other law relating to consumer products or any rule of regulation promulgated thereunder.

SEC. 7. There is hereby authorized to be appropriated to each agency whose officers carry out functions under this Act such sums as may be necessary.

The letter and analysis, presented by Mr. MAGNUSON are as follows:

THE WHITE HOUSE,
Washington, D.C., December 8, 1969.

HON. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is enclosed for your consideration and appropriate reference a legislative proposal entitled the "Consumer Product Testing Act of 1969."

This proposed legislation carries out in part the October 30 Consumer Message of the President. As more fully described in the accompanying explanatory statement, the purpose of the proposed Act is to assist consumers in evaluating products by promoting development of adequate and reliable methods for testing characteristics of consumer products.

At present there is no government review of the privately developed methods used to test consumer products. Because of the large number of technically sophisticated products on the market today, it is difficult for the consumer, through his own efforts, to understand the qualities and characteristics of these products. Private standard-making organizations and laboratories currently issue quality endorsements of one kind or another for a wide variety of products. However, there have been instances where information of interest to the consumer is either not made available, or where the information available has not been developed by reliable test methods. Therefore, it would be of great assistance to consumers if the testing procedures on which these endorsements were based had been evaluated and approved by a responsible Government agency.

The purpose of the evaluation is to determine whether the tests are adequate, meaningful and technically sound. The goal is to provide the consumer with reliable and understandable information about the products he buys.

This legislation is needed:

(1) to authorize responsible agencies of the Federal Government to identify which methods have been adopted by private organizations for testing characteristics of consumer products; to determine whether the characteristics are pertinent to consumer needs for information; and to evaluate the test methods employed;

(2) to authorize such agencies to develop testing methods for consumer products where no privately developed methods exist or where the existing methods have been found to be inadequate; and

(3) to authorize the advertising by a manufacturer, distributor or other seller that a consumer product had been tested in accordance with methods approved or developed pursuant to this bill.

The President's message significantly improves the Federal Government's effectiveness in responding to consumer needs. Every citizen will be benefited by enactment of the implementing legislation.

The Bureau of the Budget has advised that the submission of this proposal is in accord with the program of the President.

Sincerely,

VIRGINIA H. KNAUER,
Special Assistant to the President for Consumer Affairs.

EXPLANATORY STATEMENT TO ACCOMPANY THE PROPOSED CONSUMER PRODUCT TESTING ACT OF 1969

Section 1 of the bill contains definitions of the terms "consumer product" and "testing method."

Section 2 of the bill states that the purpose of the Act is to assist consumers in obtaining reliable and meaningful information regarding products by promoting the development and use of objective test methods. It then sets forth certain procedures. First, the Director of the Office of Consumer Affairs, after consultation with the Director of the Office of Science and Technology, determines which of the various Federal agencies should be assigned general responsibility under the Act for particular consumer products or classes of products. Then the Director of the Office of Consumer Affairs determines whether the interests of consumers would be furthered by the development or approval of testing methods for a particular class or product within such a class; and requests the appropriate responsible official to implement the test evaluation and development procedures set forth in Section 3. The Director, after consideration of the requests of interested parties and other relevant factors, also determines the priorities of consideration to be given products under Section 3.

Section 3 provides that the responsible officer of a given agency requested to implement the Act shall first identify the test methods which have been adopted or are being considered for adoption by private standard-making organizations or independent testing laboratories for a particular product or class of products. He will then evaluate whether these test methods relate to characteristics which should and can be tested to provide pertinent information to consumers. An evaluation is made of the test methods used and, if they are adequate, they are approved. He will consult with the organizations, laboratories and other interested parties with respect to the foregoing and, after appropriate comment from these parties, cause to be published in the Federal Register the results of his evaluation.

Should there be no existing or adequate testing methods, he will develop adequate testing methods and cause them to be published in the Federal Register. He may then prescribe by order or regulation the information to be included in any advertisement or public statement by a manufacturer, distributor or seller concerning testing in accordance with approved or developed methods in order that such statement will not be false or misleading.

Section 4 provides that it shall be unlawful to: (1) falsely represent that a product has been tested in accordance with an approved or developed standard; (2) to make a false or misleading statement or omission with respect to test results obtained on a product represented as having been tested in accordance with approved methods; (3) to make statements not in compliance with any applicable regulation or order issued pursuant to Section 3; or (4) to imply or represent any governmental approval of either a product or accuracy of a test method. Jurisdiction is in the Federal district courts with criminal penalties prescribed. Members of the advertising media are exempted from civil damage and criminal sanctions, unless they refuse to divulge the name and address of the person causing publication of material violative of this Act to the Attorney General upon request.

Section 5 allows the responsible officer to acquire or establish the necessary equipment and facilities required to carry out his duties under this Act and to request other Federal agencies' assistance on a reimbursable basis. He is also given the power to issue such rules and regulations necessary to carry out his responsibilities provided they are within the general guidelines prescribed by the Director of the Office of Consumer Affairs.

Section 6 provides that this Act will not supersede any other law, rule or regulation relating to consumer products.

Section 7 authorizes the appropriations necessary to carry out the functions of the Act.

ADDITIONAL COSPONSORS OF A JOINT RESOLUTION

Mr. BYRD of West Virginia. Mr. President, on behalf of the Senator from Texas (Mr. YARBOROUGH), I ask unanimous consent that at its next printing, the names of the Senator from Washington (Mr. JACKSON), the Senator from Maryland (Mr. TYDINGS) and the Senator from California (Mr. CRANSTON) be added as cosponsors to Senate Joint Resolution 156, a joint resolution to establish an interagency commission to make necessary plans for the United Nations Conference on the Human Environment scheduled for 1972.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE CONCURRENT RESOLUTION 51—CONCURRENT RESOLUTION SUBMITTED RELATING TO AUTHORIZATION FOR SECRETARY OF THE SENATE TO MAKE A TECHNICAL CORRECTION IN THE ENROLLMENT OF SENATE BILL 3016

Mr. NELSON submitted a concurrent resolution (S. Con. Res. 51) to authorize the Secretary of the Senate to make a technical correction in the enrollment of the bill (S. 3016) to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, to authorize advance funding of such programs, and for other purposes, which was considered and agreed to.

(The remarks of Mr. NELSON when he submitted the concurrent resolution appear later in the RECORD under the appropriate heading.)

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that, on the dates as shown, he presented to the President of the United States the following enrolled bills and joint resolution:

On December 19, 1969:

S. 740. An act to establish the Cabinet Committee on Opportunities for Spanish-Speaking People, and for other purposes; and

S.J. Res. 54. Joint resolution consenting to an extension and renewal of the interstate compact to conserve oil and gas.

On December 20, 1969:

S. 59. An act to authorize the Secretary of the Army to adjust the legislative jurisdiction exercised by the United States over lands within the Army National Guard Facility, Ethan Allen, and the U.S. Army Materiel Command, Firing Range, Underhill, Vt.; and

S. 2917. An act to provide for the protection of the health and safety of persons working in the coal mining industry of the United States, and for other purposes.

SMOKING ON AIRCRAFT—II

Mr. HATFIELD. Mr. President, on Thursday I introduced a bill, S. 3255, to regulate smoking on passenger aircraft. My remarks appear at page 40042 of the RECORD of December 18.

At the conclusion of my remarks, I asked unanimous consent to have printed a petition to the Department of Transportation and the Federal Aviation Authority by Action on Smoking and Health. I am working with ASH, and the petition seeks a similar result to that of my bill.

Due to the Senate's lengthy session on Thursday, only a small part of the petition appeared in Thursday's RECORD. The remainder appeared in Friday's RECORD. Unfortunately, the Friday RECORD had no introductory remarks and did not even indicate who it was that inserted the material, nor to what bill it pertained. I am aware of the logistical problem for the Printing Office which caused this situation. To people reading the RECORD, however, it is very unclear in its present form.

For that reason, Mr. President, I ask unanimous consent to have reprinted at the end of these remarks the ASH petition in its entirety.

Incidentally, I might add that the initial reaction to this bill to restrict smoking on aircraft to certain areas has had very favorable initial response. My office has received several telephone calls of support from people who saw my remarks in the RECORD.

When the Senate reconvenes in January, I plan to request cosponsors for this bill, so I hope that Senators will study the bill.

There being no objection, the petition was ordered to be printed in the RECORD, as follows:

[Before the Department of Transportation and the Federal Aviation Administration]

PETITION FOR PROMULGATION OF A RULE REQUIRING SEPARATION OF SMOKING AND NON-SMOKING PASSENGERS ON ALL COMMERCIAL DOMESTIC AIR CARRIERS

To: Honorable John A. Volpe, Secretary, Department of Transportation; Honorable John H. Shaffer, Administrator, Federal Aviation Administration.

Petitioners: John F. Banzhaf III, 530 'N' Street, S.W., Washington, D.C. 20024, (202) 554–5799; Action on Smoking and Health (ASH), 2000 H Street NW., Washington, D.C. 20006, (202) 659–4310; C.R.A.S.H. (Citizens to Restrict Airline Smoking Hazards); Steven I. Bellman, Joseph M. Chomski, Chairman, James R. Coleman, Richard Emanuel, Michael D. Grabow.

Counsel: John F. Banzhaf III, 2000 H Street NW., Washington, D.C. 20006, (202) 659–4310.

Now comes Action on Smoking and Health (ASH), Project C.R.A.S.H. (Citizens to Restrict Airline Smoking Hazards), and John F. Banzhaf III, and pursuant to 5 U.S.C. 553 (e) and 14 C.F.R. 11.25(a) petition the Administrator of the Federal Aviation Administration, and in so far as is appropriate under Department of Transportation Act, 49 U.S.C. 1651 et seq., the Secretary of Transportation, to promulgate a rule requiring all domestic air carriers to effectively separate smoking passengers from non-smoking passengers so as to prevent non-smoking passengers from being subjected to the health hazards and annoyance of being forced to breathe tobacco smoke.

Petitioners move the promulgation of the above rule for the following reasons which will be hereinafter more fully explained and developed in the body of the petition;

(1) Unregulated cigarette smoking on airlines creates a clear and present danger to the safety, health, and very lives of as many as 30 million people (30,000,000) with pre-existing medical conditions.

(2) Unregulated cigarette smoking on airlines creates a significant health hazard for all non-smoking passengers who are thereby forced to inhale the smoke created by other passengers.

(3) Unregulated cigarette smoking on airlines creates a severe annoyance for many non-smoking passengers, infringing on their rights and deterring many from flying, and may also deter courteous smokers from enjoying their flights, thus discouraging the development of civil air commerce.

I. INTERESTS OF THE PETITIONERS IN THE ACTION REQUESTED

Petitioner Action on Smoking and Health (ASH) is a national non-profit charitable, scientific, and educational organization which serves as the legal action arm of the antismoking community by utilizing legal action against the problems of smoking. ASH has in excess of 8000 individual contributing members who support its activities and whose interests in the problems of smoking ASH seeks to further. In addition, ASH is supported and sponsored by a wide variety of health, educational and social welfare organizations, and a distinguished panel of individual Sponsors including leading figures in the fields of medicine and public health, as well as other nationally known public figures. Attached and hereby made a part of this petition is a report more fully describing ASH, its supporting organizations, and its Board of Sponsors. ASH is also assisted in its work by numerous individuals and organizations such as Citizens to Restrict Airline Smoking Hazards (C.R.A.S.H.), a special project of ASH and an organization of five George Washington University Law School students who often fly and who are concerned about the problems of smoking on airlines. ASH has initiated and engaged in numerous proceedings involving antismoking messages before the Federal communications Commission which were largely responsible for enforcement of the Commission's ruling requiring an estimated 75 million dollars a year worth of free broadcasting time for messages about the health hazards of smoking. ASH has filed a number of complaints relating to cigarette advertising and promotion with the Federal Trade Commission, and has testified and appeared through a petition for the amendment of a role in the Commission's rule making proceedings. Thus its standing to initiate and participate in actions before such agencies on behalf of the interests of its contributing members, supporting organizations, project groups, and individual sponsors has been clearly established.

Action on Smoking and Health has received numerous letters from individuals, both contributors and non-contributors, about the health hazard and annoyance created by being forced to breathe the cigarette smoke of others in confined areas. Many of these are from people with an allergy or other preexisting health problem which additionally makes smoking a clear and present danger to their immediate health and welfare. Action on Smoking and Health (ASH) therefore petitions the Secretary of Transportation and the Administrator of the Federal Aviation Administration on behalf of itself as an organization devoted to serving the public interest in the area of smoking, on behalf of its contributing members, supporting organizations, project group C.R.A.S.H., and individual sponsors who are vitally concerned and interested in the problems of smoking, on behalf of its contributing members and non-members who have specifically complained and are adversely affected by the problem of cigarette smoke in confined areas; and on behalf of all other persons similarly situated who are interested in and/or affected by the problem of cigarette smoke on commercial domestic air carriers. [See, e.g., *Associated Industries v. Ickes*, 134 F.2d 694 (2d Cir.), dismissed as moot 320 U.S. 707 (1943); *Pierce v. Society of Sisters*, 268 U.S. 510 (1925); *National Association for the Advancement of Colored People v. State of Alabama*, 357 U.S. 449 (1958); *Joint Anti-Facist Refugee Committee v. McGrath*, 341 U.S. 123 (1951); *Barrows v. Jackson*, 346 U.S. 249 (1953); *Office of Communication of the United Church of Christ v. F.C.C.*, 359 F.2d 994 (D.C. Cir. 1966)].

Petitioner John F. Banzhaf III is an adult male citizen of the United States and a resident of Washington, D.C., who is vitally interested both individually and professionally with the problems of smoking. As a private citizen he filed a petition with the F.C.C. which led to a ruling requiring all radio and television stations broadcasting cigarette advertisements to devote a significant amount of time free to messages about the health hazards of smoking. He successfully defended this decision in the United States Courts [*Banzhaf* v. *F.C.C.*, 405 F.2d 1082 (D.C. Cir. 1968), cert, denied 90 S. Ct. 50 (1969)] and, through ASH, participated in the enforcement of the decision. Petitioner Banzhaf is Executive Director of ASH. He is also Executive Trustee of Legislative Action on Smoking and Health (LASH), the only anti-smoking lobbying organization, and a registered lobbyist on behalf of antismoking interests. In this capacity he has testified in a number of congressional proceedings. Petitioner Banzhaf flies on commercial domestic air carriers often and has frequently been subjected to being forced to breathe the smoke of other passengers which is annoying and harmful to his safety and health. He petitions the Secretary of Transportation and the Administrator of the Federal Aviation Administration on behalf of himself and all other persons similarly situated.

II. STATUTORY AUTHORITY TO PETITION

Petitioners bring this petition for the promulgation of a rule pursuant to 5 U.S.C. 553 (e), 14 C.F.R. 11.25(a), and 49 C.F.R. 5.11

5 U.S.C. 553(e) provides: "Each agency shall give an interested person the right to petition for the issuance, amendment, or repeal of a rule."

14 C.F.R. 11.25(a) provides: "any interested person may petition the Administrator to issue, amend, or repeal a rule within the meaning of section 11.21, or for a temporary or permanent exemption from any rule issued by the Federal Aviation Administration under statutory authority."

With respect to any functions or powers not exercised by the Administrator and exercised by the Secretary of Transportation 49 C.F.R. 5.11 provides: "any person may petition the Secretary to issue, amend, or repeal a rule, or for a permanent or temporary exemption from any rule."

Petitioners, as demonstrated in Part I above, are clearly "interested persons" within the meaning of the acts and regulations.

III. STATUTORY AUTHORITY TO PROMULGATE PROPOSED RULES

The Federal Aviation Act of 1958 established the Federal Aviation Agency to be headed by an Administrator with broad powers including the power to issue rules for the regulation of commercial domestic air carriers. Although his primary responsibility was to "promote safety of flight of civil aircraft in air commerce" [49 U.S.C. 1421(a)], the statutory grant of power—as will be shown—was far broader and required him to give consideration to the public interest including the highest possible degree of safety for the passengers, and to the encouragement and development of civil aeronautics in the United States and abroad. The Administrator and the Agency have consistently interpreted their grant of authority very broadly, and their interpretations have been upheld. The Department of Transportation Act transferred to and vested in the Secretary of Transportation "all functions, powers, and duties of the Federal Aviation Agency", and provided that a portion of these functions, powers, and duties were to be exercised by the Federal Aviation Administrator [49 U.S.C. 1655(c)]. This Act, which consolidated in the Secretary many transportation functions heretofore fragmented, again stressed that they were to be exercised to promote the public interest and the general welfare. Petitioners therefore jointly petition the Administrator and the Secretary to promulgate the proposed rule under their authority and duty to:

(1) ~~see~~ that the air carriers operate with the highest possible degree of safety;

(2) protect the public interest and promote the general welfare;

(3) encourage and foster the development of air commerce.

Petitioners will demonstrate that the Administrator has repeatedly relied on one or more of these principles as a basis for statutory authority to enact regulations for the promotion and protection of passenger safety, health, and comfort. Such regulations have been directed to the conduct of passengers and the air carriers, not only with regard to the safety of the aircraft, but also with regard to the safety, health, and comfort of passengers within the aircraft itself. Petitioners' rule requiring smoking and non-smoking sections would fall within this category, thus conforming to well established Administration policy.

1. Safety

The Administrator's mandate with regard to safety is set out most specifically in 49 U.S.C. 1421(b), which states that "in prescribing standards, rules, and regulations . . . the Administrator shall give full consideration to the duty resting upon air carriers to perform their services with the *highest possible degree of safety in the public interest.*" [Italic added]. On several occasions the courts have not only recognized this duty but held the Government liable for failure to promulgate or enforce rules consistent with this standard. *Furumizo* v. *United States,* 245 F. Supp. 981 (D. Hawaii 1965); *Rapp* v. *Eastern Air Lines, Inc.,* 264 F. Supp. 673, 680 (E.D. Pa. 1967) ("the Board had to give full consideration to the duty resting upon air carriers to perform their services with the highest possible degree of safety in the public interest."); see also *Airline Pilots Association* v. *Quesada,* 182 F. Supp. 595, 598 (S.D.N.Y. 1960) ("The Federal Aviation Act of 1958 . . . imposes upon the defendant the duty and responsibility of promulgating rules and regulations to provide adequately for the highest possible degree of safety in air commerce.") In cases involving these duties of the air carriers the courts have repeatedly reaffirmed that the "highest possible degree of safety" standard applies not only to the safety of the aircraft but also to passenger safety within the aircraft compartment. Thus in *Wilson* v. *Capital Airways,* 240 F. 2d 492 (4th Cir. 1957) a passenger was injured due to the lack of a handrail in a lavatory. The U.S. Court of Appeals for the Fourth Circuit held that an "airline company, which was a common carrier, was bound to exercise the highest degree of care and foresight for the safety of the passengers." Courts have also established that air carriers are liable for injury to a passenger caused by another passenger. In *Garrett* v. *American Airlines,* 332 F. 2d 939 (5 Cir. 1964), the court found the air carrier liable for an injury to a passenger resulting from the injured party falling over a piece of hand luggage placed in the aisle by another passenger. The court warned air carriers that "they must reasonably take cognizance of the habits, customs, and practices followed generally by its passengers insofar as such actions .present hazards to its business invitees." Thus the Administrator has the power and the duty to promulgate regulations providing for "the highest possible degree of safety in the public interest" which applies to the safety of passengers within the aircraft as well as to the safety of the flight.

The "highest possible degree of safety" standard, when applied to the broad grant of authority given to the Administrator in 49 U.S.C. 1421(a)(6) [1], and viewed in light of a number of FAA regulations (Regulations section, *infra*) governing conduct within the passenger compartment, leads one to the inescapable conclusion that the power and duty to regulate the passenger's safety within the passenger compartment lies within the Act. Medical evidence (Medical section, *infra*), has shown conclusively that inhaling tobacco smoke endangers the safety and health of approximately 30,000,000 people who have pre-existing illnesses, and is an annoyance to all non-smokers. It would be incongruous, then, if the Administrator had the power to regulate the safe stowage of carry-on baggage (14 C.F.R. 121.589) in order to prevent one passenger's baggage from falling and injuring a neighboring passenger, and could not regulate the involuntary health and safety hazard one passenger can impose upon another by forcing him to inhale the smoke from his cigarette, cigar, or pipe.

Petitioner contends that the Administrator has not only the authority, but the duty as well, under 49 U.S.C. 1421(b), to promote safety in civil air commerce by requiring the effective separation of smokers from nonsmokers on domestic air carriers.

2. Public interest

49 U.S.C. 1303 clearly seems to require the Administrator to follow and be guided by the public interest standard because it sets forth in detail at least five elements that he "shall consider . . . as being in the public interest." 14 C.F.R. 11.25(5) also implies that a proposed rule will be promulgated if the petition can show that "the granting of the request would be in the public interest." 49 U.S.C. 1651(b)(1) provides that "the Congress therefore finds that the establishment of a Department of Transportation is necessary *in the public interest* and to assure the coordinated, effective administration of the transportation programs of the Federal Government." [emphasis added] This concept, despite the various delineations applied to it, remains broad and somewhat flexible. By leaving the definition open-ended, Congress has given the Administrator great latitude to enable him to act with respect to a wide variety of circumstances, both foreseeable and unforeseeable, that might arise.

The term "public interest" encompasses the balancing of the needs and desires of one sector of the population with those of the remainder, so as to effectively satisfy the greatest number, while causing the least hardship (or, ideally, no hardship at all) to the smallest number. Petitioner's rule would beneficially affect a large sector of the population (Medical analysis, *infra*), while causing no harm and virtually no inconvenience to the sector wishing to smoke. The non-smokers whose health is so seriously affected that they have had to forego use of the airways would be able to fly. Non-smoking passengers who are to a lesser degree deleteriously affected by tobacco smoke will be able to patronize the air carriers without being subjected to aggravation of their physical condition. In addition, healthy passengers will not be subjected to health hazards. The passengers who wish to smoke will not be deprived of their smoking privilege. There can be no question that the benefits from the proposed rule far outweight any possible drawbacks, thus serving the public interest.

3. Fostering and development of air commerce

49 U.S.C. 1346 defines the Administrator's authority with respect to civil aeronautics and air commerce as follows: "The Administrator is empowered and directed to encourage and foster the development of civil aeronautics and air commerce in the United States and abroad." Interstate and overseas air commerce, as defined by 49 U.S.C. 1301 (20), includes "the carriage by aircraft of persons or property for compensation or hire . . . or the operation or navigation of aircraft in the conduct or furtherance of a business or vocation, in commerce." The significance is that air commerce unquestionably includes business aspects, which necessarily refers to the passenger market. A separation of smokers and non-smokers would significantly enlarge the potential passenger market. The development of air commerce would be beneficially affected because the segment of the population that previously had to avoid commercial air carriers because of serious reactions to smoke would be able to utilize the air carriers, and that segment of the population that flew reluctantly, or only when they had no other choice, would fly more often. Both results would enlarge the air passenger market and further the development of air commerce thereby implementing the intent of the above sections.

4. Applicable regulations

The Administrator has demonstrated the authority and the determination to promulgate rules which regulate the conduct and affect the safety of passengers while inside the airplane. A substantial number of these regulations have been specifically designed to promote the safety, health, and comfort of the passengers during the course of the flight indicating the Administrator's interest in limiting hazards within the craft. The following regulations are similar in nature and scope to the rule requested in this petition:

1. 14 C.F.R. 25.831(b): requiring that passenger compartment air must be free from "harmful or hazardous concentrations of gases or vapors."

2. 14 C.F.R. 91.11: providing that a pilot may not allow a "person who is obviously under the influence of intoxicating liquors or drugs (except a medical patient under proper care) to be carried in that aircraft."

3. 14 C.F.R. 121.219: providing that passenger and crew compartments must be "suitably ventilated", and that "carbon monoxide concentration may not be more than one part in 20,000 parts of air."

4. 14 C.F.R. 121.265: providing that if any toxic extinguishing agent is used in the airplane's fire extinguishers, "precautions must be made to prevent harmful concentrations

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[1] This section empowers the Administrator to promote the safety of air commerce "by prescribing and revising from time to time: (6) Such reasonable rules and regulations, or minimum standards, governing other practices, methods, and procedures, as the Administrator may find necessary to provide adequately for national security and safety in air commerce". This section is a departure from the rest of 1421(a) in that it does not deal solely with equipment, maintenance, or design.

of fluid or fluid vapors from entering any personnel compartment"; and, "if carbon dioxide is used, it must not be possible to discharge enough gas into the personnel compartments to create a danger of suffocating the occupants".

5. 14 C.F.R. 121.285: providing that cargo may be carried in passenger compartments if it is installed in a position so as not to restrict access to emergency exits or aisles, and as long as suitable safeguards are provided to prevent the cargo from shifting; and as long as the cargo does not obscure any passenger's view of the "seat belt" or "no smoking" signs.

6. 14 C.F.R. 121.311: providing that there must be an "approved safety belt for separate use by each person over two years of age; and, that during each takeoff and landing, each passenger shall "secure himself with the approved safety belt provided him"; and, that no plane may take off or land unless "each passenger seat back is in the upright position".

7. 14 C.F.R. 121.317: providing that "no person may operate an airplane unless it is equipped with signs that are visible to passengers and cabin attendants to notify them when smoking is prohibited and when safety belts should be fastened"; and that these signs must be "turned on for each landing and takeoff and when otherwise considered to be necessary by the pilot in command", and, that "no passenger or cabin attendant may smoke while the no smoking sign is lighted and each passenger shall fasten his seat belt and keep it fastened while the seat belt sign is lighted."

8. 14 C.F.R. 121.571: providing that before each takeoff passengers must be "orally briefed by the appropriate crew member" on smoking, use of seat belts, and location of emergency exits.

9. 14 C.F.R. 121.575: providing that no passenger "may drink any alcoholic beverage aboard an aircraft unless the certificate holder operating the aircraft has served that beverage to him"; "no certificate holder may serve any alcoholic beverage to any person aboard any of its aircraft who appears to be intoxicated"; no person may be allowed to board any aircraft "if that person appears to be intoxicated".

10. 14 C.F.R. 121.589: providing that no passenger may carry any article of baggage aboard an airplane unless that article can be stowed under a passenger seat in such a way that it will not slide forward under crash impacts severe enough to induce certain specified inertia loads.

These regulations indicate that the public interest requires that a high degree of care be exercised by commercial air carriers. Implicit in this duty of care is a recognition of the fact that individual passengers should be reasonably free from all conditions that may be harmful or annoying, including those caused by the conduct of other passengers. The Administrator has recognized the importance of regulating the conduct of each individual passenger, where such conduct, if unregulated, could adversely affect the health, safety, and comfort of other passengers. This concern and authority is clearly demonstrated by the substantive provisions of the above regulations. Therefore, since tobacco smoke, particularly in confined areas, constitutes a safety hazard and annoyance to others, its regulation would be wholly consistent with past Administration policy and well within the authority, purview and intent of the Act.

IV. MEDICAL EVIDENCE

The average smoker seems to be aware only of the harm he is causing himself. Most people, smokers and non-smokers alike, do not know that cigarette smoke in a confined area is also harmful to those who do not smoke. It has been established beyond any reasonable doubt that cigarette smoking is a severe health hazard causing an estimated 300,000 death a year [estimates by former Surgeon Generals Luther Terry and William H. Stewart, and Dr. R. T. Ravenholt, reported in Diehl, *Tobacco and Your Health: The Smoking Controversy* 34–35, 1969] and that inhalation of cigarette smoke can cause different forms of cancer and chronic non-neoplastic bronchopulmonary diseases, and aggravate or contribute to a variety of cardiovascular diseases and other medical conditions. [See, e.g., U.S. Public Health Service, *The Health Consequences of Smoking*, 1968.]

As a basis for its proposed rulemaking, petitioners contend that cigarette smoking is also harmful to the non-smoker because the formed inhalation of another's cigarette smoke in an enclosed environment creates:

(1) a clear and present danger to an estimated 30 million people with certain pre-existing medical susceptibilities, AND

(2) a significant health hazard and discomfort to most others.

1. Persons suffering from pre-existing medical susceptibilities

The presence of tobacco smoke, especially in a confined area, presents a serious medical threat to the millions of Americans who have certain medical susceptibilities and conditions. This smoke can directly aggravate the condition of anyone afflicted with: chronic sinusitis, asthma, hay fever, an allergy to smoke, chronic bronchitis, emphysema, and many other chronic lung diseases. The total number of people susceptible to this problem is staggering. The National Health Survey which ended in June, 1967, gave the following breakdown for lung disease in the United States:

Estimated number of persons suffering from a preexisting susceptibility to cigarette smoke

Chronic bronchitis	400,000
Emphysema	726,000
Chronic sinusitus	16,818,000
Asthma or hay fever	16,099,000
Other sensitivities to smoke*	----------
Total	More than 34,000,000

*Estimated to be in the millions.

Thus cigarette smoke in a confined area creates a clear and present danger to the safety, health, and very lives of as many as 30 million Americans.

According to Dr. John M. Keshishian, a thoracic and cardio-vascular surgeon at the George Washington University Hospital, the presence of tobacco smoke in the air can trigger an attack in a person plagued with chronic lung disease. This attack can result in either mild discomfort, such as a coughing spell, running eyes and nose, and impaired breathing, or a more serious attack involving extreme discomfort and great difficulty in breathing. [See attached Affidavit from Dr. Keshishian, *infra*.]

Recognized authorities have studied the effects of smoke on persons afflicted with chronic lung disease and allergies. Their research indicates the dangers which airlines currently permit their passengers to be exposed to.

Dr. Irwin Caplin, a respected allergist, sympathizes with the non-smoker exposed to cigarette smoke.

"The truly unfortunate patient is the one who develops severe asthma when he enters a smoke-filled room. It seems that cigars or pipe smoke will usually aggravate the asthmatic more than the cigarette smoke. We see many asthmatics who develops severe asthma from even one cigarette in a room or just by smelling the ashes in an ash tray. There are the patients who can be likened to the man living in Dante's inferno where there is no escape from burnt fingers. Unfortunately, the non-allergic population has no understanding of what they do to their asthmatic members of the family when they smoke in their presence. They are usually annoyed and place the asthmatic in a most embarrassing position. He must either ask ask them not to smoke in his presence or stay home and isolate himself from society. This is indeed a problem, and I do not know the answer. Perhaps if we could have a magic wand and make all smokers asthmatic for one hour a week and then have them sit in a room full of cigar smoke we would certainly have a population with a great deal more understanding." [Caplin *The Allergic Asthmatic*, 1968.]

Dr. J. J. Ballinger discussed cigarette smoke as an air pollutant in the August, 1968, issue of *Laryngoscope*. In an article entitled "The Effect of Air Pollutants on Pulmonary Clearance", he stated that "a recent report indicated that a single one hour exposure of mice to cigarette smoke . . . lowered their resistance to infection, as measured by mortality and survival time; also, exposure to smoke of mice infected with influenza A virus twenty-four hours previously, resulted in significantly higher mortalities, thus suggesting that *cigarette smoke can aggravate an existing respiratory viral infection.*" [Italics added.]

Precise testing of persons with allergies, as conducted by Dr. Bernard Zussman, has shown that "The problem of clinical hypersensitivity to tobacco smoke is assuming greater importance in atopic [allergic] patients, who do not smoke themselves, but who are exposed to smoke either at school, office, or home." The results of the testing showed definite allergic symptoms in these patients when exposed to tobacco smoke. With treatment, and avoidance of smoke, the symptoms disappeared. [Zussman, *Atopic Symptoms Caused by Tobacco Hypersensitivity*, 61 Southern Medical Journal 1175 (1968).]

Additional evidence of the health hazard caused by cigarette smoke is found in a study of the effects of smoke on persons with allergies conducted by Dr. Frederic Speer. [Speer, *Tobacco and the Nonsmokers*; 16 Archives of Environmental Health, 443 (1968).] He states, "A study of both allergic and nonallergic patients revealed that intolerance to tobacco smoke is common to both groups." Strong reactions were recorded, leading to the conclusion that "The many individuals who develop symptoms from tobacco smoke need the understanding and support of the physician in helping them avoid its noxious effects." The "noxious effects" recorded included eye irritation, nasal symptoms, headache, cough, wheezing, sore throat, nausea, hoarseness, and dizziness, as shown in the table below:

REACTIONS TO TOBACCO SMOKE AS REPORTED BY 191 ALLERGIC NONSMOKERS

	Boys[1]	Men	Girls[1]	Women	Total	Percent
Patients	38	44	29	80	191	100.0
Eye irritation	30	32	22	56	140	73.3
Nasal symptoms	25	31	22	59	137	67.1
Headache	6	22	9	50	87	46.0
Cough	20	13	19	35	87	46.0
Wheezing	9	13	8	13	43	22.5
Sore throat	4	13	6	21	44	23.0
Nausea	3	5	3	18	29	15.2
Hoarseness	1	9	1	20	31	16.0
Dizziness	0	2	1	8	11	5.3

[1] Under 16 years of age.

The wide variety of ill effects caused by the inhalation of another's tobacco smoke is well summarized by F. K. Hansel in (*Clinical Allergy*, 1953):

"As a primary irritant, tobacco smoke may cause nasal obstruction, increased nasal discharge, and reduction in the sense of smell. In the lower respiratory tract it is a common cause of coughing. The tobacco tars are now recognized as important carcinogenic agents in the mouth, larynx, and bronchi.

"Tobacco is a very significant factor as a secondary irritant in patients with nasal allergy, hay fever, and bronchial asthma. Even among those allergic patients who do not smoke, tobacco may act as an irritant or primary sensitizer.

"Satisfactory results in the management of allergic patients may depend upon the complete elimination of tobacco as an etiologic (causal) agent or as a secondary factor . . .

"The structure and function of the nose exposes its membrane particularly to the irritating effects of chemical fumes, tobacco smoke, and such air pollutants as photochemical smog, . . .: They are active as secondary irritants aggravating the symptoms of patients who have allergic rhinitis and the attacks that they precipitate are essentially indistinguishable from those due to the primary causative antigen.

"There is little doubt that tobacco smoke is an important secondary factor in precipitating allergic symptoms through its action as a nonspecific irritant."

Bettina C. Hilman [*"The Allergic Child"*, Annals of Allergy, Nov., 1967] reports that the National Health Survey of 1959–61 found that over 4.6 million American children have Asthma. Also, that an estimated ten to twenty percent of the children in this country have one or more allergies. [As of 1968, there were almost 60 million children under 14 years of age in this country; 20% would be 12 million.] Dr. Hilman goes on to state, "The immunological load varies with the amount of exposure to offending allergens (inhalants and ingestants). The total allergic load is also influenced by the degree of exposure to offending odors, e.g., paint, hair spray, fish oil, cigarette smoke." Therefore, exposure to air contaminants, such as tobacco smoke, inhibits the control of allergies in children and may lead to dangerous allergic reactions. Even before smoking was widely recognized as a serious health hazard tobacco smoke was known to be irritating to the young hay fever and asthma patient. (Vaugh and Black, *Practice of Allergy*, 1954) Smoke was also seen to "obviously act as a non-specific irritant in many children with respiratory allergy", (Sherman and Kessler, *Allergy in Pediatric Practice*, 1957). Thus several different medical studies have shown that as many as 15 million children would be endangered by the unrestricted smoking conditions on air carriers, and, as flying becomes more popular and more widely available, more children will be exposed to these dangerous conditions. Furthermore, these studies supplement and lend further support to the earlier cited reports showing that smoking in a confined area can be dangerous to all nonsmokers.

Although it is a difficult factor to measure, the presence of smoke may psychologically affect a passenger with chronic lung disease, allergy, or other susceptibility to tobacco smoke. Extensive worry about exposure to smoke may itself bring about the symptoms of an existing malady or make the victim more susceptible to a lower concentration of tobacco smoke. "When we consider that the fumes that annoy people are certain to cause mental distress, it is not easy to assess to what extent the resultant symptoms are psychogenic." [Speer, *Tobacco and the Nonsmoker*, 16 Archives of Environmental Health 443 (1968)] Fear of a fire in flight, air crashes, or even air sickness may likewise psychologically reduce the threshold level at which a person with a pre-established susceptibility will be endangered by the cigarette smoke of others.

Thus there is general agreement within the medical profession, based upon a number of research studies, that persons with chronic sinusitus, asthma, hay fever, an allergy to smoke, chronic bronchitis, emphysema, and many other chronic lung diseases, when exposed to tobacco smoke, are seriously threatened with aggravation of their conditions. Figures provided by the National Health Survey show that more than 30 million Americans, and as many as 15 million children, are susceptible to this danger.

2. Health hazard and discomfort to all nonsmokers

The findings of a research team under the direction of Dr. Giuseppina Scassellatti-Sforzolini show that smoke from an idling cigarette contains almost twice the tar and nicotine of an inhaled cigarette. On the average, smoke from an inhaled cigarette contains 11.8 mg. of tar and 0.8 mg. of nicotine, as compared to 22.1 mg. of tar and 1.4 mg. of nicotine from idling smoke. Thus smoke from an idling cigarette may be twice as toxic as smoke inhaled by the smoker. Although the concentration of harmful substances breathed by the non-smoker is less than the concentration inhaled by the smoker himself, the exposure will be for a greater period of time; an idling cigarette contaminates the air for approximately 12 minutes while the average smoker is actually inhaling on the average for 24 seconds during his "enjoyment" of each cigarette. Thus effects due to decreases in concentration may be more than overcome by increases in exposure time. In some cases, Dr. Scassellatti-Sforzolini reports, smoking "will obviously constitute something of a menace to a . . . nonsmoking passenger." [*Nonsmokers Share Carcinogenic Risk While Breathing Air Among Smokers*, Medical Tribune, Dec. 4, 1967.] Therefore it seems obvious that in the confines of an airplane, where a nonsmoker may be required to sit next to or between two smokers, and where the air circulation is typically poor [and may be next to nonexistant, e.g., while waiting in line for takeoff], the non-smoker will be subjected to a significant health hazard to appease a smoker.

Others who have recognized the danger of smoke to the non-smoker have made similar findings. An editorial in the December 1967 issue of *Science Magazine* concerned the pollution of air by cigarette smoke. *Science Magazine* reported that "in a poorly ventilated smoke-filled room concentrations of carbon monoxide can easily reach several hundreds parts per million, thus exposing smokers and non-smokers present to a *toxic hazard*." [Emphasis added] Carbon monoxide affects the body's hemoglobin, robs the body of needed oxygen, and "commonly leads to dizziness, headaches, and lassitude." One may thus suspect that those who have a tendency to become ill on an airplane will become ill more readily if exposed to cigarette smoke. As to those who do not normally become air sick, carbon monoxide can cause dizziness and headaches, and may also act as a catalyzing agent for air sickness.

Two other harmful components of cigarette smoke are nitrogen dioxide and hydrogen cyanide. The former is an acutely irritating gas, reported *Science Magazine*, and cigarette smoke contains concentrations fifty times the level considered "dangerous." Hydrogen cyanide, a deadly agent particularly active against respiratory enzymes, is present in cigarette smoke in concentrations 160 times that considered dangerous for extended exposure. Furthermore, cigarette smoke contains acrolein, aldehydes, phenols, and carcinogens like benzo(a)pyrene, some of which have been found to have synergistic effects among the toxic agents. In its summation *Science Magazine* concludes: "when the individual smokes in a poorly ventilated space in the presence of others, he infringes the rights of others and becomes a serious contributor to air pollution."

The results of a recent German study on the amounts of tar and nicotine present in confined areas and the effects on the nonsmoker have been startling. In *Deutsche Medizinische Wochenschrift*, Volume 92, November 1967, these findings were reported in answer to a question on the effects of tobacco smoke on a non-smoker: "The test results of Harmsen and Effenberger [Harmsen and Effenberger, Archives of Hygiene and Bacteriology 141 (1957)] show the smoking of several cigarettes in a closed room makes the concentration of nicotine and dust particles in a short time so high that the non-smoker inhales as much harmful tobacco by-products as a smoker inhales from four or five cigarettes." This report was further supported by other studies including: (1) *Smoking and Health. Summary of a Report of the Royal College of Physicians of London on Smoking in Relation to Cancer of the Lung and Other Diseases*, (London, 1962); (2) H. Oettel: *Cancer Research and Fight against Cancer*, IIIrd Book, 6th Conference of the German Cancer Society in Berlin, from March 12th to 14th, 1959; (3) H. Oettel: *Smoking and Health*, Nachrichten aus Chemie und Technik 11 (1963), 28; (4) Journal of Medicin Rheinland-Pfalz 18 (1965) 217; (5) H. Oettel: *Toxic Materials in the Air, Water, and Food* (Short essay in monthly course of instruction for doctors (1967) written after a speech of the International Congress Symposium of the doctors in Davos and Badgastein on March 6th and 8th, 1967).

More evidence of the detrimental effects of tobacco smoke on the average non-smoker has been documented by Dr. Frederic Speer in Archives of Environmental Health, Volume 16, March 1968. The chart below shows that a very significant number of people not allergic or otherwise particularly susceptible to cigarette smoke can suffer severe reactions to the smoke produced by others:

250 NONALLERGIC NONSMOKERS

	Boys[1]	Men	Girls[1]	Women	Total	Percent
Patients	19	71	21	139	250	100.0
Eye irritation	9	54	14	96	173	69.2
Nasal symptoms	5	28	2	38	73	29.2
Headache	5	26	5	43	79	31.0
Cough	7	15	10	31	63	25.2
Wheezing	1	4	0	6	10	4.0
Sore throat	0	7	0	7	14	5.6
Nausea	3	6	0	14	23	9.2
Hoarseness	0	6	0	5	11	4.4
Dizziness	2	2	2	10	16	6.4

[1] Under 16 years of age.

Dr. Cyril D. Fullmer, in a report to the Annual Scientific Meeting of the Utah State Medical Association in September, 1968, also commented on the hazardous effects of tobacco smoke on non-smokers. His report originally concerned a study of the hazards of cigarette smoking to smokers but, during his study he discovered evidence of it being harmful to non-smokers as well.

A health survey in Detroit homes of children of smoking and non-smoking parents found that even healthy children are particularly susceptible to cigarette smoke. The survey concluded that smoker's children were sick more frequently than non-smoker's children, and that the presence of tobacco smoke in the environment is associated with "lessened physical health." [Cameron, Kostin, et al., *The Health of Smokers' and Non-Smokers' Children:* Preliminary Report I included in Appendix] On an airplane, it is likely that young children, often excited, restless, and frightened, will be easily affected by cigarette smoke. The report is also further evidence of the susceptibility of healthy non-smokers to the cigarette smoke of others.

Another inconvenience created by the smoker is pure discomfort. Most non-smokers just do not like cigarette smoke being exhaled in their faces. This often results in eye irritation, coughing, and nausea. Petitioner believes that the discomfort resulting from cigarette smoke is quite apparent and needs little further explanation. For the sake of documentation, Petitioner refers the Administrator to a letter in the AMA News, April 7, 1969, written by Dr. Ralph Berg of Spokane, Washington, and resultant replies to the letter by other physicians. These letters will be found in the Appendix along with a small sample of others.

V. IMPLEMENTATION OF PROPOSED RULE

There appear to be various means by which to accomplish the objective of the proposed rule: the separation of smokers and non-smokers on commercial air carriers. Merely for the purpose of demonstrating several means by which this could be accomplished at no cost to the airlines and no inconvenience to either the smoking or non-smoking passengers, a number of possible alternatives for implementing the proposed rule are set out below:

(1) Non-smokers would be seated from the rear of the aircraft while smokers would be seated from the front, and the order would be interchanged equitably. Thus, on all but capacity flights, there would be an effective barrier of several rows of seats between the two groups.

(2) Non-smokers would be seated on the left side of the aircraft while smokers would be seated on the right, possible alternating if necessary to achieve fairness. If one side became full the overflow could be seated at the rear of the other section. Thus, on most flights and for most passengers, the center aisle would be an effective barrier between the two groups.

(3) Blocks of seats, perhaps in group of five rows, would be labeled for the use of smokers and non-smokers alternatively by the use of easily movable markers. As these small sections filled up appropriate adjustments for the particular ratio of smokers and non-smokers could be made by the stewardesses.

Obviously, there are many alternatives not suggested in this petition that would accomplish the desired objectives. Most public transportation systems have, at one time or another, effected some means of separating smokers and non-smokers, and such separation by the air carriers would be in accordance with the statutory intent of developing a "coordinated transportation service" 149 U.S.C. 1651(b)(1)]. Smoking cars on trains, and various bus regulations, have dealt with this problem. Certainly the imaginative personnel working for the Administrator, and for the major airline companies, can develop a simple, inexpensive, yet effective means of dealing with this hazardous and annoying situation without inconveniencing any of the passengers.

Enactment of Petitioners' proposed rule would have no detrimental effects on air carrier service and, indeed, would merely involve a designation of certain seats in which smoking would be permitted and would not involve any structural changes in the aircraft. There would also be no inconvenience caused in the preflight preparations. Both smoking and non-smoking passengers would purchase the same tickets, and make the same reservations, as is now done. There would be no problem of an imbalance of smokers or non-smokers, because the solutions suggested above contemplate a flexible policy.

The most significant argument in favor of smoking sections is a basic one: the use of such sections would not infringe the rights of any smoker, but would give non-smokers the rights which they have been deprived of in the past—the right to breathe unpolluted air. While no passengers would be harmed, or inconvenienced, a large number would be greatly benefitted. This clearly includes the courteous smoker who might otherwise be deterred from enjoying a cigarette by his concern for the health and comfort of passengers next to him.

VI. CONCLUSION

The Federal Aviation Administration and the Department of Health, Education and Welfare are scheduled to begin a joint 12-month study "to measure the amounts of tobacco smoke contaminants in air transport aircraft." (Department of Transportation Release #69–108, 19 September, 1969) This study will attempt to "measure the amounts of carbon monoxide and other impurities in both cockpit and passenger cabin areas."

The results of this study will not be reported until late in 1970 or early in 1971. There is no rational justification for the Administrator to wait for the results of this study before requiring smoking sections on airplanes. Little benefit would be gained from such a delay, particularly since the study is expected to re-confirm conditions already known to exist. Non-smokers have for too long been subjected to the unreasonable hazards caused by tobacco smoke.

This petition has presented sufficient evidence upon which the Administrator can and should conclude that tobacco smoke in the passenger compartment of an airplane constitutes a severe and substantial threat to the health, safety, and comfort of non-smokers; so severe, and so substantial, that nothing short of the immediate enactment of the proposed rule would be an acceptable remedy.

It is elementary that where there is doubt as to the danger of an act or substance that doubt should be resolved in favor of protecting the public health and safety, particularly where this can be done with substantially no inconvenience and at no cost to any party. The health of the majority of Americans, including:

(1) the 49% of all American males over 17 who do not smoke;

(2) the 66% of all American females over 17 who do not smoke;

(3) the over 30 million Americans who have pre-existing conditions making them particularly susceptible to cigarette smoke;

(4) And all non-smoking children, particularly the estimated 12 million who have pre-existing medical conditions, making them particularly susceptible to cigarette smoke; should not be wagered on the chance that an investigation would show that it might not be seriously endangered. Many of the components of cigarette smoke—e.g., nicotine—are recognized as drugs, and the law requires that with respect to drugs doubt is to be resolved in favor of the consumer. [See generally 21 U.S.C. 301 et seg.] Tobacco smoke has clearly been identified as both an irritant and as a strong sensitizer[2] and, under the Hazardous Substances Act, doubt as to thesee are to be resolved in favor of the public safety and health. [15 U.S.C. 1261 (f)(1)(A) and 1262(a)(1)] A most striking recent example of this policy was the recent decision of the Secretary of Health, Education, and Welfare to restrict the sale of products containing cyclamate because a dosage 50 times greater than normal human consumption caused cancer in mice. Indeed, this policy is required by the statute for food additives which have been shown to be capable of causing cancer. [21 U.S.C. 348(c)(3); see *Bell v. Goddard,* 366 F.2d 177 (7th Cir. 1966).] Whether directly applicable or not, these statutes are a clear indication of long standing congressional intent which should be followed.

Petitioners respectfully submit that they have shown that:

(1) they are interested persons with standing to petition for the proposed rule;

(2) that the statute gives the Administrator the power, and indeed even the duty, to promulgate rules for the protection of passengers from safety hazards within the aircraft;

(3) that the Administrator has consistently utilized this power, and recognized this duty, to promulgate rules to provide for the safety of passengers from hazards within the aircraft, and that the proposed rule would be consistent with others previously issued;

(4) that the overwhelming weight of the medical evidence indicates that unrestricted smoking aboard aircraft creates a clear and present danger to the safety and health of an estimate 30 million people who because of pre-existing medical conditions are particularly susceptible to tobacco smoke;

(5) that a number of studies have indicated that unrestricted smoking in enclosed environments like aircraft creates an involuntary and inflicted health hazard to every passenger;

(6) that the proposed rule could be effectuated without cost to the airlines or inconvenience to passengers;

(7) and that any doubt as to safety and health of passengers must be resolved in their favor.

Therefore Petitioners respectfully request that the Secretary and the Administrator promulgate the proposed rule, and that the Petitioners be made parties to any related proceedings with the right to further support their proposed rule.

Respectfully submitted,
JOHN F. BANZHAF III,
Attorney for Petitioners.

PROBLEMS OF THE BALL BEARING INDUSTRY

Mr. McINTYRE. Mr. President, two of New Hampshire's finest firms, the MPB Corp., in Keene, N.H., and the New Hampshire Ball Bearings, Inc., in Peterborough and Lebanon, N.H., are among the principal companies in the Nation with the highly technical ability to produce miniature precision ball bearings.

These minute bearings, some of which are so small they can hardly be seen with the naked eye, are vital to our defense and space programs. The guidance system of our space ships, for example, would not be possible without these bearings.

Now the companies are being threatened with a flood of foreign imports of these bearings. The demand for bearings from American processors has fallen so low that continued manufacture in this country is threatened.

The danger in this situation is such that we might find ourselves completely dependent on foreign sources for this vital equipment. If there should be troubles in the world and the foreign source cut off our defense and space programs could be placed in real jeopardy.

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[2] See, e.g., Hansel, *Clinical Allergy* (1953) ("Tobacco smoke make act as a (1) primary irritant, (2) secondary irritant in an allergic individual, (3) a primary sensitizer.").

I have been pressing the Defense Department and the Office of Emergency Preparedness and others to take action to protect our American suppliers. The Assistant Secretary of Commerce, Mr. Kenneth Davis, recently toured the New Hampshire ball bearing plants.

Frankly, Mr. President, I was deeply disturbed by the fact that Secretary Davis did not seem to be impressed by the seriousness of this situation.

I want to bring this matter to the attention of my colleagues because I am sure they will be as concerned as I am.

To help in a further understanding of this problem, I ask unanimous consent to have printed in the Record an article published in the Keene, N.H., Sentinel of December 12, which discusses the visit of Secretary Davis and the problems of the industry.

There being no objection, the article was ordered to be printed in the Record, as follows:

U.S. Official Tours Three Bearings Firms; Silent on Protection Against Imports

(By Jim Hicks)

The U.S. assistant commerce secretary wound up a tour of New Hampshire ball bearings manufacturing firms in Keene yesterday, but withheld comment on whether he felt the companies deserved federal protection against imports.

Kenneth Davis made the tour of three New Hampshire facilities in response to a petition by MPB Corporation in Keene and New Hampshire Ball Bearings Inc. in Peterborough and Lebanon.

The miniature bearing industry petitioned the Office of Emergency Preparedness (OEP) in January, claiming foreign manufacturers were selling bearings in the United States in such quantity that the national security might be impaired.

Federal law provides that if manufacture of precision bearings is determined to be indispensable to national defense, the President can take steps to protect the domestic industry against imports.

Davis would only say that he found the facilities "extraordinarily modern" and that his inspection added to his feeling that the precision bearing industry is critical to the nation.

The precision bearing industry has been hard hit by imports, principally Japanese, in the last five years. John A. Clements, manufacturing vice president at NHBB, said yesterday the domestic industry has been so undercut by imports that 700 employees of a total of about 3,000 in the three major U.S. firms manufacturing bearings have been lost in the last three years. He emphasized that bearings companies are now attempting to correct for the loss of profits and employees by diversification.

Although NHBB has begun turning away from manufacturing precision bearings exclusively, MPB in Keene has diversified to a much greater extent, with only 25 percent of the local company's operation now devoted to the specialized field.

NHBB and MPB executives said diversification will mean eventually that the firms will have to sell much of their bearings machinery and retool for other products if Japanese imports are not curbed.

With this country depending more and more heavily on the imports, sudden elimination of this source could threaten the national security, they said. Clements pointed out precision bearings are a vital part of aerospace technology and missile guidance systems.

In a national emergency it would take the domestic industry a minimum of two years to rebuild precision bearing production, including hiring and training employees to take the place of those lost to diversification, Clements said.

"I feel we could meet any defense requirement with current companies and machinery," Davis told the executives.

Davis said there may be some reluctance on the part of the administration to curb imports since the U.S. as well as other countries are thriving on the present trade expansion policy.

"The unique thing going for ball bearing manufacturers, though, is the national defense implication," Davis added.

EMPLOYMENT OF THE DEAF BY FINN INDUSTRIES, JACKSONVILLE, FLA.

Mr. GURNEY. Mr. President, I ask unanimous consent to have printed in the Record an article entitled "Silence—Actions Speak Louder Than Words," published in the December issue of Monsanto magazine. The article concerns the efforts of Finn Industries to employ the services of deaf persons in its Jacksonville, Fla., plant.

Finn Industries is a subsidiary of Potlatch Forests, Inc., of San Francisco, Calif., and Lewiston, Idaho. This expanding company is reaching into our national concerns by submitting a proposal for Secretary Romney's call for low-cost housing in the Operation Breakthrough program. It is cooperating with the national effort to clean up our waters and now Potlatch is expanding its efforts to utilize the deaf in its Florida plants.

Since the employment of our handicapped citizens is of concern to all of us, I think the article makes worthwhile reading. The Finn Industries and its parent, Potlatch Forests, Inc., deserve to be commended for their public-spirited activities in this and other fields.

There being no objection, the article was ordered to be printed in the Record, as follows:

Silence—These Hard-Working People Can't Speak, But Their Actions Are Louder Than Words

Jacksonville, Fla.—The virtues of hard work, thrift and perseverance are not the exclusive property of any group of Americans. But one group of persons at The Finn Industries plant here seems especially imbued with these virtues.

This group consists of 15 deaf mutes—one man in eight of the plant's employes. Not easily distracted, alert and conscientious, they are regarded by management—and by their fellow employes—as great guys to work with.

The Finn Industries, a subsidiary of Potlatch Forests, Inc., is a packaging firm concerned with the folding paper carton business. Those of its employes who are deaf mutes are engaged in every aspect of manufacturing from the printing presses to the cutting and gluing machines.

One machine operator has three people under him, all of whom can speak and hear. "Do you have any problem communicating?" one of the articulate was asked.

"He understands very well," the woman replied. "And *we* understand *him*."

Bill Cudahy, the lively Irishman who is general manager of the Jacksonville plant, is largely responsible for the program of employing deaf mutes. Raised in an orphans' home, he met deaf mutes early in life, learned to like them. When he was a young pressman (he's been in the business 42 years), he was given as helper a man with this kind of handicap. Through sign-language, lip-reading and written instructions he trained the new man, and was so impressed with the mute's quickness that he decided he'd hire such men if he ever got the chance.

He got the chance when he became general manager at The Finn Industries plant in 1958. Since he started hiring deaf mutes, several other companies in this area have followed suit. Cudahy's program won a citation for Potlatch from former President Kennedy, and was also cited by the Florida Rehabilitation Association.

Some deaf workers have a real advantage over their colleagues who are not so afflicted. Several of them work all day long with an air-machine stripping perforated cartons from reams of heavy coated paper. The noise level would be almost unbearable to a person with normal hearing.

Most of these men were taught basic communications at the St. Augustine School for the Deaf. Among themselves, they use a kind of shorthand sign language that only the practiced can understand.

But they do far better at knowing what ordinary people are saying than we do at understanding them. Maybe it's because they try harder.

Ben Cancell, president of Potlatch Forests, Inc., is a modest man. He is quick to point out that all the credit for the deaf-mute employment program belongs to Bill Cudahy. Yet it does seem that Potlatch is, as a corporation, markedly public-spirited.

The company has made a point of using mentally retarded youngsters in its reforestation program. When it moved its headquarters from Lewiston, Idaho, to San Francisco, it turned over a palatial residence in Lewiston to the public for a children's home. It has gone into a long-term "partnership" with Western Samoa developing timber resources to provide the natives there not only with employment, but with a share of the profits.

It all seems to fit with the name of the company—Potlatch—which derives from an Indian gift-giving ceremony. Founded in 1903, Potlatch has three major groups and two subsidiaries. Its wood products, paper, and paperboard and packaging groups are all good customers of Monsanto, for paper chemicals, adhesives and agricultural chemicals.

The Finn Industries is one of its subsidiaries. Another is Speedspace Corporation, which provides prefabricated, relocatable buildings that help solve some pressing school housing problems, particularly in California. And this program, too, has its public-spirited aspects. As Ben Cancell says of the Jacksonville program, "It's easy to say, 'Let someone else do it.' But you can't send out orders from the top. This sort of thing must start at the plant level."

AIR POLLUTION—THE THREAT IS NOW

Mr. YARBOROUGH. Mr. President, in an article published recently in the Washington Post, writer Joshua Lederberg pointed out how air pollution could cause genetic mutations.

We already know about the severely adverse effects air pollution can have upon the health of human beings, even to the extent of causing death. Indeed, in 1930 in Belgium, 60 people died from air pollution; in 1948 in Pennsylvania, 2,037 died from air pollution. In 1952, London, 4,000; in 1961, Los Angeles, 75,000.

In Los Angeles alone the schoolchildren are not allowed to exercise, to run, to jump, to skip indoors or outdoors on smog alert days. That is just the beginning of what we are in for.

We pour out 130 million tons of material into the atmosphere each year. That is roughly equivalent to the total tonnage of all steel production in the United States.

Mr. President, it is the epitome of human tragedy that we overfund new military items such as the C5-A and underfund programs so vital to the survival and progeny of man.

Because the problem of pollution is worldwide in scope and severity, I have offered Senate Joint Resolution 156, a bill to establish an interagency commission with the specific duty of planning this Nation's participation in the 1972 U.N. Conference on the Human Environment. This bill, adequate funding of all pollution control bills, and all efforts to deal with this monumental crisis should be given one of the highest priorities of this Nation and all nations everywhere.

Mr. President, I ask unanimous consent that the article, entitled "Air Pollution Ingredients Are Suspect for Mutation," by Joshua Lederberg, published in the Washington Post of October 18, 1969, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Air Pollution Ingredients Are Suspect for Mutation

(By Joshua Lederberg)

Many of the effects of radiation on living cells can be mimicked in laboratory tests with derivatives of hydrogen peroxide and other chemically active forms of oxygen. During the last 25 years we have learned to take a critical view about radiation and have set increasingly suspicious standards for regulating our exposure to it. Were we quite logically consistent, we would be just as critical about peroxides.

Just the reverse has happened, however, and active forms of oxygen are an increasingly important part of our environment. Much of this rise in exposure is an unintended by-product of urban life. For example, much of the eye-irritating part of Los Angeles-type smog comes from ozone and PAN (peroxacyl nitrate), typical peroxide-like compounds.

Peroxides are, however, also used very widely in industry. They were, for example, introduced for bleaching flour in the 1950s to take the place of nitrogen trichloride when this compound was found to generate a nerve poison that caused convulsions in dogs (not, in low doses, in other species). The peroxides received government approval as a good additive on the strength of a limited number of tests on rats and dogs. The required tests do not begin to reach the possibilities of genetic or fetal effects.

On the other hand, a much more searching inquiry has been demanded of radiation sterilization of foods, and after many years, approval is still withheld from this process. There is good theoretical reason to believe that the treatment of foodstuffs by radiation and peroxides will yield very similar kinds of chemical products, and it is preposterous that one and not the other should be subject to such critical scrutiny.

In testimony before Sen. Edmund S. Muskie's subcommittee on air pollution last year, Dr. S. S. Epstein of the Children's Cancer Research Foundation summarized what was known of the mutational effects of air pollution—namely, almost nothing: "With the exception of ozone, which has been found to cause chromosome breaks, there are no published data . . . all the more surprising as certain fractions of air pollutant extracts are known to contain poorly defined compounds which are generally both carcinogenic and mutagenic."

It is painfully obvious that the air of many cities could not meet the quality standards, feeble as they are, for food additives. As far as I know, PAN has not been directly tested for mutational potency. My personal experience with organic peroxides, goes back, however, more than 20 years, and they are indeed powerful mutagens according to a wide variety of tests. On elementary chemical principles, it would be incredible to expect PAN and ozone to behave otherwise.

Ozone is a natural constituent of the atmosphere at high altitudes and supersonic passengers are likely to experience modest amounts of it unless special methods are used to exclude it from the cabin of the SST. It is also being advocated for the treatment of sewage, water supplies and even conditioned air with no thought of the kind of biological testing it ought to have.

Carefully used, ozone may be an advantageous oxidant for cleaning up dirty water, but before it is allowed to pervade the environment we must learn its potential hazards—and especially the kinds of less active, intermediate products it may form with a variety of substances in the environment and in the body.

Our main defense against peroxides is the enzyme catalase, which occurs in most tissues and causes the rapid breakdown of hydrogen peroxide. (This causes the familiar foaming when "peroxide" is applied to a wound.) In normal people, it is supposed (we hope) to minimize the chance of genetic damage.

However, a few rare individuals are lacking in catalase from a genetic defect, and the enzyme may also be altered in certain diseases and under the influence of some drugs. Also, given the variety of reactive compounds formed by peroxides, not all of them equally quickly neutralized by catalase, we cannot afford to be complacent about these compounds as potential causes of mutations and cancer.

SUPPORT OF THE FEDERAL RAIL SAFETY ACT

Mr. SCOTT. Mr. President, I consider the passage of the Federal Railroad Safety Act (S. 1933) a truly historic moment. For the first time in the Nation's history, we have enacted a comprehensive railroad safety law. Instead of a piecemeal approach which attacks only certain areas related to railroad safety, this act will insure the country, both now and in the future, of a continuing emphasis on all aspects of safety in railroading.

Mr. President, I think that all of us recognize that the Federal Railroad Safety Act represents the work of many people. However, I should like to single out one individual who contributed his usual careful and thoughtful analysis to the problem of railroad safety and to the legislation necessary to achieve this very important goal.

The distinguished Senator from Vermont (Mr. Prouty) is often characterized as one of the outstanding Members of the Senate because of his thorough understanding of the legislative process and his approach toward problem solving. In the Federal Railroad Safety Act, Senator Prouty has again demonstrated his characteristic abilities as a fine legislator.

In any legislation of this scope, numerous interested groups are affected. Each group has a distinct view of what the legislation should be. Mr. President, I know that Senator Prouty personally sat down with officials from all of the interest groups involved in order to painstakingly work out conflicting views so that the final act would be both workable and comprehensive.

Senator Prouty has often stated that cooperation is needed by both the public and private sector of our economy—at the Federal, State, and local level, in order to achieve meaningful success in any program for the public interest. Again, Senator Prouty has demonstrated through diligence, hard work, and careful analysis, that one can achieve the delicate balance in legislation which insures success rather than constant bickering.

I think we should commend the able junior Senator from Vermont for his dedicated and sincere efforts in helping to make possible the enactment of the Federal Railroad Safety Act.

EDUCATION ADVISORY COUNCIL CALLS FOR NATIONAL LEADERSHIP; DECRIES CUTS IN EDUCATION ADVOCATED BY THE ADMINISTRATION

Mr. YARBOROUGH. Mr. President, the National Advisory Council on Education Professions Development has reported to President Nixon, Vice President Agnew, and House Speaker McCormack under the title: "Leadership and the Educational Needs of the Nation."

The Council reports that it is "deeply disturbed" by what it has found this year in its review of administration of national education programs.

Its report states:

> Everywhere the mood appears to be one of cutting back—withdrawing—seeing how little we can get along with; in short, a steady retreat from the bold plans the nation launched several years ago.

Members of the Council are drawn from all sections of the education community, and from all parts of the country. They know what is going on in the schools, and what is going on at the grassroots of American education.

This report is a ringing cry—almost a plea—for national leadership for the tone and direction of the education system. It should be read by every Senator.

I ask unanimous consent that it be printed in the Record.

There being no objection, the report was ordered to be printed in the Record, as follows:

Leadership and the Educational Needs of the Nation

(Report of the National Advisory Council on Education Professions Development)

The National Advisory Council on Education Professions Development is charged with reviewing and evaluating programs of the Federal government which support the training and development of educational personnel. We come to Washington several times each year to review with those responsible for the administration of these programs the progress they are making in their efforts to provide the best teachers for our schools and colleges. We have just concluded one such meeting. We are deeply disturbed about what we find.

Everywhere the mood appears to be one of cutting back—withdrawing—seeing how little we can get along with; in short, a steady retreat from the bold plans the nation launched several years ago.

Specifics are not hard to come by. Only last week the U. S. Commissioner of Education pronounced the "right to read" for every youngster in the nation. At that very time, the Department of Health, Education, and Welfare was directing the Office of Education to cut $8 million of a $13 million program, a substantial portion of which was designed to improve the preparation of teachers of reading!

Just two months ago, the House of Representatives cut appropriations supporting the chief program of the Federal government for the preparation of college teachers. The 1969 appropriation of $70 million was reduced by $14 million.

In neither case has there been offered any compelling evidence to warrant such reductions.

But it is not only a matter of reduction in funds. There is also an absence of any bold planning to meet the problems of tomorrow. We have reviewed a recently-completed report recommending programs related to the training of educational personnel that should be undertaken by the Federal government. This report, a plan for the next five years, was prepared by one of several sub-groups of a Task Force on Education appointed by the Department of Health, Education, and Welfare. There are many worthy programs in this plan. We commend the Department for taking this kind of initiative in looking ahead. But we find the conception and scale of the plans no match for the needs. In fact, the so-called plans are timid and token. It would appear that instead of taking as a point of departure a searching inquiry into the needs of education and concluding with a determination of the resources required to meet these needs, this group was faced with an assumption of severe financial constraints and the necessity to fit its planning into this assumption.

In dramatic fashion, these decisions and actions add up to default on the proclaimed responsibility of the Federal government to act as a partner with the other levels of government in supporting the nation's educational enterprise. The Council believes strongly in this notion of partnership. We reject any suggestion of domination of the Federal government. But each partner must do its *share*. And when we find that the States have, in the last two years, increased their expenditures for higher education by 38% and for elementary and secondary education by 28%, and when we find that at the same time the Federal government is cutting back, we can conclude only that there is, in fact, a default of responsibility on the part of the Federal government.

Recently the House of Representatives voted a substantial increase in appropriations for education. We commend the leadership of both parties in this effort. But apart from this action—which has yet to be voted by the Senate and signed by the President—retrenchment is the only signal coming out of the Federal government at the present time. This signal creates a mood—a mood that is affecting the thinking and actions of those in the Federal agencies responsible for administering educational programs and of those in the field who are trying to provide new prospects for the young.

While we sit for two days as members of a Federal Advisory Council and read this signal and sense this mood, we bring with us a sense of another reality "out there"—as the principal of an elementary school in a ghetto, as a school board member in Oregon, as president of a university in Appalachia, as a graduate dean in a private university in New England, as a superintendent of schools in the fourth largest city in the nation, as a professor of physics in a Midwest university, as a guidance counselor in Arizona—as people from a variety of educational settings and various parts of the country. Here we read a different set of signals, sense a different mood.

Above all, we sense a worsening climate in American schools and colleges. While increased controls by school and university authorities may be necessary to check the activities of certain small destructive groups, we assert that present national conditions are deleteriously affecting the studies, the hopes, and the convictions of a wide and responsible segment of the educational community. A new and ugly cynicism and anti-intellectualism is infecting American education. Repressive measures will not arrest this trend, and may even accelerate it; positive and affirmative leadership promptly to end the war and to address forthrightly our domestic problems *can* do so. While these attitudes stem from the war and the disparity between the ideals of the nation and present realities, it is the judgment of this Council that, as Representative Brock and his colleagues so sensitively discerned, the source of much of the disquiet can be traced to fundamental inadequacies of education itself. The needed improvements and reforms will come about only if appropriate leadership is offered, leadership in the educational community and leadership in government, particularly—as we have noted earlier—from the national government.

Too many of our young are concerned by what they are *against*—the war, racism, poverty, corruption. They need, as have all youth in all times, to be *for* things, to have a star, a dream. While we recognize that such affirmative leadership is subtle, and will require politically difficult actions, we feel that the growing dismay and cynicism of our youth could develop into a calamity of devastating proportions. The future college and school teachers—*the people of greatest concern to this Council*—are a centrally important group among our youth, and their disaffection can have serious effects in future years.

It would be unfortunate if our political leadership were to take the position that a response to the dissatisfactions of the past—or the yearnings for a different kind of future—must await the ending of the war, or some other development. It is now we must plan. It is now we must act. It is now that we must demonstrate, *mainly to ourselves,* that a nation which can take such just pride in its extraordinary achievements in the material realm is no less resourceful, no less vigorous, no less sacrificing in dealing with matters of the spirit.

Competent observers have noted a growing sense of purposelessness on the part of an influential segment of our student population—a feeling of these young people that it is not possible for our social institutions to cope with an increasing complexity.

If politics is the art of the possible, then our political leaders have a special opportunity to demonstrate to the young that the nation can envision a future of hope and that we can translate that vision to tangible policies and sensible priorities. We could do no better in this than to start with the field of education itself. More policemen in the schools is not a policy; it is an admission of failure.

If the Executive Branch feels that Congress has not moved in a fashion appropriate to the time, let it take leadership. If the Congress feels that the Executive Branch has not sensed the urgent need for a bold educational policy for the nation, let it provide the leadership. But let us have leadership.

NATIONAL ADVISORY COUNCIL ON EDUCATION PROFESSIONS DEVELOPMENT

Adron Doran, President, Morehead State University, Morehead, Kentucky.

Annette Engel, Director of Special Education, Roosevelt School District, Phoenix, Arizona.

Rupert N. Evans, Professor of Vocational and Technical Education, University of Illinois, Urbana, Illinois.

Susan W. Gray, Director, Demonstration and Research Center for Early Education, George Peabody College, Nashville, Tennessee.

Laurence D. Haskew (Chairman), Professor of Educational Administration, University of Texas, Austin, Texas.

E. Leonard Jossem, Chairman, Department of Physics, Ohio State University, Columbus, Ohio.

Marjorie S. Lerner, Principal, George T. Donoghue Elementary School, Chicago, Illinois.

Kathryn W. Lumley, Director, Reading Clinic, Public Schools of the District of Columbia, Washington, D.C.

Carl L. Marburger, Commissioner of Education, State Department of Education, Trenton, New Jersey.

Edward V. Moreno, Executive Secretary of the Mexican-American Commission, Los Angeles City School Districts, Los Angeles, California.

Lloyd N. Morrisett, President, Markle Foundation, New York, New York.

Mary Rieke, Member, Board of Education, Portland, Oregon.

Theodore R. Sizer, Dean, Graduate School of Education, Harvard University, Cambridge, Massachusetts.

Bernard C. Watson (Vice Chairman), Deputy Superintendent for Planning, Philadelphia School System, Philadelphia, Pennsylvania.

Joseph Young, Executive Director.

OIL AND ALASKA

Mr. PROXMIRE. Mr. President, it is unfortunate but true that many excellent newspaper stories originating in the Midwest do not reach readers on the east coast.

Two reporters, William K. Wyant, Jr., and Al Delugach, of the St. Louis Post-Dispatch, wrote a series of articles about the problems of Alaska in dealing with gigantic oil strike so recently discovered.

I think they did a fine job: they pointed out how the oil companies were trying to cooperate in controlling pollution, how the desire to develop Alaska rapidly may lead to actions which may be regretted later, how the gigantic size and power of the oil companies were changing Alaska and its politics for better or for worse and, finally, they reported some rather disturbing facts about Secretary of the Interior Hickel's business interests.

Because I think the articles are important in understanding how the oil companies operate, I ask unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the St. Louis (Mo.) Post-Dispatch, Nov. 23, 1969]

HOW OIL STRIKE BOOMS ALASKA ECONOMY

(By William K. Wyant, Jr., and Al Delugach)

ANCHORAGE, November 22.—It is not much of an exaggeration to say that the oil industry has bought and paid for the State of Alaska. And it is moving pell-mell to develop it with the enthusiastic cooperation of state and federal officials, Congress and most of Alaska's citizenry.

This could be called the Second Alaska Purchase. The first came a century ago, in 1867, when Secretary of State William H. Seward bought Alaska from Russia for $7,200,000. The second was dramatized last September when oil men paid the state more than $900,000,000 for oil leases on the North Slope.

There is sentiment that the state should have received more, billions more, in this dramatic sale. Even so, the amount realized was nearly five times Alaska's total expenditures for fiscal 1968, and it is money in the bank.

Oil is having a tremendous impact on Alaska, a gorgeous but forbidding and largely trackless and unpopulated territory that entered the Union as the forty-ninth state in 1959—only 10 years ago.

The impact is political, economic and esthetic. It has enriched some Alaskans, made others more prosperous and subjected a great many to saber-toothed inflation.

Oil and gas are already a dominant source of state revenue because of production from the Cook Inlet area in south central Alaska over the last decade. They will be more important when the industry taps the North Slope.

The state's political capital is Juneau, far in the southeast and out of the oil action. The commercial capital is Anchorage, the largest city. In some vital decisions, a third capital city of Alaska is Houston, Tex., where petroleum magnificos hang their hats.

As an underdeveloped land rich in potential but low on cash, Alaska got special concessions from Congress. For example, the statehood law gave Alaska 90 per cent of the royalties and net profits from oil, gas and mineral leases on the federal domain. Other western states got less generous treatment.

The North Slope strike, made on newly acquired state lands owned until recently by the people of the United States as a whole, vaulted the state from rags to riches. No longer can Alaska be considered an economic "basket case." The tin cup has become a cornucopia.

Well aware of their state's expanded horizons and broader hopes are Alaska's Eskimos, Indians and Aleuts, and their attorneys. The Aleuts are a southern branch of the Eskimo, hardy seafarers of the Aleutian chain. The native peoples, who owned Alaska long before the white man came, have asserted claim to most of the state. They want to share in the oil riches.

In the nineteenth century, the railroads opened up the West with federal help and not much resistance except from the Indians. The oil industry is opening up in Alaska, and the arrows, such as they are, are coming from a new breed of American—the conservationists.

The United States, the critics say, neglected and mismanaged "Seward's Icebox" as a federal fief for a long time. With oil men now in the saddle, neglect is not the word. Billions have been invested. More will be. Alaska is seized in a burning, tearing rush to get the oil to market.

NEGLECT CHARGED

Not a pint of the black gold from the North Slope has found its way into ordinary commercial channels, but things have been moving at breakneck pace since Atlantic Richfield Co. confirmed an impressive strike at Prudhoe Bay last year.

The oil was more than 8000 feet deep in Triassic sands laid down many millions of years ago. To conservationists bent on preventing damage to the Arctic's fragile tundra and the animal life there, man's extraction of a resource so long in the making could wait a while.

In contrast, and naturally enough from their viewpoint, the oil production men are not thinking in terms of geologic time. They are in a big hurry because there is a lot of money at stake. For one big company alone, it has been estimated, each day's delay in getting the oil out costs $1,000,000.

LEADERS INEXPERIENCED

The resulting crunch has convulsed a state that is more than twice the size of Texas, is largely innocent of roads, has fewer than 300,000 persons, of whom about 60,000 are Eskimos, Aleuts and Indians, and is led by a new team of politicians relatively inexperienced at the national level.

Republican Gov. Keith Miller, a former holly and mistletoe dealer, came in on the coattails of Walter J. Hickel, the Anchorage entrepreneur and booster who left the governor's office to become President Richard M. Nixon's Secretary of the Interior.

Both of Alaska's Senators, Democrat Mike Gravel and Republican Theodore (Ted) Stevens, are freshmen in Congress. Gravel was elected in 1968 and Stevens was appointed by Hickel last year. Another Republican, Howard W. Pollock, Alaska's lone Representative, is a two-termer and is the state's senior member of Congress.

All these men are in the 40s and all are, like most Alaskans, enthusiastic about development. At times the enthusiasm of Alaska politicians goes to the point of embarrassing the oil companies, which must worry about public opinion in the Lower 48.

Secretary Hickel ruined himself, in the opinion of some development-minded Alaskans, by ebullient statements he made just after President Nixon named him to the Cabinet. He would have done better, they feel, to have kept his mouth shut about what he was going to do for the state when he got to Washington.

In like manner, Senator Stevens, who is rated as very intelligent but has a hot temper, riled conservationists and intellectuals with a hell-roaring speech he made at a science conference at the University of Alaska late in August. It may have won him some votes in 1970, but scientists dismissed him as a Neanderthal.

"Alaskans know Alaska," one published report had Stevens saying, "I'm fed up to here with people who try to tell us how to develop our country."

The Senator spoke extempore. No text was available. As Stevens himself, ordinarily a hearty and engaging man, recalled it, he told the conference that Alaskans were not wasters and spoilers, they had the right to develop the North Slope oil, and they had enough experience to run their country in accordance with good conservation practices.

A conservationist who heard the speech complained that Stevens said in effect: "Go back to where you come from, you outsiders." An oil and gas man sympathetic to Stevens's viewpoint praised the new Senator for voicing what was on the minds of many citizens of the state.

PIPELINE IN SPOTLIGHT

The center of attention for months has been the oil industry's Trans Alaska Pipeline System combine and its plan for throwing an 800-mile conduit of 48-inch steel pipe all the way from Prudhoe Bay on the frigid Arctic shore to the deep-water port of Valdez on the Gulf of Alaska.

The project will cost more than $900,000,000—or something like $1,000,000 a mile—and has been described as the biggest single privately financed construction job ever undertaken anywhere.

Involved in the Trans Alaska Pipeline System joint venture, known as TAPS, are Atlantic Richfield (ARCO) with 27½ per cent interest, British Petroleum Co., Ltd., with 27½, Humble Oil & Refining Co. with 25, and several other oil companies holding the remaining 20 per cent.

The three major companies in the venture, taking into account the fact that Humble is a subsidiary of the giant Standard Oil of New Jersey, had a combined net income in 1968 of nearly a billion and a half dollars.

If Prudhoe Bay were in the tropics, the oil could be taken to market by ship and no pipeline across the tundra would be needed. If the pipeline were being built in Oklahoma, it would offer no problem. As things are, the sea route to this oil is ice-blocked much of the year, and the overland route is an engineer's nightmare.

In bisecting Alaska on a north-south line, the pipe draining the Prudhoe Bay field will pass over, on or under hundreds of miles of federal land administered by the Bureau of Land Management of the Department of Interior. More than 95 per cent of the state's 571,000,000 square miles is still in federal hands.

The fact that the pipeline is to cross federal land meant that the TAPS combine had to get the permission of Secretary Hickel's Interior Department to go ahead with it. Hickel, in turn, could not give the green light without approval from the Senate Interior Committee, of which the chairman is Senator Henry M. Jackson (Dem.), Washington.

Under the Statehood Act, the state got the right to select more than 103,000,000 acres from federal lands. Hickel's predecessor as Interior Secretary, Stewart L. Udall, imposed a "land freeze" and halted the selection process to protect unsettled native claims.

OPPOSED BY HICKEL

Hickel opposed the land freeze as Republican Governor of Alaska. After his appointment by President Nixon, he made an off-the-cuff statement to the press that what Udall had done he, Hickel, could undo. Other Hickel utterances sounded good to impatient Alaskans but riled those in the Lower 48.

In consequence, Hickel, a rough-hewn, 50-year-old multimillionaire who made his pile in real estate, the gas utilities business and construction, found himself at a psychological disadvantage when he appeared before Senator Jackson's committee for confirmation to the Cabinet.

The committee gave the then Governor of Alaska a rough time, grilling him about his financial dealings and political actions. This reflected the hue and cry raised by conservationists, who regarded Hickel as anything but an ideal choice for the nation's chief guardian of America the Beautiful.

Before Hickel finally was confirmed, Senator Jackson extracted from him the promise that Udall's land-freeze order protecting the native claims would not be modified without prior consultation with his panel. That meant that Hickel, as Secretary of the Interior, could not approve the pipeline himself but had to take the matter to Congress.

"Actually, the man who controls Alaska is Jackson—and his committee," an Anchorage entrepreneur who has become rich in the oil and gas boom told the Post-Dispatch. "Hickel ruined himself with his first statement."

It is against this background that the oil industry's mammoth project for getting the North Slope's oil to market—the TAPS pipeline—is not simply a matter of getting a state permit but a complex, many-faceted question involving federal and state officials, Congress, conservationists, the state's native claimants and the industry itself.

Hickel, making use of his conservation-minded Under Secreary, Russell E. Train, has made every effort to give assurance that when the pipeline is built across the delicate tundra and its underlying permafrost, it will be constructed right and with proper safeguards.

Hickel created a North Slope task force in the Interior Department last April, puttitng Train in charge. President Nixon in May enlarged the task force to include other federal agencies. In June the oil consortium made its formal application for approval of the pipeline route.

RUPTURE WARNING

Train released a statement last summer warning that breakage of the pipeline, if not provided against, could spill 500,000 gallons for each mile of line. If anything like that amount were lost, it would be more than seven maids with seven mops could clean up.

The Interior Department and President Nixon's federal task force on Alaska oil development—working with state officials, conservationists and industry—labored for months to prepare stipulations regulating construction of the pipeline and a service road paralleling it.

Rules were agreed on for protection of the Arctic terrain and caribou, salmon and other wildlife, and to minimize danger of pipeline break spewing oil onto the land and into the water. In an August revision, there were two fat books of rules—one for the pipeline, the second for the road. A September version boiled the stipulations down to one 34-page document.

At the beginning of October, Hickel won the applause of most Alaskans by asking the Senate and House Interior Committees to allow an easing of the land freeze to permit construction of the pipeline. The next move is up to the committee.

CONSORTIUM ACTIVE

While all this was going on, the TAPS oil consortium under its Houston top management went briskly ahead with preparations for its mammoth task committing millions and millions of dollars on the assumption that all the roadblocks and technical problems would be cleared away in the end.

The timetable was for completing the pipeline by 1972. Under pressure of a tremendous financial investment, no time could be lost. The route was explored and surveyed. TAPS bought the pipe from Japan early this year and got moving on the terminal at Valdez, where shiploads of the massive, five-ton pipe lengths are being delivered.

Hickel, who was being criticized by his fellow Alaskans for dragging his heels on the pipeline project, came through in mid-August with a congressionally approved green light for the first big construction job related to the pipeline.

The Hickel action allowed TAPS to go forward with building of a 53-mile secondary highway from Livengood, north of the boom town of Fairbanks, to the Yukon River. It will serve as a hauling road for the pipeline. Once built, it will be turned over to the state for maintenance.

There are at present virtually no roads north of Livengood, the jumping-off place for the North Slope. The state is 2000 miles across and 1100 miles north-south, but has only about 3000 miles of hard-surface roads connecting Fairbanks with major towns in south central Alaska and with Canada. To reach most places, the traveler goes by air.

TAPS, a private agency dealing with federal and state governments and breaking new ground for Alaska gave the road contract to Burgess Construction Co., a concern established by Lloyd Burgess, who succeeded Hickel as Republican national committeeman from Alaska and resigned from the committee July 22.

Burgess International, the parent company, had been acquired June 18 by Alaska Interstate Co., a Houston-based conglomerate in which Hickel formerly owned close to $1,000,000 worth of stock. A few weeks thereafter, on July 7, Hickel sold his Alaska Interstate stock in compliance with a January directive of the Senate Interior Committee.

Shortly after Hickel announced the clearance for the Livengood-Yukon road in August, TAPS announced the award to Burgess. It is no great shakes in itself—an $8,000,000 to $10,000,000 or more job on a costplus basis—but is regarded as a plum because it puts Burgess in the catbird's seat for bidding on future work.

The road construction is being driven across the tundra and streams and black spruce hills north of Livengood with vigor. Like an armored division, the big cats and heavy machinery are pushing toward the Yukon. The road and the big lengths of pipe waiting in the rain at Valdez are symbolic of the way Alaska is being opened up by oil.

Hickel warned that the fact the road had been approved did not mean the pipeline would be, but to an observer in Alaska—watching the machinery chew up the virgin land—it looked as if all systems were go.

[From the St. Louis (Mo.) Post-Dispatch, Nov. 30, 1969]

U.S. ANTITRUST INQUIRY IN ALASKA OIL LEASES

(By William K. Wyant Jr., and Al Delugach)

ANCHORAGE, November 30.—Superimposed on a map of the North Slope, oil lease tracts look like a giant chessboard.

Something resembling a chess game was played with 179 of these 2560-acre squares on Sept. 10. But the music hall atmosphere and the crowd in the Sydney Laurance Auditorium here were not characteristic of chess.

The United States Department of Justice is curious as to whether that game was played properly by the participants—the oil companies. A salient question: Were antitrust laws violated by the joint bidding arrangement among various oil firms?

A national inquiry by the department into industry practices in bidding on federally controlled offshore oil was made public last month.

But the Post-Dispatch found an assistant U.S. attorney general from Washington at work here, compiling information on the same type of practices in the state lease sale.

He was on loan to the Alaska Legal Services Corp., a federally financed war-on-poverty agency. His assignment was to advise on matters of discrimination against natives, but the patterns of the September oil bidding were undergoing scrutiny.

The lease sale had all the earmarks of a Titanic competition.

After opening speeches and some colorful song and dance, the day-long opening of bid envelopes within envelopes went on in an atmosphere of tension and suspense. Faces of oil executives beamed or fell with the announcements of some of the closer contests. Whistles and cheers broke out at times from the throng of spectators.

For months before the sale, cloak and dagger security precautions were clamped on the oil fields. Helicopter-borne oil scouts (for which can be substituted "industrial spies") peered at drilling rigs at Prudhoe Bay. Others bought drinks for roustabouts on leave in Fairbanks. Frenetic seismic tests and exploratory drilling were rushed by a number of companies to obtain information on the underground prospects.

The drama even included a "mystery train." Hundreds of miles from the Alaskan border in the Canadian Province of Alberta, 60 executives from 10 oil companies spent five days on a chartered train. It shuttled back and forth the 225 miles between Calgary and Edmonton at a cost estimated at $10,000 a day. While security guards foiled inquires from reporters who got wind of the strange journey, the group worked on joint bids for the Sept. 10 sale.

The group was formed by Hamilton Brothers Oil Co. and included Continental Oil, Cities Service and Sun Oil.

Paul Marshall, a vice president of Hamilton Brothers, said after the sale that only he and one other executive were allowed to get off the train during the trip.

He said the isolation was necessary because the companies had planned to bid as a group only on certain tracts. They were also bidding as individual companies or as part of another group. Combinations of the companies won at least 10 tracts.

SHIFTING COMBINATIONS

Other giant oil companies bid in shifting combinations of their own and occasionally against their sometime partners. Most bid only on a limited number of tracts.

The resulting patterns could take months for the Justice Department to analyze.

Question: Was competition substantially lessened by the combined bidding or by any sharing of geological and drilling information?

It is known that the bonus payments on the sale bids fell short of some experts' expectations by as much as $600,000.

One theory is that the state erred in insisting on full cash payment of the bonuses, rather than an instalment plan over two or more years.

According to this hypothesis, the tight money market prevented oil firms from raising any more money than was bid. The oil industry is known to have drawn heavily on the banking community for money to finance the lease purchases.

Hand in hand with this theory is the criticism that the state could have obtained just as much in bonuses by putting up less of its potentially rich land.

The state, critics say also, could have assured itself a greater share by "checkerboarding," reserving alternate tracts for future sale after more was known of the true potential.

ROLLING BIDS

And Alaska might have received a greater benefit, too, by using the Canadian system of "rolling" bids. Under this procedure, a loser on one tract can use the money he bid there to increase his bids on other tracts.

Thomas E. Kelly, state commissioner of natural resources, told the Post-Dispatch he had considered the Canadian system but did not get enough support for it from the oil industry. He said the Canadian system might have been better, continuing: "I don't think we would have got any less."

Asked for his view of the possibility of antitrust violations in the bidding, Kelly was emphatic.

"If you study the bidding there is no way you could say there was trading of information or collusion."

To illustrate, he said that the Amerada Hess group had no acreage in Alaska. They went in to buy a position and they did it—and those with more information were unsuccessful," Kelly said. Indeed, the combine paid the highest bonus for a single tract—$72,277,113. It edged out a $72,113,000 bid by Phillips, Mobil and Standard Oil of California.

(That's like bidding 72 cents for a $20 bill," says a lawyer, Clem Stevenson, who said he recently came to Alaska but has been contending with the major oil companies for decades in Oklahoma. He maintains the oil under that one tract alone is worth 2 billion dollars.)

One of the quirks of the sale is that Atlantic Richfield, Humble and British Petroleum did not bid enough to come away with much new acreage. They are the big three with the discovery wells on the Slope.

NO PESSIMISM

This should not be assumed to be a sign of pessimism about their find. Opinion of some experts has it that the Big Three decided they were satisfied that the tracts they got at bargain-basement prices in the 1965–67 lease sales contain a big enough slice of the oil field so that they did not find it worthwhile to get more at a cost several thousand times higher.

A University of Alaska resource economist pointed out that the Big Three got their prior leases on nearly 200,000 acres in the Prudhoe Bay area for $5,600,000. He continued:

"A conservative estimate based on the industry's own figures puts the value of this Prudhoe Bay acreage at something over 2 billion dollars, or better than 360 times the

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amount that the oil companies spent to acquire it."

43 PER CENT

The economist, Gregg Erickson, said that if the severance tax stays the same, the value would be 3 billion dollars. He estimated the industry rate of return on the pre-September holdings on the North Slope at 43 per cent, which is several times the average of the industry.

Erickson spoke at a science conference Aug. 26, two weeks before the big lease sale. He was making the point that the state's present bonus bidding system was not getting the state a fair bargain. He said the sale should be postponed at least six months to give the legislature time to overhaul the system.

Strong doubts about the policy were voiced at the same meeting by John S. Hedland, supervising attorney for Alaska Legal Services Corp.

"In leasing these lands, the state is trustee for and acting on behalf of its citizens," he said. "The state's role is not that of a neutral arbiter owing equal allegiance to the oil industry and Alaska's citizens, but as a bargaining representative of all of the people of the state."

COMPENSATION OF NATIVES

Hedland said public concern about oil development had focused on problems such as conservation and compensation of Alaska's natives for the taking of their land.

But, he said, all this had diverted attention from the question of whether the public is getting a fair share of the wealth generated through exploitation of public resources.

Hedland noted that some of the firms active in previous North Slope lease sales had merged and that joint ventures had further reduced competition.

He asserted also that state law does not require submission of all the types of exploration information obtained by the oil industry, such as seismic and geological data. The industry is required to give only information obtained through actual drilling, and then in reports filed within 30 days of completion, suspension or abandonment of a well.

The state is therefore at a disadvantage in trying to set a minimum acceptance bid or knowledgeable refusal price on tracts to be leased, Hedland said.

REJECTS CRITICISM

Kelly, who went ahead with the sale under the old system, rejects this type of criticism.

He told the Post-Dispatch the state had "everybody's dope" on Slope exploration. The oil firms were "extremely co-operative" with information, even to the point of giving some on request before the end of the 30-day filing period.

It should be noted that there are those, other than state officials, who do not feel that the public got less than it should from the Sept. 10 sale.

"Alaska was lucky; they made a half billion more than the do-gooders would have us make," said Locke Jacobs, a millionaire gas and oil lease investor.

He said most of the big oil combines "overpaid" for their leases this fall, adding: "This sale was overbid by half a billion dollars. Tom Kelly did a good job."

Gerald Ganopole, a consulting oil geologist formerly with Texaco, said he was convinced the leased lands were worth no more than $500,000,000 in bonuses. If there had been collusion, he said, the companies would not have left the other $400,000,000 on the table.

MORE IN FUTURE

An engineering expert who favors oil development told the Post-Dispatch, not for attribution to him, that the oil on the North Slope is worth a lot more than the state is getting. But, under the circumstances, he said, it has helped the state get "off its back" economically. The state can and should get more for the oil in the future, he went on.

Kelly said the state has 800,000,000 acres still unleased on the North Slope, much of it in tidelands and uplands. In addition, immediately to the south are 2,900,000 acres on which Alaska has filed claims under its statehood allowance of land from the federal domain.

There are no prospects for another North Slope sale in the near future, Kelly said.

The main reason, he continued, is that the oil companies probably don't have any more money available after the recent splurge.

[From the St. Louis (Mo.) Post-Dispatch, Dec. 1, 1969]

CONSERVATIONIST CONCERN IN ALASKA

(By William Wyant Jr. and Al Delugach)

ANCHORAGE, December 1.—John Hakala, the Federal Government's manager of the oil-invaded Kenai National Moose Range, has a reputation for making the oil operators behave. He was asked, recently what he had to say for publication about how things are in his baliwick.

"Everything is hunky-dory," Hakala said. This brought a roar of laughter from the young biologists seated around the table. They are friends of moose and natural enemies of cats—the tractors that roam the range in search of more oil.

Hakala's constituency is composed of 2700 square miles of excellent wildlife habitat and a growing herd of 9000 or more moose, none of which vote. In the last decade or so, oil and politics have penetrated the northern half of the range in a big way.

Under intense pressure, local and national, government let the oil industry into the federal area in 1957 and 1958. Seismic crews charged in. Oil rigs went up. The invaded northern sector now is criss-crossed by more miles of trails than the State of Alaska has highways.

The Kenai Moose Range has only four or five professionals and a starveling operating budget of $150,000 a year. Yet it produced oil valued last year with federal royalties of $5,215,077, of which the State of Alaska gets 90 per cent.

Halaka and his associates in the Interior Department's Bureau of Sport Fisheries and Wildlife do a good job with what they have. David Spencer, associate supervisor of the Wildlife Refuge Division at Anchorage, said there was very little bulldozer damage on the range any more. He said the oil complex on the Moose Range took up parts of about 20 square miles.

"When it is done properly," he said, "you wind up with an industrial complex right inside of a refuge area."

Kenai's fate has its bright side. Kenai town is booming. The state has a golden flow of revenue, sportsmen and tourists are flocking in, and Alaskan leaders—chief among them former Senator Ernest F. Gruening—get credit for carving a juicy steak from the federal ox.

To conservationists, the forces that sliced up the Moose Range are much to be feared as the vast and beautiful land of Alaska—now about 97 per cent public domain—slides into the hands of the newly created state and thence into private ownership of one kind or another.

Alaska's "last frontier" status—a pristine snow maiden awaiting the ravaging Huns—has caught the imagination of the American public. Conservationists do not want to see this state raped and laid waste by destroyers. The sorry record of the past is heavy on the national conscience.

There is a good reason for Alaskans to be weary of the federal yoke. Alaska has been a fief of the Interior Department and Congress. It has a history of exploitation by fishing, timber and mining interests as well as by oil. Wealth has been extracted with small benefits to the people here.

Ten years after statehood, the federal presence is still overwhelming. Among Alaska's civilians employed in 1968, one out of three was in government work at some level and one in six—or thereabouts—was a federal worker. The federal outlay for Alaska was more than three quarters of a billion dollars. The state's total expenditures were about $181,000,000.

Despite the large proportion of Alaskans in government work of one kind or another, conservationists feel that both federal and state agencies are undermanned and underfinanced considering the size of the task ahead.

BURDEN ON BUREAU

A heavy burden falls on the Interior Department's Bureau of Land Management, which has been looking after more than 300,000,000 acres of public domain in Alaska—most of the state—with a force of fewer than 200 people and a budget of only about $4,000,000. The BLM director for Alaska is Burton W. Silcock, who was born in Idaho.

After a struggle with Congress, the way apparently has been cleared for hiring 45 more BLM employes to help the government supervise construction of the Prudhoe Bay to Valdez oil pipeline. Silcock himself has been heavily involved in drawing up "stipulations" to safeguard the land over which the line will go.

"I think they have come out with some real fine stipulations," Silcock told the Post-Dispatch.

If the history of other states repeats itself in Alaska, the state will be even less resistant to the pressures of politics and the private interests than the Federal Government as it faces the difficult job of supervising orderly growth and protecting the public interest.

The Alaska political lobby during territorial status meant for a long time, as economist George W. Rogers has noted, the Alaska Canned Salmon Industry Inc. and the Alaska Miners' Association. They gave way to construction and commercial voices related to military buildup. Now, it is expected, oil will have its day in the legislative halls.

VULNERABLE AREA

Kenai Moose Range was particularly vulnerable because it is close to Alaska's most thickly populated area and yielded the state's first commercial oil. The second big strike, 1,000 miles away on the frigid North Slope, will intensify the pressure on two big federal reserves that now lock up potential oil wealth on both sides of the now-fabulous Prudhoe Bay discovery.

To the west of Prudhoe Bay is Petroleum Reserve No. 4 around Barrow, a 37,000-square-mile tract set aside for the Navy in the 1920s. To the east is the Arctic National Wildlife Range, about 13,900 square miles set up in 1960. There is clamor for oil development of both these federal areas.

When he was Governor of Alaska, Secretary of the Interior Walter J. Hickel urged oil exploration on the Arctic Wildlife Range. He said he just wanted to find out what was there. As for the Navy's reserve, it was proposed this year that the tract be opened to oil leasing and the revenues used to pay native land claims.

There is a small but able and articulate entente of conservationists on the scene in Alaska, backed up by such national organizations as the Wilderness Society, the Sierra Club, the Wildlife Management Institute and others. Allied with them, to some extent, are sportsmen, rod and gun people, recreationists and others.

Three quarters of Alaska's conservationists, it has been estimated, work for the federal or state government. Robert B. Weeden, formerly with the state fish and game department, left recently to become Alaska representative for several major national conservation groups. He has a small basement office near the University of Alaska at Fairbanks, opposite a used clothing shop.

Weeden was president of the Alaska Conservation Society, but fell victim to a ukase handed down by Augie Reetz, an Anchorage dealer in office supplies named commissioner of fish and game by Hickel, then governor. Reetz ordered that nobody in his department could hold office in a conservation or sportsmen's group.

"The Bureau of Land Management has done the same thing in a more subtle way," said Gerald Ganopole of Anchorage, a consulting geologist with the oil and gas industry. The BLM, in the Federal Government's Interior Department now headed by Secretary Hickel, manages most of Alaska, including the Navy's petroleum reserve.

THORN IN SIDE

Ganopole, a leader in the Sierra Club and other groups trying to keep Alaska from going the way of all flesh, is a thorn in the side of the wasters. He told the Post-Dispatch the cause of conservation in the state is not going well.

"The state and its policies are some of our biggest handicaps," he said. ". . . Ever since statehood, anybody could go on state lands and do what he wanted. Alaska agencies have no regulatory department at all. . . . There is very little conservation in effect at lower levels that actually do the work."

As Governor of Alaska, Secretary Hickel in 1967 fired the three chief officials of the state's Fish and Game Department. Among those dismissed was James W. Brooks, director of the game division, who then joined the Interior Department's Bureau of Sports Fisheries and Wildlife as a biologist.

Brooks is an expert on polar bears (thalarctus maritimus) and marine mammals. As such, he was invited by the Soviet Union to chair a session on predator-prey relationships at an international wildlife conference in Moscow last September. However, Brooks did not attend the meeting.

The reason for Brooks' non-attendance the Post-Dispatch was told by an Alaska conservationist who was irate about it and said he was certain of the facts, is that Hickel vetoed the travel after it had been approved all the way up the line. Brooks confirmed that he had been invited, but said he did not know who disapproved the trip.

NOT MUZZLED

Although federal and state professionals in Alaska are under wraps to some extent, it cannot be said that conservationists have been muzzled or intimidated. Weeden writes a hard-hitting column in the Fairbanks News-Miner. The conservationists speak out at every opportunity.

Attention is now focused on the 800-mile pipeline the oil industry will construct—at a cost of $900,000,000 or more—to bring the oil of the North Slope from Prudhoe Bay across the mountains and tundra to the year-round, deepwater port of Valdez on Prince William Sound.

The main thrust of conservationist effort is not to block the pipeline, which has to be cleared with Congress as well as the Interior Department, but to see that it is done right. There will be as much as 2,000,000 barrels of hot oil a day driving through the 48-inch pipe. Nobody wants a break.

Under the leadership of Secretary Hickel, in an effort in which President Richard M. Nixon himself has had a hand, the Interior Department has hammered out a set of "stipulations" for the massive construction job. The oil companies have co-operated well, and conservationists themselves have joined in the task. Hickel was careful to get them in early.

MANY PROBLEMS

There are many problems. The pipeline job, to be completed in 1972, will put 3000 to 4000 construction men and their heavy machinery in the wilderness. As it cuts across the country, the line will cross salmon streams and the migration routes of hundreds of thousands of caribou. In Alaska's interior, the temperature can stay in the minus 50s for weeks at a time.

On the Yukon river especially, during the spring break-up, ice can build up two stories high and come scouring down the channel like a grader, said Joe V. Neeper, construction manager for the Trans Alaska Pipeline System, a joint venture among oil companies. He is a 45-year-old Texan, a graduate of Iowa State.

"I don't think we can go through without doing any damage," he said. "I don't think anybody would be naive enough to think that. But we will try to hold it to a minimum."

Neeper said the pipe would be laid above ground, in all probability, but will go under the rivers in every case. The five-ton, 40-foot lengths will be welded in the field.

"There's got to be a lot of ends put together," the construction chief said. He said pipeline had never been laid that far north, but he had no doubt problems could be solved, once they were defined.

PERMAFROST WORRIES

The big cause of engineering and conservationist worries is permafrost. This is defined as "perennially frozen ground". It is the subject of a none too reassuring study published last summer by the United States Geological Survey of the Interior Department.

Most of the research thus far on permafrost has been done in the Soviet Union.

Basically the problem is that when a road or house or pipeline is placed on soil underlain by permafrost the natural equilibrium is disturbed. The structure's warmth causes the ice to melt more than it ordinarily would in summer. There is a similar effect when the Arctic's thin vegetation is scraped off by bulldozers, removing the insulation over the ice.

In summer the structure tends to sink; in winter it is heaved up again by frost. A house tilts at a crazy angle; a railway takes on the appearance of a roller-coaster; a highway develops gullies; bridge piles are heaved up disproportionately. A winter road—like the "Hickel Highway" toward the North Slope—degenerates into a canal when the thaw comes.

In some areas of the Arctic, underlying permafrost causes massacre earth movements. The engineer may find permafrost on the north side of a slope and none on the south slope.

160-DEGREE OIL

The North Slope's oil will be at 160 to 180 degrees fahrenheit as it moves through the pipeline. One mile of the line will have a capacity of 500,000 gallons and each 40-foot section will weight 40 tons filled with oil, Interior Department officials have calculated.

"Permafrost is the overriding environmental problem right now," said Jack Horton of the Interior Department's Alaskan task force a few weeks ago. He had a well-thumbed copy of the Geological Survey's report on his desk.

It is still not clear how the engineers will defeat the permafrost, but they seem confident they can get the oil down to Valdez without spilling it.

[From the St. Louis (Mo.) Post-Dispatch]

Riches and Doubts in Alaska

Booming oil riches are precipitating many of Alaska's problems for solution now, as our series of articles by William K. Wyant Jr. and Al Delugach has made evident; and solution in which the public interest are kept paramount will depend, more than on any other man, on Secretary of Interior Hickel, whose financial interests in the oil industry have still not been unequivocally divested.

As Secretary of the Interior, Alaska's former governor must make crucial decisions on public lands which comprise more than 95 per cent of the state; on whether to build an 800-mile pipeline across fragile tundra to the North Slope; on how to protect the environment from possible damage by the pipeline; on how to settle the land claims of the native Eskimos, Indians and Aleuts.

The chief question of Mr. Hickel's objectivity in making these decisions about the reshaping of Alaska arises from the undisclosed facts about his financial interest in Alaska Interstate. This Houston conglomerate is building the pipeline road and will be a major bidder on the pipeline. Secretary Hickel is reported to have sold his $900,000 stock interest in it in accordance with requirements laid down by the Senate committee which held the hearings on his confirmation last January. But efforts to learn who bought the stock have been unavailing. Nor could it be learned how much was paid for it, or even when it was sold.

So long as Mr. Hickel does not disclose these facts, which are so salient to a genuine divestment, the public can have no way of knowing whether the Senate committee's requirements have in fact been met.

An Anchorage corporation, 700 Building, Inc., owns a building there which is leased by Atlantic Richfield Oil Co., one of the participants in the North Slope exploration, and is constructing a million-dollar addition to it, the contractor for which is Hickel Investment Co., owned by Mr. Hickel and his wife.

It seems to us that Hickel Investment's construction contract represents a clear conflict of interest and a violation of the spirit of Secretary Hickel's promise to the Senate Interior Committee to avoid questionable business relationships.

The president of 700 Building, Gene Silberer, who says he owns it, has sold real estate for Mr. Hickel in the past, and the vice president, his son, Richard L. Silberer, formerly was a carpenter for Mr. Hickel, and is also vice president of Hickel Investment Co.

Adding fuel to the flames of doubt is the apparent certainty of the companies involved in the pipeline project that they are going to get the go-ahead. Not only are they spending millions of dollars on the pipeline road, which will involve a loss if the pipeline should not be built; the president of Atlantic Richfield, Thornton F. Bradshaw, said in May, five months before Secretary Hickel announced his recommendation of the pipeline: "This line will definitely be built." What assurance can he have had to make that statement—and from whom?

Mr. Hickel's response, through a secretary, to questions by the *Post-Dispatch* is quite unsatisfactory. Yet it would be easy for him to dispel all doubts and demonstrate that his personal financial interests are not in conflict with his public service. All he would have to do is ask the Senate Interior Committee for the opportunity to testify under oath, disclosing the purchaser, amount and date of his sale of stock in Alaska Interstate, explaining how his ownership of Hickel Investment squares with his promise of divestment, and putting on record that he has no financial interest in 700 Building, Inc., personal or proxy.

If he is in the clear on these matters, as we certainly hope he is, we should think he would regard it as a duty to himself as well as to the country to make it incontrovertibly plain.

GRAVE IMPACT OF MEDICAL RESEARCH CUTS

Mr. YARBOROUGH. Mr. President, the grievous cuts in medical research by the Nixon administration are having repercussions throughout many vital research activities. Among them are projects that have been in progress many years, with results about to come in.

An article published in the Wall Street Journal of November 10, 1969, pinpoints some of these projects. It notes that a 7-percent cut in budget outlays an-

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nounced last spring is in the offing. The reduction is multiplied by the 6-percent price inflation since last year that has further eaten into the value of each research dollar.

I urge Senators to read the article, and to think about the work that will be interrupted on cancer research, on the search for vaccines against infectious mononucleosis, and trial of a new blood test aimed at reducing the transmission of hepatitis through blood transfusions, if these cuts stand.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Nov. 10, 1969]

RESEARCH PINCH: CUTS IN FEDERAL FUNDS CURTAIL INVESTIGATIONS OF MEDICAL SCIENTISTS—ROSWELL PARK CANCER CENTER LOSES STAFFERS, POSTPONES CLINICAL TRIALS OF DRUGS—BUT CURBS ENDS SOME WASTE

(By Jonathan Spivak)

BUFFALO.—Dr. George E. Moore, director of research for the New York State Health Department, spends some of his time washing laboratory glassware these days at Roswell Park Memorial Institute, a noted cancer research center here.

Dr. James Grace, who heads the institute has abandoned his efforts to determine whether certain common respiratory germs, known as adenoviruses, cause cancer in humans as they do in test animals.

Roswell Park's tobacco researchers, who seek to develop safer cigarets, are cutting corners by using fewer test animals to assess their findings. "If I get red-hot positive results, I'm home free, but if I get wishy-washy results, I'm dead," frets Fred Bock, who directs the program.

In such ways is the current cutback in Federal research funds coming home to Roswell Park, a New York state institution. In the fiscal year ended last June, the institute lost $750,000 of its $6 million in Federal support, and officials fear further reductions of 10% to 15% in the current year. The institute has already lost 15 young researchers out of a staff of 30, postponed clinical trials of several promising anticancer drugs and curtailed by 30% its work on a vaccine against infectious mononucleosis, a debilitating blood disease that may cause one form of cancer, leukemia.

LEANER RATIONS

Roswell Park's plight mirrows the current pinch at many of the nation's medical schools and research centers, which are being forced to adjust, at times abruptly, to leaner rations from Washington after years of favored treatment.

Nixon Administration officials insist the science budget-cutting is no more severe than other spending retrenchments being made in the effort to fight inflation. But they are deliberately trying to put more emphasis on actual medical care rather than on research, contending the greater need now is for better care. In any case, the squeeze on health research programs actually began with budget cuts imposed in the last two years of the Johnson Administration; Mr. Nixon has merely stepped up the process.

Until the pinch came, some officials privately say, a plethora of Federal funds led to indiscriminate support of science research projects, without due assessment of their value. Hence the squeeze is having some salutary effects, forcing researchers to pick their priorities carefully, dispense with unproductive work and justify their once-unquestioned endeavors to the public and the politicians. The change has also impelled some institutions to seek more private financial help, though without notable success so far.

On the minus side, medical researchers say, promising projects are being dropped or delayed, trained personnel are drifting away and expensive research facilities, mainly built with Federal funds, are being employed ineffectively. So far no one can accurately assess the final consequences. "You really can't predict how much it will set you back; you dont know what insights you have lost, says Dr. Grace, the Roswell Park head.

"HURTING IN ALL AREAS"

The austerity pains are widespread. M. D. Anderson Hospital and Tumor Clinic in Houston is bracing for a loss of $1.5 million of its $8 million a year in Federal research funds; a drug-testing program has already been reduced from $1 million to $700,000 a year. The hospital is able to staff only part of a large new clinical research facility that was five years in preparation, says Dr. R. Lee Clark, president.

"We are just hurting in about all areas of operation—increased costs and decreased funding," complains Dr. Douglas Walker, Associate Dean of Johns Hopkins University School of Medicine in Baltimore, which ordinarily derives 80% of its budget from Federal funds. The school expects this year to run a deficit of about $1.5 million—its first—and will draw on endowment principal to make up the difference.

In New York City, the New York University Medical Center anticipates a reduction of $1.5 million in Federal research grants this year; among projects to be shelved will be the field trial of a new blood test aimed at reducing the danger of transmitting hepatitis through blood transfusions. "We were getting ready for the payoff in terms of patient care," complains Dr. Ivan Bennett, vice president for medical affairs.

Similar problems prevail at Mt. Sinai School of Medicine, Sloan-Kettering Memorial Institute and Albert Einstein College of Medicine in New York City, at the University of California's San Francisco Medical Center School in Chicago, among other institutions.

CUTS IN NIH OUTLAYS

Until 1968, the budgets of Uncle Sam's National Institutes of Health, the mainstay of the nation's biomedical research effort through its grants, had been rising at least 10% a year, and about the last thing a medical scientist worried about was money. Costly, large-scale projects were undertaken in the expectation of an ever-increasing flow of Federal cash, and young researchers were attracted to the field by prospects of steady financial support.

But now all that has changed, NIH outlays for research by other institutions, still running more than $600 millon annually, will probably be trimmed 7% below the Nixon budget plan made last spring for this fiscal year; the sum then proposed was a bit above last year's actual spending. Certain projects will be shut down entirely. Some researchers are getting only part of the Federal dollars originally earmarked for their work. And only 60% of the projects approved by NIH are actually receiving funds, compared with 75% in the past. "It's just a matter of luck," says one scientist.

Moreover, the general budget squeeze is also holding down Federal grants for non-medical scientific research—money dispensed by the National Science Foundation, the Atomic Energy Commission and other agencies. "The pyramid of science is being reduced," warns William McElroy, director of the National Science Foundation.

"A renewed period of real growth in the nation's investment in basic science is a high-priority item as soon as the fiscal situation permits," comments Lee DuBridge, White House science adviser.

But the situation seems particularly severe for the medical researchers. Federal money has been furnishing more than half the operating costs of many medical research centers. Inflation has been escalating research costs by 6% or more annually. Medical schools, which do much of the NIH-backed research, have taken on added financial burdens in training more needy students requiring scholarship aid.

These pressures have caused medical men to mount an impassioned lobbying campaign for Federal funds. The effort is being coordinated by a loose alliance known as the "Ad Hoc Committee on the Nation's Health Crisis," which includes the AFL–CIO, the American Medical Association, the American Cancer Society and other medical groups.

A FLOOD OF REQUESTS

For lack of more Federal dollars, many of Roswell Park's senior researchers are now spending substantial time seeking funds from foundations, drug companies or grateful patients. "Everyone is scratching like hell to find additional money," observes Dr. Joseph Sokal, who heads one of the main research operations in Roswell's 313-bed hospital. "It's not what I entered medical research for." The major private givers of medical funds, such as the American Cancer Society and the Hartford Foundation, have been inundated and are able to fill few of the researchers' requests.

Roswell Park's problems illustrate the sensitivity of medical research to fluctuations in Federal funds. The institution's main goal is cancer research, but its basic biological studies have implications for treatment of many diseases, including diabetes and bacterial infections, and for successful organ transplants.

Even though New York state furnishes $14 million a year, or about two-thirds of Roswell's budget, the Federal aid cutbacks have had a major impact on productivity here, according to the administrators. A freeze has been imposed on most hiring, and researchers are struggling to make do with less help.

Dr. Julian Ambrus, who heads the Springville Laboratories, a unit of Roswell Park, faces a specific problem: He has the funds to test on animals a possible protective substance against certain bacteria but lacks the money to go ahead with trials on human beings. The bacteria are called "gram negative," and they include the salmonella that causes food poisoning; they are common, highly resistant to drugs and pose special problems to cancer patients.

OTHER TESTS DELAYED

Dr. Ralph Jones Jr. has a similar problem. He lacks funds to begin trials on human beings of a group of substances that could have valuable anti-cancer effects. The substances, derived from the spleen and liver, might regulate the wild reproduction of cancer cells without harming their healthy neighbors.

Roswell Park also serves as headquarters for a group of 20 hospitals collaborating in NIH-sponsored trials of more established anti-cancer drugs. Their aim is to develop more effective methods of employing the drugs, in massive doses and sustained sequence, to eradicate every single cancer cell and thus prevent spread of the disease. Directed by Dr. James Holland, the work has helped lead to longer survival for youthful victims of leukemia and to the hope of curing some eventually.

But the gains are not being extended rapidly enough to other types of cancer, complains Dr. Holland. NIH funds for the hospital members of the group have been cut by 5% to 30%, and he fears he can't hire enough staff to decipher and disseminate to other physicians the data already acquired. "It's a national tragedy," he contends.

POISON ON THE NEWSSTANDS

Mr. DODD. Mr. Speaker, on Tuesday, I reported S. 3246, the Controlled Dangerous Substances Act, which represents the most comprehensive bill dealing with the problem which has ever come before the Congress.

As chairman of the Subcommittee on Juvenile Delinquency, I have learned of a myriad of hallucinogenics and countless methods of getting high.

I must report, however, that the creative purveyors of drugs and proponents of the drug cultlure have discovered a new and dangerous technique of putting poison into the systems of Americans.

The poison was not sold in a dark alley or found in the pockets of a dope peddler lurking outside a high school. No, the poison was found on the newsstands of hundreds of towns and cities all across America. It is contained in a magazine called Caper which was recently removed from the newsstands by the Food and Drug Administration.

That magazine made the suggestion that its readers could take an interesting hallucinogenic trip if they would insert a page of the magazine in methyl alcohol, then drink the solution. The magazine asserted that the solution would be one called diphenylphloroamyl-2-benzoate.

The cold and frightening reality is that, upon examination, the FDA found that the solution produced is nothing more than wood alcohol, a poison which can cause blindness and even death.

This is one of the most shameful and irresponsible accounts of which I have ever heard.

If this magazine should fall into the hands of children, especially younger children to whom the written word is gospel, terrible harm could result.

Accordingly, I urge every Senator to ask his State consumer protection commissioner to take the same swift action the Connecticut State Consumer Protection Commissioner, James J. Casey, has taken, to insure that all the magazines sold thus far be immediately returned.

I ask unanimous consent that a press account of the incident be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Hartford (Conn.) Courant,
Dec. 5, 1969]

CAPER MAGAZINE ORDERED OFF STANDS

(By E. Joseph Martin)

A magazine that tells its readers to take a concoction that could kill them has been ordered off Connecticut newsstands.

State Consumer Protection Commissioner James J. Casey Thursday said "Caper" magazines were found on six Connecticut newsstands. The stands voluntarily took the publications off the stands, "and I urge anyone who has purchased the December issues to return them for their refunds," Casey said.

The stands were located in Bridgeport, Danbury, Plainville, New London, Stamford and Waterbury.

The Federal Food and Drug Administration ordered the publications off the market when it found an article asking readers to dip a page in a solution and drink it. If the reader followed the instructions, the FDA said the reader could sustain serious damage, blindness or death.

INSTRUCTIONS

On three pages under a title "Mirage," there are photos of three nudes. The publisher asks the reader to dissolve the pages in methyl alcohol and drink the mixture. "Then look again at these pages," it summons. "If some fondly remembered, identifiable shape begins to form, let us know. In fact, let us know anything you see. Send your impressions to 'Caper.' In the name of science we thank you."

The call is preceded by another appeal. "Intangible, yet enticing, the reflected products of tropical heat and stifled desire, mirages, have long been of interest to science. Caper invites you to participate in a test of your mirageability. The ink used in printing this issue has been mixed with diphenylphloroamyl-2-benzoate, a most powerful hallucinogen."

The FDA said it was unable to determine any such compound as diphenylphloroamyl-2-benzoate.

DEADLY POISON

Commissioner Casey said methyl alcohol is commonly known as wood alcohol and is a deadly poison. Its first effect is usually blindness and even death.

An estimated 150,000 copies of the magazine were published by SEE Magazine, Inc. of New York City. They were distributed in the U.S. and Canada by Kable Distributing Co.

FDA officials in Boston said they have no other legal recourse against the magazine except to act by recalling a product that is determined to be "hazardous substance."

"To attempt to do any more," a spokesman said, "would be censorship."

ABA SECTION OF INDIVIDUAL RIGHTS AND RESPONSIBILITIES RECOMMENDS ADOPTION OF GENOCIDE RESOLUTION

Mr. PROXMIRE. Mr. President, in a recent report, the section of individual rights and responsibilities of the American Bar Association, under the chairmanship of Jerome J. Shestack, recommended that the house of delegates of the American Bar Association approve and adopt a resolution urging the United States to ratify the 1948 United Nations Convention on the Prevention and Punishment of the Crime of Genocide.

I ask unanimous consent that this important resolution by the ABA section of individual rights and responsibilities be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas, in the field of human rights the United States of America has exercised significant leadership;

Whereas, the Charter of the United Nations, in the drafting of which the United States played a major role, pledges all Members "to take joint and separate action in cooperation with the Organization for the achievement of . . . universal respect for, and observance of, human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion;" and

Whereas, it is in the national interest of the United States to encourage and promote universal respect for and observance of human rights and fundamental freedoms;

Now Therefore, Be It

Resolved that the American Bar Association favors the ratification by the United States of the Convention on the Prevention and Punishment of the Crime of Genocide.

THE BIG THICKET—THE LAST REFUGE OF THE IVORY-BILLED WOODPECKER

Mr. YARBOROUGH. Mr. President, I invite the attention of Senators to an article written by Roy Klotz and published in the Science World of October 27. Science World is a weekly scholastic magazine distributed to elementary and secondary schoolchildren.

In this interesting and timely article, Mr. Klotz points out that the Big Thicket area of southeast Texas is the last known refuge of the legendary ivory-bill woodpecker. As the article states, this rare and beautiful bird could once be found in great numbers in the Southern and Central States of America. Unfortunately, man through his grab for more land and wealth for quick riches, destroyed the great forests where the ivory-bill woodpecker dwelled. As a result, this great bird has all but vanished. In fact for over 20 years naturalists believed the ivory-bill woodpecker to be extinct. However, in recent years this bird has been sighted in the deep forest areas of the Big Thicket.

Now, however, the last remaining home of the ivory-bill woodpecker is under attack by the special interests that would destroy this unique and beautiful wilderness. With each day that goes by, another 50 acres of the Big Thicket is destroyed. Unless action is taken immediately, this area will be lost forever. This is why I have introduced S. 4 which would create a Big Thicket National Park of at least 100,000 acres. This bill has received enthusiastic support from conservationists, civic groups, and concerned Americans throughout the country.

I am pleased that Science World has brought to the attention of our schoolchildren the Big Thicket and the ivory-bill woodpecker. If we do not act soon, the Big Thicket and the ivory-bill woodpecker will only be a memory. Let us not deprive our children and their children of these marvels of nature. As Adlai E. Stevenson stated:

> We must be faithful and wise stewards of the riches we have inherited. We must imagine greatly, dare greatly and act greatly. For on what we do now the future will depend—the future not only of our people but of the whole world.

Mr. President, I ask unanimous consent that the article, entitled "Science World Takes You to the Big Thicket," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SCIENCE WORLD TAKES YOU TO THE BIG THICKET

The weather was warm and humid and the going was rough, but John Dennis, a naturalist with the U.S. Department of the Interior, was determined to search every part of the Big Thicket before he called it quits. The Big Thicket, near Shepherd, Texas, is one of the last primitive wildernesses remaining in the United States. It is the home of the armadillo, the bobcat, the coral snake, and other rare animals. John Dennis hoped it would also be the home of the ivory-billed woodpecker.

Actually, the chances of finding the ivory-bill were almost zero. "The ivory-bill was ex-

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tinct twenty years ago," one naturalist had said. And many scientists believed it had joined the growing ranks of birds and animals forced off the face of the Earth. Like the great auk and the passenger pigeon, the ivory-billed woodpecker could be seen only in museums.

The ivory-bill was a handsome bird the size of a crow, much larger than most other woodpeckers. Its wingspread was as great as 33 inches, just three inches short of a yard. Most of its plumage, except for the brilliant white markings on its wings, was a glossy, beautiful black. When it flew, it seemed to flash white and black. In addition, the male had a scarlet crest. Its ivory-white, dagger-like bill added to the imposing appearance of the bird.

A hundred years ago the ivory-bill lived in our southern states from North Carolina to eastern Texas, and as far north as lower Illinois. It made its home in the deep, moss-covered forests and along the most remote rivers. The ivory-bill lived in solitude, hunting for food over many miles of forest and building its nest holes high up in cypress trees.

Although it ate berries and other wild fruits, its principal food was the woodboring insects found under the bark of old and dying trees. When feeding, it did not bore holes into the wood as do other woodpeckers. Instead, it used its powerful bill like an ax, and it knocked off great slabs of bark as it searched for food. Its eating habits were beneficial to man, for the ivory-bill did not damage healthy trees, but only those infested with insects and harmful larvae.

Alexander Wilson, an early American naturalist, was much impressed by the strength of the ivory-bill. He once brought a wounded ivory-bill into his hotel room. He left the room for less than an hour. When he returned he found a large pile of plaster on the floor and a hole in the wall up near the ceiling. In a few more minutes the ivory-bill would have hammered his way completely through the wall.

Indians hunted the ivory-bill for its plumage and its bill, which they used for decorations and pipes. Except for man, the ivory-bill had few enemies, and yet the bird began to disappear.

Thirty years ago naturalists were sounding the alarm that the ivory-bill was doomed. The last ivory-bill to be sighted in Florida, for example, was on March 20, 1938. A few more were sighted here and there in the South until the last authentic sighting in 1946. After that the ivory-bill was seen no more. It was surely extinct.

What would account for its disappearance?

WOODPECKER'S LAST HIDE-OUT

As our country grew and the population increased, the demand for lumber became intense. Enormous amount of wood were needed, and loggers moved through one forest after another. One by one, the ancient forests were cut down.

Without the deep, quiet woodlands, the ivory-bill could not survive. Other woodpeckers could move into the farms and suburbs, but not the ivory-bill. It disappeared with the forests.

But not quite.

For the past several years reports were heard that the ivory-bill had been seen again. Some of these reports came from Florida, some from Louisiana, and some from Texas. The Department of the Interior, which is interested in protecting all endangered species of wildlife, sent out naturalists to check all the reports. They all proved to be false except one: John Dennis, struggling through the Big Thicket, was overjoyed to catch a glimpse of several pairs of ivory-bills.

The Big Thicket is enormous, perhaps as large as a million acres or more. It has few roads and settlements, and it is much as it was when Texas was first settled. Indians avoided Big Thicket even then, for they feared its murky swamps and forests. Early settlers on their way west from Louisiana also avoided it, for they found the Big Thicket too difficult to penetrate. They went around it instead. During the Civil War, deserters and bandits hid out for years in its uncharted depths. And now the Big Thicket is the last hide-out for the ivory-bill.

But the ivory-bill is not yet out of danger. Lumbering has already started in the Big Thicket, and hundreds of acres are cut down each week. The U.S. Department of the Interior is recommending that lumber companies leave pockets of cypress and other trees in wet areas when they cut into the forests. It also asks that roost trees and nest trees not be cut down. Efforts are also being made by Senator Ralph Yarborough, of Texas, to preserve at least 75,000 acres as a national park.

The ivory-bill has had a narrow escape from extinction. If proper conservation steps are taken, it will probably survive, and the flashing black-and-white flight of the ivory-bill will again be seen in our forests.

PILLAGE OF THE SEAS

Mr. HANSEN. Mr. President, the people of the Nation, especially the distinguished Members of this body, are concerned and well aware of the crucial importance of conserving our natural resources.

The natural resources of this great North American continent—above and below the surface of the land, in our rivers, lakes, and streams, and in the oceans—must be preserved and must be wisely used if the wealth of the Nation is to be maintained for posterity.

Much progress has been made in this area, by the administration and by Congress, and we will strive for continued gains in this work.

However, it has been brought to my attention that certain areas of this field of endeavor have so far been beyond the control of our Government and the dedicated conservationists among the American people. It appears that certain nations have attacked the North American fishing grounds with a vengeance. These nations have sent their fishing fleets to the richest fishing grounds of the continent and, judging from their performances, with instructions to wipe out the fishing industry of North America.

Mr. President, I ask unanimous consent to have printed in the Record an article published in the Washington Star of December 10, 1969, reported from Toronto. The article charges the fishing fleets of Russia, East Germany, and Poland with conducting a "systematic pillage of the seas."

North American fishermen have for years diligently applied the rules of conservation to these fishing grounds, carefully fishing them so that sufficient breeding stock is left to continue annual production.

Mr. President, this is a description from the article of how the Russian fleets abuse the North American fishing grounds:

> The Russian trawlers zero in on a shoal of fish and by the time they have finished they have virtually wiped out the entire shoal; there's nothing left.

Mr. President, our friends in Canada are concerned about the crisis in the North American fishing industry, and I am sure that Senators, especially those representing the Coastal States which depend on the fishing industry of the United States, are concerned.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington (D.C.) Evening Star, Dec. 10, 1969]

"PILLAGE OF THE SEAS": FOREIGN TRAWLERS DRAW CANADA'S IRE

(By Michael Cope)

Toronto.—The once-rich fishing grounds of the northwest Atlantic Ocean are being systematically destroyed by huge foreign fishing fleets, particularly from Russia, East Germany and Poland, the Canadians say.

And Canada is demanding fast action to halt what it calls "this systematic pillage of the seas."

The situation has reached crisis proportions, says the Canadian Fisheries Department in Ottawa. And, the Canadians say, the Communist fishing fleets are using similar tactics off the Pacific Coast.

Fisheries Minister Jack Davis said he flew over a huge Russian fishing fleet off Vancouver Island "dragging nets backward and forward over a few square miles off our coast. It cleaned off one of our most productive fishing grounds . . . not just for months, but for many years."

KEY SPECIES HURT

The pillaging is even worse in the Atlantic, according to Davis: "Important species (particularly herring, cod and haddock) have been knocked back to the point where they are of little commercial interest to Canadian fishermen.

"The haddock catch on the East Coast has been reduced in 10 years to 25 million pounds from 100 million pounds. This is exploitation with vengeance and it has to stop."

The Fisheries Department released figures showing the buildup of foreign fishing vessels working the western Atlantic:

In 1959, there were 211 Canadian boats and 744 foreign trawlers, including 111 Russian boats. By 1968, there were 558 Canadian trawlers and 1,815 foreign fishing vessels, including 553 Russian ones.

Although the Russians have nearly as many boats as the Canadians (their total tonnage is more than double as they are all large, ocean-going trawlers) off the East Coast, the Soviet catch last year was 459,564 tons against Canada's 1,160,555 tons.

"CATCH CUT IN HALF"

"The Russian trawlers zero in on a shoal of fish and by the time they have finished they have virtually wiped out the entire shoal; there's nothing left," the Canadians say.

Davis added: "This has reached crisis proportions for some Canadian fishermen, particularly those from Newfoundland. Major grounds off the Atlantic Coast were found to be critically overfished and in 1968 many Newfoundland fishermen found their usual catch cut in half."

Although the huge Russian fleet was only about 40 percent as efficient as Canadian and American trawlers, the minister said, "Our individual enterprisers, our rugged inshore fishermen, our God-fearing little fishermen . . . are no match for these gigantic adversaries."

Canadian and American patrol planes keep a close eye on the Communist fishing boats and have reported that the fleets fish a particular area intensely and then sail to new fishing grounds.

North American fishing fleets which used to fish the once-rich Grand Banks off the Newfoundland coast the year round repeatedly have found few fish as of late.

QUOTAS URGED

Now Canada is taking its case to the 10-nation International Convention for the Northwest Atlantic Fisheries, to which she is a signatory.

It wants the convention to establish a quota system and to declare off-shore fishing limits.

The quota would voluntarily limit the tonnage of each kind of fish nations could net yearly. The allowable catch would be based on the number of fishing vessels each country has in the northwest Atlantic.

The Canadian case for declaring off-shore fishing limits is based on the underwater extension of the Continental Shelf which reaches out under the Atlantic Ocean for as much as 500 miles in places.

Ottawa argues it has been established in international practice that off-shore mineral rights belong to the country whose shoreline the underwater shelf extends from.

"The Russians would have absolutely no right to come and start drilling for oil off our coast and we believe the same rule of thumb should apply to fishing," they say.

OREGONIANS ENDORSE THE FOUNDATIONS' ROLE

Mr. HATFIELD. Mr. President, I, like all other Senators, would want to change certain parts of the tax reform act to suit our personal beliefs and ideas of where reform should be and how relief should be granted. I think the conferees, however, working under difficult circumstances, have reached a compromise that is acceptable to most of us here today.

I address these remarks to the segment of the bill dealing with foundations. As Senators are aware, I was an educator before entering public service, and I currently serve as a trustee of two Oregon private colleges. I have been more involved with this aspect of the bill than any other section, for I realize the vital role played in education by foundations.

I believe that the House tax treatment of foundations was too severe and would have crippled this vital arm of philanthropy. The foundation spokesmen presented meritorious testimony to the Committee on Finance to alter the harsh version. I contacted Finance Committee members to express my dismay about these sections of the bill, and I am sure that many other Senators did so also.

Because I thought that improvements could be made in the Finance Committee version, I cosponsored or vigorously supported all the various floor amendments which I felt improved the tax treatment of foundations.

Mr. President, I have heard from many Oregonians about this section of the Tax Reform Act. They include almost all the college and university presidents in the State. They include many trustees of Oregon colleges. They include many Oregon civic and business leaders, who give much of their time to serve as trustees of the various organizations receiving aid from foundations.

In addition, I heard from many recipients of foundation grants. This included individuals, such as medical research assistants, and the many institutional recipients.

Mr. President, these letters contain thoughtful, persuasive comments. During the floor debate. I mentioned a few of them. I want to thank the many Oregonians who wrote to me on this matter.

I think the conference report put some severe restraints on foundations. The tax on income will generate more revenue than the Senate audit fee, which I believe is more equitable. I supported a lower payout requirement, for I know of some fine Oregon foundations which will be hurt by this 6-percent requirement.

In conclusion, I believe that we should look at the beneficiary and the recipient when we discuss foundations. We are apt to concentrate our attention on the few foundation abuses, instead of the many achievements by the vast majority of reputable foundations.

The good accomplished by foundations, Mr. President, must be undertaken by someone. If we move to put strict limits on foundations and cripple their efforts, we only push this responsibility into the public sector. We should avoid this result, making the Government act instead of the private sector, as we view the future of foundations in American life.

STUDENT AID FOR MEDICAL STUDENTS; TIME TO INCREASE, NOT CUT AID

Mr. YARBOROUGH. Mr. President, in one of its more shortsighted budget actions, the Nixon administration has foolishly cut from the Johnson budget $5 million for health professions student loans. In explaining this amendment to the Johnson budget, the Department of Health, Education, and Welfare said:

> This decrease will result in maintaining health professions student loans at the 1969 budget authority level. Any slack in the program is expected to be more than offset by increases in numbers of health professions students receiving Office of Education Guaranteed Student Loans.

This was another way of saying that the responsibility for aiding and stimulating more young people to enter the medical professions will be passed on to commercial banks and other lending institutions. We have already seen the guaranteed student loan program run into trouble as a result of competitive interest rates. It is totally unreasonable to assume that the guaranteed loan program will accommodate all the young people who would go to medical schools if they can obtain financial assistance.

Worse, termination of the revolving fund will deplete the health professions student loan fund by some $10 million, leaving only $16 million available, compared to $26 million available last year.

There is no element of education that is in shorter supply than medical education. There is no profession in short supply whose services are so desperately needed as are doctors, nurses, dentists, and the technicians in the allied professions.

We should be thinking in terms of doubling the numbers of students in these fields. If the job could be accomplished by private commercial lenders, the shortage with which we are so concerned would not have developed in the first place.

The medical schools have requested $22 million for their student loan funds under this program. Appropriation of the full $35 million authorized would be the most effective way of supporting the entry of more young people into medicine. I am hopeful that the conference report on HEW appropriations will increase the available funds for medical students.

I ask unanimous consent to have printed at this point in the CONGRESSIONAL RECORD correspondence I have received on this matter from Dean Pannill of the University of Texas Medical School at San Antonio, from the student classes of the University of Connecticut Schools of Medicine and Dental Medicine, and from the Student American Medical Association.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

THE UNIVERSITY OF TEXAS MEDICAL
SCHOOL AT SAN ANTONIO,
San Antonio Tex., October 15, 1969.

Hon. RALPH YARBOROUGH,
U.S. Senator,
Old Senate Office Building,
Washington, D.C.

DEAR SENATOR YARBOROUGH: I should like to join other medical educators and physicians in expressing to you a very deep concern over any reduction in the federal loan program for medical students. Medical education and the educative period preceding it is lengthy and expensive. Our school, The University of Texas Medical School at San Antonio, is no exception. Our medical students too are caught up in the inflation of the local and national economy: their cost of living rises steadily and many live on fixed incomes. Like Social Security pensioners the needy students suffer most.

In addition, students often accumulate heavy indebtedness even before they start four years of medical school, a year of internship, perhaps two to six years of residency, and a minimum of two years in military service. Even students fortunate enough to procure loans from private and state sources or the federal Office of Education Guaranteed Student Loans over a long period of time incur exorbitant interests which subsequently must be reimbursed.

Hitherto, medical students often work three months during orthodox vacation periods appreciably helping thereby to meet expenses for several months. More and more, however, vacation periods in medical education are continuing education periods or elective courses that serve to increase and broaden a student's health care experiences.

Thus an increasing number of medical students need financial aid. We here have not been in business very long, and several years of financial aid information contribute relatively little pertinent data in this regard. Nevertheless, the accompanying information indicates not only that the number of our students applying for aid is increasing, but the average amount of aid received per student is decreasing.

Obviously we comprehend some of the reasons for many "cuts," as well as proposed reductions in federal appropriations, and we realize too that ways to dampen the inflationary process are often painful. But some cuts hurt most those least able to bear it. In this connection the plight of the medical student is especially pertinent.

Like other schools, our faculty works and plans very hard to be responsive to the health needs of society. But we make no special claims; we simply know we have a very long way to go. There are not enough physicians now, and there may be even in the foreseeable future not enough doctors to care for all the health needs of our citizens. At the same time, we do not want to educate and prepare just one kind of physician; we need to educate and graduate a wide variety of first-rank physicians better prepared than ever before to help relieve the distress and disease of all human beings. Thus we need very badly to continue to increase our medical school enrollment. We need very badly, too, to capture the positive and constructive idealism and activism of many of today's medical students and particularly, I should emphasize, the medical students who plan to administer their professional service in areas of greatest need. But these are the very students—if their educational and living costs can't be met—who are least able to remain in school. Indeed owing to the extremely high costs borne by individual students, it is unlikely that the number of matriculated students can be substantially increased.

Both health care and health manpower are high level goals deserving special priorities. Indeed it is an expensive field that requires spending at a terribly high level. Nevertheless funds invested heavily in human beings are viable investments: loans and scholarships that serve to educate human being bring health and longevity to others; furthermore, loans invested in human beings are returnable in countless reusable ways. Such yields are rich dividends, rich achievements.

Therefore, I should hope the Health Professions Loans and Scholarship program would be neither decreased nor stabilized; rather it should be increased to assist properly those medical students unable to finance their own education through local, state and private resources. I thank you for your assistance and cooperation and will provide any additional information you may require.

Sincerely yours,

F. C. PANNILL, MD.,
Dean.

THE UNIVERSITY OF TEXAS MEDICAL SCHOOL AT SAN ANTONIO, SUMMARY OF LOAN ACTIVITY 1966-69

Year	Students enrolled	Students applied for aid	Number receiving H-P loan	Number receiving H-P schol.	Total H-P available	Average H-P loan
1966-67	15	0	0	0	0	0
1967-68	21	12	10	4	$12,233.00	$940.00
1968-69	105	56	46	19	54,033.01	1,174.50
1969-70	217	112	57	38	63,687.00	1,080.76

STUDENT AMERICAN MEDICAL ASSOCIATION,
Flossmoor, Ill., September 5, 1969.
RALPH W. YARBOROUGH,
U.S. Senate, Senate Office Building,
Washington, D.C.

DEAR SENATOR YARBOROUGH: As you know the House has recently approved H.R. 13111, the fiscal year 1970 Appropriation Bill for the Departments of Labor and Health, Education, and Welfare. One of the Administration's proposals included in this bill is a cutback in the effective funding of the Health Professions Student Loan Program by approximately 10 million dollars or 40 percent for the coming year. Owing to a decrease from 11.4 to 1.1 million dollars in the revolving loan fund operated under this program, the total funds available have dropped from approximately 26 million dollars to 16 million dollars. House action has merely produced a shift of 4 million dollars from the Health Professions Student Scholarship Program to the loan program, thus resulting in no net increase over the Administration's proposal for these two programs.

The Student American Medical Association believes the appropriations proposed by the Administration are inadequate to meet the demonstrated needs of health professions students for financial assistance to complete the several years of extensive and expensive education which they face. This is particularly so in view of increasing enrollments, including large numbers of disadvantaged and minority group students who have been actively recruited by schools and health professions students. The Student American Medical Association further believes that transfer of much needed scholarship funds (used by especially deserving students in extreme financial plights) into the loan category is most unhelpful especially when it is presented in the guise as a means of increasing the total available funds for health professions students' financial assistance.

The Student American Medical Association is actively working for a full appropriation of the 35 million dollars authorized for the current fiscal year for this program and we are supported by the American Medical Association, the Association of American Medical Colleges, and the 65,000 medical students, interns, and residents who are members of our organization. We are keeping our membership closely advised of the progress of this legislation. In addition to our other efforts, we have stated our views before the House Appropriations Committee and I am taking this opportunity to enclose a copy of our testimony for your information. We have also respectfully requested the opportunity to testify before the Senate Appropriations Subcommittee on Labor and HEW.

As a member of the Labor and Public Welfare Committee whose record in developing and supporting recent progressive health legislation, including the Health Professions Student Loan Program, has been very impressive, we would hope you share our concern in this matter and would work actively to insure full funding for this program through your influence with members of the Appropriations Committee and your other colleagues in the Senate.

In order to assess the support which we may expect to receive, we would appreciate hearing from you concerning your specific views on this issue. Until then, I am, with best regards,

Very sincerely yours,

PETER L. ANDRUS,
Vice President—SAMA—Region 3,
Executive Council Subcommittee on Legislation.

STATEMENT OF THE STUDENT AMERICAN MEDICAL ASSOCIATION BEFORE HOUSE APPROPRIATIONS SUBCOMMITTEE ON LABOR, HEALTH, EDUCATION, AND WELFARE

(By Edward D. Martin)

(Re: 1970 Appropriations for Health Professions Education Act (Authorized in section 742 of the Public Health Service Act).)

Mr. Chairman, and members of the Committee. I am Edward D. Martin, of Kansas City, Kansas, a senior medical student at the University of Kansas. I am appearing here today as President of the Student American Medical Association. S.A.M.A. is an autonomous organization with more than 24,000 active medical student members in 93 American medical schools, and over 35,000 affiliate intern and resident members.

The purpose of my testimony is to strongly urge on behalf of our membership that this subcommittee increase the 1970 appropriation for the Health Professions Education Loan from the proposed $15,000,000 to the full amount of $35,000,000 authorized in section 742 of the Public Health Service Act.

There are eight facts which, in themselves, speak for the necessity of an increased appropriation in this critically important loan program.

(1) There is a clearly documented health manpower shortage in our country which is becoming more acute year by year.

(2) Medical education and living expenses across the country have risen sharply in the past few years.

(3) An appropriation of $15,000,000 this year will result in an effective decrease of $10,316,000 as compared to last year. Thus, the number of medical students assisted (at an average loan of $1,146) would drop from 12,375 to 7,545 leaving 4,830 students without necessary funds.

(4) The projected increase of 900 entering freshmen next year over last year will compound this problem considerably.

(5) Each year, significantly larger numbers of students come from middle and lower income families and from minority groups and have less available family support.

(6) The availability of long-term loans from private sources is decreasing and they are unevenly available both by state and by individual students.

(7) The Guaranteed Loan Program of the Office of Education will not be able to substitute for the increased need for financial support.

(8) There are a significant number of medical students for which this program is the primary means of support and a significant number would be forced to leave school if funds were not available.

The shortage of physicians in the United States is clearly documented. In order to maintain the 1959 ratio of physicians to population—"a minimum essential to protect the health of the people of the United States"—we will require 40,000 more physicians by 1975 than the present output of U.S. medical schools and continued immigration of foreign physicians can provide.[1] The Board of Trustees of the American Medical Association in 1967 stated that the nation's shortage of physicians was reaching "alarming proportions".[2] The shortage of physicians in our inner cities and in rural America is acute and is rapidly worsening. The President's Commission on Health Manpower, the A.M.A., the A.A.M.C., and numerous other organizations concerned with health care have all stated that there is an acute need for more physicians and health professionals. Without increased and sustained support for the federal government for student, faculty and schools alike, this need will not be met.

School expenses which averaged $1,271 in 1964[3] have increased substantially. The median annual tuition for 45 private schools is $1930 with some tuitions as high as $2,595 per year. The median tuition for public schools is $618 for in-state students and $1220 for non-residents.[4] Books and supplies average $200–250 per year and the mandatory microscopes cost incoming freshmen another $700–750. Living expenses have increased proportionately and where the average non-school costs were $2,000 in 1959, $2,846 in 1964,[5] they were closer to $3500 in 1968. These increases have placed an increasing burden on the already strained financial sources that help sustain the medical student through the 4–5 years past an already costly college education. A family's contribution to these expenses (which represented 32% of the medical students income in 1964) is heavy even in families with incomes up to $15,000, critical when other children are in the home or in school, and overwhelming to the increasing number of families with incomes less than $10,000 whose children are in medical school.

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[1] Health Manpower Perspective 1967, U.S. Department of Health, Education, and Welfare, Public Health Service, 1967.

[2] Janson, Donald. AMA Panel Asks Drive to End Doctor Shortage. New York Times. June 20, 1967, p. 1.

[3] Marion E. Altenderfer and Margaret D. West, How Medical Students Finance their Education. U.S. Department of Health, Education and Welfare, Washington, June, 1965.

[4] Medical School Admission Requirements, 1968–69, ed. Association of American Medical Colleges, Evanston, Illinois.

[5] Altenderfer, op cit.

The Federal Capital Contribution of $15,000,000 last fiscal year was supplemented with $11,429,000 from the revolving loan fund which was not extended for this year and will augment the proposed 1969–70 appropriation by only $1,113,000. Thus, while $26,429,000 was available last year, an appropriation of $15,000,000 this year will result in a real cut of $10,316,000. (See Appendix A). The result of the $15,000,000 appropriation this year will decrease the percentage of medical students aided from 35% to 20%, and decrease the amount funded of that requested by medical schools from 74% to 39%. The medical school share of the cut will reduce funds for medical students by $5,558,000 and if the average loan remains at $1,150, 4830 medical students who received loans last year will have no funds available this September. (See Appendix B).

The substantially increased demand on existing school, state and federal funds is reflected by the projected increase of entering freshmen next fall. The AAMC has estimated that there will be an increase of over 900 new freshmen next year which is almost an increase of 10% over last year's entering freshman class of 9,727.

A most important factor in the consideration of funds available for students is that there has been a successful and widespread effort by medical schools to increase the number of medical students from minority groups and lower socio-economic families. Coupled with this is the clear trend which has been established in many schools toward an increasing percentage of students who are not from affluent professional families. These students cannot obtain the considerable family financial backing that children of affluent families can. In the past this has served as a major obstacle to many students and it is only through programs such as the Health Professions Education Act Loan Program that less privileged students can be guaranteed equal opportunities to become practicing physicians. The $15,000–$25,000 total expense of 4 years of medical school is a considerable barrier to overcome when you are from a family with limited income, and are unable to work part-time because of increasing clinical and basic science responsibilities.

There are some who argue that the Guaranteed Loan Program of the Office of Education would substitute for the decrease in the Health Professions Education Loan Program. From all data available it is clear that this will not be the case. A 1968 U.S. Office of Education Survey[6] concluded that these loans were not available to all students on an equal basis due to lack of lender participation, or a lack of available funds in a majority of states. Also students unknown at a bank, out-of-state students, students from rural areas, and students from low-income families were found to have difficulty obtaining loans. The experience of students in a large number of states indicates that these loans are quite difficult to obtain. With the current prime rate of 7½% and the rate of interest on the loan being 7%, it is even more unlikely that this source will serve as a replacement source or even provide the funds provided in 1968–9. The uneven characteristics of the program are further demonstrated by the fact that, for both 1967 and 1968, 60% of the total amount loaned and 55% of the total number of loans originated in only seven (7) states. This report's general conclusion was that the Guaranteed Loan Program had not fulfilled the need in the past and it is our feeling that there is no indication it will in the future.

The availability of long-term loans from the private sector is decreasing due to increasing prime interest rates and the inability of students to have enough collateral to meet the requirements of local banks. In fact, the largest single source of private guaranteed loans, the American Medical Association Education and Research Foundation, is having increasing difficulty continuing their program and are seriously considering ceasing their efforts in this area—possibly leaving another 1200 students a year without funds.

We have, in the past month, received over 1700 letters from students across the country supporting an increase in the funds available over last year. Over two hundred of these students have indicated that they have exhausted their sources of possible income and without the support of this program will be in jeopardy of having to leave school. For example, I have included selected comments from these students in Appendix C.

The House of Delegates of the Student American Medical Association with representatives from 86 schools unanimously support increased federal loan programs for all health science students for the reasons above and a recent survey of medical students at schools as diverse as Bowman Gray, Cincinnati, SUNY-Downstate, The University of California at San Francisco, North Dakota, Kansas and Georgetown has shown that over 90% of the students support an increase in the appropriations for this program. We have also received over 400 letters from faculty members who strongly support such an increase. The Illinois State Medical Society has recently passed a resolution supporting an increase in the appropriation to medical students through this program, and the Massachusetts Medical Society in a recent letter to a national officer supported at least a continuation of the program at the $26,000,000 level. I quote from this letter: "With the present manpower problems in the country it would be short-sighted policy to reduce any program that will give us more doctors" (John W. Norcross, M.D., President, The Massachusetts Medical Society). Of the 2100 letters from students and faculty we have received on this issue, only one has supported the cut.

Mr. Chairman, we strongly urge an increase in this appropriation to the authorized level of $35,000,000. Without increased resources for long-term loans, medical students all over America, many without adequate support and facing increased living and educational expenses, will be facing a severe financial crisis next September. There are no alternative sources for many of these students and a significant number will be forced to compromise their education or leave school altogether. In a nation facing a growing health care and manpower crisis, and in those states where 1 physician must often serve up to 8 or 10,000 people, these future physicians, each and every one, is a national resource that cannot be considered anything but as a high priority concern of Congress. This is the generation of physicians who with a renewed concern and committment face the health care problems of tomorrow and they sincerely request your aid in helping them through the hard school years until they become physicians and can begin to provide medical care for the American people.

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[6] A Study of Federal Loan Programs, coordinated by the College Entrance Examination Board and supported by the U.S. Office of Education, John I. Kirkpatrick, Study Director, 1968.

HEALTH PROFESSIONS STUDENT LOAN PROGRAM

PROGRAM SUMMARY

[Funds available from Federal capital contributions and revolving fund]

Type of school	Number of participating schools			Total enrollment of participating schools			Number of students assisted			Percentage of students assisted		
	1968	1969	[1] 1970	1968	[1] 1969	[1] 1970	1968	[1] 1969	[2] 1970	1968	[1] 1969	[2] 1970
Medical	93	98	100	33,595	35,117	36,017	12,484	12,375	7,544	37	35	21
Dental	47	50	52	14,075	14,833	15,392	5,944	5,892	3,593	42	40	24
Osteopathy	5	5	5	1,819	1,876	1,915	977	969	590	54	52	31
Optometry	10	10	10	2,031	2,243	2,355	745	739	450	37	33	19
Pharmacy	48	51	73	10,025	10,907	18,309	2,097	2,079	1,268	21	19	7
Podiatry	2	3	5	425	643	1,070	211	209	127	50	33	12
Veterinary medicine	12	14	18	2,561	3,774	4,942	797	790	482	31	21	10
Total	217	231	263	64,531	69,393	80,000	23,255	23,053	14,054	36	33	18

FISCAL SUMMARY

Type of school	Fiscal year 1968 amounts allocated	Fiscal year 1969 amounts allocated	Fiscal year [2] 1970 amounts allocated
Medical	$14,736,357	$14,240,726	$8,681,922
Dental	6,822,117	6,777,734	4,133,098
Osteopathy	1,044,946	892,880	544,634
Optometry	856,113	883,332	538,189
Pharmacy	1,810,357	2,019,517	1 231,067

Footnotes at end of table.

FISCAL SUMMARY—Continued

Type of school	Fiscal year 1968 amounts allocated	Fiscal year 1969 amounts allocated	Fiscal year[2] 1970 amounts allocated
Podiatry	$234,800	$306,034	$189,916
Veterinary medicine	1,154,786	1,308,777	797,616
Total	26,659,476	26,429,000	16,113,000
Federal capital contribution	(15,000,000)	(15,000,000)	(15,000,000)
Revolving fund	(11,659,476)	(11,429,000)	(1,113,000)
Average loan	1,146	1,146	1,146

[1] Estimated. [2] Estimated on basis of Nixon's budget recommendation (15,000,000+1,113,000).

APPENDIX B

[Dollar amounts in thousands]

Fiscal year	Federal capital contribution	Revolving fund	Total	Medical student share	Funds requested by schools	Percent	Borrowers		
							Number	Total (percent)	Average loan
1968	$15,000	$11,659	$26,659	$14,736	$16,884	87	12,404	37	1,180
1969	15,000	11,429	26,429	14,240	19,030	74	12,375	35	1,150
NIXON BUDGET									
1970	$15,000	$1,113	$16,113	$8,682	$22,023	39	7,545	20	1,150

Note: Based on figures available from the Department of Health, Education, and Welfare and the American Association of Medical Colleges.

THE UNIVERSITY OF CONNECTICUT
HEALTH CENTER,
Hartford, Conn., September 30, 1969.
Senator RALPH YARBOROUGH,
U.S. Senate,
Senate Office Building,
Washington, D.C.

DEAR SIR: We, the students of the University of Connecticut Schools of Medicine and Dental Medicine, earnestly desire to express our concern about the Health Professions Educational Assistance Act. The bill passed by the House of Representatives makes available approximately $19 million for student loans. $26.4 million was received the previous year. Therefore, the cutback in available funds is almost 30%. At the same time, first year admissions rose 10% nationally. While doubling its enrollment, the University of Connecticut would receive about the same amount as last year, i.e., a cut of 50% per student.

Our reasons for requesting more funds are many and varied. New medical and dental schools open each year and established schools are expanding. Students from low income and minority groups have been encouraged to enter the health field. Each student has had to pay for a college education before admission. Graduate study grants which cover tuition and living expenses are available in every other field except medicine. A lack of funds causes a student to incur sizeable debts or depend well into the adult years on the largess of parents. The problems are compounded for a young family. Many students will be forced to seek part-time employment and thereby compromise their education.

We have two main concerns for the future. First, the majority of students come from modest economic backgrounds—the government must not force medical and dental schools to give preference to the wealthy student in order to assure that his costs can be met. Secondly, the health needs of citizens should not be jeopardized by increasing the shortage of doctors and dentists. The situation is critical. We need your help.

Thank you for your time and attention.

Sincerely,

JOHN BARTKOVICH,
(*The Classes of 1972 and 1973 University of Connecticut Schools of Medicine and Dental Medicine.*)

PRESIDENT WILL ACT CORRECTLY IF HE SIGNS COAL MINE HEALTH AND SAFETY MEASURE

Mr. RANDOLPH. Mr. President, the Senate and House have given congressional approval to the coal mine health and safety measure.

Both bodies gave strong endorsement to the bill when it was originally before Senators and Representatives. Then the conferees counseled for weeks and weeks, and labored cooperatively to adjust differences and return to their colleagues a constructive conference report. This was done, and the House approved the compromise legislation by a vote of 333 to 12, and the Senate gave its unanimous support.

Funds in the amount of $22 million have been approved on an amendment I offered to advance the purpose of the act. The cut in money for health and safety and research and disability programs was only $3 million less than my original request for funding.

The American people are eager for the work to begin.

I ask unanimous consent to have printed in the RECORD an editorial published in the Washington Evening Star of today, December 20, 1969, which underscores this sense of national responsibility.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

REVERSAL ON MINE SAFETY

President Nixon, in a bewilderingly abrupt reversal, has turned against the Federal Coal Mine Health and Safety Act of 1969. He reportedly has threatened to veto the bill that had—almost up to the moment of passage—enjoyed the backing of the administration.

The maneuver is politically and morally inexplicable.

The safety measure, with the blessings of the administration, sailed through the House in October with only four votes in opposition. The Senate approved it by a vote of 73–27. By November 20, the conference committee had worked out the minor differences and the way was cleared for passage.

It is true that the bill, in final form, went further than the administration asked. But there was no hint that the measure would be disowned.

Then, on Wednesday, word was passed that the bill was unacceptable to the White House.

The belated rub, it seems, centered on the provision that would add a federally guaranteed payment of at least $136 a month to victims of black lung disease. The objection was two-fold: workmen"s compensation programs are the prerogative of the states and should not be intruded on; the payments might add as much as $385 million a year to the federal budget, and would contribute unacceptable inflationary pressures.

We're all for states' rights—up to a point. And inflationary pressures should be avoided—whenever it is possible.

But the demonstrable fact is that the coal mining states have not met their obligations regarding the health and safety of the men in the mines, nor have they shown any abundance of zeal in compensating the disabled and the destitute when disaster strikes. The result is a vacuum of compassion that only the Federal Government can fill.

If the program of federally guaranteed compensation would indeed add nearly $400 million a year to the federal budget, that is persuasive testimony to the history of neglect up to the present, and to the urgency of immediate remedial action. And how, in the name of sound economy, an administration can approve a billion-dollar speculation in supersonic transportation while denying a third of a billion to black lung disease, is an exercise in moral rationalization that is—to put it mildly—hard to follow.

The health and safety standards established by the bill are necessitated by the dismal history of sudden death and lingering disease in America's mines. The compensation provisions are demanded by the long tradition of neglect of the victims. Both the House and Senate have disregarded the administration's switch and have passed the final version of the bill. It is now up to the White House. The President should reverse himself one more time and sign the measure into law. Should he fail to do so, Congress should override the veto.

Mr. RANDOLPH. Mr. President, I believe that the Nation's Chief Executive will give his signature to the legislation.

President Nixon will well serve the health and safety of miners and all other Americans with his signature.

Mr. WILLIAMS of New Jersey. Mr. President, the Nation can be gratified indeed for the wisdom and compassion so abundantly evident in the Washington Evening Star editorial of December 20, 1969, entitled "Reversal on Mine Safety."

As chairman of the Senate Subcommittee on Labor and Public Welfare which handled the coal mine health and safety legislation for the many months leading up to the passage of the conference report, I can appreciate fully the brillance that reduces into this one editorial the moral demand for justice at last for one of the hardest working, least complaining and most overlooked groups in America, the coal miner and his family. I am proud to join my colleague, the senior Senator from West Virginia (Mr. Randolph) with whom I have shared the months of legislative effort needed to perfect and pass this bill, in commenting on this editorial that he has placed in the Record today.

DELIBERATE CONSPIRACY IS CHARGED IN UNIVERSITY OF WYOMING DISPUTE

Mr. HANSEN. Mr. President, I ask unanimous consent to have printed in the Record an article that I believe every Member of the Congress, who is concerned about the education of American youth and who has concern for the innocent who become tools of the vicious, should have the opportunity to read.

The article is from the Wyoming State Tribune, a Cheyenne newspaper, and it is an accurate report of a special news feature published in the December issue of the NCAA News. The NCAA News is the official publication of the National Collegiate Athletic Association, an organization that I believe represents universities in every State in the Nation, and which I believe has an excellent credibility with most members of this body.

The article points out that some young Americans on college campuses, in this case young American Negroes, who happen to be good athletes and who perhaps could least afford the expenses of a college education without the aid of athletic grants-in-aid, are threatened and intimidated or deceived by militant organizations into becoming publicity tools for those organizations and into endangering their opportunities for college educations.

The article further points out that a particular incident at the University of Wyoming, the only 4-year college institution in my State, was engineered by the Denver, Colo., leader of the Black Panther Party, a group whose intent, it appears, from all evidence brought to my attention, is to promote separation of Americans, or, as the article puts it, to "polarize the races."

I am sure the Committee on Government Operations, under the guidance of the distinguished senior Senator from Arkansas, is far more aware of this situation than I, but, Mr. President, it is my hope that Senators will find the time to read this brief article.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Wyoming State Tribune, Dec. 16 1969]

Deliberate Conspiracy Charged in UW Dispute

The official publication of the National Collegiate Athletic Association says in its December issue, mailed to subscribers this week, the incident involving the 14 University of Wyoming black football players resulted from a deliberate plan conceived last summer.

The NCAA News said it had reliable information that "plans were laid last summer to create an incident in the Rocky Mountain area."

"A Western Athletic Conference member with a stern-type football coach was to be selected as the target," the publication said in part, in an in-depth study of controversies involving black athletes across the country.

"The candidates colleges were narrowed to two, and the University of Wyoming finally was picked," the article said, adding: "Brigham Young University would be the trigger."

The NCAA News said the "outside leader" in the Wyoming case was the head of the Denver Black Panther Party, Willie Dawkins, whom it identified as a former Harvard University undergraduate who came to Denver from Oakland.

"On campus, the spokesman for the 14 athletes involved, in the final analysis, was Willie Black—neither athlete nor student—in his first year at Wyoming as a graduate teaching assistant in mathematics," the article said.

Black is the chancellor of the Black Student Alliance at the University of Wyoming, officially recognized by the Associated Students of the University of Wyoming last spring.

NCAA News said today the Black Student Alliance is synonymous with the Black Student Union on many campuses such as San Francisco State College. It quoted the San Francisco State BSU chairman, Ben Stewart, that the Black Student Union "is moving toward revolutionary nationalism through the vanguard of the (Black Panther Party)."

"There are undoubtedly a number of persons who have innocently associated themselves with the BSU on various campuses, but the evidence is overwhelming that the BSU and the BPP are destructive forces intending to use almost any device to disrupt and destroy," the publication said.

It asserted that intercollegiate athletics has become a prime target for these organizations "because of the publicity value inherent in sports and the fact that the Negro or black athlete involved in a mild disorder will be a subject of newsprint from coast to coast whereas the acts of a less-publicized BSU party member may only be reported in the campus newspaper."

The NCAA News said the Black Student Union is "proliferating across the country, organizing groups in high schools and colleges."

But it added that interviews indicate that a substantial number of black athletes "do not want to be involved with the hard-core insurrectionists; they do not want to be separated and polarized from their teammates, and they do not wish to be separated and alienated from their coaches."

"In some cases," the publication reported, "it's a matter of 'blood oaths' and threats such as 'we'll get you if you don't or 'you'd better not come home if you make the trip' which force racial loyalty."

The NCAA News said it was evident the basic aims of the militants was to "polarize the races" but warned: "It is equally evident that there cannot be athletic esprit de corps or teamwork on that basis. Several NCAA members have stressed that the black athlete will earn his own self-respect and leadership status in the United States—not only with fellow Negroes but with the American citizenry at large—by his preparation and accomplishments as a student with the assistance of his athletic success."

The NCAA News also claimed that the Black Student Union and the Black Panther Party have identical addresses for their respective national offices, in Berkeley, Calif., and added that police intelligence officers in both Oakland and Washington, D.C., have provided the McClellan Senate investigating committee "with a vast number of documents which establish the structure and violent motives of these groups."

FOREIGN POLICY

Mr. DOLE. Mr. President, never in the history of our Republic has one administration done so much, so quickly, to bring the Nation back from the valley of turmoil and division, and placed it on the high road to peace and unity.

Let me remind Senators that 1968 was a savage year in America.

Young men were burning their draft cards and their draft boards.

Americans were burning their cities and looting their neighbor's property.

The youth of our Nation were doing battle almost on a daily basis with the police and with other established authority.

The affairs of our Nation stood in shambled disarray.

The people had lost confidence in their leaders.

Worse, much worse, the people had begun to lose confidence in their Government.

Not since the Civil War had this Nation stood so divided against itself.

Not since the Revolutionary War had this Nation been so long in battle against a single enemy as it had been against the enemy in Vietnam.

Where, at the beginning of the 1960's, there had been brightness and hope, by 1968 there was darkness and despair.

Where, in 1960, there had been the fervor of a people united, by 1968 there was the fever of a people gone asunder.

There were more people at work than ever before. But it seemed to be a people without ambition.

There were more young people in school than ever before—but they did not seem to be seeking an education.

We were a moving, mobile people, but a Nation that seemed to be wandering aimlessly and without a destination.

All of this, and more.

The year was 1968. And it was not a vintage year for America and Americans.

Then came 1969.

And in January 1969 something startling happened to America.

When President Richard M. Nixon moved into the White House people suddenly became aware that there was a new purpose in our land.

What happened in America that so quickly restored the faith of Americans in their country, that so quickly relit the fires of patiotism?

It was not what President Nixon said. The American people were already so totally inundated by a plethora of words that had the President shouted his voice would have been drowned out in the thunder of dissent.

It was, rather, what the President did.

Acting quietly, calmly, and with confidence in himself and those who surrounded him, the President began moving the country away from endless war and toward peace.

The soft echoes of his inaugural address had barely died away when the President undertook a personal trip to

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Europe to talk with our allies and to reassure them about American intentions and plans.

The success of that trip was notable, in large part, because it was such a sharp contrast to the parade ground maneuvers of the man who immediately preceded him in the White House.

There were few headlines. But there were solid results.

Back home, the President devoted himself with single-minded purpose to find a way out of the impasse in Vietnam.

He chose to find for himself alternatives in Vietnam—not to wed himself to a single policy which, if it failed, would result in further bloodshed and a deeper involvement of Americans in the affairs of that tiny land.

He did not commit himself totally to a military solution, as those who went before him had tried to do. Nor did he commit himself solely to the bargaining sessions at Paris, as tempting as that device might have seemed at the time.

Nor did the President simply decide to cut bait, head for shore, and turn the whole affair over to the South Vietnamese.

Instead, he left himself room in which to operate. His detractors said it was breathing room for him personally. Instead, it was diplomatic maneuvering room.

The course he adopted was one of strengthening the South Vietnamese people to that, when the time came, they could assume the full burden of their own defense.

But he refused to be precipitous in his actions. He was, instead, cautious.

His cautious and careful approach almost at once began to pay dividends.

By this summer the President was able to announce the first lowering of the American profile in Vietnam. For the first time since 1961 when the war began its escalation, the American Government was able to make the welcome announcement that our troops would be coming home—not more troops going overseas.

A few months later he was able to increase the rate of withdrawal so that by December 14 more than 65,000 troops had actually been withdrawn from Vietnam.

And on December 15 he was able to announce that another 50,000 troops would be brought back.

I have every confidence more such announcements will be made in the months immediately ahead.

But I also believe firmly that the President will not make any such announcements unless they can be made without in any way endangering the lives of Americans in Vietnam, or the program for American withdrawal from Southeast Asia.

Meanwhile, Mr. President, the Nixon administration has moved ahead forcefully on other diplomatic fronts.

He has launched talks with the Russians designed to bring an end to the arms race.

But he has not allowed this promise of progress to blind him to the dangers that lie in our path. While willing to negotiate with the Soviet Union he has nonetheless insisted that the United States be prepared to meet any eventuality, including the disaster of nuclear attack.

And so it was that he insisted on the ABM program which the Congress voted this summer.

The President has gone further. He has declared that it is the policy of the United States not to indulge in the dangerous, deadly game of preparing and storing nerve gas and the ingredients of biological warfare.

All of this he has done in the area of foreign relations.

And all of it has helped to restore the faith of the American people in their Government.

Mr. President, when the Nixon administration went to the American people and asked for a renewal of the income tax surcharge that request was accompanied by an assurance that the Government itself would curb its appetite for money. The President made no idle promises. He accompanied his words with action. The budget was cut.

This, too, helped restore the faith of the American people in their Government.

In summary, let me say that this administration has been in office just short of 12 months.

During that time it has withstood the storms of criticism which its detractors have leveled against it and has not moved from its solid course of action designed to bring America back onto the road to peace.

This administration has taken no step that would intensify the divisions that exist within the Nation.

Instead, every action it has taken has been designed to restore unity.

This administration has demonstrated from the very first that it is run by men of good will.

Our problems are not solved.

But once again the American people are seeking solutions together.

RESPONSIBILITY FOR THE PROBLEMS OF INFLATION

Mr. ALLOTT. Mr. President, I was interested to hear Senators from the other side of the aisle discussing with such vigor the problems of inflation.

It was intriguing to hear them place the blame for today's inflation on the President of the United States who now occupies the White House. I suppose I cannot blame them—much as I disagree with them. After all, it is so much simpler to blame the administration now in power on the old theory that the best defense is a good offense.

Or, to be a bit more blunt, when you have made a complete mess of things, attack the guy trying to clean up after you.

Yes, my Democratic colleagues have 8 years of performance which they hope to conceal by attacking the person who inherited the whirlwind they sowed.

Mr. President, you will recall that in 1960 the Democrats rode to power in the presidential election on the slogan: "Let's Get America Moving Again." In an effort to make good on that promise, the administration in 1961 launched itself on a deliberate policy on two fronts.

First, they decided that a little inflation is good for the American people. And so they set out deliberately to foster inflation at the rate of about 2 or 3 percent a year.

Second, they set out on a policy of getting the United States more deeply involved in the affairs of South Vietnam—and the fantastic war which followed.

Both of these policies bore fruit.

And it is with that bitter fruit that we are attempting to deal today.

Let us examine first the fallacies of that policy of inflation.

In the early 1960's it was decided that the only way to get the American economy steamed up was by adopting a policy of inflation. To do this the Democratic administration set about making money easy to come by. They set out to overspend the Federal budget—to create continuing deficits. They got through Congress a tax bill permitting tax incentives and credits for businessmen who wanted to expand their capital equipment. They adopted a tax policy of lowering tax rates for individuals to increase the flow of money into the consumer markets.

Voluntary wage and price guidelines were adopted which they claimed would permit a "controlled" spiral of prices and wages. It was determined that a couple of percentage points a year of inflation were good for America. It was further decided that inflation could be controlled without any real effort at discipline.

Mr. President, let me observe here that having a little inflation is just like being a little bit pregnant. There just "ain't no such thing!"

Once the pot began to bubble it inevitably came to a boil. There was no other course open.

When the spiral of inflation took hold, it was inevitable that it should grow and burgeon into the awful monster that today grips the American economy.

There was no other course it could follow.

This engulfing inflation could have been brought under control with comparatively little hardship several years ago. Except for one thing.

That one thing is the war in Vietnam.

For too many years the Johnson administration treated the war in Vietnam as though it were something separate from the rest of America.

During 1965, and 1966, and 1967, the Johnson administration did not even attempt to give Congress and the American people an estimate of what the war in Vietnam was costing when the budget was submitted. It was not until the fiscal 1969 budget came to Congress that an effort in this direction was made, and then the President said the war would cost us about $25 billion a year. Actually it cost a whole lot closer to $35 billion than $25 billion. But at least by 1968 the administration was willing to admit that there was a war going on and that it was costing money. And that the money had to come from somewhere.

But even so, the Johnson administration—the Democratic administration—refused to go directly to the American people and get the money for Vietnam in the form of higher taxes. Nor was the Johnson administration willing to discipline its own spending excesses in the slightest bit to help pay for the Vietnam war.

Perhaps this was all due to the fact that the previous administration in the White House had sort of inched its way into the Vietnam morass. Under President Kennedy and then President Johnson we got a little further involved with each passing month. First, a little in 1961, when our men in Vietnam stopped being trainers and technicians and began to be field advisers to the South Vietnamese Army. Then in 1962 we got in a little deeper as more Americans were being shot at and killed, and we needed more troops in Vietnam to protect those we already had there. Then in 1963 we found ourselves with 16,000 Americans in Vietnam and 78 dead.

By 1964 we still only had 23,000 troops in Vietnam. At this point let me remind the Senate that it was in the year 1964—which also happened to be an election year—that the President actually submitted a proposed cut in the defense budget. I am not saying that the forthcoming elections of that year actually had anything to do with the President's decision. But the coincidence seems mighty strong.

By 1965 the war was beginning to be an American war in Vietnam. We had nearly 200,000 troops committed. We had started spending money at the rate of nearly $2 billion a month.

But still the war was treated almost as if it existed on another planet in another time. It was not allowed to interfere with the domestic policies of the Johnson administration.

The Democratic Congress continued to spend money for the domestic programs that the Democratic administration kept demanding. With every new appropriations bill that was passed, there came a need to find the money somewhere because still the administration refused to go directly to the American people.

So it was that the Democratic administration of Lyndon B. Johnson began more and more to finance its fantastic spending programs by going to the money market.

The idea was to spend and borrow; to borrow and spend.

No thought was given to the morrow.

No effort was made to impose self-control and self-discipline.

The policy of borrowing for the Great Society forced up interest rates. The law of supply and demand worked in the money market, and when the Federal Government was in that market with both feet, borrowing some $30 billion over the past half decade, the cost of money could do only one thing—go up.

And it has gone up. And up. And up.

Mr. President, Senators have made much over the President's threats to veto the tax bill and some of the more irresponsible spending bills that this Congress has approved.

Let me say this plainly and flatly: Medicine is never very pleasant; and economic medicine is perhaps least pleasant of all because it applies to all of us.

This dreadful disease of inflation was allowed to go unchecked and rampant throughout the decade of the 1960's by the Johnson administration, and by the Kennedy administration before that. Now the medicine has to be applied. It has to be swallowed. And, bitter as that medicine tastes, we must face up to its need.

In another sense, the business of trying to control inflation is somewhat like trying to rear a child. It is possible without too much fuss and feathers to discipline the child when he is young. It gets more and more difficult—if the child is allowed to have his own way at all times and in everything—to discipline him as he grows. Finally, when the undisciplined child reaches the age of manhood, it takes the severest kind of measures to curb his behavior.

Had the Kennedy administration acted with restraint some 8 years ago, the problem could easily have been curbed at that time.

Had the Johnson administration acted to curb inflation just 5 years ago, it would have been a little uncomfortable for the American people, but the job could have been accomplished with a modicum of pain.

But neither President Kennedy nor President Johnson chose to act.

Now, after 8 years of unbridled inflation, President Nixon is facing up squarely to his responsibility to the American people. He is trying to bring inflation under control. And it is painful.

As I said, Mr. President, I do not blame Senators for wanting to place the blame for the present situation on someone else. I just want to set the record straight and place the full responsibility where it belongs—that is, on the shoulders of the Democratic party, which had complete control of all three branches of Government—the White House, Congress, and the courts—from 1961 through to January of this year—all through the decade of the sixties.

Before I close, I should like to recall a Latin proverb:

> Serpens nisi cum nederit serpentent non sic Draco.

Translated it means that a serpent, until he has eaten another serpent, cannot become a dragon.

Likewise, until inflation feeds upon itself it cannot become a dragon.

The food for this dragon was supplied by the two Democratic administrations that ruled America in the sixties.

ECONOMIC OPPORTUNITY AMENDMENTS OF 1969—CONFERENCE REPORT

Mr. NELSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3016) to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, to authorize advance funding of such programs, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of December 19, 1969, pages 40244–40247, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. NELSON. Mr. President, I call attention to the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NELSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BURDICK in the chair). Without objection, it is so ordered.

Mr. NELSON. Mr. President, I have just a very brief 2½ page statement to make on this conference report.

Mr. STENNIS. Mr. President, will the Chair call the Senate to order, so that the Senator may be heard? This is a highly important matter.

The PRESIDING OFFICER. The Senate will be in order.

Mr. NELSON. Mr. President, the Senate passed S. 3016, to extend the Economic Opportunity Act, on October 14 by a vote of 72 to 3. The House passed a similar bill on December 12 by a vote of 276 to 117.

Both bills extend the Office of Economic Opportunity for 2 years, from July 1, 1969, to July 1, 1971, which was also the recommendation of the President.

There were certain differences in the two bills. Conferees appointed by the Senate and House met on December 17 and 18 and reached agreement.

Differences in the authorization level were compromised. The Senate had authorized $2.048 billion for fiscal 1970, which was the amount requested by the President. The House had authorized $2.343 billion. The conferees settled on $2.195 billion.

The Senate had authorized $2.732 billion for fiscal 1971. The House had set no limit, but had specifically authorized increases in funds for several manpower, education and emergency food and medical programs which represented net increases of $99 million. Therefore, the conferees agreed to set the authorization for fiscal 1971 at $2.831 billion, which represents the Senate authorization plus the specific additions authorized by the House.

I will briefly summarize the other issues.

The House conferees were adamant against a Senate amendment to authorize a line-item veto for Governors on OEO Legal Services programs, and to abolish the authority of the OEO Director to override a Governor's veto, and after extensive discussion and consideration, the Senate receded on this issue.

The Senate insisted on provisions in the Senate bill to establish national programs in the field of alcoholism and drug abuse, with a specific reservation of funds to guarantee that these programs would be developed by OEO. After lengthy discussion, the House agreed to recede and accept this section of the Senate bill exactly as written, with the provision that a similar reservation of funds be written into the law for local initiative programs. The amount reserved for local initiative in the bill is the exact amount requested in the budget by the President.

The House conferees accepted, with slight modification, the Senate amendment designed to guarantee that OEO-funded agencies make a adequate provision to pay all their tax liabilities or be denied new grants from OEO.

The Senate insisted on earmarking specific funds for the various programs operated by OEO, rather than giving a lump sum authorization as requested by the OEO director. The House had very limited earmarking in its bill, but agreed to accept the detailed earmarking in the Senate bill.

Having earmarked in such detail, the Senate had given the OEO Director authority to reallocate funds within the various programs, up to 15 percent of the amount appropriated for the program in fiscal 1970 and up to 20 percent for fiscal 1971. The House conferees agreed to accept this principle with the modification that the reallocation authority be limited to 10 percent the first year and 15 percent the second year, and that limits be set on the amount the Director could add to any existing program. For programs of $10 million per year or less, the Director could add no more than 100 percent; for larger programs, he could add no more than 35 percent. These added funds would, of course, have to be taken from other OEO programs.

The end result is that the OEO Director receives a clear directive from Congress on how we expect that the funds appropriated to him will be allocated, but at the same time we give him the flexibility that any program director is entitled to in making limited reallocations within his agency.

Mr. President, I move adoption of the conference report.

Mr. DOMINICK. Mr. President, I should like to ask the Senator whether he wants to yield or whether he wants me to obtain the floor.

Mr. NELSON. Does the Senator want the floor in his own right?

Mr. DOMINICK. I think it would be easier if I had the floor, and I could engage in some dialog with the Senator.

Mr. NELSON. I yield the floor.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. DOMINICK. Mr. President, I think the Senate should know that many of the Republicans on the House side refused to sign the conference report and the majority of the Republicans on the Senate side refused to sign the conference report. We did so because we thought there were really grave problems in the conference bill which we were presenting to the respective Houses, and I should like to detail some of them.

It will be recalled that when the Senate authorization bill came up in October, I offered an amendment—and succeeded in that amendment—to eliminate the so-called add ons for fiscal 1970 from the bill. This eliminated $292.1 million in separate authorizations for eight specified programs where the $292.1 million had been added on above the budget. That amendment passed. I offered a similar amendment to eliminate $584.2 million in add ons for 1971, which were defeated.

The effect of the conference report as to the 1971 add ons is to take almost the entire amount of the Senate add ons, with two small reductions, and then to add two new items—one for $15 million and the other $34.7 million. The net result for 1971, including the add ons is to authorize the expenditure of $2.832 billion. This represents nearly a 30-percent increase in 1 year from the 1970 to the 1971 budget.

In addition, the administration and the Director of OEO have tried to change the concept of this organization. They have said that the problems that OEO has encountered in acceptance by the public around the country have largely been problems of administering and operating the program.

They said, "We do not want OEO to continue to be a separate agency. As soon as programs have been developed far enough that they seem to be able to run we want to put them in an established branch of government and reserve for the OEO an innovative role."

Unfortunately, because of the lack of flexibility and earmarking brought on in this bill, those types of innovative programs and the ability of OEO to move into that type role is sharply restricted.

There is one other point I want to bring up while the distinguished Senator from Mississippi is in the Chamber. I refer to the so-called Carey amendment. This is the amendment which, when originally presented to us, provided that families of servicemen in cases of extreme hardship shall be entitled to legal services provided for under the Office of Economic Opportunity.

It then went on to provide that the cost of that program shall be reimbursed by the Secretary of Defense. It became perfectly obvious as one looked at the scope of this amendment that everybody in the military would be qualified, speaking in terms of hardship. I have never heard anyone who did not agree with respect to a definition of hardship in that regard. Most members in the military would be asking for legal services and be asking the Department of Defense for the cost of whatever might be involved. This would include office expense, rental expense, telephone expense, cost of the time of lawyers, court expenses, and whatever there may be. It would be an almost totally impossible burden as far as existing legal services are concerned and an almost totally impossible administrative problem to determine the real expenses of the Secretary of Defense to try to take care of them.

As a result, we fought this rather strongly. I had the assistance of the Senator from Wisconsin in that respect. Originally we lost. We had to come back and ask that the conferees reconsider this matter because of the problems I have just outlined and because of other problems, such as the fact that the legal services branch of OEO would not be able to provide this service, and they would not have the funds to accomplish it.

As a result, we were able to effect a change in the language. The conference bill provides that the Director is not required to expand or enlarge existing programs or to initiate new programs in this area unless and until the Secretary of Defense has agreed with the Director on the reimbursement of costs for any such expenses or enlargement.

Because this is so important, I shall read the exact words for the RECORD. The section now reads as follows:

> (b) Section 222(a)(3) of such Act is amended by adding at the end thereof the following: "Members of the Armed Forces, and members of their immediate families, shall be eligible to obtain legal services under such programs in cases of extreme hardship (determined in accordance with regulations of the Director issued after consultation with the Secretary of Defense): *Provided*, That nothing in this sentence shall be so construed as to require the Director to expand or enlarge existing programs or to initiate new programs in order to carry out the provisions of this sentence unless and until the Secretary of Defense assumes the cost of such services and has reached agreement with the Director on reimbursement for all such additional costs as may be incurred in carrying out the provisions of this sentence."

I wish to ask the Senator from Wisconsin, in order to establish legislative history, whether I am correct in assuming that, in fact, the conference really did not expect any new services to be provided until agreement is reached as to who is going to provide them and when the funds will be obtained.

Mr. NELSON. Mr. President, as the Senator knows we spent more time on this single point than on any other point in the bill. The Senator from Colorado consistently made clear his strong reservations and objections. He raised the point that we did not want to get into a jurisdictional question. We permitted the matter to go over a day.

It is my interpretation of all the discussion we had, with respect to legal services for members of the military services and their dependents, that there was no intent to add any further burdens on the OEO legal services program—any more than they now have—until and unless the Secretary of Defense and the Director of the Office of Economic Opportunity agree upon a program; until the Secretary of Defense has agreed to fund the program. I think Members on the House side even more strongly emphasized the lack of intent to interject ourselves into the business of the Pentagon.

I shall read from the conference report which is published at page 40247 of the RECORD of December 19, 1969. It states:

> The conferees recognize that servicemen, qualifying under legal services guidelines,

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> are presently eligible for such services and are receiving help and representation. No inference is to be drawn that such assistance is to be curtailed or eliminated. It is the understanding of the managers on the part of the House that the Department of Defense is considering developing its own programs to provide these legal services. The inclusion of this new provision is not intended to supplant this effort but rather to offer an alternative which it is hoped the Department will consider.

So the manager's own language simply says we are offering an alternative which we hope the Secretary of the Department of Defense will consider.

Mr. DOMINICK. I thank the Senator from Wisconsin. I think this colloquy is very helpful to further tie down the matter. It was my intention to provide that nothing should be expended under authority of this provision until further agreement is reached.

Mr. MONDALE. Mr. President, will the Senator yield?

Mr. DOMINICK. I yield.

Mr. MONDALE. Mr. President, I agree with the understanding expressed by the Senator from Colorado and the Senator from Wisconsin. I would like to add one further point. None of us wish thereby to imply there does not exist a very serious area of need here. I have obtained the figures since our conference.

Mr. President, around 265 projects comprising 850 law offices in poverty communities and operating throughout 49 States, District of Columbia, Puerto Rico, and the Virgin Islands were funded at a level of $46 million to offer free legal services to the poor. A caseload of 610,000 was carried by 1,800 full-time attorneys. This means an average caseload per attorney of 339 cases per year. It is estimated that a caseload in fiscal 1970 will rise to around 800,000. This makes a small impact on a poverty population of over 25 million people.

It is estimated that there are presently 500,000 servicemen in the United States within the pay grades E–1 to E–3. These men and their families would be eligible for legal services. There are also some servicemen in the pay grade E–4 who would be eligible, depending on the size of their families. In addition to this group, there are approximately 450,000 servicemen in Vietnam whose dependents residing in the United States might also be eligible for legal services. Approximate figures of the eligible military population are as follows:

First. Of the 500,000 servicemen in the United States with the pay grades E–1 to E–3, an estimated 15 percent or 75,000 men have dependents. If each of these 75,000 men have approximately three dependents each, the dependent population eligible for legal services is approximately 200,000.

Second. In addition to the 200,000 eligible dependents, there are also the 500,000 eligible servicemen within the United States. This means a total of 700,000 people in the military that would be eligible for legal services. It is important to remember the number of dependents of servicemen stationed in Vietnam who would also be eligible for legal services, as well as those families whose sole support is from servicemen within the pay grade E–4. Figures on these last two groups are not available.

Mr. DOMINICK. Mr. President, I thank the Senator from Minnesota. I thought, in conjunction with the colloquy we have just had, that I should refute any inference that the Army has not been providing legal services, by having printed in the Record a statistical report of the Army legal services program from July 1, 1968, to June 30, 1969, which shows that the Army legal assistance program, not counting other branches of the service, took care of 1,250,604 cases. This indicates a whale of a lot of effort on the part of the Army legal assistance program to try to be of assistance to members of the service.

I ask unanimous consent to have this table printed in the Record.

There being no objection, the table was ordered to be printed in the Record, as follows:

STATISTICAL REPORT OF ARMY LEGAL ASSISTANCE PROGRAM, JULY 1, 1968 TO JUNE 30, 1969 TAB A.

	Total	Adoption and change of name	Citizenship and naturalization	Civil rights	Domestic relations and paternity	Nonsupport	Personal finance and dependents insurance, etc.	Personal property, autos, etc.	Powers of attorney	Real property, sales, lease, etc.	Taxation, all kinds	Torts	Wills and estates	Miscellaneous
1st Army	211,508	3,056	7,979	407	18,202	6,101	21,882	15,576	23,429	10,167	20,974	5,116	24,105	54,514
3rd Army	231,488	2,153	4,567	767	14,935	3,237	18,423	12,581	32,697	6,771	39,675	3,674	28,519	63,489
4th Army	184,842	1,726	4,382	205	13,252	2,804	18,923	10,053	19,626	5,267	8,105	2,693	20,676	77,130
5th Army	119,144	1,396	3,420	160	11,222	4,973	14,857	6,627	12,328	3,338	19,015	1,953	10,802	29,053
6th Army	129,275	1,223	4,354	112	11,326	2,462	18,000	6,583	15,957	3,483	7,436	1,850	13.400	43,089
APO, New York	171,441	4,848	6,023	780	23,562	2,797	18,429	13,619	23,686	8,132	18,580	2,452	8,471	40,062
APO, San Francisco	155,793	2,853	6,825	401	21,315	2,712	11,738	10,947	30,023	4,698	12,626	2,256	8,708	40,691
APO, Seattle	14,810	210	201	9	1,056	213	1,713	1,316	1,987	459	1,859	150	1,405	4,232
District of Columbia	32,303	168	449	19	1,913	1,877	2,338	2,093	2,599	1,869	5,209	541	3,991	9,237
Total	1,250,604	17,633	38,200	2,860	116,783	27,176	126,303	79,395	162,332	44,184	133,479	20,685	120,077	361,497

Mr. DOMINICK. Mr. President, in order to clarify this, under Senate rule XXV, the Committee on Labor and Public Welfare has jurisdiction over soldiers and sailors for civil relief, but does not have jurisdiction, as I understand it, over the military in any way, nor does it have jurisdiction over similar activities of this kind. Yet it originally appeared we might be authorizing legal services groups of the OEO to represent people in criminal cases. That is not our intent. Is that correct. I ask the Senator from Wisconsin?

Mr. NELSON. Our counsel advises me that the Senator from Colorado is correct.

Mr. DOMINICK. Mr. President, I thank the Senator from Wisconsin.

Now, Mr. President, I know that the distinguished Senator from Mississippi (Mr. Stennis) has some remarks to make on this subject. I believe he would like to make them at this point.

Mr. STENNIS. Yes. I thank the Senator from Colorado.

Mr. President, I am very mindful of the fine work which has been done on this conference report by the Senator from Wisconsin (Mr. Nelson), with his usual diligent and honest attention to the matter. That, I know, is shared also by the Senator from Colorado (Mr. Dominick), and other members of the conference committee.

Mr. President, I feel very strongly that the conference report invades and crosses over the line into another department without any proven need. I also feel that this is a matter which can be used and might be used to strike at the very vitals of discipline in our military services.

I have the growing feeling that a serious situation is developing. I do not mean any mutiny, but there are so many people trying to help so many others, and bringing in so many suits which, with the general laxness and permissiveness, whatever it is, that is going on now in our society outside the services, that it is generating a serious problem of maintaining discipline. An atmosphere is beginning to develop that will make it more difficult for the military services to maintain a prevailing and wholesome spirit and attitude toward needed military discipline.

The table the Senator from Colorado just had printed in the Record shows that more than 1,250,000 cases within the past year have been attended to by the Army itself, made up of various categories for legal advice, information, or assistance of some kind of remedial help in this general field which was given to the families of the men who are serving in our military services.

It shows what an enormous effort is being made by the military to meet that responsibility. It also shows what demand there is. I want everyone to have their legal rights. My point is that it is time to cut off these things. I know that the military, as the record will show, and as I know from their attitude, has been very genorous in this matter already.

Another question is, Where are we going to draw the line as to the multitude of cases which can be brought in?

The men who work for OEO are young lawyers and will work hard for anyone. I am not attacking the OEO, but these men would naturally like to do business, and they would like to get into things.

Right at the worst part of the Vietnam war, when our casualties were near the highest, a lawsuit was brought to prevent a National Guard unit, which had been called up for duty, from being sent to Vietnam. That case went as far as a member of the Supreme Court of the United States who issued an order restraining this military command, which came from the Commander in Chief—not expressly from him, but that was his responsibility, it came from the President of the United States—temporarily suspending this lawful military order.

Well, the Supreme Court, in its entirety, reversed that case. But, how far are we going to encourage that kind of litigation? There are a great multitude of cases on that subject. I believe they are already being taken care of. There is every reason in the world for the Secretary of Defense respectfully to decline to go into this matter.

Thus, under the provision of the conference report, and the law agreed on, it would not come into being unless the Secretary of Defense agreed; but he can be told to come in, anyway, regardless of what his judgment may be.

Frankly, I do not think this kind of legislation receives the meticulous consideration we ordinarily accord it.

I will illustrate it by this conference report.

Why, last evening, about 6 o'clock, we all signed the conference report on the HEW appropriation bill. It was all completed and ready for the formalities of being enacted. Still today, we are working on the authorization bill. The HEW bill includes appropriations for the OEO at almost the top amount. Today, after the appropriation bill has been approved, except for the technical finalities, we are getting around to the authorization and I think we are making an exception in these kinds of matters.

I do not know what the Secretary of Defense may be directed to do. If he is to have a program like this, I think, frankly—and I am not looking for more work for the Armed Services Committee—it ought to have the direct judgment of the Senators who have responsibility in that committee, before the Secretary of Defense and the military have to launch into a program like that and the Appropriations Subcommittee on Defense has to appropriate money to pay the bill. That is what the conference report proposes.

Except for the bare judgment of the Secretary of Defense, which could be overruled by the White House, this measure puts the Secretary of Defense in that business and makes it mandatory that we appropriate money, not for OEO, but for the Department of Defense to pay the bill. That is why I say the Armed Services Committee ought to have jurisdiction of this matter.

I have no grievance—in fact, I compliment him—with the Senator for working so hard on it, but we will break down the jurisdictional lines of this great institution, the United States Senate. Sometimes there is some overlapping, but I think this year demonstrates that we have gotten almost into a reckless abandonment of the jurisdiction of committees. When that goes, the Senate goes; we are just 100 individuals, almost, unless we have a high regard for these jurisdictional matters.

I know, as a practical matter, it is virtually impossible to defeat this provision in the conference at this stage of the session, but if it were some other time, I think I would move that we have a full debate on this matter, and at least have a vote on it, and just point out where we are going. It is done, but I am afraid they have overexaggerated the need for this legal relief assistance. I believe the system already in vogue shows that there have been 1,250,000 instances—not legal cases, but instances—in which information for legal relief and legal advice and all other kinds of service have been granted in 1 year in the Army alone.

I want to encourage the Secretary of Defense with all the intelligence and scrutiny and judgment and power that is in being in his office, not to launch and go into this program unless he is fully convinced of the need and necessity. I think his best course would then be to get a communication to the Congress in some way that "I need relief along this line and I want it for the military, and the military appropriation should pay the bill."

As a member of the Appropriations Committee, I say we are just dipping into one bucket or pot of money and putting it in another, and switching back and forth between the departments. They do not know what the other is doing. One pays the bill and the other does the work. I do not want us to enmesh and encumber our military programs with that pattern. It will perhaps come out all right for some of the departments.

Let me ask the Senator from Wisconsin a question. This proposed law and this arrangement and this report certainly do not contemplate any kind of proceeding in court-martial cases, or anything like that, so far as it pertains to a man in the service charged with a military offense. Is that correct?

Mr. NELSON. That is my interpretation. The issue was not specifically raised; but, in the context of the discussion, we were talking about the kind of case in which the poverty client qualifies for assistance from OEO legal services right now. No one in the conference raised that question, and I would assume there was no intent in anyone's mind that it be extended to such a case.

The senior Senator from New York apparently wants to say something about that.

I think everybody here would agree that including in the OEO bill anything which might involve legal services programs in court-martial proceedings would be an unacceptable invasion of the jurisdiction of the Armed Services Committee.

Mr. STENNIS. I wonder if I may address some further questions to the Senator from Wisconsin.

As I understand the intent of this provision and what the conferees understood, it is not to come into operation unless the Secretary of Defense, in his own deliberation and in his own judgment, should decide that it should be done and should be paid for out of those funds, from the standpoint of the welfare of the military service and the individual concerned, and further such funds are appropriated.

Mr. NELSON. That is absolutely correct. We have several members of the conference committee present. If I respond incorrectly, they will correct me. It was repeatedly said on both sides—and I thought Mr. CAREY himself said—that if the Pentagon says "No," refuses to reach agreement, or if the Secretary of Defense refuses to reach agreement on funding, that is the end of it.

Mr. JAVITS. Mr. President, will the Senator yield, so we can affirm it on this side?

Mr. STENNIS. Yes, but first I want to develop this a little more. I address these questions to the Senator from Wisconsin because I understand he was chairman of the Senate conferees.

So the understanding of the Senator from Wisconsin, at least, is that the Secretary of Defense would have to make this independent judgment that it would be to strengthen the military and also the welfare of the individuals concerned, not on each case, but before he went into the program.

Mr. NELSON. That is correct. I think there was no disagreement on that, because several Members said that, if the Secretary of Defense declines to do it, declines to assume responsibility, declines to reach an agreement on funding the additional payment that OEO might become responsible for, the provision would be null and void.

Mr. STENNIS. That is a very wise decision if we are going to have any at all.

Where is the poverty line? We say, "If it comes within the poverty line." What is the standard, so far as this bill is concerned, as to where the poverty line is?

Mr. NELSON. As the Senator knows, a poverty index was established by OEO. Right now soldiers and their families are currently eligible for OEO legal services if they meet the poverty standard, as is any other citizen of the country.

Mr. STENNIS. Those who come within that definition already have that service available?

Mr. NELSON. That is correct.

Mr. STENNIS. What additional service does this bill give?

Mr. NELSON. It does not add any service that they otherwise are not now eligible for.

As the Senator knows, we did not conduct hearings. This matter was not in our proposal. I guess the concern was this: Mr. CAREY looked at this, apparently delved into it, and felt that there are many families of servicemen who really cannot get these services because there is not enough money in the OEO legal services program. I think he discussed this issue with the Pentagon. The Pentagon was aware of that.

I think the intent here was to give this issue some viability, to encourage, hopefully, the Defense Department or OEO to undertake the responsibility to service these families. Members of the

House said in the conference committee that they get loads of letters—for example, a letter from a wife who was going to be evicted from her home and whose husband was overseas. She was in the poverty level and she could not get any legal assistance.

It was that kind of thing. They may not be anywhere near a military base. That was the kind of problem that was discussed in conference.

Mr. DOMINICK. Mr. President, will the Senator yield on that point?

Mr. STENNIS. Yes; I shall be happy to yield in a moment. If they are already eligible, why add this program? Is it just to get the bill paid?

Mr. NELSON. I do not like to try to speak for Mr. Carey, but——

Mr. STENNIS. Who?

Mr. NELSON. Representative Carey, who was the sponsor of the provision in the bill passed by the other body.

Mr. STENNIS. Well, the Senator has an idea, though. Why this program, if they already have the service available? Is it just to get the money to pay for it? Is that why it is put over in the military? It is a matter of judgment, is it not?

Mr. NELSON. I think the fact is that if everyone who was eligible, who might be eligible, were to go to OEO, OEO would say, "We do not have sufficient funds to provide the personnel in legal services programs that would be necessary." The feeling was that if they were to extend services to military personnel and their dependents, they ought to have the funds to do it.

There is one further point. The Senator is probably familiar with a letter to Mr. Albert Quie of November 19, 1969, in behalf of the Secretary of Defense, from the General Counsel's Office of the Department of Defense. He wrote saying that, as the Senator well knows, they are evaluating this problem now, and one of the difficulties is the limitation on the kind of services that they can actually give to military personnel and their families. The General Counsel says:

> One of the more significant limitations is that military legal officers in the main are limited to providing office advice, including preparation of some legal documents, and are unable to represent their clients in court proceedings or other legal proceedings or to negotiate fully in their behalf with adversaries.

Later I shall ask that the entire letter of the General Counsel for the Secretary of Defense be printed at an appropriate point in the Record.

Then the General Counsel goes on to say that they have had a study group, and it has explored this problem, and that—let me read further from the letter:

> One of the recommendations of the study group proposed that efforts be made, in cooperation with civilian bar associations, to expand the military legal assistance programs so that military legal officers could provide more complete legal services to military personnel—in particular those in the lower enlisted pay grades. This recommendation was approved by the Assistant Secretary of Defense (Manpower and Reserve Affairs) and in October 1969 the military departments were asked to undertake steps to implement this recommendation. If these efforts are successful, it is envisioned that in certain cases military legal officers would be permitted to prepare and file pleadings in civilian courts, negotiate in behalf of clients, and make court appearances. In short, if the efforts now underway are successful, the group of people sought to be benefited by the amendment in question—

Referring to Mr. Carey's amendment, which the Senator is discussing—

> would be taken care of under the military assistance programs. We believe that it would be preferable for the Department of Defense to provide this service to its personnel than to have them using programs operated by the Office of Economic Opportunity.

The Senator from Colorado argued very strongly against any provision at all. That is the reason the Senator from Colorado insisted that this program not be initiated in any way unless the Secretary of Defense agreed, and agreed to fund it; and then, as I pointed out earlier, in the manager's report on the House side, they state very clearly that it is not the intent of this section to supplant anything which the Secretary of Defense may be doing; it is only as an alternative that the Secretary might consider.

Mr. STENNIS. I thank the Senator for his explanation. He has made some very good points.

But I go back to my original question: Is it not a fact that the main reason for creating this program in this way, after all, is to get the money from the Department of Defense rather than let the OEO pay the bill?

Mr. NELSON. I would assume that that is the reason.

Mr. STENNIS. Yes.

Mr. President, I do not expect to detain the Senate very much longer, but let me point out to the Senate that this table which has been inserted in the Record speaks only for the Army alone.

So, just the Army alone, last year had 1,250,000 cases in which they rendered this assistance—just one of the military services—and I should like to list some of the types of cases. They have it outlined here.

Cases involving adoptions and changes of name—they give the exact number—citizenship and naturalization; civil rights or domestic relations and paternity—116,000 cases on that alone; nonsupport, 27,000; personal finance, insurance, and so forth, 26,000 cases; personal property, autos, and so forth, 79,000 cases; powers of attorney, 162,000 cases; real property sales, leases, and so forth—now we come to evictions—the Army alone had 44,000 cases of that kind within the 12-month period ending June 30, 1969.

Taxation of all kinds, 133,000 cases. They are the income tax problems, I suppose. I am stating round numbers only.

Torts—which, as we all know, are personal wrongs—20,000 cases; will and estates, 120,000 cases; and miscellaneous, 361,000 cases.

So, there are the facts. The Army alone is rendering that much service, and it is agreed by the Senator from Wisconsin that the main purpose here is just to get the money.

As I say, we have an appropriation bill already agreed to, ahead of the authorization bill. OEO is getting all it asks for, but if there is a real reason for this service, I would certainly help sponsor the appropriations.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. STENNIS. One other point. There have been no hearings on this. The Senator pointed out that he supposed I was familiar with a letter of November 19. I am not familiar with it. But there have been no hearings, and no real record on this thing, through which one could obtain the facts.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. STENNIS. I think the Senator from Rhode Island asked me to yield. I yield first to him.

Mr. PELL. Mr. President, there is just one point in support of the Senator's argument, which I wanted to point out, and that is, coming as I do from an area of considerable military installation, one sees people falling between two stools, as it were. They may be removed a little bit from where legal services are available; for example, a 20-mile ride, while it seems like nothing in some parts of the country, can be an expense for a woman without a car. Her husband may be overseas, and she may not be able to use the military services available, and may not be aware of the OEO services.

Also, at some places and times, one finds that the military is not as competent in this legal services area as in others. I think Senators will find a certain spottiness in the way the service is rendered.

I had not thought about this problem until it was discussed in conference, but it seemed to me that this provision might help the people who fall between the two stools of the military legal assistance and the OEO legal assistance.

Mr. STENNIS. Yes. Well, I certainly want them to have all the assistance they justifiably need, and as conveniently as possible, but if we turn it over to OEO lawyers and have someone else paying the bill, we are not only going to have a bill run up, but we are likely to have duplication of services, and everything else.

Mr. DOMINICK. Mr. President, will the Senator yield to me for just a moment?

Mr. STENNIS. I yield to the Senator from Colorado.

Mr. DOMINICK. I have been listening with great interest, because the chairman has expressed many of the feelings I myself have on this issue. I have decided to offer a motion to recommit with instructions, and I will request a rollcall vote.

The motion will include striking this particular provision, as well as striking one other and putting back one Senate-passed provision.

Mr. STENNIS. Mr. President, I yield the floor.

Mr. JAVITS. Mr. President, I may say to the Senator from Mississippi that it was not my purpose in any way to interrupt him. However, as I am the ranking minority member of the committee and as I did sign the report, I was only trying to lock in, as it were, the explanations which were made by our chairman.

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Mr. STENNIS. Mr. President, I thank the Senator. I certainly did not ignore him. I did not realize he was present.

Mr. JAVITS. Mr. President, I would point out this question and then deal with the whole report. Speaking now as a lawyer, just as the Senator from Mississippi is a lawyer, I wish to say that the real issue is really court appearance in the cases which are cognizable under the jurisdiction of the Committee on Labor and Public Welfare. They are cases for veterans and servicemen that are cognizable under the following headings and are committed to the Committee on Labor and Public Welfare: vocational education and reeducation of veterans; medical and training for veterans; soldiers and sailors civil relief; and readjustment of servicemen to civilian life.

Those are the four categories which give veterans affairs jurisdiction, which is headed in the other body by the Veterans' Committee.

The real gist of the problem, however, was not in the bill. And I do not think we would have had it if it had not been raised in conference. That is the inability of military officers to appear in court in civil cases and to be acceptable to the court, because often they are admitted in different States, or for other reasons are not acceptable in the particular place where the veterans problems or those of his family occur.

According to the figures of the OEO, 25 percent of their legal services cases are court cases. That means that one-fourth of their caseload is in the courts.

This bears very materially, therefore, on the letter which was written by the general counsel of the Army which has now been printed in the Record. He admits that the real place in which there is a lacuna or interspace is the limitation with respect to the military officers who are limited in many cases to providing office advice.

It is fair to say that we are trying to provide an interim plan under which certain legal services would be provided and this missing element would be supplied until such time as the Army services catch up with the requirements of their personnel.

As to the compensation which is involved, I think the Senator is absolutely right. It would have been better since we are rendering all the legal service to the poverty program, to have an autonomous poverty program financing the arrangement.

The difficulty arose through the fact that neither the poverty budget nor their budget for legal services nor the incidence in our bill—and there we get into the timelag which the Senator from Mississippi mentions of appropriations preceding, as it were, the final authorizing legislation—had caught up with each other. Again, as an interim proposition, we had to place reliance on the resources which might be available to the Department of Defense.

If both the Secretary of Defense and the Director of the OEO are really satisfied that there is an area which does not include courts martial and does not include the status of the soldier as a soldier—and I confirm that on the part of the minority, as the chairman has on the part of the majority—but in which there is a lack of justice or equity in respect of the serviceman and his family as to which something ought to be done, then they can proceed to fill that vacant place.

If they find that is not so and that the superior public policy requires that it be denied for the time being because the Armed Forces have not quite caught up with that particular problem, I assume then that the Secretary of Defense will say, "I am sorry. I am not going to act."

I think that might be a little better than taking some absolutely rigid stand and saying no under all circumstances.

However, if they agree that there is an extraordinary need and something ought to be done about it, we can expect and hope that they will do their utmost to do it.

I hope very much that that may be a reasonable reconciliation of the points made by the conference report and, also I think, the quite proper concern expressed by the chairman of the Armed Services Committee that we do not want to introduce another echelon of litigation that will embroil the military service and adversely affect military morale, and military discipline.

I can assure the Senator, having signed the report as the ranking minority member, that we had no such thought in mind in doing so.

Mr. NELSON. Mr. President, I concur in what the Senator has said.

Representative Hugh Carey was expressing his honest and sincere concern about affording a fair opportunity for servicemen's families to be represented, just as the Senator from Mississippi would like to have them represented.

If this matter had been raised in the committee on our side, I do not think anyone on our committee, representing either the Republican or Democratic side, would have consented to putting in anything in the Senate bill when we were considering it here, since the issue ought to be considered by the Armed Services Committee. And that was our attitude, strongly expressed through the Senator from Colorado (Mr. Dominick), at all times.

I interpret the provision we are discussing as a section to encourage the Defense Department to do something more about legal assistance for military personnel and their dependents.

Mr. JAVITS. I think that is a fair interpretation.

Mr. NELSON. I interpret it as being a section which everyone agrees means that if Defense refuses to do it, that is all.

That is my interpretation of the conversation that went on in conference committee, that the intent was to encourage them. If the Secretary of Defense says no, there is nothing this section of the bill can do.

Mr. JAVITS. Mr. President, I add one other dimension to that. If both agreed that there were extreme hardship and there was a vacant space where people were not represented, in view of the inability on the part of the military officers to supply legal service—for example, appearances in local courts—then I think we would have the right to express the hope that something would be done. Our provision is intended to induce both the Director and the Secretary, in the presence of a manifest need which our military services cannot fill, to see if it could be filled by agreement between them. That is the one dimension I would add.

Mr. MONDALE. Mr. President, in the letter referred to earlier from the Acting General Counsel of the Department of Defense to Mr. Quie, the Defense Department concedes that there is an area of great need here. There is an area of need here that cannot be denied and which the Defense Department asserts continues to be unmet.

Mr. JAVITS. Exactly. I think that what we have all said is not disagreeable to the Senator from Mississippi. He does not object to it. However, silence is not consent.

I might point out that I think we have presented a situation which is susceptible of agreement, and probably requires agreement, and we have a right to present a framework in which an agreement between the Department of Defense and the Director of OEO may be brought about.

Mr. MONDALE. I ask unanimous consent that this letter be printed at this point in the Record, because it shows that the Defense Department agrees that there is a serious area of concern.

There being no objection, the letter was ordered to be printed in the Record, as follows:

General Counsel of the
Department of Defense,
Washington, D.C., November 19, 1969.

Hon. Albert H. Quie,
House of Representatives,
Washington, D.C.

Dear Mr. Quie: Secretary Laird has asked me to reply to your letter dated November 6, 1969, requesting comments on a proposed amendment to section 222(a)(3) of the Economic Opportunity Act of 1964, as amended.

The proposed amendment would establish eligibility for members of the Armed Forces and their immediate families who are "living in poverty" to obtain legal services in certain cases under programs established under the Economic Opportunity Act of 1964. The Department of Defense recognizes and supports those objectives of the proposed amendment which are intended to make available more complete legal services for certain military personnel and their dependents.

For many years each of the military departments has operated a legal assistance program for members of the military services and their dependents. These legal assistance programs are operated by the Judge Advocates General of the respective military departments and are administered by military legal officers. Admittedly, these programs have certain limitations which impair their effectiveness and make it impossible for complete legal services to be provided. One of the more significant limitations is that military legal officers in the main are limited to providing office advice, including preparation of some legal documents, and are unable to represent their clients in court proceedings or other legal proceedings or to negotiate fully in their behalf with adversaries. These limitations are due to a number of factors including the attitude of the organized civilian bar regarding such matters. These restrictions have been a source of concern and some frustration to military legal officers who

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would like to provide more complete legal services to their clients.

The problems posed by the aforementioned limitations on military legal assistance programs were recognized in a Defense Department study which was concluded in October 1968. That study explored problems relating to military lawyer procurement, retention, and utilization and included a look at various problems pertaining to the rendering of legal services in general. One of the recommendations of the study group proposed that efforts be made, in cooperation with civilian bar associations, to expand the military legal assistance programs so that military legal officers could provide more complete legal services to military personnel—in particular those in the lower enlisted pay grades. This recommendation was approved by the Assistant Secretary of Defense (Manpower and Reserve Affairs) and in October 1969 the military departments were asked to undertake steps to implement this recommendation. If these efforts are successful, it is envisioned that in certain cases military legal officers would be permitted to prepare and file pleadings in civilian courts, negotiate in behalf of clients, and make court appearances. In short, if the efforts now underway are successful, the group of people sought to be benefited by the amendment in question would be taken care of under the military assistance programs. We believe that it would be preferable for the Department of Defense to provide this service to its personnel than to have them using programs operated by the Office of Economic Opportunity. Accordingly, the Department of Defense recommends against the adoption of the amendment.

Sincerely,

L. NIEDERLEHNER,
Acting General Counsel.
ALBERT H. QUIE.

Mr. JAVITS. The Senator is correct, especially when it is coupled with the fact that 25 percent of the legal services rendered by the OEO legal service program consists of appearance in court.

Mr. MONDALE. One point that I think everyone agreed on is that the small funding of the OEO legal services program today makes it impossible for them to move into this field any more than they are now, without some source of additional support.

Mr. JAVITS. I think that is a very fair statement.

Mr. President, I should like to address myself briefly to the conference report itself, which I signed, which Senator PROUTY signed, and which Senator MURPHY and Senator DOMINICK did not sign.

To me, it is not necessarily the happiest compromise; but, so hard fought was this conference—and it is not unusual—that in my judgment it is the best resolution of the differing points of view that can be obtained to get the legislation underway.

I should like to affirm that if there is a motion to recommit, I think the main argument the Senate has to decide is whether or not we can get any further or make any real basic change, in the absence of authorizing legislation, or whether it would really just throw the whole thing up in the air for a very considerable time. It is almost inconceivable, considering the substantive nature of the differences, that we can get together in 24 hours or over the weekend and into Monday night, which is probably the outside time. I saw the conference. It went on for a considerable period of time. It deals with substantive policy issues. It is not a matter of resolving the difference between $1 billion and $1.1 billion, where men probably can get together in a brief time. I believe that once you shatter this, you will just have the continuing resolution, rather than a substantive mandate upon which the agency can proceed.

I believe deeply that public policy is greater in terms of giving the agency a legal basis upon which to proceed and plan than the other way, for this reason: This is the first bill for the OEO that characterizes what this administration wants it to be. With this administration, the concept is that it is essentially an agency for innovation and local action. Also, that those elements which are in traditional departmental areas of responsibility in education and, for example—shall go over to traditional departments which administer programs in those areas, but that this relief of responsibility on OEO's part brings with it a break-out in terms of innovation and local initiative. Those are the distinguished characteristics of the OEO to be, as the administration sees it.

Naturally, it requires an enormous labor, in order to bring about that change of character; and the sooner the agency can get on with this effort, the sooner it will be likely to be a success along this new line of policy.

One other thing which I think experienced men in this Chamber will understand is that if you leave an agency like this up in the air, an agency like this, where the work is pretty tough, you jeopardize very seriously its best personnel. The one thing that is indispensable is the human equation. If you expect to keep the good people in OEO or to attract good people to OEO because of its innovative character, you have to give them some feeling of certainty and of the framework in which they work. I do not think anyone expect that in the poverty area they are going to stay on the job because they get big pay, if they are good people, or because the work is very pleasant. The work is probably pretty tough. They are dealing with the most difficult elements in our communities. So I deeply feel that on that ground, if we can possibly do it, if a Member can reconcile it with his conscience, the burden of proof will be on the opponents to show why we should not put a firm base of authority under this agency.

Now to proceed to the merits. As I see them, the main points in this measure relate to the issue of flexibility, which I have described. This was probably as hotly contested an aspect of the conference as there was and it related to the question of how to transform this agency to an innovative agency of our Government and one which could most encourage effort at the local level. Therefore, the transfer provisions which are contained in the law—the degree of flexibility which you would have between programs—became supremely important. There, I think, a very fair adjustment was made. It was very difficult adjustment to make for both sides. The unlimited flexibility which we had collided with the extremely limited flexibility in the House bill, which did not change the 10-percent add-on provision of current law.

We reconciled that by agreeing that we ought to have the maximum flexibility for programs in their infancy, and we set that ceiling at $10 million. Under the bill, any program that is $10 million or less can be increased by 100 percent. In the case of more settled programs, above that figure, we limited the add-on to 35 percent.

To me, that was one of the very fundamental aspects of the conference, and I think the arrangement was very hard fought and very difficult to arrive at. I doubt that we could have agreed at all had we not been at the end of the session; and finally, at the very last minute, we did come to this agreement. I am not happy about it. I think the Senator is absolutely right and that the agency would be infinitely more creative if the add-on possibilities were unlimited. But we live in a practical, working world, and I think we have made a real achievement in terms of the Senate's original position in getting the House to accept a 100-percent add-on where the program does not exceed $10 million and to accept triple the figure the House had in mind where the programs were over $10 million.

The second matter which, in my judgment, was very serious was the question of local, State, and municipal administration. This is a very big one, because it may be recalled that in 1967 there was a very great struggle in the Congress on the poverty amendment to transfer practically all administration to the States; the opposition to that, in which I joined, was equally determined. It did not happen, but it was a very close call. This question still obtains—now in even sharper focus—because now the agency is essentially an innovative and experimental agency, and there is all the more reason for giving it great flexibility rather than tying it down to State vetoes or a priority or preference to State administration.

Bearing in mind that the managers on the part of the House write their own managers report and that all we can do is express our intention on the floor, I think it is very important to see whether or not the view of the conferees in the Senate coincides with the view of the managers on the part of the House in respect of a matter of intent. I should like to read to the Senate, on this question of administration which is so critically important, how the House managers conclude their report. They say:

> It must be quite clear that State domination over program planning, conception, or administration is not intended. Any changes in policy or regulations that would establish a preference for State rather than local determination and local control of community action programs will be inconsistent with the intention of Congress.

Mr. President, the Congress consists of two Houses. We must assume that when the House has approved the conference report this represents the intention of the House as expressed by its managers.

But if I were asked to interpret it—

and I greatly appreciate the view of the principal manager on the part of the Senate, the chairman of our subcommittee or his designee—it is my concept that what we wanted to do was to establish the most efficient and creative solution.

I would say, interpreting the views which are implied in this report, that both House and Senate conferees would agree that State domination is not intended. On the other hand, I would not wish the implication that there is an existing preference for local determination and local control. To the extent that the House managers imply support for an arbitrary preference for local community administration—that, too, should be rebutted.

I rather think what we want is a wide open field in which there shall be no preference but in which there shall be no domination or compulsion or guidelines that it must be a State or local control or a municipal administration that has priority; but whatever creatively is in the best interests of the program.

Mr. MONDALE. Mr. President, I agree. Actually, what the conference committee did in effect, was not to change the law, but to keep the law as it was and is relating to community action programs—community based and operated programs. There has been no change at all. The purposed Quie-Green amendment to drastically increase State control over these programs was defeated in the House.

The Murphy amendment, which was adopted on the floor of the Senate, to give nonoverridable Governors' veto power over the legal services program was dropped in conference.

So, in effect, there is no change. The law is as it has been since the 1967 amendments, set forth in section 210(a) of the Economic Opportunity Act, and there is no change at all.

Mr. JAVITS. Except that the legal services program is made nondelegable.

Mr. MONDALE. Yes, but, in terms of local or State control, the law is the same.

Mr. JAVITS. Yes. It does not change the situation on local or State control even as to legal services.

Mr. MONDALE. The Senator is correct. As the Senator knows the nondelegability of legal services was adopted to prevent it from being delegated to another Federal agency of Government.

Mr. JAVITS. I thank my colleague. I think that spells it out accurately. We do not want any implication that there is a preference for anyone and the Director of OEO, subject to our legislative oversight, will call them as he sees them on the basis of the best job that can be done.

I have one other point and then I shall be finished. My point relates to manpower training, which is a very important part of the work under the Economic Opportunity Act. Again, managers on the part of the House express themselves as follows:

> The managers on the part of the House are fully aware that the Director has delegated to the Secretary of Labor authority to carry on programs similar to those provided for in this new part. The conferees agreed that those existing programs could continue to be carried particularly, but not exclusively, in connection with the concentrated employment programs, and that the scope of their activities not be reduced by reason of the enactment of this additional provision. It had been the plan of most of the House Managers that the Director would be directed to retain, rather than delegate, this new authority.
>
> They did not insist, however, that he do so; but they do insist that these programs and other manpower and job programs be carried on as originally conceived and designed by the Congress, that there be no reduction in their magnitude, that recent limitations on eligibility (such as those dealing with older workers) be removed, that the "New Careers" program retain real substance and not be limited to public service activities, that substantive efforts such as those going on at the University of Minnesota be encouraged to improve and continue. In short, the managers on the part of the House will insist that the policies and purposes enunciated by the Congress be adhered to. It is their expectation that under this part special emphasis will be placed on single purpose programs, that programs of limited size and scope will be carried out, especially in rural areas, and that the rural poverty areas will receive an equitable share of the assistance being provided.

Again, I am expressing my own understanding of the Senate conferees, as I understand it, that except for specific legal changes which are made with respect to Mainstream and New Careers—and they are not major in nature—the manpower programs will go on as at present but that they must be subject to whatever we do about new manpower legislation because both the Senate and the House will have before them manpower bills proposed by the administration. There may be a manpower bill from the party in control of Congress. Both sides in their original reports on the OEO made it very clear that there is to be a comprehensive review of the manpower policy scheduled for early in the next session of Congress.

For example the House says, in its report, No. 91–684, on its bill:

> With a comprehensive review of manpower policy scheduled for early in the next session of this Congress, the committee decided that it would not undertake substantial revision of title I at this time.

Similarly the Senate in its report on the OEO bill this year, Senate report 91–453, provided:

> The administration has requested prompt consideration of its proposed Manpower Training Act of 1969. The committee intends to begin extensive hearings on this comprehensive proposal in the near future. The hearings will give administration witnesses, local officials and citizens an opportunity to comment on that proposal in the light of experience gained through the manpower program administration since the passage of the Manpower Development and Training Act in 1962.

The only qualification, then, to the expression of Members on the part of the House is that programs are not necessarily frozen for the entire 2 years during which this bill will operate. Both the Senate and House understand that as a result of consideration of the Manpower Training Act—undoubtedly next year—and any proposal made by the majority, there may be changes, but that presently we do not contemplate any until we actually get to the point of hearings and possibly legislation on new manpower approaches which the administration has submitted. With that qualification, I think the managers have properly suggested what both groups of conferees had in mind.

Mr. MONDALE. In response to the Senator from New York, let me say that his understanding is correct. We have already begun hearings on the manpower program. There will be more, which will include a review of the manpower aspects of OEO.

The conference report expresses concern that the mainstream program continue as a strong program. Although a small one, it is one of the few programs that is successful and well received in rural America. We very much want it continued. That is the reason the House asked that it remain as a separate title, and we receded to the House in that effort.

Second, the mainstream program has been very useful to persons who have reached the later years of life. We hear rumors that shortly there will be promulgated a regulating limiting mainstream eligibility to persons under 55. That may not be correct, but the rumors are persistent enough to make us apprehensive. That is why that language appears. It expresses the will of the conference.

Many of us fear the developmental and quality aspects of the new careers program are being eliminated by the Department of Labor. It is being converted into a small public service employment effort without any quality career development effort.

We are proud of the University of Minnesota new careers program. I appreciate the help the Senator from New York has given us on this. We have one of the outstanding new careers program in the country there, which seeks not only to provide employment to persons but also to assist them in going on to college or to a vocational educational school; there are other aspects of the program to help persons move up the career ladder.

We hope that the highly successful but yet experimental efforts will be continued. That is the reason for the language to which the Senator from New York has referred.

Mr. JAVITS. I want to be sure we understand what we contemplate, that we would not expect to hold that for 2 years. As we go into the manpower training hearings, it could be changed.

Mr. MONDALE. The Senator is correct.

Mr. JAVITS. The last point. It is my judgment that the very best result that could be obtained from the differing views of the two Houses—and I signed the report after much consideration—is that it will vest in the Director a program in which he can prompt the creativity and the innovation which will provide a way to redeem people from poverty, leaving to the other agencies the services which other people require.

That is the basic objective of the President. It is my judgment that if the conference report is approved, the fundamental concept of the administration as to what shall happen to the war on poverty will have been incorporated as a firm foundation into law.

I hope very much, because of the problems of personnel, and so forth, with the greatest respect to the views of my colleague, it is my deep conviction that we should not go home from this session of Congress without giving a statutory base for a settled period of time to this agency if we really expect—and I know that we do—to do the creative and the innovative job which President Nixon has designed.

Mr. YARBOROUGH. Mr. President, as chairman of the Labor and Public Welfare Committee, I am very pleased with the final outcome on the bill to extend the Office of Economic Opportunity.

As you know, the Senate and House passed very similar bills, to extend the present program for 2 years. The Senate and House conferees, under the chairmanship of Senator NELSON, who is chairman of our Subcommittee on Employment, Manpower, and Poverty, have now resolved the differences and agreed to a very fine compromise bill.

What this bill does is continue some very worthwhile programs. No one is going to make the claim that this bill does everything that needs to be done to correct the very serious and very widespread poverty we have in this country. But it at least maintains and to some extent strengthens and improves the programs which we have been developing over the past 5 years in our long overdue effort to fight poverty.

We have more than 25 million Americans living in poverty. An estimated 15 million of them suffer from actual hunger or malnutrition.

More than 75 percent of the funds authorized in this bill will go to provide job training, health programs, and education programs for these people. Those are the areas that the Economic Opportunity Act emphasizes—job training, health, and education.

This bill will enable us to continue operating some 40 Job Corps camps, including the outstanding Gary Job Corps Center at San Marcos, Tex. It will provide funds for the Neighborhood Youth Corps program which provides employment for several hundred thousand young men who would otherwise be out of work.

It continues and substantially expands the program known as Operation Mainstream, which has enabled local units of government and private organizations such as the Farmers Union to hire thousands of unemployed men in rural areas to do worthwhile work in conservation, forestry, highway beautification, and other forms of public service.

It continues the Headstart program, which is giving more than 600,000 preschool children their first chance at medical and dental examinations and the special services needed to prepare them for school.

It provided a much needed expansion of the emergency food and medical services program, which is now operating in 1,000 counties, mostly in rural areas. It continues our comprehensive health services program, which operates health centers in 50 poor communities.

It enables us to continue our special programs for migrant workers, which have helped more than 10,000 people with training and with the adjustments necessary to shift to new lines of work and settle in new communities. It allows us to continue our rural loan program, which has already helped about 45,000 poor people to improve their farms and their homes.

Mr. President, this is a badly needed program. It has been forced to operate in the glare of controversy ever since it was established. But it is proving itself.

Early this year there were published reports that the President was going to let the war on poverty die.

One of the first things Senator NELSON and I did in this Congress was to write to the President and urge him not to do that. The chairman of the House Education and Labor Committee, Congressman PERKINS, of Kentucky, joined with us in that appeal. Ultimately, the President came around to requesting a 2-year extension of the present program.

We are glad that after carefully considering all the evidence he came to that conclusion.

The Nation cannot do otherwise. As long as we have some 25 million desperately poor people in this country, we cannot escape the responsibility of offering at least some of them the opportunity for job training, health service, and educational assistance without which they can never hope to win a place in our society as productive, self-sufficient citizens.

Mr. President, I want to congratulate all those who worked so hard on developing this bill and perfecting it to the point where it has won such broad acceptance. The conferees have done an exceptional job, of which both Houses can be proud. And as we accept this conference report today and send this bill on to the President, we can at least feel some assurance in that we have faced up to a responsibility which this Nation can never ignore again.

Mr. CURTIS. Mr. President, my basic reasons for not signing the conference report on the tax bill are budgetary and fiscal. I shall make a full statement on this later.

While the bill makes a number of tax reforms of which I heartily approve, it contains one manifest departure from historic tax policy, indeed, from national policy, which I believe is so grave that I am impelled to comment on it at once. I refer to the imposition of an income tax on foundations.

I am convinced that this is a grievous error. For the first time in our history, the income tax exemption of a large class of our private philanthropic and charitable organizations has been destroyed, and only the rate of tax will differentiate them from other taxpayers. This is a serious blow, with unfathomable long-range implications, to the private sector and to the vital part that private philanthropy historically has played in American life. We have now crossed the line toward total secularization of our society and total dependence on government for the educational, philanthropic, and charitable activities which traditionally have been, and should be, carried on by the private sector.

I hope at an early date that this unfortunate action will be reconsidered.

Mr. KENNEDY. Mr. President, passage of this conference report on the Economic Opportunity Amendments of 1969 marks an important moment in our Nation's battle against poverty. It is an endorsement of the antipoverty approaches which have developed over the last 4 years. It is a recognition that we must continue to seek new ways to combat deprivation. It is a clear expression of our commitment to assist the poor and the disadvantaged in our society.

In total wealth and in individual opportunity, no nation in the world can match the United States. Our gross national product is nearing $1 trillion a year. Median family income is over $8,000 a year—almost $2,000 higher than in the country with the next highest standard of living. We are surrounded by the trappings of material wealth.

Despite our aggregate prosperity and national wealth, however, an estimated 25 million Americans still live in serious poverty—without necessities such as food, clothing, shelter, and medical attention, which the fortunate of us take for granted; and without the opportunities for education and employment required to enjoy a satisfactory standard of living.

For the last 4 years, the Office of Economic Opportunity has been the focal point for a concentrated Federal effort to combat poverty in America. The problems it has faced have been great. The results it has achieved have been encouraging.

For example, from 1965, when the OEO program began, through 1967, 7 million Americans escaped from poverty status. In 1968, approximately 4 million more rose above the poverty line for that 1 year alone. The trend is continuing. Programs under the Economic Opportunity Act have been an important influence in achieving these results.

The action by both the Senate and the House on extension of the Economic Opportunity Act has indicated a strong congressional commitment to local initiative and the community action approach. For this is the heart of our Federal antipoverty program. And Congress expressly rejected attempts to weaken this commitment.

In its report to the congressional Committees on Appropriations, dated November 1969, OEO reiterated its commitment to local initiative:

> Local initiative funds are the core of the Community Action concept. They make possible the structure through which the process of community action is carried out; they enable each community to tailor its total antipoverty program to its peoples' needs, and they are the primary means by which self-help by the poor is undertaken.

I endorse that view on the importance of local initiative and community action. And I agree with the statement of priorities spelled out by the House conferees in their "statement of managers" on S. 3016:

> The managers on the part of the House encourage the Director of OEO to explore, along the lines previously mentioned in the House

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> committee report, the opportunities for increased State involvement in poverty programs. It must be quite clear, however, that State domination over program planning conception, or administration is not intended. Any changes in policy or regulation that would establish a preference for State rather than local determination and local control of community action programs will be inconsistent with the intention of Congress.

Antipoverty efforts cannot succeed if they are paternalistic. They must be generated and carried out at the local level, by the people who themselves have experienced poverty and know the desires and the needs of our low-income citizens. Long-run progress cannot be thrust upon the poor; it must be developed and supported from within, even if this ultimately means inconvenience and change and loss of power among our more established institutions of society.

Mr. President, I think that as chairman of the Poverty Subcommittee, Senator NELSON has done a superb job in developing and carrying through Congress this year's economic opportunity amendments. He has been thorough and dedicated and diplomatic in managing an extremely important, and equally controversial, piece of legislation. I commend the distinguished Senator from Wisconsin for his successful work.

I should add that the House of Representatives should also be recognized for its strong support of the local initiative approach to antipoverty programs, especially in light of the concerted effort to vitiate the present program and turn it into a State-controlled block-grant system. It was a singular triumph for the legislators who are dedicated to helping the poor help themselves, for the 25 million poverty-stricken citizens in this Nation, and for the distinguished chairman of the Education and Labor Committee, CARL PERKINS, who persevered and saved the program at a time when it was in imminent danger of being destroyed.

Mr. President, again I commend Senator NELSON for his important work and contribution on behalf of our Nation's poor. I strongly support the conference report on the Economic Opportunity Amendments of 1969 and feel that their passage reaffirms once again our national commitment to eliminate poverty.

Mr. DOMINICK. Mr. President, for the information of Senators, I want to repeat that I will send a motion to recommit to the desk shortly, and that there will be a rollcall vote on it. I shall not be long in expressing my reasons.

One reason that I refused to sign the bill is that the flexibility which we had built into the area of the program, even in previous years, is not retained in the bill.

Although the conference bill increases over present law the percentages of program funds which can be moved from one program to another, the increases in what can be transferred out of a program are not as great as those in the Senate bill, and the Senate bill did not put a limit on the increases which can be transferred into a program. Yet the conference bill includes extensive earmarking of funds.

Since we did not earmark funds last year, the 10–10 provisions of present law were not a major problem. The 10–35 provisions of this bill for 1970 and 15–35 for 1971 may be. It is interesting that when the Democrats were in charge of OEO, they were against earmarking. Now that Republicans are in charge of OEO, the Democrats are in favor of earmarking.

I say that not necessarily to chide, but to bring it up so that they will not think we have forgotten that particular point.

In previous years there have been problems in transferring money even without the added restriction of earmarking. In the comprehensive health centers, last year, for example, the OEO was unable to use the amount of money it had originally available for this type of program, $70 million. The amount actually obligated was only $52 million. This was much more than the 10-percent reduction permitted by present law so the excess unused money could not be transferred to other needy programs. In like manner, on some of the programs which they wanted to start, OEO representatives feel that they will be increasing the programs, if they can have more flexibility, by more than the 35 percent which is permitted under the bill.

Why do we find ourselves in this position? We increased the flexibility in our Senate bill and also put in earmarking. The House retained the old flexibility and did not have earmarking. The core of the problem today is that the conference bill takes a different twist. It reduces the flexibility and increases earmarking. So we have the situation in which the innovative features which Mr. Rumsfeld and the OEO would like to initiate are sharply restricted under the conference report.

There is another item which should be pointed out. In the Senate bill, at the request of the Comptroller General, we included the power to audit and examine the financial records of grantees under the OEO program. For reasons that are totally unknown to me, it was knocked out of the conference at a time when I could not be there. The conference bill provides no power or authority for the Comptroller General to be able to audit accounts of people receiving benefits under the OEO.

It is my understanding that there is some authority in the appropriation conference report. It seems to me it is rather ironic to have it in the appropriation bill and not to have it in the authorization bill.

Mr. NELSON. Mr. President, will the Senator yield so I may respond to that specific point?

Mr. DOMINICK. I am happy to yield to the Senator from Wisconsin on that point.

Mr. NELSON. First, the authority of the General Accounting Office to have access to grantees' records for purposes of audit has always been in the appropriation bills. It is contained in the item appropriating funds for OEO. It has never been in the authorization bill. However, that was not the reason why the House declined to go along with the provision for the audit in the authorization bill. Although I assume it was a technical mistake in drafting, the Senate-passed OEO authorization bill provision was drafted so that it authorized the GAO to have access to records for audit purposes only with respect to title II funds. He could not have such audit access under the terms of the provision in the Senate-passed version of the OEO bill. I am sure the author did not intend to have it limited only to title II. The House had nothing in its bill with respect to GAO audits. The point was raised that if the House had nothing in its bill, it could not accept expansion of the authority to cover all titles in the Economic Opportunity Act because it would be subject to a point of order. Therefore, since it was limited to title II, and is covered in the HEW-Labor appropriations bill, H.R. 13111, that passed the Senate this week, that is, the appropriations bill which contains the OEO appropriations, and in the conference report on that bill, it was resolved in that way. That was the discussion that went on when the Senator from Colorado could not be there, and that provision was dropped for that reason.

Mr. DOMINICK. I thank the Senator, I think it is better to leave the authority in so the Comptroller General can audit some than to strike out the provision because it covers only one title instead of all of them.

As pointed out in the colloquy between the Senator from New York and the Senator from Wisconsin, another thing that was knocked out of the conference was the Murphy amendment, giving the Governors some authority over the legal services. Retained was a provision in the Senate bill, which the Senator from Minnesota had proposed, and which the House bill did not have, providing that the legal services program cannot be delegated. The conference bill specifies one program out of all the programs of OEO which cannot be delegated. It is the only program which cannot be delegated to another agency, whether it is working well or not.

I know the Senator from Minnesota felt deeply about this. The effect, however, is a national legal services program. We are not going to be able to operate it through any other agency or through regional offices, but it must be directly under the director.

For the reasons I have stated, and others, I send to the desk a motion to recommit the conference report with the following instructions, which I ask the clerk to read.

The PRESIDING OFFICER. The clerk will read.

The ASSISTANT LEGISLATIVE CLERK. The Senator from Colorado (Mr. DOMINICK) moves to recommit the OEO conference report with the following instructions:

> (1) The Senate conferees insist on the elimination from the conference report of any language relative to Section 104(b), legal services for members of the Armed Forces.
>
> (2) The Senate conferees insist on the Senate's provision relative to audits.
>
> (3) The Senate conferees insist on the elimination from the conference report of any language relative to the making of a specific reservation of funds for local initiative programs.

Mr. DOMINICK. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. DOMINICK. Mr. President, I shall be rather brief.

The instructions to conferees are limited to three points.

The first point is to limit the potential of jurisdictional conflict where OEO starts moving in on the Department of Defense. That is the position I took in the process of discussing the Carey amendment. Debate on it went on for a considerable time. At one time I thought we were going to get simply a statement and a report. We did not get that. This is the position the Senator from Mississippi (Mr. Stennis) has taken in the process of discussing this particular provision of the bill.

The second instruction is relative to audits. There is in the hearing record a letter from Mr. Staats, Comptroller General of the United States, to the chairman of the Senate Labor and Public Welfare Committee, which reads as follows:

> In our reports on proposed grant programs, we have consistently called attention to the desirability of including in new authorizing legislation specific provisions requiring grantees to keep records which would fully disclose the disposition of the funds received and authorizing the administrative agencies and the Comptroller General to have access to the grantees' records for the purpose of audit and examination.
>
> Under present authority, our right of access to all OEO grantees' records ended with the close of our investigation under title II of the Economic Opportunity Amendments of 1967. We had broad access authority under our title II investigation and prior to the 1967 amendments we had access to grantees' records bearing exclusively on grants under section 202 as amended by Public Law 89–794, 42 U.S.C. 2782(b) (Supp. II). Also under chapter III of the Supplemental Appropriation Act, 1968, Public Law 90–239, 81 Stat. 774, we had the same access right for fiscal year 1968. In view of these circumstances, we feel that our Office needs clearly stated authority for audit of OEO contractors' and grantees' records in any legislation that would extend or revise the activities of the Office of Economic Opportunity. Such authority is provided to Federal grantor agencies and to the Comptroller General, with regard to grants-in-aid to States, pursuant to section 202 of Public Law 90–577, the Intergovernmental Cooperation Act of 1968. It is suggested that language along the lines of that cited in Public Law 90–577 applicable to all OEO grantees would be appropriate in S. 1809.

The Senate attempted to give this authority, but apparently limited it intentionally to programs funded under title II, instead of all OEO. Now it is stated that since the Senate bill did not encompass all OEO programs, the conferees struck out the right to audit even under the title II programs. I would say this is a strong reason for insisting on the Senate's provision with respect to audits.

The third provision in these instructions is an interesting one. Neither the Senate nor the House—I want my colleagues to note this—had anything in the bill with regard to having a mandatory reservation of funds for local initiative programs. It was adopted, however, by the conference. That means $328,900,000 must be reserved and made available for each of the fiscal years for local initiative programs carried on under section 221 of the act.

This is a reservation off the top of the funds. Only the remainder of the appropriations for each such year would be allocated and prorated in the prescribed manner among the earmarked programs.

The amount reserved is not subject to transfer under section 616 of the act. That means that this amount of $328,900,000 cannot be either increased or decreased under section 616, and there is no flexibility in it whatsoever as a result.

Furthermore, it also says that although we have a provision for pro rata reductions where the appropriations do not meet the level that is expected, the funds received for local initiative programs would not be subject to such reductions.

This reservation was not in the Senate or House bill, so it would seem to me that the conferees have not only exceeded their authority—and I may bring up a point of order on this later—but it also seems to me that they have done something to anchor in local programs which we may want to change, we may want to increase or we may want to reduce, which we cannot do under the language of the conference report.

Mr. President, we ought to insist that local initiative programs should be as much subject to the other provisions of the act as all the other programs enumerated in the conference report.

Mr. PROUTY. Mr. President, will the Senator yield?

Mr. DOMINICK. I am happy to yield.

Mr. PROUTY. I was absent from the Chamber during a part of the Senator's statement. I was wondering if the Senator intends to take action to restore the powers of the Comptroller General.

Mr. DOMINICK. I certainly do. It was the Senator from Vermont who first offered this amendment, I believe, which was included in the Senate bill. I have put that in as a second provision, that the Senate conferees insist on the Senate provision relative to audits.

Mr. PROUTY. I thank the Senator. I believe the action the Senator is seeking is proper, and I support his motion.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Colorado to recommit the conference report, with instructions.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JAVITS. Is it true that those who wish to recommit should vote "yea," and those who are against recommittal "nay"?

The PRESIDING OFFICER. The Senator is correct.

Mr. JAVITS. Will a second vote then recur on the conference report itself?

The PRESIDING OFFICER. Assuming that the motion is not agreed to, the Senator is correct.

The question is on the motion to recommit of the Senator from Colorado. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FULBRIGHT. On this vote I voted "nay." I wish to pair with the Senator from Louisiana (Mr. Ellender). If he were present, he would vote "yea." I therefore withdraw my vote.

Mr. MANSFIELD. Mr. President, the Senator from Louisiana is absent on official business at my request. That explains why he is not in the Chamber.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. Anderson), the Senator from Mississippi (Mr. Eastland), the Senator from Alaska (Mr. Gravel), the Senator from South Carolina (Mr. Hollings), the Senator from Hawaii (Mr. Inouye), the Senator from Louisiana (Mr. Long), the Senator from Minnesota (Mr. McCarthy), the Senator from Wyoming (Mr. McGee), the Senator from Montana (Mr. Metcalf), the Senator from Rhode Island (Mr. Pastore), the Senator from Georgia (Mr. Russell), the Senator from Missouri (Mr. Symington), the Senator from Georgia (Mr. Talmadge), and the Senator from Maryland (Mr. Tydings) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. Ellender) is absent on official business.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. Pastore), and the Senator from Montana (Mr. Metcalf) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from New Jersey (Mr. Case), the Senator from Arizona (Mr. Goldwater), the Senator from California (Mr. Murphy), the Senators from Illinois (Mr. Percy and Mr. Smith), the Senator from Kansas (Mr. Pearson), the Senator from Alaska (Mr. Stevens), the Senator from Texas (Mr. Tower), and the Senator from Delaware (Mr. Williams) are necessarily absent.

The Senator from Kentucky (Mr. Cooper) is absent because of illness in his family.

The Senator from South Dakota (Mr. Mundt) is absent because of illness.

If present and voting, the Senator from California (Mr. Murphy), the Senator from Illinois (Mr. Smith), and the Senator from Texas (Mr. Tower) would each vote "yea."

The result was announced—yeas 31, nays 42, as follows:

[No. 267 Leg.]

YEAS—31

Allen
Allott
Baker
Bellmon
Bennett
Boggs
Byrd, Va.
Byrd, W. Va.
Cannon
Cotton
Curtis
Dole
Dominick
Fannin
Griffin
Gurney
Hansen
Hruska
Jordan, N.C.
Jordan, Idaho
McClellan
McIntyre
Miller
Packwood
Prouty
Randolph
Smith, Maine
Sparkman
Stennis
Thurmond
Young, N. Dak.

NAYS—42

Aiken
Bayh
Bible
Brooke
Burdick
Church
Cook
Cranston
Dodd
Eagleton
Ervin
Fong
Goodell
Gore
Harris
Hart
Hartke
Hatfield
Holland
Hughes
Jackson
Javits
Kennedy
Magnuson
Mansfield
Mathias
McGovern
Mondale
Montoya
Moss
Muskie
Nelson
Pell
Proxmire
Ribicoff
Saxbe
Schweiker
Scott
Spong
Williams, N.J.
Yarborough
Young, Ohio

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Fulbright, against.

NOT VOTING—26

Anderson
Case
Cooper
Eastland
Ellender
Goldwater
Gravel
Hollings
Inouye
Long
McCarthy
McGee
Metcalf
Mundt
Murphy
Pastore
Pearson
Percy
Russell
Smith, Ill.
Stevens
Symington
Talmadge
Tower
Tydings
Williams, Del.

So the motion to recommit with instructions was rejected.

Mr. MONDALE. Mr. President, I move to reconsider the vote by which the motion was rejected.

Mr. NELSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HOLLAND. Mr. President, I ask for the yeas and nays on final passage.

Mr. DOMINICK. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state the point of order.

Mr. DOMINICK. I have a point of order on a section of the bill, that the conferees have exceeded their authority, under rule XXVII.

The PRESIDING OFFICER. The Senator from Florida had the floor and asked for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. If the Senator from Colorado desires to raise the point of order at this time, he will be recognized.

PERSONAL STATEMENT

Mr. COTTON. Mr. President, will the Senator yield to me for a moment?

Mr. DOMINICK. I yield to the Senator from New Hampshire, with the understanding that I will not lose my right to the floor.

Mr. COTTON. Mr. President, I think it is an appropriate time for the Senator from New Hampshire to be permitted to make a request for unanimous consent on a personal matter, because it pertains to this subject.

In the conference between the House and the Senate yesterday on the Health, Education, and Welfare appropriation bill, we had nearly completed our conference when the House Members were called to the floor of the House by a rollcall vote. As has been customary for years, the clerks of the conference committee came to each Member and said, "When you come back and finish up the conference, you gentlemen may be leaving hurriedly. Will you sign the conference report in advance, so we will not have to pursue you all over Capitol Hill?" As we have done dozens of times, we did sign the report in advance.

We reassembled after the House rollcall, and a couple of final matters pertaining to the language in the bill were determinated, and then the Senator from New Hampshire addressed the chairman of the conference committee, a Member of the House, and asked to be heard, and started discussing this very appropriation on OEO, to make some observations and possible suggestions that might influence the conference committee to alter their decision somewhat.

To the amazement of the Senator from New Hampshire, the Chair gaveled him down, said that he was out of order, that the conference was terminated, that he had the signed conference report in his pocket, and that the Senator from New Hampshire could not even be heard.

The Senator from New Hampshire sought afterward to remove his name from the conference report, but was not allowed to do so. He intends to go over to the House side and take the matter up with the Parliamentarian of the House to see if it can be removed over there.

But in this peculiar circumstance, which is the most astounding exhibition that this Senator has seen in his 23 years in the House and Senate, the Senator from New Hampshire does want, if possible, to let it be known publicly that he desires his name off of that report. That report will not come to the Senate, presumably, under the present arrangements until the 19th of January.

The Senator from New Hampshire asks unanimous consent now, that when the report of the conference committee on HEW reaches the desk of the Senate, his name be removed therefrom.

The PRESIDING OFFICER (Mr. PACKWOOD in the chair). Is there objection?

Mr. FULBRIGHT. Mr. President, reserving the right to object, will the Senator inform me who the chairman of that conference was?

Mr. COTTON. It was an old and close friend of mine, with whom I have served on the Appropriations Committee of the House and whom I greatly like and admire, Representative FLOOD, of Pennsylvania. It had been a long conference and Mr. FLOOD was tired. I bear him no ill will but want my name off that report.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ECONOMIC OPPORTUNITY AMENDMENTS OF 1969—CONSIDERATION OF CONFERENCE REPORT CONTINUED

Mr. DOMINICK. Mr. President, I am raising this question of a point of order on the fact that the conferees may have exceeded their authority, and I think they did.

What I have referred to is the so-called local initiative programs, or the CAP programs. Under title II, the Senate bill authorized over 1 billion dollars, and earmarked a portion of that for seven programs under that title. The CAP programs were not earmarked or reserved by the language of the Senate bill. The House bill did not have any earmarking, nor did it set aside funds in the form of a reservation for the CAP program. When we went into conference, although title II contemplates local initiative type of programs, there was no reservation of funds for local initiative in either the House or Senate bills for the conferees to act upon. Yet the agreement by the conference requires that $328.9 million must be reserved—positive language, "must be reserved"—and made available for each of the fiscal years for local initiative programs. This reservation comes off the top—before allocation to earmarked programs so it is not subject to transfer under section 616 of the act, the flexibility portion.

We had a House bill which made no earmarking or reservations of any kind and, then, the conference comes up with a reservation of one-fourth to one-third of the total amount of money in title II reserved for the CAP program. Let me make clear that, unlike the earmarked programs, this reservation of $328.9 million is not subject to any rate of reduction when appropriations do not fully fund the authorization.

Mr. President, I make the point of order that the reservation exceeds the authority of the conferees. I did not want to do this. I had hoped my motion to recommit would straighten it out but since that motion was defeated I find myself in a position where I must make a point of order. I raise it under rule XXVII.

Mr. MANSFIELD. Mr. President, before the Chair rules, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MONTOYA in the chair). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate stand in recess for 5 minutes.

There being no objection, (at 2 o'clock and 25 minutes p.m.) the Senate took a recess for 5 minutes the same day.

On the expiration of the recess, the Senate reconvened, when called to order by the Presiding Officer (Mr. MONTOYA in the chair).

The PRESIDING OFFICER. Will the Senator from Colorado restate his point of order?

Mr. DOMINICK. Mr. President, the point of order is that, under rule XXVII, it is my opinion that the Senate bill did not contain any specific reference to local initiative programs; certainly did not reserve any funds for it; that the House did not; and that the conferees, to be specific, put in a reservation for local initiative programs in the amount of $328 million; not only have they done that but they also said that it is not subject to transfer or pro rata reduction if appropriations are insufficient to fully fund. I make the point of order that the conferees have exceeded their authority under rule XXVII.

Mr. NELSON. Mr. President——

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. NELSON. Did the Senator complete his remarks?

Mr. DOMINICK. Did the Senator want me to go over it again?

Mr. NELSON. No. Did the Senator give up the floor?

Mr. DOMINICK. For the moment, yes.

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Mr. NELSON. Mr. President, the Senate sent——

The **PRESIDING OFFICER.** The Chair will state for the RECORD that the Chair does not have to entertain debate on this point of order, but the Chair is entertaining debate at this moment for the edification of the Senate on this point.

Mr. NELSON. Mr. President, the Senate passed a bill in which all of the money in the bill was earmarked. The House took the Senate bill and struck everything in the bill except the enacting clause, and then it passed a bill without earmarking.

The issue raised by the Senator from Colorado is that within title II there are local initiative programs. They are in the law now. We, in our bill earmarked all of title II excepting some unearmarked reserve within the title. We earmarked for title II a total of $1,012,700,000. Within the title we earmarked specific amounts for several items. There then remained within that title II an unreserved residue of about $400 million.

Then, in the committee language, so it will be understood how that money was to be spent, on page 14 of the Senate committee report (S. Rept. 91–453) which accompanied the Senate bill we said:

> The committee bill authorizes $1,012,700,000 for title II—Urban and Rural Community Action programs. More than half of this authorization is earmarked, program by program, for the so-called "special emphasis" programs such as Headstart, Emergency Food and Medical Services, etc., some of which are operated by Community Action agencies.
>
> The remainder of the title II authorization—a total of $412.9 million for fiscal 1970 and $397.9 million for fiscal 1971 after reserving funds for the two new special emphasis programs for Alcoholic Counseling and Recovery and Drug Rehabilitation—remains unearmarked and may be allocated by the Director in the manner he deems suitable. It is expected by the committee that the bulk of this unearmarked money will be spent for Community Action "local initiative" programs—

These are the programs we are talking about—

> those distinctive local programs developed by the 969 CAA's and approved by OEO.

So we are referring in here exactly to the money in question and to the local initiative programs and we mentioned it in the Senate report.

> Other activities financed out of this title's authorization are (using the categories as described by the Administration in its budget presentation): Program direction; training and technical assistance; State economic opportunity offices; research, pilot programs and evaluation.

So I submit it was perfectly clear in the Senate report which accompanied the Senate bill before this body acted upon it in October—perfectly clear to everybody—that this unreserved amount of total earmarked money in title II was specifically intended to cover the local initiative programs. There was never any doubt about that by OEO or anyone in the House or this body.

Mr. DOMINICK. Mr. President, in order to repeat my point again, under the language of the Senate bill, as the Senator from Wisconsin has clearly stated, there was $1,012,700,000 for the purpose of carrying out title II.

From that amount, the Senate bill earmarked $338 million for the Project Headstart program, $60 million for the Follow Through program, $58 million for the legal services program, $80 million for the comprehensive health services program, $25 million for the emergency food and medical services program, $15 million for the family planning program, and $8,800,000 for the senior opportunities and services program.

Not a word about CAP or the local initiative program—not one word in this whole section. As a matter of fact, there is not a word in the entire Senate bill about it.

We have a rule which says we cannot go beyond the two bills. There is nothing in the House bill, either. All of a sudden, in the conference, along comes a House Member who says, "We are going to reserve $328.9 million for CAP, and you have got to spend it. You cannot change it or have it flexible."

I submit that, as a matter of rule, we have a situation here where the only reference in either bill to CAP programs of any kind is in the committee report accompanying the Senate bill. That report states the director "is expected" to use "the bulk" of the nonearmarked title II funds for local initiative programs. He does not have to: He can legally take the entire $328.9 million and spend it somewhere else under the title II program. I doubt if he would, but he could. He could do anything he wishes, including transferring funds in or out of the CAP's just as with other programs. So the Senate committee report language is not binding on him. It does not require him to spend the money on the CAP projects.

It seems to me, under those circumstances, that the conference has gone beyond what either bill anticipated or permitted.

The **PRESIDING OFFICER.** The Chair is ready to submit the question.

Mr. JAVITS. Mr. President, does the Chair wish to hear me? I shall be very brief.

The **PRESIDING OFFICER.** The Senator from New York.

Mr. JAVITS. Mr. President, the issue is really epitomized by the rule that the conferees may not include in the report matter not committed to them by either House. They may, however, include matter which is a germane modification of subjects in disagreement.

So the question is, Was this committed to us by either House? I respectfully submit it was, and for the following reasons——

Mr. DOMINICK. Mr. President, will the Senator admit reservation of local initiative funds was not a subject in disagreement?

Mr. JAVITS. The purpose of the House was to give a generic appropriation for $1,563 million for the year ending June 30, 1970, and to leave open the year ending June 1971.

The approach of the Senate, as has been explained, was to earmark for carrying out title II $1.012 billion of the total amount authorized by the Senate, which was $2.048 billion.

Mr. President, the reason that I say that the item was committed to us is that there is a distinct difference between unearmarked funds and earmarked funds, and that raises the issue of earmarking. Therefore that issue was committed by both houses. The House of Representatives preferred unearmarked funds in the amount of $1,563,000,000; we preferred earmarked funds, and our figure was $2,048,000,000.

As to the second qualification at issue, which is, whether we submitted a germane modification, I submit that we did. We earmarked $1,012,000,000 for carrying out title II. In the resulting conference, the earmarking of $328 million which is complained of was specifically for section 221 of the Economic Opportunity Act of 1964.

Section 221 of the Economic Opportunity Act of 1964 is a part of title II, and therefore it is germane to settle between the parties what shall be encompassed within an earmarking which relates to title II, assuming that the Senate prevailed on the issue of earmarking at all.

Therefore, it seems to me, first, the issue was committed as between unearmarked funds and earmarked funds; and second, that it was a germane agreement that the conferees made, because the Senate allocated the resources to title II, and the settlement extracted a part of the money which was provided for those resources for a given section of title II.

So I believe that what was done in the conference qualifies on both scores.

Mr. DOMINICK. Mr. President, will the Senator yield for one or two questions or comments?

Mr. JAVITS. Certainly.

Mr. DOMINICK. What we have here is not an earmarking, it is a reservation. That means that if the Appropriation Committees should, under title II, only appropriate $328,900,000, all of that money would have to go to CAP and none of the money would go to anything else. So it is a reservation of funds, which goes far beyond earmarking, because it is not subject to reduction, allocation, or transfer.

I ask unanimous consent that section 102 of the conference bill and the explanation in the conference report be printed in the RECORD.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

[Bill]

AUTHORIZATION OF APPROPRIATIONS

SEC. 102. (a) For the purpose of carrying out the Economic Opportunity Act of 1964, there are hereby authorized to be appropriated $2,195,500,000 for the fiscal year ending June 30, 1970, and $2,295,500,000 for the fiscal year ending June 30, 1971.

(b) Notwithstanding any other provision of law, unless expressly in limitation of the provisions of this section, of the amounts appropriated pursuant to subsection (a) of this section for the fiscal year ending June 30, 1970, and for the next fiscal year, the Director shall for each such fiscal year reserve and make available not less than $328,900,000 for the purpose of local initiative programs authorized under section 221 of the Economic Opportunity Act of 1964, and the remainder of such amounts shall be allocated, subject to the provisions of section 616 of such Act, in

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such a manner that of such remaining amounts so appropriated for each fiscal year—

(1) $890,300,000 shall be for the purpose of carrying out parts A and B of title I (relating to work and training programs):

(2) $46,000,000 shall be for the purpose of carrying out part D of title I (relating to special impact programs);

(3) $20,000,000 shall be for the purpose of carrying out part E of title I (relating to special work and career development programs);

(4) $811,300,000 shall be for the purpose of carrying out title II, of which $398,000,000 shall be for the Project Headstart program described in section 222(a)(1), $90,000,000 shall be for the Follow Through program described in section 222(a)(2), $58,000,000 shall be for the Legal Services program described in section 222(a)(3), $80,000,000 shall be for the Comprehensive Health Services program described in section 222(a)(4), $62-500,000 shall be for the Emergency Food and Medical Services program described in section 222(a)(5), $15,000,000 shall be for the Family Planning program described in section 222(a)(6), and $8,800,000 shall be for the Senior Opportunities and Services program described in section 222(a)(7);

(5) $12,000,000 shall be for the purpose of carrying out part A of title III (relating to rural loans);

(6) $34,000,000 shall be for the purpose of carrying out part B of title III (relating to assistance for migrant and seasonal farmworkers);

(7) $16,000,000 shall be for the purpose of carrying out title VI (relating to administration and coordination); and

(8) $37,000,000 shall be for the purpose of carrying out title VIII (relating to VISTA).

If the amounts appropriated pursuant to subsection (a) of this section for any fiscal year are not sufficient to allocate the full amounts specified for each of the purposes set forth in clauses (1) through (8) of this subsection, then the amounts specified in each such clause shall be prorated to determine the allocations required for each such purpose.

(c) In addition to the amounts authorized to be appropriate pursuant to subsection (a) of this section, there are further authorized to be appropriated the following:

(1) $14,000,000 for the fiscal year ending June 30, 1971, to be used for the Special Impact programs described in part D of title I;

(2) $34,700,000 for the fiscal year ending June 30, 1971, to be used for the Special Work and Career Development programs described in part E of title I;

(3) $180,000,000 for the fiscal year ending June 30, 1971, to be used for the Project Headstart program described in section 222(a)(1);

(4) $32,000,000 for the fiscal year ending June 30, 1971, to be used for the Legal Services program described in section 222(a)(3);

(5) $80,000,000 for the fiscal year ending June 30, 1971, to be used for the Comprehensive Health Services program described in section 222(a)(4);

(6) $112,500,000 for the fiscal year ending June 30, 1971, to be used for the Emergency Food and Medical Services program described in section 222(a)(5);

(7) $15,000,000 for the fiscal year ending June 30, 1971, to be used for the Family Planning program described in section 222(a)(6);

(8) $3,200,000 for the fiscal year ending June 30, 1971, to be used for the Senior Opportunities and Services program described in section 222(a)(7);

(9) $15,000,000 for the fiscal year ending June 30, 1971, to be used for the program of assistance for migrant and seasonal farmworkers described in part B of title III; and

(10) $50,000,000 for the fiscal year ending June 30,1971, to be used for Day Care projects described in part B of title V.

[Conference report]

AUTHORIZATION OF APPROPRIATIONS

The Senate bill provided authorization of appropriations for the fiscal year 1970 of $2,048,000,000. The House amendment in contrast authorized the appropriation for fiscal year 1970 of $2,343,000,000, of which $1,563,-000,000 was authorized for carrying on programs for which the House did not make separate authorization of appropriations. The bill agreed to in conference authorizes the appropriation of $2,195,500,000 for the fiscal year 1970.

For the fiscal year 1971, the House amendment authorized the appropriation of such sums as may be necessary. The Senate bill authorized the appropriation for that year of $2,148,000,000, but, in addition, authorized the appropriation of the following:

(1) $14,000,000 for Special Impact programs under part D of title I,

(2) $240,000,000 for Project Headstart programs,

(3) $32,000,000 for Legal Services programs.

(4) $80,000,000 for Comprehensive Health Services programs.

(5) $150,000,000 for Emergency Food and Medical Services programs,

(6) $3,200,000 for the Senior Opportunities and Services programs,

(7) $15,000,000 for assistance for migrant and seasonal farmworkers under part B of title III, and

(8) $50,000,000 for Day Care projects under part B of title V.

The conference substitute authorizes $2,-295,500,000 for the fiscal year 1971 and authorizes the additional amounts which were authorized by the Senate bill with the following exceptions: (1) an additional authorization of $15,000,000 for family planning programs; (2) the additional amount for Headstart is reduced to $180,000,000; (3) the additional amount for Emergency Food and Medical Services is reduced to $112,500,000.

ALLOCATIONS

The House amendment did not provide allocations to specific programs of amounts appropriated, except to the extent the separate authorizations contained in the House amendment for special work and career development programs, special preschool and Follow Through programs, and intensive programs to eliminate hunger and malnutrition constituted a separate allocation of appropriations.

The Senate bill in contrast provided special allocations for a number of the programs carried on under the Act. These were the following:

(1) $890,300,000 for work and training programs under title I.

(2) $46,000,000 for special impact programs under part D of title I.

(3) $1,012,700,000 for community action programs under title II, of which $338,000,-000 would be for Project Headstart programs, $60,000,000 for Follow Through programs, $58,000,000 for legal services programs, $80,000,000 for comprehensive health services programs, $25,000,000 for emergency food and medical services programs, $15,000,000 for family planning programs, and $8,800,000 for senior opportunities and services programs.

(4) $12,000,000 for rural loan programs,

(5) $34,000,000 for migrant and seasonal farm worker programs,

(6) $16,000,000 for administration and coordination under title VI,

(7) $37,000,000 for carrying out VISTA.

The conference substitute adopts the plan of the Senate bill with a major change. As adopted by the conferees, $328,900,000 must be reserved and made available for each of the fiscal years for local initiative programs carried on under section 221 of the Act, and only the remainder of the appropriations for each such year would be allocated in the prescribed manner. The amount so reserved is not subject to transfer under Section 616 of the Act. The allocations described above are retained in the conference substitute, except that a new allocation of $20,000,000 is made for carrying out the new part E of the Act. It should be noted that the provisions of the Senate bill requiring pro rata reductions in allocations where appropriations are insufficient to make such allocations in full are retained in the conference substitute, but, of course, the funds reserved for local initiative programs would not be subject to such reductions. It should also be noted in considering these allocations that the conference substitute retains the provisions of the Senate bill which require the Director to reserve and make available not less than $10,000,000 for the fiscal year 1970, and not less than $15,000,000 for the fiscal year 1971 for carrying out the new Alcoholic Counseling and Recovery program and to reserve and make available not less than $5,000,000 for the fiscal year 1970, and not less than $15,000,000 for the fiscal year 1971 for carrying out the new Drug Rehabilitation program.

Mr. JAVITS. I respectfully submit, in reply, that the Senator's point goes to the qualitative issue involved, which is: having once decided that it is germane, what do you do about it?

That was tested by the Senator's motion to recommit. All we are arguing now is the jurisdiction to do anything about it. I do not think that contests the jurisdiction. The Senator does not like what we did, and I respect his position, but I submit that that is not the point at issue.

The **PRESIDING OFFICER.** The Chair is ready to submit the question.

The point of order is directed to the propriety of the so-called reservation in the conference report under section 102 of the conference report.

The Senate rule; namely, rule 27.3, reads as follows:

> (a) In any case in which a disagreement to an amendment in the nature of a substitute has been referred to conferees, it shall be in order for the conferees to report a substitute on the same subject matter; but they may not include in the report matter not committed to them by either House. They may, however, include in their report in any such case matter which is a germane modification of subjects in disagreement.

In this particular case, there was a lump sum authorization which anticipated various programs which were not enumerated in the legislation, but were mentioned in the committee report. In this case, the program which is made the point of discussion and of the point of order was mentioned in the Senate committee report which brought out the authorizing legislation.

The question that the Senate must decide now is whether, in view of the mention of that program in the Senate report, it was encompassed within the lump sum authorization, so that the reservation or modification may be a subject for the conferees to act upon.

Under these circumstances, and under rule XX, the Chair submits the question to the Senate.

The question is, Did the conferees exceed their authority by including this proviso in the conference report?

Mr. NELSON. Mr. President, I move to lay the point of order raised by the Senator from Colorado on the table.

The PRESIDING OFFICER. I might add that the Parliamentarian has advised me that this question is debatable at this stage.

Mr. NELSON. I move to lay the point of order on the table.

Mr. DOMINICK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOMINICK. Is that motion in order?

The PRESIDING OFFICER. The motion is in order, and is not debatable.

Mr. DOMINICK. I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Wisconsin (Mr. NELSON) to lay on the table the point of order raised by the Senator from Colorado (Mr. DOMINICK). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. METCALF), the Senator from Rhode Island (Mr. PASTORE), the Senator from Georgia (Mr. RUSSELL), the Senator from Missouri (Mr. SYMINGTON), the Senator from Maryland (Mr. TYDINGS) and the Senator from Ohio (Mr. YOUNG), are necessarily absent.

I further announce that, if present and voting, the Senator from Montana (Mr. METCALF) and the Senator from Rhode Island (Mr. PASTORE), would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from New Jersey (Mr. CASE), the Senator from Arizona (Mr. GOLDWATER), the Senator from California (Mr. MURPHY), the Senators from Illinois (Mr. PERCY and Mr. SMITH), the Senator from Kansas (Mr. PEARSON), the Senator from Alaska (Mr. STEVENS), the Senator from Texas (Mr. TOWER), and the Senator from Delaware (Mr. WILLIAMS) are necessarily absent.

The Senator from Kentucky (Mr. COOPER) is absent because of illness in his family.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from California (Mr. MURPHY), the Senator from Illinois (Mr. SMITH), and the Senator from Texas (Mr. TOWER) would each vote "nay."

Mr. DODD. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Connecticut is recorded in the affirmative.

Mr. BAKER. Mr. President, am I recorded?

The PRESIDING OFFICER. The Senator from Tennessee is recorded.

Mr. NELSON. Mr. President, I ask for the regular order.

Mr. President, I withdraw the request for regular order.

Mr. GRIFFIN. Mr. President, I ask for the regular order.

The PRESIDING OFFICER. The Chair is waiting for the vote count. That is the regular order.

The result was announced—yeas 39, nays 38, as follows:

[No. 268 Leg.]

YEAS—39

Aiken
Bayh
Brooke
Burdick
Cannon
Church
Cranston
Dodd
Eagleton
Fulbright
Goodell
Gore
Harris
Hart
Hartke
Hatfield
Hughes
Jackson
Javits
Kennedy
Magnuson
Mansfield
Mathias
McCarthy
McGee
McGovern
McIntyre
Mondale
Montoya
Moss
Muskie
Nelson
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Williams, N.J.
Yarborough

NAYS—38

Allen
Allott
Baker
Bellmon
Bennett
Bible
Boggs
Byrd, Va.
Byrd, W. Va.
Cook
Cotton
Curtis
Dole
Dominick
Ellender
Ervin
Fannin
Fong
Griffin
Gurney
Hansen
Holland
Hruska
Jordan, N.C.
Jordan, Idaho
McClellan
Miller
Packwood
Prouty
Saxbe
Scott
Smith, Maine
Sparkman
Spong
Stennis
Talmadge
Thurmond
Young, N. Dak.

NOT VOTING—23

Anderson
Case
Cooper
Eastland
Goldwater
Gravel
Hollings
Inouye
Long
Metcalf
Mundt
Murphy
Pastore
Pearson
Percy
Russell
Smith, Ill.
Stevens
Symington
Tower
Tydings
Williams, Del.
Young, Ohio

So the motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question recurs on the adoption of the conference report. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Wyoming (Mr. MCGEE), the Senator from Montana (Mr. METCALF), the Senator from Rhode Island (Mr. PASTORE), the Senator from Georgia (Mr. RUSSELL), the Senator from Missouri (Mr. SYMINGTON), the Senator from Maryland (Mr. TYDINGS), and the Senator from Ohio (Mr. YOUNG), are necessarily absent.

I further announce that, if present and voting, the Senator from Montana (Mr. METCALF) and the Senator from Rhode Island (Mr. PASTORE), would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE), the Senator from New Jersey (Mr. CASE), the Senator from Arizona (Mr. GOLDWATER), the Senator from California (Mr. MURPHY), the Senators from Illinois (Mr. PERCY and Mr. SMITH), the Senator from Kansas (Mr. PEARSON), the Senator from Alaska (Mr. STEVENS), the Senator from Texas (Mr. TOWER), and the Senator from Delaware (Mr. WILLIAMS) are necessarily absent.

The Senator from Kentucky (Mr. COOPER) is absent because of illness in his family.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Texas (Mr. TOWER) would vote "nay."

On this vote, the Senator from Massachusetts (Mr. BROOKE) is paired with the Senator from California (Mr. MURPHY). If present and voting, the Senator from Massachusetts would vote "yea" and the Senator from California would vote "nay."

On this vote, the Senator from New Jersey (Mr. CASE) is paired with the Senator from Illinois (Mr. SMITH). If present and voting, the Senator from New Jersey would vote "yea" and the Senator from Illinois would vote "nay."

The result was announced—yeas 54, nays 21, as follows:

[No. 269 Leg.]

YEAS—54

Aiken
Allott
Baker
Bayh
Bible
Boggs
Burdick
Cannon
Church
Cook
Cranston
Dodd
Eagleton
Ellender
Fong
Fulbright
Goodell
Gore
Griffin
Harris
Hart
Hartke
Hatfield
Hughes
Jackson
Javits
Jordan, N.C.
Jordan, Idaho
Kennedy
Magnuson
Mansfield
Mathias
McCarthy
McGovern
McIntyre
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pell
Prouty
Proxmire
Randolph
Ribicoff
Saxbe
Schweiker
Scott
Smith, Maine
Spong
Talmadge
Williams, N.J.
Yarborough

NAYS—21

Allen
Bellmon
Bennett
Byrd, Va.
Byrd, W. Va.
Cotton
Curtis
Dole
Dominick
Ervin
Fannin
Gurney
Hansen
Holland
Hruska
McClellan
Miller
Sparkman
Stennis
Thurmond
Young, N. Dak.

NOT VOTING—25

Anderson
Brooke
Case
Cooper
Eastland
Goldwater
Gravel
Hollings
Inouye
Long
McGee
Metcalf
Mundt
Murphy
Pastore
Pearson
Percy
Russell
Smith, Ill.
Stevens
Symington
Tower
Tydings
Williams, Del.
Young, Ohio

So the conference report was agreed to.

Mr. NELSON. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SENATE CONCURRENT RESOLUTION 51—AUTHORITY FOR SECRETARY OF THE SENATE TO MAKE A TECHNICAL CORRECTION IN ENROLLMENT OF S. 3016

Mr. NELSON. Mr. President, I submit a concurrent resolution, and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The concurrent resolution will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A concurrent resolution to authorize the Secretary of the Senate to make a technical correction in the enrollment of the bill (S. 3016) to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, to authorize advance funding of such programs, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection the Senate proceeded to consider the concurrent resolution.

Mr. NELSON. Mr. President, the printer made a mistake and designated one section as section 620(d), when it should be designated as section 602(d). That is what the concurrent resolution is about.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (S. Con. Res. 51) was agreed to, as follows:

> *Resolved by the Senate (the House of Representatives concurring)*, That the Secretary of the Senate, in the enrollment of the bill (S. 3016) to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, to authorize advance funding of such programs, and for other purposes, is hereby authorized and directed to make the following correction:
>
> In section 114 strike out "section 620(d)" and insert "section 602(d)".

CORRECTION IN ENROLLMENT

Mr. MANSFIELD subsequently said: Mr. President, I ask unanimous consent that the vote by which the Senate earlier today agreed to Senate Concurrent Resolution 51 be reconsidered.

The PRESIDING OFFICER. Is there objection? There being no objection, the vote by which Senate Concurrent Resolution 51 is reconsidered. The resolution is before the Senate.

Mr. MANSFIELD. Mr. President, I send to the desk an amendment to the concurrent resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read the amendment as follows:

> SEC. 2. That the Senate recede and concur in the House amendment to the title of S. 3016.

Mr. MANSFIELD. Mr. President, it is my understanding that this has to do only with the title and does not interfere in any way with the content of that which was discussed by the Senate.

The PRESIDING OFFICER. Is there objection to the amendment offered by the Senator from Montana? The Chair hears none, and the amendment is agreed to.

The question now is on agreeing to the concurrent resolution, as amended.

Senate Concurrent Resolution 51, as amended, was agreed to as follows:

S. CON. RES. 51

> *Resolved by the Senate (the House of Representatives concurring)*, That the Secretary of the Senate, in the enrollment of the bill (S. 3016) to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, to authorize advance funding of such programs, and for other purposes, is hereby authorized and directed to make the following correction:
>
> In section 114 strike out "section 620(d)" and insert "section 602(d)".
>
> SEC. 2. That the Senate recede and concur in the House amendment to the title of S. 3016.

NATIONAL ENVIRONMENTAL POLICY ACT OF 1969—CONFERENCE REPORT

Mr. JACKSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1075) to establish a national policy for the environment; to authorize studies, surveys, and research relating to ecological systems, natural resources, and the quality of the human environment; and to establish a Board of Environmental Quality Advisers. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The assistant legislative clerk read the report.

(For conference report, see House proceedings of December 17, 1969, pp. 39701–39702, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. JACKSON. Mr. President, the House amended the bill as passed by the Senate by striking all after the enacting clause and substituting the text of a new bill. The House bill included provisions similar to those of title III of the Senate bill which would establish a Council on Environmental Quality. It also included a short policy statement, but it omitted most of the provisions of titles I and II of the Senate bill.

The conference report represents a sound compromise worked out in three meetings of the conferees. It is a strong measure which will be an important step toward evolving a sound program of environmental management for the Nation.

S. 1075, the National Environmental Policy Act of 1969, was passed by the Senate on July 10, 1969, had three major titles. Title I provides a "declaration of national environmental policy" which set national goals for environmental management and established supplementary operating procedures for all Federal agencies to follow in planning and decisionmaking which have an impact on man's environment. Title II authorized certain research and data gathering functions. Title III authorized the creation of a three-member Board of Environmental Quality Advisers in the Executive Office of the President.

S. 1075 was amended and passed by the House of Representatives on September 23, 1969. As amended and passed by the House, S. 1075 consisted of one title which authorized the creation of a five-member Council on Environmental Quality.

On October 8, 1969, the Senate disagreed to the amendments of the House of Representatives, agreed to the House's request for a conference, and authorized the Chair to appoint the conferees on the part of the Senate. Prior to the Senate's agreeing to the House's request for a conference on S. 1075, and in connection with debate on S. 7, the Water Quality Improvement Act of 1969, there was a discussion by members of the Senate Public Works Committee and the Senate Interior and Insular Affairs Committee on the relationship between title II of S. 7 and the provisions of S. 1075 as passed by the Senate on July 10, 1969. As a result of that discussion, it was agreed that the Senate conferees on S. 7 and on S. 1075 would seek certain agreed upon changes in each measure in conference committee with the House of Representatives.

The purpose of the agreed upon changes in S. 7 and in S. 1075, which to some extent, dealt with similar subject matter are set out in the October 8, 1969, CONGRESSIONAL RECORD at pages 29050 through 29089.

It was understood during the discussion of this matter on October 8 that the Senate conferees on S. 1075 would make every possible effort to gain House agreement to the text of S. 1075 as passed by the Senate as well as to the agreed-upon changes discussed on the floor. This understanding was referred to in a motion offered by the chairman of the Interior Committee that the conferees on S. 1075 be instructed to insist upon the provisions of S. 1075 as passed by the Senate and as modified by the agreed-upon changes discussed in connection with debate on S. 7. As was stated on the floor in connection with this motion:

> It is also understood, however, that the purpose of a conference committee is to compromise and adjust differences between the House and Senate passed bills, and that the final product of the conference committee will probably have to involve some changes in the language of both the House and Senate passed bills on S. 1075. It is, however, the hope and the intent of all concerned on the Senate side that these changes will not in any way affect the substance of what has been agreed upon. (October 8, 1969, CONGRESSIONAL RECORD, page 29087.)

Mr. President, S. 1075 as agreed upon by the conference committee is very close to the bill as passed by the Senate. Most of the substantive provisions of the Senate passed bill have been retained. In addition, most of the substantive provisions of the agreed-upon changes which were discussed on October 8 were adopted in the report of the conference committee.

Mr. President, I might point out that during the conference, the junior Senator from Washington had an opportunity to work with the junior Senator from Maine, who is the chairman of the Subcommittee on Public Works which is directly involved in the environmental area. It was agreed that certain statements should be adjusted in the statement of the Senate managers and this has been done. The junior Senator from

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Maine will comment on that in a moment.

The changes the conference committee made in S. 1075 as passed by the Senate and as agreed upon are reflected in the section-by-section analysis of the conference report accompanying the statement of the managers on the part of the Senate. The changes are also discussed in a separate attachment, titled "Major Changes in S. 1075 as Passed by the Senate."

Mr. President, I ask unanimous consent that the major changes in S. 1075, as passed by the Senate, be printed at the conclusion of my remarks, together with a section-by-section analysis of the bill.

The PRESIDING OFFICER (Mr. DODD in the chair). Without objection, it is so ordered.

(See exhibits 1 and 2.)

Mr. JACKSON. Mr. President, it is my view that S. 1075 as passed by the Senate and now, as agreed upon by the conference committee, is the most important and far-reaching environmental and conservation measure ever enacted by the Congress.

Mr. President, it is my view that S. 1075 as passed by the Senate and now, as agreed upon by the conference committee, is the most important and far-reaching conservation-environmental measure ever acted upon by the Congress.

This measure is important because it provides four new approaches to dealing with environmental problems on a preventive and an anticipatory basis. As Members of the Senate are aware, too much of our past history of dealing with environmental problems has been focused on efforts to deal with "crises," and to "reclaim" our resources from past abuses.

First. The first new approach is the statement of national policy and the declaration of national goals found in section 101.

In many respects, the only precedent and parallel to what is proposed in S. 1075 is in the Full Employment Act of 1946, which declared an historic national policy on management of the economy and established the Council of Economic Advisers. It is my view that S. 1075 will provide an equally important national policy for the management of America's future environment.

A statement of environmental policy is more than a statement of what we believe as a people and as a nation. It establishes priorities and gives expression to our national goals and aspirations. It provides a statutory foundation to which administrators may refer to it for guidance in making decisions which find environmental values in conflict with other values.

What is involved is a congressional declaration that we do not intend, as a government or as a people, to initiate actions which endanger the continued existence or the health of mankind: That we will not intentionally initiate actions which will do irreparable damage to the air, land, and water which support life on earth.

An environmental policy is a policy for people. Its primary concern is with man and his future. The basic principle of the policy is that we must strive in all that we do, to achieve a standard of excellence in man's relationships to his physical surroundings. If there are to be departures from this standard of excellence they should be exceptions to the rule and the policy. And as exceptions, they will have to be justified in the light of public scrutiny as required by section 102.

Second. To insure that the policies and goals defined in this act are infused into the ongoing programs and actions of the Federal Government, the act also establishes some important "action-forcing" procedures. Section 102 authorizes and directs all Federal agencies, to the fullest extent possible, to administer their existing laws, regulations, and policies in conformance with the policies set forth in this act. It also directs all agencies to assure consideration of the environmental impact of their actions in decisionmaking. It requires agencies which propose actions to consult with appropriate Federal and State agencies having jurisdiction or expertise in environmental matters and to include any comments made by those agencies which outline the environmental considerations involved with such proposals.

Taken together, the provisions of section 102 directs any Federal agency which takes action that it must take into account environmental management and environmental quality considerations.

Third. The act in title II establishes a Council on Environment Quality in the Executive Office of the President. This Council will provide an institution and an organizational focus at the highest level for the concerns of environmental management. It will provide the President with objective advice and a continuing and comprehensive overview of the fragmented and bewildering Federal jurisdiction involved in some way with the environment. The Council's activities in this area will be complemented by the support of the Office of Environmental Quality proposed in the Water Quality Improvement Act of 1969.

The Council also will establish a system for monitoring environmental indicators, and maintaining records on the status of the environment. The Council will insure that there will be complete and reliable data on environmental indicators available for the anticipation of emerging problems and trends. This data will provide a basis for sound management.

Fourth. Finally in section 201, S. 1075 requires the submission by the President to the Congress and to the American people of an annual environmental quality report. The purpose of this report is to provide a statement of progress, to establish some baselines, and to tell us how well—or as some suspect how bad—we are doing in managing the environment—the Nation's life support system.

It is the clear intent of the Senate conferees that the annual report should be referred in the Senate to all committees which have exercised jurisdiction over any part of the subject matter contained therein. Absent specific language on the reference of the report, the report would be referred pursuant to the Senate rules. It is the committee's understanding that under the rules all relevant committees may be referred copies of the annual report.

This was the intent of the Senate when S. 1075 was passed. In the section-by-section analysis of section 303 of S. 1075 at page 26 of the committee report No. 91–296 it is expressly stated that:

> It is anticipated that the annual report and the recommendations made by the President would be a vehicle for oversight hearings and hearings by the appropriate legislative committees of the Congress.

The Senate conferees intend that under the language of the conference report, the annual report would be referred to all appropriate committees of the Senate.

Mr. President, one of the provisions of the Senate passed bill which the conference committee agreed to change requires special comment. Section 101(b) of S. 1075 provided that:

> (b) The Congress recognizes that *each person has a fundamental and inalienable right to a healthful environment* and that each person has a responsibility to contribute to the preservation and enhancement of the environment.

The conference committee changed this provision so that it now reads:

> (b) The Congress recognizes that *each person should enjoy a healthful environment* and that each person has a responsibility to contribute to the preservation and enhancement of the environment.

I opposed this change in conference committee because it is my belief that the language of the Senate passed bill reaffirmed what is already the law of this land; namely, that every person does have a fundamental and an inalienable right to a healthful environment. If this is not the law of this land, if an individual in this great country of ours cannot at the present time protect his right and the right of his family to a healthful environment, then it is my view that some fundamental changes are in order.

To dispell any doubts about the existence of this right, I intend to introduce an amendment to the National Environmental Policy Act of 1969 as soon as it is signed by the President. This amendment will propose a detailed congressional declaration of a statutory bill of environmental right.

Another provision which should be brought to the attention of the Senate is section 102(e) of the conference report. This section directs all Federal agencies to:

> Recognize the worldwide and long-range character of environmental problems and, where consistent with the foreign policy of the United States, lend appropriate support to initiatives, resolutions, and programs designed to maximize international cooperation in anticipating and preventing a decline in the quality of mankind's world environment.

This provision was added to the bill as an amendment I offered in the Senate Interior Committee in June. The purpose of the provision is to give statutory authority to all Federal agencies to participate in the development of a positive, forward looking program of international cooperation in dealing with the environmental problems all nations and all people share. Cooperation in dealing with these problems is necessary, for the problems are urgent and serious. Cooperation is also possible because the problems of the environment do not, for the most part, raise questions related to ideology, national security and the balance of world power.

We must seek solutions to environmental problems on an international level because they are international in origin and scope. The earth is a common resource, and cooperative effort will be necessary to protect it. Perhaps also, in the common cause of environmental management, the nations of the earth will find a little more sympathy and understanding for one another.

I am hopeful that the United Nations Conference in 1972 on "the Problems of the Human Environment" will unite leaders of nations throughout the world in the effort of achieving solutions to international environmental problems. I am, however, concerned that at the present time the Federal Government is not doing enough to plan and prepare for the 1972 U.N. Conference. Section 102(E) of the conference report on S. 1075 provides the Federal agencies and the administration with the authority to make a positive and a far-reaching contribution to this international effort to deal with this critical and growing international problem. I am hopeful that this authority will be utilized.

Mr. President, there is a new kind of revolutionary movement underway in this country. This movement is concerned with the integrity of man's life support system—the human environment. The stage for this movement is shifting from what had once been the exclusive province of a few conservation organizations to the campus, to the urban ghettos, and to the suburbs.

In recent months, the Nation's youth, in high schools, colleges, and universities across the country, have been taking up the banner of environmental awareness and have been seeking measures designed to control technology, and to develop new environmental policies which reflect the full range of diverse values and amenities which man seeks from his environment.

S. 1075 is a response by the Congress to the concerns the Nation's youth are expressing. It makes clear that Congress is responsive to the problems of the future. While the National Environmental Policy Act of 1969 is not a panacea, it is a starting point. A great deal more, however, remains to be done by the Federal Government, both in the form of legislation and executive action, if mankind and human dignity are not to be ground down in the years ahead by the expansive and impersonal technology modern science has created.

Mr. President, the inadequacy of present knowledge, policies, and institutions for environmental management is reflected in our Nation's history, in our national attitudes, and in our contemporary life. It touches every aspect of man's existence. It threatens, it degrades, and destroys the quality life which all men seek.

We see increasing evidence of this inadequacy all around us: haphazard urban and suburban growth; crowding, congestion, and conditions within our central cities which result in civil unrest and detract from man's social and psychological well-being; the loss of valuable open spaces; inconsistent and often, incoherent rural and urban land-use policies; critical air and water pollution problems; diminishing recreational opportunity; continuing soil erosion; the degradation of unique ecosystems; needless deforestation; the decline and extinction of fish and wildlife species; faltering and poorly designed transportation systems; poor architectural design and ugliness in public and private structures; rising levels of noise; the continued proliferation of pesticides and chemicals without adequate consideration of the consequences; radiation hazards; thermal pollution; an increasingly ugly landscape cluttered with billboards, powerlines and junkyards; growing scarcity of essential resources; and many, many other environmental quality problems.

A primary function of Government is to improve the institutional policy and the legal framework for dealing with these problems. S. 1075 as agreed to by the conference committee is an important step toward this end.

There should be no doubt of our capability to cope with environmental problems. The historic success of Apollo 11 last month demonstrates that if we—as a nation and as a people—commit our talents and resources to a goal we can do the impossible.

If we can send men to the moon, we can clean our rivers and lakes, and if we can transmit television pictures from another planet, we can monitor and improve the quality of the air our children breathe and the open spaces they play in.

The needs and the aspirations of future generations make it our duty to build a sound and operable foundation of national objectives for the management of our resources for our children and their children. The future of succeeding generations in this country is in our hands. It will be shaped by the choices we make. We will not, and they cannot escape the consequences of our choices.

Mr. President, I believe that the bill agreed upon by the conferees is a sound measure. This measure will be an important step toward building a capability within the Federal Government to cope with present and impending environmental problems.

Problems of environmental management may well prove to be the most difficult and the most important problems we have ever faced. I urge the Senate to prepare the Federal Establishment to face them. I urge the approval of the conference report.

EXHIBIT 1

MAJOR CHANGES IN S. 1075 AS PASSED BY THE SENATE

TITLE

The title of S. 1075 as passed by the Senate was amended to reflect the major changes in the bill agreed to by the Conference Committee. These were the deletion of Title II and changing the name of the "Board" to "Council."

Section 1

No change was made in the "short title."

Section 2

The statement of "purpose" is unchanged except that it was agreed that the new institution created in the Executive Office of the President would be designated as the "Council on Environmental Quality" rather than a "Board of Environmental Quality Advisors" as in the Senate passed bill. All other references to the "Board" were also changed to "Council."

TITLE I

Section 101(a)

Section 101(a) of the Senate passed bill was divided into subsection 101(a) and (b) and subsection (b) was redesignated as subsection (c).

Section 101(a) of the Conference Report combines language from Section 1 of the House passed bill and from Section 101(a) of the Senate passed bill. As revised, this section declares that it is the continuing responsibility of the Federal government, in cooperation with state and local government and others to use all practical means to promote the general welfare and insure that man and nature exist in productive harmony.

Section 101(b)

The new Section 101(b) with appropriate transitional language has been unchanged. This section declares national environmental goals and was taken from Section 101(a) of the Senate passed bill.

Section 101(c)

This language was found in Section 101(b) of the Senate passed bill. The Conference Committee amended the language which read "each person has a fundamental and inalienable right to a healthful environment". Section 101(c) now reads "each person should enjoy a healthful environment".

Section 102

The language of the first paragraph of Section 102 of the Senate passed bill was modified by the Conference Committee so that the phrase "to the fullest extent possible" modifies both directives. The directives were also given number designations.

Section 102(a)

In view of the changes in the first paragraph of Section 102, the phrase "to the fullest extent possible" was deleted from Section 102(a).

Section 102(b)

This section was modified by the adoption of language requiring all agencies to consult with the Council. In part, this was a language change which was discussed and agreed to on October 8, on the Senate floor.

Section 102(c)

This section, with two minor changes, is the language of Section 102(c) of S. 1075 as passed by the Senate and as discussed and agreed to on the Senate floor on October 8.

Section 102(d)

This section is identical to Section 102(d) as passed by the Senate and as agreed to on the Senate floor on October 8.

Section 102(e)

This section is the same as Section 102(e) of S. 1075 as passed by the Senate except that the phrase "where consistent with the foreign policy of the United States" was added.

Section 102(f)

This language is identical to Section 201 (d) of title II of the Senate passed bill. Title II of S. 1075 was deleted by the Conference Committee, but this and other provisions from this title were incorporated into title I and II of the bill reported by the Conferees.

Section 102(g)

This language is identical to Section 201 (e) of title II of the Senate passed bill.

Section 102(h)

This language is a modification of language found in Section 201(g) of title II of the Senate passed bill.

Section 102 in general

The conference substitute provides that the phrase "to the fullest extent possible" applies with respect to those actions which Congress authorizes and directs to be done under both clauses (1) and (2) of Section 102 (in the Senate passed bill, the phrase applied only to the directive in clause (1)). In accepting this change to section 102 (and also to the provisions of Section 103), the conferees agreed to delete section 9 of the House amendment from the conference substitute. Section 9 of the House amendment provided that "nothing in this Act shall increase, decrease or change any responsibility or authority of any Federal official or agency created by other provision of law." In making this change in favor of the less restrictive provision "to the fullest extent possible" the Senate conferees are of the view that the new language does not in any way limit the Congressional authorization and directive to all agencies of the Federal Government set out in subparagraphs (A) through (H) of clause (2) of Section 102. The purpose of the new language is to make it clear that each agency of the Federal Government shall comply with the directives set out in such subparagraphs (A) through (H) unless the existing law applicable to such agency's operations does not make compliance possible. If this is found to be the case, then compliance with the particular directive is not required but the provisions of Section 103 would apply. However, as to other aspects of the activities of that agency, compliance with the provisions of this bill is expected. Thus, it is the intent of the conferees that the provision "to the fullest extent possible" shall not be used by any Federal agency as a means to avoiding compliance with the directives set out in Section 102. Rather, the language in Section 102 is intended to assure that all agencies of the Federal Government shall comply with the directives set out in said section "to the fullest extent possible" under their statutory authorizations and that no agency shall seek to construe its existing statutory authorizations in a manner designed to avoid compliance.

Many existing agencies such as the National Park Service, the Federal Water Pollution Control Administration and the National Aid Pollution Control Administration already have important responsibilities in the area of environmental control. The provision of Section 102 (as well as 103) are not designed to result in any change in the manner in which they carry out their environmental protection authority. This provision is, however, clearly designed to assure consideration of environmental matters by all agencies in their planning and decision making—especially those agencies who now have little or no legislative authority to take environmental considerations into account.

Section 103

This section is based upon a provision of the Senate passed bill (Section 102(f)) not in the House amendment. This section as agreed to by the conferees, provides that all agencies of the Federal Government shall review their "present statutory authority, administrative regulations, and current policies and procedures to determine whether there are any deficiencies and inconsistencies therein which prohibit full compliance with the purpose and provisions" of the bill. If an agency finds such deficiencies or inconsistencies, it is required under this section to propose to the President not later than July 1, 1971 such measures as may be necessary to bring its authority and policies into conformity with the purposes and procedures of the bill. Section 103 thereby provides a mechanism which shall be utilized by all Federal agencies (1) to ascertain whether there is any provision of their statutory authority which precludes full compliance with any of the provisions of the bill, and (2) if any are found, to recommend changes in their statutory authority to the President, and, if recommended, to the appropriate Congressional Committees having jurisdiction. In conducting the review noted above, it is the understanding of the conferees that an agency shall not construe its existing authority in a manner which avoids full compliance with this Act. Rather, the intent of the conferees is that all Federal agencies shall comply with the provisions of Section 102.

It is not the intent of the Senate conferees that the review required by Section 103 would require existing environmental control agencies such as the Federal Water Pollution Control Administration and the National Air Pollution Control Administration to review their statutory authority and regulatory policies which are related to maintaining and enhancing the quality of the environment. This Section is aimed at those agencies which have little or no authority to consider environmental values.

Section 104

This language, with a minor reference change, is identical to language discussed and agreed to on the Senate floor on October 8 as a proposed Section 103 to S. 1075 when a conference with the House on S. 1075 was agreed to.

Section 105

This language is a modification of Section 103 of S. 1075 as passed by the Senate. As modified this section provides that the provisions of this Act are "supplementary to those set forth in existing authorizations of Federal agencies." The effect of this section is to give recognition to the fact that the bill is in addition to, but does not modify or repeal existing law. This section does not, however, obviate the requirement that the Federal agencies whose activities may have an adverse effect on the quality of the environment conduct their activities in accordance with the provisions of this bill unless to do so would violate their existing statutory authorizations.

TITLE II

Title II of S. 1075 as passed by the Senate was deleted. This title had authorized certain research and data gathering functions, a small grant-in-aid program, and the creation of a new position of Deputy Director in the Office of Science and Technology. The most important provisions of title II relating to research and data gathering were retained by the Conference Committee in Section 102 of title I and in Sections 204 and 205 of title II of the Conference Report.

Title II of the language agreed upon by the Conference Committee is largely from the House amendment to S. 1075 with a number of important substantive changes and exceptions. The language of the House amendment paralleled very closely the language of title III of S. 1075 as passed by the Senate. Major changes between the two provisions as well as substantive changes adopted by the Conference Committee are noted below.

Section 201

This section requires the President to transmit to the Congress an annual Environmental Quality Report. With minor word changes, this language was taken from Section 2 of the House amendment to S. 1075. The parallel language from the Senate passed bill is found in Section 303 of S. 1075.

On October 8, when the Senate disagreed to the House amendment and requested a conference it was agreed that the Senate conferees would seek to have language placed in the Conference Report which would provide that the annual Environmental Quality Report would be referred in whole or in part to the Committees of each House of the Congress which have exercised jurisdiction over the subject matter therein. This language would have been a new Section 303(b) of the Senate passed bill. The Senate conferees made every possible effort to have this language made a part of the Conference Report. When agreement could not be reached, an effort was made to have language which applied only to reference of the Report in the Senate made a part of the Conference Report. Again, agreement was not reached.

It is the clear intent of the Senate conferees that the annual report should be referred in the Senate to all Committees which have exercised jurisdiction over any part of the subject matter contained therein. Absent specific language on the reference of the report, the report would be referred pursuant to the Senate rules. It is the Committee's understanding that under the rules all relevant Committees may be referred copies of the annual report.

This was the intent of the Senate when S. 1075 was passed. In the Section-by-Section analysis of Section 303 of S. 1075 at page 26 of the Committee Report No. 91–296 it is expressly stated that:

"It is anticipated that the annual report and the recommendations made by the President would be a vehicle for oversight hearings and hearings by the appropriate legislative committees of the Congress."

The Senate Conferees intend that under the language of the Conference Report, the annual report would be referred to all appropriate Committees of the Senate.

Section 202

Section 202 was drawn, in part, from Section 3 of the House amendment and, in part, from Section 301(a) of the Senate passed bill. The conferees agreed that the Council should consist of "three" members and should be subject to Senate confirmation as provided in S. 1075 as passed by the Senate.

Section 203

This section, with minor reference changes, is the same language found in Section 4 of the House amendment. It is almost identical to Section 304 of the Senate passed bill.

In connection with the Senate's request for a conference on S. 1075 on October 8, it was agreed that the Senate conferees would seek to have language incorporated into the Conference Report authorizing the Council to establish advisory committees and to convene a biennial forum on environmental quality problems. The Senate conferees sought to have specific language of this nature incorporated into the Conference Report, but no agreement was reached. In large measure this was because of the fact that the language of Section 203 of the Conference Report, which authorizes the Council to employ experts and consultants, is broad enough to allow for the establishment of advisory committees and the convening of forums on environmental problems.

Section 204

This section, with minor language and reference changes, was drawn from Section 5 of the House amendment. In addition, Sections 201 (a) and (b) and Section 302(a)(1) from titles II and III of the Senate passed bill were included by the Conference Committee as subsections 204 (5), (6) and (7).

Section 205

This section, with a couple of modifications, was drawn from Section 7 of the House amendment. Section 205(1) requires consultations with representatives of various groups and the Conference Committee added the Citizens Advisory Committee on Environmental Quality to those groups with which the Council should consult.

Section 205 (2) is designed to avoid duplication of expense and effort in connection with the Council's activities. The Conference Comimttee added new language, and language which the Senate had agreed to for Section 201 (a) in connection with the request for a conference on S. 1075. This language provides assurance that the Council's activities will not unnecessarily overlap or conflict with similar activities authorized by law and performed by established agencies.

Section 206

This section sets forth the compensation of the Council members and is substantially the same as Section 301(b) of the Senate passed bill.

Section 207

The appropriation authorization language in this section was drawn from Section 10 of the House amendment. The appropriation authorization for fiscal year 1971 was, however, increased from $500,000 to $700,000.

Exhibit 2

Section-by-Section Analysis

Section 1

This section provides that this act may be cited as the National Environmental Policy Act of 1969.

Section 2

This section sets forth the purposes of the act. The purposes of the act are to declare a national environmental policy; to promote efforts to prevent environmental damage and to better the health and welfare of man; to enlarge and enrich man's understanding of the ecological systems and natural resources important to the Nation; and to establish in the Executive Office of the President a Council of Environmental Quality Advisers.

TITLE I

Section 101(a)

This section is a declaration by the Congress of a national environmental policy. The policy is based upon a recognition of man's impact upon the natural environment particularly the influences of population growth, urbanization, industrial expansion, resource exploitation, and technological development. The Congress further recognizes the importance to the welfare of man of restoring and maintaining the quality of the environment.

The continuing policy of the Federal Government is declared to be, in cooperation with State and local governments and concerned public and private organizations (such as professional and technical societies, conservation organizations, industry and labor organizations and resource development organizations), to use all practicable means and measures, including financial and technical assistance, in a manner calculated to foster and promote the general welfare, to create and maintain conditions under which man and nature can exist in productive harmony, and fulfill the social, economic, and other requirements of present and future generations of Americans.

Section 101(b)

The continuing policy and responsibility of the Federal Government is declared to be that, consistent with other essential considerations of national policy, the activities and resources of the Federal Government shall be improved and coordinated to the end that the Nation may attain certain broad national goals in the management of the environment. The broad national goals are as follows:

(1) Fulfill the responsibilities of each generation as trustee of the environment for future generations. It is recognized in this statement that each generation has a responsibility to improve, enhance, and maintain the quality of the environment to the greatest extent possible for the continued benefit of future generations.

(2) Assure for all Americans safe, healthful, productive, and esthetically and culturally pleasing surroundings. The Federal Government, in its planning and programs, shall strive to protect and improve the quality of each citizen's surroundings both in regard to the preservation of the natural environment as well as in the planning, design, and construction of manmade structures. Each individual should be assured of safe, healthful, and productive surroundings in which to live and work and should be afforded the maximum possible opportunity to derive physical, esthetic, and cultural satisfaction from his immediate surroundings and from the environment he shares with the rest of humanity.

(3) Attain the widest range of beneficial uses of the environment without degradation, risk to health or safety, or other undesirable and unintended consequences. The resources of the United States must be capable of supporting the larger populations and the increased demands upon limited resources which appear inevitable in the immediate future. To do so, it is essential that the widest and most efficient use of the environment be made to provide both the necessities and the amenities of life. In seeking intensified beneficial utilization of the earth's resources, the Federal Government must take care to avoid degradation and misuse of resources, risk to man's continued health and safety, and other undesirable and unintended consequences.

(4) Preserve important historic, cultural, and natural aspects of our national heritage, and maintain wherever possible an environment which supports diversity and variety of individual choice. The pace of urbanization coupled with population growth and man's increasing ability to work unprecedented changes in the natural environment makes it clear that one essential goal in a national environmental policy is the preservation of important aspects of our national heritage. There are existing programs which are designed to achieve these goals, but many are single-purpose in nature. This subsection would make it clear that all agencies, in all of their activities, are to carry out their programs with a full appreciation of the importance of maintaining important aspects of our national heritage.

This subsection also emphasizes that an important aspect of national environmental policy is the maintenance of physical surroundings which provide present and future generations of American people with the widest possible opportunities for diversity and variety of experience and choice in cultural pursuits, in recreation endeavors, in esthetic appreciation and in living styles.

(5) Achieve a balance between population and resource use which will permit high standards of living and a wide sharing of life's amenities. This subsection recognizes that populaton increases underlie many of the inter-related social and environmental problems which are being experienced in America. If the Nation's present high standards of living are to be made available to all of our citizens and if the general and growing desire of our people for greater participation in the physical and material benefits, in the amenities, and in the esthetic enjoyment afforded by a quality environment are to be satisfied, the Federal Government should—and it is hoped that State government and private enterprise will—strive to maintain levels and a distribution of population which will not exceed the environment's capability to provide such benefits.

(6) Enhance the quality of renewable resources and approach the maximum attainable recycling of depletable resources. In recent years a great deal of the emphasis of legislative and executive action regarding environmental matters has concentrated upon the protection and improvement of the quality of the Nation's renewable resources such as air and water. It is vital that these efforts be continued and intensified because they are among the most visible, pressing, and immediate concerns of environmental management.

It is also essential, however, that means be sought and utilized to improve the effectiveness of recycling depletable resources such as fiber, chemicals, and metallic minerals. Improved material standards of living for greater numbers of people will place increased demands upon limited raw material. Furthermore, the disposal of wastes from the non-consumptive single use of manufactured goods is among our most critical pollution problems. Emphasis must be placed upon seeking innovative solutions through technology, better management, and, if necessary, governmental regulation.

Section 101(c)

This subsection asserts congressional recognition that each person should enjoy a healthful environment. It is apparent that the guarantee of the continued enjoyment of any individual right is dependent upon individual health and safety. It is further apparent that deprivation of an individual's healthful environment will result in the deprivation of all of his rights.

The subsection also asserts congressional recognition of each individual's responsibility to contribute to the preservation and enhancement of the environment. The enjoyment of individual rights requires respect and protection of the rights of others. The cumulative influence of each individual upon the environment is of such great significance that every effort to preserve environmental quality must depend upon the strong support and participation of the public.

Section 102

The policies and goals set forth in section 101 can be implemented if they are incorporated into the ongoing activities of the Federal Government in carrying out its other responsibilities to the public. In some areas of Federal action there is no body of experience or precedent to assure substantial and consistent consideration of environmental factors in decisionmaking. In some areas of Federal activity, existing legislation does not provide clear authority to assure consideration of environmental factors which conflict with other Federal objectives.

To remedy present shortcomings in the legislative foundation of existing programs, and to establish action-forcing procedures which will help to insure that the policies enunciated in section 101 are implemented, section 102 authorizes and directs that the existing body of Federal law, regulation, and policy be interpreted and administered to the "fullest extent possible" in accordance with the policies set forth in this act. It further establishes a number of operating procedures to be followed by all Federal agencies as follows:

(A) Wherever planning is done or decisions are made which may have an impact on the quality of man's environment, the responsible agency or agencies are directed to utilize a systematic, interdisciplinary, team approach. Such planning and decisions should draw upon the broadest possible range of social and natural scientific knowledge and design arts. Many of the environmental controversies of recent years have, in large measure, been caused by the failure to consider all relevant points of view and all relevant values in the planning and conduct of Federal activities. Using an interdisciplinary approach that brings together the skills of landscape architect, the engineer, the ecologist, the economist, the sociologist and other relevant disciplines would result in better planning, better projects, and a better environment. Too often in the past planning has been the exclusive province of the engineer and cost analyst. And, as a consequence, too often the humanistic point of view, the relationship between man and his surroundings has been overlooked or purposely ignored.

(B) All agencies which undertake activities relating to environmental values, amenities, and aesthetic considerations, are authorized and directed, after consultation with the Council and other environmental control agencies, to make efforts to develop methods and procedures to incorporate those values in official planning and decisionmaking. In the past, environmental factors have frequently been ignored and omitted from consideration in the early stages of planning because of the difficulty of evaluating them in comparison with economic and technical factors. As a result, unless the results of planning are radically revised at the policy level—and this often means the Congress—environmental enhancement opportunities may be forgone and unnecessary degradation incurred. A vital requisite of environmental management is the development of adequate methodology for evaluating the full environmental impacts and the full costs—social, economic, and environmental—of Federal actions.

(C) After consultation with and obtaining the comments of Federal and State agencies which have jurisdiction by law with respect to any environment impact, each agency which proposes legislation and any other major Federal action shall make a detailed statement as to whether the proposal would have a significant effect upon the quality of the human environment. If the proposal is considered to have such a significant effect, then the recommendation or report on the proposal must include a detailed statement by the responsible official on:

(i) The environmental impact of the proposed action.

(ii) Any adverse impacts which cannot be avoided if the proposal is implemented.

(iii) The alternative ways of accomplishing the objectives of the proposed action and the results of not accomplishing the objectives.

(iv) The relationship between the local and short-term uses of environmental resources which are contemplated by the proposal and the general objective of maintaining and enhancing the long-term productivity of the environment.

(v) Any irreversible and irretreivable commitments of resources which would be involved in the proposal action should it be implemented.

This section further provides that any Federal, State or local agency comments on the required statement shall thereafter be made available to the President, the Council, and the public under the provisions of the Freedom of Information Act and shall accompany the proposal through the subsequent review process.

The committee does not intend that the requirements for comment by other agencies should unreasonably delay the processing of Federal proposals. The Committee anticipates that the President will promptly prepare and publish in the Federal Register a list of those appropriate agencies which have "jurisdiction by law" over various environmental matters and those appropriate agencies which he finds to have "special expertise" in various environmental matters.

With regard to State and local agencies, unless there is some more restrictive requirement of existing law or regulation, the opportunity for review may be restricted to those agencies which have established environmental jurisdiction within the geographical area which will or which may be affected by the proposed action. It is not the intention of the Committee to include those local agencies with only a remote interest and which are not primarily responsible for development and enforcement of environmental standards. The Committee believes that in some cases the requirement for State and local review may be satisfied by notice of proposed action in the Federal Register and by providing all necessary supplementary information to enable full public participation.

To prevent undue delay in the processing of Federal proposals, the Committee recommends that the President establish a time limitation for the receipt of comments (other than those comments required prior to making a detailed statement) from Federal, State, and local agencies similar to the 90-day review period presently established for comment upon Federal water resource development proposals.

(D) Wherever agencies of the Federal Government recommend courses of action which are known to involve unresolved conflicts over competing and incompatible uses of land, water, or air resources, it shall be the agency's responsibility to study, develop, and describe appropriate alternatives to the recommended course of action. The agency shall develop information and provide descriptions of the alternatives in adequate detail for subsequent reviewers and decisionmakers, both within the executive branch and in the Congress, to consider the alternatives along with the principal recommendation.

(E) In recognition of the fact that environmental problems are not confined by political boundaries, all agencies of the Federal Government which have international responsibilities are authorized and directed to lend support to appropriate international efforts to anticipate and prevent a decline in the quality of the worldwide environment. In doing so however, the agencies are constrained to act in a manner consistent with the foreign policy of the United States.

(F) All agencies of the Federal Government shall make such advice and information on environmental management as is available from their expertise and studies to State and local governments, non-governmental institutions, and individuals.

(G) All agencies of the Federal Government shall utilize ecological information in the planning and development of resource-oriented projects. Each agency which studies, proposes, constructs, or operates projects having resource management implications is authorized and directed to consider the effects upon ecological systems in connection with their activities and to study such effects as a part of its data collection.

(H) All agencies of the Federal Government shall, within their areas of expertise or responsibility, assist the Council on Environmental Quality established by this Act.

Section 103

All agencies of the Federal Government are directed to review their present statutory authority, administrative regulations, and current policies and procedures to determine whether existing law prohibits full compliance with the purposes of this act. The agencies will comply with the provisions of this act wherever possible. If, however, there are existing provisions of law, regulations, or policies which are beyond the authority of the particular agency to revise, and if these laws, regulations, or policies which prohibit the agency from acting in full compliance with the provisions of this Act, the agency is required by section 103 to recommend such measures as are necessary to make its authority consistent with this act. The agency must propose such measures to the President not later than July 1, 1971 and, if recommended, to the appropriate congressional committees.

Section 104

This section provides that nothing in sections 102 or 103 shall affect the specific statutory obligations of any Federal agency:

(1) To comply with environmental quality standards and criteria,

(2) To coordinate or consult with any other State or Federal agency, or

(3) To act or refrain from acting contingent upon the recommendations or certification of any other Federal or State agency.

There are existing statutes and there may in the future be new statutes which prescribe specific criteria or standards of quality for environmental indicators, or which prescribe certain procedures for coordination or consultation with State or other Federal agencies, or which require recommendations or certification of other Federal agencies as a prerequisite to certain actions. It is not the intent of sections 102 or 103 of this Act to substitute less specific requirements for those which are established concerning particular actions or agencies. It is the intention that where there is no more effective procedure already established, the procedure of this act will be followed. In any event, no agency may substitute the procedures outlined in this Act for more restrictive and specific procedures established by law governing its activities.

Where an agency has such specific instructions governing only one aspect of its coordination activities, or where environmental quality standards and criteria are established for only one aspect of an agency's proposed activity, the agency is not relieved of its obligations to conform with the provisions of sections 102 and 103 which are beyond the sphere of the existing instructions, standards, or criteria.

Section 105

This section provides that the policies and goals set forth in this Act are supplementary to but do not modify, those set forth in existing authorizations of Federal agencies.

TITLE II

Section 201

This section provides that the President shall transmit to the Congress an annual environmental quality report. The first such report shall be transmitted on or before July 1, 1970. Subsequent reports shall be transmitted on or before July 1, in succeeding years.

The report is to include, but not be limited to, a current evaluation of the status and condition of the major environmental classes of the Nation. To the greatest extent possible, this information should be based upon measurements of environmental indicators relating quality and supply of land, water, air, and depletable resources to other factors such as environmental health, population distribution, and demands upon the environment for amenities such as outdoor recreation and wilderness. Significant current and developing environmental problems should be highlighted. Current and foreseeable environmental trends and evaluations of the effects of those trends upon the Nation's future social, economic, physical, and other requirements should be discussed.

It is the committee's strong view that the President's annual report should provide a considered statement of national environmental objectives, trends and problems. The report should provide the best judgment of the best people available on the Nation's environmental problems and the progress being made toward providing a quality environment for all Americans.

The report should summarize and bring together the major conclusions of the technical reports of other Federal agencies concerned with environmental management. Too often, these reports go unread and unevaluated. A succinct, readable summary and evaluation would be of great assistance to the Congress and the President.

It is anticipated that the annual report and the recommendations made by the President would be the vehicle for oversight hearings and hearings by the appropriate legislative committees of the Congress.

It is the clear intent of the Senate conferees that the annual report should be referred in the Senate to all Committees which have exercised jurisdiction over any part of the subject matter contained therein. Absent specific language on the reference of the report, the report would be referred pursuant to the Senate rules. It is the Committees' understanding that under the rules all relevant Committees may be referred copies of the annual report.

Section 202

This section creates in the Executive Office of the President a Council on Environmental Quality. The Council shall be composed of three members appointed by the President with the advice and consent of the Senate and who shall serve at the President's pleasure.

It is intended that the members of the Council shall be persons of broad experience and training with the competence and judgment to analyse and interpret trends and developing problems in the quality of the Nation's environment. The committee does not view the Council's functions as a purely scientific pursuit, but rather as one which rests upon scientific, economic, social, esthetic and cultural considerations. The members of the Council, therefore, should not necessarily be selected for depth of training or expertise in any specific discipline, but rather for the ability to grasp broad national issues, to render public service in the national interest, and to appreciate the significance of choosing among present alternatives in shaping the country's future environment.

The President shall designate one member of the Council as Chairman.

Section 203

This section provides the Council with general authority to employ staff and acquire the services of experts and consultants. This provision is designed to provide the Council with the necessary internal staff to assist members of the Council.

It is not intended that the Council will employ, pursuant to this section, a staff which would in any way conflict with the capabilities of the staff of the Office of Environmental Quality which would be created by Title II of the Water Quality Improvement Act of 1969. It is understood that when the Office of Environmental Quality is established, it will mesh with the Council as an integrated agency in the Office of the President—the Council operating on the policy level and Office of Environmental Quality on the staff level.

The professional staff of the Office will be available to the Council (as well as to the President) to assist in implementing existing environmental policy and the provisions of the legislation and to assist in forecasting future environmental problems, values and goals.

Section 204

This section sets forth the duties and functions of the Council as follows:

(1) The Council will assist and advise the President in the preparation of the annual environmental quality report required by section 201. The committee assumes that the Council would have the primary responsibility for the preparation of the President's annual report. It could, in large measure, be based upon the Council's report to the President required by section 204.

(2) The Council will carry on continuing studies and analyses related to the status of the environment. The Council will seek to establish or cause to be established within the operating agencies of the Federal Government an effective system for monitoring environmental indicators, collecting data, and analyzing trends. It will further seek to relate trends in environmental conditions to short- and long-term national goals and aspirations.

(3) The Council shall review and appraise Federal programs, projects, activities, and policies which affect the quality of the environment. Based upon its review, the Council shall make recommendations to the President.

The committee does not view this direction to the Council as implying a project-by-project review and commentary on Federal programs. Rather, it is intended that the Council will periodically examine the general direction and impact of Federal programs in relation to environmental trends and problems and recommend general changes in direction or supplementation of such programs when they appear to be appropriate.

It is not the committee's intent that the Council be involved in the day-to-day decisionmaking processes of the Federal Government or that it be involved in the resolution of particular conflicts between agencies and departments. These functions can best be performed by the Bureau of the Budget, the President's interagency Cabinet-level Council on the Environment or by the President himself. The committee does, however, strongly feel that the President needs impartial and objective advice which can provide him with an accurate overview of the Nation's environmental trends and problems and how these trends and problems affect the future material and social well-being of the American people.

The Council recommendations to the President are for his use alone, and his actions on their recommendations will depend on the confidence he places in the judgment of the persons he nominates to membership on the Council. Used properly, the Council review and appraisal of Federal activities which affect the quality of the environment can add a new dimension and provide the President with a new insight into the long-range needs and priorities of the country. In the past, the executive agencies' views of National needs, goals, and priorities in the field of environmental management appears to have been so thoroughly subjugated to budgetary and fiscal considerations that the nature of the fundamental values at stake has been obscured. It is the committee's view that the values which are at stake in the environmental management decisions which lie ahead need to be brought to the fore and made the subject of official decision at the highest levels of Governments.

(4) The Council shall provide advice and assistance to the President in the formulation of national policies designed to foster and promote the improvement of the quality of the environment. The President is, of course, free to utilize the services of the Council in any manner in which he desires. The committee hopes, however, that the President would rely on the Council's impartial and objective advice in the execution and formulation of national environmental policies.

(5) The Council shall conduct investigations, studies, surveys, research, and analyses relating to ecological systems and environmental quality.

(6) The Council shall document and define changes in the natural environment, including the plant and animal systems, and to accumulate necessary data and other information for a continuing analysis of these changes or trends and an interpretation of their underlying causes. The information made available by the Council will provide a reliable planning base for Federal agencies, a source of indications of emerging environmental problems, and a source of reliable public information on controversial claims regarding the state of the environment.

(7) The Council shall report at least once each year to the President on the state and condition of the environment. This report should represent the Council's considered and impartial judgment. The Council's report would be useful to the President in the preparation of the annual environmental quality report which the President is required to transmit to the Congress by section 201.

(8) The Council shall make and furnish such studies, reports thereon, and recommendations with respect to matters of policy and legislation as the President may request.

Section 205

This section provides that the Council, in exercising its powers, functions, and duties under this Act shall:

(1) consult with the Citizens' Advisory Committee on Environmental Quality, which has been established by Executive Order, and with representatives of such other non-Federal groups as the Council deems advisable.

(2) utilize to the fullest extent possible the services, facilities, and information relating to its functions which is already available from existing public and private organizations and individuals. It is the intent of this subsection to assure that duplication of effort and expense will be avoided and that the Council's activities will not conflict with similar activities authorized by law and being performed by other agencies. This section does not, however, preclude the Council from authorizing studies it deems necessary to ascertain the reliability of existing data. Neither does it preclude the Council from authorizing studies or collecting data in fields which are within the jurisdiction of other Federal agencies if the Council deems it necessary to validate or supplement such other agency's work.

Section 206

This subsection provides that the members of the Council shall serve full time. The compensation for the Chairman of the Council is set at level II of the Executive Schedule pay rates and at level IV for the other two members. These provisions parallel the compensation provisions established by law for the Chairman and the members of the Council of Economic Advisers.

Section 207

This section authorizes appropriations for the administrative expenses of the Council. The amounts of $300,000 for Fiscal Year 1970 and $700,000 for Fiscal Year 1971 are authorized to provide for the transition period in which the Council is organized. Thereafter an annual appropriation of $1 million is authorized. The committee chose the $1 million ceiling because it is comparable to the appropriations which have been required in recent years for the Council of Economic Advisers

Mr. ALLOTT. Mr. President, as a cosponsor of S. 1075 and as the ranking minority member of the Senate Interior and Insular Affairs Committee, I wish to associate myself generally with the remarks of our distinguished chairman, the Senator from Washington (Mr. JACKSON). I congratulate him for his indefatigable efforts to achieve final congressional action on the National Environmental Policy Act of 1969. This is a measure of particular significance in this era of ever degrading environment.

Mr. President, at this point, perhaps it would be appropriate to point out that while the explanatory statements relative to the interpretation of the conference report language, as provided by the chairman, are useful, they have not been reviewed, agreed upon, and signed by the other Senate conferees. Only the conference report itself was signed by all the Senate conferees, and therefore, only it was agreed upon and is binding. Unlike the House procedure, Senate rules do not provide for a coordinated and signed statement on the part of the managers for the Senate. Therefore, while I may agree with the chairman in most instances with regard to his statement, I must reserve the right to disagree with any part of his statement which I believe to be beyond the scope of the discussions and agreement of the conferees during the conference. The vote to be taken here today will be upon the conference report alone. I presume other Senate Members of the conference committee will similarly reserve their rights. I, also, wish to make reference to my remarks of October 8, 1969, as they appear on page 29061 of the CONGRESSIONAL RECORD.

It has been accurately stated that by the enactment of this measure, the Congress is not giving the American people something, rather the Congress is responding to the demands of the American people. The observation that Congress is generally far behind the demands of the people is, for the most part, accurate; but, then, this is an observation that can be made of any representative democracy. The measure of any representative democracy is the lapse of time between the apparency of the will of the people and the positive action on the part of their government. In this case, government response cannot be too soon. We can only hope that it is not too late.

The concept of a high-level council on conservation, natural resources, and environment has had congressional expression for nearly a decade. It first found legislative support from a former chairman of the Senate Interior Committee, the late Senator Murray. In the 86th Congress, he introduced S. 2549, the Resources and Conservation Act, which would have established a high-level council of environmental advisers along with the first expression of a comprehensive environmental policy. While the bill was not enacted into law, the 4 days of hearings before the Senate Interior Committee still serve as a useful reference in this vital area. Bills of similar purpose were also introduced in the 89th and 90th Congresses.

A unique joint House-Senate colloquium was held on July 17, 1968, which was sponsored by the Senate Interior Committee and the House Science and Astronautics Committee. This colloquium provided a forum for Members of Congress and interested parties to meet and discuss these important issues.

During the 91st Congress, three bills were introduced and referred to the Senate Interior Committee. All three dealt with environmental policy and creation of new overview institutions. Hearings were held and additional consultation and coordination with the administration ensued. As a result, S. 1075 was reported by the committee and passed by the Senate in a form which would provide the President and the executive branch with effective machinery to help it provide the necessary leadership in reversing the deterioration of our environment. In addition, the bill will establish by statute a national environmental policy. I believe it is significant to point out that S. 1075 enjoys the sponsorship of every single member of the Senate Interior Committee.

The Senate Interior Committee has long had an interest in conservation and environmental matters. Recent examples include the establishment of many national parks and monuments, national seashores and lakeshores, national recreation areas, a national trails system, a wild and scenic rivers system, and a wilderness system. The Outdoors Recreation Resources Commission was a product of this committee. Much of this Nation's most precious heritage has been preserved and protected by legislation emanating from the Interior Committee. This committee has also passed upon legislation to establish the land and water conservation fund.

In the area of water resources, this committee has produced a myriad of legislation to provide for the conservation and wise use of it, including weather modification. The Water Resources Council, the National Water Commission, and the various river basin planning commissions all have their foundations in legislation acted upon by the Interior Committee. The reclamation program, which is under the jurisdiction of this committee, is an environmental program. One only needs to observe the "before" and the "after" with respect to a reclamation project to know this.

In 1964, we passed upon legislation to establish the Public Land Law Review Commission and its companion measure, the Multiple Use and Classification Act. This is truly landmark legislation since our public lands are an important feature of our environment and its quality.

In the field of mineral resources, this committee and the Senate approved a measure, which I have introduced in six successive Congresses, which would establish a national mining and minerals policy. The significance of this measure to environmental quality may not be apparent at first view, but the quality of our environment has a direct relationship to the availability of materials. In addition, during the hearings on this measure, there was a recognition of the need to better control mine waste products by all concerned. Also, technology and the discovery of new materials may lead to the solution of some of our most troublesome environmental problems. Implicit in a national mining and minerals policy is the development of improved methods to recycle both industrial and other wastes and scrap back into the materials stream.

I have taken the time to mention just a few of the legislative achievements of the Interior Committee to demonstrate its long-standing interest and endeavors in the matter of environmental quality. Other committees have also displayed interest in the environmental field, and I do not intend to in any way diminish their achievements.

The President has expressed his concern over the degradation of our environment. Senators will recall that President Nixon had committed himself in the 1968 campaign to a policy of improving the environment in his October 18, 1968, radio address entitled: "A Strategy of Quality: Conservation in the Seventies." In that address, Candidate Nixon characterized our environmental dilemma in these words:

> The battle for the quality of the American environment is a battle against neglect, mismanagement, poor planning and a piecemeal approach to problems of natural resources.

Acting upon that commitment, President Nixon established by Executive order the "Environmental Quality Council" in May of 1969. The Council is of the highest level. The President, himself, is Chairman, and its membership includes the Vice President and five cabinet members. The Council provides the action mechanism to implement environmental policy decisions.

S. 1075, as passed by the Senate and as reported from the conference is designed to complement the actions of the President and provide him with workable tools to get on with the task of repairing our damaged environment and preventing further detriment to it.

We can no longer afford to view the environmental problem on a basis of cleaning up our dirt. We must approach it from the stand-point of prevention. Prevention will require planning—long-range planning—and that planning must rest upon research and new technology. In the 89th and 90th Congresses, I introduced legislation which I believe would assist the Congress to participate in a meaningful way in determining the direction and emphasis of federally financed research. As Senators know, Federal expenditures for research and development approach an annual amount of $17 billion. The funds for this research and development effort are made available in 13 separate appropriations bills, and at no point does Congress have an opportunity to exercise an overview of our total research and development program. My proposal would provide for the establishment of a nonlegislative joint House and Senate committee to review and report to the Congress on the effectiveness of our overall research and development program, based upon an annual report from the President. Such a mechanism, had it come into existence, could have helped the Congress to have made the necessary decisions with regard to research to have dealt with the many serious problems now facing us in the environmental area. I still hold the belief that some mechanism similar to the one proposed in my bill S. 1305 of the 90th Congress would prove to be useful and helpful.

In summary, the environment is the

concern of us all. In some respect, nearly every department of the Government is or may be involved in decisions or actions which affect the environment. And, the jurisdiction of the various committees of Congress are similarly affected by environmental considerations. The environment is not the exclusive bailiwick of any committee of Congress nor department of Government. S. 1075 recognizes this fact, and therein lies its strength, appropriateness, and timeliness. This is truly landmark legislation in history of man and his efforts to protect and improve his environment, and I am proud to be associated with this measure.

Mr. JACKSON. Mr. President, I wish to express my appreciation at this point for the fine cooperation that we have had in trying to work out differences which occurred since the conferees met on S. 1075.

The junior Senator from Maine has been most cooperative. We would have had many unresolved problems had it not been for his cooperation.

Mr. MUSKIE. Mr. President, I wish to express appreciation to the junior Senator from Washington for his cooperation in working out points of difference which otherwise might have been very difficult and could have led to difficulties on the floor of the Senate, which all of us wanted to avoid.

The basic objective of S. 1075 is one to which I think all members of the Committee on Public Works, as well as all members of the Committee on Interior and Insular Affairs subscribed, and that is the concept of developing an overall and total environmental improvement policy. We recognize that in order to do that we will be concerned with the work of many agencies in the executive branch of Government as well as with the work of many committees in Congress.

What we have undertaken to do in our cooperative effort on this bill and in S. 7, which is in conference between the two Houses, is to begin the process of developing a comprehensive review of our environmental policies as well as a comprehensive policy which we hope will emerge out of the work of these disparate executive agencies and eight Senate committees.

I do not intend to prolong my discussion of the bill, but I think the discussions which I have been privileged to have with the distinguished Senator from Washington and other members of the committee, as well as with members of the Committee on Public Works and the two staffs have raised some points of emphasis to which I should refer in this discussion.

I know my colleagues on the Committee on Public Works, the chairman, the Senator from West Virginia (Mr. Randolph), and the distinguished ranking Republican member (Mr. Boggs), also might like to ask questions for points of emphasis.

One of the questions that primarily concerned us on the floor of the Senate on October 8, when we last had a discussion among those concerned, and one which concerned us in the discussion of the conference report, was the question of the relationship of this legislation to the established agencies of the executive branch. First of all, we were concerned with those which have an impact upon the environment, actual or potential, and second, we were concerned with those agencies which have responsibilities in the field of environmental improvement.

I would like to refer to some of the insertions in the Record made by the distinguished Senator from Washington. He has inserted three principal documents: First, his floor statement, as it is described, in the conference report; second, a section-by-section analysis of the report as amended in conference; and finally, a statement of major changes in S. 1075, as passed by the Senate and as changed by the conference report.

First, I should like to refer to page 4 of the major changes analysis. On page 4 he refers to that part of the discussion which is entitled "section 102 in general" and I should like to read it:

> The conference substitute provides that the phrase "to the fullest extent possible" applies with respect to those actions which Congress authorizes and directs to be done under both clauses (1) and (2) of section 102 (in the Senate-passed bill, the phrase applied only to the directive in clause (1)).

Mr. President, what disturbed us about this language in the "major changes analysis" was the impact of the phrase "to the fullest extent possible" upon the executive agencies which have authority under other statutes with respect to the improvement of the quality of our environment, specifically such agencies as the Federal Water Pollution Control Administration and the National Air Pollution Control Administration. Both agencies are of special interest to the Senate Committee on Public Works. Each operates under basic legislation which has been written under the jurisdiction of the Senate Public Works Committee and which has become law. Legislation has been carefully developed over the past 7 or 8 years. We were concerned that S. 1075, through such language as that which I have just quoted, should not have the effect of changing the basic legislation governing the operation of the agencies such as those to which I have referred.

As a result of the discussions with the Senator from Washington and his staff, language was inserted on page 5 of the "major changes document" put into the Record by the Senator from Washington which clarifies this point.

That insertion reads:

> Many existing agencies such as the National Park Service, the Federal Water Pollution Control Administration, and the National Air Pollution Control Administration already have important responsibilities in the area of environmental control. The provisions of section 102 (as well as 103) are not designed to result in any change in the manner in which they carry out their environmental protection authority.

It is clear then, and this is the clear understanding of the Senator from Washington and his colleagues, and of those of us who serve on the Public Works Committee, that the agencies having authority in the environmental improvement field will continue to operate under their legislative mandates as previously established, and that those legislative mandates are not changed in any way by section 102–5.

The second section of the conference report which is of concern to us is section 103, for the very same reasons that I have discussed already. I shall read this portion of the discussion in the major changes analysis placed in the Record by the Senator from Washington.

This portion reads:

> This section is based upon a provision of the Senate passed bill [section 102(f)] not in the House amendment. This section, as agreed to by the conferees, provides that all agencies of the federal government shall review their "present statutory authority, administrative regulations, and current policies and procedures to determine whether there are any deficiencies and inconsistencies therein, which prohibit full compliance with the purpose of the provisions" of the bill. If an agency finds such deficiencies or inconsistencies, it is required under this section to propose to the President not later than July 1, 1971, such measures as may be necessary to bring its authority and policies into conformity with the purposes and procedures of the bill.

Now, Mr. President, in the discussion with the Senator from Washington and his staff, it developed that this language had different implications for different kinds of executive agencies, especially with respect to the agencies whose activities have an impact, potentially unfavorable, upon the environment. Obviously, it was the objective of this language to make such agencies environment conscious.

With respect to that objective, I was fully in accord with the Senator from Washington and his committee. However, the second set of executive agencies affected by that language are those agencies which have authority in the environmental improvement field; more specifically, insofar as the Public Works Committee is concerned, the Federal Water Pollution Control Administration and the National Air Pollution Control Administration.

We were concerned that the language which I have referred to should not have the effect of forcing the agencies over which we have jurisdiction to conform their basic legislative mandates to the provisions of S. 1075. This is made clear on page 7 of the major changes analysis, which was placed in the Record by the Senator from Washington.

I quote from it:

> It is not the intent of the Senate conferees that the review required by section 103 would require existing environmental control agencies such as the Federal Water Pollution Control Administration and National Air Pollution Control Administration to review their statutory authority and regulatory policies which are related to maintaining and enhancing the quality of the environment. This section is aimed at those agencies which have little or no authority to consider environmental values.

This language in the "major changes analysis" document clarifies, with the full agreement of the Senator from Washington and his colleagues and myself, their understanding as to the implications of section 103 with respect to those executive agencies which have environmental improvement authority at the present time under already existing legislation.

The third point to which I should like to refer, for the purpose of emphasis, is the question of committee jurisdiction with respect to the various areas of environmental concern which are now involved in the jurisdictions of several Senate standing committees.

It was our concern on October 8, when we discussed this matter in the Senate last, and it is our concern now, that S. 1075 shall not have the effect of altering existing committee jurisdictions in this respect. Understandably, the Senator from West Virginia (Mr. RANDOLPH), the Senator from Delaware (Mr. BOGGS), and I are especially concerned with the jurisdiction of the Public Works Committee of the Senate.

I think that in the "major changes analysis" document of the Senator from Washington this is again clarified in the following language, which I read from page 9:

> It is the clear intent of the Senate conferees that the annual report would be referred in the Senate to all Committees which have exercised jurisdiction over any part of the subject matter contained therein. Absent specific language on the reference of the report, the report would be referred pursuant to the Senate rules. It is the committees' understanding that under the rules all relevant Committees may be referred copies of the annual report. This was the intent of the Senate when S. 1075 was passed. In the section-by-section analysis of Section 303 of S. 1075 at page 26 of the committee report No. 91–296, it is expressly stated that,
>
> "It is anticipated that the annual report and the recommendations made by the President would be a vehicle for oversight hearings and hearings by the appropriate legislative committees of the Congress."

Mr. President, as I say, this was clearly understood on October 8 when we last discussed it on the Senate floor. It was never at issue as between the Senator from Washington and myself. It think it is clearly understood today.

The legislative language which was included in S. 1075 on October 8 was stricken from the conference report because, under House rules, it was considered to be new matter which was subject to a point of order. So I think it is appropriate that on the Senate floor today we reemphasize that it is the intent of the Senate, and of the representatives of both committees, that when the annual reports of the Council on Environmental Control and its legislative recommendations, as they are developed, reach the floor, they shall be referred to the committees which have had traditional jurisdiction with respect to the subjects of such report and such legislative recommendations.

I want to make one final point, and for this I would like to refer to a document inserted in the RECORD by the Senator from Washington (Mr. JACKSON) this afternoon, entitled "Section-by-Section Analysis." This point is important because, beginning on October 8, and a few days prior to that time, we undertook to do something new in legislative direction. We undertook to place in the Executive Office of the President an agency which was in part the product of S. 1075 and in part the product of S. 7, the Water Quality Improvement Act, which is still in conference between the House and the Senate and which is not likely to be acted on finally in this session of Congress, not because of the subject I am about to touch upon, but because of other matters in this bill which are not touched upon in S. 1075 at all.

The point I wish to raise with respect to the Council on Environmental Quality established by S. 1075 and the Office of Environmental Quality which would be established under title II of S. 7 is that on page 18 of the section-by-section analysis which was inserted in the RECORD by the Senator from Washington (Mr. JACKSON) is found a discussion that clarifies the relationship of these two bodies.

On page 20 of the section-by-section analysis, in a discussion of section 203, is found the following:

> SECTION 203
>
> This section provides the Council with general authority to employ staff and acquire the services of experts and consultants. This provision is designed to provide the Council with the necessary internal staff to assist members of the Council.
>
> It is not intended that the Council will employ, pursuant to this section, a staff which would in any way conflict with the capabilities of the staff of the Office of Environmental Quality which would be created by Title II of the Water Quality Improvement Act of 1969. It is understood that when the Office of Environmental Quality is established, it will mesh with the Council as an integrated agency in the Office of the President—the Council operating on the policy level and Office of Environment Quality on the staff level.
>
> The professional staff of the Office will be available to the Council (as well as to the President) to assist in implementing existing environmental policy and the provisions of the legislation and to assist in forecasting future environmental problems, values and goals.

In conclusion, and before yielding to my colleagues on the Senate Public Works Committee, I would like to say that I agree with the Senator from Washington (Mr. JACKSON) that S. 1075 can become landmark legislation in the field of environmental quality. Whether it does will depend upon the effectiveness and performance of the new Council on Environmental Quality which S. 1075 would create, the performance of the Office of Environmental Quality which would be established under S. 7, and the coordination and the cooperation of the various executive agencies which have an impact upon the environment and those other agencies which have at present the authority to improve the environment in one respect or another.

In addition to that, the landmark quality of S. 1075 will depend upon the continuing cooperation of the Senate committees—at least seven or eight of them—which have supervisory authority and jurisdiction with respect to executive agencies, such as the Committee on Interior and Insular Affairs, the Committee on Public Works, the Committee on Agriculture and Forestry, the Banking and Currency Committee and its Subcommittee on Housing, the Joint Committee on Atomic Energy, and so many others. And so, in order to really achieve the high-minded objectives of S. 1075 which are crucial, I think, to the future health and welfare of our country, we must move in the direction of coordinating the work of the Congress in this field.

S. 1075 undertakes to take important steps in the direction of coordinating the efforts of the executive agencies. We must now go beyond that in the Congress of the United States to coordinate the work of the senatorial and House committees. The Senator from Washington, other members of our two committees and I have discussed this objective as well.

There is pending, for example, in the Committee on Government Operations, Senate Resolution 78, which I first introduced two Congresses ago, to create a Senate Select Committee on Technology and the Human Environment, whose objective is this kind of coordination.

The Senator from Washington (Mr. JACKSON), in the course of our discussions, indicated his preference for the Senate and the House to coordinate their work more closely in the environmental field. I concur with him that it would be preferable to create a nonlegislative joint committee patterned on the basis of the select committee which I have proposed, and I am glad to join with him and interested Members on this side and in the House to undertake to create that kind of joint committee as early as possible in the next session of the Congress. We are agreed on that objective. We have in mind the kind of work which is envisaged in Senate Resolution 78.

So I would like to think that, notwithstanding the difficulties and the differences of opinion that the Senator from Washington (Mr. JACKSON) and I have had with respect to S. 1075 and S. 7, out of the labor pains of this creation we have begun a period of cooperation and coordination in the Senate's work in the field of the improvement of environmental quality which will result in a wiser, more effective policy in this field.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. MUSKIE. I yield.

Mr. JACKSON. I wish to express my concurrence in the comments made by the able Senator from Maine, with special reference to the need for a joint nonlegislative committee on the environment. I would hope that would be the first order of business next year. I think we can move expeditiously in the Senate. If we can have similar cooperation in the House, we can have it enacted into law in the next session.

Mr. BOGGS. Mr. President, will the Senator yield?

Mr. MUSKIE. I yield to the Senator from Delaware.

Mr. BOGGS. Mr. President, as a member of the Public Works Committee of the Senate, I have a couple of questions I would like to ask the distinguished Senator from Maine.

Is my understanding correct that all reports and legislative proposals as a result of S. 1075 will be referred to all committees with established jurisdiction in the field? For example, any report or legislative proposal involving water pollution would be referred to the Committee on Public Works. Is that correct?

Mr. MUSKIE. Yes. That is the clear understanding of the Senator from Washington (Mr. JACKSON), myself, and the two staffs. There is no fuzziness or doubt on that point at all.

Mr. BOGGS. Am I correct that the thrust of the directions contained in S. 1075 deals with what we might call the environmental impact agencies rather than the environmental enhancement agencies, such as the Federal Water Pollution Control Administration or National Air Pollution Control Administration?

Mr. MUSKIE. Yes. Sections 102 and 103, and I think section 105, contain language designed by the Senate Committee on Interior and Insular Affairs to apply strong pressures on those agencies that have an impact on the environment—the Bureau of Public Roads, for example, the Atomic Energy Commission, and others. This strong language in that section is intended to bring pressure on those agencies to become environment conscious, to bring pressure upon them to respond to the needs of environmental quality, to bring pressure upon them to develop legislation to deal with those cases where their legislative authority does not enable them to respond to these values effectively, and to reorient them toward a consciousness of and sensitivity to the environment.

Of course this legislation does not impose a responsibility or an obligation on those environmental-impact agencies to make final decisions with respect to the nature and extent of the environmental impact of their activities. Rather than performing self-policing functions, I understand that the nature and extent of environmental impact will be determined by the environmental control agencies.

With regard to the environmental improvement agencies such as the Federal Water Improvement Administration and the Air Quality Administration, it is clearly understood that those agencies will operate on the basis of the legislative charter that has been created and is not modified in any way by S. 1075.

Mr. BOGGS. I thank the Senator. Can he tell me how the staff of the Environmental Policy Council will mesh with the staff of the Office of Environmental Quality when it is established?

Mr. MUSKIE. As I indicated from the language I read from the section-by-section analysis put in the RECORD by the Senator from Washington (Mr. JACKSON), the Office of Environmental Quality which would be created by title II of S. 7, would constitute the staff of the secretariat of the Council on Environmental Quality established by S. 1075, and the two would be meshed together in a way to produce a strong agency, strong at the board level and at the staff level, to begin the development of a coordinated Federal policy in the environmental field.

Mr. BOGGS. Mr. President, I thank the distinguished Senator from Maine for yielding, and for his answers to these questions. I take this opportunity to congratulate and commend him and the distinguished Senator from Washington (Mr. JACKSON) for the excellent and outstanding work both have done in this field, and for their cooperation in working together and bringing forth a sound agreement on the language in this bill, including its legislative history.

I think this language protects the jurisdiction of other committees that have exercised jurisdiction in the environmental field, while preserving the basic intent of S. 1075.

Mr. MUSKIE. I thank the Senator. I am happy to yield now to the distinguished chairman of the Committee on Public Works, the Senator from West Virginia (Mr. RANDOLPH). I appreciate the confidence he has shown in permitting me to conduct these negotiations with Senator JACKSON, and the confidence he has expressed in the results we have produced.

Mr. RANDOLPH. Mr. President, my knowledgeable colleagues, the Senator from Maine (Mr. MUSKIE), the Senator from Washington (Mr. JACKSON), the Senator from Colorado (Mr. ALLOTT), and the Senator from Delaware (Mr. BOGGS) have discussed this legislation which is of concern, not only because of congressional committee jurisdiction, but to Congress and the people of the United States. Today, approximately 203 million persons, live in an area that is becoming increasingly confined. Because of the problems of urban development, mobility of people, and the methods by which products are moved from one point to another our society and our environment are constantly changing.

I wish to stress—and do it very briefly, I hope—what I believe has come out of the discussion today and prior conferences that have been held by members of the Public Works Committee and the Committee on Interior and Insular Affairs. There may have been some elements of misunderstanding. If there were, they have been resolved. If there were some elements of controversy, they have been dissipated.

I think that we have, through these deliberations, come closer together. This is important if we are to deal with environmental quality effectively. It is only of recent years, Mr. President, though environmental quality means so much to every facet of our society, that the Congress has given specific attention to this subject.

I serve not only as the chairman of the Senate Public Works Committee, but of our Subcommittee on Roads. We recognize, as my able colleague from Maine and others in this body have recognized, that in America, as we put down a mile of highway, no matter what type of road it is, we are not only placing cement or asphalt on the earth, but we are enabling people to move from one point to another.

So in 1968, it was my purpose, and the Senate and Congress agreed, that we would write into the Federal Aid Highway Act that year the first approach to this matter of relocation, bringing people into the conferences before an actual decision was made as to where a road would go, either by the State or Federal Government, or by an agreement of both agencies. The Federal Aid Highway Act is an example of how we are making the people a part of policymaking, even though they, in a sense, are laymen rather than experts, that they would have a part in thinking these matters through.

The Senator from Maine (Mr. MUSKIE) and other Senators who have followed these matters know that it is important that we take people into our confidence before the fact rather than after the fact, in order to provide the opportunity for discussion of the many approaches which can bring a catalyst into being. And so, in the 1968 act, we dealt with matters such as relocation. As the Senator from Washington (Mr. JACKSON) knows, this is a matter of environmental quality for the people whose lives are affected by highways. We are facing up to our responsibility for the first time, to provide prompt compensation for those who are displaced in business and industry, or in their places of residence.

I use only this one legislative enactment of Congress to indicate that we are moving more broadly and more sufficiently to improve environmental quality. I could discuss, of course, the Corps of Engineers of the U.S. Army, and how now they are beginning to look at environmental matters as never before, because in the Congress of the United States, and the Committee on Public Works they have provided leadership and required them to consider environmental quality.

We find environmental quality interwoven with whatever we do. Whether it is building a road or constructing a bridge, whether it is in the impoundment of waters or constructing a building, we must realize that we are working not only with statistics and figures, but we are working with people. The lives of people are involved.

I think it is important for the RECORD to reflect that Senators have given their attention in recent weeks and days to this matter, have attempted to bring S. 1075 and S. 7 together to resolve jurisdictional problems and to lay down the ground rules that will guide us to doing a better job in the months and years ahead.

The stress has been here today on the coordination and the cooperation. I think this is a very real partnership among Senator JACKSON, Senator MUSKIE, Senator ALLOTT, and Senator BOGGS.

I think we are merging our efforts. We have arrived at an agreement. We must not fragment this effort. We must pool our efforts to assure for future generations an environment in which people can live and grow.

We must assure that consideration of legislation, which affects the environment in which people live, by people and committees who are dedicated to this very real task that lies before us. The resolution of differences between S. 1075 and S. 7, now H.R. 4148, provides this assurance.

As chairman of the Committee on Public Works, I congratulate all of those Senators who have carried on these negotiations. They were negotiations in the very best sense of the word. Although all of the members of the Committee on Public Works did not engage in the various negotiations, they were kept completely informed of what the Senator from Maine (Mr. Muskie) was thinking and what his plans were. The Senator from Delaware (Mr. Boggs), who well represents the viewpoint of the minority, although there is no minority within our committee, was present during most of those negotiations.

Mr. MUSKIE. Mr. President, I thank my distinguished chairman.

I have taken more time than I expected this afternon. However, this is an opportunity to make clear our understanding. The record is clear.

I express my appreciation to the Senator from Washington (Mr. Jackson), the Senator from Colorado (Mr. Allott), and my colleagues on the Senate Public Works Committee.

Mr. JACKSON. Mr. President, I express my appreciation to the able chairman of the Public Works Committee, the Senator from West Virginia (Mr. Randolph), for the support and understanding we have received from all of our colleagues on both committees.

I express my appreciation also to the Senator from Maine (Mr. Muskie), with whom I have worked very closely, the Senator from Delaware (Mr. Boggs), and the Senator from Colorado (Mr. Allott), and for the fine cooperation of the staff.

Mr. President, I ask unanimous consent that the conference report on S. 1075 be printed at this point in the Record.

There being no objection, the report was ordered to be printed in the Record, as follows:

Conference Report, Rept. No. 91–765

[To accompany S. 1075]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1075), to establish a national policy for the environment; to authorize studies, surveys, and research relating to ecological systems, natural resources, and the quality of the human environment; and to establish a Board of Environmental Quality Advisers, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: That this Act may be cited as the "National Environmental Policy Act of 1969".

PURPOSE

Sec. 2. The purposes of this Act are: To declare a national policy which will encourage productive and enjoyable harmony between man and his environment; to promote efforts which will prevent or eliminate damage to the environment and biosphere and stimulate the health and welfare of man; to enrich the understanding of the ecological systems and natural resources important to the Nation; and to establish a Council on Environmental Quality.

TITLE I

DECLARATION OF NATIONAL ENVIRONMENTAL POLICY

Sec. 101. (a) The Congress, recognizing the profound impact of man's activity on the interrelations of all components of the natural environment, particularly the profound influences of population growth, high-density urbanization, industrial expansion, resource exploitation, and new and expanding technological advances and recognizing further the critical importance of restoring and maintaining environmental quality to the overall welfare and development of man, declares that it is the continuing policy of the Federal Government, in cooperation with State and local governments, and other concerned public and private organizations, to use all practicable means and measures, including financial and technical assistance, in a manner calculated to foster and promote the general welfare, to create and maintain conditions under which man and nature can exist in productive harmony, and fulfill the social, economic, and other requirements of present and future generations of Americans.

(b) In order to carry out the policy set forth in this Act, it is the continuing responsibility of the Federal Government to use all practicable means, consistent with other essential considerations of national policy, to improve and coordinate Federal plans, functions, programs, and resources to the end that the Nation may—

(1) fulfill the responsibilities of each generation as trustee of the environment for succeeding generations;

(2) assure for all Americans safe, healthful, productive, and esthetically and culturally pleasing surroundings;

(3) attain the widest range of beneficial uses of the environment without degradation, risk to health or safety, or other undesirable and unintended consequences;

(4) preserve important historic, cultural, and natural aspects of our national heritage, and maintain, wherever possible, an environment which supports diversity and variety of individual choice;

(5) achieve a balance between population and resource use which will permit high standards of living and a wide sharing of life's amenities; and

(6) enhance the quality of renewable resources and approach the maximum attainable recycling of depletable resources.

c) The Congress recognizes that each person should enjoy a healthful environment and that each person has a responsibility to contribute to the preservation and enhancement of the environment.

Sec. 102. The Congress authorizes and directs that, to the fullest extent possible: (1) the policies, regulations, and public laws of the United States shall be interpreted and administered in accordance with the policies set forth in this Act, and (2) all agencies of the Federal Government shall—

(A) utilize a systematic, interdisciplinary approach which will insure the integrated use of the natural and social sciences and the environmental design arts in planning and in decisionmaking which may have an impact on man's environment;

(B) identify and develop methods and procedures, in consultation with the Council on Environmental Quality established by title II of this Act, which will insure that presently unquantified environmental amenities and values may be given appropriate consideration in decisionmaking along with economic and technical considerations;

(C) include in every recommendation or report on proposals for legislation and other major Federal actions significantly affecting the quality of the human environment, a detailed statement by the responsible official on—

(i) the environmental impact of the proposed action,

(ii) any adverse environmental effects which cannot be avoided should the proposal be implemented,

(iii) alternatives to the proposed action,

(iv) the relationship between local short-term uses of man's environment and the maintenance and enhancement of long-term productivity, and

(v) any irreversible and irretrievable commitments of resources which would be involved in the proposed action should it be implemented.

Prior to making any detailed statement, the responsible Federal official shall consult with and obtain the comments of any Federal agency which has jurisdiction by law or special expertise with respect to any environmental impact involved. Copies of such statement and the comments and views of the appropriate Federal, State, and local agencies, which are authorized to develop and enforce environmental standards, shall be made available to the President, the Council on Environmental Quality and to the public as provided by section 552 of title 5, United States Code, and shall accompany the proposal through the existing agency review processes;

(D) study, develop, and describe appropriate alternatives to recommended courses of action in any proposal which involves unresolved conflicts concerning alternative uses of available resources;

(E) recognize the worldwide and long-range character of environmental problems and, where consistent with the foreign policy of the United States, lend appropriate support to initiatives, resolutions, and programs designed to maximize international cooperation in anticipating and preventing a decline in the quality of mankind's world environment;

(F) make available to States, counties, municipalities, institutions, and individuals, advice and information useful in restoring, maintaining, and enhancing the quality of the environment;

(G) initiate and utilize ecological information in the planning and development of resource-oriented projects; and

(H) assist the Council on Environmental Quality established by title II of this Act.

Sec. 103. All agencies of the Federal Government shall review their present statutory authority, administrative regulations, and current policies and procedures for the purpose of determining whether there are any deficiencies or inconsistencies therein which prohibit full compliance with the purposes and provisions of this Act and shall propose to the President not later than July 1, 1971, such measures as may be necessary to bring their authority and policies into conformity with the intent, purposes, and procedures set forth in this Act.

Sec. 104. Nothing in Section 102 or 103 shall in any way affect the specific statutory obligations of any Federal agency (1) to comply with criteria or standards of environmental quality, (2) to coordinate or consult with any other Federal or State agency, or (3) to act, or refrain from acting contingent upon the recommendations or certification of any other Federal or State agency.

Sec. 105. The policies and goals set forth in this Act are supplementary to those set forth in existing authorizations of Federal agencies.

TITLE II

COUNCIL ON ENVIRONMENTAL QUALITY

Sec. 201. The President shall transmit to the Congress annually beginning July 1, 1970, an Environmental Quality Report (hereinafter referred to as the "report") which shall set forth (1) the status and condition of the major natural, manmade, or altered environmental classes of the Nation, including, but not limited to, the air, the aquatic, including marine, estuarine, and fresh water, and the terrestrial environment, including, but not limited to, the forest, dryland, wetland, range, urban, suburban, and rural environment; (2) current and foreseeable trends in the quality management and utilization of such environments and the effects of those trends on the social, economic, and other requirements of the Nation; (3) the adequacy of available natural resources for fulfilling human and economic requirements of the Nation in the light of expected population pressures; (4) a review of the programs and activities (including regulatory activities) of the Federal Government, the State and local governments, and nongovernmental entities or individuals, with particular reference to their effect on the environment and on the conservation, development, and utilization of natural resources; and (5) a program for remedying the deficiencies of existing programs and activities, together with recommendations for legislation.

Sec. 202. There is created in the Executive Office of the President a Council on Environmental Quality (hereinafter referred to as the "Council"). The Council shall be composed of three members who shall be appointed by the President to serve at his pleasure, by and with the advice and consent of the Senate. The President shall designate one of the members of the Council to serve as Chairman. Each member shall be a person who, as a result of his training, experience, and attainments, is exceptionally well qualified to analyze and interpret environmental trends and information of all kinds; to appraise programs and activities of the Federal Government in the light of the policy set forth in title I of this Act; to be conscious of and responsive to the scientific, economic, social, esthetic, and cultural needs and interests of the Nation; and to formulate and recommend national policies to promote the improvement of the quality of the environment.

Sec. 203. The Council may employ such officers and employees as may be necessary to carry out its functions under this Act. In addition, the Council may employ and fix the compensation of such experts and consultants as may be necessary for the carrying out of its functions under this Act, in accordance with section 3109 of title 5, United States Code (but without regard to the last sentence thereof).

Sec. 204. It shall be the duty and function of the Council—

(1) to assist and advise the President in the preparation of the Environmental Quality Report required by section 201;

(2) to gather timely and authoritative information concerning the conditions and trends in the quality of the environment both current and prospective, to analyze and interpret such information for the purpose of determining whether such conditions and trends are interfering, or are likely to interfere, with the achievement of the policy set forth in title I of this Act, and to compile and submit to the President studies relating to such conditions and trends;

(3) to review and appraise the various programs and activities of the Federal Government in the light of the policy set forth in title I of this Act for the purpose of determining the extent to which such programs and activities are contributing to the achievement of such policy, and to make recommendations to the President with respect thereto;

(4) to develop and recommend to the President national policies to foster and promote the improvement of environmental quality to meet the conservation, social, economic, health, and other requirements and goals of the Nation;

(5) to conduct investigations, studies, surveys, research, and analyses relating to ecological systems and environmental quality;

(6) to document and define changes in the natural environment, including the plant and animal systems, and to accumulate necessary data and other information for a continuing analysis of these changes or trends and an interpretation of their underlying causes;

(7) to report at least once each year to the President on the state and condition of the environment; and

(8) to make and furnish such studies, reports thereon, and recommendations with respect to matters of policy and legislation as the President may request.

Sec. 205. In exercising its powers, functions and duties under this Act, the Council shall—

(1) consult with the Citizens' Advisory Committee on Environmental Quality established by Executive Order numbered 11472, dated May 29, 1969, and with such representatives of science, industry, agriculture, labor, conservation organizations, State and local governments, and other groups as it deems advisable; and

(2) utilize, to the fullest extent possible, the services, facilities, and information (including statistical information) of public and private agencies and organizations, and individuals, in order that duplication of effort and expense may be avoided, thus assuring that the Council's activities will not unnecessarily overlap or conflict with similar activities authorized by law and performed by established agencies.

Sec. 206. Members of the Council shall serve full time and the Chairman of the Council shall be compensated at the rate provided for Level II of the Executive Schedule Pay Rates (5 U.S.C. 5313). The other members of the Council shall be compensated at the rate provided for Level IV of the Executive Schedule Pay Rates (5 U.S.C. 5315).

Sec. 207. There are authorized to be appropriated to carry out the provisions of this Act not to exceed $300,000 for fiscal year 1970, $700,000 for fiscal year 1971, and $1,000,000 for each fiscal year thereafter.

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the bill, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the amendment of the House to the title of the bill, insert the following: "An Act to establish a national policy for the environment, to provide for the establishment of a Council on Environmental Quality, and for other purposes."

And the House agree to the same.

Edward A. Garmatz,
John D. Dingell,
Wayne N. Aspinall,
W. S. Mailliard,
John P. Saylor,
Managers on the Part of the House.

Henry M. Jackson,
Frank Church,
Gaylord Nelson,
Gordon Allott,
Len B. Jordan,
Managers on the Part of the Senate.

Mr. JACKSON. Mr. President, I move the adoption of the conference report.

The motion was agreed to.

PROGRAM

Mr. MANSFIELD. Mr. President, for the information of the Senate, we will shortly have the foreign aid appropriations bill conference report before us. Whether that bill can be finished today is highly doubtful.

Then on Monday, it is anticipated that we will have the supplemental appropriations bill and the tax reform bill, and somewhere along the line, perhaps, the Labor-HEW appropriations bill conference report. We have four altogether.

And for the information of the Senate, it can expect votes on the foreign aid appropriations bill conference report this afternoon or Monday or Tuesday or Wednesday or next month, whenever we get to the appropriate time.

RECESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent at this time that the Senate stand in recess until 4:30 p.m.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Thereupon (at 3 o'clock and 55 minutes p.m.), the Senate took a recess until 4:30 p.m.

The Senate reconvened at 4 o'clock and 30 minutes p.m. when called to order by the Presiding Officer (Mr. Byrd of West Virginia in the chair).

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15149) making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1970, and for other purposes; that the House receded from its disagreement to the amendment of the Senate numbered 6 to the bill and concurred therein; and that the House receded from its disagreement to the amendments numbered 8 and 31 to the bill and concurred therein, each with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

H.R. 9334. An act to amend title 38, United States Code, to promote the care and treatment of veterans in State veterans' homes; and

H.R. 14751. An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1970, and for other purposes.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CALL OF THE ROLL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a quorum call, and to comply with the rule, before I make that suggestion, I want to announce that it will be a live quorum. I hope officials will notify Senators that it will be a live quorum.

The PRESIDING OFFICER (Mr. Hughes in the chair). Is the Senator suggesting the absence of a quorum?

Mr. MANSFIELD. Oh, yes. It will be a live quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk called the roll, and the following Senators answered to their names:

[No. 270 Leg.]

Aiken
Allen
Allott
Baker
Bayh
Bellmon
Bennett
Bible
Boggs
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Church
Cook
Cotton
Cranston
Curtis
Dodd
Dole
Dominick
Eagleton
Ellender
Ervin
Fannin
Fong
Fulbright
Goodell
Gore
Griffin
Gurney
Hansen
Harris
Hart
Hartke
Hatfield
Holland
Hruska
Hughes
Jackson
Javits
Jordan, N.C.
Jordan, Idaho
Kennedy
Magnuson
Mansfield
Mathias
McCarthy
McClellan
McGee
McGovern
McIntyre
Miller
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pell
Prouty
Proxmire
Randolph
Ribicoff
Saxbe
Schweiker
Scott
Smith, Maine
Sparkman
Spong
Stennis
Talmadge
Thurmond
Williams, N.J.
Yarborough
Young, N. Dak.

The PRESIDING OFFICER. A quorum is present.

AN OPEN DOOR TO FUTURE VIETNAMS?

Mr. FULBRIGHT. Mr. President, I refer to the lead editorial in the Washington Post of today, December 20, 1969. It calls attention to the fact that the Nixon administration seems committed to the mistakes of the Johnson administration in Asia.

I hope that the comments on the Javits-Pell resolution calling for the repeal of the Tonkin resolution are nothing more than a routine, bureaucratic inadvertence; and that higher levels in the administration will examine in more depth and more perception the long-range implications of keeping the Tonkin resolution on the books even beyond Vietnam.

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

AN OPEN DOOR TO FUTURE VIETNAMS?

The administration's defense of the Tonkin Gulf resolution is a sharp disappointment to those who are seeking an end of executive war-making. In the public mind that resolution stands for the principle, if it can be so called, that the President has authority to use American armed forces abroad whenever he thinks such a course is in the national interest. It was merely an invitation to the President to use his own discretion about fighting a war in Vietnam. Considering how gravely that discretion was abused, the country appears to have turned its back on Tonkin. There are many indications that Congress would like to wipe out this standing evidence of its own abdication of authority. But the State Department and the President still cling to it.

We have noted on many occasions that the administration has a great opportunity to correct the blunder that this resolution embodies. It could do so by asking Congress to repeal Tonkin Gulf and to put in its place a congressional declaration in support of the withdrawal policy which the President is already carrying out. The result would be to strengthen the policy by giving it legislative backing. That could be done, of course, without imposing any fixed timetable or trying to prescribe any rigid formula for peace. But the administration wants to retain the Tonkin Gulf resolution even while backing away from the unfortunate policies that have been carried on under its amorphous terms.

Especially disturbing is the last paragraph of the letter in defense of Tonkin which Acting Assistant Secretary of State H. G. Torbert Jr. wrote to Chairman Fulbright of the Senate Foreign Relations Committee. " . . . the existence of the Tonkin Gulf resolution," he wrote, "has consequences for Southeast Asia which go beyond the war in Vietnam. The question of its termination must be considered carefully in terms of our other international obligations in the area, particularly the Southeast Asia Collective Defense Treaty which the Tonkin Gulf Resolution specifically cites."

Senator Fulbright has quite properly asked, "What obligations?"

Repeal of Tonkin would not, of course, undo the SEATO treaty. But this treaty very specifically provides that, in the event of aggression or threats to the peace in the area covered, each country would act "in accordance with its constitutional processes." This unquestionably means that if the crisis necessitates the use of American armed forces, for any purpose beyond repelling a sudden attack against U.S. personnel or territory, the President would go to Congress and ask for authority to employ them.

The bid to keep the Tonkin Gulf resolution on the books because the administration might want to use it as a cover for unauthorized operations in Laos, Thailand or other parts of Southeast Asia is essentially a repetition of the argument which led to its adoption in 1964. President Nixon has promised that there will be no more Vietnams. Yet the State Department asks that the door be kept open so that he could involve the country in other Vietnams if he might choose to do so.

We doubt that the President has candidly weighed these implications of the State Department letter. They fly into the face of the reasonable congressional demand to be informed about any new venture in the Far East and to pass judgment upon it. There is still time for the President to shake the opprobrium of Tonkin Gulf from his shoulders and to join in a forward-looking acceptance of the rightful role of Congress in the commitment of American armed might.

FOREIGN ASSISTANCE APPROPRIATION BILL, 1970—CONFERENCE REPORT

Mr. McGEE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15149) making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1969, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The bill clerk read the report.

(For conference report, see House proceedings of December 19, 1969, pp. 40262–40263, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. McGEE. Mr. President, the statement I want to make in regard to the conference report on the foreign assistance bill is one that is fraught in a very deep sense with the difficulties that everyone in the Senate anticipated in advance.

The Senate took the House conferees economic assistance in title I of the bill, a figure $482 million higher than the House amount. Thus, there was that considerable spread between agreement in the two Houses.

In addition, we took to the House a military assistance, also, in title I of the bill, an amount that was $104.5 million below the House figure. A part of that difference in the military assistance sum was the $54.5 million that had been designated in the House for Taiwan.

In addition, in the old title II of the original bill, the House Appropriations Committee had in its bill $275 million additionally for foreign military credit sales.

With those areas in contention, I report that the Senate in conference with the House secured a restoration of $266 million in economic assistance above the House suggestion. This figure is almost 60 percent of the amount that had been cleared by the Senate.

In the military area, the House receded on the $275 million in military credit sales, thus deferring to the wishes of this body.

In the direct military assistance appropriations, the House receded $50 million from its allowance, but insisted on the $54.5 million for Taiwan. The Senate, on the basis of a package that we strove for many long hours to agree upon, accepted then, the $54.5 million, fully understanding that it was not the wish of this body, and not the wish of the committee.

The committee did not report that recommendation to the Senate. Nonetheless, it was also our feeling that in a bicameral system there has to be give and take. We believe that in the total agreement, the Senate conferees did the very best and the very most with the give and take of two sides that basic disagreements permitted.

It is my understanding that the responsibility of conferees is to strive to arrive at the best possible give and take. I wish it were possible to say that the wisdom of our body was unique and could prevail in all circumstances. But, in some curious way, others think otherwise, and in striving to allow for the differences among two coequal bodies, the Senate agreed upon the general package to which I have just referred.

In the process, we agreed to the House demand for the desalting plant in Israel, but at a reduced figure—$20 million below the amount authorized in the foreign aid authorization bill which just cleared the Congress, yesterday.

In title II of the bill that involves the Peace Corps and the requested appropriations for the Ryukyu Islands, Okinawa, the House receded totally in each instance, yielding to the Senate position.

Finally, on the adoption of what we had come to call the Fulbright amendment, the House was totally adamant on principally one position in regard to this amendment, and that was that the net effect of the amendment from their point of view was to tell the House what to do about their internal legislative processes; and they argued that this was not within the province of the United States Senate. They had no quarrel with us in trying to do what we felt we had to do to establish some kind of orderly procedure as between authorization and appropriation in this body. They fully sympathized and understood the difficulty of that question for us. But they felt that if they acceded to this Senate amendment, they would have yielded to the Senate a defining of the procedures and processes of legislation in the House itself. For that reason, they were adamant. Only in that one aspect of the amendment did the Senate conferees conclude that, indeed, we did have to recede and defer to the House.

In doing that, we return to this body with a very strong and compelling sense of urgency about taking up the suggestion of the Senator from Arkansas (Mr. FULBRIGHT) and proceeding to a very positive and careful examination of this process in the Senate, and to do the very most we can in the way that our collective judgment would dictate to us.

In that context, I think it is important—I hesitate to say this, because I have not served in the House and many of those seated in this Chamber have—to understand that in their rules it is possible for the Appropriations Committee of the House to get a rule which in effect suspends the rule. They have a very rigid rule requiring authorization before appropriation, but they also have a process of getting a rule that enables them to suspend that rule when the House, in its collective judgment, deems it necessary; and this was what was done to put these military items in the bill. That is to say, according to the House rules, the suspension of the rule jointly authorized the measure for the House and legitimatized it for the appropriation bill as a special item.

In the light of that, I return to our body in behalf of the committee of conferees to request that this body approve this report, in order to reflect the very difficult and the very tortuous and the very detailed and careful consideration and hours of work that went into the examination of all aspects of this question. In our judgment, the Senate did the very best it could and the very most that the facts of life in the legislative process between two equal bodies permit and require on a measure of this type.

I would hope that the Members of this body would find it possible to stand in accord on the pending conference report.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. McGEE. I am glad to yield to the ranking minority member of the Appropriations Committee.

Mr. YOUNG of North Dakota. Mr. President, as one who has voted against foreign aid appropriations for approximately 20 years, and finally voted for this one, it is important to me to compare the amount we appropriated this year with the amount we appropriated last year. If no bill is passed, we have a continuing resolution, which will go into effect and we go back to last year's appropriation.

If my figures are correct, the conference committee report is $159,875,000 below the bill passed by the Senate, and it is $378,474,000 below the appropriation of last year. In order to get this into better focus, I might say that last year's appropriation, according to my figures, was $2,935,537,000.

Mr. McGEE. That is correct—on the total bill.

Mr. YOUNG of North Dakota. The House bill this year was $2,608,020,000.

Mr. McGEE. That is the correct figure.

Mr. YOUNG of North Dakota. The Senate bill this year was $2,716,938,000.

Mr. McGEE. That is the correct figure.

Mr. YOUNG of North Dakota. And the conference report figure is $2,557,063,000.

Mr. McGEE. The Senator is correct.

Mr. YOUNG of North Dakota. So we are actually going for $159,875,000 less than the bill passed by the Senate.

Mr. McGEE. The Senator is correct.

Mr. YOUNG of North Dakota. So I will vote for the conference report. It will mean a lower spending level than would occur if no bill is passed.

Mr. FONG. Mr. President, will the Senator yield?

Mr. McGEE. I am glad to yield to the distinguished Senator from Hawaii.

M. FONG. As a conferee, I rise to urge acceptance of the conference report, and I should like to associate myself with the remarks of the distinguished Senator from Wyoming.

We all know that the reason for a conference between the two Houses is to arrive at a position where the majority of the members of the Conference Committee on both sides can agree.

The only reason for a conference is to settle disputed items between the two bodies.

Generally, neither side prevails on all of its positions. Generally in a bill where there are many items in dispute a compromise is effected. Very rarely one side gets all it asks for. This is what happened here. The Senate was able to up the difference between the two positions by about 60 percent.

We generally succeeded in getting an increase over the House figures.

In fact, the agreement before the Senate represents an agreement on amounts which is much better than what we had anticipated.

Under the category of development loans, the House appropriated the sum of $265 million while the Senate appropriated $350 million. We settled for the compromised sum of $300 million.

In the field of supporting assistance, the House appropriated $300 million and the Senate $414.6 million. The compromise was $395 million.

For technical assistance, the House appropriated $318.8 million and the Senate $396.87 million. We agreed to the sum of $353.25 million.

For administrative expenses the House appropriated $53.5 million while we appropriated $54.8 million. The agreed to figure came out to $54.7 million.

In the area of military grants, the House sum was $454.5 million while ours was $350 million. The compromise amount came to $404.5 million.

Mr. President, in view that this is a compromise agreement, I do hope the Senate will consent to it.

Some Senators object to the inclusion of $54.5 million for part of a new attack jet fighter squadron for Taiwan.

Mr. President, although the Senate conferees objected to this item the House by a large majority insisted on it. Their reasons are not without merit. The Nixon administration has made it clear that it seeks to encourage our friends abroad to rely more and more on their own military resources. And it has been stated repeatedly that the most economical form of mutual security is obtained through friendly foreign military forces which are equipped with U.S. weapons systems. By providing more adequate weapons for Taiwan, we help to make this possible. The Taiwanese forces now are equipped with F-86 and F-100 aircraft. These are not a match, in any sense, for the modern Mig fighters with which the Red Chinese forces are equipped and which they also are manufacturing.

It should also be remembered that the people of the Republic of China are among our very best friends and allies, steadfast and dependable. We all know this small island must have help to maintain its military strength. To expect her to do it all alone is not realistic. By their strong and resolute stand for the Western alliance, they help to keep a brake on the Communists. And certainly their effectiveness as a deterrent to Communist aggression is dependent to a large degree upon the effectiveness of their fighting forces.

I hoped that this item for Taiwan would not come to us from the House of Representatives. Now that this sum for Taiwan has passed the House of Representatives and approved by the conference committee we cannot suggest to Taiwan that by eliminating this item we think less of her than of Korea, which has a $50 million specific appropriation in this bill. Canceling of this sum at this time of the legislative process would be regarded by Taiwan as a lessening of our friendship and trust for her.

I am confident that the $54.5 million will hearten our friends in the Republic of China who have stood strongly by us.

Mr. President, this need to assist Nationalist China will become ever more urgent once the Foreign Assistance Act of 1969 becomes law because after enactment of this bill, there will not be any funds available for military credit sales. I understand that Nationalist China was planning to supplement the $54.5 million military grant assistance with $50 million of her own funds to complete the formation of a new jet fighter squadron. As there will be no guarantee that payment will be made, no one will sell to her.

Mr. President, I am sure that I speak for the majority of the Senate conferees when I say that I am convinced that this is the best compromise we are able to get. I sincerely believe that sending the bill back to conference would avail us nothing as the House conferees are adamant in their position on this item. They entered into a package agreement with the Senate conferees and after much discussion the package was accepted. Therefore, I urge my colleagues to support the conference report.

Mr. McGEE. I thank the Senator, who is a member of the subcommittee.

Mr. THURMOND. Mr. President, will the Senator yield to me so that I may ask a question of the Senator from Hawaii?

Mr. McGEE. I yield.

Mr. THURMOND. Is it not a fact that the two best friends that the United States has in that part of the world are Korea and Taiwan?

Mr. FONG. Undoubtedly, that is so. These two friends have been steadfast and reliable and have always come to our aid.

Mr. THURMOND. Is it not true that when we help them to keep prepared we are really promoting the national security of the United States and the free world?

Mr. FONG. This everyone understands. This is our security.

Mr. THURMOND. Are we not providing less jeopardy to the people of the United States and this country by helping those two stanch friends so they can carry the burden instead of our carrying the burden?

Mr. FONG. The Senator is correct.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. McGEE. I yield.

Mr. HOLLAND. Mr. President, I would like to speak briefly on two points. First, I served on this conference, not as a matter of choice. The distinguished Senator from Georgia, the chairman of the Committee on Appropriations, asked me to leave the subcommittee on which I served for many years most pleasantly under the Senator from Arkansas (Mr. McClellan), having jurisdiction over State, Justice, Judiciary, and Commerce, to come to this committee. I did so at the request of the Senator from Georgia. I was glad to serve on the conference after I had been transferred to that committee, but I did not ask for the transfer.

Mr. President, I never saw a conference held with a greater showing of almost irreconcilable difference in the beginning between the Members representing this body and the Members representing the other body. That was evident from the beginning. There were two points of very grave difference. One point had to do with the amendment offered by the distinguished Senator from Arkansas (Mr. Fulbright), and agreed to by the Senate on the floor. The matter was held to be of such great importance by the other body that the chairman of the Committee on Appropriations of that body, Mr. Mahon, who was not present for other phases of the conference, insisted on being present to handle that particular amendment and I am sure, as our chairman will recall, he made it clear that he thought the House was being asked to yield, in the first place, to a matter which pertained to the House, to its proceedings and to its activities and, in the second place, was being asked to yield on a matter where they are given the authority by the Constitution—as we are also given that authority—to make the rules to govern the conduct of that body. They felt very keenly about that. I am sure we would have had no conference report unless we had yielded on that point. I am as sure of that as I am of standing here. I think that every other member of the conference from the Senate side will verify that statement.

The second statement I make is that with reference to Taiwan. Our committee had not reported or recommended the appropriation for airplanes for Taiwan; but, in fact, had declined to do so and had, instead, recommended only part of what the House bill included in this field, and that was the part for South Korea.

We felt that with the South Koreans presently in South Vietnam, fighting shoulder to shoulder with our men, and many of them dying there—that we could even say they are dying in place of American men, without being far wrong—we had every right to prefer them because we felt that they were entitled to that preference.

Besides that, we knew that under the Brown letter, which was mentioned by my good friend from Arkansas (Mr. Fulbright) in his argument the other day, we had committed ourselves to help them modernize the arms for the Korean Army that remained in Korea.

The appropriation which we placed in the bill in our committee was, in part, to fulfill that commitment to help give modern arms to those elements of the Korean Army standing by our men along the DMZ in Vietnam. Our men have modern weapons and they do not.

However, when we got to the conference, we found that the House was irreconcilable in its feeling that these two matters stood together. I should say that they had the feeling, which was expressed by my friend from Hawaii (Mr. Fong), that those two friends of ours were to be regarded as our sole friends willing to fight for us and with us over in that part of the world. They mentioned the fact that Taiwan had offered to send in troops to represent us, just as had Korea but, for good reason, that offer was not accepted by us. I think we would have had no conference report if we had not granted their contention that Korea and Taiwan should be treated alike in connection with the bill.

I think I should say, also, that I know, that Senators who are generally opposed to foreign aid legislation have already told me today that the two items in the bill which appealed to them most are the items to help arm these friendly nations of ours.

I want to say one more thing, and that is that we did not give in on the largest item that had to do with defense and arms. We had a letter from the distinguished Secretary of Defense, formerly a Member of the other body, asking us by all means to grant the aid of $275 million for the sale of arms to friendly allies who the Department of Defense might think were entitled to purchase arms. We did not accede to that, in spite of the fact that the House conferees were urgently in favor of that provision, which was in their bill. So, I think that this is a good conference report. I have served a good many times on conferences for the Appropriations Committee. In fact, I served on three in the past 3 days—Labor, HEW, the supplemental bill, and this particular bill.

Measured by any reasonable standard, this is a good conference report, recognizing the give and take of a conference. The Senate conferees, at least, got as much of the will of the Senate approved, as did the House conferees in connection with their standing up for the will of the House.

I think it unfair for this conference report to be shabbily treated by this body—I have heard that some want to lay it on the table and I have heard that some do not want it to come to a vote today because they think they will not be able to reject it. I do not think it is very good treatment when members of the Appropriations Committee on both sides of the aisle have worked so hard on the conference, as others have, to get the best conclusion in the way of a bill that we can get.

I want to commend the distinguished Senator from Wyoming (Mr. McGee) for having done what I think is excellent work. I also want to commend other members of the conference, excluding, of course, the Senator from Florida, because I think they worked diligently. My friend from New Mexico (Mr. Montoya) over here was exceedingly diligent, and able to persuade in certain ways the House conferees to give in to us, as the Senator from Wyoming will recall.

There was great activity, and a joint position was taken by our conferees. I think the conference report is entitled to be received, passed, and adopted, so that we may get on to the other business which will confront us on Monday next.

I congratulate the Senator from Wyoming, and I hope that the Senate will approve the conference report.

Mr. McGEE. Mr. President, I want to thank my colleague from Florida. In spite of his modesty, he was a great stalwart in helping and guiding the chairman and others of the conferees to try to arrive at a meeting of the minds as best we could.

I would add this, Mr. President, as I conclude my comments here, that the real point today is that this is not something that suddenly happened in the Senate. The Senate, dozens and dozens of times before, has had to come to terms with measures that came from the House in excess of authorizations because of the House rules. This is being treated by some as though this is an invention of the moment. This has been going on since there has been a Senate and a House.

I think it is not the wisest procedure for this body to overturn or disrupt that process, in midstream, in the midst of an orderly process that was undergone and undertaken in the prescribed rules of the two bodies.

For that reason, I would think we would be much better advised, in those cases where it means the holding of our noses, to hold our noses and adopt the conference report as the best that can be brought out of a difficult situation.

Then we would bend to the task as our first order of business in the new session to correct the process as far as we can correct it in this body.

Now, Mr. President, I think all that can be said on this whole measure has been said many times over. I believe that Senators understand all the issues at stake. We among the conferees, when we found that we had to take the Taiwan money, knew that this would be a difficult question to bring back to this floor. We knew that it might even defeat it.

My only petition is, let us vote on it, and I will abide by the vote. Let us vote it up or vote it down. That is all we ask.

I think that is not an unreasonable request to make.

I have no additional elements of the conference to suggest, and I would ask that we proceed to a vote.

Mr. SAXBE. Mr. President, I find it indeed ironical that on the same day President Nixon relaxed our embargo on trade with Communist China, the conferees on the foreign aid appropriations bill would add $54.5 million as a starter on a new attack jet fighter squadron for Nationalist China.

The seeming inconsistency in these related actions, coming only hours apart, is both confounding and confusing.

The administration's attempt to elicit a positive response from Peking at a time of increased Sino-Soviet tension should not be undermined by the sale of offensive weapons to a bitter enemy of Communist China, an enemy a scant 90 miles from her shores.

The money for the attack jets was neither requested by the administration nor included in the Senate appropriations bill. I cannot vote for this appropriations bill, which is counterproductive to President Nixon's bold new initiative in Southeast Asia.

Mr. GRIFFIN. Because there is a possibility that at some point a motion to table may be presented, I want to say, if it should be presented, that I shall vote no. I would hope that those on both sides of the aisle who generally oppose foreign aid, and who might be otherwise inclined to vote for such a motion to table, would carefully consider the points made by the ranking minority Member, the Senator from North Dakota (Mr. YOUNG). He pointed out that if we are forced to continue operating on the basis of a continuing resolution, in the absence of a new appropriation bill, we will continue to spend for foreign aid on the basis of the $2.9 billion appropriated last year.

On the other hand, if we adopt this conference report—and it may be necessary to vote down a motion to table in order to get to a vote on the merits—we would actually be appropriating only $2.5 billion for this fiscal year—which would be nearly $400 million less.

So, if such a motion to table should be presented and debate is thereby limited, I would hope that we would be united in voting down such a motion to table.

Mr. McGEE. I thank the Senator.

Mr. President, I yield the floor.

Mr. MANSFIELD. Mr. President, I have been interested in all the speeches which have been made so far, and it is true that they have been repetitive; but I am not talking about any country or any area. I am talking about a principle which affects every Member of this body. So it is the principle I want to address myself to, not the sums necessarily, nor the country.

Before I get started, I ask unanimous consent that, at the end of my remarks, there be printed in the RECORD a table and some remarks relative to the amounts authorized and appropriated for title I during fiscal year 1968–69 and 1969–70.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MANSFIELD. Mr. President, the action of the conference committee on foreign aid is deeply disturbing. In the first place, the report represents an increase in this year's appropriation for title I foreign aid over last year's appropriations of $111 million. When the need, and indeed the urgent need, is for a reduction in unnecessary expenditures, this conference report goes in the other direction.

In the second place, the conference report casts aside certain limiting provisions which had been placed on categories of aid in the authorization bill of the legislative committees. In doing so, the appropriations conference also overruled the expressed intent of two-thirds of the membership of the Senate, which had stated, in effect, in the Senate version of the bill, that appropriations may reduce, but not increase, the specific figures contained in the authorization.

This action, Mr. President, builds the kind of precedent which tends to reduce to irrelevance the function of all legislative committees.

I would remind the Senate that 100 Senators are members of the legislative committees, but only 24 serve on the Appropriations Committee; and the disproportion is even more pronounced in the case of the House.

May I say that it is not my intention to criticize the distinguished Senator from Louisiana (Mr. ELLENDER), the acting chairman of the Appropriations Committee, nor the distinguished Senator from North Dakota, the ranking Republican member of that committee. But rather than criticize, I would say that, as far as both of these men are concerned, no two men work harder, have more integrity, or are more understanding. They are a distinct credit to the Senate, and I am proud to do both of them honor publicly. But I know this bill does not reflect the personal sentiments of these men on foreign aid. Their record on that score is clear and consistent.

If foreign aid is being turned into an overseas grab bag, it is not their doing. Yet what has happened this year as reflected in this report underscores an unhealthy trend of several years.

This program needs complete restudy, restriction, and redirection. The fact is that it has evolved into a kind of overseas grab bag, with less and less relationships to the realities of the Nation's economic situation, to the requirements of our foreign policy, and to the needs of world economic development and international peace.

I cannot be a party to the acceptance of this conference report in its present form, nor do I believe that the Senate should merely acquiesce in arbitrary insistences because we are under the gun of adjournment.

I have discussed this matter with the distinguished chairman of the Committee on Foreign Relations and with other members of the majority policy committee, and pursuant thereto, it is my intention to offer, at the proper time, a motion to table this conference report.

If that motion carries, foreign aid expenditures could be continued until January 30 at last year's rate, which is the rate allowed in the continuing resolution in the supplemental. The immediate effect of tabling will be to keep expenditures for foreign aid at least within those bounds. Until the Congress acts later, that in itself will mean the rate of expenditures for foreign aid will be reduced by more than $100 million, on an annual basis, below the figure of the conference report.

Mr. President, the Senate committee system must be protected; its responsibilities, integrity, and authority upheld. If they are not, then the committee system as such should be abolished.

A deep principle is involved in the question of committee responsibility, and may I repeat again, it affects every single Member of this body.

EXHIBIT 1

Foreign aid: Title 1, military and economic assistance

[In billions]

Fiscal year 1968–69:	
Authorization	$1.97
Appropriation	1.76
Fiscal year 1969–70:	
Authorization	1.97
Appropriation	1.87

As can be seen from the above, notwithstanding the fact that there was no change in the authorization, the Appropriations Committee Conference saw fit to propose an increase in the Appropriations of $111 million. The figure is, to be sure, still within the over-all authorization but it involves shifts in finds by categories which are not in line with the authorization maximums for the various categories.

Mr. McGEE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. McGEE. Lest there appear to be a discrepancy between the majority leader's figure on foreign aid and what I have just said, I think I should mention that the majority leader's figures refer only to title I of the Foreign Assistance Act.

There are three titles in the act that were before the conferees, and the difference between the title I figure, as the majority leader suggested, and our figure was a higher figure than a year ago.

But in title II, which represented military credit sales, where there was a figure of $275 million, we struck that entirely from the bill. Last year's figure, incidentally, in that section on military sales, was $296 million. Even the House asking figure was under last year's, and with the House total, they receded on that figure.

In title III, the difference in military assistance was preponderantly in favor of the Senate's relative position.

So that the actual total figures on foreign assistance, in all titles to the bill, last year as compared with fiscal 1970 are as follows:

Last year, the total was $2,935,537,000. The total this year, as brought out of the conference between the House and the Senate, is $2,557,063,000.

Thus, the total bill this year is actually $378 million plus less than a year ago.

This, I think, is a complete reflection of the differences between the two measures. I thank the majority leader for permitting me to make this additional statement.

Mr. MANSFIELD. Mr. President, I accept the correction, certainly, since it comes from the chairman of the committee, who should be the most expert in this area.

Before I yield to the distinguished Senator from Vermont, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9 o'clock Monday morning next.

Mr. McGEE. Mr. President, I object.

Mr. MANSFIELD. Mr. President, I move, then, if the Senator is going to object, we are going to have to quit.

Mr. McGEE. Well, I object to unanimous consent for adjournment.

Mr. MANSFIELD. If we move for it, then there is no debate.

Mr. McGEE. The Senator means after we complete the discussion?

Mr. MANSFIELD. No.

Mr. McGEE. I object at this time.

Mr. MANSFIELD. Mr. President, I renew my unanimous-consent request that when the Senate completes its business today, it stand in adjournment until 9 o'clock Monday morning next.

Mr. McGEE. And I object, whenever it is relevant to object, to the unanimous-consent request.

Mr. MANSFIELD. I make the request now, to give the Senator a chance before I make my motion. But, Mr. President, if the Senator forces me to move, I shall make the motion.

Several Senators addressed the Chair.

Mr. MANSFIELD. Mr. President, while this matter is being straightened out, I yield to the Senator from Vermont.

Mr. AIKEN. Mr. President, the Senate approved on Thursday an amendment by a vote of 62 to 28 prohibiting the Appropriations Committee from appropriating an amount larger than the amounts which had been authorized by Congress for this year. My question is, Was there any discussion of that amendment in conference, and did the conferees discard it?

Mr. MANSFIELD. It must have been discarded, because, while I do not want to discuss dollars or cents, additional funds were allowed in areas which had not been presented to us by either the authorizations or appropriations committees of this body.

Mr. AIKEN. I ask the chairman of our conferees if that amendment was thrown out by the conferees.

Mr. McGEE. The Senate receded.

Mr. AIKEN. Then the conferees agreed to taking this step toward weakening our democratic form of government?

Mr. McGEE. The conferees made no such declaration and took no such step.

Mr. AIKEN. No, but in effect they did it. They sort of adopted the Moscow plan of legislative controls. The action of the Conference Committees would not only override the decision of the Congress but would actually weaken the authority of the Executive as well. We do not want that to happen here.

Mr. McGEE. The Senator knows better than that.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senate will be in order:

Mr. MANSFIELD. Mr. President, I again ask unanimous consent, that when the Senate completes its business today, it stand in adjournment until 9 o'clock Monday morning next.

Mr. HOLLAND. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard from the Senator from Florida.

Mr. MANSFIELD. Mr. President, I move that when the Senate completes its business today, it stand in adjournment until 9 a.m. Monday morning next.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

Mr. SCOTT. Mr. President, will the Senator yield so that we may have a chance to clarify?

The PRESIDING OFFICER. The motion is not debatable.

Mr. HOLLAND. Mr. President, that is debatable.

The PRESIDING OFFICER. The motion is not debatable.

Several Senators addressed the Chair.

Mr. MANSFIELD. Mr. President, I refuse to yield further, in view of what has developed.

MOTION TO TABLE CONFERENCE REPORT

I now move to lay the conference report on the table.

Mr. GRIFFIN. Mr. President, a point of order. There is a motion before the Senate.

The PRESIDING OFFICER. Does the Senator desire that his first motion be put?

Mr. MANSFIELD. No, I have been foreclosed on both sides of this aisle, so I move to lay the conference report on the table.

Mr. HOLLAND. I ask for the yeas and nays.

The PRESIDING OFFICER. Does the Senator withdraw his first motion?

Mr. MANSFIELD. I withdraw it.

The yeas and nays were ordered.

Mr. GRIFFIN. Mr. President, a point of order.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay the conference report on the table. A point of order has been raised. The Senator will state his point of order.

Mr. GRIFFIN. If the conference report should be tabled, would the Senate's action in tabling it kill the foreign aid bill?

Mr. FULBRIGHT. That is not a point of order, it is a parliamentary inquiry. I ask for the regular order .

The PRESIDING OFFICER. The Chair refrains from responding to that parliamentary inquiry until the situation arises.

Mr. FULBRIGHT. Regular order.

Mr. SCOTT and Mr. ALLOTT. Mr. President, what is the question?

The PRESIDING OFFICER. The motion is not debatable. The yeas and nays have been ordered, and the clerk will call the roll.

Mr. ALLOTT. Mr. President, I am attempting to propound a parliamentary inquiry as to what we are voting on.

The PRESIDING OFFICER. Does the Senator from Colorado propound a parliamentary inquiry pertaining to the question on which the Senate is voting?

Mr. ALLOTT. That is correct.

The PRESIDING OFFICER. The Senator will state his parliamentary inquiry.

Mr. ALLOTT. What are we voting on?

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana (Mr. MANSFIELD) to lay the conference report on the table. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Virginia (Mr. BYRD), the Senator from Nevada (Mr. CANNON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Montana (Mr. METCALF), the Senator from Rhode Island (Mr. PASTORE), the Senator from Georgia (Mr. RUSSELL), the Senator from Missouri (Mr. SYMINGTON), the Senator from Georgia (Mr. TALMADGE), the Senator from Maryland (Mr. TYDINGS), and the Senator from Ohio (Mr. YOUNG) are necessarily absent.

I further announce that, if present and voting, the Senator from Nevada (Mr. CANNON), and the Senator from Rhode Island (Mr. PASTORE) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Delaware (Mr. BOGGS), the Senator from Massachusetts (Mr. BROOKE), the Senator from New Jersey (Mr. CASE), the Senator from Arizona (Mr. GOLDWATER), the Senator from California (Mr. MURPHY), the Senator from Kansas (Mr. PEARSON), the Senators from Illinois (Mr. PERCY and Mr. SMITH), the Senator from Alaska (Mr. STEVENS), the Senator from Texas (Mr. TOWER), and the Senator from Delaware (Mr. WILLIAMS) are necessarily absent.

The Senator from Kentucky (Mr. COOPER) is absent because of illness in his family.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Utah (Mr. BENNETT) and the Senator from Idaho (Mr. JORDAN) are detained on official business.

If present and voting, the Senator from Illinois (Mr. PERCY), and the Senator from Texas (Mr. TOWER) would each vote "nay."

On this vote, the Senator from Massachusetts (Mr. BROOKE) is paired with the Senator from Illinois (Mr. SMITH). If present and voting, the Senator from Massachusetts would vote "yea" and the Senator from Illinois would vote "nay."

The result was announced—yeas 39, nays 29, as follows:

[No. 271 Leg.]

YEAS—39

Aiken
Allen
Bayh
Bible
Burdick
Byrd, W. Va.
Church
Cook
Cranston
Eagleton
Fulbright
Goodell
Gore
Harris
Hart
Hartke
Hatfield
Hughes
Kennedy
Magnuson
Mansfield
Mathias
McGovern
McIntyre
Mondale
Moss
Muskie
Nelson
Pell
Prouty
Proxmire
Randolph
Ribicoff
Saxbe
Schweiker
Sparkman
Spong
Williams, N.J.
Yarborough

NAYS—29

Allott
Bellmon
Cotton
Curtis
Dodd
Dole
Dominick
Ellender
Ervin
Fannin
Fong
Griffin
Gurney
Hansen
Holland
Hruska
Jackson
Javits
Jordan, N.C.
McClellan
McGee
Miller
Montoya
Packwood
Scott
Smith, Maine
Stennis
Thurmond
Young, N. Dak.

NOT VOTING—32

Anderson
Baker
Bennett
Boggs
Brooke
Byrd, Va.
Cannon
Case
Cooper
Eastland
Goldwater
Gravel
Hollings
Inouye
Jordan, Idaho
Long
McCarthy
Metcalf
Mundt
Murphy
Pastore
Pearson
Percy
Russell
Smith, Ill.
Stevens
Symington
Talmadge
Tower
Tydings
Williams, Del.
Young, Ohio

So the motion to lay the conference report on the table was agreed to.

Mr. McGEE. Mr. President, I move that the Senate insist on its amendments and ask the House for a further conference.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. MANSFIELD and Mr. FULBRIGHT addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. MANSFIELD. Mr. President, I move that the conferees be instructed to insist upon its amendments and particularly to insist that the level of appropriations not exceed those authorized by law for this fiscal year, and that no earmarking of funds for particular countries be specified for military assistance.

Mr. MILLER. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. MILLER. Did I correctly understand the Chair to say that the motion of the Senator from Wyoming had been agreed to?

The PRESIDING OFFICER. That is correct.

Mr. MILLER. That having happened, is the motion by the Senator from Montana in order?

The PRESIDING OFFICER. It is in order.

The question is on agreeing to the motion of the Senator from Montana.

Mr. FULBRIGHT. Mr. President, a parliamentary inquiry.

Mr. MANSFIELD. Vote.

The PRESIDING OFFICER. The question is on agreeing to the motion.

Several Senators called for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays are requested.

Mr. MANSFIELD. Mr. President, before the yeas and nays are called, could the distinguished Senator from Wyoming be allowed to have the Chair appoint conferees?

Mr. McGEE. Mr. President, is it permissible to ask the Chair to be authorized to appoint conferees?

The PRESIDING OFFICER. That is correct, by unanimous consent.

Mr. McGEE. I so request.

Mr. CURTIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CURTIS. May we find out what we are voting on? Can the motion be read?

The PRESIDING OFFICER. The Senator from Wyoming has requested that the Chair be authorized to appoint conferees. The question is on that request.

Without objection, it is so ordered.

Now the question recurs on the motion of the Senator from Montana. The yeas and nays have been requested. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. CURTIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CURTIS. May we have it read?

Mr. MANSFIELD. May I read it?

The PRESIDING OFFICER. The Senator will read his motion.

Mr. MANSFIELD. I move that the conferees be instructed to insist upon its amendments and in particular to insist that the level of appropriations not exceed those authorized by law for this fiscal year, and that no earmarking of funds for particular countries be specified for military assistance.

That is the usual way in which this matter has been conducted. In the past, we have not named countries for very practical reasons. We have tried to avoid that because of what anyone could see would be the jealousies and competition that would be generated.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is now on the motion to instruct the conferees. The clerk will call the roll.

Mr. HOLLAND. Mr. President, I did not hear the conferees announced.

The PRESIDING OFFICER. The conferees have not been appointed, because it is too late to instruct after they have been appointed.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Virginia (Mr. BYRD), the Senator from Mississippi, (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Minnesota (Mr. McCARTHY), the Senator from Rhode Island (Mr. PASTORE), the Senator from Georgia (Mr. RUSSELL), the Senator from Missouri (Mr. SYMINGTON), the Senator from Georgia (Mr. TALMADGE), the Senator from Maryland (Mr. TYDINGS), the Senator from Ohio (Mr. YOUNG) are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Delaware (Mr. BOGGS), the Senator from Massachusetts (Mr. BROOKE), the Senator from New Jersey (Mr. CASE), the Senator from Arizona (Mr. GOLDWATER), the Senator from California (Mr. MURPHY), the Senator from Kansas (Mr. PEARSON), the Senators from Illinois (Mr. PERCY and Mr. SMITH), the Senator from Alaska (Mr. STEVENS), the Senator from Texas (Mr. TOWER), and the Senator from Delaware (Mr. WILLIAMS) are necessarily absent.

The Senator from Kentucky (Mr. COOPER) is absent because of illness in his family.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Utah (Mr. BENNETT) and the Senator from Idaho (Mr. JORDAN) are detained on official business.

If present and voting, the Senators from Illinois (Mr. PERCY and Mr. SMITH) would each vote "yea."

On this vote, the Senator from Massachusetts (Mr. BROOKE) is paired with the Senator from Texas (Mr. TOWER). If present and voting, the Senator from Massachusetts would vote "yea," and the Senator from Texas would vote "nay."

The result was announced—yeas 48, nays 22, as follows:

[No. 272 Leg.]

YEAS—48

Aiken
Allen
Bayh
Bellmon
Bible
Burdick
Byrd, W. Va.
Church
Cook
Cranston
Dole
Dominick
Eagleton
Fannin
Fulbright
Goodell
Gore
Harris
Hart
Hartke
Hatfield
Hughes
Jackson
Javits
Kennedy
Magnuson
Mansfield
Mathias
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pell
Prouty
Proxmire
Randolph
Ribicoff
Saxbe
Schweiker
Sparkman
Spong
Williams, N.J.
Yarborough

NAYS—22

Allott
Cannon
Cotton
Curtis
Dodd
Ellender
Ervin
Fong
Griffin
Gurney
Hansen
Holland
Hruska
Jordan, N.C.
McClellan
McGee
Miller
Scott
Smith, Maine
Stennis
Thurmond
Young, N. Dak.

NOT VOTING—30

Anderson
Baker
Bennett
Boggs
Brooke
Byrd, Va.
Case
Cooper
Eastland
Goldwater
Gravel
Hollings
Inouye
Jordan, Idaho
Long
McCarthy
Mundt
Murphy
Pastore
Pearson
Percy
Russell
Smith, Ill.
Stevens
Symington
Talmadge
Tower
Tydings
Williams, Del.
Young, Ohio

So the motion was agreed to.

The PRESIDING OFFICER. Under the previous order the Chair appoints the following conferees: Mr. McGEE, Mr. EL-

LENDER, Mr. HOLLAND, Mr. MONTOYA, Mr. FONG, Mr. COTTON, and Mr. PEARSON.

Mr. COTTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. COTTON. Mr. President, is unanimous consent required for an appointed conferee to decline to serve?

The PRESIDING OFFICER. The Chair had an order.

Mr. COTTON. I beg the Chair's pardon?

The PRESIDING OFFICER. The Chair appointed those conferees pursuant to order.

Mr. COTTON. Mr. President, that was not my question. Can a conferee who has been appointed request to be released from that appointment without unanimous consent?

The PRESIDING OFFICER. He must have leave of the unanimous Senate to be relieved.

Mr. COTTON. Then, Mr. President, were I a conferee, I am thoroughly in accord with not exceeding the authorization. But for years we have had uncontrolled foreign aid and I am very reluctant. I do not wish to serve as a conferee under the instructions that I must hold out to the point that this Congress cannot designate where our foreign aid is going.

I ask unanimous consent to be permitted to decline to act as a conferee under these instructions.

The PRESIDING OFFICER. Is there objection?

Mr. DODD. I object.

The PRESIDING OFFICER. Objection is heard.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. HOLLAND. Mr. President, I think this is a good time for all of us to start smiling and that is what I am going to try to do, instead of getting angry about this matter. I want the RECORD to show what I think we have just done. I say this with all respect to the majority leader who offered this motion to instruct the conferees.

The fact is the effect of this motion is to deny to the other body the right to make their own rules and the right to operate under their rules.

I do not know how many appropriation bills I have seen over here, where the other body, strictly in accordance with its rules, placed such items in its bills—and not just this bill that we are talking about.

Here we are talking about a principle, and under that principle, laid down by their rules, they have frequently placed items on appropriation bills which were not in the authorization, or in such amount as to make the amount exceed the authorized amount. We have, in effect, taken a position which says we deny to the other body the right which they are given by the Constitution to make their own rules and operate under them. What is a good deal worse, we have taken a position which will make the world think we did not do this same thing ourselves because frequently we have exercised, not just on this bill, but on many other appropriation bills in my own brief experience of nearly 24 years here, exactly this right and operating under our rules placed items in bills not within the authorization or caused the amount to exceed the total amount of the authorization.

I am not going to ask to be relieved from serving on the conference because I think sounder judgment will prevail before we get back here on January 19. But I do want the record to show that the thing we have done is exactly what I have stated. No one can deny it because that happens to be the truth. We follow this practice ourselves. The House follows this practice and it does so strictly within and under its rules.

When the time comes that we think we can say to the other body at the other end of the Capitol that we are going to determine what their rules permit them to do it will be a very sad day for our country. I do not have the faintest idea that the other body at the other end of the Capitol, and I respect them greatly, will ever accede to that kind of ruling.

I might say that in the conference yesterday the distinguished chairman of the Committee on Appropriations of the other body, Mr. MAHON, made a point of coming in just before the consideration of amendment 42, which was the amendment offered by the Senator from Arkansas (Mr. FULBRIGHT), and adopted by a large majority of the Senate, in order to voice his irreconcilable opposition to that amendment.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. HOLLAND. I will be glad to yield in a moment.

He said to the conference what was a fact, that we were trying to tell them what their rules should be and how they should operate under those rules. That is what we have done just now.

Mr. President, I want the record to show that and also that I shall not ask to be relieved as a conferee because I think sounder and saner judgment will develop in the Senate after we have had a little Christmas vacation and get a little different view of what is happening in the Chamber.

I yield to the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, first, I would join the Senator in saying this is not a matter to get angry about or to lose our temper over. I join him in saying we should smile about the differences being expressed. This is not a personal matter.

However, I cannot follow the Senator's argument that these are House rules and that, therefore, we are compelled to accept them. The House follows its rules but we cannot allow it to arrogate to itself the final decision in appropriation matters, and we have said the appropriated amount should not exceed the authorized amount. The vote in this body was an overwhelming expression of support for the principle that when we have established the authorization level, over which legislative committees have struggled for months, we have set as a limit not only our amount, but also have determined, in many cases, broad policy for the Government in the political field, so that this should have some influence upon the course of events.

What the Appropriations Committee of the House is doing is to ignore this, by saying that it does not matter what the authorization is, that they have a right under the Constitution, as the Senator says; but I do not believe I have ever read in any Constitution I have ever seen where it says that the House of Representatives in the ultimate enactment of laws, that their will shall be final and that the Senate cannot challenge it. I have never seen that in any Constitution. They write their own rules, but that does not mean that the Senate must accept their decisions.

Mr. HOLLAND. Why, of course not.

Mr. FULBRIGHT. What we have done tonight is to say that we do not agree with the conclusion of the House. Let me remind the Senate that the House of Representatives did not submit this provision to the Senate with regard to Taiwan. They did not have the courtesy to submit it even to the Committee on Foreign Relations. They just ignored that committee. Three principal members were sponsors of the Appropriations Committee when the authorization was on the floor and they brought it over. Without any hearings or any consideration, without it even being recommended by the administration, or without the Bureau of the Budget even having scanned it, they simply put in $54 million.

Now I ask, which one of my colleagues here can ever expect to come in and say, "My State would like to have $54 million. It is true that I have not submitted it to anyone. I have not had the Budget Bureau look at it. The President is not for it, but give me $54 million for my State." What consideration would such a Senator get? He would be laughed out of this Chamber, of course. But that is what Representative PASSMAN did.

Mr. President, I ask unanimous consent to have printed in the RECORD a number of articles on the subject of jets for Taiwan, which I am sure will be of interest to all Senators.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 30, 1969]

SURPRISE IN THE HOUSE: JETS FOR TAIWAN

(By Warren Unna)

Last week a surprise amendment to grant Chiang Kai-shek's Nationalist China $54.5 million for a squadron of F–4D jet fighter planes was offered during floor debate and passed as part of the House's foreign aid authorization bill.

Few congressmen knew anything about the amendment. They assumed the Nixon administration was behind the request. So a small House gathering first voted the amendment through by voice vote and then, after it was challenged and a quorum brought in for a roll call vote, the amendment passed, 176 to 169.

The Nationalist China jet squadron was not in the administration's bill, and it still is unwanted by the White House, the State Department, the Agency for International Development and at least the official heads of the Defense Department.

Its passage so angered the House's dwindling coterie of foreign aid friends that the full aid bill nearly was scuttled in its entirety.

The final vote on the $2.2 billion bill was 176 to 163 and the close margin was attributed directly to the planes for Taiwan.

The bill still must be considered on the Senate side. The fate of the squadron for Taiwan will further hinge on foreign aid appropriations in the House and Senate. But the House action still was a considerable coup.

Rep. George Bush (R-Tex.) said later: "I wish I had known the administration was against it before I voted for it."

Pulling a rabbit out of the hat is not unknown in House floor maneuvering, but the Chiang Kai-shek squadron really started revving up just about a year ago.

Last November Rep. Otto E. Passman (D-La.), chairman of the House Foreign Aid Appropriations subcommittee, made his annual state visit to Taipei and was received by Generalissimo and Madam Chiang.

The United States had just granted South Korea an extra $100 million in military aid following increased activity by Communist North Korea that resulted in an assassination attempt against South Korean President Park, the capture of the U.S. spy ship Pueblo and stepped-up infiltration into South Korea. The $100 million included a new squadron of F–4 jet fighter planes.

Nationalist China's Chiang decided that with the improved Mig fighters Communist China was flying, he had as good reason as South Korea to get a new U.S. jet squadron.

"It was brought to my attention that they just felt that they should have a squadron and I'm a good listener," Passman said in an interview. "I think that whole part of the world is as hot as a firecracker. It was on that basis that I did some footwork."

Since the House Foreign Affairs Committee waited until this month to get the current fiscal year's foreign aid authorization bill on the House floor, Passman, understandably, had to do some running in place.

Meanwhile, another friend of the Chiangs, Rep. Robert L. F. Sikes (D-Fla.), a reserve major general and a key member of the House Defense Appropriations subcommittee, made his state visit to Taipei last August. Presumably Sikes also was told about the need for new jets.

MORGAN PERSUADED

A third friend of Nationalist China, Rep. L. Mendel Rivers (D-S.C.), chairman of the House Armed Services Committee, recently persuaded Rep. Thomas E. Morgan, chairman of the House Foreign Affairs Committee, to quietly insert a small observation in his committee's foreign aid report.

It read: "There is danger that the number and quality of aircraft in the Nationalist China inventory may not be adequate to cope with the new and sophisticated aircraft now appearing in increasing numbers, in the armed forces of Communist China."

Then Passman, Sikes and Rivers, with their Pentagon connections, urged some high-level Air Force telephone calls to House Minority Leader Gerald R. Ford (R-Mich.) to enlist his assistance.

"There must have been some help from the Pentagon because of Jerry Ford's role," Passman observed blandly. And then he warmed up: "I think the Congress must assume some responsibility. We're not supposed to be just rubber stamps on all the bureaucrats in Washington. When my country is at war, I'm going to support it. I think we should keep our muscle taut."

There still remained the matter of actually drafting the amendment. The day before the House's floor action, Rep. Sikes tried to have the staff of the House Foreign Affairs Committee do it. Rep. Clement E. Zablocki (D-Wis.), at that moment acting committee chairman, described Sikes' request as "a bit unusual since the matter never had come before the committee and Sikes wasn't even a committee member."

Rep. Passman then stepped in. Administration officials said he summoned some Pentagon officials to his office on the morning the bill was to be considered to help him draft the amendment which Sikes, later in the day, was to introduce.

"I asked them for some help if they believed in the amendment," Passman said later. "But not in the actual drafting. I knew all about that and just where to insert it in the bill."

Then, later in the afternoon debate, Rep. Sikes offered his amendment with these words: "If we have to give, let us give it to those we know are with us . . . In my opinion, Nationalist China is one of our best friends—if not our best friend—in that part of the world . . . This is just a drop in the bucket compared to the amounts of money that they require for even a minimum defense of the Republic of China."

THE "NEED" PARAGRAPH

In quick succession, Sikes was followed by Rivers and Passman and a platoon of their allies all "associating" themselves with the amendment. Rep. John J. Rooney (D-N.Y.) had the assignment of noting the "need" paragraph that Rep. Rivers had inserted in the House Foreign Affairs Committee report.

Rep. Passman, according to onlookers, then started whispering around the debating table: "If you want to save $200 million on the rest of the bill, you had better agree on this one."

Meanwhile, Minority Leader Ford also began lining up votes. Ford later said he had heard about the amendment only two days before—from Sikes—did some "independent checking of my own to very high-ranking responsible people in the administration" and became convinced that Chiang Kai-shek's jet squadron—which the administration hadn't sought—really was wanted.

Rep. H. R. Gross (R-Iowa), who ranks himself with Passman as the leading foreign aid opponent in the House, then jumped up.

"I believe the record ought to at least show that there were no hearings, no justification whatever—before the Foreign Affairs Committee . . . This is too much money to add to this bill without the slightest justification except the statements of the sponsors," Gross said.

Rep. Donald M. Fraser (D-Minn.), chairman of the Democratic Study Group, noted: "There is no credible evidence that the Communist Chinese have a capability of invading Taiwan. This free use of the taxpayers' money is the reason why our program gets into trouble."

After the vote in which the $54.5 million jet squadron authorization was approved—with no restrictive fixed-year for spending required—some of the Republican Congressmen in the Speaker's Lobby were advising a check with "the Watergate."

A Watergate Apartments penthouse is occupied by Anna Chan Chennault, widow of the Flying Tigers general and a Washington hostess who cultivates friends for Nationalist China.

"All I know was what I read in the papers," Mrs. Chennault said in a subsequent interview. "Congressman Passman was a very good friend of General Chennault's because they both come from Monroe, La., but I haven't seen him in many years. Our legislators develop their own judgment. I'm an American. Lots of people talk about Anna Chennault as a 'lobby for China.' I am the biggest lobby for America. I always try to bring about a better understanding."

For his part, Passman declared: "Mrs. Chennault? I didn't even know she was Vice President of Flying Tigers Airlines or living in Washington. She had no knowledge of this. Mrs. Chennault runs her business and I run mine."

The Senate reportedly will not go along with Chiang Kai-shek's jet aircraft amendment and, even if the matter should survive in conference with the House, the administration say it is determined to get around it.

But the implementing part of foreign aid is in the appropriations process, and this is where Rep. Passman for years has reigned supreme. He says the original administration request for $2.6 billion in economic and military aid should receive an actual appropriation of only around $1 billion. It is not clear whether his $200 million threat on the House floor meant adding or subtracting from his $1 billion target.

It is clear that the more that is added to military aid the less is available for economic aid.

Last year, Passman sent out word that the $30 million alloted to Nationalist China in military aid had better be raised by $6 million or the rest of the bill would be in jeopardy.

"We therefore did right by him and he did right by us in giving us the full appropriation on the military side", one government official disclosed.

This year, the Pentagon says it has no F4–D jet fighter squadron readily available, and doubts that $54.5 million would pay for one anyway.

But Passman said the Air Force's support "goes all the way to the top." The Louisiana congressman feels encouraged.

"I have the honor to chair a committee which gives me a little leverage," Passman said. "And even though I am a foe of foreign aid and voted against this overall bill as I always do, I'm going to do everything within my power for this little amendment."

[From the Washington Post, Nov. 27, 1969]

Who Speaks to Chiang Kai-shek From Washington?

(By Stanley Karnow)

Taipei, November 26.—One of the key American problems here is the question of who speaks for the United States in its relations with President Chiang Kai-shek's Chinese Nationalist government.

This problem was underlined last week when the House of Representatives took the initiative of adding $54.5 million to the foreign aid bill to provide the Nationalists with a squadron of F–4D fighter aircraft.

It has also been dramatized over the past year or more by divergent approaches to the Chiang regime by State Department officials and U.S. military advisers stationed on this island bastion of Taiwan.

As a consequence, Chiang and his associates have been encouraged to manipulate splits within the U.S. establishment to their own advantage in two ways.

First, they have increased their lobbying among congressmen and other politicians sympathetic to their cause in an attempt to make their influence felt in Washington.

Moreover, they are apparently playing on rivalries within the U.S. mission here, which has been sharply divided between civilian and military factions, each voicing different American attitudes towards the Nationalists.

This situation transcends the narrow issue of the U.S. commitment to the Chiang government. For U.S. policy and practice here is intimately linked to the broader question of potential American relations with Communist China, which claims sovereignty over Taiwan.

As Secretary of State William Rogers and other administration spokesmen have emphasized, the United States is striving to break its diplomatic deadlock with Peking. Undoubtedly anxious to subvert that effort, the Nationalists would like to see a buildup of U.S. forces here.

There is no evidence that the administration intends to enlarge the American military presence here, which currently comprises some 10,000 men, most of them in logistical jobs related to the Vietnam war.

Until now, in fact, American military assistance to the Nationalists has been steadily declining, and is scheduled to end in about three years.

But this trend is being opposed, presumably with Nationalist inspiration, by certain members of Congress as well as U.S. military officials here. It is conceivable that this opposition could thwart administration hopes of edging closer to Peking.

The amendment to the foreign aid bill, which was introduced by Rep. Robert Sikes (D-Fla.), illustrates the ability of the Nationalists to stake what one observer here described as an "end run" around the administration.

The Nationalists had repeatedly requested F-4's, an aircraft equipped with sophisticated radar bombing devices, contending that they deserved to have the same model airplane delivered to South Korea and Israel.

But the Pentagon consistently rejected the Nationalist requests, partly on the grounds that the aircraft is too expensive and partly because its offensive capabilities do not conform to the strictly defensive nature of the U.S. commitment here.

When Sikes visited Taiwan in August, the Nationalists carried their case to him, and reportedly followed up that tactic by intensive lobbying among congressmen in Washington.

As a result, the House of Representatives amendment to the foreign aid bill came as a complete surprise to U.S. officials here. It remains to be seen, however, whether the amendment will survive the Senate.

Here in Taipei, meanwhile, the most articulate American advocate for the Nationalists has been Maj. Gen. Richard G. Ciccolella, who has eclipsed Ambassador Walter P. McConaughy since Ciccolella's arrival here nearly three years ago.

The head of the U.S. Military Assistance Advisory Group, Ciccolella has made no secret of his hawkish opinions, even though they sometimes seem to contravene administration policy. He is now in Washington and slated to testify before the Senate Foreign Relations Committee.

In a speech to an American club here in late 1967, he described those who favor negotiations with Communists as "basically weak and cowardly men who lack the moral and physical courage to stand up to aggressors and bullies."

In a Rotary Club speech here last February, he urged that the Paris peace talks be paralleled by stronger military pressures against the Communists. In the struggle against communism, he said, "there is no place for weaklings or cowards or compromisers or traditional diplomats."

Ciccolella's major achievement here has been to persuade the Nationalists to reduce the size of their armed forces, which number some 600,000 men. American advisers had unsuccessfully urged this for 20 years.

But, while Washington has favored the reduction of the Nationalist army to make it a more economical defensive force, Ciccolella seemingly had different motives, as he told a reporter last July:

"What the Nationalists need is an elite, well-armed and very mobile strike force. They will never defeat the Communists by sheer numbers."

At the same time, though he publicly subscribes to the cutback in U.S. military assistance to the Nationalists, Ciccolella is reported to have put forth a contrary argument in his private communications with the Pentagon.

Among other things, he is said to have recommended modernization of the Nationalist navy, a force that successive Washington administrations have tried to keep small to discourage offensive operations against Mainland China.

In addition, Ciccolella has urged the Pentagon to relocate the U.S. air bases on Okinawa to Taiwan. Under an agreement between President Nixon and Japanese Premier Sato signed last week, the United States will not be able to keep nuclear warheads on Okinawa after 1972.

While they have not publicly invited the United States to move the Okinawa bases here—possibly out of fear of being rebuffed—the Nationalists have been improving their military facilities as an inducement to the Pentagon to make the transfer.

For instance, they are lengthening the runways at Hsin Chu, an airfield south of this city. They have also reportedly offered to construct a new base near Hula Lien, on the eastern side of Taiwan.

To what extent Ciccolella and his aides have encouraged the Nationalists to believe that a U.S. buildup here is possible is not known.

But, in the view of observers familiar with its workings, one of the difficulties within the U.S. mission is that civilian American diplomats do not always know what their military associates are telling the Nationalists and vice versa.

The result is that the Nationalists tend to confide in the U.S. officials whose leaning approximate their own most closely. Accordingly, a tough anti-Communist like Ciccolella apparently had a higher stature here than State Department Representatives.

Some sources suggest that this may change next year, when Ciccolella is due to be transferred to Vietnam. Others submit, however, that a hard-line general is an asset here in order to maintain close relations with the Nationalists.

[From the Washington Post, Dec. 9, 1969]

House, Senate Panels Cut Aid Funds

(By Warren Unna)

The House and Senate, in tandem operation, yesterday made additional drastic cuts in the Nixon administration's foreign aid bill.

On the House side, the full Appropriations Committee approved all of its foreign aid subcommittee recommendations by cutting the administration's original request for $2.2 billion in economic aid authorization to an actual funding of only $1.2 billion, and the administration's request for $425 million in military grant aid authorization to an actual funding of $404.5 million.

The total House foreign aid appropriations bill of $1.6 billion in economic and military aid—a slash of little over $1 billion from the administration's original request—now is scheduled for final action on the House floor today.

On the Senate side yesterday, the Foreign Relations Committee approved an authorization of $1.6 billion in economic aid and $325 million in military grant aid, hitting far harder on the military requests.

The full House on Nov. 20, had approved authorizations of $1.7 billion in economic aid and $454.5 million in military grant aid.

Chairman J. W. Fulbright (D-Ark.) of the Senate Foreign Relations Committee said a committee majority outvoted him in his attempts to cut the military aid back even further—to $300 million—and eliminate the extra $50 million the administration seeks to compensate Spain for use of the U.S. military bases there.

On the House side, there was a similar defeat within the Appropriations Committee in an attempt to knock out $54.5 million to buy a new squadron of F4-D fighter planes for Nationalist China.

The planes were not requested by the administration in its foreign aid bill and White House, Pentagon, State Department and AID all are officially opposed to the grant.

However, yesterday it was learned that at least three high Pentagon officials have been secretly encouraging the grant.

Deputy Secretary of Defense David Packard, administration sources said, has twice tried to give the matter a boost and was sent an admonishing cable from Defense Secretary Melvin R. Laird, who was in Europe attending the NATO conference.

Lt. Gen. Robert H. Warren, Deputy Assistant Secretary of Defense in charge of military sales, reportedly submitted a top secret justification to the House foreign aid appropriations subcommittee headed by Rep. Otto E. Passman (D-La.). And Gen. John D. Ryan, Air Force Chief of Staff, also is reported to favor the Taiwan squadron despite contrary administration policy.

Here is how the Senate Foreign Relations Committee and House Appropriations Committee voted yesterday on the major foreign aid categories:

REQUESTED

[In millions]

		Senate	House
Development loans	$675.5	$350.0	$265.0
Supporting assistance	514.6	420.0	439.6
Technical assistance	463.1	371.1	313.8
Alliance for Progress	437.5	337.5	200.0
Administration expenses	54.2	50.0	53.5
Military grants	425.0	325.0	404.5

[From the Washington Post, Dec. 10, 1969]

Aid Bill Passed By House—Taiwan Jets Approved in Bitter Clash

(By Warren Unna)

The House last night voted a $1,650,000,000 foreign aid appropriation after adding $50 million in military help for South Korea and reaffirming a hotly contested $54.5 million jet fighter squadron to Nationalist China.

Opposition to the jet squadron was so bitter that the final vote on the over-all aid bill was a close 200 to 195.

The House also stipulated that U.S. economic aid should be cut off from any country trading with Communist China. Although the amendment's proponents said they didn't know which countries might be affected, there are several, including Pakistan and Tanzania.

"I suspect the China lobby is at work. This is what it reflects," said Rep. Jeffery Cohelan (D-Calif.), a member of the House Committee that prepared the bill.

The Nixon administration originally requested $2.2 billion in economic aid and $425 million in military aid. The House, in its funding action last night, approved a new low of $1.2 billion in economic aid, but $454.5 million in military aid—a $29.5 million increase over the administration request for fiscal 1970.

In Fiscal 1969, Congress appropriated $1.3 billion in economic aid and $375 million in military aid.

This year, there has been no Senate floor action. The foreign relations committee has approved $1.6 billion economic, $325 military aid.

Last night's House approval of the extra military aid for Nationalist China and South Korea came after a spirited debate that included use of "secret" and "top secret" Pentagon documents, all purporting to support the measures.

House Minority Leader Gerald Ford (R-Mich.) said that Defense Secretary Melvin R. Laird had secretly supported the Nationalist China jet squadron authorization on Nov. 20, when it first was introduced on the House floor.

Ford and House Majority Leader Carl Al-

> bert (D-Okla.) both read last night from "secret" letters Laird had sent them supporting the extra $50 million to help South Korea modernize her counter-intelligence forces.
>
> Rep. Otto E. Passman (D- La.), floor manager of the foreign aid appropriations bill, and Rep. John J. Rooney (D- N.Y.) already had brandished "top secret" Pentagon material which, according to Passman, indicated that Chiang Kai-shek's regime now was so threatened by Communist China it would need "almost $400 million immediately" in U.S. military aid.
>
> The Passman-Rooney "top secret" material was written by Lt. Gen. Robert H. Warren, Deputy Assistant Secretary of Defense for military sales. According to Rep. Silvio Conte (R-Mass.), who was allowed to read the letters, they were addressed to Passman and began, "Per your telephone request . . ."
>
> Neither the Nationalist China nor South Korea appropriations had been sought by the administration in its aid bill. Secretary of State William P. Rogers and AID Administrator John A. Hannah are known to feel the money is unnecessary and only reduces the amount of funds Congress might be prepared to make available for economic aid.
>
> Rep. Edward P. Boland (D- Mass.) warned that the $54.5 million for the Nationalist China F4–D jet squadron was "only a down-payment" of what Congress eventually would have to approve since a squadron actually costs $108.1 million.
>
> The Nationalist China-South Korea additions were sustained in three separate tallies, 113 to 77, 119 to 82 and, finally, 250 to 142.
>
> In the final vote on the over-all aid bill, traditional foreign opponents joined the liberals in coming within five votes of defeating it.
>
> The outcome represented a victory in leadership strategy. The $50 million in extra South Korean military aid originally had been proposed in the House Foreign Affairs Committee by Rep. William S. Broomfield (R-Mich.), passed as part of the foreign aid authorization last month, but then dropped by the House Appropriations Committee.
>
> Unlike the South Korean measure, the Nationalist China money was approved by Passman's Appropriations subcommittee and therefore was included in yesterday's floor bill.
>
> When Rep. Conte introduced an amendment to strike out the Nationalist China money, Bloomfield offered a "substitute amendment" reintroducing his South Korean money and locking the Nationalist China money in with it.
>
> The threat of killing the whole foreign aid appropriations bill by angry opponents led Chairman George Mahon (D-Tex.) of the House Appropriations Committee to warn that any such action would block the flow of bills to the Senate and interfere with the House's hopes of not having to come back and work after Christmas.

Mr. HOLLAND. What the Senator has just said, has clearly borne out my statement, because he has questioned the ability of the House of Representatives to operate within its own rules. That is the point I am making. When we question that right, we are on very unsound ground.

Mr. FULBRIGHT. May I ask the Senator——

Mr. HOLLAND. Article I of the Constitution, section 5, paragraph 2 states—

> Each House may determine the rules of its proceedings, . . .

And then it contains other words that do not have any relation to what we are discussing.

When the time comes that because we do not like their rules—I am not questioning what they have done has been under the rules—but when we say they have no right to operate under their rules, it will be a sad day. The Senator has not referred to the bill, although I had said, which is true, that we have repeatedly done the very same thing ourselves in connection with other appropriation bills. For one, the appropriation bill so ably handled by the distinguished Senator from Washington, the Labor-HEW bill. We have been perfectly willing to place items in that bill that went beyond the authorization. We have sinned. We have sinned as often as they have, if the Senator thinks this is sinning. But the point I am making in the first instance is that we are thoroughly off on our own rights in questioning the House in its operations under its own rules, and particularly when we do exactly the same thing ourselves.

Mr. HANSEN. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. HANSEN. Mr. President, I believe that the Senate has just witnessed again our reasons for the great reluctance to see the absence of the very distinguished Senator from Florida from this Chamber when we are in session because the logic, and the good reasoning he presents to us reminds us anew of the extremely fine contribution he has made to this body, and how much we are the losers when he is not able to be here.

Mr. HOLLAND. I thank the Senator from Wyoming for his kind remarks. I wish I could merit the nice things he says.

Mr. McGEE. Mr. President, will the Senator form Florida yield?

Mr. HOLLAND. I yield.

Mr. McGEE. Since I have not been in this body for a great number of years—only 11— I should like to ask the distinguished Senator from Florida a question. During the countless years that he has served, would it be his judgment that on other occasions the Senate permitted this action when we favored a measure, but, if we opposed a measure, then we became sanctimonious about the principle involved. Would that be stating it correctly?

Mr. HOLLAND. Well, the word "sanctimonious" may overstate it a little bit—[laughter]—but on the issue of his statement, I agree completely with the Senator from Wyoming.

Mr. MANSFIELD. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. MANSFIELD. Mr. President, may I say in extenuation, that I did not even know there was such a procedure. I hate to profess my ignorance, but until earlier this week——

Mr. HOLLAND. If the Senator had been active in his assignments on the Appropriations Committee, he would have found that out a long time ago. Of course, he has not been able to do that, and I do not criticize him for it. As majority leader, he could not attend the working meetings of the Appropriations Committee—[Laughter] or attend the conference committees because of his responsibilities as majority leader. But it has been long established practice in both Houses, under the rules, and there is no way that this can be denied.

Mr. MANSFIELD. Let me contiue and accept the rebuke——

Mr. HOLLAND. This is not a rebuke.

Mr. MANSFIELD. It is well deserved. But it does not do anyone any harm to profess ignorance when they are ignorant. I was ignorant of this particular aspect of the relationship of appropriation bills to legislative authorizations, until it came out in the open the other day. But that is no excuse.

May I say that this is no occasion for smiling. This is no occasion to become angry. This is no occasion to become personal.

No one has won a victory tonight. In my opinion the U.S. Senate and its committee system have.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida has the floor. The Senate will please come to order.

Mr. HOLLAND. I am glad that the distinguished majority leader does derive satisfaction from our action. I wish I could join him in that concluding item——

Mr. MANSFIELD. I said the Senate, not myself.

Mr. HOLLAND. He has a right to his opinion—I am sorry he is leaving the Chamber——

Mr. MANSFIELD. I am not leaving. [Laughter.] If the distinguished Senator will yield to me further, I think that he has misinterpreted my remarks. I derive no personal pleasure or satisfaction out of what has happened. What I was saying was that this is in effect a great day for the Senate because we have reinforced that system under which this institution functions. Everyone should know how important that is to the Senator from Florida.

Mr. HOLLAND. I thank the Senator for his kind reference to me. [Laughter.]

Mr. MAGNUSON. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I am glad to yield to the Senator from Washington.

Mr. MAGNUSON. I am not professing ignorance in this particular field but I am professing, maybe, a lack of memory.

Is it not true—I want to ask this question—that of course the Senate can appropriate money that it has authorized whether the House has come up to that figure or not. We often do that. The House can appropriate money that it has authorized, even though the two figures might be different in conference; but I do not know of any occasion—I do not recall any, and I have been on the Appropriations Committee a long time—where, when we appropriated money and there has been no authorization, final and complete authorization, we always put a proviso in that this money shall not be spent or appropriated until the authorization becomes law. I do not recall any occasion.

Mr. HOLLAND. I do not want to burden my memory except to say—and the Senator will recall this—we have frequently, when he presided over the Independent Offices Subcommittee, put in items to staff the executive committees and boards appointed by 1600 Pennsylvania Avenue. There is one such item placed in the foreign aid bill, and no Senator raised any question about it at all.

With a little study, I could mention hundreds of items in the brief time I have been in the Senate which have been like that, because we have followed that practice repeatedly. To say we have to have authorizing legislation every time we put in an item which became necessary——

Mr. MAGNUSON. I would like to know——

Mr. HOLLAND. Just a minute. I have the floor. Just as soon as I get through with my statement, I shall be glad to yield.

Mr. MAGNUSON. I do not know of any time when money has been spent that has not been authorized.

SEVERAL SENATORS called for order.

The PRESIDING OFFICER. The Senate will be in order.

Mr. HOLLAND. Let me finish my statement. If we had to authorize everything that goes in these complex bills, we would have more authorization bills than we have private or public bills, because we have many items in the appropriation bills which are not authorized, and there is no necessity to authorize them, because they have to do with small matters, as a rule, and sometimes large matters. The Senator will not deny that we have had many such occasions.

Now I will yield to the most knowledgeable Senator.

The PRESIDING OFFICER. The Chair requests that we suspend until we get a message from the House of Representatives.

Mr. HOLLAND. I am glad to yield for that purpose.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the concurrent resolution (S. Con. Res. 51) to authorize the Secretary of the Senate to make a technical correction in the enrollment of the bill (S. 3016) to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, to authorize advance funding of such programs, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3016) to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, to authorize advance funding of such programs, and for other purposes.

The message further announced that the House had agreed to the amendment of the Senate to the amendment of the House to the joint resolution (S.J. Res. 154) to authorize and request the President to proclaim the month of January of each year as "National Blood Donor Month."

Mr. MAGNUSON. There is a good example. We waited for that authorization.

FOREIGN ASSISTANCE APPROPRIATIONS, 1970—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

The PRESIDING OFFICER. The Senator from Florida has the floor.

Mr. HOLLAND. Mr. President, the able chief clerk of the Appropriations Committee has just reminded me of an item I was about to forget. We appropriated $4 billion in 1951 for foreign assistance without having any authorization. It was included in the bill, and it became law. Most of it, or perhaps all of it, was spent.

We could find many such items. I think it is useless to pursue this, because anyone who has worked on the Appropriations Committee and really has done his work there would not question it. I see here Members who served in the House. They know what the rules of the House are. They know I have correctly stated what has gone on in the House during the life of the Republic. There is no use in the world for us to bark at the wind by saying we are not going to consider any matters not in an authorization bill, when we frequently include such items on our own initiative, and when we see such action every day at the initiative of the other body, operating under its rules.

Now I yield to the Senator from Louisiana.

Mr. ELLENDER. Mr. President, I want to say that I hesitated to vote against the majority leader on the last motion he made because I do not see how the conferees can carry out their instructions since most of the money that has not been authorized has been locked into the bill. In other words, the House provided $11.6 million to construct schools in Israel and other places. That is locked in the bill. It is not in conference. Particularly that is true of the $50 million for Korea. That came from the House. True, it is unauthorized, but we locked it in by voting for it. So how will the conferees who will be appointed, on the motion to table, carry out those instructions?

Mr. HOLLAND. I am glad the Senator raised those two points. The provision for Korea was voted on the Senate floor. It was not authorized by the Senate. The provisions for numerous schools, some of them were not authorized, but we voted for them in this bill, and they were locked into the bill.

I see my distiguished friend from New Mexico indicating that he remembers these items.

So it comes down to this: The real rule we are talking about here is that when the House, in following its rules, puts in something that has not been authorized that we like and appreciate, that is fine, that is legal, that is constitutional; but when they put in something which we do not like and was not authorized and we do not want it, then, our good friends say, "That is all wrong."

We have a right to say whether we like or do not like any item that is there, whether it is authorized or not; but it is beyond question that in this bill and in practically every bill in the area of appropriations, we are running upstream against the principle announced by the distinguished majority leader—which is not a principle at all, because we have not followed it and do not propose to. We have not followed it in our own practice, and we recognize the House's departure from it whenever its view happens to disagree with ours.

Mr. PELL. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. PELL. I commend the Senator for the statement that the rules of the other body are no concern of ours, but I am amongst the majority, I guess, in this body who thought the authorizing committees—and I am proud to serve on them—could always set a ceiling; perhaps not a floor, but a ceiling. When I was educated yesterday to the fact that that was not so, I was puzzled. I am sure Senators share the view that all committees are relatively equal; that, to use the analogy of the Senator from Vermont, there is no presidium committee that can go above the ceiling and go below the floor.

My question basically is, however, if there is one committee, like a presidium, above all other committees, the only way this can be straightened out or changed is by changing the rule. Is that correct?

Mr. HOLLAND. It certainly is not correct. The only way it can be straightened out is to have a majority of the Senate vote against any item it wants discarded, whether it comes from the committee, or the House, or is offered here on the floor. We have that right and we can, by majority, strike it out. But when anybody says we are not operating in the antithesis of the principle announced by the majority leader—and unfortunately approved by a majority vote of the Senate—they do not know what they are saying. We do it every day when we pass appropriation bills. I am sure the Senator knows I know what I am talking about.

Mr. PELL. True. The only thought I throw out is that perhaps, if the rules are not satisfactory, the leadership would consider the matter of proposing a change of rule to that effect.

Mr. HOLLAND. Does the Senator mean a rule to state that we are not going to recognize the rules of the House?

Mr. PELL. No.

Mr. HOLLAND. That is what it amounts to.

Mr. PELL. No; that the ceiling could not go above the amount set by the authorization committee.

Mr. HOLLAND. The House has equal jurisdiction with us. I would never be a party, by my voice or vote, that says anything that indicates the House does not have a constitutional right and duty to announce its rules and to operate under them. I would never question that. I do not believe thinking Senators, after they have gotten through the Christmas holidays and have gotten a little more benevolent in their attitude toward life, will retain that attitude. I wanted this stated for the RECORD.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senate will be in order. The Senator from Florida still has the floor.

Mr. HART. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. HART. Has the military authorization bill become law?

Mr. HOLLAND. I think so. The military authorization bill does not begin to cover everything, by any manner or means, in the appropriation law, but it became the law. Does the Senator think the military authorization bill begins to cover everything in the $70 billion Defense appropriation bill?

Mr. HART. My question will indicate what my curiosity is.

Does the law, namely, the military authorization, fix a figure for military aid below the figure that the Senator now tells us, as a matter of principle, either House can ignore?

Mr. HOLLAND. That is something I could not answer.

Mr. HART. This is a question that bothers some of us. I would like an answer.

Mr. HOLLAND. I am not familiar with the authorization.

Mr. HART. Well, it is the law, and I am just wondering if we can assign, on the part of either House, the right to ignore it.

Mr. HOLLAND. As in any field, an authorization is prima facie evidence for every item in it to be included in the appropriation bill, but it by no means excludes either House from putting in other items within their rules. They do it, and we do it. I doubt if the Senator could find an appropriation bill passed in the last 25 years that does not diverge from the principle the Senate has just so piously announced.

Mr. HART. Perhaps we can get an answer to what effect passing a law that fixes a military aid ceiling has, if any.

Mr. HOLLAND. My dear friend probably thinks all the items in a military appropriation bill are included within the two authorization bills which we pass each year; that is, for construction and for procurement. The Senator from Mississippi, who knows much more about this field than I do, knows that we have numerous salaries that have to be paid; for example, included within the appropriation bill, that are not in the authorization bill, and that we have numerous other items that are included within the bill. I have never seen a military authorization bill which began to come up, in size, to the military appropriation bill.

I shall be happy to yield to my distinguished friend from Mississippi for any correction he wishes to make of the statement I have made, but I am sure that the total of our two authorization bills is not more than half of the full amount, or something like half of the full amount, of the appropriation bill.

I yield to the Senator from Michigan.

Mr. HART. I wonder if the Senator from Florida would include in that question the distinction between items which are enumerated, for which a ceiling is fixed, the generic group for which a ceiling is fixed, and one where there is simply a ceiling under which the pot and the kettle can be thrown in.

Mr. HOLLAND. No ceiling has ever been fixed at $70 billion for the Defense bill. Of course, our appropriation bill, to my recollection, is somewhere in the neighborhood of that figure. As I recollect, it went to the conferees a little over $70 billion, and came back a little under $70 billion. Am I correct in that?

Mr. STENNIS. The large appropriation bill passed the Senate, I think, at $69.6 billion.

Mr. HOLLAND. That is the conference bill.

Mr. STENNIS. Just a brief answer to the question of the Senator from Michigan.

Our authorization bill for our forces, the U.S. military forces, is only a part of the items which have to be authorized. But we do have a specific law that requires missiles, tanks, research and development, planes, submarines, and ships, to be authorized; and that was the bill that was under such long debate, and totaled about $20 billion, as Senators will remember, or a little over. But the appropriation bill ran close to $70 billion.

The difference is in operational matters, maintenance, salaries, and all the items of that kind. We do not require authorization of certain small arms and other matters. It is the major hardware, and research and development, for which authorization is required.

There is a separate authorization, as a separate military authorization bill, for military construction. There is still another military authorization bill now for foreign military aid. That goes to the Committee on Foreign Relations with the exception of one item: Southeast Asia funds are authorized in the first bill that I mentioned. That is, the hardware is. It was a relatively small amount. Also, the operation money is authorized there for that war. I mean the aid to South Korea.

But the main thing is the big authorization bill that we had the long debate over, and then the foreign relations bill.

Mr. HART. Mr. President, I thank the Senator from Florida. I think we have reached a point where we are including three or four bills in addition to the one I am trying to get clarification for myself on; namely, the bill that is before us, on the business of foreign aid.

As I gather, assuming the passage of a foreign aid authorization bill constitutes the enactment of a law, the rules of neither House can ignore the law. My question is: Have we ignored the law? Do we propose to ignore the law, if we now appropriate a sum in excess of the specific maximum sum provided for by the earlier enacted law?

As I understand it, in the case of military aid in the Foreign Aid authorization and appropriation bills, we have by law said it shall not exceed $350 million, in the authorization bill. We are now told that either House, by some rule, can say, "To heck with that, we are going to give them $405 million." What is the effect of the earlier enacted law? That is what I am trying to find out.

Mr. HOLLAND. Well, Mr. President, the earlier enacted law sets a ceiling on various individual items. It does not pretend to set a ceiling on the total amount, as a rule.

Mr. HART. Here is an item: American schools and hospitals.

Mr. HOLLAND. That is authorized.

Mr. HART. It authorizes a sum lower than the report of the conferees with respect to that specific sum. That is my question; how can you do it?

Mr. HOLLAND. The way you can do it is that you have two items for schools in there, one of which is authorized and the other is not authorized. There are a number of schools in there that are not authorized. The Senator will find them even in different places in the bill. He will find them not recited in the bill as to those that are authorized, but listed in the report; but he will find them listed in the bill itself, for those that are not authorized and for which the Senate gave its agreement, and locked them in, and for which the conference committee has locked them up as far as this conference report is concerned.

We had a mandate from the Senate, by its vote, to include them in the conference report if we were able to obtain consent of the House conferees.

This is not unusual. It happens in practically every appropriation bill. That is the point. I do not pretend to know, by a great deal, all about this appropriation field, but I do know that this has been happening in every appropriation bill of any size since I have been a member of this committee.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. FULBRIGHT. I wish to compliment the Senator from Florida. He has been very frank. If he has no other fine characteristic—and, of course, he has many—one of his stronger characteristics is to deal frankly, with no disposition whatever to conceal or distort the facts; and I think what he has said, not only today but also the other day when we discussed this matter, has been very enlightening.

The PRESIDING OFFICER. Will the Senator suspend until we have order? The Senate will be in order. The Senator from Arkansas is trying to propound a question.

Mr. FULBRIGHT. My question is—and I think the Senator has made it fairly clear—that while as a matter of fact, under our system, the Appropriations Committee, if the appropriating bill is enacted last—which it usually is, by tradition—takes precedence over any authorization bill enacted before that time, if I understood the response we received from the General Accounting Office, the bill enacted last controls.

In other words, if instead of our enacting the authorization bill first, we waited until the appropriation bill was enacted, and then we came along and set ceilings on these items that were lower than the appropriation, those ceilings would control. Is that not true? The Comptroller General has adopted the principle that he acts on what is enacted last as the controlling one in any particular field; does the Senator agree with that?

Mr. HOLLAND. No; what the Comptroller General meant was that in considering appropriation bills, the bill enacted last was what controls the appropriation amounts. He has jurisdiction over the expenditure of funds, and his duty is to see whether the funds are expended in accordance with the appropriations made. That is his duty.

Mr. FULBRIGHT. Then is the Senator saying that the authorization bill has no effect whatever in law, that it is a nullity?

Mr. HOLLAND. I certainly am not making any such statement.

Mr. FULBRIGHT. Then what is the net effect?

Mr. HOLLAND. Well, the Senator can put any interpretation on it he wishes, but in 99 cases out of 100, the Appropriations Committee and the group that makes up the budget stick by the authorization passed by Congress.

The Senator from Louisiana has already so clearly stated that we have items in the bill put in by the House which were not authorized, but were approved by the vote of the Senate.

I do not know how the Senator from Arkansas voted on it. However, it was done by a great majority of the Senate.

Mr. FULBRIGHT. I voted against the bill.

I think the Senator has rendered a fine service in enlightening the Senate. It was quite obvious from the other day that authorization bills did have some force of law. But now the Senator has made it clear that they do not. Is that a fair characterization?

Mr. HOLLAND. Certainly they are law. But they are not conclusive. And they are not final.

Congress does not have to approve any item in the committee report whether it is authorized or not. Frequently it knocks out authorized items.

Mr. President, I yield to the distinguished Senator from Maine.

The PRESIDING OFFICER. May we have order?

The Senator from Maine is recognized.

Mrs. SMITH of Maine. Mr. President, I thank my distinguished and able colleague, the Senator from Florida, for yielding to me.

Mr. President, early this year, and in years before, there has been serious encroachment by committees into the jurisdiction of other committees.

This is of growing concern.

Tonight this issue has reached a climax.

Mr. President, I shall introduce a resolution calling for an inquiry and study of this growing encroachment on committee jurisdiction.

Mr. HOLLAND. Mr. President, I appreciate the suggestion of the distinguished Senator from Maine. I hope that we can go ahead and carry out her suggestion.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. MILLER. Mr. President, I ask the Senator from Florida whether this may be helpful. The Senator from Michigan talked about the law. It is my understanding that we have been talking, not about the law, but about authorization bills that have been passed by one House or the other, or possibly by both.

I do not believe this has been signed into law yet. Perhaps that is one of the big questions concerning the Senator from Michigan.

Mr. HOLLAND. Mr. President, the Senator has a good point. The authorization bill was approved yesterday and has not been signed. But even if it had been signed, the fact is that there are items in the bill placed there by the House of Representatives under its rules and sent over here which we approved. There is not any doubt that that is the case.

It looks as if what we are saying is that as long as the House operates under its rules in such a way as to please us, we will accept that action and think it is a good operation. However, whenever it steps on our toes, we will not give to the House the right to operate under its rules.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. McCLELLAN. Mr. President, there came over from the House in the bill certain items that were not authorized.

Mr. HOLLAND. The Senator is correct.

Mr. McCLELLAN. Some of those items were for schools.

Mr. HOLLAND. The Senator is correct.

Mr. McCLELLAN. The Senate, however, voted to approve them, did it not, when it passed the bill?

Mr. HOLLAND. The Senator is correct.

Mr. McCLELLAN. We have now a vote of the Senate to instruct the conferees to take that out, and it is not even in conference. Am I correct?

Mr. HOLLAND. The Senator is correct.

Mr. McCLELLAN. How are the conferees going to comply? I just ask that question. That is the mess we are in. We have the Senate voting to take that out. It is in the bill. It is not and never was in conference. It is in the bill. And because there is one item in disagreement that is in the same category and the Senate votes to instruct the conferees to take it all out.

Mr. HOLLAND. The Senator is correct. And by that action the Senate has claimed it never followed such a practice itself, when it did follow it with reference to some particular items in this bill.

Mr. MONTOYA. Mr. President, will the Senator yield on that point?

Mr. HOLLAND. I yield.

Mr. MONTOYA. Mr. President, I would like to read the rule with respect to the point the Senator from Arkansas has raised. It is rule 27.2. It reads as follows:

> Conferees shall not insert in their report matter not committed to them by either house, nor shall they strike from the bill matter agreed to by both houses.

Mr. HOLLAND. The Senator is correct. That is the rule. And, following that rule, we followed the House on some of those matters that were not authorized. Then the conferees proceeded to go ahead and approved, because the Senate had given the conferees that mandate, some items we put in the bill which were not authorized. And the House conferees accepted them.

Mr. McCLELLAN. Mr. President, how can the conferees comply now with the Senate rules and with the instructions that are in absolutely irreconcilable conflict? How can the conferees comply?

Mr. HOLLAND. We cannot. But, as I have already said, I hope that Christmas will have a brainwashing effect on us and that when we come back we will see things clearly and see the monstrosity that we have created.

Mr. McCLELLAN. Mr. President, I served as a member of the conferees. I did not know I was a conferee until just before notice was given of the meeting.

I went to the chairman and told him I was opposed to the program, that I had voted against it for the past 15 years and would rather not serve.

He asked me to serve.

Those conferees who were there will remember that I simply acquiesced by keeping silent, very much so. And I did not sign the report because I intended to vote against the conference report.

I am opposed to the whole program.

Mr. President, I conclude by saying that maybe one good thing will come out of this. Maybe we can kill the whole foolish program.

Mr. HOLLAND. Mr. President, there were differences of opinion among the conferees. The Senator from Florida has not been in favor of all items for foreign aid, not by any means.

Mr. DODD. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. DODD. Mr. President, I raise a question which, I suppose, is in the nature of a parliamentary inquiry, although I do not see that we can do anything on it now.

As I understand the situation, the Senator from New Mexico has pointed out that what we have done here is in violation of the rules of the Senate.

My question is, Why did not the Presiding Officer instruct the Senate that the motion pending was in violation of the rules of the Senate?

I would like someone to tell me the answer to that question. We are here. We cannot know everything about this. That is why we have astute Parliamentarians. We have tolerant and prudent Presiding Officers, such as the present occupant of the chair. And here is a great occurrence on the Saturday night before Christmas. And we go through a terrific debate and violate the rules of the Senate.

Mr. HOLLAND. Mr. President, I do not think that any Presiding Officer—and we certainly have a distinguished one now—or any Parliamentarian is going to volunteer to a Senator, particularly a leader in the Senate, who makes a motion that he is on unconstitutional grounds.

I have never heard of a Presiding Officer taking such a course.

And I would commend the Presiding

Officer for not taking such a position, but instead letting the Senate work its will, which it has done. I am not complaining about that. I am stating that I hope we will come back on the 19th of January in better humor and better able to see what we have done.

Mr. McCLELLAN. Mr. President, at the conclusion of my remarks, I intended to say that as a consequence of what we had done here, I immediately went to the chairman of the committee and asked him not to submit my name again to serve on the conference because I had refused to serve.

Mr. HOLLAND. Of course, each of us was tempted to do that. I did not do it because I think we are bound to have some knowledge about this whole complex situation that ought to be at the disposition of the Senate. So far as the Senator from Florida is concerned, if the chairman of the committee wants him to serve, he is going to make any contribution he can, and he understands completely the attitude of the Senator from Arkansas. But the Senator from Florida wants the RECORD to show that the Senator from Arkansas, while generally saying nothing, did make some very valuable comments and suggestions and gave some excellent advice during the conference.

I yield the floor.

Mr. FULBRIGHT and Mr. MAGNUSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. FULBRIGHT. Mr. President, I want to make this point, a very brief one. I think it has been grossly overstated with regard to the instructions that we were given. Those instructions are based upon and apply only to those matters within the jurisdiction of the conference committee. Under the rules, those items which are not in conference are not in the jurisdiction of the conference committee.

It is perfectly clear that the instructions which the Senate voted are applicable only to those matters within the jurisdiction of the conference committee, which are the things in conference. Under no conditions are matters on which there is no disagreement ever within the jurisdiction of the committee. That is according to the rules of both houses. I do not think there is any disagreement about that.

The implication of the Senator from Florida—it is not only an implication but a statement—that we have committed a monstrosity is sheer nonsense, if I may be allowed to use that word in a most friendly manner; because the conferees are not seized, one might say, of those matters not in disagreement. The conference is appointed not to give approval or deal with those things about which there is no difference. The only items the conference has jurisdiction over are those about which there is a difference, and those items the Senator is talking about as being locked in are those about which there is no difference.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. FULBRIGHT. The instructions do not apply to those matters about which the conference committee is not concerned.

Mr. HOLLAND. The Senate sweeps under the rug the things that it has done which violate the principle that is announced here and leaves to the conferees only a fixed amount of things, and the Senator knows that there were things in this bill not authorized.

Mr. FULBRIGHT. Those items are not in conference.

Mr. HOLLAND. But they were approved by the Senate.

Mr. FULBRIGHT. That is not in conference, either. That is double talk. To say that the instructions are a monstrosity is not correct at all.

I do not wish to belabor the matter. The Senator from Florida has given the Senate a great deal of valuable information. It is the first time in my 25 years in this body that any member of the Appropriations Committee has been frank enough to get up and say that the work of the authorizing committees is of very little significance; that it is tentative at best; that it certainly is not the law, and that the Appropriations Committee can do as it pleases and how it pleases; that it can put in anything it likes, and that is the law, and there is nothing you can do about it. I applaud the Senator for his candor. This is very educational for the Members of the Senate as well as for the public.

Many of us who spend our time on so-called legislative matters ought to know this. This is an enlightening development—and I certainly do not criticize the Senator from Florida or any other Member.

Less than 100 years ago, we did not have this division between legislative and appropriation functions. The same committee did the examination of a matter and approved it. I suspect that as a result of what we have learned here today, there may be a move to go back, perhaps, to the wisdom of our fathers and to have those committees which spend long hours investigating, examining witnesses, and passing on policy matters—and we thought we had been making significant decisions—participate in the appropriating process, too.

Only one-quarter of our Members have all the power to determine matters of significance. I am not trying to challenge the committee at all. All I am saying is that I suspect the other 75 Members will be suppliant to the committee and ask to share in the responsible exercise of power that is now confined to 24 Members of the Senate.

What the Senator from Florida has done is to give us a liberal education on the facts of the matter as to where the influence really is in the Senate and in the House.

With respect to the House, of course, he puts it in a different way. He says "the rules of the House." We are not interested in the rules of the House. It is the results we are interested in. It is what finally happens. When everything is cleared away and the bill is passed, what is the result? I could not care less what their rules are.

They have a situation in which they can go to the Rules Committee, and they can get any rule they like. They get a rule that prohibits any Member of that body from even offering an amendment. They get a rule that says this bill, being of the greatest importance, involving perhaps $50 billion or $70 billion, must be passed in 2 hours and with no amendments. They get closed rules; they get any kind of rules they like. They get rules suspending the rules. They get a rule out of the Rules Committee that suspends the rules of the House, and there is nothing any Member of the House can do. They have created a situation in which the Rules Committee and the Appropriations Committee can do anything they like. It does not matter what any other committee does.

The House Committee on Foreign Affairs has only one bill with which to deal. If you abolish the foreign aid bill—and when I say "foreign aid," it is only title I of this bill. This bill has four titles, I believe. The one we are really concerned with—the only one I have been concerned with—is title I. The Foreign Affairs Committee has only that bill. If it did not have that, there would be no reason for the committee to exist. So, naturally, they make a business of it. They spend most of the year working on it. This year they had innumerable hearings. They reported it only about 6 weeks ago. They rewrote the whole bill which the Senate committee refused to accept. We simply dealt with the items in existing law. But, in any event, we now find out their efforts did not amount to a hill of beans, that the year's work of the Foreign Affairs Committee of the House went down the drain when the Appropriations Committee acted.

That is the sum and substance of what the distinguished Senator from Florida has told us. I do not deny it. I think he is a hundred percent correct. I think this is the basis for which, as the Senator from Maine has said, we must take a new look at the whole structure of the Senate.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. HOLLAND. I thank the Senator for all the kind things he said. And may I say that it would be impossible for me to picture the distinguished Senator from Arkansas as a suppliant coming anywhere, because he is too fine an advocate and too highly educated a man and too aggressive in stating what he believes in—and I want him always to be that way.

The committee can recommend——

Mr. FULBRIGHT. Which committee?

Mr. HOLLAND. The Appropriations Committee.

The 100 Members of the Senate can always refuse to follow the committee's recommendations, whether those recommendations are on matters that are authorized or on matters that are not authorized. The full membership of the Senate does that repeatedly, and the Senator from Arkansas is completely within his rights in seeking to have cut out of any appropriations bill any item, whether authorized or not, that is reported by the committee. So it is the Senate and not its Appropriations Committee, nor its legislative committee, that in the last instance has the say and does the speaking for the Senate.

I would not want to go unchallenged the statement of my distinguished friend that the 24-member committee has or arrogates to itself any great authority. It does not have it. All we can do is recommend, after studying, and that is what we do; and we recommend mostly authorized items; I said awhile ago over 90 percent of the time—I think it is nearer 99 percent—the amounts recommended have been included in authorization bills.

We do not always stick to the exact amount. Sometimes we go over and sometimes we go under.

Mr. FULBRIGHT. That is right.

Mr. HOLLAND. The Senator has voted literally hundreds of times in his able career in the Senate for appropriation bills which were over the authorization bill. I think we all understand each other in perfectly good humor. I hope we will be in better humor when we return in January.

If anyone wants to consider changing the rules of the Senate so that we change also the rules of the House, I would be glad to see how he goes about it.

Mr. MAGNUSON. Mr. President, I rise to clarify the record. The Senator from Florida stated that hundreds of times we appropriate money over the authorization. He mentioned that in the Labor-HEW bill we appropriated money that was not authorized. I do not know that we did that in the bill, but if the Senator can show me I would like to see it.

Mr. HOLLAND. I would be glad to.

Mr. MAGNUSON. The Senator from Florida has clarified his position a little. I think that legally he might be correct but I would not want anyone to think that the Committee on Appropriations willy-nilly ignores authorizations.

Mr. HOLLAND. It does not.

Mr. MAGNUSON. It does not. We always put in the proviso:

> *Provided* that the appropriation shall be available only on the enactment of the law of * * *

Whatever the legislation is.

Mr. HOLLAND. Yes, and there is in this bill an item——

Mr. MAGNUSON. I have not yielded the floor.

Mr. HOLLAND. There are two or three items there that are not authorized.

Mr. MAGNUSON. What I am trying to say is that the Senator from Florida made it a little clearer when he said that 99 percent of the time we stick with the authorization.

Mr. HOLLAND. Of course, we do.

Mr. MAGNUSON. When we have a bill like independent offices or Labor-HEW where there are hundreds of items there might be something in there, some small amount, but any time it gets into four figures the Senator will find it is asked, "Is this authorized?" I am sure the Senator has heard that asked many times. I have been on the Committee on Appropriations for a long time, longer than the Senator from Florida. We have both been on the committee perhaps too long.

The expert is in the Chamber, also. He has been on the committee for a long time. I would not want any implication that in the Committee on Appropriations we willy-nilly appropriate money hundreds of times which has not been authorized. We put the same proviso in nearly every bill we have. The best example was tonight when the House message came over and stated that the House authorized OEO. Our appropriation in HEW is condition on authorization. I hope we will not run into any implication of that sort. That is why I voted for the amendment. Otherwise we would be saying, "What is the use of having authorizations?"

Mr. FULBRIGHT. That is right.

Mr. MAGNUSON. We might just as well forget about them.

Mr. DODD. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. DODD. What is the use, to perform the same function if you are going to have the appropriation? Why can it not all be done at once?

Mr. FULBRIGHT. It used to be that way.

Mr. MAGNUSON. When was it changed? It was not 100 years ago?

Mr. FULBRIGHT. The Parliamentarian, not the present Parliamentarian, said he thought it was about 1886 but he did not want to be held to that.

Mr. MAGNUSON. Maybe we could go back to that.

Mr. FULBRIGHT. I think it may be appropriate.

Mr. MAGNUSON. How many times have I heard in the Committee on Commerce what we see in this bill?

The Senator from Louisiana (Mr. ELLENDER) is an expert on these matters. I do not want the implication that the Committee on Appropriations goes around and says, "We do not care about authorizations; we are going to appropriate this or that."

I voted for this bill because I think it is time that it was determined whether we can legally do this. I think the Senator from Florida has a point. However, we had better adopt a policy. When the legislative committees work on something and decide on something that should be the ceiling.

I will say that 99 percent of the time what he said is true.

Mr. HART. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. HART. If the Commerce Committees of the two Houses in June pass a law and through the processes of Congress it becomes a law that there is authorized not to exceed $1 million for the operation of a department, and six or seven line items of functions, can the Committee on Appropriations in October come in and say, "We recommend x more dollars," and then somebody says, "Either House can go ahead on it." What effect would our action in June have? That is what I am trying to find out.

Mr. MAGNUSON. Legally if we appropriated more than that and the Senate approved of it, that is it.

Mr. HART. Is it repealed by implication of the June action? Is that what we are saying to ourselves?

Mr. MAGNUSON. That is it, but we do not do it. If we approve of it, that is it. I do not think the Senate will approve of it.

Mr. HART. I have gotten a feeling from the discussion that what we said in June should not bother us in December.

Mr. MAGNUSON. I do not think the Committee on Appropriations wants to do that and go hog wild. They do not do that. I do know how many billions of dollars we have appropriated in the last 15 years, but I guess there would not be one-tenth of 1 percent of that amount that was over the authorization.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. HOLLAND. I already mentioned the $4 billion that was appropriated and not authorized in the Foreign Assistance Act.

Mr. MAGNUSON. What was that?

Mr. HOLLAND. The Foreign Assistance Act in 1951.

Mr. MAGNUSON. But still I venture to say that it would not be more than one-tenth of 1 percent. But if both Houses approve, no one can sue us or put us in jail. The bill goes down to the Treasury and they say to pay it and it is paid.

I think this debate has brought out some very important matters. Maybe we should take a long look at this matter to see what we can do about it.

Mr. FULBRIGHT. The Senator has told us the facts of life.

Mr. MAGNUSON. According to the Magnuson plan we should have a fiscal year and only appropriate what is authorized.

Mr. ELLENDER. Mr. President, I am in agreement that the debate that was had here for the last 2 hours has been very educational. I am very hopeful that some rules and regulations can be worked out between the Senate and the House.

ORDER OF BUSINESS

Mr. BYRD of West Virginia. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. ELLENDER. I yield.

Mr. BYRD of West Virginia. Mr. President, for the information of Senators, there will be no further rollcall votes tonight, no further votes, and no further business. But so that everyone will be sure, I make the following request.

ORDER FOR ADJOURNMENT TO MONDAY, DECEMBER 22, 1969

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that when the Senate completes its business tonight, it stand in adjournment until noon on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPROPRIATION BILLS, 91ST CONGRESS, FIRST SESSION

Mr. ELLENDER. Mr. President, I asked the clerk of the Appropriations Committee to make a summary of all of

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the appropriation bills enacted by Congress, which would include those in conference. I did this in order to give an idea to the Senate of how much has been appropriated and a comparison of the amounts agreed to with the budget estimates for each bill.

Mr. President, I ask unanimous consent to have printed in the RECORD a tabulation of all appropriation bills handled during the first session of the 91st Congress.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

[SENATE APPROPRIATIONS COMMITTEE PRINT]

ACTIONS ON BUDGET ESTIMATES OF NEW BUDGET (OBLIGATIONAL) AUTHORITY IN APPROPRIATION BILLS, 91ST CONG., FIRST SESS., AS OF DEC. 20, 1969

[Does not include any "back-door" type budget authority; or any permanent (Federal or trust) authority, under earlier or "permanent" law,[1] without further or annual action by the Congress]

Bill and fiscal year	Budget requests considered by House	Approved by House	Budget requests considered by Senate	Approved by Senate	Amounts agreed to in conference	(+) or (−), conference amounts compared with budget requests to Senate
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Bills for fiscal 1970:						
1. Treasury-Post Office (H.R. 11582) (net of estimated postal revenues appropriated)	$2,314,714,000	$2,272,332,000	$2,314,714,000	$2,280,195,000	$2,276,232,000	−$38,482,00
(Memoranda: Total, including authorizations out of postal funds)	(8,821,727,000)	(8,779,345,000)	(8,821,727,000)	(8,787,208,000)	(8,783,245,000)	(−38,482,000)
2. Agriculture (H.R. 11612)	6,967,562,050	6,806,655,000	7,237,562,050	7,642,797,650	7,488,903,150	+251,341,100
3. Independent offices-HUD (H.R. 12307) (including 1971 advance)	15,380,413,600	14,909,089,000	15,512,969,600	[2] 14,985,449,000	15,111,870,500	−401,099,100
(Fiscal year 1970 amounts only)	(15,205,413,600)	(14,734,089,000)	(15,337,969,600)	[2] (14,985,449,000)	(15,111,870,500)	(−226,099,100)
4. Interior (H.R. 12781)	1,390,096,500	1,374,286,700	1,390,856,500	1,382,766,900	1,380,375,300	−10,481,200
5. State, Justice, Commerce, and Judiciary (H.R. 12964)	2,475,704,600	2,335,634,200	2,475,704,600	2,382,354,700	2,354,432,700	−121,271,900
6. Labor-HEW (H.R. 13111)	16,495,237,700	17,573,602,700	19,834,125,700	21,363,391,700	19,747,153,200	[4] −86,972,500)
(Fiscal year 1970 amounts only)	(16,495,237,700)	(17,573,602,700)	(18,608,125,700)	(20,245,811,700)	(19,747,153,200)	[4] (+1,139,027,500
7. Legislative (H.R. 13763)	311,374,273	284,524,057	372,152,949	342,310,817	344,326,817	−27,826,130
8. Public works (and AEC) (H.R. 14159)	4,203,978,000	4,505,446,500	4,203,978,000	4,993,428,500	4,756,007,500	+552,029,502
9. Military construction (H.R. 14751)	1,917,300,000	1,450,559,000	1,917,300,000	1,603,446,000	1,560,456,000	−356,844,000
10. Transportation (H.R. 14794) (including 1971 advances)	2,090,473,630	2,095,019,630	2,090,473,630	2,147,152,630	2,143,738,630	+53,265,000
(Fiscal year 1970 amounts only)	(1,840,473,630)	(1,875,019,630)	(1,840,473,630)	(1,947,152,630)	(1,929,738,630)	(+89,265,000)
11. District of Columbia (H.R. 14916) (Federal funds)	228,842,000	188,691,000	228,842,000	173,547,000	168,510,000	−60,332,000
(District of Columbia funds)	(751,575,300)	(683,106,300)	(752,944,300)	(657,064,600)	(650,249,600)	(−102,694,700)
12. Defense (H.R. 15090)	75,278,200,000	69,960,048,000	75,278,200,000	69,322,656,000	69,640,568,000	−5,637,632,000
13. Foreign assistance (H.R. 15149)	3,679,564,000	2,608,020,000	3,679,564,000	2,718,785,000	2,558,910,000	−1,120,654,000
14. Supplemental (H.R. 15209)	298,547,261	244,225,933	314,597,852	296,877,318	278,281,318	−36,316,534
Total, these bills—						
As to fiscal 1970	132,607,007,614	126,213,133,720	135,200,040,881	130,317,578,215	129,595,765,115	−5,604,275,766
As to fiscal 1971	425,000,000	395,000,000	1,651,000,000	1,317,580,000	214,000,000	−1,437,000,000
Total, 1970 bills including 1971 amounts	133,032,007,614	126,608,133,720	136,851,040,881	131,635,158,215	129,809,765,115	−7,041,275,766
Bills for fiscal 1969:						
1. Unemployment compensation (H.J. Res. 414)	$36,000,000	$36,000,000	$36,000,000	$36,000,000	$36,000,000	
2. Commodity Credit Corporation (H.J. Res. 584)	[3] 1,000,000,000	[3] 1,000,000,000	[3] 1,000,000,000	[3] 1,000,000,000	[3] 1,000,000,000	
3. 2d supplemental (H.R. 11400)	4,364,006,956	3,783,212,766	4,814,305,334	4,459,669,644	4,352,357,644	−$461,947,690
Release of reserves (under Public Law 90-364)	(82,463,000)	(82,766,000)	(79,999,000)	(80,230,000)	(80,230,000)	(+231,000)
Total, 1969 bills	5,400,006,956	4,819,212,766	5,850,305,334	5,495,669,644	5,388,357,644	−461,947,699
Cumulative totals for the session	138,432,014,570	131,427,346,486	142,701,346,215	137,130,827,859	135,198,122,759	−7,503,223,456

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[1] In round amounts, the revised (April) budget for fiscal 1970 tentatively estimated total new budget (obligational) authority for 1970 at $219,600,000,000 gross ($205,900,000,000 net of certain offsets made for budget summary purposes only), of which about $80,700,000,000 would become available, through so-called permanent authorizations, without further action by Congress, and about $138,900,000,000 would require "current" action by Congress (mostly in the appropriation bills). Also, the April review of the budget contemplates budget requests for advance fiscal 1971 funding in 4 items totaling $1,661,000,000.

[2] Reflects reduction of $175,000,000 for Appalachian highway program for 1970 and $175,000,000 for advance funding for 1971. Authorization act provided for contract authority in lieu of new obligational authority, with payments for liquidation to be appropriated later.

[3] Shifted from fiscal 1970 budget, a portion of which is technically classified in the budget as "liquidation of contract authorization" rather than as new budget (obligational) authority.

[4] Although a reduction in the budget estimate of $86,972,500 is reflected in the total column of the bill, it must be made clear that the budget estimate column to the Senate includes $1,226,000,000 advance funding for ESEA title I for 1971 whereas none of these funds were included in the conference agreement. Deducting the $1,226,000,000, from the budget estimate column gives a comparison for fiscal year 1970 only and reflects the conference agreement over the budget estimates in the amount of $1,139,027,500.

Mr. ELLENDER. Mr. President, among other things, the table shows new obligational authority totaling $135,198,122,759 made available during this session. The amount is $7,503,223,456 below the budget estimates submitted to the Senate. Included in this total reduction under the budget is an item of $1,226 million advance funding for fiscal year 1971 for Elementary and Secondary Education Act which was denied by the Congress.

The figures listed above include the conference agreement on the Labor-HEW bill. The President has informed the Congress that he intends to veto this bill. Following notification to the Congress of the President's intention of vetoing the bill, the Senate included in the Supplemental Appropriation bill a continuing resolution to permit the Departments and agencies, for which there are no appropriations enacted, to continue operations through January 30, 1970. Under these circumstances, the Congress has deferred action on the conference report on the Labor-HEW bill until Congress returns in January.

Mr. President, with respect to all these appropriations, the figures will not be changed very much, depending on what the conferees will do on the foreign aid bill, but the total amount will be under the budget by at least $7½ billion.

ADJOURNMENT UNTIL MONDAY, DECEMBER 22, 1969

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 7 o'clock and 23 minutes p.m.) the Senate adjourned, until Monday, December 22, 1969, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate, December 20, 1969:

NATIONAL HIGHWAY SAFETY BUREAU

Douglas William Toms, of Washington, to be Director of the National Highway Safety Bureau.

DEPARTMENT OF DEFENSE

Gardiner Luttrell Tucker, of Virginia, to be an Assistant Secretary of Defense.

IN THE AIR FORCE

The following officer to be placed on the retired list, in the grade of lieutenant general, under the provisions of section 8962, title 10, of the United States Code:

Lt. Gen. James W. Wilson, 520-44-0902FR (major general, Regular Air Force), U.S. Air Force.

IN THE NAVY

Rear Adm. Eugene P. Wilkinson, U.S. Navy, having been designated for commands and other duties determined by the President to be within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

Vice Adm. Arnold F. Schade, U.S. Navy, for appointment as Navy senior member of the Military Staff Committee of the United Nations, pursuant to title 10, United States Code, section 711.

IN THE ARMY

The nominations beginning Arthur C. Harris, Jr., to be lieutenant colonel, and ending Juan G. Santiago Rijos, to be second lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on December 8, 1969.

DIPLOMATIC AND FOREIGN SERVICE

The nominations beginning Thomas D. McKiernan, to be a consular officer of the United States of America, and ending Mitchell Styma, to be consular officer of the United States of America, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on December 10, 1969.

U.S. ATTORNEY

James L. Browning, Jr., of California, to be U.S. attorney for the northern district of California for the term of 4 years.

U.S. MARSHALS

Lee R. Owen, of Arkansas, to be U.S. marshal for the western district of Arkansas for the term of 4 years.

Lynn A. Davis, of Arkansas, to be U.S. marshal for the eastern district of Arkansas for the term of 4 years.

HOUSE OF REPRESENTATIVES—*Saturday, December 20, 1969*

The House met at 12 o'clock noon.

Rev. Jack P. Lowndes, Memorial Baptist Church, Arlington, Va., offered the following prayer:

For unto you is born this day a Saviour, which is Christ the Lord.—Luke 2: 11.

As the Christmas season approaches, our hearts soften in the glow of the love and light that shines so brightly still from the manger of Bethlehem. Cause this blessed influence not only to soften our hearts but to cleanse them of sin and selfishness and to strengthen them for the tasks and duties of this all-important hour. Help Christ and His way of life and peace be in the center of our hearts and not crowded into a corner. Bowing now in the presence of our living Lord, give us reverence for Thee and the life entrusted to us. Help us to dedicate ourselves to honesty in speech and thought. Nourish in us the desire to seek and find the truth about our world, about ourselves, and above all about Thee. May there be no lowering of our highest Christmas standards as we celebrate the birth of Jesus, but rather an exalting of them during this holiday season.

Enable us to respond at this Christmas season with love for the loveless, hope for the hopeless, and the joy the world can neither give nor take away.

Now we pray especially for the Members of this 91st Congress as they approach the end of this session. After months of labor and struggle with most important matters, many are weary—give them rest. Some are anxious and troubled—give grace sufficient for every need. Some are tempted—give strength to resist and overcome.

Thou hast been our dwelling place in all generations and our sure defense today. Whether here or elsewhere, abide in us all and give us Thy peace. In the name of Christ we pray. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a joint resolution and a concurrent resolution of the House of the following titles:

H.J. Res. 764. Joint resolution to authorize appropriations for expenses of the President's Council on Youth Opportunity.

H. Con. Res. 473. Concurrent resolution authorizing the Clerk of the House to make a correction in the enrollment of the bill (H.R. 14751).

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 14733. An act to amend the Public Health Service Act to extend the program of assistance for health services for domestic migrant agricultural workers and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14580) entitled "An act to promote the foreign policy, security, and general welfare of the United States by assisting peoples of the world to achieve economic development within a framework of democratic economic, social, and political institutions, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14751) entitled "An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1970, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14794) entitled "An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1970, and for other purposes."

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1933. An act to provide for Federal railroad safety, hazardous materials control and for other purposes.

The message also announced that the Senate agrees to the amendments of the House with an amendment of a joint resolution, of the Senate, of the following title:

S.J. Res. 154. Joint resolution to authorize and request the President to proclaim the month of January of each year as National Blood Donor Month.

The message also announced that the Secretary be directed to return to the House of Representatives its message informing the Senate that the House had agreed to the amendments of the Senate to the bill (H.R. 9634) entitled "An act to amend title 38 of the United States Code in order to improve and make more effective the Veterans' Administration program of sharing specialized medical resources," in compliance with a request of the House for the return thereof.

CALL OF THE HOUSE

Mr. DORN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 344]

Abbitt
Adams
Alexander
Andrews, Ala.
Ashbrook
Ashley
Baring
Bell, Calif.
Berry
Bevill
Blanton
Bolling
Brasco
Brock
Cahill
Carey
Celler
Chisholm
Clancy
Clark
Clay
Collier
Collins
Conyers
Corman
Cowger
Cunningham
Dawson
Dent
Derwinski
Diggs
Eckhardt
Edwards, Calif.
Esch
Evins, Tenn.
Fallon
Findley
Fish
Fisher
Fulton, Tenn.
Gallagher
Goldwater
Gray
Green, Oreg.
Griffiths
Hall
Halpern
Harrington
Hastings
Hays
Hébert
Jarman
Jonas
Kirwan
Kleppe
Kluczynski
Landgrebe
Latta
Lipscomb
Long, La.
Lowenstein
Lukens
McClory
Martin
May
Miller, Calif.
Montgomery
Morse
Moss
O'Neal, Ga.
Ottinger
Pepper
Poage
Powell
Purcell
Quillen
Rees
Reifel
Rostenkowski
St Germain
Sandman
Scheuer
Sisk
Snyder
Steiger, Ariz.
Stephens
Stokes
Sullivan
Tunney
Watkins
Widnall
Williams
Wilson, Bob
Wright
Wydler
Zion

The SPEAKER. On this rollcall 337 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERSONAL EXPLANATION

(Mr. NICHOLS asked and was given permission to address the House for 1 minute.)

Mr. NICHOLS. Mr. Speaker, on Monday, December 15, when the House unanimously passed H.R. 15095, I was unavoidably absent from the Chamber attending a meeting between a delegation from my district and an official of one of our Federal agencies. Had I been present, I would have joined my colleagues in voting for this bill. I would like the RECORD to show how I would have voted on this legislation.

PERSONAL ANNOUNCEMENT

(Mr. FULTON of Pennsylvania asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. FULTON of Pennsylvania. Mr. Speaker, on Wednesday, December 3, 1969, the leadership on both sides of the House indicated there would be no legislative business before the House on Thursday, December 4, 1969. This was due to the withdrawal of legislation from the Education and Labor Committee.

Consequently, I scheduled conferences at my Pittsburgh office for Thursday, December 4, 1969, and arranged for consultations with citizens and groups about their problems—legislation, appointments, and so forth.

This arrangement saved these people from having to come to Washington, D.C., to see me, and gave them the opportunity for a personal interview. I like to take care of the needs, and follow the recommendations of my constituents where I can.

Several Members who did not return to serve their districts, but remained in Washington, called two quorums. Therefore, I missed two quorums, rollcalls No. 302 and No. 303 because of my official duties at my Pittsburgh office. These quorums were unexpected even by the leadership.

POOR LIGHTING IN THE OLD SUPREME COURT CHAMBER

(Mr. MINSHALL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MINSHALL. Mr. Speaker, it has been my privilege to serve on the House Appropriations Committee for 11 years and have participated in numerous House-Senate conferences in the Old Supreme Court Chamber. The lighting in this antiquated chamber leaves much to be desired and was highlighted several days ago that because of the lack of illumination a Member of the other body complained that he could not read the dollar figures in a bill under consideration. Accordingly, I am calling to the attention of my colleagues a letter that I have just delivered to the Speaker's office:

WASHINGTON, D.C.,
December 20, 1969.

Hon. JOHN W. MCCORMACK,
Speaker of the House of Representatives,
The Capitol.

DEAR MR. SPEAKER: As we approach the closing days of this first session of the 91st Congress, it has been my privilege to serve on two Appropriations Committee conferences, held in the Old Supreme Court Chamber. The fate of many billions of dollars is being decided in those historic surroundings, but I would hazard the guess that we are doing our work by considerably less candlepower than illuminated it during the 19th century. It is essential that we be able to read the small print—especially the smaller dollar figures—and, with the present inadequate lighting system this poses an eyestraining problem.

Accordingly, I respectfully request that you have the Architect of the Capitol make arrangements for an adequate lighting system for the benefit of the many conferences which are held in this chamber. I recognize and respect the desire to preserve the room for its historic significance, but I am certain temporary fixtures could easily be installed for conference purposes and would cost a mere pittance and perhaps save the taxpayers billions.

At this point, I feel something like the man in Lincoln's anecdote who prayed, "Oh, Lord, give us a little more light and a little less noise."

With warmest personal regards.

Sincerely yours,
WILLIAM E. MINSHALL,
Member of Congress.

RINGING OF TWO BELLS ON VOTES AND THREE BELLS ON STRAIGHT QUORUM CALLS

(Mr. HUTCHINSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUTCHINSON. Mr. Speaker, I have a suggestion to make. Since Members are no longer required to "qualify" to vote on record rollcalls, there appears to be no further need to differentiate between "two-bell" and "three-bell" votes.

I therefore suggest, Mr. Speaker, that the signal system be changed and that two bells be used for every vote and three bells signal only straight quorum calls.

TAKE PRIDE IN AMERICA

(Mr. MILLER of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of Ohio. Mr. Speaker, in 1967 the United States produced 17,098,000 short tons of meat, more than any other country. This amounted to 21.6 percent of the world's total production.

CONFERENCE REPORT ON H.R. 15149, FOREIGN ASSISTANCE APPROPRIATIONS, 1970

Mr. PASSMAN. Mr. Speaker, I call up the conference report on the bill (H.R. 15149) making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1970, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

Mr. YATES. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman from Illinois will state his parliamentary inquiry.

Mr. YATES. At what point is it in order to make a point of order against the conference report?

The SPEAKER. The Chair will state in response to the parliamentary inquiry of the gentleman from Illinois that such a point of order would be in order after the reading of the report or the gentleman can reserve a point of order now before the reading of the statement accompanying the report.

Mr. YATES. Mr. Speaker, I reserve a point of order on the conference report.

The SPEAKER. The gentleman from Illinois reserves a point of order on the conference report.

Is there objection to the request of the gentleman from Louisiana?

Mr. FRASER. Mr. Speaker, reserving the right to object with reference to the unanimous-consent request that the statement of the managers on the part of the House be read in lieu of the report, I would like to ask the chairman of the Subcommittee on Appropriations, the gentleman from Louisiana (Mr. PASSMAN), if in the event the point of order against the conference report is not sustained, I would like to have some assurance from the gentleman that we would have an opportunity to talk about some of the problems contained in the report—problems which many of us find with this conference report. We had but very little opportunity to discuss these matters at the time the original bill was considered. I assume the subcommittee chairman will indulge us in that respect?

Mr. PASSMAN. Mr. Speaker, if the gentleman will yield, under the rules on the conference report the gentleman managing the bill is given 1 hour, and members of the subcommittee usually have priority on that time.

I shall, in explaining the bill, try to answer brief questions with brief answers. I hope after I have explained the conference report that there will be no need for the gentleman to ask any questions. In other words, I am not going to cross any bridges until I get to them.

Mr. FRASER. Mr. Speaker, I object to the unanimous-consent request.

The SPEAKER. The Clerk will read the conference report.

The Clerk read the conference report.

(For conference report and statement, see proceedings of the House of December 19, 1969.)

Mr. YATES. Mr. Speaker, I make a point of order against that portion of the conference report which provides funds for the purchase of planes for the Republic of China on the ground that it is an appropriation that is not authorized by law.

I read from the conference report on the authorization bill which appears in the CONGRESSIONAL RECORD of December 18 on page 39841 relating to the military assistance, section 504 of the act.

The House bill authorized a total of $454,500,000 for military assistance of which $350,000,00 was for worldwide allocation; $50,000,000 for Korea; $54,500,000 for the Republic of China.

The Senate amendment authorized a total of $325,000,000 without any allocation to specified countries.

The managers on the part of the House agreed to the authorization of $350,000,000 without specifying any country allocation. They found it impossible to obtain agreement to a larger total for military assistance and believe that any specific additional allocation for Korea or for the Republic of China would result in a drastic curtailment of the worldwide authorization which would be detrimental to our national security.

So in the basic law, in the authorization law there is no allocation specifically of funds for any country and I suggest that the appropriation of funds in a specific amount for military assistance to a particular country is without authorization of law.

The **SPEAKER**. Does the gentleman from Louisiana (Mr. PASSMAN) desire to be heard on the point of order?

Mr. **PASSMAN**. I do, Mr. Speaker.

Mr. Speaker, first of all there is nothing in the military assistance paragraph directing the purchasing of any type of equipment. There is language appropriating a specific amount of funds for China, but there is no language anywhere in the bill stating the type of military equipment that will be provided to any nation.

Furthermore, the military assistance appropriation language is within the jurisdiction of the conference committee because the language was in the bill as it passed the House.

As a matter of fact, everything in title I is not yet authorized.

Mr. **YATES**. Mr. Speaker, may I be heard further?

The **SPEAKER**. The Chair will hear the gentleman further.

Mr. **YATES**. Mr. Speaker, the statement of the gentleman from Louisiana that there is no specific allocation of funds in the bill to a particular country apparently is at odds with the statement in the conference report.

It is stated on page 7 of the conference report with respect to amendments Nos. 23, 24, 25, and 26, under the heading "Military Assistance":

> Insert appropriate section numbers; appropriate $404,500,000 instead of $454,500,000 as proposed by the House and $350,000,000 as proposed by the Senate;—

Then there is this language, Mr. Speaker:

> and restore language deleted by the Senate earmarking $54,500,000 for the Republic of China.

Mr. Speaker, if that is not a specific allocation, I do not know what it is.

Mr. **PASSMAN**. Mr. Speaker, may I be heard further?

The **SPEAKER**. The Chair will hear the gentleman.

Mr. **PASSMAN**. Mr. Speaker, I am going to repeat what I said previously, and that is there is no language in this bill designating the type of rifles, planes, tanks, or any other type of equipment that will be furnished to any nation.

We did, of course, earmark funds for China and Korea but all appropriation bills earmark funds for specific purposes in one form or another, and it is within the prerogative of the committee to indicate, if we really wanted to, where the funds are to go and to what nation for every appropriation paragraph in the bill.

I want to have it understood that there is nothing in the bill anywhere that indicates the type of equipment that will be purchased or delivered to any nation. That decision, of course, is made by the Department of Defense. In addition, we went to conference with the language in the bill that had been approved by the House and we were operating within the rules and procedures of the House when we did so. I do not believe that a point of order is valid.

Mr. **YATES**. Mr. Speaker, a parliamentary inquiry.

The **SPEAKER**. The gentleman will state his parliamentary inquiry.

Mr. **YATES**. Is it in order for me to ask the chairman of the committee, who just made the argument, for a clarification of his statement and representation that there is no specific allocation of funds in this bill for any country? Does that mean that the President does not have to provide these funds, but can consider this fund entirely a general fund and allocate moneys as he wishes to without any reference to the Republic of China?

The **SPEAKER**. The Chair will state that that is a matter for discussion between the gentleman from Illinois and the gentleman from Louisiana, and is not a proper parliamentary inquiry.

Mr. **YATES**. Mr. Speaker, the reason I ask that question is that the gentleman has represented to the House that this is a general fund and that there is no specific allocation of funds. If that is true, then I have no point of order. But if, in fact, as I read this point of order, namely, that there is proposed to be an allocation of funds for the Republic of China, then I shall persist in my point of order.

The **SPEAKER**. The Chair feels that that is a matter about which the gentleman may make an inquiry of the gentleman from Louisiana, and it is a matter of the gentleman from Louisiana to respond if he so desires.

The Chair will hear the gentleman from Illinois further on his point of order.

Mr. **YATES**. First, I therefore ask the gentleman from Louisiana, in view of his statement that this is an allocation of general funds without a specific allocation to any nation, does that mean, therefore, that there is no specific allocation of funds to the Republic of China?

Mr. **PASSMAN**. I shall respond again as I have previously. The gentleman understands the legislation. He understands it as well as I do. The entire foreign aid program is handled on an illustrative basis, and when the Congress authorizes funds, it does not spell out in the authorizing legislation for what purpose the money is to be spent. You may be trying to make legislative history, but I would assume that we are going to move on the basis of the language of the bill and not on what the gentleman from Illinois would like to have me say. The President of the United States can impound all of the funds. The President of the United States could allocate all funds, as far as I know, to one nation. He could allocate all the funds for tanks. He could allocate all the funds for planes.

This program is on an illustrative basis. The gentleman understands I would not let him put words in my mouth in order to make his case for some subsequent motion. I rest my case on the language in the bill. I respectfully ask the gentleman to read the bill, and that is my understanding as what we are going to legislate.

Mr. **YATES**. Mr. Speaker, I should like to make a further inquiry of the gentleman. The conference report uses this language—"and restore language deleted by the Senate earmarking $54,500,000 for the Republic of China."

Mr. **PASSMAN**. That is correct.

Mr. **YATES**. Do I correctly understand that the gentleman is now telling the House that that is purely illustrative and is not a specific allocation of funds for the Republic of China?

Mr. **PASSMAN**. You have been talking about planes. You have not been talking about a specific sum of money. Certainly there is a specific appropriation for military assistance, and then the language also states that not less than $54,500,000 shall be available for the Republic of China.

Mr. **YATES**. So that that is not illustrative but is a specific allocation.

Mr. **PASSMAN**. As the amount of money is concerned; not so far as the type of equipment is concerned.

Mr. **YATES**. Mr. Speaker, I renew my point of order.

Mr. **ZABLOCKI**. Mr. Speaker, may I be heard on the point of order?

The **SPEAKER**. The Chair recognizes the gentleman from Wisconsin.

Mr. **ZABLOCKI**. Mr. Speaker, I rise in support of the point of order and to express my strong opposition to the conference report on foreign aid appropriations.

This report contains a line item for foreign military assistance of $404.5 million. That amount is $54.5 million more than the amount which the House authorized yesterday by approving the conference report on the foreign aid authorization bill.

For that reason, I believe that this conference report is completely and flagrantly out of order. Let me cite to this body rule XXI, part 2, of the Rules of the House of Representatives. It states:

> No appropriation shall be reported in any general appropriations bill, or be in order as an amendment thereto, for any expenditure not previously authorized by law.

Let me also cite the interpretation which has been given to this rule, an interpretation which may be found in paragraph 835 of the rules:

> In the administration of the rule it is the practice that those upholding the item of appropriation should have the burden of showing the law authorizing it.

I would be pleased to know where the House conferees find anything in the law which would authorize an additional $54.5 million in military assistance.

Mr. Speaker, it is abundantly clear that this conference report stands in violation of the rules of this body.

Let me call to the attention of my colleagues the debate in the other body on Thursday in which the Members of that body only belatedly discovered that the Comptroller General will approve the expenditure of funds from the Treasury which have been appropriated but not authorized by the Congress without previous authorization.

Many of us in this body of the Congress have been aware of that situation for some time.

It is, nonetheless, a violation of both the spirit and the letter of the Rules of the House for the Appropriations Committee to appropriate funds which have not been authorized—just as it is a violation for authorizing committees to attempt to appropriate funds.

If the Appropriations Committee can appropriate funds in complete disregard of what has been authorized—as it does in the conference report now before us—then why have authorizing committees?

Those of us who serve on authorizing committees might just as well stay home. The hours and days we spend in committee hearings and markup sessions are simply an exercise, when our actions can be honored, ignored, or abrogated at the whim of an Appropriations subcommittee.

Mr. Speaker, the issue before the House today goes beyond the $54.5 million which exceeds the authorization for military assistance. It goes beyond the issue of whether the United States should be providing a down payment on jet planes for the Republic of China.

Mr. Speaker, I therefore urge that this conference report be defeated in order that the appropriation conference conform to the authority approved yesterday by the House.

Mr. PASSMAN. Mr. Speaker, may I be heard further on the point of order?

Mr. Speaker, it is my understanding that the lateness of the so-called authorization bill, which does not exist in fact, as yet, and the very fact that the majority leader of the other body said there would be no authorization bill, and the chairman of the Foreign Relations Committee said there would be no authorization bill, made it necessary for us to move this bill through the Appropriations Committee, the Rules Committee, and the Rules Committee gave us a rule waiving points of order. We have moved the bill, as I understand it, according to the rules of the House, and this appropriation bill became an authorization bill also, in the absence of any authorization act. Even at this late hour we still do not have an authorization bill because the conference report on the authorization bill was only adopted yesterday by both Houses and has not yet reached the President for his signature.

Mr. GERALD R. FORD. Mr. Speaker, if we follow the argument made by the distinguished gentleman from Wisconsin (Mr. ZABLOCKI) that the particular part to which he objects was subject to a point of order on that basis that it was not authorized by law, then we would have to take the position that no part of this appropriation in the foreign aid program should be on the floor at all today. The whole bill would be subject to a point of order. We cannot pick and choose. We then have to make the argument the whole bill is subject to a point of order, if we are going to argue that a certain part of it is subject to a point of order.

Mr. Speaker, we do as a matter of practice appropriate money from time to time that is not specifically authorized as a matter of law. Furthermore, in this particular case when the foreign aid appropriation bill came to the floor of the House, a specific rule was granted waiving points or order.

It would be my argument that the benefit of that rule would still be applicable in the consideration of the conference report.

Mr. ZABLOCKI. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The Chair will hear the gentleman further.

Mr. ZABLOCKI. Mr. Speaker, does the rule waiving points of order under which the House appropriation bill was considered by the Committee of the Whole House on the State of the Union continue through conference report consideration? Would not the rule apply only for consideration of the appropriation bill waiving points of order during the time it was considered by the Committee of the Whole? Certainly the rule should not carry over to the conference report? If it does the Members of the House abrogate their legislative prerogatives. If this is the case, the gentleman from Wisconsin for one shall never vote for a rule waiving points of order in the future.

It has been cited that the appropriation bill came to this House under a rule waiving points of order and therefore this conference report would be in order. The gentleman from Louisiana claims this appropriation conference report carries its own authorization under the rule waiving points of order granted in earlier consideration.

My parliamentary inquiry, Mr. Speaker, is: Does the rule under which the appropriation bill came to the House carry over and continue into the conference report?

The SPEAKER. The Chair will state that will have a bearing on the point of order that is raised at the present time.

Mr. FRASER. Mr. Speaker, may I be heard in support of the point of order?

The SPEAKER. The Chair will hear the gentleman from Minnesota.

Mr. FRASER. Mr. Speaker, let me make clear again what I believe both the gentleman from Illinois and the gentleman from Wisconsin have made clear.

There was a bill which was agreed upon by both the House and the Senate, which set a limit of $350 million for military assistance. This appropriation measure seeks to appropriate $404.5 million, earmarking $54.5 million for the Republic of China. This appropriation measure seeks to appropriate $54.5 million more than the $350 million agreed upon by both the House and the Senate, after the bill had been agreed upon in conference.

Mr. PASSMAN. Mr. Speaker, will the gentleman yield?

Mr. FRASER. I am glad to yield.

Mr. PASSMAN. Would the gentleman please refer to the public law he is talking about and give us the number of it so that we will know what the gentleman refers to? If he is referring to the conference authorization bill that passed the Senate and the House yesterday, he is making reference to a bill that the President may not even sign. As of today, it has not been signed into law.

If the gentleman is citing some other law, we would like to know its number also. I do not believe the gentleman wants to argue that we should ignore the fact that we have a precedent for moving appropriation bills under a rule. We have moved this bill from the very beginning—to the floor of the House under a rule adopted by this House.

Mr. FRASER. Mr. Speaker, I did not say that the bill had been signed by the President. I said both the House and the Senate acted upon and agreed upon a figure of $350 million. Now the appropriation conferees bring back a figure of $404.5 million, with the excess to be given to the Republic of China. I regard this as an affront to our whole procedure.

Mr. PASSMAN. Mr. Speaker, will the gentleman yield?

Mr. FRASER. I yield.

Mr. PASSMAN. We are bringing this conference bill back with an appropriation $50 million below what the House previously recommended; not over, under.

Mr. FRASER. If I may say, in response to the gentleman——

Mr. ARENDS. Mr. Speaker, I demand the regular order.

Mr. YATES. This is the regular order.

Mr. FRASER. In support of this point of order, Mr. Speaker, it is true there is now only one earmarking left which is the excess over $350 million, apparently due to the conference committee dropping the allocation for Korea in favor of the allocation for the Republic of China. That does not undercut the point of order. It emphasizes why the point of order should be sustained.

PARLIAMENTARY INQUIRY

Mr. YATES. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. YATES. In stating a point of order is it not in order for the person stating it to make a point of order to a part of a bill rather than to the entire bill? Is it not perfectly proper to make a limited point of order, rather than to the entire bill?

The SPEAKER. The Chair can only rule upon the point of order which is made, and the Chair is prepared to rule.

The gentleman from Illinois has raised a point of order against the conference report on the bill H.R. 15149.

The Chair is aware of the fact pointed out by the gentleman from Illinois—that the authorization bill for fiscal 1970, while passed by both Houses, has not yet become law. As pointed out in the debate on this point of order, the conference report now before the House does carry an amount for military assistance that is $54,500,000 above the figure which would be authorized by H.R. 14580, the Foreign Assistance Act of 1969.

However, the Chair recalls that when this appropriation bill passed the House, it was considered under a rule waiving points of order. The House agreed to a total figure for military assistance of $454,500,000. The Senate reduced this figure to $350 million. The conferees have reached an agreement between these two amounts, as they had the authority to do.

The Chair holds that the conferees have not exceeded their authority and overrules the point of order.

The gentleman from Louisiana is recognized for 1 hour.

Mr. GROSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. Does the gentleman from Louisiana yield for a parliamentary inquiry?

Mr. PASSMAN. Mr. Speaker, I yield for a parliamentary inquiry.

Mr. GROSS. Mr. Speaker, I desire to make a point of order against consideration of the bill.

Mr. PASSMAN. Mr. Speaker, I yielded to the gentleman for a parliamentary inquiry, not for a motion.

Mr. GROSS. Mr. Speaker, I make a point of order against consideration of the conference report in toto.

The SPEAKER. The gentleman will state his point of order.

Mr. GROSS. Mr. Speaker, I make a point of order against consideration of the conference report on the basis that none of the appropriations contained in the bill H.R. 15149 have been authorized by law.

Mr. PASSMAN. May I be heard on that, Mr. Speaker?

The SPEAKER. Of course, the Chair will hear the gentleman.

Mr. PASSMAN. It is my understanding that the Chair just ruled on that specific point a moment ago. I ask for a ruling, Mr. Speaker.

The SPEAKER. The Chair will state that it overrules the point of order made by the gentleman from Iowa (Mr. GROSS), on the ground that the special rule waived points of order against the provisions of the House bill.

The gentleman from Louisiana is recognized for 1 hour.

Mr. PASSMAN. Mr. Speaker, I yield to the gentleman from Texas, the chairman of the Committee on Appropriations, whatever time he may consume.

(Mr. MAHON asked and was given permission to revise and extend his remarks.)

THE APPROPRIATIONS BUSINESS FOR FISCAL 1970

Mr. MAHON. Mr. Speaker, with the approaching conclusion of the session I think it appropriate that we take a quick look at the approximate results of our actions on the money bills of the year in relation to the revised budget requests from the new administration.

With respect to the current fiscal year 1970, in the appropriation bills—and at this time I refer only to the appropriation bills—and I include the conference reports on three bills not yet cleared by Congress; namely, Labor-HEW, foreign assistance, and the final supplemental.

First. Congress has cut the revised requests by about $5,604,000,000.

Second. This, we roughly calculate, will translate into an expenditure cut of approximately $2,900,000,000.

Third. In Defense appropriation requests, we cut—in the two defense bills—$5,994,000,000.

Fourth. This, we roughly calculate, will translate into an expenditure cut of approximately $3,200,000,000.

Fifth. In respect to nondefense appropriations, and this includes the Labor-HEW, foreign assistance, and final supplemental conference reports, Congress has made a net increase of $390,000,000.

This consists of foreign assistance, a reduction of $1,120,000,000; Labor-HEW, a net increase of $1,139,000,000; and on the 10 other bills, a net increase of $371,000,000.

Sixth. The big chunks of nondefense appropriation increases over the revised budget are these: Education—elementary, secondary, impacted aid, higher education, vocational education—an increase of $1,093,000,000; clean water, an increase of $586,000,000; Federal Aviation Administration—equipment and airport aid—an increase of $140,000,000; and the agricultural conservation program and special milk program, $279,000,000.

Mr. Speaker, the figures I have given are for fiscal year 1970. There were a handful of items for fiscal 1971 advance funding, notably an item of $1,226,000,000 for elementary and secondary education, which we disallowed in the Labor-HEW conference report. That item can come in the early education appropriation bill next session.

The advance funding totals for fiscal 1971 are as follows:

Budget requests	$1, 651, 000, 000
Approved (mass transit)	214, 000, 000
Reduction	−1, 437, 000, 000

Mr. Speaker, in legislative bills, there are certain prospective actions and inactions importantly bearing on the budget. I have confined my remarks to the appropriation bills only.

Next week, we will undertake to supply more detail.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I thank the gentleman for yielding and I want to commend the chairman of the Appropriations Committee and to express my deep personal appreciation to the gentleman for bringing these figures to the attention of the House and I hope to the attention of the gentlemen of the press who occupy the gallery immediately behind the gentleman in the well.

It occurs to me that there have been big headlines when the President of the United States has accused this Congress of inflationary pressures by its appropriations while there have been very few headlines and all too little responsible and careful reporting when the facts have been made known on this subject.

The chairman of the Committee on Appropriations has brought very clearly to the attention of this House and to the attention of the Nation what the record actually is at this point. The record is that this Congress has cut very, very substantially the budget submitted by President Nixon last April. The figures that have been presented indicate that the cut is in excess of $4 billion on the bills that have been completed and on which we have completed action. Also, when we complete action along the lines that the conference committees have recommended action, if I have correctly understood the chairman, those cuts will be in excess of $5,700 million; is that correct?

Mr. MAHON. If you include all the appropriation bills for fiscal 1970, dealing with fiscal 1970 amounts, the cut is $5.6 billion in appropriations, which we roughly estimate to translate into expenditure reductions of approximately $2.9 billion. That, as I indicated, includes the three conference reports on which action is not yet finalized.

Mr. EDMONDSON. Mr. Speaker, if the gentleman will yield further, either on the basis of expenditure budgets or on the basis of actual appropriations that have been discussed by the chairman—the cut is very substantially below the budget and there is no validity to the administration charge that the Congress is exerting inflationary pressures in the appropriations procedure. On the contrary, and on the record, the Nixon budget recommendations have clearly been more inflationary in the overall than the appropriations finalized by this Congress.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Ohio.

Mr. BOW. The gentleman from Texas has made a very important statement here.

I would like to ask my distinguished chairman, since he has referred to the Labor-HEW conference having been completed, I should like to inquire of the gentleman when he expects to call up the Labor-HEW conference report.

Mr. MAHON. I would like to see us call up the Labor-HEW conference report and pass it in the House and send it to the other body, if an arrangement can be worked out whereby this can be done. There has been some talk to the effect that the Labor-HEW bill will not be sent to the President before adjournment because the President has indicated that it will be vetoed, and that it is desirable that the veto message come to Congress after we return in January, at which time Congress can take whatever action it desires in the matter.

Mr. BOW. Mr. Speaker, if the gentleman will yield further, would the gentleman agree with me that the Labor-HEW appropriation bill is an important one, and since we have completed the conference on it, it should be sent to the President and that, perhaps, we should not adjourn until we have completed action on all of the appropriation bills?

Mr. MAHON. From the standpoint of the House, if we pass the three remaining conference reports, we will have completed our appropriation work. The matter of a decision on a veto message, if it is to come, could be postponed until January. I understand this is more or less implicit in the letter which the President addressed to the leaders of Congress a couple of days ago.

Mr. BOW. Mr. Speaker, do I understand from what the gentleman has said, that the Labor-HEW conference report referred to will be called up in the House before we adjourn?

Mr. MAHON. I do not know at this

moment. I do not know what may develop. That is a decision not to be made by the gentleman from Texas, but this is a question which is to be determined. I would hope so.

Mr. ARENDS. Mr. Speaker, if the gentleman will yield, as I read the remarks made yesterday in the other body I think the argument made by the gentleman from Oklahoma falls apart in that we have better than a $3 billion increase in appropriations over what we appropriated last year.

Mr. MAHON. The gentleman is talking in terms of comparing this year with last year?

Mr. ARENDS. That is right.

Mr. MAHON. I do not have that figure before me but as of this date, in appropriations, I think we are definitely below last fiscal year. I will provide a full statement for the RECORD next week.

Mr. ARENDS. It is somewhere over $3 billion, regardless of the $5 billion we took out of defense.

Mr. PATTEN. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from New Jersey.

Mr. PATTEN. Mr. Speaker, what job does the President have now in the light of the bill that we passed at the beginning of the year, along with the matter of cutting 6 percent? Have we given the President a formidable task in the way we have done this, or is he all right—can he cut that 6 percent we voted earlier?

Mr. MAHON. Of course, it is up to the President to determine what funds he will expend and what funds he will not expend.

Mr. Speaker, I do not desire to consume further time.

Under leave granted, I include two tabulations of figures on the appropriation bills—again including three conference reports not yet finalized:

Appropriation bills for fiscal year 1970—Changes from the revised budget (As to fiscal year 1970 amounts) [1]

NONDEFENSE	
Treasury-Post Office	—$38, 482, 000
Agriculture (principally Agricultural Conservation Program and special milk programs)	+251, 341, 000
Independent Offices—HUD	—226, 099, 000
Interior	—10, 481, 000
State-Justice-Commerce-Judiciary	—121, 272, 000
Legislative	—27, 826, 000
Public Works-AEC (principally clean water program)	+552, 029, 000
Transportation (principally FAA facilities, equipment and aids to airports)	+89, 265, 000
District of Columbia	—60, 332, 000
Supplemental (conference report)	—36, 316, 000
Subtotal, these 10 bills	+371, 827, 000
Labor-HEW (conference report), principally educational items	+1, 139, 027, 000
Subtotal, these 11 bills	+1, 510, 854, 000
DEFENSE BILLS	
Military construction	—356, 844, 000
Defense	—5, 637, 632, 000
FOREIGN AID	
Foreign assistance (conference report), including $275,000,000 cut in military credit sales	—1, 120, 654, 000
Totals for 1970 in the 14 bills for 1970	—5, 604, 276, 000

[1] Change from the budget (New budget authority).

CAPSULE SUMMARY ON APROPRIATION BILLS OF THE SESSION

[In millions new budget authority]

	Revised budget estimates	Approved	Change
1. The House:			
Fiscal year 1969	$5, 400	$4, 819	—$581
Fiscal year 1970 [1]	132, 607	126, 213	[1] —6, 394
Fiscal year 1971	425	395	—30
Total	138, 432	131, 427	—7, 005
2. The Senate:			
Fiscal year 1969	5, 850	5, 496	—354
Fiscal year 1970	135, 200	130, 318	—4, 882
Fiscal year 1971	1, 651	1, 318	—333
Total	142, 701	137, 132	—5, 569
3. Enacted: [2]			
Fiscal year 1969	5, 850	5, 388	—462
Fiscal year 1970	135, 200	[2] 129, 596	[2] —5, 604
Fiscal year 1971	1, 651	[2] 214	[2] —1, 437
Total	142, 701	[2] 135, 198	[2] —7, 503

[1] Translates into approximately $3,000,000,000 expenditures reduction.

[2] Those figures include amounts in the conference reports on foreign assistance, Labor-HEW, and the final supplemental bills, on which congressional action has not been finalized.

Mr. PASSMAN. Mr. Speaker, may I inquire how much time I have left?

The SPEAKER. The gentleman from Louisiana has consumed 10 minutes.

Mr. PASSMAN. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, this is one of the few times in my lifetime that I find myself somewhat frightened because I feel that I have not been able to impart to my colleagues the facts of life.

Mr. Speaker, a member of the clergy called me last night about 10:30, and he said, "Mr. PASSMAN, place the security of your country above everything else." He said, "I recall when the Congress refused to fortify Guam, and if we had, we would not have had Pearl Harbor."

Then he said, "I recall when those who were opposing our military posture almost refused to extend the draft, and finally by one vote the draft was extended. Just a few months later we had Pearl Harbor."

Then I call to your attention the development of the A-bomb and the H-bomb, and numerous other incidents. I say that for the benefit of those people who know very little about the need for military assistance to those countries who are willing to go all out to assist us in our efforts to prevent a third world war, which could well be the last one.

So it is a question as to which side you are on. My mother taught me that there are three sides to every question: Your side, my side, and the right side.

Mr. Speaker, it has been a great privilege for me to chair this committee for the past 15 years, and to make many recommendations contrary to my own personal views so as to try to present a bill that would be acceptable to all.

I was in hope that we had found the right side; that this would be one bill that every Member of this House who loves his country—as I do, and I know you all do—would support as it deals with the security of America.

In all probability I am as conservative a Member of the House as anyone here—maybe more so. I have been handling this bill for 15 years and I have always strived for a low figure, and generally at the expense of irritating many people.

I say when my country is at war, I will support it. I yield, without exception, to the judgment of the executive branch and the military to protect the security of America. For the past 5 years, without exception, I have voted for every penny that the President and our military leaders felt we needed. I am going to pursue this policy until we have achieved peace around the world.

Mr. Speaker, let us discuss this bill. There are going to be some surprises. I want to discuss it fairly and based upon the facts as they apply to this bill compared to last year's bill.

The bill before you, if you include all titles, is $378,474,000 less than we appropriated last year.

It is $1,112,501,000 less than the fiscal year 1970 budget estimates.

It is $49,110,000 less than the House appropriation bill and, of course, $159,875,000 less than the Senate appropriation bill.

If you look at economic aid only, which is in title I of the bill, this year the budget estimate is $2,285,020,000.

The House bill recommended $2,194,180,000.

The Senate bill recommended $1,676,905,000.

The conference bill recommends $1,462,530,000.

The conference bill is $267,650,000 above the House bill and $214,375,000,000 below what the Senate appropriated, and we are $822,490,000 below the budget estimate for economic aid.

I might add that this bill is $181,220,000 below the authorization bill that this House voted for yesterday.

Mr. Speaker, I want to take time now to thank my distinguished and very able friend, Dr. MORGAN, the chairman of the great Committee on Foreign Affairs. He called me to his table last evening after we had left the conference and congratulated me upon this bill and upon the fair manner in which I handled it. He said that he would be on the floor of the House today and speak for the bill. I am very grateful that this distinguished gentleman recognizes the importance of this bill and extended me his congratulations and his pledge of support.

Mr. Speaker, I think it is necessary to go into some of the items in the bill because we have Members on this floor who, looking at the authorizing legislation yesterday, think I am a miracle man and could walk into the conference room where you have 22 people—Members of the House and Senate—and order those people to keep their mouths shut, listen to me, and do everything I urged. Certainly, I would have been willing to bring the bill back with less money in it, because I am not a foreign aid enthusiast.

But, nevertheless, we do have a compromise bill and this is the very best compromise that we could work out. If you will look at the bill itself, you will see that there is very, very little, even in title I, above what we appropriated last year.

Let us go into some of the individual items in the report.

First, supporting assistance. As you know, the House appropriated $365 million in 1969. This year we are recommending $395 million, simply because the President, and those people administering the program, feel that they need more supporting assistance funds for our aid program in South Vietnam.

However, the one thing that makes this bill higher is that we have a lot of "strangers in the deck." Some of you people know what "the deck" means and know what I am talking about. We have several new items in the bill. For example, there is the item for the Overseas Private Investment Corporation. The Senate bill recommended $75 million. We compromised and allowed $37,500,000. So we have to take that into account—a brandnew program.

Then we have the prototype desalting plant—a brandnew program. The Foreign Affairs Committee authorized $40 million. Your committee recommended $20 million. The Senate bill deleted the $20 million and in this conference bill we came back with the same figure approved by the House—$20 million.

If we move to the Alliance for Progress and development loans; for Alliance loans we recommend the identical amount we recommended last year; and the same thing is true for Development Loans. On AID administrative expense the same amount as last year is provided.

If we move into the military assistance program, the recommended appropriation is $29,500,000 above last year. But we have some people who will tell you that the most important ally we have anywhere in the Pacific is China. If you read the record, you will know they are our greatest ally, and are extending us more privileges, and they will go further to support the United States than any other ally that we could find in that part of the world.

We have many Members on this floor who know very well that the Republic of China is extremely important to us at this time for the reason that we have now agreed to permit Okinawa to revert back to Japan. We do not know what is going to happen after that reversion. But we think we know what will happen. We will not be permitted to operate as freely in those islands in the future as we have in the past, and on account of the concessions made to us by the Republic of China, past presidents have recognized the importance of Nationalist China, and therefore they have been given a total of $2.5 billion in military assistance over the years, and at this time I will repeat what I have said previously. The actual amount needed is in the neighborhood of $400 million, and I mean now, not 3 years from now.

I am of the opinion that next year you will see the Secretary of Defense and the present administration request an amount in the neighborhood of $600 million for military assistance.

With respect to the language earmarking funds for China, let me give you the sequences: First, as you well know, language was put in the authorizing bill by an amendment adopted by the House earmarking $54,500,000 for China. The authorizing bill had $50 million earmarked for Korea. Then on the appropriations bill, in our subcommittee a motion was made to strike out the funds earmarked for the Republic of China. That motion was defeated 8 to 4. Then a motion was made to strike out the funds earmarked for Korea. That was adopted by a vote of 8 to 4. I was one of the four who voted to leave it in.

The bill then went to the full Committee on Appropriations. An amendment was proposed to strike out the money for China. That amendment was defeated in the full Committee on Appropriations by a vote just about 2 to 1. Then the bill came before the House, and a motion was made in the House to strike out the money provided for China. Then a substitute motion was offered to put back the money in the bill and to do the same for Korea. On that vote the House said, 250 to 142, "This money for China and Korea stays in."

Then we moved on to the conference. In the conference the vote on the House side was 9 to 3 to keep this money in for China.

My friends, when we passed this proposal through four important stations—the authorization bill, the subcommittee bill, the full committee bill, and the conference bill—and the Members spoke at every station affirmatively that we have to have this money in the bill for China, and I am surprised, disillusioned, and disappointed to think that there is even one Member on this floor who would attempt to take it out, even after all the affirmative votes I have just mentioned.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I will yield to the gentleman from Iowa for a question.

Mr. GROSS. Mr. Speaker, did the conference committee take out $275 million for foreign military credit sales?

Mr. PASSMAN. The answer to that question is, "Yes," and I am glad the gentleman asked that question. This further complicates the bill. The Republic of China is one of our fine cash customers, extremely dedicated to the policies of the United States. This year the Republic of China has made arrangements to buy $50 million worth of military equipment out of their own strained resources.

The $275 million is to be used to guarantee credits for nations unable to buy military equipment for cash. China is eligible for a $50 million loan with which to buy equipment, and they plan to do so. But striking out that title of the bill—the $275 million—now means there will be no way we could handle the potential sale. That is another reason why we should not consider taking out this money for China.

May I say this about the military sales program. I have no right to criticize the great Committee on Foreign Affairs but I do not know why they have not brought out an authorization bill for $275 million, or for whatever amount they felt was necessary. I do not know why their counterpart in the Senate did not act.

Do Members realize that these military credit sales have an average term of 7 years?

Whoever borrows the money pays the prevailing interest rate. If the prevailing rate is 7 percent, they pay 7 percent. Of course, under the arrangement, the producer makes a profit. I do not believe the U.S. Government should be selling military equipment for a profit, but inasmuch as it is part of our overall foreign policy, I believe in the program because if we do not sell military equipment to them, some other country will. The manufacturers pay income taxes to the Federal Government and to the State governments. In addition to that, if a commercial bank makes the loan, it makes a profit.

Of course, I am disappointed that I cannot please all the Members of this House. I wish they would take the time and go into the library and read the history of the vote on the fortification of Guam, then read about the debate on the draft bill which was extended by one vote just before Pearl Harbor.

At this particular time, our leaders say they can prove beyond any reasonable doubt whatsoever that we need to furnish military equipment to some of our allies, and I cannot understand why there would be any opposition whatsoever to that proposition.

Why should I not be disappointed? I have spent hundreds of hours trying to bring in a bill that would please as many Members as possible, including the hawks, the doves, the hummingbirds, and anybody else who wants to soar on birds' wings.

I have done the very best I can. I do not understand how some of my very good friends seem to believe I am a miracle man—that I can go into a conference and tell the Senators, "Listen to me. I know everything."

I cannot deal with these people on that basis. We have to compromise. Every piece of legislation is a matter of compromise.

I repeat, if I may. If you take the "strangers out of the deck"—that is, these new programs, the many schools for Israel, which the sponsors say are badly needed—it is a different picture.

Others said, "We need a desalting plant." I said, "If you make your case, I will support you."

Others on this committee felt that we should have $75 million for this Overseas Private Investment Corporation. I have never known of any proposal which I thought was so unnecessary, but we had able members on this committee, like my distinguished colleague from Kansas, who said, "I believe it is right." I said to him, "If you think it is right and if you think it is needed I am going to vote for it." So I defended it and fought to put $37.5 million in the bill for this new proposal.

I want the Members to know, I want to be fair, and I will be fair. If the time should ever come when I cannot be fair and yield to the other Members and accept their judgment in place of mine on things they know more about, I should leave the Congress.

Mr. SIKES. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Florida.

Mr. SIKES. I hesitate to interrupt my distinguished friend, who is making a most forceful and eloquent statement, but will the gentleman please clarify this for the benefit of the House.

Do I correctly understand that a vote against the conference report, an effort to reject the conference report, will be a vote against the desalinization plant for Israel, against the schools for Israel, and against other important items for Israel, all of which are needed, and which are contained in this bill?

Mr. PASSMAN. The distinguished gentleman is absolutely correct. We move this as a package.

If you defeat this conference report, you defeat funds for every school for Israel in this bill. You defeat the desalting plant. You defeat supporting assistance, which the President says is needed.

You defeat the Alliance for Progress. Every item in this bill will go down to defeat. It is all tied together.

If we go back into conference, we open up the entire bill, and I do not know what kind of a bill you are going to get then.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Iowa for a question.

Mr. GROSS. Are there no funds for the Arab and other countries in the Middle East under this bill?

Mr. PASSMAN. Yes. I am pleased the gentleman asked that question.

Yes. There is money in this bill for projects in other countries, such as Morocco and Biafra. And, of course, that would go out, too, if this conference report is rejected.

I want to say, in a joking manner to my very dear colleague, I am not against everything; I am for anything, if you can make a case for it.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Massachusetts.

Mr. CONTE. I should like to ask the gentleman a question.

Mr. PASSMAN. Surely.

Mr. CONTE. Could I have 3 or 4 minutes when the gentleman is through, to discuss something?

Mr. PASSMAN. I would rather yield 4 minutes now.

I yield 4 minutes to the gentleman from Massachusetts.

Mr. CONTE. I thank the gentleman.

Mr. PASSMAN. Then I will finish my remarks on the conference bill.

PARLIAMENTARY INQUIRY

Mr. WAGGONNER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore (Mr. BOGGS). The gentleman will state his parliamentary inquiry.

Mr. WAGGONNER. Under the rules of the House, while the gentleman is on his feet can he yield a stated time? Can he specify the amount of time he will yield?

The SPEAKER pro tempore. The answer to the parliamentary inquiry is that the gentleman from Louisiana, as chairman of the subcommittee, controls the time. He can yield while he is on his feet.

Mr. PASSMAN. Mr. Speaker, I yield the gentleman 4 minutes.

Mr. CONTE. I thank the gentleman.

Mr. Speaker, I am more than pleased with the conference recommendations on economic assistance, more than I was when this body earlier considered this bill.

I think we are in pretty good shape here, although I am disappointed that we did not leave the United Nations program in at $122 million.

I want to thank the distinguished and able chairman of the Subcommittee on Foreign Operations for his very strong support for these increases in economic assistance. This action reflected a genuine concern for the needs of the less developed nations of the world.

Turning now to the recommendation of $54.5 million for jets to China, I am very sad and unhappy about that. This money was knocked out in the authorization conference. Why? For the same reasons that we should have knocked it out earlier, and we must knock it out today. This money was never requested by anyone—neither the President, the Secretary of State, the Secretary of Defense, or the Administrator of the AID program. I say this in spite of those fancy yellow-covered top secret documents that we saw on the floor when the bill was debated earlier. To me the whole matter is just plain fishy. The top secret documents said that the jets should be requested in a supplemental bill. Of course, that is the way we should proceed, and the authors of that document recognize it. Why not wait for the supplemental hearings or the hearings on the 1971 fiscal year bill? What is the hurry?

Mr. Speaker, there has been no justification whatsoever for these planes, and I for one am not going to deceive the American people by saying that there has been. For all of these reasons I plan at the appropriate time to get a vote on the earmarking of these funds for China.

Now, I want this completely understood by everyone. If I offer a motion to recommit this bill back to conference, it will have recommendations in there to knock out the earmarking, but I want it completely understood that I am not lowering one penny of military assistance. Therefore, if the Secretary of Defense should care to spend this money for Taiwan, he may do so, or if he cares to spend it for Vietnam or some other country, he may do so. The only thing it will knock out will be the money for Taiwan.

Mr. Speaker, I want it completely understood that I am not cutting and I am not proposing to cut any money from the military assistance program.

I have witnessed several other events this year when we in this body have been prevented from voting on the real issue. I hope this will not happen today, because if it does happen today, then I have but one alternative, and I urge all of my colleagues to do so, namely, to vote down the conference report. This bill passed by five votes last time. I think with only a little bit more work and a little better attendance than we had last time, we could knock down the conference report.

There are a lot of bad things in this bill, but overall again I want to commend the gentleman from Louisiana, because I think he did an outstanding job in putting money back in here for economic assistance.

Mr. COHELAN. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I am glad to yield to the gentleman.

Mr. COHELAN. Mr. Speaker, I congratulate the gentleman on his statement. I hope our distinguished subcommittee chairman, who has done a rather remarkable job in improving development loans and general economic assistance—and, of course, some Taiwan items of military assistance—will yield me some time so that I will be able to discuss the matter in more detail.

I wish to associate myself with the remarks of the gentleman from Massachusetts, because I feel precisely as he does.

Mr. PASSMAN. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas (Mr. SHRIVER).

Mr. SHRIVER. Mr. Speaker, I thank the gentleman for yielding me this time.

As the ranking minority member of this subcommittee, I want to commend all of the conferees on the part of the House and from this subcommittee who have worked so hard for so long to bring forth a bill that is full of compromise, but that is what is expected when we go into conference, to have a certain amount of give and take and to stay as close as we can to the House figures and the House desires.

The minority of this conference certainly does not agree with all of the items contained in the appropriation bill, but as a compromise it is satisfactory and that is as much as we can say about most of these conferences.

Mr. Speaker, I agree with the distinguished gentleman from Massachusetts (Mr. CONTE) who just said that he was for what was good and beneficial to the country. I, personally, think it is a mistake not to provide for foreign military credit sales and to wait for a supplemental which will be coming up before very long. It is an important part of this bill but has been carried before as title II under the act.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SHRIVER. Very briefly.

Mr. GROSS. That means, then, that you are taking $275 million out of this bill and inviting the Pentagon to come to Congress early next year to get the same amount of money in a supplemental for the military credit sales? This kind of procedure is not a reduction in spending for foreign aid.

Mr. SHRIVER. Let me say to the gentleman from Iowa that we tried to prevail insofar as the position of the House was concerned. We had a vote on this issue and it was on your side. I went with you in maintaining the position of the House, but we did not prevail.

Mr. GROSS. Mr. Speaker, if the gentleman will yield further, for one quick question, this bill is at least $100 million more than the actual foreign aid appropriation last year; is that not correct?

Mr. SHRIVER. I will come to that in a moment if the gentleman will just wait a minute.

Mr. Speaker, I was pleased also that the conferees agreed to increase the supporting assistance program. You will recall that I contended earlier when the appropriation was before the House that the supporting assistance program was less than it should be and that we were not properly supporting the President in Vietnamizing the war.

Mr. Speaker, this supporting assistance is primarily to be used in Vietnam and to further the President's plan to place greater responsibility for the war in Vietnam upon the people of that country and that Government. The need this year is greater to do more in supporting assistance than I can recall at any time in the past.

The supporting assistance is now in the amount of $95 million higher than provided in the House version of the bill. We have a total in supporting assistance of $395 million and most of it—I would say more than 90 percent of it—will be used in connection with Vietnamizing the war, in carrying on the pacification program and in supporting the economy of South Vietnam as well as the refugees of which there are thousands who need this supporting assistance.

Mr. Speaker, I say let us bring the boys back in the manner in which the President has announced it will be done and in withdrawing our troops it is extremely important that we have these funds for Vietnamization. A great portion of this bill has to do with needed spending in Southeast Asia, not only in connection with supporting assistance but also in connection with technical assistance which is in the amount of $16,750,000 over the House version.

Let me remind you that this is $181,220,000 less than the authorization bill. It is approximately $265 million over the House bill, but it is about halfway between the House and the Senate versions. Therefore, we had to give and take as I mentioned a moment ago. It is a true compromise representing approximately the same amount of give and take on the part of the conferees of the two bodies.

Mr. Speaker, the bill is $378 million below 1969, $181 million below the authorization, and $1,222 million below the 1970 estimates.

Mr. Speaker, the bill is important toward settling and Vietnamizing the war in Vietnam. It continues funds for the Overseas Private Investment Corporation to the extent of $37.5 million. This was a request of President Nixon.

The grand total of this bill is $378 million less than the 1969 appropriation.

Mr. Speaker, I support the conference report and urge all Members to support the report.

Mr. FRELINGHUYSEN. Mr. Speaker, will the gentleman yield?

Mr. SHRIVER. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I want to commend the gentleman from Massachusetts (Mr. CONTE) for his statement. I shall support his motion to recommit this report. As a House conferee on the authorization for foreign aid I feel strongly that we should increase our military assistance, but keep it untied, in view of unsettled world circumstances.

Mr. Speaker, I have listened with interest to the discussion of this conference report. As one who is anxious to see foreign aid continue, with sufficient funds to provide for adequate programs, I have been disheartened by what has occurred, true, it looks now as if an aid program may be approved. But even now there is no assurance on this point. And it shocks me that Congress, seems to take pride in slashing so deeply into the President's request. Economic assistance is badly needed, and needed now, but we are obviously not responding to that need.

I have been disheartened also by the difficulty this year of going through the necessary legislative processes. I am well aware, for example, that the foreign aid authorization conference report passed this body only yesterday. That this was the case does not, however, excuse us from refusing to take that report into consideration today.

The authorization bill conference report provided for no earmarking of funds for military assistance. In view of earlier House action with respect to military aid to both Korea and Taiwan, the House conferees, naturally, would have preferred to see some reference to at least one or both of these countries in the authorizing legislation. The Senate conferees felt strongly on this point, however, and the House conferees recognized that because of the substantial reduction in the military assistance funds requested, a case could be made against specific earmarking of funds.

It is primarily for that reason, Mr. Speaker, that I find the proposal of the gentleman from Massachusetts persuasive. He advocates that the full $40,500,000 for military assistance be made available, but with the spending of that money not earmarked but left up to the President.

The contention has been made here again today that there is an immediate need for hundreds of millions more dollars in military assistance than will be provided in this conference report. If that is so, Mr. Speaker, I hope the President makes a prompt request for the funds needed. I assume that such a request—if it is forthcoming—will be submitted to the appropriate committees and not to an individual Member.

It strikes me as irregular and unfortunate that the Appropriations Committee should attempt—as it has this year—to arrogate to itself the responsibility of responding to needs of this type. If China or Korea, or any other friend of ours, is in need I am confident that Congress will respond appropriately. It is important, however, that Congress be given a full opportunity to evaluate the need for funds through the normal legislative process.

The legislative history of the foreign aid program this year is not a happy one, Mr. Speaker. As a member of one of the committees involved, I can only hope this history will serve as a lesson so that at least some pitfalls can be avoided next year. These close votes on foreign aid—and I have no doubt that another close vote is imminent—are not simply a reflection of Members' disillusionment, or hostility, to the programs themselves. The individual Member this year may be justifiably voting against the parliamentary tangle in which these foreign aid bills have been enmeshed. This tangle, which finds friends of the programs voting for foreign aid, is both undesirable and unnecessary.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Michigan.

Mr. GERALD R. FORD. Mr. Speaker, as I have said at the time when we were considering the appropriation bill for the foreign aid program that the Secretary of Defense called me prior to the consideration of the foreign aid authorization bill, indicating the support of the Department of Defense for the particular program, the military assistance, for the Republic of China. I said that then, and I reiterate it now. I have been told that the Secretary of Defense has repeated that statement to one or more Members of this body on this side of the aisle. I would not want to speak for them, but they have told me that the Secretary has reiterated his request.

In addition, let me say this: The overall funding for this program in this conference report, I believe, is very satisfactory. Additional money has been made available in the supporting assistance account, which is a very important part of our overall foreign aid program.

Also other items have been increased to more nearly coincide with the recommendations of the President. I think those additional amounts are highly significant, and very badly needed.

I am very fearful, as a practical matter, that if this is returned to conference, those additional sums in economic aid could easily go down the drain.

Now, Mr. Speaker, I am not threatening anybody. However, I think I know a little bit about the conferences on foreign aid appropriation bills, having served in that capacity for 12 years. Those conferences, I know from personal experience, are very difficult conferences.

To achieve a compromise in this instance of substantial increases for economic aid I think is a great victory for a constructive foreign aid program. So, as I say, I would hate to have those particular economic aid programs ending up slashed by sending this bill back to conference. I believe it would be a very serious mistake for those who believe in foreign aid.

Mr. FRASER. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Minnesota

Mr. FRASER. Mr. Speaker, would the gentleman agree that the proposed motion of the gentleman from Massachusetts would only remove the earmarking of the funds, and would not reduce the total fund made for this program, so that the way that that $404.5 million could be spent would then be left to the sole discretion of the executive branch instead of being restricted as it is now? Would that not be more nearly in accord with the desires of the administration?

Mr. GERALD R. FORD. Assume that that is the case—once this bill, however, goes back to conference its fate overall and its fate in reference to these economic aid programs could be in serious jeopardy.

The gentleman may be right on the point that he makes, but I have to look at it from an overall viewpoint of getting as nearly as we can an appropriation bill for the foreign aid program that coincides to the recommendations of the President.

I firmly believe that if the motion to recommit prevails, even though it is less objectionable than it might have been, I am very concerned that the overall appropriation bill could be in jeopardy.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Massachusetts.

Mr. CONTE. I just want to say to my leader who has been very fair about this thing, of course, we have eliminated the argument that this is cutting military assistance, all I am doing is eliminating language to earmark money for Taiwan.

But let me point out two things in the conference and may be happening over in the other body right now. One of the Senators said that they anticipated great trouble in the Senate—Senator FULBRIGHT was going to insist on this earmarking for Taiwan being taken out of the bill—and they may be attempting to do this now in the other body—so it may go back to conference as a result of what is going to happen over there.

Second. I do not see anything being endangered in this bill. As you know, I have been a champion of all these causes for the past 12 years, and I do not see anything being endangered because the recommendation is only limited to striking out the money being earmarked for Taiwan which the Senate wants to do. So we go over there and in 3 minutes knock it out.

Mr. GERALD R. FORD. May I respond to that point?

The gentleman from Arizona and I were discussing this precise point just a minute ago, and it certainly is not a formal ruling, but the information I have is once it goes back to conference even with the limited focus in this motion to recommit, the whole conference is open, it is open as to every item and, every decision within the conference can be reconsidered.

I think the add-ons, that are desirable in my judgment in some of these economic programs, could be really in jeopardy if the motion to recommit prevails.

I do not want to foreclose what might happen. But I know a little bit how these conferences work. The gentleman from Massachusetts and I served on those conferences for a good many years—and I do not want the House to take that gamble. I think it would be a serious step and put in jeopardy these good programs in the economic field that are highly significant and badly wanted by the administration.

May I just close with this comment. I am not going to be intimidated and I hope that this House is not going to be intimidated by the threat of the Senator that the gentleman from Massachusetts named. He is not running this body and I am not going to let him have any influence on it, if I can help it.

Mr. WAGGONNER. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman.

Mr. WAGGONNER. I want to comment on the statement the gentleman just made at the conclusion of his remarks by saying that what the Senator to whom the gentleman from Massachusetts (Mr. CONTE) referred, is attempting to do in the Senate is exactly the same thing that Mr. CONTE is attempting to do here in the House.

Let the Senate go their way and we will do exactly what we want to do. I do not think we should be intimidated by them.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Massachusetts, if he will save at least 30 seconds of my time.

Mr. CONTE. Certainly, these are two different things. The gentleman from Arkansas is trying to strike money, $54,500,000 from the bill. I am not trying to do that. I am just trying to strike the earmarking. I say that this thing stinks—it stinks—there is some terrible smell about it and I am not going to stand for it and it is that pure and simple.

I am willing to give military assistance all the money it needs, but I am not going to buy this when nobody from the administration has asked for it.

Mr. GERALD R. FORD. Mr. Speaker, let me conclude with this final observation.

The Secretary of Defense has spoken to me and others officially indicating that they want the money.

Second, if this is recommitted even with this limited focus, it opens up the whole conference and the gains that have been made in the economic aid field will be in jeopardy.

Mr. WYMAN. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman.

Mr. WYMAN. Mr. Speaker, I want to ask the gentleman from Massachusetts a question or two about his motion to recommit.

As I understand it, the gentleman from Massachusetts' motion proposes to take out the earmarking for the Republic of China, and I would like to ask the gentleman—can you give us any assurance that if the earmarking of this money for Taiwan is removed from the bill, that Taiwan will actually receive any of these funds for the purposes for which the House voted the other day?

Mr. CONTE. If Mr. Laird, the Secretary of Defense, is behind it, it will go to them. He is the boss. He will be the boss in handling this money.

Mr. WYMAN. He may be boss but a lot of other people have something to say about the implementation of the foreign aid program; do they not?

Mr. CONTE. General Warren is head of the military assistance program, and he is under Mel Laird.

Mr. WYMAN. But not all these men or others administering aid programs are sympathetic toward Nationalist China; are they?

Mr. CONTE. I could not tell you. I happen to be a friend of Nationalist China and have been for 12 years. I just do not like the procedure that has occurred here. Ten years ago I voiced exactly the same objection when they tried to earmark $25 million for Spain.

Mr. WYMAN. I am merely trying to make the point that in that part of the world, the Far East, Nationalist China is one of our strongest allies. The House has voted the money for military assistance to Taiwan. What sense does it make to withdraw the earmarking? Earmarking merely reflects the will of this body. Some in this body are opposed, of course, but we made that determination by majority vote of this body the other day. I reject the gentleman's suggestion that there is something fishy or that something stinks about this. I fear that the gentleman is attempting to confuse the issue. The issue is whether our strongest ally in the Far East is going to have this money for the stated purpose by direction of this Congress.

The majority opinion of the House is that they ought to have the money for that purpose that it is needed and justified, and I hope the gentleman's motion to recommit is defeated.

Mr. PASSMAN. Mr. Speaker, may I reiterate for clarification the points that I explained earlier. I shall not do or say anything that would offend any individual in this House, but it would appear to me that just about the same rule is being practiced in both bodies. Some gentleman in the other body is determined that he shall have his way, even if there is a chance he may risk the security of this country. I do not mean as it would apply to our own security. I am talking about security as it would apply to our concessions, interests, and base rights in the Far East.

Let me say this if I may. On this bill the authorizing committee of the House put this money into the bill. At a subsequent date the Committee of Appropriations and the subcommittee sustained that amount by a vote of 8 to 4. Later we moved into the full committee, and the full committee by a vote of 2 to 1 defeated the amendment to take this item out.

Then when the bill came to the floor, as you well know, on a motion, by a vote of 250 to 142, the language was retained to keep this money in the bill for Korea.

Subsequently the House also approved the language and approved the amount.

The bill moved into conference. The conference likewise by a vote of 9 to 3 approved this package that we agreed upon. At five different important stations along the way in our process of legislating the Members have spoken their minds on the subject. They have set forth rightly that this amount should be in the bill. I cannot understand at this late date why there are a few Members of the House and a few Members of the Senate who may want to change something that has been said several times, "This is the thing to do."

Mr. COHELAN. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from California for a question.

Mr. COHELAN. I thank the gentleman for yielding.

Mr. PASSMAN. I yield 1 minute to the gentleman.

Mr. COHELAN. As a member of the subcommittee, I would like to express myself on the conference report.

Mr. PASSMAN. I wish you would.

Mr. COHELAN. I would like to vote for this bill. I want to vote for the bill. But I shall not vote for it if we have the Taiwan reference in the bill.

As I understand, this is what is going to happen.

The gentleman from Massachusetts (Mr. CONTE) will introduce a motion to recommit. The gentleman from Massachusetts has very generously drafted it in such a way that if the State Department, which, by the way, nobody has referred to in this entire discussion—not one word have we heard from the State Department indicating that this language was warranted or justified.

However, on the motion to recommit, the gentleman has left it so that the money is not affected. If the powers that be in the administration, including the Secretary of State, as well as the Secretary of Defense—who incidentally, I suggest, is not running the foreign policy of this Government—determine that something should be done in military assistance, it could be done.

I will support the motion to recommit after striking the language that the gentleman referred to, and if I get that opportunity, I intend to vote for the bill.

However, if we do not, I intend to vote against the bill. I do not think a vote against the bill will be jeopardizing anything. I suggest to Members what will probably happen. We will be back here so fast it will make our heads swim. But we shall have dealt a blow to a very offensive procedure.

The issue of the Taiwan jets needs very little explanation. We have been over this terrain before. First, there was no testimony before the authorizing committee—the Committee on Foreign Affairs. There was no testimony before the Appropriations Subcommittee on Foreign Operations—the Committee on Foreign Operations on which I serve. The only data that have been submitted by the administration is a letter from a faceless bureaucrat in the DOD in response to Mr PASSMAN's question. This answer, I submit, does not represent the position of the administration. I, for example, could ask if we should increase $54 million to Timbuktu and I am sure I would get the same type of general answer that was circulated to justify the Taiwan jets.

Most important, the questionable justification for these jets is the foreign policy implication of these jets. The President has indicated lately, in his steps to begin lifting trade restrictions with mainland China, a new flexible approach to the Far East. The Sato-Nixon agreement, and movements to Vietnamize the war, are further indications of what I consider to be a constructive step in the Far East. Now this House is asked to accept a $54 million item for Taiwan jets that could have foreign policy implications far in excess of the dollar figure.

There is another issue here. This House yesterday passed an authorization bill that did not include this item. Thus, there is no authority for earmarking this money for Taiwan jets.

Mr. Speaker, in conclusion, I feel that the foreign policy implications of accepting this amendment are so overwhelming that this bill should be returned to conference and have this item deleted. Unless this is done, I may be forced to vote against this foreign assistance appropriation.

Mr. PASSMAN. Mr. Speaker, that is according to the gentleman's interpretation and not according to the votes of the majority committees, the House, and the conferees of both bodies. These votes speak for themselves.

PARLIAMENTARY INQUIRY

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield for a parliamentary inquiry?

Mr. PASSMAN. Mr. Speaker, I yield 1 minute to the gentleman from Michigan.

Mr. GERALD R. FORD. Mr. Speaker, a parliamentary inquiry. If the motion to recommit reads as follows, will it limit the conference to the consideration of this particular issue, or will the conference as a whole be open for the consideration of all issues in the conference? Let me read the motion to recommit, Mr. Speaker, that will be as follows:

> I move to recommit the conference report on the bill H.R. 15149 with instructions to the managers on the part of the House to agree with the amendment of the Senate No. 25.

Mr. Speaker, if that is offered and does prevail, is the conference as a whole free to discuss and decide issues involving the whole bill or all issues within both the House and Senate versions?

The SPEAKER. In response to the parliamentary inquiry, if the motion to recommit with instructions on one item should prevail, then all items in disagreement are open for further consideration by the conference committee.

Mr. GERALD R. FORD. I thank the distinguished Speaker.

Mr. PASSMAN. Mr. Speaker, I yield the remainder of my time to the distinguished gentleman from Florida (Mr. SIKES).

Mr. SIKES. Mr. Speaker, this foreign aid appropriation bill is nearly $200 million below the authorization which has been approved but has not been signed into law. I think this will be an important consideration for many of those, including myself, who feel foreign aid has been excessive.

I hope and I believe the House will give overwhelming endorsement to the constructive labor of those members of the conference committee whose dedication is producing direction for America's foreign aid program. It allows the Congress to speak. It has been a long time since that could be said.

By placing aid specifically in the hands of our friends, by helping those who help us, we make our aid meaningful, and we make it productive. For too long a period, we have handed out foreign aid to everybody who came along, and often as not, they showed the measure of their appreciation by giving their support to the Communists. Here we have an opportunity to say that we do not approve of that kind of policy and we do not approve of policies which get us nowhere. We want a meaningful aid program and it would be heartening to the American people if we specified that we reject the use of the American taxpayers' money where it is not going to do America any good. It is time to help our friends, and time to begin to specify what we are doing. Here we do that by helping Israel, by helping Korea, and by helping Taiwan.

I believe, Mr. Chairman, that to reject what is proposed by the conferees here would be one of the worst defeats for a strong American diplomatic policy this House has ever voted. I am confident that is not what the House is about to do.

Mr. MORGAN. Mr. Speaker, the conference report on the foreign aid appropriation clearly violates the intent of the rules of this House. It specifically appropriates $54,500,000 for the Republic of China although this was stricken from the authorization bill which has passed both the Senate and the House and is now on its way to the President for enactment into law. The authorization ceiling for military assistance is $350 million. This conference report calls for an appropriation of $404,500,000. I can only regard this as a deliberate flouting of the authorizing process in which advantage is taken of parliamentary technicalities to circumvent the authorization ceiling. While I will reluctantly vote for the conference report because of the urgency of the time element, I am constrained to voice my concern over the danger which is posed to the whole legislative process and the work of the legislative committees. If it had been possible for the authorizing bill to have already been signed by the President, I believe the rules would have made this conference report subject to a point of order. It is a violation of the rules which cannot be enforced because of the present circumstances. I am gravely concerned over what I can only regard as an usurpation of the legislative function by a nonlegislative committee.

Mr. RYAN. Mr. Speaker, this conference report making appropriations for foreign assistance for fiscal year 1970 includes $54,500,000 for the Republic of China which has not been authorized in the Foreign Assistance Act of 1969, H.R. 14580.

Yesterday we adopted the conference report on the Foreign Assistance Act of 1969, and funds for jet fighter planes for Taiwan were not included although previously the House had adopted the Sikes amendment, against which I voted, both on the teller vote and on the separate rollcall vote, when it was before the House on November 20. When the foreign assistance appropriation bill, H.R. 15149, was before the House on December 9, I supported the Conte amendment to strike the $54,500,000 earmarked for the Republic of China. I also voted both on the teller vote and on the separate rollcall vote against the Broomfield substitute which not only included the $54.5 million for the Republic of China, but added $50 million for the Republic of Korea.

Having made my position clear on the authorization and appropriation bills, I voted to send each bill to conference, so that the foreign aid program could move forward and in the hope that the Senate conferees would not agree to the additional $104.5 million. And the conferees on the authorization bill did reject it. Now we have before us the conference report on the appropriation bill, H.R. 15149, and the conferees have agreed to amend Senate amendment No. 24 by inserting the sum of $404,500,000 and to amend Senate amendment No. 25 by restoring the language deleted by the Senate earmarking $54,500,000 for the Republic of China. In other words, the conference report now earmarks $54.5 million for the Republic of China. I support the motion to recommit to be offered by the gentleman from Massachusetts (Mr. CONTE) to strike out the language earmarking funds for the Republic of China.

According to Mr. SIKES, who offered the original amendment, the $54.5 million was authorized, "for the purpose of providing a squadron of F-4D aircraft to the Republic of China in Taiwan." Not only was there no budget request for funds for sophisticated military aircraft for Taiwan, but absolutely no justification was made before the Foreign Affairs Committee; it was never considered in hearings before the Foreign Affairs Committee. It was a surprise amendment adopted on the floor of the House after some very fancy footwork. This is a totally unacceptable way to legislate. Despite the fact that no agency of the Federal Government has recommended funds for sophisticated military aircraft for Taiwan, the House, without reflection upon the serious foreign policy implications, proceeded to approve this unjustified expenditure of the taxpayers' money. This is another example of the distortion of our national priorities which the Congress has tolerated for too long. Blind approval of funds for military assistance is one of the principal reasons why U.S. foreign policy produced the tragic war in Vietnam with its dire consequences both at home and abroad.

I am a strong supporter of foreign economic assistance to help developing nations and support the economic programs recommended in the conference report. Many of them are urgently needed and are in the national interest. It is regrettable that the conference report has been tainted by the inclusion of a squadron of jet fighter planes for Chiang Kai-shek.

If the motion to recommit fails, then the only way to obtain a vote on this issue would be upon the defeat of the conference report. If the conference report were voted down, then the House would have the opportunity to vote separately on each of the 42 Senate amendments. I support Senate amendment No. 24 which eliminates $54.5 million for a squadron of jet fighter planes for Taiwan, and also Senate amendment No. 25 which strikes the language earmarking those funds for the Republic of China. Under the circumstances, in view of the parliamentary situation, unless the motion to recommit succeeds, the only way to obtain a separate vote on those two amendments is to defeat the conference report—a procedure which will make it possible for us to vote for the important economic programs in title I without having to accept the entire military assistance package.

Mr. PASSMAN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

MOTION TO RECOMMIT OFFERED BY MR. CONTE

Mr. CONTE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the conference report?

Mr. CONTE. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. CONTE moves to recommit the conference report on the bill H.R. 15149 with instructions to the managers on the part of the House to agree with the amendment of the Senate numbered 25.

Mr. PASSMAN. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. CONTE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 136, nays 220, not voting 77, as follows:

[Roll No. 345]

YEAS—136

Adams
Anderson, Calif.
Ashley
Barrett
Biester
Bingham
Blatnik
Boland
Brademas
Brooks
Broomfield
Brown, Calif.
Broyhill, N.C.
Burlison, Mo.
Burton, Calif.
Button
Byrne, Pa.
Cleveland
Cohelan
Conte
Coughlin
Culver
Daddario
Daniels, N.J.
Davis, Wis.
Delaney
Dellenback
Dwyer
Eilberg
Erlenborn
Esch
Evans, Colo.
Farbstein
Fish
Foley
Ford, William D.
Fraser
Frelinghuysen
Gaydos
Gilbert
Green, Pa.
Gross
Gude
Halpern
Hamilton
Hanley
Hanna
Hansen, Idaho
Harvey
Hathaway
Hawkins
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hogan
Holifield
Horton
Howard
Hungate
Jacobs
Jones, Ala.
Karth
Kastenmeier
Keith
Koch
Leggett
Lowenstein
McCarthy
McCloskey
McDade
Macdonald, Mass.
Mailliard
Matsunaga
Mayne
Meeds
Melcher
Mikva
Minish
Mink
Monagan
Moorhead
Mosher
Murphy, N.Y.
Nedzi
Nix
Obey
O'Hara
Olsen
Ottinger
Patten
Pike
Podell
Quie
Railsback
Reid, N.Y.
Reuss
Riegle
Kyl
Kyros
Robison
Rodino
Roe
Rogers, Colo.
Rosenthal
Roth
Roybal
Ruppe
Ryan
St. Onge
Saylor
Scheuer
Schneebeli
Schwengel
Shipley
Smith, Iowa
Stafford
Taft
Thompson, N.J.
Tiernan
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waldie
Weicker
Whalen
Wiggins
Williams
Wilson, Charles H.
Wyatt
Yates
Yatron
Zablocki
Zwach

NAYS—220

Abernethy
Adair
Addabbo
Albert
Alexander
Anderson, Ill.
Anderson, Tenn.
Andrews, N. Dak.
Annunzio
Arends
Aspinall
Ayres
Baring
Beall, Md.
Belcher
Bell, Calif.
Bennett
Betts
Biaggi
Blackburn
Blanton
Boggs
Bow
Bray
Brinkley
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Bush
Byrnes, Wis.
Cabell
Caffery
Camp
Carter
Casey
Cederberg
Chamberlain
Chappell
Clausen, Don H.
Clawson, Del
Colmer
Conable
Corbett
Cramer
Crane
Daniel, Va.
Davis, Ga.
de la Garza
Denney
Dennis
Devine
Dickinson
Dingell
Donohue
Dorn
Dowdy
Downing
Dulski
Duncan
Edmondson
Edwards, Ala.
Edwards, La.
Eshleman
Fascell
Feighan
Flood
Flowers
Flynt
Ford, Gerald R.
Foreman
Fountain
Frey
Friedel
Fulton, Pa.
Fuqua
Galifianakis
Garmatz
Gettys
Giaimo
Gibbons
Gonzalez
Goodling
Gray
Griffin
Grover
Gubser
Hagan
Haley
Hammerschmidt
Hansen, Wash.
Harsha
Henderson
Hicks
Hosmer
Hull
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, N.C.
Jones, Tenn.
Kazen
Kee
King
Kuykendall
Landgrebe
Landrum
Langen
Lennon
Lloyd
Long, La.
Long, Md.
Lujan
McClory
McClure
McCulloch
McDonald, Mich.
McFall
McKneally
McMillan
MacGregor
Madden
Mahon
Mann
Marsh
Mathias
May
Meskill
Miller, Ohio
Mills
Minshall
Mize
Mizell
Mollohan
Morton
Murphy, Ill.
Myers
Natcher
Nelsen
Nichols
O'Konski
O'Neill, Mass.
Passman
Patman
Pelly
Perkins
Pettis
Philbin
Pickle
Pirnie
Poff
Pollock
Preyer, N.C.
Price, Ill.
Price, Tex.
Pryor, Ark.
Pucinski
Purcell
Randall
Rarick
Reid, Ill.
Rhodes
Rivers
Roberts
Rogers, Fla.
Rooney, N.Y.
Rooney, Pa.
Roudebush
Ruth
Satterfield
Schadeberg
Scherle
Scott
Sebelius
Shriver
Sikes
Skubitz
Slack
Smith, Calif.
Smith, N.Y.
Springer
Staggers
Stanton
Steed
Steiger, Ariz.
Steiger, Wis.
Stratton
Stubblefield

Stuckey
Symington
Talcott
Taylor
Teague, Calif.
Teague, Tex.
Thompson, Ga.
Thomson, Wis.
Utt
Waggonner
Wampler
Watson
Watts
Whalley
White
Whitehurst
Whitten
Wilson, Bob
Winn
Wold
Wolff
Wylie
Wyman
Young

NOT VOTING—77

Abbitt
Andrews, Ala.
Ashbrook
Berry
Bevill
Bolling
Brasco
Brock
Burton, Utah
Cahill
Carey
Celler
Chisholm
Clancy
Clark
Clay
Collier
Collins
Conyers
Corman
Cowger
Cunningham
Dawson
Dent
Derwinski
Diggs
Eckhardt
Edwards, Calif.
Evins, Tenn.
Fallon
Findley
Fisher
Fulton, Tenn.
Gallagher
Goldwater
Green, Oreg.
Griffiths
Hall
Harrington
Hastings
Hays
Hébert
Kirwan
Kleppe
Kluczynski
Latta
Lipscomb
Lukens
McEwen
Martin
Michel
Miller, Calif.
Montgomery
Morgan
Morse
Moss
O'Neal, Ga.
Pepper
Poage
Powell
Quillen
Rees
Reifel
Rostenkowski
St Germain
Sandman
Sisk
Snyder
Stephens
Stokes
Sullivan
Tunney
Watkins
Widnall
Wright
Wydler
Zion

So the motion to recommit was rejected.

The Clerk announced the following pairs:

Mr. Miller of California with Mr. Lipscomb.
Mr. Hays with Mr. Widnall.
Mr. Hébert with Mr. Hall.
Mr. Dent with Mr. Watkins.
Mr. Fisher with Mr. Burton of Utah.
Mr. Clark with Mr. Cunningham.
Mr. Gallagher with Mr. Sandman.
Mr. Fulton of Tennessee with Mr. Quillen.
Mr. Eckhardt with Mr. Reifel.
Mr. Morgan with Mr. Morse.
Mr. Fallon with Mr. Martin.
Mr. Casey with Mr. Wydler.
Mr. Wright with Mr. Zion.
Mr. Rostenkowski with Mr. Michel.
Mr. Celler with Mr. McEwen.
Mr. Pepper with Mr. Lukens.
Mrs. Sullivan with Mr. Latta.
Mr. Brasco with Mr. Hastings.
Mr. Corman with Mr. Kleppe.
Mrs. Green of Oregon with Mr. Ashbrook.
Mr. Stephens with Mr. Berry.
Mr. Montgomery with Mr. Snyder.
Mr. Sisk with Mr. Cowger.
Mrs. Griffiths with Mr. Derwinski.
Mr. St Germain with Mr. Cahill.
Mr. Moss with Mr. Clancey.
Mr. Kluczynski with Mr. Collier.
Mr. Rees with Mr. Goldwater.
Mr. Harrington with Mr. Findley.
Mr. Evins of Tennessee with Mr. Brock.
Mr. O'Neal of Georgia with Mr. Collins.
Mr. Tunney with Mr. Stokes.
Mr. Edwards of California with Mr. Diggs.
Mr. Kirwan with Mr. Conyers.
Mr. Bevill with Mr. Clay.
Mr. Abbott with Mr. Andrews of Alabama.
Mrs. Chisholm with Mr. Powell.

Mr. HALEY, Mr. FLOOD, and Mr. MOLLOHAN changed their votes from "yea" to "nay."

Mr. BIESTER changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on the conference report.

Mr. GROSS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 181, nays 174, not voting 78, as follows:

[Roll No. 346]

YEAS—181

Addabbo
Albert
Alexander
Anderson, Ill.
Anderson, Tenn.
Andrews, N. Dak.
Annunzio
Arends
Ashley
Aspinall
Ayres
Barrett
Beall, Md.
Belcher
Bell, Calif.
Betts
Biaggi
Biester
Bingham
Blatnik
Boggs
Bow
Brooks
Broomfield
Brotzman
Brown, Mich.
Buchanan
Burke, Mass.
Bush
Button
Byrne, Pa.
Byrnes, Wis.
Cabell
Cederberg
Conable
Corbett
Coughlin
Daddario
Daniels, N.J.
Davis, Ga.
Davis, Wis.
de la Garza
Dellenback
Dennis
Dingell
Donohue
Dulski
Dwyer
Edmondson
Edwards, La.
Eilberg
Esch
Farbstein
Fascell
Feighan
Fish
Flood
Ford, Gerald R.
Frelinghuysen
Fulton, Pa.
Friedel
Garmatz
Giaimo
Gilbert
Gonzalez
Gray
Gubser
Gude
Halpern
Hamilton.
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Heckler, Mass.
Helstoski
Hicks
Hogan
Holifield
Horton
Hosmer
Johnson, Calif.
Kazen
Kee
Keith
King
Kuykendall
Leggett
Lloyd
Long, Md.
McClory
McCloskey
McCulloch
McDade
McEwen
McFall
McKneally
Macdonald, Mass.
MacGregor
Mahon
Mailliard
Mann
Mathias
Matsunaga
May
Mayne
Melcher
Minish
Minshall
Mize
Monagan
Moorhead
Morgan
Morton
Mosher
Murphy, Ill.
Murphy, N.Y.
Nelsen
Nix
O'Hara
O'Neill, Mass.
Passman
Patman
Patten
Pelly
Perkins
Philbin
Pickle
Pike
Pirnie
Podell
Preyer, N.C.
Price, Ill.
Pryor, Ark.
Pucinski
Purcell
Quie
Railsback
Reid, Ill.
Reid, N.Y.
Rhodes
Riegle
Rivers
Roberts
Robison
Rodino
Rogers, Colo.
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Roth
St. Onge
Scheuer
Schneebeli
Schwengel
Shriver
Sikes
Smith, Iowa
Smith, N.Y.
Stafford
Stanton
Steiger, Wis.
Stratton
Symington
Taft
Talcott
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Udall
Vigorito
Weicker
Whalen
White
Wiggins
Wilson, Bob
Wilson, Charles H.
Wold
Wolff
Yatron
Zwach

NAYS—174

Abernethy
Adair
Adams
Anderson, Calif.
Baring
Bennett
Blackburn
Blanton
Brademas
Bray
Brinkley
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Burton, Calif.
Caffery
Camp
Carter
Casey
Chamberlain
Chappell
Clausen, Don H.
Clawson, Del
Cleveland
Cohelan
Colmer
Conte
Cramer
Crane
Culver
Daniel, Va.
Delaney
Denney
Devine
Dickinson
Dorn
Dowdy
Downing
Duncan
Edwards, Ala.
Eshleman
Evans, Colo.
Flowers
Flynt
Foley
Ford, William D.
Foreman
Fountain
Fraser
Frey
Fuqua
Galifianakis
Gaydos
Gettys
Gibbons
Goodling
Green, Pa.
Griffin
Gross
Grover
Hagan
Haley
Hammerschmidt
Harsha
Harvey
Hathaway
Hawkins
Hechler, W. Va.
Henderson
Howard
Hull
Hungate
Hunt
Hutchinson
Ichord
Jacobs
Jarman
Johnson, Pa.
Jonas
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Karth
Kastenmeier
Koch
Kyl
Kyros
Landgrebe
Landrum
Langen
Lennon
Long, La.
Lowenstein
Lujan
McCarthy
McClure
McDonald, Mich.
McMillan
Madden
Marsh
Meeds
Meskill
Mikva
Miller, Ohio
Mills
Mink
Mizell
Mollohan
Myers
Natcher
Nedzi
Nichols
Obey
O'Konski
Olsen
Ottinger
Pettis
Poff
Pollock
Price, Tex.
Randall
Rarick
Reuss
Roe
Rogers, Fla.
Roudebush
Roybal
Ruppe
Ruth
Ryan
Satterfield
Saylor
Schadeberg
Scherle
Scott
Sebelius
Shipley
Skubitz
Slack
Smith, Calif.
Staggers
Steed
Steiger, Ariz.
Stubblefield
Stuckey
Taylor
Thompson, Ga.
Thompson, N.J.
Tiernan
Ullman
Utt
Van Deerlin
Vander Jagt
Vanik
Waggonner
Waldie
Wampler
Watson
Watts
Whalley
Whitehurst
Whitten
Williams
Winn
Wyatt
Wylie
Wyman
Yates
Young
Zablocki

NOT VOTING—78

Abbitt
Andrews, Ala.
Ashbrook
Berry
Bevill
Boland
Bolling
Brasco
Brock
Burton, Utah
Cahill
Carey
Celler
Chisholm
Clancy
Clark
Clay
Collier
Collins
Conyers
Corman
Cowger
Cunningham
Dawson
Dent
Derwinski
Diggs
Eckhardt
Edwards, Calif.
Erlenborn
Evins, Tenn.
Fallon
Findley
Fisher
Fulton, Tenn.
Gallagher
Goldwater
Green, Oreg.
Griffiths
Hall
Harrington
Hastings
Hays
Hébert
Kirwan
Kleppe
Kluczynski
Latta
Lipscomb
Lukens
Martin
Michel
Miller, Calif.
Montgomery
Morse
Moss
O'Neal, Ga.
Pepper
Poage
Powell
Quillen
Rees
Reifel
Rostenkowski
St Germain
Sandman
Sisk
Snyder
Springer
Stephens
Stokes
Sullivan
Tunney
Watkins
Widnall
Wright
Wydler
Zion

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Moss for, with Mr. Andrews of Alabama against.

Mr. Boland for with Mr. Montgomery against.

Mr. Hébert for, with Mr. Bevill against.

Mr. Harrington for, with Mr. Conyers against.

Mr. Rees for, with Mr. Stokes against.

Mr. Rostenkowski for, with Mr. O'Neal of Georgia against.

Mr. Kluczynski for, with Mr. Martin against.

Mr. Morse for, with Mr. Snyder against.

Mr. Springer for, with Mr. Ashbrook against.

Mr. Widnall for, with Mr. Burton of Utah against.

Mr. Celler for, with Mr. Quillen against.

Mr. Carey for, with Mr. Watkins against.

Mrs. Green of Oregon for, with Mr. Zion against.

Mr. Hays for, with Mr. Collins against.

Mr. Sandman for, with Mr. Goldwater against.

Mr. Hastings for, with Mr. Clancy against.

Mr. Erlenborn for, with Mr. Berry against.

Mr. Cunningham for, with Mr. Kleppe against.

Mr. Cahill for, with Mr. Latta against.

Mr. Findley for, with Mr. Lipscomb against.

Mr. Brasco for, with Mr. Lukens against.

Mr. Clark for, with Mr. Michel against.

Mr. Corman for, with Mr. Derwinski against.

Mr. Fallon for, with Mr. Brock against.

Mr. Gallagher for, with Mr. Reifel against.

Mr. Sisk for, with Mr. Hall against.

Mrs. Sullivan for, with Mr. Abbitt against.

Mr. Miller of California for, with Mr. Stephens against.

Until further notice:

Mr. St Germain with Mr. Evins of Tennessee.

Mr. Wydler with Mr. Collier.

Mr. Kirwan with Mrs. Chisholm.

Mr. Dent with Mr. Dawson.

Mr. Diggs with Mr. Edwards of California.

Mrs. Griffiths with Mr. Pepper.

Mr. Fisher with Mr. Wright.

Mr. Eckhardt with Mr. Fulton of Tennessee.

Mr. Tunney with Mr. Powell.

Mr. DAVIS of Georgia, Mr. BOW, Mrs. REID of Illinois, Mr. MINSHALL, and Mr. KUYKENDALL changed their votes from "nay" to "yea."

Mr. McCARTHY, Mr. SCHEUER, Mr. CULVER, and Mr. TIERNAN changed their votes from "yea" to "nay."

Mr. SCHEUER changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDMENTS IN DISAGREEMENT

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 6: Page 2, line 20 insert: ", except projects or activities relating to the reduction of population growth: *Provided further,*".

MOTION OFFERED BY MR. PASSMAN

Mr. PASSMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Passman moves that the House recede from its disagreement to the amendment of the Senate numbered 6 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 8: On page 3, line 7, strike "$24,050,000" and insert "$24,550,000".

MOTION OFFERED BY MR. PASSMAN

Mr. PASSMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Passman moves that the House recede from its disagreement to the amendment of the Senate numbered 8 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$26,050,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 31: On page 16, strike out:

"Sec. 121. None of the funds contained in title I of this act may be used to carry out the provisions of section 401(a)(2) of the Foreign Assistance Act of 1969."

MOTION OFFERED BY MR. PASSMAN

Mr. PASSMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Passman moves that the House recede from its disagreement to the amendment of the Senate numbered 31 and concur therein with an amendment, as follows: Restore the matter stricken, amended to read as follows:

"Sec. 121. None of the funds contained in title I of this act may be used to carry out the provisions of section 401(a)(2) of the Foreign Assistance Act of 1969.

"Sections of this title which refer to authorizing legislation are hereby amended to conform to the appropriate sections of the Foreign Assistance Act of 1969."

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and on the several motions was laid on the table.

GENERAL LEAVE

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the Record on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

CORRECTION OF THE RECORD

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that the permanent Record be corrected in two instances where erroneous figures appear in the temporary Record at page 40262. In the lefthand column, under amendment No. 16, the figure of "$255,000,000" should be "$12,500,000"; and under amendment No. 17, the figure of "$255,500,000" should be "$255,000,000".

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. GROSS. Mr. Speaker, reserving the right to object, it has been virtually impossible to obtain any time or even ask a question in consideration of this conference report. Practically all of the discussion connected with the bill was on the subject of planes for Taiwan. We learned almost nothing about the other provisions of the conference report.

After that exhibition in the well of the House, where at least one Member changed his vote at least three times, I wonder if we ought to give unanimous consent to anything at this stage of the game in connection with this legislation.

Mr. PASSMAN. Mr. Speaker, will the gentleman yield?

Mr. GROSS. No, I do not yield at this time.

I call the attention of the House to the fact that during consideration of the foreign aid appropriation bill in the House a few weeks ago, I offered an amendment to include Communist China in the provision of the bill which prohibited economic assistance by the United States to any country which sells, furnishes, or permits any ships under its registry to carry items of economic assistance to Cuba or North Vietnam.

My amendment to include Communist China was adopted without any contest whatever, but in the conference between the House and Senate it was dropped from the bill with the greatest of ease. Why?

Communist China is the principal supplier of arms and ammunition to the North Vietnamese. Why should we give a dime's worth of aid to any country that helps Communist China maintain its supply line to the North Vietnamese whose principal business is the killing of Americans and South Vietnamese?

Why penalize those who traffic with Cuba and not Communist China? Who was responsible for the elimination of this amendment? There has been no time to discuss it and therefore the record is silent. Who in the conference committee had such an affinity for the Communist Chinese that they threw out the amendment?

The conferees say that the planes for Nationalist China are necessary because of the threat from Communist China, but through some sort of mental gymnastics they have refused to put pressure on those who are helping the economy of the Red Chinese. This is unbelievable.

This conference report, Members of the House, will provide at least $100 million more for foreign economic and military assistance than was appropriated last year. It is more nearly $400 million because $275 million for foreign military credit sales was dropped from this bill, but with the open invitation to the Pentagon to request in the first supplemental bill next year the replacement of the $275 million.

This is the kind of skulduggery that has been practiced in this bill and I, for one, refuse to be hoodwinked.

Mr. Speaker, I withdraw my reservation.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

WORDS OF ADVICE FOR AND MERRY CHRISTMAS TO MR. GROSS OF IOWA

(Mr. PASSMAN asked and was given permission to address the House for 1 minute.)

Mr. PASSMAN. Mr. Speaker, I am very fond of the distinguished gentleman from Iowa.

I want to say to this fine American that he should do a better job on the committee on which he has the privilege of serving; namely, the Committee on Foreign Affairs, and do his work there, rather than to try to "cut me up" when I try to do a creditable job. If he did then I am sure we would get an authorization bill earlier, and we would not have this annual hassle over who precedes whom.

I recommend to this distinguished American, this distinguished Member of Congress, that he have a close look at the operations of his own committee. Then we would not get into these parliamentary involvements almost on Christmas Eve.

However, I do wish this fine American a Merry Christmas.

AUTHORIZING PRESIDENT TO PROCLAIM JANUARY 1970 AS "NATIONAL BLOOD DONOR MONTH"

Mr. ROGERS of Colorado. Mr. Speaker, I ask unanimous consent to take from the Speaker's Desk the Senate joint resolution (S.J. Res. 154) entitled "Joint resolution to authorize and request the President to proclaim the month of January of each year as 'National Blood Donor Month'," with a Senate amendment to the House amendments thereto, and concur in the Senate amendment to the House amendments.

The Clerk read the title of the Senate joint resolution.

The Clerk read the Senate amendment to the House amendments, as follows:

Page 1, after line 7 of the Senate engrossed resolution, insert:

"SEC. 2. Notwithstanding any other provision of law, the citizenship or nationality of Erneido A. Oliva shall not prohibit the Secretary of the Senate from paying compensation, for a period not to exceed six months, to the said Erneido A. Oliva while serving as an employee of the Senate."

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

Mr. WIGGINS. Mr. Speaker, reserving the right to object, I take this reservation only for the purpose of asking my colleague from Colorado to explain the nature of the Senate amendment.

Mr. ROGERS of Colorado. The nature of the Senate amendment is to straighten out their own bookkeeping in connection with an employee who is employed by the Secretary of the Senate, to pay compensation for a period of 6 months.

Mr. WIGGINS. I thank the gentleman.

Mr. Speaker, I withdraw my reservation.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Senate amendment to the House amendments was concurred in.

A motion to reconsider was laid on the table.

RECOMMENDATIONS OF THE CABINET TASK FORCE ON OIL IMPORT CONTROL

(Mr. MAHON asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MAHON. Mr. Speaker, I have been very distressed by recent reports as to recommendations that apparently are being advanced by the President's Cabinet Task Force on Oil Import Control.

Apparently the plan is to force a reduction in the price of crude oil by increasing the level of imports.

Mr. Speaker, our country is already dependent on foreign sources for a sizable portion of our total oil requirements. Our national oil policy has recognized that a healthy and growing domestic oil industry is essential to national defense and to our national interests generally. Any action to make us further dependent on foreign sources threatens grave consequences.

The present import program has served the Nation well but even so discovery of new domestic reserves has not kept pace with increases in consumption. It is more important now than ever before that we have conditions which will promote exploration and development of the domestic oil industry.

The implementation of what appears to be the recommendations of the task force increasing imports and sharply reducing prices will hit hardest at the smaller independent producers. And, it should be kept clearly in mind that the independents are the most active in the field of oil exploration and have been responsible for the discovery of 85 percent of new reserves.

Mr. Speaker, irrecoverable losses would accrue to large segments of the domestic oil industry should the recommendations developed by the staff of the task force be implemented. Further, it seems to me that the underlying economic assumptions upon which the recommendations are apparently based are thoroughly unsound.

Mr. Speaker, I wish to document the views which I have expressed by placing in the RECORD a letter which was sent to President Nixon a short time ago by some 90 Members, including myself, on the subject of oil imports. I hope the letter will have the favorable attention of the President.

The letter follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., December 4, 1969.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: The undersigned wish to take this means of expressing to you our deep concern about the persistent reports indicating that the Cabinet Task Force on Oil Import Control may propose radical changes in the oil import program. Most disturbing are reports that the present level of imports will be increased and that this action is to be taken for the purpose of forcing a reduction in the price of crude oil.

It is our firm conviction that an increase in the present level of imports would seriously jeopardize our national security and constitute a disservice to the consumers of both oil and natural gas. In this regard, the following considerations appear to us to be conclusively persuasive.

1. Imports of crude oil and refined products now equal more than one third of total U.S. crude oil production. This already is a dangerous dependency, and under no circumstances should it be increased. For example, during the Middle East crisis of 1967, we were barely able to meet the emergency requirements for domestic oil, even for a short duration. Since that time, our petroleum reserve position has deteriorated. Last year, for the first time in our history, crude oil producing capacity declined. In contrast, authoritative forecasts show that our requirements by 1980 will be some 30 percent greater than at present.

2. The Eastern States, including Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, Pennsylvania, New Jersey, Delaware, West Virginia, Virginia, Maryland, North Carolina, South Carolina, Georgia, and Florida, are now dependent on foreign source petroleum for 40 percent of their requirements. Any further dependence of this important industrial area on uncertain foreign sources, which experience has indicated would be cut off in time of emergency, could result in critical shortages because domestic supplies and transportation facilities would no longer be available.

3. We already face a most critical natural gas supply problem. The Federal Power Commission and also officials in the Department of the Interior recently have publicly recognized the seriousness of the natural gas supply problem and have called for immediate remedial actions. Increased imports of oil would discourage and further depress the search for new gas fields and new oil fields—an inseparable activity.

4. All forms of energy are essential to national security. Increased oil imports adversely affect not only domestic supplies of oil and natural gas but also of coal and synthetics such as shale oil.

5. The use of low-cost imported oil appears at first glance to be attractive, and it might very well be so for the short term. But, to do so would put the Nation in a very vulnerable position for the long term. During the 1967 Middle East Crisis, we were the victims of an embargo. It is obvious from previous experience that foreign oil will be cheap only so long as we are not dependent upon it for our needs and security.

6. There have been claims made that the present Mandatory Oil Import Program costs consumers billions of dollars annually. These claims are totally misleading because they are based upon the fallacious assumption that Middle East oil will remain cheap even after we are dependent upon it. Furthermore, these claims disregard the losses to our economy that would result from dismantling the domestic industry which generates billions of dollars annually in revenues to the economy and tax revenues throughout more than half our States which produce oil and gas.

7. Oil imports now constitute the largest commodity deficit item in our balance of trade, totalling $2.6 billion annually. If the import level is increased, the serious balance of payments problem will be further aggravated.

8. The petroleum industry now markets more Btu's in the form of natural gas than in the form of liquid petroleum. The combined wellhead price of these two products on a crude oil equivalent basis, is less than $1.90 per barrel. This is lower than the cost of imported oil or natural gas from any source of the world.

9. In 1957–59, the combined weighted wholesale price of the four principal petroleum products was $3.99 a barrel. In the latest month, September, 1969, these weighted product prices averaged $3.90. Prices of petroleum are therefore lower today than in the 1957–59 price, while the wholesale price level for all commodities is up almost 14 percent. If price behaviour of all other industries had been as favorable as the oil industry, there would be no problem of inflation today.

10. Recent discoveries in Alaska have been cited by some as providing security of supplies for the future. We think prudence requires caution as to (1) these preliminary but optimistic estimates of reserves and (2) the cost to consumers in the other 49 states. Furthermore, it should be kept in mind that our requirements are growing at a rapid rate; for exampde, during the past 10 years we found about 35 billion barrels of oil whereas during the next decade if we are to remain secure we must find about 60 billion barrels.

We are also very much concerned about the impact increased imports would have upon the economy of the oil producing states. The cost to the total U.S. economy would aggregate billions of dollars annually through reductions in state and local tax revenues; lower bonuses and rentals from Federal and state lands; losses in employment; and decreases in purchases of equipment, supplies and services from allied industries.

We wish to urge with all the persuasion and force at our command that in our opinion the Nation's security will be dangerously impaired if the level of imports is increased. We direct your attention particularly to the uncertain conditions in Libya and the Middle East which serve to remind us of the folly of becoming dependent upon these sources. In addition, we are firmly convinced that increased imports would bring about serious economic problems, including what we believe would be a crippling impact upon the already serious balance of payments problem.

Respectfully,

——— ———.

LEGISLATIVE PROGRAM FOR THE BALANCE OF THE DAY

(Mr. ALBERT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALBERT. Mr. Speaker, we hope to take up the conference report next on the OEO bill which I understand has just been voted on by the Senate but has not been messaged over here. Pending receipt of it, I ask unanimous consent that the Speaker may declare a recess at any time this afternoon subject to the call of the Chair and that the bells may be rung 15 minutes prior to our reconvening.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. WAGGONNER. Mr. Speaker, reserving the right to object, and I will not object, may I ask is it the intention of the leadership not to call up any other conference report today except the OEO authorization bill?

Mr. ALBERT. None of the rest of them are ready. May I answer the gentleman in that way?

Mr. WAGGONNER. Mr. Speaker, I withdraw my reservation of objection.

Mr. GROSS. Mr. Speaker, reserving the right to object, that is hardly an answer to the gentleman's question. Is it proposed to run into tonight?

Mr. ALBERT. No.

Mr. GROSS. Then, the other conference reports that are not ready will not be called up today? Is that correct?

Mr. ALBERT. Would the gentleman be satisfied with the answer that none of them are ready now and we do not anticipate that any of them might be ready this afternoon? But if they are, we would like the indulgence of the House to call them up.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

Mr. GERALD R. FORD. Mr. Speaker, further reserving the right to object, there is one in which I have a particular interest. I have spoken to the distinguished chairman of the Committee on Appropriations concerning the supplemental appropriation bill which I understand has not yet been filed although permission has been granted to file it tonight. I would want some assurance that unanimous consent would not be asked for consideration of that conference report today.

Mr. ALBERT. I can assure the distinguished minority leader that no effort to bring up the supplemental appropriation bill will be made today.

Mr. GERALD R. FORD. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

RECESS

The SPEAKER. Accordingly the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 3 o'clock and 32 minutes p.m.), the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 4 o'clock and 21 minutes p.m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3016) entitled "An act to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, to authorize advance funding of such programs and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 65. An act to direct the Secretary of Agriculture to convey sand, gravel, stone, clay, and similar materials in certain lands to Emogene Tilmon of Logan County, Ark.;

S. 80. An act to direct the Secretary of Agriculture to convey sand, gravel, stone, clay, and similar materials in certain lands to Enoch A. Lowder of Logan County, Ark.;

S. 81. An act to direct the Secretary of Agriculture to convey sand, gravel, stone, clay, and similar materials in certain lands to J. B. Smith and Sula E. Smith, of Magazine, Ark.;

S. 82. An act to direct the Secretary of Agriculture to convey sand, gravel, stone, clay and similar materials in certain lands to Wayne Tilmon and Emogene Tilmon of Logan County, Ark.; and

S. 2325. An act to amend title 5, United States Code, to provide for additional positions in grades GS–16, GS–17, and GS–18.

CONFERENCE REPORT ON H.R. 15209, SUPPLEMENTAL APPROPRIATIONS, 1970

Mr. MAHON submitted the following conference report and statement on the bill (H.R. 15209) making supplemental appropriations for the fiscal year ending June 30, 1970, and for other purposes.

CONFERENCE REPORT (H. REPT. No. 91–780)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15209) "making supplemental appropriations for the fiscal year ending June 30, 1970, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 5, 7, 14, 22, and 25.

That the House recede from its disagreement to the amendments of the Senate numbered 11, 15, 17, 20, 21, 23, 30, and 31, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$300,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$700,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,250,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$310,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,300,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert: "$50,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert: "$2,048,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert: "$1,000,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,040,000"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert: "$50,000"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert: "$1,000,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 4, 8, 13, 19, 27, 29, 32, and 33.

GEORGE MAHON,
JAMIE L. WHITTEN,
JOHN J. ROONEY,
TOM STEED,
DANIEL J. FLOOD,
JULIA BUTLER HANSEN,
CHARLES R. JONAS,
ELFORD CEDERBERG,
JOHN J. RHODES (except amendment No. 32),
Managers on the Part of the House.

ROBERT C. BYRD,
JOHN O. PASTORE,
SPESSARD L. HOLLAND,
ALLEN J. ELLENDER,
JOHN L. MCCLELLAN,
WARREN G. MAGNUSON,
JOHN STENNIS,
MILTON R. YOUNG,
MARGARET CHASE SMITH,
ROMAN L. HRUSKA,
GORDON ALLOTT,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15209) making supplemental appropriations for the fiscal year ending June 30, 1970, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

CHAPTER II—INDEPENDENT OFFICES

Amendment No. 1: Appropriates $300,000 for Federal Labor Relations Council, salaries and expenses instead of $250,000 as proposed by the House and $400,000 as proposed by the Senate.

Amendment No. 2: Authorizes compensation of mediators at the rate of not to exceed $100 per day as proposed by the House instead of $150 as proposed by the Senate.

Amendment No. 3: Appropriates $700,000 for Commission on Government Procurement, salaries and expenses, instead of $500,000 as proposed by the House and $2,500 000 as proposed by the Senate.

Amendment No. 4: Reported in technical disagreement.

Amendment No. 5: Deletes $1,443,000 for Commission on Population Growth and the American Future proposed by the Senate.

CHAPTER III—DEPARTMENT OF THE INTERIOR

Amendment No. 6: Appropriates $1,250,000 for Bureau of Land Management, management of lands and resources instead of $1,000,000 as proposed by the House and $1,500,000 as proposed by the Senate.

Amendment No. 7: Appropriates $7,500,000 for Office of the Territories, Trust Territory of the Pacific Islands as proposed by the House instead of $8,380,000 as proposed by the Senate.

Amendment No. 8: Reported in technical disagreement.

Amendment No. 9: Appropriates $310,000 for Bureau of Sport Fisheries and Wildlife, management and investigations of resources, including $105,000 for preservation of the steamboat *Bertrand* and its cargo, instead of $205,000 as proposed by the House and $414,000 as proposed by the Senate.

Amendment No. 10: Appropriates $2,300,000 for Bureau of Sport Fisheries and Wildlife, construction, instead of $2,200,000 as proposed by the House and $2,600,000 as proposed by the Senate.

Amendment No. 11: Inserts heading.

Amendment No. 12: Appropriates $50,000 for National Park Service, management and protection, instead of $220,000 as proposed by the Senate.

Amendment No. 13: Reported in technical disagreement.

Amendment No. 14: Deletes appropriation of $190,000 for National Park Service, construction, proposed by the Senate.

Amendment No. 15: Inserts heading.

Amendment No. 16: Appropriates $2,048,000 for Indian Health Services instead of $3,000,000 as proposed by the Senate.

Amendment No. 17: Appropriates $1,952,000 for Construction of Indian Health Facilities as proposed by the Senate.

CHAPTER IV—DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE

Amendment No. 18: Inserts chapter number and appropriates $1,000,000 for Wage and Labor Standards Administration instead of $2,000,000 as proposed by the Senate.

Amendment No. 19: Reported in technical disagreement.

Amendment No. 20: Deletes appropriation of $75,000 for salaries and expenses and $239,000 for construction at Gallaudet College as proposed by the Senate.

CHAPTER V—LEGISLATIVE BRANCH

Amendment No. 21: Appropriates $24,966 for the Office of the Vice President as proposed by the Senate.

CHAPTER VI—DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, AND RELATED AGENCIES

Amendment No. 22: Deletes $310,000 for Department of State, salaries and expenses proposed by the Senate for the Passport Office.

Amendemnt No. 23: Appropriates $618,000 for Department of Commerce, Environmental Science Services Administration, salaries and expenses, as proposed by the Senate instead of $418,000 as proposed by the House.

Amendment No. 24: Appropriates $1,040,000 for Department of Commerce, Environmental Science Services Administration, facilities, equipment and construction instead of $440,000 as proposed by the House and $3,582,000 as proposed by the Senate.

Amendment No. 25: Deletes $5,000,000 for Department of Commerce, Office of State Technical Services, grants and expenses proposed by the Senate.

Amendment No. 26: Appropriates $50,000 for Department of Commerce, Maritime Administration, State Marine Schools instead of $130,000 as proposed by the Senate.

Amendment No. 27: Reported in technical disagreement.

CHAPTER VII—DEPARTMENT OF TRANSPORTATION

Amendment No. 28: Appropriates $1,000,000 for United States Coast Guard, operating expenses instead of $1,200,000 as proposed by the Senate.

CHAPTER VIII—TREASURY DEPARTMENT

Amendment No. 29: Reported in technical disagreement.

CHAPTER IX—CLAIMS AND JUDGMENTS

Amendments Nos. 30 and 31: Appropriate $25,021,852 for claims and judgments as proposed by the Senate instead of $24,491,433 as proposed by the House.

CHAPTER X—GENERAL PROVISIONS

Amendment No. 32: Reported in technical disagreement.

Amendment No. 33: Reported in technical disagreement.

GEORGE MAHON,
JAMIE L. WHITTEN,
JOHN J. ROONEY,
TOM STEED,
DANIEL J. FLOOD,
JULIA BUTLER HANSEN,
CHARLES R. JONAS,
E. A. CEDERBERG,
JOHN J. RHODES
(except amendment 32),
Managers on the Part of the House.

CONFERENCE REPORT ON S. 3016, ECONOMIC OPPORTUNITY AMENDMENTS OF 1969

Mr. PERKINS. Mr. Speaker, I call up the conference report on the bill (S. 3016) to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, to authorize advance funding of such programs, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of December 19, 1969.)

The SPEAKER. The gentleman from Kentucky (Mr. PERKINS) is recognized for 1 hour.

HAPPY BIRTHDAY, MR. SPEAKER

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I am happy to yield to the distinguished majority leader.

Mr. ALBERT. I appreciate the gentleman yielding. I take this time to advise the House that this is the eve of the birthday of the world's greatest living legislator, our distinguished and respected Speaker. I join all Members of the House in wishing that tomorrow may be the happiest birthday in the life of our great Speaker, and that he may have many more of them as well as many more years of service in this House and to the people of this great country. Happy birthday, Mr. Speaker.

Mr. GERALD R. FORD. Mr. Speaker, will the distinguished gentleman from Kentucky yield?

Mr. PERKINS. I am happy to yield to the distinguished minority leader.

Mr. GERALD R. FORD. I can only echo, reiterate, and magnify the words spoken by the distinguished majority leader. It has been a great privilege to serve with the Speaker this year, and I wish him happiness for many more years in the future.

Mr. PERKINS. Mr. Speaker, I likewise echo what has been said by both the majority leader and the minority leader. All of us wish you well for many, many more happy birthdays. You have served this House so ably and well for a long period of time. We all appreciate it.

Mr. Speaker, I call up the conference report on the bill S. 3016 to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, to authorize funding for those programs, and for other purposes.

I am happy to tell the Members that the bill we have brought back from conference is in substance the same bill passed by the House 8 days ago.

There were some slight modifications in which both sides gave ground. This is as it should be, and as it has to be in good faith negotiations between the two bodies of this Congress. The essential thing to remember as far as the House is concerned is that we did not give away anything.

The bill agreed to in conference authorizes the appropriation of $2,195,500,000 for the fiscal year 1970 to carry out the programs established under the act. This is a down-the-middle split between the lesser amount authorized by the Senate bill and the greater amount contained in the House version.

For fiscal year 1971, the House bill had authorized the appropriation of such sums as were necessary. The Senate bill set a specific figure of $2,148,000,000, plus $240,000,000 for Project Headstart; $14,000,000 for special impact programs under part D of title I; $32,000,000 for legal services; $80,000,000 for comprehensive health services; $150,000,000 for emergency food and medical services; $3,200,000 for senior opportunities and services programs; $15,000,000 for assistance for migrant and seasonal farm workers programs under part B of title III; and $50,000,000 for day-care projects, part B of title V.

The bill we brought back from conference authorizes $2,295,000,000 for the fiscal year beginning next July 1, plus the amounts authorized by the Senate bill, with these three exceptions:

First, an additional $15,000,000 for family planning programs;

Second, the additional amount for Headstart would be $180,000,000; and

Third, the additional amount for emergency food and medical services would be $112,500,000.

Among other items, the Senate receded from its so-called Murphy amendment. That amendment would have permitted a Governor to veto any legal services contract, agreement, grant, loan, or other assistance, and permitted only a nondelegable override authority to the President.

This feature did not occur in the House bill, and it aroused the stringent objections of the American Bar Association, an organization that has been in the forefront of the fight to bring legal representation within reach of the very poor.

The Senate also gave ground on the Legal Services amendment by the House, which limited the types of "counseling, education, and other appropriate services" which could be provided under legal services programs to "legal counseling, education in legal matters, and other appropriate legal services." The House amendment remains in the bill.

Mr. Speaker, one of the most difficult issues we had to resolve with the Senate concerned section 616 of the act, providing for the transferability of funds from one program to another.

This section presently authorizes and permits 10 percent of the amount appropriated for carrying out any program under the act to be transferred to any other program under the act. But this transfer may not result in increasing the amount otherwise available to the beneficiary program by more than 10 percent.

The Senate bill would have permitted 15 percent to be transferred during the first fiscal year of the new authorization, and 20 percent during the second. It took the ceiling off the amount by which the beneficiary program could be increased.

The House was content to let present law stand. Nothing to disturb those percentages was included in the House bill.

In the negotiations of Wednesday and Thursday, however, we were obliged to recede somewhat, and accept some of the Senate demands.

The conference bill leaves the 10-percent transferability figure intact for fiscal year 1970, but increases it to 15 percent for fiscal 1971. With respect to the limitation on the amount a beneficiary program can receive from such transfer, we agreed that in the case of a program for which $10,000,000 or less is available, a maximum of 100 percent may be added. For any program with more than $10,000,000 available, no more than 35 percent may be added.

Now, Mr. Speaker, the House bill did not provide allocations for specific programs of the amounts appropriated, except for a few instances involving special work and career development programs, Headstart and Headstart Follow Through programs, and the intensive programs to eliminate hunger and malnutrition.

The Senate bill provided special allocations for a number of programs carried out under the act. Briefly, these included:

First, $890,300,000 for work and training programs;

Second, $46,000,000 for special impact programs;

Third, $1,012,700,000 for community action programs including $338 million for Headstart, $60 million for Headstart Follow Through, $58 million for legal services, $80 million for comprehensive health, $25 million for emergency food and medical, $15 million for family planning, and $8.8 million for Senior Opportunities.

Fourth, $12,000,000 for rural loans;

Fifth, $34,000,000 for migrant and seasonal farm workers;

Sixth, $16,000,000 for administration and coordination under title VI; and

Seventh, $37,000,000 for VISTA.

The conference bill adopts the plan of the Senate bill, with a major change. As adopted by the conferees, $328,900,000 must be reserved and made available for each of the 2 fiscal years involved for local initiative programs carried out under section 221 of the act. Only the remainder of the appropriations for each fiscal year would be allocated in the prescribed manner. The amounts so reserved are not subject to transfer under section 616 of the act.

Mr. Speaker, for the better understanding of the Members of the earmarking features of the House bill, the Senate bill, and the conference bill, I include these tables:

FISCAL 1971

The earmarks in fiscal year 1971 are identical to those in fiscal year 1970. However, several new authorizations are provided as additions to those already contained in the bill. These are as follows:

	Senate bill	Conference report
Unearmarked money	$100,000,000	$100,000,000
Special impact	14,000,000	14,000,000
New careers and mainstream		34,700,000
Headstart	240,000,000	180,000,000
Legal services	32,000,000	32,000,000
Comprehensive health	80,000,000	80,000,000
Emergency food and medical	150,000,000	112,500,000
Family planning		15,000,000
Senior opportunities	3,200,000	3,200,000
Migrants	15,000,000	15,000,000
Day care	50,000,000	50,000,000

The fiscal year 1971 authorization in the Senate bill was 2,732,200,000. The House bill was open-ended. The conference report total for fiscal year 1971 is 2,831,900,000:

FISCAL 1970

	House bill	Senate bill	Conference report
Grand total	$2,343,000,000	$2,048,000,000	$2,195,500,000
Title I		890,300,000	890,300,000
Operation Mainstream and New Careers	110,000,000		20,000,000
Special impact		46,000,000	46,000,000
Total, title I		936,000,000	956,000,000
Title II:			
Headstart	458,000,000	338,000,000	398,000,000
Follow Through	120,000,000	60,000,000	90,000,000
Legal services		58,000,000	58,000,000
Comprehensive health		80,000,000	80,000,000
Emergency food and medical	100,000,000	25,000,000	62,500,000
Family planning		15,000,000	15,000,000
Senior opportunities		8,800,000	8,800,000
Alcoholic recovery		10,000,000	10,000,000
Drug rehabilitation		5,000,000	5,000,000
Other—title II		426,400,000	[1] 434,400,000
Total, title II		1,012,700,000	1,140,200,000
Title III:			
Rural loans		$12,000,000	$12,000,000
Migrants		34,000,000	34,000,000
Title VI, Administration		16,000,000	16,000,000
Title VIII, VISTA		37,000,000	37,000,000

[1] $328,900,000 is for local initiative.

Mr. Speaker, I personally feel that the most important feature of the conference bill is the implicit endorsement of the principle of community action.

Title II of the 1964 act began:

> The purpose of this part is to provide stimulation and incentive for urban and rural communities to mobilize their resources to combat poverty through community action programs.

I submit that this bill, like the House bill, is a ringing restatement of our belief in that purpose.

Efforts have been made, in and out of the Congress, to divert us from our course; to turn our backs on the local communities; and to give major responsibility to the State governments for operation of the antipoverty programs.

That issue was fought out on the floor of this House last week. The House acted decisively to head off the drive toward a State takeover.

The House said—clearly enough to be heard all over this land—that the focus of our antipoverty efforts must be where poverty is, and that is in the local communities.

It said that the local people, the local elected officials and community social service agencies, the local poor people themselves, should have the lead in developing and carrying out their programs.

There can be no misunderstanding about that.

I know there may be some disappointment in some of the State OEO offices in State capitals around the country. Some of them were gearing up for the seizure last week.

I am told that on Thursday evening, December 11, some fellow from the office of the Governor of my State held a meeting with the CAP directors and outlined to them the plans that were ready to go into effect.

Generally, I do not like to discommode a fellow who has his heart set on something as strongly as that. But, Mr. Speaker, he jumped the gun. He was halfway around the track before the House blew the whistle on him last Friday night, December 12, and said: "Look here, boy, you are going in the wrong direction."

We told him in no uncertain terms that it was not going to be his responsibility to take over and run this or that CAP agency; that he was not going to get to say which agency gets closed down and which is allowed to operate. We told him that those matters are going to be left up to the local communities, acting within the guidelines of the Economic Opportunity Act, as amended in 1967.

This House and the Congress specially declined to amend the act in 1969 in this report. The preference for local designation and local running of community action programs remains the law of the land. The law expresses an intention that this preference not be tampered with.

The conference bill underlines that resolve in two particularly clear instances. These were the elimination of the Murphy amendment relating to the Governor's veto over legal services programs; and by providing a special reservation of funds for local initiative programs.

Those actions spell out the intention of the conferees and the Congress itself that the community action programs are and are intended to be locally designated and locally administered.

It was explicitly brought up during the conference by Representative Brademas that the report should make clear that nothing in this legislation is intended to expand the role of the States in planning, designing, or administering the antipoverty programs. There was no objection raised on either side of the conference table.

On behalf of the people of the local communities, we are saying to the Governors and to the State governments, "We welcome your cooperation and your help."

And we are saying to Director Rumsfeld that we encourage exploration of ways to improve the coordination of State and Federal with local poverty efforts. But we do not intend that you should reverse the decision so forcefully made by this House on December 12 that the preference for local power and local decisionmaking in the poverty area is to remain.

The defeat of those who would have taken local power and local control and replaced it with State control and State power to run poverty programs is a clear expression of the will of this Congress. Any retreat in the direction of surrendering power to the States will be a clear violation of congressional intent.

The degree to which Governors and State economic opportunity agencies should be permitted to expand their efforts in the poverty area must depend upon the degree to which they are willing to cease interference with the local decisionmaking process; the degree to which they cooperate with the Federal poverty program and with the policy that the Congress is enunciated; and to the degree to which they are willing to supplement Federal and local resources with meaningful financial assistance from the States.

The past record of a number of Governors and State agency personnel is replete with attempts to use these programs for political purposes; with efforts to override or interfere with local decision as to the hiring of staff and with local decision with respect to the nature of programs. This sort of interference must cease.

Mr. Speaker, I submit that the bill we have returned from conference is a good bill and a constructive bill. It is substantially what the President said he wanted, and what Director Rumsfeld said he wanted.

It will, I believe, give the Director the tools he needs to carry out the great program begun with the 1964 act.

Mr. Speaker, I would be remiss if I did not at this point recognize the hard work and the dedication of the participating House conferees throughout the 2 days of sessions we held with the Senate.

I appreciate their good work, and their diligence in upholding the position of the House.

We had not really anticipated a lengthy conference, since the issues outstanding between the two bills were not major. But it was prolonged over 2 days, and Senator Nelson of Wisconsin, the conference chairman, was eminently fair and took pains to see that everyone had an opportunity to speak his piece.

Again I thank all of the conferees for their patience and their tremendously valuable contributions in perfecting the economic opportunity legislation.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Illinois.

Mr. PUCINSKI. Mr. Speaker, I congratulate the distinguished gentleman from Kentucky for the manner in which he handled this conference and the manner in which he preserved so excellently the position of the House in this.

Particularly am I impressed by the statement the gentleman made just now that we have through this action sustained and retained the complete autonomy and authority and emphasis of the urban areas and the rural areas in trying to resolve the problems where they are the greatest. I think as time goes on and we see the various programs which the communities are developing within their own resources and their own communities, we will see the wisdom of the Congress in remaining with this principle.

I would certainly like to congratulate the chairman. I remind him of the letter I read here on the floor of the House at the time of the debate, from my own mayor, Mayor Daley, in which he pointed out many of these poverty programs are a continuation of the local community programs to deal with the problems and that we should preserve that principle.

I thank the gentleman and congratulate him for indeed preserving that principle in this bill.

Mr. PERKINS. That was the issue before the House, and the vote preserved that principle, to make sure that the local initiative and the local programs were not destroyed.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I am going to yield to you right away.

Mr. STEIGER of Wisconsin. On this point?

Mr. PERKINS. All right. On this point.

Mr. STEIGER of Wisconsin. I simply want to make the record clear on your statement that—

> Nothing in this legislation is intended to expand the role of the States in planning, designing or administering the antipoverty program—

Reading language that was deleted from the conference report, and I simply cannot let this time go by without objecting to the language used by the gentleman from Kentucky in the statement he has just made about any agreement that may or may not have been reached in the conference on the question of increasing the State role. The gentleman from Kentucky is well aware that the conference report to which I affixed my signature on the basis of a language change that was made, which was not, I must say, as much as I would have preferred, says this:

> The managers on the part of the House encourage the Director of OEO to explore, along the lines previously mentioned in the House committee report, the opportunities for increased State involvement in poverty programs. It must be quite clear, however, that State domination over program planning, conception, or administration is not intended. Any changes in policy or regulation that would establish a preference for State rather than local determination and local control of community action programs will be inconsistent with the intention of the Congress.

I will say to my friend from Kentucky that this is the intent of the conference. That is the intent of the managers on the part of the House and I do not wish the Record to show you or I or any other Members of the Congress have decided to go beyond that. That is the language to which we have agreed. Beyond that we have not gone.

Mr. PERKINS. Let me say to my distinguished colleague that I do not think there is much difference in our viewpoints. I agree to the language that you just read: That the States should not dominate and overrun a local CAP agency, and that is the part you put your signature to and agreed to, and there is nothing in here that is inconsistent with that.

Nowhere in this bill do we increase the authority of the States anywhere, and we do not diminish that authority, either. We simply state where a State tries to dominate a local community action agency that a preference goes to the local community action agency and the State cannot interfere.

Mr. STEIGER of Wisconsin. Will the gentleman yield further?

Mr. PERKINS. I yield further.

Mr. STEIGER of Wisconsin. For one further statement on this matter?

Mr. PERKINS. Yes.

Mr. STEIGER of Wisconsin. I value and appreciate the statement of the gentleman from Kentucky. We have not increased nor have we diminished that which is presently in the act insofar as the authority and the direction for operation in cooperation with the States, if he so desires, so long as this is consistent with the Economic Opportunity Act of 1964 as amended previously and as amended by this conference report. I will say further, Mr. Speaker, that I support this conference report and trust it will be adopted by the House.

I am pleased that the provisions adopted by the other body relating to legal services were dropped. I regret that the House provisions regarding providing funds on an unearmarked basis were not maintained and that less flexibility was given the Director than provided in the Senate-passed bill.

I appreciate the cooperation of the chairman of the full committee in enabling me to serve as a member of the conference.

Lastly, Mr. Speaker, adoption of this report grants to OEO and its Director, Don Rumsfeld, the charter they have for so long been denied. Approval does not indicate agreement with the way this agency has operated in the past. Change is needed but I am confident Mr. Rumsfeld will now be able to get about the business of administering the agency and fulfilling the important role given to it by President Nixon.

Mr. BRADEMAS. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the distinguished gentleman from Indiana (Mr. BRADEMAS).

Mr. BRADEMAS. Because the chairman of our committee made reference to my own remarks during the conference, I want simply to affirm that I did go to some pains to express my own feelings and I felt it was concurred in certainly by those of us on the majority side that nothing in the language of the report should be permitted to be interpreted as providing authority to the Director of the Office of Economic Opportunity to be delegating authority for programs to the State governments.

The reason why I offered that observation was twofold: In the first place, the House of Representatives had, on the Friday before our conference made abundantly clear, a rollcall vote, the margin of which was 68 votes, that we rejected the effort that was made by a number of our colleagues in the House to take the programs of the Office of Economic Opportunity and substantially turn them over to the State governments. It was very clear, therefore, that when I made the observation I did that I was able to point to the strongly expressed attitude of the House of Representatives on that particular point. That is what the fight was all about a few days ago.

And the second reason that I offer my observation with respect to this particular point is that I felt it should be made affirmatively clear in the report so there would be no misunderstanding that the Director of OEO is not going to be able to come up with some contrived justification whereby he might say, "Oh, well, I do have authority over there or over here in this part of the bill to give some authority or other over to the control of the States." This statement on my part in no way diminishes my agreement with the language of the report that it is appropriate for the Director of OEO to explore along the lines as previously mentioned throughout the House committee report, avenues for greater State involvement in the proverty program.

I thank the chairman for yielding and I hope this helps clarify the subject of our discussion.

Mr. QUIE. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I am glad to yield to the gentleman from Minnesota.

Mr. QUIE. I thank the chairman for yielding.

I would say to the gentleman from Indiana (Mr. BRADEMAS) when he said he went to great pains, that I did go through some pain—I felt the pain when he made clear in the conference that the substitute concept did not prevail. I recognize—although I did not say anything about it in conference—that the House refused to take the action which would have required the Director to enter into agreements with the States. However, I heard no agreement on the part of the conferees of the Senate nor any agreement on the part of the members of the House conferees on the Republican side of the aisle to what he said. I noticed that, they too, had a few pained looks.

What I would like to have clear is that the words that were stated in the report of the House on H.R. 12321 were to the effect that the Governors of the several States would be quite satisfied with the effective implementation of the 1967 amendment, and the chairman has no desire, I ask, or the conference report to remove any of the opportunity the Director has to involve the States as was written into the 1967 amendment?

Mr. PERKINS. I think it has been the intent of the Congress all the way along to maintain State involvement where they have good technical assistance programs like they have in some of the States and where there is splendid cooperation. There is room under the legislation for constructive involvement on the part of the States. But on the other hand where the States are not competent and refuse to cooperate and coordinate poverty programs with the local agencies and just want to dominate the local communities—we, by our vote last week and by this conference report certainly, say to those States that want to go beyond the existing authority and dominate local programs, that you do not have any such authority to dominate and overrun and overpower the local CAP agencies, local municipalities, and counties involved in the local effort where there is a dispute. We are saying that the decision should be made in favor of the local agency.

Mr. QUIE. Mr. Speaker, if the gentleman will yield further, the gentleman did not answer the question which I asked.

The 1967 amendments were not reversed in any way by the language in the conference report. Am I correct?

Mr. PERKINS. The 1967 amendments are not reversed. But in those cases where the States are not competent and where they are interfering with the local CAP agencies, then it is the clear intent of this conference report to put the Director on notice that the decisionmaking role belongs to the local CAP agencies.

But on the other hand, when there is perfect cooperation we do not undertake to diminish any authority that existed in the 1967 limitation.

Mr. QUIE. If the gentleman will yield further, let me ask the gentleman specifically, because the same sentiments that the chairman is now indicating were the same sentiments that I made on the floor about the substitute: That it does not permit the State to dominate, or if the State could not put together a developmental and coordination program acceptable to the Director of OEO, he would not approve it. However, the Director has the power to initiate the purposes of the substitute offered by Mr. AYRES. Let me read the language in section 231(c). It says:

> In order to promote coordination in the use of funds under this Act and funds provided or granted by State agencies, the Director may enter into agreements with States or State agencies pursuant to which they will act as agents of the United States for purposes of providing financial assistance to community action agencies or other local agencies in connection with specific projects or programs involving the common or joint use of State funds and funds under this title.

This is in the present act.

What I ask the gentleman from Kentucky is this: Has section 231(c) been repealed at all by the intent of the conference report?

Mr. PERKINS. My answer to the question asked by the gentleman from Minnesota is that we do not diminish the authority of the States——

Mr. QUIE. No, I was referring to section 231(c).

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the distinguished gentleman from Illinois.

Mr. PUCINSKI. Mr. Speaker, I thank the gentleman for yielding, and I would ask the gentleman that the answer, would the gentleman not agree, to the question posed by the gentleman from Minnesota is a clear and categorical "no." We leave the present law as we find it in this conference report. A State may under the 1967 amendments become a community action agency. It may, if it so elects. But under the Hawkins amendment to the 1967 amendment offered by the gentlewoman from Oregon, a local community, be it a city, a county, a township, or a local community, may opt out, and it then retains its full control, full autonomy over the management of its programs subject only to the agreement and arrangements with the Director of OEO. Is that not correct?

Mr. PERKINS. That is correct.

Mr. Speaker, I want to refer the distinguished gentleman from Minnesota to page 18 of the conference report, and I think we should read this language at this point:

> It should be noted that in at least two respects the agreement of the conferees underscores the overwhelming determination by the House of Representatives on Friday, December 12, that title II and the programs authorized thereunder are and must remain community action programs. The elimination of the Murphy amendment relating to the Governor's veto power over legal services programs and the provision of a special reservation of funds for local initiative programs underscore the intention of the conferees that the community action program was, and is intended to be, a program locally designed and locally administered. The managers on the part of the House encourage the Director of OEO to explore, along the lines previously mentioned in the House committee report, the opportunities for increased State involvement in poverty programs. It must be quite clear, however, that State domination over program planning, conception, or administration is not intended. Any changes in policy or regulation that would establish a preference for State rather than local determination and local control of community action programs will be inconsistent with the intention of the Congress.

I think that answers the gentleman's question. We do not want to diminish the authority where there is cooperation between the local Community Action agencies and the States, and no authority is diminished. But where there is domination and they are trying to overrun local control, the conference report makes it clear that the preference must be in behalf of the local agency.

Mr. QUIE. I thank the chairman for his answer which was an affirmative answer to the gentleman from Illinois.

Let me just ask one last question in this regard, and that is in regard to changes presently proposed for increasing the State involvement and participation by the Director of the OEO—and I am talking specifically of the proposals spelled out by his assistant, Frank Carlucci. Can the Director make the changes for increased State involvement which he has proposed?

Mr. PERKINS. It is not the intention of the conference report to inhibit State involvement where there is complete cooperation and coordination between the State offices and the local CAP agencies and local municipalities. But where there is a disagreement and a State undertakes to dominate or overrun a community and we have conflict between a State and a local CAP agency, the regulations should not contravene the principle of giving priority to the local communities. If they do, then to that extent there would be a conflict with our intent and the regulations would have to be modified.

Mr. QUIE. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman.

Mr. QUIE. In the gentleman's estimation, then, the State can assist but not dominate. As the gentleman knows, I strongly favored earmarking the local initiative funds in the conference report, as indicating also my strong desire that the local communities be able to have the final say in anything in their local community.

Mr. PERKINS. Yes. You and I agree. The local community should have the final say.

Mr. QUIE. That is correct.

Mr. PERKINS. That is what this conference report says.

Mr. QUIE. Mr. Speaker, I did not sign the conference report on the Economic Opportunity Act authorizing legislation for a number of reasons.

No. 1, the President stated earlier this year that OEO was to become a research and innovative agency, and operating programs would be spun-off to traditional agencies. So far, Legal Services, an operating program remains with OEO. I know there are no plans at present to transfer or delegate Legal Services, nor is there an existing agency which would easily assume the administration. However, we should be aware that at present, this program is beginning to fragment in OEO, since VISTA has now gotten into the act and a substantial number of attorneys are assigned to VISTA. Model Cities in HUD has Legal Service attorneys. If the administration should want to consolidate Legal Service programs outside of OEO, the provision in the conference report accepted from the Senate bill would prohibit any delegating of legal services.

Another feature of which I did not agree was the change in section 616 of the Economic Opportunity Act. The present law provides that the Director can shift up to 10 percent of the funds away from any program over which he has authority and may also add 10 percent to any program over which he has authority. I always felt that this was too great a latitude to give the previous Director of the OEO, and therefore feel that a liberalization of this proposal would not be wise at present. If the present Director wants to make a substantial change in programs with shifts in funds from that of which he has already indicated he would expend in his budget presentation to the Appropriations Committee, he should come to the Congress and explain those changes. The Senate amendment to section 616 would have changed the section so funds could be shifted away from any program in the amount of 15 percent in fiscal year 1970 and 20 percent thereafter. No limit was placed on the amount that could have been added to any program. As you see, the conference report changed the above 15 percent back to 10 percent for fiscal 1970 and it permits the shifting of 15 percent away from any program after this fiscal year. The conference agreement, with which I do not agree, also permits a transfer resulting in increases up to 100 percent for a program which is funded at $10 million or less and an increase of 35 percent if a program is funded at $10 million or more.

I am not in disagreement, however, with all changes in the House bill where the House conferees accepted Senate amendments. The program on alcoholism is well advised and I do hope the Director will fund it as best he can, since alcoholism is undoubtedly one of the major causes of poverty, malnutrition and family suffering.

Another change which was well advised is the amendment to Headstart which will permit commingling of Headstart funds for poor children with other funds for nonpoor children in order that Headstart programs may be integrated. While I strongly support integration on the basis of race, I also believe strongly in integration of people of different economic levels. I believe that it can be as debilitating to segregate people who are poor as it is to segregate people who are of a minority race group.

The conference agreed to a change in the Senate language which I proposed, which wil require rather than permit the payment of cost of Headstart for the nonpoor either from the family or from other local sources and in the case of the children of the near-poor who need some Headstart experience, a partial payment would be all that was required. I hope in the case of partial payment, the OEO Headstart costs will never be any greater than the present costs for the 10 percent of each class whose parents exceed the poverty level.

I do want to reiterate, however, the words of the conference report that "participation by persons who are not of low income makes a positive contribution to the programs." Persons who are not of low income refers here not only the near poor, but the will to do as well.

Lastly, while I said above there should be no State domination and my efforts for the substitute indicated that it would not have provided for State domination, I also oppose Federal domination. I believe there should be Federal, State and local partnership. The only way that can occur is for State to have an opportunity to coordinate programs to help the poor. I am still convinced that our efforts in the House to substitute were right though unsuccessful. Unless the Director comes to that conclusion, the programs will continue to be dominated by Washington.

Mr. DELLENBACK. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield.

Mr. DELLENBACK. I do not want to replow the ground that has been discussed for the last 15 or 20 minutes, but I just want to be absolutely certain, if I may direct an inquiry to the gentleman in the well, that the statement of the managers on this measure, as signed by 13 members of the chairman's party and as signed by 5 members of our party, is, as I understand it, a statement to which we all have agreed on this point which has been under discussion.

Mr. PERKINS. The statement of the managers has been given to you along with the signatures of those who agree with it. As the gentleman knows the conference report is controlling and its language is explicit and clear. I do not think it can be misunderstood. It continues the Director's authority to seek the cooperation of the States. But where there are politics being played and the State tries to dominate the local communities, at that point we give preference to the local communities to make the determinations.

Mr. **DELLENBACK**. I want to pin this point down because there seems to be some difficulty in staying on the specific point involved.

Things that are stated in conference are interesting but not binding, and things that are said here on the floor——

Mr. **PERKINS**. I do not agree. Things that we say in conference may not be binding, but what we say in the conference report is binding.

Mr. **DELLENBACK**. Exactly.

Mr. **PERKINS**. That is correct.

Mr. **DELLENBACK**. Any references that are made by any of us, including the gentleman in the well, to discussions that may have taken place in the conference committee, but are not reflected in the conference report, are not to be interpreted as binding upon any of us.

Earlier reference was made by the gentleman to a statement allegedly made by the gentleman from Indiana with which some of us do not agree. We did not agree at the time. The statement to which we do not agree is that which is spelled out in the conference report. I do not think the language is ambiguous. State operation not being intended is very clear. But I think also the statement that, "The managers on the part of the House encourage the Director of OEO to explore opportunities for increased State involvement," in accordance with the law, is also equally clear.

Mr. **PERKINS**. Let me say to my distinguished colleague from Oregon, on behalf of the people of the local communities, we are saying in the conference report to the State Governors, "We welcome your cooperation and your help." We are saying to Director Rumsfeld, "We encourage exploration of ways to improve local, State, and Federal coordination. But we do not intend that you should reverse the decision so forcefully made by this House on December 12 that the preference for local power and local decisionmaking in the poverty area is to remain."

That is what we are saying, and that is my answer to the gentleman. The degree to which Governors and State economic opportunities agencies should be permitted to expand their efforts in the poverty area must depend upon the degree to which they are willing to cease interference with the local decisionmaking process, the degree to which they cooperate with the Federal poverty program and with the policy that the Congress has enunciated, and the degree to which they are willing to supplement the Federal and local resources with meaningful financial assistance from the States. That is what we state in the conference report.

Mr. **DELLENBACK**. I appreciate the statement of the chairman that it is the language of the conference report that is binding upon the House.

Mr. **PERKINS**. The language of the conference report is binding.

Mr. **RIVERS**. Mr. Speaker, will the gentleman yield?

Mr. **PERKINS**. I yield to the distinguished gentleman from South Carolina.

Mr. **RIVERS**. Mr. Speaker, included in the conference agreement is language which, among other things, amends existing law allegedly giving to members of the Armed Forces and their immediate families certain legal assistance if they come within the poverty laws. This is existing law. It is section 222(a)(3) of 43 U.S.C. 2809, and these people are covered now. Should they come within the poverty laws? This seemed to me to be so unnecessary that I called on the Secretary of Defense to see whether or not we had people living in poverty and what his opinion was of this, which seemed to me an unnecessary, almost ridiculous amendment. If military people are living in poverty, they come under the Poverty Act, but because they are, after all, citizens as well as anybody else.

If every time they get help the Department of Defense has to go and transfer money, this seems to me just doubly ridiculous—the transferring of money for services people are entitled to also within the military. We have our Judge Advocates General of the three services located throughout the country. Wherever anybody needs help within the military they always get it. Here is my question. It seemed to me highly unnecessary. We do not need it.

The Secretary of Defense has said this is unwarranted and unneeded. I ask unanimous consent that I may include in the RECORD at this point a letter from the Secretary of Defense on the subject.

The **SPEAKER**. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The letter is as follows:

THE SECRETARY OF DEFENSE,
Washington, D.C., December 20, 1969.
Hon. L. MENDEL RIVERS,
Chairman, Committee on Armed Services, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request for comments on a proposed amendment to Section 222(a)(3) of the Economic Opportunity Act of 1964, as amended.

The proposed amendment provides as follows:

"Members of the armed forces, and members of their immediate families, shall be eligible to obtain legal services under such programs in cases where extreme hardship (determined in accordance with regulations of the director issued after consultation with the Secretary of Defense): *Provided*, That nothing in this sentence shall be so construed as to require the director to expand or enlarge existing programs or to initiate new programs in order to cary out the provisions of this sentence unless and until the Secretary of Defense assumes the costs of such services and has reached agreement with the director on reimbursement for all such additional costs as may be incurred in carrying out the provisions of this sentence."

This amendment is unnecesary in view of the specific language in the present law which provides that legal services may be provided for persons living in poverty. Military personnel who are deemed to be "persons living in poverty" are presently covered in the law.

Since the amendment is unecessary, its net effect is to transfer appropriated funds from the Department of Defense to reimburse the Office of Economic Opportunity for any services provided for members of the armed forces and their immediate families, a clearly inefficient arrangement.

As you know many types of legal services are provided to our military personnel by legal assistance offices established in the headquarters and field offices of the Judge Advocates General of the three military departments.

If the intent of the amendment is to assure more complete legal services for extreme hardship cases of military members, it is our view that such services could be more efficiently administered by the Department of Defense.

I understand that members of our respective staffs have met on this matter. At that time we furnished your staff a detailed analysis and supporting data.

Sincerely,

MEL LAIRD.

I would like to ask the distinguished gentleman what his opinion is of this amendment.

Mr. **PERKINS**. Mr. Speaker, I personally believe that the Secretary of Defense controls this amendment altogether. I personally feel that the amendment is meaningless for all intents and purposes, because a close reading of the amendment with respect to legal programs in the conference report will show the gentleman the last sentence states:

> *Provided*, That nothing in this sentence shall be so construed as to require the Director to expand or enlarge existing programs or to initiate new programs in order to carry out the provisions of this sentence unless and until the Secretary of Defense assumes the cost of such services and has reached agreement with the Director on reimbursement for all such additional costs as may be incurred in carrying out the provisions of this sentence.

In other words, there must be a meeting of the minds between the Secretary of Defense and the Director of the Office of Economic Opportunity. If the Secretary of Defense takes a notion not to sit down with the Director of the Office of Economic Opportunity and agree on something, the amendment is perfectly harmless and does not carry any import I can see.

Mr. **RIVERS**. Mr. Speaker, this is my construction. I thank the gentleman.

Mr. **AYRES**. Mr. Speaker, will the gentleman yield?

Mr. **PERKINS**. I yield to the distinguished gentleman from Ohio (Mr. AYRES).

(Mr. **AYRES** asked and was given permission to extend his remarks at this point in the RECORD, and to include a letter from the assistant director of the National Governors' Conference to Mr. AYRES, and a copy of the assistant director's letter to OEO.)

Mr. **AYRES**. Mr. Speaker, under permission granted, I include the following letters:

NATIONAL GOVERNORS' CONFERENCE,
Washington, D.C., December 15, 1969.
Hon. WILLIAM H. AYRES,
Washington, D.C.

DEAR MR. AYRES: Thank you for your personal leadership to make OEO programs more responsive to the needs of the poor through a closer coordination with related programs at the state level.

I am convinced that the substitute bill would have made it possible in many states to shift from token oriented, project by project grants to a fully coordinated, statewide effort to eliminate the causes of poverty.

Enclosed is a copy of my letter to Director Rumsfeld in which we pledge our continued cooperation. Perhaps, through a more aggressive implementation of OEO guidelines we can achieve some of the objectives of the substitute bill.

Please call upon me or this office whenever we may be of assistance to you. Kindest regards for the holidays and the new year.

Most sincerely,

JAMES L. MARTIN,
Assistant Director.

NATIONAL GOVERNORS' CONFERENCE,
Washington, D.C., December 15, 1969.

Mr. DONALD RUMSFELD,
Director, Office of Economic Opportunity,
Washington, D.C.

DEAR MR. RUMSFELD: Congratulations on your hard-won victory to extend OEO authorization for two years without amendments. However, I must agree with Congressman Ayres that the substitute amendments would have made services for the benefit of the poor more effective through a new partnership with the states.

If you can continue your efforts to redraft and strengthen the guidelines for state participation in OEO programs, I am confident that we can not only avoid future confrontations but work together for the strengthening of OEO and its programs.

We stand ready, as in the past, to assist you and your staff whenever possible.

Most sincerely,

JAMES L. MARTIN,
Assistant Director.

Mr. **PUCINSKI**. Mr. Speaker, will the gentleman yield?

Mr. **PERKINS**. I yield to the gentleman from Illinois.

(Mr. **PUCINSKI** asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. **PUCINSKI**. Mr. Speaker, I will insert in the RECORD an article from the Chicago Tribune from this morning, calling attention to some of the practices of the OEO attorneys in Chicago.

I was happy to join my distinguished chairman in voting against the Murphy amendment because I had great confidence in our former colleague, Mr. Rumsfeld, and his ability to bring some order to this agency.

I hope the gentleman discussed in this article will be one of those to be severed from this agency for his foolishness as reported in the article this morning.

Mr. Speaker, I include at this point the clipping from the Chicago Tribune:

PATRIOTISM A BAD WORD TO OEO

(By Willard Edwards)

WASHINGTON, December 19.—The principal of the Church Rock, N. M., elementary school was staggered last Nov. 12 to receive a threatening letter from the government. It warned him that he was polluting the youthful minds entrusted to his care and might be the subject of legal action if he persisted in his "offensive" tactics.

The letter was signed by Stephen B. Elrick, an attorney employed at taxpayers' expense in the legal services section of the office of economic opportunity. He is one of 1,850 lawyers now on the federal payroll who provide "legal assistance" to poor people.

Claude Hinman, principal of the school, which has an enrollment of 99 per cent Indian children, learned that he had been guilty of the crime of stimulating patriotism in his charges. He had approved a program to give them "an awareness of the greatness of their country."

"They ought to have an awareness of the faults and errors of their country, as well," wrote Elrick. "It is especially appalling that Indian children are being forced to participate in this program, when it is their people who have been treated most shabbily of all by the United States."

Elrick expressed his horror at a statement by a Mrs. Stafford, a Negro teacher in the school, who had said: "We should indoctrinate every child with the idea of being loyal to his country."

That was a "sorry philosophy," Elrick declared, for a public school "which should be dedicated to the concept of . . . the presentation of all sides of disputed issues." He continued:

"I find it particularly offensive that you are apparently associating 'patriotism' with support of the war in Viet Nam, which is unquestionably the most controversial war of our time and, in the opinion of many, the most brutal and unjustified."

Elrick then turned his attention to the school bulletin board on which some child had printed "God Bless America."

"It is deplorable," he wrote, "for you to stimulate the expression of what is, in effect, a prayer in violation of the Supreme court's ruling that public schools are to refrain from such activities.

"There is simply no need to offend the sensibilities of some persons by indirectly stimulating the establishment of the Christian (or Jewish) faith among a people who have traditionally held conflicting religious beliefs."

The letter concluded with an ultimatum. If "balance" was not restored to the school programs, "I shall take whatever steps I can to investigate the matter myself and, if necessary, institute legal proceedings."

Principal Hinman referred the letter to School Supt. W. B. Fitzsimmons, who appealed to Sen. Paul J. Fannin (R., Ariz.).

"This is both incredible and awesome," remarked Fannin. "Here we have an OEO staff member who apparently thinks that loyalty to one's country is a 'disputed issue.' "

He fired off a letter Dec. 8 to Donald Rumsfeld, OEO director, suggesting that he inquire into "the continued usefulness of Mr. Elrick in this or any other program in which he is paid by tax money."

Such incidents, he noted, had caused the Senate to approve an amendment to the OEO authorization bill, sponsored by Sen. George Murphy (R., Cal.), giving governors of states control over legal programs for the poor. The House balked and the amendment died in conference.

Rumsfeld, who has been very busy fighting for the life of his agency, hasn't yet replied, but Fannin is confident that the former Illinois congressman will join him in agreement that the teaching of loyalty to the United States is not taboo in American schools.

Mr. **SCHERLE**. Will the gentleman yield?

Mr. **PERKINS**. I yield to the gentleman from Iowa.

Mr. **SCHERLE**. Mr. Speaker, I appreciate the gentleman from Kentucky yielding.

Mr. Speaker, I want to make this statement before we proceed. Historically speaking, this OEO program has no respect whatsoever for any existing Government agency. They have shown a determination to usurp practically all the powers and rights and functions of these other offices. They are involved in almost everything and nothing is sacred. It is an ineffective, bureaucratic, bumbling, corrupt, scandal-ridden organization to the core and does more to bring alienation against all phases of government than all other departments combined.

Mr. Speaker, our office is going to keep a daily running account of the OEO just to prove that this leopard cannot change its spots.

Mr. **PERKINS**. Mr. Speaker, I strongly support the activities of CLEO, the Council on Legal Education Opportunity, which was established for the purpose of expanding and enhancing the opportunities to study and to practice law for members of culturally and economically disadvantaged groups. I am advised that during its 2 years of existence, the council has worked toward bringing about a significant increase in the number of law students from these groups, assisting them financially and otherwise while in law school, and increasing career opportunities for them in the legal profession. I am also advised that of the 377 students who have successfully completed the CLEO prelaw summer institutes and thereby become eligible for admission to law school, a large proportion will go on to productive roles in our society within the important profession of law.

I commend the public spirited attitude of the American Bar Association, the National Bar Association, the Association of American Law Schools, and the Law School Admission Test Council, which have cooperated in sponsoring CLEO's activities. And I congratulate the Office of Legal Services of the Office of Economic Opportunity for its role in developing and supporting this worthwhile project. A large part of the council's program—including recruitment, administration, and the summer prelaw institutes—is supported by an annual grant from that Office. In addition, financial assistance to law students has been made possible by grants from the Ford Foundation, the Rockefeller Bros. Fund, the American Bar Endowment, and several other private sources. The law schools have also entered into this significant team effort through providing tuition and fees by scholarships or loan.

CLEO deserves the praise it has received and our continued support. This program can serve as a model for other examples of public-private cooperation to improve the economic and cultural opportunities available to the disadvantaged of our country.

I have no further requests for time, and I move the previous question on the conference report.

The previous question was ordered.

The **SPEAKER** pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. **SCHERLE**. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER** pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 243, nays 94, not voting 96, as follows:

[Roll No. 347]

YEAS—243

Adair
Adams
Albert
Alexander
Anderson, Calif.
Anderson, Ill.
Anderson, Tenn.

Andrews, N. Dak.
Annunzio
Ashley
Aspinall
Barrett
Beall, Md.
Bell, Calif.
Biaggi
Biester
Blanton
Boggs
Bow
Brademas
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Burke, Mass.
Burlison, Mo.
Burton, Calif.
Button
Byrne, Pa.
Cabell
Carter
Casey
Cederberg
Chamberlain
Clausen, Don H.
Cleveland
Cohelan
Conable
Conte
Corbett
Coughlin
Culver
Daddario
Davis, Ga.
de la Garza
Delaney
Dellenback
Dingell
Donohue
Dorn
Dulski
Dwyer
Edmondson
Edwards, La.
Eilberg
Esch
Eshleman
Evans, Colo.
Fish
Flood
Foley
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Galifianakis
Garmatz
Gaydos
Gibbons
Gilbert
Gonzalez
Gray
Green, Pa.
Grover
Gubser
Gude
Halpern
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Harvey
Hathaway
Hawkins
Hechler, W. Va.
Helstoski
Hicks
Hogan
Holifield
Horton
Hosmer
Howard
Hungate
Hunt
Jacobs
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, Tenn.
Karth
Kastenmeier
Kazen
Kee
Keith
King
Koch
Kyros
Langen
Leggett
Lloyd
Long, Md.
Lowenstein
Lujan
McCarthy
McClory
McCloskey
McCulloch
McDade
McDonald, Mich.
McEwen
McFall
McKneally
Macdonald, Mass.
MacGregor
Madden
Mahon
Mailliard
Mann
Mathias
Matsunaga
May
Meeds
Melcher
Meskill
Mikva
Mills
Minish
Mink
Mollohan
Monagan
Moorhead
Morgan
Morton
Mosher
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nelsen
Nix
Obey
O'Hara
O'Konski
Olsen
O'Neill, Mass.
Ottinger
Patman
Patten
Pelly
Perkins
Pettis
Philbin
Pickle
Pike
Pirnie
Podell
Pollock
Preyer, N.C.
Price, Ill.
Pryor, Ark.
Pucinski
Railsback
Reid, N.Y.
Reuss
Rhodes
Riegle
Roberts
Robison
Rodino
Roe
Rogers, Colo.
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Roth
Roybal
Ruppe
Ryan
St. Onge
Schadeberg
Scheuer
Schneebeli
Schwengel
Shipley
Shriver
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Springer
Stafford
Staggers
Stanton
Steed
Steiger, Wis.
Stratton
Stubblefield
Symington
Taft
Talcott
Taylor
Teague, Calif.
Thompson, N.J.
Tiernan
Udall
Ullman
Van Deerlin
Vander Jagt
Vigorito
Waldie
Wampler
Watts
Weicker
Whalen
Whalley
White
Whitehurst
Wilson, Charles H.
Winn
Wolff
Wright
Wyatt
Wylie
Wyman
Yates
Yatron
Young
Zablocki
Zwach

NAYS—94

Abernethy
Arends
Ayres
Belcher
Bennett
Betts
Blackburn
Brinkley
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burleson, Tex.
Bush
Caffery
Camp
Chappell
Clawson, Del
Colmer
Cramer
Crane
Daniel, Va.
Davis, Wis.
Denney
Dennis
Devine
Dickinson
Dowdy
Duncan
Edwards, Ala.
Erlenborn
Flowers
Flynt
Ford, Gerald R.
Foreman
Fountain
Frey
Fuqua
Gettys
Giaimo
Goodling
Griffin
Gross
Hagan
Haley
Harsha
Henderson
Hutchinson
Ichord
Jarman
Jonas
Jones, N.C.
Kuykendall
Kyl
Landgrebe
Landrum
Lennon
Long, La.
McClure
McMillan
Marsh
Mayne
Miller, Ohio
Mize
Mizell
Myers
Nichols
Passman
Poff
Price, Tex.
Quie
Randall
Rarick
Reid, Ill.
Rivers
Rogers, Fla.
Roudebush
Ruth
Satterfield
Scherle
Scott
Sebelius
Steiger, Ariz.
Stuckey
Teague, Tex.
Thompson, Ga.
Thomson, Wis.
Utt
Waggonner
Whitten
Wiggins
Williams
Wilson, Bob
Wold

NOT VOTING—96

Abbitt
Addabbo
Andrews, Ala.
Ashbrook
Baring
Berry
Bevill
Bingham
Blatnik
Boland
Bolling
Brasco
Bray
Brock
Burton, Utah
Byrnes, Wis.
Cahill
Carey
Celler
Chisholm
Clancy
Clark
Clay
Collier
Collins
Conyers
Corman
Cowger
Cunningham
Daniels, N.J.
Dawson
Dent
Derwinski
Diggs
Downing
Eckhardt
Edwards, Calif.
Evins, Tenn.
Fallon
Farbstein
Fascell
Feighan
Findley
Fisher
Ford, William D.
Fulton, Tenn.
Gallagher
Goldwater
Green, Oreg.
Griffiths
Hall
Harrington
Hastings
Hays
Hébert
Heckler, Mass.
Hull
Kirwan
Kleppe
Kluczynski
Latta
Lipscomb
Lukens
Martin
Michel
Miller, Calif.
Minshall
Montgomery
Morse
Moss
O'Neal, Ga.
Pepper
Poage
Powell
Purcell
Quillen
Rees
Reifel
Rostenkowski
St Germain
Sandman
Saylor
Sikes
Sisk
Smith, Calif.
Snyder
Stephens
Stokes
Sullivan
Tunney
Vanik
Watkins
Watson
Widnall
Wydler
Zion

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Moss for, with Mr. Hébert against.

Mr. Boland for, with Mr. Andrews of Alabama against.

Mr. Addabbo for, with Mr. Bevill against.

Mr. Farbstein for, with Mr. Montgomery against.

Mr. Kluczynski for, with Mr. O'Neal of Georgia against.

Mr. Rostenkowski for, with Mr. Collier against.

Mr. Brasco for, with Mr. Sikes against.

Mr. Widnall for, with Mr. Baring against.

Mr. Saylor for, with Mr. Ashbrook against.

Mr. Sandman for, with Mr. Berry against.

Mr. Morse for, with Mr. Bray against.

Mr. Burton of Utah for, with Mr. Zion against.

Mr. Cahill for, with Mr. Watson against.

Mr. Cowger for, with Mr. Hall against.

Mrs. Heckler of Massachusetts for, with Mr. Snyder against.

Mr. Wydler for, with Mr. Smith of California against.

Mr. Cunningham for, with Mr. Lipscomb against.

Mr. Findley for, with Mr. Latta against.

Mr. Minshall for, with Mr. Martin against.

Mr. Watkins for, with Mr. Michel against.

Mr. Lukens for, with Mr. Quillen against.

Mr. Fallon for, with Mr. Clancy against.

Mr. Hastings for, with Mr. Collins against.

Mr. Evins of Tennessee for, with Mr. Derwinski against.

Mr. Celler for, with Mr. Goldwater against.

Mr. Hays for, with Mr. Kleppe against.

Mr. Harrington for, with Mr. Reifel against.

Mr. Dent for, with Mr. Brock against.

Mr. William D. Ford for, with Mr. Byrnes of Wisconsin against.

Until further notice:

Mr. Abbitt with Mr. Hull.

Mr. Bingham with Mr. Clay.

Mr. Blatnik with Mr. Carey.

Mr. Pepper with Mr. Stephens.

Mr. Clark with Mr. Daniels of New Jersey.

Mr. Edwards of California with Mrs. Chisholm.

Mr. Stokes with Mr. Corman.

Mr. Downing with Mr. Fascell.

Mr. Vanik with Mr. Conyers.

Mr. Feighan with Mr. Miller of California.

Mr. Diggs with Mr. Rees.

Mrs. Green of Oregon with Mr. Fisher.

Mrs. Griffiths with Mr. Purcell.

Mr. Sisk with Mr. St Germain.

Mr. Kirwan with Mr. Powell.

Mr. Gallagher with Mr. Fulton of Tennessee.

Mr. Tunney with Mr. Dawson.

Mrs. Sullivan with Mr. Eckhardt.

Mr. LUJAN changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1075) entitled "An act to establish a national policy for the environment; to authorize studies, surveys, and research relating to ecological systems, natural resources, and the quality of the human environment; and to establish a Board of Environmental Quality Advisers."

The message also announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 51. Concurrent resolution to authorize the Secretary of the Senate to make a technical correction in the enrollment of the bill (S. 3016) to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, to authorize advance funding of such programs, and for other purposes.

PERSONAL ANNOUNCEMENT

Mr. WINN. Mr. Speaker, on rollcall No. 320, I was necessarily absent and not recorded.

I ask unanimous consent that the RECORD show that had I been present and voting I would have voted "nay."

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

ENROLLMENT OF S. 3016, ECONOMIC OPPORTUNITY AMENDMENTS OF 1969

Mr. PERKINS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate concurrent resolution (S. Con. Res. 51).

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 51

Resolved by the Senate (the House of Representatives concurring), That the Secretary of the Senate, in the enrollment of the bill (S. 3016) to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, to authorize advance funding of such programs, and for other purposes, is hereby authorized and directed to make the following correction:

In section 114 strike out "section 620(d)" and insert "section 602(d)".

SEC. 2. That the Senate recede and concur in the House amendment to the title of S. 3016.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. QUIE. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Kentucky if he would explain the change that he has discussed.

Mr. PERKINS. Mr. Speaker, as I understand it, the concurrent resolution is to correct certain typographical errors, and also a decision is made as to which title is to be used, whether the Senate title or the House title is to be used. That is all the concurrent resolution consists of.

Mr. QUIE. Mr. Speaker, I withdraw my reservation of objection.

(Mr. QUIE asked and was given permission to revise and extend his remarks at this point in the RECORD.)

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. FEIGHAN. Mr. Speaker, I would like the RECORD to show that I was called to the telephone, but had I been present, I would have voted "yea" on the last vote, on the OEO conference report.

GENERAL LEAVE

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that all Members may have 2 legislative days in which to revise and extend their remarks on the OEO conference report.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

HOUR OF MEETING ON MONDAY, DECEMBER 22

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 10:30 o'clock a.m. on Monday next, December 22.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

ANNOUNCEMENT OF ORDER OF BUSINESS

(Mr. ALBERT asked and was given permission to address the House for 1 minute.)

Mr. ALBERT. Mr. Speaker, we still have undisposed of some five conference reports. Under the present plans, we will take up the Labor-HEW report first on Monday, and the gentleman from Arkansas (Mr. MILLS) has advised me he will call up the conference report on the tax bill not later than 2 o'clock on Monday afternoon.

Mr. Speaker, I submit that for the information of the Members of the House.

DEAN RUSK AS PROFESSOR OF INTERNATIONAL LAW

(Mr. PUCINSKI asked and was given permission to address the House for 1 minute.)

Mr. PUCINSKI. Mr. Speaker, I was deeply concerned to read earlier today an AP dispatch from Atlanta, Ga., that the appointment of Dean Rusk as a professor of international law at the University of Georgia may run into a conflict with the Georgia Board of Regents.

Mr. Rusk has been offered a position as professor of international law at this school, and apparently some of the regents are questioning the appointment.

AP says a split could be expected when the formal vote is asked some time in January.

Mr. Speaker, Dean Rusk is one of the truly great statesmen of our time. I cannot imagine that anyone, anywhere, would oppose his appointment as a member of a university faculty.

Dean Rusk is one of the truly great international minds of our time. When the final chapter of freedom's triumph over communism is written, Mr. Rusk's name will be emblazoned in glorious letters as one of the chief architects of that victory. He is one man who over the years understood the full depth and menace of international communism.

Time and again as U.S. Secretary of State, Dean Rusk has shown courage beyond description, simply because he believed in a cause.

There were many times when he could have compromised with principle.

I would hope that a highly respected institution like the University of Georgia could certainly set aside any prejudices as to his personal political views, or of those who think perhaps he is too liberal in one respect or another, and welcome him to that impressive university as one of the great statesmen of our time.

I would think that every university of this country would give its eye teeth to add this distinguished American and great patriot to its faculty.

For that reason, I hope the board of regents would unanimously welcome this great son of Georgia to the university. He would be an impressive addition to any faculty, whether in Georgia or anywhere else in the world.

We as Americans can thank the Lord that we had a man of Dean Rusk's stature, wisdom, knowledge, perseverance, integrity, intellectual honesty, patriotism, and dedication as Secretary of State during one of the most turbulent periods of our history. I would think Georgia University ought to lock up the contract with no delay before some other great institution of learning steals him away.

SCANDAL AT SBA—XI

The SPEAKER. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 10 minutes.

Mr. GONZALEZ. Mr. Speaker, last April 28 I had the duty to report to this House a scandal at the Small Business Administration. I had evidence that the special assistant to the Administrator of the SBA had participated or attempted to participate in shakedowns of prospective applicants for SBA loans. At the time I asked the Administrator to undertake an immediate investigation and to suspend his special assistant, Mr. Albert Fuentes, pending the outcome of the investigation.

Administrator Sandoval, for reasons best known to himself, merely replied that he was asking the Department of Justice to investigate, but in the meanwhile Fuentes would remain on the job. As evidence continued to mount in the case, the Administrator continued to refuse to suspend the special assistant, whether out of some personal loyalty, or partisan myopia I cannot tell. Finally, after a series of events that can only be called tragicomedy, Administrator Sandovial dismissed the man, and a few days later, Fuentes was indicted on charges of conspiracy.

Albert Fuentes has now been convicted of conspiracy, and along with a confederate, one Eddie Montez, sentenced to 2-5-year terms in prison. It is the end of a sorry tale.

I did not make my charges lightly, for I do not take lightly my responsibilities as a legislator. I did not expect the matter to receive the cavalier treatment that it did from Administrator Sandoval.

Even though the case of Albert Fuentes is closed, the scandal at SBA is not over. There are questions that remain to be answered.

For example, it is a serious reflection on Administrator Sandoval that he accepted uncritically the claims of Albert Fuentes that he, Fuentes, was a vastly successful businessman when in fact Fuentes' financial statement was filled with deceit and perjury. It is a mystery to me how the Administrator allowed himself to be conned and gulled by a man so unskilled that he could not fool or intimidate a very poor, very small businessman. Yet it is a fact that this man Fuentes, who was unmasked by the most humble of men, moved about freely and had the full confidence of a man responsible for the operation of a large and very sensitive agency. Surely Mr. Sandoval must have known Fuentes well, or he would have never made the man his special assistant. Or did he? Either way Mr. Sandoval has much to answer for. The silence from his office has been deafening.

In the course of the Fuentes trial statements were made in press accounts that lead me to believe that there may still be serious deficiencies, and possible malpractices in the SBA in the San Antonio region. I am accordingly obtaining a copy of the trial transcript for further study, and will make such further investigations as may be necessary.

I intend to see what can be done to get SBA to function as it ought to. An agency that a year ago was filled with promise is now going forward on blind inertia, and that is shameful. Programs that were beginning to show real promise now lie crippled and useless. An agency that formerly had good leadership and excellent ideas is now freighted with political appointees of dubious quality and little merit.

Political payoffs may belong to the victor, but it is the responsibility of the President to govern. I pray that what I have seen at SBA is not an example of that government.

THE THREAT TO OUR ENVIRONMENT

The **SPEAKER.** Under a previous order of the House, the gentleman from Indiana (Mr. HAMILTON) is recognized for 60 minutes.

Mr. **HAMILTON.** Mr. Speaker, surely one of the most crucial and complex issues facing the American people today is how we can restrain the headlong destruction and fouling of our environment.

The Department of the Interior has a pamphlet entitled, "Man: An Endangered Species?" It pictures man standing at a fork on his environmental road. One signpost reads, "Man, Master of Himself," and the other signpost reads, "Man—An Extinct Species."

The direction man chooses now will move him rapidly along the path toward one or the other destination.

No graver mistake could be made than to think that man, because of his own wit and wisdom, is immune from taking the path toward extinction. A formidable case can be built showing that he is rushing headlong in that direction—corrupting and destroying his lands, rivers, forests, and the atmosphere itself.

The other path open to man we know to be expensive and demanding, but its promise is clear rivers, tall forests, and clean air.

AWAKENING CONCERN FOR ENVIRONMENT

One of the heartening signs of American life today is the really fantastic acceleration in the awareness in this country of the dangers to the quality of our environment.

We have in recent years produced a cascade of legislation, and, as a nation, we have made a legal commitment to clean up our water and air. We have added millions of acres to our national park system, expanded our wildlife refuge system, and established scenic rivers and trails.

I believe that the American people are ahead of the politicians on this issue of pollution. Those of us in public life have not adequately, or accurately, assessed their mood. They understand better than we the pace at which pollution is advancing and they are not disturbed greatly by the philosophical niceties of political debate concerning whose responsibility—Federal, State, or local—it is to clean it up. They want us to get on with the job quickly and effectively. They are willing to foot the bill for the costs of it.

Rising concern about the environmental crisis is sweeping the Nation's campuses; the "green power movement" is vying with Vietnam as the student's primary consideration.

We all know the increased activity by State and local governments in pollution control. The private sector, as well, is acting; many industries are spending large sums of money to assure us that they are good, cooperative citizens.

Members of the Congress are finding that an increasing amount of their time is given to the environment of their districts and the problems of pollution control throughout the Nation.

The evidence is clearly mounting that this Nation is stirring itself about pollution control. We are beginning to understand that America's resources are not limitless and that they have to be wisely used. Men like George Perkins Marsh and Carl Shurz, who were among the first to sound the alarm to conserve, are becoming national heroes.

Our appreciation is growing for President Theodore Roosevelt with his great interest in the outdoors and his concern to preserve the grandeur of the West.

He said:

> To skin and exhaust the land, instead of using it as to increase its usefulness, will result in undermining, in the days of our children, the very prosperity which we ought by right to hand down to them amplified and developed.

The American people are beginning to see what can happen to a big country when unplanned growth and exploitation go on. We remember the decade of the 1930's when, in the Great Plains States, thousands of acres of soil which had been stripped of natural grass simply dried up and blew away when the drought came. Soil blew all the way to Washington, D.C., as the dust buried farms in the plains.

We remember the Mississippi fish kill, the death dealing smog in Donora, Pa., in the 1940's, and we are seeing clearly the current byproducts of affluence and technological progress like congestion, pollution, water shortage and all the rest.

Chilling estimates of the threat to our environment shake us out of inertia and complacency. U Thant, the United Nations Secretary General, estimates, for example, that the world has 10 years in which to avoid destruction by improving the environment.

We are beginning to see that man is indeed an endangered species. There is greater awareness that our ecological system is a closed one with all of its elements—land, water, and air—interrelated. The ruination of the land is not an isolated incident. It affects the water we drink and the air we breathe. It upsets the delicate chemical and climatic balances upon which we depend.

SOME FRIGHTENING STATISTICS THE URGENCY OF THE CRISIS

The evidence is conclusive that this awakening concern for the environment comes none too soon.

Consider some of the general statistics:

First, water: Today every river system in America suffers from some degree of pollution. Industrial discharges, both treated and untreated, into our rivers and streams equal the raw sewage from almost 170 million people. The sources of usable water are running out.

The Interior Department reports that more than 15 million fish were killed last year by municipal and industrial wastes, which totaled over 18 billion gallons. By 1975, a growing population and increasing urbanization rate will require from $30 to $50 billion for municipal sewerage systems, industrial waste treatment facilities, separation of combined storm and sanitary sewers, and for research and development of pollution control methods.

Rivers and lakes receive great quantities of industrial chemicals, debris, pollutants, and oil and these things kill fish and pose hazards to human and animal life.

In the Great Lakes, many recreation and swimming areas have been closed because the water is unsafe for human beings. Lake Erie is practically a dead body of water—its oxygen content is approaching zero. Over 3 million tons of debris and filth pour into it every day. Some of our best fresh water fish have almost become extinct.

The sign, "Polluted Water, No Swimming," has become all too familiar on the beaches and rivers of this Nation. One recent study indicated that about 30 percent of the Nation's public drinking and water systems may fall below Federal standards. Sometimes there is too much water, sometimes too little, sometimes it is too dirty to use. But the basic problem is that we do not manage properly the water resources we have.

Second, air: Air pollution thickens our skies, offends our senses, obscures our visibility, costs us money, destroys plants and property, sickens and kills people—and it is getting worse.

Industrial chimneys in the United States belch 37 million tons of sulfur dioxide every year. Over 90 million autos add 66 million tons of carbon monoxide. Electrical incinerators produce another 5 million tons to help foul the air. These gases kill or stunt plants, affect human nerves—causing irritation and decreased normal brain function, damage buildings and personal property, and leave a depressing, sometimes even fatal, pall over the urban landscape.

Since 1860, the carbon dioxide content of the atmosphere has increased 14 percent, thus reducing oxygen regeneration and adversely affecting the process of photosynthesis whereby all plants require oxygen and sunlight to grow. A recent analysis shows that simply by walking the streets of the New York City for a day, a person would breathe in the toxic equivalent of close to two packs of cigarettes.

According to John Gardner, former Secretary of Health, Education, and Welfare:

> There is not a major metropolitan area in the United States without an air pollution problem today, and the problem is getting worse. By 1980, this nation's urban population will increase by a third, the number of motor vehicles by 40 percent, and our demands for energy by 50 percent.

Third, solid wastes: we are surrounded by junk, and we do not know what to do with it.

This Nation produces and discards each day millions of tons of garbage, rubbish, automobile hulks, abandoned refrigerators, slaughterhouse refuse. Each year this waste is enough to fill the Panama Canal four times over. It mars the landscape, breeds disease-carrying insects and rodents, and much of it finds its way into our air and water.

In my hometown, the city of Columbus, Ind.—a town of only 28,000 people—it is estimated that 130 tons of solid wastes have to be disposed of each day.

The U.S. consumer actually consumes very little. He merely uses things and he never really disposes of them. They survive in some form. A good example is the nearly indestructible aluminum can, produced in the United States at an annual rate of 48 billion. The rate for bottles and jars is 28 billion per year.

By the year 2000, 270 million Americans will live in urban environments. As it is, 70 percent of the population lives on 2 percent of the land. When coupled with the fact that the average American's annual output of 1,800 pounds of solid waste—5 pounds a day—is rising 4 percent a year, the outlook for waste is bleak. Disposal already costs us $4.5 billion a year.

It is no wonder then that we stand at a critical juncture in the fight against pollution. The crisis is upon us. As Representative MORRIS UDALL says:

> In the pursuit of progress man has put strontium ninety in his bones, iodine 131 in his thyroid, DDT in his fat, and asbestos in his lungs. That kind of progress can kill us.

So we come to a new year and find ponds and lakes polluted, air filled with dirt, and solid waste piled high.

They are part of the wreckage and debris of the march of "progress." This should not be the legacy of our great technology.

The Environmental Pollution Panel of the President's Science Advisory Commission wrote in 1965:

> Pollution touches us all; we are at the same time polluters and sufferers from pollution. Today pollution adversely affects the quality of our lives. In the future, it may affect their duration.

THE CAUSES OF POLLUTION

Why have these things come about? Why do we now find ourselves with our health threatened and our lives at stake?

Pollution of the environment is a complex phenomenon and, as might be expected, the causes are many. They are rooted in the attitudes of the American people.

We have had a country richly blessed and we saw no need to conserve it. The vastness of our resources and the open spaces in this land made planning unnecessary, or so it seemed.

Although there have been prophetic voices of warning—for instance, Washington and Jefferson warned against soil erosion—to most of us the land seemed unlimited.

The farmers who were ruined by soil damage could abandon their gullies, and move inland. There was always more land available.

When the saws ripped through the giant trees, there was not much concern because there was an abundance of these giants in the forests.

When we stripped the land, devastating beautiful forests, it did not really matter because there were acres of beautiful land left.

When the cities sprawled scores of miles into the surrounding countryside, it did not alarm us—there was lots of open space left.

And when the factories belched clouds of black smoke into the air, that did not bother us either, because the big sky could absorb it.

We pride ourselves on individualism—but individualism can make planning and cooperation more difficult, because the private interest is raised above the public welfare.

Sheer carelessness causes much pollution. A 10-year-old boy throws a tinfoil chewing gum wrapper or tin can into a stream, and it seems such a natural and innocent act. Everybody thinks that his little bit of waste in this vast country just will not create any problems. But in a country with a population of 200 million, one man's small disregard for the health of our environment is multiplied a millionfold.

We must realize that we are all polluters, and an effort to find someone else to blame only delays a solution. The average American simply does not recognize his own culpability as he continues to treat air and water as something to be used, abused, and wasted.

The affluent technology means increased waste. We have always thought that pollution was the price of progress, but now, as many of the experts point out, the opposite is true and unless we stop pollution, it will stop our progress.

For too long we have worshipped economic growth without qualification. But it is not enough to grow. As Senator AIKEN of Vermont says, "We must grow right."

So it is not very hard to understand why we are in trouble in pollution control. It is no great compliment to us as a people but at least it is understandable. And the important thing is that there is the time and the opportunity to do something about it.

A CLOSER LOOK

To grasp the magnitude of the challenge before us, a closer look is in order at the sources and effects of the pollution, the efforts to limit it, the problems encountered, the solutions proposed, and the outlook.

I. AIR POLLUTION

A. SOURCES

The sources of air pollution are essentially two: automobiles and industry. More than half of the contamination in the air over the United States consists of carbon monoxide, most of it issuing from cars, trucks, and buses. More than a tenth of air polution is hydrocarbons, most of which emanate from auto exhausts as partially burned gaseous compounds.

The second most plentiful gas pollutant is composed of oxides of sulfur, produced by home and factory combustion of sulfur-containing coal and oil.

In 1967, these and other sources hurled 133 million tons of contaminates into the atmosphere. In 1969, the annual rate is 142 million tons—more than our annual production of steel. The increase comes from more people, more autos, more industry, more refuse disposal and largely inadequate control activities. A single four-engine jet expels 88 pounds of pollutants during each takeoff.

This pollution is the direct result of affluence.

We are proud of the 90 million automobiles on the roads of America. We do not think about these cars adding 66 million tons of carbon monoxide, 1 million tons of sulfuroxide, 6 million tons of nitrogenoxide, 12 million tons of hydrocarbons and 1 million tons of particulates annually to the air we breathe.

We are proud of our capacity to produce great amounts of electricity to power this Nation. To do so we annually put into the air more than a million tons of carbon monoxide, 12 million tons of sulfurdioxide, 3 million tons of nitrogenoxide, over 1 ton of hydrocarbons, and 3 million tons of particulate matter due to incomplete combustion.

We are proud of our disposable packaging—metal, paper, glass, plastics. So each of us throws away 1,800 pounds of trash annually which in turn is burned in municipal incinerators, adding a million or more tons each of carbon monoxide, sulfuroxide, nitrogenoxide, hydrocarbons, and particulate matter to the air.

We are proud of the productivity of the American economy and of the major industries like pulp and paper mills, iron and steel complexes, petroleum refineries, smelters, inorganic and organic chemical manufacturers. But each year these plants release into the atmosphere 2 million tons of carbon monoxide, 9 million tons of sulfuroxide, 2 million tons of nitrogenoxide, 4 million tons of hydrocarbons, and 6 million tons of particulates.

We are also proud of individual homeownership in America, but family home construction results in the installation of millions of small furnaces and incinerators that are designed without any thought of air pollution control.

B. EFFECTS

> Tomorrow morning when you get up, take a nice deep breath. It'll make you feel rotten—

Thus read a recent New York City newspaper ad. Although it may strike us as humorous, the ad was in deadly earnest.

We are not merely dealing with a suffocating haze that offends our senses, soils our laundry, damages our buildings and crops, and corrodes metal.

We are dealing with a killer. People become sick and die from breathing dirty air.

Some complain that pollution soils the paint on their homes and interferes with their ornamental shrubbery.

Some complain that they are tired of brushing soot off the sill every time they open the window for a breath of fresh air.

Some want to end pollution because their citrus groves will not flourish or their cattle will not develop properly in a contaminated atmosphere.

Some—the city planners, airline pilots, farmers, manufacturers—want to end pollution because it interferes with the proper performance of their profession.

Many want to end pollution just because they do not like the smell of it and because the esthetic pleasures of the mountains and the forests cannot be enjoyed.

All of these people have good reason for wanting to stop air pollution, but the primary reason for controlling it is because it threatens human health.

For example, there have been dramatic instances when air pollution has overtaken both large and small communities.

In December 1930, the thick and stagnant fog enveloped the Meuse Valley in Belgium. Many persons developed throat irritations, coughs, breathlessness, some became nauseated; some died.

In October 1948 a similar fog blanketed the small industrial town of Donora, Pa. Before the afternoon rain cleared the fog away 4 days later, 6,000 persons of the town's 14,000 had come down with an assortment of ills, coughs, sore throats, chest constrictions, headaches, burning sensations, nasal discharge, and vomiting. Twenty persons died.

In December 1952 the city of London had a similar experience causing 4,000 deaths during a 7-day period. Similar episodes occurred again in London in 1962 and in New York City in 1953 and again in 1962.

The occasional air pollution disasters are alarming enough, but to those who live in polluted air, and that includes most of us, the long-term effects of air pollution are more serious.

These include the ills and diseases of the broncial tree from the common cold to lung cancer. Emphysema is the fastest growing cause of death, and studies have demonstrated that emphysema patients improve sharply when they are protected from air pollution.

In Great Britain the mortality rate from chronic bronchitis varies directly with the amount of air pollution. Chronic constrictive ventilatory disease is aggravated by pollution; so is bronchial asthma.

Air pollution is even connected to the common cold. Study after study has shown that the levels of air polution correlate directly with increased frequency of acute infections of the upper respiratory tract.

Deaths from lung cancer have been increasing rapidly in recent years and, while many factors are involved, the striking difference between the urban and rural mortality rate for lung cancer points sharply to one of them—air pollution, the levels of which are directly proportional to city size.

But threat to human health is not the only effect of pollution:

First. Air pollution obscures visibility. It is a definite hazard to air, land, and water transportation.

Second. Air pollution attacks materials, and they tarnish, corrode, crack, weaken and discolor.

Women in more than one U.S. city experience the sulfur pollution problem when they develop runs in their nylons while out to walk for lunch.

Sulfur pollution attacks stone statuary and buildings. Cleopatra's needle has deteriorated more since its arrival in New York City in 1881 than it did during the more than 3,000 years it spent in Egypt.

Third. Electrical equipment manufacturers are forced sometimes to use gold for electrical contacts because other metals such as silver corrode in sulfur atmospheres, and the corroded metal resists the passage of electrical current.

Fourth. Air pollution injures and kills plants. Orchids cannot be raised in the metropolitan areas of California, and the growers have had to relocate. In the Garden State, New Jersey, pollution injures the vegetation and damage has been reported to at least 13 commercial crops, including spinach, beets, and others.

The most dramatic destruction of vegetation by air pollution takes place in the vicinity of smelters which discharge large amounts of sulfur pollution in the atmosphere and devastate the countryside.

Fifth. Air pollution hits us squarely in the pocketbook.

We usually are unaware of the money losses chargeable to air pollution and the enormous waste of fuel and sacrifices of efficiency associated with it. Whenever we see that dense black smoke coming from the exhaust pipe of a motor vehicle it is evidence of incomplete combustion and waste.

The annual cost to the Nation in wasted fuel runs into the billions of dollars. Agricultural losses probably exceed $500 million a year. Exact data are not available on the total cost of air pollution in damage to property, but various estimates have been made. The one most frequently cited is $65 per capita per year, or an annual cost to the Nation of over $12 billion. In New York City air pollution adds about $600 per year in washing, cleaning, repairing, repainting bills to the budget of a family of four.

C. GOVERNMENT ACTIVITIES

The Department of Health, Education, and Welfare first authorized an air pollution control program in 1955. The legislation in that year called on the States and local governments to assume the basic responsibility for preventing air pollution. It authorized the Department to conduct research and to provide technical support.

Between 1955 and 1963 it was obvious that the efforts being made to deal with the problem were obsolete and inadequate. This led to the Clean Air Act of 1963 which reaffirmed the policy of State and local responsibility, while authorizing HEW to undertake many new activities in support of State and local efforts. Federal grants resulted in an unprecedented 65-percent expansion in 33 State-controlled programs. Federal abatement actions were initiated, and expanded research efforts got underway.

There were stirrings on other fronts, too, as industry began to think seriously about the problem. As a result, air pollution received more scientific attention.

The amendments to the act in 1965 authorized national standards for the control of motor vehicle pollution in the 1968 model year. The 1966 amendments authorized increased grants to State and local units to maintain air pollution control programs.

In 1967 the Air Quality Act provided a blueprint for a systematic effort to deal with air pollution problems on a regional basis. It calls for coordinated action at all levels of government, with the Federal Government assuming an advisory role in the establishment and publication of strict air quality criteria.

Under the provisions of this act, HEW defines the broad atmospheric areas of the Nation and designates specific air quality control regions. There are currently 57 air quality control regions in operation, including one in Indianapolis, under the supervision of the National Air Pollution Control Administration—NAPCA—at HEW. The Department also develops and publishes air pollution criteria, indicating the extent to which air pollution is harmful to health and damaging to property, and provides detailed cost-effectiveness information on the techniques for preventing and controlling this pollution.

As soon as the criteria and information are available, the States are expected to develop air quality standards and implementation plans, which are coordinated on a regional basis.

If the Secretary of Health, Education, and Welfare finds that the air quality standards and implementation plans are consistent with the provisions of the Air Quality Act, then these standards and plans will take effect. If the States fail to establish the standards, or if they are not consistent with the act, the Secretary can initiate actions to insure that appropriate actions are set.

In brief, the Air Quality Act of 1967 does these things:

First, it expands and improves research programs;

Second, it provides for planning and control programs on a regional basis;

Third, it requires the establishment of standards and enforcement plans by the States;

Fourth, it establishes a Presidential Air Quality Advisory Board;

Fifth, it requires registration of fuel additives; and

Sixth, it provides for a study of national emission standards for jet aircraft.

According to NAPCA, the total amount of funds budgeted from all sources for fiscal year 1970 to finance the 200 relevant regional, State, and local air pollution control agencies is $47 million. It was only $12 million prior to the Clean Air Act of 1963. Some $20.5 million of this total, however, are Federal funds—indicating a definite lack of adequate local concern and support. Private industry has spent, to date, an estimated $900 million on control techniques, but this is a small figure considering the need.

D. SOLUTIONS

Although we must be alert to the need for additional legislation, the Department of Health, Education, and Welfare feels that the present legislation is sufficient to achieve the degree of air quality sought, provided it is fully funded and the States cooperate. The primary concern now is to encourage the States to provide funds to finance control activities and to take other necessary restrictive steps. Perhaps the President's revenue-sharing plan—which is to provide States with Federal income tax revenues to use at their own discretion—would be of assistance to State and local control agencies. At the local funding level, of the 7,300 communities—as of 1966—with air pollution, less than 20 came close to the per capita expenditure rate of only 35 cents considered a minimum for effective abatemnet and control.

Funding at higher levels is not going to solve the whole problem, however.

As has been indicated, future legislation is tied to the state of the art of pollution control and to the willingness of the States to carry their essential part of the burden. There are many areas of the law where procrastination by the States could delay effective action for years. Some latitude and freedom is necessary to give the States time to actn o their own, with Federal encouragement and support. However, their past record of performance is not encouraging—although it has become more encouraging in recent months—and it is possible that stiffer legislation may be necessary, especially in policing interstate pollution.

Air pollution abatement is going to require a search for alternatives as well. Controlling it might require community decision to invest in mass transportation facilities rather than new highways or a decision to call for the dispersal of factories and plants which spill contaminates into the air, or the use of new types of fuel and new sources of power. Modern civilization would collapse if we were to stop all the activities that contribute to air pollution, but with every advance more attention must be given to its impact on pollution levels.

We need to develop pollution-free alternative sources of power. This means that we look at the electric car, the turbine car and other means of propulsion, as well as other ways of moving large numbers of people around. The convenience of the private automobile may have to be sacrificed in order to insure our future survival.

We have to move rapidly forward in research. There is much we just do not know. Of the three most important aspects of the national air pollution problem—motor vehicle pollution, sulfur oxide pollution from fuel combustion, and nitrogen oxide pollution—only motor vehicle pollution is subject to widely applicable control techniques now available.

As important as it is to expand research and to improve our pollution control efforts, it is even more important to put to work now the techniques and practices we have already developed. As we do, we will find better and cheaper ways to curb pollution.

A stronger Federal-State-local partnership is also obviously needed. In this there are many questions that need to be asked and answered, including: the appropriate responsibility of each partner, how adjoining States and communities can iron out intricate political and social problems to attack a common problem, and the proper place and limitations of Federal incentives to develop air pollution programs.

Above all else, effective pollution control will not occur until there is developed a widespread public attitude on the necessity for aggressive action to clean the air.

E. PROGNOSIS

The prognosis allows us no optimism. As Gladwin Hill said recently in a New York Times article:

> As America's air becomes steadily more contaminated, activities across the nation to cope with smog appear to be lagging further behind actual needs.

There are some heartening signs of concern on the part of enlightened business leaders, who are responsive to the problems of air pollution control, and people in all sections of the country are more aware than ever before of air pollution. But there is also an abundance of public inertia and outright obstruction. States and localities have penalties for air pollution that are little more than wrist slaps—with fines as low as $10.

Some say we are actually losing ground in the fight against pollution. Smog grows dense even as we talk about it.

Some scientists say that if we reach the point at which the rate of combustion exceeds the rate of photosynthesis—oxygen production—we shall start running out of oxygen. Then, it will be too late. We will have made our choice. There is clearly no room for complacency.

II. WATER POLLUTION

A. SOURCES

The principal sources of water pollution are:

First, municipal sewage: One third of the 19,200 communities with municipal water systems fail to meet existing Public Health Service standards, which generally are not stringent enough and, in some cases, meaningless from the standpoint of pollution control. More than 1,300 communities discharge their wastes into the waters without any treatment; an equal number use only primary treatment, which removes only 30 to 40 percent of the pollutants. Secondary treatment removes 85 to 95 percent of the pollutants.

Second. Industrial pollution is twice as big a problem as municipal sewage. The treated and untreated industrial wastes discharged into our waters are equal to the untreated sewage of 165 million people. Industrial effluents are not now effectively regulated, and industry itself has not responded adequately to the needs of pollution control. A major steel manufacturing complex, supposedly a showcase for control efforts, still contributes 10 percent of the total wastes flowing into Lake Erie.

Third. Septic tanks overflow into natural watercourses, leak bacteria into wells, and seep into lakes, causing algae and other nutrients to pollute the water.

Fourth, ships and marine terminals: The discharge of toilet wastes, oil, garbage, and rubbish from ships and marine installations is a major problem, and one which is as yet largely unregulated.

Fifth, pesticides: In 1966, 700 million pounds of pesticides and agricultural chemicals were used, including 45,000 different varieties. Much of it eventually finds its way into the Nation's streams and lakes. The 1966 volume is expected to increase tenfold by 1986. The recently announced Federal ban on all but essential uses of the pesticide DDT within the next few years is a necessary step in the right direction.

Sixth. Silt washes into waters from land erosion and runoff. Agricultural soil erosion by wind and water costs us $1 billion annually. The results of erosion are sometimes gradual, sometimes quite swift. In either case they are usually devastating and even irreparable. In areas undergoing urbanization, unregulated construction work can cause erosion to increase at a hundred times the normal rate.

Seventh. Detergents and fertilizers often pass through even secondary waste treatment, and are a major source of phosphate pollution. Phosphate fertilizes vegetation in the water, leading to increased eutrophication. This is reflected in a deficiency of oxygen in the water and eventually an end to animal and plant life.

Eighth, atomic reactors: Their siting, construction, and operation can have immensely detrimental environmental effects, regardless of their beneficial quality in terms of energy generation. Damage and destruction of marine plant and wildlife caused by their discharges—atomic wastes thought harmless and the "hot" water used to cool the reactor—are feared to be extensive. Thermal pollution is a new and alarming form of pollution. Much further research needs to be done in this area before reactor construction is allowed to proceed.

The effects of these and other pollutants on our water resources are enormous and far reaching. As Congressman CHET HOLIFIELD has said:

> The environmental shadow on the wall is no larger than a man's hand. It can grow to catastrophic size.

B. EFFECTS

Water pollution affects human health, bringing disease and death. It can interrupt and upset the delicate and dynamic processess of nature—for example, changing the reproductive rates of birds and fish—and can impair water and soil resources. These effects of water pollution are complicated and seldom well understood.

Polluted water, like polluted air, is becoming a pervasive and perverse symbol of 20th-century progress. Water pollution can be seen in practically every body of water; it can be smelled; it can be tasted when it comes from your own taps. Lakes are becoming semisolid trash heaps; rivers, like the Cuyahoga in Cleveland, are fire hazards because of floating oil.

It is ironic that man has learned to cope with most of his natural enemies but when it comes to water, he cannot cope with himself. Water is his most abused natural resource. He has polluted every major river system in the United States, and that pollution load has increased sixfold in 60 years.

The Mississippi River turns up millions of dead fish every year. The Merrimack has turned filthy brown and bubbles like soda pop. Scavenger eels in the Hudson cling to wastes and even attack sanitary engineers taking water samples. The Missouri sometimes runs red with blood from slaughterhouses, and carries gobs of animal waste as big as footballs.

From a health standpoint, by one HEW estimate, about 8 million people are drinking from municipal water systems that contain more bacteria than is regarded as "safe" under Federal standards. In one State, 30 percent of the water systems are contaminated by bacteria.

In addition to the bacteriological danger, there is the pesticidal one. It is now known that the concentration of pesticides builds up geometrically as they progress through the food chain—water to seaweed to fish to birds to mammals and man. Residues of DDT have been discovered in Antarctic penguins, Alaskan polar bears, and in fish in the remote expanses of the Pacific. One part DDT in 1 billion parts water will kill blue crabs in 8 days.

Water pollution also produces a great excess of nutrients, primarily phosphates and nitrates, which deplete the oxygen supply available to waterplants and fish. The excess nutrients also produce growths of algae that clog waterways, smell foul, and destroy the recreational value of any affected body of water. It is estimated that, because of the rapid buildup of excess nutrients, Lake Erie has aged, biologically, 15,000 years since 1920.

The process of aging, or "eutrophication" in scientific terms, was recently described by Peter Schrag in the Saturday Review:

> All lakes grow old as they collect runoff and materials from the surrounding shores. Over thousands of years they eventually accumulate enough silt from erosion and organic materials to turn them into marshes and, finally, into dry land . . . man has accelerated that process with his wastes and sewage.

C. CURRENT GOVERNMENT ACTIVITIES

John T. Barnhill, Deputy Commissioner of the Federal Water Pollution Control Administration—FWPCA—at the Department of the Interior, has outlined a five-way sharing of responsibilities in this area, based on cooperative Federal-State-local programs.

First. The State has the primary responsibility for water pollution control. It sets quality standards and applies its laws and regulations, including enforcement. It also ascertains waste treatment requirements and provides technical assistance to local governments and industries. Certain of the States provide financial assistance in the construction of municipal treatment plants.

Second. Local governments construct, operate, and maintain their municipal treatment works, and enforce their regulations and ordinances. They may also provide technical assistance to industries.

Third. Industries are obligated to handle their own pollution. They can institute in-plant waste reductions, and must operate their own treatment works when separate from municipal works. They can also reduce pollution output through changes in the manufacturing process.

Fourth. Universities conduct research, provide consultative services, and train the manpower needed by the other sectors in the national cooperative program.

Fifth. The Federal Government plays a leadership role in control efforts, and supplements State and local programs. Among other activities, it develops comprehensive pollution control programs and coordinates these with the States and with the programs of other agencies. It carries out Federal enforcement responsibilities. And, most importantly, it makes grants to the States to strengthen and improve the programs for which they have primary responsibility, to municipalities to assist in construction costs of treatment plants, and to universities for research.

The Federal Water Pollution Control Act of 1956 established the basic Federal responsibilities in this area. The act was strengthened in the amendments of 1961, 1965—the Water Quality Act—and 1966—the Clean Water Restoration Act. Under the Water Quality Act, quality standards are to be set by each State, and if they do not, then by the Federal Government, for all of the U.S. interstate waters. The Clean Water Restoration Act provides the means with which to meet the standards, with emphasis on increased Federal participation in the construction costs of treatment works. The 1965 act provides the tools, the 1966 act the muscle, to accomplish the pollution control task.

On the three main Federal programs—setting of standards, grant programs, and research and development efforts—the grant program is the most important. Under the allocation formula of the Clean Water Restoration Act, the local share of project costs is 70 percent and the Federal share 30 percent, when the States do not contribute. But if the States provide 25 percent of the cost, the Federal share can be as much as 55 percent and the local share as low as 20 percent. Currently, only 14 States, including Indiana, have established matching fund programs which fully qualify for Federal assistance. Under the Indiana program, local project costs are divided in this manner: Federal Government, 30 percent; State government, 25 percent; and local government, 45 percent.

Since 1957, various Federal grant programs have provided more than 9,500 grants to assist in the construction of treatment works. The total cost has been about $6 billion, including Federal outlays of $1.36 billion. So each Federal dollar spent has spurred 3.5 local and State dollars to be spent. These efforts have resulted in the upgrading of waste treatment facilities for 75 million persons, and in improved waters in about 74,000 miles of waterways.

Despite these efforts, however, an extensive water pollution problem still exists, in part due to lack of Federal funds, but also due to the recalcitrance of some of the States, which have refused to establish stringent enough quality standards. Evidence of waning Federal patience on this matter is revealed by a recent action of Secretary of the Interior Hickel. For the first time, he has acted, under the authority of the Water Quality Act, to supersede the States and has required Iowa to provide secondary treatment for sewage dumped into the Mississippi and Missouri Rivers by December 31, 1973. Until this action, some States had not complied with Interior Department insistence that secondary treatment be required.

Recently the General Accounting Office reported that the Federal Government's water pollution control program had not accomplished what could have been achieved with the funds thus far used, and recommended substantial policy and procedural revisions.

D. SOLUTIONS

The General Accounting Office's report said:

> These projects have contributed to abating water pollution because the problem would have been worse if the projects had not been constructed.
>
> The benefits have not been as great as they could have been because many waste treatment facilities have been constructed on waterways where industrial or municipal polluters continued to discharge untreated or inadequately treated wastes into these waterways.
>
> The program has been administered for the most part using a shotgun approach—awarding construction grants on a first-come-first served or readiness-to-proceed basis. Little consideration has been given to the immediate benefits to be attained by the construction of individual treatment plants.
>
> This approach can no longer be justified. Grants should be awarded on a more systematic basis, giving consideration to benefits to be attained from the construction of individual treatment facilities.
>
> More consideration could be given to planning and implementing water pollution control programs on a river basin basis.
>
> The present level of Federal funding will not be sufficient to enable a significant increase in the effectiveness of the program.
>
> In view of the magnitude of the problem, and on the basis of the present level of Federal funding, it will be many years before the construction grant program is completed.
>
> The Federal Water Pollution Control Act provides that priorities for construction grants be established on the basis of financial and water pollution control needs. GAO believes that priorities should be established on the basis of benefits to be obtained and that a coordinated effort is required on the part of all polluters of a waterway to attain the maximum benefits from the construction grant program.

As with air pollution, the single most urgent need is higher funding levels for Federal programs. At least $30 to $50 billion needs to be spent in the next 5 years for new municipal treatment works, separation of combined storm, and sanitary sewers, industrial water treatment facilities, and for research and development. The response to the obvious need has been entirely inadequate. Presidents Johnson and Nixon have only requested a paltry $214 million for fiscal year 1970. Fortunately, the Congress appropriated $800 million.

The Clean Water Restoration Act authorized $3.6 billion in grants for fiscal years 1967–71 for waste treatment plant construction. Despite a $586 million increase in the fiscal year 1970 appropriation for this program—from $214 million to $800 million—however, there is still a $900 million funding gap between authorizations and appropriations.

Even with the funding increase for fiscal year 1970, the backlog of cities awaiting funds is growing constantly. Indiana currently has a backlog of some $28 million in requests for Federal assistance; the figure for the counties of the Ninth Congressional District is $2 million. Although Federal funds have increased, Indiana only appropriated State funds on the basis of the original Federal figure of $214 million, so there will be a shortfall unless an emergency appropriation is passed.

The increase in funding levels will have a twofold impact. First, it will mean the initiation of a number of heretofore postponed projects, and the concomitant elimination of the excuse used locally for not adhering to the cease and desist pollution orders issued by the State health department. It will also mean that localities will be in an improved position to meet the timetables for making necessary improvements in existing facilities, which in several instances are not operating at maximum efficiency.

If the increased funds are not allocated properly and more systematically, however, they will not be as beneficial as they could be. A systems approach that considers the benefits as well as the costs of the projects, and which takes into account actions that industrial polluters could take, would be a much more productive approach. As it is, Federal grants on a first-come-first-served basis do not consider regional needs or a national plan, and can be easily negated by other sources of pollution.

A total systems approach means a national commitment to stop, not merely impede, water pollution. A professed commitment to protect an environment that ends with a squabble over sewer taxes is no commitment at all.

If such a national commitment does not develop in an adequate and rapid fashion, it may have to be prodded a bit. Such prodding could come from two sources: effluent charges and a pay-as-you-go financing plan for treatment plants.

The rationale and system for imposing effluent charges on industry is discussed at further length in the recommendations that follow. The principle is simply this: he who pollutes must pay the cost of purification. This principle has been used to a high degree of success in the Ruhr Valley of Germany, where a ruhrverband—a cooperation society of 250 municipalities and 2,200 industries along the river—assesses fines on the polluters. The larger the amount of pollution, the higher the fine. These assessments, carefully calculated, have enabled the Verband to build 102 purification plants since 1948, and have encouraged members to follow Voltaire's advice and clean up their own backyard.

It may be that the effluent charges will be passed on to consumers in the form of higher prices. As a recent New York Times editorial pointed out, however:

> Americans may have to resign themselves to paying a little more for the fruits of industry if they are to enjoy them in an environment still tolerable enough to let them enjoy anything at all.

The pay-as-you-go plan is designed to make long-range programs less dependent on undependable annual congressional appropriations. As described by Secretary Hickel, it is a $15 billion, 20-year plan for Federal-State-local cooperation to attack water pollution. Under it, the Federal Government would guarantee the principal costs and the local governments would guarantee the interest costs on the bonds necessary to finance municipal treatment plants. The pay-as-you-go feature amortizes the huge cost—estimated at $10 billion on sanitary sewers and $5 billion on storm sewers, an equally bad source of pollutants—making it possible to launch the program without large initial expenditures. The Federal Government would provide guidance and the capital investment, while the local communities provided the work.

A plan like this one is necessary because, in the absence of self-regulation, it may be necessary to impose regulations from above, while at the same time providing a program with which the regulations can be met.

Another solution depends upon a grassroots environment protection effort and calls for increased activity of citizen pressure groups, groups that can influence the pollution-control decisions of elected officials through concerted action. The recently created Long Island Environmental Council is an example of this type of effort of building a constituency for conservation.

It is not sufficient, of course, just to clean up our waters after they have been polluted. Effort must be made to find and eliminate the source of pollution. One congressional committee is now holding hearings to determine why the soap and detergent industry continues to use phosphate as a leading ingredient of household detergents.

E. PROGNOSIS

Whether or not we can control pollution is still in doubt. The metaphor still is valid: Man stands at the crossroads. He must choose now to move decisively in the direction of control of his environment.

By the year 2020, the Ohio River Valley will be withdrawing 70 percent of the estimated water supply for use; in other areas the figure is higher. This suggests the magnitude of pollution control problems. The House Appropriations Committee stated recently that projected capital outlays required for waste treatment, sanitary sewers, and water cooling needs are estimated at $20 billion for the 5-year period 1969–73.

Signs of hope are coming from several sources:

Indications of a long overdue "get-tough" policy on the part of the Federal Government are finally appearing. The Interior Department announced in October 1969, that Federal construction grants for sewage plants will henceforth be available only to municipalities that agree to provide secondary treatment for sewage. Also, the House and Senate have passed the Water Quality Improvement Act of 1969, which places an absolute monetary liability on oil firms for pollution damage from offshore drilling rigs operating beyond the 3-mile limit, and which otherwise regulates liquid and solid discharges from marine facilities, whether floating or land based.

The President's Panel on Oil Spills has also recommended the adoption of an escrow concept, whereby our offshore mineral resources are held in reserve until that future time when the skills and techniques of oil production have become safe.

Finally, conservationists and citizens in general are rejecting the use of waterways to any detectable degree as channels for carrying away fluid wastes, which there is ample technology for handling in other ways.

The most hopeful sign of all is the mounting public concern with pollution, and the demand for action. A Gallup poll early in 1969 revealed that 86 percent of the population is either "deeply" or "somewhat" concerned about pollution. The hope is that this public concern will soon translate into fiscal and organizational efforts to meet the problems.

III. SOLID WASTE DISPOSAL

A. SOURCES

Our land is about to be engulfed by solid wastes. The monuments of our civilization may become heaps of automobile hulks, glass bottles, tin and aluminum cans, used packaging, discarded rubber tires, and other debris.

Since 1950, the Nation's population has risen 30 percent, but the solid waste load has increased 60 percent, and should increase another 50 percent in the next decade. Currently, some 200 million tons of solid wastes are accumulated annually. On a per capita basis, the average daily generation of wastes is 5.3 pounds; it will rise to an estimated 8 pounds by 1980.

The increase in wastes comes from, first, more people; second, greater consumption of commodities; and third, affluence—which has caused the regular discard of items that were once saved The level of discard is awesome—Americans, in a year's time, throw away 48 billion cans, 26 billion bottles, 30 million tons of paper, 4 million tons of plastics, and 100 million rubber tires weighing a million tons in the aggregate. Also, by 1980, we will be discarding an estimated 10 million motor vehicles a year.

These wastes are not always placed in the proper receptacles or junkyards, either. Evidence of our slovenly attitude with regard to waste disposal comes from a spot check of a 1-mile stretch of Kansas highway, where, among other things, 770 paper cups, 730 empty cigarette packs, 590 beer cans, and 130 soft drink bottles were found on the shoulder. This is hardly convincing evidence of a desire to clean up the environment.

Waste disposal problems have sources that are also organizational and administrative in nature, in addition to the basic human, attitudinal problem. Historically, solid waste management has been characterized by minimum attention, minimum funding, and minium application of technology. Since the bulk of solid wastes are deposited on one spot of unmovable local land, the disposal problem is a local one; with air and water pollution, the flowing air currents and rivers make the problem more regional and national oriented. But there is considerable reluctance on the part of the local authorities to attack the problems of waste disposal aggressively, making use of the available technology, management techniques, and disposal systems. With responsibility for solid waste management fragmented and diffuse, small local political jurisdictions with insufficient resources, techniques, and motivation often cannot handle the job.

B. EFFECTS

Waste disposal problems may soon approach the existing crises in air and water pollution. Refuse storage, collection, transportation, and processing currently directly and indirectly affect some 80 percent of the population, and employ 337,000 people in handling urban wastes alone.

The specter of inadequate waste disposal has arisen because of three main factors:

First, there is a diminishing amount of disposal space. A year's rubbish from 10,000 persons covers an acre of ground 7 feet deep. The Panel on Social Indicators, established by former HEW Secretary John Gardner, has noted that:

> We start with the fact that the total weight of materials taken into the economy must ultimately equal the total weight of the wastes discharged, plus any materials recycled . . . Since Malthus' time, the possibility of resource scarcity has held the attention of economists and laymen alike. Available evidence today suggests, however, that resource scarcity has not posed a threat to American economic growth over the last 60 years, nor is it likely to over the next 50 years.
>
> The same cannot be said of the new type of scarcity: man's limited capacity to absorb wastes. The present levels of pollution are serious enough. But unless we develop new technologies of recycling, they could become much worse.

The spatial problem is most acute in urban areas, which are the origins of most refuse—because that is where most of the population lives. Close-in urban land is too expensive for municipal purchase and use as a dump, and other sites are too far away because of prohibitive transportation charges.

Second, costs of refuse collection and disposal are rapidly rising. The present annual national costs are in excess of $4.5 billion, and this figure does not include storage and handling costs to householders, losses in property values due to refuse, the value of reusable materials, and individual health costs due to pollution-caused diseases. New York City alone spends $150 million annually. The average community outlay for collection and disposal, according to a 1968 survey by the Public Health Service, is almost $7 per person a year.

Third, facilities are becoming inadequate. That traditional community eyesore—the town dump—operates in most communities haphazardly and inefficiently. Most community leaders have more or less ignored it. Today, the press of the problems of solid waste disposal have caused them to give it priority consideration.

Seventy-five percent of the Nation's trash still goes to open dumps, but the Public Health Service estimates that 94 percent of the dumps and 75 percent of the incinerators now used are inadequate with respect to sanitation and pollution. Only 5 percent of refuse is disposed of by the sanitary landfill method, in which each day's deposit is covered with about 6 inches of dirt, making it rodent-proof and odorless.

The scope of the problem is immense. According to one former Federal official half the communities with more than 2,500 people are not doing even a "minimally acceptable" job of collection and disposal.

Even Thor Heyerdahl on his recent oceanic voyage in a reed boat noted large amounts of floating wastes, including plastic bottles and containers, hundreds of miles from land. Apparently, there is no place to hide from man's mounting piles of trash.

C. CURRENT GOVERNMENT ACTIVITIES

The Federal Government has only recently begun to cope with the problems of solid waste disposal. For many years it was considered exclusively within the domain of local government.

The Solid Waste Disposal Act, passed in October of 1965, was the first substantial Federal effort in this field. It created the forerunner of the present Bureau of Solid Waste Management at HEW, and made that agency responsible for the implementation of the act. The Bureau is a part of the Environmental Control Administration and is charged with the achievement of environmental goals through the management of solid waste to minimize pollution and improved reuse and recycle techniques for discarded materials.

Under the 1965 act, the Federal Government is given primary responsibility for a program of research and for technical assistance and matching grants to States and localities to help in the development of disposal processes. Federal funds were not available simply to help communities finance disposal of waste. The thrust of the legislation was to help finance new and promising techniques of waste disposal with the hope of developing widely usable procedures.

Most of the States have availed themselves of these grants, their average size being about $50,000, but total appropriations for the solid waste program have remained far below authorization levels. During fiscal years 1966–70, total authorizations for this program were $44.6 million, but total appropriations were only $12.7 million, a funding gap of 70 percent, or $31.9 million. This is hardly a wholehearted effort to solve the problem. A restructuring of the Federal Government's efforts is imminent.

The President's Environmental Quality Council has recently set up a committee under the chairmanship of HUD Secretary George Romney to examine the appropriate role of the Government in solid waste management.

Senator MUSKIE introduced in April 1969, the Resource Recovery Act which would extend the Solid Waste Disposal Act for 4 years. It authorizes $733 million for 5 years to carry out HEW activities under the act and provides for studies on economical means of recovering useful materials from solid wastes, for demonstration projects to test recovery techniques, for construction grants for the building of disposal facilities, and for the establishment of Federal standards for solid waste disposal and collection systems. At the end of the first session of the 91st Congress, only Senate hearings had been held on the bill.

D. SOLUTIONS

Richard Vaughan, Director of the Bureau of Solid Waste Management, says that we need to spend $2 million a day, or $835 million a year, for 5 years just to "upgrade existing collection and disposal practices to a satisfactory level." This funding amount is far above current expenditures. Some increase is obviously needed if the Bureau is to help the States and localities with their critical disposal problems. A sweeping revision of the Nation's attitude toward waste disposal is also needed. For too long now, we have simply tried to make the problem go away by ignoring it. But the discards from our affluent society no longer permit us to do that.

Public concern for this problem is now manifesting itself. State budgets are starting to show specific items for waste disposal programs and communities across the Nation are beginning to tackle the difficult problem of disposal. Public and private concern must continue to press for acceptable solutions, and demand that debris and trash be removed and reduced to the maximum extent feasible in every community.

From the standpoint of techniques, there have been numerous stopgap suggestions to handle the disposal problem; for example, trash compaction into blocks, pneumatic tube disposal systems, railroading rubbish to distant abandoned mine pits, and more easily destructible packaging.

These approaches will help, but not solve, the problems. In the long run, only a radical change in people's patterns of consumption and disposal will work. The traditional solution with trash is to "burn it or bury it." In time this approach must be discarded and a new closed system adopted of "use and salvage, reprocess and reuse." Refuse should be reclaimed and broken down into its constituent parts for reuse. Reprocessing automobile bodies is a case in point. The U.S. Bureau of Mines, which is involved in research in resource recovery, estimates that if all solid waste were properly incinerated, it would yield salvageable metals worth more than $1 billion each year. A ton of recycled wastepaper alone can provide an amount of wood pulp equivalent to 17 pulped trees. Tax and other incentives could be instituted to spur industries and municipalities to develop new and more efficient methods of solid waste disposal and reuse. Clearly, it is time for more extensive investigation of this closed system approach, because we will soon reach a point when the cost of getting rid of used material is so high, in economic and environmental terms, that the cost of renovating it would represent a saving.

Changes in funding levels, attitudes, and disposal techniques will do little good, however, if their benefits cannot be applied at the critical local and State levels. To assist in their application, the ad hoc Committee on Solid Waste Management of the National Academy of Sciences- National Academy of Engineering has recommended in a recent report that three crucial steps be taken on the Federal level:

> 1. That there be established a solid waste management information center to accumulate, evaluate, and disseminate all applicable information . . . with the general objective of increasing the rate of application of present and future technology and implementing improved waste management at all levels.
>
> 2. That research, development, and large-or-full-scale demonstrations of solid waste systems and components be carried out with demonstrations in metropolitan areas where solid waste problems derive from several sectors of the community—these activities to

> include the technological, operational, and economic factors for the newest and best approaches to storage, separation, collection, transportation, salvage, processing, preparation of recycle and deposit.
>
> 3. That there be substantial effort to improve system business management, planning, and manpower training including coordination with other federal, state, regional, and local government groups and with private operators.

Efforts such as these should help local operating agencies to better apply existing technology, technology that is not now applied because of inadequate acceptance of the problem and insufficient information on available disposal techniques.

E. PROGNOSIS

Experts foresee the day when the accumulation of rubbish and gases from its incineration will be as troublesome over the face of the earth as are the wastes in a spacecraft. We can hope that we still have time to act. According to environmental expert Frank Stead, it will take 16 years to bring about basic changes in solid waste management, 2 years to convince the public that new concepts will be successful, 4 years to put through the necessary legislation and 10 more years to put the changes into effect.

The ad hoc committee at the National Academy of Sciences foresees no dramatic breakthrough in this area, but rather step-by-step efforts to reduce or solve one problem at a time. In the aggregate, the committee says, a number of small improvements systematically applied can bring substantial progress.

IV. WHAT MUST BE DONE

A. THE INDIVIDUAL

We must begin with ourselves. Individual attitudes toward the quality of our environment are the basis for a new national attitude toward our environment.

There are several requirements to the new approach to the environment. In the words of President Johnson:

> Our conservation must not be just the classic conservation of protection and development but a creative conservation of restoration and innovation.
>
> Its concern is not with nature alone but with the total relation between man and the world around him. It's object is not just man's welfare but the dignity of man's spirit.

Such an approach requires us to become discriminating critics, asking hard questions about local public works projects, including road and dam building, real estate development, and even fishing, hunting, and camping sites. The questions are:

What is desirable? Does it bring serenity, beauty, quiet, or does it bring noise, clutter, pollution, congestion?

It requires us to weigh alternatives. Before a swamp is filled, a stream dammed, a road built, an airport sited, or a powerplant constructed, all the options must be weighed. In this view, technology is our tool for better and worse; it can be our blessing and our brain; it can be a social benefactor and a social calamity.

This total approach requires us to look not only at isolated local fragments, like the Santa Barbara oil spill or effluence from Gary, Ind., steel mills, but to attack our problems in their ecological entirety, seeking a balance between technology and a clean environment.

The new, total approach to the environment is marked by a realization that pollution control is necessary not for man's enjoyment alone, but also for his survival. It recognizes that in our independent system, the plants help to renew the air, the air helps purify the water, and the water irrigates the plants. Damage to one facet of the system throws everything off balance.

The purpose of the total approach is to enhance the quality of life for all those living today and for generations to come, and to make environmental concern a preoccupation rather than a mere passing fancy. We must avoid a continuation of the situation described by former Secretary of the Interior Stewart Udall, who said:

> We have developed a whole new generation of sedentary, city-bound citizens, whetted by spectatorship in the air-conditioned advantages of glassed-in living into acquiescing to the diminution of the spaciousness, the freshness, the green splendor of the American earth.

There is much that individuals, with the right attitude toward their environment, can do to promote its quality.

Recently, a group of my colleagues in the House called for the 1970's as "the environmental decade." They urged all Americans to make a New Year's resolution for the next decade, as follows:

> I pledge that I shall work to identify and overcome all that degrades our earth, our skies, our water and the living things therein, so that the end of the Environmental Decade of the 1970's may see our environment immeasurably better than at the beginning.

The adoption of such an attitude toward our environment is essential to our survival. A genuine grassroots campaign is needed to develop a fundamental, broadly based movement, involving all the people and encouraging them to act together to improve the quality of the world in which they live.

Each person should keep in mind the rights and duties of all citizens as proposed by President Johnson:

> The right to clean water—and the duty not to pollute it.
>
> The right to clean air—and the duty not to defoul it.
>
> The right to surroundings reasonably free of manmade ugliness—and the duty not to blight them.
>
> The right of easy access to places of beauty and tranquility where every family can find recreation and refreshment and the duty to preserve such places clean and unspoiled.
>
> The right to enjoy plants and animals in their natural habitats—and the duty not to eliminate them from the face of the earth.

There is much work that individuals can do, including work for community-wide planning; good zoning ordinances strongly enforced; effective conservation agencies; modern methods of solid waste disposal; adequate open space for playgrounds and recreational areas; downtown malls and areas; protection of water courses and wildlife; a trail system for walking, hiking, and jogging; conservation education in our local schools; underground utility lines; and proper maintenance of public places and a personal code of conservation ethics for everyone.

In addition he can join groups that work for a better environment, urge organizations to undertake a conservation project, encourage youth groups toward conservation goals, beautify our own homes and neighborhoods, urge the news media to work on behalf of conservation, urge service clubs and schools to support good conservation projects, organize conferences on beautification and conservation in local communities, clean up our communities, support the city council and the county commissioners in their efforts to achieve better utilization of natural resources, speak to our elected representatives and let them know of support for sound conservation practices, and even support bond issues and tax increase where necessary to improve the communities environment.

Such work may not make the headlines but it will make a better environment.

One goal of the new approach to the environment is to make conservation prevalent in the legislative halls of city, county, State, and Federal Governments; in the mass communication media; at public meetings; in the service clubs; in the women's organizations; and in the Nation's schoolrooms.

Young people especially, should be encouraged to develop a sense of national stewardship, a feeling that man is part of, not a part from, nature.

B. THE PRIVATE SECTOR

The private sector of the Nation must become aggressively involved in pollution control. There are many encouraging examples that suggest a dramatic change is taking place in the business community's attitude toward pollution.

Examples of voluntary private sector action to control it own pollution come from Bethlehem Steel and Ford Motor Co. These are only two of many firms that are now trying to catch up with public expectations with respect to pollution.

At Bethlehem Steel, 6.5 percent of the company's entire capital investment for the past 5 years has gone to water and air pollution abatement. In the next 5 years, the figure will rise to 11 percent. Their Burns Harbor, Ind., plant includes a $43 million water treatment facility that is holding the plant's pollution of Lake Michigan well within State regulated margins.

Ford Motor Co. is now spending $500 million annually on air pollution control and automotive safety. Since 1957, hydrocarbon emissions from their cars have been reduced by more than 80 percent, and carbon monoxide emissions have been cut by two-thirds. Henry Ford II has realistically noted:

> Before too may years have gone by, the only market left for motor vehicles will be the market for vehicles that are virtually emission free.

These are not easy decisions for American business, and some of the expenditures might raise an eyebrow or two among stockholders. But without the active involvement of business, the chances of success against pollution are not encouraging. The private sector simply must become concerned about the quality of the environment and act to meet the challenges if pollution control is to be achieved.

I agree with former HEW Secretary John Gardner, who said recently:

> Industry should commit itself to end pollution. Again, some farsighted business leaders have already done so, but the record of industry as a whole has been deplorable. It has lied to the public and to itself about the seriousness of the problem. We are just beginning to grasp the immense complexity—and danger—of environmental pollution. It is not wholly an industrial problem, but industry has a crucial role in it and could contribute enormously to its solution—if only by foreswearing its practice of emasculating pollution control legislation as it moves through Congress. Public anger over pollution is rising, and the time for effective action has come.

C. GOVERNMENT

Without doubt, Government will have to bear the major burden in the efforts to control pollution. All levels of government must place it high on their agendas for action. Several specific steps should be taken, including:

First. National commission and joint congressional committee: To help insure the prominence pollution control deserves, a National Commission for Environmental Quality should be established. Creation of these bodies will produce expertise and research material, provide a national platform for environmental experts to educate the American public and the Congress, help generate changes in national attitudes, and produce action on systematic oversight of our environment.

I have recently introduced a bill which authorizes their creation.

The Commission would be composed of non-Federal, independent environmental experts and would submit an annual report to the President and to the Congress concerning the status and condition of the Nation's environment, and its judgment concerning present and foreseeable trends affecting that environment.

The joint committee would be responsible for, first, conducting a comprehensive study and investigation of appropriate matters contained in any environmental quality report transmitted to the Congress, and second, making an annual report on environmental quality to the Congress and to the appropriate committees of Congress.

Second. Education: We must multiply our efforts to promote environmental education.

Elvis J. Stahr, Jr., former president of Indiana University and now head of the National Audubon Society, has noted that our schools and colleges "have done a demonstrably miserable job of educating about the fundamentals of man's relation to nature and the balance of nature. Somehow, more environmental awareness must be fed into curriculums all along the line."

To help insure the development of this awareness, I have cosponsored the Environmental Quality Education Act. It provides for environmental curriculum development by colleges and universities, teacher training, pilot projects, and support for environmental courses in schools and local communities.

The Executive Office of Science and Technology has recently published a report entitled, "The Universities and Environmental Quality," which recognizes the need for improved educational facilities in this area. The report recommends that the Federal Government support the formation of schools of the human environment at colleges and universities, just as it now supports schools of agriculture and public health. These schools would have a commitment to solve the environmental problems that now exist, and would enable concerned students to educate themselves in this vital area.

Third. Level of funding: The most important step needed to save our environment is the enactment of higher funding levels for pollution control. The basic legislation to combat pollution has already largely been passed; it is now necessary to provide adequate financial resources to insure that the performance matches the promise. More generous funding would allow us to expand our parks, playgrounds, wild rivers, scenic trails, seashores, fish, and wildlife areas.

The economic cost of environmental protection is so high that a commitment of the citizenry similar to that required by war is necessary if this problem is to be successfully resolved. Environmental protection is an expense that only wealthy nations can afford, but it has become an expense we avoid at our peril.

That we are avoiding this expense is apparent from this table, compiled by the Citizens Advisory Committee on Environmental Quality in August of 1969:

FUNDING OF FEDERAL ENVIRONMENTAL CONTROL PROGRAMS

[By fiscal years, in millions of dollars]

Program	1965	1966	1967	1968	1969	1979
Solid Waste Disposal Act:						
Department of the Interior:						
Authorization		3.0	6.0	10.8	12.5	12.3
Appropriation		1.4	4.3	3.4	1.9	[1] 1.7
Gap		1.6	1.7	7.4	10.6	10.6
Department of Health, Education, and Welfare:						
Authorization		7.0	14.0	19.2	20.0	19.8
Appropriation		4.3	12.3	15.4	13.3	[1] 14.9
Gap		2.7	1.7	3.8	4.7	4.9
Air pollution control:						
Authorization	25.5	30.5	46.0	109.0	185.0	134.3
Appropriation	21.0	26.6	40.1	64.2	88.7	[1] 95.8
Gap	4.5	3.9	5.9	44.8	96.3	38.5

Program	1965	1966	1967	1968	1969	1970
Land and water conservation fund:						
Authorization [2]					260.0	200.0
Appropriation		122.1	95.0	113.1	164.5	[3] 124.0
Gap					95.5	76.0
Highway Beautification Act:						
Authorization		160.0	160.0	(4)	26.1	31.3
Appropriation		70.8	81.5	(4)	0	(5)
Gap		89.2	78.5		26.1	
Treatment plant grants:						
Authorization		150	150	450	700	1,000
Appropriation		141	[6] 173	203	214	[1] 214
Gap		9		247	486	786
Water and sewer grants:						
Authorization		200	200	200	420	605
Appropriation			100	165	165	[1] 135
Gap		200	100	35	255	470

[1] Estimated.

[2] In fiscal years 1966–68 program level was determined by actual receipts to the fund plus receipts in excess of appropriations for prior years. Amendments to the act in fiscal year 1969 guaranteed an annual income to the fund of $200,000,000 for 5 years.

[3] House committee allowance July 10, 1969.

[4] Amendments to the 1965 act changed funding from straight authorization to contract authorization. No new funds appropriated in fiscal year 1968.

[5] Not available.

[6] Appropriation higher than authorization shown because of open-end authorizing provision then in law.

The Congress has appropriated $800 million, rather than the absurdly low $214 million recommended by the President, for treatment plant grants for fiscal year 1970, but that is the only substantial change in these figures. The table reveals a total appropriation gap for pollution-control programs in fiscal year 1969 of $534.2 million.

Arnold Reitze, Jr., greenpower activist, noted accurately that when public concern "grows to the point where it manifests itself in a willingness to approve expenditures commensurate with the task before us, then, and only then, will there be a chance for reversing the deterioration of our environment."

Funding of State and local pollution control efforts must also be increased. They are as bad, if not worse, than the Federal Government in this regard. State budgets are minuscule. In Ohio, the Water Pollution Control Board operates with a budget of $500,000 and air pollution control operates with $150,000. In Indiana, the State water pollution control agency has $481,000 in State funds and the air pollution control agency operates on $88,000 in State funds for fiscal year 1970.

Expenditures of this magnitude predetermine the result. State grants to local governments for pollution control are not available, and this, in turn, denies local governments Federal matching funds.

Fourth, new legislation: Although the major pollution control legislation is on the books, the search for more effective laws must continue. One new proposal should be given the most careful consideration.

It would impose a Federal effluent charge on industrial firms that discharge waste into water, levied on a per pound basis. The charges would vary according to the toxicity and quantity of the pollutants, thus providing an incentive for industry to reduce the amount of its effluent discharges. This tax incentive would be an environmental appreciation allowance and would make industry pay for its own mess, rather than make those pay who suffer from costs of pollution clean-ups. To encourage consideration of this approach, I have introduced legislation in the House establishing an effluent tax system, and requested committee hearings.

This approach to pollution control is supported by the findings of a recent General Accounting Office report, which indicated that industry, not municipalities, is the primary villain in water pollution. The report, in one instance, described a stretch of the Mississippi River where $7.7 million spent on municipal disposal sewage plants since 1957 had reduced pollution in the river by 3 percent—while industrial waste discharges had increased 350 percent in the same period.

Obviously, such a proposal prompts differing views. Dr. Lee Du Bridge, the President's science adviser, has suggested that—

> The taxpayer and consumer, not industry, must pay for environmental improvements . . . companies couldn't pay dividends if profits were low.

Congressional hearings would afford an opportunity to expose these differing viewpoints for public discussion and examination.

New tax legislation should also be considered to put the cost of developing new methods of solid waste disposal on the manufacturer and user of bottles, cans, automobile hulks, and the like, so as to encourage the development of disposable containers.

Fifth, State and local action: Executive action by the Federal Government simply will not solve the problems of pollution. The burdens of control are too many, too costly, too complex to be handled exclusively by any one level of government.

Cooperation is the key—among Federal and State Governments, and among States and localities. It is essential if pollution is to be controlled.

Regional interstate cooperation must be expanded. Rivers and streams do not always follow State boundaries.

The primary State responsibility in combating pollution under present laws is for enforcement of Federal standards created by congressional action like the Air and Water Quality Acts. Since State governments, fearing loss of industry, may be loath to rigidly enforce standards and levy effluence charges, however, the necessity of increased regional cooperation, such as interstate river basin authorities, is apparent. An example is the Ohio River Valley Water Sanitation Commission, which persuaded 3,000 industries and cities to spend $1 billion diverting 99 percent of their effluence to sewage plants. Other examples are the 57 Air Quality Control Regions established under the Air Quality Act of 1967.

Such partnership efforts are urgently needed. The problems here are complex, but they must be met. Among them are: the appropriate responsibility of each partner in regional programs, the development of quality standards and how they are applied equitably, the proper role of the Federal Government, the use of Federal taxing power for incentives, and the best ways to get adjoining States to join together in common cause.

Each State, alone, must also do a better job in planning, organizing and administering pollution control programs. There has been insufficient overall environmental planning in State and local agencies. Multiyear comprehensive environmental health plans should be required from State and local governments receiving funds to combat pollution.

Within many State bureaucracies there is a profusion of conflicting State agencies dealing with pollution control. To be effective and efficient, responsibility must be centralized and cohensive, rather than fragmented as it often is now. Management specialists should be brought in to restructure State pollution control offices.

States can take the initiative in the formation of environmental trusts, like the one Maryland has already formed. The Maryland trust was formed by the State legislature as a quasi-public agency in 1967. The bylaws state that the trust is dedicated to "conserving, improving, stimulating and perpetuating the environment." The trust has, in turn, created 23 countywide committees which survey the local area and recommend county needs to the trust's board.

At the local level, national resource problems are frequently obscured and fragmented, and given only secondary consideration. This need not be the case, however. Local elected officials will respond to aggressive public opinion for environmental quality, as evidenced by 581 municipalities in seven northeastern States which have started "conservation commissions" that are rapidly becoming a most effective new arm of local government. Consisting of five to nine local citizens they are charged with managing natural resources in their area. They try to accommodate competing needs, such as developing industry and saving wetlands, and have succeeded in striking a balance between development and preservation.

Sixth, research: We must move rapidly forward in research.

Much research is needed; for example, in the recycling or "looping the system" aspect to the total environmental approach, discussed earlier. How do we get continuous reuse and regeneration of the water, fuel, and chemicals that we now waste because we consider them garbage? Man should instead strive to parallel natural decay by recycling the wastes.

Resalvaging already keeps 80 percent of all mined copper in circulation. But U.S. incinerators now destroy about 3 million metric tons of other valuable metals a year; magnetic extraction could save the metal and reduce incineration by 10 percent. Another help would be packaging materials that, following use, rot rapidly when discarded. Intensive research is needed in this area, too.

This research must also seek alternatives. The internal combustion engine is the single worst polluter. The electric car and the turbine car must be looked at. A pollution-free engine must be developed and put to use. Industrial and powerplants must be shown clean burning fuels and production methods which do not ravish the environment.

But, just as important as research, is the application of the know-how we now have. Improvements in pollution control will come forth, but we cannot wait.

CONCLUSION

The threat to our environment is apparent. We stand at the crossroads with a clear choice. We can, if we will, choose the direction of preserving and improving the quality of our environment. It is not an easy choice, and it promises no quick, easy solution. But, in time, it does promise clean air, clean water, and tall forests.

It is easier and less expensive to go in the other direction. But its promise is also apparent; dirty air, polluted water, ravished land, and, in time, extinction.

If the greatest thing since creation—the Apollo 11 moon landing—was worth $25 billion, how much is the creation worth?

THE FIRST SESSION OF THE 91ST

The SPEAKER. Under a previous order of the House, the gentleman from West Virginia (Mr. STAGGERS) is recognized for 25 minutes.

Mr. STAGGERS. Mr. Speaker, "The thing now is people power," said an unidentified observer. "You don't cram things down peoples' throats any more."

As evidence, Congress has been hearing from the people this year. In truth, the song they sing does not carry an orchestral harmony. But to those who listen, there is an underlying consonance which cannot be mistaken. It is gradually drowning out the raucous calls for the impossible. The keynote is, "Beware." This country is not about to plunge into the chaos of revolution.

The whirling wheel of change which has distracted our attention for some years brings with it an unprecedented technological progress rather than the lure of a new social order. That progress has furnished us with more reasons than ever for sticking to the old paths of work and integrity and human compassion. It is about at the point of lifting the whole race of men out of the muck of want and suffering into the high ground of a satisfied plenty. We would be deplorably foolish if we should assume that the unrest which has troubled us is indeed a search for a new philosophy of economics and of social order. For 200 years we have been building a great na-

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tion on a solid foundation. Today we have no intention of wiping out all our achievement in response to the siren call of the incapable and the discontented.

A business forecast—and it bears every mark of responsible reasonableness—sees a new decade, the seventies, in which "economic growth will continue at a brisk clip, carrying the United States to levels of output and income never seen before and not even imagined two decades ago. Rising population and rising incomes will open new markets, and advancing technology will provide new ways to serve these markets."

Continuing, the forecast suggests that conceivably the 1970's could contain "a real start on the problems that have tormented the United States for the last generation." Many of those problems grow out of the difficulty of adjusting to rapid change, producing some elements in society who have not kept up with progress.

The forecast suggests:

> For a real solution to its problems, the United States must seek to improve the lot of the losers without stripping the winners of what they have honestly come by. * * * It is a problem in social engineering and technological engineering greater than this or any other country has ever dealt with. But the United States has a long record of successful problem solving.

This is not the ominous rumbling of impending disintegration in the social and political structure. On the contrary, it is the voice of impatience with the unwarranted distractions which puzzle as well as perturb us. It is the voice of some 72 million Americans pursuing their appointed tasks day after day in confident assurance that their labor is not in vain.

As a prop for this position, we may remind ourselves that only two modern nations on the face of the globe have survived the changes of the centuries with government structure unimpaired. Two forces are highly disruptive of social stability: wild fluctuations in the economic order; and bitter and savage wars. England and the United States have been subjected to the strain of both these forces almost without interruption through the centuries. England has been described as a democracy within an empire. It possesses a constitution supposedly unwritten, yet rigid enough to withstand all pressures hitherto brought to bear on it. The United States has a constitution supposedly written, yet flexible enough to make allowances for change. It is a democracy within a republic.

Within the year, in addition to all the other changes, the United States has been subjected to important political changes. Elsewhere, it might have meant confusion and disruption on a continental scale. Here, but for the fervid coverage of the news media, a new President or a new Governor might be inducted into office with scarcely a ripple on the even flow of events outside government offices.

In fact, in the advanced democracies represented by England and the United States, government has become depersonalized. It is an elemental force, controlled by the invisible and unworded agreement of a highly complex social organization. It does not depend on individual government officers, or even on political parties. The only time a politician is his own man, speaking his own piece, is while he is still a candidate. Once in office, he is caught up in the irresistible movement of social advance, a captive to forces outside his control. That is why a party platform must be accepted as a sort of canvas of public opinion, rather than as a blueprint of proposed performance.

Enough has been said to make plain the conviction that the Government of this country, though a representative government in form, is indeed a true democracy. The will of the people prevails. Their agents in Washington would do well to pay deference to their collective wisdom. And the fruit of the deliberations of the first session of the 91st Congress is proof of the earnest endeavor of legislators to give heed to the signs of the times.

This has been a thinking Congress. Strong pressures from many angles have not been sufficient to provoke hasty action. From the first days of January to the present hour there has been appraisal and reappraisal of the various problems needing solution. A decision, once made, represents the best judgment of the Members as to the popular will.

It would be a waste of space to go through this list of measures and to try to point out just what each would do. In general, it may be said that as a whole the new laws represent no radical break with the past. We have recognized and honored our commitments to the rest of world, and at the same time have endeavored to relinquish some of our responsibilities where they can be taken over by others.

On the domestic front, the emphasis has been on the grave national problems of the age. We have tried to find a remedy for the social and moral sickness of society, represented by crime and violence. Other laws are intended to strengthen the consumer-oriented legislation initiated in previous Congresses. These include laws dealing with hazardous materials and articles in the home as well as in industry, with usurious interest rates, with pollutants in the air, in water, and in the soil. Medical research and development has been given strong encouragement, and a further help for our veteran dependents has been a major concern.

Quite a number of our proposals have received overwhelming support when they finally reached the floor of the House. We are satisfied that they had the approval of the people in equally strong measure. Other proposals won or lost by slim majorities. These represent the burning issues of the day. As a nation, we have yet to make up our minds about them.

It is a matter of real satisfaction to me that I have had the privilege of working in a congressional committee which is truly people-oriented. The bills developed by that committee have been uniformly well received by the Congress. And I want to thank the members of that commitee, from both sides of the aisle, who have worked so diligently and so faithfully in the public interest through long hours of testimony and discussion.

The work of the 91st is, of course, not finished with the close of the year. We will resume in January, where we leave off in December. During the days remaining this calendar year, it is my ardent hope that we will be able to strengthen social security benefits. My aim is, and has been, a full 15-percent increase. Another aim was a restoration of the old and original $1,200 exemption allowance on income tax returns. It seems probable that part of this desirable reform in the income tax law will be made this year, the other parts will have to be done later.

This Congress will adjourn within a few days, and carry with it into the Christmas season the satisfaction of a job well done. In my opinion, we have met our responsibility to the Nation, and to our own particular constituents, in a competent manner. This is not a perfect world, and we are not perfect individuals. But we have followed the light, as we could see it.

The old clock of time ticks on, as someone has said, and it does not help to throw stones at it. We must hope for a world that grows better and better, and strive on with all our might to make it so. And so I would say to myself and to all my colleagues:

By thine own soul's law learn to live,
Sing thou thy song, and do thy deed,
Hope thou thy hope, and pray thy prayer.
Be not afraid to pray; to pray is right,
Pray, if thou canst, with hope, but ever pray,
Though hope be weak, or sick with long delay,
Pray in the darkness if there be no light.

ON HANDLING STUDENT DISORDERS

(Mr. SCHWENGEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SCHWENGEL. Mr. Speaker, this session of the Congress has brought forth a good deal of controversy with respect to the procedures for handling campus disorders. I fear that more often than not we have managed to generate a good deal of more heat than light. All manner of solutions have been offered, including imposition of penalties on the students and instructors involved through Federal legislation.

I have taken the position that if we are to preserve our present concept of higher education and academic freedom, responsibility for controlling student disorders must clearly rest with the academic officials directly in charge of these institutions working with local civil authorities when necessary. It seems clear to me that the academic community must "control its own house" if academic freedom is to be maintained. And, of course, it goes without saying that disruptive student demonstrations cannot be tolerated. Peaceful and orderly demonstrations are acceptable until they reach the point of disrupting the principal function of the institution, that of educating students.

Mr. Speaker, I think the University of Iowa at Iowa City, Iowa, has done an excellent job of utilizing this approach. Earlier this fall officials there took great pains to advise students not only of their rights, but their responsibilities as well.

It is quite clear from the information provided to the students that disruptive conduct will not be tolerated.

The university recently experienced its first disruption since the rules were issued. Several students attempted to forceably eject a representative of the Department of Labor from the university placement office. Several of those involved were alleged to have been members of the Students for a Democratic Society—SDS. Several nonstudents were involved as well.

The university through its vice president, Philip G. Hubbard, has announced prompt action against all involved, student and nonstudent alike. This is commendable, and Dr. Hubbard and the other officials of the university deserve our full support in their efforts.

For the benefit of my colleagues, I would like to insert in the RECORD at this point the information published by the university on student rights and responsibilities, together with Dr. Hubbard's statement on the current disorder:

[From the University of Iowa Student Guide, 1969–70]

POLICIES RELATED TO STUDENT RIGHTS AND RESPONSIBILITIES

Because the aims and interests of individuals generally differ and sometimes conflict, the structure of any community necessarily reflects compromise. This is especially true of a public university, whose philosophy and policies must satisfy the very diverse aims and interests of students, scholars, and citizens at large.

Presumably you came to The University of Iowa realizing that neither this nor any other institution would exactly suit your aims and interests. Presumably. You chose Iowa because, among the institutions you considered, Iowa offers the "climate of learning" you believe suits you best.

It is a major university, not primarily in size—it is, after all, the second smallest of the Big Ten schools, and far smaller than the nation's largest—but in the breadth and quality of its programs.

It is a liberal university, in its regard for essential rights and freedoms, including freedom of speech and lawful assembly . . . freedom to teach, to learn, and to pursue truth wherever its paths may lead . . . and the rights to a uniform application of rules and equal access to facilities and services.

Many of the values and standards of behavior in an academic community—such as personal character, dignity, and integrity—are best transmitted by example, persuasion and mutual respect. Such an unwritten code is most appropriate to the philosophy of this institution.

That some formal regulation does exist here, however, is hardly out of tune with the concept of compromise applying to community life everywhere. Just as the aims and interests of individuals differ and conflict in all communities, so all comunities must adopt whatever regulations their members require to insure "the greatest good for the greatest number." Acceptance of and adherence to these fundamentals of freedom and order are necessary for continued membership in the community.

When members of this community consider what matters may require regulation by written code, these guidelines apply:

1. All the University's resources must be fully employed in the intellectual and personal development of its students.

2. Institutional regulations should be adopted only when necessary to the achievement of the University's academic goals, the safety and freedom of individuals, or the orderly operation of the University.

3. Students should be encouraged to participate, through orderly procedures, in the establishment and revision of regulations governing their conduct.

4. Regulations should be clearly stated, and made conveniently available to every student.

5. Disciplinary action for violation of regulations should be corrective, rather than punitive.

6. Disciplinary procedures should be consistent with the principle of due process, channels of appeal should be clearly defined, and information relating to appeals should be readily accessible to all students.

Institutional regulations cannot provide specifically for every question of conduct under every set of circumstances which might arise; they are intended to define the practices ordinarily necessary to maintain working order in a complex system, and to protect the essential freedoms of everyone in the community.

The initiation and review of University policies and regulations rest with general University committees, which submit their recommendations to the University President.

Committees dealing with the extracurricular activities of students are composed of faculty members and students. Representatives of the appropriate administrative offices serve as consultants or ex-officio committee members.

All student members of committees are appointed by the University President, from nominations submitted by the Student Senate.

Student and faculty members are equally empowered to introduce topics for the agenda, to debate proposals, and to vote on all actions. Student members contribute most effectively to the work of the committees by maintaining regular lines of two-way communication with the Student Senate and with other groups and individuals interested in their committees' particular areas of concern.

As members of the larger community of which the University is a part, students are entitled to all the rights and protections enjoyed by other members of that community. By the same token, students are also subject to all civil laws, whose enforcement is the responsibility of duly-constituted civil authorities.

It should be emphasized that when a student's violation of civil law also adversely affects the orderly operation of the University, the University must enforce its own regulations regardless of any civil proceedings or dispositions.

Responsibility for judicial action on violations of University regulations is assigned to the Dean of Students and the Committee on Student Conduct. Final authority in all cases rests with the University President and the State Board of Regents.

The following are the primary statements of University policies on rights and responsibilities of students. It is to your advantage to give them a careful reading, and to keep your copy at hand for reference.

Interim changes in extracurricular regulations are published in the student-edited newspaper, The Daily Iowan. A complete set of current general University regulations is always available in the Office of Student Affairs. For information on curricular matters, consult the University's General Catalogue.

CODE OF STUDENT LIFE, 1969–70

(NOTE.—Although the 1969–70 Code has received final approval from the President and is therefore effective for the 1969–70 academic year unless and until amended by approval of the President, no part of the Code is ever "final" in the sense of not being subject to further review and revision. It is anticipated that certain provisions of the Code will be reconsidered again this year by the Committee on Student Life and recommendations for further revision submitted to the President. After his approval, amendments are effective upon publication in The Daily Iowan.)

General conduct regulations

Academic institutions exist for the advancement of knowledge, the pursuit of truth, the development of students, and the general well-being of society. Free inquiry and free expression are indispensable to the attainment of these goals. As members of the academic community, students are encouraged to develop a capacity for critical judgment and to engage in a sustained and independent search for truth.

Freedom to teach and freedom to learn are inseparable facets of academic freedom. The freedom to learn depends upon appropriate opportunities and conditions in the classroom, on the campus, and in the larger community. Students are expected to exercise their freedom to learn with responsibility and to respect the general conditions conducive to such freedom. Accordingly, the University has developed the following general regulations pertaining to student conduct which provide and safeguard the right of every individual student to exercise fully his freedom to learn without undue interference by others.

Any student who commits any of the following acts of misconduct shall be subject to disciplinary action by the University. These regulations shall apply only where a student's misconduct has adversely affected some University process or function or some other distinct and clear interest of the University as an academic community. These regulations shall be construed so as not to abridge any student's constitutional rights of free expression of thought or opinion, peaceable assembly, or the petition of authorities.

1. Academic dishonesty, including the acquisition of honors, awards, certification or professional endorsements, degrees, academic credits, or grades by means of cheating, plagiarism, or falsification with respect to any examination, paper, project, application, recommendation, transcript, or test, or by any other dishonest means whatsoever, or aiding or abetting another student to do so. Violation of this section will normally be handled within the college or department concerned, with provision for appeal.

2. Willful misrepresentation of any material fact to any member of the faculty or staff of the University or to any office, department, or committee thereof (including the Committee on Student Conduct), or willful misrepresentation to anyone, within or without the University community, of his status with the University or of the support, sponsorship, or approval by the University of the services or activities of any person, group, or organization.

3. Willful failure to comply with a proper order or summons of any properly identified[1] member of the faculty or other University official acting within the scope of his authority, or willful failure of a student to identify himself by stating his name to such faculty member or official.

4. Forgery, alteration, or misuse of any University record, document, or student identification card.

5.[2] (a) Intentionally disrupting the orderly processes of the University or

(b) intentionally obstructing or denying access to services or facilities by those entitled to use such services or facilities or

(c) intentionally interfering with the lawful rights of other persons on the campus or

(d) inciting others to do acts proscribed by paragraphs (a), (b), or (c) of this section.

6. Willful demonstrations within the interior of any University building or structure, except as specifically authorized and subject to reasonable conditions imposed to protect the rights and safety of other persons and to prevent damage to property.

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[1] By stating his name and title if requested by a student.

[2] This regulation was adopted by the State Board of Regents February 9, 1968, and is applicable to all Regents institutions.

7. Unauthorized entry into or occupation of any University room, building, or area of the campus, including such entry or occupation at any unauthorized time, or any unauthorized or improper use of any University property, equipment, or facilities.

8. Intentional setting of fire in any University building or on the campus without proper authority, or intentional sounding of a false fire alarm in any University building or on the campus.

9. Theft or wrongful appropriation, or willful destruction, damage, defacing, or mutilation of any property belonging to or in the possession or custody of another member of the University community or of the University.

10. Assaulting, threatening, physically abusing, unduly harassing, or endangering in any other manner the health or safety of any person on the campus or at any University sponsored or supervised function or event.

11. Use or possession of serviceable firearms, ammunition, explosives, fireworks, or other dangerous articles within any University building or University approved housing, on the campus, or at any University sponsored or supervised function or event, except in authorized facilities.

12. Possession or consumption of any alcoholic or other intoxicating beverage within any University building or University approved housing (except married housing), on the campus, or at any University sponsored or supervised function or event, except as expressly permitted under Social Regulations, Section 2, of the Code of Student Life.

13. The manufacture, processing, or sale of any narcotic drug, marijuana, or other addictive, dangerous, or hallucinogenic substance or the administering thereof to any other person without his knowledge and consent.

14. Violation of any other regulation contained in the Code of Student Life or any other rule, regulation, or policy which may be promulgated by the President of the University or his authorized representative, by any college, department, dormitory, office, or other facility within the scope of its authority, or by the State Board of Regents, provided such rules, regulations, or policies were published, posted, or otherwise adequately publicized or the student had actual knowledge thereof. All provisions contained in University residence halls contracts which pertain to personal conduct shall be deemed rules subject to this regulation with respect to all dormitory residents.

15. Any other conduct or action in which the University can demonstrate a clear and distinct interest as an academic institution and which seriously threatens—

(a) any educational process or other legitimate function of the University or

(b) the health or safety of any member of the academic community.

Social regulations

1. Social Functions: When a student organization recognized by the University sponsors a social function, it is the responsibility of the sponsoring organization to provide adequate supervision and to ensure compliance with civil law and with the Code of Student Life. Sponsorship is determined by an organization's planning, promoting, and financing of the function rather than by the number of members attending the event.

2. Drinking: Alcoholic beverages may not be served on campus or in approved housing. If alcoholic beverages are served at a social function (not held on the campus or in approved housing), it is the duty and responsibility of the sponsoring organization to provide adequate supervision and to ensure full compliance with all applicable civil laws pertaining to the consumption of alcoholic beverages.

3. Open Houses and Visitations: An open house is a social function during which rooms in an approved housing unit are open to the public. A visitation is a social function during which the residents of an approved housing unit may invite guests, including guests of the opposite sex, into their own rooms.

A reasonable policy governing open houses and visitation shall be adopted by each fraternity and sorority chapter; by the general council of each residence hall; or by students occupying each approved housing unit not a residence hall, fraternity, or sorority. The policy shall provide:

(a) the schedule of hours and days for visitation and open house;

(b) rules for the conduct of residents and guests at various types of open houses and visitations;

(c) procedures for registering guests;

(d) procedures for amending and for providing exceptions; and

(e) means of enforcement.

Open houses and visitations are permissible any day of the week between the hours of 12 noon and one half hour before the closing hours for women's residences as provided in Housing and Hours Regulations, Section 8, of the Code of Student Life.

Each residence hall, fraternity, sorority, and other housing unit shall inform the Office of Student Affairs of its policy. The Office of Student Affairs will acknowledge immediately in writing receipt of such policies. The policy of each fraternity, sorority, residence hall, and other approved housing unit shall become effective immediately upon receipt by the Office of Student Affairs except where the policy requires the Office of Student Affairs to make special preparation for implementation.

Housing and hours regulations

1. Reporting Correct Address: Each student is required to report his correct address at the time of registration each semester or session. This reported address must be the student's actual place of residence. Any change of residence made during the semester or session must be reported within three days to the Registrar's Office. Failure or refusal to comply with this regulation is cause for cancellation of registration.

2. Approved Housing: Single, undergraduate students who will not be twenty-one years of age on or before the last day of the semester are required to live in housing approved by the University or in parental homes. University approved housing includes University residence halls, social fraternity and sorority chapter houses, and approved rooming houses. Students subject to the approved housing regulation are responsible for determining that their housing is approved. Failure or refusal to comply with this regulation is cause for cancellation of registration.

3. Special Permission to Live in Unapproved Housing: Application for special permission to live in unapproved housing must be made in person at the Off-Campus Housing Office, 106 Jessup Hall, prior to the beginning of the semester or session. Single, undergraduate students under twenty-one, upon application, may be given special permission to live in unapproved housing for the following reasons:

1. Living with adult relatives
2. Medical necessity
3. Religious necessity
4. Work situations in which the student receives at least one-half of the monthly rent in exchange for services.

4. Conditions for Approval of Off-Campus Housing: Approval of any off-campus housing located within the postal territory of Iowa City or Coralville will be granted by the Office of Student Affairs upon the following conditions: (a) premises found to satisfy University health and safety standards; (b) lessor agrees in writing to comply with University policy on fair housing practices; (c) lessor agrees to enforce all applicable University rules and regulations regarding student conduct, housing, and hours, and (d) adequate adult supervision is provided. A listing of all housing which has been approved is available to students in the Office of Off-Campus Housing, 106 Jessup Hall.

5. Certified Housing: As a service to students eligible to live in unapproved housing, the Office of Off-Campus Housing maintains a listing of certified housing. Certification is granted to any off-campus housing upon the conditions that (a) the premises are found to satisfy University health and safety standards and (b) the lessor agrees in writing to comply with University policy on fair housing practices. A listing of available certified housing is maintained on the bulletin board on the ground floor of Jessup Hall.

6. University Policy on Fair Housing Practices: It is the policy of the University that lessors, approved or certified, shall rent to all students on the basis of their individual merits as persons without exclusion or discrimination on the basis of race, creed, color, or national origin. A signed non-discrimination pledge is required of all approved or certified lessors. Any complaint of discrimination in housing should be submitted to the chairman of the University Committee on Human Rights within sixty days of the alleged act of discrimination. The name of the current chairman of the Committee may be obtained from the Office of Student Affairs, 111 Jessup Hall. The State of Iowa and the City of Iowa City also have fair housing codes which may be applicable.

7. Guests: Entertainment of guest of the opposite sex in approved housing is to be confined to the public areas except during open houses and visitations. For policies and procedures regarding open houses and visitations, see Social Regulations, Section 3. Guest closing hours for all approved student residences are as follows:

Sunday-Thursday 11:45 p.m.
Friday and Saturday 12:45 a.m.

8. Closing Hours for Women's Residences: Closing hours shall be defined at the LATEST hour for a student's return to her housing unit. The regular closing hours are in effect whenever the dormitories are open for residency. This includes summer session, examination, registration, and vacation periods. All undergraduate women other than those included in the Privileged Hours Program have 12 midnight closing hours Sunday through Thursday and 1 a.m. closing hours Friday and Saturday nights throughout the academic year with the following exceptions:

1. 2 a.m. closing hours on Friday and Saturday, Homecoming Weekend.

2. 1 a.m. closing hours the night before classes are suspended prior to University vacation periods (Thanksgiving and the night before Mercy Day continuing through the week of examinations).

9. Privileged Hours: Women who are sophomores, juniors, or seniors or who will attain the age of twenty-one during the semester may request permission to participate in the Privileged Hours Program in accordance with AWS regulations. Freshman women are subject to 12 midnight and 1 a.m. closing hours with no exceptions for the first semester. Second semester freshman women have 12 midnight closing hours Sunday through Thursday and may request privileged hours Friday and Saturday nights with parental permission.

10. Overnight Sign-Outs. Undergraduate women students may sign out to be away from their place of residence on Friday and Saturday nights in accordance with AWS regulations. Overnight absence without proper sign-out is a violation of University regulations and may be cause for disciplinary action, including suspension from the University.

RECOGNITION OF STUDENT ORGANIZATIONS

1. Eligibility: Any group or organization which consists primarily of University students and whose purposes are consistent with the educational objectives of the University

is eligible for recognition by the University. Recognized student organizations must comply with all regulations contained in the Code of Student Life and are entitled to certain privileges such as the use of University facilities and services as hereinafter provided. Recognition of a student organization by the University does not constitute an endorsement of its program or purposes, but is merely a charter to exist. Additional information and regulations concerning student organizations are contained in the Student Organizations Handbook.

2. Membership Policy: It is the policy of the University that all recognized student organizations be able to exercise free choice of members on the basis of their merits as individuals without restriction as to race, color, or national origin. Any student organization whose choice of members is subject to approval by national or other non-University organizations, or which is required by a non-University organization to procure a recommendation from an alumnus or any other person not currently an active member of the local organization prior to admitting a person to membership, is ineligible for recognition by the University.

3. Officers: Only registered University students or members of the faculty or administrative staff may be principal representatives of a recognized student organization. Each organization must identify at least two and no more than four principal representatives.

4. Recognition Procedure: Recognition of student organizations which are residential living units (residence halls, fraternities and sororities) is granted by their respective governing bodies (Associated Residence Halls, Interfraternity Council, and Panhellenic Council) with the concurrence of the Committee on Student Life. Recognition of all other student organizations is granted under the auspices of the University of Iowa Student Association Senate: (a) Charters are issued by the Student Senate to student organizations which are eligible for permanent recognition; (b) Provisional recognition not to exceed 12 months may be granted by the Office of Student Affairs with the concurrence of the Student Senate Committee on Student Organizations to ad hoc organizations which are eligible for temporary recognition. Application forms for recognition are available in the Office of Student Activities and must be signed by a principal representative of the organization.

5. Registration: On or before October 1 of each year, every recognized student organization must submit a registration statement to the Office of Student Affairs setting forth completely and accurately all of the information requested on the registration form. Such forms are available in the Office of Student Activities and must be signed by an authorized member of the organization. Thereafter, during the year, recognized student organizations shall, within a reasonable time, report to the Office of Student Affairs any amendments to or changes in their constitutions, bylaws, principal representatives, advisers, or programs. Recognized student organizations shall also submit any additional information or data requested from time to time by the Office of Student Affairs or the Committee on Student Life.

6. Annual Report: Before the close of each academic year; every recognized student organization must submit an annual report to the Office of Student Affairs. Such annual report shall consist of a clear and concise statement summarizing the activities and programs of the organization during the year and must be signed by a principal representative of the organization. Failure to file a timely annual report is cause for revocation of recognition.

7. Revocation: Recognition may be revoked by the recognizing agency (Student Senate, Associated Residence Halls, Interfraternity Council, Panhellenic Council) for good cause. The procedure followed must guarantee the student organization reasonable notice and opportunity to be heard prior to any action on the proposed revocation.

8. Appeals: Student organizations may appeal any adverse decision of a recognizing agency to the President of the University or his designated representative.

9. Advisers: Student organizations are encouraged to have advisers who are members of the University faculty or administrative staff; any recognized student organization which is financed, in whole or in part, by an allocation from student activity fees or through assessments collected by the University is required to have such an adviser.

10. Finances: Any recognized student organization financed in whole or in part by an allocation from student activity fees or through assessments collected by the University is required to utilize the services of and transact all business through the Auditor of Student Organizations. Any other recognized student organization may elect to utilize the services of the Auditor of Student Organizations on a voluntary basis. There is no charge for this service. All organizations required to utilize the facilities of the Auditor must deposit all organizational funds and income with the Auditor and shall not deposit funds or maintain an account in any other place. For further information, consult the Student Organizations Handbook.

11. Official Listing: Only recognized and registered student organizations will be listed in the organizations section of the University Directory and other official University publications.

Regulation of student organizations

1. Use of University Space and Facilities: Recognized student organizations may use University space and facilities subject to the requirements of the regular University program. Requests for reservations for the use of University rooms, auditoriums, and other facilities shall be submitted at least one week in advance to the Office of Space Assignment and Utilization, 102 Jessup Hall. Exceptions: Requests for the use of Iowa Memorial Union facilities are to be submitted to the IMU Scheduling Office, located on the main floor of the Union, and requests for the Field House or the Armory are to be submitted to the Offices of the Director of Athletics and of the Commandant of the ROTC, respectively.

2. Charges for Use of Space and Facilities: Recognized student organizations will be permitted to use available University space and facilities without charge except to defray any extra costs or expenses incurred by the University in making the facility available; provided that if the student organization charges admission or otherwise solicits funds from the public, the normal rental fee for the facilities will be charged.

3. Fund Raising: Recognized student organizations may engage in fund-raising activities, provided such activities are registered with the Office of Student Affairs at least one week in advance. Registration forms are available in the Office of Student Activities and must be signed by a principal representative of the sponsoring student organization.

4. Registration of Programs to which Admission is charged: Recognized student organizations may sponsor entertainment or lecture programs to which a general admission fee is charged, provided such programs are registered with the Office of Student Affairs at least one week in advance. Registration forms are available in the Office of Student Activities and must be signed by a principal representative of the sponsoring student organization. No contracts or other financial commitments should be made by the sponsoring organization until registration has been completed. Organizations utilizing the services of the Auditor of Student Organizations must make all financial arrangements through the Auditor's office. The sponsoring organization must have a balance on hand in its treasury sufficient to cover the cost of the program, including facility rental, speaker's fee, advertising, and any other expense, or adequate funds must actually be deposited with the organization by an underwriter, which funds cannot be repaid until all costs and expenses incurred by the organization in presenting the program have been fully satisfied. No advertising or publicizing of any commercial product or trade name shall be permitted. In scheduling programs, sponsoring organizations must observe the calendaring regulations established by the Student Activities Board.

5. Solicitation on Campus: For the purposes of this chapter, the term "solicitation" means the seeking of funds or other support, such as signatures, food, or supplies, by a recognized student organization from persons outside its membership. Thus, solicitation could include, for example, such activities as the sale of goods or services, the distribution of literature, materials, or products, or the sponsoring of rallies, parades, or similar events. Recognized student organizations may solicit at reasonable times and places on the campus and under reasonable conditions imposed by University officials charged with control of areas involved, provided such solicitations are not inconsistent with the stated purposes of the sponsoring oragnization or with the educational purposes of the University, and provided such solicitations are registered with the Office of Student Affairs at least one week in advance. Registration forms are available in the Office of Student Activities and must be signed by an authorized member of the sponsoring student organization. General solicitation of students is ordinarily conducted in the Iowa Memorial Union and is normally restricted to the Gold Feather Lobby. Requests for reservations in the Gold Feather Lobby are to be submitted to the Office of Student Activities at least one week in advance. As nearly as space permits, each recognized student organization shall be entitled to one reservation (up to five consecutive days) per month. In addition to this reservation, unreserved space will be allocated to organizations by request on a daily first come-first served basis. Special requests for space elsewhere in the Union or on campus may be granted due to unusual circumstances. The Office of Space Assignment and Utilization may also designate certain locations on the outdoor campus which may be used for solicitation subject to any reasonable conditions imposed. The organization conducting a solicitation must be identified at every location by means of a sign or an announcement.

6. Guest Speakers: Recognized student organizations may invite guest lecturers, panel participants, discussion leaders or others from off-campus to speak or otherwise participate in campus programs, provided such programs are registered with the Office of Student Affairs at least one week in advance. Registration forms are available in the Office of Student Activities and must be signed by a principal representative of the sponsoring student organization. No arrangements with guest speakers should be made by the sponsoring organization until registration has been completed. In the event the speaker or the issues are controversial, the Office of Student Affairs may require the sponsoring organization (a) to secure a tenured member of the faculty to chair the program and (b) to provide for the speaker to be subjected to questions from the audience at some time during the program.

7. Sponsorship: Sponsorship is determined by an organization's participation, alone or with others, in planning, publicizing, and financing, rather than by the number of members attending or participating in an event. An event is considered to be sponsored by an

organization if it is planned, announced, discussed, or financed by the organization, such as when organization members are notified in a regular or special meeting or by a special announcement or posting, or when the financial responsibility is met by the organization.

8. Posters: Recognized student organizations are permitted to advertise and publicize forthcoming campus activities or events by means of posters, banners, and other displays on University bulletin boards and elsewhere on campus as authorized by the Director of Space Assignment and Utilization, provided all such posters, banners and displays must be approved in advance by the Office of Space Assignment and Utilization. Posters and other displays to be posted on campus bulletin boards may not exceed 11 x 14 inches in size. The name of the organization sponsoring a campus activity or event must appear on every display, and no advertising or publicizing of any commercial product or trade name is permitted. For further information, students may consult the Office of Space Assignment and Utilization, 102 Jessup Hall.

9. Trips: Off-campus trips sponsored by recognized student organizations must be registered at least one week in advance with the Office of Student Affairs. Registration forms are available in the Office of Student Activities and must be signed by a principal representative of the sponsoring student organization.

10. Enforcement: Any recognized student organization which violates any University rule, regulation or policy shall be subject to disciplinary action in accordance with established procedures, which may result in the loss or suspension of recognition or the imposition of other sanctions.

University policy on undergraduate residence groups

1. General Policy: Fraternity regulations are based upon a policy to: (a) integrate the fraternity system into the general University student housing and group living program. University dormitories and fraternity houses are each to be considered as constituting an integral part of the general plan of University housing and every effort will be expended to insure full occupancy of all group living quarters whether University or fraternity owned: (b) assure, insofar as is possible, solvent, successful, and effective operation on the part of each individual fraternity chapter as a housing unit and living group; (c) maintain different types of living groups so that each student may have a choice of dormitory or fraternity group living as a part of his education program in order that he may utilize non-classroom time in such a way as to supplement the work of the classroom in his individual development.

2. House Residency: Only qualified members and pledges and authorized employees may reside in fraternity chapter houses.

3. Housemother: Each house must have a housemother or other authorized chaperon in residence. No housemother or chaperon is to be employed or released by the fraternity without the approval of the Office of Student Affairs.

4. Vacation Operation: Fraternity chapter houses may remain open during school year vacations only with the permission of the Office of Student Affairs.

5. Financial Operations: All undergraduate fraternities must subscribe to participate in the Fraternity Business Service.

6. Governing Organizations: Undergraduate men's and women's fraternities shall be governed by the Interfraternity Council and Panhellenic Council, respectively, which governing bodies may establish, consistent with provisions of the Code of Student Life, additional rules and regulations for recognition of new fraternities, membership selection standards, and standards of conduct. All amendments to the constitution or bylaws of the Interfraternity Council or Panhellenic Council shall be approved by the Committee on Student Life.

University policy on graduate and professional fraternities

The responsibility for the regulation and governing of graduate or professional fraternities shall be that of the Dean of the respective College (within the framework of general University policy).

General

The Code of Student Life is applicable to all students attending the University of Iowa, including undergraduate, graduate, professional, and parttime students, continuously at all times, whether or not the University is in session, from the date of their initial registration at the University for as long as they are students, regardless of whether or not they are currently registered at the University.

It is the duty and responsibility of all students to acquaint themselves with all provisions of the Code and particularly with the rules and regulations pertaining to personal conduct, and every student will be conclusively presumed to have knowledge of all rules and regulations contained in the Code from the date of his initial registration at the University. The Code may be amended at any time by authority of the President of the University. Amendments are effective upon approval of the President and publication in the Code of Student Life, provided that if the President deems an amendment of immediate importance it shall be effective from and after publication in the Daily Iowan (which will be conclusively presumed is adequate notice to all students). A full and complete text of the Code and other general University rules and regulations of personal conduct currently in effect, including all amendments, shall be on file in the Office of Student Affairs at all times and shall be available for inspection by students. The Office of Student Affairs shall be responsible for making available to students copies of all amendments deemed of immediate importance and for distributing copies of such amendments to all housing units, affected student organizations, and otherwise as the Dean of Students deems appropriate, provided that failure to make such distribution shall not affect the effectiveness of such amendments.

POLICY REGARDING USE OF DRUGS

The use of marijuana, LSD, amphetamines, sedatives, and tranquilizers by students is a matter of concern to educational institutions throughout the United States. This concern is shared within the University of Iowa because evidence shows that some of the drugs represent health hazards and because the use or possession of the first two is unlawful. The others should be used only under current medical supervision.

As a matter of policy the University cannot condone the use by students of drugs which are illegal and which may involve substantial physiological or psychological hazards or lead to interference with the rights and privileges of others. As an educational institution the University endeavors to protect and assist students by providing reliable information about the hazards. Such information is available through Student Health and the University Counseling Service. Any discussions between individuals and the professional staffs in these offices are treated as confidential medical information. Groups may enlist the assistance of the staff as speakers or discussion leaders and, of course, may utilize outside speakers and other sources at their own discretion.

Disciplinary action

The use of marijuana, LSD, hallucinogens, or other dangerous drugs will not of itself be regarded as an act calling for disciplinary action. However, students who violate other sections of the Code of Student Life while under the influence of these drugs will be subject to disciplinary action on the basis of their offenses.

Hallucinogens are especially dangerous when administered to anyone without his knowledge. Any student administering marijuana, LSD, or any other hallucinogen or similar drug to any member of the University community without the latter's knowledge, or knowingly permitting others to do so, will be subject to disciplinary action up to and including expulsion. This regulation is intended for the protection of innocent students and clearly involves a separable University interest. Consequently, it will be enforced independently of any criminal prosecution.

University property is not to be used for the unlawful manufacture, processing, or sale of marijuana, LSD, hallucinogens, or other dangerous drugs. Violators are subject to disciplinary action up to and including expulsion and, in addition, may be reported to appropriate civil authorities.

STUDENT BILL OF RIGHTS

It is the policy of The University of Iowa that each student shall be guaranteed the following rights and freedoms; enumeration of these rights or registration at the University shall in no manner be construed to nullify or limit any other constitutional or legal rights or freedoms possessed by students as citizens or residents of the United States or of the State of Iowa:

1. The right to participate freely in University sponsored services and activities without discrimination based on the student's race, creed, or national origin.

2. The right to obtain a clear statement of his basic rights, obligations, and responsibilities concerning both academic and nonacademic student conduct.

3. The right to be evaluated in the classroom solely on the basis of academic achievement and fulfillment of educational requirements with freedom of expression protected and respected.

4. The right to organize and join associations in order to promote common interests.

5. (Affiliation with recognized student organizations.)[3]

6. The right of protection from the maintenance by the University of records reflecting the student's beliefs or his political activities and associations except for counseling records, health records, and records of disciplinary proceedings, and the right of protection from the release to persons outside the University community of such records as well as academic and disciplinary records without the express consent of the student or a court order.

7. The right to petition for changes in either academic or non-academic regulations, procedures, or practices.

8. The right to be represented by a democratic student government.

9. The right to have clearly defined means to participate in the formulation and application of institutional policy affecting both academic and nonacademic student affairs. The student's participation shall include his right to gain access to information, to express his views, and to have these views considered.

10. The right of protection from the placement of non-University financial obligations on the student's University account without the express consent of the student.

11. (Unreasonable searches and seizures.)[3]

12. The right to be free from disciplinary action by the University for misconduct except under reasonable rules which have as their substantive basis the protection of some clear and distinct interest of the University as an academic institution.

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[3] Statements on these subjects have been under consideration but are not in final form at this time. Discussions will be continued by the relevant groups during the academic year.

13. The right to due process in any action brought or taken by the University against the student which can reasonably be expected to affect the student's status with the University or any of its constituent parts or agencies.

14. (Unaltered status while disciplinary proceedings pending.) [3]

15. The right to protection from ex post facto regulations.

JUDICIAL STRUCTURE TO HANDLE STUDENT NON-ACADEMIC MISCONDUCT

The violation of student non-academic responsibilities as set forth in The University of Iowa Code of Student Life will be adjudicated by three different types of judicial agencies:

(A) The Committee on Student Conduct

(B) The Office of Student Affairs

(C) Various student conduct committees and other non-academic boards

A. Committee on student conduct

1. Jurisdiction

The Committee on Student Conduct will have jurisdiction over cases referred to it by various campus disciplinary agencies. It will hear all cases involving possible suspension or dismissal of the student from The University of Iowa for disciplinary reasons. All appeals of actions taken by the Office of Student Affairs (other than traffic court cases) will result in a hearing before this committee. The committee will also review appeals from lower court decisions and from Office of Student Affairs decisions involving traffic court cases. Such a review may or may not result in a new hearing before the Committee on Student Conduct. The student party making an appeal to the Committee on Student Conduct must file a written statement of appeal with the Chairman. This statement must be filed no later than one week after the action under appeal has been taken. Such written appeals will be read by the seven member board (see A.4.C), and they must receive an affirmative vote by three of the members before a new hearing is granted.

2. Jurisdiction and procedures regarding organizations

Original jurisdiction of disciplinary cases involving recognized student organizations shall lie with the appropriate court governing the organization or, in cases where no such court exists, with the Office of Student Affairs. Decisions by those bodies may be appealed to the Committee on Student Conduct. Alleged violations of a nature serious enough to result in the possible withdrawal of recognition of the organization or the curtailment of activities essential to the organization's continued well being (such as the right to recruit new members) shall be referred by the lower bodies to the Committee on Student Conduct.

Five votes shall be required to withdraw recognition of an organization or to curtail the performance of its essential activities. Those persons recognized as the accountable student officers of the organization (and their counsel) shall appear before the Committee on Student Conduct to hear the charges and present the organization's defense. Hereafter, in applying the reading of this document to organizations, the term "organization" (accountable student officers) may be substituted for "student" with no basic changes in meaning or procedures.

3. Appeals

Students who are parties to a case may appeal from the Committee on Student Conduct to the President of the University. Such appeals shall be submitted to the President in writing within 72 hours after receipt of the decision being appealed.

4. Membership

(a) The Committee on Student Conduct will consist of eleven members, six of whom shall be nominated by the Faculty Senate and five of whom shall be nominated by the Student Senate for appointment by the President.

(b) The Chairman shall be appointed by the President. The Chairman shall have voting rights and shall have served on the committee at least one year prior to his appointment as Chairman. The term of chairmanship shall be one year.

(c) Sitting on each case will be a seven (7) member board consisting of at least three (3) faculty members (including chairman) and three (3) students selected by the Chairman from among the committee members.

(d) Both sexes must be represented on the board at each hearing.

(e) Terms of committee members will ordinarily be for two years with staggering terms to allow for continuity.

5. Procedure

Cases to be heard by the Committee on Student Conduct will usually be brought to the committee by the Office of Student Affairs. A member of the Office of Student Affairs will have the responsibility for preparing the complaint against the student at the committee hearing. In cases involving appeals of action taken by various conduct committees, the committee concerned will have the responsibility of presenting charges and evidence against the student. Such a presentation by a committee will be conducted in consultation with the member of the Office of Student Affairs familiar with Committee on Student Conduct procedures. The student may also consult with the Office of Student Affairs before his hearing. The following regulations will govern hearings conducted by the Committee on Student Conduct:

(a) Hearings: The Committee shall determine whether the hearing shall be closed or open to the public. The student may request an open hearing but the Committee shall decide. Only those persons directly involved with a case may attend a closed hearing: the Committee on Student Conduct, the student or organization whose case is being heard, the person or persons presenting the charges, and witnesses during their testimony. Hearings shall be informal in nature and designed to place the student as much at ease as possible to facilitate communication and understanding. Cases of original jurisdiction or appeal shall be decided by a simple majority (4 votes). A separate vote will be taken to determine sanctions if the student has been found in violation. Action to suspend or dismiss a student requires five votes.

(b) Record of Proceedings: A record of all hearings will be made on a tape recorder, and the chairman will provide a secretary to keep a written digest of the proceedings. Both records will be kept by the chairman in a locked file. Tapes of cases resulting in penalties such as suspension or dismissal shall be kept on file for two years; all other tapes shall be kept for six months. After the appropriate time has elapsed the content of the tapes will be erased and the tapes re-used. The written record shall be destroyed upon student's graduation or after four years. Only those persons directly involved with a case may have access to the records pertaining thereto: the Committee on Student Conduct, the student or organization (and counsel) whose case is being heard, and the person or persons presenting the charges.

(c) Notice of Hearing: The chairman of the Committee on Student Conduct or his agent shall give the student written notice of the specific charges against him, the person or persons making the charges, a list of the eleven members of the Committee on Student Conduct and the time and place of the hearing of his case. Such notification shall be made at least five (5) days before the hearing.

(d) Challenge: Within twenty-four hours following the receipt of notice, the student may challenge the right of any member of the Committee on Student Conduct whom he feels might be prejudicial to his case to take part in the hearing. The challenge shall be submitted to the chairman whose responsibility it shall be to examine the reasons for the challenge and accept or reject it.

(e) Appearance Before the Committee: The student may elect to appear before the Committee in person to present his defense, or he may elect not to appear. Should he elect not to appear, the hearing shall be held in his absence.

(f) Counsel: The student appearing before the Committee on Student Conduct may be assisted by an adviser of his choice at the hearing.

(g) Testimony: The student will have the opportunity to hear and refute all testimony against him. Where witnesses present evidence against him, he will have the opportunity to hear and question these adverse witnesses. Where the evidence is presented in writing, he will have the right to see and refute such written testimony. The student may present any evidence in his own behalf, may reply to charges in his own words, and may present witnesses in his own behalf.

(h) Proof: The burden of proof will rest upon those bringing the charge, and all matters upon which the decision is based must be introduced as evidence during the hearing. Formal rules of evidence will not be followed; however, improperly acquired evidence shall not be considered.

(i) Student Status: The student's status at the University will not be altered pending final disciplinary action on the charges. His right to be present on the campus and to attend classes will not be suspended except for reasons relating to the well being of himself, other members of the University community, or University property.

(j) Notification of Decision: The decision of the Committee will be conveyed to the student as soon as possible following the hearing, and confirmed in writing within 24 hours of the hearing. When a decision results in a change in the student's University status copies of the letter of notification of decision will go to the Dean of Students the college of student registration, the Registrar, and, in the case of unmarried students who have not reached their majority, to their parent or guardian. Disclosure of decisions made by the Committee on Student Conduct shall not be made except at the request of the student. However, if the offense with which he is charged is a prior matter of public record the decision may be made public.

B. Office of student affairs

1. Jurisdiction

The Office of Student Affairs has original jurisdiction in cases referred to it by a variety of agencies both on and off the campus. In addition, it can act with original jurisdiction on cases referred to it by various conduct committees. Various sanctions may be imposed by this office including that of disciplinary probation. All cases coming to the attention of the Office of Student Affairs in which suspension or dismissal from the University would be a likely sanction must be referred to the Committee on Student Conduct.

2. Case Referral

Cases coming to the attention of the Office of Student Affairs may be referred to the Committee on Student Conduct.

3. Appeals

Students who are parties to the case may appeal disciplinary decisions made by the Office of Student Affairs to the Committee on Student Conduct.

4. Disciplinary Counseling

The Office of Student Affairs will be responsible for the disciplinary counseling

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which will take place both in regard to students referred to it from various agencies and also for students who have received hearings and received various sanctions from the Committee on Student Conduct. In addition, students may be referred by lower student committees to the Office of Student Affairs for disciplinary counseling.

C. Student conduct committees

1. Jurisdiction

Student courts will be set up in most types of residence units and these courts will have jurisdiction over members of their resident units, except in those cases serious enough to result in possible probation, suspension, or dismissal.

2. Case Referral

Cases may be referred from these committees to either the Office of Student Affairs or to the Committee on Student Conduct. When cases are referred from these commitees to the Committee on Student Conduct, this referral may take place in consultation with a member of the Office of Student Affairs.

3. Appeals

Students who are a party to the case and appealing the actions of conduct committees at this level will appeal their cases directly to the Committee on Student Conduct as specified in Section A.1.

4. Membership

Membership on conduct committees at this level will be determined by the unit concerned.

5. Procedures

Hearing procedures will be determined by the various conduct committees and by the unit concerned. Such procedures should be consistent with the basic requirements of due process: The burden of proof shall rest upon those bringing the charges; the student shall have the right to call witnesses to testify in his behalf; the student shall be permitted to question adverse evidence; and the student may be assisted by an advisor.

D. Amendments

Any person or group proposing amendments to this document must submit such amendments to the Student Senate and the Faculty Council for recommendation. Such proposed amendments must be recommended by a two-thirds majority of both bodies before being submitted to the University President for final approval.

ACADEMIC MISCONDUCT

As stated in Section 1 of the Code of Student Life general conduct regulations, violation of the regulations for academic misbehavior is ordinarily handled within the department or College concerned. The following procedure applies specifically to the Colleges of Liberal Arts, Education, and Nursing, and is generally representative of procedures in the other undergraduate Colleges. Students in other Colleges who wish more specific information should inquire at the office of their respective dean.

1. Reporting of plagiarism and cheating

All cases of plagiarism and cheating in the College of Liberal Arts shall be reported for action to the Office of the Dean of the College through departmental channels with a statement of the necessary facts. The department and the instructor concerned may also submit recommendations in each case for appropriate disciplinary action.

2. Disciplinary action

a. By the Instructor: The individual instructor may reduce the student's grade, including the assignment of the grade of "F" in the course. A report of this action should always be sent to the Dean's Office.

b. By the Dean: The Dean of the College, or a student-faculty committee appointed by him, may impose the following or other penalties as the offense may warrant: disciplinary probation, assessment of additional hours for the bachelor's degree, suspension from the College or recommendation of expulsion from the University by the President.

3. Referral to university committee on student conduct

a. By the Dean: In the cases of flagrant or repeated offenses or for other reasons deemed sufficient by the Dean of the College, he may, at his option, refer the case and records to the Student Conduct Committee of the University for appropriate action.

b. By the Student: If the student feels that the penalty imposed by the Dean is unjust, the student may appeal to the University Committee on Student Conduct by filing a written request to this effect with the Dean of Students.

4. Record of disciplinary action

The Dean's Office shall maintain a record of disciplinary cases and disposition thereof, and shall notify such other agencies of the University as are concerned with action taken in the case. The Dean shall determine whether or not the disciplinary penalty imposed is to be recorded by the Registrar upon the student's transcript of college courses. The student involved shall be informed that a record is being kept of the offense.

Graduate College: Questions of academic dishonesty arising within the Graduate College are treated on an individual basis. Generally, the questions are handled at the departmental level. If a departmental decision is appealed, the Dean may appoint an appeals committee of faculty and students from a slate of nominees prepared by the Graduate Council and the Graduate Student Senate, to recommend an appropriate course of action.

JOINT STATEMENT ON RIGHTS AND FREEDOMS OF STUDENTS

The Joint Statement on Rights and Freedoms of Students was drafted as a cooperative project among national educational associations representing faculty members, students, and administrators. This effort began in the fall of 1966, and various interim drafts were published in educational journals and discussed by relevant groups from time to time. The University of Iowa recognized the value of this effort at an early date and approved the underlying principles before the final draft was ratified by the participating organizations in the fall of 1967. While the specific rules and procedures which govern the University, e.g., the Code of Student Life, the disciplinary procedures, and the Student Bill of Rights, are controlling, every effort has been made to make them consistent with the Joint Statement. Inconsistencies among the specific rules and procedures are to be resolved in light of the fundamental principles enunciated in the Joint Statement. The text of the Joint Statement reads as follows:

Preamble

Academic institutions exist for the transmission of knowledge, the pursuit of truth, the development of students, and the general well-being of society. Free inquiry and free expression are indispensable to the attainment of these goals. As members of the academic community, students should be encouraged to develop the capacity for critical judgment and to engage in a sustained and independent search for truth. Institutional procedures for achieving these purposes may vary from campus to campus, but the minimal standards of academic freedom of students outlined below are essential to any community of scholars.

Freedom to teach and freedom to learn are inseparable facets of academic freedom. The freedom to learn depends upon appropriate opportunities and conditions in the classroom, on the campus, and in the larger community. Students should exercise their freedom with responsibility.

The responsibility to secure and to respect general conditions conducive to the freedom to learn is shared by all members of the academic community. Each college and university has a duty to develop policies and procedures which provide and safeguard this freedom. Such policies and procedures should be developed at each institution within the framework of general standards and with the broadest possible participation of the members of the academic community. The purpose of this statement is to enumerate the essential provisions for student freedom to learn.

I. Freedom of access to higher education

The admissions policies of each college and university are a matter of institutional choice provided that each college and university makes clear the characteristics and expectations of students which it considers relevant to success in the institution's program. While church-related institutions may give admission preference to students of their own persuasion, such a preference should be clearly and publicly stated. Under no circumstances should a student be barred from admission to a particular institution on the basis of race. Thus, within the limits of its facilities, each college and university should be open to all students who are qualified according to its admission standards. The facilities and services of a college should be open to all of its enrolled students, and institutions should use their influence to secure equal access for all students to public facilities in the local community.

II. In the classroom

The professor in the classroom and in conference should encourage free discussion, inquiry, and expression. Student performance should be evaluated solely on an academic basis, not on opinions or conduct in matters unrelated to academic standards.

A Protection of Freedom of Expression

Students should be free to take reasoned exception to the data or views offered in any course of study and to reserve judgment about matters of opinion, but they are responsible for learning the content of any course of study for which they are enrolled.

B. Protection against Improper Academic Evaluation

Students should have protection through orderly procedures against prejudiced or capricious academic evaluation. At the same time, they are responsible for maintaining standards of academic performance established for each course in which they are enrolled.

C. Protection against Improper Disclosure

Information about student views, beliefs, and political associations which professors acquire in the course of their work as instructors, advisers, and counselors should be considered confidential. Protection against improper disclosure is a serious professional obligation. Judgments of ability and character may be provided under appropriate circumstances, normally with the knowledge or consent of the student.

III. Student records

Institutions should have a carefully considered policy as to the information which should be part of a student's permanent educational record and as to the conditions of its disclosure. To minimize the risk of improper disclosure, academic and disciplinary records should be separate, and the conditions of access to each should be set forth in an explicit policy statement. Transcripts of academic records should contain only information about academic status. Information from disciplinary or counseling files should not be available to unauthorized persons on campus, or to any person off campus without the express consent of the student involved except under legal compulsion or in cases where the safety of persons or property is involved. No records should be kept which reflect the political activities or beliefs of students. Provisions should also be made for periodic routine destruction of noncurrent disciplinary records. Administrative staff and faculty members should respect confidential information about students which they acquire in the course of their work.

IV. Student affairs

In student affairs, certain standards must be maintained if the freedom of students is to be preserved.

A. Freedom of Association

Students bring to the campus a variety of interests previously acquired and develop many new interests as members of the academic community. They should be free to organize and join associations to promote their common interests.

1. The membership, policies, and actions of a student organization usually will be determined by vote of only those persons who hold bona fide membership in the college or university community.

2. Affiliation with an extramural organization should not of itself disqualify a student organization from institutional recognition.

3. If campus advisers are required, each organization should be free to choose its own adviser, and institutional recognition should not be withheld or withdrawn solely because of the inability of a student organization to secure an adviser. Campus advisers may advise organizations in the exercise of responsibility, but they should not have the authority to control the policy of such organizations.

4. Student organizations may be required to submit a statement of purpose, criteria for membership, rules of procedures, and a current list of officers. They should not be required to submit a membership list as a condition of institutional recognition.

5. Campus organizations, including those affiliated with an extramural organization, should be open to all students without respect to race, creed, or national origin, except for religious qualifications which may be required by organizations whose aims are primarily sectarian.

B. Freedom of Inquiry and Expression

1. Students and student organizations should be free to examine and discuss all questions of interest to them, and to express opinions publicly and privately. They should always be free to support causes by orderly means which do not disrupt the regular and essential operation of the institution. At the same time, it should be made clear to the academic and the larger community that in their public expressions or demonstrations students or student organizations speak only for themselves.

2. Students should be allowed to invite and to hear any person of their own choosing. Those routine procedures required by an institution before a quest speaker is invited to appear on campus should be designed only to insure that there is orderly scheduling of facilities and adequate preparation for the event, and that the occasion is conducted in a manner appropriate to an academic community. The institutional control of campus facilities should not be used as a device of censorship. It should be made clear to the academic and larger community that sponsorship of guest speakers does not necessarily imply approval or endorsement of the views expressed, either by the sponsoring group or the institution.

C. Student Participation in Institutional Government

As constituents of the academic community, students should be free, individually and collectively, to express their views on issues of institutional policy and on matters of general interest to the student body. The student body should have clearly defined means to participate in the formulation and application of institutional policy affecting academic and student affairs. The role of the student government and both its general and specific responsibilities should be made explicit, and the actions of the student government within the areas of its jurisdiction should be reviewed only through orderly and prescribed procedures.

D. Student Publications

Student publications and the student press are a valuable aid in establishing and maintaining an atmosphere of free and responsible discussion and of intellectual exploration on the campus. They are a means of bringing student concerns to the attention of the faculty and the institutional authorities and of formulating student opinion on various issues on the campus and in the world at large.

Whenever possible the student newspaper should be an independent corporation financially and legally separate from the university. Where financial and legal autonomy is not possible, the institution, as the publisher of the student publications, may have to bear the legal responsibility for the contents of the publications. In the delegation of editorial responsibility to students the institution must provide sufficient editorial freedom and financial autonomy for the student publications to maintain their integrity of purpose as vehicles for free inquiry and free expression in an academic community.

Institutional authorities, in consultation with students and faculty, have a responsibility to provide written clarification of the role of the student publications, the standard to be used in their evaluation, and the limitations on external control of their operation. At the same time, the editorial freedom of student editors and managers entails corollary responsibilities to be governed by the canons of responsible journalism, such as the avoidance of libel, indecency, undocumented allegations, attacks on personal integrity, and the techniques of harassment and innuendo. As safeguards for the editorial freedom of student publications the following provisions are necessary:

1. The student press should be free of censorship and advance approval of copy, and its editors and managers should be free to develop their own editorial policies and news coverage.

2. Editors and managers of student publications should be protected from arbitrary suspenion and removal because of student, faculty, administrative, or public disapproval of editorial policy or content. Only for proper and stated causes should editors and managers be subject to removal and then by orderly and prescribed procedures. The agency responsible for the appointment of editors and managers should be the agency responsible for their removal.

3. All university published and financed student publications should explicitly state on the editorial page that the opinions there expressed are not necessarily those of the college, university, or student body.

V. Off-Campus Freedom of Students

A. Exercise of Rights of Citizenship

College and university students are both citizens and members of the academic community. As citizens, students should enjoy the same freedom of speech, peaceful assembly, and right of petition that other citizens enjoy and, as members of the academic community, they are subject to the obligations which accrue to them by virtue of this membership. Faculty members and administrative officials should insure that institutional powers are not employed to inhibit such intellectual and personal development of students as is often promoted by their exercise of the rights of citizenship both on and off campus.

B. Institutional Authority and Civil Penalties

Activities of students may upon occasion result in violation of law. In such cases, institutional officials should be prepared to apprise students of sources of legal counsel and may offer other assistance. Students who violate the law may incur penalties prescribed by civil authorities, but institutional authority should never be used merely to duplicate the function of general laws. Only where the institution's interests as an academic community are distinct and clearly involved should the special authority of the institution be asserted. The student who incidentally violates institutional regulations in the course of his off-campus activity, such as those relating to class attendance, should be subject to no greater penalty than would normally be imposed. Institutional action should be independent of community pressure.

VI. Procedural standards in disciplinary proceedings

In developing responsible student conduct, disciplinary proceedings play a role substantially secondary to example, counseling, guidance, and admonition. At the same time, educational institutions have a duty and the corollary disciplinary power to protect their educational purpose through the setting of standards of scholarship and conduct for the students who attend them and through the regulation of the use of institutional facilities. In the exceptional circumstances when the preferred means fail to resolve problems of student conduct, proper procedural safeguards should be observed to protect the student from the unfair imposition of serious penalties.

The administration of discipline should guarantee procedural fairness to an accused student. Practices in disciplinary cases may vary in formality with the gravity of the offense and the sanctions which may be applied. They should also take into account the presence or absence of an honor code, and the degree to which the institutional officials have direct acquaintance with student life, in general, and with the involved student and the circumstances of the case in particular. The jurisdictions of faculty or student judicial bodies, the disciplinary responsibilities of institutional officials and the regular disciplinary procedures, including the student's right to appeal a decision, should be clearly formulated and communicated in advance. Minor penalties may be assessed informally under prescribed procedures.

In all situations, procedural fair play requires that the student be informed of the nature of the charges against him, that he be given a fair opportunity to refute them, that the institution not be arbitrary in its actions, and that there be provision for appeal of a decision. The following are recommended as proper safeguards in such proceedings when there are no honor codes offering comparable guarantees.

A. Standards of Conduct Expected of Students

The institution has an obligation to clarify those standards of behavior which it considers essential to its educational mission and its community life. These general behavioral expectations and the resultant specific regulations should represent a reasonable regulation of student conduct but the student should be as free as possible from imposed limitations that have no direct relevance to his education. Offenses should be as clearly defined as possible and interpreted in a manner consistent with the aforementioned principles of relevancy and reasonableness. Disciplinary proceedings should be instituted only for violations of standards of conduct formulated with significant student participation and published in advance through such means as a student handbook or a generally available body of institutional regulations.

B. Investigation of Student Conduct

1. Except under extreme emergency circumstances, premises occupied by students and the personal possessions of students should not be searched unless appropriate authorization has been obtained. For premises such as residence halls controlled by the institution, an appropriate and responsible authority should be designated to whom application should be made before a search is conducted. The application should specify the reasons for the search and the objects or information sought. The student should be present, if possible, during the search. For premises not controlled by the institution, the ordinary requirements for lawful search should be followed.

2. Students detected or arrested in the course of serious violations of institutional regulations, or infractions of ordinary law, should be informed of their rights. No form of harassment should be used by institutional representatives to coerce admissions of guilt or information about conduct of other suspected persons.

C. Status of Student Pending Final Action

Pending action on the charges, the status of a student should not be altered, or his right to be present on the campus and to attend classes suspended, except for reasons relating to his physical or emotional safety and well-being, or for reasons relating to the safety and well-being of students, faculty, or university property.

D. Hearing Committee Procedures

When the misconduct may result in serious penalties and if the student questions the fairness of disciplinary action taken against him, he should be granted, on request, the privilege of a hearing before a regularly constituted hearing committee. The following suggested hearing committee procedures satisfy the requirements of procedural due process in situations requiring a high degree of formality.

1. The hearing committee should include faculty members or students, or, if regularly included or requested by the accused, both faculty and student members. No member of the hearing committee who is otherwise interested in the particular case should sit in judgment during the proceeding.

2. The student should be informed, in writing, of the reasons for the proposed disciplinary action with sufficient particularity, and in sufficient time, to insure opportunity to prepare for the hearing.

3. The student appearing before the hearing committee should have the right to be assisted in his defense by an adviser of his choice.

4. The burden of proof should rest upon the officials bringing the charge.

5. The student should be given an opportunity to testify and to present evidence and witnesses. He should have an opportunity to hear and question adverse witnesses. In no case should the committee consider statements against him unless he has been advised of their content and of the names of those who made them, and unless he has been given an opportunity to rebut unfavorable inferences which might otherwise be drawn.

6. All matters upon which the decision may be based must be introduced into evidence at the proceeding before the hearing committee. The decision should be based solely upon such matters. Improperly acquired evidence should not be admitted.

7. The decision of the hearing committee should be final, subject only to the student's right to appeal to the president or ultimately to the governing board of the institution.

STATEMENT BY PHILIP G. HUBBARD, VICE PROVOST

After consultation with University staff members who are familiar with the circumstances of an incident Wednesday afternoon in the University Career Counseling and Placement Office, I believe there is sufficient evidence to warrant the filing of charges against certain individuals involved. It appears that not more than 10 or 12 persons were involved, although some of them may not have violated University regulations.

Charges of violating University regulations will be filed with the Committee on Student Conduct against students involved, and against Students for a Democratic Society, the organization which sponsored the activity. Civil charges will be brought against non-students involved in the incident.

We expect to act in the next few days, following completion of our investigation.

SCHWENGEL COMMENDS NIXON ADMINISTRATION ON FIRST YEAR'S RECORD

(Mr. SCHWENGEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SCHWENGEL. Mr. Speaker, we are now rapidly approaching the end of the first year of President Nixon's administration. And what a great year it has been for America. President Nixon has done a magnificent job of getting this country back on the track and headed toward fulfillment of our historic destiny. His achievements are all the more laudable in view of the fact that many of his efforts have been stalled or stymied in the Congress where his party is still a minority.

Let me summarize briefly the President's achievements to date:

NEW DIRECTION IN FOREIGN POLICY

Among the accomplishments were:

The Nixon doctine, set forth at the outset of his round-the-world tour, calling for a new kind of partnership for peace and security.

Agreement with Japan on the difficult question of Okinawan reversion.

New life for the Western European alliance, dramatized by the President's visit to Europe.

New posture toward the countries of Eastern Europe, symbolized by the visit to Romania, the first by any President to a Communist country.

A new policy for Latin America, unveiled in the first Presidential address ever televised live to the other nations of the Western Hemisphere.

A series of initiatives to probe the possibilities of moving toward a political settlement of the conflict in the Middle East.

Continued efforts to end the tragedy of starvation in Biafra.

Proposals for reforms in foreign aid and trade.

The signing of the Nuclear Nonproliferation Treaty.

The opening of the strategic arms limitation talks in Helsinki.

A new policy on the use of chemical and biological weapons.

A Presidential directive to implement significant overseas personnel reductions, to cut back the American presence and to streamline operations.

NEW DIRECTION IN VIETNAM

After years in which American involvement has constantly increased, 60,000 troops were withdrawn.

Casualties fell to a 3-year low.

The continued progress in the President's Vietnamization program enabled him to put into effect an orderly timetable for the withdrawal of American forces.

NEW DIRECTION ON THE DRAFT

President Nixon instituted major reform in selective service.

The first draft lottery since 1942 was conducted.

The period of draft vulnerability was reduced from 7 years to 1 year.

Young men will now know at age 19 the degree of likelihood that they will be drafted and can plan accordingly.

Draft calls for November and December were eliminated entirely, and the January 1970 call sharply reduced.

The first system of youth advisers to the Selective Service System was inaugurated.

An intensive review of the other major aspects of draft policy—including the deferment question—is now underway.

NEW DIRECTION IN DEFENSE POLICY

The Nixon administration conducted the most thorough review of worldwide military strategy and force options ever undertaken, which resulted in:

Presidential approval of explicit criteria for strategic sufficiency.

Presidential approval of explicit budgeted strategy guidelines for planning the defense force posture, which will reduce and stabilize defense spending over the next 5 years.

Presidential establishment of an interagency Defense Program Review Committee to insure balanced review of defense policy and program issues in the light of our overall national priorities.

Initial construction of an anti-ballistic-missile system to protect our deterrent and to defend the American people against accidental nuclear attacks or nuclear blackmail by third countries.

NEW DIRECTION IN GOVERNMENT ORGANIZATION

President Nixon undertook the most sweeping reform of government machinery since the Hoover Commission, including:

The establishment of four new Cabinet level domestic Councils and numerous other new planning groups.

The revival of the National Security Council and other reforms in foreign policy machinery.

The establishment of common regional boundaries and headquarters for the field operations of the major domestic departments.

A program for consolidating Federal grant programs.

A new Office of Child Development to implement the President's commitment to improve the first 5 years of life.

Complete reorganization in such areas as the Manpower Administration and the Office of Economic Opportunity.

The most thorough reform proposal in history for the Nation's Post Office system.

NEW DIRECTION IN FEDERAL-STATE-LOCAL RELATIONS

The President's "New Federalism" proposals marked a historic turning point:

For the first time in history, the President proposed the sharing of Federal revenues with the States and localities.

In another historic innovation, the President proposed that administration of manpower training be turned over to State and local governments.

NEW DIRECTION IN WELFARE

The President introduced dramatic new concepts for helping the disadvantaged. They include:

The first major reform in welfare in over a generation, a new family assistance plan for helping people move from welfare rolls to payrolls.

A new manpower training program to prepare workers for new jobs.

The first comprehensive reform of unemployment insurance in the history of that program.

The elimination or reduction of taxes for some 17 million low-income persons.

The first Presidential commitment to put an end to hunger in America, including an expanded food stamp program and free food stamps for the very poor.

New initiatives to provide more low-income housing.

Strong efforts to eliminate racial discrimination in the job market and new programs for strengthening minority business enterprise.

Proposals for social security reforms, including larger benefits and a provision that future benefits be tied to the cost of living.

NEW DIRECTION ON THE ECONOMY

The President carried on a rigorous and unrelenting fight against inflation:

The Federal budget was cut by more than $7 billion.

A program for gradually phasing out the 10-percent surtax was proposed.

A plan of responsible tax reform was laid out, including substantive proposals for making the tax structure fairer.

NEW DIRECTION AGAINST CRIME

The administration asked for more money for crime fighting.

More personnel were assigned to the war on crime.

Structural reforms in crime fighting included new antiracketeering field offices.

New laws were requested for combating organized crime, District of Columbia crime, pornography, and narcotics.

The President directed that reforms be made in Federal correctional institutions.

NEW DIRECTION FOR TRANSPORTATION

Long-range efforts to meet the transportation crisis were introduced, including:

A $10 billion, 12-year mass transit program, the largest ever.

A $2.5 billion, 10-year program to improve airway facilities and equipment.

An immediate increase in the number of air traffic controllers.

A decision to build a supersonic transport.

The first comprehensive reform of merchant shipping legislation since 1936.

NEW DIRECTION IN HEALTH AND SAFETY

Significant, new steps were taken to protect public health and safety, including:

A comprehensive series of consumer protection proposals to safeguard the "Buyers' Bill of Rights."

Steps to protect the public against pesticides and other potentially dangerous materials in the food supply.

A strong new approach to enforcing occupational safety and health standards.

The first Presidential message in history on the subject of the population explosion.

A strong coal mine safety bill.

During his busy first year, the President traveled to 14 foreign countries, officially received 13 heads of government or heads of state as his guests, in the exercise of a new foreign policy aimed at peace and stability in the world. He sent 31 messages to the Congress, proposing historic changes in domestic policy. It was a year of substantial progress toward changing the Nation's mood, reordering its priorities and reorganizing its institutions. At the end of the year, the American people—68 percent of whom expressed approval of the way the President was doing his job—could look forward to the new decade with increased confidence and hope.

President Nixon said last October:

> We intend to begin a decade of government reform such as this nation has not witnessed in half a century.

The record of his first year in office gives solid substance to this promise, for it was a year of reform that set a new direction for America in both foreign and domestic policy.

DEPARTMENTS OF LABOR AND HEALTH, EDUCATION, AND WELFARE APPROPRIATIONS—CONFERENCE REPORT

Mr. FLOOD submitted the following conference report and statement on the bill (H.R. 13111) making appropriations for the Departments of Labor and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1970:

CONFERENCE REPORT (H. REPT. No. 91–781)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 13111) "making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies for the fiscal year ending June 30, 1970, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 3, 11, 12, 18, 42, 43, 46, 48, 55, 61, 62, 63, 64, 65, 66, 68, 70, 73, and 77.

That the House recede from its disagreement to the amendments of the Senate numbered 9, 17, 20, 21, 22, 23, 24, 40, 47, 49, 67, 71, 79, 80, 81, 82, and 85; and agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$655,772,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$12,335,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$72,352,500"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$108,800,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$47,500,000"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$190,362,500"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$171,256,500"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$30,644,500"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$146,334,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$106,978,000"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$103,694,500"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$164,644,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$76,949,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$24,342,500"; and the Senate agree to the same.

Amendment numbered 36: That the House

recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$76,658,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$234,470,000"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$11,722,000"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$149,050,000"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$330,876,000"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows: "$30,000,000 shall be for equipment and minor remodeling and state administrative services under title III–A of said Act of 1958;"; and the Senate agree to the same.

Amendment numbered 53: That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$107,500,000"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$18,250,000"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$148,881,000"; and the Senate agree to the same.

Amendment numbered 59: That the House recede from its disagreement to the amendment of the Senate numbered 59, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$6,737,000"; and the Senate agree to the same.

Amendment numbered 60: That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$5,083,000"; and the Senate agree to the same.

Amendment numbered 69: That the House recede from its disagreement to the amendment of the Senate numbered 69, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$120,000,000"; and the Senate agree to the same.

Amendment numbered 74: That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$28,360,000"; and the Senate agree to the same.

Amendment numbered 75: That the House recede from its disagreement to the amendment of the Senate numbered 75, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$10,000,000"; and the Senate agree to the same.

Amendment numbered 76: That the House recede from its disagreement to the amendment of the Senate numbered 76, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$30,226,500"; and the Senate agree to the same.

Amendment numbered 78: That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$911,350,000"; and the Senate agree to the same.

Amendment numbered 86: That the House recede from its disagreement to the amendment of the Senate numbered 86, and agree to the same with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows:

"SEC. 407. No part of the funds appropriated under this Act shall be used to provide a loan, guarantee of a loan, a grant, the salary of or any remuneration whatever to any individual applying for admission, attending, employed by, teaching at, or doing research at an institution of higher education who has engaged in conduct on or after August 1, 1969, which involves the use of (or the assistance to others in the use of) force or the threat of force or the seizure of property under the control of an institution of higher education, to require or prevent the availability of certain curriculum, or to prevent the faculty, administrative officials, or students in such institution from engaging in their duties or pursuing their studies at such institution."

And the Senate agree to the same.

Amendment numbered 87: That the House recede from its disagreement to the amendment of the Senate numbered 87, and agree to the same with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

"SEC. 408. Except as required by the Constitution no part of the funds contained in this Act may be used to force any school district to take any actions involving the busing of students, the abolishment of any school or the assignment of any student attending any elementary or secondary school to a particular school against the choice of his or her parents or parent."

And the Senate agree to the same.

Amendment numbered 88: That the House recede from its disagreement to the amendment of the Senate numbered 88, and agree to the same with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

"SEC. 409. Except as required by the Consitution no part of the funds contained in this Act shall be used to force any school district to take any actions involving the busing of students, the abolishment of any school or the assignment of students to a particular school as a condition precedent to obtaining Federal funds otherwise available to any State, school district or school."

And the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 4, 5, 6, 7, 15, 16, 25, 26, 41, 50, 51, 52, 56, 57, 72, 83, and 84.

DANIEL J. FLOOD,
WILLIAM H. NATCHER,
NEAL SMITH,
W. R. HULL, Jr.,
BOB CASEY,
GEORGE MAHON,
GARNER E. SHRIVER,
Managers on the Part of the House.

WARREN G. MAGNUSON,
JOHN STENNIS,
ALAN BIBLE,
ROBERT C. BYRD,
SPESSARD L. HOLLAND,
JOHN O. PASTORE,
NORRIS COTTON,
HIRAM L. FONG,
J. CALEB BOGGS,
MILTON R. YOUNG,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 13111) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies for the fiscal year ending June 30, 1970, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I—DEPARTMENT OF LABOR

MANPOWER ADMINISTRATION

Amendment No. 1: Appropriates $655,605,000 for "Manpower development and training activities" as proposed by the House instead of $675,605,000 as proposed by the Senate. The managers on the part of the House are in agreement with the directions contained in the Senate report with regard to the Neighborhood Youth Corps.

Amendments Nos. 2 and 3: Strike language proposed by the Senate.

Amendment No. 4: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which will appropriate $36,116,000 instead of $35,325,000 as proposed by the House and $36,907,000 as proposed by the Senate and will insert language proposed by the Senate to provide that the funds remain available until June 30, 1971.

Amendments Nos. 5, 6, and 7: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendments which revise legal citations.

Amendments Nos. 8 and 9: Provide $655,772,000 for "Limitation on grants to States for unemployment compensation and employment service administration" instead of $630,772,000 as proposed by the House and $657,700,000 as proposed by the Senate, and provide $15,000,000 for the contingency fund as proposed by the Senate instead of $12,000,000 as proposed by the House.

LABOR-MANAGEMENT RELATIONS

Amendment No. 10: Appropriates $12,335,000 for "Labor-Management Services Administration, salaries and expenses" instead of $9,585,000 as proposed by the House and $12,426,000 as proposed by the Senate. The conferees have agreed to the full amount of $2,000,000 requested for the "organized crime program."

WAGE AND LABOR STANDARDS

Amendment No. 11: Appropriates $12,050,000 for "Wage and Labor Standards Administration, salaries and expenses" as proposed by the House instead of $12,300,000 as proposed by the Senate. The conferees are agreed that, within the amount allowed, high priority should be given to the high-hazard inspection training and education safety program.

BUREAU OF LABOR STATISTICS

Amendment No. 12: Strikes language proposed by the Senate.

TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

CONSUMER PROTECTION AND ENVIRONMENTAL HEALTH SERVICE

Amendment No. 13: Appropriates $72,352,500 for "Food and drug control" instead of

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$72,007,000 as proposed by the House and $72,698,000 as proposed by the Senate.

Amendment No. 14: Appropriates $108,800,000 for "Air pollution control" instead of $93,800,000 as proposed by the House and $116,900,000 as proposed by the Senate.

Amendment No. 15: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendent which provides that $45,000,000 of the funds appropriated for "Air pollution control" shall be available to carry out section 104 of the Clean Air Act.

Amendment No. 16: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which provides language with regard to the merging of certain unexpended balances of previous appropriations.

HEALTH SERVICES AND MENTAL HEALTH ADMINISTRATION

Amendment No. 17: Corrects typographical error.

Amendments Nos. 18 and 19: Appropriate $360,302,000 for "Mental health" as proposed by the House instead of $385,000,000 as proposed by the Senate; and provide that $47,500,000 shall be for grants pursuant to parts A, C, and D of the Community Mental Health Centers Act instead of $42,500,000 as proposed by the House and $52,200,000 as proposed by the Senate.

Amendments Nos. 20 and 21: Appropriate $224,033,000 for "Comprehensive health planning and services" as proposed by the Senate instead of $207,143,000 as proposed by the House; and provide that $100,000,000 shall be available for grants pursuant to section 314(d) of the Public Health Service Act as proposed by the Senate.

Amendments Nos. 22, 23, and 24: Appropriate $100,000,000 for "Regional medical programs" as proposed by the Senate instead of $76,000,000 as proposed by the House; provide that $73,500,000 shall be for grants pursuant to title IX of the Public Health Service Act as proposed by the Senate instead of $50,000,000 as proposed by the House; and provide that $24,771,000 shall be for development, assistance, and chronic disease control activities authorized by the Public Health Service Act as proposed by the Senate.

Amendment No. 25: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which provides for grants of $3,500,000 and loans of $6,500,000 pursuant to the District of Columbia Medical Facilities Construction Act of 1968.

Amendment No. 26: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which provides language with regard to the merging of unexpended balances of certain previous appropriations.

NATIONAL INSTITUTES OF HEALTH

Amendment No. 27: Appropriates $190,362,500 for "National Cancer Institute" instead of $180,725,000 as proposed by the House and $200,000,000 as proposed by the Senate.

Amendment No. 28: Appropriates $171,256,500 for "National Heart Institute" instead of $160,513,000 as proposed by the House and $182,000,000 as proposed by the Senate.

Amendment No. 29: Appropriates $30,644,500 for "National Institute of Dental Research" instead of $29,892,000 as proposed by the House and $32,000,000 as proposed by the Senate.

Amendment No. 30: Appropriates $146,334,000 for "National Institute of Arthritis and Metabolic Diseases" instead of $137,668,000 as proposed by the House and $155,000,000 as proposed by the Senate.

Amendment No. 31: Appropriates $106,978,000 for "National Institute of Neurological Diseases and Stroke" instead of $101,256,000 as proposed by the House and $112,700,000 as proposed by the Senate.

Amendment No. 32: Appropriates $103,694,500 for "National Institute of Allergy and Infectious Diseases" instead of $102,389,000 as proposed by the House and $105,000,000 as proposed by the Senate.

Amendment No. 33: Appropriates $164,644,000 for "National Institute of General Medical Sciences" instead of $154,288,000 as proposed by the House and $175,000,000 as proposed by the Senate.

Amendment No. 34: Appropriates $76,949,000 for "National Institute of Child Health and Human Development" instead of $73,098,000 as proposed by the House and $80,800,000 as proposed by the Senate.

Amendment No. 35: Appropriates $24,342,500 for "National Eye Institute" instead of $23,685,000 as proposed by the House and $25,000,000 as proposed by the Senate. The managers on the part of the House agree with the expression in the Senate report that sufficient funds from this appropriation shall be used to employ 25 additional staff for this new institute.

Amendment No. 36: Appropriates $76,658,000 for "General research and services" instead of $73,658,000 as proposed by the House and $79,658,000 as proposed by the Senate.

Amendment No. 37: Appropriates $234,470,000 for "Health manpower" instead of $218,021,000 as proposed by the House and $251,200,000 as proposed by the Senate. The increase over the House bill includes $5,599,000 for institutional support programs, $4,000,000 for direct loans to health professions students, $1,250,000 for direct loans to nursing students, $5,000,000 for the scholarship program, and $600,000 for grants to the schools of public health. The conferees are agreed that any increase in funds for student assistance under this appropriation for fiscal year 1971 shall be budgeted for loans rather than scholarships or fellowships.

Amendment No. 38: Appropriates $11,722,000 for "Dental health" instead of $10,722,000 as proposed by the House and $11,887,000 as proposed by the Senate. The increase over the amount provided in the House bill is for the Dental Auxiliary Program.

Amendment No. 39: Appropriates $149,050,000 for "Construction of health educational, research, and library facilities" instead of $126,100,000 as proposed by the House and $160,000,000 as proposed by the Senate. The increase over the amount provided in the House bill includes $15,000,000 for teaching facilities for health professions schools, $2,000,000 for schools of nursing to provide funds to meet a very serious situation in Boston, $5,000,000 for health research facilities, and $950,000 for medical libraries. The conferees are agreed that 20 percent of the $15,000,000 for teaching facilities for health professions schools shall be for dental school facilities.

Amendment No. 40: Appropriates $1,900,000 for "Buildings and facilities" as proposed by the Senate instead of $1,000,000 as proposed by the House.

Amendment No. 41: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which provides language regarding the merging of unexpended balances of certain previous appropriations.

Amendment No. 42: Provides that $60,700,000 shall be available for "General research support grants" as proposed by the House instead of $65,700,000 as proposed by the Senate.

OFFICE OF EDUCATION

Amendment No. 43: Restores legal citation inserted by the House and stricken by the Senate.

Amendment No. 44: Appropriates $330,876,000 for "Elementary and secondary education" instead of $364,616,000 as proposed by the House and $315,876,000 as proposed by the Senate.

Amendment No. 45: Provides that $30,000,000 of the appropriation for "Elementary and secondary education" shall be for equipment and minor remodeling and State administrative services under title III-A of the National Defense Education Act instead of $78,740,000 as proposed by the House and stricken by the Senate. The Senate restored the full amount of the $78,740,000 in amendment number 50. The conferees agreed to the full amount of $78,740,000 for this purpose, but due to a technicality it was not possible for the conferees to include this full amount in amendment number 45. Otherwise, the fact that the $78,740,000 is divided into $30,000,000 in amendment number 45 and $48,740,000 in amendment number 50 has absolutely no significance.

Amendment No. 46: Provides that $5,000,000 of the amount appropriated for "Elementary and secondary education" shall be for dropout programs under section 807 of the Elementary and Secondary Education Act as proposed by the House instead of $20,000,000 as proposed by the Senate.

Amendment No. 47: Provides that $25,000,000 of the amount appropriated for "Elementary and secondary education" shall be for bilingual education programs under title VII of the Elementary and Secondary Education Act as proposed by the Senate instead of $10,000,000 as proposed by the House.

Amendment No. 48: Strikes the appropriation of $1,117,580,000 for fiscal year 1971 for grants under title I-A of the Elementary and Secondary Education Act as proposed by the Senate. There is no authority for the proposed appropriation.

Amendment No. 49: Strikes language and appropriations proposed by the House. With minor exceptions all of this language and the appropriations are carried in the bill in connection with other Senate amendments.

Amendment No. 50: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which will appropriate $48,740,000 instead of $93,240,000 as proposed by the Senate. All of the $48,740,000 is for equipment and minor remodeling and State administrative services under title III–A of the National Defense Education Act. (See amendment number 45 regarding the additional appropriation of $30,000,000 for this purpose.)

Amendment No. 51: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which will appropriate $600,167,000 for "School assistance in Federally affected areas" of which $585,000,000 shall be for payments to local educational agencies for the maintenance and operation of schools instead of $660,167,000 and $645,000,000, respectively, as proposed by the Senate. The amounts in the motion will be the same as the amounts included in the House bill, but stricken by amendment number 49.

Amendment No. 52: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which adds a legal citation.

Amendments Nos. 53 and 54: Appropriate $107,500,000 for "Education professions development" instead of $95,000,000 as proposed by the House and $120,000,000 as proposed by the Senate, provide that $18,250,000 shall be for subpart 2 of part B of the Education Professions Development Act instead of $15,000,000 as proposed by the House and $21,500,000 as proposed by the Senate. The conferees are agreed that none of the increase over the amount proposed by the House shall be used for fellowships or scholarships.

Amendment No. 55: Appropriates $21,737,000 for "Teacher Corps" as proposed by the House instead of $31,100,000 as proposed by the Senate.

Amendment No. 56: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which will appropriate $871,874,000 for "Higher education" instead of $1,006,874,000 as proposed by the Senate. This compares with $859,633,000 proposed by the House in connection with the appropriations and language stricken by amendment number 49. The changes made by the Senate from the amounts proposed by the House and the conference action thereon follow:

(1) $164,600,000 is included for educational opportunity grants instead of $159,600,000 proposed by the House and $175,600,000 proposed by the Senate.

(2) $7,241,000 is included for endowment of the Federal City College as proposed by the Senate.

(3) $43,000,000 is included for grants for construction of public community colleges and technical institutes as proposed by the House instead of $125,000,000 as proposed by the Senate.

(4) $33,000,000 is included for grants for construction of other undergraduate facilities as proposed by the House instead of $75,000,000 as proposed by the Senate.

Amendment No. 57: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which provides $488,716,000 for "Vocational education", the same amount as was included in the House bill, but stricken by amendment No. 49. The only difference between the House and Senate bill, other than the location of this item in the bill, is that the Senate amendment provides $352,836,000 for the basic grants compared with $357,836,000 included in the House bill and the Senate amendment provides $20,000,000 for consumer and homemaking education compared with $15,000,000 included in the House bill. The managers on the part of the House agree with the directive in the Senate report earmarking $34,000,000 of the allowance for vocational research activities.

Amendments Nos. 58, 59, and 60: Appropriate $148,881,000 for "Library and community services" instead of $135,394,000 as proposed by the House and $155,625,000 as proposed by the Senate, provide that $6,737,000 shall be for transfer to the Librarian of Congress instead of $5,500,000 provided by the House and $7,356,000 provided by the Senate, and provide that $5,083,000 shall be for educational broadcasting facilities instead of $4,000,000 provided by the House and $5,625,000 provided by the Senate. The conferees are agreed that the appropriation includes $20,834,000 for college library resources and $6,833,000 for librarian training.

Amendment No. 61: Appropriates $100,000,000 for "Education for the handicapped" instead of $105,000,000 as proposed by the Senate.

Amendments Nos. 62 and 63: Appropriate $85,750,000 for "Research and training" as proposed by the House instead of $98,250,000 as proposed by the Senate and delete the provision proposed by the Senate that $9,500,000 shall be for experimental schools.

Amendments Nos. 64, 65, and 66: Appropriate $18,000,000 for "Education in foreign languages and world affairs" as proposed by the House instead of $12,000,000 as proposed by the Senate and delete language proposed by the Senate to authorize the use of these funds for sections 102 and 103 of the International Education Act of 1966.

Amendment No. 67: Inserts language proposed by the Senate with regard to loans from the Higher Education Facilities Loan Fund.

SOCIAL AND REHABILITATION SERVICE

Amendment No. 68: Provides that $3,000,000 of the appropriation "Grants to States for public assistance" shall be available for grants authorized in section 707 of the Social Security Act as proposed by the House instead of $5,000,000 as proposed by the Senate.

Amendment No. 69: Appropriates $120,000,000 for "Work incentives" instead of $129,640,000 as proposed by the House and $100,000,000 as proposed by the Senate.

Amendment No. 70: Strikes language proposed by the Senate which would make funds in the appropriation "Grants for rehabilitation services and facilities" available for a migrant labor program.

Amendment No. 71: Appropriates $464,783,000 for "Grants for rehabilitation services and facilities" of which $436,000,000 is for grants under section 2 as proposed by the Senate instead of $499,783,000 and $471,000,000, respectively, as proposed by the House.

Amendment No. 72: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which provides that grants to any State under section 2 of the Vocational Rehabilitation Act shall not be less than grants made to the State for the fiscal year 1969.

Amendment No. 73: Appropriates $37,000,000 for "Mental retardation" as proposed by the House instead of $39,000,000 as proposed by the Senate and strikes language proposed by the Senate.

Amendment No. 74: Appropriates $28,360,000 for "Development of programs for the aging" instead of $36,250,000 as proposed by the Senate.

Amendment No. 75: Appropriates $10,000,000 for "Junvenile delinquency prevention and control" instead of $5,000,000 as proposed by the House and $15,000,000 as proposed by the Senate, and deletes language proposed by the House and stricken by the Senate.

Amendment No. 76: Appropriates $30,226,500 for "Salaries and expenses" instead of $28,780,000 as proposed by the House and $31,673,000 as proposed by the Senate.

SOCIAL SECURITY ADMINISTRATION

Amendment No. 77: Deletes appropriation of $300,000 for "Consumer credit training" proposed by the Senate.

Amendment No. 78: Provides $911,350,000 for "Limitation on salaries and expenses" instead of $901,500,000 as proposed by the House and $921,200,000 as proposed by the Senate.

SPECIAL INSTITUTIONS

Amendment No. 79: Appropriates $4,332,000 for "Gallaudet College, salaries and expenses" as proposed by the Senate instead of $4,257,000 as proposed by the House.

Amendment No. 80: Appropriates $1,106,000 for "Gallaudet College, construction" as proposed by the Senate instead of $867,000 as proposed by the House.

DEPARTMENTAL MANAGEMENT

Amendment No. 81: Appropriates $2,060,000 for "Office of the Comptroller, salaries and expenses" as proposed by the Senate instead of $1,808,000 as proposed by the House.

TITLE III—RELATED AGENCIES

Amendment No. 82: Appropriates $8,412,000 for "Federal Mediation and Conciliation Service, salaries and expenses" as proposed by the Senate instead of $8,240,000 as proposed by the House.

Amendment No. 83: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the Senate amendment with an amendment which will appropriate $1,948,000,000 for "Economic opportunity program" instead of $2,048,000,000 as proposed by the Senate. It is the recommendation of the conferees that the family emergency loan program at the level originally funded by the Office of Economic Opportunity be continued at a level that will permit it to operate as in the past and that an additional $2,500,000 be allocated for the purpose of broadening its operation in areas not presently benefitted.

Amendment No. 84: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which appropriates $300,000 for "President's Council on Youth Opportunity, salaries and expenses."

Amendment No. 85: Appropriates $15,000,000 for "Payment to the Corporation for Public Broadcasting" as proposed by the Senate.

TITLE IV—GENERAL PROVISIONS

Amendment No. 86: Restores the second sentence of section 407 included in the House bill and stricken by the Senate. The first sentence of this section is not restored.

Amendments Nos. 87 and 88: Deletes language proposed by the House and stricken by the Senate, and inserts language proposed by the Senate.

Daniel J. Flood,
William H. Natcher,
Neal Smith,
W. R. Hull, Jr.,
Bob Casey,
George Mahon,
Garner E. Shriver,
Managers on the Part of the House.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Aspinall, from 4 p.m. December 22, 1969, until end of first session, 91st Congress, on account of personal pleasure—spending Christmas with his youngest son and his family in Brussels, Belgium.

Mr. Conyers (at the request of Mr. Albert), on account of illness.

Mr. Corman, for Saturday, December 20, 1969, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Patman, for 30 minutes, on December 22; to revise and extend his remarks and include extraneous matter.

Mr. Monagan, for 30 minutes, on December 22; to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. Jones of Tennessee); to revise and extend their remarks and include extraneous matter:)

Mr. Gonzalez, for 10 minutes, today.

Mr. Hamilton, for 60 minutes, today.

Mr. Staggers, for 25 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Kee.

Mr. Gross to revise and extend his remarks made today on the conference report on H.R. 15149.

(The following Members (at the request of Mr. Lujan) and to include extraneous matter:)

Mr. Minshall.

Mr. Goodling.

Mr. Wyman in two instances.

Mr. Button.

Mr. Don H. Clausen.

Mr. Johnson of Pennsylvania in two instances.

Mr. Duncan.

Mr. Landgrebe.

Mr. Horton in three instances.

(The following Members (at the request of Mr. Jones of Tennessee) and to include extraneous matter:)

Mr. Daniels of New Jersey in 10 instances.

Mr. Daniel of Virginia in two instances.

Mr. Gonzalez in two instances.

Mr. Burke of Massachusetts.

Mr. Pickle in four instances.

Mr. Olsen.

Mr. Ottinger in three instances.

Mr. Gibbons.

Mr. Kluczynski in 10 instances.

Mr. Fountain.

Mr. Dingell in two instances.

Mr. O'Neal of Georgia in two instances.

Mr. Hagan in two instances.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1933. An act to provide for Federal railroad safety, hazardous materials control, and for other purposes; to the Committee on Interstate and Foreign Commerce.

ENROLLED BILLS SIGNED

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 9334. An act to amend title 38, United States Code, to promote the care and treatment of veterans in State veterans' homes;

H.R. 9366. An act to change the limitation on the number of apprentices authorized to be employees of the Government Printing Office, and for other purposes;

H.R. 14580. An act to promote the foreign policy, security, and general welfare of the United States by assisting peoples of the world to achieve economic development within a framework of democratic economic, social, and political institutions, and for other purposes;

H.R. 14751. An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1970, and for other purposes; and

H.R. 15090. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1970, and for other purposes.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 59. An act to authorize the Secretary of the Army to adjust the legislative jurisdiction exercised by the United States over lands within the Army National Guard Facility, Ethan Allen, and the U.S. Army Materiel Command Firing Range, Underhill, Vt.; and

S. 2917. An act to provide for the protection of the health and safety of persons working in the coal mining industry of the United States, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee did on the following days present to the President, for his approval, bills of the House of the following titles:

On December 19, 1969:

H.R. 8449. An act to amend the act entitled "An act to promote the safety of employees and travelers upon railroads by limiting the hours of service of employees thereon," approved March 4, 1907.

On December 20, 1969:

H.R. 9366. An act to change the limitation on the number of apprentices authorized to be employees of the Government Printing Office, and for other purposes;

H.R. 14580. An act to promote the foreign policy, security, and general welfare of the United States by assisting peoples of the world to achieve economic development within a framework of democratic economic, social, and political institutions, and for other purposes; and

H.R. 15090. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1970, and for other purposes.

ADJOURNMENT

Mr. JONES of Tennessee. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 48 minutes p.m.) under its previous order, the House adjourned until Monday, December 22, 1969, at 10:30 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

1432. Under clause 2 of rule XXIV, a letter from the Secretary of State, transmitting a draft of proposed legislation to reorganize and strengthen the U.S. Government structure for dealing with Western Hemisphere affairs; and for other purposes, was taken from the Speaker's table, referred to the Committee on Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAHON: Committee of Conference. Conference report on H.R. 15209 (Rept. No. 91–780). Ordered to be printed.

Mr. FLOOD: Committee of Conference. Conference report on H.R. 13111 (Rept. No. 91–781). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SEBELIUS:

H.R. 15392. A bill to amend the Consolidated Farmers Home Administration Act of 1961, as amended, to make interest income on loans sold out of the Agricultural Credit Insurance Fund subject to Federal income taxes, and for other purposes; to the Committee on Ways and Means.

By Mr. TIERNAN (for himself and Mr. Edwards of Louisiana):

H.R. 15393. A bill to amend section 105 of the Clean Air Act to authorize increased grants to be made to certain air pollution control agencies not now eligible therefor; to the Committee on Interstate and Foreign Commerce.

By Mr. WYMAN (for himself, Mr. Evins of Tennessee, Mr. Passman, Mr. Bolling, Mr. McMillan, Mr. Flower, Mr. Hansen of Idaho, Mr. Landrum, Mr. Landgrebe, Mr. Rees, Mr. Hastings, Mr. Waggonner, Mr. Steiger of Arizona, Mr. Morse, Mr. Kyros, Mr. Denney, Mr. Andrews of North Dakota, Mr. Collier, Mr. McClure, Mr. Corbett, Mr. Talcott, Mr. Sandman, Mr. Duncan, Mr. Addabbo, and Mr. Hosmer):

H. Res. 762. Resolution amending the Rules of the House of Representatives to expedite the enactment of general appropriation measures, to facilitate the making of appropriations for subsequent fiscal years, and for other purposes; to the Committee on Rules.

By Mr. WYMAN (for himself, Mr. Don H. Clausen, Mr. Donohue, Mr. Lipscomb, Mr. Ottinger, Mr. Nelsen, Mr. Widnall, Mr. Bell of California, Mr. Price of Texas, Mr. Dent, Mr. Wyatt, Mr. Frey, Mr. Sikes, Mr. McClory, Mr. Camp, Mr. McKneally, Mr. Robison, Mr. Shriver, Mr. Edwards of Alabama, Mr. Sebelius, Mr. Coughlin, Mr. Pickle, Mr. Watson, Mr. Matsunaga, and Mr. Randall):

H. Res. 763. Resolution amending the Rules of the House of Representatives to expedite the enactment of general appropriation measures, to facilitate the making of appropriations for subsequent fiscal years, and for other purposes; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURTON of California:

H.R. 15394. A bill for the relief of Leong Tin; to the Committee on the Judiciary.

By Mr. DON H. CLAUSEN:

H.R. 15395. A bill for the relief of Louis Korchek; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

360. By the SPEAKER: Petition of Enick J. Koreski, Shinnston, W. Va., relative to a report of the U.S. Department of Labor concerning the United Mine Workers of America; to the Committee on Education and Labor.

361. Also, petition of Bob Miller, Arlington, Mass., relative to withdrawal of all troops from Vietnam; to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

THE PROBLEM OF JUVENILE DELINQUENCY

HON. EDWARD G. BIESTER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. BIESTER. Mr. Speaker, in recent testimony before the House of Representatives Select Committee on Crime, at its meeting in Miami, Fla., a respected juvenile judge, Frank A. Orlando, presiding judge of the juvenile court of Broward County, Fla., spoke of the problem of juvenile delinquency, of present legislation and of proposed legislation—including the bill H.R. 15124, and the following—introduced by Congressmen TOM RAILSBACK, Republican of Illinois, ABNER MIKVA, Democrat, of Illinois, and myself—to create the Institute for Continuing Studies of Juvenile Justice.

At this point I insert in the RECORD the text of Judge Orlando's remarks:

TESTIMONY OF FRANK A. ORLANDO, PRESIDING JUDGE, BROWARD COUNTY JUVENILE COURT

THE PROBLEM

When the Juvenile Delinquency Prevention and Control Act of 1968 was enacted, the Congress committed the Federal Government to a program of financial assistance to State and local governments and voluntary agencies which are engaged in the prevention, control and treatment of this national social problem. While delinquent behavior is not a new problem in American society, its effects, added to increases in the population and the increasing complexity of our social structure, have focused attention on the need for a broader based effort in delinquency prevention and control.

Almost half of all persons charged with committing a major crime in 1968 was a juvenile. The number of juveniles arrested for all offenses (except traffic) has doubled since 1960 while the number of adults arrested has increased by only 4 percent. Furthermore, the number of juveniles charged with crimes of violence—murder, rape, robbery and assault—was up 125 percent since 1960. More juveniles than adults were arrested in 1968 for larceny, burglary or auto theft.

The rise in juvenile crimes is not just occurring in the slums and adjoining parts of big cities. Crime rates went up as much in the suburbs as they did in the cities in 1968 and the percentage of juveniles among those charged with serious crimes is somewhat higher in the suburbs than in the cities.

There has been relatively little sustained support of delinquency prevention and control programs. Furthermore, current methods of dealing with delinquents are often ineffective, limited in impact, and often, actually harmful. The process of being dealt with by the courts and correctional systems is often a factor contributing to the development of a criminal career. Mere involvement of a youth with the juvenile justice system increases the chances that he will return to that system; and commitment to correctional institutions may reinforce delinquent values and negative attitudes toward authority. The recidivism rate among youths who have been institutionalized runs as high as 50 percent. The ineffectiveness and expense of commitment to correctional institutions argue for a heavy emphasis on prevention at the community level and, if prevention fails, for alternatives to institutional commitment.

OVERVIEW OF THE LEGISLATION

The Juvenile Delinquency Prevention and Control Act emphasizes treating the offender in the community in which he lives, not in an isolated institutional complex far from normal family life. The community ultimately must cope with the offender on his return and he must learn to live in that community as well. Treatment of youth apart from communities generally offers little more than a temporary disengagement for both youth and society. But community resources for working with problem youth are universally scarce. The legislation provides incentives to communities to plan and implement programs of delinquency prevention and correction that take into account the varied needs of today's youth. Through its provisions for training, the legislation helps to create new manpower resources and upgrade the competence of personnel working with delinquent youth. It supports experimentation to refine our knowledge, and provides for evaluation of programs. It provides technical and material assistance to States and communities seeking to develop comprehensive programs for prevention and control, and requires that the States play a major role in coordinating the range of programs directed at juvenile delinquency.

PLANNING

One of the significant needs in the juvenile delinquency field is systematic planning. Many States have, within their boundaries, many different approaches to the problems of delinquency, ranging all the way from the most traditional to the most experimental. Some localities within the same State have more and better programs; some have competing and overlapping programs side-by-side. Unfortunately there has been little effort to compare experience or to adopt sound practices developed elsewhere. The Juvenile Delinquency Prevention and Control Act offers States and communities the much needed incentives to plan for a coordinated and comprehensive network of prevention and rehabilitation programs.

To date, the efforts of State and local governments to reduce the volume and rate of delinquency have been singularly unsuccessful. The extent to which the lack of success has been due to the failure of State and local governments to develop comprehensive juvenile delinquency plans was duly recognized by the Congress when it imposed under Title I of the Juvenile Delinquency Preventiion and Control Act of 1968 planning as a condition to any grant under this Title. However, there are two problems inherent in this area. The first being, in my opinion, the professionals in the area of juvenile delinquency are not capable without extensive and comprehensive assistance from the Federal Government to develop the necessary comprehensive juvenile delinquency plans. The second problem is the fact that the Congress has not appropriated sufficient funds to encourage the States to develop the necessary comprehensive plans. As you are well aware, last year Congress appropriated only five million dollars for the implementation of the Juvenile Delinquency Act for fiscal year 1970, only five million dollars was again the figure appropriated. There is still a possibility that the Senate will increase the amount appropriated by the House, but at this point things do not look very encouraging.

The Office of Juvenile Delinquency and Youth Development was created by the Department of Health, Education and Welfare for the purpose of implementing the Juvenile Delinquency Prevention and Control Act of 1968. This Office was placed within the Social and Rehabilitation Service Section of HEW.

In August of this year, some of you will recall, I appeared before your Committee with Secretary Finch at the time he made his presentations concerning the juvenile delinquency problem in this country. At that time, I was considering accepting the position of Director of the Office of Juvenile Delinquency. Since that time, I have decided not to accept this position and to remain in my judicial capacity. There were several reasons for this decision, both personal and professional, and the purpose of my appearance here today is to make some recommendations to you concerning this Office.

As most of you are well aware, F.B.I. statistics recently released indicate that during the last decade, arrest involving juveniles increased approximately 800 percent while federal spending in this area decreased. One could go on and on with reference to statistics dealing with delinquents but there is no need to do that before this Committee since you are all very well aware of the extensive problems relating to juvenile delinquency in this country. The single most important thing that I feel can be related to you is the fact that our approaches today are not working, and we are not even coming close to making any kind of successful effort in the area of prevention and control of delinquency.

The Office of Juvenile Delinquency has the responsibility of implementing the Juvenile Delinquency Prevention and Control Act. However, since its creation, this Office has been understaffed and under-financed and the Congress has not provided sufficient funds to allow the Office to implement legislation. Furthermore, along with the small amounts of money available under the Act, the guidelines issued by the Office of Juvenile Delinquency which States must follow in order to have grants approved are so cumbersome that States have resisted the efforts of the Federal Government to encourage comprehensive planning and grant applications under Title I of the Act.

I am sure you are all aware that the Office of Juvenile Delinquency has been ineffective and has not been well received within the States. In fact, at the last National Governor's Conference, a Resolution was presented which called for the abolishment of the Office of Juvenile Delinquency and the transfer of its responsibilities to the Department of Justice. This Resolution received twenty three favorable votes and twenty seven unfavorable votes. Notwithstanding the facts that the Resolution failed to pass, it is unthinkable that an agency with such a monumental task and important objective has fallen into such disfavor that twenty three States called for its abolishment.

However, even though the Office of Juvenile Delinquency has been under-staffed and under-financed, and without a Director for more than two years, it has made some significant accomplishments and has the potential to be a productive and successful agency. It is my feeling however, that as long as the agency does not rate the same type of priority as the problem it attempts to solve, it will never be able to achieve any type of success or reach the objective set for it by Congress. Therefore, I would like to recommend the following:

1. That this Committee consider recommending to the Secretary of Health, Education and Welfare, that the Office of Juvenile Delinquency be given the same status as the

Office of Education and placed at the same level within the HEW structure as is the Office of Education.

2. That all functions pertaining to the control, prevention and treatment of juvenile delinquency within HEW be centered within this Office.

3. That the Congress back up the passage of the Juvenile Delinquency Prevention and Control Act with a full funding for the programs for the fiscal year 1970–1971. That is, fifteen million dollars for 1970 and twenty million dollars for 1971. It should be noted here that the Congress authorized fifty million dollars for fiscal year 1970 and seventy five million dollars for fiscal year 1971. If the Office of Juvenile Delinquency was given the status necessary within HEW and properly staffed then, it is my opinion, the amount of dollars authorized by Congress could be properly generated to the States for comprehensive planning and innovative action programs.

With reference to my recommendations pertaining to the Office of Juvenile Delinquency, let me say I feel that this agency is absolutely necessary and that the 1968 Juvenile Delinquency Prevention and Control Act must be properly implemented. However, if the Office of Juvenile Delinquency is not properly funded and staffed and raised within the structure of HEW to the priority which it deserves, then it will never achieve its objectives and I would be the first to agree with those in the country today whose sentiments are that the Office should be abolished and its functions transferred to the Department of Justice.

With reference to the problem of juvenile delinquency, I would like to touch on several other subjects before colsing and make recommendations pertaining to these subjects. Previously, I briefly touched on the fact that, in my opinion, States are not really capable of designing a comprehensive plan for the prevention and control of juvenile delinquency. The statement is based on my feeling that one of the major problems in the field of juvenile delinquency is the fact that many professionals within the field resist change and have not accepted the new and innovative approaches which are available. This resistance is due largely to the fact that many of the professionals in our field were improperly trained before they entered the field, and have not kept up with modern technology down through the years. By professionals I am not only speaking of the probation counselors and social workers, but I am including in this area the judges of the juvenile courts throughout this country. The National Council on Crime and Delinquency, in its publication, "Goals and Recommendations," states:

"Juvenile Judges are frequently undertrained. Some twenty percent are not even lawyers. Eighty percent of the juvenile courts do not have the diagnostic services—two-thirds of the probation services they need.

"Juvenile Court dispositions are often made with inadequate information. Without sufficient justification, too many children are adjudicated delinquent—a permanent stigma on their records—and too many children are detained and sent to training schools.

"Constitutional safeguards are not observed, both in formal court proceedings and informal handling."

This statement, in my opinion, is true and has resulted in the great hopes originally held for the juvenile court not being fulfilled.

One of your colleagues, Congressman Tom Railsback of Illinois, has a proposed Bill which creates an Institute for the continuing studies in juvenile justice. A copy of this proposed Bill has been presented with my testimony for your consideration. It is my opinion that this legislation would create the vehicle by which we could provide, at a national level, the necessary training of professionals who then could return to their States and fulfill their responsibilities of updating the training and performance of the professionals in the area of juvenile delinquency prevention, control and treatment. We do not have one single agency at a national level which has as its sole responsibility juvenile delinquency prevention, control and treatment. The Office of Juvenile Delinquency and Youth Development is primarily a funding agency and does not have the authority or the ability at this time to fulfill the functions which are encompassed in Congressman Railsback's Bill. There is a distinct possibility that if a National Institute was created and made an independent Federal Agency, the juvenile delinquency responsibilities now being fulfilled by HEW and the Department of Justice could both be transferred to this agency so we would have a comprehensive Federal Agency dealing with the funding of State Programs, one which engaged in the continuing efforts to determine the causes of juvenile delinquency and developed methods to treat juvenile delinquency, and which had the resources to offer training programs for the professionals in the field.

The second additional area which I wish to touch on deals with the problem that all of you are very well aware of. This is the fact that in today's society, many adolescents are alienated from the adult American culture. Because they lack acceptable outlets to demonstrate their alienation, many teenagers violate the law. The adolescent culture views positively its dissatisfaction with the adult world and admires violation of adult norms, even when these norms are part of the criminal law.

Young people often feel the adult world uses the law as a weapon to stifle their energies and penalize their pleasures. Many do not understand the necessity for law.

I would like to recommend that this Committee consider recommending to State Governments, and more specifically to the educators in this country, that programs on Government conducted in the schools should be enriched to include material on the theory and practice of the American Government, the necessity for criminal laws, the content of our laws, and the rights of an individual confronting police in the courts. The overall purpose of such a program should be to give juveniles a sense of being a part of society, not just thwarted by it.

There is in existence today, in the City of Boston, a program which is very similar to the type which I am recommending. This program is a legal education course for secondary schools conducted by the Boston University Law School. The Director of the Program is Mr. William M. Gibson of the Law and Poverty Project of Boston University. I have here a packet of materials which outlines the program objectives and the method by which it is implemented in the secondary schools in the City of Boston. The program has recently been expanded to include course work for students in kindergarten to eighth grade, and I have been advised that Mr. Gibson has developed a program for legal education for youth detained in correctional institutions. The outlines for these two additional parts of the program are also included in these materials.

A third additional area which I wish to briefly touch on deals with the development of incentives to attract bright young people into the field of juvenile delinquency prevention, control and treatment. We have heard in recent years of recommendations which would provide tax incentives for industries who would locate their plants within ghetto areas in cities. By so doing, these industries would attract the persons within the ghetto areas as employees. The need to attract new, bright, young people to the field of juvenile delinquency prevention, control and treatment is at least as desperate as the need to attract industry to the ghetto areas. Many bright young people would like to enter this field but due to the unattractive financial conditions they enter other fields. During the last several years, I have taught in the Department of Criminology at Florida State University and have found that many of the bright young students who should have gone on into the field have accepted jobs in other areas simply because of the financial attractiveness of the other field and the brighter future within the field. Therefore, I would like to recommend that this Committee consider the possibility of recommending some type of tax incentive to attract qualified professionals into the field of juvenile delinquency. Along these same lines, I would like to request that the Committee consider the recommendations to improve the quality of juvenile courts by encouraging States to create family courts with their family-orientated approach toward dealing with juvenile delinquency and that these courts be placed within the highest general trial jurisdiction in the State System.

In conclusion, I would like to take this opportunity to thank you all very much for giving me the opportunity to express my views here today, and say that I will be glad to attempt to answer any question which you may wish to ask. Thank you very much.

RICHARD TUCKER, TENOR

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. WOLFF. Mr. Speaker, a little over a week ago, my wife and I had the good fortune to attend an evening at the Great Neck Synagogue honoring the man who has been described as "the greatest tenor in the world," Richard Tucker, and his charming wife, Sarah.

The Tuckers, I am proud to say, are residents of Great Neck, which is part of the Third Congressional District.

The evening, a truly memorable one, was chaired by Sig Heller and inspired by Mac Mendor. As Rabbi Ephriam Wolff, the outstanding spiritual leader of the Great Neck Synagogue, noted, it was dedicated to Mr. Tucker in recognition of his contribution and help in building the North Shore Youth Center which is sponsored by the synagogue. It had additional meaning, I might add, since Mr. Tucker will soon mark his 25th anniversary—in January—of his now historic Metropolitan debut.

Richard Tucker began his singing career as a boy alto in the Allen Street Synagogue on New York's East Side. His Metropolitan Opera debut, in "La Gioconda," on January 25, 1945, marked the beginning of his rise to fame and world renown in a career which was truly inspirational.

Among other awards he has received is the honor of being the first American tenor to record in Milan's historic La Scala. In addition, he is the first person ever to be awarded the State of Israel's Artistic and Cultural Award.

Wherever he has gone, he has generated enthusiasm of vast proportions. At the Vienna Staatssoper, his presence literally caused a riot, necessitating Viennese police to clear his way through the mobs.

The testimonial dinner was as rewarding as the joys that he has brought to so many with his remarkable voice and warm personality.

Therefore, Mr. Speaker, I would like to take this opportunity to again express the gratitude of so many along with best wishes to Mr. Tucker and his wife, Sarah, for a future which continues to be as exciting and worthwhile as he has known in the past.

And I would also like to mention the names of some of the other persons who helped to make this dinner such an outstanding event. They are: Cochairmen: Harold Donnitch, Mrs. Selma Kon and Bernard Martin; program cochairman: Al Liederman and Shelley Goren; and Rabbi Bernard Jacobson.

GREECE TODAY AND THE LIMITS OF COMPROMISE

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. MIKVA. Mr. Speaker, the recent resignation of Greece from the Council of Europe underscores the need for close scrutiny of relations between the United States and Greece. Charges of political suppression and dictatorial rule are apparently not without foundation. Moreover, the prospect of continued violence in Greece at a level unseen since the 1946–49 civil war, should alert both Greeks and Americans to the need of restoring democraitc rule in Greece.

One expert who has thoughtfully analyzed the situation in Greece and appropriate American action is Prof. George Anastoplo. In a briefing at the Chicago Council on Foreign Relations, Professor Anastoplo presented a paper which I commend to my colleagues.

The paper follows:

GREECE TODAY AND THE LIMITS OF COMPROMISE

(By George Anastaplo**)

"It is not fit that you should sit here any longer! . . . You shall now give place to better men."—Oliver Cromwell.

I

The American scholar who has been perhaps the most respectable advisor to the tyranny in Athens has recently returned to Washington from a visit to Greece. He offers us his current advice about Greek affairs in an article, "A Role for the U.S. in Greek Solution," published in the Washington *Post* of August 3, 1969.

The truly significant feature of this article, however, is not its advice but rather its admission that even Greeks who had been "disheartened by the pre-coup quarrels and political instability and therefore intially accepted the [present] regime with a sigh of relief" are now "cool if not downright hostile" toward it. The mood of this article is in marked contrast to its author's published defenses of the regime ever since its seizure of power, defenses which have been so generous as to be thought worthy of distribution in this country by the Greek government. (See, e.g., *Notes on World Events,* Chicago Council on Foreign Relations, May, 1969, p. 5.)

There is, moreover, no discussion in the Washington *Post* article of why *anyone* should now be cool toward the regime in Athens. But the article does manage to condemn as "intransigent" the Greek opponents of the regime who have been cool and even hostile toward it from the very beginning. They are "intransigent," it seems, because they prefer to continue their determined opposition to this tyrannical regime rather than to accept the advice of those who have collaborated with it.

Advice which has evidently been spurned in Athens, at least by opponents of the regime there, is now offered to Americans and to their government in Washington. Let us see what the advice in this article amounts to and whether American critics of the Greek regime should be as "intransigent" as the Greeks who have already rejected it.

II

We are told in this article that there are two opinions in Athens about what is likely to happen in Greece if things continue as they are now: "Opponents of the regime are firmly convinced that in spite of his protestations, Premier Papadopoulos has no intention of allowing the return of free political life. On the other hand, government spokesmen assert that the regime is only temporary and that elections will be held as soon as 'the aims of the revolution are accomplished.' " "Whatever the truth," the article goes on to advise us, a "compromise" must be found between the opponents and the defenders of the current regime in Greece. But until one is prepared to decide which of these two opinions about what is likely to happen in Greece is correct, one is neither entitled nor equipped to offer responsible advice either to Americans or to Greeks on this vital matter.

Who *is* right here, the opponents of the regime or the government spokesmen? There is, of course, a sense in which both opinions are correct: there is a sense that is, in which both opinions come down to virtually the same thing. Elections *will* be held in Greece, if only for the sake of propaganda, as soon as the aims of the revolution are accomplished: that will be when the transformation (or, at least, the immobilization) of Greek institutions and of Greek public opinion has reached the point where purportedly free elections (but with the press still controlled, of course) can be held without jeopardizing the tight grip upon the country of its present rulers. After all, what do "the aims of the revolution" amount to now, if not primarily the personal advancement and welfare of the handful of junior officers (predominantly colonels) who betrayed in April 1967 their military oaths, their king, their comrades and their fellow-citizens with the deliberate intention of holding on to power long after the immediate political crisis which permitted them to seize power had passed?

The suggestion in the Washington *Post* article of a "compromise" rests upon the condition that things should be so arranged that "the constitutional reforms" that have already been achieved may be preserved. Precisely what reforms can the author be referring to? The Constitution of 1968 is hardly an improvement upon its predecessors, designed as it is to legitimate the colonels who imposed it upon their country. Indeed, the only permanent result of the 1968 Constitution may be to discredit the occasional worthwhile innovation included in it which will hereafter be identified with an oppressive regime.

One must consider, in order to assess properly "constitutional reforms," not only the Constitution itself but also how it has been imposed and what maintains it. We are dealing, after all, with a regime that is ruthless and, even worse, shameless in what it will do and say to perpetuate itself. It is a tyranny which has revealed itself as remarkably incompetent in everything but the tricks of conspiracy and of counter-conspiracy. No conscientious student of Greek affairs can ignore the evidence, available since the first year of the regime and now overwhelming, which displays the present regime as having easy recourse to extensive arrests and torture, to the most flagrant deceptions, to open contempt for constitutions and laws (including its own), to the harsh suppression of all independent opinion, and to an extravagant (and eventually ruinous) expenditure of funds on public works.

Who can doubt that all this is done by the colonels not in the interest of Greece but primarily in order to perpetuate themselves in power? It is no wonder that Greeks who know what is going on in their country are "cool if not downright hostile" toward this regime and its apologists. The wonder is that any responsible man can remain sincerely sympathetic to the regime once its character becomes apparent to him. Some responsible men did express sympathy for the regime at its beginning in the hope that they might thereby help induce the colonels to surrender power willingly—but it should have been evident by the end of the colonels' first year, if not before, that this approach would be of no use.

What informed man can continue to believe that there remain *any* serious "aims of the revolution" worth preserving, any coherent and defensible set of principles guiding the program of the Greek dictators? The serious problem is not how to preserve the legacy of the "revolution," but rather how long it will take to eliminate from Greek life the depredations of the present tyranny, and at what price. The corrupting influence of the colonels in Greece will remain long after they are gone, even if they should go tomorrow: they have done much that will be difficult to undo justly and harmoniously. Is not that usually the legacy of an army of occupation?

The more astute among the colonels must realize that if they go, their constitution and "reforms" will go with them, no matter what promises or deals or "compromises" should be made in advance of their departure. The concern of the colonels at that time is not going to be whether their "reforms" will survive their regime but whether they themselves will. The only compromise the colonels will ever take seriously will be one which seems to permit them to save their necks, not their "aims of the revolution," in the event they find themselves about to fall.

Both the colonels and their opponents are correct in recognizing each other as irreconcilable enemies. What each realistically seeks from the other is not compromise but surrender. The advocacy of compromise between the government and its opponents in 1969 (as distinguished from 1965, 1966 or 1967) is not only naive, it is also harmful

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**The author, who lives in Chicago, is Chairman of the Political Science Department at Rosary College, as well as Lecturer in the Liberal Arts at the University of Chicago and Professor of Politics and Literature at the University of Dallas. Other discussions by him of Greece today may be found in the current volume of the CONGRESSIONAL RECORD at pages 6023 (March 11, 1969), 8460 (April 2), 8461 (April 2), 16878 (June 23), 19732 (July 15) and 21018 (July 28).

See, also, Saville R. Davis, "Blow to NATO: Greek Armed Forces Disintegrating?" *Christian Science Monitor,* August 29, 1969, p. 1; Christopher Wren, "Greece: Government by Torture," *Look,* May 27, 1969.

This discussion has been prepared for use in a briefing to be given by Dr. Anastaplo at the Chicago Council on Foreign Relations, September 15, 1969.

to the revival of genuine constitutional government in Greece. The only practical effect of a serious attempt at compromise at this time would be to demoralize, radicalize and divide the serious opposition to the present regime and thereby to gain for the colonels even more time.

Time is working against the interests of both Greece and her allies: the colonels' unprecedented purging and reshaping of the officer corps, of the civil service (including the courts), of the school system, of local councils (both public and private) and of the Church cannot but help them cling to power if they remain united. Once their extensive reorganization is complete—and it should be, except perhaps for the Church, the Navy and Air Force, and the Universities, virtually complete by the summer of 1970—Greece is likely to have to endure for a generation both the colonels' self-righteous tyranny and the sporadic armed resistance it will generate. There is already more violence in Greece today than there has been at any time since the 1946–1949 Civil War.

III

Massive propaganda, reinforced by generous subsidies, will continue to be used at home and abroad by the present Greek government to magnify the virtues of the colonels and the vices of the politicians. We, on the other hand, are not obliged, in order to expose the colonels to be as bad for Greece as they are, to make the politicians of 1961–1967 better than they were. But the longer these colonels stay, the better those politicians look. In fact, it is difficult to name a single prominent Greek politician who would not be better for Greece and her allies today than the colonels now in power. Indeed, the most serious indictment one might make of Greek politicians before April 1967 is that such people as these colonels were permitted to remain in the Army, that they were given an opportunity to attempt to seize power, and that they could suceed in such an attempt. It is to be hoped that the legitimate political and military leaders of Greece, as wel as her allies abroad, have learned the appropriate lessons from this disastrous experiment. One important lesson is that decent Greeks of all parties and allegiances have much more in common than any of them has in common with the kind of man who is apt to be tempted to seize power for himself if decent men are not moderate in their political differences.

It *is* to the credit of Greek politicians of all parties, as well as of Greek intellectuals, that almost all of them have stood firm since April 1967 against the threats, the sophistries and the enticements of the present Greek government and of its apologists abroad. The same tribute should be recorded on behalf of the King of Greece and most of the senior as well as many of the junior officers of the armed forces of that country. These Greeks, in their respect for the best in Greece, have been more perceptive and more principled about what has been happening to their country than have been certain American students of Greek affairs (in and out of the American government).

The Washington *Post* article suggests as the appropriate role for the United States today that we encourage the "compromise" it advocates. But if, as I have argued, any attempt at *such* compromise in these circumstances will help the colonels consolidate their power, then any American effort along that line can only weaken the legitimate influence of America in Greece. For the longer the colonels stay, the more independent they are likely to become of American influence and, indeed, of the influence of any moderate men at home or abroad. (One need only recall Shakespeare's Richard III.) We Americans could have discreetly helped the constitutional leaders of this NATO ally get rid of their usurpers any time between April and December 1967, a period during which the colonels were relying mostly on bluff and maneuver to stay in power. Instead, we were duped by talk of "constitutional reforms" and "law and order" and hence did, or failed to do, various things in 1967, as well as in 1968, which permitted and even helped the colonels to dig in.

Measures are still available to us which can be used to help our true friends in Greece dislodge the colonels and restore their country to control by its people, measures which would be far more effective than are likely to be the timid ones our government now employs to indicate its tardy approval of so destructive a tyranny. Every serious student of Greek affairs knows what more can and should be done by the United States in the present circumstances. There is no need for me to spell out again on this occasion the measures available to us, measures which would emphasize the publicized withdrawal of vital American support rather than any explicit American interference in Greek domestic affairs. I need only add that I continue to believe, along with many in Greece, that Constantine Karamanlis is the best, though not the only, name around which effective opposition to the colonels can rally. I also continue to believe that it would be prudent for Mr. Karamanlis to offer to include in a coalition government, legitimated by the King and recognized by the United States, figures such as Andreas Papandreou. This is where genuine compromise would be good for Greece.

IV

The colonels, by the end of their third year in power (in April 1970), will probably have immobilized, if not transformed, all institutions in Greece which might stand in their way: repression and propaganda and the lavish use of public monies will have done their work. When that happens, whether by 1970 or by 1971, responsible elements in Greece and abroad (including in the United States) will no longer have any significant influence in that country. If the colonels are dislodged thereafter, it will probably be (unless a serious international crisis erupts) only because of the use of armed force against them in Greece. *If* violent opposition should somehow be successful, the liberators of Greece—whoever they may be—are not likely to forget first our negligence and thereafter our impotence in the time of their desperate need. And then what will our long-term influence be in that allied country which we insist is of great "strategic importance" to us?

Whether there will be in Greece a generation of violent tyranny or an immediate return to constitutional government and the rule of law depends, in large part, on what the United States does in the months immediately ahead. We Americans had better use our power while some of it remains, rather than allow ourselves to be duped again (this time by talk of "compromise") into promoting a policy unworthy both of us and of the Greeks.

The peace and the prosperity, as well as the liberty and honor, of Greece require that the colonels go and with them everything they have come to represent. This is what informed and conscientious Greeks are certain of. This, it is to be hoped, is what the sadly misinformed American government is belatedly beginning to realize.

LEST WE FORGET

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. CHAPPELL. Mr. Speaker, the Christmas season is approaching and families throughout America are gathering together for worship and gift giving and rejoicing in family reunions.

Today I ask all Americans to join with me as we celebrate this holiday, to remember those men who are missing in action and prisoners of war—

Lest we forget our own gladness in being free;

Lest we forget our own joy in being with our loved ones;

Lest we forget that over 1,300 families will be without a loved one—again this year;

Lest we forget that the reason these men are so cruelly held in prison is because they were fighting for us;

Lest we forget that it is our responsibility to bring these men home again;

Lest we forget the brotherhood of man and our reasons for celebrating Christmas.

Mr. Speaker, this is a time for each of us to take the families of these brave men especially to our hearts. Let us all renew our efforts for freedom so that these absences can be soon turned into rewarding reunions for all the Christmases to come.

NEW U.S. LINE ON WITHDRAWAL A SEVERE BLOW TO ISRAEL

HON. HUGH SCOTT

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Thursday, December 18, 1969

Mr. SCOTT. Mr. President, I ask unanimous consent to have printed in the Extensions of Remarks an article entitled "New U.S. 'Line' on Withdrawal Deals Severe Blow to Israel," written by William S. White, and published in the Philadelphia Inquirer of December 16, 1969.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEW U.S. "LINE" ON WITHDRAWAL DEALS SEVERE BLOW TO ISRAEL

(By William S. White)

WASHINGTON.—The old year is drawing to its close on a somber note for Israel, whose whole position in her fight for survival has worsened markedly in these recent days. The newly enunciated American policy line calling for Israeli withdrawal from frontier security positions seized from the Arabs in the 1967 war, in return for Arab promises for peaceful coexistence, has hit the Israelis a cruel if unintentional blow.

For this well-meant effort to take up a purely even-handed attitude from Washington is in truth a revolutionary departure from the traditional American posture of candid friendliness to the Israeli side in the chronic crisis of the Middle East.

The difficulty is that the doctrine of ostensible even-handedness actually assists those extremist Arab states which are pro-Communist and publicly bent both upon Israel's literal destruction and the spread of Soviet power in the Middle East.

It ignores the immense reality that this is not a case where two adversaries are equally good or equally bad. One cannot equate aggressors patently embarked upon a Vietnam type of "war of liberation," urged on by the Soviet Union, with defenders motivated simply by the desire to stay alive—and defenders moreover who form a pro-Western outpost in the worldwide struggle that is the Cold War.

The logic of this approach comes to saying, in the old expression, that the rich and the poor have an equal right to sleep in the public parks.

It is not hard to see that the purpose of Secretary of State William Rogers in laying down his doctrine is the benign one of trying to avoid another major explosion in the Middle East. That there is no intention to put the Israelis on a thin diet does not, however, alter the fact that this is precisely what is being done.

How is Premier Golda Meir to accept from the more violent Arabs some pledge to end their ceaseless frontier assaults upon Israel when these same Arabs every day proclaim an unaltered determination to throw the Israelis into the sea? Who needs pledges of this kind?

Still, it is not really the Rogers doctrine that is the ultimate source of Israel's present peril; really this is more nearly symptom than cause.

At bottom, the Israelis are the victims of a climate of neutralism and isolationism and peace-at-any-priceism which the New Left has so long and so stridently promoted in this country. The spirit of this clamor is to reject the whole concept of collective security which has been the great rock of high American foreign policy through five Presidential administrations.

To be sure, it is actually a clamor only of a loud and tireless American minority—but that minority has nevertheless been able to bring into fretful and petulant question the absolutely indispensable and historic role of this nation to lead and protect the non-Communist world.

If it can be argued that the United States of America is free to abandon its solemn commitments to one small and tortured people in South Vietnam, it can be—and is being—argued that we owe nothing to the moral commitment for decades acknowledged to another small and tortured people in Israel. So it is that the seeds so sedulously sown in one part of the world have come to ugly harvest in another part of the world.

Too many of us have got into the habit of redefining our obligations to suit not the hard truth of our pledged word but rather our soft wishes. And, irony of ironies, Israel, the very nation that used to be the darling of the far-liberal American community, has now become the one nation to which, above all, that community is prepared to give less even than its tears.

MORE ON THE CHICAGO BLACK PANTHERS INCIDENT

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. KOCH. Mr. Speaker, on December 15, I expressed my concern in this Chamber over the recent series of police actions directed against members of the Black Panther organizations. I also wrote to Rev. Theodore M. Hesburgh, urging that the U.S. Civil Rights Commission undertake an investigation of the question surrounding the shooting of two Black Panther leaders by the Chicago police.

Today, I have received a response from Chairman Hesburgh, outlining the roll the Civil Rights Commission is taking in this matter vis-a-vis both the Department of Justice's investigation and the national investigation to be conducted jointly by 28 private organizations. To keep my colleagues advised on this matter, I am submitting for insertion in the RECORD Reverend Hesburgh's letter:

U.S. COMMISSION ON CIVIL RIGHTS,
Washington, D.C., December 18, 1969.
Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR MR. KOCH: I am writing in response to your recommendation that the Commission on Civil Rights investigate the shooting of Mr. Fred Hampton and Mr. Mark Clark, Illinois leaders of the Black Panther Party, in Chicago on December 4.

On December 12, the Commission met with a high Administration official and this matter was taken up. Both on that date and subsequently, I have been in touch with top officials at the Department of Justice. These discussions are continuing.

I assure you that we are deeply concerned over the shooting of Mr. Hampton and Mr. Clark and by the shooting of other Black Panther Party leaders and members in other cities of the Nation. This concern was shared by the White House officials with whom we discussed the matter. We share your judgment that a reliable and completely credible report is essential to reduce the suspicion and distrust which has grown out of the incidents. I believe we are on the right track for both the short-range and the long-range approaches to the problem, and there should be some further information forthcoming shortly.

As you know, the Department of Justice has announced its intention to conduct a preliminary investigation into the Chicago killings, and 28 organizations have announced the formation of a national commission of inquiry to conduct a private investigation of the killings. The Commission, in addition to whatever else it may do, will establish contact with this national commission and determine areas of appropriate cooperation and assistance.

The members of the Commission appreciate your confidence in the Commission and its staff. I wish to assure you of our continued attention to the investigation of the killings of Black Panther Party members and the resulting racial distrust and polarization.

Sincerely yours,
THEODORE M. HESBURGH,
Chairman.

L. A. BURDETTE RETIRES FROM FHA

HON. ROBERT G. STEPHENS, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. STEPHENS. Mr. Speaker, an article in the News and Farmer and Wadley Herald has been brought to my attention by Mr. Ruel Morris, Jr., district supervisor, Farmers Home Administration, in Greensboro, Ga. This article is about my good friend and constituent, Mr. Lonnie A. Burdette of Stapleton, Ga., who has recently retired after 35 years of service with the Farmers Home Administration.

Mr. Burdette, a native of Ashburn, Ga., spent 17 of his 35 years with the Farmers Home Administration as supervisor of the Jefferson County office, which is in my congressional district. During this time Mr. Burdette has earned several citations for his rural farm program work.

In May 1969, the U.S. Department of Agriculture awarded Mr. Burdette its highest individual award, the Superior Service Award, for his exceptional service to low-income rural families of Jefferson County in helping them to become owners of decent, safe, sanitary, and attractive homes. Under the Jefferson County homebuilding program some 275 houses were constructed in the area through the FHA home loan program. Many of these new residences were low-cost homes designed by Mr. Burdette himself.

I think this fine record of Government service will be of interest to all of the Members of Congress, and I commend it to their attention.

OIL SPILLAGE: CURE WORSE THAN DISEASE

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. OBEY. Mr. Speaker, an article which appeared in the New York Times just yesterday once again emphasizes the necessity for man to realize that there are many unexpected environmental results of many of his actions—even actions taken in an attempt to protect the environment.

The following article indicates once more how important it is to make certain we know the ecological effects of a course of action before we embark on it:

SCIENTISTS TERM THE CHEMICAL TREATMENT OF OIL SPILLAGE MORE HARMFUL THAN THE "DISEASE"

(By David Bird)

Scientists and engineers have expressed concern here that attempts to control oil spills with chemical dispersants is causing more harm than the oil itself and may be creating long-term ecologic damage, such as is now being attributed to DDT and other pesticides.

The concern is expressed in reports and discussion at a three-day Joint Conference on Prevention and Control of Oil Spills, ending today at the Americana Hotel. The meeting is sponsored by the Federal Water Pollution Control Administration and the American Petroleum Institute, an industry group.

When the conference was planned last summer, the sponsors expected about 300 persons to attend. More than 1,000 have registered.

Their interest reflects increased public concern after two disastrous oil spills.

TORREY CANYON DISASTER

The first occurred in March, 1967, when the supertanker *Torrey Canyon* struck a reef off the southern coast of England and sent 30 million gallons of crude oil oozing toward the Cornish coast and across the English Channel to the shores of Brittany.

The second oil spill occurred early this year, when 18 million gallons leaked to the surface of the Santa Barbara Channel in California during offshore drilling operations.

At least one million tons of oil are spilled every year from tankers, manufacturing plants and refineries. Much of the effort to control the spills has centered on chemical dispersants that dissolve the oil, spreading it out so thin that it is not noticeable.

Some scientists say that the dispersants are merely an attempt to hide the visible effect of the spills and that the chemicals pose an additional danger.

A. Oda, a researcher with the Ontario

Water Resources Commission, told the conference yesterday that studies of dispersants since the Torrey Canyon disaster have led to the conclusion that some of them "were far more deadly and far more damaging to marine life and ecology than the oil itself."

BEACH DAMAGE, TOO

In addition, he said, when the dispersants are applied to beaches, they cause the oil to penetrate more deeply into the beach and make the beach "more vulnerable to erosion by tidal and wave action."

Howard J. Lamp'l of the Federal Water Pollution Control Administration said, "We firmly believe that the use of dispersants, emulsifiers and other chemicals is entirely unjustified in the cleanup of oil-polluted beaches."

He said Federal studies had shown that the oil, when "mixed with chemicals, caused penetration of the mixture into the sand at least three times the depth of the untreated oil. In oil-polluted water, Federal officials have recommended that the chemicals be used only as a last resort when it is impossible to soak up the oil with straw or similar material or to suck it up by mechanical means.

Perhaps the strongest attack on the present methods of controlling oil spills came from a biologist, Dr. Ira N. Gabrielson, who is president of the Wildlife Management Institute. He said: "The usual approach is to try to contain or isolate the floating oil—an attack that works rarely, if at all—or to remove it from the public eye by sweeping it under the ocean's surface by means of dispersants or detergents. More animal life was killed by chemicals in the Torrey Canyon accident than by the oil itself."

"Even if the detergents or dispersants are not toxic in themselves," Dr. Gabrielson continued, their action in breaking up the oil "apparently accelerates the exposure of marine life to the toxic hydrocarbons" in oil.

He noted that "some of the hydrocarbon fractions are suspected of having carcinogenic activity," that is, they are linked to cancers.

"These hydrocarbons are stable," Dr. Gabrielson said, "and they can be retained and concentrated in the marine food cycle as the lesser animals are consumed by those higher up the animal ladder. Some ultimately may end up in man."

CIVIL DEFENSE PROGRAM IN ILLINOIS

HON. LESLIE C. ARENDS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. ARENDS. Mr. Speaker, as my colleagues who are lawyers know, there is in law a mythical being known as "The Prudent Man." It is this imaginary individual who serves as a yardstick for the court in certain types of cases.

The "Prudent Man," as the term implies, is one who looks ahead; who acts on the basis of sound reason and good judgment. The Governor of my State of Illinois, the Honorable Richard B. Ogilvie, is highly deserving of this characterization.

Governor Ogilvie believes in the virtue of preparedness just as he believes in safeguarding our greatest treasure and richest resource, our children.

Recently, Governor Ogilvie issued a proclamation in which he declared that in the event of any disaster, our school children must receive maximum protection. At the same time he called for the inclusion of civil defense training "as an integral part of the education of faculty, administration, and students," in every Illinois school system.

I am happy to say that Governer Ogilvie's proclamation had the wholehearted endorsement of the Illinois superintendent of public instruction, Ray Page, and of Col. Donovan M. Vance, director of the Illinois State Civil Defense Agency.

Mr. Speaker, needless to say, I also, am in complete accord with Governor Ogilvie.

Although the term civil defense is associated in the minds of many only with the fear of nuclear attack, our State Civil Defense Agency has the responsibility for protecting the public in many other types of disasters or emergencies, whether man-made or nature-created. This is the case, I believe, with most, if not all, State civil defense agencies.

Industry and finance have gone to great expense to provide for the protection of their valuable records. Why should Government, whether State or Federal, do less for our people?

Mr. Speaker, Governor Ogilvie's message demands and deserves the thoughtful consideration of every Member of this body. I am including the Governor's proclamation as part of my remarks. It follows:

PROCLAMATION

The constantly changing conditions of the world, and the unpredictable elements of nature, dictate the continued preparations for emergencies and the threat of accidental disaster is an evergrowing fear, and

Each political subdivision of our state is authorized to establish—and shall establish—a local organization for civil defense in accordance with the state Civil Defense Plan and program, and

School children are the most valuable asset we possess, so in the event of unforeseen disaster, it is imperative that the school children receive maximum protection and be reunited with their families, when possible, and

Each school system should formulate workable written plans and policies for the protection of all school children,

Now, therefore, I, Richard B. Ogilvie, Governor of the State of Illinois, do hereby proclaim that Civil Defense education should be included as an integral part of the education of faculty, administration and students in accordance with recommendation of Col. Donovan M. Vance, director of the Illinois Civil Defense Agency and Superintendent of Public Instruction Ray Page.

In witness whereof, I have hereunto set my hand and caused the Great Seal of the State of Illinois to be affixed.

"Done at the Capitol, in the City of Springfield, this eighteenth day of November in the Year of Our Lord one thousand nine hundred and sixty-nine, and of the State of Illinois the one hundred and fifty-first.

RICHARD B. OGILVIE,
Governor.

"TO CONGRESS WITH LOVE"

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. FULTON of Pennsylvania. Mr. Speaker, with the year 1969, with all its joys and sorrows, drawing to a close, and the U.S. Congress finishing the 12th month of the first session, we stop to consider.

We Congressmen all have our full share of criticism, adverse comments, and just plain pessimism, anger, and despair passed our way.

Then along comes a bright one, an appreciation, a thank you, that lifts our hearts and makes our public service so rewarding and worthwhile.

Let me share with you fellow Members a good pat on the back for the Congress, and a voluntary warmhearted encouragement for all Members.

To Congress—with Lord's prayers, and God's blessings, here's wishing that 1970 problems will be a lot easier, and here's thanking all of you for your hard work and understanding.

With love, from
Mrs. ELIZABETH M. SHUBACK.

SCHOOL BOARD TRAINING AMENDMENT

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. SCHEUER. Mr. Speaker, on behalf of myself and Mr. BINGHAM, Mr. BOLAND, Mr. BROWN, Mr. BURTON, Mr. BUTTON, Mrs. CHISHOLM, Mr. CLAY, Mr. EDWARDS, Mr. ESCH, Mr. HOWARD, Mr. KOCH, Mr. MATSUNAGA, Mr. MIKVA, Mr. OTTINGER, Mr. POWELL, Mr. THOMPSON, and Mr. TUNNEY, I am today introducing an amendment to the Education Professions Development Act which would authorize expenditure of funds for the training and preparation of elected or appointed school board members.

The Education Professions Development Act was a progressive measure passed in 1967 with bipartisan support which recognized the importance of training the people who operate the Nation's schools. Because of an omission, the act now denies the benefits of training to the thousands of school board members across the Nation who every year take up high responsibility to govern the Nation's 26,000 school districts.

New York City provides a dramatic example of the need for amendment of the act. Within the next few months, New York City will be divided into 30 school districts, with each district headed by a separate, locally elected school board. Unless there is some change in EPDA, hundreds of well-intentioned laymen will be called upon, without the benefit of briefing or training to govern the city's beleaguered education system. This situation, in less dramatic form, is repeated in communities across the Nation.

The success of these board members in making the new city district school board plan work may contribute to the difference between quality education and chaos for more than 1 million New York City schoolchildren. Therefore, to assist the new board members, and their thousands of colleagues across the Nation who accede to their responsibilities without professional assistance, we are introducing this amendment.

It authorizes no new money. It simply extends the authority of EPDA under existing funding, and allows HEW to undertake this important assignment.

Whatever your constituency—rural, urban, or suburban—school boards form a backbone of your communities. I urge all my colleagues to support this amendment which will rectify an important oversight in the Education Professions Development Act.

YEAR-ROUND DAYLIGHT SAVING TIME: WHY NOT?

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. HOSMER. Mr. Speaker, earlier this year, I introduced a bill to amend the Uniform Time Act of 1966 to provide for daylight saving time on a year-round basis.

Public reaction to my proposal has been extremely encouraging. Residents of the urban and suburban areas of the Nation have been the most enthusiastic. In fact, the councils of five cities in California—Long Beach, Bellflower, Signal Hill, Huntington Beach, and Stanton—have sent me copies of resolutions they adopted endorsing the idea.

Regretfully, however, the Department of Transportation and the Bureau of the Budget have not looked with favor on the idea. I suspect their reluctance is more attributable to a lack of willingness to raise a potentially hot political issue than to any basic disagreement with the concept.

The basis for my proposal is that daylight saving time during the winter months would give most office workers in urban areas an extra hour of daylight during the peak evening commuting hours. This, I believe, would be a deterrent to crime—albeit a small one—and would reduce the hazards of driving after dark.

William Delaney of the Washington Evening Star yesterday had an excellent article on this subject. The conclusion of the article is that many urban workers and police officials feel the idea is worth a try. Delaney points out that Great Britain is now in the second winter of a 3-year experiment with year-round daylight saving time.

Because of its pertinence to the subject, the article follows:

IMPACT ON CRIME DEBATED: DAYLIGHT SAVING IN WINTER?

(By William Delaney)

On a darkened downtown sidewalk at 5:20 p.m., Mary Green anxiously scans the 12th Street traffic, hoping to see her husband's car.

"I just don't like going home in the dark," she says, shaking her head. "I think it's quite dangerous for most females."

Mrs. Green, a collector for Central Charge Service, is glad she had a direct ride home from work. If she took the bus, she'd have to walk three blocks from a 14th Street stop to her home on Missouri Avenue NW—past an area where she says a rape occurred in the early evening darkness last winter.

But, like most office workers in America's crime plagued cities, Mrs. Green has no choice but to go home in the dark during these midwinter evenings, when the sun sets before 5 p.m.

She hopes America will adopt daylight saving time in the winter, too.

She would "feel better," she says, if tonight's sunset came an hour later, at 5:48, with twilight lingering 15 or 20 minutes longer.

Mary Green's hope seems to be shared by a big majority of downtown Washington pedestrians, both women and men, according to a random survey conducted during a recent evening rush hour.

DISCUSSED AT WORK

"They all talk about it," said Dorothy Page, referring to her colleagues at the Food and Drug Administration.

Miss Page, an FDA science aide whose home on Luzon Street NW is two blocks from her bus stop, is a firm advocate of winter daylight time. "As long as I have to walk those two blocks in the darkness," she said, "I'd rather do it in the morning."

The reason such a proposal hasn't surfaced as a major public topic is understandable to District Police Chief Jerry V. Wilson.

Outside the nation's urban areas Wilson notes, "daylight time is politically unpopular" with many Americans, even on the April-to-October basis prescribed by the Uniform Time Act of 1966.

Farmers and other outdoor workers generally don't like it, because it keeps them at their jobs until late in the summer evenings.

WOULD "FEEL SAFER"

Most of the Washington area residents questioned by The Star based their support of winter daylight time on the reason cited by Mrs. Green. People would "feel safer," they said, if they didn't have to be on the streets after dark.

But some offered other reasons for favoring the change.

C. C. Segers of Hyattsville, a Post Office Department worker, argued that "it would speed up traffic" in the evenings, when the rush-hour flow seems less staggered than in the mornings.

A few of those polled, like Chesapeake & Potomac Telephone employe Nancy Stacy of Arlington, simply want to see an end to the confusion about which way to turn the clocks each spring and fall.

For these reasons, and to smooth the time difference with Continental Europe, Great Britain is now in the second winter of a three-year experiment with year-around daylight time.

A LITTLE MORE SUN

Interestingly, this gives Londoners a few more minutes of evening sun than Washingtonians now have, though London is 782 miles closer to the arctic and thus has an hour and a half less of winter daylight.

In Congress, the House Interstate and Foreign Commerce Committee has a handful of time-change bills, most of them from Midwestern congressmen who want to whittle down the present half year of daylight to only the midsummer months.

One bill—H.R. 7587—proposes year-round daylight time. Introduced in February by Republican Craig Hosmer in behalf of his sun-loving California constituents, it is a poor bet to make it out of committee.

POLICE SKEPTICAL

Several top District police officials say they doubt whether pushing daylight an hour later would have any significant effect on either crime or traffic problems. Some, however, wouldn't mind seeing the idea tried, if only to make citizens feel a little more secure.

Chief Wilson, who says he can't recall hearing any discussion of the proposal, points out that winter daylight time might simply transfer the problems of darkness to the morning rush hour.

Capt. Ralph Stines, head of the Robbery Squad, thinks it's worth a try.

"The thieves just wait for the dark," he says, and police statistics tend to bear him out.

Last December, for example, robberies rose from a level of 90 an hour at 5 p.m. to a daily peak of 166 by 6 p.m.

In July, the evening surge started at 8 o'clock and peaked by 10, while in October the graph goes up between 7 and 8.

"DOUBLE DAYLIGHT"

William Katzenstein, who heads the police department's Operational Planning Division, thinks one benefit of pushing back the darkness might be to make police saturation patrols easier, by concentrating robberies in a shorter period.

"Personally," he says, "My ideal woulld be daylight saving time in the summer and an additional hour—double daylight—in the winter."

OBJECTIONS DISCOUNTED

The British experiment with year-round daylight time has been blamed for some loss of productivity in the construction industry, according to a spokesman for the British Embassy here. But over-all, he says, the objections to the changeover "weren't as great as had been anticipated."

The questions of it and when America will ever make such a changeover were perhaps best answered by Sandra Hagen of the D.C. Congress of Parents and Teachers, who said her organization would probably favor year-round daylight time if the idea ever came up for formal discussion.

"I think the reason people don't discuss it," she said, "is that they feel uneasy tampering with time."

MINNESOTA GOOD ROADS

HON. ODIN LANGEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. LANGEN. Mr. Speaker, at the September 23, 1969, meeting of Minnesota Good Roads, Inc., the Honorable Harold LeVander, Governor of Minnesota, addressed the luncheon meeting. Governor LeVander pointed out that highways in America and in Minnesota are responsible for regional economic growth, are arteries of American trade, are opportunities for recreation and are vital safety factors when properly constructed. In his remarks, the Governor pointed out the need for building new highways, especially interstate highways, and repairing and improving old routes.

At the board of directors meeting of the same organization on November 7, 1969, a resolution was passed concerning the current highway construction fund freeze on the Federal level. I insert the resolution of the Minnesota Good Roads, Inc., in the RECORD:

RESOLUTION

Whereas, the Congress of the United States has seen fit to pass legislation designed to continue the national highway construction program, and

Whereas, the States generally depend on the Congress for appropriations which will permit long-range planning, and

Whereas, appropriations for the Interstate and ABC programs are made from estimated receipts for the Highway Trust Fund, and

Whereas, highway users have consistently contributed to the Trust Fund with the understanding that the extra taxes would be devoted to better roads, and

Whereas, the Minnesota highway construction program will fall behind schedule, adding to the congestion on our roads and highways, and

Whereas, statistics prove that lives will be saved on new, safely constructed highways, and

Whereas, Harold LeVander, Governor of the State of Minnesota, has stated that highway construction must continue for the economic development of Minnesota,

Now therefore be it resolved, that Minnesota Good Roads, Inc., at its Board of Directors Meeting in Saint Paul, Minnesota, this, the seventh day of November, 1969, cause this resolution to be passed and forwarded to the President of the United States, Minnesota's Congressional Delegation and the Federal Bureau of the Budget, urging that the Administration look to more beneficial means of controlling inflation than by the manipulation of a Trust Fund collected from highway users for the express purpose of providing safer and better streets, roads and highways.

Signed:

Frank D. Marzitelli,
President.

Attest:

Robert A. Tambornino,
Secretary.

KEEP THEM RUNNING

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. SHRIVER. Mr. Speaker, the disappearance of passenger train service over the Nation is continuing. In my own State of Kansas, a number of communities are without passenger service and others are about to lose theirs. Various proposals are before the Congress designed to preserve long-distance passenger train service. The Interstate Commerce Commission also has made recommendations. It is obvious that this matter of passenger train service deserves serious consideration and action.

Under leave to extend my remarks in the Record, I include the following editorial from the Hutchinson News which presents a case for preserving good rail passenger service. The editorial follows:

Keep Them Running

It is interesting that our Congressmen are protesting the planned demise of Santa Fe's Nos. 23 and 24, familiarly known as the Grand Canyon, as they have protested—in vain—other passenger train losses.

It will be even more interesting to see if their convictions extend to a practical approach to the problem.

The test is offered in a bill now before the Senate Commerce Subcommittee on Surface Transportation. It is a composite of several Congressional proposals, designed either to help or to force the railroads to keep long distance passenger runs going.

This bill would force service. But it would help pay for it. The proposal is for $60 million a year for new cars, and $50 million to handle two-thirds of any operating loss on the required runs.

It's a modest bid, by comparison with nearly $1 billion to underwrite the supersonic jet transport, $30 billions for super highways, and other billions for airport improvement and jet research.

Nor is it original. Connecticut, New York, New Jersey, and the city of Philadelphia already subsidize commuter train service. Uncle Sam will pay $12 million to Penn Central for the test of its high-speed trains from New York to Washington.

One new feature would require the Secretary of Transportation to study all lines as a single national network. This would be first step toward determining which trains would be required.

Good rail passenger service, particularly in metropolitan areas, is a far more practical target for subsidies than helping to create more jams at airports and on the highways.

BOB PRICE REPORTS TO THE 18TH DISTRICT

HON. ROBERT PRICE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. PRICE of Texas. Mr. Speaker, it has been my practice during my tenure in the House of Representatives to report to the residents of the 18th Congressional District of Texas. The following is the text of the December 1969, issue of "Bob Price Reports to the 18th District":

The 91st Congress—First Session

The first session of the 91st Congress has moved at a snail's pace. Its accomplishments have been few in number.

The slow pace of the Congress has produced much debate and finger-pointing. Critics of the Nixon Administration have blamed the President for not producing a legislative program. These same critics conveniently ignore the fact that President Nixon submitted his first legislative message to Congress only 10 days after his inauguration. Since then he has sent over 30 additional messages to the Congress, with almost all of them accompanied by specific pieces of legislation.

The list of Presidential messages and reform legislation includes: Vietnam, inflation, organized crime, tax reform, revenue sharing with the states, job training, obscenity control, drug control, draft reform, postal reform, and electoral reform.

The truth of the matter is clear. The President's proposals will not receive the attention they should have until the same party controls Congress that controls the White House. The opposition party now controls the committees and has refused to hold hearings on many of the President's major proposals.

PRICE LEGISLATION

H.R. 205: To disapprove recommended congressional and federal pay raise.

H.J. Res. 612: To support President Nixon's peace program in Vietnam.

H.R. 165: To permit prayer in public schools.

H.R. 166: To exclude employment of communists in defense plants.

H.R. 438: To provide for the public expression of religious faith during space flights.

H.R. 50: To double personal income tax exemption of $1,200.

H.R. 8628: To exempt ammunition from federal registration under Gun Control Act of 1968.

H.R. 9766: To repeal the Gun Control Act of 1968.

H.R. 10612: To prohibit mailing of obscene materials.

REAWAKENING OF THE GREAT AMERICAN MAJORITY

I feel very fortunate to be serving as your Representative in Congress at a time when our President has created a change of National Mood that is the direct result of a change of approach, a change of pace, and a change of men at the helm of the U.S. Government. We now have a President who is representative of the Great American majority.

CONGRESSMAN PRICE IN ACTION FOR YOU!!

(Letters to Congressman Price)

Dear Mr. Price: Could you possibly help me find out what has happened to my request to the Civil Service Commission for payment of the annuities owing to the three minor children of my deceased brother?

Congressman Price contacted the Civil Service Commission and he was soon advised that a check was on the way plus an apology "for the concern caused your constituent by the delay in restoring payment of these benefits."

Dear Congressman Price: I am writing you to request your assistance in my current efforts to obtain a non-service connected pension from the Veterans Administration. I am unable to work because of an automobile accident.

Congressman Price contacted the Veterans Administration and arranged for new examinations for the gentleman who was subsequently determined to be eligible for VA benefits due to total and permanent disability.

Dear Mr. Price: We are requesting a hearing to protest the Social Security Administration's decision to terminate the agreement with our hospital to take care of Medicare patients.

Congressman Price contacted the Social Security Administration; and after several discussions, the hospital was reinstated to the Medicare program.

Dear Representative Price: I am writing on behalf of my husband. He has been unable to work since August of 1965. He first applied for Social Security disability in July, 1966. We believe the decision to deny this claim to be unjust.

Congressman Price exchanged numerous letters and telephone calls with the Social Security Administration before being notified that the constituent's claim had been approved.

Dear Congressman Price: Our son is in the Army and several times has had several examinations for bad hearing. All the doctors say he cannot hear certain high frequencies but none of them have done anything about it and they are now sending him to Vietnam.

Congressman Price made inquiries at the Defense Department and was advised that the soldier would be re-examined. It was subsequently determined that his hearing defect "would limit continuous participation in a combat area involving habitual or frequent exposure to loud noises. To help prevent further deterioration of his hearing he has been reassigned to a non-combat zone."

Dear Congressman Bob Price: My husband is presently in the Navy in Vietnam. He has become the victim of administrative error which has deprived him of the promotion to which he is entitled.

Congressman Price contacted the Department of the Navy which found upon investigation that an administrative error had been made and the sailor was given his promotion."

YOUR TIME IS NOW

HON. HENRY C. SCHADEBERG

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. SCHADEBERG. Mr. Speaker, it is a pleasure for me to include in the RECORD for the edification of my colleagues, an address by one of the great men of the Navy, and my very dear personal friend, Rear Adm. James W. Kelly, ChC, USN, on the occasion of Youth Night, State of Georgia Baptist Convention, November 12, 1969:

YOUR TIME IS NOW

INTRODUCTION

One of the common ways to describe our era is that this is the age in which time collapsed. The rate of change in every area of our life is astronomical in proportions. Every thing happens sooner and quicker. Whereas distance used to be measured in hours, days and months today it is measured in minutes, seconds and microseconds and whereas personal responsibility for religious, social and political affairs used to be thought appropriate for 21 year olds and beyond. It is obvious that more and more young people and teenagers are assuming a direct responsibility for the kind of nation and world that we have. It is only a sign of the times that the voting age of 18 for Federal elections was endorsed and actively sought by President Lyndon Johnson.

If this is the age of change, it is also the age of youth. Within the next 10 years 60% of our population will be under 19. I think this has very significant implications for both the Christian church and the youth of our church. Quite simply, as our culture becomes youth oriented so must the church, if it is to exist at all as an institution of any significance and influence It must become a "youthful" institution. We can no longer think in terms of deferred responsibility. You young people can no longer think in terms of "when you grow up." The course of history has thrown you into a position of unique responsibility.

This evening I would like to underline this single observation. The time is now. You are now responsible Christians, and what you do now will determine the nature and future of the church, our Nation, and ultimately the world.

If you take what I have said seriously then I would think that you should feel a bit awed and fearful. But this responsibility which you have is not just your own. It is God given. Our Bibles tell us in no uncertain terms that God calls youth for his work in the world and it is precisely because you are young and have the specific characteristics of youth that He has a special place for you in carrying out His will in the world.

When the word of God came to Jeremiah and he was commissioned to be a prophet of God, he offered the excuse: "I do not know how to speak for I am only a youth." But the Lord said to Jeremiah: "Do not say I am only a youth . . . Do not be afraid for I am with you." When our Lord Himself began to confound the wisemen and leaders of Israel He was only 12 and when He began his public ministry He was at the ripe old age of 30. The favorite disciple was the youthful John and when Jesus wanted to describe the nature of the kingdom of heaven, you remember, He took a little child and placed him in the midst of the disciples.

The point is that you young people have certain natural characteristics which specially fit you to be God's servants in this age.

I. THE SENSE OF URGENCY AND IMPATIENCE

One of the characteristics of youth which makes you so well fitted to serve the church and the world is your impatience. Young people can't wait. But this is precisely one of the things that characterized the Christian movement from its beginning. It was a movement that couldn't wait which was carried out by men who couldn't wait.

When you read your gospel of Mark one word which crops up from the beginning to the end is the word "immediately" or "straightway".

When Jesus was baptized and came out of the water *immediately* He saw the heavens opened. When Jesus said to Simon and Andrew "Follow me," they *immediately* left their nets and followed Him. When Simon's mother-in-law was sick, Jesus was *immediately* informed. When the woman with the flow of blood was touched by Jesus, *immediately* her hemorrhage stopped.

The proclamation of John which was taken up by Jesus was that "The Kingdom of God Is at hand." The simple truth is that Christianity is a religion of impatience for impatient people. Christians are impatient for the world to make a new beginning. They are impatient for men to take up new ways. They are, in short, impatient for the world to accept the promise for a God who promises new life for old.

And the clear promise of the Christian faith is that we need not wait. Just as Peter was so impatient that he leaped out of his boat into the water and waded to shore when he saw his risen Master on the beach—just as the disciples rushed back to Jerusalem to tell everyone that they had been with the resurrected Christ on the road to Emmaus, so too we are called to immediate action in the name of Jesus Christ.

The word is *now*. And you *now* can make the Christian Church the "place where the action is." Now is the "acceptable time of the Lord." God does not intend that goodness be deferred. God does not intend that social problems be placed on a postponed agenda. Christ does not intend that the abundant life be held up only as a distant goal. The word is *now*. There is not one problem in our world so great, there is no issue so complete that they cannot be conquered and solved by men who under Jesus Christ are committed to the *now*. Use your youthful impatience in the service of an impatient God.

II. THE SENSE OF EXPECTANCY

There is another characteristic of young people, like yourselves, which suits you in a special way for service in our age, it is the sense of expectancy.

I think the greatest thing about being a young person is that there is absolutely nothing that you may not hope for—nothing that you cannot hope to be or do. Time whittles away at our hopes. Growing up, for some, means growing towards hopelessness. A young person has yet to fail. An adult already has. As Puskin wrote: "I've lived to bury my desires, and see my dreams corrode with rust, now all that's left are fruitless fires that burn my empty heart to dust."

Philip Brooks, however, the great New England preacher, once said that going into his study on a Sunday morning was like going into a ripe apple orchard—he had only to decide which sermon was ripest.

Youth look to the future with a similar experience—a ripe orchard waiting to be gathered.

A young man's life is not cluttered by memories—he has mostly hopes. A teenager's life is not restricted by old habits and experiences—

Most of you here are continually projecting yourselves into the future: "When I grow up," "when I finish school," "when I marry," "when I become a doctor or scientist or teacher"—these are the words of youth.

Young people expect things to happen. I suspect that the word "happening" has vogue for precisely this reason. And the Christian faith is most assuredly a religion of expectancy. We believe in the God who continues to enter the events of history. Many preachers and theologians have been struck by the number of action verbs which are connected with God in our Bibles. The God in whom we believe is supremely a God of action. He is the God of "happenings." And he is best served by people who live continually in expectation. The Christian cause today requires young men and women who are always looking ahead and throwing themselves into the cause of Jesus Christ whom they expect at any moment to bring his future into our present.

III. A SENSE OF OPTIMISM

I have the feeling very often that Christian folk have lost their nerve. There was a time when we had a lot to say about a new heaven and a new earth. But for sometime the people who have taken a page out of Christian theology have been the Communists. They have nothing to say about a new heaven, but their appeal to the minds of men has been their forceful and confident promise of a new earth.

It seems to me to be the opportunity and special responsibility of young people to infuse the Christian Church again with that sense of optimism that comes so naturally to the church.

We so easily mistake a lost battle for a lost cause. The cross of Jesus Christ is not a sign of defeat, it is the signature of ownership. His cross is an "X," a cancellation sign which should "cross out" every temptation to despair, every tendency to give up, every feeling of inadequacy and personal futility.

A. J. Cronin, author of "Keys to the Kingdom" was one of the first men to return to Europe at the close of World War II. He records that he was traveling through the burned out hulk of a village and he came upon a church which stood in ruin. We went in and there on the remains of an altar was a cross lighted by a candle flickering in the darkness. Cronin recorded in his diary that he had the strangest feeling that so long as that cross and altar stood there was hope for the world.

The word is that the natural optimism of youth is real, and through Christ it becomes a supernatural optimism that confronts our world with complete confidence that there will be a "new earth."

CONCLUSION

The time is now. The people best fitted by their natural sense of impatience, of expectancy, of optimism, are you? It used to be popular to tell young people that they were our future. The truth today is that you are our present.

A TRIBUTE TO CONGRESSMAN JOHN DENT

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. BIAGGI. Mr. Speaker, my distinguished colleague, JOHN DENT of Pennsylvania, has worked very hard and long to achieve passage of a much needed and revolutionary coal mine safety bill. It is a bill that is truly of a humanitarian nature. It graphically illustrates Mr. DENT's deep and genuine concern for his fellow man—in this instance, the coal miners of our Nation who have too often lost life and limb and suffered the perils of a sometimes fatal disease known as "black lung" because of the hazardous conditions in some of the mines where they must work.

Now word has reached the news media and some Members of this Congress that the President will veto the mine safety bill unless it is made less costly. I consider this a callous disregard for human life. Does not the President consider decent, hard-working coal miners a part of "the silent majority" which the administration has so thoroughly heralded in recent weeks?

As I examine some of the events that have taken place—and the coal mine safety bill is just one example—I am beginning to wonder whether the great "silent majority" is being taken for a ride. I have been reading and listening to the tremendous outpouring of words by this administration—and many of the words do not seem to mean very much.

Mr. DENT's bill is indeed landmark legislation which takes coal miners out of the dark ages. With all of my colleagues who do not put a price on human life, I want to assure Mr. DENT that I will do everything within my power to assist him in achieving his very worthy, noble, and humane objective.

FEDERAL AID TO PRIVATE SCHOOLS

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. PUCINSKI. Mr. Speaker, the general Subcommittee on Education today concluded hearings on "Elementary and Secondary Education Needs of the Seventies." During 15 days of hearings the subcommittee examined the anticipated status of American elementary and secondary education and considered the merits of five different methods of expanded Federal aid.

A major issue facing American education in the 1970's will be whether private and parochial schools can financially survive. In testimony on the alarming financial condition of many parochial schools, the Reverend Monsignor James C. Donohue of the United States Catholic Conference cited the fact that there had been a decline in enrollment of a half-million students in these schools within the last 2 years alone. If this decline continues, our public school system, which in many areas is already financially strained, will be faced with a major crisis.

Mr. Speaker, since the issue of expanded Federal aid in private schools will undoubtedly be a major question before Congress in the next decade, I am inserting Monsignor Donohue's testimony in the RECORD:

STATEMENT OF REV. MSGR. JAMES C. DONOHUE, PH. D.

Mr. Chairman and members of the committee:

I want first to express my gratitude and that of my colleagues, Dr. D'Alessio and Mr. Reed, for the opportunity to speak with you today about the important issues being considered by this committee. Although the primary concern of the Division of Elementary and Secondary Education of the United States Catholic Conference is the continued welfare and improvement of Catholic schools, the Division, like other responsible agencies in American education, realizes that all American schools—public and private nonprofit, church-related as well as non-denominational—are united in the effort to provide better education for the country's children and young people, and that in a very real sense the well being of the total American educational enterprise depends on the health of each individual segment. If one sector of American education is weakened, to that extent all are weakened. They are interdependent, and what happens in one has an immediate impact on the others.

This is evident in regard to the issues which we are discussing today—the financial viability of American schools and the role of the federal government in this area. American education at all levels and in all sectors is currently facing grave economic problems. For instance, as an article in the October 20 U.S. News & World Report points out, at a time when the cost of public education has nearly doubled over what it was ten years ago, taxpayers are becoming more and more reluctant to approve new bond issues to support these soaring expenses. Thus, whereas in fiscal year 1965 voters rejected only about 25 percent of new school bond issues, in fiscal 1969 the rejection rate rose to a disturbing 43 percent.

Undoubtedly many factors have contributed to this situation, but the most fundamental is the simple reluctance of the already hard-pressed taxpayer to contribute substantially more for the support of public schools at this time. There is, it seems, a taxpayers' revolt abroad in the land, and, regrettably, public education is among the targets of this revolutionary wrath.

As I have said, the financial problems of the public schools cannot be separated from the financial problems of the private nonprofit schools—for the simple reason that they have a direct bearing on one another. Unfortunately, the argument is heard in some quarters that, at a time when public schools are feeling a financial pinch, it is out of the question to consider increased public support of private nonprofit schools. The pie is just so big, according to this line of thought, and when there are no longer enough slices to go around, it is the private nonprofit schools which will have to do without.

Apart from its insensitivity to the rights and interests of private nonprofit school students and their parents, however, this argument is a disservice to public education. It oversimplifies a complex issue and, if followed to its logical conclusion, would create a situation which would be disastrous to both public and private nonprofit schools. Let me explain why this is so.

I have had occasion to say before that the very existence of private nonprofit schools in the United States is threatened today. I do not expect to see the total disappearence of these schools in this country, but I do consider it entirely possible that financial pressures could force a drastic reduction in the number of Catholic school elementary and secondary students over the next five years. I do not wish to play the role of Cassandra, and so I do not say that this will necessarily happen. But I regard it as a real possibility which no one seriously concerned with the future of American education can afford to ignore.

The decline in enrollment in Catholic schools over the past several years—a decline brought about by financial pressures forcing cutbacks in the Catholic school effort—has, after all, already been substantial. Enrollment in Catholic elementary and secondary schools has dropped from 5.6 million in the 1964–65 school year to an estimated 4.86 million in the current school year—a decline of three-quarters of a million students in only five years. Furthermore, the process seems to have been accelerating, in that the decline in enrollment in the two school years prior to this one was a full half-million.

But—and this is the heart of the point I am attempting to make—it would be a tragic error to suppose that these figures reflect a problem for Catholic schools only. On the contrary, as Catholic schools are an integral part of the total American educational enterprise, so the the enrollment decline they have suffered in recent years has had a direct and immediate impact on the public sector of American education.

The reason is obvious. When children leave a Catholic school which has closed or been forced to cut back its operations for financial reasons, they do not vanish. They go to school somewhere, and "somewhere else" means the local public school.

The dollars and cents implication for public schools are clear. The more former students of Catholic schools enroll in public schools, the more public schools will be obliged to provide additional teachers, classrooms, equipment, and materials—and this is at precisely the time when they are increasingly hard pressed for funds. Indeed, the conclusion seems inescapable that the present financial crisis in public education is made worse by the financial crisis in nonpublic education.

The available figures demonstrate that this is no fantasy. For instance, it is estimated that taxpayers in the Detroit area have paid some $90 million over the past four years to accommodate in public schools some 50,000 former Catholic school students who have been forced out of Catholic schools which have closed, consolidated, or curtailed classes. This is, furthermore, a continuing expense, since these students will continue to be a drain on the taxpayers' pocketbook for as long as they remain in public school.

Nationwide, the pattern is the same. A recent report by the National Catholic Educational Association, pointing to the loss of 500,000 students in the past two years and an estimated future loss of 156,000 this fall as against last year, states: "Based on the latest national per-pupil cost figure for the public schools, which is $638, the inability of the Catholic schools to provide education for the half-million pupils whom it turned over to the public school rolls during the past two years means a minimum increase in school taxes of $315.8 million annually. Because most Catholic schools are in the large urban centers where public school costs are higher than the national average—for example, a figure of $1100 per pupil was published recently for New York City—the actual tax increase is probably well over a third of a billion dollars per year. If the further drop in enrollment expected this fall stays at the relatively modest 156,000 pupils that seems possible now, the annual tax bill will still increase another $100 million at a minimum."

Quite obviously, then, the present financial crisis in Catholic education is contributing—inadvertently but unavoidably—to the financial crisis of public education. From this point of view alone, it is sound public policy to extend increased public assistance to private nonprofit schools. Their supporters are, after all, not seeking 100 percent subsidy from public funds. Rather, they are asking for relatively modest assistance from the public sector—supplementing but not replacing their own voluntary support of these schools—assistance directed, furthermore, to the secular aspects of their educational programs which so clearly perform a public service function.

That private nonprofit church-related schools do perform such a function is, incidentally, no exclusive discovery of their supporters but is rather a point of view subscribed to by the United States Supreme Court in the 1968 *Allen* decision, which upheld the constitutionality of New York's program of lending textbooks to students in church-related schools. It is worthwhile in this context to recall the passage in which

Mr. Justice White, speaking for the Court's majority, wrote as follows:

Underlying these cases (previous cases involving government assistance to nonpublic education), and underlying also the legislative judgments that have preceded the Court decision, has been a recognition that private education has played and is playing a significant and valuable role in raising national levels of knowledge, competence, and experience. Americans care about the quality of the secular education available to their children. They have considered high quality education to be an indispensable ingredient for achieving the kind of nation, and the kind of citizenry, that they have desired to create. Considering this attitude, the continued willingness to rely on private school systems, including parochial systems, strongly suggests that a wide segment of informed opinion, legislative and otherwise, has found that those schools do an acceptable job of providing secular education to their students. This judgment is further evidence that parochial schools are performing, in addition to their sectarian function, the task of secular education.

Thus, we have seen two reasons why private nonprofit schools should survive, and why it is sound public policy to provide government assistance to help ensure their survival and, more than that, their continued existence as quality educational institutions. These reasons are the adverse impact that a large number of nonpublic school closings would have on the financial situation of public schools and on the American taxpayer, and the fact that private nonprofit schools do perform a public service function in the provision of secular education to their students. Beyond these considerations, however, there is a third reason for extending public support to private nonprofit schools—protection of the values of diversity, freedom of choice and healthy competition in American education.

I am sure this point scarcely needs to be labored. In a pluralistic society such as our own, it is essential that we have an equally pluralistic educational system reflecting the diversity of society itself. The emergence of a monolithic, monopolistic school system in this country would be a threat to the intellectual vitality and liberty we prize. Americans feel a special abhorrence toward monopoly, and we have passed many laws to counteract monopolistic tendencies in a variety of social and economic areas. But a monopoly in the field of education would be especially contrary to the American system. The continued existence and health of private nonprofit schools is the best hedge we have against an education monopoly.

Furthermore, only the existence of these schools makes a reality of our traditional commitment to free choice in education. Freedom which exists only in theory but cannot be exercised in fact, is scarcely freedom at all. If freedom of choice in education is to continue to be a reality in this country, it is obvious that private nonprofit and church-related schools must continue to exist as genuine, available options for parents and students who choose them. The preservation of this freedom is certainly a legitimate object of public and governmental concern.

Lastly, the existence of private nonprofit schools as effective dynamic institutions of education provides an element of healthy competition for public schools. This is, I should emphasize, not cut-throat competition, since public and nonpublic schools are partners in the total American educational enterprise. Rather, the presence on the scene of excellent nonpublic schools provides public schools with a continuing incentive to "try harder"—just as the existence of excellent public schools supplies the same incentive to nonpublic schools.

In making these comments, I wish at the same time to emphasize that the precise vehicle or mechanism by which aid is directed to private nonprofit schools is of less importance now than recognition of the principle that such aid should be forthcoming, followed by implementation of the principle. Certain priorities do of course stand out among nonpublic school needs in the area of federal assistance—these needs are the same as those of the public schools—and I hope will be given legislative acknowledgement. Thus, the first need of the present time is for support of instructional personnel costs; the second is for financial assistance for teaching equipment, materials, and facilities in order to improve the quality of instructional services.

It is in these areas that rising expenses most seriously affect the ability of private nonprofit schools to continue, and federal assistance, if it is to be meaningful, must take this fact into consideration. There are imaginative ways by which substantial aid can go to nonpublic school children in these areas, such as where the assistance is directed to secular subjects and helps to achieve the public purposes of education. Such an approach has been successfully embodied in the purchase-of-services plans enacted within the last year and a half in several states. In any case, it is clear that for the federal government to furnish such aid for public school children and not to furnish it equally for nonpublic school children would contribute to the destruction of private nonprofit education, as we now know it. The federal government would make a major contribution to the improvement of American education by assistance directed to instructional personnel costs and equipment and supplies, since the quality of education is directly related to the quality of the teacher and to the effectiveness of the tools with which teachers and students must work.

With regard to equipment and facilities, Catholic schools are open to arrangements whereby title is vested in public officials, provided only that their students have fair and unimpeded access to such equipment and facilities. Again, Catholic schools are prepared to explore the possibilities of such things as shared-time plans for the utilization of new or existing facilities. I mention these things not to urge them upon the committee but simply to indicate the willingness of Catholic schools to consider a variety of approaches, unhampered by fixed ideas to the effect that only one legislative solution is possible or acceptable.

There can be no question of the urgent need for improved facilities of schools in many parts of the country, especially in low-income areas and large metropolitan areas. Our cities are burdened with school plants geared to 19th century requirements—when what is needed, particularly in low-income areas, are school facilities capable of providing the creative education needed by young people from disadvantaged backgrounds. What is true here of the public sector of education is equally true of the nonpublic sector.

Mr. Chairman, I am pleased and honored at the opportunity to appear before the committee today and comment on the important legislation it is considering. The holding of these hearings is testimony to Congress' commendable recognition of the federal government's role in education. Considering the financial problems of the schools—and of the states and localities from which they receive most of their funds—it is clear that in the years ahead the federal government will have to increase its support of education substantially in order to fulfill its responsibility.

Mr. Chairman, your committee has listed as subjects for comment five bills regarding federal assistance to education, four of which propose specific programs of financial assistance. I am pleased to note that each of these four bills attempts to make some provision for the participation of private nonprofit schools and their pupils in the benefits of the federal funds.

Before commenting on the individual bills, I would like to commend the authors and sponsors of all of them for their recognition that federal assistance to education should benefit all children, whether they attend public schools or private nonprofit schools, including church-related schools. It occurs to me that this recognition is the first step toward development of a truly adequate federal policy for education in the 1970's.

As I have noted earlier, the Supreme Court has recognized the public purpose of private nonprofit schools in our system of education. In addition, a growing number of states are adopting educational policies which utilize the private sector in education to serve the public purpose. I would urge your committee to take notice particularly of the actions of the legislatures in Pennsylvania, Connecticut, Rhode Island, and Ohio.

It is now established policy in these states to provide state support for secular education in private nonprofit schools. The methods chosen by these legislatures vary somewhat from state to state, and include programs for purchase of services and salary supplements for teachers. An even larger number of states have adopted programs which involve state support of auxiliary services for children in private nonprofit schools.

The Congress itself, in recent years, has followed a policy of requiring the participation of children in private nonprofit schools as a condition for state and local public school agencies to qualify for federal financial assistance. I need not mention all of these actions since the members of this committee are the ones who have provided the leadership in the development of this emerging national policy. For the record, I would mention the Elementary and Secondary Education Act of 1965, the Migrant Education Act, the Bilingual Education program, the various acts for the education of the handicapped, the Juvenile Delinquency Prevention Act and, of course, the Vocational Education Amendments of 1968 which originated with this committee under the leadership of the present Chairman. In all of these acts, Congress has made some provision for children in private nonprofit schools. The amount of participation and the means by which private nonprofit schools have been involved has varied with the educational needs of the children and the federal purpose to be achieved. This is as it should be, and I would suggest that the same flexibility should be maintained in the development of future federal assistance programs. Congress has the power, and the ability, to vary its actions to achieve the federal purpose, in the area of education, as well as in other areas of national concern. Thus, a program such as Title I, ESEA, to improve the educational opportunities of economically and educationally deprived children might adopt one approach for the private nonprofit schools and their children, while a program of improving library and instructional media services, such as Title II, ESEA, adopts another. In terms of the bills pending before this committee, my point is that the provisions of Title I, ESEA, might, or might not, be an appropriate method for achieving the public purpose of educational opportunity for children in both public and private nonprofit schools.

H.R. 10833 seeks to provide a system of federal grants to states and, ultimately, local education agencies for "improving elementary and secondary teachers' salaries, for meeting the urgent needs of elementary and secondary education, and for other purposes." All school-age children, those in private nonprofit schools as well as those in public schools, would be counted in determining the amount of federal funds which each state would receive. But there is no adequate requirement that all children would receive the benefits of the expenditure of the federal funds. Authorization is given for use of federal funds, in limited amount, to provide for "shared-time" programs for children in the private nonprofit schools. While "shared-time" is one method by which private school children can participate in some federal programs, it doesn't seem appropriate for a program directed at improving teachers' salaries. I would suggest, if Congress is to provide federal supplements for teachers' salaries, that the Act require the states to provide equal supplements to the salaries of teachers in private nonprofit schools who are providing secular educational services. This is being done in some states and it would be a proper use of federal funds.

H.R. 11546 would provide a national program of assistance to the states for the stated purpose "of achieving equalized excellence in schools throughout the Nation over a ten-year period." As in H.R. 10833, all school-age children are counted in determining the amount of federal financial aid grants to the states, but the children in private nonprofit schools would not share equally in the benefits. Educational excellence and equalization of educational opportunity are desirable goals for a federal program. The inclusion of language adopted from Title I of the Elementary and Secondary Education Act of 1965 (Section 7(a)(2), of the bill) that provision be made for children in private nonprofit schools through such programs as dual enrollment and mobile educational services would not achieve the stated purpose of the bill.

If our goal is excellence and equalization of opportunity, the federal act should include provision for equal sharing of federal funds to improve the educational opportunity available to children in private nonprofit schools. A requirement that states utilize the federal grants to purchase secular educational services, to provide salary supplements to teachers of secular subjects, or to provide facilities for secular education of children in private nonprofit schools could be included in any federal act along the lines of H.R. 11546.

H.R. 517 would provide federal grants for construction of elementary and secondary schools and supplemental educational centers. The program would be directed toward improving facilities for "areas with concentrations of children from low-income families" and federal funds could be used for construction, reconstruction, renovation, and improvement of elementary and secondary school facilities (including pre-school facilities) to meet the special educational needs of educationally deprived children. The same standards that would be applied for determining the needs of public school children could be applied to the needs of children attending private nonprofit schools. While H.R. 517 makes some provision for children in private nonprofit schools to participate in its benefits—by providing for special projects in which they may take part under shared-time or dual enrollment arrangements—the bill is deficient. I submit that in a construction program, Congress should provide in clear language for facilities for private nonprofit school children in the secular areas of education which have been recognized by some states and the courts.

Congressman Delaney in a singularly eloquent presentation of his bill, H.R. 776, has provided the committee special insights on parental rights in education and the abiding American dream for equity. He emphasized the need for diversity as a cardinal element of education in a pluralistic society. His suggested solution to the crisis in education is to authorize an annual financial grant to each child attending school—whether public or private nonprofit. His confidence is resided in parents to make a prudent choice for the educational welfare of their children. His method is a simple one; merely provide the parents with an educational grant to be made available to the school selected for the education of their children. He would limit payment to children attending private nonprofit schools to the endorsement of both the parent and an appropriate school official of that institution. Payments for public school children would be made directly to a school district. In this way the bill assures that the federal grant is in fact applied to education—a valid public purpose that the federal government is free to support. The bill prohibits federal interference. We believe the bill would be strengthened if provisions were adopted to make clear that private nonprofit schools were free to use payments only for the secular aspects of education provided the children in those institutions.

H.R. 9866 would set forth a Congressional statement on a national educational policy and direct the Secretary of Health, Education, and Welfare to initiate a comprehensive study on the formulation of a plan to implement such a policy. Such a Congressional statement would seem to be needed and the one proposed by H.R. 9866 appears to be adequate. I would like to note that as formulated in H.R. 9866, the statement of national educational policy would recognize the role of both public and private nonprofit educational agencies and institutions. Thus, I would endorse the purpose of H.R. 9866.

Naturally, any future federal assistance to education programs should spell out clearly the recognized prohibition in use of public funds for "religious" instruction or worship. But such prohibition need not inhibit the federal government in its legitimate purpose of improving the "secular" education of all children, those in private nonprofit schools and public schools. This Nation has an educational system which recognizes and approves pluralism and parental rights. Any federal aid program should do the same.

In concluding, I would like to point out that Catholic schools, despite their present grave financial problems, are not seeking 100 percent subsidy—or anything approaching it—from public sources. Catholics remain committed to their schools and to their support. What they are seeking now is simply the rather minimal additional assistance—over and above their own continued voluntary support—which will make it possible for these schools to continue in business as quality educational institutions. The public policy considerations in favor of government aid to nonprofit private church-related schools are overwhelming. First, mass closings of these schools would result in financial—and educational—chaos in the public schools and a greater burden on taxpayers. Second, as the Supreme Court has pointed out, church-related schools give secular education to their students, and thus they perform a true public service function which can and should be aided by government in view of its concern for the quality education of all citizens, not just those who happen to attend public schools. Third, the continued existence and health of nonpublic schools are essential to educational pluralism in our pluralistic society, and to true freedom of choice in education and the maintenance of healthy competition in educational matters.

Mr. Chairman, I am grateful for the opportunity afforded me by the committee to speak on this important legislation. I stand ready now to answer any questions you may have.

TWO BALTIMORE GI'S KILLED IN ACTION

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. LONG of Maryland. Mr. Speaker, Pfc. Mark J. Preis and Pfc. Charles V. Redding, two fine young men from Maryland, were killed recently in Vietnam. I wish to honor their memories by including the following article in the RECORD:

TWO BALTIMORE GI'S KILLED IN ACTION—PRIVATES DIED IN SEPARATE INCIDENTS IN VIETNAM

Two Army privates from Baltimore have been killed in separate incidents in Vietnam, the Defense Department announced yesterday.

PFC Mark J. Preis, 23, of 205 Aigburth road in Towson, was killed October 21 when his patrol was attacked by mortar fire.

PFC Charles V. Redding 3d, 22, of 1058 Arygle avenue, was killed October 23 by an enemy land mine.

MASS SET THURSDAY

A requiem mass will be offered at 9 A.M. Thursday for Private Preis at the Immaculate Conception Church, Ware avenue in Towson.

Private Preis enlisted in the Army July 18, 1968. He had been in Vietnam since October 3. Previously, he was stationed at Fort Benning, Ga.

He was a 1968 graduate of Loyola College, where he majored in mathematics.

At the time of his death, Private Preis was serving in Company C, 1st Battalion, 11th Infantry, 1st Brigade, 5th Infantry Division (mechanized). He had been stationed in Quang Tri province, which abuts the border buffer zone.

Private Preis is survived by his parents, Mr. and Mrs. John G. Preis, of Towson; three brothers, John G. Preis, Jr., of Annapolis; William Preis and Laurence Preis, both of Towson; and seven sisters, Mrs. Henry Dausch, of Chevy Chase, Mr.; Julie Preis, of Madison, Wis.; Dorothea Preis, of Washington; Justine Preis, Gretchen Preis, Colette Preis and Janet Preis, all of Towson.

Private Redding, who was considering the Army as a career, enlisted November 22. He was sent to Vietnam May 23.

Private Redding was wounded in the right hip by enemy gunfire in July and was sent to Japan to recover. He was later shipped back to Vietnam.

At the time of his death, he was serving with Company B, 2d Battalion, 14th Infantry, 25th Infantry Division. He was stationed in Hau Nghia province, 30 miles west of Saigon.

Private Redding was born in Baltimore and attended Carver High School.

He is survived by his wife, the former Rhonda Craig; a daughter, Yolanda Redding; his parents, Mr. and Mrs. Charles V. Redding, Jr., of Baltimore; his grandfather, Charles V. Redding, of Baltimore; three brothers, Michael Redding, John Redding and Mark Redding, all of Baltimore; and three sisters, Edna Redding, Cheryl Redding and Deborah Redding, all of Baltimore.

SLANTED NEWS COVERAGE

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. LANDGREBE. Mr. Speaker, I wish to bring to the attention of my colleagues in the House a recent letter I received from a constituent, Dr. Hugh B. McAdams of Lafayette, Ind. His letter concerns "slanted news coverage" and is particularly interesting and timely, not only for its thoughtful comments but also for the fact that it was written before Vice President AGNEW delivered his criticism of the television news media. The letter follows:

LAFAYETTE, IND.,
November 7, 1969.

Representative EARL LANDGREBE,
House Office Building,
Washington, D.C.

DEAR SIR: Recently I have become disturbed regarding the effect of propaganda presented by ABC, NBC and CBS television on the viewing public in this Country and elsewhere. One does not have to observe these proceedings very long before he reaches the obvious conclusion that it is not news that he is observing but calculated propaganda presented by individuals who represent the liberal or left wing element in our Country. Rarely does one see the conservative side of an issue presented by present day commentators. It is my firm conviction that the daily bombardment of the American people by this liberal propaganda is having a tremendous effect on public opinion. This effect, in my view, is not good for the Country. I am hopeful that, if you concur with my views, something may be done to stop this devious trend in the reporting of the news.

Examples of such biased reporting are quite numerous. On the evening of President Nixon's recent speech on NBC television, a film was presented showing alleged ill treatment of captured Viet Cong soldiers. Connected with it was film shown of a army officer briefing a group of newsmen on the manner in which Viet Cong soldiers should be treated. He explained, that according to the Geneva Convention, certain rules and regulations prevented ill treatment. At the same time the film purported to show exceptionally bad treatment of the Viet Cong prisoners. In my view this is bias and it was done primarily to embarrass the President. It was not pointed out that our soldiers and airmen have received exceptionally poor treatment in the hands of the North Vietnamese, as we know from captured film and documents otherwise. My point here, is that the television industry appears to be bent on presenting only one side of the picture, and that is the side which is embarrassing and detrimental to this Country. Last night on NBC television a report was presented on Okinawa on a program called "The First Tuesday." The commentator described the situation there and it was his conclusion that we are practicing "colonialism" while in fact we should be allowing a policy of "self determination." He did not explain the reason why we are on Okinawa in the first place. He did not relate the history of 25 years ago as to how the Island was acquired and the reasons therefore. He did not explain the cost in money, in lives and material, that it took to capture this Island. He did not explain the reason for maintaining a large military establishment with relation to our efforts in Viet Nam. He did not explain, that in essence, we acquired this Island 25 years ago as a result of the expansionist policy of the Japanese people.

It seems to me that this is a calculated effort to sway public opinion against the maintenance of this base at Okinawa, particularly in view of the fact that the Prime Minister of Japan is supposed to be in this Country in the near future to consult regarding the return of the Island to the Japanese. Further examples of this sort of behavior by the National Networks include the exposure of the defendants in the so-called trial of the Chicago "eight". It seems to me that these people are receiving much television exposure and therefore have a forum for the presentation of their ideas while the United States Government and the city of Chicago literally receive no coverage. Another example of this one-sided reporting is a program witnessed last night on "The First Tuesday Program" which had to do with the difficulties experienced by U.S. Marine Officers in recruiting on the College Campuses across the Country. This put the Marine Corps in a very bad light and placed the general recruitment program of all of the Services in jeopardy. Again there was no effort to present the other side of the problem. There was no effort to show, that on many campuses in the Country, these men are not received in the manner that they were at San Diego State. It did not show that ROTC programs are being maintained by many Universities across the Country. Again it shows only one side of the picture, and to me, it is calculated to disrupt our military effort.

A most glaring example of the above is the result of televising the activities of Congressional Committees. One gets the definite impression that these proceedings are "staged." How else can one account for the fact that most of the witnesses heard propagate the chairman's point of view on the issue being discussed? Rarely does one see a witness who is unfavorable to the chairman's position. Again, it seems to me that this is a calculated effort to influence public opinion.

The above named instances are certainly but a few of those that have appeared on the television in recent weeks and months. The effects of such presentations certainly cannot be underestimated in the formation of public opinion. It is my firm conviction that something should be done on the part of the administration to defend itself, against this propaganda. I have the strong feeling that at least part of the effect on the American people by this media could be negated by the President himself. If he could use television, as he did on November 3rd, to explain to the public the exact nature of his thoughts and his plans for our future well being, then the liberal propaganda presented by the television media could be counteracted. Furthermore, it seems to me, that it might be well to consider a proposition in which television could be monitored. Then, when information is presented in a manner which is untrue and which is detrimental, either to the Foreign Policy of this Country or to the management of its internal affairs, the other side of the picture could be presented. I have in mind something in the nature of the use of the truth squads which have operated in past political campaigns. I do not know whether these suggestions are practical. However, it seems to me that something will have to be done in order to blunt this malicious and misleading propaganda presented by the National Television media.

I am sure that you are quite aware of all of this. I am sure that the President is also aware of the adverse effect that National Television is having on his domestic and foreign policy. I have considered writing to Him personally, but I have the feeling that it would never reach His desk. I would appreciate hearing from you regarding this situation and if you agree at all, I would hope that you might convey my thoughts to the President, either personally or in the form of a letter with your recommendations.

Sincerely,

HUGH MCADAMS, M.D.

PRESIDENT NIXON'S VIETNAM PLAN

HON. WILLIAM F. RYAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. RYAN. Mr. Speaker, President Nixon announced on Monday a withdrawal of 50,000 more troops from Vietnam by April 15. Any reduction of U.S. forces is a welcome step in ending U.S. intervention in this tragic war which continues daily to take an unjustifiable toll in human life and disfigurement. Only today the U.S. military command announced a loss of 85 killed and 836 wounded Americans. Even one death or one wounding is unacceptable. In addition, the war continues to divert essential money from our pressing problems at home, and to tear asunder this Nation's soul.

However welcome this step may be, it is inadequate; for the President's plan for Vietnamization of the war means the possibility of an indefinite American military presence and carries the threat of renewed escalation.

And as I warned on the floor of the House, the President considers the House passage, by a vote of 334 to 55, of H.R. 613 as an endorsement of his November 3 speech, just as he did when he addressed the Members of the House on November 13. Last Monday evening he made it clear that he interprets the House's passage of H.R. 613 as "supporting his plan for peace."

Mr. Speaker, I commend an editorial published in the New York Post on December 16, 1969, to my colleagues for its analysis of the President's announcement. It also correctly condemns Hanoi's intransigence in refusing to reveal the fate of American prisoners. The editorial follows:

UNANSWERED QUESTIONS, UNSPOKEN ISSUES

President Nixon has once again adroitly appealed to national patience and fortitude. By projecting the withdrawal of another 50,000 troops in the next four months, he appeared to reaffirm his resolve to lead us out of the Vietnam wasteland. By reiterating his readiness to negotiate anything "except the right of the people of South Vietnam to determine their own fate," he invoked the rhetoric of Wilsonian reasonableness so often employed by his predecessor.

As in his address on Nov. 3, Mr. Nixon's speech seemed primarily designed to mute dissent at home and thereby convince Hanoi that time is on our side.

On reflection, however, too many questions still remain unanswered or obscured.

In announcing another troop cutback, Mr. Nixon conditioned the schedule on the good conduct of the enemy and warned that rising infiltration would mean a reescalation of our role. To that extent he once again made our course subject to the decisions of adversaries who have been fighting for 25 years without visible loss of will.

In restating the principle of self-determination, he implicity renewed our commitment, to the present regime in Saigon, which he has repeatedly characterized as the legitimate voice of South Vietnam. Nowhere did he acknowledge that leading non-Communist opponents of Thieu remain in jail, that other supporters of a coalition solution have recently been threatened with new reprisals and that all optimistic calculations rest on the dubious ability of the Saigon cabal to assume the major burden of the fighting. Nor did he confront the question of whether a program to enable Asians to fight Asians on a larger scale would elicit wide popular favor among the South Vietnamese.

Mr. Nixon's use of the House resolution was predictably contrived. He interpreted the 334–55 vote as a declaration of support for his "plan." But he knows that the record of debate shows that many war critics reluctantly backed the resolution after assurances that it merely signified approval of his "effort" to end the war. The outcome was an expression of political entrapment, not a

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vote of confidence in the strategy of "Vietnamization."

On one point there will be overwhelming endorsement of the President's stand. That was in his renewed appeal in behalf of the American prisoners whose relatives are cruelly denied knowledge of their fate. Disclosure of the late Ho Chi Minh's rebuff to Sen. Fulbright's plan can only undermine the position of those who believe we remain diplomatic captives of the Thieu regime. Hanoi's obduracy is crude blackmail; it can only strengthen the hand of U.S. hard-liners and smother the true issue of coalition so blandly and sadly ignored in the President's address.

U.S. POLICY IN THE MIDDLE EAST

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. OTTINGER. Mr. Speaker, I was greatly disturbed by recent newspaper articles indicating State Department intentions to ignore a vote by a large majority of the United Nations General Assembly's Political Committee interpreting the 1925 Geneva Protocol on poison gas and bacteriological warfare as banning use of all chemicals including tear gas and defoliants.

Particularly disturbing was the reported comment of Carl E. Bartch of the State Department that "the vote does not in our view represent international consensus" and that "we maintain that the United Nations General Assembly is not the proper forum to decide such disputed questions of international law."

While technically the International Court of Justice may be the more appropriate forum for strict legal interpretation of a protocol, the question raised obviously involves policy determinations that are the province of the Assembly and, at any rate, this technical distinction even if valid is no justification for the slap taken at the Assembly.

If the United Nations is not the proper forum to rally and determine an international consensus and to resolve international disputes, then what forum is appropriate? There really is none. We are left internationally in the caveman era with each nation pursuing its selfish ends without regard to the effects on other nations, and with the ultimate international sanction the threat and use of brute force.

The United States has a sorry record of undermining the international institutions it helped to establish to peaceably resolve international disputes. Our failure to place the Vietnam situation before the United Nations prior to taking unilateral military action there probably did more to undermine its credibility as a peacekeeping force than any other action by any nation in its history. Our insistence on the Connally reservation did more than anything else to emasculate the jurisdiction of the world court.

If we are to have any forum for settling international disputes in a civilized manner, the United States is going to have to be a leader in giving it efficacy. This requires a willingness to submit to international tribunals issues even if they are embarrassing to us and a willingness to abide by decisions of such tribunals even if they appear to be against our interests. Our experience in the United Nations shows us that this will be only a small minority of cases—and, indeed, comparing our own democratic, free society with the much harsher realities of most of the rest of the world, we can be sure that these tribunals will help our causes far more than they will hurt them. We cannot continue to be in the position of balking every time a decision does not go our way, however, for to do so gives justification to all other nations to likewise ignore decisions inimical to them. This destroys the fabric of peaceful settlement of international disputes and is sure to be far more damaging to our interests than the effects of any isolated adverse decisions.

I fervently hope the State Department will reconsider its ill-conceived pronouncements in this regard.

BALFOUR DECLARATION

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. BINGHAM. Mr. Speaker, the real meaning of the Balfour declaration of 1917 on Palestine has in recent years often been disputed.

Mrs. Lottie Greenberg of Rockaway Beach, N.Y., recently sent me a copy of an editorial from the Manchester Guardian of November 9, 1917, which I found most revealing. I share it herewith with my colleagues and other readers of the RECORD:

[From the Manchester, England, Guardian, Nov. 9, 1917]

SIGNPOST OF A DESTINY

We speak of Palestine as a country, but it is not a country; it is at present little more than a small district of the vast Ottoman tyranny. But it will be a country; it will be the country of the Jews. This is the meaning of the letter written by Mr. Balfour to Lord Rothschild.

It is at once the fulfillment of an aspiration, and the signpost of a destiny. Never, since the Dispersion, has this extraordinary people, scattered over the earth in every country of modern European and of the old Arabian civilization, surrendered the hope of an ultimate return to the historic seat of its national existence.

For fifty years the Jews have been slowly and painfully returning to their ancestral home, and even under the Ottoman yoke, have succeeded in the beginnings of a real civilization. Scattered and few, they have still brought with them schools and industry and scientific knowledge, and here and there have, in truth, made waste places blossom as the rose.

The declaration of policy the British government made to-day is the security for a new, perhaps a very wonderful, future for Zionism and the Jewish race. The government has indeed laid down a policy of great and far reaching importance, but it is only one that can bear fruit by the united efforts of Jews all over the world.

We recognize, and shall continue to recognize the Holy Land as the ""national homeland of the Jewish People."

THE ADMINISTRATION AND MR. WHITTEN

HON. JAMES C. CORMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. CORMAN. Mr. Speaker, for a long while a great deal of confusion was apparent on the part of Members on the other side of the aisle over the President's position on the Whitten amendments to the Labor-HEW appropriations bill.

At the time the bill was considered in the House, it seemed that the Attorney General indicated to the Republican leadership that the President did not oppose the Whitten amendment. Then, belatedly, Secretary Finch publicly did oppose the now famous amendments, apparently with the President's approval.

Yesterday, in acting on the measure, the Republican leaders in the Senate urged their side of the aisle to vote in accordance with the latest-announced Presidential position—against the Whitten amendments, and the cause of school desegregation received a boost.

I am pleased that those on both sides of the aisle in this House who believe in racial justice joined forces this afternoon to resoundingly defeat the Whitten amendments through instructions to the House conferees.

The Washington Post editorially this morning did clarify the issue. Reading it was helpful to me in attempting to understand the administration's ever-changing position on civil rights issues. The editorial follows:

THE ADMINISTRATION AND MR. WHITTEN

When we last looked in on the Whitten Amendments—some deceptively harmless-looking legislation that could in fact undermine both the Supreme Court's rulings on school desegregation and HEW's power to uphold them—the amendments perennially sponsored by the Mississippi congressman, Jamie Whitten were in process of being acted on by the House. That was midsummer. As usual, the whole seriatim drama had the aspect of a soap opera, and not just because it was a replay of cliff-hanging events from the session before. There were also the inevitable Ma Perkins-like questions: Would the House accept the Whitten amendments? Would the administration (which had been rolling around among itself on the matter all one day) take a stand against the amendments?

The answer to the first question turned out to be, Yes, and the answer to the second was, No. We were not aware at the time that for all the rolling around on the part of some people at the White House and at HEW, the Attorney General had already indicated to Republicans on the Hill that the administration most assuredly did *not* oppose the Whitten measures. There is little doubt that had it done so, the amendments (which were accepted by a very narrow margin) would have been stopped in the House.

Since then the administration has either changed its mind or changed its spokesman or changed both. Secretary Finch came out against the amendments a while back, and he informed the members of the Senate Appropriations Committee the other day that the administration opposed them. In a telegram, which he made public, Secretary Finch recommended first that the legislation be eliminated from the pending HEW-Labor appropriation bill and that—failing that—it be itself amended to include, at a critical point, the words "except as required by the Constitution." As its wont, the Senate Appropriations Committee disregarded the first telegram. However, yesterday, on the advice of Secretary Finch and with the powerful assistance of Senate Republican Leader Hugh Scott, the Senate added the recommended language to the measure, which has the effect of defanging it.

Now we are more or less back to the familiar crisis of the conference, the confernece report, and the final vote. Last time around an inordinate amount of mind-boggling parliamentary maneuver was required in this phase of the game to eliminate the obnoxious features of the amendments. Things are different this session—and in most ways worse. The time is late, the pressure to be done with the appropriations enormous, and the issue if anything muddied by the past months of administration equivocation on matters of race. That is why it is of the utmost importance that Secretary Finch make it plain to the relevant members of the House that when he spoke to the Senate he spoke for the White House and that the President in fact opposes the Whitten Amendments.

THE FRESHENING WINDS OF CHANGE

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. JOHNSON of California. Mr. Speaker, a short time ago Robert A. Sandberg, vice president of the Kaiser Aluminum & Chemical Corp., posed to the members of the National Reclamation Association, convening in Spokane, Wash., the following question:

> What, really are the dimensions of changes which are so violently and dramatically obvious to all of us today?

Then, Mr. Sandberg proceeded to discuss the reasons for and the consequences of the changes which we are witnessing today, not only in this Nation but throughout the world. With a broad background of public service as a Red Cross official and 17 years as an executive in an industry which has undertaken an outstanding leadership role in the quest for knowledge about our environment—physical, social, and political—Mr. Sandburg demonstrated his own deep personal understanding and concern for people.

His presentation was, without question, the finest discussion I have ever heard on what he refers to as "the freshening winds of change." May I urge my colleagues not only to take the time to read these remarks, which I share with you today, but also to take the time to stop and ponder them, as I have, for I am certain they will increase our perception of the difficult times in which we live. The remarks follow:

SOME DIMENSIONS OF CHANGE

Last week, while quietly sitting out a plane change in the Seattle-Tacoma Airport, your vice president, and my old friend, Lorin Markham, reached me by telephone. He was struggling with a problem of change so immense that it clearly showed in his voice. With discernible anxiety he explained that he had worked for weeks, and under pressure, to get this convention program together. Now it was all ready and the final proofs of the program were on his desk; but the printer, as printers do, was demanding cleared copy—and now! The problem was that his banquet speaker had just withdrawn. Would I speak? The situation was desperate for him; but for me, at that moment, a matter of small concern. It wasn't the end of the world, of course, but he was dealing with a change of some magnitude, and it had a dimension.

I pled for time to consider, but Lorin had no time. His god was a printer who would not wait. So, I agreed. After all, Lorin has been a long and loyal friend, and he was only asking for a speech—a free one—not a good one.

Having received his answer and assured that he could satisfy the printer, Lorin now announced that he could go off on a weekend hunting trip to Moses Lake with a free and unfettered conscience.

The final click of the telephone left me slightly stunned. What had happened? One thing was certain; Mr. Markham knew how to cope with the problems of change. His problem was now my problem! While he was hunting pheasants, I'd be spending my weekend hunting ideas and writing a speech. I thought, what a swift transfer of energy this had been; what a total change this would make in my next few days. As a little microcosm of what is happening around all of us each day, that telephone call demonstrated both the dynamics of change and the magnitude and dimension of it.

I felt a little like old Uncle Ned who was celebrating his 102nd birthday. A young reporter from the local paper was sent to interview him and he asked, "Uncle Ned, you've lived 102 years. You must have seen a lot of changes in that time." To which Uncle Ned replied, "I shor have Sonny, and I've been again every gol blamed one of 'em."

I like the way Eric Sevareid of CBS stated it when he said:

"This generation hasn't had any rest. We've had two bad wars in 20 years with powerful inflationary tendencies as a result. We're in the middle of a racial revolution. We're in the middle of a scientific revolution that seems more fundamental than the industrial revolution of a hundred years ago. We're in the middle of a population revolution—the full consequences of which we have hardly begun to understand. And, we're in the middle of some kind of revolution in personal morals and in concepts of family and community life.

"All this has stirred and alienated a great many people in this country. They are hitting out and reaching out for some way to get this under control—some way to bring about an order of security with which they are familiar, with which they feel at ease and with which they feel safe."

What, really, are the dimensions of change which are so violently and dramatically obvious to all of us today? It isn't only that there is change. Change has been a part of the problem of living since man was first identified as man.

200 years ago Edmund Burke was saying, "To complain of the age we live in, to murmur at the present possessors of power, to lament the past, to conceive extravagant hopes of the future, are the common dispositions of the greatest part of mankind."

65 years ago, Teddy Roosevelt was saying at his inaugural, "Modern life is both complex and intense, and the tremendous changes wrought by the extraordinary industrial development of the last half century are felt in every fiber of our social and political being."

The newness and the prevalence of change as we are experiencing it today is where the difference lies. It's a change in scale and scope, unprecedented—a great upheaval! The change is relatively recent, perhaps measuring back no more than 20 or 30 years and caused almost entirely by the giant progress of technology. We have in a short space of time moved:

From a predominantly agricultural society to a largely industrial one . . .

From a preponderantly rural and small town society to a largely urban and suburban one . . .

From an economy of scarcity, in which productivity was the primary goal, to an economy of abundance, in which consumption is the main goal and distribution the main problem . . .

From a geographically stable society to a highly mobile one . . .

From a relatively primitive communication system to a highly sophisticated one of instaneity . . .

From a labor-and-job oriented society to one increasingly aimed toward the use of leisure time . . .

From an emphasis on manhour productivity to machine-investment productivity, with at least two concomitants; only the highly technically trained could participate in a meaningful and personally satisfying way to life in the economic system; many of the "small jobs" once available to the young or the poorly trained disappeared . . .

What has not changed during this period are our institutions, our schools, our government, our social forms, our ways of controlling, organizing and adjusting to the changing technological environment.

And here is where most of the unrest and unease in our society begins. Let's look at ourselves as separate groups influenced by our own personal histories and the inputs of our ages—in spans of 18–20 years.

Group I's were born about 1896. They are in their 70's. They were born into a population of 66 million, gross national product $13 billion, no automobiles, no radio, no television, 5 telephones per 1,000 population. They will remember the Mexican Revolution, the sinking of the Titanic, prohibition, the flu epidemic that killed 20 million people, including 548,000 Americans, Sara Bernhardt, Ben Hur, The Birth of a Nation, The Katzenjammer Kids, "Cleanliness is next to godliness." The predominant thought of the time was that truth has been established . . . we must now transmit it to the young.

Group II's were born in 1914, now in their 50's. Population 114 million, gross national product $87 billion, 7 million automobiles, 140 telephones per 1,000 people, 1 million radio sets, no television. The depression made the greatest imprint. Those of us in Group II will always remember that period. We'll follow the conservative path. We are now the Establishment, remembering *The Saturday Evening Post*, Will Rogers, Lindbergh, Franklin Roosevelt, Tugboat Annie and Fourth of July picnics. We believed America had the answers, the problem was to get others to listen.

Group III people were born between 1935 and 1942. They're now in their early 30's. Population 140 million, gross national product $125 billion, 34 million automobiles, 175 telephones per 1,000 people, 29 million radios, no television. The inputs: Gene Autry, the Cisco Kid, John Dillinger, the Bomb and a push off of the farm and to the cities and the suburbs. The preoccupation of Group III was with jobs, money, and the acquisition of material things. The economy was booming. The wars were a great stimulant to business, and personal income, and unsurpassed luxuries for most people. Their problem as adults is how to keep it up and live comfortably with Group I and II and with the disturbing ideas and mores of Group IV.

Group IV born since 1950. In their span of life U.S. population jumped from 160 million to over 200 million, the gross national product went from $365 billion to $930 billion, 56 million automobiles to 90 million automobiles, a telephone in every home, 3 or 4 radios. Television, though first introduced in 1953, is now in practically every home. It's an age of instantaneousness, and affluence, and contrasts of rich and poor, white and black, power and no power.

But the institutions continue to be run by a generation that finds it increasingly difficult to be in tune with the technological environment in which it finds itself. Group IV, on the other hand, have never experienced any other world but the technological one in which they are living.

For them two highly significant things happened: time collapsed and the horizon disappeared.

It was, more than anything else, TV that did it in this country. The child who is raised with the television tube experiences events instantaneously. He is constantly barraged by a succession of new products (which burst forth full-blown); new services (which would be his could he but afford them) and news of political and military events, some of which have not been "re-structured" by The Establishment. He wonders why, then, it takes so long to get "anything done" in this society. His impatience with slow and "orderly" processes grows out of experience with the miraculous and the instantaneous.

Time collapsed—and the horizon disappeared. Unlike his forebears, whose horizon was the edge of the farm property, or end of a village street, the TV child saw events thousands of miles away as if they were only next door. In most cases he grew up knowing (by sight and sound) a presidential candidate better than the town mayor. Provincialism disappeared, his community became the world, and when this happened, he had no real reason to respect local authority or that of his parents.

He walked out of a living room filled with miracles and found himself in a world where antiquated bureaucracies slowly pushed pieces of paper around. He knows what he wants. He wants miracles. And he wants them *now*.

After all, man has walked on the moon—and he was there!

And, here we are—all four groups of us, living together someplace between placidity and revolution—struggling with overabundance and equity, some fighting to preserve our institutions in their traditional forms, and some fighting to change the form completely.

Already New Yorkers are beginning to get a taste of what happens when population and an affluent society of mixed inputs outgrow the capacity of their normal utilities and living space. The trains don't run, the phones don't work, the power is shut off, the traffic stalls, the planes can't land and it's no fun to go downtown on Saturday night.

In the next thirty-two years, in this country alone, we must build as many structures as have been built in this country since this nation was founded. And this is just to give people the same standard of buildings they live and work in today—it does not take into account the more sophisticated needs of better educated people with higher incomes, or those who will want two or more homes.

Nor is this our problem alone. Unless we are to face a global catastrophe, we must also be able to help meet the problems of food and shelter caused by the population increase all around the world. According to projections by Dr. Raymond Ewell of State University of New York, there will be a serious famine in India, Pakistan and Communist China within another five or six years. There will be serious famine in Indonesia, Iran, Turkey, Egypt and Brazil within the next decade. Most of the other countries of Asia, Africa and Latin America will be in a famine condition by 1980—just 11 years from now. These famines will affect hundreds of millions of people We could not, even if we were ethically willing to do so, ignore their plight, nor refuse to try to alleviate their hunger, as we surely must do quickly for our own poor and underprivileged millions.

This is perhaps the greatest challenge facing America today—whether we have within us the creativity to solve the problem of the nation's and the world's growing population in the time that we have. And, there is very, very little time.

Another major change that will require new responses is the change in the population's work load. It is predicted that within one generation in the United States, only 2 percent of Americans—as farmers and factory production workers—will be able to produce all the food and manufactured goods the whole U.S. population will want. What is even more astounding is that last year only 9 percent of the population produced all of the food and manufactured goods in this country.

What in the world are the other 91 percent of us doing today? What in the world will the 98 percent of us not engaged in producing food or manufacturing goods be doing in the next 30 years?

One of the inevitable consequences of this transfer of work load to fewer and fewer people is that we have—for the first time in any people's history—vast amounts of discretionary time. The concept of time as a commodity to be used in discretionary ways is still something quite new in the world. We are going to have to create new and satisfying and meaningful ways for people to use their leisure time. Sure, they can play more golf, do more fishing, read more books, listen to more music, watch more television, take more trips. But, in the end, this will not be enough, as most any energetic retired person can tell you today. A major challenge to business creativity will be to find what will give meaning to leisure time.

As a matter of fact, we should begin to take a whole new look at the total relationships of time and work and our modern society. The editor of our *Kaiser Aluminum News*, Don Fabun, reasons this way:

"When it comes to *use* of our time, we are like dirt farmers who have moved to the big city; we bring our farm hours with us. Thus we divide night and day, although, as Marshall McLuhan has pointed out, 'Electric light abolished the divisions of night and day, of inner and outer, and of the subterranean and the terrestrial.'

"Having brought day with us from the country (because, without lights, it was the only time we could work), we divided the daylight hours with three meal periods, because the work on the land was hard and it was good to rest the horses and refuel ourselves in the middle of the long days. It has not, in our urban areas, for some time been necessary to rest the horses, and it is doubtful that in the normal course of our labors, we expend enough energy to require refueling ourselves three times a day. But we continue to do so.

"The result of this farm-type, Colonial-Era thinking is to create the sort of problems that result when everyone goes to work at the same time, eats at the same time, has recreation in the same time, gets up and goes to bed at the same time. The way we solve the problem is to build generating capacity in our power plants for peak hours; to build highways three times as big as they need to be, to take care of peak traffic to and from work, and to overload our parks, resorts, beaches and other recreational areas to the saturation point two days a week and leave them virtually deserted all the rest of the time. As population increases, and becomes more highly congested in urban areas, the 'problems' compound, too, and we are forced into an insensate (an ultimately useless) frenzy of designing and building to take care of urban problems created by rural thinking.

"It may be that within the next twenty years, driven to it by taxes and frustration, we will begin to run our lives around the clock, and stagger our days off, and thus reduce peak traffic loads by two-thirds, and use our shopping and recreational facilities the week-around. We have done this during war times; but does it take a war to make us do so?"

One of the things we most certainly will have to do is to become more involved in education—not only for ourselves, but for those who will want to participate in the world of the future, and for those who will otherwise find increased leisure time a burden.

"One thing at fault with our thinking," says Professor Neil W. Chamberlain, professor of economics at Yale, "lies in our persistent notion that a person can acquire in the first 20 years or so of his life all the formal education he will need to keep him on an ascending career line through the remaining 40 years or so of his working life."

There is one other aspect of our participation in this world of change that I want to touch on briefly. You won't need more than a reminder to have some apprehension about the growth of the role of government—all kinds of government—in our social and economic environment. The government—Federal, State and local—is the nation's biggest employer—and spender . . . but, more than that, it has an increasing role on our personal lives and in the conduct of business. And the only point that I want to make is that, among the changes in our business environment, the growth of government is to be reckoned with, and we'll simply have to learn to live with it and make the most of it. It isn't going to go away—and it's not going to get any smaller.

Another thought I would like to leave with you is that it is almost impossible for an American business not to become involved in the world market—even if it does not ship a single product overseas. You can bet its counterpart in some other country is shipping a similar product into the United States; and so you are involved internationally, whether you intended to be or not.

This shift from purely domestic considerations to global ones is one more big change that affects all of us. And we will become more deeply involved in the years immediately ahead. It is one in which most of us have had little experience.

Let me add to that this statement by David Sarnoff: "Through communication satellites, laser beams and ultraminiaturization, it will be possible by the end of the century to communicate with anyone, anywhere, at any time, by voice, sight or written message . . . Ultimately, individuals equipped with miniature TV transmitter-receivers will communicate with one another via radio, switchboard, and satellite, using personal channels similar to today's telephone number."

We have recently been asked to "think the unthinkable." Now I am asking you to "imagine the unimaginable." For the rising demand for goods and services by all the people of the world, once they have turned information wants, and wants into needs, is truly unimaginable to our minds today.

Here we will have a *qualitative* demand as all-encompassing, as insistent, as desperately in need of solution, as we have a quantitative demand resulting from the population increase When the two of them are joined together, in that world of the immediate future—you and I and all our associates in the business world will be put to the test more severely than ever in our lives.

I am confident, and my business associates at Kaiser Aluminum are confident, that we—most of American business—will meet the challenge boldly and expertly. Our technology is giving us the tools—we have but to have the courage and intelligence to use them wisely.

A few months ago in our company magazine, our editor wrote about change in this restless world in two paragraphs which he titled, "A Freshening Wind." He said, "There is a new wind abroad in the world. It sweeps through Africa, riffling the waters of the Volta and the Nile—the beat of drums becomes the pulsing of machinery. It ruffles the trees that line the Ganges and the Rihand—the might giant that is India stirs with a new and vital restlessness. It touches the Rhine and the Elbe, the Rhone and the Po, the Amazon and the Rio de la Plata, skirts the Mediterranean and sifts the sands of Suez. Wherever it touches, there is new vitality, new hope, new striving.

"It is a wind that whispers that life does not need to be lived in a mud hut; that food does not have to be grubbed from fetid, crowded harbors; that loads do not forever and ever have to be carried on aching shoulders. It is a wind that carries the promise that what has always been does not always have to be; that in the minds and hearts of men—all men—lie the skills and understanding to erase, once and for all, the economic barriers that have so long divided the world.

"It is the wind of 20th Century technology. It carries the hope of better things to come and the adjuration they will have to be worked for and the challenge of economic competition such as Western economies have never faced before. How this challenge will be met—to ensure maximum progress with minimum commercial conflict—is the great problem facing the American people. That the challenge will be met—and successfully—there can be no doubt. And it will have to be met soon.

"For there is a wind—and it is freshening . . ."

HOUSE JOINT RESOLUTION 506

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. PHILBIN. Mr. Speaker, I believe we should join in extending and renewing the interstate compact to conserve oil and gas. This is of paramount importance, if we are to expect to follow decent, conservation practices, and if we are to be assured of future, adequate supplies of oil and gas, which are being utilized at escalating rates, as well as suffering from wasteful practices and uncoordinated, unsound management practices, in a great many instances.

This is a very important incident of effective national conservation, and Congress must act in every way necessary to make sure that our supplies of oil and gas are safeguarded, and that our regulations require full respect and compliance with sound conservation principles.

Our wasteful practices of the past, which wrought so much loss and damage to the Nation cannot be tolerated in this day and age, if we expect to keep our oil and gas supplies at acceptable levels.

Gas and oil are mandatory for the continued success of our great economic system and for the convenience of the public in their homes and business.

The essential factor is that the responsibility for gas and oil is truly indispensable for the public's use and welfare and we must do everything we can to insure at all times an adequate supply of the oil and gas we need and fair distribution to the people at reasonable prices.

AMATEUR PHOTOGRAPHERS NEED FOURTH-CLASS MAILING RATES

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. HORTON. Mr. Speaker, over 40,000 amateur photographers in this country are adversely affected by the present language of the postal rate law and by its unequal interpretation.

Today, I am reintroducing H.R. 13907 to obtain fourth-class postal rates for photographic materials mailed by amateur photographers.

I am pleased to have the cosponsorship of my able colleagues: Congressmen JAMES G. FULTON, HENRY HELSTOSKI, PETER N. KYROS, RICHARD L. OTTINGER, HOWARD W. ROBISON, PETER W. RODINO, JR., WILLIAM B. WIDNALL, and LESTER L. WOLFF.

Amateur photographers are unjustly dealt with by the present law.

I am referring to that section of the postal statutes which describes materials allowed to be mailed under the "educational or book" postal rate. My bill would permit amateur photographers who send photographic prints or slides to and from nonprofit photographic exhibits, or to and from other amateur photographers for educational purposes, to send these materials under the "educational materials" rate.

This change would be consistent with the fact that many "educational materials" sold through the mails for profit now qualify for this privilege. The present provisions, as they apply to photographs mailed for educational purposes, are so confusing that they are unequally applied in post offices across the Nation. Each postmaster seems to have a different interpretation as to which rate applies to amateur photos.

This September the very able executive secretary of the Photographic Society of America, Mr. Frederic B. Shaw, testified on this problem before the Post Office and Civil Service Committee's Subcommittee on Rates, chaired by our able colleague, the gentleman from Montana (Mr. OLSEN).

I would like, at this point, to include a brief excerpt from Mr. Shaw's testimony which illustrates quite effectively the nature and extent of this inequity:

> Prints move to these shows in standard sized cases of almost identical weights. Postage of these prints however may vary, in total postage charged, by from 9¢ to 95¢ even though they are posted in like postal zone areas. This variance is due simply to separate interpretations of the law by different postal officials.
>
> For instance, print cases may be shipped from Houston, Shreveport, or St. Louis to Oklahoma City and be charged for at three separate and distinct rates though all fall within the same postal zone and weight class. Following the exhibition, these same cases of prints may have to be returned at still a fourth rate as the result of still another interpretation.
>
> The experience, in recent years, of the salon committee in a major metropolis in Kansas has been that many print cases shipped to their exhibit may almost certainly be held up by local postal officials until a ransom in postage due is paid out of entry fees. The accepting post office, which has interpreted the regulations another way, may then be recipient of a sizzling letter from the receiving post office about "law violation."
>
> A sad commentary is the fact that a case of prints as described above may be sent to Asia, Africa or Europe for a rate less costly than to a fourth postal zone in the United States, to say nothing of the fifth through eighth zones.
>
> A monthly book selection, an album of records, or a TV commercial on movie film, which can weigh more than the above mentioned prints with case, is likely to move at a lower postal rate because post office officials have ruled that educational rates can apply only to materials moving to or from the office of a recognized agency. Apparently the office of an "educational division" of a watch company, selling phonograph records, or an advertising agency shipping TV commercials to a customer or a paying client, do qualify in this regard.

While this is not a problem of major proportions from the standpoint of national policy, I feel that as long as Congress is setting postal rate policies, those policies should be free from unfairness and confusion. The support of each colleague in clearing up this point of postal rate law would quickly alleviate the problems, Mr. Shaw points out.

STATEMENT ON VIETNAM

HON. F. BRADFORD MORSE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. MORSE. Mr. Speaker, the following statement on Vietnam was signed by a number of members of the clergy of Woburn, Mass. It is a most thoughtful and compelling document, calling upon every citizen to work together to reach the common goal, the goal on which all Americans agree—peace in Vietnam. I am honored to be able to share this statement with my colleagues in the House:

STATEMENT ON VIETNAM

> We, the undersigned clergy, of the City of Woburn, Massachusetts, are acutely aware of the agonized struggle of our people regarding the painful war in Vietnam which so sorely divides our nation. We believe that the religious communities should support the cause of peace and work for the repudiation of war as an implement of foreign policy and as a way to settle international disputes. This leads us to support the goal of bringing our military involvement in Vietnam to an end.
>
> While we are united in seeking an end to the war in Vietnam we differ among ourselves as to whether immediate withdrawal or a gradual, scheduled pullout of military forces is the best way to end the war.
>
> We urge all citizens to work for the creation of a new moral climate directed toward the redefinition of our national goals and the reallocation of our national resources which give the highest priority on the use of our energies and resources to the solution of the critical social problems which beset our nation and the world.
>
> John R. Wood, Fred J. Cartier, Jr., Emmanuel S. Hedgebeth, Bruce A. Young, John H. Kidder, Richard Swan, Daniel J. Cananaugh, H. John Murchie, Samuel G. Brown II, Willis S. Pollins, Thomas E. Barker, Robert H. Holmes, John S. Morris, Harold G. Ross, Jr.

COMPARING U.S. POSTAL SYSTEM TO OTHER COUNTRIES NOT FAIR

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. DULSKI. Mr. Speaker, we keep hearing about the great efficiency of postal systems in other countries. Perhaps it is something about the proverbial grass on the other side of the street.

If the U.S. system had to serve only an area of one State—instead of 50—it could beat any system in the world. That is all the systems of other countries have to do—in fact, most areas are smaller than our major States. None of them have the volume of mail and the geographic area to serve that is the responsibility of the U.S. system.

One of the latest to rap the U.S. system is, of all people, the U.S. Postmaster General when he talked to the Tokyo press club and lauded the Japanese system.

Bill Bayne, who writes the "Post Office Box" column in the Federal Times, has some pertinent comment on the general's observation and draws some interesting parallels between the United States and Japanese systems.

Following is the text of the column from the December 17 issue:

THE POST OFFICE BOX

(By Bill Bayne)

WASHINGTON.—Postmaster General Winton M. Blount has returned from a two-week visit to Far East military bases and Japan, where he attended the Universal Postal Union meeting.

While in Japan he had occasion to address the Tokyo press club where he paid tribute to the boom that is the hallmark of Japanese industry.

But he also reportedly said that Japanese mail sorters could work as fast as American machine sorters and that the "Japanese haven't forgotten how to work."

Many postal workers in America have taken this to mean that the PMG is implying that the U.S. postal workers "have" forgotten how to work. Department officials say nothing could be further from the truth.

But to get back to the Japanese and their mail system.

EASIER TO SORT MAIL IN JAPAN

It is a far easier task in Japan to sort mail than it is in the United States. For example, there are no street addresses in Japan. There are only areas or ku's that are listed as the address. There are also cho's and chome's which give area breakdowns. Within the smallest area, there may be 10 blocks or so, depending on the density of the businesses or population.

So letter sorting, once the areas are learned, is merely a matter of sorting in the same fashion that cities are sorted in our post offices.

Further, in Japan, there is the matter of literacy. Japan claims the world's lowest illiteracy rate—less than one per cent.

This is not qualified by adding "technical literacy"—the ability to read or write one's name, but purely literacy. Given this aspect, it is understandable that the Japanese postal worker will not need to be the genius at deciphering some alien code in addresses for letter sorting that his American counterpart will.

Additionally, the Japanese made extensive use of zip codes and the use of preprinted envelopes with boxes for the zip digits, with the digits appearing in exactly the same location on every envelope. This system easily adapts itself to the use of the Japanese high speed optical character scanner.

BOXES FOR ZIP SPEED MAIL

The scanner used here in the United States will locate the zip code on the address of any envelope, regardless of its location. U.S. postal experts state flatly that if the Japanese boxes were used here for our optical character scanner, millions of dollars could be saved in letter sorting. And further, that the scanner could then be used for handwritten as well as typed address sorting, as the Japanese system is.

The question that comes to mind is: Why doesn't the Post Office ask Congress to write a law specifying the zip coded boxes? Or at least a law calling for standardization of envelope size?

Answers offered by post office spokesmen are that the general public would be up in arms if such restrictions were promulgated. A questionable argument.

To most individuals there are but three sizes of envelopes now—the business envelope, the short business envelope and the cordial note envelope.

It is true that the greeting card industry uses a tremendous variety of sizes of envelopes, but for general correspondence, the three sizes cover a huge percentage of the mail.

MANY VARIATIONS OF ENVELOPES

The fact is that although this may seem to be true to most Americans, there actually are thousands of variations in the size and shape of our envelopes.

Not only is there wide variance in shape, but also in the colors and materials used.

Manufacturers claim there is a demand for the different sizes and shapes and for the colors. And that demand will be filled.

But if the department does not take it on itself to ask for these changes, which it claims could represent such a huge savings, it will never know whether the demand for the differences is created by the manufacturer or by the public.

It seems there is a tremendous need for some forthright educational work on the part of the department for the people it serves.

Pat Nilan, legislative director for the many sorters in the U.S. post offices can sort 3,000 letters an hour—the rate commented on by Blount in Tokyo.

Optical character scanners, on the other hand, can sort up to 43,000 letters an hour. Possibly at an even higher rate, if the scanner did not have to search for the digits.

The department owes the public at least the sweat involved in pushing for envelope standardization. And while it's at it, it should also ask for the manufacturers to block out or line out a standard area for the zip code.

The manufacturers could certainly meet that demand as well.

Blount proved a diplomat in complimenting the Japanese on their industriousness and their skill at letter sorting. It would be a great benefit to America if he were as able a student of the problems and the methods of solution found in the land of the rising sun.

POWER TO CHANGE AND OBLIGATION TO PRESERVE AND ADVANCE

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. PHILBIN. Mr. Speaker, we must be very careful in the economies we seek in our social and economic areas as well as in overall military programs, because we may be creating new, serious problems on which our security and the security of the world may depend, and which could set back many progressive, domestic programs. But there is always urgent need for selective economy.

To provide for the defense of the United States is our great responsibility in these days of danger. We must make sure that, until peace really comes to this troubled world, and as we strive vigorously, and in good faith, for peace in Vietnam and in the world, to keep our defenses at a high pitch of efficiency that will enable us to protect our country as well as it can be protected in this nuclear age.

There will be sharp differences of opinion and controversy surrounding our action to keep a strong posture that can defend the United States, and that will also firm up our world commitments in terms of necessary weapons systems, aircraft, and ships that many be necessary to modernize our Armed Forces, and provide instantaneous readiness in case of aggression against this country, and other dire emergencies that may affect this country at home. We must make sure that we are prepared and ready for any development that may threaten the peace, security and institutions of our local communities.

It is very easy to sit back in an armchair and pontificate about the items we can cut from our military requirements, and the reductions we can make in our social-economic programs.

We have made a good start in reducing military procurement, and there are some additional cuts we can and will make in the pursuit of peace, security and economy.

The point I am urging at the present time is that we cannot, and must not, cut below safe levels, adequate to meet all possible contingencies which may confront us, not only military, but social and economic and domestic. The home front must be kept secure at all times.

Above all, we must make sure as best we can, that whatever cuts we make do not endanger our defense, even though we cannot always be absolutely certain that we have left nothing undone to implement every necessary measure to provide us with the means of defending ourselves, and helping to sustain those who are identified with us in the cause of freedom in a world seething with violence and irrational, aggressive movements.

We must uphold freedom, personal liberty, and equality at all costs, if this country is to exist as a great, free democratic Nation, indeed if this great civilization, and the values that have made us what we are, shall exist at all.

Never let it be said that freedom was lost while we slept, and that the Nation failed to unite to save our freedom and the prosperity and well-being that the free way has made possible.

By the same token, never let it be said that we turned our backs on the poor, the helpless, and the deprived fellow citizens and residents who are struggling in the midst of poverty and want in urban compounds, where millions live below normal standards of health, education, and opportunity to feed, clothe, educate, and advance themselves and their families.

This Government is not static and helpless in the face of need. It can under full democratic procedures provide every change in the law and method of this system that may be needed to solve every problem that confronts us.

This Government is a dynamically sparked organism equipped by law to make any change the people believe is necessary to maintain their rights to survive, and protect and sustain this Nation, and its free system to which we owe so much.

At the same time, we must recognize that we must utilize our governmental powers to any extent necessary, and by every change required to improve the health, resources, education, welfare, and happiness of the people. And we look to the executive arm to do its full part toward these ends. And we ask and urge fellow Americans to join hands to unite the country and tackle and solve our serious problems as we have always done, with a spirit of loyalty, dedication to freedom, and resolve to perfect and protect our great, free system.

RESERVISTS WIN NIXON'S PRAISE

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. BRAY. Mr. Speaker, on December 16, 1969, President Nixon signed a proclamation honoring nearly 37,000 Reservists who were called to active duty in Vietnam or because of the *Pueblo* incident.

At a special ceremony in the White House, attended by a representative from each of 115 separate Reserve units called up to active duty, the President noted that 32,000 had served overseas, and won more than 4,000 citations and more than 250 Purple Hearts.

At the signing, the President commented:

> That is eloquent testimony of the service they rendered. The nation is grateful to you, grateful for the service you have rendered, grateful because you are still in the reserves.

Following is the text of the proclamation:

RESERVE RECOGNITION DAY

(A proclamation by the President of the United States of America)

In January and May of 1968, one hundred and fifteen units from the Reserve Components of the Army, Navy and Air Force were ordered to active duty to quickly augment the Active Forces. This action provided this country with armed strength capability with which to meet possible contingencies that might have arisen as a result of the threats and actions by the North Koreans and the need for additional troops in Vietnam caused by the TET offensive.

Many of these units have served in Vietnam while others have served in Korea, Japan, and the United States. Those units remaining in the United States were primarily used to strengthen the strategic reserve and participate in the Military Airlift Command operations.

By June 18th, Reserve units of the Naval Air Reserve, the Naval Reserve Mobile Construction Battalions (Seabees), the Air National Guard, and the Air Force Reserve were demobilized and the units returned to inactive reserve status. The units of the Army National Guard and the Army Reserve have now been released.

All of these Reserve Component units responded to the Nation's call in time of need and established records of performance, both in and out of combat, which have demonstrated a level of readiness and training never been achieved by our reserve forces. In addition, many individual reservists volunteered for active duty during this period. They have truly upheld the heritage and tradition of the citizen soldier and have again proven that both the National Guard and the Reserves are a great resource for our country and one which is necessary to our national security.

Now, therefore, I, Richard Nixon, President of the United States of America, do hereby issue this proclamation in recognition of and appreciation for the patriotic, dedicated and professional service of our loyal members of the Reserve Components of the Armed Forces of the United States.

In witness whereof, I have hereunto set my hand this 16th day of December, in the year of our Lord nineteen hundred and sixty-nine, and of the Independence of the United States of America the one hundred and ninety-fourth.

RICHARD NIXON.

JAMES S. KEMPER, JR., RECOMMENDS NATIONAL INSURANCE STANDARDS

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. McCLORY. Mr. Speaker, my friend, James S. Kemper, Jr., president of the Kemper Insurance group, has given careful thought to the subject of improving standards guiding our Nation's automobile insurance companies.

In expressing support for national standards, without jeopardizing the traditional State role in the automobile insurance field, Mr Kemper has provided a valuable and constructive approach.

Mr. Kemper's recommendations were contained in an address delivered recently to the National Association of Mutual Insurance Agents at its annual meeting in Washington, D.C.

I commend to my colleagues and to Americans throughout the Nation his thoughtful words which follow:

AUTOMOBILE INSURANCE: A NATIONAL APPROACH

(By James S. Kemper, Jr.)

The very subject matter of this panel, *Harnessing the NOW Revolution in Government,* presents a problem. Current emphasis in some quarters on Capitol Hill and in some Federal administrative agencies suggests that I might better discuss *Harnessing the NOW Revolution in the Automobile Insurance Industry.*

Our business is deep in the ferment of corporate and marketing revolution; and, as we struggle through the pain and disorder of rebirth into new forms and new systems in automobile insurance, we are vulnerable as never before to the harness of Federal regulation.

We cannot blame those who would so regulate us. At best, they see the harness as a needed restraint and guide which, with prudent use of the whip, will teach us docility and respect for the man in the driver's seat—who is, of course, the consumer. At worst, they are simply acting out their frustrations over the very existence of a private mechanism for collecting money from and paying benefits to one hundred million people. Either way, they say and seem genuinely to feel that we should accept Federal regulation for our own good, as well as for the good of the consumer.

This thesis is rejected by most property and casualty insurers, but not by all. For reasons not too hard to figure out, there seems to be a leaning toward Federal regulation by those companies which, because of their own failure to serve the needs of the consumer, have lost both share of market and huge sums of money in recent years. They have turned a line of insurance, currently unprofitable for all of us, into a disaster area for themselves.

For such companies Federal regulation may appear, not as a harness, but as a haven. In a free enterprise economy regulation is a substitute for competition, a shield against aggressive competitors. Regulation guarantees uniformity in marketing systems and a reasonable profit to the least efficient units in the industry. I do not challenge the logic of the position of such companies, from their point of view; in fact, it is an inevitable position for inefficient companies losing share of market. But I do challenge the claim that somehow the consumer will also benefit from turning automobile insurance into a Federally regulated system. It is to this point that I would like to address my remarks.

First, as a generalization, the mainstream of American political thought, on the part of liberals and conservatives alike, now flows away from concentration of power in Washington and seeks to place power at the scene of the action. The reasons for this have been elaborated upon by legislators of both parties, by columnists, by academicians, by administrative officials.

The issue of Federal versus state or local regulation is no longer an issue of ideology, but of practicality. The people, i.e., the consumers, have been consistently voting against concentration of power at the Federal level for at least the past three years, not as a matter of theory but because it doesn't work. The consumer has been telling us that delivery systems—under Federal control are too expensive, and furthermore they don't deliver.

In the face of such mandates, the burden of proof now rests, not upon us, but upon those who advocate that we wear the harness of Federal regulation. Is the performance of the automobile insurance industry so inept that the welfare of our customers demands that we be so harnessed?

If this question had been asked 10 years ago, or even 5 years ago, it could well have been argued that we needed *something* to shake us up and force us to face the real and changing world. Most of us were slow to react the changing demands of the marketplace, slow to respond to customer complaints, slow to recognize the need for improvement in the quality, availability and dependability of our services. And our lack of sensitivity to change, and our management responsibility to initiate and manage change, was shared by most of the state insurance regulatory apparatus. It, too, was asleep at the switch.

But I do not suppose we should be Federally regulated (i.e., punished) for past sins of omission which we are rectifying today. Nor should the state regulators be ousted from jurisdiction in the face of the rapid growth of professionalism and consumer consciousness which is taking place in state insurance departments throughout the nation.

Consider what has been achieved in the past five years—for the auto insurance consumer.

Policies non-cancellable except for loss of driver's license or failure to pay the premium.

Adoption on a massive scale of advance claim payments to accident victims.

Expansion of assigned risk plan coverages guaranteeing every licensed driver adequate liability and physical damage insurance.

Enactment of uninsured motorists coverage in 48 states, 34 of which have included insolvency protection (and others with such legislation now pending).

Introduction in several states of legislation calling for improvements in claim payment systems to pay more accident victims and to pay them faster.

Passage by several states, and pending legislation in many more, of open competition rating laws designed (and proved by experience) to broaden market availability and to give free play to competitive forces in ratemaking. This is the one area which merits renewed attention and may call for Federal regulation, through an amendment to the McCarran-Ferguson Act making rating activity subject to the Federal anti-trust laws, with an appropriate information shield in the law to permit statistically necessary functions to be performed by bureaus.

Passage in several states, and pending legislation in several more, of post-insolvency assessment laws which—at minimum administrative expense and without creating bureaucratic empires—make it impossible for the public to lose money if an insurance company becomes insolvent.

Some of the legislative improvements for the consumer in this list have already been adopted in a majority of states; others have been passed in only a few states but will be enacted widely during the 1970 legislative sessions. All have had the strong support of most of the insurance industry, both companies and producers, and of the state regulators. And the tide of improvements, the result of a genuine effort to meet and satisfy consumer demands, continues to flow—both by legislative enactment and by competitive marketing developments within the industry.

I think we are fulfilling our responsibilities as auto insurers. The job is far from finished, but we're well on our way. And in moving to meet the needs of our customers, we are gambling on what ought to be a pretty good bet—that if we do the job, we will again become a profitable industry. We won't all make money, but the innovative, efficient companies and the professional producers will; and I personally do not care to see any system which protects the inefficient—whether they be companies or producers.

This is a proper point at which to pause and give credit to some of our critics for providing us with a little motivation, a touch of the whip without the harness. I don't agree with some of the proposals made by Senator Hart and Senator Magnuson in the regulatory area, and I feel many of the hearings conducted by the committees they chair have tended unduly to accentuate the negative. But they have certainly motivated us, and we needed it. They motivated us so thoroughly that we've done something about the consumer problems they spotlighted, and perhaps now, having motivated us, they will see that these problems can be solved without the anti-competitive consequences of broad Federal regulation.

Speaking now only for myself, and for the people in the group of companies I represent, I have also become motivated to believe that the automobile insurance industry and the National Association of Insurance Commissioners must seek a *national* solution for consumer problems. I do not mean Federal regulation, or Federal standards imposed upon the state regulators and the industry. I mean national standards in all of the areas in which so much progress has already been made, standards voluntarily accepted and supported by the industry, with legislative action where necessary in all 50 states.

As long as some states fail to enact post-insolvency assessment laws, there will be danger of a Federal bureaucracy to administer the machinery of a Federal insolvency law. As long as some states fail to move in the areas of non-cancellable policies, broadening of coverages and realistic financial responsibility limits, there will be gaps into which the Federal government may be tempted to move.

There are other insurance areas in which national standards should be considered and debated: assigned risk plans and policy simplification, for example. Also, the whole field of judicial administration of automobile accident claims may well lend itself to the development of national standards, in cooperation with the bar and the judiciary. The lagging response of many states to Federal traffic safety standards suggests another fruitful area for a new approach.

The NAIC has already made a significant start in the direction of national standards through its work on a model holding company bill and a model post-insolvency assessment bill. An extension into other fields is logical and timely.

I suggest that we do not limit participation in this work to the NAIC and the insurance industry, but that we solicit the active cooperation of the Council of State Governments. For those not familiar with the council, it is a joint agency of all 50 state government, to assist states in improving their legislative, judicial Federal-state relations. It maintains a competent research staff. It provides staff services for the National Governor's Conference, which a few months ago officially affirmed support of state insurance regulation and called for continued effort to draft model state laws. It cooperates with other organizations, including the National Conference of Commissioners on Uniform State Laws.

The Council of State Governments, so far as I know, has never been called upon for help in insurance matters. But by its purposes, organization structure and inter-relationships with other agencies it is ideally suited to assist us in the difficult task of developing and obtaining widespread enactment of national standards in automobile insurance.

The Kemper companies will support the development of national standards in auto insurance by the NAIC, working in conjunction with the insurance industry and the Council of State Governments as needed and desired. We think this approach can produce all the benefits that have ever been claimed for Federal regulation or Federal standards, without the anti-competitive and expensive consequences which seem inherent in the concentration of power at the Federal level.

Much has been achieved, but we cannot afford a regulatory gap. Nor can our customers. Nor can the producers who market our services.

We can fill this gap by supporting the development of national standards for automobile insurance.

SPACE SHUTTLE ACCENTED

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. TEAGUE of Texas. Mr. Speaker, the Christian Science Monitor of Tuesday, October 28, 1969, carried an informative article by Mr. Neal Stanford, staff correspondent, discussing the future of our national space program and the need to develop low cost transportation systems for space. Mr. Stanford discusses the development, in the years ahead, of a space station and the requirement that space transportation be treated much as airline transportation is treated today, by reusing the flight vehicles numerous times. At a time when the Congress will soon approach decisions on the future and content of our national space program, Mr. Stanford's article outlines one of the paramount needs for an economic and effective space effort.

Under unanimous consent I submit the article for inclusion in the CONGRESSIONAL RECORD, as follows:

SPACE SHUTTLE ACCENTED

(By Neal Stanford)

WASHINGTON.—Space stations without a space-shuttle service would be like the Empire State Building without elevators. You could walk to the 102nd story. But who wants to? Think of the expenditure in time and energy!

That is why space officials today, both civilian and military, have made a space-shuttle system their No. 1 priority. Says Dr. George E. Mueller, associate administrator for manned space flight: "A low-cost shuttle system is the key to the economical operation of a space station."

Says Lt. Gen. Samuel Phillips (who recently left the national space agency as director of the Apollo program to head the Air Force's space and missile systems organization): "It is important to put a high priority on a space shuttle to allow us to exploit the space medium."

Last week, top officials in the civilian space agency, the National Aeronautics and Space Administration (NASA), the Air Force (which is responsible for military manned space operations), and aerospace-industry concerns held a two-day meeting in Washington to crystallize thinking on space shuttles.

REUSABILITY REQUIRED

Two things were immediately obvious:

Space-shuttle vehicles have to be reusable.

These requirements become obvious once you give the matter a little thought. What if everyone wanting to go to the Empire State Building, 102nd floor—or any floor—had to provide his own elevator? What if elevators weren't reusable?

General Phillips figures that reusable vehicles would bring the price of a space flight down from about $1,000 to $100 a pound—that is, cut the cost to one-tenth.

Space-shuttle vehicles have to be able to take off and land from regular jet airfields much as do airplanes. Here, too, the reason is obvious. You can't tie up the Kennedy space center at the cape with its expensive pads, rockets, etc., every time a shuttle car takes off.

AIRLINE-TYPE OPERATION?

Spacecraft shuttling back and forth from the earth to earth-orbiting space stations won't be so numerous that the shuttle craft will be stacking up over Dulles or O'Hara airports to land. But if shuttling men, materials, and equipment back and forth from earth to orbiting space stations is ever to become more than a stunt, it has to operate much as do airlines.

What these two basic requirements for space shuttle craft mean is that shuttle vehicles have to be different from the manned Gemini and Apollo spacecraft now used in space exploration.

To begin with these shuttle spacecraft may have to take off from special launch pads at airports, not just any runway. But those working on this shuttle problem don't rule out that in time these spacecraft will be able to take off and land at any major airport or air base.

The aerospace industry concerned with working on this problem of air-shuttle vehicles are busy at their drafting boards drawing and devising spacecraft that look more like the paper airplanes school children make when their teacher's back is turned than cone-shaped Apollo modules.

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GRAVITIES CONSIDERED

Dr. Mueller, in talking about his concept of a shuttle vehicle, says: "I am talking about payloads of the order of 25,000 pounds, which is about the payload capacity of a DC-3. This capacity could be for passengers or for cargo, or split between the two. Possibly I should add that these shuttles should have a relatively slow acceleration going into space and coming back.

It is all right to ask astronauts flying to the moon and back or riding atop a Saturn rocket to take between five and eight gravities. They are prepared for it. Their suits, chairs, and equipment are built and contoured to take it. But the most one should ask of nonastronauts on a space flight for business or pleasure via a space shuttle is not over three gravities.

NASA not long ago set down 10 characteristics for a viable space shuttle, goals that aerospace concerns wanting to get into the shuttle-construction business are aiming for in their designs:

1. Take off and land from air bases or major airports.
2. Refuel with ordinary cryogenic fuels.
3. Self-contained on-board checkout.
4. Continental and/or intercontinental traffic control.
5. Standardized ground-support equipment.
6. All-weather operation.
7. Passenger safety and comfort comparable to large-transport aircraft.
8. Standardized equipment and processes for refurbishment.
9. Progressive maintenance.
10. Carry 25,000 to 50,000 pounds payload at a cost approaching $5 a pound.

Leroy Day, chief of NASA's space shuttle working group, who chairmaned last week's space-shuttle conference, says the agency hopes to award detailed design contracts for the shuttle around March, 1970. NASA hopes to get between $200,000,000 and $300,000,000 into its fiscal 1971 budget to finance detailed designs for the space shuttle. Says Mr. Day: "The shuttle is the cornerstone of our future plans for doing anything in space."

THE ONE-ROOM SCHOOLHOUSE RETURNS—IN STYLE

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. PUCINSKI. Mr. Speaker, the most creative components of that historic educational institution, the one-room schoolhouse, have been revitalized by the Downers Grove, Ill., public school system. Children in its El Sierra School are enjoying the type of warm relationship with teachers that once characterized the one-room school, and they are developing intellectual skills and knowledge at their own rates of learning through independent study and small-group activity.

However, there are several important innovations. The children in this new school today have the benefit of the finest educational technology. Their classroom is skillfully engineered to absorb noise. And the teachers are considerably better educated than their counterparts in the earlier days of American education.

The El Sierra School represents a wedding of some of the best traditional and contemporary educational techniques. For the information of my colleagues, I include an article from the Chicago Sun-Times of Sunday, December 14, which describes the school in greater detail:

THE ONE-ROOM SCHOOLHOUSE RETURNS—IN STYLE

(By Kingsley Wood)

A concept popular in the days of Abraham Lincoln is being tried by El Sierra School in suburban Downers Grove. It harks back to the old one-room schoolhouse, but with an ultra-modern look.

El Sierra School, 6835 Fairmont, has nothing but open space between classes. There are no interior walls. The 381 students cluster around large tables or sit in groups. Those who want it get individual instruction.

El Sierra is not unique. There are a growing number of such schools, particularly in California and Florida. But many have sliding partitions that allow teachers to close off areas at times. El Sierra does not.

El Sierra is one of two identical open-space schools opened by the Downers Grove Public Schools system this year. Educators say a major advantage is that that they allow major advantage is that they allow teachers to co-ordinate various learning activities more efficiently.

On a typical school day, this might be the scene at El Sierra:

One teacher reads to a group of first graders sprawled on the huge sound-deadening carpet while, about 25 feet away, a fourth-grade social studies class reads about the polar regions. Over in a corner, somebody is giving a science demonstration to two classes. A sixth grader at a table nearby is sketching animals; another boy at the same table is engrossed in a history book.

Team leaders, teachers, teacher aides and interns move from table to table, looking over the shoulders of the slow- and fast-reading groups and other specialized groups throughout the room.

And near the center, two long lines are forming and an aide is saying: "Please stand here if you are going to the public library. Stand there if you are going to the gym."

There are no heads popping up from the tables as the lines form.

In the learning center in the middle of the big room, a second grader is practicing word recognition on a "Flash X" machine. At another table, a first grader pronounces words into what is known as a Languagemaster. Elsewhere, older students work individually or view a film strip.

A 12-year-old blond named Rebecca Wingard, sits down to hear a musical recording. Then she checks out an engraved reproduction of a Picasso painting. She writes down the answers to several questions testing the student's knowledge of the artist and this particular painting. She then walks over to the south end of the room for her social studies class.

In an open school like El Sierra, it's not so obvious to the slow students that they are being separated from the brighter students.

"Here, everybody goes to the learning center, whether he is bright or slow," said teacher William Schubert. "The only ones who know what they are doing there are the students themselves, and the teachers.

"There's better camaraderie between teachers here," he continued. "Also, if a student doesn't get along with one teacher, we encourage him to go to another for help."

Rebecca's mother had been skeptical of the open school idea.

"I didn't think there could be any order in a school like this," Mrs. Raymond R. Wingard recalled.

"Also, I was worried that because the students would be working in specialized groups so much of the time, the teachers really wouldn't be able to keep track of each student's progress." However, she added, upon questioning the teachers she was pleasantly surprised to discover they "remembered details about every project my daughter was working on."

The open-school idea in Downers Grove evolved from a discussion among several teachers and the architects, K-M Associates of Elkhard, Ind.

Teachers said they wanted their students to have easy access to a variety of learning materials and, after a number of discussions, the architects suggested the open school.

The teachers and some interested parents subsequently visited several open and partially open schools. They were told that the carpets and acoustical ceilings solve most noise problems. They also found that pupils were not distracted by the other classes going on around them.

Some teachers' fears were dispelled. They had thought they wouldn't be able to coordinate so many specialized activities with a basic learning program. And many were fearful that the principal would be looking over their shoulders.

But now, the teachers and team leaders are the most enthusiastic advocates of the open school.

INDIANA GIVES VOLUNTEERISM A BOOST

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. BRAY. Mr. Speaker, application of private talent to public problems shows great possibilities for tackling some of the more difficult and complex matters at hand in our country. The following article in the Washington, D.C., Star of December 16, 1969, pays special tribute to three Hoosiers: Gov. Edgar Whitcomb, Mrs. Margaret Moore, and Mrs. Mattie Coney. As Mr. Bartlett states in his article, these examples could well be copied in other cities and States.

The article follows:

INDIANA GIVES VOLUNTEERISM A BOOST

(By Charles Bartlett)

INDIANAPOLIS.—When President Nixon finally begins his campaign to inspire languid Americans to become volunteers, he can draw heavily on this city where the spirit of self-help is running strong.

In fact the pace of volunteerism among the Hoosiers is so lively that Nixon's efforts to date appear languid by comparison. While the Nixon campaign has been grounded in disagreements on how to stimulate private citizens to tackle public problems, various people here have taken on some tasks with impressive results.

Indiana's new governor, Edgar Whitcomb, is making the most of this Hoosier spirit to get done some of the things which need to be done without running up the budget. For example, he is asking 60 Indiana corporations to assign socially minded junior executives to work for a year at setting up day care centers in counties where they are needed.

Whitcomb, an innovative Republican who wants to keep his credentials as a fiscal conservative, is leaning so hard on volunteers that the success or failure of his administration is likely to depend on their response. His initial experience has been auspicious.

A group of private companies was persuaded last spring to find a large number of summer jobs for college students. Another businessman's committee has come up, at Whitcomb's request, with 632 recommendations for cutting the cost of state government.

The volunteer spirit is flowering at this conservative crossroads because the Hoosiers are increasingly disposed to believe they can more effectively do for themselves many things for which they have relied in the past upon bureaucrats. Their self-confidence stems in part from the recent achievements of two unusual women.

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Mrs. Margaret Moore, a 59-year-old newspaperwoman with deepset eyes and a strong chin, has transformed feminine indignation against crime into a crusade that has enlisted an army of local women in a gamut of activities directed at the root causes. The ladies have executed some original initiatives so effectively that they have won the enthusiasm of police officials who were once wary of their intrusion.

Since 52 percent of the juveniles who commit crimes are school dropouts, the ladies seek out youngsters who leave school and try to persuade them to go back. They claim to have succeeded with 2,000. Since the courts are part of the problem, two ladies sit in every court every day. "It's amazing," says a police officer, "how much the atmosphere is changed by the presence of those little ladies with white gloves and beaded hats."

The ladies have invaded every area where they might have a constructive impact, even to the extent of staging receptions for each graduating class of police recruits. "Battling crime is women's work," says Mrs. Moore, "because we have the time. We have had no trouble getting the volunteers we need."

One offshoot of the crusade against crime is the success of a forceful Negro, Mrs. Mattie M. Coney, at forming over 1,000 block clubs to struggle against the deterioration of character and environment in poor neighborhoods. "If you learn to live where you are," says Mrs. Coney in her evangelizing way, "you'll know how to live when you move."

Mrs. Coney is frankly engaged in persuading poor blacks to shoulder their own problems and correct their own habits instead of putting the blame on the whites. She is organizing them to cooperate with the establishment for their own advancement, and she claims the mood is running with her.

The experiences of both ladies have obvious applications in other cities and they are both in heavy demand for speeches. In fact, Mrs. Moore described her work at a 1968 luncheon for "doers" that Mrs. Lyndon Johnson gave in the White House, but Eartha Kitt stole the headlines with an outcry against the war.

The test of Nixon's leadership in volunteerism will be his ability to transform achievements like these into national stimuli. The evidence here is that the people are ready to be rallied into joining constructive initiatives. The President can light the torch and show the way.

HEART-LUNG MACHINE

HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. ESCH. Mr. Speaker, while we often concentrate on dramatic, headline making advances in science such as the land on the moon or a heart transplant, we often ignore the major medical and technical advances which precede them and make them possible.

One such major advance was the development of the heart-lung machine. Its development is a prime example of the advances that can take place through cooperation between the research and medical communities and private industry.

I am proud that many of the major advances in the development of an effective heart-lung machine took place in Michigan's Second District. Mr. Richard Sarns and Dr. Joe Morris have worked closely together, along with many people from St. Joseph's Hospital, the University Hospital, and Sarns, Inc., in developing the most modern and effective heart-lung machine in the Nation.

I am proud to have the opportunity to call this to the attention of the Congress and submit an article from the Ann Arbor News at this point in the Record:

[From the Ann Arbor News, Dec. 14, 1969]

NEW HEART-LUNG MACHINE A SYMBOL OF MANY THINGS

(By Larry Bush)

The new heart-lung machine on the surgery floor of St. Joseph Mercy Hospital is a symbol of medical progress, community progress, individual initiative, and the merger of medicine and engineering to save lives all wrapped up in one shiny instrument.

An improved model of equipment built by Ann Arbor's Sarns Inc., which was used by Dr. Christian N. Barnard in the world's' first heart transplant and many others which followed, it attains even greater significance in its every day use in open heart surgery here and throughout the world.

There is little doubt that thousands are alive today because of two men—a dedicated surgeon with some revolutionary ideas and a young engineer with a flair for innovation who worked long hours in his basement to make those ideas a reality.

Not to take anything away from the many other physicians and engineers to whom so many owe so much for combining their skills to promote medical progress, this community and a lot of people everywhere owe a debt of gratitude to Dr. Joe Morris, Richard N. Sarns, and Sarns, Inc.

The development of the Sarns heart-lung machine into a near perfect instrument over the past 10 years parallels the growth of the community. From a one-man basement workshop to a small business operation on N. Main, to a new modern plant on Jackson Rd., even now being expanded, the local firm is an outstanding example of area industrial progress.

On the other hand, although overshadowed by man's first landing on the moon and other space feats during the same period, the heart-lung machine is also a symbol of the phenomenal technical and scientific progress of the last decade.

In addition, it is an example of the triumph of individual initiative in an age when team work is given credit for most of our technical progress. Not that team work wasn't important in the development of this equipment. A Rackham grant, people at St. Joseph Hospital, at University Hospital, and others at Sarns, Inc., all had a hand in it. But the team was secondary to the individuals.

Dr. Morris, professor of thoracic surgery in the U–M Medical School and head of the St. Joseph Mercy Hospital heart station, gives Sarns all the credit. I probably wouldn't have gotten an interview if he had known I was going to bestow a share of it upon him. But a man's good works have a way of becoming known.

"Dick (Sarns) has made it on his own and is making some of the finest medical equipment in the world. He was working as a design engineer for Strand Engineering when he started work on the pump," Dr. Morris said.

"At the time he lived next door to Dr. Theodore Dietrich who was then a U–M medical student and is now working with Dr. DeBakey (Michael E. DeBakey, world famous heart surgeon at Baylor). Dietrich, who was then working with me, told Dick about our needs and problems.

"Sarns was amazed at the gap in what was possible and what was available. We were then using equipment that was used in making cottage cheese and for pumping slurry. Dick was willing to gamble with his time and some of his money and he and I and Dietrich spent many hours in his home. He built a pump in his basement which was very successful."

Dr. Morris attributes much of Sarns' success to the fact he worked from the point of view of the physician. He also notes that the president of the successful young Ann Arbor industry is a perfectionist who has built "better" equipment through working at it until "fixtures are ultra polished," something of utmost importance in blood handling devices.

In 1960 St. Joseph Mercy Hospital bought the pump built by the Oslon Co. * * * Mass., which also had Sarn's name on it to signify his part in rebuilding the original and the addition of the heat exchanger he had developed.

The original sits beside the six-month-old new Sarns heart-lung machine on the second floor of St. Joseph Mercy Hospital which the local firm has loaned to the medical facility until an identical model is purchased in the spring.

The new heart-lung machine has been around the world. It was exhibited at conventions in a number of countries, was shown at a world trade fair in Tokyo, at the meeting of the American College of Surgeons in San Francisco, and was left off in Hollywood where it was filmed for use in connection with TV medical shows before finally ending up at the local hospital.

"Some of the virtues of the new Sarns heart-lung machine is that we can adjust it to the thickness of blood in the tubing, can reverse the blood flow back to the patient, can dial pumping speed, control it manually if power fails, and it has more reserve power," Dr. Morris said.

The new heart-lung machine, with its fingertip control in color code which circulates a patient's blood while surgeons operate on his heart, and its predecessors, were made effective medical devices, however, through developments in the plastics field.

When glass or rubber tubing is used, much of that part of the blood in which the clotting element is contained breaks down as the blood moves through, making its use almost impossible if not fatal.

"The kind of plastic tubing used with heart-lung machines wasn't available until developed through research in the 1950's. All of a sudden the technology to contain blood outside the body and prevent clotting in the tubes was available," Dr. Morris explained. It has been a remarkable 10 years both in space and in medicine, and the space program, too, has played its part in new medical developments.

In conclusion, just a word about this better than average hospital where the new Sarns heart-lung machine is now in operation. St. Joseph Mercy Hospital, a 540-bed facility, appears now to be far too small for the number of patients it serves and the growing number it will be expected to provide services for in the future.

Last year, it had 21,000 admissions, almost as many as the larger University Hospital. There is need for a new 1,000-bed St. Joseph Mercy Hospital which will require considerable public support to bring to reality.

Considering the fact it draws on the U-M Medical Center, with many experts from the Medical School faculty serving part time on its staff to provide better than average service, that it has provided $250,000 of its own money to pay for medical care of the poor and unfortunate of the community, it seems only logical that it should receive this support.

Also, knowing how some physicians feel

about other doctors who they think get "free advertising" through newspaper articles, I hope I haven't damaged Dr. Morris' reputation with his colleagues by writing about his part in development of the heart-lung machine.

BILL OF RIGHTS BIRTHDAY

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. MIKVA. Mr. Speaker, the Bill of Rights is treasured by all Americans as one of the cornerstones of a free society. It is only to our detriment that we forget the central place of this document in insuring the fundamental freedoms of our republic.

It is noteworthy that the American Civil Liberties Union celebrated the 178th birthday of the Bill of Rights. This outstanding organization has been a leader in safeguarding the freedoms guaranteed by the Bill of Rights.

I commend to the attention of my colleagues, an article by Bob Cromie from the Chicago Tribune, which illustrates some of the important activities of the ACLU.

The article follows: ·

Bill of Rights Birthday

(By Bob Cromie)

The 178th birthday of the Bill of Rights will be celebrated tomorrow evening with supper and dancing at the Playboy mansion on North State parkway. Sponsor of the event is the American Civil Liberties union, an organization formed 50 years ago next January to battle for the rights of all United States citizens [or anyone else] regardless of race, color, religion, political persuasion, social position, or ideology.

The A.C.L.U. has defended both Communists and members of the American Nazi party. It has succeeded in having declared unconstitutional many laws which it—and most thinking people—regarded as repressive. It has persuaded high school administrations to cancel rules against the wearing of slogan-buttons by students, and to wipe out "dress-code" and hair-length regulations.

It has been called, of course, Communist-controlled or red-tinged—a charge emanating, usually, from the ultra-right wing or from those who don't take the time to acquaint themselves with what the A.C.L.U. stands for. In view of this it is interesting to observe that among past or present national officers or committee members are August Heckscher, Michael Harrington, Walter Millis, Elmer Rice, Norman Thomas, Francis Biddle, Lloyd K. Garrison, Karl Menninger, Thurman Arnold, Catherine Drinker Bowen, John Mason Brown, Pearl Buck, Stuart Chase, Irving Dilliard, Quincy Howe, Robert M. Hutchins, Arthur Schlesinger Jr., William L. White, and Thornton Wilder.

Earlier this year, to give a specific example of how the A.C.L.U. operates, Atty. Kermit Coleman was successful in having charges dismissed against eight young blacks, arrested while trying to prevent two Chicago policemen from beating a deaf mute who had angered the officers by refusing to answer their questions. When the others protested and tried to explain to the two policemen—according to the testimony of the defendants and other witnesses—they were arrested and beaten. Atty. Coleman says he himself was threatened at the trial by one of the officers who made the arrests.

Among scores of other actions instituted or decided in 1969, the A.C.L.U. forced integration of five Waukegan elementary schools, overturned the conviction of Dick Gregory and others for "disorderly conduct" while picketing Mayor Daley's home, and forced the city of Chicago to change its ordinance governing the granting of parade permits.

The party tomorrow, at which Bill Mauldin, Pulitzer prize winning cartoonist, is to be guest of honor, will be attended by a number of Chicago business executives whose firms have purchased space in a book of Mauldin's cartoons published by the A.C.L.U.

Here is a quotation from the Houston Chronicle which sums it all up in capsule form:

"The rights of an American citizen are not chance tidbits, to be given or seized. These rights are fundamental. Deny them to one citizen and they are denied to all citizens. The A.C.L.U. upholds that proposition when it defends a communist or a General Walker. . . ."

Illinois division headquarters of the A.C.L.U. is at 6 S. Clark st.

EX-COLLEAGUE W. E. MILLER IS LEADING HAPPY LIFE

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. DULSKI. Mr. Speaker, when I came to the House in 1959, the incumbent in the neighboring 40th District of New York was William E. Miller. He was an able representative of his district and had not yet shown the national political flair which was to become apparent the following year.

That was when his colleagues on the other side of the aisle named him to head the Republican congressional campaign committee. From there, he subsequently was promoted to national chairman and then gave up his congressional seat in 1964 to be his party's candidate for Vice President.

Bill Miller is no longer active in politics, but he is quite active in community affairs and has handled some chores for the Governor.

A columnist for the Buffalo, N.Y., Evening News talked with Mr. Miller the other day about several matters, including the vice-presidential candidate who was elected last year. Following is his December 11 column:

Remember the 1964 Ticket? The Loser Is a Happy Man

(By Bob Curran)

If you like trivia, as I do, ask someone who was the candidate for vice president on the Republican ticket in 1964. Maybe the smart guy in the crowd will know that the name was William E. Miller from Lockport, New York.

Now when Bill Miller was placed on the ticket—after Gov. Scranton talked his way off it—there were some jokes about the unknown man.

This was a wrongo, because inside the party Bill, who had been chairman of the National Republican Committee for four years was well known. Certainly better known than the gent that the Republicans put into that spot in 1968—a fellow named Spiro Agnew.

Of course the names make a difference. You can picture a chap saying "Which Bill Miller do you mean?" Can you imagine anyone asking, "Which Spiro Agnew are you talking about?" That name is a grabber.

ASKED ABOUT AGNEW

So the other did I decided I'd ask Bill Miller what he thought about the other "unknown" who has suddenly become a household word.

"I don't know Agnew too well," Bill Miller said, "but I know him well enough to say he is a forceful guy. And the word on him with the people close to the situation is that he is a man of great integrity.

"I know one thing. You have to be some sort of man to take on the communications media. This certainly shows that he has no ambitions about being President or continuing his career in any way in politics.

"You don't tackle the media, as he has, if you are looking at the long road. You just try to maintain a posture that will perpetuate your political tenure.

"Now a vice president can be a nonentity—especially one who wants to be President some day. But it is obvious that Mr. Agnew has no such designs. He seems to just want to make a contribution instead of being a nothing, and he is certainly making a contribution. He is saying out loud in public what a lot of people—in and out of public life—have been saying for years."

IS HE HATCHET MAN?

Is he being the hatchet man for Mr. Nixon?

"I don't think so," Bill Miller said. "I am sure that he has the tacit approval of the President when he makes his speeches. But I don't believe that the President or his speechwriters decide on the content of the speeches.

"I believe that he decides what he is going to say. Then he lets the White House staff know what he is going to talk about. After that, he and his speech writers—his own, not Mr. Nixon's—get together and draft the speech.

"This man believes deeply in what he is doing. And he believes that he is making a genuine contribution to the administration. And I feel he is."

Did he get a tough time from the news media when he was running with Barry Goldwater? Bill Miller laughed and said:

"You don't have enough time to write what happened. Remember the picture of Barry on the cover of a news magazine that looked just like a picture of Hitler in Nazi Germany at the height of his power?

"Then I recall one day I spoke in Vermont. There were about 1000 people at the affair. The photographer from a major news magazine took the picture of me from the angle that showed nothing but empty seats. There were empty seats at the side of the hall but the rest of it was filled. You would never have known it from the picture they ran.

"If you complain about it, people say it's sour grapes. So just let's repeat that Spiro is saying in public what all the other politicians complain about in private."

PRESIDENTIAL OUTLOOK

Does he believe Mr. Nixon will be re-elected?

"Yes—unless something goes really wrong. He has captured the mood of the people. He is appealing to the silent majority, and in the long run they will elect the Presidents.

"If Nixon can end the war the right way—and I believe he knows how to do it—and if he can do a tolerable job of controlling inflation, he should be voted in again."

How about the threat of Ted Kennedy?

"No threat, really. Because you're from Massachusetts you know that he will probably win his seat in the Senate again by a large margin. But I can't believe that the people around the country could accept him as a candidate for the Presidency in 1972."

LIFE "NEVER BEEN BETTER"

And how is life treating Bill since he left the ring?

"Never been better. I find myself involved in matters that are very important now, but would have seemed unimportant then. Like Little League baseball. Cookouts. Golf. And it's so great to be home almost every night for dinner.

"I enjoy the work at my law firm in Buffalo, and I like being a spectator on the political scene. I am pleased with what I see of what Mr. Agnew is doing. But I am just as happy that he, not I, is in the middle of that struggle. I'm quite content to be the forgotten vice presidential candidate."

A TOUGH ASSIGNMENT

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. SHRIVER. Mr. Speaker, our former colleague, Donald Rumsfeld, Director of the Office of Economic Opportunity, has chosen well in appointing John Crutcher, former Lieutenant Governor of Kansas, as Director of the State and Local Government Division in OEO.

It was my privilege to serve with John Crutcher in the Kansas State Senate. He is a public servant who will provide excellent leadership in this challenging assignment.

Following his service in the Kansas Senate, Mr. Crutcher was elected Lieutenant Governor in 1964 and 1966. He comes from Hutchinson, Kans., which is in my Fourth Congressional District of Kansas.

I take this opportunity to offer congratulations to John Crutcher and under the leave to extend my remarks in the RECORD, I include an appropriate editorial from the Wichita, Kans., Eagle:

A TOUGH ASSIGNMENT

A well-known Kansan has accepted one of the tougher assignments in Washington. John Crutcher, former lieutenant governor, is going to be director of the state and local government division in the Office of Economic Opportunity.

As columnists Robert S. Allen and John Goldsmith pointed out on this page Tuesday, things with OEO are far from being smooth, and it is quite possible that it stands to undergo considerable review and revision, perhaps both by Congress and the Nixon administration.

Crutcher's appointment may, in fact, be a part of that change. He told The Eagle there is a re-orientation of policy in OEO that will for the first time give the states genuine power and responsibility to improve OEO programs.

This would mean that Crutcher would be working with mayors and governors to help them to solve their problems in connection with the various anti-poverty programs under the OEO organization.

He doubtless will be as effective as anyone could be in this somewhat dubious undertaking. The theory of it is excellent, but in far too many cases there has been evidence that the politicians at the local level really aren't terribly concerned with abolishing poverty.

Crutcher, however, is experienced in politics and knows its problems and its quirks at the state level. He is, moreover, energetic and resourceful.

If he succeeds in the difficult task of getting the local officials to assume this responsibility and to do a good job with it, he will have proved himself equal to almost any task.

And he just might. He will have Kansas' best wishes, anyway.

LEGISLATION ON TEACHING ETHICAL AND MORAL VALUES

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. BENNETT. Mr. Speaker, there is a great need in America today for broad instruction in the development of man's moral and ethical values. Such a program can be developed in the elementary and secondary schools of our Nation and the Federal Government can give stimulus to this through the grant procedure.

Today, I am introducing a bill to accomplish this with 23 more cosponsors, a companion bill to H.R. 12339, introduced by nine members of the Florida congressional delegation.

The teaching of ethics and instruction in moral values are a proper function of our schools, especially in view of recent Supreme Court rulings prohibiting prayer and Bible reading in public schools. Educational programs of this nature and textbooks for such have already been developed in some school systems in the Nation.

The curriculum and academic instruction in morals and ethics could take the form of assembly programs or individual classes. Lessons on courage, heroism, and good works developed from actual stories and biographies of great men and women could be the teaching avenue.

Programs on the growth of the freedom of worship—how it became part of our Constitution; on patriotism—how brave men fought to preserve our freedom; on good citizenship—why is it important to obey the law and on the objective history of religion, which the Supreme Court has approved, could all be topics of classroom discussion.

Mr. J. Edgar Hoover has said that we have as a society failed our youth by failing "to teach them the meaning of discipline, restraint, self-respect, and respect for law and order and the rights of others." The teaching of moral and ethical standards belongs in the home, church, and school.

The juvenile crime rate is growing at a much faster rate than the overall crime rate and this is an indication of failure to teach our children the difference between good and bad. The latest figures show that arrests of juveniles for serious crimes increased 50 percent in 1967 over 1960, while the population in the juvenile age group, 10 to 17, increased only 22 percent.

If we are to reverse the rising crime rate, costing the Nation $27 billion annually, then we must concentrate on the problem where it hurts the most: our young people.

The legislation we have introduced will attack the problem at the root and through strong classroom teaching of moral and ethical values our young people will be better able to cope with the challenge of right and wrong.

H.R. 15336

A bill to provide federal grants to assist elementary and secondary schools to carry on programs to teach moral and ethical principles

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title VIII of the Elementary and Secondary Education Act of 1965 is amended by adding at the end thereof the following new section:

"GRANTS FOR TEACHING MORAL AND ETHICAL PRINCIPLES

"SEC. 807 (a) The Commissioner shall make grants to State educational agencies to assist them in establishing and carrying out programs under which students attending public elementary and secondary schools will be provided instruction in moral and ethical principles. The content and nature of such instruction shall conform to general standards prescribed by such State agencies.

"(b) For the purpose of carrying out this section, there is authorized to be appropriated $5,000,000 for the fiscal year ending June 30 1970, and each of the two succeeding fiscal years."

SEC. 2. Section 804 of such Act is amended by inserting after "this Act" the following: "(other than section 807)".

GREAT GREY ICE GATHERING

HON. NICK GALIFIANAKIS

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. GALIFIANAKIS. Mr. Speaker, I am delighted that young people from my congressional district in North Carolina are planning to participate in a Richmond, Va., event called the Great Grey Ice Gathering.

The Great Grey Ice Gathering, scheduled for December 30, is a project to involve young people in the struggle to stop destroying our environment.

Since the district I represent—North Carolina's Fourth—is so thoroughly antipollution oriented as evidenced by the unique Research Triangle Institute, I take pride in endorsing the concept of the Great Grey Ice Gathering, and inserting the following self-explanatory news release into the RECORD.

[From the Charlottesville (Va.) Clean Water News, Dec. 9, 1969]

Richmond has a Great Grey Ice Gathering in its future, according to area students and the Federal Water Pollution Control Administration.

The Great Grey Ice Gathering, to be held Tuesday, December 30, in the Richmond Arena blends hard rock music, movies, speeches, young people from the Mid-Atlantic States and Federal Water Pollution Control Administration officials as a first step by FWPCA's boss, Interior Secretary Walter J. Hickel, to involve young people in what is turning out to be a life-or-death struggle to quit destroying our environment.

Jointly sponsored by the FWPCA and the Mid-Atlantic Student Council on Pollution in the Environment (SCOPE), the Great Grey Ice Gathering will begin "about 1 p.m. December 30 and last until the music and words no longer stir the gathering," ac-

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cording to Patti Collins, SCOPE co-chairman and University of Richmond co-ed.

Collins said the "Gathering" would provide students "with the kind of information they need to react intelligently to the apathy of Government officials and business and industrial leaders to the awesome environmental crises now blooming in the United States."

Eugene Jensen, Director of FWPCA's Mid-Atlantic Region said it was evident that young people were growing concerned about the kind of planet they will inherit from older generations.

His office, he said, would provide any assistance it could to student efforts to reverse the long-continuing debasement of the environment in the United States.

"These students should be concerned." Jensen said. "They will be the first generation of Americans to actually experience a lowering of the quality of life as adults because of what's happening to our water, air, and land."

Jensen encouraged students from all States in the Mid-Atlantic Region to attend the Great Grey Ice Gathering in Richmond. Those States are Pennsylvania, Maryland, North Carolina, South Carolina, and the District of Columbia, in addition to Virginia. Events similar to the Great Grey Ice Gathering are also planned for the cities of Boston, Cincinnati, Chicago, Atlanta, Dallas, and San Francisco on December 29 and in Kansas City and Portland on December 30.

SCOPE Co-chairman Randall Simmons, graduate student from the University of Virginia, stressed that the December 30 meeting was simply the first of SCOPE's activities.

"In addition to organizing the Gathering," Simmons said, "the twelve-member SCOPE intends to meet regularly and provide Mr. Jensen and Secretary Hickel with the thinking of young people, and to serve as a focal point for organizing student environmental activities.

THE AMERICAN FLAG IN THE NATION'S CAPITAL

HON. JOHN O. MARSH, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. MARSH. Mr. Speaker, I took time in the House on Thursday, November 20, to raise a question as to the official policy on display of the American flag at public places in the Nation's Capital—specifically, at the Washington Monument.

My inquiry then was prompted by my understanding that the 50 American flags customarily flown from staffs circling the Washington Monument were not displayed on Saturday, November 15, when the assembly of the national Vietnam moratorium was held on the monument grounds.

I expressed then the opinion that, if a decision had been taken not to fly the American flag at that time and place, out of fear of an attempt by some of the persons assembled to desecrate it, it was an unwise decision.

I now have received a reply to the request for information on the matter which I had directed to the Secretary of the Interior and to the Director of the National Park Service, and I append it to these remarks for the information of the House.

With due credit to the explanation given, I continue to believe that the decision was unwarranted and unwise. I hope it may not be taken as a precedent for policy with respect to the flying of the American flag at shrines and other public places in the Nation's Capital in similar future circumstances.

As I stated here on November 20, the proper response to any indication of possible interference with normal flying of the American flag at a shrine, monument, or public building, or park under jurisdiction of the United States would seem to be measures for the protection of the national emblem against such interference, rather than striking the colors.

The reply to my inquiry follows:

U.S. DEPARTMENT OF THE INTERIOR,
NATIONAL PARK SERVICE,
Washington, D.C., December 16, 1969.

Hon. JOHN O. MARSH, Jr.,
House of Representatives,
Washington, D.C.

DEAR MR. MARSH: Secretary Hickel has asked me to reply to your letter of November 20. He and I appreciate very much your courtesy in sending us copies of the remarks you made on the floor of the House of Representatives concerning display of the American flag at the Washington Monument on November 15. I am pleased to respond to your letters to us by giving you the circumstances surrounding this matter.

The planning for the National Vietnam Moratorium on November 15 was coordinated by an intergovernmental group under the leadership of the Department of Justice. As part of the planning it was decided that the Washington Monument would be closed since the grounds around it were destined to be the site of the principal concentration of demonstrators estimated at 250,000.

On the morning of November 15, National Park Service employees proceeded to raise the fifty flags around the base of the monument. At 8:30 a.m., when the last flag was being raised, an attempt was made by one of the demonstrators to drive off with the Government vehicle used by the flag detail. The offender was arrested and taken to Park Police headquarters.

Unlike flags that usually fly over Federal property from the tops of buildings, the fifty flags which fly at the base of the monument are located at ground level where they may be easily reached.

In view of the attempted theft of the vehicle used by the flag detail and numerous incidents involving militant groups on November 14, together with the disruptive activity expected to continue on November 15, it was decided that the flags at the base of the monument should be lowered. They were lowered between 9:30 and 10:00 a.m. This decision was also prompted by the improbability of simultaneously protecting fifty flags against possible attempts of desecration in the midst of a milling crowd estimated at 250,000 persons, some of whom were known to be inclined toward disruptive activities.

You also inquired as to our policy with respect to the display of the flag. The applicable policy of this Department is contained in Chapter 5 of its Departmental Manual. The pertinent part, 310.5.1, provides as follows:

"*United States of America Flag.*

"A. *Policy*. The display and use of the flag of the United States of America by the Department of the Interior will be in accordance with the Joint Resolution of June 1942 (PL 623) as amended by the Joint Resolution of Dec. 22, 1942 (PL 829) and Presidential Proclamation 3044 dated March 1, 1954. (36 U.S.C. 175).

"C. *Outside Use.*

(1) The flag should be displayed daily, weather permitting, on or near the main administration building of every Interior activity."

Please be assured that consistent with the resources available to this Department, every effort will be made by it to comply with the foregoing policy which embodies the applicable Congressional enactments.

Thank you for the opportunity to provide our comments on this facet of the recent Moratorium observances.

Sincerely yours,
GEORGE B. HARTZOG, Jr.,
Director.

STUDENT LOANS FLUNKING OUT

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. PUCINSKI. Mr. Speaker, among the most serious victims of our spiraling inflationary economy are the Nation's young college students, struggling to meet rising costs of education. The mounting enrollments of our higher educational institutions have created competition for financial aid—particularly student loans—at the same time that banks are tightening their belts and raising interest rates. This Congress passed the Emergency Insured Student Loan Act of 1969 to help alleviate this need, but apparently this has made little difference to many of our Nation's lending institutions. I believe this situation demands our immediate attention, and I am including an article from the Chicago Sun-Times of Sunday, December 14, which makes specific recommendations for remedies in the present system:

STUDENT LOANS FLUNKING OUT

(By Dennis V. Waite)

Quiet panic appears to be seizing tens of thousands of college students as one college term ends and another looms not far around the New Year corner.

The students' desperation is triggered by one simple word—rejected—on their applications for loans.

An all-time high of 4,156,268 full-time students at 1,145 of the nation's colleges and universities are facing an all-time high in expenses and an apparent all-time high rejection rate by institutions that generally loan money to them.

"Now you see it, now you don't" is the sad name of the money game American college students and their parents watch as loan funds seem to shrink despite recently passed emergency legislation.

On Oct. 22, 1969, President Nixon signed a bill which subsidized insured student loans up to 3 per cent beyond their 7 per cent interest ceiling.

The Emergency Insured Student Loan Act of 1969 was made retroactive to Aug. 1 and provided that the Secretary of Health, Education, and Welfare, each three months would pay a subsidy to lenders on their outstanding student loans of up to 3 per cent. The current allowance is 2 per cent, affording lenders a yield of 9 per cent.

The legislation apparently has made little difference to larger, money-center banks and to many students in need of money to carry on their education. Schools are also short of funds.

The University of Illinois at Chicago Circle isn't even bothering to reject new loan applications. It is sending out a notice to all new student applicants that no financial aid can be given by the school for the rest of the school year.

Arthur J. Falls, director of financial aid at Illinois, says he is rejecting about two out of every three loan requests from students already enrolled.

A University of Chicago spokesman said the legislation did help many of the hundreds of thousands of students stranded this summer after federal loan and grant funds were sharply cut. "But we're pretty much back in the same old pot," he adds. Robert L. Franklin, director of student aid, Roosevelt University, agrees.

An official at a large Chicago bank that is considered a leading lender of student loans in Illinois says. "Our bank may not give out a nickel in new student loan requests after Dec. 31."

Another banker says even the granting of additional loans to present student customers may be curtailed.

CREDIT CRUNCH

Money-center banks in urban areas like Chicago say the subsidy is not helping much. "Right now we're turning down many of our own creditworthy customers for loans of 12 and 13 per cent. We often have to pay more than 9 per cent to borrow money from smaller banks ourselves," one bank officer recently said.

One loan official commented "Banks are licking their wounds. Bearded wonders and irate mothers are demanding the banks cough up money.

"Even schools blame banks, saying banks have the money, the interest rates are high and the loans are insured. But many people don't realize that the larger banks are severely squeezed by record money costs, dwindling deposits and a continued knocking on their doors for loans by almost all of their customers."

Nevertheless, banks in Illinois continue to put more money into student loans than ever before, Dr. Lee Noel, assistant executive director of the Illinois State Scholarship Commission, said last week.

"Since August, 1966, we've guaranteed $110,000,000 in student loans, or 103,000 loans to 80,000 students," Noel said. The ISSC (which coordinates loans made by private lenders through federal insurance programs to individual students) projects $50,000,000 in loans in Illinois under the guaranteed program for 1969–70, according to Noel. In 1968–69, the amount was $40,000,000 and in 1967–68, $26,000,000, he said.

QUESTIONS OPTIMISM

Noel's 25 per cent increase projection seems optimistic given the very slight increase in loans already made this year over last, according to some experts on educational finance. Loans made through the commission for July, August, and September for 1969 show a 2.5 per cent increase over comparable 1968 figures.

And the small rise also reflects the fact that money availability from schools and federal sources is down, one administrator said. Total federal grant assistance to Illinois Circle Campus, for instance, has fallen 67 per cent. National Defense student loan funds at the campus for the current school year have dropped by some 50 per cent.

At the University of Chicago, National Defense funds were slashed from $1,800,000 to $1,300,000.

And the record number of college students, the increasing amount of schools becoming eligible for federal and state funds, and the continuing money anemia in the U.S. economy mean the answers so far have not proven big enough to solve the problems.

SUGGESTIONS OFFERED

Suggestions made by school administrators, state officials and financial executives include:

—Allow other financial lenders to participate more in the guaranteed loan program.

—Invest part of school endowment funds in the program, allowing high yields to add to the student loan fund pool.

—Allow freer interchange of federal aid at the discretion of each school's needs.

—Create a super corporation similar to the Federal National Mortgage Assn. that could buy large blocks of student loan paper and permit banks and corporations to borrow on the paper.

—Pressure Congress and the administration for more federal loan, grant and scholarship funds.

Meanwhile, state officials, bankers and student loan officers wait for an explanation from the HEW Secretary about a regulation concerning lenders which deny "a substantial number of eligible students . . . a fair opportunity to obtain an insured student loan because of practices . . . which limit student participation."

The law states that the secretary should adopt or amend regulations, "to prevent, where practicable, any practices which he finds have denied loans to a substantial number of students."

BEN COLE'S CHRISTMAS POEM

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. BRAY. Mr. Speaker, for some years a feature at Christmastime by Ben Cole, long-time Washington correspondent for the Indianapolis Star, has been a special Christmas poem concerning Indiana Members of the House and Senate. Following is Ben's verse for this Christmas, 1969:

It's time again for Christmas songs and lights and fun and mirth,
For holly wreaths and tinseled trees and peace o'er all the earth.
It's time for hanging stockings up, for buying presents, too,
'Cause almost any moment, now, old Santa Claus is due.

Out, standing on the busy street, old Santa's hung a pot.
He calls a "Merry Christmas!" e're you drop a coin or not.
It's a money-raising method Vance Hartke keeps in mind
In case next year campaign funds become too hard to find.

Reindeer skim the rooftops as snowflakes softly fall
While the spell of winter magic captivates us one and all.
Such is this Christmas wonder which filters from the sky
That even Clement Haynsworth got a card from Birch E. Bayh.

By the twinkling light of candles the carolers make their way—
Their voices fill the wintry air to tell of Christmas Day.
As he listens at his window, Ray Madden's sad to know
The bill reforming taxes left them all out in the snow.

What really makes it Christmas is Santa's annual trip.
The way he drives those reindeer is enough to make you flip.
But if they should ever falter and Santa's out of luck,
Earl Landgrebe's right there, waiting, to take over with a truck.

Now deck the halls with holly, and let's trim the Christmas tree;
And rest ye, merry everyone, as jolly as can be.
John Brademas is busy, his researches took a week
To prove that Claus, no Eskimo, is actually a Greek.

Icicles fringing every roof mean winter time is here—
Each household brims with laughter, and with gifts and Christmas cheer.
Ross Adair has sent a letter asking Santa if he'll trade—
Ross will drive his reindeer while Santa battles foreign aid.

Dolls, trains and gleaming ice skates left beneath the Christmas tree
Are evidence that Santa Claus can fill young hearts with glee.
As he greets the Christmas season, Dick Roudebush debates
The phrasing of his greeting to the Senate candidates.

Deck the Halls of Montezuma with wreaths and mistletoe.
Keep those Yuletide caissons rolling—the Army's on the go.
Santa's in the wild blue yonder with anchors all aweigh
For a military Christmas with Congressman Bill Bray.

Johnny Myers is very busy with his Christmas shopping chores—
He's bought a bunch of presents and he's looking for more stores.
As he rushes through the city at such a hectic pace,
You would think that he's in training to run a Senate race.

Now Roger Zion's window's bright with Christmas candle light
That spreads its cheer across the snow to guide old Santa's flight.
In his home so warm and cozy, safe from the winter cold
Zion hopes to reform Congress before he gets too old.

Lee H. Hamilton's young children are gathered at his knee
To hear him read a Christmas poem beneath the Christmas tree.
And if the coming New Year ends the war in Vietnam,
Perhaps the folks in Brookville, then, will get to build their dam.

David W. Dennis puts on a jaunty Christmas tie
And shouts a merry greeting with a twinkle in his eye.
If we ever hold elections to choose our Santa Claus,
Dave says he's sure the District Plan would have the fewest flaws.

Santa likes to drive his reindeer and Mrs. Santa keeps a cat.
There are people who tame tigers and scary things like that.
But Andrew Jacobs Junior makes his choice of pets quite plain—
He has fitted out his office in wall-to-wall Great Dane.

There! That's the Season's roll call of Hoosiers on the Hill
Where snow encrusts the great iron dome, and everything is still.
May Christmas bring you happiness, wherever you may be—
That is the wish we're sending you from Washington, D.C.

THE NADER REPORT ON AIR SAFETY

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. OTTINGER. Mr. Speaker, aviation safety has long been a matter of serious concern to me. It has been the subject of countless hours of work by my staff and me, resulting in comprehensive proposals to the Department of Transportation, to the Federal Aviation Administration, and to my colleagues in Congress. It is unfortunate that in all three arenas, progress is sadly lacking.

Illustrative of my contention are the facts developed by Ralph Nader and Reuben Robertson in a study of the regulation of air-carrier maintenance and inspection practices and procedures by the FAA. The report concludes that the FAA's approach to regulation has permitted an increasing laxness by the airlines in this area. This can be expected to become more serious as the carriers search for new ways to cut costs and maintain profitability during the period of severe financial strain that appears on the horizon.

In my view, it is urgent that the downgrading of maintenance and inspection procedures and the FAA's abadonment of its regulatory responsibilities be stopped now, before the loss of more lives, and before the introduction of the jumbo jets into widespread service.

I am pleased to present for the serious consideration of my colleagues and the public, the text of this latest Nader report and a copy of a covering letter to the chairman of the National Transportation Safety Board further pursuing the issues the report covers:

A PRELIMINARY REPORT ON REGULATION OF AIR SAFETY, DECEMBER 10, 1969

(Prepared by Reuben B. Robertson)

One of the most important responsibilities of the Federal Aviation Administration is to assure the safety of the American public through diligent regulation, supervision and inspection of airline equipment and operations. In charging the FAA with these duties, Congress clearly understood the need for an independent watchdog agency, responsive only to the public interest, to prevent safety from ever being comprised by considerations of financial expediency, scheduling demands or other economic pressures that are inevitably part of the airline business, like any other profit-oriented enterprise. In the Federal Aviation Act of 1958, Congress unequivocally set air safety as the first priority in air regulation, specifically referring to "the duty resting upon air carriers to perform their services with the highest possible degree of safety," and requiring the FAA Administrator to "exercise and perform his powers and duties under this Act in such manner as will best tend to reduce or eliminate the possibility of, or recurrence of accidents."

Today many of the multibillion dollar airlines are suffering severe financial repercussions from overexpansion and mismanagement. At a time when they can barely fill half the available seats, the airlines are anticipating the delivery of a whole new generation of commercial albatrosses—the jumbo-jets, airbusses and, not too far away, the SST's. It is therefore appropriate to take a look at the quality of safety and maintenance practices in the industry and to assess the performance of the FAA in protecting our safety. The picture that emerges from even a cursory glance is, in a word, shocking.

Airline maintenance and inspection functions have been allowed to deteriorate to an alarming degree, so much that the safety of the travelling public as well as people on the ground is being seriously jeopardized every day. The FAA has been totally captured by the airline lobby so that today, instead of performing the rigorous inspection and policing job that the taxpayers have a right to expect, the FAA has degraded itself to the role of providing free management consulting services to the industry and serving as a recruiting base and a training ground for middle level airline management. Instead of taking serious enforcement actions to prevent the safety violations that are regularly being committed by the airlines, the FAA relies on quivering and apologetic "recommendations," "verbal agreements" and "requests" as the primary mechanisms of enforcement to halt unsafe practices. Let me be more specific.

It is well known throughout the industry that many carriers have seriously undermanned and undertrained maintenance and inspection crews. Often two men are put on jobs for which a minimum of three are needed. For example, one mechanic employed by a carrier at San Juan was responsible alone for the routine ground handling, servicing and non-routine maintenance problems of three jet aircraft, all of different types, at the same time. He had training experience for only one of these types, by a previous employer, but as to the other two he was left to his own devices.

Although the Federal Aviation Regulations, known as FAR's, do formally require each airline to have training programs for their maintenance personnel, in practice the training programs of many carriers are virtually nonexistent. Several major studies of this problem for the federal government in the past few years have recommended massive programs to alleviate the critical deficiencies in the training of air maintenance personnel. The FAA is fully aware of this problem and has even admitted in an internal handbook that "inspections have revealed operators having excellent training programs laid down in their manuals, who, in fact, had no training program at all and which existed only on paper." Yet the FAA has taken no firm enforcement actions in this area and has not even set minimum time or course content standards for maintenance personnel training. Even worse, the FAA does nothing to crack down on the uncertified schools, such as Georgia Flyers, which are undermining legitimate training efforts by "guaranteeing" that students will be able to pass FAA mechanic certification examinations after only three days of study. (Exhibit 1)

The pattern of undermanning maintenance crews is becoming increasingly severe as the airlines seek to reduce costs through personnel layoffs. A recent article in the Washington Post reported on "very drastic" economy moves and personnel cutbacks by several carriers. (Exhibit 2) A recent issue of the Pan Am house organ noted substantial layoffs resulting from a $38.4 million dollar earnings crash this year alone. (Exhibit 3) For any employees who might have missed the point, the same issue contains an article outlining the kinds of attitudes Pan Am management wants to instill in its personnel. This article states that the company is organizing management efforts to find employees who "think efficiently," "face change with enthusiasm" and "take risks to achieve a goal." (Exhibit 4)

And as far as taking risks is concerned, National Airlines must have set some kind of record by summarily firing over a thousand employees, mostly maintenance personnel, in a dispute over whether a two man crew is adequate for taxiing aircraft. The facts are pretty well set forth in an article from the Miami Herald of February 2, 1969. (Exhibit 5) The mechanics claimed that a third man is needed to monitor gauges, watch the wings and cut the power in an emergency. The firing of its maintenance force, however, has not resulted in significant curtailments in National's service. The airline's claimed ability to suddenly find and hire hundreds of experts and skilled mechanics off the street, despite the critical industry-wide shortage of such technicians, is something of a minor miracle. The major miracle is that National has been able to get through so far without a catastrophic accident—and without strong FAA actions strictly enforcing the FAR's. On one recent flight into Washington a wheel fell completely off the plane and rolled into the Potomac River; in another incident at National Airport, the aircraft filled with thick, acrid smoke from a defective auxiliary power unit, resulting in monumental confusion and fright.

The concern over maintenance practices and the lack of effective surveillance and policing of air safety by the FAA is by no means confined to persons outside the industry. On the contrary, while the problems are almost totally unrecognized by the general public, they are of great concern to high airline management officials in discussions in the inner circles of industry. Yet these officials, with few exceptions, almost never speak out in conscience about what they know or should know is happening. One Eastern Airlines vice president did speak out in a 1966 internal company memorandum with the following shocking conclusions he had drawn about Eastern's engineering and maintenance departments:

"Eastern Airlines today enjoys a reputation for reliability, passenger service, and general competence that it has not approached in many, many months if, in fact, ever.

Some of our recent experiences could be construed as the first symptoms of localized reversion to the lax practices and habits of by-gone days!"

Elaborating on the last point, he went on, in part, to describe specific incidents:

"Last November 25, a TRC DC-8F aircraft was destroyed by fire in our hangar at Miami.

"At the CAB hearing on Aircraft 218 (our Constellation involved in a mid-air collision with a TWA 707 on December 4) it was brought out that Maintenance and Inspection personnel had released an airplane at Boston without performing a required post-maintenance function check.

"B-727 Aircraft 101 landed at Miami on March 5 with the gear retracted because maintenance, performed improperly prior to that flight, prevented extension of the right main gear." (Exhibit 6)

There is tremendous pressure within the companies to downgrade the maintenance and inspection functions. For one thing, it looks good for the organization men who head the carriers' maintenance departments if they can save money for the company by successfully absorbing personnel shortages in their departments. In reality, the maintenance managers see their primary function as minimizing the number of flight delays arising from maintenance problems. At Eastern Airlines, for example, the maintenance managers are required to report on and justify in detail any delays resulting from maintenance work in a daily conference call with top management. It is not hard to understand why maintenance items discovered in transit are deferred as long as possible until scheduled maintenance downtime. The FAA, if it does not know about these practices, must be blind. If it does know, it is failing to diligently protect the public.

The flight crews are also under intense management pressure not to ground aircraft for maintenance items which can possibly be deferred until later. As a result, instead of writing up maintenance problems in the log book enroute, as required by the FAR's, it is the practice of many flight crews to note the problems on loose scraps of paper which are written up in the log book just before scheduled maintenance. Again, the FAA does nothing, although even the slightest investgation would reveal these practices.

Theoretically, the aircraft mechanic has authority to ground an aircraft by refusing to sign the airworthiness release after the performance of maintenance work, and the airlines make much of this in their publicity. For example, a preposterous bit of American Airlines promotional foolishness sets forth the imagined powers and virtues of the aircraft mechanic as follows:

"He thinks nothing of keeping a 7 million-dollar airplane in the hangar because a 10-cent part needs replacing.

Or checking the burbling air in a fan-jet 20 times—until he's satisfied it's burbling just right." (Exhibit 7)

In fact, the likelihood of a mechanic actually grounding a plane without reprisals is only slightly less improbable than recurrence of the Immaculate Conception. The real message to be gleaned from the American Airlines ad, which demonstrates the actual differentials between maintenance and scheduling, comes at the end:

"We built this airline with the professional traveller in mind—the man who rates an airline on the service it gives, not how glamorous it looks.

"And if his plane is late on Sunday, we know his Travel Agency won't be calling us for tickets on Monday."

The fact of the matter is that maintenance and inspection functions are by and large invisible to the customer, except insofar as they inconvenience him by schedule disruption. In transit and on-line maintenance work does not directly reduce costs or increase revenues for the carrier, and it is accordingly treated at best as a necessary evil, to be reduced to the minimum possible level. The airlines vigorously struggle among themselves for image superiority in theme songs, paint jobs, crew couture, cuisine delights and other items of snob appeal, but excellence of ground maintenance unfortunately is not a factor in the equation of non-price competition. The critical concept that ambitious employees in airline operations must grasp to get ahead in the company is "on-time departure." This means that, unless an item is of an absolutely critical nature, the carriers' general policy is to defer in-transit maitnenance repairs which involve possible substantial delays, and to rely on built-in redundancies of jet aircraft systems to get the flight to its destination.

Dispatching planes in these circumstances does mean increased hazards, of which the airline personnel are aware but the passengers are not. Since the carriers' equipment is generally heavily insured, the only real risk they are exposed to is the adverse publicity of an accident, and this is the primary restraint on the practices of the carriers today. It is common knowledge in the industry, for example, that the first order of business after a crash has traditionally been to paint out the name and insignia of the airline on the wreckage. The FAA, of course, couldn't care less.

One hair raising incident was recently related to me by an experienced aircraft mechanic. While travelling as a passenger on a major western airline DC-6 flight, he was looking out of a window during a fueling stop in Las Vegas. He noticed a greenish fluid streaming out a vent in the left wing near the engine. Feeling somewhat concerned he got off the plane and went over to check the fluid, which he knew from the smell to be fuel. A serious explosion and fire situation exists any time that fuel is vented overboard, especially in the vicinity of the engine's hot exhaust, so he immediately notified the flight engineer and the captain of the problem. The captain's response, even after a lengthy discussion, was to go ahead anyway, and "we can get it fixed in Los Angeles." It was not until the passenger announced that he would not reboard the plane unless the situation were corrected, and that he would call the FAA if the flight departed, that the flight crew had the problem corrected.

Such problems are not uncommon and the technical personnel working in the maintenance crews are by no means unaware of them. One flight line mechanic with over fifteen years experience with a wide variety of aircraft types recently estimated that he sees two to three flights a day leaving his station at Washington National Airport in defective condition. They are leaving with items he believes should be corrected then and there but are not, such as leaking brakes, leaking hydraulic systems, out-of-rig flight controls, broken seats and safety belts, and defective escape chutes. The FAA, which is supposed to make inspections of aircraft to assure that they are in safe flying condition, in fact does not make such inspections and is never around to catch these kinds of defects before flight.

All of these could be serious safety hazards in certain circumstances. Yet an aircraft mechanic is subjected to brutal company pressures if he should dare refuse to sign the required certification that the plane is properly maintained and ready to fly. If the mechanic signs, he is held personally responsible in case of trouble and is subjected to summary punishment by the company and the FAA. If he refuses because he does not feel he can in good conscience attest to the adequacy of the job that is done, the maintenance foreman, who may know nothing about the particular work, will very likely sign off on the aircraft and the mechanic may be subjected to harassment, reprimands and reprisals on the job. The FAA stands idly by.

This trend was articulately exposed in a letter written to the FAA in 1967 by a group of concerned airline maintenance employees. They stated as follows:

"This letter is written by a representative group of United Airlines maintenance employees who believe that a situation is developing at some of our line maintenance stations which in our opinion has a detrimental reflection on our duty as government licensed "A & P" mechanics. The situation we refer to is a growing trend to coerce or intimidate line and terminal mechanics into signing log book maintenance releases that we feel are not always in the best interest of aircraft safety."

The letter continues by describing some specific incidents:

"In recent weeks we have had several instances at Denver, that we are personally aware of where, had it not been for the alertness and insistence of the A and P mechanics, the aircraft would have been released in a condition that was known to be unsafe and unairworthy. In at least two of these instances, despite the mechanics protest, the supervisors insisted that the mechanic sign the maintenance release. The mechanic in one instance had to notify the flight crew of doubtful deferred item AFTER the supervisor had signed the maintenance release, because the mechanic had refused to do so. The flight crew then refused to accept the aircraft until the condition was thoroughly corrected.

"In the second instance a mechanic refused to sign the maintenance release because of a reported unsafe item on an enroute plane. It was not investigated to find the probable cause of the reported malfunction, because it "apparently righted itself." The supervisor signed the maintenance release and later the mechanic and all other mechanics were warned that they would face dismissal for insubordination if they refused to sign future maintenance releases. There have been other instances since. Please note the copy of the letter of warning contained here." (Exhibit 8)

The FAA refused to take action in the matter.

Even in writing such a letter to the federal government, these mechanics were taking a serious personal risk. If a maintenance employee should dare to communicate with the FAA, which is directly responsible for regulating air safety, he may be subjected to incredible harassment and retaliation by the airlines, including actual and threatened termination of his livelihood. In fact, the problem is apparently so severe that I was recently informed by Chairman John Crooker and Executive Director Charles Kiefer of the Civil Aeronautics Board, which itself also receives complaints of safety violations from airline employees, that the Board could not release the names of complainants because the airlines would take retaliatory actions against them. While I at first considered this reasoning totally specious and incredible, I have now had to make somewhat of a reevaluation in light of what I have subsequently learned about the industry's practices.

The silencing of maintenance employees has even been incorporated in formal airline rules and regulations. An Eastern Airlines employee astutely noted this in a letter to the editor of the Miami News after an accident involving a 727 at Miami International Airport in 1966. In defending the actions of two Eastern mechanics in refusing comment on the accident (which Eastern management attributed to improper maintenance), the writer pointed out that, "according to Eastern Airlines' employee rules and regulations they would have been in danger of additional disciplinary action had they made any remarks in their defense which supervision considered damaging to the public image of Eastern Airlines." (Exhibit 9)

Surely the FAA should have regulations prohibiting company practices like this, but it does not.

The intimidation and retaliation practiced by many airlines is clearly demonstrated in the experience of a courageous aircraft inspector employed by Air West in Phoenix, Arizona. The inspector was first threatened with disciplinary action for refusing to sign off on certain aircraft maintenance work. Later he was called to task for writing up several critical structural and mechanical items which in his opinion needed immediate maintenance attention. The inspector then pointed out to the Air West supervisory personnel that the items in question, including cracked rivets in a structural element of the wing seriously deteriorated tracks for the plane's flaps, in fact were in need of repair, and he reported this safety problem to the FAA as an example of deteriorating maintenance at Air West. This action immediately provoked the following response from his supervisors:

"In regard to your last statement that you had referred this matter to the FAA and the CAB was in poor judgment. If you felt that strongly about it, you could have come to me personally, and then if you were still not satisfied, there were other channels you could have followed in accordance with company policies and procedures. . . . This indicates very little regard for the Company for failure to recognize supervision of constructive criticism and to follow the chain of command, and further, to submit your letter to the FAA and CAB without prior discussion with your supervisor or other company channels."

In view of the foregoing, disciplinary action will be taken. A second memorandum from the company arrived shortly afterward. There could be no doubt whatever as to the company's attitude toward communicating with the federal government or anyone else about safety related maintenance shortcomings:

"For Air West, this is a critical time in many respects, including the establishment of new relationships with the FAA. The actions you took in contacting the FAA rather than your supervisors was beyond the scope of your responsibilities, and contrary to the best interests of the company.

"An overall appraisal of your recent actions can be viewed only as insubordination. Insubordination cannot, and will not, be tolerated. In view of your actions, I am left with no alternative but to suspend you for one week without pay effective May 17, 1968.

"Any further actions of this sort will merit your termination." (Exhibit 10)

The FAA is fully familiar with this Air West case. But when I asked what they had done about it, an FAA official responded that the FAA did nothing. "Officially, we have no concern with any actions between the company and the employee," he told me. "I guess the Department of Labor would be the ones to get involved in that."

The shocking picture that emerges from these incidents indicates a pattern of industry suppression of American citizens in the exercise of their fundamental rights, and the direct violation of the Federal Aviation Act which guarantees the right to notify the FAA and the CAB of safety violations. As Judge J. Skelly Wright of the United States Court of Appeals has eloquently stated:

"It is not seriously questioned that every citizen has the right, if not the duty, of informing his government of violations of the law, and that a court of equity, on a proper showing, may enjoin any interference with that right. . . . Indeed, an interference with such a right may be punishable under the criminal statutes of the United States." [Edwards v. Habib, 366 F. 2d 628 (D.C. Cir. 1965)]

That such corporate assaults on the rights of citizens could be experienced on a widespread basis in this country is a national disgrace. That the FAA, which is well aware of these practices, could permit them to continue and do nothing about them is even more shocking and inexcusable—especially in light of the urgent need for the agency to maintain free channels of communication about safety matters that affect the public. (Exhibit 11) However, this dereliction of responsibility is part of a larger pattern that involves a complete sell-out by the FAA of the public interest.

The duties that have been imposed by Congress on the FAA are crystal clear. The Federal Aviation Act of 1958 explicitly states as follows:

"Sec. 601.(a). The Administrator is empowered and it shall be his duty to promote safety of flight of civil aircraft in air commerce by prescribing and revising from time to time:

* * * * *

"(3) Reasonable rules and regulations and minimum standards governing in the interest of safety, (A) the inspection, servicing, and overhaul of aircraft, aircraft engine, propellers, and appliances; and (B) the equipment and facilities for such inspection, servicing, and overhaul."

The Act further explicitly requires the FAA to actually inspect aircraft and equipment used in civil aviation to assure their safe condition and maintenance:

"Sec. 605 (b). The Administrator shall employ inspectors who shall be charged with the duty . . . of making such inspections of aircraft, aircraft engines, propellers, and appliances designed for use in air transportation . . . while used by an air carrier in air transportation, as may be necessary to enable the Administrator to determine that such aircraft, aircraft engines, propeller, and appliances are in safe condition and are properly maintained for operation in air transportation."

This section says the FAA must actually inspect the equipment itself and check the maintenance. It does not say that the FAA can accomplish its job merely by going over the airlines' records once or twice a year, and it does not say that the FAA should inspect only after a crash or reported maintenance problems. Yet this is precisely the approach that the spineless FAA has been cajoled into taking by the high-pressure airline lobbyists.

In 1966, the FAA first introduced its new conception of the regulation of airline maintenance and operations that, in effect, turned over the surveillance, inspection and policing of the companies to the companies themselves. Simultaneously, the agency sought to downgrade the experience requirements for applicants for the FAA aircraft mechanic examination and agreed with the almighty Air Transport Association to treat safety violations that might be discovered with friendly discussions and "correction letters" instead of firm enforcement. The FAA's new approach was articulated in its "Systemworthiness Analysis Program," affectionately known in the industry as "SWAP." (Exhibit 12) The FAA itself ingeniously concedes that one of the primary objectives of SWAP was to "eliminate to the maximum extent practicable inspections by resident inspectors assigned to the operator. . . ."

The SWAP program is principally based on a system of periodic audits of the maintenance and performance procedures, records and operations of the carriers, performed by teams of FAA inspectors and auditors on a 12 to 16 month cycle. The program also provides for "special" after the fact visitations "whenever there are valid indications that the performance of a particular operator is falling below a particular level." Among the triggering conditions for special examinations listed in the SWAP handbook are "accidents and incidents," and "high percentage of complaints concerning safety items," although it is not indicated what the FAA thinks the source of many complaints might be.

The SWAP visits are announced to the carriers well in advance, and the airlines have plenty of time to clean up any aspect of their operations that is likely to be reviewed, in order to minimize the likelihood that any of the problems or violations will be found. The airlines have kept each other closely informed of the intimate details of one another's SWAP experiences and areas that are subject to examination, and the airline lobby has also been very active in assuring that the FAA remains toothless, as demonstrated by a recent American Airlines maintenance department memorandum. (Exhibit 13) Some carriers, including American, have even prepared and distributed elaborate instructions to their employees to clean house before the SWAP team's arrival, including a detailed script of questions to be asked by the FAA and answers which are to be given by the company's personnel. (Exhibit 14) One American memorandum ambiguously instructs maintenance supervisors to assure that the company's deficiencies "are not allowed to become part of our filed aircraft records." (Exhibit 15)

With such a carefully choreographed performance by the airlines' personnel virtually assured for the benefit of every SWAP team, one wonders why we should waste any money at all on such FAA inspections. Indeed, the FAA SWAP instruction manual reads much more like a handbook for marriage counselling than the hard-hitting enforcement directive that is needed at FAA. For example, the SWAP program calls for one inspector to "call for and chair the initial meeting of the inspection team and the operator," and states as follows:

"He will explain the purpose and scope of the inspection and identify the areas to be inspected. In cases where a problem area is suspected to exist, it should be frankly discussed with the operator. This straight-forward approach will help to foster a feeling of mutual trust and respect that is beneficial, if not essential, to the analysis."

To allay any unwarranted airline fears that the FAA might suddenly be overcome with a burst of regulatory zeal, the manual continues with the following:

"The operator should also be advised that experience has shown that rumors relating to FAA findings while the inspection is in process are not unusual and should be disregarded. Such rumors usually stem from the searching nature of the questions posed by members of the team."

The FAA's feeble "SWAP" program and its failure to have a real inspection and enforcement mechanism have opened the door to the current massive downgrading of maintenance by the airlines. In handing over its on-line nuts-and-bolts inspection responsibilities to the operators, the SWAP program violates the cardinal principle of separation of maintenance and inspection functions. The rationale of this principle was articulately expressed in an airline industry management manual:

"If left to their own devices, most people feel that they do a pretty good job. Ask a mechanic if he repaired your auto and he will usually assure you that it is in top running condition. After you drive the auto a few miles you may find that the mechanic didn't really do the job he said he did. Self-inspection of work usually requires more self-discipline than most people are willing to exercise.

"Whenever possible the work of an employee should be checked and reviewed by a person who is objectively interested in the proper performance of the job. This is the best way to assure that quality standards are maintained."

In conclusion, the FAA's current practices and procedures in regulating airline maintenance are grossly inadequate. This situation must be corrected now, before more serious accidents occur and human lives are destroyed. I believe that a full-scale Congressional investigation into the practices of the FAA and the airlines industry is needed. Such an inquiry should also look into the FAA's regulation of maintenance in the field of general aviation (as opposed to commercial aviation), and also should cover the extremely serious situation which exists today with respect to foreign registered aircraft and airlines operating in this country. We do not permit such seriously lax inspection and maintenance procedures to jeopardize the safety of astronauts on an Apollo mission, and I think it is completely reasonable to ask why we should tolerate these hazards where the lives of thousands of American citizens are involved.

EXHIBITS

1. Advertisement for "guaranteed" 3 day training for FAA airframe and powerplant examinations.
2. News article from the Washington Post concerning announced airline personnel cutbacks.
3. Article from Pan American Clipper Magazine regarding Pan Am employee lay-offs.
4. Article from Pan American Clipper Magazine regarding "proper" employee attitudes.
5. Article from the Miami Herald discussing the dispute between National Airlines and its mechanics.
6. Eastern Airlines company memorandum regarding Eastern maintenance problems.
7. Advertisement of American Airlines.
8. Letter from United Air Lines mechanics to the FAA regarding maintenance problems.
9. Letter to the editor of Miami News regarding Eastern Air Lines' employee rules and regulations.
10. Correspondence concerning maintenance problems and reprisals against employee of Air West.
11. Letter to FAA from labor organization concerning problem of reprisals against mechanics for filing complaints with FAA.
12. FAA swap handbook 8000.3B.
13. American Airlines memoranda concerning swap program.
14. American Airlines instructions and questions and answers for swap visit.
15. American Airlines maintenance memorandum on swap findings and procedures.

WASHINGTON, D.C.,
December 12, 1969.

Mr. JOHN H. REED,
Chairman, National Transportation Safety Board, Washington, D.C.

DEAR CHAIRMAN REED: We have for some time been engaged in a study of aircraft safety and the FAA's regulatory performance in this area. Enclosed is a copy of a preliminary report on some of the problems in the maintenance practices of the airlines and deficiencies of the FAA in its surveillance and inspection duties.

An unidentified FAA spokesman was quoted by the Wall Street Journal of December 11 to the effect that "the portion of airline accidents that relate to maitnenance deficiencies has fallen from 31% in 1966 to 12% last year and so far this year." Since the NTSB has primary responsibility for ascertaining the "causes" of airline accidents, we would appreciate any comment you might have on this statement by the FAA.

Specifically, we would like to know:

1. What is the source of the statistics referred to by the FAA? What are the precise figures, the total airline accidents and the total number attributed to or "related to" maintenance deficiencies for each year since 1959?

2. Does NTSB regard the FAA's figures as accurate and meaningful?

3. Do the FAA figures take into account the improved safety characteristics of jet aircraft, which have many elements of built-in redundancies, over piston aircraft, which have increasingly been retired from service (through accidents and otherwise) since 1966?

4. What kind of occurrences are included in the FAA's definition of "airline accidents," and what percentage of fatal crashes, and of the numbers of fatalities, are attributable to maintenance, if these figures are known?

5. What is meant by the language "relate to" in the FAA's statement? Does this imply a determination of capability?

6. How is the FAA able to give such precise figures for "last year and so far this year" when the NTSB investigations have not been completed and reports as to the causes have not been determined yet for several important accidents?

7. Do the FAA figures include the fatailities resulting from the following accidents, and if so to which categories are they deemed related?

a. The June, 1969, Dominicana crash at Miami International Airport;

b. The June, 1967, Mohawk crash of a BAC 1-11 in Pennsylvania;

c. The Braniff Lockheed electra crash near Dawson, Texas in May, 1968, in which there was some possibility of prior damage (cracks in the aircraft's wing induced by stress corrosion) that could not be completely ruled out as a causal factor, as well as "unrelated" findings of contaminated hydraulic fluid and corrosion of hydraulic components;

d. The Los Angeles Airways helicopter crash on August 14, 1968;

e. The crash of the Air South Beech 99 near Monroe, Georgia in July, 1969;

f. The United Airlines crash into Santa Monica Bay at Los Angeles on January 18, 1969, which involved an inoperative generator on which repairs had been deferred through 42 hours of flight time prior to the accident;

g. The fatal crash of a Trans World Airlines Boeing 707 in July, 1969, near Pomona, New Jersey, in which the flight crew experienced a malfunction of the utility hydraulic system at a critical juncture in final landing approach;

h. The two recent Allegheny Airlines crashes on approach into Bradford, Pennsylvania; and

i. The recent Mohawk Airlines accident in New York State in which the aircraft collided with the top of a mountain.

In each of the above accidents, have maintenance deficiencies been either established or positively ruled out as a primary or contributing causal factor?

8. Even if the FAA figures are accepted as accurate and meaningful, does the NTSB consider 12% of airline accidents caused by or "relating to" maintenance deficiencies an acceptable low figure?

9. The NTSB has been highly critical of certain areas of FAA regulation regarding air safety operations and procedures. Do you share our concern that there may also be increasing problems in the area of airline maintenance? Does NTSB feel that the FAA's surveillance of the operations and maintenance of foreign air carriers in the United States is adequate to protect the safety of the public?

10. Has NTSB made any inquiries or studies concerning maintenance practices and procedures in the airlines and their relation to air safety? Has NTSB sent questionnaires or reporting forms to the airlines, and if so, what responses have been received?

Since the increasingly deficient maintenance and inspection functions of the airlines are well known throughout the industry, and the FAA has taken a "hands-off" attitude toward the carriers in these areas, we believe these problems should be of substantial concern to you, especially as the stakes become so much larger with the introduction of the jumbojets into service.

If it is not possible for you to provide full responses to all of these questions immediately, we would appreciate your giving us whatever answers may be made available within a week or two, together with some estimate of when the other points can be covered.

We will look forward to receiving your views on the above questions and to any other points or observations you may have about these problems.

Yours sincerely,

RALPH NADER.
REUBEN ROBERTSON.

PERFORMANCE CONTRACTS—THE NEW TREND IN FINANCING EDUCATION

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. PUCINSKI. Mr. Speaker, last year the Office of Education funded a project in Texarkana which hopefully will have implications for American education throughout the next decade. In this project a school awarded a performance contract to a private company for the purpose of bringing certain children up to specified achievement levels. The company is paid according to its success in this upgrading. I believe that this project has great implications not only for school-business cooperation, but also for holding the schools accountable for their educational output.

Dr. Leon Lessinger, Associate Commissioner for Elementary and Secondary Education, is to be commended for his outstanding leadership in funding this project. His vision in this endeavor is only another instance of his laudatory administration of the Bureau of Elementary and Secondary Education in the Office of Education.

Mr. Speaker, I include the article from the December 1969 issue of Nation's Schools in the RECORD at this point:

ACCOUNTABILITY AND PERFORMANCE CONTRACTS: AFTER TEXARKANA, WHAT?

(By Leon M. Lessinger)

(NOTE.—What's going on in Texarkana schools today may be going on all across the country in the next decade. Tied up with the idea of schools being accountable for their educational output, the Texarkana plan revolves around a performance contract in which a special teaching group will be reimbursed according to how well the students in its program do on a set of standardized tests.

(Texarkana's implications are vast. If funds for education depend on educational output, not input, then schools will be concerned with learning, not teaching, and the development of a science of performance measurement may create a new type of educational planning in this country.

(The article that follows discusses the problems and promises of accountability and performance contracts and reveals some of the thinking that is going on about them at the most influential educational and political levels.)

As major federal financial support for schools broadens, people increasingly ask, "What are we getting for our money?" Traditional answers in terms of money spent, number of teachers on the staff, and buildings in use are no longer sufficient. The public wants to know if young people can read, can get and hold a job, and can successfully compete at a higher level of education. This calls for accountability of results is a demand for changes in education of such size and influence that the results can only be characterized as revolutionary.

If schools are to be held accountable for results, a new approach to the basic mission of the schools is necessary. First, the focus must shift from teaching to learning. Second, a technology of instruction based on specific learning objectives will start to build. Finally, a rational relationship may be established between costs and benefits.

While the idea of accountability is seemingly simple, its implementation is not.

Performance contracts: The August 13, 1969, *Congressional Record* includes remarks by Roman C. Pucinski (D., Ill.), the chairman of the House Subcommittee on General Education, about a description of the experiment then about to be launched in Texarkana, Ark., appearing in an article by Jonathan Spivak of the *Wall Street Journal.* Under the heading "The Coming Revolution in American Education," Pucinski stated, "The unique aspect of the Texarkana experiment is 'guaranteed performance.'" The contractors must promise to bring backward Texarkana students up to normal grades for their age levels at a given cost and in a given time—or else pay a money penalty.[1]

This notion of someone guaranteeing educational performance embodies generally the concept of accountability and illustrates specifically an approach to achieving accountability through performance contracts with private enterprise. Such a concept may have far-reaching implications toward efficiency of education in years to come. A description of the project and its ramifications can demonstrate the use of performance contracts.

The Texarkana model: A local education agency, the Texarkana, Ark., school district, applied to the U.S. Office of Education for funds to conduct a dropout prevention program under a proper Title of the Elementary and Secondary Education Act. It proposed to translate its compensatory training objectives, *e.g.* reading, arithmetic and study skills for disadvantaged students in six junior and senior high schools, into performance criteria for competitive bid by private contractors.

The school district then employed an "actor's agent," in the form of outside technical assistance from a nonprofit firm, to help them translate their objectives into an evidence framework and to develop a Request for Performance (RFP), the specification document for bidders. The firm also supervised the bidding, developed the performance contract with the successful bidder, and served as liaison to school staff and community.

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[1] Readers of Nation's Schools news columns have been kept up to date on the Texarkana performance contract right along. Announcement of the bidding by some 90 private companies was made in our August issue (p. 66). Last month (p. 96), a story was published on the winner—Dorsett Educational Systems, a medium-sized developer of teaching machines based in Norman, Oklahoma. In bagging the contract, Dorsett beat out such corporate giants as RCA, McGraw-Hill, Westinghouse, IBM and Singer.

Terms of agreement of the Texarkana program are:

1. Students who are two or more grade levels below standard in basic skills, and whose family income is $2,000 per year or less, are to receive a training program for up to three hours per day in a portion of the school plant. The students remain in the total school program to receive other school benefits.
2. The contractor agrees to use school personnel so that the school system can carry on successful practice after the project is terminated.
3. The contractor agrees to be paid only on the basis of a stipulated amount of money for each student who successfully completes the training program.
4. A penalty is assessed for those students who do not achieve specified performance levels.
5. Six months after the termination of the project, school officials have a right to reassess student performance. If it is less than the specified level achieved, a penalty may be assessed.
6. The school system, not the contractor, selects the students.
7. The training program of the successful bidder must be cost effective, and not labor intensive.

The assumption behind the program is that a private contractor, in concert with regular school personnel in the overall school setting, will have greater freedom to innovate and may be more successful in motivating students than the regular school system.

Performance objectives: Performance contracts are not new to education. Elements of the notion can be seen in a variety of experiments during the 1920s and even earlier. But the concept of holding an educational agency *accountable for results* is new. This hardnosed approach has grown out of careful study of current reports on the various programs administered through the U.S. Office of Education.

These reports—evaluations of the various titles of the Elementary and Secondary Education Act—raise questions as to whether such funds are flowing into the most appropriate channels or whether a good part is drained off in poorly conceived, improperly managed programs. Much loss might be avoided if those seeking funds submitted proposals based upon specific performance objectives, including a clear statement of the conditions, evidence and standards used to show the degree to which objectives had been met. Such proposals could be solicited in response to a Request for Performance (RFP). The agreement arrived at through bid or through other arrangements could then take the form of a performance contract.

When a student is able to demonstrate in concrete terms what he has or has not learned, educators and the funding agencies will be in a better position to judge where and why a program succeeds or fails and to make the changes needed for success.

Thus a proposal for funds to back a reading program might stipulate that 90 per cent of the participating students would be able to achieve a particular grade level increase within a specified time. In requesting funds for teacher training, the agency might be able to prescribe the teaching skills to be imparted and the criteria for measuring the "proficiency level" of participants in the program. In both cases, the funded agency would then be prepared to explain any failure—to achieve the performance levels on which such a contract is based—preferably in terms of suggested changes in the program that might be expected to guarantee results.

Many programs have been funded, and are now underway, which at no point describe what students are expected to gain from their educational experiences. Instead of vague promises to provide "an opportunity to learn, to communicate effectively," instructional program objectives should be stated in terms as specific as these:

"Given three days and the resources of the library, the student completing this program will be able to write a 300 to 500 word set of specifications for constructing a model airplane that another student could follow and build."

There are, of course, larger objectives in education that are difficult to define, and impossible to measure as the consequence of any given program. The training components of education, illustrated in the basic skills of reading, arithmetic and the like, are most amenable to performance contracts, and it would be tragic to go beyond the training component at this time. Only those aspects of education that can be operationally defined and for which acceptable methods of assessment can be used are eligible for inclusion in a performance contract.

A performance contract approach to federal resource allocations promises greater economy in the use of federal funds and in the allocation of general education resources as well. Educational objectives pinned to predictable, measurable student performance, which are necessary arts of these contracts, would offer a much needed basis for measuring program cost against program effectiveness.

SPECIFICATIONS OF PERFORMANCE CONTRACT

Have you ever thought how you might frame a performance contract? The model Request for Performance (RFP) below, will show you the type of considerations that might go into such a contract when it is to be carried out by an outside agency.—L.M.L.

REQUEST FOR PERFORMANCE

I. General

Educational service to be provided: You are invited to submit a proposal to provide educational services to remove math, reading and other directly related educational deficiencies of potential dropouts at the secondary school level.

Payment: A fixed fee contract with incentives for successfully providing student achievement in math, reading and related skills in the most effective and efficient manner will be granted to the successful bidder. The contractor will be paid on the basis of prenegotiated standards of performance.

II. Population to be served

The population will be students designated by the local school district as potential dropouts due to specified educational deficiencies.

III. Educational process to be used

A general description of the process is detailed here, *e.g.* students will be released from normal school classroom time for three hours per day to participate in the program as described with free access to the regular school program.

IV. Standards of performance

For math and reading, pretests and posttests will be utilized as the basis for determining student achievement. Peferred test to be utilized will be a designated test of educational development. The contractor may wish to propose another testing instrument or combination (*e.g.* at different grade levels) in which case a rationale and justification for doing so should be made. If the designated test is used, or if another test or combination is proposed, the proposal should indicate which subcomponents of the tests (*e.g.* reading, math, study skills) constitute the "reading" and "math" on which achievement will be based.

V. Method of cost reimbursement

To achieve the over-all objectives, incentives will be allowed for the contractor to assist the student to achieve designated performance levels in the most efficient manner. In proposing the method of reimbursement, the contractor might want to consider one or a combination of these methods:

An all or nothing fixed fee on a grade level achievement basis in math and/or reading per maximum hours of instruction (*e.g.* one grade level in math and reading for $250 in not more than 200 instructional hours; if the student does not achieve at the prescribed levels, then the contractor is not reimbursed).

Fixed fee based on a grade level achievement basis in math and reading per maximum hours of instruction or achievement normalized to the maximum hours of instruction with penalty clauses (*e.g.* if the student achieves only 0.8 grade level increase in 120 hours, when 100 hours is the maximum stipulated time, then with a penalty clause of 60 per cent between .5 and .7 grade levels of achievement, the contractor would be paid 40 per cent of the stipulated fixed fee).

Fixed fee basis per "cluster" of study skills with maximum hours not more than one third of total hours of instruction in math or reading. Behavorial objectives and pre- and post-tests to be used will be stated explicitly.

The bidder may choose to propose an approach other than those above. Such approaches will not be considered when submitted alone, but are encouraged when submitted as supplemental to the basic response to this RFP. In the supplemental proposal for cost reimbursement, the rationale and justification must be made quite explicit.

VI. Other provisions

The contractor will agree to the following specific provisions or stipulate reasons to the contrary and provide descriptive information as described below:

To hire and train local personnel, most of whom are to be used as paraprofessionals. Minimal qualifications will be stipulated for each job slot which would be filled by same. At least 50 per cent of personnel involved in the instructional program will be local; approval must be given by the school board on the personnel recommendations of an executive committee (to be specified).

To utilize teachers and administrators (in a number specified) from the participating school chosen by the executive committee as "consultants" who will work part-time and will be involved in over-all design, curriculum redesign and modification, instructional systems development, instruction evaluation, and other areas in which their first-hand knowledge of the nature and extent of academic problems unique to the schools will be useful to the contractor. The contractor will be reimbursed for the costs of hiring these consultants. Specific areas in which these local consultants could be used part-time must be stipulated by the bidder.

To submit a list and specifications of all nonexpendable equipment, materials, as well as consumable instructional materials which will be used. Suggested equipment, sales representatives, and addresses should be made available; equipment available through "surplus programs" should be noted. All equipment marketed by the contractor. should be noted and if same equipment amounts to over 50 per cent of total equipment and materials costs, then suggested lease-purchase arrangements should be explained in detail. Estimated delivery dates for both initiation and expansion of program should be noted.

VII. Detail of bidder proposal

The proposal to be submitted to the fiscal agent of the school should include the above conditions and provisions, performance requirements, and other information related to the above in the following format:

(a) statement of the problem, (b) approach taken, (c) schedule of performance, (d) subcontracting, (e) copyrights and patents, (f) personnel to be used, (g) costs and pricing, (h) equipment costs and specs.

The contractor will also submit a proposed space requirement per optimal student body size (*e.g.* 30 students per "classroom"). Also included will be refurbishing cost estimates of an existing facility.

How To Determine Performance Fees

Financial incentives are what make performances contracts tick. Although the Texarkana plan relates remuneration to advances in student grade level abilities, that is only one type of performance measurement that can be used, among other measurements that might be appropriate. Here are some others:

A fixed amount per student for achievement on a General Education Development Equivalency Test Certification, demonstrating that the agreed-upon students have completed all five subtests (administered by a certified administrator) and received a standard score of not less than 40 on any one subtest or achieved an average of 45 on all five subtests.

A fixed amount per school for each student for demonstrating at least N per cent per month increase in agreed-upon behaviors, as recorded by the use of a behavior checklist.

A fixed amount per student who successfully passes such situational performance tests as shall be developed and agreed to by all parties to the contract.

A fixed amount per student who demonstrates no anti-social activities, such activities being defined as those that would/should result in a written report on them within existing administrative and management regulations.

A fixed amount per student for each student who achieves a high school diploma—defined as a verification that 16 credits have been attained in the following areas with proportional allocations: English, 3 credits; social studies, 2 credits; mathematics, 1 credit; science, 1 credit; electives, 9 credits. A credit is defined as 72 hours of successful classroom study.

A fixed amount per student who enters and participates in VISTA or the Peace Corps, when such entry in these programs takes place within N months of his departure from the school.

A fixed amount per student who is gainfuly employed within N days of his departure from the institution, meaning that the employer must be a state, federal or governmental political subdivision or a bona fide representative of the private sector of the economy, including privately financed nonprofit organizations.

A fixed amount per student (first year only) who is gainfully employed in the first year after departure from the school, such employment to have been continuous with the employer of record at the end of 12 calendar months for at least N months.

A fixed amount per student who, while gainfully employed receives payment for his services that is 20 per cent over the minimum wage required by any or all applicable state, local or federal regulations and statutes.—L.M.L.

UNUSUAL LETTER FROM CONSTITUENT

HON. GRAHAM PURCELL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. PURCELL. Mr. Speaker, several days ago I received a most unusual letter from one of my constituents in Richardson, Tex. It is unusual in the sense that few Americans are willing to openly express themselves these days, and this letter represents the opinions of many members of what we are today calling the silent majority. I would like to insert this letter in the Record at this point, Mr. Speaker, in order for my colleagues to recognize and consider what, as I have said, represents a number of widespread viewpoints on several major issues before us—but which have not received the attention they should have.

Richardson, Tex.,
December 12, 1969.

To the Congressmen and the President:

We are still a free country, I hope—so here at Christmas I must speak my mind which represents so many feelings of so very many true blooded Americans.

I *cannot* believe a group of men supposed to be so intelligent as all of you, do not know why we are undergoing the worst inflation I have known in my 64 years.

Bacon I paid 69 cents per pound for last week is 99 cents today. That's the *cheapest*.

Let me point out a few things to all of you brilliant men we all were really so dumb to elect!

When Mr. Nixon came in as President he got a 100% raise in salary. Congressmen all voted them a 42% raise.

From there the real inflation began. Unions then began to ask for higher wages for their members. Why shouldn't they? Prices were going up on everything and they wanted to live too.

We've never been union and we've had no raise to help us meet the inflationary prices. We have a modest living, have tried to save a little to help us in retirement but if we make any interest on our savings you've voted to take that away from us too.

You give, give, give to foreign countries when we have millions of hungry people at home—poor housing conditions—and so many places needing help at home it is pitiful.

It makes a big splash to give while they spit in the face of Americans. We've lost all respect for our country by trying to have other countries be like us! Aren't we good examples? You can't even solve the problems at home—the other countries don't need to be like us and all they want is our money.

Mr. Nixon, you want $40 billion, the paper stated last night for arts and better music! That makes me sick at my stomach. It has to come from our taxes and we are taxed slap dabbed to death. While you give to other countries and you live like kings and queens because you like that kind of living—remember others would like a comfortable living at home.

As for welfare—that is fine so long as those physically able to work, earn that check which comes from what our husbands work like a dog to help pay for.

The White House wasn't good enough for the President to live in—so he spends fabulous fortunes for homes here and yonder to rest in. Our taxes pay for the plane trips—and that trip to Paris by many of you, paid for with our taxes, so you could see an air show!

You have no idea how many people are waiting for next election time—and you want to know something, if Mr. Nixon vetoes that $800.00 deduction and that 10% surcharge isn't taken off—there are Republicans and Democrats ready to vote for one Mr. Wallace who believes in the common people—and there are more common—white collared College grads—who have taken just about all they can stand.

You are bleeding us to death and we're sick of it.

Did it ever enter any of your cotton picking minds that relief on federal income tax would stop inflation! We'd like a chance to save that to live on in retirement wouldn't be much more than bare existence but it would be what we had earned not welfare.

You all might have to take a cut in your high and mighty living but what if you were in our shoes—$200,000—plus Congress 42 or what ever it is now—compared to people who don't even make $3,000.00 a year and those of us with college educations—if we earn from $10,000 to $20,000 a year—by the time you've bled us with income tax and state taxes and food so high—yes—and because of your raises you started it all spiraling worse than ever.

Oh, what's the use? But Mr. Nixon, if you veto the help on Federal income tax—your chest won't stick out so far next election time. People who have remained silent because we'd elected men we thought would be in Washington to help our people—are ready to get on the stump next election time and really clean out the selfish, greedy and high and mighty.

Too bad public churches aren't even good enough any more.

I've used my paper on you and it probably will go into the trash can.

This Christmas people are thinking more than they've ever thought before.

Higher living costs—more crime than I've known in my lifetime—What a bloody mess America is in.

Think on that and have yourselves an expensive Christmas at the expense of all of us while you line your pockets and protect the wealthy who've never paid their way.

Mrs. Walker.

AN ANSWER TO WATER POLLUTION

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. VANDER JAGT. Mr. Speaker, an article in today's Wall Street Journal most effectively points out the almost catastrophic difficulties which face this Nation in its efforts to bring about solutions to water pollution problems. Excerpts from the excellent article by John Barnett entitled "Hudson River Cleanup Turns Out To Be Slow and Frustrating Task" follow:

The pollution of the Hudson is so gross, in fact, that it has made the river something of a symbol to pollution fighters—and it has inspired one of the most ambitious river cleanup efforts ever launched in this country. But it has also raised some troubling questions among conservationists, scientists and public officials who wonder if even the most ambitious of cleanup campaigns can restore the purity of a river whose ecology has been so drastically altered for so long.

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Still, conservationists and scientists who study the river say they are less worried about the delays in the timetable than about the possibility that the technical knowledge needed to clean up the river simply doesn't exist. They point, for instance, to the inability of even "modern" sewage treatment techniques to remove such nutrient materials as phosphorous and nitrogen from waste water. The nutrients could eventually cause the river to become so choked with algae that it might be far less attractive and far less able to support marine life than it is now.

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Removal of nutrients might be accomplished by so-called tertiary treatment of waste—another step beyond the customary primary and secondary methods of treatment that are included in the sewage plants now being built. But New York State Health Department scientists say no economical and efficient method of tertiary treatment has yet been devised, though the department's research staff is working on what is described as a promising method of chemical treatment of waste water.

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Similarly, officials say they are determined to force industrial concerns to clean up their waste. Dwight F. Metzler, the Health Department's deputy commissioner for environmental health services, says: "Industry is told, 'We don't care how you get rid of this. You can have your employes drink it, you can put it into a tank car and ship it to Canada, you can incinerate it—that's up to you. All we care about is what comes out the discharge pipe.' "

As a practical matter, however, solutions aren't likely to be forthcoming quickly. Paper companies say, for instance, that much of the technology for treatment of their wastes is so new that extensive engineering work is necessary before they can determine what equipment is needed.

Mr. Speaker, there are answers to these questions. They do not lie in the traditional applications of waste water treatment technology. I believe that we have proven that point in the past in the ineffectiveness of our efforts. What we must turn to now are the applications of present technology in new ways. And there is a system of waste water treatment that proposes to do exactly that. A discussion of that system was presented on Tuesday of this week to the Government Operations Subcommittee on Conservation and Natural Resources during hearings on phosphates in detergents.

Following is part of that presentation:

A Comprehensive Approach to the Management of Phosphates

(By John R. Sheaffer, Fred Roland, and Wayne Cowlishaw)

THE NEED FOR A COMPREHENSIVE APPROACH

The effects of phosphate-based detergents on water quality can be best assessed within a comprehensive framework. The adoption of such an approach will help to avoid the results of incomplete analyses (failure to consider external effects) and short range planning which have characterized current water pollution abatement efforts. Disjointed incrementalism is a graphic description of the effort. Water pollution abatement is generally promoted by the entire range of governmental bodies so that it tends to be decentralized or disjointed. Also, the effort seeks to extend or enlarge upon existing technology thereby producing only incremental changes in water quality. A continuation of disjointed incrementalism will tend to avoid the development and application of comprehensive global planning which can produce the programs necessary to bring about dramatic changes in water quality.

The need to abandon disjointed incrementalism is illustrated by the report entitled "Examination into the Effectiveness of a Construction Grant Program for Abating, Controlling and Preventing Water Pollution." This report, which has been prepared by the Controller General of the United States observed that the benefits from the construction of more than 9,400 projects having an estimated cost of about $5.4 billion have not been as great as they could have been. A case study presented in the report contained an analysis of water quality, treatment, and standards on the Merrimack River. The apparent ineffectiveness of many of the expenditures leads one to conclude that perhaps the technology being applied is inadequate and that the answer is not one of seeking to meet minimum standards with a programmed expenditure for selected treatment plants, but rather to adopt a new technology which could provide a solution and at less cost.

A resume of the present pollution effort is necessary to provide a framework for our statement regarding the effects of phosphate-based detergents on water quality. As we view the national effort, it is characterized by reaction to problems as they become apparent, e.g., biodegradable detergents, phosphates. As such, it is a defensive battle which provides no vision or leadership. It is truly myopic.

If the phosphorus is to be replaced in detergents, the question of what is to take its place must also be considered. Based on past experience, the replacement may turn out to be just as serious a pollutant as the phosphorus. What effect will 600 million pounds of starch derivates per year have on water quality? Methods of phosphorus removed from waste water effluent generally involve some type of chemical replacement. For example, the use of ferric chloride to precipitate phosphates will add 20 mg/1 chlorides and 4 mg/1 iron. Would widespread use of this method lead to problems of cholorides and iron in water?

Many water pollution abatement efforts simply transfer pollutants to another location or another media, e.g., from water to the air or the land. If phosphorus is precipitated out into the sludge of a sewage treatment plant and the sludge is then incinerated, it is likely that some of the phosphorus will be discharged into the atmosphere and will be brought back to the land and water with the rain.

The concentration of phosphorus in rain is estimated to be from two to seventeen million pounds per year—without the removal of phosphorus. If phosphorus is removed at sewage treatment plants and the sludge incinerated, the amount of phosphorus in rainfall will greatly increase.

There is increasing evidence to suggest that viruses are the cause of many of the most serious diseases plaguing the United States. Yet, it is startling to discover that such health-related organisms as viruses are not covered in any of the water quality standards now in effect in the United States. In fact, few measurements are made of viruses.

Many viruses are found in waste water and should be considered in any waste water management program. Viruses certainly warrant as much attention as dissolved oxygen in our water quality standard. We need to assign priorities to pollutants in terms of their potential effects rather than in terms of our ability to remove them.

The most widely used method of secondary treatment, activated sludge, has been shown to be totally ineffective in removing viruses. An analysis of alternative treatment methods in terms of virus removal was carried out by P. H. McGauhey[1] of the Sanitary Engineering Research Laboratory at Berkeley, California. He obtained the following results:

(1) Samples of raw sewage, primary effluent, and activated sludge effluent were 100 per cent positive. (Thirteen different viruses were identified.)

(2) Effluent from oxidation pond (30 days detention) showed 30 per cent of samples positive.

(3) Recreational pond effluent, after 2,500 ft. in soil system, was 100 per cent negative.

The results show no removal of viruses by activated sludge treatment plants. Nevertheless, this process is being advocated as the answer to the water quality problems which are plaguing the nation.

A NEW APPROACH TO WASTE WATER MANAGEMENT

An appraisal of the effectiveness of the current pollution abatement efforts need to formulate a new approach to waste water management. Such an approach would provide an offense or a vision. As stated in Proverbs, "Where there is no vision, the people perish." This new approach or vision is undergirded by three concepts. They are:

(1) Pollutants are resources out of place,

(2) Waste water management systems must be designed as closed systems, and

(3) The environment is a total entity.

Viewing pollutants as resources out of place is analogous to a botanist's viewing a weed as a plant out of place. It is not difficult to see how this concept applies to waste water management, for the primary elements which create the problem of excess algal growth in water-nitrogen, phosphorus and potassium—are the principal elements in fertilizer. If these elements were on the land they would be considered as resources, but when they are discharged into the water they are pollutants—resources out of place. The second concept calls for the design of closed systems. Historically, waste water management systems have been designed as open-ended systems, which can function only if they discharge into some receiving body of water. The reason for the design of such systems was the belief that wastes could be carried away by streams which could purify themselves.

However, urban sprawl and population explosions have shown that it is no longer possible to throw things away because there is no longer an away. Waste water management requires a closed system. Systems can be closed by recycling pollutants (resources out of place) back into the productive cycle, thereby avoiding direct discharges.

The final concept is that the environment exists as a unit and all of the elements relate and interact with one another. The relationships tend to be in balance but are constantly changing; hence the environment is described as a "dynamic equilibrium."

A NEW WASTE WATER MANAGEMENT PLAN

The three concepts presented above underlie the waste water management programs that have been developed for Muskegon and Ottawa Counties in Michigan. These plans offer total solutions to the total phosphorus problem including that of detergent-based phosphorus. The waste water management systems outlined in these plans constitute solutions to the water quality problems. The systems are made up of the following components. A pipeline is used to transport all of the wastes from an urban area to a site which environmental geologic studies have shown to be safe for the operation of a waste water management program. A series of treatment lagoons are constructed at the site which provide for aeration to satisfy biological oxygen demand, settling to remove settleable solids, aerobic bacteria to consume soluble organic wastes, and photosynthetic cells to convert nitrates and phosphates into algal cell material that can be retained by the soil. The lagoon treatment facility produces an effluent superior to that of a secondary sewage treatment plant. In addition, the lagoon facility offers several distinct advantages. First, large amounts of storage can be provided in the treatment lagoon to hold and treat unusually large flows of water generally associated with stormwater runoff and combined sewer overflow. Second, because of the large volume of water held in the lagoon treatment facility, it has the capacity to assimilate toxic shock loads associated with industrial spills. Even if the bacterial colony is killed off by the toxic material, the incoming wastes are stored until another colony can be established. This is quite different from an activated sludge, where a colony kill results in the discharge of partially treated wastes for seven to ten days until a new colony is established. An analysis of a large activated sludge plant in the midwest showed that such colony kills are likely to occur as frequently as six times per year.

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[1] P. H. McGauhey, *Engineering Management of Water Quality* (New York: McGraw-Hill Book Company, 1968).

Another advantage is the effect of lagoons in terms of virus removal. Research has shown that thirty days retention in a lagoon removed seventy per cent of the viruses in comparison to the zero per cent removal obtained by secondary treatment plants.

After the waste water is treated in the lagoon system, it is applied to geologically suited land areas. In the Muskegon-Ottawa County plans, these areas tend to be glacial outwash plains which are unproductive because they lack water-holding capabilities and nutrients. By spraying the treated waste water on these sites, both of the missing ingredients are provided and the barren land will become productive. The waste water is applied to the land by large automated rotating spray irrigation rigs which cover 160 acres from a central point. These rigs require low labor inputs to operate and will produce little, if any, aerosol or drift effect. Because the pipe rotates around the field, the water does not have to be projected high into the air to gain coverage. The harvesting of crops from the irrigation site completes the treatment process and essentially closes the systems. To illustrate, nutrient may be looked upon as moving in the following cycle. Corn is grown to feed animals which are slaughtered and sent to the city as a food supply. The meat is eaten and the waste is discharged to the water treatment system as sewage. The sewage is pumped out to the lagoon treatment facilities where the nitrates, phosphates and potassium are treated. After treatment, they are applied to the land where they are taken up by the corn crop planted on the site, thus completing the cycle. Another example of a closed system relates to the water. Drinking water is taken from Lake Michigan and, after treatment, is piped through the city where it is used and discharged into the waste water treatment system. When the waste water enters the lagoon treatment facility, suspended solids, heavy metals, and other materials settle to the bottom, seventy per cent of the viruses are removed, and those materials which are dissolved in the water (the remainder of the viruses, the nitrates, the phosphates, the potassium and the soluble heavy metals) are applied to the land. The living filter, which is the biological zone of the soil, treats these wastes. Research has shown no viruses present after the waste water has moved through a biological zone. In addition, heavy metals are held by the organic matter in the soil, clay particles, and some are taken up as trace elements in the plants. The waste water, after purification in the lagoons and treatment by the living filter, moves to the ground water table where it either flows as base flow or is pumped from wells to a river and then back into the Lake.

Waste water management programs of this nature appear to be feasible in virtually every urban area in the United States. Such programs would render the direct discharge of wastes into the water resource unnecessary. In addition, there is strong evidence that suggests that a synergistic effect would result. The total effect will be greater than the sum of the two programs—waste water management and agricultural production—if they were taken independently.

The availability of land will not be a deterrent to the adoption of such programs. As a rule of thumb, if waste water were to be sprayed at a rate of two inches per acre per week, approximately 130 acres of land would be required to accommodate a million gallons of water a day. Using simple mathematics, if 100 million gallons of water were to be disposed of, 13,000 acres of land would be required; if a billion gallons of water per day were to be disposed of (the largest water system in the country) 130,000 acres of land would be required. A preliminary evaluation of the major metropolitan areas in the United States strongly suggests that such land areas exist within one hundred miles of most major metropolitan areas. Furthermore, these land areas are generally unproductive and add little return to the economic base of the region.

THE EVALUATION OF THE MUSKEGON COUNTY AND OTTAWA COUNTY WASTE WATER MANAGEMENT PLAN

Muskegon and Ottawa Counties, in Michigan, are striving to provide a vision for our waste water management effort. With respect to phosphorus, these plans regard it as a resource out of place. It becomes obvious that an alternative to the replacement of phosphorus in detergents with some other substance (i.e., starch derivatives) should be pursued. Your subcommittee could be instrumental in bringing about waste water management systems which would view phosphorus as a resource out of place rather than an element to be replaced. The beneficial use of phosphorus in the manner proposed in Muskegon and Ottawa Counties will avoid the direct discharge of any pollutants into the water resources.

Soil systems are capable of removing certain forms of soluble nitrogen compounds, soluble phosphorus compounds and various other pollutants from percolating waste water. These removed materials become available as nutrients for plants.

The principal mechanisms of removing and holding these nutrient materials are: (1) adsorption, and (2) chemical replacement.

Adsorption is the process whereby ions are chemically or physically attracted to and held by molecular complexes existing in the soil medium. Clays and organic materials are the principal complexes present. Nitrogen and phosphorus compounds can become part of the intricate lattice structure of these complexes at the surface and sub-surface layers. Ion exchange and satisfaction of lattice bond deficiencies are the mechanisms of retention. Electrical potential influence fields are also responsible for the retention of ions present in the percolating water.

Progressing from sand to clay, the soil increases in its retention capabilities. The effect of soil type has a greater influence on nitrogen retention than phosphorus retention. Nitrogen in the ammonia or ammonium form will be readily retained in clay and organic soils. Nitrate nitrogen appears to be leached readily out of most soils. Considerable amounts of ammonia will likely be converted rapidly to nitrates by the bacteria in the soil. These would also be readily leached. The chemical replacement mechanism is one by which ions bound to the soil molecular structure are replaced by ions in the percolating water.

Studies in a number of areas have shown that even with high application rates of phosphorus, only negligible amounts will be leached by most soil systems. Certain soil-phosphorus bonds can be broken by the nutrient uptake processes of plant roots and the phosphorus utilized for plant cell structure. The growth of plants utilized in man's food chain would in effect produce a closed system which would utilize phosphorus and other compounds that now are disposed of as useless pollutants.

The economic and technical potential of soil systems results from their ability to virtually eliminate a host of difficult pollutants in one single process. In addition to phosphorus removal, soil systems provide advanced treatment for biological and suspended matter, for nitrogen compounds, detergents, toxic heavy metals and for bacteria and viruses.

Reduction of only phosphorus in waste water by changing the compounds used for detergents would reduce the combined economic benefits of the soil treatment system. The net result of such an incremental approach to the long-range needs of water quality management could be the elimination of land application as a feasible alternative.

For the proposed Muskegon system, benefits of the land application approach extend beyond the direct benefits of waste water reclamation. One important resulting benefit is the prospective expansion of employment opportunities due to the ability of the system to handle the solids problems of important industries. A waste management system such as this, that effectively deals with present and anticipated waste treatment needs of industry, constitutes a potent incentive for industrial expansion and influx. The following table summarizes the quantified benefits of the Muskegon County Waste Water Management Plan. Investment in waste water management becomes an economic endeavor yielding a 69 per cent yearly return on the investment.

The approach we have outlined not only deals with the effects of phosphate-base detergents on water quality but also provides a total solution to the water quality problems. It can provide a vision for our efforts. As Solomon stated "Where there is no vision, the people perish." We are faced with the same dilemma, for without a vision, our water resource will perish.

Economic analysis of Muskegon County waste water management plan

[Average annual benefits]

Benefits from Muskegon County waste water management plan:	
Revenue from crop production in excess of costs (corn yield 120 bu/acre x $1.20/bu. $70 production cost x 10,000 acres)	$740,000
Equivalent value of fertilizer contained in waste water ($17./acre x 10,000 acres)	170,000
Appreciation of land ($100./acre value as wasteland; $400./acre value as fertile land with buildup of humus, tilth, and nutrients. $300/acre appreciation x 10,000 acres=$3,000,000) 20 years	150,000
Agricultural subtotal	1,060,000
Employment opportunities generated by plan Agriculture (100 jobs x $10,000 with 100 percent credit)	1,000,000
Paper mill sanitation division (500 jobs x $10,000 with 20 percent credit)	1,000,000
Shoreline development (600 jobs x $10,000 with 33⅓ percent credit)	2,000,000
Employment subtotal	4,000,000
Recreation benefits through enhancement of water quality for boating, fishing, and esthetic purposes through the removal of all direct discharges into the lakes (Mona, Muskegon, and White Lakes=7,361 acres), increased use benefit estimated at $120/acre/year	883,000
200-boat marina made possible by waste water plan	30,500
Recreation subtotal	913,500
Total benefits	5,973,500
Costs of Muskegon County waste water management plan:	
Capital costs of $23,728,000 (annual debt service, 30 years at 6 percent—.07265)	2,623,839
Operating costs	900,000
Total	3,523,839

Benefit/cost=1.69.

Mr. Speaker, this system of waste water treatment may well be the answer to the problems of the Hudson River. It may well be the answer to the problems of waste water disposal by most of our cities and towns. I would hope that Federal and State agencies responsible for cleaning up our lakes and rivers would give this system the most serious attention which it deserves. It is truly the "vision" which may well save man on this earth.

THE ISSUE OF "BAD HEREDITY"

HON. CHARLES S. GUBSER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. GUBSER. Mr. Speaker, in recent months I have placed in the Congressional Record material furnished me by Dr. William Shockley and Dr. Joshua Lederberg, both of Stanford University, relative to the question of whether the National Academy of Sciences should conduct a scientific study of the hereditary aspects of our national human quality problems. I have done this in the interest of objectivity, and in no case have I taken a position with respect to the issues involved.

Dr. Shockley has now presented additional material for the Record, and it is inserted herewith:

[From the Stanford M.D., October 1966]

The Issue of "Bad Heredity"

In the last issue of *Stanford M.D.* you reprinted an interview with Dr. William Shockley which appeared originally in *U.S. News and World Report*. This kind of pseudoscientific justification for class and race prejudice is so hackneyed that we would not ordinarily have cared to react to it. However, Professor Shockley's standing as a Nobel Laureate and as a colleague at Stanford, and now the appearance of his article with a label of Stanford medicine, creates a situation where our silence could leave the false impression that we share or even acquiesce in his outlook, which we certainly do not.

Professor Shockley has made some constructive suggestions—the essentiality of more research on genetic factors in social maladjustment, and certainly the need for more creative imagination than we now observe in planning social welfare and in education. However, we deplore his innuendos about the hereditary basis of the purported intellectual and social deficits of Negroes, and the tone of his entire discussion about "bad heredity." Why did he not trot out the "scientific documentation" of the Jukes and the Kallikaks? Whatever good might come from his constructive suggestions is outweighed by the mischief of a pseudo-scientific basis for evading or distoring our social responsibilities; too many people will seize any excuse for these purposes. The plain fact is that we do not know the answers to his provocative questions, and in our present-day context it falls between mischief and malice to make such a prejudgment in his terms.

There is also a common fallacy about genetic defect—that it is fundamentally irremediable. The whole concept of "bad heredity" is in any case a myopic one, since the high values of one social milieu are the vices of another one, and our milieu is constantly changing. The quantitative importance of hereditary variation for our social problems is, we repeat, quite unknown, nor will it be as easy as Professor Shockley implies to find out. As long as any racial prejudice or prejudgment lingers, would a Negro child adopted into a white family have the same effective environment as a white baby? Howbeit we can be sure of two things: (1) that under any circumstances the rate of genetic change of the population is very slow compared to the changes in our social institutions, and (2) even if we adopted a totalitarian answer on Shockley's premises, there would be plenty of residual variability to contend with. In these circumstances we can hardly neglect another prescription that Shockley overlooks—to work out the techniques of medical care, education and industrial and economic organization that can create incentives and useful careers for the whole wonderful variety of human beings.

Walter F. Bodmer,
A. T. Ganesan,
L. A. Herzenberg,
Joshua Lederberg,
Elliott C. Levinthal,
Eric M. Shooter,
Silvio Varon,
The Faculty of the Department of Genetics.

DR. SHOCKLEY REPLIES

In commenting on my interview, "Is Quality of U.S. Population Declining?," *U.S. News and World Report*, November 22, 1965, and, "We Have Reason to Worry . . .," *Stanford M.D.*, January 1966, the members of the faculty of the Department of Genetics agree that I make constructive suggestions regarding "the essentiality of more research on genetic factors on social maladjustment" and that they "do not know the answers to his provocative questions." These sentences seem to me to contradict their conclusion: "The whole concept of 'bad heredity' is in any case a myopic one, . . ." because of varying "milieu."

In appraising the interview they refer to "a totalitarian answer on Shockley's premises" and "deplore his innuendos about the hereditary . . . deficits of Negroes" and employ the words "malice," "mischief," "pseudo-science," and "hackneyed." In selecting these expressions and in signing en masse is the faculty of the Department of Genetics contributing to objective and constructive thought or assuming a totalitarian and dogmatic posture to dictate permissible channels of thinking? I refer the *Stanford M.D.* reader to my interview as a whole and specifically to my answer to an opening query, and again, my concluding paragraph, *i.e.*, ". . . when I try to pin professional geneticists down on this point, the reaction is often: 'We don't really know anything about this, and you shouldn't raise these possibilities.' This withdrawn attitude does not fit my idea that progress is made by open-minded exploration." The Genetics faculty's letter documents this observation. The interview's concluding paragraph stated: "My program for continued progress is: Let's ask the questions, do the necessary research, get the facts, discuss them widely—then either worries will evaporate, or plans for action will develop."

I disagree seriously with the members of the Genetics faculty on three main points:

1. *My article is objective, not racially slanted*. Regardless of race or color, I admire intellect (even when I disagree with it) and deplore feeblemindedness (especially an I.Q. of 55 with 17 children). Here I disagree with the Genetics faculty; I cannot in good conscience apply the word "wonderful" to the feebleminded "variety" of humanity. My article's proposals on scientific data from controlled adoption programs were not focused on Negroes. The members of the Genetics faculty criticize my proposals but their constructive suggestions include none regarding the interaction of environment and heredtiy. They might have noted that Negro orphans do have available superior, prejudice-free home environments with eminent, successful Negro families.

2. *What the Stanford genticists label "the whole concept of 'bad heredity'" and dismiss as "myopic" does exist and is important for our nation to understand.* In preparing a reply to the Genetics faculty letter I encountered the following references: (A) "Mental Retardation" (W. B. Saunders, Philadelphia, 1965) by Mrs. E. C. Reed and her husband, S. C. Reed, Director of the Dight Institute of Human Genetics, University of Minnesota. (B) *U.S. News and World Report*, March 7, 1966, "The Unfit: Denmark's Solution," an article provoked by my interview. (C) Reports of a 1957 study by Dr. T. Kemp related to (B). (D) Dr. Ralph W. Gerard refers me to Kallman on genetic factors in schizophrenia and on manic depressive psychosis and also on the latter to Winokur and Pitts (*J. Psych. Res.*, Vol. 3, p. 113, 1965). (E) Terman and Odin, "The Gifted Group in Midlife" (Stanford University Press, 1959). (F) Testimony of James A. Shannon, Director of National Institutes of Health, March 2, 1966, released by House sub-committee on appropriations, also Washington *Star*, p. 1, March 25, 1966. Is all this "hackneyed' "pseudoscience"?

The title and first paragraph of the news story of item (F) reads: "Dissuade Genetic Defects as Parents, Doctors Urged" . . . "Dr. James A. Shannon, Director of the National Institutes of Health, has warned that physicians must equip themselves to discourage men and women carrying genetic disabilities from having children." Are the National Institutes of Health "myopic" in their "whole concept of 'bad heredity' "? Is the Genetics faculty so equipping Stanford M.D.'s?

My conclusion from these references is that mental traits, both admirable and deplorable in my personal set of values, are significantly affected by heredity much as are the biochemical ones Shannon emphasizes. For example, reference (E) reports that "gifted" parents have 30 times the average probability of producing 150 plus I.Q. children Items (B) and (C) are in accord with the Reeds' conclusions stated in (A) as follows:

"When voluntary sterilization for the retarded becomes part of the culture of the United States, we should expect a decrease of about 50 percent per generation in the number of retarded persons, as a result of all methods of reducing retardation." They also write ". . . instead of the 6,000,000 retarded persons now in the United States there would only be 500,000 of them, if only normal persons with normal siblings and married to normal persons, had reproduced in the previous generation." They also comment that "the transmission of mental retardation" is "a subject which has been rather carefully ignored in recent years."

Why do the members of the Genetics faculty appear carefully to ignore and even to obscure the subject of transmission of mental retardation?

If the editor will allow me space here to deviate from my response and to plead for a cause, I would like to mention findings reported by the Society for Humane Abortion. They quote social workers who find that many pregnant mothers of poor economic and marital status do not, as often alleged, irresponsibly seek to increase their income by having more dependent children. They would choose abortion if available. I urge the members of the faculty of the Department of Genetics to add their prestige to my support of the Society for Humane Abortion in San Francisco and the Association for the Study of Abortion in New York. They can do so with a clear conscience without taking a position on Point (2)—bad environment is enough reason for abortion in these cases.

I favor all environmental improvements possible for all humanity. On this obvious matter the Genetics faculty and I agree. The means are another subject for research.

3) *The Stanford geneticists give the lay public (and that includes scientists in other*

fields) credit for very little intelligence and integrity. They tell us in effect: "Mind your own business and do not talk about this: the public can't be trusted." Happily, we have encouragement from some thoughtful medical-social scientists to do otherwise. Dr. Alan F. Guttmacher, National President of Planned Parenthood, states "that in matters of social progress the people have always been ahead of their leaders, whether politicians, churchmen, physicians, etc."

It is my personal opinion that the discussion of human genetics is a sorry mess lacking objectivity and candor and that this situation may threaten the future of our nation. To quote Shannon's testimony: to ". . . put it bluntly, Mr. Chairman . . . we are gradually weakening our genetic inheritance" of biochemical and physiological functional traits. The correspondence I have from geneticists and other scientists who insist on not being quoted is evidence enough for this judgment of lack of candor and objectivity as is the content of their letters. I commend *Stanford M.D.* for the courage to publish on such provocative questions and I hope that its influential readership will thoughtfully consider and appropriately discuss such questions privately and publicly.

WILLIAM B. SHOCKLEY,
Poniatoff Professor of Engineering Science.

A PROPOSAL THAT THE U.S. GOVERNMENT QUERY THE NATIONAL ACADEMY OF SCIENCES REGARDING POSSIBLE UPDATING OF THE ACADEMY'S 1967 STATEMENT ON HUMAN GENETICS AND URBAN SLUMS

(Proposed by W. Shockley as an experiment in research on methodology to reduce the environment-heredity uncertainty, including ethnic and racial aspects)

My proposal amounts in essence to asking the National Academy of Sciences:

Is or is not your 1967 Statement on Human Genetics and Urban Slums now clearly out of date and unsound as a result of the analysis published in the Winter 1969 issue of the Harvard Educational Review by Dr. Jensen and its subsequent review by Dr. Crow?

If the 1967 Statement (see Enclosure (1)) is out of date, then a restatement of it is urgently needed.

Evidence that a response to my proposed questions, as formulated in detail below, would not require extensive research is furnished by the history of the 1967 Statement as described in part in the Academy's story in the News Report of June–July 1969.

"As a response to the issues he raised [i.e., Shockley prior to October 1967], the Council of the Academy, with the help of several eminent geneticists, in 1967 prepared a 1600-word statement on human genetics and urban slums."

The eminent geneticists were identified as reported in Enclosures (1) and (2) as Professor James F. Crow of the University of Wisconsin (now at the California Institute of Technology), Professor James V. Neel of the University of Michigan and Professor Curt Stern of the University of California at Berkeley.

It is my understanding that the preparation of the 1600-word Statement did not require new research or extensive review of old research; it did represent the prevailing current thinking. Its review for approval by the Council, I recall being told by telephone, took place in the course of one weekend meeting of the Council. My purpose in making these observations is to support my opinion that my proposed questions would provoke a review that would require relatively small effort; in fact, in the light of the evidence given in detail below, the suggested review might be accomplished with very much less effort than went into preparing the 1967 Statement. The consequence might be a drastic revision of what I appraise as the "unsearch" posture of the Statement (exemplified by the two sentences that, as taken from the 1967 Statement, I shall discuss below and refer to as the 1967 Quotation).

Here is a proposed format of the three questions that I urge be transmitted by government to the Academy:

An appraisal is requested of the validity of two items reported in the recent Harvard Educational Review article by Arthur R. Jensen and of a third statement presented by W. Shockley at the Autumn 1966 Academy meeting and of the relationship of all three to the Academy's statement on human genetics and urban slums:

(1) On pages 62–63 of the Jensen article, a 1968 study is cited. The incidence of mental retardation (IQ below 75) for children is quoted here as being very much greater if the mother's IQ is below 80 than if it is above 80. Furthermore, at one to three years of age both groups of children had an average IQ of 95 so that the IQ deficit of both groups was very small at 1 to 3 years of age.

Question (1) pertaining to the validity and significance of this reported research is divided into three parts:

(1A) Are these 1968 results statistically valid? If not, can they be rejected or do they call urgently for more research in order to establish the facts?

(1B) If the 1968 results are valid, is it correct to conclude that prenatal and birth problems were unimportant in the subsequent drop of intelligence test performance of the children of lower IQ mothers to an average of about 63 IQ at age 14? Does this mean that the low average IQ at 14 was caused inevitably by hereditary factors? Do the social implications of this question call urgently for more research?

(1C) Were similar studies available prior to the National Academy of Sciences' 1967 position statement on human genetics and urban slums? If so, could the references be cited and an evaluation in respect to the 1968 study be furnished?

(2) Is it indeed a soundly established fact that the probability of incidence of mental retardation (IQ below 75) for Negro children is between 6 and 16 times higher than it is for white children of families matched with the Negro children's families, both being of relatively high socioeconomic status? (This question is based on Table 3 on p. 83 of the Jensen article.)

(3) Is it valid to express one aspect of the relative importance of environment and heredity in determining intelligence as measured by standard IQ tests by the following sentence: "Heredity controls intelligence more than twice as much as environment in families that adopt one of a pair of white identical twins."? (The preceding quoted sentence was correctly reported in a New York Times news story of Dr. Shockley's contributed paper at the Autumn 1966 National Academy of Sciences meeting.)

The purpose of these questions is to focus on several specific items so as to ascertain the current validity of the 1967 statement. For this purpose partial answers to some of the questions might suffice.

The significance of the proposed questions in respect to the Academy's 1967 Statement is obvious. So is their potential impact on recent Legislative hearings concerned with the effects of malnutrition and remedial education. I shall single out the third question as one for which a recent change of position by one of the authors of the 1967 Statement is most important.

For this purpose I shall refer to three different appraisals, expressed respectively in 1966, 1967 and 1969, of the importance of hereditary factors in determining intelligence. All of these appraisals involve the same three eminent geneticists and Academy members: James F. Crow, James V. Neel and Curt Stern. These scientists authored the Academy's 1967 Statement according to Enclosure (1), which, as does Enclosure (2), suggests that the Statement was an answer to questions that I had raised prior to the Autumn of 1967.

The first appraisal, referred to as the 1967 Quotation, is quoted from the Academy's Statement:

> The problem of disentangling hereditary and environmental factors for complex intellectual and emotional traits where many genes may participate, where measurements are often not reproducible, where it is not certain what is being measured and where subtle environmental factors are involved, is extremely difficult. It is unrealistic to expect much progress unless new methods appear.

The 1966 Responses that I shall next discuss show that in 1966 two of the authors held views in keeping with the preceding 1967 Quotation. The 1966 Responses were expressed by Dr. Neel and Dr. Stern and resulted from my efforts to produce a clear and relevant presentation of a quantitative appraisal of the importance of heredity in controlling the development of intelligence. "Clear and relevant" I interpreted to mean comprehensible to the non-expert but adequately qualified to satisfy the expert.

My inquiries proceeded from Dr. Stern to Dr. Neel. Dr. Neel referred me to his former Ph. D. student Steven Vandenberg as the best available expert. My statement in question (3) was based on Dr. Vandenberg's letter of Enclosure (4). (This frank and objective letter tells almost the whole story in itself except for the new methods that have appeared since 1967 as discussed in Jensen's article.)

It was my impression that Dr. Stern and Dr. Neel would concur in a statement that would be acceptable to Dr. Vandenberg. Prior to quoting their concurrence with the relevant sentence in my contributed paper at the Autumn 1966 Academy meeting, I sent the following telegram to all three:

"This telegram confirms my verbal understanding with Stern, Neel and Vandenberg that they concur heredity controls intelligence more than twice as much as does environment in families that adopt one of a pair of white identical twins."

My reason for qualifying by "white identical twins" will become clear from the reference to identical twins in London in Dr. Crow's 1969 Position discussed below. Dr. Stern's response to my telegram was:

"Sorry, I do not concur in any estimate such as 'twice as much' concerning heredity versus environment."

Dr. Neel sent me a telegram reading:

"Prefer not to be quoted in that context."

He followed this with a second telegram delivered via Professor Handler (now President of the National Academy of Sciences) who was present at the Academy meeting reading:

"Do not quote me as concurring."

I telephoned Dr. Vandenberg, informed him of these non-concurrences and obtained his (courageous!) authorization to state: "This statement [i.e., the quote of question (3)] was acceptable to identical-twin expert Steven Vandenberg to whom I was referred by human geneticist James Neel."

The 1966 Responses of Dr. Neel and Dr. Stern quoted above are consistent with the 1967 Quotation cited from the Academy's 1967 Statement above.

The 1966 Responses of Dr. Neel and Dr. (and quoted at the end of the next paragraph) in his evaluation of the Jensen paper appears to be clearly inconsistent with both the 1966 Responses and the 1967 Quotation. Jensen (page 47, Table I) shows that 77.1% of the variance of IQ (for the school population of London studied by Sir Cyril Burt) arises from genetic components and 16.5% from environmental factors and 6.4% from test unreliability. *These figures unambiguously support my 1966 "more than twice as much"* statement of question (3) starting on page 2.

My assertion that *Dr. Crow's 1969 Position does not agree with the 1966 Responses of Dr. Neel and Dr. Stern and thus probably not with the 1967 Quotation is based on the evidence of his published review of Jensen's* *estimates*. (See the Spring 1969 issue of the Harvard Educational Review.) Dr. Crow writes: "I agree for the most part with Jensen's analysis." He also supports Jensen's numbers in detail. In the following quotation, H^2 values of 0.75 and 0.86 correspond to 75% and 86% in the same sense that I used 77.1% above. I make this observation to point out that you need not be concerned with the definitions of the symbols E^2 and H^2 that occur in order to interpret the following direct quotation from Crow's review:

"As Jensen mentions, the Burt study appears closest to the ideal of placing the separated identical twins into random environments at an early age. There is some reassurance to the skeptic (*such as I have been*) [emphasis mine] in that H^2, as estimated by the correlation of the one-egg twins reared apart [i.e., by families that adopt one of a pair of white identical twins], and E^2, estimated by the correlation between unrelated children reared together, add up to approximately 1 [i.e., unity]—as they should if everything is simple (0.75 + 0.24 = 0.99 in Jensen's Table 2; 0.86 + 0.25 = 1.11 in Burt's individual measurements.) Other cross checks are also in reasonable agreement.

"If we take the results from many investigations at face value, there is a great deal of consistency, as Jensen points out, and H^2 averages 0.8 . . . I agree with Jensen in deploring an uncritical assumption that only environmental factors are important and that genetic differences are negligible."

To sum up, I believe Crow's 1969 Position strongly supports my 1966 statement that was at that time rejected by the 1966 Response of two of the authors of the 1967 Academy Statement. Dr. Crow's position has apparently changed upon reading Jensen's article—indeed his clause "skeptic (such as I have been)" suggests a recent change of view on his part.

I submit that this analysis is adequate evidence for my case that a "plain and relevant presentation" has not been produced by "the scientific community" on the influence of heredity in controlling the development of intelligence.

My reason for urging the transmittal of my proposed questions to the Academy is that, in keeping with the wisdom that gave the Academy its charter in the first place, such an outside inquiry from the government might contribute as much in a few months to increase the awareness of the need for a "plain and relevant presentation" of facts pertinent to our human quality problems as have my own efforts over the last several years. I doubt if such an inquiry would be tabled before discussion as was my proposed resolution. For example, if now asked in 1969 what science can assert in regard to my three questions, the three authors of the 1967 Statement might all be found to concur in the 1969 Position expressed by my quotations from Dr. Crow's review.

The facts reported above regarding the appraisals expressed in 1966, 1967 and 1969 and their differences and changes are a matter of record that may be readily verified. These facts raise questions about the scientific (versus popular) soundness of the Academy maintaining its 1967 Position in April of 1969 as expressed by President Seitz.

"The strong feeling among the great majority of members," Dr. Seitz told newsmen, "is that it is essentially impossible to do good research in this field as long as there are such great social inequities. And such research is so easily misunderstood in these times."

President Seitz' views here appear to me to be frighteningly subservient to a popular majority opinion rather than to one tested by adequate study and debated and thus, as I have expressed for the record several times, not appropriate to a position of leadership in science.

In closing, I shall emphasize the importance of my conclusion that the 1967 Statement needs revision by expressing my general appraisal of the significance of the current situation:

I regard the Academy's Position as being the most serious and obvious dereliction of intellectual responsibility in the history of science. This appraisal was underlined to me in mid-May by the statement of a fellow Laureate to the effect that the answers to my questions were "so obvious." I do not believe he would be willing to state his convictions publicly. I believe that an important contribution to man's future can be made by documenting this irresponsibility on the part of American science as has occurred for Lysenkoism in Russia. The greater seriousness of our irresponsibility is underlined by the following quotation from Jensen's article:

"Is there a danger that current welfare policies, unaided by eugenic foresight, could lead to the genetic enslavement of a substantial segment of our population? The possible consequences of our failure seriously to study these questions may well be viewed by future generations as our society's greatest injustice to Negro Americans."

My own worry, expressed at the last meeting of the Academy and quoted by the AP story of Enclosure (5), is that during the next 20 years our well-intentioned welfare programs may unwittingly lead to the birth of more than a million illegitimate slum babies destined to lives of agonized frustration by being mentally retarded as a result of low values of their genetically controlled components of intelligence.

These are the problems about which Enclosure (2) says the National Academy of Sciences has voted not to encourage scientific study. I propose that transmitting my questions to President Handler of the National Academy of Sciences might put these vital questions on an appropriate agenda.

THE BATTLE OVER AMERICA'S ENVIRONMENT

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. BRADEMAS. Mr. Speaker, I would like to place in the Record two articles describing the campaign to improve the American environment. The articles, one from the winter 1969–70 issue of University: A Princeton Quarterly and the other from the December 22, 1969 issue of Newsweek, point to the growing militancy of conservation groups dedicated to the cause of a better environment.

Mr. Speaker, clearly there is increasing concern in the Nation that Congress must provide more meaningful legislation in this field. For that reason, together with my distinguished colleagues, the gentlemen from New York (Mr. Scheuer and Mr. Reid) and the gentleman from Idaho (Mr. Hansen), I introduced on November 12, 1969, H.R. 14753, the Environmental Quality Education Act, which would authorize support for developing and providing programs of environmental education in our elementary and secondary schools and in local communities. The subcommittee which I chair hopes to conduct hearings on this legislation during the next session of Congress.

At this point, I would like to insert the text of the two articles in the Record:

[From University: A Princeton Quarterly, Winter, 1969–70]

Report From Many Fronts on the Battle Over America's Environment

(By Thomas C. Southerland, Jr.)

(Editor's Note.—The campaigns to destroy, and defend, America's earth, air and waters move forward so briskly and on so many fronts at once that the average person has a hard time keeping up. Thomas C. Southerland Jr. keeps up. We asked him to share his information with our readers in what might be called The Story Up To Now.)

Many Americans are aware of pollution problems, a fact substantiated by a 1969 Gallup Public Opinion Poll in which 73 per cent of those polled said they were even willing to pay additional taxes in order to improve their natural surrounding and combat pollution.

Dr. Jacques Picard warns us that "This technology we enjoy today is little else but a widespread suicidal pollution. . . . Technology is working against man. Man is working against nature and instead of natural selection only technology remains." Admiral Hyman G. Rickover has said he was 'troubled by the case with which purveyors of technology pressured the general public into letting 'so-called progress' alter their lives." The biologist Dr. Barry Commoner says population and new technology threaten "to destroy the web of life on which our civilization depends." C. P. Snow charges us with "letting technology ride us as though we had no judgment of our own." Conservationist Wesley Marx, writing in the magazine *Audubon*, says "The Conquest of the Land gives me a high standard of living—and a cheapened environment in which to enjoy it."

A rapidly increasing population is obviously one cause of all our problems, but until recently this subject was generally avoided, causing Robert S. McNamara, President of the World Bank, to observe that "There is an understandable tendency simply to avoid argument, turn one's attention to less complicated matters and hope that the problem will somehow disappear." (But a new candor about that problem is emerging. Kingsley Davis, Director of International Population and Urban Research at the University of California at Berkeley, told the *New York Times* in October that "family planning" was a hopelessly futile means of controlling the population explosion and advocated a government ban on early marriage, taxing married persons more heavily than single ones, free abortions, a tax on children, equal job and education opportunities for women.)

Not all agree, however, that we are in danger. Glenn T. Seaborg, Chairman of the Atomic Energy Commission and Nobel Prize laureate, is less concerned. He says, "There is a certain hysteria in the country about environmental problems. 'Environment' has become an emotionally charged word today, almost on a par with 'crime in the streets' or 'student revolts.' It is obvious that enough is not being done in controlling and regulating the environments. But much more is being done than the public is aware of and more than ever before."

It would be surprising if Dr. Seaborg were *not* aware of a certain "hysteria," for his AEC is the target of conservationists, biologists, and Howard Hughes. Conservationists opposed the AEC nuclear blast in a wildlife refuge on Amchitka Island in Alaska. Biologists are generally against AEC's "Operation Plowshare," an operation using atomic energy for construction purposes, including a new harbor at Keraudren Bay in Australia and another Atlantic-Pacific inter-ocean canal in Central America. Unlike the Panama Canal, there would be no locks (too complicated and/or too expensive) and this absence could result in grave ecological problems, such as radiation damage and temperature imbalances. Certain fish would then be able to enter one ocean from the other and this migration could cause large-scale extinctions. (Many will remember the devastating consequences of the sea lamprey's entrance via the Welland Canal into Lake Erie; gradually spreading into the other Great Lakes, it destroyed the lake trout and whitefish as commercial fish.)

Howard Hughes, a relative newcomer to Nevada, has expressed strong concern, as a land-owner and developer, over the AEC's megaton-range underground detonations and their related seismic shocks. (Testing has already triggered minor earthquakes in Nevada.) He is also concerned over the accidental release of radiation into the air and the possible contamination of ground water.

As a people, we Americans incline toward the short view of technological problems. Many who criticize deficit spending by the government, seeing it as obligating their grandchildren to pay a bill not of their own contracting, see no wrong in greedily leveling redwoods, spoiling hillsides with strip-mining, or using additional power equipment which adds to air and water pollution. Expenditure of unrecoupable resources is a far greater loss to our descendants than deficit spending. It can be terminal. David R. Brower of the conservationist Sierra Club calls ours "a chain-letter economy, where we pick up the early dividends and our children find the mail box empty."

The conservationist trying to protect some landmark or wildlife area often hears from would-be exploiters the argument that "this is the price we have to pay for progress." But who knows what the actual price may be in terms of our future well-being? Greece is an example of a nation that sentenced its ancestors to a poor standard of living by failing to understand ecology. At one time, Greece was lush with greenery. Even lions were plentiful and were often depicted in early Greek art, the most notable being the lions of Delos. Then the Greeks leveled great forests to build houses and ships, and the winds and rains washed the bared soil away, exposing rock and limestone. Overgrazing by sheep contributed to the erosion.

There are man-made deserts scattered throughout the world today, including sections of India and the Middle East. Remember the Okies in this country? It will take generations for certain over- or wrongly-cultivated land areas of Oklahoma to become productive again. But we seem never to learn: in the Mississippi delta, eastern Arkansas farmers are now clearing 150,000 acres of forest a year for soybean crops. In just eight years, forests there have been depleted by one million acres. This is the sort of "progress" Lamont C. Cole, Professor of Ecology at Cornell, had in mind when he said, "We hear a lot today about 'underdeveloped' and 'developing' nations, but many of them might more accurately be called 'overdeveloped.' "

Some hope the world's expanding population can be fed one day by exploiting the world's oceans. But not if we continue to dump oil, sewage, gases, herbicides, insecticides, and nuclear wastes into them to the detriment of fish, plankton, and other marine life. (The world's oceans produce over twice as much of our life-sustaining oxygen supply as do trees and other plants.) Off California, marine life has steadily decreased over the years, and across the Pacific insecticides—along with radioactive fallout—are suspected of killing the triton. Since this fish is a predator of starfish, the unchecked population of coral-eating starfish is now destroying Australia's Great Barrier Reef and other coral islands, the breeding ground of oysters, mussels, clams, and many other fish. We gain land by filling in marshes and wetlands, the spawning grounds of many fish. We have even dammed up some of the rivers in Oregon so that the salmon are prevented from reaching their spawning areas.

In Biscayne Bay, south of Miami, shellfish and crabs have been killed in large quantities by generator-heated water dumped into it by the Florida Power and Light Company—which now plans to replace these generators with two nuclear ones which would produce even hotter water. Nuclear generators are projected for other places throughout the country. Of course this pollution can be prevented by cooling the water before releasing it, but this would cost so much money that the nuclear plants might be unable to compete as an economical energy source.

EARLY LEGISLATION

Among the many problems of our deteriorating environment, air and water pollution make the most headlines. In 1952 the deaths of some 4,000 persons were blamed on London smog and in 1966 a Thanksgiving weekend inversion in the New York area claimed about 80 lives—not to mention those whose deaths are hastened every week by bad air. And air pollution is harmful not only to our health but to our crops and livestock. It eats away at rubber, steel, and stone. Some of the buildings it damages are historic and irreplaceable.

Air pollution has been found to affect local weather patterns, the notable example being the dramatic increase in rainfall over La Porte, Indiana, downwind from the steel mills of Chicago and Gary, Indiana. The rain is produced by the combination of smog and moisture in phase with the hazy days in those industrial areas. Just outside this smoke plume is South Bend, whose rainfall pattern is unaffected. There is much speculation as to what long-term effect air pollution will have on the earth's atmosphere. One theory is that a "greenhouse effect" might occur, holding in the sun's heat and warming the earth unnaturally; another theory holds that the earth might be turned unnaturally cold by certain pollutants' screening out the sun's energy. It is estimated that each year air pollution costs the nation over 12 billion dollars (in the Northeast, about 18 million dollars a year to farmers alone). But that, after all, is only money; the final price may well *be* final.

In 1965 Congress amended the Clean Air Act of 1963 to establish controls over emission from automobiles, the prime source of air pollution in this country. Next the Air Pollution Act of 1967 was passed to set up regional air-quality-control regions, and in 1968 the National Air Pollution Control Administration was established. It would appear that something is being done and air pollution is on the way out, right? Wrong. Industrial plants are increasing in number, automobiles are doubling, airplanes are doubling (with each jet dumping 2½ tons of carbon dioxide pollutants into the atmosphere every ten minutes). There are no national standards for other than automobile pollution, the present laws are too cursory, and are seldom if ever enforced.

In Philadelphia (America's third city in air pollution) from January 1969 through June 1969 not one violator was prosecuted or fined. In other years many polluters have been brought in to court time and again, paid their small fines and resumed their activities. Several large firms have had four convictions each. One of these companies—which paid the exorbitant fine of $25—annually puts out some 650 tons of sulfur oxide, 160 tons of nitrogen oxide, and 40 tons of dust and soot. New Jersey's record is much better; it now has a Division of Clean Air and Water. New Jersey, unfortunately, is the exception.

THE AUTOMOBILE AND POLLUTION

The automobile contributes 60 per cent of our air pollution but only a little over 3 per cent of the National Air Pollution Control Administration budget has been spent on motor vehicle research. The NAPCA has awarded the Thermo Electron Corporation a contract ($174,173) to design a steam car and the Marquardt Corporation a contract ($96,683) to study ways of minimizing steam engine pollutants. The Department of Transportation has contracted for a prototype steam-powered bus. Some research is being conducted on an electric car, but there is no all-out effort by government or industry. The most notable entirely private effort is by William Lear (of Lear Jet fame) who has undertaken to perfect a commercially feasible steam auto.

In July 1969 the California Senate cleared a bill that would outlaw internal combustion automobiles, starting in 1975, in the hope of forcing auto makers to develop other types of cars. The manufacturers, apparently caught by surprise, recovered in time to lobby a narrow defeat of the proposal (by one vote) in a state assembly committee. A victory for industry, but nevertheless a straw in the smoggy wind. In September 1969 the U.S. House of Representatives defeated 99 to 22 an amendment to limit the manufacture and sale of those internal combustion engines whose exhaust emission after 1978 exceeds a certain standard. Again, the fact that the issue was even brought to vote is noteworthy and it is almost certain to be brought up again.

WATER POLLUTION

Water pollution made big news when oil from the sinking S.S. Torrey Canyon washed onto England beaches in March 1967, though that ship was small compared to supertankers being built today. When drilling off the California coast produced the Santa Barbara oil leak, the impact on Americans was even greater because the spill was on our own shores. (Incidentally, Union Oil, the company that did the Santa Barbara drilling—though other companies were indirectly involved, is the same firm for which the Torrey Canyon sailed.)

There has been much publicity about the expiration of Lake Erie (America's Dead Sea), and the pollution of the Hudson, Connecticut and Potomac Rivers, but nearly every American river and stream is affected to some degree. Some rivers are open sewers. There have been infamous fish kills from pollution in, among others, the Mississippi, and the Raritan of New Jersey.

Partly because of the technological revolution and partly because of the population increase, our water usage since 1900 has increased by a factor of nine (900 per cent), yet pollution renders most of our water supply unusable. Water resources have long been a concern of the federal government but with a few exceptions pollution has received proper attention only since 1961. Though a national Clean Water Act has been enacted and there is a Federal Water Pollution Control Administration, water pollution continues to increase.

A tougher Congressional water pollution bill is now in joint conference that will make oil polluters liable, set standards for DDT spillage, aid states in controlling thermal pollution, perform research in acid mine drainage, provide aid for pollution control in the Great Lakes and remove hazardous debris in navigable waters. This is certainly a step in the right direction, but many feel that the funds authorized will just cover the annual increases in pollution.

The drop of subsurface water levels is another element in our water crisis, and in the Southwest the use of water without replenishment has become so bad that the water table has lowered to the point where fossil water from the last ice age is being used.

Civic boosterism impels a mayor to advertise, "Settle in beautiful Arizona," say, without regard to water table or drainage capability of the area. If successful, he ends up appealing to the "federals" for funding to stop pollution or for more irrigation. Irrigation water, by the way, picks up natural ground salts and drains them back into local rivers and streams. The Mexican government has long been irritated over the high salt content of the Colorado River and President Nixon and President Gustavo Diaz Ordaz discussed this at the dedication of the Amistad Dam in September 1969. Salinization occurs in arid regions such as the Southwest U.S. because evaporation is greater than precipitation. Rain dissolves the natural salts and through capillary action the resulting salt water is raised upward. When this water is evaporated salt is left on the ground. Irrigation drainage now has even more salt to empty back into the river. Still, mayors go right on trying to attract more residents.

The mayor of Miami wants a jetport so that his city can become another New York City, but would any mayor in his right mind want New York's problems? Other city boosters want more people, more industry. And why not? After all, although a large city's problems today are a small town's tomorrow, the present mayor won't be in office for the expansion's aftermath.

OVERCROWDEDNESS

Overcrowdedness is blamed for most of our nation's ills, and it is true that our highways, schools, and cities seem unable to keep up with the population increase. But pollution is more the product of technology: The U.S., with only 6 per cent of the world's population, uses between one-fourth and one-half of the world's resources.

Garbage and junk are becoming major pollutants. The dumping of solid waste into streams or the ocean leads to water pollution, and burning it adds to air pollution, and no one has an answer to this problem, though various study programs were called for in the 1965 Solid Waste Disposal Act. America produces over five pounds of trash per person per day for an annual U.S. total of 3.5 billion pounds.

Other interesting statistics: we throw away 26 billion jars and bottles, and 48 billion metal cans per year. This output has led Prof. Lucien Brush, formerly of Princeton's School of Engineering, to speculate half-jokingly that future archeologists specializing in our culture will divide the twentieth century into two groups called Beercan Cultures I (tin) and II (aluminum). Tin cans slowly rust away but not aluminum cans. (Reynolds Metals Company, fearing future legislation against aluminum cans, now offers a return on used ones in the Los Angeles and Miami areas, where one-third of the nation's beer cans end up.)

We are a nation of litterbugs. Cans, cartons, bottles, cigarette wrappers are strewn along our highways by the billions. It has been estimated that we spend $500 million a year to remove litter from American highways. Nevada estimates that it spends ten cents collecting just *one* item from a highway. Supported by a $54,291 grant from the Bureau of Solid Waste Management, Dr. Samuel F. Hulbert, of Clemson University, is developing—with encouraging results, a water soluble glass container to dissolve in the atmosphere or water after being opened.

NOISE

Noise is a particularly difficult pollutant to deal with. Doctors at the Sixth American Medical Association Congress on Environmental Health in Chicago in May 1969 called noise as great a hazard to mankind's environment as air and water pollution. Noise can cause hearing loss by injuring the inner ear, and many cities recognize this by having (largely unenforced) ordinances forbidding the honking of auto horns.

Airplane noise is even harder to deal with, and there are few ordinances against it, but airport authorities are finding it increasingly difficult to negotiate for new airports. Most everyone is now familiar with the controversial supersonic transport (SST) and its accompanying sonic boom. Public feeling against the sonic boom continues to mount. People ask why the government should help subsidize a plan to benefit a select few (those who can afford it) at the expense of the vast majority. The expense is not only measured in dollars but in terms of mental peace.

The boom of a plane flying at supersonic speeds can be as loud as a moderate-size explosion a block away, and is continuous throughout the plane's flight, and can cover a 50-mile-wide bang-zone. Sonic booms have already caused a number of minor disasters. To name a few: by 1967 thirteen deaths had been attributable to sonic booms in France and in August of that year three persons were killed in Mauran, France, when a sonic boom caused the collapse of a barn; Ottawa and Oklahoma City have each experienced sonic boom damages estimated at $500,000. Possibly the SST, when built, will be barred from flying over land because of the hazard to health and to buildings—and the propensity it has for triggering snow slides when flying over vulnerable slopes. There is also speculation as to what effect flights over the oceans will have on the fishing industry.

A measure proposed by Senators Clifford P. Case (R, N.J.) and William Proxmire (D, Wis.) to ban supersonic flights over U.S. territory was defeated but authorization was passed for the Federal Aviation Administration to set limits on general airplane noise and on booms. Case likened this to "setting the fox to guard the chickens." Despite public pressure to ban SST flights over land there will be great counter-pressure from those who stand to make large profits from the SST. And conservationists have discovered that when the profit motive conflicts with the environment, the latter usually loses. Look for overland SST flights to be defended in the name of increased employment or as a means of improving our balance-of-payments.

The Department of the Interior has complained of the irreparable damage to Canyon de Chelly National Monument, the Mesa Verde Cliff dwellings, and other archeological treasures in the Southwest caused by booms from Air Force planes. Rock slides have poured on some of the ruins and structural cracks have formed on others.

Of course, not all high decibel noises are produced by sonic booms. In the home we hear kitchen appliance noises, air conditioners (our own or the neighbors'), washing machines, and vacuum cleaners. All of us at one time have been awakened by the lawnmower (107 decibels), the motor cycle (111 decibels), trucks on the highway, and the hand-powered saw. Many enjoy the quiet solitude of the woods in winter, but now even this is threatened: The snowmobile with its deafening roar is increasing in popularity. There are 700,000 now in use, with sales of 350,000 predicted for the 1969–70 season. Bad news for hibernating wild life.

Our legislators are just beginning to show an awareness of noise as a pollutant.

But the big conservation fights of recent years have been over land use: The fight to save the redwoods (about 1 to 2 per cent of the origial forests still stand), to defeat the Grand Canyon dams, to protect the Point Reyes National Seashore, to save New Jersey's Great Swamp, to preserve the Texas Big Thicket (home of the ivory-billed woodpecker), are just a few of the more famous national issues.

DESPOILING THE LAND

The Sierra Club, best known of the so-called militant conservationist organizations, is often accused of putting nature's rights before human rights. But the club's policy on national forests, surprisingly enough, identifies twelve appropriate land uses in addition to recreation and protection; these include timber production, mineral excavation, and water resource development. What the Sierra Club and other conservation organizations try to do is prevent unreasonable exploitation of finite resources and combat ecological ignorance and apathy. These organizations, staffed largely by volunteers working part-time on a small budget, are usually pitted against industries employing full-time publicists or lobbyists, their salaries charged off as business expense.

Such industries are well represented in Congress. Lumbering is typical. Many congressmen represent districts where lumbering is big business, and the industry-sponsored National Timber Supply Act was proposed jointly by many members of both the House Committee on Agriculture and the Senate Committee on Agriculture and Forestry. This fall that proposed Act was altered slightly and its name was changed to the National Forest Conservation and Management Act of 1969 in an apparent attempt to appease the conservationists who called it a "timber grab." In the past there have been numerous congressional standing committees representing the exploiters of natural resources, but even today there is no committee concerned with our environment as a whole.

That unspoiled land needs to be set aside is obvious. National park land has potential for economic development or it would not have had to be "preserved" in the first place. Unused land supports wildlife, protects watersheds, provides outdoor science laboratories (the pituitary gland of a bird threatened with extinction may be found to cure leukemia; the root of a rare New Jersey Pine Barren orchid to cure another disease) and provides a recreational retreat for millions of persons, generation after generation.

The nation's dam builders—the Bureau of Reclamation and the Army Corps of Engineers—have long been targets of the preservationists. Federal dams for flood control or cheap power are often popular locally and as a consequence there are cases of too many dams being placed on the same river and too close to one another. Some of the most controversial dams—such as Northern Arizona's Glen Canyon Dam, now called the Eisenhower Dam—are in the Southwest. The proposed Grand Canyon dams—Marbled Canyon and Hualapei—were defeated in an emotional struggle inside and outside Congress, but had they been approved they would have caused the flooding of part of the canyon floor, destroying one of the world's most extraordinary geological and ecological entities. The living Colorado would no longer have been able to perform its ageless task of sculpturing the canyon.

Hetch Hetchy was a valley similar to Yosemite, and when a controversial dam was placed there in 1913 the power advocates promised that the resultant lake would attract thousands of visitors each year. Today Yosemite Valley has thousands of visitors each *day*, Hetch Hetchy has one or two. Nothing grows around the artificial lake as it rises and lowers daily with changes in the demand for power in the San Francisco area it serves.

The proposed Hooker Dam in southwestern New Mexico along the Gila River would back water into the Gila Wilderness. The proposed High Mountain Sheep Dam on the Snake River in Idaho threatens the nation's deepest gorge, Hell's Canyon. The proposed Dos Rios Dam along the Eel River in northern California would inundate lush Round Valley. The Rampart Dam along the Yukon River in Alaska would diminish 2,400,000 acres of duck breeding habitat, and the Red River Gorge Dam threatens the scenic Red River Gorge in Kentucky. In New Jersey the projected Tock's Island Dam on the Delaware, approved by the U.S. Senate in July 1969, poses a threat to future shad runs.

Conservationists argue that the best and most logical spots to place dams have long since been occupied. Furthermore, most dams are temporary (between 60 and 160 years) because silt, or mud, gradually fills the artificial lakes formed by dams. Also, since lakes

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evaporate at a faster rate than moving water, a decrease in water results, something a thirsty region can ill afford. Canyon walls, because of their "sponge effect," absorb a lot of the water and also contribute to the water loss. Lake Powell, formed by the Eisenhower Dam, is far behind in its predicted rate of rise. One hundred or so years from now our descendants will see not Glen Canyon but the remnants of a dead lake surrounded by rocks and filled with desert sand. Finally, from an ecological standpoint, flood control is best served by protection of our flood plains and forests.

NATIONAL PARKS

New national parks have been established over the last few years, notably Canyonlands in Utah, Redwoods in California, Guadalupe Mountains in Texas, and North Cascades in Oregon, but still the parks cannot keep up with the visitors (7 per cent increase per year). In 1968, over 150 million people, approaching our nation's total population of 200 million, visited the National Park system. Obviously many of these were repeaters. The estimate for 1969 is 162 million. This deluge of mankind is not surprising when one observes the increased sales of birding, camping, and fishing equipment. This trend may reflect a new appreciation of nature, but the crowds mean that the natural beauty of many parks is threatened by construction of highways and parking facilities and lodges—and by litter. Some camp grounds have been turned into virtual slums. In some ways we are defeating the very purpose of having such parks, which was stated by Congress as to preserve intact all "flora and fauna."

The Gallup Poll cited earlier disclosed that most Americans (75 per cent) favored setting aside public lands for conservation. A *Christian Science Monitor* readers' poll (on the subject of our national parks) further showed that the majority favored the placing of some type of limitation on visitors, that new roads should be of the primitive scenic type, that U.S. highways should be removed, and all present wilderness areas preserved. In spite of the notoriety of the two 1967 deaths caused by grizzly bears, readers also favored the protection of all animals. Although swimming, mountain-climbing and the automobile cause far more park fatalities than grizzlies, such animals will have to be removed to lands designated as wilderness if present trends continue.

To reduce crowds at peak seasons, a plan is being considered by the present administration to suggest that school and industrial vacations be spread through the year instead of being concentrated in the summer. Oregon has stopped advertising itself as a tourist attraction, and has diverted those funds to combating litter. There are also plans to seek recreational facilities closer to urban areas.

The case of the Everglades National Park in Florida is typical of our losing battle for park protection. At one time the Everglades was sustained by fresh water from its major natural source, Lake Okeechobee, but for flood control purposes the Army Corps of Engineers diverted that water to reclamation project canals and sent it out to sea. The Everglades was threatened with water strangulation. This was partly resolved when the administrators of the Central and Southern Florida Flood Control District, in response to public pressure, allowed the Everglades National Park to receive the bare minimum of water, making it the only national park supported by artificial means.

Now the Everglades faces a new threat. The Dade County (Miami) Port Authority, backed by the Federal Aviation Administration, local merchants, and land speculators (and no doubt the major airlines), decided to build a major supersonic jetport. Construction has started on a training site—part of the projected total complex—whose pollution, noise, and land-fill pose a deadly threat to this sawgrass region with its rare animal and plant life. It seems incredible, in the words of Gary Soucie, Eastern Representative of the Sierra Club, that "the U.S. public is unwittingly subsidizing the destruction of Everglades National Park."

Secretary of the Interior Hickel, Governor Kirk of Florida, and Transportation Secretary Volpe disclosed at a joint press conference in September 1969 that federal funds would not support the jetport but the government would continue to back the jet training site. (Some skeptical conservationists suggest that Hickel is going all out to save the Everglades in order to cover up his support of the exploitation of resources in his own state.) Since that time an Interior Department study has shown that even training flights would endanger the Everglades. Talk and study continue—but so does construction.

In discussing the intense competition for land use, it is almost impossible not to discuss population growth. The following statistics from the AFL–CIO are revealing: "In 1900 each American had the equivalent resources of 25 acres of land; by 1950 this was down by one half to 12.5 acres; in 1966 there were 9.7 acres of land per capita. When the year 2000 rolls around there will be less than 6 acres of land per capita."

Nothing has changed or scarred the American landscape more than has the highway. Urban areas, suburban trails, parks, open space, wildlife refuges—none has been safe. There are federal funds to build new roads, but little to widen existing roads. Secretary Volpe was against proposed regulations designed to give equal weight to local goals and objectives when highway locations were being considered, because he was against construction delays that would be caused by the inevitable hearings. Engineering criteria would continue to dominate the method of choosing location. Nevertheless, Volpe rejected a highway through New Orleans' historic French quarter—perhaps the beginning of a new trend.

President Nixon has asked the Congress for 10 billion dolars to be spent over a 12-year period for a mass transit system, to relieve highway congestion and reduce the pressure for more highway building. But many believe the rate of expenditure is too small. It also remains to be seen if the transit system, even though it would benefit more people, will get the support and attention that highways have in the past, since the automobile is a power and status and sex symbol.

CHEMICALS

In many other ways man flirts with upsetting the balance of nature. In March 1968 winds carrying "nerve gas" from the Dugway Proving Grounds in Utah killed thousands of sheep, and alerted the public to the dangers in chemical and biological warfare research. In summer 1969 when 27,000 tons of deadly chemical weapons were to be shipped in box cars from Colorado and dumped in the Atlantic, the public outcry was loud and emphatic: The interstate shipment would not be tolerated. The public outcry was loud, but not loud enough: A train derailment in September 1969 caused the evacuation of 30,000 residents of the Mississippi Delta when four cars containing vinyl chlorine caught fire and the heat combined with the chemical to release deadly phosgene gas. Are sufficient precautions being taken to insure that a deadly strain of germ-warfare virus does not escape somewhere?

Our domestic animals are continually treated with antibiotics and in eating the meat we accelerate the rate at which we become immune to the healing qualities of those antibiotics. Some of the problems associated with DDT and the other "hard" chlorinated hydrocarbon insecticides are becoming increasingly well known. DDT pollutes our soil and our water and kills beneficial insects. It threatens those species at ends of long food chains, including the bald eagle: perhaps the possible loss of our nation's symbol is in itself symbolic. Man himself is threatened by DDT as there now appears to be a definite link to certain types of cancer and liver disorders. At the very least it has become "a remedy worse than the disease."

Oversaturation of the soil with fertilizers in order to increase production and profits has led Dr. Barry Commoner to say that "we are on a fertilizer kick." At Delano and McFarland, California, in 1967 intensive irrigation mixed with nitrate fertilizers caused the local water from the city's wells to become excessively contaminated with nitrates.

In general, industry's reaction to pollution seems to be, "Too bad, the government will have to clean it up. We can't afford the expense." It will be interesting, if unnerving to see what the oil industries' (and the government's) attitude will be toward new pollution threats in Alaska.

Estimates of the huge oil deposits discovered in 1968 on Alaska's North Slope (and claimed by the Eskimos) range from five billion barrels to 50 billion barrels. The problem is how the oil will be transported to market, a problem of concern to the oil industry and to conservationists. It could be trucked out over the new Walter J. Hickel Ice Highway which extends from Livingston to the oil fields, a distance of 400 miles; but although the highway will be used again this winter—in summer it is unusable because of melting conditions—last winter's original use did almost as much damage to the trucks as to the landscape. The tundra with its permafrost is not self-healing and even small gashes into the ground will last a decade. Its roughness is enough to jolt trucks and drivers into early retirement.

The industry now plans to lay a 48–inch-diameter pipe a distance of 800 miles (about the distance from New York to Jacksonville, Florida) between the oil fields and Valdez near Anchorage, a Pacific port. But if the pipe were to lie on the surface, it would create a hot barrier to migrating caribou and other arctic animals, since the oil to be carried will approach temperatures of 180° F. Should the pipe be buried and insufficiently insulated, the heat would probably cause it to sink deeper and deeper, melting the surrounding ice so as to create a melting river. Proper insulation might be prohibitively expensive. Breaks in the pipe due to earthquakes and other causes would be a grave problem. Should pollution occur, it would linger much longer than in warmer climates where bacterial action to counter the effects would be greater.

The method of transportation least threatening to the environment would seem to be via ice-breaking oil tankers through the Northwest Passage. The hazards on such a route would be greater than those along the charted route of the Torrey Canyon. There is also the risk that oil spills might occur at the loading facilities.

NEW CONSERVATION MOVES

At this point in history our environment is being attacked more aggressively than it is being defended (one recalls James Thurber's statement of the score: "Strontium 90—Civilization 0")—but some defensive measures are being taken. Both houses of Congress this year passed bills giving added protection to 89 American species of endangered wildlife. (Whenever extinction of a species occurs, a relationship extending throughout the millennium is broken. We are all part of the world's ecological system. It was the naturalist John Muir who said that "when we try to pick out anything by itself, we find it hitched to everything else in the universe." Perhaps the ecologist and the naturalist realize how fragile we all are, "riders on the earth together.")

A nationwide system of trails, a wild and scenic river system, a number of additional national parks and monuments and land-

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use provisions were established during Stewart L. Udall's tenure as Interior Secretary in the Johnson administration. (He is now Adjunct Professor in Environmental Humanism at Yale.) Attention was given to designating wilderness areas but unfortunately wetlands, so vital to both the fishing and tourist industries, did not receive the same priority. Wetlands provide food and shelter for more wildlife than any other habitat, act as safety valves during floods, recharge our water tables, and produce oxygen. Why, then, has San Francisco Bay been partially filled? Why did Dade County, Florida, urge a jetport in the Everglades? Why is this type of habitat being permitted to disappear throughout the United States at an alarming rate? Presumably too few people understand the value of soggy, swampy, "unimproved" marsh land.

Inspired by oil slicks, smog, and mud slides, the California legislature in 1968 passed a bill (SB–1) making ecology and conservation required subjects of instruction in the state school system.

David R. Brower, former Executive Director of the Sierra Club, has established a new organization, Friends of the Earth, to make the environment a political issue. Contributions to the organization will not be tax deductible—unless our tax laws are changed to include conservation-lobbying under education.

In New Jersey, local conservation commissions have been established to set aside open spaces for recreation, wildlife, and esthetics and insure that conservation considerations are given to all city-planning decisions.

When heavy snows from the northern Midwest plains melted in April, 1969, many rivers to the south overran their banks. One such river was the Souris (Mouse) and as a consequence 12,000 homes in Minot, North Dakota, were flooded. During the same period, Mankato, Minnesota, was also hit by flood waters from the Minnesota River. Flood damage continues to accelerate as man continues to build within flood plains and in Mankato six out of every seven houses are located in the flood plain. Too few towns and municipalities situated near streams or rivers have flood-plain zoning ordinances to protect the integrity of the flood plain. When we substitute asphalt and concrete for trees and vegetation, we reduce the earth's "sponge" effect.

A New York State Conservation Bill of Rights was approved 5-to-1 in November at the general election. The bill states that "the right of the people to clean air, pure water, freedom from excessive and unnecessary noise, and the natural, scenic, historic and esthetic qualities of the environment should not be abridged." Maryland, Virginia and California have similar bills pending and presumably other states will follow. Some state enforcement regulations will be handled by the legislatures, other states will give public enforcement to the courts. There is also a bill in Congress (HJ 1321) to enact a National Conservation Bill of Rights. Howard W. Johnson, President of M.I.T., has said, "We are beginning to suspect that free speech and free press might become irrelevant if we were slowly strangled by the air we breathe or slowly poisoned by our drinking water."

LACK OF COORDINATION

Up to now there has been no single agency in the federal government organized to maintain an overall view of the problem. Agencies like the Soil Conservation Service, the Bureau of Reclamation, the Army Corps of Engineers, the Bureau of Sport Fisheries and Wildlife, the Forestry Service, the Federal Highway Administration, the National Park Service tend to become special-interest-serving and bureaucratic and too often one agency is pitted against another. There are now many who favor the creation of a Department of Conservation. A 17-member National Academy of Sciences panel in August 1969 recommended to the House Committee on Science and Astronautics that the federal government establish a single agency to alert the nation to the perils of uncontrolled technology. A bill is now pending which was introduced by Senator Case, proposing the creation of such an agency, a federal Department of Conservation and Environment.

A collective and coordinated approach by the federal government is finally emerging. The President has established an Environment Quality Council with himself as Chairman and made up of six Cabinet members, Vice-President Spiro T. Agnew as Vice-Chairman, and Dr. Lee A. DuBridge, the President's science adviser, as Executive Secretary. The criticism so far has been that some of our more qualified ecologists and biologists are not represented.

In July 1969 the Senate passed an Environmental Quality bill, declaring that "each person has a fundamental and inalienable right to a healthful environment." It authorized $500,000 each for 1971 and 1972 and $1,000,000 annually thereafter. The bill grants new authority to diverse federal agencies to conduct research on ecological systems and environmental quality. This modest fund would cover research and training grants. Basically, it directs the federal agencies to use a "systematic, interdisciplinary" approach in all goals that may possibly have an impact on the quality of the environment. In September 1969 the House in a record vote of 372 to 15 passed a similar bill but with amendments, and the bill is now in joint conference.

Some organizations are not waiting for a Bill of Rights but are using court action to protect our environment. The Environment Defense Fund (supported in part by the Rachel Carson Fund of the National Audubon Society), using mathematical system analysis and a multitude of scientific witnesses, brought court action against the use of DDT in Wisconsin. As I write, a final decision has not been reached, but the Wisconsin Assembly (lower house) voted 99 to 0 to ban DDT. Other legal actions have been initiated by the EDF: against a large pulp mill polluting the air in Missoula, Montana; against the Corps of Engineers for building the Trans-Florida Canal, which in turn is creating great ecological destruction in northern Florida; and against land developers in Colorado who are trying to obtain an area rich in fossil beds.

In Chicago two aldermen have sued the three major automobile producers for 3 billion dollars, charging them with conspiracy to delay the research and development of air pollution control devices on automobiles. That suit is one of several filed by individuals, as well as the state of California, against the industry.

The Civil Liberties Union in California, contending that the oil damage to beaches had deprived the people of Santa Barbara of a personal right as well as of property without due process, has filed suit against the government for allowing the off-shore drilling. The Sierra Club has obtained five injunctions against the government, the most notable being an order to restrain any further action to develop a Disney-sponsored "Alpine Village" at Mineral King National Forest pending full litigation of the suit.

Many colleges and universities without agricultural or forestry connections are showing concern over man's relation to his environment. Princeton University and its Center of International Studies, for example, recognizing that most of our problems are hindered by political problems more than a lack of technical knowledge and expertise, are sponsoring a conference of representatives with governmental, civic, business, and academic backgrounds in March 1970 to examine ways of coping most effectively with our ecological crisis. (The Alumni Association of Princeton is sponsoring a three-day Faculty-Alumni Seminar in June 1970 on the general theme of human ecology.)

The fight for survival is subtle. The poisons are increasing. Dr. Jerome Frank of Johns Hopkins said descriptively of the deep fear of all who are concerned over our crisis:

"Humans may be in the same plight as a frog placed in a pan of cold water which is very slowly heated. If the rise in temperature is gradual enough he will be boiled without ever without knowing what happened to him."

Pollution and population problems are like a giant ship coming into port. To stop such a ship from ramming the pier, the order to back engines full has to be made early in the ship's approach stage. It cannot be done at the last minute. Survival depends on foresight—and on a healthy amount of morbid imagination.

ADDENDUM 1. NERVOUS-MAKING STATISTICS

The Nixon Administration has cut $70 million from the Johnson Administration's budgetary request for Land and Water Conservation Fund, used for parkland acquisition. It has recommended to Congress no additions to the National Park System or the Wilderness System. As a result such areas as Point Reyes, Cape Cod, Padres Island, Assateague, previously set aside as national seashore areas, are threatened by developers for lack of funds, as of mid-November.

A U.S. Forest Service Study released in October shows that about 1.3 million trees in Southern California are dying from smog effects. The damage has increased by a factor of four in just one year.

According to the Department of the Interior, in 1968 more than 15 million fish in U.S. waters were killed by water pollution.

Driving an automobile 25 miles at moderate speed uses up more air than would be breathed by 7 million people during the same time.

School children are not allowed to play outdoors in the Los Angeles area on those days when the smog reaches the point where the ozone content goes over .35. From July 3, to October 31, 1969, the school playgrounds were closed 39 times.

The death rate from bronchitis and emphysema in the U.S. is nine times as high as it was in 1949.

ADDENDUM 2. RAYS OF HOPE

Senator Gaylord Nelson, worried about the future we are offering to the young, is organizing environmental teach-ins on campuses across the nation on April 22, 1970.

The U.S. Government appears to be enforcing for the first time water-quality standards. In October it told Iowa to stop dumping raw sewage into the Mississippi and Missouri Rivers. It also told Illinois, Missouri, and Kansas to hurry up and install water clean-up facilities. Iowa is resisting.

DDT has been banned by Michigan, Arizona, and Sweden. Canada in November announced that DDT will be reduced by 90% in 1970. The U.S. has announced plans to phase out all but "essential" uses of DDT in the next two years.

Believe It or Not

President Nixon approved continuing the SST project despite his own Ad Hoc Review Committee's recommendation against it. That committee questioned its economic feasibility and doubted Americans would ever tolerate the jarring sonic boom.

The Everglades jet training site was completed in November. The site will accommodate about 150,000 flights per year on a round-the-clock basis. In effect, Dade County Port Authority already has its jetport. The future of the Everglades National Park is in doubt, unless legal and other moves now comtemplated are successful.

A Justice Department suit against automobile manufacturers, alleging that they had conspired to prevent the development of smog control devices, was dropped by the Attorney General.

Conservationists estimate that by 1984 the

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algae in Lake Tahoe will turn it from blue to green.

ADDENDUM 3

Thomas C. Southerland Jr.—U.S. Naval Academy graduate and former submariner—is Assistant Director of Princeton's Office of Research and Project Administration. He is a dedicated amateur ornithologists (has identified over 500 species of American birds) and a deeply committed conservationist. He is Vice-chairman of the Princeton Township Open Space Commission, Chairman of the Trustees of the Stony Brook-Millstone Watersheds Association, and Chairman of the Southern New Jersey Group of the Sierra Club.

[From Newsweek magazine, Dec. 22, 1969]

NEW BAG ON CAMPUS

At the University of Washington, some 200 students recently planted 300 saplings in a swampy garbage dump just off campus; at Champaign-Urbana, 150 University of Illinois students scooped 60 tons of garbage from a creek flowing through the campus, and in Boston a group of local residents and young people from Harvard, MIT and Brandeis marched on the Statehouse to ask for stricter air-pollution controls. While front pages still report that the major student protests are centered on the war and the draft, concerned college students are enlisting increasingly in the fight for a cleaner, purer, less ravished environment. "We're just starting to get into this," explained a junior coed at the University of Minnesota during the mock burial of a gasoline engine. "We're objecting to the deterioration of our land, of the quality of our lives. Just look around—the air, the water, the roadsides, everything stinks."

Joined by former antiwar activists, young Democrats, crew-cut fraternity members and so-called hippies, the environment movement on campus is a response to alarms as varied as pesticides, oil slicks, logging of the redwoods and a host of consumer controversies—over such issues as cyclamates, meatpacking and car-exhaust pollution.

OFFICIAL

Last week Ralph Nader, the consumer crusader and an idol to many undergraduates, launched a "nationwide student protest against polluters" by leading a small band—mostly students—in a march on the General Motors headquarters in New York. On an official level, leaders of the Interior Department met last week with 150 students as part of the Nixon Administration's first student seminar on protecting environmenttal quality. The atmosphere was warm but hardly cordial. "We want to make damn sure this Administration's interest is more than tokenism," announced a skeptical George Washington University law student at the start of the session. To show its good faith, the Interior Department plans nine more seminars during the Christmas holidays. President Nixon himself is preparing a State of the Union Message emphasizing the environment—including, possibly, a proposal to fund antipollution research and work-study programs at a dozen universities.

For its part, the U.S. Student Press Association hopes to broaden interest in the politics of pollution by devoting its annual college editors' conference in February to ecology and environment. And Wisconsin's Democratic Sen. Gaylord Nelson and California Rep. Paul McCloskey, a Republican, are organizing an April 22 teach-in on the environment at colleges across the country Activists at the University of Wisconsin predict that more students will take part in the teach-in than observed the Vietnam Moratorium last Oct. 15.

Student protests against pollution have been strongest on the West Coast. More than half a dozen environmental-action groups have sprung up at Stanford itself, with programs ranging from dorm rap sessions to legal aid for court fights against logging companies. (The largest of these bodies, the Stanford Conservation Group, started three years ago with twelve students—and now has 400.) Even at Stanford's graduate business school last month, ten students established a consulting service that performs feasibility studies for conservation groups seeking alternatives to projects they oppose.

TACTICS

Students at Hastings law school in San Francisco have formed a group to study diesel bus exhaust and to investigate local water- and air-pollution agencies. Not everyone, of course, is pleased with such activism. "It's just like when the students got involved in the race issue," complained an official of the Bay Area Pollution Control District. "They want results right now."

Impatience triggered direct action at UCLA last month. In a demonstration against DDT and air pollution, about 100 students blocked recruiters from the Olin Corp., Monsanto, and Ford Motor Co. from holding job interviews on campus. But later many students had second thoughts about applying the tactics of the antiwar movement to environmental protests. Said Frank Steen, president of UCLA's Ecology Action Council, "Given the type of people we're attracting, largely life-science and environmental-science students, I don't think radical tactics are productive." Still, the tone of the antiwar movement has influenced the fight against pollution. "Many students," says Wayne Miyao, a social-science major, "view environmental problems and Vietnam as manifestations of the same political and economic situation."

Elsewhere as well, the movement cuts across political lines. Half the members of the month-old Ecology Action organization at Columbia are former members of SDS. But the other half, said a radical, "are unpolitical freaks who are into camping, hiking and mountain climbing."

At the University of Texas in Austin, a small group of students have formed the Legal Organization for Protection of Environment (known locally as the Cholorophyll Conspiracy) to save some trees that happened to be in the way of a planned expansion of the football stadium. Needless to say, football won in the end, but not until the police, under orders from Frank Erwin, chairman of the university board of regents, arrested 26 students—climbing ladders to pluck some from the upper branches. At a faculty meeting, Texas' professors voted 242 to 197 urging Erwin's impeachment.

ACTION

Many schools have formalized student concern about ecology by establishing the study of environment as a part of the curriculum. The University of Illinois, for example, created a new course, General Engineering 293, to study pollution in the campus creek at the same time that students cleaned it up. The engineering department of LSU has just opened a new survey course dealing strictly with the problems of conservation and pollution. And last week Michigan State officials announced plans for a new Center for Environmental Quality. John Nellor, the professor of physiology who will direct the center, says he hopes it will produce "an action team, not just a lot of talk." MSU already has 345 research projects dealing with environmental problems.

Perhaps the nation's most active campus in ecology, as in other social and political areas, is the University of Wisconsin at Madison. There the Ecology Students Association is lobbying against air and water pollution in Madison, waste disposal and the use of defoliants in Vietnam. Madison even boasts a Whole Earth Cooperative specializing in macrobiotic health foods as "the raw materials for healthy living within a polluted environment."

Indeed, the strength and promise of the burgeoning interest in the integrity of the American landscape is its appeal to students of all political leanings, from conservatives worried about preserving resources to hippies on a diet trip. "The new awareness," says Dennis Sustare, a zoology grad student and a leader of Wisconsin's Ecology Students Association, "is a combination of things. Some see it as a question of the survival of mankind. Some see it as a way of attacking our economic and social system, and others just don't see songbirds in their yards any more and they are wondering why."

AMERICAN CIVIL LIBERTIES UNION ON THE LOOSE

HON. PAUL J. FANNIN

OF ARIZONA

AND

HON. GORDON ALLOTT

OF COLORADO

IN THE SENATE OF THE UNITED STATES

Friday, December 19, 1969

Mr. FANNIN. Mr. President, since there has been an abundance of criticism of the electronic media particularly, in the sometimes unobservable division of news from opinion, I think when a particularly good job is done it should be called to our attention.

WMAL, in Washington, D.C., has done an excellent job, in my view, of setting forth in perspective some of the realities behind the issue of having a Nativity scene on the Ellipse near the White House. Their editorial writer has done a most perceptive service in pinpointing the double standard employed by the American Civil Liberties Union in advocating a particular ideological viewpoint. The ACLU characterizes itself as a defender of those who cannot defend themselves, particularly in questions of civil liberties. However, it seems to me they have taken unto themselves a rather outspoken "antimajority" attitude whence comes the unspoken principle, "If the majority wants it, it must be wrong."

Mr. President, such an attitude carried to its ultimate conclusion results in a minority effecting control over the majority, which to me is a simple definition of an oligarchy, or more likely an autocracy or dictatorship.

Mr. President, I do not think such efforts should go forward under the guise of "tolerance." I, for one, am quite tired of those who, in the espousal of "tolerance" of all faiths, wind up by imposing their standard of "no faith at all." Over and over I have maintained that to force the religious beliefs of the atheist or agnostic upon the rest of us by law is as great a wrong as demanding one faith by all as a rule of law.

Let us not be mistaken; the object of the ACLU, and those who stand with it in contesting the right of a private organization to stage a Nativity scene on Government property at Christmastime, is not to maintain the traditional American separation of church and state; neither, I believe, does their action stem from a concern that one group of a certain religious persuasion is dominating or oppressing another group of a different persuasion. Scratch these ACLU

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types a little below the surface, and you most likely will find either an unknowing anarchist, a tunnel-vision "dupe," or a head-in-the-sand Marxist.

Mr. President, I commend the WMAL editorial of Wednesday, December 17, to the attention of the Senate and ask unanimous consent that it be printed in the RECORD.

Mr. ALLOTT. Mr. President, an effort is being made to prevent the display of a manger scene on the Ellipse for the annual Christmas pageant in Washington on the ground that the religious part of the pageant constitutes recognition of the church by the state.

Nothing, of course, could be further from the truth, as is plainly set out in an outstanding editorial by WMAL radio and television which was broadcast on Wednesday, December 17, 1969.

The editorial concludes with this thought:

> Tolerance in America should be measured by how great a freedom we give all pluralistic institutions—not by how we relentlessly suppress the majority.

This is an excellent thought, particularly during this holiday season.

It should be understood that the opponents of religion—those who have fought voluntary prayers in public schools, those who would ban the astronauts from reciting prayer in space, those who are fighting Christmas programs in public schools, those who want the words "under God" removed from our pledge of allegiance—do no seek equal recognition of one set of ideas and values with another; they do seek the suppression of all acts and symbols of worship, no matter how insignificant, from public places.

Let us remember that while our Founding Fathers did want to separate for all time church and state, it is very clear that they never intended a separation of religion or God from the state.

I hope and pray, Mr. President, that this effort to ban the manger scene from the Ellipse and the many other attempts to eliminate God from public life will not succeed.

The Pilgrim Fathers came to this land to seek freedom of worship. It would be more than ironic if citizens should now be denied such a right in this Nation.

I join the Senator from Arizona (Mr. FANNIN) in asking unanimous consent that the WMAL editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

> **A Matter of Tolerance**
>
> This may be the last year that the nativity scene will be displayed on the Ellipse for the traditional Christmas pageant. The American Civil Liberties Union has gone to court, arguing that display of the manger scene on public property amounts to an unconstitutional establishment of religion. It is important to stress that the pageant is staged by a non-profit private corporation which obtains a permit from the Interior Department. Many private groups, such as the anti-Vietnam War protest groups with their Viet Cong flags, have obtained similar permits.
>
> While the ACLU is challenging display of the manger scene on public property, the New Jersey ACLU is attacking the right of military authorities to ban anti-Vietnam demonstrators from handing out leaflets on the Ft. Dix, New Jersey, military reservation.
>
> The Oregon ACLU has succeeded in having a cross taken out of a public park in Eugene, Oregon. The Iowa ACLU is defending eight Grinnell College students who undressed at a public meeting, on grounds that not allowing them to disrobe violates free speech.
>
> The Pittsburgh ACLU is charging that a Pennsylvania School District violated the Supreme Court ban on prayer in public schools. The national ACLU is opposing Administration efforts to curb obscene mail.
>
> The national ACLU wants church property taxed even if used for religious purposes. The national organization is, however, defending private foundations that indulge in political activity on grounds that foundations have made "an enormous contribution to our national well-being"—a compliment the ACLU apparently feels does not extend to churches.
>
> Experience indicates that ACLU lawyers will argue fine points of law in each of these cases with admirable skill.
>
> We believe, however, that some matters are better decided by common sense tempered with tolerance.
>
> It would not have been fair to argue that the Rev. Dr. Martin Luther King could not speak at the Lincoln Memorial because he was an ordained minister and his appearance constituted establishment of religion. The granting of march permits to the Southern *Christian* Leadership Conference certainly did not violate the Constitution.
>
> Tolerance in America should be measured by how great a freedom we give all our pluralistic institutions—not by how we relentlessly suppress the majority.

THE STRATEGY OF RETREAT

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. HELSTOSKI. Mr. Speaker, as most know there was more than the debating involved in the voting that took place last week on voting rights legislation.

It has not gone unnoticed by the press. One of the newspapers which clearly pointed out the intent of the administration's bill was the Record of Hackensack, N.J. Editorially, the Record said on December 16, 1969:

> **The Strategy of Retreat**
>
> The Administration's bill wrecking the Voting Rights Act of 1965, now passed 208–203 by the House of Representatives, is a cynical sellout of both principle and the progressive forces in the South that have been working toward final elimination of apartheid.
>
> It is cynical because the Administration bill was represented by its sponsors as a way of substituting a nationwide approach for a sectional approach to discrimination against voters on the ground of race.
>
> It was no such thing. The 1965 act has worked so well that today 800,000 more Southern Negroes are registered to vote than were before it was passed.
>
> And that is exactly why the Southern bloc in Congress wanted it killed and the Nixon bill substituted for it.
>
> The substitute transfers from the federal government to the individual states the initiative for reform of voter registration. The 1965 act requires that states which are subject to it submit proposed changes to the federal government for approval. The Nixon substitute would let the Justice Department keep track of such changes and then bring suit, if it wished.
>
> It is deducible from the way the Nixon administration has dealt with school segregation that nothing will happen if the Nixon bill becomes law. The Supreme Court itself had to tell the Justice Department it could no longer delay integration in Mississippi. If a department so manned is ceded the initiative in cases involving discrimination against voters it will have at its disposal all kinds of techniques of indefinite delay, including the delays of litigation even supposing litigation is started.
>
> Mr. Nixon is plainly running against George Wallace for the support of Southern reactionaries. In view of the excellence of so much of his first year in office it is beneath his dignity.
>
> It would be good to get a two-party South, but the way toward it is not slavish adherence to white supremacists. The Senate can preserve the Voting Rights Act of 1965 and kill Mr. Nixon's step into the past. It should do so.

As one who voted against the administration bill I say amen to the Record's comments.

LYNN STONE NAMED NINTH PRESIDENT OF CHURCHILL DOWNS, HOME OF THE KENTUCKY DERBY

HON. MARLOW W. COOK

OF KENTUCKY

IN THE SENATE OF THE UNITED STATES

Friday, December 19, 1969

Mr. COOK. Mr. President, on December 16, 1969, Mr. Lynn Stone was named the ninth president of Churchill Downs, home of the Kentucky Derby in Louisville.

Stone is the youngest president in the track's 96 year history. He is only 44 years old. The well-known and respected Wathen Knebelkamp retired as president of Churchill Downs after more than 10 years of distinguished service.

The new president, who was born in New Orleans, but moved to California when he was only 4 years old, has been extremely active in sports all of his life. As an outstanding athlete in high school, Stone won an athletic scholarship to attend the University of San Francisco.

He left the university to enlist in the U.S. Coast Guard, serving for 3 years, including time in the Pacific theater of war. After discharge, he signed a professional baseball contract with the New York Yankees where he played for 3 years in minor league baseball with the Yankees and the old Brooklyn Dodger organizations—at the same time attending classes at Long Beach City College. Stone left baseball to teach at Southern California Military Academy.

After 2 years of teaching he returned to baseball, this time as general manager of the Ventura, Calif., club in the California Baseball League. He moved to Evansville, Ind., as general manager of that Three I League team from 1952 to 1955.

The next step up the baseball ladder was as general manager of Wichita, in the American Association, for the 1956–58 seasons. Stone moved to Kentucky when the Wichita franchise moved to Louisville in 1950.

His association with Churchill Downs

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began in September 1961, when he was hired by Mr. Knebelkamp as resident manager. He was named vice president and general manager in June 1966.

In addition to Stone's keen interest in racing, he finds time to play golf, around the 80 mark, and to fish.

Mrs. Stone, the former Rebecca Snyder of Owensboro, Ky., was Miss Kentucky in 1965.

Knebelkamp said:

> As my 10½ year tenure as president is ending, I consider it one of my highest compliments that a man of Lynn Stone's stature will be the new president of Churchill Downs.
>
> He is competent in every regard and will carry on the high tradition of the track.

Stone promises that his energies will be devoted to keeping the derby the greatest horse race in the world.

All of us in Kentucky are thrilled to have Lynn Stone as the new Mr. Kentucky Derby.

A JUDGMENT ON THE NIXON "PLAN"

HON. J. W. FULBRIGHT

OF ARKANSAS

IN THE SENATE OF THE UNITED STATES

Friday, December 19, 1969

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed in the Extensions of Remarks an editorial entitled "A Judgment on the Nixon 'Plan'," published in the St. Louis Post-Dispatch of December 12, 1969.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A JUDGMENT ON THE NIXON "PLAN"

Senator Fulbright has been patient and forbearing beyond the call of duty in giving the Nixon Administration a chance to demonstrate the validity of its alleged plan for ending the Vietnam war. His admirable address at Washington University, a point-by-point refutation of President Nixon's speech of Nov. 3, is a polite announcement that the honeymoon is over.

The chairman of the Senate Foreign Relations Committee has concluded that the Administration policy of "Vietnamization" will not end the war but perpetuate it. He rejects Mr. Nixon's claim that we have only two alternatives—to withdraw precipitately or to Vietnamize the war. The Senator identifies a third option. We can, as he says, negotiate a phased withdrawal of all our troops—not only the ground combat troops—on the basis of agreement on a coalition government to rule South Vietnam until the withdrawal is complete and elections are held.

Assuming that the Administration is sincere in believing that Vietnamization will end the war, the difference between Mr. Nixon and Senator Fulbright may be said to be one of judgment. Will the Administration policy work, or won't it?

We think experience, present realities and future probabilities overwhelmingly support the Senator's judgment. We simply do not believe the optimistic appraisals advanced to show what a great success Vietnamization already is, and how Saigon's troops are rapidly proving their ability to win by themselves a war they could not win alongside 550,000 American troops. These rosy promises are only a new version of the periodic forecasts of imminent victory with which the Johnson Administration beguiled the nation into ever deeper entanglement. They fly in the face of the history of our intervention.

Nor are we persuaded by the Administration's contrived rationale that as South Vietnam takes over the war Hanoi and the National Liberation Front will be under greater and greater pressure to accept a settlement on Saigon's terms. This again, in our opinion, flies in the face of the history of the war. The Communist nationalists do not fear Saigon, and after a generation of civil war we cannot imagine their capitulating.

We believe Hanoi is ready to negotiate, not a capitulation, but a compromise political settlement in return for complete withdrawal of American forces. Withdrawing half of our troops while supporting the Saigon regime with the other half will not increase the pressure on Hanoi to negotiate, but just the contrary. Without a complete withdrawal, it seems to us Hanoi will be less rather than more willing to accept a settlement.

What if Mr. Nixon is right and Senator Fulbright wrong on the workability of Vietnamization? One may say that time will tell, let us wait and see. The trouble is that while waiting five or ten years to see, thousands more young men will die, the Vietnamese people will be further debauched and degraded, and the brutalizing poison already at work in American society will bring us closer and closer to moral disintegration. Whatever the practicalities of Vietnamization, it is morally reprehensible to transform an unjustifiable war of our own into a proxy war, in which we hire others to fight for our pride, our "honor," our self-esteem.

Notwithstanding all the optimistic propaganda about the forthcoming success of Vietnamization, the Administration has never committed itself to withdraw more than some 250,000 ground combat troops, which would leave between 200,000 and 300,000 air, artillery and support forces in Vietnam for the indefinite future. In its own statements there is much evidence that this is indeed "the plan"—to mollify opinion at home by withdrawing draftees from ground combat, but to support a war of indefinite duration with career servicemen, weapons and money. If this is the case, then the Administration policy is not to end the war, as Mr. Nixon promised in order to win election, but to make it politically tolerable.

Senator Fulbright evidently has reached this conclusion. Just as he fought the Johnson Administration for waging war while promising peace, evidently he has decided to fight the Nixon version of the same policy. We are confident that many other Americans, as they come to understand the Nixon policy, will reach the same decision.

NCDC—FIRST IN CHARITABLE FUND RAISING ETHICS CODE

HON. JAMES R. GROVER, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. GROVER. Mr. Speaker, it has been brought to my attention that the National Catholic Development Conference, established in 1968, has adopted a code of ethics called "Precepts of Stewardship." The NCDC is a professional association of Catholic organizations which are engaged in raising funds to support their charitable, educational, and welfare activities, and the Precepts of Stewardship constitute the first ethical code applicable to religious fund raising in this country. I believe they are worthy of study, and am pleased to cite them:

PRECEPTS OF STEWARDSHIP

PREAMBLE

Conscious of our responsibility to God and to the People of God; respectful of the directives of the Holy Father, the laws of the Church as well as the laws of the land; acknowledging the changeless principles of good stewardship in this ever-changing apostolate; anxious to elevate fund raising to the sacramentality of true charity; and mindful that our common purpose is one of uncommon service to our fellow man; WE, as members of the National Catholic Development Conference, do affirm our adherence to the following precepts:

I

That member organizations shall have approval of the appropriate religious authority for all fund-raising and promotional activities.

II

That sound business practice is fundamental to good stewardship. Particularly WE, as receivers of monies given in trust, have the binding obligation of full accountability in accordance with the most stringent ethical, legal, and fiscal standards.

III

Appeals should be marked by a dignity of nature, a clarity of language, and a validity of purpose in harmony with the highest Christian principles, stressing the Love of God as the motivation for giving.

IV

That consideration should always be given to avoid undue conflict with other approved appeals.

V

That in the event items of piety, religious cards or other promotional pieces are incorporated in any appeal, they shall be in good taste, presented as gifts without obligation or constraint of payment.

VI

That enrollments in Mass Associations, and Purgatorial Societies, and the use of Spiritual Bouquet cards are in keeping with Catholic tradition. However, numerical emphasis on Masses and other spiritual benefits is to be avoided.

VII

That great prudence should be exercised with regard to obtaining, maintaining and utilizing lists of names and addresses of present, prospective and past benefactors. Such lists should at all times be within the full ownership and control of the member organization.

VIII

That no member shall enter into any arrangement or contract involving payment in the form of a percentage or commission on funds raised.

IX

That similarity of copy, art work, and general presentation is unavoidable in our closely related field of endeavor; however, the exact reproduction or evident imitation of the material of another organization by a member is reprehensible.

THE AFTERTASTE OF THE HAYNSWORTH VOTE

HON. ALBERT W. WATSON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. WATSON. Mr. Speaker, just after the Senate voted to reject the nomination of Judge Clement Haynsworth to serve on the Supreme Court, the editorial

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board of WBT radio and WBT television in Charlotte, N.C., broadcast an outstanding editorial which I believe speaks for the majority of the American people. I would like to include this editorial as a part of my remarks as follows:

THE AFTERTASTE OF THE HAYNSWORTH VOTE

The U.S. Senate acted within its rights in rejecting Judge Clement Haynsworth as a member of the Supreme Court, but the aftertaste of the whole matter is anything but pleasant.

From reports that have filtered out of Washington, the vote by the Senate would seem to be less a determination of whether Judge Haynsworth was qualified for the job than the result of a political tug of war. The extreme pressure that was exerted on the Senators by labor and racial groups on one side and by the administration on the other, makes it questionable whether at least some of the Senators voted their true convictions or were reacting to external forces. It gives a queasy feeling that the whole business was handled with something less than statesmanship.

In contrast is the notable and forgiving manner in which Judge Haynsworth accepted this bitter decision. Listen to his words:

". . . For our country's sake, I hope the debate will prove to have been a cleansing agent which will smooth the way for the President's next and later nominees. . . . I hope my friends and supporters will recognize that the greatness of the Senate as an institution is not diminished by individual disagreement with it."

The Supreme Court could have used a mind of such lofty proportions.

But the sad deed is done, and President Nixon must now submit a nomination for someone else. There is still reason to doubt those senators who stoutly maintained that Judge Haynsworth's being a Southerner and moderately conservative had nothing to do with their rejection of him. To lay this doubt to rest, or to prove that it is justified, this station urges the President to select another qualified Southerner and conservative. There are plenty of fine ones from which to choose; the Court needs such a person to put it back in balance; and it would be interesting to see how he would fare at the hands of the Senate.

DO NOT FORGET CONG ATROCITIES, REPRESENTATIVE ANDREWS REMINDS UNITED STATES

HON. BILL NICHOLS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. NICHOLS. Mr. Speaker, there has been an overwhelming amount of publicity lately concerning the alleged incident at Mylai. Somehow, the press of this country seems to relish publicizing the incidents involving American soldiers in Vietnam, but they forget that the other side has continuously carried out barbaric raids against Vietnam civilians. Our colleague, Congressman GEORGE ANDREWS, has pointed out these Vietcong atrocities in his weekly newspaper column. His recent column was picked up by the Birmingham News, and I would like to have the News' story printed in the RECORD following my remarks. I would hope that more of our colleagues would remind their constituents that the other side in this war has committed far more acts of terror than Americans and our allies have even been accused of. The column follows:

DO NOT FORGET CONG ATROCITIES, REPRESENTATIVE ANDREWS REMINDS UNITED STATES

WASHINGTON.—U.S. Rep. George Andrews of Alabama's Third District has warned that the U.S. must "not get carried away by the emotional spasms and fantasies of this country's naive war critics, who viciously attack their own countrymen and close their eyes to the real barbarians in this war—the Communists.

The congressman from Union Springs commented in his weekly column "Capital Views" concerning the alleged massacre of the village of My Lai in Vietnam.

Here is the text of Rep. Andrews' column, which he writes primarily for newspapers in his district but which this week particularly is of general interest:

Reaction to the alleged massacre of Vietnamese civilians by American soldiers in the village of My Lai has generally been one of shock. Yet, shock is one thing; hysteria is quite another.

Because we Americans consider ourselves civilized and humane, we do not expect our soldiers to kill innocent men, women, and children—in war or peace—and our government prohibits this as a matter of policy.

If the My Lai reports prove true, the guilty should and will be punished. To demand more than this and to condemn more than those guilty would be unfair and dangerous.

Despite the "trial" being conducted by the television networks and a few newspapers, the incident at this point has not been fully substantiated. The matter is being investigated and courtmartial proceedings have been set.

Neither the entire military establishment nor the nation will be tried in the courtroom. Likewise, there is no need to do so in the halls of Congress, but just such an attempt is being made.

Anti-war critics who are now so horrified at the My Lai episode have for years been sitting in silence as report after report of Viet Cong atrocities has flowed from the battlefield. Where has this new-found "concern" for the innocent civilians in South Vietnam been hiding?

One U.S. senator said, the My Lai massacre will take its place along with Lidice, Katyn Forest, and Malmedy. If true, it may indeed. But the senator might logically have included the Hue massacre, where over 2,000 old men and women, young girls and boys, priests, nuns, and doctors were systematically executed by the Viet Cong. Mass graves are still being opened in and around Hue.

Following the My Lai revelations, Sen Edward Kennedy felt moved to announce his own Vietnamese civilian death toll figure of 300,000 since 1965, adding that "the majority . . . have been stimulated by ARVN (South Vietnamese) and U.S. forces."

His statistics are highly questionable, and his notion that we are doing a better job of killing our allies than the Viet Cong is idiotic. His statement, as pure nonsense, ranks well with one that appeared in a New York Times editorial which called Ho Chi Minh a "formidable foe who might have been a friend if this country had been more consistently faithful to some of its noblest principles which he admired."

In discussing the matter of war atrocities, it might be well to remember a little Vietnamese history. Following Ho Chi Minh's victory over the French, he turned on his own people to give them a little Communist "party discipline," and estimates are that between 50,000 and 100,000 died during these bloodbaths.

He had some more problems during the 1950's—while the rest of the world was watching the rape of Hungary by the "peacefully coexisting" Soviet Union—and butchered some 6,000 more unarmed villagers in Nghe An province. They had objected to unreasonable taxation.

By the end of 1967, the Communists had committed at least 100,000 acts of terror against the people of South Vietnam, and they have not slowed down. Department of Defense reports show that during the first eight months of 1969, 4,621 civilians were killed in these documented incidents of terrorism. This compares with 5,389 deaths by the same terror tactics during all of 1968, which was the previous peak year for terrorism in South Vietnam.

I do not present these facts as justification for any slaughter of civilians that some Americans might have been involved in during this war. Yet, the actions of a few soldiers must not be used to condemn the valor and humanity of the rest of our forces in Vietnam, or to discredit our role in freeing South Vietnam from Communist aggression.

And above all, let's not get carried away by the emotional spasms and fantasies of this country's naive war critics, who viciously attack their own countrymen and close their eyes to the real barbarians in this war—the Communists.

HELP PRISONERS OF WAR

HON. WILLIAM L. SPRINGER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. SPRINGER. Mr. Speaker, I know there has been a lot of interest in the prisoners of war now held in North Vietnam. I have written my newsletter this week on that matter. In view of the interest and inquiries that have been made by various Members of the Congress, I thought my colleagues would be interested in what I said on this matter to the good people who reside in my congressional district. The newsletter follows:

NEWSLETTER OF HON. WILLIAM L. SPRINGER

Is there anything you can do, at this Christmas season, to help the hundreds of American families who don't know whether their farthers, sons or brothers are dead—or alive in a prison camp in North Vietnam?

Yes, there is. You can join the "Write Hanoi" campaign of the American Red Cross.

The Government of North Vietnam signed the 1949 Geneva Convention which prescribes humanitarian standards for the treatment of captured military personnel in time of conflict. This convention calls for—

Prompt release of the names of all prisoners.

Adequate diet and medical care.

Prisoners allowed to receive and send mail.

Repatriation of seriously sick or wounded prisoners.

Protection from abuse or reprisals.

Free access to prisoners by such a neutral intermediary as the all-Swiss International Committee of the Red Cross.

The North Vietnamese have failed to live up to the promises they made in signing the Geneva Convention. They are holding an estimated thirteen hundred Americans under conditions that are in direct violation of the Geneva Convention. They won't give us the names of their prisoners. The American families of these men know only that they are missing. Definite knowledge that they are alive—even in captivity—would relieve a lot of the heartbreak for their folks at home.

Last September a resolution calling upon all nations to honor the Geneva Convention was adopted unanimously by delegates to the International Conference of the Red Cross held in Istanbul, Turkey. At that conference,

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most of the nations of the world, including the Communist block, were represented. Since that time national Red Cross societies in eighteen countries have made direct appeals to North Vietnam, urging compliance with the provisions of the Geneva Convention. A resolution backing the Red Cross in its effort to gain proper treatment for American prisoners is now pending in the Congress of the United States. I am one of the sponsors of this resolution.

Now for your part. The Red Cross is sponsoring a nationwide "Write Hanoi" campaign. Individuals and groups are being urged to join in an appeal for humane treatment of American prisoners of war. North Vietnam has shown an awareness of public opinion in the United States. The Red Cross campaign aims to show Hanoi that on this humanitarian issue, Americans are not divided.

You don't need a form letter for this campaign. Your message should come from the heart. It costs only a quarter to send a letter to Hanoi by airmail. Your letter should be addressed to:

Office of the President
Democratic Republic of Vietnam
Hanoi, North Vietnam

I hope that every person who receives this letter will join this appeal of the American Red Cross.

MONEY WILL NOT BUY PEACE FROM THE "VIOLENT" MOVEMENT

HON. MASTON O'NEAL

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. O'NEAL of Georgia. Mr. Speaker, nothing is more obvious than the truism "money will not buy peace from the 'violent' element."

Such was the heading the Thomasville, (Ga.), Times-Enterprise placed on its great editorial in the issue of December 16.

It never stopped a blackmailer from blackmailing nor a robber from robbing. As Lord Chamberlain learned, appeasement never appeased anyone.

This editorial and its central theme as expressed in the headline should be shared with our colleagues and others who read the RECORD. It follows:

MONEY WON'T BUY PEACE FROM THE VIOLENT ELEMENT

The National Violence Commission report, a voluminous 338-page document, plus nine separate reports on various angles of the violence problem, has been made public.

Notable features of the report is a recommendation for the spending of $20 billions a year with five years as a test period, in an effort to solve the major problem of violence.

Notable also is the fact that the emphasis is on more and more money with the matter of law enforcement as a means for ending violence, apparently relegated to a secondary position.

It doesn't take a National Violence Commission composed of distinguished Americans to understand and appreciate the fact that the present wave of violence is due primarily to the fact that the highest court in the land and the White House, for the past several years have not only condoned, but by their failure to take firm action promptly have allowed conditions to get out of hand. Failure to act unquestionably has encouraged those bent on violence to defy the laws of the land, resulting in the destruction of millions of dollars worth of property, the taking of human life, including that of men charged with law enforcement.

Officers have been made to submit to all kinds of indignities and in court trials of trouble-makers they have found themselves at serious disadvantage because of technicalities in the law, and by reason of higher court rulings which have tied the hands of those who have had to defend themselves against charges of brutality and abuse of authority. In a sense they have been made the laughing stock of the country, because the criminal element which is the violent element, knows the courts have leaned over backwards to favor them, giving them the advantage of every loophole in the law.

And as in a case in California a few years ago where eleven men had been convicted as dangerous, revolutionary-minded Communists, the Supreme Court of the United States set them free, notwithstanding the government and state of California had spent hundreds of thousands of dollars running them down and brining them into court.

With knowledge that the "violent" element has no respect for law, but intend to break down the law and the civil constitutional institutions of the land, the courts have ignored to a great extent the rights of the "silent Americans" in order to favor the criminals.

There was a time when the violence could have been controlled, but it has been allowed to get out of control, both the JFK and LBJ administrations adopting a "go easy attitude" on them, thus encouraging them to become bolder and more determined to have their way.

It has happened in various colleges and universities, where a vaccilating policy has resulted in open defiance of the law, with a small group in each case attempting to take over, thus overlooking the rights of the great majority of students who are there to get an education. They are the "silent majority."

What is happening in the U.S.A. has happened in other lands, with bloody revolution often the end result. Don't forget that Dictator Fidel Castro and his Communist friends in Moscow and Peking are serving as "Advisers" in this campaign to overturn the government of this nation.

Trying to buy law observance by the "violent" group won't work. We tried to buy friendship the world over, but it doesn't work. Experience should be our guide in this matter.

JAMES D'ANDREA—MICROELECTRONICS "MAN OF THE YEAR"

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. PATTEN. Mr. Speaker, I was very pleased to learn that one of my constituents, Mr. James B. D'Andrea of Metuchen, N.J., has recently been presented with the first annual award of the International Society for Hybrid Microelectronics. The award honors that individual who the society feels has contributed most during the year to thick film technology.

In making the presentation, Mr. Wayne Martin, president of the society, said:

> Mr. D'Andrea is a very unique individual—the "common man"—who was the catalysis that started this entire thick film industry. In the late 1950's while an employee of the Du Pont Company's Perth Amboy Ceramics Laboratory and working on his own, he developed the first stable thick film resistor compositions.

In 1960 U.S. Patent No. 2,924,540 was granted in Mr. D'Andrea's name for the new material. However, commercial breakthrough did not come until 1961 when, persevering as a technical salesman, he brought the product to the attention of International Business Machines Corp. and many other firms. At that time IBM was interested in the material for printed electronic resistors. This led to their use in the company's system/360 computer line.

Acceptance of the resistor material spurred D'Andrea's own company, Du Pont, and other firms in developing broad lines of thick film compositions for a wide variety of electronic applications.

Mr. Williams stated:

> As in the case of all new products, success can be laid to talented men, working diligently to bring a highly creative idea to commercial success. Too often their work is not seen or publicized but the entire economy is richer for their contribution. Therefore, it is a great pleasure for the society to honor Mr. D'Andrea as the recipient of its first award.

Mr. Speaker, I am proud to add my own congratulations to such a distinguished constituent. And I would also like to include at this point the following article from the Perth Amboy News Tribune:

"MAN OF YEAR" AWARD WON BY D'ANDREA

The International Society for Hybrid Microelectronics presented its "Man of the Year" award to James B. D'Andrea of Metuchen at ceremonies in Dallas, Texas.

D'Andrea, a native of Perth Amboy and a graduate of Perth Amboy schools and the Newark College of Engineering, began his research for the Electronics Products Division of DuPont, Wilmington, Delaware.

His work has led to several patents, among which is one on resistor composition.

It was for this work, as well as other contributions, that D'Andrea was honored in Dallas. The work of D'Andrea was cited as a major contributing factor in the birth of a new technology based on the marriage of chemistry and electronics adopted by many companies in the computer field.

This is the first such award ever given in the history of the society.

RESOLUTIONS ADOPTED BY THE GOVERNING BOARD OF THE COUNCIL OF STATE GOVERNMENTS

HON. J. GLENN BEALL, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. BEALL of Maryland. Mr. Speaker, the governing board of the Council of State Governments has recently adopted nine resolutions stating policy positions on a like number of significant issues. While I do not necessarily agree with the positions taken on all of these matters, I do believe that the Members of Congress should be aware of them. I am, therefore, including them in the RECORD for the information of my colleagues. They are as follows:

RESOLUTIONS OF THE GOVERNING BOARD OF THE COUNCIL OF STATE GOVERNORS

REVENUE SHARING

The Council of State Governments recommends that a federal revenue sharing plan be formulated on the following basis:

(1) Congressional appropriations for revenue sharing should be made on the basis of the federal individual income tax base.

(2) Congressional appropriations for revenue sharing should be made to a trust fund established in the Treasury of the United States.

(3) The sums appropriated should be allocated among the States, based primarily on population adjusted by relative state and local tax effort. The relationship between the taxing ability and the percentage of federally-held and administered land acreage in each State should also be considered. Local units of government should share appropriately in the funds allocated to the States.

(4) The federal pass-through formula should provide for sharing revenue only with general purpose units of government.

(5) No functions should be excluded from expenditures made from shared funds.

TAXATION OF STATE AND LOCAL BONDS

Be it resolved by the Governing Board of the Council of State Governments that:

(1) We affirm the basic constitutional principle that neither the federal nor state governments without mutual agreement have the authority to tax the other.

(2) We assert that state and local bonds issued for general governmental purposes must remain tax exempt.

(3) We strongly oppose those aspects of the House-passed Tax Reform Act of 1969 (H.R. 13270) which would adversely affect the marketability of state and local securities and thus the provision of needed public services and facilities.

MULTISTATE TAXATION

For many years the Council of State Governments has opposed federal legislation which would restrict the taxing jurisdiction of the States and provide preferential tax immunity to some businesses, and has expressed full support for state participation in the Multistate Tax Compact.

The Council also supports an expanded version of a congressional consent bill for the Multistate Tax Compact to allay concern in the Congress that the States are seeking a blank check in the area of multistate taxation.

The Council of State Governments therefore urges Congress to enact legislation, drafted by the Advisory Commission on Intergovernmental Relations in collaboration with the Council, which incorporates the Multistate Tax Compact and expresses congressional consent to enactment thereof by the States, plus the following additional provisions:

(1) The three-factor formula (Uniform Division of Income for Tax Purposes Act) developd by the National Conference of Commissioners on Uniform State Laws is made mandatory for net income taxes upon States which have not enacted the Compact by July 1, 1971; and

(2) States are given jurisdiction to require collection of sales tax by sellers making interstate deliveries into a State if the seller makes regular household deliveries there.

WORKMEN'S COMPENSATION AND RADIATION EXPOSURE

Resolved, that the Council of State Governments supports the proposition that all workmen's compensation acts should provide full coverage for medical services reasonably necessary in the treatment of injuries resulting from ionizing radiation.

Resolved, that the Council of State Governments supports the proposition that all workmen's compensation acts should provide coverage for all employees who sustain injuries as a result of exposure to ionizing radiation in their employment.

Resolved, that the Council of State Governments favors in principle the efforts of the Atomic Energy Commission in urging States to require employers to keep records as to employees' exposure to radiation and to provide for a central repository of occupational radiation exposure information.

JURISDICTION OVER LABOR RELATIONS

Whereas, it has been the consistent policy of the National Labor Relations Board since 1935 to leave to the States labor relations matters which affect colleges and universities; and

Whereas, in 1947, the Congress determined that there was no need expressly to exclude educational institutions from federal coverage in view of the National Labor Relations Board's definitive practice of declining jurisdiction in this area:

Now, therefore, be it resolved by the Governing Board of the Council of State Governments that the National Labor Relations Board be urged to adhere to its long established policy of not asserting jurisdiction over matters affecting colleges and universities and to take no action which would preempt the States in this area.

CURTAILMENT OF FUNDS FOR FEDERAL CONSTRUCTION PROJECTS

Whereas, the National Administration has initiated a policy of curtailing the expenditure of funds for federal public works projects; and

Whereas, since such a policy affects only minor portions of the expenditures of the total economy which are contributing to inflation, there is a serious question whether the planned cutbacks can have more than a token effect in combating inflation; and

Whereas, the cutback policy unfairly hits some parts of the country much harder than others, since the economy of some areas are dependent to a large extent on federal construction projects, while the economy of other areas is but little affected; and

Whereas, the curtailment will unnecessarily cause the loss of hundreds of lives which otherwise would be saved by the construction on schedule of the safe multi-lane federal interstate highway system:

Now, therefore, be it resolved by the Governing Board of the Council of State Governments that the National Administration be and is hereby requested to review and reevaluate its program of combating inflation by curtailing the expenditure of funds for federal public works projects with the view of replacing it with a program which is both fair and effective.

FEDERAL RESEARCH GRANTS

Whereas, within the federal executive branch and its constituent departments, there is an uneven policy with regard to the eligibility of state legislative agencies for federal research grants; and

Whereas, such policy creates discrimination between state legislative agencies and state executive and administrative agencies; and

Whereas, the Intergovernmental Relations Committee of the National Legislative Conference recommended that this policy be reversed, and that the Bureau of the Budget and the Vice President clarify the eligibility of legislative agencies for such grants:

Now, therefore, be it resolved by the Governing Board of the Council of State Government that:

1. State legislative agencies should be eligible to receive federal research grants on the same basis and conditions as state executive and administrative agencies;

2. The Bureau of the Budget and the Vice President be urged to issue an appropriate communication clarifying the eligibility of state legislative agencies for such grants; and

3. Copies of this resolution be transmitted to the Office of the Vice President and the Bureau of the Budget.

LEGISLATIVE MODERNIZATION

Whereas, the Committee on Legislative Modernization has now completed its second year of operation; and

Whereas, the committee has explored means of encouraging States to adopt the recommendations contained in the report of this committee submitted to the Governing Board a year ago; and

Whereas, the committee recommends that the Council continue work in the field of legislative modernization:

Now, therefore, be it resolved by the Governing Board of the Council of State Governments that the Executive Committee be requested to authorize promptly staff augmentation for increased activity in areas of legislative services, procedures and modernization, as set forth in the report on Council staffing and financial needs; and

Be it further resolved that the National Legislative Conference be requested to serve in an advisory capacity to Council staff operations in these described areas and to cooperate with other national organizations, public and private, which have an interest in improving the American legislation structure.

VOCATIONAL-TECHNICAL EDUCATION

Be it resolved by the Governing Board of the Council of State Governments that recognition be given to the importance of vocational-technical education and the need for prompt action to establish program and institution accreditation of vocational-technical education; and

Be it further resolved that national and regional accrediting associations be requested to reconsider their denial of intention to accredit programs within vocational-technical schools; and

Be it further resolved that the Education Commission of the States be requested to lend its good offices toward solution of the current impasse which is blocking meaningful accreditation programs for vocational-technical education; and

Be it further resolved that the Committee of State Officials on Suggested State Legislation give consideration to model legislation which would provide for accreditation programs under state auspices and interstate compacts.

COMMISSIONER JAMES ALLEN ON COMMUNITY COLLEGES

HON. JOHN DELLENBACK

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. DELLENBACK. Mr. Speaker, today more than ever our Nation needs a well-educated populace. As our society and our problems become increasingly complex, more and more people have come to realize that we cannot afford to make higher education a luxury to be enjoyed by only a small sector of the population.

I believe the community college will be in the vanguard of making post-secondary educational opportunities available on a wide scale. Throughout the entire field of education, the community college holds out probably the greatest promise of innovation and progress. The Nation is going to be asking a great deal of community colleges in the future, and I believe there must be significant Federal support to help these institutions meet this challenge.

U.S. Commissioner of Education James E. Allen, Jr., recently spoke to the National Council of State Directors of Community-Junior Colleges, and indicated that the present administration is prepared to give that support. I commend the Commissioner's address to my colleagues' attention as a comprehensive

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report on how community colleges can both expand and improve educational opportunity in America. His address follows:

The Community College and the Office of Education's Goals

(Address by James E. Allen, Jr., Assistant Secretary for Education and U.S. Commissioner of Education)

I am sure you all recognize yourselves as part of the largest growth industry in American education today. Statistics on the schools you represent are never up to date—you are always moving ahead of the predictions about numbers of institutions, numbers of enrollments, numbers and kinds of projects undertaken.

Today, two-year colleges serve about two million students—three times the 1960 count. This year, almost as many freshmen entered junior colleges as entered four-year institutions.

These figures are heavy with implications of power and responsibility for you. As the president of one junior college has said, the Nation has gone from knowing little about community colleges and caring less to expecting them to solve all the problems of society.

Even if we temper enthusiasm with realism, however, the opportunities and challenges confronting the community college are extraordinary. As relative newcomers to the educational scene, most of you are struggling with the problems of beginning. You are doing things for the first time, organizing your resources, and creating the organizational framework in which you will operate.

The pressures for swift action make these processes all the harder. Yet, the very newness of the average community college is among its strong points. As yet uncluttered by tradition, you have the freedom to strike out in new directions. With the flexibility of youth, you can try unproven strategies without having to disentangle yourselves from "the way things have always been done."

It is because of your newness, your freedom from the weight of tradition, that you can make the community college a prime instrument in the realization of the goals my office hopes to pursue. To begin with, just about every attribute of the community college fits in with recognized needs for making American education more relevant to the actual needs of the individual community.

One of these goals is to make the improvement of education a continuing process. This means we must have research about what works and doesn't work in facilitating the learning process. Then we need ways of translating research discoveries into teacher training and curriculum materials, and, finally, of making such appropriate people in the educational system have access to them.

Your community colleges, with their occupational education and manpower training programs, have special links with the economic life of the community. You are not locked into an exclusively academic frame of reference. You can avail yourself of the creativity of business and industry as it relates to teaching and learning.

Because so many of your students are from low-income groups, you are also within reach of other centers of creativity in education—the community action programs—programs where disadvantaged people are exploring unorthodox approaches to self-help and where they are developing new patterns of mutual help in education. Receptivity to work-study arrangements and to community service projects is characteristic of the community college, and here, too, new avenues for the discovery of needs and possibilities in education open up, particularly the recognition of variations in learning style as well as variations in background and experience.

The community college with its capacity for accommodating many kinds of programs at the same time—everything from adult education to vocational training to straight academic preparation—can try many novel patterns. It can make the promising arrangements an official part of its operations—for example, making a neighborhood reading clinic a part of a formalized literacy program, or bringing together teacher training projects and local day care centers for young children.

The role of the community college in institutionalizing experiment and evaluation in education is a natural adjunct of what it can do toward another essential goal of redressing the educational handicaps of the disadvantaged. The particularly large representation of ethnic minorities, as well as of low-income people, in community colleges presents the challenge squarely; the opportunity for finding out how to surmount the special problems of such people looms equally large.

Still another goal of particular concern to us in the Office of Education has to do with ways and means. We are groping for new patterns of support for education—new channels for bringing Federal dollars into the educational process, and also fresh approaches to non-Federal governmental resources.

Here again, the community college is in the vanguard. As the crossroads institution, tying in with the public school system and with public and private institutions of higher education, as well as with industry and other private revenue sources, the community college is the natural proving ground for experiments in educational financing. We are already seeing novel forms of collaboration between business and government in this area. The community college is already beginning to perform unique liaison functions between education and the surrounding society. I expect there will be many more as the urgency of the work community colleges are doing is more widely acknowledged.

Federal recognition of the importance of the community college to the national effort at revitalization of the entire educational system can be seen in the fact that I have a newly appointed special assistant for community college affairs. It is also apparent in the new legislation now being prepared.

The new legislation is being designed to help community colleges in two major ways: first, by direct aid to colleges improving their career education programs, particularly as they expand opportunities for the disadvantaged, and, second, by aid to the States in improving their management of career education.

Beginning with Fiscal Year 1971, under plans now being discussed, States would be eligible for grants to develop plans for expanded post-secondary career education systems. Depending on the individual State situation, such a plan might call for augmentation of the number of institutions offering career education—new community colleges, for example—or it might provide for further development of existing institutions and programs along these lines.

Acceptable State plans might also include provision for corporate colleges (colleges of continuing education for those now employed in industry) and colleges for craftsmen—by which we mean courses on or off campus, which build on technical skills in preparing workers for posts in management and advanced technology.

Among the criteria for State plans would be their effectiveness as coordinating mechanisms. One objective would be to use the plans to make the diverse activities of manpower, poverty and education agencies on all levels of government part of a coherent program. In this way each agency's program would be supportive of the other. This would avoid the confusion of overlapping and competitive activities that all too often diminish rather than enhance each agency's effectiveness.

In the coordinating effort, there would be conscious use of the community college as a stabilizing and correlating mechanism. To receive a grant, a State would have to maintain an appropriately representative body to take on this work of coordination. Such a body should include the representation of all State agencies concerned with post-secondary career education, including the State vocational education agency, the State agency or agencies responsible for higher education, public education and other human resource development agencies, both public and private. Where there is a separate body dealing with community college affairs, representation from such an agency should, of course, also be included. The principal State officer charged with operating or planning responsibilities for community college affairs might possibly be chairman. Such decisions should be the province of the States.

These plans are all very much in the making as yet. My staff and I have been meeting with State community college officials to make the legislation more responsive to local realities. I have already had talks with some of you, and my assistant will be meeting with you tomorrow to discuss the special problems of your individual States. It is obvious that we must look to you for detailed information about the community college situation before we can arrive at an appropriate relationship. I hope you will be candid in your reactions and suggestions.

In approaching the problem through the States in this way, we at the Federal level are trying to get past one of our greatest difficulties, which has been to find a support formula that is equally useful for the many very different situations that exist in different parts of the country. The most difficult task has been to devise for the delivery of the Federal dollar to community colleges a system flexible enough to accommodate the multiplicity of demands to be met.

I should hasten to add, however, that our problems in arriving at such mechanisms are no temptation to us to try to standardize the educational picture in the interests of simplified management. Everywhere in American education, diversity has been the source of strength. In the world of community colleges, sensitivity to critical local needs and the inventiveness that communities exercise in meeting these needs are basic to their role.

To go on with what we want the proposed legislation to do: We want to institute a system of grants to individual institutions to start, develop, or improve any activities affecting career education. Activities eligible for support would include new curriculum development, hiring and training of staff for career guidance and counseling, hiring and training and retraining of faculty (including those for career education programs), cooperative arrangements with industry for work opportunities and for using corporate employees as teachers and similar projects.

Support will be provided for special efforts made by the community college to work closely with its own feeder secondary schools to develop new modes of college preparatory curriculum. Joint guidance for the secondary school and the community college systems and new curriculum relationships with senior colleges would further integrate the system for maximum career growth.

To qualify, a community college would, first of all, have to guarantee a policy of open admission to all students capable of benefiting from its programs. This is a key criterion which must be interpreted from broad perspectives. One of the great virtues of the community college lies in its open door—open to the poor, to the person of limited educational background and limited capacity for performance on standardized tests, as well as to the person of conventional qualifications.

This open door is one of our greatest hopes of using the community college as a primary vehicle for service to the disadvantaged. Already, your institutions are bringing unprecedented numbers of minority group people into post-secondary education. In virtually every large American city, for example, more blacks study at public community colleges than all nearby institutions combined. A quarter of all black collegians are enrolled in public two-year colleges in New York, Chicago and Los Angeles.

It is our hope that Indians, Mexican-Americans, and rural whites will be represented in community colleges in appropriate proportions. As we continue to expand the financial and academic accessibility of the community colleges, we must also extend the geographical accessibility. Community colleges are now within reach of all but 30 large American cities. However, for many Indians and other rural people the supply is still not as great as we want it to be to reach our objective of practical opportunities for higher education for all.

Besides the open door, Federal criteria for aid to individual community colleges would include a policy for facilitating student transfer between occupational and academic programs and between vocational and career education programs. We want community college education to stay open-ended. We think it not only should but can deal with the immediacies of job training without closing off the options for further academic work. This concept is particularly relevant in working with programs directed toward the disadvantaged who need the reality of career education to reconnect with learning and the option of professional development when such reconnections succeed. Many of you have already developed close ties with secondary vocational education and recognize the validity of such programs for continued technical training.

Many of your schools are already pioneering in the use of work-study programs for the mutual reinforcement of practical skills with theoretical knowledge, and of theoretical knowledge with its on-the-job applicability. This approach is consistent with the aims of vocational education, preserving also the possibility of opportunity for further academic education.

Applications for grants will also be judged in terms of their awareness of the possibilities for dovetailing with other relevant education programs and facilities. In all our contemporary efforts at social change, we have found ourselves handicapped by failures of connection among people and programs directed at the same objectives but all too often working at cross purposes. Sometimes it represents failures of communication—organizations do not know what is going on outside their own areas of activity; they are not aware of resources they could use. Sometimes, it is a matter of empire-building and rivalries between institutions.

As I am sure you are aware, community colleges are by no means invulnerable to these forms of corporate myopia. Because we feel so strongly that the liaison function of the community college is among its highest potentialities, we want to set up a system of incentives to encourage coordination with Government manpower development and education programs, with feeder secondary schools on the one hand and with full-scale universities on the other.

You are all undoubtedly asking yourselves how much money the Administration is ready to allocate to community colleges under the proposed legislation.

I am afraid I cannot give you a very precise answer. The new funds which would be provided by this legislation would be chiefly "glue money" to tie together the host of existing State, Federal and private activities concerned with human resource development.

However, let me make it clear that the intent is not to strengthen one part of education by weakening another. The intent is to redirect funds—much of it now outside the Office of Education—to the community college.

Even though final formulas of support have yet to be worked out, the national will to give your institutions the backing they need, is, I think, firm. Your contributions to the central social efforts of our time—contributions you are already making, and contributions within your power to make in the future—are so great that it can scarcely be otherwise.

Continuing education for adults—new careers for the retired, and for women either returning to the labor force or entering it for the first time after years of homemaking—the development of vocational skills for people of all ages, from the householder learning to make home repairs on a do-it-yourself basis to the grandmother taking up French—these, too, are educational assignments for the community college.

Veterans' education is another area of challenge and opportunity for the community college. Most separation centers are within reach of community college facilities for the returning serviceman ready for realistic counseling about his own community college. Work-study programs which involve earning as well as learning, are likely to attract the veteran whose age and family responsibilities make him hesitate to undertake formal study under other circumstances. And here again, variations in educational background need not keep the ex-serviceman out of the community college as they might from other educational institutions.

We in the Office of Education appreciate the kind of problems you face in trying to organize for the obligations society has heaped upon you. We know that along with the money problems there are the problems of organizational instability to hinder your efforts—tendencies in both staff and student body to leave as fast as they arrive, uncertainties in relationships with government and industry, and all the rest. Yet there is, I believe, in your enterprise a momentum so great as to surmount all these difficulties.

The community college of today and tomorrow, going beyond its specific educational role, can be one of our most valuable resources for helping to solve the larger problems of our society. It can help to reinstitute the sense of community so often lost in the development of megalopolis, to redefine our values in matters of work, career, and social service, to break down the artificial barriers that have grown up between institutions, which so often separate the academic, economic, and social worlds from each other in artificial ways that hamper the productivity of all.

This is indeed a large order. The progress already made augers well for filling it and I pledge my full cooperation in the tasks in which you are engaged. The potential of the community college for the improvement of educational opportunity and for the advancement of our Nation is so great that nothing must be allowed to hinder its realization.

TRIBUTE TO PRESIDENT EISENHOWER

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. BELL of California. Mr. Speaker, this year at the national convention of the Jewish War Veterans of the United States, a tribute was paid to President Dwight David Eisenhower in special memorial services. The eulogy delivered by Gen. Frank McCarthy, retired, was, I believe, particularly impressive in its warmth and personal touch.

General McCarthy was a friend of General Eisenhower and enjoyed a warm relationship with our great and beloved President during the years of World War II. His tribute to General Eisenhower at the Jewish War Veterans convention conveys the respect and admiration which we share for the late President and I would like to commend his remarks to the attention of my colleagues: leagues:

REMARKS BY FRANK MCCARTHY AT ANNUAL NATIONAL CONVENTION, JEWISH WAR VETERANS OF THE UNITED STATES OF AMERICA

Thank you, General Klein. I am honored to receive such a generous introduction from a soldier and a gentleman of your attainments, which have been known to me for many years.

General Feuereisen, Mr. Madison, veterans and your ladies, and distinguished guests:

If my remarks about General Eisenhower involve primarily his relationship with the Chief of Staff of the Army, General George C. Marshall, it is because during World War II I served as Assistant Secretary, later as Secretary, of the War Department General Staff, and thus as General Marshall's principal executive officer.

The General had no aide at that time. In fact, he seldom even used the word "aide" alone, but almost invariably referred to such officers as "gol-dern-coat-holding-aides," as though that were all one word, much in the manner that damn-Yankee was one word when I was growing up in Virginia. Fortunately the aide-type duties, the little personal attentions to the General and the very gracious Mrs. Marshall, fell to me, and I had opportunity to accompany the Chief of Staff to Casablanca, Cairo, Teheran, Yalta, Potsdam, and most of the other great internationl conferences, as well as to his headquarters and battlefield inspections at home and in the various theatres of operation. So when General Marshall saw General Eisenhower, I saw him also. I came to look at him pretty much through General Marshall's eyes and to admire him without reservation, just as General Marshall did.

I have never known of a more cordial relationship between two men, a greater mutual admiration society, than that which existed between the two Generals. In his fine book, "The Bitter Woods," John Eisenhower says of his father's associations:

"At the government level, the staunchness of two men shone through . . . One of these was General Marshall, whose support of the Supreme Commander never faltered, no matter what the pressure. The other was Prime Minister Churchill . . ."

General Eisenhower himself frequently referred to General Marshall as a true American patriot, as the most selfless man he had ever known in public life, and as one of the two most outstanding men of World War II.

As an aside on John, General Eisenhower came to the United States for final strategy conferences shortly before D-Day. The visit was secret since, if the General's presence in this country were known, the Germans would realize that the invasion was not immediately iminent and would be enabled to take a breather. He was of course eager to see his son, a cadet at West Point, but if John should show up in Washington, all sorts of suspicions would be aroused, both there and at the military academy. So I was assigned the job of smuggling General and Mrs. Eisenhower in a private railroad car to a siding at West Point.

For the purpose of surprise, I went unannounced to the Commandant and told him General Marshall had ordered that Cadet Eisenhower be assigned to me for several hours for a most important, top-secret Counterintelligence mission, and that we were not, under any circumstances, to be followed. John had lunch and a good visit with his parents aboard the private car, and I was able to accomplish my mission without prevarication, since Counterintelligence is defined as "an activity designed to deceive the enemy and to block his source of information."

General Marshall's reciprocation of General Eisenhower's high regard was best expressed in a personal radiogram which he sent General Eisenhower on VE Day. It read:

"You have completed your mission with the greatest victory in the history of warfare. You have commanded with outstanding success the most powerful military force that has ever been assembled. You have met and successfully disposed of every conceivable difficulty incident to varied national interests and international political problems of unprecedented complications. You have triumphed over inconceivable logistical problems and military obstacles and you have played a major role in the complete destruction of German military power. Through all of this, since the day of your arrival in England three years ago, you have been selfless in your actions, always sound and tolerant in your judgments, and altogether admirable in the courage and wisdom of your military decisions. You have made history, great history for the good of all mankind, and you have stood for all we hope for and admire in an officer of the United States Army. These are my tributes and with them I send my personal thanks."

Despite all this, General Eisenhower enjoyed, in his later years, being reassured as to General Marshall's personal feeling for him. Each time he visited Palm Springs, he would invite me down for lunch or an afternoon of reminiscences, mostly about General Marshall, and on one occasion he asked me why the General always called him Eisenhower and never Ike, as almost everyone else did. When I explained that I had never heard him call any general officer by his first name, except one, General Eisenhower seemed pleased. Incidentally, General Marshall must have been a great joy to General Eisenhower's mother, who didn't like any nickname, particularly Ike, and who never even recognized it. On one occasion she wrote to the young bride, Mamie Eisenhower, "I am very glad you are having a fine motor trip, but who is this Ike you are traveling with?"

Also, incidentally, the one and only officer whom General Marshall called by his first name was General Patton. He even called him Georgie. Since General Marshall never volunteered the reason for this, I didn't ask, but perhaps it had something to do with the old cliche that opposites attract.

I have been engaged for many years in developing a screenplay and producing a film called "Patton," now happily completed and being edited for release. In one of our talks at Palm Springs, General Eisenhower asked me how I happened to pick General Patton instead of General Marshall or General Bradley, and similarly General Marshall asked me how I happened to pick General Patton instead of General Eisenhower or General Bradley. In his book, AT EASE, published about two years later, General Eisenhower answered his own question with respect to General Bradley, and he could have been speaking just as easily about himself or General Marshall. He said:

"Of all the ground commanders I have known, and even of those of whom I have only read, I would put Omar Bradley in the highest classification. In every aspect of military command . . . Brad was outstanding . . . Patton was a master of fast and overwhelming pursuit. Headstrong by nature and fearlessly aggressive, Patton was the more colorful of the two, compelling attention by his mannerisms as much as by his deeds. Bradley, however, was master of every military maneuver, lacking only in the capacity—possibly in the willingness—to dramatize himself. This, I think, is to his credit."

You see, Marshall, Eisenhower, and Bradley were of such even temperament, so steady, so effective, so progressively excellent in everything they did, that the graph of each of their lives would be characterized by a line moving constantly upward. Despite his spectacular military successes, General Patton was sometimes so flamboyant, such a maverick, between battles that his line would look like the electrocardiogram of a man with serious heart trouble. That's what makes him ideal theatrical material.

Now, continuing to move his graph line upward after the war, General Eisenhower served as Chief of Staff of the United States Army, President of Columbia University, and Supreme Commander of the Allied Powers in Europe. He then returned to the United States to participate in the campaign which his friends had organized to secure for him the Republican nomination for the Presidency.

I have a memory of one rally, among many others, in this campaign. It was held in Denver in a vast enclosed arena which had a capacity of tens of thousands but which was inconveniently located well out of town. For some reason which escapes me, the rally had to be held at about 6:30 or seven o'clock in the evening, a time when most people are having dinner. Since the prospect of filling all the seats was dim, I was asked to round up some movie stars whose presence might help swell the crowd. Among those who readily consented to go were Humphrey Bogart and his wife, Lauren Bacall. All the stars and political celebrities rode about the hall in open automobiles, with General and Mrs. Eisenhower's own car the last in the procession. All received tremendous ovations, none greater than the Bogarts. After the rally the General thanked them warmly for their participation, as well as for their present and future support. On the way home, the Bogarts asked whether I could secure for them an autographed photograph of the General. Only a few days later Adlai Stevenson announced for the Democratic nomination, and the Bogarts had already switched to him publicly and were out tub-thumping for him when General Eisenhower's handsome and warmly inscribed photograph arrived.

General Eisenhower next visited Denver between the convention and the election. Senator Joseph R. McCarthy, a fellow Republican, to whom, parenthetically, I am not related, had recently been hurling vicious attacks against General Marshall, implying that he was a fellow traveler if not a Communist. At his Denver press conference, without calling McCarthy by name, General Eisenhower delivered a ringing defense of General Marshall as "a perfect example of patriotism and a loyal servant of the United States" and added "I have no patience with anyone who can find in his record of service to this country anything to criticize." Relman Morin, of the Associated Press, in his new, authoritative, and warm biography, "Dwight D. Eisenhower, a Gauge of Greatness," includes this passage:

"Three times, while he was on this subject, reporters interrupted him with questions about other matters. And three times, Eisenhower brushed the questions aside and went on talking about Marshall's great services to the United States. He did not permit the press conference to move on to other topics until he had dealt thoroughly with the idiotic charges against Marshall."

General Eisenhower's campaign soon moved into Wisconsin. The news leaked out that, at the insistence of Senator McCarthy, the General had deleted from a major speech there a paragraph which again praised General Marshall. Again, according to Morin:

"Next day front pages blazoned the report that McCarthy had bludgeoned Eisenhower into dropping the paragraph about Marshall. McCarthy himself denied it but . . . denials seldom fully squelch the original accusation, especially in a Presidential campaign where events swiftly crowd in on each other. The story remained a 7-day sensation. It filled liberal-minded persons, regardless of party, with despair and disgust. The Democrats, of course, expressed pious horror. Not only had Eisenhower tacitly endorsed McCarthy, they said, but he shrank from defending Marshall. The incident splotched an ugly smear on the knight's shining armor."

Now the truth of all this is that General Eisenhower held Senator McCarthy, later to become a painful thorn in his side, in low regard and campaigned in Wisconsin only on the advice of the political advisors around him and much against his better judgment. Far from insisting or bludgeoning, McCarthy had nothing whatever to do with the election. In fact, it is my personal opinion that if McCarthy had seen it and had objected, General Eisenhower would have probably left the compilmentary reference in his speech despite the counsel he had received.

Actually, he was simply persuaded by Sherman Adams, a campaign assistant, and Governor Kohler of Wisconsin to delete the reference, since he had only two weeks before lavished such high praise on the man who had served the opposition, the outgoing Democratic administration, as Secretary of State and Secretary of Defense. Further, they did not wish to provide McCarthy with more headlines garnered from another attack on General Marshall.

Two years later, with Eisenhower serving as President, Senator McCarthy was at it again. He read into the Congressional Record a letter from a disgruntled former government official saying that General Marshall "would sell out his grandmother for personal advantage." This disturbed me, so I sent President Eisenhower a telegram suggesting that he again come to General Marshall's defense in a press conference scheduled for the next day. When I arrived at my office the following morning, I was greeted by an Army major who, after inspecting my identification, delivered a confidential telegram from the President saying that he had accepted my suggestion. Again, for the benefit of the press and public, General Eisenhower lauded General Marshall at great length, much as he had done at Denver, referring to his brilliant record, his patriotism, his selflessness and his complete devotion of duty. He added:

"I think it is a sorry reward, at the end of at least 50 years of service to this country, to say that he is not a loyal, fine American and that he served only in order to advance his own personal ambition. I can't imagine anyone that I have known in my life of whom it is less so than it is in this case."

General Marshall was a soldier, a statesman, and a very practical man. His long and constant association with Presidents, Senators, Congressmen, and other government officials of the two parties, both elected and appointed, gave him a keen insight into politics. Out of this arose a complete understanding of the elimination of that one paragraph in Wisconsin which caused such a furor, and the legend of which still persists in some quarters today in distorted and apocryphal form. I hope my remarks tonight will help to stamp it out.

One thing I know: If General Marshall, a man of matchless integrity, had held anything against General Eisenhower, he would not have come out of retirement to accept the President's appointment as his ambassador and personal representative at the Coronation of the Queen of England. He would not have accepted in person a special award from the President on the tenth anniversary of the Marshall Plan. He would not have attended numerous White House functions, at each of which the President violated protocol by placing him next in order behind Vice President and the Secretary of State. And he would not have accepted the use of the Presidential Suite at Walter Reed General Hospital during several illnesses, including the one which culminated in his death.

I think it can be said of these two great men that both heeded the admonition of the poet, William Cullen Bryant, when he wrote:

> "So live that when thy summons comes to join
> The innumerable caravan which moves
> To that mysterious realm where each shall take
> His chamber in the silent halls of death,
> Thou go not like the quarry-slave at night,
> Scourged to his dungeon, but sustained and soothed
> By an unfaltering trust. Approach thy grave
> Like one who wraps the drapery of his couch
> About him and lies down to pleasant dreams."

WISCONSIN MOVES TO IMPROVE MANPOWER EFFORTS

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. STEIGER of Wisconsin. Mr. Speaker, both the Education and Labor Committee and the Labor and Public Welfare Committee in the other body have held preliminary hearings on proposals to revamp our manpower policy. One of the essential ingredients of the legislation I have proposed, H.R. 10908, and of the Nixon administration's proposal is the role of the States as planner, coordinator, administrator, and evaluator of manpower policy.

During extensive hearings which are planned by both committees in the next session, I expect that the ability of the states to carry out the responsibilities envisioned for them will come under careful examination.

Several States, as I have pointed out earlier to my colleagues, have taken the initiative to improve their State operations. I am pleased to say that Wisconsin has joined in this effort. For the benefit of my colleagues I would like to include newspaper articles from the Milwaukee Journal and the Milwaukee Sentinel which describe the State manpower council which has been appointed by Governor Knowles and outlines the State's plan to further develop policy, planning and coordination efforts in the manpower field.

The articles follow:

[From the Milwaukee Journal]

STATE PANEL NAMED FOR MANPOWER

MADISON, WIS.—Gov. Knowles Wednesday signed an order creating an eight member state manpower council to co-ordinate 50 state manpower training and placement programs.

He also established an advisory committee to the council that will include representatives of business, labor, industry, agriculture and the legislature. Its members will be appointed by the governor.

Knowles will be chairman of the new council and Joseph C. Fagan, chairman of the industry, labor and human relations commission, will be vice-chairman.

Other council members will be heads of the departments of health and social services, administration and local affairs and development; the state superintendent of public instruction; executive director of the co-ordinating council for higher education and state director of vocational, technical and adult education.

[From the Milwaukee Sentinel, Oct. 30, 1969]

MANPOWER COUNCIL CREATED BY KNOWLES

MADISON, WIS.—An eight member state manpower council to develop policy, planning and co-ordination of efforts in the job field was created Wednesday by Gov. Knowles.

Knowles said the move was made in anticipation of President Nixon's call for decentralization of manpower training programs, turning the major federal efforts over to state and local government.

Heads of seven major departments and the governor will make up the cabinet level council, and Joseph Fagan, chairman of the department of industry, labor and human relations, will be vice-chairman under Knowles.

OTHER DEPARTMENTS

Besides Fagan, the departments involved are administration, health and social services, local affairs and development, public instruction, vocational-technical and adult education, and the co-ordinating council for higher education (CCHE).

The council will function with two arms—the existing locally oriented co-operative area manpower planning system (CAMPS), which will provide the staff, and a still to be named advisory committee composed of citizens.

Fagan said the council is to be the guiding body for the expected change in the state's role under Nixon's "new federalism."

PREPARATION FOR PROGRAM

"We want to get ready for the Nixon program," he said.

The council will concern itself with the manpower needs in certain industries and localities in the state, both present and future; with the housing problems that often accompany job problems and manpower needs; the social needs of workers in a community, and with finding ways to keep trained persons needed in Wisconsin.

"How can a mass effort be made to stop the brain drain from Wisconsin?" is one question the council will ultimately face, Fagan said. Another problem will be how to plug a gap in employment caused by a large lay-off.

Fagan's department, the major state agency concerned with manpower problems, will be responsible for implementing the council's recommendations.

The advisory council is to consist of representatives of business, labor, industry, economists, agriculture, the legislature and the general public.

KEY TO VIET PEACE IN MOSCOW

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. PUCINSKI. Mr. Speaker, in many of my speeches before this House I have stated time and again that the key to peace in Vietnam is for the Soviet Union to stop supporting their Hanoi puppets and reach an accommodation with the United States.

It is wishful thinking to believe that the solution lies in a coalition government in South Vietnam, which would merely result in a Communist takeover of that country and the slaughter of millions of innocent victims.

The Communists are not respecters of international accords, and if they had abided by the Geneva convention of 1954, we would not be in Vietnam today. Instead, the 1954 accord was merely a rehash of Communist semantics of what is mine is mine, and what is yours is mine. Indeed, the Soviet Union's perfidy lies at the heart of darkness and is mainly responsible for the divisiveness in the world today.

Columnist David Lawrence has written an excellent article bolstering my arguments that if the Soviet Union would negotiate directly with the United States to assure the rights of both the North and South Vietnamese, peace would surely be on the horizon, and we would not be bogged down in fruitless negotiations in Paris. Indeed, Mr. Lawrence quite properly points out that the Soviet Union has every reason to work with the United States in solving problems that have arisen regarding the smaller countries of Europe and Asia and the expense of maintaining large armies and armaments that could be a prelude to another war.

We must make it patently clear to the Soviet Union that the majority of Americans back President Nixon in seeking a just and honorable solution to the Vietnam war, and that by halting their hostilities in that part of the world they truly have an opportunity to join us in working for peace and stability in the world.

Mr. Speaker, David Lawrence's excellent article follows:

KEY TO VIET PEACE IN MOSCOW

(By David Lawrence)

WASHINGTON.—The biggest story about Vietnam is not a forecast of just when all the American troops will be returned home but what will happen after the withdrawal. It is conceivable that stability will be established in the relations between North and South Vietnam. But the key to this lies not in Saigon or Hanoi or Paris but in Washington and Moscow.

The difficulties are emphasized in a speech just made in Saigon by President Nguyen Van Thieu, who said South Vietnam would be under Communist control in six months if a coalition government were formed with the Communists.

At a 1954 conference in Geneva, Switzerland, attended by representatives of nine governments—including the Soviet Union—accords were reached that ended the 7½ years of fighting between the French and the people of Indochina. In the agreements were pledges that there would be "complete cessation of all hostilities in Vietnam" and that each side would respect the territory of the other and would "commit no act and undertake no operation against the other party." But the promises were not fulfilled. In fact, no effective means was devised to ensur that the agreements would be carried out.

North Vietnam, which has sought ever since to take over South Vietnam, supported with arms, munitions and other supplies guerrilla elements in the South seeking to overthrow the Saigon government, and then sent its own forces in open aggression. The government of South Vietnam asked for and received American help. The United States would not stand idly by if a conquest were again attempted, but would supply military equipment and send advisers once more to aid the South Vietnamese to maintain their territorial integrity and independence.

So the only way to assure peace is for the United States and the Soviet Union to get together and agree to use their influence to prevent another conflict from breaking out. One means of doing it would be to make it clear to North Vietnam that any act of aggression would not be tolerated and that the principle of equal rights and self-determination of peoples—as set forth in the Southeast Asia collective defense treaty, which the United States and seven other countries signed—must be respected.

It is acknowledged that the Soviet Union has spent an average of a billion dollars a year on the Vietnam war. The objective has been to gain friends in Southeast Asia and also to prevent Red China from acquiring a dominant position on the continent by setting up its own puppet states.

Negotiations for peace in Vietnam, therefore, need to be transferred from Paris to Moscow and Washington. Much can be accomplished behind the scenes to bring together rival factions and assure the people of North Vietnam as well as South Vietnam that their rights will be respected.

There is every reason why the Soviet Union should be more than ever willing to work with the United States in solving the problems that have arisen with respect to the smaller countries of Europe as well as Asia. The expense of maintaining large armies could be substantially reduced if the United States and the Soviet Union joined to prevent acts that could bring on another war. The Soviet Union would hardly be discussing limitation of strategic armaments now if it did not see the unwisdom of spending a lot of money on small wars.

These problems can be solved without military operations, but it may become necessary for an international peace-keeping organization to be formed, perhaps through the medium of the United Nations.

Once it became clear that the Communists were going to let South Vietnam alone, the risk of another war in that area would fade. There are, however, other potential trouble spots in Asia. Neither India nor Pakistan nor the countries of Southeast Asia can feel secure today. The Soviet Union has an opportunity to widen its influence in the world by sincerely backing a peace program in Asia.

CEILING ON FARM SUBSIDY PAYMENTS

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. CONTE. Mr. Speaker, as the author of amendments to place a $20,000 ceiling on farm subsidies which have twice passed this body, I have frequently referred to the tragic imbalance in our sense of priorities which allows giant corporate farms to receive millions while 10 to 15 million Americans remain hungry and malnourished.

Despite what I believe is strong appreciation of this scandalous imbalance, I was startled into a new awareness by a letter I recently received from a Mr. Jerry Hornsby of West Memphis, Ark.

Mr. Hornsby's letter graphically illustrates this imbalance. He refers in his letter to a case where a tenant farmer received only 23 cents in cash for 2 weeks' work. This was the paltry sum remaining after the plantation owner made his deduction for the account owing at the company store. This very same plantation owner received $80,110 in subsidy payments last year.

Mr. Speaker, I include this letter at the close of my remarks. I trust it will cause all of us to rededicate ourselves to ending this shameful state of affairs and to moving decisively toward the day when hunger and malnutrition no longer disgrace this Nation.

GENERAL ELECTRIC
ENVIRONMENTAL HEALTH PROGRAM,
West Memphis, Ark., December 7, 1969.

HON. SILVIO CONTE,
House of Representatives,
Washington, D.C.

DEAR SIR: I understand that you may resubmit, in 1970, a bill placing a $20,000 ceiling on farm subsidy payments. I am writing this letter in support of such a bill, and to encourage you to place the highest possible priority on getting this piece of legislation through the Congress.

Our company, under contract with the Office of Economic Opportunity, is training and supporting VISTA Volunteers in six rural counties of eastern Arkansas. These counties are among America's poorest. The Volunteers here, while working on the whole spectrum of poverty problems, are concerned particularly with the health and hunger problems of the families with whom they work.

Daily we see the paradox of people going hungry and malnourished while large tracts of productive farm land are permitted to lie idle; the paradox of people being underfed, while Congress frets about farm surpluses that would hurt the pocketbooks of plantation owners; the paradox of mothers not having enough money to buy food and milk for their babies, while wealthy farmers receive large payments not to produce crops; the paradox of conservative Americans yelling for an end to welfare, while well-to-do farm owners rake in lucrative subsidy handouts from the government; the paradox of malnourished babies suffering irreversible brain damage in their first 18 months of life, while rich farm people, beef gravy dribbling from their lips, deride the mental capacities of the tenants who shovel the barnyard manure and hand-gather the last remnants of cotton left by the picking machine; the paradox of $18 hotel rooms and $5.70 plate lunches at a White House Conference on hunger; a conference at which, by the way, farmers on the agricultural production panel slammed down their fists in anger and tried to head off discussion when talk got around to farm subsidy money vs. food money for the poor.

And how's this for paradox? Comfortable, well-fed and well-clothed Americans are prone to exhort the poor to help themselves. Yet at Hughes, Arkansas, which is one of the areas included in our six counties, a tenant farmer recently collected 23 cents for two weeks' work (see pay voucher enclosed). This man labored 63½ hours at $1.30 an hour for gross earnings of $82.55. The plantation owner deducted $3.96 for Social Security and $78.36 for the plantation store account, leaving the laborer a net of 23 cents. This same plantation received $80,110 in subsidy payments last year.

We get a good indication of this nation's misplaced priorities when we compare the Department of Agriculture's expenditures for farm subsidy programs as opposed to USDA food programs:

Fiscal year 1969
National:

Subsidy program	$3.9
Food programs	1.2

	Subsidy[1]	Food programs
Our 6- county area in eastern Arkansas:		
Crittenden Co	$5,398,284	$511,390
Cross Co.	1,826,730	153,752
Lee Co	3,080,282	292,893
Mississippi Co	9,807,893	533,593
St. Francis Co	3,520,504	391,423
Woodruff Co	1,800,912	176,736
Total	25,434,605	2,059,787

[1] Gross payments Does not include recoveries which USDA says can amount to 25 percent

From this it will be seen that nationally, USDA spends about three times as much for agricultural price support as it does for food programs. In eastern Arkansas this ratio is 10–1. One plantation owner in Mississippi County receives more in price support (nearly a half-million dollars a year) than all the food programs in Cross, Lee, St. Francis or Woodruff counties. That particular plantation gets an average of $9,100 *a week*, or $1,300 *a day*.

Three months ago our project staff proposed—to a rather disinterested group of Washington bureaucrats—that if this country is really serious about ending hunger, then we should be willing to take some bold and positive action toward rechanneling money into places where it is most needed. We recommended, that since the great hue and cry in this country is to get people off welfare, then we should indeed get the rich farmer off welfare. Instead of paying him to not grow food, we should pay him *to* grow food. The land that is now idle would be used to produce food for the poor. We made these suggestions as much for shock effect as for pragmatism. We attempted to make somebody think. We still believe a lot of the subsidy money should be diverted, somehow, from the hip pocket of the rich landowner to the dinner table of the hungry poor.

We heartily support a ceiling on subsidy payments. But I would recommend that any such bill go one step further and propose an alternate use for the money that would have otherwise gone to the plantations—namely, that it somehow be utilized to help feed the hungry people of our nation.

Sincerely,

JERRY HORNSBY,
Project Coordinator.

ARKANSAS PLANTATION—PAY PERIOD SEPT. 18 1969[1]

	1st week	2d week	Total 2 weeks
Sunday			
Monday		10	
Tuesday		10	
Wednesday	5	10	
Thursday	8.5	10	
Friday	10		
Saturday			
Total hours	23.5	40	63.5
Amount			$82.55
Less S.S. tax			3.96
Less store acct			78.36
Total deductions			82.32
Amount paid			.23

[1] Rate: $1.30.

This is to Certify That Above Hours and Wages Are Correct and Money Received.

TEN YEARS TO SAVE MANKIND

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. DINGELL. Mr. Speaker, the November-December 1969 issue of the Michigan Natural Resources magazine carried a most perceptive article by Ralph A. MacMullan, director of the Michigan Natural Resources Department, entitled "Ten Years To Save Mankind." Ralph A. MacMullan is one of the Nation's truly outstanding conservationists and I feel that my colleagues should have an opportunity to read his thoughtful comments. Therefore, I include the text of the article at this point in the CONGRESSIONAL RECORD:

TEN YEARS TO SAVE MANKIND

(By Ralph A. MacMullan, Director)

"Man has altered nearly every facet of his surroundings. He cannot help but continue to do so—and in doing so, he will continue to alter himself. The question is not whether he should alter his environment, but whether he is going to alter it for good or ill."

So says Nathaniel A. Owings in his new book, The American Aesthetic. "You cannot outlaw the 20th Century," he continues. "Nature and civilization have influenced each other so completely as to have established one system, one ecology, one total environment, from which come the conditions that govern our lives."

Owings' comments touch a raw nerve end of our society which may well become the outstanding fact of American conservation in the 1970's. As the 1960's draw to a close, we may use them as instruction for the decade ahead. The age of sophisticated machines, of computers, of rapid mass transit, of packaged food, of chemical and electronics and nuclear power is attempting to bulldoze nature aside in its pell-mell rush to build a faster, more mechanical and contrived life for each of us. We continue to consume that life readily—all of us together—in massive doses. But the unvarnished truth is that this simply cannot go on much longer. Nature is giving clear signals that it will not continue indefinitely to accept the garbage, the filth, the fumes that are the byproducts of this drive to the supersonic life. Some conservationists predict world-wide consequences by the end of the 1970's. Some say it will take longer, but not much longer. Four basic factors, they agree, will come to play to form such consequences: Human over-population of the earth, environmental pollution, inadequate or unavailable natural resources, and nuclear holocaust. The first three of these must be solved if the fourth is to be prevented. The first three react one on the other in such close unity that they really constitute a single menace to life as we know it. The relationships are in many ways extremely subtle and must be viewed as parts of a larger whole. For example, the insecticide DDT was the agricultural boon of the 1940's and 1950's, and was said to be primarily responsible for keeping widespread famine out of many under-developed nations of the world. It removed certain destructive insect pests for a time, and allowed bumper crops of food grains to be harvested. However, the same DDT is still killing small creatures—this time, those that help create food—and thus is exerting exactly the opposite effect for which it was originally intended. Some of the creatures now being destroyed are types of organisms important in the food chain of larger marine fishes. Fish are an extremely important—and dwindling—source of protein food for the world's skyrocketing population. Thus, at a time when the earth is faced with a rapidly rising human population, we are being forced to cope with a form of environmental pollution that is reducing our ability to produce the food necessary to that population. Ironically, the technological age that has attempted to solve world food production problems in part by use of certain insecticides may be creating a marine environment in which world protein supplies could become severely curtailed in the 1970's.

Another group of scientists and conservationists has begun to study and comment upon the possibility that the earth's ability to produce or regenerate oxygen is now being seriously challenged by man's activities. Again, to show the subtle relationships that exist in nature, and to which man has been so callously indifferent, let's look at the oceans. Professor LaMont Cole, a distinguished American ecologist, put it this way in a speech in December, 1967, to the American Association for the Advancement of Science:

"It is true that 70 percent or more of the total oxygen production by photosynthesis occurs in the ocean and is largely produced by planktonic diatoms. It is also true that we are dumping into the oceans vast quantities of pollutants consisting, according to one estimate by the U.S. Food and Drug Administration, of as many as a half-million substances. Many of these are biologically active materials, such as pesticides, radioisotopes, and detergents, to which the earth's living forms have never before had to try to adapt. No more than a minute fraction of these substances and combinations of them has been tested for toxicity to marine diatoms, or, for that matter, to the equally vital forms of life involved in the cycles of nitrogen and other essential elements. I do not think we are in a position to assert right now that we are not poisoning the marine diatoms and thus bringing disaster upon ourselves."

The so-called "greenhouse effect" is also giving a growing group of scientists the shivers. The greenhouse effect is being caused on earth at the present time by an increasing layer of carbon dioxide, smog, soot, and fumes, all of which taken together is reducing the free exchange of heat in our atmosphere. Before man arrived here a million-plus years ago, the earth received radiant heat and energy from the sun and long-range climatic changes took place without interference from such an unnatural barrier. In that habitat, the plants and animals of our world evolved gradually over hundreds of millions of years. Then, about 50,000 years ago, man conquered fire and has since used it in steadily increasing quantities. Nearly all of our air-pollution problems are now caused by some form of "fire" in factories, automobiles, power plants, and dwellings. As the population of the earth continues to increase, we must look forward to a proportionate and steady increase in fire use. This is most true in the industrial nations where a high per-capita use of fossil fuels—and now nuclear fuels—has developed.

One of the products left over from the burning of fossil fuels—coal, gasoline, oil, and jet fuel—is carbon dioxide. The commercial jet liner alone now deposits an estimated 36,000,000 tons of carbon dioxide in the atmosphere above the United States each year, and this mass of aerial garbage is growing. Since 1870, the amount of carbon dioxide in our atmosphere has increased by 10 percent. By 2000 A.D. it will be 25 percent higher.

This gas permits radiant heat from the sun to enter the atmosphere, but prevents the escape of heat; hence, the term "greenhouse effect." Some experts anticipate an opposite effect, however, believing the shield may actually produce a cooling effect, bringing on another Ice Age. The fact that the experts disagree on the end result is not at this point the crucial question. What does disturb me so deeply is that some kind of massive earthly disturbance is imminent or is forecast. For example, plants create oxygen through photosynthesis—a chemical reaction that requiries sunlight. Under reduced sunlight, reduced oxygen production could result.

To some, these predictions may sound "alarmist," and I certainly hope the future can show that on these issues I am a "false-alarmist." But I would be hiding from my responsibility if I did not point out some of the dangers that I think we must face from various environmental pollutants here now, or on the horizon. The unfortunate history of pollution is that we have spent most of our efforts on cures and very little on prevention. Situations like this get worse before they get better. The question is, however, can we allow such a pattern to continue in a situation where we must now talk about world-wide pollution of such magnitude that man's very existence may be at stake? Michigan's problems are the world's problems, and vice-versa. As recently as 1940, environmental pollution was a phrase seldom heard. We did not use virtually "lost-forever" detergents, chemical pesticides, radioactive isotopes. "Jet-exhaust," "fallout," and "greenhouse effect" were terms not found in our lexicon. Can we change rapidly enough to solve these dangers—especially the danger of total environmental pollution—before it becomes a reality?

Of course we must if we are to continue to exist on this planet, and I optimistically believe that we will. More about that in a moment, but now let's look at the other two major problems facing us in the 1970's—depletion of natural resources and rising world population. It is clearly a fact that the world's human population is growing at an extremely rapid rate, far faster now than ever before in history. This pace of growth will continue to increase in speed into the foreseeable future, as the simple mathematics of world censusing shows. Dr. Paul R. Ehrlich, population specialist at Stanford University, has estimated that the world's population doubled about every thousand years from 6000 B.C. to 1650 A.D. But in the next 200 years, from 1650 to 1850, world population again doubled, reaching at that time one billion. From 1850 to 1930, it reached two billion people, doubling this time in only 80 years. If world food supplies hold out, we will double again, reaching a population of four billion people around the end of the 1970's. The world population is now well over three billion people.

Can natural resources meet the strain of feeding, housing, and providing for all these new masses of humanity? The answer to that question is YES in some parts of the world, and NO in other parts of the world. The United States, for example, has one fifteenth of all people on earth, yet uses about half of all natural resources consumed by humans. During the 70-year lifetime of one American, he will use 26 million gallons of water, 21,000 gallons of gasoline, 10,000 pounds of meat, 28,000 pounds of milk and cream, $5000–$8000 in school building materials, $6300 worth of clothing, and $7000 worth of furniture. The United States will double its population from the present 200 million in about 65 years. That means we must double production of all these resources in that period just to stay even with present levels of consumption. But imagine being the leader of a nation like Costa Rica or Brazil or the Philippines where populations will double in 20 to 25 years! Production of basic goods for those nations—and many others—must increase three times faster than in the United States just to stay even! As they probably will not be able to

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produce or pay for their own needs, will we have surpluses to send them? The very question raises crucial implications for all of us.

Thus, our work is cut out for us in the 1970's, and there is no denying the landslide nature of the dangers we face. Pollution is continuing to grow, population increases will severely tax our base of resources, and rapid increases of food, fiber, and hard goods are at best a hoped-for possibility—not a certainty by any means. It is not pleasant to think what may happen if the growth of world food supplies fails to match the growth of world population, as is clearly predicted for many areas of the world by the year 1980.

On the other side of the scales, however, is one clear, determined, and definite possibility now on the horizon that, if it comes to pass, could change the course of human history. That possibility lies in the increasing involvement of people in decisions regarding the future use and distribution of natural resources. Signs of this involvement are everywhere in our land. Citizens are forming protest groups, individuals are becoming deeply concerned, legislative and Congressional task forces are at work, public hearings are being held, high level governmental decisions are being changed or decided by public protest. All these things are happening now, at the opening of the 1970's, on matters involving use and distribution of natural resources. Never before in our history have we seen such intensity of involvement. A recent national poll showed overwhelming public support for both taxation and laws that will bring about a cleaner, less polluted environment. A lop-sided 97 percent said they favored "reallocating federal spending to provide more money for improvement of the natural environment," and this pattern held true both for men and women, for richly-educated and poorly-educated, for young and old.

As your governmental leaders in use of natural resources in this state, we in the Department of Natural Resources are deeply aware of this movement, and are very encouraged by it. We expect to be in the thick of many fights in the coming ten years, and we both welcome public support and depend on it heavily for all future successes. We know the day is coming when the air we breathe, the water we drink, and the earth we stand upon must be treated with dignity and respect if we are to continue to survive as a species on this planet. Anything short of that is certain to mean world genocide.

Hovering over all of the considerations mentioned on these pages is a thunderhead, very dark. I shall relay to you some of my concern about it in the next issue of this magazine. Whatever the successes in the next ten years in environment control and resource management, they will be of little consequence if human population continues to burgeon unchecked over the earth. This increase in man's numbers, without a deliberate and calculated limitation, is mankind's dance Macabre. More about this in Part II of a look into the new decade.

CLEAN WATER: CRISIS OR COMMITMENT?

HON. ROBERT N. GIAIMO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. GIAIMO. Mr. Speaker, this Nation will face many grave challenges in the decade to come. The problems of Vietnam, inflation, civil rights, and poverty are not going to disappear as we enter the 1970's. What may disappear, however, is our last opportunity to save America's environment from complete destruction.

We know that we must attack environmental pollution at once. We know that we have the necessary resources to do so. What we need is a total commitment to action, action to insure that our generation will not leave a legacy of barren land, filthy water, and foul air.

This year Congress made its first concrete effort to help eliminate the blight of polluted water. The appropriation of $800 million for water pollution control in the face of an administration request for only $214 million is proof that Congress understands the gravity of the situation. This year's action is only a first small step, however, toward what is needed.

I submit, for instance, that one of our major priorities next year must be the correction of an obvious weakness in the formula which is used to provide funds for water pollution control. I strongly believe that a program based on population and per capita income rather than need cannot provide help where it is most needed.

The General Accounting Office also believes that the present formula is inadequate and inefficient. In a detailed analysis, the GAO concludes that the program has been funded "using a shotgun approach—awarding construction grants on a first-come, first-served or readiness-to-proceed basis. This approach can no longer be justified. Grants should be awarded on a more systematic basis, giving consideration to the benefits to be attained."

I am confident that this formula will be changed next year. I hope that the Citizens Crusade for Clean Water—an organization which performed a great service this year in bringing the water pollution crisis to the attention of the American public—will work equally hard in support of the necessary changes. Only in this way will it be possible for us to solve our worst pollution problems now, before they become unsolvable.

I was fortunate, Mr. Speaker, to have the opportunity to present my views on the water pollution crisis in the November issue of New Englander, an outstanding business magazine. This article was prepared prior to Senate action on the Public Works appropriation bill; therefore, the figure I quoted was not the final appropriation. The thrust of the article is still the same, however, so I wish to insert it in the RECORD at this point:

CLEAN WATER: CRISIS OR COMMITMENT?

(By Representative ROBERT N. GIAIMO)

As this nation struggles with the problems of foreign war and domestic unrest, we face a new crisis—a crisis which may result in the complete deterioration of the quality of our water supply. Our efforts to stop the pollution of America's rivers, lakes and streams will most assuredly determine the future welfare and progress of the United States.

The situation grows worse each day. In many localities, water pollution is so bad and waste treatment plants so inadequate that new home construction and industrial expansion are severely inhibited. In some instances, all new construction is completely banned until new or more efficient sewage treatment facilities can be built.

What is worse, our failure to control water pollution is contributing to the decline of our already decaying central cities. The continuing deterioration of their already undesirable environment is causing social unrest, discouraging industrial growth, creating further unemployment, and hastening the collapse of the cities' entire economic structure.

Finally, polluted water is threatening our nation's wildlife, impeding our conservation efforts, and depriving the American people of badly needed recreational areas.

The magnitude of the pollution problem in America is graphically described by Tom Kimball, Executive Director of the National Wildlife Federation, who says, "Examples of pollution-caused economic depression, health hazards and wildlife destruction are scattered across the United States like poison confetti . . . it has become a question of how long we can escape inundation by our own filth."

It would be understandable if the United States could not solve its pollution problem because it did not have the means to do so. Such is not the case, however. We do have the technological expertise necessary to control pollution. We do have commitments, in both word and deed, from the states and municipalities. We do have the support of millions of Americans who have suffered in one way or another from the effects of polluted water. What we do not have is time.

The substantial sums needed to clean up the nation's increasingly polluted waterways are clearly beyond the capabilities of state and local governments alone. These governments are faced with rising costs and voter resistance to tax hikes and bond issues and thus are unable or unwilling to move against water pollution without Federal assistance. Many are also disturbed by what Maryland Governor Marvin Mandell calls "billion dollar talk and million dollar action" by the Federal Government. Their impatience is understandable.

By its passage of the Water Quality Act of 1965 and Clean Water Restoration Act of 1966, Congress signalled the start of a program of massive Federal assistance to the states and communities for construction of water pollution control facilities. Many people assumed that this action would assure increasing amounts of money annually in the form of grants for construction of desperately needed municipal treatment plants.

Congress, however, has not appropriated the amounts authorized under the Clean Water Restoration Act in the years following its enactment. This has been the subject of much debate, especially this year, when a concerted effort was made to provide the authorized $1 billion for clean water for Fiscal Year 1970. Many of those urging the $1 billion appropriation blamed the Appropriations Committees of Congress for their failure to fully fund the program in prior years. While it is conceded that Congress has treated the anti-pollution effort too lightly in the past, such is not the case in the present appropriation for Fiscal Year 1970. The major difficulty now is not the amount of the appropriation but the way in which it is allocated under the inequitable formula in the existing law.

It makes no difference how much money is appropriated for clean water each year if the states which need it cannot get the required assistance. Unfortunately, the formula by which clean water funds are allocated is based on population rather than need. Thus, many states in desperate need of construction grants cannot get anywhere near the amount for which they apply, while states with lesser demands may be allocated more money than they can possibly use in the upcoming fiscal year.

The situation which confronts the State of New York is another example of the inefficiency of the present formula. Of a total of $2.4 billion in state applications for 1970 construction grants, New York alone has requested $1.3 billion. Because of the formula, which limits the amount available to any one state, New York could receive only $89 million even if 1 billion were appropriated by Congress.

Thus, we are stymied by this inefficient, inequitable formula in our attempts to provide clean water funds to the states and municipalities which are most in need. Until this formula is changed, it makes little difference whether or not the clean water program is fully funded, since the money cannot be effectively used in the areas where the greatest need exists.

Another difficulty in funding the clean water program relates to the progress which the states and municipalities have made in their own anti-pollution efforts. Some proponents of "full funding" have overlooked the fact that many state and local pollution control projects are not yet at the stage of development where they can effectively use Federal aid. It would be senseless to pour money into projects which have not progressed to this stage while neglecting many of those which are ready.

This year's effort by Congressmen, state and local officials, and organizations, such as the "Citizens Crusade for Clean Water," to bring the pollution crisis to the attention of the American public is deserving of the highest praise. It is unfortunate, however, that this coalition made its goal a $1 billion appropriation which could not be effectively used this year, rather than a change in the allocation formula which would allow greater and more equitable appropriations in future years. Hopefully, this necessary change will be made in the near future; indeed it must be made as quickly as possible.

Unless we act quickly, the stage is set for a disastrous failure of the entire water pollution control program. Continued inefficient and inequitable allocation of these funds may result in the loss of public acceptance, a lessening of the urge to meet the crisis and, finally, a complete deterioration of the quality of an esesntial natural resource.

Yet the outlook is not entirely bleak. According to a recent Gallup Poll, 85 per cent of all Americans are now concerned about water pollution and 73 per cent are ready to spend money to improve conditions. Congress has also made a great start toward coming to grips with the problem; the House Appropriations Committee increased clean water funds from the $214 million recommended by the Nixon Administration to $600 million, almost a three-fold increase. In addition to the $600 million, a total of $65 million in carryover funds from last year's clean water appropriations is also available.

Although great progress has been made in the last few years in the fight against pollution, much more needs to be done in the immediate future. Congress has at long last appreciated the need for appropriating large sums of money. The appropriation of $600 million this year by the House of Representatives in the face of a budget request by President Nixon for $214 million indicates quite clearly that Congress is measuring up to its responsibility. I look forward to increased amounts in future years which will enable us as a nation to launch a massive attack on pollution.

CONTROL OF STEEL IMPORTS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. GAYDOS. Mr. Speaker, early this year several Members of the House introduced various bills aimed at a common objective—the control of foreign steel imports which were threatening the domestic market. The bills were the result of a record high tonnage import in 1968, 18 million tons.

The feeling grew that mandated controls were necessary if the flood of foreign steel was to be stopped. However, efforts to build a legislative dam against the flood was thwarted by the announcement the U.S. Department of State had entered into a voluntary arrangement with two of the major foreign producers: Japan and member nations of the European Coal and Steel Community—ECSC.

These two producers, who supply approximately 80 percent of our imported steel, were said to have agreed to limit their respective tonnage to 5.75 million net tons. Another 2.5 million tons was expected from nations not party to the arrangement, making a net importation of 14 million tons. Furthermore, Japan and the ECSC said they would try not to change the product mix or, at least, not too greatly.

This arrangement consists of nothing more than letters of intent from Japan and ECSC, stating they will try to do this and that. There is nothing binding about these statements. There are no penalties for violating them. In fact, the sole responsibility for controlling the self-imposed quotas rests with the letter-writers themselves.

Since there are no provisions binding Japan and ECSC to their respective quotas I had no doubt one or the other, or both, would not hesitate to exceed these self-imposed limits if it would prove to their benefit. I also was disturbed by the vague promise, if it can be called that, the foreign producers would not meddle with the mix. I had, to use the vernacular, a hunch someone might try to make a bundle by selling more high priced steel products but not going beyond their tonnage limit. I, certainly, have no idea of how hard they might have tried to avoid changing the mix nor can I say how much of a change is too much.

These were my fears, Mr. Speaker, and recent statistics from the Department of Commerce and the American Iron and Steel Institute—AISI—have not alleviated them.

These reports indicate Japan will not stay within its import limit for 1969 unless it makes a drastic cut in tonnage during November and December. The reports also point to a notable change in the product mix whereby foreign producers are reaping a financial harvest.

The Department of Commerce, in its 9-month report, shows Japan, while cutting down its tonnage from the record year of 1968, is running about 10 percent ahead of the pace required to meet its 1969 quota. As of September 30, according to DOC figures, Japanese imports totaled nearly 4.8 million tons. This would require a reduction of approximately 44 percent in monthly shipments for the balance of the year to stay within its stated limit of 5.75 million tons.

ECSC nations are well within their tonnage limits but this is believed due to the heavy demand for steel on their home markets. I wonder what will happen when that demand eases? Nevertheless, Japan apparently has picked up the slack left by ECSC.

In the AISI report total steel imports at the end of October was 11.8 million net tons. That leaves only 2.2 million tons left to be imported from all sources in 2 months if the 14-million-ton importation quota is to be maintained.

AISI also notes while total tonnage is down considerably from the record 1968 level there is only a slight change reflected in the dollar value of the products sold. Why? Because the product mix has been juggled. We now are getting more of the higher priced items such as alloy, tool and stainless steels. AISI reports alloy and tool steel imports are up 16 percent over the 10-month total of 1968; stainless steel imports are up 7.7 percent in a comparable period.

The DOC 9-month report states Japan is 48 percent ahead of its alloy steel import total for the same period in 1968. Canada, which is not party to the voluntary arrangement, has increased by 42 percent its export of stainless steel products.

Mr. Speaker, I might remind my colleagues this one-sided arrangement negotiated by the State Department has 2 years more to run, during which Japan and ECSC are permitted to increase their combined total imports to the United States by 1.4 million tons. But there is no provision guaranteeing protection to the American domestic market nor the American workingman. They are, to say, the least, in a most vulnerable position.

ORE VERSUS ALPINE BEAUTY

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. DINGELL. Mr. Speaker, the November 25, 1969, issue of the Christian Science Monitor carried an article by Kathryn C. Merriam which was headlined, "Ore Versus Alpine Beauty." The article reports on the threat to the White Cloud Wilderness Area of Idaho because of mining exploration. If the mining plans are carried through, the ecology of the White Cloud area will be damaged for all time.

The article vividly illustrates the need for updating our minerals leasing laws along the lines proposed in legislation, H.R. 7354, which was introduced by

Congressman JOHN P. SAYLOR and which I cosponsored.

So that my colleagues may be aware of the dangers posed by the present minerals leasing laws, I include the text of the Christian Science Monitor's article at this point in the RECORD:

ORE VERSUS BEAUTY: WILDERNESS MINING PLAN STIRS IDAHOANS

(By Kathryn C. Merriam)

POCATELLO, IDAHO.—The White Clouds region in the Challis National Forest of central Idaho is an area of fragile alpine beauty.

The mosses and lichens, the delicate soils of timberline, the more than 50 lakes in the range have had little abuse from the heavy hand of man. The streams, which form on Castle Peak, the highest point (11,820 feet), are a major spawning ground for salmon. And the higher lakes are filled with energetic pan-size trout.

Yet in the very near future the wilderness status of the White Clouds may be relinquished. Mining exploration was begun there in 1967 to verify the presence of the mineral molybdenum. American Smelting & Refining Company (ASARCO) has been busily taking ore samples from the lower slopes of Castle Peak and surveying for a road into the mine site. Under the provisions of a mining law established in 1872, ASARCO is perfectly within its rights to stake mining claims on public lands within Forest Service boundaries.

ACCESS ROAD DISPUTED

The Forest Service says it is obliged to grant permission for a road into a proven claim.

ASARCO says it needs the road now "to remove large enough ore samples for ascertaining the quality of the ore-bearing rock." And while ASARCO says that "access" as written in the mining law means "access road," opponents disagree. To study alternative means of access, the Forest Service has sent in men to examine the feasibility of an aerial tramway.

If its core-drilling samples prove to be good (and the latest report from the Forest Service is that from 9 to 11 claims have been validated). ASARCO wants to build an access road into the White Clouds. Using this road, the company can then remove larger amounts of ore to determine the feasibility of open-pit mining.

LAND CLAIMS FILED

Toward the middle of the summer of 1968, another company, Vernon Taylor & Associates of Denver, Colo., began prospecting in the White Clouds. ASARCO, Taylor, and a few wildcat firms now hold claims that number in the hundreds at 20 acres per claim.

ASARCO has stated that its operation alone would deposit 20,000 tons of rock sludge on the surrounding terrain each day. It has offered to "restore the area as much as possible" after its 10-to-30-year venture is finished. Opponents have questioned whether this could be done. An editorial in the (Boise) Idaho Statesman said: "Unless the company has other plans, talk of conservation practice is largely window dressing."

In addition to the debris left by the mining operation, there is the hazard of water pollution. ASARCO has stated that it will probably use an oil-flotation process to separate the ore from the rock. Conservationists are worried about possible pollution in the salmon-spawning grounds fed by White Clouds streams.

POLLUTION NOTED

The Forest Service praises ASARCO for its cooperative manner. Rather than tear up the soils with bulldozers, ASARCO has brought in supplies by helicopter. Yet visitors to the camp have noted and photographed large areas of timber cut to facilitate these helicopter landings.

Taylor & Associates has a smaller camp farther north in the midst of several alpine lakes. The Idaho Department of Health had to warn Taylor to stop polluting one of the lakes. Bentonite, a sealer used in drilling, was being pumped into a lake, clouding the water and "cementing" the lake bottom.

Weldon Fulghum, a Taylor engineer, stated: "Quibbling about whether the lake is polluted is ridiculous because if the core drilling reveals the expected molybdenum samples, the lake will disappear when mining begins."

MINERAL SOUGHT

The mineral molybdenum is used prirmaily to harden certain types of steel. According to United States Government figures compiled in 1964 there is a 37-year known reserve of molybdenum. Some current estimates place these reserves closer to 100 years. Some 25 percent of the yearly United States output is exported.

Molybdenum is found most often as an intrusion into granite rock. Granitic masses, unfortunately, often happen to be mountain peaks.

Three out of the four members of Idaho's congressional delegation have expressed concern over the wilderness values of the White Clouds. And Republican Gov. Don Samuelson has favored the mine and described the area as being composed of only "sagebrush and scraggly trees." The Lewiston (Idaho) Morning Tribune questioned whether his motives might be tied to campaign contributions.

TOWNFOLK FAVOR

The majority of Idahoans seem to be against the mining venture. People who live in the small towns adjacent to the White Clouds are a notable exception. ASARCO has promised jobs to 350 men in the mine. It has also predicted it would pay more than $700,000 to the county in taxes. Custer County with a population of 3,000 could use the money. Its people could use the jobs.

Mine foes advocate taking advantage of a growing tourist industry. Mining exhausts natural resources and frequently leaves a depressed area behind when the mining runs out, opponents say. The tourist industry benefits places close to scenic and recreational sites, they add.

ROAD CHALLENGE EXPECTED

The Forest Service has not yet granted the road permit. They have proceeded carefully and with deliberation, apparently too much so for the Governor of Idaho. Governor Samuelson was very critical of the Forest Service for holding public hearings on the issue.

If the Forest Service does grant the road permit, it will probably be challenged. Likely plaintiffs include the National Wildlife Federation supported by the Wilderness Society and the Sierra Club.

Alternatively the White Clouds could be included in a national recreation area bill passed by the U.S. Senate and now before a House committee. But this bill would permit the road and controversial mine.

Another course is a proposal to include the higher elevation areas of the White Clouds and Sawtooth Ranges in a national park. The lower elevations would be protected as a national recreation area.

Would a national park save the White Clouds? According to legal opinion, this would cause the lands to be withdrawn immediately from mineral entry (no new claims could be staked). Existing mining claims (which had not been proven as of the date of mineral withdrawal) could be challenged and declared invalid. The overall effect would be to stop the mining operation and permanently protect the White Clouds.

AKONI PULE, DEAN OF HAWAII STATE LEGISLATURE, RETIRES AFTER 21 YEARS OF OUTSTANDING SERVICE

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. MATSUNAGA. Mr. Speaker, the Island of Hawaii, youngest and largest of the Hawaiian archipelago, was the birthplace of Kamehameha the Great, a beneficient monarch who became the first ruler of all the Islands.

Big Islanders are understandably proud of their heritage and of their present day leaders who are following the precepts of King Kamehameha.

One such Big Islander whose leadership has helped to determine the path that social and economic development has taken in the Island State during the past two decades is the recently retired dean of the Hawaii State Legislature, Representative Akoni Pule.

A well-deserved tribute was paid to Representative Pule at a testimonial luncheon in his honor on December 14 in Honomakau when more than 200 Big Islanders and State officials gathered to heap praise on the distinguished lawmaker.

Gov. John A. Burns credited Representative Pule with a major part in "the revolution in Hawaii which has placed the accent on human beings, their environment and talents."

Other officials cited Representative Pule's ability to bring major capital improvements to his district, and, as one speaker remarked, the big isle's remote Kohala area "now has access to the world, thanks to Akoni."

These tributes and others reflect those admirable qualities which have made Representative Pule one of our State's most valuable public officials during his 21 years of dedicated service. I take great pleasure in extending to him my personal commendation for his rare talents and contributions which have left their imprint on our Nation's youngest State.

To Representative Pule and his gracious and lovely wife, Sarah, who will fill his seat in the 1970 session of the legislature, I extend aloha and all good wishes for the future.

I believe my colleagues in Congress will find of interest the news article about the recent testimonial luncheon in honor of Representative Pule, which I am pleased to submit for inclusion in the CONGRESSIONAL RECORD. The article, "Representative Pule's 21-year Reign Is Saluted," by the Honolulu Star-Bulletin's able State editor, Jack Bryan, from the December 15, 1969, issue of the Honolulu Star-Bulletin, follows:

REPRESENTATIVE PULE'S 21-YEAR REIGN IS SALUTED

(By Jack Bryan)

HONOMAKAU, HAWAII.—Big Islanders and top State officials paid their respects to retired State Rep. Akoni Pule, dean of the House, at an emotion-charged testimonial yesterday.

More than 200 attended the luncheon in the Kohala High School Cafeteria.

Gov. John A. Burns said Pule's departure from public life points up the great change that has been taking place in Hawaii in recent years.

He credited the veteran lawmaker with a major part in what he called "the revolution in Hawaii which has placed the accent on human beings, their environment and talents. . ."

Other speakers cited Pule's deftness in snaring capital improvements for his relatively lightly populated district, including the "Akoni highway," the Mahukona-Kawaihae road which gave remote North Kohala ready access to the booming resort area and port to the south.

But Burns said Pule and others of similar outlook have contributed far more in social legislation in his 21 years in the House.

Speaker Tadao Beppu, Senate president David McClung and Mayor Shunichi Kimura added words of praise for Pule's public record.

George Martin, ILWU district director, recalled that Pule was once an outstanding business agent for the big union.

A. C. Stearns, manager of Kohala Sugar Co., said "Kohala now has access to the world, thanks to Akoni."

Councilman Herbert T. Matayoshi, new president of the State Association of Counties, presented a resolution in tribute to the lawmaker. This was adopted by the association Saturday at its meeting in Hilo.

Buddy Soares, Republican floor leader; Barney Menor, vice speaker; and the entire Big Island delegation in the House were present, as were Sens. John Ushijima and Stanley I. Hara and most of the County Council.

Pule's voice broke and both he and his wife Sarah were tearful as he thanked each in turn for the tribute and gifts, including a color television set and a reclining chair.

Mrs. Pule will fill his seat in the last session of his term, starting next month.

DR. ANDREW STEVENSON

SPEECH OF

HON. SAMUEL N. FRIEDEL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. FRIEDEL. Mr. Speaker, on October 31, 1969, when Dr. Andrew Stevenson retired as professional staff coordinator of the House Committee on Interstate and Foreign Commerce, the House of Representatives lost the services of one of the most dedicated and talented men whom I have been privileged to work with during my 17 years in Congress.

I remember that I was immediately impressed by Andy Stevenson's quiet dignity and his obvious grasp of the details of the most complicated issues, when I first joined the committee in 1955.

Throughout the intervening years my respect and admiration for him continued to grow as I watched him handle one complex matter after another—always with great finesse and ability.

The great American inventor, Thomas A. Edison once observed "genius is 1 percent inspiration and 99 percent perspiration."

Andy Stevenson has an extraordinarily developed mind. At times he seemed almost like a human encyclopedia; so in his case there was certainly more than a 1 percent inspiration ingredient in his special genius, but I can testify that he didn't lack in the application of hard work either.

Throughout his distinguished career Andy Stevenson never once let any partisan consideration cloud his judgment and he gave his advice and good counsel freely and equally to all members of the committee.

I know of no man who has more honestly earned the rewards of retirement but I can personally testify that his leaving is a real loss for all of us who know and admire him.

We on the committee will miss him most, but I am confident that all of my colleagues who knew him over the years will agree that our loss is shared by the entire House of Representatives. I think we all owe Dr. Stevenson a debt of gratitude for his 34 years of dedicated service to Congress and the Government and wish him the best of everything in retirement.

MAJ. GEN. JOHN G. CASSIDY AWARDED LEGION OF MERIT

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. DANIELS of New Jersey. Mr. Speaker, a few days ago a distinguished American received from the Army Reserve the Legion of Merit upon his retirement from the Army Reserve after more than 40 years of outstanding service.

That distinguished American is Maj. Gen. John G. Cassidy, the commanding general of New Jersey's 78th Division. Ceremonies took place at the headquarters of the "Lightning Division" on December 14. The Legion of Merit is America's second-highest award for noncombat service. Because of the importance of this award and the long service to the country by General Cassidy, I believe my colleagues would be interested in the general's career.

General Cassidy began his military career at the age of 16 when he attended the Citizens Military Training Corps, 26th Infantry, Plattsburg Barracks, N.Y. He continued his training during the summers of 1926, 1927, and 1928, and upon completion was recommended for enlistment in the Army and for further prescribed courses of study with a view to preparing for a commission in the Officers Reserve Corps.

He enlisted in the 310th Infantry, 78th Infantry Division, on March 5, 1929. General Cassidy served successively as private, corporal, sergeant, and first sergeant. He was appointed a second lieutenant on June 29, 1933. In addition to his assignment with the 310th Regiment, he was attached for training and served with the 113th Infantry, 44th Division.

Inducted into extended active service November 25, 1940, Lieutenant Cassidy was assigned to Company M, 113th Infantry, and served as a platoon leader until April 19, 1941. Promoted to captain on that date, he was placed in command of Company I, 113th Infantry, which post he held until June 1942. Upon the activation of the 96th Infantry Division, Major Cassidy was assigned as a staff officer with the 381st Infantry of the 96th Division, and he served in that capacity until July 1943, when he assumed command of the 1st Battalion, 381st Infantry. He was promoted to lieutenant colonel on January 27, 1944.

Lieutenant Colonel Cassidy spent 16 months overseas as commander of the 1st Battalion Landing Team, 381st Infantry, participating in both the Leyte and Okinawa campaigns. As commander of the 1st Battalion Landing Team, he landed with the assault forces in both invasions. He was awarded the Silver Star for heroic action under fire and for exceptionally outstanding qualities of leadership during the Okinawa campaign. He was also awarded the Bronze Star Medal for executing a complex coordinated attack with consummate skill and daring during the Leyte campaign.

Wounded in action on Okinawa June 2, 1945, Lieutenant Colonel Cassidy was evacuated to Hawaii. Later, when physically qualified for general military service on August 11, 1945, he was released for further assignment. He was promoted to colonel on January 20, 1946, and released from active service on February 25, 1946.

General Cassidy assumed command of the 310th Regiment, 78th Division, upon its activation as an Army Reserve unit on January 22, 1947, and remained in continuous command until July 16, 1959. On that date he was appointed as assistant division commander, 78th Division, Training, and was promoted to brigadier general in December 1960. He assumed the command of the 78th Division, Training, on July 11, 1964, from Maj. Gen. H. Russell Morss, Jr.—retired, and was promoted to major general on December 31, 1964.

Born December 4, 1908, General Cassidy received his early education in his native city of Union City at St. Michael's High School. He later graduated from Pace College and majored in business administration. A certified public accountant, he retired on October 31 as supervisor of audits and frauds with the Internal Revenue Service and has set up private offices at his home at 205 Highfield Lane, Nutley. A graduate of the Army's Command and General Staff College, General Cassidy is married to the former Lucille Byrne of Jersey City. The Cassidy's have two children, John, Jr., a second lieutenant with the 78th Division's 1st Brigade and a student at Monmouth College and Mary Jo, a first year student at Trinity College in Washington, D.C.

General Cassidy is vice president of Association of the U.S. Army, a member of the Reserve Officers Association. During his tenure as commanding general of the 78th Division, the unit received the highest awards for excellence in training. High-ranking military officers and leading citizenry of the State attended the retirement ceremonies on Sunday.

"FREEDOM OF CHOICE" IS THE FREEDOM TO DISCRIMINATE

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. CONYERS. Mr. Speaker, "Freedom of Choice" is the freedom to discriminate. Mr. Speaker, due to illness I have not been able to be present in the House since Monday. My doctor's orders have been for me to be either at home or in the hospital.

If I had been able to be present yesterday, I would have voted "nay" on rollcall No. 339. That rollcall was on a motion by Mr. Flood to table Mr. Conte's motion to instruct the House conferees to recede from the so-called Whitten freedom-of-choice amendment to the Labor-HEW appropriations bill and to accept the Scott substitute.

The defeat of the tabling motion and the subsequent approval of the Conte motion was loud and clear indication of this House's commitment to school desegregation. The vote demonstrated to the entire country that this House is committed to the goal of equal educational opportunities for all Americans regardless of race.

The defeated Whitten amendment claimed to make the so-called freedom-of-choice plans legal though the Federal courts have recently found them to be unconstitutional when they do not result in effective school desegregation. The amendment really would have given local school officials the "freedom" to discriminate against black schoolchildren. The Whitten amendment was nothing more than an attempt to maintain the dual school system even though all branches of the Federal Government have found school segregation to be unconstitutional.

Though there does not seem to be much doubt that the Supreme Court would have eventually found the Whitten amendment to be unconstitutional, it was certainly crucial that the Congress not delude local school officials into believing that freedom-of-choice plans would be automatically acceptable. I want to congratulate the majority of my colleagues in this House and the majority in the Senate who in the last few days have made it clear that this Congress does not intend to allow phony freedom-of-choice plans to thwart the Brown against Board of Education decision requiring school desegregation. Hopefully this action by majorities in both Houses at the end of this first session of the 91st Congress means that the second session in 1970 will consistently and effectively support the cause of civil rights in voting, employment, education, housing, and all other areas.

SAVING OUR ENVIRONMENT—A CHALLENGE FOR THE YOUNG

HON. ROBERT N. GIAIMO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. GIAIMO. Mr. Speaker, the actions and attitudes of today's youth have created a great deal of controversy throughout the Nation. All of us deplore, I am sure, the actions of small groups like the Weathermen who advocate violence, preach hatred, and promote anarchy. Fortunately, the Weathermen and similar factions are only a very small minority; unfortunately, too many Americans believe that these groups reflect the attitudes of their entire generation.

They do not, Mr. Speaker. Today's young people may well be the most idealistic generation in our history. They see wrongs and want to right them; they see mistakes and want to correct them; they see the need for change and want to change things. Many of them have embarked on a course of constructive activism, a course which can only result in a better society. These young people, who constitute an anything but silent majority to their generation, deserve our utmost support.

I am especially pleased to note, therefore, that many young people are becoming concerned about the dangers of environmental pollution. They do not want to see this land destroyed; on the contrary, they want to save it. They refuse to sit by and let pollution take from them their land, their water, and their air. They know that our failure to act now can only mean more filthy water and foul air for them and for future generations.

I can think of no greater cause for them to champion, Mr. Speaker. Just as our youth have awakened the American people to the evils of racism and the horrors of poverty, so can they warn us of the imminent danger of pollution. Through their efforts and ours, I am certain that we can save our precious natural resources and insure that the words "America, the Beautiful" will remain more than just an empty phrase.

My attitude on this matter was reflected in an excellent editorial in the Hartford, Conn., Courant of Sunday, December 7, 1969. I wish to insert the editorial at this point in the Record:

REBELS FIND NEW CAUSE—CONSERVATION OF AMERICA

For those who have become cynical about today's youth and its constant and disruptive causes on university campuses—take heart. According to a national survey by the New York Times, college undergraduates are starting to champion a cause as new to them as it is familiar to older generations: Conservation.

In typical fashion, the young have their own way of making a cause "mod." Thus, conservation to them reportedly means "the environmental new wave" or something similar, but the goal is the same. Whether it be fighting water and air pollution or trying to save natural preserves of choice land, a new generation is apparently becoming concerned.

At Boston University, for instance, a group of two students has put on a two-day campaign of public education in ecology. At the University of Illinois, Students for Environmental Control recently rallied forth in freezing weather and extracted six tons of refuse from a creek—and then persuaded city officials to complete the job. In a somewhat more bizarre action, University of Minnesota students have conducted a mock funeral for the gasoline engine in a protest against air pollution.

In its survey, the Times report uncovered a sufficient number of other examples to lend credence to its contention that a new campus trend is beginning. Certainly it is more than welcome—though one wonders what happened to all the other causes. True, the militant Students for a Democratic Society is badly splintered now, thus diffusing its attacks on the ROTC, defense contractors and administration authority. The rise in Black Power on campus continues unabated however—an explosive factor overlooked in The Times' optimistic outlook. And the anti-war movement—it is still there, too. But after two Moratorium marches, some of its passion may be spent. It is too much to hope that a less glamorous, but far more important cause—that of preserving America's natural resources, has indeed captured youth's imagination?

It is too early to tell but the prospect is both appealing and positive. Who other than the young—with their brains, enthusiasm, and confidence, could better champion conservation? After all, they will inherit the land. Their stake is large. And the challenge—it is vast enough for any rebel who would dare, for any length of time, to preserve rather than destroy. A rebel without a cause is self-defeating. A cause without a rebel is equally doomed.

REMARKS OF THE HONORABLE JAMES D. HITTLE

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. BOB WILSON. Mr. Speaker, under leave to extend my remarks in the Record, I include the following:

EXCERPTS FROM REMARKS OF THE HONORABLE JAMES D. HITTLE, ASSISTANT SECRETARY OF THE NAVY, DECEMBER 16, 1969

It is my privilege to bring to you the good wishes of President Nixon, Secretary of Defense Laird and Secretary of the Navy Chafee.

I bring you also their expressions of appreciation for your contributions to the security of our Nation and the furtherance of U.S. naval power.

You indeed are a distinguished group. You and your shipmates, many of whom have taken the long voyage beyond the horizon of no return, participated in a truly historic event.

Sixty-two years ago today President Teddy Roosevelt personally handed sealed orders to Rear Admiral "Fighting" Bob Evans at Hampton Roads, Virginia.

Shortly thereafter steam pressure was raised in the boilers, gangways were secured, anchor chains clanked and the Great White Fleet stood out to sea. It marked the beginning, as you well recall, of one of the truly great events in all naval history—and most certainly in the history of the United States Navy. Sixteen gleaming white and smoke belching battleships, six destroyers, and five other ships began the circumnavigation of the world. That voyage, personally ordered by President Teddy Roosevelt, who understood the meaning of national prestige and the role of seapower in achieving it, ordered our new and powerful battle fleet to show the American flag in the cruise around the world. That cruise in which you served, and which this anniversary dinner memorializes, signaled in unmistakable terms the emergence of the United States as one of the great sea powers of the world.

Since that day the United States flag flying on ships of the United States Navy has been the reassuring symbol of all those who oppose oppression and revere freedom.

And so, as you well know, fourteen months, 45,159 miles, and 431,793 tons of coal later, the Great White Fleet, still gleaming, proudly stood into Hampton Roads, Virginia. The circumnavigation of the world and the showing of our flag in distant seas had been accomplished. Our Nation's prestige was at a new high. Freedom loving people everywhere had new courage.

The service performed by you and your shipmates in the Great White Fleet will stand forever in the annals of our Navy's history and in the records of those who know and understand the sea.

To all of you—and your shipmates—who made possible that great seagoing achievement, our Nation, in its heart and in its memory, eternally flies the cherished naval signal "Well Done."

ENVIRONMENTAL QUALITY EDUCATION ACT OF 1969

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. SCHEUER. Mr. Speaker, I am very glad to join my distinguished colleagues, Congressmen BRADEMAS, REID, and HANSEN in reintroducing the Environmental Quality Education Act of 1969 along with 47 other cosponsors.

For years, the American environment has been suffering from our gross negligence. With barely a murmur of protest, we have permitted our forests to be decimated, our air to be polluted, and our waterways to serve as sewers for municipal and industrial waste. For too long, we have ignored the overall effects of our individual actions and large scale public and private programs and policies on our environment.

Today, America is becoming increasingly aware of the urgent need for swift and effective action. One way we can help reduce our abuse of the environment is by educating our citizens, especially our youth, about the benefits of a quality environment and a balanced ecology.

The text of the bill follows:

H.R. 15288

A bill to authorize the United States Commissioner of Education to establish educational programs to encourage understanding of policies and support of activities designed to enhance environmental quality and maintain ecological balance

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Environmental Quality Education Act".

STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. (a) The Congress of the United States finds that the deterioration of the quality of the Nation's environment and of its ecological balance is in part due to poor understanding by citizens of the Nation's environment and of the need for ecological balance; that presently there do not exist adequate resources for educating citizens in these areas, and that concerted efforts in educating citizens about environmental quality and ecological balance are therefore necessary.

(b) It is the purpose of this Act to encourage and support the development of new and improved curriculums to encourage understanding of policies, and support of activities designed to enhance environmental quality and maintain ecological balance; to demonstrate the use of such curriculums in model educational programs and to evaluate the effectiveness thereof; to disseminate curricular materials and information for use in educational programs throughout the Nation; to provide training programs for teachers, other educational personnel, public service personnel, and community and industrial business leaders and employees, and government employees at State, Federal, and local levels; to provide for community education programs on preserving and enhancing environmental quality and maintaining ecological balance.

USES OF FUNDS

SEC. 3. (a) From the sums appropriated, the United States Commissioner of Education, hereinafter referred to in this Act as the "Commissioner", shall assist in educating the public on the problems of environmental quality and ecological balance by:

(1) Making grants to or entering into contracts with institutions of higher education and other public or private agencies, institutions, or organizations for:

(a) Projects for the development of curriculums to encourage preserving and enhancing environmental quality and maintaining ecological balance.

(b) Pilot projects designed to demonstrate and test the effectiveness of the curriculums described in clause (a) whether developed with assistance under this Act or otherwise.

(c) In the case of applicants who have conducted pilot projects under clause (b), projects for the dissemination of curricular materials and other information regarding the environment and ecology.

(2) Undertaking directly or through contract or other arrangements with institutions of higher education or other public or private agencies, institutions, or organizations evaluations of the effectiveness of curriculums tested in use in elementary, secondary, college, and adult education programs involved in pilot projects described in paragraph 1(b).

(3) Making grants to institutions of higher education, local educational agencies, and other public or private organizations to provide preservice and inservice training programs on environmental quality and ecology (including courses of study, symposiums, and workshops, institutes, seminars, conferences) for teachers, other educational personnel, public service personnel, and community, business and industrial leaders and employees, and government employees at State, Federal, and local levels.

(4) Making grants to local educational, municipal, and State agencies and other public and private nonprofit organizations for community education on environmental quality and ecology, especially for adults.

(5) Making grants for preparation and distribution of materials suitable for use by mass media in dealing with the environment and ecology.

APPROVAL OF APPLICATIONS

SEC. 4. (a) Financial assistance for a project under this Act may be made only upon application at such time or times, in such manner, and containing or accompanied by such information as the Commissioner deems necessary, and only if such application—

(1) provides that the activities and services for which assistance under this title is sought will be administered by or under the supervision of the applicant;

(2) sets forth a program for carrying out the purposes set forth in section 3 and provides for such methods of administration as are necessary for the proper and efficient operation of such programs;

(3) sets forth policies and procedures which assure that Federal funds made available under this Act for any fiscal year will be so used as to supplement and, to the extent practical increase the level of funds that would, in the absence of such Federal funds, be made available by the applicant for the purposes described in section 3, and in no case supplant such funds.

(4) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of an accounting for Federal funds paid to the applicant under this title; and

(5) provides for making an annual report and such other reports, in such form and containing such information, as the Commissioner may reasonably require and for keeping such records, and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(b) Applications from local educational agencies for financial assistance under this Act may be approved by the Commissioner only if the State educational agency has been notified of the application and been given the opportunity to offer recommendations.

(c) Amendments of applications shall, except as the Commissioner may otherwise provide by or pursuant to regulation, be subject to approval in the same manner as original applications.

ADVISORY COMMITTEE ON ENVIRONMENTAL QUALITY EDUCATION

SEC. 5. (a) The Secretary of Health, Education, and Welfare shall appoint an Advisory Committee on Environmental Quality Education which shall—

(1) advise the Secretary concerning the administration of, preparation of, preparation of general regulations for, and operation of, programs supported with assistance under this Act;

(2) make recommendations regarding the allocation of the funds under this Act among the various purposes set forth in section 3 and the criteria for establishing priorities in deciding which applications to approve, including criteria designed to achieve an appropriate geographical distribution of approved projects throughout all regions of the Nation;

(3) review applications and make recommendations thereon;

(4) review the administration and operation of projects and programs under this Act, including the effectiveness of such projects and programs in meeting the purposes for which they are established and operated, make recommendations with respect thereto, and make annual reports of its findings and recommendations (including recommendations for improvements in this Act) to the Secretary for transmittal to the Congress; and

(5) evaluate programs and projects carried out under this Act and disseminate the results of such evaluations.

(b) The Advisory Committee on Environmental Quality Education shall be appointed by the Secretary without regard to the civil service laws and shall consist of twenty-one members. The Secretary shall appoint one member as Chairman. The Committee shall consist of persons familiar with education, information media, and the relationship of man as producer, consumer, and citizen to his environment and the Nation's ecology. The Committee shall meet at the call of the Chairman or of the Secretary.

(c) Members of the Advisory Committee shall, while serving on the business of the Advisory Committee, be entitled to receive compensation at rates fixed by the Secretary, but not exceeding $100 per day, including travel time; and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5 of the United States Code for persons in the Government service employed intermittently.

TECHNICAL ASSISTANCE

SEC. 6. The Secretary, in cooperation with other Cabinet officers with relevant jurisdiction, shall, upon request, render technical assistance to local educational agencies, public and private nonprofit organizations, private profit-making organizations, institutions of higher learning, agencies of local, State, and Federal Government and other agencies deemed by the Secretary to play a role in preserving and enhancing environmental quality and maintaining ecological balance. The technical assistance shall be designed to enable the recipient agency to carry on education programs which deal with environmental quality and ecology and (2) deal with environmental and ecological problems pertinent to the recipient agency.

PAYMENTS

SEC. 7. Payments under this Act may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

ADMINISTRATION

SEC. 8. In administering the provisions of this Act, the Secretary is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public or private agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement, as may be agreed upon.

AUTHORIZATION

SEC. 9. There is authorized to be appropriated for the fiscal year ending June 30, 1970, for carrying out the purposes of this Act such sums as Congress may deem necessary.

DETERIORATION OF OUR ENVIRONMENT

HON. MARTIN B. McKNEALLY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. McKNEALLY. Mr. Speaker, in recent years, the people of this country have become increasingly aware of the deterioration of our environment. To the growing popular concern, the Congress has responded repeatedly by approving legislation aimed at halting this deterioration. The record of the Congress is clear—it is overwhelmingly committed to the preservation of our environment. Despite the position of the Congress, the International Boundry Commission—which confers on matters pertaining to the border between the United States and Canada—has instituted a plan to defoliate a 20-foot-wide strip in the United States-Canadian border.

In my opinion, the plan is an outrage. It would seem that the Secretary of State, who possesses jurisdiction over half of the International Boundary Commission, would oppose any such plan which disregards the concerns of the American people.

For the consideration of my colleagues, I offer the following editorial which appeared in the Evening News, a newspaper serving the area of my own hometown, Newburgh, N.Y. It seems to me that this editorial aptly characterizes the International Boundry Commission's defoliation plan:

HOW DUMB

Man is at it again—destroying that which nature has worked so long to produce.

It is likely to astound you, as it did us, to learn that the International Boundary Commission has agreed to a plan to defoliate a 20-foot-wide strip on the border between the U.S. and Canada. The strip will stretch 2,964 miles, excluding waterways on the border.

The commission says the purpose is to establish jurisdiction more accurately in border disputes and plane crashes. We weren't aware that any significant border disputes still existed between the U.S. and Canadian governments. If there are differences, marring so much wilderness is hardly the way to solve them.

The crowning blow, as Wisconsin Senator Gaylord Nelson explains, is that engineers are cutting the strip by spraying picloram, the same pesticide used by the U.S. military on the Demilitarized Zone in Vietnam. Says Nelson:

"In effect, we are creating a North American DMZ, a sort of environmental disaster strip in the midst of the most magnificent wilderness country on earth."

The senseless destruction should be stopped at once. If the U.S. were at war with Canada, there might be some point to it. But as it is now, a North American DMZ is nothing but D-U-M-B—period.

THE FREIGHT CAR CRISIS

HON. LEE METCALF

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Friday, December 19, 1969

Mr. METCALF. Mr. President, for several weeks Members of Congress from the wheat States have made their annual representations by letter, telephone, and telegraph, to the Interstate Commerce Commission, asking that agency to invoke its authority to provide sufficient boxcars to transport the harvest of wheat which annually finds the railroads without cars and the ICC dismayed.

A few years ago the distinguished chairman of the Committee on Commerce, during the perennial emergency resulting from a harvest of grain, assembled a meeting of shippers, carriers, and legislators who forged an answer for that year. Miraculously the carriers located wandering or hidden cars, the ICC discovered its authority to require their delivery and shippers sent their produce to market.

Once again, the ICC is confronted with a grain harvest that has led to a shortage of boxcars. Again, grain is rotting in Kansas, where it is piled on the ground, waiting to be transported by rail at the increased freight rates demanded by the carriers and approved by the ICC. Once again elevators in Nebraska are bulging, about 50 million bushels are on the ground and the backlog of grain is estimated to require 25,000 cars in that State alone.

Once again, the railroads, despite an investment tax credit to encourage their purchase of boxcars, despite a 6-percent increase in rates, are unable to offer service to shippers. In Montana, the shortage of cars for one shipper, the Farmers Union Grain Terminal Association, was said on December 12, to be 1,282. The GTA holds in elevators wheat valued at $6 million. Until it is delivered, the interest lost on this sum totals $1,500 a day.

The ICC insists that there is compliance with its May exclusion order for delivery of gondola cars, and that penalties for noncompliance have not been necessary. The carriers insist they are moving the wheat. The ICC says an exclusion order covering boxcars would not help, and that it requires more specific detail of shippers' unmet requirements in order to resolve the conflicting assertions.

Some of the specifics were supplied to the agency on December 12. The Farmers Union Grain Terminal Association, by telegram to the ICC on that date, listed the numbers of cars and where they were required. The boxcar shortage for that one shipper then totaled 1,282 cars. Between December 12 and December 17 only 12 cars were supplied and loaded.

I ask unanimous consent that the pertinent exchange of telegrams be printed in the Extensions of Remarks.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

Mr. GEORGE J. BOOS,
Resident Manager, Montana Division, Farmers Union Grain Terminal Association, Great Falls, Mont.:

Montana delegation has wired ICC urging issuance exclusion order to meet boxcar shortage. Will keep you advised.

LEE METCALF,
U.S. Senator.

Hon. LEE METCALF,
U.S. Senate Office Building,
Washington, D.C.:

Once again the Montana Grain Industry is faced with a most serious shortage of box cars suitable for handling grain. As of this date, our unfilled car orders total 1,282 cars on the Great Northern alone. A break down of this by individual elevators is as follows:

Railroad car requirements placed with the Great Northern Railroad for Central Montana stations only as of December 11, 1969. These orders are based on 2,000 bushel capacity narrow-door box cars.

Belt, 6
Big Sandy, 22
Brady, 71
Broadview, 25
Carter, 9
Chester, 37
Chinook, 5
Cliev, 2
Conrad, 32
Cutbank, 137
Devon, 23
Dutton, 43
East Fairview, 2
Ethridge, 15
Galata, 21
Gildford, 46
Havre, 40
Richland, 22
Wolf Point, 23
Hingham, 26
Inverness, 61
Kremlin, 4
Lavin Spur, 3
Ledger, 83

Loma, 32
Malta, 2
Portage, 1
Power, 23
Raynesford, 4
Rudyard, 35
Stanford, 3
Sunburst, 5
Sweetgrass, 5
Tiber, 8
Ulm, 5
Valier, 66
Saco, 2
Williams, 5
Great Falls, 18
Shelby, 40
Lewistown, 36
Flaxville, 11
Glasgow, 8
Harlem, 3
Hogeland, 8
Turner, 1
Loring, 24
Medicine Lake, 6
Nashua, 10
Opheim, 54
Peerless, 27
Poplar, 21
Reserve, 2
Richey, 3
Whitewater, 56
Total, 1,282

These figures are for elevators either affiliated or owned by GTA only.

Repeated efforts on our part to seek relief from the Great Northern Railroad have ended in failure. One of the primary reasons for this being the low percentage of ownership and the inability of the Great Northern Railroad to recover their equipment from eastern, southern, and southeastern railroads. As of this date, percentage of ownership on the Great Northern is 650/0 and they are losing one half of 10/0 every other day.

Unless this situation is corrected immediately, economic hardship will befall the grain industry of Montana.

We respectfully and urgently request that you give consideration to requesting the Interstate Commerce Commission to issue an exclusion order immediately so that Great Northern equipment be returned from foreign lines at once.

Thank you for any assistance you can give to this matter.

Respectfully yours,
GEORGE J. BOOS,
Resident Manager, Montana Division, Farmers Union Grain Terminal Association.

DECEMBER 16, 1969.

Hon. LEE METCALF,
U.S. Senate,
Washington, D.C.

Four empty boxcar trains delivered Montana carriers over weekend. Additional trains being assembled or en route at this time. All Montant railroads beneficiaries of Commission order requiring return their covered hopper cars.

Chairman, Interstate Commerce Commission.

Hon. VIRGINIA MAE BROWN,
Chairman, Interstate Commerce Commission,
Washington, D.C.:

Have received communication from Montana Wheat Research and Marketing Committee, Great Falls. Reporting severe shortage of box cars on Great Northern Railroad in Montana.

As of November 25, 1969, survey indicated 2,071 box cars were needed on Great Northern Line to transport grain to market. Essential that car situation be improved in interest of Montana producers who must be able to position their grain at ports in the Pacific Northwest in order to take advantage of the export market. Continued shortage of these cars could seriously jeopardize Montana's hard red winter, dark northern spring, and durum markets in the Asia area.

Box car shortage apparently does not exist on other railroads serving Montana.

Situation demands immediate investigation, and I request ICC to utilize all existing authority to bring about some relief.

Senator MIKE MANSFIELD.

Mr. METCALF. Mr. President, I have just learned that the executive secretary of the Montana Wheat Research and Marketing Committee has communicated again by wire with the Interstate Commerce Commission advising the results of a survey taken this morning on the boxcar shortage. So that this information will not be lost to the ICC, I will reiterate it. The total number of boxcars required by seven of Montana's major shippers is 3,220. This figure does not include any private elevators nor does it include any of the smaller grain firms. Last week the figure totaled 2,500 cars. Obviously, Mr. President, the ICC orders are totally ineffective.

Here are some of the details which the Commission claims it has not received.

In Joplin, Mont., one firm alone required 115 cars.

In Fort Benton, one shipper needs 50 cars.

In Valier, one shipper needs 330 boxcars.

In Cut Bank, 250 are required.

In northeastern Montana one shipper needs 350 cars.

In conversation with me, the Commission has held that northern Montana shippers have ordered only covered hopper cars. My constituents tell me this is not so. They tell me, further, that those west coast purchasers of export grain who normally prefer to receive shipments in covered hoppers are requesting shipment in narrow door boxcars.

Representatives of Montana wheat growers tell me that an exclusion order for narrow door boxcars would help, notwithstanding ICC assertions that it would not.

Now, someone is misinformed. The wheat is not being moved. Losses to grain producers and to elevators are mounting daily in the most severe emergency of this kind that I recall. The ICC is unwilling to use its powers fully to meet the emergency; evidently the carriers' investment tax credit was not successful in increasing the supply of boxcars except for the western railroads whose cars are being held by others. Evidently too, the carriers' increased freight rate is not sufficient incentive for them to serve grain shippers.

Mr. President, I am wondering if wheat State Senators must again meet with representatives of the ICC, with shippers, and with the railroad industry.

Perhaps it would be useful to compare figures. Perhaps it would be useful to review the impact of the investment tax credit. Some of our roads have used the credit to construct and reconstruct cars to provide the rolling stock we need. I am advised, for example, that the Great Northern Railroad which has built a great many cars is now trying to meet the present emergency with only 65 percent of owned cars on its line, the balance of its cars being used as an inadequate rental figure by other lines, which fail or long delay in returning them to this and other Western railroads.

Perhaps we should examine the effect of the increase in freight rates, the annual consternation resulting from a harvest of grain, the diminution of public service, the impotence of the ICC, the apparent impunity of the railroads and the questions of public interest arising from these factors.

Perhaps a public airing, with some assistance from interested Members of Congress, would serve to prepare the ICC for next year. Perhaps the railroads could be encouraged to provide transportation.

PUBLIC ATTITUDES REGARDING ENVIRONMENTAL IMPROVEMENT

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. OTTINGER. Mr. Speaker, the National Wildlife Federation paid for two national polls in 1969, testing the attitude of the American public toward environmental problems and ways of improving the situation. The first of these polls was carried out by the Gallup organization, and was reprinted in the RECORD of April 16, 1969, at my request.

The second and later poll has now been completed by another national polling organization, and the results of this effort strongly support those of the earlier. Together, they indicate that the public is growing increasingly impatient with those whose actions degrade our environment, and that the public is prepared to assume a substantial burden of the costs of improving the situation.

I include the results of this poll in the RECORD, knowing that my colleagues will find them of interest:

A STUDY OF THE ATTITUDES OF THE AMERICAN PUBLIC TOWARD IMPROVEMENT OF THE NATURAL ENVIRONMENT

INTRODUCTION

In early 1969, the National Wildlife Federation sponsored a Gallup survey which found, among other things, that more than 85% of the public is concerned with the condition of the environment. So concerned, three out of four said they would willingly pay increased taxes earmarked for conservation, including 63% of those with family incomes under $5,000 per year.

The attached survey, conducted by that other major independent polling organization during the first part of July, found that 97% of the American Public advocated reallocating Federal expenditures to free money for environmental protection and clean-up.

Ironically, in spite of the obvious, overwhelming public desire for solving the country's environmental problems, the Federation's recently completed Index of Environmental Quality (EQ) found the U.S. is still losing the battle against pollution and natural resource depletion.

The Federal Government is the number one environmental protector and janitor. And yet in the face of accelerating environmental degradation and exploding public concern far less than one per cent of the Federal budget goes into natural resources programs but they are invariably the first to feel the bite of the economy ax. Programs to solve the nation's environmental crises too often have turned out to be more eye pollution than fact—apparently designed to take the heat off administrators and politicians by lulling the public into thinking the problems are being taken care of.

But they are not.

The following report shouldn't be interpreted for anything but what it is: a survey of public opinion. But the Federation feels the message therein is clear: the American public wants to move quality of life up on the nation's priority list. And though "willingness to pay" begs the fundamental fact that we will and must pay for environmental clean-up, it does substantiate public concern.

STUDY DESIGN

The study was based on a national sample survey of the civilian non-institutional population of the United States (excepting Alaska and Hawaii). A cross-section of 1,485 respondents were interviewed in their homes between July 1 and July 10, 1969.

For purposes of analysis, the sample has been divided into various subgroups. The following paragraphs will define the subgroups:

"Total" in this report refers to the total sample of 1,485 respondents. Unless otherwise specified, all tables are based upon the total sample.

"East" (29 percent): People residing in Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Vermont, Pennsylvania, Rhode Island, West Virginia.

"Midwest" (28 percent): People residing in Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, Wisconsin.

"South" (27 percent): Refers to people residing in Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, Oklahoma, Tennessee, South Carolina, Texas, Virginia.

"West" (16 percent): Refers to people residing in Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming.

"Eighth grade" (24 percent): People reporting elementary school graduation or less.

"High school" (51 percent): People reporting high school graduation or some high school attendance, but no college attendance.

"College" (25 percent): People reporting some college study or a higher level of educational achievement.

"Men" (50 percent).

"Women" (50 percent).

"White" (90 percent).

"Black" (10 percent).

"Age 16–20" (7 percent).

"Age 21–29" (17 percent).

"Age 30–34" (8 percent).

"Age 35–49" (28 percent).

"Age 50 and over" (40 percent).

"Cities" (29 percent): Refers to people living in urban areas with populations of 50,000 and over.

"Suburbs" (24 percent): Refers to people residing in areas immediately surrounding those cities.

"Towns" (23 percent): Refers to those residing in urban centers with populations between 2,500 and 49,999.

"Rural" (24 percent): Refers to persons residing in centers with populations under 2,500 or in townships with population density of less than 1,500 per square mile.

"Under $5,000" (30 percent): Those reporting a total family income for 1968 of less than $5,000.

"$5,000-$9,999" (38 percent): Represents those reporting a total family income for 1968 of between $5,000 and $9,999.

"$10,000 and over" (32 percent): Represents those reporting a total family income for 1968 of over $10,000.

AREAS OF CONCERN

1. Definition of the Public's Attitude Toward Our Natural Environment Today—Areas of Concern

The majority of the American public feels that present programs for improvement of the natural environment receive too little attention and financial support from the government. Fifty-two percent of those interviewed agreed with this statement, while only five percent felt such programs receive too much attention and support. Twenty-two percent thought the amount of time and money the government now spends on such projects is "just right."

The college educated (65 percent), the urban and suburban populations (58 percent and 66 percent, respectively), and the affluent (64 percent) are especially concerned over inadequate attention to improvement of the natural environment:

Thinking about air and water pollution, improvement of land and water, forests, fish and wildlife, recreation and park areas—do you think programs for improvement of the natural environment now receive too little attention and financial support from the Government, now receive too much attention and financial support, or just the right amount?

[Percent]

	Receive too little	Receive too much	Receive right amount	Not sure
Average	52	5	22	21
East	58	3	18	21
Midwest	53	6	27	14
South	44	4	21	31
West	54	7	21	18
8th grade	36	6	18	40
High school	55	4	24	17
College	65	4	21	10
Men	57	6	19	18
Women	47	4	25	24
White	54	5	22	19
Black	33	6	18	43
16 to 20	57	4	24	15
21 to 29	59	3	26	12
30 to 34	50	3	22	25
35 to 49	55	5	21	19
50 plus	47	6	19	28
Cities	58	4	16	22
Suburbs	66	2	21	11
Towns	42	7	24	27
Rural	42	6	27	25
Under $5,000	36	6	22	36
$5,000 to $9,999	56	5	21	18
$10,000 plus	64	4	23	9

When asked specifically to evaluate the effects of the continued application of certain highly toxic chemicals, such as pesticides, 45 percent of the people were of the opinion that such chemicals have had detrimental effects on the environment. This 45 percent and the 23 percent who are "not sure" about the effects of such chemicals are potential proponents of efforts to insure more careful use of pesticides. Only nine percent believe that the continued use of these chemicals has had a good effect on the environment.

A majority (53 to 55 percent) of those segments of the public which tend to be more informed and articulate—the affluent and the college educated—feel that pesticides have had a bad effect on the environment. In addition, 53 percent of people living in towns, and other majorities in the Midwest (53 percent) and the West (51 percent) give similar appraisals.

Interestingly, those people who might benefit the most from pesticide use in crop production—people in rural areas—show a plurality of 40 percent awareness of the bad effects of chemicals; only nine percent feel they have an overall "good effect".

Regionally, residents in the South are the least cognizant of pesticide use—32 percent saying they do not have much effect on the environment at all, and 12 percent reporting a "good effect":

Pesticide chemicals, such as DDT, have been used widely for many purposes in the outdoors. Some scientists say these chemicals are beginning to damage wildlife, are becoming a danger to people's health, and urge the use of safer pesticides. Others say the benefits of DDT and other long lasting chemicals are great and any major danger to wildlife or man is not proven. Overall, do you feel the continued use of these chemicals has had a bad effect on the environment, do you think it has had a good effect, or not much effect at all?

[In percent

	Bad effect	Good effect	Not much effect	Not sure
Average	45	9	23	23
East	49	4	26	21
Midwest	53	11	16	20
South	28	12	32	28
West	51	8	16	25
8th grade	35	10	26	29
High school	45	7	24	17
College	55	10	18	24
Men	47	10	22	21
Women	43	8	23	26
White	48	9	21	22
Black	22	4	40	34
16 to 20	38	8	27	27
21 to 29	47	9	22	22
30 to 34	40	8	28	24
35 to 49	47	8	24	21
50 plus	44	10	21	25
Cities	42	7	22	29
Suburbs	48	7	23	22
Towns	53	12	18	17
Rural	40	9	28	23
Under $5,000	36	10	27	27
$5,000 to $9,999	47	8	21	24
$10,000 plus	53	8	21	18

Twenty-nine percent of the public report that their personal enjoyment of their surroundings and their life have been affected by air and water pollution. Comparing this figure with the 52 percent who feel that too little government money goes into improvement of the natural environment, it would appear that the call for increased attention to environmental problems is often inspired by personal experience with air and water pollution.

The following segments of the public more often report being personally affected by air and water pollution: people with incomes over $10,000 (43 percent), people in suburbia (43 percent), and the college educated (42 percent):

Have air and water pollution affected your personal enjoyment of your surrounding and your life in any way?

[In percent]

	Yes	No	Not sure
Average	29	68	3
East	31	66	3
Midwest	33	65	2
South	17	79	4
West	39	58	3
8th grade	15	81	4
High school	30	67	3
College	42	55	3
Men	33	64	3
Women	26	71	3
White	30	68	2
Black	21	69	10
16 to 20	31	64	5
21 to 29	41	58	1
30 to 34	25	72	3
35 to 49	36	60	4
50 plus	21	76	3
Cities	31	64	5
Suburbs	43	55	2
Towns	25	73	2
Rural	18	79	3
Under $5,000	15	82	3
$5,000 to $9,999	29	67	4
$10,000 plus	43	56	1

Of those reporting that air and water pollution have affected their personal enjoyment, 23 percent refer to the damage to swimming areas: "the swimming places have been ruined", "the shore lines are filthy".

Twenty-three percent mentioned health problems caused by, or exacerbated by, air and water pollution, e.g., asthma, allergies, sinus, hay fever, burning eyes, coughing.

Twenty-one percent complained that "lakes and rivers are dirtier". Nineteen percent described "dirt, smoke, and fumes in the air".

Other common responses were: "the air smells bad", "can't go fishing any more", "it is hard to breathe", "the smog is ruining the view":

IN WHAT WAYS HAVE YOU BEEN PERSONALLY AFFECTED BY WATER POLLUTION OR AIR POLLUTION? IN WHAT OTHER WAYS?

[Base: Pollution affected personal enjoyment equals 29 percent. All amounts in percent]

	Swimming places affected	Health affected	Lakes, rivers dirty	Dirt, fumes in air	Air smells bad	Can't go fishing	Hard to breathe	Smog ruining view	Beaches, lakes ugly	Dead fish in water	Fish not edible, taste bad	Water sports affected	Camping places ruined	House, car, get dirty faster	Water tastes bad	Hunting wildlife, birds affected	Personal cleanliness affected	Pollution laws not strict enough
Average	23	23	21	19	14	14	10	6	5	4	3	3	3	3	2	2	1	1
East	29	16	13	18	13	15	12	2	6	5	2	2	1	2	2	2	1	--------
Midwest	28	20	28	21	19	19	5	2	3	8	5	4	4	5	1	--------	2	1
South	17	16	27	25	14	16	6	5	5	2	2	3	3	3	2	6	2	--------
West	8	45	17	14	6	6	18	20	6	1	2	2	4	--------	2	2	--------	2
8th grade	15	25	11	15	4	17	9	6	2	8	4	4	4	2	--------	8	--------	--------
High school	24	21	20	16	13	14	10	5	5	5	2	4	3	2	--------	--------	--------	
College	22	26	25	25	17	13	11	6	6	3	4	1	2	5	--------	--------	3	1
Men	21	20	22	20	14	20	8	5	5	6	4	3	3	3	2	3	1	1
Women	25	28	19	18	13	6	12	7	5	3	2	2	2	2	2	1	1	1
16 to 29	31	23	23	15	12	19	12	6	9	9	3	7	2	1	--------	2	1	1
30 to 49	26	24	25	15	12	13	9	5	4	3	3	2	3	3	1	1	1	1
50 plus	9	23	13	30	17	12	10	7	2	1	4	--------	4	4	4	4	2	2
Cities	19	27	18	23	23	11	8	7	7	4	5	4	1	5	2	2	2	1
Suburbs	21	25	20	19	8	16	16	8	3	2	3	3	3	1	2	1	--------	1
Towns	35	17	20	12	15	21	9	5	5	4	--------	1	3	4	--------	5	3	--------
Rural	20	17	29	20	7	10	2	2	3	10	5	3	5	2	2	2	--------	2

2. *What the public is willing to do about improving the quality of the natural environment*

Given the public's concern over the environment, what are they willing to do about improving it?

People were asked if they personally would be willing to accept a $200 a year increase in their families' total living expenses in order to clean up the natural environment. Sixty-five percent rejected this proposition, while only 22 percent indicated a willingness to accept such an increase.

Although the majority of each subgroup was unwilling to accept the $200 increase, the affluent, the college educated, suburbanites, and people under 30 years of age showed themselves to be more willing than the rest to make a personal sacrifice of that magnitude:

You are already sharing in the costs brought to us all by air and water pollution. In order to solve our national problems of air and water pollution, the public may have to pay higher taxes and higher prices for some products. To get a real clean-up in your natural environment, would you be willing to accept a per-year increase in your family's total expenses of $200?

[In percent]

	Would be willing	Would not be willing	Not sure
Average	22	65	13
East	22	68	10
Midwest	26	64	10
South	12	68	20
West	30	57	13
8th grade	8	74	18
High school	23	65	12
College	33	58	9
Men	24	64	12
Women	19	66	15
White	23	66	11
Black	14	59	27
16 to 20	36	39	25
21 to 29	27	62	11
30 to 34	20	61	19
35 to 49	23	69	8
50 plus	17	69	14
Cities	24	62	14
Suburbs	28	64	8
Towns	18	66	16
Rural	16	70	14
Under $5,000	11	70	19
$9,000 to $9,999	20	70	10
$10,000 plus	34	56	10

The next table shows the degree of the public's willingness to accept each of the various increases presented to them. It shows that, as the amount of financial sacrifice decreases, the percentage willing to accept it increases. At $20 per year, a majority of the public (55 percent) would be willing to go along with an increase in expenses for the sake of environmental improvement:

Would you be willing to accept a $200/$100/$50/$20 per-year increase in your family's total expenses for the clean up of the natural environment?

[In percent]

	Would be willing	Would not be willing	Not sure
$200 increase	22	65	13
$100 increase	32	56	12
$50 increase	42	47	11
$20 increase	55	35	10

At the $20 level, the following table indicates that the same subgroups who were the most willing to accept a $200 a year increase (the educated, the affluent, the young, and the suburbanites) are still the most willing.

A regional comparison also shows Westerners (63 percent) and Midwesterners (65 percent) to be far more amenable to an increase than Southerners (39 percent):

Would you be willing to accept a $20 per-year increase in your family's total expenses for the clean up of the natural environment?

[In percent]

	Would be willing	Would not be willing	Not sure
Average	55	35	10
East	57	33	10
Midwest	65	30	5
South	39	45	16
West	63	32	5
8th grade	32	50	18
High school	58	33	9
College	69	25	6
Men	55	35	10
Women	54	34	12
White	56	34	10
Black	42	38	20
16 to 20	64	16	20
21 to 29	62	31	7
30 to 34	61	24	15
35 to 49	59	32	9
50 plus	44	44	12
Cities	54	34	12
Suburbs	66	26	8
Towns	47	39	14
Rural	50	41	9
Under $5,000	31	53	16
$5,000 to $9,999	58	33	9
$10,000 plus	74	19	7

A second, more specific, alternative was offered the public to further test their willingness to make a financial sacrifice for the sake of environmental clean-up. They were asked whether or not they would be agreeable to assisting electric companies in the elimination of pollution by paying an increase in their monthly electric bill.

If relieving the increased financial burden for the electric companies entailed a $2.00 monthly increase in their electric bill, only 14 percent of those interviewed would be agreeable. Seventy-seven percent (as the next table indicates) would not be willing to pay such an increase.

Those who find this idea least objectionable are those living in the West, those living in the suburbs, the young, the college educated, and the affluent:

Currently, many electric generating plants are increasing air and water pollution. The electric companies say it will be expensive to eliminate this pollution. To stop the pollution destroying our plant-life and wildlife, would you be willing to pay an increase in your monthly electric bill of $2?

[In percent]

	Willing	Not willing	Not sure
Average	14	77	9
East	14	79	7
Midwest	14	81	5
South	9	75	16
West	20	67	13
8th grade	5	83	12
High school	13	78	9
College	24	69	7
Men	16	76	8
Women	10	79	11
White	14	77	9
Black	11	74	15
16 to 20	27	54	19
21 to 29	15	76	9
30 to 34	14	79	7
35 to 49	16	76	8
50 plus	8	82	10
Cities	14	78	8
Suburbs	20	73	7
Towns	10	77	13
Rural	10	80	10
Under $5,000	6	82	12
$5,000 to $9,999	12	81	7
$10,000 plus	23	69	8

A monthly increase of $1.00 met with more approval than the suggested $2.00 increase, but was still rejected by a majority of the public (62 percent). Of the 28 percent who now would be willing to pay an increase, the same subgroups as at the $2.00 level still appear to be more willing than the rest:

Currently, many electric generating plants are increasing air and water pollution. The electric companies say it will be expensive to eliminate this pollution. To stop the pollution destroying our plant-life and wildlife, would you be willing to pay an increase in your monthly electric bill of $1?

[In percent]

	Willing	Not willing	Not sure
Average	28	62	10
East	28	64	8
Midwest	33	63	4
South	17	67	16
West	35	52	13
8th grade	13	75	12
High school	29	62	9
College	43	49	8
Men	29	63	8
Women	28	60	12
White	29	62	9
Black	23	63	14
16 to 20	45	39	16
21 to 29	36	56	8
30 to 34	27	65	8
35 to 49	30	61	9
50 plus	21	69	10
Cities	29	62	9
Suburbs	35	58	7
Towns	26	62	12
Rural	23	66	11
Under $5,000	15	73	12
$5,000 to $9,999	28	64	8
$10,000 plus	41	51	8

If the electric companies only had to pass on to the public a 25¢ increase in their monthly electric bill, 61 percent of the population would be amenable and only 30 percent would not be willing to pay. The only real change among the subgroups is that a 25¢ increase is more acceptable to Midwesterners (70 percent) than to residents of any other region.

Again, the affluent (73 percent), the college educated (71 percent), and people under age 35 (68 to 72 percent) are most willing to pay the tab for pollution control:

Currently, many electric generating plants are increasing air and water pollution. The electric companies say it will be expensive to eliminate this pollution. To stop the pollution destroying our plant-life and wildlife, would you be willing to pay an increase in your monthly electric bill of 25¢?

[In percent]

	Willing	Not willing	Not sure
Average	61	30	9
East	61	32	7
Midwest	70	23	7
South	46	39	15
West	63	27	10
8th grade	41	44	15
High school	65	27	8
College	71	23	6
Men	59	34	7
Women	62	27	11
White	62	30	8
Black	45	33	22
16 to 20	72	14	14
21 to 29	68	25	7
30 to 34	69	20	11
35 to 49	64	30	6
50 plus	50	39	11
Cities	60	30	10
Suburbs	68	27	5
Towns	59	29	12
Rural	56	34	10
Under $5,000	45	43	12
$5,000 to $9,999	64	28	8
$10,000 plus	73	22	5

The public's attitude toward current priorities in the federal budget was measured under two conditions: a portion of the people interviewed (some 900) were handed a card as shown below, and read the following statement: "This card shows the percentage of the federal budget now being spent for various purposes."

SHOW CARD

	Percent
National defense (U.S. military and military assistance)	44
Health, labor and welfare (retirement, public assistance, economic opportunity)	28
Commerce and transportation (roads, post office, airlines, etc.)	4
Veterans' benefits (compensation, medical, pensions, etc.)	4
Space program	3
International affairs (foreign aid, Food for Freedom, etc.)	2
Agriculture (farm supports, land and water, agricultural research)	2
Education (aid to education, research)	2
Natural resources (environmental improvement, forests, recreation areas, wildlife, pollution control, etc.)	1
Housing and community development (urban renewal, public housing)	1

They were then asked, "Considering priorities, would you like to see more or less of the federal money go into each of these purposes?"

The remainder of the sample (500 people) were asked the same question, but *without* being given the information as to what percentage of the federal budget is now spent in each category. This allows for a comparison between the groups "with information" as to current budget and "no information" as to current budget—indicating the potential effects if the public were further educated as to the amounts now being spent on natural resources as well as other functions.

The next table indicates the activities in which the public would like to see less government spending and those in which it would like to see more spending. The majority—both those people given information about current federal spending and those not supplied such information—would like to see less federal money spent on international affairs, the space program, and national defense.

The public is split on whether to increase or decrease spending on commerce and transportation, health, labor, and welfare, and agriculture.

A majority of the public would like to see more federal money go into education, natural resources, veterans benefits, and housing and community development. Across the board, the American people in 1969 appear to desire the focus to be on the solving of domestic problems and the improvement of the quality of life at home.

Supplying the public with information as to the current allocation of federal monies has the effect of increasing the majorities in favor of *more* spending on natural resources (up to 68 percent) and housing and community development (up to 58 percent), and also increases the number who would like to see *less* federal money going into national defense (up from 55 percent to 61 percent).

LIKE TO SEE MORE OR LESS FEDERAL MONEY SPENT FOR THESE PURPOSES (WITH AND WITHOUT INFORMATION ABOUT CURRENT U.S. BUDGET)

[In percent]

	More		Less		Not sure	
	Without information	With information	Without information	With information	Without information	With information
International affairs	7	12	74	64	19	23
Space program	12	16	69	61	19	24
National defense	18	13	55	61	27	26
Commerce and transportation	27	29	39	34	34	37
Health, labor, and welfare	50	48	30	32	20	20
Agriculture	47	45	28	25	25	30
Housing and community development	52	58	24	18	24	24
Natural resources	62	68	12	9	26	23
Veterans' benefits	64	62	10	11	26	27
Education	76	78	9	8	15	14

The following two tables present, by subgroups, those people who want more or less federal money going into natural resources (improvements of environment—pollution control, parks, etc.). The first table indicates the opinions of those people who were not supplied with information as to federal budget allocations, and the second, the opinions of the people supplied such information.

High majorities (some topping 80 percent) of the college educated, the suburanites, the people with incomes over $10,000, and people under 30 years of age are in favor of more federal money going into natural resources. Among those apprised of the U.S. federal budget the *least* support for spending on natural resources is seen among blacks (35 percent in favor of more spending), among people who have not gone to high school (49 percent in favor of more spending), and among people with incomes under $5,000 per year (53 percent in favor of more spending).

The effect of supplying information as to current federal budget allocations was to increase by six percentage points the support for spending on natural resources.

These data on subgroups in either of the two categories must be examined with caution since the subgroups are relatively small and from only portions of the total sample. However, it is clear that the affluent, the college educated and the public under 30 years of age are overwhelmingly in favor of more spending on natural resources when they are aware of current budget allocations:

LIKE TO SEE MORE OR LESS FEDERAL MONEY SPENT ON NATURAL RESOURCES (WITH INFORMATION ABOUT CURRENT U.S. BUDGET)

[In percent]

	More	Less	Not sure
Average	68	9	23
East	66	10	24
Midwest	77	7	16
South	57	11	32
West	71	8	21
8th grade	49	13	38
High school	71	7	22
College	77	9	14
Men	69	10	21
Women	66	8	26
White	71	9	20
Black	35	12	53
16 to 20	75	4	21
21 to 29	81	6	13
30 to 34	67	7	26
35 to 49	65	10	25
50 and over	63	10	27
Cities	68	8	24
Suburbs	73	6	21
Towns	67	9	24
Rural	62	14	24
Under $5,000	53	12	35
$5,000 to $9,999	70	7	23
$10,000 and over	78	8	14

LIKE TO SEE MORE OR LESS FEDERAL MONEY SPENT ON NATURAL RESOURCES (WITHOUT INFORMATION ABOUT CURRENT U.S. BUDGET)

[Percent]

	More	Less	Not sure
Average	62	12	26
East	76	4	20
Midwest	65	15	20
South	44	18	38
West	63	13	24
8th grade	42	16	42
High school	69	12	19
College	71	10	19
Men	64	11	25
Women	61	13	26
White	63	13	24
Black	52	8	40
16 to 20	69	13	18
21 to 29	76	7	16
30 to 34	55	19	27
35 to 49	64	11	25
50 and over	54	15	31
Cities		6	36
Suburbs	8	5	14
Towns	58	16	26
Rural	57	21	22
Under $5,000	43	17	40
$5,000 to $9,999	65	14	21
$10,000 and over	83	5	12

Finally, each person was asked the following:

"More specifically now, environmental cleanup could be accomplished without added taxes or costs to consumers if priorities in Federal spending were changed. In which, if any, of these areas would you be in favor of reducing federal spending, in order to increase spending on improvement of the natural environment?"

The next table indicates the public's response when *not* supplied information on the current federal budget allocations. The final table gives the responses of the people who were supplied with the budget information.

Overall, national defense, the space program, and international affairs are the prime candidates of the public for budget reductions in order to increase the budget for improvement of the natural environment.

The effect of being supplied current budget information is to increase from 42 percent to 51 percent the proportion who would reduce the defense budget. The percentage favoring a decrease in spending for the space program and international affairs shrinks a bit, but these three areas remain the public's choices for budget cuts.

When aware of the federal budget, 97 percent of the public favored a reduction in one or more areas in order to free money for improvement of the natural environment. Only three percent said that they favored reducing the budget in none of the areas for the sake of natural resources.

As indicated in the final table, segments of the public differ somewhat in their choices as to where to get the money for improvement of the natural environment. A full 71 percent of the college educated people would draw money away from the defense budget. It is blacks and people without high school education who would more often divert money away from the space program and into natural resources (62 percent and 53 percent respectively). And it is the under 30 generation who would more often take the money from defense and international affairs:

AREAS IN WHICH REDUCTION OF FEDERAL SPENDING IS FAVORED IN ORDER TO INCREASE SPENDING ON NATURAL RESOURCES (WITHOUT INFORMATION ABOUT CURRENT U.S. BUDGET)

[In percent]

	Space program	International affairs	National defense	Commerce and transportation	Health, labor, welfare	Housing and community development	Agriculture	Veterans' benefits	Education	None
Average	54	46	42	18	15	13	11	4	3	
East	43	53	44	18	19	8	12	6	2	3
Midwest	65	48	56	21	14	17	10	6	3	3
South	53	37	27	14	11	13	5	1	3	6
West	56	48	38	18	14	15	20	6	7	1
8th grade	51	29	29	16	8	16	9	5	3	4
High school	57	52	44	18	17	13	11	5	4	3
College	53	51	55	21	19	11	10	4	1	6
Men	47	44	40	17	18	16	13	7	4	3
Women	59	46	43	19	12	11	9	3	2	4
White	53	45	43	17	16	15	11	4	3	4
Black	58	52	30	26	2	4	6	4	2	2
16 to 20	55	55	50	20	13	13	8	10	5	8
21 to 29	51	55	47	16	13	15	15	6	2	5
30 to 34	53	56	50	9	13	9	3			6
35 to 49	50	49	43	18	18	10	12	3	4	2
50 and over	57	35	35	19	14	16	11	5	4	3
Cities	53	44	38	16	9	11	9	5	1	4
Suburbs	55	51	53	22	19	12	18	9	6	2
Towns	51	42	36	14	17	10	9	2	2	4
Rural	57	48	43	20	16	20	9	2	5	4
Under $5,000	59	35	35	17	6	14	5	1	2	3
$5,000 to $9,999	48	51	45	18	19	13	14	6	5	4
$10,000 and over	56	53	49	20	20	12	13	6	2	2

AREAS IN WHICH REDUCTION OF FEDERAL SPENDING IS FAVORED IN ORDER TO INCREASE SPENDING ON NATURAL RESOURCES (WITH INFORMATION ABOUT CURRENT U.S. BUDGET)

[In percent]

	National defense	Space program	International affairs	Health, labor, welfare	Commerce and transportation	Agriculture	Housing and community development	Veterans' benefits	Education	None
Average	51	44	42	21	14	10	9	3	3	3
East	55	39	45	17	11	9	6	5	2	3
Midwest	55	54	47	19	17	12	12	3	4	3
South	40	45	37	21	14	5	9	2	1	5
West	50	34	36	30	17	16	8	4	2	3
8th grade	39	53	38	11	14	4	8	2	4	3
High school	45	41	45	21	15	10	10	3	3	5
College	71	41	39	28	13	16	8	6	1	1
Men	52	41	45	24	13	13	10	4	3	5
Women	48	47	39	16	15	8	7	3	2	2
White	52	42	42	22	14	10	9	4	3	3
Black	35	62	42	4	14	9	4	1	1	2
16 to 20	56	32	51	5	21	7	5	7	4	2
21 to 29	56	40	46	25	13	14	8	5	1	3
30 to 34	46	37	33	18	8	7	12	4	2	8
35 to 49	54	42	41	22	16	11	11	4	2	2
50 and over	45	50	42	21	13	10	8	2	3	4
Cities	52	46	38	11	12	13	6	4	4	2
Suburbs	52	38	39	22	15	10	8	5	1	5
Towns	44	42	47	27	11	10	14	3	2	5
Rural	53	50	45	24	18	8	9	2	3	2
Under $5,000	43	51	40	14	17	9	9	3	5	3
$5,000 to $9,999	50	45	44	20	12	10	8	3	3	4
$10,000 and over	59	36	40	26	14	11	9	5	1	4

SUMMARY AND OBSERVATIONS

The data are consistent in revealing greater concern and greater willingness to do something about the natural environment among the more educated and more affluent segments of the public, among those who live in the suburbs surrounding the large metropolitan centers, and among younger adults. These articulate segments of the public could be characterized as having high expectations and demand for a livable environment, and as having a greater than average intellectual awareness of environmental conditions.

People who live in cities, blacks, and persons with lower incomes and education levels show less concern about environmental conditions. At first glance, this appears paradoxical since it is the lesser privileged segments of our society, especially in the inner cities, that one would suspect have greater contact with at least certain forms of environmental pollution and deterioration. However, it appears that some combination of apathy, low expectation levels as regards the natural environment, lack of awareness of the extent of the problem, lack of awareness of its effect on the quality of their own life, and the perception of other problems as being even more severe and pressing produce an apparent low level of concern.

Thus proponents of a greater emphasis on natural resources and environmental cleanup will find their natural allies, at present, among the educated and the affluent.

The high concern of younger adults and late adolescents may well indicate an important shift in the general population's priorities.

Any immediate broadening of the base of support for environmental improvement will require public education to increase awareness of the problem among the lesser educated, lower income portions of our society.

DR. ANDY STEVENSON

SPEECH OF

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 18, 1969

Mr. ROGERS of Florida. Mr. Speaker I thank the gentleman and I certainly want to join with my colleagues in expressing my high regard and appreciation for the excellent job that Dr. Andy Stevenson has performed for the committee and for the Congress and the Nation.

I came to know Dr. Stevenson even before I was a Member of this Congress through my father who was a member and who served for a number of years on the Committee on Interstate and Foreign Commerce. His high regard for Dr. Stevenson certainly was transferred to me. In my dealings with him I found him to be a true gentleman not only in that sense of the word, but one who is competent in dealing with the matters. I know of no other committee of the House that has more jurisdiction that touches the lives of more Americans than does the Committee on Interstate and Foreign Commerce. I think all of us can pay great tribute to Dr. Andrew Stevenson for the very competent and fine job which he has done for all of us.

I, too, wish to join others in wishing for him Godspeed and great happiness and good health in his retirement.

ABORTION LAWS

HON. MARTHA W. GRIFFITHS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mrs. GRIFFITHS. Mr. Speaker, in the current furor whether abortion should be legalized or not, I think you will find an article written by Helen Fogel, which appeared in the Detroit Free Press of December 7, 1969, an interesting and objective statement.

The article follows:

I HAVE PERFORMED HUNDREDS OF ABORTIONS

(By Helen Fogel)

(NOTE.—Proponents of Michigan abortion-law reform are preparing for a new round of legislative battle. Sen. Lorraine Beebe of Dearborn, a proponent of reform, began a series of committee hearings Saturday in Detroit. Against this background, staff writer Helen Fogel talked with a former practicing abortionist for the following story.)

"In the past—you can say in the 50's—I performed hundreds of what I call therapeutic interruptions of pregnancy."

The Doctor, who was speaking, and I had met at a social gathering in another large city in another state. We were both Detroiters, and we began to talk. He had noted stories I had done on abortion, and he told me he had performed many illegal abortions as, he said, do many other doctors. He said he would be happy to talk for publication—incognito.

"It isn't that I'm cowardly about my position," he said. "I have very strong feelings on the matter. But I have a large general family practice. I'm a member of medical societies. I'm on the staffs of several large hospitals. You can't imagine the pressures involved in this."

I told him I could imagine. We get phone calls, too. I promised I would preserve his anonymity.

Much had occurred on the abortion-law-reform front since I had last talked to the Doctor.

The Detroit Clergy Counseling Service for Problem Pregnancies had gained a listed phone number. District of Columbia legislation similar to the Michigan abortion law had been declared unconstitutional by a federal court.

The Doctor murmured his satisfaction with the outcome of the Washington case. The federal court freed a doctor after declaring the statute unconstitutional because it was too vague and in violation of rights of privacy. The court held that it is a woman's right to control her own reproductive function.

The court also held that, by forcing the doctor to prove that the pregnant woman's life was in danger, the law violated his right to be presumed innocent until proven guilty. Since the burden of proof rests with the accused, the law was unconstitutional, the court declared.

The Doctor and I sat in his well-appointed office in a Detroit professional building. The wall outside the office was filled with certificates of membership in professional groups, licenses, and citations from civic organizations for the Doctor's work in community-improvement projects.

"I was never one of these back alley men," he explained.

"A bitter experience caused me to give it up. Although I feel strongly it's a woman's basic right, and you wouldn't believe the agony and desperation involved in some of these cases, I can't do it any longer," he said.

Now he responds only to the pleas of family and friends—and not for a fee.

When he was performing abortions he charged an average of $150. Currently fees for dependable medical abortions, legal and semi-legal, start at $500.

"If abortion were legalized," he said, "with new methods, the patient would not need to be in the hospital, abortions could be performed for a fee of $100, and most women who need it could afford it. Now the law discriminates. If a woman has money, she can get an abortion. Those that need it most, can't."

The Doctor stared straight ahead into thin air. "What I am going to tell you is true," he said.

"Early in my practice I was approached by the daughter of a leading local minister. He was a great conservative—a big morality man. She was pregnant and unmarried.

"I was young—just starting out. She begged—pleaded with me, but I thought I couldn't do anything. I advised her to go home and face her father.

"Three days later she drowned. She was a good swimmer.

"I'm convinced she took her own life—and I'm sure I'm the cause. I've never forgotten that girl.

"The next time, it was a married woman who came to me. Her husband was in the Army—stationed in Korea. You can't expect people to stop being human.

"She didn't want to break up her family over this. I found a way to interrupt the pregnancy.

"The family's still together. She's grateful to me to this very day."

The Doctor paused in his recital.

"That's another thing," he said. "I've never known any one to be affected by guilt feelings. Every Christmas—holiday season—I get cards without signatures. 'You saved my life,' they say. I have received more gratification from this part of my practice—the people I saved this way—than from any other.

"I've had cases of incest—cases where stepfathers impregnated their stepdaughters—where the women were in tragic economic circumstances. The man had gone. They had seven or eight hungry, underclothed, unwanted children already. People don't lose their humanity. You can't expect them to," and again he paused.

"The thing snowballed," he said. "People from all walks of life—from all over the country. I had patients from Africa and Pakistan—housewives with husbands overseas—single girls half through their education. I never lost any of them.

"When I was doing the work on demand I would evaluate the womans medical history, do a thorough examination and followup. I had doctors referring patients to me including some leading gynecologists. There were referrals from social workers and student counselors at universities. All these people knew it was illegal.

"I have performed abortions on the daughters and mistresses of public officials from Lansing and Washington, men high in the police department.

"I've had referrals of their daughters and mistresses by men whose religious faith is opposed to such things.

"Publicly they oppose these things, but when it comes right down to home, they choose abortion."

He smiled bitterly. "It's my experience," he said, "that the percentage of total abortions that are Catholic is about the same as the percentage of Catholics in the population."

He had been staring into the wall beside my head. Now he turned, and leaned back in his chair and looked straight at me.

"I have come to the conclusion," he said, "that opposition to legal abortion is based on male chauvinism—the need of some men to believe and treat women as inferiors.

"Men really want to see their wives tied

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down—impregnated. They want to punish their girls—for the same things they do themselves. In my general practice, I treat men for venereal disease. They've been out playing—at conventions—away from home. I believe the abortion thing is part of the general subjugation of women.

"A woman should have full control over the reproductive functions of her own body," he declared.

"Machismo," he snorted.

(Machismo is a Latin American concept stressing the superiority and freedom of the male. Somewhat the same idea is expressed in Hugh Hefner's "Playboy" ideal.)

"I've been there where the men prove themselves by the number of children they've sired. Kids running barefoot, starving—and there's the woman with her belly out to there—another one on the way." He shook his head and sighed.

"And abortion should be legalized as a back-up for contraception. There is no hundred percent effective contraceptive. Even where we know women have used the pill faithfully, pregnancies occur. Some brands of the pill aren't reliable." He mentioned a specific brand. "You can't use that," he said.

"As for the loop (intrauterine device)—it can slip out. The women might not know it. So she gets pregnant, and yet she's done her part to prevent it. Why should she pay for failures like these?

"Even where reforms have been made legalizing hospital abortions, they are still beyond the reach of the poor. Hospital fees are sky high.

"There are methods it can safely be done in a doctor's office such as the intrauterine infiltration of chemical paste. The method is almost unknown here, but it is preferred by many European specialists," he explained. "Later the contents of the uterus just slide out with no more pain than a menstrual cramp. Dilation and curetage (the scraping out of the uterus) in which the patient has to be anesthetized isn't necessary any more.

"And before long, we'll have injections. We already have a contraceptive injection. Reforms which tie performance of abortion to hospitals just stabilize the status quo," he declared. "They're saying we shall have no progress."

I asked him if he ever had to care for a girl who had had a bungled abortion.

"Sure," he said. "I have a couple now—one went at herself with a straightened coathanger. The other went to a layman—nurse or something—you know. He stuck a catheter up there. It wasn't sterile. There were no anti-biotics. She may have to be hospitalized.

"These are the smart ones. They at least come to a doctor. Some of these girls just lay out there. I understand at Receiving (Detroit General Hospital) they get several every night.

"You know if these girls with education are going to these back-alley people, you can imagine how desperate they are. The Clergy Counseling Service is doing a wonderful job, but they aren't reaching the people who don't have money.

"There are 15 million people starving in this—the richest country in the world—I mean really starving. These women are desperate. They beg—cajole. They threaten to tell the police I did, if I don't. They know I used to do abortions. They don't believe I no longer do them.

"One woman even held a pistol on me once. I did the abortion. I'm telling you this so you'll see how desperate they are. How does this society look to young people coming up. They see something that's legal for a woman with $700 and illegal for a kid scuffing her way through Michigan State. I don't wonder they want to get rid of the whole thing.

"I'm anticipating a real uprising when women get their thing organized," he said. "They ought to do it—just like black people. I'd like to see them get some demonstrations together in Lansing. That's what it's going to take to get these legislators to see the light of day. They must take the initiative."

I asked him if he had ever had any doubts about interfering with the life process. Did he believe life began at the moment of conception?

"I see life as a continuous thing—without beginning or ending," he said. "My life, my sperm cells are part of my son. In my children, two lives met, the sperm and the ovum. They joined and they parted. You can't say life starts at a certain point.

"It's strange to me that some of the same people who oppose abortion give their blessing to the Vietnam War in which they say some 300 thousand civilians have been killed in bombings and so forth." He sounded tired.

"All life is cherished by me. I'm convinced that I have saved lives—that life has benefitted by my work. 'This above all, to thine own self be true.'" He quoted "Hamlet."

"The only death I feel responsible for was that first one—when I refused."

CAPTAIN PENN KILLED BY VIET BOOBY TRAP

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. LONG of Maryland. Mr. Speaker, Capt. Charles V. Penn, a fine man from Maryland and a former instructor at the Fort Holabird Army Intelligence School, was killed recently in Vietnam. A recipient of the Silver Star during his last Vietnam tour, Captain Penn was cited for "gallantry in action." I wish to commend his courage and to honor his memory by including the following article in the RECORD:

CAPTAIN PENN KILLED BY VIET BOOBY TRAP

Capt. Charles V. Penn, a former instructor at the Fort Holabird Army Intelligence School, was killed by a booby trap near the Cambodian border in Vietnam, the Defense Department announced yesterday.

Captain Penn, a decorated 30-year-old career infantry soldier, had served in Vietnam since July as a company commander with the 25th Infantry Division.

The captain was on his second tour in Vietnam. He had been stationed there previously from November, 1966, to November, 1967.

The Army had awarded him a Silver Star, citing his "galantry in action" for rescuing a wounded soldier during a fire fight with the enemy on August 12. According to the Army citation, Captain Penn then led his troops against the enmy, "thwarting the hostile force."

The captain's family lives at 7801 Harold road, in Dundalk. Captain Penn was stationed at Fort Holabird for 19 months as an instructor in the Army's Department of Combat Intelligence before going to Vietnam for his second tour of duty.

He was a native of Chicago, where he graduated from Crete-Monee High School. He played linebacker on the high school football team, and he was a captain of the squad in his senior year.

Captain Penn attended Butler University in Indianapolis for two years. After leaving college, he enlisted in the Army in 1959.

Five years later, he graduated from the Officers Candidate School at Fort Benning, Ga. Before going to Vietnam in 1967, he had served a tour of duty at Fort Leonard Wood, Mo.

Surviving are his wife, the former Anita Brady; two daughters, Jo Anne and Mary Penn; a son Charles V. Penn, Jr., all of Dundalk; two brothers, Daniel and Robert Penn, both of Chicago, and his parents, Mr. and Mrs. Varence Penn, of Oxford, Wisconsin.

REQUIEM OF TRUCK BILL, REVISITED

HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. SCHWENGEL. Mr. Speaker, on December 5, I inserted in the RECORD an article from Private Line, a publication of the Private Truck Council of America, entitled "Requiem: Truck Size and Weight Bill Dealt a Death Blow." A subsequent issue of Private Line contained further comment on the subject and on my remarks. While the subsequent story lends itself to some choice comments, in the interest of conserving space, and securing a truce in this verbal battle, I will merely insert both articles in the RECORD today.

I would, however, like to take this opportunity to extend my congratulations to Mr. John C. White, managing director of the Private Truck Council, for the very delightful manner in which he approached the subject of the death of the truck bill. Both articles display a most commendable sense of fairness and generosity, for which I am most grateful. When the battlelines are drawn on a major issue, such as the truck bill, it is a real pleasure to know that among the "enemy" is a real gentleman such as John White.

The articles follow:

REQUIEM: TRUCK SIZE AND WEIGHT BILL DEALT A DEATH BLOW

Taps are being played in Washington today over the barely warm body of the legislation known as H.R. 11870. It, you will recall, would have authorized the States to legislate trucks from 96'' to 102'' in width, provide a formula for establishing more sensible weight restrictions and allow a manageable increase in lengths. To repeat, it would have authorized the States to do such things. It would have authorized no changes in and of itself.

Our mournful announcement emanates from the fact that the Subcommittee on Roads met this week and reported out H.R. 11870 to the Committee on Public Works without recommendations. Such a lack of recommendation doesn't always have this chilling effect, but in this instance, the "without recommendation" amounted to a virtual kiss of death.

At the same time it was revealed that the DOT had told the leading congressional enemy of H.R. 11870, Fred Schwengel (R-Iowa), that all of the amendments to the bill suggested by the DOT had to be accepted or the DOT would be opposed to it. Such a position was tantamount to the hammering of several solid nails in the well constructed coffin.

There's a moral behind all this, if the American people will just take heed. The AAA, Congressman Schwengel, the railroads, all too many of the subjective reporting type journalists whose prejudice, bias and arrogance is worn on his sleeve, and whose supercilious intellectualism appears to be vaporously draped from his body like the tinkling bells and colorful cloths of a typical 17th

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century court fool, and various other temporary or permanent miscreants, have once again trotted out the wondrous phrase "highway safety," dusted it off, polished it up a bit and thrown it at Congress and the public. Both seemed to have unquestionably swallowed it, lock, stock and barrel.

First, it is enlightening and reassuring to learn that the truckers themselves, now openly accept the fact that the "big truck bill" is dead. Second, the belittling attitude taken in the publication toward highway safety greatly disturbs me. Indeed it is reason for disgust. The publication, in an attempt to belittle and ridicule opponents of the legislation, refers to them as "miscreants." Webster's dictionary defines a miscreant, among other things, as being "destitute of conscience; unscrupulous; villainous." Thus, I take the comment of the truckers as a direct personal affront, and highly resent it. I am certain that the several hundred editors and reporters who editorialized and wrote stories in opposition to the bill likewise consider it an affront to be referred to as "supercilious intellectuals" and "court fools."

In addition, I am certain that the use of this terminology is very much resented by the many capable, reputable and competent witnesses who testified in opposition to the bill. They included such respected people as: Mr. George Kachlein and Charles Brady of the AAA; Mrs. Walter Varney Magee, president of the General Federation of Women's Clubs; Mr. Richard Boccabella and Warren G. Davison of the National Association of County Engineers; Mr. Joseph Coupal, Iowa's director of highways; Prof. John O'Mara of the University of Iowa's College of Engineering; Douglas Fugate, first vice president of AASHO; and Congressmen John Kyl and Richard McCarthy.

The overwhelming majority of the opposition to the big truck bill was generated by those citizens of this country who do have a sincere and justifiable reservation about the impact of the proposed legislation on highway safety. Granted, there are varying degrees of understanding of the safety problem. Some have studied the problem in depth and are firmly convinced there are safety problems which should not lightly be brushed aside as supercilious. It is true that some oppose the legislation on grounds which are more emotional in nature, but none the less sincere. It is typical of the high-handed arrogance of the truck lobby to lightly disregard the desires and feelings of a clear majority of the citizens of this country, just as they have continually done in their past efforts to steamroller this legislation through the Congress.

If safety is in fact no real problem with the proposed increases in size and weight, then I challenge the Trucking Industry to join in support of the legislation to establish a Presidential Study Commission which I have introduced. The Commission proposed by my bill, H.R. 15051, would constitute a study group representative of all groups affected by the proposed increases in size and weight. If, as the truckers indicate, there is no safety problem, my proposed Commission should be able to report that fact to the Congress in short order. In which event, the big truck bill would undoubtedly sail through the Congress. However, the truckers will probably disregard this suggestion as mere "supercilious intellectualism."

Schwengel Strikes

VENERABLE IOWA CONGRESSMAN SHOWS WHY HE IS IN THE HEAVYWEIGHT CLASS

"A funny thing happened on the way to the forum."

We got clobbered!

What we mean is, Congressman Schwengel (R-Iowa) really gave us the old one, two! He, or somebody in his name, did it in the form of a rather violent umbrage to our remarks in the Private Line of November 14. (Interesting how the Private Line gets around, isn't it?). You may remember we were therein referring to the demise of this year's version of the continuing effort to legislate more practical truck sizes and weights. You will find Mr. Schwengel's thunder on the scorched page (37429) of the December 5 Congressional Record.

Consummate expert that he is, the articulate Iowan lit into the four Private Line paragraphs with four paragraphs of his own which slashed, slit, scored, scarred, scourged and scoured us into the sniveling state of a bloody pulp. In short, he did a masterful job of verbal destruction.

With one glaring exception we could follow, not without occasional embarrassment, most of his diatribe, but we lost him quick when he sought to protect the virginal sanctity of "several hundred editors and reporters". Shades of Vice President Agnew! One can just see all their little halos fulgurating!

However, not having a Congressional Record or a Scripps-Howard newspaper chain to carry out humble thoughts on this interesting and far from one-sided subject, we hereby cease instantly any effort to cross syntactical swords with the good Congressman. He is in a pugnacious class far superior to ours and he's obviously in fighting trim. Our condition is such that we're barely able to play tennis once a week.

So, Mr. Congressman, as they used to say in old World War movies, "Kamerad! Kamerad!"

This of course *isn't* to say we will necessarily have no further remarks to make on the subject itself, but it *is* to say we're surely going to give wide berth to Congressman Schwengel.

Referring briefly to the subject of sizes and weights (which almost gets lost in a smoke screen of garrulity), and though it appears the general proposal has now died at least twice, there is no reason to believe it can't, like the nine-lived cat, survive for a few more rounds as ways to compromise are sought. Meaning, of course, that though H.R. 11870 as presently worded is kaput, there's always the chance that an amendment here or there might yet make it acceptable to the powers that be.

At the risk of a further pommeling, may we respectfully but adamantly disagree that our interest in highway safety is any less sincere, effective, viable or dedicated than that of any other group. True, we may at times be misguided or even wrong, but that should surprise no one since we have never pretended perfection.

One further comment. Please let it be clearly understood that, as has been one of Council's By-law purposes actively engaged in for 31 years, we are always ready to join in any reasonable effort, as we have done many times, to foster and promote the safe and economic use of the Nation's highways.

HARD WORKING CINCINNATI POSTMEN DESERVE HOLIDAY SEASON THANK YOU

HON. ROBERT TAFT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. TAFT. Mr. Speaker, it is customary, during the Christmas holiday season to send best wishes to our friends and neighbors. Too often, however, we neglect to say thank you to the mailmen who carry our greetings.

Most of us, in the Congress, rely on the U.S. mails to carry our newsletters, questionnaires, and daily correspondence back and forth to our districts.

I would like to extend my best wishes to all of the Cincinnati area postmen who, through the ever present rain, sleet, snow, and cold, have gotten the mail through.

They deserve our thanks.

WRIGHT BROTHERS MEMORIAL AWARD DINNER ADDRESS OF WILLIAM M. ALLEN

HON. L. MENDEL RIVERS

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. RIVERS. Mr. Speaker, those of us who were privileged to attend the Wright Brothers Memorial Award Dinner at the Sheraton-Park on Wednesday evening, the 17th, were privileged to hear a brief but important message from the man who was signally honored on the occasion. William M. Allen, chairman of the board of the Boeing Co., received the Wright Brothers Memorial Trophy for 1969. Mr. Allen was honored for his outstanding leadership in the development of both civil and military aviation and in the space field. He was cited for his contribution to the development of such outstanding aircraft as the B–47, the B–52, the Minuteman ICBM, the Lunar Orbitor, and the Saturn V, as well as his work in the development of the Boeing 707, the 727, the 737, the 747, the 377 Stratocruiser, and the Supersonic Transport.

In his remarks, Mr. Allen drew attention to the often forgotten achievements in both the national security and commercial field that have grown out of the cooperation of Government and industry. "The Government," he stated, "has harnessed the basic ingredients of our free enterprise system—competition and reward—to serve a great national purpose: filling the needs of national security and advancement."

His remarks include this especially significant paragraph which I only wish could be read to all of those who are so eager to criticize our aerospace and defense industries:

> The needs of both security and progress make this a time for developing and encouraging the process we have proved, as contrasted with an effort to tear down. We have seen results in the overall that have been not only good, but excellent. Let us recognize this fact and determine to nourish and foster the basic ingredients of success that we have found. I repeat, these ingredients include the basic principles of competition, incentive and reward and mutuality of interest in our government-industry relationship.

I am inserting his remarks in the Record at this time so that they will be available to all the Members of the House:

Remarks Delivered by William M. Allen, Chairman of the Board, the Boeing Co., Wright Brothers Memorial Award Dinner, Washington, D.C., December 17, 1969

I am sure that the audience will be pleased to know that the committee in charge has determined that whereas the recipient of the award is expected to say something more than "thank you," he is not expected—in fact, not permitted—to give a major speech. I am in hearty agreement. My remarks, therefore, will be brief.

This occasion has promoted me to endeavor to bring my thinking up to date on what has happened and what is happening in the aerospace industry. In doing so, I re-read the pages from Orville Wright's diary of December 17, 1903, and a comment made by Wilbur Wright five years later. It is apparent from Wilbur's comment that the Wright Brothers had in the five year period, gained sufficient experience to look to the future with considerable confidence. Said Wilbur on November 5, 1908, "It is not really necessary to look too far into the future; we see enough already to be certain that it will be magnificent. Only let us hurry and open the roads."

I asked myself: How was it that the roads were opened for the truly magnificent accomplishments of the six decades that followed, from experiencing the shaky vibrations of a machine that barely lifted itself from the ground, to reaching out and setting foot on the moon?

First, it was the Wright Brothers doing original work. Later, it was a government contract under which an airplane was built for the Signal Corps, and ultimately more airplanes under government contract that helped enable the Wrights and others to mature the development.

It seems to me there is something to consider here. There was an acknowledged relationship between government and private industry to work toward something which appeared to have merit and future usefulness. The private industry, if you could call it that—certainly a private industriousness—didn't need to be prodded. Its incentive was its own desire to accomplish, and the government helped make this possible. Very soon a certain commercial utility of the machine appeared, and again, private incentive sought to develop this to a point where it could serve a larger purpose.

Much of the progress in the aerospace industry since the days of the Wrights has been the product of this government-industry relationship. In many instances the government has been the enabler. On the commercial side, it was with airmail, with airway aids, with licensing and safety enforcement functions, and the work of NACA and NASA laboratories. On the national defense side, the inventiveness that was native to the private industry approach became crucially important at times, when the life and death situation of war called for the best that anyone could bring forth, to meet what many can remember as dire threats to our country.

I think we all have some sense of the private industry contributions, and hopefully, some justifiable pride in them. It seems to me that they stem primarily from the basic ingredients of our free enterprise system, namely, competition and reward. The government has harnessed these to serve a national purpose—to fill the needs of national security and advancement, as these needs have changed through the years with changes in the world situation and the advance of technology.

As we look back we can see some of the elements that have been present in this government-industry relationship that have brought outstanding results. They include a constructive attitude on the part of both parties, a willingness to work together, a willingness to acknowledge that the task was not always easy—that it was fraught with problems—but a determination to see it through. There has been the requirement for mutual confidence and faith.

These are the oil in the machinery that gets things done, and the fuel is the competitive urge on the part of members of both industry and government and the opportunity to come out on top on the job.

If we view the results that have been obtained by these means, we must conclude that these ingredients of the free enterprise system, and these characteristics of the government-industry relationship, must be encouraged. This is not to say that there should not be criticism where criticism is due. But sustained unjust attacks on the process can cause a deterioration of this government-industry relationship and its product. If, for example, it were to force all the risks to be borne by industry and none by government—if it were to depress the possibility of earnings to a point far below that in other lines of endeavor—then these factors that have been working to produce the kind of results we have seen in the past would no longer have force. The incentive of reward would tend to disappear; the amount of competition would lessen.

I feel that this is something that we must not let happen—in the interest of our national security, the growth of our economy, the continued advancement of our technology and the competitive capability of our country among the nations of the world.

I believe the results achieved through the system under which we have been operating in this country speak for themselves. We have the examples in the military field of what industry was able to do in arming our forces in two world wars. In space, I need hardly elaborate on the accomplishments to date. In the commercial aircraft field, we have established a world leadership through the efforts of private industry undertaken on a basis of risk and reward.

There is much to be done. Serious problems of national security confront us. We have barely begun to see the possibilities in space. In air transport, the growth trends give rise to forecasts of world traffic by 1990 six times what it is today. For the long-distance over-ocean routes, we will have the supersonic transport coming along to further shrink the world by two-thirds. This latter effort again shows the product and the economic gain that can derive from a sound working relationship between government and industry.

The needs of both security and progress make this a time for developing and encouraging the process we have proved, as contrasted with an effort to tear down. We have seen results in the overall that have been not only good, but excellent. Let us recognize this fact and determine to nourish and foster the basic ingredients of success that we have found. I repeat, these ingredients include the basic principles of competition, incentive and reward and mutuality of interest in our government-industry relationship.

To paraphrase Wilbur Wright—we have seen enough by now to be certain that the future can be still more magnificent. "Only let us hurry to open the roads."

APPLAUDS WOMEN'S ACHIEVEMENTS

HON. W. S. (BILL) STUCKEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. STUCKEY. Mr. Speaker, in October we saluted the businesswomen of America with National Business Women's Week, and I would like to take this opportunity to salute the thousands of professional and business women who are such a vital force in the life of every community of our Eighth District.

It is indeed an honor for me to be able to join with the 18,000 members of the National Federation of Business and Professional Women's Clubs in continuing the fight for equal rights for women in our country.

Women have made substantial contributions to our labor market and our economy. Two out of every five workers are women, and the difference between the average work-life expectancy of men and women has narrowed significantly. Yet, in 1968, the unemployment rate for women was much greater than for men.

And, those women who are working are more often than not holding jobs far below their training and talent. Approximately one-fifth of the working women who have completed 4 years of college are employed in nonprofessional, clerical, sales, and service positions.

Women are not only concentrated in the lower level jobs, but are paid relatively less than men for comparable work. Unless we correct this situation we are depriving our country of needed brainpower in labor market.

Our women have made tremendous advances over the years. I am sure that their husbands, brothers, and fathers applaud their achievements, and I join in this applause.

RESHAPING THE LABOR BOARD

HON. O. C. FISHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. FISHER. Mr. Speaker, attention is properly being focused on the reshaping of the National Labor Relations Board, as more and more people are becoming aware of repeated failures of that agency to act objectively and better protect the public interest. The President has a remarkable opportunity, by replacing vacancies which will occur on the NLRB, to give that Board a semblance of balance.

I include the following editorial which appeared in the December 19 issue of the Wall Street Journal:

RESHAPING THE LABOR BOARD

President Nixon now has an opportunity to appoint one new member of the National Labor Relations Board, and another vacancy will arise in August 1970. The two appointments obviously could drastically change the five-member board's approach to labor-management matters.

Some businessmen are urging the President to name individuals with strong pro-management leanings. This is an understandable reaction to the pro-union bias of the board in recent years, and yet it would merely replace old distortions with new ones.

The NLRB, after all, was not intended to be on the side of either management or the unions. It was instead supposed to be a totally fair and impartial arbiter of labor-management disputes, a wise administrator of the nation's labor laws.

Labor Secretary Shultz suggests a sensible first step: The appointment of members of sound legal backgrounds with no deep commitment to politics of any particular stripe. One man who has been mentioned is University of Chicago law professor Bernar Meltzer.

Even a truly neutral board, however, would be only a partial solution. It would still have to work with established legal precedents, a number of them sanctioned by the Supreme Court.

In the process of determining what is "good faith" bargaining, the NLRB has moved ever closer to requiring employers to make concessions to unions. At the same time it has steadily expanded the subjects that management is required to bargain about.

This situation can only be corrected by new legislation defining more fully and carefully the proper functions of the labor board. The existing law has given the NLRB more discretion than any body of men can be expected to use wisely over a period of years.

President Nixon, in sum, can start the job of returning the board to its intended role. It will be up to Congress to finish the task.

A GRAND LADY

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. JOHNSON of California. Mr. Speaker, Edna Behrens Eaton, aptly described by one of the leading newspapers in northern California as a "grand lady" is gone.

A member of a pioneer family who was born in a historic mining town, Mrs. Eaton grew up with Shasta County and my Golden State and served for many years as the treasurer of her native county.

She and her family contributed greatly to the progress and the growth of this northern California region, and the many civic projects to which she so unselfishly devoted so much time and energy will long stand as a memorial to her.

Mrs. Johnson joins in extending to her family our deepest sympathies.

Mr. Speaker, I insert in the RECORD at this point an editorial from the December 9 edition of the Redding Record-Searchlight, an editorial which outlines some of Mrs. Eaton's contributions to Shasta County:

EDNA BEHRENS EATON

A very grand lady died last week.

Mrs. Edna Behrens Eaton, whose grandparents were among the first of the county's pioneers, was herself born in the historic gold mining town of Shasta.

But it was not her ancestry or her place of birth that distinguished her so much as her devotion to worthy public causes and the high standards she observed in her personal life and in her dealings with others.

One of her causes was local history. She was one of the charter members of the Shasta Historical Society and did much careful research on its behalf. She maintained an extensive collection of photographs of early-day scenes and personalities, newspaper clippings and other written records.

She contributed in other ways to the cultural development of the community, through the American Association of University Women, the Women's Improvement Club and other organizations.

Many a high school student, working on a term paper in history, found Mrs. Eaton willing to give generously of her time and her fund of knowledge. She was tremendously interested in young people and achieved an empathy with them that allowed no room for a "generation gap."

ACADEMY INTERVIEW LUNCHEON

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. FINDLEY. Mr. Speaker, on December 13, 18 outstanding young men of the 20th Congressional District in Illinois were honored at a luncheon at Illinois College, Jacksonville, Ill. They are candidates for appointment to the U.S. military academies' classes to begin in June, 1970. During the morning each young man was interviewed by a civilian board of prominent citizens who have demonstrated their deep interest in the military affairs and security of our country.

Serving on the interview board were Robert Hemphill of Jacksonville, Claude C. Gustine of Greenfield, Ray Samples of Jacksonville, William B. Myers of Springfield, Richard Hirtzel of Macomb, Judge Richard Mills of Virginia, Colonel Harry T. Laswell of Springfield, Dr. E. C. Bone of Jacksonville, J. E. Fetter of Quincy, Patrick Noonan of Springfield, Carl C. Meyer of Springfield, and Dr. James L. Bradley of Springfield.

Serving as academic affairs adviser to the Military Academy Selection Review Board was Preston Hott, principal, Springfield High School, Springfield, Ill.

From the young men now entering the military academies must come tomorrow's military leadership for the United States. Therefore, I am most anxious to select the best available talent. I appreciate the fine cooperation of the members of the interview board in giving their time to make this selection possible.

Those who were interviewed for appointment to the U.S. Air Force Academy were: Curtis G. Koch, son of Mr. and Mrs. Charles Koch of Quincy, William D. Reed, son of Mrs. Rose Mary Reznicek of Chesterfield, George B. Roodhouse, son of Mr. and Mrs. Byron L. Roodhouse of Pittsfield, Samuel L. Shutt, son of Mr. and Mrs. Stanley G. Shutt of Rochester, Randal D. Siville, son of Mr. and Mrs. Leroy D. Siville of Jacksonville, Mark D. Johnson, son of Mr. and Mrs. Robert B. Johnson of Fairfax, Va.

Those who were interviewed for appointment to the U.S. Military Academy at West Point were: Lawrence O. Creviston, son of Mr. and Mrs. Patrick O. Creviston of Springfield, Frederick W. Grote, son of Mr. and Mrs. W. G. Grote of Pittsfield, Ronald L. Hughes, son of Mr. and Mrs. Lawrence E. Hughes of LaPrairie, Joseph H. Snowden, son of Mr. and Mrs. Sterling Snowden of Macomb, Michael E. Milligan, son of Mr. and Mrs. Edward S. Milligan of Alexandria, Va.

Those who were interviewed for appointment to the U.S. Naval Academy were: Timothy L. Flannigan, son of Mr. and Mrs. John R. Flannigan of Auburn, Michael A. Teak, son of Mr. and Mrs. Martin A. Teak of Virginia Beach, Va., Roger W. Player, son of Mr. and Mrs. Stephen P. Player of Quincy, Robert P. Reed, son of Mr. and Mrs. Robert E. Reed of Springfield, Patrick J. Sullivan, son of Mr. and Mrs. Francis A. Sullivan of Springfield, Stephen M. Tobin, son of Mr. and Mrs. Walter C. Tobin of Quincy.

LET US SHOW OUR APPRECIATION TO OUR SERVICEMEN

HON. THOMAS J. MESKILL

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. MESKILL. Mr. Speaker, I rise today in support of House Resolution 661. As one of more than 140 cosponsors of identical or similar legislation, I wish to go on record commending the American serviceman in Vietnam for his bravery, sacrifice, dedication, initiative, and devotion to duty.

I have joined as a cosponsor of this resolution because I believe it is time to put aside, for a moment, our differences on the policy of our involvement in Vietnam to pay tribute to those boys who have made a tremendous effort to serve their Nation.

For 8 long, difficult years, the Nation has been badly divided over the course of our policy in Vietnam. From the very beginning debate has boiled over the correctness, morality, and technical conduct of America's involvement in Southeast Asia. During this entire period, it has been the American GI who has pursued a steady course. He has suffered great adversity and sacrifice. He has experienced great emotional strain. Certainly, his task has not been any easier, knowing that those at home are divided over the commitment that put him in the rice paddies.

The American serviceman who shoulders the rifle to defend his Nation's policies always bears a unique burden and must be prepared to make the ultimate sacrifice. The GI's task is never a pleasant one. Sometimes I think we forget this.

This resolution is designed simply to say, "thanks" to the American GI. The debate over Vietnam in this country has obscured many of the individual contributions and sacrifices of young Americans in this thankless conflict. After 8 years, it is time to tell the American serviceman, that whether or not we agree with the war, we appreciate his service to America, and that we recognize his bravery and courage and individual effort. Passage of House Resolution 661 will formally pay tribute to the selfless sacrifices that so many Americans have made in this war so far away from home. My only wish is that such a resolution were not necessary at all.

XUM

THE PENDLETON MASSACRE

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. JACOBS. Mr. Speaker, on September 26, 1969, a serious disturbance occurred at the Indiana Reformatory at Pendleton, Ind.

As reported by the Indianapolis Star on December 12, 1969:

> One inmate was killed and 46 others were injured when guards at the reformatory fired on them with shotguns on an outdoor athletic field when most of the inmates were lying or sitting down.

In the interest that both sides be heard, I am today inserting in the Record a report prepared by the Indiana Statewide Committee on Penal Reform on this incident.

The report follows:

Indiana Statewide Committee on Penal Reform: A Fact Sheet About the Pendleton Massacre

As far as witnesses can ascertain the Pendleton Massacre occurred at around 1:30 on the afternoon of Friday, September 26, on the volleyball court at the Indiana Reformatory.

The institution, constructed in 1923 to house 1600 inmates, now has a prison population of approximately 2098. Of that number approximately three-fifths are white, two-fifths are black.

The facts, as we have been able to reconstruct them through dozens of interviews, eyewitness reports, statements by the victims, by participating non-wounded inmates, by professional and support personnel and inmates black and white who happened to be in strategic positions to witness the slaughter, and in fact from administrative personnel itself, the following is in all probability a sequentially precise and accurate account of the events of that day and of the several days preceding—the events all being interrelated.

A letter dated September 23, 1969, listing 10 grievances was sent to an Indianapolis resident with the request that he and news media-men be present to witness a peaceful demonstration to be staged by inmates on Thursday in support of the grievances.

THURSDAY, SEPTEMBER 25

The peaceful sit-down by 75–100 men resulted in a discussion with Asst. Supt. Schroeder who promised a Review Court for four inmates who had been isolated from the prison population since May, 1969. Supt. Phend, as is his custom in such instances, refused the men an audience.

FRIDAY, SEPTEMBER 26

Review Court action resulted in the transfer of two of the isolated inmates to Michigan City and the return of only one to prison population.

Approximately 250 men gathered on the volleyball court to engage in further peaceful demonstration to press for positive action on their grievances.

While these demonstrators were sitting, other personnel started fires in the upholstery shop. A number of seated demonstrators attracted by the excitement created by the fires, left the volleyball court to see the fires.

Guard Capt. Huckeby alerted to the fires and the gathering of inmates arrived at the scene. Engaged immediately in dialogue by several inmates, he was leaving the scene when struck in some manner. Reports vary as to whether the blow was from a kick by an inmate, a rock thrown by an inmate, or grazing by a shot from the tower when he signaled for fire on the inmates to disperse them.

Tower fire caused the inmate spectators who had left the demonstrating group to return to that area. They were joined in this rush to the volleyball court by a number of other inmates.

Huckeby, accompanied by 6 riot-equipped guards, stationed themselves along the grass facing the recreation area. Inmates were ordered to line up and return to their housing locations. All but the demonstrators were permitted to do so.

Demonstrators who attempted to join the lineup were ordered to sit back down.

When the area was cleared of all men except the demonstrators, and when all the fires were out and outside fire equipment and firemen had left the scene, Huckeby ordered the men to rise. They refused to do so, preferring to continue their peaceful protest.

Huckeby had been joined by 6 more riot-equipped guards and a civilian employee who had been equipped with a riot-gun. These men took places along the fenced in area (which has only one gate) and thrust the muzzles of their weapons through the chain links.

Huckeby ordered a warning volley fired in the air and then asked the men to leave. They remained seated. He ordered a second volley fired lower; this tore "great holes in the volleyball net." He again ordered the men to leave.

The men, still concerned over untenable, inhuman conditions at the institution (which is considered one of the worst in the United States) still refused to rise. One said: "If they're going to shoot us they'll have to shoot us in the back." Whereupon all but one of the men lay on their faces on the ground, some pulling their coats over their faces and heads.

One young man stood, alone, back turned to the firing squad and hand upraised in the clenched Black unity salute.

Someone was heard to say: "That one is mine!" Huckeby dropped his white hat—the signal to fire—and the standing youth, a 20-year-old, fell to the ground with five shots in his body.

Round after round was pumped into the rising, twitching, falling bodies on the volleyball court before the order to cease fire was given.

AFTERMATH

One 20-year old dead from a single, careful shot in the head.

Forty-six men wounded, many critically, from shots in the head, in the back, through the chest, in the legs, feet, thigh, through the groin, in the side—in fact some who tried to throw up their hands in traditional gesture of surrender had their hands shattered and are minus fingers. Many of the injured have multiple wounds, and at this writing may lie in the infirmary at Pendleton (a report puts this figure at 34) where treatment is necessarily inadequate due to limited staff and inadequate facilities. Many of these appear in danger of serious if not fatal consequences as a result.

Two of the most critically wounded have been returned to Pendleton from the Robert Long Hospital in Indianapolis despite the inability of the Infirmary to adequately treat serious cases.

On the night of September 26, all the demonstrators who had not been shot were jammed into the "hole." Placed, *at least* seven to a two-man cell, 171 of these human animals were confined, and then—gassed.

With the exception of one 16-year old Hispanic American—all of the massacre and gas victims were black.

This has been as true and accurate an account of the occurrence as exhaustive effort and concerned human beings, within, as well as without the institution, could prepare.

[From the Indianapolis (Ind.) News, Oct. 9, 1969]

Reformatory Used Heaviest Buckshot

The heaviest shot available for riot shotguns was used to quell the Sept. 26 uprising at the Indiana Reformatory, it was learned today.

Double "O" buckshot was used in the riot guns, Supt. George Phend said.

"The seriousness of the disturbance dictates what type of shot is put into riot shotguns at the reformatory," he said.

The double "O" buckshot is about the size of a small pea, Phend says. The diameter is .33 of an inch.

He said inside the building, when fewer men are involved in a lesser incident, birdshot half the size of a small pea is used.

Phend said the size of the shot used in guns is standard procedure in almost any institution.

"Our riot guns are never loaded until an incident breaks out,"' Phend said.

A spokesman for the sporting goods firm which supplies the Reformatory with the shot, said the double "O" buckshot used by the institution is the heaviest shot that can be bought.

The double "O" buckshot has 130 shots to a pound, while the size of No. 6 shot (loosely termed birdshot and used in rabbit hunting) is .11 of an inch in diameter with 225 shots in only an ounce.

In hunting, the size of the animal being hunted determines the size of the shot in most cases. The larger the animal, the bigger the shot used.

Bigger shot, as could be expected, causes a bigger wound.

One person was killed and 46 wounded by ricocheting shots fired by guards during the disturbance.

SAVE THE ALLIGATORS FROM EXTINCTION

HON. OGDEN R. REID

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. REID of New York. Mr. Speaker, I am introducing today a bill which would take steps to reduce the illegal hunting of alligators whose hides are to be used as costly fashion accessories. The alligator, formerly plentiful in some areas of this country, is now in danger of extinction. Florida, where most of the remaining alligators are found, has a law against poaching and yet many skins obtained illegally there find their way as bags and shoes into the stores of New York and other American cities.

The bill which I have introduced, originally sponsored by Senator Metcalf, would require that alligator hides or alligator skin products which are shipped across State lines from the State where the alligator was caught be certified by an appropriate State official as having been obtained legally. There once were millions of alligators in this country; only 20,000 are left. Surely we can take the necessary steps to assure that what has been called one of this continent's last living links with the age of the dinosaur is not sacrificed to the whim of fashion simply because its increasing rarity makes its skin all the more prized.

CHRISTMAS IN WASHINGTON STILL CONSTITUTIONAL

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. RARICK. Mr. Speaker, as the Christmas season again approaches we see throughout the country the well organized and adequately financed attacks on the celebration of one of our great national holidays. Locally, the usual guardians of the national conscience filed their usual suit to prohibit the exhibition of a traditional Christmas créche as a part of the Pageant of Peace on the Ellipse.

Although the courts have not been persuaded, it is still possible for the Supreme Court to act in an arbitrary fashion, and ban Christmas in the Nation's Capital. The assault on another basic American tradition follows the pattern of the minority, who are not content to live in freedom outside of the way of life of the rest of the Nation, but who feel compelled to drag their neighbors down to their own level in all questions where they find an embarrassing difference to exist.

Noting the names of the counsel representing the leftist ACLU as Lawrence Speiser, Warren Kaplan, and Ralph J. Temple, and of those representing the American Jewish Congress as Joel H. Levy, Leo Pfeffer, Joseph B. Robison, and George Soll, I include in my remarks pertinent local newsclippings and an essay in the superb style associated with Tom Anderson:

RULING BY COURT AWAITED ON ELLIPSE NATIVITY SCENE

(By William Willoughby)

The Nativity scene that for the last 15 years has been a part of Pageant of Peace could be banned from the Ellipse this Christmas time. It depends on how the U.S. Circuit Court of Appeals rules when it hears a case here Friday.

A suit brought by a Catholic priest and one of the Episcopal faith, a rabbi, a self-described atheist and a member of the American Ethical Society charges in effect that the stable scene depicting the infancy of Christ amounts to "government sponsorship" of the Christian theology.

The case is on appeal from the U.S. District Court, which granted a motion of the government to dismiss on the ground the plaintiffs lacked standing to sue.

SUIT BY CLU

Figuring prominently in the appeal is a decision in Oregon, handed down two months ago, that resulted in the removal of a lighted cross overlooking the city of Eugene. Plaintiffs argued that the presence of the cross on city-owned property reduced non-Christians to "second-class" citizens.

The District case was brought by the American Civil Liberties Union, naming Interior Secretary Walter J. Hickel and two National Park Service officials. The American Jewish Congress has entered the case in a friend-of-the-court brief.

The AJC brief argues that the depiction of Jesus, Mary and Joseph is a "religious presentation . . . meant to convey, and does convey, the religious message of the birth of Jesus as the Son of God."

The brief argues that "the apparent endorsement by a government of the meanings embodied in the religious symbol inescapably operates to endow those meanings with official sanction, giving an added dimension which could never be obtained through any other device."

The Catholic priest among those pressing the case is the Rev. George Malzone, associated with the Center for Christian Renewal. He also has been a key figure in another religious controversy involving dissident Catholics and Patrick Cardinal O'Boyle. O'Boyle disciplined Malzone over divergent interpretations of the papal encyclical on birth control.

GOVERNMENT STAND

An Episcopal priest, the Rev. Thomas B. Allen of Potomac, and Rabbi Eugene J. Lipman of Chevy Chase, also are joined in the suit. James E. Curry, who describes himself as an atheist, and Edward L. Ericson of Silver Spring, president of the American Ethical Society, also are suing.

The government argues that the Nativity scene is part of a celebration of a national legal holiday which does not have particular religious significance, citing an increasing commercialization of the season, intermingling of pagan and secular customs and broad observance of the holiday by non-Christians.

But the creche "cannot be secularized," the AJC brief says.

"It has been and remains the symbol and core of the religious meaning of Christmas—the birth of the Christian Savior. This religious core cannot be and has not been eliminated from Christmas by the secular and pagan aspects of some celebrations of the holiday," according to the Jewish group.

The government also has invoked the de minimus rule, saying that only a small amount of public funds are involved in setting up the creche on the Ellipse.

"The governmental endorsement of the display has an impact independent of the amount of money, land or time involved," the AJC brief counters. "In any case . . . if the use of public funds or public property in support of religion is wrong, it does not become right because it is done modestly or intermittently."

[From the Evening Star, Dec. 13, 1969]

JUDGES WEIGH ISSUE—COURT REFUSES TO BAR CRECHE FROM ELLIPSE

A request for an injunction to prohibit the erection of the annual Nativity scene on the Ellipse was rejected yesterday by the U.S. Court of Appeals.

However, the three-judge panel took under advisement the attack on the legality of the Pageant of Peace Creche, which earlier was dismissed in District Court and appealed by the American Civil Liberties Union.

The suit was filed in District Court by a Catholic priest, and Episcopal cleryman, a rabbi, an atheist and a member of the American Ethical Society.

The appeals court action yesterday means that unless a judgment is handed down within the next two weeks, the final decision will not affect this year's program.

OFFENSIVE TO NON-CHRISTIANS

The suit contended that the government planned to use public funds and parkland to support an observance of a particular religion.

ACLU attorney Warren Kaplan argued yesterday that there was a limit on free exercise of religion and that the pageantry conceivably could be offensive to non-Christians. He also said government employes are used in maintaining the grounds and that American tax dollars cannot be used by the government to sponsor a religion.

NOT SINGULARLY RELIGIOUS

Gil Zimmerman, as assistant U.S. attorney, said the pageantry is conducted by a private organization, Christmas Pageantry for Peace, Inc.

He said the purpose of the pageant is to champion peace in the world and that it is not a singularly religious program.

He asked how a ceremony honoring the Christmas holiday and peace in the world could be conducted without some reference to the celebration of Christ's birth.

HIS EXAMPLE

(Tom Anderson's Christmas Essay)

He was born in an obscure town, grew up in a tiny village, worked in a carpenter shop, was an itinerant preacher. He slept in borrowed beds. He died on a borrowed cross, and He was buried in a borrowed tomb. He never made a business, professional, or "social" success. He never went to school, owned a house, held an office, had a family. He never traveled more than two hundred miles from the place where he was born. Yet, the world's calendar is dated backward and forward from His birth.

The only thing He ever wrote was a sentence in the sand. Yet more books, songs, and poems have been written about Him than about all the other men who ever lived. And His teachings have influenced the world more than anyone else who ever lived. He is the most masculine, compelling, fascinating, and perfect Soul in history.

He was so gentle that little children climbed on His knee, and so strong that powerful men ran from the temple when He accused them of making it a den of thieves. Officers sent to arrest Him returned empty-handed saying: "Never man spake like this man."

The night before His execution, His Roman captors took turns lashing His back with a whip made of leather straps weighted with pieces of metal. They knelt before Him in mock homage and then arose to spit in His face. About eight a.m. they took Him to Calvary, stripped off His clothing and set Him astride a wooden peg which jutted from the upright pole of a cross. Then they nailed Him to that cross, between two thieves. Many victims of crucifixion became raving madmen before they expired, and often their tongues were cut out to stop their screams and curses. But as this silent Victim looked down upon His jeering tormentors, He said: "Father, forgive them for they know not what they do."

Christ challenged the slavery system and declared that man is the creation of God and *responsible* to God. Christ preached the freedom and dignity of the individual and his God-given right to come and go freely, to enjoy the fruits of his own labor, to work for himself or to sell his labor for pay.

He reminded us that the best way to reduce the exploitation of man by man is to embrace Christianity. Christianity, not handouts, is the hope of the world. Christ was no Socialist. He believed in the profit motive. He recognized that free men will have different talents, and abilities in varying degrees. Some, he said, would gain more with what they had, and these were rewarded with more. He even took away the "talent" of the man who did nothing, and gave it to the man who had ten "talents," as a lesson. He congratulated those who profited, and urged His followers to learn by their example.

And, He knew that charity is not charity unless it is voluntary. In Luke 12:13–14, the Christ was talking to a large crowd when a man approached him, saying: "Master, speak to my brother that he share his inheritance with me."

And Jesus replied: "Man, who is it that would make me a divider among men?" True Christian charity, He knew, comes from within and cannot be imposed by authority.

And, Jesus Christ was not a "moderate." He was, in fact, an "extremist." The "modernists" today proclaim that there is no black nor white; that sin is imaginery, non-existent; that we are to be "moderate" and "tolerant" in all things, including evil.

This is idiocy.

An agnostic is a moderate. Moderation is no virtue when one is moderately wrong or moderately sinful. Christ had this to say about these moderates—a religious type He denounced in extreme terms: "I know thy works, that thou art neither cold nor hot. I would thou were cold or hot. So because thou are neither cold nor hot, I will spew thee out of my mouth."

The *Bible* is not tolerant, it's "narrow-minded." And so is the compass, the multiplication table, the boiling and freezing points of water, all nature, and the Kingdom of Heaven. The Gates of Hell, on the other hand, are broadminded—open to situational ethics. God, the *Bible,* sin, and Jesus Christ are not. They are rigid and unchanging. Just as the Ten Commandments are forever the same, a true Christian has a standard beyond change. *Hebrews 13:8* says: "Jesus Christ, the same yesterday, today and tomorrow."

Loss of faith in God is our nation's—and the world's—most serious problem. When men lose God, they turn to the State. When men lose God, they compromise, appease, lie, steal, and make war. The collectivists, anarchists, and atheists must destroy our faith in God to take over the world. Unless we can recapture our Christian spirit and reestablish our Christian values, we will soon lose our freedom of choice with respect to all of life's values. The time could be approaching when the question will not be whether America can be saved, but whether America is worth saving. Sodom and Gomorrah were not! Only the *moral* deserve to be free. As the Apostle Paul said: "Where the spirit of the Lords is, *there* is Liberty."

We cannot oppose evil by compromising with evil. We cannot go forth into all the world and spread the gospel of Jesus Christ if we deny Jesus Christ in the United Nations, in our schools, and in our daily lives. We become part of what we condone.

A. G. Heinsohn, a courageous Christian and member of the Council of The John Birch Society, was told by a friend: "Once a nation is sliding down the toboggan of degradation, as we are, it never stops till it hits bottom. Why do you struggle against the inevitable?"

Mr. Heinsohn replied: "Because it's *unthinkable* not to."

There's no excuse for people who ask, "What can I do?" and are afraid you'll tell them.

When and if St. Peter meets us at the Golden Gate, he won't ask what we agreed with, or what we belonged to: Heaven is not open to Methodists, Catholics, Rotarians, or John Birchers—Heaven is open only to individuals. It's not what we belong to, it's what we *are*. It's not what we say, but what we do and don't do. That's a very good thought to hold this Christmas of 1969.

SILENT MAJORITY

HON. HERMAN T. SCHNEEBELI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. SCHNEEBELI. Mr. Speaker, Graham Carrington of Williamsport, Pa., has expressed fluently and well, the thoughts of many of the silent majority who have been patient with some of the extremes practiced by the more militant protestors. The Grit of Williamsport published Mr. Carrington's observations of our national scene and they are presented herewith:

PROTEST AGAINST SOMETHING

Every day we see groups of young people on the streets and around public buildings in protest against something. When questioned they assert that this is their right. It is true that the Constitution does confer this right upon them. But a right abused is a right destroyed. This has been true in times past and those who are unfamiliar with history are doomed to repeat it. It appears that the most ardent desire among the young is to terminate a war in which they are asked to take part. They deplore war but no more than any other good citizen. How do they think the rights which they so flagrantly abuse were acquired? Any rights we possess were gained by men who were willing to die in defense of Bunker Hill, freeze and starve at Valley Forge and die by the thousands at Gettysburg and Omaha Beach. Are we to squander our legacy of freedom by surrendering it to the next aggressor who will quickly appear? There are predatory nations around the world who can recognize a timid nation miles away and who jump at the chance. We seek no man's rights or property, but we will defend what our fathers left us as the thousands of graves at Arlington bear witness. And so picket if you will, protest what you don't like, but don't forget that these privileges were bought for you with better blood than it takes to protest and dissent.

CONCERN FOR SHOE INDUSTRY

HON. MICHAEL J. HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. HARRINGTON. Mr. Speaker, I wish today to emphasize my concern for the shoe industry and shoeworkers and state that this concern must extend beyond traditional bounds and must include an active and creative program.

It is precisely because I do care that I spoke recently to a meeting of shoeworkers in Haverhill, that I named a special committee to recommend action for those affected, that I have been in constant contact with the President's Interagency Task Force on Nonrubber Footwear, and that I have urged new action in the field to President Nixon.

Prior to my election, I indicated my support of the voluntary quota approach and suggested that there should be an effort made to deal comprehensively with the overall problem.

I continue to support that position.

But what I will not and have not done is to join with those who have for years promised to help and accomplished virtually nothing. Measures have been proposed to restrict foreign imports for the last 10 years, and more intensive efforts have been made during the last 3 to 4 years. So far, under four administrations no action has resulted.

I seek through an active concern to find real answers to the problems of diminished payrolls, of lost purchasing power, of unused resources both on the employee and employer level.

It is ironic that in attempting to be candid in assessing the problem, and to work at its solution in a broader way, one is criticized as being unfriendly to the shoe workers and manufacturers.

Obviously, it would have been much easier to have joined with countless others and in the more politically orthodox approach and let the matter stand. This I could not do for the result would have been to perpetuate expectations and hopes which are unlikely to be met, doing both a disservice to the affected parties and to the people of my district.

FIGHTING AN EPIDEMIC OF THE ENVIRONMENT

HON. OGDEN R. REID

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. REID of New York. Mr. Speaker, I am introducing today three bills, originally sponsored by my colleague from New York (Mr. RYAN), with regard to lead poisoning.

Specifically, the bills would first, provide Federal financial assistance to help cities and communities develop and carry out intensive local programs to eliminate the causes of lead-based paint poisoning; second, provide Federal assistance to help cities and communities develop and carry out intensive local programs to detect and treat incidents of lead-based paint poisoning; and third, provide that Federal assistance to a State or local government for any kind of housing program be made available only on condition that the recipient submit and carry out an effective plan for eliminating the causes of lead-based paint poisoning.

Mr. Speaker, lead poisoning is a serious and tragic situation that calls for immediate action. Each child who dies from lead poisoning represents a life that could have been saved if certain simple, precautionary steps had been taken through municipal programs with Federal support.

Jack Newfield has written several important pieces on this subject in the Village Voice. His article of December 18 outlines a program of action for New York City and I am including it in the RECORD at this point for the consideration of Members:

FIGHTING AN EPIDEMIC OF THE ENVIRONMENT

(By Jack Newfield)

After spending three months digging into the problem of lead poisoning, I have concluded that the heart of the matter is accountability, naming the anonymous individuals responsible for this tragic situation: city officials, landlords, newspaper editors.

The basic facts of the problem are now obvious: an environmental epidemic (as distinct from a virus epidemic) that strikes at least 30,000 black and Puerto Rican children each year, causing mental retardation, brain damage, and death.

In August of 1968, the Citizens Committee to End Lead Poisoning was founded at a church in Bedford-Stuyvesant. Subsequently, Congressman William F. Ryan introduced three bills that would provide federal funds to find and treat victims of lead poisoning, and get rid of leaded paint from tenement walls.

Last June, after 23-month-old Janet Scurry died of lead poisoning in the Bronx, Representative Edward Koch and City Councilman Carter Burden wrote personal letters to Mayor Lindsay, alerting him to the growing crisis. Koch's letter informed the Mayor how Chicago—yes, Daley land!—has had a lead testing and educational program in operation for two years, and that the number of severely poisoned children had been cut in half.

In September, Representative Koch wrote me a letter saying that the city had never even applied to HEW for money available *under existing legislation* to subsidize a lead poisoning program.

But the Lindsay administration did not act, despite Janet Scurry's death, despite the warnings, public and private, from Ryan, Koch, Burden, and many others.

In one sense this is obviously Lindsay's fault. He's elected Mayor, and he's responsible. But it is more directly the fault of the little-known individuals he appointed, who have direct responsibility for health care: Commissioner Mary McLaughlin and mayoral assistant Werner Kramarsky.

Neither has cared enough, has taken the trouble, to come up with a program since June. Both are liberal bureaucrats, but cut off from the dailiness of injustice by their positions and life styles. Neither has ever even bothered to go to Chicago to see how successfully the lead program is working.

Last May, Bio-Rad Laboratories offered the city 40,000 free urine tests for lead poisoning. But nothing happened (see the letter to the editor in last week's Voice from Bio-Rad salesman Henry Intili). In October, during the election campaign, the Health Department announced a testing program. But they never even bothered to pick up the tests, much less distribute them to community groups like the Young Lords who were eager to use them. Several children died of lead poisoning during this period of bureaucratic buck-passing and delay. Dozens more went into convulsions, comas, and suffered permanent brain damage. Responsibility for those small unreported daily tragedies is as easy to fix as it is for war crimes committed in Vietnam.

Also implicated in the city's failure is the daily press, which has ignored the issue because, in the words of one city editor, "it doesn't have a hard news peg."

But I believe racism is also a factor here. If lead poisoning affected white, middle-class children, it would be covered on the front page of the New York Times. When there are 10 cases of polio in the suburbs, it is a crisis that receives urgent coverage. But 30,000 undiagnosed cases of lead poisoning, living in Bed-Stuy, El Barrio, and the South Bronx, is not news. Just like worms and larvae in the water supply of Harlem is fit to print on page 64. But if those worms were coming out of taps on Park Avenue, I think I know where *that* story would be placed.

Similarly, if lead poisoning primarily affected old Jewish ladies, the Post would already have begun a 17-part series on the problem, naming landlords, profiling the victims, attacking the hospital system. But Janet Scurry was invisible and nobody knew her name because she lived on Teller Avenue in the Bronx.

The Lindsay administration still has not announced a program against lead poisoning. Werner Kramarsky is conniving to be promoted to deputy mayor. Dr. McLaughlin is leaking stories to the Times exaggerating her good works in an effort to save her job.

So here, Mr. Mayor, is a simple, minimal, five-point program you could adopt.

1. Launch an immediate, free, mass testing program in all ghetto neighborhoods, to find the poisoned children, and get them treated in hospitals.

2. Endorse, and lobby for, the passage of Representative Ryan's three bills—H.R. 9191, 13254, and 14735. (Ryan told me on Tuesday, "I've never seen any evidence that the Mayor's office, either in New York or Washington, has tried to do anything to help my legislation get out of committee or pass the House."

3. Declare a health emergency in East Harlem, Harlem, Bedford-Stuyvesant, Brownsville, the South Bronx because of lead poisoning.

4. Give families with a history of lead poisoning immediate shelter elsewhere, and first priority for public housing.

5. Force landlords, through city ordinance or new legislation, to make repairs and board over with plywood peeling walls in any apartment where there is a danger of a child ingesting leaded paint.

You could begin this program tomorrow, Mr. Mayor, without waiting for the next batch of vague memos. In fact begin it today.

INDIAN HEALTH NEEDS ARE AT CRISIS STAGE

HON. ED EDMONDSON

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. EDMONDSON. Mr. Speaker, a significant amendment was added to the supplemental appropriations bill when it was considered in the Senate yesterday. The senior Senator from Oklahoma, Senator HARRIS, offered an amendment to add $2 million to the bill for the operation of hospitals by the Indian Health Service. The amendment was adopted by a vote of 80 to 0. The Senate Committee on Appropriations previously had amended the bill to include $1 million for Indian Health Service contract medical care. It is my understanding that the sum of the two amendments, $3 million, is the minimum amount needed by the Indian Health Service to correct shortages in personnel, medicines and drugs, and equipment which have reached the critical level.

Yesterday in this Chamber, Chairman TEAGUE of the Committee on Veterans Affairs made a thoughtful and impressive statement on the needs of our veterans hospitals if they are to provide this Nation's veterans first-class medical care, as opposed to the funds requested by this administration. Mr. Speaker, the situation he described concerning veterans is the same situation we face in caring for the first Americans—the American Indian. We are falling short of meeting urgent needs of the Indian Health Service.

The seriousness of the situation was brought home forcefully this fall when my colleague from Oklahoma Congressman CAMP, and I paid an unannounced visit to the Claremore Indian Hospital in Oklahoma. We were there as members of the Indian Affairs Subcommittee.

Let me tell you a few of the things we found.

We found a dedicated, overworked staff with personnel shortages in many key positions treating sick Indians in a building which has been called a disgrace to the U.S. Public Health Service. This hospital has not been accredited since 1960, except for a 1-year provisional accreditation in 1967 when hope was held forth that funds would be available to build a completely new hospital.

We found a list posted in the pharmacy under the heading: "Doctors: Below are items we are out of or short of—they are so labeled. Available suggested substitutes are listed adjacent to them."

This list included such basic drugs as buffered aspirin, librium, and vasodilan. Vitamin supplies were depleted and food purchases cut so deeply that dietitians are worried whether or not they can offer the patients a nutritious diet. The reason for these shortages? Funds were so short that that funding had been put on a 30-day basis. Requisitions for supplies and equipment were often delayed. Adequate medical treatment was sometimes impossible to achieve.

Following this visit, staff members visited Indian hospitals in Tahlequah and Pawnee, Okla. The story at these hospitals was basically the same as at Claremore.

At Pawnee, tests for tuberculosis had been discontinued because necessary supplies were not provided; influenza shots could not be given to more than 600 Indian boarding students at Chilocco Indian School because the vaccine was not available.

At Tahlequah, essential antibiotics were "low in supply" or "out." The same was true of certain anaesthetics, IV sets for administering fluids intravenously, and other surgical supplies. No immunization shots were being given more than 400 Indian students at Sequoyah Indian School because of shortages.

Mr. Speaker, the simple fact is that we have failed in our obligation by law and treaty to provide adequate medical services to the American Indian, just as Mr. TEAGUE pointed out yesterday that we are failing in our legal obligations to the American military veteran.

I am as conscious as any Member of this body of the absolute need for holding the line in Federal spending, but I believe the administration can find better places to make its cuts than in medical facilities and treatment for our veterans and Indians.

I strongly urge the House to accept the Senate amendment in this case.

CHRISTMAS VERSE

SPEECH OF

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. ROGERS of Florida. Mr. Speaker, I received a Christmas card from a friend and constituent of mine and thought that my fellow colleagues might enjoy the verse that Mr. Garland N. White has penned.

I certainly think that he has offered something to think about during this holiday season.

I include the poem by Mr. White in the RECORD, for the pleasure of my colleagues:

> Jolly Christmas,
> Smiling New Year;
> Best of seasons
> Every year.
>
> Hate and envy
> We should wipe out;
> We should love more
> Fellow men all.
>
> We should give more;
> Unselfish be;
> We should listen,
> Ever be kind.
>
> We should strive more
> To live God's way;
> Make for living
> The Golden Rule.

FOOD STAMP REFORM

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. ANDERSON of Illinois. Mr. Speaker, I want to commend Agriculture Secretary Hardin on announcing yesterday a major improvement in food stamp benefits for the poor. The new benefit schedules announced by Secretary Hardin will make it possible for a poor family to obtain more food stamps for less money.

For example, a family of four living in the District of Columbia and having a monthly income of from $100 to $110 will now be able to purchase $106 worth of food for only $25. Under the old schedule, that same family would receive only $78 a month in food for a payment of $44.

The new schedule is based on a formula which will limit a family's food stamp payment to no more than 25 percent of its monthly income in most cases. In addition, the Secretary has announced a uniform requirement that any city or county having a food stamp program will allow $106 worth of food stamps to a family of four which qualifies and uniformly adjusted amounts for larger or smaller families. In the past, these amounts have varied from city to city, and county to county.

Mr. Speaker, this is but another attempt by this administration to put an end to hunger in America. Today we are reaching about 7 million Americans with either the food stamp or commodity distribution programs. It is estimated that there are presently between 10 and 15 million hungry Americans. It is obvious that our programs for combating hunger must be improved and expanded if we are to truly eradicate hunger and malnutrition from this land. The reform announced yesterday is an indication that the Executive is committed to this goal. But the sad fact remains that this body has not yet dealt with the administration's comprehensive food stamp reform package. The other body has already passed an even more generous measure which would be acceptable to the administration. It seems to me that this legislation should receive the highest priority in this body when we reconvene next January. In his message of May 7, 1969, President Nixon couched the issue in the following terms:

> More is at stake here than the health and well-being of 16 million American citizens who will be aided by these programs and the current Child Food Assistance programs. Something very like the honor of American democracy is at issue. . . . The moment is at hand to put an end to hunger in America itself for all time.

Mr. Speaker, I call on this Congress to accept its full responsibility for wiping out pockets of hunger in this land of plenty for all time. If something very like the honor of American democracy is at stake, then we as the legislative arm of that democracy must act and act now.

At this point in the RECORD I include the press statement issued by Secretary Hardin yesterday on the food stamp changes:

SECRETARY HARDIN ANNOUNCES DETAILS OF BIG FOOD STAMP PROGRAM EXPANSION

Secretary of Agriculture Clifford M. Hardin today announced the details of a major expansion in the Food Stamp Program, to help to carry out President Nixon's commitment "to put an end to hunger in the United States."

"The steps that we are taking today," he said, "are significant, and I am delighted to be able to take them. But they go only part of the way. We need further improvements in the Food Stamp Program—improvements for which we need authorizing legislation. We have sent appropriate reform legislation to the Congress. And we are awaiting action which will enable us to operate a Food Stamp Program that can make good on our commitment to wipe out hunger."

Secretary Hardin's announcement gave details of the expansion whose broad framework was reported on Dec. 1 (Press Release 3687–69).

"This new and improved schedule of purchase of payments, bonuses, and coupon allotments will bring a considerable increase in participation in the Food Stamp Program," Secretary Hardin said, "both in the number of counties and cities taking part, and in the number of people participating in the counties and cities in the program."

Secretary Hardin explained that changes have been made in the basis-of-issuance tables—both in the amounts that a family pays for its food stamps, and in the amount of bonus stamps given to participants.

Each participating low-income family, because of these adjustments, will receive enough food coupons to buy food for a diet that is more adequate nutritionally. The payment schedule has been set so that participating families will receive sufficient food coupons to pay for the "economy diet" of the U.S. Department of Agriculture, adjusted to compensate for current increases in the level of retail food prices.

A family of four (the "typical example" of food and income statistics) will receive $106 worth of food coupons each month—an 83 percent boost over the previous minimum of $58 a month. Coupon allotments are also set at a uniform level nationally in the new tables, eliminating the separate schedules that had been used for North and South.

Changes have been made both in purchase payments and in bonus payments, to achieve these adjustments in coupon allotments.

The amount that a family pays for its stamp allotment has been reduced as far as is possible within the requirement of the present law that this payment must not be less than a family's normal food expenditure. (The Food Stamp reform legislation requested by the President and now pending before the Congress is designed to allow even further reductions in charges for stamps, including free stamps for the poorest families.) After restudy of the relationship of purchase requirements to normal food expenditures, the Department has substantially reduced the payment schedules that had been in use.

Changes have also been made in the bonus that is paid to participating families. Bonuses to very law income families have been more than doubled in many cases, and the bonus paid to every participating family will be greater than or at least equal to the bonus which it had been receiving.

Secretary Hardin said these improvements have been made possible by the $610 million provided in USDA appropriations for this 1970 fiscal year for operation of the Food Stamp Program. He said these funds are now sufficient so that the Department can extend the Food Stamp Program to all counties and cities that request it.

A concerted drive is well along to call these improvements to the attention of the 301 counties and independent cities which do not now have a family food program to help their needy. Secretary Hardin reiterated that the improvements detailed today give local officials in these areas an excellent opportunity to establish a food program—an opportunity, he said, that he hopes they utilize. Copies of the improved schedule of payments have been sent to cooperating State agencies to help to sign up new counties for the program, and to help boost participation by individual families in the counties and cities already in the Food Stamp Program.

These improvements make the Program much more beneficial to persons who are eligible to participate in it. A vigorous outreach campaign is already under way by USDA's Food and Nutrition Service and many other cooperating agencies so that all eligible families may know of the major benefits available to them through the Program.

THE SINGING ANGELS

HON. MICHAEL A. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. FEIGHAN. Mr. Speaker, on October 19, 1965, I inserted in the CONGRESSIONAL RECORD a description of a new and exciting youth chorus from Greater Cleveland called "The Singing Angels." Although the chorus was only a year old, they showed great promise. These youngsters, ages 5 through 18, were exposed to a program guided by outstanding teachers and leaders, under strict discipline and with quality music standards.

These enthusiastic singers—typical American children—came from any home, any street in Greater Cleveland. It is entirely possible that they are the most

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representative youth choral group in the world for their age. Average age is 12 years. They have been described as democracy in action through music.

The Singing Angels were founded and supervised by William—Bill—Boehm, nationally recognized singer and director from the Midwest, with the purpose of promoting good music for children. Serving as executive director and conductor, Mr. Boehm is aided by a splendid staff of prominent conductors, including George Strickling, Tom Neal, and Luther Blackwell, Jr. Conductor of the reserve chorus is Maryland Salter.

The administrative staff, dedicated and hardworking, include Eileen LaVigne, Leonore Vannice, Bonnie Davis, Elizabeth Heil, Lois Lantz, Janet Specht, Doris Mosley, Bernadette O'Brien, Jack Wine, and Bruce Heil. A wonderful new addition to the staff is 19-year-old Cecilia Kazol, a former charter member of the "Singing Angels" who came up through the ranks. Performing pianist is 17-year-old prodigy Margaret Brinich, who started as Angel pianist at age 14.

Since my last description of this remarkable chorus in 1965, the Singing Angels have had historic success. Singing more than 125 concerts, they have reached a live audience of more than a quarter million people and their television and radio audience soars into the millions.

Their television audience will be at least tripled when they appear as the featured children's chorus on the Kraft Music Hall Christmas special on the NBC television network on Christmas Eve at 9 p.m. Wayne Newton, brilliant American musical star, is the host.

During the 1969 Christmas season, the Singing Angels will focus the attention of the community on the residents of nursing homes and senior citizen centers as they conduct a massive caroling crusade sponsored by the Cleveland press.

Recently, the Singing Angels were granted a signal honor when they received an invitation from President Richard M. Nixon to sing at the White House on December 21, 1969, for a major Christmas celebration.

Forty of the finest Angels will sing at the Capitol. They will also appear at the National Institute of Health.

With the serious challenges and problems besetting American youth these days, the performance of the Singing Angels rings clear and sweet throughout our country. Their success suggests that American youth has only begun to realize their proper and full potential.

With a just cause, a disciplined program administered by qualified and intelligent leaders, our youth can accomplish miracles.

The basic philosophy of the Singing Angels can well be the pattern that will curb delinquency and corruption in youth and make this country a wonderful and happy environment for our children and our children's children.

The Singing Angels story should be told throughout America—throughout the world.

ANOTHER GIANT LEAP

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. TEAGUE of Texas. Mr. Speaker, Mr. Robert Hotz, in an editorial November 24, 1969, in Aviation Week and Space Technology discusses the important scientific contributions of Apollo 12 and the outstanding performance of Astronauts Conrad, Bean, and Gordon in opening up a new era in scientific exploration. As Mr. Hotz so aptly points out we are entering an era of "instant science" where new discovery is being accelerated requiring adjustment on the part of all those involved to insure that we gain a maximum return from the exploration of the moon as it continues in future flights. I commend this excellent editorial to your reading:

ANOTHER GIANT LEAP

Apollo 12 mission of Yankee Clipper and Intrepid marked another giant leap for man's ability to work in the hostile environments of space and opened the era of extensive scientific exploration of the moon.

Apollo 11 mission last summer proved the technical feasibility of the manned lunar expedition. Apollo 12 showed clearly and conclusively how that capability can be expanded and exploited into a tremendous epoch of scientific exploration.

For those who thought that Apollo 12 was simply an expensive repeat of Apollo 11 and yawned "Why do we have to go there again?", the achievements of Pete Conrad and Alan Bean on the lunar surface provided a startling rebuttal.

It was too bad that the lightweight Westinghouse television camera, which performed so brilliantly in bringing man's first steps on the moon to all the world, had such a brief operation in its color version. This failure was partially recouped by the performance of its counterpart aboard Yankee Clipper, providing sensational pictures of a live docking as Clipper and Intrepid rejoined above the moon.

Without the television accompaniment to the Houston-Intrepid communications during extravehicular activity, much of its impact and understanding outside the NASA technical community was blurred. But the ebullient air of the all-Navy crew of Jolly Rogers bridged some of this communications gap. The steady stream of rollicking and informative description by Conrad and Bean was in sharp contrast to the terse, laconic comments of Neil Armstrong and Buzz Aldrin from Tranquility Base. Some of this difference must, of course, be attributed to personality variants. But there can be no doubt that the more relaxed air of the Intrepid crew on the moon stemmed significantly from the fact that Apollo 11 crewmen had proved it could be done.

EARTHY PROBLEMS

Even without the aid of television to clarify the surface activities 250,000 mi. away, it was impossible for earthlings not to share Pete Conrad's infectious chuckles and Alan Bean's wondrous enthusiasm over the new sights and sensations on their forays around the Ocean of Storms. Even though they were taking man's longest walk on the moon, they still exuded a mundane and familiarly earthy feeling of the planet they had temporarily deserted. They sniffled with colds, got their feet wet, banged recalcitrant equipment with a hammer and had trouble finding pliers when they were most urgently needed. Tops popped prematurely off their storage boxes. Their scales broke.

"Easy access" items stuck in their holes. They worried about tracking dirty feet into their temporary lunar house and forgetfully left behind the only color film pack of their second EVA. While standing at the foot of the Intrepid with his first two bags of lunar rocks and waiting for Bean to hoist them up to the lunar module porch, Conrad mused:

"I feel just like a guy at a shopping center with the groceries waiting for his wife."

Later, he noted that on speed runs across the lunar surface its one-sixth gravity made him feel like "a giraffe running in slow motion." All during their first EVA, Conrad and Bean sounded more like a couple of friends tinkering with their sports car on a Saturday afternoon in their garage than astronauts erecting the first nuclear-powered scientific station on the moon. They whooped, hummed fragmented melodies, joked and constantly chuckled in apparent inward satisfaction over startling new sights and experiences. It was apparent for all to hear that man can, indeed, feel at home on the moon.

NEW SCIENTIFIC PACE

"We could stay out here all day," Conrad opined during his first bouncing on the surface. Later, during his second EVA as the traverse was longer and the work harder, he reduced his estimate to a more practical 9 hr.

The Intrepid crew also provided an effective demonstration of how space age scientific exploration really works in contrast to the dusty ivory tower concepts of yesteryear. There was a marked contrast between the sturdy Surveyor that blazed the trail for Apollo and the scientific harvest reaped by the Intrepid crew. Surveyor provided limited but very important data with its robot sensors. The two explorers of Apollo 12 provided infinitely more and varied information on the moon. They also were able to execute and replan their investigation, based on a two-way exchange of their early inputs from the moon, with the interpretations of the scientists on earth.

This is space age "instant science" where the gathering of scientific data has acquired a new pace and requires new techniques and attitudes from the scientific community.

Apollo 12 was the first experimental test of this method. It has worked so well it opens undreamed of vistas for the future exploration of the universe. Instead of sulking in their ivory towers over real or imagined slights in the space program, scientists should accept the invitation proffered by the experience of Apollo 12 and participate in the golden age of space science. They can help man discover more about his universe in the next decade than he has learned so far in all his recorded history.

JOHN ASHBROOK, OF OHIO

HON. ALBERT W. WATSON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 19, 1969

Mr. WATSON. Mr. Speaker, just recently I had the great pleasure of reading an excellent story about our distinguished colleague, the gentleman from Ohio (Mr. ASHBROOK), which appeared in the publication, Human Events. This perceptive and inspiring article is certainly

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a tribute to this courageous, able, and dynamic legislator. I consider it a high privilege to serve with my colleague (Mr. ASHBROOK) on the House Internal Security Committee. His leadership and devotion to the ideals of constitutional government are unsurpassed.

Mr. Speaker, I commend the Human Events article to the attention of the Congress and the Nation as follows:

[From Human Events, Oct. 11, 1969]

JOHN ASHBROOK OF OHIO—CONSERVATIVE POWER IN THE HOUSE

(By George F. Hobart)[1]

Rep. John Milan Ashbrook of Ohio's 17th Congressional District has been called a lot of things by a lot of people, and few of the descriptive phrases can be characterized as mild. His friend, *National Review* Editor William F. Buckley, Jr., has said of Ashbrook, ". . . there is no man in Congress whose presence there I myself find more reassuring . . . he shows the kind of political courage by which one distinguishes between those automatons who represent us in Washington and those special others who are human beings endowed with mind and an active conscience . . . a human force in which the high qualities of the statesman come together in profusion."

The Political Action Committee of the Ohio AFL-CIO does not quite agree. They picture Ashbrook as "a Neanderthal mossback reactionary," and "a menace to a free democratic society as we know it today." Equally uneasy about Congressman Ashbrook is Ohio's Republican governor, James Rhodes, a staunch organization man and political "boss" in the traditional sense. Rhodes apparently views Ashbrook as a maverick who has the audacity to put conscience before the dictates of party politicians.

But unprejudiced analysts unanimously judge John Ashbrook to be one of the most outspoken conservative leaders in the nation today. Columnist Robert Novak, of the "Evans-Novak" team, termed him "an attractive and militant conservative." *Newsday* political writer Joseph Albright finds Ashbrook "young and articulate," while Robert J. Havel of the Cleveland *Plain Dealer* writes that he is "an outspoken conservative who gets mildly annoyed when he is described as an ultra-conservative, which he almost invariably is." William Vance of the Akron Beacon Journal concludes Rep. Ashbrook "speaks for conservatives far beyond his own political bailiwick" in Ohio and has come to be one of "Nixon's chief congressional critics."

Columnist Ralph de Toledano calls him "a congressman of courage and determination," and Holmes Alexander waxed Biblical in saying Ashbrook "is a tall, blond bomber of the Altar of Baal," meaning liberaldom.

Whatever their opinion, few political observers have been able to ignore John Ashbrook.

His name is scattered across the pages of recent books on Republican party affairs and his hard work, constant travel and tireless speechmaking have made him a conservative hero at the age of 41. A scientific poll of the 31,000 members of the Conservative Book Club a few months ago found Ashbrook rated fifth in popularity in a field of 95 names, preceded only by Sen. Barry Goldwater, Gov. Ronald Reagan, Sen. John Tower and William F. Buckley, Jr.

All this would have made John Ashbrook's father very proud. Though he died in 1940 when John was only 12 years old. William Albert Ashbrook, who was a member of Congress from the 17th Ohio district for a total of 19 years, would have felt that his son had followed faithfully in his footsteps. Yet Ashbrook's father was a life-long Democrat. In this seeming paradox lies a possible key to John Ashbrook's political philosophy.

The first of the Ashbrook clan left England for the New World aboard the fragile bark, *Antelope*, arriving on the shores of the Virginia Colony in 1636. Almost two centuries later John Ashbrook's great-grandfather left his home in Hampshire County, Virginia (now part of West Virginia's eastern panhandle) and in 1921 settled his family in the virgin forests near a small Licking County, Ohio village called Johnstown.

With the approach of the War Between the States, Ohio began to show its migrant origins. Southern Ohio, populated by Jacksonian Democratic ex-Virginians who held no slaves but did sympathize with the South, became a Civil War hotbed for "Copperhead Democrats." The northern area of the state, settled by Yankees, remained loyal to the Union and some joined the new Republican party.

John Ashbrook's father was born July 1, 1867, at Johnstown. Licking County is immediately northeast of Columbus, the state capital, and was then an area of rich farmland, many small towns and God-fearing Baptists and Methodists. Though the county tended to vote Republican, it was located on the mythical east-west line extending across Ohio from where the "Buckeye State" joins Pennsylvania's southern border, the Mason-Dixon Line. One observer noted the political effect of this dividing line with the phrase "you could see the county courthouses change from Union blue to Confederate gray: from Republican to Democrat."

John's father, William Albert Ashbrook, always proudly identified himself as "a Grover Cleveland reform Democrat." In the 1880s this meant opposition to "the trusts," big city Republican "bossism," and "Eastern Yankee big business."

In 1885, at the adventuresome age of 18, William Ashbrook founded a weekly newspaper, the *Johnstown Independent*, which still prospers. Since 1953 it has been published by John M. Ashbrook. The elder Ashbrook also began a banking business in Johnstown now run by John's brother, Bill. His brother, Jim, heads the local insurance agency.

Though Grover Cleveland may have been a reformer, he remembered his friends. His second term from 1893 to 1897 were the years during which William Ashbrook served as U.S. Postmaster at Johnstown, his first public office. With the election of Ohio's William McKinley in 1896, both Democrats, President and postmaster, were out of a job. In 1905 Bill Ashbrook was elected to the state legislature and in 1905 he received the Democratic nomination for Congress.

The election year of 1906 was a "bad year" for Ohio Republicans. Nearly leaderless, suffering from the exposure of corruption and bossism in the cities, the GOP incumbent governor, Myron Herrick, made the fatal mistake of vetoing a restrictive liquor bill. The ensuing alliance of a wrathful Ohio Anti-Saloon League and a reform-minded Democratic ticket ousted the governor and many other Republican office holders. It also elected the Hon. William Albert Ashbrook a representative to the 60th Congress of the United States.

There he stayed until narrowly defeated in the massive 1920 Republican landslide led by his friend and fellow Ohio newspaperman, Sen. Warren G. Harding. Ashbrook returned to Ohio to engage in business and farming, and in 1934 was again elected to the House. He served until his death on New Year's Day, 1940, and during those years fought the New Deal of Franklin Roosevelt with all the zeal he had applied in promoting the reform Democracy of Grover Cleveland nearly a half-century before.

William Ashbrook remarried at the age of 55, after the death of his first wife. His second marriage produced five children, three boys and two girls. John Milan Ashbrook was born on Sept. 21, 1928, when his father was 62.

Those who know John Ashbrook are aware of his great respect and admiration of his father. One of the congressman's close associates remarked that "sometimes it seems as if John is trying to be as much like his father as possible."

Undoubtedly John Ashbrook was deeply influenced by his father. The elder Ashbrook religiously kept a diary in which he wrote a fascinating chronicle of the men and events in his life. Today, John does the same. While his father was a nationally known coin collector. John has amassed an impressive stamp collection. Whenever his father could escape from Washington, he liked nothing better than to pitch in with his hired hands on his Licking County farm. John Ashbrook gets the same satisfaction from long hours of work at his publishing business.

John Ashbrook is big (over six feet) and handsome, a sandy-haired man of 41 who lives and works with an intensity to make the average man breathless. His hair has a dignified "senatorial" cut and his clothes are fashionably colorful, tastefully reflecting his innate conservatism.

If he works hard, he also relaxes hard. He loves to take an afternoon off (though he rarely can) to unwind by a swimming pool. A Baptist and regular church-goer, he neither smokes nor drinks (though he has been known to sip a glass of wine). More often than not, when the drinks are ordered he has a Coke.

"John," as everyone calls him, is also somewhat of a gourmet. He can reel off a list of the finest restaurants in every major U.S. city along with their specialties. Periodically he fights the weight problem with crash diets which temporarily succeed. He loves football (especially as played by his favorite, Ohio State), and that typically American obsession, baseball. Like so many Ohio politicians, he likes nothing better than to spend an evening (sometimes the better part of the night) playing cards with his two brothers or his political "cronies."

Ashbrook's friends in the House of Representatives are mostly those who share his political views. Cincinnati's Rep. Don Clancy, Columbus' Rep. Sam Devine, Pennsylvania's Rep. Bob Watkins, Rep. John Hunt of New Jersey and Ashbrook form the nucleus of an after-session dinner club which often adjourns from Capitol Hill to a plain middle-class suburban restaurant that serves excellent home cooking, the Oakland Inn, or one of several Washington beef houses.

John Ashbrook, those who know him marvel, has a tremendous capacity for work. He admits, "I often work 90 hours a week, although I used to do more." He expects almost as much from his staff.

His Capitol Hill office turns out a steady stream of well-researched reports, speeches and inserts for the *Congressional Record*. He and his staff pay meticulous attention to the needs of the people of Ohio's 17th district and it is an office rule that every letter must be answered promptly. (But his own desk is usually stacked so deep with papers, an important document sometimes gets "mislaid.")

Rep. Ashbrook not only maintains constant contact with his Ohio constituents, he rarely fails to spend a weekend at home. He has been known to commute daily from Washington to Ohio and back for a week; from the House floor to meetings, fairs and business in Ohio.

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[1] George F. Hobart is the pen name of a Washington journalist and political activist who has long followed congressional affairs.

Added to this is a heavy schedule of congressional committee hearings and a constant round of airplane flights to all points in the nation for speeches in behalf of conservatism. In one recent month the Ohio congressman spoke at dinners in Los Angeles, New York City and Arkansas, attended a meeting in Chicago, spent most of each week in Washington or Johnstown and also represented the U.S. Congress in Geneva, Switzerland, as a delegate to the annual meeting of the International Labor Organization.

John Ashbrook very much wanted to serve in the Second World War, but was too young. In 1946, after graduation from Johnstown High School, he enlisted in the U.S. Navy and promptly volunteered for a two-year tour of duty with Adm. Richard Byrd's last expedition to Anarctica. Ashbrook served as a lowly Storekeeper, First Class, on one of the supply ships and he still vividly recalls the bone-chilling cold during Christmas, 1946.

When Storekeeper Ashbrook returned from the U.S. Navy, he married the attractive young Joan Ellene Needels on July 3, 1948. They now have three beautiful daughters. Barbara, the oldest, is married to Joseph Robertson, the son of a Johnstown doctor, and has presented her parents with a grandson. Both Barbara and her husband are attending Ashland College. The Ashbrooks' second daughter, Laura, 19, has just started her studies at Wittenberg College in Ohio, and Madeline, 15, is in high school.

If his family history had not served to make John Ashbrook a conservative according to his account, his college education would have.

He was graduated from Harvard University in 1952, obtaining a B.S. degree cum laude. "I started out at Harvard as a conservative," he says, "but my professors and what they taught me made me even more so. I learned the worst thing a college student can do is accept without question everything he hears in a classroom. I went to Harvard because of its academic prestige, but I never did get over the feeling that I was in Eastern enemy territory a long way from the Midwest heartland. My theory about a Harvard education is that if you don't mention it, usually nobody will notice."

Small wonder the future Ohio congressman was "turned off" by what he found at Harvard. Among others, Ashbrook took courses from a list of liberal professors that reads like a conservative black list.

Included were Arthur Schlesinger Jr.; John Kenneth Galbraith; Samuel Beer (the first president of Americans for Democratic Action); Alvin Hansen; Merle Fainsod; Seymour Harris and McGeorge Bundy. Of Bundy, who later became an adviser to Presidents John F. Kennedy and Lyndon Johnson, Ashbrook has a strong recollection: "When I first met him he struck me as absolutely the worst liberal I have ever known and, in my opinion, he's been going downhill ever since."

In 1955 John Ashbrook received his law degree from Ohio State University and joined the staff of the attorney general of Ohio as a special counsel. He still maintains an active interest in the law and has a legal library which would rival most law schools.

In national and Ohio Republican circles, John Ashbrook has not always been controversial. He worked his way up through party ranks beginning as precinct committeeman in Johnstown, a post he still holds. (Says Ashbrook: "I'm proudest of the fact that, just like the late Sen. Bob Taft, whenever my name has been on the ballot I have always carried my own precinct.") In 1956 Ashbrook defeated an incumbent to gain his first elective office—his father's old seat in the State House of Representatives. At the same time, from 1956 to 1960, he served as Licking County GOP chairman.

John Ashbrook's emergence on the national Republican scene came as a result of his election as president of the Ohio League of Young Republicans in 1954. "Ray Bliss [then Ohio GOP chairman] didn't really know how conservative I was," says Ashbrook, "or I would never have been elected."

Using his Ohio YR post as a springboard for national office, the young state legislator announced his candidacy for chairman of the Young Republican National Federation in 1955. With the help of close friends from his Harvard days, William A. Rusher (now publisher of *National Review*) and F. Clifton White (destined to become the "architect" of the 1964 Goldwater nomination), the three conducted such an effective campaign that Ashbrook was elected without opposition.

This tribute, then unprecedented in Young Republican annals, came as a result of hard work, careful vote-counting and campaign visits by Ashbrook to every state Young Republican meeting in the nation. It gave him his first taste of the national political exposure that has steadily increased since.

Looking back on Ashbrook's election as YR chairman, Clif White recently summed up the 1955 campaign's "blood, sweat and tears" succinctly: "In those days the only thing we ever worried about was where to bury the body."

Rep. Ashbrook has always played hard at politics, and he places a great deal of importance on the organizational aspect of that work. When he decided to run for Congress in 1969, he made sure that all the bases were covered within his own district and avoided a potential primary challenge. In November 1960, he defeated an incumbent liberal Democrat, Rep. Robert Levering, by a nearly 10,000-vote margin out of 140,000 votes.

Although he believes in strong organizational work on the local level, Rep. Ashbrook has fought hard against the development of Republican counterparts to the Democratic big-city machines. This stand, he says, "may not have made me very popular with the bosses and their followers, but I think it has helped me with rank-and-file Republicans in Ohio."

Rep. Ashbrook's remarks seem to be directed principally at Ohio's two-term Republican governor, James Rhodes, with whom Ashbrook has had some strong differences of opinion. He points out that Rhodes' rule of the Ohio GOP has produced one of the most liberal (ADA rating: 70) freshman Republicans in the U.S. Senate, William Saxbe. "I hardly think Saxbe reflects the views of most of Ohio's Republicans—or most of its citizens," says Rep. Ashbrook.

John Ashbrook has had to pay the price for his independent party attitude. As the result of the U.S. Supreme Court's "one man, one vote" ruling, Ohio's congressional district lines have been redrawn twice since 1960, each time by GOP-controlled legislatures dominated by Gov. Rhodes.

"Each time mine has been the only district with an incumbent Republican which has been gerrymandered with the maximum possible harm for my re-election prospects." Each time, however, Ashbrook has beat the odds and won.

In 1966 he faced what was supposed to be his toughest test. The legislature threw him into the same district with an incumbent veteran Democratic congressman, Robert Secrest, who had served 20 years in the House. Ashbrook beat Secrest handily, but he expects future gerrymandering if he seeks to retain his House seat.

In the only head-on contest between Gov. Rhodes and Rep. Ashbrook, the congressman won hands down. That occurred in 1968 when Rhodes blocked Ashbrook from running as a GOP national convention delegate pledged to Rhodes' favorite son candidacy. Ashbrook needed Rhodes' approval as required by Ohio law, but the governor refused. Stung by Rhodes' high-handed actions, Ashbrook fielded his own slate, pledged to himself, and he, one other delegate and two alternates, all swamped Gov. Rhodes' handpicked candidates by large margins.

What is the philosophy that has made John Ashbrook, in the estimate of the Cleveland *Plain Dealer*, "a leading force in U.S. conservatism"? The Ohio congressman is quick to explain his views:

"I have a philosophy of government and I know what I believe. I guess I could be called a 'liberal' in the classic sense, but under today's labels I am a conservative. The true liberal fought for the individual's rights against the crown, which now means big government. But the modern liberal wants to give all power to the crown—to the executive—and that I will always fight. The modern liberal has an extremely shortsighted view. I think most conservatives have a sense of history which makes them far more visionary about the future.

"In the end, those who have stood and fought for principle have usually been vindicated. In my view, the American conservative is the one who must do that today."

Of his own conservatism he says: "I have a philosophy, viable or unviable, salable or unsalable. I know what I want to do."

Does this make him popular? "I recognize I am not appreciated by a lot of people and I don't much care. If the people want to retire me from office, it will be no great loss to me. I only persist in this because I believe in what I am doing. I'm not going to conform to what other people are doing just for the sake of conformity. I try harder than most people to do what I think is right."

His public record and private comments indicate only one set of standards which John Ashbrook applies to himself and all other public figures regardless of party: the principles of conservatism. In his view this allows room for occasional disagreement on special issues, but Ashbrook has been highly critical of liberal House Republicans who have consistently voted with the Democrats during recent years.

To underscore this record of liberal GOP defections, Ashbrook devised a scorecard he calls the "Democratic Margin of Victory" (DMV), a catalogue of the House votes since 1960 which resulted in victories for the Kennedy and Johnson Administrations solely because 30 or fewer House Republicans supported the liberal Democratic position.

Discussing the DMV, Ashbrook told the *Christian Science Monitor's* Capitol Hill reporter, Lyn Shephard: "I don't object to anyone feeling strongly about an issue and voting with the Democrats on that account . . . but when they consistently vote that way . . . at least we can see to it that these defectors don't get rewarded."

Rep. Ashbrook has been just as strict in applying his standard of conservatism to Southern Democrats. He personally compiled the ACA, COPE and ADA scores of all Southern Democrats in the House to prove that fewer than 20 could be really termed "conservative."

Ashbrook's own House voting record since he came to Congress in 1961 shows him to be one of the most regular Republicans. He has voted with the majority of his GOP colleagues on almost every major issue and earned an ACA score of 98 per cent conservative.

That John Ashbrook finds himself increasingly at odds with a Republican President means only that he feels that White House proposals are getting more liberal. The Ohio Republican has made it clear that he is a member of the GOP because it is the conservative party. If the time should come when that ceases to be true, Ashbrook and a good many other GOP conservatives are unlikely to change their allegiance to principle first.

Ashbrook votes against more federal spending, increased federal control, and foreign aid. He has strongly backed the rights of laboring men against the labor bosses and has made it a habit to speak to union groups, when they will have him. (At one such meeting he read a letter he had received from AFL–CIO President George Meany demanding that he vote with "organized labor" on various issues. Ashbrook took an on-the-spot poll of the union members in the hall. When the show of hands ended, the surprised workers discovered they and their conservative congressman disagreed with Meany on federal gun control, higher taxes to finance welfare plans, federal "open housing" legislation and a host of other issues.)

As a lawyer, Ashbrook has a reverence for the Constitution and a deep concern for individual rights, as well as for the checks and balances that were meant to keep government in its place.

He has voted against such federal "civil rights" laws as "open housing" and public accommodations because he believes they falsely promise to elevate the "rights" of a few at the expense of the rights of all. Yet, he was one of the first to feel the lash from the backers of Alabama's George Wallace when he confessed he was puzzled that anyone could support for President a man who flew the Alabama state flag above the American flag at the state capitol in Montgomery.

ASHBROOK ON WALLACE

In a pre-election statement last November, Ashbrook was far more explicit about Wallace: "As a conservative, I don't stand for enforced segregation. I stand for freedom and I think the Constitution does, too. George Wallace's slogan only recently was 'segregation forever' and . . . in my view that separates him decisively from the conservative position."

Ashbrook attacked Wallace as a "big spender" and "populist" whose attitude towards the federal government "is that of one of the biggest centralizers" except when it comes to questions of "racial policy."

Rep. Ashbrook opposes total abolition of the electoral college (he favors the district plan) and while acknowledging the population problem, he is against government birth control plans ("That certainly is a matter for individual conscience"). The Ohioan would cut off federal aid to students who disrupt campuses, though not to entire colleges which suffer such disorder. He opposes gun controls, but, since he is strong on law and order, he favors mandatory sentences for convicted felons who use firearms.

As the ranking Republican on the House Internal Security Committee, Rep. Ashbrook is far more concerned with the threat of communism than the average congressman. He faults public officials for ignoring or whitewashing Communist infiltration and exploitation of campus disorders, racial agitation and urban riots. Applying his informed concern about communism to the foreign policy field, Ashbrook says the United States should always decide "in favor of our national security," and therefore he backs the ABM deployment.

"There are certain gut issues which divide conservatives and liberals," says Rep. Ashbrook, "and these include the attitudes toward limited government, fiscal responsibility and our policy toward communism."

The crux of his differences with the Nixon Administration, as Ashbrook sees it, is consistency. "I am not one of those who can 'view with alarm' under Kennedy and Johnson, then 'point with pride' when the same policies are advanced by a Republican President. In time some circumstances may change, but basic principles remain the same."

Although Rep. Ashbrook is the ranking Republican on the House Committee on Internal Security and third ranking on the politically potent House Committee on Education and Labor, he doubts he will ever attain any House Republican leandership post. After a decade of observing Congress, he says: "It appears to me that the first requirement for becoming a Republican leader is to establish yourself as a conservative and then slowly and constantly move to the left. It's the classic example of people 'going along' in order to 'get along.'" Ashbrook once told an Ohio newspaper: "I have never felt I had to go along with anything and getting along is not important to me."

While Ashbrook has many friends in the House, his outspoken conservatism has often made GOP leaders uneasy. He has a reputation for highly quotable cloakroom comments that can sting.

At a luncheon at the "Republican roundtable" in the House restaurant in 1968, Ashbrook and several others listened to one of the House GOP leaders expound on the political benefits that would accrue to the party if his colleagues would reverse themselves and vote "only a few million dollars" for a federal "rat control" program for the big cities. Ashbrook's GOP colleagues almost dropped their silverware as he fixed the Republican leader with a stare and said, "Spoken like a true whore."

But more often than not, Rep. Ashbrook has been a leader, especially in national conservative politics.

Preoccupied with his own first race for Congress in 1960, Ashbrook soon returned to the national GOP scene in 1962 as one of the original and most active members of F. Clifton White's "Draft Goldwater Committee." Only days before the 1964 election, he met with William F. Buckley Jr., Bill Rusher, L. Brent Bozell, Frank S. Meyer, the late Rep. Donald C. Bruce of Indiana, and others in a West 37th Street brownstone in New York City owned by the Buckley family. On the Saturday afternoon before the GOP suffered its greatest electoral defeat in history, the American Conservative Union was born. In December 1964, ACU was formally launched in Washington at a meeting attended by many conservative leaders.

From the first, Ashbrook, who became ACU national chairman in 1965, has regarded the organization as the conservative counterpart to Americans for Democratic Action. He has recruited its national membership (now around 15,000) with evangelic zeal, preaching organization and the dissemination of conservative ideas and programs.

As ACU national chairman, Ashbrook takes special interest in its monthly publication, *Battle Line*, which gives a conservative view of national, state and local political developments. He has also supported a broad program of ACU publications designed to zero in on current topics. Ashbrook is now encouraging a stepped-up drive to expand ACU political action and he cherishes the goal of a "conservative national headquarters" in Washington designed to promote unity among responsible conservative groups, publications and individuals.

The congressman also serves as a member of the Executive Committee of the Committee of One Million (Against the Admission of Red China to the United Nations) and has been very active as a member of the Advisory Board of Young Americans for Freedom. On keeping up with political news, Ashbrook says, "Whenever someone out in the boondocks asks me what's going on in Washington, I just ask 'Don't you read *Human Events?*'" He estimates that he has every book offered by the Conservation Book Club, which he also serves as an adviser. At the moment he's thinking of writing a book himself, if he can ever find the time.

ASHBROOK ON NIXON

John Ashbrook first met Richard Nixon when the latter was vice president. "I have always felt, both as a conservative and a student of communism, that Richard Nixon was admirably equipped to act decisively in the best interests of the United States," Ashbrook said last June.

His basic respect for Nixon has not changed. He feels the greatest asset the President has is his image of respectability and calm purpose, welcomed by Americans after the "wheeler-dealer" era of Lyndon Johnson.

But the Ohio Republican is frankly unhappy about the course taken by President Nixon since his inauguration.

As the 1968 Republican National Convention approached, Rep. Ashbrook fought against Gov. Rhodes for a seat as a delegate from Ohio. At the Miami convention, he was responsible for the only two Ohio votes cast for Nixon's nomination.

Though he said he could easily have supported Gov. Ronald Reagan, Ashbrook stuck with Nixon. He correctly concluded that Gov. Rhodes was maintaining the "favorite son" hold over Ohio's delegates as a favor to New York Gov. Nelson Rockefeller. (Rockefeller later acknowledged this, praising Rhodes for being "solid as a rock.")

Also, Ashbrook was convinced that Nixon would indeed bring about a real change in Washington. With Gov. Reagan unable to break Nixon's Southern support, and lagging in delegate strength, Ashbrook cast his vote for Nixon's nomination.

Perhaps Ashbrook expected too much from Richard Nixon. Sen. Barry Goldwater of Arizona, Ashbrook's friend and 1964 hero, answered Republican complaints earlier this year, saying: ". . . Dick Nixon hasn't changed any since 1952 or '53. Anyone who supported him thinking he was as conservative as I am is mistaken. But he's a hell of a lot more conservative than Hubert Humphrey or Ted Kennedy."

But that relative standard for political conservatism is not enough for John Ashbrook. He clings to the increasingly rare notion that when a man makes a promise, he will fulfill it.

A FEW DISAPPOINTMENTS

In March of this year Rep. Ashbrook first admitted his public disappointment with the President. He told *Newsday* reporter Joseph Albert: "The average conservative is upset about President Nixon's failure, so far, to clean out the State Department. We have a right to expect better performance from a man we elected. He needs the people he is alienating right now, because the liberals won't be with him in 1970 and 1972." A few days later Rep. Ashbrook told the President the same thing personally at a private White House meeting.

Things have not been all bad since the Nixon Administration took over in Washington, Ashbrook readily admits. He has publicly praised the President's nominations of Warren Burger and Clement Haynsworth to the Supreme Court, and was pleased that Nixon did not back down on the ABM. But still he is seriously concerned about the trend of this Administration and, as a national conservative leader, has used his access to the White House to privately make his views known.

Ashbrook has been especially critical of the Nixon Administration's appointees and policies when he thought principles were involved. He voted against the President's request for an extension of the 10 per cent tax surcharge, saying that "no meaningful effort has been made to cut spending . . . a vote to extend the surtax is irresponsible—it merely assures the spenders that the money will be there to continue business as usual." Ashbrook added: "I will support the President steadfastly in his efforts to bring about the changes he promised the American people. I will just as vigorously oppose him when he goes in the opposite direction."

Two days before Nixon left for his June

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meeting with President Thieu of South Viet Nam, Ashbrook publicly called for Nixon to reaffirm his past pledges to avoid any coalition government which would include the Communists. After the Midway Island meeting it was Ashbrook's judgment that "the President is mistaken in his appraisal of the basic intentions of the Communists regarding this war. So far President Nixon's words about the Viet Nam war can give little comfort to those fervently wishing for an extension of freedom everywhere."

Ashbrook's own views on Viet Nam stated in early August are unequivocal: "If the Paris peace talks are abandoned or reach a hopeless stalemate, I would sharply intensify the war effort without major troop commitment. We have a legitimate reason for halting this advance of communism. Unilateral withdrawal would signify our unwillingness to challenge the Soviet Union's aggressive plans for world domination."

CHANGES ARE NEEDED

On the floor of the House of Representatives on July 1 he said, "A coalition government in Viet Nam may be just around the corner in one form or another . . . if that is what the White House wants . . . count me out."

Rep. Ashbrook was also disturbed by President Nixon's July 11 "Captive Nations Resolution," which is supposed to be an annual restatement of American determination to restore freedom to Communist-dominated nations. Ashbrook inserted in the *Record* the Nixon resolution (which failed to mention communism) side-by-side with the 1959 resolution proclaimed by President Eisenhower which was a stinging rebuke to the Reds. Ashbrook called Nixon's captive nations statement "frustratingly inane and perfunctory."

He added: "After waiting six months I have seen no basic change in our State Department or our foreign policy. We were promised a change. As a loyal Nixon supporter I told people there would be a change and I will not be satisfied until there is a change."

Perhaps most disturbing of all to John Ashbrook are certain major aspects of President Nixon's welfare reform proposals. Two years ago Ashbrook called for many of the same reforms, including work training for the unemployed.

But Ashbrook coupled his call with support for tax credits to encourage the establishment by industry and businesses of job training programs aimed at hiring the unemployed. Nixon campaigned on the same platform of "volunteerism" during 1968, but it bothers Ashbrook that Nixon seems to have forgotten his devotion to this principle of involving the "private sector."

CRITICAL OF WELFARE PLAN

Eighteen months ago Ashbrook warned against GOP support for the principle of a "guaranteed annual income." Many political writers have termed this a central concept of the President's new welfare plan. To Ashbrook, such a concept is GOP heresy. "The only way our system can work," Ashbrook said in 1967, is "to encourage everybody to take care of themselves. For the government to embark on a policy to take care of everybody would be disastrous."

Ashbrook was one of a group of about 35 House Republicans who personally complained to the White House about the Nixon welfare plans before they were revealed. Their opposition, at first ignored, produced only conservative-sounding changes in the President's televised speech, but no change in his actual proposals.

Whatever his current differences with the President, Rep. Ashbrook clearly believes there is hope for more conservative Nixon policies in the future. Appearing on the Metromedia television show, "Evans-Novak Report" on September 7, Ashbrook did not hesitate to criticize the Nixon Administration and its policies (he even called for the resignation of HEW Secretary Robert Finch). But the Ohio conservative leader stated emphatically that he did not regret his 1968 support for Nixon's nomination and election.

Accustomed to evasive Washington politicians columnist Bob Novak commented at the end of the TV show, "Whatever you may say about John Ashbrook, he certainly is no 'trimmer' when it comes to speaking his mind on the issues."

Increasingly in demand because of his leadership of conservatives, Rep. Ashbrook is getting notice from the press and the communications media. A few weeks ago on the Chicago CBS–TV talk show, "At Random," Ashbrook was battering the New Left, which was represented on the panel by a Black Panther "defense minister," and draft resister Mark Rudd of Columbia University and Students for a Democratic Society fame.

When the sloppily dressed SDS leader shouted that Ashbrook was "a typical representative of the exploiting capitalist class" and demanded he give the details of his personal finances, Ashbrook shot back, "I'll be glad to explain my finances if you'll tell me the last time you were high on drugs." Rudd, his eyes red and slightly glazed, abruptly shut up.

PLANS FOR 1970

At 41, John Ashbrook is still a young man in politics. What's next after 10 years in the House? Ashbrook told the Newark, Ohio, *Advocate* that in 1970 he will run either for governor or for U.S. senator from Ohio. Later he revealed to reporter Abe Zaidan of the Akron *Beacon-Journal* that he was considering the formation of a full "conservative ticket" to run in the 1970 Ohio Republican primary. Ashbrook told Zaidan that he believed the people of Ohio are fed up "with the game of musical chairs going on in Columbus," a reference to Gov. Rhodes' past control of statewide GOP nominees.

Rhodes, barred by law from a third term, has his own eye on the U.S. Senate seat now held by a 81-year-old Democrat Stephen Young. In a few weeks Rhodes is expected to attempt to make a full public explanation of income tax irregularities charged by *Life* magazine. A supposedly secret conference of the governor and his political advisers will then decide whether he should run for the Senate.

Rep. Robert Taft, Jr. of Cincinnati, defeated by Young for the Senate in 1964, has also indicated an interest in running for the Senate, or possibly trying to succeed Rhodes in Columbus. Meanwhile, young Congressman Donald (Buz) Lukens already is sporting an "All-Ohio Draft Lukens for Senate Committee" and makes no secret of his availability.

On the Democratic side, the popular Frank Lausche has admitted in the last few weeks that he is considering a race for governor even though he is 78 years old. (Lausche served as governor for 10 years prior to his two Senate terms, ended by defeat in the 1968 Ohio Democratic primary.) Also in the Democratic wings is ex-astronaut and Kennedy family friend John Glenn, who has been making noises about a race for Sen. Young's seat.

POSSIBLE CHAIRMANSHIP

Where John Ashbrook fits into this picture is still an open question. Close friends and political supporters will tell you he is—and he isn't—going to run for senator, or governor. When Rep. Lukens informed Ashbrook that he was planning to make the Senate race, Ashbrook thanked Lukens for the courtesy of telling him before announcing, but gave Lukens no assurance that he would not also enter the fray.

Meanwhile, as Columbus *Dispatch* reporter George Embry noted, he has been "providing much of the steam for the regular Republican movement" in the House, a sort of "conservative caucus" which has been spurred into action by its concern over President Nixon's liberal moves.

Should Rep. Ashbrook decide to stay in the House, a 1970 Republican House majority would elevate him to chairmanship of the Internal Security Committee, a possibility he views with a relish as great as the horror it strikes in the hearts of liberals.

Staying in the House should not be too hard a job. In 1965, when a "John Ashbrook Testimonial Rally" was held at Ashland College, the gymnasium was filled with 3,000 supporters, and another 3,000 had standing room only. The crowd included busloads of young Ashbrook supporters from as far away as Cleveland and Cincinnati. The list of speakers included William F. Buckley Jr., Ronald Reagan of California; Ohio's former governor, Judge William O'Neill; and a good many Republican notables from all parts of the state.

Since then, Ashbrook has been twice reelected to Congress with comfortable margins. A recent poll taken at the Knox County Fair (in the heart of his 17th district) showed that no less than 80.3 per cent of those asked thought Ashbrook was doing a good job in Congress. The same poll showed Ashbrook leading nine other contenders, including Bob Taft Jr., by more than 2 to 1 as the preferred GOP candidate for governor. Ashbrook also led the field as the most popular GOP candidate for U.S. Senate. Similar polls and even private surveys by the Ohio GOP have shown him running surprisingly well for both spots on the ticket outside his district as well.

Ashbrook has no pretensions about holding public office. He loves to tell the story about a little old lady he encountered at a busy intersection in one of the large towns in his district during his 1966 campaign. She was obviously having difficulty in crossing the street and the congressman assisted her to the other side.

She thanked him profusely and his response was that the best thanks she could give him would be a vote for him, since he was running for Congress. "Thank heavens such a nice man as you is running," beamed the little old lady, "because that fellow we've got in there now is sure no good."

PHILOSOPHY FOR THE FUTURE

John Ashbrook could probably remain in the House of Representatives as long as he has the desire to serve. His friends say the young legislator has already established a life-long pattern of accomplishing whatever goals he seeks. "When John thinks the time is right," they insist, "he will move with all the precision and passion which has always marked his political career."

Whatever lies in his future, nothing could have served as a better summation of the things John Ashbrook has fought for and against than a small incident that occurred in February 1968.

Under orders from Gov. Rhodes, the Ohio Republican State Central Committee adopted a resolution binding all delegates to the GOP national convention to support Rhodes' favorite son candidacy. John Ashbrook, a Nixon supporter, could hardly go along with this.

He rose to plead with his fellow Republicans (many of which privately shared his views) to allow at least some of the Ohio delegates "to be guided by their consciences rather than being dictated to by bosses in a smoke-filled room." Replied Wayne County GOP Chairman Marion Craven, in a political aphorism which will long outlive the man who uttered it, "Conscience is for church people, not for politicians."

John Milan Ashbrook of Ohio continues to hold the firm belief that "conscience" is the reason for conservatism, the philosophy for the future. What could have inspired greater pride in a father than to have his

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son adopt that as his life's credo? William Albert Ashbrook would have been proud.

CANCER RESEARCH A PERSONAL VIEW

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 20, 1969

Mr. OBEY. Mr. Speaker, one of the most personal and eloquent statements about our lopsided priorities came this week from a man with whom I served in the Wisconsin Legislature for almost 7 years.

Harvey Dueholm is a man of immense personal and political courage. He is one of the few men about whom I can truthfully say that I never saw him cast a vote he did not believe in. Harvey has been known as the conscience of the Democratic caucus, and for that matter the conscience of the Wisconsin State Assembly. He has a goodly share of country horsesense as I think the following article will show.

I submit that the following article from the Antigo Daily Journal be printed in the RECORD at this point:

DEM LEGISLATOR FEELS HE OWES HIS LIFE TO UW

LUCK, WIS.—There was a lot of pressure in the 1969 session of the Legislature to crack down on the University of Wisconsin, but state Rep. Harvey L. Dueholm didn't buy any of it.

The Luck Democrat feels he owes his life to the university.

After a 10-year battle with cancer and treatment by UW physicians, Dueholm was cured.

"If nothing had been done, I'd be dead," the 59-year-old dairy farmer said in an interview.

Dueholm, who has represented Burnett and Polk counties since the 1959 session, is recuperating from exploratory surgery at the UW hospitals. After that operation, doctors said they could find no trace of cancer.

"It's been 10 years since I first had surgery to remove a tumor in the colon," Dueholm said. "It was removed, but it came back in the fall of 1965. I got real sick. It was removed again and I was put on (the cancer drug) 5FU and took it for four years."

"The doctors decided this fall to have exploratory surgery since my health was so good," he said. "After the surgery, the doctor came and told my wife that he could see there had been extensive surgery last time but he could see no signs of a tumor anyplace. They could find no sign of cancer."

DEVELOPED AT UW

Dueholm said he didn't know whether his recovery was due to the surgery or the drug, developed at the UW by oncology Prof. Charles Heiderlberger and first announced in 1957.

"It was a very good job with a knife and they don't know how much is due to the knife or 5FU," he said. He said he has made it a point to encourage other cancer victims who have been put on 5FU so they don't think the treatment is a futile effort.

Dueholm, noted for his crusty, rural humor which frequently has the Assembly in stitches, said he was under some pressure to vote for politically popular resolutions and university budget cuts, but would have nothing to do with them.

He specifically cited resolutions condemning the Rev. James E. Groppi for his role in a takeover of the Assembly chambers and commending Oshkosh State University officials for cracking down after a destructive black student protest.

"I got some heat on the Oshkosh resolution," Dueholm said. "It was due to a misunderstanding. Some people thought the resolution really meant something."

NOT TRUE

"The sad part of it is that, on a vote like this, some people think you are against law and order and are upholding what the students are doing," he said. "That's not true. I don't agree with rioting. But I don't make a blanket condemnation. I go with the idea that each man is innocent until proven guilty."

Dueholm said the Legislature has not done enough for the university. He said he felt a lot more money should be spent in areas such as cancer research.

"I lost a father and a sister because of cancer," he said. "I had some wonderful care out there. We should be giving the university more for research and help because it would probably help someone else."

"Even the doctors I visited with are conservatives politically, but they can't understand things such as President Nixon's cutting back on cancer research," he said. "It's really a shame to see where Dr. (John R.) Cameron has his office, it's really a hole in the ground."

"They could use an awful lot more money for cancer research," Dueholm said. "We use so much money for everything, such as defense, but we can't seem to get it for cancer research."

GSA EFFECTIVENESS

HON. DANIEL E. BUTTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 20, 1969

Mr. BUTTON. Mr. Speaker, I would like to commend the Administrator of General Services, Robert L. Kunzig, for the efforts of GSA toward making the Federal Government more responsive to the needs of the public. A new Federal "hotline" has been installed from Albany to the GSA Federal Information Center in New York. This direct-line phone service will assist citizens of Albany, Schenectady, and the surrounding area who wish to deal with the Federal Government. It will help them to find the right agency or office.

At this point I would like to insert into the RECORD an article which appeared in the Schenectady Gazette on November 19, 1969:

NEW FEDERAL HOT LINE TO INFORMATION CENTER

The so-called "incomprehensible maze" of federal government is about to be unscrambled for the citizens in the Albany area. Starting Friday, the General Services Administration will operate a direct-line phone service from Albany to the Federal Information Center in New York.

The function of the new federal "hot line" is to assist persons who need a service provided by the government but who do not know which agency or office provides it.

The local number in Albany to call is 463–4421. It will put citizens in direct contact with the Federal Information Center in New York, according to GSA.

The Federal Information Center is operated by specially trained career federal employees who will provide prompt and accurate referral information concerning federal activities. A "where-to-turn center," it opens a new channel of communication between the U.S. government and its citizens.

The General Services Administration, operator of the centers, is the multi-billion dollar business arm of the federal government. It is headed by Administrator Robert L. Kunzig.

A LEADER OF MEN

HON. W. C. (DAN) DANIEL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 20, 1969

Mr. DANIEL of Virginia. Mr. Speaker, on December 31, one of American's industrial giants will step down as board chairman of Dan River Mills, Inc. This distinguished gentleman, William J. Erwin, will leave behind him an enviable record of achievements. Through energetic determination and devotion to self-determined goals, his life has been one of service to the industrial community, of which he has been such an integral part. He is one of that special breed of men who persevered and led American industry to its present state of greatness.

Mr. Erwin will retire from work, but not from life. This would not be true to his "nature." His unusual talents and abilities will now be used in the independent sector where leadership is so urgently needed. The lives of those with whom he labors in this new vineyard will be enriched, and the community, State, and Nation will be the beneficiaries.

By recognizing the value of a life so dedicated to noble purpose and high personal ideals, many people will strive to emulate his greatness.

It was my pleasure, Mr. Speaker, to work as Mr. Erwin's assistant for 13 years. I know of no man who inhabits a more lofty sphere of thought or who commands greater respect from his fellow men than does Mr. Erwin. He is an inspiring leader, an ingenious thinker, and a humanitarian in the broadest sense. In order that my colleagues may have an opportunity to review a part of his record, which appeared in the Sunday morning, December 14 issue of the Danville Register, and draw inspiration therefrom, I insert the relevant part of the story in the RECORD:

ERWIN TO RETIRE DECEMBER 31 AS DRM BOARD CHAIRMAN—OTHER INTERESTS TO KEEP HIM BUSY

William J. Erwin, who guided Dan River Mills, Inc. for 14 years as chief executive officer, will retire as chairman of the board of directors on December 31. He will continue as a director.

Now 69, Erwin spent his entire working career in the textile industry. It was a career that brought him national and international honors and recognition, and included high level positions with other major textile firms, such as Riegel Textile Corporation and J. P. Stevens & Company.

When Erwin joined Dan River as its president in 1953, the company was concentrated in Danville, had about 10,000 people, with annual sales of about $80 million. Today, Dan River operates 31 plants in five states, employs over 20,000 people and has a sales capability of over $300 million annually.

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In confirming his retirement, Erwin added: "But I'm not quitting work. I've worked all my life and I want to keep busy."

About his plans, he said, "I hope to be able to spend some time in social causes and help to relieve some tension. Our society has been good to me and I want to help others."

Keeping busy will pose no problem, since he is involved in many educational, health and welfare institutions and activities at local, state and national levels, as well as in industry groups.

One of his busiest civic responsibilities is as a member of the executive committee of the Memorial Hospital, currently launching a $6 million building program.

He is a past president and director of the American Textile Manufacturers Institute and a director of the National Cotton Council. He served as trustee of Virginia Polytechnic Institute and the Union Theological Seminary in Richmond. Currently, he is a trustee of Hampden-Sydney College, Randolph-Macon Woman's College, Stratford College and the University of Virginia Graduate School of Business Administration. He also serves as director of the Virginia Foundation of Independent Colleges, the Sirrine Foundation and the North Carolina Textile Foundation.

Business directorates include the Carolina and Northwestern Railway and the American National Bank & Trust Company of Danville.

Looking back over a career that began in the summer of 1921 after earning a bachelor's degree in textile engineering at Clemson University, Erwin said that the most satisfying experience in textiles was his work at Dan River Mills.

He didn't detail it, but that experience saw the growth of the corporation as cited above, from a Danville enterprise into a five-state production system with national and international sales organizations.

Next, he said, was his time as president of the American Textile Manufacturers Institute (ATMI), which he found to be "a terrific challenge".

The native of Pineville, N.C., began his textile career in Lynchburg, as a textile engineer with Consolidated Textile Corporation. The textile road from Lynchburg to Danville was rough but not so rough and a great deal more rewarding than the railroad over which old 97 rolled.

His continuing interests will include the ATMI and its international counterpart, the International Federation of Cotton and Allied Textile Industries (IFCATI) in which he has been active as chairman of American delegations to several meetings abroad and in this country.

Chronological highlights of Erwin's career in addition to his Dan River Mills leadership would include his appointment as manager in 1927 of Consolidated's Ella Mills in Shelby, N.C.; in 1929 he became assistant to the president of Republic Cotton Mills, Great Falls, S.C.; in 1939, he was elected a vice president and director of Republic; in 1946, following the merger of Republic into J. P. Stevens & Company, he was elected a vice president of J. P. Stevens; and in 1949, he moved to the Reigel Textile Corporation as a vice president and director.

FREEDOM OF CHOICE

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Saturday, December 20, 1969

Mr. BYRD of Virginia. Mr. President, I ask unanimous consent to have printed in the Extensions of Remarks an editorial entitled, "Freedom of Choice," published in the Richmond, Va., Times-Dispatch of Friday, December 19, 1969.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Richmond Times-Dispatch, Dec. 19, 1969]

FREEDOM OF CHOICE

It has been said before, but it is worth repeating: freedom-of-choice approach to school integration more faithfully follows the American principle of individual liberty than any other plan.

It is as unjust to force a child to attend a particular school because of his color as it is to bar him from a particular school because of his color. Either action deprives the child and his parents of the freedom and dignity they are due as American citizens.

Those senators who voted against freedom-of-choice Wednesday ignored this simple truth. They would allow parents and children to become puppets of the Department of Health, Education and Welfare in its highly dubious efforts to achieve what it considers a desirable degree of racial mixing.

Before the Senate was a proposal to prohibit HEW from using its funds to "force busing of students, abolishment of any school or the assignment of any student . . . to a particular school against the choice of his . . . parents." The House approved such a restriction, but the Senate refused to do so, thanks partly to HEW Secretary Robert H. Finch, who opposed the measure.

Now in a Senate-House conference committee, the restriction could yet emerge to become law. Society in general—not only public education—would benefit if it did. For busing, the reassignment of pupils solely on the basis of race, the closing of schools and other such measures designed to force integration, keep public schools in turmoil and intensify community tensions threatening both public education and public tranquility.

No doubt HEW thinks such tactics are beneficial to Negroes. The truth is that many Negroes are themselves becoming increasingly disenchanted with forced integration and are warming to freedom-of-choice. And well they might, for forced integration is as offensive to their rights as forced segregation.

Opponents of freedom-of-choice apparently think that this approach automatically perpetuates racial injustice. To the contrary, a true freedom-of-choice plan, under which white and black students are really free to enter the school they prefer, cannot be unjust. A so-called freedom-of-choice system that denies a child and his parents this right (through veiled threats or otherwise) is not a genuine freedom-of-choice system and deserves to be attacked. But it is unfair to outlaw all freedom-of-choice plans simply because plans with that name have been abused in some places.

THE ROAD TO SONGMY

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 20, 1969

Mr. ROSENTHAL. Mr. Speaker, the only serious mistake we can make about the Songmy incidents is to fail to understanding will not come in the trial or court-martial of any soldier or any officer, though these judicial proceedings may illuminate some areas. Nor will understanding come by simply condemning again the war in Vietnam as if that tragic and misguided conflict were not itself the result of larger forces.

We will understand Songmy only when these events and this war are seen as both products and causes. Societies can dehumanize men. Wars are an expression of that dehumanization and brutal wars, a brutal expression.

Aristotle said many centuries ago that virtue is a habit. So is vice. Practice brutality in everyday life and it becomes easier to practice it in war. After a brutal war, we are all somewhat more brutal.

Norman Cousins, the distinguished editor of the Saturday Review, considers these questions in his editorial "The Road to Songmy," which follows:

THE ROAD TO SONGMY

"I sent them a good boy," said Mrs. Anthony Meadlo, "and they sent home a murderer." The name of Paul David Meadlo, of New Goshen, Indiana, has figured in the reports of the slaughter of more than 100 Vietnamese civilians (some accounts put the number above 350) by American soldiers at a village named Songmy.

Where did the journey to Songmy begin? Did it begin only after Paul David Meadlo arrived in Vietnam? Or did it start far, far back—back to the first time Paul Meadlo played the game of killing Indians, or cheered when Western movies showed Indians being driven off cliffs? Even in some schoolbooks, the Indians were fit subjects for humiliation and sudden death. They were something less than fully human, and their pain levied no claim on the compassion of children—or even adults.

Long before Paul Meadlo ever saw a Vietnamese, he learned that people of yellow skin were undesirable and therefore inferior. He learned in his history class about the Oriental Exclusion Act, the meaning of which was that people from Asia were less acceptable in the United States than people from Europe. He learned very little about the culture of Asian people but he learned to associate them with all sorts of sinister behavior.

The road to Songmy is long and wide. It is littered with children's toys—toy machine guns, toy flame-throwers, toy dive bombers, toy atom bombs. Standing at the side of the road are parents watching approvingly as the children turn their murderous playthings on one another. The parents tell themselves that this is what children do in the act of growing up. But the act of growing up is an enlargement of, and not a retreat from, the games that children play. And so the subconscious is smudged at an early age by bloody stains that never fully disappear.

Paul David Meadlo grew up in a little town 10,000 miles away from Vietnam; but the kinds of things that were to happen in Songmy came springing to life in his living room where there was an electronic box called television. Hour after hour, the box would be lit up by pictures showing people whose faces were smashed and pulverized, but it was part of an endless and casual routine. Where did the desensitization to human pain and the preciousness of life begin? Did it begin at formal indoctrination sessions in Vietnam, or at point-blank range in front of an electronic tube, spurting its messages about the cheapness of life.

And when the court-martial is held, who will be on trial? Will it be only the soldiers who were face-to-face with the civilians they say were ordered killed? The Army now says

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soldiers should not obey commands that are senseless and inhuman. What well-springs of sense and humaneness are to be found in the orders to destroy *whole* villages from the air? Is a man in a plane exempt from wrongdoing solely because he does not see the faces of the women and children whose bodies will be shattered by the explosives he rains on them from the sky? How does one define a legitimate victim of war? What of a frightened mother and her baby who take refuge in a tunnel and are cremated alive by a soldier with a flame-thrower? Does the darkness of the tunnel make them proper candidates for death?

Will the trial summon every American officer who has applied contemptuous terms like "gook," "dink," and "slope" to the Vietnamese people—North and South? Will it ask whether these officers have ever understood the ease and rapidity with which people who are deprived of respects as humans tend to be regarded as sub-human? Have these officers ever comprehended the connection between the casual violence of the tongue and the absolute violence of the trigger finger?

Will the men who conceived and authorized the search-and-destroy missions be on trial? Search-and-destroy quickly became destroy first and search afterward. How far away from unauthorized massacre is authorized search-and-destroy?

Will the trial ask why it was that the United States, which said it was going into Vietnam to insure self-determination, called off the countrywide free elections provided for in the 1954 Geneva Agreements—after which calloff came not just Vietcong terror but the prodigious growth of the National Liberation Front?

Will the trial ask what role the United States played in the assassination of President Ngo Dinh Diem? Will it ask how it was that political killing and subversion, which had always been regarded as despicable actions perpetrated by our enemies, should have been made into practices acceptable to the United States?

Will there be no one at the trial to explain why the negotiations at Paris were deadlocked over the shape of the table for six weeks—during which time five thousand Americans and Vietnamese were killed? If the men at Paris had been able in advance to see the faces of those who were to die, would this have made them responsible for the dead?

There is a road back from Songmy and Vietnam. It is being traveled today by the American soldiers who gave their Thanksgiving dinners and regular rations to Vietnamese, and who in deed and attitude have made themselves exemplars of a creatively humane presence. There are doctors and teachers and volunteers on this road who comprehend the possibilities and power of regeneration. But their numbers need to be swelled to bursting in order to begin to meet the need.

It is a long road back, not just for the soldiers who were there but for all of us who showed them the way to Songmy.

TAX "REFORM" CHRISTMAS GIFTS TO SPECIAL INTERESTS

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 20, 1969

Mr. OTTINGER. Mr. Speaker, never let it be said that Congress is not fully imbued with the Christmas spirit. Under the guise of tax "reform," the Congress has once again given large gifts to various special interests which have congressional champions in these hallowed halls.

Senator EDWARD KENNEDY did a great service to the public by revealing on December 8 the names of the beneficiaries of a large number of those lucky enough to be included in our congressional Santa's list.

These special interest provisions are generally outrageous giveaways of the taxpayer's money and the worst kind of abuse of the legislative process. If this were not so, there would be no need for such careful concealment of the identity of the recipients of congressional largesse engineered by means of carefully drawn seemingly general provisions of the tax law that are so circumscribed that they qualify only one company or individual for their relief. Occasionally, of course, special provision is justified and, as with the Massachusetts company aided by Senator KENNEDY, in those cases the circumstances which justify the special provision are usually spread out in full upon the record, as Senator KENNEDY did in the case mentioned.

In addition to the impropriety of the concealed beneficiary provisions, however, there arises the problem that the special interest provisions are usually hastily and sloppily drawn without the benefit of Treasury or other expert help. As a result, many of these provisions unwittingly hand over sizable windfalls from the taxpayers' pockets to wholly unintended beneficiaries. By unintended beneficiaries, I mean either:

First. Those individuals or organizations eligible for a special provision, but whose eligibility is not known at the time the special provision is adopted; or

Second. Those individuals or organizations not initially eligible for the special provision, but who subsequently tailor their own specific situations to take advantage of it for tax reasons.

The classic example of the latter, which was discussed in some detail in the Senate on December 7, is the Philadelphia nun provision.

An example of the former has just been brought to my attention. This special provision is in section 121(b)(2)(C) of the Senate bill, lines 17 to 24 on page 125 and lines 1 to 12 on page 126. It exempts certain businesses from the imposition of the unrelated business income tax, but only if they meet these criteria:

First. They must be providing services—that is, broadcasting—under license from a Federal regulatory agency—that is, the FCC;

Second. They must be carried on by a religious order, or an educational institution maintained by a religious order;

Third. They must pay out or donate 90 percent of the earnings of the business for purposes directly related to the reason for the religious order's tax exemption in the first place;

Fourth. They must have been providing the services before May 27, 1959; and

Fifth. The advertising and service rates are competitive with those charged by other broadcasters in the area served.

The chairman of the Senate Committee on Finance explained yesterday in the other body that this special provision was adopted "to give the kind of relief" sought in testimony before the committee by Father Homer Jolley, of Loyola University, in New Orleans. He also pointed out that he had previously announced to the press that this provision was sought by Loyola University.

Last Friday, the Senate adopted by voice vote an amendment offered by the Senator from Iowa (Mr. MILLER). This amendment extends the amendment in the bill to include "State educational institutions" along with religious orders' educational institutions. This amendment includes radio and TV station WOI in Des Moines, Iowa, owned by Iowa State University.

The current edition—No. 26, December 6, 1969—of the Straus Editor's Report lists the following organizations which the special provision probably benefits:

Cathedral of Tomorrow, Akron, Ohio—WCOT–TV;

Donald B. Crawford's Young People's Church of the Air, Lancaster, Pa.—WDAC–FM;

Faith Center, Los Angeles, Calif.—KHOF–FM;

International Church of the Four Square Gospel, Los Angeles, Calif.—KRKD–AM–FM;

Kentucky Mountain Holiness Association, Van Cleve, Ky.—WMTC–AM;

Liberty Street Gospel Church, Lapeer, Mich.—WMPC–AM;

Michiana Telecasting of Notre Dame, South Bend, Ind.—WNDU–AM–FM;

Norbertine Fathers, Green Bay, Wis.—WBAY–AM–TV, and Appleton, Wis.—WHBY–AM;

Oral Roberts, Tulsa, Okla.—KFMJ–AM; and

Red Lion Broadcasting, Red Lion, Pa.—WGCB–AM.

The floor amendment to the provision included this unintended beneficiary:

University of Oklahoma, Norman, Okla.—WNAD–AM.

I am sure this is not a complete list. It will be made complete only upon further careful research, and only after tax lawyers have determined if they can tailor their clients' affairs to fit within it. The precedent of the Philadelphia nun provision looms large.

The difficult issue, as I see it, is this: I have read the testimony of Father Jolley before the Committee on Finance, and the situation he describes is indeed worthy of special attention. If the income from WWL is taxed, as the bill generally provides, then Loyola would lose an important source of operating income. I am sure the same holds true for Iowa State University, and WOI. But whether the other situations described in the Straus Editor's Report, which I have listed, are similar, I for one have no way of knowing.

Where special provisions are justified, they should be limited so that they do not become generally available to cases for which they were not intended. It is not difficult to draft provisions so that they are in effect like a fingerprint—only one case fits. But the provision is not so drafted, and because it is not, there will be unintended beneficiaries. Unjustified and concealed special provisions, of course, should not be passed at all.

If history is any guide, the list of these unintended beneficiaries will grow and grow. The tail will then have wagged the dog once again.

The Straus Editor's Report contains some other horrendous examples of hidden special provisions in the Senate version of the Tax Reform Act which deserve to be brought to public attention. I therefore insert the appropriate paragraphs as follows:

> It'll never be a best-seller, but the Tax Reform Act (1,629 pages if you add Senate and House bills, Summaries and Committee reports) bears careful reading. As the bill now stands (Senate version) there's money in it for two dozen cities from Ardmore (Okla.) to Van Cleve (Ky.) with Detroit, New York, and Washington in between. Special exemptions never name groups they're designed to help. But Capitol Hill sources can readily identify wording that means big dollars for:
>
> -Benwood Foundation, Chattanooga; Cafritz Foundation, Washington, D.C.; El Pomar Foundation, Colorado Springs; Herndon Foundation, Atlanta; Mobil Oil Co., for a refinery in Joliet (Ill.); Olin Foundation, N.Y.C.; Uniroyal, Inc., for plant construction in Ardmore (Okla.); and WWL–AM–FM–TV, New Orleans.
>
> Beyond the hard facts of dollars saved for these institutions, there are some colorful side-bar possibilities:
>
> Secretary of State Rogers' former law firm (Royall, Koegel and Wells) won the tax break for the D.C.-based Cafritz Foundation—on whose board Rogers served until this year. Rogers was replaced on the board by another member of the firm. The widowed Washington hostess, Gwen Cafritz, contributed $1,000 to the Nixon-Agnew campaign.
>
> Sheldon Cohen, LBJ's Internal Revenue Commissioner helped the Benwood Foundation (funded by Coke bottling in Chattanooga).
>
> Tom Boggs (son of the Louisiana Senator) persuaded Finance Committee Chairman Long (also La.) to write a special exemption from the unrelated business income tax for WWL–AM–FM–TV (CBS, New Orleans). This "out" for license Loyola University of the South could bring a financial windfall to other commercial broadcast stations owned by religious organizations if: 1) they have owned the station(s) for at least 10 years; 2) they pay out or donate at least 90% of earnings; and 3) the Treasury Secretary feels their rate cards and program services are competitive with other broadcasting operations in the area.
>
> With the wind blowing the right way, the windfall could also benefit: Cathedral of Tomorrow (WCOT–TV, Akron, Ohio); Donald B. Crawford's Young People's Church of the Air (WDAC–FM, Lancaster, Pa); Faith Center (KHOF–FM, L.A.); International Church of the Foursquare Gospel (KRKD–AM–FM, L.A.); Kentucky Mountain Holiness Assn. (WMTC–AM, Van Cleve, Ky); Liberty Street Gospel Church WMPC–AM, Lapeer Mich); Michiana Telecasting (Notre Dame's WNDU–AM–FM, South Bend, Ind); Norbertine Fathers (WBAY–AM–TV, Green Bay, Wis; WHBY–AM, Appleton, Wis); Oral Roberts (KFMJ–AM, Tulsa); Red Lion Bcstg. (WGCB–AM, Red Lion, Pa).
>
> Also eligible are eight of the Mormon Church-owned Bonneville International stations: (KIRO–AM–FM–TV, Seattle; KSL–AM–FM–TV, Salt Lake City; WNYC-shortwave, Scituate, Mass); WRFM, New York. Bonneville, however, has paid taxes for years.

It is my understanding that many of these special provisions and the others listed earlier by Senator KENNEDY have survived the conference report on the Tax Reform Act. This is a sad reflection on Congress and its processes. I believe it calls for a change on the rules requiring that beneficiaries of specialized changes in the tax structure be revealed and the reasons for the special provisions stated.

THE FEDERAL EXECUTIVE INSTITUTE

HON. JOHN O. MARSH, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 20, 1969

Mr. MARSH. Mr. Speaker, the Federal Executive Institute is a young establishment in Charlottesville, Va., which may have a profound effect, over a period of years, in improving the quality of service provided citizens of the United States by the departments and agencies of the Federal Government.

The Institute is an agency of the U.S. Civil Service Commission. In its program of in-service advanced training for career personnel at the higher management and planning levels, it enjoys the active cooperation of the University of Virginia.

An indication of the current and potential value of this program may be gained by a graduation address given on December 12, 1969, for class VI by John A. Pond, assistant chief for programing, National Military Command System Support Center, Defense Communications Agency.

I include it, under leave to extend my remarks as of interest to the House, as follows:

> All members of the Federal Executive Institute, faculty and staff, and my fellow class members.
>
> I have been appointed by Class Session VI to say farewell to you on their behalf. I undertake this task with high trepidation for you know as well as I that this group has never allowed anyone to be that presumptious.
>
> We, the members of the sixth class to complete the eight-week Federal Executive Institute program, owe you an expression of our appreciation.
>
> You have been brave enough to challenge us to—
>
> Discover the real federal executive;
>
> See the Governmental process as a whole;
>
> Enlarge our perspective of our national environment;
>
> Identify ways we may improve our support of policy processes; and,
>
> Increase our ability in the development of person-to-person skills.
>
> Furthermore, the Institute has offered us the opportunity for affirmative response to these challenges through reading, listening, consultation, discussion, and study under FEI faculty and staff guidance with appropriate enrichment by prominent lecturers and consultants from government, academia, and the private sector.
>
> We have studied governmental processes here through a variety of approaches. We have participated in workshops, field trips, lectures, and seminars to examine both Domestic and Foreign policy developmental processes. We have related the roles and responsibilities of the career federal executive to these processes in both the Executive and the Legislative Branches of Government.
>
> At the Executive Offices of the President, we talked with high officials of the Bureau of the Budget, the National Security Council, and the Office of Intergovernmental Relations. We developed, from these discussions, some insight into how important projects are organized to study major problems or evaluate major programs facing the nation. We have seen, too, the ways the career executive is able to and is expected to provide direct substantive inputs to these projects.
>
> We saw members of the Legislative Branch at home on Capitol Hill and received lectures from members of both the House and Senate at the Federal Executive Institute. For those of us who do not regularly participate in day-to-day activities related to legislative matters, the Washington field trip introduced good data on Congressional activities and their participants in living color. Our encounters with Senators and Congressmen afforded us with a view of these men and their environment which yielded more data for our study of the governmental process.
>
> We learned in workshops at the Institute from the faculty and from visiting lecturers something about the roles of interest groups in the policy processes. Mr. John Gunther, Director of the U.S. Conference of Mayors, represented the viewpoint of the cities; Mr. John Whisman of the Appalachian Regional Commission provided another view of intergovernmental activities when he described planning, development and coordination of regional programs involving two or more states; and, Miss Evelyn Dubrow of the International Ladies Garment Workers Union introduced us to the work of the trade union lobbyists in the legislative process.
>
> In addition to lectures and discussions by the Institute faculty and our visits with significant national figures during field trips, the Institute brought us in contact with a wide variety of visiting lecturers including men of distinguished service and men of national prominence. Each of us in Session VI has his own list of favorites among the presentations and I, therefore, shall not attempt to summarize our preferences in any way. Instead, I wish to just touch briefly on three talks.
>
> Professor Alpheus Mason of the University of Virginia spoke to us on "Our Political Heritage." His message came as a fresh breeze to dispel our nagging uneasiness over the rising tempo of protest and dissent in these United States. Professor Mason reminded us that our country was formed on protest. He noted that our Constitution is unique and most wonderful in making provision for continual challenge and continuous change through political processes. Our political heritage, he pointed out, is challenge, protest, and revolutionary change within the four corners of that Constitution.
>
> A few weeks later, Mr. Justice Potter Stewart, Associate Justice of the Supreme Court, impressed all of us with his interpretation of the responsibilities of a Justice of the Supreme Court. He gave us another boost in spirit when he expressed so easily and naturally his strong faith in today's youth. He too, as did Professor Mason, interpreted their challenge to custom and tradition and their protest for our failures to solve many social problems of our time. He interpreted these to be strong evidence of healthy minds and live spirits. One serious problem we have is that we do not fully understand our youth and must increase our efforts to do so and we need to ask them for their help.
>
> In a different sense, I again mention Mr. John Gunther of the Conference of Mayors. He brought us important data for this time of the new federalism. He emphasized how much has to be done to improve communications between the federal bureaucracy and city halls of the United States. Today, Mr. Gunther finds no understanding of the federal office at the local level and very little understanding of the city at the federal office level. There is much that needs to be done and career executives must be involved in doing it.
>
> We approve the emphasis you at this In-

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stitute have placed on the development of our managerial and personal relationship skills. Each of us have benefited from the constant pressure you have exerted on us to listen better, to hear ourselves as others do, to confront each other on important issues more meaningfully, and to offer support when we are needed. These learnings have taken place in Executive Development Groups, in the Leadership Styles Workshop, in the Interpersonal Learning Laboratory, during the family weekend, and in the many discussions held in seminars, workshops, and the entire residential experience at the Federal Executive Institute.

No one of us has participated in all of the activities or opportunities at the Institute, nor has each situation been appropriate to all of us. But, each one of us in Class VI has experienced as great a challenge as he would allow and has received commensurate opportunity to work toward self-improvement. We take with us increased awareness of the importance of skills learned here and vow to pause now and again to look around us and analyze anew our abilities to hear others and to be heard. We do not leave today untouched by your emphasis on these skills.

The Residential Program at the Federal Executive Institute has been an important element in our total learning experience. Living in this temporary society of our own creation during the past eight weeks, we have learned much from each other. Our understanding of the governmental processes, our concepts of the jobs we hold, and our private operational data sets needed the increased breadth and depth which immersion in this society of our peers has afforded.

We came to the Institute at Charlottesville as a typical assortment of parochial federal officials. There are 59 in our class representing all major departments, except HUD, plus eleven independent agencies as well as the General Accounting Office of the Legislative Branch. Two-thirds of us have worked in only one agency, and five-sixths have worked in no more than two.

The vast majority of us arrived at the Institute two months ago knowing little about other Governmntal programs and agencies than our own. At the Federal Executive Institute, we have begun to collect data and to reach an improved understanding of the rest of the federal establishment. We have gained much from the opportunity for discussion, study, and arguments with each other on matters about organizations, problems, programs, plans, and procedures of our different departments and agencies. Each of us, thus, has increased his knowledge of the federal system and how to perform more effectively in that system. At the same time, we have built increased understanding among this group of executives assembled here and established a means for improved communications among the parishes of our several agencies.

I turn now to offer our thanks for the important contributions the Federal Executive Institute has made toward improvement of the federal service. The Civil Service Commission, in establishing this Institute to provide an educational experience for career executives, has recognized the importance of this group of federal employees to the nation. In bringing us together here for the purpose of study and reflection on our jobs, our systems, our problems, our tools, ourselves, and our measures of performance in the governmental process, the Civil Service Commission has provided us the opportunity to develop the beginning of a true community of federal executives.

While in residence here these short eight weeks, we have been encouraged to look closely at the roles of the career executive in our Nation's business. We have carefully assessed these roles and judged they are important. We are proud to identify with them. We desire that we be known to the world at large by our roles as career federal executives. Furthermore, we have looked around us as we have worked at the Institute and have taken measure of our peers. We like what we have found in them. We have found dedication, intelligence, talent, and integrity. We have identified shared interests, concerns, goals, and hopes. We approve and now know what we had not known.

The Civil Service Commission has by the establishment of this educational endeavor given impetus to the idea of community for career federal executives. We in Session VI have tasted this idea and like it. Now, even before we depart Charlottesville, we feel reinforced individually by identification with this new-found executive community. We hope to participate in other learning activities which will strengthen this feeling of community and enrich our understandings of the responsibilities we hold within that community and the federal service. This past Monday, you heard several of us already planning activities at Washington, D.C., and we expect others to occur from New York to San Francisco and wherever we may associate with fellow alumni of this Institute. Moreover, we are counting on the faculty and staff to arrange return events that will bring us back to the Federal Executive Institute.

In saying farewell to the faculty and staff here, let me offer the thanks of this class for your several parts in this unique learning opportunity. We do not doubt that we have benefited in many ways through this experience. We find that the federal service now offers more meaning and more challenge to us than before. Our inter-agency associations are already more natural to us and are supported by a broader communication band. We shall more easily than before see the federal process as a whole and find strength and satisfaction from the relevance of our parochial tasks to the development and implementation of public programs. We know ourselves to be members of the community of federal executives. This knowledge motivates us and will surely enable us to serve more effectively. Additionally, it will enable us to enjoy richer and more meaningful careers in the public's service.

We thank you at the Institute for the challenge and the opportunity you have delivered to us.

THE HONORABLE DOMINICK V. DANIELS OF NEW JERSEY, AN EFFECTIVE AND FARSIGHTED LEGISLATOR WITH COMPASSION

HON. JAMES KEE

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 20, 1969

Mr. KEE. Mr. Speaker, as the Representative in the U.S. House of Representatives of the Fifth Congressional District of West Virginia, which is the largest coal producing district in the United States, I have an obligation to those men who mine coal and their dependents, as well as those disabled miners who are no longer able to work because of lung disease caused by the inhalation of dust during exposure to dust in their employment, their dependents, as well as to those dependents left behind by those men who gave their lives as a result of this fatal illness to commend in the highest possible terms the effective leadership of my distinguished colleague, the Honorable DOMINICK V. DANIELS, for his dedicated work as chairman of the Select Subcommittee on Labor, House Committee on Education and Labor.

Mr. Speaker, I well remember when Chairman DANIELS conducted hearings during June and July of this year. In particular, I shall always remember June 26, 1969, when Mr. DANIELS granted me the privilege to testify before his subcommittee on H.R. 9850, a bill which I introduced on April 2, 1969, which was entitled "Coal Miners' Compensation Act of 1969." Mr. DANIELS extended every courtesy. He gave us a sympathetic, warm, and objective hearing.

As a result of Mr. DANIELS' compassion for those less fortunate because of the fatal lung diseases contacted while working underground in the mines his subcommittee, after reviewing all of the testimony, recommended to the full committee benefits for those who for all intent and purpose had gone and were going to a premature grave.

Directly as a result of these intensive hearings the Federal Coal Mine Health and Safety Act included title IV providing for benefit payments to miners and their dependents suffering from the dreaded lung disease and to the widows and dependents of miners who have died as a result of this disease.

In my judgment this farsighted provision in the bill is second only to the enactment by the Congress of the Social Security Act.

Every coal miner and their dependents will never be able to repay Chairman DANIELS for his compassion, his understanding, and his effective work, which will in effect help those whose needs have been fully justified. In addition, he has given our present coal miners hope for the future, plus the fact his successful legislative work will contribute substantially to prolonging the lives of those dedicated men who mine the coal, which is of such vital importance not only to America of today, but of our America of tomorrow.

In conclusion, Mr. Speaker, on behalf of the coal miners of the congressional district, which I have the honor to represent in the U.S. House of Representatives, I salute Chairman DANIEL for this historic section of the legislation which passed the House of Representatives by a vote of 333 yeas to 12 nays and the U.S. Senate by a unanimous voice vote.

SUPPORTING THE PRESIDENT ON THE ARTS

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 20, 1969

Mr. OTTINGER. Mr. Speaker, while I have not found it possible to support the President's Vietnam policy or his overall thrust of emphasis on military expenditures, the ABM, the SST to the detriment of devoting resources to education, health, housing, mass transportation, and the environment, I am pleased to be able to support enthusiastically the priority he recently placed on obtaining more funds to support the arts.

Anthony Lewis in his editorial column today in the New York Times expresses well my feelings on the subject, and I share with him the concern that Congress will not devote the attention to the arts which the subject deserves and which the President has requested. While supporting the arts may not be earth-shaking next to some of the priorities vital to life that require our attention, compared to the special interests this Congress supports so generously, the arts are indeed deserving—and in themselves they merit the small attention the President has requested as a part of the overall effort to improve the quality of our environment.

I insert the article in the RECORD and commend it to the attention of my colleagues:

A QUESTION OF PRIORITIES

(By Anthony Lewis)

LONDON.—President Nixon took evident satisfaction last week in asking Congress to let the National Foundation on the Arts and Humanities spend $40 million in the next fiscal year. That would be nearly double the present figure.

The request "might seem extravagant," the President said, but "expression of the American idea has a compelling claim on our resources." Assistants said the message gave a clue to the priorities he would like to set for Federal spending in the decade ahead.

The British Government has also just announced its budgetary plans for the arts in the next fiscal year. It will spend $48 million—or rather more than the United States, a country with ten times the gross national product. Spending on the arts claim 0.1 per cent of the British Government budget; the Nixon proposal would be about 0.02 per cent of ours.

WHEN IDEAS ARE SUSPECT

The comparison assumes that Congress will actually approve the amount suggested by the President, and that is an unlikely assumption. It is easier to get $54 million out of the House of Representatives for the Taiwan Air Force than a dime for a theater company.

The trouble is that plays and books, and sometimes even dance and music, involve ideas. Therein lies the danger that Hermann Goering must have had in mind in that remark attributed to him: "When I hear anyone talk of culture, I reach for my revolver."

Inevitably, some of the ideas that emerge from subsidized cultural efforts outrage members of Congress. They then naturally think it only right to revoke the subsidy, or better yet avoid getting into the whole prickly matter at all.

Britain's Parliamentary system has many faults, but it certainly does work better in terms of providing funds for the arts. The restraint of British legislators in the face of artistic obstreperousness is amazing. A few years ago, one heavily subsidized theatrical group put on a play that was banned as sexually offensive; the group then turned its theater into a club—and went right on getting the public subsidy. Imagine H. R. Gross or John Rooney permitting that.

As a group, members of Parliament may be somewhat more even-tempered than Congressmen, and they certainly have a better understanding of the idea of artistic independence. But there is also a structural reason for the easier working of subsidies for the arts. It is that the Government of the day dominates Parliament, and no individual member can turn his prejudices into *diktats*.

The Chancellor of the Exchequer decides how much money is going to the arts, and then the Arts Council—a publicly appointed but quite independent body—allots it. There is very little chance of Parliament influencing those decisions, and none of a single cranky member upsetting them. There are no appropriations subcommittees, and no chairmen with vested power.

AMERICAN CULTURE ABROAD

Of course Federal funds are only a marginal aspect of support for the arts in the United States. Private gifts and foundation grants are the basic source. Nevertheless, the willingness and the ability of the Federal Government to act in this field are significant.

For the United States Government to show itself sensitive to beauty or creativity has a profound import, not least abroad. An American world's fair building that speaks with delicacy and humor rather than hardselling force makes an impression; so does an American play looking caustically at our own society. So, in the opposite way, does the unwillingness of the great United States to spend $30,000 a year to keep its London Embassy library open.

It will probably be a very long time before we have a Congress of esthetes, longing for all one sees that's Japanese; that is indeed a Gilbertian notion. But we could ask for a responsible Congress, one aware that the arts are an important interest, not a frivolous nuisance.

It is, as the President's assistants said, a question of priorities—and in a much broader sense than just funds for this program. The United States desperately needs more public spending in a dozen fields, a hundred; the arts are only a small symbolic aspect of our increasing recognition that human satisfaction in an advanced society requires greater concern for the quality of the atmosphere, both physical and spiritual. But Congress, doubtless reflecting the desires of the silent majority, is in the process of giving away public revenue to satisfy private greed.

MONTANA CLERGYMAN FINDS NIXON'S WELFARE PROPOSALS INADEQUATE

HON. ARNOLD OLSEN

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 20, 1969

Mr. OLSEN. Mr. Speaker, the Reverend Kirk M. Dewey, of Billings, Mont., who is executive secretary of the Montana Council of Churches, recently participated in a nationwide test of President Nixon's welfare plan. Not only did Reverend Dewey find the proposals inadequate, he watched his wife, who is in her seventies and who weighed only 93 pounds, lose two pounds in 1 week's time.

Under the experiment each person was required to exist on $3.39 for 1 week. This figure was the one arrived at as the weekly staple for each member of a family of four based on a yearly total of $1,600 provided by the administration plan. The $3.39 was not for food alone but for other commodities such as soap and other incidental needs.

Mr. Dewey's letter speaks very eloquently of the inadequacies of the Nixon plan. Mr. Speaker, I would like at this time to insert Mr. Dewey's letter and also the flier that was distributed enlisting volunteers to test the plan:

MONTANA COUNCIL OF CHURCHES,
Billings, Mont, December 8, 1960.

Hon. ARNOLD OLSEN,
House of Representatives,
Washington, D.C.

DEAR MR. OLSEN: President Nixon has suggested some reforms in our country's welfare system which you will have the opportunity to debate, amend, and pass. An experience which my wife and I have just concluded may help to guide you.

For the past week we have tried the experiment of living for a week on a food budget of $3.39 per person per week. This is about what is available for welfare families in Montana for both food and incidental household articles like soap and toothpaste, and a little more than would be available under President Nixon's proposed base of $1,600 for a family of four. This is based on studies which indicate that welfare families spend about 39 per cent of their income on food, household and personal grooming expenses.

We managed to live on a food budget of $6.78 for the two of us, but we could not pare down our expenditures enough to buy soap or anything else. My wife, a home economics graduate, took pains to buy wisely and to prepare tasty dishes with what she bought. At the end of the week each of us had lost about two pounds—which brought my wife's weight down to 91 pounds. She felt the effect in weakness and tiredness, though I did not seem to notice this effect. Since we are in our 70's and not too active physically, I found the amount of food adequate, though I experienced hunger for items I normally eat and which were not available. I can't imagine how we could have managed if our household has included our grandson, a growing boy who normally eats as much as both of us.

My biggest hardship during the week was not being able to participate in breakfast and luncheon meetings of groups to which I belong. I realized that low income people are cut off from many social contacts that seem to me normal and desirable.

Our recommendation is that the base of $1,600 is not adequate for healthful living, unless universally supplemented by a generous food stamp allowance.

Sincerely yours,

KIRK M. DEWEY.

THE CHURCHES' CRUSADE AGAINST HUNGER IN SPONSORING A TEST OF PRESIDENT NIXON'S WELFARE PLAN

During the week of December 1–7 families across the nation are being asked to participate in a test of the proposed welfare reform by living for a week on a welfare food budget as it would be under the plan proposed.

This would mean living for a week with a weekly allowance figure for all food and household operations items such as soap, tooth paste, paper products, school lunches and children's spending money which would be available for welfare families.

For us in Montana this means a weekly allowance for all the above items of $3.39 per person, or $13.56 for a family of four. (And no dipping into freezers or well-stocked cupboards, for the average welfare family does not build up surpluses.)

The Nixon plan provides that states now paying less than $1600 a year for a family of four be brought up to this level. States now paying more (such as Montana) should maintain their current rate. The U.S. Bureau of Labor Statistics recent study on living standards gives 39% as the percentage of its budget that a low income family spends on food, household operations and personal care. For us in Montana this comes to $3.39 per person for the week.

Since the announcement by President Nixon on August 8 of his plan for reforming the welfare system, there has been a great deal of discussion about the merits and drawbacks of his proposal. Before the plan is debated, amended and passed by Congress, the proposal is that middle class people test the plan by living on a welface food budget as it would be under President Nixon's plan. At the conclusion of the week participating families are asked to mail testimony about the week to President Nixon and Congressional leaders.

The purposes of the test are:

1. To sensitize middle class people to some of the realities of the public welfare system. To make people at least think about welfare for a week.

2. To involve middle class people in the effort by organized welfare recipients to affect changes in some of the provisions of the Nixon proposal.

3. To raise money to help low income people. Families may donate the difference between what they normally spend for their family's food for a week and what they are allowed under the proposed welfare plan.

Food stamps have recently become available here in Billings, and they increase the amount of food which may be purchased considerably. If you wish to make the test as it applies to the lucky 25% of people who can buy food stamps, the amount will be $6.35 per person for the week. But remember that is for three out of four welfare families in the United States the figure of $3.39 is the limit.

OUR SICK HEALTH CARE SYSTEM

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 20, 1969

Mr. OTTINGER. Mr. Speaker, nowhere in the Federal Establishment is a reordering of priorities more critical than in the way we devote our resources to problems of health within our society.

Large sums are spent to increase the health purchasing power of deprived citizens without any significant effort being placed to provide the care for which the money is appropriated. Millions of dollars are spent to keep people in hospitals who do not need hospital care. More millions are spent to build unneeded facilities. Huge sums are devoted to research while getting the benefits of already completed research to the public is neglected. These misdirected efforts have contributed largely to the soaring costs of medical care within our society—which in turn, robs the citizenry of the benefits of the moneys we have devoted to give them better health care.

These problems of misplaced priorities are set forth in excellent perspective by Dr. Leona Baumgartner in an editorial column in the New York Times today. Dr. Baumgartner, former health commissioner of New York City, is now executive director of the Medical Care and Education Foundation, Inc., and a visiting professor at Harvard Medical School. Her pronouncements deserve careful attention by both Congress and the public suffering the results of our mismanagement. I therefore insert the editorial in the RECORD:

[From the New York Times, Dec. 20, 1969]

TOPICS: HEALTH CARE SYSTEM—A SICK BUT CURABLE PATIENT

(By Leona Baumgartner)

There is much talk of the health crisis—rapidly rising costs, personnel shortages, long waits to get into hospitals, nursing homes, doctors' offices, Medicare, and Medicaid. There is less talk of the disorganized, inefficient, fragmented no-system through which the Americans, rich and poor, get their medical care. It accounts, in part, for the health crisis.

Hospitals are often built where they are not needed. Patients stay in them longer than their medical status demands, sometimes because space in nursing homes is not available. Clinics operate at the convenience of staff, not customers. Some physicians spend all day in or near one hospital; others are "on the road" much of the day from one hospital to another between home calls (if any) and time in the office; some are not on a hospital staff; patients are sent to stay in hospitals for tests that could be done on an ambulatory basis; and doctors do tasks those less well trained can do as well.

Every hospital feels it must provide all the latest, most sophisticated treatments, despite cost or need. Take a New England city of 175,000 with four hospitals. One already has the radiation therapy equipment and staff necessary to treat all the patients with cancer in the city and surrounding area.

There is no evidence that there are any patients who go without treatment, when needed. But the other three hospitals are struggling to find personnel, space, and equipment so they, too, will have similar services. One hospital in the same town has an excellent cardiac service and is able to do all the simple heart operations the area needs—but another is searching for a cardiac surgeon. The city is less than two hours by car away from one of the nation's great medical centers where cardiac surgery, seldom an emergency, is superbly done.

POOR DISTRIBUTION

In the United States four-fifths of all such operations in 1961 were done in 99 hospitals; whereas, some 800 are staffed and equipped to do them. Certainly all are not necessary, especially since 270 hospitals of these 800 reported no cases at all that year. The skills of a team are not kept up without about 100 or 200 cases a year. Across the nation Government hospitals (Veterans) stand half empty when other hospitals in the same town are jammed.

The Federal strategy of dealing with the health crisis has been to increase purchasing power on the apparent assumption that the capacity to deliver would be available to meet the greater demand. The large increases in Federal expenditures for health have come recently, rising from some $3 billion in 1963 to $12.7 billion in 1968 in response to the country's concern for the aged and the poor. The money has largely been poured into purchasing power and with little or none going into increasing the capacity to deliver care.

REMODELING PROGRAM

What is needed? A deliberate, well-financed program of remodeling the health system—aggressive planning for better use of scarce resources, merging of small inefficient hospitals, firm links of smaller community hospitals to larger regional medical centers, wider use of telecommunications to bring expertise to larger numbers, more ambulatory care, more group practice, more emphasis on early and preventive care, more "allied" health workers—all these and more.

Manpower shortages are known to all who try to get a doctor or nurse for an emergency. The President's Health Manpower Commission made it clear that it would be impossible to train sufficient workers *if* they were to be used as they are now used.

FUNDING PROGRAMS

The Congress recently passed two bills specifically designed to promote the better use of manpower and other health resources: Regional Medical Programs and Comprehensive Health Planning. Both are now just getting started. Neither are adequately funded, nor is legislation supporting health manpower training. Without public support, they too will not be. Cuts in appropriations designed to improve the capacity to deliver health care can only make the crisis worse.

The voice and power of the health care consumer has begun to be heard and felt. How the country's health resources and personnel are allocated should be high on the consumer's agenda, and on the Administration's, which has admitted to a national health crisis.

AS THE MEN COME HOME

HON. GEORGE A. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 20, 1969

Mr. GOODLING. Mr. Speaker, a vast array of people—including myself—stand in strong support of President Nixon's plan of Vietnamization as a solution for the war in Vietnam, and all are interested in knowing how this plan is progressing. An article appearing in the December 18, 1969, issue of the York Dispatch—a prominent daily newspaper in my congressional district—makes an interesting observation on this subject of withdrawal of American troops from Vietnam. Because the subject holds the strong interest of a great volume of people, I insert it into the CONGRESSIONAL RECORD so that it can be broadly read.

The article follows:

AS THE MEN COME HOME

So far, President Richard Nixon is pulling off what both Presidents Kennedy and Johnson were unable to do; namely, preserve the freedom of South Vietnam while reducing the American commitment.

The hard fact is that within the first year of his presidency, Nixon will have ordered 115,000 troops home, and that they will have arrived home within 15 months of the time he took office.

Nixon is effectively Vietnamizing the war—training and encouraging the South Vietnamese to fight for the freedom they claim.

Earlier, it was indicated that Nixon will have all American combat units out of Vietnam by the end of 1970.

Right now things look good.

American public opinion is with the President, not with the Reds and their peacenik chorus.

The South Vietnamese are proving themselves increasingly capable of coping with the Reds. But the Reds are building for a possible offensive in the Mekong delta. If the South Vietnamese hold, the Reds won't have any place to turn but to negotiations in Paris, of which they have made a farce for over a year.

Nixon's got the enemy in a real bind thanks to the performance he's getting from forces in the field and people here at home.

XUM

THE BUSINESS OF BUSINESS—1970 AND FOLLOWING, AN ADDRESS BY WILLIAM S. VAUGHN, EASTMAN KODAK BOARD CHAIRMAN

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 20, 1969

Mr. HORTON. Mr. Speaker, American business is making a vital contribution to worldwide economic development.

In mid-September the International Industrial Conference at San Francisco considered ways of enhancing that contribution.

William S. Vaughn, chairman of the board of Eastman Kodak Co., delivered a thought-provoking address at the meeting sponsored by the National Industrial Conference Board and Stanford Research Institute.

Mr. Vaughn asserted that the business of business has become nothing less than human development on an international scale.

I would like to share with you and my colleagues, Mr. Vaughn's remarks.

THE BUSINESS OF BUSINESS—1970 AND FOLLOWING

(By William S. Vaughn)

From all directions these days, thoughtful men are urging on us the need for global perspective. Looking at a picture of our planet sent back by men on their way to the moon, the poet Archibald MacLeish was moved to remind us that for all our differences, "we are riders together in space." Dr. McLuhan has been telling us for several years now that what we actually inhabit is a "global village." Most recently, Professor Drucker has demonstrated that we do business in a "Global Shopping Center." And if any of us had any inclination to doubt the point, the kind of discussion that has gone on at this conference should dispel that.

So, I believe that we can accept it as given that the entire globe is the proper frame of reference for the business organizations represented here. We are rapidly doing away with distinctions between "home" and "foreign" operations, very largely because of the mounting investment for plant, equipment, and technical know-how that crosses national boundaries. It appears that 1969 could well be the year in which the cumulative expenditure for that investment passes the $100 billion mark. Most of that total, by far, has come during the decade of the 1960's.

In this international forum, it would be shortsighted not to recognize the existence of criticism from some quarters that the brand "U.S.A." has been all to visible on the shelves of our "Global Shopping Center." It is true that about two-thirds of that $100 billion investment is by companies with headquarters in the United States. But it is worth noting that when restrictions were imposed on direct U.S. dollar investments overseas by American companies, many of us were successful in establishing subsidiary companies to finance continued worldwide growth from overseas sources of capital. Apparently, then, it's not national origin so much as the potential return on venture capital that determines the availability of investment funds.

Then, too, American technology is put up on a pedestal—though it is difficult on occasion to be sure whether it's a pedestal or a whipping post. I understand that there have been times in history when the same structure did common duty.

People more knowledgeable than I have gone to some lengths to compile lists of innovations suggesting that European R&D has done rather well in holding its own. In the case of our own Company, we have found it advantageous within recent memory to acquire rights to the use of important developments in England, France, Germany, and Japan; and conversely, each of these countries has benefited from our technology. But examples such as these are probably not going to settle the debate in the long run. I believe that the debate is less likely to be settled than it is to disappear.

I am sure that most of you, like myself, have sensed a difference lately in the "atmospherics" surrounding the whole question of investment across national boundaries. There are at least two basic reasons—both related—for this difference.

The first is the nature of the investment. Traditionally, the extractive industries and the search for raw materials claimed most of the American dollars being invested abroad for plant and equipment. Within just the last few years, more of this expenditure has gone into manufacturing operations. There are some important distinctions and conclusions to be drawn here.

Extractive industries are, by nature, rather remote. They tend to require less manpower. They can be run by a relatively few capable people at the top. And the benefits they bring to the host country are less visible and are apt to be more narrowly concentrated.

The shift in emphasis to manufacturing opens up all sorts of new opportunities. Most of them centered around people. People produce the goods and people consume them. In this respect, "foreign" operations are tending to become more like "domestic" ones: markets are developed along with productive capability.

People is the related factor—the larger one—that I would cite in discussing the changing nature of business investment throughout the world. Recently I came across a commentary by a business consultant that struck me as though it could well have been written for this particular conference. It said: "Most of the companies we are associated with can attribute their growth and development to technological advances. I think that the companies that prosper in the future will be those that do the best job in fully utilizing their human resources."

In a decade of unparalleled international investment and accelerated technological progress, it is probably no exaggeration to say that there has been far too little management attention given to human potential, from entry-level employees right up to the top desks of management.

Professor Drucker, as usual, can be counted on for a most graphic statement of one outgrowth of such a mismatch. In his new book, *The Age of Discontinuity,* he sums it up this way: "The world has become divided into nations that know how to manage technology to create and distribute wealth and nations that do not know how to do this."

As we approach the end of what was widely hailed as the "Decade of Development," it is not very comforting to realize that just the amount *added* to the wealth of the industrialized nations during this decade equalled more than the entire income of the underdeveloped nations that collectively make up what is called the "Third World."

On an absolute basis the gap that we set about to close has actually grown—in spite of large, properly enlightened injections of money and technology by both government and private enterprise. It would seem, then, that a more critical focus on human resources is well overdue.

In making such a statement to an international conference, as an American, I cannot gloss over the existence within our own boundaries of the equivalent of an underdeveloped nation with a population larger than the Benelux countries combined. These are our citizens living at or below the poverty line. Much of what can be said about improving the return on the investment in human resources in developing countries applies equally well to this segment of the American people. The two principal handicaps to be overcome are the same.

First, lack of preparation to deal with an increasingly complex and technological environment.

And, compounding the problem, communication barriers that are as real as if different languages were officially spoken.

A personal observation might serve to point up the universality in needs among poor people in the developing countries and poor people within the United States. In Guadalajara, Mexico, Eastman Kodak is in the process of building a major new facility for the production of photographic film. I was interested to learn that in the early days of the project, the construction company gave over a significant portion of the working day to classes in reading and writing for the construction laborers. This closely paralleled our own experience in Rochester, where the school system rates among the finest in the United States. But when Kodak undertook a preapprentice training program in an effort to employ the so-called "unemployables," a fundamental misconception became apparent from the outset. The training supervisors were prepared to give instruction in tools, tolerances, and techniques. What they found themselves teaching was reading, writing and arithmetic.

There have been more than enough instances like this reported from home and abroad to suggest that perhaps we have all been off-target for many years regarding what human development requires. We have jumped to the very natural conclusion that what the undereducated need is a lot more teaching. Now, experience is showing that what they actually need is help in *learning how to learn*. This is the indispensable skill for a world in which change is the dominant characteristic. And since business and industry have shown an ability to adapt to change more readily than other social institutions, it seems that there is a new role emerging for business and industry in developing the potential of the world's underproductive people. But, of course, the waste of human potential is not confined to the low end of the economic scale. It extends right up the ladder to the executive suite.

I'm reasonably sure that just about anyone here, if called upon, could supply plentiful examples of slippage between what was supposed to happen and what actually did happen at the management end of things. Of course, it always happened to "the other fellow," didn't it? Or so we would like to think. That's why I'm grateful to a recent issue of the Harvard Business Review for a catalogue of examples that permits us to withdraw behind the protective screen of anonymity. Here is how the cases are reported:

"After a substantial build-up in a Zurich headquarters accomplished during a period of about four years, a major chemical corporation abandoned the whole effort and brought the management of European operations back home."

"An automobile manufacturing company has sharply cut back the staff, facilities, and budget of its Geneva international headquarters, and set up its senior European executive in Detroit."

"A machine tool company recently abandoned the office of its European vice president in Paris. All its European subsidiaries are now reporting back to the United States."

"Late in 1967, a service firm set up a new European headquarters office in the heart of London to coordinate its European product divisions. In 1968 it began cutting back the scope of this London office."

"Recently a major international advertising agency sharply curtailed its Swiss-based operation, which had been created only after much expenditure of time and effort."

There you have five typical un-success stories of faulty planning for international business. At least three—and possibly all five—center on apparent people mismatches, rather than product failures or markets drying up. It has been reported that the going price for moving just one manager and his family overseas has reached $20,000. Which means another $20,000 to bring them home if things don't work out. And that's only a fraction of the real cost. When the stakes get that high, the failure of a man to deliver on his potential capability begins to attract attention and to prompt remedial action. If we could only put such a clear-cut price tag on all the wastage of human potential that is going on today at every level of endeavor, I believe that we would be so astonished by the size of the total that we would do a lot more about it.

In my opinion, the most compelling opportunities for "Closing The World's Income Gap" (the theme of this conference) lie not in the direction of development of natural resources or of new technology—though both of these are important, of course. But the most fruitful progress can be made simply by going after a greater return on the investment in the human resource, the one that is now coming to be identified as "the most expensive and yet potentially the most productive of all economic resources." The principal obstacle is not a lack of ideas about human development. Rather it is the presence of many specimens of what the French characterize as the idée fixe, those rigid mental sets of "things we know for sure" so that we don't really have to think about them anymore. They often stand in the way of fresh approaches that changing conditions demand. To illustrate my point I will cite four of the more familiar mental sets limiting human performance in business around the world today. Two have to do with the managers and professionals who have so much influence in determining what gets produced. Two at the opposite end of the scale apply to those underproductive people, whose upgrading holds such an important key to the economic progress of all nations.

The first example should be readily identifiable to this cosmopolitan audience if I give it the title of a popular American song of some years back: "You Don't Have To Know the Language." It is the mental set that conditions the behavior of the people whom companies send to represent them in other countries.

Although doing business on an international scale is standard operating procedure for literally thousands of companies these days, an assignment beyond national boundaries, for some strange reason, is still regarded like a military tour of duty in unfriendly territory. That is, it's something that should be gotten over with as soon as possible and that calls for extra pay for hazardous duty. I must say that I cannot help but concur with the gentleman from Germany who asked rhetorically at one of these international conferences, "Is it really such a hardship to live in Paris or Lausanne instead of Pittsburgh or Dallas?" His wording, of course, puts the finger on the United States as the native land of this attitude. In all fairness, we should note that while Americans seem to have earned the patent on cultural provincialism, they don't enjoy an exclusive franchise. You and I have met the Italian who does not expect to find opera west of Lincoln Center, the German who does not expect to find a museum west of Fifth Avenue, the Englishman who does not expect to find law west of Madison Avenue, or to find God, west of Park, and the Frenchman who does not expect to find a good meal *anywhere* in this country. So, much of what is said about the "Oblivious American" could be applied in some degree to similarly misguided transients of other nationalities. But, to be fair, we must say that you gentlemen from overseas put us Americans completely to shame by your proficiency in other languages.

Another manifestation of the You-Don't-Have-To-Know-The-Language mental set is lack of commitment to the job to be done. It has been said of American companies expanding overseas that they take on ten-year projects, assign them five-year timetables, and staff them with "two-year" people. The real problem is that we do not yet know how to weed out the two-year people.

Almost ten years ago, Harlan Cleveland wrote the following: "Everybody seems to feel that with all our modern scientific lore about man and society it should be possible for a simple test to be devised that would separate the potentially successful from the potentially unsuccessful *before* their wives, children, and furniture are moved across the sea at great trouble and expense. But nobody has yet devised that formula."

The same paragraph could be written today, even after a decade in which international traffic in personnel has far exceeded what it ever was before. In the absence of a ready-made formula for selecting the best "people" investment, it would seem that business firms need to give considerably more attention to thinking through the real objectives of overseas assignments.

As an example I happen to be familiar with, let's take that new Kodak film plant in Mexico, which I mentioned before. For some of you, the construction of one new plant would not be that earthshaking. But for us, it has been one of the most demanding projects on the current corporate agenda. It represents the first time in 60 years that we have attempted to build, from the ground up, a capability for making film, which—as you may know, is one of the more delicate manufacturing processes around. At least, it's the only mass production operation I can think of off-hand in which detecting defects requires destruction of the product as a marketable commodity. What it amounts to is a search for perfection, literally working in the dark.

How do you staff such an operation? The first thought that occurs is that you want to round up the most efficient, most technically competent people you have and put them on the next plane for Guadalajara. The crash-project approach. But deeper consideration brings out the real objective being sought here. It is not merely to get a complex manufacturing process on line as expeditiously as possible. It is to build an on-going business in a new and unfamiliar environment. The Americans who go to Guadalajara from Rochester carry with them the implicit assignment of working themselves out of jobs by helping to develop the skills of the local people. This introduced a new dimension to the talent hunt. We had to find men who had demonstrated flexibility, capacity to work with other people, the disposition to become involved. Fortunately, there turned out to be a surprising number of candidates outstanding in both technical competence *and* human-relations capability. But wherever a choice had to be made, human-relations capability got priority. So, well in advance of the plant opening, Guadalajara is already getting acquainted with what we consider some very special folks.

In contrast to that mythical "Oblivious American" I spoke of earlier, they *are* there to stay for awhile. A number of them have agreed to spend as long as six or seven years of their careers in Guadalajara to explain and help develop the skills needed in a manufacturing operation that is far more technologically advanced than anything the region has ever seen before. They *do* have to learn the language. All of them studied it at least two years before moving down, and most of them are still working to improve their fluency. They do become involved. The wife of one engineer, for example, now finds herself spending most of her spare time working as a volunteer in children's hospitals and orphanages.

We are only just beginning to see product from the Mexican venture. And it is a long way from paying for itself. Nevertheless, the experience has already convinced us that the best guarantee a company can have for the money and technology it invests abroad lies in the selection and preparation of the people it sends abroad. The opposite side of this coin, of course, is the selection and preparation of people it hires abroad. Here there is another mental set prevalent, that might be titled with that phrase from the travel books: *"When In Doubt, Hire A Local Guide."*

First of all, let me make it clear that I am all in favor of the trend to management of foreign subsidiaries by nations of the host country. I think it is one of the most significant evolutions that I have witnessed during my career. When I went to work at Eastman Kodak, it was one of the relatively few American corporations at the time that had an international business of any size. If an opening occurred overseas, a likely young man to fill it would be selected in Rochester. It was not considered a drawback if he had never been outside of Rochester. He was given a quick course in the geography of the area. The concept of "geopolitics" had not even been invented yet, you see. Then he was shipped off, perhaps to manage the total Kodak investment in a country he had never seen. If I had been one of the chosen ones, I frankly think I would have been terrified—even with all the worldly wisdom that I believed three years cloistered in an English University had imparted to me. But that was the mental frame within which all companies ran their foreign businesses in those days. And somehow these hardy pioneers made the system work—then.

Today, it is completely different. Even though the foreign countries have been brought much closer to Rochester, we rely heavily on foreign nationals to run overseas operations. For instance, our major overseas manufacturing companies in Australia, Canada, France, Germany, and Great Britain are entirely staffed by nationals of those countries. And they do an outstanding job for us. But, in contrast to Guadalajara, these are mature companies.

In speaking of what I call the *"Hire-A-Local-Guide"* mental set, I implied that I have some reservations about the attitude with which the employment of foreign nationals is approached. I do, and they concern blind spots that may have been allowed to develop in some corporate thinking about this particular source of talent. For instance, if a company thinks that just by hiring a man who speaks the language and "knows the road," it is buying an insurance policy, it may be headed for trouble. If we as business people have done a mediocre job of "internationalizing" the American sent to do business overseas, we have perhaps done an even worse job of "internationalizing" the outlook of the foreign national employed to manage for us in his own country.

A survey of attitudes made in one developing country illustrates the problem. The students interviewed did not think much of a career as a business manager. It came in seventh out of eleven. This proves mainly, I suppose, that students are much alike the world over. Students in the United States have said about the same thing in their surveys. I find this particularly ironic at a time when businessmen and the general run of college students have moved closer together than ever before in their desire to satisfy the wants and needs of people the world over. Obviously, business has a job of communications to do on the campuses. The point was brought home rather forcefully to me in a report written by a college student, one of a group with admittedly negative attitudes, who worked as a summer intern at Eastman Kodak. He noted that the only industrialist he had seen in three years was the president of a company that was in the throes of going out of business. "On the basis of his success," observed the student, "I concluded that there wasn't much I could learn from him."

But it was the nationals working as managers for foreign companies whose attitudes were truly revealing. On the whole, they showed more blind spots than the students on such questions as the nature of capitalism, pricing, and profits. As the report noted—with a nice sense of understatement: "A foreign national manager . . . who believes the wrong people own the company he works for, and that they are really profiteers, is not likely to work very hard for its success."

Just filling up those boxes on the worldwide organization chart with local talent is not enough. More of a sense of involvement is needed if people are to deliver the best that's in them.

That new plant of ours in Guadalajara has recently given us an encouraging demonstration of this point. Among the first employees signed up for it were 33 young Mexican engineers. We chose them with care. They are the men we hope will be running it some day. But none of them had ever been involved in making photographic film before. And the only way you can really learn how to do this is to do it. So we undertook an experiment unlike anything we had ever attempted before. We brought the entire contingent—and their families—to Rochester, not for an indoctrination session but for 18 months' on-the-job experience making film. They had the opportunity of working every day alongside their American counterparts. They took specially-designed technical courses. In their leisure hours, they got to know upstate New York better than some people who have been born there. Some of them went to Niagara Falls almost every weekend—for what reason I never will understand. In any event, the point is that all this represented a significant investment for both sides. For Eastman Kodak, it was an unusual expense to transport and maintain 33 families for 18 months. For the people involved, it was a major slice of their lives committed to residing and working in an unfamiliar country. And it wasn't all as pleasant as a trip to Niagara Falls, as anyone who had endured a Rochester winter can testify. But out of this mutual investment came a fringe benefit that nobody had really planned on. When these engineers left Rochester with their families to return to Mexico a couple of months ago, they took with them more than the technical training they needed professionally. They had acquired, we believe, a real sense of being personally involved in Eastman Kodak's future. It probably couldn't have happened in any other way. And in the long run, this development alone could make the entire investment worthwhile.

One more limitation of the "Local-Guide" mental set should be commented on before we leave it. Assigning people to boxes just by nationality could deprive a company of a rich source of managerial talent. For example, the manager of Kodak's European marketing operation rose to his position from a warehouse in Argentina, by way of successive jobs in Chile and Italy, each at a higher level of responsibility. He now works out of Rochester. And if you don't think that's a formidable background of experience in any business conference, I'd like to expose you to the gentlemen in action some time.

It is quite encouraging and gratifying to note the growing number of appointments of foreign nationals to key positions within their companies. M. Maisonrouge of IBM is one notable example. If business is to be truly global in perspective, we can use a good deal more of this.

Let us turn now from the talents of managers to those of the underproductive people of the United States and the world. Here, too, there are mental sets inhibiting the realization of human potential.

One of the most common could be called "Nothing But the Best." Its keynote is a confusion between objectives and methods.

Matching jobs with people is one of the definitive tasks of industrial management. To perform it, we think we have developed some very effective procedures. As we have learned more about psychology, sociology, and testing methods, our capability for picking out the "right person" for the job has become more precise. Or so we are led to believe. But it appears that we may have become so fascinated with testing methods that we are making them an end in themselves. The question that we ought properly to be asking as managers is: At what point does it cost more to test people out than to train them in?

The newest evidence available suggests that this point may be much lower than our preconceptions have allowed ourselves to believe. Consider the results demonstrated by the Board for Fundamental Education, which has helped Kodak, among others, to bring out the potential of the functionally illiterate. These are persons who, by any conventional set of tests or accepted level of educational achievement, would be rejected at the employment office. For $300, which doesn't buy much in the way of tests or interviews these days, a man can be given 150 hours of experience in "learning how to learn." What will 150 hours do for him? It will bring him from fourth-grade to eighth-grade equivalency. With possibilities like this opening up, we can well afford to be more daring in our ideas about who can become more productive in this world. That inner personal drive we call motivation is given a chance to blossom in an atmosphere of helpful understanding.

The final mental set I wish to consider fits well into the maxim *"When in Rome Do As the Romans Do."* I should point out that I am specifically exempting such superlative examples as Signore Agnelli. After witnessing him in action this morning, I am sure that any attempt to match him would result in exhaustion in a matter of minutes. But a specific injunction of the "When-In-Rome" mental set is that you cannot expect the same results from people brought up in a pre-industrial society as from those brought up in an advanced one. So, the reasoning goes, you just have to change your standards.

I am all for cultural adjustment and remedial training, as I tried to indicate earlier. But those in positions of responsibility have the obligation of giving more than routine thought to the matter of when and where to make adjustment. There is the story of the personnel consultant who was hired to work on the selection of pilot candidates for the national airline of a developing country. The employment manager of the airline, who was understandably eager to get some pilots hired and up into the air objected to the aptitude tests. Because they came from another culture, he argued, the applicants ought to be allowed more time to complete them. The consultant countered that the planes they would be flying and the charts they would be using also came from that other culture. Furthermore, response time is a critical factor in determining a man's capacity to fly a plane safely. The manager refused to see this logic. He insisted on more time. So, the consultant finally resolved the issue by offering a compromise. He would double the time for completing the test—if the manager could assure him that the airports all around the world would double the length of their runways.

So, again, we must fix very carefully on what the objectives are. A brake lining has to do the same job whether it is manufactured in Belgium or Brazil. Steel beams have to have the specified bearing strength whether they are produced in Austria or India. And to show you what's on my mind once more, film produced in a plant in Guadalajara must turn out equally good pictures as film made in a plant in Rochester.

We can and should allow wide differences in how different people go about a job. But we cannot deceive them or ourselves for very long regarding the value of what they produce. A good case in point is the experience of Camura, Inc., the first attempt at a minority-owned-and-operated enterprise which Kodak undertook to sponsor in one of the ghettos of Rochester. Camura's principal business is repairing cameras. So, there was much that Kodak could do in aiding this ambitious young firm to get off the ground. We could, for example, tell the president of Camura the kind of business controls he needed to set up. We could tell the repairmen what to look for in servicing simple cameras. We could even tell them that we would assure them a certain number of camera repair jobs a year as a base load. But in the first shakedown weeks, when twenty percent of the cameras coming through proved to be defective, we could *not* tell them that these cameras were all right. To the credit of the Camura organization, they saw the point and tightened up their quality control on their own. Now, their percentage of rejects is as low as Kodak's own in-house plant facility.

To sum up this matter of making the poor productive, there are many, many ways of getting people up in the air. Getting them where they want to go is a different thing entirely. We have been considering here this week nothing less than opening up the whole globe as the explorers of the past opened up a single nation or a region. The advances made in transportation and communication over just the past few years give us encouragement for believing that it can be done. But the most difficult part of the journey may well be the five or ten millimeters through the human skull. If we would open the world, we must first open minds.

I have spoken of things today that were normally thought of as outside the role of business not very long ago. If our dialogue here this week demonstrates anything, it demonstrates that there really is no longer any such thing as *the* role for business. Business interacts completely with the society in which it finds itself. Indeed, it helps to make that society what it is.

Thus, we have seen business in this country conduct what has been termed the most effective single effort in the national drive against poverty—the Job Corps.

We have seen business join with government to plan and operate the most complex system of man and machinery ever attempted—the project to put men on the moon and bring them back again.

We have seen business and the university interact to create a flow of new technology that has radically altered the conditions of life on this planet.

I started my career in business not long after a President of the United States could speak for a large segment of the population in saying: "The business of America is business." As I approach the end of that career, the responsibility of business has expanded to the point where it can now be said that the business of business is human development. The laws of economic engineering still stand, to be sure, but the frontiers of that largely unexplored land of human engineering are just opening up.

Looking ahead into the 70's and following, I am inclined to think the corporation that is not in the business of human development may not be in any business. At least not for long.

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GREAT GREY ICE GATHERING LAUDED

HON. HUGH SCOTT

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Saturday, December 20, 1969

Mr. SCOTT. Mr. President, I wish to commend President Nixon and Secretary of the Interior Hickel on their planned "Great Grey Ice Gathering" in Richmond. This event, and similar seminars to be held in nine other cities, will reflect Secretary Hickel's belief that we should "involve the youth of our Nation in the fight to prevent the contamination of our environment." Students from all over the Federal Water Pollution Control Administration's Middle Atlantic Region will be attending the December 30 Richmond seminar. I ask unanimous consent that some additional information on this worthy project be printed in the RECORD.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
Charlottesville, Va., December 10, 1969.

Hon. HUGH SCOTT,
U.S. Senate,
Washington, D.C.

DEAR SENATOR SCOTT: I thought you would be interested in the information contained in the enclosed news release and newspaper clipping.

The "Great Grey Ice Gathering" in Richmond, Virginia, and the similar seminars being held in nine other cities in the United States at the same time are being held at the request of Secretary Walter J. Hickel to "involve the youth of our Nation in the fight to prevent the contamination of our environment."

Students from Pennsylvania have been invited to the Richmond gathering, since it is part of the area designated as the Federal Water Pollution Control Administration's Middle Atlantic Region.

If you are interested we will be glad to provide you additional information or to assist you in any way we can, should you wish to become involved in the "Gathering."

Sincerely yours,

F. R. BLAISDELL,
Acting Regional Director.

CLEAN WATER NEWS

DECEMBER 9, 1969.

Richmond has a Great Grey Ice Gathering in its future, according to area students and the Federal Water Pollution Control Administration.

The Great Grey Ice Gathering, to be held Tuesday, December 30, in the Richmond Arena blends hard rock music, movies, speeches, young people from the Mid-Atlantic States and Federal Water Pollution Control Administration officials as a first step by FWPCA's boss, Interior Secretary Walter J. Hickel, to involve young people in what is turning out to be a life-or-death struggle to quit destroying our environment.

Jointly sponsored by the FWPCA and the Mid-Atlantic Student Council on Pollution in the Environment (SCOPE), the Great Grey Ice Gathering will begin "about 1 p.m. December 30 and last until the music and words no longer stir the gathering," according to Patti Collins, SCOPE Co-chairman and University of Richmond co-ed.

Collins said the "Gathering" would provide students "with the kind of information they need to react intelligently to the apathy of Government officials and business and industrial leaders to the awesome environmental crises now blooming in the United States."

Eugene Jensen, Director of FWPCA's Mid-Atlantic Region said it was evident that young people were growing concerned about the kind of planet they will inherit from older generations.

His office, he said, would provide any assistance it could to student efforts to reverse the long-continuing debasement of the environment in the United States.

"These students should be concerned," Jensen said. "They will be the first generation of Americans to actually experience a lowering of the quality of life as adults because of what's happening to our water, air, and land."

Jensen encouraged students from all States in the Mid-Atlantic Region to attend the Great Grey Ice Gathering in Richmond. Those States are Pennsylvania, Maryland, North Carolina, South Carolina, and the District of Columbia, in addition to Virginia. Events similar to the Great Grey Ice Gathering are also planned for the cities of Boston, Cincinnati, Chicago, Atlanta, Dallas, and San Francisco on December 29 and in Kansas City and Portland on December 30.

SCOPE Co-chairman Randall Simmons, graduate student from the University of Virginia, stressed that the December 30 meeting was simply the first of SCOPE's activities.

"In addition to organizing the Gathering," Simmons said, "the twelve-member SCOPE intends to meet regularly and provide Mr. Jensen and Secretary Hickel with the thinking of young people, and to serve as a focal point for organizing student environmental activities.

[From the Richmond Times-Dispatch, Dec. 10, 1969]

"GREAT GREY ICE GATHERING"—ACID ROCK DANCE MAY DEFUSE "BOMB"

(By Hamilton Crockford)

The Federal Water Pollution Control Administration's regional director talked about "a time bomb," and noted "the young people are going to have to live with it."

The students talked about an "acid rock dance," and an "experience" that will last "until the music and word no longer stir the gathering."

They put it all together and announced yesterday there's going to be a "Great Grey Ice Gathering" here Dec. 30, and it will be a dilly.

It will be a blend of "hard rock music, movies, speeches, young people and Federal Water Pollution Control Administration officials."

They'll be registering "a first step by FWPCA's boss," Secretary of the Interior Walter J. Hickel, "to involve young people in what is turning out to be a life-or-death struggle to quit destroying our environment," the news releases said.

The joint sponsors will be FWPCA and the just formed Mid-Atlantic unit of the Student Council on Pollution in the Environment (SCOPE).

The plans were laid out at a news conference by the FWPCA regional head man, Eugene T. Jensen; and University of Richmond coed Patti Collins and University of Virginia graduate student Randall Simmons, who overnight had become SCOPE's regional co-chairmen.

They hope the crowd will come from all the Middle Atlantic states.

The crowd won't "gather at the river" as the old hymn goes, but rivers are what it's all about. It won't be an ice show, either.

But it's cold outside in late December, baby, and that means ice. And the rivers are all gray with pollution, and that makes gray ice.

And that's how you get a "Great Grey Ice Gathering." It will be out at the Richmond Arena and start at 1 p.m. on the 30th and go on "until".

There'll be similar events on the 29th in Boston, Cincinnati, Chicago, Atlanta, Dallas and San Francisco and on the 30th in Kansas City and Portland, Ore.

Students all over the land have taken up the cry of cleaning up the environment as a new cause, and well they might, it's been noted. That's what Jensen meant about "the time bomb," the pollution that some scientists say could extinguish the species in 50 years.

"These students . . . will be the first generation of Americans to actually experience a lowering of the quality of life because of what's happening to our air, water and land," Jensen noted.

Somebody up there in Hickel's office obviously had the idea that if you can't lick 'em, join 'em, or get 'em on your side.

And SCOPE was born, to be an advisory council to the federal agency.

Randall Simmons, 21, a graduate student who'll get his master's degree in environmental sciences at Charlottesville in August, had other credentials also for a co-chairman, and reasons for joining.

He's from North Shore, N.J., where, he said, the pollution's been fouling the clams.

It couldn't hurt the cause of SCOPE that he also has a reddish beard.

Westhampton College's Patti Collins, 20, a junior in history and political science here, had her credentials and reasons, too. She's from Alexandria where, she recalled, you used to go down to the Potomac for all-day picnics. "Now you can't go near it because of the stench."

The YWCA at Westhampton College organized a petition effort to express opposition to the idea of Richmond's discharging raw sewage to the James River while improvements are made to its waste treatment plant. She and others gathered 672 signatures in three days.

Through various developments, in which protests certainly figured, the raw discharges now are an unlikely prospect.

Jensen and an aide met Monday afternoon and night with a group from Richmond area colleges to set up the regional SCOPE. The FWPCA people chose this area for a start because it's handy to their Charlottesville headquarters; it's expected the council will expand to take in members from the rest of the states in the region, he noted.

For a start, the 11-member council includes, besides the co-chairmen, Dorland Humphries of Richard Bland College; Linwood Creekmore, Lee Bates and Leo Fields, all of Virginia State College; Marshall Davenson and Jay Mangan of Virginia Commonwealth University; and Carl Jerome, Haywood Blakesmore and William C. Brown, all of Randolph-Macon College.

FWPCA will pick up the tab for the Arena, and for necessary travel expenses of the SCOPE members—but not other students—for their future meetings, Jensen said. Otherwise they're on their own.

Their ideas and advice will be welcome, and he didn't think anybody was going to be telling students these days what to think.

"We're not about to try to push a group such as we had yesterday (Monday) afternoon around. There's no point in trying," he smiled.

Miss Collins confided to a newsman that Washington had sent around a kind of suggested agenda for meetings—nothing binding, just something for a point of departure—with blocks of time proposed for different items.

"We said, 'No, we'll have a be-in,' " she said.

"Mr. Jensen said, 'M-m-m-m,' " she laughed.

"He wanted a panel of students on the stage" at one point, she said. "We said, 'No.' "

It wasn't hard to tell who won.

"There'll be an acid rock dance—something that's dynamic," she'd already told the news conference. But the Great Grey

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Ice Gathering will have "a two-fold purpose.—It will also be an educational experience," she explained.

They hope to educate their elders, too.

BUILDING BRIDGES ACROSS THE GENERATION GAP

HON. WILLIAM E. MINSHALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 20, 1969

Mr. MINSHALL. Mr. Speaker, we constantly are being urged to understand the motivations and goals of the so-called mod generation. Speaking as the father of three teenaged sons, in whom I take great pride, I must say that this is a day-in, day-out effort in the Minshall household, as I am sure it is in the homes of many of my colleagues with youngsters.

But, this understanding should be a two-way street and I was pleased to receive from a constituent, Mr. C. H. MacFarland of Rocky River, Ohio, a thought-filled letter he recently wrote to his boy, a Peace Corps worker in Malaysia. Mr. MacFarland speaks up for "our side" and, in doing so, builds an effective bridge across the generation gap. I would very much like to share his wisdom with you:

NOVEMBER 30, 1969.

DEAR CHARLES: I think we need to clarify a few things about this so-called "Generation Gap". Your point of view is indeed different from your father's, and perhaps if I explained the circumstances that have caused me to feel the way I do, you would understand me better. After all, a "Gap", if it exists, is one of communications.

Viewpoints change in the natural course of life, radical youth and conservative old age. The "have not" youth becomes a "have" as he progresses through the years, as responsibilities increase, he provides for his family, and then later for his own old age and the attendant lack of income.

You will say that we live in a changing world. Yes, I have worked hard to see a lot of changes come into fruition. Progress in engineering has vastly changed our home life. Much of the tedious drudgery of daily house keeping has been removed, and we now live in an almost servantless society. But we will have a social problem till the house servant class is readjusted. I am sure that this can be done in our economic system, unless certain forces of self-interest, the politicians, use the adjustment period as an excuse for welfare schemes to exploit this class.

Other special problems have come up in the last 20 years which I view with greater alarm, a decay of human values, a loss of moral fiber, exploitation of our too human weaknesses, perversion of our established principles, in the feeling that "establishment" of any kind is not a legacy, but a yoke of oppression.

Let us consider together how this has happened in my lifetime, in the last 50 years or so.

In my early youth I was subject to many influences which made me a proud, patriotic American, grandfathers who had fought to free the slaves and preserve the Union, a father who fought in Cuba to free the Cubans from Spanish domination, remember the Maine to Hell with Spain. Then along came World War I, the newspapers screamed bloody murder when the "Huns" sank the Lusitania, we could hardly wait to "Hang the Kaiser" and "Make the World Safe for Democracy". In eleven months it was over, "Over There", and everybody went back to work to make this the greatest country, the "melting pot" of the world.

But alas, the bankers fouled things up. Speculation became the order of the day, something for nothing, the market reaching new highs, a gambler's paradise with everyone rich. That is, until October 1929, when the bitter truth of "what goes up must come down" became evident. The Republican government, caught flat footed, could do nothing but mourn the corpse of our economy, having had no experience in matters of this kind.

Into this morass of despond, I was launched as a B.S. in M.E. in 1931. Good engineers with years of experience were roving the streets, willing to accept any kind of job to feed their needy families. What chance had I for any kind of security? There was no social worker to see that I got my welfare check. Too proud to beg or demand charity, we got along on very little, with help from relatives. Didn't we have real cause to complain about the "establishment" that got us into the economic mess? Did we make "welfare demands", why didn't we all become Communists? Because the newspapers insisted that "prosperity was just around the corner". It wasn't. They said that the American way, of "guts" and "self reliance" would pull us through it. It didn't. The "rugged American" became a "ragged American".

Then along came a "New Deal" for all of us, the avowed intent of which, with W.P.A. and N.R.A. was to get the country back on its feet. This intent soon became "tax and tax," "spend and spend," as the advocates of "big government" in Washington, the Congress and the Administration sought as their goal perpetuation in office, and it has remained so since.

"Big Government" and increased deficit got a big leap forward when World War II started in Europe. A few blunders by the Admirals in Washington resulted in the Pearl Harbor debacle, and this time we were in it for nearly 5 years. We could have done it quicker, but who in Washington was in a hurry? First they drafted an army about three times as big as was needed even if masses of infantry played any part in this new type of war. It didn't.

Well, in five years as I said, it was all over, and we got the army down to about 3 million men. Now an army of 3 million men in peacetime with nothing to do, is an awful waste of manpower even if you deploy them all over the world to occupy the countries of your former enemies and to protect your former allies. To keep this enormous army manned in full numbers, and with the ridiculous excuse that the discharge of the excess service men would swell the ranks of the unemployed, a Congress more interested in perpetuating itself in office than in the lives of the 3 million, prolonged the draft under the same rules used in the war. Legal grounds were that we had authorized peacetime draft just before the war started.

Then came about the great schism, the Generation Gap was born. Any man in the college age group knew that he was meat for the draft board. The colleges were overcrowded and the college professors were top dogs. Drunk with power over the students, they rubbed it in, making veritable slaves of them, 150 men crowded into a Physics lecture course known that 10% or more of the class, at the whim of the lecturer, were going to be flunked and spend two years or more in the "armed services" in innocuous desuetude. No wonder that the students became enemies of the establishment that mistreated them!

Those who went into journalism found a fine opportunity for revenge, when, after the prolonged newspaper strikes of the early 60's, the Newspaper Guild got the power to control what the papers printed. Now the poor underpaid reporters had their way, a power formerly enjoyed by the editors and publishers. Even Bertie McCormick gave in, everything was "organized".

Will Roger's statement "All I know is what I read in the papers" is regrettably still true, and unfortunately applies to all of us. It's just that some of us have longer memories than others.

When the formerly called "gentlemen of the fourth estate" worked themselves up to a frenzy with their news and TV coverage of the Chicago convention just before the last presidential election, they succeeded in discrediting the Chicago police force and Mayor Daley so well that they discredited the whole convention, and gave the election to the Republicans because the voters had seen less insanity in their earlier Miami convention, where the paid "demonstrators" were fewer and less violent. This may well have been the mistake that prolonged the existence of our Republic.

Now the press is plugging for anarchy on the campus, where revenge is sweet. Already weakened by the insidious grants from Big Government which have cost them their vitality, and unable to get protection from arson and pillage from a shackled police force, the colleges are getting some of that "instant slum clearance".

They have decided for us that we will lose the war in Viet Nam. They take every opportunity to malign our brave men who fight there, and publish distorted casualty lists. Our former policy of winning wars on the battlefield and losing them at the conference table is to be changed, they want us to withdraw now and lose our first war. All our losses will have been in vain if we give up now. "Stop the war and we will talk peace" came from our enemy only when his crafty little Oriental mind convinced him he could not win by force, now perhaps he can win with propaganda. We fell for this assinine proposal, our acceptance of it made fools of us in their Oriental eyes. But we will withdraw and thus hasten the Communist conquest of Asia. We learned nothing from Korea.

At the same time, other attacks from within are wounding the body of our country, spear thrusts from a senile Supreme Court. Perhaps too busy with outside interests, many of the members seem to be letting their "angry young men" assistants make the decisions. The Constitution provided lifetime jobs for these old men without considering that many men's minds deteriorate after the age of 65. Some sort of psychiatric test at stated intervals should have been provided for, like the driver's license tests for our senior citizens.

Their decisions undermining the police forces, impeding the war on crime, releasing floods of criminals from our jails because the policeman forgot to say "please" when he arrested them, their decisions releasing floods of pornography upon our children and upon our feeble-minded, decisions making it next to impossible to convict a dope pusher, decisions based on vague and indefinitely stated "rights" of honest citizens, which they have read into an eighteenth century Constitution, all these make it obvious that our Court has no notion of reality. They seem to take delight in thus frustrating the law abiding tax payers who pay their salaries, and for whom they are supposed to be working. Every Monday the patriotic citizen shudders at the latest wounds they inflict upon our poor Country. Imagine how long any engineer would stay on his job if he took such a vituperative attitude toward his employers.

How long can the business people, the hated "Establishment" who are financing all this, survive under these repeated attacks by a sniping Supreme Court and a masochis-

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tic press? We may be taxed to death first. Out of my small salary is stolen before I ever see it, enough money to support a family of four on relief, based on the present Ohio Welfare Rate. Over a million people on relief in New York City alone, very soon now more people will be multiplying on a government subsidy than are gainfully employed. Congress wants to pay people not to work as they pay farmers not to raise corn. They are buying votes with tax money for self perpetuation in office.

Our most knowledgeable historians, Charles Beard and others, assert that our country and our civilization will decay from within and smother in its own affluence before it is conquered by external enemies, as did Athens, Rome and the rest. We have put men on the moon and brought them back, we have conquered most diseases, transplanted hearts, split the atom, invested the Pill, built over 200 million automobiles, and 75 million televisions. Why must this lead us to anarchy and ultimately to Big Brother because ruthless elements are determined to make us the Divided States of America?

Generation Gap? All we need to close it is a common understanding of the problems we face, and recognition of the old virtues of self reliance and thrift which made us great. Also must come an appreciation that the problems are yours as well as mine. The only difference is that they are mine today, and yours when you take my place.

With love,

DAD.

FOOTBALL BRINGS OUT A WEALTH OF HUMAN RESPONSE

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 20, 1969

Mr. HORTON. Mr. Speaker, football is one of this Nation's greatest pasttimes. It is a tremendous way to build character and responsibility among the players. But more important it brings out a wealth of human responses.

I would like to share with you and my colleagues a column by my good friend, Ralph Hyman, executive sports editor of the Rochester, N.Y., Times-Union, which vividly demonstrates this:

[From the Rochester (N.Y.) Times-Union, Dec. 8, 1969]

NIXON CALLED THE SHOT ON TEXAS COMEBACK

(By Ralph Hyman)

What makes football a great game, among other things, are the human responses it evokes.

There was the president of the United States, being interviewed Saturday in the locker room of the winners, the Texas Longhorns. And "the boy" in him popped out, "Please excuse me for bragging," he interjected, and then he went on to relate how he had predicted what would happen in the second half of the Texas-Arkansas game.

At halftime, the ABC interviewer had asked Nixon for his opinions about the game in which Arkansas then led, 7–0. The President qualified his standing as a football expert by saying that he had learned a lot about it while warming the bench in college.

He said that be believed that Texas had a lot of power "that hadn't yet been unleashed," that they would score probably two touchdowns in the second half, and in the late stages of the game their greater depth would pay off. He complimented the Arkansas offense and said he thought the Razorbacks might score another touchdown, too.

The score was 15–14 in favor of Texas. And then to the consternation of fans of Penn State, the President said that "the AP and UPI will name Texas No. 1 after this game."

He himself had said that one of the great things about football is that you take sides, that you express yourself in favor of one team or the other.

From the refreshing boyishness of our leader, the gamut of emotions ran to the touching religiosity in the Texas locker room, where, after the game, Coach Darrell Royal led his team in The Lord's Prayer.

Another heartwarming vignette of human emotion was the exit of quarterback Bill Montgomery of Arkansas, who must have been heartbroken over the escape of a victory that was within his grasp. He didn't throw his helmet or chase the officials, screaming. He walked calmly off the field with his arm around the shoulder of teammate Bruce Maxwell.

It looked as if they said a few things to each other, and you can imagine the conversation. They had given their all, but on this day it wasn't to be.

Because of Arkansas' unexpected show of strength and finesse, the Sugar Bowl now becomes a more attractive New Year's Day offering. There had been some remarks passed around that this would be a second rate game because they were taking the loser of the Soutwest Conference to face Mississippi.

As for the Cotton Bowl, Notre Dame, with the legends of Knute Rockne and George Gipp riding the bench, must be given a good chance to beat Texas.

Following the telecast of the Texas-Arkansas contest, ABC showed on tape the awarding of the Heisman Trophy to Steve Owens, the great tailback from Oklahoma.

Here was this indesructible athlete, the best college football player in the land breaking down while thanking "my parents, my brothers and sisters, teammates and coaches for making this award possible."

This was the man who carried the ball 55 times for 261 yards in an awesome display of power when the Sooners beat arch-rival Oklahoma State by one point.

But when it came time to step and receive the highest sort of individual recognition, Owens cried like a school kid.

It was wonderful. Far more touching than all of the artificial dramas TV conjures up.

AN OLD CHINESE PROVERB

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Saturday, December 20, 1969

Mr. BYRD of Virginia. Mr. President, from a very fine resident of Frederick County, Va., Mrs. Helen Leigh Smith, the wife of Dr. George Smith, I received an old Chinese proverb which I feel is worth calling to the attention of Senators. I ask unanimous consent that it be printed in the Extensions of Remarks.

There being no objection the proverb was ordered to be printed in the RECORD, as follows:

If there is righteousness in the heart, there will be beauty in the character.

If there is beauty in the character, there will be harmony in the family home.

If there is harmony in the home, there will be order in the nation.

Where there is order in the nation, there will be peace in the world.

THE 1970'S JAPAN'S DECADE?

HON. ALBERT W. JOHNSON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 20, 1969

Mr. JOHNSON of Pennsylvania. Mr. Speaker, I have come upon this editorial in the Bradford Era, published in my district at Bradford, Pa., which is a very fine résumé of the situation of our role throughout the world in the coming 1970's. I am submitting it for the RECORD as I feel that it should be of great interest to the Members. The editorial follows:

THE 1970'S JAPAN'S DECADE?

Those who make a profession of watching Asia have decided that the 1970's will see a marked upsurge in Japanese influence in Asia. It is ironic that the Japanese may very well accomplish by peaceful trade, democratic government and heavy industrialization what it failed to do by force of arms in the 1940's.

Herman Kahn, the chief of the Hudson Institute's "think tank," sees Japanese economic influence as dominant in Asia during the next 10 years. For America, this will be both a matter of pride and a definite challenge. It was America, after all, that helped Japan rise from her knees after World War II and which taught the Japanese the benefits of democratic government.

However, there are some other elements to consider in Asia during the next decade, which Mr. Kahn enumerates as follows:

Indonesia will be coming of age and has a rich potential in both raw materials and manufacturing. However, there is some question of whether or not the nation can remain on the course set for it by the able President Suharto.

Vietnam will remain a serious question, even if the fighting should stop tomorrow. Massive doses of American aid will be required to prop up whatever government winds up in control of Saigon (barring outright Communist control), and little can be expected in return for at least another 15–20 years. The nation has been a victim of war, after all, for more than two decades. What economy it has is devoted exclusively to feeding—and not very adequately at times—its people to enriching a relative few powerful landowners.

Red China continues to be a serious threat, especially since China has the atomic weaponry and is rapidly developing the missile hardware to deliver it. In addition, leadership is highly unstable. At the moment, China lies outside all nuclear arms and testing limitation treaties and the finger on its atomic trigger is old and cranky and, perhaps, not a little mad.

Russia's Asian involvement is both historic and geographic. The history of Russia in Asia has never been a happy one and it culminated in the Russo-Japanese war at the beginning of the 20th Century. But during the 1960's, Russia has been pushing for more influence in Asia and has been gradually edging toward warm water ports that would give her both trade and military importance in the North Pacific.

India remains a question mark. While only nominally a democracy, it has been pushing toward full democratization with the breakup of the old ruling Congress Party. The incidents involving Mrs. Ghandi last month were only the tip of the iceberg showing above the surface. Major political changes impend in India, and with them, much of India's future as a powerful industrial nation. Japan's stable government plus her headstart in industrialization will most likely leave

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India in the shame for another 10 to 15 years.

The United States, meanwhile, is intent upon a policy of strengthening both India and Japan as a counterpoise to Red China. Japan, the only nation ever to suffer nuclear attack, is understandably uncomfortable at the thought of China's potential. India, with a long common frontier with the Chinese, is in no better case.

The recent U.S.-Japanese accord over Okinawa may well be the foundation for a series of military agreements which will provide the Japanese with a low-cost American umbrella against Chinese nuclear threats.

Meanwhile, what America is able to accomplish as an Asian power—a role we have played since we first opened Japan in the 19th Century—depends largely on how well we come out of the Vietnam War. If we lose face in Vietnam, then neither India nor Japan is going to have much faith in our ability to protect them.

But as the outlook stands now, Japanese growth is almost assured, and America will have to deal with that, too, in its calculations.

REMEMBERING THOSE WHO SERVE IN VIETNAM

HON. DON H. CLAUSEN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 20, 1969

Mr. DON H. CLAUSEN. Mr. Speaker, with the holiday season now upon us, I was highly impressed and deeply moved by William S. White's editorial in today's Washington Post entitled "Denial of Pity to Vietnam GI's Will Stain Heritage for Years."

Because I believe these words have special meaning for every Member of Congress, and since my own views on this subject so closely parallel those of Mr. White, I am asking that a copy of his editorial be inserted in the RECORD following my remarks, as well as an address of mine delivered on Veterans' Day in Napa, Calif. Together, I believe these documents tell of the extraordinary courage and contribution being made by our gallant men in Vietnam.

In addition to those American fighting men of whom Mr. White speaks, those who will enjoy at least some of the merriment and religious observances associated with Christmas, my thoughts again go out to those American prisoners of war and men listed as "missing in action," but believed held captive by Hanoi. Since Communists do not recognize or celebrate Christmas as a religious holiday, I doubt that these suffering men will have much of a Christmas.

But, as Mr. White says, "history has a long memory and it may yet come about that self-sacrifice and duty done in this war will be no badge of un-hip disgrace in the years ahead."

The materials follow:

[From the Washington (D.C.) Post, Dec. 20, 1969]

DENIAL OF PITY TO VIETNAM GIs WILL STAIN HERITAGE FOR YEARS

(By William S. White)

This will surely be the bleakest of Christmases to those Americans who carry the rifle in Vietnam—but let them know at least that there are those among us who have not forgotten them and never will.

It is no longer chic—or even permissible, in some circles—to wave the flag. Still, it is not yet an indictable offense to salute those men across the world who have fought so brave and so lonely a weight with so little honor from a country whose loudest politicians and shrillest commentators are so busily engaged in demeaning them and the cause in which they serve.

The doughs, the dogfaces, the GI Joes might well be pardoned if it appeared to them that we back here were so preoccupied with the alleged excesses somewhere of some possibly aberrant and combat-maddened handful of soldiers that we had no compassion or thought to spare for the hundreds of thousands whose quiet and dogged gallantry has had no parallel in all the history of warfare.

It is, as the saying goes—and goes and goes and goes—an "unpopular war," as one can hear every day from New Left senators whose "sensitivity" is so often self-proclaimed and whose concern for those who die in war stops so oddly short of these, our own troops. So it is that one must wonder whether the forward lines in Vietnam can hope for a single Christmas remembrance apart from that of the President and those from immediate next-of-kin here at home.

Perhaps not. But history has a long memory and it may yet come about that self-sacrifice and duty done in this war will be no badge of un-hip disgrace in the years ahead. And let them know, too, that it was not ever thus and that, as an impossible square English writer called Dickens once observed, there are also such things as the ghosts of Christmas past and future. There is one concept that the spirit of Christmas moves upon a rope of time without beginning or end and thus, that if a single Christmas rewards men with stones for bread, another Christmas upon the endless belt will nevertheless come to rescue and relieve them, after all.

Indeed, it was certainly not ever thus. One man recalls a Christmas of 26 years ago, when other American troops stood far from home in the wet and special blackness of an English wintertime while their superior officers in a headquarters called cossack were making the plan for the invasion of occupied France. We, too, were gone away: but, so achingly unlike the generation of infantrymen now in Vietnam, we had a united nation at our backs and we had the glowing, the unforgettable, privilege of the remembrance of those who had stayed here at home.

So it was that in England then no man could really be alone on Christmas Eve. Every material thing was in short supply—and most of all whisky. But every material thing (and every spiritual thing, too), however scanty, was shared out gladly from man to man, and for that matter from English civilian to American soldier. And so all through the enveloping darkness there shone the great light of comradeship and shared hope that is so poignantly denied today in those who stand alone in Vietnam.

What we have done to these, the least of us in terms of privilege, of comfort and of elementary compassion withheld, will stain our heritage for generations to come. This it will surely do, irrespective of history's ultimate verdict upon the wisdom of the war itself. For these, the non-"kids" who have borne the ghastly burden of our first action at arms ever to be refused even the pity of so many of the unengaged, will at length present us with a moral bill for which no repayment can ever be made.

The season of Christmas is no time for recriminations; but one observer cannot forbear a single remark that is no doubt bare of charity: I, for one, should not like to carry on my conscience the awareness that in opposing a war policy made by high authority I had curled my lips, as many a famous dove has done, at the poor, bloody infantry that had to carry the load.

REMARKS OF CONGRESSMAN DON H. CLAUSEN ON VETERANS' DAY, NOVEMBER 11, 1969

During the past 200 years, 38 million American men and women have responded to their nation's call—from the frozen fields of Valley Forge to the steaming jungles of South Vietnam.

As we pause once again to pay homage to these veterans, I cannot forget or resist this opportunity to read a letter written by a GI serving his third tour of duty in Vietnam to his parents. Regardless of how we, as individuals, feel about the war or the efforts for peace now being made, I believe this letter sums up better than anything I could possibly say, just where we, as people, find ourselves on this Veterans' Day, 1969.

Let me read from this letter:

"Dear Mom and Dad:

"I've been doing a lot of serious thinking about the state of world affairs, mostly about America and some of the news we hear. I've got a question I'd like to ask all the people back home . . .

"My God, how can it be?

"That one boy lies rotting from malnutrition and torture in a jungle prison camp in North Vietnam and another boy spits and tramples on the flag of his country on the steps of a university of learning.

"That one boy lies sightless in a U.S. naval hospital from communist-inflicted face wounds, and another boy uses a communist flag to drape himself in defiance of the laws of our country.

"That one man of medicine begins his 30th straight hour standing over an operating table in pursuit of life for a man serving his country, while another man of medicine implores crowds of young men to refuse to serve.

"That one Negro holds the face of his dead white buddy in his arms and cries without shame in a rice paddy of mud, and another Negro screams hate against his white brother on the street of an American city.

"That one boy lies in a coffin beneath the ground because he believed in duty to country, and another boy lies on a dingy cot giving blood to the enemies of his country.

"That one man of God shields a wounded boy from an enemy bayonet with his own body and dies, while another man of God uses his cloth as a shield to preach hate, dissention and lawlessness.

"That one man spends his life in uniform serving his country, while another spends his life on drugs or in crime, hate and bigotry.

"My God, how can it be? . . ."

The flames of bitterness, resentment and division burn brightly on this Veteran's Day as America desperately searches for the answer to this young soldier's question, because certainly, it is a question that is on the minds of millions of Americans.

It is ironic, I believe, and not too far removed from the theme of the soldier's letter, that we should honor America's servicemen and veterans on this day—only to be followed in a few more days by demonstrations against our government and our President who is trying desperately to end the war and secure peace, with genuine freedom, in Vietnam and to bring our troops home.

Let there be no doubt, I strongly support the right of citizens to peaceably assemble and/or express dissent against government policy. This is a basic right that I shall defend with all the vigor at my command. But, I question any demonstration against the war that criticizes only the President of the U.S.—that calls for the withdrawal of only U.S. troops—that calls on only the U.S. government to work harder for peace—or that

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condemns only one party to the conflict for the slow progress being made in negotiations at Paris. I also believe the American people are getting as tired of one-sided demonstrations in this country as they are of the war in Vietnam. However, isn't it about time these demonstrations start "Telling It To Hanoi?"

As most of you know, I was among the first—back in 1965, again in 1968 and 1969—to express my strong disapproval with the manner in which the war in Vietnam was being handled.

But, to express disapproval and criticism, by itself, is not enough. If one is not satisfied and disagrees with established policy, as responsible citizens, we have an obligation, in my judgment, to provide or offer a constructive alternative to that policy. Because, to me, the easiest thing in the world is to say, "I disagree." The real challenge is "What would you do differently or what course of action would you recommend?"—if you had the awesome responsibilities associated with the Presidency of these United States.

Those were the same basic questions I asked of myself. The results were, as most of you will recall, the development of our "Phase-In/Phase-Out Concept" through the creation of a Free Asian Security Organization.

This concept was presented as a "constructive alternative" to the policy in Vietnam that I submitted first in 1965 and then to President Johnson in early 1968, as well as to Presidential Candidate Richard Nixon.

In describing the concept, it suggested: "Very briefly, it means redirecting the manpower emphasis in Vietnam whereby vastly more South Vietnamese and Free Asian Security forces would be injected into the ground war there and a like number of American fighting men withdrawn on a carefully conceived, methodical and realistic timetable basis.

"This could be done by creation of what I call a 'Free Asian Security Organization' composed of regular military units of the countries of Free Asia which are directly threatened by Communist expansion."

As many of you have told me, President Nixon's "Vietnamization" of the war and his November 3rd Nationwide, televised speech had a familiar ring and followed the basic concept of "Phase-In/Phase-Out" very closely.

This, of course, gives me a great sense of personal satisfaction because I firmly believe we are finally on the right course in Vietnam.

According to a recent poll, apparently 77% of the American people agree, and only 6% disagree, with President Nixon's policy.

As a recent editorial in the Santa Rosa Press Democrat said,

"Public utterances by those participating in the October 15 'Vietnam Moratorium' demonstration fell largely into two divergent categories.

"Quite predictably, those who had spent months preparing and promoting the demonstration parroted, thought for thought, what the North Vietnamese have been saying at the Paris peace conferences—the United States must immediately withdraw all forces from South Vietnam, unconditionally and regardless of consequences.

"Some members of Congress and other public figures urged instead that a phased withdrawal of American troops be made.

"What these politicos are now saying, curiously enough, is exactly whta the Nixon administration has publicly announced it is doing, and intends to keep on doing. This is an easy time to say it, and a popular time to say it—but they neglect to say where they were when President Kennedy turned a military advisorship into a small-sized war or when President Johnson turned it into a major conflict.

"Or even where they were when the Redwood Empire's Congressman, Don Clausen, advanced the concept of a planned, timetabled and orderly, phase-out of American participation. It was not the politically expedient thing to say at the time Mr. Clausen said it, and he received no support from some of his colleagues who more than a year later were advancing the same concept just as though it was not already underway, and just as though they had themselves just invented it in a sudden blinding flash of inspiration.

"Well, that's political expediency, we guess. Fortunately, it also happened to be responsible statesmanship, even if some of those come lately to the principle of phased withdrawal were a long time arriving."

I say the time has come for all Americans to demonstrate by deeds, not words, that we are one Nation, under God, indivisible, seeking peace, with freedom, justice and liberty for all mankind.

I say the time has come to re-unite these "Dis-United" States, by telling Hanoi and all Communist leaders in the world that the people of this Nation are still the leaders of the Free World—we are still the symbol of Freedom and Free Institution Building—offering that ray of hope to other peoples and countries who have a common desire and yearning for freedom.

One need only look to Czechoslovakia to realize the contrast between real freedom and the totalitarian Communist regimes imposed on people by the leadership from Moscow.

Remember, no country has chosen Communism as a system through free elections—it has been thrust upon people and kept in control by outside forces.

One need only recall President Nixon's warm welcome by the people of Rumania to remind us of the respect people still have for our country and our people.

Veterans' Day, 1969, has many meanings to me.

It is a day, set aside, to honor, pay our respects, and our appreciation to those Veterans of all wars for the extreme sacrifices they have made in defending our Nation and the cause of freedom throughout the world.

But, on this Veterans' Day, I believe we owe a special debt of gratitude to those veterans directly associated with the Vietnam conflict.

These men did not ask to be sent to fight this controversial, complex and very unpopular war—they went there because the then-elected Presidents and Commanders-in-Chief committed this Nation to that region.

To their everlasting and resounding credit, I will never cease to be amazed at how well they've kept a high morale, demonstrated extraordinary courage, ability and leadership in what must be recognized as the "worst of all wars."

To me, these men have demonstrated something special: they've overcome great odds overseas, they've held their heads high above the Internal dissention here at home and they've shown, once again, that an American fighting man is a man of character and courage that is accompanied by a benevolent and understanding attitude toward friend and foe alike.

They've shown an ability to adjust and adapt themselves to the most difficult of all threats to our security—guerrilla warfare!

They've demonstrated unusual skills and flexibility in handling very sophisticated and technical equipment, pacification, education, and training responsibilities, never before dreamed of during our time of military service.

Providing security for Free Nations in a Nuclear Age will require new dimensions, new security training and equipment, new and firmed-up alliances with our Free World friends.

It will require accelerated economic, diplomatic, and security integration among the free Nations—a merger of the Free Nations to advance the common interests, the social and economic progress of all people.

We must learn how to retain and improve our independence by maximizing our Free Nation inter-dependence.

There is no other choice in a Nuclear Age.

As we observe Veterans' Day, we, as veterans, have additional and continuing responsibilities: to keep up to date on all security matters.

In addition to "Telling It To Hanoi," we must communicate with all Americans—veterans and non-veterans alike—to tell them that all Americans need a broader understanding of the current day threats to our security—the complex problems associated with counter-guerrilla warfare techniques and the tremendously technical nuclear and space weapons systems.

We were trained to handle conventional military and warfare techniques.

This is one of the primary reasons the Vietnam and other guerrilla conflicts have been so difficult to understand. Honestly ask yourself, how many of you could explain guerrilla or nuclear warfare to your family or friends?

We must be able to explain that no Free Nation or system within that Nation can survive or endure without security.

Security is essential to political stability and political stability is essential to economic and social progress.

What we all seek is freedom of choice; fair, firm and factual free institutions through responsive and responsible government.

To me, that's what Vietnam and self-determination are all about.

We need to "tell it like it is," but we must also become better equipped to tell the *whole* story.

I hope eVterans' Day, 1969, will be a turning point in history.

I hope it will be a day of re-dedication to advancing the cause of peace with freedom in Vietnam and in all the world.

Recently, in our Nation's Capitol, I attended the funeral of one of our most colorful and greatest Americans, the one and only Senator Everett Dirksen.

There was, understandably, a second funeral ceremony in his home community in Illinois. I was told by colleagues that made the trip to Illinois that they observed, on that day, something exciting, heart-warming and rewarding.

They saw rows of people—children, parents, businesses and residences, all bedecked with American flags, holding them and waving them, unashamedly.

Somehow, I get the feeling that more and more Americans are becoming fed up with violence, militancy and wild, uncontrolled demonstrations.

I get the feeling they are tired of what some people are against and are searching desperately for something in the way of a cause they can all be for.

There is in the making, I believe, a resurgence of patriotism and pride in our country and what it stands for.

I sense a burning desire to put freedom on the move—recognizing full well that freedom isn't free—that we must all sacrifice and pay a price if we want to preserve our liberty.

I sense that the true spirit of America is coming alive, where patriotism and the pride of Old Glory will once again unite our people toward the common goal of peace on earth and good will toward man.

In the words of Douglas Jerrold: "We love peace—but not peace at any price! There is a peace more destructive of the manhood of living man than war is destructive of his material body. Chains are worse than bayonets."

And so I submit, that if the peace some seek in Vietnam only ends up chaining the people of South Vietnam, then I fear that 40,000 young American fighting men will have died in vain.

Of all the voices being heard on this vital question of war and peace, it is to those rather quiet voices of our men serving in Vietnam that I have also been listening. They believe there has been a major change in direction regarding the conduct of the war and the search for peace. They believe the level of the fighting has been drastically scaled down, and that American casualties have been substantially reduced. And, ladies and gentleman, they believe the President is on the right track. I believe the American people should listen to these men too, because it is they who are risking their lives daily, and it is they who know better than anyone else what is actually taking place over there.

This is why I support the veterans who today, in response to those who offer only criticism and protest, are saying: "Tell it to Hanoi!"

And, they have earned the right to say it—the hard way.

Yes, Veterans' Day, 1969, is "Tell It To Hanoi Day," but let's make it "Tell It To The World Day" by walking up to a veteran or his family and saying, unashamedly, "I'm proud to be an American and everything America stands for, but, more importantly, "Thank you for your efforts to preserve our dignity, our purpose and our way of life."

Our veterans, both young and old, are the strength, the sinew, the heart, and the pulse of America. They fought, and many died, to make freedom endure, and I join millions throughout the world today in paying tribute to them—the men and women who have served in the uniform of this great country.

From the bottom of our hearts, we, your fellow Americans, thank you!!

MENTAL HEALTH

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 20, 1969

Mr. PICKLE. Mr. Speaker, this Congress has come to grips with the pressing problems centering around mental health. Recently, the Interstate and Foreign Commerce Committee reported out a package of bills aimed at injecting much-needed money and planning into mental health.

Among the major items in this field were the following bills: H.R. 14790, which amends the Public Health Service Act to extend the time in making formula grants to schools of public health; and H.R. 14086, which amends the Community Mental Centers to extend the assistance program for community mental health centers and facilities for the treatment of alcoholics and narcotic addicts.

Then, on December 16, the House passed these bills by a substantial margin.

The need is clear and the House is to be congratulated for taking the initiative. These bills will pump new life into the bleak surroundings currently available in all too many mental health centers. Perhaps now, we can take a meaningful step away from the days of simply cursory custodial care—perhaps now, we can begin a stepped-up campaign of therapy. There is no excuse for treatment carried forth from the Dark Ages to be applied to 20th century psychiatric patients.

Our action has extended for 3 more years the program of matching grants for construction and staffing of community mental health centers. Further, the bill extends for an equal time, the matching grants program for specialized services and treatment of alcoholism and narcotic addiction. .

Continued programs for this treatment is urgent. Despite the dialogs that marihuana is now in vogue, still one of the most alarming addictive problems facing the United States is alcoholism. Additionally, statistics have proven that 40 to 50 percent of the crimes of violence in this Nation are directly related to the use or the traffic in drugs.

Obviously, Mr. Speaker, the mentally disturbed people have little voice in the world. Perhaps this legislation will enable those doctors and technicians who treat them to speak a little louder now, and with conviction.

I am appalled to find that many of the 200,000 people in mental institutions are merely warehoused in dehumanizing conditions, without hopes of any program aimed at rehabilitation.

Accordingly, earlier this year, I joined in cosponsoring H.R. 14237, which creates a 3-year extension for construction assistance in mental retardation centers. I am convinced that the President's Commission on Mental Retardation was accurate when they released the appalling figures indicating "some three-quarters of this Nation's mentally disturbed people could become self-supporting if given the right training early enough."

REVERSAL ON MINE SAFETY

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 20, 1969

Mr. PUCINSKI. Mr. Speaker, today's Washington Star carried an excellent editorial urging President Nixon not to veto the mine safety bill approved overwhelmingly by Congress.

I share the views expressed in this editorial. As one who worked tirelessly in the subcommittee to hammer out what I believe to be the best mine safety law in the entire world, I sincerely hope Mr. Nixon will not place any obstacles in the way of this legislation.

The Washington Star editorial follows:

REVERSAL ON MINE SAFETY

President Nixon, in a bewilderingly abrupt reversal, has turned against the Federal Coal Mine Health and Safety Act of 1969. He reportedly has threatened to veto the bill that had—almost up to the moment of passage—enjoyed the backing of the administration.

The maneuver is politically and morally inexplicable.

The safety measure, with the blessings of the administration, sailed through the House in October with only four votes in opposition. The Senate approved it by a vote of 73–27. By November 20, the conference committee had worked out the minor differences and the way was cleared for passage.

It is true that the bill, in final form, went further than the administration asked. But there was no hint that the measure would be disowned.

Then, on Wednesday, word was passed that the bill was unacceptable to the White House.

The belated rub, it seems, centered on the provision that would add a federally guaranteed payment of at least $136 a month to victims of black lung disease. The objection was two-fold: workmen's compensation programs are the prerogative of the states and should not be intruded on; the payments might add as much as $385 million a year to the federal budget, and would contribute unacceptable inflationary pressures.

We're all for states' rights—up to a point. And inflationary pressures should be avoided—whenever it is possible.

But the demonstrable fact is that the coal mining states have not met their obligations regarding the health and safety of the men in the mines, nor have they shown any abundance of zeal in compensating the disabled and the destitute when disaster strikes. The result is a vacuum of compassion that only the Federal Government can fill.

If the program of federally guaranteed compensation would indeed add nearly $400 million a year to the federal budget, that is persuasive testimony to the history of neglect up to the present, and to the urgency of immediate remedial action. And how, in the name of sound economy, an administration can approve a billion-dollar speculation in supersonic transportation while denying a third of a billion to black lung disease, is an exercise in moral rationalization that is—to put it mildly—hard to follow.

The health and safety standards established by the bill are necessitated by the dismal history of sudden death and lingering disease in America's mines. The compensation provisions are demanded by the long tradition of neglect of the victims. Both the House and Senate have disregarded the administration's switch and have passed the final version of the bill. It is now up to the White House. The President should reverse himself one more time and sign the measure into law. Should he fail to do so, Congress should override the veto.

BLACK CAPITALISM IN ROCHESTER, N.Y.—THE HARD TASK OF BUILDING NEW URBAN BUSINESSES

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 20, 1969

Mr. HORTON. "Black capitalism" is a term that has become a part of our vocabulary in the past few years. It symbolizes a sincere effort by the blacks in the inner cities to establish their own businesses.

Reporter Bill Tammeus of the Rochester, N.Y., Times-Union has written a series of articles on the progress of black capitalism in my district and I would like to share them with my colleagues:

[From the Rochester (N.Y.) Times-Union, Sept. 8, 1969]

BLACK CAPITALISM—HOW IS IT DOING?

"Black capitalism became part of America's vocabulary just a few years ago. The "black" referred to the so-called urban problem and the "capitalism" called up such well-established ideals as free enterprise and rugged individualism and boot straps.

To find out what the phrase means in Rochester, where the Rochester Business Opportunities Corp. has been helping to get new enterprises off the ground, reporter Tammeus spent several weeks talking to some of the city's new entrepreneurs.

[From the Rochester (N.Y.) Times-Union, Sept. 8, 1969]

High Turnover a Problem at Fighton—I

(By William D. Tammeus)

Black-owned, black-managed Fighton, Inc., the FIGHT organization's new 7th Ward factory, claims to be subsidizing the rest of Rochester industry.

Here is how officials reason:

Fighton now has 57 people on the payroll—46 hourly employees and 11 managerial people. But since the factory opened in late January of this year 23 other employees have come and gone—a high turnover rate by almost any standard.

DeLeon McEwen, a former barber who now is president and chief operating officer of Fighton, says 20 of the 23 went to other jobs, 18 of them in other industry.

The employes stayed with Fighton long enough to learn some skills—such as how to make metal stampings or how to make and test electrical transformers—and then they left to get a better-paying job in established industry.

Fighton hourly workers make an average $85 to $110 a week, and they find they can do better elsewhere—once they learn a skill.

To help train employes, Fighton received a $444,677 grant from the U.S. Department of Labor. But McEwen and Bernard R. Gifford, who is both FIGHT president and Fighton board chairman, say that figure was based on the assumption that once workers were trained, they would stay with the firm. McEwen and Gifford say Fighton ends up using its training funds to train workers for others.

Gifford also says Fighton is saving Monroe County thousands of dollars a year in welfare payments, because several of the present employes came directly from welfare rolls to work.

And, he says, a number of ex-convicts (more than 50 per cent of the payroll in the first month) are working—all going straight, all adding to the economy instead of being an economic burden.

What Gifford and McEwen are arguing, basically, is this: There ought to be more than one way of measuring the success of a company. Merely showing a profit (which Fighton won't do until 1971, according to current estimates) should not be the only way to gauge the success of a company, they say.

Gifford and McEwen say that before Gifford was elected FIGHT president in a bitterly divided convention in June, the factory had no training program. They say that things were highly disorganized under the former FIGHT president, Minister Franklin D. R. Florence. McEwen, in fact, resigned from the factory shortly before the convention and threw his support to Gifford, saying a political atmosphere had engulfed the factory and made work next to impossible. But he came back to work when Gifford won.

Now, thousands of dollars have been spent on training books, films and other materials, and a former Navy electronics technician teaches employees for close to two hours a couple of times a week. In addition, management people are under the tutelage of Xerox Corp. officials—five of whom have offices at Fighton.

Fighton, located in a 32,000-square-foot building on Sullivan Street, formerly the home of Timely Clothes, Inc., began with help from Xerox, the Labor Department and the Rochester Business Opportunities Corp., which was formed more than a year ago to help minority-owned businesses get started.

RBOC bought the building and is leasing it to Fighton. Xerox has guaranteed to buy more than $500,000 annually for two years. Fighton also got a $250,000 working capital loan (guaranteed by the Small Business Administration) from Marine Midland Trust Co.

As its first product, Fighton assembled 1,000 small vacuum cleaners from pre-made parts. It now has a second order to assemble another batch. But, Fighton officials say, that doesn't take or develop much skill.

But the factory also is producing metal stampings and electrical transformers.

"One of the big transformer companies, which has been in the business for 40 or 50 years, just told us 'good luck' when they heard we were going to make transformers. Now we know what they meant. Making transformers is an art," McEwen says.

And, McEwen points out matter of factly: "Xerox has never made transformers."

Even outside consultants who have been in the transformer business for years don't have much to contribute any more, he says. Fighton people have to figure out the best way to do things now by trial and error.

However, the result is that Fighton is developing the capabilities to do prototype engineering on future products. The factory is developing the technological known-how which can mean a larger margin of profit in the future.

It also is developing the day-to-day management skills which will be necessary to make the company go.

No position, McEwen says, was filled when it should have been. He blames some of that on Minister Florence. Just a few weeks ago did the factory become fully staffed.

"We could have cried to Xerox and they could have come down and put men in the posts, but that wouldn't have been facing the issues honestly, and if we can't make it honestly, there's not much hope," McEwen says. "We don't want a paper tiger that will collapse."

Of course, these problems have taken their toll. Factory officials say the firm probably will not produce the volume of sale expected in the first year, and it is behind on production timetables.

Initial estimates predicted first-year gross sales of slightly more than $400,000. A later revision boosted that figure to about $500,000. If all goes well, Fighton may make the first estimate, Gifford and McEwen say.

Product troubles have developed, too. The high voltage transformers have had breakdown problems, but officials say that even experienced transformer makers have the same problems, and no effective cure has been discovered by them, either.

Only recently has the firm begun to make bids on products needed by companies other than Xerox. But McEwen says Fighton still is in no position to accept outside contracts.

"When Fighton can produce a competitive product on time for other companies, we'll be successful," he says. Now, Fighton is devising a "masterplan" through 1970. But initial estimates said it would take three to five years for the factory really to get on independent feet, and officials see little reason to change that estimate now.

Despite the claims that Fighton subsidizes white-owned industry, factory officials recognize the important role played by white-controlled industry, government and finance in Fighton's formation. But McEwen is explicit about what the white role should be:

"It's like doing mouth-to-mouth rescuscitation. You have to quit when the victim starts blowing back in your face."

[From the Rochester (N.Y.) Times-Union, Sept. 9, 1969]

Hours Are Long, Pitfalls Are Many—II

(By William D. Tammeus)

Before Frank McElrath got into the plastics business last year, he told his wife and two children that he wouldn't be at home much for about two years.

So far, he's been true to his word. He's at work now a minimum of 12 hours a day.

McElrath, for 15 years an organic chemist with the Eastman Kodak Co., left his 40-hour-a-week job to take about a 20 per cent cut in income so he could work that hard.

But the 36-year-old black businessman thinks he has made the right move. His P. A. Plastics, 350 Whitney St. showed a "modest" profit in the first six months of this year, he says, and he expects that in five or six years his new firm will be grossing more than $1 million.

Nobody exactly handed McElrath a ready-to-go business, but he did (and is still getting) a lot of help.

As part of its connection with the Rochester Business Opportunities Corp., Kodak mapped out the possibilities of establishing a shop to produce vacuum-formed plastic parts, many of which it uses itself. McElrath heard about it and decided he wanted a shot at running the business. Kodak and RBOC said okay.

Before he left Kodak last fall, however, McElrath spent three or four months learning the technical and business ends of the plastics field. Being an organic chemist, he found that a lot of it was new to him, but he was ready to strike out on his own in September.

"Not a soul, including myself, came here with any experience," McElrath chuckles.

Kodak, RBOC and McElrath figured it would take $100,000 to get P. A. Plastics (named for the boss' daughter, Patricia Ann) off the ground. RBOC put up $20,000, McElrath kicked in $5,000 of his own and the rest came from a Central Trust Co. loan, guaranteed by the Small Business Administration.

McElrath figures he probably could have started for less money, but he was aware of one of the big reasons a lot of small businesses fail: Under capitalization.

Another reason for failures, McElrath believes, is that small businessmen often don't know what it costs them to do business—to make deliveries, mail letters, clean the plant or operate manually as opposed to by machine.

"We've gone to great lengths to avoid these pitfalls," he says, explaining that RBOC and Kodak have helped his awareness of them.

Kodak promised McElrath two years of business and technical assistance. Kodak now buys about 90 per cent of what McElrath's plant (about as big as large three-bedroom apartment) produces.

"And any time I want something—advice, information—I just pick up the phone and call Kodak," he says.

"My principal problem now is trying to broaden my base of customers," he says. He has talked with other large Rochester industries and hopes to drum up new business.

He was hampered in that effort earlier because his time was taken up worrying about a large worker turnover, including the loss of his foreman, who is back now. For a while McElrath was his own foreman.

The company has grown from three to 13 employees, including McElrath. Recently, a 4 p.m. to midnight shift was started.

Most of the men McElrath hires are black and in their early 20s. Eight of his employees are in an on-the-job training program, sponsored by the Urban League of Rochester. Other employees come to him from the State Employment Service and Rochester Jobs, Inc.

The new company makes plastic parts for industrial users. Most of the orders are for 10 to 2,000 parts and from one-sixteenth to one-fourth of an inch thick. A large percentage of the employees' time is devoted to trimming the pieces once they are formed by heat and vacuum.

P.A. Plastics bids competitively with other plastics firms for jobs, but McElrath admits he has a local advantage because his competition is in Canandaigua, Auburn and Buffalo.

"We can beat the pants off anybody else's delivery costs," he says.

McElrath thought he was doing well individually at Kodak, "but I wasn't doing anything for others."

"I didn't need all the headaches I've got now, but this offers me a chance to employ people, train them and teach them about the industrial psyche," he says.

So McElrath, one of Rochester's new black businessmen, gets to work every day about 8:15, goes home a little after six, stays there for an hour and a half or so and then comes back to the plant until about 11.

He and his family have learned that black capitalism can mean a lengthy leave of absence from home.

Joan Lockhart, who has sewn most of her life, started making African-style clothes for her husband, Gene.

"Everybody wanted them," they say.

So they went into business, opening Uhuru Fashions at 620 Jefferson Ave. on Sept. 12, 1968. They sell African fashions (most of which now are made in New York or elsewhere, not on Joan's sewing machine), earrings, wigs, incense, books and other things closely connected to what Gene calls "an increased black awareness."

Customers are of all ages and colors, they say, and the small store (crowded with unusual merchandise and resounding with rhythmic background music) is becoming something of a community gathering place to rap about problems and ideas.

The store is open six days and nights a week, and the young couple, parents of two children, budget their time between the store and home.

Joan spent the first two weeks prior to opening in the Rochester Public Library learning more about African fashion and culture. A former secretary-bookkeeper, Joan now keeps the store's books.

The Lockharts got a direct Small Business Administration loan to help get them set up, a loan which they say took several months to arrange because of slow-moving bureaucracy and paper work.

They now have applied to get an SBA-guaranteed bank loan as a refinancing measure. That, too, is taking more time than the Lockharts think it should.

(RBOC officials, who have been involved in the Lockharts' finances, say the regional SBA office in Syracuse is so undermanned that it can barely handle applications just from Syracuse, much less from Rochester.

(James H. Blow Jr., RBOC general manager, has been active in efforts to get minority business loans. He reports that Marine Midland Trust Co. has been involved in the financing of nearly half of the nearly 60 businesses RBOC has helped get off the ground with bank help. Lincoln Rochester and Security Trust Co. are about even in second place in loans, with Central Trust third. First National has just granted its first loan.)

Even now, when the Lockharts think of expansion, they get discouraged thinking about all the paper work.

The Lockharts' business, they say, is "beginning to move." They recovered most of the $1,300 worth of merchandise they lost earlier this summer in a burglary, and although they're reluctant to talk about exactly how much money they gross in a week, they think they have built the foundation of a successful business.

But, thinking about the store's role as a community gathering place, Gene, a former YMCA Outreach and Montgomery Neighborhood Center worker, says:

"We're interested in being community-oriented; we don't hope to make a million dollars."

[From the Rochester (N.Y.) Times-Union, Sept. 10, 1969]

A Look at Three Firms: Rhetoric Doesn't Pay Rent—III

(By William D. Tammeus)

Rochester's new group of black businessmen are finding out that they need more than good intentions, best wishes and friendly smiles.

They are learning that rhetoric about black capitalism doesn't pay rent or meet payrolls or produce widgets.

Consider the experiences of three businesses started with help from the Rochester Business Opportunities Corp. (RBOC), which was set up more than a year ago to help members of minority groups get into business for themselves.

Tarant Contractors got started in 1964, several years before RBOC. Its two prime movers were then holding down other full-time jobs and trying to run the business as a sideline.

For a while, Robert Smith and Beverly King were operating out of Smith's home in Chatham Gardens.

But Smith and King decided they could make full-time money in the contracting business, so in early 1968, they applied for a Small Business Administration loan, which they received in the summer.

Smith won't say how much it was, he says it wasn't enough. Later last year, the new firm got a direct RBOC loan and Tarant worked out an agreement with RBOC and Lincoln Rochester Trust Co. by which the firm can get smaller loans to cover contract work as it goes along.

However, the money from those loans is not available until after the work is nearly done, so in effect Tarant used the money to finance the next job.

The decision to go into the contracting business full-time was made with more care than the decision on what to call the firm. Smith says he and King spun a globe and named the firm after the place they pointed to. (However, they've not been able to locate the place since.)

Before they went full time, Smith was a mechanical designer and King was an apartment manager. At first their contracting business employed about 10 men. Now, they employ about 45 people. Much of the expansion, Smith says, was made possible by "hand to mouth" work.

Eastman Kodak Co. supplied a marketing team through RBOC, which helped Tarant determine what kind of business it could expect to do and where customers could be found.

Smith says the team did a good job.

But he's unhappy because industry hasn't given him very many good contracting jobs.

"They've asked us to do petty stuff, for the most part, like boarding up a window or two or repairing a canopy," Smith says.

Some information on contract possibilities was coming to RBOC, Smith said, but it wasn't getting any further, apparently because of a lack of staff, according to RBOC officials.

Much of Tarant's work now is done under a one-year contract with the city to fix up houses that are in violation of municipal codes. But the firm has run into troubles which have given its officials "very mixed emotions" about rebidding for the contract when it expires in November.

City code inspectors visit properties and list violations which must be fixed. If the property owner fails to make the repairs, the city sends Tarant and charges the owner for the work done.

But the problems start when Tarant begins interpreting its work orders, Smith says.

If, for instance, a window has to be fixed, Tarant may begin to fix the window and discover that the wall surrounding it must be replaced, too. Do the men fix the wall and risk not being paid because the wall wasn't authorized? Or do they call the city for instructions and waste time while city men come to look at the situation?

Whichever decision the firm makes, Smith claims, ends up being wrong and Tarant takes a "financial beating" on some jobs. And that, Smith says, makes code enforcement work for the city not very profitable.

Tarant says it is not showing the profit it wanted, although it is not about to collapse financially, Smith says.

James L. Harris Jr., 36, owns Cardinal Cleaners, which opened about a year ago. Harris manages the cleaning plant on Cottage Street and has two stores, one on Hudson Avenue and one on Jefferson Avenue.

Although there is a difference of opinion about what happened, Harris expected a lot more industrial dry cleaning and laundering than he got.

But Harris is making it financially on a neighborhood cash and carry basis.

Harris recently totaled how much laundering and dry cleaning he had done for local business since he opened: Less than $1,500 of its more than $150,000 in total business. That $1,500 included $300 worth of cleaning from two federally funded programs, Action for a Better Community and the Concentrated Employment Program.

Kodak's total bill came to $99.90, although Kodak was the first industrial customer for Harris.

John L. Blake, then RBOC general manager, and now deputy manpower administrator for the U.S. Department of Labor in Washington, says Harris misunderstood how much industrial business he could expect.

When he opened for business, Harris had 14 of 15 employees; now that has been cut by several because, he says, the volume of business did not justify keeping them.

But Harris is making it. Harris made it before. Formerly, he worked successfully for four years to get the old Cardinal cleaning business out of the red. It's just that Harris believes he was promised more business from local business and industry, than he got.

Before they opened their own employment service, Herbert T. Thornton Jr. and Robert L. Milgate worked for the State Employment Service and for Rochester Jobs, Inc., which helps to find jobs for the hard-core unemployed.

They dealt with local business and industry, feeding them potential employees.

But they decided to go into business on their own because they felt they knew the market as well as anyone. Last November they formed Thornton-Milgate Associates and opened Tempa, which supplies temporary help to employers.

Because of their previous work, they knew the importance of making people who work as temporary help feel like valuable humans. Tempa hires people and then charges employers for the people's services. Thornton and Milgate say that someone who works for Tempa is treated as an individual, not as a number or a job description, and this "personal basis" has produced good results.

In March, the two opened the professional placement part of their business. In May, they say, they showed a profit, and "we're in the ball park now, we're on our way."

The business got off the ground with about $48,000 in two personal loans from Marine Midland Trust Co., plus use of about $2,500 in Thorton's and Milgate's own money.

But their problem is finding more clients to hire the good workers they feel they can produce.

Thornton-Milgate can't advertise that it will produce qualified black professional workers. Discrimination laws forbid filling all-black or all-white job orders. But the firm can and does say it will help companies meet requirements of the Equal Employment Opportunities Commission.

Companies should be looking for qualified minority group employees, Milgate says, "and I'm willing to make money off what society needs."

"The bulk of our placements have been to out of town," they say. Many people have been sent to jobs in New Jersey, Ohio, Pennsylvania and Massachusetts.

But Herb Thornton, black, and Bob Milgate, white, are confident about the future:

"We'll get the business because we'll bang doors down to get it."

And that is the kind of resolve the new businessmen are finding they need to succeed.

CONGRESSMAN LANDRUM SPEAKS AT DEDICATION OF NEW POST OFFICE AT JEFFERSON, GA.

HON. ALBERT W. JOHNSON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 20, 1969

Mr. JOHNSON of Pennsylvania. Mr. Speaker, recently our colleague, PHIL LANDRUM, of Georgia's Ninth District, was the principal speaker at the dedication of a new post office building in Jefferson, Ga.

His remarks are noteworthy because they were not limited to justified pride in this new facility. In a typically incisive manner, PHIL LANDRUM discussed the growing postal crisis and the efforts of many dedicated individuals to find a solution to this perennial dilemma.

As a cosponsor of progressive postal reform legislation, and a leader in efforts to revitalize the postal service, PHIL LANDRUM is well qualified to discuss this crisis.

His pertinent remarks follow and I urge all Members to take a few minutes to read them:

ADDRESS BY CONGRESSMAN PHIL M. LANDRUM

Mr. Chairman, Mayor Bailey, Mr. Postmaster Ellington, distinguished platform guests, my warm friends from Jefferson and Jackson County, and from surrounding counties and towns, I'm delighted that I could have the opportunity to come to Jefferson this afternoon and share with you the joys of this occasion marking another step in the advancement of this area.

Advancement HERE. But what I would like to talk to you about today . . . is the impaired advancement of the Post Office Department as a whole. It will be my thesis that the Post Office is a perfect example of an organization out of the past trying to serve the needs of the last one-third of the twentieth century.

In the 17 years that I've been your representative in Washington, we have literally emerged in these mountains of north Georgia from former store building post offices to facilities like those we are opening today. This is the second new post office you've had here. You've been lucky. Too many post offices have to continue to operate in vacated store buildings rented for post office purposes, but not adjusted to take care of the needs of efficient postal services. If we had not had dedicated employees in the Department, inadequate facilities would already have caused a breakdown.

The problem is that the Post Office Department has no funds to supply its needs except for what we can wheedle out of Congress. The result is that, except in a few instances, working conditions have not been improved to meet the demands of the last one-third of the twentieth century. Moreover, inefficiency causes this department to lose over $1 billion a year—over $1 billion annually of the American taxpayers' money. And while we're losing all of this money, we're not improving the working conditions; we're not improving service; we're not meeting the demands of modern times; and again, except for the dedicated efforts of postal service personnel, there would be a complete breakdown. Our service is neither fast nor dependable. I dare say there is no one in this audience—including postal employees—who can't relate some experience either of his own, or of some patron that would not verify my statement.

Nevertheless, mail volume is booming. It is predicted that the postal service will handle 82 billion items of mail this year. Eighty-two billion. I don't know how much that is, but I've heard some of my friends from the Regional Office describe the train that would be necessary to transport this much at one time. It seems to me they've said that it would reach from the west coast to the east coast—or something of that nature. Eighty-two billion pieces of mail. If I've ever seen a recipe for disaster, the postal organization as structured from Washington and the Postmaster General's office is such a recipe. And again I'm not pinning the responsibility on any individual employee or any of the local post offices. I'm talking about the total structures.

Let's think a little more about what's wrong and why. Who controls the Post Office Department? Congress. Why do you think they have Congressmen down to dedicate post offices? Let's be frank . . . we're grown folks . . . No need to kid ourselves. The control of the Post Office Department is in Congress. Congress controls the wages of the postmaster. Congress controls the wages of rural mail carriers, clerks, and janitors. Congress controls the rate you pay for sending mail and the fees you pay for its delivery. But that's not the worst part of it: Congress controls capital investment in equipment and facilities. The Post Office Department doesn't have any more to say about its capital investment than my grandbaby—and maybe not as much, because when Laura finds out what sort of situation we're in, she influences a certain Congressman while she's grandbaby sitting.

Yes, Congress simply controls the whole business of the Post Office Department—not from the Postmaster General's office, not from the Regional Office in the various regions . . . but from Capitol Hill. That's playing with a $7 billion business that's simply unmanageable. Can you imagine going to the most successful business executive in America today and telling him that you want him to manage this $7 billion business, this public service business of the people? Tell him what you want him to manage, and then say: "But you can't control it. You can't have anything to say about what's paid your employees. You can't have anything to say about what rates you charge for the service you render. And beyond that, Mr. Prospective Manager, you can't have a word in the world to say about how much capital, new capital, you can invest."

He knows that the ordinary business today invests about $35,000 in capital for each employee. You tell him the Post Office Department invests $1,100 per worker. And then you go on to tell the prospective manager that he won't even be able to carry on an adequate research program to find out where his problems are . . . or to seek solutions . . . without first getting the approval of 435 members of the House of Representatives and 100 Senators.

Can you imagine anyone taking a job like that? Well, what's the remedy?

When Larry O'Brien was named the Postmaster General, he persuaded the Congress—I don't know how he did it—to come along and establish what became known as the Kappel Commission. This Commission studied the postal monstrosity, and came up with some recommendations. Some Democrats immediately introduced a bill to adopt these proposals involving the creation of a public corporation. But many other Congressmen said, in effect, "no, we don't want to make it a public corporation. We don't want anything to do with these ideas. We're afraid of this and afraid of that. We just don't want to change."

Now it's a natural thing to resist change. I can think of no human quality more natural than a resistance to change. I don't like these wide ties they're selling today, for instance. I just don't like the idea of changing to a big, wide tie. Furthermore, while I may like a pink shirt on someone else, I just haven't been able to get used to the idea of wearing one myself.

Resistance to change always reminds me of when I was up here in Stephens County when I was about 17 years old—hauling oil for my uncle. My uncle and I were down in Mize pouring gasoline into the tank at Mr. Dellesup Smith's Country store. Just a week or two before, we had installed an air compressor for Mr. Smith . . . and in those days, you may remember, air compressors were just beginning to be accepted and common.

Well, an old gentleman, a friend of mine, walked around the back of the truck where I was pourin' out the gas and said: "Phil, have you got a pump in your truck?"

"Yeah, Uncle Ben," I said, "there's one up there in the cab . . . just get it out. But," I continued, "no need of that if your tire's down. We put in an air compressor for Dellesup last week. Just pull the hose around and blow up your tire."

But he answered: "Nope, nope, nope, I don't want any of that. I was up here in town the other day and they put some of that free air in . . . and it's been giving me trouble ever since." Well, that's how we resist change. I suspect that much of the opposition to the Kappel Commission recommendations is like this, and many people hoped the new administration would feel the same way.

The opposition didn't consider the new Postmaster General, however. His name is Blount. He spells it B-l-o-u-n-t, but pronounces it like his personality: just plain blunt. And Mr. Postmaster General Blount, who's known among his friends as "Red," looked over the Post Office and said: "I don't want any part of it unless I can have a voice in its management, unless I can have something to do with reorganizing it . . . unless I can bring this essential public service to the level of competence it must have to meet the demands of the twentieth century and the twenty-first century."

And so he launched a campaign in the Congress . . . and, frankly, I was glad to join him because I had made some studies and I felt he was correct. But that campaign ended in a 13–13 tie in the House Post Office and Civil Service Committee . . . and because of that tie, no new legislation is immediately possible.

Now why have I told you all this? It's printed in the Congressional Record in a 10 minute speech I made several weeks ago. I've told you because you are the source of all change, all improvement. As citizens and as employees of the Post Office you have a stake in this matter and you can be a powerful force in bringing about improvements. It is the duty of a public servant who is close to a problem to analyze it and to try to let others know what he is thinking . . . and why. Then, if others agree with him, they can help move a solution forward. If they disagree with him, they can also let this be known . . . and give their reasons. It is often out of disagreements based on logical reasoning that improvements are made.

I don't think this bill is perfect—although I'm one of its coauthors. I think there're flaws in several of its sections. But I believe it's so essential, so important to the future of this great organization—the Post Office Department and the wonderful people who serve it—that we must somehow accomplish necessary change.

Who should be against this? I don't know any taxpayer, including any employee of this department, who is for losing, absolutely losing, sending down the drain, a billion dollars a year. I don't know anyone who's against making the changes necessary to speed up the service that our modern population so drastically needs and demands. But I *do* know many well-intentioned individuals who are disturbed that we may be doing something that would get us into deeper trouble down the road. I think this is entirely possible. They may be correct. But we're in a situation where we've got to make some major change. As employees of the postal service, I believe you should analyze the proposals carefully. When you see from your study that your Civil Service rights will be preserved, that you may even be moving toward better working conditions and that you may be in a position to earn promotions and increases in salary without having to have the approval of your Congressman or your Senator, I believe you will be impressed. Actually, every taxpayer should also study these proposals to find some way to promote the needed change.

Now, having said this . . . let me emphasize again that the responsibility for change is on no one department of government or agency of the government except the Congress of the United States . . . and the Congress of the United States will move only when the public moves *it*. The source of all political power is, therefore, right at your feet as tired as your feet may seem at this moment. The strength of this government lies in you. And when the United States Senate takes up this subject early next year, consider what is being debated, and let your Senator know what you think. Don't hesitate to write your Congressman either . . . I might add . . . in conclusion.

Storey, I'm grateful to you for inviting me. I'm grateful indeed to all of you for indulging me and beyond that . . . I'm grateful to you for giving me the wonderful opportunity and privilege that I've had over the last 17 years to study the problems of a nation from the standpoint of a public servant. And while I have been, as many of my friends say, a little too anxious to step into controversial matters, I find that it's a little easier to sleep, and, frankly, a lot more pleasure to live when you meet 'em head on than when you try to run and hide from the issues. This is such an issue. Your Postmaster General deserves at least your studied consideration. Your Post Office Department needs the improvements and the Nation demands that we get it.

Thank you again.

NURSING HOMES DROP MEDICARE BECAUSE OF U.S. PAYMENT DELAYS

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 20, 1969

Mr. BURKE of Massachusetts. Mr. Speaker, I insert in the CONGRESSIONAL RECORD at this time an article written by Judith P. Enright, staff reporter of the Quincy, Mass., Patroit Ledger, on problems being faced by extended care facilities operating under medicare. I intend to take this matter up with Health, Education, and Welfare officials, as I have in the past, to see what can be done to correct a problem that is causing great suffering among the elderly. The article follows:

[From the Quincy (Mass.) Patriot Ledger, Dec. 16, 1969]

Nursing Homes Drop Medicare Because of U.S. Payment Delays

(By Judith P. Enright)

Nursing home owners involved in the Extended Care Facility aspect of Medicare, are dropping the program in increasing numbers because they claim they are having trouble getting paid by the federal government.

CALLED IMPRACTICAL

They describe the federally-funded health insurance for the elderly as impractical and unprofitable for them and they say that the accompanying paperwork is unreasonably time consuming.

But probably more than anything else, it is the element of uncertainty pervading the Medicare program and costing the nursing homes money that has convinced the administrators to drop out.

Uncertainty for nursing home owners has meant unpaid bills and patients who are denied Medicare benefits retroactively after they have received as much as a month's rehabilitative care in an Extended Care Facility.

Treatment for Medicare patients in an ECF is expensive. When the patient is termed ineligible, the cost of his treatment must be absorbed by the nursing home because the federal government will not recognize bad debts.

There is also the uncertainty of the Medicare reimbursement formula. The way Medicare works, a patient is treated in an ECF and then the nursing home bills the federal government. The bills are audited and then the nursing home is reimbursed for the patient's care.

However, nursing home owners and administrators say that the payments are not in proper proportion to the actual costs and that audits of their accounts are running as much as two years behind.

So with the retroactive denial of benefits and the undue delay in reimbursements, nursing home owners aren't willing to take the chance anymore.

When Medicare certifications first went into effect three years ago, about 100 nursing homes in Massachusetts sought and received the ECF certification. Since then, 17 homes have dropped their certifications and more are rumored or planned.

As one owner said "It's just isn't a good business deal. We're not getting any return on our investment. Not that money is our primary interest, you understand, but when we have to pay for Medicare patients, charges for other patients just must be adjusted."

Medicare is so expensive because of additional services the nursing home must provide for the patient.

MANY SERVICES

For instance, to be certified as an ECF, nursing homes must have physical therapy rooms, be fireproofed (with sprinkler systems which administrators say are not even required of hospitals), have doctor treatment rooms, a podiatrist, a dental facility, occupational and recreational therapy.

The homes are required to structure themselves with five degrees of professional help such as social services, occupational therapists, registered physical therapists and certified dieticians.

There must also be a Utilization Review Committee, composed of physicians and other professionals, to constantly check the Medicare patients' progress and eligibility for the benefits.

Basically, the concept of Medicare is rehabilitation, or, in other words, restorative rehabilitative services. And, rehabilitation requires a lot of money that would not ordinarily be spent in equipping a nursing home.

Nursing requirements are also cited as being above average for Medicare, presenting not only monetary problems but also a problem in obtaining enough nurses with the current and severe shortage. There must be a registered nurse or a school-trained Licensed Practical Nurse (LPN) on each station for each of the three shifts. Orderlies and nurse's aides are also required.

The nursing home is also required to give continuous inservice training to all personnel and show evidence of the same.

SERIOUS PROBLEM

The nursing shortage was termed by one administrator as "the most serious problem and the most difficult ECF status to maintain."

To alleviate the shortage, some administrators have tried innovations such as creating new positions for all non-nursing functions. Thus, the nurse is freed for strictly nursing duties.

A nursing home without an ECF rating is not required to have any professional personnel except one nurse, who can be a LPN licensed by waiver who may not have had any professional training, according to nursing home spokesmen.

Another in the list of complaints about Medicare comes from the administrator of a Braintree nursing home, Mrs. Florence E. Logan who, with her husband, runs Elihu White Nursing Home. She said that Medicare extras, such as physical therapy, are available to all patients but that Medicare (Department of Health, Education, and Welfare which pays for Medicare) will pay only in proportion to use of that service by the Medicare patients. "Thus, they are actually only paying 30 per cent of the cost of all services directly attributable to Medicare patients."

She added that the fiscal intermediaries, who determine what payments should be made and who qualifies for the benefits, determine reimbursement on a Medicare patient's ratio to the total patient cost.

MANY COMPLAINTS

Sidney Ostroff, of Braintree, a certified public accountant with a Boston firm that audits the books at Elihu White Nursing Home, presented still another complaint from nursing homes about the Medicare program. "Where nursing homes formerly had one person doing their bookkeeping, they must now hire three to do a proper job with Medicare's extra paperwork."

Mrs. Virginia McGrath, director of nursing at the home, cited the problems her profession has had with the federal program. "A doctor certifies that a patient is qualified for Medicare and I am supposed to determine the minute he comes to the nursing home whether or not he qualifies for benefits."

She said, "The certification of the doctor doesn't seem to mean anything anymore. The fiscal intermediary questions his certification through me."

Mrs. McGrath also complained that persons in the office of the fiscal intermediary are accepting or disqualifying patients without ever seeing them. The persons making the decision may not be professional people but secretaries. "They will usually go along with our certification," said Mrs. McGrath, "If the doctor uses the proper terminology in his report. The wrong description of an illness and the patient won't be certified even if his illness does make him eligible."

Mrs. Marguerite Dolam of Quincy, director of Social Services at Elihu White, said that hospitals could formally send patients to nursing homes for rehabilitation if needed.

But, where they could formerly be admitted to an ECF and qualify for Medicare benefits for an old injury, they can now only be admitted for a recent injury or illness such as a stroke.

Mrs. Dolan said she has been asked whether or nor a patient is senile. "If the person's potential is good, he or she will be kept on Medicare. If not, I have been led to believe by the intermediary that the patient will be declared ineligible for the benefits."

The Elihu White home has Medicare and will keep their ECF rating, Mrs. Logan said, because "we have been dedicated to giving the highest quality of care from maximum to minimum since our inception in 1959. To make this facility available for persons on Medicare we must be an ECF."

Another nursing home, administrator Charles J. Kelley of Franvale Nursing Home, 20 Pond St., Braintree, said his home no longer participates in Medicare as of Dec. 1.

He dropped the program, he said, "with a combination of relief and frustration."

The Franvale Nursing Home has 26 beds for Medicare patients but Mr. Kelley said "at no time was there more than 50 per cent occupancy."

Another area nursing home, the Newfield House in Plymouth, is reported to be dropping Medicare. However, administrator Mrs. Elizabeth Longhi, would not confirm or deny the report.

According to many nursing home owners, Medicare is running into so much trouble because the actual cost of the program far exceeds the projected cost and HEW is now trying to economize.

So, according to Mr. Kelley HEW is attempting this economy by making ECF entrance requirements so strict that many doctors simply keep patients in hospitals.

Acute care facilities, he said, cost from $60 to $80 per day, while nursing home care costs from $20 to $30 per day.

Nursing homes "can provide nursing care at a fraction of what it costs a general hospital," Mr. Kelley added. "So, what's happening is that the economy drive is zeroing in on proprietary interests rather than on the real costs."

He likened the economy cut to a housewife trying to economize by limiting sugar purchases rather than meat.

Cornelius A. Bottomley, of Norwood, executive director of the Nursing Homes, agreed that there is trouble aplenty between nursing homes and Medicare.

"The public has bought a fantastic fraud," he said referring to Medicare. "The American public has bought Medicare and paid for it but they're not getting the benefits. There's no such thing as service in an ECF anymore."

The state public health department has verified that nursing homes are dropping out of the federal program. However, a spokesman, Dr. David Kinloch, director of medical care, said the public health department has not yet begun to worry about a shortage of beds.

He explained that 100 nursing homes primarily sought certification, and that from 25 to 30 additional homes have been certified since 1966. In January this year, there were 131 ECF's in the Commonwealth with a total of 8,761 beds.

Since that date, 13 have been certified, adding another 681 beds.

The Commonwealth has also lost 867 beds from the nursing homes that have dropped the certification.

Dr. Kinloch said they are not concerned because there may not be enough beds for Medicare patients but that public health is concerned about patient care in general.

Mr. Kelley summed the feelings of many nursing homes and public health spokesmen in concluding that, "in the final analysis, it's the patient who suffers."

PATRIOTISM A BAD WORD TO OEO

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 20, 1969

Mr. LANDGREBE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

[From the Chicago (Ill.) Tribune, Dec. 20, 1969]

PATRIOTISM A BAD WORD TO OEO

(By Willard Edwards)

WASHINGTON, December 19.—The principal of the Church Rock, N.M., elementary school was staggered last Nov. 12 to receive a threatening letter from the government. It warned him that he was polluting the youthful minds entrusted to his care and might be the subject of legal action if he persisted in his "offensive" tactics.

The letter was signed by Stephen B. Elrick, an attorney employed at taxpayers' expense in the legal services section of the office of economic opportunity. He is one of 1,850 lawyers now on the federal payroll who provide "legal assistance" to poor people.

Claude Hinman, principal at the school, which has an enrollment of 99 per cent Indian children, learned that he had been guilty of the crime of stimulating patriotism in his charges. He had approved a program to give them "an awareness of the greatness of their country."

"They ought to have an awareness of the faults and errors of their country, as well," wrote Elrick. "It is especially appalling that Indian children are being forced to participate in this program, when it is their people who have been treated most shabbily of all by the United States."

Elrick expressed his horror at a statement by a Mrs. Stafford, a Negro teacher in the school, who had said: "We should indoctrinate every child with the idea of being loyal to his country."

That was a "sorry philosophy," Elrick declared, for a public school "which should be dedicated to the concept of . . . the presentation of all sides of disputed issues." He continued:

"I find it particularly offensive that you are apparently associating 'patriotism' with support of the war in Viet Nam, which is unquestionably the most controversial war of our time and, in the opinion of many, the most brutal and unjustified."

Elrick then turned his attention to the school bulletin board on which some child had printed "God Bless America."

"It is deplorable," he wrote, "for you to stimulate the expression of what is, in effect, a prayer in violation of the Supreme Court's ruling that public schools are to refrain from such activities.

"There is simply no need to offend the sensibilities of some persons by indirectly stimulating the establishment of the Christian [or Jewish] faith among a people who have traditionally held conflicting religious beliefs."

The letter concluded with an ultimatum. If "balance" was not restored to the school programs, "I shall take whatever steps I can to investigate the matter myself and, if necessary, institute legal proceedings."

Principal Hinman referred the letter to School Supt. W. B. Fitzsimmons, who appealed to Sen. Paul J. Fannin [R., Ariz.].

"This is both incredible and awesome," remarked Fannin. "Here we have an OEO staff member who apparently thinks that loyalty to one's country is a 'disputed issue.'"

He fired off a letter Dec. 8 to Donald Rumsfeld, OEO director, suggesting that he inquire into "the continued usefulness of Mr. Elrick in this or any other program in which he is paid by tax money."

Such incidents, he noted, had caused the Senate to approve an amendment to the OEO authorization bill, sponsored by Sen. George Murphy [R., Cal.], giving governors of states control over legal programs for the poor. The House balked and the amendment died in conference.

Rumsfeld, who has been busy fighting for the life of his agency, hasn't yet replied, but Fannin is confident that the former Illinois congressman will join him in agreement that the teaching of loyalty to the United States is not taboo in American schools.

SENATE—*Monday, December 22, 1969*

The Senate met at 12 o'clock meridian and was called to order by the Acting President pro tempore (Mr. METCALF).

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father, we thank Thee for this holy season and the reality of "Immanuel—God with us." Grant that we may know the fullness of Thy presence not only at worship but at work. Teach us the invincibility of goodness and that love is the strongest force in the universe—stronger than hate, stronger than evil, stronger than death—and that the blessed life which began in Bethlehem nearly 2,000 years ago is the image of the eternal love. So prepare us to keep Christmas. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Saturday, December 20, 1969, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that statements in relation to the transaction of routine morning business be limited to 3 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations on the Executive Calendar will be stated.

NOMINATIONS PLACED ON THE SECRETARY'S DESK—THE COAST GUARD

The bill clerk proceeded to read sundry nominations in the Coast Guard which had been placed on the Secretary's desk.

The ACTING PRESIDENT pro tem-

XUM

pore. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

THE ROAD TO SONGMY

Mr. MANSFIELD. Mr. President, in the issue of Saturday Review of December 20, 1969, appears an editorial entitled "The Road to Songmy," by Norman Cousins.

There is a great deal of food for thought in this editorial, and I ask unanimous consent that the editorial be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE ROAD TO SONGMY

"I sent them a good boy," said Mrs. Anthony Meadlo, "and they sent home a murderer." The name of Paul David Meadlo, of New Goshen, Indiana, has figured in the reports of the slaughter of more than 100 Vietnamese civilians (some accounts put the number above 350) by American soldiers at a village named Songmy.

Where did the journey to Songmy begin? Did it begin only after Paul David Meadlo arrived in Vietnam? Or did it start far, far back—back to the first time Paul Meadlo played the game of killing Indians, or cheered when Western movies showed Indians being driven off cliffs? Even in some schoolbooks, the Indians were fit subjects for humiliation and sudden death. They were something less than fully human, and their pain levied no claim on the compassion of children—or even adults.

Long before Paul Meadlo ever saw a Vietnamese, he learned that people of yellow skin were undesirable and therefore inferior. He learned in his history class about the Oriental Exclusion Act, the meaning of which was that people from Asia were less acceptable in the United States than people from Europe. He learned very little about the culture of Asian people but he learned to associate them with all sorts of sinister behavior.

The road to Songmy is long and wide. It is littered with children's toys—toy machine guns, toy flame-throwers, toy dive bombers, toy atom bombs. Standing at the side of of the road are parents watching approvingly as the children turn their murderous playthings on one another. The parents tell themselves that this is what children do in the act of growing up. But the act of growing up is an enlargement of, and not a retreat from, the games that children play. And so the subconscious is smudged at an early age by bloody stains that never fully disappear.

Paul David Meadlo grew up in a little town 10,000 miles away from Vietnam; but the kind of things that were to happen in Songmy came springing to life in his living room where there was an electronic box called television. Hour after hour, the box would be lit up by pictures showing people whose faces were smashed and pulverized, but it was part of an endless and casual routine. Where did the desensitization to human pain and the preciousness of life begin? Did it begin at formal indoctrination sessions in Vietnam, or at point-blank range in front of an electronic tube, spurting its messages about the cheapness of life.

And when the court-martial is held, who will be on trial? Will it be only the soldiers who were face-to-face with the civilians they say they were ordered to kill? The Army now says soldiers should not obey commands that are senseless and inhuman. What wellsprings of sense and humaneness are to be found in the orders to destroy *whole* villages from the air? Is a man in a plane exempt from wrongdoing solely because he does not see the faces of the women and children whose bodies will be shattered by the explosives he rains on them from the sky? How does one define a legitimate victim of war? What of a frightened mother and her baby who take refuge in a tunnel and are cremated alive by a soldier with a flamethrower? Does the darkness of the tunnel make them proper candidates for death?

Will the trial summon every American officer who has applied contemptuous terms like "gook," "dink," and "slope" to the Vietnamese people—North and South? Will it ask whether these officers have ever understood the ease and rapidity with which people who are deprived of respect as humans tend to be regarded as sub-human? Have these officers ever comprehended the connection between the casual violence of the tongue and the absolute violence of the trigger finger?

Will the men who conceived and authorized the search-and-destroy missions be on trial? Search-and-destroy quickly became destroy first and search afterward. How far away from unauthorized massacre is authorized search-and-destroy?

Will the trial ask why it was that the United States, which said it was going into Vietnam to insure self-determination, called off the countrywide free elections provided for in the 1954 Geneva Agreements—after which call-off came not just Vietcong terror but the prodigious growth of the National Liberation Front?

Will the trial ask what role the United States played in the assassination of President Ngo Dinh Diem? Will it ask how it was that political killing and subversion, which had always been regarded as despicable actions perpetrated by our enemies, should have been made into practices acceptable to the United States?

Will there be no one at the trial to explain why the negotiations at Paris were deadlocked over the shape of the table for six weeks—during which time five thousand Americans and Vietnamese were killed? If the men at Paris had been able in advance to see the faces of those who were to die, would this have made them responsible for the dead?

There is a road back from Songmy and Vietnam. It is being traveled today by the American soldiers who gave their Thanksgiving dinners and regular rations to Vietnamese, and who in deed and attitude have made themselves exemplars of a creatively humane presence. There are doctors and teachers and volunteers on this road who comprehend the possibilities and power of regeneration. But their numbers need to be swelled to bursting in order to begin to meet the need.

It is a long road back, not just for the soldiers who were there but for all of us who showed them the way to Songmy.

—N.C.

THE MATTER OF PRIORITIES

Mr. DOLE. Mr. President, in the closing hours of a congressional session, voices often become loud and tempers are short. Often, because of the strain, intemperate and inaccurate statements are made. Reviewing news accounts of the issues facing the Congress, I find we are again faced with inaccurate and intemperate remarks.

The major issue appears to be one of national priorities, at least that is the way the Democratic national chairman described it. On the Senate floor, Saturday, the junior Senator from Minnesota inferred that the President cared more about military spending while the Democrats "choose to apply more money to human needs." Mr. President, I am wholly in agreement with my colleagues: Congress and the President must establish national priorities. However, I find that the same individuals who appear to be looking for campaign issues for 1970 have made few affirmative contributions toward establishing those priorities. Rather than cooperate with the President, we find they have chosen to obstruct his programs. Rather than come to grips with inflation, they chose to embarrass the President by a game of one-upmanship on the tax bill. Rather than offer new initiatives, they choose to stand by the programs of the past, the same programs which will not meet the demands of the 1970's. Rather than approach our great problems with a sense of bipartisan cooperation, we see the Democratic Party seeking to blame the President for all that he inherited from them on January 20.

Members of the Democratic Party have found the Senators in error. Charles L. Schultze, Budget Director under President Johnson, in a letter to the Washington Post, chided his Democratic colleagues for talking of new priorities and cutting taxes. Mr. Schultze exclaimed that "when the chips were down, those who talked about priorities for pollution control and education and an end to hunger voted for a different set of priorities—for beer and cosmetics and whitewall tires."

Mr. President, I noticed a column relating to this subject in the Washington Post yesterday by Alice M. Rivlin, former Assistant Secretary of HEW for Planning and Education. I am hopeful some of her experience will be helpful to my colleagues on the other side of the aisle.

I ask unanimous consent that this article and the letter from Mr. Schultze be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WHAT'S HAPPENED TO THE "GOOD GUYS"?

(By Alice M. Rivlin)

It is hard to believe what is happening on Capitol Hill. The "good guys" appear to have gone berserk.

The "good guys" are those who really care about poverty and social injustice. They are the core of that shifting coalition—mostly Democrats, but also Republicans—that fought so hard for Medicare, Medicaid, for federal aid to poverty schools, for Headstart, VISTA and the Teachers Corps. They are the guys in the white hats whom people were counting on for leadership in attacking the massive problems of poverty, racial inequality and urban blight.

Where are the "good guys" when they are

needed most? Incredibly, they are passing a tax bill that will cripple efforts to solve social problems for a decade to come.

It would not be so bad if so many dollars were rolling into the federal treasury that we could afford to give some away and still have plenty for priority programs. But even if the economy prospers and war expenditures are cut back; normal growth in existing federal programs will use up most of the expected increase in federal revenues. There may not be as much as 20 billion additional dollars available in 1975 for all new federal initiatives. *The tax bill would reduce this relatively small increment by a third.*

These legislators are not only behaving irresponsibly on taxes. They are also adding scarce dollars to ineffective programs that meet no one's test of high social usefulness. Take the Office of Education budget. The office has inherited from the sputnik scare of the late 1950s a bunch of categorical school aid programs which provide funds for science equipment, visual aids, library materials and other special objects.

An even bigger item in the Office of Education budget is the so-called "impacted areas" program which channels money to school districts which have a lot of children of federal employees. This hit-or-miss program is a poor way to improve the effectiveness of American education.

The Johnson administration's last budget, for fiscal year 1970, attempted to reorient the Office of Education toward more effective programs by cutting the categorical funds and impacted area aid. The Nixon revision of this budget went even further in the same direction. It cut the categorical aids and impacted areas even more, adding money for experiments to find more effective teaching methods. The Congress (including most of the liberals) slashed the experiments and added a billion dollars to the Office of Education appropriations. But they did not add much to high priority programs. On the contrary, most of the billion was added to the categorical aids and impacted areas.

The dilemma of the "good guys" comes from three principal factors. First, real progress on social problems is going to be expensive and everybody knows it.

Second, there are no obvious prescriptions for social ills. Disillusionment has set in with the underfinanced efforts of the Kennedy-Johnson years. Oversold programs are now being overattacked—never mind that the high hopes were unrealistic to begin with.

No one should have expected that putting children into a hastily organized nursery school for six weeks in the summer would revolutionize their lives. Because it did not, some are now saying that Headstart was a failure. No one should have expected that spending a little over $100 per poor child under the Elementary and Secondary Education Act would alter entrenched bureaucracies or change the destructive attitudes of teachers toward poor children. Because it did not, some are now saying that education is hopeless and poor children cannot learn. All this—not to mention those few doctors profiteering from Medicaid—has given the sponsors of these programs a bad case of the jitters.

Third, and perhaps most devastating, the Nixon administration's domestic program has not been nearly as bad as some of the liberals feared—or hoped. Not that the administration has taken much action; it has certainly not provided leadership in changing national priorities. But its few actions on the domestic front are hard to fault.

The administration budget for fiscal 1970 did not slash Great Society programs, as some had expected it would. In fact, it moved most of them forward about as fast as they had been moving in the last two years of the Johnson administration. The Nixon administration's welfare reform, while far from perfect and much too small, is the first really progressive step in this difficult area in many years.

A President who is inching in the right direction is a poor target for the liberals, especially when moving faster would take more money than anyone thinks there is. So the "good guys," lacking a positive program of their own and reluctant to accept the administration's few good initiatives, are venting their frustration by lashing out at the administration in irrational ways such as reducing taxes and adding to ineffective programs.

What's to be done? Clearly the "good guys" need to work together on a positive program which is both constructive and realistic. Pie-in-the-sky bills like the full Opportunity Act sponsored by a group of liberal senators are not much help. What is needed is a well-constructed, realistically phased program which can serve as a justification for not cutting taxes and not wasting money on defective programs. It does not really matter what this program is. It could be urban education or health care for children or even clean water. The main thing is for the "good guys" to stop flailing around and get down to serious work on some important program they can call their own.

TAX "GREEK TRAGEDY"

A Greek tragedy is coming to a close on Capitol Hill. As the House-Senate conference on the tax reform bill begins, all the attention is being focused on the issues of near term "fiscal responsibility" and on specific items of tax reform. Both liberals and conservatives, however, have joined in agreement that tax cuts must be the order of the day. They only disagree on exactly when and what kind. Undoubtedly, the conference will adopt some of the major tax cuts of both House and Senate bills. It will also postpone the revenue loss for several years, thus earning the label of "fiscal responsibility." But both the House and the Senate bills involve very large losses in revenue in later years. The House bill will cost over $7 billion in revenues by fiscal 1974; the Senate bill more. If the conference adopts tax relief measures from both bills, the ultimate revenue loss could be even larger.

Cutting taxes by this amount, while postponing the effect of the cuts for several years, is a perfectly rational strategy for those dedicated to the prevention of additional growth in federal spending. Yet why are the liberals not only following this strategy but leading the parade? There is no lack of willingness to make speeches about the urban crisis and the campaign to end hunger. There is no lack of votes to push through added appropriations for pollution control and aid to education. There is much brave talk about "new priorities." But with large tax cuts enacted, there simply will not be the revenues available to pay for these new priorities. When the chips were down on tax cuts, those who *talked* about priorities for pollution control and education and an end to hunger *voted* for a different set of priorities—for beer and cosmetics and whitewall tires. In the entire Senate. there were only two Democratic votes against the bill, and those came from Southern conservatives.

John Gardner recently made a moving plea for national leadership. The current tax tragedy is evidence both of how much we need it and of how little his plea was heeded.

CHARLES L. SCHULTZE.

WASHINGTON.

ENFORCEMENT OF THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, in a recent report, the Section of Individual Rights and Responsibilities of the American Bar Association recommended that the House of Delegates of the ABA approve and adopt a resolution urging the United States to ratify the 1948 Human Rights Convention on Genocide. This is most significant, because this organization has not favored the ratification of the genocide treaties in the past, and this action of the American Bar Association is most encouraging to those of us who have been disturbed about the fact that the genocide treaty has been waiting for ratification on the Committee on Foreign Relations for approximately 20 years.

Contained in this report was an analysis of the provisions of the Genocide Convention for enforcement. Enforcement is, obviously, the essential provision in the convention. The analysis by the ABA section stated:

> Enforcement of the prohibition of genocide is plainly not an easy problem. Obviously the main thrust of the Convention is not intended as a policing measure, but rather as a declaration and warning, and, as noted earlier, as a filling in of the gap that, rightly or wrongly, was found at Nurnberg. Nevertheless, the Genocide Convention was designed to be more than a mere statement, and it makes two provisions for enforcement. First, it provides (in Article V) that all contracting parties must undertake to enact the legislation necessary to punish persons guilty of the crimes enumerated in the first three articles. Second, it provides (in Article VIII) that any contracting party can call upon the competent organs of the United Nations—including the General Assembly and the Security Council—to take such action as they consider appropriate for the prevention or suppression of genocide or the crimes associated with it. Thus, the Convention contemplates both that states shall prevent or punish in their own territory acts by individuals prohibited by the Convention and that the international legal system—within its various limitations—shall prevent or punish acts by (or in complicity with) states, wherever they may be committed. In addition, the Convention contains in Article IX an agreement by all Contracting States to submit disputes about the Convention to the International Court of Justice.

Enforcement of the Genocide Convention, then, must be seen in relation to both individuals and states. Individuals cannot hide behind the actions of their governments and states are to be held accountable for the actions of their governments. The ABA Section on Individual Rights and Responsibilities, in its recommendation to the full ABA House of Delegates, stated:

> Thus, while no one can be certain of the effectiveness of any given documents, the Genocide Convention goes far to make genocide unattractive even for those who would not shrink from it on moral grounds.

Calling genocide "unattractive" is certainly the understatement of the year. Of all the crimes which man has perpetrated, none is more horrible, or more detestible, than genocide, which is, as we know, the planned premeditated elimination of an entire race or group by murder.

The Senate, I am sure, has no doubt on this score. Yet, somehow, it has had this convention before it for 20 years, without ratifying it. Mr. President, we cannot delay any longer. Let us ratify the Genocide Convention—now—and ally ourselves with those nations which have unequivocally gone on record outlawing genocide. Mr. President, we cannot afford not to.

ANNUAL REPORT OF THE REPUBLICAN LEADER FOR THE FIRST SESSION OF THE 91ST CONGRESS (S. DOC. NO. 91-50)

Mr. SCOTT. Mr. President, I ask unanimous consent to have printed my annual report of the minority leader for the first session of the 91st Congress, entitled "All Things Are Changing, and We Are Changing With Them."

This report in the past, as we all recall, was made by the late Senator Dirksen. At the opening it contains a tribute to Senator Dirksen, and I acknowledge my great debt to the leadership provided by the assistant floor leader, Senator Griffin; the chairman of the conference, Senator Smith of Maine; the chairman of the policy committee, Senator Allott; the secretary of the conference, Senator Young of North Dakota; and my admiration for and my gratitude to our majority leader, Senator Mansfield. His tact, legislative diplomacy, and complete candor have contributed no end to the amicably competitive relationship that should exist between majority and minority in a legislative body such as the Senate.

The report then takes up the inheritance of this administration, the political picture, the transition, the state of the Treasury, the chief task of the administration, which is peace, the draft changes, the squeeze of the economy, inflation, Congress and the Presidency, the record of the Senate in this first session, with certain tables and a summary of other problems, reference to the tax bill, a section on the work remaining to be done, and a conclusion as follows:

CONCLUSION

> Will the pace and content of legislative action be better next year? Clearly the temper of this Age of Aquarius calls for less bureaucratic omphaloskepsis; all things are changing, and we are changing with them.
>
> Omnia mutantur, et nos mutamur in illis. . . .

Mr. President, I ask unanimous consent that the report may be printed as a Senate document.

The PRESIDING OFFICER (Mr. Gravel in the chair). Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. SCOTT. I yield.

Mr. MANSFIELD. I can see some interesting days ahead, especially when one has to compete with an oriental scholar on the other side of the aisle. I am sure his report will be most interesting. I am certain the Democrats will get full credit for what they have done and that they will be brought to account for what they have not done.

At the appropriate time I shall have printed a similar statement. I assure the Senator that the words will be more decipherable than ones describing a period of thought. In describing that period of thought one should look at one's navel so one could achieve greater wisdom as a result.

Mr. SCOTT. May I say that we look forward with interest to the rejoinder which I am sure will be in the form of an apologia. The minority leader sought not to have there appear in the report anything oriental. I have sought to keep ours Byzantine and occidental since we occidentals are sensitive to any loss of face. Therefore, rather than the oriental I have concluded with a Greek word, courtesy of the policy committee, and a Latin phrase, courtesy of myself.

Mr. MANSFIELD. I will not be Machiavellian in what I have to say, but sticking to the oriental, I will say, "Ding Hao."

Mr. SCOTT. Ding Hao—and a merry Christmas to you.

WAIVER OF CALL OF CALENDAR

Mr. KENNEDY. Mr. President, I ask unanimous consent to waive the call of the calendar under rule VIII.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of measures on the calendar, beginning with Calendar No. 615 and continuing up to and including Calendar No. 621.

The PRESIDING OFFICER. Without objection, it is so ordered.

DISTRICT OF COLUMBIA JUVENILE CODE

The Senate proceeded to consider the bill (S. 2981) to revise the laws of the District of Columbia on juvenile court proceedings which had been reported from the Committee on the District of Columbia with an amendment, strike out all after the enacting clause and insert:

That the analysis of title 16 of the District of Columbia Code is amended by substituting "23. Family Division Proceedings" for "23. Juvenile Court Proceedings".

Sec. 2. The heading of chapter 23 of title 16 of the District of Columbia Code is amended by substituting "FAMILY DIVISION PROCEEDINGS" for "JUVENILE COURT PROCEEDINGS".

Sec. 3. The analysis of subchapter I of chapter 23 of title 16 of the District of Columbia Code is amended to read as follows:

"Subchapter I.—Proceedings Regarding Delinquency, Neglect, or Need of Supervision

"Sec.
"16-2301. Definitions.
"16-2302. Right to counsel.
"16-2303. Petition; contents; amendment.
"16-2304. Service of summons and petition.
"16-2305. Initial appearance.
"16-2306. Taking into custody.
"16-2307. Criteria for detaining children.
"16-2308. Release or delivery to Family Division.
"16-2309. Detention or shelter care hearing; intermediate disposition.
"16-2310. Place of detention or shelter.
"16-2311. Consent decree.
"16-2312. Physical and mental examinations.
"16-2313. Conduct of hearings.
"16-2314. Hearings; findings; dismissal.
"16-2315. Predisposition study and report.
"16-2316. Disposition of child who is neglected, delinquent, or in need of supervision.
"Sec.
"16-2317. Disposition of mentally ill or substantially retarded child.
"16-2318. Limitation of time on dispositional orders.
"16-2319. Modification, termination of orders.
"16-2320. Probation revocation; disposition.
"16-2321. Support of committed child.
"16-2322. Court costs and expenses.
"16-2323. Interlocutory appeals.
"16-2324. Finality of judgments; appeals; transcripts.
"16-2325. Additional powers of the Director of Social Services.
"16-2326. Order of adjudication noncriminal.
"16-2327. Emergency medical treatment.
"16-2328. Time limitations.".

Sec. 4. Subchapter I of chapter 23 of title 16 of the District of Columbia Code is amended to read as follows:

"Subchapter I.—Proceedings Regarding Delinquency, Neglect, or Need of Supervision

"§ 16-2301. Definitions

"As used in this chapter—

"(1) 'Division' means the Family Division of the Superior Court of the District of Columbia.

"(2) 'Judge' means a judge of the Family Division of the Superior Court.

"(3) 'Child' means an individual who is under eighteen years of age, except that the term 'child' does not include an individual who is:

"(A) sixteen years of age or older,

"(i) who, under circumstances where a motion could have been filed pursuant to subsection (a) of section 11-1104 of this Code requesting transfer for criminal prosecution, has previously been found delinquent or been the subject of a consent decree entered after the filing of a delinquency petition, and

"(ii) who is charged by the United States Attorney with murder, manslaughter, rape, mayhem, arson, kidnaping, burglary, robbery, any assault with intent to commit any of the above offenses, or assault with a dangerous weapon; or

"(B) sixteen years of age or older and who is charged with a traffic offense.

Jurisdiction over an individual described in (A) shall not be affected by a subsequent plea or verdict as to any lesser included offense, nor by the fact that such individual is charged jointly with an offense not enumerated in (A) (ii) but based upon the same acts or transaction.

"For purposes of this subchapter, the term 'child' also includes an individual described in (A) or (B) who is under the age of twenty-one and charged with an offense committed prior to the age of sixteen; or an individual not described in (A) who is under the age of twenty-one and charged with a delinquent act committed prior to the age of eighteen.

"(4) 'Minor' means an individual who is under the age of twenty-one years.

"(5) 'Adult' means an individual who is twenty-one years of age or older.

"(6) 'Delinquent child' means a child who has been found to have committed a delinquent act and to be in need of care or rehabilitation.

"(7) 'Delinquent act' means an act designated as an offense under the law of the District of Columbia, or of a State if the act occurred in the State, or under Federal law. Traffic offenses shall not be deemed delinquent acts unless committed by an individual who is under the age of sixteen.

"(8) 'Person in need of supervision' means a child who—

(A) (i) being subject to compulsory school attendance, is habitually and without justification truant from school;

(ii) has committed an offense committable only by children; or

(iii) is habitually disobedient of the reasonable and lawful commands of his parent, guardian, or other custodian and is ungovernable; and

(B) is in need of care or rehabilitation.

"(9) 'Neglected child' means a child—

"(A) who has been abandoned or abused by his parent, guardian, or other custodian;

"(B) who is without proper parental care or control, subsistence, education as required by law, or other care or control necessary for his physical, mental, or emotional health, and the deprivation is not due to the lack of financial means of his parent, guardian, or other custodian;

"(C) whose parent, guardian, or other custodian is unable to discharge his responsibilities to and for the child because of incarceration, hospitalization, or other physical or mental incapacity; or

"(D) who has been placed for care or adoption in violation of law;

except that the qualification stated in section 6 of the Act of November 6, 1966 (80 Stat. 1355, D.C. Code section 2–166) shall apply for purposes of this subchapter.

"(10) 'Mentally ill child' means a child who is mentally ill within the meaning of section 21–501 of this Code.

"(11) 'Substantially retarded child' means a child who is substantially retarded within the meaning of section 21–1101 of this Code.

"(12) 'Custodian' means a person or agency, other than a parent or legal guardian, to whom legal custody of a child has been given by court order and who is acting in loco parentis.

"(13) 'Detention or shelter care hearing' means a proceeding to determine whether there is probable cause to believe that allegations made in a petition are true and to determine whether a child should be placed or retained in detention or shelter care.

"(14) 'Detention' means the temporary secure custody of a child in facilities, designated by the Division, pending a final disposition of a petition.

"(15) 'Shelter care' means the temporary care of a child in physically unrestricting facilities, designated by the Division, pending a final disposition of a petition.

"(16) 'Factfindng hearing' means a hearing to determine whether the allegations of a petition are true.

"(17) 'Dispositional hearing' means a hearing, after a finding of fact, to determine—

"(A) whether the respondent in a delinquent or need of supervision case is in need of care or rehabilitation and, if so, what order of disposition should be made; or

"(B) what order of disposition should be made in a neglect case.

"(18) 'Probation' means a legal status created by court order following an adjudication of delinquency or need of supervision, whereby a minor is permitted to remain in his own home subject to supervision and return to the Division for violation of probation at any time during the period of probation.

"(19) 'Protective supervision' means a legal status created by Division order in neglect cases whereby a minor is permitted to remain in his home under supervision, subject to return to the Division during the period of protective supervision.

"(20) 'Guardianship of the person of a minor' means the duty and authority to make important decisions in matters having a permanent effect on the life and development of the minor, and to be concerned with his general welfare. It includes (but is not limited to)—

"(A) authority to consent to marriage, enlistment in the Armed Forces, major medical, surgical, or psychiatric treatment; to represent the minor in legal actions; and to make other decisions concerning the minor of substantive legal significance;

"(B) the authority and duty of reasonable visitation (except as limited by court order);

"(C) the rights and responsibility of legal custody when guardianship of the person is exercised by the natural or adoptive parent (except where legal custody has been vested in another person or an agency or institution);

"(D) the authority to exercise residual parental rights and responsibilities when the rights of his parents or only living parent have been judicially terminated or when both parents are dead.

"(21) 'Legal custody' means a legal status created by court order which vests in a custodian the right to have physical custody of a minor and to determine where and with whom he shall live; the right and duty to protect, train, and discipline the minor; and the responsibility to provide him with food, shelter, education, and ordinary medical care. The rights and responsibilities of legal custody are subject to the rights and responsibilities of the guardian of the person of the minor and any residual parental rights and responsibilities.

"(22) 'Residual parental rights and responsibilities' means those rights and responsibilities remaining with the parent after transfer of legal custody or guardianship of the person, including (but not limited to) the right of visitation, consent to adoption, and determination of religious affiliation and the responsibility for support.

"§ 16–2302. Right to counsel

"(a) A child alleged to be delinquent or in need of supervision is entitled to be represented by counsel at all critical stages of Family Division proceedings, including the time of admission or denial of allegations in the petition and all subsequent stages. If the child and his parent, guardian, or custodian are financially unable to obtain adequate representation, the child shall be entitled to have counsel appointed for him in accordance with rules established by the Superior Court. In its discretion, the Division may appoint counsel for the child over the objection of the child, his parent, guardian, or other custodian.

"(b) When a child is alleged to be neglected, the parent, guardian, or custodian of the child named in the petition is entitled to be represented by counsel at all critical stages of the Family Division proceedings and, if financially unable to obtain adequate representation, to have counsel appointed in accordance with rules established by the Superior Court. The Division shall, where appropriate, appoint separate counsel to represent the child, as provided in section 16–918 of this Code.

"§ 16–2303. Petition; contents; amendment

"(a) Complaints alleging delinquency, need of supervision, or neglect shall be referred to the Director of Social Services who shall conduct a preliminary inquiry to determine whether the best interests of the child or the public require that a petition be filed. If judicial action appears warranted, under criteria established by the Superior Court, the Director shall recommend that a petition be filed. If the Director decides not to recommend the filing of a petition, the complainant in a delinquency or neglect case shall have a right to have said decision reviewed by the Corporation Counsel, and the Director of Social Services shall notify the complainant of such right of review.

"(b) Petitions initiating Division action may be signed by any person who has knowledge of the facts alleged or, being informed of them, believes they are true, except that petitions alleging need of supervision may only be signed by the Director of Social Services, a representative of a public agency or a nongovernmental agency licensed and authorized to care for children, a representative of a public or private agency providing social service for families, a school official, or a law enforcement officer. Petitions shall be verified upon information or belief.

"(c) All petitions shall be prepared by the Corporation Counsel after an inquiry into the facts and a determination of the legal basis for the petition. If the Director of Social Services has refused to recommend the filing of a delinquency or neglect petition, the Corporation Counsel, on request of the complainant, shall review the facts presented and shall prepare and file a petition if he believes such action is necessary to protect the community or the interests of the child. Any decision of the Corporation Counsel on whether to file a petition shall be final.

"d) Petitions shall be filed by the Corporation Counsel within five days after a complaint has been referred to the Director of Social Services, except as otherwise provided in section 16–2309. A petition shall set forth plainly and concisely the facts which bring the child within the provisions of subsection (12) of section 11–1101 of this Code including, in delinquency cases, the specific statute or ordinance on which the charge is based; and if delinquency or need of supervision is alleged, a statement that the child appears to be in need of care or rehabilitation. The petition shall contain such other facts and information as may be required by rules of the Superior Court.

"(e) A petition may be amended by leave of the Division on motion of the Corporation Counsel or counsel for the child, at any time prior to the conclusion of the factfinding hearing. The Division shall grant the Corporation Counsel, the child and his parent, guardian, or custodian notice of the amendment and, where necessary, additional time to prepare.

"(f) The Government of the District of Columbia shall be a party to all proceedings under this subchapter.

"§ 16–2304. Service of summons and petition

"(a) When a petition is filed, the Division shall set a time for initial appearance and shall direct the issuance of summonses. If delinquency or need of supervision is alleged, a summons, together with a copy of the petition, shall be served upon the child and upon his spouse (if any) and his parent, guardian, or other custodian. If neglect is alleged, the summons, together with a copy of the petition, shall be served on the parent, guardian, or other custodian of the child named in the petition. Where appropriate to the proper disposition of the case, the Division may direct service of summonses upon other persons. A summons issued pursuant to this section shall advise the parties of the right to counsel as provided in section 16–2302.

"(b) Upon request of the Corporation Counsel, the Division may endorse upon the summons an order directing the parent, guardian, or other custodian of the child to appear personally at the hearing and directing the person having physical custody or control of the child to bring the child to the hearing.

"(c) If it appears, from information presented to the Division, that there are grounds to take the child into custody as provided in section 16–2306, or that the child may leave or be removed from the jurisdiction of the Superior Court or will not be brought to the hearing, notwithstanding service of the summons, the Division may endorse upon the summons an order that the officer serving the summons shall at once take the child into custody. If the child is taken into custody under this section, the provisions of section 16–2306 through 16–2308 shall apply.

"(d) If, at the time the petition is filed, a detention or shelter care hearing is required by section 16–2309, this section shall not apply.

"§ 16–2305. Initial appearance

"At the time set forth in the summons, but in no case later than five days after a petition has been filed, the child named in a delinquency or need of supervision petition or the parent, guardian, or custodian of a child named in a neglect petition shall appear before a judge of the Division and shall be advised of the contents of the petition and of the right to counsel as provided in section 16–2302. At that time the child, or in neglect cases the parent, guardian, or custodian, may admit or deny the allegations in the petition, but it shall not be necessary at the initial appearance for the Corporation Counsel to establish probable cause to believe that the allegations in the petition are true. At the initial appearance, the judge may set the time for the factfinding hearing or continue the matter until a later time. This section shall not apply in any case where, prior to or at the time of the initial appearance, a detention or shelter care hearing required by section 16–2309.

"§ 16–2306. Taking into custody

"A child may be taken into custody—

"(1) pursuant to order of the Division under section 16–2304 or 16–2308;

"(2) by a law enforcement officer when he has reasonable grounds to believe that the child has committed a delinquent act;

"(3) by a law enforcement officer when he has reasonable grounds to believe that the child is suffering from illness or injury or is in immediate danger from his surroundings, and that his removal from his surroundings is necessary; or

"(4) by a law enforcement officer when he has reasonable grounds to believe that the child has run away from his parent, guardian, or other custodian.

"§ 16–2307. Criteria for detaining children

"(a) A child shall not be placed in detention prior to a factfinding hearing or a dispositional hearing unless he is alleged to be delinquent or in need of supervision and unless it appears from available information that detention is required:

"(1) to protect the person or property of others or of the child, or

"(2) to secure the child's presence at the next court hearing.

"(b) A child shall not be placed in shelter care prior to a factfinding hearing or a dispositional hearing unless it appears from available information that shelter care is required:

"(1) to protect the person of the child, or

"(2) because the child has no parent, guardian, or custodian or other person or agency able to provide supervision and care for him, and the child appears unable to care for himself.

"(c) The criteria for detention and shelter care provided in this section, as implemented by rules of the Superior Court, shall govern the decisions of all persons responsible for determining whether detention or shelter care is warranted prior to any Family Division hearing.

"§ 16–2308. Release or delivery to Family Division

"(a) A person taking a child into custody shall with all reasonable speed:

"(1) where the child's placement in detention or shelter care does not appear to be required under section 16–2307, release the child to his parent, guardian, or custodian upon a promise to bring the child before the Division when requested by the Division; or

"(2) bring the child before the Director of Social Services, or to a medical facility if the child appears to require prompt treatment or to require prompt diagnosis for medical or evidentiary purposes. Any person taking a child into custody shall give prompt notice to the Corporation Counsel and to the parent, guardian, or custodian (if known) together with the reasons for custody.

"(b) When a child is brought before the Director of Social Services, the Director shall in all cases review the need for detention or shelter care prior to the admission of the child to the place of detention or shelter care. The child shall be released to his parent, guardian, or custodian unless the Director of Social Services finds that detention or shelter care is required under section 16–2307. If the child is not released, the Director of Social Services shall advise him of the right to counsel provided in section 16–2302.

"(c) If a parent, guardian, or custodian fails, when requested, to bring the child to the Division as provided in subsection (a) (1), the Division may issue a warrant directing that the child be taken into custody and brought before the Division.

"§ 16–2309. Detention or shelter care hearing; intermediate disposition

"(a) Unless a child is released as provided in section 16–2308, in all cases when a child is taken into custody:

"(1) a detention or shelter care hearing shall be held not later than the next day (excluding Sundays) after the child has been taken into custody or transferred from another court as provided by section 11–1103 of this Code; and

"(2) a petition shall be filed prior to the detention or shelter care hearing.

For good cause shown, the Division may postpone, for a period not to exceed five days, the determination of probable cause. On motion by or on behalf of the child, a child in custody shall be released from custody if his detention hearing or any part thereof is not commenced within the time set forth herein.

"(b) Prompt notice of the detention or shelter care hearing shall be given, if delinquency or need of supervision is alleged, to the child, and to his spouse (if any), parent, guardian, or custodian if he can be found, or, if neglect is alleged, to the child, and to the parent, guardian, or custodian named in the petition if he can be found. Counsel for the child, and in neglect cases also counsel for the parent, guardian, or custodian, shall be entitled to a copy of the petition prior to the hearing.

"(c) At the commencement of the hearing the judge shall advise the parties as provided in section 16–2305 and appoint counsel if required. He shall afford the child, or in neglect cases the parent, guardian, or custodian, an opportunity to admit or deny the allegations in the petition, where said allegations have not previously been admitted or denied pursuant to section 16–2305. He shall then hear evidence presented by the Corporation Counsel to determine whether there is probable cause to believe that the allegations in the petition are true, and to determine whether the child should be placed or retained in detention or shelter care. The child and his parent, guardian, or custodian may present evidence on the issues and be heard in their own behalf.

"(d) At the conclusion of the hearing, the judge shall order the child released, or shall order detention or shelter care setting forth in writing his reasons therefor. If a child is released, the judge may impose one or more of the following conditions:

"(1) placement of the child in the custody of a parent, guardian, or custodian, or under supervision of a person or organization agreeing to supervise him;

"(2) placement of restrictions on the child's travel, activities, or place of abode during the period of release; or

"(3) any other condition reasonably necessary to assure the appearance of the child at a factfinding hearing or his protection from harm, including a requirement that the child return to the physical custody of the parent, guardian, or custodian after specified hours.

An order imposing conditions of release may be amended or modified by the Division at any time.

"(e) If a child is not released after hearing and the parent, guardian, or custodian did not receive notice thereof, the Division may, in the interest of justice, conduct a new hearing in accordance with rules prescribed by the Superior Court.

"(f) Over the objection of the child or his parent, guardian, or custodian, a judge who conducted a detention or shelter care hearing shall not conduct a factfinding hearing on the petition.

"§16–2310. Place of detention or shelter

"(a) A child in custody who is alleged to be neglected may be placed, at any time prior to disposition, only in the following places:

"(1) a foster home;

"(2) a group home, youth shelter, or other appropriate home for nondelinquent children; or

"(3) another facility for shelter care designated by the Division, including an appropriate facility operated by the District of Columbia.

No child alleged to be neglected may be placed in a facility described in paragraph (3) of subsection (b).

"(b) A child in custody who is alleged to be in need of supervision may be detained at any time prior to disposition only in the following places, and a child in custody who is alleged to be delinquent may be detained at any time prior to disposition in the following places or as provided in subsections (d) and (e):

"(1) a foster home;

"(2) a group home, youth shelter, or other appropriate home for allegedly delinquent children; or

"(3) a detention home for allegedly delinquent children or children alleged to be in need of supervision, designated or operated by the District of Columbia.

Unless the Division shall by order so authorize, no child may be detained in a facility as provided in paragraph (3) if it would result in his commingling with children who have been adjudicated delinquent and committed by order of the Family Division.

"(c) A child in detention or shelter care may be temporarily transferred to a medical facility for physical care and may, on order of the Division pursuant to section 16–2312, be temporarily transferred to a facility for mental examination or treatment.

"(d) Except as provided in subsection (e), no child under eighteen years of age may be detained in a jail or other facility for the detention of adults, unless transferred as provided in section 11–1104 of this Code. The appropriate official of a jail or other facility for the detention of adults shall inform the superior court immediately when a child under the age of eighteen years is received there (other than by transfer) and shall (1) deliver him to the Director of Social Services upon request, or (2) transfer him to a detention facility described in subsection (b)(3).

"(e) A child sixteen years of age or older who is alleged to be delinquent and who is in detention, whose conduct constitutes a menace to other children, and who cannot be controlled, may on order of the Division be transferred to a place of detention for adults, but shall be kept separate from adults.

"§ 16–2311. Consent decree

"(a) At any time after the filing of a delinquency or need of supervision petition and prior to adjudication at a factfinding hearing, the Division may, on motion of the Corporation Counsel or counsel for the child, suspend the proceedings and continue the child under supervision, without commitment, under terms and conditions established by rules of the Superior Court. Such a consent decree shall not be entered unless the child is represented by counsel and has been informed of the consequences of the decree nor shall it be entered over the objection of the child or of the Corporation Counsel.

"(b) A consent decree shall remain in force for six months unless the child is sooner discharged by the Director of Social Services. Upon application of the Director of Social Services or any agency supervising the child made prior to the expiration of the decree, a consent decree may, after notice and hearing, be extended for not more than six additional months by order of the Division.

"(c) If prior to the expiration of the decree or discharge by the Director of Social Services, the child fails to fulfill the express conditions of the decree or a new delinquency or need of supervision petition is filed concerning the child, the original petition under which the decree was filed may, in the discretion of the Corporation Counsel following consultation with the Director of Social Services, be reinstated. The child shall thereafter be held accountable on the original petition as if the consent decree had never been entered.

"(d) If a child completes the period of continuance under supervision in accordance with the consents decree or is sooner discharged by the Director of Social Services, the Family Division shall dismiss the original petition.

"§ 16–2312. Physical and mental examinations

"(a) At any time following the filing of a petition, on motion of the Corporation Counsel or counsel for the child, or on its own motion, the Division may order a child to be examined to aid in determining his physical or mental condition.

"(b) Wherever possible examinations shall be conducted on an outpatient basis, but the Division may, if it deems necessary, commit the child to a suitable medical facility or institution for the purpose of examination. Commitment for examination shall be for a period of not more than thirty days unless the Division, for good cause shown, shall extend the commitment for additional periods of not more than thirty days. No more than two such extensions may be granted by the Division.

"(c)(1) If as a result of a mental examination the Division determines that a child alleged to be delinquent is incompetent to participate in proceedings under the petition by reason of mental illness or substantial retardation, it shall, except as provided in subsection (2), suspend further proceedings and the Corporation Counsel shall initiate commitment proceedings pursuant to chapter 5 or chapter 11 of title 21 of this Code.

"(2) If a motion for transfer for criminal prosecution has been filed pursuant to section 11–1104 of this Code and the Division determines that a child alleged to be delinquent is incompetent to participate in the transfer proceedings by reason of mental illness, it shall suspend further proceedings and order the child confined to a suitable hospital or facility for the mentally ill until his competency is restored. If prior to the time the child reaches the age of 21 it appears that he will not regain his competency to participate in the proceedings, the Corporation Counsel shall initiate commitment proceedings pursuant to chapter 5 of title 21 of this Code.

"(3) If, as a result of mental examination, the Division determines that a child alleged to be neglected or in need of supervision is incompetent to participate in proceedings under the petition by reason of mental illness or substantial retardation, it shall suspend further proceedings. If proceedings are suspended, the Corporation Counsel may initiate commitment proceedings pursuant to chapter 5 or chapter 11 of title 21 of this Code.

"(d) The results of an examination under this section shall be admissible in a transfer hearing pursuant to section 11–1104 of this Code, in a dispositional hearing under this subchapter, or in a commitment proceeding under chapter 5 or chapter 11 of title 21 of this Code. The results of examination may be admitted into evidence at a factfinding hearing to aid the Division in determining a material allegation of the petition relating to the child's mental or physical condition, but not for the purpose of establishing a defense of non-involvement by reason of insanity.

"(e) Following an adjudication at a factfinding hearing that a child is neglected, the Division may order the mental or physical examination of the parent, guardian, or custodian of the child whose ability to care for the child is at issue. The results of the examination shall be admissible at a dispositional hearing on the petition alleging neglect.

"§ 16–2313. Conduct of hearings

"(a) The Division shall hear and adjudicate cases involving delinquency, need of supervision, and neglect without a jury. The Corporation Counsel shall present evidence in support of all petitions arising under this subchapter and otherwise represent the District of Columbia in all proceedings.

"(b) Evidence which is competent, material, and relevant shall be admissible at factfinding hearings. Evidence which is material and relevant shall be admissible at detention hearings, transfer hearings under section 11–1104 of this Code, and dispositional hearings.

"(c) All hearings and proceedings under this subchapter shall be recorded by appropriate means. Except in hearings to declare a person in contempt of court, the general public shall be excluded from hearings arising under this subchapter. Only persons necessary to the proceedings shall be admitted, but the Division may, pursuant to rule of the Superior Court, admit such other persons (including members of the press) as have a proper interest in the case or the work of the court on condition that they refrain from divulging information identifying the child or members of his family involved in the proceedings.

"(d) If the Division finds that it is in the best interest of the child, it may temporarily exclude him from any proceeding except a factfinding hearing. If the petition alleges neglect, the child may also be temporarily excluded from a factfinding hearing. In any case, counsel for the child may not be excluded.

"§ 16–2314. Hearings; findings; dismissal

"(a) Except as otherwise provided by statute or court rule, all motions shall be heard at the time of the factfinding hearing.

"(b) After a factfinding hearing on the allegations in the petition, the Division shall make and file written findings, in all cases, as to the truth of the allegations, and, in neglect cases, also as to whether the child is neglected. If the Division finds that the allegations in a delinquency or need of supervision petition have not been established by proof beyond a reasonable doubt, or that the allegations in a neglect petition or the conclusion that the child is neglected have not been established by clear and convincing evidence, it shall dismiss the petition and order the child released from any detention, shelter care, or other restriction previously ordered.

"(c) If the petition alleging delinquency or need of supervision has not been dismissed, the Division shall commence to hear evidence as to whether the child is in need of care or rehabilitation, within fifteen days after the conclusion of the factfinding hearing when the child is in custody or within thirty days when the child is not in custody. Evidence which is material and relevant shall be admissible to determine need for care or rehabilitation even though not competent at a factfinding hearing. In the absence of evidence to the contrary, a finding of the commission of an act which would constitute a felony is sufficient to sustain a finding of need for care or rehabilitation.

"(d) If the Division finds on the basis of clear and convincing evidence that the child is in need of care or rehabilitation in a delinquency or need of supervision case, the Division shall proceed to make proper disposition of the case. If the Division finds that the child is not in need of care or rehabilitation, it shall terminate the proceedings and discharge the child from detention, shelter care, or other restriction previously ordered.

"(e) If the petition alleging neglect has not been dismissed, pursuant to subsection (b) or otherwise, the Division shall proceed to make proper disposition of the case, within fifteen days after the conclusion of the factfinding hearing when the child is in custody or within thirty days when the child is not in custody.

"(f) After any factfinding hearing, if the proceedings are not terminated, the Division shall review the need for detention or shelter care of the child.

"(g) The Division shall set the time of any dispositional hearing in accordance with this section and shall give prompt notice thereof, in delinquency and need of supervision cases, to the child, and to his spouse (if any), parent, guardian, or custodian, or, in neglect cases, to the child, and to the parent, guardian, or custodian named in the petition if he can be found.

"§ 16–2315. Predisposition study and report

"After a motion for transfer has been filed, or after the Division has made findings pursuant to subsection (b) of section 16–2314 sustaining the allegations of a petition and, in neglect cases, the conclusion that the child is neglected, the Division shall direct that a predisposition study and report to the Division be made by the Director of Social Services or a qualified agency designated by the Division, concerning the child, his family, his environment, and other matters relevant to the need for treatment or disposition of the case. Except in connection with a hearing on a transfer motion, no predisposition study or report shall be furnished to or considered by the Division prior to completion of the factfinding hearing.

"§ 16–2316. Disposition of child who is neglected, delinquent, or in need of supervision

"(a) If a child is found to be neglected, the Division may order any of the following dispositions which will be in the best interest of the child:

"(1) permit the child to remain with his parent, guardian, or other custodian, subject to such conditions and limitations as the Division may prescribe, including but not limited to medical, psychiatric, or other treatment at an appropriate facility on an outpatient basis;

"(2) place the child under protective supervision;

"(3) transfer legal custody to any of the following—

"(A) a public agency responsible for the care of neglected children;

"(B) a child-placing agency or other private organization or facility which is licensed or otherwise authorized by law and is designated by the Commissioner of the District of Columbia to receive and provide care for the child; or

"(C) a relative or other individual who is found by the Division to be qualified to receive and care for the child;

"(4) commitment of the child for medical, psychiatric, or other treatment at an appropriate facility on an in-patient basis if, at the dispositional hearing provided for in section 16–2314 of this subchapter, the Division finds that confinement is necessary to the treatment of the child. A child for whom medical, psychiatric, or other treatment is ordered may petition the Division for review of the order thirty days after treatment under the order has commenced, and, if, after a hearing for the purpose of such review the original order is affirmed, the child may petition for review thereafter every six months; or

"(5) make such other disposition as may be provided by law and as the Division deems to be in the best interests of the child and the community.

"(b) Unless a child found neglected is also found to be delinquent, he shall not be committed to or confined in an institution for delinquent children.

"(c) If a child is found to be delinquent or in need of supervision, the Division may order any of the following dispositions for his supervision, care, and rehabilitation:

"(1) any disposition authorized by subsection (a);

"(2) transfer of legal custody to a public agency for the care of delinquent children;

"(3) probation under such conditions and limitations as the Division may prescribe.

"(d) No child found in need of supervision, unless also found delinquent, shall be committed to or placed in an institution or facility for delinquent children; except that, if such child is again alleged to be in need of supervision and the court, after hearing, so finds, the Division may specify that such child be committed to or placed in an institution or facility for delinquent children.

"§ 16-2317. Disposition of mentally ill or substantially retarded child

"(a) If not previous examination has been made under section 16-2312 and the Division, after the factfinding but prior to the dispositional hearing, has reason to believe that a child is mentally ill or substantially retarded, it may order an examination as provided in section 16-2312.

"(b) If as a result of the examination the child is found to be mentally ill or substantially retarded, the Division shall, in lieu of other disposition, direct the appropriate authority to initiate commitment proceedings under chapter 5 or chapter 11 of title 21 of this Code. The Division may order the child detained in suitable facilities pending commitment proceedings.

"(c) If the examination does not indicate that commitment proceedings should be initiated or if the proceedings do not result in commitment, the Division shall proceed to disposition pursuant to this subchapter.

"§ 16-2318. Limitation of time on dispositional orders

"(a)(1) A disposition order vesting legal custody of a child in a department, agency, or institution shall remain in force for an indeterminate period not exceeding two years. Unless the order specifies that release is permitted only by order of the Division, the department, agency, or institution may release the child at any time that it appears the purpose of the disposition order has been achieved.

"(2) An order vesting legal custody of a child in an individual other than his parent shall remain in force for two years unless sooner terminated by order of the Division.

"(3) An order of probation or a protective supervision order shall remain in force for a period not exceeding one year from the date entered, but the Director of Social Services or the agency providing supervision may terminate supervision at any time that it appears the purpose of the order has been achieved.

"(b) A dispositional order vesting legal custody of a child in a department, agency, or institution may be extended for additional periods of one year, upon motion of the department, agency, or institution to which the child was committed, if, after notice and hearing, the Division finds that—

"(1) in the case of a neglected child, the extension is necessary to safeguard his welfare; or

"(2) in the case of a child adjudicated delinquent or in need of supervision, the extension is necessary for his rehabilitation or the protection of the public interest.

"(c) Any other dispositional order may be extended for additional periods of one year, upon motion of the Director of Social Services, if, after notice and hearing, the Division finds that extension is necessary to protect the interest of the child.

"(d) A release or termination of an order prior to expiration of the order pursuant to subsection (a) (1) or (3), shall promptly be reported in writing to the Division.

"(e) Upon termination of a dispositional order a child shall be notified in writing of its termination. Upon termination of an order or release a child shall be notified, in accordance with rules of the Superior Court, of his right to request the sealing of his records as provided in section 11-1109 of this Code.

"(f) Unless sooner terminated, all orders of the Division under this subchapter in force with respect to a child terminate when he reaches twenty-one years of age.

"§ 16-2319. Modification, termination of orders

"(a) An order of the Division under this subchapter shall be set aside if—

"(1) it was obtained by fraud or mistake sufficient to set aside an order or judgment in a civil action;

"(2) the Division lacked jurisdiction; or

"(3) newly discovered evidence so requires.

"(b) A child who has been committed under this subchapter to the custody of an institution, agency or person, or the parent or guardian of the child, may file a motion for modification or termination of the order of commitment on the ground that the child no longer is in need of commitment, if the child or his parent or guardian has applied to the institution or agency for release and the application was denied or not acted upon within a reasonable time.

"(c) The Director of Social Services shall conduct a preliminary review of motions filed under subsection (b) and shall prepare a report to the Division on the allegations contained therein. The Director may dismiss the motion if it concludes from the report that it is without substance. Otherwise, the Division, after notice, shall hear and determine the issues raised by the motion and deny the motion, or enter an appropriate order modifying or terminating the order of commitment, if it finds such action necessary to safeguard the welfare of the child or the interest of the public.

"(d) A motion may be filed under subsection (b) no more than once every six months.

"§ 16-2320. Probation revocation; disposition

"(a) If a child on probation incident to an adjudication of delinquency or need of supervision commits a new delinquent act, or a probation violation not amounting to a delinquent act, he may be proceeded against in a probation revocation hearing.

"(b) A proceeding to revoke probation shall be commenced by the filing of a revocation petition by the Corporation Counsel. The petition shall be in such form as may be prescribed by rule of the Superior Court and shall be served together with a summons in the manner provided in section 16-2304.

"(c) Probation revocation proceedings shall be heard without a jury and shall require establishment of the facts alleged by a preponderance of the evidence. As nearly as may be appropriate, probation revocation proceedings shall conform to the procedures established by this subchapter for delinquency and need of supervision cases.

"(d) If a child is found to have violated the terms of his probation, the Division may modify the terms and conditions of the probation order, extend the period of probation, or enter any other order of disposition specified in section 16-2316 for a delinquent child.

"§ 16-2321. Support of committed child

"Whenever legal custody of a child is vested in any agency or individual other than the child's parent, after due notice to the parent or other persons legally obligated to care for and support the child and after hearing or thereafter, order and decree that the parent or other legally obligated person shall pay, in such manner as the Division may direct, a reasonable sum that will cover in whole or in part the support and treatment of the child after the decree is entered. If the parent or other legally obligated person willfully fails or refuses to pay such sum, the Division may proceed against him for contempt, or the order may be filed and shall have the effect of a civil judgment.

"§ 16-2322. Court costs and expenses

"If, at the dispositional hearing or thereafter, the Division finds after due notice and hearing that the parent or other person legally obligated to care for and support a child subject to proceedings under this subchapter is financially able to pay, the Division may order him to pay all or part of the costs of—

"(1) physical and mental examination and treatment of the child ordered by the Division; and

"(2) reasonable compensation for services and related expenses of counsel appointed by the court to represent the child, or, in neglect cases, himself.

Payment shall be made as prescribed by rules of the Superior Court.

"§ 16-2323. Interlocutory appeals

"(a) A child who has been ordered transferred for criminal prosecution under section 11-1104 of this Code or detained or placed in shelter care or subjected to conditions of release under section 16-2309, shall have a right of interlocutory appeal. Such appeal shall be commenced by the filing of a notice of interlocutory appeal within two days of the entry of the order appealed from.

"(b) The District of Columbia Court of Appeals shall hear argument on an appeal pursuant to subsection (a) on or before the second day (excluding Sundays) after the filing of notice, shall dispense with any requirement of written briefs other than the supporting materials previously submitted to the Family Division, shall render its decision on the next day following argument on appeal, and in so rendering may dispense with the issuance of a written opinion.

"(c) In cases involving transfer for criminal prosecution, the pendency of an interlocutory appeal shall act to stay criminal proceedings. Until the time for filing an interlocutory appeal has lapsed, or if an appeal is filed until its completion, no child who has been ordered transferred for criminal prosecution shall be removed to a place of adult detention, except as provided in section 16-2310, or otherwise treated as an adult.

"(d) The decision of the District of Columbia Court of Appeals shall be final.

"§ 16-2324. Finality of judgments; appeals; transcripts

"(a) Except as otherwise expressly provided by law, in all hearings and cases tried before the Division pursuant to this subchapter, the judgment of the Division is final.

"(b) In all appeals from decisions of the Family Division with respect to a child alleged to be neglected, delinquent, or in need of supervision, the child shall be identified only by initials in all transcripts, briefs, and other papers filed, and all necessary steps, as prescribed by rule of the District of Columbia Court of Appeals, shall be taken to protect the identity of the child.

"(c) Upon the filing of a motion and supporting affidavit stating that he is financially unable to purchase a transcript, a party who has filed notice of appeal or of interlocutory appeal shall be furnished, at no cost or at such part of cost as he is able to pay, so much of the transcript as is necessary adequately to prepare and support the appeal.

"(d) An appeal does not operate to stay the order, judgment, or decree appealed from, but on application and hearing whenever the case is properly before the appellate court, that court may order otherwise if suitable provision is made for the care and custody of the child.

"§ 16-2325. Additional powers of the Director of Social Services

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"In addition to the powers and duties prescribed in section 11–1722, the Director of Social Services shall have power to take into custody and place in detention or shelter care, in accordance with this subchapter, children who are under his supervision as delinquent, in need of supervision, or neglected, or children who have run away from agencies or institutions to which they were committed under this subchapter.

"§ 16–2326. Order of adjudication noncriminal

"A consent decree, order of adjudication, or order of disposition in a proceeding under this subchapter is not a conviction of crime and does not impose any civil disability ordinarily resulting from a conviction, nor does it operate to disqualify a child in any future civil service examination, appointment, or application for public service under either the Government of the United States or of the District of Columbia.

"§ 16–2327. Emergency medical treatment

"Nothing in this subchapter shall prevent a public agency having custody of a child who is under the jurisdiction of the Division from providing the child with emergency medical treatment.

"§ 16–2328. Time limitations

"(a) On motion in any case by or on behalf of the child, or in neglect cases also by or on behalf of his parent, guardian, or custodian, a delinquency, need of supervision, or neglect petition shall be dismissed with prejudice where the factfinding hearing is not commenced within:

"(1) thirty days from the filing of the petition, where the child is not in custody at the time of said filing and is not, within ten days after said filing, taken into custody for the offense or acts charged in the petition; or

"(2) in all other cases, fifteen days from the filing of the petition.

"(b) In all proceedings in the Family Division, time limitations shall be reasonably construed by the Division for the protection of the community and of the child.

"(c) The following periods shall be excluded in computing the time limits established for proceedings under this subchapter and section 11–1104 of this Code:

"(1) the period of delay resulting from a continuance granted, upon grounds constituting unusual circumstances, at the request or with the consent, in any case, of the child or his counsel, or, in neglect cases, also of the parent, guardian, or custodian;

"(2) the period of delay resulting from other proceedings concerning the child, including but not limited to an examination or hearing on mental health or retardation and a hearing on a transfer motion;

"(3) the period of delay resulting from a continuance granted at the request of the Corporation Counsel if the continuance is granted because of the unavailability of evidence material to the case, when the Corporation Counsel has exercised due diligence to obtain such evidence and there are reasonable grounds to believe that such evidence will be available at the later date; or if the continuance is granted to allow the Corporation Counsel additional time to prepare his case and additional time is required due to the exceptional circumstances of the case;

"(4) the period of delay resulting from the imposition of a consent decree;

"(5) the period of delay resulting from the absence or unavailability of the child; and

"(6) a reasonable period of delay when the child is joined for a hearing with another child as to whom the time for a hearing has not run and there is good cause for not hearing the cases separately. In all other cases, the child's case shall be separated from the hearing of another child alleged to have participated in the same offense so that a hearing may be held within the time limits applicable to him.".

SEC. 5. Section 11–1104, District of Columbia Code, is amended to read as follows:

"§ 11–1104. Transfer for criminal prosecution

"(a) Within five days after the filing of a delinquency petition and prior to a factfinding hearing on the petition, the Corporation Counsel, following consultation with the Director of Social Services, may file a motion requesting transfer of the child for criminal prosecution, if:

"(1) the child was fifteen or more years of age at the time of the conduct charged, and is alleged to have committed an act which would constitute a felony if committed by an adult;

"(2) the child is sixteen or more years of age and is already under commitment to an agency or institution as a delinquent child; or

"(3) a minor eighteen years of age or older is alleged to have committed a delinquent act prior to having become eighteen years of age.

"(b) Following the filing of the motion by the Corporation Counsel, summonses shall be issued and served in conformity with the provisions of subchapter I of chapter 23 of title 16.

"(c) When there are grounds to believe the child is mentally retarded or mentally ill, the Division shall stay the proceedings for the purpose of obtaining an examination. After examination, the Division shall proceed to a determination under subsection (d) unless it determines that the child is incompetent to participate in the proceedings, in which event it shall order the child committed to a mental hospital pursuant to section 16–2312(c)(2) of this Code or section 927 of the Act of March 3, 1901 (31 Stat. 1340), as amended (D.C. Code, sec. 24–301 (a)).

"(d) Not later than fifteen days after the motion requesting transfer is filed, if the child is not in custody at the time of said filing, or, otherwise, not later than one week after said filing, the Division shall conduct a hearing on the motion for the purpose of determining whether there are reasonable prospects of rehabilitating the child prior to his majority, unless a commitment pursuant to subsection (c) has intervened. If the Division finds that there are not reasonable prospects for rehabilitating the child prior to his majority, it shall transfer the child for criminal prosecution and notify the United States attorney.

"(e) Evidence of the following factors shall be considered in determining whether there are reasonable prospects for rehabilitating a child prior to his majority:

"(1) the child's age;

"(2) the nature of the present offense and the extent and nature of the child's prior delinquency record;

"(3) the child's mental condition;

"(4) the nature of past treatment efforts and the nature of the child's response to past treatment efforts; and

"(5) the techniques, facilities, and personnel for rehabilitation available to the Division and to the court that would have jurisdiction after transfer.

The rules of evidence at transfer hearings shall be the same as those that govern dispositional proceedings in delinquency cases, as set forth in section 16–2313 of this Code. At a transfer hearing, only the propriety of eventual Family Division disposition shall be considered, and evidence bearing on probable cause or the likelihood that the child committed the act alleged shall not be admitted.

"(f) Prior to a transfer hearing, a study and report, in writing, relevant to the factors in subsection (e), shall be made by the Director of Social Services. This report and all social records that are to be made available to the judge at the transfer hearing shall be made available to counsel for the child and to the Corporation Counsel at least two days prior to the hearing.

"(g) When a child is transferred for criminal prosecution, the presiding judge shall set forth in writing his reasons therefor. These written findings shall be available, upon request, to any court in which the transfer is challenged, but shall not be available to the trier of fact on the criminal charge prior to verdict.

"(h) Transfer of a child for criminal prosecution terminates the jurisdiction of the Family Division over the child with respect to any subsequent delinquent act; except that jurisdiction of the Family Division over the child is restored if the criminal prosecution is terminated other than by a verdict of guilty or not guilty by reason of insanity and if at the time of said termination no indictment or information has been filed for criminal prosecution for an offense alleged to have been committed by the child subsequent to transfer.

"(i) A judge who conducts a hearing pursuant to this section shall not, over the objection of the child whose prospects for rehabilitation were at issue, participate in any subsequent factfinding proceedings relating to the offense.".

SEC. 6. Section 927 of the Act of March 3, 1901 (31 Stat. 1189, 1340, as amended; D.C. Code, sec. 24–301), is amended as follows:

(1) by substituting for the words beginning "Whenever a person is arrested" and ending "period of probation" in the first sentence of subsection (a), the following: "Whenever a person is arrested or indicted for, or charged by information with, an offense, or a child is the subject of a transfer motion in the Family Division of the Superior Court pursuant to section 11–1104 of the District of Columbia Code, and, prior to the imposition of sentence or the expiration of any period of probation, or prior to hearing on the transfer motion,";

(2) by striking the period at the end of the second sentence of subsection (a) and substituting in lieu thereof: "or participate in transfer proceedings.";

(3) by inserting after the words "stand trial" in the third sentence of subsection (a), "or participate in transfer proceedings"; and

(4) by inserting after the words "stand trial" in both places it appears in subsection (b), "or participate in transfer proceedings".

SEC. 7. (a) Subdivision (3) of section 11–1101(a), District of Columbia Code, is amended by striking the phrase "(including actions under section 1 of the Act of March 23, 1906 (34 Stat. 1131), as amended (D.C. Code, sec. 22–903))".

(b) Section 11–1110, District of Columbia Code, is amended as follows:

(1) by striking the phrase, "The United States attorney for the District of Columbia or"; and

(2) by substituting, "16–2346(a)", for the section number, "16–2354(a)".

(c) Section 16–916, District of Columbia Code, is amended as follows:

(1) by amending the section heading (and so much of the analysis of chapter 9 of title 16, District of Columbia Code, as relates to section 16–916) to read, "Maintenance of wife and minor children; maintenance of former wife; maintenance of minor children; enforcement";

(2) by inserting immediately after subsection (b) the following new subsection (c)—

"(c) Whenever any father or mother shall fail to maintain his or her minor child, or children, the court may decree that he or she shall pay reasonable sums periodically for the support and maintenance of said child, or children, and the court may decree that he or she pay court costs, including counsel fees, to enable plaintiff to conduct the case."; and

(3) by redesignating the succeeding subsection, existing subsection (c), as subsection (d).

(d) Chapter 23 of title 16, District of Columbia Code, is amended as follows:

(1) by striking, from the analysis of subchapter II, references to sections 16–2341 through 16–2355, and by substituting the following in lieu thereof—

"16–2341. Representation.
"16–2342. Time of bringing complaint.
"16–2343. Blood tests.
"16–2344. Exclusion of public.
"16–2345. New birth record upon marriage of natural parents.
"16–2346. Reports to Director of Public Health.
"16–2347. Death of respondent; liability of estate."; and

(2) by striking sections 16–2341 through 16–2355, and by substituting the following in lieu thereof—

"§ 16–2341. Representation

"Where a public support burden has been incurred or is threatened, the Corporation Counsel of the District of Columbia, or any of his assistants, shall bring a civil action on behalf of any wife or child in the Family Division of the Superior Court of the District of Columbia to enforce support of such wife or child under subdivision (3), (4), (10), or (11) of section 11–1101(a).

"In all cases arising under subdivisions (3), (4), (10), and (11) of section 11–1101 (a), where the court deems it necessary and proper, an attorney shall be appointed by the court to represent the respondent.

"Nothing in this section shall be construed to interfere with the right of an individual to file a civil action under the subdivisions aforementioned.

"§ 16–2342. Time of bringing complaint

"Proceedings under subdivisions (3) and (11) of sec. 11–1101(a) to establish paternity and provide for the support of a child born out of wedlock may be instituted after four months of pregnancy or within two years after birth of the child, or within one year after the putative has ceased making contributions for the support of the child. The time during which the respondent is absent from the jurisdiction shall be excluded from the computation of the time within which a complaint may be filed.

"§ 16–2343. Blood tests

"When it is relevant to an action arising under section 11–1101(a), the court may direct that the mother, child, and the respondent submit to one or more blood tests to determine whether or not the respondent can be excluded as being the father of the child, but the results of the test may be admitted as evidence only in cases where the respondent does not object to its admissibility. Where the parties cannot afford the cost of a blood test, the court may direct the Department of Public Health to perform such tests without fee.

"§16–2344. Exclusion of public

"Upon the trial of proceedings pursuant to subdivision (3), (4), (10), or (11) of section 11–1101(a), the court may exclude the general public, and shall do so at the request of either party.

"§ 16–2345. New birth record upon marriage of natural parents

"When a certified copy of a marriage certificate is submitted to the Director of Public Health, establishing that the previously unwed parents of a child born out of wedlock have intermarried subsequent to the birth of the child, and the paternity of the child has been judicially determined or acknowledged by the husband before the Commissioner of the District of Columbia or his designated agent, or has been acknowledged in an affidavit sworn to by the husband before a judge or the clerk of a court of record, or before an officer of the Armed Forces of the United States authorized to administer oaths, and the affidavit is delivered to the Commissioner or his designated agent, a new certificate of birth bearing the original date of birth and the names of both parents shall be issued and substituted for the certificate of birth then on file. The original certificate of birth and all papers pertaining to the issuance of the new certificate shall be placed under seal, and opened for inspection only upon order of the Family Division of the Superior Court of the District of Columbia.

"§ 16–2346. Reports to Director of Public Health

"(a) Upon entry of a final judgment determining the paternity of a child born out of wedlock, the clerk of the court shall forward a certificate to the Director of Public Health of the District of Columbia, or his authorized representative, in the jurisdiction in which the child was born, giving the name of the person adjudged to be the father of the child.

"(b) Upon receipt of the certificate provided for by subsection (a) of this section, the Director of Public Health or his authorized representative shall file it with the original birth record, and thereafter may issue a certificate of birth registration including thereon the name of the person adjudged to be the father of the child.

"§ 16–2347. Death of respondent; liability of estate

"If the respondent dies after paternity has been established and prior to the time the child reaches the age of 18 years, any sums due and unpaid under an order of the court at the time of his death shall constitute a valid claim against his estate.".

(e) The following provisions of law are repealed:

(1) the Act of March 23, 1906 (34 Stat. 86), as amended (D.C. Code, secs, 22–903 through 22–905); and

(2) the proviso contained in the Act of May 18, 1910 (36 Stat. 403, D.C. Code, sec. 22–906, under the heading "COURTS" and the subheading "Juvenile Court".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 91–620), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

S. 2981 as amended in committee constitutes a vital measure for the reduction of crime committed in the National Capital, as the bill's principal purpose is to break the crime cycle whereby juvenile offenders graduate from the juvenile system as adult criminals.

More specifically, the bill S. 2981 as reported has the following objectives: to expedite the adjudication of juveniles and enhance their rehabilitation, and to improve court procedures for juveniles so as to provide them their due process of law.

To these ends, the bill (S. 2981) recommended by this committee—

Establishes time limits for the principal juvenile proceedings;

Telescopes many of the proceedings which a juvenile may have to undergo;

Provides separate treatment or disposition for the different categories of juveniles;

Require proof of involvement beyond a reasonable doubt, while eliminating cumbersome and inappropriate trial by jury;

Provides a right to counsel and to be informed of the specific charges at the earliest practicable juncture; and

Relieves the juvenile system of those repeated offenders whom the system cannot realistically handle.

NEED FOR LEGISLATION

A soaring caseload of crime-related charges against juveniles in the National Capital, together with the inability of the existing juvenile court in the District of Columbia to meet the demands placed upon it, have had the effect in combination of perpetuating the juvenile crime cycle in the District, and have practically assured that a juvenile offender in the District will later become an adult offender.

The act S. 2601, passed by the Senate on September 18, 1969, responds to the problem, in part, by replacing the existing three-judge juvenile court with a Family Division (of the proposed local Superior Court) of a size expandable to meet any pending caseload. Further legislative response is imperative, however, in order to correct the outmoded, inefficient, and unfair procedures presently followed in the juvenile court.

The Senate District Committee has devoted much of its attention during this session of Congress to the alarming increase in crime in the National Capital. The committee's hearings and investigations have determined that in no other area is the crime problem as severe as in that of juvenile offenses. Metropolitan Police Chief Jerry Wilson in a recent White House meeting on crime in the District stated that as much as 45 percent of the serious crime in the National Capital is committed by persons under the age of 18.

Testimony before the committee has indicated that, between 1963 and 1969, the number of cases referred to the juvenile court involving serious crimes committed by juveniles over 16 increased by the following percentages:

Aggravated assault----------	Up 91 percent
Robbery[1] ------------------	Up 258 percent
Burglary ------------------	Up 96 percent

[1] 50 percent of the robberies were armed robberies.

The annual report of the juvenile court indicates that, during the 12-month period ending June 30, 1969, cases involving 29 homicides, 37 rapes, 780 robberies, 1,115 burglaries, and 537 assaults were referred to juvenile court.

While these statistics are alarming of themselves, they assume even greater significance when compared with the high rate of recidivism among juveniles. During the fiscal year 1969, 33 percent of the juveniles referred to juvenile court had previously been adjudicated delinquent. Approximately 33 percent, in other words, had been previously found to be involved in a law violation.

With the persistent rise in juvenile crime, especially crimes of violence since 1963, the District of Columbia juvenile court has been falling further and further behind in disposing of the cases referred to it. The backlog has grown to outrageous proportions; as of June 30, 1969, the total number of cases waiting to be heard by the court had reached 3,483, with a total of approximately 7,000 new juvenile cases being referred to the juvenile court each year.

This backlog of cases has been a major cause of the intolerable delays which now exist in the court. It is not unusual for a juvenile released to the community pending trial to wait more than a year before having his case adjudicated. A juvenile in detention awaiting court action has his case disposed of somewhat more quickly, but may still wait several months before his case is decided.

In its report issued December 4, 1969, the Advisory Panel Against Armed Violence (appointed by District Committee Chairman Joseph D. Tydings) revealed that, during the period between July and September 1969, 313 juveniles were rearrested for additional crimes while awaiting disposition on a previous charge. Testimony before the Senate District Committee in July of this year indicated that 1,742 juveniles were then awaiting an initial hearing; 358 were awaiting court trial; 290 were awaiting jury trials; 219 juveniles were awaiting final disposition; and, indeed, 400 cases had been awaiting an initial appearance for more than 9 months.

The demands of the crime-related caseload in the juvenile court, moreover, have prevented that court from allocating a significant portion of even its limited resources to other responsibilities—such as dependency and neglect, and paternity and nonsupport cases.

Senate District Committee hearings, and information provided by the Committee on the Administration of Justice of the District's Judicial Council, have revealed debilitating deficiencies in the administration of the local juvenile court, and have suggested numerous areas where juvenile court procedures must be changed.

Revision of the District's juvenile code is overdue. Since the decision by the U.S. Supreme Court in *In re Gault* (371 U.S. 1) in 1967, major revisions of juvenile codes throughout the country have been necessary. At least 34 States have already enacted such revisions; the Commissioners on Uniform States Laws have revised the Uniform Act; and the Department of Health, Education, and Welfare has prepared a Legislative Guide for Drafting Family and Juvenile Courts Acts. Even prior to *Gault*, the decision of the Supreme Court in *In re Morris Allen Kent* (383 U.S. 541) in 1966 made it clear that revision of the District's law was necessary.

The administration of justice in the District and the Nation needs to be drastically overhauled. In no other part of the total judicial system is improvement so drastically needed—in no other part is improvement so important—as in the system for the adjudication and treatment of juveniles. In the case of the juvenile system uniquely, there is a finite limit on the time available for therapy and for the psychological acceptance of rehabilitation.

HISTORY OF LEGISLATION

Court reorganization has been one of the major concerns of this committee during this First Session of the 91st Congress. The need for court reorganization was recognized by the President in his message to Congress in January on crime in the District of Columbia, and later in his legislative program for the courts embodied in S. 2601 submitted to the Congress in July 11, 1969. S. 2601 was passed by the Senate on September 18, 1969, following extensive hearings held by the District of Columbia Committee. Throughout these hearings it was apparent that court reorganization would not achieve the desired goals of improving the overall administration of justice in the National Capital without significant revision in the procedures of the District's juvenile court.

The revision of juvenile court procedure provided in S. 2981 constitutes part of the court reorganization package of the administration. However, the bill S. 3981 was not received by the Senate District Committee until October 1, after the major court reorganization legislation had been passed by the Senate.

Hearings devoted specifically to the problems of the District of Columbia juvenile court were held by the committee on November 18 and 20, 1969, although substantial information concerning the problems of the court came to light in the earlier court reorganization hearings in May and again in July of this year. The material available to the committee in its consideration of S. 2981 includes the testimony and record available in District Committee publications "Crime in the National Capital," part 3, Reorganization of the District of Columbia Courts, and "Crime in the National Capital," part 7, Juvenile Court Proceedings.

Embodied in these documents is testimony and material from hundreds of persons and organizations concerned with the administration of justice in the National Capital.

Many of the witnesses who appeared at the hearings in November testified that modifications were necessary to improve the bill (S. 2981) and make it truly effective in overhauling the operation of the court. These witnesses included representatives of the bar of the District of Columbia, and specifically, members of the bar with years of experience in the juvenile court and with juvenile matters in general. The testimony of the witnesses together with specific recommendations they supplied to the committee proved highly useful in preparing the amended legislation. The Department of Justice likewise supplied the committee with extensive memoranda, as well as a number of amendments to the Department's original legislation, all of which have been approved.

One of the most significant aids to the committee in assessing and improving S. 2981 was the recently published "Legislative Guide for Drafting Family and Juvenile Court Acts" prepared by the Division of Juvenile Delinquency Service of the Department of Health, Education, and Welfare. This HEW Guide, together with the Uniform Juvenile Court Act adopted by the Commissioners on Uniform State Laws in 1968 and other model State laws, enabled the committee to draft amendments to S. 2981 that were not only meaningful in terms of the District's apparent needs, but reliably recommended by experts of national repute, persons well familiar with the problems of juvenile courts and juvenile delinquency.

The committee consulted with staff attorneys of the Department of Justice at every stage. At extensive staff-level conferences, Department attorneys and private consultants as well, juvenile court experts were in attendance and called upon to give the committee the benefit of their knowledge and experience. Every substantial issue was discussed, and all drafting was similarly executed with the aid of Government and private consultants.

PRINCIPAL FEATURE OF THE BILL

Expediting juvenile proceedings

In response to the suggestions of numerous witnesses and in order to meet needs repeatedly evidenced at hearings before the committee, the Senate District Committee has approved numerous innovative and clarifying amendments, designed to expedite juvenile proceedings and, in this way, restore a realistic prospect of effective therapy in the juvenile court system. The committee was persuaded that juvenile treatment, if delayed, is therapeutically ineffective, and that likewise delay in treatment gives occasion to further juvenile misconduct.

Subject to some few technical exceptions, the committee amendments provide the following:

(*a*) In all cases before the Family Division, the child shall have a single pretrial (or preliminary) hearing. If the child is in custody, the hearing shall encompass the features of the existing detention hearing, the initial appearance (or arraignment), the probable cause hearing. If he is not in custody, the hearing consists simply of an initial appearance, much like an adult arraignment.

(*b*) Any child taken into custody is to be thoroughly screened prior to his detention in a juvenile facility. Applying criteria suggested broadly in proposed section 16–2307, District of Columbia Code (in the bill as reported), to be further refined by court rule, the law enforcement officer or other person taking the child into custody must himself screen the child and forthwith bring before the Director of Social Services any child not released. Applying the same criteria, the Director of Social Services (or his deputy, that is to say, a court officer) must again screen any child brought before him. The committee expressly intends that at least one such court officer from the office of the Director of Social Services shall be available at all times, 24 hours of every day, and expects that such officer may be stationed at the juvenile facility itself. The committee intends further that (1) supporting personnel shall be likewise available and (2) administrative procedures devised, so as to assure the access of the latter screening officer (for example, by telephone communication with a court employee located at the court) to any child's records with the court, and so as to facilitate the initiating of the appointment of counsel, where appropriate, for any detained child. (Under the bill as reported, the right to counsel attaches at least as early as the pretrial or preliminary hearing, on the next day after the child is taken into custody.) The committee is advised, moreover, that the cost of maintaining a screening officer around the clock and supporting personnel will be more than offset by the saving resulting from the release of juveniles who, under applicable intake criteria, need not be detained.

(*c*) Section 7 of the bill, S. 2981, as reported abolishes the criminal and quasi-criminal incidents of nonsupport and paternity proceedings, converting them into purely civil matters. This amendment has been repeatedly proposed by the Committee on the Administration of Justice of the Judicial Council of the District of Columbia, and has been agreed to by the Department of Justice as an amendment to S. 2981. The foremost object of the amendment is to rid the Family Division trial calendar of one of the major causes of the existing juvenile court backlog. Moreover, it should be noted, the goal of paternity and nonsupport proceedings is to insure that a father will continue to support his minor children. The proposed amendment removes the criminal contempt sanction now imposed, with its attendant arrest and incarceration. The amendment thus enables a father to continue to work during the pendency of the case and afterward, and so to provide the very support which is the goal of the proceedings. The court, meanwhile, has the sanction of civil contempt, which can be imposed upon those fathers who refuse to make payments. Again, since the way to purge civil contempt is to make the required payments, the civil contempt sanction can even more effectively accomplish the purpose of the proceeding than the criminal contempt sanction; namely, to insure that support payments are made.

(*d*) Lastly, as generally recommended in the HEW Guide, time limits are provided for the principal juvenile proceedings. Moreover, since, in the committee's opinion as previously suggested, delay in juvenile proceedings operates to the detriment both of the community and of the child, proposed subsection (b) of section 16–2328, District of Columbia Code (in the bill as reported), is intended to make clear that the time limits are not waivable by the child; and proposed section 16–2328 goes further to require a showing of a high order of justification, intended to be strictly observed, as a prerequisite for the granting of any continuance (especially one which might undermine the limits prescribed). Specifically, the limits are as follows:

For detention cases (where the child is in custody)—

Preliminary hearing on or before the next day (excluding Sundays) after the child is taken into custody, with the possibility of a continuance of no more than 5 days for the determination of probable cause only;

Factfinding hearing (including ordinary pretrial motions) within 15 days of the preliminary hearing;

Dispositional hearing (ordinarily including also the assessment of court costs and any assignment of support obligation) within 15 day of the factual finding hearing;

Any waiver motion to be filed within 5 days of the filing of the petition, with a hearing to follow within 1 week of the filing of the motion;

For non-detention cases (where the child has been released into the community)—

Preliminary hearing (initial appearance or arraignment only) within 5 days of the inital complaint;

Factfinding hearing (including ordinary pretrial motions) within 30 days of the preliminary hearing;

Dispositional hearing (ordinarily including also the assessment of court costs and any assignment of support obligation) within 30 days of the factfinding hearing;

Any waiver motion to be filed within 5 days of the filing of the petition, with a hearing to follow within 15 days of the filing of the motion; and

As to interlocutory appeals (which shall be allowed and the resolution of which shall be final) from detention and waiver orders—

Notice of appeal within 2 days of the entry of the order;

Argument on appeal (no formal brief required) within 2 days of the notice of appeal;

Decision (no opinion required) on or before the next day following argument.

It should be noted that the bill as reported specifically provides the sanction of release from custody where the pretrial hearing (including the determination of probable cause) of a child under detention has not commenced within the time limitation prescribed. Moreover, the bill as reported provides the sanction of dismissal with prejudice where the factfinding hearing has not commenced within the time prescribed therefor. Without expressing any view as to the exact sanction which the courts might provide or devise, for failure to meet other time limits, the committee expects that the Division will encounter scant difficulty in meeting said limits, and intends that they be regularly enforced by some appropriate means. Most notably, the committee has judged the limitations unqualifiedly feasible in the context of an expanded and expandable Family Division (created under the court reorganization legislation for the District passed by the Senate earlier in this session of Congress).

Categories of juveniles

Under the bill S. 2981, three categories of juveniles are created—"delinquent," "in need of supervision," and "neglected"—for purposes both of adjudication and of disposition of treatment. Modeled upon the recommendations of the HEW Guide, the categories are designed to impose only that degree of stigma (even within the juvenile context) which must necessarily attach and, more especially, to occasion special provision for the distinct therapeutic needs of the three groups.

Acting in part upon the recommendation of numerous witnesses, the District Committee has revised the definition of "person in need of supervision" to clarify the intent behind the creation of this middle category. The "in need of supervison" category is properly designed to reach children who have been guilty of some misconduct (unlike children who are merely neglected) but whose misconduct has not consisted of so grave a law violation as to merit being characterized as delinquent.

Also, the Senate District Committee has revised the provision in subsection (d) of proposed section 16–2316, District of Columbia Code, so as to implement the precise recommendation of the HEW Guide. Under the bill as reported a child found to be in need of supervision may at the outset be confined along with other such children only. The bill as introduced permitted the court to direct that such a child at the outset be confined with delinquents; but under the revised provision confinement with delinquents can be ordered only when the child's conduct in an institution or otherwise under treatment with others in his category in fact proves to be unsatisfactory.

The reasoning approved by the committee in this regard is that, if confinement as a delinquent is appropriate at the outset, then a delinquency petition should be brought. The committee recalled, notably, that the rationale for the creation of the separate categories—that is to say, the significance of the three categories of juveniles—relates largely to the appropriateness of the three different modes of treatment.

Lastly, the committee has revised proposed section 16–2316, District of Columbia Code, to eliminate authority for transferring to an adult facility those delinquents whose conduct in the delinquency facility might be characterized as uncontrollably disruptive. In this regard likewise, the committee has followed the recommendations of the HEW Guide. Also the committee has considered the following: (1) with many older juveniles excluded from Family Division jurisdiction (by reason of the expedited waiver and new definition of "child" provided in the bill, S. 2981, as reported), the incidence of unruly behavior in delinquent institutions is not expected to be significant; (2) the District's new juvenile facility is reportedly well equipped to handle any case of unruliness which may arise; (3) misconduct by a child under commitment as a delinquent can usually serve as grounds for transfer for trial as an adult (or even exclude the juvenile from the new definition of "child"); and (4) the possibility of transfer to an adult facility casts a pall of unconstitutionality over the absence of full "adult" procedural safeguards in connection with adjudication in the juvenile court.

Definition of "child"

The definition of "child" in S. 2981 as reported is designed at once to reflect realistically the limitation of the rehabilitative impact of a juvenile court system, and to provide for improvement in the treatment available for adjudicated delinquents in the District's juvenile facilities.

Under proposed section 16–2301(3), District of Columbia Code, jurisdiction of the Family Division (of the proposed Superior Court of the District of Columbia, created in S. 2601) extends, in general, to persons under the age of 18. Excluded from the latter class, however, is any person 16 years of age or older in any case (1) where such person is formally charged with the commission of one or more of certain enumerated grave offenses, and (2) where such persons has previously had the benefit of special juvenile disposition after being charged with serious misconduct committed after attaining the age of 15.

In other words, under proposed section 16–2301(3), Family Division jurisdiction terminates generally at age 18. But in addition the Division does not have jurisdiction as of age 16 in certain grave cases, where juvenile treatment has recently and demonstrably proved ineffective. The latter refinement—retaining Family Division jurisdiction over first-offenders in the 16- to 18-year-old age group—represents an amendment by the Senate District Committee, designed to manifest the precise conclusion and policy approved by this committee.

The committee was mindful of the principal rationale underlying the maintaining of a juvenile court system, and appreciates the wisdom of the objective of substituting treatment or rehabilitation for punishment in cases of as yet unformed youths. The committee was not inclined, therefore, to approve a lowering of the jurisdictional age limit (for the Family Division) in simple reaction to statistics indicating a greater incidence of crime committed by juveniles aged 16 to 18. Rather, the committee has inquired as to whether such incidence indicates that it is fruitless to provide mere juvenile therapy for this 16- to 18-year-old age group, or similarly whether such incidence indicates that the members of this group who come before the courts are commonly not still substantially informed.

The committee has concluded that a juvenile can reliably be considered too well formed or sophisticated for, and beyond the reach of, mere juvenile therapy if the particular juvenile has already been exposed, in years of relative discretion, to the juvenile system and treated to the extent that his case required (as suggested by a prior finding of delinquency), and has nevertheless returned to serious misconduct (as suggested by a serious felony charge).

Conversely, the committee did not take so dim a view of juveniles in the 16- to 18-year-old age group generally as to presume sophistication in every case involving serious misconduct—and especially in cases involving first-offenders or where any previous offense was committed before the onset of a relatively significant degree of discretion. Moreover, the committee's estimate of the total age group, and not just those in the group who have appeared before the court, was weighed heavily in light of the absence of any provision whereby a judge in the Criminal Division might transfer back to the Family Division an obviously unsophisticated or immature youngster.

It should be noted that the judgment of the Senate District Committee does not rest upon any conclusion regarding the deterrent impact of curtailing Family Division jurisdiction. On the one hand, it has been repeatedly suggested to the committee that, with the expediting of juvenile proceedings, following enactment of the pending juvenile code, it will be the Family Division that will swiftly and surely adjudicate and mete out appropriate treatment for juvenile offenders, while the experience of youthful offenders in the Criminal Division will be less significantly changed. The argument proceeds to the effect that the procedural niceties of trial as an adult will make (and, according to statistics regarding juveniles who have been waived, have made) conviction and punishment in the criminal courts far less certain. That is to say, to the extent that adjudication has a deterrent impact, that impact is likely to be greater with the full retention of Family Division jurisdiction as at present.

On the other hand, the counter arguments appear equally sound: deterrence, it is urged, turns upon punishment instead of mere adjudication, and, as between penal incarceration and juvenile therapy, the former is the less appealing prospect. Likewise, more certain adjudication in fact in the Family Division may be less important than the uninformed impression that adult proceedings are more grave.

The Senate District Committee was mindful of the alternatives available to a judge in the Criminal Division, to commit a youthful offender to facilities apart from strictly penal institutions and where the youthful offender might have the benefit of extensive rehabilitation designed for his approximate age group. That is to say, the committee recognized that curtailing Family Division jurisdiction is not necessarily tantamount—and, in the context of local sentencing practices, is by no means tantamount—to directing the confinement of teenagers alongside of considerably older, more hardened criminals.

The Senate District Committee viewed the exclusion of certain of the more sophisticated, older juveniles from the jurisdiction of the Family Division—and, as a consequence, the cessation of the commitment of such juveniles as a matter of course to juvenile facilities—as a means of increasing the manageability of the population of the District's juvenile facilities and of enhancing the effectiveness of the therapy available at those facilities.

Lastly, the District Committee recalled the opposition, expressed by most commuity witnesses and by all of the representatives of the government of the District of Columbia, to any lowering of the jurisdictional age limit. It was this opposition, in part, which inclined the committee not to judge the 16- and 17-year-olds of the District generally to be sophisticated, irremediably well set in their ways, or otherwise poor rehabilitation risks. In consequence likewise, the committee disapproves any lowering of the age limit in the absence of the requirement of recent prior adjudication and prior treatment as a juvenile.

Transfer for criminal prosecution

Section 5 of the bill S. 2981 is designed to render more viable the procedure available in the existing juvenile court, whereby the occasional case which is clearly inappropriate for disposition by the juvenile court may be transferred to the adult criminal division.

The most significant change which section 5 effects is to replace the existing theory underlying transfer (and, with it, the ultimate finding required of the court of the transfer hearing)—that transfer is warranted where criminal prosecution is appropriate—with a similar but more easily determinable theory (and, with it, a more easily determinable ultimate finding for the court to make at the transfer hearing)—that transfer is warranted where juvenile disposition is not appropriate.

The revised theory (and ultimate finding) reflects the fact that there exists a special purpose for juvenile disposition, while the ordinary course in detailing with unlawful conduct is to proceed to criminal trial. Historically and as a matter of continued legislative policy, juvenile disposition has been provided specially, so that children, who might reasonably be "redeemed" before the age of 21 by means of rehabilitative therapy alone, can be spared the harsh anomoly of reasonably complete rehabilitation simultaneous with the stigma of criminal conviction. Historically and as a matter of legislative policy, at least under the pending juvenile code, the residual course, where purpose perforce is less well defined, consists of prosecution in the adult court, the Criminal Division.

For the reasons just described, the change in underlying the theory creates a transfer mechanism weighted, in effect, in favor of criminal prosecution; the finding to be made relates to the appropriateness of Juvenile disposition and there need be no affirmative showing regarding the appropriateness of the alternate course of transfer to the Criminal Division.

The Senate District Committee has disapproved, however, the further, procedural presumption proposed in S. 2981 as introduced—whereby transfer was mandated (in cases where a motion for transfer has been filed) unless the child were to prove that he ought not to be transferred. The bill as reported by the committee, to the contrary, mandates transfer only where the Government has shown that the child ought to be transferred, that is, where the Government has shown that juvenile disposition would not be appropriate.

In this last regard, the committee has specifically adopted the recommendation of the HEW Guide. The purpose of the amendment is to retain ultimate decisionmaking power in the court as to an inquiry which can only be pursued fairly if the court is allowed to exercise considerable discretion. (It should be recalled that transfer is intended to operate in the unusual case—and not in every case where the child and the offense create eligibility, nor even in every eligible case where the Government has filed the requisite motion.)

It is the committee's objective also to assign the burden of proof to that party which can more easily bear it. The committee has concluded that, as in most cases, supporting evidence will be more easily obtained by the moving party, the party bringing the motion. Similarly, Government Counsel (the Corporation Counsel), the committee has concluded, will ordinarily be more experienced with juvenile proceedings and more familiar with the treatment available in the juvenile system.

A further feature of proposed section 11-1104, District of Columbia Code (the transfer provision in section 5 of the pending bill) designed to render the transfer procedure viable consists of the enumeration of factors which must be considered at the transfer hearing. The list (in subsection (e)) is not intended to be exclusive, now is any particular legislative intent directed to the inferences to be drawn from or weight to be assigned to evidence of the stated factors. Nevertheless, the committee's expectation is that the statutory listing will forestall a substantial amount of litigation which might otherwise arise in the development of guidelines for transfer on a case-by-case basis.

Eligibility for transfer is extended in S. 2981 in two notable respects: a motion may be filed for the transfer of a 15-year-old charged with a felony; and a 16-year-old may be transferred in a case involving a misdemeanor if the offense is committed while the child is under commitment as a delinquent.

It should be noted again that, rather than the statistics with which the District Committee was supplied indicating simply a substantial incidence of serious criminal conduct among 15-year-olds, the committee would have preferred to receive more direct evidence, impunging the 15-year-old's potential for rehabilitation, before being asked to approve the eligibility of certain 15-year-olds for transfer away from the juvenile system. Nevertheless, the committee recognized that eligibility for transfer is substantially less significant of itself under circumstances where there must be a showing in every transfer case (as is required under S. 2981 as reported) that juvenile disposition is inappropriate.

The eligibility of 16-year-old misdemeanants under delinquency commitment represents a substitute for the elimination of the mechanism for transferring uncontrollable delinquents to an adult facility. (See *Categories of juveniles*, above.) It is anticipated that a motion for transfer will be brought when the misconduct of a delinquent in an institution cannot be handled effectively. It should not matter in such a case whether the misconduct amounts to a felony or a misdemeanor, of the supervisory authorities are moved to complain. There must be some mechanism available for relieving the juvenile institutions of the burden of uncontrollable juveniles; and as between administrative transfer and fresh adjudication, the Senate District Committee deems the latter preferable.

Lastly, S. 2981 as introduced provided that, upon transfer, jurisdiction of the Family Division terminates with respect to any other delinquent acts—apparently irrevocably, regardless of the nature of the disposition in the Criminal Division, and apparently with regard to both pending and subsequent acts. The Senate District Committee has revised this provision so that (1) Family Division jurisdiction terminates as to any delinquent act committed subsequent to transfer, as is provided in the HEW Guide, with the understanding that, where circumstances warrant, the Family Division can terminate or suspend proceedings with respect to nonsubsequent acts. Also (2) under S. 2981 as reported, except where further criminal charges have been filed on the basis of conduct subsequent to transfer, Family Division jurisdiction over a child who has been waived is restored in the event that he is not convicted of the charge for which he is transferred.

In the opinion of the committee, Family Division jurisdiction must be restored where the basis of transfer has been invalidated. The Committee recognized that the ultimate finding, regarding the reasonable prospects of rehabilitation, consists of a prediction as to the nature of the child's social character at the time of disposition. So, too, the committee recognized that of great revelance to this prediction is the nature of the misconduct which, at the time of any disposition hearing, the child will have been found to have committed. Yet, in the committee's opinion, it follows logically—from the fact that the transfer finding amounts to prediction and from the assumption in that prediction that the child has committed the acts alleged—that a child who is found *not* to have commited the acts may well *not* suffer from the lesser prospects of rehabilitation predicted, and ought to be returned to the juvenile system.

The provision, that criminal charges based on misconduct subsequent to transfer bar the restoration of Family Division jurisdiction, simply constitutes a practical tempering of logic just described. This tempering is justifiable in that the nature of the pending charge is only one of several factors considered at the transfer hearing, and as an accommodation of the demands of administrative ease. Moreover, a juvenile found not guilty by reason of insanity is not restored, first, for the practical reasons just stated, and secondly, becouse of the adult Criminal Division is no less well equipped to dispose fairly of mental health cases.

Jury trial and standard of proof

Jury trial is presently allowed in juvenile proceedings in the District, doubtless in recognition both of the seriousness of the imposition of the "delinquency" stigma, and, of the grave importance of any determination that can be followed by a change in custody or by special confinement. The bill, S. 2981, as reported, however, manifests a conclusion by the Senate District Committee that the concerns just described are at least as well comprehended in the requirement of a high degree of certainty for all findings relating to adjudication in the Family Division.

The standard of proof in juvenile proceedings at present is by a preponderance of the evidence. The proposal in the original S. 2981 is of the somewhat higher standard of proof upon clear and convincing evidence. The Senate District Committee has adopted the recommendation of the HEW Guide, however: S. 2981 as reported provides the highest standard, of proof beyond a reasonable doubt, for fact-finding in delinquency and need of supervision cases, and proof upon clear and convincing evidence for factfinding in neglect cases and for the finding of need for care or rehabilitation at the dispositional hearing in delinquency and need of supervision cases.

It should be noted that neglect cases, in the committee's opinion, need not proceed with the highest or most exacting standard of proof for factfinding, in that the resultant stigma is of a lesser order; in that the proceeding is unmitigatedly oriented to concern with the welfare of the juvenile; and in that any accusatory aura in the neglect proceeding is directed toward the parent, guardian, or custodian named in the petition, and not toward the child.

It was suggested to the committee that, where trial is to a court sitting without a jury, the precise standard of proof is without great significance. It was suggested that no judge would order the confinement of a juvenile except upon a strong factual showing of involvement. The committee's view is to the contrary, however: the clear danger exists that, with the enormous caseload in the Family Division, a judge assigned there might develop some prejudicial predisposition. At the same time, the committee is advised that a juvenile's involvement in fact—the actual commitment by the juvenile of the alleged acts—constitutes a therapeutic prerequisite, without which treatment may be entirely fruitless and even affirmatively harmful. A child cannot be effectively treated, it is suggested, unless he first is convinced that he has acted wrongly.

The Senate District Committee has concluded, again, that, inasmuch as the bill as reported provides a sufficiently high standard of proof for factfinding, the option of trial to a jury is both unnecessary and ill-advised. It is readily apparent that trial to a jury is the least expeditious means of factfinding. At the same time, the therapeutic need for expedition is especially great in a system devoted to impressionable juveniles; and expedition is indeed especially important in a system purported oriented in its entirety to therapy or treatment.

The committee likewise was persuaded of the following: (1) that the trial of a child before a jury may frequently prove unnecessarily traumatic, as the child's case, ordinarily in his presence, is discussed openly, formally, in the heat of an adverse setting, and before a panel of strangers, laymen, drawn from the adult community; and (2) that the jury's role in a juvenile proceeding is critically distinct from its role in the trial of an adult.

With regard to this last, it is notable that the jury in a juvenile court simply determines the facts, and all considerations regarding disposition are left to the court alone. No statutory penalty or mode of treatment is prescribed for any delinquent act; and consequently for the jury to find that the juvenile committed the acts alleged is not to assure any, much less any particular, treatment.

In contrast, in adult proceedings the jury traditionally serves a mixed, factfinding and dispositional function—as a buffer of representatives of the adult community standing between the adult defendant and punishment in the name of the community. The jury in criminal proceedings knows that to find that the defendant committed the acts alleged is to assure the imposition of a sentence (within the statutorily provided range of penalties for the offense); the jury traditionally makes, and can and must at least implicitly make, the determination as to whether a penalty ought to be imposed.

The Senate District Committee was persuaded that factfinding in a juvenile court may be better performed by an experienced judge, especially inasmuch as proceedings involving extensive testimony by juvenile parties and witnesses probably require a special, intellectual appreciation of the juvenile perspective as it affects juvenile perception. Or, at least, the committee concluded, there is no reason to suppose that a jury would perform the simple factfinding function more competently than an experienced judge.

Lastly, it should be noted that the original bill S. 2981 (as introduced) likewise eliminates jury trials from juvenile proceedings, as does the HEW guide model. Moreover, approximately four-fifths ($\frac{4}{5}$) of the States provided that all juvenile proceedings shall be conducted before a judge only. And, while the U.S. Supreme Court has not ruled on the question of whether trial to a jury is constitutionally required in juvenile proceedings, the highest courts of at least four States, in cases which postdate the landmark Supreme Court case of *In re Gault* (371 U.S. 1 (1967)), have specifically denied that such a requirement exists. (It will be recalled that it was *In re Gault* which most emphatically ruled that certain minimal procedural rights are required in juvenile court proceedings, but which did not specify, as being among those rights, trial by jury or, indeed, even adjudication upon evidence beyond a reasonable doubt.)

INCREASE OF MAXIMUM RATES OF PER DIEM ALLOWANCE AND REIMBURSEMENT

The bill (H.R. 944) to amend section 404(d) of title 37, United States Code, by increasing the maximum rates of per diem allowance and reimbursement authorized, under certain circumstances, to meet the actual expenses of travel was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the record an excerpt from the report (No. 91–622), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of this legislation is to increase for members of the uniformed services the maximum rates of per diem in lieu of subsistence from $16 to $25 per day and to increase the maximum amount which may be reimbursed when actual expenses are paid from $30 to $40 per day.

The increases authorized in this bill are identical to those which have already been enacted in the law for Federal civilian personnel (Public Law 91–114 approved November 10, 1969).

It should be emphasized that the rates authorized by the bill are the maximum ones which can be paid. It is anticipated that the average per diem rate will be about $13 per day rather than the maximum rate of $25. The lower amount is accounted for by the fact that in most instances of travel Government-owned quarters are furnished.

It should also be noted that the rates authorized in this bill apply only to travel within the contiguous 48 States and the District of Columbia. The per diem rates for travel between points overseas are authorized under different provisions of law and vary according to overseas location. The rates of per diem reimbursement for overseas travel vary by location and range from approximately $20 to $30 per day, depending on the points of travel involved.

BACKGROUND

At the present time, title 37, United States Code, section 404(d) authorizes members of the uniformed services to receive per diem in place of subsistence of not more than $16 per day and $30 per day on an actual expense basis for travel within the 48 contiguous States and the District of Columbia. These rates were authorized by the Congress in Public Law 87–500, approved June 27, 1962.

The Bureau of the Budget conducted a study in 1967, covering employee travel experiences in 18 Federal agencies including the Department of Defense. The study found the average daily subsistence expense was $19.21. However, since this 1967 study, there have been general price advances. During consideration of Public Law 91–114, the Senate Committee on Government Operations made a more current examination of travel expenses, and in their report No. 91–450 they concluded that a reasonable expectation of average costs would be between $24.50 and $25.38. Thus, the civilian bill was amended to increase the per diem allowance to $25.

With respect to the increase in the maximum per diem for reimbursements on an actual expense basis, the Bureau of the Budget study showed that very little travel was performed on an actual expense basis, but in the case of such travel the present-day allowance was not always adequate. Public Law 91–114 raised this figure to $40.

H.R. 944 as amended would provide allowances for military personnel that are identical to those now being received by civilian government employees under Public Law 91–114. Such an amendment was felt to be needed in order that all Government employees, military and civilian, will be treated equally.

FISCAL DATA

It is estimated that the additional annual cost to the Department of Defense resulting from the increases provided by H.R. 944, as amended, would be approximately $80.8 million. This dollar requirement can be financed within the revised Department of Defense budget for fiscal year 1970. The Department of Defense has recommended that the military allowances correspond with the civilian allowances as finally enacted.

ADJUSTMENTS OF RETIRED PAY

The bill (H.R. 14227) to amend section 1401(b) of title 10, United States Code, relating to adjustments of retired pay to reflect changes in Consumer Price Index was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–623), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

There are a number of basic differences between the military and civil service retirement systems. With respect to the method for increasing retired pay subsequent to retirement; however, the system is substantially the same for both the military and civil service retirees. Under the present statutory formulas, whenever the Consumer Price Index increases by 3 percent over the index which was the basis of the last adjustment in retired pay and maintains that level for 3 consecutive months, retired pay is increased by the highest percentage of increase attained during that 3-month period. The increase becomes effective on the first day of the third month after that 3-month period.

The purpose of this bill is to provide the same 1 percent add-on in the cost of living adjustment for military retirees that was provided for retired civil service employees under Public Law 91–93 which became effective October 31, 1969.

EXPLANATION

The basic cost-of-living formula is designed to protect the purchasing power of both civilian and military retired pay. The 3-percent formula already discussed was liberalized for Federal civil service employees by virtue of the legislation approved October 20, 1969, and effective October 31, 1969. Even though the present cost-of-living system is based on increases in the Consumer Price Index, there is some loss of purchasing power because of the timelag between the increases in the Consumer Price Index and the time of the increased adjustment of retired pay. During the period when the Consumer Price Index is building up to the 3-percent level, the value of military retired pay is somewhat eroded since it is not adjusted until the 3-percent formula has been complied with. While the purchasing power of the retired pay is substantially restored on the effective date of each adjustment, the restoration is only momentary during periods

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of rapidly continuing inflation and the diminution of purchasing power of retired pay resumes and continues until the next adjustment.

As an example of the operation of the formula proposed by the bill, if the Consumer Price Index presently calls for an increase of 3.5 percent, the retired pay would be increased by 4.5 percent, representing the 1-percent add-on. By way of further example, the statutory formula for the Consumer Price Index required an increase of 4 percent in civil service pay effective November 1, 1969; however, with the added 1 percent, the net increase became 5 percent.

This system will substantially offset the loss of purchasing power of retired pay which occurs under the present system.

It should be noted that the effective date of this legislation would be October 31, 1969, which is the same date on which the 1-percent add-on legislation became effective for those under the civil service retirement system.

FISCAL DATA

The Department of Defense advised that based upon the retired pay budget for fiscal year 1970, the cost of a 1-percent increase in retired pay for 1 year would be approximately $27 million.

AMENDMENT OF THE CENTRAL INTELLIGENCE AGENCY RETIREMENT ACT OF 1964 FOR CERTAIN EMPLOYEES, AS AMENDED

The bill (H.R. 14571) to amend the Central Intelligence Agency Retirement Act of 1964 for Certain Employees, as amended, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–624), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to make certain changes in the CIA Retirement Act of 1964 which will conform to certain changes already enacted into law with respect to the Civil Service Retirement Act (Public Law 91–93, effective October 31, 1969).

Specifically, the bill amends the CIA Retirement Act as follows:

1. Uses high three average salary instead of high five for computing annuities;
2. Adds accumulated sick leave in computation of annuity;
3. Adds 1 percent to cost-of-living increases of annuities;
4. Authorizes surviving spouse to remarry after age 60 without loss of annuity and restoration of annuity on dissolution of remarriage before that age;
5. Upgrades survivorship benefits by increasing the fixed annuity for children; establishing a minimum survivor annuity; and reducing, in death in service cases, the minimum length of service requirement from 5 years to 18 months.
6. Increases agency and participant contributions to the fund from 6.5 percent to 7 percent of basic salary.

Certain provisions of the bill are given a retroactive effect in order for those CIA employees who retired on November 1 to have the same benefits as civil service employees who were retired on that date.

BACKGROUND

The CIA Retirement Act was enacted to provide a comprehensive retirement and disability program for a limited number of employees whose duties either were in support of Agency activities abroad, hazardous to life or health, or so specialized as to be clearly distinguishable from normal Government employment.

The Central Intelligence Agency operates under two retirement systems—the regular civil service retirement system for the majority of its employees and the one established under the CIA Retirement Act for a smaller number. The primary purpose of the latter system is to sustain a shorter career base for service where the conditions of employment are substantially different from those associated with normal Government employment. Key provisions of the CIA Retirement Act include a straight 2-percent factor in the computation formula and retirement eligibility at age 50 after 20 years of service, both modeled after civil service provision for certain personnel involved in law enforcement activities (5 U.S.C. 8336(c)). Other provisions of the CIA Retirement Act are, for the most part, also patterned after those of the civil service retirement system.

The provisions in the Civil Service Retirement Act amended by Public Law 91–93 form the basis for comparable provisions in the CIA Retirement Act. A change for one has equal merit for the other. Without conforming changes, annuities under the CIA Retirement Act will fall substantially behind civil service in the following critical areas:

1. Annuities of retirees;
2. Widows' annuities in death in service where less than 20-years service is involved;
3. Surviving children annuities;
4. Cost-of-living adjustments for annuitants.

The CIA Retirement Act must keep pace with the new concepts and increased benefits approved for the civil service retirement system. Failure to do so especially where comparability once existed, as is the instant case; would completely undermine the effectiveness of the CIA Retirement Act.

Public Law 90–539 (by which the cost-of-living provisions of the CIA Retirement Act was brought back into consonance with the civil service retirement system) serves as precedent for the approval of conforming amendments for the CIA Retirement Act as proposed in this report.

AUTHORIZATION OF DISTRICT OF COLUMBIA COMMISSIONER TO ENTER INTO CONTRACTS FOR PAYMENT OF DISTRICT'S EQUITABLE PORTIONS OF COSTS OF RESERVOIRS ON POTOMAC RIVER AND ITS TRIBUTARIES

The bill (S. 3009) to authorize the Commissioner of the District of Columbia to enter into contracts for the payments of the District's equitable portions of the costs of reservoirs on the Potomac River and its tributaries, and for other purposes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 3009

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Commissioner of the District of Columbia is hereby authorized to contract, within an amount specified in a District of Columbia appropriation Act, with the United States, any State in the Potomac River Basin, any agency or political subdivision thereof, and any other competent State or local authority, with respect to the payment by the District of Columbia to the United States, either directly or indirectly, of the District's equitable share of any part or parts of the non-Federal portion of the costs of any reservoirs authorized by the Congress for construction on the Potomac River or any of its tributaries. Every such contract may contain such provisions as the Commissioner may deem necessary or appropriate.

SEC. 2. Unless hereafter otherwise provided by law, all payments made by the District of Columbia and all moneys received by the District of Columbia pursuant to any contract made under the authority of this Act shall be paid from, or be deposited in, the District of Columbia Water Fund. Charges for water delivered from the District of Columbia Water System for use outside the District of Columbia may be adjusted to reflect the portions of any payments made by the District of Columbia under contracts autnorized by this Act which are equitably attributable to such use outside the District.

SEC. 3. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–625), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of this legislation is to give broad authorization to the Commissioner of the District of Columbia to enter into such contracts as he deems appropriate for the purpose of providing for payment to the United States of the District of Columbia's equitable share of the non-Federal costs of any reservoir which may be authorized by Congress for construction on the Potomac River or any of its taributaries which would benefit the District of Columbia water supply.

NEED FOR LEGISLATION

Section 203 of the Flood Control Act of 1962 (title II, Public Law 87–874), under the caption "Potomac River Basin" (76 Stat. 1182), authorizes the construction on the north branch of the Potomac River of a project which has come to be known as the Bloomington Dam and Reservoir. Since the project is to include water supply benefits subsection (b) of section 301 of the Water Supply Act of 1958 (title III, Public Law 85–500; 72 Stat. 319), as amended by section 10 of the Federal Water Pollution Control Act Amendments of 1961 (Public Law 87–88; 75 Stat. 210), provides—

"That before construction or modification of any project including water supply provisions for present demand is initiated, State or local interests shall agree to pay for the cost of such provisions in accordance with the provisions of this section: *And Provided Further,* That not to exceed 30 per centum of the total estimated cost of any project may be allocated to anticipated future demands where State or local interests give reasonable assurances, and there is reasonable evidence, that such demands for the use of such storage will be made within a period of time which will permit paying out the costs allocated to water supply within the life of the project."

When the construction of the Bloomington Dam and Reservoir was authorized it was believed that the District of Columbia would have no present demand for water stored at this reservoir, so the District of Columbia was called upon by the Secretary of the Army to give assurances that it would, at a future date, contract to pay for its share of the non-Federal portion of the costs. Assurances given by the Board of Commissioners of the District of Columbia were determined by the Secretary of the Army to be insufficient in the absence of a present authority in the District of Columbia to enter into a contract for the payment of its share of the costs. For this reason, bills were introduced in the

90th Congress (H.R. 11158 and H.R. 11183) to authorize the Commissioners to so contract with the Secretary of the Army. Neither of the bills passed.

The Secretary of the Army, by law, determines only the non-Federal portion of a project's costs, and not the proportionate shares to be assumed by local interests responsible therefor; nor does he identify the local interests. In the case of the Bloomington Dam and Reservoir, water users in Maryland, Virginia, West Virginia, and the District of Columbia will benefit, either initially or in the future, from the provisions of storage for water supply, and it is their obligation to determine among themselves the proportionate share of the non-Federal costs to be paid by each.

The Government of the District of Columbia believes it advisable that it have the authority to contract to pay to the United States its equitable share of the non-Federal situation, and as additional reservoirs come costs of not only the Bloomington Dam and Reservoir but also of any other reservoir which may hereafter be authorized for construction by the Congress and from which the District of Columbia water system would derive benefits. Likewise, the District of Columbia should have latitude to work out with the States, their agencies and other competent authorities the respective equitable shares that will equal the total non-Federal costs, and the precise manners in which the respective shares will be paid by the several water users and to the United States. Moreover, as additional users take water from the river the equitable shares of the previous uses could be reduced to reflect the changed into operation some adjustments in equitable shares may be appropriate.

Supplemental water from the Bloomington Reservoir was needed in the summer of 1966 when the flow of the Potomac River was the lowest of record, approaching the total withdrawal of water in the Washington metropolitan area, and some restrictions were placed on the use of water in the Washington metropolitan area. With the increase in population since 1966, and a corresponding increase in water use, it is probable that another drought year will require drastic and extensive restrictions on water use, as was almost the case in July 1969, absent a supplemental flow ffrom Bloomington. Since the Water Supply Act of 1958, as amended, requires contractual commitments for present demand and assurances of payment for future demand before construction may begin on a reservoir that includes water supply storage, such as Bloomington, it seems essential to the well being of the inhabitants of all parts of the Washington metropolitan area that this legislation be enacted.

Although the bill authorizes the District of Columbia to pay its fair share of the non-Federal costs of any such dam, nevertheless it must be recognized that the District's demand for water includes the demand of other jurisdictions in the Washington Metropolitan area which are supplied water through District of Columbia facilities. If the demands of all Washington Metropolitan area jurisdictions increase equally in the future, that part of the increase in demand attributable to the District of Columbia would be in proportion to the increase in the demand of other jurisdictions. Estimates indicate, however, that the District's demand will not increase in the same proportion as the demands of other jurisdictions of the area. For example, for the period between 1965 and 2000 the estimated increase in the District of Columbia water demand is 8 percent; that for the Maryland portion of the Washington metropolitan area, 56 percent; and that for the Virginia portion of the Washington metropolitan area, 36 percent. If the increase in any of the Maryland or Virginia jurisdictions in the Washington metropolitan area is greater proportionately than the increase attributable to the District of Columbia proper, the government of the District of Columbia will find it necessary to charge that jurisdiction receiving water through District facilities an amount which will take into consideration the disproportionate increase in demand in that jurisdiction as compared with the demand in the District.

Because the amounts that would be paid by the District of Columbia under the contracts that would be authorized by section 1 of the draft bill are properly a part of the cost of supplying water to consumers, section 2 of the draft bill specifically provides that such payments shall be made from, as well as any reimbursements being deposited in, the water fund, because existing law restricts use of that fund to "maintenance, management and repair of the system of water distribution" (D.C. Code, sec. 43–1522). And for the reasons set forth in the preceding paragraph, section 2 also specifically authorizes adjustment of charges for water delivered from the District system for use outside the District of Columbia to reflect the portions of the payments made under contracts that would be authorized by section 1 which are equitably attributable to such use outside the District.

The authority which would be granted by the proposed legislation is not, however, without important limitations. The authority to contract may be exercised only with respect to reservoirs whose construction has been authorized by Congress, so that the scope of the draft bill is limited to the same subject as the bills which were before the 90th Congress, until such time as the Congress may act affirmatively by authorizing construction of an additional reservoir that would benefit the District of Columbia. While the draft bill would authorize the District to contract with, for example, the Maryland Potomac Water Authority "with respect to" the District's payment of its equitable share of the cost of Bloomington Dam and Reservoir, this authority, by the terms of the Maryland statute, is limited to the costs of storage for present demand, and could relate only to mutually acceptable methods of determining respective equitable shares.

HISTORY OF LEGISLATION

The legislation authorizing the Commissioner to enter into contracts to pay the District's equitable share of costs for construction of water supply facilities on the Potomac River was submitted to the Senate by the District of Columbia government and introduced October 9, 1969, by Senator Joseph Tydings, chairman of the Senate District Committee.

On December 2, 1969, hearings were held by the full committee at which time representatives of the city government expanded on their need for the legislation. During the hearings testimony was also received from representatives of the U.S. Army Corps of Engineers, which will construct the Bloomington Dam; the Maryland Department of Water Resources; and the Maryland Department of State Planning. All witnesses favored enactment of this legislation, and the committee has been informed that the Bureau of the Budget has no objection to the legislation from the standpoint of the administration's program.

PRACTICE OF PSYCHOLOGY ACT

The Senate proceeded to consider the bill (S. 1626) to regulate the practice of psychology in the District of Columbia which had been reported from the Committee on the District of Columbia with amendments on page 2, line 3, after the word "Columbia.", strike out "The Commissioner may delegate any or all functions assigned to him by this Act to a Board of Psychologist Examiners established by this Act."; on page 4, line 7, after the word "institution," strike out "charitable agency, research laboratory, or business corporation: *Provided*, That the services performed by such an employee are a part of his office or position and are provided only within the confines of the organization or are offered to like organizations." and insert "or research laboratory: *Provided*, That the services performed by such an employee, which services shall not include psychotherapy, are a part of his office or position and are provided only within the confines of the organization or are offered to like organizations."; in line 16, after the word "services," insert "exclusive of psychotherapy,"; on page 5, line 12, after the word "established", insert "businesses or"; in line 15, after the word "with", strike out "the code of ethics of their respective professions" and insert "any code of ethics provided by their respective businesses or professions"; on page 7, line 4, after the word "Commissioner", strike out "shall" and insert "may"; on page 9, after line 22, strike out:

Sec. 10. The Commissioner is authorized to make regulations to carry out the purposes of this Act, and to fix, increase, or decrease fees to be charged for services performed by the District government pursuant to the provisions of this Act, in such amounts as may, in the judgment of the Council, be reasonably necessary to defray the approximate cost of administering this Act.

And, in lieu thereof, insert:

Sec. 10. (a) The District of Columbia Council is authorized to make regulations to carry out the purposes of this Act but may delegate the responsibility to any Board of Psychologist Examiners which may be appointed.

(b) The Commissioner is authorized to fix, increase, or decrease from time to time fees to be charged in such amounts as may be reasonably necessary to defray the approximate cost of administering the provisions of this Act.

On page 11, line 24, after the word "the", strike out the word "Commissioner" and insert "Government of the District of Columbia."; on page 13, line 11, after the word "both.", insert "Prosecutions shall be in the name of the District of Columbia by the Corporation Counsel or one of his assistants."; in line 17, after the word "the", where it appears the first time, strike out "United States Attorney", and insert "Corporation Counsel"; and on page 14, at the beginning of line 10, strike out "psychologist is suing or being sued by a former client or his legal representative, such as an action against a psychologist for malpractice, (2) where the validity of a will, deed, or contract of a client is placed in issue, and (3) where a defendant in a criminal action has raised the defense of mental incapacity."; and insert "psychologist is being sued by a former client or his legal representative, such as an action against a psychologist for malpractice, (2) where the validity of a will or deed of a client is placed in issue, and (3) where the mental capacity of a defendant in a criminal action has been placed in issue."

So as to make the bill read:

Section 1. This Act may be cited as the "Practice of Psychology Act."

Sec. 2. The practice of psychology in the District of Columbia is hereby declared to

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affect the public health, safety, and welfare, and to be subject to regulation and control in the public interest to protect the public from the practice of psychology by unqualified persons and from unprofessional conduct by persons licensed to practice psychology.

Sec. 3. As used in this Act—

(A) "Commissioner" means the Commissioner of the District of Columbia.

(B) "Person" includes an association, partnership, or corporation, as well as natural persons.

(C) "Accredited college or university" means any college or university which, in the Commissioner's determination, offers either an acceptable full-time resident graduate program of study in psychology leading to the doctoral degree, or a comparable program. In making his determination concerning domestic educational institutions, the Commissioner shall accredit those institutions included in the listings of approved academic institutions published by the United States Office of Education; in determining what foreign educational institutions shall be accredited the Commissioner may take into account the published lists of recognized accrediting agencies and professional associations.

(D) "The practice of psychology" means the rendering of or offering to render to the public for a fee, monetary or otherwise, any service involving the application of established methods and principles of the science and profession of psychology. These principles and methods are concerned with understanding, predicting, and changing behavior, and include, but are not restricted to, the use of counseling and psychotherapy with groups or individuals having adjustment problems in the areas of work, family, school, and personal relationships; measuring, testing, and assessing aptitudes, skills, public opinion attitudes, emotion, personality, and intelligence; teaching, doing research, or lecturing in psychology.

(E) "Psychotherapy" means the use of learning or other pyschological behavior modification methods in a professional relationship to assist a person or persons to modify feelings, attitudes, and behavior which are intellectually, socially, or emotionally maladjustive or ineffectual.

Sec. 4. All persons licensed or certified under this Act shall assist their clients in obtaining professional help for all relevant aspects of the clients' problem that fall outside of the boundaries of the psychologist's competence. All persons so licensed or certified shall make provision for the diagnosis and treatment of relevant medical problems by an appropriate and qualified medical practitioner, and shall, in instances where a medical problem is involved, collaborate effectively with such a medical practitioner. No person licensed or certified under this Act shall administer or prescribe drugs, or perform surgery or any manual or mechanical treatment whatsoever.

Sec. 5. It shall be unlawful for any person to practice or to offer to practice psychology, or to represent himself to be a psychologist, unless he shall first obtain a license or certificate pursuant to this Act: *Provided, however*, That the following categories of persons need not obtain a license:

(A) A person bearing the title of "psychologist" in the employ of any governmental agency, academic institution, or research laboratory: *Provided*, That the services performed by such an employee, which services shall not include psychotherapy, are a part of his office or position and are provided only within the confines of the organization or are offered to like organizations.

(B) Persons providing services, *exclusive of psychotherapy*, to the public through governmental organizations, such as clinics, who are compensated by their employer rather than their clients. Persons coming under the exemptions established by subsections (A) and (B) may offer lecture services to the public for a fee but may not offer other psychological services to the public for a fee without having obtained a license.

(C) A student intern, or resident in psychology, pursuing a course of study or research with an accredited college, university, or training center: *Provided*, That such activities are supervised as part of his course of study, and he is designated by such title as "psychology intern," "psychology trainee," or other title clearly indicating trainee status.

(D) A person not licensed as a psychologist under the provisions of this Act employed by a licensed psychologist to assist in the performance of psychological and other services, other than psychotherapy, if such person works under the supervision of the licensed psychologist who assumes full responsibility for his acts, and if such person is not in any manner held out to the public as a psychologist.

(E) Qualified members of other established *businesses or* professions, recognized by the Commissioner, doing work of a psychological nature consistent with their training and with *any code of ethics provided by their respective businesses or professions*: *Provided*, That they do not hold themselves out to the public by title or description incorporating the words "psychological," "psychologist," or "psychology," unless licensed under this Act.

(F) A psychologist who is not licensed or certified under the provisions of this Act, but (1) who is licensed or certified under the laws of a State or territory of the United States or of a foreign country or province whose standards in the opinion of the Commissioner were substantially equivalent, at the date of his certification or licensure, to the requirements of this Act; or (2) who meets the requirements of subsections (A) and (B) of section 7; and who is employed or invited by a licensed psychologist who is a resident of or maintains a place of work in the District of Columbia to offer professional services in said District for a total of not more than sixty days in any calendar year without holding a license issued under the Act. Upon arrival in the District of Columbia, such an unlicensed psychologist shall report to the Commissioner with respect to the nature and duration of his professional activities in the District as well as the name of the person who has requested him to render services. A psychologist claiming exemption under the provisions of this section who offers professional services in the District of Columbia for more than twenty days in any calendar year shall file with the Commissioner evidence of his right to such exemption. Upon proof of that right to the satisfaction of the Commissioner, the Commissioner shall enter the name of the applicant in a register kept for that purpose and shall issue to the applicant a certificate in evidence of such registration.

Sec. 6. (A) The Commissioner shall be responsible for reviewing the applications of persons seeking licensure or certification for the practice of psychology in the District of Columbia, for the granting and renewal of such licenses and certificates. for the preparation and administration of oral and written examinations, and for other matters related to the purposes of this Act.

(B) The Commissioner *may* appoint a Board of Psychologist Examiners. Each member of this Board shall be a citizen of the United States, licensed under the provisions of this Act, who shall either be a resident of the District of Columbia or have worked in the District of Columbia for at least two years preceding appointment to the Board. The initial appointees shall be psychologists eligible for licensure under the provisions of this Act. Subsequent appointees shall be persons licensed under the provisions of this Act.

(C) The Commissioner shall maintain: (1) a record of licenses and certificates granted and refused and of licenses and certificates revoked or suspended which record shall be available to the public; and (2) a complete record of all hearings conducted pursuant to section 13(B) in connection with the denial, suspension, or revocation of a license. A transcript of an entry in a record of hearing, properly certified, shall be prima facie evidence of the facts therein stated.

Sec. 7. The Commissioner shall grant a license to practice psychology to each applicant who submits satisfactory proof that—

(A) he is of good moral character;

(B) he holds either (1) a doctoral degree in psychology from an accredited college or university and has completed two years of postgraduate experience acceptable to the Commissioner, such two years not to include terms of internship, or (2) a doctoral degree from an accredited college or university in a field determined by the Commissioner to be related to psychology and has completed two years of postgraduate experience: *Provided*, That his experience and training are considered by the Commissioner to be comparable to the requirements set forth in (B)(1) of this subsection;

(C) he has passed an examination, written or oral or both, the scope and form of which shall be determined by the Commissioner: *Provided*, That at any given examination session all examinations shall be uniform; and

(D) his application has been accompanied by the fees required by the Commissioner.

Sec. 8. Within one year from and after the effective date of this Act, a license shall be issued without examination to any applicant who is of good moral character, who either maintains a residence or office, or participates in psychological activities as determined by the Commissioner, within the District of Columbia, who has submitted an application for license accompanied by the required fee, and who holds—

(A) a doctoral degree in psychology from an accredited college or university or other doctoral degree acecptable to the Commissioner, and has completed at least two years of postgraduate experience not including terms of internship; or

(B) a master's degree in psychology from an accredited college or university, and has engaged in psychological practice acceptable to the Commissioner for at least seven years after the attainment of his highest degree.

Sec. 9. The Commissioner may, in his discretion, grant a license without examination: (1) to any person who at the time of application is licensed or certified under the laws of a State or territory of the United States, or of a foreign country or province with standards which, in the opinion of the Commissioner, were substantially equivalent at the date of such certification or licensure to the requirements of this Act, or (2) to any person who has been certified by a national examining board: *Provided*, That the Commissioner determines that the examination given by the national examining board was as effective for the testing of professional competence as that required in the District of Columbia.

Sec. 10. (a) The District of Columbia Council is authorized to make regulations to carry out the purposes of this Act but may delegate the responsibility to any Board of Psychologist Examiners which may be appointed.

(b) The Commissioner is authorized to fix, increase, or decrease from time to time fees to be charged in such amounts as may be reasonably necessary to defray the approximate cost of administering the provisions of this Act.

Sec. 11. Every person licensed or certified to practice psychology who desires to continue the practice of psychology shall annually pay the required fee for which there will be issued a renewal of licensure or certificate. The Commissioner shall provide a written reminder of the renewal date to every person licensed or registered under this Act, which reminder shall be mailed at least one month

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in advance of such date. A license or certificate not properly renewed as herein provided shall lapse. The Commissioner shall have the right to reinstate a lapsed license or certificate upon payment of the renewal fee plus a penalty fee. A psychologist who wishes to place his license upon an inactive status may do so by submitting notice thereof to the Commissioner. Such a psychologist may reactivate his license by payment of the renewal fee herein required unless his license has been inactive for a period exceeding five years, in which case he will be required to furnish the Commissioner evidence of his competence to continue or resume the practice of psychology.

Sec. 12. The Commissioner may refuse, revoke, or suspend licensure or certification if the person applying or the person licensed or certified be—

(A) convicted of a crime involving moral turpitude;

(B) found to be using any drug or any alcoholic beverage to an extent or in a manner dangerous to himself, any other person, or the public, or to an extent that such use impairs his ability to perform the work of a psychologist with safety to the public;

(C) convicted of a violation of this Act as provided in section 14;

(D) determined to be a mental incompetent by a court with proper jurisdiction; or

(E) found to have committed a violation of any provision of this Act or of standards for the ethical practice of psychology to be established in regulations issued by the Government of the District of Columbia.

Sec. 13. (A) Proceeding leading toward the suspension or revocation of a license or certificate shall be begun by petition, setting forth good cause therefor, filed with the Commissioner and served on the respondent. The Commissioner may determine whether a license or certificate shall be suspended or revoked, and if it is to be suspended the duration of such suspension and the conditions under which such suspension shall terminate. Revocation of a license shall not preclude the issuance of a new license or registration after the passage of at least five years.

(B) Before the revoking, suspending, or refusing to issue a license or certificate for any cause under the provisions of this Act, the Commissioner shall give the person whose right to practice psychology is challenged an opportunity to be heard in person or by attorney, and to produce witnesses on his behalf. After such hearing, should the Commissioner decide to refuse, revoke, or suspend licensure or certification, he shall set forth in writing his reasons for so doing, and shall include detailed findings of fact.

(C) Any person aggrieved by a decision of the Commissioner under subsection (B) of this section may, within thirty days after receiving notice thereof, seek review of said decision in the District of Columbia Court of Appeals. Such review shall be subject to appeal to the United States Court of Appeals for the District of Columbia Circuit.

(D) In hearings conducted pursuant to subsection (B) of this section, the attendance and testimony of witnesses may be compelled by subpena. Any person refusing to respond to such a subpena shall be guilty of contempt of court.

Sec. 14. Any person who shall practice psychology, as defined in this Act, without having a valid, unexpired, unrevoked, and unsuspended license or certificate of registration issued as provided in this Act, shall be deemed guilty of a misdemeanor and, upon conviction, shall be fined not more than $500, or confined in jail for not more than six months, or both. Prosecutions shall be in the name of the District of Columbia by the Corporation Counsel or one of his assistants.

Sec. 15. The unlawful practice of psychology, as defined in this Act, may be enjoined by the United States District Court for the District of Columbia on petition by the Corporation Counsel for the District of Columbia, upon a finding that the person sought to be enjoined has committed a violation of the provisions of this Act. In any such proceeding it shall not be necessary to show that any person is individually injured by the actions complained of. If the respondent is found guilty of the unlawful practice of psychology, the court shall enjoin him from so practicing unless and until he has been duly licensed. The remedy by injunction herein given may be imposed in addition to, or in lieu of, criminal prosecution and punishment as provided in section 14 of this Act.

Sec. 16. It shall be the duty of the Commissioner of the District of Columbia to enforce the provisions of this Act.

Sec. 17. In legal proceedings, no psychologist shall disclose any information he has acquired from a person consulting him in his professional capacity without the consent of such person, except only in legal actions (1) in which a psychologist is being sued by a former client or his legal representative, such as an action against a psychologist for malpractice, (2) where the validity of a will or deed of a client is placed in issue, and (3) where the mental capacity of a defendant in a criminal action has been placed in issue.

Sec. 18. There is hereby authorized to be appropriated out of the revenue of the District of Columbia such sums as may be necessary to pay the expenses of administering and carrying out the purposes of this Act.

Sec. 19. If any section of this Act, or any part thereof, shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of any section or part thereof.

Sec. 20. This Act shall become effective ninety days after the date of its enactment.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 91–626), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to protect the public from unqualified and unethical practitioners of psychology in the District of Columbia. Under present law, anyone can advertise himself as a psychologist and offer psychological services to the public.

Forty States now have laws which require the certification or licensure of psychologists. The fact that Maryland and Virginia have such legislation while the District does not poses the added danger that the District will become a haven for unqualified persons alleging that they are practicing psychology.

List of States and Provinces With Laws Regulating the Practice of Psychology

(Year of approval)

Alabama (1963).
Alaska (1967).
Arizona (1965).
Arkansas (1955).
California (1957).
Colorado (1961).
Connecticut (1945).
Delaware (1962).
Florida (1961).
Georgia (1951).
Hawaii (1967).
Idaho (1963).
Illinois (1963).
Indiana (1969).
Kansas (1967).
Kentucky (1948).
Louisiana (1964).
Maine (1953).
Maryland (1957).
Michigan (1959).
Minnesota (1951).
Mississippi (1966).
Nebraska (1967).
Nevada (1963).
New Hampshire (1957).
New Jersey (1966).
New Mexico (1963).
New York (1956).
North Carolina (1967).
North Dakota (1967).
Oklahoma (1965).
Oregon (1963).
Rhode Island (1969).
South Carolina (1968).
Tennessee (1953).
Texas (1969).
Utah (1959).
Virginia (1946).
Washington (1955).
Wyoming (1965).

Over the years, the American Psychological Association (APA) has developed a set of recommendations to serve as guidelines in the drafting of effective legislation to regulate the practice of psychology. S. 1626 follows those guidelines closely and is supported by the APA.

NEED FOR THE LEGISLATION

Your committee has been advised that there have been incidents in which the lives and well-being of residents in the Nation's Capital have been adversely affected by fraudulent persons representing themselves as psychologists. This is happening at a time when the profession of psychology is clearly expanding and is more and more in demand by citizens of this city and elsewhere in the country. Therefore, your committee believes that the bill incorporates the appropriate and necessary steps which must be taken promptly to regulate the quality of psychological services by regulating the practice of psychology as existing law already requires the regulation of other professions within the city.

BACKGROUND

For several years, District psychologists have participated in a voluntary, nonstatutory certification program. Both because it is a voluntary program and because it involves only certification and not licensing, it offers little protection for the public. At the urging of local police officials, the District of Columbia Psychological Association initiated an effort in 1965 to have passed a psychology licensing bill.

The bill was introduced in the Senate in the 89th Congress; however, no hearings were held. In May of 1967, the bill was reintroduced and hearings held before the Subcommittee on Public Health, Education, Welfare, and Safety of the Senate Committee on the District of Columbia. Five amendments recommended by the District government and by local psychiatric associations were accepted by the District of Columbia Psychological Association. In this form the bill (S. 1864) was unanimously approved by the Senate in April 1968.

Hearings were held on the House counterpart of the bill (H.R. 10407) in May and June 1968 before Subcommittee No. 5 of the House District Committee. The Washington Psychiatric Society and the Washington Psychoanalytic Society opposed passage of the bill; the District government, the District of Columbia Psychological Association, and the American Psychological Association supported it. The bill was not reported out of committee prior to the adjournment of the 90th Congress.

Based on recommendations offered during hearings in the 90th Congress, the legislation was refined and reintroduced in the 91st Congress by Senator Bible (S. 1626) and in the House by Congressman McMillan (H.R. 9181).

Hearings were held by the Senate Subcommittee on Public Health, Education, Welfare, and Safety on June 26, 1969, at which time the bill, as amended, was endorsed by the District government, the District of Columbia, and the American Psychological Associations, the Washington Psychiatric Society and the Washington Psychoanalytic Society.

The Medical Society of the District of Columbia proposed an amendment which would require psychologists who practice psychotherapy to have the direct supervision of a medical doctor. It was the committee's view, shared by the District Health Department and the psychoanlysts who testified, that the bill provides adequate safeguards in this regard and that any further restriction would be burdensome and unnecessary.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

S. 2577. An act to lower interest rates and fight inflation; to help housing, small business, and employment; to increase the availability of mortgage credit; and for other purposes.

S. 3016. An act to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, and for other purposes;

H.R. 9233. An act to amend title 5, United States Code, to promote the efficient and effective use of the revolving fund of the Civil Service Commission in connection with certain functions of the commission, and for other purposes; and

H.R. 14794. An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1970, and for other purposes.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Amendment of Merchant Marine Act, 1936

A letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation to amend the Merchant Marine Act, 1936 (with an accompanying paper); to the Committee on Commerce.

Report of Comptroller General

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on effectiveness and administration of the comprehensive health services program under title II of the Economic Opportunity Act of 1964, Chicago, Ill. Office of Economic Opportunity, dated December 19, 1969 (with an accompanying report); to the Committee on Government Operations.

Drug Identification Act of 1969

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Federal Food, Drug and Cosmetic Act to establish a code system for the identification of prescription drugs, and for other purposes (with an accompanying paper); to the Committee on Labor and Public Welfare.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of Wisconsin; to the Committee on Public Works:

"1969 Senate Joint Resolution 76, State of Wisconsin

"Memorializing Congress to take action to prevent the interstate Pecatonica River from flooding annually in the plains of southwestern Wisconsin

"Whereas, the Pecatonica River spills out of its banks each spring, flooding Darlington, Wisconsin and surrounding communities, halting highway and municipal traffic, damaging the goods and business of numerous merchants, injuring crops and causing general havoc in the area; and

"Whereas, again this year a flood occurred and the citizens of this area had to endure yet another year of financial and domestic hardship because of these floods; and

"Whereas, the Pecatonica is an interstate river, traversing northern Illinois as well as southern Wisconsin; now, therefore, be it

"Resolved by the senate, the assembly concurring, That the legislature of the state of Wisconsin, respectfully requests the United States Congress to take action to prevent the Pecatonica River from flooding annually; and, be it further

"Resolved, That the legislature urges the construction of retaining dams and other watershed programs for flood control because these projects would be beneficial to interstate commerce and the growth of our nation's economy; and, be it further

"Resolved, That duly attested copies of this resolution be transmitted to the Secretary of the U.S. Senate, to the Chief Clerk of the U.S. House of Representatives and to every member of the Congressional delegation from Wisconsin."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Commerce, with an amendment:

S. 1653. A bill to amend the Interstate Commerce Act, with respect to recovery of a reasonable attorney's fee in case of successful maintenance of an action for recovery of damages sustained in transportation of property (Rept. No. 91–631).

By Mr. HRUSKA, from the Committee on the Judiciary, without amendment:

S. 1872. A bill to repeal the Emergency Detention Act of 1950 (title II of the Internal Security Act of 1950) (Rept. No. 91–632).

URBAN MASS TRANSPORTATION ACT OF 1969—REPORT OF A COMMITTEE—INDIVIDUAL VIEWS (S. REPT. NO. 91–633)

Mr. WILLIAMS of New Jersey. Mr. President, from the Committee on Banking and Currency, I report favorably, with amendments, the bill (S. 3154) to provide long-term financing for expanded urban public transportation programs, and for other purposes. I ask unanimous consent that the report be printed, together with the individual views of the Senator from Wisconsin (Mr. Proxmire), the Senator from California (Mr. Cranston), and the Senator from New York (Mr. Goodell).

The PRESIDING OFFICER. The report will be received and the bill will be placed on the calendar; and, without objection, the report will be printed, as requested by the Senator from New Jersey.

EXECUTIVE REPORTS OF A COMMITTEE

Mr. STENNIS. Mr. President, as in executive session, from the Committee on Armed Services, I report favorably three flag and general officer nominations in the Army and Navy. I ask that these names be placed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations, ordered to be placed on the Executive Calendar, are as follows:

Chaplain (colonel) Gerhardt Wilfred Hyatt, Army of the United States (lieutenant colonel, U.S. Army), for temporary appointment in the Army of the United States to the grade of brigadier general;

Vice Adm. Allen M. Shinn, U.S. Navy, for appointment to the grade of vice admiral, when retired; and

Rear Adm. Frederic A. Bardshar, U.S. Navy, for commands and other duties determined by the President, for appointment to the grade of vice admiral while so serving.

Mr. STENNIS. Mr. President, in addition I report favorably 1941 promotions in the Army in the grade of lieutenant colonel and below; 4358 appointments and promotions in the Navy in the grade of captain and below; and 100 appointments in the Marine Corps in the grade of second lieutenant. Since these names have already been printed in the Congressional Record, in order to save the expense of printing on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations, ordered to lie on the desk, are as follows:

William J. Nelson, and sundry other officers, for promotion in the Regular Army of the United States;

David G. Adams, and sundry other Naval Reserve Officers Training Corps candidates, for permanent assignment in the Navy;

Joseph H. Adkins, and sundry other Naval enlisted scientific education program candidates, for permanent assignment in the Navy;

Don S. Angelo, and sundry other Naval Reserve officers, for assignment in the Navy;

Frank Grabarits and Charles T. Walter, Jr., civilian college graduates, for permanent assignment in the Navy;

Michael R. Antonelli, and sundry other Naval Reserve Officers Training Corps officers, for permanent assignment in the Marine Corps; and

Kenneth Dean Aanerud, and sundry other officers, for promotion in the Navy.

BILLS INTRODUCED

Bills were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. MAGNUSON (for himself, Mr. Cotton, and Mr. Long) (by request):

S. 3287. A bill to amend the Merchant Marine Act, 1936; to the Committee on Commerce.

(The remarks of Mr. Magnuson when he introduced the bill appear later in the Record under the appropriate heading.)

By Mr. TYDINGS:

S. 3288. A bill for the relief of Elena P. Muya; and

S. 3289. A bill to encourage and help implement improvements in the judicial machinery of our State and local courts by creating an Institute for Judicial Studies and

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Assistance, the purpose of which shall be to make grants to State and local courts and nonprofit organizations to carry out the objectives of the Act and to serve as a reservoir of up-to-date information on court management and organization; to the Committee on the Judiciary.

(The remarks of Mr. TYDINGS when he introduced the bill (S. 3289) appear later in the RECORD under the appropriate heading.)

By Mr. McCLELLAN (for Mr. EASTLAND):

S. 3290. A bill for the relief of Dr. G. C. Gupta; to the Committee on the Judiciary.

By Mr. FANNIN:

S. 3291. A bill to amend the Act of August 9, 1955, to authorize longer term leases of Indian lands on the Yavapai-Prescott Community Reservation in Arizona; to the Committee on Interior and Insular Affairs.

By Mr. FANNIN (for himself, Mr. GOLDWATER, Mr. CRANSTON, and Mr. MURPHY):

S. 3292. A bill to render the assertion of land claims by the United States based upon accretion or avulsion subject to legal and equitable defenses to which private persons asserting such claims would be subject; to the Committee on the Judiciary.

By Mr. RANDOLPH:

S. 3293. A bill to amend title 23, United States Code, to provide for use of highway funds for public transportation; to the Committee on Public Works.

(The remarks of Mr. RANDOLPH when he introduced the bill appear later in the RECORD under the appropriate heading.)

By Mr. MONDALE:

S. 3294. A bill for the relief of Shie Tong Chu; to the Committee on the Judiciary.

By Mr. NELSON:

S. 3295. A bill to amend sections 201 (s) and 409 of the Federal Food, Drug, and Cosmetic Act, as amended, relating to food additives; to the Committee on Labor and Public Welfare.

(The remarks of Mr. NELSON when he introduced the bill appear later in the RECORD under the appropriate heading.)

By Mr. WILLIAMS of New Jersey:

S. 3296. A bill for the relief of Armet Lawson-FitzGerrald Dyer; to the Committee on the Judiciary.

By Mr. DOMINICK (for himself, Mr. JAVITS, and Mr. SMITH of Illinois):

S. 3297. A bill to amend the Federal Food, Drug, and Cosmetic Act to establish a code system for the identification of prescription drugs, and for other purposes; to the Committee on Labor and Public Welfare.

(The remarks of Mr. DOMINICK when he introduced the bill appear later in the RECORD under the appropriate heading.)

By Mr. KENNEDY:

S. 3298. A bill to protect consumers and to assist the commercial fishing industry by providing for the inspection of establishments processing fish and fishery products in commerce, and to amend the Fish and Wildlife Act of 1956 to provide technical and financial assistance to the commercial fishing industry in meeting such requirements; to the Committee on Commerce.

S. 3299. A bill to amend the Social Security Act to provide a 15-percent across-the-board increase in monthly benefits with a minimum primary insurance amount of $100; to the Committee on Finance.

S. 3300. A bill to establish the birthplace of Susan B. Anthony in Adams, Mass., as a national historic site, and for other purposes; to the Committee on Interior and Insular Affairs.

(The remarks of Mr. KENNEDY when he introduced the bills appear later in the RECORD under the appropriate headings.)

By Mr. HARRIS:

S. 3301. A bill to amend title 5, United States Code, to include as creditable service for civil service retirement purposes service as an enrollee of the Civilian Conservation Corps, and for other purposes; to the Committee on Post Office and Civil Service.

S. 3289—INTRODUCTION OF THE NATIONAL COURT ASSISTANCE ACT

Mr. TYDINGS. Mr. President, one of the crucial issues of our time is whether our federal system of government has the will and the capacity to contain and eventually bring to a manageable level the burgeoning crime rate which is ravaging our cities. Time and again our national blue ribbon advisory commissions have advised us that in order to adequately meet this challenge, each of the principal components of our law-enforcement system—the police, the courts, and the correction institutions—rapidly must undergo major reform. Otherwise, we have been warned, we may unhappily find ourselves living in a garrison state where security from the threat of unrelenting criminal violence represents the predominant community interest.

The recently published staff report to the National Commission on the Causes and Prevention of Violence has observed that—

> Violence in America, some boldly assert, may be directly associated with poor court management, particularly in trial courts hearing criminal charges.

The Commission, itself, has asserted that far too many of our criminal courts are poorly managed, seriously backlogged, and operating more like turnstiles than tribunals. Others have charged that our criminal court system is actually abetting the very crime wave it is intended to eliminate.

Charles Moylan, the State's attorney of Baltimore City and one who is eminently qualified to speak on this subject, has recently written:

> The law and order crisis has moved out of the streets and into the courthouse. . . . The criminal courts and the prosecuting officers have for decades been the neglected and forgotten children of the law enforcement system. We now represent the bottleneck that could cause that system to collapse.

Perhaps most disturbing is the fact that this crisis is progressively getting worse.

The most obvious and corrosive manifestation of court obsolescence and mismanagement are excessive congestion and trial delay. It is true that the evil of judicial delay is nothing new. History tells us that as early as the fifth century B.C., the judicial calendars of Greece were so fraught with congestion that the regular magistrates were unable to cope with it. And we might recall that at the meadows of Runnymede in 13th century England, the barons compelled King John to pledge as part of the Magna Carta that, "we will not delay justice to any one."

One familiar with the archaic judicial machinery we employ today might surmise that it is more befitting the problems of ancient Greece or medieval England than our modern society. However, today, in the face of the veritable flood of criminal cases which are inundating our courts, our law enforcement system can ill afford the very real delays and backlogs engendered by inefficient court practices.

Judicial delay obstructs law enforcement in multiple ways. First, it serves to increase the time during which additional crimes may be committed by criminals who remain at liberty while awaiting their trials. For instance, in the District of Columbia one out of every three armed robbery suspects released on bail commits another crime. Moreover, about 70 percent of the offenses committed on bail occur more than 30 days after release. Thus, it would appear that swifter justice could directly reduce criminal activity.

Next, court logjams and delays clearly increase a criminal's chances that either he will go completely unpunished for his offense or he will receive a punishment which is not commensurate with the seriousness of his crime. Delay works to deteriorate evidence, dull the memories of important witnesses and diminish their interest in seeing justice done, as its cost to them in time, effort and anxiety increases. The prosecutor, seeing his case gradually disintegrating and feeling the pressure of an increased workload, often dismisses the case entirely or accepts a plea of guilty to a lesser offense. This helps explain why nearly half of those arrested for crime have the charges against them dismissed, and why the cases of over 90 percent of those not dismissed are resolved by a plea of guilty.

Finally, the inability of our criminal courts to expeditiously try and swiftly punish the criminal offender diminishes the public's confidence in the criminal justice system as a whole. It corrodes the law's deterrent effect by demonstrating that punishment for criminal violations is not swift and certain but slow and faltering. To those who consider careers in criminality, the percentages begin to appear more favorable as the certainty of retribution for criminal misconduct becomes increasingly less demonstrable. As the recently published staff report to the National Commission on the Causes and Prevention of Violence has stated:

> Delays resulting from poor court management . . . help to create conditions of disrespect for law and legal institutions, which in turn can increase the chances for violence in our society.

The President's Commission on Law Enforcement has stated that the period between arrest of a person accused of committing a serious crime to the trial should be no more than 4 months. Few of our courts are satisfying this timetable. In our Federal courts, almost 5,000 criminal cases have been pending for more than 1 year and over 2,200 of these have been awaiting trial for more than 2 years. According to the U.S. Judicial Conference, this nationwide backlog in our Federal criminal courts has produced a "judicial emergency."

The situation in many of our State criminal courts is equally alarming. In many States 1½ years are required to process litigated cases from arrest through trial to final disposition on appeal. And in some local courts, criminal defendants wait even longer. For instance, in the parish of New Orleans criminal defendants have waited as long as 2 years for trial.

The problem of lagging justice is plaguing our civil courts as well, and serving to further breed disrespect for the law. Because many more of our citizens are involved in these courts, their

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management deficiencies are especially critical and in need of tremendous attention with a view toward comprehensive rehabilitation.

Peaceful settlement of disputes in an appropriate forum is a basic concept of our democratic process. Indeed, our trial courts constitute an important part of the domestic peacekeeping operations of government. If our citizens lose faith in the courts as a means of settling their disputes and instead seek alternative answers for redress, our social order will be weakened, if not destroyed. Indeed, our urban disorders, in their own cryptic way, may have expressed a lack of confidence in the ability or willingness of our courts and other legal institutions to redress those legitimate grievances which helped seed the violence.

Time and again I have cited statistics to illustrate the dimensions of lagging justice in our civil courts. Instances of delays of 2, 3, or even 5 years between the time when a case is filed and the time when it is finally brought to trial are common. Today, the average delay for personal injury suits in civil courts in major metropolitan areas is 22.1 months. In the Circuit Court of Chicago the time from when a personal injury suit is filed to the trial is 59.6 months; in the Supreme Court of Bronx, N.Y., 58.9 months; in the Court of Common Pleas of Philadelphia, 46.7 months; in the Superior Court of Suffolk, Boston, 44 months; in the Superior Court of San Francisco, 30.7 months.

The full catalog of the depressing details of lagging justice would merely clutter the record. Suffice it to say that the problem is not confined to one area or limited section of the country. It truly is a national problem demanding national attention, and the need for positive action is immediate.

To further the development and adoption of improved judicial administration of our Federal courts, 2 years ago I supported legislation which created the Federal Judicial Center. The Subcommittee on Improvements in Judicial Machinery, of which I am chairman, held detailed hearings on this authorization legislation and reported favorably on the proposal leading to swift and positive congressional action on it.

The recent Eisenhower Commission statement on violence and law enforcement called the creation of this judicial institute one of the bright spots on the generally bleak judicial picture. In the words of the Commission report, "the new Federal Judicial Center has initiated several innovative administrative and managerial projects which offer great promise for reduction of court backlogs and the shortening of time periods to trial." In fact, the first Director of the Center, Justice Tom Clark, has capped a fine career of public service by putting the Center on the sound course of effective judicial innovation.

Our State and local courts are urgently in need of similar direction and guidance. It is time this need was met by legislative action, and I am today reintroducing a bill entitled the National Court Assistance Act which will provide Federal seed money to State and local court systems that want to modernize their ways. This legislation, if enacted, can benefit our State and local courts even more than the Federal Judicial Center has aided our Federal courts.

I initially introduced this proposal in the 89th Congress and again during the 90th Congress at which time the Subcommittee on Improvements in Judicial Machinery held extensive hearings on the matter.

I believe this bill represents an important anticrime proposal. In this regard, it is especially relevant to note that the measure has recently received the firm support of the staff of the Eisenhower Commission on the Causes and Prevention of Violence. In its October 1969 report to the Commission, that staff characterized the proposal as "farsighted" and "framed in the great tradition of American reform." The proposal has also won the recent acclaim of an eminent legal scholar and lawyer, John Frank in his book "American Law: The Case for Radical Reform"—see page 58.

The National Court Assistance Act has two main features. First, it establishes a grant-in-aid program to encourage and financially assist the modernization aid improvement of judicial machinery in our State and local courts. Second, it serves to create a national reservoir of up-to-date information on court management and organization. To direct these activities, the proposal creates an Institute for Judicial Studies and Assistance.

Under the grant-in-aid program, our State and local courts could obtain financial aid to study and evaluate their judicial systems, the end of which would be to determine what organizational and administrative changes are necessary to achieve a maximum utilization of available manpower with a minimum expenditure of time and money. Part of this process of self-evaluation can be a utilization of management consultants and other experts who can bring their knowledge to bear upon the problems of court administration. Although judges and other court personnel rarely have administrative training, our courts have been hesitant to make use of expertise in meeting problems of judicial administration. Federal assistance would encourage judges to overcome that hesitancy. Grants would be made to help implement the recommendations resulting from these studies and evaluations.

Illustrative of the benefits which courts have derived from modern analytic studies of their judicial organization and machinery is the accomplishments of the District of Columbia's Committee on Administration of Justice. Under the enlightened direction of, at first, Judge Gerhard Gesell, and, more recently and extendedly, Newell Ellison of the District of Columbia Bar, and with a fine young man, David Saari, as executive director, this committee, with the aid of private funds, began to study the District of Columbia court system in April 1968. The committee has come forth with a number of careful studies of the operation of the courts. As studies have progressed, the committee has made numerous suggestions for improving the courts. One of their principle suggestions was the creation of an individual calendar system to handle criminal cases in the U.S. District Court for the District of Columbia. Although that system has been in effect for only a few months, results have been gratifying and great strides are being made to reduce the critical backlog of criminal cases.

In addition to providing the type of help which has benefited the D.C. courts, grants will also be used to develop programs for judges designed to educate them in modern techniques of judicial administration and to establish in accredited universities, programs of instruction in court administration and management. Thus, the bill I introduce today can be of direct aid to our State and local judiciaries in the fulfillment of their administrative responsibilities.

The Institute for Judicial Studies and Assistance would also serve as a much needed central clearinghouse of information about new methods that have been tested in individual courts. It would collect, evaluate, publish, and disseminate materials and other data relating to studies, programs and projects involving court organization and management. Thus, for example, what has been successfully accomplished in Pittsburgh, and the techniques employed, could be made available to other court systems with similar problems. The Institute could provide advice on the most suitable statistical and data collection systems for a particular court. There is no such service today. It also may be desirable to have the Institute serve as a computer center. Many courts own computers to process statistics and records, but the Institute could perform this service for them at a nominal cost.

Mr. President, some have expressed concerned that the bill invites encroachment by the Federal Government upon the autonomy of State and local courts. I too am deeply concerned with preserving the autonomy and vigor of State and local courts, and I deplore the intrusion of the Federal Government into the domain of State government. It has long been my opinion that the primary reason the Federal Government has moved into many areas that heretofore have been exclusively within the province of the states is that the latter, generally speaking, have not been sensitive to the demands of today's society, and have failed to meet modern needs with modern government. If we are to stem the entrance of the Federal Government into areas where it cannot operate as efficiently as State and municipal governments it is essential to revitalize local government and make it equal to the task that must be performed. The National Court Assistance Act is a means to stimulate judicial reform at a local level by encouraging State and local courts to reevaluate the way they deal with their judicial problems, and to find and implement up-to-date solutions. Thus, the act is intended to help State and municipal courts help themselves, thereby obviating any pressure for Federal involvement in matters of local justice. It would strengthen, not weaken, our system of creative federalism.

Because I share the concern of those who oppose unnecessary Federal intervention in local affairs, I have placed in the act specific provisions to protect the independence and autonomy of State and local courts. To this end, section 641 provides that the activities and policies of the Institute for Judicial Studies and Assistance will be supervised for the most part by State court officials. The Board will be composed of two active State appellate judges, two active State trial judges, two State court administrative officers, and one attorney engaged in the private practice of law. No two members may be residents of the same State and no more than four members may bear allegiance to the same political party.

In addition, section 646(b) of the act provides that the financial resources of the act can be used only with the approval of the highest judicial authority of the State involved.

The use of the highest judicial authority of the State as the approving authority under this section is based upon the recommendation of Judge G. Joseph Tauro, the eminent chief justice of the Superior Court of Massachusetts. However, others have suggested that this authority should remain with the judge of the court directly involved. I believe that this issue would benefit from further hearings and pending the recital of the views of other State and local judges, I am reserving final judgment on this matter.

Finally, section 647 specifically prohibits the Institute from exerting any control or influence over State or local courts. These provisions, taken together, are meant to assure that the initiative for implementing reforms remains with the judges of the State and local courts.

Support for the enactment of the National Court Assistance Act has come from many quarters. In addition to the endorsement by the staff of the National Commission on the Causes and Prevention of Violence, the proposal has been approved by the American Bar Association Section on Judicial Administration and by the National Conference of State Trial Judges.

Mr. President, I believe that the measure which I now introduce will encourage and enable State and local governments to make an all-out effort to improve their judicial systems. I ask that the bill be printed in the Record at this point.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record.

The bill (S. 3289) to encourage and help implement improvements in the judicial machinery of our State and local courts by creating an Institute for Judicial Studies and Assistance, the purpose of which shall be to make grants to State and local courts and nonprofit organizations to carry out the objectives of the act and to serve as a reservoir of up-to-date information on court management and organization introduced by Mr. Tydings, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the Record, as follows:

S. 3289

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, this Act, with the following table of contents, may be cited as "The National Court Assistance Act."

Section 1. Title 28, United States Code is amended by inserting, immediately following chapter 43, a new chapter as follows:

"CHAPTER 44.—INSTITUTE FOR JUDICIAL STUDIES AND ASSISTANCE

"Sec.
"640. Institute for Judicial Studies and Assistance.
"641. Board; composition, selection, tenure of members.
"642. Meetings; conduct of business, compensation.
"643. Powers of the board.
"644. Director and the staff.
"645. Retirement; employee benefits.
"646. Procedure for obtaining grants.
"647. Approval of Chief Judge.
"648. Annual Report.

"§ 640. Institute for Judicial Studies and Assistance

"(a) There is hereby established an Institute for Judicial Studies and Assistance whose purpose it shall be to further the adoption and development of improvements in the organization, procedure, and administration of local and state courts.

"§ 641. Board; Composition, Selection, Tenure of Members

"(a) The activities of the Institute shall be supervised by a Board which shall have final responsibility for establishing Institute policies, and shall, except as otherwise provided, exercise the authority granted to the Institute.

"(b) The Board shall be composed of:

"(1) two active state appellate judges;

"(2) two active state trial judges;

"(3) two state court administrative officers;

"(4) one attorney engaged in the private practice of law.

"(c) The members of the Board shall be appointed by the President who, in making such appointments shall give due consideration to recommendations and endorsements from professional societies and organizations concerned with judicial administration and management techniques, including the American Bar Association, the American Society for Public Administration, the Association of American Law Schools, the American Judicature Society, the Institute of Judicial Administration, the Conference of Chief Justices, the National Conference of Court Administrative Officers, the National Conference of Metropolitan Courts, the National Conference of State Trial Judges, and the North American Judges Association.

"(d) No two members of the Board shall be residents of the same state and no more than four members of the Board shall be members of the same political party.

"(e) The members of the Board shall be appointed for terms of three years; except that the terms of two of the members first taking office shall expire, as designated by the President at the time of appointment, at the end of one year, and the terms of two other members of the Board first taking office shall expire, as designated by the President at the time of the appointment, at the end of two years. Members shall be eligible for reappointment to one full term of office.

"(f) Any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall serve for the remainder of that term and shall be eligible for reappointment to one full term of office.

"(g) The President shall designate one of the members as Chairman who shall serve as Chairman at the pleasure of the President.

"§ 642. Meetings; conduct of business; compensation

"(a) Regular meetings of the Board shall be held semi-annually. Special meetings shall be held from time to time upon the call of the Chairman, acting at his own discretion or pursuant to the petition of any five members.

"(b) Each member of the Board shall be entitled to one vote. A simple majority of the membership shall constitute a quorum for the conduct of business. The Board shall act upon the concurrence of the simple majority of the members present and voting.

"(c) Members of the Board shall receive compensation at the rate of $75 a day while engaged in the actual performance of duties vested in the Board, and shall also be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties, so long as consistent with state law.

"§ 643. Powers of the Board

"(a) In carrying out the purpose of the Institute, the Board is authorized:

"(1) to conduct or to cause to be conducted studies and evaluations of local and state court systems, to make recommendations for organizational, procedural, and administrative improvements of such systems, and to contract with public or private agencies for the purpose of having such agencies assist it in the exercise of its authority under this paragraph;

"(2) to conduct or cause to be conducted seminars and other educational programs for judges and personnel of local and state courts;

"(3) to collect, evaluate, publish, and disseminate information, materials, and other data relating to studies, programs, and projects conducted or carried out under this chapter;

"(4) to cooperate with and render technical assistance to federal, state, local or other public or private agencies; and

"(5) to accept, in its discretion, gifts and other donations to be used in carrying out the purpose of the Institute.

"(b) To assist it in carrying out the purpose of the Institute, the Board is authorized to make grants to local or state courts or to public or private nonprofit organizations for the following purposes:

"(1) to study and evaluate local and state court systems, and to prepare recommendations for organizational, procedural, and administrative improvements of such systems;

"(2) to present seminars and other education programs for judges and personnel of local and state courts;

"(3) to establish in accredited universities and colleges programs of instruction in court administration and management;

"(4) to implement organizational, procedural, and administrative improvements of local and state court systems recommended as a result of studies conducted under this chapter;

"(5) for such other purposes, consistent with the purposes of this chapter, as it shall determine necessary or desirable in carrying out the purpose of the Institute: *Provided,* that no such grant or part thereof be used for the construction, improvement, or alteration of buildings, or for the payments of salaires of judges or court personnel on a continuing basis.

"644. Director and the Staff

"(a) The Board shall appoint and fix the duties of the Director of the Institute who shall serve at the pleasure of the Board.

"(b) The Director's per annum compensation shall be in the same amount as a federal district court judge's compensation. His appointment and salary shall not be subject to the provisions of title 5, United States Code, governing appointments in competitive service, or the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classifications and General Schedule pay rates.

"(c) The Director shall appoint and fix the compensation of such additional professional personnel as the Board may deem necessary, without regard to the provisions of title 5, United States Code, governing appointments in competitive service, or the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classifications and General Schedule pay rates: *Provided, however,* That the compensation of any person appointed under this subsection shall not exceed the annual rate of basic pay of level V of the Executive Schedule pay rates, section 5316, title 5, United States Code: *And provided further,* That the salary of a reemployed annuitant under the Civil Service Retirement Act shall be adjusted pursuant to the provisions of section 8344, title 5, United States Code.

"(d) The Director shall appoint and fix the compensation of such secretarial and clerical personnel as he may deem necessary, subject to the provisions of title 5, United States Code, governing appointments in competitive service and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classifications and General Schedule pay rates.

"(e) The Director may procure personal services as authorized by section 3109 of title 5, United States Code, at rates not to exceed the daily equivalent of the highest rate payable under General Schedule pay rates, section 5332, title 5, United States Code, unless such higher rate is approved by the Board.

"(f) The Director is authorized to incur necessary travel and other miscellaneous expenses incident to the Operation of the Institute.

"§ 645. Retirement; employee benefits

"(a) A Director of the Institute who attains the age of seventy years shall be retired from that office.

"(b) The Director, the professional staff, and the clerical and secretarial employees of the Institute for Judicial Studies and Assistance shall be deemed to be officers and employees of the judicial branch of the United States Government within the meaning of subchapter III of chapter 83 (relating to civil service retirement), chapter 87 (relating to Federal employees life insurance program), and chapter 89 (relating to Federal employees health benefits program), to title 5, United States Code. *Provided, however,* That the Director, upon written notice filed with the Director of the Administrative Office of the United States Courts within six months after the date on which he takes office, may waive coverage under subchapter III of chapter 83 of title 5, United States Code (relating to civil service retirement), and elect coverage under the retirement and disability provisions of this section: *And provided further,* That upon his nonretirement separation from the Institute, such waiver and election shall not operate to foreclose to the Director such opportunity as the law may provide to secure civil service retirement credit for service as Director by depositing with interest the amount required by section 8334 of title 5, United States Code.

"(c) Upon the retirement of a Director who has elected coverage under this section and who has served at least fifteen years and attained the age of sixty-five years the Director of the Administrative Office of the United States Courts shall pay him an annuity for life equal to 80 per centum of the salary of the office at the time of his retirement.

"Upon the retirement of a Director who has elected coverage under this section and who has served at least ten years, but who is not eligible to receive an annuity under the first paragraph of this subsection, the Administrative Office of the United States Courts shall pay him an annuity for life equal to that proportion of 80 per centum of the salary of the office at the time of his retirement that the number of years of his service bears to fifteen, reduced by one-quarter of 1 per centum for each full month, if any, he is under the age of sixty-five at the time of separation from service.

"(d) A Director who has elected coverage under this section and who becomes permanently disabled to perform the duties of his office shall be retired and shall receive an annuity for life equal to 80 per centum of the salary of the office at the time of his retirement if he has served at least fifteen years, or equal to that proportion of 80 per centum of such salary that the aggregate number of years of his service bears to fifteen if he has served less than fifteen years, but in no event less than 50 per centum of such salary.

"(e) For the purpose of this section, 'service' means service, whether or not continuous, as Director of the Institute for Judicial Studies and Assistance, Director of the Administrative Office of the United States Courts or Director of the Federal Judicial Center, and any service, not to exceed five years, as a judge of the United States, a Senator or Representative in Congress, or a civilian official appointed by the President, by and with the advice and consent of the Senate.

"§ 646. Procedure for Obtaining Grants

"(a) Within six months after the enactment of this Act, the Director shall, after consultation with the Board, issue regulations establishing general standards for obtaining grants under this Act. The regulations shall provide for regular reports to the Director by a recipient of a grant under this Act, and the Director shall from time to time, on the basis of the reports and other information available to him, review and, if necessary, revise the regulations issued pursuant to this section. Such regulations and revisions thereof shall not become effective until approved by the Board.

"(b) After the regulations referred to in subsection (a) of this section have been issued, any local or State court or any public or private agency desiring to secure a grant under this chapter may submit an application therefor to the Director. The application shall be in such form and contain such information as may be prescribed by the Director. The application shall be reviewed by the Director who shall recommend approval or disapproval to the Board. No application submitted by any local or State court for a grant under this chapter shall be recommended by the Director for approval unless such application has been first approved by the highest judicial authority of the State in which is located the court submitting such application. No application submitted by any public or private nonprofit organization for a grant under this chapter in connection with any local or State court shall acquire the approval of any State's highest judicial authority. State's highest judicial authority means the person or body of people who have been granted by state constitution or statute, supreme supervisory authority over the courts of the State or in the absence of such a grant the chief judge of the State's highest court.

"(c) The Board may approve any application recommended by the Director which complies with the provisions of this chapter. The payment of moneys to any applicant under this chapter will follow the approval of his application by the Board. Payment of any such grant may be made in advance or by way of reimbursement, and in such installments as may be determined by the Director, and shall be made on such conditions as the Director finds necessary to carry out the purposes of this chapter.

§ 647. Approval of Chief Judge

Nothing in this Act shall be construed as authorizing the Institute, the Board, or the Director, thereof, to supervise or control in any manner or to any extent the administration, organization of any local or State court, or to conduct or to cause to be conducted any study or evaluation of any local or State court without the prior approval of the highest judicial authority of the State in which such study or evaluation is to be conducted.

§ 648. Annual Report

On or before April 1 of each calendar year, the Board shall report in writing to the President and to the Congress on its activities pursuant to the provisions of this chapter during the preceding calendar year.

Sec. 2. Appropriations. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act. For the purpose of making grants under this act there is hereby authorized to be appropriated for the fiscal year beginning July 1, 1970 and for each of the two succeeding fiscal years the sum of $5 million.

S. 3293—INTRODUCTION OF A BILL TO AUTHORIZE THE USE OF HIGHWAY FUNDS FOR PUBLIC TRANSPORTATION

Mr. RANDOLPH. Mr. President, I introduce today a measure for careful consideration by all persons interested in achieving workable solutions to our Nation's growing urban transportation problems. This bill will be a part of the hearings the Committee on Public Works will hold on the Federal-aid highway program during the second session of the 91st Congress.

Long ago the Congress recognized the specific highway needs of urban areas by providing that 25 percent of the funds authorized for Federal aid primary and secondary systems would be available for highway construction in urban areas. In the Federal-Aid Highway Act of 1968, funds were authorized for the TOPICS program, a program designed to improve traffic operations on those urban extensions of our Federal aid systems.

This legislation would authorize the Secretary of Transportation to permit urban areas of 50,000 population or more to use Federal aid highway funds in the operation of public transportation facilities. The purpose of such action would be to secure a sufficient reduction in the demand for highway transportation so that the highway needs of the area involved could be significantly reduced. Under the language of the bill, the people of the area would have an opportunity to be heard on the issue. All of the economic, social and environmental factors of the area would be considered before a determination is made to use highway funds for public transportation purposes.

This approach should enable many communities in the United States to more adequately develop their existing bus and mass transportation services. It would, I believe, help to provide a necessary bridge between the highway program and the extended urban mass transportation program being developed by the Committee on Banking and Currency.

I look forward to receiving counsel from all who are interested in this subject. I especially solicit the views of my colleagues, so that we can develop the most responsive highway program and provide for the most intelligent use of highway funds.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3293) to amend title 23, United States Code, to provide for use of highway funds for public transportation, introduced by Mr. Randolph, was received, read twice by its title, and referred to the Committee on Public Works.

S. 3295—INTRODUCTION OF A BILL TO REFORM THE NATION'S LAWS GOVERNING FOOD ADDITIVES

Mr. NELSON. Mr. President, I introduce, for appropriate reference, a bill to reform our Nation's laws governing food additives. This bill, the Food Additive Safety Act, will require comprehensive testing of additives for a wide range of potential health hazards before Government approval can be granted for new additives as well as for the more than 2,000 already-approved additives, many of which were initially sanctioned without laboratory analysis for safety.

Unless our food safety laws are vastly reformed, the American public will continue to serve as a massive testing ground for a variety of sweeteners, preservatives, spices, and coloring agents that are marketed without safety research.

We simply must stop the practice of allowing food manufacturers to use the unknowing consumer as part of a large scale trial in the testing of food additives that have not been required to pass adequate laboratory examination.

Respected scientists have long questioned the safety of certain additives, especially those failing to offer any significant nutritive benefit to the consumer.

The recent concern over the health hazards of the artificial sweetener cyclamate has raised legitimate questions about other additives which were once believed to be safe but should now be subject to comprehensive testing and better regulation.

It seems to me that the link between cyclamates and cancer has been sufficiently proven to dictate its total removal from the marketplace. The only manner in which it should possibly be available to the public is by prescription only, a step that I advocated last spring.

While present law includes a general prohibition against unsafe and adulterated foods, only those food additives that cause cancer in man or animals are specifically forbidden from use through the so-called Delaney amendment.

The Delaney amendment is currently under attack from industry spokesmen and others on the basis of being too rigid to be practical. Some spokesmen have suggested that tolerances be allowed for cancer-causing substances.

When we are learning more and more about the hazards of chemicals in our environment, it is no time to be retreating from consumer safety. Instead of weakening existing food additive laws, we should broaden them to ban those additives that cause birth defects, mutations and other biological damage as well as cancer.

Under current regulations, a manufacturer can treat a substance as generally recognized as safe without safety testing if qualified scientists regard the item as not harmful for human consumption.

Congress made a grievous mistake a decade ago by allowing the issue of food additive safety to be settled by administrative judgment rather than laboratory results.

It is important to take issue with the argument that few, if any, food additives have been proven to cause cancer in man. Some chemicals known to cause cancer in man take 10 to 20 years of continual exposure before any malignancy appears. Even after that period of time, it is often exceptionally difficult to isolate any clear causal relationship between exposure to a particular chemical and subsequent development of cancer in man.

The Department of Health, Education, and Welfare announced restrictions on cyclamates in October after it was found to cause bladder cancer in rats that were fed the sweetener over a 2-year period at concentrations higher than regular daily human consumption, in accordance with customary practice in carcinogenity tests.

One must remember that the dosage, about 50 times higher than normal human consumption, was only half of the recognized safety factor of 100.

I understand that the FDA has additional independent studies on cyclamates and cancer, including research which disclosed cancer in the bladder of rats with cyclamate doses only eight times higher than the normal human level.

Even before the cancer connection was confirmed, numerous laboratory experiments had linked cyclamates to significant biological damage, including liver disorders, birth deformities, tissue changes in various organs, and chromosome breakage.

Some of the research came from FDA's own scientists, Drs. Marvin Legator and Jacqueline Verrett.

Dr. Legator's experiments showed cyclohexlamine, a derivative formed in the body from cyclamates, caused significant chromosome breakage in rat cells at very low doses. Dr. David Stone, of the Worcester Institute of Experimental Biology in Shrewsbury, Mass., reported similar chromosome breakage in laboratory cultures of human cells.

Dr. Verrett treated chicken eggs with cyclamates and cyclohexlamine and found that almost all the chick embryos developed some deformities, including distorted spines and no wings or legs. In a similar study, Wisconsin researchers reported birth defects among litters of piglets born of sows that had a diet containing cyclamates.

I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3295) to amend sections 201(s) and 409 of the Federal Food, Drug, and Cosmetic Act, as amended, relating to food additives, introduced by Mr. NELSON, was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

S. 3295

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act shall be known as the "Food Additive Safety Act of 1970".

SEC. 2. Paragraph (c) of section 201 of the Federal Food, Drug, and Cosmetic Act, as amended (21 U.S.C. 321(s)), is amended by striking out the comma immediately before "if such substance is not generally recognized" and everything that follows down through the remainder of such paragraph, and insert in lieu thereof a period.

SEC. 3. Section 409(c)(3)(A) of the Federal Food, Drug and Cosmetic Act, as amended (21 U.S.C. 348(c)(3)(A)) is amended by striking out "That no additive shall be deemed to be safe if it is found to induce cancer when ingested by man or animal, or if it is found, after tests which are appropriate for the evaluation of the safety of food additives, to induce cancer in man or animal," and inserting in lieu thereof the following: "That no food additive shall be deemed to be safe if it is found to induce chronic biological injury or damage in any respect, including but not limited to the induction of cancer, carcinogenosis), the induction of congenital deformities (teratogenesis) or the induction of genetic mutation (mutagenosis), when ingested by man or animal, or if it is found, after tests which are appropriate for the evaluation of the safety of food additives, to induce chronic biological injury or damage in any respect in man or animal,".

SEC. 4. The amendments made by the first two sections of this Act shall be applicable to all food additives (1) which was generally recognized as safe pursuant to section 201(s) of the Federal Food, Drug, and Cosmetic Act, as amended (21 U.S.C. 321(s)), prior to the date of enactment of this Act, (2) which was exempted from the definition of such term under such section 201(s) prior to the date of enactment of this Act, and (3) with respect to which a regulation was issued, prior to the date of enactment of this Act, under section 409 of such Act.

S. 3297—INTRODUCTION OF A BILL TO BE KNOWN AS THE "DRUG IDENTIFICATION ACT OF 1969"

Mr. DOMINICK. Mr. President, I introduce, on behalf of myself and the senior Senator from New York (Mr. JAVITS), who is the ranking minority member of the Committee on Labor and Public Welfare, the administration bill to amend the Federal Food, Drug, and Cosmetic Act to establish a code system for the identification of prescription drugs and which may be cited by the short title, "Drug Identification Act of 1969." Cosponsoring the bill with the Senator from New York and myself is the Senator from Illinois (Mr. SMITH).

The present labeling provisions of the Federal Food, Drug, and Cosmetic Act relating to the identification of drug products and their production or distribution origin do not require that this information be shown directly on the tablets or capsules of drugs marketed in these forms. Thus, in case of personal emergency, such as overdosage or accidental ingestion of a drug, identification may be seriously delayed and may require elaborate and time-consuming laboratory analysis. A quick identification of the drug in such emergencies, by labeling and direct product coding, could facilitate prompt and appropriate medical treatment. A uniform drug coding system to identify drug manufacturers and distributors would also be of great value to the Department of Health, Education, and Welfare and other Federal agencies and to State agencies in the administration of drug purchase and reimbursement programs.

The bill would amend the Federal Food, Drug, and Cosmetic Act to authorize the Secretary to establish a uniform code or system of coding for prescription drugs representing: First, the identity of the manufacturer; second, the identity of the drug; third, the identity of the final packager if different from the manufacturer; fourth, the dosage form and strength of the drug; and fifth, the number of drug units in the package. The applicable code information would have to appear on the label of the trade package of each prescription drug. In addition, if the drug is in tablet or capsule form, each tablet or capsule would have to be marked with the code symbol representing the identity of the manufacturer and the identity and strength of the drug.

Where compliance would be impracticable because of the size or other relevant aspects of the container or the tablet or capsule, exemptions from these requirements could be granted if the exemption would not be inconsistent with protection of the public health.

The label of the trade package of a prescription drug would also have to bear the name and place of business of the manufacturer or, if different, the final packager; such a drug could no longer be marketed carrying only the name of the distributor who is not the final packager. It is the purpose of this feature to assist the Food and Drug Administration in effecting recalls of subpotent or other dangerous drugs down to the consumer level when necessary for protection of the public health and safety.

The name of a prescription drug—whether brand or generic—as written by the prescriber, and its strength, would be required to appear on the label of the drug container which is dispensed to the consumer, unless specifically indicated otherwise by the physician. In this event the code symbols identifying the manufacturer and the drug and its strength would have to be on that label. In addition, the bill would make applicable to the container of the dispensed prescription drug the requirement of the act, now applicable only to the trade package, that the label state the quantity of the contents. I might add parenthetically that the Secretary would, however, retain his present authority to exempt from this requirement packages so small that compliance would not be practicable.

The preparation of the drug code directory and its distribution, without charge, to hospitals, to poison control centers, and to such other persons as is deemed necessary to carry out the purposes of the bill would be the responsibility of the Department of Health, Education, and Welfare. Others could, of course, purchase the drug code directory from the Government Printing Office.

The coding requirements for prescription drugs imposed by this bill would take effect 2 years after the month in which regulations establishing the code system are promulgated and would be applicable to products manufactured thereafter. This leadtime would permit drug manufacturers who do not now code their products to phase in such procedures in their manufacturing and distribution operations. Earlier effective dates are specified in the bill for other labeling requirements contained therein.

In closing, I would like to bring to the attention of my colleagues that this bill is designed to carry out the recommendation on this subject in the President's consumer message of October 30, 1969.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3297) to amend the Federal Food, Drug, and Cosmetic Act to establish a code system for the identification of prescription drugs, and for other purposes, introduced by Mr. DOMINICK (for himself, Mr. JAVITS, and Mr. SMITH of Illinois), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

INCREASE OF BENEFITS UNDER THE OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE PROGRAM—AMENDMENT

AMENDMENT NO. 441

Mr. BYRD of West Virginia. Mr. President, on behalf of myself and the majority leader (Mr. MANSFIELD), I submit an amendment, intended to be proposed by us, jointly, to the bill (H.R. 15095) to increase benefits under the old-age, survivors, and disability insurance program.

The House bill provides a 15-percent across-the-board social security benefit increase. This feature, however, has now been incorporated in the tax reform bill. The minimum benefit is increased from its present $55 level to $64—a simple 15-percent increase, rounded up to the next dollar.

Mr. President, recently, during debate on the tax reform bill, the Senate adopted the Byrd-Mansfield amendment to the tax reform bill providing a minimum social security benefit of $100. To finance that increase, the amendment raised the social security wage base from $7,800 to $12,000 beginning in 1973.

During that debate, the Senate adopted another amendment I introduced, on behalf of the majority leader and myself, to make persons eligible for social security benefits at age 60, following a Presidential proclamation that it is desirable to expand consumer purchasing power by making additional persons eligible to receive social security benefits. As I pointed out during that debate, this provision requires no additional financing inasmuch as, in the long run, it results in no additional cost to the social security program. However, in the first full year it is effective, this provision would result in about $700 million in additional benefits.

The amendment I am introducing today to H.R. 15095 would, if adopted, incorporate the two Mansfield-Byrd amendments already agreed to by the Senate as amendments to the tax reform bill, but which were subsequently lost in conference. I ask unanimous consent that the text of the amendment be printed in the RECORD following my remarks, along with certain tables.

The PRESIDING OFFICER. The amendment will be received and printed, and appropriately referred; and, without objection, the amendment and tables will be printed in the RECORD.

The amendment (No. 441) was referred to the Committee on Finance, as follows:

On page 1, strike out lines 3 and 4 and insert in lieu thereof the following:

"TITLE I—INCREASE IN SOCIAL SECURITY BENEFITS

"SECTION 1. This title may be cited as the 'Social Security Amendments of 1969'."

On pages 2 and 3, strike out the table and insert in lieu thereof the following:

"TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS

"I (Primary insurance benefit under 1939 act, as modified)		II (Primary insurance amount under 1967 act)	III (Average monthly wage)		IV (Primary insurance amount)	V (Maximum family benefits)
If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
At least—	But not more than—		At least—	But not more than—		
....	$30.36	$85.90 or less	....	$141	$100.00	$150.00
$30.37....	30.92	87.20	$142	146	100.30	150.50
$30.93....	31.36	88.40	147	150	101.70	152.60
$31.37....	32.00	89.50	151	155	103.00	154.50
$32.01....	32.60	90.80	156	160	104.50	156.80
$32.61....	33.20	92.00	161	164	105.80	158.70
$33.21....	33.88	93.20	165	169	107.20	160.80
$33.89....	34.50	94.40	170	174	108.60	162.90
$34.51....	35.00	95.60	175	178	110.00	165.00
$35.01....	35.80	96.80	179	183	111.40	167.10
$35.81....	36.40	98.00	184	188	112.70	169.10
$36.41....	37.08	99.30	189	193	114.20	171.30
$37.09....	$37.60	$100.50	$194	$197	$115.60	$173.40
$37.61....	38.20	101.60	198	202	116.90	175.40
$38.21....	39.12	102.90	203	207	118.40	177.60
$39.13....	39.68	104.10	208	211	119.80	179.70
$39.69....	40.33	105.20	212	216	121.00	181.50
$40.34....	41.12	106.50	217	221	122.50	183.80
$41.13....	41.76	107.70	222	225	123.90	185.90
$41.77....	42.44	108.90	226	230	125.30	188.00
$42.45....	43.20	110.10	231	235	126.70	190.10
$43.21....	43.76	111.40	236	239	128.20	192.30
$43.77....	44.44	112.60	240	244	129.50	195.20
$44.45....	44.88	113.70	245	249	130.80	199.20
$44.89....	45.60	115.00	250	253	132.30	202.40

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"TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS—Continued

"I		II	III		IV	V
(Primary insurance benefit under 1939 act, as modified)		(Primary insurance amount under 1967 act)	(Average monthly wage)		(Primary insurance amount)	(Maximum family benefits)
If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
At least—	But not more than—		At least—	But not more than—		
		$116.20	$254	$258	$133.70	$206.40
		117.30	259	263	134.90	210.40
		118.60	264	267	136.40	213.60
		119.80	268	272	137.80	217.60
		121.00	273	277	139.20	221.60
		122.20	278	281	140.60	224.80
		123.40	282	286	142.00	228.80
		124.70	287	291	143.50	232.80
		125.80	292	295	144.70	236.00
		127.10	296	300	146.20	240.00
		128.30	301	305	147.60	244.00
		129.40	306	309	148.90	247.20
		130.70	310	314	150.40	251.20
		131.90	315	319	151.70	255.20
		133.00	320	323	153.00	258.40
		134.30	324	328	154.50	262.40
		135.50	329	333	155.90	266.40
		136.80	334	337	157.40	269.60
		137.90	338	342	158.60	273.60
		139.10	343	347	160.00	277.60
		140.40	348	351	161.50	280.80
		141.50	352	356	162.80	284.80
		142.80	357	361	164.30	288.80
		144.00	362	365	165.60	292.00
		145.10	366	370	166.90	296.00
		146.40	371	375	168.40	300.00
		147.60	376	379	169.80	303.20
		148.90	380	384	171.30	307.20
		150.00	385	389	172.50	311.20
		151.20	390	393	173.90	314.40
		152.50	394	398	175.40	318.40
		153.60	399	403	176.70	322.40
		154.90	404	407	178.20	325.60
		156.00	408	412	179.40	329.60
		157.10	413	417	180.70	333.60
		158.20	418	421	182.00	336.80
		159.40	422	426	183.40	340.80
		160.50	427	431	184.60	344.80
		161.60	432	436	185.90	348.80
		162.80	437	440	187.30	352.00
		163.90	441	445	188.50	356.00
		165.00	446	450	189.80	360.00
		166.20	451	454	191.20	363.20
		167.30	455	459	192.40	367.20
		168.40	460	464	193.70	371.20
		169.50	465	468	195.00	374.40
		170.70	469	473	196.40	378.40
		171.80	474	478	197.60	382.40
		172.90	479	482	198.80	385.60
		174.10	483	487	200.30	389.60
		175.20	488	492	201.50	393.60
		176.30	493	496	202.80	396.80
		177.50	497	501	204.20	400.80
		178.60	502	506	205.40	402.80
		179.70	507	510	206.70	404.40
		180.80	511	515	208.00	406.40
		182.00	516	520	209.30	408.40
		183.10	521	524	210.60	410.00
		184.20	525	529	211.90	412.00
		185.40	530	534	213.30	414.00
		186.60	535	538	214.50	415.60
		187.60	539	543	215.80	417.60
		188.80	544	548	217.20	419.60
		189.90	549	553	218.40	421.60
		191.00	554	556	219.70	422.80
		192.00	557	560	220.80	424.40
		193.00	561	563	222.00	425.60
		194.00	564	567	223.10	427.20
		195.00	568	570	224.30	428.40
		196.00	571	574	225.40	430.00
		197.00	575	577	226.60	431.20
		198.00	578	581	227.70	432.80
		199.00	582	584	228.90	434.00
		200.00	585	588	230.00	435.60
		201.00	589	591	231.20	436.80
		202.00	592	595	232.30	438.40
		203.00	596	598	233.50	439.60
		204.00	599	602	234.60	441.20
		205.00	603	605	235.80	442.40
		206.00	606	609	236.90	444.00
		207.00	610	612	238.10	445.20
		208.00	613	616	239.20	446.80
		209.00	617	620	240.40	448.40
		210.00	621	623	241.50	449.60
		211.00	624	627	242.70	451.20
		212.00	628	630	243.80	452.40
		213.00	631	634	245.00	454.00
		$214.00	$635	$637	$246.10	$455.20
		215.00	638	641	247.30	456.80
		216.00	642	644	248.40	458.00
		217.00	645	648	249.60	459.60
		218.00	649	653	250.70	461.60
			654	657	252.00	463.20
			658	661	253.00	464.80
			662	666	254.00	466.80
			567	670	255.00	468.40
			671	674	256.00	470.00
			675	678	257.00	471.60
			679	683	258.00	473.60
			684	687	259.00	475.20
			688	691	260.00	476.80
			692	695	261.00	478.40
			696	700	262.00	480.40
			701	704	263.00	482.00
			705	708	264.00	483.60
			709	712	265.00	485.20
			713	717	266.00	487.20
			718	721	267.00	488.80
			722	725	268.00	490.40
			726	729	269.00	492.00
			730	734	270.00	494.00
			735	738	271.00	495.60
			739	742	272.00	497.20
			743	746	273.00	498.80
			747	751	274.00	500.80
			752	755	275.00	502.40
			756	759	276.00	504.00
			760	763	277.00	505.60
			764	768	278.00	507.60
			769	772	279.00	509.20
			773	776	280.00	510.80
			777	780	281.00	512.40
			781	785	282.00	514.40
			786	789	283.00	516.00
			790	793	284.00	517.60
			794	797	285.00	519.20
			798	802	286.00	521.20
			803	806	287.00	522.80
			807	810	288.00	524.40
			811	814	289.00	526.00
			815	819	290.00	528.00
			820	823	291.00	529.60
			824	827	292.00	531.20
			828	831	293.00	532.80
			832	836	294.00	534.80
			837	840	295.00	536.40
			841	844	296.00	538.00
			845	848	297.00	539.60
			849	853	298.00	541.60
			854	857	299.00	543.20
			858	861	300.00	544.80
			862	865	301.00	546.40
			866	870	302.00	548.40
			871	874	303.00	550.00
			875	878	304.00	551.60
			879	882	305.00	553.20
			883	887	306.00	555.20
			888	891	307.00	556.80
			892	895	308.00	558.40
			896	900	309.00	560.40
			901	904	310.00	562.00
			905	908	311.00	563.60
			909	912	312.00	565.20
			913	917	313.00	567.20
			918	921	314.00	568.80
			922	925	315.00	570.40
			926	929	316.00	572.00
			930	934	317.00	574.00
			935	938	318.00	575.60
			939	942	319.00	577.20
			943	946	320.00	578.80
			947	951	321.00	580.80
			952	955	322.00	582.40
			956	959	323.00	584.00
			960	963	324.00	585.60
			964	968	325.00	587.60
			969	972	326.00	589.20
			973	976	327.00	590.80
			977	980	328.00	592.40
			981	985	329.00	594.40
			986	989	330.00	596.00
			990	993	331.00	597.60
			994	997	332.00	599.20
			998	1,000	333.00	600.40"

At the end of the bill, add the following:

"INCREASE OF EARNINGS COUNTED FOR BENEFIT AND TAX PURPOSES

"SEC. 6. (a)(1)(A) Section 209(a)(5) of the Social Security Act is amended by inserting 'and prior to 1973' after '1967'.

"(B) Section 209(a) of such Act is further amended by adding at the end thereof the following new paragraphs:

"'(6) That part of remuneration which, after remuneration (other than remuneration referred to in the succeeding subsections of this section) equal to $12,000 with respect to employment has been paid to an individual during any calendar year after 1972, is paid to such individual during such calendar year;'.

"(2)(A) Section 211(b)(1)(E) of such Act is amended by inserting 'and prior to 1973' after '1967', and by striking out '; or' and inserting in lieu thereof '; and'.

"(B) Section 211(b)(1) of such Act is further amended by adding at the end thereof the following new subparagraph:

"'(F) For any taxable year ending after 1972, (i) $12,000, minus (ii) the amount of the wages paid to such individual during the taxable year; and'.

"(3)(A) Section 213(a)(2)(ii) of such Act is amended by striking out 'after 1967' and inserting in lieu thereof 'after 1967 and before 1973 or $12,000 in the case of a calendar after 1972'.

"(B) Section 213(a)(2(iii) of such Act is amended by striking out 'after 1967' and inserting in lieu thereof 'after 1967 and before 1973 or $12,000 in the case of a taxable year ending after 1972'.

"(4) Section 215(e)(1) of such Act is amended by striking out 'and the excess over $7,800 in the case of any calendar year after 1967' and inserting in lieu thereof 'the excess over $7,800 in the case of any calendar year after 1967 and before 1973, and the excess over $12,000 in the case of any calendar year after 1972'.

"(b)(1)(A) Section 1402(B)(1)(E) of the Internal Revenue Code of 1954 (relating to definition of self-employment income) is amended by inserting 'and before 1973' after '1967', and by striking out '; or' and inserting in lieu thereof '; and'.

"(B) Section 1402(b)(1) of such Code is further amended by adding at the end thereof the following new subparagraph:

"'(F) for any taxable year ending after 1972, (i) $12,000, minus (ii) the amount of the wages paid to such individual during the taxable year; or'.

"(2) Section 3121(a)(1) of such Code (relating to definition of wages) is amended by striking out '$7,800' each place it appears and inserting in lieu thereof '$12,000'.

"(3) The second sentence of section 3122 of such Code (relating to Federal service) is amended by striking out '$7,800' and inserting in lieu thereof '$12,000'.

"(4) Section 3125 of such Code (relating to returns in the case of governmental employees in Guam, American Samoa, and the District of Columbia) is amended by striking out '$7,800' each place it appears and inserting in lieu thereof '$12,000'.

"(5) Section 6413(c)(1) of such Code (relating to special refunds of employment taxes) is amended—

"(A) by inserting 'and prior to the calendar year 1973' after 'the calendar year 1967';

"(B) by inserting after 'exceed $7,800,' the following: 'or (E) during any calendar year after the calendar year 1972, the wages received by him during such year exceed $12,000,'; and

"(C) by inserting before the period at the end thereof the following: 'and before 1973, or which exceeds the tax with respect to the first $12,000 of such wages received in such calendar year after 1972'.

"(6) Section 6413(c)(2)(A) of such Code (relating to refunds of employment taxes in the case of Federal employees) is amended by striking out 'or $7,800 for any calendar year after 1967' and inserting in lieu thereof '$7,800 for the calendar year 1968, 1969, 1970, 1971, or 1972, or $12,000 for any calendar year after 1972'.

"(c) The amendments made by subsections (a)(1) and (a)(3)(A), and the amendments made by subsection (b) (except paragraph (1) thereof), shall apply only with respect to remuneration paid after December 1972. The amendments made by subsections (a)(2), (a)(3)(B), and (b)(1) shall apply only with respect to taxable years ending after 1972. The amendment made by subsection (a)(4) shall apply only with respect to calendar years after 1972.

"TITLE II—ACTUARILY REDUCED SOCIAL SECURITY BENEFITS AT AGE 60

"SHORT TITLE

"SEC. 101. This title may be cited as the 'Social Security Retirement Age Amendments of 1969'.

"ACTUARILY REDUCED BENEFITS

"SEC. 102. (a)(1) Section 202(a)(2) of the Social Security Act is amended by striking out '62' wherever it appears therein and inserting in lieu thereof '60'.

"(2) Section 202(b)(1) of such Act is amended by striking out '62' wherever it appears therein and inserting in lieu thereof '60'.

"(3) Section 202(c) (1) and (2) of such Act is amended by striking out '62' wherever it appears therein and inserting in lieu thereof '60'.

"(4)(A) Section 202(f)(1)(B), (2), (5), and (6) is amended by striking out '62' wherever it appears therein and inserting in lieu thereof '60'.

"(B) Section 202(f)(1)(C) of such Act is amended by striking out 'or was entitled' and inserting in lieu thereof 'or was entitled, after attainment of age 62,'.

"(5)(A) Section 202(h)(1)(A) of such Act is amended by striking out '62' and inserting in lieu thereof '60'.

"(B) Section 202(h)(2)(A) of such Act is amended by inserting 'subsection (q) and' after 'Except as provided in'.

"(C) Section 202 (h)(2)(B) of such Act is amended by inserting 'subsection (q) and' after 'except as provided in'.

"(D) Section 202(h)(2)(C) of such Act is amended by—

"(i) striking out 'shall be equal' and inserting in lieu thereof "shall, except as provided in subsection (q), be equal'; and

"(ii) inserting 'and section 202(q)' after 'section 203(a)'.

"(b)(1) The first sentence of section 202 (q)(1) of such Act is amended (A) by striking out 'husband, widow's, or widower's' and inserting in lieu thereof 'husband's, widow's, widower's, or parent's', and (B) by striking out, in subparagraph (A) thereof, 'widow's or widower's' and inserting in lieu thereof 'widow's, widower's, or parent's'.

"(2)(A) Section 202(q)(3)(A) of such Act is amended (i) by striking out 'husband's, widow's, or widower's each place it appears therein and inserting in lieu thereof 'husband's, widow's, widower's, or parent's', (ii) by striking out 'age 62' and inserting in lieu thereof 'age 60', and (iii) by striking out 'wife's or husband's' and inserting in lieu thereof 'wife's, husband's, or parent's'.

"(B) Section 202(q)(3)(B) of such Act is amended by striking out 'or husband's' each place it appears therein and inserting in lieu thereof ', husband's, widow's, widower's, or parent's'.

"(C) Section 202(q)(3)(C) is amended by striking out 'or widower's' each place it appears therein and inserting in lieu thereof 'widower's, or parent's'.

"(D) Section 202(q)(3)(D) of such Act is amended by striking out 'or widower's' and inserting in lieu thereof 'widower's, or parent's'.

"(E) Section 202(q)(3)(E) of such Act is amended (i) by striking out '(or would, but for subsection (e)(1) in the case of a widow or surviving divorced wife or subsection (f) (1) in the case of a widower, be) entitled to a widow's or widower's insurance benefit to which such individual was first entitled for a month before she or he' and inserting in lieu thereof '(or would but for subsection (e)(1), (f) (1), or (h)(1), be) entitled to a widow's, widower's, or parent's insurance benefit to which such individual was first entitled for a month before such individual', (ii) by striking out 'the amount by which such widow's or widower's insurance benefit' and inserting in lieu thereof 'the amount by which such widow's, widower's, or parent's insurance benefit', (iii) by striking out 'over such widow's or widower's insurance benefit' and inserting in lieu thereof 'over such widow's, widower's, or parent's insurance benefit', and (iv) by striking out 'attained retirement age' each place it appears therein and inserting in lieu thereof 'attained age 60 (in the case of a widow or widower) or attained retirement age (in the case of a parent)'.

"(F) Section 202(q)(3)(F) of such Act is amended (i) by striking out '(or would, but for subsection (e)(1) in the case of a widow or surviving divorced wife or subsection (f) (1) in the case of a widower, be) entitled to a widow's or widower's insurance benefit to which such individual was first entitled for a month before she or he' and inserting in lieu thereof '(or would, but for subsection (e)(1), (f)(1), or (h)(1), be) entitled to a widow's, widower's, or parent's insurance benefit for which such individual was first entitled for a month before such individual', (ii) by striking out 'the amount by which such widow's or widower's insurance benefit' and inserting in lieu thereof 'the amount by which such widow's, widower's, or parent's insurance benefit', (iii) by striking out 'over such widow's insurance benefit' and inserting in lieu thereof 'over such widow's, widower's, or parent's insurance benefit', (iv) by striking out '62' and inserting in lieu thereof '60', and (v) by striking out 'attained retirement age' each place it appears therein and inserting in lieu thereof 'attained age 60 (in the case of a widow or widower) or attained retirement age (in the case of a parent)'.

"(G) Section 202(q)(3)(G) of such Act is amended by striking out '62' and inserting in lieu thereof '60'.

"(3) Section 202(q)(5)(B) of such Act is amended by striking out '62' and inserting in lieu thereof '60'.

"(4) Section 202(q)(6) of such Act is amended (i) by striking out 'husband's, widow's, or widower's' and inserting in lieu thereof 'husband's, widow's, widower's, or parent's, and (ii) by striking out, in clause (III), 'widow's or widower's' and inserting in lieu thereof 'widow's, widower's, or parent's'.

"(5) Section 202(q)(7) of such Act is amended—

"(A) by striking out 'husband's, widow's, or widower's' and inserting in lieu thereof 'husband's, widow's, widower's, or parent's'; and

"(B) by striking out, in subparagraph (E), 'widow's or widower's' and inserting in lieu thereof 'widow's, widower's, or parent's'.

"(6) Section 202(q)(9) of such Act is amended by striking out 'widow's or widower's' and inserting in lieu thereof 'widow's, widower's, or parent's'.

"(c)(1) The heading to section 202(r) of such Act is amended by striking out 'Wife's or Husband's' and inserting in lieu thereof 'Wife's, Husband's, Widow's, Widower's, or Parents's'.

"(2) (A) Section 202(r)(1) of such Act is amended (i) by striking out 'wife's or husband's' the first place it appears therein and inserting in lieu thereof 'wife's, husband's, widow's, widower's, or parent's', and (ii) by inserting immediately before the period at

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the end thereof the following: ', or for widow's, widower's, or parent's insurance benefits but only if such first month occurred before such individual attained age 62'.

"(B) Section 202(r)(2) of such Act is amended by striking out 'wife's or husbands' " and inserting in lieu thereof 'wife's, husband's, widow's, or widower's, or parent's'.

"(d) Section 214(a)(1) of such Act is amended by striking out subparagraph (A), by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively, and by inserting the following new subparagraphs (A) and (B):

" '(A) in the case of a woman who has died, the year in which she died or (if earlier) the year in which she attained age 62,

" '(B) in the case of a woman who has not died, the year in which she attained (or would attain) age 62,'

"(e)(1) Section 215(b)(3) of such Act is amended by striking out subparagraph (A), by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively, and by inserting the following new paragraphs (A) and (B):

" '(A) in the case of a woman who has died, the year in which she died, or, if it occurred earlier but after 1960, the year in which she attained age 62,

" '(B) in the case of a woman who has not died, the year occurring after 1960 in which she attained (or would attain) age 62,'.

"(2) Section 215(f)(5) of such Act is amended (A) by inserting after 'attained age 65,' the following: 'or in the case of a woman who became entitled to such benefits and died before the month in which she attained age 62,'; (B) by striking out 'his' each place it appears therein and inserting in lieu thereof 'his or her'; and (C) by striking out 'he' each place after the first place it appears therein and inserting in lieu thereof 'he or she'.

"(f)(1) Section 216(b)(3)(A) of such Act is amended by striking out '62' and inserting in lieu thereof '60'.

"(2) Section 216(c)(6)(A) of such act is amended by striking out '62' and inserting in lieu thereof '60'.

"(3) Section 216(f)(3)(A) of such Act is amended by striking out '62' and inserting in lieu thereof '60'.

"(4) Section 216(g)(6)(A) of such Act is amended by striking out '62' and inserting in lieu thereof '60'.

"(g)(1) Section 202(q)(5)(A) of such Act is amended by striking out 'No wife's insurance benefit' and inserting in lieu thereof 'No wife's insurance benefit to which a wife is entitled'.

"(2) Section 202(q)(5)(C) of such Act is amended by striking out 'woman' and inserting in lieu thereof 'wife'.

"(3) Section 202(q)(6)(A)(i)(II) of such Act is amended (A) by striking out 'wife's insurance benefit' and inserting in lieu thereof 'wife's insurance benefit to which a wife is entitled', and (B) by striking out 'or' at the end and inserting in lieu thereof the following: 'or in the case of a wife's insurance benefit to which a divorced wife is entitled, with the first day of the first month for which such individual is entitled to such benefit, or'.

"(4) Section 202(q)(7)(B) of such Act is amended by striking out 'wife's insurance benefits' and inserting in lieu thereof 'wife's insurance benefits to which a wife is entitled'.

"(h) Section 224(a) of such Act is amended by striking out '62' and inserting in lieu thereof '60'.

"SEC. 103. The amendments made by section 102 of this title shall apply with respect to monthly benefits under title II of the Social Security Act for months after the month in which the President determines that it is desirable to expand consumer purchasing power by making additional persons eligible to receive social security benefits.

"SEC. 104. Section 8332(j) of title 5 of the United States Code is amended by striking 'individual, widow,' in the first sentence and substituting in lieu thereof 'individual is at least 62 years of age, or if his widow'."

The tables, presented by Mr. BYRD of West Virginia, are as follows:

Actuarial balance of old-age and survivors insurance and disability insurance trust funds

	Percent
Present law	+1.16
H.R. 15095: 15-percent increase with $64 minimum	−1.24
Actuarial balance under House bill	−.08
Byrd-Mansfield amendment:	
Additional increase in minimum from $64 to $100	−.42
Increase in earnings base from $7,800 to $12,000	+.53
Actuarial balance of modifications in Byrd-Mansfield amendment	+.11
Actuarial balance of H.R. 15095 as amended by Byrd-Mansfield amendment	+.03

PROGRESS OF THE OASDI TRUST FUNDS UNDER H.R. 15095 AS AMENDED BY BYRD-MANSFIELD AMENDMENT[1]

[In billions of dollars]

Year	Total income	Total outgo	Net increase in funds	Balance in funds, end of year
1969	$33.5	$27.9	$5.5	$34.3
1970	36.1	34.9	1.1	35.4
1971	41.0	36.9	4.1	39.5
1972	43.4	38.3	5.1	44.6
1973	54.8	39.6	15.3	59.8
1974	60.8	40.8	20.0	79.8

[1] Excludes additional expenditures related to lowering social security eligibility age to 60, estimated at $700 in the first full year.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, December 22, 1969, he presented to the President of the United States the following enrolled bills:

S. 2577. An act to lower interest rates and fight inflation; to help housing, small business, and employment; to increase the availability of mortgage credit; and for other purposes; and

S. 3016. An act to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, and for other purposes.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CIVILIAN WAR CASUALTIES IN VIETNAM

Mr. DOLE. Mr. President, recently, the senior Senator from Massachusetts made a statement that there have been more than 1 million civilian casualties in Vietnam since 1965, with 300,000 deaths. He was quoted further as saying that some of the deaths and injuries were caused by Vietcong terrorism "but the majority have been stimulated by ARVN—South Vietnamese—and U.S. forces."

Mr. President, it would be helpful if the Senator from Massachusetts disclosed where the Senate Refugee Subcommittee obtained such figures.

Since his interview was reported, I have asked the Department of Defense to verify the figures used by the Senator. They have not been able to do so and in fact claim there are no reliable figures available on the total number of civilian casualties.

Mr. President, it is unclear what the Senator meant by his statement that the ARVN and the U.S. forces had stimulated the large number of casualties he disclosed.

As with his comments on battle tactics at the time of the U.S. assault on "Hamburger Hill," one wonders if the Senator is placing himself in the role of a military strategist by such statements.

Further, it must be established whether the Senator is talking about noncombatant civilians or civilians who in reality are members of the Vietcong and are engaged in guerrilla warfare.

Mr. President, it is common knowledge that there are no well established battlefronts and uniformed soldiers in a guerrilla war. In Vietnam, not only men, but women and teenagers who often dress very much alike are members of the Vietcong. They shoot Americans. They throw grenades. They lay mines. They rig booby traps.

Are these the people the Senator refers to?

There is no doubt that in this war, as in other wars, innocent people have been killed and wounded. No one likes this and, for that matter, no civilized person likes the war or the idea of killing.

But I would remind the Senator that the accidental killings that inevitably accompany war are considerably different from the deliberate murder, kidnapings, and tortures the Vietcong and the North Vietnamese indulge in as a matter of approved policy.

The Senator perhaps realizes that the numbers of murders and atrocities and kidnapings by the Vietcong in South Vietnam are so numerous that a weekly list is compiled in order to keep up with them. I wonder how the Senator accounts for the 3,000 wanton murders at Hue. I wonder whether he has looked at the annual totals on Vietcong terrorism since 1962. Those figures may be enlightening.

In 1962, the Vietcong killed 1,719 civilians. In 1963—2,073; in 1964—1,611; in 1965—2,032; in 1966—2,613; in 1967—3,706; in 1968—excluding the Tet offensive—5,389; in 1969, to date—5,953. During the Tet offensive about 10,000 civilians were killed.

In addition, I might point out that civilians are wounded at a rate of between two and three for every civilian killed. And the Vietcong kidnap about one and a half times as many people as they kill.

Since 1957, it is estimated that well over 100,000 persons have been the victims of Vietcong terror—killed, wounded, kidnaped, raped, homes destroyed, and crops stolen.

Does the Senator mean to imply that the United States and its allies are equally guilty?

Mr. President, I would like to read from part of a November 18 dispatch from Hue:

> The farmers of Duong Mong village near Hue still remember the nights of 20 months ago. "They marched the children to the bank of a stream", said one elderly farmer. "We could hear their cries and screams. Then they killed them."
>
> The bodies of 15 school children were discovered November 12 in Phu Thu district, 14 kilometers southeast of Hue, along with 51 other victims of the communist massacre. A total of 230 bodies have been recovered since November 8. The children, all about 16 years old, were kidnapped by communists from various Hue schools during the battle for the city during Tet, 1968.

Mr. President, I could go on and on.

The list of Communist atrocities, sanctioned and approved by the Vietcong and by the North Vietnamese is almost unending.

Does the Senator mean to imply that is the case with American troops?

Mr. President, I fervently hope not.

Regardless of how badly one may want to end this war, I find it highly improper to make unproved and unprovable charges about American troops and American intentions.

Yes, we should face up to the truth and yes, we should condemn any acts of atrocity by Americans.

But must we label all of our men with the same brand?

Must we ignore the many fine and humane things American soldiers have done?

Must we set out to destroy America's confidence in American fighting men?

Is this the price we must pay for peace?

Mr. President, I do not believe it is. I can only hope that the Senator from Massachusetts does not believe it is, either.

Mr. **KENNEDY**. Will the Senator from Kansas be kind enough to yield to me?

Mr. **DOLE**. I am pleased to yield to the Senator from Massachusetts.

Mr. **KENNEDY**. Mr. President, I ask unanimous consent that the time to speak on this subject be extended 5 minutes.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **KENNEDY**. I regret that the Senator did not inform me he was going to make some comments on this matter this morning, as I would have been able to bring to the Chamber and make a part of the RECORD the complete documentation. I hope that I may have a chance to introduce, at an appropriate place in the RECORD, specific rebuttals to the suggestions which have been made by the Senator from Kansas.

It is interesting that the Senator has quoted with some accuracy the Defense Department figures on the number of South Vietnamese killed by the Vietcong.

Let me indicate at the outset that nowhere in the extensive and comprehensive report of the Subcommittee on Refugees, nor in the statements that I have made here, have we done anything but condemn the policy of terrorism which is the policy of the Vietcong in South Vietnam. There is absolutely no kind of question as to the work of the members of the Subcommittee on Refugees, or of myself, in condemning that activity by the Vietcong.

There is a question, I believe, as to the number of civilian casualties which have been caused by United States and ARVN forces. I am wondering whether, in his work, the Senator from Kansas had the opportunity to inquire of the Department of Defense as to the number of civilian casualties in various hospitals. In his inquiry with the Department of Defense, did the Senator seek to obtain those figures?

Mr. **DOLE**. I have waited to make this statement until the Senator was in the Chamber and have had it for a couple of weeks. I recognize the courtesy due to the Senator from Massachusetts. On the basis of the interview by the Senator from Massachusetts, which I assume was brief, the Department of Defense was asked to make a complete report not only as to the question the Senator raised, but also the other question of the number killed or wounded.

Both the Senator from Massachusetts and I condemn terrorism whereever it may take place. But one word used by the Senator in the statement, or at least attributed to him, is that we have "stimulated" civilian deaths. I do not understand that at all.

Mr. **KENNEDY**. If the Senator from Kansas would respond to my question: Did he ask the Department of Defense how many civilian casualties were in the various hospitals in Vietnam? Also, did the Senator make any effort, when he received that information—as I have—to inquire and learn the cause of those particular casualties? Did the Senator make any inquiry to that effect?

Mr. **DOLE**. We have asked for the report.

Mr. **KENNEDY**. The Senator is indicating that he is responding both to my comments and to the work of the subcommittee on which we spent a great deal of time, in which report the Republican members of the subcommittee joined.

In terms of those figures of approximately 1 million casualties, including an estimated 300,000 deaths, which were based, among other things, on reports made by General Humphries and Colonel Moncrief, who were the two leading medical officials during the subcommittee's most intensive investigation, I am wondering whether the Senator made any inquiry of the Defense Department as to how many civilian casualties have been treated in the various hospitals in Vietnam? How many who had wounds from the war were treated in outpatient clinics? Did the Senator request that information? If he did, can he enlighten me now as to the information of the executive branch?

Mr. **DOLE**. It was hoped the Senator would first enlighten us as to what he meant by our forces having "stimulated" the casualties.

Second, the Defense Department cannot verify the figures referred to in the December 2 interview. This was the basis of my inquiry of the Defense Department, to furnish a complete list of civilian casualties. I assume it included those who had been wounded and those who had been killed.

Mr. **KENNEDY**. What figures does the Senator have from the Defense Department?

The **PRESIDING OFFICER**. The time of the Senator from Massashusetts has expired.

Mr. **KENNEDY**. Mr. President, I ask unanimous consent to continue for 5 minutes.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **KENNEDY**. What figures did the Senator receive from the Defense Department as to civilian casualties who have been treated in hospitals? I would suggest to the distinguished Senator that he might make such inquiry of AID, since as the Senator probably knows, because he is interested in this subject, only a very limited number of civilians are treated in military hospitals. A larger number are treated in provincial hospitals, and most of these hospitals are being furnished AID funds. I can understand that the Defense Department might not have those figures, but has the Senator made any inquiry of AID, and has AID been able to furnish the Senator with the information? I am interested as to what figures might have been furnished the Senator.

Mr. **DOLE**. No, I have not checked with AID. I am simply raising the question as to how the Senator from Massachusetts can say that these casualties have been stimulated by American forces. This statement was made at about the same time the Mylai massacre was publicized. The Senator has put the figure at 300,000 killed and 1 million wounded in the years of our presence in Vietnam.

Mr. **KENNEDY**. The figure is 1 million civilian casualties, including 300,000 deaths. Is the Senator disputing the word "stimulated" or the figures? Let us take one thing at a time. Let us get to the figures first. Then I shall respond to the other inquiry.

Mr. **DOLE**. It would be helpful if the Senator did respond.

Mr. **KENNEDY**. In 1967, there reportedly were nearly 49,000 civilian casualties admitted to U.S. military hospitals and some 43 GVN provincial hospitals. Do the Senator's figures show that?

Mr. **DOLE**. No. The department cannot verify the Senator's figures. It has given me what it has.

Mr. **KENNEDY**. Those are AID figures I am citing to the Senator. If the Senator is here to rebut my charges, I suggest he supply either Defense Department figures or AID figures. I am wondering what figures the Senator has—on what basis is he questioning my statement in early December? I should think the Senator would at least come up with some alternative figures and the reason for them, because I am prepared to substantiate every word I have said. I am delighted to have the opportunity to review them with the Senator in some detail. The basis for the figures I have used is outlined extensively in hearings before the Refugee Subcommittee, as well as in a subcommittee report. That report was signed, I may say once again, by Republican members of the committee, and is based on very extensive work by the Refugee Subcommittee, including field investigations.

Mr. DOLE. Hopefully the Senator from Massachusetts can verify what he said on December 2.

Mr. KENNEDY. I do not have any problem in verifying it. Would the Senator, as well, in taking the Defense Department figures, have his staff review them, or take the time himself to review them, in connection with the extensive report the Refugee Subcommittee has filed? The subcommittee went into some detail as to how the annual and cumulative figures were arrived at. If the Senator is prepared to rebut the subcommittee's view, I think we would have a much more reasonable ground for this discussion if he would speak to the issue now correctly.

As the Senator knows, the subcommittee's report has been on file for some time, and is the basis for the observations that we stated earlier this month.

As I have said, since I did not know specifically that the Senator was going to raise these questions, I do not have the full information with me, but I have dispatched my staff to get the report itself. But the AID figures show that in 1967 there were nearly 49,000 civilian casualties admitted for treatment in 43 provincial hospitals and some U.S. military hospitals.

When I was in Vietnam I visited some 12 provincial hospitals and found that the figures given me in Saigon on the admission of civilian war casualties were from 10 to 20 percent understated on the basis of personal investigation in those civilian hospitals. I note, incidentally, that the Senator said that for every one civilian death there were two or three wounded.

The PRESIDING OFFICER. The 5 minutes granted the Senator have expired.

Mr. KENNEDY. Mr. President, I ask unanimous consent to have 3 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. I certainly hope that the distinguished Senator from Kansas will have a chance—and I say this with the greatest respect—to review the hearings of the Refugee Subcommittee as well as the conclusions that were derived therefrom. Let me just summarize the basis for the subcommittee's estimates on civilian war casualties. AID testimony before the subcommittee suggests that for each civilian casualty one sees, there is one he does not see. Moreover, there is another 50,000 including those who are killed outright. In 1967, there were nearly 49,000 civilian casualties admitted to hospitals by AID estimates. Double the number and add 50,000. The total for 1967 is at least 150,000.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. DOLE. It is regrettable whether 1, 100, or 1,000 civilians are lost. In any event, the point, whether recognized by the Senator from Massachusetts or by the committee, is that some of these are the same civilians who are part and parcel of the Vietcong, who throw the handgrenades and place the boobytraps that kill and injure Americans. Whether one or 100 lives are lost, it is a tragedy just the same. The point is: Are we saying that because 100,000, 200,000, or 300,000 civilians have been killed, their deaths have been, in effect, stimulated by the United States and by the ARVN?

War is a great tragedy and many innocent persons are killed, maimed, and disabled. In our efforts to point this out let us not appear to indicate that this is a policy of American fighting men.

Mr. KENNEDY. On the question of estimates on civilian war casualties, I stand fully on the record developed by the Refugee Subcommittee—and the subcommittee challenges the executive branch to dispute our stating those figures. The basis for our estimates exist in the report, and if the Defense Department wants to analyze it and rebut it, I would be glad to debate that issue on the floor or anywhere else. But I stand by the figures developed by the subcommittee.

The issue is, first of all, the number of civilian casualties in Vietnam and, more importantly, whether our efforts as a nation should not include high priority and care and consideration for those people.

As the Senator would realize after a study of war-related civilian problems in Vietnam—of refugees, civilian casualties, and others in distress—efforts for the care and protection of these people have been given low priority. In other words, beer for the military has been given a higher priority than medical and other supplies for refugees and civilian casualties. I believe those priorities have been changed in the recent past, however.

Mr. DOLE. Does the Senator have a specific example of that?

Mr. KENNEDY. Yes. There is a series of priority ratings that is given by the military for transportation of supplies, which I believe was changed somewhat in favor of Vietnamese civilian needs. This is one of the things that has been changed, I think to a great extent as a result of the splendid work of the members of the subcommittee. In terms of getting materials moved for refugees, I believe the early priority rating was the sixth rung of the ladder and, as the Senator realizes, transportation is one of the keys.

No matter what our views, if we are in Vietnam, and really over there because we are concerned about people, we ought to be doing a great deal more than we are doing. I feel that as a result of the work of the Refugee Subcommittee, we have found the Defense Department even building new hospitals and making available to civilian casualties, new facilities, hospitals. We found new energies and new efforts being made.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KENNEDY. I ask for 3 more minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. To provide the transportation for those who were working with refugees and civilian casualties, we found MILPHAP teams going out from medical stations to work with civilian casualties, and found new priorities on that.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. KENNEDY. Let me just say, that this is an important and useful step forward, and I would certainly hope that, whether these civilians over there have been the casualties of our own firepower and military tactics or the result of Vietcong terrorism—and many of them are, and in the report we have indicated this—there is no excuse for us not giving the care and consideration to the people over there equally as high priority as we are giving to the military efforts; because if we are really interested in people and in the Vietnamese, I think this is really our responsibility.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield to the Senator.

Mr. DOLE. I take no exception to that. Having had some experience in war and having seen some of the tragedies of war, I know innocent civilians are, from time to time, killed and injured, and recognize that we have an obligation to them. But our first obligation, of course, is to the American fighting man and to our allies' forces. This must be paramount. I realize, that we must take care also of those who are wounded by the Vietcong, as well as those wounded as a result of our military efforts.

But the point is that from the thrust of the colloquy, as I understand it, the Senator is very quick to condemn atrocities on our side. He even raised questions as to whether this was the result of American policy. I do not believe it is the policy of America. My point is that those 300,000 or 400,000 or 500,000 civilian casualties cannot be said be the result of an American policy to destroy noncombatant civilians.

Mr. KENNEDY. I ask unanimous consent to have printed in the RECORD at an appropriate place a part of the report issued on May 9, 1968, showing the findings on civilian casualties of the subcommittee to investigate problems of refugees and escapees. It is a rather short section and indicates how the number of civilian casualties was arrived at. I also ask unanimous consent to include an additional staff memorandum.

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There being no objection, the excerpt from the report was ordered to be printed in the RECORD, as follows:

EXCERPT FROM REPORT ON CIVILIAN CASUALTY AND REFUGEE PROBLEMS IN SOUTH VIETNAM, MAY 9, 1968

B. THE NUMBER OF CIVILIAN CASUALTIES

In March of 1967 the subcommittee completed its preliminary investigation of the civilian casualty problem and the chairman made public the results showing that the civilian casualty rate was then running "at least 100,000 a year." AID officials refrained from commenting publicly on the figure other than to indicate the monthly civilian war casualties admissions to hospitals were running at about 4,000 each month. In September the AID medical survey team commented that "our impression is that an estimate of 75,000 civilian casualties per year is too high."

In December of 1967, Col. William Moncrief, head of the AID medical programs in South Vietnam, made the first official estimate of civilian casualties by that agency available to the press. Colonel Moncrief estimated that the number of civilian casualties were running at a rate of 100,000 a year, breaking that figure down into 76,000 injured and approximately 24,000 civilians killed outright or dying before they could reach medical facilities. Subsequent information developed by the subcommittee between April and December of 1967 led the chairman to take the Senate floor on December 12 and revise the estimates upward to a 150,000 casualty rate.

The investigations in South Vietnam in January tended to confirm the 150,000 figure as the pre-Tet casualty rate. An examination of the AID monthly figures for civilian war casualties treated in one of South Vietnam's provincial hospitals as in-patients shows an average of about 4,000 per month through 1967. What the monthly figures did not show was that the monthly totals being supplied by AID were not complete figures—in fact, an average of 10 percent of the hospitals supposed to report monthly were not doing so, and as a result the AID statistics of admissions were understated.

Likewise, a number of hospitals run by private charitable groups such as the American Friends and Catholic groups were not included in the AID figures. Neither did the figures include the special forces hospitals which we learned were running at about 100 per month.

Additionally members of the subcommittee staff ran spot checks at the provincial hospitals to determine the accuracy of the numbers being reported to Saigon. The closest they found by actual count was an understatement of 10 percent. In some cases, there were 50 percent more civilian war casualties than actually reported.

Added to this total of inpatients in the Provincial hospitals is an additional number of casualties treated in the village and hamlet dispensaries and all those treated as outpatients in the Provincial hospitals. Based on spot checks by a medical member of the survey team, the subcommittee estimates the number of civilian war casualties treated in the village and hamlet to be running at a rate of at least 50,000 a year, and that outpatients treated at the hospitals (Provincial) were close to that figure. Admittedly, some of those treated in the local facilities or as outpatients were not serious injuries, but it was clear that many of them were of a serious nature.

There were some other serious omissions in the totals. We were told that some civilian casualties were being treated by so-called oriental or Chinese doctors and that others were treated in a network of Vietcong hospitals. Staff investigators even had a chance to see an abandoned underground Vietcong hospital in Tay Ninh Province which had once been used by the Japanese. The numbers falling into these categories are difficult to determine.

By far the greatest omission, however, is represented by those civilians who are killed outright, or die before reaching hospitals, or for one reason or another are never treated, Colonel Moncrief estimated the number of civilians killed outright or before reaching medical facilities as approximately 24,000. Some in Vietnam thought that figure was too low. Others maintained it was too high. No one had more than a guess as to the number not receiving treatment at all, other than general agreement that the numbers was "significant."

In summary, then, we found that the number of pre-Tet civilian casualties treated as inpatients in the Provincial hospitals was understated because a number of hospitals were not reporting and those that were reporting were often understating the number by from 10 to 50 percent. The subcommittee estimates the number of civilian war casualties being treated as inpatient's in the Provincial hospitals to be running 65,000 per year.

Those hospitals not included in the reporting list would increase the number by an additional 3,000 per year.

The number of outpatients and those treated at village or hamlet facilities, the subcommittee believes to be running at approximately 100,000 additional per year, although many of these injured were not of a serious nature.

Taking Colonel Moncrief's estimate of 24,000 civilians killed before reaching medical facilities, and adding a number of those being treated by the Vietcong or by private doctors or receiving no medical treatment at all, we must conclude that the number of civilian casualties was running at between 150,000 to 200,000 a year prior to Tet.

STAFF MEMORANDUM ON VIETNAMESE CIVILIAN WAR-RELATED CASUALTIES

Year	Official U.S. Government estimates	Subcommittee estimates
1965		100,000
1966		150,000
1967	48,734	175,000
1968 (TET)	88,116	300,000
1969 (10 months)	58,698	200,000

1. Official estimates are based exclusively on inpatient admissions to GVN and U.S. military hospitals.

2. Subcommittee estimates are based on the following:

(a) official estimates of inpatients

(b) understated reports by GVN provincial hospitals—in 1967, for example, an average of some 10% of the hospitals were not making regular monthly reports—those that were reporting were often understating the number of civilian war casualty admissions by some 10% to 50%—in 1967, this factor added nearly 20,000 civilian war casualties to official estimates, increasing the actual number of civilian war casualty inpatients by nearly 40%—

(c) civilian war casualty inpatients at private hospitals and others not on the GVN reporting list—in 1967, this accounted for at least 3,000 civilian war casualties per year—

(d) civilian war casualty outpatients at GVN provincial hospitals, which in 1967 was close to 50,000—

(e) civilian war casualties treated at village and hamlet dispensaries, which in 1967 was at least 50,000—

(f) civilian war casualties treated at special forces hospitals, which in 1967 were running at some 100 per month—

(g) civilian war casualties treated in Viet-Cong hospitals and dispensaries—

(h) civilian war casualties who may survive, but are never treated—

(i) civilian war casualties who are killed outright or die before reaching treatment facilities—the figure here probably accounts for at least 25% of the cumulative estimated total of civilian war casualties—

Mr. KENNEDY. In reference to the infliction of civilian casualties by U.S. action, I would draw the Senator's attention to the statement made by Mr. John Hannah, the Administrator of the Agency for International Development, in his testimony, which is included in our hearings, dated June 24 and 25. I shall just read a short part:

> A very large percentage of all deaths and injuries to civilians has been due to attacks by the Viet Cong and the North Vietnamese.
>
> Regrettably, the military response from the GVN, U.S. and allied forces inevitably contributes to the number of deaths and injuries among the civilian population.
>
> Many of the civilian war casualties are women and children.

This is stated by the distinguished Administrator of AID and is certainly what we have been finding in the course of our investigations and studies. One does not, of course, condone Vietcong terrorism, but the real question for us is the magnitude of the problem, which the American people ought to know about. We talk about the tragedy of that war; we ought to talk about the tragedy of what is happening, not only to our own servicemen, horrible as that is, and not only in terms of resources dissipated, extensive as that is, but also in terms of what is happening to the Vietnamese people.

When we find that civilian casualties extend to 300,000 deaths, and when, as the Director of the agency for AID has stated, that regrettably the military response from GVN and United States and allied forces inevitably contributes to the number of deaths and injuries among the civilian population, the situation is horrible indeed.

Mr. DOLE. Mr. President, will the Senator yield at that point? We are discussing two different things.

Mr. KENNEDY. I think we have talked about two things. One was the figures, the other the question of the cause of civilian casualties.

Mr. DOLE. I may add without hesitation that I trust the Senator does not relate these figures in any way to the Mylai incident; but the question he raised was in connection with it.

Mr. KENNEDY. At this point I do not wish to enter into a discussion of Mylai. We have enough groups investigating that tragedy at present. It was a horrendous situation under any set of circumstances.

Mr. DOLE. Except that the Senator's statement was based on the Mylai incident.

Mr. KENNEDY. No. I stand to be corrected. My statement dealt with the cumulative total of civilian casualties and deaths and the reasons and causes for those casualties and deaths. I can remember talking in those terms as well as expressing horror about the whole incident of Mylai, but without making any kind of judgment as to the extent of the guilt or innocence of those involved.

Mr. DOLE. Mr. President, it might be of interest to have in the RECORD what the Senator meant by the term "stimulated," and whether the AID figures show how many were wounded and how many killed as a result of Vietcong action. It is very important that we understand and clearly discuss the problem.

I do not say that we should do nothing about it. That has been made very clear.

I have had some personal experiences in dealing with civilians who were injured as a result of military action. We have a responsibility for any individual—man, woman, or child; but our first responsibility is to the American fighting man and his safety.

Mr. KENNEDY. Mr. President, there was nothing in my comments earlier this month or in the report that would make any issue about the safety and the protection of the American serviceman.

Mr. DOLE. It should not be indicated, in any manner, that it is the policy of the American fighting man to kill or injure civilians and "stimulate" action which results in the death or injury of civilians.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DOLE. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Kansas is recognized for 3 minutes.

Mr. DOLE. Mr. President, I yield to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. PERCY. Mr. President, I have been extremely interested in this colloquy. I think it has been constructive and helpful. I shall comment on just a few of the points that have been raised and perhaps make a contribution to the comments.

First, on the question of the Vietcong and whether atrocities committed against civilians is a way of life with them and a means of gaining their objective, I would concur in the statement of the Senator from Kansas.

I happened to visit the village of Dong Xuan a few days after the Vietcong had been there and committed atrocities. These atrocities were covered well by the media and I would like to relate the acts that occurred.

The village of Dong Xuan was occupied chiefly by women and children. The men had had to vacate the village. At midnight, the Vietcong brought in flamethrowers.

Between 200 and 300 civilians, women and children, were murdered in their huts by flamethrowers. The air was sucked out and they suffocated and were found dead in the morning. I actually saw the holes into which the women and children had tried to crawl after they realized that their huts were on fire.

I tried to inquire as to why the Vietcong would do something like this. It was apparently their way of saying that this village had not cooperated with them and that therefore they wanted to do this as an example to many other villages as a warning that unless they cooperated with the Vietcong, the Vietcong was going to make them pay the price. This was premeditated murder of the worst type.

I saw with my own eyes at the time we were there the still smoldering embers of the village. It was unbelievably horrible to see what the Vietcong had done.

We can now find many similar cases in which thousands of villagers have been killed. These can be cited as evidence of the way the Vietcong are carrying on the war.

Second, on the question of whether we cause civilian deaths, I do not think there is any doubt that in our waging of the war, civilian deaths do occur. They occur as the direct result of some of our actions.

When we take a whole area in Vietnam and declare it to be a free bombing zone, bombs, after adequate notification, are dropped indiscriminately into that area to wipe it out. Whatever civilians are there are killed.

Do we take every conceivable precaution to notify them that this is a war zone that will be bombed? I think we do. We go to extraordinary means to move civilians out by helicopter, and other means, and set them up in camps so that we may try to protect them. I visited these camps and saw how they were treated and the food relief they received. Even though there may be some graft in administration of this relief, we do try to help these civilians. We try to take these precautions, but we do not always succeed. Thus, as a result of our war actions, many civilians have been killed.

There is blame to be placed all across the board with relation to the death of civilians. However, with relation to the Mylai incident in which so many were killed, I think everyone agrees that it is an isolated occurrence. Certainly if a crime has been committed at Mylai we intend to get at the bottom of it. What have the Vietcong ever done to try to bring their killers to court in the interest of justice? They have done nothing.

I trust that the world will better understand from this incident that the atrocities and civilian murders are a way of life for the Vietcong, and that if they do occur on the part of our military they are part of an isolated event, I hope the world will understand that we intend to prosecute and bring to justice the people responsible for whatever crimes they have committed.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DOLE. Mr. President, I yield myself an additional 3 minutes.

The PRESIDING OFFICER. The Senator from Kansas is recognized for an additional 3 minutes.

Mr. KENNEDY. Mr. President, I would like to make a brief comment on what the Senator from Illinois has said.

To get back to what I think was the thrust of the observations of the Senator from Kansas, it was to the effect that the figures which I had presented in my comments some weeks ago, as well as those in the committee report, were inflated. He said that we do not have the documentation from the Defense Department with respect to the figures.

I challenge the Senator on that statement. I wish he had been able to be somewhat more precise, and I wish that the Defense Department would be more precise about the matter.

The fact remains that one of the reasons we have failed to focus on the problem is that we have not been able to get the kind of figures we need. It has only been after very detailed and exhaustive study and working with AID that we are able to get the figures.

I think as I stand here today that we realize that there has been some 1 million civilian casualties, including 300,000 deaths. It is important that the American people understand that fact and realize that dimension.

It is regrettable that a percentage of those people have been casualties because of U.S. involvement through search and destroy missions and the like, as well as Vietcong terror. But the real question is what we are going to do about it.

The basic issue and the basic question are an indication to the American people of the cost of the tragic war in terms of the Vietnamese.

Let me give an example that we saw in our visit to some of the refugee camps. There is an extraordinary refugee camp in I Corps. I believe, into which the military moved thousands of Montagnard tribesmen from their villages 3 weeks before harvest time. They put the camp in a low, hilly area of red clay in which the Montagnards were unable to grow anything. For some reason or another, the food supplies were slow in coming to the refugees, and thousands of them went back and started harvesting. That was a free-fire zone, and thousands of the refugees, because they went back into the areas of their fields, were wounded or killed as a direct result of H. & I. fire. That is a tragic situation—that because of poor management and the lack of supplies they felt compelled to go back.

These are the kinds of things which are regrettable, and which the American people should know something about.

Mr. GURNEY. Mr. President, will the Senator from Kansas yield?

Mr. DOLE. I yield.

Mr. GURNEY. As I understand, the thrust of the argument of the Senator from Kansas is to bring out the other side of the story, namely, that some of our people in public office and some out of public office have a great tendency, certainly in the last 2 or 3 years, to take a sort of masochistic point of view so far as the involvement of United States in the Vietnam war is concerned. They seem to take pleasure in bringing out, or are under some compulsion to bring out, the bad things and attribute them to the Americans over there and also to the forces of South Vietnam.

As I understand, the Senator from Kansas is trying to correct the record and say there is another side to the story within the whole area of civilian casual-

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ties and what the Americans are doing in Vietnam.

I recall visiting hospitals in Vietnam which were run by the Marines in the I Corps area, where, for the first time, South Vietnamese civilians were receiving medical aid. Never before in their lives had they received medical aid. For the first time, they were getting doctors' care, good doctors, care, from American doctors, and with American medicine that had been sent over there. They had never received any of this kind of care before in their lives.

I recall a hospital run by the 3d Marine Division. They are not in Vietnam any more; they were among the first units that came out. They were conducting a children's hospital they had set up sometime before and were bringing medical aid to little children in this area of Vietnam for the first time. These people had never received such care before. This had nothing to do with war. This was medical attention the Marines were giving the Vietnamese simply because they wanted to bring something into their lives that they had never received before.

I remember seeing American doctors in the civilian hospital in Danang, the largest city in the I Corps area. Our naval and Marine doctors were serving in that hospital after they had finished their regular performance for the Marines in taking care of our casualties. They were working almost around the clock, on a 24-hour basis.

As I understand, the Senator from Kansas is trying to bring out some of these things so that the American people will know what America is doing in Vietnam for civilians and civilian casualties, in the area of bringing medicine to them for the first time.

I congratulate the Senator from Kansas for bringing this matter to the attention of the Senate and to the attention of the American people.

The **PRESIDING OFFICER** (Mr. Hughes in the chair). The time of the Senator has expired.

Mr. **DOLE**. I ask unanimous consent that I may have 3 additional minutes.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **DOLE**. I stated earlier that this exchange could be very helpful. It has clarified many things in my mind, and I appreciate the comments of the Senator from Massachusetts, the Senator from Florida, and the Senator from Illinois.

As the Senator from Illinois clearly stated, the basic difference between our policy and the policy of the enemy is that their policy is one of torture and ours is one of compassion. This is a difference that we should discuss, rather than have it implied, at least by news stories, that the Mylai incident is a way of life for the American fighting man. Having been an American fighting man in Italy, many years ago, and knowing a little about how innocent civilians are injured and killed, I feel certain everyone regrets this happening to innocent civilians. But, as the Senator from Illinois has pointed out so well, in South Vietnam there have been repeated efforts by the allied forces to remove civilians from battle areas and fire zones.

So perhaps we have at least pinpointed the matter under discussion. Americans are trying to protect civilians and we have an obligation to care for injured civilians, but it follows the obligation to care for the American fighting man.

I do not believe that the American fighting man, whether in South Vietnam or Germany or wherever, has ever been ordered, as a matter of policy, to do anything but carry out the war. He has not been ordered to do the things that some newspaper references would indicate, that is, kill civilians—children and women—as a matter of American policy. It is regrettable that civilians do suffer in the natural course of war. We all agree with this.

We do have an obligation, as the Senator from Massachusetts has said, to treat those who have been injured or wounded. But I want to know how many of these casualties are because of Vietcong action, how many because of enemy action. To say that it has been stimulated by the American forces, to me, could indicate many things. I am not certain what the word "stimulated" means when used in this context.

Again, I would quote from a story in the Washington Post, discussing civilian deaths and injuries, dated December 3, by George Lardner, Jr., in which the senior Senator from Massachusetts is quoted as saying, "But the majority have been stimulated by the ARVN and U.S. forces."

I yield the floor.

Mr. **KENNEDY**. Mr. President, I think we have examined this matter. I felt compelled to respond to the Senator from Kansas in terms of his statement that the figures I had used were without some basis. I stand by those figures. I refer to page 16 of our report, which sets forth in considerable detail—and it will be included in the RECORD—the exact reasons for reaching those figures. I challenge the Defense Department to supply different figures or different conclusions, if it has them. These figures are based upon the AID official records and our own observations.

In terms of the second question, on "stimulation," I think my observation at that time was not different from what the distinguished Director of the AID agency, Mr. Hanna, testified to, as I quoted earlier.

As to how we reach those figures, and that can be open to differentiation in interpretation of the figures, we have made our judgments on that. But I feel that regardless of who causes these civilian casualties, we have an obligation. If a child is burned because of a flamethrower in the hands of the Vietcong or because of a phosphorous bomb of the United States, we have an obligation to do something about it. It is interesting and it is worth while to try to say that the Vietcong are responsible for 30 or 60 percent of it. But those people are in need of help and assistance. It always has been my position, and I think it is the position of the members of the Senate Subcommittee on Refugees, that we ought to be providing as high a priority in pursuing the care and consideration of civilian casualties, whether they are caused by Vietcong or American GVN activities, as we pursue in terms of fighting the war.

Mr. **DOLE**. I would conclude by saying that the Vietcong are directly responsible for civilian casualties, whether deaths or injuries; and if we are the cause of civilian casualties, it is an indirect, unintended result of our war effort. It is not a policy of our American fighting men.

Mr. **KENNEDY**. I do not know whether it is indirect when a bomb drops from a plane or when somebody is shot with a rifle in a village. How can it be said that one is indirect and one is direct? The point is that if people are wounded, we have a great responsibility to look after their welfare. I think a great deal more is being done by AID and by the Defense Department. They have built some eight or nine—I think it is eight—new hospitals in Vietnam which are caring for civilian casualties, and have opened three military hospitals. The private sector is doing quite a bit, as well. Doctors are being sent to Vietnam. That program was set up at the request of President Johnson. Many doctors are going there for various periods of time and many return for a second tour. The MILPHAP teams, including Marines, Air Force, and Army, go out and provide care to refugees. Those people should be congratulated and commended; and the Armed Forces should be congratulated and commended. I do not underestimate their contributions. The Public Health Service has done a great service in preventing diseases. Many civilians are now alive who would be dead if they had not received inoculations and other Public Health treatment. So there are some signs which are encouraging. No one seeks to minimize the extraordinary accounts of generosity, which can be seen by anyone who visits Vietnam, in terms of the personal generosity of the American fighting man.

To end the discussion on a harmonious note, both the Senator from Kansas and I want this made known today.

Mr. **DOLE**. I do not say that the Senator from Massachusetts had said otherwise. Some believe that once the American fighting man gets a rifle in his hands and lands on foreign soil he becomes a bloodthirsty hoodlum, setting upon child, woman, or disabled citizen with the intent to kill or injure.

As has been stated in the last few minutes we are people of generosity and of compassion. If there is some isolated incident let us punish those who are guilty, but let us not have a sense of national guilt or national shame or describe the American fighting man as something that he is not. It is not our policy to inflict casualties upon the civilian population but it is the policy of the enemy.

Mr. **KENNEDY**. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. **WILLIAMS** of Delaware. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. WILLIAMS of Delaware. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

WORKERS FROM MEXICO

Mr. KENNEDY. Mr. President, the influx of low-paid workers from Mexico is one of the significant factors contributing to the grinding poverty in many areas along our southern border. Although the problem has festered for decades, it has only been within the last 2 or 3 years that a truly concerted effort has been made to sort out the fact of this complex situation and find reasonable and humane remedies.

In addition to various inquiries conducted by congressional committees—and these are continuing—a number of private individuals and groups have also become intensely involved.

Especially commendable, and certainly a welcome indication of growing citizen concern throughout the country, has been the recent field study conducted by a task force of representatives from labor unions, religious organizations, and other groups associated with the American immigration and citizenship conference in New York. The task force is currently preparing a report of its findings and recommendations, which I am sure will make a major contribution toward greater understanding of the need for reform in a significant area of public policy.

As I suggested earlier this month, I am extremely hopeful that needed reform will be accomplished in the next session of the Congress.

In this connection, I wish to call attention to an excellent article summarizing the situation regarding the influx of workers from Mexico. The article, of October 20, published in the Nation is written by Sheldon L. Greene, general counsel for California Rural Legal Assistance.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Nation, Oct. 20, 1969]

WETBACKS, GROWERS, AND POVERTY

(By Sheldon L. Greene)

(Mr. Greene is general counsel for California Rural Legal Assistance and a specialist in litigation challenging the employment of nonresident alien labor.)

SAN FRANCISCO.—The bracero program died in 1968, after a long illness. Under its provisions, 4.5 million Mexican temporary workers were brought into the United States between 1942 and 1963 as supplementary farm labor. Officially terminated by Congress in 1963—long after the World War II labor shortage which it was intended to ease had ended—it finally trickled to a halt in August 1968 when Secretary of Labor W. Willard Wirtz denied a request by California tomato growers for 2,200 Mexican farm workers. He characterized this refusal of legal entry as "a historic step towards healing the migrant worker sore in California and in the entire United States." But current 1968–69 immigration records show the apprehension of 150,000 Mexican nationals who had entered the United States illegally, and the incidence of these wetbacks in American employment is perhaps triple the number caught. This would suggest that Secretary Wirtz's cure is at the most cosmetic.

Illegal entry by Mexican nationals has afflicted domestic low-income workers since World War II. In 1942, after Mexico had agreed to supply temporary workers under the bracero program, Texas farmers refused to meet agreed wages and working conditions. In response, Mexico for a time cut off the supply of workers, but U.S. Immigration authorities permitted thousands of Mexicans to cross the border illegally. They were then apprehended and "paroled" to Texas farmers, thus avoiding the terms of the international labor agreement. Farmers and border industries got cheap labor; domestic farm workers and El Paso garment workers and meat packers suffered wartime inflation but were forced to accept low wages if they wanted to work at all.

In 1954 the President's Commission on Migratory Labor studied the border labor problem and concluded: "The United States having engaged in a program giving preference in contracting to those who had broken the law, has encouraged a violation of the immigration laws. Our government has thus become a contributor to the growth of an illegal traffic which it has responsibility to prevent."

That same year, the Justice Department launched Operation Wetback, a roundup of more than a million illegal entrants in an area stretching as far as St. Louis and Chicago. San Antonio alone harbored 331,000. The roundup seemed so successful that the Immigration and Naturalization Service stated optimistically in its 1955 report that it had ended the wetback problem. The boast proved premature.

The Border Patrol and the Investigation Section of the INS are diligent, outnumbered and outmaneuvered. The comparatively few illegal entrants who attempt to cross the natural, and for the most part barren, frontier on foot are easily spotted by the continual overhead observation of Border Patrol spotter planes; they are then picked up by ground patrols which run along exfoliated drag strips. Some few aliens risk their lives in airless car trunks and campers, or precariously flattened on a ledge beneath passenger cars. Such trips cost from $100 to $300. One recently ended in death by asphyxiation.

But for 70 to 80 per cent of the illegal entrants access is neither hazardous nor romantic. More than a million Mexican aliens carry visitors' permits. These salmon-colored cards, issued by the Mexican Government at a cost of about $80, authorize visits of seventy-two hours in an area not more than 25 miles from the border.

But the aliens, most of them, are not looking forward to a visit. The typical wetback meets an agent in Mexico who provides him with a routing or a contact. Once across the border, he is transported to a city, often Los Angeles, and there referred to a job. In some instances, the agents provide transportation by selling a group of wetbacks an automobile, in which they can better elude detection. Those who lack the cash are offered a "go now, pay later" plan under which the price of the car is deducted from future wages.

Once inside, the alien easily merges into urban or rural Chicano barrios. Anyone can get a Social Security card by filing an application; proof of legitimate entry or birth certificate is not required. Employers record the Social Security number and couldn't care less about the worker's status. It is a felony to induce an alien to enter the United States, to harbor him from detection; but conservative legislators from farm districts have managed to exempt the employer of an illegal entrant from that chain of complicity, even when the employee is known to be a wetback.

Agriculture absorbs the bulk of the illegal entrants. During fiscal 1968, 38,950 of those apprehended were doing farm work. Wetbacks are preferred by most farmers because they are thought to work harder than Americans and to complain less about conditions. The minimum wage for farm work in California is $1.65 an hour; wetbacks in labor camps are lucky to earn $1.35, not enough to live on in California but four times the Mexican minimum wage. The rich regions of California are dotted with the grim labor camps which formerly housed *braceros*. Wetbacks now live in many of them, hidden well off public roads on land posted against trespassing.

While most wetbacks seek farm work during the busy seasons, substantial numbers are kept on the year around, or find off-season jobs during the very periods when domestic farm workers, residents of the area, are unemployed and dependent on public assistance. Winter unemployment in farm regions runs as high as 16 per cent of the domestic labor force; in California alone idle farm workers require $15 million in public assistance. Ten thousand wetbacks were caught in the five states that make up the Southwest in February 1969. From this figure one can asume that from 10,000 to 40,000 low-income families were displaced from jobs by wetbacks during the winter months, at a cost in taxes and loss of domestic wages amounting to tens of millions.

Surveys show that the prevalence of wetbacks also depresses wage levels, and encourages employers to ignore the laws governing wages and working conditions. Union leaders find it difficult to organize in areas saturated with wetbacks. A nationally reported example is the stubborn resistance Cesar Chavez's United Farm Workers Organizing Committee has encountered in its efforts to sign contracts with the California table grape growers. Strikes are not a compelling argument with employers who can rely on Mexican nationals, and the union has been forced to organize a nation-wide consumer boycott of table grapes to achieve its purpose.

Displacement of local workers by wetbacks is no longer a predominantly rural problem, since illegal entrants increasingly gravitate to more permanent jobs in the cities. From 1,500 to 3,000 of them are caught each month in the Los Angeles metropolitan area. Recently, the Border Patrol uncovered a smuggling operation which specialized in supplying wetbacks for industrial jobs in Chicago.

Despite the seemingly impressive figures on apprehensions, the wetback problem is not being brought under control. The program is hampered from the start by a shortage of manpower and equipment. As one patrolman in the Stockton, Calif., area put it: "We stake out Route 99 and the smugglers hear of it and take another road. There aren't enough of us to cover all the main highways all the time." On any given day, approximately 300 officers are on duty in the five Southwestern states.

A more basic problem than the size of the Border Patrol is the ease of entry afforded by the visitor's card and the absence of administrative controls on its use. The zone of travel permitted by these cards (with no record kept of entry and departure) was recently reduced from 150 to 25 miles from the border and that is making it easier to tag violators en route to the big cities. Since the reduction, systematic road checks on approaches to Los Angeles have turned up hundreds of aliens with no residency documents.

However, Border Patrol officials complain privately of the Justice Department's failure to require fingerprints as part of the permit procedure. Lacking that identification, it is almost impossible to spot previous violators when they reappear at the border, and wetbacks who have been returned to Mexico reenter again and again, visitor's permit in hand. Also, since no record is kept as to when a seventy-two-hour visit begins, a Mexican who has eluded detection for weeks or months can depart unquestioned.

The very volume of violators has dictated an informal handling of those caught, and this also fails to discourage the increasing traffic. Illegal entry is a crime for which the violator may be prosecuted in the federal courts and formally deported by the INS. Re-entry after such a deportation is a felony. But resort to these remedies is infrequent. The present policy is to allow the illegal entrant to leave voluntarily within three days of apprehension. Often he is permitted to get to the border on his own. Or he may be taken to a detention center in El Paso, Tex., or El Centro, Calif., to await bus transportation to the interior of Mexico at U.S. Government expense. Not only does the wetback get a free trip home but back wages are collected for him by Border Patrolmen. Voluntary return is likened by an INS administrator to a "game warden who discovers a hunter without a license and helps him carry the deer he's killed out of the park." Multiple returnees are seldom prosecuted and are formally deported only after the fourth, fifth or sixth entry, unless they are caught assisting other wetbacks to cross the border. A formal deportation procedure takes no more than fifteen minutes, and does not require the services of an attorney, but the INS claims that there are insufficent hearing officers to handle all the possible cases and that in any case deportation wouldn't stop the alien from trying again. Authorities do not even officially notify a grower when illegal entrants are found on his land.

United States attorneys and judges regard illegal entry as an economic crime of low priority and most Americans sympathize with the wetback, who is after all a very poor man trying to get ahead. Few jurists or juries appreciate the relationship between illegal entry and the plight of the domestic poor. Federal prosecutors have little time even for wetback smugglers, accepting only aggravated cases for prosecution. Despite the high apprehension rate in Northern California—3,500 in August 1968—there has been almost no prosecution of smugglers or transporters. Officials suggest that strict enforcement, involving due process for each alien, would choke court dockets, overburden U.S. attorneys and tie up patrolmen as witnesses. The more pessimistic add that extensive prosecution would ultimately fill the prisons to capacity—a line of reasoning not applied to marijuana cases. INS investigators are hampered by the taciturnity of wetbacks, who refuse to say how they entered the country or who helped them to do so. Aware that failure to cooperate will not land him in jail, the alien has no inducement to reveal what he knows of the smuggling operation.

Recent lawsuits brought in California by domestic farm workers against growers using wetbacks allege that such employment is an unfair business practice calculated to lower their wages, diminish their employment opportunity and force them to seek public assistance at the taxpayers' expense. While employment of illegal entrants is exempt from the legal sanctions against harboring wetbacks, farm workers charge that growers are nevertheless criminally implicated, since offering wetbacks, employment and shelter from detection is aiding and abetting in the crime of illegal entry. This resort to self-help law enforcement by the poor is a reflection on the failure of the Justice Department to perform its dtuies.

The ambivalence of the INS in the area of illegal entry is striking. The search for violators is persistent but ineffectual, and it seems clear that more could be done. The service operates on a budget of $86,450,000, more than half of which is committed to the four states bordering Mexico. Detention and transportation of apprehended illegal entrants, alone costs $1.6 million, yet no funds can be found to hire more hearing officers and increase the number of formal deportations. Nor is there money to increase the Border Patrol and investigation staff, despite increased illegal entry and the much heavier work load demonstrated by the higher apprehension rates.

An obvious need is the fingerprint identification of seventy-two-hour permit holders. INS officials argue that it would be impractical to match the fingerprints of apprehended wetbacks against those of 1 million cardholders. Yet the need to check at most 500 fingerprints a day, the obstensible average number of wetbacks caught in the peak months, is small compared to the FBI's work load of 32,000 identifications a day from a file of 15 million sets of prints.

The replacement of cards at four-month intervals would make it easier to revoke the cards of violators. A requirement that holders of the unlimited entry permit post a bond to secure observance of the terms of entry, a device authorized in related immigration laws, could be an effective deterrent. Other steps could be taken to provide more effective enforcement. A recent act which authorizes a federal magistrate to handle petty crimes could undoubtedly speed the prosecution of numerous smuggling offenses as misdemeanors. Formal deportation following the second illegal entry within two years, the power to assess administrative fines in lieu of prosecution (thereby attaching a portion of the wages earned), and even the right to confiscate the vehicle used in the transportation of illegal aliens, as is done in narcotics smuggling, would also discourage the border hoppers.

Important remedial legislation is before House and Senate. A bill to prohibit the intentional employment of a person illegally in the United States was introduced on March 26, 1969 by Sen. Edward Kennedy and Rep. Michael Feighan. The measure is co-sponsored by nine Senators and twenty-three Representatives. But even if passed, it will not result in many prosecutions, since the present difficulties of proving smuggling will be compounded when the federal attorney must submit his case to a jury. However, the abrogation of the employment exemption, combined with occasional well-publicized prosecutions and stiff fines, should cure many employers of hiring wetbacks at bargain rates. Similarly, a bill introduced by Senator Mondale would amend the National Labor Relations Act to make it an unfair labor practice to employ aliens unlawfully present in the country, or to hire nonresident commuter aliens during a labor dispute. Any of these measures, applied for several years, would provide increasingly effective deterrence to illegal entry.

Even so, the problem of the wetback will remain as long as the Mexican-American border is open, the border economies remain interdependent, and American earnings are five to ten times the Mexican wage. But in our increasingly technological society, with its chronic unemployment among the low-income unskilled and semi-skilled workers, it is a problem which cannot be ignored. The continued use of nonresident Mexican labor in border areas, a concession to the artificiality of the border, should be coupled with affirmative enforcement of wage standards and labor laws to provide domestic workers with earnings commensurate with living costs, at least equal access to jobs, and the freedom to bargain collectively.

Moreover, urban and rural areas distant from the border have no interdependence with the Mexican population and economy. Lack of enforcement in such places, except for the futile apprehension-return cycle, is really a subsidy to certain industries and subverts the Administration's policy to "move people off the welfare rolls and onto the payrolls."

Despite the good record of the Border Patrol, administrative deficiencies in coping with the inflow of illegal entrants cannot be explained entirely by a lack of imagination or a lack of funds. It is not pure fantasy to conclude that the policy of the Justice Department on illegal entry is to do just enough to avoid wholesale criticism, without arousing the serious anger of anti-union employers who favor an abundance of cheap labor.

THE PRESIDENT'S THREATENED VETO OF THE HEW APPROPRIATION BILL

Mr. METCALF. Mr. President, the old saying, "I didn't know whether to laugh or cry" probably best describes my reaction when I heard President Nixon's threat to veto the HEW-Labor-OEO appropriations bill.

The ludicrous aspect of the announcement—making known his decision to veto a bill before its contents were known, before the amounts to be included had been resolved—somehow appealed to my sense of humor. But then the tragic element of the President's threat came to mind. Inflation is to be fought at the expense of people—the poor, the old, and the sick. Apparently, we were being told, we are expected to fight inflation by cutting back on education of our children, on our libraries, on health research, on support of public health services in our States and communities.

I want to make known right now my complete disagreement with any such premise. I want to make known too my alarm over the fact that the President has singled out this appropriations bill which by all odds most directly affects the lives of the American people and, to my mind, he has placed programs important to our Nation's most precious asset quite clearly in jeopardy.

I do not believe the President has a copyright on concern over the danger of inflation. Further, I believe that Congress has acted responsibly in dealing with appropriations bills. There is no question in my mind that a part of the reason for reducing the appropriations for the Department of Defense $5 billion below the President's budget recommendation was a concern over inflation. But a $1 or even

$2 billion increase over the President's request for services to people still amounts to an overall reduction from the President's own recommendations. Is Congress to have only the prerogative of cutting appropriations? I realize that our budget is the cumulative total of the several departments and agencies but what is this apparent sanctity of an artificial vertical budgetary arrangement whereby the sole consideration is, "How much did this Department get last year, and how much will we allow this year?" Cannot Congress decide to expend less on one area and more on people?

My review of what has happened this year on the HEW appropriations lends credence to, at best, a myopic view of the budget process and at worst, a callous attitude toward the needs of our citizens. It would appear that a decision was made by President Nixon to hold the 1970 HEW budget to the 1969 level. This raised an immediate problem because an additional $1 billion over 1969 was required for mandatory increases in the social and rehabilitation services, primarily for AFDC and the title 19, or medicaid program and Social Security Administration. So the decision was made to slash the Office of Education programs by $1.3 billion below the 1969 levels of funding. Our colleagues on the House side voted overwhelmingly to refute this decision. If there was any word from 1600 Pennsylvania Avenue about a veto at this juncture, I failed to hear it.

The Senate Appropriations Subcommittee then went to work and after many days of hearings and through the efforts especially of the distinguished chairman, the Senator from Washington (Mr. Magnuson), and the Senator from New Hampshire (Mr. Cotton), a number of modest increases were recommended to the Senate. Senators are familiar with these actions and voted to approve them. They included added funds for air pollution control, mental health, migrant farmworkers, heart disease-cancer-stroke control, the National Institutes of Health, elementary and secondary education, and others. But additionally, right here on the Senate floor we decided that additional increases were needed. These actions were marked by the same nonpartisan approach which has been the case whenever this body dealt with health, education and welfare programs, at least since I have been a member of the Senate. The first amendment, increasing funds for air pollution control, was, as I heard the discussion, really a joint proposal of the Senator from West Virginia (Mr. Byrd) and the Senator from Delaware (Mr. Boggs). Indicative of support from Senators of the President's own party were those voiced by Senators Cotton, Cook, Murphy, and Percy.

Next came the addition of funds for the OEO. On this amendment a rollcall occurred and, according to my count, 27 Members who are of the President's political persuasion joined with 33 Democrats to provide the almost 2 to 1 purality.

The next amendment, to provide more funds for rubella vaccine, was offered by the Senator from Indiana (Mr. Hartke). There followed the amendment by the Senator from California (Mr. Murphy) on manpower development and training. Next an amendment by the Senator from Texas (Mr. Yarborough) for added funds for schools of public health. The final money amendment was proposed by Senator Allott on education funds for impacted schools. I have taken the time of the Senate for this capsule recitation simply to point out that, to my mind at least, the Senate views appropriations for health, education, and welfare needs of our citizen as a concern which transcends partisan politics and which should not be sacrificed upon some imaginary altar of fiscal responsibility. I say again—the fight against inflation is not the responsibility of the poor, the sick, and the aged; and because of the bipartisan support which is indicated, I believe there will be support adequate to override that threatened veto.

MOTION PICTURE CLASSIFICATION SYSTEM

Mr. McCLELLAN. Mr. President, on September 22 I initially addressed the Senate concerning current trends in the motion picture industry, and the possibility of television showing films which have been classified as not suitable for a general audience. I indicated at that time that I was sending a questionnaire to the networks, all commercial television stations and the leading film producers and distributors inquiring as to their policy on the subjects discussed in my speech. In my remarks of November 21, I discussed the replies which I have received from the broadcasters.

I wish to commend Dean Burch, Chairman of the Federal Communications Commission, for the interest which he has manifested in this important question of public policy. He has directed a study by the Commission staff and the public comments that he has made indicate that he is fully conscious of the Commission's responsibility. I am also pleased that the distinguished senior Senator from Rhode Island (Mr. Pastore), chairman of the Subcommittee on Communications, is also pursuing this matter in his typically courageous and vigorous manner.

I have now received responses to my questionnaire from most of the leading film producers. Without exception these responses are most unsatisfactory. Not a single company has a policy against offering for sale to television those movies which have the classification of "X" or "R." As members are aware, "X" movies are those which by the standards of the Motion Picture Association's Code and Rating Administration are not suitable for minors. "R" movies are those which have been classified, because of theme, content, or treatment, as not appropriate for viewing by persons under 16 unless accompanied by an adult.

The uniform response of the film producers has been that it would not be desirable for them to restrict the films which are offered for sale to television, and that it is the responsibility of the broadcasters to determine whether a particular film is suitable.

In discussion of this issue, reference is repeatedly made to the possibility that certain cuts may be made in these movies to make them suitable for television. The standard answer that is given to those who object to certain scenes in a movie is that they are essential to the overall treatment of the film. If this is so, how can a film producer justify offering a film for sale to television with the prospect that significant cuts will be made. If the sequences eliminated are not crucial to the film, then we must conclude that they were initially included solely for purposes of commercial exploitation.

Following my original speech I received considerable mail and other expressions of interest urging me to pursue the entire subject of the film classification system.

Many Americans have raised their voices against the moral tone of much of the film industry. The industry has justified the permissive nature of many movies by contending that film classification prevents minors from viewing objectionable movies. The information currently available to me raises significant questions as to the desirability and effectiveness of the film classification system.

Mr. President, I am opposed to Government censorship. My present position is that it is far preferable for the film industry to put its own house in order. Virtually every day I observe additional indications of public concern. I noticed in the Wall Street Journal of December 10 an article discussing the reasons for an increase in Sunday shopping in Columbus, Ohio. One of the women interviewed in this article stated that she has taken to Sunday shopping instead of going to the movies because "a lot of the picture shows these days are so dirty that they are not fit to go to." In the same State, Representative Robert Taft, Jr., included in this year's questionnaire to his constituency the following question:

> Should the Federal Government attempt to impose standards of decency on the movie industry by Constitutional Amendment if necessary?

Fifty-seven percent responded in the affirmative and 37 were opposed. I understand that a public opinion survey recently taken on behalf of the film industry revealed a surprisingly substantial segment of the public favoring some form of Government regulation.

Under these circumstances, I believe it is desirable that there be a complete independent review of the film classification system. I have, therefore, decided to schedule public hearings on this question next year and have directed the staff of the Judiciary Subcommittee on Copyrights to prepare for such hearings. I anticipate that the subcommittee will hear the views of representatives of the film industry, theater operators, broadcasters, film critics, performers, clergymen, educators, parents, and others who can be of assistance in evaluating this complex subject.

The subcommittee will also wish to consider the experience of other countries that have adopted film classification systems.

XUM

CAMPUS PROTESTS

Mr. INOUYE. Mr. President, I invite the attention of the Senate to the thoughts of John McKenzie, a student from Hawaii who is presently attending the University of California at Berkeley.

I believe his ideas on campus disruptions are worthy of our attention and serious consideration.

I ask unanimous consent that the article, published in the Honolulu Advertiser on October 19, 1969, describing Mr. McKenzie's views, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Hawaii Student John McKenzie Gives Views on Campus Protests

(By Kristl Lee)

(This week's column is written by Nicki Lee's sister, Kristl, about a fellow Berkeley student, John McKenzie, who is also from Honolulu.)

McKenzie, a '65 graduate of Iolani, is a veteran leader in the Associated Students of the University of California (ASUC).

After serving as ASUC senator for two years, McKenzie is now the first ASUC academic affairs vice president (AAVP), a position created last spring and to which McKenzie was appointed.

As vice president, McKenzie will propose to the University community academic reforms, including revision of the academic calendar.

(The most important proposal will be for student representation on the Academic Senate committees.)

"Violence can be avoided in protest if students are directly included in the decision-making process," John McKenzie said during an interview at Berkeley.

"This can include sitting on Academic Senate committees to help define their education, or being on the Board that draws up campus master plans that decide whether a soccer field or park needs to be built.".

McKenzie, who has begun his graduate studies in public administration, originally planned to continue graduate work at Harvard's John F. Kennedy School of Government, but decided to remain at Berkeley and in the ASUC.

"If the AAVP job is performed well," he said, "it may mean opening up opportunities for hundreds, maybe even thousands, to directly participate in the decision-making processes of the university. I had to stay to help do that."

He has already proposed student-faculty forums as a means of understanding in depth. * * *

"We are trying to change the nature of confrontation on this campus," he said, "from physical to oral, and thus, make the confrontation between the administration, faculty and students more creative."

"I am concerned about confrontation, but I believe the social frustrations and difficulties are the real issues.

"Reduce the inconsistencies and conflicts of logic and principle which are in the way," he said, "and you will, in part, move to prevent a recurrence of violence by street radicals.

"The frustration that students felt in regard to the park issue and others like it is the inability in a centralized technological society, to have their own environment planned as they desire it."

McKenzie regretted that open confrontation appeared inevitable "in too many instances on campus, in the city and ghetto, unless something socially constructive is done."

He hopes that out of the crises and confrontations, which he feels are dangerous opportunities for change, there will emerge "constructive and creative alternatives to apparently present-day outmoded decision-making processes."

But politics is not necessarily McKenzie's total way of life.

"Politics itself," he said, "has no intrinsic interest to me. It is only significant as it becomes a way of helping oneself and others discover greater meaning and creativity heretofore undiscovered in their lives."

"Politics can be, at worst, a single self-interest game, or at best, a group effort towards social change, in the sense of its hopefully positive effect on the social environment and on the group itself."

McKenzie also feels that in the present "extremely fragmented" society, bringing people together in a constructive effort may be a major accomplishment.

McKenzie recommends that each student become involved in some student activity, project or effort "to see if there isn't some ability or dimension in each person not yet discovered.

"By becoming involved in the AAVP work," he continued, "I have come to confirm what I suspected—that among the faculty, there are a lot of great minds with great concern about student learning conditions who have previously been frustrated by conditions of bureaucratic distance."

McKenzie, who feels Hawaii students have never had a chance to study their own government, helped set up and teach a course on Hawaii's problems.

The course was based on the history of the different ethnic groups in Hawaii as related to today's culture and future.

McKenzie said "the course was a success because we got people together, and the way people dropped in and out of the course, made it an interesting innovation.

"Concerning Hawaii, I fear it is losing its own personality, losing much and gaining very little in the process. It's becoming more like a suburb to any of a number of Mainland cities."

McKenzie said Hawaii is not undergoing a sudden change. "In fact, I discovered that Hawaii has been undergoing major changes since 1790. Every generation seems to be alienated by changes and the recent changes have been an extreme process."

Though disappointed in some of today's changes, McKenzie still feels strongly committed to the islands. "If I decide to return, I want to come back with a definite commitment to the State."

McKenzie would like to study the relationship of youth and ethnic groups to government, and also attend law school.

"I want to help youth avoid the difficulties of growing up," the political science major said. "Youth has become a time of crisis today, with the war and drugs problem. I hope to help youth groups discover themselves, to recreate and to redefine who they are, I want to create opportunities."

McKenzie has already begun to create opportunities for students at Berkeley, by striving for patient and peaceful settlement of student-administration differences. All that is needed now is a time.

AMERICANS FOR BIAFRAN RELIEF

Mr. KENNEDY. Mr. President, recent efforts by Ethiopian Emperor Haile Selassie to bring about negotiations between the parties to the Nigerian civil war have apparently collapsed, and so the conflict continues and so does the suffering and death of the innocent.

At least 1,500,000 persons have died of starvation and disease since the beginning of the war, and the death rate in Biafra alone reportedly continues at a well over 1,000 persons a day—mainly women and children.

The principal lifeline of those who survive is the airlift of food and medicine operated by Joint Church Aid—JCA—from the nearby island of Sao Tome. JCA is a consortium of religious agencies, including Catholic Relief Services of the U.S. Catholic Conference, Church World Service of the National Council of Churches, and the American Jewish Committee. Each night, under hazardous conditions, the airlift of four planes makes repeated landings at the Uli airstrip in Biafra. The planes are supplied by our Government and so is most of the food.

The tremendous cost of operating the airlift, however, is carried in large measure by the voluntary agencies.

Last spring, a number of concerned citizens got together and formed Americans for Biafran Relief—ABR—to encourage support for the airlift among all Americans.

ABR has done a magnificent job, Mr. President, and, more importantly, our citizens have responded with deep compassion for their fellow man in need. Given the pace of the conflict in Nigeria-Biafra, there is little doubt that the airlift will be needed for some time into the future. It is hoped that public support for ABR efforts will continue, so that all the work accomplished thus far in helping to relieve a very great human tragedy will not be lost. All those involved, especially the dedicated people in the field, deserve high tribute from all of us.

Mr. President, because of the broad public and congressional interest in the human tragedy produced by the Nigerian civil war, I ask unanimous consent to have printed in the Record, a recent press release of ABR, a list of its directors and sponsors, and several recent newspaper articles on the current situation in Biafra.

There being no objection, the items were ordered to be printed in the Record, as follows:

Americans for Biafran Relief Open "Children's Airlift" Emergency Drive

New York, November 25.—Cliff Robertson, actor and vice president of Americans for Biafran Relief, today announced an emergency "Children's Airlift" drive—to save two million Biafran children from immediate starvation.

Robertson, with Roosevelt Grier (actor and former professional football player), John D. Rockefeller, IV (Secretary of State, West Virginia), and Jack Yogman (Executive vice president, Joseph E. Seagram & Sons) will head the drive run by Americans for Biafran Relief. The funds raised—$9 million—will go to Joint Church Aid, an interfaith religious group which operates the flights to Biafra. The nine million dollars is for a period of six months.

At a press conference held at the Overseas Press Club in New York City, Robertson also presented a check for $25,000 from Americans for Biafran Relief to Bishop Edward E. Swanstrom, executive director, Joint Church Aid, U.S.A.

Robertson pointed out that the $25,000 would provide food for 100,000 children for

20 days, at a minimum daily ration of two ounces of high-protein food per child.

"This action," Robertson said, "is just enough to keep these children alive, just enough to sustain life for these small bodies."

In accepting the Check, Bishop Swanstrom said, "Thank God for people like yourself who are trying to keep this cause before the American people."

According to current statistics, over a million Biafran children have already died; the two million left face imminent death by starvation if they are not reached.

Mrs. Candice Jordan, president of Americans for Biafran Relief, noted that "The beginning of this campaign is something symbolic, coming two days before Thanksgiving . . . when Americans eat and eat and eat and mothers will tell their children to finish everything on their plates."

Mrs. Jordan added: "The campaign is an affirmation of the sanctity of the life of the child, an affirmation of life over death . . . that children should not die because of the political quarrels of their elders."

Joint Church Aid is a consortium of religious groups from Europe and North America who fly nightly from the island of Sao Tome. Its American members are the American Jewish Committee, Catholic Relief Services and Church World Service. Until last June, both JCA and the International Red Cross were flying food and medicine in, but on June 5, a Nigerian MIG shot down one of the Red Cross aircraft and the Red Cross has not resumed flights.

Cost of the airlift, as outlined by Joint Church Aid, is $4,000 per flight for each of the C–97 Stratofreighters used, or some $50,000 per night. This does not include the cost of food or medicine. Each C–97 carries 16 tons of these supplies, enough for 256,000 children for one day. "But," Mrs. Jordan noted, "these children who were fed yesterday, must be fed today and again tomorrow."

It was noted at the session that the United States government is cooperating. It has made the C–97s available at scrap prices—about $4,000 each, and is also providing large quantities of CSM, a high protein corn/soya/milk food.

Joint Church Aid now has 16 planes in its fleet, flying under extremely hazardous conditions. Earlier this month, JCA lost a Norwegian aircraft when it was bombed on the runway in Biafra. To date, 25 crewmen have died while flying for the airlift.

To aid in the emergency drive, Rabbi Charles Mintz of the Union of American Hebrew Congregations announced that his organization will co-sponsor a series of benefits with Americans for Biafran relief. The UAHC will organize a number of premieres—across the United States—of Dave Brubeck's new cantata, "The Gates of Justice."

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[From the New York Times, Dec. 21, 1969]

Biafran Children Pursue Their Education Amid Nigerian Air Raids

Lisbon, December 20.—An Irish missionary who has been a leader in the Biafra relief movement returned from the war zone last Monday and reported that day-to-day life was growing more routine there.

The missionary, the Rev. Dermot Doran, said for example, that schoolchildren were studying hard for exams although bombing raids by Nigerian aircraft have been intensified.

The open-air schools, often nothing more than the shade of a palm tree, are functioning for the first time in two years, Father Doran reported.

"The Biafrans have adjusted themselves to suffering and are trying to make the best of it," the priest said in an interview after a month-long mission in Biafra for Joint Church Aid. This Biafran relief organization is made up of Catholic Relief Service, Church World Service and the American Jewish Committee.

375,000 BACK IN SCHOOL

Some 375,000 children—many of them recovering from kwashiorkor, the protein-deficiency disease—went back to school two months ago, said the priest, a member of the Roman Catholic order of the Holy Ghost. The schools consist of a group of stools beside a trench because all school buildings have been bombed out or turned over to refugees.

"The kids work hard over their slates until their alert ears pick up the sound of a Nigerian bomber," Father Doran said. "Then they cry out 'Jet! Jet!' and dive into the trenches to wait until the raid is over."

The Biafrans are now better organized and so are the relief workers, according to the priest. However, they are still totally dependent on the relief airlift, he said.

The Biafran airlift was started by the Holy Ghost fathers two years ago. Twenty-seven men have lost their lives and 16 aircraft have been destroyed in the effort to assure Biafra's lifeline. Only Tuesday, a Canadian Superconstellation was blown up during unloading in Biafra. There were no casualties and the relief flights have continued as before.

The airlift, based on the Portuguese island of São Tomé, is working better than ever now, Father Morgan said, despite increased Nigerian bombing of Uli Airport. Joint Church Aid has been getting an average of 20 flights a night, with 320 tons of supplies, into the blockaded territory. Sometimes there are as many as 28 flights a night, he said.

The backbone of the airlift, according to Father Doran, is three C–97 Stratofreighters, provided by the United States Government, which can carry 16 tons of supplies on each flight and make at least two trips nightly. A fourth C–97 rotates with the others for overhauling, which is done at Tel Aviv. The American air crews and the Irish and Biafran ground crews have developed a system whereby they can unload the supplies on the unlit Uli airstrip in four and a half minutes, he said.

Father Doran criticized British suggestions for the creation of a helicopter relief run into Biafra. "What we need are three more C–97 cargo planes, which would be much better than a fleet of helicopters," he said. "With seven C–97's we could take into Biafra its minimum needs of 500 tons a day to keep the population from starving.

According to medical personnel in Biafra, the death rate has gone down, the kwashiorkor is less evident and epidemics have been avoided, thanks to the relief program. But there has been a general slow deterioration in the health of the population as the war drags on.

THERE'S LESS FOR EVERYONE

"There has been a gradual rot; as time goes on there's less for everyone," Father Doran said. "You know things are bad when the élite, the lawyers and doctors, who were able to pay extravagant prices for yams and cassava at the beginning of the year, now can't get food for their children."

Dr. Aron Ifekinigwe, chief pediatrician of the university hospital at Emekuku, told Father Doran that many people were very weak.

"Now with the harmattan [the cool parching wind from the Sahara] children are dying from common colds," Dr. Ifekinigwe declared.

On the whole, however, Biafran children are getting better care than they did a year ago. More than 4,500 children have been evacuated to São Tomé, Gabon and the Ivory Coast for medical care. At the same time, there are two new children's hospitals: one opened by the French Red Cross six months ago for 1,000 of the worst kwashiorkor cases and another for 500 children, opened last week by Caritas. The Children are given six weeks of intensive care, then taken to rehabilitation centers for three more weeks. After that, most are ready to go home.

[From the Washington (D.C.) Post, Dec. 21, 1969]

Biafran Airstrip Is Africa's Busiest: Nights Are Filled With Terror

(By Jim Hoagland)

Dar Es Salaam, December 20.—As Wednesday night's Nigerian air raid on Biafra's Uli Airstrip so grimly demonstrated, it is the Biafran relief workers who load and unload relief planes who face the most danger in the deadly bombing attacks.

Five Biafran workers died on the Wednesday night bombing that also destroyed a Canair relief plane.

It is not remarkable that the members of flight crew, who earn their $150 a night by flying to an unmarked, unlit airstrip in all kinds of weather, escaped unhurt. The crews wisely clear away from the planes while they sit on the Uli Airstrip.

THE "INTRUDER"

But the several hundred men and youths who transfer the relief supplies from the aircraft to a convoy of rattling old trucks are on the airstrip for hours night after night, as Nigeria's converted DC–4 that has been nicknamed "The intruder" drones overhead.

One starry night late last month two dozen relief workers unloaded 7 tons of gasoline in tin drums from a plane that had just flown in from Gabon. (The gasoline was apparently intended for relief agency vehicles.)

There had been no sign of the Intruder that night, but using flashlights, the relief workers quickly guided three visiting journalists off the plane and told them to get away from the area. Then, singing a work song, they trundled the heavy drums onto the trucks by hand.

Uli, which is actually little more than a widened road, is said to be Africa's busiest nighttime airport. It is certainly the most exciting.

On a good night, 18 flights take off from the small island of Sao Tome, 400 miles away, and two from Gabon.

When they reach the Nigerian coast, the planes douse all lights and fly on in darkness that is broken only by the distant flicker of village campfires far below.

There is a tiny beacon near Uli that they home in on, often circling for hours while waiting for the frequent fog patches to clear, other planes to be unloaded, or, if they know he is in the vicinity, for the Intruder to run low on fuel and head home.

LITTLE RADIO CONTACT

The pilots maintain little radio contact with Uli. If the fog is heavy, they may ask the men on the ground to give them a visibility reading, which is often useless because the only way ground control can determine visibility is by shining a flashlight as far as possible toward the clouds.

When he is ready to land, the pilot sends a coded radio signal that lets the occasionally overanxious antiaircraft gunners know he is one of theirs and not a Nigerian attacker.

As the plane glides toward blackness, ground control switches on the flood lights around the runway for a few seconds, the pilot sets his final course and the lights go out again.

During taxiing to an unloading berth, the lights flare again and another Constellation roars off the runnway, sparks from its engines showering the black sky.

On hand to watch over the unloading is at least one of the Catholic priests of World Council of Churches officials who distribute relief inside Biafra. They, like the Biafran workers, spend hours on the airstrip. Some of them even come down on their nights off to watch the planes, a display of needless risk-taking that unnerves a visitor.

WITHOUT LIGHTS

These risks can be very real, as the visitor discovers on his way out of Uli. It is a night when the Intruder is there to see you off.

You are driven in a station wagon without lights along an approach route that is littered with jagged tree trunks, put in the road and on the airstrip itself in the day to prevent Nigerian planes from landing there.

Suddenly a blinding flash creases the night as a small bomb explodes in the air between the car and the airstrip. Immediately there is the deceptively soft glow of antiaircraft tracer bullets floating up after the Intruder and then silence as the wait for the Intruder to go away begins.

Endless minutes later, it is decided that the Intruder is not directly overhead, and loading resumes.

As it is nearly completed, you are given a hearty handshake, a flashlight and are told to run for the plane. The run is less than a hundred yards, but takes a short lifetime. At the base of the plane's metal ladder stands an Irish priest, an incongruous smile on his face. "Welcome to Air Biafra," the priest says. "And God bless you."

As the plane creeps off the runway and wheels to the right, the lights go off again and Biafra sinks back into darkness.

TERROR LIVES ON

The terror does not stop. It lives on inside you for sometime. Perhaps John Lennon had a point when he said this week that he and Mrs. Lennon had passed up a Biafra trip because they did not want to become "dead saints."

The five Biafrans who died the day Lennon said that did not have that choice. But whether they become national saints is likely not to depend on what they have done so much as which side wins this civil war.

[From the Washington (D.C.) Evening Star, Dec. 9, 1969]

Biafra Becomes A Nightmare

(By Michael Goldsmith)

Umuoye Etche, Biafra.—At the wheel of her Land Rover, Sister Gertrude of the Holy Rosary Order drove 20 ailing children away from the sick bay here so they could be flown to the neighboring country of Gabon for treatment that may save their lives.

Umuoye Etche is the only place for medical treatment in a huge bush area containing some 136,000 refugees from the Nigeria-Biafra civil war.

Crowded together in windowless huts are 290 of the worst cases of sickness and starvation from the surrounding refugee camps.

A doctor visits the patients once a week but generally can do little to help.

TOO SICK

Many are too sick to survive the rough two-hour trip to the nearest hospital in Owerri—even if there were room to take them there.

The refugees get a meal every second day.

Patients in the sick bay eat three times a day but nearly all suffer from kwashiorkor—a protein deficiency disease, in addition to tuberculosis, hookworm or one or more tropical diseases.

Small children, bones showing under wrinkled skin, sit staring listlessly through deeply sunken eyes. Their skeleton-like mothers crowd around an iron pot filled with garri—the staple food made from ground cassava root—holding out cracked plates or empty cans for their ration.

"Mothers go into the bush to have their babies," Sister Gertrude said. "We can't even guess how many of the babies die at birth."

There are both children and adults in the sick bay. Thousands more are waiting to be admitted but have to be turned away for lack of space and food.

The coughing of tuberculosis patients and screams of hungry babies ring through the smoke-filled darkness of the huts. "It's very cold in here at night so we have to let them light fires," Sister Gertrude said. "The smoke is very bad for them but we can't afford to build anything better."

LACK OF FUNDS

A teaching nun from Dublin, Sister Gertrude has had no medical or even nursing training.

"I do the best I can," she says.

Taking two hours to drive the 30 miles from Owerri, she came here to choose the 20 children to be flown to Gabon in the nightly relief plane of the French Red Cross.

Some 4,000 Biafran children are in Roman Catholic relief camps in Gabon. Thousands more probably could be saved by evacuation, but departures are limited by lack of space and funds.

Sister's batch of 20 were the first children to leave Umuoye Etche since the sick bay opened a year ago.

"The choice should really have been made by a doctor," Sister Gertrude said. "It's useless taking those too far gone to have any chance at all. I have to try to pick out those among the worst cases who have a reasonable chance of survival."

A few hours after she drew up her first list of 20 children, seven of them had disappeared into the bush with their mothers—perhaps to die.

"They would rather keep their children than save them," Sister Gertrude said.

"So I had to pick seven others to take their places. And all morning long, while we were preparing to leave, there were mothers trying to hold them back."

[From the Washington (D.C.) Post, Dec. 7, 1969]

Biafra Situation Is Not Hopeless One

(By Henry Owen)

Few Americans probably read a short news item last week announcing that an emergency drive was being launched to raise private U.S. funds for starving children in Biafra; the main headlines that day were about Songmy. But even more lives are at stake in Biafra than Vietnam. As many as two million Biafran children will live, or die, or grow up stunted in mind or body, depending on what is done in the months ahead.

There is a widespread view in this country that the situation is beyond repair. This is dead wrong. It rests on three misconceptions:

Misconception No. 1 is that the only answer to Biafran starvation is ending the war. The fact is that food relief is highly effective. It has already saved the lives of as many as two million Biafrans, mostly children.

Misconception No. 2 is that relief hinges on opening a surface corridor between blockaded Biafra and the outside world. This would be the best answer, and negotiations to this end are important. But massive relief can pass, and has passed, through the existing air corridor. Earlier this year there were as many as 40 cargo flights per night and this largely met food needs. Now there is about half that number of daily flights; but this is still saving the lives of most children in the vulnerable age group. Clearly, air relief works.

Misconception No. 3 is that there is a "right" side and a "wrong" side in the dispute between Biafra and Nigeria over relief, and that this should somehow condition our approach to the problem.

Nigeria is doing what comes naturally to any government, including our own a century ago: using force to put down secession. It is using a time-honored method—blockade—to this end, and is no more anxious than the Union was in the Civil War to weaken that blockade by letting civilian supplies through. Biafra, on the other hand, believes that it is reliving the American Revolution—trying to create a new nation. Facing a militarily hopeless situation, its leaders are not above using the plight of children to dramatize their case to the world.

Our business is not to judge these two governments, but to prevent them from destroying a whole generation of Biafran children. The lives of these children rest largely on a small fleet of airplanes, which fly into Biafra every night from the nearby Portuguese island of Sao Tomé. Twenty-five crew members have lost their lives so far in these flights. Although they are mounted by Joint Church Aid International, an ecumenical organization which draws on several countries for crews and funds, the lion's share comes from the United States.

It will cost about $9 million to keep these

XUM

flights going another six months. Perhaps by then the war will be over. Translating this $9 million into children's lives is difficult, because reliable data are scarce, but it seems to work out at a little over $10 per child; relief agencies estimate that 1,000 children are dying daily now and that this would increase to about 5,000 if the flights were to stop.

Most of the costs of Joint Church Aid are met, directly or indirectly, by the U.S. Government. But some private funds must be raised. Earlier this year, Biafran relief was "in" and that money was easy to raise. Now people seem to be bored with the whole thing, and it is hard to come by.

Few Americans would pass a child on the verge of death and not fork up a few dollars to save him. But it's hard to picture that child without seeing him, and it's harder still to send the money to an anonymous New York Post Office box number (Box 4030, Church Street Station, New York City, in case you're interested) than to hand it over in person. But this is what the whole thing hinges on.

The need is not only to keep the flights going, but to expand them—in order to save the children who are still dying. The obstacle here is a shortage of bases outside Biafra from which to mount these flights. Joint Church Aid is using its existing base to capacity. Before June, the International Committee of the Red Cross was mounting as many as 20 flights nightly from other bases. When one of its planes made the mistake of flying at dusk and was shot down by the Nigerian air force, Red Cross officials suspended flying until an agreement for daytime flights could be worked out with Nigeria and Biafra. This was a tragic—if understandable—miscalculation. That agreement was never reached.

Even if the Red Cross should decide to resume night flights, it would probably find the countries from which it formerly flew reluctant to permit new flights—for fear of offending Nigeria. Ditto for other nearby countries which might otherwise provide new bases. Perhaps vigorous efforts at persuasion by the United States and other interested countries would do some good. More distant African bases may be available, but it would only be economical to use them for high value cargo—protein, vitamins, etc.—in view of the large fuel requirement. The idea of stationing a carrier off the coast has come to nothing. Apparently no country (not even Great Britain or France) believes that it can spare one from urgent operational needs; or perhaps they are deterred by the possibility of Nigerian attack.

So the problem—whether we are talking about keeping up existing flights or expanding them—boils down to one simple question: How seriously do people outside Biafra take the whole business? It has receded from the headlines, but children are still dying. In the wake of Songmy, our response to their need may tell a good deal about what kind of country America really is.

[From the Washington (D.C.) Post, Nov. 14, 1969]

HOW MANY CHILDREN DYING IN BIAFRA? NO ONE CAN SAY

(By Jim Hoagland)

OWERRI, BIAFRA.—Drifting out of the morning mists that rise in the palm tree forests, the naked and ragged children of Biafra fill the roads and walk to the relief feeding centers.

Some carry pails, hoping to bring back a little stockfish soup that they get three times a week. Others carry their brother or sister, too weak to walk, on their backs.

Since June 5, they have found less stockfish at the feeding centers. Since March, they have found less food growing in the fields, because of Biafran losses of territory. In the meantime, they have begun to die again in large numbers.

"How can I tell you how many children are dying a day?" Dr. Aaron Ifekwunigwe, Biafra's leading child specialist, asked with exasperation. "Pick any number you like and I'll say it. The point is they are dying."

He spoke after walking through the grim last hope ward at the Santana Hospital, which houses 600 children suffering from kwashiokor, the killing protein deficiency disease.

Nine children died last night, a young French nurse told the Biafran doctor. The usual death rate at the hospital over the past few months had been three a night.

Dr. Ifekwunigwe and dozens of relief workers interviewed here report a new pattern of death is emerging in the tiny, land-poor African enclave which has been blockaded by Nigeria for 28 months.

The problem now is not so much kwashiokor as marasmus—in layman's terms, plain starvation, said Dr. Ifekwunigwe. "We're getting in a little more protein than at the worst times of 1968, but we don't have the carbohydrates available we had then. We don't have as much land to farm."

Marasmus is a slower death than kwashiokor. It is less sensational for photographs. But it is just as sure.

Nine days of traveling through the Biafran enclave found only isolated pockets of large numbers of children with distended stomachs, pinkish red hair and bloated hands and feet dangling from matchstick limbs—the classic signs of kwashiokor.

Pictures of such children brought Biafra to the world's attention in September and October, 1968, when thousands of them were dying each day along the roadside.

Despite threats from Nigeria, which is locked in a civil war with Biafra, the International Committee of the Red Cross and religious bodies grouped as Joint Church Aid, flew in emergency relief supplies and brought kwashiokor fairly well under control by late spring.

But on June 5 the Nigerians shot down a Red Cross relief plane. The Red Cross which had supplied about 60 per cent of relief, suspended its flights and has not resumed them.

This partial relief stoppage brought predictions from many experts outside Biafra that the death rate of children would immediately shoot up again to the 1968 level.

This has not happened—yet. But many here view the next two months as the crisis period.

The church groups, which have continued to defy Nigeria, have been able to step up relief flights in the past two months and have filled some of the gap left by the Red Cross.

They are now making between 15 and 20 flights a night when Nigeria bombing of the airstrip at Uli is not intense.

But it is not nearly enough, says Father Angus Fraser, a Catholic priest who supervises one of the 47 relief camps around Etche. There are 97,000 persons in the camps.

They, like most of the estimated 2 million other refugees in camps scattered around Biafra, receive three relief meals a week.

A relief meal averages out for each person at about an ounce of stockfish (a high protein dried fish from Iceland) mixed into a cornmeal mush reinforced with vitamins.

These are the lucky ones, says Father Fraser. Across the Otimiri River from Etche are 40,000 refugees who are in even more seriout trouble. Relief supplies must be ferried by canoe to them and then head-carried seven miles through the jungle.

The priest estimates that the situation in Etche, which is 30 miles southeast of Owerri, is much like that at other refugee camps—more deaths in the past few months, but not as many as in late spring.

Kwashiorkor is rampant in Etche, which has provided many of the 4,000 Biafran children who have been flown to Gabon for special treatment.

Weeping mothers crowd around Father Fraser, holding up children that are little more than skeletons, begging him to send them to the Gabon hospital. He can only take a handful of the worst cases. Then the mothers weep even more at the thought of being separated from their children. One night recently after he had selected 20 children seven of them disappeared, taken back by their mothers.

Another 4 to 6 million people are estimated to be jammed into the Biafran enclave with the 2 million refugees. At least 3 million of them have been dependent on the hundreds of feeding centers set up separately by Caritas, the World Council of Churches and the Red Cross.

Before the June stoppage, the Red Cross operated 904 feeding centers with 500 persons getting three meals a week at each.

The church groups have donated 10 per cent of the relief they fly in to keep the Red Cross centers open. It is now clear that the effort is failing and the Red Cross is on the verge of closing down its food operation.

It has pared down the number of persons being fed in each center to the 100 worst cases. Asked what happens to the other 400, ICRC representative S. E. Naucler said, "I do not know. There is nothing else we can do."

The Red Cross is in the process of handing over 200 feeding centers to the church groups to operate.

Local foodstuffs grown under the Biafran army's land plan are dwindling rapidly. Another harvest is not due until January. November and December are the danger months of the current shortage.

"We thought we had saved a whole generation of children," said one Catholic priest. "Now we are almost back where we started. It is not only the food itself, but the fact that the relief was coming in that gave people enough hope to go on living, waiting for more. Now that hope is fading, and they give up."

How many are dying of starvation, is as Dr. Ifekwunigwe pointed out, an almost unanswerable question in a wartorn society that has little time for statistics. The low estimate seems to be about 400 a day, with other current estimates being 1,000 and 2,000.

Four hundred miles away, on the flyspeck island of Sao Tome that is the jumping-off point for the relief flights, an impatient Catholic priest named Anothy Byrne paces daily inside a large warehouse where 10,000 tons of relief food is stored.

"We have the food," Father Byrne says. "We just cannot get it to them. These children know nothing about secession, economic blockade, political involvement. They only know they are starving."

[From the Washington (D.C.) Post, Nov. 16, 1969]

BIAFRAN STRUGGLE: ENDLESS NIGHTMARE

(By Jim Hoagland)

OWERRI, BIAFRA.—The whump of artillery shells exploding in morning-moist earth break the pastoral tranquillity of what is left of Biafra. By night, the crickets' chirps are silenced by the pom-pom-pom of anti-aircraft fire and the blinding flash and crack of bombs being dropped on the Uli airstrip.

After 28 months of civil war, Biafra's dream of carving out a new and cohesive African nation is ebbing into a seemingly endless nightmare of such terrifying explosions, numbing hunger and desperate hope for an improbable miracle of salvation.

XUM

That the secessionist state has survived this long is something of a miracle in itself. Outnumbered and outgunned, Biafra is sealed off from the world by encircling Nigerian troops. The Biafrans have fought Africa's first modern war with their backs to the wall.

They fight on in fear and bitterness, despite a new starvation crisis, an apparently increasing scarcity of arms and soldiers, and growing social problems.

PRESSURE TURNED UP

"The Nigerians have put us in a pressure cooker and keep turning the pressure up," Biafra's leader, Gen. Odumegwu Ojukwu, said recently, "We have to find ways to let the lid off once in a while."

The civil war that has split Nigeria, Africa's most populous nation, started in July, 1967, after Nigeria's former Eastern Region seceded and proclaimed itself the Republic of Biafra.

The war has been stalemated since last April, when the Biafrans dug in around this small road junction town of Owerri, their provisional capital, to await a Nigerian drive to end the war.

The offensive never came. Visits to the front lines of both sides recently suggest that the ground attack may not come, at least for a while.

The new Nigerian strategy, unarticulated but increasingly discernable, seems to be to starve the Biafrans out, to shatter their morale with air and artillery attacks, and to wait for them to crack.

NIGERIA'S ADVANTAGE

It is a strategy that is likely to enable the Nigerians—who have 130,000 soldiers to Biafra's 40,000 and who are much better equipped—to win, over the long haul.

Whether the strategy will net them anything but a hostile and wounded captive is a knottier question. Rancor and defiance permeate Biafra.

Outside a closed schoolhouse near the front, 100 boys and girls marched swiftly and efficiently on a recent afternoon, singing over and over "BEE-AF-ra win war!"

None of them was over seven years old. None was playful or happy about the drill. War is no game to them. The artillery shells were falling five miles away, and the sun was flashing off the wings of a Nigerian Mig circling overhead.

In an Owerri street, three teenage boys offered a visitor a pack of cigarettes for the equivalent of $12. They reluctantly admitted the cigarettes were made in Nigeria and smuggled into the Biafran enclave.

"But we will make our own," one said defiantly. "We are Biafrans. We will never again be Nigerians—never."

In a kwashiokor ward, where children who suffer from the killing protein-deficiency disease are treated, a white Catholic priest stared sadly at a nine-year-old boy. Even after a month of feeding and care, the boy weighed only 25 pounds.

"It is not easy to understand how parents can watch their children die like this, why they don't give up," the priest said. "But every one of them is convinced that the Nigerians will kill them anyway."

Joseph Okpara is, by Biafran standards, a lucky man. He is one of the handful of the enclave's people outside the government and army who has an income. But Okpara, a rest-house porter in Owerri, feels the cruel pinch of the war, too.

His $45 a month pre-war salary, on which he supported 11 children, has shrunk to $37 because of war taxes. Inflation that has skyrocketed prices by 400 to 800 per cent makes his pay almost meaningness, and Okpara has to borrow $40 a month to provide a little food for his family.

"The war is too hard," Okpara said. "We have to have peace. Living is too hard." Asked if peace was worth meeting the Nigerian demand of reunification, Okpara stiffened. "No sir. It is not possible. They come to kill us."

In short, Nigeria's recent campaign to convince the world that it is not bent on destroying the Ibo tribesmen who make up 90 per cent of Biafra's population seems to have had little effect here inside the enclave.

It was the slaughter of an estimated 30,000 Ibo tribesmen in northern Nigeria in 1966 that precipitated secession and war.

Conceived in fear and anger, united in suffering, Biafra has been rationalized by its intellectuals as the first truly African nation, one whose boundaries were not drawn by colonialists.

"We were pushed out of the old community, and had to forge a new one," says poet Michael Echerou. "The old formula having failed, we came back home to build something new."

But nine days of crisscrossing the enclave leaves the impression that, for all their spirit, the Biafran people have been able to build nothing materially as they have been bombed, shelled and slowly compressed into the Ibo heartland, an area of 3,000 to 5,000 square miles.

Deprivation inside Biafra is extreme for almost all its 4 to 6 million people, and is getting worse. Most of them have been reduced to a hand-to-mouth existence in which each day is a fruitless struggle for food.

More than half of them have been kept alive for the past year largely by relief food flown in by church groups and the International Red Cross.

The stoppage of Red Cross flights in June, after the Nigerians shot down a relief plane, has again pushed Biafra to the edge of famine, which will become more acute in the next two months.

This has disheartened relief workers and priests who have stayed inside Biafra to help. Even some of those dedicated to the Biafran cause are beginning to despair.

* * * * *

In fact, recent reports of growing demoralization among Biafrans actually appear to be reports of the demoralization of relief workers, who are among the best sources of information for visiting newsmen.

These workers are, of course, excellent weathervanes as to the mood of the people, whom they get to know well. Still, it is difficult for an outsider to penetrate to the real feelings of the closely-knit Ibos.

On the surface at least, the pressures of war appear to be pushing the Ibo society toward slow distintegration and, unless the war is ended, to a possible return to a primitive existence in the bush.

This would be an ironic fate for the Ibos, one of Africa's most advanced tribes. They were noted for their industry, quick adaptation to Western education, and a haughty pride bordering on arrogance.

All of Biafra's schools were closed when the war began. Last January some primary schools were reopened, often in jungle clearings and with no books or paper. The schoolhouses, which have been mostly occupied by the army for headquarters, are often targets for air raids.

"Our education system does not exist any more," said a Biafran. "The war starves the children's minds, too."

Much of the arrogance has gone. While it is remarkable to an outsider that there is not more begging in a starving society, the presence of children and women clustering around priests and foreigners, pleading for a crumb of food, is a danger sign to many Ibos, who detest beggars.

"Even high-level government people are coming to us now, shamefacedly and quietly asking for a little food," said one relief worker. "Things are getting desperate."

There also appears to be some inequality in the distribution of hardships. Army officers lounge in bars smoking cigarettes and drinking palm wine. The girls who accompany them often wear shiny earrings and lipstick. Of the few cars left in Biafra, most seem to belong to these officers.

Except for this, the plight of the army seems to be as desperate as that of the civilian population. Soldiers seen near the front were ill-clothed and ill-fed. Mostly, they must depend on food given to them—willingly or otherwise—by the civilians.

Col. Benedict Gbulie is the head of Aba Province, the only one of Biafra's 20 subdivisions that has a military administrator.

Gbulie, stressing that the local people willingly give food to the large number of soldiers in the area, conceded that his appointment was to help facilitate supplying the army.

Other sources report that troops sometimes raid farms to get food. It also appears that some of the relief food intended for civilians trickles into military hands.

A few soldiers were seen near the front with the distinctive stockfish supplies that the relief agencies fly in. Reliable sources indicated that these supplies probably were foraged from civilians, rather than given to the army by relief workers.

Ojukwu's recent assertions that his army is better armed and has higher morale than ever before do not seem to be borne out by observations made during this correspondent's stay in Biafra.

The army says it has dropped conscription and that villages contribute manpower through a quota system. But people in some villages report that if the quota is not met, the army comes and takes recruits—according to size, not age. In some instances, 12 and 13-year old boys have been conscripted.

The army has had to turn to old men as well. At a Biafran division headquarters recently, 20 new recruits drilled at midday. Most of them raggedly dressed. They drilled with wooden sticks instead of rifles.

In sharp contrast to the military checkpoints along Nigeria's roads, those of Biafra are usually manned by soldiers or policemen who do not have rifles or guns.

Troops only a few miles from the front also lack weapons, indicating that the reports of large-scale arms deliveries into Biafra recently may be exaggerated.

"We are very short of ammunition," said Col. Ita Okon, the principal staff officer of the 14th Division. "When we capture automatic rifles, our research people convert them so they will fire single shots. Our men can't waste ammunition.

Desertion is said to be on the increase. Some of the deserters have formed armed gangs that steal from the populace and relief workers.

A special commando force of 190 military policemen recently rounded up a large number of these marauders near Uli airstrip, where they had attempted to pilfer relief supplies.

Biafran authorities, and the civilians themselves, deal severely and summarily with theft, but it is a growing problem. A ton of relief supplies disappeared one night last month, for example.

"We never imagined this kind of thing could happen," one Biafran said sadly. "But deprivation is changing us all. We Ibos, who have always helped our brothers, now don't have the strength to help anyone."

Despite these agonies, Biafra still holds together, over all. This correspondent found no discontent with the Biafran leadership, or disagreement with its goal of independence. Public order is maintained surprisingly well for a war-torn society.

"That this is so tells you much about the horrors and the inspiration of Biafra," observed a non-Biafran source with keen insight into the situation.

"You can make a case that Ojukwu is as responsible for these conditions as the Nigerians, although nobody in Biafra will ac-

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cept that," he continued. "Or you can make a case that the Nigerians are deliberately grinding these people into dust. Pretty soon, it won't matter any more who you blame."

[From the Washington (D.C.) Post, Nov. 23, 1969]

PEACE IN BIAFRA GOES BEGGING

(By ,Jim Hoagland)

NAIROBI, KENYA.—Analysis of recent ambiguous statements by Nigerian and Biafran leaders on peace talks leaves two paradoxical impressions. The first is that a real chance for negotiations now exists. The other is that neither side seems capable of seizing that chance.

Domestic and external pressures have been building on both sides to at least talk about ending the bloodiest civil war in modern Africa's history. These pressures constitute enough leverage to enable the leaders on both sides to tell their followers that they have to settle for less than they want.

Nigeria faces internal dissension in its west on nonwar issues. There is a growing war weariness among the Nigerian people who were promised two years and two million lives ago that the police action would be over in 48 hours.

Externally, the Lagos government is losing support among its West African neighbors. Sierra Leone looks ready to make good its threat to recognize Biafra unless talks begin. In Ghana, the new civilian leaders continue their official support of Nigeria but have unofficially begun to give voice to the high degree of sympathy that Ghanaians have for the Biafran cause.

Famine again stalks Biafra, and starvation and deprivation are eroding the spirit of the Biafran people. The ragtag Biafran army seems unable to mount major offensives. And the international support and sympathy that have played a key role in the Biafran gamble seem to be waning into apathy as the war drags on.

A GARBLED SIGNAL

In short, there is every reason for ending the war—now. But there is no formula for doing it. Brinkmanship, rather than conciliation, seems to be the aim of each side.

The pressures may account for the recent peace zigs and zags, culminating in this month's Biafran statements on sovereignty. Had they been handled more adroitly, those statements might have represented a clear signal to the world and the Nigerians that Biafra was ready to talk. As it is, they have only added to the confusion.

The first statement, released by the Biafran press agency in Geneva, quoted an unnamed spokesman as saying that "sovereignty is functional, not sentimental," and that Biafra would accept any alternative arrangement that could guarantee its internal security. Every indication that could be gathered in the Biafran capital of Owerri at that time was that the release was a mistake, the product of an overeager press man who put the wrong emphasis on a Radio Biafra commentary.

In any event, the wording itself was not exactly new, as the Nigerians were quick to point out in scoffing at the statement. The Biafrans have said before that they would accept a plan drafted by a third party that could effectively protect them from the Nigerians. The problem is that no one has ever devised a plan satisfactory to the Biafrans and Biafra's top negotiator, Sir Louis Mbanefo, told me two days after the statement was issued that Biafra must have a voice in world bodies to ensure its security.

A BLUNTED SABER

The confusion surrounding the first statement served to obscure statements made to a press conference later that week by Biafra's leader, Gen. Odumegwu Ojukwu. He retained credibility among his people by rattling the saber and vowing to fight on, if necessary, but he also fuzzed the definition of Biafran sovereignty.

He fuzzed it sufficiently to give the Nigerians a face-saving path to the peace table—or, if the Nigerians are correct in saying that Ojukwu is not sincere about peace, a chance to call the Biafrans' bluff.

While not insisting on sovereignty completely at first, "we could go to the table feeling sovereign but ready for an accommodation," Ojukwu said. He did not specify what kind of accommodation, but he could hardly be expected to.

Both sides seem to be trapped in their insistence on public vindication of their positions before they will deign to stop the killing and talk to each other. The Nigerians demand that Biafra accept reunification with Nigeria as the only subject for talks—in effect, a demand to surrender and then talk about the terms of surrender. The Biafrans, for their part, are thwarting one of the most important peace initiatives in recent months by their concern for public vindication.

Several highly reliable sources say that the hierarchy of the Organization of African Unity and Ethiopia's Emperor Haile Selassie have removed one of the major stumbling blocks to talks by privately assuring the Biafrans that they will press for talks outside the terms of this year's OAU resolution which backs Nigeria's demand for Biafra to renounce secession before talks begin.

The Biafrans are insisting that this assurance be made publicly. OAU officials feel that this would hardly be conducive to meaningful talks.

The deadlock on talks at a time when they should be moving ahead seems to illustrate two important factors in the war that is Africa's agony:

Neither side feels that it can believe the other. The confusion over Biafra's November statements was matched by the incongruous incident in September when Nigeria's leader, Maj. Gen. Yakubu Gowon, said that Nigeria would accept talks without preconditions, only to have his information minister, Anthony Enahoro, say two days later that Nigeria would not accept such talks.

Many analysts interpreted this as confirmation of a long-rumored split within the Nigerian leadership, with Gowon in the dove camp that wants talks and Enahoro speaking for the hawks. But the distrustful Biafrans will not accept even this possibility. Ojukwu's top advisers say that the incident was carefully orchestrated to give the impression of Gowon wanting peace while doing nothing to obtain it.

Neither side feels weak enough to bargain. The week following Ojukwu's press conference saw major new air attacks by the Biafrans, which are likely to bolster Biafran hopes that they can hold out until the Nigerians are willing to negotiate. The Nigerians retaliated, according to reliable reports, by resuming bombing of civilian areas in Biafra, and are capable of greatly intensifying such bombing if goaded into it.

Lagos also does not feel that it should gamble on losing at the peace table what it has won on the battlefield. The Nigerians are confident that, at the least they can contain the Biafrans in a small enclave and wait for them to crack.

A recent visitor to both sides can see some of the frightening logic in both positions. But the fruits of this logic are likely to become even more bitter for both sides unless meaningful talks are started soon.

THE RAILWAY PROGRESS INSTITUTE

Mr. MOSS. Mr. President, I ask unanimous consent to have printed in the RECORD two documents concerning the work of the Railway Progress Institute, the national association of the railway equipment and supply industry, which has headquarters in Washington.

The first is a recent three-way interview between former RPI chairman, J. W. Henderson, Jr., new RPI chairman, Frank L. Bredimus, and RPI president, Nils Lennartson, which tells how the railway suppliers are trying to assist the railroads in solving some of their very serious problems.

The second is an excerpt from a talk by Secretary of Transportation John A. Volpe, giving a very friendly, firsthand appraisal of the effectiveness of the Railway Progress Institute. This talk was read by Federal Railroad Administrator Reginald N. Whitman at the annual dinner of the Railway Progress Institute in Chicago when Secretary Volpe was forced to cancel his scheduled appearance because of sudden developments in Washington.

I think both of these documents are worthwhile reflections upon the important work of the Railway Progress Institute.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SPECIAL REPORT ON RPI: SUPPLIERS SIZE UP THE 1970'S

Q. What is the biggest single problem confronting the railway supply industry today, in your view?

HENDERSON. I think that Railway Age in its Tomorrow's Railroads series has dramatically identified the major problem facing all of us in the railroad industry today. It is the need for a massive infusion of capital. And one thing is certain: Railroad earnings—less than 2½% on investment—do not begin to generate the needed capital. If it were not for the 7% investment tax credit, the railroads would probably be spending half as much as they are today on capital equipment; and expenditures today are at the bare minimum required to sustain the industry. We must not only protect present spending levels; we must substantially raise these levels.

Q. Assuming that we are able to obtain some tax incentives for railroads, what would you say prospects are for capital spending in 1970?

HENDERSON. I think we'll do well if the railroads are able to invest in 1970 at the level they have invested in 1969. You must understand that the railroads have this year placed a great number of orders in anticipation of possible repeal of the tax credit. For example, we received a great flurry of orders in May, soon after the President announced that he would seek repeal of the tax credit. But now the rate of ordering has diminished, in view of the heavy ordering earlier. I think the railroads recognize the great need for continued modernization and in the long run they are going to have to invest at levels above those of this year.

Q. Railroad capital investment in the last ten years has fluctuated widely between $1 billion and $2 billion. What in your view should railroads be spending to stay competitive?

HENDERSON. The Brookings Institution in 1959, in terms of dollars of that era, said that at least $2 billion a year ought to be spent for freight equipment alone. I would think that today a minimum figure would be in the neighborhood of $2 billion to $2½ billion a year.

BREDIMUS. I should think that $3 billion a year would be required for modernization to cover all aspects—track and structures and communications and signaling, as well as rolling stock. I feel that 1970 should be a comparatively good year—I think spending should be slightly increased over 1969, with greater emphasis being placed upon right of way. The safety problem is one that is of great concern to all of us and will require very definite and precipitate action. This could very likely move the emphasis toward greater spending in track improvements.

Lennartson. Frank Barnett, chairman of the Union Pacific, has said that we need considerably in excess of $2 billion in capital spending, and Bill Johnson, of Illinois Central Industries, has said that we need to spend at least $1½ billion a year on roadbed alone, and he would consider $3 billion a year for total spending as minimal.

Q. How can we achieve this?

Henderson. Given today's restrictive regulation, and given the rising labor costs and the problems that railroads are having trying to improve car utilization with the latest and most sophisticated electronic devices, we don't see any sudden improvement in earnings. If improvement occurs, it's going to occur gradually, because labor costs are going to continue to rise, and we must remember that labor costs represent an inordinate share of the total cost of doing business in the railroad industry—close to 60%. So even with the continuing improvement in railroad operations, we don't see any upsurge in earnings coming quickly. This means that we have to face up to other methods of financing. And other forms of financing almost immediately require some form of government funds. The question that has so greatly bothered the railroad industry is, can they obtain government funds without getting government guidelines or controls? The government has generously helped other modes of transportation. Look at the highway industry. We are talking about something like $75 billion for a whole new network of highways. We're talking about airports, where 50% of funds for airport construction can come from government. And just look at the hundreds of millions expended by the Corps of Engineers on improving the waterways. And then look at the railroad industry. The only thing resembling Federal aid here is the trickle of money that has gone into Northeast Corridor passenger service (and while this is generally thought to be a Federal project, the Penn Central has actually spent five times as much money there as the Federal government has spent). So we've got to turn to the government for a feasible, acceptable means of financing.

Q. What means would be feasible and acceptable?

Henderson. This is a very difficult question, and one that remains to be worked out. Whenever a suggestion is made to railroad presidents, it carries—for many of them—the fear of government control. So there is a cautious approach to any proposal. But while we haven't found the answers, we are beginning to ask the questions. For example, is it possible for the government to provide funds at low cost—say 2% or 3%—to the industry with the understanding that this money could be paid back without controls? Or should the government itself be the purchaser of rolling stock, and lease it to the industry? Or—a third possibility—can some form of tax be imposed that could be used much as the user taxes on highways are used? These ideas have been kicked around. And we're pleased to note that the Department of Transportation, and specifically Reginald Whitman, the Federal Railroad Administrator, has been actively pursuing ideas which may be acceptable. Maybe the greatest thing that we can accomplish in this interview is to bring to the attention of all suppliers and railroad people that the DOT is looking for ideas.

Lennartson. As you know, the Federal Railroad Administrator has an assignment from the Secretary of Transportation to report to him by Jan. 1 on what should be done to help the railroads. We are working very actively with DOT on this, along with the railroads themselves and the AAR.

Bredimus. We talk about getting additional funds from the government. At the same time, there are other things that can be done that would help solve very definite problems such as overregulation. We feel, for example, that railroads must have greater flexibility in establishing rates so as to meet their increased costs as they arise. There's been a great deal of sluggishness in allowing rate changes after the increased costs are already in effect. We feel, too, that something must be done to expedite those mergers that normally, by proper guidelines, are considered as constructive. Also—and importantly—the railroads should be given more freedom to diversify into other modes of transportation as present restrictions seem to be too rigid. In the area of labor, we would hope that the brotherhoods will become more enlightened in their own self-interest. In the absence of this, it is certainly in the enlightened self-interest of the government—as it represents the public—to move constructively and forcefully in this area.

Henderson. I think it is important to emphasize, as Frank Bredimus has done, that Federal funds alone aren't the whole answer to the railroad's problems. There are long-standing inequities whose correction will be as good as money in the bank. When railroads are given a fair chance to compete, when they are able to extricate themselves from their labor difficulties, they can make it on their own.

Bredimus. Another great problem is that of passenger trains. The railroads should not be forced to bear the burden of passenger train deficits in order to satisfy a diminishing demand. Northeast corridor service is one thing. But long intercity hauls are another. My considered opinion is that this kind of service cannot continue and cannot be expected to continue without some definite government subsidy.

Lennartson. In the area of tax relief, we are hopeful to continue to try to get Congressional approval of railroad tax relief in technical areas already approved by the Senate Finance Committee as a part of the tax reform bill. These amendments proposed by the Treasury to the Senate Finance Committee, were worked out by representatives of the railroads, the AAR and the Railway Progress Institute, working with key people in the Treasury Department. As you know, these Treasury proposals, intended as an offset to the eventual repeal of the 7% tax credit, will enable railroads and lessors to railroads to take a five year amortization on all new rolling stock, including locomotives, and also allow four year amortization of the unrecovered costs of equipment acquired in 1969. The Committee also approved amortization of grading and tunneling costs on a 50 year life basis, a proposal for which railroads have been fighting for years. The Committee also voted to allow the cost of repairs to rolling stock as an expense without question where such cost does not exceed 20% of the original cost of the unit. PRI, working with its railroad friends, is continuing efforts to help get the Committee-approved actions voted by the full Senate and then agreed to by the House conferees. We are also continuing to work with Treasury and Congressional people to explore other technical areas in which tax relief for our capital-starved railroads may be warranted.

Q. To win all of these things, you must of course first convince the public, and the government, that railroads are in financial distress and that what happens to them is important to the nation . . .

Lennartson. Let's remember that the Department of Transportation itself has said that by 1975 this country will have 1.063 trillion rail ton-miles a year—that's a 42% increase from this year. And also remember that by 1980, the gross national product of this country will be 2 trillion dollars, or doubled in a decade. The Federal Railroad Administrator Reg Whitman, has commented that if all the freight trains in this country stopped tomorrow, the other modes of transportation will be hard put to pick up more than 10% of the total freight involved.

Henderson. I think this is the key point—that the highway system that we enjoy today has been coming into its own in the last 4 or 5 or 6 years. The trucking industry has had the benefit of this. But as we see the congestion on the highways increase, we're going to find a trend to other modes of transportation, purely because of capacity problems.

Bredimus. Which all adds up to this: Without a viable railroad system—which we cannot continue to have in our present financial circumstances and with our present methods of operation—our economy faces a most severe problem.

Q. What you're saying is that we're going to have railroads—that we can't do without them. But that brings up the question of who is going to run them. Will it be the private railroad companies or will it be the government?

Henderson. I haven't encountered anyone in government—and I certainly haven't talked to anyone in the railroad industry—who sincerely believes that the government can or should run the railroad industry. It has to remain in the hands of private enterprise, and it will if we are given the flexibility in decision making that is required to manage railroads today, and meet the competitive challenges of tomorrow.

Bredimus. The fact is that the cost of nationalization to government would be far greater than the cost of these comparatively small measures of relief that we've been talking about.

Q. Railway suppliers obviously have a big stake in all of this. What are the suppliers doing to help the railroads achieve some of these goals?

Henderson. In recent years, the Railway Progress Institute has tried to help rebuild the public image of railroads. Billions and billions of dollars have been spent to modernize the railroads, and the story needs to be told. We have found that it's much easier for a supplier to do this, because even though we are close to and dependent upon the railroad industry, nevertheless we have an arm's length situation. I think the public may sometimes be more readily willing to accept our opinions of the railroad industry than they are to take the word of those immediately involved. We have found great acceptance as we have toured the country, putting on over 100 presentations explaining the new railroads as we see them. That program we intend to continue.

Bredimus. May I add that those programs are constantly modernized and brought up to date so as to be of timely significance. By telling the story in this way, by constantly updating it, it is quite feasible to cover the same audience more than once, to keep them apprised of what is going on. The audiences we seek are business leaders, civic leaders, shippers and even railroaders themselves. We no longer have to seek out audiences, they seek us out.

Q. What evidence do you have that this image-building campaign has been successful?

Henderson. We can measure that in three ways. One is by the comments of the railroads. They have been totally favorable. Second, is the reaction of the people who have seen these presentations, and who have volunteered their sentiments to us. And third is the increasing understanding by legislators of the railroads and the railroads' role, particularly those who have been exposed to our sessions. We don't find as much lack of knowledge about railroads today as we found two years ago.

Lennartson. As we go into these cities and towns, we also get a large amount of news and radio and television coverage, and this leads to grass roots impact. We feature in each presentation what is currently the problem of the day—if it's the fate of the 7% investment tax credit in Congress, well this becomes a news story, and wherever the presentation is being given, it gets a lot of people to know that railroads have a problem that they would not have known about otherwise.

Q. Has RPT's move to Washington accomplished its purpose?

Henderson. I think this has been a great thing, primarily for two reasons. One, it put our office in very close proximity to the Association of American Railroads as well as to government officials. On the 7% investment tax credit, the RPI membership has relied heavily on Nils Lennartson's knowledge of government officials, and we have been able to go in and work with the railroad industry in testifying regarding the negative impact of repeal. We have responded rapidly to the time schedules of Congressmen and Senators and Administrators. Equally important, our proximity to the Department of Transportation has meant that we've been able to provide assistance frequently on many issues to people on the railroad side of DOT.

Lennartson. And also on the mass transit side—a large number of our members are very interested in that program.

Henderson. The DOT, for example, has asked our help and guidance on safety matters. And we have asked member companies to appoint a safety liaison man, who is available for expert testimony to DOT as required, to help formulate safety guidelines.

Q. The railroads, and the mass transit industry, have their own representatives in Washington. Where does the RPI fit into this whole picture?

Henderson. I personally feel that RPI can bring a detached, more objective point of view. We can bring an added element of credibility to the case presented by the railroads. The railroads so long have fought their own battles. It's a new ball game when the suppliers also are standing beside the railroad industry.

Q. Is there close liaison between the RPI and the AAR in Washington?

Lennartson. There is a very close working relationship. Our only mission is to support whatever helps our railroad friends and the future of the railroad industry.

Henderson. When we started the initial round of advertisements in the Wall Street Journal and Business Week, keyed to the theme "Meet the New Railroads," we found that even some RPI members were not totally aware of what we were trying to accomplish, and many had great reservations about the program and the direction in which RPI was going. But having witnessed the success of the road shows—and in my judgment particularly the success which Nils Lennartson has had in working so closely with key members of the Administration along with officials of AAR—those who were once critical have now given unqualified endorsement of "the new RPI."

Bredimus. I think there's no question about this. And we all see in our frequent contacts with railroad leaders that they recognize that RPI is a very valuable asset to the railroad industry.

Henderson. The endorsement of RPI by the railroads poses a challenge to RPI in the future that it must always maintain a strong viable program, and this we intend to do.

Q. Mr. Perlman has mentioned the need, as he sees it, for more government R&D in railroad transportation. What are your views?

Henderson. We agree, and I think it can be done as it has been done in other industries. We have been invited to submit proposals for new product concepts directly to DOT as a research project.

Q. What specific projects would you suggest need R&D attention, with government participation?

Henderson. The list would be so long that it would be difficult to state here. Let's take the area of safety alone. For example, how can you have a bearing failure and not run the risk of derailment? Does this mean a different type of suspension? The supply industry, right now, should be making such proposals to the government and this we are working on.

Lennartson. One reason the suppliers aren't doing more on R&D goes back to the original question—the supply of money. If the railroads don't place orders, the suppliers don't have the money to put into R&D. If there were a better profit picture, we'd be doing more, but dollars are so tight that they just have to go into other places.

Henderson. This is one of the least understood areas of why we are so strongly in favor of the tax incentives. If a sufficiently high level of railroad purchases is maintained, then two things occur: One, we can indeed carry out the research and development in new devices that are so essential to the progress of the railroad industry. And the second thing is that the supply industry would no longer have to respond on a stop and go basis to railroad orders. When the railroads continue to purchase in cyclical fashion, we find that we're without people, then we can't hire them back. Just 15 years ago my company could lay off people and get back 85%; five years ago it was 50%; three years ago you could get back 25%; and today we're lucky if we get back 10%. And to start through the total cycle of retraining and acquiring the skills means that we can't respond—and if we can't respond, then how is the railroad industry, even given the go-ahead by government, to respond to its need to modernize?

Bredimus. One of the greatest problems for suppliers is getting a reliable return on investment. There are many things that can be done by suppliers, all costing money. But when you try to compute return on investment, and forecast what this business is going to be like over the next four or five years, it's very difficult due to the highly cyclical nature of railroad purchasing.

Lennartson. Freight-car supply is not, let me point out, our only problem. One of the things that RPI is trying to do in its visits with officials of the Executive branch as well as the Congress is to get understanding and awareness of the importance of locomotives. Too many people in Washington get the notion that a freight-car shortage can be solved only by putting more freight cars into service, and neglect to realize that if you don't have a locomotive to haul that train it isn't going anyplace.

Henderson. And there is also the question of roadbed, and new signaling and communication facilities. The point is, we need a massive infusion of capital, right across the board.

Q. The mood of the railroads is pretty pessimistic these days. Costs are rising, earnings are falling. We have just had to go for a 6% rate increase. How do you feel—immediately and long range—about the future of the industry?

Bredimus. The feeling in my own company is that over the long haul the inevitable increase in net ton-mile requirements will definitely build up the railroads. Some way or another there's got to be an answer and we're going gung-ho knowing that there will always be a railroad industry and that it *must* build up.

Henderson. We're not going to see a rapid change in the outlook. Yet this nation is going to be so dependent upon a viable rail system in the next 5, 10 or 15 years that the future can only hold great promise for the railroad industry. I feel that the transition from where we are now to that point isn't as great as some people think once we get the needed capital. I was much impressed by the recent comment of G. Russell Moir, chairman of the United States Freight Co., who said that one of the gravest problems facing all of us in transportation is how to halt and then reverse the alarming decline in popular confidence in railroads, the oldest and most indispensable form of common carriers. This is why the role of RPI in upgrading the image of railroads is such an important function.

Q. How solidly are the railway suppliers supporting the RPI's work—that is, in terms of membership?

Lennartson. The membership situation in RPI continues to be very favorable. We had a very dramatic spurt in membership a while ago when we went from 140 to 190 plus. The facts of life are that once you get that dramatic kind of a surge you get some people who come in for the sake of the drive and then drop out. So we've had some dropouts. But we've also had many new members and we are holding at about 195 members today. We're still trying to get some big industries that should be in but aren't. There are also some old-line suppliers who should be in and who are not. This includes some of the dropouts. We feel that in the next year we should try to impress on them that they in fairness should share this job of supporting their railroad customers with their colleagues who are doing so. But under Elwyn Ahnquist of the Pullman-Standard Company, the membership committee has been very active and has had a very good year.

Q. What kind of program do you have in mind for 1970?

Henderson. We don't see any change at this time in the direction we're moving. We will be doing more of the same. More—and, I hope, even better.

Lennartson. Bill Henderson was good enough to say earlier some kind words about the RPI staff and me, personally. I would like to make it a matter of record that all of us on the RPI staff—Bob Matthews, our outstanding secretary-treasurer; John Koenig, our fine new public affairs director, and Russ Griffin, our very efficient administrative assistant, as well as the girls, all join me in saying thank you to our "bosses" for the leadership, support and friendship given us. It is a great joy to work under chairmen and vice chairmen as Bill Henderson, Frank Bredimus, Ashley Gray and Art Smith and we look forward to enjoying interesting work with other such leaders of RPI in the time ahead.

Excerpt From a Talk by Secretary of Transportation John A. Volpe

Warm praise for the Railway Progress Institute as "a very effective organization on the Washington scene" was voiced at the annual dinner by Transportation Secretary John A. Volpe. In addition, Chairman Frank E. Barnett of the Union Pacific in a telegram of regret that he was unable to be at the dinner, said he was sorry to miss seeing "all of our friends of RPI who have recently given us such effective help".

Secretary Volpe made the following comments about RPI in the course of a speech read for him by Federal Railroad Administrator Reginald N. Whitman in accepting an award given jointly to DOT and Penn Central for the inauguration of the Metroliner:

"Not since the days of the westward expansion has the railroad industry been as needful of friends in Washington.

"And along these lines, let me say just a word about our hosts—the Railway Progress Institute.

"I know personally that it is a very effective organization on the Washington scene. Nils Lennartson, and key representatives of RPI have taken the 'railroad story' to cabinet officers and other key Administration people in Washington. They presented it to me and my staff people at meetings in my office. I was pleased to tell other key advisers of President Nixon that it was a very effective presentation of the railroads' financial straits and one that they should see. The presentation was given to many other Washington officials with considerable influence on the decision-making processes in the Federal government.

"I am certain that the tax relief in the form of five year amortization and other relief provisions which were recommended by the Treasury and passed by the Senate Finance Committee can be traced in large part to the briefings which the RPI organized along with the Association of American Railroads and individual railroads during September and October.

"I congratulate this national association of the railway supply industry for such an effective demonstration of assistance to the railroads of our nation which are plagued with serious financial problems.

"Working together, government, the railroads, the railway suppliers, and the public—must see to it that the United States of the future has all the benefits and possibilities that a modern, growing, efficient railroad system can provide. I am confident that each of you can and will respond to the challenge admirably."

DEDICATION CEREMONIES FOR SILVER MEMORIAL BRIDGE

Mr. SPONG. Mr. President, on Monday, December 15, at Henderson, W. Va., the Silver Memorial Bridge was dedicated and opened to traffic. This bridge was built to replace the bridge which collapsed into the Ohio River on December 15, 1967, with the tragic loss of many lives.

The speaker at the dedication was the distinguished senior Senator from West Virginia (Mr. RANDOLPH), chairman of the Committee on Public Works. He was followed by Mr. Francis C. Turner, Federal Highway Administrator, who represented the Secretary of Transportation. Mr. Turner's remarks portray the leading role which Senator RANDOLPH played in securing Federal funds with which to rebuild the bridge. I invite the attention of the Senate to the remarks of Mr. Turner, and ask unanimous consent that they be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY FEDERAL HIGHWAY ADMINISTRATOR FRANCIS C. TURNER AT DEDICATION OF MEMORIAL SILVER BRIDGE, POINT PLEASANT, W. VA., DECEMBER 15, 1969

It is a sad and sobering honor to participate in the dedication of this bridge today—a bridge which incorporates skills and contributions accumulated over many generations from many people and embodies the determination of people to work together in the face of disaster.

Transportation Secretary Volpe has asked me to express to you his regret that he was unable to personally participate in these ceremonies. But I bring with me his satisfaction at what has been accomplished and his commendation for all those who contributed to the completion of this enterprise.

This is more than the dedication of a magnificent structure. It is also a tribute to the effective teamwork which has been built up between the State and Federal Governments in creative efforts of this kind.

Had it not been for the great State-Federal partnership built up during half a century through the operation of our vast highway program, with its interdependence of both technical skills and financing, there very well might still be a gap between the shores of the Ohio River at this point. Had it not been for the availability of ready emergency financing through the Highway Trust Fund the public property damage resulting from the disaster which occurred on this spot two years ago could have been repaired only by the imposition of a great burden on the people of these two states and this particular local community.

The memories and the heartaches of a disaster such as that which struck here two years ago can never be completely erased by what we do afterward. But many of the hardships can be eased and we can move forward to try to prevent others from suffering as did those who were victimized here.

Trained engineers, administrators and public officials at all levels have combined their efforts and skills to rebuild a bridge here in half the normal time.

Designs already prepared were made use of and administrative and construction skills tested and perfected on a thousand projects around the country were brought into play.

This was a teamwork effort at its best and this bridge stands as a symbol of your government at work in many ways by many people.

Thus there are hundreds of persons who deserve individual commendation for what has been accomplished here. Since we cannot identify them all we must use our representative form of government. Representing all of them are the Members of Congress. From that group I mention especially the Committees on Public Works of both the Senate and House.

Here West Virginia is ably represented by Senator Randolph who is the Chairman of that Committee in the Senate and who had a large personal part in special legislation to assist in making possible the restoration we see here today as well as measures to hopefully avoid future disasters such as occurred here with the old bridge. In the House, Congressman Jim Kee ably represents West Virginia and Congressmen Bill Harsha and Clarence Miller do the same for Ohio as they sit on the important Public Works Committee in that body. This is the Committee which handled on the House side the legislation which I have just mentioned in connection with the Senator. Likewise all of the other members of both State delegations in both the Senate and House have given full support to the measures.

In a moment of national tragedy such as was personally experienced by some of our citizens, we always ask why some were chosen by fate for sacrifice and those of us here today were spared. Certainly it is part of the responsibility of those of us who have been spared to inquire diligently as to how such misfortunes can be avoided for others in the future.

This we are trying to do. Nationwide examinations have been undertaken of all major bridges within the United States and new and hopefully better tools are being developed to give prior warnings of impending disaster. Involved are complex secrets of the physical sciences not yet completely understood and thus not readily detectable. But within your government, dedicated men and women are seeking the answers to these and many other problems to provide protection and benefits to our citizenry. When we build upon tragedy such as occurred here and find new solutions to increase safety for others, we then can perhaps find some small consolation that such a loss has not been in vain. It is really this effort which we dedicate here today.

GREAT MAN OF MEDICINE

Mr. DOLE. Mr. President, a singular honor was recently bestowed on a native Kansan, who after leaving his home State has established a record as one of the great men of medicine.

A renowned surgeon and distinguished professor, Dr. Brian Blades, chairman of the George Washington University Department of Surgery, was awarded the Airlie Foundation's Statesman of Medicine Award for his vast contribution to all aspects of the medical profession.

Mr. President, I ask unanimous consent that an article describing Dr. Blade's accomplishments, published in the fall 1969 George Washington University News, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GW SURGEON, EDUCATOR NAMED MEDICAL STATESMAN OF THE YEAR

"A great doctor, a great surgeon, a great educator and a great statesman" Dr. Brian Blades, Lewis Saltz Professor of Surgery and Chairman of GW's Department of Surgery, became the first recipient of the annual Statesman of Medicine Award at a dinner at Airlie House in Warrenton, Va., on Sept. 17. The award was created by the Airlie Foundation to honor a man who has significantly contributed, over the years, to the advancement of medical practice, research or education.

Dr. Blades received a bronze bust of himself, a formal citation and a check for $5,000. The awards were presented by Secretary of Defense Melvin R. Laird (who as a Congressman was the ranking Republican member of the House Appropriations Committee of HEW) and Mortimer Caplin (president of the Board of Directors of the Airlie Foundation, a GW trustee, and former Director of the Internal Revenue Service). Actor-conservationist Eddie Albert, master of ceremonies; Senator Edmund Muskie (D-Me.); GW President Lloyd H. Elliot; and Dr. Murdock Head, director of Airlie Center, were also on the program.

In the audience were leading political figures and many distinguished representatives of the medical profession.

Brian B. Blades began his medical career 40 years ago in Kansas, accompanying his doctor-father on horse and buggy rounds to patients living near Scottsville. After graduating from the University of Kansas, he began carrying his own black bag in medical school at Washingtn University, St. Louis, receiving his M.D. *cum laude*. He has made his name as a thoracic surgeon, and his career spans virtually the entire history of modern chest surgery.

"Not that there wasn't chest surgery before my day," Dr. Blades points out, "but it was more surgery of the chest wall, thoracoplasty for TB, and drainage procedures for emphysema, rather than intra-thoracic surgery."

Military service brought Dr. Blades to Washington in 1942. He was appointed chief of thoracic surgery at Walter Reed General Hospital and became responsible for establishing thoracic surgery units in military hospitals throughout the U.S. In 1946, he joined George Washington as chairman of the surgery department.

Under Dr. Blade's guidance, GW has developed a team approach to teaching surgery, which involves the student in total patient care rather than just the actual surgery. Students and interns follow the patient from the moment he enters the hospital, through preliminary work-ups, to the operation itself and his ultimate discharge. In this way, Dr. Blades believes that students learn to approach medicine as a problem in treating the patient and not just a technical exercise in mastering their subject. How about the future of surgery? In this day of cardiac transplantation, hasn't surgery almost reached its limits? Dr. Blades was asked. "Well, you know," he said with a grin, "that's what they said about surgery in 1890. Of course it hasn't reached its limits. Surgery isn't just cutting, sawing, and stitching, you know. It involves many other aspects of medicine."

"I must say, however," he went on, "I hope I will see the day when I don't have to do cancer surgery. It's too often just palliative, not therapeutic. This is not to say that such surgery is not invaluable, even life-saving on occasion. But frankly, there super-radical operations for cancer have not paid off."

Among Dr. Blade's most treasured possessions is a collections of photographs and plaques that will soon line the walls in his new office in GW's new clinic. One of the laudatory phrases hailing his achievements in cardio-vascular and pulmonary surgery reads: "He has built a vertiable Blades School about him at George Washington." Talking with Brian Blades, one feels that, above all, it is this—the teaching of medicine—of which he is most proud.

THE GREAT DOLLAR ROBBERY—XEROX TELEVISION BROADCAST ON INFLATION

Mr. KENNEDY. Mr. President, as I have frequently stated in recent weeks, the single overriding economic issue of our day is the fight against inflation. Last Friday we had more bad news. We learned that the consumer price index rose by 0.5 percent for the month of November alone, thereby continuing the steady soaring rate of inflation we have had throughout 1969.

Indeed, the cumulative overall price increase for the 11 months of 1969 is 5.5 percent, the highest rate since 1951, during the Korean war. If the increase for the month of December is the same as in November, the rate of inflation for the year will be 6 percent, or the highest since 1947, the year in which the price and wage controls imposed during World War II were removed.

One of the few clear facts in the fight against inflation is that the people of the Nation are watching the administration on this issue. They are watching each of us in our efforts to bring inflation under control, to restore economic stability, and to maintain a proper sense of national priorities at home and abroad. Rarely in our history has there been such a serious challenge to our national well-being, a challenge fraught with enormous implications for the problems we must solve if we are to move forward on the great social issues that will face the Nation in the decade of the seventies.

The degree of public interest and concern over our handling of the fight against inflation was dramatically demonstrated last week. On Monday, December 15, the Xerox Corp. sponsored an hour-long nationwide television program on inflation. The program, called "The Great Dollar Robbery: Can We Arrest Inflation?" dealt comprehensively with the causes and effects of our current serious inflation, and discussed a number of the possible approaches that have been taken or that might be taken to curb it. I had the opportunity to watch the broadcast, and I found that it provided a fascinating and perceptive analysis of the complicated issues involved.

On the day of the broadcast, the Xerox Corp. also ran nationwide advertisements in the television section of many newspapers. The advertisement contained a form for viewers to use in sending their opinions on inflation to Members of the Senate. It asked the viewer to make up his own mind about what caused our inflation and what should be done to combat it, and it urged him to fill out the form and send it directly to the Senator from his State.

The outpouring of public response was immediate and strong. From Wednesday through Saturday last week, I received 372 forms from my constituents, and I am sure that the response is similar in the offices of every other Senator. Because of the importance of the issue, I would like to share with Senators the results of the replies I received. I therefore ask unanimous consent that the following two items be printed in the Record at the conclusion of my remarks.

First, a transcript of the television broadcast, "The Great Dollar Robbery: Can We Arrest Inflation?"

Second, the advertisement run by the Xerox Corp. announcing the program and containing the form to be mailed. I have tabulated the 372 replies I received. On the copy of the form I am submitting for the Record, I have indicated the percentage of replies that marked each box or line on the form. For comparison, I have also indicated the percentage of replies to the form in a nationwide poll conducted for the Xerox Corp. by the University of Michigan's Survey Research Center, the results of which were announced during the broadcast.

By far the most significant aspect of the replies I received is the overwhelming—indeed virtually unanimous opposition to the present level of Government spending on Vietnam:

Ninety-two percent of the people stated we have inflation because the Government is spending too much on Vietnam.

Ninety-two percent of the people said the Government should spend less on Vietnam in order to slow down inflation.

Ninety-four percent of the replies, when asked to comment on Government spending in 10 major areas, said the Government should spend less on Vietnam than it is now spending.

In several other areas, the replies are a valuable barometer of the future directions the people of Massachusetts feel the Nation should be taking. The replies are especially interesting when compared with the results of the national survey announced on the broadcast.

For example, the majority of the people in the national survey said that the Government should spend more than it is now spending on education, low-cost housing, and air pollution. The people of Massachusetts not only agreed with these priorities, but supported them by even more impressive majorities. In addition, unlike the majority of the national sample, a majority of the people of Massachusetts also favored greater Government spending on welfare payments to the poor.

In other areas of Government spending, the majority of the people of Massachusetts agreed with the national survey that the Government should spend less not only on Vietnam, but also on space exploration and foreign aid. Interestingly, the Massachusetts majority in favor of less spending on space exploration was even greater than the majority in the national survey, but the majority favoring less spending on foreign aid was significantly lower than the national majority.

In addition, a majority of the people of Massachusetts said that the Government should be spending less in two other basic areas—defense—other than Vietnam—and support agriculture.

Finally, with respect to the various categories of Government spending, the most consistent "other" recommendations—see item No. 11 in the form—were for additional Government spending in the areas of water pollution, health and medical research, crime control, and airport improvement.

Mr. President, I believe that the results of the analysis will be of interest to all of us seeking a solution to the problem of inflation. I and many others who are concerned with the need to improve the political process in America speak often of participatory democracy. The "Great Dollar Robbery" is a fine example of that concept in action, and I commend the Xerox Corp. for the valuable public service it has performed.

There being no objection, the items were ordered to be printed in the Record, as follows:

THE GREAT DOLLAR ROBBERY: CAN WE ARREST INFLATION?

Producer: Herbert Dorfman.

Reporter: Louis Rukeyser, ABC Economic Editor.

Director: Henwar Rodakiewicz.

Editor: Samuel Cohen.

INTRODUCTION

Living room in Arlington, Va.

Housewife. The last six months, I think, just turned the coin over, and people are disgusted. They hate to spend every single penny in the grocery store all the time, every penny.

Housing development near Chicago

Home buyer. We have found that the prices of homes have been going up and up, and up, and they're getting to a point now where it's a little bit out of hand.

Arlington

Elderly woman. On my social security check I would starve to death, and I couldn't live. I get $109 a month. For a woman with $109 a month to spend on . . . it's cheaper to die.

Supermarket shoppers

Rukeyser (voice over).—What isn't cheaper is just about anything we buy. Every time the housewife heads for the store or the supermarket, inflation goes along. And what family doesn't know it?

Yet do we really realize how bad it's gotten in just five years?

Rukeyser (on camera).—Good evening. I'm Louis Rukeyser. Tonight we're going to take a close look at the high cost of living. Most Americans call it their No. 1 domestic problem. They are angry and confused. We're going to see if we can find out *who* is responsible—and what *you* can do to help stop it.

Poll being taken in homes

Rukeyser (voice over).—We're also going to give you a chance to find out how your views on inflation compare with those of your fellow citizens. To learn what America thinks about inflation, ABC News commissioned a nationwide poll. Later in the program, we're going to ask *you* the questions we asked the people in our poll—so you can match *your* answers with the overall results.

Some of the questions we asked and some of the answers:

What's going to happen to prices?

Woman.—Well, with all the measures they're undertaking, I should hope they'd stay where they are now. They'll probably go up.

Rukeyser (voice over).—How much has inflation hurt *you?*

Second Woman.—Very much. I think everybody, really, to a certain extent, is hurt by inflation.

Rukeyser (voice over).—Can you *save* anything these days?

Man.—As far as savings are concerned, in my particular case we do not have a great deal of money in the bank and this again is related to the very simple . . . problem of inflation.

Animation sequence

Rukeyser (voice over).—As the public anger indicates, just about everybody knows that a dollar won't do what a dollar used to do. But the full extent of the saga of the incredible shrinking dollar may come as a surprise.

Let's say you had been born 30 years ago today . . . and your father had celebrated the event by presenting you with a crisp new dollar bill.

Rukeyser (voice over). If you had saved that dollar bill, it would now buy no more than 37 cents would have bought the day your daddy gave it to you.

But let's say you're sentimental, and you hold on to that old dollar for 25 more years. By then, if inflation goes on at its present rate, the buying power of that 1939 dollar will be exactly . . . one 1939 dime.

Announcer. Tonight, Xerox Corporation and its world-wide affiliates bring you "The Great Dollar Robbery"—a penetrating look at why your dollar is shrinking and what you can do about it.

THE GREAT DOLLAR ROBBERY

PART ONE

Supermarket meat counter

Women staging meat boycott with picket line

Rukeyser (voice over). For many people, one victim of inflation has been their version of the American dream. Part of that is a good steak dinner, and that may be one of the reasons people are so sensitive to any increase in the price of meat. Some people—like these Northern Virginia housewives—have been angry enough to start picketing supermarkets.

Arlington, Va. women's group—living room

First housewife. I think it's our responsibility to do something because everybody complains but it seems like nobody wants to do anything about it.

Rukeyser (voice over). Is your boycott aimed at the supermarkets, do you think they're responsible for high meat prices?

Second housewife. We don't think they're responsible. Someone's responsible, and we can't get to whoever it is unless . . . who do we go to? We go to the stores. They're the ones that we buy from.

Third housewife. If they get a good buy on chickens or ham, we would never see a cut, they just keep that, but we get the benefit of any kind of increase anywhere along the line. If there's a drought, or if some truckers go on strike or anything in the world that happens, the prices go up, but never down.

Consumer items arranged in front of Rukeyser

Rukeyser (on camera). The clues to the Great Dollar Robbery can be found on this table. These are some of the 400-odd items that go into the official Cost of Living index, the government's market basket. They range from busfare to bananas . . . and when the Department of Labor takes the average of what they all cost around the country, it can tell us in detail what we all already sense—namely, how much more it now costs to live in America. In the last 12 months, that average has gone up about 6 per cent . . . which means that last year's dollar is already worth only 94 cents.

Holds up automobile; holds up loaf of bread

But life is unfair and unequal—and so is inflation. Some things charge ahead in price much faster than others. Some purchases can be deferred . . . some can't. Tonight we're going to look first at three areas whose cost concerns nearly all of us—meat, hospitals and housing. We're going to see if we can find out why these items put such a dent in the family budget . . . and, more important, what you can do about it.

Rukeyser with cattle feeder, near Rochelle, Ill.

Rukeyser. Do you think that beef prices are too high?

Cattle Feeder Glendenning. No, I don't.

Scenes of cattle feeding farm.

Rukeyser (voice over). George Glendenning is one of the biggest independent cattle feeders in the Middle West. He thinks beef prices are not too high. Most housewives would disagree. In one seven-month period this year, the increase in meat prices was nearly as great as in the previous ten years.

Rukeyser. How do you feel when housewives and other consumers get angry about high meat prices?

Glendenning. Well, I don't know, but I don't think that they should get angry at the feeder because our profit is very small.

Rukeyser. Do you think the supermarkets take too big a markup?

Glendenning. I do.

Cattle feeding

Feeder with buyer for meat packer

Rukeyser (voice over). Cattle feeders like Glendenning buy six-month-old animals from Western ranchers, and then fatten the cattle for another six or eight months. When the animals are ready for slaughter, the feeder may decide to sell to any of a number of meat packers—or he may decide to wait a few days to see if the price improves. He ordinarily nets about 20 to 30 dollars a head. Last spring many feeders withheld their cattle from the market—hoping that this artificial shortage would lead to higher prices. For awhile, they got them—at your expense.

Cattle unloaded at meat packing plant

The price to packers shot up . . . though it eased off later when the cattle got too fat, and had to be moved.

So we see that the price the packers have to pay for live cattle can vary from day to day. But it runs about 30 cents a pound.

Carcasses hanging in meat plant

Rukeyser (voice over). How much is added by the middlemen who slaughter the animals and sell the carcasses to your supermarket? I asked Roy Greene of Swift & Company.

Greene. About five years ago, or exactly five years ago in October, the dressed price—the wholesale price—was at 40 cents. Today the market is about 44 cents.

Rukeyser. We're talking about a pound, are we?

Greene. Forty-four cents per pound, and that is only an increase of ten per cent.

Carcasses pushed along overhead track, out of meat plant into meat department of supermarket.

Rukeyser (voice over). So the meat that cost the packers about 30 cents now leaves their plant costing about 44 cents. To find out what happens then, we talked to a New Jersey supermarket with Ernest Berthold, general manager of meat operations for the Grand Union chain of supermarkets.

Rukeyser (SOF). This sirloin steak left the Middle West meat packer costing about 44 cents a pound. You're selling it now for $1.69 a pound. How did it get way up there?

Berthold. It cost about 2 cents a pound to bring that from the Midwest to our East Coast warehouse. It costs us another 2 cents a pound to deliver it to our stores. That 44 cent carcass now costs 48¢

And depending on how much fat and bone we remove—let's assume that we remove 40 per cent, we get a yield of 60 per cent of the carcass. So that 48¢ carcass of beef now costs us 80¢ in the show case, in the various cuts that we have. Some of these cuts sell for considerably less than 80¢ a pound—which follows then that some must sell for more.

Rukeyser. And you take your profit then on the average of all of them—or the total?

Berthold. Yes, we do.

Rukeyser. And that profit would come to about what?

Berthold. Well, that profit comes to something less than 1 per cent after taxes.

Supermarket scenes

Rukeyser (voice over). So every link on the chain of meat suppliers can make a case that its cost have risen, and that it should not be accused of profiteering at your expense. But is there any solution for people who don't want to become vegetarians? We asked two eminent economists whether supermarket boycotts did any good. Professor John Kenneth Galbraith, a noted liberal, was skeptical.

Galbraith. I would think that a stronger procedure would be a boycott of any Congressman or any Senator who seems not to have taken a requisite interest in this. The problem is one that has to be handled in Washington and the people to be held responsible are one's legislative representatives there.

Rukeyser (voice over). And Professor Milton Friedman, a leading conservative, also thought the women's energies were misspent.

Friedman. It may relieve some of their tensions. It may have a temporary effect in causing them for a week or two to have a lower price level, but the overall net effect is zero.

Rukeyser (on camera). The real problem with meat prices is that we affluent Americans have been demanding twice as much beef apiece as we were eating 30 years ago. Plainly, we need a much bigger supply. Meanwhile, there is something you can do right now to bring down your family's meat bill. You can make a practice of eating less expensive cuts. They remain a relative bargain . . . while the prices of more fashionable cuts such as sirloin and filet mignon go higher and higher.

There's an easy answer here—because you have a choice. But you usually have no such discretion when it comes to hospital costs—the second question to which we tried to find the answer.

Hospital exterior; Hospital interiors

Rukeyser (voice over). There is no more dramatic example of inflation than the cost of care in the nation's hospitals. The average cost is approaching a hundred dollars a day—and the end is by no means in sight. Nor is the main reason hard to find . . .

Nurses in class; Laboratory workers; Laundry workers; Kitchen employees; and Dr. Knowles at inflation hearings of Joint Economic Committee

About two thirds of a hospital's cost go for labor. Whether they were nurses or kitchen employees, these workers used to be encouraged to think of themselves as dedicated angels of mercy—and angels don't worry about money. Hospital employees were among the most underpaid workers in the country. Now they're catching up. However overdue, this catching up has sent costs skyrocketing . . . as was explained at a congressional hearing by Dr. John H. Knowles, director of the Massachusetts General Hospital in Boston.

Knowles. For each 5 cents that we move our minimum wage, it costs us $475,000—it costs us what we charge the public—an additional $475,000.

Accounting department

Rukeyser. (voice over). One of the reasons that hospitals were able to boost their wage rates was that so many of their bills—about 9 out of 10—are now paid by well-financed third parties like Medicare and Blue Cross. Critics contend that these third parties are not tough enough in scrutinizing hospital bills. What seems certain is that the red tape they require does add significantly to the final cost.

Computerized hospital bill

Dr. Knowles demonstrated the impact of such red tape on just one patient's bill . . .

Knowles. This patient came to our hospital in March. Let me read you some of the items here, then we'll stretch it out. There's more than eight feet. Medication $1; medication $2; day nurse $35; clinical labs $1; or let me get some, er, choice ones here, anesthesia $90; clinical laboratories $1. Piece work you wouldn't believe. Everything that's happened to that patient has to be put on a card, punched, carried and put into a computer, and this is what we've got on this man so far. Maybe we can stretch it out. I don't know how we can do this. Can you take one end of it . . . hope it holds together.

Stretches out patient's hospital bill across length of hearing room

This is just one patient, bear in mind, and when you have 365 patient-days, this is one patient who's been in our hospital since March.

Ward scenes

Rukeyser. (voice over). Not just red tape, but the demand for hospital facilities has been sharply increased by Medicare, Medicaid and the private insurance plans. This rising demand has paralleled the rising hospital wage rates.

Kitchen—food moving on assembly belt Cathode machine

But hospitals are also victims of the general inflation hitting the country. At one suburban hospital we visited, food costs alone have gone up by $10,000 a month in the last year. Inflation means hospitals must pay more for everything they buy—from the food they put on the patient's plate to expensive new diagnostic machines. In Chicago, we talked with the comptroller of Wesley Memorial Hospital, Harold Staidl:

Staidl. An X-ray radiographical unit in 1948 cost $9,400. Today it costs $32,000. A urological table in 1948 cost $515. Today the same table costs $5,500. A hospital bed in 1948 cost $47.25. Today a bed is $600. Now I'll grant you that many changes have been made in some of this equipment causing the increase in cost, but most of it is due to inflation.

Hospital room with bed

Rukeyser (voice over). Inflation. Well, there's plainly no way to solve *that* part of the hospital-cost problem without solving the national problem of inflation.

Rukeyser (on camera). So let's sum up what you can do about hospital costs. You can't protest against the fact that hospital workers—so underpaid for so long—have finally stopped subsidizing the patient. But you can urge your Congressman to see that Government medical programs are administered with less red tape and more concern for final costs. And you can demand the same streamlining from any private insurance plan to which you belong. After all, it's you who pays the taxes—and the premiums.

Perhaps, most important of all, you can let your representatives in Washington know that you insist on their taking the basic steps that will stop inflation. We'll have more on how you can do that later in the program.

Headlines emphasizing rising interest rates

Rukeyser (voice over). One of the by-products of that inflation has been record-high interest rates—part of a policy deliberately designed to discourage spending. It's a policy that is particularly hard on anyone whose version of the American dream includes the purchase of a home.

Persons interviewed at housing development near Chicago

Rukeyser. You figure it's gonna keep going up every year?

First man. Yes, it has, and I see no reason why it won't. And that's one of the things we're counting on, if we own a home, is the price going up further for us.

Rukeyser. So you figured you better buy now.

First woman. Before they go up any higher.

Rukeyser. In the two years since you last bought a house, have you noticed the prices have gone way up?

Second Woman. I have noticed that they seem to be completely outrageous for what you're getting.

Rukeyser. In the year you've been looking have you noticed a change?

Second Man. Yes we have. We looked at one home and we hesitated about buying it for one reason or another, and when we did decide that we would like to have the home, the price had gone up a thousand dollars practically overnight.

Scenes of new homes and homes under construction

Rukeyser (voice over). The young house-hunters are certainly right that house prices have been soaring—about twice as fast, in fact, as most other prices. And with interest rates so high, there's pressure on you from the other end . . . you can't get as much mortgage money from the bank.

Construction workers

Just about everything that goes into a house has increased significantly in price. But perhaps the most dramatic increase has been in the cost of labor. Construction was already an unusually high-paying industry. I asked Jack Hoffman, a major home-builder in the Middle West, why builders had permitted these huge wage increases . . .

Hoffman. The building industry happens to be one of the largest and most fragmented industries in the country. There are approximately 50,000 homebuilding organizations around the country. We of course have weak members and we have strong members, and those who are weakest must negotiate before the others are ready to negotiate, and with the negotiations accomplished by several of the builders with the unions, they then use this as leverage with the other builders.

Rukeyser. Are the unions stronger than the builders are?

Hoffman. Certainly. This is what gives them the leverage to be able to develop negotiations far in excess of other industries.

Houses under construction

Rukeyser (voice over). Tight money and high costs add up to a desperate shortage of homes. Fewer new homes were started in the first half of this year than in any similar period, except one, since World War II.

Rukeyser (on camera). So what can you do about the high cost of housing? Well, first you can recognize that three of the problems we've just seen have a good deal in common. The househunters have speeded up their buying plans because they fear more inflation. The building unions have increased their wage demands because they fear more inflation. And the government has kept interest rates high to discourage excessive borrowing by people who fear more inflation. Clearly, some of us who fear inflation have been doing more than our share to help it along. We could, at least, stop doing that.

But as with meat prices and hospital costs, housing has some special problems and one basic one. The basic one is called inflation. How in the world did this country let itself get in such a mess? Let's see if we can't find out.

Animation sequence

Rukeyser (voice over). People have gotten so used to the idea that a dollar buys less and less from one generation to the next that many have come to think of runaway inflation as a basic—and inevitable—fact of modern American life. But it just isn't so. From 1958 to 1965, for example, the U.S. had a period of remarkable price stability—with overall increases averaging just a little more than 1 per cent a year. The nation was growing a lot faster than its prices were. Plainly, then, something must have happened in 1965—and something did. The something was Vietnam.

When a nation is as rich as the United States is, it can afford to do almost anything. But it can't do everything, all at once, without paying for it. And that's exactly what the U.S. tried to do as the war in Vietnam took an ever-bigger part of the nation's wealth.

Let's see just how that works. Even in our credit-card economy, there are limits on the ordinary family. If it's already spending every penny that Papa makes . . . and if Mama then goes out and buys a diamond ring and a mink coat . . . that family is in deep trouble. So is the government when, with the economy booming along and unemployment very low, it runs up bills that it can't afford to pay.

The politicians, of course, have an advantage over the rest of us. For when the Government spends more than it takes in, it can, in effect, print more money to pay its bills. The only trouble is, that that makes everybody else's money worth a little less. For when there's more money around, and the same amount of goods, prices go up. It's the old law of supply and demand . . . one law that no politician has ever been able to repeal.

The trouble started when the Johnson Administration tried to have both a major buildup in Vietnam and a major social-welfare program at home . . . without raising taxes to pay for this double-barreled effort.

In the winter of 1965–66, President Johnson made what turned out to be a pretty bad guess. He estimated that the war would cost, in the year beginning the following July, about $10 billion. And he figured that there would be no need to raise taxes to pay for it.

In the end, that $10 billion estimate in the budget was about $10 billion under the real cost of the war for the year. And in the months after the budget was submitted, as it became clearer that the price tag for Vietnam would go up, the President's Council of Economic Advisers recommended a tax increase. But the President reckoned that Congress would never support a tax increase, so he decided to lay off the subject himself. The result was that the Government spent, in that year ending in June of 1967, no less than $9 billion more than it took in. And inflation was off and running.

By August of 1967, the Administration had realized that if it tried to have guns and butter for the same taxes it levied for butter alone, the housewife was going to have to pay a lot more for her groceries. So it finally requested that tax increase.

Now came Congress' turn to dilly-dally. After all, the legislators seemed to reason, people always love spending, but they never love taxes . . . so let's go right on spending and forget about the taxes. By the time the Congressmen got around to enacting the 10 per cent surtax nearly a year later, in 1968, the deficit in the Federal Budget had grown to a whopping $25 billion . . . and inflation was built into the American economy for a long time to come.

RUKEYSER (on camera). OK. We know how inflation got started—and we even have a few ideas of what you can do to help stop it. But there's plenty more coming in that department. We next turned to some of the people whose actions may well affect the prices you'll have to pay in 1970.

THE GREAT DOLLAR ROBBERY

PART TWO

Animation sequence

RUKEYSER (voice over). If we think of the inflation that's now driving through America as a train, it's clear that the thing that got the train under way was the decision in Washington—first by the White House, then by Congress—that it would be easier *not* to ask the people to pay for what the Government wanted to spend . . . and not to cut the spending itself.

But if the Government started the inflation train down the tracks, other Americans have been helping it gather steam. When prices started rising, many unions started negotiating larger long-range wage increases in the hope of keeping ahead of inflation. Many companies agreed (far too readily) to these contracts, figuring they could pass the increases along to consumers . . . in higher prices. And thus millions of Americans set out to fool themselves . . . assuring that even when the Government tried to put on the brakes, as it has this year, the inflation train would keep on rolling along.

Construction workers

When it comes to labor's responsibility for keeping that inflation train going, a favorite target as we have seen is the construction industry—where wages have been bounding ahead at a record annual rate of 20 per cent.

Exterior, AFL–CIO Building, Washington, D.C.

The head man for America's 3½ million union construction workers is C. J. Haggerty, president of the AFL–CIO Building and Construction Trades Department. I asked him to comment on the kind of settlements those workers have been getting this year . . .

RUKEYSER. Arizona plumbers—these are all three-year contracts—increased from $6.51 per hour to $9.76 per hour, total wage package. Connecticut iron workers up from $6.62 per hour to $10.68 per hour. Southern California plumbers, up from $8.10 per hour to $11.61 per hour. New York City riggers up from $6.40 to $10.15. Now how can you justify this kind of huge wage increase at a time when we're trying to stop inflation?

HAGGERTY. Now let me say that there are some instances where some of us feel that maybe the adjustment could have been a little less and a little more reasonable for the journeymen in the negotiations. But that's something that the hierarchy of labor could do nothing about.

RUKEYER. Well, can I gather from what you've said, that it's very own view as a private citizen that some of these contracts have been excessive?

HAGGERTY. Yes, I would agree with it that some of them—I wouldn't name them and couldn't name them right offhand now—but I would say that in some instances they have been excessive, but they're very few and far between. The general run I think are pretty solid, pretty sound and justifiable.

RUKEYSER. Your public statements have been in defense of the wage settlements.

HAGGERTY. Certainly they are . . .

RUKEYSER. If you were able to defend them, wouldn't you be able to criticize them. . . .

HAGGERTY. Well, I'm just telling you now that I admit that there are—I don't say which ones, I don't know offhand without going into it—I'm telling you now that I admit that there are some unions that probably have made excessive demands, and obtained . . . their . . .

RUKEYSER. Have you made known your feelings to these unions?

HAGGERTY. Oh, yes, yes.

RUKEYSER. How have they responded?

HAGGERTY. Well, they didn't like it.

RUKEYSER. Did they indicate they'd be better boys next time?

HAGGERTY. No.

RUKEYSER. Isn't one of the problems that a union leader knows that if he were less militant that he'd soon be replaced by another union leader?

HAGGERTY (pause). No comment.

Exterior, U.S. Chamber of Commerce building, Washington, D.C.

RUKEYSER (voice over). Plainly, not much hope there that the hierarchy of labor is about to take any strong measures to hold down wages. But how about the other side of the coin? How much is business itself to blame? We turned to a leading spokesman for American industry—Jenkin Lloyd Jones, president of the U.S. Chamber of Commerce . . .

RUKEYSER. Mr. Jones, you businessmen have been quick to call labor to task for its role in keeping inflation going, but hasn't big business been far too quick to grant these pay increases and then just pass them on to the rest of us in the form of high prices?

JONES. Yes, but, business is limited in what it can get away with in higher prices depending on how much the consumer will pay.

RUKEYSER. Several big companies have raised their prices this year well in excess of what they've had to pay for wage increases. How can that be justified?

JONES. I would say that would be inflationary.

RUKEYSER. Do you say this to the companies involved?

JONES. Well, I don't know if we've gotten on the telephone and called them up and told them to roll their prices back, but what we have tried to do is to educate the business community in our responsibility as well as the responsibility of other segments of the economy in getting this thing under control.

RUKEYSER. How successful would you say that education has been?

JONES. Well, we've tried pretty hard at it.

RUKEYSER. One of the important ways in which business contributes to inflation is by spending too much too fast on new plants and equipment. Because they are afraid that prices are going to go higher, they spend so much now that they make sure that prices do go higher next year. Now couldn't more be done to get this capital spending under control?

JONES. I do think that a good deal of business construction right now particularly when there is such a tremendous shortage of construction labor could afford to be deferred. I think the fact that we are in a jam is because we are too much the now generation. We wanted it now. Well you can't have it all now. You've got to stretch it out, and this is what we've been trying to tell our business members and I think the moment that they can become convinced that they will get as good or better a plant next year at perhaps a lower interest rate they will cease to be of the now generation.

RUKEYSER. But until then they will be card carrying members of the now generation.

JONES. I think this is human nature.

Exterior, Labor Department, Washington, D.C.

RUKEYSER (voice over). Well, when business and labor can't agree, the Government often has to play a role. William J. Usery, Jr. is Assistant Secretary for Labor-Management Relations. As such, he presided over one settlement—for airline workers—that the New York Times called "one of the juiciest of 1969 contracts." . . .

You speak of workers anxious to catch up. But most of the country consists of people who don't have the same weapons to catch up—as you put it—as these very strong unions we've mentioned. When these very strong unions have very high wage settlements of the type we've seen this year, doesn't that add to the rise in prices for everyone in America?

USERY. It would certainly cause a rise . . . some, but usually when wages go up for a certain number of people automatically it'll bring wages up for some of the other people.

RUKEYSER. But not for the old people on fixed incomes, not for other people who aren't members of as strong unions as the construction workers and airline workers.

USERY. I will agree with you that I think it's most unfortunate for those on a fixed income.

Woman in Arlington, Va., group

WOMAN. This old lady that called us, she lives on a very small pension. She called and said, "Is there anything you can do about rent? My rent has gone up $25 a month. I live on a very small pension. Now this $25 is my grocery money. If I complain they'll put me out. Where will I go?" I think old people are frightened.

Retired persons hotel in Chicago

ELDERLY MAN. Well, I don't think anybody wants to anticipate going on welfare, if they can possibly avoid it.

ELDERLY WOMAN. That I don't want to . . . that I don't want to.

ELDERLY MAN. That's the continual worry. The humiliation of doing such a thing is something that you have to think about.

ELDERLY WOMAN. You have to think twice some times before you buy. And what hurts me is that I can't give the presents, I can't spend the money on others as freely as I used to do.

Because I . . . sometimes I lie awake at night and think, well you shouldn't have done that. You have to hold back.

Faces of elderly people at Chelsea House, Chicago

RUKEYSER (voice over). Fear is not an uncommon reaction for those who are helpless against the ravages of inflation. With labor and management passing the buck back and forth, and with the government apparently either unwilling or unable to make them behave, polls indicate growing public dissatisfaction with the Nixon administration approach.

Exterior, White House, gradually zooming in to medium shot

As Harry Truman used to say when he was in the White House, the buck stops here. President Nixon has made personal appeals to both business and labor to show more self-control. But his Administration has deliberately avoided any direct controls or exact guidelines on either wages or prices.

Portrait of President Nixon, panning down to Mr. McCracken

Mr. Nixon's top economist is Paul W. McCracken, chairman of the President's Council of Economic Advisers.

RUKEYSER. Mr. McCracken, if you won't flash the red light of controls and you don't want the amber light of caution, of guidelines, aren't you in effect flashing a green light, telling people to go out and get whatever they can?

MCCRACKEN. No, definitely not.

RUKEYSER. What is the government doing to restrain wages and prices?

MCCRACKEN. Government is doing the most important thing for government to be doing, and something which was not done for about three years, and which landed us in this problem. And that is that it has pursued a strong budget policy, it has pursued policies of monetary and credit restraint, and these are already beginning to build the back pressures.

RUKEYSER. Well, isn't there some ground for concern, that while you're busy dealing with basic causes, these effects keep rolling along?

MCCRACKEN. Well I think yes, there is. I would want to say this: That now that we are seeing some clear evidence that the economy is cooling, it is more and more important for businesses and for unions to start to think how or what their price and wage actions will do in an environment which is going to be less expansionist and less inflationary. As the President himself indicated, those who bet on inflation are going to get burned.

RUKEYSER. Isn't there a danger that we may soon have the worst of both worlds? In other words, a recession in which prices keep on rising?

MCCRACKEN. It's very important that we see this matter clearly and realistically. When you start in to try to cool off a long overheated economic situation such as we've had, we have to be prepared for an interlude where all of the wrong things seem to be happening. We musn't lose our cool if that's what we see.

RUKEYSER. It may be easier not to lose your cool if you're not losing your job. It's tougher on those who are thrown out of work by this kind of situation.

MCCRACKEN. No question about this.

RUKEYSER. How much unemployment is too much?

MCCRACKEN. Well I wouldn't want to . . . How much is too much?

RUKEYSER. When you're trying to stop inflation?

MCCRACKEN. Any employment is too much.

RUKEYSER. Wouldn't it be fair to say, though, as you look ahead to 1970, that this mix you've discussed, these policies you've enunciated, are going to mean a few more people out of work?

MCCRACKEN. If I were to say the whole thrust of policy has to be directed toward avoiding any risk here, then I would also be saying quite probably we will have a rise in the price level in 1970 fifty per cent greater than this year, and you don't want that either.

RUKEYSER (voice over). So it would appear that there is going to be at least some additional unemployment in 1970—as part of what the Administration sees as the necessary price of beating inflation. Well, what do the economists think?

Harvard campus

Galbraith office

In his office at Harvard University, Professor Galbraith told us that Mr. Nixon was dead wrong, that more unemployment was not necessary, and that if things went on unchanged, inflation was bound to get worse.

Vermont scenery and Friedman home

Inside, Mr. Friedman and Rukeyser

Professor Friedman, whom we interviewed at his home deep in the woods of Vermont, disagreed emphatically. Mr. Friedman thinks the only way inflation could get worse would be if the Federal Reserve Board increased the total supply of money too fast—and he doesn't think that's going to happen. The economists were particularly far apart when I asked them: should the government impose controls on wages and prices?

FRIEDMAN. The government neither should nor can. The government can pass a law, that's one thing, but history in this country and every other country, has shown that such laws, fixing maximum wages and maximum prices, are honored far more in the breach than in the observance. They have also shown, that such laws do an enormous amount of harm. They attack the symptoms of inflation, not the cause of inflation.

GALBRAITH. Well, we have to abandon some of the established economic theology and face the fact that one of the causes of inflation . . . is the direct pressure of wages on prices. And one must come directly to grips with that part of the economy where wages act on prices and prices act on wages. It's not all of the economy, only a part of it.

RUKEYSER. Would selective controls over just part of the economy really be workable?

GALBRAITH. Oh sure. No question about it.

FRIEDMAN. I would ask him whether he would think, that if you have a balloon that is blown up, whether by pressing one corner of that balloon, you really deflate the balloon. I think the same thing is true about the economy. If you hold artificially down prices in one sector of the economy the only effect of that is to shift the pressure somewhere else and make price rises somewhere else higher.

RUKEYSER. Should government restore the old guide lines for wages and prices in an effort to use moral suasion to hold them down?

FRIEDMAN. I think the old guide lines were a complete failure. I think restoring them would be an equal failure. I think that what happens when you do that kind of thing is solely to spread misinformation among the public.

GALBRAITH. When they came in last autumn, the Nixon people said: We're not going to have anything more to do with this. This was, in effect, a license to go out for the biggest possible wage increases and to compensate for them with price increases. So, it's perfectly possible that the Nixon Administration, so far, has done more to cause inflation than it has to prevent it.

RUKEYSER. By giving a green light on wages and prices.

GALBRAITH. In effect, giving the green light on wages and prices, yes.

FRIEDMAN. It's not realized what the real function of guidelines is. The real function of guide lines is to shift the buck from where it belongs. Government produces inflation, nobody but government can produce inflation. But, of course, government officials don't like to admit that they produce inflation. They like to shift the blame to somebody else. So the government official says it's the greedy trade union man, it's the grasping business man who's raising prices—don't blame me, I had nothing to do with it.

Exterior, Capitol Hill

RUKEYSER. While they differed on most things, Professors Friedman and Galbraith agreed that the best way you can have an impact on inflation is by your impact on your representatives in Washington.

Outside Congressman Hale Boggs' Office

Hale Boggs is majority whip of the House of Representatives and a long time member of the group responsible for tax legislation: the House Ways and Means Committee.

RUKEYSER. Mr. Boggs, to what extent does public opinion influence the tax and budget legislation that comes out of Congress?

BOGGS. Well I think a great deal. It was public opinion that finally passed the surtax last year. There was a unanimity among the economists, the business community that that bill had to be passed. But until that was developed, there was very little pressure in Congress to pass that legislation.

RUKEYSER. Would the surtax have been enacted earlier if public opinion had demanded it?

BOGGS. I think so. It's always been my feeling that we waited too long to pass the surtax.

RUKEYSER. Would this have helped to curb inflation?

BOGGS. Yes, I think it would have.

RUKEYSER. Do most Congressmen vote on these matters the way they think their constituents would want them to?

BOGGS. Yes, I think so. That's why it's difficult to get a consensus on a tax bill. It's never popular to pass a tax bill, particularly one that affects every taxpayer in the country, such as the surtax does.

RUKEYSER (on camera). As Mr. Boggs suggests, Congress sometimes waits for the people to lead. When that lead is strong though, wise politicians put aside the comforting notion, first voiced by a New York banker three generations ago, that America is a nation of economic illiterates. Only you can prove that notion wrong—by making your voice heard in Washington. More on that later.

But first, let's find out how much we Americans have learned in three generations. In a moment, we're going to give you a chance to compare your personal views on inflation with those held by the people as a whole . . . as revealed in our ABC News Poll.

PART THREE

Poll interviewer approaching and entering home of respondent

RUKEYSER. (voice over). Politicans and experts aside, what do the people think about inflation, and what would they like to see done? To find out, we commissioned the Survey Research Center of the University of Michigan to make a nation-wide poll. Like all the Center's polls, this one was private and anonymous. However, to help us convey some of the intense concern people have about inflation, they agreed to let us accompany a few of their interviewers with the consent of the people being polled.

INTERVIEWER. What kind of people would you say are hurt most by inflation?

FIRST WOMAN. Retired people. People with fixed income.

FIRST MAN. The responsibile citizen. The individual that gets up in the morning . . .

INTERVIEWER. You mean the breadwinner?

FIRST MAN. Yes. Yes. The taxpayer. The honest man. The honest individual.

INTERVIEWER. Do you agree or disagree that consumers borrow too much, is a reason for our having inflation?

SECOND MAN. Yes, I agree. I think credit in the form of these rotating credit plans is much too easily available.

SECOND WOMAN. I think they borrow because of inflation. They have to borrow to get what they want. I have to borrow, I know, to get the things that I have.

INTERVIEWER. The government should control prices . . .

THIRD WOMAN. I used to think that but then I read all the arguments against it and I can see where it would be a very, very difficult thing and it inevitably leads to black market and they say it's a terrible mess so I don't think they should.

RUKEYSER (on camera). That's the way some people responded to the questions in our inflation poll. Now let's see what nationwide opinion is about inflation—and what should be done about it. At the same time, we invite you at home to take part in the poll and test your own attitudes against those of your fellow Americans. We'll show you the questions that were asked—one by one—and before revealing what the nation thinks, we'll give you a moment to register your own reaction.

Rukeyser (voice over). All right now, first—Do you think the prices of the things you buy will go up next year, go down or stay where they are now?

Results pop on, showing: Go up, 76%; Go down, 1%; Stay the same, 15%

Well, three out of four Americans thought prices would go up. Interestingly enough, though, when they were pressed as to how big an increase they expected, most people predicted between 1 and 5 per cent—which would be a slower rise than we've had in 1969.

Now we come to a list of reasons different people have mentioned for our having inflation. Taking them one by one, do you agree or disagree that we have inflation because of the following: First, business firms raised prices too much.

Business: agree, 65%; disagree 26%

What do you say? Nearly two out of three Americans think this is a reason for having inflation. Incidentally, in each case we have not bothered to list the percentage who said they don't know.

Now this possibility—Labor unions demanded and obtained too large wage increases.

Labor: agree 65%; disagree, 24%

Well, most Americans blame labor as well as business.

The Government spent much on Vietnam. Was this a cause of inflation?

Vietnam: agree, 68%; disagree, 21%

An even higher percentage said this was a cause of inflation.

Now your reaction to these other possible causes: the Government spent too much on other things.

Other Gov't spending: agree, 69%; disagree, 19%

Yes indeed, say the American people. The Government did not tax enough.

Taxes too low: agree 9%; disagree, 85%

Here we had our first *no*—and an overwhelming one.

Now how about this one:

Consumers *spent* too much.

Consumer spending: agree, 58%; disagree, 31%

If you *agree*, most Americans think as you do.

Consumers *borrowed* too much.

Consumer borrowing: agree, 70%; disagree, 17%

More Americans pinpointed *this* as a cause of inflation than any other. Finally, what about the possibility that inflation is inevitable, that nobody is responsible for it?

Inflation is inevitable: agree, 12%; disagree, 63%

Most people agreed. But even after hearing all these other possibilities, one out of eight of those polled still said that inflation was just inevitable. Now as we've seen tonight, some people may be hurt by inflation much more than other people. What kind of people would you say are hurt *most* by rising prices?

The poor, old, the average man

We naturally got a lot of different answers to this one, but among the most common were poor people, old people and others on fixed incomes, and the average man.

Now, who do you think gets hurt *least?*

The well-to-do

Here we had an overwhelming first choice. About seven out of ten of those polled thought well-to-do people could best escape the impact of inflation. Now let's get personal. How much would you say that you and your family were hurt by inflation?

Very much, 14%; much, 13%; a little, 55%; not at all, 13%

Most Americans said inflation has hurt them "a little"—though more than a quarter answered "much" or "very much." That percentage was significantly higher among *low*-income groups.

Now comes the question: What should we do to slow down inflation? Let's take these one by one. First, do you agree or disagree that income taxes should be raised?

Raise taxes: agree, 9%; disagree, 85%

As you can see, higher taxes had mighty little support. Now these other possibilities: Interest rates should be raised.

Raise interest rates: agree, 11%; disagree, 81%

Well, that idea is nearly as unpopular as higher taxes. The Government should spend less.

Cut Government spending: agree, 81%; disagree, 11%

Here the percentage reverses. This was the solution recommended most. Consumers should spend less.

Cut own spending: agree, 67%; disagree, 24%

Two out of three agree. Consumers should borrow less.

Borrow less: agree, 80%; disagree, 11%

A surprisingly high proportion—four out of five—agree that this would help slow inflation. Now that controversial question of *direct controls*. First, the Government should control prices.

Control prices: agree, 45%; disagree, 45%

This was the closest result in the entire poll—a dead heat. Again, the percentage not listed said they just couldn't say. The Government should control wages.

Control wages: agree, 35%; disagree, 54%

Well, much fewer people liked that idea than the idea of controlling prices. And finally, how about the possibility that inflation is inevitable, nothing can be done to slow it down.

Nothing can be done: agree, 9%; disagree, 68%

After hearing all these possible solutions, more than one in ten still felt that nothing can be done.

We've been talking about the nation as a whole. Let's talk again about you. Would you say that someone like you can do anything to protect his family against price increases? And if so, what?

Buy less: Yes, 27%; possibly, 10%; no, 56%

Most people said there was nothing they could do. Of those who disagreed, the most popular suggestion was to buy less—to postpone some purchases. Now, thinking of your savings, do you see any way to protect them against inflation. And if so, how?

Buy stocks: Yes, 15%; possibly, 3%; no, 72%

An overwhelming majority thought there was nothing they could do to protect their savings. Among the others, buying stocks was mentioned most frequently—though the stock markets, in fact, have declined during the present inflation. Now for our final set of questions. We're going to show you ten areas of government spending. One by one, on which do you think Government should spend *more* than now, on which *less*, and on which *about the same?*

First, Vietnam.

Vietnam: More, 7%; less, 73%; same, 20%

Fully 73 per cent thought the time had come to spend less on Vietnam.

Now—other defense.

Other defense: More, 13%; less, 40%; same, 47%

The greatest number were satisfied with the present level here, though two out of five wanted a cut.

Space exploration.

Space: More, 8%; less, 60%; same, 32%

Now that we have reached the moon, most Americans want a cut back in space spending.

Foreign aid.

Foreign aid: More, 3%; less, 76%; same, 21%

This relatively small program is still a favorite/target of public resentment.

Welfare payments to the poor.

Welfare: More, 36%; less, 33%; same, 31%

Here we had a very even division—but the biggest group would favor increased spending on welfare.

Now these other areas of government spending:

Education.

Education: More, 61%; less, 10%; same, 29%

Most Americans in our cross-section thought the Government should spend more on education.

Support for agriculture.

Farm supports: more, 31%; less, 34%; same, 35%

Here we had a predictable division among Americans—with no overriding sentiment either way. Low cost housing.

Housing: more, 52%; less, 18%; same, 30%

Most people want more spent on this. Highway construction.

Highways: more, 36%; less, 17%; same, 47%

The largest group thinks the present level of highway spending is about right. And finally, air pollution.

Pollution: more, 64%; less, 13%; same 23%

This got the strongest support for more spending of any item in the poll. Incidentally, 6 per cent of those polled thought there was no program on which the Government should spend more.

Rukeyser (on camera). Well, how typical an American did you turn out to be? If you were typical, according to the poll results, you've been hurt by inflation but not yet floored by it. And you've apparently been convinced that the Government is right when it says that inflation will slow down next year—even though you don't think it's going to stop. But the typical American revealed in our poll still seems confused and frustrated. He believes there's nothing he can do to protect his family or his savings against inflation. What is reflected here, perhaps, is the conviction that the ordinary good citizen is helpless—that with inflation, the good guys finish last. The businessman or worker who has shown restraint has been outpaced by those who haven't.

And in these results, we can sense one of the cruelest tolls of inflation—its impact on what were once thought of as traditional American values. Inflation penalizes the thrifty—and rewards those who live beyond their means. The saver finds his savings worth less than when he put them away—while the borrower figures he can pay off next year . . . with cheaper dollars.

But you're not as helpless as you may think against inflation. I'll be back in a minute—with some thoughts on what you can do to make sure we don't get in this kind of mess again.

EPILOGUE

Rukeyser (on camera). When it comes to mass villainy, not even the Mafia can match what we Americans have done to ourselves through inflation. How then to avoid the same sad cycle in the 1970's?

The real answer has to be that the only painless way of doing so is to prevent inflation from getting going in the first place. The best way to control wages and prices is to control government spending.

It was when Washington's spending burst the bonds that our current inflation took off like a vulture. Businesses and unions were no more greedy than they had been before 1965—so it's silly to try to shift the blame to them. It may be less silly to call them to account for keeping the inflation going longer, and more severely, than necessary. But, as we've seen tonight, the inflation of the late 1960's was not born in a union hall or a company boardroom. It was born in Washington.

And it is in Washington that your voice should be heard.

What can you do? You can let your Congressman know that you're not as dumb as he may think—that you're not going to support any politician who votes freely for public spending . . . and then won't be responsible enough to advocate the taxes needed to pay for it.

For the government can't give anybody anything except with your money now—or with another round of inflation later.

The government must set spending priorities—and stick to them.

To say that government spending must be more tightly controlled is to be neither liberal nor conservative. Arithmetic is nonpartisan.

It may be, as many liberal thinkers have suggested, that the Government must spend much more in some areas. If so, and if we don't want to raise taxes, then the requirement is that we spend less elsewhere.

A similar balance is required of conservatives who denounce high taxes. For a tax revolt without a spending revolt is not a policy. It's just revolting.

If you let Washington know that you want it to act more responsibly with your money, you can look forward to a more solidly based prosperity than even this nation has ever known before.

But if you don't, then the Great Dollar Robbery of the 1960's may seem, in retrospect, like petty theft.

This is Louis Rukeyser. Good night.

Open on newspaper page with Xerox ad prominent. Start to move in on ad

Dissolve in to close-up of form contained in ad. Pan down as hand checks boxes

Announcer (voice over). Here's your chance to do something about inflation. This ad is in the TV section of many of today's newspapers. Make your feelings about inflation felt by using this form or writing your own letter.

You'll be helping to guide your elected representatives in the battle against rising prices. Your word counts. Why not use it?

Announcer. Tonight, Xerox Corporation and its world-wide affiliates have brought you "The Great Dollar Robbery"—a penetrating look at why your dollar is shrinking and what you can do about it.

XEROX NEWSPAPER ADVERTISEMENT CONTAINING TABULATED RESULTS

If you're fed up with inflation, watch: "The Great Dollar Robbery" on TV tonight. And send this in tomorrow. Let your senator know how you feel—in (State), Senators ——— or ———.

Inflation chews up your paycheck almost before you cash it. And all you've been able to do is grin and bear it. Until tonight.

Tonight on ABC–TV, Xerox presents a special on inflation—"The Great Dollar Robbery: Can We Arrest Inflation?"

In it you'll see what inflation is, why it is, and what some people are doing about it—like the Virginia housewives who recently went on strike to protest rising meat prices.

But most important, after seeing the show you may be able to make up your own mind on what should be done.

And then you can tell Washington. Fill out the form on next page and mail it to one—or both—of your senators. With your ideas to spur him, he can do his part in the battle against inflation a lot better.

After tonight, you can do more about inflation than just gripe.—**Xerox.**

Senator________________________
Senate Office Building
Washington, D.C.
Dear Senator:

I know you're concerned about rising prices. I'm sending you my opinions on inflation in the hope that they'll help guide you in your efforts in Congress to combat it.

[In percent]

	National survey	Replies to Senator Kennedy
I believe we have inflation because: (check one or more):		
☐ 1. Business firms raised prices too much	65	49
☐ 2. Labor and trade unions demanded and obtained too large wage increases	65	61
☐ 3. The Government spent too much on Vietnam	68	92
☐ 4. The Government spent too much on other things	69	55
☐ 5. The Government did not tax enough	9	16
☐ 6. Consumers spent too much	58	29
☐ 7. Consumers borrowed too much	70	48
☐ 8. Inflation is inevitable; nobody is responsible for it	12	0.2
☐ 9. Other	(1)	14

	National survey	Replies to Senator Kennedy
To slow down inflation, I think: (check one or more):		
☐ 1. Income taxes should be raised	9	13
☐ 2. Interest rates should be raised	11	5
☐ 3. The Government should spend less on Vietnam	[2]81	92
☐ 4. Consumers should spend less	67	39
☐ 5. Consumers should borrow less	80	57
☐ 6. The Government should control prices	45	25
☐ 7. The Government should control wages	35	21
☐ 8. Inflation is inevitable; nothing can be done to slow it down	9	0.2
☐ 9. Other	(1)	19

[1] Not available.

[In percent]

	More than now		Less than now		About the same	
	National survey	Replies to Sen. Kennedy	Survey	Replies	Survey	Replies
I believe the Government should spend on:						
1. Vietnam	7	0.5	73	94	20	2
2. Other defense	13	2	40	62	47	28
3. Education	61	79	10	2	29	16
4. Welfare payments to the poor	36	56	33	14	31	23
5. Support for agriculture	31	5	34	54	35	30
6. Space exploration	8	2	60	71	32	21
7. Foreign aid	3	7	76	68	21	20
8. Low-cost housing	52	80	18	5	30	12

	More than now		Less than now		About the same	
	National survey	Replies to Sen. Kennedy	Survey	Replies	Survey	Replies
I believe the Government should spend on—Con.						
9. Highway construction	36	10	17	36	47	44
10. Air pollution	64	87	13	3	23	2
11. Other	(1)	22	(1)	2	(1)	0.2

Sincerely,

(Name)

(Address)

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[1] Not available.

[2] This recommendation on Government spending in the national survey was not limited to Vietnam. 81 percent of the replies to the national survey agreed that "the Government should spend less."

"The Great Dollar Robbery: Can We Arrest Inflation?" A Xerox Special Event, December 15, 10 p.m. Channel ———

THAT ALL MAY VOTE

Mr. INOUYE. Mr. President, as a member of the Freedom To Vote Task Force, I am proud to submit for publication the report issued by the task force entitled "That All May Vote." The report deals with one of the most basic problems in our democratic system—the failure of a large number of Americans to vote. Forty-seven million people did not vote in the last presidential election. Four million more people did not vote in 1968 compared with 1964. Since 1960, the number of nonvoters has increased by 8 million. If present trends continue, there will be 70 to 90 million Americans not voting in the next 20 years. This figure is staggering.

The 47 million people who did not vote in 1968 alone is more than the winning presidential candidate received in that election or in any previous election.

The failure or inability to register unnecessarily keeps millions of Americans from voting. This is a principal cause of nonvoting. If we are to have a viable democratic system that is representative of the needs of the people and responsive to their wishes, we must at least insure that all people qualify to vote.

In this regard, the task force has put forward proposals for a universal voter enrollment plan, a National Election Commission, and a national election holiday.

The universal enrollment plan provides for the full enrollment of all Americans by enrolling officers who would visit every residence in the country and enroll those of voting age population. The plan is similar to that employed in Canada, the United Kingdom, and virtually every other advanced democratic nation in the world. It has been tested and found efficient, safe, and inexpensive in the States of Idaho, South Dakota, and parts of California and Washington. It places principal responsibility on the Government for registering individuals.

The National Election Commission would supervise the quadrennial registration of voters for the presidential election as well as collecting and making available to the public accurate statistics on elections and the laws and procedures covering every election district in the United States. No agency performs such duties at the present.

The national election holiday solemnizes a most important occasion. It also provides the individuals with the unhindered opportunity to cast their ballot.

I believe these proposals deserve the serious attention of Congress and the American people now; therefore, I am pleased to ask unanimous consent that the report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

THAT ALL MAY VOTE: A REPORT ON THE UNIVERSAL VOTER ENROLLMENT PLAN, THE NATIONAL ELECTION COMMISSION, A NATIONAL ELECTION HOLIDAY

(By the Freedom to Vote Task Force, Democratic National Committee, December 16, 1969)

PREFACE

On July 10, 1969, Senator Fred R. Harris, Chairman of the Democratic National Committee, appointed the Freedom to Vote Task Force and directed it to find ways to remove all barriers to the right to vote. As Senator Harris noted, "If we really believe in democracy in this country, we must assure every citizen's freedom to vote. If we really believe in citizen participation in this country, we must knock down the registration and other barriers which restrict the right to vote."

Members of the Task Force are:

Francis J. Aluisi, Chairman of the Board, Prince Georges County Commissioners, Prince Georges County, Maryland.

H. S. Hank Brown, Texas AFL–CIO President.

Mary Lou Burg, National Committeewoman, Wisconsin.

Hazel Talley Evans, National Committeewomen, Florida.

Lloyd Graham, National Committeeman, Washington.

Virginia Harris, National Committeewoman, Canal Zone.

U.S. Senator Daniel Inouye, Hawaii.

Mildred Jeffrey, National Committeewoman, Michigan.

Professor Doris Kearns, Harvard University.

J. C. Kennedy, Democratic State Chairman, Oklahoma.

J. R. Miller, Democratic State Chairman, Kentucky.

Clarence Mitchell, Jr., N.A.A.C.P., Baltimore, Maryland.

U.S. Representative John Moss, California.

Richard Neustadt, Jr., Graduate Student, Harvard University.

Rudy Ortiz, Democratic County Chairman, Bernalillo County, New Mexico.

Professor Nelson Polsby, University of California, Berkeley.

U.S. Representative Louis Stokes, Ohio.

Marjorie Thurman, National Committeewoman, Georgia.

J. D. Williams, Attorney, Washington, D.C.

Mildred Robbins, Vice Chairman.

Ramsey Clark, Chairman.

Dr. William J. Crotty, Executive Director.

Fleurette Le Bow, Staff Coordinator.

Sue Meushaw, Staff Assistant.

Lola Oberman, Editorial Writer.

This report is the first of three. It contains the unanimous recommendations of the Task Force for the prompt implementation of a Universal Voter Enrollment Plan, creation of a National Election Commission, and declaration of a National Election Holiday.

Subsequent reports will make recommendations on voter qualifications and inventory existing imperfections in the democratic process.

I. LET THE PEOPLE CHOOSE

Forty-seven million Americans did not vote in the Presidential election of 1968.

This shocking fact must warn the American nation of the steady downward trend in voter participation. The number of non-voters in 1964 was 43 million; in 1960, 39 million. In the past eight years, there has been an increase of 8 million non-voters in Presidential elections. If this trend continues in the next 20 years, we can expect to see from 70 to 90 million American people not participating in the election for the highest office in this land.

The non-voter has undeniable power in determining the outcome of a Presidential election. In 1968, the non-voters exceeded by 17 million the total number of people who voted for Richard M. Nixon. For every vote separating the two major candidates in that election, there were 150 people who did *not* vote. In 1960, for every vote separating the major contenders there were 330 people who did *not* vote. Even in the more decisive elections in our recent history, non-voters could have changed the majority. Franklin D. Roosevelt defeated Alf Landon in 1936 by 11 million votes; Dwight D. Eisenhower defeated Adlai Stevenson in 1956 by 9.5 million votes; and Lyndon B. Johnson defeated Barry Goldwater in 1964 by 16 million votes.

Such a pitiful record of voter participation signifies a profound failing of the democratic system. The number of non-voters in the United States now is greater than the *total* electorates of such democracies as France, England, Italy, West Germany, Canada, and Australia, where voter participation is higher than in our own country. In our last Presidential election, only 61 per cent of the potential electorate voted. In the most recent parliamentary elections in Canada and England, at least 75 per cent of the potential electorate participated. Other democratic nations reach turnouts of 80 to 90 per cent.

Ironically, in earlier times more Americans voted. Between 1840 and 1900—a period marked by the beginnings of mass suffrage and preceding the adoption of restrictive voter registration requirements—an average of three out of four (76.9%) of the electorate voted. In the Presidential contest of 1876, the percentage rose to 82 per cent of the electorate.

The United States has changed immensely since 1876. In only 92 years, the population climbed from 46 million to over 200 million. The winning Presidential candidate in 1876 received 4 million votes; in 1964, the winner received ten times as many. And in 1968, in a three-candidate race, the victor received 31 million votes.

If our population growth is incredible, our technological growth is more so. It is still difficult to grasp the reality of placing a man on the moon in 1969. But other advances are also difficult to grasp. Although we live with these conveniences daily, the mere numbers are staggering: 85 million automobiles in 1968; 100 million television sets, 225 million radios. Increased mobility provided by mass transit and automobile travel should facilitate voter participation. Mass communication—including, along with radio and television, an abundance of newspapers, magazines, and books—should certainly contribute to an informed electorate. And the innovation of electronic voting machines has made the election process speedier.

Yet despite these technological advances, the political participation of Americans has not increased; it has declined.

The decline of democratic participation holds both a danger and a paradox. The danger is that democratic institution cannot function effectively or respond promptly to society's needs unless citizens participate in the decisions that affect their daily lives. A government that "derives its just powers from the consent of the governed" must be able to hear the voice of the people if it is to make orderly, systematic adjustments to the problems of change. It cannot assume that silence is consent. Silence may well imply alienation, frustration and a widening rift between the government and the governed.

The paradox is that while millions of citizens, at odds with basic national policies, are struggling for a more active role in public decision-making, participation in the electoral process continues to wane. We hear much talk of "participatory democracy" and "community control," but there can be little hope for success in the more difficult roles of self-determination when so many citizens are not even involved to the extent that they participate in the election of a President. If we can involve all people in Presidential elections, perhaps we will open all elections to wider participation. Such involvement will achieve needed reforms if democracy is relevant to mass society.

If the people are to make effective use of their political power, they must begin with the Presidency, the focal point of our political system. The Presidency is more important to the people now than ever before in our history. During the 19th century, when three out of four Americans voted for President, the impact of the Presidency was remote to the average citizens.

This is not true today. Now no individual can escape the constant impact of Presidential decision and action. Presidential policy toward such distant places as Vietnam, Biafra, and the Middle East is of direct concern to all. A cold war, a hot war, the threat of nuclear weaponry, and the vast power of the military-industrial complex affect us all. We must look to the wisdom and leadership of the President to solve such urgent problems as inflation, unemployment, crime, poverty, hunger, racism, repression, the pollution of our environment. The problems are legion, and Presidential action is essential to their resolution.

Yet 40 per cent of the people fail to vote for the President. This fact alone warns that the system is not working well.

People who vote believe in the system. They participate. They have a stake in government. But, to the non-participants, their stake in government is not so apparent. Their alienation from the system is harmful not only in their own lives, but it threatens the survival of democracy itself.

Registration efforts must not be concerned with how people vote. The important consideration is that they vote. We can live with decisions made by a full electorate, but those who do not participate may be unwilling to live with decisions they had no voice in making. We must do everything in our power to encourage them to vote. Let the people choose.

We must remove all barriers that stand between the citizen and the ballot box. Chief among these is voter registration, which unnecessarily and arbitrarily bars millions of voters in every election. In our earlier history when we had no registration requirements, a much higher proportion of our population voted. Today, areas which have no registration requirements average 10 to 15 per cent higher in voter turnout than those that do.

The historical reasons for extensive registration requirements are no longer valid. Registration was adopted at the turn of the century to prohibit the abuses of machine politics in the growing cities of the North and to disenfranchise the Negro in the South. Some registration qualifications were intentionally designed to exclude people from voting; others were instituted for reasons long since forgotten. The time has come now for an extensive review of the entire registration process in light of modern needs.

State residency requirements alone exclude millions of mobile Americans from voting. Thirty-three states and the District of Columbia require a one year residency before an individual can register and vote. Of these states, only 18 provide any waiver of the one year requirement in Presidential elections. There can be no justification for such practices. Everyone should at least have the opportunity to vote for President.

Long lines, short hours, inaccessible places, and registration periods remote from the date of election limit registration. Periodic registration drives, with high costs and low results, manifest a system working against itself. A major drive to register voters for the New York City mayoral election in 1969 succeeded in qualifying only 70,000 voters, a mere 3 per cent of the unregistered, for a total registration of only 35 per cent of the voting age population. The cost in money and in volunteer hours was high. Other registration drives have been more successful. A highly unusual competition between two cities—Wausau, Wisconsin and Highland Park, Illinois—in 1956 resulted in registering 99 per cent of the voting age population in both cities. But despite the occasional success story, registration is undeniably a costly and losing battle.

As a result, America—history's greatest democracy—has the lowest democratic participation of any modern nation.

This need not be so. Government has a duty to encourage its citizens to vote and to facilitate the process in every way possible. Some nations seek to achieve maximum participation by compelling citizens to vote. This is not the American way. Compulsory voting may be repugnant to us, but even more repugnant are the arbitrary barriers that impede the citizen's right to vote.

II. UNIVERSAL VOTER ENROLLMENT

There is a way of achieving virtually full enrollment. It is tested, safe, inexpensive and effective. It can vastly increase voter participation. It is Universal Voter Enrollment.

Proven in Canada, South Dakota, Idaho, and in parts of California, Washington and elsewhere, it has achieved enrollments of better than 90 per cent of the voting age population. Universal Voter Enrollment shifts the initial burden of registration from the individual to the government. Government must move from old and inadequate methods that serve to inhibit voter participation to a new and effective method of enrollment. The United States is virtually the only advanced democratic nation that does not have such a plan.

The plan

In the weeks immediately preceding an election, enrollment officers would visit every residence in the land and enroll every qualified person to vote who does not refuse.

For enrollment purposes, the 435 Congressional Districts—the smallest federal election unit—would serve as the unit for enrolling voters. This assures a local operation of manageable size and of comparatively equal population, as well as one that reflects population shifts over the years. Each District would be placed under the supervision of a local District Director. Teams of volunteer sworn election enrollment officers would be recruited and trained by professional staff personnel in comprehensive canvass and enrollment procedures. They would be assigned limited areas within the District in which they would be responsible for enrolling everyone of voting age population.

The enrollment officers would begin with existing lists of state and local voting registration. In the canvass of every residence, enrollment officers would confirm the accuracy and completeness of the lists. Those already registered would be offered federal enrollment if they desired it. Errors and omissions in existing lists would be reported to local officials. In addition, every qualified person who is located and does not refuse enrollment would be placed on the rolls of the District.

Each enrollee would be given a certificate which he would sign together with the District Roll in the presence of the officer. On election day the enrollee, if not registered for state purposes, would present his enrollment certificate for validation, countersign the District Roll, and vote on a special ballot for President and Vice President. If registered for state purposes, he would vote on state ballots, but could have his federal certificate validated as evidence of his having voted.

If the proper authority in a state or local district chose to do so, it could request full state or local registration by the federal enrollment officials. Any jurisdiction which followed this course would have virtually full enrollment at no expense. State or election districts which preferred to perform enrollment functions themselves, on giving adequate evidence of non-discrimination and the removal of all arbitrary barriers to qualification and on obtaining an enrollment exceeding 90 per cent would be eligible to receive federal funds which would otherwise be spent in the jurisdiction for federal enrollment. Under either alternative, a full and uniform enrollment of all voters would be achieved.

To assure awareness of the enrollment effort, and because some people will inevitably be missed in even the most careful canvass, advertising on radio, TV, and in newspapers during the weeks of enrollment and for several days immediately preceding the election would inform the people of their duty to enroll and vote and of the procedures for doing so.

No citizen would be barred from voting because of failure to enroll before election day, or loss of enrollment certificate, or absence from his District or from the country. Nor would he be disqualified from voting for President if he changed his place of residence—even the day before the election. He would simply have to complete an affidavit identifying himself, following a procedure no more complicated than that required to cash a check. On completion of the affidavit, he would be permitted to vote, and his ballot would be placed in a sealed envelope with the affidavit attached. If he were voting outside the District—for example, at an American Consulate in a foreign country—his sealed ballot and affidavit would be placed in a special delivery envelope addressed to the District Director of his place of residence. Mailed ballots would receive full franking privileges. When the statements in his affidavit were verified, the envelope containing his ballot would be placed with all other ballots received in this manner, opened, and counted. Perjury or misrepresentation would be a federal offense.

III. THE NATIONAL ELECTION COMMISSION

To administer and supervise the Universal Voter Enrollment Plan, a National Election Commission would be created. A National Director would serve as its chief executive officer. The National Director should be a non-partisan figure, nationally known and respected. He would be limited to a term of four years, beginning on January 1st of the year following a Presidential election. His primary responsibility would be to achieve full voter enrollment. To assist him in the execution of his responsibilities, an adequate staff of career personnel would be maintained in the national office.

A National Review Board would be appointed by the President from nominations made by the major political parties and independent non-partisan organizations. The Review Board would oversee the performance of the Commission, hear complaints, and recommend methods for improving the elective process. It would report to the President.

The Commission would also be charged with maintaining complete records of all election returns and all laws and procedures for every public election district in the nation. These would be available to the public. At present there is no single depository for such information. As a result, it is extremely difficut to obtain complete and accurate election information from existing sources.

The Commission would be authorized to study and comment on the adequacy and fairness of the election processes of any public jurisdiction, but it would have no power over any state, local or special election district officials. The Commission would also be instructed to undertake any study requested by any public election district designed to improve voter participation or guarantee a republican form of government. It would report to the Congress after each Presidential election, evaluating the thoroughness and fairness of the registration effort and presenting the final election returns. Periodically it would make available studies on the quality of American voter participation.

The District Director in each of the 435 federal election districts would be provided with staff and funds in election years to carry out the duties of his office. Federal Election Enrollment Officers would be volunteer workers serving without compensation. Recruited from civic groups, educational institutions, and individual interest, they would be commissioned as federal officers and subject to federal penalties. They would receive suitable recognition for their public service.

Estimated total costs for the operation of the Commission are $5 million in non-Presidential election years and $50 million in Presidential election years. This averages less than 50¢ per eligible voter in election years—a small price to pay for the involvement of all citizens in the electoral process.

IV. NATIONAL ELECTIONS HOLIDAY

The Task Force recommends a national holiday on the date of every Presidential election to assure full opportunity for voter participation and to solemnize this as the most important occasion for the exercise of a citizen's obligations in a free society. The nation can no longer afford to treat voting as a secondary responsibility. The survival of our institutions of government depends on the vitalization of individual participation in the democratic process.

The recommendations embodied in this report do not promise full reform of our system of election. There is no single remedy for so diverse a society. The Universal Voter Enrollment plan does offer an effective and vital reform that assures a substantial increase in voter participation. The need now is for immediate action.

APPENDIX I—THE NATIONAL ELECTION COMMISSION

The National Election Commission would enroll all individuals of voting age population for Presidential elections. In addition, it would perform a number of duties directly related to its principal concern. The National Election Commission would:

1. Enroll all voters for Presidential elections;
2. Report on its enrollment effort and obtain complete and accurate results of each Presidential election;
3. Create an election information center, a public repository of all laws, regulations and procedures and data on voter participation and election results for federal, state, local and special district elections;
4. Study the elective process to assure full voter participation, intergrity and efficiency in federal, state and local elections with authority to advise and consult with governmental and non-partisan private groups seeking to improve the democratic process and to report on elections and election practices and recommend techniques for their perfection;
5. Aid and assist governmental and private non-partisan efforts to achieve full voter participation;
6. Train federal enrollment officers and provide training programs for state and local election officials on request.

The National Election Commission would assure all qualified individuals of their right to vote for President and serve an educational function by providing information and analyses relevant to elections. It would collect election laws and the results of public elections held in the United States and make these available to all interested groups and individuals.

The National Election Commission would be non-partisan. The Director would be appointed by the President with the consent of the Senate. The Director would supervise the National Election Commission as its chief executive officer. He should be a national figure known for his integrity. The Director would be limited to one four-year term beginning on the first day of the January following a Presidential election.

The Commission would have professional staff of adequate size to perform its duties. Its division would include: (1) enrollment service, (2) information, (3) research, and (4) training. The operating budget of the Commission would approximate $5 million annually.

The operating budget would be increased substantially in Presidential election years to approximately $50 million. The major portion of the additional expense would be to cover the costs of enrolling all eligible voters through door-to-door contact.

DISTRICT DIRECTORS

In election years, the Director of the National Election Commission would appoint 435 District Directors—one for each of the Congressional Districts—to supervise the enrollment of voters within their districts.

The District Director's position would be unsalaried.

The District Director would have one responsibility—preparing for and supervising the enrollment of all voters in his district.

The District Director would receive a grant of up to 50¢ for every person of voting age residing in his district to cover enrollment expenses.

Any state or local governmental agency operating throughout a Congressional District where 90 per cent or more of the eligible electorate is enrolled through local efforts prior to July 1 of any Presidential election year may receive the federal funds available for the District as a grant-in-aid to help defray registration and election costs. A state reaching a 90 per cent or better enrollment of its eligible voters may receive a sum equivalent to the federal funds available for all Congressional Districts within its borders that attain a 90 per cent or better registration.

DISTRICT STAFF DIRECTOR

The District Director would also have responsibility for hiring a Staff Director to serve for a six-month period (July 1–December 31) during each Presidential election year to supervise administration of the enrollment program in the district. This position would be compensated at an attractive salary to obtain the full time services of a well qualified individual who might take leave of absence from business, education or a profession.

The National Election Commission and its Director would provide the local District Director and his staff with supervision, training and all possible aid in enrolling voters in their districts. The emphasis would be on decentralizing administrative responsibilities and performance. The system as a whole must be flexible and with the capacity to adjust to the peculiar demands and enrollment needs of each of the districts.

THE DISTRICT BOARD

Each district shall have a review board of at least five members nominated in equal numbers by the political parties whose candidates received more than 10 per cent of the vote in any public election covering the entire district within the past four years. Whenever an additional board member is necessary to achieve an odd number of board members, the District Director shall appoint one member to the Board.

The District Board shall:

1. Consult with, advise, and recommend methods for full enrollment and fair election procedures to the District Director.
2. Review complaints and report its findings to the District Director and the National Review Board.

ENROLLMENT OFFICIALS

The Staff Director, under the supervision of the District Director, and in consultation with the District Board would recruit individuals to conduct the actual enrollment of citizens. This service would be voluntary and the enrollment officers would not be financially compensated.

The enrollment officials would be drawn from civic groups, political party workers, or other organizations and individuals who might want to volunteer their services. Each district should recruit not fewer than one enrollment officer for each one hundred persons of voting age in the district.

In performing their duties, enrollment officers would be administered oaths of office as public officials and subject to legal penalties for any prospective abuse of their offices.

Enrollment officers would be required to attend training sessions prior to participating in the enrollment of voters.

NATIONAL REVIEW BOARD

A National Review Board of fifteen members would be appointed by the President from among those nominated by political parties and independent non-partisan citizen organizations. Nominations from the political parties would equally represent all political parties that received 5 per cent or better of the vote in the previous Presidential election. Combined with the nominations from the non-partisan citizen groups, the Board would reflect the balance of national interests. It would be charged with overseeing the activities of the Commission. The Review Board would:

1. Consult with, advise, and recommend methods for inclusive enrollment and fair election procedures to the Director of the National Election Commission,
2. Review complaints, and
3. Recommend to the Director of the National Election Commission the improvement of practices in specific districts and order the replacement of individual District Directors where the integrity of the democratic process requires.

APPENDIX II—THE ENROLLMENT OF VOTERS

The quadrennial enrollment of voters would begin on the first Monday in October and would be concluded by the end of the third week in October. The enrollment drive would be short and intensive. It is intended to coincide with the interest and enthusiasm generated during the campaign period. Enrollment activities would complement party and candidate efforts and should help to stimulate interest in the election and a higher turnout on election day.

Enrollment officials would be required to make a minimum of two personal calls at every place of residence in the district, if all voting age residents were not contacted on the first visit. If the personal visits fail to reach every voting age resident, the enrollment official would be required to leave notification of the times and places where the individual would be able to enroll.

The enrollment officials would be required to compare their enrollments lists with all other available voting lists compiled by state or local governmental agencies to insure that no eligible voter had been omitted from the enrollment.

If the proper state and/or local authorities requested it, enrollment officials would enroll voters for state and/or local elections at the same time they were enrolling them for the Presidential election.

Also, if the state or local authorities requested it, the federal enrollment lists would be made available to the proper state or local agencies to update their enrollment records or to serve as a guide to the voting age population.

Any enrollment list not turned over to state or local authorities for the purposes specified would be destroyed within one month of the official certification of the election results. No registry of citizens would be maintained at the national or district level.

When an individual was enrolled as a voter he would receive a card certifying his enrollment. The card would bear the individual's name, his address and his signature, in addition to the signature of the enrolling official. The same information would appear on the list compiled by the enrollment official and would be available at the polls on election day.

The individual would present his voter card to the election officials at the polls on election day. The card would be validated by the election officials. The voter would also sign the enrollment registry beside the signature obtained at the time of his enrollment. These procedures would safeguard the integrity of the election.

The enrollment as described would qualify an individual to vote for the President and Vice President. If an individual has registered under state law prior to federal enrollment, he need not enroll to vote for President.

Any individual who was eligible to vote yet whose name did not appear on the enrollment lists would have two options after the regular enrollment period had ended:

1. He could contact the District Director or other designated officials who would have the power to determine the individual's eligibility and add his name to the enrollment list, or
2. He could appear at the polls on election

day, sign an affidavit that he was eligible to enroll and cast a special ballot for the President. The ballot would be sealed and then placed in an envelope with the affidavit supporting enrollment. It would be the duty of the District Director to determine the voter's eligibility. If found eligible, the ballot would then be counted along with all others cast in this manner and the results added to the election tally.

An individual who loses his enrollment card could still vote. His ballot would be held separately, under procedures described above, until his eligibility was determined by the local election officials from the information in the affidavit.

An individual absent from his home district, but otherwise eligible to vote in the election, could vote for the President at another polling place. To do so, he would have to provide the local election officials with proper identification—name, address, signature, plus personal identification similar to that for cashing a check. The burden of proof in this case would be placed on the individual. Special ballots could be provided for these contigencies. These ballots would be air mailed, special delivery—franking privileges would be provided—to the individual's home District Director. He would determine the elibility of the voter and then count his sealed ballot along with the others received in this manner.

APPENDIX III.—TURNOUT IN PRESIDENTIAL ELECTIONS, 1824–1968, BY STATE

State	1824	1828	1832	1836	1840	1844	1848	1852	1856	1860
Alabama	49.1	54.6	(1)	64.9	89.7	80.3	69.7	45.3	71.0	76.7
Alaska										
Arkansas				28.9	67.6	63.4	55.9	48.6	60.2	79.5
California								75.7	81.6	71.2
Connecticut	14.9	27.2	46.0	52.3	75.7	80.0	72.3	72.3	81.8	73.3
Delaware	(2)	(2)	67.1	69.5	82.8	85.8	80.4	75.0	78.5	79.5
Florida							64.0	56.9	77.6	79.5
Georgia	(2)	31.8	29.0	61.8	88.8	92.6	86.0	54.8	82.8	85.1
Hawaii										
Illinois	24.3	52.4	46.0	43.5	86.0	76.0	70.5	64.7	72.4	80.5
Indiana	37.1	68.7	71.9	69.2	84.4	84.7	78.5	80.3	88.3	89.4
Iowa							90.7	80.2	87.0	94.2
Kentucky	25.4	70.7	74.0	61.1	74.3	80.7	73.9	64.2	76.7	74.1
Louisiana	(2)	36.2	22.3	19.2	39.4	47.1	51.1	48.7	53.6	58.6
Missouri	19.1	42.7	66.2	37.7	83.7	71.3	68.4	61.2	78.1	68.9
Maryland	53.7	70.3	55.7	67.6	84.5	81.4	76.0	72.8	80.0	81.1
Massachusetts	29.0	25.7	39.4	43.4	66.7	65.8	64.6	57.8	69.8	65.8
Michigan				35.0	84.9	79.8	74.5	71.3	81.1	80.0
Minnesota										74.9
Mississippi	41.3	56.6	28.0	64.4	88.2	86.1	80.7	61.7	78.3	89.5
Missouri	19.8	54.0	41.0	36.1	75.1	77.8	62.5	46.3	54.7	69.4
New Mexico	18.0	74.3	70.1	38.2	86.3	68.9	67.4	65.7	87.9	80.7
New Jersey	35.6	71.0	68.8	69.2	80.4	87.2	82.7	79.8	83.1	89.4
New York	(2)	80.2	84.2	70.5	91.9	92.1	79.6	84.7	89.9	95.5
North Carolina	41.8	56.9	31.3	53.0	82.4	78.8	71.4	65.8	66.7	70.9
Ohio	34.8	75.9	73.9	75.5	84.5	83.6	77.5	80.6	82.3	88.3
Oregon										97.8
Pennsylvania	18.8	56.5	52.3	53.1	77.5	77.3	76.3	72.6	80.8	78.4
Rhode Island	12.0	17.1	26.3	23.8	33.2	45.1	41.1	57.8	62.9	59.4
South Carolina	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Tennessee	28.3	55.0	31.3	57.3	89.7	89.8	83.4	72.9	82.9	80.9
Texas							69.6	42.6	58.1	67.4
Vermont	(2)	54.5	50.0	52.5	73.8	70.8	70.5	63.5	72.5	63.0
Virginia	11.6	27.7	31.1	35.2	54.7	54.2	47.3	63.3	67.8	71.5
Wisconsin							58.3	39.6	80.8	79.0
United States	26.9	57.7	55.4	57.8	80.2	78.9	72.7	69.6	78.9	81.2

[1] Not applicable. [2] Figures not available.

State	1864	1868	1872	1876	1880	1884	1888	1892	1896	1900
Alabama	(1)	77.9	79.6	72.8	58.8	54.2	56.6	68.5	51.9	38.9
Arkansas	(1)	49.0	67.6	64.7	59.5	59.1	68.9	55.0	48.2	40.8
California	64.6	72.3	57.9	75.9	67.1	68.8	76.5	73.8	75.0	69.9
Colorado				(1)	57.4	52.4	57.4	54.6	65.2	71.2
Connecticut	76.3	80.1	71.3	82.0	81.4	79.9	85.5	85.4	83.3	79.7
Delaware	79.8	84.3	73.3	73.4	81.9	76.0	68.8	80.4	64.6	81.9
Florida	(1)	(1)	77.0	93.5	85.9	83.1	85.0	35.3	40.0	29.9
Georgia	(1)	73.2	55.2	63.5	49.4	41.0	37.6	53.1	34.3	24.4
Idaho								63.1	76.1	77.8
Illinois	69.2	76.7	75.0	87.5	89.9	84.4	82.9	86.0	95.7	89.9
Indiana	82.9	92.5	85.3	94.6	94.4	92.2	93.3	89.0	95.1	92.1
Iowa	95.4	97.7	79.0	99.1	93.7	90.0	87.9	88.5	96.1	91.0
Kansas	31.8	51.3	77.8	65.7	80.8	85.1	88.2	80.7	85.5	91.2
Kentucky	44.0	69.9	66.2	80.9	75.5	70.8	81.1	73.8	89.2	87.0
Louisiana	(1)	75.9	76.4	77.9	50.3	49.8	50.0	45.1	35.8	21.7
Maine	73.2	74.4	57.9	71.5	85.0	7.50	71.7	63.5	63.0	56.0
Maryland	57.7	72.6	75.0	82.7	79.8	79.9	84.8	79.9	87.3	85.9
Massachusetts	63.8	66.9	62.0	72.3	71.2	69.3	71.7	74.6	70.6	67.4
Michigan	66.2	77.4	64.0	78.0	75.5	76.0	80.9	73.2	95.3	89.0
Minnesota	57.6	71.1	76.5	71.3	68.9	68.2	76.3	66.6	75.2	76.7
Mississippi	(1)	(1)	71.1	79.7	50.1	49.2	43.8	18.8	22.1	16.9
Missouri	36.3	43.0	66.6	76.6	78.0	77.0	81.8	77.4	88.5	83.1
Montana								74.2	73.8	75.3
Nebraska		46.1	43.7	53.0	67.7	67.8	75.9	66.2	74.1	80.2
Nevada	57.5	73.7	74.4	90.0	76.5	61.6	71.4	70.1	69.2	71.4
New Hampshire	84.3	82.3	80.9	92.0	93.3	87.4	90.2	85.8	78.1	83.9
New Jersey	81.0	89.5	81.4	94.8	95.4	88.6	91.9	90.3	88.4	85.9
New York	89.3	91.7	80.5	89.6	89.3	87.5	92.3	86.3	84.3	84.6
North Carolina	(1)	91.2	71.9	90.1	83.0	86.3	85.2	78.0	85.3	70.2
North Dakota								56.6	63.1	65.2
Ohio	87.6	90.4	84.4	94.4	94.4	93.4	91.9	86.2	95.5	91.5
Oregon	91.8	85.8	60.5	70.4	79.1	65.0	93.5	58.4	69.9	58.3
Pennsylvania	85.0	88.3	68.6	83.5	88.8	82.3	83.0	75.7	81.8	75.0
Rhode Island	58.8	46.6	40.2	49.4	48.7	48.1	53.4	63.0	59.2	56.2
South Carolina	(1)	79.6	60.4	101.0	83.9	43.0	35.0	29.1	25.2	18.0
South Dakota								70.7	78.0	85.4
Tennessee	(1)	39.7	66.2	74.6	75.1	73.1	77.6	64.0	70.8	56.6
Texas	(1)	(1)	56.3	54.6	68.8	80.2	78.3	79.4	88.3	61.4
Utah									79.4	84.5
Vermont	77.0	75.9	69.1	83.3	81.6	70.5	71.4	60.4	67.5	57.9
Virginia	(1)	(1)	66.2	77.6	64.1	81.7	83.2	75.3	71.0	59.6
Washington								67.3	63.1	64.9
West Virginia	51.6	58.0	61.2	83.6	82.6	86.7	94.5	90.3	93.6	91.3
Wisconsin	66.8	79.8	70.6	83.9	82.4	82.2	81.1	76.8	84.9	77.5
Wyoming								47.7	50.7	51.1
United States	73.8	78.1	71.3	81.8	79.4	77.5	79.3	74.7	79.3	73.2

[1] Figures not available.

State	1904	1908	1912	1916	1920	1924	1928	1932	1936	1940
Alabama	24.2	21.5	22.6	24.3	20.6	13.5	19.1	17.5	18.8	18.9
Arizona			38.6	48.7	46.8	44.4	47.9	55.1	52.0	57.0
Arkansas	33.8	40.2	30.7	40.0	20.9	15.3	21.4	22.1	17.3	18.2
California	61.7	60.2	46.9	58.0	47.2	50.8	59.0	64.0	66.0	73.4
Colorado	71.0	65.4	59.1	60.5	56.0	62.5	68.4	75.3	75.5	79.7
Connecticut	80.5	76.3	71.5	73.8	58.7	57.9	72.6	70.8	74.6	77.2
Delaware	82.0	86.2	84.1	86.1	75.1	68.1	75.3	76.3	79.8	79.4
Florida	24.4	26.2	24.2	33.8	30.3	17.0	33.0	30.5	31.3	40.9
Georgia	23.8	22.0	18.9	23.7	10.5	11.5	15.7	16.5	17.7	17.7
Idaho	65.3	65.8	59.8	67.4	61.1	65.2	66.0	74.4	71.8	77.0
Illinois	80.5	81.6	74.7	66.8	60.5	64.1	73.4	74.6	81.6	82.2
Indiana	89.7	89.9	77.8	81.9	71.0	70.7	74.9	78.9	78.7	81.1
Iowa	79.7	77.6	74.2	75.0	64.5	68.4	68.9	69.1	73.6	75.5
Kansas	78.1	82.5	76.3	65.8	58.0	64.1	65.9	71.1	76.6	75.1
Kentucky	77.7	84.0	74.6	82.8	71.8	61.0	67.7	67.4	59.9	59.5
Louisiana	15.6	19.8	19.3	21.6	14.1	12.4	20.1	23.4	27.3	29.4
Maine	49.5	53.2	63.4	65.1	46.9	44.9	60.2	66.3	64.4	65.0
Maryland	69.6	70.9	64.8	68.1	52.3	41.0	56.8	51.2	58.1	57.2
Massachusetts	67.6	65.1	63.4	62.8	53.3	56.6	74.0	69.5	75.9	78.7
Michigan	78.9	75.9	69.8	72.9	55.1	53.7	56.3	62.0	62.1	66.6
Minnesota	64.3	66.1	61.2	65.0	59.5	62.0	68.5	66.2	69.7	72.3
Mississippi	15.6	16.5	15.1	20.0	9.4	12.0	15.2	13.8	14.4	14.7
Missouri	74.9	79.7	74.9	81.5	67.6	63.3	69.1	70.9	77.3	74.4
Montana	65.8	61.9	63.3	68.0	61.4	59.2	65.3	70.3	70.8	72.2
Nebraska	70.1	77.8	77.1	84.5	55.7	63.8	71.5	72.1	75.6	75.4
Nevada	59.2	92.1	68.1	73.6	61.0	56.1	63.0	73.2	69.1	75.7
New Hampshire	81.6	80.8	78.2	77.3	67.5	67.4	77.8	77.5	77.8	79.6
New Jersey	83.6	82.4	69.1	70.7	59.1	60.7	75.6	72.0	75.0	76.7
New Mexico			59.6	77.8	62.3	61.8	60.3	69.7	68.7	66.6
New York	83.3	79.7	72.1	71.6	56.4	56.3	68.3	66.1	72.6	75.7
North Carolina	46.1	52.0	46.1	49.8	44.6	35.9	43.1	44.0	47.4	42.7
North Dakota	61.4	73.2	60.8	77.7	67.4	63.8	72.4	74.5	78.0	78.4
Ohio	83.1	87.5	74.8	76.5	62.6	57.8	66.9	65.5	71.8	75.4
Oklahoma		71.5	57.4	60.4	48.6	47.4	50.5	54.4	56.4	60.5
Oregon	47.6	47.3	51.8	54.2	52.3	55.3	57.7	60.7	62.5	67.1
Pennsylvania	74.3	71.8	64.4	63.4	42.8	45.8	62.7	53.1	72.5	67.6
Rhode Island	63.4	62.4	62.7	65.8	57.9	66.3	68.9	71.7	78.0	75.6
South Carolina	18.4	20.6	14.6	17.5	8.6	6.4	8.5	12.3	12.5	10.1
South Dakota	73.0	69.5	61.9	60.9	56.6	59.4	72.0	76.5	77.5	79.5
Tennessee	47.7	48.1	45.1	46.6	35.4	23.3	25.7	25.5	30.0	30.6
Texas	29.6	33.6	30.8	35.0	21.7	25.8	24.8	27.2	24.8	30.1
Utah	78.4	73.0	66.4	79.5	69.6	69.7	73.4	80.0	77.9	83.1
Vermont	50.7	48.9	56.8	58.2	45.3	51.3	66.8	66.6	68.5	22.1
Washington	60.9	59.0	50.8	54.7	52.4	51.2	56.6	64.2	66.6	70.6
West Virginia	89.2	86.9	81.9	83.6	71.7	75.2	76.4	81.9	84.9	83.0
Wisconsin	72.0	68.7	68.7	70.7	52.3	57.3	65.9	65.1	68.9	72.4
Wyoming	50.8	49.2	50.3	54.9	52.3	71.0	68.7	74.9	74.0	74.8
United States	65.2	65.4	58.8	61.6	49.2	48.9	56.9	56.9	61.0	62.5

APPENDIX III.—TURNOUT IN PRESIDENTIAL ELECTIONS, 1824-1968, BY STATE—Continued

State	1944	1948	1952	1956	1960	1964	1968
Alabama	15.0	12.6	24.2	27.6	31.2	36.0	51.5
Alaska					49.1	48.7	56.4
Arizona	42.2	45.4	53.9	47.8	53.8	54.7	43.6
Arkansas	19.3	21.9	36.9	38.0	41.1	49.9	52.5
California	65.1	63.2	69.4	64.0	67.9	64.7	61.0
Colorado	67.9	64.5	76.2	69.2	71.4	68.0	70.2
Connecticut	73.9	71.2	80.9	75.8	76.8	71.8	68.5
Delaware	66.9	68.5	78.4	72.7	73.6	71.1	71.7
Florida	33.5	34.1	47.6	43.6	50.0	52.7	58.2
Georgia	17.6	21.4	31.9	29.6	31.2	44.9	41.6
Hawaii					53.0	52.5	62.7
Idaho	64.5	63.1	78.2	75.2	80.7	75.8	72.8
Illinois	74.8	70.3	76.0	72.4	75.7	74.0	69.3
Indiana	71.7	67.2	75.7	73.7	76.9	74.0	71.5
Iowa	64.3	62.4	75.8	74.0	76.5	72.3	71.6
Kansas	62.2	65.0	71.7	67.4	70.3	64.8	63.5
Kentucky	51.9	49.6	58.9	58.6	60.5	52.9	46.8
Louisiana	25.1	27.5	40.2	36.0	44.8	47.3	55.6
Maine	57.3	49.0	63.1	61.8	72.6	65.6	67.5
Maryland	46.7	41.7	57.5	54.6	57.2	56.0	57.7
Massachussetts	71.0	71.5	75.0	72.0	73.8	71.3	67.8
Michigan	63.7	55.6	68.5	71.1	72.4	68.9	64.9
Minnesota	63.0	65.7	72.6	68.7	77.0	76.8	71.8
Mississippi	15.0	16.0	23.8	21.0	25.5	32.9	51.6
Missouri	62.2	61.0	71.8	68.8	71.8	67.4	63.1
Montana	59.0	62.3	71.8	71.6	61.4	69.8	65.0
Nebraska	67.9	58.2	71.9	67.6	71.4	66.6	59.9
Nevada	64.8	64.0	69.7	65.9	61.2	55.5	54.2
New Hampshire	73.5	70.3	79.2	74.4	79.4	72.3	70.9
New Jersey	69.1	63.0	72.3	68.9	71.8	68.6	65.1
New Mexico	48.8	53.4	60.5	56.8	62.1	63.9	63.3
New York	70.9	65.0	71.2	67.9	67.0	63.2	57.3
North Carolina	38.0	35.4	51.3	47.4	53.5	51.8	54.7
North Dakota	61.5	61.6	75.5	71.3	78.5	72.2	65.5
Ohio	66.9	58.4	69.7	66.4	71.3	66.6	63.6
Oklahoma	52.8	52.5	68.6	61.4	63.8	62.5	62.9
Oregon	58.4	56.5	69.6	71.1	72.3	69.6	64.4
Pennsylvania	59.8	56.0	66.5	65.5	70.5	68.1	63.2
Rhode Island	65.0	66.0	79.8	73.2	75.1	68.7	68.2
South Carolina	9.8	12.8	29.1	24.7	30.5	38.0	48.0
South Dakota	59.3	63.3	74.4	74.7	78.3	72.6	70.8
Tennessee	28.2	28.7	44.7	45.9	50.3	51.1	53.0
Texas	28.2	26.0	43.5	37.9	41.8	44.4	51.6
Utah	75.0	76.0	82.9	77.2	80.1	76.9	76.9
Vermont	56.9	54.5	66.8	66.5	72.5	68.0	65.5
Virginia	22.3	21.6	29.9	31.8	33.3	41.0	53.1
Washington	67.0	63.2	71.2	70.4	72.3	71.5	65.0
West Virginia	65.5	65.8	76.3	74.6	77.2	75.2	70.0
Wisconsin	65.7	59.8	72.5	67.8	73.4	70.8	68.0
Wyoming	63.3	59.6	72.5	67.4	74.0	73.2	69.3
District of Columbia						40.2	33.5
United States	55.9	53.0	63.3	60.6	64.0	61.8	60.6

Source: Compiled by Prof. Walter Dean Burnham, department of political science, Washington University, St. Louis, Mo.

APPENDIX IV.—TURNOUT IN U.S. SENATE ELECTIONS, 1946 TO 1968

State	1946	1948	1950	1952	1954	1956	1958	1960	1962	1964	1966	1968
Alabama		(1)	(1)		(1)	(1)		(1)	21.5		40.5	44.4
Alaska							75.6	72.2	51.5		44.8	
Arizona	31.7		43.9	52.0		47.7	48.5		43.8	53.3		50.6
Arkansas		(1)		(1)	(1)	(1)		(1)	(1)		(1)	50.3
California	39.7		51.1	61.9	49.0	63.7	58.7		55.9	65.3		59.7
Colorado		70.8	53.3		56.0	66.8		71.6	57.2		55.8	66.5
Connecticut	49.9		62.0	75.7		76.4	66.2		63.3	71.1		66.1
Delaware	59.9	72.1		77.6	62.7		57.4	73.9		70.7	56.3	
Florida	(1)		(1)	(1)		(1)	(1)		28.3	45.2		52.7
Georgia	(2)	(2)	(2)	(2)	(1)	(1)		(1)	31.7		(1)	(1)
Hawaii								[3] 51.0	59.1	52.9	52.0	
Idaho	56.9	67.4	57.7		64.3	75.2		78.5	67.7		65.1	71.8
Illinois		66.0	60.7		56.1	70.0		74.9	59.5		59.4	67.4
Indiana	53.9		62.9	74.1		72.0	62.4		64.8	73.7		69.4
Iowa		58.2	50.6		51.3	70.7		74.2	48.8		52.4	69.3
Kansas		55.4	41.8		49.1	64.5		67.6	48.4		51.8	59.6
Kentucky	38.6	49.1	35.4	58.0	46.9	54.4		58.0	43.7		37.0	45.7
Louisiana	(1)	(1)			(1)	(1)		(1)	28.1		(1)	(1)
Maine	31.0	39.3		43.5	43.3		50.2	72.6		66.1	55.6	
Maryland	33.7		40.3	56.1		52.5	43.3		38.7	54.3		54.3
Massachusetts	53.8	63.7		73.3	57.5		58.7	74.9	64.7	71.2	60.9	
Michigan	40.9	51.7		66.2	49.2		48.8	71.4		66.5	51.1	
Minnesota	47.2	64.0		73.1	58.5		57.0	76.7		76.5	62.2	
Mississippi	(1)	(1)	16.8	(1)	(1)		(1)	(1)		(1)	31.5	
Missouri	42.8		48.3	70.3		66.3	44.0	70.9	45.9	65.3		61.2
Montana	64.0	69.2		62.5	60.2		57.5	71.5		70.9	65.8	
Nebraska	45.8	55.7	66.0	67.1	48.9		46.7	69.9		64.8	56.6	
Nevada	55.8		57.6	70.5	57.4	64.3	55.2		50.6	54.7		54.1
New Hampshire		61.1	53.7		48.4	71.0		78.4	59.5			67.7
New Jersey	45.4	57.0		66.7	50.6		51.5	69.6		65.7	49.7	
New Mexico	48.9	63.9		63.8	49.1		49.1	61.2		63.8	49.8	
New York	51.7		52.7	66.6		64.5	53.1		51.8	63.5		56.1
North Carolina		(1)	(1)	(1)	(1)	(1)		(1)	31.5		31.7	48.8
North Dakota	(2)		50.9	68.0		64.4	54.0		64.3	71.9		65.3
Ohio	43.9		51.2	64.3	45.9	61.8	55.4		50.5	64.4		60.0
Oklahoma		49.3	45.7		43.9	62.9		61.8	46.1	61.6	42.9	59.3
Oregon		44.9	50.2		54.4	68.1		69.4	57.5		58.2	65.6
Pennsylvania	46.6		50.7	64.2		64.3	56.8		61.6	67.8		63.7
Rhode Island	53.1	60.5	55.4	77.1	62.2		63.6	75.0		70.8	59.0	
South Carolina		(1)	(1)		(1)			(1)	25.0		31.1	44.9
South Dakota	64.6	62.6		60.4	60.4	71.4		78.8	63.9		59.3	72.5
Tennessee	(1)	(1)		(1)	(1)		(1)	(1)		47.8	38.0	
Texas	(1)	(1)		(1)	(1)		(1)	(1)	15.8	44.2	24.6	
Utah	55.4		67.8	79.0		75.3	63.6		63.7	78.2		75.5
Vermont	32.2		37.5	66.7		69.6	56.6		52.3	70.2		(1)
Virginia	(1)	(1)		(1)			20.9	27.8		36.8	28.2	
Washington	45.2		47.7	68.6		69.7	54.1		54.8	69.4		67.3
West Virginia	52.2	68.2		77.7	53.1	70.2	55.6	76.3		71.5	46.4	
Wisconsin	48.8		50.2	71.3		65.4	50.1		52.8	70.4		67.0
Wyoming	49.5	60.0		72.3	62.4		62.7	74.5	59.4	74.2	66.0	

[1] Ran unopposed.

[2] Not available.

[3] 1959.

Source: COPE research department, Washington, D.C.

APPENDIX V—TURNOUT IN U. S. HOUSE OF REPRESENTATIVES, ELECTIONS, 1920–68

(Vote as a percentage of the civilian population of voting age)

Year:	*(Percent)*
1920	41.4
1922	32.4
1924	41.0
1926	30.1
1928	48.2
1930	34.1
1932	50.2
1934	41.8
1936	54.0
1938	44.5
1940	56.2
1942	32.7
1944	53.0
1946	37.6
1948	48.6
1950	41.6
1952	58.2
1954	42.2
1956	56.6
1958	43.4
1960	59.4
1962	48.9
1964	57.8
1966	45.6
1968	54.8

Source: U.S. Bureau of the Census, Statistical Abstract of the United States: 1962 83d ed., Washington, D.C., 1962; Congressional Quarterly, Washington, D.C.

APPENDIX VI

TURNOUT IN GUBERNATORIAL ELECTIONS, 1946 TO 1968

State	1946	1948	1950	1952	1954	1956	1958	1960	1962	1964	1966	1968
Alabama											42.8	
Alaska							75.3		50.2		44.8	
Arizona	33.4	47.0	46.3	52.6	43.3	49.5	48.0	58.4	44.2	53.9	42.6	51.1
Arkansas									31.7	52.9	49.7	52.3
California			52.6		50.3		60.1		57.9		57.7	
Colorado	47.6	68.6	53.4	69.7	56.6	67.7	55.3		57.5		58.1	
Connecticut	48.0	63.6	63.4	75.7	63.1		66.6		63.4		57.8	
Delaware		71.6		77.6		70.9		73.8		70.5		67.6
Florida										47.4	41.2	
Georgia	(1)	(1)	(1)	(1)					35.4		34.6	
Hawaii								[2] 52.4	59.0		52.0	
Idaho	57.3		58.1		65.0		63.6		66.9		65.1	
Illinois		66.0		74.0		70.8		74.2		73.2		68.2
Indiana		63.8		73.6		71.6		76.5		73.6		69.2
Iowa	37.5	57.6	50.0	72.9	51.5	72.3	49.7	74.1	49.5	71.3	54.9	68.9
Kansas	47.1	58.7	49.8	67.0	49.5	67.6	58.3	70.2	49.7	64.0	50.1	62.9
Kentucky			33.5	(3)	45.8	54.2	45.2		47.2		43.7	
Louisiana										49.8		50.1
Maine	31.9	37.4	43.7	45.6	43.8	55.9	49.5	72.7	50.6		56.3	
Maryland	35.0		42.2		44.2		43.9		42.0		44.2	
Massachusetts	52.8	65.0	59.6	73.2	57.9	75.0	59.8	74.8	65.1	72.0	62.1	
Michigan	42.1	53.0	45.7	67.2	50.2	66.4	49.7	72.1	60.0	67.7	51.5	
Minnesota	47.4	63.5	60.7	74.7	59.8	71.9	57.5	77.4	62.1		63.4	
Mississippi												[4] 34.7
Missouri		59.7		70.4		66.6		71.2		65.7		62.2
Montana		69.8		72.9		72.1		72.3		71.1		68.7
Nebraska	45.5	55.2	54.9	67.5	48.4	64.8	47.2	69.9	53.7	66.5	56.8	
Nevada	55.3		56.1	58.1			55.5		50.5		52.5	
New Hampshire	46.6	61.0	54.2	75.7	57.1	72.9	57.3	79.2	61.0	72.1	57.4	67.3
New Jersey						56.9			56.2		52.7	
New Mexico	48.7	64.4	47.9	63.9	49.0	61.6	49.5	62.2	48.4	62.2	50.2	59.7
New York	50.8		50.9		49.3		54.9		52.7		54.0	
North Carolina										51.0		52.9
North Dakota	(1)	62.1	50.1	72.6	52.7	66.6	56.5	78.7	65.7	73.0		67.8
Ohio	45.2	50.1	54.2	67.4	47.5	62.1	57.7		52.5		47.9	
Oklahoma	36.5		46.6		44.5		39.1		49.2		45.5	
Oregon	34.3		49.7		54.2	68.0	55.4		57.5		58.0	
Pennsylvania	46.5		50.1		53.0		56.8		61.6		56.9	
Rhode Island	53.5	61.1	55.2	75.4	62.4	73.8	64.0	75.3	63.1	71.7	60.5	68.4
South Carolina											31.4	
South Dakota	65.3	63.2	72.7	60.6	60.6	71.7	64.6	78.5	64.4	73.9	59.6	71.7
Tennessee											28.7	
Texas									28.0	43.2	23.5	46.0
Utah		74.3		79.2		75.8		79.2		78.4		75.9
Vermont	31.6	51.2	36.9	59.9	48.2	69.0	56.2	71.6	52.3	70.2	57.7	65.5
Virginia											[5] 20.9	
Washington		53.1		69.9		70.1		71.4		71.5		68.9
West Virginia		68.6		78.2		71.3	54.4	76.4		74.1		68.9
Wisconsin	50.0	58.9	50.5	71.7	51.8	66.9	50.4	72.8	53.1	71.3	48.6	68.4
Wyoming	49.4		54.2		61.9		61.8		59.3		65.0	

[1] Not available.

[2] 1959.

[3] Incomplete.

[4] 1967.

[5] 1965.

Source: COPE research department, Washington, D.C.

APPENDIX VII.

TURNOUT IN SELECTED LOCAL AND SPECIAL DISTRICT ELECTIONS, 1969

City	Type of election	Percentage of turnout
Akron, Ohio	2, 3	39.9
Buffalo, N.Y	1	55.7
Charlotte, N.C	1, 2	25.5
Cincinnati, Ohio	2	37.7
Cleveland, Ohio	1	53.2
Columbus, Ohio	2, 3, 4, 5, 6	53.2
Dallas, Texas	1, 2	9.1
Dayton, Ohio	1, 3, 7	27.1
Detroit, Mich	1, 2, 8, 9	58.6
Hartford, Conn	1	39.8
Los Angeles, Calif	1, 2, 5, 10, 11	48.8
Louisville, Ky	1	26.8
Minneapolis, Minn	1, 9, 12, 13, 14, 15, 16, 17.	48.5
New Haven, Conn	1, 8, 9, 12, 18, 19, 20, 21, 22, 23.	45.1
New York, N.Y	1	47.3
Omaha, Nebr	1, 2	35.4
Philadelphia, Pa	1, 10, 24, 25, 26	49.7
Pittsburgh, Pa	1, 2	56.9
Richmond, Va	6, 9, 19, 27	32.9
Rochester, N.Y	2, 11	47.1
San Diego, Calif	2, 5	26.6
Seattle, Wash	1, 2, 28	51.2
St. Louis, Mo	1, 12, 13	27.3
Syracuse, N.Y	1, 2, 11	47.9

Footnote at end of table.

Key:
1. Mayoral.
2. City council.
3. Municipal judge.
4. City auditor.
5. City attorney.

Key—Continued
6. Clerk of courts.
7. City commissioners.
8. City clerk.
9. City treasurer.
10. Controller.
11. Board of education.
12. Aldermen.
13. City comptroller.
14. Board of estimate and taxation.
15. Park commissioners.
16. Library board directors.
17. School directors.
18. Tax collector.
19. City sheriff.
20. Town clerk.
21. Registrar of vital statistics.
22. Selectman.
23. Constable.
24. District attorney.
25. Magistrates.
26. Inspectors of election.
27. Commissioner of revenue.
28. Corporation council.

Source: Rand McNally, Commercial Atlas and Marketing Guide, Washington, D.C., 1969; local election officials.

APPENDIX VIII

TURNOUT IN SELECTED DEMOCRATIC NATIONS, 1920-68

Year	Turnout
UNITED STATES	
1920	49.2
1924	48.9
1928	56.9
1932	56.9
1936	61.0
1940	62.5
1944	55.9
1948	53.0
1952	63.6
1956	60.6
1960	64.0
1964	61.8
1968	60.6
GREAT BRITAIN	
1922	71.3
1923	70.8
1924	76.6
1929	76.1
1931	76.3
1935	71.2
1945	72.7
1950	84.0
1951	82.5
1955	76.7
1959	78.8
1964	77.1
1966	75.9
CANADA	
1921	70.3
1925	68.7
1926	70.2
1930	76.1
1935	76.2
1940	70.9
1945	76.3
1949	74.8
1953	67.9
1957	75.0
1958	80.6
1962	80.1
1963	80.3
1965	75.9
1968	75.7

Source: Compiled by Prof. Walter Dean Burnham, Department of Political Science, Washington University, St. Louis, Mo

APPENDIX IX

A bill is now being written proposing that the day of the Presidential election be declared a national holiday.

APPENDIX X

A bill is now being written proposing a National Election Commission to effectuate the proposals contained in the Universal Voter Enrollment Plan.

NEED FOR ADDITIONS TO INTERSTATE HIGHWAY SYSTEM

Mr. CANNON. Mr. President, I am pleased to be a cosponsor, with the Senator from New Mexico (Mr. MONTOYA) and the Senator from West Virginia (Mr. RANDOLPH), of S. 3281, a bill to amend existing law so as to provide a way for making additions to the Interstate Highway System.

This system, which is rapidly nearing completion, will be a network of beautifully engineered roads extending over 42,500 miles. I believe this to be only a beginning, for the Interstate System, while representing less than 1 percent of the Nation's roadways, is carrying 20 percent of the traffic.

This indicates to me that we need another system, and soon, because the one nearing completion will be overcrowded before it is finished.

We have a highway, a coast-to-coast highway, U.S. 50, that runs through my State of Nevada which someday must be brought into the system.

This proposed new legislation will provide a way to start.

ADDRESS BY SENATOR MILLER BEFORE SERTOMA CLUB OF CEDAR RAPIDS, IOWA

Mr. HRUSKA. Mr. President, on Monday, December 15, the Sertoma Club of Cedar Rapids, Iowa, sponsored its police recognition banquet.

This type of event is becoming a civic activity in a great number of cities in the United States, and rightly so. The task of effective law enforcement is primarily a local responsibility; but it is not only for the police, the prosecutors, the judges, the probation officers, and other public officials.

It is a task in which all the citizenry must join and advocate. This truth was the foundation for the Sertoma banquet.

The distinguished and esteemed senior Senator from Iowa (Mr. MILLER) was chosen as speaker on that occasion.

Although Senator MILLER has many areas of interest and activity, none of us will take exception to the idea that he is among the foremost of those who realize the high priority of law enforcement and that he does something about it.

He is well aware, for example, of the great importance of public opinion and community support for law enforcement. Here is an excerpt from his very apt and well reasoned speech:

> Above all, those who make the laws, cannot do their job without the support of public opinion. It helps, I know, when the voices of the critics are occasionally leavened with the approving comments of the usually silent majority. We like to think that what we are doing has their approval, and it is reassuring when they let us know it.
>
> This is what we are all here for tonight—to break our silence and extend our warm and heartfelt salute to the brave men and women whose service we need, whose service we receive, and whose service we praise.

Mr. President, the remarks made by Senator MILLER are timely and well expressed. I ask unanimous consent that they be printed at the conclusion of my remarks.

Mr. President, I commend my friends in the Sertoma Club of Cedar Rapids, Iowa, for their recognition of their police, as well as for their choice of Senator MILLER as the speaker on that occasion.

Also, I join the club and Senator MILLER in the words of praise and pledge of further support of the loyal and dedicated police forces in their community.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A THANK YOU TO OUR LAW ENFORCEMENT OFFICERS

(By JACK MILLER, U.S. Senator from Iowa)

As a legislator—first at the state level and then at the federal level—who has long been concerned with what our Constitution refers to as "domestic tranquillity," I was very gratified to have been invited to address this police recognition banquet of the Sertoma Club.

Never in our country's history has the law enforcement officer's job of providing domestic tranquillity been so difficult—and so little understood and appreciated.

Never before has the law enforcement officer been called on to do so much while, at the same time, being subject to so much criticism—most of it undeserved.

You have to be almost a lawyer, a medical practitioner, a psychologist, a social worker, a human relations expert, a marriage counselor, and a youth advisor to carry out your duties of public servant and protector of life, liberty and property.

As a former Des Moines police officer said last month, you must have the "patience of a saint, the wisdom of a prophet, and the infallibility of a computer."

It is a lot to demand of any human being.

Because so much is demanded of you, it appears that the blame for any breakdown in domestic tranquillity is laid at your door, although the blame properly belongs elsewhere.

This is unfortunate, because never has there been a time when all-out public support of our peace officers has been so deeply needed.

The serious erosion in morality now taking place in our country poses a clear and present danger to our security as a nation. Peace officers can hardly be blamed for this.

But some so-called, self-proclaimed intellectuals must share the blame—

Those who are speaking out in favor of free love and the dissolution of the sanctity of marriage.

Those who are condoning and dignifying homosexuality.

Those who are defending literature and films—in the name of "free speech," of course—which flagrantly violate the sensibilities of our communities.

Those who advocate destruction of our system of education, indeed, our system of government.

Those who advocate laws that favor the rights of the criminal over the rights of his victims.

Is it any wonder that the statistics on youth in jail, in reformatories, on probation, and in other serious trouble are higher than ever before in our history?

Is it any wonder that illegitimate births, broken marriages, sex deviation, dope addiction, and serious crimes are on the upswing?

Look at these statistics. Then let the people—not a noisy minority—decide whether even greater support must be provided our law enforcement officers.

Last year, more than 130,000 teen-age girls gave birth to illegitimate children.

One boy in every six will be arrested before reaching 18 years of age.

Every seven seconds a major crime will be committed in this nation.

Every 56 minutes an innocent man, woman or child will be murdered.

Every three minutes someone will become the victim of a vicious assault.

Every 31 minutes a woman will be raped.

Close to 4.5 million serious crimes were reported in the United States last year—an increase of 17 percent over the year before.

And yet, with this record, there are those who are condoning the acts of criminality, who are urging that a law should be broken if a particular individual disapproves of it.

These so-called intellectuals, whether they realize it or not, are pushing for a return to the law of the jungle—a condition in which each person takes the law into his own hands. Another term for it is anarchy.

It is argued that moral law takes precedence over man-made law.

But I ask the question: Whose morals? Whose standards?

Not those of more than 188 million Americans who will not be arrested this year.

Not those of more than 115 million of our citizens who will continue to go to church and millions of others who worship God in their own ways.

Not the 75 million Americans who will pay more than $160 billion in income taxes.

Not the 50 million students who refuse to join in a riot or in attempts to destroy our system of education and our system of government.

Not the nine million of our young people who will not burn their draft cards this year.

Not the four million teachers and professors who will not strike or participate in demonstrations.

What I am saying is that an overwhelming majority of our people—regardless of race, creed, color or economic status—are respectable and responsible citizens who deplore what is going on about them.

And I firmly believe that this majority will sooner or later—and I think sooner—refuse to remain silent while the small minority ruin our country.

This majority does not feel that we have to apologize to any other country for our shortcomings. They are aware of our shortcomings, and they are willing to observe the Golden Rule in doing something about them. But they do not believe we must destroy the tree to attack the diseased branch.

This majority is the bulwark of our nation, the people who have built, who have worked, who have sacrificed, and who have kept faith in America.

Those who have worked to bring about this Police Recognition Program are that kind of people.

They may criticize you on occasion. They may become disturbed when they hear of some abuse of authority. But without question, they are proud of you. And deeply grateful for what you are doing.

The director of the Federal Bureau of Investigation, J. Edgar Hoover, put his finger on one of the problems facing law enforcement officers today when he wrote in a recent FBI Law Enforcement Bulletin:

"Unfortunately, in the criminal realm within which he must work, the law enforcement officer is the only one 'playing by the rules.' This places him at a definite disadvantage. In complying with all the procedural safeguards established for criminals, an officer must often subordinate his personal safety, his own rights, and the rights of society to insure that he does not commit some error which might later result in the release of the guilty. Criminals are usually well aware of their legal rights and take full advantage of them.

"Many critics of law enforcement today substitute paper theories for grim realities. When they advocate more restraints on arresting officers, they do so apparently on the premise that police are dealing with only law-abiding, cooperative citizens who respect the law and those charged with enforcing it. While a big percentage of police contacts are with the responsible members of society, increasing assaults against and killing of law enforcement officers are indicative of the open contempt numerous violators have for police and authority of any kind."

He went on to point out:

"The trend today, even though unintentional, is to negate the enforcement of the laws to insure that the criminal is protected. We are asking our officers to operate under an honor system in dealing with an element of our society which has no honor. Certainly, arresting officers cannot be permitted to resort to illegal tactics themselves, but they must be allowed to perform their duty with confidence and with the assurance that they have the support of the public, the government on all levels, and the courts. The powers of arrest must be as clear and positive as possible."

I would suggest that if the citizens of each community would fully back up their police departments whenever they should be backed up—instead of criticizing them on the few occasions when they are at fault and forgetting about them on all the other occasions—our streets would be safer.

It is a hopeful development that our citizens and legislators are acquiring a heightened sense of the dangers facing us from the increasing permissiveness and unrest in our society.

Genuine alarm has resulted in leaders from the top down demanding that something must be done.

Although I do not agree with all its contents, I was encouraged by the tone of the report recently issued by the National Commission on the Causes and Prevention of Violence: "Violent Crime: Homicide, Assault, Rape and Robbery."

The report called for a collective effort on the part of all, both private and public sectors, to stop the incidence of crime:

"Public and private action," it said, "must guarantee safety, security and justice for every citizen . . . without sacrificing the quality of life and other values of free society. If the nation is not in a position to launch a full-scale war on domestic ills, especially urban ills, at this moment, because of the difficulty of freeing ourselves quickly from other obligations, we should now legally make the essential commitments and then carry them out as quickly as funds can be obtained."

These are prudent and informed views. If they become the inspiration for action, then not only will something be done, it will be done well. However, we should not lose sight of what a former president of the American Bar Association, Lewis F. Powell, said a few years ago:

"America needs a genuine revival of respect for law and orderly processes, a reawakening of individual responsibility, a new impatience with those who violate and circumvent laws, and a determined insistence that laws be enforced, courts respected, and the process followed."

Implicit in his remarks, of course, is that the laws and the legislators who make them merit respect, and that the courts and the judges who serve on them also merit respect. In other words, among reasonable people, respect is a two-way street. In the case of the anarchist, the criminal, the destroyer—"respect" is not in his vocabulary.

One thing I wish to emphasize is that the problem of crime cannot be separated from ethics and morality. I look on this as a truism, but I cannot escape the impression that crime—that is, those acts which are against the law—is quite often treated in contemporary literature as a phenomenon quite apart from any questionable behavior on the part of those of our citizens who, through cleverness or luck, manage to "stay clean."

Former U.S. Supreme Court Justice Charles E. Whittaker, addressing a University of Kansas convocation, placed his finger on the essential points when he pleaded "for a return to simple honesty, responsibility and forthrightness in our public speakings and writings, that they may honestly inform and not misinform the people, and for a return to an orderly society by requiring respect for and obedience to our laws by the prompt, impartial, even-handed, certain and substantial punishment of all persons whose willful conduct violates these laws, and that we do so promptly, and," he continued, "I would hope, before mass crime gets, as it surely can, so far out of hand as to go beyond the curbing capacities of our peace-keeping agencies and authorities."

Implicitly, Justice Whittaker was stressing the necessity for placing the problem of crime within the more general problem of a breakdown in ethics and morality that is far more widespread than crime statistics. Indeed, the evidence shows that crime in the past several years has taken on a new dimension. Aside from the fact that it has been increasing at a far faster rate than the rate of our population growth, it reveals a moral sickness which deeply disturbs *many* religious, education, political, and social leaders.

This new dimension—and again I mention some familiar ground—is reflected in the increasing flood of pornographic literature which saps the moral fiber of many of our youth; in a diminishing respect for laws whose constitutionality has been tested; in the widespread feeling of law enforcement officials that they are being hamstrung by court decisions which seem too much concerned with the rights of criminals and too little concerned with the rights of law-abiding citizens.

The appearance of the "spontaneous criminal," the growth in the number of young people who commit a crime for the "thrill" of it, the increase in the number of those who seem totally committed to violence as a way of life—without any redeeming streak of common decency (the Sharon Tate murders, for example)—these demonstrate the depth of moral depravity which challenges our nation.

Our citizens—and this includes our law enforcement officers—have reason to be afraid. When men commit outrages for no other reason than so-called "kicks," when captured offenders show a complete lack of awareness that they have done anything wrong—and again I cite those who have been charged in connection with the Sharon Tate murders, when men demonstrate their total alienation from their brothers—with an entire disdain for human responsibilities and incapacity for any feeling or sympathy for other people, when the quickest way to promotion in a so-called organization is to shoot a policeman, burn down a building, or destroy a school, when these things happen, and with increasing frequency, then society should be afraid. And society had better get firm!

It is a sorry state of affairs when those who contaminate many of our universities and colleges with the virus of anarchy and revolution are referred to as "leaders."

Do they think they know something we don't know—that the family, the local community, and the church do not play a determining role in our society, a society dedicated to providing mutual aid, education, recreation and the best opportunity for a decent life to be found anywhere in the world?

Some of them may think so. Most of them couldn't care less. Their minds are made up. The "establishment" (which means the majority because you have to have a majority to be, or certainly remain, an "establishment")—this must go. And these self-proclaimed intellectuals and revolutionaries will be the new establishment.

It is difficult, I know, for an adult, even a parent, to fully appreciate the mental turmoil of many of our young people. However, some of our adults—and I include among them some of our political, religious, academic, civic, and professional leaders—some of them must bear a share of the blame. Their self-proclaimed "intellectualism" shows up in their writings, their lectures, and their speeches, and it is rubbing off on the young, searching, trusting, and often gullible mind. It deals with glittering generalities and cliches without any real meaning, because these are seldom translated into specifics. It raises false hopes of instant change, instant educational excellence, instant prosperity, instant peace, and instant social justice. Because it lacks realism, it inevitably leads to disappointments and frustration.

"We can't afford not to afford" to do something. "We have the resources" to do something. Well, maybe we can; maybe we can't. Perhaps there are resources; perhaps there aren't. Only by dealing in specifics, working out a practical order of priorities, can a real judgment be made.

This type of "intellectualism" is very adept at begging the question by making use of such labels as "liberal", "conservative", "moderate", "McCarthyism", "stone age thinking", "leftist", "radical", "martyr", "militarism", "the establishment", "civil rights leader", "free speech", "government censorship", and the like. It often speaks of "change" as though there should be change for the sake of change. Everyone knows the world and the nation is changing. What is important is what kind of change. If it is for the better, that's fine. If it is for the worse, then we had better resist change. When professors and politicians talk of "change", they ought to be specific about what they mean, and then the people can tell whether it is practical, sensible, and worth working for.

Of one thing we had better be sure, and that is there are certain things that don't change and shouldn't change. Truth, morality, the Golden Rule, the sanctity of marriage, family responsibility, community responsibility—these are unchanging; and there should never be a "generation gap" as to them.

We have been hearing a lot about "rights" during the past few years—especially rights guaranteed by the Constitution. However, the Bill of Rights is also a bill of implied responsibilities. The right to vote carries with it a responsibility to do one's homework so that he or she will know whom and what he is voting for. The right to an education carries with it a responsibility to work hard and do the best one can with the opportunity available. We do not have equality of opportunity for education yet, but we are working on it. And one should remember that Abraham Lincoln did not have an equal opportunity for education, but made the most of the opportunity he did have and became our President. The right to an equal opportunity for employment carries with it a responsibility to be loyal to one's employer and his fellow-employees, to work hard and to earn advancement on the basis of merit. The right to be an American citizen carries with it a responsibility to pay one's taxes, levied through our processes of representative government, to serve one's country in time of war according to laws passed through our processes of representative government, and to be loyal to his country. The right of free speech carries with it a correlative responsibility to speak the truth, to state all of the facts and not just those that serve one's purpose, and to avoid slandering or libeling one's neighbor. Indeed, if these correlative responsibilities are not observed, rights will not mean very much.

The idea of "civil disobedience" in our country seems to have had its origin in the success of the late Mahatma Ghandi in India. But Ghandi was living under an entirely different system of government than we are. In those days, under British colonial rule, the people had no voice in their government. In our country, they do. If a majority of the people don't like what's going on, they can make changes. If a minority of the people don't like what's going on, they have federal and state constitutions and courts to protect them; and beyond that, they must be content to try to persuade the majority. If they can't do it, then the majority has its right to have the law enforced; and that right must be maintained—otherwise representative government will be replaced by tyranny.

Our law enforcement officers have to protect the rights of both the majority and the minority, and it is a deeply important and difficult form of public service. As a legislator, I have some appreciation of the difficulties, because we have a similar responsibility to the majority and the minority. The laws we pass must be constitutional, and beyond that we must strive for an environment which will be calculated to bring all of our people closer together.

Above all, those who make the laws and those who enforce them, cannot do their job without the support of public opinion. It helps, I know, when the voices of the critics are occasionally leavened with the approving comments of the usually silent majority. We like to think that what we are doing has their approval, and it is reassuring when they let us know it.

This is what we are all here for tonight—to break our silence and extend our warm and heartfelt salute to the brave men and women whose service we need, whose service we receive, and whose service we praise.

NEW SANTA BARBARA OIL SPILL

Mr. CRANSTON. Mr. President, the tragic and disastrous oil pollution of the California coastline continues. A new slick of oil washed ashore on the beaches between Carpinteria and Ventura this weekend.

While it is not certain where the oil came from, it appears possible there has been an increase of oil seepage from the ruptured ocean floor beneath platform A which has been continuously leaking since the blowout in the Santa Barbara Channel almost 11 months ago.

Mr. President, the continued despoliation of the Santa Barbara beaches is not just a California problem, it is a national problem. I urge all Senators to give this continuing environmental pollution, which is a direct result of Federal policy, their thoughtful consideration.

Mr. President, I ask unanimous consent that this morning's Los Angeles Times article on this new oil slick be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

New Oil Slick Hits 10 Miles of Coast—Birds Reported Stricken Near Santa Barbara

(By Robert Kistler)

A new wave of crude oil washed ashore south of Santa Barbara Sunday, depositing pools of smelly black petroleum and hundreds of helpless, oil-smeared seabirds over a 10-mile stretch of Ventura County coastline.

A Union Oil Co. spokesman said it was possible that the new oil slick resulted from an increased seepage of raw oil beneath the company's controversial drilling platform A, 5½ miles out from Santa Barbara.

That platform was the site last January and February of massive crude oil pollution of Santa Barbara area beaches.

While it has been leaking steadily since then—an estimated 10 to 15 barrels a day—a pipeline crack last week probably caused a "significant increase" in spillage, the company said.

AREA OF CONTAMINATION

Sunday's contamination reportedly stretched from the Santa Barbara-Ventura County Line (just south of Carpinteria) to a point about five miles north of Ventura, and prompted:

Reports that several seabirds had already been found dead and that hundreds of others were seen floating near the beaches, preening oil from their feathers and flailing helplessly.

Another request by a conservation group, Get Oil Out (GOO), that President Nixon halt all offshore drilling operations in Santa Barbara Channel.

A statement by Union Oil Co. that the recent increase in oil seepage near Platform A (discovered Saturday, but of possibly days-earlier origin) had apparently subsided.

The new clash between conservationists and the oil company began last week when an 8-inch-diameter undersea pipeline sprang a leak beneath Platform A.

After company wells beneath the platform were shut down Tuesday so workmen could replace the leaking pipe, increased undersea pressure forced much more oil out of ocean floor fissures, a Union Oil spokesman said Sunday.

However, after the pipe leak was repaired and the wells reopened, the pressure apparently went back to "normal," and Sunday the leak was said by Union Oil workers to be back to its usual rate of seepage.

It was impossible to tell, company spokesmen said, just how much more oil rose to the surface after Tuesday's shutdown operations were initiated. Officials said poor visibility in the channel made accurate estimates impossible.

In any event, what residents claim is a new oil slick began coming ashore Saturday, forcing the evacuation of water enthusiasts, particularly at the popular Rincon Beach surfing area.

Saturday's pollution, beginning about four miles south of Carpinteria, steadily inched down the coast and, by Sunday morning, the oil had reached almost to Ventura.

Yvon Chouinard, 31-year-old mountain climbing equipment manufacturer, is one of those owning property in the area. From his back porch—five miles north of Ventura—he watched the ooze's progress.

"I first saw a couple of birds in trouble Saturday evening," he said. "They were western grebes and had been covered with oil.

"By Sunday, about 8 a.m. when I got up, those two birds were dead . . . the waves had become black and there were large pools of oil standing on the beach."

Throughout Sunday, Chouinard said, the number of afflicted birds grew. By sundown, through field glasses, he estimated there were about 200 less than 100 yards off shore."

Chouinard's Sunday observations were mirrored by a report from Mrs. T. Preston Webster, president of the Santa Barbara Audubon Society, who inspected the beaches just north of Chouinard's house Sunday.

"There were only two dead birds—a common murre and a loon—that we found," she said, "but the birdkill is just beginning."

Former State Senator Alvin C. Weingand, board chairman of Get Oil Out, said the renewed problems were "just another indication that, no matter what the oil companies say, they can't guarantee that current drilling operations are fail-safe."

Immediately upon learning of Saturday's increased seepage, Weingand sent a telegram to Mr. Nixon, urging that "he become personally involved in our problems here and that he order all drilling operations in Santa Barbara Channel shut down."

CONGRATULATIONS FROM NATIONAL ASSEMBLY OF PORTUGAL UPON TWO LUNAR LANDINGS

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record a letter from the National Assembly of Portugal, dated December 11, 1969, offering congratulations to the Congress of the United States for the outstanding success of the two lunar landings by our heroic astronauts.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Assembleia Nacional Oficio No. 32/X,
December 11, 1969.

The Speaker,
The Senate of the United States.

Sir: It is my most pleasant duty to inform you that the National Assembly of Portugal, at the opening of its new session, unanimously adopted a motion of congratulations to the Congress of the United States for the outstanding success of your heroic astronauts' two lunar landings, with the highest appreciation for the extraordinary scientific research and efficient organization which led to such achievements.

Furthermore, it was stressed that, even

though these events may be regarded as triumphs of the power of man's mind, we also feel glad that they should have been accomplished by a great country nurtured in the principles of Western civilization.

On behalf of this Assembly and in my own name, I would ask you to accept the expression of my highest consideration.

T. Curaral Netto,
The President, National Assembly.

SPECIAL ARROGANCE OF SENATORIAL DOVES

Mr. GURNEY. Mr. President, I ask unanimous consent to have printed in the Record an article entitled, "Senatorial Doves Show a Special Arrogance," written by Crosby S. Noyes, and published in the Washington Star of December 20, 1969.

In the past, I have not always agreed with Mr. Noyes' views on many public issues, and I dare say we will disagree in the future. But, I have always recognized him as a competent and thorough reporter, and a commentator of great integrity. I think this article is a particularly penetrating one and one deserving of wide circulation.

It seems to me that very many of the critics of the American presence in South Vietnam fail to carry their arguments to their logical conclusions. How can we, in the name of self-determination, seek to impose "reforms" on the Saigon Government, with implied threat that failure to "reform" along the lines we suggest would bring retaliation from the U.S. Government? Their arguments are frequently contradictory: they contend on one hand that the United States has made South Vietnam into a puppet state which jumps to do our bidding. On the other hand, they also complain that South Vietnam should not be permitted to influence American policy or have an equal voice in the peace settlement, and that the Thieu government is too independent. Mr. President, they cannot have it both ways: putting the Thieu government down as too independent and too much of a puppet at the same time.

For my part, I think a show of independence by the Thieu government is highly desirable. That, after all, is what the war is all about—we are fighting to keep South Vietnam free and independent. We do not want a vassal state there—certainly not a vassal state run by Hanoi, and not a vassal state of the United States either.

There being no objection, the article was ordered to be printed in the Record, as follows:

Senatorial Doves Show a Special Arrogance

(By Crosby S. Noyes)

There is a special arrogance in the persistent demands of some senatorial doves that the United States should lower the boom on the government in Saigon.

The presumption of these gentlemen, apparently, is exactly the same as the presumption of the leaders in Hanoi: That the United States is in South Vietnam in the role of an imperial power, that the government in Saigon is indeed nothing more than the puppet of the United States and that if it fails to perform as we would like it to, it can be dismissed at our pleasure.

In its most extreme form, furthermore, the rationale for replacing the Saigon regime at this point is close to the reasoning of the Communists. The failure of the Thieu government is that it is too "rigid" in its approach to peace negotiations. It should therefore be superseded by a "broad coalition" which, presumably, would be more amenable to reaching a political compromise which the leaders in Hanoi could accept.

It is never spelled out just how we should go about disposing of the present government or by what process its successor should be selected. The implication seems to be that since the government depends entirely on American support for its survival, any threat to withdraw this support would result in an immediate collapse.

Quite apart from the morality of such tactics, the United States, in fact, has never had this kind of leverage in Saigon. Since the days of Ngo Dinh Diem, the successive regimes have been remarkably resistant to pressure from Washington. Today, with the departure of American troops under way, the Thieu government is not likely to accept a suggestion to step aside.

Nor is the suggestion likely to be made by any responsible member of the administration in Washington.

Whatever defects the Thieu regime may have, it is rated as by far the most effective government that has existed in Saigon since 1963. Any return to the political chaos that followed the murder of Diem, with six governments, both military and civilian, holding power over a period of 19 months, would be a sure prescription for disaster. Despite the complaints of the critics, firm support for the Thieu government is the cornerstone of President Nixon's Vietnam policy.

There is much talk, to be sure, of trying to induce Thieu to "broaden the base" of his government in order to attract more popular support in a future political contest with the South Vietnamese Communists. But even this presents certain dangers and difficulties.

In theory, the base-broadening could be done in two ways. Thieu could try to win the support of a number of disaffected groups by taking the leaders of these groups into his government. It has been suggested they might include such supposedly popular figures as Gen. Duong Van Minh, leaders of the dissident Buddhists and other religious sects.

Another way that Thieu might increase his popular support is by taking direct action to liberalize his regime. Such steps, it is said, could include a vigorous land reform program, an end to press censorship and the release of political prisoners.

Some effort, in fact, has been made in both directions with no great success. So far the dissident political figures have shown little enthusiasm for joining together in any coherent coalition either in support or in opposition to the government. The fragmentation that is characteristic of Vietnamese politics is still very much the order of the day.

Similarly, in the course of the past year, Thieu has pressed hard for a radical land reform law that would result in the immediate distribution of some 3.2 million acres of land among about 800,000 landless tenant farmers. The irony for those who complain of a lack of democratic process in Vietnam is that this much-needed measure has remained firmly bottled up in Saigon's cantankerous elected legislature.

This is not to say, however, that in other areas Thieu is not succeeding in extending his popular support. Indeed, he is doing it where it matters most—not among the political cliques in Saigon, but in the thousands of villages and hamlets throughout the country.

The rapid extension of Saigon's control in the countryside, the reopening of roads and railways, the return of 400,000 refugees to their villages, the rearming of village self-defense units, the recent elections of village officials—all these things have resulted in the creation of a new political force in Vietnam.

In the end, it is likely that this new force will do more to strengthen Thieu's position than any political maneuvering that he might attempt. Instead of trying to undermine and sabotage this process, the United States has a most vital interest in encouraging it.

THE MEANING OF PEACE

Mr. GRIFFIN. Mr. President, I ask unanimous consent to have printed in the Record a statement by the distinguished Senator from Colorado (Mr. Allott) on the subject "Peace." I also ask unanimous consent that an article relating to his statement be printed in the Record.

There being no objection, the statement and article were ordered to be printed in the Record, as follows:

Statement by Senator Allott

"Peace on Earth" is the universal theme of the Christmas season. The word "Peace," of course, has many applications. There is the kind of peace which results from the good intentions and goodwill of men and nations. There is the kind of peace which is simply an absence of war—a toleration. There is the kind of peace which, being false in nature, amounts merely to a temporary time before aggression is waged anew.

The young author of an article published in the Denver Post of December 13 has captured, in my judgment, the true meaning and spirit of the genuine peace we all seek to focus more clearly at this time of year.

The writer is a senior at Aurora Hinkley High School in Aurora, Colorado. Her brother died October 28 in Viet Nam, and was buried a day before his 20th birthday. The article she wrote is a tribute to her brother.

In it, Miss Patti G. Wright shows not hatred, not anger, not rebellion, but charity, compassion, and true peace with herself and her fellow citizens.

Miss Wright's family has made the ultimate sacrifice. Yet in the true spirit of Christmas, this young woman brings the terrible war in Vietnam into focus for all of us. If she is able to speak so clearly, surely those who have sacrificed nothing cannot help but at least listen.

What a blessing to have young people of the caliber of Patti Wright speak up at this hour.

[From the Denver Post, Dec. 13, 1969]

Voice of Youth—"He Fought for Peace and Now He Has It"

(By Patti G. Wright)

(The writer, a senior at Aurora Hinkley High School, prepared the following article "as a tribute to my brother who died Oct. 28th in Vietnam while a pilot of a helicopter gunship that was shot down by hostile fire. He was buried one day before his 20th birthday.")

Resounding over the nation, what was once muted whispering has now become an ever-increasing thunder of a million voices. These voices are trumpeting a challenge to those people who doubt the cause and freedom of this nation—our America.

Today's society is confronted by a multitude of conflicts, both internal and external. These conflicts hang heavy over the heads of the American people, threatening their very peace and security. Among these conflicts is one which hangs heaviest upon America's mind and heart—the Vietnam war. This war has turned complacency of our nation into a raging hell of dissension and disorder.

For the first time in our country's history, the American people are not totally supporting their country's involvement in a war. Dissenters and rioters have stormed American streets for the last five years, screaming protest against the Vietnam war—as being immoral, unconstitutional and totally unsupported.

These individuals cry out in a rage against a war "with no cause." They dictate that America has no right to involve herself in the conflicts of another country. In accordance with this belief, these people state that the men America is sending to Vietnam, and those who have died there, have no idea what they are fighting for, or what they died for.

However, there exists another faction in this conflict—the "silent majority." Up to now, these people have remained fairly subdued and nonresponsive to the challenges thrown to them by the dissenting minority. This attitude has abruptly changed. Now the "silent majority" is speaking out loudly against those who question the cause and freedom of our democracy.

The United States has always been a nation where freedom and justice have been the supreme goals. Thus far, these goals have not been fully realized. Yet, mankind must always have a goal to strive for, or it never improves. This challenge is what America offers to anyone brave enough to reach for that goal. In involving herself in the Vietnam war, our nation is offering a challenge of freedom and justice to a people who have known only fear and oppression.

The men who have fought in Vietnam do have a cause, and reason for fighting. To these soldiers, their fighting and dying is not futile. They know they are in this war to protect not only freedom and justice against tyranny and oppression; but they are fighting for us. As in the last words of a young soldier prior to his death.

"You know, I've been here five months, and it seems a long, long time away from home. This will be the first Christmas I haven't been home, and it'll be hard. But I know I'm fighting for my country; and more important, I'm fighting for the ones I love. That's all that matters."

To the "silent majority," America still represents freedom and the right to live your own life. No nation is ever absolutely justified in war, but when a force such as communism threatens the security and peace of our country, then war is inevitable. When the leaders of our nation must decide on war tactics to obtain peace, then it is each individual American's duty and obligation to support that decision. Only by giving support to our men in Vietnam can the United States keep herself from being swallowed up in the sweltering inferno of communism.

"He fought for peace . . . and now he has it."

THE LEGISLATIVE RECORD

Mr. FULBRIGHT. Mr. President, I believe that Senators should be proud of the record they have made during the past weeks, especially during last week.

After all these years, the Senate is assuming its constitutional responsibility with regard to the making of war abroad and also in controlling the profligate expenditure of public money on extravagant and unnecessary weapons for foreign clients.

I ask unanimous consent to have printed in the Record an excellent editorial entitled "No More Vietnams," published in the New York Times of December 21, 1969, and also an article entitled "The Senate Takes a Stand," written by Tom Wicker, and published in the same edition of the New York Times.

There being no objection, the editorial and article were ordered to be printed in the Record, as follows:

NO MORE VIETNAMS

A determination to avoid "another Vietnam" is the principal impulse behind the amendment to the Defense Appropriations Act barring the use of its funds to introduce American ground combat troops into Laos or Thailand. The consensus in Washington and the country on this issue was indicated by the 73-to-17 vote for the Senate rider and, even more, by the alacrity with which the White House and its supporters on Capitol Hill joined to preface the action with a statement that it was "in line with the expressed intention of the President."

The Nixon Administration would like the amendment to be taken as a show of bipartisan unity behind the President's policy in Southeast Asia. But its legislative history—especially its origin among liberal Senators of both parties who have doubts about the clandestine American military operations in Laos and other aspects of Asian policy—suggests that it represents a "reassertion of Congressional prerogatives." That is the view, among others, of Senator Frank Church of Idaho, the amendment's chief author.

For the first time teeth have been put in the National Commitments Resolution adopted by the Senate last spring. That resolution expressed the Senate's view that national commitments to use or promise the use of American armed forces abroad should be undertaken only with the prior consent of Congress.

A constitutional issue of grave importance is involved. While Congress declares war and approves treaties, successive Chief Executives have progressively expanded the power of the President, as Commander-in-Chief, to make the nation's foreign and defense policies and to involve the country in undeclared wars. The semi-surreptitious manner in which President Johnson took the United States into a large-scale land war in Vietnam has led Congress to re-examine its own powers and responsibilities.

Congress can intervene in policy determination through control of the purse strings, but that is a more drastic remedy than most legislators favor once military action is initiated. Last week's amendment to the Defense Appropriations Act was carefully drafted to avoid impeding American-supported military operations already under way in Laos and Thailand while, at the same time, warning against their expansion into American ground combat without Congressional consultation.

The paucity of past consultation lies at the heart of the matter. It stemmed in part from the breakdown in relations between President Johnson and the chairman of the Foreign Relations Committee, Senator Fulbright. In Laos there has been an additional factor. American military intervention since the Kennedy Administration has taken various forms of disguise to avoid open violation of the Geneva accords—which would embarras the neutralist government of Laos, despite prior violations by the Communists.

American bombing of the Ho Chi Minh supply trails through Laos linking North Vietnam to the South has been common knowledge since 1964. But few members of Congress have been aware of the extent of C.I.A. involvement with the clandestine army of Meo hill tribesmen, who have stepped up their operations considerably this year. American bombing in support of Meo and other Laotian Army operations reportedly has increased tenfold or more in the last six months. News reports of increased activity on the Laotian front and inquiries by the Symington subcommittee into American commitments in Asia generally have combined to stir concern that Laos might be turning into another Vietnam.

The secret session of the Senate on Laos last week has helped to allay this concern, in part through the Administration's renewed pledges not to involve American ground combat forces. The worst pitfalls of Vietnam—over Americanization and overmilitarization of the conflict—have apparently been avoided so far in Laos.

Both sides know there can be no solution in Laos until the Vietnam war is settled. The Communists and the neutralist government in Vientiane engage in military and political skirmishing, but neither has attempted to push the other to the wall. The Communists have stayed out of the Mekong Valley for the most part. The Royal Laotian Army and the Meo forces have made no attempt to interdict the Ho Chi Minh trails on the ground.

But as long as the war in Vietnam drags on, escalation of the Laotian conflict will remain a possibility. The prohibition against American ground combat forces without Congressional consent should help stave off that possibility. More important, it establishes a valuable precedent in restoring a form of Congressional oversight that is the country's best guarantee against another Vietnam.

IN THE NATION: THE SENATE TAKES A STAND

(By Tom Wicker)

WASHINGTON.—The clandestine warfare being waged in Laos will not be stopped by the Senate's prohibition on sending American ground combat troops to that country and Thailand. This remarkable rider to the defense appropriations bill might nevertheless have profound effect upon the development of American military-foreign policy in the seventies.

The Senate action—later accepted by the House—resulted directly from this year's establishment of a Foreign Relations subcommittee, under Stuart Symington of Missouri, to examine American commitments abroad. The subcommittee's investigations and its secret sessions with State Department and Pentagon officials enabled J. W. Fulbright, the Foreign Relations Committee chairman, to raise for the first time some really informed questions about American operations in Laos and Thailand.

STATE DEPARTMENT MEMO

When he put these questions to the Appropriations Committee in writing, its Defense subcommittee proved unable to answer them—although that body was charged with examining the Pentagon money bill. Therefore, the Nixon Administration had to supply the answers—which it did, in a thirty-page memorandum read to the whole Senate in an unusual secret session. The memo was an approximate summary of what the Symington subcommittee had already learned about Laos and Thailand in hearings which have not yet been published (due to State Department insistence on heavy censorship).

This had several immediate effects. It made the whole Senate aware of what Symington's group was learning about the extent of American military activities in those two countries, which is considerable; since the disputed hearings may not be published for quite a while. Senators busy on other matters would otherwise have known no more than they usually do—which is not much—about defense appropriations and the activities they support.

CREEPING ENTRY

Once Senators did know officially that American air units were already bombing and strafing in Laos, in support of armies trained, supplied and to some extent led by Americans, the similarity to the creeping American entry into the larger Vietnam war became obvious.

It was then easier to persuade the Senate to take hold of what a Senate strategist called "the one really good handle you've got"—appropriations—in trying to restrain or guide executive control of foreign policy and the armed forces.

The net effect of the rider is that the Nixon Administration now could hardly escalate present American activities in Laos into a Vietnam-model ground war without coming first to Congress for approval. Perhaps more important, because no real war is as yet under way in Thailand, a secret contingency plan for American military aid to that country could not now be put into effect without specific Congressional approval.

The Laos-Thailand rider, moreover, has to be read in conjunction with another action of the Senate—the so-called "commitments resolution," passed earlier this year, in which the Senators expressed the view that the President could not make a "national commitment" to another nation without specific Congressional approval. This was another effort—but one without much practical effect—to limit a President's power to commit American military forces, by executive agreement, to act in various contingencies around the world—to "instantly repel," for instance, any attack on the Philippines from any source, a repeated pledge that appears to override Congress's constitutional war-making power.

REIN ON PRESIDENT

These two acts together constitute a substantial Congressional notice to Mr. Nixon and Presidents to come that neither he nor they will be quite so free to dispose of American military power without legislative check as Presidents have been in the postwar era. And that the Laos-Thailand rider added to an appropriations bill was a pointed reminder of the ultimate Congressional power of the purse—seldom used, recently, except to permit rather than restrain military adventures.

Mr. Nixon obviously got the point—influenced, some Congressional observers believe, by the convincing 78 to 11 vote for the Laos-Thailand rider. Even while State Department and Pentagon lobbyists were preparing to oppose the rider in Senate-House conference, the White House announced publicly that the action was "in line" with its policy.

ANOTHER BENEFIT

One further benefit might flow from all this. Since the Senate now has been told what is happening in Laos (although its members will soon be confronted with security censorship of the secret session), the Symington subcommittee is likely to gain allies in its demand that it be allowed to publish a relatively uncensored transcript of its hearings on the Laotian war.

After all, other Senators may reason, the executive branch, the Senate, the Laotians, the Russians, the Chinese, and the North Vietnamese know what is going on in Laos. Why shouldn't the American taxpayer, who foots the bill for a large part of the action?

BILLS AFFECTING ALASKA TRADE

Mr. BELLMON. Mr. President, on December 19, 1969, the senior Senator from Alaska (Mr. Stevens) introduced S. 3272 and S. 3273. These bills have generated a great deal of discussion, interest, and comment.

I ask unanimous consent that they be printed in the Record.

There being no objection, the bills were ordered to be printed in the Record, as follows:

S. 3272

A bill to extend to shipping in the Alaska trade the construction differential and operating differential subsidies now provided to shipping in foreign commerce

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—DECLARATION OF POLICY

Sec. 101. Title 46 of the United States Code is amended by adding a new section thereto as follows:

"§ 1102. The noncontiguous State

"Because the policies expressed in this title are national policies designed to benefit all the United States, because the implementation of those policies work a hardship on Alaska which, because it is noncontiguous to any other State, is unusually dependent on oceangoing transportation, and because the cost of national policies should be borne equally by all the United States, it is declared to be the policy of the United States that Alaska should have available to it oceangoing transportation at the cost that would have been realized if it were not for those national policies."

TITLE II

Sec. 201. Title 46 of the United States Code is amended by inserting, following section 289b the following new section:

"§ 289c. Transportation of passengers and merchandise in vessels owned and operated by the State of Alaska between points in Alaska and the United States

"Notwithstanding the provisions of law of the United States restricting to vessels of the United States the transportation of passengers and merchandise directly or indirectly from any port in the United States to another port of the United States, passengers and merchandise may be transported on vessels owned and operated by the State of Alaska between ports within Alaska or between ports in Alaska and ports in Canada or the United States until such time as such vessels are replaced by vessels constructed under the subsidy provided in chapter 27 of this title or until three years from the date of this Act, whichever shall occur later."

TITLE III

Sec. 301. (a) (1) The first sentence of subsection (a) of section 1151 of title 46 of the United States Code is amended by inserting following the words "United States" and before the period, the words "or in the Alaska trade".

(2) Subsection (a) of section 1151 of title 46 of the United States Code is amended by inserting at the end thereof a new sentence as follows: "Notwithstanding the provisions of the first sentence of this subsection, the State of Alaska, or any agency of political subdivision thereof, may make application to the Federal Maritime Board for a construction-differential subsidy to aid in the construction of a new vessel to be used in the Alaska trade. For purposes of this chapter and subchapters I and II the term 'Alaska trade' means the transportation of passengers and merchandise between points within the State of Alaska or between points in the State of Alaska and points in the several States of the United States, the Commonwealth of Puerto Rico, the Virgin Islands and Guam."

(b) Section 1156 of title 46 of the United States Code is amended by inserting following the words "foreign trade" and before the comma the words "or in the Alaska trade" and by inserting following the words "during the preceding year" and before the period, a colon followed by the words "*Provided*, That for purposes of this sentence the term 'domestic trade' shall not include any trade which is properly a part of the Alaska trade".

Sec. 302. (a) Subchapter VI of title 46 of the United States Code is amended by inserting at the end thereof the following new section:

"§ 1184. Operating subsidy for ships in the Alaska trade

"(a) Application for subsidy; conditions precedent to granting.

"Notwithstanding the provisions of section 1171(a), 1172 (a) and (b), 1173, 1174, 1175, 1176, the Federal Maritime Board is authorized and directed to consider the application of any citizen of the United States, or of the State of Alaska any agency or political subdivision thereof, for financial aid in the operation of a vessel or vessels, which are to be used in the Alaska trade. No such application shall be approved by the Board unless it determines that (1) the operation of such vessel or vessels is required to carry out the purposes of section 1102 of this title, (2) the applicant owns, or can and will build or purchase, a vessel or vessels of the size, type, speed, and number, and with the proper equipment required to enable him to operate and maintain the service, route, or line, in such manner as may be necessary to carry out the purposes of section 1102 of this title, and (3) the applicant possesses the ability, experience, financial resources, and other qualifications necessary to enable him to conduct the proposed operations of the vessel or vessels as to carry out the purposes of section 1102 of this title.

"(b) Board authorized to contract.

"If the Federal Maritime Board approves an application made pursuant to subsection (a) of this section, it may enter into a contract with the applicant for the payment of an operating-differential subsidy determined under subsection (c) of this section for a period not exceeding twenty years, and subject to such reasonable terms and conditions as the Board shall require to effectuate the purposes of section 1102 of this title, including a performance bond with approved sureties, if such bond is required by the Board.

"(c) Amount of subsidy.

"The Secretary shall determine annually the costs of operation, including the fair and reasonable cost of insurance, maintenance, repairs not compensated by insurance, wages and subsistence of officers and crews, and any other items of expenses he determines should be included in order to carry out the purposes of section 1102 of this title, of vessels in the coastwise trade of the United States and in the foreign commerce of the United States. He shall then calculate the operating-differential index by subtracting from one ratio of the operating costs for vessels in the foreign commerce to the operating costs for vessels in the coastwise trade. The amount of the operating-differential subsidy shall be the product of this index and the actual operating costs incurred by the applicant for the operations described in his application."

Sec. 303. (a) The table of contents of chapter 27 of title 46 is amended by including therein:

"1102. The noncontiguous States.

"1184. Operating subsidy for ships in the Alaska trade.

and by inserting the following words "1151. Subsidy authorized for vessels to be operated in foreign trade" and before the period the words "and in the Alaska trade".

(b) The title to section 1151 of title 46 of the United States Code is amended by adding after the words "foreign trade" and before the period the words "and in the Alaska trade".

S. 3273

A bill to exempt Alaskan trade from sections 289 and 883 of the sabotage laws

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

XUM

SECTION 1. Title 46, section 11, is amended by inserting after the phrase "with the Islands of Guam, Tutuila, Wake, Midway, and Kingman Reef," the following: "and between the State of Alaska and the other States, between the State of Alaska and foreign countries, between the State of Alaska and the Islands of Guam, Tutuila, Wake, Midway, and Kingman Reef, and within the State of Alaska.".

SEC. 2. Title 46, section 289, is amended by inserting at the end thereof: "*Provided*, That this section shall not apply to the transportation of passengers between ports and places within the State of Alaska or between ports and places in the State of Alaska and ports and places in the United States.".

SEC. 3. Title 46, section 883, is amended by inserting at the end thereof: "*Provided further*, That this section shall not apply to the transportation of merchandise between points within the State of Alaska or between points in the State of Alaska and points in the United States, including the districts, territories, and possessions thereof embraced with the coastwise laws.".

DEPARTURES FROM BASIC IDEAS OF BROWN AGAINST BOARD OF EDUCATION

Mr. GURNEY. Mr. President, I ask unanimous consent to have printed in the RECORD a column written by Jenkins Lloyd Jones and published in the Washington Evening Star of December 20, 1969. The article is entitled "The Dangers of Good Intentions" and demonstrates how far afield some recent court decisions and decrees from the Department of Health, Education, and Welfare have taken us from the basic idea of Brown against Board of Education in 1954. As Mr. Jones points out, pupils are now being assigned to schools and bused around school districts solely on the basis of their race. More and more, the Department of Health, Education, and Welfare is seeking to enforce its peculiar notion of what constitutes a federally acceptable standard of integration by the threat of withholding Federal funds. In some cases, it goes beyond a threat and amounts to an actual denial of funds. This officious meddling by HEW, however well-intentioned, has been, in my judgment, a principal cause for the confusion and disorder we find in public schools throughout the land today. Mr. Jones ends his column with a particularly apt quotation from Louis Brandeis:

> Experience should teach us to be most on our guard to protect liberty when the government's purposes are beneficient. . . . The greatest dangers to liberty lurk in insidious encroachment by men of zeal, well-meaning, but without understanding.

There being no objection, the article was order to be printed in the RECORD, as follows:

[From the Washington Star, Dec. 20, 1969]

THE DANGERS OF GOOD INTENTIONS

(By Jenkin Lloyd Jones)

The end of the neighborhood school in America is proceeding apace as a result of a series of directives and ukases being issued by federal courts and the Department of Health, Education and Welfare.

These are not laws. They have not emanated from any elected legislative bodies. These are decrees, imposed upon the nation by men, many of whom have never been elected to anything, who are utterly confident that their ideas are best for the nation, but who are not disposed to submit these ideas to any public referendum.

Most interesting is the adoption by this group of the doctrine of interpretation as a substitute for law.

In the original desegregation case (Brown vs. Board of Education, 1954) the Supreme Court based its decision on the words from the 14th Amendment: "No state shall . . . deny to any person within its jurisdiction the equal protection of the law." On that theory it ordered that no child shall be directed to a specific school because of its race.

Today, as a result of subsequent court decisions and HEW orders, the same words of the same amendment are being cited as the reason why children can be directed to a specific school because of their race.

The principle of integration has gradually turned into a principle of forced racial mixing according to shifting formulae that not only have no substance in law but are in clear defiance of it.

As one of the dissenting 5th Circuit Court of Appeal judges said in U.S. vs. Jefferson County Board of Education, 1967:

"The freedom of the Negro child to attend any public school without regard to his race or color, first secured in the Brown cases, is again lost to him after a short life of less than 13 years."

And so it has been. In Natchez, Miss., recently HEW ordered neighborhood school districts swept away and new districts drawn that would provide a satisfactory racial mix. As a result, according to the Natchez school superintendent, Dr. D. G. McLaurin, seven schools now have more than a thousand vacant places while five others have 800 more students than they were built to accommodate. HEW has ordered one all-Negro school to close all-together, over the protests of most of its patrons.

U.S. District Court Judge Luther Bohannon has demanded a "long range" integration plan for Oklahoma City in which students would attend only "basic" classes in their neighborhood schools and then be bused away. This is, of course, assignment of students to distant schools on the basis of race, again a complete reversal of the original Brown decision.

There has been another interesting 180-degree turn. When federal aid to common education was first proposed in the Civil Rights Act of 1964 some doubters expressed fear that federal funds might be withheld from schools that failed to follow HEW edicts.

This was denied on a stack of Bibles. Indeed, said the bill managers, cutting off funds for such a reason would "violate the law."

But not any more. In U.S. vs Jefferson County Board of Education the court boldly stated: "It is to the advantage of the school boards throughout the country to know the criteria the commissioner uses in determining whether a school meets the requirement for eligibility to receive financial assistance."

And the court quoted the Civil Rights Commission:

"With funds of such magnitude at stake, most school systems would be placed at a serious disadvantage by termination of federal assistance."

All this has come about, not only without legislative sanction, but in contempt of clear legislative language.

Thus the 1964 Civil Rights Act stated:

"'Desegregation' shall not mean the assignment of students to public schools in order to overcome racial imbalance. . . . Nothing herein shall empower any official or court of the United States to issue any order seeking to achieve a racial balance in any school by requiring the transportation of students from one school to another."

The fact that these plain words haven't even slowed down those who are determined to make over America's schools according to their own wishes recalls the words of Daniel Webster:

"It is hardly too strong to say that the Constitution was made to guard the people against the dangers of good intentions."

And former Supreme Court Justice Louis Brandeis said:

"Experience should teach us to be most on our guard to protect liberty when the government's purposes are beneficient. . . . The greatest dangers to liberty lurk in insidious encroachment by men of zeal, well-meaning, but without understanding."

NEW YORKER ON NATIONAL GENERAL SERVICES PUBLIC ADVISORY COUNCIL

Mr. JAVITS. Mr. President, General Services Administrator Robert L. Kunzig has formed a National General Services Public Advisory Council for the purpose of creating more public involvement in the operations of GSA.

The State of New York is ably represented on the Council by Mrs. Carmel Carrington Marr, currently a member of the New York State Human Rights Appeals Board. Mrs. Marr is starting the second year of her 6-year appointment by Governor Rockefeller to the Human Rights Appeals Board. She is a member of the New York State bar, but left private practice in 1953, when she was appointed to the U.S. mission to the United Nations by Ambassador Henry Cabot Lodge. During her years of service with the U.S. mission, she was a member of the U.S. delegations to the General Assembly, the Security Council, several sessions of the Human Rights Commission, and other U.N. organs.

Mrs. Marr received her B.A. cum laude from Hunter College and her LL. B. from Columbia University Law School. She is a member of Phi Beta Kappa and Alpha Chi Alpha honorary fraternities.

She is active in community affairs, the Brooklyn Society for Prevention of Cruelty to Children, the board of visitors of the New York State Training School for Girls, and the Governor's Committee on Education and Employment of Women.

Administrator Kunzig is fortunate to have obtained the services of this outstanding citizen.

SOME REFLECTIONS ON THE FOREIGN AID DEBATE

Mr. DODD. Mr. President, the debate on foreign aid which took place in the Chamber during the late afternoon and early evening hours last Saturday marked an unfortunate chapter in the history of the U.S. Senate.

In making this statement, I want to make it clear that I cast no blame. In a sense, I believe we are all to blame for the confusion and haste that characterized the debate; and there are lessons for all of us to learn from what happened.

In the course of the debate, the Senate succeeded in scuttling the foreign aid bill, in violating its own rules, in affronting the House of Representatives, and in establishing a precedent which might do grave damage to the entire conference procedure.

Perhaps the chief lesson to be learned from this experience is that it simply makes no sense for the Senate to be considering important legislation on the Saturday before Christmas, with a third of its Members absent, and the two-thirds of those present eager to get home and, quite understandably, irritable.

The decision to table the conference report on the foreign aid appropriations bill is bound to raise grave doubts about our steadiness and reliability, not only in the eyes of those nations which are today recipients of American foreign aid, but in the eyes of all our friends and allies as well.

It is bound to encourage our enemies by strengthening the belief, which is already very dangerously widespread, that America is afflicted by a paralysis of policy.

Originally, the specific item at issue in the conference committee report was the provision of $54,500,000 for military aid to the Republic of China.

This item was included in the version of the foreign aid bill initially approved by the House.

It was not included in the version reported by the Senate Appropriations Subcommittee and approved by the Senate in the vote taken on Thursday, December 18.

In conference, the House conferees yielded on a number of important points to the Senate; but on this one point, in order to achieve a compromise, the Senate conferees yielded to the House.

The question of whether or not it is advisable or necessary at this juncture to provide the Republic of China with modern fighter aircraft is one that can be debated both ways.

But I recall that one of the decisive factors in the winding up of the Taiwan Straits crisis was that the Nationalist Air Force at that time was consistently able to outperform and outfight the Chinese Communist Air Force. After suffering a number of humiliating defeats in air battles, the Chinese Communists decided to call off their provocations.

It is generally conceded that the Chinese Communists today possess fighter planes far superior in performance to the outdated planes still being flown by our Chinese Nationalist allies. Clearly, this could create a dangerous situation.

That is why, I believe, a majority of the House was disposed to favor the recommendation.

I am distressed that Senators who hold the opposite viewpoint have now decided to table the conference report simply because it did not accord with their own views on the subject.

Following the decision to table the conference report, the distinguished majority leader moved:

> That the conferees be instructed to insist upon its amendments, and particularly to insist that the level of appropriations not exceed those authorized by law for this fiscal year, and that no earmarking of funds for particular countries be specified for military assistance.

It was approaching 7 o'clock in the evening when the vote on this motion was taken, and I fear that many of the 48 Senators who voted for it simply did not understand the implications of the motion, nor did they appreciate the fact that, in at least two respects, and possibly three, this motion was in violation of the rules of the Senate and of the specific rules governing conference procedures.

First, by laying down a blanket instruction to the Senate conferees to insist on all of the amendments approved by the Senate, the motion reduced the conference procedure to a mockery.

There have, I know, been instances in the past when the Senate voted instructions on specific items in a bill before sending it to conference. But to the best of my recollection, the Senate conferees have always been left with considerable latitude to enter into the orderly "give and take" with the House conferees which is at the heart of the entire conference procedure.

This is the first instance that I can recall where Senate conferees have been instructed to meet with the House conferees on a "take it or leave it" basis.

Second, by stipulating that "the level of appropriations not exceed those authorized by law for this fiscal year," the motion, as the able senior Senator from Florida (Mr. HOLLAND) pointed out, had the effect of denying to the House the right to make their own rules and to operate under them.

In what I consider a masterly presentation on the relationship of appropriations to authorization, the Senator from Florida made the point that the House frequently placed on appropriations bills items which were not in the authorization; and that the Senate not only has the power to do likewise, but has done so on numerous occasions.

On this point, the motion negates something which the rules specifically allow.

The majority leader, in the course of the debate, expressed the concern that the integrity of the committee system was bound to suffer damage if it is, in fact, true that the Appropriations Committee could exceed the amount stipulated on any given item by the authorization bill.

I understand his concern, and I think there is much merit to the point he made. As he may recall, I myself raised the question whether it would not make sense to consolidate the authorization and appropriation functions, as was once the case.

Saturday's debate pointed up the existence of a very real problem, one that we shall have to discuss further when Congress reconvenes.

But even if we should decide at some future date to revise the rules under which we operate, I think all Senators would agree that we must at all times be guided by the rules in force at the moment.

Finally, there is the rule which provides that a matter on which both Houses agree is not in conference.

The Senate as well as the House went on record as approving the earmarking of $50 million in military aid for the Republic of Korea.

But the motion which was approved by the Senate last Saturday night now instructs our conferees that:

> No earmarking of funds for particular countries be specified for military assistance.

It seems to me that on this third point the motion is clearly in violation of the rules governing conference procedure.

Mr. President, I feel that by the two actions that we took in the debate on the foreign aid bill on Saturday the Senate has played a dangerous game with that bill, a game that can do serious damage to the integrity of the democratic process and parliamentary procedure, if it is permitted to stand as a precedent.

Nor do I believe I overstate the significance of the decision to table the conference report on the foreign aid appropriation.

What was involved was not a solitary action on one aspect of our foreign aid program, but another round in the unrelenting attack on our entire foreign aid program which has characterized the debates in Congress over the past several years.

I can only hope, with the Senator from Florida, that wiser counsel will prevail when the Senators get through the Christmas holidays and return to the consideration of the foreign aid bill when Congress reconvenes on January 19.

BLACK EDUCATION AND WHITE LIBERALISM

Mr. HANSEN. Mr. President, the magazine the New Leader for December 22, 1969, published an exchange of correspondence among three men, entitled "Black Education and White Liberalism."

Those who wrote the letters are Thomas A. Billings, former director of Project Upward Bound; Bayard Rustin, executive director of the A. Philip Randolph Institute; and Daniel P. Moynihan, Assistant to the President of the United States.

The subject of this exchange of correspondence, as Mr. Moynihan so aptly put it, deals with bureaucratic abuse of the rights of individuals. I ask unanimous consent that the article be printed in the Record. I believe it will be of interest to Senators and to many employees of the Federal Government.

There being no objection, the correspondence was ordered to be printed in the Record, as follows:

Black Education and White Liberalism

August 12, 1969.

Mr. Daniel P. Moynihan,
Assistant to the President,
The White House,
Washington, D.C.

Dear Pat: Enclosed is an "Open Letter" to me written by Thomas A. Billings, the Director of Upward Bound, and my reply. I have requested that he send my letter to the Upward Bound Project Directors and Consultants who have also received his original letter.

Best,

Bayard Rustin,
Executive Director, A. Philip Randolph Institute.

Thomas A. Billings

June 16, 1969.

To: Upward Bound Project Directors and Consultants.
From: Thomas A. Billings, Director, Project Upward Bound.

An open letter to Bayard Rustin:

As a long-time admirer of yours, I am hesitant about challenging any of your remarks regarding the needs and aspirations of black youth in America. Certainly you should know more about those needs and aspirations than I do. A white man half your age should probably remain silent when you speak on racial matters.

But your recent remarks regarding "soul courses" and the "real world" went infinitely beyond mere instruction to black youth. Your remarks, among other things, strike at the very heart of "liberal education." Since I am persuaded that our current national tragedy reflects the eclipse of "liberal learning" and the bankruptcy of liberal knowledge in the nation, I am compelled to radically disagree with you about (1) the value of "soul courses" and (2) their relevance to the "real world."

Because I want you to understand what I hope to say about the "real world," Mr. Rustin, I will avoid most of the technical language of philosophy normally connected with discussions of this sort. Part of our problem nowadays stems from our careless use of language on the one hand, and our use of pseudo-technical language on the other hand.

But before I get into a conversation with you about the "real world," Mr. Rustin, let me point out that there have been three great problems—or questions—or branches of philosophy. The three great questions have been: What is real? What is true? What is good? These remarkably durable human questions have given rise to three great areas of human inquiry. Generally, questions about "reality" fall to the *ontologists* for response. The scientific method is a natural outgrowth of man's concern for the "real world"; both the soft and hard sciences are stalwarts in the house of ontology.

Questions about "truth" gave rise to *epistemology* or, put another way, to that branch of philosophy which explores human comprehension of "the real," an inquiry into how man learns about "the real." Commonly, philosophy 101 attempts to reveal the complex and intimate relationship between "the real" and "the true." Let me assure you, epistemology is a veritable minefield of ancillary questions: If real, is it also true? Can something be true, but not real? Aren't reality and truth one? Is reality general, objective and universal or is it specific, subjective, and particular? If you remove the human subject, does reality have "meaning"? If so, to whom? If not, does the "real world" depend upon human interpretation? Is the "real world" an invention or a discovery? Is the world of "ought" as "real" as the world of "is"? Is an idea "real"? As "real" as a rock? Are there modes of "reality"? Was Martin Luther King's dream real? Are social "realities" immutably decreed by the gods, or are they products of human imagination, hence subject to human revision?

The third great question—What is good?—gave rise to *ethics*, the consideration of human (interpersonal) relationships. The profound questions of "good" and "evil" appear here, inextricably bound up with questions about the "real" and the "true," that is, bound up with ontology and epistemology.

For at least 5,000 years, Mr. Rustin, men on this planet have been grappling with these great prime questions. I was startled, therefore, by the suddenness with which you closed out the dialogue and bolted the door of inquiry and revision. Obviously, at last we have it: "X has no meaning in the 'real world.'" What else, Mr. Rustin, beyond "soul courses," have [*sic*] "no meaning in the real world"? Is it possible that *souls* have no place in the "real world"? Are all the attributes and delights of the human soul equally untenable in "the real world"? What would nurture a *soul*, Mr. Rustin, but soul courses, *i.e.*, instruction? What place has poetry in your "real world," Mr. Rustin—or art or dance or drama? Aren't "soul courses," now urged by black youth, only a combination of the art, poetry, music, and literature of black people cast in the mold of the American black experience? Isn't that art and that poetry and that music and that literature "real" and hasn't the black experience in America been "real"? Isn't all poetry and all art and all music and all literature only the expression of a people's life experience whether it's the art and poetry, music and literature of American blacks or the art, poetry, music and literature of American Celts, Buriat Mongolians, Berber Tribesmen, Basque Shepherds, Mexican Villagers, Catholic Bavarians, Irish Republicans, Vietnamese Nationals, Buddhist Monks, Japanese Fishermen, Islandic Eskimos, Javanese Mountainmen, or Suburban Anglo-Saxon Executives?

Or is the "real world" only the world—objective and subjective—which the American marketing-military-industrial Establishment has fashioned? I think that I could agree with you that "soul courses" aren't going to be worth a dime in that world. But, Mr. Rustin, is that the "real world"? If so, is it at the same time "true" and "good"? If it is not true and good, do you suppose "soul courses" would help it become not only "real," but "true" and "good," or is it possible that truth and goodness have no meaning in the "real world"? My God, has it really come to that?

How long has it been, Mr. Rustin, since you took a long, hard look at the curriculum in the schools of America? What sense of pride, of cultural legacy, of self-confidence accrues to a Chicano child after 12 years in the public schools of El Paso, Texas? What sense of pride, of cultural legacy, of self-confidence accrues to a North Cheyenne child after 12 years in the public schools of Billings, Montana? What sense of pride, of cultural legacy, of self-confidence accrues to a black child after 12 years in the public schools of Montgomery, Alabama or Shreveport, Louisiana? What is the effect on a child's spirit when he finds that the language spoken in his home, the language of his mother's lullabies and his father's pride, is illegal, not the language spoken in the "real world"? What is the effect on a child's spirit when the sounds and sights and loves and hopes of his little world are systematically excluded from the "real world"? What mangling of the spirit must come, what breakage of the heart must follow the "realization," *i.e.*, the desperate assimilation into the "real world" of these troubled centers of little worlds? Or worse, what rage must follow these violations of the little worlds of Ben Hernandez and John Has-Many-Horses and Joyce Lee and Johnny Old-Coyote?

If I understand anything about American youths it is that many of them are deeply unhappy about the "real world"; they are not at all sure that it is the world in which they want to live and work. Many of them—and God bless them for it—long for a better world, a more responsible world, a more humane world, a world in which the tears of children are as "real" as the rock of Gibraltar and ever much more alarming than the dips in the Dow-Jones Industrial Average. Most of them want desperately to believe in the human capacities of labor and intelligence and compassion. Most of them are sick to death of political chicanery, racial bigotry, religious hypocrisy, international looting and piracy disguised as the "national interest." Most of them are just tired of the champagne music of Lawrence Welk and the silly charade of manliness staged by America's business elite. It's this world, Mr. Rustin, that our young people are saying must go! The "real world"? Alas, of course it is! But not forever! Our young are part of the "real world," too, Mr. Rustin, as real as General Motors and Wall Street and Howard Hughes and American Airlines and Richard Nixon and J. Edgar Hoover and the United Fruit Company. And their hopes are real, and their dreams and tears. And their anger!

A last point. Technical skill is always an important thing to have. Techne—or "know-how," while highly prized among the Greeks, was rarely confused with either knowledge (gnosis)—or wisdom (sophia), both of which were infinitely more valuable than techne. Techne was techne—craftsmanship, skill, technique, an important attribute in the work-a-day world. But the Greek world was more than the work-a-day world. It included art and poetry and drama; indeed, much of the world's great soul food. Only among slaves was the work-a-day world the whole world, the "real world." For you not to know this would be an unbearable irony, Mr. Rustin, and a tragic paradox.

Bayard Rustin

August 12, 1969.

Mr. Thomas A. Billings,
Director, Project Upward Bound,
Office of Economic Opportunity,
Washington, D.C.

Dear Mr. Billings: I found your open letter to me opposing my position on separatist black studies very interesting—not for anything it had to say about black studies or higher education, but for what it revealed about your own dilemma and by extension, the dilemma of other similarly situated white liberals.

You are convinced "that our current national tragedy reflects the eclipse of 'liberal learning' and the bankruptcy of liberal knowledge in the nation. . ." Since you are a liberal, I think this remark betrays an exquisite form of self-contempt, a self-contempt that is not entirely unrelated to the extraordinary guilt with which liberals like yourself are reacting to our racial crisis. If liberalism is bankrupt and in decline as you maintain, if it lacks any revitalizing tradition and system of values, then it follows that liberals must look beyond themselves for a new world view, a new source of vitality. They must look figuratively to the East, to African and Asiatic culture, which has always represented in Western consciousness the subjective urges of man, that which is primitive, irrational, vital; that, in other words which they have repressed. And in America, alas, they look toward the Negro. Drawing unwittingly upon our country's racist heritage, they place the Negro in the role of the natural man come to revive the juices of white civilization.

A second aspect to the problem is relevant here. There is a psychological phenomenon occurring today among increasing numbers of affluent highly-educated Americans like yourself that has been variously described as anomie, alienation, identity crisis. These people suffer from a sense of dislocation and dispossession which has given rise to a political orientation that Arnold Toynbee has called "subjective proletarianism." It is a romantic form of politics rooted in guilt, acutely sensitive to problems concerning individuality and identity, and characterized by a peculiar combination of self-depreciation and snobbish patronization. Thus it is not surprising that this lumpenintelligentsia would react with unusual enthusiasm to the position of black nationalists, would romanticize their demands for separatism and self-determination, and would identify these demands as the position of the "black community," when, in fact, they represent the views of a small minority of Negroes. Negroes have been used and exploited in many ways by white Americans, but it is only recently that they have been asked to satisfy the masochistic craving of disenchanted liberals for flagellation and rejection.

Let me be quite explicit. There is today a legitimate and heated debate going on within the Negro community between separatists and integrationists. It is not a new debate, but one that has recurred repeatedly in the history of black Americans, particularly during periods of political reaction when many Negroes, out of despair, want to withdraw from the mainstream of our society. You are certainly free to take sides in this debate, even if in the process you must patronizingly indicate to Negroes their need for a "sense of pride, of cultural legacy, of self-confidence." I should think that you are far more lacking in these qualities, for you have nothing but disdain for your own cultural and intellectual tradition.

Let me remind you that my position in this debate derives from my experience as a black man in America (not as a "Suburban Anglo-Saxon Executive"), from my knowledge that separatism historically and presently for Negroes has been indistinguishable from inequality, exploitation and poverty, and that despite all the romantic rhetoric used to make it appear respectable, separatism shall continue to be immoral and degrading. It was not out of any failure to perceive the nature of the "real world" that I spent 28 months in a Federal penitentiary for my pacifist beliefs, or 30 days on a chaingang in North Carolina for trying to integrate a bus, or that I was arrested on 21 other occasions for opposing injustice. One can be aware that "the tears of children are as 'real' as the rock of Gibraltar" without indulging in sentimentality and self-righteousness.

Despite your entreaties, I shall continue to advocate those means by which Negroes can obtain the educational skills, as well as the political and economic power, that will enable them to achieve equality *within* the context of American society. And I shall oppose those strategies, whether motivated out of the desire to oppress or to patronize, which can only perpetuate and compound the injustices committed against black people in this nation.

I trust you will send my reply to all the Upward Bound Project Directors and Consultants.

Sincerely,

BAYARD RUSTIN,
Executive Director,
A. Philip Randolph Institute.

DANIEL P. MOYNIHAN

SEPTEMBER 30, 1969.

Mr. BAYARD RUSTIN,
Executive Director, A. Philip Randolph Institute, New York, N.Y.

DEAR BAYARD: I enclose a letter being sent to all Upward Bound directors and consultants by Mr. [Donald] Rumsfeld. This is, of course, in response to your letter to me of August 12 reporting the incredible and intolerable behavior of the former Director of Upward Bound, and enclosing a reply by you to the attack which he had addressed to that group. Mr. Rumsfeld's letter will distribute your reply to all those who received the original letter from Billings.

In the nature of the situation this is, I suppose, all that can be done. An outrageous charge has been made and distributed, a reply is distributed in return. However, you and I know that the exchange is rarely an equal one. It is clear to me that you have been done an intolerable injury by an official of the United States government. I have established that Mr. Billings' letter is dated a day after his resignation from the government, and that it was sent without the knowledge of his superiors in the Office of Economic Opportunity. (Mr. Billings became Deputy Project Manager of the Upward Bound Program in April 1967 and shortly thereafter became Project Manager, which post he left on June 15, 1969, on the occasion of the transfer of the program from OEO to HEW.) The fact remains that a government official, on stationery of the Executive Office of the President, directed an extended personal attack against a private citizen because of views expressed by that citizen on public issues. The letter was written and mailed at government expense, and sent to persons who in one form or another are recipients of public monies disbursed by the same public official.

As you will be the first to agree, the injury done you has nothing to do with the rightness or wrongness of your views. The issue is the intimidation by government of a private citizen because of his holding disapproved opinions.

This is the essence of thought control in a totalitarian state. Those who express thoughts disapproved of by those who control the government machinery are vilified and defamed; others who might be so tempted are warned of the consequences in the most vulgar terms. "You, too, can get in trouble."

I do not know which development appalls me more: that Billings sent the letter, or that no Project Upward Director has apparently seen fit to protest it. Have Americans become so accustomed to seeing government abusing the rights of individuals and intimidating the recipients of government benefactions? I recall from my youth the observation that if fascism should ever come to the United States it would be in the guise of anti-fascism. I very much fear we see the tendency in this squalid enterprise.

Mr. Billings was clearly not appointed by this Administration. His letter is as disrespectful to President Nixon, as it is libelous of you. No persons of responsibility in the present Administration even knew of the letter. But that, of course, is small consolation.

It should be clear from my letter how much I have been troubled by this event. If you should for any reason wish to make my letter public, do not hesitate to do so.

Sincerely,

DANIEL P. MOYNIHAN,
Assistant to the President.

FRANCHISES: IS THE SMALL BUSINESS BOOM A BOONDOGGLE?

Mr. WILLIAMS of New Jersey. Mr. President, an excellent article regarding the hearings on franchising scheduled in January by the Senate Small Business Subcommittee on Urban and Rural Development written by Robert W. Maitlin, was published in today's Newark Star-Ledger. I ask unanimous consent that this perceptive piece be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Star-Ledger, Dec. 22, 1969]

FRANCHISES: IS THE SMALL BUSINESS BOOM A BOONDOGGLE?

(By Robert W. Maitlin)

WASHINGTON.—"For $49,750 buy someone you love a Mickey Mantle men's shop," reads an advertisement in a well-known business newspaper.

This ad and many similar ones extolling the virtues of private ownership have given rise to the greatest economic phenomenon in the nation's history: The franchise business.

Nationally franchised businesses produce some $90 billion in annual sales, or 10 per cent of the Gross National Product. New Jersey alone accounts for $5½ billion a year.

SOME "DIE"

Today, more than 1,000 different franchisers operating in the United States have licensed approximately 600,000 franchises. There are 37,000 operating in New Jersey. They range from fried chicken stands to wig boutiques.

But over-competition in many areas, especially fast food service, may be killing the franchise golden dream of self-ownership.

Other franchises are complaining that parent companies do not give them enough help to make their businesses successful.

It is to this question, whether the franchise business is a "boon or boondoggle," that Sen Harrison A. Williams Jr. (D-N.J.) has devoted himself.

Next month, Williams will hold three days of hearings to determine the state of franchising in the U.S.

"To my knowledge," he said, "no committee of Congress has ever before attempted a broad study of the entire franchising field. Our hearings will attempt to unwrap the entire franchising package for the benefit of all concerned."

Williams said his Senate small business subcommittee will explore two general questions:

Can franchising increase small business opportunities in urban and rural America?

What is the impact of the franchising concept on small business?

Many celebrities have found their names can be worth millions when placed in the franchise game.

And it is anticipated that several of these, including Johnny Carson ("Here's Johnny Restaurants"), Mickey Mantle (men's shops and "Country Cooking"), Arnold Palmer (golf-putting courses), Joe Namath ("Broadway Joe's Restaurants"), Gino Marchetti ("Gino's Hamburgers") and Minnie Pearl (fried chicken) will testify.

Also included on the witness list are representatives of the Better Business Bureau of New Jersey, and several Jersey franchise operators from gasoline and other retail areas.

The first day's hearing will be devoted to a panel discussion between two franchise distributors and two franchise operators.

As would be expected, these two groups are offering completely different views of the franchise situation. The owners say 90 per cent of their operators are happy in their situations. The operators represented by the National Association of Franchised Businessmen, quote the same percentage as saying they are unhappy with the way their businesses are being operated.

One New Jersey man said he invested $27,000 in a rental franchise business with the understanding he would be given a large promotion by the parent company. A year later his entire investment was lost and he is complaining that the parent company never came through with its end of the bargain.

Another sore point among franchise owners is that some companies, especially gasoline outfits, allow unrestricted competition among their own operators.

Several New Jersey gasoline station operators, who plan to testify at the hearings, said as soon as their sales started to increase, another station from the same company would start up in their area.

Others complained about contract clauses that allow the parent company to buy back businesses at its discretion.

In many cases, this happens when the business starts to operate successfully, and the operator, who had built it up from scratch, is left out in the cold, some say.

The hearing also will delve into whether the franchise concept can make any significant contributions to the field of minority businesses. The possible role of the federal government in this area will be closely examined, said Williams.

The post office's mail-fraud division handled 129 cases involving franchise operations last year. The problem has increased to the point where the Federal Trade Commission (FTC) may set up a unit to screen franchise ads for fraud.

"The shysters," said one FTC spokesman, "have moved into this area fast."

"I intend to conduct these hearings," said Williams, "in such a manner as to provide an unbiased forum where we can objectively study and explore the contributions made to our economy by the franchise system of distribution as well as any fraudulent, exploitative and burdensome practices within this system."

THREAT OF PRESIDENTIAL VETO OF COAL MINE HEALTH AND SAFETY

Mr. **WILLIAMS** of New Jersey. Mr. President, it is heartening to observe that the working press, whether from coal mine areas or otherwise, is bringing to the attention of the public the importance of the Coal Mine Health and Safety Act of 1969, and the need for immediate Presidential approval.

Last Saturday, the Washington Star, in a moving editorial, stated the moral demand for justice at last for one of the hardest working, least complaining, and most overlooked groups in America—the coal miner and his family. Today, the New York Times added its voice to the growing call for the President to sign this "desperately needed" legislation.

I ask unanimous consent that the New York Times editorial be printed in the RECORD.

It is not just the working press that is calling on the President to sign the bill without delay. Mail from all over the country urges the President to sign the bill. Indicative of this mail is a letter I have received from medical students in New Jersey. These students who have studied the problems of health and safety conditions in the coal mines demand "emphatically that the administration must energetically endorse and execute the provisions" of this bill.

I know this letter will be of interest to Senators. Therefore, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

[From the New York Times, Dec. 22, 1969]

LOST IN A COAL SHAFT

The White House apparently failed to do its home work on the Mine Health and Safety Act, which has won overwhelming approval in both Senate and House in the face of last-minute warnings that President Nixon might veto it. Differing versions of the bill were passed by both chambers nearly two months ago; almost a month has gone by since the conferees agreed on a final draft.

Under these circumstances, it was inexcusable for the Administration to wait until the eve of a vote to send word that the projected benefits for victims of "black lung" disease were too expensive for inclusion in the Federal budget. Congressional experts consider the cost estimates prepared by the Bureau of the Budget vastly inflated. They put the peak cost at $120 million a year, as against the White House projection of $385 million. And that peak will not come until the third year of the program, after which the burden will pass to mine operators and state workmen's compensation programs.

Given the epochal character of the law in reversing decades of neglect on the part of industry, the union and officialdom, it would be astonishing if the President did veto it. He has spoken out strongly for action to end the unnecessary hazards of mining. The bill awaiting his signature is an effective and desperately needed answer to that call.

LYNDHURST, N.J.,
December 18, 1969.

Senator HARRISON WILLIAMS, Jr.,
Capitol Building,
Washington, D.C.

DEAR SENATOR WILLIAMS: We are medical students; we have recently completed a study of health and safety conditions among West Virginia coal miners. During this study we talked with company officials, mine safety directors and foremen, miners, physicians, and representatives of the State government. We visited several mines and the U.S. Bureau of Mines laboratories.

We have read reports that the Nixon Administration is considering a veto of the pending revision of Federal coal mine health and safety standards. We have sent him the following statement:

"We consider the proposed revisions minimal indeed, considering the magnitude of the safety problem in the mining industry. Budgeting is always a matter of priorities; we believe protection of the health and well being of this country's workers is of the highest priority. Certainly the most affluent, most technologically advanced nation in the world can afford minimum safety standards!

"We believe further that an Administration veto of the mine safety bill would be a gravely irresponsible act, one that would be contrary to the American principle of government of, by, and for the people. We wish to express our concern for this matter, and to state emphatically that the Administration must energetically endorse and execute the provisions of the new safety bill. To do otherwise will cost you our support and confidence, and doubtless, that of most others who have an active concern in matters of industrial health and safety."

We communicate this to you to encourage you to devote energy and influence to further domestic reform, and to express to you our active concern for adequate health and safety legislation (with enforcement).

Very truly yours,

PETER AND KATHLEEN GRAZE.

P.S.—We are aware of various legislation which you have introduced and applaud your efforts.

COMMENT BY SENATOR JACKSON ON DEFENSE APPROPRIATIONS CONFERENCE REPORT

Mr. **JACKSON**. Mr. President, I want to express my appreciation to the Senate for backing the Defense appropriations conference recommendations concerning two important items affecting construction of future nuclear powered warships urgently needed to modernize our Navy.

The first item relates to the decision to provide $110 million of advance procurement funds for long leadtime items for five submarines of the new high speed submarine class. Full funding for these five submarines will be provided in the future. These submarines are in addition to the first three submarines of this class which are fully funded in this year's budget. The Defense appropriations conference agreed with the position taken by the Armed Services Committees and the Joint Committee on Atomic Energy that the funding of all eight of these submarines should be provided so as to permit the earliest possible delivery of these ships. You have heard described many times the rapidity with which the Soviets are improving their submarine force. I am proud of the action taken by Congress to insure that our nuclear submarine program is moving forward and I urge the Department of Defense to move at high priority to insure that these eight high speed submarines are delivered to our fleet as soon as possible.

The second item relates to $10 million of advance procurement funds for long leadtime items for the fifth nuclear-powered guided-missile frigate of the new class called DXGN. This money was originally added by the Senate and subsequently concurred in by the conference. The first four DXGN's will be required to complete the nuclear escorts needed for the nuclear powered aircraft carriers *Enterprise* and *Nimitz*. Long leadtime components for these four DXGN's are already being procured and the first of these ships is fully funded in this year's budget. The fifth DXGN will be the first nuclear escort for the CVAN69.

It is important to get started now on this nuclear frigate and budget for more nuclear frigates in the next few years in order to provide more nuclear-powered surface warships for our naval striking forces. As the United States reduces the size of its Armed Forces and continues its withdrawal from overseas deployment, the need for nuclear propulsion in our naval striking forces will continue to increase.

The Congress has consistently taken the initiative to provide nuclear-powered warships to modernize our Navy. I am glad to see that the Congress is continuing in this direction. I urge the Department of Defense to do everything possible to recognize the need for a strong nuclear frigate building program.

ARMED SERVICES RESERVE RECOGNITION DAY

Mrs. **SMITH** of Maine. Mr. President, at a time when the reserve components of the Armed Forces of the United States are being maligned with charges of being draft-dodger havens, I am deeply gratified that the President issued a Reserve Recognition Day proclamation on December 16, 1969. I ask unanimous consent that the text of the presidential proclamation honoring the members of the reserve components for their outstanding performance in defense of their country be printed at this point in the Record.

I commend President Nixon for the appropriate recognition he has given to these citizen soldiers, sailors, and airmen. I commend him most highly, as he is the first President since Harry S. Truman to extend to reservists the recognition they so richly deserve.

There being no objection, the proclamation was ordered to be printed in the Record, as follows:

Reserve Recognition Day: By the President of the United States of America—a Proclamation

In January and May of 1968, one hundred and fifteen units from the Reserve Components of the Army, Navy and Air Force were ordered to active duty to quickly augment the Active Forces. This action provided this country with armed strength capability with which to meet possible contingencies that might have arisen as a result of the threats and actions by the North Koreans and the need for additional troops in Vietnam caused by the TET offensive.

Many of these units have served in Vietnam while others have served in Korea, Japan, and the United States. Those units remaining in the United States were primarily used to strengthen the strategic reserve and participate in the Military Airlift Command operations.

By June 18th, Reserve units of the Naval Air Reserve, the Naval Reserve Mobile Construction Battalions (SEABEES), the Air National Guard, and the Air Force Reserve were demobilized and the units returned to inactive reserve status. The units of the Army National Guard and the Army Reserve have now been released.

All of these Reserve Component units responded to the Nation's call in time of need and established records of performance, both in and out of combat, which have demonstrated a level of readiness and training never before achieved by our reserve forces. In addition, many individual reservists volunteered for active duty during this period. They have truly upheld the heritage and tradition of the citizen soldier and have again proven that both the National Guard and the Reserves are a great resource for our country and one which is necessary to our national security.

Now, therefore, I, Richard Nixon, President of the United States of America, do hereby issue this proclamation in recognition of and appreciation for the patriotic, dedicated and professional service of our loyal members of the Reserve Components of the Armed Forces of the United States.

In witness whereof, I have hereunto set my hand this 16th day of December, in the year of our Lord nineteen hundred and sixty-nine, and of the Independence of the United States of America the one hundred and ninety-fourth.

Richard Nixon.

A MATTER OF TOLERANCE

Mr. DOLE. Mr. President, last month the junior Senator from Colorado (Mr. Dominick) delivered a most timely speech at a meeting of the Texas Bill of Rights Foundation in Houston, Tex.

The Senator discussed in detail his reason for disagreement with court decisions banning prayer in public schools.

I believe that Senators will find this speech of particular interest at this time. I ask unanimous consent that the speech and a WMAL editorial entitled "A Matter of Tolerance" be printed in the Record.

There being no objection, the speech and editorial were ordered to be printed in the Record, as follows:

Religious Freedom—Who's Running the Show?

(By U.S. Senator Peter H. Dominick)

Ladies and Gentlemen, the winds of change sweeping the country seem in recent years to have reached gale-like intensity. I find it difficult to believe that any but a modern day Rip Van Winkle has not been personally affected, or, at least impressed, by the dynamic forces at work shaping and reshaping every aspect of American society. Whether these forces bear the seeds of self-destruction or carry the promise of a better tomorrow is something difficult to assess.

In past years, it was commonplace to shy away from such sensitive topics as religion and sex. If this was commonplace for public speakers generally, it verged on being an absolute truism for politicians appalled at the prospect of making even the smallest wave. Today, on the other hand, requests for personal appearances and speaking engagements not infrequently advance both of these as topical subjects.

In selecting religion, specifically, the school-prayer controversy, to comment on this evening I want to make it perfectly clear that I didn't dismiss sex out of any fear of upsetting any electoral applecarts. The late Senator from Kentucky and Vice President of the United States, Alben Barkley on one occasion was asked to explain the reasons behind the differences in labels between the Senate Committee on Foreign Relations and the House Committee on Foreign Affairs. Without hesitating the VEEP, after noting the usual age discrepancy between members of the House and Senate, said that most Senators were young enough to have relations, but too old to have affairs.

The depth of "The True Believer's" conviction is no longer measured in terms of decibles or energy or persuasion but by a bumper crop of automotive decorations. Among the more fashionable of the current crop, one can choose between such choice bits as McNamara is an Edsel; ABM is an Edsel; America, Love It or Leave It; Make Peace Not War; Register Communists, Not Guns; Boycott Grapes; I Fight Poverty—I Work. One of my particular favorites of the bumper sticker campaign is the disarmingly candid "Are You Putting Me On?" This is what flashed through my mind when some years ago I first read the Supreme Court's ruling that the non-denominational and non-mandatory New York Regent's Prayer constituted "an establishment of religion" in violation of the First Amendment.

Having established the fact that I dissent from a decision of one of the three coordinate branches of the federal government, I hasten to add that I do not number myself among those critics who blame the high court for every one of our current ills. Our courts have not contributed in any way to our present involvement in Vietnam, or impaired present and past efforts to achieve an honorable and just peace in that far-off corner of the globe. Nor, by the same token, can our judges be held to account for high prices and higher interest rates, the lack of adequate housing, the threat to our natural resources caused by the mindless discharge of pollutants into the Nation's airways and waterways, to mention just a few of the problems that demand our immediate attention.

However, I am equally opopsed to the tendency of persons in certain quarters who equate anything less than absolute concurrence with the views of the justices as a slur upon the Court. Many of these self-same appointed defenders of the court were supporters of, or are spiritual heirs to, a tradition that supported the ill-fated court-packing scheme of the 1930's. More significantly, the justices themselves have expressed abhorrence of such a view.

It is in this spirit that I dissent from the Court's pronouncements that nondenominational voluntary school prayers are the first step on the road to an officially sanctioned church.

By way of necessary preliminary, let us stop for a moment to consider the specific constitutional language governing state-church relations in this country. The mainspring of our religious liberties is contained in select provisions of the First and Fourteenth Amendments of the Federal Constitution. The First Amendment, in relevant part, provides that "Congress shall make no law respecting an establishment of a religion, or prohibiting the mere exercise thereof . . ." A number of questions concerning its meaning and scope come immediately to mind. First and foremost, it will be noted that the First Amendment is clearly and unequivocally a limitation on the power of Congress and, by necessary implication, on the whole federal establishment. Since the laws at issue in the school prayer cases were without exception the product of state, not federal action, we are obliged to look elsewhere for a source which either by itself or in combination with the First Amendment controls the state's freedom of action in this most sensitive sphere. That source is the Fourteenth Amendment, specifically that portion that reads—"nor shall any State deprive any person of liberty, or property, without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws."

Although there is nothing in the quoted language addressed in so many words to freedom of religion or forbidding an establishment of religion, the Court nearly three decades ago held that the guaranty of liberty contained in the amendment makes these safeguards effective against the states. In the words of the Court in 1940:

"The fundamental concept of liberty embodied in that Amendment embraces the liberties guaranteed by the First Amendment. The First Amendment declares that Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof. The Fourteenth Amendment has rendered the legislatures of the states as incompetent as Congress to enact such laws." (*Cantwell* v. *Connecticut*, 310 U.S. 296, 303 1940.)

Since, as we have already noted, the language of the First Amendment does not literally denounce any specific practice as an "establishment of religion," it obviously takes a measure of interpretation to bring school prayers within the boundaries of that clause. In this connection, it is interesting to note that there were not only morning devotionals in the schools but established churches at the time the First Amendment was adopted.

It is interesting to note that most of the judicial construction on the church-state issue has occurred within the past thirty years. In other words, while morning devotional exercises have been a common feature of the American educational scene from its humble origins in the first half of the 1800's, it is only in recent years that the federal courts have deemed them a suitable subject for judicial scrutiny. In point of fact, nine years before it handed down its controversial Regents' Prayer decision, the Supreme Court, in the case of *Doremus* v. *Board of Education* (342 U.S. 429, 1952.), held that in the absence of proof of any financial burden or expenditure of public funds to sustain the contested activity, complaining parents did not possess such direct, financial interest as is necessary to support an action challenging the legality of a state law requiring the reading without comment at each daily opening of public school classes of five verses of the Old Testament.

To summarize the state of affairs on the eve of the first school prayer ruling: little if anything in our past history as a Nation nor in the decisions of the Supreme Court appeared to indicate that the long-standing practice of opening prayer exercises in the public schools constituted anything but another example of what has been termed the "American Middle Way," or, in the Court's own words, one of those instance "when the state . . . follow(ing) the best of our traditions . . . adjusts . . . the schedule of public events to sectarian needs." (*Zorach* v. *Clauson*, 343 U.S. 306, 312–313, 1952.) As we have noted, the few relevant precedents inclined toward the two-fold conclusion that parents of school children were incapable of contesting school prayers and that this issue in any event did not constitute a substantial federal question.

In the New York Regents' Prayer Case, carried in the law reports as *Engel* v. *Vitale*, (370 U.S. 421, 1962), the Court relented and agreed to review an administratively-prepared prayer recommended for use in the public schools. The prayer, which consisted of only twenty-two words, and which was recognized by almost all of the parties to the suit to be grounded in a desire to stimulate civic pride and civic responsibility, was very simple indeed. The prayer in its entirety:

"Almighty God, we acknowledge our dependence upon Thee, and we beg thy blessings upon us, our parents, our leaders and our Country."

Three rungs of the New York judicial ladder had looked at this simple public expression of thanksgiving and patriotism in light of the Supreme Court's holdings on religion in the public schools and concluded that it did not fall within the bounds of these rulings. The trial court, in a long and reasoned opinion, concluded that:

"Twenty-two words in length, and thus taking substantially less than one minute to recite and a good deal less time for recitation than does the legislative prayer deemed by *Zorach* to be within permissible constitutional decree, the instant prayer, at least when its recitation is limited to daily exercises at the opening of school, must be classified as outside *McCollum's* proscription of religious instruction and within Zorach's sanction as an accommodation." (*Engel* v. *Vitale*, 191 N.Y.S. 453, 1959.)

However, the Supreme Court of the United States, Mr. Justice Black writing for the majority held that use of the public school system to encourage prayer recitation violated the Constitution. The opinion omitted any authority for its holding but ruled that the prayer had been composed by an official organ of the state and was therefore state intervention in religion.

The school board had argued that the prayer could not constitute an establishment since it was non-denominational. Moreover, the program was devoid of all coercion since students were at liberty to participate or not participate as they wished.

As to this, the Court said:

"To those who may subscribe to the view that because the Regents' official prayer is so brief and general there can be no danger to religious freedom in its governmental establishment, however, it may be appropriate to say in the words of James Madison, the author of the First Amendment:

" '(I)t is proper to take alarm at the first experiment on our liberties . . .' " (Id. at 436).

As we all know, popular reaction to the Court's decision was immediate and almost universally critical. While at fairly regular intervals throughout our history the Court has been, as one commentator put it, "the storm center of controversy", I cannot recall any decision that has provoked so loud and so prolonged a public debate. Despite personal misgivings with the Court's decision—misgivings which I described at the outset as bordering on out-and-out incredulity—I, like a great many others, read the mandate of the Regents' Prayer Case as applying to the singular instance of officially composed prayers. The intensity of the public reaction, if not the precedents, seemed to suggest that the Court would proceed with utmost caution in any future suit involving school prayers.

However, the Court soon disabused us of this thought in its joint opinion of June 17, 1963 in *Abington School Dist.* v. *Schemmpp* and *Murray* v. *Curlett*. (374 U.S. 203, 1963.) The Court ruled that the Establishment Clause forbids a state or any of its subdivisions to require the Bible to be read without comment and the Lord's Prayer to be recited daily at the opening of its public schools. The Court concluded that these were religious exercises, and that in requiring them the state had violated the command of the First Amendment that the government must be strictly neutral, neither aiding nor opposing religion.

While none of us has personally undergone the tragic old world religious experiences that impelled the Framers to write the religious liberty clauses into the Constitution, we all appreciate and praise their efforts in this regard. However, having acknowledged the necessity for this lofty safeguard, it is not improper to ask what relationship, if any, exists between the religious travails of the colonial and pre-colonial period and the current situation that requires condemnation of the wholesome practice of school prayers? Indeed, if such an immediate and negative relationship does exist, why didn't the Court see it earlier? Why cannot the vast majority of us see it now? What changed circumstances or conditions have recently emerged that compel the result reached by the court in the various prayer cases? And, yes, ladies and gentlemen, what evil consequences to the Constitution can be created by children praying in the schools that apparently are not created by legislators praying in our legislative halls?

I join Justice Potter Stewart who, in his dissent in the *Regents' Prayer Case*, said that the Court had "misapplied a great constitutional principle." (370 U.S. 445.)

What then can be said was the "original understanding" of the Framers of the First Amendment? I believe that the history of that amendment and more than a century of unequivocal practice support a number of conclusions respecting the guaranty of free exercises and the prohibition against establishment. First, the free exercise clause has always protected believer and non-believer alike. Thus, in the words of the Court "Neither (a state nor the Federal Government) can force nor influence a person to go to or to remain from church against his will or force him to profess a belief or disbelief in any religion. No person can be punished for entertaining or professing religious beliefs or disbeliefs, or church attendance or non-attendance." (*Everson* v. *Board of Education, op. cit.* at 15–16). But from the beginning the establishment clause has stood for "a governmental hospitality toward, and impartial encouragement of (religions that profess a belief in God." (Rice, *op. cit. supra*, at 179.)

This traditional approach premised on theistic religions was forsaken by the Court in its 1961 decision in the case of *Torcaso* v. *Watkins*. (367 U.S. 488, 1961.) In that case, the Court struck down a provision of the Maryland Constitution which required a state employee to declare his belief in God. Mr. Justice Black's opinion for the Court stated that this requirement improperly invaded the employee's "freedom of belief and religion . . ." It was invalid because the "power and authority of the State of Maryland thus is put on the side of one particular sort of believers—those who are willing to say they believe they believe in 'the existence of God.' " (Id. at 496, 490.)

Despite my obvious disagreement with the Court respecting the constitutional basis of the prayer rulings, I would gladly refrain from commenting on it, if I were persuaded that the various decisions handed down in recent years signaled either an increase in personal liberty, or stilled actual or potential divisiveness in our land, or if they quenched the thrist of a persistent, supersensitive minority. Although I have heard frequent references to the effect that the elimination of school prayers have insured personal liberty, I have yet to see or hear any clear evidence of this. According to all outward indicators, most Americans are not experiencing any new found sense of liberation as a result of the Court's edicts. On the contrary, the overwhelming response strongly supports the conclusion that by and large the American people feel betrayed and deprived of something precious in their public lives.

It is all too apparent that the elimination of the practice of school prayers rather than removing the source of discontent among certain persons has caused them to redouble their efforts toward the goal of total elimination of every example of the wholesome "accommodation" that has marked state-church relations in the United States. Thus, suits have been filed to strike the words "under God" from the Pledge of Allegiance, to eliminate tax concessions enjoyed by religious organizations, and to remove any vestige of our dedication to the proposition that the Creator is the fountainhead of our liberties.

The extreme sensitivity of this litigious minority is perhaps best evidenced by two suits recently filed in our courts. The first involved a suit asking the courts to force the City of Eugene, Oregon, to remove a cross that had stood in an area maintained as a park for more than thirty years. The Supreme Court of Oregon on February 26, 1969, held that the cross did not violate any religious liberty safeguard of the federal or state constitutions. In the course of its opinion the court quoted approvingly from an earlier opinion wherein it had paid tribute to the American Middle Way. It said ". . . A certain amount of interplay of influence exercised by state and church had been permitted. It is not difficult to cite examples . . . (M)any . . . religious practices and connotations are found in the functioning of government, both state and federal." (*Lowe* v. *City of Eugene*, 87 Ore 2d 1059, 1069, 1969. Seven months later, however, the court reviewed and reversed this earlier decision. Referring to the February 26 case, the court said it now agreed with Justice Goodwin's conclusion that display of the cross violated both the U.S. and Oregon constitutional provisions barring aid to religion. Goodwin reached the conclusion that there was "no doubt that the mayor and City Council were responding to popular demand. It was to prevent this very kind of pressure, however, that the establishment clause of the First Amendment was written into our federal Constitution."

In my own State of Colorado, a private citizen has constructed a huge display of electric lights in the form of a cross 400 by 250 feet on the side of Mount Lindo just outside Denver. It is visible at night for many miles. We might well have had the same kind of lawsuits as were brought in Oregon except for the fact that the private citizen owned the land on which he had the cross constructed.

Most recently, one of the original complainants in the second prayer decision, has moved in our courts to enjoin NASA from broadcasting the prayers of our astronauts in outer space. In fact, you will remember that Astronaut Borman, when addressing a joint session of Congress said laughingly while looking at the Supreme Court, that he may have made a great mistake. But had he looked behind him, he would have seen the words "In God We Trust" inscribed in the marble arch over the chair of the Speaker of the House of Representatives. The same motto is engraved into the marble walls of the Senate Chamber. Also inscribed there is the Latin phrase "Annuit Coeptis," which means God has favored our undertakings. And under the great dome of the Capitol itself, Congress has created a tiny chapel where the soft light from a stained glass window showing George Washington kneeling in prayer falls upon the Holy Bible which is opened to the 16th Psalm. Are these to be future targets of the litigious minority which seems bent upon removing all vestiges of religious reference in our daily lives?

In dedicating the Lincoln Memorial in 1922, Chief Justice Taft described the memorial as "A shrine at which all can worship, an altar upon which the supreme sacrifice was made for liberty; a sacred religious refuge in which those who love country and love God can find inspiration and repose." Does that great memorial to a great president violate the First Amendment in light of the Court's recent decision? Here in your own State of Texas, one of your most cherished shrines is the Alamo where gallant Texans died to the last man defending their freedom. Because it bears a cross over the door will the litigious minority one day go into court to force Texas to dispose of this shrine?

These two suits—that involving Eugene, Oregon, and the other involving our astronauts—are typical of the unreasonable sensitivity of this litigious minority. True the First Amendment was designed to safe-guard minorities. However, as previously noted, it was intended to safeguard religious minorities. There is simply no support for the proposition implicit in the view of some pundits that its Framers conceived it to be an instrument to whipsaw the majority and to protect against imagined or abstract fears. As Mr. Justice Jackson observed some years ago: ". . . it may be doubted whether the Constitution which, of course, protects the right of dissent, can be construed also to protect one from the embarrassment that always attends non-conformity, whether in religion, politics, behavior or dress." (*McCollum* v. *Board of Education*, 333 U.S. 203, 233, 1948.)

With his usual eloquence, the late Senator Everett Dirksen, in a speech on the Senate floor in 1966, issued the following warning:

"Let these decisions stand without clarification and in due course, Christmas, Santa Claus, Christmas Carols, and everything else which has been so deeply entrenched in American religious traditions will go by the board.

"Let them stand without clarification and the oaths taken by jurors, the chaplaincies in Congress, in the Army, in the Navy, the Air Force, the Marines, and elsewhere, the Chapel in the U.S. Capitol, the oaths administered to legislators, in all of which the word "God" is used, will come under attack.

"Let these decisions stand without clarification and the work of dethroning God will go forward."

I respectfully suggest, Ladies and Gentlemen, that it is time that Congress give consideration to a Constitutional amendment along the lines championed by the late Senator Everett Dirksen. His amendment would permit restoration of reciting prayers in the public schools on a voluntary basis. I emphasize the words "permit" and "voluntary". In short, this amendment, if adopted, would neutralize, in the true sense of the term, the federal government in this one particular. States and local areas would thereafter be free to adopt school prayers as school authorities and local citizens see fit.

Professor of Law Charles E. Rice has obviously given this matter much thought. In addressing himself to the "practical benefits to be derived from a favorable resolution of the amendment question," he stated:

"The issue is, essentially, 'can government constitutionally recognize that there is a God?' Implicit in such recognition is an affirmation that there is a standard of right and wrong higher than the state itself. The child who routinely sees the agents of the government, be they teachers or presidents, affirm the existence and supremacy of God and his law over all is less likely to follow the demagogue who asserts for the state, and for himself as its oracle, the final power to ordain what is right and wrong in a matter of public or private morality. Moreover, an inculcation of mere ethical values without reference to their divine source cannot serve this purpose as well as an assertion of the supremacy of an unchanging lawgiver . . . If we are to preserve the limited government that is the hallmark of American constitutionalism, we can hardly disregard the less of history that a strong assurance against governmental abuse is a citizenry devoted to ultimate values transcending the changing will of the state . . . On Thomas Jefferson's Memorial there is inscribed his questioning warning: "God Who gave us life gave us liberty. Can the liberties of a nation be secure when we have removed a conviction that these liberties are the gift of God?"

Everett Dirksen summed up the need for prayer in our schools in a few words, as follows:

"We learned long ago that as the twig is bent, the tree is inclined. That is what prayer means in the schools. Somehow, the children must get that orientation, each according to his own lights, each according to his own view, without compulsion or coercion, all on a voluntary basis. Then I think we shall begin to see some greater hope for a placid country.

[From an editorial broadcast by WMAL, Dec. 17, 1969]

A MATTER OF TOLERANCE

This may be the last year that the nativity scene will be displayed on the Ellipse for the traditional Christmas pageant. The American Civil Liberties Union has gone to court, arguing that display of the manger scene on public property amounts to an unconstitutional establishment of religion. It is important to stress that the pageant is staged by a non-profit private corporation which obtains a permit from the Interior Department. Many private groups, such as the anti-Vietnam War protest groups with their Viet Cong flags, have obtained similar permits.

While the ACLU is challenging display of the manger scene on public property, the New Jersey ACLU is attacking the right of military authorities to ban anti-Vietnam demonstrators from handing out leaflets on the Ft. Dix, New Jersey, military reservation.

The Oregon ACLU has succeeded in having a cross taken out of a public park in Eugene, Oregon. The Iowa ACLU is defending eight Grinnell College students who undressed at a public meeting, on grounds that not allowing them to disrobe violates free speech.

The Pittsburgh ACLU is charging that a Pennsylvania School District violated the Supreme Court ban on prayer in public schools. The national ACLU is opposing Administration efforts to curb obscene mail.

The national ACLU wants church property taxed even if used for religious purposes. The national organization is, however, defending private foundations that indulge in political activity on grounds that foundations have made "an enormous contribution to our national well-being"—a compliment the ACLU apparently feels does not extend to churches.

Experience indicates that ACLU lawyers will argue fine points of law in each of these cases with admirable skill.

We believe, however, that some matters are better decided by common sense tempered with tolerance.

It would not have been fair to argue that the Rev. Dr. Martin Luther King could not speak at the Lincoln Memorial because he was an ordained minister and his appearance constituted establishment of religion. The granting of march permits to the Southern *Christian* Leadership Conference certainly did not violate the Constitution.

Tolerance in America should be measured by how great a freedom we give all our pluralistic institutions—not by how we relentlessly suppress the majority.

BY-EFFECTS OF WAR IN VIETNAM

Mr. PELL. Mr. President, one of the most harmful by-effects of the war in Vietnam is the erosion of our own standards, principles, and values.

As Mrs. Meadlo, the mother of one of the solders involved in the Songmy massacre, said:

> I sent them a good boy and they sent home a murderer.

I realize all wars are corrosive, but some wars seem more so than others. And it would seem that the war in Vietnam falls into this latter category.

In this connection, I thought the enclosed sensitive and well-written editorial by Norman Cousins, editor of the Saturday Review, might be of interest to Senators. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE ROAD TO SONGMY

"I sent them a good boy," said Mrs. Anthony Meadlo, "and they sent home a murderer." The name of Paul David Meadlo, of New Goshen, Indiana, has figured in the reports of the slaughter of more than 100 Vietnamese civilians (some accounts put the number above 350) by American soldiers at a village named Songmy.

Where did the journey to Songmy begin? Did it begin only after Paul David Meadlo arrived in Vietnam? Or did it start far, far back—back to the first time Paul Meadlo played the game of killing Indians, or cheered when Western movies showed Indians being driven off cliffs? Even in some schoolbooks, the Indians were fit subjects for humiliation and sudden death. They were something less than fully human, and their pain levied no claim on the compassion of children—or even adults.

Long before Paul Meadlo ever saw a Vietnamese, he learned that people of yellow skin were undesirable and therefore inferior. He learned in his history class about the Oriental Exclusion Act, the meaning of which was that people from Asia were less acceptable in the United States than people from Europe. He learned very little about the culture of Asian people but he learned to associate them with all sorts of sinister behavior.

The road to Songmy is long and wide. It is

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littered with children's toys—toy machine guns, toy flame-throwers, toy dive bombers, toy atom bombs. Standing at the side of the road are parents watching approvingly as the children turn their murderous playthings on one another. The parents tell themselves that this is what children do in the act of growing up. But the act of growing up is an enlargement of, and not a retreat from, the games that children play. And so the subconscious is smudged at an early age by bloody stains that never fully disappear.

Paul David Meadlo grew up in a little town 10,000 miles away from Vietnam; but the kind of things that were to happen in Songmy came springing to life in his living room where there was an electronic box called television. Hour after hour, the box would be lit up by pictures showing people whose faces were smashed and pulverized, but it was part of an endless and casual routine. Where did the desensitization to human pain and the preciousness of life begin? Did it begin at formal indoctrination sessions in Vietnam, or at point-blank range in front of an electronic tube, spurting its messages about the cheapness of life.

And when the court-martial is held, who will be on trial? Will it be only the soldiers who were face-to-face with the civilians they say they were ordered to kill? The Army now says soldiers should not obey commands that are senseless and inhuman. What wellsprings of sense and humaneness are to be found in the orders to destroy *whole* villages from the air? Is a man in a plane exempt from wrongdoing solely because he does not see the faces of the women and children whose bodies will be shattered by the explosives he rains on them from the sky? How does one define a legitimate victim of war? What of a frightened mother and her baby who take refuge in a tunnel and are cremated alive by a soldier with a flame-thrower? Does the darkness of the tunnel make them proper candidates for death?

Will the trial summon every American officer who has applied contemptuous terms like "gook," "dink," and "slope" to the Vietnamese people—North and South? Will it ask whether these officers have ever understood the ease and rapidity with which people who are deprived of respect as humans tend to be regarded as sub-human? Have these officers ever comprehended the connection between the casual violence of the tongue and the absolute violence of the trigger finger?

Will the men who conceived and authorized the search-and-destroy missions be on trial? Search-and-destroy quickly became destroy first and search afterward. How far away from unauthorized massacre is authorized search-and-destroy?

Will the trial ask why it was that the United States, which said it was going into Vietnam to insure self-determination, called off the countrywide free elections provided for in the 1954 Geneva Agreements—after which call-off came not just Vietcong terror but the prodigious growth of the National Liberation Front?

Will the trial ask what role the United States played in the assassination of President Ngo Dinh Diem? Will it ask how it was that political killing and subversion, which had always been regarded as despicable actions perpetrated by our enemies, should have been made into practices acceptable to the United States?

Will there be no one at the trial to explain why the negotiations at Paris were deadlocked over the shape of the table for six weeks—during which time five thousand Americans and Vietnamese were killed? If the men at Paris had been able in advance to see the faces of those who were to die, would this have made them responsible for the dead?

There is a road back from Songmy and Vietnam. It is being traveled today by the American soldiers who gave their Thanksgiving dinners and regular rations to the Vietnamese, and who in deed and attitude have made themselves exemplars of a creatively humane presence. There are doctors and teachers and volunteers on this road who comprehend the possibilities and power of regeneration. But their numbers need to be swelled to bursting in order to begin to meet the need.

It is a long road back, not just for the soldiers who were there but for all of us who showed them the way to Songmy.—N.C.

RECESS

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate stand in recess until 3 p.m.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Thereupon (at 1 o'clock and 14 minutes p.m.), the Senate took a recess until 3 p.m. today.

The Senate reconvened at 3 p.m. when called to order by the Presiding Officer (Mr. MATHIAS in the chair).

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States withdrawing the nomination of Robert Strausz-Hupé, of Pennsylvania, to be Ambassador Extraordinary and Plenipotentiary to the Kingdom of Morocco, was communicated to the Senate by Mr. Leonard, one of his secretaries.

RECESS

Mr. KENNEDY. Mr. President, if there is no immediate business, I move that the Senate stand in recess until 3:30 p.m.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Thereupon (at 3 o'clock and 1 minute p.m.) the Senate took a recess until 3:30 p.m. today.

The Senate reconvened at 3:30 p.m. when called to order by the Presiding Officer (Mr. MATHIAS in the chair).

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 15149) making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1970, and for other purposes; agreed to the further conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. PASSMAN, Mr. ROONEY of New York, Mrs. HANSEN of Washington, Mr. COHELAN, Mr. LONG of Maryland, Mr. MCFALL, Mr. MAHON, Mr. SHRIVER, Mr. CONTE, Mrs. REID of Illinois, Mr. RIEGLE, and Mr. BOW were appointed managers on the part of the House at the conference.

The message also announced that the House had passed a joint resolution (H.J. Res. 1040) extending the time for filing the Economic Report and the report of the Joint Economic Committee, in which it requested the concurrence of the Senate.

THE TAX BILL

Mr. LONG. Mr. President, I am informed that the House has agreed to the conference report on the tax-reform bill and that the papers will come to the Senate very shortly. That being the case, I think I shall present a statement on the conference report at this time and call up the conference report when it arrives.

Shortly after this session of the Congress began, the hue and cry for tax reform reached its peak. The Congress responded in full. It has taken this entire session for both Houses of the Congress to complete action on this bill. Although a year may seem like a long period of time, it is incredible that a bill so comprehensive has been completed in the space of 1 year.

The usual course on a measure of this sort is for the House to pass it one year and for the Senate to pass it the following year. Considering the fact that this is virtually a redrafting of the Internal Revenue Code as far as income taxes are concerned, as well as a major social security bill, as well as extension of major excise taxes, one may say that Congress has acted in about one-half the time it normally would take for a revenue bill of this breadth and significance.

In discussing the conference report, I want to direct your attention initially to the tax-relief provisions and the fiscal implications of the bill.

As all Senators know, the bill which the Senate passed increased personal exemptions from $600 to $800. I fought hard for the Senate provision, as that was my responsibility as a Senate conferee, even though I voted against the proposal in the Finance Committee and on the Senate floor.

The Senate conferees prevailed at the end, and the conference agreed to raising the personal exemption to $750. I am proud to say that we were able to retain three-quarters of the Senate-approved $200 increase. In achieving this result, the conference significantly shifted the major share of tax relief to the low- and middle-income taxpayers. The conference bill distributes 87 percent of the net tax reduction to the income levels below $15,000. Actually, because of other features, this gives a slightly larger share of the net tax reduction to those taxpayers than the 85.9 percent provided in the Senate bill.

The major share of the credit for our success in retaining this provision belongs to the senior Senator of Tennessee, my good friend, ALBERT GORE. He introduced the provision for an $800 exemption during the Finance Committee's executive session, where he lost by a tie vote. Then he brought it to the Senate floor where his powers of persuasion convinced a majority of Senators to put the provision in the bill. In the conference, he directed his persuasive powers to the

House conferees, and he won them over to his side.

The Senate conferees did agree to a slower rate of increase in the exemption. This concession, however, was made in the face of the obvious fiscal needs of the Federal Government. The Senate conferees saw no choice other than spreading the increased personal exemption more gradually over a 4-year period.

The theme of fiscal responsibility dominated the discussion. It was vitally important that the conference produce a bill that showed surpluses in the first 2 years and as small a deficit as possible in the third year. Those years are critical in the fight against the inflationary pressures that still persist in the economy.

The fiscal responsibility in the conference agreement is evident if the Senators examine the figures. In the conference bill, there is a net surplus of $6.5 billion in 1970. This is the result of the tax-reform provisions, the extension of the income tax surcharge and excise taxes, and moderation in the amount of tax relief provided in 1970. Even in 1971 there is a surplus of some $293 million. While this may be a small surplus, it is a significant revision from the $4.8 billion deficit in 1971 in the bill passed by the Senate. Although the bill still shows a deficit in 1972 of $1.8 billion, this too is a substantial reduction from the $6.3 billion deficit in the Senate bill.

Another measure of the substantial degree of fiscal restraint represented in the conference bill can be seen by comparing it with the administration's program presented by the Secretary of the Treasury to the Finance Committee this fall. The administration's proposals showed a net surplus of $7.1 billion for 1970; the $6.5 billion in the conference report comes close to this, representing a difference of less than $600 million. In 1971, the Secretary's program showed a net surplus of $615 million, while the conference bill has a net surplus of $293 million—a difference of only $322 million.

The most significant fact, however, is the comparison of the figures for 1972. The conference report actually shows a deficit of $1.8 billion in 1972, which is $480 million below the $2.3 billion deficit in the administration's proposals. This means for the 3-year period the difference in the fiscal impact of the conference report and the administration's proposal is less than $500 million.

Let me turn now to a brief examination of the major relief provisions in the conference agreement. The Senate bill provided a minimum standard deduction that would become a flat $1,000 per tax return in 1971. That is also the final level reached in the conference report.

The Senate bill also assured that single persons would pay an income tax no more than 20 percent above the tax paid by a married couple with the same taxable income. That, too, the Senators will find in the conference report.

One feature of the House bill carried over to the conference agreement was an increase in the standard deduction that reaches its maximum level in a 3-year period. This was removed by the Senate when it adopted the Gore amendment without much specific consideration. The discussion at that time was largely on the question of the relative merits of the personal exemption increases and the rate cuts.

Actually, this provision complements the $750 personal exemption and $1,000 minimum standard deduction in simplifying the filing of an income tax return by taxpayers with relatively low incomes. Presently, many of these taxpayers find it necessary to go through the laborious process of keeping records to itemize their deductions. A standard deduction of 15 percent, with a ceiling of $2,000, coupled with the minimum standard deduction, means that many taxpayers will be able to shift to the simpler standard deduction—some 11 million taxpayers.

For the relatively small additional revenue cost of $1.6 billion, it will be possible under these provisions for us to increase from 58 percent to 73 percent the portion of our taxpayers using the simple standard deduction.

The final feature of the conference agreement in the area of tax relief may be viewed by some with mixed feelings. However, the House conferees were insistent on the adoption of the maximum tax rate on earned income that was in the House bill and which had been deleted by the Finance Committee. They viewed it as essential, in view of the absence of all other rate reductions. Senators should note, however, that this is substantially different from the House version, since the income subject to this preference is reduced by all of a taxpayer's tax preferences over $30,000.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 13270) to reform the income tax laws.

The message also announced that the House had passed a bill (H.R. 15071) to continue for 2 additional years the duty-free status of certain gifts by members of the Armed Forces serving in combat zones, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Acting President pro tempore:

S. 65. An act to direct the Secretary of Agriculture to convey sand, gravel, stone, clay, and similar materials in certain lands to Emogene Tilmon of Logan County, Ark.;

S. 80. An act to direct the Secretary of Agriculture to convey sand, gravel, stone, clay, and similar materials in certain lands to Enoch A. Lowder of Logan County, Ark.;

S. 81. An act to direct the Secretary of Agriculture to convey sand, gravel, stone, clay, and similar materials in certain lands to J. B. Smith and Sula E. Smith, of Magazine, Ark.;

S. 82. An act to direct the Secretary of Agriculture to convey sand, gravel, stone, clay, and similar materials in certain lands to Wayne Tilmon and Emogene Tilmon of Logan County, Ark.

S. 2325. An act to amend title 5, United States Code, to provide for additional positions in grades GS–16, GS–17, and GS–18; and

S.J. Res. 154. Joint resolution to authorize and request the President to proclaim the month of January 1970 as "National Blood Donor Month."

TAX REFORM ACT OF 1969—CONFERENCE REPORT

Mr. LONG. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 13270) to reform the income tax laws. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

(For conference report, see House proceedings of today p. 40767.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. LONG. Moreover, there are characteristics of the maximum tax that even the most robust tax reformer should admire. By limiting the maximum tax rate applied to earned income to 50 percent—beginning in 1972—the high-income taxpayer who is willing to forego the benefits of tax preferences, is encouraged, as his income rises, to continue devoting his energies to productive pursuits—rather than to a search for tax shelters—by the opportunity to retain half of his earned income. The Senate conferees were persuaded that this provision would substantially decrease the inducement for these taxpayers to waste their energies in seeking tax shelters.

Let me turn now to the tax reform measures which after all took most of the time in conference. The conferees spent about 45 hours in conference last week—including one session which began at 9:30 in the morning and lasted until 3 a.m. the next morning. About 40 of those hours were devoted to the tax reform provisions. I want to discuss now with the Senators the major features of the compromises we ironed out in these areas.

In the private foundation area, most of the Senate measures were preserved. First, the conference preserved the Senate provision requiring foundations to pay out annually an amount equal to at least 6 percent of the value of their assets.

Second, the House bill contained strict stock divestiture rules that applied to existing foundations as well as those established in the future. The Senate amendment, however, reduced the severity of the rules that applied to existing foundations, and the conference retained much of the Senate rules in this respect.

Both the Senate and the House bills levied taxes on foundations, the Senate primarily to defray the costs of annual audits of foundations and their activities. The purpose of the audit is to assure that all foundations, without exception, act in conformance with their ex-

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empt purposes. The audit-fee tax of the Senate bill after the first year would have equalled about 2 percent of investment income. The House, on the other hand, would have imposed a 7½-percent tax on foundation income. Obviously, they were interested in something more than an audit-fee tax. The conference agreed upon a 4-percent excise tax measured on income which is much closer in this respect to the Senate version than to the House version.

In the area of charitable contributions, the Senators will be glad to learn that the Senate conferees succeeded in preserving the Senate provisions relating to gifts of tangible personal property to such exempt organizations as museums. The House bill would have taxed the appreciated value of such gifts as paintings, art objects, and collections of books, and as a result would have substantially discouraged them. The House receded with respect to this provision with an amendment limiting the gifts qualifying in this manner to those related to the exempt function of the donee institutions.

In the area of charitable contributions of estates and trusts, the Senate conferees also prevailed with respect to virtually all of the Senate amendments. These amendments restored the deduction for income of trusts and estates set aside for charity. They also restored the deduction for investment pool arrangements under which the public charity pays the donor the income attributed to the value of the contribution for his life so long as the pool accumulates capital gains for the benefit of charity.

In the area of farm losses, the Senate conferees prevailed with respect to all but one of the amendments on this subject. Under firm resistance from the House conferees, the Senate conferees agreed to the House provision that requires an excess deductions account for farm losses in excess of $25,000 for taxpayers who receive more than $50,000 of nonfarm income. The House conferees preferred their provision because it makes the full deduction available currently and only later converts capital gains into ordinary income. I am sorry we did not prevail on this because I think we had the simpler and more logical provision, but we can consider reviving this in the future.

The Senate deleted from the House bill a provision that would have limited the deduction for interest expenses to an amount equal to the sum of the taxpayer's net investment income, long-term capital gains and an additional $25,000. The House conferees were quite insistent on this provision, so we had to compromise our differences. Instead of being denied the interest expense deduction when it exceeds the limit placed in the House bill, the taxpayer will continue to be able to deduct 50 percent of this excess. Moreover, this does not go into effect until after 1971. The conferees also agreed to other ameliorating amendments in this area.

The Senate minimum tax provision was preserved largely intact. Only minor modifications were made. I am glad to say the House receded from its complicated proposals for a limit on tax preferences and allocation of deductions. The conference accepted a tax of 10 percent on income preferences reduced by a $30,000 exemption and Federal taxes.

As to the tax preferences under this tax, they are largely the same as under the Senate bill. We did make some improvements, however. Interest expenses in excess of net investment income, for example, will be removed from the tax preference base in 1972 when the limit on the deductibility of the interest expense goes into effect. Accelerated depreciation on net leases will not be a tax preference item for corporations, but it will continue in the preference income base for individuals. Intangible drilling expenses also were deleted from the base for the minimum tax, but the excess of depletion over cost remains as a source of preference income. The seven other items in the Senate base for the preference income tax were accepted by the conference.

In the general area of capital gains, the Senate conferees preserved most of the Senate's provisions. We refused to go along with any extension of the holding period and preserved an important part of the alternative tax. We yielded some ground in this area but the conference report keeps the 25-percent alternative rate for the first $50,000 of capital gains. Moreover, by going along with the House and including capital gains in income averaging, we prevented much of the hardship which can arise where large amounts of capital gains are realized in single year.

The Senate and the House tightened the provisions relating to accumulation trusts, and I think it is safe to say they no longer will be useful instruments for tax avoidance. Probably most important, the amendment added by the Senate was preserved; namely, that relating to capital gains although it was necessary for us to yield on the interest charge on deferred tax payments.

Controlled groups of multiple corporations also lose their opportunities for tax avoidance through multiple use of surtax exemptions. The major differences between the Senate and House bills were the length of the transition period affecting the elimination of the surtax exemption. This difference was compromised, and the transition period will begin in 1970 and end in 1975—1 year later than provided in the Senate bill.

In the area of corporate mergers, the Senate modified considerably the harsher aspects of the House provision. The Senate conferees did recede with respect to the House provision that would disallow the interest deduction when the ratio of debt to equity of the acquiring corporation is more than 2 to 1 and where earnings are not expected to be at least three times the annual interest expense. However, the earnings to interest ratio rule was modified to recognize the fact that interest charges can be paid out of depreciation charges as well as earnings. Moreover, the Senate amendments to the remaining provisions in the section on corporate mergers were preserved.

The House provision on the taxation of stock dividends was retained. Transitional rules are available under limited conditions but a corporation will not lose the benefit of these rules if it issues any type of stock under a conversion right contained in other stock which it was permitted to issue under these rules.

The subject of foreign tax credits also was one of the difficult ones for the conferees to resolve. However, the Senate conferees succeeded in retaining the more important provision—one that continues the offset of losses incurred abroad against domestic income. The conference did, however, comprise the provision regarding excess foreign tax credits arising from depletion deductions. The new provision contains most of the characteristics that the Senator from Wisconsin (Mr. PROXMIRE) sought to introduce with his floor amendment.

Financial institutions represented another area of compromise. The Senate provision that reduced the reserves for bad debts of commercial banks to 1.8 perment of eligible loans was preserved for the first 6 years. After that time, the level provided by the House bill will be reached in two steps at 6-year intervals. As a result, only after 18 years will the commercial banks be required to base their reserves upon their actual experience. The gradual transition certainly should allow commercial banks to adjust to the treatment generally applicable to other taxpayers without disruption to their activities.

Additions to bad debt reserves of mutual savings banks and savings and loan associations also were revised, and the conference agreement here, too, reflects a compromise position. Both types of savings institutions will be required to compute their allowable bad debt reserve as a percentage of taxable income. Present law permits a reserve based on 60 percent of taxable income, and the conference reduced this percentage to 40 percent which must be reached gradually over a 10-year period. The Senate had reduced the percentage to 50 percent over 4 years and the House to 30 percent in a 10-year period. Both versions of the bill eliminate the choice of computing the bad debt reserve as 3 percent of qualifying real property loans.

Both versions of the bill terminate the present treatment of capital gains and losses on bonds held by financial institutions after transition periods of different lengths. The conferees found a compromise position that provides a significantly more desirable transition procedure. Present law will apply to capital gains and losses on bonds that accrued between the time of acquisition and the effective date of the provision. This portion of the capital gain will be measured as the proportion that the time between acquisition date and effective date is of the time between acquisition date and date of maturity. The portion of capital gains and losses that accrue after the effective date will be treated as ordinary income.

The Senate conferees preserved the essential feature of the Senate version of the bill as it affects the depreciation allowed regulated industries. The Senate bill would permit a regulated utility to shift to straight-line depreciation, or possibly normalization from the flow-through method of depreciation for all its facilities without permission of the utility within 180 days after enactment. The conference report accepts that principle but applies it only to new facilities that increase the capacity of the utility to serve its customers. All but one of the remaining Senate amendments were preserved.

In the area of percentage depletion, as Senators might suspect, there were problems in resolving our differences. At the end, I think, the Senate conferees succeeded in preserving the major characteristics of the natural resource provisions of the Senate bill. Apart from oil and gas, which were reduced from 27½ percent to 22 percent, the conference reduced percentage depletion rates in two categories by only 1 percentage point. All the others remained unchanged. Natural resources which presently receive a 23-percent depletion allowance will receive a 22-percent depletion allowance in the future. Oil and gas wells now are also included in this category. The conference also restored the 22-percent depletion allowance for foreign deposits of oil and gas.

Minerals presently receiving a 15-percent depletion allowance will be reduced to 14 percent, except for five minerals where the depletion rate was not in conference because the House had earlier decided that these possessed certain critical characteristics. These are gold, silver, oil shale, copper, and iron ore from domestic deposits.

The House conferees also agreed to the Senate provision permitting percentage depletion on minerals taken from saline perennial lakes—but of course do not intend that any inference as to present law be drawn from this action.

The Senate conferees did, however, yield on the two Senate amendments which would have increased the 50-percent income limitation for gold, silver, and copper to 70 percent and to 65 percent for relatively small-scale producers of oil and gas. The Senate conferees regretted having to recede with respect to these provisions, but the House members were unwilling to raise the net income limitation above 50 percent.

The House conferees insisted on taxing distributions from qualified pension plans as ordinary income to the extent they represented compensation paid directly by the employer. An averaging provision was restored to the bill, however, that permits averaging over a 7-year period of the portion of the distribution subject to taxation. Actually, the pensioner with modest distributions will find his taxes reduced below present law treatment.

The floor amendments by Senators SPARKMAN and TOWER with respect to real estate depreciation were the major issues in conference in the area of depreciation. While the Senate conferees found it necessary to accept modifications of these amendments, they preserved the significant provisions that it is hoped will encourage increased investment in housing. The conference report allows 125 percent declining balance depreciation on used residential housing with a remaining useful life of 20 years or more. Where the House bill provides for full recapture of the excess of accelerated depreciation over straight-line depreciation with respect to all real property, the Senate conferees limited the recapture on residential property that has been held more than 100 months.

The Senate's recognition of the present critical state of the municipal bond market prevailed in the conference. The House with considerable reluctance receded from its provision for a subsidy on the voluntary issue of taxable bonds by State and local governments. In order to avoid further upsets in the municipal bond market, the conference also agreed to delete the provision that requires persons who receive interest on tax-exempt bonds to file an information return. The conference also preserved the Senate version of the provision relating to arbitrage bonds, with only a minor amendment.

In the conference, the House conferees refused to consider any exceptions to repeal of the investment credit. They insisted that the repeal be absolute and further objected on the grounds that the floor amendments by Senators HARTKE and STEVENS would lose too much revenue at a time when revenue is critical for the anti-inflationary policy.

The Senate conferees preserved all but one of its transition amendments, however. Instead of the House provision which decreases the investment tax credit on a month-by-month basis for equipment placed in service after 1971, the conference provides that the credit will be available for eligible property placed in service before 1976 without this phaseout.

All of the four provisions providing for rapid amortization were preserved. The Senate versions of the amortization of pollution control facilities was accepted by the conference without amendment. The 5-year amortization for the railroads also was changed significantly by the Senate but was accepted with only one amendment; namely, that limiting 50-year amortization to expenses for railroad grading and tunnel bores incurred on or after January 1, 1969. The rehabilitation expenditures for housing had not been changed by the Senate. Senator COOPER's floor amendment to provide 5-year amortization for certified coal mine safety equipment was incorporated into the conference bill with a termination date of January 1, 1975.

Senators will remember that many floor amendments were added to the bill. The Senate conferees were successful in preserving many of them—in fact, an unexpectedly large number. There are too many to be discussed separately, so I shall try only to highlight a few of them.

Many of the additional income tax provisions also were accepted, but unfortunately several with substantial merit could not be preserved because they would have increased the revenue loss in the bill far beyond responsible limits. Among the provisions deleted for this reason were the removal on deductions for medical expenses and medicines for taxpayers 65 years or over and the tax credit for college tuition and fees. The provision for deduction of transportation expenses of the handicapped was deleted because the conferees were given information that State rehabilitation agencies are starting programs to meet these problems. The Senate provision to put an end to the ability of corporations to engage in tax-free exchange of appreciated property for their own stock and our provision in general was preserved.

Furthermore, we were successful in having the amendments by the Senate making the Tax Court a legislative court and authorizing a small claims division in the Tax Court retained without amendment. This is something for which many of us have fought long and hard.

Authorization for the President to impose import quotas and other nontariff limitations on imports from countries that discriminate against U.S. exports was deleted from the bill. The House conferees insisted that this provision was not germane to the objective of tax reform, and stated that the subject will be considered by the Ways and Means Committee when other legislation dealing with tariffs and import legislation is being considered.

The conferees agreed to a 15-percent social security benefit increase with a $64 minimum benefit, compared to a $100 minimum benefit in the Senate bill. The increase would be effective January 1970, but because of the time required to process the increase, the first check with the higher amount will be sent early in April. Another check mailed in April will include the increases not included in the earlier checks.

The House was adamant in its refusal to accept the $100 minimum benefit we voted on in the Senate. They explained that they intended to consider this matter along with many other proposals affecting the social security program as their first order of business during the next session of Congress. For the same reason, they refused to accept the Senate amendment to lower from 62 to 60 the age of eligibility for social security benefits following a Presidential proclamation.

We were able to get the House conferees to agree to important provisions, based on a Senate amendment, which will insure that those social security beneficiaries who also receive public assistance will get some benefit from the social security increase. About 1.4 million welfare recipients also receive social security benefits.

First, the conferees agreed to require States, in determining need for welfare, to disregard the retroactive social security increase check mailed to beneficiaries in April.

Second, the States will be required, in determining need for welfare payments to the aged, blind and disabled, to disregard $4 of the social security increase during April, May, and June 1970. This will allow time for the Congress to consider more comprehensive changes in the welfare programs.

Under the conference agreement, almost all States will realize sufficient welfare savings from the social security increase to raise payments to assistance recipients who do not get social security by $4 a month. The conferees would hope that all States would do so.

Mr. President, this completes the summary of the conference report. It has been long, but this is inevitable when we are considering the most important tax bill in the decade. In my opinion, this is a fine bill and it represents comprehensive tax reform. Hardly a major tax preference remains untouched. Interest income from tax-exempt municipal bonds is the only exception, but in the case of this provision other serious considerations are involved.

Congress began this session intent upon tax reform. That objective has been realized. I urge the Senate to adopt this conference report.

I want to pay my highest respect to the Senators who served as conferees on this important tax reform bill. They defended the position of the Senate vigorously, and on those occasions when we had to recede, it was generally done reluctantly.

The major amendment in conference, as well as a number of others are properly referred to as the Gore amendments. So much so that it would be fair to refer to the Senate version of the bill as the Gore bill. His approach of cutting taxes by increasing the personal exemption rather than by reducing rates was accepted by the House conferees. Most of the Gore amendment remains in the conference report. Knowing as I do how jealously the House conferees look after House amendments in our conferences with them, I can appreciate more than most people how significant it was that no serious thought was given to reviving the House approach of tax reductions through rate changes.

The junior Senator from Georgia (Mr. TALMADGE) was particularly helpful and persuasive in resolving most of the more difficult problems in the bill. His contribution is always significant, whether it comes on the Senate floor or in committee sessions. He is an invaluable asset to the committee.

I regret that Senator ANDERSON, who was named as a conferee on this bill, was ill and unable to attend the conference. However, he was consulted with respect to a number of compromises being worked out, and he advised me that he approved of the conference agreement that was worked out.

Senator ANDERSON has always been a stalwart in our conferences, and I must say that I personally missed him very much this year. I am pleased that he has endorsed the conference agreement that we have before us today.

I would be remiss if I failed to recognize the tremendous contributions of the senior Senator from Utah (Mr. BENNETT). Senator BENNETT led the Senate Republican Members in conference, and I might say that without his excellent cooperation, it would not have been possible for us to get this conference report back to the Senate in a single week. Senator BENNETT was always well prepared to deal with every problem raised in the conference, and he dealt with them in the best tradition of Senate conferees.

I want to also applaud the tremendous effort by the Senator from Nebraska (Mr. CURTIS), and the Senator from Iowa (Mr. MILLER). They approached their work on this conference with a dedication unmatched by new conferees on a major tax bill at anytime in my recollection. Time and again they added materially to the discussions on the various provisions of this most intricate bill, and I might say that the bill we have before us today is a better bill because of their contributions. In addition, I must note the importance of the efforts of Senator MILLER to make the minimum tax more equitable. That the bill presently contains a minimum tax. His suggestion was a substantial improvement of the minimum tax as originally reported.

It has been a long time since I have seen Senate conferees stand as united as this group of conferees did on the tax reform bill. The Senate can and should be very proud of the work that they did and of the compromise that they have worked out.

Mr. BENNETT. Mr. President, the latest program of tax reform and tax reduction has now come to the Senate for what I am sure will be the last and final step in a process that began more than a year ago in the House. I hope the Senate will take that step by approving the conference report now before us and do it without prolonged debate.

This bill, like every other major tax legislation, has certain inevitable weaknesses.

First, it does not create even-handed equity for every taxpayer—no tax bill ever does—and if that ideal could conceivably be met for the day a new tax law went into effect, its equality would soon break down under the pressure of economic change and the ingenuity of smart tax lawyers.

This is a "Robin Hood" bill—it takes from the rich and gives to the poor, with the middle income groups, as usual, in the middle. It accomplishes the seemingly impossible when it increases the benefits to the unmarried taxpayer, and to the one with a large family at the same time. By increasing the standard deduction, it gives a bigger tax break to the person who avoids home and community responsibility and who makes no actual deductible contributions rather than to encourage home ownership and charitable generosity. Its tax reductions benefit the consumer while some of its tax reforms penalize the investor and producer who supply the jobs on which the consumers support themselves.

But these inequities were not the product of the conference. In some form or other these were built into the bill in the earlier legislative steps and particularly by what the Senate did to it here on the floor. The conference version now before us is much better balanced than the Senate bill—thank heaven.

Second, all of us should be deeply concerned about the potential effect of the final tax bill and the current fight to control inflation—particularly in the near future.

In September, when the Senate Finance Committee began its work, Treasury asked for a bill that would produce $3.1 billion new revenue for fiscal 1970. This bill, which will produce $2.1 billion, will be $1 billion short. But the Senate-passed bill would have been $4 billion short and created a critically dangerous inflationary force.

The Treasury's September recommendations would have led to a half-million deficit for fiscal 1971. That year's deficit under the Senate's version would have been $8.3 billion—and made further inflation almost irresistible. The 1971 shortfall, under the conference bill, is estimated to be $2 billion—large, but livable.

When we look at 1972, the Treasury's expected September deficit of $6.5 billion is slightly higher than the conference version's $6.1 billion, but only half as much as the Senate estimated loss of $12.9 billion.

By the end of fiscal 1972, the Treasury was prepared for a net shortfall of $3.9 billion. The Senate-passed bill would have increased that more than five times, to $22.1 billion. The conference bill holds it to $6 billion—an increase of 50 percent instead of the 350 percent in the Senate-passed bill.

All the figures I have quoted include the social security increase, and are Treasury estimates which take into account the growth in the economy. In this respect, they differ from the figures in the report which do not take growth into account. Estimated on the no-growth basis, the 3-year effect of the conference bill would be a revenue plus of a little less than $5 billion—as against a revenue loss of a little more than $8 billion for the Senate bill.

To restate the differences as totals for the 3-year period 1970 to 1972, inclusive—when growth is not considered—the Senate bill would have produced about $14 billion less than the conference bill. With the Treasury's growth estimate included, the difference would rise to about $16 billion, but either loss of revenue would have had catastrophic results.

The chairman, the Senator from Louisiana (Mr. LONG), has given us an excellent general overview of the features of the conference bill so there is no need for me to add to his presentation, except to make the obvious comments that some taxpayers will think it is better than the House or Senate bills. Others will think it worse. Because the Finance Committee held hearings on the House bill, it was able to write many amendments which strengthened and clarified the intent of the House bill. The conference kept nearly all of these amendments. On differences of broad policy, the inevitable conference process of adjustment and compromise operated and the resulting revenue pattern shows that here the House prevailed more often than the Senate.

But, most important of all, most of the more than 50 hours of conference were marked with earnest objectivity whose value in the long run may temper the political motivations that seem to be inescapable even in a tax bill.

Even though every one of us can find things in this bill he does not like and, therefore, can rationalize a vote against the report, each of us can also find offsetting proposals he can support. For me, the positive values overbalance those I would criticize, and I will vote for the bill, knowing that this is not the first tax bill the Congress has considered nor will it be the last.

The things in the bill which we do not like and which some of us feel may turn out to be serious and dangerous policies will probably be the reason for the next tax-reform bill somewhere down the road.

I hope that my colleagues will take the same position so that the report can be adopted quickly.

S. 3287—INTRODUCTION OF A BILL AMENDING THE MERCHANT MARINE ACT OF 1936

Mr. MAGNUSON. Mr. President, I ask unanimous consent that I may introduce a bill out of order and that my remarks on the bill appear in the RECORD after the discussion being had on the floor on the tax conference report so that they will not interrupt the continuity of the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, by request of the Secretary of Commerce, I introduce for appropriate reference, for myself, the Senator from New Hampshire (Mr. COTTON), and the Senator from Louisiana (Mr. LONG), a bill to amend the Merchant Marine Act, 1936.

This is a bill to revitalize our U.S. merchant marine, a goal toward which many of us have worked for years. The administration had assured us that the bill would be presented by late last summer. Although that time has passed, I am pleased that it has finally been presented during this session, though, of course, it is too late for any legislative action to be taken this year.

Mr. President, this points up some of the problems we have had. We have been waiting for a merchant marine proposal from the administration since last year, and here it is. I am hopeful that we can move expeditiously on this urgent matter in the new year.

I ask unanimous consent that the bill, the letter of transmittal from the Acting Secretary of Commerce to the President of the Senate, and the accompanying section-by-section analysis and comparative text be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill, letter, section-by-section analysis and comparative text will be printed in the RECORD.

The bill (S. 3287) to amend the Merchant Marine Act, 1936, introduced by Mr. MAGNUSON, for himself, and other Senators, by request, was received, read twice by its title, and referred to the Committee on Commerce, as follows:

S. 3287

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 101 of the Merchant Marine Act, 1936 (46 U.S.C. 1101), is amended by striking out of subdivision (a) the words "service on all routes" and inserting in lieu thereof the word "capacity".

SEC. 2. Section 210 of the Merchant Marine Act, 1936 (46 U.S.C. 1120), is amended by striking out of paragraph First the words "service on all routes" and inserting in lieu thereof the word "capacity".

SEC. 3. Section 211 of the Merchant Marine Act, 1936 (46 U.S.C. 1121), is amended as follows:

(1) By redesignating subsections (b), (c), (d), (e), (f), (g), (h), and (i), as subsections (c), (d), (e), (f), (g), (h), (i), and (j) respectively.

(2) By inserting a new subsection (b) to read as follows:

"(b) The bulk cargo carrying services that should, for the promotion, development, expansion and maintenance of the foreign commerce of the United States and for the national defense or other national requirements be provided by United States flag vessels whether or not operating on particular services, routes or lines."

(3) Redesignated subsection (c) is amended by inserting at the end thereof, immediately before the semicolon, a comma and the words "or which should be employed to provide the bulk cargo carrying services necessary to the promotion, maintenance, and expansion of the foreign commerce of the United States and its national defense or other national requirements whether or not such vessels operate on a particular service, route or line."

SEC. 4. Redesignated subsection (e) of section 211 of the Merchant Marine Act, 1936, is amended as follows:

(a) By striking out the words "in particular services, routes, and lines".

(b) By striking out the words "service, route, or line" and inserting in lieu thereof the word "vessel".

SEC. 5. Section 501 of the Merchant Marine Act, 1936 (46 U.S.C. 1151), is amended as follows:

(1) Subsection (a) is amended as follows:

(a) By striking out the words "Any citizen of the United States" and inserting in lieu thereof the words "Any shipyard in the continental United States of America."

(b) By striking out subdivision (2) up to the final word "and", and redesignating subdivision (3) as subdivision (2).

(c) By striking out of subdivision (2) the words "to replace worn-out or obsolete tonnage with new and modern ships, or otherwise".

(d) By striking out of subdivision (2) the words "The contract of sale, and the mortgage given to secure the payment of the unpaid balance of the purchase price shall not restrict the lawful or proper use or operation of the vessel except to the extent expressly required by law".

(e) By the insertion of a new sentence at the end of subdivision (2) to read as follows: "The Secretary of Commerce may give preferred consideration to applications that will tend to reduce construction-differential subsidies and that propose the construction of ships of high transport capability and productivity."

(2) Subsection (c) is amended by inserting in the first sentence after the words "Any citizen of the United States" the words "or any shipyard in the continental United States".

(3) By inserting a new subsection (d) to read as follows:

"(d) Whenever a construction-differential subsidy is paid for the construction, reconstruction or reconditioning of a vessel under this title V the Secretary of Commerce may require that such new vessel or reconstructed vessel shall be operated only on certain services, routes or lines or in certain bulk cargo carrying services and that the operator shall be approved by the Secretary of Commerce. Such requirements shall run with the title to the vessel and shall be binding on all owners thereof. Upon application of the owner, the Secretary may from time to time modify or rescind such requirements."

SEC. 6. Section 502 of the Merchant Marine Act, 1936 (46 U.S.C. 1152), is amended as follows:

(1) Subsection (a) is amended as follows:

(a) By striking out of the first sentence the words ", on behalf of the applicant,".

(b) By striking out of the second sentence the words "if such approved bid is accepted by the applicant, the Commission is authorized to".

(c) By striking out of the last sentence the words "with the applicant for the purchase by him" and inserting in lieu thereof the words "for the sale" immediately prior to the words "of such vessel" and by inserting after the words "upon its completion" a comma and the words "to a citizen of the United States, if the Secretary of Commerce determines that such citizen possesses the ability, experience, financial resources, and other qualifications necessary to enable it to operate and maintain the vessel."

(2) Subsection (b) is amended as follows:

(a) By striking out of the first sentence the words "the construction of the proposed vessel", and inserting in lieu thereof the words "the construction of that type vessel".

(b) By the insertion after the first sentence of subsection (b) of three new sentences to read as follows: "The Secretary shall recompute such estimated foreign cost periodically, as necessary. Between recomputations the construction-differential subsidy shall be based on such estimated foreign cost, adjusted for the increases or decreases in labor and material costs. Such adjustments shall be based on the most reliable, available statistics showing such increases or decreases."

(c) By striking out of the next to the last sentence the words "in any case" and "the foregoing applicable percentages of such costs" and inserting in lieu thereof the words "the following percentages: in fiscal year 1971, 45 per centum; in fiscal year 1972, 43 per centum; in fiscal year 1973, 41 per centum; in fiscal year 1974, 39 per centum; in fiscal year 1975, 37 per centum; in fiscal year 1976 and thereafter 35 per centum,".

(d) by inserting in the next to the last sentence after the words "the Secretary may negotiate" the words "with any bidder, whether or not such bidder is the lowest bidder" and a comma; by striking out the words "on behalf of the applicant" and inserting in lieu thereof the words "with such bidder, not withstanding the provisions of section 505 with respect to competitive bidding,"; and by inserting before the words "or less" at the end of the sentence a comma and the words "or as close thereto as possible" and a comma.

(e) By inserting after the next to the last sentence the following new sentence: "Commencing with the fiscal year 1972 no construction contract requiring a construction differential in excess of the applicable percentages set forth in the preceding sentence shall be entered into unless the Secretary shall have given due consideration to the likelihood that the above percentages will not be attained and that the commitment to the ship construction program may not be continued. If the Secretary of Commerce enters into such a contract, he shall notify the Commission on American Shipbuilding of such contract and the Commission on American Shipbuilding shall, not later than six months after such notification, submit its report on the American shipbuilding industry."

(3) Subsection (c) is amended as follows:

(a) By inserting after the third word the words "of sale".

(b) By striking out the word "applicant" wherever it appears, and inserting in lieu thereof the word "purchaser".

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(c) By striking out of the third sentence the words "at the rate of 3½ per centum per annum".

(d) By striking out of the third sentence the words "applicant's purchase" and inserting in lieu thereof the words "purchaser's portion of the".

(e) By striking out of the third sentence the word "applicant's" and inserting in lieu thereof the word "purchaser's".

(f) By inserting in the third sentence, immediately before the period at the end thereof, the words "at a rate not less than (i) a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the U.S. with remaining periods to maturity comparable to the average maturities of such loans, adjusted to the nearest one-eighth of one per centum, plus (ii) an allowance adequate in the judgment of the Secretary of Commerce to cover administrative costs".

(g) By striking out of the last sentence the words "of 3⅓ per centum per annum" and inserting in lieu thereof the words "per annum applicable to payments that are chargeable to the purchaser's portion of the price of the vessel".

(4) Subsection (e) is amended as follows:

(a) By striking out of the first sentence the words "the applicant" and inserting in lieu thereof the words "a citizen of the United States".

(b) By striking out of the third sentence the words "an applicant" and inserting in lieu thereof the words "a citizen of the United States".

(5) Subsection (f) is amended as follows:

(a) By striking out the word "applicant" wherever it appears and inserting in lieu thereof the word "purchaser".

(b) By striking out of the fourth sentence of the second paragraph the words "on any" and inserting in lieu thereof the words "in an".

(c) By striking out of the fourth sentence of the second paragraph the words "of the operator".

(6) Subsection (g) is amended, as follows:

(a) By striking out of the first sentence the word "agreement" and inserting in lieu thereof the word "application".

(b) By striking out of the first sentence the words "an applicant under this title" and inserting in lieu thereof the words "any citizen of the United States".

Sec. 7. Section 503 of the Merchant Marine Act, 1936 (46 U.S.C. 1153), is amended as follows:

(1) By striking out the word "applicant" wherever it appears and inserting in lieu thereof the word "purchaser".

(2) By striking out of the first sentence the words "purchase between the applicant and the Commission" and inserting in lieu thereof the words "sale between the purchaser and the Secretary of Commerce".

Sec. 8. Section 504 of the Merchant Marine Act, 1936 (46 U.S.C. 1154), is amended as follows:

(1) By striking out the first three sentences.

(2) By inserting, after the section number, a new sentence to read as follows: "(a) If a qualified purchaser under the terms of this title desires to purchase a vessel to be constructed in accordance with an application for construction-differential subsidy under this title, the Secretary of Commerce may, in lieu of contracting to pay the entire cost of the vessel under section 502, contract to pay only construction-differential subsidy and the cost of national-defense features to the shipbuilder constructing such vessel. The construction-differential subsidy and payments for the cost of national-defense features shall be based upon the lowest responsible domestic bid unless the vessel is constructed under a contract negotiated by the Secretary of Commerce as provided in section 502(b) in which event the construction-differential subsidy and payments for the cost of national-defense features shall be based upon such negotiated price."

(3) By striking out the last sentence.

Sec. 9. Section 505 of the Merchant Marine Act, 1936 (46 U.S.C. 1155), is amended as follows:

(1) Subsection (a) is amended as follows:

(a) By striking out the designation "(a)".

(b) By striking out of the first sentence the words "the applicant to reject, and in".

(c) By striking out of the second sentence the words "In all such construction the shipbuilder, subcontractors, materialmen, or suppliers shall use," and inserting in lieu thereof the words "Any material or other articles used in the construction of a vessel and included in the United States construction cost for the purpose of determining the construction-differential subsidy payable and all major components of the hull and superstructure shall".

(d) By striking out of the second sentence the words "only articles, materials, and supplies" and inserting in lieu thereof the word "be".

(e) By striking out of the last sentence the word "subsection" and inserting in lieu thereof the words "title V".

(2) By striking out subsctions (b), (c), (d) and (e).

Sec. 10. Section 510(a) of the Merchant Marine Act, 1936 (46 U.S.C. 1160(a)), is amended as follows:

(1) By striking out of paragraph (1) all of subdivision (B) other than the final word "and", and inserting in lieu thereof the words "in the judgment of the Secretary of Commerce, should, by reason of age, obsolescence, or otherwise, be replaced in the public interest."

(2) By striking out of subdivision (C) of paragraph (1) the words "is owned" and inserting in lieu thereof the words "has been owned".

(3) By striking out of subdivision (C) of paragraph (1) the words "and has been owned by such citizen of citizens".

(4) By striking out of paragraph (1) the proviso in its entirety.

Sec. 11. Section 510(i) of the Merchant Marine Act, 1936 (46 U.S.C. 1160(i)), is amended as follows:

(1) By striking out of the first paragraph the year "1970" and inserting in lieu thereof the year "1972".

(2) By striking out of the first paragraph the words "which were constructed or contracted for by the United States shipyards before September 3, 1945,".

(3) By striking out of the first paragraph the words "warbuilt vessels (which are defined for purposes of this subsection as".

(4) By striking out of the first paragraph the words "which were constructed or contracted for by the United States shipyards during the period beginning September 3, 1939, and ending September 2, 1945)".

Sec. 12. Section 601(a) of the Merchant Marine Act, 1936 (46 U.S.C. 1171(a)), is amended as follows:

(1) By inserting after the first sentence a new sentence to read as follows: "In this title VI the term essential service means the operation of a vessel on a service, route or line described in section 211(a) or in bulk cargo carrying service described in section 211(b)."

(2) By striking out of subdivision (1) the words "such service, route, or line" and inserting in lieu thereof the words "an essential service".

(3) By striking out from subdivision (2) the words "and maintain the service, route, or line" and inserting in lieu thereof the words "in an essential service."

Sec. 13. Section 603(a) of the Merchant Marine Act, 1936 (46 U.S.C. 1173(a)), is amended as follows:

(1) By striking out the words "such service, route, or line," and inserting in lieu thereof the words "an essential service".

Sec. 14. Section 603(b) of the Merchant Marine Act, 1936 (46 U.S.C. 1173(b)), is amended as follows:

(1) By striking out of the first sentence the words "on a service, route or line" and inserting in lieu thereof the words "in an essential service".

(2) By striking out of the first sentence the words "not exceed the excess of" and inserting in lieu thereof the words "be the difference between the subsidizable wage costs of United States officers and crews,".

(3) By inserting in the first sentence after the words "cost of insurance," the words "subsistence of officers and crews on passenger vessels, as defined in Section 613 of this Act,".

(4) By striking out of the first sentence the words "maintenance, repairs not compensated by insurance, wages and subsistence of officers and crews, and any other items of expense in which the Commission shall find and determine that the applicant is at a substantial disadvantage in competition with vessels of the foreign country hereinafter referred to," and inserting in lieu thereof the words "and with respect to vessels constructed under a contract awarded before January 1, 1970, maintenance and repairs not compensated by insurance, incurred".

(5) By inserting before the period at the end of the first sentence a colon and a proviso to read as follows: "*Provided, however,* That the Secretary of Commerce may, with respect to any vessel in an essential service, other than a vessel which operates as a common carrier on a service, route or line, pay, in lieu of the operating-differential subsidy provided by this subsection (b), such sums as he shall determine to be necessary to make the cost of operating such vessel competitive with the cost of operating similar vessels under the registry of a foreign country".

Sec. 15. Section 603(c) of the Merchant Marine Act, 1936 (46 U.S.C. 1173(c)), is amended as follows:

(1) By redesignating the subsection as subsection (f) and inserting new subsections (c), (d), and (e) as follows:

"(c) (1) When used in this section—

(A) The term "collective bargaining costs" means the annual cost, calculated on the basis of the per diem rate of expense as of any date, of all items of expense incurred by the applicant under a collective bargaining agreement relating to the employment of United States officers and crews in the operation of a vessel except subsistence of officers and crews and costs relating to:

(i) those officers or members of the crew that the Secretary of Commerce has found, prior to the award of a contract for the construction or reconstruction of a vessel, to be unnecessary for the efficient and economical operation of such vessel, or

(ii) those officers or members of the crew that the Secretary of Commerce has found, prior to March 1, 1970, to be unnecessary for the efficient and economical operation of the vessel.

(B) The term "base period costs" means for the base period beginning July 1, 1970 and ending June 30, 1971, the collective bargaining costs as of January 1, 1971, less all other items of cost that have been disallowed by the Secretary of Commerce prior to March 1, 1970, and not already excluded from collective bargaining costs under subparagraph (A)(i) or (A)(ii) of this subsection. In any subsequent base period the term "base period costs" means the average of the subsidizable wage cost of United States officers and crews for the preceding annual period ending June 30, (calculated without regard to the limitation of the last sentence of paragraph (D) of this subdivision but increased or decreased by the increase or decrease in the index described in subdivision (3) of this subsection from January 1 of such annual period to January 1 of the base period) and the collective bargaining costs as of January 1 of the base period; *Provided,* That in no event shall the base period cost be such that the difference between the base period cost and the collective bargaining cost as of January 1 of any base period subsequent to the first base period, exceeds five-fourths of one percent of the collective bargaining costs as of such January 1 multiplied by the number of years that have elapsed since the most recent base period.

(C) The term "base period" means any annual period beginning July 1, and ending June 30 with respect to which a base period cost is established.

(D) The term "subsidizable wage costs of United States officers and crews" in any period other than a base period means the most recent base period costs increased or decreased by the increase or decrease from January 1 of such base period to January 1 of such period in the index described in subdivision (3) hereof, and with respect to a base period means the base period cost. The subsidizable wage costs of United States officers and crews in any period other than a base period shall not be less than 90 percent of the collective bargaining costs as of January 1 of such period nor greater than 110 percent of such collective bargaining costs.

(2) The Secretary of Commerce shall determine the collective bargaining costs on ships in subsidized operation as of January 1, 1971 and as of each January 1 thereafter, and shall as of intervals of not less than two years nor more than four years, establish a new base period cost.

(3) The Bureau of Labor Statistics shall compile the index referred to in subdivision (1). Such index shall consist of the average annual change in wages and benefits placed into effect for employees covered by collective bargaining agreements with equal weight to be given to changes affecting employees in the transportation industry (excluding the offshore maritime industry) and to changes affecting employees in all private non-agricultural industries other than transportation. Such index shall be based on the materials regularly used by the Bureau of Labor Statistics in compiling its regularly published statistical series on wage and benefit changes arrived at through collective bargaining. Such materials shall remain confidential and not be subject to disclosure."

"(d) In determining foreign manning for purposes of this section, the foreign manning established for any foreign ship type with respect to any base period shall not be redetermined until the end of such period.

"(e) The wage subsidy shall be payable monthly for the voyages completed during the month, upon the operator's certification that the subsidized vessels were in authorized service during the month."

(2) By striking from the first sentence of redesignated subsection (f) the word "such" and inserting in lieu thereof the words "the insurance and maintenance and repair and subsistence of officers and crews".

(3) By striking from the third sentence of subsection (f) the words "Effective on and after July 1, 1962, such" and inserting in lieu thereof the word "Such".

(4) By striking the final paragraph of subsection (f) in its entirety.

Sec. 16. Section 605(c) of the Merchant Marine Act, 1936 (46 U.S.C. 1175(c)), is amended as follows:

(1) By striking out of the first sentence the words "on a service, route, or line" and inserting in lieu thereof the words "in an essential service.".

(2) By striking out of the first sentence the words "in such service, route or line".

(3) By striking out of the first sentence the words "a service, route or line" and inserting in lieu thereof the words "an essential service".

(4) By striking out of the first sentence the words "competitive services, routes, or lines," and inserting in lieu thereof the words "such essential service".

(5) By striking in the first sentence the words "line serving the route," and inserting in lieu thereof the words "operator serving such essential service,"..

Sec. 17. Section 606 of the Merchant Marine Act, 1936 (46 U.S.C. 1176), is amended as follows:

(1) By striking out of subdivision (3) the words "the service, route, or line" and inserting in lieu thereof the words "an essential service".

(2) By striking out of subdivision (4) the words "on such service, route, or line" and inserting in lieu thereof the words "in an essential service,".

(3) By striking out of subdivision (4) the words "service, route, or line", wherever they appear, and inserting in lieu thereof the words "essential service".

(4) By striking out subdivision (5) in its entirety.

(5) By redesignating subdivision (6) as subdivision (5).

(6) By striking out of redesignated subdivision (5) the words "the vessel's services, routes, and lines" and inserting in lieu thereof the words "essential services".

(7) By striking out of redesignated subdivision (5) the words "but with due regard to the wage and manning scales and working conditions prescribed by the Commission as provided in title III".

(8) By redesignating subdivision (7) as subdivision (6).

(9) By striking out of redesignated subdivision (6) the words "the operator shall use" and inserting in lieu thereof the words "an operator who receives subsidy with respect to subsistence of officers and crews shall use as such subsistence items"; by striking out of that subdivision the words "and equipment"; and by striking out of that subdivision the words "and the operator shall perform repairs to subsidized vessels" and inserting in lieu thereof the words "and an operator who receives subsidy with respect to repairs shall perform such repairs".

Sec. 18. Section 607(a) of the Merchant Marine Act, 1936 (46 U.S.C. 1177(a)), is amended by striking out the subsection in its entirety.

Sec. 19. Section 607(b) of the Merchant Marine Act, 1936 (46 U.S.C. 1177(b)), is amended as follows:

(1) By redesignating the subsection as subsection (a).

(2) By striking out of the first sentence of the first paragraph the words "To insure the prompt payment of the contractor's obligations to the United States and the replacement of the contractor's subsidized vessels as may be required, the contractor" and inserting in lieu thereof the words "Any citizen of the United States who owns vessels that operate in the United States foreign trade and who has agreed with the Secretary of Commerce that he will replace those vessels with vessels built in the continental United States including Alaska and Hawaii, for operation in the United States foreign trade, or that he will build additional vessels in the continental United States including Alaska and Hawaii, for operation in the United States foreign trade,".

(3) By striking out of the first sentence of the first paragraph the words ", during the life of such contract,".

(4) By inserting in the first sentence of the first paragraph after the words "in such depository or depositories" the words "and for such period".

(5) By striking out of the first paragraph the word "contractor" wherever it appears and inserting in lieu thereof the word "owner".

(6) By striking out of the second sentence of the first paragraph the words "contractor's vessels on which the operating differential is being paid," and inserting in lieu thereof the words "owner's vessels operating in the United States foreign trade,".

(7) By inserting in the second sentence of the first paragraph before the words "twenty-five year life" the words "twenty-year life expectancy of liquid bulk carriers and on a".

(8) By striking out of the second sentence of the first paragraph the words "the subsidized" and inserting in lieu thereof the word "other".

(9) By striking out of the second sentence of the first paragraph the words "the contractor's line of subsidized" and inserting in lieu thereof the words "all such".

(10) By inserting in the second sentence of the first paragraph after the words "annual depreciation actually earned" the words "by all such vessels".

(11) By striking out of the second sentence of the first paragraph the words "his subsidized" and inserting in lieu thereof the word "such".

(12) By striking out of the third sentence of the first paragraph the word "subsidized" and inserting in lieu thereof, after the word "vessel", the words "operating in the United States foreign trade".

(13) By striking out of the second paragraph the word "contractor" wherever it appears and inserting in lieu thereof the word "owner".

(14) By striking out of the first sentence of the second paragraph the words "of the contractor's business covered by the contract" and inserting in lieu thereof the words "from the operation of vessels in the United States foreign trade".

(15) By striking out of the first sentence of the second paragraph the words "replacement of the contractor's subsidized ships" and inserting in lieu thereof the words "carrying out his agreement to replace ships or build additional ships".

(16) By striking out of the first sentence of the second paragraph the words "require the contractor to make such deposit of the contractor's net profits in the capital reserve fund unless the cumulative net profits of the contractor, at the time such deposit is to be made, shall be in excess of 10 per centum per anum from the date the contract was executed" and inserting in lieu thereof the words "in any year require the owner to deposit in the capital reserve fund more than 50 per centum of the owner's annual net profits from the operation of vessels in the United States foreign trade, before taxes, for such year".

(17) By striking out of the second sentence of the second paragraph the word "subsidized" and inserting in lieu thereof the word "owner's" before the word "vessels" and inserting the words "operating in the United States foreign trade" immediately thereafter.

(18) By striking out of the second sentence of the second paragraph the words "contractor on an essential foreign-trade line, route, or service approved by the Commission" and inserting in lieu thereof the words "owner in the United States foreign trade".

(19) By striking out of the third sentence of the second paragraph the word "subsidized" and inserting after the word "vessels" the words "operating in the United States foreign trade".

(20) By striking out of the third sentence of the second paragraph the words "(and with respect to any transfer of funds from the special reserve fund, to give priority to the purposes of that fund)".

(21) By striking out of subdivision (B)(1) of the second paragraph the words "contractor's subsidized" and inserting in lieu thereof the word "owner's" before the word "vessels", and the words "operating in the United States foreign trade" immediately thereafter.

(22) By striking out of subdivision (B)(3) of the second paragraph the word "contractor's" and inserting in lieu thereof the word "owner's".

(23) By striking out of the last sentence of the second paragraph the words "used for such containers in the determination of 'net earnings' under paragraph (d)(1) of this section 607" and inserting in lieu thereof the words "determined by the Secretary of Commerce".

Sec. 20. Section 607(c) of the Merchant Marine Act, 1936 (46 U.S.C. 1177(c)), is amended by striking it out in its entirety. Subsection (a) of section 607 is redesignated as subsection (b) and amended as follows:

(1) By inserting in paragraph (1), after the word "section" first appears, a period, striking the remainder of the sentence, and inserting the following new sentence: "The Secretary of Commerce and the Secretary of the Treasury are jointly authorized to prescribe all rules and regulations necessary or appropriate to the determination of the owner's tax liability under this section."

(2) By striking out of paragraph (2) the words "contractor" and "operator" and inserting in lieu thereof the word "owner" in each case.

(3) By striking out of paragraph (2) the words "the contractor's" and inserting in lieu thereof the word "his".

(3) By striking out of paragraph (2) the words "and special".

(5) By striking out of paragraph (3) the word "contractor" wherever it appears and inserting in lieu thereof the word "owner".

(6) By striking out of subdivision (A) of paragraph (3) the words "and 50 per centum of his special reserve fund".

(7) By striking out of subdivision (A) of paragraph (3) the words "separate" and the letter "s" from the following word "trusts".

(8) By striking out of subdivision (A) of paragraph (3) the words "and special", and the letter "s" from the word "funds" of the following words "reserve funds".

(9) By striking out of subdivision (A) of paragraph (3) the words ", one trust for the capital reserve fund and one trust for the special reserve fund".

(10) By striking out of subdivision (A)(2) of paragraph (3) the letter "s" from the word "trusts".

(11) By striking out of subdivision (A)(3) of paragraph (3) the words "to pay the income from the special reserve fund trusts into the capital reserve fund trust".

(12) By striking out of subdivision (A)(4) of paragraph (3) the words "the special reserve fund and".

(13) By striking out of subdivision (A)(4) of paragraph (3) the letter "s" from the word "trusts".

(14) By striking out of subdivision (B) of paragraph (3) the word "contractor" wherever it appears and inserting in lieu thereof the word "owner".

(15) By striking out of subdivision (B) of paragraph (3) the letter "s" from the word "trusts" wherever it appears.

(16) By striking out of subdivision (B) of paragraph (3) the words "and special reserve fund".

(17) By striking out of subdivision (B) of paragraph (3) the words "At the end of the contractor's recapture period, however, after satisfaction of the contractor's recapture obligations, an amount of the special reserve fund trust equal to the value of the capital gains made (whether realized or not), the stock dividends declared, and the rights to purchase stock issued to the special reserve fund trust during such recapture period, to the extent the special reserve fund trust contains this amount, shall be transferred (in cash or in stock) to the capital reserve fund trust."

(18) By striking out of subdivision (B) of paragraph (3) the words "and the special reserve fund" wherever they appear.

(19) By striking out of subdivision (B) of paragraph (3) the word "each".

(20) By striking out of subdivision (C) of paragraph (3) the words "or special" wherever they appear.

(21) By striking out of subdivision (C) of paragraph (3) the words "or a special reserve fund".

(22) By striking out of subdivision (C) of paragraph (3) the words "or special reserve fund" wherever they appear.

(23) By striking out of subdivision (C) of paragraph (3) the words "or special" wherever they appear.

(24) By striking out of subdivision (D) of paragraph (3) the words "and special reserve fund".

Sec. 21. Subsection (e) of section 607 of the Merchant Marine Act, 1936 (46 U.S.C. 1177(e)), is redesigned as subsection (c) and is amended as follows:

(1) By striking out the word "contractor's" wherever it appears and inserting in lieu thereof the word "owner's".

(2) By striking out the word "the subsidized" wherever it appears and inserting in lieu thereof the word "his" before the following word "vessels" and the words "operating in the United States foreign trade" immediately after such word "vessels".

(3) By striking out the words "and the special reserve fund has been exhausted,".

(4) By striking out the word "contractor" and inserting in lieu thereof the word "owner".

Sec. 22. Subsection (f) of section 607 of the Merchant Marine Act, 1936 (46 U.S.C. 1177(f)), is redesignated as subsection (d) and is amended as follows:

(1) By striking out the words "Unless otherwise provided in the operating-differential subsidy contract, upon", and inserting in lieu thereof the word "Upon".

(2) By striking out the words "such contract" and inserting in lieu thereof the words "agreement described in subsection (a) of this section".

(3) By striking out the letter "s" from the word "funds".

(4) By striking out the word "contractor" and inserting in lieu thereof the word "owner".

Sec. 23. Subsection (g) of section 607 of the Merchant Marine Act, 1936 (46 U.S.C. 1177(g)), is redesignated as subsection (e) and is amended as follows:

(1) By striking out of the first sentence the word "contractor" and inserting in lieu thereof the word "owner".

(2) By striking out of the first sentence the words "either or both" and inserting in lieu thereof the word "the".

(3) By striking out of the first sentence the letter "s" from the word "funds".

(4) By striking out of the first sentence the words "or funds".

(5) By striking out of the first sentence the words ", or may transfer funds from the special reserve funds to the capital reserve funds".

Sec. 24. Subsection (h) of section 607 of the Merchant Marine Act, 1936 (46 U.S.C. 1117(h)), is redesignated as subsection (f) and is amended as follows:

(1) By striking out of the first sentence the words "contractor receiving an operating-differential subsidy under authority of this Act," and inserting in lieu thereof the word "owner".

(2) By striking out of the first sentence the word "contractor's" and inserting in lieu thereof the word "owner's".

(3) By striking out of the first sentence the latter "s" from the word "funds".

(4) by striking out of the first sentence the words ", except earnings withdrawn from the special reserve funds and paid into the contractor's general funds or distributed as dividends or bonuses as provided in paragraph 4 of subsection (c) of this section,".

(5) By striking out of the second sentence the word "special".

(6) By inserting before the period at the end of the second sentence the following words "and the owner shall pay to the United States interest on the amount of the tax that would have been due in the year such earnings were deposited from the date of such deposit to the date of withdrawal at the rate per annum provided in the Internal Revenue Code of 1954 with respect to taxes not paid on or before the last day prescribed for payment."

Sec. 25. Section 607 of the Merchant Marine Act, 1936 (46 U.S.C. 1177), is amended by the addition of a new subsection (g) to read as follows:

"(g)(1) The term 'United States foreign trade' in this section includes those areas of domestic trade in which a vessel built with construction-differential subsidy is permitted to operate under section 506 of this Act.

"(2) The term 'vessel' in this section means a vessel built in the continental United States including Alaska and Hawaii and documented under the laws of the United States."

Sec. 26. Section 803 of the Merchant Marine Act, 1936 (46 U.S.C. 1221), is amended by striking out the section in its entirety.

Sec. 27. Section 805 of the Merchant Marine Act, 1936 (46 U.S.C. 1223), is amended by striking out subsection (c) thereof.

Sec. 28. Section 1101(c) of the Merchant Marine Act, 1936 (46 U.S.C. 1271(c)), is amended as follows:

(1) by striking out the word "and" immediately before the words "floating drydocks".

(2) By inserting after the word "walls" and before the word "owned" a comma and the words "and oceanographic research or instruction vessels,".

Sec. 29. Section 1103(e) of the Merchant Marine Act, 1936 (46 U.S.C. 1273(a)), is amended by striking the figure "$1,000,000,000" and inserting in lieu thereof the figure "$3,000,000,000".

Sec. 30. Section 1104(a) of the Merchant Marine Act, 1936 (46 U.S.C. 1274(a), is amended by inserting in paragraph (8) immediately before the words "commercial use" the words "research, or for".

Sec. 31. Section 1104(b), is amended as follows:

(1) By inserting in paragraph (2) immediately before the words "commercial use" the words "research or for".

(2) By striking from paragraph (4) the words "be less than" and inserting in lieu thereof the word "not exceed".

(3) By inserting at the end of paragraph (4), immediately before the semi-colon, a colon and a proviso to read as follows: "*Provided, however,* That in the case of a vessel, the size and speed of which are approved by the Secretary of Commerce, and which is eligible for mortgage aid for construction under section 509 of this Act and in respect of which the minimum down payment by the mortgagor required by that section would be 12½ per centum of the cost of such vessel, the advance and the principal amount of all other advances under insured loans outstanding at the time of said advance shall not exceed 87½ per centum of such actual cost".

Sec. 32. Section 1214 of the Merchant Marine Act. 1936 (46 U.S.C. 1294), is amended by striking out the words "20 years from the date of enactment of this title" and inserting in lieu thereof the date "September 7, 1975."

Sec. 33. (a) The word "Commission" is stricken out of sections 210, 211, 501, 502, 503, 504, 505, 601(a), 602, 603, 605(c), 606, and 607 of the Merchant Marine Act, 1936, wherever it appears, and the words "Secretary of Commerce" are inserted in lieu thereof.

(b) Subsection (a) of section 211 of the Merchant Marine Act, 1936, is amended by striking out the word "its" and inserting in lieu thereof the word "his".

(c) The second sentence of section 501(a) of the Merchant Marine Act, 1936, is amended by striking out the word "it" and inserting the word "he" in lieu thereof.

(d) The second sentence of section 501(c) of the Merchant Marine Act, 1936, is amended by striking out the word "its" and inserting the word "his" in lieu thereof.

(e) The first sentence of section 502(a) of the Merchant Marine Act, 1936, is amended by striking out the word "it" and inserting the word "he" in lieu thereof.

(f) The third sentence of section 502(c) of the Merchant Marine Act, 1936, is amended by striking out the word "Commission's" and inserting the words "Secretary of Commerce's" in lieu thereof.

(g) The last sentence of section 502(e) of the Merchant Marine Act, 1936, is amended by striking out the word "its" and inserting in lieu thereof the word "his".

(h) The third sentence of section 601(a) of the Merchant Marine Act, 1936, is amended by striking out the word "it" and inserting the word "he" in lieu thereof.

(i) The first sentence of section 603(a) of the Merchant Marine Act, 1936, is amended by striking out the word "it" and inserting the word "he" in lieu thereof.

(j) The last sentence of section 603(f), as redesignated, of the Merchant Marine Act, 1936, is amended by striking out the word "it" and inserting the word "he" in lieu thereof.

(k) The last sentence of section 605(c) of the Merchant Marine Act, 1936, is amended by striking out the word "it" and inserting the word "he" in lieu thereof.

(l) Section 606 of the Merchant Marine Act, 1936, is amended as follows:

(1) By striking out of subdivision (1) the word "its" wherever it appears and inserting in lieu thereof the word "his".

(2) By striking out of subdivision (1) and (3) the word "it" and inserting in lieu thereof the word "he".

(3) By striking out of subdivision (1) the word "Its" and inserting in lieu thereof the word "His".

Sec. 34. Section 201(b) of the Merchant Marine Act, 1936 (46 U.S.C. 1111(b)), is amended by striking out the word "Commission" wherever it appears in the last sentence thereof and inserting in lieu thereof the words "Federal Maritime Commission".

(m) Subdivision (b)(2), as redesignated, of section 607 of the Merchant Marine Act, 1936, is amended by striking out the word "its" and inserting the word "his" in lieu thereof.

Sec. 35. Section 303 of Reorganization Plan No. 21 of 1950 (64 Stat. 1273) is amended by striking out the words at the end thereof "or of the Maritime Administration."

Sec. 36. Section 301 of Reorganization Plan No. 7 of 1961 (75 Stat. 840) is amended by striking out the words "and to the Maritime Administrator and all other officers and employees of the Maritime Administration."

Sec. 37. The Act of April 29, 1941, (69 Stat.) (40 U.S.C. 270e), is hereby amended by adding a new section 2 to read as follows:

"Sec. 2. The Secretary of Commerce may waive the Act of August 24, 1935 (49 Stat. 793–4), with respect to contracts for the construction, alteration, or repair, of vessels of any kind or nature, entered into pursuant to the Act of June 30, 1932 (47 Stat. 382, 417–8), as amended, the Merchant Marine Act, 1936, or the Merchant Ship Sales Act of 1946, regardless of the terms of such contracts as to payment or title."

Sec. 38. (a) The amendments made by this Act shall not affect any contract with the Secretary of Commerce or his delegates that is in effect on the date of enactment of this Act. At the request of the other party to any operating-differential subsidy contract, the Secretary of Commerce may amend such contract so as to be in accordance with all of the amendments made by this Act, but no amendment made by this Act shall be incorporated in such contract unless all such amendments are incorporated in such contract. Until such contract is amended or if such contract is not amended, it shall be administered in accordance with the provisions of the Merchant Marine Act, 1936, as they existed immediately prior to enactment of this Act; Provided that the Secretary of Commerce may, in order to facilitate the amendment of existing contracts, settle or compromise outstanding controversies under such contracts in such manner as he determines.

(b) If any operating-differential contract in existence on the date of enactment of this Act is amended as provided in subsection (a), the current recapture period shall be closed as of the date of the amendment and the recapture that is due and payable as of the effective date of such amendment shall be computed on the basis of such shortened period. The amendments shall provide that, with respect to seafaring personnel, in determining the rights and obligations of the contractor under such contract, the limitation of section 805(c) of the Merchant Marine Act, 1936, as it existed immediately before the enactment of this Act shall not apply. Any contractor under such contract may apply to the Secretary for permission to transfer funds on deposit in such contractor's special reserve fund to its capital reserve fund. If the Secretary determines that any part or all of the special reserve funds are necesary to replace vessels during the remaining term of such contract or are otherwise necessary to acquire modern vessels, he may approve such application. Any funds so transferred shall become part of the contractor's capital reserve fund. Any amounts not so transferred shall become part of the contractor's general funds and that portion of such funds which are ordinary income or capital gains shall be taxable as if earned in the year such amendment becomes effective.

Sec. 39. (1) There is hereby established a commission to be known as the Commission on American Shipbuilding (hereinafter referred to as the "Commission"). The Commission shall be composed of seven members, appointed by the President. At least one member shall be from the United States shipbuilding industry. Members of the Commission shall be appointed for the life of the Commission. The President shall designate one of the members of the Commission as Chairman.

(2) Members of the Commission who are not full time employees of the United States Government shall each be entitled to receive the per diem equivalent of the rate authorized for GS–18 of the General Schedule under section 5332 of title 5 of the United States Code when engaged in the actaul performance of duties vested in the Commission, including travel time, and while away from their homes or regular places of business may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by title 5 of the United States Code for persons in the Government service employed intermittently.

(3) The Commission shall meet at the call of the Chairman or at the call of a majority of the members thereof.

(4) The Commission may appoint an Executive Director without regard to the provisions of title 5 of the United States Code governing appointments in the competitive service and shall fix compensation of such personnel without regard to the provisions of chapter 51 and subtitle II of chapter 53 of such title relating to classification and General Schedule pay rates: Provided, That no personnel so appointed shall receive compensation in excess of the rate authorized for GS–18 by section 5332 of such title.

(5) The Commission shall have the power to appoint and fix the compensation of such personnel, as it deems advisable, subject (except as provided in paragraph (4) hereof) to the civil service laws and the Classification Act of 1949, as amended.

(6) The Commission may procure, in accordance with the provisions of title 5 of the United States Code, the temporary or intermittent services of experts or consultants; individuals so employed shall receive compensation at the rate to be fixed by the Commission, but not in excess of the per diem equivalent of the rate authorized for GS–18 of the General Schedule under section 5332 of title V of the United States Code, including travel time, and while away from their homes or regular places of business may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by title 5 of the United States Code for persons in the Government service employed intermittently.

(7) The Commission shall review the status of the American shipbuilding industry, its problems and its progress toward increasing its productivity and reducing production costs. The Commission shall determine whether the American shipbuilding industry can achieve a level of productivity by the fiscal year 1976 such that the construction-differential subsidy payable under title V of the Merchant Marine Act, 1936, will not exceed 35 percent of the United States construction cost. The Commission shall recommend a course of action which should be taken on the part of Government and industry to improve the competitive situation of the United States shipbuilding industry in world shipbuilding markets and if the Commission shall determine that the construction-differential subsidy cannot be reduced to 35 percent of the United States cost it shall recommend alternatives to the ship construction program then in effect.

(8) The Commission shall not later than three years after the date of enactment of this Act or such earlier dates as shall be required by section 502(b) of the Merchant Marine Act, 1936, submit a comprehensive report of its findings and recommendations to the President and to the Congress, and sixty days thereafter shall cease to exist.

(9) There are hereby authorized to be appropriated such amounts as may be necessary to permit the Commission to carry out its responsibilities under this Act.

The material presented by Mr. MAGNUSON is as follows:

THE SECRETARY OF COMMERCE,
Washington, D.C., December 22, 1969.

Hon. SPIRO T. AGNEW,
President of the Senate,
U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed are four copies of a draft of legislation "To amend the Merchant Marine Act, 1936," together with a section-by-section analysis of the bill, and a comparative text showing the changes which the bill would make in existing law.

This legislation implements the President's message on maritime policy of October 23. Its prompt enactment is vital if we are to have an adequate American flag merchant marine.

I urge favorable consideration by the Congress of this legislation, enactment of which is in accord with the program of the President.

Sincerely,

ROCCO C. SICILIANO,
Acting Secretary of Commerce.

SECTION-BY-SECTION ANALYSIS OF THE DRAFT BILL—TO AMEND THE MERCHANT MARINE ACT, 1936

SEC. 1. Section 101 of the Merchant Marine Act, 1936, states in part, that it is necessary for the national defense and the development of the United States foreign commerce that the United States shall have a merchant marine sufficient to provide shipping "service on all routes" essential for maintaining the flow of such commerce. Section 1 of the bill would strike out of section 101 of the Act the words "service on all routes", and would substitute therefor the word "capacity" to avoid the implication that a specific geographic path alone fulfills the test of essentiality. This will make it clear that vessels which do not operate on a fixed route still come within the purposes of the Act. This is consistent with the proposal to provide direct operating subsidy for bulk carriers, which do not operate on a specific geographic route.

SEC. 2. Section 210 of the Act requires the Secretary of Commerce to develop a long range program to create an adequate and well-balanced merchant fleet to provide shipping service on all routes essential for maintaining the flow of the foreign commerce of the United States. Since it is intended to provide construction subsidy and direct operating subsidy for bulk carriers, some of which do not operate on a route, section 2 of the bill would strike out the words "service on all routes" and would substitute therefor the word "capacity".

SEC. 3. Section 211 of the Act authorizes and directs the Secretary of Commerce to investigate, determine and keep current records of the ocean services, routes and lines from United States ports to foreign markets which are essential for the promotion, development, and maintenance of the foreign commerce of the United States, and the type, size, and speed of vessels that should be employed on such services, routes and lines. Section 3 of the bill would impose the same requirements with respect to bulk cargo carrying services, and bulk carriers, not all of which operate on a service, route, or line.

SEC. 4. Redesignated section 211(e) requires the Secretary of Commerce to keep records and investigate the relative cost of marine insurance, maintenance, repairs, wages and subsistence of officers and crews incurred in the operation of comparable vessels under United States registry and under the registry of a foreign country. Section 4 of the bill would require that the same information be collected for bulk carriers.

SEC. 5. Section 501 of the Act provides that any citizen of the United States may apply for construction-differential subsidy to build a new vessel for operation in the foreign commerce of the United States or to reconstruct a vessel for such operation, and it prohibits the Secretary of Commerce from restricting the operation of such vessels in the foreign commerce. In this section, "citizen of the United States" means the prospective shipowner.

Section 5 of the bill would no longer permit the shipowner to be an applicant for subsidy to construct a ship and would substitute shipyards in the continental United States as applicants. The application submitted by a shipyard would set forth the design characteristics of the vessel that is proposed to be built with construction-differential subsidy. With respect to reconstruction, either the shipowner or shipyard could apply.

Section 5 of the bill would authorize the Secretary of Commerce to restrict the operation of the ship. The purpose of this latter provision is to permit the Secretary of Commerce to insure that when vessels are built for a particular trade or trades they are used in the intended trades or other acceptable trades. Under the present law construction-differential subsidy has seldom been extended to vessel owners that did not also have an operating contract. The operating subsidy contracts require that subsidized vessels operate in certain specified areas. As a result, ships built with construction subsidy were, as a practical matter, limited to operation in certain geographical areas. Under present conditions it appears that certain of the United States trades can be serviced without operating subsidy. The North Atlantic and North Pacific trades are two such areas. Although operators in these areas may not presently require operating subsidy, construction subsidy must be made available if they are to purchase their ships in the United States. The proposed provision would insure that where subsidy is paid for such ship construction, the resulting ships are used in areas in which they are needed most.

The purpose of making the shipyard the applicant is to bring the shipyard into the design work on the vessel, to encourage standardization of ships, and to recognize that construction subsidies are subsidies to shipyards, not to shipowners. The amendment provides that the Secretary of Commerce may give preferred consideration to applications that will tend to reduce construction-differential subsidies and construct ships of high transport capability and productivity. Increased emphasis on the construction and operation of standardized ships will help to achieve this result and preference may be given to any application incorporating standardization or other cost reduction techniques to achieve the desired results.

SEC. 6. Section 502(a) of the Act provides that if the Secretary of the Navy certifies his approval of the plans and specifications and if the Secretary of Commerce approves the application, the Secretary of Commerce may secure bids on behalf of the applicant, and if both approve the lowest responsible bid, the Secretary of Commerce may contract with the lowest responsible bidder for construction of the ship and may concurrently contract with the applicant for sale of the vessel to him at the estimated foreign cost of the vessel. Section 6 of the bill would conform section 502(a) to the change made in section 501(a) making a shipyard the applicant rather than the prospective shipowner. With this change the section would provide that after approval of the shipyard's application, the Secretary of Commerce would obtain competitive bids and contract with the lowest responsible bidder for construction of the ships. The applicant shipyard would obtain the contract only if it was the lowest responsible bidder. Section 6 of the bill would also amend section 502(a) to authorize the Secretary of Commerce to contract for sale of the vessel upon its completion to a citizen of the United States if the Secretary finds that such citizen has the ability, experience, financial resources, and other qualifications necessary to enable him to operate and maintain the vessel.

Section 502(b) of the Act provides that the construction-differential subsidy may equal but shall not exceed the excess of the bid of the shipbuilder constructing the vessel over the estimated foreign cost of building the vessel in a representative foreign shipyard. Section 6 of the bill would amend this section to provide that the estimated foreign cost shall be by type of vessel which the Secretary shall compute periodically. Between recomputations the Secretary shall adjust this cost for increases or decreases in labor and material costs. The purpose of this amendment is to permit applicant shipyards to compute the subsidy in advance and quote a price on standard vessels to prospective buyers. The maximum subsidy permitted by section 502(b) is 55 percent of the United States cost of the vessel until July 1, 1970, and thereafter 50 percent of such cost. When the difference between the United States and foreign cost of the ship exceeds this percentage, the Secretary of Commerce is authorized to negotiate with shipyards for construction of the vessel at a price that will reduce the differential to the applicable percentage or less.

Section 6 of the bill would amend this provision to authorize such negotiation if the differential exceeds 45% of such cost in 1971, 43% in 1972, 41% in 1973, 39% in 1974, 37% in 1975, and 35% in 1976 and 35% in 1976 and thereafter. These differentials are the productivity goals which should be achieved by domestic shipyards if they are to meet the challenge of the President's program. Under normal circumstances, the requirement of competitive bidding would permit negotiation only with the low bidder. There may, however, be instances where a bidder other than the low bidder would be willing to reduce his price to acceptable construction differential levels. This section would authorize the Secretary of Commerce to negotiate with respect to price with any bidder whether or not such bidder is the low bidder. This provision would not be applicable where the low bidder was within the applicable construction differential limits. In such a case the low bid would be accepted.

In addition, section 6 would provide that the Secretary of Commerce shall not enter into a contract requiring a construction differential in excess of the applicable percentage in any year commencing with fiscal 1972 unless he shall, before entering into such contract, give due consideration to the likelihood that the applicable construction differential will not be attained and the construction program will not be continued. If the Secretary does enter into such a contract he must notify the Chairman of the Commission on American Shipbuilding of such contract and the Commission must submit its report within six months of such notification. The percentages set forth in this section are realistic goals and it is expected that the shipbuilding industry will be able to meet these goals. Failure to meet the goals would cause serious concern over the ability of the industry to meet the challenge of the shipbuilding program contained in this bill. Accordingly, the bill would provide for an accelerated report from the Commission on American Shipbuilding to determine if the goals of the construction program will be met and if not to recommend alternatives to ship construction program.

Section 502(c) of the Act provides for sale of the ship after construction to the applicant shipowner with a 25 percent down payment, the balance to be paid in equal annual installments over the 25 year life of the ship, with interest at 3½ percent per annum on the unpaid balance. Section 6 of the bill would amend this subsection to substitute for the 3½ percent interest rate, a rate equal to the Government's cost of borrowing money. Section 502(e) provides for building the vessel in a United States Navy shipyard, if no bids are received or if the bidding is collusive or if the bids are unreasonable. Section 502(f) provides for the allocation of shipbuilding among shipyards if this is necessary to maintain a mobilization base at strategic points. Section 502(g) provides for the sale of vessels purchased by the Secretary under section 215 of the Act. Section 6 of the bill would amend these sections by changing the word "applicant" to "purchaser" or "citizen of the United States" whichever is appropriate. Under present day conditions ships built with construction subsidy are built under the provisions of section 504. This procedure is not expected to change. The provisions of section 502 are important, however, in the interpretation of other provisions of the statute including section 504.

SEC. 7. Section 503 of the Act provides for the documentation, for 25 years, under the laws of the United States of vessels built with construction-differential subsidy and for the sale by the government of the vessel subject to a mortgage. Section 7 of the bill would amend this section by changing the word "applicant" to "purchaser" wherever it appears to make it clear that the purchaser of the vessel under this section is not the same as the applicant for construction-differential subsidy which, under the proposed legislation, is the shipyard.

Sec. 8 Section 504 of the Act provides that if an eligible applicant wants to finance the construction of a vessel according to approval plans and specifications rather than purchase it from the Secretary, the Secretary may permit him to obtain competitive bids. If the Secretary considers the bid of the shipyard in which the applicant wants to have the vessel built to be fair and reasonable, the Secretary may approve the bid, become a party to the contract, and agree to pay construction-differential subsidy and for national defense features based upon the lowest responsible bid.

Section 8 of the bill would amend this section to provide that if a qualified purchaser desires to purchase a vessel constructed in accordance with an application for construction-differential subsidy, the Secretary of Commerce may, in lieu of paying the entire cost of the vessel under section 502, contract to pay only the construction-differential subsidy and the cost of national defense features to the shipbuilder constructing the vessel. Under this amendment, the qualified purchaser would not have to accept the lowest responsible bid, but the subsidy and cost of national defense features would be based upon the lowest responsible bid unless the Secretary has negotiated a lower price under section 502(b).

Sec. 9. Section 505(a) of the Act provides that in all construction under the Act, the shipbuilder, subcontractors, materialmen, or suppliers shall so far as practicable use only articles, materials, or supplies of the growth, production or manufacture of the United States.

Section 9 of the bill would require only that major components of the hull or superstructure and any material or other articles used in the construction of the vessel and included in the United States construction cost for the purpose of determining the construction-differential subsidy payable be of domestic origin. The purpose of this amendment is to make clear that only those items for which government subsidy is paid must be of domestic origin. All major structural components, however, must be of domestic origin whether or not subsidy is paid on such components.

Sections 505(b), (c), (d) and (e) provide for recapture of all profit made by any shipbuilder under any contract under title V of the Act in excess of 10 percent of the contract price. Section 9 of the bill would repeal these provisions. These provisions have been suspended by the Renegotiation Act which achieves a similar result and which is not limited in its application to shipyards. Retention of these provisions serves no useful purpose.

Sec. 10. Section 510(a) of the Act defines the term "obsolete vessel", in part, for purposes of trade-in to the United States as a vessel not less than 17 years old and in the judgment of the Secretary obsolete or inadequate for successful operation in the foreign or domestic trade of the United States. Some war-built vessels that are traded-in are of the same type as others whose operation we continue to subsidize. Section 605(b) of the Act provides that no operating subsidy shall be paid for the operation of a vessel that is over 20 years old if it was built before January 1, 1946, or 25 years old if it was built thereafter unless the Secretary finds that it is in the public interest to do so.

To conform these two findings section 10 of the bill would substitute in section 510(a) for the finding that the vessel is obsolete or inadequate for successful operation in the foreign or domestic commerce of the United States, a finding that in the judgment of the Secretary, the vessel should, by reason of age, obsolescence or otherwise, be replaced in the public interest. Section 10 of the bill would also eliminate the 17 year age requirement, because we may want to trade in some vessels prior to that age. Another part of the definition of "obsolete vessel" in section 510 is that the vessel is owned by a citizen of the United States and has been owned by such citizen for 3 years prior to the trade-in. Under this part of the definition if an operator sells his vessel to another United States citizen in lieu of trading it in, but must take the vessel back because the purchaser defaults, the vessel become ineligible for trade-in because the same owner has not owned it for 3 years prior to the trade-in. Section 10 of the bill would eliminate this difficulty by changing the ownership requirement to a requirement that the vessel has been owned by a citizen or citizens of the United States for at least 3 years prior to the trade-in.

Sec. 11. Section 510(i) of the Act authorizes the Secretary of Commerce, until July 5, 1970, to acquire vessels which were constructed or contracted for by United States shipyards before September 3, 1945, in exchange for more modern and efficient ocean-going vessels which were constructed or contracted for by United States shipyards between September 3, 1939, and September 2, 1945, which are owned by the United States. Section 11 of the bill would extend this authority to July 5, 1972, and would eliminate the construction dates. There are still some ships in the reserve fleet which if traded-out and converted would become efficient vessels. In addition we may receive in trade some vessels constructed after 1945 which may later be traded-out.

Sec. 12. Section 601(a) of the Act authorizes the Secretary to consider the application of any citizen of the United States for financial aid in the operation of a vessel in an essential service in the foreign commerce of the United States, but provides that he shall not approve the application unless he determines that (1) operation of the vessel in such service, route or line is required to meet foreign competition and to promote the foreign commerce of the United States, and (2) the applicant owns or can and will build or purchase vessels of the size, type, speed and number, and with the proper equipment, required to enable him to operate and maintain the services, route or line so as to meet competitive conditions and promote the foreign commerce of the United States. This section was not intended to permit financial aid in the operation of bulk carriers. The amendment made by section 12 to the bill is intended to permit the grant of financial aid to bulk carriers. The amendment would strike out of the section the words service, route or line and the reference to maintaining a service, route or line and would substitute therefor the words "essential service". The amendment would define essential service for purposes of title VI as the operation of a vessel on a service, route or line described in section 211(a) of the Act or in bulk cargo carrying service described in section 211(b) of the Act.

Sec. 13. Section 603(a) of the Act provides that if the Secretary approves an application for operating subsidy he may enter into a contract to pay such subsidy for vessels operating in a service, route or line. To authorize contracts for operation of bulk carriers, section 13 of the bill would strike out the words "such service, route, or line" and insert "in an essential service" in lieu thereof.

Sec. 14. Section 603(b) of the Act provides that the amount of the operating-differential subsidy for the operation of a vessel on a service, route or line shall not exceed the excess of the fair and reasonable cost of insurance, maintenance, repairs not compensated by insurance, wages and subsistence of officers and crews, and any other items of expense with respect to which the Secretary finds the applicant is at a substantial disadvantage, over the estimated fair and reasonable cost of the same items of expense if the vessel were operated under the registry of a foreign country whose vessels are substantial competitors of the vessel.

Section 14 of the bill would amend this section by substituting the term "essential service" for the words "service, route, or line." The purpose of this is to permit payment of operating-differential subsidy for the operation of bulk carriers which do not operate on a service, route or line. Section 14 would also eliminate as items to be subsidized (1) subsistence of officers and crews except on passenger vessels as defined in section 613 of the Act, (2) maintenance and repairs not compensated by insurance on vessels constructed under a contract awarded after January 1, 1970. In addition, the authority to pay operating subsidy on any other item of expense with respect to which the Secretary finds the operator is at a substantial disadvantage would be eliminated. The elimination of these items will not place the operators at a substantial disadvantage and will simplify the administration of the Act. For the words "wages * * * of officers and crews", the amendment would substitute the term "subsidizable wage costs of United States officers and crews" which is defined in the new subsection (c) which would be added by section 15 of the bill.

Section 14 would also authorize the Secretary with respect to any vessel operating in an essential service other than a vessel which operates as a common carrier on a service, route, or line, to pay, in lieu of the operating-differential subsidy provided by section 603 (b) of the Act, such sums as the Secretary determines are necessary to make the cost of operating the vessel competitive with the cost of operating similar vessels under the registry of a foreign country. Since bulk carriers have not been subsidized before, this flexibility is necessary to determine the best method of subsidization.

Sec. 15. This section would redesignate the present subsection (c) of section 603 as subsection (f) and would add a new subsection (c) which would specify the manner in which the cost of employing United States officers and crews shall be determined for subsidy purposes. The new subsection defines a number of terms which are necessary for the calculation of subsidy. Section 603(b), as amended, would provide that the subsidy in respect of compensation of officers and crew is the difference between the "subsidizable wage cost of U.S. officers and crew" and the foreign crew compensation cost. The new subsection (c) relates the term subsidizable wage costs of U.S. officers and crews to the cost incurred by the vessel operators under their collective bargaining agreements. The term "collective bargaining costs" includes any item of expense paid under a collective bargaining agreement that is related to the employment of officers and crews on a subsidized vessel. It would include such items as pensions and welfare benefits, training fund contributions and any other items included in the collective bargaining contract as a result of good faith bargaining between employer and employee. Certain costs would, however, be excluded. No subsidy would be paid in respect of subsistence of officers and crews on cargo vessels. Subsistence on passenger vessels is provided for under section 603(b) as that section would be amended. No costs incurred in connection with those officers or members of the crew that have been found to be unnecessary for the efficient and economical operation of the vessel by the Secretary of Commerce would be allowed if the Secretary has made his finding prior to the award of a contract for the construction or reconstruction of a vessel. In addition, costs relating to officers and crew members found prior to March 1970 under the Secretary's present procedures to be unnecessary would be excluded from collective bargaining costs. The words efficient and economical operation of the vessel would where necessary permit crew compliments greater than the minimum Coast Guard safety requirements but would require that crew compliments be derived with due regard to the economics of commercial vessel operation in the foreign trade.

Section (c) also defines the term "base period costs". For the first base period beginning July 1, 1970 and ending June 30, 1971, the collective bargaining costs as of January 1, 1971, less costs that have been disallowed by the Secretary prior to March 1, 1970, would constitute the base period costs. For this first base period, no cost of any kind that has been disallowed under present law would be included in calculating the base period costs. Both the exclusions from the term collective bargaining costs, which are limited to manning disallowances and all other disallowances under present law, would be excluded from the first base period calculation. A base period is defined as any annual period beginning July 1 and ending June 30 with respect to which the Secretary of Commerce establishes a base period cost.

In order to determine the subsidizable wage costs of U.S. officers and crews for the purpose of calculating the operating subsidy, the base period costs would be adjusted by reference to increases or decreases in an index of wage and benefit costs. The subsidizable wages for subsidy purposes could not be less than 90 percent of the collective bargaining costs nor more than 110 percent of such cost. The base period costs for subsequent base periods would be the average of the subsidizable wage costs of U.S. officers and crews for the preceding annual period, increased or decreased by the index to January 1 of the base period, and the collective bargaining costs on January 1 of the base period. The difference between the base period cost and collective bargaining costs on January 1 of any base period after the first base period may not exceed five-fourths of one percent of the collective bargaining costs on January 1 of the base period multiplied by the number of years that have elapsed since the most recent base period determination.

The Secretary of Commerce would determine the collective bargaining costs on each January 1 and would establish a new base period cost at intervals of not less than 2 nor more than 4 years. The new subsection provides that the foregoing index shall be compiled by the Bureau of Labor Statistics and shall consist of the average annual change in wages and benefits for employees covered by collective bargaining agreements. The index would give equal weight to: (1) changes affecting employees in the transportation industry other than the offshore maritime industry, and (2) changes affecting employees in all industries other than transportation. The purpose of the index provisions is to provide an incentive for vessel operators to control their costs. To the degree their cost increases are less than the increases in the index, they profit from such control. Section 15 of the bill would also add new subsections (d) and (e) to section 603.

The new subsection (d) would provide that in determining foreign manning for subsidy purposes that foreign manning with respect to a particular foreign ship type will not be redetermined until the adoption of a new base period cost. At present, the foreign manning determination is not changed for a three year period unless the type of ship which constitutes the main foreign competition is changed. Similarly, under new subsection (d) the manning would be redetermined if the foreign ship type changes. The new subsection (e) provides that the wage subsidy shall be payable monthly, for voyages completed during the month, on the operator's certification that the subsidized vessels were in authorized service. Former subsection (c) of section 603 (which has been redesignated subsection (f)) provides that the subsidy shall be determined and payable on the basis of a final accounting made as soon as practicable after the end of each year or other period fixed in the contract, and it makes provision for certain payments on account. Section 15 of the bill would amend this section so that it would not apply to the wage subsidy. The subsection also provides that no subsidy shall be paid until the contractor provides evidence that the minimum wages prescribed by the Secretary under section 301(a) have been paid to the ships personnel. Section 15 of the bill repeals this provision as no longer necessary.

Sec. 16. Section 605(c) of the Act provides that no contract shall be made under title VI with respect to a vessel to be operated on a service, route or line served by citizens of the United States which would be in addition to the existing service unless the Secretary determines after proper hearing of all parties that the service already provided by vessels of United States registry in such service, route or line is inadequate and that in the accomplishment of the purposes and policy of this Act, additional vessels should be operated thereon. The section provides in addition that no contract shall be made with respect to a vessel to be operated on a service, route or line served by two or more citizens of the United States if the Secretary determines the effect of such a contract would be to give undue advantage or be unduly prejudicial, as between citizens of the United States, in the operation of vessels in competitive services, routes or lines unless following public hearing the Secretary determines it is necessary to enter into such contract to provide adequate service by vessels of United States registry. Section 16 of the bill would amend this section by striking out the words "services, routes, and lines" and substituting the words "essential service". The purpose is to include within the coverage of the section contracts for the operation of bulk carriers and thus prevent unfairness to other operators.

Sec. 17. Section 606(3) of the Act provides that if the Secretary determines that a change in the service, route or line receiving a subsidy is necessary, he may make such changes upon readjustment of the subsidy. Section 17 would amend this provision by striking out the reference to "service, route, or line" and substituting "essential service". The purpose is to include within the provision contracts with bulk carriers. Section 606(4) provides that if a contractor receiving an operating-differential subsidy claims he cannot maintain and operate his vessels on such service, route or line with a reasonable profit on his investment and asks for modification or rescission of his contract, and the Secretary detrmines that such claim is proved, the Secretary shall modify or rescind the contract. Section 17 would modify this provision to make it applicable to contracts with bulk carriers.

Section 606(5) of the Act provides that when at the end of any 10 year period the contractor's net profit on his subsidized vessels has averaged more than 10 percent of his capital necessarily employed, he shall pay one-half of such net profit to the United States, but not exceeding the operating-differential subsidy paid to him during the period, as partial or complete reimbursement of the operating subsidy. Section 17 of the bill would repeal this section because its purpose is largely served by present corporate tax rates, and such repeal would simplify administration of the Act.

Section 606(6) (redesignated section 606 (5)) provides that the operator will conduct his operations with respect to the vessel's services, routes and lines in the most economical and efficient manner but with due regard to the minimum manning scales provided pursuant to title III. Section 17 of the bill would make this provision applicable to bulk carrier operators, and would repeal the obsolete reference to manning scales.

Section 606(7) (redesignated section 606(6)) provides that the operator shall whenever practicable use only articles, materials and supplies of the growth, production, and manufacture of the United States, and shall perform repairs to subsidized vessels in the United States. Section 16 would modify this provision so that it would be applicable only to items that would be subsidized, namely, repairs on vessels built prior to January 1, 1970, and subsistence of officers and crews on passenger vessels. This would simplify administration of the Act and remove an inequity.

Sec. 18. Section 607(a) of the Act provides that the operator shall be entitled to withdraw annually from earnings of subsidized vessels, as dividends, a sum not in excess of 10 percent of his capital necessarily employed in his business. This provision was included in the Act to protect the recapture rights of the United States. Section 18 of the bill repeals this provision since the bill also repeals the recapture provisions.

Sec. 19. Section 607(b) of the Act (redesignated (a)) requires a subsidized operator to create a capital reserve fund into which he is required to deposit depreciation on his subsidized vessels and such percentage of his annual profits in excess of 10 percent of his capital necessarily employed as the Secretary determines is necessary to build up a fund to replace his ships. From this fund he may pay the principal on mortgages on his subsidized vessels, make disbursements for replacement vessels or for additional vessels, for amounts contributed for design expenses, and for amounts for purchase of containers. Section 19 of the bill would amend this provision so that it would be available to any United States flag operator in foreign trade who has an agreement with the Secretary of Commerce to build vessels.

Sec. 20. Section 607(c) of the Act requires the subsidized operator to create a special reserve fund into which he must deposit all profit on his subsidized vessels in excess of 10 percent of capital necessarily employed. From this fund he may reimburse his general funds for operating losses and pay his recapture obligations. The chief purpose of this fund is to protect the recapture rights of the United States. Since the bill repeals the operators recapture obligations section 20 of the bill repeals the provisions requiring this fund. Section 607(d) of the Act (redesignated (b)) provides that the Secretary shall adopt rules and regulations for the administration of the reserve funds and shall include a definition of "net earnings" and "capital necessarily employed". These definitions were required for recapture purposes. Section 20 of the bill repeals them since it also repeals the recapture provisions. The subsection also authorizes investment of the fund in interest bearing securities and, if there is a trustee approved by the Secretary, in common stocks. Section 20 of the bill conforms these provisions to the other provisions of the bill permitting unsubsidized operators to have such capital reserve funds and abolishing special reserve funds.

Sec. 21. Section 607(e) of the Act (redesignated (c)) authorizes the Secretary to permit the operator to withdraw funds from his capital reserve funds if his special reserve fund is exhausted and his operating funds have been depleted through losses. Section 21 of the bill conforms this section of the Act to the provisions allowing unsubsidized operators to have capital reserve funds and abolishing special reserve funds.

Sec. 22. Section 607(f) of the Act (redesignated (d)) provides that on termination of the operating-subsidy contract, amounts in the funds shall be the property of the contractor except for sums due the United States. Section 22 of the bill conforms this provision to the provisions allowing unsubsidized operators in foreign trade to have capital reserve funds and abolishing special reserve funds.

Sec. 23. Section 607(g) of the Act (redesignated (e)) provides that with the consent of the Secretary, the contractor can voluntarily increase the amounts in his reserve funds by depositing any or all earnings otherwise available for distribution to stockholders. Section 23 of the bill conforms this provision to the provisions permitting unsubsidized operators in foreign trade to have capital reserve funds and abolishing special reserve funds.

Sec. 24. Section 607(h) of the Act (redesignated (f)) provides that earnings deposited in his reserve funds (except earnings withdrawn from his special reserve fund into his general funds or distributed as dividends) are exempt from all Federal taxes. The section further provides that earnings withdrawn from the special reserve fund shall be taxed as though earned in the year of withdrawal. Section 24 of the bill conforms this provision to the provisions that unsubsidized operators may create a capital reserve fund and abolish special reserve funds. Section 24 of the bill imposes interest on the amount of tax that would have been due in the year the earnings were deposited, from the date of deposit to the date of withdrawal, at the rate per annum provided in the Internal Revenue Code of 1954 with respect to taxes not paid on or before the last day prescribed for payment. Currently, the rate provided by the Internal Revenue Code is 6 percent. The imposition of this interest should remove any incentive to accumulate reserve fund monies. Accumulation of earnings in the reserve fund without new ship construction will be of no benefit to vessel owners.

Sec. 25. This section adds a new subsection (g) to section 607 which would define the term "United States foreign trade" as including those areas of domestic trade in which a vessel built with construction-differential subsidy may operate under section 506 of the Act. This section would also define "vessel" as a vessel built in the continental United States and documented under the laws of the United States. The purpose of these provisions is to equalize the situation of unsubsidized operators in foreign trade with that of subsidized operators so far as use of ships built with tax deferred funds is concerned.

This section would also add a new subsection (h) to section 607 which would authorize the Secretary of Commerce and the Secretary of the Treasury jointly to prescribe rules and regulations necessary under this section. Under the present tax deferred provisions of section 607, the tax liability of the subsidized operators is determined under closing agreements entered into between the operator and the Treasury. It is expected that the regulations prescribed under the authority of new subsection (h) would generally follow the form of the present closing agreements with subsidized operators and thereby provide a uniform basis for determining the tax liability of operators that enjoy the benefits extended by section 607 as it would be amended.

Sec. 26. Section 803 of the Act provides that it is unlawful for any contractor receiving an operating-differential subsidy or any charterer under title VII to employ any person or concern performing or supplying ship-repair, ship-chandler, towboat or kindred services if the contractor or any related company or any member of their immediate families owns any pecuniary interest directly or indirectly in the person supplying such services. The chief purposes of this provision was to prevent the bleeding off of profits from the subsidized company to defeat recapture. Since the bill repeals the recapture provisions, section 26 of the bill repeals section 803 of the Act.

Sec. 27. Section 805(c) of the Act provides that no salary for personal services in excess of $25,000 paid by the contractor shall be taken into account for subsidy accounting purposes. The purpose of this provision was to protect the recapture rights of the United States. Since the bill repeals the recapture provisions, section 27 of the bill repeals the foregoing provision. Under section 38 of the bill this repeal would be retroactively applied with respect to seafaring personnel.

Sec. 28. Section 1101(c) of the Act defines the term "vessel" for purposes of granting loan and mortgage insurance. Section 28 of the bill amends this section to include oceanographic research or instruction vessels.

Sec. 29. Section 1103(e) of the Act limits the amount of loan and mortgage insurance that can be outstanding at any one time to $1 billion. To accommodate the enlarged program planned, section 29 of the bill would increase this amount to $3 billion.

Sec. 30. Section 1104(a) of the Act permits mortgage insurance to be granted only on vessels which are designed principally for commercial use. To permit such insurance on oceanographic research vessels, section 30 of the bill amends this section to include research as a use.

Sec. 31. Section 1104(b) permits granting of loan insurance only on vessels designed principally for commercial use. To permit such insurance on oceanographic vessels section 31 of the bill amends the section to permit research as a use. Section 1104(b) permits loan insurance on any vessel only if there is a down payment of 25 percent. If, however, the vessel would have been eligible for aid under section 509 of the Act (that is, is built without construction subsidy and is of at least the size and speed specified in that section) mortgage insurance can be granted if there is a down payment of only 12½ percent. Section 31 of the bill conforms these two provisions by amending section 1104(b) of the Act to permit a 12½ percent down payment for loan insurance, if that is all that is required for mortgage insurance.

Sec. 32. Title XII of the Act authorizes the Secretary to grant war risk insurance on vessels when such insurance cannot be obtained commercially on reasonable terms and conditions. The title was first enacted in 1950 for a 5 year term and has been extended at 5 year intervals since then. Section 32 of the bill would extend the expiration date of this title to September 7, 1975.

Sec. 33. This section would strike out of sections 210, 211, 501, 502, 503, 504, 505, 601(a), 602, 603, 605(c), 606, and 607 of the Merchant Marine Act, 1936, the word "Commission" wherever it appears and would substitute therefor the words "Secretary of Commerce". This will conform these sections to the provisions of Reorganization Plan No. 21 of 1950 and Reorganization Plan No. 7 of 1961 which abolished the United States Maritime Commission and placed the functions under these sections in the Secretary of Commerce.

Sec. 34. The last sentence of section 201(b) of the Merchant Marine Act, 1936, provides that it shall be unlawful for any member, officer or employee of the United States Maritime Commission to be in the employ of any other person, firm or corporation, or to have any pecuniary interest in, or hold any official relationship with, any carrier by water, shipbuilder, contractor, or other person, firm, association or corporation with whom the United States Maritime Commission may have business relations. Reorganization Plan No. 21 of 1950 abolished the United States Maritime Commission, created the Maritime Administration and the Federal Maritime Board, divided the functions of the former United States Maritime Commission between the Secretary of Commerce and the Federal Maritime Board, and applied the last sentence of section 201(b) of the 1936 Act to the Federal Maritime Board and to the officers and employees of the Federal Maritime Board and the Maritime Administration. Reorganization Plan No. 7 of 1961 abolished the Federal Maritime Board, created the Federal Maritime Commission, transferred the Board's regulatory functions to the Federal Maritime Commission and its promotional functions to the Secretary of Commerce, and applied the last sentence of section 201(b) of the 1936 Act to the Commissioners of the Federal Maritime Commission and all officers and employees of the Commission and to the Maritime Administrator and all officers and employees of the Maritime Administration. This requires the Maritime Administration to administer two sets of conflict of interest laws; namely, section 201(b) of the 1936 Act, and the general conflict of interest laws which are applicable to all government employees (Chapter 11 of title 18 U.S.C.). To avoid this duplication, section 34 of the bill would amend the last sentence of section 201(b) so that it would be applicable only to the Federal Maritime Commissioners and the officers and employees of the Commission. The Maritime Administrator and all officers and employees of the Maritime Administration would continue to be subject to the provision of chapter 11 of title 18 U.S.C.

Sec. 35. Section 35 of the bill would make an amendment of Reorganization Plan No. 21 of 1950 similar to the amendment section 34 would make to section 201(b) of the 1936 Act.

Sec. 36. Section 36 of the bill would make amendment of Reorganization Plan No. 7 of 1961 similar to the amendment section 34 of the bill would make to section 201(b) of the Act.

Sec. 37. The Miller Act [46 Stat. 793; 40 U.S.C. 270a] provides that any contractor constructing a public work in excess of $2,000 shall furnish a performance bond for the protection of the United States and a payment bond for the protection of persons furnishing materials and labor. A vessel constructed for the United States, or repairs to a vessel owned by the United States, constitute a public work within the meaning of this statute. Most of the ship construction in which the Maritime Administration participates is subsidized under section 504 of the Merchant Marine Act, 1936, and the Miller Act does not apply to this construction, because the private operator rather than the United States obtains title to the vessel. With respect to this construction, we do not require the successful bidder to obtain performance and payment bonds if he has financial assets of a magnitude sufficient to cover its performance and payment obligations. The Maritime Administration is required by the Miller Act to obtain performance and payment bonds when it constructs ships under the Economy Act for other government agencies; when it constructs ships under section 502 of the Merchant Marine Act, 1936, whereby it obtains title and agrees to sell the ship to an operator; when it repairs a vessel, such as in the process of breaking it out of the reserve fleet for general agency operations; and when it constructs ships under title VII of the Act. Section 36 of the bill would authorize the Secretary of Commerce to waive the provisions of the Miller Act. We would exercise this authority only if the successful bidder had sufficient financial assets to cover his performance and payment obligations. When such bonds can be waived, the cost of the ship is reduced, because the cost of the bonds is included in the bid. The Army, Navy, Air Force and Coast Guard now have authority to waive the provisions of the Miller Act.

Sec. 38 of the bill provides that the amendments made by the bill shall not affect existing contracts, but at the request of the operator the Secretary of Commerce may amend any operating-differential subsidy contract to include all (but not less than all) of the amendments made by the bill. The section further provides that if any contract is amended to include all such amendments, the operator's recapture period shall be closed as of the effective date of the amendment and recapture shall be computed on the basis of the shortened period. In determining the rights and obligations of the contractor under the contract, the amendments to the contract would be required to provide that, with respect to seafaring personnel, the repeal of section 805(c) of the Act is retroactive. Under this provision, wages paid to seafaring personnel in excess of $25,000 would be taken into account on a retroactive basis under the Act. The section also authorizes the Secretary to permit transfers from the special reserve fund to the capital reserve fund.

Sec. 39 of the bill establishes a Commission on American Shipbuilding to review the status of the American shipbuilding industry, to determine whether the industry can achieve a level of productivity by 1976 so that construction-differential subsidy payable will not exceed 35 percent of United States construction costs and to recommend the steps that should be taken by industry and government to improve the competitive position of the industry. If the Commission concludes that construction-differential subsidy cannot be reduced to 35 percent, the Commission is to recommend alternatives to the present ship construction program. The Commission would be required to report within 3 years of the enactment of the bill or if the Secretary of Commerce shall have given the Commission notice that a contract requiring a construction differential in excess of the specified percentage goals has been entered into, the Commission shall report within six months of such notification.

Comparative Text Showing the Changes the Draft Bill "To Amend the Merchant Marine Act, 1936" Would Make in Existing Law

Note.—Deletions are shown by brackets; new material is printed in italic.

Sec. 101. It is necessary for the National defense and development of its foreign and domestic commerce that the United States shall have a merchant marine (a) sufficient to carry its domestic water-borne commerce and a substantial portion of the water-borne export and import foreign commerce of the United States and to provide shipping [service on all routes] *capacity* essential for maintaining the flow of such domestic and foreign water-borne commerce at all times, (b) capable of serving as a naval and military auxiliary in time of war or national emergency, (c) owned and operated under the United States flag by citizens of the United States insofar as may be practicable, and (d) composed of the best-equipped, safest, and most suitable types of vessels, constructed in the United States and manned with a trained and efficient citizen personnel. It is hereby declared to be the policy of the United States to foster the development and encourage the maintenance of such a merchant marine.

Sec. 210. It shall be the duty of the [Commission] *Secretary of Commerce* to make a survey of the American merchant marine, as it now exists, to determine what additions and replacements are required to carry forward the national policy declared in section 101 of this Act, and the [Commission] *Secretary of Commerce* is directed to study, perfect, and adopt a long-range program for replacements and additions to the American merchant marine so that as soon as practicable the following objectives may be accomplished:

First, the creation of an adequate and well-balanced merchant fleet, including vessels of all types, to provide shipping *capacity* [service on all routes] essential for maintaining the flow of the foreign commerce of the United States, the vessels in such fleet to be so designed as to be readily and quickly convertible into transport and supply vessels in a time of national emergency. In planning the development of such a fleet the [Commission] *Secretary of Commerce* is directed to cooperate closely with the Navy Department as to national-defense needs and the possible speedy adaptation of the merchant fleet to national-defense requirements.

Second, the ownership and the operation of such a merchant fleet by citizens of the United States insofar as may be practicable.

Third, the planning of vessels designed to afford the best and most complete protection for passengers and crew against fire and all marine perils.

Sec. 211. The [Commission] *Secretary of Commerce* is authorized and directed to investigate, determine, and keep current records of—

(a) The ocean services, routes, and lines from ports in the United States, or in a Territory, district, or possession thereof, to foreign markets, which are, or may be, determined by the [Commission] *Secretary of Commerce* to be essential for the promotion, development, expansion, and maintenance of the foreign commerce of the United States, and in reaching [its] *his* determination the [Commission] *Secretary of Commerce* shall consider and give due weight to the cost of maintaining each of such steamship lines, the probability that any such line cannot be maintained except at a heavy loss disproportionate to the benefit accruing to foreign trade, the number of sailings and types of vessels that should be employed in such lines, and any other facts and conditions that a prudent businessman would consider when dealing with his own business, with the added consideration, however, of the intangible benefit the maintenance of any such line may afford to the foreign commerce of the United States and to the national defense;

(b) The bulk cargo carrying services that should, for the promotion, development, expansion and maintenance of the foreign commerce of the United States and for the national defense or other national requirements be provided by United States flag vessels whether or not operating on particular services, routes or lines.

[b]*(c)* The type, size, speed, and other requirements of the vessels, including express-liner or super-liner vessels, which should be employed in such services or on such routes or lines, and the frequency and regularity of the sailings of such vessels, with a view to furnishing adequate, regular, certain, and permanent service, *or which should be employed to provide the bulk cargo carrying services necessary to the promotion, maintenance, and expansion of the foreign commerce of the United States and its national defense or other national requirements whether or not such vessels operate on a particular service, route or line;*

[c]*(d)* The relative cost of construction of comparable vessels in the United States and in foreign countries;

[d]*(e)* The relative cost of marine insurance, maintenance, repairs, wages and subsistence of officers and crews, and all other items of expense, in the operation of comparable vessels [in particular services, routes, and lines] under the laws, rules, and regulations of the United States and under those of the foreign countries whose vessels are substantial competitors of any such American [service, route, or line] *vessel;*

[e]*(f)* The extent and character of the governmental aid and subsidies granted by foreign governments to their merchant marine;

[f]*(g)* The number, location, and efficiency of the shipyards existing on the date of the enactment of this Act or thereafter built in the United States;

[g]*(h)* To investigate and determine what provisions of this Act and other Acts relating to shipping should be made applicable to aircraft engaged in foreign commerce in order to further the policy expressed in this Act, and to recommend appropriate legislation to this end;

[h]*(i)* The advisability of enactment of suitable legislation authorizing the [Commission] *Secretary of Commerce,* in an economic or commercial emergency, to aid the farmers and cotton, coal, lumber, and cement producers in any section of the United States in the transportation and landing of their products in any foreign port, which products can be carried in dry-cargo vessels by reducing rates, by supplying additional tonnage to any American operator, or by operation of vessels directly by the [Commission] *Secretary of Commerce,* until such time as the [Commission] *Secretary of Commerce* shall deem such special rate reduction and operation unnecessary for the benefit of the American farmers and such producers; and

[i]*(j)* New designs, new methods of construction, and new types of equipment for vessels; the possibilities of promoting the carrying of American foreign trade in American vessels; and intercoastal and inland water transportation, including their relation to transportation by land and air.

Sec. 501. (a) [Any citizen of the United States] *Any shipyard in the continental United States of America* may make application to the [Commission] *Secretary of Commerce* for a construction-differential subsidy to aid in the construction of a new vessel to be used in the foreign commerce of the United States. No such application shall be approved by the [Commission] *Secretary of Commerce* unless [it] *he* determines that (1) the plans and specifications call for a new vessel which will meet the requirements of the foreign commerce of the United States, will aid in the promotion and development of such commerce, and be suitable for use by the United States for national defense or military purposes in time of war or national emergency; [(2) the applicant possesses the ability, experience, financial resources and other qualifications necessary to enable it to operate and maintain the proposed new vessel,] and [(3)] *(2)* the granting of the aid applied for is reasonably calculated [to replace worn-out or obsolete tonnage with new and modern ships, or otherwise] to carry out effectively the purposes and policy of this Act. [The contract of sale, and the mortgage given to secure the payment of the unpaid balance of the purchase price shall not restrict the lawful or proper use or operation of the vessel except to the extent expressly required by law.] *The Secretary of Commerce may give preferred consideration to applications that will tend to reduce construction-differential subsidies and that propose the construction of ships of high transport capability and productivity.*

(b) The [Commission] *Secretary of Commerce* shall submit the plans and specifications for the proposed vessel to the Navy Department for examination thereof and suggestion for such changes therein as may be deemed necessary or proper in order that such vessel shall be suitable for economical and speedy conversion into a naval or military auxiliary, or otherwise suitable for the use of the United States Government in time of war or national emergency. If the Secretary of the Navy approves such plans and specifications as submitted or as modified, in accordance with the provisions of this subsection, he shall certify such approval to the [Commission] *Secretary of Commerce.*

(c) Any citizen of the United States *or any shipyard in the continental United States* may make application to the [Commission] *Secretary of Commerce* for a construction-differential subsidy to aid in reconstructing or reconditioning any vessel that is to be used in the foreign commerce of the United States. If the [Commission] *Secretary of Commerce,* in the exercise [its] *his* discretion, shall determine that the granting of the financial aid applied for is reasonably calculated to carry out effectively the purposes and policy of this Act, the [Commission] *Secretary of Commerce* may approve such application and enter into a contract or contracts with the applicant therefor providing for the payment by the United States of a construction-differential subsidy that is to be ascertained, determined, controlled, granted, and paid, subject to all the applicable conditions and limitations of this title and under such further conditions and limitations as may be prescribed in the rules and regulations the [Commission] *Secretary of Commerce* has adopted as provided in section 204(b) of this Act; but the financial aid authorized by this subsection shall be extended to reconstruction or reconditioning only in exceptional cases and after a thorough study and a formal determination by the [Commission] *Secretary of Commerce* that the proposed reconstruction or reconditioning is consistent with the purposes and policy of this Act.

(d) Whenever a construction-differential subsidy is paid for the construction, reconstruction or reconditioning of a vessel under this title V the Secretary of Commerce may require that such new vessel or reconstructed vessel shall be operated only on certain services, routes or lines or in certain bulk cargo carrying services and that the operator shall be approved by the Secretary of Commerce. Such requirements shall run with the title to the vessel and shall be binding on all owners thereof. Upon application of the owner, the Secretary may from time to time modify or rescind such requirements.

SEC. 502. (a) If the Secretary of the Navy certifies his approval under section 501(b) of this Act, and the [Commission] *Secretary of Commerce* approves the application, [it] *he* may secure [, on behalf of the applicant,] bid for the construction of the proposed vessel according to the approved plans and specifications. If the bid of the shipbuilder who is the lowest responsible bidder is determined by the [Commission] *Secretary of Commerce* to be fair and reasonable, the [Commission] *Secretary of Commerce* may approve such bid, and [if such approved bid is accepted by the applicant, the Commission is authorized to] enter into a contract with the successful bidder for the construction, outfitting, and equipment of the proposed vessel, and for the payment by the [Commission] *Secretary of Commerce* to the shipbuilder, on terms to be agreed upon in the contract, of the contract price of the vessel, out of the construction fund hereinbefore referred to, or out of other available funds. Concurrently with entering into such contract with the shipbuilder, the [Commission] *Secretary of Commerce* is authorized to enter into a contract [with the applicant for the purchase by him] *for the sale* of such vessel upon its completion, *to a citizen of the United States, if the Secretary of Commerce determines that such citizen possesses the ability, experience, financial resources, and other qualifications necessary to enable it to operate and maintain the vessel,* at a price corresponding to the estimated cost, as determined by the [Commission] *Secretary of Commerce* pursuant to the provisions of this Act, of building such vessel in a foreign shipyard.

(b) The amount of the reduction in selling price which is herein termed "construction differential subsidy" may equal, but not exceed, the excess of the bid of the shipbuilder construction the proposed vessel (excluding the cost of any features incorporated in the vessel for national defense uses, which shall be paid by the Secretary in addition to the subsidy), over the fair and reasonable estimate of cost, as determined by the Secretary, of [the construction of the proposed vessel] *the construction of that type vessel* if it were constructed under similar plans and specifications (excluding national defense features as above provided) in a foreign shipbuilding center which is deemed by the Secretary to furnish a fair and representative example for the determination of the estimated foreign cost of construction of vessels of the type proposed to be constructed. *The Secretary shall recompute such estimated foreign cost periodically, as necessary. Between recomputations the construction-differential subsidy shall be based on such estimated foreign cost, adjusted for the increases or decreases in labor and material costs. Such adjustments shall be based on the most reliable available statistics showing such increases or decreases.* The construction differential approved and paid by the Secretary shall not exceed 55 per centum of the construction cost of the vessel, except that in the case of reconstruction or reconditioning of a passenger vessel having the tonnage, speed, passenger accommodations and other characteristics set forth in section 503 of this Act, the construction differential approved and paid shall not exceed 60 per centum of the reconstruction or reconditioning cost (excluding the cost of national defense features as above provided): *Provided, however,* That after June 30, 1970, the construction differential approved by the Secretary shall not exceed in the case of the construction, reconstruction or reconditioning of any vessel, 50 per centum of such cost. When the Secretary finds that the construction-differential [in any case] exceeds [the foregoing applicable percentage of such cost] *the following percentages*:

	Percent
In fiscal year 1971	*45*
In fiscal year 1972	*43*
In fiscal year 1973	*41*
In fiscal year 1974	*39*
In fiscal year 1975	*37*
In fiscal year 1976 and thereafter	*35*

the Secretary may negotiate *with any bidder, whether or not such bidder is the lowest bidder,* and contract *with such bidder, notwithstanding the provisions of section 505 with respect to competitive bidding,* [on behalf of the applicant] to construct, reconstruct, or recondition such vessel in a domestic shipyard at a cost which will reduce the construction-differential to such applicable percentages, *or as close thereto as possible, or less. Commencing with the fiscal year 1972 no construction contract requiring a construction-differential in excess of the applicable percentages set forth in the preceding sentence shall be entered into unless the Secretary shall have given due consideration to the likelihood that the above percentages will not be attained and that the commitment to the ship construction program may not be continued. If the Secretary of Commerce enters into such a contract, he shall notify the Commission on American Shipbuilding of such contract and the Commission on American Shipbuilding shall, not later than six months after such notification, submit its report on the American Shipbuilding industry.* In the event that the Secretary has reason to believe that the bidding in any instance, is collusive, he shall report all of the evidence on which he acted (1) to the Attorney General of the United States, and (2) to the President of the Senate and to the Speaker of the House of Representatives if the Congress shall be in session or if the Congress shall not be in session, then to the Secretary of the Senate and Clerk of the House, respectively.

(c) In such contract *of sale* between the *purchaser* [applicant] and the [Commission] *Secretary of Commerce,* the *purchaser* [applicant] shall be required to make cash payments to the [Commission] *Secretary of Commerce* of not less than 25 per centum of the price at which the vessel is sold to the *purchaser* [applicant]. The cash payments shall be made at the time and in the same proportion as provided for the payments on account of the construction cost in the contract between the shipbuilder and the [Commission] *Secretary of Commerce.* The *purchaser* [applicant] shall pay, not less frequently than annually, interest [at the rate of 3½ per centum per annum] on those portions of the [Commission's] *Secretary of Commerce's* payments as made to the shipbuilder which are chargeable to the *purchaser's portion of the* [applicant's purchase] price of the vessel (after deduction of the *purchaser's* [applicant's] cash payments) *at a rate not less than (i) a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the U.S. with remaining periods to maturity comparable to the average maturities of such loans, adjusted to the nearest one-eighth of one per centum, plus (ii) an allowance adequate in the judgment of the Secretary of Commerce to cover administrative costs.* The balance of such purchase price shall be paid by the *purchaser* [applicant], within twenty-five years after delivery of the vessel and in not to exceed twenty-five equal annual installments, the first of which shall be payable one year after the delivery of the vessel by the [Commission] *Secretary of Commerce* to the *purchaser* [applicant]. Interest at the rate *per annum applicable to payments that are chargeable to the purchaser's portion of the price of the vessel* [of 3½ per centum per annum] shall be paid on all such installments of the purchase price remaining unpaid.

(Subsection (d) was repealed by section 2(a) of Public Law 87–877 (76 Stat. 1200)).

(e) If no bids are received for the construction, outfitting, or equipping of such vessel, or if it appears to the [Commission] *Secretary of Commerce* that the bids received from privately owned shipyards of the United States are collusive, excessive, or unreasonable, and if *a citizen of the United States* [the applicant] agrees to purchase said vessel as provided in this section, then, to provide employment for citizens of the United States, the [Commission] *Secretary of Commerce* may have such vessel constructed, outfitted, or equipped at not in excess of the actual cost thereof in a navy yard of the United States under such regulations as may be promulgated by the Secretary of the Navy and the [Commission] *Secretary of Commerce.* In such event the [Commission] *Secretary of Commerce* is authorized to pay for any such vessel so constructed from [its] *his* construction fund. The [Commission] *Secretary of Commerce* is authorized to sell any vessel so constructed, outfitted, or equipped in a navy yard to *a citizen of the United States* [an applicant] for the fair and reasonable value thereof, but at not less than the cost thereof less the equivalent to the construction-differential subsidy determined as provided by subsection (b), such sale to be in accordance with all the provisions of this title.

(f) The Secretary of Commerce, with the advice of and in coordination with the Secretary of the Navy, shall, at least once each year, as required for purposes of this Act, survey the existing privately owned shipyards capable of merchant ship construction, or review available data on such shipyards if deemed adequate, to determine whether their capabilities for merchant ship construction, including facilities and skilled personnel, provide an adequate mobilization base at strategic points for purposes of national defense and national emergency. The Secretary of Commerce, in connection with ship construction, reconstruction, reconditioning, or remodeling under title VII and section 509, and the Federal Maritime Board, in connection with ship construction, reconstruction, or reconditioning under title V (except section 509), upon a basis of a finding that the award of the proposed construction, reconstruction, reconditioning, or remodeling work will remedy an existing or impending inadequacy in such mobilization base as to the capabilities and capacities of a shipyard or shipyards at a strategic point, and after taking into consideration the benefits accruing from standardized construction, the conditions of unemployment, and the needs and reasonable requirements of all shipyards may allocate such construction, reconstruction, reconditioning, or remodeling to such yard or yards in such manner as it may be determined to be fair, just and reasonable to all sections of the country, subject to the provisions of this subsection. In the allocation of construction work to such yards as herein provided, the [Commission] *Secretary of Commerce* may, after first obtaining competitive bids for such work in compliance with the provisions of this Act, negotiate with the bidders and with other shipbuilders concerning the terms and conditions of any contract for such work, and is authorized to enter into such contract at a price deemed by the [Commission] *Secretary of Commerce* to be fair and reasonable. Any contract entered into by the [Commission] *Secretary of Commerce* under the provisions of this subsection shall be subject to all of the terms and conditions of this Act, excepting those pertaining to the awarding of contracts to the lowest bidder which are inconsistent with the provisions of this subsection. In the event that a contract is made providing for a price in excess of the lowest responsible bid which otherwise would be accepted, such excess shall be paid by the [Commission] *Secretary of Commerce* as a part of the cost of national defense, and shall not be considered as a part of the construction-differential subsidy. In the event that a contract is made providing for a price lower than the lowest responsible bid which otherwise would be accepted, the construction-differential subsidy shall be computed on the contract price in lieu of such bid.

If, as a result of allocation under this subsection, the *purchaser* [applicant] incurs expenses for inspection and supervision of the vessel during construction and for the delivery voyage of the vessel in excess of the estimated expenses for the same services that he would have incurred if the vessel had been constructed by the lowest responsible bidder the Secretary of Commerce (with respect to construction under title V, except section 509) shall reimburse the *purchaser* [applicant] for such excess, less one-half of any gross income the *purchaser* [applicant] receives that is allocable to the delivery voyage minus one-half of the extra expenses incurred to produce such gross income, and such reimbursement shall not be considered part of the construction-differential subsidy: Provided, That no interest shall be paid on any refund authorized under this Act. If the vessel is constructed under section 509 the Secretary of Commerce shall reduce the price of the vessel by such excess, less one-half of any gross income (minus one-half of the extra expenses incurred to produce such gross income) the *purchaser* [applicant] receives that is allocable to the delivery voyage. In the case of a vessel that is not to receive operating-differential subsidy, the delivery voyage shall be deemed terminated at the port where the vessel begins loading. In the case of a vessel that is to receive operating-differential subsidy, the delivery voyage shall be deemed terminated when the vessel begins loading at a United States port [on any] *in an* essential service [of the operator]. In either case, however, the vessel owner shall not be compensated for excess vessel delivery costs in an amount greater than the expenses that would have been incurred in delivering the vessel from the shipyard at which it was built to the shipyard of the lowest responsible bidder. If as a result of such allocation, the expenses the *purchaser* [applicant] incurs with respect to such services are less than the expenses he would have incurred for such services if the vessel had been constructed by the lowest responsible bidder, the *purchaser* [applicant] shall pay to the Secretary of Commerce an amount equal to such reduction and, if the vessel was built with the aid of construction-differential subsidy, such payment shall not be considered a reduction of the construction-differential subsidy.

(g) Upon the [agreement] *dpplication* of [an applicant under this title] *any citizen of the United States* to purchase any vessel acquired by the [Commission] *Secretary of Commerce* under the provisions of section 215, the [Commission] *Secretary of Commerce* is authorized to sell such vessel to the applicant for the fair and reasonable value thereof, but at not less than the cost thereof to the [Commission] *Secretary of Commerce,* less depreciation at the rate of 4 percentum per annum from the date of completion, excluding the cost of national-defense features added by the [Commission] *Secretary of Commerce,* less the equivalent of any applicable construction-differential subsidy as provided by subsection (b), such sale to be in accordance with all the provisions of this title. Such vessel shall thereupon be eligible for an operating-differential subsidy under title VI of this Act, notwithstanding the provisions of section 601(a)(1), and section 610 (1), or any other provision of law.

Sec. 503. Upon completion of the construction of any vessel in respect to which a construction-differential subsidy is to be allowed under this title and its delivery by the shipbuilder to the [Commission] *Secretary of Commerce,* the vessel shall be documented under the laws of the United States, and concurrently therewith, or as soon thereafter as practicable, the vessel shall be delivered with a bill of sale to the [applicant] *purchaser* with warranty against liens, pursuant to the contract of [purchase between the applicant and the Commission] *sale between the purchaser and the Secretary of Commerce.* The vessel shall remain documented under the laws of the United States for not less than twenty-five years, or so long as there remains due the United States any principal or interest on account of the purchase price, whichever is the longer period. At the time of delivery of the vessel the [applicant] *purchaser* shall execute and deliver a first-preferred mortgage to the United States to secure payment of any sums due from the [applicant] *purchaser* in respect to said vessel: Provided, That notwithstanding any other provisions of law, the payment of any sums due in respect to a passenger vessel purchased under section 4(b) of the Merchant Ship Sales Act of 1946, reconverted or restored for normal operation in commercial services, or in respect to a passenger vessel purchased under title V of this Act, which is delivered subsequent to March 8, 1946, and which (i) is of not less than ten thousand gross tons, (ii) has a designed speed approved by the [Commission] *Secretary of Commerce* but not less than eighteen knots, (iii) has accommodations for not less than two hundred passengers, and, (iv) is approved by the Secretary of Defense as being desirable for national defense purposes, may, with the approval of the [Commission] *Secretary of Commerce,* be secured only by a first-preferred mortgage on said vessel. With the approval of the [Commission] Secretary of Commerce such preferred mortgage may provide that the sole recourse against the purchaser of such a passenger vessel under such mortgage, and any of the notes secured thereby, shall be limited to repossession of the vessel by the United States and the assignment of insurance claims, if the purchaser shall have complied with all provisions of the mortgage other than those relating to the payment of principal and interest when due, and the obligation of the purchaser shall be satisfied and discharged by the surrender of the vessel, and all right, title, and interest therein to the United States. Such vessel upon surrender shall be (i) free and clear of all liens and encumbrances whatsoever, except the lien of the preferred mortgage, (ii) in class, and (iii) in as good order and condition, ordinary wear and tear excepted, as when acquired by the purchaser, except that any deficiencies with respect to freedom from encumbrances, condition, and class, may, to the extent covered by valid policies of insurance, be satisfied by the assignment to the United States of claims of the purchaser under such policies of insurance. The purchaser shall also comply with all the provisions of section 9 of the Merchant Marine Act, 1920.

Sec. 504. [Where an eligible applicant under the terms of this title desires to finance the construction of a proposed vessel according to approved plans and specifications rather than purchase the same vessel from the Commission as hereinabove authorized, the Commission may permit the applicant to obtain and submit to it competitive bids from domestic shipyards for such work. If the Commission considers the bid of the shipyard in which the applicant desires to have the vessel built fair and reasonable, it may approve such bid and become a party to the contract or contracts or other arrangements for the construction of such proposed vessel and may agree to pay a construction-differential subsidy in an amount determined by the Commission in accordance with section 502 of this title, and for the cost of national-defense features. The construction-differential subsidy and payments for national-defense features shall be based on the lowest responsible domestic bid.]

If a qualified purchaser under the terms of this title desires to purchase a vessel to be constructed in accordance with an application for construction-differential subsidy under this title, the Secretary of Commerce may, in lieu of contracting to pay the entire cost of the vessel under section 502, contract to pay only construction-differential subsidy and the cost of national-defense features to the shipbuilder constructing such vessel. The construction-differential subsidy and payments for the cost of national-defense features shall be based upon the lowest responsible domestic bid unless the vessel is constructed under a contract negotiated by the Secretary of Commerce as provided in section 502(b) in which event the construction-differential subsidy and payments for the cost of national-defense features shall be based upon such negotiated price. No construction-differential subsidy, as provided in this section, shall be paid unless the said contract or contracts or other arrangements contain such provisions as are provided in this title to protect the interests of the United States as the [Commission] *Secretary of Commerce* deems necessary. Such vessel shall be documented under the laws of the United States as provided in section 503 of this title. [The contract of sale, and the mortgage given to secure the payment of the unpaid balance of the purchase price, shall not restrict the lawful or proper use or operation of the vessel, except to the extent expressly required by law.]

Sec. 505. [(a)] All construction in respect of which a construction-differential subsidy is allowed under this title shall be performed in a shipyard within the continental limits of the United States as the result of competitive bidding, after due advertisement, with the right reserved in [the applicant to reject, and in] the [Commission] *Secretary of Commerce* to disapprove, any or all bids. [In all such construction the shipbuilder, subcontractors, materialmen, or suppliers shall use.] *Any material or other articles used in the construction of a vessel and included in the United States construction cost for the purpose of determining the construction-differential subsidy payable and all major components of the hull and superstructure shall,* so far as practicable, [only articles, materials, and supplies] *be* of the growth, production, or manufacture of the United States as defined in paragraph k of section 401 of the Tariff Act of 1930. No shipbuilder shall be deemed a responsible bidder unless he possesses the ability, experience, financial resources, equipment, and other qualifications necessary properly to perform the proposed contract. Each bid submitted to the [Commission] *Secretary of Commerce* shall be accompanied by all detailed estimates upon which it is based. The [Commission] *Secretary of Commerce* may require that the bids of any subcontractors, or other pertinent data, accompany such bid. All such bids and data relating thereto shall be kept permanently on file. For the purposes of this [subsection] *title V,* the term "continental limits of the United States" includes the States of Alaska and Hawaii.

[(b) No contract shall be made for the construction of any vessel under this Act unless the shipbuilder shall agree (1) to make a report under oath to the Commission upon completion of the contract, setting forth in the form prescribed by the Commission the total contract price, the total cost of performing the contract, the amount of the shipbuilder's overhead charge to such cost, the net profits and the percentage such net profits bears to the contract price, and such other information as the Commission shall prescribe; (2) to pay to the Commission profit, as hereinafter provided shall be determined by the Commission, in excess of 10 per centum of the total contract prices of such contracts within the scope of this section as are completed by the particular contracting party within the income taxable year, such amount to become the property of the United States, but the surety under such contracts shall not be liable for the payment of such excess profit: Provided, That is there is a net loss on all such contracts or subcontracts completed by the particular contractor or subcontractor within any income taxable year, such net loss shall be allowed as a credit in determining the excess profit, if any, for the next succeeding income taxable year: *Provided,* That if such amount is not voluntarily paid, the Commission shall determine the amount of such excess profit and collect it in the same manner that other debts due the United States may be collected; (3) to make no subdivisions of any contract or subcontract for the same article or articles for the purpose of evading the provisions of this Act, and any subdivision of any contract or subcontract involving an amount in excess of $10,000 shall be subject to the conditions herein prescribed; (4) that the books, files, and all other records of the shipbuilder, or any holding, subsidiary, affiliated, or associated company, shall at all times be subject to inspection and audit by any person designated by the Commission, and the premises, including ships under construction, of the shipbuilder, shall at all reasonable times be subject to inspection by the agents of the Commission; and (5) to make no subcontract unless the subcontractor agrees to the foregoing conditions: *Provided,* That this section shall not apply to contracts or subcontracts for scientific equipment used for communication and navigation as may be so designated by the Commission, nor to contracts or other arrangements entered into under this title by the terms of which the United States undertakes to pay only for national-defense features.]

[(c) The method of determining the shipbuilder's profit shall be prescribed by the Commission: *Provided,* That in computing such profits no salary of more than $25,000 per year to any individual shall be considered as a part of the cost of building such ship, and the Commission shall scrutinize construction costs and overhead expenses to determine that they are fair, just, and not in excess of a reasonable market price for commodities or goods or services purchased or charged.]

[(d) The Commission may, with the consent of the Secretary of the Treasury, utilize the services of Treasury Department employees engaged in similar functions in the determination or collection of shipbuilder profits in naval construction.]

[(e) If the shipbuilder whose bid has been approved by the Commission and accepted by the applicant, as provided in section 502 of this title, shall refuse to agree to any of the requirements of this section, the Commission is authorized to rescind its approval of such bid and to advertise for new bids, or, in its discretion, the Commission may have the vessel or vessels in question constructed in a United States navy yard.]

Sec. 510(a) When used in this section—

(1) The term "obsolete vessel" means a vessels, each of which (A) is of not less than one thousand three hundred and fifty gross tons, (B) [is not less than seventeen years old and, in the judgment of the Commission, is obsolete or inadequate for successful operation in the domestic or foreign trade of the United States] *in the judgment of the Secretary of Commerce, should, by reason of age, obsolescence or otherwise, be replaced in the public interest* and (C) *has been owned* [is owned] by a citizen or citizens of the United States [and has been owned by such citizen or citizens] for at least three years immediately prior to the date of acquisition hereunder [:Provided, That until June 30, 1965, the term "obsolete vessel" shall mean a vessel or vessels, each of which (A) is of not less than one thousand three hundred and fifty gross tons, (B) is not less than twelve years old, and (C) is owned by a citizen or citizens of the United States and has been owned by such citizen or citizens for at least three years immediately prior to the date of acquisition hereunder].

Sec. 510. (1) In order to improve the type and suitability of vessels operating in the domestic and foreign commerce of the United States and to further the policies of this Act, the Secretary of Commerce is authorized (subject to the provisions of this subsection) to acquire at any time before July 5, [1970] *1972,* vessels of one thousand five hundred gross tons or over [which were constructed or contracted for by the United States shipyards before September 3, 1945,] in exchange for more modern or efficient [war-built vessels (which are defined for purposes of this subsection as] oceangoing vessels of one thousand five hundred gross tons or over [which were constructed or contracted for by the United States shipyards during the period beginning September 3, 1939, and ending September 2, 1945)] owned by the United States. Such exchanges shall be subject to the following conditions:

Sec. 601 (a) The [Commission] *Secretary of Commerce* is authorized and directed to consider the application of any citizen of the United States for financial aid in the operation of a vessel or vessels, which are to be used in an essential service in the foreign commerce of the United States or in such service and in cruises authorized under section 613 of this title. *In this title VI the term essential service means the operation of a vessel on a service, route or line described in section 211(a) or in bulk cargo carrying service described in section 211(b).* No such application shall be approved by the [Commission] *Secretary of Commerce* unless [it] *he* determines that (1) the operation of such vessel or vessels in [such service, route, or line] *an essential service* is required to meet foreign-flag competition and to promote the foreign commerce of the United States except to the extent such vessels are to be operated on cruises authorized under section 613 of this title, and that such vessel or vessels were built in the United States, or have been documented under the laws of the United States not later than February 1, 1928, or actually ordered and under construction for the account of citizens of the United States prior to such date; (2) the applicant owns, or can and will build or purchase, a vessel or vessels of the size, type, speed, and number, and with the proper equipment required to enable him to operate [and maintain the service, route, or line] *in an essential service* in such manner as may be necessary to meet competitive conditions, and to promote foreign commerce; (3) the applicant possesses the ability, experience, financial resources, and other qualifications necessary to enable him to conduct the proposed operations of the vessel or vessels as to meet competitive conditions and promote foreign commerce; (4) the granting of the aid applied for is necessary to place the proposed operations of the vessel or vessels on a parity with those of foreign competitors, and is reasonably calculated to carry out effectively the purposes and policy of this Act. To the extent the application covers cruises, as authorized under section 613 of this title, the Board may make the portion of this last determination relating to parity on the basis that any foreign flag cruise from the United States competes with any American flag cruise from the United States.

Sec. 602. Except with respect to cruises authorized under section 613 of this title, no contract for an operating-differential subsidy shall be made by the [Commission] *Secretary of Commerce* for the operation of a vessel or vessels to meet foreign competition, except direct foreign-flag competition, until and unless the [Commission] *Secretary of Commerce,* after a full and complete investigation and hearing, shall determine that on operating subsidy is necessary to meet competition of foreign flag ships.

Sec. 603. (a) If the [Commission] *Secretary of Commerce* approves the application, [it] *he* may enter into a contract with the applicant for the payment of an operating-differential subsidy determined in accordance with the provisions of subsection (b) of this section, for the operation of such vessel or vessels in *an essential service* [such service, route, or line,] and in cruises authorized under section 613 of this title for a period not exceeding twenty years, and subject to such reasonable terms and conditions, consistent with this Act, as the [Commission] *Secretary of Commerce* shall require to effectuate the purposes and policy of this Act, including a performance bond with approved sureties, if such bond is required by the [Commission] *Secretary of Commerce.*

(b) Such contract shall provide that the amount of the operating-differential subsidy for the operation of vessels in an *essential service* [on a service, route or line] shall [not exceed the excess of] *be the difference between the subsidizable wage cost of United States officers and crews,* the fair and reasonable cost of insurance, *subsistence of officers and crews on passenger vessels, a defined in section 613 of this Act,* [maintenance, repairs not compensated by insurance, wages and subsistence of officers and crews, and any other items of expense in which the Commission shall find and determine that the applicant is at a substantial disadvantage in competition with vessels of the foreign country hereinafter referred to,] *and with respect to vessels constructed under a contract awarded before January 1, 1970, maintenance and repairs not compensated by insurance, incurred* in the operation under United States registry of the vessel or ves-

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sels covered by the contract, over the estimated fair and reasonable cost of the same items of expense (after deducting therefrom any estimated increase in such items necessitated by features incorporated pursuant to the provisions of section 501(b)) if such vessel or vessels were operated under the registry of a foreign country whose vessels are substantial competitors of the vessel or vessels covered by the contract: *PROVIDED, HOWEVER, That the Secretary of Commerce may, with respect to any vessel in an essential service, other than a vessel which operates as a common carrier on a service, route or line, pay, in lieu of the operating-differential subsidy provided by this subsection (b), such sums as he shall determine to be necessary to make the cost of operating such vessel competitive with the cost of operating similar vessels under the registry of a foreign country.* For any period during which a vessel cruises as authorized by section 613 of this Act, operating-differential subsidy shall be computed as though the vessel were operating on the essential service to which the vessel is assigned: PROVIDED, HOWEVER, That if the cruise vessel calls at a port or ports outside of its assigned service, but which is served with passenger vessels (as defined in section 613 of this Act) by another subsidized operator at an operating-differential subsidy rate for wages lower than the cruise vessel has on its assigned essential service, the operating-differential subsidy rates for each of the subsidizable items for each day (a fraction of a day to count as a day) that the vessel stops at such port shall be at the respective rates applicable to the subsidized operator regularly serving the area.

(c) *(1) When used in this section—*

(A) The term "collective bargaining costs" means the annual cost, calculated on the basis of the per diem rate of expense as of any date, of all items of expense incurred by the applicant under a collective bargaining agreement relating to the employment of United States officers and crews in the operation of a vessel except subsistence of officers and crews and costs relating to:

(i) those officers or members of the crew that the Secretary of Commerce has found, prior to the award of a contract for the construction or reconstruction of a vessel, to be unnecessary for the efficient and economical operation of such vessel, or

(ii) those officers or members of the crew that the Secretary of Commerce has found, prior to March 1, 1970, to be unnecessary for the efficient and economical operation of the vessel.

(B) The term "base period costs" means for the base period beginning July 1, 1970 and ending June 30, 1971, the collective bargaining costs as of January 1, 1971, less all other items of cost that have been disallowed by the Secretary of Commerce prior to March 1, 1970, and not already excluded from collective bargaining costs under subparagraph (A)(i) or (A)(ii) of this subsection. In any subsequent base period the term "base period costs" means the average of the subsidizable wage cost of United States officers and crews for the preceding annual period ending June 30, (calculated without regard to the limitation of the last sentence of paragraph (D) of this subdivision but increased or decreased by the increase or decrease in the index described in subdivision (3) of this subsection from January 1 of such annual period to January 1 of the base period) and the collective bargaining costs as of January 1 of the base period; Provided, That in no event shall the base period cost be such that the difference between the base period cost and the collective bargaining cost as of January 1 of any base period subsequent to the first base period, exceeds five-fourths of one percent of the collective bargaining costs as of such January 1 multiplied by the number of years that have elapsed since the most recent base period.

(C) The term "based period" means any annual period beginning July 1, and ending June 30 with respect to which a base period cost is established.

(D) The term 'subsidizable wage costs of United States officers and crews" in any period other than a base period means the most recent base period costs inreased or decreased by the increase or decrease from January 1 of such base period to January 1 of such period in the index described in subdivision (3) hereof, and with respect to a base period means the base period cost. The subsidizable wage costs of United States officers and crews in any period other than a base period shall not be less than 98 percent of the collective bargaining costs as of January 1 of such period nor greater than 110 percent of such collective bargaining costs.

(2) The Secretary of Commerce shall determine the collective bargaining costs on ships in subsidized operation as of January 1, 1971 and as of each January 1 thereafter, and shall as of intervals of not less than two years nor more than four years, establish a new base period cost.

(3) The Bureau of Labor Statistics shall compile the index referred to in subdivision (1). Such index shall consist of the average annual change in wages and benefits placed into effect for employees covered by collective bargaining agreements with an equal weight to be given to changes affecting employees in the transportation industry (excluding the offshore maritime industry) and to changes affecting employees in all private non-agricultural industries other than transportation. Such index shall be based on the materials regularly used by the Bureau of Labor Statistics in compiling its regularly published statistical series on wage and benefit changes arrived at through collective bargaining. Such materials shall remain confidential and not be subject to disclosure.

(d) *In determining foreign manning for purposes of this section in the foreign manning established for any foreign ship type with respect to any base period shall not be redetermined until the end of such period.*

(e) *The wage subsidy shall be payable monthly for the voyages completed during the month, upon the operator's certification that the subsidized vessels were in authorized service during the month.*

[c](*f*) The amount of [such] *the insurance and maintenance and repair and subsistence of officers and crews* subsidy shall be determined and payable on the basis of a final accounting made as soon as practicable after the end of each year or other period fixed in the contract. The [Commission] *Secretary of Commerce* may provide for in the contract, or otherwise approve, the payment from time to time during any such period of such amounts on account as [it] *he* deems proper. [Effective on and after July 1, 1962,] [s] *S*uch payments on account shall in no case exceed 90 per centum of the amount estimated to have accrued on account of such subsidy, except that, with respect to that part of the subsidy relating to any particular voyage, an additional 5 per centum may be paid to the contractor after such contractor's audit of voyage account for such voyage has been completed and the Secretary of Commerce has verified the correctness of the same. Any such payments shall be made only after there has been furnished to the [Commission] *Secretary of Commerce* such security as [it] *he* deems to be reasonable and necessary to insure refund of any overpayment.

[No such operating-differential subsidy shall be paid until the contractor shall have furnished evidence satisfactory to the Commission that the wages prescribed in accordance with subsection 301(a) of this Act have been paid to the ship's personnel.]

Sec. 605. * * *

(c) No contract shall be made under this title with respect to a vessel to be operated *in an essential service* [on a service, route, or line] served by citizens of the United States which would be in addition to the existing service, or services, unless the [Commission] *Secretary of Commerce* shall determine after proper hearing of all parties that the service already provided by vessels of United States registry [in such service, route, or line] is inadequate, and that in the accomplishment of the purposes and policy of this Act additional vessels should be operated thereon; and no contract shall be made with respect to a vessel operated or to be operated in *an essential service* [a service, route, or line] served by two or more citizens of the United States with vessels of United States registry, if the [Commission] *Secretary of Commerce* shall determine the effect of such a contract would be to give undue advantage or be unduly prejudicial, as between citizens of the United States, in the operation of vessels in *such essential service,* [competitive services, routes, or lines,] unless following public hearing, due notice of which shall be given to each *operator serving such essential service,* [line serving the route,] the [Commission] *Secretary of Commerce* shall find that it is necessary to enter into such contract in order to provide adequate service by vessels of United States registry. The [Commission] *Secretary of Commerce,* in determining for the purpose of this section whether services are competitive, shall take into consideration the type, size, and speed of the vessels employed, whether passenger or cargo, or combination passenger and cargo vessels, the ports or ranges between which they run, the character of cargo carried, and such other facts as [it] *he* may deem proper.

Sec. 606. Every contract for an operating-differential subsidy under this title shall provide (1) that the amount of the future payments to the contractor shall be subject to review and readjustment from time to time, but not more frequently than once a year, at the instance of the [Commission] *Secretary of Commerce* or of the contractor. If any such readjustment cannot be reached by mutual agreement, the [Commission] *Secretary of Commerce,* on [its] *his* own motion or on the application of the contractor, shall, after a proper hearing, determine the facts and make such readjustment in the amount of such future payments as [it] *he* may determine to be fair and reasonable and in the public interest. The testimony in every such proceeding shall be reduced to writing and filed in the office of the [Commission] *Secretary of Commerce.* [Its] *His* decision shall be based upon and governed by the changes which may have occurred since the date of the said contract, with respect to the items theretofore considered and on which such contract was based, and other conditions affecting shipping, and shall be promulgated in a formal order, which shall be accompanied by a report in writing in which the [Commission] *Secretary of Commerce* shall state [its] *his* findings of fact; (2) that the compensation to be paid under it shall be reduced, under such terms and in such amounts as the [Commission] *Secretary of Commerce* shall determine, for any periods in which the vessel or vessels are laid up; (3) that if the [Commission] *Secretary of Commerce* shall determine that a change in [the service, route, or line] *an essential service* which is receiving an operating-differential subsidy under this title, is necessary in the accomplishment of the purposes of this Act, [it] *he* may make such change upon such readjustment of payments to the contractor as shall be arrived at by the method prescribed in clause (1) of these conditions; (4) that if at any time the contractor receiving an operating-differential subsidy claims that he cannot maintain and operate his vessels [on such service, route, or line] *in an essential service,* with a reasonable profit upon his investment, and applies to the [Commission] *Secretary of Commerce* for a modification or rescission of his contract to maintain such *essential service* [service, route, or line] and the [Commission] *Secretary of Commerce* determines that such claim is proved, the [Commission] *Secretary of Commerce* shall modify or rescind such contract and permit the contractor to withdraw such vessels from such [service, route, or line] *essential service,* upon a date fixed by the [Commission] *Secretary of Commerce,* and upon the date of such withdrawal the further payment of the operating-differential subsidy shall cease and the contractor be discharged from any further obligation under such contract; [(5) that when at the end of any ten year period during which an operating-differential subsidy has been paid under a contract or consecutive contracts (such period to be computed from the end of the operator's last completed recapture period regardless of its duration, or from the beginning of subsidized operations if the operator has not previously completed a recapture period), or when prior to the end of such ten year period subsidized operations shall be finally terminated, if the net profit of the contractor on his subsidized vessel and services incident thereto during such period or time (without regard to capital gains and capital losses), after deduction of depreciation charges based upon a life expectancy of the subsidized vessels determined as provided in section 607(b), has averaged more than 10 per centum per annum upon the contractor's capital investment necessarily employed in the operation of the subsidized vessels, services, routes, and lines, the contractor shall pay to the United States an amount equal to one-half of such profits in excess of 10 per centum per annum as partial or complete reimbursement for operating-differential subsidy payments received by the contractor for such recapture period, but the amount of excessive profit so recaptured shall not in any case exceed the amount of the operating-differential subsidy payments theretofore made to the contractor for such period under such contract or consecutive contracts and the repayment of such reimbursement to the Commission shall be subject to the provisions of section 607; (6)] (5) that the contractor shall conduct his operations with respect to [the vessel's services, routes, and lines] *essential services* and any cruises authorized under section 613 of this title, covered by his contract in the most economical and efficient manner, [but with due regard to the wage and manning scales and working conditions prescribed by the Commission as provided in title III]; and [7] (*6*) that whenever practicable [the operator shall use] *an operator who receives subsidy with respect to subsistence of officers and crews shall use as such subsistence items* only articles, materials, and supplies of the growth, production, and manufacture of the United States, as defined in section 505a herein, except when it is necessary to purchase supplies [and equipment] outside the United States to enable such vessel to continue and complete her voyage [and the operator shall perform repairs to subsidized vessels] *and an operator who receives subsidy with respect to repairs shall perform such repairs* within the continental limits of the United States, except in an emergency. For the purpose of this section, the term "continental limits of the United States" includes the States of Alaska and Hawaii.

Sec. 601. [(a) Every contract for an operating-differential subsidy made under authority of this title shall provide that the contractor shall be entitled to annually withdraw from net earnings of subsidized vessels and services incident thereto as profit, if the contractor is a natural person or a partnership, or may pay to its shareholders or stockholders, as dividends, if the contractor is an association or corporation, a sum not in excess of 10 per centum per annum on the contractor's capital necessarily employed in his business, except subject to the further provisions of this section, which likewise shall be incorporated in such contract.]

[b].

(*a*) [To insure the prompt payment of the contractor's obligations to the United States and the replacement of the contractor's subsidized vessels as may be required, the contractor] *Any citizen of the United States who owns vessels that operate in the United States foreign trade and who has agreed with the Secretary of Commerce that he will replace those vessels with vessels built in the continental United States including Alaska and Hawaii, for operation in the United States foreign trade, or that he will build additional vessels in the continental United States including Alaska and Hawaii, for operation in the United States foreign trade,* shall create and maintain, out of gross earnings [, during the life of such contract,] a "capital reserve fund," in such depository or depositories *and for such period* as may be approved by the [Commission] *Secretary of Commerce.* In this fund the [contractor] *owner* shall deposit annually or oftener, as the [Commission] *Secretary of Commerce* may require, an amount equal to the annual depreciation charges on the [contractor's vessels on which the operating differential is being paid,] *owner's vessels operating in the United States foreign trade,* such depreciation charges to be computed on a *twenty year life expectancy of liquid bulk carriers and on a* twenty-five year life expectancy of [the subsidized] *other vessels,* except that the life expectancy of a vessel which shall have been or is to be wholly or partially reconstructed or reconditioned shall upon request be determined jointly by the Secretary of the Treasury and the [Commission] *Secretary of Commerce,* and the depreciation charges on such vessel shall be computed on the life expectancy so determined: Provided, However, That if, during any accounting year, the annual depreciation charges on [the contractor's line of subsidized] *all such* vessels has not been earned, in whole or in part, over and above the annual expense of operation of such vessels (exclusive of said annual depreciation thereon), the [contractor] *owner* shall not be required to deposit in his capital reserve fund for such accounting year a sum in excess of the amount of annual depreciation actually earned *by all such vessels* during that year but shall make up any and all deficiencies in his capital reserve fund as soon as the earnings of [his subsidized] *such* vessels in excess of annual expenses of operation shall permit. The proceeds of all insurance and indemnities received by the [contractor] *owner* on account of total loss of any [subsidized] vessel *operation in the United States foreign trade* and the proceeds of any sale or other disposition of such vessel shall also be deposited in the capital reserve fund.

The [contractor] *owner* shall also deposit in the capital reserve fund, from time to time, such percentage of the annual net profits *from the operation of vessels in the United States foreign trade* [of the contractor's business covered by the contract] as the [Commission] *Secretary of Commerce* shall determine is necessary to further build up a fund for *carrying out his agreement to replace ships or build additional ships* [replacement of the contractor's subsidized ships]; but the [Commission] *Secretary of Commerce* shall not *in any year require the owner to deposit in the capital reserve fund more than 50 per centum of the owner's annual net profits from the operation of vessels in the United States foreign trade, before taxes, for such year* [require the contractor to make such deposit of the contractor's net profits in the capital reserve fund unless the cumulative net profits of the contractor, at the time such deposit is to be made, shall be in excess of 10 per centum per annum from the date the contract was executed]. From the capital reserve fund so created, the [contractor] *owner* may pay the principal, when due, on all notes secured by mortgage on the [subsidized] *owner's* vessels *operating in the United States foreign trade* and may make disbursements for the purchase of replacement vessels or reconstruction of vessels or additional vessels to be employed by the [contractor on an essential foreign trade line, route, or service approved by the Commission] *owner in the United States foreign trade,* and on cruises, if any, authorized under section 613 of this title but payments from the capital reserve fund shall not be made for any other purpose. The [contractor] *owner* may, with the consent of the [Commission] *Secretary of Commerce,* pay from said fund any sums owing but not yet due on notes secured by mortgages on [subsidized] vessels *operating in the United States foreign trade* and may also pay from such fund, with such consent and upon terms and conditions which the Secretary of Commerce shall by regulation prescribe to give priority to the foregoing purposes of the fund [(and with respect to any transfer of funds from the special reserve fund, to give priority to the purposes of that fund)] and to carry out the purposes of this Act, (A) amounts contributed toward research, development, and design expenses incident to new and advanced ship design machinery and equipment, and (B) amounts (1) for the purchase of cargo containers, delivered after June 30, 1959, of a type approved by the Administrator for use in connection with any of the *owner's* [contractor's subsidized] vessels *operating in the United States foreign trade,* (2) for the payment of the principal of any indebtedness incurred for such containers, or (3) to reimburse the [contractor's] *owner's* general funds for expenditures for such purchases or payments. Such cargo containers to the extent paid for out of the capital reserve fund shall be treated as vessels for the purpose of deposits and withdrawals from the capital reserve fund under this section 607, and the regulations and closing agreements relating thereto, except that the depreciation on such cargo containers shall be based upon the life expectancy *determined by the Secretary of Commerce* [used for such containers in the determination of "net earnings" under paragraph (d) (1) of this section 607].

[(c) To obtain the public objects for which the financial aid provided for in such contract is extended and to insure the continued maintenance and successful operation of the subsidized vessels, the contractor shall create and maintain, during the life of such contract, a "special reserve fund" in such depository or depositories as the Commission shall approve.]

[If the profits, without regard to capital gains and capital losses, earned by the business of the subsidized vessels and services incident thereto exceed 10 per centum per annum and exceed the percentage of profits deposited in the capital reserve fund, as provided in subsection (b) of this section, the contractor shall deposit annually such excess profits in this reserve fund. From the special reserve fund the contractor may make the following disbursements and no others.]

[(1) Reimbursement to the contractor's general funds for any losses on the operation of the subsidized vessels and services incident thereto sustained subsequent to the execution of the operating-differential-subsidy contract;]

[(2) Reimbursement to the contractor's

general funds for current operating losses on completed voyages of subsidized vessels whenever the Commission shall determine it is improbable that such current losses will be made up by profits on other voyages during the current year;]

[(3) Payment of amounts due from the contractor to the Commission for reimbursement as provided in clause 5 of section 606, but such reimbursement shall be deferred until the amount on deposit in the special reserve fund shall be sufficiently in excess of 5 per centum of the capital necessarily employed in the business so that payment of such reimbursement to the Commission will not reduce the special reserve fund below a sum equal to such 5 per centum of capital necessarily employed in the business: Provided, That such reimbursement to the Commission, if so deferred, shall be payable upon termination of the contract from any amounts then in the special reserve fund and the capital reserve fund: Provided further, That if any amounts shall have been transferred to the general funds of the contractor from either of such reserve funds and not repaid thereto, or if prepayments of amounts not due before one year after the date of termination of the contract have been made from the capital reserve fund pursuant to subsection (b) of this section, then the balance of such reimbursement not paid out of said reserve funds shall be payable out of any other assets of the contractor, but the amounts so payable from such assets shall not exceed in the aggregate the sum of the amounts so transferred and not repaid, and the amounts of such prepayments;]

[(4) After reimbursement to the contractor's general funds of all operating losses has been made, as provided in clause 1, and after reimbursement to the Commission of all amounts due from the contractor, as determined under clause 5 of section 606, if the amount accumulated in the special reserve fund shall then be in excess of 5 per centum of the capital necessarily employed in the business, the contractor may, if the Commission approves, withdraw some or all of such excess reserve and pay the sum so withdrawn into the contractor's general funds or distribute the sum so withdrawn as a special dividend to the contractor's shareholders or stockholders or as a bonus to officers or employees, as the contractor may determine.]

[(d)](b)(1) The [Commission] *Secretary of Commerce* shall adopt and prescribe rules and regulations for the administration of the reserve funds contemplated by this section. [and shall include therein a definition of the term "net earnings" and the term "capital necessarily employed in the business," as such terms are employed in this section: Provided, however, That the term "net earnings" shall take into account as a proper accounting charge to operation of vessels expense, an annual depreciation charge on the vessels, computed on the economic life of the vessel as provided in section 607(b) and the term "capital necessarily employed in the business" shall not include borrowed capital.] *The Secretary of Commerce and the Secretary of the Treasury are jointly authorized to prescribe all rules and regulations necessary or appropriate to the determination of the owners' tax liability under this section.*

(2) Upon application of the [contractor] *owner*, the [Commission] *Secretary of Commerce*, in [its] *his* discretion, may permit the investment by the [operator] *owner* of some or all of [the contractor's] *his* capital [and special] reserve fund in approved interest-bearing securities, approved by the [Commission] *Secretary of Commerce* upon condition that the interest on such securities shall be deposited in the capital reserve fund.

(3) (A) Upon application of the [contractor] *owner*, the Secretary of Commerce, in his discretion, may permit the [contractor] *owner* to transfer not exceeding 50 per centum of his capital reserve fund [and 50 per centum of his special reserve fund] to a trustee which is incorporated as a bank or trust company under the laws of the United States, or of any State, and which is approved by the Secretary of Commerce, in trust nevertheless for the benefit of the [contractor] *owner* and of the United States as their interests are stated in this section (1) to hold in [separate] trust[s] the principal of the capital [and special] reserve fund[s] so transferred [, one trust for the capital reserve fund and one trust for the special reserve fund]; (2) to invest and reinvest the principal of such trust[s] in such common stocks of corporations organized and existing under the laws of the United States or of the District of Columbia or of any State of the United States which are currently fully listed and registered upon an exchange registered with the Securities and Exchange Commission as a national securities exchange, and which would be acquired by prudent men of discretion and intelligence in such matters who are seeking a reasonable income and the preservation of their capital; (3) to accumulate the income from the capital reserve fund trust in such trust [to pay the income from the special reserve fund trust into the capital reserve fund trust], and to invest and reinvest such income in common stocks in which the trustee is authorized to invest principal under this subdivision (3); and (4) to pay to the [contractor] *owner* and the Secretary of Commerce, as trustees of [the special reserve fund and] the capital reserve fund, after reasonable notice, from the principal and accumulated income of the trust[s] such amounts, in cash, as the [contractor] *owner* and the Secretary of Commerce direct.

(B) Consent by the [contractor] *owner* to an investment which is not authorized by this subdivision (3) shall not be a defense to the trustee. Such common stock trust[s] shall be revocable by the Secretary of Commerce at any time and upon notice of the revocation, the common stock trustee shall reduce the principal and accumulated income of such trust[s] to cash and shall pay such cash to the [contractor] *owner* and the Secretary of Commerce as trustees of the capital reserve fund [and special reserve fund]. In the administration of such common stock trust[s], capital gains, stock dividends, and rights to purchase stock shall be considered principal; cash dividends, whenever earned, shall be considered income. [At the end of the contractor's recapture period, however, after satisfaction of the contractor's recapture obligations, an amount of the special reserve fund trust equal to the value of the capital gains made (whether realized or not), the stock dividends declared, and the rights to purchase stock issued to the special reserve fund trust during such recapture period, to the extent the special reserve fund trust contains this amount, shall be transferred (in cash or in stock) to the capital reserve fund trust.] For the purpose of determining the 50 per centum of the capital reserve fund [and the special reserve fund] the transfer of which to a common stock trust the Secretary of Commerce may approve, the market value of [each] such fund as of the date of such transfer shall be used. The common stock trust[s] authorized by this subdivision (3) shall at all times remain a part of the capital reserve fund [and the special reserve fund].

(C) If immediately before a deposit is made in a capital [or special] reserve fund, 50 per centum or more of the value of such fund is invested in common stock, the Secretary of Commerce is authorized to approve, upon application of the [contractor] *owner*, the transfer of not exceeding 50 per centum of such deposit to the common stock trustee upon the trusts authorized in this subdivision (3). When payments are made, or funds are withdrawn, from a capital reserve fund [or a special reserve fund], as authorized in this section, if 50 per centum or more of the value of such capital reserve fund [or a special reserve fund], as of the date of such payment or withdrawal, is invested in common stocks, such payment or withdrawal shall be made from the common stock trust in the proportion that the value of such common stock trust bears to the value of the entire capital reserve fund [or special reserve fund]. If, however, less than 50 per centum of the value of such capital [or special] reserve fund, as of the date of such payment or withdrawal, is invested in common stocks, the Secretary of Commerce is authorized, upon application by the [contractor] *owner*, to approve the allocation of the payment or withdrawal entirely to the portion of such capital [or special] reserve fund not invested in common stocks, or to approve the allocation of such payment or withdrawal between the common stock trust and the remainder of such capital [or special] reserve fund in any proportion, so long as the value of the common stock trust immediately after such withdrawal does not exceed 50 per centum of the value of such capital [or special] reserve fund, and if the [contractor] *owner* makes no such application or if the allocation requested in such application is not approved by the Secretary of Commerce, then such payment or withdrawal shall be allocated in the manner above provided for when the value of the common stock trust is 50 per centum or more of the value of the entire capital reserve fund [or special reserve fund].

(D) Trust indentures executed under the authority of this subdivision (3) may contain such other terms and conditions not inconsistent with this subdivision (3), as the Secretary of Commerce determines are desirable to protect the interests of the United States. The authority of the Secretary of Commerce to grant approvals, give directions, make determinations, and make regulations under this subdivision (3), and to act as trustee of the capital reserve fund [and special reserve fund] under this section may be delegated to the Maritime Administrator.

(*c*)[(e)] If, during any accounting year, the [contractor's] *owner's* general funds have become seriously depleted due to operating losses on [the subsidized] *his* vessels *operating in the United States foreign trade,* [and the special reserve fund has been exhausted,] the [Commission] *Secretary of Commerce,* may, in [its] *his* discretion, *permit* the [contractor] *owner* temporarily to withdraw from his capital reserve fund such excess therein on deposit over and above the amount necessary to pay the principal amount currently due or about to become due on the [contractor's] *owner's* mortgage obligation on [the subsidized] *his* vessels *operating in the United States foreign trade:* PROVIDED, HOWEVER, That the sum so withdrawn shall be repaid to the capital reserve fund as soon as the [contractor's] *owner's* financial condition shall permit.

(*d*)[(f)] [Unless otherwise provided in the operating-differential subsidy contract, upon] *Upon* the termination of any [such contract] *agreement described in subsection* (*a*) *of this section* the reserve fund[s] required under this Act shall be the property of the [contractor] *owner,* except for such amounts as may be due the United States.

(*e*)[g] With the approval of the [Commission] Secretary of Commerce the [contractor] *owner* may voluntarily increase the amount of [either or both] *the* reserve fund[s] by depositing in such fund [or funds] any or all of the earnings otherwise available for distribution to stockholders [, or may transfer funds from the special reserve funds to the capital reserve funds]. If a voluntary deposit of earnings approved by the [Commission] *Secretary of Commerce* under the subsection after December 31, 1950, results in an overpayment of Federal taxes for any year, interest shall not be allowed on such overpayment for any period prior to the date of approval of the deposit by the [Commission] *Secretary of Commerce.*

(f) [(h)] The earnings of any [contractor receiving an operating-differential subsidy under authority of this Act,] *owner* which are deposited in the [contractor's] *owner's* reserve fund[s] as provided in this section [, except earnings withdrawn from the special reserve funds and paid into the contractor's general funds or distributed as dividends or bonuses as provided in paragraph 4 of subsection (c) of this section,] shall be exempt from all Federal taxes. Earnings withdrawn from such [special] reserve fund shall be taxable as if earned during the year of withdrawal from such fund *and the owner shall pay to the United States interest on the amount of the tax that would have been due in the year such earnings were deposited from the date of such deposit to the date of withdrawal at the rate per annum provided in the Internal Revenue Code of 1954 with respect to taxes not paid on or before the last day prescribed for payment.*

(g)(1) The term "United States foreign trade" in this section includes those areas of domestic trade in which a vessel built with construction-differential subsidy is permitted to operate under section 506 of this Act.

(2) *The term "vessel" in this section means a vessel built in the continental United States including Alaska and Hawaii and documented under the laws of the United States.*

[Sec. 803. It shall be unlawful for any contractor receiving an operating-differential subsidy under title VI or for any character under title VII of this Act to employ any person or concern performing or supplying stevedoring, ship-repair, ship-chandler, towboat, or kindred services to supply such services to the operator's subsidized or chartered vessels if such contractor, or any subsidiary company, holding company, affiliate company, or associate company of such contractor, or any officer, director, or employee of such contractor, or any member of the immediate family of any such contractor officer, director, or employee, or any member of the immediate family of any officer, director, or employee, or such subsidiary company, holding comapny, affiliate company, or associate company of such contractor, owns any pecuniary interest directly or indirectly in the person or concern supplying such services to the contractor's subsidized or chartered vessels or receives any payment or other thing of value directly or indirectly as a result of such employment or services, except that the Commission, by a vote of four members (except as provided in section 201(a)) may grant an exemption in writing from the provisions of this section, upon such terms and conditions and for such specific period of time as the Commission deems necessary or appropriate to carry out the policy of this Act, in any case where—

[(a) The Commission finds that the enforcement of such provisions is not necessary to safeguard the economical and fair application of subsidies paid the contractor under this Act, and that such exemption will promote economy or efficiency of service by the merchant marine; and

[(b) The person performing the services or supplying the facilities agrees to account for and pay over to the contractor any and all profits resulting from performing such services or supplying such facilities.]

Sec. 805.

[(c) In determining the rights and obligations of any contractor under a contract authorized by title VI or title VII of this Act, no salary for personal services in excess of $25,000 per annum paid to a director, officer, or employee by said contractor, its affiliates, subsidiary, or associates, shall be taken into account. The terms "director," "officer," or "employee" shall be construed in the broadest sense. The term "salary" shall include wages and allowances of compensation in any form for personal services which will result in a director, officer, or employee receiving total compensation for his personal services from such sources exceeding in amount or value $25,000 per annum.]

Sec. 1101. * * *

(c) The term "vessel" includes all types of passenger, cargo, and combination passenger-cargo carrying vessels, tankers, tugs, towboats, barges, and dredges documented under the laws of the United States, fishing vessels, [and] floating drydocks which have a capacity of thirty-five thousand or more lifting tons and a beam of one hundred and twenty-five feet or more between the wing walls, *and oceanographic research or instruction vessels,* owned by citizens of the United States;

* * * * *

Sec. 1103. * * *

(e) The aggregate unpaid principal amount of the mortgages and loans insured under this section and outstanding at any one time shall not exceed [$1,000,000,000] *$3,000,000,000.*

Sec. 1104.

(a) To be eligible for insurance under this title a mortgage, excepting as otherwise provided in section 1106 (46 U.S.C. 1276)—

* * * * *

(8) shall secure a loan made to aid in financing, including payment of loans previously made to finance, and reimbursement of the mortgagor for expenditures previously made, construction (including designing, inspecting, outfitting, and equipping) of vessels under title V of this Act, as amended, or the purchase by citizens of the United States of vessels for use on the Great Lakes pursuant to the Merchant Ship Sales Act of 1946, as amended, or the construction, reconstruction, or reconditioning (including designing, inspecting, outfitting and equipping), subsequent to the enactment of this title, of vessels owned by citizens of the United States which are designed principally for *research, or for* commercial use (a) in the coastwise or intracoastal trade; (b) on the Great Lakes, or on bays, sounds, rivers, harbors, or inland lakes of the United States; (c) in foreign trade; (d) in the fishing trade or industry; or (e) with respect to floating drydocks in the construction, reconstruction, reconditioning, or repair of vessels;

* * * * *

(b) To be eligible for insurance under this title a loan—

* * * * *

(2) shall be made to aid in financing, including payment of loans previously made to finance, and reimbursement of the borrower for expenditures previously made for construction (including designing, inspecting, outfitting and equipping) of vessels under title V of this Act, as amended, or for the construction, reconstruction or reconditioning (including designing, inspecting, outfitting and equipping) subsequent to the enactment of this title, of vessels owned by citizens of the United States which are designed principally for *research or for* commercial use (a) in the coastwise trade or intercoastal trade; (b) on the Great Lakes or on bays, sounds, rivers, harbors, or inland lakes of the United States; (c) in foreign trade; (d) in the fishing trade or industry; or (e) with respect to floating drydocks, in the construction, reconstruction, reconditioning, or repair of vessels;

* * * * *

(4) shall provide that no advance shall be made thereunder unless the sum of such advance and the principal amount of all other advances under insured loans then outstanding at the same time of said advance shall [be less than] *not exceed* 75 per centum of the actual cost of such vessel, such actual cost to be determined by the Secretary of Commerce and such determination to be conclusive for the purpose of determining the principal amount of the loan: *Provided, however, That in the case of a vessel, the size and speed of which are approved by the Secretary of Commerce, and which is eligible for mortgage aid for construction under section 509 of this Act and in respect of which the minimum down payment by the mortgagor required by that section would be 12½ percentum of the cost of such vessel, the advance and the principal amount of all other advances under insured loans outstanding at the time of said advance shall not exced 87½ percentum of such actual cost;*

* * * * *

Sec. 1214. The authority of the Secretary to provide insurance and reinsurance under this title shall expire *September 7, 1975* [20 years from the date of enactment of this title.]

Sec. 202 * * *

(b) No person shall hold office as a member of the Commission who, within three years prior to his appointment, shall have been employed by, or have had any pecuniary interest in, any carrier by water or substantial pecuniary interest in any other person who derives a substantial portion of his revenues from any business associated with ships or shipping. Each member shall devote his full time to the duties of his office. It shall be unlawful for any member, officer, or employee of the [Commission] *Federal Maritime Commission* to be in the employ of any other person, firm, or corporation, or to have any pecuniary interest in, or hold any official relationship with, any carrier by water, shipbuilder, contractor, or other person, firm, association, or corporation with whom the [Commission] *Federal Maritime Commission* may have business relations.

REORGANIZATION PLAN 7 OF 1961

Sec. 301. Conflict of interest. The provisions of the last sentence of section 201(b) of the Merchant Marine Act, 1936, as affected by the provisions of Reorganization Plan No. 21 of 1950 (46 U.S.C. 1111(b)) (prohibiting the members of the Federal Maritime Board and all officers and employees of that board or of the Maritime Administration from being in the employ of any other person, firm, or corporation, or having any other person, firm, or corporation, or from having any pecuniary interest in or holding any official relationship with any carrier by water, shipbuilder, contractor, or other person, firm, association, or corporation with whom the Federal Maritime Board or the Maritime Administration may have business relations) shall hereafter be applicable to the Commissioners composing the Commission and all officers and employees of the Commission [and to the Maritime Administrator and all other officers and employees of the Maritime Administration].

REORGANIZATION PLAN 21 OF 1950

Sec. 303. Conflict of interest. The provisions of the last sentence of section 201(b) of the Merchant Marine Act, 1936, (46 U.S.C. 1111(b)) (prohibiting any member, officer, or employee of the United States Maritime Commission from being in the employ of any other person, firm, or corporation, or from having any pecuniary interest in or holding any official relationship with any carrier by water, shipbuilder, contractor, or other person, firm, association, or corporation with whom the Commission may have business relations) shall hereafter be applicable to the members of the Federal Maritime Board and all officers and employees of the Federal Maritime Board [or of the Maritime Administration].

An act to amend the Act of April 29, 1941, to authorize the waiving of the requirement of performance and payment bonds in connection with certain Coast Guard contracts.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of April 29, 1941, 55 Stat. 147 (40 U.S.C. 270e), is hereby amended to read as follows: "The Secretary of the Army, the Secretary of the Navy, the Secretary of the Air Force, or the Secretary of the Treasury may waive the Act of August 24, 1935 (49 Stat. 793), with respect to cost-plus-a-fixed fee and other cost-type contracts for the construction, alteration, or repair of any public building or public work of the United States and with respect to contracts for the manufacturing, producing, furnishing, construction, alteration, repair, processing, or assembling of vessels, aircraft munitions, materiel, or supplies of any kind or nature for the Army, Navy, Air Force, or Coast Guard, respectively, regardless of the terms of such contracts as to payment or title."

Sec. 2. The Secretary of Commerce may waive the Act of August 24, 1935 (49 Stat. 793–4), with respect to contracts for the construction, alteration, or repair, of vessels of any kind or nature, entered into pursuant to the Act of June 30, 1932 (47 Stat. 382, 417–8), as amended, the Merchant Marine Act, 1936, or the Merchant Ship Sales Act of 1946, regardless of the terms of such contracts as to payment or title.

SECTIONS OF THE BILL THAT DO NOT AMEND AN EXISTING STATUTE

Sec. 38. (a) The amendments made by this Act shall not affect any contract with the Secretary of Commerce or his delegates that is in effect on the date of enactment of this Act. At the request of the other party to any operating-differential subsidy contract, the Secretary of Commerce may amend such contract so as to be in accordance with all of the amendments made by this Act, but no amendment made by this Act shall be incorporated in such contract unless all such amendments are incorporated in such contract. Until such contract is amended or if such contract is not amended, it shall be administered in accordance with the provisions of the Merchant Marine Act, 1936, as they existed immediately prior to enactment of this Act; Provided that the Secretary of Commerce may, in order to facilitate the amendment of existing contracts, settle or compromise outstanding controversies under such contracts in such manner as he determines.

(b) If any operating-differential contract in existence on the date of enactment of this Act is amended as provided in subsection (a), the current recapture period shall be closed as of the date of the amendment and the recapture that is due and payable as of the effective date of such amendment shall be computed on the basis of such shortened period. The amendments shall provide that, with respect to seafaring personnel, in determining the rights and obligations of the contractor under such contract, the limitation of section 805(c) of the Merchant Marine Act, 1936, as it existed immediately before the enactment of this Act shall not apply. Any contractor under such contract may apply to the Secretary for permission to transfer funds on deposit in such contractor's special reserve fund to its capital reserve fund. If the Secretary determines that any part or all of the special reserve funds are necessary to replace vessels during the remaining term of such contract or are otherwise necessary to acquire modern vessels, he may approve such application. Any funds so transferred shall become part of the contractor's capital reserve fund. Any amounts not so transferred shall become part of the Contractor's general funds and that portion of such funds which are ordinary income or capital gains shall be taxable as if earned in the year such amendment becomes effective.

Sec. 39. (1) There is hereby established a commission to be known as the Commission on American Shipbuilding (hereinafter referred to as the "Commission"). The Commission shall be composed of seven members, appointed by the President. At least one member shall be from the United States shipbuilding industry. Members of the Commission shall be appointed for the life of the Commission. The President shall designate one of the members of the Commission as Chairman.

(2) Members of the Commission who are not full time employees of the United States Government shall each be entitled to receive the per diem equivalent of the rate authorized for GS–18 of the General Schedule under section 5332 of title 5 of the United States Code when engaged in the actual performance of duties vested in the Commission, including travel time, and while away from their homes or regular places of business may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by title 5 of the United States Code for persons in the Government service employed intermittently.

(3) The Commission shall meet at the call of the Chairman or at the call of a majority of the members thereof.

(4) The Commission may appoint an Executive Director without regard to the provisions of title 5 of the United States Code governing appointments in the competitive service and shall fix the compensation of such personnel without regard to the provisions of chapter 51 and subtitle II of chapter 53 *of such title relating to classification and General Schedule pay rates: Provided, That no personnel so appointed shall receive compensation in excess of the rate authorized for GS–18 by section 5332 of such title.*

(5) The Commission shall have the power to appoint and fix the compensation of such personnel, as it deems advisable, subject (except as provided in paragraph (4) hereof) to the civil service laws and the Classification Act of 1949, as amended.

(6) The Commission may procure, in accordance with the provisions of title 5 of the United States Code, the temporary or intermittent services of experts or consultants; individuals so employed shall receive compensation at the rate to be fixed by the Commission, but not in excess of the per diem equivalent to the rate authorized for GS–18 of the General Schedule under section 5332 of title 5 of the United States Code, including travel time, and while away from their homes or regular places of business may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by title 5 of the United States Code for persons in the Government service employed intermittently.

(7) The Commission shall review the status of the American shipbuilding industry, its problems and its progress toward increasing its productivity and reducing production costs. The Commission shall determine whether the American shipbuilding industry can achieve a level of productivity by the fiscal year 1976 such that the construction-differential subsidy payable under title V of the Merchant Marine Act, 1936, will not exceed 35 percent of the United States construction cost. The Commission shall recommend a course of action which should be taken on the part of government and industry to improve the competitive situation of the United States shipbuilding industry in world shipbuilding markets and if the Commission shall determine that the construction-differential subsidy cannot be reduced to 35 percent of the United States cost it shall recommend alternatives to the ship construction program then in effect.

(8) The Commission shall not later than three years after the date of enactment of this Act or such earlier date as shall be required under section 502(b) of the Merchant Marine Act, 1936, submit a comprehensive report of its findings and recommendations to the President and to the Congress, and sixty days thereafter shall cease to exist.

(9) There are hereby authorized to be appropriated such amounts as may be necessary to permit the Commission to carry out its responsibilities under this Act.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. GRIFFIN. I think the Senator would agree with me, because we serve on that committee together, that the committee and Congress waited a long time to receive any kind of proposal from the previous administration. In fact, we never did receive one, as I recall.

Mr. MAGNUSON. That is what I was trying to say—that the delay in a merchant marine proposal is due not only to the previous administraion but also to the present administration. We even have held some hearings in anticipation of it. This is a proposal with a lot of meat in it, and I think we can get at it. It points up some of the problems in waiting for these proposals.

TAX REFORM ACT OF 1969—CONFERENCE REPORT

The Senate continued with the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 13270) to reform the income tax laws.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. FULBRIGHT Mr. President, I compliment the Senator from Louisiana, the chairman of the Committee on Finance, of which I have the honor to be a junior member, upon bringing back to the Senate a bill which I believe is excellent. In view of the great difficulties which have been encountered in this matter, not only recently but also earlier this year, on controversial matters, I think the Senator from Louisiana has done a first-rate job. I compliment him on his patience and ingenuity and whatever else it takes to get a bill through this body and a conference with the House.

While I am on this subject, I want to say that when I think about the difficulties we had earlier this year, in July and August, with regard to the extension of the surtax and tying it in with this bill, I believe the judgment of the majority leader in holding it up until we got the tax reform bill contributed greatly to the satisfactory result we now have before us; and I do not anticipate that there will be any serious question about it.

I am sure there never has been a tax bill with which everyone has been happy. Everyone is touched by it. There is a natural tendency for everyone to feel that someone else should pay his taxes, or more than he pays. I did not support a number of measures in this bill for various reasons, some a matter of judgment, some a matter of interest to one's constituents—all these matters go into making up the various judgments we make; but, on the whole, while it has many compromises in it, I believe it is a first-rate bill.

I should like to ask the Senator from Louisiana about one minor matter. I sent it to the committee. It so happens that this matter does not affect my constituency. It is purely a labor of love, because my wife happened to play a part in the local thrift shop. Will the Senator allow me to ask one or two questions?

Mr. LONG. Yes.

Mr. FULBRIGHT. I ask the Senator whether the conference report contains an amendment by the Senate affecting the taxation of organizations, such as thrift shops, which sell merchandise received as gifts or contributions. As the Senator knows, all profits from the Thrift Shop in the District of Columbia inure to the benefit of Children's Hospital, St. John's Child Development Center, Columbia Hospital, the Hospital for Sick Children, and the Child Health Center—all of which are charitable institutions in the District of Columbia. This amendment is discussed on page 70 of the Finance Committee report on H.R. 13270. Would the Senator comment upon the effect which this amendment may have upon tax liability of such organizations in prior years?

When I introduced this amendment at the request of the local charitable organization, I intended it to be effective not only for future years, but also to affect, I think, the last 4 years in which this liability was suggested. They never before believed that they were subject to it at all.

Am I correct in believing that this amendment corrects an unintended result of existing law, and to this extent has a retroactive effect?

Mr. LONG. The provision by its terms is not retroactive, but I think it is clear that Congress believes prior law should be interpreted as covering this situation. I would hope that the Treasury would apply our rule to the past as well as the future.

Mr. FULBRIGHT. I thank the Senator. This certainly was my intention in introducing it. Since this Thrift Shop is run entirely by voluntary services and these gifts are made by anybody, it certainly would be a great disservice, I think, to all those institutions if it were not interpreted as the Senator believes it was intended it should be; and I hope that the Treasury will follow that advice.

I appreciate the Senator's assurances, and I know that those who volunteer their services and make gifts to the Thrift Shop, as well as those who benefit by these contributions, will be grateful.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. MAGNUSON. I am a director of the Goodwill Industries. They get various articles and put them together and make them workable, and then sell them for charitable purposes. Would it apply to that organization?

Mr. LONG. There is nothing in this bill that adversely affects the Goodwill Industries.

Mr. MAGNUSON. I mean that type of agency—such as the Salvation Army and Goodwill Industries.

Mr. FULBRIGHT. I think the distinction is this: If Children's Hospital itself engaged in this activity alone, it never would have arisen. The difficulty has been caused because this particular agency services four children's hospitals—and this has created in the mind of one of the employees of the Treasury what I consider an imagined difference which has caused him to make this adverse ruling. I do not think it was intended by Congress, as the Senator from Louisiana has said; and while that is a formal distinction, it is not a substantive one, in my view.

Mr. LONG. It does not apply to the situation suggested by the Senator from Washington.

Mr. FULBRIGHT. I congratulate the Senator from Louisiana and the other members of the conference. I think they have worked under unusual difficulties. They have reached a very equitable result, and I think the country will benefit greatly by it.

Mr. LONG. In behalf of myself and the other members of the conference, I thank the Senator from Arkansas for his gracious comments.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. HOLLAND. Mr. President, I am indeed happy to support the adoption of the conference report on the tax reform bill, which may now truthfully be referred to as a tax reform measure rather than a tax relief bill. I congratulate warmly all the conferees from both Houses, headed by the distinguished Senator from Louisiana (Mr. Long) and the distinguished Representative from Arkansas (Mr. Mills) on the very fine and completely necessary pruning job which they did on the bill as it passed the Senate after having been loaded down by many hurtful floor amendments.

In particular, I am happy to note that instead of heavily reducing revenue for the fiscal years 1970 and 1971, the most critical years as we fight inflation, as was done by the bill which passed the Senate, the conference bill actually increases revenue for both of those critical years. As reported from the conference, and as shown in the report by the staff of the Joint Committee on Internal Revenue Taxation, dated December 22, 1969, on revenue estimates relating to the House, Senate, and conference version of H.R. 13270, Tax Reform Act of 1969, the bill shows actual increases in revenue by $6.479 billion for 1970 and $293 million for 1971. In addition, the conference bill cuts off some reductions in revenue voted on the Senate floor which would have been large and hurtful in years following 1971.

Likewise, the conference bill reduces very greatly the loss that would have come from the so-called Gore amendment—which would have raised the personal exemption for 1970 from the existing level of $600 to $700 and for 1971 to $800—in the following way: The conference bill increases the personal exemption by $50 beginning July 1, 1970, which is further increased to $700 for 1972 and by an additional $50, to $750, for 1973. This action accomplished the needed reduction from the amounts included in the so-called Gore amendment, which I opposed, and the needed reduction from the so-called Percy amendment, which I also opposed. The conference committee is to be especially commended for their action in this important field. I am glad that we will have an increase in personal exemptions—the first since 1948, which I strongly supported—but I am particularly relieved that the increase is not so large or so immediate as to bring disaster to our fiscal situation.

So far as the 15-percent increase in the social security payments is involved, the conference committee is to be commended for deleting from the Senate action on this subject the amendments which were voted on the Senate floor by which the total amount of social security payments would have been sizably increased beyond 15 percent. I am glad that as a result of the action of the conference committee those many citizens who receive social security will receive an added 15 percent to their current payments after January 1, 1970, which increase is in an amount that can be justified without doing damage to the pool from which social security payments are made.

May I also express my appreciation to the distinguished Senator from Louisiana, the distinguished Senator from Utah, and our other conferees because they retained the two modest amendments which I offered during debate, one of importance to our citrus industry, not only in the State of Florida but also in Texas, Arizona, and California, and the other that prohibits levying on that part of a taxpayer's earnings, required by judgment of a court of competent jurisdiction, entered prior to the levy by the Internal Revenue Service, to contribute to the support of his minor children.

It is a pleasure indeed to be able to vote for this important measure, because of the very fine work that has been done by the conference committee in correcting most of the unsound actions that were taken on the floor of the Senate. The hard-working conferees are entitled to the grateful thanks of our entire Nation for a hard job splendidly performed.

I thank our conferees warmly.

Mr. MILLER. Mr. President, the Tax Reform Act of 1969 has been passed by the House of Representatives by a vote of 381 to 2.

As one of the conferees who signed the report, I believe that, on balance, this report should be agreed to by the Senate.

In a bill running some 550 pages in length, it is understandable that each of us would approve many items while, at the same time, be opposed to others. One has to balance the good with the bad and make a judgment on which weighs more favorably.

The two items on which I believe the Congress has fallen down the worst are: First, the increase in the personal exemption from $600 to $750—phased in over several years, with an effective in-

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crease for 1970 of $25. The increase is to $650 effective July 1, which means a $25 increase for the year as a whole; and second, the 15-percent increase in social security benefits without also providing an automatic increase in cost of living to protect our social security recipients from the hardship of future inflation, if it occurs.

As I pointed out on the Senate floor during debate on the bill, increases in the personal exemption give wealthy, high tax bracket taxpayers the major tax benefits; while those in the low income tax bracket receive relatively small tax benefits. Thus, the $25 increase in the exemption for calendar year 1970 will give a person in the 15-percent tax bracket a tax benefit of $3.75 per exemption; whereas the person in a 70 percent tax bracket will receive a tax benefit of $17.50 per exemption. When the increase from $600 to $750 becomes effective in 1972, the low-income person in a 15-percent tax bracket would receive a tax benefit of $112.50 per exemption; whereas the person in a 70-percent tax bracket will receive a tax benefit of $525 per exemption.

This is regressive taxation, and at the time a majority of my colleagues voted for the so-called Gore amendment, I warned that they were, in effect, voting themselves a pay increase, because, on an average, Senators are in a 50-percent tax bracket. This means that under present law, with a $600 exemption, they receive a tax benefit of $300 per exemption; and with a $750 exemption, they would receive a $375 tax benefit.

For this reason, Mr. President, I wish to serve notice that I shall be trying with all my power to persuade the Congress to repeal the Gore amendment before 1972 and to have this obsolete, unfair personal exemption replaced with either a tax credit, which will give every child in this country, whether in a low-income family or a high-income family, equal recognition in the eyes of the tax law; or have a ceiling placed on the tax benefit which flows from the personal exemption. I might add that if this were done, we could save over $1 billion of revenue loss which will arise when the Gore amendment is fully implemented; and that revenue loss could well be used for higher priority items such as increases for education or for tax credits for college education expenses, and the like.

For years, those in control of the Congress have engaged in political gimmickry with our older Americans receiving social security benefits. First they run our Federal Government billions of dollars deeper into debt. This lays a foundation for inflation which shrinks the purchasing power of the dollar and puts social security recipients in a hardship condition. Then, usually in an election year, those in control of the Congress vote increases in social security benefits to "relieve" the hardship they, themselves, have created; and hope that our older Americans will respond favorably at the polls. Meanwhile, between the last social security benefit increase and the new one, these older people have had billions of dollars in purchasing power taken away from their social security checks.

The way to handle this situation is to stop making political footballs out of our older Americans and to provide in the law for an automatic increase in social security benefits—and Railroad Retirement Act benefits—to meet increases in the cost of living, so that if there is inflation, these people will be protected from it. This is what the Congress did for civil service retirees in 1962, and I have introduced legislation to do this for social security and Railroad Retirement Act beneficiaries in every Congress since that time. This proposal was unanimously adopted by the platform committee of the National Republican Party in Miami in August 1968, and was approved by the convention. In turn, President Nixon endorsed the proposal and requested Congress for a 10-percent increase in social security benefits plus the automatic cost of living increase provision. Instead, our Democratic friends, who control the Congress, insisted on a 15-percent increase—although 10 percent was all that was needed to offset inflation which has occurred since the last benefit increase—and no automatic cost of living increase provision. Apparently our older Americans must continue to look forward to being political footballs.

I wish to serve notice that I shall keep trying to have the automatic cost of living increase provision put into the social security and railroad retirement laws.

Apart from these two serious defects in the Tax Reform Act of 1969, as presently before us in the conference report, there are numerous improvements in the tax law. This bill contains the greatest tax reform ever written into a bill since our income tax laws were placed on the books. Numerous tax loopholes and tax minimization or tax avoidance provisions in the law have either been eliminated or considerably reduced, thus providing a much more fair overall base against which to apply the income tax—both individual and corporation. Some of these reform provisions may well have gone too far, and, if they have, the average taxpayer, who is also the average consumer, will find that consumer costs will increase. But overall, we now have the fairest base for the income tax in history.

This is a most important consideration, because if Congress has gone too far in revenue losing, tax relief action, we may be faced with a need to resort to another surcharge in 1971 or 1972 to prevent budget deficits and put a stop to inflation and high interest rates. If this should happen, the surcharge would be applied against a much fairer tax base than has been the case with the 10-percent surcharge. Indeed, the 5-percent surcharge which continues for the next 6 months will apply to a fairer tax base than has heretofore been the case.

My order of priorities this year has been to have a modest tax reduction for those in the low- and middle-income groups and to have sufficient revenue pickup from the tax reform bill to enable us to do more for education, health, hunger and malnutrition, and other pressing national needs. Instead, those in control of the Congress have placed first priority on—not modest tax relief but, in my opinion, excessive tax relief, and second priority for expanded Federal programs for education, health, hunger and malnutrition, and other pressing national needs.

Those who voted for the Gore amendment, for example, should fully realize and be held accountable for this ordering of priorities. And it will not do for them to say that we can do both without inflation and high interest rates, because this is just repeating the old "guns and butter" economic philosophy of the previous administration which brought on the inflation and high interest rates our people now suffer from.

Finally, I think the American people should appreciate the terrible time limits placed upon the Senate Finance Committee, the conference committee, and the staffs of the Finance Committee, the Joint Committee on Internal Revenue Taxation, and the staff of tax experts from the Treasury Department. Anyone familiar with the deeply complex tax field knows that all of these people should have had at least twice as much time as they did to get the job done. In this respect, there will undoubtedly appear some defects in the bill which would not have occurred had there been more time for analysis and reflection. Under the circumstances, however, an almost impossible task has been accomplished.

I am gratified that the conference accepted my minimum income tax approach, which my colleagues in the Senate so strongly supported. It is relatively simple and will go a long way in making sure that high income individuals will pay substantial Federal tax to support the operations of their Federal Government. As we know, interest from tax-exempt bonds issued by States, municipalities, and school districts is not included in the list of tax preferences for purposes of the minimum income tax. This resulted from the overwhelming opposition by the Governors of the 50 States, the mayors, and county commissioners, and other affected organizations. It was pointed out that to tax these securities would force these governments to increase the interest yield which, in turn, would force an increase in property taxes needed to pay holders of the securities. Moreover, by making some changes in the Federal estate tax law later on, I believe we can probably make up for this deficiency in the income tax law. Aside from this, however, tax preferences will not enable people to escape paying tax.

Bearing these observations in mind, I hope my colleagues will join with me in voting for the conference report.

Mr. MOSS. Mr. President, I intend to vote for the conference report and I shall do so gladly just as I voted for the bill that the Finance Committee brought before the Senate when we passed it and sent it to conference.

I wish to commend the chairman of the Finance Committee and its members, especially the conferees who sat in the conference with the House in a most difficult situation.

Besides the two very complex bills to be brought together, each about as thick as a small telephone book, the committee was also laboring under pressure of time and the threat of a veto which had been issued. As a matter of fact, some Members of this body have indicated that they would support a veto. So that the conferees were under great pressure. For them to labor as well and as long and diligently as they did, and then to come out with a conference report of this kind, is a great accomplishment and I compliment them.

Mr. President, I think that the bill which has been achieved is a great step forward.

It has been said, and I repeat, that this is of course the greatest overhaul we have ever made of the Federal income tax structure since it was instituted in 1913. It is a monumental overhaul. Those who have chosen to say that this is a do-nothing Congress are answered eloquently in just this bill alone. Had this Congress accomplished nothing but the enactment of this bill, the 91st Congress would have gained a reputation for being an effective Congress—certainly not a do-nothing Congress in that sense of the word.

I invite the attention of the Senate to the wisdom of the leadership of the majority leader in insisting, earlier in the session, that we proceed to consider tax reform this session, when the surtax was sent up to us with the President requesting the extension. He asked, and many supported him, that we should proceed with the surtax, and put off until next year, perhaps long thereafter, study of the question of tax reform; but the majority leader said that we will proceed with tax reform at the same time we proceed with the surtax extension. That was done.

What we have done has been to extend the surtax. The second part of it is contained in the conference report. We have achieved a good measure of tax reform. I suppose every Senator would write the bill a little bit differently if he had the chance to do so. What we have had to do is operate in a legislative situation, with many sources of input, many objections, and many pressures; and of course we are a bicameral legislature, and thus we deal with the other body and with its points of view. But out of all this has come a bill that does give tax relief to those who are most in need of it. We have plugged up some of the loopholes and done away with some of the inequities. The bill will bring in additional revenue to the Treasury Department, especially in the short term when it is so important, as we have been told, in trying to control inflation.

Finally, it seems to me that two of the great changes made by amendment on the floor of the Senate have remained in the bill and they are of the greatest importance.

One is the 15-percent increase in social security benefits effective the first day of January 1970. In view of the continued inflation we are having, this is certainly overdue. We did not have to wait until April 1. We did not have to scale it down to 10 percent. We gave the relief in this bill, and that was put in by amendment here on the Senate floor.

The other thing is the amendment of the Senator from Tennessee (Mr. GORE). It has been modified somewhat by the conference report, but here is a measure of tax relief that people will understand and will feel directly and immediately. I compliment the Senator from Tennessee most highly for having stayed with his amendment, the Senate for adopting it, and the conference for keeping it in large part in the bill. It makes it a much better bill.

I think that was a great overhauling of the tax structure.

I agree with other Senators that much still has to be done. Certainly we will have an opportunity in future sessions to look at particular parts of the bill, but this has been a great effort made to understand, analyze, and improve the overall tax structure. I hope we can continue to improve it, to make it more equitable, to bring in the funds needed for this great government, and to accomplish with that a more balanced and equitable financial picture for all our citizens.

So I gladly support the conference report. I compliment those who have brought it up to this stage.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MOSS. I yield.

Mr. PASTORE. I wish to associate myself with every single word that has just been uttered by our distinguished colleague from Utah, and to emphasize at this juncture that I think the efforts of the Policy Committee, under the able leadership of our distinguished majority leader, did in fact pay off. He insisted at that time that we would not consider a further extension of the surtax unless that extension was coupled with and accompanied by tax reform; that if we allowed that occasion to pass, we might never reach the day when we would reform our tax structure.

I am very glad to join Senator Moss in the observations he made in congratulating the conferees for the splendid job they did, under tiring and trying circumstances, and also to congratulate the majority leader, who took the very, very affirmative position that, if the American taxpayer was to carry further the burden of the surtax, he should also have a reformation of the tax structure.

I commend the Senator for the statement he has made.

Mr. MOSS. I thank the Senator.

Mr. President, I yield the floor.

Mr. BIBLE. Mr. President, first I endorse what the distinguished Senators from Utah and Rhode Island have said about the conference report that is before us this afternoon. I in particular want to compliment the chairman of the Finance Committee and the other members of the committee, on both sides of the aisle, for the work which they have done in bringing forward today the bill which is before us for our final action.

As chairman of the Parks and Recreation Subcommittee of the Committee on Interior and Insular Affairs, I have some familiarity with the establishment and creation of park and recreation areas, lakeshores, and seashores throughout the United States.

I have discussed this matter preliminarily with the distinguished chairman of the Finance Committee. In the final version of the tax bill as a result of the conference, which now, of course, has been acted upon favorably by the House of Representatives and is now before us for action, there is section 4945(e), which deals with the taxation of foundations attempting to influence legislation.

The act establishing the National Park Foundation permits the donation of land, money, or other assets to the Foundation to obtain park properties which are needed for park purposes and donating or selling them to the National Park Service prior to authorization by the Congress in order to prevent escalating land costs.

Concern has been expressed that acquisition of lands or facilities by any governmental agency for the establishment, enlarging, or improving of public parks or recreational facilities and acquiring, preserving, or restoring historic properties through an organization such as the National Park Foundation could constitute lobbying.

This, in my judgment, would be the wrong interpretation. If it were so, it would adversely affect our parks and recreation programs in many areas of the country. Just recently, I may say to my distinguished seat mate in the front row, the Senator from Florida (Mr. HOLLAND), we used this act to acquire lands in the Everglades to round out some holdings. We have not acquired all of them yet. We have successfully used this foundation in other similar situations.

So the question I would like to ask the distinguished chairman of the Finance Committee is as follows: Is there anything in the National Park Foundation operation which would be frustrated by the bill coming out of conference, which is before us today, which would adversely affect our parks and our recreation programs?

Mr. LONG. Mr. President, this matter was discussed by the the conferees and they felt the bill would not affect the present practice. The bill restricts activity relating to legislation, and it has no effect on executive departments engaged in the purchasing of park lands. The fact that the department must get a legislative authorization and appropriation does not alter the fact that the actual purchase is purely an executive, not a legislative, action.

Mr. BIBLE. Mr. President, I am pleased to make that legislative record. I think it conforms with the practice. I could not believe there would be anything in this foundation section of the tax bill that would be adversely construed with respect to acquiring park and recreation areas throughout the Nation. I appreciate not only the attention which the conferees paid to this matter, but the answer which the Senator from Louisiana has given.

Mr. TYDINGS. Mr. President, I would like to take this opportunity to speak for a few minutes on the Tax Reform Act of 1969.

First of all, I think it is important for the American people to know, as the members of this body know, that there would have been no Tax Reform of 1969 if it had not been for the distinguished majority leader of the Senate (Mr. MANSFIELD), who refused to go along with pressure from innumerable sources, including the administration, earlier this year, when they wished to repeal the investment credit tax without any tax reform for the American taxpayer as a whole.

When Senator MANSFIELD made the decision to hold solid for a tax reform for all of the citizens of the United States, he made this final tax reform proposal possible.

I think that the work of the distinguished chairman of the Senate Finance Committee, Senator RUSSELL LONG, who held long hours of hearings from August through October, when the bill was reported, is a great credit to him and to the Finance Committee.

I think the distinguished chairman of the House Ways and Means Committee, Mr. WILBUR MILLS, who provided the leadership on the other side, will long be remembered and appreciated.

I certainly concur in the words of the Senator from Utah (Mr. MOSS), who said that if the first session of the 91st Congress had done nothing else but pass appropriations bills and pass this Tax Reform Act, the American people would have had a substantial piece of legislation accomplished in this session.

There has been some criticism on some fronts that this legislation is inflationary. I challenge the editorial of the New York Times and other statements. They seem to forget that the President of the United States campaigned on a platform of repeal of the surtax; that it has always been his position to repeal the surtax; that we are talking about a dollar and cents position of the Federal Treasury, based on the President's own statements, requests and campaign pledges.

If the President, in his wisdom, decides that we need a surtax, certainly the average American taxpayer is far better off if the surtax is based on a fair, across-the-board sharing and apportionment of taxes in this country, which will be achieved under this conference report, rather than under a hodgepodge of deductions and exclusions and special situations which the present tax law holds.

I pay tribute, Mr. President, to the distinguished Senator from Tennessee. All the rhetoric of the minority leader and his speech writers to the contrary notwithstanding, there is but one principal reason why the average American taxpayer will benefit so greatly from this tax reform bill, and that is the prodigious effort made by the Senator from Tennessee to do away with the administration-backed proposal, debated on this floor—which would have allocated more than 25 percent of all the tax relief in the bill to those making more than $20,000 a year—and to reallocate the benefits of the tax reduction where they should go; namely, to the middle-income and average American taxpayers who pull the tax load in this Nation.

It was Senator GORE's amendment which went to conference, not the substitute amendment turned back by a vote of some 72 to 12 on this floor. It was Senator GORE's amendment which provided the basis of relief for the average American taxpayer.

In behalf of the average so-called silent American taxpayer in Maryland, Senator GORE, we thank you. We think this bill is a great step forward. I think that the electorate of America, if for no other reason, should be proud of this session of the 91st Congress because of this tax reform bill.

Mr. MONTOYA. Mr. President, will the Senator yield?

Mr. TYDINGS. I am delighted to yield to the Senator from New Mexico.

Mr. MONTOYA. I join the Senator from Maryland and the Senator from Utah in what they have said concerning the great part played by the Senator from Tennessee, and the great effort put forth and the great leadership supplied by the Senator from Louisiana. I am particularly proud of the fact that I joined the Senator from Tennessee in offering his amendment, and I am also very happy because of the fact that a substantial part of the amendment prevailed in the conference.

I wish to compliment also the members of the Committee on Finance for the arduous labor they exerted in bringing forth a piece of meaningful legislation which now culminates in meaningful tax reform. This was a most difficult task, amidst an atmosphere of misconception by many people. Many times the various members of the Committee espoused sectional or geographical concerns, only to have their motives impugned. Others manifested concern with other items of personal significance or sympathy, such as the foundations, the arts, the farmers, or the students. We here in the Senate exercised our option to act independently of the other body, as we should have. We had the power to amend, a privilege that did not exist for the House of Representatives, because of the long-enduring custom of presenting general tax legislation in the House of Representatives under a closed rule, which prohibits the offering of amendments from the floor. That accounts for the great variance between the actions of the respected House of Congress which was the case with respect to these tax reform measures. But that was the parliamentary process working in its truest form.

The conference ironed out the disparities and variances and, in the final stage of the process, we are presented with a piece of legislation which will stand as a hallmark of this Congress. I applaud these efforts and these results. All Americans should realize that we have made a great start, and I wish to say, by way of further emphasis, that the Senator from Tennessee, as has been said by the Senator from Maryland, faced the ammunition here in this Chamber, and he imposed a determination on this body by representing to us that the American people wanted some tax reform in the way of additional exemptions. He articulated his position, and he won out, and most of the Senate went with him. He deserves the great credit that is due him for having played a substantial part in the benefits that will be derived by the taxpayers of America out of this great piece of legislation.

As for the chairman of the Committee on Finance, he followed the suggestions made by the Senate, upon recommendation of the majority leader, that he call his committee to order and that he work day and night to try to bring about legislation before a certain date. He did work hard, and so did the members of his committee; and from his committee came a significant piece of legislation. But that did not foreclose us from working our will as individual Senators, and then obtaining a collective measure in this body.

That is what this process is all about, and I congratulate the distinguished chairman of the Committee on Finance and all his colleagues on that committee for carrying it out so well.

Mr. STENNIS. Mr. President, I shall not detain the Senate but a few minutes, I wish to express my very profound appreciation to the members of the Committee on Finance of the Senate, and, of course, the members of the House Ways and Means Committee as well; but I personally know about what the members of the Senate Finance Committee did. I think they have rendered a truly great service to our country, and one that was long overdue but one that will render benefits for a long, long time.

I wish to point out also, at least for the RECORD, the tremendous amount of work the committee members did on this bill, day after day, night after night, week after week, which culminated in the conference committee work, which I understand sometimes ran until 3 or 4 o'clock in the morning. Such work passes unnoticed by the press and by most of the people. There is but one thing that would cause members to engage in such toil; and that is true and genuine dedication to duty on a hard, dry subject that is praiseless in nature. No bands will be marching and singing songs dedicated to those gentlemen; but they have rendered a great service to their country. Everyone is indebted to them and appreciates it very much.

This is a subject I have never gotten into. I do not understand the technical phases of taxation. But I do realize what it means for the economy. I have not voted for many of the tax reductions that have been made over the years. One reason is that they have passed up a group of people that I have thought is entitled to the most relief in the form of increased personal exemptions. When I first ran for the Senate, I promised that I would try to raise the $600 exemption. I told the people that I would seek to have the exemption increased. I meant it. I tried to do it, I voted for it many times, but always it was lost in conference; the tax relief went off in another direction to another group.

But now we have really gotten down to the fellow who counts, those who feel it, and will appreciate it, too.

I commend the distinguished Senator from Tennessee (Mr. GORE). I do not know what has been stated earlier, but he made the difference for success in this personal exemption increase. He opened up the fight; he opened the door with his persistence and his skill in debate. I know something about his skill in debate, because I have had some of it displayed against me. So I appreciate the skillful way he handled his subject and fought for the increase in personal exemptions to the end, causing it to survive the conference.

The committee had much good help in bringing back the report from conference. I am proud of our friend from Louisiana (Mr. LONG), who reached a pinnacle in the way he handled the bill in the Senate. I have been concerned about the bill. His thoroughness, his energy, his knowledge, and his persistence have paid off.

I have the privilege to sit across the aisle from the distinguished Senator from Nebraska (Mr. CURTIS). I know that he has worked hard on the bill, as has, also, the ranking Republican member of the committee, the Senator from Delaware (Mr. WILLIAMS), and also my special friend from Utah (Mr. BENNETT). I have spoken often with the Senator from Georgia (Mr. TALMADGE) about the bill and order of his work and contribution. I have personal knowledge of what all of them have done. I mention them because of my personal contact with them. We are grateful to them and to all other members of the committee.

As I have said, I feel that the Senator from Tennessee (Mr. GORE) made the difference on the bill so far as personal exemption increases are concerned. He fought on behalf of a group of people who have long been overlooked.

Some of these reforms will make a new start and an approach nearer to justice for that great body of people in our society who are the backbone of support for our churches, schools, and communities.

As one Member, and as a citizen, I am most appreciative.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. STENNIS. I am glad to yield.

Mr. FULBRIGHT. I wish to join the Senator from Mississippi. I said a few words a moment ago, but I wish to join him especially in his commendation of the Senator from Tennessee (Mr. GORE), who carried the greatest burden in the matter of increasing exemptions.

I also wish to pay particular tribute to the members of the staff. Mr. Woodworth, of the joint committee, and his associate, Mr. Vail, of the committee staff, really bore an even greater physical burden in the amount of work they did. The committee could not have functioned at all without their extraordinary knowledge of the substantive matter, because there is no bill that I have ever been associated with that is more complex and more difficult for Senators who have not had special training in this area to grasp than a tax bill. Therefore, the staff is all the more important.

I did not want to let this opportunity pass without paying tribute to Mr. Woodworth and to his very good assistants, including Mr. Vail. They have done a great job in helping the chairman and the other members of the committee.

Mr. STENNIS. Mr. President, I join in the tributes paid to the members of the staff. So many of our committees have received great assistance from the staff members. I have said that the Senate moves on the wheels, as it were, supplied by the assistance that the staff members have given us.

Mr. FULBRIGHT. If it moves in the right direction, it does.

Mr. HARRIS. Mr. President, I join in the comments that have been made here. I particularly want, as a member of the Finance Committee, to commend the distinguished chairman, the Senator from Louisiana.

I told him the other day, while commiserating with him after 2 or 3 days of conference, what the senior Senator from Minnesota (Mr. McCARTHY) told me when he and I were talking about how long we had been involved in the bill this year. Senator McCARTHY said this experience reminded him of what Tommy Gibbons had said after going 15 rounds with Jack Dempsey. He said "I never got so tired of looking at one man in my life."

I think that is how the Senator from Louisiana must have felt after going through the lengthy hearings, the executive sessions in which we had the markup of the bill, the days of debate on the floor, and then finally the conference.

I think that while he may have been tired from time to time, and not particularly happy about the action on the Senate floor, as many of us were unhappy from time to time, the Senator can feel very proud of himself and of this product that is before the Senate today.

I think it is a major accomplishment. It obviously could not have occurred except for the leadership and the hard work and persistence of the distinguished Senator from Louisiana. As a member of the Committee on Finance, I am very pleased to have this opportunity to honor his leadership.

Also, I wish to point out that I certainly agree with the distinguished Senator from Rhode Island (Mr. PASTORE) and others in saying that this would not have been possible if it had not been for the actions taken by the distinguished majority leader, the Senator from Montana (Mr. MANSFIELD), and the position that he and others of us took in the Senate earlier this year. We believed that we could not ask the people of this country to continue to pay the surtax or any part of it over another 6 months or a year, unless we could at the same time assure them that they would have some real tax reform and substantial tax reductions during this session of the Congress.

Mr. President, without the assistance of the majority leader, I do not believe we would have ever accomplished this goal. I doubt that anyone disagrees with that statement.

I honor the distinguished majority leader for the position which he has taken on this issue throughout this session. He is certainly entitled to the gratitude of the Senate and of the country.

Mr. President, a great many people ought to be pleased with the results we have here today. However, I want to single out, as others have, the distinguished Senator from Tennessee (Mr. GORE).

I recall that when he first began to talk about raising the personal exemption, there was not very much support in the Finance Committee for the idea. And there was not very much hope that it could be done.

I was one of those who was doubtful. However, he kept on with his argument. He kept on refining the idea until I, like the majority of the Senate, came to believe—as obviously a majority of the people in the country believe—that the Gore amendment is the best way by which we can give so much needed tax relief to the American people.

The Senator from Tennessee is honored in the Senate and all around the country for bringing that increase in personal exemptions to fruition.

There is a great deal about the bill that I believe will be a credit to us all. I am pleased that it includes a 15-percent increase in Social Security benefits without an increase in the rates. I think that meets a great need.

I am pleased that we have given so much needed tax relief and tax reductions to the overburdened lower and middle income taxpayers.

I know that there are those who believe that the kind of determination of priorities that is contained in the bill is unwise at this time. I am not one of those.

I am one of those who feel that a great deal must be done on the whole broad front of social issues. But I do not believe we will be able to do what ought to be done on those issues unless the lower and middle income taxpayers feel they are being more fairly treated by the tax system of our country. They have not felt that way in the past, and they have been right in not feeling that way.

I believe that we will have a much better chance in getting the lower and middle income taxpayers to help do these things that must be done in this respect by reason of the fact that the tax laws of this country, which were more regressive than they should have been, are now more progressive than they were.

I believe that is a major accomplishment and one which is a condition precedent to our moving on so many of these other fronts that need our attention, as I have said before in the Senate and elsewhere.

I am pleased that we will have tax reform and the most important tax reform, I think, that we have had in the last 25 years. I am not pleased with every provision in the bill, and if I had my way I would make certain changes. But all in all, the tax system is now more equitable.

It means that the people who, up to now, have not been paying their fair share will be paying their fair share, or at least will come a lot closer to it than they have in the past.

As a member of the Finance Committee, I have watched this matter very closely this year as a participant in the deliberations of the committee, in the markup session, on the floor, and in the conference committee, and I point out that no Member of the Senate has had a more consistent position with regard to real tax reform or has been more determined to see that goal achieved than has the distinguished Senator from Tennessee (Mr. GORE).

Mr. President, I am again pleased to honor the Senator from Tennessee in that respect and to honor all others who have helped to make the bill a reality.

Mr. WILLIAMS of Delaware. Mr. President, there are a great many of the reform features in the bill with which many of us agree. First I join my colleagues in paying tribute to the conferees on the excellent job they have done in bringing back to the Senate a much better bill than that which left the Senate.

In fact, as I sat here for the past several minutes and listened to my colleagues compliment the conference committee on the fact that they have deleted many of the Senate amendments a question arose in my mind as to how sincere the Senate was when it adopted those amendments in the first place. I have not heard anybody defending even one of the Senate amendments that were deleted in conference. I congratulate my colleagues on joining the rest of us in recognizing that many of those Senate amendments were merely approved for the day and were never intended to become law.

Nevertheless, the conferees do deserve a great deal of credit. I regretted, as I stated at the time, that I could not conscientiously serve as a conferee because I had disagreed with the Senate revenue reductions amendments.

I also wish to join in paying my respects to the majority leader, the Senator from Oklahoma, and many others who worked toward getting major tax reform. As one who for 20 years has been trying to get major tax reform, particularly a reduction in the depletion allowance, I thank them for their cooperation in helping us achieve that goal. Today we are much closer to getting it. I do not think this is a time when we should argue as to who gets the credit for this reform or reduction in depletion allowance. I am perfectly willing for them to call it the Harris amendment if they wish; the point is we have achieved a reduction in the depletion allowance. The important point is that it is becoming law, and I am willing that the Senator from Oklahoma get the credit.

I join them in stating that this reduction is a long overdue recognition of the inequities in our tax laws.

By the same token, I congratulate my colleagues on the fact that they now recognize that when Congress, about a year and a half ago under President Johnson, reinstated the investment tax credit that it was a major loophole. As one of the two Members of the Senate who voted against it at that time I am glad that they belatedly recognize it as a major loophole and one that needs to be corrected in this bill.

Nevertheless, while there is much good in this bill, one point we cannot overlook is that we are projecting down the road a $9 billion tax cut; and the question in our minds is, can we or can we not afford to reduce taxes when we not only have an unbalanced budget but also are confronted with the most serious threat of inflation in our history?

I am sure that there are many parts of this bill which each Member would like to support or in instances to change this item or that item, but that is not so important. No one gets a perfect bill. We realize that as we move into the legislative process we all have to give and take.

As I have said, generally speaking this bill does go far toward closing many of the major loopholes in our tax structure; to that extent I would like to support the bill. I do want to point out, however, a couple of points on which I wish we could have gone a little further. It has been mentioned that the tax reduction in this bill benefits low-income groups, and I concur in the statement that that is where we need relief. But one point has not been mentioned.

The bill does help the low-income groups, the lower-income taxpayers, but it does not help the middle-income taxpayers. When you jump beyond the middle-income taxpayers, however, to those who have earned incomes in excess of $50,000, as their incomes advance they get a substantial reduction under this bill. For example, a man making $100,000 or $200,000 a year gets a 30-percent reduction under this bill. The top rate on earned income is reduced from 70 percent to 50 percent. If he is making $52,000 or less he gets a tax increase when we take into consideration the other features of the bill such as an increase in capital gains tax from 25 percent to 35 percent. But as his income goes beyond that he gets a reduction.

When we are talking about helping the low-income groups I do not quite see how we can say that putting a 50-percent ceiling on earned income of a man making $200,000, $300,000, or $400,000 a year is tax reform. I wonder why my colleagues who are boasting of what they are doing for the low-income group have not mentioned that? When they speak of helping the poverty class I think they should recognize that some of the so-called poverty group are individuals with $200,000 incomes who are getting tax reductions under this bill. I would assume that those who are supporting this bill are in favor of this feature because I have not heard anyone mention any criticism of it.

I do not think those who are in that high-income bracket are entitled to a tax reduction until the people in the middle-income group can get it, and we just do not have the necessary funds to justify an across-the-board tax increase.

Yes, this bill contains a special 50-percent limitation on earned income. As I said before, it has a mathematical effect of approximately a 30-percent tax reduction for those in the high income brackets. The people in the middle-income brackets will actually pay a little more tax under this bill.

Another point I wish the Senate had corrected is a major loophole which was called to the attention of the Senate several months ago wherein Members of the Senate or any other public officials can claim tax deductions for their files or papers when donated to some charitable organization. After they leave office, or even before, they can donate their papers or cartoons in their offices to a university or other tax-exempt library after having them appraised and then get a tax reduction for them as though they had made a donation to a church. This is a glaring loophole to which our attention was called several months ago. It was referred to in a Wall Street Journal article as a loophole primarily for public officials, although it did also apply to writers, who could donate their notes and receive a tax credit.

Another phase of this loophole is that Members of Congress and other public officials may be sent the copies of a new book. They can then donate these books to a school or university and get a tax credit for the value of the books for which they have paid nothing. That is wrong.

As this bill was passed by the Senate it closed that loophole effective January 1, 1969. I regret to say that the date was changed in conference. The date was moved forward to July 25 of this year. I do not see why it was not left as it was. We have many other retroactive features in this bill. I do not know why the conferees did not keep it effective for the full year. To my knowledge, we only had one witness testify on it before our committee, the former Secretary of HEW, who expressed the hope that the effective date would be delayed until he could get his papers turned over to a university, and he said many others who left Government service this year were in the same category. At the time I offered the amendment I did not think we should make any exceptions, and I regret that the date was changed. Perhaps there was the reason, but I do not understand it. Nevertheless in the conference report it was made effective from July 25 of this year on, but it is not effective for those who went out of office last year or the first part of this year and have turned their papers over to libraries and universities. I understand that as high as $20 million could be involved in this, and at a 50 percent top rate that would be $10 million in lost revenue. It seems to me that this is a loophole. When we are talking about closing loopholes this was certainly a good place to start. This is not an instance in which tax relief is needed. But I do thank the conferees for accepting the amendment even though it only has the effective date of July 25.

So far as the tax reform features of this bill are concerned, while there may be areas in which I could suggest we go further. I think the conferees have done an excellent job in bringing back a bill which corrects many of the inequities in our existing tax structure, and on that point I would have liked to support the bill. Nevertheless I regret that the Congress has built into this bill the projected $9 billion tax reduction which will be triggered into effect over the years, and in the face of the present inflationary threat I do not think we can afford it.

I took the same position in the committee in connection with the rate reductions of the House bill. I agree that the amendment of the Senator from Tennessee as it is phased out has no more immediate impact than did the proposed rate reduction. I am not debating that. I said in committee that I questioned whether or not we could afford a tax reduction at this time, when we are operating this Government at a sizable deficit.

One point which has been overlooked is that even without any reduction in rates or increase in exemptions this bill already provided for a $9 billion tax reduction when we reduced the surtax from 10 to 5 percent for a half year or 2½ percent for the full year. But the supporters of this bill treat that reduction as though it were an increase in revenue by counting the $3 billion which will be derived from the lower surtax rates as though it were increased revenue.

I have compiled a tabulation for the last 5 years, beginning with 1965 through 1969. Members may be amazed at the size of the deficit we have generated in just these 5 years. If the Members will take this book, the budget, and check it they will find that on an administrative basis we have operated our Government for the past 5 years at a deficit of $53.504 billion.

In addition to that we have during this same 5-year period accelerated one full year's corporate tax payments by advancing payments, which means that during this 5-year period we collected one extra year's corporation taxes. When one takes into consideration the accelerated corporate taxes in the amount of $9.1 billion and then add the $2 billion profit by melting down our coins, another $1.2 billion gained from accelerated payments of excise and withholding taxes, and an additional $9.8 billion derived from the sale of participation certificates we have a total of $22.1 billion.

When that is added to the admitted deficit, which in the last 5 years was $53 billion, we have a total deficit of $75 billion. We have increased our national debt to finance that debt. I think it is time that we should ask ourselves, when are we in Congress going to face up to the inflationary problems of this country?

Inflation is our number one danger. It is eroding the purchasing power of social security benefits, the life savings, and the pensions of all Americans. I agree with the committee report that the impact in the next calendar year has been minimized substantially on that point. I congratulate the committee; however, one cannot get away from the fact that as far as the investing public is concerned, those who are afraid of inflation, they are going to look down the road and ask themselves, "Does this Congress really mean it when it says it is going to tighten up on expenditures, balance the budget, and combat inflation?"

As I stated earlier, this bill when fully effective reduces taxes for individuals by around $20 billion. Reducing the surtax from 10 to 2½ percent for the full year in 1970 equals a $9 billion reduction. Next year presumably the surtax will have expired, and that means another reduction of $3 billion. Then the full implementation of the increased exemptions and low-income allowances will total another $8 or $9 billion reduction in 1973. Pouring these additional funds in the spending stream at this time is highly inflationary.

The question has been asked many times, "Why was the surtax which was put on by President Johnson not more effective?" The answer is simple—it was put on too late. The Senator from New York and I recommend as far back as 1967 that the economy was getting overheated and that the administration should raise taxes to finance the cost of the war. We were in the midst of a war; yet the Johnson administration made no effort to finance that war, and we were not even recognizing it as a war. In August 1967 the Senator from New York and I suggested that the Johnson administration should impose a tax to reduce the staggering deficit. Nothing was forthcoming.

In January 1967 President Johnson had recommended a 6 percent surcharge. As a member of the minority party I endorsed that proposal as a step in the right direction. Then, much to the surprise of those who were concerned about inflation, two months later, in early March, the President reversed himself and asked for a tax reduction. He asked for the reinstatement of the investment tax credit which represented a $3 billion tax reduction. Congress stampeded that through and poured that extra money into the economy at a time when we should have been raising taxes to reduce the deficit and cool an overheated economy.

It was not until several months later that the administration recognized that we were confronted with a serious threat of inflation and decided to act. Finally the President agreed to support a bill which at that time was requesting a 10-percent surcharge accompanied by a 6-percent mandatory reduction in expenditures. The Senator from Florida and I sponsored the administration's bill, but President Johnson only accepted the expenditure controls after both Secretary Fowler and Mr. Martin of the Federal Reserve Board had warned that the American dollar was on the verge of forced devaluation unless prompt action were taken.

The bill proposing this 10-percent surcharge and a $6 billion reduction in expenditures was before the Senate in March of 1968, but it was on the verge of being defeated due to lack of administration support.

On a Friday, the day scheduled for the vote, the Senator from Florida (Mr. SMATHERS) and I received a call from Secretary of Treasury Fowler and from Mr. Martin, the Chairman of the Federal Reserve Board. They were calling from Stockholm and said that by no means should Congress be allowed to defeat that proposal that day because of the conference in Stockholm. The Secretary said to recess Congress unless we were sure of the votes. They emphasized that the following Monday the London gold pool was opening, and unless Congress had acted affirmatively when that pool was opened they predicted the American dollar would not stand for 72 hours. The Senate adjourned that Friday to avoid a negative vote on that bill until the Secretary could get back in the country and talk with enough Members on their side of the aisle to get votes to pass the bill, which we did on the following Tuesday.

In the minds of those on the Federal Reserve Board and the Secretary of the Treasury, that is how close we came to devaluation.

When they came back the President did endorse a $6 billion expenditure cut as a part of the top increase, and the bill went through Congress around the end of June. But the ink was hardly dry before the executive branch and the Congress began to whittle on the reductions and we ended up with no reductions in expenditures.

Later, after the bill was enacted, the Federal Reserve Board in the last part of 1968 pumped into the economy an unusual amount of money, which further fanned the fires of inflation. Here today we are with another increase in the cost of living of another one-half of one point in the last month. That is the equivalent of a rate of 6 percent per year on an average.

We talk about social security increases. I would like to see social security payments increased, and I would like to vote for them. But at the rate of increase in the cost of living, 6 percent of that increase will be gone before another Christmas rolls around. Inflation is taking it away from them faster than Congress can give it to them. Sooner or later Congress must face the fact that inflation cannot be controlled with pious speeches. Inflation has to be controlled with hard votes. We may have to cut down on programs we think are good, but let us tell the American people we cannot give them this tax reduction at this time. Those who invest in bonds or securities are going to look down the road 3 years from now and try to predict the inflation results. Will or will it not be controlled? They see a $9 billion tax reduction being approved here for next year, and they see us with an unbalanced budget, and more tax reductions promised for later years, all at a time when we are running a deficit of over $700 million a month. There is no chance in the foreseeable future of reducing this deficit; no chance at all.

Those who think there is a chance should remember that as the result of what we are doing here today within 3 or 4 months they will be requested to raise the ceiling on the national debt. If this bill is passed there will be a request to raise the national debt by $5 to $10 billion so they can borrow the money to finance the tax reductions which are being voted today. I say that does not make sense, and I do not think the American taxpayers are going to be fooled with this political shell game going on in the Congress. We are taking away in inflation more than this tax reduction. Our cities and States cannot borrow money today with interest rates as they are.

The reason they cannot borrow with these high-interest rates is that those who are investors in bonds are insisting that the bonds carry interest rates high enough, first, to offset the projected inflation, which is running at an annual rate of from 5 to 6 percent, plus a reasonable return on their money—4 or 5 percent—thus ending with 10-percent money. One is not going to get away from a 9- or 10-percent interest rate with a rate of inflation in this country of .5 percent per month, or 5 or 6 percent a year.

I recognize that social security beneficiaries do need some increase, but this is the first time in my 23 years of service that Congress has ever considered passing an increase in social security payments without including in the same bill provisions to raise the revenue to finance such an increase. I repeat, this is the first time to my knowledge that Congress has ever voted an increase in social security benefits without providing the necessary tax to pay for it.

I think we should finance the benefits that we give under social security. The argument is made that it is not necessary to provide a financing provision; that there is an annual increase in the social security fund. The increase in the trust fund this year is estimated at $9 or $10 billion. But let us not forget that the bulk of American workers are between the ages of 25 and 40. Those persons are contributing from their payrolls into the social security trust fund, just as civil service employees are paying into their retirement fund, with the thought that when they reach the age of retirement they will have laid aside enough to take care of themselves in retirement. What we are saying today is that Congress can dissipate, that we can spend for benefits today. This is their money and our Government is the trustee. We are destroying their security for tomorrow because those people will now be dependent upon the whim of Congress to repay the money with which to pay their benefits.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. CURTIS. The distinguished Senator from Delaware, as usual, is making a necessary and profound statement. The social security reserve does not contain sufficient amount. The fact is that it has enough to pay benefits for only about 15 months. Congress has always held that the fund should never have less than enough for 1 year—and never have a reserve and no profit for a year. It is barely over a year at this time.

Mr. WILLIAMS of Delaware. Congress heretofore said we should never go below 3 years' protection. The Ways and Means Committee and the Chairman of the Finance Committee also took that position. In recent years this coverage has been reduced to just over a year. This fund builds up over a period of high employment; and then in low employment or lower overtime payments when more people retire; out-go increases while the income decreases, and the so-called surplus could vanish overnight.

One of the most important things to those who retire on pensions, whether it be Government, social security, State or private pension, is the knowledge that that fund will be solvent as long as they live, regardless of how long that may be, and that the purchasing power of the pension they are looking forward to collecting will remain sound.

Somebody suggested the other day, did we think the situation would ever arise when this country could not pay its bills? I said no, because in the history of the world, I did not know of a single country that ever defaulted on paying its obligations, even those whose currencies became worthless.

The reason is that as inflation takes over they can print a thousand dollar bill or a five thousand dollar bill just as easy as a one thousand dollar note or a five thousand dollar bond. When they go bankrupt they just turn on the printing presses and pour out money and pay off their obligations. Of course, it has no purchasing power. That must not happen here in America, and it need not happen, but some effort must be made and some thought given to protecting the purchasing power of the American dollar.

That cannot be done by approving irresponsible tax reductions in the face of huge deficits.

That is the reason I shall not support this conference report, not on the basis of its reform provisions, because they do have merit and many of them I have been working for for years; but I do not want to be a party to projecting multibillion-dollar tax reductions down the road 3 years from now when I do not think the American people will get that tax reduction, or if they do it will be only at the staggering cost of additional inflation.

I repeat that the criticism I am making of the tax reduction features in the conference report are also, as I said in the Finance Committee and on the floor of the Senate at the time we debated this bill, equally applicable to the rate reduction proposal in both the House bill and in the Finance Committee bill. I am speaking of tax reduction in general at this time.

I think that this is the time when we cannot afford to cut taxes by $9 billion—$9 billion which we do not have unless we borrow the money.

I conclude my remarks with this word of caution, that before this Congress has adjourned, not this session, but before another 6 months have passed, if we proceed with this so-called tax reduction bill we will be back here raising the ceiling on the national debt in order to finance the tax reduction the Senate will be voting here today. I say that that cannot be justified.

Mr. GRIFFIN. Mr. President, will the Senator from Delaware yield for a question?

Mr. WILLIAMS of Delaware. I yield.

Mr. GRIFFIN. I want to commend the distinguished Senator from Delaware for making a very important contribution to a better understanding of this conference agreement. In the eyes of the public, he is the watchdog of the Treasury. He fully deserves that title.

The Senator focuses on a number of provisions in the conference agreement which have not been discussed before. I was particularly interested in his reference to the provision concerning the tax deduction on credit which is given when public officials contribute public papers to a university. The date, as I understand it, was adjusted in conference to July 25, which is a rather unusual date. It is not the beginning of a fiscal year. It is not the beginning of a calendar year. It is not upon enactment of a law.

I recall that the Senator from Massachusetts, the majority whip, gave a very important speech on the floor of the Senate indicating that he wanted to know and have brought to light who the individuals or corporations were who would benefit by these particular changes in the law. I just wonder whether the Senator from Delaware, or anyone else, could enlighten the Senate as to who might benefit by that particular adjustment of the date?

Mr. WILLIAMS of Delaware. I will leave it to the Senator from Massachusetts to put the names in the RECORD. He should be more familiar with them than I. But it could be any public official who wished to take advantage of the advance knowledge that this loophole was going to be closed or that it had been proposed.

So far as the date of July 25 is concerned, it should be pointed out that there was some basis for accepting that, even though I disagreed with it. That was the date the House acted on the tax reform bill. Perhaps the conferees figured that it should not go back beyond the date on which the House had acted. That may account for the July 25 date, but in my opinion it was a mistake. This was one loophole that should have been closed effective for the full taxable year.

Furthermore, there were other measures which were made retroactive.

Mr. GRIFFIN. The investment tax credit, for example.

Mr. WILLIAMS of Delaware. Yes; that dates back to April.

But another reason, early in the spring I made a statement on the floor of the Senate that an effort would be made to close this glaring loophole and offered as an amendment to the committee for inclusion as a part of the tax reform bill. I said at the time that I would propose that it be made effective the first of the year because otherwise, with the advance knowledge that this was going to be offered, public officials could, if they wished, transfer their papers before the effective date. Former members of the executive branch or Congress could easily figure that this amendment may pass and hasten to transfer their papers to a private library or some university. Since we were trying to close loopholes and eliminate the possibility that other taxpayers could take advantage of the advance knowledge we who write the laws should at least make sure that we abide by the same rules.

That is the reason I thought it was very important to have a date of January 1, 1969. I do not think public officials were ever entitled to the advantage of such a loophole in the first place. It is a glaring loophole, one that should have been corrected long ago. I do not think a public official should take a charitable deduction for papers and files that he accumulated while serving on the public payroll. Why should any public official be able to set up a library in his own name, as some people have done, and then contribute their official papers to the library and get a big tax deduction? Yes, public officials can contribute files to their own libraries and get big tax credits for them. That is ridiculous; and why should not the repeal of this loophole be made retroactive to the first of this year? Only last July the Congress passed a 10-percent surtax and made it retroactive to the first of the year.

The Finance Committee, as I recall, unanimously approved the January 1, 1969, date. I do not argue but that the Senate conferees tried to hold the Senate position and that the date of the 25th may have been taken because that was the date on which the House acted on the original bill.

But this was a loophole that benefits primarily public officials. Certainly if we are going to talk about closing loopholes Congress should start in its own back yard first. That is the reason I was so concerned that the loophole be plugged as of the first of this year. As the former Secretary of Health, Education, and Welfare testified before the committee, by approving a deferred date all of those who left Government service early this year would be taken care of before the loophole was closed.

Mr. GRIFFIN. As I understand, if former Presidents or Vice Presidents or Members of Congress had given their papers to a university or a library established in their own name this calendar year, but prior to July 25, they will get the benefit of that tax provision.

Mr. WILLIAMS of Delaware. That is right. They can have it appraised and get the full benefit by claiming its appraised value as a charitable contribution for tax purposes.

Why should the effective date be deferred so that a group of public officials can take advantage of the loophole before it is closed?

Mr. WILLIAMS of Delaware subsequently said:

Mr. President, I ask unanimous consent to have printed in the RECORD three editorials, one from today's New York Times and two from today's Washington Evening Star.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times, Dec. 21, 1969]

FRAUD ON THE TAX FRONT

The House-Senate conference committee has produced a tax bill that appears certain to be passed overwhelmingly in Congress this week. The bill was tailored by the committee to be veto-proof when it reaches President Nixon, and it does represent a marked improvement over the atrocious Senate version. Chairman Wilbur Mills of the House Ways and Means Committee has stated flatly that the revised measure "is certainly not inflationary," and Mr. Nixon has indicated to Senate Minority Leader Hugh Scott that the conferees' actions have improved the chances of Presidential signature.

Unfortunately for the nation, however, the bill remains decidedly inflationary. The alarming degree to which this is true is masked by the data on revenue gains and losses that the U.S. Treasury and Congress are putting out. In fact, there has been what amounts to a conspiracy between the Administration and Congress to disguise the true extent to which the proposed tax action is inflationary in the short run, as well as how substantially it would give away Federal fiscal resources in the long run.

The revenue estimates released by the Administration and Congress indicate that the revised tax bill will increase the net revenues of the Federal Government by $6.5 billion in 1970 and by $315 million in 1971, and that, even in the long run, it will result in a net revenue loss of only $2.5 billion a year.

There are two basic fallacies in these estimates:

First, they take no account of the future growth of the economy, which would greatly swell the revenue losses in the years ahead. Reasonable growth projections would cause the revenue losses to increase by 8 to 10 per cent per year.

Second, they treat the reduction and repeal the 10 per cent surtax, which has been yielding $12 billion a year, as though it were a $3-billion increase of revenues in 1970—instead of what it actually represents, a $9 billion reduction in revenues in 1970 and a $12 billion reduction in 1971 and the ensuing years. The same treatment is given to the temporary extension of automobile and telephone excises; these are carried forward as a $1.2 billion gain in 1970 and thereafter gradually reduced. In fact, these changes in the excises represent no gain in revenues in 1970 and a gradual loss thereafter.

The upshot of this accounting gimmickry is to show a $6.5 billion revenue gain in 1970 when the right figure, to indicate the fiscal impact as compared with 1969, should be a net revenue loss of at least $8 billion. Similarly, the Administration-Congress published figure of a net revenue gain of $315 million in 1970 should be a revenue loss of at least $13.5 billion. Given the present inflationary state of the economy, this is both irresponsible and dangerous.

In the long run the revenue losses built into this legislation may be even more serious for the nation, confronted as it is with enormous unmet social needs. Without figuring national income growth, those losses will amount to at least $15.5 billion a year. With growth included, the annual revenue loss could total as much as $30 billion in seven years.

How have the Administration and Congress produced this misleading accounting? Simply by assuming that if Congress did not act on this bill the surcharge would lapse and the excises would expire Thus they are comparing the fiscal effects of the tax bill with the no tax bill at all affecting 1970 rather than with what the existing tax system of the nation is actually yielding in 1969.

It is difficult to know why this was done. The President apparently committed himself too early to reduction and repeal of the surtax; he was thereafter mousetrapped by whatever Congress—unwilling to raise taxes in the face of voter resistance—did on the so-called tax reform bill. Congress has suffered flight from fiscal realism that can only be regarded as the result of a lack both of party leadership and of firm direction from the White House.

It is now only too clear that the national interest calls for a veto of this tax bill and a new start on fiscal policy. What started as a heroic effort to inject more fairness into the tax structure has turned into a fiscal disaster that contributes only moderately to greater tax equity. The best out at this point would be a simple continuation of the surtax at its present level until the end of the Vietnam war permits a major reduction in military spending. But the President has boxed himself in and seems bound to sign the bill that Congress has produced. The tax folly of 1969 will cost the nation dearly unless corrected over time.

[From the Washington Evening Star, Monday, Dec. 22, 1969]

THE TAX BILL

The tax bill, on Congress' platter today, is an eminently better piece of legislation than the fiscal Christmas pudding stuffed with inflationary calories that the Senate sought to serve the President.

In normal times, such a bill could expect to receive the unqualified blessings of the White House. But these are decidedly abnormal times, with price rises gobbling up wage increases in the worst spiral since 1951.

Mr. Nixon is in the decidedly uncomfortable position of being damned if he does and damned if he doesn't. The political consequences of vetoing a bill that includes benefits for all taxpayers and a 15 percent rise in Social Security benefits for 25 million Americans could be disastrous for him in 1972.

But a failure to halt the erosion of the dollar's value could be equally fatal in a political sense, and ruin the country in the bargain. Thus the President's decision must hinge on his assessment—and on that of his economic advisers—as to what effect implementation of the bill would have on the economy as a whole.

The final bill reported out by a joint conference committee Friday is much closer to the more reasonable House bill than it is to the Senate's bauble-loaded version. And Mr. Nixon is not committed to vetoing the bill as it stands. He had stated baldly that he would veto a bill containing both a 15 percent Social Security hike and a rise in the personal exemption to $800; the conferees let him off the hook by raising the exemption to only $750 between now and 1973.

The details of the joint bill have been recounted fully in the news columns of this newspaper. The basic point is the effect of the bill will be to raise revenue by $2.2 billion next year and hold the loss in 1971 to a manageable $485 million.

But the fiscal rub would come in 1972 and 1973, when the deficit would rise to $2.6 billion and $4.2 billion respectively, before leveling out over the long run to an annual loss of $2.5 billion.

Mr. Nixon has threatened to veto any tax bill costing too much revenue and jeopardizing the budget surplus he considers essential to control inflation. He is correct in this.

But the final joint version appears to be acceptable in the short term. The question is whether the long-term loss of revenue is tolerable and can be dealt with in other ways. If inflationary pressures are still severe in 1972, for instance, it would be possible to enact a new law raising taxes.

The President's decision will be a crucial one which will affect not only his own political future but the lives of all of us. Congress, recovering from the Senate's binge of fiscal irresponsibility, has given him a bill which it seems possible for him to sign.

But he alone can make the determination. If he feels that it would be deleterious psychologically for the nation's discipline for him to sign the bill, then he may have to veto it.

[From the Washington Evening Star, Dec. 22, 1969]

DECISION ON TAXES CRUCIAL FOR NIXON

(By David Lawrence)

President Nixon faces the most crucial decision he has had to make on domestic problems since he was inaugurated—whether to sign or veto the so-called "tax reform" bill. It's a choice between a reduction of taxes that can result in a recession and taking a firm stand that will prevent deficit financing of the government and serious handicaps to business development.

For the "tax reform" bill is a hodgepodge of what seems on the surface to be politically "popular" but in reality could be repudiated in the next election if the voters are given the real truth about the causes of higher and higher prices and the curtailment of the purchasing power of the dollar.

The "tax reform" bill is in certain respects a destructive measure. It disturbs many a business which has set up pension benefits. It discourages those property owners who now will have to ask higher prices in order to offset the increase in taxes on capital gains.

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Theoretically, the bill distributes more money for individual spending. But prices are bound to rise and the present inflationary trend will be maintained. While the bill cuts some tax rates, others are increased. On the whole, the federal budget will be adversely affected and deficits will continue, thus helping to depreciate the dollar.

Hitherto the emphasis has been on restraining inflation, but the new tax bill is bound to enlarge its scope. While collecting more revenues through new tax rates, the proposed law calls for more federal disbursements which use up the greater tax receipts and leave a deficit besides.

Only a few days ago, the National Planning Association through its chief economist predicted that the nation is flirting with a recession and that "inflation is apt to be excessive next year, even with high unemployment." Also, the consumer index just issued by the federal government shows that prices are steadily going up and the dollar value keeps on going down.

Under these circumstances, the President is in a position, after analyzing the "tax reform" bill for the American people, to tell the country how the increases in revenue obtained by imposing heavier taxes on business and on the higher income groups are wiped out by new appropriations.

Most members of Congress who voted for the measure thought it would bring them votes in the election next November. But if times are bad and the money saved by tax reduction is offset by price increases, the voters are likely to blame the Democratic party, which seeks to retain control of both houses.

Will the President have the courage to veto the "tax reform" bill? It is not easy to tell whether the electorate will perceive the reasons for the spread of inflation. But certainly a president can give the facts to the public and refuse to take the risk in signing the new tax bill. He can, if he wants, apply a "pocket veto" by not signing the measure for 10 days if Congress is in recess and explaining then why he feels it would be harmful to the economy. He could, on the other hand, sign the bill, and, while pointing out some of its good provisions, call for prompt repeal of those sections which can be expected to intensify an era of excessive spending.

Beneath it all, too, is the effect of the new tax measure on business operations in America. Incentive is in many ways impaired. There will be an adverse impact on the normal operations of the economy. Increasing tax rates, for instance, on the high incomes of talented personnel may look attractive as a revenue-raising device, but the companies which employ those individuals will have to move up salaries substantially. This, together with labor union demands, can result in raising prices on goods to be sold.

It is tragic that the Congress of the United States has tried to change important parts of the tax structure so hastily instead of appointing a commission of disinterested experts to devote at least a year to careful study of alternatives. To modify arbitrarily tax laws that were in the main written 30 years ago and have been imbedded in the economic system for such a long time requires a nonpolitical approach governed by only one consideration—the public interest as a whole.

Mr. LONG. Mr. President, since the Senator brought this up, permit me to say the House passed a bill in which it stated that a gift of appreciated property, which if sold would result in ordinary income, would be taxed as it has been taxed in the past, provided that the gift occurred prior to December 31, 1969. The House Committee announced that decision to the press on July 25. It was the suggestion of the Senator in the committee that it should be effective as of December 31, 1968. The Senator can tell us whom he wanted to get with his amendment. As far as I am concerned, it was of no particular concern to me.

When we settled this matter in conference, we took the date the House Committee announced its decision to the press, and there was not much discussion one way or the other. In any event, we in the committee were acting retroactively, back to December 31, 1968. What the conference did was say that if a man had made a gift anytime after July 25, he would be taxed under the new law, rather than the law that had existed prior to that time. That is what seems fair since this was the earliest date there was any knowledge of a committee decision on this point. It was the Senator's suggestion that the tax be retroactive, to tax any donation someone had made, with regard to papers, letters, or memorandums, back to the first of this year.

I would suggest that the Senator find out, if he can, whom he might have involved in that class. So far as I know, it benefited no one as a result of the adoption of the July 25 date. The House had a date which applied only at a date beginning in the future; the Senate had a retroactive date. As the bill was adopted, it was a compromise between the prospective date, which was the House provision, and the retroactive date, which was the Senate's provision.

So if the Senator was aiming at anybody when he offered his amendment, he can explain at whom. I was not aiming at anyone.

Mr. WILLIAMS of Delaware. I was not aiming at anyone because it was applicable to all public officials. I wanted to close the loophole.

Mr. LONG. If the Senator wanted to get someone, why does he not find out who it was he was getting.

Mr. WILLIAMS of Delaware. I said closing of the loopholes should apply to all. As it has been passed, the law is general.

Mr. LONG. I ask the Senator if the logical way to handle a bill, when the Senate's version taxed it retroactively to January, and the other version taxed it prospectively to the end of the year, would not be to adopt the date on which the House passed the bill?

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. HOLLAND. There is nothing in this bill that forecloses any person in public life from giving his papers or pictures or memorabilia to a university or library, is there?

Mr. WILLIAMS of Delaware. No. In fact, I think that the gift of these papers should be encouraged, and those papers should be made available. This provision does not prevent that. It merely provides that whoever gives those files or papers does not get a tax credit for something that did not cost him anything.

Mr. HOLLAND. Perhaps I misunderstood the colloquy between the Senator from Michigan and the Senator from Delaware, but I understood that those of us who have given such files and objects now would have the chance to go back and claim a tax credit. I want to make it very clear that I do not so regard the situation. I have given such papers as I have accumulated, back through many years in public life, the State Senate, the governorship, and the Senate here for perhaps 18 years—I do not remember exactly how many—to the University of Florida. I am happy that they wanted these objects. I do not understand I have any right to expect a tax credit on account of that. I would not want my opinion to prevail in my State that I would have the right to claim such a tax credit, and I do not think anything in this debate should be allowed to give such an impression. Perhaps I got an impression that was not sound.

Mr. WILLIAMS of Delaware. No; I am not giving that impression at all. I know many other Members of the Senate who have likewise given their papers away and who would not claim such a tax credit even if they knew the law existed. But about the first of the year attention was called to the fact that such a possible tax loophole existed, and I thought it should be closed. Some public officials have taken advantage of this loophole. I think any public official should be able to turn such papers over to a library, but he should not get a tax credit for them based on appraised value. That is what he could get under existing law, and in my opinion it is wrong.

As I stated, while I would like to see the effective date January 1, 1969, I accept the decision of the conferees because in conference all legislation becomes a compromise. The date in the House bill was prospective; the date in the Senate bill was retroactive. As the distinguished chairman said, the date was fixed as of the date the House passed the bill, the 25th of July. I have outlined my reasons for supporting the January 1, 1969, date.

I thank the Senator from Louisiana; in committee he strongly supported the position I took.

Mr. HOLLAND. Mr. President, let me just add that I claim no credit on that account, but I simply want the RECORD to show that both as to some tons—two truckloads, as a matter of fact— already held by the University of Florida and the additional ones that will go there at the time I retire next year—and I believe the Senator and I will retire at the same time—there is not only no thought of compensation or any tax credit, but I have always felt that those things are charged with a public interest, that they are acquired and come to us in public service; that what we should do is find a public place for their care, indexing, and being made available.

It would never have occurred to me, until the talk started about a year ago, that anybody would have claimed a tax credit. And I do not think anything in this debate should be permitted to give the idea to anyone that Senators or Representatives, or Governors, or Cabinet members, or Presidents, or anyone else who has been in public life, should not have the complete right to give away for proper caretaking, preservation, and availability to those who may be in-

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terested, all matters of this kind, which is exactly what the Senator from Florida has done, and I am sure is what the Senator from Delaware will do.

Mr. WILLIAMS of Delaware. Mr. President, I think the RECORD is clear, and I am ready to yield the floor; but I had promised first to yield to the Senator from Arizona.

Mr. FANNIN. Mr. President, I compliment the Senator from Delaware for the distinguished record he has made, and for his dedicated services. I know that the conference committee did not have his services, and I commend the Senate conferees, but we are very proud to have had the leadership of the Senator from Delaware here in the Senate, and we are very thankful for the work he has done.

Mr. President, I should like to address a question to the distinguished chairman of our committee. With reference to the taxation of stock dividends in section 421 of the bill, I have in mind a corporation which, under the transitional rules, is permitted to issue a particular type of stock which by its terms is convertible into other stock not within the transitional rules. Is my understanding correct that a corporation will not lose this transitional right when a shareholder who receives the convertible stock demands conversion into stock not directly covered by the transitional rules?

Mr. LONG. Yes, the transitional rules would continue to apply, nothwithstanding the conversion of stock into a type of stock not directly covered by the transitional rules.

Mr. FANNIN. I thank the distinguished chairman, and at this time I express my appreciation to him for the way in which he handled the committee all the way through the hearings and then through our executive sessions, and for the fairness and courtesy he extended to all the members, for the way he kept things moving, and naturally, of course, for his distinguished leadership as exemplified in the conference.

Mr. LONG. I thank the able Senator from Arizona for his kind words, and also for the very diligent work he did to improve this bill in the committee as well as on the floor of the Senate.

Mr. GORE. Mr. President, I should like to make a few observations on the development of this historic legislation.

To begin with, the Senate committee held extensive hearings on the bill—more extensive than those held by the other body. I do not say that as any criticism of the House of Representatives. The Ways and Means Committee held extensive hearings on the general subject of tax reform. The Senate Committee on Finance, however, held extensive hearings on the specifics of the bill passed by the House of Representatives.

We have heard a good many remarks today about the action of the Senate and the action of the conferees representing both the House and the Senate. In this legislation the Senate has fully reclaimed its position of parity in tax legislation, with the exception of the constitutional prerogative of the other body to initiate a revenue measure. There was a time, not many years ago, when the House of Representatives fiercely resisted any major amendments added by the Senate to a revenue measure.

On this particular bill, the careful consideration given to the measure indicated the need for a large number of amendments. Some amendments, of course, were adopted which I did not think were wise. Many were adopted which I thought were needed. Let me offer some statistics in that regard.

The Senate added 376 substantive amendments in the committee and on the floor, mostly in the committee. Those amendments resulted from long hearings of the many witnesses representing the many interests affected by this bill. A great deal has been said in compliment of the distinguished chairman for holding those hearings. He is entitled to every word of commendation he has received, and I associate myself with those who have commended him. He stayed on the job every day, and we held hearings comprising more than 7,000 pages of record.

This is the largest tax bill in the history of our Republic. It affects everyone and every economic interest. People had a right to petition that their interests be considered, and they were considered.

What happened to those 376 amendments? In conference, the conferees representing the House of Representatives accepted without change 237 of the Senate amendments. They accepted with amendment to the amendment 71 of the Senate amendments. In total, this conference report embodies 308 amendments placed in the bill by the Senate.

The Senate receded and accepted without change 53 provisions in the House bill which were not approved by the Senate. We accepted with amendment seven more.

So, Mr. President, the work of the Senate with respect to this bill is monumental and meaningful. The two principal benefits to the people in the bill came from amendments offered on the floor of the Senate and adopted by the Senate. I refer to the amendment providing a 15-percent increase in social security benefits, and to the amendment providing tax relief by way of an increase in personal exemptions.

Perhaps the Senate would find interesting the effect of the bill on the withholding tax on salaries and payrolls. I have asked the staff to calculate the withholding tax on salaries of $6,000 per year, $9,000 per year, and $12,000 per year, for a taxpayer with a wife and four children, a taxpayer with a wife and two children, and a single taxpayer. As I say, I think perhaps the Senate will find these figures interesting.

A taxpayer with a wife and four children, on a monthly salary of $500, will have withheld from his salary check in January 1970, $22.68. In July 1970, he will have withheld $17.39.

In January, 1973, when the bill is fully effective, there will be withheld from his salary $5.88.

Mr. President, to translate that to a weekly wage, the weekly wage is $115.38.

The withholding on that weekly wage in January 1970 will be $5.33.

In July 1970, it will be $4.07.

In January, 1973, when the law will be fully effective, it will be $1.40.

Mr. President, let us take a taxpayer with a wife and four children who earns an annual salary of $9,000. His monthly salary would be $750.

There will be withheld from his salary in January, 1970, $64.42.

In July, 1970, it will be $57.72.

In January, 1973, it will be $42.96.

Mr. President, taking the same taxpayer, the man with the same number of dependents and the same anual income, his weekly wage would be $173.08.

His January, 1970, weekly withholding will be $14.96.

In July, 1970, it will be $13.38.

In January, 1973, when the law will be fully effective, it will be $9.96.

Mr. President, let us take the example of a taxpayer with the same number of dependents, but with an annual income of $12,000. His monthly salary would be $1,000.

In January 1970, there would be a monthly withholding from his salary of $109.42.

In July 1970, it would be $100.22.

In January 1973, when the law will be fully effective, it will be $82.54.

Mr. President, translating that to a weekly wage, his weekly wage would be $230.77.

In January 1970, there will be a weekly withholding of $25.35.

In July 1970, it will be $23.19.

In January 1973, when the law will be fully effective, it will be $19.10.

Mr. President, I would now like to consider the taxpayer with a wife and two children—something which is nearly the typical American family—and an annual income of $6,000.

Mr. President, I realize that when we break down a $6,000 annual income to weekly wages and calculate the amount withheld, we are dealing with small amounts. However, we are also dealing with people to whom small amounts are important. Such a man would receive a monthly wage of $500.

In January 1970, there will be a monthly withholding of $39.08.

In July 1970, there will be a monthly withholding from his salary of $35.64.

In January 1973, when the law will be fully effective, the amount will be $24.21.

Mr. President, translating the income of that taxpayer to a weekly wage, his weekly wage would be $115.38.

In January 1970, his weekly withholding will be $9.09.

In July 1970 it will be $8.28.

In January 1973, when the law will be fully effective, it will be $3.47.

Mr. President, I will consider now the example of a man with a wife and two children who earns $9,000 a year. He would have a monthly wage of $750.

In January 1970, $82.42 will be withheld from his monthly salary.

In July 1970, it will be $76.14.

In January 1973, when the law will be fully effective, it will be $62.54.

Mr. President, translating that to a weekly salary, a man with a wife and two children and with an annual income of $9,000 a year will have a weekly salary of $173.08.

In January 1970 there will be withheld

from his weekly salary the amount of $19.10.

In July 1970 there will be withheld $17.63.

In January 1973, when the law will be fully effective, the weekly withhold on such a salary will be $12.17.

Mr. President, let us next take the taxpayer with a wife and two children and an income of $12,000 a year. His monthly salary would be $1,000.

In January 1970 there will be a monthly withholding from his salary of $128.41.

In July 1970 it will drop to $119.13.

In January 1973, when the law will be fully effective, it will drop to $102.54.

Mr. President, translating that into a weekly wage, a person with a $12,000-a-year income has a weekly wage of $230.77.

In January 1970 the weekly withholding on that amount will be $29.72.

In July 1970 it will be $27.55.

In January 1973, when the law is fully effective, the weekly withholding will drop to $21.40.

Mr. President, I would like now to consider the example of one more taxpayer for whom the bill we are about to pass provides considerable relief. That is the single taxpayer.

Many of us have felt that the man without dependents has had to pay an unusually heavy part of the burden.

A single taxpayer without dependents, and with an annual income of $6,000 receives a salary of $500 a month.

In January 1970 the monthly withholding from his salary will be $75.42.

In July 1970 it will drop to $71.30.

In January 1973, when the law becomes fully effective, it will be $61.70.

The single taxpayer earning $9,000 a year would have a monthly withholding in January 1970 of $127.92.

In July 1970, it would be $123.80, and in 1973 and thereafter $111.70. The same single taxpayer with an income of $12,000 a year would, in January of 1970, have a withholding from his monthly salary of $191.22; in July of 1970, $184.89; in January of 1973, $163.16.

Mr. President, these amounts of tax reduction, to a Member of the Senate, favored as we are with a larger salary, may, indeed, seem small. But let me repeat that this is tax reduction for people who have small incomes. People with small incomes and with dependents to support find tax reductions even in small amounts are very helpful. From the messages I have been receiving, people are very happy, indeed, with the passage of this bill.

Before closing, I wish to express my deep appreciation to the generous remarks that the chairman of the committee and other of my colleagues have made on the floor of the Senate today with respect to my own efforts. I am very grateful. I express my gratitude again to the chairman of the Finance Committee and to each member of the committee for the pleasure of working with them, for the courtesies extended to me, for the patience and tolerance extended to me.

I thank, also, the staff of the committee and of the Joint Committee on Internal Revenue Taxation, and I express appreciation to my own staff. I think I have the ablest staff with which any Member of this body is favored—William Allen, Jack Lynch, Paul McDaniel, each in his own right a lawyer, a student, each in his own right possessed with intelligence, character, and energy. It has been a pleasure to work with Larry Woolworth, Tom Vail, Bill Allen, Jack Lynch, and Paul McDaniel. They fortified me with the information, with the advice, and with the opinions; and my colleagues in the committee, in the conference committee, and in the Senate were very generous, patient, tolerant, and understanding.

This is a monumental work. Perhaps mine has been the most persistent voice in the Senate for tax reform for a decade. We have achieved a great deal of tax reform here. I would not be candid if I did not say that the conference report we are about to adopt contains some provisions which I resisted. It contains some provisions which I resisted fiercely. I shall not describe them or identify them now. I shall do so later. But, for now, let me speak of the positive features of this bill.

It has two major parts: One, tax reform, by which we are requiring many people in various segments of our society who, in the opinion of the committee, heretofore have not paid their fair share of the tax burden to pay a fairer share of that tax burden now. By tightening tax preferences or removing them, this bill brings into the Treasury additional revenue of some $6.6 billion. This is major tax reform. When we bring into the Treasury, not through new taxes, not through new levies, but through elimination of tax preferences, $6.6 billion, I say that is major tax reform.

The second major provision of this bill is the distribution of tax relief, largely, as I have said, through an increase in the personal exemption. In the long run, the bill distributes something more than is recouped through tax reform. But we have a right to expect peace in Vietnam; and, as a consequence, we have a right to expect and hope that in later years the expenditures for war will not be upon us and that the burden of expenditures can be reduced. To what better purpose could we place a small part of the cost of that war, if it can be brought to an end, than to give small amounts of tax relief to the people with small incomes and children to support?

I say, Mr. President, this is a proud day, and I am proud that it comes so near Christmas; because tax reform and tax relief are indeed welcome presents to the American people.

Mr. CURTIS. Mr. President, at the outset, I wish to express my gratitude to the distinguished chairman of the Committee on Finance, the Senator from Louisiana (Mr. LONG); the distinguished ranking minority member of the committee, the Senator from Delaware (Mr. WILLIAMS); and all my colleagues on the Finance Committee for their cooperation, their assistance, and the generous way in which they have handled this matter so far as the wishes and desires of the various members of the committee are concerned.

There comes a time when every man has to decide for himself whether or not he shall support proposed legislation. In arriving at my decision I assume my own responsibility only and do not attempt to make a decision for anyone else.

I shall vote against the conference report on the tax bill. I voted against the bill when it was before the Senate. As a conferee, I declined to sign the conference report.

While I disagree with a number of sections of the bill, I applaud and support many sections relating to tax reform. Congress has an obligation to strive for tax reform. We should do this to bring about justice between taxpayers as well as to increase the revenue from those segments of our economy which may not be paying their fair share.

At this time I will not discuss the detailed features of the bill. I do want to make the observation that this bill discriminates against the middle class.

My opposition to this bill can be stated very simply. I do not believe that we should reduce taxes if we have to borrow the money to do so. I do not believe that we should reduce taxes if to do so increases the deficit and adds to the national debt.

The bill as agreed upon by the conference would grant $1.4 billion in income tax relief for calendar year 1970, $4.9 billion of tax relief for calendar year 1971, and $7.3 billion in tax relief for calendar year 1972.

Mr. President, I hold in my hand the daily statement of the U.S. Treasury for December 11, 1969. It shows that the total outstanding debt is $372,707,695,992.86. The shocking thing is that this same statement shows that the debt at this same time a year ago was $363,126,294, 779.21.

Spending has not been reduced. Appropriations are running higher than the Nixon budget. The original budget estimates include increases in postage rates, social security taxes, and certain user charges, none of which have been enacted. There are other adverse factors in reference to our budget. The interest charge to carry the national debt is $1 billion above the original budget estimate for that expenditure. Corporate tax payments are off by a sizable amount. The deficit situation of the Federal budget is not improving.

Now, Mr. President, I realize that a discussion of the Federal budget is most confusing. It is confusing because the budget used fails to show where the Government stands from the standpoint of the general operating expenses of the Government and the revenue coming in that is available to meet those general operating expenses. For instance, when the Director of the Budget appeared before the Finance Committee last July he referred to an estimated surplus of $0.9 billion for 1969. Actually from the standpoint of the funds available to pay the general bills of the Government, we did not have a surplus but have a deficit of about $8.6 billion because the Budget Director was including a surplus in trust funds of $9.5 billion. The largest item of trust funds is of course the social security trust funds. These funds do not belong to the General Treasury. They are held not to pay the general bills of the Government but to pay social security beneficiaries.

In the Budget Director's testimony on that same day he stated that we would have an estimated surplus of $6.3 billion for the fiscal year which would end next June 30. Here again trust funds were taken into account. Were they to be disregarded, Mr. Mayo stated that we would have an estimated deficit of $4.3 billion next June 30. The budgetary picture is really more discouraging than it appeared then. I am convinced that if this tax bill becomes law all of its tax reductions will have to be made by increasing deficits and increasing the national debt. This is not fair to the people now. It is not fair to future generations of taxpayers.

There is nothing that can be said for this measure from the standpoint of fiscal responsibility. There is nothing favorable to be said for this bill from the standpoint of inflation control. It is very likely that increased costs of living will more than destroy the tax relief that comes to the individuals who receive the relief.

Mr. JAVITS. Mr. President, I would like to take just a few minutes to give my attitude on the tax bill. I think the situation which we face in the country is that tax reform—which is urgently needed—extension of the surcharge and excise taxes, and repeal of the investment tax credit, are all being held hostage for tax cutting. Now, sometimes one has to yield and surrender, but I do not think that is the case here. I voted to send the bill to conference in the hope that the revenue impact of the final bill would be negligible. But this is not the case. Hence, I must vote against the conference report. This is not an idle vote, and I would not cast it if it were an idle vote. I think the President will have to look very carefully at the rollcall in the Senate. I think the number of "nay" votes will be very, very meaningful. The President must come to a judgment in the best interests of our Nation with respect to the bill.

I am heavily motivated by the fact that we have many crying needs in this country. I will say right away, as the Senator from Delaware said very clearly, that certainly the conferees have done an excellent job. I am not complaining at all about that. But I do not think our country would dream of cutting taxes at this time if a tax-reform bill were not before us. Tax reform is being held hostage for an extensive tax cut. I think the cut is unwise and improvident for the classic reason that we are in the midst of a war, with its attendant inflationary pressures. The cut is also unwise at a time when the high cost of money is largely attributable to deficiencies in fiscal policies.

There is every promise that if we pass this bill, as it is indicated we will, the high cost of money will continue, because the Federal Reserve Board will be convinced that only monetary policy is going to be used in the struggle against inflation.

Speaking as a Senator from a State which has the biggest city in the country and several other large cities, I must emphasize that the main deficiency in this bill is that we are deciding now what we are going to do with the money which will be available from a growth in the economy and from the "peace dividend" which will come from a scaling down of the Vietnam war.

We are mortgaging that growth and that dividend to the extent that we face at least a $10 billion budget deficit as early as 1974. In my judgment the situation in our cities—the crisis of the cities—is so threatening to the domestic peace and tranquillity that I cannot in all conscience be a party to allocating that peace dividend to anything other than meeting the critical problems of our cities.

Always in this body, one has to some day vote "yea" or "nay." Nothing is ever black and white. I support the great bulk of the tax-reform provisions. I believe the extension of the surcharge is essential. Under the circumstances the repeal of the investment tax credit is indicated although at the appropriate time I wish to see the reimposition of an investment incentive in the form of revised depreciation schedules and methods of depreciation. I support the increased social security, benefits—although I agree with the Senator from Delaware (Mr. WILLIAMS) on the need for adequate financing. There are many other things about the bill which I would commend. But the fundamental problem is that we would not have dreamed of cutting taxes under these circumstances if this were not the price being asked of us to achieve tax reform. The taxpayers have been very restless about the inequities of the system. We also have to extend these excise taxes and decide about continuing the surcharge. But I think the price we are being asked to pay is much too high especially as it is likely to continue inflationary pressures which have been a cause for considrable concern. Especially as it deals with mortgaging now whatever fiscal and peace dividends may be available in the days ahead which will be so vitally needed for dealing with our most critical social problems. I do not feel that it is provident, representing my State, to bargain that away now for the superficial attractions of the bill, in view of the inflationary course on which we are seemingly continuing and its terrible drain on the economy.

If by some miracle the conference report is turned down by the Senate, or if the President decides, because he sees the strength of the opposition in the Senate, to veto the bill, I have every confidence that we will get a social security increase—probably with much sounder financing—that the surcharge will be continued as we all know it must, that the investment tax credit will be repealed, and that the substantive elements of tax reform arrived at by the conferees will, because of public demand, become law.

Therefore, I take this course of action in the hope that we would be saving the best and rejecting the worst, because one cannot have the choice of dividing the issue. We must vote yea or nay.

It is interesting to me that the Senator from Delaware (Mr. WILLIAMS) referred to the fact that in 1967, he and I—we are usually at different ends of the ideological spectrum—joined in urging the administration that if it were going to make war, it should tax as a government does when there is a war. The lesson is clear, we cannot have it both ways. Yet, that is the way, even now—after all the bittter experience of inflation—that we are proposing to proceed.

Again, though I feel that the conferees have done a fine job within the delineation of the principles upon which they have operated, I regret very much that I cannot support this conference report.

Mr. PERCY. Mr. President, I voted against the Senate Tax Reform Act of 1969. I rise now to support the conference report on the Tax Reform Act, and warmly commend the conferees for their efforts in writing a sound, compromise proposal.

This act as a result of the conference is now fiscally more responsible than the Senate-passed measure, while still extending much needed relief to low- and middle-income taxpayers. It likewise preserves most other tax reform measures for which the bill was originally designed.

The bill originally passed by the Senate, which I could not support, would have caused a revenue loss of $1.85 billion within the next 2 years and $14.7 billion through 1974. These are the crucial years for controlling and putting a stop to inflation. If a heavy budgetary drain had been permitted, the inflationary stimulation to the economy would have further severely undermined the value of the dollar and cruelly cheated those living on low or fixed incomes.

As now reported, the bill will produce a revenue surplus of $6.5 billion within the next 2 years and a $0.8 billion surplus through 1974, while still providing needed tax reform and tax relief to low- and middle-income wage earners.

Mr. President, in my election campaign of 1966, I pledged that I would do what I could to increase the personal exemption of $600 that has been in existence for over 20 years. I also pledged to try to provide tax relief for single persons, particularly those who, as heads of households, have been required to pay a disproportionate share of the tax burden.

With the help of many colleagues, headed by the distinguished minority leader, the Senator from Pennsylvania (Mr. SCOTT), the distinguished minority leader, the Senator from Michigan (Mr. GRIFFIN), as well as the able Senator from Kansas (Mr. DOLE), and with the technical cooperation of Assistant Secretary Cohen of the Treasury Department and his highly gifted staff, I introduced an amendment to the bill to fulfill that pledge of 3 years ago.

To have done so earlier would have been irresponsible, for the budget was in severe deficit positions at that time. We have, in fact, faced a deficit in every year since I came to Congress up until the present time. In addition, we did not have an adequate impetus for tax reform that could bring in additional revenue to offset revenue losses resulting from the recommendations I wanted to make. This year, however, the conditions were right and I was able to submit my amendments.

Mr. President, I ask unanimous con-

sent to have printed in the Record a comparison of major tax relief provisions of the Percy-Dole, Senate, and conference provisions.

There being no objection, the table was ordered to be printed in the Record, as follows:

COMPARISON OF MAJOR TAX RELIEF PROVISIONS OF PERCY-DOLE, SENATE, AND CONFERENCE BILL

	1970	1971	1972	1973
Personal exemption:				
Percy-Dole	$650	$700	$750	$750
Senate	700	800	800	800
Conference	[1] 650	650	700	750
Low Income allowance:				
Percy-Dole	1,050	1,000	1,000	1,000
Senate	1,000	1,000	1,000	1,000
Conference	1,100	1,050	1,000	1,000
Standard deduction:				
Percy-Dole	[2] 1,000	[3] 1,400	[4] 1,700	[5] 2,000
Senate	[2] 1,000	[2] 1,000	1,000	1,000
Conference	[2] 1,000	[3] 1,500	[4] 2,000	[5] 2,000
Rate relief:				
Percy-Dole (percent)	0	0	1.25	2.50
Senate	0	0	0	0
Conference	0	0	0	0
Single persons:				
Percy-Dole	0	(6)	(6)	(6)
Senate	0	(7)	(7)	(7)
Conference	0	(7)	(7)	(7)

[1] Effective July 1, 1970.
[2] 10 percent.
[3] 13 percent.
[4] 14 percent.
[5] 15 percent.
[6] Maximum of 20 percent over joint return rate.
[7] Same.

Mr. PERCY. Mr. President, the work of the conferees is particularly gratifying to me, because the compromise agreed to on personal income provisions closely conforms with the amendment I offered together with Senator Dole when the matter was before the Senate for debate. Taxpayers will now be entitled to a personal exemption of $650 beginning July 1, 1970, $700 in 1972, and $750 in 1973. In addition, a low-income allowance of $1,000 has been provided, relief for single persons has been included, and a graduated increase in the standard deduction has been concurred in leading up to 15 percent at a $2,000 ceiling by 1973.

The bill out of conference contains many other provisions, Mr. President, which I supported during Senate debate while excluding some that were unsound in my opinion. Among the former are the inclusion of a minimum income tax to prevent individuals from totally avoiding tax obligations; the closing of many tax loopholes; and the tightening up of public supervision over private foundations, including a requirement, offered as an amendment that foundations pay out at least 6 percent of their assets for philanthropic causes each year.

Among the unsound provisions that were deleted, I am gratified that one in particular was eliminated. This was the grant of authority to impose quotas on foreign imports. While additional effort will have to be made in the future to spur U.S. exports while assisting U.S. industries harmed by heavy imports, the application of quotas is not the solution. Quotas only lead to inefficient commercial endeavor, a misuse of resources and factors of production, higher consumer prices, retaliation, and a depressed world economy.

Finally, Mr. President, I particularly wish to commend the conferees for agreeing upon a social security amendment which increases benefits to security recipients of 15 percent while not imposing an undue drain upon wage earners or unduly furthering the inflationary spiral.

This is now, on balance, a good bill, Mr. President, which I hope the President can and will support.

I urge adoption of the conference report.

Mr. President, at this time I should like the Senate to know of my personal admiration for the great work of the majority leader who kept our noses to the grindstone and kept a schedule for consideration of this bill that many believed would be impossible to achieve.

He has had the full and complete cooperation of the minority leader.

I also have great admiration for the tremendous job done by the chairman of the Finance Committee, the Senator from Louisiana (Mr. Long).

He kept a backbreaking hearing and markup schedule, with the complete cooperation of every member of the committee, especially of the ranking minority member, the Senator from Delaware (Mr. Williams). He also kept the Senate fully informed every single day the bill was in committee as to what was transpiring in the committee so that we could read in the Record every morning what had happened the day before. The thorough analysis and summary of the hearings and the recommendations that were being made by the various interest groups were invaluable. I would not in any way wish to detract from the contributions made by many Members of the majority and the minority to the bill as it now comes before the Senate. We should certainly commend all the members of the Finance Committee for their diligence:

Russell B. Long (La.), Clinton P. Anderson (N.M.), Albert Gore (Tenn.), Herman Talmadge (Ga.), Eugene McCarthy (Minn.), Vance Hartke (Ind.) J. W. Fulbright, (Ark.), Abraham A. Ribicoff (Conn.), Fred R. Harris (Okla.), Harry F. Byrd, Jr. (Va.)

John J. Williams (Del.), Wallace F. Bennett (Utah), Carl T. Curtis (Nebr.), Jack R. Miller (Iowa), Len R. Jordan (Idaho), Paul J. Fannin (Ariz.), Clifford P. Hansen (Wyo.).

Our thanks also goes to the members of the staff, who carried an unbelievable load and who, when the committee finished, always had the additional load placed on them of translating into language we could understand, what the committee had done.

So we extend our gratitude to the various members of the staff, headed by Larry Woodworth, who made this bill possible.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. PERCY. Mr. President, I yield to the Senator from Kansas, who was so helpful to me in the work I was trying to do and who furthered our cause by his intelligent and dedicated effort.

Mr. DOLE. Mr. President, I know the hour is late, and every Senator is anxious to go. I want, however, to commend the Senator from Illinois (Mr. Percy) for his work, not only on the personal exemption provision, but also on the so-called super-tax on drilling costs in connection with the exploration for oil and gas.

I have discussed this issue earlier with the chairman of the committee, the Senator from Louisiana, and he feels we have accomplished substantially what we intended. That is, that a tax will not be paid on exploration expenditures. It was not an effort to give the oil and gas industry preferential treatment, but only to make certain that they would not have a tax on costs of drilling. I am thankful for the helpful efforts of the Senator from Illinois, as is the oil and gas industry.

Mr. President, at the time the Senate voted on the Tax Reform Act of 1969, I found it necessary to vote against the bill.

The original purpose of this legislation was to remove the inequities in our tax structure without contributing to the inflationary spiral of our economy. The Senate Finance Committee substantially accomplished this objective. However, after the Senate completed its deliberation, the $6 billion surplus recommended by the committee for fiscal 1970 was changed to a projected deficit of $10.650 billion increasing to $12 billion by 1971.

Such a deficit would only have served to increase the inflationary pressures on the economy. Last week some of my colleagues were complaining about inflation and blamed the President for failing to bring it under control, yet only the week before they had voted for a tax bill that would have greatly contributed to further inflation.

With living costs rising at a rate comparable to 1951, another war year, it is indeed time for the Congress to take some of the "unpleasant medicine" advocated by the President to bring inflation under control.

Mr. President, I am pleased that the House-Senate conferees demonstrated the kind of courage needed to make the hard decisions necessary to turn the Senate-passed Christmas tree version of tax legislation into a reasonable effort at tax reform.

The conference agreement, like the approach Senator Percy and I proposed, provides for a modest first year adjustment in the personal exemption with gradual step increases until the exemption reaches $750 in 1973. By the gradual approach, the revenue loss next year, a critical year for the inflationary battle, would be minimized. I am pleased that the senior Senator from Tennessee now supports this Percy-Dole amendment.

However, Mr. President, in the end, it is the President of the United States who must make the decision whether the tax-reform bill is acceptable. That decision must be based on his assessment and that of his economic advisers as to the effect the tax bill will have on our economy.

We await that decision with hope and anticipation.

REPEAL OF THE EMERGENCY DETENTION ACT OF 1950

Mr. MANSFIELD. Mr. President, it gives me a great deal of personal pleasure at this time to yield to the distinguished Senator from Hawaii (Mr. Inouye) so that he may call up a bill in which we all have an interest and which all of us would like to see passed.

Mr. INOUYE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 625, S. 1782.

The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 1872) to repeal the Emergency Detention Act of 1950—title II of the Internal Security Act of 1950.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

> That clauses 14 and 15 of section 101 and all of sections 102 through 116, inclusive, of title II of the Internal Security Act of 1950—title 50, U.S.C., clauses 14 and 15 of section 811, and section 812 through 826, inclusive—are hereby repealed.

Mr. INOUYE. Mr. President, early this year, I introduced, with 25 other Senators, S. 1872, a bill to repeal the emergency detention provision of the Internal Security Act of 1950. Since this bill's introduction, I have received, as I am certain my colleagues have, many resolutions, petitions, and letters urging this law's speedy repeal. I am, therefore, most pleased that the Senate Judiciary Committee has now favorably reported this legislation and I hope the Senate will speedily pass my bill.

Title II of the Internal Security Act gives the President the power to proclaim an "internal security emergency" in the event of any of the following: First, invasion of the territory of the United States or its possessions; second, declaration of war by Congress; and third, insurrection within the United States in aid of a foreign enemy. Following the declaration of an internal security emergency, title II gives the President or his agent the power to detain persons "if there is reasonable ground to believe that such a person will engage in or probably will with others engage in acts of espionage or sabotage." Following the person's arrest, title II details the procedures for the continued detention of a person. Generally, this course of action is at odds with normal judicial procedure and in fact the procedures detailed in the act would, I believe, have the effect of changing the presumption of innocence to a presumption of guilt for the accused.

As you may remember, the Internal Security Act of 1950 became law over President Truman's veto. In referring to the great majority of the provisions of this act, President Truman declared that they "would strike blows at our own liberties." Title II, I believe, violates a number of our established freedoms and constitutes a threat to our constitutional rights.

I introduced this measure when I became aware of the widespread rumors circulated throughout our Nation that the Federal Government was readying concentration camps to be filled with those who hold unpopular views and beliefs. These rumors are widely circulated and are believed in many urban ghettos as well as by those dissidents who are at odds with many of the policies of the United States. Fear of internment, I believe, lurks for many of those who are by birth or choice not "in tune" or "in line" with the rest of the country. There is a current mood of tension among some citizens in our land which does not permit these rumors of concentration camps to be laid to rest. These feelings of malaise and discontent have deeply permeated our society and have created a climate whereby such rumors fall on receptive ears. For some, additional credence was given to the possible use of concentration camps by a House Un-American Activities report of May 1968, which contained a recommendation for the possible use of these detention camps for certain black nationalists and Communists.

I believe that the emergency provision of the Internal Security Act of 1950 stands as a barrier to trust between some of our citizens and the Government. As President Truman stated in his veto message:

> It is not enough to say that this probably would not be done. The mere fact that it could be done shows clearly how the bill would open a Pandora's box of opportunities for official condemnation of organizations and individuals for perfect honest opinions.

Many would respond to these rumors of concentration camps with the refrain "this could not happen in America." However, in times of stress and crisis, American justice has not always withstood these pressures. I am naturally reminded that during World War II, 109,650 Americans of Japanese ancestry were arrested, their property confiscated and were detained in various "relocation camps" for most of World War II.

For these reasons I believe the Senate should pass S. 1872, my legislation to repeal the emergency detention provision of the Internal Security Act of 1950. The speedy repeal of this statute would forever put to rest the rumors and allay the fears of some of our citizens. As the Justice Department stated in announcing its support for S. 1872, the gains to be made from repeal of title II will outweigh "any potential advantage which the act may provide in a time of internal security emergency."

Some have defended the existence of this statute by stating that no President would use this provision. However, if it is not to be used, it should be repealed. It is the responsibility of the Congress to repeal this statute and I believe we should do so immediately to forever allay the fears and suspicions of many, and to remove this threat to our liberty and freedoms.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment and third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I am delighted that this long overdue bill has passed the Senate unanimously.

PRINTING AS SENATE DOCUMENT DEMOCRATIC POLICY COMMITTEE'S REPORT OF ACCOMPLISHMENTS IN FIRST SESSION, 91ST CONGRESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate Democratic policy committee be permitted to have printed as a Senate document its report of the accomplishments of the first session of the 91st Congress, together with a statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

TAX REFORM ACT OF 1969—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 13270) to reform the income tax laws.

Mr. LONG. Mr. President, reference has been made to the fine work and efforts of the staff of the Joint Committee on Internal Revenue Taxation, headed over by our very able chief of staff, Larry Woodworth, and also by the fine work done by the staff of the Senate Committee on Finance, in connection with this measure.

We are also cognizant of the fine work done by the staff of the House Ways and Means Committee with regard to this revenue bill.

Without the fine technical help of these able staff members, it would not have been possible to put together this bill and to have achieved the purposes of the conferees, nor would it have been possible to have had anything like the advice needed to pass a revenue measure of this type.

I heard the statement made by someone on one occasion that, in his judgment, there are probably no more than 100 people in this country capable of writing a measure of this type; and we had about 75 people working on the bill. I have discussed this matter with people who are knowledgeable in this field, and they agreed with that proportion. Some of those technicians were borrowed from the Treasury Department. I wish to thank them for the help they gave us in connection with the measure. Assistant Secretary Cohen and his able staff gave us all the help of which they were capable.

Some of the pamphlets that have been prepared have been enormously helpful. I think no one could really understand this bill and how it was structured if he did not have available to him a fine pamphlet prepared by the joint committee, with the assistance of the committee staff to which I have referred, showing the impact of that bill on groups and on the Government, and showing how it affected various groups and various interests as it passed through the various stages of its proceedings.

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I ask unanimous consent that there be printed in the RECORD an analysis of the bill as well as an analysis of the basic differences between the Senate- and House-passed bills as it went to conference, and the results.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

TABLE 1.—BALANCING OF TAX REFORM AND TAX RELIEF UNDER H.R. 13270—CALENDAR YEAR TAX LIABILITY

[In millions of dollars]

	1970	1971	1972	1974	Long run
A. AS PASSED BY THE HOUSE OF REPRESENTATIVES (AUG. 7, 1969)					
Tax reform program under House bill [1]	+1,665	+2,080	+2,215	+2,650	+3,605
Repeal of investment credit	+2,500	+3,000	+3,000	+3,100	+3,300
Tax reform and repeal of investment credit [1]	+4,165	+5,080	+5,215	+5,750	−6,905
Income tax relief under House bill	−[1]1,912	−[1]6,568	−9,273	−9,273	−9,273
Balance between reform (+) and relief (−) under House bill [1]	+2,253	−1,488	−4,058	−3,523	−2,368
Extension of surcharge and excises	+4,270	+800	+800		
Total	+6,523	−688	−3,258	−3,523	−2,368
B. AS PASSED BY THE SENATE (DEC. 11, 1969)					
Tax form program under Senate bill	+915	+1,135	−455	+65	+895
Amendment of investment credit	+1,710	+2,200	+2,200	+2,300	+2,510
Tax reform and amendment of investment credit	+2,625	+3,335	+1,745	+2,365	+3,405
Income tax relief under Senate bill	−3,963	−8,883	−8,883	−8,883	−8,883
Balance between reform (+) and relief (−) under Senate bill [1]	−1,338	−5,548	−7,138	−6,518	−5,478
Extension of surcharge and excises	+4,720	+800	+800		
Total	+2,932	−4,748	−6,338	−6,518	−5,478
C. AS APPROVED BY THE CONFERENCE (DEC. 19, 1969)					
Tax reform program under conference bill	+1,150	+1,430	+1,660	+2,195	+3,320
Repeal of investment credit	+2,500	+2,990	+2,990	+3,090	+3,300
Tax reform and repeal of investment credit	+3,650	+4,420	+4,650	+5,285	+6,620
Income tax relief under conference bill	−1,441	−4,927	−7,269	−9,134	−9,134
Balance between reform (+) and relief (−) under conference bil [1]	+2,209	−507	−2,619	−3,849	−2,514
Extension of surcharge and excises	+4,270	+800	+800		
Total	+6,479	+293	−1,819	−3,849	−2,514

[1] Revised.

TABLE 2.—BALANCING OF TAX REFORM AND TAX RELIEF UNDER H.R. 13270—CALENDAR YEAR TAX LIABILITY

[In millions of dollars]

	1970	1971	1972	1974	Long run
A. AS PASSED BY THE HOUSE OF REPRESENTATIVES (AUG. 7, 1969)					
Tax reform program under House bill [1]	+1,665	+2,080	+2,215	+2,650	+3,605
Repeal of investment credit	+2,500	+3,000	+3,000	+3,100	+3,300
Tax reform and repeal of investment credit [1]	+4,165	+5,080	+5,215	+5,740	+6,905
Income tax relief:					
Low-income allowance	−625	−625	−625	−625	−625
Removal of phaseout on low income allowance		−2,027	−2,027	−2,027	−2,027
Increase in standard deduction [2]	[1] −1,087	[1] −867	−1,373	−1,373	−1,373
Rate reduction		−2,249	−4,498	−4,498	−4,498
Maximum 50-percent rate on earned income	−200	−150	−100	−100	−100
Intermediate tax treatment for certain single persons, etc.		−650	−650	−650	−650
Total tax relief under House bill	[1] −1,912	[1] −6,568	−9,273	−9,273	−9,273
Balance between reform (+) and relief (−) under House bill [1]	+2,253	−1,488	−4,058	−3,523	−2,368
Extension of surcharge and excises	+4,270	+800	+800		
Total	+6,523	−688	−3,258	−3,523	−2,368
B. AS PASSED BY THE SENATE (DEC. 11, 1969)					
Tax reform program under Senate bill	+915	+1,135	−455	+65	+895
Amendment of investment credit	+1,710	+2,200	+2,200	+2,300	+2,510
Tax reform and amendment of investment credit	+2,625	+3,335	+1,745	+2,365	+3,405
Income tax relief:					
Low-income allowance	−550	−550	−550	−550	−5,550
Change in phaseout on low income allowance	−146	−1,507	−1,507	−1,507	−1,507
Increase in exemption	−3,267	−6,406	−6,406	−6,406	−6,406
Tax treatment of single persons		−420	−420	−420	−420
Total tax relief under Senate bill	−3,963	−8,883	−8,883	−8,883	−8,883
Balance between reform (+) and relief (−) under Senate bill	−1,338	−5,548	−7,138	−6,518	−5,478
Extension of surcharge and excises	+4,270	+800	+800		
Total	+2,932	−4,748	−6,338	−6,518	−5,478
C. AS APPROVED BY THE CONFERENCE (DEC. 19, 1969)					
Tax reform under conference bill	+1,150	+1,430	+1,660	+2,195	+3,320
Repeal of investment credit	+2,500	+2,990	+2,990	+3,090	+3,300
Tax reform and repeal of investment credit	+3,650	+4,420	+4,650	+5,285	+6,620
Income tax relief:					
Low-income allowance	−625	−1,592	−2,057	−2,057	−2,057
Increase in standard deduction [3]		−1,207	−1,355	−1,642	−1,642
Increase in exemption	−816	−1,633	−3,267	−4,845	−4,845
Maximum 50-percent rate on earned income		−75	−170	−170	−170
Tax treatment of single persons		−420	−420	−420	−420
Total tax relief under conference bill	−1,441	−4,927	−7,269	−9,134	−9,134
Balance between reform (+) and relief (−) under conference bill	+2,209	−507	−2,619	−3,849	−2,514
Extension of surcharge and excises	+4,270	+800	+800		
Total	+6,479	+293	−1,819	−3,849	−2,514

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[1] Revised.

[2] 1970; 13 percent, $1,400 ceiling; 1971: 14 percent, $1,700 ceiling; 1972: 15 percent $2,000 ceiling.

[3] 1971: 13 percent, $1,500 ceiling; 1972: 14 percent, $2,000 ceiling; 1973: 15 percent, $2,000 ceiling.

TABLE 3.—BALANCING OF TAX REFORM AND TAX RELIEF UN DER H.R. 13270—CALENDAR YEAR TAX LIABILITY—Continued

[n millions of dollars]

A. AS PASSED BY THE HOUSE OF REPRESENTATIVES (AUG. 7, 1969)

Adjusted gross income class	Tax under present law[1] (millions)	Increase (+) decrease (−) from reform and relief provisions: Amount (millions)	Percentage
0 to $3,000	$1,169	−$775	−66.3
$3,000 to $5,000	3,320	−1,049	−31.6
$5,000 to $7,000	5,591	−996	−17.8
$7,000 to $10,000	11,792	−1,349	−11.4
$10,000 to $15,000	18,494	−1,932	−10.4
$15,000 to $20,000	9,184	−775	−8.4
$20,000 to $50,000	13,988	−976	−7.0
$50,000 to $100,000	6,659	−365	−5.5
$100,000 and over	7,686	+324	+4.2
Total	77,884	−7,893	−10.1

B. AS PASSED BY THE SENATE (DEC. 11, 1969)

Adjusted gross income class	Tax under present law[1] (millions)	Increase (+) decrease (−) from reform and relief provisions: Amount (millions)	Percentage
0 to $3,000	$1,169	−$925	−79.1
$3,000 to $5,000	3,320	−1,355	−40.8
$5,000 to $7,000	5,591	−1,581	−28.3
$7,000 to $10,000	11,792	−2,380	−20.2
$10,000 to $15,000	18,494	−2,460	−13.3
$15,000 to $20,000	9,184	−1,092	−11.9
$20,000 to $50,000	13,988	−851	−6.1
$50,000 to $100,000	6,659	−108	−1.6
$100,000 and over	7,686	+625	+8.1
Total	77,884	−10,128	−13.0

C. AS APPROVED BY THE CONFERENCE (DEC. 19, 1969)

Adjusted gross income class	Tax under present law[1] (millions)	Increase (+) decrease (−) from reform and relief provisions: Amount (millions)	Percentage
0 to $3,000	$1,169	−$816	−69.8
$3,000 to $5,000	3,320	−1,101	−33.2
$5,000 to $7,000	5,591	−1,112	−19.9
$7,000 to $10,000	11,792	−1,859	−15.8
$10,000 to $15,000	18,494	−2,327	−12.6
$15,000 to $20,000	9,184	−791	−8.6
$20,000 to $50,000	13,988	−715	−5.1
$50,000 to $100,000	6,659	−128	−1.9
$100,000 and over	7,686	+557	+7.2
Total	77,884	−8,294	−10.6

[1] Exclusive of tax surcharge.

Note: Details do not necessarily add to totals because of rounding.

TABLE 4.—TAX RELIEF PROVISIONS UNDER H.R. 13270 AFFECTING INDIVIDUALS AND TOTAL FOR ALL REFORM AND RELIEF PROVISIONS AFFECTING INDIVIDUALS, WHEN FULLY EFFECTIVE BY ADJUSTED GROSS INCOME CLASS, 1969 LEVELS

A. AS PASSED BY THE HOUSE OF REPRESENTATIVES (AUG, 7, 1969)

Adjusted gross income class	Reform provisions	Relief provisions: Low income allowance	Elimination of phaseout	15-percent $2,000 standard deduction	General rate reduction (millions)	Maximum tax on earned income	Intermediate tax treatment	Total relief provisions	Total, all provisions
0 to $3,000	+$16	−$552	−$202		−$27		−$10	−$791	−$775
$3,000 to $5,000	−3	−72	−788		−141		−45	−1,046	−1,049
$5,000 to $7,000	+3	−1	−594		−329		−75	−999	−996
$7,000 to $10,000	+7		−335	−$228	−663		−130	−1,356	−1,349
$10,000 to $15,000	+26		−83	−789	−975		−111	−1,958	−1,932
$15,000 to $20,000	+23		−16	−231	−496		−55	−798	−775
$20,000 to $50,000	+90		−8	−117	−806		−135	−1,066	−976
$50,000 to $100,000	+137		−1	−7	−420	−$20	−54	−502	−365
$100,000 and over	+1,081			−1	−641	−80	− 35	−757	+324
Total	+1,380	−625	−2,027	−1,373	−4,498	−100	−650	−9,273	−7,893

B. AS PASSED BY THE SENATE (DEC. 11, 1969)

Adjusted gross income class	Reform provisions	Relief provisions: Low income allowance	$800 exemption (millions)	Tax treatment of single persons	Total relief provisions	Total, all provisions
0 to $3,000	−$69	−$682	−$174		−$856	−$925
$3,000 to $5,000	−159	−719	−477		−1,196	−1,355
$5,000 to $7,000	−313	−458	−803	−$7	−1,268	−1,581
$7,000 to $10,000	−492	−198	−1,645	−45	−1,888	−2,380
$10,000 to $15,000	−517		−1,875	−68	−1,943	−2,460
$15,000 to $20,000	−391		−639	−62	−701	−1,092
$20,000 to $50,000	−57		−615	−179	−794	−851
$50,000 to $100,000	+71		−139	−40	−179	−108
$100,000 and over	+682		−40	−17	−57	+625
Total	−1,245	−2,057	−6,406	−420	−8,883	−10,128

C. AS APPROVED BY THE CONFERENCE (DEC. 19, 1969)

Adjusted gross income class	Reform provisions	Relief provisions: Low income allowance	$750 exemption (millions)	15-percent $2,000 standard deduction	Maximum tax on earned income	Tax treatment of single persons	Total relief provisions	Total, all provisions
0 to $3,000	+$6	−$682	−$140				−$822	−$816
$3,000 to $5,000	−6	−7,9	−366	−$10			−1,095	−1,101
$5,000 to $7,000	−4	−458	−612	−31		−$7	−1,108	−1,112
$7,000 to $10,000	−5	−198	−1,244	−366		−45	−1,853	−1,858
$10,000 to $15,000	+6		−1,407	−858		−68	−2,333	−2,327
$15,000 to $20,000	−7		−480	−242		−62	−784	−791
$20,000 to $50,000	+56		−462	−125	−$5	−179	−771	−715
$50,000 to $100,000	+54		−104	−8	−30	−40	−182	−128
$100,000 and over	+740		−30	−1	−135	−17	−183	+557
Total	+840	−2,057	−4,845	−1,642	−170	−420	−9,134	−8,294

Note: Details do not necessarily add to totals because of rounding.

TABLE 4A.—INDIVIDUAL INCOME TAX RELIEF PROVISIONS IN H.R. 13270, CALENDAR YEARS 1970-73

A. AS PASSED BY THE HOUSE OF REPRESENTATIVES

Provision	1970	1971	1972	1973
Minimum standard deduction	[1] $1,100–1:2	$1,100	$1,100	
Percentage standard deduction	13 percent—$1,400	14 percent—$1,700	15 percent—$2,000	
Rate reduction [2]		½ of reduction	Full reduction	
Maximum tax rate on earned income [3]	50 percent	50 percent	50 percent	
Intermediate tax treatment for certain single persons, etc.[4]		½ split income benefit	½ split income benefit	

B. AS PASSED BY THE SENATE

Provision	1970	1971	1972	1973
Minimum standard deduction	[5] $1, 000–1:4	$1,000	$1,000	
Personal exemption	$700	$800	$800	
Tax treatment of single persons		Tax no greater than 120 percent of joint return tax with same taxable income.	Tax greater than 120 percent of Joint return tax with same taxable income.	

C. AS APPROVED BY THE CONFERENCE

Provision	1970	1971	1972	1973
Minimum standard deduction	[1] $1,100–1:2	[6] $1,050–1:15	$1,000	$1,000.
Percentage standard deduction		13 percent—$1,500	14 percent—$2000,	15 percent—$2,000.
Personal exemption	$650 from July 1	$650	$700	$750.
Maximum tax rate on earned income [3]		60 percent	50 percent	50 percent.
Tax treatment of single persons		Tax no greater than 120 percent of joint return tax with same taxable income.	Tax no greater than 120 percent of joint return tax with same taxable income.	Tax no greater than 120 percent of joint return tax with same taxable income.

[1] This low-income allowance, or minimum standard deduction, is "phased out" by reducing the additional allowance (difference between the 1969 minimum standard deduction and $1,100) by $1 for every $2 of adjusted gross income in excess of the 1970 nontaxable level.

[2] A reduction of at least 1 percentage point in each bracket with a 5 percent or more reduction in tax in all brackets, taking place in 2 equal stages in 1971 and 1972.

[3] Under the House bill the specified maximum marginal rate is applicable to earned income; under the conference bill the specified maximum marginal rate is applicable to earned income less preference income over $30,000 in the current year or the average tax preferences in excess of $30,000 for the current year and the prior 4 years, whichever is greater.

[4] Widows and widowers, regardless of age, and single persons age 35 and over use the head-of-household rate schedule, i.e., tax liability halfway between that of the regular rate schedule used by single persons and the joint return schedule; surviving spouses with dependent children under age 19 or attending school would have the joint return privilege.

[5] This entire minimum standard deduction ($1,000) is "phased out" by reducing it by $1 for every $4 of adjusted gross income above the nontaxable level.

[6] This minimum standard deduction is "phased out" by reducing the additional allowance (difference between the 1969 minimum standard deduction and $1,050) by $1 for every $15 of adjusted gross income in excess of the 1971 nontaxable level.

TABLE 5.—TAX REFORM PROVISIONS UNDER H.R. 13270 AFFECTING INDIVIDUALS, FULL-YEAR EFFECT—BY ADJUSTED GROSS INCOME CLASS

A. AS PASSED BY THE HOUSE OF REPRESENTATIVES (AUG. 7, 1969)

Adjusted gross income class	Eliminate alternative tax rate on long-term gains [1]	6- to 12-month gains included at 100 percent [1]	Capital loss limitation	Pension plan provision	Life estates provision	Averaging including capital gains and 120 percent	Deferred compensation	Charitable deductions	Interest deduction	Reduced percentage depletion	Accumulation trusts	Moving expenses	Farm losses	Real estate	Tax-free dividends	Limit on tax preferences	Allocation	Total
	(millions)																	
0 to $3,000		+$1	+$5	(2)		(2)	(2)			+$1	(2)	−$1		(2)	(2)	+$10	(2)	+$16
$3,000 to $5,000		+2	+3	+$1		(2)	(2)			+1	(2)	−11		(2)	(2)	+1	(2)	−3
$5,000 to $7,000		+2	+5	+2		(2)	(2)			+2	+$1	−13		(2)	+$1	+3	(2)	+3
$7,000 to $10,000		+5	+9	+3		(2)	(2)			+2	+1	−23		+$5	+2	+3	(2)	+7
$10,000 to $15,000		+10	+15	+9		−$5	(2)			+5	+3	−29		+10	+3	+3	+$2	+26
$15,000 to $20,000		+10	+8	+6		−30	(2)			+5	+3	−10		+10	+3	+15	+3	+23
$20,000 to $50,000	+$1	+35	+16	+17	(2)	−110	(2)			+19	+16	−11		+45	+17	+10	+35	+90
$50,000 to $100,000	+11	+30	+4	+10	+$5	−105	+$5			+13	+17	−2	+$5	+50	+19	+10	+65	+137
$100,000 and over	+348	+55	(2)	+22	+5	−50	+20	+$20	+$20	+22	+29	(2)	+20	+140	+35	+30	+365	+1,081
Total	+360	+150	+65	+70	+10	−300	+25	+20	+20	+70	+70	−100	+25	+260	+80	+85	+470	+1,380

B. AS PASSED BY THE SENATE (DEC. 11, 1969)

Adjusted gross income class	Change alternative tax on long-term gains [1]	Capitol loss limitation	Life estates provision	Averaging at 120 percent	Charitable deductions	Reduced per centage depletion	Accumulation trusts	Moving expenses	Foreign income	Farm losses	Real estate	Tax free dividends	Tax on preference income	Aged medical expenses	Transportation for disabled	Higher education expenses	Citrus grove costs	Children's exemption	Total
	(millions)																		
0 to $3,000		+$5		(2)		(2)	(2)	−$1			(2)	(2)	+$2	−$2	−$1	−$70		−$2	−$69
$3,000 to $5,000		+3		(2)		+$1	+$1	−12			(2)	(2)	(2)	−6	−8	−130		−8	−159
$5,000 to $7,000		+5		(2)		+1	+1	−14	(2)		(2)	+$1	(2)	−13	−18	−260	(2)	−16	−313
$7,000 to $10,000		+9		(2)		+1	+1	−26	+$1		+$5	+2	(2)	−18	−33	−410	(2)	−24	−492
$10,000 to $15,000		+15		−$5		+2	+5	−32	+3		+10	+3	(2)	−26	−20	−455	(2)	−17	−517
$15,000 to $20,000		+8		−20		+2	+6	−11	+10		+10	+3	(2)	−15	−5	−375	(2)	−4	−391
$20,000 to $50,000	+$1	+16	(2)	−45		+8	+30	−12	+10		+40	+17	+48	−65	−4	−100	+$2	−3	−57
$50,000 to $100,000	+7	+4	+$5	−30		+5	+32	−2	+1	+$5	+45	+19	+28	−49	−1		+3	−1	+71
$100,000 and over	+242	(2)	+5	−10	+$20	+10	+54	(2)	(2)	+20	+125	+35	+207	−31	(2)		+5	(2)	+682
Total	+250	+65	+10	−110	+20	+30	+130	−110	+25	+25	+235	+80	+285	−225	−90	−1,800	+10	−75	−1,245

Footnote at end of table.

TABLE 5.—TAX REFORM PROVISIONS UNDER H.R. 13270 AFFECTING INDIVIDUALS, FULL-YEAR EFFECT—BY ADJUSTED GROSS INCOME CLASS—Continued

C. AS APPROVED BY THE CONFERENCE (DEC. 19, 1969)

Adjusted gross income class	Change alternative tax on long-term gains [1]	Capital loss limitation	Pension plan provision	Life estates provision	Averaging including capital gains and 120 percent	Charitable deductions	Interest deduction	Reduced percentage depletion (millions)	Accumulation trusts (millions)	Moving expenses (millions)	Farm losses	Real estate	Tax free dividends	Tax on preference income	Citrus grove costs	Total
0 to $3,000		+$5	(2)		(2)			(2)	(2)	−$1		(2)	(2)	+$2		+$6
$3,000 to $5,000		+3	+$1		(2)			+$1	+$1	−12		(2)	(2)	(2)		−6
$5,000 to $7,000		+5	+2		(2)			+1	+1	−14		(2)	+$1	(2)	(2)	−4
$7,000 to $10,000		+9	+3		(2)			+1	+1	−26		+$5	+2	(2)	(2)	−5
$10,000 to $15,000		+15	+8		−$5			+3	+4	−32		+10	+3	(2)	(2)	+6
$15,000 to $20,000		+8	+5		−30			+3	+5	−11		+10	+3	(2)	(2)	−7
$20,000 to $50,000	+$1	+16	+14	(2)	−110			+11	+27	−12		+42	+17	+48	+$2	+56
$50,000 to $100,000	+7	+4	+8	+$5	−105			+7	+28	−2	+$5	+47	+19	+28	+3	+54
$100,000 and over	+267	(2)	+19	+5	−50	+$20	+$20	+13	+48	(2)	+20	+131	+35	+207	+5	+740
Total	+275	+65	+60	+10	−300	+20	+20	+40	+115	−110	+25	+245	+80	+285	+10	+840

[1] Assumes ½ of effect as compared with no change in realization. [2] Less than $500,000.

TABLE 6.—REVENUE ESTIMATES, TAX REFORM UNDER H.R. 13270, CALENDAR YEAR LIABILITY [1]

[In millions of dollars]

Provision	As passed by the House of Representatives					As passed by the Senate					As approved by the conference				
	1970	1971	1972	1974	Long run	1970	1971	1972	1974	Long run	1970	1971	1972	1974	Long run
Corporate capital gains	175	175	175	175	175	140	175	175	175	175	105	175	175	175	175
Foundations	65	70	75	85	100	20	25	25	25	30	35	35	40	45	55
Unrelated business income	5	5	5	5	20	5	5	5	5	20	5	5	5	5	20
Contributions	5	10	20	20	20	5	10	20	20	20	5	10	20	20	20
Farm losses	(2)	5	10	10	25	25	25	25	25	25	(2)	5	10	10	25
Moving expenses	−100	−100	−100	−100	−100	−110	−110	−110	−110	−110	−110	−110	−110	−110	−110
Railroad amortization [3]	(2)	−5	−[4] 15	−[4] 60	−[4] 85	−125	−115	−160	−185	−105	−105	−95	−140	−165	−85
Amortization of pollution facilities [3]	−40	−130	−230	−380	−400	−15	−40	−70	−115	−120	−15	−40	−70	−115	−120
Corporate mergers, etc	10	20	25	40	70	(2)	(2)	(2)	(2)	(2)	5	10	15	25	40
Multiple corporations	[4] 45	[4] 75	[4] 105	[4] 175	235	30	70	120	235	235	25	60	100	195	235
Accumulation trusts	50	70	70	70	70	5	10	35	60	130	10	25	35	55	115
Income averaging	−300	−300	−300	−300	−300	−110	−110	−110	−110	−110	−300	−300	−300	−300	−300
Deferred compensation:															
Restricted stock	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Other deferred compensation	(2)	(2)	5	10	25										
Stock dividends	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Subchapter S	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Tax-free dividends				80	80				80	80				80	80
Financial institutions:															
Commercial banks:															
Reserves	250	250	250	250	250	225	150	125	100	100	225	150	125	100	250
Capital gains	50	50	50	50	50	(2)	5	5	10	50	5	10	15	25	50
Mutual thrift reserves:															
Savings and loan associations	10	25	35	60	125	10	20	30	40	40	20	35	45	60	85
Mutual savings banks	(2)	5	10	15	35	20	25	30	35	35	25	25	30	30	35
Tax-exempt interest	(2)	(2)	(2)	(2)	(2)										
Individual capital gains:															
Capital loss provisions	50	50	55	60	65	50	50	55	60	65	50	50	55	60	65
6-months-1 year holding period [6]	100	150	150	150	150										
Pension plans	(2)	5	10	25	70						(2)	5	10	20	60
Casualty loss	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Sale of papers	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Life estates	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Franchises	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Alternative rate provision [6]	360	260	260	360	360	150	200	250	250	250	165	220	275	275	275
Natural resources:															
Production payment	100	110	125	150	200	100	110	125	150	200	110	110	125	150	200
Percentage depletion	400	400	400	400	400	150	150	150	150	150	235	235	235	235	235
Foreign depletion	25	10	(2)	(2)	(2)										
Foreign income:															
Loss carryover	35	35	35	35	35										
Restriction on mineral credits	30	30	30	30	30										
Reduced exclusion						25	25	25	25	25					
Individual interest deduction	20	20	20	20	20								20	20	20
Regulated utilities [3] [5]	60	140	185	260	310	60	140	185	260	310	60	140	185	260	310
Cooperatives	(2)	(2)	(2)	(2)	(2)										
Limit on tax preferences	40	50	60	70	85										
Allocation	205	420	425	440	470										
Tax on preference income						630	635	645	670	680	590	595	600	625	635
Real estate:															
Used property [3] [5]	15	40	65	150	250	15	35	55	125	210	15	35	55	130	220
New nonhousing [3] [5]	(2)	60	170	435	960	(2)	60	170	435	960	(2)	60	170	435	960
Capital gain, recapture	5	15	25	50	125	(2)	5	10	20	50	(2)	10	15	30	80
Rehabilitation [3] [5]	−15	−50	−100	−200	−330	−15	−50	−100	−200	−330	−15	−50	−100	−200	−330
Medical expenses for aged						−225	−225	−225	−225	−225					
Transportation deduction for disabled						−90	−90	−90	−90	−90					
Exemption for foster children						(2)	(2)	(2)	(2)	(2)					
Revision of children's support test						−75	−75	−75	−75	−75					
Capitalization of citrus grove expenses						5	10	10	10	10	5	10	10	10	10
Credit for education expense								−1,800	−1,800	−1,800					
Total tax reform	[4] 1,665	[4] 2,080	[4] 2,215	[4] 2,650	[4] 3,605	915	1,135	−455	65	895	1,150	1,430	1,660	2,195	3,320
Plus investment credit	2,500	3,000	3,000	3,100	3,300	1,710	2,200	2,200	2,300	2,510	2,500	2,990	2,990	3,090	3,300
Total	[4] 4,165	[4] 5,080	[4] 5,215	[4] 5,750	[4] 6,905	2,625	3,335	1,745	2,365	3,405	3,650	4,420	4,650	5,285	6,620

[1] Except as indicated these estimates are all at current levels, the time difference being solely to show the phasein.

[2] Less than $2,500,000.

[3] The figures in the "long run" columns are for 1979.

[4] Revised.

[5] Assumes growth.

[6] Assumes ½ of effect as compared with no change in realization.

Note: Calendar year 1969 estimates, not shown above, are as follows: under the House bill and the Conference bill repeal of the investment credit $900,000,000 and under the Senate bill amendment of the investment credit $370,000,000; under the House bill corporate capital gains $75,000,000, multiple corporations $20,000,000, accumulation trusts $20,000,000, and individual capital gains $175,000,000.

TABLE 7.—TAXABLE RETURNS UNDER PRESENT LAW AND NUMBER MADE NONTAXABLE BY RELIEF PROVISIONS OF H.R. 13270

[Number of returns in thousands]

A. AS PASSED BY THE HOUSE OF REPRESENTATIVES[1] (AUG. 7, 1969)

Adjusted gross income class	Returns taxable under present law	Returns made nontaxable by low-income allowance and 15 percent $2,000 standard deduction[2]	Returns remaining taxable—but benefiting from the relief provisions[2]
0 to $3,000	10,053	5,149	4,904
$3,000 to $5,000	9,562	405	9,157
$5,000 to $7,000	9,779	24	9,755
$7,000 to $10,000	13,815	8	13,807
$10,000 to $15,000	13,062	4	13,058
$15,000 to $20,000	3,852	2	3,850
$20,000 to $50,000	2,594		2,594
$50,000 to $100,000	340		340
$100,000 and over	95		95
Total	63,152	5,592	57,560

B. AS PASSED BY THE SENATE[3] (DEC. 11, 1969)

Adjusted gross income class	Returns taxable under present law	Returns made nontaxable by low income allowance and $800 exemption	Returns remaining taxable—but benefiting from the relief provisions
0 to $3,000	10,053	6,111	3,942
$3,000 to $5,000	9,562	1,445	8,117
$5,000 to $7,000	9,779	570	9,209
$7,000 to $10,000	13,815	211	13,604
$10,000 to $15,000	13,062	36	13,026
$15,000 to $20,000	3,852		3,852
$20,000 to $50,000	2,594		2,594
$50,000 to $100,000	340		340
$100,000 and over	95		95
Total	63,152	8,373	54,977

C. AS APPROVED BY THE CONFERENCE[4] (DEC. 19, 1969)

Adjusted gross income class	Returns taxable under present law	Returns made nontaxable by low-income allowance, 15 percent $2,000 standard deduction and $750 exemption	Returns remaining taxable—but benefiting from the relief provisions
0 to $3,000	10,053	5,846	4,207
$3,000 to $5,000	9,562	1,131	8,431
$5,000 to $7,000	9,779	424	9,355
$7,000 to $10,000	13,815	172	13,643
$10,000 to $15,000	13,062	28	13,034
$15,000 to $20,000	3,852	2	3,850
$20,000 to $50,000	2,594		2,594
$50,000 to $100,000	340		340
$100,000 and over	95		95
Total	63,152	7,603	55,549

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[1] Provisions effective for tax year 1972 and thereafter.

[2] Revised.

[3] Provisions effective for tax year 1971 and thereafter.

[4] Provisions effective for tax year 1973 and thereafter.

TABLE 8.—TAX BURDEN ON THE SINGLE PERSON UNDER PRESENT LAW[1] AND UNDER H.R. 13270 AS PASSED BY THE HOUSE OF REPRESENTATIVES,[2] AS PASSED BY THE SENATE,[3] AND AS APPROVED BY THE CONFERENCE[4]

A. ASSUMING NONBUSINESS DEDUCTIONS OF 10 PERCENT OF INCOME

1. AS PASSED BY THE HOUSE OF REPRESENTATIVES

Adjusted gross income (wages and salaries)	Tax under present law	Single persons under 35 (other than widows and widowers): Tax under H.R. 13270	Single persons under 35: Tax decrease: Amount	Single persons under 35: Tax decrease: Percentage	Single persons 35 and over (and widows and widowers at any age): Tax under H.R. 13270	Single persons 35 and over: Tax decrease: Amount	Single persons 35 and over: Tax decrease: Percentage
$900	0	0	0	0	0	0	0
$1,700	$115	0	$115	100.0	0	$115	100.
$1,750	123	$7	116	94.3	$7	116	94.
$1,800	130	13	117	90.0	13	117	90.
$3,000	329	180	149	45.3	175	154	46.
$3,500	415	258	157	37.8	250	165	39.
$4,000	500	344	156	31.2	331	169	33.8
$5,000	671	524	147	21.9	501	170	25.3
$7,500	1,168	1,023	145	12.4	957	211	18.1
$10,000	1,742	1,507	235	13.5	1,399	343	19.7
$12,500	2,398	2,078	320	13.3	1,907	491	20.5
$15,000	3,154	2,806	348	11.0	2,532	622	19.7
$17,500	3,999	3,683	316	7.9	3,250	749	18.7
$20,000	4,918	4,650	268	5.4	4,042	876	17.8
$25,000	6,982	6,566	416	6.0	5,643	1,339	19.2

2. AS PASSED BY THE SENATE

Adjusted gross income (wages and salaries)	Tax under present law	Tax under H.R. 13270	Tax decrease: Amount	Tax decrease: percentage
$900	0	0	0	
$1,700	$115	0	$115	100.0
$1,750	123	0	123	100.0
$1,800	130	0	130	100.0
$3,000	329	$177	152	46.2
$3,500	415	259	156	37.6
$4,000	500	348	152	30.4
$5,000	671	538	133	19.8
$7,500	1,168	1,047	121	10.4
$10,000	1,742	1,640	102	5.9
$12,500	2,398	2,212	186	7.8
$15,000	3,154	2,833	321	10.2
$17,500	3,999	3,505	494	12.4
$20,000	4,918	4,238	680	13.8
$25,000	6,982	5,876	1,106	15.8

Footnote at end of table.

TABLE 8—Continued

3. AS APPROVED BY THE CONFERENCE

Adjusted gross income (wages and salaries)	Tax under present law[1]	Tax under H.R. 13270	Tax decrease: Amount	Tax decrease: Percentage
$900	0	0	0	0
$1,700	$115	0	$115	100.0
$1,750	123	0	123	100.0
$1,800	130	$7	123	94.6
$3,000	329	185	144	43.8
$3,500	415	267	147	35.5
$4,000	500	357	143	28.5
$5,000	671	547	124	18.4
$7,500	1,168	1,031	136	11.7
$10,000	1,742	1,530	212	12.2
$12,500	2,398	2,059	339	14.2
$15,000	3,154	2,702	452	14.3
$17,500	3,999	3,442	556	13.9
$20,000	4,918	4,255	663	13.5
$25,000	6,982	5,895	1,087	15.6

B. ASSUMING NONBUSINESS DEDUCTIONS OF 18 PERCENT OF INCOME

1. AS PASSED BY THE HOUSE OF REPRESENTATIVES

Adjusted gross income (wages and salaries)	Tax under present law	Single persons under 35 (other than widows and widowers): Under H.R. 13270	Single persons under 35: Tax decrease: Amount	Single persons under 35: Tax decrease: Percentage	Single persons 35 and over (and widows and widowers at any age): Under H.R. 13270	Single persons 35 and over: Tax decrease: Amount	Single persons 35 and over: Tax decrease: Percentage
$900	0	0	0	0	0	0	0
$1,700	$114	0	$114	100.0	0	$114	100.0
$1,750	120	$7	113	94.2	$7	113	94.2
$1,800	126	13	113	89.7	13	113	89.7
$3,000	286	180	106	37.1	175	111	38.8
$3,500	361	258	103	28.5	250	111	30.7
$4,000	439	344	95	21.6	331	108	24.6
$5,000	595	524	71	11.9	501	94	15.8
$7,500	1,031	976	55	5.3	915	116	11.3
$10,000	1,530	1,438	92	6.0	1,336	194	12.7
$12,500	2,092	1,976	116	5.5	1,816	276	13.2
$15,000	2,734	2,580	154	5.6	2,342	392	14.3
$17,500	2,460	3,265	195	5.6	2,910	550	15.9
$20,000	4,252	4,016	236	5.6	3,520	732	17.2
$25,000	6,025	5,688	337	5.6	4,905	1,120	18.6

B. ASSUMING NONBUSINESS DEDUCTIONS OF 18 PERCENT OF INCOME—Continued

1. AS PASSED BY THE HOUSE OF REPRESENTATIVES—Continued

2. AS PASSED BY THE SENATE

Adjusted gross income (wagesand salaries)	Tax under present law	Tax under H.R. 13270	Tax decrease	
			Amount	Percentage
$900	0	0	0	0
$1,700	$114	0	$114	100.0
$1,750	120	0	120	100.0
$1,800	126	0	126	100.0
$3,000	286	$177	109	38.1
$3,500	361	259	102	28.3
$4,000	439	348	91	20.7
$5,000	595	538	57	9.6
$7,500	1,031	974	57	5.5
$10,000	1,530	1,446	84	5.5
$12,500	2,092	1,953	139	6.6
$15,000	2,734	2,495	239	8.7
$17,500	3,460	3,080	380	11.0
$20,000	4,252	3,706	546	12.8
$25,000	6,025	5,122	903	15.0

3. AS APPROVED BY THE CONFERENCE

Adjusted gross income (wages and salaries)	Tax under present law [1]	Tax under H.R. 13270	Tax decrease	
			Amount	Percentage
$900	0	0	0	0
$1,700	$114	0	$114	100.0
$1,750	120	0	120	100.0
$1,800	126	$7	119	94.5
$3,000	286	185	101	35.4
$3,500	361	267	94	26.0
$4,000	439	357	82	18.6
$5,000	595	547	48	8.0
$7,500	1,031	984	47	4.6
$10,000	1,530	1,458	72	4.7
$12,500	2,092	1,965	127	6.1
$15,000	2,734	2,509	225	8.3
$17,500	3,460	3,094	366	10.6
$20,000	4,252	3,722	530	12.5
$25,000	6,025	5,140	885	14.7

[1] Exclusive of tax surcharge.
[2] Provisions effective for tax year 1972 and thereafter.
[3] Provisions effective for tax year 1971 and thereafter.
[4] Provisions effective for tax year 1973 and thereafter.

TABLE 9.—TAX BURDEN ON THE MARRIED COUPLE WITH NO DEPENDENTS UNDER PRESENT LAW[1] AND UNDER H.R. 13270 AS PASSED BY THE HOUSE OF REPRESENTATIVES,[2] AS PASSED BY THE SENATE,[3] AND AS APPROVED BY THE CONFERENCE[4]

A. ASSUMING NONBUSINESS DEDUCTIONS OF 10 PERCENT OF INCOME

1. AS PASSED BY THE HOUSE OF REPRESENTATIVES

Adjusted gross income (wages and salaries)	Tax under present law	Tax under H.R. 13270	Tax decrease	
			Amount	Percentage
$1,600	0	0	0	0
$2,300	$98	0	$98	100.0
$2,500	126	$26	100	79.4
$2,600	140	39	101	72.1
$3,000	200	91	109	54.5
$3,500	275	158	117	42.5
$4,000	354	228	126	35.6
$5,000	501	375	126	25.1
$7,500	915	792	123	13.4
$10,000	1,342	1,174	168	12.5
$12,500	1,831	1,599	232	12.7
$15,000	2,335	2,098	237	10.1
$17,500	2,898	2,669	229	7.9
$20,000	3,484	3,276	208	6.0
$25,000	4,796	4,530	266	5.5

2. AS PASSED BY THE SENATE

Adjusted gross income (wages and salaries)	Tax under present law	Tax under H.R. 13270	Tax decrease	
			Amount	Percentage
$1,600	0	0	0	0
$2,300	$98	0	$98	100.0
$2,500	126	0	126	100.0
$2,600	140	0	140	100.0
$3,000	200	$56	144	72.0
$3,500	275	126	149	54.2
$4,000	354	200	154	43.5
$5,000	501	354	147	29.3
$7,500	915	791	124	13.6
$10,000	1,342	1,266	76	5.7
$12,500	1,831	1,743	88	4.8
$15,000	2,335	2,238	97	4.2
$17,500	2,898	2,798	100	3.5
$20,000	3,484	3,372	112	3.2
$25,000	4,796	4,668	128	2.7

TABLE 9—Continued

A. ASSUMING NONBUSINESS DEDUCTIONS OF 10 PERCENT OF INCOME—Continued

2. AS PASSED BY THE SENATE—Continued

3. AS APPROVED BY THE CONFERENCE

$1,600	0	0	0	0
$2,300	$98	0	$98	100.0
$2,500	126	0	126	100.0
$2,600	140	$14	126	90.0
$3,000	200	70	130	65.0
$3,500	275	140	135	49.1
$4,000	354	215	139	39.3
$5,000	501	370	131	26.2
$7,500	915	786	128	14.0
$10,000	1,342	1,190	152	11.3
$12,500	1,831	1,628	203	11.1
$15,000	2,335	2,150	185	7.9
$17,500	2,898	2,760	138	4.8
$20,000	3,484	3,400	84	2.4
$25,000	4,796	4,700	96	2.0

B. ASSUMING NONBUSINESS DEDUCTIONS OF 18 PERCENT OF INCOME

1. AS PASSED BY THE HOUSE OF REPRESENTATIVES

$1,600	0	0	0	0
$2,300	$96	0	$96	100.0
$2,500	119	$26	93	78.2
$2,600	130	39	91	70.0
$3,000	179	91	88	49.2
$3,500	241	158	83	34.4
$4,000	303	228	75	24.8
$5,000	434	375	59	13.6
$7,500	801	751	50	6.2
$10,000	1,190	1,120	70	5.9
$12,500	1,611	1,521	90	5.6
$15,000	2,062	1,951	111	5.4
$17,500	2,548	2,405	143	5.6
$20,000	3,060	2,876	184	6.0
$25,000	4,184	3,951	233	5.6

2. AS PASSED BY THE SENATE

$1,600	0	0	0	0
$2,300	$96	0	$96	100.0
$2,500	119	0	119	100.0
$2 600	130	0	130	100.0
$3,000	179	$56	123	68.7
$3,500	241	126	115	47.7
$4,000	303	200	103	34.0
$5,000	434	354	80	18.4
$7,500	801	725	76	9.5
$10,000	1,190	1,114	76	6.4
$12,500	1,611	1,523	88	5.5
$15,000	2,062	1,974	88	4.3
$17,500	2,548	2,448	100	3.9
$20,000	3,060	2,960	100	3.3
$25,000	4,184	4,072	112	2.7

3. AS APPROVED BY THE CONFERENCE

$1 600	0	0	0	0
$2,300	$96	0	$96	100.0
$2,500	119	0	119	100.0
$2,600	130	$14	116	89.3
$3,000	179	70	109	60.9
$3,500	241	140	101	41.8
$4,000	303	215	88	29.0
$5,000	434	370	64	14.8
$7,500	801	744	57	7.1
$10,000	1,190	1,133	57	4.8
$12,500	1,611	1,545	66	4.1
$15,000	2,062	1,996	66	3.2
$17,500	2,548	2,473	75	2.9
$20 000	3,060	2,985	75	2.5
$25 000	4,184	4,100	84	2.0

[1] Exclusive of tax surcharge.
[2] Provisions effective for tax year 1972 and thereafter.
[3] Provisions effective for tax year 1971 and thereafter.
[4] Provisions effective for tax year 1973 and thereafter.

TABLE 10.—TAX BURDEN ON THE MARRIED COUPLE WITH 2 DEPENDENTS UNDER PRESENT LAW [1] AND UNDER H.R. 13270 AS PASSED BY THE HOUSE OF REPRESENTATIVES,[2] AS PASSED BY THE SENATE,[3] AND AS APPROVED BY THE CONFERENCE [4]

A. ASSUMING NONBUSINESS DEDUCTIONS OF 10 PERCENT OF INCOME

1. AS PASSED BY THE HOUSE OF REPRESENTATIVES

Adjusted gross income (wages and salaries)	Tax under present law	Tax under H.R. 13270	Tax decrease	
			Amount	Percentage
$3,000	0	0	0	0
$3,500	$70	0	$70	100.0
$4,000	140	$65	75	53.6
$4,200	170	91	79	46.5
$5,000	290	200	90	31.0
$7,500	687	576	111	16.2
$10,000	1,114	958	156	14.0
$12,500	1,567	1,347	220	14.0
$15,000	2,062	1,846	216	10.5
$17,500	2,598	2,393	205	7.9
$20,000	3,160	2,968	192	6.1
$25,000	4,412	4,170	242	5.5

2. AS PASSED BY THE SENATE

Adjusted gross income (wages and salaries)	Tax under present law	Tax under H.R. 13270	Tax decrease: Amount	Tax decrease: Percentage
$3,000	0	0	0	0
$3,500	$70	0	$70	100.0
$4,000	140	0	140	100.0
$4,200	170	0	170	100.0
$5,000	290	$112	178	61.4
$7,500	687	501	186	27.1
$10,000	1,114	962	152	13.6
$12,500	1,567	1,391	176	11.2
$15 000	2,062	1,886	176	8.5
$17,500	2,598	2,398	200	7.7
$20,000	3,160	2,960	200	6.3
$25,000	4,412	4,184	228	5.2

3. AS APPROVED BY THE CONFERENCE

Adjusted gross income (wages and salaries)	Tax under present law	Tax under H.R. 13270	Tax decrease: Amount	Tax decrease: Percentage
$3,000	0	0	0	0
$3,500	$70	0	$70	100.0
$4,000	140	0	140	100.0
$4,200	170	$28	142	83.5
$5,000	290	140	150	51.7
$7,500	687	514	173	2.52
$10,000	1,114	905	209	18.8
$12,500	1,567	1,309	258	16.5
$15,000	2,062	1,820	242	11.7
$17,500	2,598	2,385	213	8.2
$20,000	3,160	3,010	150	4.8
$25,000	4,412	4,240	172	3.9

[1] Exclusive of tax surcharge.

[2] Provisions effective for tax year 1972 and thereafter.

TABLE 10.—TAX BURDEN ON THE MARRIED COUPLE WITH 2 DEPENDENTS UNDER PRESENT LAW [1] AND UNDER H.R. 13270 AS PASSED BY THE HOUSE OF REPRESENTATIVES,[2] AS PASSED BY THE SENATE,[3] AND AS APPROVED BY THE CONFERENCE [4]—Continued

B. ASSUMING NONBUSINESS DEDUCTIONS OF 18 PERCENT OF INCOME

1. AS PASSED BY THE HOUSE OF REPRESENTATIVES

Adjusted gross income (wages and salaries)	Tax under present law	Tax under H.R. 13270	Tax decrease	
			Amount	Percentage
$3,000	0	0	0	0
$3,500	$66	0	$66	100.0
$4,000	123	$65	58	47.2
$4,200	147	91	56	38.1
$5,000	245	200	45	18.4
$7,500	578	540	38	6.6
$10,000	962	904	58	6.0
$12,500	1,352	1,273	79	5.8
$15,000	1,798	1,699	99	5.5
$17,500	2,249	2,130	119	5.3
$20,000	2,760	2,600	160	5.8
$25,000	3,848	3,627	221	5.7

2. AS PASSED BY THE SENATE

Adjusted gross income (wages and salaries)	Tax under present law	Tax under H.R. 13270	Tax decrease: Amount	Tax decrease: Percentage
$3,000	0	0	0	0
$3,500	$66	0	$66	100.0
$4,000	123	0	123	100.0
$4,200	147	0	147	100.0
$5,000	245	$112	133	54.0
$7,500	578	442	136	23.3
$10,000	962	810	152	15.5
$12,500	1,352	1,200	152	11.8
$15,000	1,798	1,622	176	9.2
$17,500	2,249	2,073	176	7.8
$20,000	2,760	2,560	200	7.8
$25,000	3,848	3,624	244	5.2

C. AS APPROVED BY THE CONFERENCE

Adjusted gross income (wages and salaries)	Tax under present law	Tax under H.R. 13270	Tax decrease: Amount	Tax decrease: Percentage
$3,000	0	0	0	0
$3,500	$66	0	$66	100.0
$4,000	123	0	123	100.0
$4,200	147	$28	119	80.9
$5,000	245	140	105	42.9
$7,500	578	476	102	17.7
$10,000	962	848	114	11.9
$12,500	1,352	1,238	114	8.4
$15,000	1,798	1,666	132	7.3
$17,500	2,249	2,117	132	5.9
$20,000	2,760	2,610	150	5.4
$25,000	3,848	3,680	168	4.4

[3] Provisions effective for tax year 1971 and thereafter.

[4] Provisions effective for tax year 1973 and thereafter.

TABLE 11.—EFFECT OF H.R. 13270 AS PASSED BY THE HOUSE OF REPRESENTATIVES, AS PASSED BY THE SENATE, AND AS APPROVED BY THE CONFERENCE, FISCAL YEAR RECEIPTS, 1970 AND 1971

[In billions]

As passed by the House of Representatives

Provision	Fiscal year 1970	Fiscal year 1971
Tax reform provisions (+):		
Corporation	+$0.4	+$1.0
Individual	+.3	+.6
Total, tax reform provisions	+.7	+1.6
Tax relief provisions (−): Individual	−.7	−3.6
Other provisions (+):		
Repeal of investment credit:		
Corporation	+.9	+1.9
Individual	+.4	+.6
Total repeal of investment credit	+1.3	+2.5
Extension of tax surcharge:		
Corporation	+.3	+.7
Individual	+1.7	+.4
Total, surcharge extension	+2.0	+1.1
Extension of excise taxes	+.5	+1.1
Total, other provisions	+3.8	+4.7
Total, all provisions	+3.89	+2.7

As passed by the Senate

Provision	Fiscal year 1970	Fiscal year 1971
Tax reform provisions (+):		
Corporation [1]	+$0.2	−$0.9
Individual [2]	(3)	(3)
Total, tax reform provisions	+.2	+.9
Tax relief provisions (−):		
Individual [4]	−1.7	−6.1
Other provisions (+):		
Repeal of investment credit:		
Corporation	+.7	+1.6
Individual	(3)	+.1
Total, repeal of investment credit	+.7	+1.7
Extension of tax surcharge:		
Corporation	+.3	+.7
Individual	+1.7	+.4
Total, surcharge extension	+2.0	+1.1
Extension of excise taxes	+.5	+1.1
Total, other provisions	+3.2	+3.9
Total, all provisions	+1.7	−1.3

As approved by the conference

Provision	Fiscal year 1970	Fiscal year 1971
Tax reform provisions (+):		
Corporation [1]	+$0.2	+$0.9
Individual [2]	(3)	+.2
Total, tax reform provisions	+.2	+1.1
Tax relief provisions (−):		
Individual [4]	−.3	−3.1
Other provisions (+):		
Repeal of investment credit:		
Corporation	+.9	+1.9
Individual	+.4	+.6
Total, repeal of investment credit	+1.3	+2.5
Extension of tax surcharge:		
Corporation	+.3	+.7
Individual	+1.7	+.4
Total, surcharge extension	+2.0	+1.1
Extension of excise taxes	+.5	+1.1
Total, other provisions	+3.8	+4.7
Total, all provisions	+3.7	+ .7

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[1] Does not reflect the increase in tax receipts resulting from the imposition of increased penalties for failure to pay tax and make deposits when due.

[2] Does not reflect increase in tax receipts resulting from the imposition of increased penalties for failure to pay tax and make deposits when due; nor the increase in receipts resulting from the provisions regarding the reporting of medical payments for which data are not available.

[3] Less than $50,000,000.

[4] Does not reflect $200,000,000 reduction in receipts resulting from certification of nontaxability for withholding tax purposes.

TABLE 12.—EFFECT OF MAJOR SOCIAL SECURITY AMENDMENTS IN H.R. 13270

[In billions]

	1970	1971	1972	1973	1974
A. AS PASSED BY THE SENATE					
Calendar years:[1]					
Benefits (−)	−$5.7	−$6.4	−$6.4	−$6.4	−$6.4
Tax (+)				+6.7	+6.7
Total	−5.7	−6.4	−6.4	+.3	+.3
Fiscal years:[1]					
Benefits (−)	−2.6	−6.3	−6.4	−6.4	−6.4
Tax (+)				+.7	+6.7
Total	−2.6	−6.3	−6.4	−5.7	+.3
B. AS APPROVED BY THE CONFERENCE					
Calendar years:[1]					
Benefits (−)	−$3.9	−$4.4	−$4.4	−$4.4	−$4.4
Fiscal years:[1]					
Benefits (−)	−1.8	−4.3	−4.4	−4.4	−4.4

[1] These estimates are at present levels.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. PROXMIRE. I want to congratulate the Senator from Louisiana for what I think was a remarkably fine job. In terms of fiscal responsibility—and a lot of people just do not understand this tax bill provides fiscal responsibility. If they knew what the facts really are, they would not be critical. The New York Times recently carried an editorial critical of this bill. The New York Times editorial said that the staffs of the two tax committees have resources data comparing the revenue effect of the conference version of the bill with the revenue effect of no bill at all. They have concluded that the first year the conference bill will provide an increase of $6.479 billion in revenues as compared to no bill. The New York Times suggested that this was a fraudulent comparison. The editorial then proceeded to compare the conference bill with the effect of continuing all 1969 taxes at current rates. I will come to that. But first if we compare the conference bill with what President Nixon recommended for 1970 and subsequent years which was a repeal of the surtax, but with the continuation of the 5-percent surtax until July 1, 1970, and with other revenue proposals, the conference's bill is only $500 million below the President's full revenue suggestions.

This is according to the best estimate the joint staff can give so in 1970 the President and the Congress are close together on a total revenue package since total Federal revenues are near $200 billion, the difference is about one-quarter of 1 percent. In 1971 the President would bring in about $300 million more than the conference version. In 1972 the President would bring in about $600 million less than the conference. So the President and the conference are very close in revenue impact.

Furthermore, if we take the present tax law, reenacting the surtax, continuing to have the investment credit, as we have without action on this bill, and continuing to have the same provisions in the law in 1969 but extended fully into 1970, and this is what the New York Times suggested as a comparison. Then the staff tells me this means $10.2 billion of additional revenue as compared with $6.7 billion, for the conference version or a difference of $3.5 billion more.

When we recognize that we have an economy of $950 billion, it seems to me any sensible economist would recognize that this $3.5 billion, representing about one-third of 1 percent of the GNP is not likely to be a significant factor in calendar 1970 in inflating the economy.

When we consider the good in the bill in terms of equity, it seems to me we have a bill which is feasible as well as equitable.

Mr. President, both the Senator from New York and the New York Times raise the very serious point that this bill is preempting our future ability to meet such serious problems as the crisis of our cities.

Now it is true that if we continued the 10-percent surtax for the next 10 years, if we repealed the investment credit. In other words if we increased the present level of taxes, and if that higher level of taxes did not precipitate a recession, we might have a larger Federal revenue to meet our pressing domestic problems.

But the surtax was never viewed as a permanent tax. It was proffered as a bill that would be in effect for 1 year—2 at the most.

If we compare the capacity of the Federal Government to meet its responsibilities to the extent President Nixon's tax proposals would permit and compare that to the effect of the conference bill now before it, the staff tells me that the long run difference is less than $1.4 billion per year with the President's version bringing in that much more. I submit that in a $200 billion Federal revenue total package—that is less than 1 percent and hardly a highly significant reduction.

But, Mr. President, even if we take the New York Times assumption that the Congress might carry on indefinitely with the surtax and the excise taxes, it is evident that we should have a very large dividend available for our vital domestic needs with this conference report as the law of the land. And here is why:

Secretary Laird has argued that in 1968 we were spending about $30 billion a year in Vietnam. He has said that by June of next year our Vietnam spending will be down to $17 billion.

Within a couple of years it is the expectation as well as hope of many of us that the costs of Vietnam will be almost eliminated. So here is a saving of $30 billion. In addition the Congress has indicated a willingness to reduce the military budget somewhat further. In this fiscal year for example we have cut the original 1970 fiscal year Johnson military budget—including the major defense bill and military construction bill by a total of more than $9 billion.

Furthermore with a growth of the economy of a modest 6-percent a year—including inflation—3-percent in real terms—and with a progressive tax system, Federal revenues should grow at least $12 billion a year compounded.

This should mean that by 1973 the combination of the Vietnam dividend of $30 billion and a $35 billion higher revenue that is $12 billion a year growth times 3 years. This would give the taxpayer less than one-fourth of this $60 billion melon. The taxpayer gets about $15 billion benefit from this conference bill compared to the New York Times version, 80 domestic needs stands to get some $45 billion—of which the problem of our cities can get a reasonable share.

This off-hand sketch of how this tax bill might permit the Federal Government to meet its obligations is of course subject to serious challenge, but I submit, it is at least as realistic as the New York Times conclusion that we are starving our vital domestic services to rush through a popular tax reduction bill.

Mr. LONG. Mr. President, I thank the Senator for his statement and for his contribution. As the Senator has pointed out, comparing it with having no bill at all, this measure will raise $6.479 billion for this year. In other words, the Government will be that much better off than if we had no bill.

Furthermore, if we had no bill, we would be giving an unintended windfall by way of an investment credit, amounting to $3 billion of unintended tax benefits, to those who had been led to believe they would not have it because Congress had intended to repeal the investment tax credit as of April 18.

If there is anything inflationary about raising $6.479 billion more than would be raised without the bill, I do not know what it would be. Nor do I know of anything more inflationary than permitting a huge tax windfall for the benefit of those for whom it was never intended at all, to the tune of $3 billion.

So this bill is a responsible bill from the fiscal point of view. If we have more inflation, it will not be because of what we do in this measure; it will be because of other things.

With regard to the social security increase which has been mentioned today, all the responsible people in the Department who have to study this matter day in and day out—and they are very able and competent people—agree that the surplus flowing into the fund is such that this 15-percent increase, which is something more than a cost-of-living increase, but a great deal of which is to cover a cost-of-living increase, can be paid by the fund on a continuing basis, and at no point in the future do we expect that we will have any deficit in the fund. The fund will continue to grow, notwithstanding the increase—so much so that the House of Representatives will proceed next year, and we shall work with them, to pass a social security bill to provide additional benefits for those for whom we would like to do more. We recognize that that will require a tax. We will provide whatever tax we think is necessary when we pass that measure and send it to the President.

I do think that the bill that we have passed is by far a better bill than the bill the House passed. It is by far a better bill than the bill the Senate passed; and I think it is by far a better bill than the Senate committee reported.

One thing that impressed me about it was the perfect symmetry by income groups in the bill as finally reported. For example, on page 3 of the table before

Senators—and I believe that will be table 3 of the charts I placed in the RECORD—one can see that where the percentage reduction by groups starts out at 66 percent in the House bill for those in the lowest bracket, and goes down to a plus 4-percent increase in the highest bracket, and the Senate bill starts with a 79-percent reduction in the lowest bracket and arrives at an 8-percent increase in the highest bracket. Senators may notice that the set of figures finally approved starts at 69.8 percent, roughly a 70-percent reduction in the lowest bracket, and winds up at a 7.8 percent increase in the highest bracket. But the impressive thing there is the perfect symmetry of the final chart. The tax curve starts at 69.8 percent, then 33.2 percent, 19.9 percent, 15.8 percent, 12.6 percent, 8.6 percent, 5.1 percent, and 1.9 percent, and finally an increase of 7.2 percent.

If one lays the final percentages alongside one another, he will find that almost a perfectly symetrical pattern was achieved by the conferees, and the amazing thing is that it was not achieved by design; it was achieved after we added up the combination of factors and put them through a computer.

There were a number of things about the bill that worked out in that fashion—so much so that I am inclined to believe we had far more guidance than we had any right to expect.

Mr. MANSFIELD. Mr. President, have the yeas and nays been requested on the conference report?

The **PRESIDING OFFICER** (Mr. CRANSTON in the chair). The yeas and nays have not been requested.

Mr. MANSFIELD. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. SPONG. Mr. President, today the Senate considers the conference report on the Tax Reform Act of 1969. This legislation is the result of long months of consideration by the Members and the committees of both Houses of Congress and was in response to strong demands by our citizens that the tax laws be made more fair and equitable.

The Tax Reform Act of 1969 represents the largest overhaul of the income tax laws in the history of this Nation and is a complex combination of relief and tax reform.

While the final version of the bill as reported by the conference committee is not perfect, it is a great improvement on the Senate-passed bill and represents a significant step in reforming our tax laws so that they are more equitable.

The conference bill is an improvement over that passed by the Senate in its impact on inflation. In balancing the bills projected loss from relief provisions against its gain in income from loophole closing reforms and extension of the surtax and other taxes the conference bill produces a net income of $6.5 billion in revenue in 1970 and $300 million in 1971, the crucial period in the fight against inflation.

In the area of tax reform, many significant steps were taken by Congress to make our tax laws more equitable. For example, the oil depletion allowance was reduced from 27½ to 22 percent. This will eventually net the Federal Government more than $235 million a year.

A minimum tax was imposed which reduces significantly the capacity of wealthy individuals and corporations to escape completely Federal taxation. This will net the Government over $635 million a year.

In addition the bill will tighten the regulation on the operation of private foundations and place for the first time a tax on a foundation's net investment income.

The act includes two measures of tax relief that are vital at this time. Retirement benefits under social security would be raised 15 percent across the board starting in January 1970 and the $600 personal exemption a taxpayer is allowed for himself and each of his dependents gradually would rise to a level of $750 by 1973. Next July it would increase to $650 and in 1972 it would be $700.

I supported the social security increase because I believe that the old, the infirm, and the dependent children who live on social security should have their benefits raised to allow them to meet the tremendous increase in the cost of living that has occurred in the last 2 years.

Also I believe that the increase in the $600 personal exemption is only fair in light of the increase in the cost of raising and maintaining families. The provision is timed in such a way as to be noninflationary. The present exemption of $600 has been in existence for 20 years, and is, in my judgment, unrealistic.

The conference committee struck from the Senate-passed version of the bill both reform and relief provisions that at another time might be desirable, but the conference hewed to the basic principle I followed in my votes on the Senate floor: That the provisions of tax relief should be more than compensated for by income gained from the closing of tax loopholes. In following this principle, I was forced to vote against provisions that I felt desirable in the long run, but whose effect would have produced a net revenue deficit in the bill. The conference committee had the same hard choices and has recommended to the Congress a responsible and effective tax reform bill that on balance warrants support. I shall vote for the bill. I commend the able Senator from Louisiana (Mr. LONG) and the other Senate conferees.

IMPORT AMENDMENT TO TAX REFORM BILL

Mr. THURMOND. Mr. President, I was very much distressed to note that the House-Senate conferees on the tax reform bill have failed to retain the import amendment introduced by the Senator from New Hampshire (Mr. COTTON).

My primary concern in cosponsoring and supporting this amendment was the American textile-apparel industry which finds itself in a completely untenable position when trying to compete with the low wages paid by their foreign counterparts. The same plight is facing many other American industries also, and it was in recognition of this problem that the Senate overwhelmingly adopted the Cotton amendment.

Mr. President, there is one very important and significant factor which no one should make the mistake of overlooking: The Senate has not reversed its position by not maintaining this amendment in the tax bill. The situation is quite to the contrary. By a vote of 65 to 30, the Senate has clearly and irrevocably placed itself on record as being willing to promote and support legislation designed to protect American jobs and industry. We must not lose sight of this fact.

Mr. President, I will continue to work hard to insure that the textile-apparel industry is allowed to survive in this country. The true significance of Senate adoption of the import amendment on December 10 must not be lost on those who may be reluctant to negotiate an equitable arrangement whereby the textile-apparel industry is protected.

THE TAX REFORM ACT

Mr. GOODELL. Mr. President, the tax reform bill is now before us in its final form—as reported by the House-Senate conferees.

The bill has been somewhat improved from the Senate version. Its net revenue losses are smaller and they have been deferred somewhat. Some of the costly Senate amendments have been dropped.

It remains, however, more of a tax-cutting masure than a tax reform act, at a time when wholesale cuts will only feed inflation and take away revenues desperately needed to meet the social problems facing this Nation.

An omnibus bill of this nature represents a difficult decision for all of us. The bill contains many features which I strongly favor. It corrects inequities that should have been remedied long ago. In reforming our tax structure, however, we must be sure to do so on a fiscally responsible basis with the provision of adequate revenues to pay for the changes we make.

The present bill does not rest on a sound fiscal basis. It overdoes tax decreases and "underdoes" compensating tax increases. It fails, in short, to pay for itself. The total impact of the bill is strongly inflationary and will deprive us in future years of the funds urgently required to deal with our domestic problems.

Certainly, the present level of military expenditures is a major reason why we cannot now afford to adopt the large tax reductions of this bill.

I have been an opponent of the present rate of military spending, which I consider excessive. I have proposed a complete U.S. withdrawal from Vietnam within 1 year, thus eliminating a large part of the $25 to $30 billion we are spending on the war. I also have voted against the military authorization and military appropriations bills in the Senate this year.

These military expenditures, however, remain a fact of life. Until they are reduced—as I firmly believe they should be—I cannot support a tax bill that results in such a large revenue loss.

Therefore, despite improvements, the overall effect of this bill is still negative.

I will vote against the bill.

FISCAL IMPACT

The crucial test of this bill is its fiscal effect; that is, how much net revenue gain or loss it creates.

It is imperative at this time that a tax-reform measure adopted by Congress does not produce major revenue losses.

Inflation continues to erode the savings of millions of Americans and diminish the purchasing power of their earnings.

This year, the value of the dollar has declined by a staggering 6-percent. A 1-percent rise in the consumer price level represents an invisible but very real tax of $6 billion. A 6-percent rise, such as occurred this year, means an invisable consumer tax of $36 billion.

A major shortfall in the tax bill would only aggravate this inflation. The tax savings of such a measure could well be more than offset by a further decline in the value of the dollar.

Aside from the question of inflation, a properly balanced tax package is essential to provide the tax revenues needed to fund effective programs for dealing with the Nation's social problems.

It is difficult enough under present budgetary limitations to provide sufficient funds for welfare reform, revenue sharing, health, urban rehabilitation, education, and job training programs. It is stating the obvious that a tax bill that cuts several billion dollars from Federal revenues would make it nearly impossible to finance these efforts at adequate levels.

Our budgetary problems have been aggravated by excessive military spending that many of my colleagues and I have opposed. Such military spending, however, remains a reality. The bitter experience of many years suggests that if revenues are cut, it will be domestic programs, not military expenditures, that will suffer most.

The Senate version of the tax bill was completely out of balance.

The Senate bill would have resulted in a gigantic net revenue loss of $4.7 billion in 1971. This would have virtually ended all hopes of bringing inflation under control in that critical year.

The Senate bill would have created a long-term revenue loss of $5.5 billion, on the basis of present income figures. This would have created a permanent inflationary pressure in the economy, and drastically interfered with the financing of essential domestic programs for alleviating poverty, hunger, and urban decay.

I felt compelled to vote against the Senate version of the bill because of these clearly excessive and inflationary revenue losses.

And frankly, I found it difficult to comprehend how some of my Senate colleagues—who have been highly vocal in calling for massive new domestic programs at the Federal level—could have supported such enormous cuts in the revenues needed to finance these programs.

The conference version of the bill now before us has been brought into balance in the first 2 years, 1970 and 1971. It continues, however, to create large net revenue losses in subsequent years.

Based on present income figures, the net loss will be $1.8 billion in 1972, $3.8 billion in 1974, and $2.5 billion over the long run. As incomes rise, these losses will be larger.

In my testimony before the Senate Finance Committee, I stated that the tax bill should involve no net revenue loss. I still strongly believe this is true. A balanced tax package—in which revenue losses do not exceed revenue gains—entails in itself no inflationary risks. It also preserves the funds so badly needed for financing domestic social programs.

The long-term loss created by the bill is its major weakness. It will continue to build inflationary pressures. It will reduce the "fiscal dividend" which will accrue from the end of the Vietnam war. It will increase the budgetary strains upon our domestic programs.

How can we provide adequate funding for our existing education, employment, health, and housing programs in the next years, if we now cut billions of dollars from the tax revenues that finance these programs?

How can we initiate new programs to strengthen the fiscal base of States and localities, such as revenue sharing, if we now succumb to the temptations of wholesale tax cuts?

How can we take truly effective action to bring inflation under control and keep it under control if we now adopt legislation that will surely produce major revenue losses only a few years from now?

THE RELIEF MEASURES

The conference version of the bill increases the personal exemption to 750 in 3 yearly stages. It adopts a low-income allowance that would remove over 5 million poor and near-poor from the tax rolls. It increases the standard deduction to 15 percent of income with a $2,000 ceiling, in 3 yearly stages. It retains a Senate provision that would lower the rate for single persons—now so unfairly treated—so that they would pay no more than 20 percent above the tax for married persons of the same income.

These are good measures. I would have supported them under circumstances of fiscal responsibility with the provision of adequate revenues to pay for them.

Again, the real obstacle in the way of these tax relief measures is the current rate of military spending—nearly $90 billion a year.

Once we are able to reduce this military spending to a more reasonable level, as I certainly hope we can, the implementation of these tax relief measures would begin to make fiscal sense.

The bill, however, does not raise the revenues needed to meet the cost of these relief measures.

Tax relief is not real relief if the taxpayer's savings are eaten up by inflation. The net loss created by this bill may well reduce the purchasing power of the dollar by more than the taxes saved through its relief provisions.

SOCIAL SECURITY

The conference bill, like the Senate version, contains an across-the-board 15-percent increase in social security benefits.

I supported this increase in the Senate because I felt it essential to protect the financial security of millions of elderly Americans. A 15-percent increase is needed to keep pace with increases in the cost of living over recent years.

I believe, however, that Congress will adopt this increase as a separate measure even if this tax bill is not made law.

SURTAX

The present bill, like the House and Senate versions, extended the surtax at a 5-percent rate until the middle of next year.

I have long contended that this surtax extension is essential to brake inflation and curb rising interest rates. In fact, I would still prefer the extension of a 10-percent surcharge until the middle of next year.

Last June, I wrote all my former colleagues in the House urging them to adopt a surtax extension; and I voted for it in the Senate.

I trust, however, that Congress—assuming it has any sense of fiscal responsibility—would continue the surtax for another 6 months even if this tax reform bill is not enacted.

INVESTMENT CREDIT

In my testimony before the Senate Finance Committee, I indicated that I had substantial reservations about the advisibility of repealing the investment tax credit.

Vigorous fiscal measures are clearly needed to combat the inflation that now threatens our economy. We must accept the fact that these measures, to be effective, cannot be painless.

We must be equally aware, however, of the risks of putting all the fiscal and monetary brakes on at once. The anti-inflationary measures we are invoking now may take a substantial period of time before they are fully felt—and then may "grab" all at once.

This problem of a long leadtime is particularly serious in the case of the investment tax credit. The credit does not primarily affect consumer spending now; it affects capital expenditures 6 months to 2 years from now. Removing the credit now may take hold at a future time when we are no longer so much concerned with inflation as with recession.

The experience of a few years ago—when Congress repealed the credit only to restore it—suggests the inadvisability of trying to turn the credit on and off to offset swings in the economy.

I think it is essential to have a permanent tax incentive for long-run economic growth. The investment tax credit served this function.

The fact that the bill eliminates the investment credit—and thus adds to the risk of recession—is a further basis for voting against the bill.

LOOPHOLES

The present bill makes some steps toward closing loopholes in the present tax law which favor special interest groups.

One is the adoption of the minimum tax on wealthy individuals who are now escaping taxation by various deductions. I support the principle of such a minimum tax, and voted for the Senate amendment for calculating the tax that was adopted by the conference.

XUM

In other respects, the Senate bill has been unduly solicitous of private interest groups, at the expense of real reform. A glaring example is the oil-depletion allowance—which was reduced in the House to 20 percent but only decreased to 22 percent in conference version. I supported an amendment—which failed in the Senate—to reduce the allowance to 20 percent.

FOUNDATIONS

The treatment of private foundations in this bill is most disappointing. It is true that the bill provides a positive means for curtailment of past foundation abuses—such as self-dealing and the misuse of tax exemption for private influence or gain—and requires greater public disclosure of foundation activities. Some of the harsh provisions in the House bill, later changed by the Senate Finance Committee, regarding excessive sanctions on foundations and their managers and foundation responsibility for the expenditures of their grantees, have been accepted in conference.

Nonetheless, in a number of ways this bill reflects a punitive approach to foundation reform which will merely deprive society of an important source of creativity and thought. We have, in effect, not reformed the foundations; we have somewhat deformed them.

I am strongly opposed to the imposition of a 4-percent tax on foundation net investment income. The conference committee has made a critical mistake in rejecting the supervisory fee based on assets which the Senate passed.

In my judgment, the tax is an unwarranted departure from the principle that income of nonprofit organizations organized for charitable purposes should be free from taxation.

It is discriminatory in that it would only be levied against foundations and not against other nonprofit charities such as schools, universities, churches, and hospitals.

It would hit not the donors or officers of foundations, but the whole range of educational, scientific, medical, cultural, and social activities they finance. A 4-percent tax on foundations means an automatic corresponding loss of funds for these activities. To the extent that foundations aid the public, the public is hurt by this tax on their investment income.

In my opinion, the only rationale for collecting revenue from foundations should be to encourage more effective supervision of their activities through the imposition of a filing fee. The language of the Senate bill clearly stated that an annual audit fee on assets would be imposed for the purposes of administration, and provided for annual review by the Secretary of the Treasury so that collection of the fee would accurately reflect the costs of such administration and supervision. There are no such provisions in this bill or in the conference committee report. Certainly, it was the view of the Senate Finance Committee and the Senate as a whole that these funds should be collected only to cover increased auditing the supervision by the Internal Revenue Service. A 4-percent tax on income is already twice as much revenue as the Treasury indicated it would need to carry out such an auditing program adequately.

In sum, this tax creates a dangerous precedent. If it is appropriate to tax foundation income now at the rate of 4 percent, then why not at 10 percent, or 25 percent next year or the year after? Will other nonprofit charities such as schools, universities, and churches—which escaped this time—be the next target? If the Federal Government can tax foundations, State and local governments could do the same. In my judgment, the road ahead is only too clear: the Government now has opened the door to taking a larger and larger bite from foundation income, and as a result a smaller and smaller portion will be left over to fulfill charitable and social purposes.

A second aspect of this bill which deeply disturbs me is the broad language restricting foundations in taking positions on the social issues facing us today.

Foundations are now engaged in studies or projects on almost every topic of public concern, be it air pollution, juvenile delinquency, court reform, drug abuse, international satellite communications, or the problems of famine in India. Every one of these topics is a matter of significant legislative concern. Every one of them is a matter of public interest.

I do not think it makes sense to inhibit foundations in any way from sharing their ideas with those who must make decisions in these vital areas.

Third, the bill creates a broad definition of private foundations which describes them from a totally new vantage point. The public has traditionally viewed foundations as private, nonprofit organizations with a principal fund of their own, established primarily to make grants in support of charitable, educational, scientific, and civic purposes serving the public welfare.

The provisions of the bill would expand this traditional definition to such an extent that a wide range of other institutions would now be classified as "private foundations."

Some of these institutions are primarily engaged in research or in conducting studies on education, medical, scientific, and social issues. They have never been considered foundations in the past. Others are public service organizations working with the community, or health, welfare, and other programs. Many of them are heavily dependent upon foundation grants for their very existence. Newly classified as foundations under the bill, they will be subject to the 4-percent tax on income—thereby having less money available to conduct their activities; and they will also be subject to the bill's program limitations upon foundations.

Finally, I regret that the conference committee has not fully accepted the Senate provision regarding nonpartisan voter education and registration drives. By a substantial margin, the Senate indicated its interest in a far less restrictive version than the House has passed. I would voice my concern that we have overreacted to past abuses in curtailing activities of organizations which have and can contribute so much to broadening participation in our democratic processes.

Private foundations have played a vital role in the scientific, intellectual, cultural, and social development of this Nation. I am distressed that their role has not been recognized in this bill.

CAPITAL GAINS

The House proposed a far-reaching change in the treatment of capital gains. It did so with very little study of how such a change could affect capital formation and economic growth.

In my testimony before the Finance Committee, I cautioned against making such a fundamental change in so much haste, saying:

> The special treatment now accorded to capital gains is not just a loophole. It is a way of stimulating investment. Any change in this treatment must be considered, therefore, not in the loophole-plugging spirit merited by special privilege provisions of the tax code, but in the spirit of inquiry into all factors affecting capital formation and economic growth in this nation.
>
> It may well be that changes of the present rules are desirable. But the effect of those changes on the economy, on markets, and on individuals must first be thoroughly understood. The haste with which action was taken on these changes in the House of Representatives did not permit adequate investigation of the consequences.

The conference version has dropped one of the House changes—the extension of the 6-month holding period. It has, however, followed the lead of the House in partly abolishing the 25-percent alternate tax for capital gains. I still remain unconvinced that sufficient study has been made of the economic impact of this action.

AMENDMENT OF THE DISTRICT OF COLUMBIA POLICE AND FIREMEN'S SALARY ACT OF 1958 AND THE DISTRICT OF COLUMBIA TEACHERS' SALARY ACT OF 1955, TO INCREASE SALARIES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 622, S. 2694.

The PRESIDING OFFICER. The bill will be stated by title.

The BILL CLERK. A bill (S. 2694) to amend the District of Columbia Police and Firemen's Salary Act of 1958 to increase salaries, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with an amendment to strike out all after the enacting clause and insert:

TITLE I—SALARY INCREASES FOR DISTRICT OF COLUMBIA POLICEMEN AND FIREMEN

SEC. 101. Section 101 of the District of Columbia Police and Firemen's Salary Act of 1958 (D.C. Code, sec. 4–823) is amended to read as follows:

"SEC. 101. The annual rate of basic compensation of the officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia shall be fixed in accordance with the following schedule of rates:

"SALARY SCHEDULE

"Salary class and title	Service steps						Longevity steps		
	1	2	3	4	5	6	A	B	C
Class I:									
Subclass (a)	$8,500	$8,755	$9,180	$9,605	$10,285	$10,965	$11,390	$11,815	$12,240
Fire private									
Police private									
Subclass (b)	9,095	9,350	9,775	10,200	10,880	11,560	11,985	12,410	12,835
Private assigned as:									
Technician.									
Plainclothesman.									
Station clerk.									
Motorcycle officer.									
Class 2:									
Subclass (a)	9,775	10,340	10,905	11,470			12,035	12,600	13,165
Fire inspector.									
Subclass (b)	10,370	10,935	11,500	12,065			12,630	13,195	13,760
Fire inspector assigned as technician.									
Class 3	10,625	11,155	11,685	12,215			12,745	13,275	13,805
Assistant marine engineer.									
Assistant pilot.									
Detective.									
Class 4:									
Subclass (a)	11,050	11,600	12,150	12,700			13,250	13,800	14,350
Fire Sergeant.									
Police Sergeant.									
Subclass (b)	11,475	12,050	12,625	13,200			13,775	14,350	14,925
Detective sergeant.									
Subclass (c)	11,645	12,195	12,745	13,295			13,845	14,395	14,945
Police sergeant assigned as motorcycle officer.									
Class 5	12,750	13,390	14,030	14,670			15,310	15,950	
Fire lieutenant.									
Police lieutenant.									
Class 6	13,815	14,505	15,195	15,885			16,575	17,265	
Marine engineer.									
Pilot.									
Class 7	14,875	15,620	16,365	17,110			17,855	18,600	
Fire captain.									
Police captain.									
Class 8	17,000	17,850	18,700	19,550			20,400	21,250	
Battalion fire chief.									
Police inspector.									
Class 9	19,550	20,530	21,510	22,490			23,470	24,450	
Deputy fire chief.									
Deputy chief of police.									
Class 10	21,500	22,500	23,500	24,500			25,500	26,500	
Assistant fire chief.									
Assistant chief of police.									
Commanding officer of White House Police.									
Commanding officer of the U.S. Park Police.									
Class 11	27,000	28,000	29,000	30,000					"
Fire chief.									
Chief of police									

SEC. 102. The rates of basic compensation of officers and members to whom the amendments made by section 101 of this title apply shall be adjusted as follows:

Each officer and member receiving basic compensation immediately prior to the effective date of this title at one of the scheduled service or longevity rates of a salary class or subclass in the salary schedule in section 101 of the District of Columbia Police and Firemen's Salary Act of 1958 shall receive a rate of basic compensation at the corresponding scheduled service or longevity rate in effect on and after the effective date of this title, except that:

(a) Each officer or member who immediately prior to the effective date of this title was assigned as technician I or plainclothesman in subclass (b) of class 1 or as technician II, station clerk, or motorcycle officer in subclass (c) of class I shall, on the effective date of this title be assigned as and receive basic compensation as technican, plainclothesman, station clerk or motorcycle officer in subclass (b) of class 1 at the service step or longevity step in subclass (b) corresponding to that service step or longevity step in which he was serving immediately prior to the effective date of this title.

(b) Each officer or member who immediately prior to the effective date of this title was serving as a fire inspector assigned as technician I or technician II in subclass (b) or (c) of class 2 shall, on the effective date of this title, be placed and receive basic compensation as fire inspector assigned as technician in subclass (b) of class 2 at the service step or longevity step in subclass (b) corresponding to that service step or longevity step in which he was serving immediately prior to the effective date of this title.

(c) Each officer or member who immediately prior to the effective date of this title was serving in subclass (b) of class 9 shall, on the effective date of this title be placed in and receive basic compensation in class 10 at the service step or longevity step corresponding to that service step or longevity step in which he was serving immediately prior to the effective date of this title.

(d) The Fire Chief or Chief of Police who immediately prior to the effective date of this title was serving in class 10 shall on the effective date of this title be placed in and receive basic compensation in class 11 at the service step in which he was serving immediately prior to the effective date of this title.

(e) Each officer or member of the Metropolitan Police force who is performing the duty of a dog handler on or after the effective date of this title shall receive in addition to his basic compensation an additional $595 per annum, except that if a police private is classed as technician in subclass (b) of class 1 in the salary schedule in section 101 of the District of Columbia Police and Firemen's Salary Act of 1958 solely on account of his duties as dog handler, such police private shall not be entitled to the additional compensation authorized by this paragraph.

SEC. 103. Section 303(c) of the District of Columbia Police and Firemen's Salary Act of 1958, as amended (D.C. Code, sec. 4–829(c)), is amended by deleting "(b), or (c)" and inserting in lieu thereof "or (b)".

SEC. 104. Paragraphs (2) and (3) of section 401(a) of the District of Columbia Police and Firemen's Salary Act of 1958 (D.C. Code, sec. 4–832(a)) are amended to read as follows:

"(2) Not more than three successive longevity step increases may be granted to any officer or member in salary classes 1 through 4, nor more than two successive longevity step increases may be granted to any officer or member in salary classes 5 through 10.

"(3) In the case of the officers or members serving in salary classes other than class 1, each longevity step increase shall be equal to one step increase of the salary class or subclass of a salary class in which the officer or member is serving."

SEC. 105. (a) Section 105 of Public Law 88–575, approved September 2, 1964 (78 Stat. 882, D.C. Code, sec. 4–832(c)), is repealed, effective on the date of enactment of this title.

(b) Notwithstanding this section, the rate of basic, gross, or total annual pay received by an officer or member immediately before the effective date of this title shall not be reduced by reason of enactment of this section.

SEC. 106. Except for section 105, this title shall take effect on the first day of the first pay period beginning on or after July 1, 1969.

SEC. 107. This title may be cited as the "District of Columbia Police and Firemen's Salary Act Amendments of 1969".

TITLE II—SALARY INCREASE FOR DISTRICT OF COLUMBIA TEACHERS

SEC. 201. This title may be cited as the "District of Columbia Teachers' Salary Act Amendments of 1969".

SEC. 202. The District of Columbia Teachers' Salary Act of 1955 (69 Stat. 521), as amended (D.C. Code, sec. 31–1501 et seq.), is amended as follows:

(1) Section 1 (D.C. Code, sec. 31–1501) is amended by striking the salary schedules contained therein and inserting in lieu thereof the following:

"PROPOSED TEACHERS' SALARY ACT AMENDMENTS

	"Service steps								
	1	2	3	4	5	6	7	8	9
Class 1:									
A, Superintendent of schools	$38,500								
B, Vice superintendent	35,000								
Class 2:									
A, Deputy superintendent	31,000								
B, Associate superintendent	29,000								
Class 3: Assistant superintendent	22,190	$22,720	$23,250	$23,780	$24,130	$24,840	$25,370	$25,900	$26,430
Class 4	19,480	19,940	20,400	20,860	21,320	21,780	22,240	22,700	23,160
Director, curriculum.									
Director, staff development.									
Executive assistant to superintendent.									
Class 5:									
Group A, bachelor's degree	17,600	18,040	18,480	18,920	19,360	19,800	20,240	20,680	21,120
Group B, master's degree	18,380	18,820	19,260	19,700	20,140	20,580	21,020	21,460	21,900
Group C, master's degree plus 30 credit hours	18,770	19,210	19,650	20,090	20,530	20,970	21,410	21,850	22,290
Group D, doctor's degree	19,160	19,600	20,040	20,480	20,920	21,360	21,800	22,240	22,680
Chief examiner.									
Executive assistants to vice and associate superintendents.									
Director of food services.									
Director, industrial and adult education.									
Class 6:									
Group B, master's degree	17,860	18,285	18,710	19,135	19,560	19,985	20,410	20,835	21,260
Level IV, principal	17,860	18,285	18,710	19,135	19,560	19,985	20,410	20,835	21,260
Level III, principal	17,345	17,770	18,195	18,620	19,045	19,470	19,895	20,320	20,745
Level II, principal	16,830	17,255	17,680	18,105	18,530	18,955	19,380	19,805	20,230
Level I, principal	16,315	16,740	17,165	17,590	18,015	18,440	18,865	19,290	19,715
Group C, M.A. plus 30	18,250	18,675	19,100	19,525	19,950	20,375	20,800	21,225	21,650
Level IV, principal	18,250	18,675	19,100	19,525	19,950	20,375	20,800	21,225	21,650
Level III, principal	17,735	18,160	18,585	19,010	19,435	19,860	2,0285	20,710	21,135
Level II, principal	17,220	17,645	18,070	18,495	18,920	19,345	19,770	20,195	20,620
Level I, principal	16,705	17,130	17,555	17,980	18,405	18,830	19,255	19,680	20,105
Group D, doctors degree	18,640	19,065	19,490	19,915	20,340	20,765	21,190	21,615	22,040
Level IV, principal	18,640	19,065	19,490	19,915	20,340	20,765	21,190	21,615	22,040
Level III, principal	18,125	18,550	18,975	19,400	19,825	20,250	20,675	21,100	21,525
Level II, principal	17,610	18,035	18,460	18,885	19,301	19,735	20,160	20,585	21,010
Level I, principal	17,095	17,520	17,945	18,370	18,795	19,220	19,645	20,070	20,495
Assistant to assistant superintendent (elementary schools).									
Assistant to assistant superintendent (junior and senior high schools).									
Assistant to assistant superintendent (general research, budget, and legislation).									
Assistant to assistant superintendent of pupil personnel services.									
Assistant to assistant superintendent (industrial and adult education, vocational education, evening and summer school).									
Director, elementary education (supervision and instruction).									
Director, health, physical education, athletics and safety									
Director, special education.									
Principal, senior high school.									
Principal, junior high school.									
Principal, elementary school.									
Principal, vocational high school.									
Principal, Americanization school.									
Principal, boys' junior-senior high school.									
Princiapl, Capitol Page School.									
Principal, health school.									
Principal, laboratory school.									
Principal, veterans' high school.									
Class 7:									
Group B, master's degree	16,205	16,595	16,985	17,375	17,765	18,155	18,545	18,935	19,325
Group C, master's degree plus 30 credit hours	16,595	16,985	17,375	17,765	18,155	18,545	18,935	19,325	19,715
Group D, doctor's degree	16,985	17,375	17,765	18,155	18,545	18,935	19,325	19,715	20,105
Supervising director, elementary education (supervision and instruction).									
Supervising director, audiovisual instruction.									
Supervising director, adult education and summer school.									
Supervising director, subject field.									
Supervising director, reading clinic.									
Supervising director, athletics.									
Director, school attendance.									
Supervising director, curriculum.									
Director, elementary education.									
Director, elementary education (administration).									
Class 8:									
Group B, master's degree	14,685	14,985	15,385	15,785	16,185	16,585	16,985	17,485	17,985
Group C, master's degree plus 30 credit hours	15,005	15,305	15,705	16,105	16,505	16,905	17,305	17,805	18,305
Group D, doctor's degree	15,325	15,625	16,025	16,425	16,825	17,225	17,625	18,125	18,625
Statistical analyst.									
Assistant principal, senior high school.									
Assistant principal, junior high school.									
Assistant principal, elementary school.									
Assistant principal, vocational high school.									
Assistant principal, Americanization school.									
Assistant princ pal, health school.									
Class 9:									
Group A, bachelor's degree	13,880	14,240	14,600	19,960	15,320	15,680	16,040	16,400	16,760
Group B, master's degree	14,660	15,020	15,380	15,740	16,100	16,460	16,820	17,180	17,540
Group C, master's degree plus 30 credit hours	15,050	15,410	15,770	16,130	16,490	16,850	17,210	17,570	17,930
Group D, doctor's degree	15,440	15,800	16,160	16,520	16,880	17,240	17,600	17,960	18,320
Assistant director, food services.									
Class 10:									
Group B, master's degree	14,095	14,445	14,795	15,145	15,495	15,845	16,195	16,545	16,895
Group C, master's degree plus 30 credit hours	14,485	14,835	15,185	15,535	15,885	16,235	16,585	16,935	17,285
Group D, doctor's degree	14,875	15,225	15,575	15,925	16,275	16,625	16,975	17,325	17,675
Assistant director, audio visual instruction.									
Assistant director. subject field.									
Assistant director, adult education and summer school.									
Supervisor, elementary education.									
Class 11:									
Group B, master's degree	13,670	14,005	14,340	14,675	15,010	15,345	15,680	16,015	16,350
Group C, master's degree plus 30 credit hours	14,060	14,395	14,730	15,065	15,400	15,735	16,070	16,405	16,740
Group D, doctor's degree	14,450	14,785	15,120	15,455	15,790	16,125	16,460	16,795	17,130
Assistant director, practical nursing.									
Class 12:									
Group B, master's degree	13,200	13,525	13,850	14,175	14,500	14,825	15,150	15,475	15,800
Group C, master's degree plus 30 credit hours	13,590	13,915	14,240	14,565	14,890	15,215	15,540	15,865	16,190
Group D, doctor's degree	13,980	14,305	14,630	14,955	15,280	15,605	15,930	16,255	16,580."
Chief attendance officer.									
Clinical psychologist.									

PROPOSED TEACHERS' SALARY ACT AMENDMENTS—Continued

	"Service steps												
	1	2	3	4	5	6	7	8	9	10	11	12	13
Class 13:													
Group B, master's degree	$12,080	$12,465	$12,850	$13,235	$13,620	$14,005	$14,390	$14,775	$15,160				
Group C, master's degree plus 30 credit hours	12,470	12,855	13,240	13,625	14,010	14,395	14,780	15,165	15,550				
Group D, doctor's degree	12,860	13,245	13,630	14,015	14,400	14,785	15,170	15,555	15,940				
Assistant professor, laboratory school.													
Psychiatric social worker.													
Class 14:													
Group A, bachelor's degree	9,250	9,660	10,070	10,480	10,890	11,300	11,710	12,120	12,530	$12,940	$13,350	$13,760	$14,170
Group B, master's degree	10,030	10,440	10,850	11,260	11,670	12,080	12,490	12,900	13,310	13,720	14,130	14,540	14,950
Group C, master's degree plus 30 credit hours	10,420	10,830	11,240	11,650	12,060	12,470	12,880	13,290	13,700	14,110	14,520	14,930	15,340
Group D, doctor's degree	10,810	11,220	11,630	12,040	12,450	12,860	13,270	13,680	14,090	14,500	14,910	15,320	15,730
Coordinator of practical nursing.													
Census supervisor.													

"CLASS 15

	"Service steps													
	1	2	3	4	5	6	7	8	9	10	11	12	13	Y
Group A, bachelor's degree	$8,000	$8,320	$8,640	$8,960	$9,280	$9,600	$9,950	$10,300	$10,650	$11,000	$11,350	$14,700	$12,050	$13,000
Group A-1, bachelor's degree plus 15 credit hours	8,400	8,720	9,040	9,360	9,680	10,000	10,360	10,720	11,080	11,440	11,800	12,160	12,520	13,800
Group B, master's degree	8,800	9,175	9,550	9,925	10,450	11,000	11,500	11,900	12,300	12,700	13,100	13,500	13,900	15,200
Group C, master's degree plus 30 credit hours	9,200	9,575	9,950	10,325	10,850	11,400	11,900	12,300	12,700	13,100	13,500	13,900	14,300	15,600
Group D, master's degree plus 60 credit hours	9,600	9,975	10,350	10,725	11,250	11,800	12,300	12,700	13,100	13,500	13,900	14,300	14,700	16,100."
Teacher, elementary and secondary schools.														
Attendance officer.														
Child labor inspectors.														
Counselor, placement.														
Counselor, elementary and secondary schools.														
Librarian, elementary and secondary schools.														
Research assistant.														
School social worker.														
Speech correctionist.														
School psychologist.														

(2) Section 2(c)(2) (D.C. Code, sec. 31–1511(c)(2)) is amended to read as follows:

"(2) The terms 'plus fifteen credit hours' and 'plus thirty credit hours' means the equivalent of not less than fifteen graduate semester hours beyond the bachelor's degree or thirty graduate semester hours beyond the master's degree as the case may be in academic, vocational, or professional courses, representing a definite educational program satisfactory to the Board, except that in the case of a shop teacher in the vocational education program the fifteen or thirty semester hours need not be graduate semester hours. Graduate credit hours beyond thirty which were earned prior to obtaining a master's degree may be applied in computing such thirty credit hours. The term 'plus sixty credit hours' means the equivalent of not less than sixty graduate semester hours in academic, vocational, or professional courses beyond a master's degree, representing a definite educational program satisfactory to the Board, except that in the case of a shop teacher in the vocational education program the sixty semester hours need not be graduate semester hours. Graduate credit hours beyond thirty which were earned prior to obtaining a master's degree may be applied in computing such sixty credit hours."

(3) Section 3 (D.C. Code, sec. 31–1512) is amended by adding the words "or salary class" immediately after the word "position" each time it appears in the section.

(4) Section 4 (D.C. Code, sec. 31–1521) is amended to read as follows:

"SEC. 4. Any employee of the Board of Education in group A of salary class 15 who possesses a bachelor's degree plus fifteen credit hours shall be transferred in accordance with section 10 (a) and (b) to group IA of salary class 15."

(5) Section 5 (D.C. Code, sec. 31–1522) is amended by adding a subsection (f), reading as follows:

"(f) Whenever a teacher or school officer is changed to a lower salary class or to a lower level in the same salary class as in the case of school principals in the public school system, the Superintendent of Schools is authorized to fix the rate of compensation at a rate provided for in the salary class or level to which the employee is changed which does not exceed his existing rate of compensation, except that if his existing rate falls between two service steps provided in such lower salary class or level, he shall receive the higher of such rates; if he is receiving a rate of basic compensation in excess of the maximum rate provided in such lower class or level in which he is to be placed, he will retain his existing rate of compensation and receive one-half of any future increases granted his new salary class or level: *Provided*, That such reduction to a lower salary class or level is for reasons other than (a) for personal cause; (b) at his own request; (c) as a condition of a previous temporary promotion to a higher grade; or, (d) because of a reduction in force brought about by lack of funds or curtailment of work."

(6) Section 6(a)(1) (D.C. Code, sec. 31–1531(a)(1)) is amended to read as follows:

"(1) On July 1, following the effective date of the District of Columbia Teachers' Salary Act Amendments of 1969 each permanent employee in salary class 15 who is on service step 13 and completes 15 years of creditable service shall be assigned to longevity step Y. Each permanent employee in salary class 15 who is on longevity step X, on such effective date, shall be assigned to longevity step Y. In determining years of creditable service in salary classes 3 through 15 for placement on service steps, credit shall be given for previous service in accordance with the provisions of this Act governing the placement of employees who are newly appointed, reappointed, or reassigned or who are brought under this Act in accordance with the provisions of section 5."

(7) Section 6(b) (D.C. Code, Sec. 31–1531(b)) is amended by striking everything in the paragraph after the second sentence and inserting in lieu thereof the following: "Beginning July 1 following the effective date of the District of Columbia Teachers' Salary Act Amendments of 1969, each permanent employee who has not reached the highest service step for his salary class, or class and group, under this Act shall advance one such step each year until he reaches the highest step for his class, or class and group, except that each employee in salary class 15 shall advance from service step 13 to longevity step Y on July 1, following the completion of fifteen years of creditable service: *Provided*, That the Board of Education, on the written recommendation of the Superintendent of Schools, is authorized to deny any such salary advancement for the year immediately following any year in which the employee fails to receive a performance rating of 'satisfactory' from his superior officer."

(8) Section 10, subsections (a) and (b) (D.C. Code, sec. 31–1535 (a) and (b)) are amended to read as follows:

"(a) On and after the effective date of the District of Columbia Teachers' Salary Act Amendments of 1969, each promotion to group B, group C, or group D, within a salary class of group IA within salary class 15, shall become effective—

"(1) on the date of the regular Board meeting of the twelfth month prior to the date of approval of promotion by the Board, or

"(2) on the effective date of the master's degree or doctor's degree or on the completion of thirty or sixty credit hours beyond the master's degree or fifteen credit hours beyond the bachelor's degree in salary class 15, as the case may be, whichever is later.

"(b) Any employee in a position in a salary class in the salary schedules in section 1 of this Act who is promoted to group B, group C, or group D of such salary class or group IA in the case of salary class 15, shall be placed in the same numerical service step in his new group which he would have occupied in the group from which promoted."

(9) Section 13(a) (D.C. Code, sec. 31–1542 (a)) is amended to read as follows:

"(a) The Board is authorized to conduct as part of its public school system the following: summer school programs, extended school year programs, adult education programs, and Americanization schools under and within appropriations made by Congress. The pay for teachers, officers, and other education employees in the summer school programs, adult education programs, and veterans' summer high school centers shall be as follows:

"Classification	Per period		
	Step 1	Step 2	Step 3
Summer school (regular):			
Teacher, elementary and secondary schools; counselor, elementary and secondary schools; librarian, elementary and secondary schools; school social worker; speech correctionist; school psychologist	$6.86	$7.61	$8.42
Psychiatric social worker	8.02	8.92	9.86
Clinical psychologist	8.35	9.29	10.28
Assistant principal, elementary and secondary school	9.69	10.77	11.92
Supervising director	10.02	11.15	12.33
Principal, elementary and secondary schools	10.69	11.89	13.15
Veterans' summer school centers: Teacher	6.86	7.61	8.42
Adult education schools:			
Teacher	7.54	8.38	9.27
Assistant principal	10.66	11.85	13.11
Principal	11.76	13.07	14.46."

(10) Section 13(d)(1) (D.C. Code, sec. 31–1542(d)(1)) is amended to read as follows:

"(1) The Board is authorized to pay an employee in salary class 15 who performs an extra-duty activity the additional compensation prescribed for such extra-duty activity by the Commissioner in accordance with this subsection: *Provided*, That (1) the activity involves the supervision and direction of students who select such activity voluntarily and (2) that the activity is performed on a continuing basis in addition to the standard teaching load of a regular duty school teacher or work load assigned to other employees in salary class 15."

(11) Section 13(d)(2) (D.C. Code, sec. 31–1542(d)(2)) is amended by adding the words "or other employees" after "classroom teachers" each time it appears in the subsection, and by striking out "monthly" and inserting in lieu thereof "semimonthly".

(12) Section 14 (D.C. Code, sec. 31–1543) is amended to read as follows: "On July 1, 1970, each employee assigned to salary class 15 shall be classified as a teacher for payroll purposes and his annual salary shall be paid in semimonthly installments in accordance with existing law. All other employees covered by the provisions of this Act shall have their annual salaries paid in twenty-four semimonthly installments in accordance with existing law. Annual salaries for employees paid in twenty-four semimonthly installments means calendar year for purposes of this section."

SEC. 203. The increase provided in this title for the position of Superintendent of Schools under class IA shall be effective only with respect to an individual who is appointed to that position subsequent to the date of the enactment of this title.

SEC. 204. The Act approved May 26, 1908, entitled "An Act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June thirtieth, nineteen hundred and nine, and for other purposes" is amended as follows:

(1) The final proviso under PUBLIC SCHOOLS, ALLOWANCE TO PRINCIPALS (D.C. Code sec. 31–609), is amended to read as follows: "That, effective July 1, 1970, the salaries of employees in salary class 15 and such other employees who were paid on a ten-month basis immediately prior to the effective date of the District of Columbia Teachers' Salary Act Amendments of 1969, whose services commence with the opening of school and who shall perform their duties, shall begin on the 1st day of September and shall be paid in twenty semimonthly installments. The first payment shall be made on the 1st day of October, or as near that date as practicable; and the second payment shall be made fifteen days thereafter or as near that date as practicable. Subsequent payments shall be on the first and sixteenth days of the month or as near those dates as practicable: *Provided*, That the salaries of other employees in salary class 15 shall begin when they enter upon their duties."

(2) The final paragraph under PUBLIC SCHOOLS, ALLOWANCE TO PRINCIPALS (D.C. Code, sec. 31–630), is amended to read as follows:

"Effective July 1, 1970, the following rules for division of time and computation of pay for services rendered are hereby established: Compensations of all employees in salary class 15 and such other employees who were paid on a ten-month basis immediately prior to the effective date of the District of Columbia Teachers' Salary Act Amendments of 1969 shall be paid in twenty semimonthly installments. In making payments for a fractional part of a month, one-fifteenth of an installment shall be the daily rate of pay. For the purpose of computing such compensation and for computing time for services rendered during a fractional part of a semimonthly period in connection with the compensation of such employees, each and every semimonthly period shall be held to consist of fifteen days, without regard to the actual number of days in any semimonthly period thus excluding the thirty-first day of any calendar month from the computation and treating February as if it actually had thirty days. Any person entering the service of the schools during a thirty-one day month and serving until the end thereof shall be entitled to pay for that month from the date of entry to the thirtieth day of said month, both days inclusive; and any person entering said service during the month of February and serving until the end thereof shall be entitled to one month's pay, less as many days thereof as there were days elapsed prior to the date of entry: *Provided*, That for one day's unauthorized absence on the thirty-first day of any calendar month one day's pay shall be forfeited."

SEC. 205. The provisions of this title shall take effect on the first day of the first pay period which begins on or after September 1, 1969.

TITLE III—FUNDS

SEC. 301. (a) For the fiscal year ending June 30, 1970, there is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to the District of Columbia, in addition to any other amounts authorized under this or any other Act to be appropriated to the District of Columbia for such fiscal year, the amount of $5,200,000 for use in payment of increases in salaries of police, firemen, teachers, and school officers authorized by this Act for the period commencing January 1, 1970, and ending June 30, 1970.

(b)(1) For the fiscal year ending June 30, 1970, there is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated to the District of Columbia, in addition to any other amounts authorized under this or any other Act to be appropriated to the District of Columbia for such fiscal year, the amount of $5,600,000 for use in payment of increases in salaries of police, firemen, teachers, and school officers authorized by this Act for the period commencing January 1, 1970, and ending June 30, 1970.

(2) In the event that the tax revenues of the District of Columbia are increased during the fiscal year ending June 30, 1970, by reason of legislation enacted by the Congress subsequent to the date of the enactment of this Act, the District of Columbia with respect to any amount appropriated pursuant to paragraph (1) of this subsection, shall reimburse the United States in an amount equal to the amount of such increase in tax revenues received by the District of Columbia during such fiscal year, or such amount so appropriated, whichever is the lesser

SEC. 302. For the fiscal year ending June 30, 1970, there is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to the District of Columbia, in addition to any other amounts authorized under this or any other Act to be appropriated to the District of Columbia for such fiscal year, the amount of $10,746,000 for use in payment of increases in salaries of police, firemen, teachers, and school officers authorized by this Act for the period commencing July 1, 1969, and ending December 31, 1969.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend the District of Columbia Police and Firemen's Salary Act of 1958 and the District of Columbia Teachers' Salary Act of 1955 to increase salaries, and for other purposes."

TAX REFORM ACT OF 1969—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 13270) to reform the income tax laws.

The PRESIDING OFFICER. The question is on agreeing to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 13270) to reform the income tax laws.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Louisiana (Mr. ELLENDER), the Senator from North Carolina (Mr. ERVIN), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Wyoming (Mr. MCGEE), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Georgia (Mr. RUSSELL), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Texas (Mr. YARBOROUGH) are necessarily absent.

I further announce that, if present and voting, the Senator from Louisiana (Mr. ELLENDER), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Texas (Mr. YARBOROUGH) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Colorado (Mr. ALLOTT), the Senator from New Jersey (Mr. CASE), the Senator from Kentucky (Mr. COOK), the Senator from New Hampshire (Mr. COTTON), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Oregon (Mr. HATFIELD), the Senator from California (Mr. MURPHY), the Senator from Alaska (Mr. STEVENS) and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Kentucky (Mr. COOPER) is absent because of illness in his family.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from New Jersey (Mr. CASE), the Senator from Oregon (Mr. HATFIELD), the Senator from Kentucky (Mr. COOPER), and the Senator from New Hampshire (Mr. COTTON) would each vote "yea."

On this vote, the Senator from Hawaii (Mr. FONG) is paired with the Senator from Texas (Mr. TOWER). If present and voting, the Senator from Hawaii would vote "yea" and the Senator from Texas would vote "nay."

On this vote, the Senator from California (Mr. MURPHY) is paired with the Senator from Alaska (Mr. STEVENS). If present and voting, the Senator from California would vote "yea" and the Senator from Alaska would vote "nay."

The result was announced—yeas 71, nays 6, as follows:

[No. 273 Leg.]

YEAS—71

Aiken
Allen
Baker
Bayh
Bennett
Bible
Boggs
Brooke
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Church
Cranston
Dodd
Dole
Dominick
Eagleton
Fannin
Fulbright
Gore
Gravel
Griffin
Gurney
Hansen
Harris
Hart
Hartke
Holland
Hruska
Hughes
Inouye
Jackson
Jordan, N.C.
Jordan, Idaho
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McGovern
McIntyre
Metcalf
Miller
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Pell
Percy
Prouty
Proxmire
Randolph
Schweiker
Scott
Smith, Maine
Smith, Ill.
Sparkman
Spong
Stennis
Talmadge
Thurmond
Tydings
Williams, N.J.
Young, N. Dak.
Young, Ohio

NAYS—6

Bellmon
Curtis
Goodell
Javits
Saxbe
Williams, Del.

NOT VOTING—23

Allott
Anderson
Case
Cook
Cooper
Cotton
Eastland
Ellender
Ervin
Fong
Goldwater
Hatfield
Hollings
McCarthy
McGee
Mundt
Murphy
Ribicoff
Russell
Stevens
Symington
Tower
Yarborough

So the report was agreed to.

Mr. LONG. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. SCOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CONTINUATION FOR 2 ADDITIONAL YEARS OF DUTY-FREE STATUS OF CERTAIN GIFTS BY MEMBERS OF THE ARMED FORCES SERVING IN COMBAT ZONES

Mr. LONG. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 15071.

The PRESIDING OFFICER laid before the Senate the bill (H.R. 15071) to continue for 2 additional years the duty-free status of certain gifts by members of the Armed Forces serving in combat zones which was read twice by its title.

Mr. LONG. Mr. President, I ask unanimous consent that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. LONG. Mr. President, under present law we permit gifts of up to $50 in value to be sent to this country from abroad on a duty-free basis by members of the Armed Forces serving in combat zones. For others the duty-free limit is $10.

The duty-free status is scheduled to terminate on December 31 of this year. The purpose of H.R. 15071 is to continue for 2 additional years the duty-free status afforded these gifts sent by members of the Armed Forces to their loved ones in this country.

Mr. President, the bill will enable soldiers serving in Vietnam to send their Christmas presents back home without fear that if the gifts arrive late there would be a duty assessed. Without this legislation, a duty would be assessed upon gifts arriving after December 31. Our servicemen in Vietnam should not be penalized by a tariff on the gifts they send home. The bill assures that they will not be. The administration is strongly in favor of the bill.

Mr. WILLIAMS of Delaware. Mr. President, I join the chairman of the committee in expressing the hope that the Senate will pass this bill quickly, because I think it is very important so far as the boys in Vietnam are concerned.

Mr. LONG. I thank the Senator.

Mr. President, I ask unanimous consent that a more complete explanation of the bill from the report of the Committee on Ways and Means be included at this point in the RECORD.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of H.R. 15071 is to extend for 2 years until December 31, 1971, the existing provision of the tariff schedules which permits members of the Armed Forces serving in combat zones to send from abroad on a duty-free basis gifts not exceeding $50 in retail value. This duty-free status is scheduled to terminate on December 31 of this year.

GENERAL STATEMENT

Existing customs law and regulations permit gifts sent from abroad to enter free of entry if they are valued at not more than $10 fair retail value in the country of shipment. However, the United States historically has made an exception to this $10 rule in the case of gifts from servicemen serving abroad in time of war. Under the exception, gifts from these servicemen valued up to $50 (determined on the basis of the fair retail value in the country of shipment) may enter this country duty free. The last exception of gifts from servicemen related to the Korean conflict and expired on July 1, 1961.

In recognition of the Vietnam conflict, Congress reenacted this $50 exception for servicemen on duty in combat zones in Public Law 89–368, effective March 15, 1966, on a temporary basis. The duty exemption for such gifts was further extended by Public Law 90–240 and will expire on December 31 of this year.

In view of the continuation of the Vietnam war, the committee is of the opinion that the continuation of the $50 gift exemption for an additional 2-year period is necessary.

No objection to the bill has been received by the committee, and the executive branch agencies have urged its enactment.

Your committee is unanimous in recommending enactment of H.R 15071.

The joint resolution was ordered to a third reading, was read the third time, and passed.

EXTENSION OF TIME FOR FILING THE ECONOMIC REPORT AND THE REPORT OF THE JOINT ECONOMIC COMMITTEE

Mr. PROXMIRE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on House Joint Resolution 1040.

The PRESIDING OFFICER laid before the Senate House Joint Resolution 1040, to extend the time for filing the economic report and the report of the Joint Economic Committee, which was read twice by its title.

Mr. PROXMIRE. I ask unanimous consent that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. PROXMIRE. Mr. President, this resolution is necessary because the Senate is coming back on January 19. The President has to make his economic report on January 30. For this reason, in order to accommodate the President, the time is extended so that he can make his report on February 2. Ordinarily, the Joint Economic Committee must make its report on the President's report early in March. This is extended to April 2 to accommodate the Joint Economic Committee, so that it can accommodate itself to the later report by the President.

Mr. HRUSKA. Mr. President, may we have an explanation of the measure?

Mr. PROXMIRE. I just explained the measure. It has been cleared with the leadership on both sides.

Mr. HRUSKA. I did not get the name, the substance, or the subject.

Mr. PASTORE. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. PROXMIRE. It is House Joint Resolution 1040. The resolution is necessary because the Senate is coming back on January 19, a little later than we usually do. Ordinarily, the President has to make his economic report, as I recall, in January 30. For this reason, in order to accommodate the President, the time is extended so that he can make his report on February 2. Ordinarily, the Joint Economic Committee must make its report on the President's report early in March. This is extended to April 2 to accommodate the Joint Economic Committee so that it can adjust itself to the later report by the President. That is all it does—just changes the dates.

The joint resolution (H.J. Res. 1040) was ordered to a third reading, read the third time, and passed.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. MANSFIELD. Mr. President, if no Member wishes to speak at this time, I ask unanimous consent that the Senate stand in recess until the hour of 7:30 p.m.

Mr. JAVITS. May we ask the Senator

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whether he proposes to bring up the supplemental tonight?

Mr. MANSFIELD. Yes. It is not ready yet. Unless someone wishes to speak, I thought the best procedure would be to recess until 7:30 p.m.

Mr. JAVITS. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

Thereupon (at 7 o'clock and 4 minutes p.m.) the Senate took a recess until 7:30 p.m.

At 7:30 p.m. the Senate reassembled, and was called to order by the Presiding Officer (Mr. PASTORE in the chair).

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. INOUYE in the chair). Without objection, it is so ordered.

RECESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 8:15 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

(At 7:47 p.m., the Senate took a recess until 8:15 p.m. today.)

The Senate reconvened at 8:15 p.m. when called to order by the Presiding Officer (Mr. INOUYE in the chair).

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1075) to establish a national policy for the environment; to authorize studies, surveys, and research relating to ecological systems, natural resources, and the quality of the human environment; and to establish a Board of Environmental Quality Advisers.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15209) making supplemental appropriations for the fiscal year ending June 30, 1970, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 4 and 27 to the bill and concurred therein; that the House receded from its disagreement to the amendments of the Senate numbered 8, 13, 19, 29, and 32 to the bill, and concurred therein, severally with an amendment, in which it requested the concurrence of the Senate; and that the House insisted upon its disagreement to the amendment of the Senate numbered 33 to the bill.

ENROLLED JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled joint resolution (H.J. Res. 764) to authorize appropriations for expenses of the President's Council on Youth Opportunity, and it was signed by the Acting President pro tempore.

ORDER FOR RECESS UNTIL 10 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business tonight it stand in recess until 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I make that request with great reluctance.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS—RECESS

Mr. MANSFIELD. Mr. President, I have just been informed that the Senate conferees on the supplemental appropriation bill conference report will meet at 8:30 p.m. In view of that I ask unanimous consent that the Senate stand in recess until 8:45 p.m.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Thereupon (at 8 o'clock and 17 minutes p.m.) the Senate took a recess until 8:45 p.m.

The Senate reconvened at 8 o'clock and 45 minutes p.m. when called to order by the Presiding Officer (Mr. EAGLETON in the chair).

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll .

The bill clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REVISION OF LAWS OF THE DISTRICT OF COLUMBIA ON JUVENILE COURT PROCEEDINGS

Mr. TYDINGS. Mr. President, today the Senate passed S. 2981, the last of President Nixon's crime bills for the District of Columbia. The Senate has now passed every Presidential crime bill for the District of Columbia submitted to us this year.

The District of Columbia Committee effort this year to expedite consideration of those bills reflects well, I think, on the industry of the committee members, who despite the administration's half-year delay in submitting its crime legislation to Congress, worked long and hard to assure Senate passage of the entire program this session.

Particular thanks is due to Senator MATHIAS, my colleague from Maryland, whose insights and experience in the field of law enforcement, including his long years of service on the House District of Columbia Committee and House Judiciary Committee, has greatly aided our committee in its proceedings on these crime bills this year.

As in the case of every crime bill, our work on S. 2981, juvenile court reform legislation, was conducted in total and complete cooperation with the Department of Justice. Evidence of that cooperation is contained in a letter I received from the Attorney General on September 22 of this year thanking the committee for its close cooperation with the Department, and in a letter I received this morning from the Deputy Attorney General Richard Kleindienst. I ask that copies of both letters be included in the RECORD as appendix A at the conclusion of these remarks.

S. 2981 represents the highwater mark of cooperation between the committee and the Department of Justice this year. Frankly, as it was submitted to the Congress less than 90 days ago, S. 2981 was a very bad bill.

It contained provisions which represented a retreat from modern thinking on juvenile court procedures.

In many respects it deviated from this administration's own official "Legislative Guidelines for Drafting Family and Juvenile Court Acts" which was published by the administration's own Division of Juvenile Delinquency Service on November 6. 1969. Likewise, it backtracked from the more enlightened practices among the States of this country in handling juveniles.

The bill was opposed in many significant respects by every witness who appeared at the committee hearings, except the Department itself. Many significant provisions of the legislation were opposed by the District of Columbia government, particularly by those officials whose responsibility brings them into day-to-day contact with juvenile delinquency problems.

Several principal features of the legislation were also publicly opposed by Senator MATHIAS in a letter he wrote to me. I ask that a copy of a letter which has previously been made public as appendix B be included at the conclusion of these remarks.

Despite these serious shortcomings in the administration bill, we were determined to produce a good bill acceptable to the community and effective in dealing with the growing problem of juvenile crime. To that end, committee staff held four roundtable sessions with staff attorneys from the Department of Justice and with numerous outside experts in juvenile crime and procedures.

Thereafter, committee staff worked extensively with representatives of the Department of Justice, going over the legislation line by line to find mutually acceptable solutions to the deficiencies of the bill.

We were interested in getting a good bill which could be passed in this session with the support of the Department of Justice.

We thought we had produced such a bill.

Compromises were necessary between views of some committee members and the Department of Justice in order to achieve such a bill. For example, as his letter indicates, Senator MATHIAS was opposed to the kind of automatic and unthinking transfer of juveniles for adult trial which the Department had orginally proposed. During the roundtable discussions, a compromise was reached between these two polar views. Under the bill as reported juveniles who have previously been adjudged delinquent will be tried as adults if they are charged with commission of any further serious misconduct. First offender children will not automatically be tried as adults. First offenders alleged to have committed any serious crime will be tried as adults, however, if the the judge determines they are not likely to be rehabilitated through juvenile correctional facilities.

The objection raised by many experts, including Senator MATHIAS, that jury trial for juveniles ought not to be eliminated as the Department had proposed also became the subject of compromise between the committee and the Department. Jury trial for juveniles is eliminated by the bill the committee reported. But the standard of proof by which the judge finds the fact of juvenile involvement in a delinquent act will be the standard of "reasonable doubt," which is the rule recommended by the administration's juvenile delinquency service.

These were typical reconciliations of divergent views produced through these roundtable discussions and subsequent intensive committee staff work with the Department of Justice.

We thought we had succeeded in producing a bill the Department would support and which commanded the respect and support of the experts who had been so severely critical of the Department's bill. Not until 10 minutes before our committee meeting last Wednesday did we learn that the Department might formally object to any part of the bill.

Our committee unanimously reported the bill the Senate passed today. We stood behind it and were prepared to defend it had any Senator wished to amend it.

In light of these events, it is with considerably dismay that I received today a letter which had been previously released to the papers from the Deputy Attorney General. That letter unfairly criticizes several provisions of the committee's bill.

I am disappointed in that letter. I think it would have been preferable, if the department really believes in the criticisms it makes, for them to find a Senator to offer these amendments and get a judgment of the Senate as to their merits.

My own view is that these criticisms are utterly without merit, are unrelated to the effectiveness of the bill, and would make no measurable impact on the juvenile crime problem.

Let us look briefly at the criticisms suggested in that letter.

TIME LIMITS

First is the question of the time limits the bill imposes in the disposition of juvenile court proceedings. The public has been rightly shocked time and time again by the unforgivable delays in juvenile court proceedings in the National Capital. The backlog of the juvenile court today is in excess of 3,000 cases. Disposition of many of these cases takes 18 months or more. The committee bill here and elsewhere has followed the recommendation of the administration's Juvenile Delinquency Service regarding the time limits for juvenile court proceedings. Those administrative recommendations are contained in the "Legislative Guide for Drafting Family and Juvenile Court Acts" published November 6 of this year. I ask that that document be reprinted in its entirety as appendix C at the conclusion of these remarks.

In fact, the deadlines for disposition of juvenile court cases imposed by this bill follow the model New York Family Court Act and are less restrictive on the court than the deadlines which the Juvenile Delinquency Service recommends.

These are the guidelines which the Department of Justice now calls unworkable.

The simple fact is that these guidelines have greatly improved the situation in New York, without detriment to the administration of the juvenile jurisdiction there.

What is unworkable, in my view, is the present intolerable situation, in which in the absence of time limits, cases grow stale and the possibility of rehabilitation is lost. The public is burdened with enormous expense engendered by the delays which have arisen because time limitations have not existed before now. The Department's suggestion that the answer to these delays lies in having lawyers move to dismiss cases for lack of a speedy trial is totally unrealistic. What we need to do is prevent delay and to get delinquent juveniles into correctional facilities, not to break cases through lawyer's motions months after the delays have arisen.

STANDARD OF PROOF

I have already discussed the Department's objection to the imposition of a "beyond a reasonable doubt" standard of proof for factfinding in certain juvenile cases.

I have indicated this was a compromise between some members of the committee who opposed elimination of jury trial and the Department which insisted that jury trials ought to be eliminated. The bill eliminates jury trials but adopts the Juvenile Delinquency Service recommendation that the "beyond a reasonable doubt" standard be used by the judge in factfinding.

Finally the Department objects in its letter to the provisions of the bill which deal with the question of when a juvenile should be tried as an adult. Again, as I have indicated, the committee version is a compromise between the administration view, to which everyone except the Department of Justice objected, and the view of the experts.

The Department wanted any juvenile over 16 alleged to have committed a serious offense to be tried automatically as an adult. The Department wanted to put the burden on a child aged 15, alleged to have committed a serious offense, to show why he should not be tried as an adult. These views had been rejected at least in 44 of the 50 States, by every expert appearing before the committee, including the District of Columbia government, by the model code approved by the Commission on Uniform State Laws, and by the administration's own Juvenile Delinquency Service.

The committee's compromise version gives more to the Department of Justice's view than would the experts, including the Juvenile Delinquency Service. The committee version says that any juvenile over the age of 16 who has been charged with a serious offense and who has been previously judged a delinquent, will be automatically tried as an adult. These are the juveniles who have had the benefit of juvenile treatment and who have not profited from it. These are the juveniles who apparently cannot be dealt with in the juvenile institutions. This includes fully two-thirds of the juveniles aged 16 or 17 who are charged with a serious offense. The bill also provides that in the case of a serious criminal offense by any first offender, 15 or over, the prosecutor may have the child tried as an adult provided he can show that the child cannot reasonably be rehabilitated in the juvenile correctional facilities.

The Department of Justice letter to me very inaccurately characterizes the waiver provision of the committee bill as a reenactment of existing law. In fact, the bill, by providing three very significant improvements in existing law, radically changes waiver for the District of Columbia. First, in comparison with existing law, new section 11–1104 sets forth in detail the procedure to be followed in waiver cases. There is no such provision in District of Columbia law today. Second, new section 11–1104 explicitly lays down factors for the judge to consider in ruling on the waiver motion, thereby eliminating much of the confusion and vagueness of existing law. Third, and most important, the bill overturns the case of *Kent* v. *United States*, 401 F. 2d 408 (D.C. Cir. 1968), by insisting that waiver is not a judgment that an adult criminal prosecution should be instituted against the juvenile. Instead, under the committee bill, waiver is a judgment that special juvenile disposition will not work in the particular case, and is not conditioned on any showing regarding the alternative. On a substantive level, in comparison with existing law, the proceeding under the committee bill becomes weighed in favor of waiver.

By not making the juvenile bear the burden on the Government's motion to waive, the committee has merely followed the familiar rule of law that he who moves must establish grounds therefor, and has adopted the precise recommendation of the administration's Juvenile Delinquency Service. I ask that the text of the existing law on waiver, section 11–1553 of the District of Co-

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lumbia Code, along with the complementary opinion in the Kent case, be reprinted as appendix D at the conclusion of my remarks. I also ask that the text of section 5 of the act, S. 2981, along with the section of the committee report entitled "Transfer for Criminal Prosecution" be reprinted as appendix E.

Mr. President, the Senate has now passed every one of the bills the President has submitted on any subject relating to the District of Columbia this year. We as a committee have done our best to cooperate fully with the President in this legislative effort. Our proceedings with the administration have generally been characterized by full cooperation. I would certainly hope that that kind of cooperation which produced this year's legislative record can be continued in the coming year.

There being no objection, the material referred to in the address was ordered to be printed in the Record, as follows:

Appendix A

Office of the Attorney General,
Washington, D.C., September 19, 1969.

Hon. Joseph D. Tydings,
U.S. Senate,
Washington, D.C.

Dear Joe: I want you to know how much I personally appreciate the careful consideration that you and your staff have given to our proposal on court reorganization and on related issues in the District of Columbia. Don Santarelli has kept me posted on the several working sessions held with your staff. The expedition with which the matter was handled and the cooperative spirit with which the proposal was treated are very much appreciated.

I look forward to a continuation of this fruitful and cooperative relationship in our mutual endeavors to improve the administration of justice in D.C. and across the nation.

Sincerely,

John N. Mitchell.

Office of the Deputy
Attorney General,
Washington, D.C., December 20, 1969.

Hon. Jospeh D. Tydings,
U. S. Senate,
Washington, D.C.

Dear Senator Tydings: The Senate District Committee has reported out of Committee S. 2981, a bill to provide a new code of juvenile procedure for the District of Columbia which was originally proposed to the Senate by the Department of Justice after extensive research, study, and consultation with experts in the field. Although the Department of Justice, for reasons discussed below, will not recommend opposition to Senate passage of S. 2981 as reporteed out, I consider it important to inform you of certain strong objections the Department has to what it otherwise considers a significant improvement in this area of the law.

S. 2981 as reported out by the Senate District Committee desirably extends to juveniles the necessary due process protections mandated by recent court decisions. Indeed, consistent with the Department's recommendations, it extends these protections beyond the minimum requirements of case law. The Department of Justice is seriously concerned, however, that S. 2981 as reported fails to protect society from the alarming increase in the commission of violent felonies by older, sophisticated juveniles.

The Department in S. 2981 recommended two complementary procedures for removing from the juvenile system those juveniles not rehabilitable by their majority and whose retention within the juvenile system would only interfere with the rehabilitation and treatment of other juveniles. First, it proposed lowering from 18 to 16 the juvenile age limit for those charged with certain, limited felonious crimes of violence. Second, for juveniles not falling within this category, the Department proposed a more effective waiver provision than provided by existing law, since under this existing law, as interpreted and applied by the local United States Court of Appeals, juveniles waived for adult prosecution decreased from 49 in fiscal 1965 to only 10 in fiscal 1969, despite the recent enormous increase in juvenile crime.

S. 2981 as reported eliminates the change in waiver proposed by the Department of Justice and thereby reverts to the totally unsatisfactory existing law. Moreover, though S. 2981 as reported does lower the age to 16 for certain crimes of violence, it requires that juveniles subject to it have previously been convinced of felonies. In our view, no 16 or 17 year old who commits such crimes as murder, forcible rape, or armed robbery, should be retained within the juvenile system. By reenacting existing waiver law and restricting the proposed lowering of age, it is the Department's view that S. 2981 as reported will not accord to law-abiding citizens of the District of Columbia the protection they deserve.

S. 2981 has at least two other serious shortcomings. It raises the burden of proof in delinquency cases to beyond a reasonable doubt. This standard is not followed by the vast majority of states, is contrary to several recent appellate decisions in this jurisdiction which require only proof by a preponderance of the evidence, and, in our view, this increased degree of proof will permit too many juveniles to avoid the nonpenal rehabilitative treatment afforded by the juvenile system. Surely, nothing could be more detrimental to a youngster's rehabilitation than his realization that he successfully "beat the rap". We strongly believe that the Department's recommendation for a standard of proof of "clear and convincing evidence" provides a more appropriate for balancing of the public and private interests involved.

Finally, S. 2981 as reported imposes fixed, strict time limitations on all juvenile proceedings, subject to extraordinary circumstances. Though we deplore the inordinate delays in the present system, we do not believe that imposition of strict, arbitrary time limits by statute, difficult to amend if found unworkable, is the proper solution. Instead, we adhere to our solution, which is to provide a more efficient procedure, a greatly increased number of judges, and a more knowledgeable and experienced defense bar, i.e., public defender. In the event this solution fails, juveniles will be protected from unreasonable delays by the traditional right to dismissal for lack of a speedy trial and will not again be encouraged to commit crimes by having charges dismissed against them if not tried within the overly strict time limitations contained in S. 2981 as reported.

Though S. 2981 as reported contains other deficiencies in addition to the very serious ones discussed above, the Department of Justice will not, as I indicated above, oppose its Senate passage. The Department is fully appreciative of the immediate and continuing attention which you have, throughout this Session of Congress, afforded its proposals concerning the serious crime problem in the District of Columbia. This crime problem is of such proportions that delay cannot be tolerated. Our opposition to Senate passage of S. 2981 as reported would cause delay. We prefer, therefore, not to oppose passage but instead to direct your attention to what we consider these serious shortcomings. Since a similar bill was introduced in the House of Representatives, I am sending to the Chairman of its District Committee a copy of this letter to you so that he may be informed of the Department's position with respect to S. 2981. Should the House enact our proposed legislation to revise juvenile procedure, it would be the Department's hope that the difficulties discussed above could be resolved in conference.

This position we are taking is the same we took concerning S. 2869, a bill revising criminal procedures in the District of Columbia. As you know, the Department had and still has very strong objections to certain provisions of S. 2869 as reported and passed. It is our view that the changes S. 2869 made in the Department's proposals concerning no-knock, wiretapping, thrice-convicted felons, resisting arrest, interlocutory appeals, and still other provisions will seriously undermine the Department's efforts to provide the District with an improved, fair, and effective procedure for coping with its crime problem. Despite our grave concern, we did not oppose passage but instead explained in detail the basis for our opposition to the members of the Senate District Committee staff, with the expectation that should there be a conference on these matters, our differences could be resolved.

Let me express once again the Department's appreciation for your continuing assistance in enacting legislation to improve the administration of both civil and criminal justice. The cooperation between your staff and the staff of my office has been most gratifying. Since we both have the common goal of eliminating the crime problem in the District of Columbia, I am confident that the legislation as finally enacted by the Congress will be appropriately directed to that end.

Sincerely,

Richard G. Kleindienst.

Appendix B

[Letter to Senator Joseph D. Tydings concerning the proposed District of Columbia Code.]

November 29, 1969.

Hon. Joseph D. Tydings,
Chairman, District of Columbia Committee,
U.S. Senate,
Washington, D.C.

Dear Joe: I was disappointed to have missed the hearings on the District of Columbia Juvenile Code last week due to a case of the flu. As you know, I am greatly troubled by the problems of the Juvenile Court, and its demonstrated inability to put its own house in order. With the consideration of S. 2981 we now have a chance to improve the operation of the Juvenile Court, and I hope we make full use of this opportunity.

I believe you share my concern at some of the jurisdictional and procedural provisions in the bill as originally drafted. My overriding concern is to treat juveniles in most cases as a class apart from our older criminals, and at the same time provide them with the procedural protections of due process that the Supreme Court has made clear are required for all citizens. I would favor retaining of the present age level jurisdiction of 18, and at the same time clarifying the waiver provisions to properly transfer those hardened juvenile criminals under 18 over to the adult court. I favor retaining the jury trial in juvenile cases, for I feel that the jury system is fundamental to our notions of due process and substantial justice. I favor an absolute right to counsel, for I do not feel that a juvenile can intelligently waive this most important right.

I would like to propose in addition that we mandate in the bill a time limit within which disposition of a case must be made. After reviewing the record, I conclude that no other step we could take would successfully expedite cases through the Juvenile Court, given the tremendous backlog that has been allowed to accrue. The newly-adopted New York Juvenile Code requires that detention cases be heard within 30 days, those juveniles not detained, within 60. I have been told that the New York juvenile judges are much in favor of such time limitations, and they are dealing with a substantially heavier caseload than the District. I would favor such a provision in S. 2981.

Finally, I would like to see a separate oversight organization established to review the activities of the Juvenile Court. I realize that under S. 2601, the D.C. court reorganization bill that has been passed by the Senate, an Advisory Committee on the Administration of Justice is created, and I am much in favor of this proposal. It does seem appropriate, however, to establish a subcommittee, whose special province would be overseeing the juvenile bench. There is statutory authority written into S. 2601 for the creation of such a subcommittee. This proposal was suggested at the hearings last week by Judge Ketcham, and it struck me as having considerable merit. The Juvenile Court has been lost in the shuffle, so to speak, for the past several decades, and I wish to obviate this possibility in the future by creating a commission whose sole function would be to oversee this most critical court.

As I stated last week, I feel we need to examine the entire juvenile correctional system together with the social supportive programs within the District. I plan to follow up S. 2981 with suggestions, and legislation where appropriate, to deal with the other important parameters in the juvenile area. S. 2981 should be but a beginning.

Sincerely,

CHARLES MCC. MATHIAS, Jr.,
U.S. Senator.

APPENDIX C

LEGISLATIVE GUIDE FOR DRAFTING: FAMILY AND JUVENILE COURT ACTS

(Prepared by William H. Sheridan, Assistant Director, Division of Juvenile Delinquency Service)

This guide was developed in response to requests for technical assistance in drafting family and juvenile court acts and increased interest throughout the country in juvenile and family courts. The guide is the result of research and study that included review of State laws and consultation with State officials engaged in drafting new legislation.

Some sections are similar to those in the Uniform Juvenile Court Act, developed in 1968 by the Commissioners on Uniform State Laws, with the Children's Bureau staff providing consultation. Some are similar to sections of the Standard Family Court Act developed in the late 1950's through the joint efforts of the National Council on Crime and Delinquency, the National Council of Juvenile Court Judges, and the Children's Bureau. Most sections, however, differ from the Uniform and Standard Acts in significant respects.

A number of events have occurred since the Children's Bureau publication, *Standards for Juvenile and Family Courts*, was developed in 1965. The President's Commission on Law Enforcement and Administration of Justice has released its report, *The Challenge of Crime in a Free Society;* the Children's Bureau in cooperation with the Department of Justice completed a national survey of juvenile courts, and the Bureau has made a number of State and local surveys of juvenile courts and probation services. Also, during this period, the Supreme Court and a number of State appellate courts have rendered decisions which have had a major effect upon juvenile courts. The evaluation of the information secured and the decisions or recommendations resulting from these activities, as well as the experience of using earlier drafts of this material in working with States, are reflected in this guide and account in part for its differences when contrasted with the Uniform and Standard Acts. In addition, a draft was sent to a number of leaders in the fields of law and behavioral sciences. Their comments and suggestions were carefully considered in preparing the final draft.

Certain aspects of the family court, such as judicial administration, organization, or structure, do not appear in any detail since these areas in particular will have to be related to the individual State structure.

Although the specific language in the guide relates to a family court, by deleting a portion of the jurisdictional section the material will serve as a guide in the drafting of juvenile court legislation.

The Children's Bureau wishes to acknowledge the assistance received from the numerous individuals who reviewed this material and made thoughtful and helpful suggestions. (Jule M. Sugarman, Acting Chief, Children's Bureau, Social and Rehabilitation Service)

SECTION 1. PURPOSES

This Act shall be interpreted and construed as to effectuate the following purposes:

(a) To preserve the unity of the family whenever possible and to provide for the care, protection, and wholesome mental and physical development of children coming within the provisions of this Act;

(b) Consistent with the protection of the public interest, to remove from children committing delinquent acts the consequences of criminal behavior, and to substitute therefor a program of supervision, care and rehabilitation;

(c) To achieve the foregoing purposes in a family environment whenever possible, separating the child from his parents only when necessary for his welfare or in the interests of public safety;

(d) To provide judicial procedures through which the provisions of this Act are executed and enforced and in which the parties are assured a fair hearing and their constitutional and other legal rights recognized and enforced.

Comment

This section differs from the usual purpose clauses in that it adds two new dimensions: the protection of the public interest and the establishment of procedures which will assure due process and the constitutional rights of the parties. Society has a right to protect itself, and the court is an instrument used to implement this right.

"Offenses committed by young people should not be excused or condoned. The general public should be protected, and young people need to be held responsible for the consequences of their misconduct. The consequences of such misconduct, however, should result in individualized treatment authorized through the ordinary process of law." [1] This process must conform to certain principles to insure due process of law. These include:

1. The conditions under which the State is empowered to intervene in the upbringing of a child should be specifically and clearly delineated in the statutes. Whenever the State seeks to intervene, it should be required to show that those conditions do in fact exist with respect to a child and that its intervention is necessary to portect the child or the community, or both. The State should not be able to interfere with the rights of the parents with respect to their child and assume jurisdiction over such child on the generalized assumption that the child is in need of the care or protection of the State or merely because it disagrees with the parent as to the best course to pursue in rearing a child. Nor should it be authorized to take children from their parents merely because, in the estimation of probation officers and courts, the children can be better provided for and more wisely trained as wards of the State.

2. Both the child and his parents are entitled to know the bases on which the State seeks to intervene and on which it predicates its plan for the care and treatment of the child. They are equally entitled to rebut these bases either directly by questioning witnesses, or indirectly by presenting facts to the contrary. This means that rules of evidence calculated to assure proceedings in accordance with due process of law are applicable to children's cases. There should be an orderly presentation of credible facts in a manner calculated to protect the rights of all concerned. This principle also entails written findings of fact, some form of record of the hearing, the right to counsel, and the right to appeal. The court should give clear reasons for its decisions as to the finding with respect to allegations made and any order affecting the rights of the parents or the rights and status of the child. Any order for treatment, care, or protection does, in fact, affect these rights.

3. The statute should limit the court as to the type of disposition it may make, depending on the nature of the case, i.e., delinquency or neglect, rather than allow it unlimited discretion to make any disposition or to order any treatment that it may think advisable. It should, however, have complete discretion within the range of the specific dispositions authorized.

4. Certain procedural safeguards must be established for the protection of the rights of parents and children. Although parties in these proceedings may seldom may use of such safeguards, their availability is nonetheless important. They are required by due process of law and are important not only for the protection of rights but also to help insure that the decisions affecting the social planning for children are based on sound legal procedure and will not be disturbed at a later date on the basis that rights were denied.[2]

SECTION 2 DEFINITIONS

As used in this Act:

(a) "Child" means an individual who is:

(1) under the age of 18 years; or

(2) under 21 years of age and who committed an act of delinquency before reaching the age of 18 years.

(b) "Minor" means an individual who is under the age of 21 years.

(c) "Adult" means an individual 21 years of age or older.

(d) "Court" means the family division of the (   ) [3] as herein established.

(e) "Judge" means judge of the family division of the (   ).[3]

(f) "Detention care" means the temporary care of children in secure custody pending court disposition.

(g) "Shelter care" means the temporary care of children in physically unrestricting facilities pending court disposition.

(h) "Guardianship of the person of a minor" means the duty and authority to make important decisions in matters having a permanent effect on the life and development of the minor and to be concerned about his general welfare. It shall include but shall not necessarily be limited in either number or kind to:

(1) the authority to consent to marriage, to enlistment in the armed forces of the United States, or to major medical, psychiatric, and surgical treatment; to represent the minor in legal actions; to make other decisions concerning the minor of substantial legal significance;

(2) the authority and duty of reasonable visitation, except to the extent that such right of visitation has been limited by court order;

(3) the rights nd responsibilities of legal custody when guardianship of the person is exercised by the natural or adoptive parent, except where legal custody has been vested in another individual, agency or institution;

Footnotes at end of article.

(4) the authority to consent to the adoption of the minor and to make any other decision concerning him which his parents could make, when the rights of his parents, or only living parent, have been judicially terminated as provided for in the statutes governing termination of parental rights to facilitate adoption, or when both of his legal parents are deceased.

(i) "Legal custody" means a legal status created by court order which vests in a custodian the right to have physical custody of the child or minor and to determine where and with whom he shall live within the State; and the right and duty to protect, train, and discipline him and to provide him with food, shelter, education and ordinary medical care, all subject to the powers, rights, duties and responsibilities of the guardian of the person of the child and subject to any residual parental rights and responsibilities. An individual granted legal custody shall exercise the rights and responsibilities personally unless otherwise authorized by the court.

(j) "Residual parental rights and responsibilities" means those rights and responsibilities remaining with the parent after the transfer of legal custody or guardianship of the person, including but not necessarily limited to the right of visitation, consent to adoption, the right to determine religious affiliation, and the responsibility for support.

(k) "Commit" means to transfer custody.

(l) "Probation" means a legal status created by court order following an adjudication of delinquency, or in need of supervision, whereby a minor is permitted to remain in his home subject to supervision and return to the court for violation of probation at any time during the period of probation.

(m) "Protective supervision" means a legal status created by court order in neglect cases whereby the minor is permitted to remain in his home under supervision, subject to return to the court during the period of protective supervision.

(n) "Delinquent act" means an act designated a crime under the law of this State, or of another State if the act occurred in another State, or under Federal law. Traffic offenses shall not be deemed delinquent acts except for violations of ——.[4]

(o) "Delinquent child" means a child who has committed a delinquent act and is in need of care or rehabilitation.

(p) "Person in need of supervision" means a child who:

(1) being subject to compulsory school attendance, is habitually truant from school; or

(2) habitually disobeys the reasonable and lawful demands of his parents, guardian, or other custodian, and is ungovernable and beyond their control; or

(3) has committed an offense not classified as criminal or one applicable only to children, and

(4) in any of the foregoing, is in need of care or rehabilitation.

(q) "Neglected child" means a child:

(1) who has been abandoned by his parents, guardian, or other custodian;

(2) who is without proper parental care and control, or subsistence, education, medical or other care or control necessary for his well-being because of the faults or habits of his parents, guardian, or other custodian or their neglect or refusal, when able to do so, to provide them, or

(3) whose parents, guardian, or other custodian are unable to discharge their responsibilities to and for the child because of incarceration, hospitalization, or other physical or mental incapacity; or

(4) who has been placed for care or adoption in violation of law.

(r) "Custodian" means a person, other than a parent or legal guardian, to whom legal custody of the child has been given by court order or who is acting in loco parentis.

(s) The singular includes the plural, the plural the singular, and the masculine the feminine, when consistent with the intent of this Act.

Comment

The definitions in this section are specific, yet they are more comprehensive than most sections on definitions. The purpose is not only to clarify the Act but also to clarify the rights, duties, and functions of the court, of agencies, and of the parent and child. In most States, at the present time, these terms are seldom defined with preciseness in the law. Therefore, many of these terms often have a different meaning to various parties involved even within the same jurisdiction—a factor which has caused conflict and confusion.

A number of States already include these definitions in whole or in part. Through such use, a common definition can be developed which will facilitate communication and understanding.[5]

The term "dependent" is not used. It is believed that the financial ability of parents to care for their children should not be a factor in removing them from their home.

Jurisdiction by the court over ordinary traffic violations has also been eliminated. For a variety of reasons, it is believed that such jurisdiction should be placed in the ordinary traffic court. This trend has been reflected in legislation enacted in recent years.

It should also be pointed out that before a child can be found to be delinquent or in need of supervision a second finding is necessary; namely, that he is in need of care or rehabilitation.

SECTION 3. THE FAMILY COURT DIVISION

The family court shall be a division of ( ).[6]

Comment

No attempt is made to provide for a specific organizational pattern for the court since State judicial systems differ from State to State. The family court should be a division of the highest court of general trial jurisdiction since an integrated court system is preferred rather than a proliferation of specialized courts. The establishment of the court at this level is also desirable since it is more likely to attract individuals of high judicial caliber and command the respect of the bar and the community.[7]

SECTION 4. REFEREES

(a) The ( )[8] may appoint one or more persons to serve as referees on a full- or part-time basis. They shall be members of the bar. Their compensation shall be fixed by the ( )[9] with the approval of the ( )[10] and paid out of the general revenue funds of the ( ).[11]

(b) Hearings shall be conducted only by a judge, if:

(1) the hearing is contested;

(2) the hearing is one to determine whether a case shall be transferred for criminal prosecution as provided in Section 31; or

(3) a party objects to the hearing being held by a referee.

Otherwise, the ( )[9] may direct that hearings in any case or class of cases shall be conducted in the first instance by a referee in the manner provided for by this Act.

(c) Upon the conclusion of a hearing before a referee, he shall transmit his findings and recommendations for disposition in writing to the judge. Prompt written notice of the findings and recommendations together with copies thereof shall be given to the parties to the proceeding. The written notice shall also inform them of the right to a rehearing before the judge.

(d) A rehearing may be ordered by the judge at any time and shall be ordered if any party files a written request therefor within 3 days after the referee's written notice. If a hearing de novo is not requested by any party or ordered by the court, the hearing shall be upon the same evidence heard by the referee, provided that new evidence may be admitted in the discretion of the judge.

(e) If a hearing before the judge is not requested or ordered or the right thereto is waived, the findings and recommendations of the referee, when confirmed by an order of the judge, shall become the decree of the court.

Comment

It is not intended that referees be used as substitutes where additional judges are needed. However, they serve a purpose where the judicial load is to great for one judge but not great enough for two judges. Also, their use on a part-time basis in large circuits may facilitate the administration of juvenile justice. As judicial officers, they should be members of the bar. They should not carry any probation duties—supervisory or otherwise—since this could create a conflict of interest in discharging the duties of a referee in cases where they were active in another capacity.

SECTION 5. PROBATION SERVICE

The ( )[12] shall establish a statewide program of probation and other casework and clinical services to serve the court, the cost thereof to be paid out of the general revenue funds of the State.

All employees shall be selected, appointed, and promoted through a State merit system.

Comment

It is strongly recommended that probation services be established on a statewide basis as part of the executive branch of government. Continuity of responsibility and treatment is attained when service and care for delinquent children are in a single agency. Such a system also will provide continuity of administration and will promote a more equitable distribution of services in terms of both quality and quantity, as well as uniformity of procedure. These characteristics are presently lacking in most States because the localities have responsibility for the services and they are often not in a position to provide them adequately.

Administration of probation services by the executive branch of government will help to clarify the role of the probation officer as a professional without prosecutorial functions or subject to judicial control. Also, for legal as well as ethical reasons, the duties of the judge should not involve the administration of the probation services, the detention home, other foster care facilities or other casework or clinical services necessary for study or treatment. The judicial branch of government is called upon to check or pass upon the legality of the actions of the executive or administrative system. This calls for an independent and impartial judiciary. When the judge is also the administrator, this is not possible since he is placed in the position of judging his own actions. This does not mean that the agency serving the court should operate completely independent of the judiciary. An effective working relationship must be established. Provision for the involvement of the judiciary in the development of policy and probation practice procedures should be made. This could be accomplished through the use of a policy advisory committee which would include judges as well as representatives of the behavioral sciences. Individual judges should also have a role in the selection of staff assigned to their particular court.

For further discussion of the administration of probation services, see "New Directions for the Juvenile Court," by William H. Sheridan, in *Federal Probation*, June 1967, p. 15; "Structuring Services for Delinquent Children and Youth," by William H. Sheridan, in *Federal Probation*, September 1967, p. 51; "Unraveling Administrative Organization of State Juvenile Services," by Maurice

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Footnotes at end of article.

A. Harmon, in *Crime and Delinquency,* July 1967, p. 433; and "Juvenile Delinquency and Youth Crime," a Task Force Report of the President's Commission on Law Enforcement and Administration of Justice, 1967, pp. 85–90.

SECTION 6. POWERS AND DUTIES OF PROBATION OFFICERS AND SOCIAL SERVICES PERSONNEL

(a) For the purpose of carrying out the objectives and provisions of this Act, and subject to the limitations of this Act, probation and social services personnel have the power and duty to:

(1) receive and examine complaints and allegations that a child is neglected, delinquent, or in need of supervision for the purpose of considering the commencement of proceedings under this Act;

(2) make appropriate referrals of cases presented to him as such officer, to other private or public agencies of the community where their assistance appears to be needed or desirable;

(3) make predisposition studies and submit reports and recommendations to the court as required by this Act;

(4) supervise and assist a child placed on probation or under his supervision by order of the court;

(5) provide marital and family counseling:

(6) perform such other functions as are designated by this Act or by rules of court pursuant thereto.

(b) For the purposes of this Act, a probation officer shall have the power to take into custody and place in temporary care a child who is under his supervision as a delinquent or neglected child, or a child in need of supervision when the probation officer has reasonable cause to believe that the child has violated the conditions of his probation or that he may flee from the jurisdiction of the court. A probation officer does not have the powers of a law enforcement officer nor may he sign a petition under thiis Act with respect to a person who is not on probation or otherwise under his supervision.

(c) If a probation officer takes a child into custody, he shall proceed as provided for in Sections 23 and 39.

Comment

This section is included not only to provide for the authority of the department providing probation and family counseling services but also to clarify the role of such services. The probation officer should not have broad law enforcement powers, nor should he take on the prosecutorial functions. His authority to initiate court action should be specifically limited to children already on probation or otherwise under his supervision. He should not be given functions which are in conflict with each other (see "The Gault Decision and Probation Services," by William H. Sheridan, 43 *Indiana Law Journal* 656, 1968).

SECTION 7. JURISDICTION: CHILDREN

(a) The family court shall have exclusive original jurisdiction of the following proceedings, which shall be governed by the provisions of this Act:

(1) proceedings in which a child is alleged to be delinquent or neglected or a person in need of supervision.

(b) The family court shall also have exclusive original jurisdiction of the following proceedings, which shall be governed by the laws relating thereto without regard to the other provisions of this Act:

(1) the termination of parental rights;

(2) proceedings for the adoption of an individual of any age;

(3) proceedings under the Interstate Compact on Juveniles;

(4) proceedings under the Interstate Compact on the Placement of Children;

(5) proceedings to determine the custody or to appoint a legal custodian or a guardian of the person of a minor; and

(6) proceedings for the commitment of a mentally retarded or mentally ill minor.

Comment

The jurisdiction of juvenile and family courts varies from State to State. This section, when coupled with subsection (a) of Section 10, provides the recommended basic jurisdiction of the juvenile court. When coupled with all of Section 10, it provides for the basic jurisdiction of a family court. Proceedings for the granting of judicial consent to marriage and enlistment in the armed forces are omitted as this should be the function of the guardian. Where no effective guardianship of the person exists, a guardian should be appointed.

SECTION 8. TRANSFER FROM OTHER COURTS

(a) If it appears to a court during the pendency of a criminal charge and prior to the entry of a judgment of conviction and order of sentence, that a minor defendant was under the age of 18 years at the time of the alleged offense, the court shall forthwith transfer the case, together with all papers and documents connected therewith, to the family court. All action taken by the court prior to transfer of the case shall be deemed null and void unless the family court transfers under Section 31.

(b) If at the time of the alleged offense the minor charged was under the age of 18 years but this fact is not discovered by the court until after entry of a judgment of conviction and order of sentence, the court may elect to retain jurisdiction and permit the conviction and order of sentence, the court may elect to retain jurisdiction and permit the conviction and sentence to stand or dispose of the case as provided for in Section 34, or transfer the case to the family court.

Comment

This section, with the exception of subsection (b), is fairly common. Subsection (b) is included in order to discourage deception with respect to age. This will usually involve youth who are in their 17th or 18th year and is intended to prevent delay of adjudication and disposition. It permits flexibility in that the court has three options: sentence the youth as an adult; exercise the power of the family court and dispose of the case as provided for in this Act, or transfer the case to the family court as provided in subsection (a).

SECTION 9. RETENTION OF JURISDICTION

For the purposes of this Act, jurisdiction obtained by the court in the case of a child shall be retained by it until he becomes 21 years of age, unless terminated prior thereto. This section does not affect the jurisdiction of other courts over offenses committed by the child after he reaches the age of 18 years.

If a minor already under jurisdiction of the court is convicted in a criminal court of a crime committed after the age of 18, the conviction shall terminate the jurisdiction of the family court.

SECTION 10. JURISDICTION: MINORS; ADULTS

The court shall have exclusive original jurisdiction:

(a) To try any offense committed against a child by his parent, guardian, or any other minor or adult having his legal or physical custody;

(b) To try any minor or adult charged with:

(1) deserting, abandoning, or failing to provide support for any person in violation of law;

(2) an offense, other than a felony, committed by one spouse against the other.

In any case within subsections (a) or (b) (1) or (b) (2), the court in its discretion may transfer the proceedings to a court which has criminal jurisdiction of the offense charged.

(c) In proceedings for support, alimony, divorce, separation and annulment, and to establish paternity of a child born out of wedlock;

(d) In proceedings under the Uniform Reciprocal Enforcement of Support Act;

(e) In proceedings to commit an adult found to be mentally retarded or mentally ill.

Comment

This section is similar to the Standard Family Court Act.[13] Subsection (a) should be included in the basic jurisdiction of the juvenile court over adults. Subsections (b), (c), (d), and (e) should be included in family court jurisdiction.

Subsection (a) is included in order to coordinate the sentence in the case of the adult with the disposition of the child. This is necessary because of the continuing relationship involved. Such offenses, when committed by persons other than the parent, guardian, or other custodian, should be prosecuted in the criminal court.[14] For an alternate procedure, see appendix.

SECTION 11. VENUE

Proceedings under this Act shall be commenced in the county where the child resides. If delinquency or in need of supervision is alleged, they may also be commenced in the county where the acts constituting the alleged delinquency or in need of supervision occurred. If neglect is alleged, they may also be brought in the county where the child is present when the proceedings are commenced.

SECTION 12. TRANSFER TO ANOTHER FAMILY COURT WITHIN THE STATE

If the child resides in a county of the State and the proceeding is commenced in a court of another county, that court, on its own motion or a motion of a party made at any time prior to final disposition, may transfer the proceeding to the county of the child's residence for such further action or proceedings as the court receiving the transfer may deem proper. Like transfer may be made if the residence of the child changes pending the proceeding. The proceeding shall be so transferred if the child has been adjudicated delinquent or in need of supervision and other proceedings involving the child are pending in the family court of the county of his residence.

Certified copies of all legal and social records pertaining to the case shall accompany the transfer.

Comment

This is a standard provision and provides for intrastate cooperation.

SECTION 13. PETITION—PRELIMINARY INQUIRY—AUTHORIZATION TO FILE

(a) Complaints alleging delinquency, neglect, or in need of supervision shall be referred to the intake office of probation services. The intake office shall conduct a preliminary inquiry to determine whether the best interests of the child or of the public require that a petition be filed. If judicial action appears necessary, the intake office may recommend the filing of a petition, provided, however, that all petitions shall be prepared and countersigned by the (   ) [15] before they are filed with the court. Decisions of the (   ) [15] on whether to file a petition shall be final.

(b) If the intake office refuses to authorize a petition, the complainant in such situations shall be notified by the intake office of his right to review of his complaint by the (   ).[15] The (   ),[15] upon request of the complainant, shall review the facts presented by the complainant and after consultation with the intake office shall authorize, countersign, and file the petition with the court when he believes such action is necessary to protect the community or interests of the child.

Footnotes at end of article.

(c) When a child is in detention or shelter care and the filing of a petition is not approved by the ( ),[15] the child shall be immediately released.

(d) The intake office of probation services shall have the authority to refer the case to an appropriate public or private agency or to conduct conferences for the purposes of affecting adjustments or agreements which will obviate the necessity for filing a petition. During such inquiries, a party may not be compelled to appear at any conference, to produce any papers, or to visit any place. Such inquiries and conferences shall not extend for a period beyond 30 days from the date the complaint was made.

(e) On motion by or in behalf of a child, a petition alleging delinquency or need of supervision shall be dismissed with prejudice if it was not filed within 10 days from the date the complaint was referred to the intake office of probation services.

Comment

This section differs significantly from both the Uniform Juvenile Court Act[16] and the Standard Act. It requires that a preliminary inquiry be made by the probation services in delinquency, neglect, or need of supervision cases. It also requires that all petitions be countersigned and filed by the appropriate prosecuting official in the jurisdiction. This is necessary for several reasons. First, he is the person with the expertise concerning the legal sufficiency of the petition. Secondly, under Section 14, he is also the person responsible for conducting the proceeding and for representing the State. It is not the intention, however, to limit the prosecuting officials's review to the legal sufficiency of the complaint. He should also be concerned with the need to protect the child and the community. Studies have shown that the highly therapeutic approach of some intake personnel has resulted in the filing of petitions merely on the basis that the child needed service—service which could be provided by community agencies without court intervention. On the other hand, studies have also shown that petitions have been denied in cases of serious offenses where there was reason to believe that court action was necessary to protect the community.

The role of the prosecuting official, as provided in this section, is also necessary since it relieves the judge of the prosecutorial function, which conflicts with his role as an impartial arbitrator. In the absence of a prosecutor to conduct the case, the probation officer is often cast in this role, which conflicts with his role in assisting the court to arrive at a disposition which is in the interest of the child.

The section also provides for a check on the probation services in that the complainant can appeal to the prosecuting official for a review of intake's decision when authorization of a petition is denied. The appropriate prosecuting official may, after a review of the case, prepare the petition, countersign, and file it with the court when he believes such action is necessary to protect the community or the interests of the child.

This Act does not include a section on informal disposition in terms of a continuing service. This section does permit disposition at the point of intake after conferences, or referral to other community agencies. It also provides that if a petition is not filed within 10 days after the receipt of the complaint by the intake services, the petition is subject to dismissal with prejudice. This is included in order to expedite the intake process as well as to discourage the use of so-called unofficial probation and other services of a continuing nature without properly invoking the jurisdiction of the court. Such services can be provided, however, without a finding by a consent decree pursuant to Section 33.

SECTION 14. PETITION—WHO MAY SIGN—CONTENT

(a) Subject to subsection (b) of this section, and except as provided in Section 6, petitions intiating court action and probation revocation petitions may be signed by any person who has knowledge of the facts alleged or is informed of them and believes that they are true.

(b) A minor in need of supervision petition may be signed only by one of the following persons: a representative of a public or nongovernmental agency licensed or authorized to provide care or supervision of children; a representative of a public or private agency providing social service for families; a school official; or a law enforcement officer.

(c) The ( )[17] shall represent the petitioner in all proceedings where the petition alleges delinquency, neglect, or in need of supervision.

(d) Petitions shall be entitled, "In the Matter of ————, a child," and shall be verified by the person who signs it.

(e) Petitions shall set forth with specificity:

(1) the facts whch bring the child within the provisions of subsection (a)(1) of Section 7, together with a statement when delinquency or in need of supervision is alleged that the child is in need of supervision, care, or rehabilitation;

(2) the name, birth date, and residence address of the child;

(3) the names and residence addresses of his parents, guardian, or custodian, and spouse if any. If neither of his parents, guardian or custodian resides or can be found within the State, or if their residence addresses are unknown, the name of any known adult relative residing within the State, or, if there be none, the known adult relative residing nearest to the court;

(4) whether the child is in custody, and, if so, the place of detention and the time he was taken into custody; and

(5) when any of the facts herein required are not known, the petition shall so state.

Comment

This section does not permit the filing of petitions alleging in need of supervision by parents on the theory that such cases should be routed through another community agency for service in order to divert these children from the correctional system.

Responsibility is also placed upon the appropriate prosecuting official's office to conduct the proceedings where the petition alleges delinquency, neglect or need of supervision. This is a function appropriate to the function of the prosecuting official since the State is the real party to the proceedings. As pointed out earlier, it also relieves both the judge and the probation officer of the prosecutorial role.

It should also be noted that in this section, as well as in Section 13, the signing of a petition and the filing of a petition are separate and distinct acts. In a number of jurisdictions, the term "filing" has been used as including the act of signing, which has led to some confusion.

SECTION 15. SUMMONS

(a) After a petition has been filed, the court shall direct the issuance of summonses, one directed to the child, if he is 14 or more years of age or is alleged to be delinquent or in need of supervision, and another to the parents, guardian, or other custodian, and such other persons as appear to the court to be proper or necessary parties to the proceedings, requiring them to appear personally before the court at the time fixed to answer the allegations of the petition. Where the custodian is summoned, the parent or guardian or both shall also be served with a summons. If the child is married, the spouse shall also be served with a summons.

(b) The summons shall advise the parties of their right to counsel as provided in Section 25. A copy of the petition shall be attached to each summons.

(c) The judge may endorse upon the summons an order directing the parents, guardian, or other custodian having the custody or control of the child to bring the child to the hearing.

(d) If it appears, from affidavit or sworn statement presented to the judge, that the child needs to be placed in detention or shelter care pursuant to Section 20, the judge may endorse upon the summons an order that an officer serving the summons shall at once take the child into custody and take him to the place of detention or shelter care designated by rules of court.

(e) A party, other than the child, may waive service of summons by written stipulation or by voluntary appearance at the hearing.

Comment

Subsection (b) provides for notice of the right to counsel and also provides that a copy of the petition be attached to each summons. These two requirements are in conformity with the Gault decision (In re Gault, 387 U.S. 1, 1967). Otherwise, the section is a common one.

SECTION 16. SERVICE OF SUMMONS

(a) If a party to be served with a summons can be found within the State, the summons shall be served upon him personally at least 24 hours before the hearing. If he is within the State and cannot be found, but his address is known or can with reasonable diligence be ascertained, the summons may be served upon him by mailing a copy thereof by certified mail at least 5 days before the hearing. If he is without the State but he can be found or his address is known, or can with reasonable diligence be ascertained, service of the summons may be made either by delivering a copy thereof to him personally or by mailing a copy thereof to him by certified mail.

If after reasonable effort he cannot be found or his post office address ascertained, whether he is within or without a State, the court may order service of the summons upon him by publication in accordance with the provisions of ( )[18] in which event the hearing shall not be less than 5 days after the date of last publication.

(b) Service of summons may be made under the direction of the court by any law enforcement officer or other suitable person.

(c) The court may authorize the payment from ( )[19] funds of the costs of service and of necessary travel expenses incurred by persons summoned or otherwise required to appear at the hearing.

SECTION 17. TIME LIMITATIONS

(a) On motion by or in behalf of a child, a delinquency or need of supervision petition shall be dismissed with prejudice where the allegations of the petition are not determined by an admission, or a hearing on the allegations of the petition not commenced within:

(1) 10 days from the date the petition is filed where a child in custody is denied unconditional release at his detention hearing;

(2) 20 days from the date the petition is filed where a child, once in custody for the offense charged in the petition or an offense based upon the same conduct, is released at or before his detention hearing;

(3) 20 days from the date the petition is filed where the child was never in custody for the offense charged in the petition or an offense based upon the same conduct; or

(4) within either 10 days or 20 days from

Footnotes at end of article.

the time the child was taken into custody as provided in subsections (a)(1) or (a)(2) in cases where the summons directs that the child be taken into custody by the officer serving the summons, and the child has not previously been in custody for the offense charged in the petition or an offense based upon the same conduct.

(b) The following periods shall be excluded in computing the time for a hearing on the allegations in the petition:

(1) The period of delay resulting from other proceedings concerning the child, including but not limited to an examination and hearing related to mental health, prehearing motions, waiver motions and hearings on other matters.

(2) The period of delay resulting from a continuance granted at the request or with the consent of the child and his counsel.

(3) The period of delay resulting from a continuance granted at the request of the (   ) [20] if the continuance is granted because of the unavailability of evidence material to his case, when the (   ) [20] has exercised due diligence to obtain such evidence and there are reasonable grounds to believe that such evidence will be available at the later date; or the continuance is granted to allow the (   ) [20] additional time to prepare his case and additional time is justified because of the exceptional circumstances of the case.

(4) The period of delay resulting from the imposition of a consent decree.

(5) The period of delay resulting from the absence or unavailability of the child.

(6) A reasonable period of delay when the child is joined for a hearing with another child as to whom the time for a hearing has not run and there is good cause for not hearing the cases separately. In all other cases, the child's case shall be separated from the hearing of another child alleged to have participated in the same offense so that a hearing may be held within the time limits applicable to him.

(7) Other periods of delay for good cause.

Comment

This is a new section and is designed to speed up court processes and to prevent long delays before hearings, particularly in those cases where a child is held in detention or shelter care. Long delays often occur before final disposition. Those are often due to lack of resources and facilities. It is suggested that a time limitation be established for final disposition that allows for flexibility in order to meet this problem. It should also be noted that the very nature of this section will require the court and probation services to record certain information which studies have shown to be unavailable in many jurisdictions.

This section is patterned after the Minimum Standards for Criminal Justice Relating to Speedy Trial, which have been promulgated by the American Bar Association.

SECTION 18. TAKING INTO CUSTODY

A child may be taken into custody:

(1) Pursuant to the order of the court under Sections 15 and 21;

(2) For a delinquent act pursuant to the laws of arrest;

(3) By a law enforcement officer when he has reasonable grounds to believe that the child is suffering from illness or injury or in immediate danger from his surroundings, and that his removal is necessary; and

(4) By a law enforcement officer when he has reasonable grounds to believe that the child has run away from his parents, guardian, or other custodian.

Comment

In the past, statutes have provided that taking into custody shall not be deemed an arrest. However, for all practical purposes, this has been a legal fiction since the child is being held in involuntary custody. It is particularly important that this be recognized in the light of recent decisions and also in order to facilitate the development of appropriate guidelines for law enforcement practices. Therefore, under this section, the taking into custody of a child for a delinquent act is an arrest.

SECTION 19. DETENTION AND SHELTER CARE FACILITIES

(a) The (   ) [21] shall develop a statewide plan for the establishment of regional detention facilities for children referred to or under the jurisdiction of the court, and necessary transportation. To implement this plan, the (   ) [21] may construct and operate the facilities or may contract for the use of detention facilities established or operated by local authorities.

(b) The (   ) [21] shall promulgate standards for all detention facilities, including location, design, construction, equipment, care, program, personnel, and clinical services. The (   ) [21] may establish a system of subsidies for the construction and operation, by local authority, of detention facilities meeting the standards established.

(c) To determine whether the standards are being met, at least once a year, the (   ) [21] shall inspect all facilities in which children are detained and shall require reports from them. By order approved by the (   ) [22] the director may prohibit the detention of children in any place which does not meet its standards. Copies of such orders shall be served upon the person in charge of the detention facility and filed with the family court.

(d) The (   ) [22] shall develop a statewide program for the provision of shelter care facilities for children referred to or under the jurisdiction of the court. When such a program involves the use of local public or nongovernmental facilities, the duties and responsibilities of (   ) [23] with respect to such facilities shall include those provided for in subsections (b) and (c).

(e) All facilities used for detention not under the administration of (   )[21] shall submit a yearly report to (   ) [21] the substance and form of which shall be determined by (   ).[21]

Comment

Ordinarily this section should be part of the legislation providing for the functions and authority of the State executive agency charged with the administration of the State's program for the care and treatment of delinquency. It should be included in the court statute if not provided elsewhere. It has been recognized for some time that if children are to be kept out of jail, a statewide system of detention and shelter care must be developed. Most local jurisdictions will find it impossible from an economic or program standpoint to build and operate their own detention home.[24]

Also the administration of such a program is not appropriate to the judicial role. There is no more logic for a family or juvenile court judge to be administratively responsible for the operation of a detention or shelter care program than for a criminal court judge to be administratively responsible for the operation of jails or other correctional institutions for adults.

SECTION 20. CRITERIA FOR DETAINING CHILDREN

(a) Unless ordered by the court pursuant to the provisions of this Act, a child taken into custody shall not be placed or retained in detention or shelter care prior to the court's disposition unless detention or shelter care is required:

(1) to protect the person or property of others or of the child; or

(2) because he has no parent, guardian, custodian, or other person able to provide supervision and care for him; or

(3) to secure his presence at the next hearing.

(b) The criteria for detention or placement in shelter care in subsection (a) shall govern the decision of all persons responsible for determining whether detention of shelter care is warranted prior to the court's disposition.

Comment

This section is new and somewhat similar to the one in the Uniform Act. It is designed to reduce the number of children in detention by the establishment of specific criteria for use by law enforcement officers and probation personnel. If it cannot be shown that a child's situation falls within the criteria established, he should be released.

SECTION 21. RELEASE OR DELIVERY TO COURT

(a) A person taking a child into custody shall, with all reasonable speed:

(1) release the child to his parents, guardian, or custodian and issue verbal counsel or warning as may be appropriate;

(2) release the child to his parents, guardian, or custodian upon their promise to bring the child before the court when requested by the court, unless his placement in detention or shelter care appears required as provided in Section 20; or

(3) bring the child to the intake office of probation services or deliver the child to a place of detention or shelter care designated by the court or to a medical facility if the child is believed to be suffering from a serious physical condition or illness which requires either prompt treatment or prompt diagnosis for evidentiary purposes, and promptly give written notice thereof, together with a statement of the reason for taking the child into custody, to a parent, guardian, or other custodian and to the court.

Any questioning of the child necessary to comply with subsection (a)(2) shall conform to the place, procedures and conditions prescribed by this Act and rules of court pursuant thereto.

(b) When a child is delivered to the intake office of probation services or to a place of detention or shelter care designated by the court, an intake officer of probation services shall, prior to admitting the child for care, review the need for detention or shelter care and shall release the child unless detention or shelter care is required under Section 20 or has been ordered by the court pursuant to Section 15.

(c) If a parent, guardian, or other custodian fails, when requested, to bring the child before the court as provided in subsection (a)(2), the court may issue its warrant directing that the child be taken into custody and brought before the court.

Comment

This section is similar to the one in the Uniform Act. It provides that a child whose situation falls within the provisions of Section 20 shall be brought to the intake office of probation services or delivered to a place of detention or shelter care designated by the court. Some questioning of the child is obviously necessary to determine whether the criteria set forth in Section 20 exist. This inquiry shall conform to the place, procedures and conditions prescribed by the Act and Rules of Court. It also requires that the intake office of probation services review the need for detention or shelter care *prior* to admitting the child for care.

SECTION 22. PLACE OF DETENTION OR SHELTER

(a) A child alleged to be delinquent or in need of supervision may be detained, pending court hearing, in the following places:

(1) a licensed foster home or a home otherwise authorized by law to provide such care;

(2) a facility operated by a licensed child welfare agency;

(3) a detention home for children alleged

Footnotes at end of article.

to be delinquent or in need of supervision provided for in Section 19; or

(4) any other suitable place designated by the court subject to the provisions of Section 19 of this Act, provided that no place of detention or shelter care may be designated if it is a facility to which children adjudicated delinquent or in need of supervision may be committed under this Act.

(b) A child may be detained in a jail or other facility for the detention of adults only if the facility in subsection (a) (3) is unavailable; the detention is in a room separate and removed from those adults; adequate supervision is provided; the facility is approved under the provisions of Section 19; and the court finds that public safety and protection reasonably require such detention. The use of a jail or other facility for the detention of adults may not continue beyond (   ).[35]

(c) The official in charge of a jail or other facility for the detention of adult offenders or persons charged with crime shall inform the court immediately when a child, who is or appears to be under the age of 16 years, is received at the facility, and shall deliver him to the court upon request, or transfer him to a detention facility designated by the court.

(d) When a case is transferred to another court for criminal prosecution, the child shall be transferred to the appropriate officer or detention facility in accordance with the law governing the detention of such person charged with crime.

(e) A child alleged to be neglected may be detained or placed in facilities for shelter care enumerated in subsections (a)(1), (a) (2), and (a)(4), and shall not be detained in a jail or other facility intended or used for the detention of adults charged with criminal offenses or for children alleged to be delinquent.

Comment

This section places protections around the use of detention and prohibits jail detention of any kind where a detention home for children is available. It also prohibits the placing of neglected children in a facility with delinquent children or children in need of supervision or in detention facilities for adults. It also prohibits the detaining of delinquent children in institutions for the long-time treatment of children adjudicated to be delinquent. In order to expedite the development of a statewide program, the use of a jail or other facility for the detention of adults should be prohibited after a certain date timed so as to give the State agency sufficient time to establish appropriate facilities.

SECTION 23. RELEASE FROM DETENTION OR SHELTER CARE—HEARING—CONDITIONS OF RELEASE

(a) When a child is not released as provided in Section 21:

(1) a petition shall be filed within 24 hours, excluding Sundays and legal holidays; and

(2) a detention or shelter care hearing shall be held within 24 hours (excluding Sundays and legal holidays) from the time of filing the petition to determine whether continued detention or shelter care is required pursuant to Section 20.

(b) Notice of the detention or shelter care hearing, either oral or written, stating the time, place, and purpose of the hearing shall be given to the parent, guardian, or custodian if they can be found and to the child if delinquency or need of supervision is alleged.

(c) At the commencement of the detention or shelter care hearing, the judge shall advise the parties of the right to counsel provided in Section 25, and shall appoint counsel as required. The parties shall be informed of the child's right to remain silent with respect to any allegation of delinquency or need of supervision. They shall also be informed of the contents of the petition, and shall be given an opportunity to admit or deny the petition's allegations.

(d) When the judge finds that a child's full-time detention or shelter care is not required, the court shall order his release, and in so doing, may impose one or more of the following conditions singly or in combination:

(1) place the child in the custody of a parent, guardian, or custodian under their supervision, or under the supervision of an organization agreeing to supervise him;

(2) place restrictions on the child's travel, association, or place of abode during the period of his release; or

(3) impose any other condition deemed reasonably necessary and consistent with the criteria for detaining children specified in Section 20, including a condition requiring that the child return to custody as required.

(e) An order releasing a child on any conditions specified in this section may at any time be amended to impose additional or different conditions of release or to return the child to custody for failure to conform to the conditions originally imposed.

(f) All relevant and material evidence helpful in determining the need for detention or shelter care may be admitted by the court even though not competent in a hearing on the petition.

(g) If the child is not released and a parent, guardian or other custodian has not been notified and did not appear or waive appearance at the hearing, upon his filing his affidavit stating these facts, the court shall rehear the matter without unnecessary delay.

Comment

This section differs significantly from both the Uniform Act and the Standard Act. It provides that if a child is not released, a petition shall be signed within 24 hours, excluding Sundays and holidays. This provision is based on the theory that if the situation is serious enough to detain the child, it will generally be found serious enough to require the signing of a petition. Whether the petition will actually be filed will be subject to final approval by the appropriate prosecuting official's office.

This section also requires a hearing on detention or shelter care be held forthwith upon the filing of the petition. If the child's situation does not fall within the criteria provided for in Section 20, he must be released; however, the court may impose one or more of several conditions at the time of release.

SECTION 24. SUBPENA

Upon application of a party, the clerk of the court shall issue, and the court on its own motion may issue, subpoenas requiring attendance and testimony of witnesses and production of records, documents or other tangible objects at any hearing.

SECTION 25. RIGHT TO COUNSEL

(a) In delinquency and in need of supervision cases, a child and his parents, guardian, or custodian shall be advised by the court or its representative that the child shall be represented by counsel at all stages of the proceedings. If counsel is not retained for the child, or if it does not appear that counsel will be retained, counsel shall be appointed for the child.

(b) In neglect cases, the parents, guardian, or custodian shall be informed of their right to be represented by counsel and, upon request, counsel shall be appointed where the parties are unable, for financial reasons, to retain their own, or where, in the court's discretion, appointment of counsel is required in the interests of justice.

Comment

This section provides for a non-waiverable right to counsel in delinquency cases and in need of supervision cases. In order to expedite the administration of juvenile justice, it will be necessary to have counsel readily available. It is believed that the public defender system and the law guardian system as now operating in New York State are probably the most effective means of accomplishing this goal. In neglect cases, the State's attorney, by representing the State, which has a duty to protect the child, would also be representing the child. The court may also appoint a guardian or a guardian ad litem for the child under Section 41.

SECTION 26. ADMISSIBILITY OF CHILD'S PRELIMINARY STATEMENTS

Unless advised by counsel, the statements of a child made while in custody to police or law enforcement officers or made to the (   )[36] or probation officer during the processing of the case, including statements made during a preliminary inquiry, predisposition study or consent degree, shall not be used against the child prior to a determination of the petition's allegations in a delinquency or need of supervision case or in a criminal proceeding prior to conviction.

Comment

This section is new. It goes beyond the *Miranda* decision in the sense that it does not permit a child to waive counsel and then make statements which could later be used against him. The section therefore is consistent theoretically with the non-waiverable right to counsel position adopted for family court hearings of delinquency and need of supervision cases. Statement made while a child is not in custody (e.g., "threshold admissions") are not excluded. This section, of course, does not preclude a child and his counsel from entering into express agreements with court officials or others that statements of a child shall not later be used against him.

SECTION 27. PROHIBITION AGAINST DOUBLE JEOPARDY

Criminal proceedings and other juvenile proceedings based upon the offense alleged in the petition or an offense based upon the same conduct is barred where the court has begun taking evidence or where the court has accepted a child's plea of guilty to the petition.

Comment

This section is new. It embodies traditional constitutional law concepts as to the time when jeopardy attaches. It is aimed at ensuring that no child will be prosecuted first as a juvenile and then later as an adult or in two juvenile court hearings for the same offense.

SECTION 28. OTHER BASIC RIGHTS

A child charged with a delinquent act or alleged to be in need of supervision shall be accorded the privilege against self-incrimination. An extrajudicial statement which would be constitutionally inadmissible in a criminal proceeding shall not be received in evidence over objection. Evidence illegally seized or obtained shall not be received in evidence over objection to establish the allegations against him. An extra-judicial admission or confession made by the child out of court is insufficient to support a finding that the child committed the acts alleged in the petition unless it is corroborated by other evidence.

Comment

This section, along with Sections 25, 26, and 27, establish rights for the child, some of which are required by recent decisions and some of which can reasonably be expected to be required in the future. It is likely that the courts will provide a child with at least the same degree of protection they provide an adult, if not more.

SECTION 29. CONDUCT OF HEARING

(a) Hearings under this Act shall be conducted by the court without a jury and separate from other proceedings not included in Section 7(a)(1).

Footnotes at end of article.

(b) The proceedings shall be recorded by stenographic notes or by electronic, mechanical or other appropriate means. If not so recorded, full minutes of the proceedings shall be kept by the court.

(c) Except in hearings to declare a person in contempt of court, the general public shall be excluded from hearings under Section 7 (a)(1) and only the parties, their counsel, witnesses and other persons requested by a party shall be admitted. Such other persons as the court finds to have a proper interest in the case or in the work of the court, including members of the bar and press, may be admitted by the court on condition that such persons refrain from divulging any information which would identify the child or family involved. If the court finds that it is in the best interest of the child, his presence may be temporarily excluded from the hearings except while allegations of delinquency or need of supervision are being heard.

Comment

This section requires that the proceedings be recorded or that full minutes of the proceedings be kept by the court. It also provides for privacy of hearing. In addition to the parties, counsel, and witnesses, it gives the court discretion in certain situations to admit other persons to the hearing.

SECTION 30. PREDISPOSITION STUDY AND REPORT

(a) After a petition has been filed pursuant to Section 7(a)(1), the court shall direct that a predisposition study and report to the court be made in writing by a probation officer or another agency authorized by law, concerning the child, his family, his environment, and other matters relevant to the need for treatment or disposition of the case. The study and report shall not be made prior to a finding with respect to the allegations in the petition unless a notice of inteut to admit the allegations is filed, and the party consents thereto.

(b) Where there are indications that the child may be mentally ill or mentally retarded, the court, on motion by the ( )[27] or that of counsel for the child, may order the child to be examined at a suitable place by a physician, psychiatrist, or psychologist prior to a hearing on the merits of the petition. Such examinations made prior to hearing or as part of the study provided for in subsection (a) of this section shall be conducted on an outpatient basis unless the court finds that placement in a hospital or other appropriate facility is necessary.

(c) The court, after hearing, may order examination by a physician, surgeon, psychiatrist, or phychologist of a patrent or custodian who gives his consent and whose ability to care for or supervise a child before the court is at issue.

Comment

This section differs considerably from the Uniform Act and the Standard Act. It requires a predisposition study in every case. This is considered an extremely important requirement necessary for reaching a disposition which will take into consideration the interests of the child and the community.

It prohibits such study, however, prior to a finding on the allegations in the petition unless a notice to admit the allegations is filed and the party consents to the study.

It also permits the court on its own motion or that of counsel for the child to require examinations of the child where there are indications that the child may be mentally ill or mentally retarded.

SECTION 31. TRANSFER TO CRIMINAL COURT

(a) The ( )[28] may, within 5 days of the date a delinquency petition has been filed and before a hearing on the petition on its merits, and following consultation with probation services, file a motion requesting the court to transfer the child for criminal prosecution if:

(1) the child was 16 or more years of age at the time of the conduct charged, and is alleged to have committed an act which would constitute a felony if committed by an adult; or

(2) the child is 16 or more years of age and is already under commitment to an agency or institution as a delihquent; or

(3) a minor 18 years of age or older is alleged to have committed the delinquent act prior to having become 18 years of age.

(b) Following the filing of the motion of the ( ),[29] summonses shall be issued and served in conformity with the provision of Sections 15 and 16. A copy of the motion and a copy of the delinquency petition, if not already served, shall be attached to each summons.

(c) The court shall conduct a hearing on all such motions for the purpose of determining whether there are reasonable prospects of rehabilitating the child prior to his majority. If the court finds that there are not reasonable prospects for rehabilitating the child prior to his majority and there are no reasonable grounds to believe he is commitable to an institution or agency for the mentally retarded or mentally ill, it shall order the case transferred for criminal proecution.

(d) When there are grounds to believe that the child is committable to an institution or agency for the mentally retarded or mentally ill, the court shall proceed as provided in Section 40(b).

(e) Evidence of the following factors shall be considered in determining whether there are reasonable prospects for rehabilitating a child prior to his majority:

(1) the nature of the present offense and the extent and nature of the child's prior delinquency record:

(2) the nature of past treatment efforts and the nature of the child's response to past treatment efforts; and

(3) the techniques, facilities and personnel available to the court for rehabilitation.

(f) to a hearing on the motion by the ( ),[30] a study and report to the court, in writing, relevant to the factors in subsection (e)(1), (2), and (3) shall be made by the probation services or a qualified agency designated by the court.

(g) When a child is transferred for criminal prosecution, the court shall set forth in writing its reasons for finding that there are no reasonable prospects for rehabilitating a child prior to his majority.

(h) Transfer of a child 16 years of age or older for criminal prosecution terminates the jurisdiction of the family court over the child with respect to any subsequent delinquent acts.

(i) A judge who conducts a hearing pursuant to this section shall not, over the objection of the child whose prospects for rehabilitation were at issue, participate in any subsequent proceedings relating to the offense.

Comment

This section differs considerably from both the Uniform Act and the Standard Act. It permits waiver of a child 16 years or older who has committed an offense which would be a felony if committed by an adult. It also permits waiver for any offense in the case of a child 16 years of age or older who is under commitment to an agency as a delinquent, or a minor 18 years of age or older who had committed a delinquent act prior to becoming 18 years of age. Where there are reasonable grounds to believe that a child is mentally retarded or mentally ill, waiver is prohibited preceding a finding as to either disability. When a child is found to be committable as a mentally ill or mentally retarded child, no transfer is permitted.

The criterion for waiver is whether there are reasonable prospects for rehabilitating the child prior to his majority. It also spells out the factors to be considered in establishing this criterion. It requires a study of the factors relevant to waiver and a written statement of the findings of the court. These requirements are considered necessary in the light of the Kent case (see Kent v. United States, 383 U.S. 541, 565, 1966).

The request for waiver is initiated by motion filed by the appropriate prosecuting official after consultation with probation services. The motion must be filed within 5 days of the date the delinquency petition was filed.

SECTION 32. HEARING—FINDINGS—DISMISSAL

(a) The parties shall be advised of their rights under law in their first appearance at intake and before the court. They shall be informed of the specific allegations in the petition and given an opportunity to admit or deny such allegations.

(b) If the allegations are denied, the court shall proceed to hear evidence on the petition. The court shall record its findings on whether or not the child is a neglected child or if the petition alleges delinquency or need of supervision, as to whether or not the acts ascribed to the child were committed by him. If the court finds that the allegations in the petition have not been established, it shall dismiss the petition and order the child discharged from any detention or temporary care theretofore ordered in the proceedings.

(c) If the court finds on the basis of a valid admission or a finding on proof beyond a reasonable doubt, based upon competent, material, and relevant evidence, that a child committed the acts by reason of which he is alleged to be delinquent, or in need of supervision, it may, in the absence of objection, proceed immediately to hear evidence as to whether the child is in need of care or rehabilitation and to file its findings thereon. In the absence of evidence to the contrary, evidence of the commission of an act which constitutes a felony is sufficient to sustain a finding that the child is in need of care or rehabilitation. If the court finds that the child is not in need of care or rehabilitation, it shall dismiss the proceedings and discharge the child from any detention or other temporary care theretofore ordered.

(d) If the court finds from clear and convincing evidence, competent, material, and relevant in nature, that the child is neglected; or from clear and convincing evidence, relevant and material in nature, that the child is in need of care or rehabilitation as a delinquent child, or child in need of supervision, the court may proceed immediately or at a postponed hearing to make proper disposition of the case.

(e) In disposition hearings all relevant and material evidence helpful in determining the questions presented, including oral and written reports, may be received by the court and may be relied upon to the extent of its probative value, even though not competent in a hearing on the petition. The parties or their counsel shall be afforded an opportunity to examine and controvert written reports so received and to cross-examine individuals making reports when reasonably available, but sources of confidential information need not be disclosed.

(f) On its motion or that of a party, the court may continue the hearings under this section for a reasonable period to receive reports and other evidence bearing on the disposition or need for care or rehabilitation. In this event, the court shall make an appropriate order for detention or temporary care of the child or his release from detention or temporary care subject to supervision of

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Footnotes at end of article.

the court during the period of the continuance.

Comment

This section is somewhat similar to that in the Uniform Act. It does not require any specific number of hearings. It does provide for the procedures as well as the findings which must be made. In this way, flexibility is provided. In one type of situation, the case may be disposed of at a single hearing. This is even possible at a detention hearing. In another case, several hearings may be necessary. It should also be noted that in making a finding as to the allegations in the petition in a delinquency or in need of supervision case, proof beyond a reasonable doubt is required. A finding, however, that a child is neglected or that he is in need of care or rehabilitation as a delinquent child or as a child in need of supervision shall be based on clear and convincing evidence. The section further provides that all information including oral and written reports submitted in the determination that the child is in need of care or rehabilitation shall be available to the parties and their counsel.

SECTION 33. CONTINUANCE UNDER SUPERVISION WITHOUT ADJUDICATION—CONSENT DECREE

(a) At any time after the filing of a delinquency or need of supervision petition and before the entry of an adjudication order, the court may, on motion of the( )[30] or that of counsel for the child, suspend the proceedings, and continue the child under supervision in his own home, under terms and conditions negotiated with probation services and agreed to by all parties affected. The court's order continuing the child under supervision shall be known as a consent decree.

(b) Where the child objects to a consent decree, the court shall proceed to findings, adjudication and disposition. Where the child does not object, but an objection is made by the ( )[30] after consultation with probation services, the court shall, after considering the objections and reasons therefor, proceed to determine whether it is appropriate to enter a consent decree.

(c) A consent decree shall remain in force for 6 months unless the child is discharged sooner by probation services. Upon application of probation services or other agency supervising the child, made before expiration of the 6-month period, a consent decree may be extended by the court for an additional 6 months.

(d) If prior to discharge by the probation services or expiration of the consent decree, a new delinquency or in need of supervision petition is filed against the child, or the child otherwise fails to fulfill express terms and conditions of the decree, the petition under which the child was continued under supervision may, in the discretion of the ( )[30] following consultation with probation services, be reinstated and the child held accountable just as if the consent decree had never been entered.

(e) A child who is discharged by the probation services, or who completes a period of continuance under supervision without reinstatement of the original delinquency or need of supervision petition, shall not again be proceeded against in any court for the same offense alleged in the petition or an offense based upon the same conduct.

(f) A judge who, pursuant to this section, elicits or examines information or material about a child which would be inadmissible in a hearing on the allegations in the petition shall not, over the objection of the child, participate in any subsequent proceedings on the delinquency or in need of supervision petition if:

(1) a consent decree is denied and the allegations in the petition remain to be decided in a hearing where the child denies his guilt; or

(2) a consent decree is granted but the delinquency or in need of superivsion petition is subsequently reinstated under subsection (d).

Comment

This section is new and is patterned after the recommendation of the President's Commission on Law Enforcement and Administration of Justice in its report, *The Challenge of Crime in a Free Society* (1967). It permits the court on its own motion or on the motion of the party to suspend the proceedings and continue the child under supervision in his own home at any time before the entry of a finding with respect to the allegations in the petition. This will not only expedite the administration of justice but also can eliminate the need of a finding of delinquency or in need of supervision, which may cause problems for the child later in life. A number of provisions included are designed not only to protect the child but also to protect the public. This section, coupled with the recommended development of youth bureaus by the President's Commission on Law Enforcement and Administration of Justice, should eliminate the necessity of the court carrying cases on an informal or unofficial basis. In fact, no informal counseling or unofficial handling on an extended basis is provided for under this Act.

SECTION 34. DISPOSITION OF NEGLECTED CHILD—DELINQUENT CHILD—CHILD IN NEED OF SUPERVISION

(a) If a child is found to be neglected, the court may make any of the following orders of disposition to protect the welfare of the child:

(1) permit the child to remain with his parents, guardian, or other custodian, subject to such conditions and limitations as the court may prescribe;

(2) place the child under protective supervision;

(3) transfer legal custody to any of the following—

(A) a State or local public agency responsible for the care of neglected children,

(B) a child-placing agency or other private organization or facility willing and able to assume the education, care, and maintenance of the child at no expense to the public, and which is licensed or otherwise authorized by law to receive and provide care for such child,

(C) a relative or other individual who, after study by the probation services or other agency designated by the court, is found by the court to be qualified to receive and care for the child.

(b) Unless a child found neglected shall also be found to be delinquent, he shall not be committed to or confined in an institution established for the care and rehabilitation of delinquent children.

(c) If a child is found to be a delinquent or in need of supervision, the court may make any of the following orders of disposition for his supervision, care, and rehabilitation:

(1) any order which is authorized by subsection (a) of this section for the disposition of a neglected child;

(2) transfer legal custody to a State or local public agency responsible for the care of delinquent children;

(3) place the child on probation under such conditions and limitations as the court may prescribe.

(d) No delinquent child by virtue of such adjudication shall be committed or transferred to a penal institution or other facility used for the execution or sentences of persons convicted of a crime.

(e) No child found to be in need of supervision, unless also found to be delinquent, shall be committed to or placed in an institution or facility established for the care and rehabilitation of delinquent children unless such child is again alleged to be a child in need of supervision and the court, after hearing, so finds.

(f) Whenever the court vests legal custody in an agency, institution or department, it shall transmit with the order copies of the clinical reports, predisposition study, and other information it has pertinent to the care and treatment of the child.

Comment

This section provides for differential disposition of neglected children, delinquent children, and children in need of supervision. The commitment or placement of a neglected child in an institution for delinquent children is prohibited. It also prohibits the commitment or transfer of a delinquent child to a penal institution or other facility for the execution of sentences of persons convicted of a crime.

A child who is found to be in need of supervision cannot be committed to or placed in an institution for delinquent children unless the child is again alleged to be in need of supervision and, after hearing, the court so finds.

SECTION 35. ORDER OF ADJUDICATION, NONCRIMINAL

An order of disposition or other adjudication in proceedings under this Act shall not be deemed a conviction of crime or impose any civil disabilities ordinarily resulting from a conviction or operate to disqualify the child in any civil service application or appointment.

The disposition of a child and evidence given in a hearing in the family court shall not be admissible as evidence against him in any case or proceeding in any other court whether before or after reaching majority except in sentencing proceedings after conviction of a felony for the purposes of a presentence study and report.

SECTION 36. SERVICE BY PUBLICATION—INTERLOCUTORY ORDER OF DISPOSITION

(a) If service of summons upon a party is made by publication, the court may conduct a provisional hearing upon the allegations of the petition and enter an interlocutory order of disposition if:

(1) the petition alleges delinquency, in need of supervision, or neglect of the child;

(2) the summons served upon any party

(A) states that prior to the final hearing on the petition designated in the summons a provisional hearing thereon will be held at a specified time and place,

(B) requires the party served to appear and answer the allegations of the petition at such hearing.

(C) states further that findings of fact and orders of disposition made pursuant to the provisional hearing will become final at the final hearing unless the party served by publication appears at the final hearing, and

(D) otherwise conforms to the provisions of Section 15, and

(3) the child is personally before the court at the provisional hearing on petitions alleging delinquency and in need of supervision. The court may waive the presence of the child in neglect cases.

(b) All provisions of this Act applicable to a hearing on a petition and to orders of disposition and to other proceedings dependent thereon shall apply to proceedings under this section, but findings of fact and orders of disposition shall have only interlocutory effect pending the final hearing on the petition and the rights and duties of the party served by publication shall not be affected except as provided in subsection (c).

(c) If the party served by publication fails to appear at the final hearing on the petition, the findings of fact and interlocutory orders made shall become final without further evidence and shall be governed by the provisions of this Act as if made at the final hearing. If such party appears at the final hear-

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Footnotes at end of article.

ing, such findings and orders shall be vacated and disregarded and the hearing shall proceed upon the allegations of the petition as otherwise provided by this Act without regard to this section.

Comment

This section is similar to the provision in the Uniform Act. It is included to permit the court in cases where summons is made by publication to proceed with the case and to take the necessary action with respect to the child. In the large majority of such cases, the party so served will not appear.

SECTION 37. LIMITATION OF TIME ON DISPOSITIONAL ORDERS

(a)

(1) An order vesting legal custody of a child in a department, agency, or institution shall remain in force for an indeterminate period not exceeding 1 year from the date entered, provided, however, that the child shall be released within the 1-year period by the department, institution, or agency when it appears that the purpose of the order has been achieved.

(2) An order vesting legal custody of a child in an individual shall remain in force for 1 year from the date entered unless sooner terminated by court order.

(3) An order of probation or protective supervision shall remain in force for an indeterminate period not exceeding 1 year from the date entered, provided, however, such probation or supervision shall be terminated within the 1-year period by probation services or agency providing the supervision where it appears that the purpose of the order has been achieved.

(b)

(1) Prior to the expiration of an order transferring legal custody, the court may extend the order for an additional period of 1 year if it finds after a hearing, pursuant to Section 38, that the extension is necessary to safeguard the welfare of the child or the public interest.

(2) Prior to the expiration of an order of probation or protective supervision, the court may extend it for an additional period of 1 year after a hearing pursuant to Section 38 if it finds that the extension is necessary to protect the community or to safeguard the welfare of the child.

(c) When a child reaches 21 years of age, all orders affecting him then in force terminate.

(d) A release or termination, and the reasons therefor, made under subsections (a) (1) and (a)(3) of this section shall be promptly reported to the court in writing.

Comment

This section is new. It is designed as a protection for the child and a check on agencies which may be providing care and service. It should prevent children from becoming "lost" in a program and will stimulate continuous planning and work by the agency during the period of commitment, which may be renewed periodically during minority. It requires the agency to release the child or terminate probation when it appears that the purposes of such orders have been achieved. When such action is taken, a report of the action and the reasons therefor shall be promptly reported to the court in writing.

SECTION 38. MODIFICATION—TERMINATION OR EXTENSION OF COURT ORDERS

(a) At any time prior to expiration, an order vesting legal custody or an order of protective supervision made by the court in the case of a child may be modified, revoked, or extended on motion by:

(1) a child, whose legal custody has been transferred to an institution, agency, or person, requesting the court for a modification or termination of the order alleging that he is no longer in need of commitment and the institution, agency, or person has denied application for release of the child or has failed to act upon the application within a reasonable time; or

(2) an institution, agency, or person vested with legal custody or responsibility for protective supervision requesting the court for an extension of the order on the grounds that such action is necessary to safeguard the welfare of the child or the public interest.

(b) The court may dismiss the motions filed under subsection (a) of this section if, after preliminary investigation, it finds that they are without substance. If it is of the opinion that the order should be reviewed, it may, upon due notice to all necessary parties as prescribed by rules of court, proceed to a hearing in the manner provided for in this Act. It may thereupon terminate the order if it finds the child is no longer in need of care, supervision, or rehabilitation, or it may enter an order extending or modifying the original order if it finds such action necessary to safeguard the child or the public interest.

Comment

In order to protect the child or the community, a means must be provided whereby the disposition of the court may be modified. This section provides the procedure whereby an order may be modified, revoked, or extended.

SECTION 39. PROBATION REVOCATION—DISPOSITION

(a) A child on probation incident to an adjudication as a delinquent or minor in need of supervision who violates a term of his probation may be proceeded against in a probation revocation hearing.

(b) A proceeding to revoke probation shall be commenced by the filing of a petition labeled "Petition to Revoke Probation." Except as otherwise provided, petitions to revoke probation shall be screened, reviewed and prepared in the same manner and shall contain the same information as provided in Sections 13 and 14. The petition shall recite the date that the child was placed on probation and shall state the time and manner in which notice of the terms of probation were given.

(c) Probation revocation proceedings shall require clear and convincing evidence. In all other respects, proceedings to revoke probation shall be governed by the procedures, rights and duties applicable to delinquency and in need of supervision cases contained in this Act.

(d) If a child is found to have violated a term of his probation pursuant to a probation revocation hearing, the court may extend the period of probation or make any other order of disposition specified for a child adjudicated delinquent in Section 34.

Comment

This is a new section. It establishes the procedure and provides for disposition in a hearing for probation revocation. It requires the same proceedings to be followed as in any other petition. However, it provides that the determination that a violation of probation has taken place be based on clear and convincing evidence. If the child is found to have violated his probation, the probation period may be extended, or any other disposition specified in Section 34 for a delinquent child may be made.

SECTION 40. DISPOSITION OF MENTALLY ILL OR MENTALLY RETARDED CHILD

(a) If, at a hearing to determine whether a child is neglected or in need of care or rehabilitation, as a delinquent child or person in need of supervision, pursuant to Section 32, the evidence indicates that the child is mentally retarded or mentally ill, the court may order the child detained if required pursuant to Section 20, and shall direct the (   )[31] to initiate proceedings under Section 7(b)(6).

(b) If, at a hearing under subsection (a), the evidence indicates that the child may be suffering from mental retardation or mental illness, the court may commit the child for a period not exceeding 30 days to an appropriate institution or agency for further study and a report on the child's condition. If it appears therefrom that the child is committable under the laws of this State as a mentally retarded or mentally ill person, the court may order the child detained if required pursuant to Section 20, and shall direct the (   )[31] to initiate commitment proceedings under Section 7(b)(6).

(c) In the event the child is committed as a mentally retarded or mentally ill child, the petition alleging delinquency or in need of supervision or neglect shall be promptly dismissed.

Comment

This section is new. It provides for the disposition of children who are found to be mentally ill or mentally retarded. Its effect is to prevent a finding and commitment of such children as neglected, delinquent, or in need of supervision.

SECTION 41. GUARDIAN AD LITEM—GUARDIAN OF THE PERSON

(a) The court, at any stage of a proceeding under this Act, may appoint a guardian ad litem for a child who is a party to the proceeding, if he has no parent or guardian or custodian appearing on his behalf or their interests conflict with those of the child. A party to the proceeding or his employee or representative shall not be so appointed.

(b) The court, in any proceeding under this Act, shall appoint a guardian of the person for a child in any case where it finds that the child does not have a natural or adoptive parent in a position to exercise effective guardianship or a legally appointed guardian of his person. No officer or employee of a State or local public agency, or private agency or institution which is vested with legal custody of a child shall be appointed guardian of the person except when parental rights have been terminated and the agency or institution has been authorized to place the child for adoption.

(c) In any case arising pursuant to Section 7(a)(1), the court may also determine as between parents whether the father or the mother shall have legal custody of the child.

Comment

In addition to authorizing the court to appoint a guardian ad litem, this section requires the court to appoint a guardian of the person if the court finds that the child does not have a natural or adoptive parent in a position to exercise effective guardianship or a legally appointed guardian of his person. This requirement is based on the principle that every child is entitled to always have someone legally responsible for him.

No officer or employee of a State or local agency which has legal custody may be appointed as guardian of the person, except where parental rights have been terminated and the agency authorized to place for adoption. This limitation is included since the merging of legal custody and guardianship of a person in an agency would merge these duties in a single entity, thus depriving the child of a separate and independent advocate in the form of a guardian.[52]

The court also is given the authority to determine legal custody as between the parents in cases of neglect, delinquency, or in need of supervision.

SECTION 42. COURT COSTS AND EXPENSES

(a) The following expenses shall be a charge upon the funds of the (   )[33] upon certification of the same by the court:

Footnotes at end of article.

(1) the costs of medical and other examinations nad treatment of a child ordered by the court;

(2) reasonable compensation for services and related expenses for counsel appointed by the court for the party;

(3) the expenses of service of summons, notices, subpoenas, traveling expenses of witnesses, and other like expenses incurred in the proceedings under this Act; and

(4) reasonable compensation for a guardian ad litem.

(b) If, after due notice to the parents or other persons legally obligated to care for and support the child, and after a hearing, the court finds that they are financially able to pay all or part of the costs and expenses stated in subsections (a)(1) and (a)(2) of this section, the court shall order them to pay the same and may prescribe the manner of payment. Unless otherwise ordered, payment shall be made to the clerk of the ( )[34] for remittance to those to whom compensation is due, or if costs and expenses have been paid by the ( ).[35] to the appropriate officer of the ( ).[35]

SECTION 43. SUPPORT OF COMMITTED CHILD—PURCHASE OF CARE

(a) Whenever legal custody of a child is vested in someone other than his parents, after due notice to the parents or other persons legally obligated to care for and support the child, and after a hearing, the court may order and decree that the parent or other legally obligated person shall pay in such a manner as the court may direct a reasonable sum that will cover in whole or in part the support and treatment of the child after the decree is entered. If the parent or other legally obligated person willfully fails or refuses to pay such sum, the court may proceed against him for contempt, or the order may be filed and shall have the effect of a civil judgment.

(b) When legal custody of a child is vested in the ( )[36] pursuant to Section 34, the ( )[36] may purchase care or service from a nongovernmental agency provided that the agency shall submit periodic reports to the ( )[36] covering the care and treatment the child is receiving and his response to such treatment. These reports shall be made as frequently as the ( )[36] deems necessary and shall be made with respect to every such child at intervals not exceeding 6 months. The agency shall also afford an opportunity for a representative of the ( )[36] to examine or consult with the child as frequently as the ( )[36] deems necessary.

Comment

Subsection (b) of this section gives authority to a State or local public agency which is vested with legal custody to purchase care or service from a nongovernmental agency. Ordinarily this provision would appear in legislation governing the authority of the executive, State, or local department. It should be included in this Act if it does not appear elsewhere in the statutes.

SECTION 44. PROTECTIVE ORDER

In any proceeding commenced under this Act, on application of a party or the court's own motion, the court may make an order restraining the conduct of any party over whom the court has obtained jurisdiction, if:

(1) an order of disposition of a delinquent or neglected child, or child in need of supervision has been made in a proceeding under this Act; and

(2) the court finds that the person's conduct is or may be detrimental or harmful to the child, and will tend to defeat the execution of the order of disposition made; and

(3) due notice of the application or motion and the grounds therefor and an opportunity to be heard thereon have been given to the person against whom the order is directed.

SECTION 45. SOCIAL AND LEGAL RECORDS—INSPECTION

(a) Social, medical and psychological records, including reports of preliminary inquiries, predisposition studies, and supervision records of probationers shall be filed separate from other files and records of the court and shall be open to inspection only by the following:

(1) the judge, probation officers and professional staff of the court;

(2) representatives of a public or private agency, department, or institution providing supervision or having legal custody of the child;

(3) any other person, agency, or institution, by leave of the court, having a legitimate interest in the case or in the work of the court; and

(4) a court and its probation and other professional staff, or an attorney for the defendant for use in considering the sentence to be imposed upon a convicted person who, prior thereto, had been a party to the proceedings in family court.

(b) All or any part of the records enumerated in subsection (a), or information secured from such records, when presented to and used by the judge in court or otherwise in a proceeding under this Act shall also be made available to the parties to the proceedings and their counsel and representatives.

(c) All other court records, including docket, petitions, motions and other papers filed with a case, transcripts of testimony, findings, verdicts, orders and decrees, shall be open to inspection only by those persons and agencies designated in subsections (a) and (b) of this section.

(d) Whoever, except for the purposes permitted and in the manner provided by this section, discloses or makes use of or knowingly permits the use of information concerning a child before the court directly or indirectly derived from the records of the court or acquired in the course of official duties, upon conviction thereof shall be guilty of a misdemeanor.

Comment

This section protects court records from public inspection. Parties and their counsel are entitled to inspection of all legal records as well as social records which are introduced into evidence. The inspection of social records not introduced in evidence is limited to court staff and other agencies or individuals providing care or supervision for the child, or persons having a legitimate interest in the case or the work of the court.

SECTION 46. LAW ENFORCEMENT RECORDS

(a) Law enforcement records and files concerning a child shall be kept separate from the records and files of arrests of adults. Unless a charge of delinquency is transferred for criminal prosecution under Section 31, or the interest of national security requires, or the court otherwise orders in the interest of the child, such records and files shall not be open to public inspection nor their contents disclosed to the public.

(b) Inspection of such records and files is permitted by the following:

(1) a family court having the child currently before it in any proceeding;

(2) the officers of public and nongovernmental institutions or agencies to which the child is currently committed, and those responsible for his supervision after release;

(3) any other person, agency, or institution, by order of the court, having a legitimate interest in the case or in the work of the law enforcement agency;

(4) law enforcement officers of other jurisdictions when necessary for the discharge of their current official duties;

(5) a court in which he is convicted of a criminal offense for the purpose of a presentence report or other dispositional proceedings, or by officials of penal institutions and other penal facilities to which he is committed, or by a parole board in considering his parole or discharge or in exercising supervision over him; and

(6) parent, guardian or other custodian and counsel for the child.

(c) Whoever, except as provided by this section, discloses, receives, or makes use of or knowingly permits the use of information concerning a juvenile known to the police, directly or indirectly derived from police records or files or acquired in the course of official duties, upon conviction thereof shall be guilty of a misdemeanor.

Comment

This section is new and is designed to protect law enforcement records from indiscriminate public inspection. Its provisions in general follow the guidelines in *Police Work with Children* (Children's Bureau Pub. No. 399, 1962).

SECTION 47. CHILDREN'S FINGERPRINTS—PHOTOGRAPHS

(a) Fingerprints of a child 14 or more years of age who is referred to court may be taken and filed by law enforcement officers investigating the commission of a felony. If the court does not find that the child committed the alleged felony, the fingerprint card and all copies of the fingerprints shall be destroyed.

(b) If latent fingerprints are found during the investigation of an offense and a law enforcement officer has reason to believe that they are those of the child in custody, he may fingerprint the child regardless of age or offense for purposes of immediate comparison with the latent fingerprints. If the comparison is negative, the fingerprint card and other copies of the fingerprints taken shall be immediately destroyed. If the comparison is positive and the child is under 14 years of age and referred to court, the fingerprint card and other copies of the fingerprints shall be delivered to the court for disposition. If the child is not referred to court, the prints shall be immediately destroyed.

(c) If the court finds that a child 14 or more years of age has committed a felony, the prints may be retained in a local file or sent to a central State depository provided that they shall be kept separate from those of adults under special security measures limited to inspection for comparison purposes by law enforcement officers or by staff of the depository only in the investigation of a crime.

(d) A child in custody shall not be photographed for criminal identification purposes without the consent of the judge unless the case is transferred for criminal prosecution.

(e) Any person who willfully violates provisions of this section is guilty of a misdemeanor.

Comment

This section is new. In general, it follows the recommendations made in *Police Work with Children* (Children's Bureau Pub. No. No. 399, 1962). It recognizes that fingerprints are valuable in investigating the commission of a criminal act and the police should not be handicapped by unnecessary prohibitions. This section provides for reasonable use of fingerprints and for effective protections against their misuse.

SECTION 48. SEALING OF RECORDS

(a) On motion on the part of a person who has been the subject of a petition filed under Section 7(a)(1) of this subsection or on the court's own motion, the court shall vacate its order and findings and order the sealing of the legal and social files and records of the court, probation services, and of any other agency in the case if it finds that:

(1) 2 years have elapsed since the final discharge of the person from legal custody or

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Footnotes at end of article.

supervision, or 2 years after the entry of any other court order not involving custody or supervision; and

(2) he has not been convicted of a felony or gross misdemeanor involving moral turpitude, or adjudicated delinquent or in need of supervision prior to the filing of the motion, and no proceeding is pending seeking such conviction or adjudication. The motion and the order may include the files and records specified in Section 46.

(b) Reasonable notice of the motion shall be given to:

(1) the ( );[37]

(2) the authority granting the discharge if the final discharge was from an institution, parole, or probation; and

(3) the law enforcement officers, department, and central depository having custody of the files and records if the files and records specified in Section 46 are included in the motion.

(c) Upon the entry of the order, the proceedings in the case shall be treated as if they never occurred, and all index references shall be deleted and the court and law enforcement officers and departments shall reply and the person may reply to any inquiry that no record exists with respect to such person. Copies of the order shall be sent to each agency or official named therein.

Inspection of the files and records included in the order may thereafter be permitted by the court only upon motion by the person who is the subject of such records, and only to those persons named in the motion; provided, however, the court in its discretion may by special order in an individual case permit inspection by or release of information in the records to any clinic, hospital, or agency which has the person under care or treatment or to individuals or agencies engaged in factfinding or research.

(d) Any adjudication of delinquency or in need of supervision or conviction of a crime subsequent to sealing shall have the effect of nullifying the sealing order.

(e) A person who has been the subject of a petition filed under Section 7(a)(1) shall be notified of his rights under subsection (a) at the time of his final discharge.

Comment

This section is new and establishes a procedure for the sealing of court, police, probation, or other agency records when certain conditions have been met. It is somewhat similar to the Uniform Act as well as to the provisions in the Colorado statute.

SECTION 49. CONTINUANCES

Continuances shall be granted by the court only upon a showing of good cause and only for so long as is necessary, taking into account not only the request or consent of the ( )[38] or child, but also the interest of the public in the prompt disposition of cases.

Comment

The foregoing section is based upon Rule 1.3 of the American Bar Association's Minimum Standards for Criminal Justice Relating to Speedy Trial. The inclusion of this provision in the statute would in no way preclude the family court from promulgating court rules on the subject of continuances.

SECTION 50. CONTEMPT POWERS

Subject to the laws relating to the procedures therefor and the limitations thereon, the court may punish a person for contempt of court for disobeying an order of the court or for obstructing or interfering with the proceedings of the court or enforcement of its orders.

SECTION 51. PROCEDURE IN ADULT CASES

In any proceeding arising under Section 10, the court, with consent of the defendant, may make a preliminary investigation and such adjustment as is practicable, without prosecution. The procedure and disposition applicable in the trial of such cases in a criminal court shall be applicable to trial in the family court. The ( )[38] shall prepare and prosecute any case within the purview of Section 10.

Where in his opinion it is necessary to protect the welfare of the persons before the court. the judge, with the consent of the defendant or the parties in interest, may conduct hearings in chambers, and may exclude persons having no direct interest in the case.

SECTION 52. ADDITIONAL REMEDIES NOT PLEADED

When it appears during the course of any hearings or proceeding on delinquency or a person in need of supervision that some finding or remedy other than or in addition to those indicated by the petition or motion appears from the facts to be appropriate, the court may, on motion by the ( ),[39] or that of counsel for the child, amend the petition or motion and, provided all necessary parties consent, proceed to hear and determine forthwith the additional or other issues or findings as though originally properly sought.

SECTION 53. RULES OF COURT

The ( )[40] shall adopt rules of procedure not in conflict with this Act governing proceedings under this Act.

SECTION 54. APPEALS

(a) A party, including the State or a subdivision of the State, may appeal from a final order, judgment or decree of the family court to the ( )[41] by filing written notice of appeal within 30 days, or such further time as the ( )[41] may grant, after entry of the order, judgment or decree. The appeal shall be heard by the ( )[41] upon the files, records, and minutes or transcript of the evidence of the family court. The name of the child shall not appear on the record on appeal.

(b) The appeal does not stay the order, judgment or decree appealed from, but the ( )[41] may otherwise order, on application and hearing consistent with the provisions of this Act, if suitable provision is made for the care and custody of the child. If the order, judgment or decree appealed from grants the custody of the child to, or withholds it from, one or more of the parties to the appeal, the appeal shall be heard at the earliest practicable time. If the ( )[41] does not dismiss the proceedings and discharge the child, it shall affirm or modify the order of the family court and remand the child to the jurisdiction of the court for disposition, not inconsistent with the ( )[41] findings on the appeal.

(c) A child who has filed notice of appeal shall be furnished a transcript of the proceedings or as much of it as is requested upon the filing of a motion stating that he is financially unable to purchase the transcript.

SECTION 55. LAWS REPEALED

All laws and portions of laws relating to juvenile or family courts or any other subject dealt with in this Act, which are in conflict with the provisions of this Act, are hereby repealed. The term "juvenile court" as set forth in any existing State statute shall be deemed to mean the family court created hereby.

SECTION 56. CONSTITUTIONALITY

If any section, subsection, or clause of this Act shall be held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portions of the Act.

APPENDIX

Alternative procedures for processing criminal complaints against adults

Subsections (a) and (b) of Section 10 of this Act give the family court exclusive and original jurisdiction over criminal offenses committed against children by certain minors and adults who have a continuing relationship with the child victim. This jurisdiction is included in order to permit coordination of the sentence in the case of the adult with the disposition of the child who may be before the court.

Section 10 also gives the family court jurisdiction over offenses committed by one spouse against the other. Such conduct as a rule indicates serious interpersonal family problems which also have an adverse effect on other members of the family, particularly children. By giving the family court jurisdiction of these cases, it may be possible to prevent further deterioration in the family relationship through the use of specialized services available to the family court.

Section 51 also permits the court, with the consent of the defendant, to make a preliminary investigation and adjustments, if possible, to obviate the need for criminal prosecution. Any action taken at this point would be purely consensual on the part of the parties. The court would have no way of enforcing any agreement or plan. In order to do this, it would have to resort to criminal prosecution.

There are those who believe that criminal proceedings, by their very nature, are not appropriate to the jurisdiction of the family court. In some cases, there is also the likelihood that such action will aggravate or intensify the problem and lead to complete family breakdown.

Therefore, an alternative is suggested which would permit the court through a civil action to exert its authority in both a preventive and remedial manner. In this way, criminal actions could be kept out of the family court. Coordination of a sentence in an adult case with the disposition of a child would still be possible by giving the criminal division of the highest court of general trial jurisdiction, jurisdiction over such offenses.

If this approach is desired, Section 10 would have to be modified and provision for this new proceeding included in the Act. The following sections, patterned after proposed legislation relating to the District of Columbia, are included for this purpose.

Proceedings Regarding Intra-Family Offenses

Section 1. Intra-family offenses

(a) An intra-family offense is an act punishable as a crime or offense committed:

(1) by one spouse against the other;

(2) by a parent, guardian, or other legal custodian against the child.

(b) A "complainant" or "family member" includes any individual in the relationship described in subsection (a).

Section 2. Complaint of criminal conduct—Election of remedy

(a) Upon the complaint of any person or agency of criminal conduct, threat of criminal conduct, or the arrest of a person charged with criminal conduct, where it appears to the ( )[42] that the conduct involves an intra-family offense, he shall refer the complainant to the intake office of probation services. The intake office shall conduct a preliminary inquiry to determine whether the interests of the person or persons for whose benefit the protection is sought require that a petition for civil protection be filed. The intake office shall make recommendations to the ( )[42] as it deems appropriate.

(b) That ( )[42] after considering the recommendations of the intake office, may:

(1) file a criminal charge based upon the conduct; or

(2) file a petition for civil protection in the family court.

Section 3. Petition—Notice—Temporary order

(a) Upon the filing of a petition for civil protection, the court shall set the matter for hearing, consolidating it, where appropriate, with other matters before the court involving the same persons.

Footnotes at end of article.

(b) The court shall cause summons to be served on the respondent, complainant, and, if appropriate, the family member endangered, or, if a child, the person then having physical custody of the child. A copy of the petition shall be attached to the summons. The court may also cause summons to be served on other members of the family whose presence at the hearing is necessary to the appropriate disposition of the matter.

(c) If, upon the filing of the petition, it appears that the safety or welfare of the family member is immediately endangered by the respondent named in the petition, the court may, ex parte, issue a temporary protection order containing any of the provisions in Section 4(c), of not more than 10 days duration and direct that the order be served along with the notice required by this section.

Section 4. Hearing—evidence—protection order

(a) The ( ) [43] shall represent the State at the hearing.

(b) In a hearing under this section, one spouse shall be a competent and compellable witness against the other and may testify as to confidential communications, notwithstanding the provisions of Section ( ) [44], but testimony compelled over a claim of a privilege conferred by Section ( ) [44] shall be inadmissable in evidence in a criminal trial over the objection of a spouse entitled to claim that privilege.

(c) If, after the hearing on the petition, the court finds that there is good cause to believe the respondent has committed or is threatening an intra-family offense, it may issue one or more of the following orders singly or in combination:

(1) direct the respondent to refrain from the conduct involved and to keep the peace toward the family member;

(2) require the respondent, alone or in conjunction with any other member of the family before the court, to participate in psychiatric or medical treatment or appropriate counseling programs;

(3) direct, where appropriate, that the respondent avoid the presence of the family member endangered;

(4) direct the respondent to perform or refrain from other actions as may be appropriate to the effective resolution of the matter.

(d) In making an order under subsection (c) after a finding on the petition, all evidence helpful in determining the questions presented, including oral and written reports of the social service staff, may be received by the court and may be relied upon to the extent of their probative value even though not competent in a hearing on the petition. The parties or their counsel shall be afforded an opportunity to examine and controvert oral or written reports so received and to cross-examine individuals making such reports when they are reasonably available, but sources of confidential information need not be disclosed.

(e) A protection order issued pursuant to this section shall be effective up to 1 year during which the court may, upon motion of the ( ) [45] or of any party to the original proceeding, extend, rescind or modify the order for good cause shown.

(f) Any final order issued pursuant to this section and any order granting or denying extension, modification, or recission of such order shall be appealable.

(g) Violation of any temporary or permanent order issued under this section shall be punishable as contempt.

FOOTNOTES

[1] See Children's Bureau, Pub. No. 437, *Standards for Juvenile and Family Courts*, 1965 (hereinafter cited as Standards), p.1.

[2] See Standards, pp. 7 and 8.

[3] Insert name of highest court of general trial jurisdiction.

[4] Set forth the sections of State statutes, violations of which are likely to need the specialized handling of the juvenile court, such as, the so-called negligent homicide statute sometimes appearing in traffic codes, driving while drunk or under the influence of narcotics, driving without or during suspension of a driver's license, and the like.

[5] See Standards, p. 16.

[6] Insert name of highest court of general trial jurisdiction.

[7] See Standards, p. 29.

[8] Insert title of chief judge of court of highest general trial jurisdiction.

[9] Insert title of chief judge of court of highest general trial jurisdiction.

[10] Insert appropriate budgetary authority.

[11] Insert appropriate source of funds.

[12] Insert the State agency responsible for the administration of State services for delinquent children.

[13] Developed by the National Council on Crime and Delinquency in cooperation with the National Council of Juvenile Court Judges and the Children's Bureau, 1959 (hereinafter cited as Standard Act).

[14] See Standards, p. 41.

[15] Insert title of appropriate prosecuting official.

[16] Developed in 1968 by the Commissioners on Uniform State Laws, hereinafter cited as Uniform Act.

[17] Insert title of appropriate prosecuting official.

[18] Insert the general service of publication statutes.

[19] Insert appropriate fiscal source.

[20] Insert title of appropriate prosecuting official.

[21] Insert the name of the State administrative agency responsible for the State's program for the control and treatment of delinquency.

[22] Insert the title of the chief judge of the court of highest general trial jurisdiction or other judicial officer or body responsible for the administration of the State judicial system.

[23] Insert the name of the State department responsible for the administration of child welfare services, which may or may not be also responsible for services for delinquent children.

[24] Downey, John J.: State Responsibility for Child Detention Facilities, *Juvenile Court Judges Journal*, Vol. 14, No. 4, Winter, 1964; Downey, John J.: Detention Care in Rural Areas, *Proceedings of The National Conference on Problems of Rural Youth in a Changing Environment;* September 1963; Brewer, Edgar W.: *Detention Planning*, Children's Bureau Pub. 391, 1960, and *Standards and Guides for the Detention of Children and Youth*, National Council on Crime and Delinquency, 1961.

[25] Insert date when this provision is to become effective.

[26] Insert title of appropriate prosecuting official.

[27] Insert title of appropriate prosecuting official.

[28] Insert title of appropriate prosecuting official.

[29] Insert title of appropriate prosecuting official.

[30] Insert title of appropriate prosecuting official.

[31] Insert name of State or local department responsible for welfare services for children and youth, or delinquent children.

[32] See Standards, p. 95.

[33] Insert appropriate political subdivision—county or State.

[34] Highest court of general trial jurisdiction.

[35] Appropriate fiscal authority—county or State.

[36] Insert name of appropriate State or local public agency.

[37] Insert title of appropriate prosecuting official.

[38] Insert title of appropriate prosecuting official.

[39] Insert title of appropriate prosecuting official.

[40] The Supreme Court or the body having rule-making powers within the State.

[41] Insert name of appropriate appellate court.

[42] Insert title of appropriate prosecuting official.

[43] Insert title of appropriate prosecuting official.

[44] Cite appropriate Section of Code governing privilege.

[45] Insert title of appropriate prosecuting official.

APPENDIX D

MORRIS A. KENT, JR., APPELLANT, *v.* UNITED STATES OF AMERICA, APPELLEE, No. 20922

(United States Court of Appeals, District of Columbia Circuit)

Argued Oct. 23, 1968.

Decided July 30, 1968.

Appeal from a decision of the United States District Court for the District of Columbia, Howard F. Corcoran, J., which determined that waiver of juvenile by juvenile court was appropriate and proper. The Court of Appeals, Bazelon, Chief Judge, held, inter alia, that social philosophy underlying District of Columbia Juvenile Court forbad waiver by juvenile court of juvenile afflicted with serious mental illness, since such waiver was not necessary for protection of society and was not conducive to juvenile's rehabilitation.

Reversed.

Burger, Circuit Judge, dissented.

1. Infants ⇨68.

Juvenile court has a substantial degree of discretion in determining whether to retain jurisdiction over a child, but such discretion must be exercised in accordance with the spirit of the District of Columbia Juvenile Court Act. D.C.C.E. § 11–1553.

2. Infants ⇨16.5.

Theory of District of Columbia Juvenile Court Act is rooted in social welfare philosophy rather than the corpus juris. D.C.C.E. § 11–1553.

3. Infants ⇨16.5.

District of Columbia Juvenile Court is theoretically engaged in determining needs of child and of society rather than adjudicating criminal conduct, and the objectives are to provide measures of guidance and rehabilitation for the child and protection for society, not to fix criminal responsibility, guilt and punishment. D.C.C.E. § 11–1553.

4. Infants ⇨16.5.

In District of Columbia Juvenile Court proceedings the state is parens patriae rather than prosecuting attorney and judge.

5. Infants ⇨68.

Waiver provision of District of Columbia Juvenile Court Act is not excluded from the fundamental philosophy of parens patriae which underlies the statute. D.C.C.E. §§ 11–1553, 16–2316.

6. Infants ⇨68.

Social philosophy underlying District of Columbia Juvenile Court Act forbad waiver by juvenile court of juvenile afflicted with serious mental illness, since such waiver was not necessary for protection of society and was not conductive to juvenile's rehabilitation. D.C.C.E. § 11–1553.

Messrs. Myron G. Ehrlich and Samuel A. Stern, Washington, D.C., with whom Mr. David L. Chambers, III, Washington, D.C. (all appointed by this court) was on the brief, for appellant. Mr. Robert A. Warden, Washington, D.C., was also on the brief for appellant.

Mr. Thomas Lumbard, Asst. U.S. atty., with whom Messrs. David Bress, U.S. Atty, Frank Q. Nebeker and Allan M. Palmer, Asst. U.S. Attys., were on the brief, for appellee.

Before Bazelon, Chief Judge, and Burger and McGowan, Circuit Judges.

Bazelon, Chief Judge:

The Supreme Court has recently revolutionized the procedural aspects of juvenile court proceedings.[1] Today we face the more fundamental issue of the substantive role of juvenile courts. In particular we must determine what obligations juvenile authorities, acting as *parens patriae,* have with respect to mentally disturbed adolescents.

I

At the age of sixteen the appellant, Morris Kent, was accused of committing several robberies and rapes. He was waived by the juvenile court and indicted on three counts of housebreaking, three counts of robbery, and two counts of rape. A jury returned a verdict of guilty on the housebreaking and robbery counts and not guilty by reason of insanity on the rape counts. The district court sentenced him to thirty to ninety years, with credit for the time spent in Saint Elizabeths Hospital pursuant to D.C. Code § 24–301(d).[2]

Kent appealed his conviction, contending that the juvenile court had waived him without an adequate hearing. After this court affirmed his conviction, the Supreme Court reversed and directed the district court to hold a full-dress *de novo* hearing to determine whether Kent should have been waived in 1961.[3]

At the remand hearing, the district court, sitting as a juvenile court, found that the 1961 waiver was "appropriate and proper." We conclude that, due to inaccuracies in several of the district court's findings, its decision cannot be sustained. We conclude further that, in view of the district court's finding that Kent was suffering from a serious mental illness, waiver was inappropriate.

II

Many of the findings below are incontestable. Morris Kent had "engaged in extensive criminal activity characterized by aggressiveness and violence" and had not responded satisfactorily to his previous contacts with the juvenile court. He "was suffering from a psychosis known as schizophrenic reaction, chronic undifferentiated type" and "there was reason to believe that a period of time beyond the limits of the juvenile court's jurisdiction was required for reasonable prospects of rehabilitation". Moreover, the juvenile court's long-term confinement facilities could not provide adequate psychiatric treatment for psychotic children.

Because of the obvious inadequacy of the juvenile detention facilities, Kent urged that the juvenile court should have taken steps to civilly commit him to Saint Elizabeths Hospital. The district court found that Kent was indeed civilly committable in 1961. But it determined that "because of the defendant's potential danger to himself and/or others his civil commitment in 1961 was an inappropriate alternative to waiver in the district court." This finding turns civil commitment law on its head. Under D.C. Code § 21–541, a person may be involuntarily committed *only* if "[he] is likely to injure himself or other persons" due to mental illness. Dangerousness does not make civil commitment "inappropriate"; it makes civil commitment appropriate.

In rejecting civil commitment, the court relied on a series of Government-proposed findings to the effect that civil commitment did not provide adequate protection for society. The reliance is misplaced since these findings are based on erroneous assumptions and unwarranted speculations. One finding divined that on civil commitment, Saint Elizabeths Hospital would have committed defendant to a nonsecurity facility from which he could elope, rather than to the maximum security facility, John Howard Pavilion. But the record does not convince us that Saint Elizabeths would be so negligent and incompetent as to knowingly place a person who needed a secure setting in a nonsecure one.[4] Another finding was that a "person who is civilly committed to Saint Elizabeths Hospital may be released by the doctor in charge of the case without any prior court authorization," the implication being that the doctor may act negligently or ignorantly. Pursuing this speculation further, the court found that if the defendant were released before age twenty-one the juvenile court could not have reinstated charges because "as a matter of practice" it would drop charges against a child committed to Saint Elizabeths. There is no support in the record for a determination that Saint Elizabeths' doctors will prematurely recommend release for criminally dangerous psychotics.[5] And if they did release Kent before age twenty-one, the juvenile court could have reinstated charges. The fact that charges had been dropped in a few cases in the past does not mean they had to be dropped in Kent's case.

Since the district court's decision that waiver "was appropriate and proper" was based heavily on these defective findings, the decision must be vacated and set aside.

III

Both the Supreme Court and this court have stated that "[I]t is implicit in [the juvenile court] scheme that noncriminal treatment is to be the rule—and the adult criminal treatment, the exception which must be governed by the particular factors of individual cases." Kent v. United States, 383 U.S. 541, 560, 86 S.Ct. 1045, 1057, 16 L.Ed.2d 84 (1966) quoting with approval Harling v. United States, 111 U.S.App.D.C. 174, 177–178, 295 F.2d 161, 164–165 (1961). We believe that on the facts of this case waiver was inappropriate.[6]

[1–4] It is true that the juvenile court has "a substantial degree of discretion" in determining whether to retain jurisdiction over a child. Kent v. United States, 383 U.S. at 554, 86 S.Ct. 1045, 1954. But this discretion must be exercised in accordance with the spirit of the Juvenile Court Act. As the Supreme Court said in *Kent:*

> "The theory of the District's Juvenile Court Act, like that of other jurisdictions, is rooted in social welfare philosophy rather than in the corpus juris. Its proceedings are designated as civil rather than criminal. The Juvenile Court is theoretically engaged in determining the needs of the child and of society rather than adjudicating criminal conduct. The objectives are to provide measures of guidance and rehabilitation for the child and protection for society, not to fix criminal responsibility, guilt and punishment. The State is *parens patriae* rather than prosecuting attorney."

[5] Congress had made clear that the waiver provision (D.C.Code § 11–1553) is not excluded from this fundamental philosophy of *parens patriae.* D.C.Code § 16–2316 states:

> "Sections 11–1551 to 11–1554 * * * shall be liberally construed so that, with respect to each child coming under the court's jurisdiction: * * * (3) when the child is removed from his own family, the court shall secure for him custody, care, and discipline as nearly as possible equivalent to that which should have been given him by his parents."

Parens patriae requires that the juvenile court do what is best for the child's care and rehabilitation so long as this disposition provides adequate protection for society.[7] In the instant case, no concern was shown for Kent's care and rehabilitation, and mechanisms by which society could be protected were ignored.

The juvenile authorities who waived Kent knew that he was seriously ill and in need of treatment.[8] The Government argues, however, that their decision to waive does not indicate a lack of concern for Kent's care and rehabilitation. It emphasizes that "if a waived juvenile is found not guilty by reason of insanity, the psychiatric facilities of the district court are, of course, at least as adequate as those available to the Juvenile Court. * * *"[9] The argument is, at best, disingenuous. It overlooks the fundamental point that waiver is a judgment that an adult criminal prosecution should be instituted against the juvenile. The purpose of this exercise is to obtain a conviction for which the juvenile may be penalized as an adult. The exercise succeeded when the jury convicted Kent on several counts even though it recognized full well that he was suffering from a serious mental illness.

Treatment of a sick juvenile is not a concern of an adult criminal proceeding. Kent's case bears this out. Before trial the district court sent him to District of Columbia General Hospital and then to Saint Elizabeths Hospital for mental examinations, not treatment. Upon completion of these examinations on April 9, 1962, he spent eleven months in a prison prior to trial without any psychiatric attention.[10]

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[1] In re Gault, 387 U.S. 1, 87 S. Ct. 1428, 18 L. Ed. 2d 527 (1967).

[2] He has been in Saint Elizabeths Hospital ever since trial.

[3] Kent v. United States, 383 U.S. 541, 86 S. Ct. 1045, 16 L. Ed. 2d 84 (1966). The Supreme Court did not consider several substantive issues raised by Kent. In view of our present disposition of the case, we do not consider them either.

[4] Dr. Owens testified that "ordinarily" civilly committed patients are not placed in John Howard unless they have escaped from or caused trouble in other wards. But we cannot assume that persons requiring maximum security in John Howard will not be placed there simply because they were civilly committed or, conversely, that persons not requiring maximum security will be placed in John Howard simply because their commitment arose out of criminal proceedings. If the Hospital is following erroneous practices, the court should expressly reject them, rather than rely on them. We note that there may be many situations in which criminally dangerous persons enter Saint Elizabeths via civil commitment. See, *e.g.,* Cameron v. Mullen, 128 U.S.App.D.C. 235, 387 F.2d 193 (1967); Naples v. United States, 127 U.S.App.D.C. 249, 382 F.2d 465, 466 n. 1 (1967).

[5] We note also that this court has heard numerous D:C.Code § 24–301(d) cases in which Saint Elizabeths' doctors oppose the release of persons whose stay at the Hospital far exceeds the maximum sentence for the offense with which they were charged. See *e. g.,* Ragsdale v. Overholser, 108 U.S.App.D.C. 308, 281 F.2d 943 (1960); Overholser v. O'Beirne, 112 U.S.App.D.C. 267, 302 F.2d 852 (1961).

[6] We view our role here as being similar to that in habeas corpus proceedings. In habeas corpus proceedings, the appellate court can examine the record and, without remanding, reach a conclusion contrary to that reached below. See *e. g.,* United States ex rel. Bloeth v. Denno, 313 F.2d 364 (2d Cir.) cert. denied, 372 U.S. 978, 83 S.Ct. 1112, 10 L.Ed.2d 143 (1963); Bailey v. Henslee, 287 F.2d 936 (8th Cir.) cert. denied, 368 U.S. 877, 82 S.Ct. 121, 7 L.Ed.2d 78 (1961).

[7] The director of social work for the Juvenile Court testified below that "the Juvenile Court is obligated to deal with children who have violated the law and to arrive at a disposition wherever possible, which is in the best interest of the child and not inconsistent with the best interest of the community as a whole. * * *"

[8] The juvenile authorities had received a letter from a respected psychiatrist stating that Kent was "suffering from a severe psychopathological state. * * *" The judge who waived Kent noted that he "needs long-term close supervision and perhaps residential psychiatric treatment."

[9] Brief for Appellee, p. 15.

[10] Long delays, especially in capital cases, are virtually inevitable. For this reason, the

To all intents, psychiatric care was withheld from this schizophrenic juvenile for eighteen months from the date of his arrest while he was undergoing the trauma inherent in the incidents of a criminal prosecution. When he finally entered a hospital for treatment, a thirty to ninety year prison sentence loomed over him, undoubtedly impairing his chances of recovery.

It seems clear that the chief reason for waiver was that the juvenile court could retain jurisdiction over Kent for only five years and that he was unlikely to recover within this period. The paradoxical result is that the sicker a juvenile is, the less care he receives from the juvenile court. Since it may not be possible to guarantee that a very sick adolescent will recover by the time he is twenty-one, he will invariably be subjected to all the strains and stresses of a criminal prosecution, with only the hope that the Government will not succeed in its effort and that he may ultimately receive treatment pursuant to D.C. Code § 24–301(d).[11]

Perhaps even this harsh result might be justified if there is no other way to protect society. But it is clear that society can be protected without departing from civilized standards for the prompt and adequate care of disturbed children. The juvenile court can institute civil commitment proceedings against the youngster. If commitment ensues, he will be confined and treated until he is no longer dangerous due to mental illness.[12] If not, the juvenile court will be free to follow its usual procedures.

[6] Since waiver was not necessary for the protection of society and not conducive to Kent's rehabilitation, its exercise in this case violated the social welfare philosophy of the Juvenile Court Act. Of course, this philosophy does not forbid all waivers. We only decide here that it does forbid waiver of a seriously ill juvenile.

IV

Since Morris Kent should not have been waived in 1961, the subsequent criminal proceedings were invalid and must be vacated. This does not mean, however, that he will be released from Saint Elizabeths Hospital. The Government can institute civil commitment proceedings against Kent to ensure that he remains in the Hospital. We think the institution of commitment proceedings is demanded by appellant's long history of serious illness accompanied by sordid behavior. Such proceedings will assure his confinement for treatment for as long as the public safety requires. And to avoid any gap in Kent's confinement, we stay our mandate in this case until the commitment proceedings have been completed, provided they are instituted within thirty days.[13]

We reverse the decision of the district court and direct it to vacate the prior judgment of the district court in accordance with this opinion.

Reversed.

Appendix D

§ 11–1553 Waiver of Jurisdiction in Case of Felony and Transfer of Case

When a child 16 years of age or over is charged with an offense which if committed by a person 18 years of age or over is a felony, or when a child under 18 years of age is charged with an offense which if committed by a person 18 years of age or over is punishable by death or life imprisonment, a judge may, after full investigation, waiver jurisdiction and order the child held for trial under the regular procedure of the court which would have jurisdiction of the offense if committed by a person 18 years of age or over; or the other court may exercise the powers conferred upon the Juvenile Court by this chapter and subchapter I of chapter 23 of Title 16 in conducting and disposing of such cases. (Dec. 23, 1963, 77 Stat. 499, Pub. L. 88–241, § 1, eff. Jan. 1, 1964.)

Appendix E

SEC. 5. Section 11–1104, District of Columbia Code, is amended to read as follows:

"§ 11–1104. Transfer for criminal prosecution

"(a) Within five days after the filing of a delinquency petition and prior to a fact-finding hearing on the petition, the Corporation Counsel, following consultation with the Director of Social Services, may file a motion requesting transfer of the child for criminal prosecution, if:

"(1) the child was fifteen or more years of age at the time of the conduct charged, and is alleged to have committed an act which would constitute a felony if committed by an adult;

"(2) the child is sixteen or more years of age and is already under commitment to an agency or institution as a delinquent child; or

"(3) a minor eighteen years of age or older is alleged to have committed a delinquent act prior to having become eighteen years of age.

"(b) Following the filing of the motion by the Corporation Counsel, summonses shall be issued and served in conformity with the provisions of subchapter I of chapter 23 of title 16.

"(c) When there are grounds to believe the child is mentally retarded or mentally ill, the Division shall stay the proceedings for the purpose of obtaining an examination. After examination, the Division shall proceed to a determination under subsection (d) unless it determines that child is incompetent to participate in the proceedings, in which event it shall order the child committed to a mental hospital pursuant to section 16–2312(c)(2) of this Code or section 927 of the Act of March 3, 1901 (31 Stat. 1340), as amended (D.C. Code, sec. 24–301 (a)).

"(d) Not later than fifteen days after the motion requesting transfer is filed, if the child is not in custody at the time of said filing, or, otherwise, not later than one week after said filing, the Division shall conduct a hearing on the motion for the purpose of determining whether there are reasonable prospects of rehabilitating the child prior to his majority, unless a commitment pursuant to subsection (c) has intervened. If the Division finds that there are not reasonable prospects for rehabilitating the child prior to his majority, it shall transfer the child for criminal prosecution and notify the United States attorney.

"(e) Evidence of the following factors shall be considered in determining whether there are reasonable prospects for rehabilitating a child prior to his majority:

"(1) the child's age;

"(2) the nature of the present offense and the extent and nature of the child's prior delinquency record;

"(3) the child's mental condition;

"(4) the nature of past treatment efforts and the nature of the child's response to past treatment efforts; and

"(5) the techniques, facilities, and personnel for rehabilitation available to the Division and to the court that would have jurisdiction after transfer.

"The rules of evidence at transfer hearings shall be the same as those that govern dispositional proceedings in delinquency cases, as set forth in section 16–2313 of this Code. At a transfer hearing, only the propriety of eventual Family Division disposition shall be considered, and evidence bearing on probable cause or the likelihood that the child committed the act alleged shall not be admitted.

"(f) Prior to a transfer hearing, a study and report, in writing, relevant to the factors in subsection (e), shall be made by the Director of Social Services. This report and all social records that are to be made available to the judge at the transfer hearing shall be made available to counsel for the child and to the Corporation Counsel at least two days prior to the hearing.

"(g) When a child is transferred for criminal prosecution, the presiding judge shall set forth in writing his reasons therefor. These written findings shall be available, upon request, to any court in which the transfer is challenged, but shall not be available to the trier of fact on the criminal charge prior to verdict.

"(h) Transfer of a child for criminal prosecution terminates the jurisdiction of the Family Division over the child with respect to any subsequent delinquent act; except that jurisdiction of the Family Division over the child is restored if the criminal prosecution is terminated other than by a verdict of guilty or not guilty by reason of insanity and if at the time of said termination no indictment or information has been filed for criminal prosecution for an offense alleged to have been committed by the child subsequent to transfer.

"(i) A judge who conducts a hearing pursuant to this section shall not, over the objection of the child whose prospects for rehabilitation were at issue, participate in any subsequent factfinding proceedings relating to the offense."

Transfer for Criminal Prosecution

Section 5 of the bill S. 2981 is designed to render more viable the procedure available in the existing juvenile court, whereby the occasional case which is clearly inappropriate for disposition by the juvenile court may be transferred to the adult criminal division.

The most significant change which section 5 effects is to replace the existing theory underlying transfer (and, with it, the ultimate finding required of the court at the transfer hearing)—that transfer is warranted where criminal prosecution is appropriate—with a similar but more easily determinable theory (and, with it, a more easily determinable ultimate finding for the court to make at the transfer hearing)—that transfer is warranted where juvenile disposition is not appropriate.

The revised theory (and ultimate finding) reflects the fact that there exists a special purpose for juvenile disposition, while the ordinary course in detailing with unlawful conduct is to proceed to criminal trial. Historically and as a matter of continued legislative policy, juvenile disposition has been provided specially, so that children, who might reasonably be "redeemed" before the age of 21 by means of rehabilitative therapy alone, can be spared the harsh anomoly of reasonably complete rehabilitation simultaneous with the stigma of criminal conviction. Historically and as a matter of legislative policy, at least under the pending juvenile code, the residual course, where purpose perforce is less well defined, consists of prosecution in the adult court, the Criminal Division.

For the reasons just described, the change in underlying the theory creates a transfer mechanism weighted, in effect, in favor of criminal prosecution: the finding to be made relates to the appropriateness of juvenile dis-

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present director of social work for the juvenile court testified that he would not recommend waiver if the juvenile had mental problems because "we would consider this a more urgent consideration in the case and attempt to secure the necessary medical care."

[11] If convicted, a person can obtain extensive psychiatric care only if the director of the Department of Corrections transfers him to a mental hospital. See D.C. Code § 24–302.

[12] See D.C. Code §§ 21–546, 548.

[13] See Barry v. Hall, 68 App. D.C. 350, 98 F. 2d 222 (1938).

position and there need be no affirmative showing regarding the appropriateness of the alternate course of transfer to the Criminal Division.

The Senate District Committee has disapproved, however, the further, procedural presumption proposed in S. 2981 as introduced—whereby transfer was mandated (in cases where a motion for transfer has been filed) unless the child were to prove that he ought not to be transferred. The bill as reported by the committee, to the contrary, mandates transfer only where the Government has shown that the child ought to be transferred, that is, where the Government has shown that juvenile disposition would not be appropriate.

In this last regard, the committee has specifically adopted the recommendation of the HEW Guide. The purpose of the amendment is to retain ultimate decisionmaking power in the court as to an inquiry which can only be pursued fairly if the court is allowed to exercise considerable discretion. (It should be recalled that transfer is intended to operate in the unusual case—and not in every case where the child and the offense create eligibility, nor even in every eligible case where the Government has filed the requisite motion.)

It is the committee's objective also to assign the burden of proof to that party which can more easily bear it. The committee has concluded that, as in most cases, supporting evidence will be more easily obtained by the moving party, the party bringing the motion. Similarly, Government Counsel (the Corporation Counsel), the committee has concluded, will ordinarily be more experienced wtih juvenile proceedings and more familiar with the treatment available in the juvenile system.

A further feature of proposed section 11–1104, District of Columbia Code (the transfer provision in section 5 of the pending bill) designed to render the transfer procedure viable consists of the enumeration of factors which must be considered at the transfer hearing. The list (in subsection (e)) is not intended to be exclusive, nor is any particular legislative intent directed to the inferences to be drawn from or weight to be assigned to evidence of the stated factors. Nevertheless, the committee's expectation is that the statutory listing will forestall a substantial amount of litigation which might otherwise arise in the development of guidelines for transfer on a case-by-case basis.

Eligibility for transfer is extended in S. 2981 in two notable respects: a motion may be filed for the transfer of a 15-year-old charged with a felony; and a 16-year-old may be transferred in a case involving a misdemeanor if the offense is committed while the child is under commitment as a delinquent.

It should be noted again that, rather than the statistics with which the District Committee was supplied indicating simply a substantial incidence of serious criminal conduct among 15-year-olds, the committee would have preferred to receive more direct evidence, impunging the 15-year-old's potential for rehabilitation, before being asked to approve the eligibility of certain 15-year-olds for transfer away from the juvenile system. Nevertheless, the committee recognized that eligibility for transfer is substantially less significant of itself under circumstances where there must be a showing in every transfer case (as is required under S. 2981 as reported) that juvenile dispositon is inappropriate.

The eligibility of 16-year-old misdemeanants under delinquency commitment represents a substitute for the elimination of the mechanism for transferring uncontrollable delinquents to an adult facility. (See *Categories of juveniles*, above.) It is anticipated that a motion for transfer will be brought when the misconduct of a delinquent in an institution cannot be handled effectively. It should not matter in such a case whether the misconduct amounts to a felony or a misdemeanor, if the supervisory authorities are moved to complain. There must be some mechanism available for relieving the juvenile institutions of the burden of uncontrollable juveniles; and, as between administrative transfer and fresh adjudication, the Senate District Committee deems the latter preferable.

Lastly, S. 2981 as introduced provided that, upon transfer, jurisdiction of the Family Division terminates with respect to any other delinquent acts—apparently irrevocably, regardless of the nature of the disposition in the Criminal Division, and apparently with regard to both pending and subsequent acts. The Senate District Committee has revised this provision so that (1) Family Division jurisdiction terminates as to any delinquent act committed subsequent to transfer, as is provided in the HEW Guide, with the understanding that, where circumstances warrant, the Family Division can terminate or suspend proceedings with respect to nonsubsequent acts. Also (2) under S. 2981 as reported, except where further criminal charges have been filed on the basis of conduct subsequent to transfer, Family Division jurisdiction over a child who has been waived is restored in the event that he is not convicted of the charge for which he is transferred.

In the opinion of the committee, Family Division jurisdiction must be restored where the basis of transfer has been invalidated. The committee recognized that the ultimate finding, regarding the reasonable prospects of rehabilitation, consists of a prediction as to the nature of the child's social character at the time of disposition. So too, the committee recognized that a great revelance to this prediction is the nature of the misconduct which, at the time of any dispositional hearing, the child will have been found to have committed. Yet, in the committee's opinion, it follows logically—from the fact that the transfer finding amounts to prediction and from the assumption in that prediction that the child has committed the acts alleged—that a child who is found *not* to have committed the acts may well *not* suffer from the lesser prospects of rehabilitation predicted, and ought to be returned to the juvenile system.

The provision, that criminal charges based on misconduct subsequent to transfer bar the restoration of Family Division jurisdiction, simply constitutes a practical tempering of the logic just described. This tempering is justifiable in that the nature of the pending charge is only one of several factors considered at the transfer hearing, and as an accommodation of the demands of administrative ease. Moreover, a juvenile found not guilty by reason of insanity is not restored, first, for the practical reasons just stated, and secondly, because the adult Criminal Division is no less well equipped to dispose fairly of mental health cases.

SUPPLEMENTAL APPROPRIATIONS BILL, 1970—CONFERENCE REPORT

Mr. BYRD of West Virginia. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15209) making supplemental appropriations for the fiscal year ending June 30, 1970, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The assistant legislative clerk read the report.

(For conference report, see House proceedings of December 20, 1969, p. 40459, Congressional Record.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. BYRD of West Virginia. Mr. President, this bill passed the Senate on December 18, 1969, containing recommended appropriations in the amount of $296,877,318. The Senate had considered budget estimates in the amount of $314,597,852. The amount finally agreed to in conference today is $278,281,318. I have before me the complete details on each item in this bill, and should any Member desire to ask me any questions I would be happy to answer them.

One of the most important Senate amendments in this bill relates to the coal mine safety bill, which has just been sent to the President for his consideration. The Senate will recall that we included, under the Bureau of Mines for health and safety in the Senate bill, $15 million and under the Department of Health, Education, and Welfare, we included $10 million for consumer protection and environmental health services—for a total of $25 million relating to this new Coal Mine Safety Act. I am glad to report that in conference we were able to secure a total of $22 million, consisting of $12 million for the Bureau of Mines and $10 million for the Department of Health, Education, and Welfare.

The Senate had included $209,000 in this bill, under the Bureau of Sport Fisheries and Wildlife, for the preservation of the Steamboat *Bertrand* and its cargo at the DeSoto National Wildlife Refuge in Nebraska. Although we were not able to secure the full amount of the Senate bill in conference, we were able to secure approximately one-half—namely $105,000. Under "Construction" in the Bureau of Sport Fisheries and Wildlife, the conferees agreed to $2,300,000, and the managers on the part of the Senate are hopeful that the Bureau will be persuaded to use part of these funds for planning permanent storage and display facilities for the Steamship *Bertrand* and the artifacts found in the vessel.

The conferees also approved a figure of $50,000 for the reconstruction of certain streets in Harpers Ferry, W. Va.

In addition, the conferees approved $1,952,000, which was the amount of the Senate amendment, for the "Construction of Indian health facilities" item, to provide a community hospital in Fairbanks, Alaska. This amount will allow the Indian Health Service to participate so as to assure 18 beds and clinic space for Alaskan natives.

In section 1003 of the bill, the Senate had extended the continuing resolution to January 30, 1970, and the House conferees agreed to the Senate proposal in this regard.

Mr. President, in my view, the most

important amendment in this bill is section 1004, reaffirming the authority delegated to the Comptroller General to determine the legality of expenditure of appropriated funds.

The Senate voiced its will on that particular amendment during four rollcall votes on last Thursday. The House today has rejected the Senate position, and so we come back this evening to receive the instructions of the Senate on this point and on other points.

Mr. President, I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on the adoption of the conference report.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New York will state his parliamentary inquiry.

Mr. JAVITS. If we adopt the conference report, does that leave the question open on what I think is section 1004? Is that an item in disagreement?

The PRESIDING OFFICER. The Chair will examine the bill.

Mr. JAVITS. What is the section which deals with the power of the Comptroller General? I do not have the bill before me.

The PRESIDING OFFICER. The section pertaining to the Comptroller General, amendment No. 33, is a matter that is still in disagreement, and thus will still be open.

Mr. JAVITS. And will be submitted to the Senate after the conference report is agreed to?

The PRESIDING OFFICER. As an amendment in disagreement.

Mr. JAVITS. I thank the Chair.

The PRESIDING OFFICER. The question is on agreeing to the conference report. (Putting the question).

The report was agreed to.

The PRESIDING OFFICER. The clerk will report the amendments in disagreement.

The ASSISTANT LEGISLATIVE CLERK. Resolved, that the House recede from its disagreement to the amendments of the Senate numbered 8, 13, 19, 29, and 32, and concur therein with amendments.

The amendments in disagreement numbered 8, 13, 19, 29, and 32 are as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 8 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert;

"BUREAU OF MINES

"Health and Safety

"For an additional amount for expenses necessary to improve health and safety in the Nation's coal mines, $12,000,000: Provided, That this paragraph shall be effective only upon the enactment into law of S. 2917, 91st Congress."

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 13 to the aforesaid bill, and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert: "$50,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 19 to the aforesaid bill, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert:

"DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

"Consumer protection and environmental health services environmental control

"For expenses necessary to improve health and safety in the Nation's coal mines, $10,000,000: Provided, That this paragraph shall be effective only upon the enactment into law of S. 2917, 91st Congress."

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 29 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the sum named in said amendment, insert: "$4,000,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 32 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert:

"Sec. 1003. Section 102 of the Act of November 14, 1969 (Public Law 91–117), as amended, is further amended by striking "the sine die adjournment of the first session of the Ninety-first Congress" and inserting in lieu thereof, 'January 30, 1970'."

Mr. BYRD of West Virginia. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 8, 13, 19, 29, and 32.

Mr. GRIFFIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GRIFFIN. Do any of those amendments relate to the matter previously inquired about by the Senator from New York?

The PRESIDING OFFICER. No. The question raised by the Senator from New York was on amendment number 33.

Mr. GRIFFIN. I thank the Chair.

The PRESIDING OFFICER. Which will be acted on separately.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia. (Putting the question.)

The motion was agreed to.

Mr. SCOTT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Pennsylvania will state it.

Mr. SCOTT. May I now inquire as to whether the next order of business is amendment numbered 33?

The PRESIDING OFFICER. The Senator is correct.

Mr. SCOTT. Mr. President, it is my intention to move shortly to table the Senate amendment. Am I correct in my interpretation that if the tabling motion succeeds, the Senate language will be stricken from the bill, and, since the House has already disagreed to the Senate language, that will have the effect of eliminating from the report all reference to the so-called Philadelphia plan?

Mr. HRUSKA. Mr. President, a parliamentary inquiry.

Mr. SCOTT. May I have a ruling on mine, first?

The PRESIDING OFFICER. The Chair is taking the parliamentary inquiry of the Senator from Pennsylvania first, if the Senator from Nebraska will bear with the Chair.

If amendment number 33 were tabled, it would have the same effect as a motion to recede, which would take the Senate language out of the bill.

Mr. SCOTT. Mr. President, may I be recognized?

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SCOTT. Now I will be glad to yield to the Senator from Nebraska.

Mr. HRUSKA. Mr. President, reference was made by the Senator from Pennsylvania as to whether that action would result in the complete elimination of any reference to the Philadelphia plan. The Senator from Nebraska would like to be informed where there is reference to the Philadelphia plan in this bill.

The PRESIDING OFFICER. The Chair answers the parliamentary inquiry of the Senator from Nebraska by referring to the question previously raised by the Senator from New York, which referred to amendment numbered 33, which is an amendment in disagreement—without trying to capsulize the amendment.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. SCOTT. Mr. President, may I first read amendment numbered 33, so there will be a clarification of what we are discussing? That section reads:

Section 1004 reads as follows:

SEC. 1004. In view of and in confirmation of the authority invested in the Comptroller General of the United States by the Budget and Accounting Act of 1921, as amended, no part of the funds appropriated or otherwise made available by this or any other Act shall be available to finance, either directly or through any Federal aid or grant, any contract or agreement which the Comptroller General of the United States holds to be in contravention of any Federal statute: *Provided*, That this section shall not be construed as affecting or limiting in any way the jurisdiction or the scope of judicial review of any Federal court in connection with the Budget and Accounting Act of 1921, as amended, or any other Federal law.

I now yield for a parliamentary inquiry.

Mr. DOLE. Mr. President——

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DOLE. First, is a motion to table debatable?

The PRESIDING OFFICER. A motion to table is not debatable.

Mr. DOLE. Second, if the motion to table fails, where are we? We are here tomorrow, in other words?

Mr. SCOTT. And Christmas and New Year's.

The PRESIDING OFFICER. If the motion to table fails, the amendment in disagreement would be before this body.

Mr. JAVITS. And would be debatable.

The PRESIDING OFFICER. And would be debatable.

Mr. SCOTT. And if the motion to table fails, as far as the Chair is able to advise us, we may be here for Christmas or New Year's?

The PRESIDING OFFICER. The motion is debatable for quite some time.

It has been pointed out to the Chair by the Parliamentarian that the clerk has not reported the amendment.

Mr. SCOTT. May we have the clerk report the amendment?

The PRESIDING OFFICER. The clerk will read.

Mr. SCOTT. Without my yielding the floor.

The assistant legislative clerk read as follows:

> Resolved, That the House insist upon its disagreement to the amendment of the Senate numbered 33 to the aforesaid bill.

Mr. HOLLAND. Mr. President——

Mr. SCOTT. Mr. President, I have the floor.

Mr. HOLLAND. The Senator yielded the floor when he asked for the reading.

Mr. SCOTT. The Chair recognized me.

The PRESIDING OFFICER. The Chair believes the Senator from Pennsylvania had the floor and, as a courtesy to the Chair, asked that the amendment be reported.

Mr. SCOTT. As a courtesy only, and I still have the floor.

Mr. HOLLAND. Mr. President——

Mr. SCOTT. I yield for a question.

Mr. HOLLAND. I do not care to ask a question, but there are certain documents I would like to put in the RECORD.

Mr. SCOTT. I have no objection to that if, by so agreeing, I do not lose my right to the floor.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Pennsylvania?

The Chair hears none, and it is so ordered.

Mr. HOLLAND. I thank the Senator.

The PRESIDING OFFICER. The Senator from Florida.

Mr. HOLLAND. Mr. President, I ask unanimous consent that there be incorporated in the RECORD a paper appearing on my desk, bearing the name of Senator SCOTT, entitled, "For Immediate Release, December 22, 1969, Office of the White House Press Secretary, the White House, Statement by the President." I ask unanimous consent that that full statement appear in the RECORD at this time.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

[For immediate release, Dec. 22, 1969, Office of the White House Press Secretary]

THE WHITE HOUSE—STATEMENT BY THE PRESIDENT

The House of Representatives now faces an historic and critical civil rights vote.

Tucked into the supplemental appropriations conference report is a provision vesting the Comptroller General a new quasi-judicial role. The first effect of this proposal will be to kill the "Philadelphia Plan" effort of this Administration to open up the building trades to non-white citizens. It is argued that the Administration seeks to restrict the role of the General Accounting Office and the Comptroller General. This is a false issue.

I wish to assure the Congress and the public of this nation that I consider the independence of the Comptroller General of the United States of the utmost importance in the separation of powers in our federal system. The amendment now under discussion by the Congress will not and should not be permitted to bring this principle into any doubt.

Of course, in the conduct of his independent review of all Executive actions, the Comptroller General may raise, and has often raised, questions about the legality of federal contracts and whether funds, according to the law, should be spent under such contracts. The Executive has always, will always, give the fullest attention to his recommendations and his rulings.

When rulings differ, however, when the chief legal officer of the Executive Branch and the chief watchdog of the Congress end up with opposing views on the same matter of law, the place for resolution of such differences, is the courts—just as it is for the resolution of differences between private citizens.

The amendment as presently written makes a court review extremely difficult, even questionable. For example, fourteen contracts have been let under the Philadelphia Plan. If the amendment passes, these contracts will have to be cancelled. If the contractors should not elect to sue, the Executive Branch of the Federal Government could not—and the matter would not reach the courts unless a member of my Cabinet were intentionally to violate the law.

The position I am taking is, therefore, that the amendment need not be stricken but that it should be modified to permit prompt court review of any difference between legal opinions of the Comptroller General and those of the Executive, and to permit the Comptroller General to have his own counsel (rather than the Attorney General) to represent him in such cases.

To be quite candid, I share the Attorney General's serious doubts as to the constitutionality of this amendment and may have to withhold my signature from any legislation containing it.

RICHARD M. NIXON.

Mr. HOLLAND. I call particular attention to these two paragraphs in the statement. The first is:

> I wish to assure the Congress and the public of this nation that I consider the independence of the Comptroller General of the United States of the utmost importance in the separation of powers in our federal system. The amendment now under discussion by the Congress will not and should not be permitted to bring this principle into any doubt.

The second paragraph which follows that one reads as follows:

> When rulings differ, however, when the chief legal officer of the Executive Branch and the chief watchdog of the Congress end up with opposing views on the same matter of law, the place for resolution of such differences, is the courts—just as it is for the resolution of differences between private citizens.

I wanted those two paragraphs in the RECORD, because it seems to me they are completely irreconcilable.

Mr. President, I ask also for the incorporation of certain sections from the law which governs this situation:

The first such item is subsection (d) of 31 U.S.C. 65. I ask unanimous consent that that be printed in the RECORD.

There being no objection, the designated portion of the statute was ordered to be printed in the RECORD, as follows:

> (d) The auditing for the Government, conducted by the Comptroller General of the United States as an agent of the Congress be directed at determining the extent to which accounting and related financial reporting fulfill the purposes specified, financial transactions have been consummated in accordance with laws, regulations or other legal requirements, and adequate internal financial control over operations is exercised, and afford an effective basis for the settlement of accounts of accountable officers.

Mr. HOLLAND. Then I ask unanimous consent that the first paragraph in 31 U.S.C. 74 following the title "Certified Balances of Public Accounts; Conclusiveness; Suspension of Items; Preservation of Adjusted Accounts; Decision Upon Questions Involving Payments," be printed in the RECORD.

There being no objection, the designated portion of the statute was ordered to be printed in the RECORD, as follows:

CERTIFIED BALANCES OF PUBLIC ACCOUNTS; CONCLUSIVENESS; SUSPENSION OF ITEMS; PRESERVATION OF ADJUSTED ACCOUNTS; DECISION UPON QUESTIONS INVOLVING PAYMENTS

Balances certified by the General Accounting Office, upon the settlement of public accounts, shall be final and conclusive upon the Executive Branch of the Government, except that any person whose accounts may have been settled, the head of the Executive Department, or of the board, commission, or establishment not under the jurisdiction of an Executive Department, to which the account pertains, or the Comptroller General of the United States, may, within a year, obtain a revision of the said account by the Comptroller General of the United States, whose decision upon such revision shall be final and conclusive upon the Executive Branch of the Government. Nothing in this chapter shall prevent the General Accounting Office from suspending items in an account in order to obtain further evidence or explanations necessary to their settlement.

Mr. HOLLAND. I thank the Presiding Officer, and I thank the Senator from Pennsylvania. I thought it might be appropriate to have in the RECORD the laws that govern this situation, and the statement of the President, and then let the readers of the RECORD decide for themselves as to who it is who is trying to break down the authority of the Comptroller General and the independence of Congress through its arm, the Comptroller General, in seeing that the expenditure of appropriations, which can only be made by Congress, be safeguarded as to whether they are in accord with the directions of Congress.

I thank the Senator for yielding.

Mr. BYRD of West Virginia. Mr. President, will the Senator from Pennsylvania yield?

Mr. SCOTT. I may in a moment. Mr. President, I think the full statement of the President should be printed in the RECORD, and not only a part thereof.

Mr. HOLLAND. I requested that the full statement be included.

Mr. SCOTT. I thank the Senator. I read the concluding paragraph, in which the President says, referring to this bill:

> To be quite candid, I share the Attorney General's serious doubts as to the constitutionality of this amendment and may have to withhold my signature from any legislation containing it.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield to me for a question?

Mr. SCOTT. If I may do so without losing my right to the floor, I shall be glad to yield to the Senator from West Virginia.

Mr. BYRD of West Virginia. Mr. President, it had been my intention to move that the Senate insist upon its amendment No. 33, after which I expected that the able Senator from Pennsylvania would either move to lay my motion on the table, or move to recede, in which latter event his motion would have precedence over my motion to insist, and I thought the vote would then occur on his motion, whichever it was, the motion to lay on the table, which would have precedence, or the motion to recede.

Apparently he does not intend to give me an opportunity to move to insist. That was the purpose of my question: Does the Senator from Pennsylvania intend to give me an opportunity to move to insist?

Mr. SCOTT. Mr. President, I wanted to accommodate the distinguished Senator from West Virginia without losing the right to proceed in order, and in what I believe to be an orderly fashion, since the amendment, as I understand it, is before the Senate as a part of the conference report.

The PRESIDING OFFICER. The amendment in disagreement is before the Senate.

Mr. SCOTT. The amendment in disagreement, known as No. 33, is before the Senate. Therefore the issue may quite properly be raised without interfering with anyone's prerogative by a motion to lay on the table, or a motion to recede; is that not correct?

The PRESIDING OFFICER. The Senator is correct, the only difference being that a motion to lay on the table is not debatable.

Mr. PASTORE. Mr. President, will the Senator yield to me for a question?

Mr. SCOTT. Provided that I may do so without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. The Senator from Pennsylvania knows that I am quite sympathetic to his position on this particular amendment, but I think it would be unfair, on this very important issue, to shut off debate.

Could we not have a unanimous-consent agreement, let us say, for an hour or an hour and a half, so that both sides could be heard, and then let it come to a vote and be voted up or down? I think, no matter what the result, it would leave a better taste in everyone's mouth. I think both those opposed and those in favor should be heard, but we do not want to go on ad infinitum. I think that is the purpose of the Senator from Pennsylvania; so can we not have a limitation of debate here, for an hour, 2 hours, or whatever Senators desire, and then, both sides having been heard, we could take a vote?

Mr. SCOTT. Mr. President, I think the the distinguished Senator from Rhode Island has made a thoroughly reasonable suggestion. There is no desire to cut off debate under a limitation of time. What we are confronted with is a limitation of the session itself; and, confronted with a reality and not a theory, I am anxious to agree on a limitation of time, if we can, if, as a part of the unanimous consent request, it will include a right either to vote up or down or to lay on the table, as Senators may desire, and I would suggest that we agree on such a limitation of time.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. SCOTT. Provided that I may do so without losing my right to the floor.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a time limitation of 1 hour and a half on the pending question, with the stipulations contained therein as raised by the distinguished minority leader.

The PRESIDING OFFICER. The Chair advises the Senate that there is no question, before the Senate at this time. Further, the Chair wishes to say that if a motion to recede were made, with an agreement as to time, it would apparently accomplish what seems to be the desire of the minority leader.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield for the purpose of making a motion?

Mr. SCOTT. Mr. President, I yield to the Senator from West Virginia for a suggestion as to a proposed motion.

Mr. BYRD of West Virginia. Mr. President, I move that the Senate insist on its amendment No. 33.

Mr. JAVITS. Mr. President, will the Senator yield for a parliamentary inquiry?

Several Senators addressed the Chair.

Mr. STENNIS. Mr. President, may we have orderly procedure so that we can hear?

Mr. MANSFIELD. Mr. President, on that basis, I now renew my request.

Mr. JAVITS. Mr. President, reserving the right to object, and I think we can work it out, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his parliamentary inquiry.

Mr. JAVITS. The Senator from West Virginia has made a motion that the Senate insist on its position. Now, a motion to recede has precedence, does it not?

The PRESIDING OFFICER. The Senator is correct.

Mr. JAVITS. When that motion is made, following the disposition of the motion of the Senator from West Virginia, it is again debatable, is it not?

The PRESIDING OFFICER. That would be correct.

Mr. JAVITS. Therefore, I ask the majority leader, since we all know what we are after, should not that motion now be made? Then you have the final motion to lay on the table, and then the unanimous consent granted, which would apply to both, and then you are finished with it.

Mr. MANSFIELD. Mr. President, I amend it on that basis, and so move.

The PRESIDING OFFICER. Does the Senator now move to recede? Is that the motion?

Mr. SCOTT. That is right.

The PRESIDING OFFICER. Who makes the motion?

Mr. MANSFIELD. I so move, and ask unanimous consent that the time be equally divided between the minority leader and the manager of the bill.

The PRESIDING OFFICER. The time limitation to be for what period of time?

Mr. MANSFIELD. One hour and a half.

Mr. SCOTT. And at that time, there shall be a vote.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. MILLER. Mr. President, reserving the right to object, I should like to ask a question of the distinguished minority leader or the Senator from Virginia, so that I may be clear as to what we are doing.

I understand we have before the Senate a motion to insist; but suppose the Senate should feel disposed not to insist precisely on the language that is included in the bill, but suppose the Senate wants to have the conferees instructed to modify that provision to provide for judicial review, which, as I understand, is what the President's message proposes. How can we get that before the Senate, in the present parliamentary situation?

The PRESIDING OFFICER. Is that request addressed to the Chair?

Mr. MILLER. No, I am asking either the majority leader or the Senator from West Virginia, because the Senator from West Virginia is moving to insist.

I want to know if we are foreclosed if we support that motion from having the conferees instructed to modify that so that we will have the matter of judicial review before the Senate.

Mr. BYRD of West Virginia. Mr. President, I should think that the thing the Senate would want to do would be to vote against the motion to recede.

Mr. MILLER. I understand. However, then we have come to the motion to insist, and the motion to insist precludes us from asking the conferees to modify to provide for judicial review. And that is what the Senator from Iowa would like to do.

Mr. HRUSKA. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HRUSKA. Mr. President, it is competent for an amendment to be proposed to the subject matter of amendment No. 33?

The PRESIDING OFFICER. The Senate cannot further amend its own amendment.

Mr. HRUSKA. I think that is the answer, is it not, to the question of the Senator from Iowa?

Mr. MILLER. Mr. President, the Senator is not proposing to amend. The Senator from Iowa is proposing to instruct the conferees to follow the instructions and work out an arrangement whereby the amendment is preserved subject to judicial review.

We did that with the foreign aid bill the other evening. We instructed the conferees what to do.

I am not proposing that we have an amendment.

Mr. MANSFIELD. Mr. President, could we have a ruling on the time limitation and then raise the questions?

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. HRUSKA. Mr. President, reserving the right to object, if this discussion of the parliamentary situation will erode the time for debate on the merits, I think we ought either to enlarge the time or debate the parliamentary situation first.

Mr. JAVITS. Mr. President, will the

Senator yield for a parliamentary inquiry?

Mr. SCOTT. I yield.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JAVITS. Mr. President, is it not a fact that if the motion to recede, which will take precedence, is voted up, that is the end of it?

The PRESIDING OFFICER. The Senator is correct.

Mr. JAVITS. And if it is voted down, the motion will then recur on the motion of Senator BYRD of West Virginia that the Senate stand by its position.

The PRESIDING OFFICER. The Senator is correct.

Mr. JAVITS. And if that is carried, the Chair will then probably be authorized to appoint the conferees. And after the Chair is authorized to appoint the conferees, and before he does appoint them, then any Senator may move to instruct the conferees.

The PRESIDING OFFICER. The Senator is correct.

Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, at the conclusion of this time, which is not to exceed 1½ hours, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The time is to be controlled and equally divided between the Senator from West Virginia (Mr. BYRD) and the Senator from Pennsylvania (Mr. SCOTT). Who yields time?

Mr. SCOTT. Mr. President, I yield myself 5 minutes at this time.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 5 minutes.

Mr. STENNIS. Mr. President, may we have order?

The PRESIDING OFFICER. The Senator will suspend until there is order in the Chamber.

Will all attachés remove themselves from the aisles?

The Senator from Pennsylvania is recognized.

Mr. SCOTT. Mr. President, among the issues here are, from the legal standpoint, whether the Comptroller General should be vested with the authority to do certain things which in the opinion of the Attorney General he does not have the constitutional authority to do.

This is by no means a derogation of the important functions of the Attorney General under the Accounting and Budgeting Act of 1921.

It is, however, important, where the Attorney General has exercised a judgment and handed down an opinion that a certain procedure in substantive law is legal, that the Comptroller General without the benefit of hearings or the necessity of formal argument—and he has no judicial experience and is not himself a lawyer—would hardly be in the position of being the chief reviewing officer without protection to the executive department or the right of appeal, and prompt appeal and prompt review by the courts.

The other body has already resolved this issue by a standing vote of something like 125 to 83, and by a record vote of 208 to 156.

The other body has said to us that it does not accept the wording of the Senate amendment.

And we are now under this motion asked to recede from the Senate amendment, a motion which I support.

The issue has some collateral effect because without a right of review, without protecting the right of the Attorney General to be heard here, without protecting the normal course of appeal to the courts, one element—and this is only one element in this very broad attempt to grant power to the Attorney General—is what is called the Philadelphia plan which is a plan to forbid discrimination in employment, a plan which we were told this morning would make available in the construction trade some 10 million jobs in the decade of the seventies, a plan which in one specific instance alone—that is the medicare and medicaid field—will make available 60,000 additional jobs without displacing a single nurse, nurse's aide, or hospital aide; a plan in which 14 contracts have already been signed, contracts which, according to the President's statement of this morning, would have to be canceled in the event the Senate language prevails. All of these represent an attempt to implement the right of any American to secure a job without discrimination.

There is another issue. It does not appear in the printed RECORD, but it ought to be mentioned. That issue is that the other body has included a continuing resolution in the Second Supplemental Appropriation Act. If this body strikes down that provision, the other House has adjourned until tomorrow.

The PRESIDING OFFICER. The time of the Senator from Pennsylvania has expired.

Mr. SCOTT. Mr. President, I ask for 3 additional minutes.

The PRESIDING OFFICER. The Senator is granted 3 additional minutes.

Mr. SCOTT. Mr. President, if this body does not agree to the rather overwhelming action of the other body, this body and the other body may well decorate their Christmas trees within these Chambers. They may even be here to celebrate the arrival of the new year and to welcome in the decade of the 1970's.

There is another possibility which the President has raised quite clearly this morning. That is, if the continuing resolution and the second supplemental go to him wth the so-called Philadelphia plan deleted, there is a very considerable chance that he will veto the bill. This, again, would give us an opportunity to get better acquainted with one another as the year 1969 draws to a close. All of these things are attractive—the possibilities to know one another better, to welcome in the decade of the 1970's, to jingle our bells on the floor of the Senate, to welcome the new year.

But I think a more realistic and logical approach would be to accede to the action of the other body, actively debated and clearly decided there, urged by the President of the United States, and necessary if we are to have in this country equal opportunity for our citizens. It is not enough to say that all Americans may inhabit hospitals and hotels or eat at restaurants. If they do not have jobs and do not have money, all the other benefits of the various civil rights laws are of no value to them.

Mr. President, it having been suggested to me that no Senator needs to use all of his time, a suggestion with which I agree, I shall at this time yield the floor until some later time.

The PRESIDING OFFICER. Who yields time?

Mr. McCLELLAN. Mr. President, I yield 5 minutes to the distinguished Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 5 minutes.

Mr. HRUSKA. Mr. President, it is my intention to vote against the motion to recede. This is a subject of fundamental importance. It has been explained often that the presence in the Senate of this situation is triggered by the operations and activities under the awarding of certain construction contracts with a clause included in them incorporating the Philadelphia plan.

The position of this Senator deserves no apology of any kind in regard to his position on civil rights legislation. Starting with the act of 1957 and continuing steadily therefrom until the present day, this Senator has participated in the drafting of the legislation and has voted for every civil rights bill that now is in the statute books of the United States of America. At times there were long, protracted weeks of deliberation and negotiation to arrive at proper language that would be acceptable and workable. So that this Senator does have some knowledge of the background of the entire controversy.

No one would rather see a proportionate and a heavier representation of minority groups in construction jobs and construction positions than this Senator. Let there be no doubt about that. But, Mr. President, this Senator would draw a line on achieving that end if it is done by the violation of law, particularly when it is a fundamental law such as that involved here; and that fundamental law has its basis and its origins in the Budgeting and Accounting Act of 1921. That act says that the Comptroller General has the rights, the responsibilities, and the duties of, among other things, declaring expenditures illegal and not payable by the Government of the United States if he says that a law is being violated in the course of the proceedings on which claims are made against the United States. This is his job. That statute says in at least two places, expressly, that the ruling of the Comptroller General is final and conclusive upon the executive branch. That is what it says.

Now, then, what have we here? We have the Secretary of Labor making a decision to go ahead with certain construction contracts with the Philadelphia plan clauses. He meets with some remonstrance in Congress, and he comes here and has some conferences, and he is met in due time by a decision of the Comptroller General that this type of contract is illegal, that it contravenes both titles VI and VII of the Civil Rights Act of 1964. Then he goes to the Attorney General and gets a contrary opinion. Then he revises that contract, and there is a second opinion, and the same division exists. Under those circumstances, the law still is that the decision of the Comptroller General is final and conclusive as to the executive branch.

I would be against receding on this motion for this reason. We should not proceed here to take any action that will be prejudicial to either side in this controversy, which ultimately must be decided in Congress. We will not have a fair vote at this late hour and this late day in the session. Our rate of absenteeism is very high. A vote tonight would not be representative and would not truly reflect the opinion of the Senate.

There is a desire for an orderly adjournment until January 19, so that, under a continuing resolution, the Department for which funds have not been provided will be provided for until we come back. That desire is in the way. I find no blame for Members who have felt that they wanted to leave and should leave.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HRUSKA. I ask for 3 additional minutes.

Mr. McCLELLAN. I yield 3 additional minutes to the Senator.

Mr. HRUSKA. I think this is a poor time to try to take a position here that would result in an adjudication of this matter to the prejudice of those who are contending one side or the other in the matter. A vote to lay on the table successfully disposed of, or this motion to recede, will not dispose of the issue. It still will be the law that the Comptroller General's opinion is final and binding upon the executive department. It still will be the law.

The harm is this, however: If we recede on this point, it will be taken by the executive department as a go-ahead signal to continue the entrance into additional contracts with the Philadelphia plan in them. It will be just piling up and adding to our troubles and our difficulties.

The issue on this vote is not whether the Comptroller General will have the right to rule expenditures illegal, nor will the proposition be whether his position is final or conclusive. That is going to stay as it is and as it has been for almost 50 years. Whether we approve or disapprove, the ruling of the Comptroller General is final and conclusive.

There are alternatives. One of them is contained in the President's statement tonight. One of them is to consider legislation which would enable either the Comptroller General or the Attorney General, or both, to go into court, with proper representation for both sides, not for the Comptroller General to be represented by the Attorney General as is mandatory under the present law. There is an alternative, but we cannot get at it tonight. We cannot get at it tonight because amendment 33, section 1004, is not amendable. We cannot consider those things.

I think it would be only fair to Congress and to the Senate that we not recede on this but that we keep it alive, in order that we can get at it at an early and suitable time in the next session.

At stake are the integrity and the sovereignty of Congress in the field of appropriations, in which it has a unique and a very powerful position under the Constitution, and which has been implemented by the Budgeting and Accounting Act of 1921. It will be gravely prejudiced if we recede on this point and throw this whole thing into a position of chaos, confusion, and uncertainty.

I urge that the motion to recede be rejected.

Mr. SCOTT. Mr. President, I yield 5 minutes to the distinguished Senator from Michigan (Mr. GRIFFIN).

Mr. GRIFFIN. Mr. President, I have listened with interest to the argument of the Senator from Nebraska, the very able and distinguished member of the Appropriations Committee.

The Senator makes the argument that the Senate should proceed in an orderly way; namely, that this matter not be disposed of this evening. I would agree with him that we should proceed in an orderly way to consider something so basic and important and fundamental as this; but, in my opinion, such a position would require the Senate to recede from its position and to remove from this supplemental appropriation bill a matter which is primarily legislative in nature, indeed, such a provision should never have been put in this appropriation bill in the first place.

Notwithstanding the vote of the Senate which overruled the point of order on this matter, it should have been clear that section 904—1004 in the conference report—constituted legislation on an appropriation bill.

This particular section speaks in terms of this or any other act. Its application is not limited to the use of funds appropriated in this act; it would apply to any act and reaches far beyond a mere limitation of the funds provided in this supplemental appropriation bill.

Furthermore, I would point out that to my knowledge no hearings have been held on this particular matter. It is a subject that should be considered, if at all, in the next session in appropriate hearings.

So I would say, and I appeal to my colleagues, that on procedural grounds alone, the motion to recede should be adopted.

Moreover, a very practical question confronts the Senate. Whether we like it or not, the other body has completed action on this bill and have adjourned until 11 o'clock tomorrow morning. It is highly questionable whether or not a quorum will be available tomorrow in the House of Representatives. Accordingly, they have most likely taken final action for this session on this bill. If we want to have a supplemental appropriation bill enacted—and such a bill is imperative since it includes a continuing resolution—it seems to me that as a practical matter in order to adjourn, we have to recede.

In addition, I would like to add that the junior Senator from Michigan strongly believes the Philadelphia plan deserves the support of the Congress. We should not pull the rug from under President Nixon's initial efforts to make the civil rights movement meaningful in economic terms at this stage in our history.

It is fine that we have passed civil rights laws and given the blacks the right to vote, the right to enjoy equal accommodations and so forth. But if he cannot obtain gainful employment, these other rights are rather meaningless.

It is well known that particularly in the construction industry, unions and jobs have been closed to the blacks. Obviously, under the circumstances, the action taken by the President is completely justified. And it is in accord with the policies and practices that other administrations have pursued and that this administration is pursuing, it is an action and a policy that deserves the support of the Senate and the Congress.

Mr. President, I urge Senators to support the motion to recede.

Mr. BYRD of West Virginia. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from West Virginia is recognized for 5 minutes.

Mr. BYRD of West Virginia. Mr. President, when the Senate passed supplemental appropriation bill (H.R. 15209) on December 18, it approved section 1004 by an overwhelming vote of 73 to 13.

As Senators will recall, this amendment, concerning which there was a thorough discussion, was adopted for the purpose of reaffirming the authority of the Comptroller General, as set forth in the Budget and Accounting Act of 1921, which authority had been challenged by an opinion issued by the Attorney General with regard to the so-called Philadelphia plan.

In the conference with the House on the supplemental appropriation bill, the conferees agreed on the need for this section and thus upheld the Senate position.

Although a good legislative record was made during debate on the floor as to the precise purpose of this section, and although I inserted all of the pertinent documents in connection therewith, I should like to state very briefly first how this controversy arose, and then restate again the need and the intent of section 1004.

First, as to how the controversy arose: On December 2, 1969, the Comptroller General wrote to me in my capacity as chairman of the Subcommittee on Deficiencies and Supplementals. In his letter he very concisely stated the problem and I should like to quote therefrom:

> I want to bring a matter to your attention which I think is of utmost importance to the Congress and to the General Accounting Office. This involves the "Philadelphia Plan" promulgated by the Department of Labor to increase the number of minority group workers in certain construction trades.
>
> The basic facts are (1) the Department of Labor issued an order requiring that major construction contracts in the Philadelphia area, which are entered into or financed by

> the United States, include commitments by contractors to goals of employment of minority workers in specified skilled trades; (2) by a decision dated August 5, 1969, advised the Secretary of Labor that I considered the Plan to be in contravention of the Civil Rights Act of 1964 and would so hold in passing upon the legality of the expenditure of funds under contracts made subject to the Plan; and (3) the Attorney General on September 22, 1969, advised the Secretary of Labor that the Plan is not in conflict with the Civil Rights Act; that it is authorized under Executive Order No. 11246, and that it may be enforced in awarding Government contracts.
>
> On the basis of the Attorney General's Opinion, the Department of Labor has proceeded with the Plan in the Philadelphia area, and it is planning to go ahead in several other metropolitan areas. Also, we understand that the Secretary of Transportation has adopted the "Philadelphia Plan" procedures in the awarding of highway construction contracts.
>
> I want to make it clear that the General Accounting Office is not against greater opportunities for minority groups. However, we believe that actions taken by the Executive Branch in achieving this objective must be in accord with the laws enacted by the Congress. As stated in our opinion of August 5, 1969, we believe that the "Philadelphia Plan" is in conflict with Title VII of the Civil Rights Act of 1964 and is therefore unauthorized.
>
> The Attorney General in his opinion of September 22, 1969, concluded with a statement that the contracting agencies and their accountable officers could rely on his opinion. Considering that the sole authority claimed for the Plan ordered by the Labor Department is the Executive order of the President, it is quite clear that the Executive Branch of the Government is asserting the power to use Government funds in the accomplishment of a program not authorized by Congressional enactment, upon its own determination of authority and its own interpretation of pertinent statutes, and contrary to an opinion by the Comptroller General to whom the Congress has given the authority to determine the legality of expenditures of appropriated funds, and whose actions with respect thereto were decreed by the Congress to be "final and conclusive upon the Executive Branch of the Government." We believe the actions of officials of the Executive Branch in this matter present such serious challenges to the authority vested in the General Accounting Office by the Congress as to present a substantial threat to the maintenance of effective legislative control of the expenditure of Government funds.

Mr. President, let me review briefly the basic issue which gave rise to the need for section 1004: The basic question for Congress was not whether the Philadelphia plan violates or does not violate the Civil Rights Act of 1964. The real question at issue is whether an opinion of the Comptroller General relative to the legality of the expenditure of appropriated funds is or is not "final and conclusive upon the executive branch of the Government."

While it is true that the issue arises from the desire of the executive department to encourage the hiring of more members of minority groups by Government contractors, this objective is secondary to the basic question presented: Whether the Congress—acting through its agent, the Comptroller General—has or does not have the final authority to determine the legality of obligating or expending appropriated funds.

The question presented must necessarily be answered in the affirmative. To say otherwise is to deny the constitutional authority of Congress over appropriated funds and thus limit the congressional function to simply approving or disapproving budget estimates submitted by the executive branch.

That the constitutional authority of the Congress is far broader is amply illustrated by its unchallenged actions when approving appropriations, to impose limitations and conditions on the expenditure of said funds.

The complete authority of Congress over appropriated funds is nowhere better illustrated than by the creation in 1921 and continued existence of the Office of Comptroller General, who exercises as the agent of Congress the delegated congressional authority to determine the legality of expenditures of appropriated funds.

Congress has decreed that such determinations will be "final and conclusive upon the executive branch of the Government."

By delegating its own constitutional authority to an agent, Congress in no way limits its authority. Thus, to advance the proposition that an advisory opinion of the Attorney General can overrule an opinion of the Comptroller General is to say that the executive branch is the final judge of the legality of the expenditure of appropriated funds. Such a proposition is not supportable by reference to the Constitution, nor by the precedents.

While the President cannot be compelled to spend appropriated funds, this Presidential power cannot be turned around to mean that the President, once Congress appropriates funds, can direct that such funds can be spent to carry out any program or to achieve any objective that the President alone determines and do so without further authorization from the Congress.

If the executive branch wishes to pursue the Philadelphia plan in its present form, then the President should request enactment by Congress of the necessary legislative authorization.

In conclusion, section 1004 is a reaffirmation of the authority of Congress as delegated to the Comptroller General by the Budget and Accounting Act of 1921, as amended, to make crystal clear that the Congress and not the executive branch will decide the legality of the obligation and expenditure of appropriated funds.

I hope that the Senate will reject the motion to recede.

Mr. SCOTT. Mr. President, I yield 4 minutes to the Senator from Illinois (Mr. PERCY).

The PRESIDING OFFICER. The Senator from Illinois is recognized for 4 minutes.

Mr. PERCY. Mr. President, I rise in support of the motion to recede and concur in the House provision in the supplemental appropriations bill on the so-called "Philadelphia plan." In effect what I urge my fellow members to do is to strike out the provision in the Senate passed appropriation bill which directs that no Federal funds shall be expended in any Federal aid, grant, contract, or agreement which the Comptroller General holds to be in contravention of any Federal statute.

I hold the Comptroller General and his able assistants in the General Accounting Office in high regard. They are the watchdog of the Congress and they have served the Congress and the taxpayer will by guarding against waste and inefficiency.

In urging deletion of this present authority proposed to be granted to the Comptroller General, I am in no way attempting to limit his power to protect the public purse. There are areas, however, where I believe the Comptroller General should not be granted absolute power or where total reliance should not be placed upon his competence. One in particular now faces us: the legal interpretation of Federal laws.

The General Accounting Office has been created primarily to make economic, fiscal, and accounting determinations as to the expenditure of public moneys. There is a small legal staff attached to the Office, but I believe it would be readily admitted perhaps even by the Comptroller General himself that this legal staff is not generally equipped to render detailed, complicated interpretations on a broad range of Federal statutes, including their constitutional implications. And yet that is exactly what we will be doing if we impose this authority and responsibility upon the Comptroller General.

The functions now extended to the Comptroller General are those that readily belong within the province of the chief law enforcement officer of the country—the Attorney General, and ultimately, of course, with the courts. That brings us to the heart of the issue before us.

The Department of Labor has devised a procedure for encouraging equitable employment practices among the building trades in the construction field. Many construction trades have gone out of their way to assist members of minority groups in being accepted for apprenticeship training and in obtaining construction jobs thereafter. Unfortunately, this practice has not been universal.

A number of building trades have maintained practices which have all but precluded admission of members of minority groups into the trades contrary to law and contrary to the policy of their own national organization. This has had the effect of eliminating such individuals—no matter how competent—from obtaining the more favorable opportunities at the best construction sites. At times, such exclusion goes to such a ludicrous extent that essentially white crews drive each morning to public housing sites in neighborhoods where only black citizens reside to work on housing projects where construction is made possible by Federal funds or guarantees. The irritation, bitterness, and frustration of this goad must be hard to bear.

In years gone by, labor and management confronted each other in a spirit of hostility and malice. The result was long strikes, extreme bitterness, violence, and tremendous economic loss. Then, both sides got smart and demanded to sit down and negotiate out their differences.

Federal laws were enacted to provide necessary rules, of the road. Labor-management relations have been civilized and essentally peaceful. The economy and the country has greatly benefited. In the long run everyone has won.

The same situation faces us today between black men who want, need, and deserve jobs, including jobs in the construction industry, and white men who are concerned about preserving their jobs. There is only one smart way to resolve this and that is by establishing procedures which will stimulate, prod, and encourage both sides to agree together on sound, equitable hiring practices.

This is the Philadelphia plan. This plan is not coercive, as some have sought to make it out. It is merely a device for bringing all sides together to work out geographical areas for training and employment in the construction field.

It has been well said that there is no solution like a hometown solution. Only an arrangement whereby all sides can get together to work out their differences in a reasonable manner—based upon local conditions and factors—will prove workable in the long run. This is what the Philadelphia plan seeks to do.

But in Chicago, it is the "Chicago plan" which needs to be adopted. Based upon the needs, interests, and considerations of the workers and employees in the Chicago area, it is the vehicle for working out arrangements to provide fair opportunities in the construction industry for all who want them. Unfortunately, the plan may well fail because there is no established procedure which permits the various parties to resolve their differences, to develop goals for their mutual benefit.

A stimulus and direction must be established, rules, and regulations must be worked out, and goals must be developed to set a proper course of action. This is the purpose and benefit of the Chicago plan and those like it.

Programs are not forced; they are worked out in the give and take negotiation. Hearings are conducted, procedures are established, and a course of action is laid out accordingly.

This is the only sound way to proceed and, it is legal. The Attorney General has clearly briefed this matter and has found it in conformity with existing law. It is solidly supported by Secretary of Labor Shultz and by President Nixon.

Of equal importance, we in Chicago, as I am sure in other urban areas, need this type of arrangement to encourage an equitable solution to employment practices in the construction industry. With the demand for residential and commercial construction facing our country and with the release boom that will strike the construction industry once the twin burdens of inflation and the Vietnam war are removed, no one need worry about a construction job. What we must worry about and plan for is that everyone shall be fairly entitled to a job if he so seeks one. Just as I suggest trade above labor aid, so I suggest a payroll above a relief roll. The Philadelphia plan will help insure this.

Mr. BYRD of West Virginia. Mr. President, I yield 5 minutes to the Senator from Arkansas (Mr. McCLELLAN).

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 5 minutes.

Mr. McCLELLAN. Mr. President, the action taken by the other body earlier this evening, and the action which the Senate is asked to take on the motion to recede on this issue, warrants headlines in the news tomorrow, "Congress Abdicates—The Senate Surrenders."

Mr. President, I do not want to be a party to the consequence of that result.

I cannot, therefore, support the pending motion.

The President, in his statement this evening stated:

> The first effect of this proposal will be to kill the "Philadelphia plan."

If so, it will be because Congress terms that plan illegal.

The President continues:

> I wish to assure the Congress and the public of this Nation that I consider the independence of the Comptroller General of the United States of the utmost importance in the separation of powers in our Federal system. The amendment now under discussion by the Congress will not and should not be permitted to bring this principle into any doubt.

Mr. President, the action Congress has taken does not bring that principle into doubt.

It is the action and position of the administration which has brought that principle into doubt.

The suggestion is that the way to get at this situation is to go to the courts by some arrangement that permits the executive branch to sue the legislative branch, or vice versa.

That is not the way to settle it. The way to settle it is for Congress to determine whether it will spend money for a given kind of contract.

It has that constitutional power. It has that constitutional duty.

This amendment only puts a limitation on the expenditure for that particular purpose.

Congress has a right to do that, whether the expenditure is legal or whether it is illegal, if it decides to do it. It does not have to appropriate money for a legal contract if it does not want that contract entered into.

Let me point out that Congress will be doing the stopping. Not by this amendment we adopted will the Comptroller General do the stopping of an expenditure. It will be the Congress itself.

Do you want to abdicate that power? I do not believe you do. Congress can stop or limit the financing of any project. We canceled contracts by stopping construction on the procurement of the Navy version of the TFX airplane. The contract was legal, but the Congress had a right to stop it, and it did stop it.

We have a right to stop this if we think it is illegal. In the meantime, while it is being litigated—and the President proposed an amendment to permit that—whose opinion will prevail? The Attorney General's or the Comptroller General's? If the Congress does not act, there will be more contracts. There are already 14. More illegal ones will be entered into if this plan is permitted. Fourteen have already been made. Many more will be made. And the executive branch will, figuratively speaking, thumb its nose at the Congress, and particularly the Comptroller General.

Here is what we are doing tonight if we recede: The efficacy of the office of the Comptroller General will have been dissipated. Its opinions will no longer be controlling if the Attorney General rules otherwise. You are surrendering a duty and a function and a power vested in the Congress by the Constitution.

I urge Senators not to do it.

The PRESIDING OFFICER. Who yields time?

Mr. SCOTT. I yield 5 minutes to the Senator from Indiana.

The PRESIDING OFFICER. The Senator from Indiana is recognized for 5 minutes.

Mr. BAYH. Mr. President, I have listened to this debate and discussion with a great deal of interest. I, very frankly, share the concern of my good friend, the distinguished Senator from Arkansas, as to the importance of the role of the Comptroller General. I have the greatest respect for the principal sponsor of the section which is now in question.

I must say that, despite this respect and this deep concern, I cannot, in good conscience, come to the same conclusion. I suppose that is another example of reasonable men in this body, having a chance to examine all the facts, not necessarily agreeing on the interpretation or the impact of those facts on the broad course of history.

I feel that earlier in the discussion of this amendment the Senate erred, and I hope this evening we will follow the leadership of the Senator from Pennsylvania and concur in the judgment which was rendered earlier by the House.

This is a matter of some significance and controversy. There is not a Senator here who does not realize the facts involved. But I wonder if it is not high time for us to face up to this controversy, to realize that the problems that are manifested by it are not going away? Our country is not going to reach the standards which we all aspire for it unless we make opportunity available for all our citizens, which I think this measure is going to impede.

I have reached this conclusion for two basic reasons.

First of all, although, as I have said, I completely concur in the interpretation of the Senator from Arkansas as to the importance of the Comptroller General, I do not see the action we take by removing this section from the bill as destroying the intended power of the Comptroller General.

It seems to me we are giving him additional power by this particular section. We do not really know whether the Philadelphia plan is constitutional or not. We are not going to until it has a chance to go through the courts, and I would like the Supreme Court of the United States, which is the final determinant of the constitutionality of any piece of legislation, to have a chance to speak on this

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and for us not to take it away from the Court.

My second reason is a matter of the greatest controversy of all, and that is the goal of the Philadelphia plan itself. It is perhaps the most controversial piece of legislation that has come before this body in the 7 years of my service here, but I think the goal it seeks is very meritorious.

In the short period of time that I have had the good fortune of representing the people of Indiana in this body, we have made a tremendous amount of progress in wiping away the vestiges of second-class citizenship that have existed for 100 years. We have made great headway in opening up, to all citizens, public parks and facilities. We have made it possible for any man to get in his car, drive across the country, be able to stop and rest, buy gasoline, and eat with his family. We have made it possible to remove those vestiges of discrimination. We have dealt with the critical problem of housing, which is another controversial act. In 1965, we enacted a law also in the area of voting and registration. It is up to this body and the other body to act on that matter in this Congress. It will be the pending order of business, as I understand, on March 1, when it will be reported from the Judiciary Committee.

It seems to me if we are going to make a stand on the matter of equal rights and civil rights meaningful, we are going to have to deal with the nitty-gritty of economics. It does not make any difference what the laws are unless we are able to plug the loopholes so that those who are hungry have an opportunity to use the law to provide for themselves gainful employment and adequate compensation for a day's work.

Today, I think the black citizens, the brown citizens, the minority citizens of this land are yearning for one thing, and that is an equal piece of the action in the economy of the country.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BAYH. May I have 2 or 3 additional minutes?

Mr. SCOTT. I yield 2 additional minutes to the Senator from Indiana.

The PRESIDING OFFICER. The Senator is recognized for 2 additional minutes.

Mr. BAYH. They want an equal opportunity for a piece of the action in the economy of this country. They want a chance to go in business for themselves. They want a chance to get equal jobs if they are equally qualified to hold them down, which is what is proposed in the Philadelphia plan, controversial as it is.

To a great degree, we have already gone through this development in the step of opening equal opportunity in the industrial unions insofar as corporations that have Government contracts are concerned. Now we are seeking to reach those places of employment which have not yet been treated in such a way as to guarantee that all employees have an equal opportunity.

I think, first of all, that the Executive has the authority and the duty to require employers who do business with the Government to provide equal employment opportunity.

Second, I think the passage of the Civil Rights Act of 1964 did not deprive the President, pursuant to Executive orders, to require equal employment opportunities by government contractors.

Third, in my judgment, the revised Philadelphia plan is lawful under the Government's Federal procurement statutes, under the Executive order pertaining thereto, and under title VII of the 1964 Civil Rights Act.

I think it is important for the Senate, as the House did earlier, to demonstrate good faith; that we are going to make it possible for the citizens of this country—the minority citizens who have been bypassed in the great economic growth of this country—to get jobs; to earn for themselves, not by special privilege but by equal opportunity, their livelihoods as craftsmen and skilled workers when they are equally qualified with the man who is working next to them.

If a Government contractor does not provide that opportunity for workers of whatever race or creed so they may earn an equal paycheck, then I do not think the taxpayer should pay him for pursuing those contracts. It is as simple as that. That is equity pure and simple.

That is why I feel compelled to support the strong position of equity of the Senator from Pennsylvania.

Mr. GRIFFIN. Mr. President, will the Senator yield to me for a comment?

Mr. BAYH. I am happy to yield.

Mr. GRIFFIN. I wish to commend the Senator.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SCOTT. I yield the Senator 1 additional minute.

Mr. GRIFFIN. I commend the Senator from Indiana for making his very lucid and very courageous statement. It is no secret that the lobbyists of organized labor are very busy in the corridors of the Capitol trying to defeat the Philadelphia plan. Unfortunately, very few of the Senators from Indiana's colleagues on that side of the aisle are speaking out in support of the motion to recede now before the Senate. Accordingly, I wish to emphasize the very courageous statement of the Senator from Indiana and to commend him on it.

Mr. BAYH. I thank my colleague from Michigan. If I might have a minute to respond ——

Mr. SCOTT. Yes.

Mr. BAYH. I hope that when the vote is taken, the results will show there have been a few more converts joining us this time.

Mr. GRIFFIN. Amen.

Mr. SCOTT. I think the Senator is making an excellent statement.

Mr. DOMINICK. Mr. President, will the Senator from West Virginia yield to me?

Mr. BYRD of West Virginia. Mr. President, I yield 1 minute to the Senator from Colorado.

Mr. DOMINICK. I just wish to say, in view of the statement the Senator from Michigan has just made, that I have supported the Senator from West Virginia on all the votes up to this point, and I have not been approached by any labor people since this happened, but I am sure they are around talking to some.

I would love to have some of their support sometime, but to the best of my knowledge they have never seen fit to give it in any election I have been in yet. So, I wanted the Senator from Michigan and the Senator from West Virginia to know that my support is not generated by the position of labor leaders.

Mr. GRIFFIN. Mr. President, will the Senator yield to me?

Mr. BYRD of West Virginia. On the time of the Senator from Pennsylvania.

Mr. SCOTT. I yield the Senator 1 minute.

Mr. GRIFFIN. The Senator from Colorado is absolutely in order in making that statement, and I want to make it clear that I did not intend to suggest that every Senator who took a position opposed to the administration was, by any means, submitting to the pressure of organized labor. I do not mean to leave that impression.

It is a fact, however, that there are lobbyists from organized labor who are working on this issue, and I think the Senator from Colorado will agree with that.

Mr. BAYH. Mr. President, will the Senator yield 1 minute to me?

Mr. BYRD of West Virginia. Mr. President, I yield myself 5 minutes.

Mr. BAYH. Will the Senator from West Virginia permit me to put a 1-minute statement in the RECORD here?

Mr. SCOTT. I yield the Senator from Indiana 1 minute.

Mr. BAYH. Mr. President, I think this just disproves some statements made on the floor earlier this year, when a very controversial nomination was discussed, that certain Senators were bought and sold by certain organizations. I do not think there is any Senator on this floor who can be bought by any pressure group if he thinks what they advocate is wrong. It so happens that I think certain groups are wrong on this issue. The people of this country are crying out for progess on the question of equal economic opportunity, and that is the reason why I support the Senator from Pennsylvania on this amendment.

Mr. SCOTT. I thank the Senator.

Mr. BYRD of West Virginia. I yield 5 minutes to the Senator from Florida.

Mr. HOLLAND. Mr. President, I wish to say, in the first place, that not only has no agent or member of any labor organization approached me, but the only person who has approached me on this issue outside the Senate is the Comptroller General of the United States. He appeared before our committee; he did not come to me individually. It is made his duty under the law by which his office was created for him to report to Congress. He was carrying out his duty when he came to us and reported to us that, in effect, his judgment was being overcalled by the judgment of the Attorney General.

I heard one of my friends on the other side say something about the matter of supporting the President. There are a good many men sitting on the other side of this aisle now who have not supported the President as much this year as has

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the Senator from Florida. I make no apologies for that at all. I am looking at some Senators right now who did not follow the President of the United States on some of the most important matters, to him and to the Nation, which have been presented this year. I am not following him on this matter, nor am I following his Attorney General, because I think they are wrong.

There has been so much talk here tonight that is not in accord with the facts that I do not know how to go about hitting it, except one little bit at a time.

One Senator spoke of the fact that the GAO had a very small staff, and could not go into things very fully. That Senator does not know anything about the GAO or he would not have made that statement. It has 4,300 employees. It is one of the largest agencies in our Government. It is equipped as Congress wants it to be equipped, to go into the important matters of deciding whether the accounts are being kept right, and the money spent in accordance with the directions of Congress.

Mr. President, there is no doubt in the world about the fact that Congress alone can appropriate money. There is no doubt of the fact that in 1921 Congress passed the Accounting and Budgeting Act of 1921, which was signed by the President at that time. It was amended in 1950 by Congress, and that amendment was again signed by the President. It was thought to be wholesome legislation, to secure, right down to the time of expenditure, the fact that money should be spent in accordance with the directions given by the Congress, which is the only agency that can appropriate the money.

Mr. President, I cannot go in detail into these matters in this limited time, but I have placed in the RECORD the section of the statute which makes it clear that the Comptroller General is "an agent of the Congress directed at determining the extent to which accounting and related financial reporting fulfill the purposes specified, financial transactions have been consummated in accordance with laws."

And so forth. That is his purpose. It is to protect the Congress. He is defined as an agent of Congress, and he came to us to report that his agency was being violated. We very properly acted, in the only way possible at this late time in the session, to protect our agent, or arm, in carrying out our direction, to see that the law was observed.

Mr. President, it is unfortunate that this matter comes up in connection with a civil rights case, because nearly every Senator has dedicated himself to opposing the principle involved in the amendment which we placed on the bill, even though it was passed by a good vote of the Senate, when we were talking about civil rights.

This might just as well be an expenditure for the construction of roads, or for the construction of public buildings in the Capital, or for the construction of ships or airplanes—for any item as to which money that Congress appropriates can be expended. It might just as well have arisen in such an instance.

The question is whether a law means anything when it says—and I quote it as briefly as I can in this limited time—as against the executive department only, that the amounts determined by the General Accounting Office "shall be final and conclusive upon the executive branch."

The PRESIDING OFFICER. The time yielded to the Senator from Florida has expired.

Mr. BYRD of West Virginia. Mr. President, I yield 2 additional minutes to the Senator from Florida.

Mr. HOLLAND. Likewise, the act gives the right of appeal. When an appeal is taken by the General Accounting Office, the law provides, again, that his ruling shall be final and conclusive upon the executive branch. That is the purpose of the legislation.

The Attorney General is a member of the executive branch. There is no doubt of it. He is attempting here to take over and manage the General Accounting Office, which is an arm of Congress.

People are talking foolishly about having lawsuits between the executive department and the legislative department. What are we thinking about? All these questions can be decided, and they are decided in hundreds of cases in the courts by people who are interested, people who have contracts, people who are working.

Mr. BYRD of West Virginia. Mr. President, may we have order?

The PRESIDING OFFICER (Mr. EAGLETON in the chair). There will be order in the Senate. The attachés will take seats. Persons who are not permitted to be in the Chamber will leave.

Mr. BYRD of West Virginia. Mr. President, the Senator from Florida is entitled to be heard. This is an important subject. If only one Senator wants to listen, that one Senator is entitled to listen and to be able to hear what the Senator from Florida is saying.

The PRESIDING OFFICER. The point of the Senator from West Virginia is well taken.

Mr. HOLLAND. Mr. President, this question is not going to be dead tonight, because Congress is not going to stand idly by and see its authority taken away and its agent destroyed by anyone in the executive department, whether it is an ambitious Attorney General or whoever else it may be.

The Senator from Florida is just as sure that with a little time to look at this matter, the Senate will realize that it is our independence, the independence of Congress, that is being assailed, and will be assailed, if this program goes through, because while the civil rights program is a very appealing one, the next time it may be something which more concerns bread and butter than civil rights, something more affecting the security of the Nation than civil rights.

The question is whether we will stand up for constitutional rights and for an act approved by two fine Presidents, which has not been questioned since 1921, and has always been obeyed by the executive department until this particular instance.

I hope that the Senate will hold up the hands of its agent, the Comptroller General, and of the law as it now stands. That is the challenge that is being made to us. The question is whether we want to be parties to tearing down the pillars of the temple in which we serve. That is just what the question is. So far as I am concerned, I will not be a party to tearing down those pillars.

Mr. SCOTT. Mr. President, I yield 5 minutes to the senior Senator from New York.

Mr. JAVITS. Mr. President, there is one basic point, it seems to me, that we have to decide. That is why we have this provision now after 50 years, if the Comptroller General has all the power which the opponents of this motion say he has. And he has not.

He has been asserting this power for half a century, apparently with enough success to warrant the continuance of the power and with enough success so that we do not have to legislate about it specially until we get into a situation in which all of a sudden everyone decides he has to have this power buttressed.

It cannot be so big and it cannot be so absolute if Congress decides the minute he gets in a contest with the Attorney General that it has to rally to his side. He does not have all of this power.

However, that is the way it has worked for the past 50 years. It is a good thing that he is not absolutely sure of his ground any more than is the Attorney General.

As so often happens in our free society, it works out better.

Now, we want to nail it into law. If we sustain the claim which is sought in this particular appropriations bill, the result will be to settle a constitutional issue by giving absolute power to this congressional officer because in this particular case he happens to decide with a lot of the Members of Congress, who, in the other body, have already been demonstrated not to be in the majority, who want to certify in him this absolute power.

The Attorney General claims not to have such absolute power. As the Attorney General, he is amenable and susceptible to the courts at all times. He does not claim this absolute power, that whatever he holds about Federal law or the Constitution is controlling on the part of the people of the United States and the Congress and the Executive.

Yet, that is what is in a supplemental appropriation bill at the tail end of the session in an attempt to endeavor to latch it into our constitutional system.

The debate is infinitely greater than the cause which has brought this provision about.

What are the proponents of the provision trying to do in connection with this very practical Philadelphia plan? The contractors are running into a situation in which they might have to sue for their money. A Government department is in doubt and may be unable to certify their vouchers.

However, they are not satisfied with that. They want them to buy a law suit. Who wants to buy a law suit?

Yet this is exactly what this provision says.

He has already held that any contract made under this plan is unconstitutional.

So if we ram it down their throats and say that anything he holds to be in contravention of that Federal statute is absolute and vital, they are just buying a lawsuit, if that little area of doubt is eliminated, and the plan is finished.

We have been trying to find lots of ways to do a lot of things to remedy conditions in the building construction industry, not only with respect to this question of discrimination in employment, for years and years, and indeed for decades, which have plagued the construction industry, but also in respect of more modern methods and different ideas and a breath of fresh air in respect to this industry.

And that is what many Senators have always tried to contend for in regard to the trade associations until this issue comes up. And then it becomes an issue between the power of the Comptroller General of the United States and the Attorney General of the United States. And the fundamental point with respect to what is being attempted here will be aborted or killed and overlooked.

That happens to be what many of the same Senators have been after for years. But they do not want it under this guise.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SCOTT. Mr. President, I yield the Senator an additional 3 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for an additional 3 minutes.

Mr. JAVITS. Mr. President, the strongest case for this particular provision before us is that we have to find in our society ways in which grave social and economic pressures can be alleviated. And we cannot abort these processes. The courts and Congress and the executive all have their part to play.

And here one party gets inflexible, which is what this amounts to, because we must remember that the Comptroller General has already ruled that the plan is illegal. So we would not be conferring on him the power to make the decision. He has already made it. And it has been properly held that this removes the whole idea.

That is very much, in my judgment, against the social order of our country and the effort to give relief to the pressures and have them build up instead in terms of national order and national tranquility, and have absolute power in the hands of a public official. We, who believe so much in sharing power, should be the last body of the Government—that is, the whole Congress—to give anyone this absolute power.

Yet, faced with something that they do not like, they are ready to give absolute power to the Comptroller General of the United States.

We regard it as unwise to let anyone have this absolute power. It would be a good thing for Congress to debate the matter and decide the whole legal question. However, certainly not under these auspices and under this kind of frame of reference in a supplemental appropriation bill at the very tail end of the session, to decide a question of the constitutional magnitude that faces us here.

The Senate has been given a proper way in which to deal with this matter in accordance with the action of the other body.

I hope very much that we sustain the motion to recede.

Mr. BYRD of West Virginia. Mr. President, I yield 3 minutes to the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 3 minutes.

Mr. BAKER. Mr. President, I thank the Senator from West Virginia.

It occurs to me that at this moment we are debating something that we really cannot determine under the doctrine of separate powers. In effect, we are trying to decide by legislation in the way of an amendment to the supplemental appropriations bill whether there is a great deal of merit to the legal opinion by the Comptroller General or by the Attorney General.

And in my humble opinion, neither of these fine public officials who are servants of the Government have any authority to do anything more than to give their opinion. In the final analysis the judiciary in the United States is to decide the question involved in the dilemma we are confronted with, and that question is whether the so-called Philadelphia plan is or is not prohibited by the Civil Rights Act of 1964.

Under the form of the Constitution and the doctrine of separation of powers, we cannot decide that affirmatively. Nor can the executive department or any of its agencies, including the Attorney General of the United States, except in terms of an advisory opinion. Only the judiciary can decide that point.

The judiciary has not decided the point of whether the Philadelphia plan does or does not violate the provisions of the Civil Rights Act of 1964.

Unfortunately, after many days of concern and debate in this Chamber, and efforts to compromise which have not succeeded, I have reached the reluctant conclusion that we are engaging in something that really is not determinative; because no matter whether we pass the bill in this form or some other form, whether we recede and concur or stand on our amendment as adopted by the Senate, the Supreme Court of the United States and the judiciary of the United States finally will decide: Does the Philadelphia plan violate the provisions of the Civil Rights Act of 1964?

What they say, under the constitutional prerogative, will be determinative. What we say will not. So it does not make much difference which way we vote on this matter. It does not make much difference except in terms of symbolism and except in terms of psychological and social impact that it may or may not have. Unfortunately, I am forced to conclude that the psychological or symbolic impact of the situation can be and often is greatly overrated.

I do not see this as a great civil rights issue of 1969, and I say that with all deference to those who espouse the cause of the movement to recede and to concur. I say it also against the background of one who has voted, I believe, for every civil rights issue of any consequence that has been presented to this body since I have had the privilege of serving in it.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BAKER. I ask for 1 additional minute.

Mr. BYRD of West Virginia. I yield 1 additional minute to the Senator.

Mr. BAKER. So I reluctantly come to the conclusion that what we are trying to do now is to legislate a judgment on the effect of the Philadelphia plan in relation to the Civil Rights Act of 1964, which it is not our constitutional prerogative to legislate. We can express our opinion. But, regardless of what position we take or do not take, nothing we do or fail to do can detract from the inherent constitutional authority of the Supreme Court of the United States finally to say whether or not it does or does not violate the provisions of the Civil Rights Act of 1964.

Mr. SCOTT. I yield myself 2 minutes.

Mr. President, on the authority of the President of the United States this morning I am in a position to say that he has said this day that this Philadelphia plan offers a great opportunity to advance the equal employment of all Americans and that this opportunity is one which he sincerely hopes will be given to the nonwhite people of America.

I have heard that statement made this day by the Secretary of Labor, who is in my office at this time, and by the Attorney General, and, therefore, I must respectfully disagree with anyone who says that this is not a civil rights issue.

This is an issue of justice, of equal employment, of equal opportunity; and when we are all through, the Comptroller General will have whatever powers he legally has and the Attorney General will have whatever powers he legally has. But this action will avoid the cancellation of 14 contracts already entered into in good faith, in which the U.S. Government has a strong interest, and will preserve the legal situation pending any further testing of the matter in the courts.

I ask all Senators if they do not vote to recede in this matter, what will they do tomorrow? The House has adjourned until 11 a.m. tomorrow. A quorum may not be in town. Ask yourselves very seriously what you will do tomorrow if there is no quorum. Will you go home? Or will the House come back? And when will the next session of this Congress be held? The continuation of this Congress now depends, in my opinion—I do not assert it as more than a single person's opinion—on whether we vote to recede or not to recede. Each Senator must accept that responsibility for himself, and others will disagree, and I respect that. But I say, with all due respect, if you do not vote to recede, ask yourselves where you will be tomorrow.

The PRESIDING OFFICER. Who yields time?

SEVERAL SENATORS. Vote! Vote!

Mr. BYRD of West Virginia. Mr. President, I yield 5 minutes to the Senator from Wyoming.

Mr. HANSEN. Mr. President, I rise, first of all, to take respectful exception

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to the question that has been posed by my good friend and leader, the distinguished senior Senator from Pennsylvania.

I would not feel very good, deciding an issue that I felt was of great importance to this country on the basis of whether it suited my own pleasure tomorrow or the next day. I hope, along with a good many other Senators, that I might be home at Christmas. It takes me about a full day to get there, and I would be pleased to be there. But I am not going to compromise my basic convictions in order to satisfy the pleasure I would derive from being at home with my family.

I am disturbed about this issue, and I have thought long and hard on it. I hate very much to disagree with my President, with our President, but it seems to me that some very basic issues are involved here. I certainly do not presume to predict what the Supreme Court of the United States might do if and when it has before it the issue of whether or not the Philadelphia plan is in contravention to the 1964 Civil Rights Act. It does seem to me, however, that there would be a conflict.

I would also point out that there seems to be some absurdity in the Philadelphia plan if we try to carry its provisions to their logical conclusions. How are we to determine what the minority groups are in this country that should be considered? In Wyoming, and in other Western States, Indians, according to some definitions, may be persons of one-half Indian blood or one-quarter Indian blood. When we recall that the Civil Rights Act of 1964 says that no quotas can be kept, I would think it would be extremely difficult for an employer to keep the kind of records necessary in order to carry out the mandate of the Philadelphia plan.

A former Wyomingite, now dead, the late Thurman Arnold became the major trustbuster of the Federal Government and sought to enforce the Sherman and Clayton Antitrust Acts.

This respected member of the Roosevelt administration was successful in establishing himself as the trustbuster, but he never forgave the Supreme Court of the United States for its failure to include labor unions under the provisions of the antitrust acts. He warned over 30 years ago that concentrated power in the labor unions, especially when used for other than direct collective bargaining purposes, was just as dangerous as concentrated power in the hands of business. Yet the Philadelphia plan provisions are aimed at the actions of the employer. When are we going to require actions by the labor unions with which the employer must deal?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BYRD of West Virginia. I yield 2 additional minutes to the Senator.

Mr. HANSEN. When Congress determined that the South was not moving fast enough to register and vote citizens belonging to minority groups, the Voting Rights Act was passed which applied only to States in which 50 percent of the eligible citizens were not registered or did not vote. I suspect, and it seems to me not unreasonable, that the same attitude now might be displayed by this Congress with respect to the labor unions of this country. That is where the basic trouble resides.

Because of their discriminatory practices labor unions have denied blacks the opportunity to qualify for the type of job the Philadelphia plan seeks to secure for them. I hope Congress will have the courage to face up to the issue. I can be counted on to support those who want to see that the civil rights laws apply to all the institutions of this country. When that is done we will not have to worry about using a subterfuge to achieve a very laudable objective—equal job opportunity.

The PRESIDING OFFICER. Who yields time?

Mr. SCOTT. Mr. President, I have no requests.

Mr. BYRD of West Virginia. Mr. President, how much time is remaining?

The PRESIDING OFFICER. The Senator from West Virginia has 6 minutes remaining; the Senator from Pennsylvania has 8 minutes remaining.

Mr. BYRD of West Virginia. Mr. President, I regret that the issue in the Senate and in the House of Representatives has been fought on the civil rights battleground. The basic issue involved here is not a civil rights issue.

Of course, the factual situation which brought this issue to a head involved the so-called Philadelphia plan. Under that plan, the Department of Labor is proceeding to require contractors and subcontractors in the Philadelphia area who bid on federally assisted and Federal construction projects amounting to $500,000 or more to commit themselves in their contracts to employ a certain percentage of minority workers.

The Comptroller General of the United States maintains that this is in violation of the 1964 Civil Rights Act, which all parties—the Department of Justice, the Labor Department, and leaders of minority groups themselves—agree prohibits setting up of racial quotas in the employment of individuals. Whether these quotas are called quotas, goals, or whatever, they remain the same; they remain quotas and are violative of the 1964 Civil Rights Act.

Under the so-called Philadelphia plan the contractors are required to submit promises in writing that they will attempt to make a good-faith effort to meet the requirements of certain goals and those goals are with respect to, I believe, six specified trades.

For example, a contractor for ironworkers would be required in the first year to increase the number of employees in the ironworkers' trade from 5 percent to 9 percent, in the second year from 11 percent to 15 percent, in the third year from 16 percent to 20 percent, and in the fourth year from 22 percent to 26 percent. This is a quota, pure and simple. Ranges are established, and the contractor or subcontractor is required to meet or to make a good-faith effort to meet at last the minimum percentage figure in the range. If the contractor fails to do this the contract can be canceled and the contractor may be debarred from bidding on future Federal contracts.

The Comptroller General is saying this violates the 1964 Civil Rights Act and constitutes discrimination in reverse. Under the 1921 Budgeting and Accounting Act, Congress has given to the Comptroller General of the United States the authority to make determinations and to certify balances, and his determination is "final and conclusive" upon the executive departments. So, what we are trying to do here tonight is to uphold the Comptroller General of the United States, who is the agent of Congress.

I have no doubt that if this matter did not involve a factual situation which does get into the civil rights area, both Houses would have strongly upheld the action of the Comptroller General. I am sorry that it was a civil rights matter which got caught in the trap, but that is the case. We are not voting here on the issue of whether or not the Philadelphia plan is legal or illegal under the 1964 act. We are voting on a far more basic issue.

The Comptroller General maintains that the expenditure of Federal funds on Philadelphia plan type contracts would be violative of the 1964 Civil Rights Act, and his is the final and conclusive word under the law of 1921. Yet, the Labor Department is going ahead, on the instructions of the Attorney General, to extend such contracts to other major metropolitan areas.

So I think it is our duty to uphold the arm of Congress, the Comptroller General of the United States. In the view of those who have supported this legislation which we now identify as amendment 33, we are voting not on a civil rights issue but on an issue that goes to the fundamental bedrock of our republican form of government. It goes to the principle of the separation and balance of powers. I am sorry that the other body took the position it did today, but I hope there will be another day and time when we can resolve this issue and resolve it in favor of that fundamental principal of equal powers which was written into the Constitution, and which upholds the concept of three equal, and coordinate branches of Government. That is basic to our republican form of government. The issue of civil rights should not be controlling here. The issue is whether or not we are going to uphold our own agent of the Congress and, therefore, insist on the equality of the legislative branch as one of the three branches of Government.

Mr. SCOTT. Mr. President, a contractor who does not receive payment because of a disallowance by the Comptroller General may sue the Federal Government in the Court of Claims for that payment. Why can he do that? He can do that because under the Civil Rights Act he is entitled to be paid; and yet the Comptroller General might rule he could not. So this measure does not quite suit, but fosters necessary litigation.

Mr. President, I ask unanimous consent to have printed at the end of my remarks a statement on the revised Philadelphia plan.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SCOTT. Mr. President, much has been said about what this bill is all about. Well, it is about civil rights. It is about black people and white people. It is about equal opportunity. It is about the opportunity to find jobs. It is about whether the Comptroller General should exceed his powers, and, exceeding his powers have the right to pass on the Civil Rights Act of this country in addition to the functions given him under the act of 1921.

There is something else in this bill, and that is whether we pass the continuing resolution under which a lot of Government employees are either going to be paid or not going to be paid, and it is in this bill. If we knock out this bill tonight, no way exists, short of a new continuing resolution. I do not know how we will get the House back to pass upon it. No way exists that I know of by which we could continue to make payments under the foreign aid authorization or the Labor-HEW authorization. None of these payments can be made unless this continuing resolution goes through, as it is part of this bill.

I agree this is no way to legislate. I do not think this rider has a place in this bill. I think a continuing resolution would be better off if we had done it separately. As Grover Cleveland once said, "It is a condition, not a theory that confronts us."

If we want Government employees to be paid, I do not know of any other way. If we want funds under foreign aid and HEW, there would be no other way except to pass a brandnew continuing resolution, if we can find the other body, wherever they are.

EXHIBIT 1

THE REVISED PHILADELPHIA PLAN

The revised Philadelphia Plan established by the Department of Labor has provided a significant motivation to employer, union and minority groups within a number of cities for the voluntary negotiation of an agreement by which minority individuals may be granted significant opportunity for employment within the construction industry. The discussions surrounding the negotiation of such voluntary plans as well as the implementation of those plans have provided a significant channel for civil rights tensions. It is believed that the elimination of the Philadelphia Plan would reduce the incentives for such negotiations to the detriment of minority employment opportunity.

The experience in Philadelphia with the Revised Philadelphia Plan has been excellent. The Department of Health, Education and Welfare has approved the award of 14 contracts pursuant to the Philadelphia Plan and has held a significant number of pre-bid conferences. No significant contractor or union objection to the Philadelphia Plan has been heard at such conferences or in regard to the award of any of the 14 contracts.

The present controversy between the Department of Labor (supported by the Attorney General) and the Comptroller General does not involve a dispute between Congress and the Executive Branch. Instead, the apparent controversy revolves around the interpretation of the intent of Congress in its enactment of the Civil Rights Act of 1964. The Comptroller General has interpreted that legislation in one way and the Attorney General in another manner. Thus, the matter involves only an interpretation of the intent of Congress and in no way can be interpreted as a conflict between the Executive and Congressional Branches. Indeed, the Attorney General's opinion follows the wishes of Congress as expressed in the Civil Rights Act of 1964 as he interprets those wishes.

The conflicting interpretations of the Attorney General and the Comptroller General are most properly resolvable in the courts rather than before Congress. There exists a number of avenues for court review, for instance, a grantee of Federal funds may seek a declaratory judgment to determine whether the Revised Philadelphia Plan is legal. A contractor who does not receive payment because of a disallowance by the Comptroller General may sue the Federal Government in the Court of Claims for payment.

Mr. DODD. Mr. President, I was dismayed to learn that the Senate was forced to recede in the conference committee on my amendment to H.R. 15209, the supplemental appropriation bill, which would have given the Passport Office an additional $310,000.

I take absolutely no issue with my colleagues in the Senate, because I know that they fought the good fight to keep the amendment in the bill. This battle was lost in the House of Representatives.

But I am grateful, in particular, for the efforts of the distinguished senior Senator from Arkansas and the distinguished senior Senator from Colorado, who I know feel strongly about this matter, as I do.

Nonetheless I am distressed, for most of us know that the primary reason for the defeat of the amendment was the fact that there are some Members of the other body who are unhappy with the Director of the Passport Office.

They have been successful to date in preventing the Passport Office from performing its duty to the American taxpayer.

I suspect they will not be satisfied until the able and efficient Director of the Passport Office has been forced to resign.

I am not telling stories out of school, for this is common knowledge. But this business must stop, because it is the American taxpayers who are suffering.

May I remind the Senate, as I did on Thursday night when I introduced my amendment, that the Passport Office brought in a profit to the Treasury of $10.9 million in fiscal 1969.

I suspect that the Passport Office is the only agency which is operating totally in the black, and they are on the good side of the ledger to the tune of $10.9 million.

It is shocking to me that we cannot give the Passport Office an additional $310,000 for public service, when it is giving us $10.9 million.

It is even more disturbing to think that while we are appropriating billions of dollars for many new programs, some of which may prove to be of questionable value, we cannot give $310,000 to provide this service which is owed to and badly needed by the American taxpayer.

Mr. President, American citizens are forced to wait in long lines, suffer interminable delays and travel long distances in trying to obtain passports.

It is true in the States of Connecticut and Alaska.

It is true in many parts of New York and California.

It is true in Detroit.

It is true in Dallas.

It is true in Houston.

It is true in Fort Worth.

And it is going to be true in just about every part of the country once the jumbo jets and the SST provide less expensive travel possibilities for large numbers of Americans.

I shall not take any more of the Senate's time at this hour. However, Mr. President, I want to serve notice that Members of the other body will no longer be able to prevent the Passport Office from maintaining its excellent record of efficiency and service because of a personal pique.

As soon as Congress reconvenes, I intend to submit legislation which will, in effect, allow the Passport Office some fiscal autonomy. If the Passport Office is bringing in $10.9 million worth of profit, then I shall endeavor to insure that the Passport Office will be able to use some of this profit to serve the American taxpayer.

I am informed that the Senate Appropriations Committee intends to hold hearings on this matter soon after Congress reconvenes in January.

Again, I am grateful to my colleagues in the Senate who fought so valiantly on the conference committee to sustain my amendment. I know that they will join me next year in trying to provide a permanent solution for the present passport dilemma. I look forward to their counsel and their help on this matter of concern to all Americans.

Mr. BYRD of West Virginia. Mr. President, I yield back any time I have remaining.

Mr. SCOTT. Mr. President, I yield back my remaining time.

SEVERAL SENATORS. Vote! Vote! Vote!

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JAVITS. Mr. President, a vote "yea" is to recede?

The PRESIDING OFFICER. The Senator is correct.

Mr. SCOTT. Mr. President, a parliamentary inquiry, since I did not fully understand the Senator. A vote "yea" is to recede from the Senate wording and a vote "nay" is to continue with the Senate wording. In other words, to vote "yea" is to accept the wording of the House under amendment No. 33. Is that correct?

The PRESIDING OFFICER. A vote "yea" to recede would take the Senate language out of the bill.

All time having been yielded back, the question is on agreeing to the motion that the Senate recede from its insistence on its amendment No. 33. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. YARBOROUGH (when his name was called). On this vote I have a pair with the Senator from Connecticut (Mr.

Ribicoff). If he were present and voting, he would vote "yea"; if I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr. LONG (when his name was called). On this vote I have a pair with the Senator from Wisconsin(Mr. Nelson). If he were present and voting, he would vote "yea"; if I were at liberty to vote I would vote "nay." I withhold my vote.

Mr. MANSFIELD (after having voted in the negative). On this vote I have a pair with the distinguished Senator from Louisiana (Mr. Ellender). If he were present and voting, he would vote "nay"; if I were at liberty to vote, I would vote "yea." I withdraw my vote.

Mr. METCALF (after having voted in the affirmative). On this vote I have a pair with the Senator from South Carolina (Mr. Hollings). If he were present and voting, he would vote "nay"; if I were at liberty to vote, I would vote "yea." I withdraw my vote.

Mr. GRAVEL (after having voted in the affirmative). On this vote I have a pair with the Senator from North Carolina (Mr. Ervin). If he were present and voting, he would vote "nay"; if I were at liberty to vote, I would vote "yea." I withdraw my vote.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. Anderson), the Senator from Mississippi (Mr. Eastland), the Senator from Louisiana (Mr. Ellender), the Senator from North Carolina (Mr. Ervin), the Senator from South Carolina (Mr. Hollings), the Senator from Minnesota (Mr. McCarthy), the Senator from Wyoming (Mr. McGee), the Senator from Wisconsin (Mr. Nelson), the Senator from Connecticut (Mr. Ribicoff), the Senator from Georgia (Mr. Russell), the Senator from Missouri (Mr. Symington), the Senator from Georgia (Mr. Talmadge), the Senator from Texas (Mr. Yarborough), and the Senator from Ohio (Mr. Young) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Colorado (Mr. Allott), the Senator from New Jersey (Mr. Case), the Senator from Kentucky (Mr. Cook), the Senator from New Hampshire (Mr. Cotton), the Senator from Hawaii (Mr. Fong), the Senator from Arizona (Mr. Goldwater), the Senator from Oregon Mr. Hatfield), the Senator from California (Mr. Murphy), the Senator from Alaska (Mr. Stevens), and the Senator from Texas (Mr. Tower) are necessarily absent.

The Senator from Kentucky (Mr. Cooper) is absent because of illness in his family.

The Senator from South Dakota (Mr. Mundt) is absent because of illness.

The Senator from Kansas (Mr. Pearson), and the Senator from Ohio (Mr. Saxbe) are detained on official business.

If present and voting, the Senator from New Jersey (Mr. Case) would vote "yea."

On this vote, the Senator from Oregon (Mr. Hatfield) is paired with the Senator from Colorado (Mr. Allott). If present and voting, the Senator from Oregon would vote "yea," and the Senator from Colorado would vote "nay."

The result was announced—yeas 39, nays 29, as follows:

[No. 274 Leg.]

YEAS—39

Aiken
Bayh
Bellmon
Bennett
Boggs
Brooke
Church
Cranston
Dodd
Eagleton
Goodell
Griffin
Harris
Hart
Hartke
Hughes
Inouye
Jackson
Javits
Kennedy
Magnuson
Mathias
McGovern
McIntyre
Miller
Mondale
Montoya
Moss
Muskie
Packwood
Pastore
Pell
Percy
Prouty
Schweiker
Scott
Smith, Ill.
Tydings
Williams, N.J.

NAYS—29

Allen
Baker
Bible
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Curtis
Dole
Dominick
Fannin
Fulbright
Gore
Gurney
Hansen
Holland
Hruska
Jordan, N.C.
Jordan, Idaho
McClellan
Proxmire
Randolph
Smith, Maine
Sparkman
Spong
Stennis
Thurmond
Williams, Del.
Young, N. Dak.

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—5

Yarborough, against.
Long, against.
Mansfield, for.
Metcalf, for.
Gravel, for.

NOT VOTING—27

Allott
Anderson
Case
Cook
Cooper
Cotton
Eastland
Ellender
Ervin
Fong
Goldwater
Hatfield
Hollings
McCarthy
McGee
Mundt
Murphy
Nelson
Pearson
Ribicoff
Russell
Saxbe
Stevens
Symington
Talmadge
Tower
Young, Ohio

So the motion that the Senate recede from its insistence on its amendment No. 33 was agreed to.

Mr. SCOTT. Mr. President, I move to reconsider the vote just taken.

Mr. GRIFFIN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, have we disposed of the conference report?

The VICE PRESIDENT. That completes action on the conference report.

S. 3298—INTRODUCTION OF A BILL TO BE CITED AS THE "FISHERY PRODUCTS PROTECTION ACT OF 1969"

Mr. KENNEDY. Mr. President, I introduce for appropriate reference, a bill to protect consumers and to assist the commercial fishing industry by providing for the inspection of establishments processing fish and fishery products in commerce, and to amend the Fish and Wildlife Act of 1956 to provide technical and financial assistance to the commercial fishing industry in meeting such requirements.

I ask unanimous consent that the bill be printed in the Record.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record.

The bill (S. 3298) to protect consumers and to assist the commercial fishing industry by providing for the inspection of establishments processing fish and fishery products in commerce, and to amend the Fish and Wildlife Act of 1956 to provide technical and financial assistance to the commercial fishing industry in meeting such requirements introduced by Mr. Kennedy, was received, read twice by its title, referred to the Committee on Commerce, and ordered to be printed in the Record, as follows:

S. 3298

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fishery Products Protection Act of 1969".

Sec. 2. For the purpose of this Act—

(1) The term "commerce" means travel, trade, traffic, transportation, or communication in any State and a point outside thereof, or between points in the same State but through a point outside thereof;

(2) The term "State" includes the States of the United States, its territories and possessions, the District of Columbia, and the Commonwealth of Puerto Rico;

(3) The term "Secretary" means the Secretary of the Interior acting through the Bureau of Commercial Fisheries;

(4) The term "person" means any individual, partnership, corporation, or association;

(5) The term "fish" means any aquatic animal or part thereof intended for human food;

(6) The term "fishery products" means any edible part of fish that is processed separately or in combination with other ingredients for human food;

(7) The terms "process" or "processed" or "processing" means the handling, storing, preparation, production, manufacture, preserving, packing, transporting or holding of any fish or fishery products;

(8) The term "wholesome" means sound, healthful, clean, and otherwise suitable for use as human food;

(9) The term "unwholesome" means—

(A) unsound, injurious to health, or otherwise rendered unsuitable for use as human food; or

(B) consisting in whole or in part of any filthy, putrid, or decomposed substance; or

(C) presence of bacteria of public significance; or

(D) processed under unsanitary conditions whereby fish or any fishery products may have become contaminated with filth, or whereby any fishery products may have been rendered injurious to health; or

(E) packaged in a container composed of any poisonous or deleterious substance which may render the contents injurious to health;

(10) The term "inspection service" means the agency or agencies designated by the Secretary as having the responsibility to carry out the provisions of this Act;

(11) The term "inspector" means any person authorized by the Secretary to inspect fish and fishery products;

(12) The term "official inspection mark" means any symbol prescribed by the Secretary;

(13) The term "official establishment" means any establishment that has been issued a certificate of registration by the Secretary;

(14) The term "establishment" means the premises, buildings, structures, facilities, and equipment used in the processing of fish and fishery products;

(15) The term "vessel of the United States" means any vessel of five net tons and upward that is enrolled, licensed, or documented under the laws of the United States and entitled to the privileges of vessels employed in the fisheries;

(16) The terms "container" or "package"

include, but are not limited to, any box, can, tin, cloth, plastic, or any other receptacle, wrapper, or cover;

(17) The term "label" means any written, printed, or graphic material upon the shipping container, if any, or upon the immediate container of the fishery product or accompanying such product, including, but not limited, to the individual consumer package;

(18) The term "shipping container" means any container used or intended for use in packaging the product packed in an immediate container;

(19) The term "immediate container" includes any consumer package, or any other container in which fish or fishery products, not consumer packaged, are packed.

Sec. 3. Congress declares that wholesome fish and fishery products are an important source of the Nation's food supply; and that unwholesome and adulterated fish or fishery products moving in the channels of commerce or directly affecting commerce are injurious to the consumers, adversely affect the marketing of wholesome fish and fishery products, result in losses to producers and fishermen, and limit markets for such products. It is the purpose of this Act to prevent such adverse effects.

Sec. 4. (a) In furtherance of the purpose of this Act, the Secretary shall conduct, directly or by contract, a survey of the methods, practices, and sanitary conditions of the establisments in the United States and vessels of the United States processing fish or fishery products. The Secretary shall then develop and promulgate, by regulation, adequate sanitary standards and practices for establishments processing fish or fishery products in any State for movement in commerce and for establishments the operations of which directly affect the movement of fish and fishery products in commerce and for vessels of the United States.

(b) The Secretary shall, based on studies, surveys, and other information, also issue adequate and effective regulations to assure (1) that imported fish or fishery products are safe, healthful, wholesome, unadulterated, and suitable for human food, and (2) that the containers of such products are safe and comply with such sanitary standards as he may prescribe.

(c) Such regulations shall be promulgated within one year after the effective date of this Act.

Sec. 5. Effective two years after the effective date of the regulations promulgated under section 4 of this Act:

(1) No person shall process any fish or fishery products in any establishment for movement in commerce or in any establishment the operations of which directly affect the movement of fish and fishery products in commerce unless such establishment has been issued a certificate of registration by the Secretary, or unless the Secretary determines, in accordance with the provisions of section 8 of this Act, that the State wherein such establishment is located provides an adequate and enforcible system of regulation, certification, and inspection of such establishment and the fish and fishery products processed therein.

(2) No fish or fishery products shall be imported into the United States unless they comply, as determined by the Secretary, with the regulations issued under section 4 of this Act for imported fish and fishery products. All imported fish and fishery products, after entry into any State in compliance with such regulations, shall be treated as domestic fish and fishery products within the meaning of, and subject to, the provisions of this Act.

(3) The Secretary of State, in consultation with the Secretary, shall encourage foreign countries importing fish and fishery products into any State to establish enforcible sanitary standards and practices for establishments and vessels of those countries processing fish and fishery products for such importation and a system of certification and inspection of such establishments and vessels. Such standards and practices must be consistent with those promulgated by the Secretary under this Act. The Secretary may authorize such countries to use an official inspection mark on each immediate container and shipping container of imported wholesome and unadulterated fishery products. No country shall use such a mark on containers of imported fishery products unless authorized by the Secretary. Containers with unauthorized marks shall not be allowed to enter into any State.

Sec. 6. (a) Any person who is required by section 5 of this Act to have a certificate of registration, and who is denied a certificate of registration shall upon request be given a hearing by the Secretary whose determination shall be final.

(b) The certificate of registration of any official establishment that fails to comply with the provisions of this Act and the regulations issued thereunder may be suspended upon notice by the Secretary. The holder of the suspended certificate may at any time apply for reinstatement of the certificate, and the Secretary shall immediately reinstate it if, after an opportunity for a hearing, he finds that adequate measures have been taken to comply with the requirements of the Act and regulations.

(c) Any inspector shall have access to any official establishment for the purpose of ascertaining whether the conditions of the certificate are being complied with. Denial of access for such inspection shall be ground for suspension of the certificate.

Sec. 7. (a) In order to provide technical assistance to the commercial fishing industry in meeting the requirements of this Act and the regulations issued thereunder, the Secretary shall utilize to the greatest extent feasible the provisions of the Fish and Wildlife Act of 1956, as amended.

(b) Section 4 of the Fish and Wildlife Act of 1956 (70 Stat. 1121; 16 U.S.C. 742c) is amended—

(1) by inserting before the period at the end of subsection (a) the following: "or new or operating establishments processing fish and fishery products subject to regulations issued under the Fishery Products Protection Act of 1969";

(2) by inserting immediately after the word "gear" in the first sentence of subsection (b)(4) the words "and establishments processing fish and fishery products", and by inserting before the period at the end of such sentence the phrase "and commercial fish processors";

(3) by inserting immediately after the word "applicant" in subsection (b)(5) the words "for a loan relating to vessels or gear", and by adding at the end thereof the following new sentence: "The applicant for a loan relating to an establishment processing fish and fishery products shall have the ability, experience, resources, and other qualifications necessary to operate and maintain the establishment in a sound, businesslike manner."; and

(4) by amending the last sentence of subsection (c) of such section to read as follows: "There is authorized to be appropriated to the fisheries loan fund the sum of $35,000,000 to provide initial capital.".

(c) Section 7(a) of the Fish and Wildlife Act of 1956 (70 Stat. 1122; 16 U.S.C. 742f(a)) is amended—

(1) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6); and

(2) by inserting after paragraph (3) a new paragraph to read as follows:

"(4) provide technical assistance to the commercial fishing industry in developing economically feasible technical improvements to meet any standards of sanitation and quality control for the processing of fish and fishery products promulgated under the Fishery Products Protection Act of 1969 and any other provisions of such Act, and to assure that the processing of all fish and fishery products fully complies with such standards;".

Sec. 8. The Secretary shall encourage each State to provide an adequate system of regulation, certification, and inspection of establishments located in the State that process fish and fishery products for movement in commerce and establishments the operations of which directly affect the movement of fish and fishery products in commerce, and the fish and fishery products processed therein, including, but not limited to, the promulgation and enforcement of sanitary standards and practices that are consistent with those promulgated by the Secretary. Whenever the Secretary determines that State has provided such system, he shall publish in the Federal Register a notice to that effect and thereafter establishments and persons in that State shall be subject to the requirements of said system in lieu of the requirements of this Act, except that nothing in this section shall preclude the Secretary from rescinding such notice and reasserting Federal jurisdiction over such establishments and persons under this Act if he determines that such action is in the public interest.

Sec. 9. For the purpose of this Act, fish and fishery products shall be deemed to be adulterated—

(1) If they bear or contain any poisonous or deleterious substance which may render them injurious to health, but, if the substance is not an added substance such fish and fishery products shall not be considered adulterated under this paragraph if the quantity of such substance in such fish and fishery products does not ordinarily render them injurious to health; or

(2) If they bear or contain any added poisonous or added deleterious substance, unless such substance is permitted in their production or is unavoidable under good manufacturing practices, as may be determined by the Secretary or under other provisions of Federal law limiting or tolerating the quantity of such added substance, except that any quantity of such added substances exceeding the limits so fixed shall also be deemed to constitute adulteration; or

(3) If any substance has been substituted, wholly or in part therefor; or

(4) If damage or inferiority has been concealed in any manner; or

(5) If any substance has been added thereto or mixed or packed therewith so as to increase its bulk or weight, or reduce its quality, or make it appear better or of greater value than it is.

Sec. 10. Every vessel of the United States harvesting or processing fish or fishery products for movement in commerce shall be constructed, equipped, operated, and maintained, to meet such sanitary standards and practices as the Secretary may prescribe.

Sec. 11. All fish and fishery products processed in an official establishment for movement in commerce or in an official establishment the operations of which directly affect the movement of fish and fishery products in commerce or on vessels of the United States and the containers of such products shall be subject to inspection and reinspection by sampling or other methods by the Secretary at any time when processed for introduction into commerce.

Sec. 12. (a) Each immediate container and shipping container of wholesome and unadulterated fishery products may bear in distinctly legible form at the time such products leave the official establishment an official inspection mark. Such container shall bear in distinctly legible form the name of the products, a statement of ingredients, if fabricated from two or more ingredients, including a declaration as to artificial flavors, colors, or preservatives, if any, the net weight or other appropriate measure of the contents of such container, and the name of the processor or the name and address of the distributor. The Secretary may permit reasonable variations and grant exemptions from the foregoing requirements when, in his judgment, such variations and exemptions would effectuate the purpose of this Act.

(b) The use of any written, printed, or graphic matter on or accompanying any fishery products or the immediate container or shipping container thereof leaving an official establishment which is false or misleading in any manner is prohibited.

(c) No fishery products leaving an official establishment may be sold or offered for sale by any person under any false or deceptive name. Established trade names which are usual to such products and which are not false and deceptive are permitted.

(d) If the Secretary determines that any label used or prepared for use by any person is false or misleading in any particular, he may order such person to discontinue the use of such label except as modified in the manner prescribed by the Secretary. Such person may request a hearing, but the use of the label shall, if the Secretary so directs, be withheld pending a hearing and final determination by the Secretary. Such final determination shall be conclusive unless within thirty days after receipt of notice of such determination such person appeals to the United States court of appeals for the circuit in which such person has his principal place of business or to the United States Court of Appeals for the District of Columbia. An appeal may be taken by filing with the clerk of such court a written petition praying that the Secretary's order be set aside or modified in the manner stated in the petition, together with a bond in such sum as the court may determine to cover the costs of the proceedings, if the court so directs. The provisions of section 204 (b) through (h) of the Act of August 15, 1921, as amended (7 U.S.C. 194), shall be applicable to appeals taken under this section.

Sec. 13. No person shall—

(1) Process, sell, offer for sale, transport, or deliver any fish or fishery products from any establishment for movement in commerce or the operations of which directly affect the movement of fish and fishery products in commerce or from a vessel of the United States which is unwholesome, adulterated, or otherwise unsuitable for use as human food:

(2) Sell or otherwise dispose of for human food any fish or fishery products which have been inspected and declared to be unwholesome or adulterated or otherwise unsuitable for use of human food under this Act;

(3) Deliver, receive, transport, sell, or offer for sale or transport for human food any fish or part thereof separately or in combination with other ingredients, other than fishery products, from an official establishment or vessel of the United States except in accordance with the provisions of this Act;

(4) Deliver, receive, transport, sell, or offer for sale or transport for human food fish or fishery products from an establishment whose certificate of registration has been suspended;

(5) Use or reuse any immediate or shipping container bearing an official inspection mark except for fishery products from an official establishment unless the mark is removed, obliterated, or otherwise destroyed;

(6) Falsely make or issue, alter, forge, simulate, counterfeit, use, or possess any official inspection certificate, memorandum, mark, or other identification, or device for making such mark or identification authorized by this Act, or cause, procure, aid, assist in, or be a party to, such false making, issuing, altering forging, simulating, counterfeiting, use, or possession contrary to the provisions of this Act.

Sec. 14. For the purpose of enforcing the provisions of this Act, any person engaged in the business of processing, transporting, shipping, or receiving fish or fishery products for movement in commerce or conducting operations which directly affect the movement of fish or fishery products in commerce shall maintain records showing, to the extent that such person is concerned therewith, the receipt, delivery, sale, movement, or disposition of fish or fishery products and shall, upon request, permit the Secretary at reasonable times to inspect such records. Such records shall be maintained for a reasonable period to be determined by the Secretary.

Sec. 15. The provisions of this Act shall not apply to any wholesale establishment where the only processing involved is the cutting up of fish or fishery products for sale to retail outlets of any kind or description; or to any retail establishments primarily engaged in selling fish and fishery products and other items directly to retail consumers; or to any fisherman selling fish harvested by him directly to retail consumers.

Sec. 16. The cost of inspection of fish or fishery products, establishments, vessels, containers, labels, or other matters in accordance with this Act and the regulations issued thereunder shall be borne by the United States, except that the cost of overtime and holiday pay for inspection service performed, in an establishment subject to inspection at the convenience of the establishment and not owing to the conditions of harvesting or processing beyond the control of the establishment, shall, at such rates as the Secretary may determine in accordance with regulations be borne by such establishment. Sums received by the Secretary for such work shall be credited to the appropriation from which payments for such work were made.

Sec. 17. The district courts of the United States shall have jurisdiction for good cause shown to restrain any violation of this Act or the regulations issued thereunder.

Sec. 18. All fish and fishery products determined to be unwholesome or adulterated pursuant to any inspection or reinspection conducted pursuant to section 11 of this Act shall be condemned. Any person whose fish and fishery products are condemned may appeal to the Secretary from such initial inspection and the condemned fish and fishery products shall be marked and segregated pending such appeal. The determination of the Secretary on appeal shall be final and if he sustains the initial determination the fish and fishery products shall be destroyed. Any fish and fishery products that may be made wholesome and unadulterated by reprocessing shall not be condemned and destroyed if reprocessed under the supervision of an inspector and found by him to be wholesome and unadulterated.

Sec. 19. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act. The Secretary may utilize the services, equipment, and facilities of any Federal agency with or without reimbursement in carrying out the provisions of this Act and may designate any Federal agency as an inspection agency.

Sec. 20. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the Act and the application of such provision to other persons and circumstances shall not be affected thereby.

S. 3299—INTRODUCTION OF A BILL TO PROVIDE A $100 MINIMUM IN MONTHLY SOCIAL SECURITY BENEFITS

Mr. **KENNEDY**. Mr. President, I introduce, for appropriate reference, a bill to provide a $100 minimum in monthly social security benefits, and for other purposes. I ask unanimous consent that my bill be printed in the Record at the conclusion of my remarks.

Mr. President, in 1935, with the passage of the Social Security Act, the Congress recognized its responsibility to our senior citizens. However, even at that time, President Roosevelt, in signing this progressive measure, stated that the provisions adopted under the act were but the cornerstone of a program he intended to expand and develop until all senior citizens were guaranteed financial independence.

The act passed in 1935, requiring the contribution of both the employer and employee in the form of a payroll tax, was based on the goal of providing a supplemental income to the aged at retirement. In the years since its enactment, the Congress has made substantial changes in both the benefit structure and in eligibility requirements. But, to date, we have not recognized that the premise of a supplemental income is not valid. For we have learned that for an overwhelming majority of social security recipients, the income they receive in the form of benefits is their only income.

Recognition of this fact forces us to realize that many of our elderly must live in poverty. If we are to end poverty among the elderly, we must begin to work toward the provision of an adequate income based on social security benefits. I have long supported the need for such a measure, as have many of my colleagues.

The bill I introduce today deserves the early consideration of the Congress during the next session. It deserves the approval of the Senate. And it is my hope that its passage will serve as the "cornerstone" for a new structure designed to guarantee a life free of poverty and indignity for all of America's elderly citizens.

The **PRESIDING OFFICER**. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record.

The bill (S. 3299) to amend the Social Security Act to provide a 15-percent across-the-board increase in monthly benefits with a minimum primary insurance amount of $100, introduced by Mr. Kennedy, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the Record, as follows:

S. 3299

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Social Security Amendments of 1970".

INCREASE IN OLD AGE, SURVIVORS AND DISABILITY INSURANCE BENEFITS

Sec. 2. (a) The Social Security Amendments of 1969 are amended as follows:

(1) Section 1002(a) is amended by striking out the table and inserting in lieu thereof:

"TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS

"I		II	III		IV	V
(Primary insurance benefit under 1939 act, as modified)		(Primary insurance amount under 1967 act)	(Average monthly wage)		(Primary insurance amount)	(Maximum family benefits)
If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
At least—	But not more than—		At least—	But not more than—		
----------	$30.36	$85.90 or less	------------	$141	$100.00	$150.00
$30.37----	30.92	87.20	$142	146	100.30	150.50
$30.93----	31.36	88.40	147	150	101.70	152.60
$31.37----	32.00	89.50	151	155	103.00	154.50
$32.01----	32.60	90.80	156	160	104.50	156.80
$32.61----	33.20	92.00	161	164	105.80	158.70
$33.21----	33.88	93.20	165	169	107.20	160.80
$33.89----	34.50	94.40	170	174	108.60	162.90
$34.51----	35.00	95.60	175	178	110.00	165.00
$35.01----	35.80	96.80	179	183	111.40	167.10
$35.81----	36.40	98.00	184	188	112.70	169.10
$36.41----	37.08	99.30	189	193	114.20	171.30
$37.09----	37.60	100.50	194	197	115.60	173.40
$37.61----	38.20	101.60	198	202	116.90	175.40
$38.21----	39.12	102.90	203	207	118.40	177.60
$39.13----	39.68	104.10	208	211	119.80	179.70
$39.69----	40.33	105.20	212	216	121.00	181.50
$40.34----	41.12	106.50	217	221	122.50	183.80
$41.13----	41.76	107.70	222	225	123.90	185.90
$41.77----	42.44	108.90	226	230	125.90	188.00
$42.45----	43.20	110.10	231	235	126.70	190.10
$43.21----	43.76	111.40	236	239	128.20	192.30
$43.77----	44.44	112.60	240	244	129.50	195.20
$44.45----	44.88	113.70	245	249	130.80	199.20
$44.89----	45.60	115.00	250	253	132.30	202.40
		116.20	254	258	133.70	206.40
		117.30	259	263	134.90	210.40
		118.60	264	267	136.40	213.60
		119.80	268	272	137.80	217.60
		121.00	273	277	139.20	221.60
		122.20	278	281	140.60	224.80
		123.40	282	286	142.00	228.80
		124.70	287	291	143.50	232.80
		125.80	292	295	144.70	236.00
		127.10	296	300	146.20	240.00
		128.30	301	305	147.60	244.00
		129.40	306	309	148.90	247.20
		130.70	310	314	150.40	251.20
		131.90	315	319	151.70	255.20
		133.00	320	323	153.00	258.40
		134.30	324	328	154.50	262.40
		135.50	329	333	155.90	266.40
		136.80	334	337	157.40	209.60
		137.90	338	342	158.60	273.60
		139.10	343	347	160.00	277.60
		140.40	348	351	161.50	280.80
		141.50	352	356	162.80	284.80
		142.80	357	361	164.30	288.80
		144.00	362	365	165.60	292.00
		145.10	366	370	166.90	296.00
		146.40	371	375	168.40	300.00
		147.60	376	379	169.80	303.20
		148.90	380	384	171.30	307.20
		150.00	385	389	172.50	311.20
		151.20	390	393	173.90	314.40
		152.50	394	398	175.40	318.40
		153.60	399	403	176.70	322.40
		154.90	404	407	178.20	325.60
		156.00	408	412	179.40	329.60
		157.10	413	417	180.70	333.60
		158.20	418	421	182.00	336.80
		159.40	422	426	183.40	340.80
		160.50	427	431	184.60	344.80
		161.60	432	436	185.90	348.80
		162.80	437	440	187.30	352.00
		163.90	441	445	188.50	356.00
		165.00	446	450	189.80	360.00
		166.20	451	454	191.20	363.20
		167.30	455	459	192.40	367.20
		168.40	460	464	193.70	371.20
		169.50	465	468	195.00	374.40
		170.70	469	473	196.40	378.40
		171.80	474	478	197.60	382.40
		172.90	479	482	198.90	385.60
		174.10	483	487	200.30	389.60
		175.20	488	492	201.50	393.60
		176.30	493	496	202.80	396.80
		177.50	497	501	204.20	400.80
		178.60	502	506	205.40	402.80
		179.70	507	510	206.70	404.40
		180.80	511	515	208.00	406.40
		182.00	516	520	209.30	408.40
		183.10	521	524	210.60	410.00
		184.20	525	529	211.90	412.00
		185.40	530	534	213.30	414.00
		186.50	535	538	214.50	415.60
		187.60	539	543	215.80	417.60
		$188.80	$544	$548	$217.20	$419.60
		189.90	549	553	218.40	421.60
		191.00	554	556	219.70	422.80
		192.00	557	560	220.80	424.40
		193.00	561	563	222.00	425.60
		194.00	564	567	223.10	427.20
		195.00	568	570	224.30	428.40
		196.00	571	574	225.40	430.00
		197.00	575	577	226.60	431.20
		198.00	578	581	227.70	432.80
		199.00	582	584	228.90	434.00
		200.00	585	588	230.00	435.60
		201.00	589	591	231.20	436.80
		202.00	592	595	232.30	438.40
		203.00	596	598	233.50	439.60
		204.00	599	602	234.60	441.20
		205.00	603	605	235.80	442.40
		206.00	606	609	236.90	444.00
		207.00	610	612	238.10	445.20
		208.00	613	615	239.20	446.80
		209.00	617	620	240.40	448.40
		210.00	621	623	241.50	449.60
		211.00	624	627	242.70	451.20
		212.00	628	630	243.80	452.40
		213.00	631	634	245.00	454.00
		214.00	635	637	246.10	455.20
		215.00	638	641	247.30	456.80
		216.00	642	644	248.40	458.00
		217.00	645	648	249.60	459.60
		218.00	649	653	250.70	461.60
			654	657	252.00	463.20
			658	661	253.00	464.80
			662	666	254.00	466.80
			667	670	255.00	468.40
			671	674	256.00	470.00
			675	678	257.00	471.60
			679	683	258.00	473.60
			684	687	259.00	475.20
			688	691	260.00	476.80
			692	695	261.00	478.40
			696	700	262.00	480.40
			701	704	263.00	482.00
			705	708	264.40	483.60
			709	712	265.00	485.20
			713	717	266.00	487.20
			718	721	267.00	488.80
			722	725	268.00	490.40
			726	729	269.00	492.00
			730	734	270.00	494.00
			735	738	271.00	495.60
			739	742	272.00	497.20
			743	746	273.00	498.80
			747	751	274.00	500.80
			752	755	275.00	502.40
			756	759	276.00	504.00
			760	763	277.00	505.60
			764	768	278.00	507.60
			769	772	279.00	509.20
			773	776	280.00	510.80
			777	780	281.00	512.40
			781	785	282.00	514.40
			786	789	283.00	516.00
			790	793	284.00	517.60
			794	797	285.00	519.20
			798	802	286.00	521.20
			803	806	287.00	522.80
			807	810	288.00	524.40
			811	814	289.00	526.00
			815	819	290.00	528.00
			820	823	291.00	529.60
			824	827	292.00	531.20
			828	831	293.00	532.80
			832	836	294.00	534.80
			837	840	295.00	536.40
			841	844	296.00	538.00
			845	848	297.00	539.60
			849	853	298.00	541.60
			854	857	299.00	543.20
			858	861	300.00	544.80
			862	865	301.00	546.40
			866	870	302.00	548.40
			871	874	303.00	550.00
			875	878	304.00	551.60
			879	882	305.00	553.20
			883	887	306.00	555.20
			888	891	307.00	556.80
			892	895	308.00	558.40
			896	900	309.00	560.40

"TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS—Continued

"I		II	III		IV	V
(Primary insurance benefit under 1939 act, as modified)		(Primary insurance amount under 1967 act)	(Average monthly wage)		(Primary insurance amount)	(Maximum family benefits)
If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
At least—	But not more than—		At least—	But not more than—		
			$901	$904	$310.00	$562.00
			905	908	311.00	563.60
			909	912	312.00	565.20
			913	917	313.00	567.20
			918	921	314.00	568.80
			922	925	315.00	570.40
			926	929	316.00	572.00
			930	934	317.00	574.00
			935	938	318.00	575.60
			939	942	319.00	577.20
			943	946	320.00	578.80
			947	951	321.00	580.80
			$952	$955	$322.00	$582.40
			956	959	323.00	584.00
			960	963	324.00	585.60
			964	968	325.00	587.60
			969	972	326.00	589.20
			973	976	327.00	590.80
			977	980	328.00	592.40
			981	985	329.00	594.40
			986	989	330.00	596.00
			990	993	331.00	597.60
			994	997	332.00	599.20
			998	1,000	333.00	600.40"

(2) Section 1003 is amended by striking out "$46" each place that it appears and inserting in lieu thereof "$73" and by striking out "$23" each place that it appears and inserting in lieu thereof "$36.50".

(b) The amendments made by subsection (a) shall apply with respect to monthly benefits under Title II of the Social Security Act for months after December 1969 and with respect to lump-sum death payments under such Title in the case of deaths occurring after December 1969.

INCREASE OF EARNINGS COUNTED FOR BENEFIT AND TAX PURPOSES

SEC. 3 (a) (1) (A). Section 209(a) (5) of the Social Security Act is amended by inserting "and prior to 1973" after "1967".

(B) Section 209(a) of such Act is further amended by adding at the end thereof the following new paragraph:

"(6) That part of remuneration which, after remuneration (other than remuneration referred to in the succeeding subsections of this section) equal to $12,000 with respect to employment has been paid to an individual during any calendar year after 1972, is paid to such individual during such calendar year;".

(2) (A) Section 211(b) (1) (E) of such Act is amended by inserting "and prior to 1973" after "1967", and by striking out "; or" and inserting in lieu thereof "; and".

(B) Section 211(b) (1) of such Act is further amended by adding at the end thereof the following new subparagraph:

"(F) For any taxable year ending after 1972, (i) $12,000, minus (ii) the amount of the wages paid to such individual during the taxable year; or".

(3) (A) Section 213(a) (2) (ii) of such Act is amended by striking out "after 1967" and inserting in lieu thereof "after 1967 and before 1973, or $12,000 in the case of a calender year after 1972".

(B) Section 213(a) (2) (iii) of such Act is amended by striking out "after 1967" and inserting in lieu thereof "after 1967 and before 1973 or $12,000 in the case of a taxable year ending after 1972".

(4) Section 215(e) (1) of such Act is amended by striking out "and the excess over $7,800 in the case of any calendar year after 1967" and inserting in lieu thereof "the excess of $7,800 in the case of any calendar year after 1967 and before 1973, and the excess over $12,000 in the case of any calendar year after 1972".

(b) (1) (A) Section 1402 (B) (1) (E) of the Internal Revenue Code of 1954 (relating to definition of self-employment income) is amended by inserting "and before 1973" after "1967", and by striking out "; or" and inserting in lieu thereof "; and".

(B) Section 1402(b) (1) of such Code is further amended by adding at the end thereof the following new subparagraph:

"(F) for any taxable year ending after 1972, (i) $12,000, minus (ii) the amount of the wages paid to such individual during the taxable year; or".

(2) Section 3121(a) (1) of such Code (relating to definition of wages) is amended by striking out "$7,800" each place it appears and inserting in lieu thereof "$12,000".

(3) The second sentence of section 3122 of such Code (relating to Federal service) is amended by striking out "$7,800" and inserting in lieu thereof "$12,000".

(4) Section 3125 of such Code (relating to returns in the case of governmental employees in Guam, American Samoa, and the District of Columbia) is amended by striking our "$7,800" each place it appears and inserting in lieu thereof "$12,000".

(5) Section 6413(c) (1) of such Code (relating to special refunds of employment taxes) is amended:

(A) by inserting "and prior to the calendar year 1973" after "the calendar year 1967";

(B) by inserting after "exceed $7,800," the following: "or (E) during any calendar year after the calendar year 1972, the wages received by him during such year exceed $12,000,"; and

(C) by inserting before the period at the end thereof the following: "and before 1973, or which exceeds the tax with respect to the first $12,000 of such wages received in such calendar year after 1972".

(6) Section 6413(c) (2) (A) of such Code (relating to refunds of employment taxes in the case of Federal employees) is amended by striking out "or $7,800 for any calendar year after 1967" and inserting in lieu thereof "$7,800 for the calendar year 1968, 1969, 1970, 1971, or 1972, or $12,000 for any calendar year after 1972".

(c) The amendments made by subsections (a) (1) and (a) (3) (A), and the amendments made by subsection (b) (except paragraph (1) thereof), shall apply only with respect to remuneration paid after December 1972. The amendments made by subsections (a) (2), (a) (3) (B), and (b) (1) shall apply only with respect to taxable years ending after 1972. The amendment made by subsection (a) (4) shall apply only with respect to calendar years after 1972.

S. 3300—INTRODUCTION OF A BILL TO ESTABLISH THE BIRTHPLACE OF SUSAN B. ANTHONY IN ADAMS, MASS., AS A NATIONAL HISTORIC SITE

Mr. KENNEDY. Mr. President, I introduce, for appropriate reference, a bill to establish the birthplace of Susan B. Anthony in Adams, Mass., as a national historic site, and for other purposes. I ask unanimous consent that the bill be printed in the RECORD at the conclusion of my remarks.

Susan B. Anthony lived in that period of American history during which many wrongs were righted through the perseverance and dedication of dynamic leaders. Born in 1820, she lived to see the abolition of slavery and the granting of citizenship to the Negro. But she did not live to see the accomplishment of the goal to which she devoted her energies and her life—voting privileges and equal rights for women.

Her crusade for these now recognized rights began when she first experienced discrimination—as a teacher she was forced to accept $2.50 per week for work for which a man teacher was paid $10. She also learned that she had no right to keep the money she earned if her father chose to keep it. At that time a single girl was under the legal control of her father until she married and became subject to the legal control of her husband.

Miss Anthony worked for 50 years for equal rights for women, especially for the voting privilege. She appeared before every session of Congress for many years. Her slogan was:

Principle, not policy; justice, not favor; men, their rights and nothing more; women, their rights and nothing less.

Through her efforts, the National Women Suffrage Association was organized in 1869, with Elizabeth Stanton as president. In 1890, the association merged with the American Woman Suffrage Association to become the National American Woman Suffrage Association, again with Mrs. Stanton as president. In 1892, Miss Anthony became president and served until 1900, when she retired at the age of 80.

In 1872, after the failure to have women included in the 15th amendment, Miss Anthony and 15 fellow crusaders—in a plan to test the legality of woman suffrage under the 14th amendment—registered to vote in Rochester, N.Y. They actually succeeded in casting their ballots but were promptly arrested and convicted of illegal voting. Their case was brought to the Supreme Court which ruled that the 14th amendment did not give women the right to vote.

As a result of this decision, Miss Anthony and her followers proceeded to have introduced in Congress an amendment of their own. Their amendment, expressly giving the vote to women, was first introduced in Congress in 1878.

Miss Anthony died in 1906. Fourteen years later, in 1920, her amendment was finally adopted.

Mr. President, the people of Massachusetts are proud of our native daughter. The Nation owes her a debt of gratitude. Today, as we become increasingly aware of the contribution of women to the social and economic well-being of our country we must rededicate ourselves to the goal of full opportunity for women. For, even today, many inequities still exist in our treatment of women. Many States still maintain laws clearly discriminatory and many of us still practice discrimination in our treatment of working women.

Susan B. Anthony began a crusade which is—even today—unfinished. Her work and her leadership led to the accomplishment of much of the program she advocated. I would hope that my colleagues agree that her birthplace should be preserved as a part of the national park system and I am more than pleased to introduce this bill to accomplish that end.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3300) to establish the birthplace of Susan B. Anthony in Adams, Mass., as a national historic site, and for other purposes, introduced by Mr. KENNEDY, was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

S. 3300

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior shall acquire on behalf of the United States the house and lot in Adams, Massachusetts, where Susan B. Anthony was born. The legal description of such lot shall be determined by the Secretary of the Interior.

SEC. 2. The Secretary of the Interior, acting through the National Park Service, shall administer, protect, develop, and maintain the house and lot acquired pusuant to the first section as a historic site in accordance with the provisions of the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (39 Stat. 535; 16 U.S.C. 1-4).

SEC. 3. There are hereby appropriated such sums as are necessary to carry out the purpose of this Act.

ADDITIONAL COSPONSORS OF A RESOLUTION

SENATE RESOLUTION 292

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, at the next printing, the names of the following Senators be added as cosponsors of Senate Resolution 292, to express the sense of the Senate with respect to troop deployment in Europe:

Senators TALMADGE, HUGHES, KENNEDY, FULBRIGHT, BYRD of West Virginia, MUSKIE, SYMINGTON, SPARKMAN, YOUNG of Ohio, PROXMIRE, and INOUYE.

Also Senators HART, WILLIAMS of New Jersey, PASTORE, CANNON, MOSS, YARBOROUGH, MONDALE, ELLENDER, HARRIS, BURDICK, HATFIELD.

Also Senators YOUNG of North Dakota, AIKEN, BAYH, BOGGS, CHURCH, COOK, CRANSTON, DOMINICK, GOODELL, HOLLINGS, and JORDAN of Idaho.

Also Senators LONG, MCGOVERN, METCALF, NELSON, PEARSON, SAXBE, SCHWEIKER, TYDINGS, MAGNUSON, EAGLETON, WILLIAMS of Delaware, and HARTKE.

In addition to the names of Senators GRAVEL and RANDOLPH, the total number now is 48.

I ask unanimous consent that a copy of the resolution be printed in the RECORD at this point.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S. RES. 292

Resolution to express the sense of the Senate with respect to troop deployment in Europe

Whereas the foreign policy and military strength of the United States are dedicated to the protection of our national security, the preservation of the liberties of the American people; and the maintenance of world peace; and

Whereas the United States, in implementing these principles, has maintained large contingents of American Armed Forces in Europe, together with air and naval units, for twenty years; and

Whereas the security of the United States and its citizens remains interwoven with the security of other nations signatory to the North Atlantic Treaty as it was when the treaty was signed, but the condition of our European allies, both economically and militarily, has appreciably improved since large contingents of forces were deployed; and

Whereas the means and capacity of all members of the North Atlantic Treaty Organization to provide forces to resist aggression has significantly improved since the original United States deployment; and

Whereas the commitment by all members of the North Atlantic Treaty is based upon the full cooperation of all treaty partners in contributing materials and men on a fair and equitable basis, but such contributions have not been forthcoming from all other members of the organization; and

Whereas relations between Eastern Europe and Western Europe were tense when the large contingents of United States forces were deployed in Europe but this situation has now undergone substantial change and relations between the two parts of Europe are now characterized by an increasing two-way flow of trade, people, and other peaceful exchange; and

Whereas the present policy of maintaining large contingents of United States forces and their dependents on the European Continent also contributes further to the fiscal and monetary problems of the United States: Now, therefore, be it

Resolved, That—

(1) it is the sense of the Senate that, with changes and improvements in the techniques of modern warfare and because of the vast increase in capacity of the United States to wage war and to move military forces and equipment by air, a substantial reduction of United States forces permanently stationed in Europe can be made without adversely affecting either our resolve or ability to meet our commitment under the North Atlantic Treaty;

(2) S. Res. 99, adopted in the Senate, April 4, 1951, is amended to contain the provisions of this resolution and, where the resolutions may conflict, the present resolution is controlling as to the sense of the Senate.

IN PRAISE OF SENATE EMPLOYEES FOR THEIR WORK DURING FIRST SESSION OF 91ST CONGRESS

Mr. THURMOND. Mr. President, we have had a long, hard year in this first session of the 91st Congress, and I wish to take this opportunity to express my appreciation to all the employees of the Senate and the Congress who have executed their duties in the usual exemplary manner.

We are fortunate to have such capable men as Mark Trice and Bill Brownrigg and their staff on this side of the aisle, and our colleagues across the way are well served by Bob Dunphy, Frank Valeo, Stan Kimmitt, and their assistants. Especially helpful during this year have been Floyd Riddick, Parliamentarian; Bernard Somers, Journal Clerk; Edward Mansur, Jr., legislative clerk; James Johnson, assistant legislative clerk; and Charles J. Drescher, Chief Reporter of Debates, as well as the other fine men who work with them here in the Senate.

A particular note of praise is deserved by the Capitol Police Force. They have had to handle several major demonstrations, many unusual committee sessions, and scores of visitors this year as well as two State funerals when the Nation paid honor to the services of the late Dwight Eisenhower and Everett Dirksen.

There are doubtless many others who should be mentioned, but as one Senator among 100, I wanted to take these few moments to express my personal gratitude to these men and women who handle the day by day chores which are vital to a smooth functioning of the world's greatest legislative body.

To each of them, and to their wives and families, I extend my heartfelt wishes for a joyous Christmas season and health and happiness in the New Year.

ADJOURNMENT UNTIL 11 A.M. TOMORROW, TUESDAY, DECEMBER 23, 1969

Mr. MANSFIELD. Mr. President, in view of developments, I ask unanimous consent that the order to stand in recess until 10 o'clock tomorrow morning be vacated, and that, instead, the Senate now stand in adjournment until 11 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

Thereupon (at 11 o'clock and 34 minutes p.m.), the Senate adjourned until tomorrow, Tuesday, December 23, 1969, at 11 o'clock a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 22, 1969:

IN THE COAST GUARD

The nominations beginning David W. Hiller, to be lieutenant commander, and ending Joseph O. Fullmer, to be lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on December 10, 1969.

WITHDRAWAL

Executive nomination withdrawn from the Senate December 22, 1969:

DIPLOMATIC AND FOREIGN SERVICE

Robert Strausz-Hupé, of Pennsylvania, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Morocco, which was sent to the Senate on August 5, 1969.

HOUSE OF REPRESENTATIVES—*Monday, December 22, 1969*

The House met at 10:30 o'clock a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Unto us a child is born, unto us a Son is given; and His name shall be called "Wonderful Counselor, Mighty God, Everlasting Father, Prince of Peace."—Isaiah 9: 6.

Eternal Spirit, who hast been our refuge and strength in every age and who art our help in this hour of need, grant unto us Thy blessing this advent season and give to us the assurance of Thy presence as we draw near Christmas Day.

May the joy and good will that passes around the world at this time be ours and may we respond to Thy love by giving ourselves in greater devotion to the welfare of our people and in deeper dedication to cooperation among the nations. So may we learn to live at peace with ourselves and in good will with all Thy family.

> "We hear the Christmas angels
> The great glad tidings tell:
> O come to us, abide with us,
> Our Lord Immanuel."

Amen.

THE JOURNAL

The Journal of the proceedings of Saturday, December 20, 1969, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate has tabled the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15149) entitled "An act making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1970, and for other purposes".

It also announced that the Senate further insists upon its amendments to the above-entitled bill, disagreed to by the House of Representatives, and request a further conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McGee, Mr. Ellender, Mr. Holland, Mr. Montoya, Mr. Fong, Mr. Cotton, and Mr. Pearson to be the conferees on the part of the Senate, with instructions.

PRINTING OF COMMITTEE ACTIVITY REPORTS

Mr. FRIEDEL. Mr. Speaker, with reference of the printing of committee activity reports for the session, I wish to remind the chairmen of all committees that the Joint Committee on Printing has very properly ruled that the printing of such reports both as committee prints and in the RECORD is duplication, the cost of which cannot be justified.

It is requested that committee chairmen decide whether they wish these reports printed as committee prints or in the RECORD since the Government Printing Office will be directed not to print them both ways.

MERRY CHRISTMAS

(Mr. DORN asked and was given permission to address the house for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. DORN. Mr. Speaker, Merry Christmas and many thanks are in order to the reporters, pages, doorkeepers, clerks, the post office personnel, telephone operators, and all other employees of the Congress. I merely name a few of the many who deserve our thanks and best wishes.

This has been a long hard session and we simply could not function as the world's greatest deliberative body without them. I am grateful for their cooperation and dedication to the House and the Senate. They are a vital part of this great institution.

So, Mr. Speaker, a very Merry Christmas to all of them. I wish for them a joyous Christmas season and the very best New Year of all.

CALL OF THE HOUSE

Mr. CONABLE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 348]

Abbitt
Addabbo
Anderson, Ill.
Anderson, Tenn.
Andrews, Ala.
Andrews, N. Dak.
Baring
Berry
Bevill
Biaggi
Biester
Bingham
Blackburn
Blatnik
Bolling
Caffery
Cahill
Carey
Celler
Clay
Collier
Colmer
Conyers
Corman
Coughlin
Cowger
Cramer
Davis, Ga.
Dawson
Dent
Downing
Eckhardt
Edwards, Calif.
Erlenborn
Esch
Eshleman
Evins, Tenn.
Farbstein
Fascell
Findley
Fish
Ford, Gerald R.
Ford, William D.
Fountain
Galifianakis
Gallagher
Gaydos
Gilbert
Goldwater
Gray
Green, Oreg.
Green, Pa.
Griffiths
Hagan
Hall
Halpern
Harrington
Harsha
Harvey
Hathaway
Hébert
Hull
Jones, Ala.
Kirwan
Landgrebe
Lipscomb
Long, La.
Long, Md.
McCarthy
McClory
McKneally
Martin
May
Michel
Miller, Calif.
Montgomery
Morse
Morton
Moss
Murphy, N.Y.
Nedzi
O'Konski
O'Neal, Ga.
Ottinger
Philbin
Poage
Podell
Powell
Quillen
Rees
Reid, N.Y.
Riefel
Rhodes
Rostenkowski
Roybal
Ruppe
Sandman
Saylor
Sikes
Sisk
Smith, Calif.
Snyder
Staggers
Stephens
Stokes
Sullivan
Teague, Tex.
Tunney
Watkins
Whitehurst
Wilson, Bob
Wright
Wydler
Zion

The SPEAKER. On this rollcall 319 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

THE TAX REFORM CONFERENCE REPORT

(Mr. CONABLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONABLE. Mr. Speaker, the tax reform conference report is available today, and I consider it a triumph of the compromisers' art. I will support it, and urge its acceptance, despite the disappointments which any individual feels with the end product of a major compromise. I personally think it would be disastrous if no compromise had been possible, after all these months of expectation and painstaking work for greater tax equity. As in most matters of government, in this issue there is no absolute in the right or wrong of it either socially or fiscally. Nevertheless, I feel the end product of the conference is constructive, in a relative sense a step in the right direction compared to the present tax law if not the original House version of tax reform. I want to congratulate the two major architects of this viable compromise, our distinguished chairman and our equally distinguished ranking minority member, and to say that it continues to be a great privilege for me to serve under their leadership. I hope this measure, enacted into law, will be a harbinger of increasing reform-mindedness on the part of our National Legislature.

CONFERENCE REPORT ON H.R. 13111, DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES APPROPRIATIONS, 1970

Mr. FLOOD. Mr. Speaker, I call up the conference report on the bill (H.R. 13111) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies for the fiscal year ending June 30, 1970, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of December 20, 1969.)

The SPEAKER pro tempore (Mr. Boggs). The gentleman from Pennsylvania (Mr. Flood) is recognized for 1 hour.

Mr. FLOOD. Mr. Speaker, the bill that this committee reported to the House back in July totaled $16,651,039,700. As you will recall, the bill was amended in several places, mainly education items, so that the bill, as it passed the House, totaled $17,573,602,700, or approximately $1 billion more than recommended by our Committee on Appropriations.

The Senate further added to the bill to the extent of approximately $3.8 billion. However, I should point out in fairness to the other body that they considered estimates totaling over $3.3 billion that were not considered by the House due either to lack of authorization or the fact that the estimates were not submitted to Congress until after the bill had passed the House.

The differences we had to work with in conference were between the House bill of $17,573,602,700 and the Senate bill of $21,363,391,200. The conference agreement is $19,747,153,200 which is $1,616,238,500 under the Senate bill and $2,173,550,500 over the House bill.

Most of the items in conference were relatively small. There were only four that exceeded $50 million. The largest was the appropriation for the Office of Economic Opportunity that was not considered by the House since neither the House nor the Senate legislative committees had even reported an authorization bill at the time the House was considering this appropriation bill. The budget request was $2,048,000,000 and this amount was approved by the Senate. In conference this was reduced by $100 million to $1,948,000,000, the amount of the 1969 appropriation.

The next largest item was the advance for title I of the Elementary and Secondary Education Act for fiscal year 1971. The request was $1,226,000,000 and the Senate included $1,117,580,000 in the bill. In conference this item was dropped. There is no authorization for this advance and it is obvious now that there will not be authorization for at least several weeks or a few months.

For "higher education" the budget was $788,080,000 which the House increased to $859,633,000 and the Senate further increased to $1,006,874,000 or an increase of $147,241,000. Of this increase only $12,241,000 was agreed to in conference.

The only other item which was increased by as much as $50 million was the appropriation for aid to schools in federally impacted areas for which the House included $600,167,000, or approximately 90 percent of entitlement. The Senate increased this by $60 million. In conference none of the Senate increase was agreed to and we bring you a conference report at the same level as the House bill.

Mr. Speaker, these are the highlights of the conference report. I think we did a good job under all the circumstances. Leaving out the items that the Senate considered, but which were not considered by the House we gained much better than a 50–50 split. But I must not close my remarks without mentioning a fact that is most interesting under the current circumstances. The conference agreement is $87 million under the President's budget. But I must also hasten to add that, except for the deletion of the appropriation for advance funding of title I of the Elementary and Secondary Education Act for fiscal year 1971, the bill—even with the reductions made in conference—would be more than $1 billion over the budget.

Mr. Speaker, I place in the Record a table showing in much greater detail the effects of the conference action.

(Mr. FLOOD asked and was given permission to insert a table showing in detail the effects of the conference.)

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES APPROPRIATION BILL, 1970 (H.R. 13111)
NEW BUDGET (OBLIGATIONAL) AUTHORITY

CONFERENCE SUMMARY

		1970				Conference agreement compared with—			
Agency and item	1969 enacted [1]	Budget estimate [2]	House bill	Senate bill	Conference agreement	1969	Budget 1970	House	Senate
DEPARTMENT OF LABOR MANPOWER ADMINISTRATION									
Manpower development and training activities	$407,492,000	$675,605,000	$655,605,000	$675,605,000	$655,605,000	+$248,113,000	−$20,000,000		−$20,000,000
Office of Manpower Administrator, salaries and expenses	26,635,000	36,907,000	35,325,000	36,907,000	36,116,000	+9,481,000	−791,000	+$791,000	−791,000
Bureau of Apprenticeship and Training, salaries and expenses	9,418,000	6,532,000	6,532,000	6,532,000	6,532,000	−2,886,000			
Unemployment compensation for Federal employees and ex-servicemen	148,200,000	135,000,000	135,000,000	135,000,000	135,000,000	−13,200,000			
Trade adjustment activities	1,300,000	600,000	600,000	600,000	600,000	−700,000			
Bureau of Employment Security, salaries and expenses	2,758,000					−2,758,000			
Trust fund transfer	(20,938,000)	(18,766,000)	(18,766,000)	(18,766,000)	(18,766,000)	(−2,172,000)			
Advances to employment security administration account	25,000,000					−25,000,000			
Grants to States for unemployment compensation and employment service administration	(604,073,000)	[3] (657,700,000)	(630,772,000)	(657,700,000)	(655,772,000)	(+51,699,000)	(−1,928,000)	+(25,000,000)	(−1,928,000)
Total, Manpower Administration	620,803,000	854,644,000	833,062,000	854,644,000	833,853,000	+213,050,000	−20,791,000	+791,000	−20,791,000
LABOR-MANAGEMENT RELATIONS									
Labor-Management Services Administration, salaries and expenses	9,011,000	[4] 12,426,000	9,585,000	12,426,000	12,335,000	+3,324,000	−91,000	+2,750,000	−91,000

Footnotes at end of table.

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES APPROPRIATION BILL, 1970 (H.R. 13111)—Continued

NEW BUDGET (OBLIGATIONAL) AUTHORITY—Continued

CONFERENCE SUMMARY—Continued

Agency and item	1969 enacted[1]	1970				Conference agreement compared with—			
		Budget estimate[2]	House bill	Senate bill	Conference agreement	1969	Budget 1970	House	Senate
WAGE AND LABOR STANDARDS									
Wage and Labor Standards Administration, salaries and expenses	$11,929,000	$12,473,000	$12,050,000	$12,300,000	$12,050,000	+$121,000	−$423,000		−$250,000
Employees compensation claims and expenses	68,591,000	60,116,000	60,116,000	60,116,000	60,116,000	−8,475,000			
Wage and Hour Division, salaries and expenses	25,303,000	25,960,000	25,960,000	25,960,000	25,960,000	+657,000			
Total, wage and labor standards	105,823,000	98,549,000	98,126,000	98,376,000	98,126,000	−7,697,000	−423,000		−250,000
BUREAU OF LABOR STATISTICS									
Salaries and expenses	21,943,000	23,704,000	22,420,000	22,420,000	22,420,000	+477,000	−1,284,000		
BUREAU OF INTERNATIONAL LABOR AFFAIRS									
Salaries and expenses	1,400,000	1,332,000	1,332,000	1,332,000	1,332,000	−68,000			
OFFICE OF THE SOLICITOR									
Salaries and expenses	6,147,000	5,978,000	5,978,000	5,978,000	5,978,000	−169,000			
Trust fund transfer	(144,000)	(144,000)	(144,000)	(144,000)	(144,000)				
Total, Office of the Solicitor	6,147,000	5,978,000	5,978,000	5,978,000	5,978,000	−169,000			
OFFICE OF THE SECRETARY									
Salaries and expenses	4,999,000	5,476,000	5,476,000	5,476,000	5,476,000	+477,000			
Trust fund transfer	(556,000)	(557,000)	(557,000)	(557,000)	(557,000)	(+1,000)			
Federal contract compliance and civil rights program	943,000	926,000	926,000	926,000	926,000	−17,000			
Trust fund transfer	(535,000)	(564,000)	(564,000	(564,000)	(564,000)	(+29,000)			
Preventing age discrimination in employment	500,000	(5)	(5)	(5)	(5)	−500,000			
Total, Office of the Secretary	6,442,000	6,402,000	6,402,000	6,402,00	6,402,000	−40,000			
Total appropriations, Department of Labor	771,569,000	1,003,035,000	976,905,000	1,001,578,000	980,446,000	+208,877,000	−22,589,000	+$3,541,000	−21,132,000
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE									
CONSUMER PROTECTION AND ENVIRONMENTAL HEALTH SERVICE									
Food and drug control	68,885,000	72,007,000	72,007,000	72,698,000	72,352,500	+3,467,500	+345,500	+345,500	−345,500
Air pollution control	88,733,000	95,800,000	93,800,000	116,900,000	108,800,000	+20,067,000	+13,000,000	+15,000,000	+8,100,000
Environmental control	42,995,000	55,208,000	55,208,000	55,208,000	55,208,000	+12,213,000			
Buildings and facilities		300,000					−300,000		
Radiological health	18,150,000	(6)	(6)	(6)	(6)	−18,150,000			
Salaries and expenses, Office of the Administrator		[7] 6,162,000	[7] 6,162,000	[7] 6,162,000	[7] 6,162,000	+6,162,000			
Total, Consumer Protection and Environmental Health Service	218,763,000	229,477,000	227,177,000	250,968,000	242,522,500	+23,759,000	+13,045,500	+15,345,500	−8,445,500
HEALTH SERVICES AND MENTAL HEALTH ADMINISTRATION									
Mental health	263,540,000	357,904,000	360,302,000	385,000,000	360,302,000	+96,762,000	−2,398,000		−24,698,000
Community mental health resource support	72,553,000	(8)	(8)	(8)	(8)	−72,553,000			
St. Elizabeths Hospital (indefinite)	13,380,000	10,405,000	10,405,000	10,405,000	10,405,000	−2,975,000			
Health services research and development	49,931,000	44,975,000	44,975,000	44,975,000	44,975,000	−4,956,000			
Trust fund transfer	(4,320,000)	(9)	(9)	(9)	(9)	(−4,320,000)			
Comprehensive health planning and services	176,290,000	214,033,000	207,143,000	224,033,000	224,033,000	+47,743,000	+10,000,000	+16,890,000	
Trust fund transfer		[10] (4,320,000)	[10] (4,320,000)	[10] (4,320,000)	(4,320,000)	(+4,320,000)			
Chronic diseases	29,478,000	(11)	(11)	(11)	(11)	−29,378,000			
Regional medical programs	61,907,000	100,000,000	76,000,000	100,000,000	100,000,000	+38,093,000		+24,000,000	
Communicable diseases	54,217,000	38,638,000	38,638,000	38,638,000	38,638,000	−15,579,000			
Hospital construction	258,368,000	153,923,000	258,323,000	258,323,000	258,323,000	−45,000	+104,400,000		
District of Columbia medical facilities	15,000,000	[12] (15,000,000)	(12)	10,000,000	10,000,000	−5,000,000		+10,000,000	
Patient care and special health services	72,436,000	72,224,000	72,224,000	72,224,000	72,224,000	−212,000			
National health statistics	8,230,000	9,641,000	8,841,000	8,841,000	8,841,000	+611,000	−800,000		
Retired pay of commissioned officers (indefinite)	13,041,000	16,700,000	16,700,000	16,700,000	16,700,000	−3,659,000			
Buildings and facilities		2,100,000					−2,100,000		
Salaries and expenses, Office of the Administrator	9,380,000	9,898,000	9,898,000	9,898,000	9,898,000	+518,000			
Total, Health Services and Mental Health Administration	1,097,651,000	1,030,441,000	1,103,449,000	1,179,037,000	1,154,339,000	+56,688,000	+123,898,000	+50,890,000	−24,698,000
Consisting of—									
Definite appropriations	1,071,230,000	1,003,336,000	1,076,344,000	1,151,932,000	1,127,234,000	+56,004,000	+123,898,000	+50,890,000	−24,698,000
Indefinite appropriations	26,421,000	27,105,000	27,105,000	27,105,000	27,105,000	+684,000			

Footnotes at end of table.

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES APPROPRIATION BILL, 1970 (H.R. 13111)—Continued
NEW BUDGET (OBLIGATIONAL) AUTHORITY—Continued

CONFERENCE SUMMARY—Continued

Agency and item	1969 enacted [1]	1970				Conference agreement compared with—			
		Budget estimate [2]	House bill	Senate bill	Conference agreement	1969	Budget 1970	House	Senate
NATIONAL INSTITUTES OF HEALTH									
Biologics Standards	$8,499,000	$8,225,000	$8,225,000	$8,225,000	$8,225,000	−$274,000			
National Cancer Institute	185,149,500	180,725,000	180,725,000	200,000,000	190,362,500	+5,213,600	+$9,637,500	+$9,637,500	−$9,637,500
National Heart Institute	166,927,500	160,513,000	160,513,000	182,000,000	171,256,500	+4,329,000	+10,743,500	+10,743,500	−10,743,500
National Institute of Dental Research	29,983,500	29,289,000	29,289,000	32,000,000	30,644,500	+66,1000	+1,355,500	+1,355,500	−1,355,500
National Institute of Arthritis and Metabolic Diseases	143,888,000	137,668,000	137,668,000	155,000,000	146,334,000	+2,446,000	+8,666,000	+8,666,000	−8,666,000
National Institute of Neurological Diseases and Stroke	128,934,500	101,256,000	101,256,000	112,700,000	106,978,000	−21,956,500	+5,722,000	+5,722,000	−5,722,000
National Institute of Allergy and Infectious Diseases	96,840,500	102,389,000	102,389,000	105,000,000	103,694,500	+6,854,000	+1,305,500	+1,305,500	−1,305,500
National Institute of General Medical Sciences	163,513,500	154,288,000	154,288,000	175,000,000	164,644,000	+1,130,500	+10,356,000	+10,356,000	−10,356,000
National Institute of Child Health and Human Development	73,126,500	75,852,000	73,098,000	80,800,000	76,949,000	+3,822,500	+1,097,000	+3,851,000	−3,851,000
National Eye Institute		23,685,000	23,685,000	25,000,000	24,342,500	+24,342,500	+657,500	+657,500	−657,500
Environmental health sciences	17,820,000	18,328,000	18,328,000	18,328,000	18,328,000	+508,000			
General research and services	84,809,500	69,698,000	73,658,000	79,658,000	76,658,000	−8,151,500	+6,960,000	+3,000,000	−3,000,000
John E. Fogarty International Center for Advanced Study in the Health Sciences	600,000	2,954,000	2,954,000	2,954,000	2,954,000	+2,354,000			
Health manpower	172,176,000	218,021,000	218,021,000	251,200,000	234,470,000	+62,294,000	+16,449,000	+16,449,000	−16,730,000
Dental health	10,224,000	10,887,000	10,722,000	11,887,000	11,722,000	+1,498,000	+835,000	+1,000,000	−165,000
Grants for construction of health research facilities	8,400,000	(13)	(13)	(13)	(13)	−8,400,000			
Construction of health educational, research, and library facilities	84,800,000	126,100,000	126,100,000	160,000,000	149,050,000	+64,250,000	+22,950,000	+22,950,000	10,950,000
National Library of Medicine	18,160,500	19,682,000	19,682,000	19,682,000	19,682,000	+1,521,500			
Buildings and facilities		1,000,000	1,000,000	1,900,000	1,900,000	+1,900,000	+900,000	+900,000	
Salaries and expenses, Office of the Director		7,093,000	7,093,000	7,093,000	7,093,000	+7,093,000			
Scientific activities overseas (special foreign currency program)	15,000,000	3,455,000	3,455,000	3,455,000	3,455,000	−11,545,000			
Payment of sales insufficiencies and interest losses	200,000	957,000	957,000	957,000	957,000	+757,000			
General research support grants	(60,700,000)	(60,700,000)	(60,700,000)	(65,700,000)	(60,700,000)				(−5,000,000)
Total, National Institutes of Health	1,409,062,500	1,452,065,000	1,453,106,000	1,632,839,000	1,549,699,500	+140,647,000	+97,634,500	+96,593,500	−83,139,500
OFFICE OF EDUCATION									
Elementary and secondary education	1,476,993,000					−1,476,993,000			
Advance appropriation for 1970 (indefinite)	1,010,814,300					−1,010,814,300			
Supplemental to 1970 advance appropriation		404,578,700	[14] 750,776,700	702,036,700	717,036,700	+717,036,700	+312,458,000	−33,740,000	+15,000,000
Advance appropriation for 1971		1,226,000,000	(15)	1,117,580,000			−1,226,000,000		−1,117,580,000
Instructional equipment				[16] 93,240,000	48,740,000	+48,740,000	+48,740,000	+48,740,000	−44,500,000
School assistance in federally affected areas	520,861,000	202,167,000	600,167,000	660,167,000	600,167,000	+79,306,000	+398,000,000		−60,000,000
1968 special funds	90,965,000					−90,965,000			
Education professions development	171,900,000	95,000,000	95,000,000	120,000,000	107,500,000	−64,400,000	+12,500,000	+12,500,000	−12,500,000
Teacher Corps	20,900,000	31,100,000	21,737,000	31,100,000	21,737,000	+887,000	−9,363,000		−9,363,000
Higher education	700,387,000	[17] 788,080,000	859,633,000	1,006,874,000	871,874,000	+171,487,000	+83,794,000	+12,241,000	−135,000,000
Vocational education	248,216,000	279,216,000	488,716,000	488,716,000	488,716,000	+240,500,000	+209,500,000		
Libraries and community services	143,144,000	[18] 107,709,000	135,394,000	155,625,000	148,881,000	+5,737,000	+41,172,000	+13,487,000	−6,744,000
Education for the handicapped	78,850,000	85,850,000	[19] 100,000,000	105,000,000	100,000,000	+21,150,000	+14,150,000		−5,000,000
Research and training	89,417,000	115,000,000	85,750,000	98,250,000	85,750,000	−3,667,000	−29,250,000		12,500,000
Education in foreign languages and world affairs	15,700,000	20,000,000	18,000,000	12,000,000	18,000,000	+2,300,000	−2,000,000		+6,000,000
Research and training (special foreign currency program)	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000				
Salaries and expenses	42,694,000	43,375,000	42,157,000	42,157,000	42,157,000	−537,000	−1,218,000		
Student loan insurance fund		10,826,000	10,826,000	10,826,000	10,826,000	+10,826,000			
Higher education facilities loan fund	100,000,000					−100,000,000			
Payment of participation sales insufficiencies	3,275,000	2,918,000	2,918,000	2,918,000	2,918,000	−357,000			
Total, Office of Education	4,715,116,300	3,412,819,700	3,212,074,700	4,647,489,700	3,265,302,700	−1,449,813,600	−147,517,000	+53,228,000	−1,382,187,000
Consisting of—									
Definite appropriations:									
Regular	3,613,337,000	2,186,819,700	3,212,074,700	3,529,909,700	3,265,302,700	−348,034,300	+1,078,483,000	+53,228,000	−264,607,000
1968 special funds	90,965,000					−90,965,000			
1971 advance		1,226,000,000	(15)	1,117,580,000			−1,226,000,000		−1,117,580,000
Indefinite appropriation:									
1970 advance	1,010,814,300					−1,010,814,300			
SOCIAL AND REHABILITATION SERVICE									
Grants to States for public assistance	6,416,546,000	7,351,551,000	7,351,551,000	7,351,551,000	7,351,551,000	+935,005,000			
Work incentives	117,500,000	129,640,000	129,640,000	100,000,000	120,000,000	+2,500,000	−9,640,000	−9,640,000	+20,000,000
Assistance for repatriated U.S. nationals	645,000	700,000	700,000	700,000	700,000	+55,000			
Grants for rehabilitation services and facilities	368,990,000	499,783,000	499,783,000	464,783,000	464,783,000	+95,793,000	−35,000,000	−35,000,000	
Mental retardation	32,556,000	33,629,000	37,000,000	39,000,000	37,000,000	+4,444,000	+3,371,000		−2,000,000
Maternal and child health and welfare	265,400,000	[20] 285,300,000	284,800,000	284,800,000	284,800,000	+19,400,000	−500,000		
Development of programs for the aging	23,000,000	28,360,000	(21)	36,250,000	28,360,000	+5,360,000		+28,360,000	−7,890,000

Footnotes at end of table.

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES APPROPRIATION BILL, 1970 (H.R. 13111)—Continued
NEW BUDGET (OBLIGATIONAL) AUTHORITY—Continued

CONFERENCE SUMMARY—Continued

Agency and item	1969 enacted [1]	1970				Conference agreement compared with—			
		Budget estimate [2]	House bill	Senate bill	Conference agreement	1969	Budget 1970	House	Senate
SOCIAL AND REHABILITATION SERVICE—Continued									
Juvenile delinquency prevention and control	$5,000,000	$15,000,000	$5,000,000	$15,000,000	$10,000,000	+$5,000,000	−$5,000,000	+$5,000,000	−$5,000,000
Rehabilitation research and training	64,000,000	60,000,000	60,000,000	60,000,000	60,000,000	−4,000,000			
Cooperative research or demonstration projects	3,150,000	11,500,000	11,500,000	11,500,000	11,500,000	+8,350,000			
Research and training (special foreign currency program)	5,000,000	2,000,000	2,000,000	2,000,000	2,000,000	−3,000,000			
Salaries and expenses	27,617,000	[22] 34,393,000	28,780,000	31,673,000	30,226,500	+2,609,500	−4,166,500	+1,466,500	−1,466,500
Trust fund transfers	(348,000)	(360,000)	(360,000)	(360,000)	(360,000)	(+12,000)			
Total, Social and Rehabilitation Service	7,329,404,000	8,451,856,000	8,410,754,000	8,397,257,000	8,400,920,500	+1,071,516,500	−50,935,500	−9,833,500	+3,663,500
SOCIAL SECURITY ADMINISTRATION									
Payment to trust funds for health insurance for the aged	1,360,227,000	1,535,413,000	1,545,413,000	1,545,413,000	1,545,413,000	+185,186,000			
Payment for military service credits	105,000,000	105,000,000	105,000,000	105,000,000	105,000,000				
Payment for special benefits for the aged	225,545,000	364,151,000	364,151,000	364,151,000	364,151,000	+138,606,000			
Consumer credit training		[23] 300,000		300,000			−300,000		−300,000
Limitation on salaries and expenses	(807,492,000)	(921,200,000)	(901,500,000)	(921,200,000)	(911,350,000)	(+103,858,000)	(−9,850,000)	(+9,850,000)	(9,850,000)
Total, Social Security Administration	1,690,772,000	2,014,864,000	2,014,564,000	2,014,864,000	2,014,564,000	+323,792,000	−300,000		−300,000
SPECIAL INSTITUTIONS									
American Printing House for the Blind, education of the blind	1,340,000	1,404,000	1,404,000	1,404,000	1,404,000	+64,000			
National Technical Institute for the Deaf, salaries and expenses	800,000	2,851,000	2,851,000	2,851,000	2,851,000	+2,051,000			
Model secondary school for the deaf, salaries and expenses	400,000	415,000	415,000	415,000	415,000	+15,000			
Model secondary school for the deaf, construction	445,000	351,000	351,000	351,000	351,000	−94,000			
Gallaudet College, salaries and expenses	3,691,000	4,257,000	4,257,000	4,332,000	4,332,000	+641,000	+35,000	+35,000	
Gallaudet College, construction		867,000	867,000	1,106,000	1,106,000	+1,106,000	+239,000	+239,000	
Howard University, salaries and expenses	18,231,000	20,445,000	20,445,000	20,445,000	20,445,000	+2,214,000			
Howard University, construction	2,209,000	22,710,000	22,710,000	22,710,000	22,710,000	+20,501,000			
Freedmen's Hospital	9,030,000	9,109,000	9,109,000	9,109,000	9,109,000	+79,000			
Total, special institutions	36,146,000	62,409,000	62,409,000	62,723,000	62,723,000	+26,577,000	+314,000	+314,000	
DEPARTMENTAL MANAGEMENT									
Office of the Secretary, salaries and expenses	8,621,000	5,975,000	5,795,000	5,975,000	5,975,000	−2,646,000			
Transfer from trust funds	(1,282,000)	(398,000)	(398,000)	(398,000)	(398,000)	(−884,000)			
Office for Civil Rights, salaries and expenses		5,259,000	5,259,000	5,259,000	5,259,000	+5,259,000			
Transfer from trust funds		(856,000)	(856,000)	(856,000)	(856,000)	(+850,000)			
Office of Community and Field Services, salaries and expenses	2,723,000	4,730,000	4,510,000	4,510,000	4,510,000	+1,787,000	−220,000		
Transfers	(2,079,000)	(2,486,000)	(2,325,000)	(2,325,000)	(2,325,000)	(+426,000)	(+161,000)		
Office of the Comptroller, salaries and expenses	8,544,000	10,425,000	10,425,000	10,425,000	10,425,000	+1,881,000			
Transfer from trust funds	(1,255,000)	[24] (2,060,000)	(1,808,000)	(2,060,000)	(2,060,000)	(+805,000)		(+252,000)	
Office of Administration, salaries and expenses	2,845,000	5,234,000	5,066,000	5,066,000	5,066,000	+2,221,000	−168,000		
Transfer from trust funds	(302,000)	(359,000)	(350,000)	(350,000)	(350,000)	(+48,000)	(−9,000)		
Surplus property utilization	1,243,000	1,255,000	1,255,000	1,255,000	1,255,000	+12,000			
Office of the General Counsel, salaries and expenses	2,181,000	2,282,000	2,244,000	2,244,000	2,244,000	+63,000	−38,000		
Transfers	(1,375,000)	(1,416,000	(1,396,000)	(1,396,000.	(1,396,000)	(+12,000)	(−20,000)		
Educational broadcasting facilities	4,375,000	(25)	(25)	(25)	(25)	−4,375,000			
Total, departmental management	30,532,000	35,160,000	34,734,000	34,734,000	34,734,000	+4,202,000	+426,000		
Total, new budget (obligational) authority, Department of Health, Education, and Welfare	16,527,436,800	16,689,091,700	16,518,267,000	18,219,911,700	16,724,805,200	+197,368,400	+35,713,500	+206,537,500	−1,495,106,500
Consisting of—									
Definite appropriations:									
Regular	15,399,126,500	15,435,986,700	16,491,162,700	17,075,226,700	16,697,700,200	+1,298,463,700	+1,261,713,500	+206,537,500	−377,526,500
1968 special funds	90,965,000					−90,965,000			
1971 advance		1,226,000,000	(15)	1,117,580,000			−1,226,000,000		−1,117,580,000
Indefinite appropriations:									
Regular	26,421,000	27,105,000	27,105,000	27,105,000	27,105,000	+684 00			
1970 advance	1,010,814,300					−1,010,814,300			
RELATED AGENCIES									
National Labor Relations Board	35,474,000	36,880,000	36,880,000	36,880,000	36,880,000	+1,406,000			
National Mediation Board	2,492,000	2,226,000	2,226,000	2,226,000	2,226,000	−266,000			
Railroad Retirement Board:									
Limitation on salaries and expenses	(14,490,000)	(15,092,000)	(15,172,000)	(15,172,000)	(15,172,000)	(+682,000)	(+80,000)		
Payment for military service credits	18,446,000	19,206,000	19,206,000	19,206,000	19,206,000	+760,000			

Footnotes at end of table.

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES APPROPRIATION BILL, 1970 (H.R. 13111)—Continued
NEW BUDGET (OBLIGATIONAL) AUTHORITY—Continued

CONFERENCE SUMMARY—Continued

Agency and item	1969 enacted [1]	1970				Conference agreement compared with—			
		Budget estimate [2]	House bill	Senate bill	Conference agreement	1969	Budget 1970	House	Senate
RELATED AGENCIES—Con.									
Federal Mediation and conciliation Service	$8,215,000	[26] $8,452,000	$8,240,000	$8,412,000	$8,412,000	+$197,000	−$40,000	+$172,000	
United States Soldiers' Home (trust fund appropriation):									
Operation and maintenance	8,602,000	9,149,000	9,149,000	9,149,000	9,149,000	+547,000			
Capital outlay	726,000	170,000	170,000	170,000	170,000	−556			
Office of Economic Opportunity	1,948,000,000	2,048,000,000	([21])	2,048,000,000	1,948,000,000		−100,000,000	+1,948,000,000	−$100,000,000
Federal Radiation Council	127,000	124,000	124,000	124,000	124,000	−3,000			
President's Committee on Consumer Interests	421,000	450,000	450,000	450,000	450,000	+29,000			
National Commission on Product Safety	525,000	1,475,000	1,475,000	1,475,000	1,475,000	+950,000			
President's Council on Youth Opportunity		357,000	([27])	300,000	300,000	+300,000	−57,000	+300,000	
Inter-Agency Committee on Mexican-American Affairs		510,000	510,000	510,000	510,000	+510,000			
Payment to the Corporation for Public Broadcasting	5,000,000	[28] 15,000,000	([21])	15,000,000	15,000,000	+10,000,000		+15,000,000	
Grand total, new budget (obligational) authority	19,327,033,800	19,834,125,700	17,573,602,700	21,363,391,700	19,747,153,200	+420,119,400	−86,972,500	+2,173,550,500	−1,616,238,500
Consisting of—									
Definite appropriations:									
Regular	18,198,833,500	18,581,020,700	17,546,497,700	20,218,706,700	19,720,048,200	+1,521,214,700	+1,139,027,500	+2,173,550,500	−498,658,500
1968 special funds	90,965,000					−90,965,000			
1971 advance		1,226,000,000		1,117,580,000			−1,226,000,000		−1,117,580,000
Indefinite appropriations:									
Regular	26,421,000	27,105,000	27,105,000	27,105,000	27,105,000	+684,000			
1970 advance	1,010,814,300					−1,010,814,300			

[1] Includes supplemental appropriations. Amounts do not reflect reserves created pursuant to Public Law 90-364.

[2] Includes amendments contained in H. Doc. 91-100, H. Doc 91-113, S. Doc. 91-34, and S. Doc. 91-41.

[3] Includes budget amendment of $26.928.000 (S. Doc. 91-41) which the House did not consider.

[4] Includes budget amendment of $750,000 (S. Doc. 91-41) which the House did not consider.

[5] Included under Wage and Hour Division, Salaries and expenses, in 1970.

[6] Included under "Environmental control" and "salaries and expenses, Office of the Administrator" in 1970.

[7] Formerly budgeted under "Radiological health."

[8] Included under "Mental health" in 1970.

[9] Included under "Comprehensive health planning and services" in 1970.

[10] Formerly budgeted under "Health services research and development."

[11] Included under "Regional medical programs" in 1970.

[12] Considered in connection with the Second Supplemental Appropriations Act, 1969.

[13] Included under "Construction of health, educational, research, and library facilities" in 1970.

[14] $10,055,000 not considered by House due to lack of authorization.

[15] $1,226,000,000 not considered by House due to lack of authorization.

[16] Includes $78,740,000 previously carried under "Elementary and secondary education" and $14,500,000 previously carried under "Higher education".

[17] Includes budget amendment of $7,241,000 (S. Doc. 91-41) for Federal City College which the House did not consider.

[18] Includes funds for "Educational broadcasting facilities," formerly budgeted under "Departmental Management."

[19] $60,000 not considered by House due to lack of authorization.

[20] The budget requested $228,500,000 for "Maternal and child health" and $56,800,000 for Child Welfare."

[21] Not considered due to lack of authorization.

[22] Includes budget amendment of $2,893 000 (S. Doc. 91-34) which the House did not consider.

[23] Includes budget amendment of $19,700 000 (S. Doc. 91-34) which the House did not consider.

[24] Includes budget amendment of $252,000 (S. Doc. 91-34) which the House did not consider.

[25] Included under "Libraries and community services" in 1970.

[26] Includes budget amendment of $172,000 (S. Doc. 91-41) which the House did not consider.

[27] Consideration deferred.

[28] Includes budget amendment of $15,000,000 (S. Doc. 91-41) which the House did not consider.

CALL OF THE HOUSE

Mr. ROUDEBUSH. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. BOGGS). The Chair will count.

One hundred and ninety Members are present, not a quorum.

Mr. BENNETT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 349]

Abbitt
Abernethy
Anderson, Tenn.
Andrews, Ala.
Andrews, N. Dak.
Baring
Berry
Bevill
Bingham
Blatnik
Bolling
Caffery
Cahill
Carey
Celler
Chappell
Clark
Clay
Cleveland
Collier
Colmer
Conyers
Daddario
Davis, Ga.
Davis, Wis.
Dawson
Downing
Dulski
Eckhardt
Edwards, Calif.
Eshleman
Evins, Tenn.
Farbstein
Fascell
Findley
Ford, Gerald R.
Galifianakis
Gallagher
Goldwater
Gray
Green, Oreg.
Griffiths
Grover
Hall
Halpern
Harrington
Harvey
Hébert
Horton
Hull
Kee
Kirwan
Landgrebe
Lipscomb
Lukens
McClory
McMillan
Martin
Miller, Calif.
Montgomery
Morse
Morton
Moss
Murphy, N.Y.
Nelsen
O'Konski
O'Neal, Ga.
Ottinger
Pettis
Philbin
Poage
Powell
Rees
Reid, N.Y.
Reifel
Rosenthal
Rostenkowski
Sandman
Saylor
Sikes
Sisk
Smith, Calif.
Smith, Iowa
Staggers
Stephens
Stokes
Sullivan
Teague, Tex.
Thompson, Ga.
Watkins
Weicker
Wright
Wydler

The SPEAKER pro tempore. On this rollcall 340 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CONFERENCE REPORT ON H.R. 13111, DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES APPROPRIATIONS, 1970

Mr. FLOOD. Mr. Speaker, I yield 5 minutes to the distinguished ranking minority member of the committee, the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Speaker, I apologize for my tardy entrance this morning and hope I did not cause too much consternation by my tardy arrival, due to the lateness of my plane.

Mr. FLOOD. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the distinguished chairman.

Mr. FLOOD. What was the score of that basketball game in which your son played?

Mr. MICHEL. I remember very distinctly it was 78 to 65.

Mr. FLOOD. Did you win?

Mr. MICHEL. The Yale Bulldogs won and my son did quite well scoring 14 points, hauling down 12 rebounds, and making five assists.

I think we ought to have perhaps a capsule briefing on what the two bodies did, so far as total figures are concerned in this bill.

Members will recall that the Nixon revised budget with respect to this bill was $16,495,000,000, rounding out the figures.

You will remember the big hassle we had here in the House adding nearly a billion dollars to the committee's figures by way of the Joelson amendment. The House ultimately passed a bill that aggregated $17,573,000,000 rounded out, and we ended up then with a bill of $1,078,000,000, rounded out, over the Nixon budget.

When the measure was considered over in the other body there were significant items that were not considered in the House because they were not authorized.

The biggest of these items was the OEO money, and the budget figure there, you will recall, was $2,048,000,000. There was an item of advanced funding for education of $1,226,000,000. Over and above that, there are two smaller items, $28,000,000, rounded out for aging, and $15,000,000 for public broadcasting. So for all practical purposes the Senate was considering budget figures considerably larger than those that we had to contend with in the House—as a matter of fact, $3,300,000,000 give or take a bit one way or the other over our estimates.

The Senate budget estimates, then, totaled $19,834,000,000, but they passed a bill totaling $21,363,000,000, rounded out. In other words their bill was a billion and a half over the Nixon budget.

What we ended up and agreed to in conference is a bill that is $1,139,000,000 over the Nixon budget.

Broken down, $1,078,000,000 of this is in education, $96 million, rounded out, for NIH and health manpower, and then you know we made a $100 million reduction in poverty. When arriving at this figure the Senate budget estimates should be reduced by $1.226 billion for advance funding because there is no money in this bill for advanced funding for education.

I voted against the House-passed bill because I thought the increases were too extreme, far more than I personally could stomach. That is the reason why I failed to sign the conference report. But under any other given set of circumstances, I would certainly have to give tremendous credit to your House managers, and particularly the chairman of our subcommittee, who chaired the conference, the gentleman from Pennsylvania (Mr. Flood), for doing an outstanding job in getting the other body to yield to the House-passed figures in most cases. He was superlative.

So in that sense, the House managers just did a tremendous and commendable job. I wish circumstances were such that I could be in support of the conference report on the strength of the concessions the House got from the Senate. But, as I said, to back up and reaffirm my earlier opposition to the House bill being more than $1 billion over the budget, I have to register my opposition to it.

With that, Mr. Chairman, unless other Members would like to be heard, that is all I have to say at this time, and I thank my chairman for yielding.

Mr. FLOOD. Mr. Speaker, I yield such time as he may consume to the gentleman from Mississippi (Mr. Whitten).

Mr. WHITTEN. Mr. Speaker, I am not happy with this conference report. In accepting it we must trust the executive department to make great improvements in many programs and eliminate others. On this we have had some assurance. There are areas, however, where funds must be made available, and for that reason we propose to vote for it.

Turning to the sections where I have been most active, not being a member of the subcommittee, it is never easy as we review history to understand the reason for the fall of empires, especially where it is apparent it came about through destruction from within—you might say from self-destruction. It seems to me that there is considerable evidence that we are on that road; I would like to point out here some of the danger signals as I see them.

But first, may I say thanks to all our friends who have stood steadfast and worked hard through these difficult days of trying to hold the so-called Whitten amendments. Those of us who live in the sorely affected areas, and know conditions firsthand, appreciate their stand which we know was under pressure.

To those of you who were unable to see just what is happening to us which of course will spread to you, or who for some other reason were unable to support our views, we hope you will study this problem for you will learn how serious this matter is, not merely to one section of the country but to the Nation.

THE WHITTEN AMENDMENTS

For the Record I would like to repeat the language of these amendments:

> Sec. 408. No part of the funds contained in this Act may be used to force busing of students, the abolishment of any school or the assignment of any student attending any elementary or secondary school to a particular school against the choice of his or her parents or parent.
>
> Sec. 409. No part of the funds contained in this Act may be used to force busing of students, the abolishment of any school or the assignment of students to a particular school as a condition precedent to obtaining Federal funds otherwise available to any State, school district or school."

I offered these amendments to the HEW bill and they were adopted by the House Appropriations Committee by a vote of 34 to 11. They were retained on the floor, and the bill containing these provisions was passed by a vote of 158 to 141.

Our friends in the Senate, particularly our Senator Stennis, a member of the committee and our senior Senator Eastland, made a strong fight, presenting in detail evidence of the destruction of the public school system of our Nation, at the moment primarily in our section; that it was unfair to the people of all races and to the Nation. Nevertheless a majority of the Senate added to each of my amendments the words "except as required by the Constitution." The vote was 52 to 37, which leaves it open to Supreme Court determination—though that would be no problem if the Court would follow the Constitution as written.

Mr. Speaker, we lost because the Congress reversed itself. Secretary Finch, speaking for the administration, after our amendments passed the House, and was accepted in conference, went all out against the amendments, in person, by the press, by telephone, and telegraph. Of course he changed votes. The record shows it. As a consequence we lost.

Mr. Speaker, my amendments protected citizens of all races from being forced by the Department of Health, Education, and Welfare to bus, from being forced to close schools, from being forced to send their children to a particular school against the wishes of their parents, or to withhold funds to make schools willingly to do so.

What is wrong with that—nothing, and you know it.

FIRST PROPERTY RIGHTS, THEN PERSONAL SAFETY, NOW SCHOOLS DESTROYED

Mr. Speaker, the record of the debates on this amendment show that school after school has been closed; that there is tremendous overcrowding; that, by a partial count only, more than $100,000,000 of school facilities are made unavailable by order of courts, all in overcrowded districts.

The press is full of such facts. Only last Saturday Columnist Jenkin Lloyd Jones, under the heading "The Dangers of Good Intentions," quoted a dissenting judge in the noted Jefferson County Board of Education in these words:

> The freedom of the Negro child to attend any public school without regard to his race or color . . . is again lost—now he must go where the Court tells him. In one school there are over 1,000 vacant places and five other schools have 800 more students than they were built to accommodate.

And so it goes over the southeastern part of the United States. And judging by the way Court-condoned crime has spread, as has Court-promoted destruction of property, this destruction of the public schools will spread to you, too.

Look at a leading local paper, the Washington Post, which I shall not otherwise describe. Each day it takes almost a half page merely to list the rapes, murders, robberies, and major crimes which occurred in Washington alone for the preceding day, and in fine print, too. And the Supreme Court action favoring criminals led to a public school situation which is perhaps described best by the headlines of one of yesterday's leading newspapers, the Daily News: "Doors Still Chained in Some Schools During School Hours."

My friends, we continue to fly in the face of recorded history, violating not only the lessons we should have learned from study of other nations but which have had brought home to us in the United States in recent years.

If we will stop and think we will realize it was our Federal courts, following or actually getting out ahead of the Supreme Court, which in my section held it to be all right to prevent the use of property by the owner who worked and saved to pay for it, but to interfere with the owner running his own business affairs and thereby actually cause him to lose his property. What was not realized by the general public was that when the court takes such a view it becomes a precedent and that such decisions will be followed in your courts, as are being done today. Such right to a man's use of his property led these law violators to take property; and the next step for them, led on by court decisions was not only the destruction of billions of dollars of property, through the burning of large sections of Detroit, Cleveland, Washington, and hundreds of cities but a great loss of human life.

XUM

Mr. Speaker, surely we should have learned from that. Next, however, we see the same Supreme Court holding it is all right for the criminal to be protected from the police and for the Court to constantly enlarge the privileges of the criminal as against the authority deemed necessary for the law enforcement officer for hundreds of years. It has been estimated this restriction of officer rights occurred in 35 different phases of law enforcement all to the advantage of the criminal.

Here, too, each time the courts acted, it became a precedent and the result has been a complete breakdown in law and order, with murder, rape, robbery and even assassination commonplace in the cities of the Nation. The same Federal courts, promoted and led on by the Supreme Court, are now destroying our public school system. It is time we wake up. If we are to remedy this situation, not only do we need the amendments which have been defeated in the existing bill; but we must put the Supreme Court back in the position provided for it by the Constitution which was made clear in debate dealing with the Constitution, in the wording of the Constitution itself—but was perhaps best described by a maker of the Constitution, Alexander Hamilton in the Federalist papers which contributed so much to the adoption of the Constitution itself.

THE PLACE OF THE SUPREME COURT

Mr. Hamilton described the place of the Court in the Federalist as follows:

> The Executive not only dispenses the honors but holds the sword of the community. The Legislative not only commands the purse but prescribes the rules by which the duties and rights of every citizen are to be regulated. The Judiciary, to the contrary, has no influence over either the sword or the purse . . . and can take no active resolution whatever.

If we are to save a nation from judges who by reason of lifetime appointment seem to claim almost every right and power, we must stop the members of the Court from dictating to Congress, the President, and the people. I cannot help but say, knowing some of the members socially if they were our relatives we would realize they qualified for welfare homes.

Mr. Speaker, it is up to us to stand up. After all, we are the ones—for we are the people's branch, we must stand up if a nation is to be saved.

Mr. Speaker, under leave to extend my remarks, I repeat a speech I made on June 18, dealing with this subject in more detail.

I quote:

MR. JUSTICE WARREN VERSUS THE CONSTITUTION

Mr. WHITTEN. Mr. Speaker, recorded history clearly shows that power breeds the desire to have power and that no dictator ever voluntarily stopped short of taking it all.

Certainly the action of the Supreme Court on Monday of this week clearly demonstrates that if you give them an inch they will take a mile. This case, POWELL against MCCORMACK, et al., might better be styled "U.S. Supreme Court versus the Constitution, or the abortive effort of the Warren Court to take over the legislative branch of Government."

Mr. Speaker, there are literally hundreds of questions left in the air following this decision. It is to be noted that the Supreme Court limited itself to a declaratory judgment, merely judging "because the issue was justiciable"—capable of being judged—but left it up to the lower court to find ways and means to have the Sergeant at Arms, the Clerk, and the Doorkeeper—all employees of the House of Representatives—to seek out and provide an appropriate remedy. How can any court claim that they can indirectly control the people's branch—the U.S. House of Representatives—by orders to our employees under threat of jail when the Court sidesteps any claim they could control the Speaker and various Members of Congress directly?

Where lies the authority of administering the oath of office of a Member to serve in a Congress already expired? Where lies the authority for the Sergeant at Arms to pay a Member from funds appropriated for the fiscal year and the fiscal year has expired?

Mr. Speaker, Chief Justice Warren doubtless took great pleasure in overruling his successor as Chief Justice, Justice Burger—particularly since Mr. Warren was thwarted in his efforts to force the Congress and the President to name Justice Abe Fortas as Chief Justice only a short time ago. Mr. Fortas has since resigned.

CONGRESSIONAL DISTRICTS

Mr. Speaker, any nation must of necessity defend itself at home as well as abroad. When Mr. Warren and his Court first held that the size and population of congressional districts were subject to their regulation, I introduced a resolution and urged the House of Representatives to "thank the Court for its advisory opinion," on the ground that the Constitution provides that the House is the sole judge of the qualifications of its Members. I was unable to get such resolution through the committee and through the Congress. We could see then that to acknowledge such power in the Court was to invite a Court takeover in this field. This happened. First the courts said a population variance which did not exceed 10 percent would be all right. After forcing that goal now the judges say a variation of as much as 3 percent is too much. Of course, this is thoroughly impractical and I think in the future Congresses are going to have to seat whom they wish and tell the Court to stay in its own bailiwick. Letting the Court get by with its earlier decision on the Congress itself led to the completely out-of-bounds opinion of Monday.

CRIME—BREAKDOWN IN LAW ENFORCEMENT

Let us look to the matter of crime. When the Supreme Court and subordinate courts set out to say it is all right to let somebody prevent you from using your property—to sit-in so that you would lose your business—it disturbed many people, but many others thought, "So what?" But if they let them prevent the use of your property, the next step is to let them take your property; and the next is to burn and loot and destroy. We have seen all these steps taken, beginning with the original encroachment by the Court of basic rights, until today you are not safe to be out at night, man or woman, in half of the United States. We are approaching the conditions of the Middle Ages.

By allowing the Supreme Court and the Federal courts to claim the sole right to interpret the Constitution, they have virtually set themselves up as a judicial dictatorship. In an estimated 35 new decisions, privileges of the individual criminal have been placed ahead of the welfare of the public. The result has been a complete breakdown of law and order. Murder, rape, robbery, burning of large sections of our major cities, and even assassinations, have been the result.

All this, if closely analyzed, comes because we have stood by, both the legislative branch and the executive branch, and let the Supreme Court assume the sole right of interpretation of the Constitution, a right the court does not have under the Constitution.

DESTRUCTION OF PUBLIC SCHOOLS

Let us look at our schools. An extensive process of education is absolutely essential to any continuing society. Our Nation has had one of the finest educational systems ever known.

In the Brown case, 1954, the Supreme Court said States could not provide for forced segregation by law. What has happened since?

By exercising their claim of the power to dictate, the Federal courts today are actually assuming and exercising the right to supervise the operation of local schools—open to all students—from day to day and month to month. We see court orders closing some school buildings, to force students into one building, regardless of overcrowding, and setting up quotas in others, directing the hiring and firing and assignment of teachers against the wishes of all parents and forced assignment by race against the wishes of all parents.

Educational funds are withheld under the misguided conception that in some way this punishes school boards—when in fact it is the children who are thus punished. This has happened because so far we have let the courts get by with the claim that they have the sole right to interpret the Constitution. Yet any study will show they have no such exclusive power, for under the Constitution the legislative and the executive branches are equal and coordinate and have the right to interpret for themselves, where their responsibilities are concerned.

All of this leads up to the fact, Mr. Speaker, that on January 3, I introduced House Resolution 51, providing for a standing committee in the House of Representatives on the Constitution. This would give us a forum in which we, too, could interpret the Constitution, and would enable us to hold our own in the battle for public support. When House Resolution 51 was not voted out by the committee, I filed Discharge Petition No. 3. I now urge Members to sign this discharge petition. We then would have an instrument with which to go before the bar of public opinion. I think it is essential that we take this step and take it now. I know the Congress, being an equal branch, can ignore the Court or limit its jurisdiction. I am convinced we will see this Court continue to strike at the very bedrock of our society unless we act now. They have already destroyed law enforcement. They are in the process of destroying the public school system, and in this opinion, they attempt to tear down the people's branch—the Congress, destroying the separate but equal doctrine and assuming further dictatorial powers. I think, among other things, we might review the announced statement by the Chief Justice that he expects to continue on in the Supreme Court Building, where doubtless he will be continuing his efforts to influence the Justices in their decisions.

We have had enough of Justice Warren and we are fortunate that he did not get to pick his successor. It is unfortunate that his first move is to claim the sole power in the judicial branch to interpret the Constitution, even to the extent of controlling in effect, the other two branches of Government which certainly were intended to be and have the power to be joint and coequal.

Again, may I say to my colleagues, I hope you will all sign Discharge Petition No. 3.

Let us establish for us a Committee on the Constitution, for as we all know, we swear to uphold the Constitution as Members of Congress—but to uphold it as it is written and not as it might be interpreted by Mr. Warren, Mr. Douglas, or any other members of the Supreme Court.

We must renew our resolve to return the Court to its proper place so that a citizen may enjoy the fruits of his labor, and to make certain that the public interest again becomes paramount. We must again make education the prime purpose of our schools by precluding their operation by the Federal courts, either by the district courts or from Washington. We must set up our own committees to interpret the Constitution. This I have proposed in House Resolution 51.

While we fight political dictatorship abroad, we must no longer permit dictatorship at home. What will it profit our Nation to bring to others the rights we believe to be theirs, if at the same time we permit those same rights to be taken away from our people here at home?

Again, please sign Discharge Petition No. 3.

Mr. TUNNEY. Mr. Speaker, the House is considering the conference report on the bill to establish a Council on Environmental Quality.

I introduced a similar bill in 1967 and cosponsored the present bill which passed the House on September 23, 1969, by a near unanimous vote.

This legislation is important because first and foremost there is a need to view the entire environment and its total ecological interaction. The understanding of our ecology is essential if we are to make the various individual Government programs relate effectively to one another and to advance our activities in environmental improvement. An effective overview of the environment and its ecology, as proposed by this legislation, will enable us to evaluate the effectiveness of our present efforts throughout the Government.

The Council which would be created by this legislation will develop on a continuing basis, creative concepts and plans for the improvement of the environment. It will also serve to appraise and coordinate Government programs to insure that environmental problems are considered.

The environmental problems of this country are increasing daily and in many areas have reached crisis proportions. An effective overall view of the environment and its ecology will enable us to evaluate the effectiveness of present efforts throughout the Government.

The House is also considering the Labor-HEW appropriations conference report. This legislation contains $19.7 billion in vital funds for education and antipoverty programs. Both the House and the Senate have recognized the importance of these programs. It is therefore regrettable that the threat of a Presidential veto hangs over this bill. Any reduction in funds will affect the following programs: elementary and secondary education assistance, including the impacted area aid program, antipoverty assistance, higher education assistance, and job-training programs.

It is incongruous to me that the only time the administration has expressed its concern over inflation is when the Congress has appropriated funds in behalf of or given tax relief to the middle and lower income American. Why is it that we never hear this concern when tax loopholes for the wealthy are left open; why is there no concern over inflation when the administration recommends funds for the SST which will benefit only 1 percent of the population, and up to $10 billion for an ABM which is probably ineffective.

I believe it is time that all Americans—and not simply the middle and lower income citizen—bear equally the burden of fighting inflation. It is my hope that the Congress will enact this appropriation bill and that the President will reassess his priorities and not veto funds for education, jobs, health, and the poor.

Mr. COHELAN. Mr. Speaker, I rise in support of the conference report for H.R. 13111, the HEW-Labor appropriations bill.

I commend my distinguished colleague, Chairman DANIEL FLOOD, from Pennsylvania, for his capable handling of this conference and for accepting the Senate's version of the Whitten language as he was instructed by the House.

I must, however, admit my displeasure at the more than $1.1 billion that was slashed for the advanced funding of title I, ESEA, for fiscal year 1971. These funds would have allowed for the orderly planning for many school districts in poverty areas. In my own district I know these funds could have been used for the orderly planning of our educational programs. But on balance, this conference report is a good bill, and we can fight for ESEA funds in the next session of Congress.

As I pointed out in a press conference Saturday morning, the President's arguments on the inflationary aspects of this conference report are fallacious. Based upon the latest figures, the appropriations bill that will finally be enacted will be $5.4 billion less than the President's request.

This conference report, together with previous congressional actions, indicates very strongly the fact that the Congress of the United States has firmly decided to make education one of our highest national priorities. Thus I reject the President's attempt to give a very low priority to the field of education.

In passing, we must realize that much of the budget is uncontrollable. Interest on the debt, Social Security, Medicare, and the Department of Defense budget are uncontrollable items. Thus this Congress must enact this HEW-Labor appropriation bill if funds are to be available for our pressing educational needs. The surplus $5.4 billion that this Congress will give the President is within the budgetary guidelines set by the President himself. Thus, we can pass this bill and still have a surplus sufficient to combat inflation.

Thus, Mr. Speaker, I feel that this House can act constructively and responsibly by passing the HEW-Labor appropriations conference report. In doing so, we will again reaffirm our national commitment to quality education for our citizens. The nation expects no less of the Members of Congress. I therefore urge the passage of the HEW-Labor conference report.

Mr. ROBISON. Mr. Speaker, I have seriously considered a "no" vote upon adoption of this conference report on H.R. 13111—the 1970 appropriation bill for the Departments of Labor, Health, Education, and Welfare, and related agencies—but have decided against it for reasons requiring some explanations.

All of us are familiar with the history of this piece of legislation—especially, will we recall the House vote some months ago adopting the so-called Joelson amendment that, as a package to which a few miscellaneous additions were later made, brought the final total of the House bill to a point $1.078 billion over the revised Nixon budgetary requests covering the items then before us.

The bill then went on to the other body which considered an expanded list of budgetary requests—including now, among other things, funds for the antipoverty program—and its final action brought the bill's total to a new high of $1.529 billion, as I understand it, over the revised Nixon budgetary requests it was considering.

Now, as a result of the conference, the bill is back before us with its final total set, again as I understand it, at a point still $1.139 billion over the budget, and it is this fact, of course, that has stirred rumors of a possible Presidential veto.

Quite obviously, the bill carries more money with it than it should in some areas—though the House conferees have certainly done a commendable job in trying to cut its final total down to a more manageable size. It is impossible to predict whether or not there will still be a Presidential veto and if, on balance, one still tends to favor the bill—as I do not think one should attempt to tailor his vote to that uncertain possibility.

However, let it be noted that President Nixon is right in his judgment that the war against inflation is far from won, and that it is essential that care be taken not to release too much money into spending hands during what remains of this fiscal year. Therefore, if a Presidential veto is forthcoming—and if Mr. Nixon's indications with respect to which programs he believes are overfunded happen to agree, in general, with my own judgment in that respect—he can count on my help in sustaining his position.

But what really disturbs me, Mr. Speaker, about the bill again before us is that the final result is an outstanding example of the perils of "package" amendments—or of "package" bills, for that matter, like the tax bill we shall consider in a few more hours.

It is very difficult to arrive at a consensus over the proper ranking of priorities as between competing programs in a bill such as this. But such an effort should always be made, and not sloughed off as we did—when this bill was first before us—in favor of a package containing a little something of everything, and a little too much for most people to resist, which is what the Joelson amendment turned out to be. At the time that amendment was being worked out, I was glad to work with its eventual sponsors in trying to arrange a cooperative plan for offering and supporting specific—or categorical—amendments aimed at increasing the funding for certain educational programs that, most of us felt, had been cut too much by the revised Nixon budget. That preliminary plan went down the drain in favor of the all-or-nothing "package" approach, and such a strategy was successful, as we will remember, though we might well still have had a chance at considering specific increases had a key amendment I offered at that time—and for that purpose—not been voted down.

In short, Mr. Speaker, what I am saying is that I do not believe we have handled this bill in the most responsible manner and that, if we had—though the outcome would still have been uncertain—we would not now be facing the unhappy prospect of a Presidential veto.

I might add that I do not think, as some have suggested, that this issue represents the first skirmish in a developing battle to reorder our national priorities as between military spending and domestic spending. Such a battle is obviously coming—in dimensions probably more discernible next year. But, though military spending has been reduced at congressional direction this year, such reductions have mostly come in defense areas pointed out by the administration, itself, and—except possibly as shown during this year's long debate over the anti-ballistic-missile system—neither side in that projected contest would seem to have yet really defined its own ideas of priorities.

Instead, the issue here separating the President from the Congress would seem to be one falling into that more traditional pattern for debates over what is called "fiscal responsibility," wherein there has always been at least a vague line separating most Democrats from most Republicans.

At the moment, that particular line is even more difficult to find here in Congress than usual, since some of us are pointing to the reductions we have made in the various appropriations bills—as justification for increases made elsewhere—while the President and the rest of us, as someone must, have been concentrating on the other side of the budgetary ledger, namely at the spending column, the figures in which determine the ultimate inflationary effect of the overall congressional budgetary actions.

I do not think the final result of our actions in this respect can really be determined by anyone other than the President, and not even by him until he has been sent all the appropriation bills for this fiscal year. I would hope all such bills would be sent him before this session adjourns—though it now appears that the leadership in the other body has some different ideas about at least this particular bill. If so, that would be most unfortunate, for by our tardiness and delay in finishing this essential housekeeping task of ours we have already placed an intolerable burden on Mr. Nixon who must, somehow, and despite all this, send us next fiscal year's budget before the end of next month.

I say, again, I am reluctant to possibly add to that burden by voting to send this overladen vehicle on down to the White House—though it is obvious it is going to get there with or without my vote—yet I think the President is the only one who can really determine how much spending under this bill we have really mandated upon him in what remains of this fiscal year, either by our direct action or by shrugging off onto his shoulders some political pressures we were unwilling to carry. Therefore, since I still favor this bill on balance, I will vote for it in its final form and then await his decision regarding it, following which I will have to make my own decision respecting what I can—or should—do to help him in what has become his rather lonely, if stubborn, fight against inflation.

Mr. FLOOD. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the grounds that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 261, nays 110, not voting 62, as follows:

[Roll No. 350]

YEAS—261

Adams
Addabbo
Albert
Alexander
Anderson, Calif.
Annunzio
Ashley
Aspinall
Baring
Barrett
Bell, Calif.
Biaggi
Biester
Bingham
Blanton
Blatnik
Boggs
Boland
Brademas
Brasco
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, Calif.
Burton, Utah
Button
Byrne, Pa.
Cabell
Camp
Carter
Casey
Chamberlain
Chisholm
Clark
Clausen, Don H.
Clay
Cleveland
Cohelan
Conte
Corbett
Corman
Coughlin
Cowger
Culver
Daddario
Daniels, N.J.
de la Garza
Delaney
Dellenback
Denney
Dent
Diggs
Dingell
Donohue
Dorn
Dulski
Duncan
Dwyer
Edmondson
Eilberg
Esch
Eshleman
Evans, Colo.
Fallon
Fascell
Feighan
Fish
Fisher
Flood
Foley
Ford, William D.
Fountain
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Galifianakis
Gallagher
Garmatz
Gaydos
Gettys
Giaimo
Gilbert
Gonzalez
Green, Pa.
Gude
Halpern
Hamilton
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Harsha
Hathaway
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Hicks
Holifield
Horton
Howard
Hungate
Ichord
Jacobs
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Karth
Kastenmeier
Kazen
Kee
Keith
Kleppe
Kluczynski
Koch
Kyros
Langen
Latta
Leggett
Long, Md.
Lowenstein
McCarthy
McCloskey
McClure
McDade
McDonald, Mich.
McFall
McKneally
Macdonald, Mass.
MacGregor
Madden
Mahon
Mailliard
Mann
Mathias
Matsunaga
Mayne
Meeds
Melcher
Meskill
Mikva
Miller, Ohio
Mills
Minish
Mink
Minshall
Mize
Mollohan
Monagan
Moorhead
Morgan
Mosher
Murphy, Ill.
Myers
Natcher
Nedzi
Nix
Obey
O'Hara
O'Konski
Olsen
O'Neill, Mass.
Ottinger
Patman
Patten
Pelly
Pepper
Perkins
Pettis
Pickle
Pike
Pirnie
Podell
Pollock
Preyer, N.C.
Price, Ill.
Pryor, Ark.
Pucinski
Purcell
Quie
Quillen
Railsback
Randall
Reid, N.Y.
Reuss
Riegle
Roberts
Robison
Rodino
Roe
Rogers, Colo.
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Roybal
Ruppe
Ryan
St Germain
St. Onge
Scheuer
Schwengel
Shipley
Shriver
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Springer
Stafford
Stanton
Steed
Steiger, Wis.
Stratton
Stubblefield
Symington
Taylor
Teague, Calif.
Thompson, N.J.
Tiernan
Tunney
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waldie
Wampler
Watson
Watts
Weicker
Whalen
Whalley
White
Whitehurst
Whitten
Widnall
Williams
Wilson, Charles H.
Winn
Wolff
Wyatt
Wydler
Yates
Yatron
Young
Zablocki
Zion
Zwach

NAYS—110

Abernethy
Adair
Anderson, Ill.
Arends
Ayres
Beall, Md.
Belcher
Bennett
Betts
Blackburn
Bow
Bray
Brinkley
Brock
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Bush
Byrnes, Wis.
Cederberg
Chappell
Clancy
Clawson, Del
Collins
Conable
Cramer
Crane
Cunningham
Daniel, Va.
Davis, Wis.
Dennis
Derwinski
Devine
Dickinson
Dowdy
Edwards, Ala.
Edwards, La.
Erlenborn
Flowers
Flynt
Ford, Gerald R.
Foreman
Frey
Goodling
Griffin
Gross
Grover
Gubser
Hagan
Haley
Hammerschmidt
Hastings
Hogan
Hosmer
Hunt
Hutchinson
Jarman
Jonas
King
Kyl
Landgrebe
Landrum
Lennon
Lloyd
Long, La.
Lujan
McCulloch
McEwen
McMillan
Marsh
May
Michel
Mizell
Morton
Nelsen
Nichols
Passman
Poff
Price, Tex.
Rarick
Reid, Ill.
Rhodes
Rivers
Rogers, Fla.
Roth
Roudebush
Ruth
Satterfield
Saylor
Schadeberg
Scherle
Schneebeli
Scott
Sebelius
Snyder
Steiger, Ariz.
Stuckey
Taft
Talcott
Thompson, Ga.
Thomson, Wis.
Utt
Waggonner
Wiggins
Wilson, Bob
Wold
Wylie
Wyman

NOT VOTING—62

Abbitt
Anderson, Tenn.
Andrews, Ala.
Andrews, N. Dak.
Ashbrook
Berry
Bevill
Bolling
Caffery
Cahill
Carey
Celler
Collier
Colmer
Conyers
Davis, Ga.
Dawson
Downing
Eckhardt
Edwards, Calif.
Evins, Tenn.
Farbstein
Findley
Gibbons
Goldwater
Gray
Green, Oreg.
Griffiths
Hall
Harrington
Harvey
Hébert
Hull
Kirwan
Kuykendall
Lipscomb
Lukens
McClory
Martin
Miller, Calif.
Montgomery
Morse
Moss
Murphy, N.Y.
O'Neal, Ga.
Philbin
Poage
Powell
Rees
Reifel
Rostenkowski
Sandman
Sikes
Sisk
Smith, Calif.
Staggers
Stephens
Stokes
Sullivan
Teague, Tex.
Watkins
Wright

The Clerk announced the following pairs:

XUM

Mr. Moss with Mr. Eckhardt.
Mr. Rees with Mr. Lipscomb.
Mr. Conyers with Mr. Edwards of California.
Mr. Harrington with Mr. Kuykendall.
Mr. Teague of Texas with Mr. Hall.
Mr. Hull with Mr. Findley.
Mr. Evins of Tennessee with Mr. Goldwater.
Mr. Rostenkowski with Mr. Collier.
Mr. Carey with Mr. Cahill.
Mr. Caffery with Mr. Berry.
Mr. Wright with Mr. Andrews of North Dakota.
Mr. Montgomery with Mr. Lukens.
Mr. Miller of California with Mr. Smith of California.
Mr. Murphy of New York with Mr. Sandman.
Mrs. Sullivan with Mr. Watkins.
Mr. Philbin with Mr. Morse.
Mr. Celler with Mr. McClory.
Mrs. Green of Oregon with Mr. Reifel.
Mrs. Griffiths with Mr. Martin.
Mr. Abbitt with Mr. Bevill.
Mr. Anderson of Tennessee with Mr. Gibbons.
Mr. Farbstein with Mr. Dawson.
Mr. Andrews of Alabama with Mr. Colmer.
Mr. Gray with Mr. Harvey.
Mr. Hébert with Mr. Downing.
Mr. Sisk with Mr. Stokes.
Mr. O'Neal of Georgia with Mr. Staggers.
Mr. Sikes with Mr. Stephens.
Mr. Davis of Georgia with Mr. Kirwan.

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 4: Page 2, line 24, strike out "$35,325,000" and insert "$36,907,000, to remain available until June 30, 1971."

MOTION OFFERED BY MR. FLOOD

Mr. FLOOD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. FLOOD moves that the House recede from its disagreement to the amendment of the Senate numbered 4 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$36,116,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 5: Page 3, line 11, strike "title XV of the Social Security Act, as amended," and insert: "title 5, chapter 85 of the United States Code,"

MOTION OFFERED BY MR. FLOOD

Mr. FLOOD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. FLOOD moves that the House recede from its disagreement to the amendment of the Senate numbered 5 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 6: Page 3, line 20, strike "title XV of the Social Security Act, as amended," and insert: "title 5, chapter 85 of the United States Code,"

MOTION OFFERED BY MR. FLOOD

Mr. FLOOD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. FLOOD moves that the House recede from its disagreement to the amendment of the Senate numbered 6 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 7: Page 5, line 14: Strike out "XV of the Social Security Act, as amended (68 Stat. 1130" and insert: "5, chapter 85 of the United States Code,"

MOTION OFFERED BY MR. FLOOD

Mr. FLOOD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. FLOOD moves that the House recede from its disagreement to the amendment of the Senate numbered 7 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 15: Page 12, line 20: Insert: ", of which $45,000,000 shall remain available until expended to carry out section 104 of the Clean Air Act."

MOTION OFFERED BY MR. FLOOD

Mr. FLOOD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. FLOOD moves that the House recede from its disagreement to the amendment of the Senate numbered 15 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 16: On page 13, line 10, insert:

"BUILDINGS AND FACILITIES

"Such unexpended balances (including balances obligated but not disbursed) as the Secretary of Health, Education, and Welfare may determine to be available as of June 30, 1969, in the appropriation for "Buildings and facilities, Public Health Service", for Consumer Protection and Environmental Health Service activities, shall be transferred to an account under this head. There shall be merged with such account the unexpended balance (including any balance obligated but not disbursed) as of June 30, 1969, in the appropriation for "Food and Drug Administration, buildings and facilities"."

MOTION OFFERED BY MR. FLOOD

Mr. FLOOD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. FLOOD moves that the House recede from its disagreement to the amendment of the Senate numbered 16 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 25: On page 17, line 11, insert:

"DISTRICT OF COLUMBIA MEDICAL FACILITIES

"For grants of $3,500,000 and loans of $6,500,000 for nonprofit private facilities pursuant to the District of Columbia Medical Facilities Construction Act of 1968 (Public Law 90–457) to remain available until expended."

MOTION OFFERED BY MR. FLOOD

Mr. FLOOD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. FLOOD moves that the House recede from its disagreement to the amendment of the Senate numbered 25 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 26: On page 18, line 19, insert:

"BUILDINGS AND FACILITIES

"Such unexpended balances (including balances obligated but not disbursed) as the Secretary of Health, Education, and Welfare may determine to be available as of June 30, 1969, in the appropriation for "Buildings and facilities, Public Health Services", for Health Services and Mental Health Administration activities, shall be transferred to an account under this head. There shall be merged with such account the unexpended balance (including any balance obligated but not disbursed) as of June 30, 1969, in the appropriation for "Saint Elizabeths Hospital, buildings and facilities"."

MOTION OFFERED BY MR. FLOOD

Mr. FLOOD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. FLOOD moves that the House recede from its disagreement to the amendment of the Senate numbered 26 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 41: On page 24, line 15, insert: ": *Provided*, That such unexpended balances (including balances obligated but not disbursed) as the Secretary of Health, Education, and Welfare may determine to be available as of June 30, 1969, in the appropriation for "Buildings and facilities, Public Health Service" for National Institutes of Health activities, shall be merged with this appropriation."

MOTION OFFERED BY MR. FLOOD

Mr. FLOOD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. FLOOD moves that the House recede from its disagreement to the amendment of the Senate numbered 41 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 50: On page 30, line 20, insert:

"INSTRUCTIONAL EQUIPMENT

For carrying out title III–A of the National Defense Education Act of 1958, as amended, and title VI of the Higher Education Act of 1965, as amended, $93,240,000, of which $78,740,000 shall be for equipment and minor remodeling and State administrative services under title III–A of said National Defense Education Act; $13,000,000 shall be for equipment and minor remodeling under section 601(b) of said Higher Education Act, and $1,500,000 shall be for the acquisition of television equipment and for minor remodeling under section 601(c) of said Higher Education Act: *Provided*, That allotments under sections 302(a) and 305 of the National Defense Education Act for equipment and minor remodeling shall be made on the basis of $75,740,000 for grants to States and on the basis of $1,000,000 for loans to nonprofit private schools, and allotments under section 302(b) of said Act for administrative services shall be made on the basis of $2,000,000."

MOTION OFFERED BY MR. FLOOD

Mr. FLOOD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. FLOOD moves that the House recede from its disagreement to the amendment of the Senate numbered 50 and concur therein with an amendment, as follows: Strike out the matter inserted by said amendment and insert the following:

"INSTRUCTIONAL EQUIPMENT

"For equipment and minor remodeling and State administrative services, under title III–A of the National Defense Education Act of 1958, as amended, $48,740,000: *Provided,* That allotments under sections 302(a) and 305 of the National Defense Education Act, for equipment and minor remodeling shall be made on the basis of $75,740,000 for grants to States and on the basis of $1,000,000 for loans to nonprofit private schools, and allotments under section 302(b) of said Act for administrative services shall be made on the basis of $2,000,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 51: On page 31, line 12, insert:

"SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

"For grants and payments under the Act of September 30, 1950, as amended (20 U.S.C., ch. 13), and under the Act of September 23, 1950, as amended (20 U.S.C., ch. 19), $660,167,000, of which $645,000,000 shall be for payments to local educational agencies for the maintenance and operation of schools as authorized by the Act of September 30, 1950, as amended (20 U.S.C., ch. 13), and $15,167,000 which shall remain available until expended, shall be for providing school facilities and for grants to local educational agencies in federally affected areas as authorized by said Act of September 23, 1950: *Provided,* That this appropriation shall also be available for carrying out the provisions of section 6 of the Act of September 30, 1950."

MOTION OFFERED BY MR. FLOOD

Mr. FLOOD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. FLOOD moves that the Houses recede from its disagreement to the amendment of the Senate numbered 51 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

"For grants and payments under the Act of September 30, 1950, as amended (20 U.S.C., ch. 13), and under the Act of September 23, 1950, as amended (20 U.S.C., ch. 19), $600,167,000, of which $585,000,000 shall be for payments to local educational agencies for the maintenance and operation of schools as authorized by the Act of September 30, 1950, as amended (20 U.S.C., ch. 13), and $15,167,000 which shall remain available until expended, shall be for providing school facilities and for grants to local educational agencies in federally affected areas as authorized by said Act of September 23, 1950: *Provided,* That this appropriation shall also be available for carrying out the provisions of section 6 of the Act of September 30, 1950."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 52: On page 32, line 2, insert "section 504,".

MOTION OFFERED BY MR. FLOOD

Mr. FLOOD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. FLOOD moves that the House recede from its disagreement to the amendment of the Senate numbered 52 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 56: On page 32, line 18, insert:

"For carrying out titles III and IV (except parts D and F), part E of title V, and section 1207 of the Higher Education Act of 1965, as amended, titles I and III of the Higher Education Facilities Act of 1963, as amended, title II and IV of the National Defense Education Act of 1958, as amended (20 U.S.C. 421–429), and section 22 of the Act of June 29, 1935, as amended (7 U.S.C. 329), $1,006,874,000, of which $175,600,000 shall be for educational opportunity grants under part A of title IV of the Higher Education Act of 1965 and shall remain available through June 30, 1971, $63,900,000 to remain available until expended shall be for loan insurance programs under part B of title IV of that Act, including not to exceed $1,500,000 for computer services in connection with the insured loan program, $154,000,000 shall be for grants for college work-study programs under part C of title IV of that Act (of which amounts reallotted shall remain available through June 30, 1971), including one per centum of such amount to be available, without regard to the provisions in section 442 of that Act, for cooperative education programs that alternate periods of full-time academic study with periods of full-time public or private employment, $125,000,000 shall be for grants for construction of public community colleges and technical institutes and $75,000,000 shall be for grants for construction of other academic facilities under title I of the Higher Education Facilities Act of 1963 which amounts shall remain available through June 30, 1971, $11,750,000, to remain available until expended, shall be for annual interest grants under section 306 of that Act, $222,100,000 shall be for Federal capital contributions to student loan funds established in accordance with agreements pursuant to section 204 of the National Defense Education Act of 1958, and $12,120,000 shall be for the purposes of section 22 of the Act of June 29, 1935: *Provided,* That $7,241,000 shall be for payments authorized by section 108(b) of the District of Columbia Public Education Act, as amended (D.C. Code, sec. 31–1608)."

MOTION OFFERED BY MR. FLOOD

Mr. FLOOD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. FLOOD moves that the House recede from its disagreement to the amendment of the Senate numbered 56 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"HIGHER EDUCATION

"For carrying out titles III and IV (except parts D and F), part E of title V, and section 1207 of the Higher Education Act of 1965, as amended, titles I and III of the Higher Education Facilities Act of 1963, as amended, titles II and IV of the National Defense Education Act of 1958, as amended (20 U.S.C. 421–429), and section 22 of the Act of June 29, 1935, as amended (7 U.S.C. 329), $871,874,000, of which $164,600,000 shall be for educational opportunity grants under part A of title IV of the Higher Education Act of 1965 and shall remain available through June 30, 1971, $63,900,000 to remain available until expended shall be for loan insurance programs under part B of title IV of that Act, including not to exceed $1,500,000 for computer services in connection with the insured loan program, $154,000,000 shall be for grants for college work-study programs under part C of title IV of that Act (of which amounts reallotted shall remain available through June 30, 1971), including 1 per centum of such amount to be available, without regard to the provisions in section 442 of that Act, for cooperative education programs that alternate periods of full-time academic study with periods of full-time public or private employment, $43,000,000 shall be for grants for construction of public community colleges and technical institutes and $33,000,000 shall be for grants for construction of other academic facilities under title I of the Higher Education Facilities Act of 1963 which amounts shall remain available through June 30, 1971, $11,750,000, to remain available until expended, shall be for annual interest grants under section 306 of that Act, $222,100,000 shall be for Federal capital contributions to student loan funds established in accordance with agreements pursuant to section 204 of the National Defense Education Act of 1958, and $12,120,000 shall be for the purposes of section 22 of the Act of June 29, 1935: *Provided,* That $7,241,000 shall be for payments authorized by section 108(b) of the District of Columbia Public Education Act, as amended (D.C. Code, sec. 31–1608)."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 57: On page 34, line 6, insert

"VOCATIONAL EDUCATION

"For carrying out the Vocational Education Act of 1963, as amended (20 U.S.C. 1241–1391) (except part E of title I) and section 402 of the Elementary and Secondary Education Amendments of 1967, $488,716,000, of which not to exceed $352,836,000 shall be for State vocational education programs under part B and $40,000,000 shall be for programs under section 102(b) of said Vocational Education Act of 1963, including development and administration of State plans and evaluation and dissemination activities authorized under section 102(c) of said Act, and $10,000,000 for work-study programs under part H of said Act, not to exceed $2,800,000 for State advisory councils established pursuant to section 104(b) of said Act, $13,000,000 for exemplary programs under part D of said Act of which 50 per centum shall remain available until expended and 50 per centum shall remain available through June 30, 1971, $20,000,000 for consumer and homemaking education programs under part F of said Act, and $14,000,000 shall be for cooperative vocational education programs under part G of said Act."

MOTION OFFERED BY MR. FLOOD

Mr. FLOOD. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. FLOOD moves that the House recede from its disagreement to the amendment of the Senate numbered 57 and concur therein.

The motion was agreed to.

The **SPEAKER**. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 72: On page 41, line 13, insert ": *Provided further*, That such grants to any State shall not be less than grants made to the State under section 2 for the fiscal year 1969."

MOTION OFFERED BY MR. FLOOD

Mr. **FLOOD**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Flood moves that the House recede from its disagreement to the amendment of the Senate numbered 72 and concur therein.

The motion was agreed to.

The **SPEAKER**. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 83: On page 59, line 9, insert:

"ECONOMIC OPPORTUNITY PROGRAM

"For expenses necessary to carry out the provisions of the Economic Opportunity Act of 1964 (Public Law 88–452), approved August 20, 1964), as amended, $2,048,000,000, plus reimbursements: *Provided*, That this appropriation shall be available for transfers to the economic opportunity loan fund for loans under title III, and amounts so transferred shall remain available until expended: *Provided further*, That this appropriation shall be available for the purchase and hire of passenger motor vehicles, and for construction, alteration, and repair of buildings and other facilities, as authorized by section 602 of the Economic Opportunity Act of 1964, and for purchase of real property for training centers: *Provided further*, That this appropriation shall not be available for contracts under titles I, II, V, VI, and VII extending for more than twenty-four months: *Provided further*, That no part of the funds appropriated in this paragraph shall be available for any grant until the Director has determined that the grantee is qualified to administer the funds and programs involved in the proposed grant: *Provided further*, That all grant agreements shall provide that the General Accounting Office shall have access to the records of the grantee which bear exclusively upon the Federal grant: *Provided further*, That these funds shall not be available until enactment into law of authorizing legislation."

MOTION OFFERED BY MR. FLOOD

Mr. **FLOOD**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Flood moves that the House recede from its disagreement to the amendment of the Senate numbered 83 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,948,000,000", and at the end of said amendment strike out the period and insert the following: ": *Provided further*, That those provisions of the Economic Opportunity Amendments of 1967 and 1969 that set mandatory funding levels shall not be effective during the fiscal year ending June 30, 1970."

The motion was agreed to.

The **SPEAKER**. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 84: Page 61, line 1, insert:

"President's Council on Youth Opportunity

"SALARIES AND EXPENSES

"For expenses necessary to carry out the provisions of Executive Order 11330, dated March 5, 1967, including hire of passenger motor vehicles, and services as authorized by 5 U.S.C. 3109, $300,000."

MOTION OFFERED BY MR. FLOOD

Mr. **FLOOD**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Flood moves that the House recede from its disagreement to the amendment of the Senate numbered 84 and concur therein.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and on the several motions was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. **FLOOD**. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the conference report just agreed to.

The **SPEAKER**. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

CONFERENCE REPORT ON H.R. 13270, TAX REFORM ACT OF 1969

Mr. **MILLS**. Mr. Speaker, I call up the conference report on the bill (H.R. 13270) to reform the income tax laws, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The **SPEAKER**. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the statement, as follows:

Conference Report (H. Rept. No. 91–782)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 13270) to reform the income tax laws, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

Section 1. Short Title, Etc.

(a) Short Title.—This Act may be cited as the "Tax Reform Act of 1969".

(b) Table of Contents.—

TITLE I—TAX EXEMPT ORGANIZATIONS

Subtitle A—Private Foundations

Sec. 101. Private foundations.

Subtitle B—Other Tax Exempt Organizations

Sec. 121. Tax on unrelated business income.

TITLE II—INDIVIDUAL DEDUCTIONS

Subtitle A—Charitable Contributions

Sec. 201. Charitable contributions.

Subtitle B—Farm Losses, Etc.

Sec. 211. Gain from disposition of property used in farming where farm losses offset nonfarm income.
Sec. 212. Livestock.
Sec. 213. Deductions attributable to activities not engaged in for profit.
Sec. 214. Gain from disposition of farm land.
Sec. 215. Crop insurance proceeds.
Sec. 216. Capitalization of costs of planting and developing citrus groves.

Subtitle C—Interest

Sec. 221. Interest.

Subtitle D—Moving Expenses

Sec. 231. Moving expenses.

TITLE III—MINIMUM TAX; ADJUSTMENTS PRIMARILY AFFECTING INDIVDUALS

Subtitle A—Minimum Tax

Sec. 301. Minimum tax for tax preferences.

Subtitle B—Income Averaging

Sec. 311. Income averaging.

Subtitle C—Restricted Property

Sec. 321. Restricted Property.

Subtitle D—Accumulation Trusts, Multiple Trust, Etc.

Sec. 331. Treatment of excess distributions by trusts.
Sec. 332. Trust income for benefit of a spouse.

TITLE IV—ADJUSTMENTS PRIMARILY AFFECTING CORPORATIONS

Subtitle A—Multiple Corporations

Sec. 401. Multiple corporations.

Subtitle B—Debt-Financed Corporated Acquisitions and Related Problems

Sec. 411. Interest on indebtedness incurred by corporation to acquire stock or assets of another corporation.
Sec. 412. Installment method.
Sec. 413. Bonds and other evidence of indebtedness.
Sec. 414. Limitation on deduction of bond premium on repurchase.
Sec. 415. Treatment of certain corporation interests as stock or indebtedness.

Subtitle C—Stock Dividends

Sec. 421. Stock dividends.

Subtitle D—Financial Institutions

Sec. 431. Reserve for losses on loans; net operating loss carrybacks.
Sec. 432. Mutual savings banks, etc.
Sec. 433. Treatment of bonds, etc., held by financial institutions.
Sec. 434. Limitation on deduction for dividends received by mutual savings banks, etc.
Sec. 435. Foreign deposits in United States banks.

Subtitle E—Depreciation Allowed Regulated Industries; Earnings and Profits Adjustment for Depreciation

Sec. 441. Public utility property.
Sec. 501. Effect on earnings and profits.

TITLE V—ADJUSTMENTS AFFECTING INDIVIDUALS AND CORPORATIONS

Subtitle A—Natural Resources

Sec. 501. Percentage depletion rates.
Sec. 502. Treatment processes in the case of oil shale.
Sec. 503. Mineral production payments.
Sec. 504. Exploration expenditures.
Sec. 505. Continental shelf areas.
Sec. 506. Foreign tax credit with respect to certain foreign mineral income.

Subtitle B—Capital Gains and Losses

Sec. 511. Increase in alternative capital gains tax.
Sec. 512. Capital losses of corporations.
Sec. 513. Capital losses of individuals.
Sec. 514. Letters, memorandums, etc.
Sec. 515. Total distributions from qualified pension, etc., plans.
Sec. 516. Other changes in capital gains treatment.

Subtitle C—Real Estate Depreciation

Sec. 521. Depreciation of real estate.

Subtitle D—Subchapter S Corporations

Sec. 531. Qualified pension, etc., plans of small business corporations.

TITLE VI—STATE AND LOCAL OBLIGATIONS

Sec. 601. Arbitrage bonds.

TITLE VII—EXTENSION OF TAX SURCHARGE AND EXCISE TAXES; TERMINATION OF INVESTMENT CREDIT

Sec. 701. Extension of tax surcharge.
Sec. 702. Continuation of excise taxes on communication services and on automobiles.
Sec. 703. Termination of investment credit.
Sec. 704. Amortization of pollution control facilities.
Sec. 705. Amortization of railroad rolling stock and right-of-way improvements.
Sec. 706. Expenditures in connection with certain railroad rolling stock.
Sec. 707. Amortization of certain coal mine safety equipment.

TITLE VIII—ADJUSTMENT OF TAX BURDEN FOR INDIVIDUALS

Sec. 801. Personal exemptions.
Sec. 802. Low income allowance; increase in standard deduction.
Sec. 803. Tax rates for single individuals and heads of household; optional tax.
Sec. 804. Fifty-percent maximum rate on earned income.
Sec. 805. Collection of income tax at source on wages.

TITLE IX—MISCELLANEOUS PROVISIONS

SUBTITLE A—MISCELLANEOUS INCOME TAX PROVISIONS

Sec. 901. Exclusion of additional living expenses.
Sec. 902. Deductibility of treble damage payments, fines and penalties, etc.
Sec. 903. Accrued vacation pay.
Sec. 904. Deduction of recoveries of antitrust damages, etc.
Sec. 905. Corporations using appreciated property to redeem their own stock.
Sec. 906. Reasonable accumulations by corporations.
Sec. 907. Insurance companies.
Sec. 908. Certain unit investment trusts.
Sec. 909. Foreign corporations not availed of to reduce taxes.
Sec. 910. Sales of certain low-income housing projects.
Sec. 911. Per-unit retain allocations.
Sec. 912. Foster children.
Sec. 913. Cooperative housing corporations.
Sec. 914. Personal holding company dividends.
Sec. 915. Replacement of property involuntarily converted within a 2-year period.
Sec. 916. Change in reporting income on installment basis.
Sec. 917. Recognition of gain in certain liquidations.

SUBTITLE B—MISCELLANEOUS EXCISE TAX PROVISIONS

Sec. 931. Concrete mixers.
Sec. 932. Constructive sale price.

SUBTITLE C—MISCELLANEOUS ADMINISTRATIVE PROVISIONS

Sec. 941. Filing requirements.
Sec. 942. Computation of tax by Internal Revenue Service.
Sec. 943. Failure to make timely payment or deposit of tax.
Sec. 944. Declarations of estimated tax by farmers.
Sec. 945. Portion of salary, wages, or other income exempt from levy.
Sec. 946. Interest and penalties in case of certain taxable years.

SUBTITLE D—UNITED STATES TAX COURT

Sec. 951. Status of Tax Court.
Sec. 952. Appointment; term of office.
Sec. 953. Salary.
Sec. 954. Retirement.
Sec. 955. Survivors.
Sec. 956. Powers.
Sec. 957. Tax disputes involving $1,000 or less.
Sec. 958. Commissioners.
Sec. 959. Notice of appeal.
Sec. 960. Conforming amendments.
Sec. 961. Continuation of status.
Sec. 962. Effective dates.

TITLE X—INCREASE IN SOCIAL SECURITY BENEFITS

Sec. 1001. Short title.
Sec. 1002. Increase in old-age, survivors, and disability insurance benefits.
Sec. 1003. Increase in benefits for certain individuals age 72 and over.
Sec. 1004. Maximum amount of a wife's or husband's insurance benefit.
Sec. 1005. Allocation to disability insurance trust fund.
Sec. 1006. Disregarding of retroactive payment of OASDI benefit increase.
Sec. 1007. Disregarding of income of OASDI recipients in determining need for public assistance.

(c) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

TITLE I—TAX EXEMPT ORGANIZATIONS

SUBTITLE A—PRIVATE FOUNDATIONS

SEC. 101. PRIVATE FOUNDATIONS.

(a) IN GENERAL.—Subchapter F of chapter 1 (relating to exempt organizations) is amended by redesignating parts II, III, and IV as parts III, IV, V, respectively, and by inserting after part I the following new part:

"PART II—PRIVATE FOUNDATIONS

"Sec. 507. Termination of private foundation status.
"Sec. 508. Special rules with respect to section 501(c)(3) organizations.
"Sec. 509. Private foundation defined.

"SEC. 507. TERMINATION OF PRIVATE FOUNDATION STATUS.

"(a) GENERAL RULE.—Except as provided in subsection (b), the status of any organization as a private foundation shall be terminated only if—

"(1) such organization notifies the Secretary or his delegate (at such time and in such manner as the Secretary or his delegate may by regulations prescribe) of its intent to accomplish such termination, or

"(2)(A) with respect to such organization, there have been either willful repeated acts (or failures to act), or a willful and flagrant act (or failure to act), giving rise to liability for tax under chapter 42, and

"(B) the Secretary or his delegate notifies such organization that, by reason of subparagraph (A), such organization is liable for the tax imposed by subsection (c), and either such organization pays the tax imposed by subsection (c) (or any portion not abated under subsection (g)) or the entire amount of such tax is abated under subsection (g).

"(b) SPECIAL RULES.—

"(1) TRANSFER TO, OR OPERATION AS, PUBLIC CHARITY.—The status as a private foundation of any organization, with respect to which there have not been either willful repeated acts (or failures to act) or a willful and flagrant act (or failure to act) giving rise to liability for tax under chapter 42, shall be terminated if—

"(A) such organization distributes all of its net assets to one or more organizations described in section 170(b)(1)(A) (other than in clauses (vii) and (viii)) each of which has been in existence and so described for a continuous period of at least 60 calendar months immediately preceding such distribution, or

"(B)(i) such organization meets the requirements of paragraph (1), (2), or (3) of section 509(a) by the end of the 12-month period beginning with its first taxable year which begin after December 31, 1969, or for a continuous period of 60 calendar months beginning with the first day of any taxable year which begins after December 31, 1969,

"(ii) such organization notifies the Secretary or his delegate (in such manner as the Secretary or his delegate may by regulations prescribe) before the commencement of such 12-month or 60-month period (or before the 90th day after the day on which regulations first prescribed under this subsection become final) that it is terminating its private foundation status, and

"(iii) such organization establishes to the satisfaction of the Secretary or his delegate (in such manner as the Secretary or his delegate may by regulations prescribe) immediately after the expiration of such 12-month or 60-month period that such organization has complied with clause (i).

If an organization gives notice under subparagraph (B)(ii) of the commencement of a 60-month period and such organization fails to meet the requirements of paragraph (1), (2), or (3) of section 509(a) for the entire 60-month period, this part and chapter 42 shall not apply to such organization for any taxable year within such 60-month period for which it does meet such requirements.

"(2) TRANSFEREE FOUNDATIONS.—For purposes of this part, in the case of a transfer of assets of any private foundation to another private foundation pursuant to any liquidation, merger, redemption, recaptialization, or other adjustment, organization, or reorganization, the transferee foundation shall not be treated as a newly created organization.

"(c) IMPOSITION OF TAX.—There is hereby imposed on each organization which is referred to in subsection (a) a tax equal to the lower of—

"(1) the amount which the private foundation substantiates by adequate records or other corroborating evidence as the aggregate tax benefit resulting from the section 501(c)(3) status of such foundation, or

"(2) the value of the net assets of such foundation.

"(d) AGGREGATE TAX BENEFIT.—

"(1) IN GENERAL.—For purposes of subsection (c), the aggregate tax benefit resulting from the section 501(c)(3) status of any private foundation is the sum of—

"(A) the aggregate increases in tax under chapters 1, 11, and 12 (or the corresponding provisions of prior law) which would have been imposed with respect to all substantial contributors to the foundation if deductions for all contributions made by such contributors to the foundation after February 28, 1913, had been disallowed, and

"(B) the aggregate increases in tax under chapter 1 (or the corresponding provisions of prior law) which would have been imposed with respect to the income of the private foundation for taxable years beginning after December 31, 1912, if (i) it had not been exempt from tax under section 501(a) (or the corresponding provisions of prior law), and (ii) in the case of a trust, deductions under section 642(c) (or the corresponding provisions of prior law) had been limited to 20 percent of the taxable income of the trust (computed without the benefit of section 642(c) but with the benefit of section 170(b)(1)(A)), and

"(C) interest on the increases in tax determined under subparagraphs (A) and (B) from the first date on which each such increase would have been due and payable to the date on which the organization ceases to be a private foundation.

"(2) Substantial contributor.—

"(A) Definition.—For purposes of paragraph (1), the term 'substantial contributor' means any person who contributed or bequeathed an aggregate amount of more than $5,000 to the private foundation, if such amount is more than 2 percent of the total contributions and bequests received by the foundation before the close of the taxable year of the foundation in which the contribution or bequest is received by the foundation from such person. In the case of a trust, the term 'substantial contributor' also means the creator of the trust.

"(B) Special rules.—For purposes of subparagraph (A)—

"(i) each contribution or bequest shall be valued at fair market value on the date it was received,

"(ii) in the case of a foundation which is in existence on October 9, 1969, all contributions and bequests received on or before such date shall be treated (except for purposes of clause (i)) as if received on such date,

"(iii) an individual shall be treated as making all contributions and bequests made by his spouse, and

"(iv) any person who is a substantial contributor on any date shall remain a substantial contributor for all subsequent periods.

"(3) Regulations.—For purposes of this section, the determination as to whether and to what extent there would have been any increase in tax shall be made in accordance with regulations prescribed by the Secretary or his delegate.

"(e) Value of Assets.—For purposes of subsection (c), the value of the net assets shall be determined at whichever time such value is higher: (1) the first day on which action is taken by the organization which culminates in its ceasing to be a private foundation, or (2) the date on which it ceases to be a private foundation.

"(f) Liability in Case of Transfers of Assets From Private Foundation.—For purposes of determining liability for the tax imposed by subsection (c) in the case of assets transferred by the private foundation, such tax shall be deemed to have been imposed on the first day on which action is taken by the organization which culminates in its ceasing to be a private foundation.

"(g) Abatement of Taxes.—The Secretary or his delegate may abate the unpaid portion of the assessment of any tax imposed by subsection (c), or any liability in respect thereof, if—

"(1) the private foundation distributes all of its net assets to one or more organizations described in section 170(b)(1)(A) (other than in clauses (vii) and (viii) each of which has been in existence and so described for a continuous period of at least 60 calendar months, or

"(2) following the notification prescribed in section 6104(c) to the appropriate State officer, such State officer within one year notifies the Secretary or his delegate, in such manner as the Secretary or his delegate may by regulations prescribe, that corrective action has been initiated pursuant to State law to insure that the assets of such private foundation are preserved for such charitable or other purposes specified in section 501(c)(3) as may be ordered or approved by a court of competent jurisdiction, and upon completion of the corrective action, the Secretary or his delegate receives certification from the appropriate State officer that such action has resulted in such preservation of assets.

"Sec. 508. Special Rules With Respect to Section 501(c)(3) Organizations.

"(a) New Organizations Must Notify Secretary That They Are Applying for Recognition of Section 501(c)(3) Status.—Except as provided in subsection (c), an organization organized after October 9, 1969, shall not be treated as an organization described in section 501(c)(3)—

"(1) unless it has given notice to the Secretary or his delegate, in such manner as the Secretary or his delegate may by regulations prescribe, that it is applying for recognition of such status, or

"(2) for any period before the giving of such notice, if such notice is given after the time prescribed by the Secretary or his delegate by regulations for giving notice under this subsection.

For purposes of paragraph (2), the time prescribed for giving notice under this subsection shall not expire before the 90th day after the day on which regulations first prescribed under this subsection become final.

"(b) Presumption That Organizations Are Private Foundations.—Except as provided in subsection (c), any organization (including an organization in existence on October 9, 1969) which is described in section 501(c)(3) and which does not notify the Secretary or his delegate, at such time and in such manner as the Secretary or his delegate may by regulations prescribe, that it is not a private foundation shall be presumed to be a private foundation. The time prescribed for giving notice under this subsection shall not expire before the 90th day after the day on which regulations first prescribed under this subsection become final.

"(c) Exceptions.—

"(1) Mandatory exceptions.—Subsections (a) and (b) shall not apply to—

"(A) churches, their integrated auxiliaries, and conventions or associations of churches, or

"(B) any organization which is not a private foundation (as defined in section 509(a)) and the gross receipts of which in each taxable year are normally not more than $5,000.

"(2) Exceptions by regulations.—The Secretary or his delegate may by regulations exempt (to the extent and subject to such conditions as may be prescribed in such regulations) from the provisions of subsection (a) or (b) or both—

"(A) educational organizations which normally maintain a regular faculty and curriculum and normally have a regularly enrolled body of pupils or students in attendance at the place where their educational activities are regularly carried on; and

"(B) any other class of organizations with respect to which the Secretary or his delegate determines that full compliance with the provisions of subsections (a) and (b) is not necessary to the efficient administration of the provisions of this title relating to private foundations.

"(d) Disallowance of Certain Charitable, etc., Deductions.—

"(1) Gift or bequest to organizations subject to section 507(c) tax.—No gift or bequest made to an organization upon which the tax provided by section 507(c) has been imposed shall be allowed as a deduction under section 170, 545(b)(2), 556(b)(2), 642(c), 2055, 2106(a)(2), or 2522, if such gift or bequest is made—

"(A) by any person after notification is made under section 507(a), or

"(B) by a substantial contributor (as defined in section 507(d)(2)) in his taxable year which includes the first day on which action is taken by such organization which culminates in the imposition of tax under section 507(c) and any subsequent taxable year.

"(2) Gift or bequest to taxable private foundation, section 4947 trust, etc.—No gift or bequest made to an organization shall be allowed as a deduction under section 170, 545(b)(2), 556(b)(2), 642(c), 2055, 2106(a)(2), or 2522, if such gift or bequest is made—

"(A) to a private foundation or a trust described in section 4947 in a taxable year for which it fails to meet the requirements of subsection (e) (determined without regard to subsection (e)(2) (B) and (C)), or

"(B) to any organization in a period for which it is not treated as an organization described in section 501(c)(3) by reason of subsection (a).

"(3) Exception.—Paragraph (1) shall not apply if the entire amount of the unpaid portion of the tax imposed by section 507(c) is abated by the Secretary or his delegate under section 507(g).

(e) Governing Instruments.—

"(1) General rule.—A private foundation shall not be exempt from taxation under section 501(a) unless its governing instrument includes provisions the effects of which are—

"(A) to require its income for each taxable year to be distributed at such time and in such manner as not to subject the foundation to tax under section 4942, and

"(B) to prohibit the foundation from engaging in any act of self-dealing (as defined in section 4941(d)), from retaining any excess business holdings (as defined in section 4943(c)), from making any investments in such manner as to subject the foundation to tax under section 4944, and from making any taxable expenditures (as defined in section 4945(d)).

"(2) Special rules for existing private foundations.—In the case of any organization organized before January 1, 1970, paragraph (1) shall not apply—

"(A) to any taxable year beginning before January 1, 1972,

"(B) to any period after December 31, 1971, during the pendency of any judicial proceeding begun before January 1, 1972, by the private foundation which is necessary to reform, or to excuse such foundation from compliance with, its governing instrument or any other instrument in order to meet the requirements of paragraph (1), and

"(C) to any period after the termination of any judicial proceeding described in subparagraph (B) during which its governing instrument or any other instrument does not permit it to meet the requirements of paragraph (1).

"Sec. 509. Private Foundation Defined.

"(a) General Rule.—For purposes of this title, the term 'private foundation' means a domestic or foreign organization described in section 501(c)(3) other than—

"(1) an organization described in section 170(b)(1)(A) (other than in clauses (vii) and (viii));

"(2) an organization which—

"(A) normally receives more than one-third of its support in each taxable year from any combination of—

"(i) gifts, grants, contributions, or membership fees, and

"(ii) gross receipts from admissions, sales of merchandise, performance of services, or furnishing of facilities, in an activity which is not an unrelated trade or business (within the meaning of section 513), not including such receipts from any person, or from any bureau or similar agency of a governmental unit (as described in section 170(c)(1)), in any taxable year to the extent such receipts exceed the greater of $5,000 or 1 percent of the organization's support in such taxable year,

from persons other than disqualified persons (as defined in section 4946) with respect to the organization, from governmental units described in section 170(c)(1), or from organizations described in section 170(b)(1)(A) (other than in clauses (vii) and (viii)), and

"(B) normally receives not more than one-third of its support in each taxable year from gross investment income (as defined in subsection (e));

"(3) an organization which—

"(A) is organized, and at all times thereafter is operated, exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more specified organizations described in paragraph (1) or (2),

"(B) is operated, supervised, or controlled by or in connection with one or more organizations described in paragraph (1) or (2), and

"(C) is not controlled directly or indirectly by one or more disqualified persons (as defined in section 4946) other than foundation managers and other than one or more organizations described in paragraph (1) or (2); and

"(4) an organization which is organized and operated exclusively for testing for public safety.

For purposes of paragraph (3), an organization described in paragraph (2) shall be deemed to include an organization described in section 501(c) (4), (5), or (6) which would be described in paragraph (2) if it were an organization described in section 501(c)(3).

"(b) CONTINUATION OF PRIVATE FOUNDATION STATUS.—For purposes of this title, if an organization is a private foundation (within the meaning of subsection (a)) on October 9, 1969, or becomes a private foundation on any subsequent date, such organization shall be treated as a private foundation for all periods after October 9, 1969, or after such subsequent date, unless its status as such is terminated under section 507.

"(c) STATUS OF ORGANIZATION AFTER TERMINATION OF PRIVATE FOUNDATION STATUS.—For purposes of this part, an organization the status of which as a private foundation is terminated under section 507 shall (except as provided in section 507(b)(2)) be treated as an organization created on the day after the date of such termination.

"(d) DEFINITION OF SUPPORT.—For purposes of this part and chapter 42, the term 'support' includes (but is not limited to)—

"(1) gifts, grants, contributions, or membership fees,

"(2) gross receipts from admissions, sales of merchandise, performance of services, or furnishing of facilities in any activity which is not an unrelated trade or business (within the meaning of section 513),

"(3) net income from unrelated business activities, whether or not such activities are carried on regularly as a trade or business,

"(4) gross investment income (as defined in subsection (e)),

"(5) tax revenues levied for the benefit of an organization and either paid to or expended on behalf of such organization, and

"(6) the value of services or facilities (exclusive of services or facilities generally furnished to the public without charge) furnished by a governmental unit referred to in section 170(c)(1) to an organization without charge.

Such term does not include any gain from the sale or other disposition of property which would be considered as gain from the sale or exchange of a capital asset, or the value of exemption from any Federal, State, or local tax or any similar benefit.

"(e) DEFINITION OF GROSS INVESTMENT INCOME.—For purposes of subsection (d), the term 'gross investment income' means the gross amount of income from interest, dividends, rents, and royalties, but not including any such income to the extent included in computing the tax imposed by section 511."

(b) AMENDMENT OF SUBTITLE D.—Subtitle D (relating to miscellaneous excise taxes) is amended by adding at the end thereof the following new chapter:

"CHAPTER 42.—PRIVATE FOUNDATIONS

"Sec. 4940. Excise tax based on investment income.
"Sec. 4941 Taxes on self-dealing.
"Sec. 4942. Taxes on failure to distribute income.
"Sec. 4943. Taxes on excess business holdings.
"Sec. 4944. Taxes on investments which jeopardize charitable purpose.
"Sec. 4945. Taxes on taxable expenditures.
"Sec. 4946. Definitions and special rules.
"Sec. 4947. Application of taxes to certain nonexempt trusts.
"Sec. 4948. Application of taxes and denial of exemption with respect to certain foreign organizations.

"SEC. 4940. EXCISE TAX BASED ON INVESTMENT INCOME.

"(a) TAX-EXEMPT FOUNDATIONS.—There is hereby imposed on each private foundation which is exempt from taxation under section 501(a) for the taxable year, with respect to the carrying on of its activities, a tax equal to 4 percent of the net investment income of such foundation for the taxable year.

"(b) TAXABLE FOUNDATIONS.—There is hereby imposed on each private foundation which is not exempt from taxation under section 501(a) for the taxable year, with respect to the carrying on of its activities, a tax equal to—

"(1) the amount (if any) by which the sum of (A) the tax imposed under subsection (a) (computed as if such subsection applied to such private foundation for the taxable year), plus (B) the amount of the tax which would have been imposed under section 511 for the taxable year if such private foundation has been exempt from taxation under section 501(a), exceeds

"(2) the tax imposed under subtitle A on such private foundation for the taxable year.

"(c) NET INVESTMENT INCOME DEFINED.—

"(1) IN GENERAL.—For purposes of subsection (a), the net investment income is the amount by which (A) the sum of the gross investment income and the net capital gain exceeds (B) the deductions allowed by paragraph (3). Except to the extent inconsistent with the provisions of this section, net investment income shall be determined under the principles of subtitle A.

"(2) GROSS INVESTMENT INCOME.—For purposes of paragraph (1), the term 'gross investment income' means the gross amount of income from interest, dividends, rents, and, royalties, but not including any such income to the extent included in computing the tax imposed by section 511.

"(3) DEDUCTIONS.—

"(A) IN GENERAL.—For purposes of paragraph (1), there shall be allowed as a deduction all the ordinary and necessary expenses paid or incurred for the production or collection of gross investment income or for the management, conservation, or maintenance of property held for the production of such income, determined with the modifications set forth in subparagraph (B).

"(B) MODIFICATIONS.—For purposes of subparagraph (A)—

"(i) The deduction provided by section 167 shall be allowed, but only on the basis of the straight line method of depreciation.

"(ii) The deduction for depletion provided by section 611 shall be allowed, but such deduction shall be determined without regard to section 613 (relating to percentage depletion).

"(4) CAPITAL GAINS AND LOSSES.—For purposes of paragraph (1) in determining net capital gain—

"(A) There shall be taken into account only gains and losses from the sale or other disposition of property used for the production of interest, dividends, rents, and royalties, and property used for the production of income included in computing the tax imposed by section 511 (except to the extent gain or loss from the sale or other disposition of such property is taken into account for purposes of such tax).

"(B) The basis for determining gain in the case of property held by the private foundation on December 31, 1969, and continuously thereafter to the date of its disposition shall be deemed to be not less than the fair market value of such property on December 31, 1969.

"(C) Losses from sales or other dispositions of property shall be allowed only to the extent of gains from such sales or other dispositions, and there shall be no capital loss carryovers.

"(5) TAX-EXEMPT INCOME.—For purposes of this section, net investment income shall be determined by applying section 103 (relating to interest on certain governmental obligations) and section 265 (relating to expenses and interest relating to tax-exempt income).

"SEC. 4941. TAXES ON SELF-DEALING.

"(a) INITIAL TAXES.—

"(1) ON SELF-DEALER.—There is hereby imposed a tax on each act of self-dealing between a disqualified person and a private foundation. The rate of tax shall be equal to 5 percent of the amount involved with respect to the act of self-dealing for each year (or part thereof) in the taxable period. The tax imposed by this paragraph shall be paid by any disqualified person (other than a foundation manager acting only as such) who participates in the act of self-dealing. In the case of a government official (as defined in section 4946(c)), a tax shall be imposed by this paragraph only if such disqualified person participates in the act of self-dealing knowing that it is such an act.

"(2) ON FOUNDATION MANAGER.—In any case in which a tax is imposed by paragraph (1), there is hereby imposed on the participation of any foundation manager in an act of self-dealing between a disqualified person and a private foundation, knowing that it is such an act, a tax equal to 2½ percent of the amount involved with respect to the act of self-dealing for each year (or part thereof) in the taxable period, unless such participation is not willful and is due to reasonable cause. The tax imposed by this paragraph shall be paid by any foundation manager who participated in the act of self-dealing.

"(b) ADDITIONAL TAXES.—

"(1) ON SELF-DEALER.—In any case in which an initial tax is imposed by subsection (a)(1) on an act of self-dealing by a disqualified person with a private foundation and the act is not corrected within the correction period, there is hereby imposed a tax equal to 200 percent of the amount involved. The tax imposed by this paragraph shall be paid by any disqualified person (other than a foundation manager acting only as such) who participated in the act of self-dealing.

"(2) ON FOUNDATION MANAGER.—In any case in which an additional tax is imposed by paragraph (1), if a foundation manager refused to agree to part or all of the correction, there is hereby imposed a tax equal to 50 percent of the amount involved. The tax imposed by this paragraph shall be paid by any foundation manager who refused to agree to part or all of the correction.

"(c) SPECIAL RULES.—For purposes of subsections (a) and (b)—

"(1) JOINT AND SEVERAL LIABILITY.—If more than one person is liable under any paragraph of subsection (a) or (b) with respect to any one act of self-dealing, all such persons shall be jointly and severally liable under such paragraph with respect to such act.

"(2) $10,000 LIMIT FOR MANAGEMENT.—With respect to any one act of self-dealing, the maximum amount of the tax imposed by

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subsection (a)(2) shall not exceed $10,000, and the maximum amount of the tax imposed by subsection (b)(2) shall not exceed $10,000.

"(d) Self-Dealing.—

"(1) In general.—For purposes of this section, the term 'self-dealing' means any direct or indirect—

"(A) sale or exchange, or leasing, of property between a private foundation and a disqualified person;

"(B) lending of money or other extension of credit between a private foundation and a disqualified person;

"(C) furnishing of goods, services, or facilities between a private foundation and a disqualified person;

"(D) payment of compensation (or payment or reimbursement of expenses) by a private foundation to a disqualified person;

"(E) transfer to, or use by or for the benefit of, a disqualified person of the income or assets of a private foundation; and

"(F) agreement by a private foundation to make any payment of money or other property to a government official (as defined in section 4946(c)), other than an agreement to employ such individual for any period after the termination of his government service if such individual is terminating his government service within a 90-day period.

"(2) Special rules.—For purposes of paragraph (1)—

"(A) the transfer of real or personal property by a disqualified person to a private foundation shall be treated as a sale or exchange if the property is subject to a mortgage or similar lien which the foundation assumes or if it is subject to a mortgage or similar lien which a disqualified person placed on the property within the 10-year period ending on the date of the transfer;

"(B) the lending of money by a disqualified person to a private foundation shall not be an act of self-dealing if the loan is without interest or other charge and if the proceeds of the loan are used exclusively for purposes specified in section 501(c)(3);

"(C) the furnishing of goods, services, or facilities by a disqualified person to a private foundation shall not be an act of self-dealing if the furnishing is without charge and if the goods, services, or facilities so furnished are used exclusively for purposes specified in section 501(c)(3);

"(D) the furnishing of goods, services, or facilities by a private foundation to a disqualified person shall not be an act of self-dealing if such furnishing is made on a basis no more favorable than that on which such goods, services, or facilities are made available to the general public;

"(E) except in the case of a government official (as defined in section 4946(c)), the payment of compensation (and the payment or reimbursement of expenses) by a private foundation to a disqualified person for personal services which are reasonable and necessary to carrying out the exempt purpose of the private foundation shall not be an act of self-dealing if the compensation (or payment or reimbursement) is not excessive;

"(F) any transaction between a private foundation and a corporation which is a disqualified person (as defined in section 4946(a)), pursuant to any liquidation, merger, redemption, recapitalization, or other corporate adjustment, organization, or reorganization, shall not be an act of self-dealing if all of the securities of the same class as that held by the foundation are subject to the same terms and such terms provide for receipt by the foundation of no less than fair market value; and

"(G) in the case of a government official (as defined in section 4946(c)), paragraph (1) shall in addition not apply to—

"(i) prizes and awards which are subject to the provisions of section 74(b), if the recipients of such prizes and awards are selected from the general public,

"(ii) scholarships and fellowship grants which are subject to the provisions of section 117(a) and are to be used for study at an educational institution described in section 151(e)(4),

"(iii) any annuity or other payment (forming a part of a stock-bonus, pension, or profit-sharing plan) by a trust which is a qualified trust under section 401,

"(iv) any annuity or other payment under a plan which meets the requirements of section 404(a)(2),

"(v) any contribution or gift (other than a contribution or gift of money) to, or services or facilities made available to, any such individual, if the aggregate value of such contributions, gifts, services, and facilities to, or made available to, such individual during any calendar year does not exceed $25,

"(vi) any payment made under chapter 41 of title 5, United States Code, or

"(vii) any payment or reimbursement of traveling expenses for travel solely from one point in the United States to another point in the United States, but only if such payment or reimbursement does not exceed the actual cost of the transportation involved plus an amount for all other traveling expenses not in excess of 125 percent of the maximum amount payable under section 5702(a) of title 5, United States Code, for like travel by employees of the United States.

"(e) Other Definitions.—For purposes of this section—

"(1) Taxable period.—The term 'taxable period' means, with respect to any act of self-dealing, the period beginning with the date on which the act of self-dealing occurs and ending on whichever of the following is the earlier: (A) the date of mailing of a notice of deficiency with respect to the tax imposed by subsection (a)(1) under section 6212, or (B) the date on which correction of the act of self-dealing is completed.

"(2) Amount involved.—The term 'amount involved' means, with respect to any act of self-dealing, the greater of the amount of money and the fair market value of the other property given or the amount of money and the fair market value of the other property received; except that, in the case of services described in subsection (d)(2)(E), the amount involved shall be only the excess compensation. For purposes of the preceding sentence, the fair market value—

"(A) in the case of the taxes imposed by subsection (a), shall be determined as of the date on which the act of self-dealing occurs; and

"(B) in the case of the taxes imposed by subsection (b), shall be the highest fair market value during the correction period.

"(3) Correction.—The terms 'correction' and 'correct' mean, with respect to any act of self-dealing, undoing the transaction to the extent possible, but in any case placing the private foundation in a financial position not worse than that in which it would be if the disqualified person were dealing under the highest fiduciary standards.

"(4) Correction period.—The term 'correction period' means, with respect to any act of self-dealing, the period beginning with the date on which the act of self-dealing occurs and ending 90 days after the date of mailing of a notice of deficiency with respect to the tax imposed by subsection (b)(1) under section 6212, extended by—

"(A) any period in which a deficiency cannot be assessed under section 6213(a), and

"(B) any other period which the Secretary or his delegate determines is reasonable and necessary to bring about correction of the act of self-dealing.

"Sec. 4942. Taxes on Failure To Distribute Income.

"(a) Initial Tax.—There is hereby imposed on the undistributed income of a private foundation for any taxable year, which has not been distributed before the first day of the second (or any succeeding) taxable year following such taxable year (if such first day falls within the taxable period), a tax equal to 15 percent of the amount of such income remaining undistributed at the beginning of such second (or succeeding) taxable year. The tax imposed by this subsection shall not apply to the undistributed income of a private foundation—

"(1) for any taxable year for which it is an operating foundation (as defined in subsection (j)(3), or

"(2) to the extent that the foundation failed to distribute any amount solely because of an incorrect valuation of assets under subsection (e), if—

"(A) the failure to value the assets properly was not willful and was due to reasonable cause,

"(B) such amount is distributed as qualifying distributions (within the meaning of subsection (g)) by the foundation during the allowable distribution period (as defined in subsection (j)(4)),

"(C) the foundation notifies the Secretary or his delegate that such amount has been distributed (within the meaning of subparagraph (B)) to correct such failure, and

"(D) such distribution is treated under subsection (h)(2) as made out of the undistributed income for the taxable year for which a tax would (except for this paragraph) have been imposed under this subsection.

"(b) Additional Tax.—In any case in which an initial tax is imposed under subsection (a) on the undistributed income of a private foundation for any taxable year, if any portion of such income remains undisturbed at the close of the correction period, there is hereby imposed a tax equal to 100 percent of the amount remaining undistributed at such time.

"(c) Undistributed Income.—For purposes of this section, the term 'undistributed income' means, with respect to any private foundation for any taxable year as of any time, the amount by which—

"(1) the distributable amount for such taxable year. exceeds

"(2) the qualifying distributions made before such time out of such distributable amount.

"(d) Distributable Amount.—For purposes of this section, the term 'distributable amount' means, with respect to any foundation for any taxable year, an amount equal to—

"(1) the minimum investment return or the adjusted net income (whichever is higher), reduced by

"(2) the sum of the taxes imposed on such private foundation for the taxable year under subtitle A and section 4940.

"(e) Minimum Investment Return.—

"(1) In General.—For purposes of subsection (d), the minimum investment return for any private foundation for any taxable year is the amount determined by multiplying—

"(A) the excess of (i) the aggregate fair market value of all assets of the foundation other than those being used (or held for use) directly in carrying out the foundation's exempt purpose over (ii) the acquisition indebtedness with respect to such assets (determined under section 514(c)(1), but without regard to the taxable year in which the indebtedness was incurred), by

"(B) the applicable percentage for such year, determined under paragraph (3).

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"(2) VALUATION.—For purposes of paragraph (1)(A), the fair market value of securities for which market quotations are readily available shall be determined on a monthly basis. For all other assets, the fair market value shall be determined at such times and in such manner as the Secretary or his delegate shall by regulation prescribe.

"(3) APPLICABLE PERCENTAGE.—For purposes of paragraph (1)(B), the applicable percentage for taxable years beginning in 1970 is 6 percent. The applicable percentage for any taxable year beginning after 1970 shall be determined and published by the Secretary or his delegate and shall bear a relationship to 6 percent which the Secretary or his delegate determines to be comparable to the relationship which the money rates and investment yields for the calendar year immediately preceding the beginning of the taxable year bear to the money rates and investment yields for the calendar year 1969.

"(4) TRANSITIONAL RULES.—

"For special rules applicable to organizations created before May 27, 1969, see section 101(l)(3) of the Tax Reform Act of 1969.

"(f) ADJUSTED NET INCOME.—

"(1) DEFINED.—For purposes of subsection (d), the term 'adjusted net income' means the excess (if any) of—

"(A) the gross income for the taxable year (determined with the income modifiations provided by paragraph (2)), over

"(B) the sum of the deductions (determined with the deduction modifications provided by paragraph (3)) which would be allowed to a corporation subject to the tax imposed by section 11 for the taxable year.

"(2) INCOME MODIFICATIONS.—The income modifications referred to in paragraph (1)(A) are as follows:

"(A) section 103 (relating to interest on certain governmental obligations) shall not apply,

"(B) capital gains and losses for the sale or other disposition of property shall be taken into account only in an amount equal to any net short-term capital gain for the taxable year, and

"(C) there shall be taken into account—

"(i) amounts received or accrued as repayments of amounts which were taken into account as a qualifying distribution within the meaning of subsection (g)(1)(A) for any taxable year;

"(ii) notwithstanding subparagraph (B), amounts received or accrued from the sale or other disposition of property to the extent that the acquisition of such property was taken into account as a qualifying distribution (within the meaning of subsection (g)(1)(B)) for any taxable year; and

"(iii) any amount set aside under subsection (g)(2) to the extent it is determined that such amount is not necessary for the purposes for which it was set aside.

"(3) DEDUCTION MODIFICATIONS.—The deduction modifications referred to in paragraph (1)(B) are as follows:

"(A) no deduction shall be allowed other than all the ordinary and necessary expenses paid or incurred for the production or collection of gross income or for the management, conservation, or maintenance of property held for the production of such income and the allowances for depreciation and depletion determined under section 4940(c)(3)(B), and

"(B) section 265 (relating to expenses and interest relating to tax-exempt interest) shall not apply.

"(4) TRANSITIONAL RULE.—For purposes of paragraph (2)(B), the basis (for purposes of determining gain) of property held by a private foundation on December 31, 1969, and continuously thereafter to the date of its disposition, shall be deemed to be not less than the fair market value of such property on December 31, 1969.

"(g) QUALIFYING DISTRIBUTIONS DEFINED.—

"(1) IN GENERAL.—For purposes of this section, the term 'qualifying distribution' means—

"(A) any amount (including administrative expenses) paid to accomplish one or more purposes described in section 170(c)(2)(B), other than any contribution to (i) an organization controlled (directly or indirectly) by the foundation or one or more disqualified persons (as defined in section 4946) with respect to the foundation, except as provided in paragraph (3), or (ii) a private foundation which is not an operating foundation (as defined in subsection (j)(3)), except as provided in paragraph (3), or

"(B) any amount paid to acquire an asset used (or held for use) directly in carrying out one or more purposes described in section 170(c)(2)(B).

"(2) CERTAIN SET-ASIDES.—Subject to such terms and conditions as may be prescribed by the Secretary or his delegate, an amount set aside for a specific project which comes within one or more purposes described in section 170(c)(2)(B) may be treated as a qualifying distribution, but only if, at the time of the set-aside, the private foundation establishes to the satisfaction of the Secretary or his delegate that—

"(A) the amount will be paid for the specific project within 5 years, and

"(B) the project is one which can be better accomplished by such set-aside than by immediate payment of funds.

For good cause shown, the period for paying the amount set aside may be extended by the Secretary or his delegate.

"(3) CERTAIN CONTRIBUTIONS TO SECTION 501(c)(3) ORGANIZATIONS.—For purposes of this section, the term 'qualifying distribution' includes a contribution to a section 501(c)(3) organization described in paragraph (1)(A)(i) or (ii) if—

"(A) not later than the close of the first taxable year after its taxable year in which such contribution is received, such organization makes a distribution equal to the amount of such contribution and such distribution is a qualifying distribution (within the meaning of paragraph (1) or (2), without regard to this paragraph) which is treated under subsection (h) as a distribution out of corpus (or would be so treated if such section 501(c)(3) organization were a private foundation which is not an operating foundation), and

"(B) the private foundation making the contribution obtains adequate records or other sufficient evidence from such organization showing that the qualifying distribution described in subparagraph (A) has been made by such organization.

"(h) TREATMENT OF QUALIFYING DISTRIBUTIONS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), any qualifying distribution made during a taxable year shall be treated as made—

"(A) first out of the undistributed income of the immediately preceding taxable year (if the private foundation was subject to the tax imposed by this section for such preceding taxable year) to the extent thereof,

"(B) second out of the undistributed income for the taxable year to the extent thereof, and

"(C) then out of corpus.

For purposes of this paragraph, distributions shall be taken into account in the order of time in which made.

"(2) CORRECTION OF DEFICIENT DISTRIBUTIONS FOR PRIOR TAXABLE YEARS, ETC.—In the case of any qualifying distribution which (under paragraph (1)) is not treated as made out of the undistributed income of the immediately preceding taxable year, the foundation may elect to treat any portion of such distribution as made out of the undistributed income of a designated prior taxable year or out of corpus. The election shall be made by the foundation at such time and in such manner as the Secretary or his delegate shall by regulations prescribe.

"(i) ADJUSTMENT OF DISTRIBUTABLE AMOUNT WHERE DISTRIBUTIONS DURING PRIOR YEARS HAVE EXCEEDED INCOME.—

"(1) IN GENERAL.—If, for the taxable years in the adjustment period for which an organization is a private foundation—

"(A) the aggregate qualifying distributions treated (under subsection (h)) as made out of the undistributed income for such taxable year or as made out of corpus (except to the extent subsection (g)(3) with respect to the recipient private foundation or section 170(b)(1)(E)(ii) applies) during such taxable years, exceed

"(B) the distributable amounts for such taxable years (determined without regard to this subsection),

then, for purposes of this section (other than subsection (h)), the distributable amount for the taxable year shall be reduced by an amount equal to such excess.

"(2) TAXABLE YEARS IN ADJUSTMENT PERIOD.—For purposes of paragraph (1), with respect to any taxable year of a private foundation the taxable years in the adjustment period are the taxable years (not exceeding 5) beginning after December 31, 1969, and immediately preceding the taxable year.

"(j) OTHER DEFINITIONS.—For purposes of this section—

"(1) TAXABLE PERIOD.—The term 'taxable period' means, with respect to the undistributed income for any taxable year, the period beginning with the first day of the taxable year and ending on the date of mailing of a notice of deficiency with respect to the tax imposed by subsection (a) under section 6212.

"(2) CORRECTION PERIOD.—The term 'correction period' means, with respect to any private foundation for any taxable year, the period beginning with the first day of the taxable year and ending 90 days after the date of mailing of a notice of deficiency (with respect to the tax imposed by subsection (b)) under section 6212, extended by—

"(A) any period in which a deficiency cannot be assessed under section 6213(a), and

"(B) any other period which the Secretary or his delegate determines is reasonable and necessary to permit a distribution of undistributed income under this section.

"(3) OPERATING FOUNDATION.—For purposes of this section, the term 'operating foundation' means any organization—

"(A) which makes qualifying distributions (within the meaning of paragraph (1) or (2) of subsection (g) directly for the active conduct of the activities constituting the purpose or function for which it is organized and operated equal to substantially all of its adjusted net income (as defined in subsection (f)); and

"(B)(i) substantially more than half of the assets of which are devoted directly to such activities or to functionally related business (as defined in paragraph (5)), or to both, or are stock of a corporation which is controlled by the foundation and substantially all of the assets of which are so devoted.

"(ii) which normally makes qualifying distributions (within the meaning of paragraph (1) or (2) of subsection (g)) directly for the active conduct of the activities constituting the purpose or function for which it is organized and operated in an amount not less than two-thirds of its minimum investment return (as defined in subsection (e)), or

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"(iii) substantially all of the support (other than gross investment income as defined in section 509(e)) of which is normally received from the general public and from 5 or more exempt organizations which are not described in section 4946(a)(1)(H) with respect to each other or the recipient foundation; not more than 25 percent of the support (other than gross investment income) of which is normally received from any one such exempt organization; and not more than half of the support of which is normally received from gross investment income.

"(4) Allowable distribution period.—The term 'allowable distribution period' means, with respect to any private foundation, the period beginning with the first day of the first taxable year following the taxable year in which the incorrect valuation (described in subsection (a)(2)) occurred and ending 90 days after the date of mailing of a notice of deficiency (with respect to the tax imposed by subsection (a)) under section 6212 extended by—

"(A) any period in which a deficiency cannot be assessed under section 6213(a), and

"(B) any other period which the Secretary or his delegate determines is reasonable and necessary to permit a distribution of undistributed income under this section.

"(5) Functionally related business.—The term 'functionally related business' means—

"(A) a trade or business which is not an unrelated trade or business (as defined in section 513), or

"(B) an activity which is carried on within a larger aggregate of similar activities or within a larger complex of other endeavors which is related (aside from the need of the organization for income or funds or the use it makes of the profits derived) to the exempt purposes of the organization.

"Sec. 4943. Taxes of Excess Business Holdings.

"(a) Initial Tax.—

"(1) Imposition.—There is hereby imposed on the excess business holdings of any private foundation in a business enterprise during any taxable year which ends during the taxable period a tax equal to 5 percent of the value of such holdings.

"(2) Special rules.—The tax imposed by paragraph (1)—

"(A) shall be imposed on the last day of the taxable year, but

"(B) with respect to the private foundation's holdings in any business enterprise, shall be determined as of that day during the taxable year when the foundation's excess holdings in such enterprise were the greatest.

"(b) Additional Tax.—In any case in which an initial tax is imposed under subsection (a) with respect to the holdings of a private foundation in any business enterprise, if, at the close of the correction period with respect to such holdings, the foundation still has excess business holdings in such enterprise, there is hereby imposed a tax equal to 200 percent of such excess business holdings.

"(c) Excess Business Holdings.—For purposes of this section—

"(1) In general.—The term 'excess business holdings' means, with respect to the holdings of any private foundation in any business enterprise, the amount of stock or other interest in the enterprise which the foundation would have to dispose of to a person other than a disqualified person in order for the remaining holidays of the foundation in such enterprise to be permitted holdings.

"(2) Permitted holdings in a corporation.—

"(A) In general.—The permitted holdings of any private foundation in an incorporated business enterprise are—

"(i) 20 percent of the voting stock, reduced by

"(ii) the percentage of the voting stock owned by all disqualified persons.

In any case in which all disqualified persons together do not own more than 20 percent of the voting stock of an incorporated business enterprise, nonvoting stock held by the private foundation shall also be treated as permitted holdings.

"(B) 35 percent rule where third person has effective controls of enterprise.—If—

"(i) the private foundation and all disqualified persons together do not own more than 35 percent of the voting stock of an incorporated business enterprise, and

"(ii) it is established to the satisfaction of the Secretary or his delegate that effective control of the corporation is in one or more persons who are not disqualified persons with respect to the foundation,

then subparagraph (A) shall be applied by substituting 35 percent for 20 percent.

"(C) 2 percent de minimis rule.—A private foundation shall not be treated as having excess business holdings in any corporation in which it (together with all other private foundations which are described in section 4946(a)(1)(H)) owns not more than 2 percent of the voting stock and not more than 2 percent in value of all outstanding shares of all classes of stock.

"(3) Permitted holdings in partnerships, etc.—The permitted holdings of a private foundation in any business enterprise which is not incorporated shall be determined under regulations prescribed by the Secretary or his delegate. Such regulations shall be consistent in principle with paragraphs (2) and (4), except that—

"(A) in the case of a partnership or joint venture, 'profits interest' shall be substituted for 'voting stock', and 'capital interest' shall be substituted for 'nonvoting stock',

"(B) in the case of a proprietorship, there shall be no permitted holdings, and

"(C) in any other case, 'beneficial interest' shall be substituted for 'voting stock'.

"(4) Present holdings.—

"(A)(i) In applying this section with respect to the holdings of any private foundation in a business enterprise, if such foundation and all disqualified persons together have holdings in such enterprise in excess of 20 percent of the voting stock on May 26, 1969, the percentage of such holdings shall be substituted for '20 percent,' and for '35 percent' (if the percentage of such holdings is greater than 35 percent), wherever it appears in paragraph 2, but in no event shall the percentage so substituted be more than 50 percent.

"(ii) If the percentage of the holdings of any private foundation and all disqualified persons together in a business enterprise (or if the percentage of the holdings of the private foundation in such enterprise) decreases for any reason, clause (i) and subparagraph (D) shall, except as provided in the next sentence, be applied for all periods after such decrease by substituting such decreased percentage for the percentage held on May 26, 1969, but in no event shall the percentage substituted be less than 20 percent. For purposes of this clause, any decrease in percentage holdings attributable to issuances of stock (or to issuances of stock coupled with redemptions of stock) shall be determined only as of the close of each taxable year of the private foundation unless the aggregate of the percentage decreases attributable to the issuances of stock (or such issuances and redemptions) during such taxable year equals or exceeds 1 percent.

"(iii) The percentage substituted under clause (i), and any percentage substituted under subparagraph (D), shall be applied both with respect to the voting stock and, separately, with respect to the value of all outstanding shares of all classes of stock.

"(iv) In the case of any merger, recapitalization, or other reorganization involving one or more business enterprises, the application of clauses (i), (ii), and (iii) shall be determined under regulations prescribed by the Secretary or his delegate.

"(B) Any interest in a business enterprise which a private foundation holds on May 26, 1969, if the private foundation on such date has excess business holdings, shall (while held by the foundation) be treated as held by a disqualified person (rather than by the private foundation)—

"(i) during the 20-year period beginning on such date, if the private foundation has more than a 95 percent voting stock interest on such date,

"(ii) except as provided in clause (i), during the 15-year period beginning on such date, if the foundation and all disqualified persons have more than a 75 percent voting stock interest (or more than a 75 percent profits or beneficial interest in the case of any unincorporated enterprise) on such date or more than a 75 percent interest in the value of all outstanding shares of all classes of stock (or more than a 75 percent capital interest in the case of a partnership or joint venture) on such date, or

"(iii) during the 10-year period beginning on such date, in any other case.

"(C) The 20-year, 15-year, and 10-year periods described in subparagraph (B) for the disposition of excess business holdings shall be suspended during the pendency of any judicial proceeding by the private foundation which is necessary to reform, or to excuse such foundation from compliance with, its governing instrument or any other instrument (as in effect on May 26, 1969) in order to allow disposition of such holdings.

"(D)(i) If, at any time during the second phase, all disqualified persons together have holdings in a business enterprise in excess of 2 percent of the voting stock of such enterprise, then subparagraph (A)(i) shall be applied by substituting for '50 percent' the following: '50 percent, of which not more than 25 percent shall be voting stock held by the private foundation'.

"(ii) If, immediately before the close of the second phase, clause (i) of this subparagraph did not apply with respect to a business enterprise, then for all periods after the close of the second phase subparagraph (A)(i) shall be applied by substituting for '50 percent' the following: '35 percent, or if at any time after the close of the second phase all disqualified persons together have had holdings in such enterprise which exceed 2 percent of the voting stock, 35 percent, of which not more than 25 percent shall be voting stock held by the private foundation'.

"(iii) For purposes of this subparagraph, the term 'second phase' means the 15-year period immediately following the 20-year, 15-year, or 10-year period described in subparagraph (B), whichever applies as modified by subparagraph (C).

"(E) Clause (ii) of subparagraph (B) shall not apply with respect to any business enterprise if before January 1, 1971, one or more individuals who are substantial contributors (or members of the family (within the meaning of section 4946(d)) of one of one or more substantial contributors) to the private foundation and who on May 26, 1969, held more than 15 percent of the voting stock of the enterprise elect, in such manner as the Secretary or his delegate may by regulations prescribe, not to have such clause (ii) apply with respect to such enterprise.

"(5) Holdings acquired by trust or will.—Paragraph (4) (other than subparagraph (B)(i)) shall apply to any interest in a business enterprise which a private foundation acquires under the terms of a trust which was irrevocable on May 26, 1969, or under the terms of a will executed on or before such date, which are in effect on such date and at all times thereafter, as if such interest were held on May 26, 1969, except that the 15-year and 10-year period prescribed in clauses (ii) and (iii) of paragraph (4) (B) shall commence with respect to such interest on the date of distribution under the trust or will in lieu of May 26, 1969.

"(6) 5-year period to dispose of gifts, bequests, etc.—Except as provided in paragraph (5), if, after May 26, 1969, there is a change in the holdings in a business enterprise (other than by purchase by the private foundation or by a disqualified person) which causes the private foundation to have—

"(A) excess business holdings in such enterprise, the interest of the foundation in such enterprise (immediately after such change) shall (while held by the foundation) be treated as held by a disqualified person (rather than by the foundation) during the 5-year period beginning on the date of such change in holdings; or

"(B) an increase in excess business holdings in such enterprise (determined without regard to subparagraph (A)), subparagraph (A) shall apply, except that the excess holdings immediately preceding the increase therein shall not be treated, solely because of such increase, as held by a disqualified person (rather than by the foundation).

"(d) Definitions; Special Rules.—For purposes of this section—

"(1) Business holdings.—In computing the holdings of a private foundation, or a disqualified person (as defined in section 4946) with respect thereto, in any business enterprise, any stock or other interest owned, directly or indirectly, by or for a corporation, partnership, estate, or trust shall be considered as being owned proportionately by or for its shareholders, partners, or beneficiaries. The preceding sentence shall not apply with respect to an income or remainder interest of a private foundation in a trust described in section 4947(a)(2), but only if, in the case of property transferred in trust after May 26, 1969, such foundation holds only an income interest or only a remainder interest in such trust.

"(2) Taxable period.—The term 'taxable period' means, with respect to any excess business holdings of a private foundation in a business enterprise, the period beginning on the first day on which there are such excess holdings and ending on the date of mailing of a notice of deficiency with respect to the tax imposed by subsection (a) under section 6212 in respect of such holdings.

"(3) Correction period.—The term 'correction period' means, with respect to excess business holdings of a private foundation in a business enterprise, the perod ending 90 days after the date of mailing of a notice of deficiency (with respect to the tax imposed by subsection (b)) under section 6212, extended by—

"(A) any period in which a deficiency cannot be assessed under section 6213(a), and

"(B) any other period which the Secretary or his delegate determines is reasonable and necessary to permit orderly disposition of such excess business holdings.

"(4) Business enterprise.—The term 'business enterprise' does not include—

"(A) a functionally related business (as defined in section 4942(j)(5)), or

"(B) a trade or business at least 95 percent of the gross income of which is derived from passive sources.

For purposes of subparagraph (B), gross income from passive sources includes the items excluded by section 512(b)(1), (2), (3), and (5), and income from the sale of goods (including charges or costs passed on at cost to purchasers of such goods or income received in settlement of a dispute concerning or in lieu of the exercise of the right to sell such goods) if the seller does not manufacture, produce, physically receive or deliver, negotiate sales of, or maintain inventories in such goods.

"Sec. 4944. Taxes on Investments Which Jeopardize Charitable Purpose.

"(a) Initial Taxes.—

"(1) On the private foundation.—If a private foundation invests any amount in such a manner as to jeopardize the carrying out of any of its exempt purposes, there is hereby imposed on the making of such investment a tax equal to 5 percent of the amount so invested for each year (or part thereof) in the taxable period. The tax imposed by this paragraph shall be paid by the private foundation.

"(2) On the management.—In any case in which a tax is imposed by paragraph (1), there is hereby imposed on the participation of any foundation manager in the making of the investment, knowing that it is jeopardizing the carrying out of any of the foundation's exempt purposes, a tax equal to 5 percent of the amount so invested for each year (or part thereof) in the taxable period, unless such participation is not willful and is due to reasonable cause. The tax imposed by this paragraph shall be paid by any foundation manager who participated in the making of the investment.

"(b) Additional Taxes.—

"(1) On the foundation.—In any case in which an initial tax is imposed by subsection (a)(1) on the making of an investment and such investment is not removed from jeopardy within the correction period, there is hereby imposed a tax equal to 25 percent of the amount of the investment. The tax imposed by this paragraph shall be paid by the private foundation.

"(2) On the management.—In any case in which an additional tax is imposed by paragraph (1), if a foundation manager refused to agree to part or all of the removal from jeopardy, there is hereby imposed a tax equal to 5 percent of the amount of the investment. The tax imposed by this paragraph shall be paid by any foundation manager who refused to agree to part or all of the removal from jeopardy.

"(c) Exception for Program-Related Investments.—For purposes of this section, investments, the primary purpose of which is to accomplish one or more of the purposes described in section 170(c)(2)(B), and no significant purpose of which is the production of income or the appreciation of property, shall not be considered as investments which jeopardize the carrying out of exempt purposes.

"(d) Special Rules.—For purposes of subsections (a) and (b)—

"(1) Joint and several liability.—If more than one person is liable under subsection (a)(2) or (b)(2) with respect to any one investment, all such persons shall be jointly and severally liable under such paragraph with respect to such investment.

"(2) Limit for management.—With respect to any one investment, the maximum amount of the tax imposed by subsection (a)(2) shall not exceed $5,000, and the maximum amount of the tax imposed by subsection (b)(2) shall not exceed $10,000.

"(e) Definitions.—For purposes of this section—

"(1) Taxable period.—The term 'taxable period' means, with respect to any investment which jeopardizes the carrying out of exempt purposes, the period beginning with the date on which the amount is so invested and ending on whichever of the following is the earlier: (A) the date of mailing of a notice of deficiency with respect to the tax imposed by subsection (a)(1) under section 6212, or (B) the date on which the amount so invested is removed from jeopardy.

"(2) Removal from jeopardy.—An investment which jeopardizes the carrying out of exempt purposes shall be considered to be removed from jeopardy when such investment is sold or otherwise disposed of, the proceeds of such sale or other disposition are not investments which jeopardize the carrying out of exempt purposes.

"(3) Correction period.—The term 'correction period' means, with respect to any investment which jeopardizes the carrying out of exempt purposes, the period beginning with the date on which such investment is entered into and ending 90 days after the date of mailing of a notice of deficiency with respect to the tax imposed by subsection (b)(1) under section 6212, extended by—

"(A) any period in which a deficiency cannot be assessed under section 6213(a), and

"(B) any other period which the Secretary or his delegate determines is reasonable and necessary to bring about removal from jeopardy.

"Sec. 4945. Taxes on Taxable Expenditures

"(a) Initial Taxes.—

"(1) On the foundation.—There is hereby imposed on each taxable expenditure (as defined in subsection (d)) a tax equal to 10 percent of the amount thereof. The tax imposed by this paragraph shall be paid by the private foundation.

"(2) On the management.—There is hereby imposed on the agreement of any foundation manager to the making of an expenditure, knowing that it is a taxable expenditure, a tax equal to 2½ percent of the amount thereof, unless such agreement is not willful and is due to reasonable cause. The tax imposed by this paragraph shall be paid by any foundation manager who agreed to the making of the expenditure.

"(b) Additional Taxes.—

"(1) On the foundation.—In any case in which an initial tax is imposed by subsection (a)(1) on a taxable expenditure and such expenditure is not corrected within the correction period, there is hereby imposed a tax equal to 100 percent of the amount of the expenditure. The tax imposed by this paragraph shall be paid by the private foundation.

"(2) On the management.—In any case in which an additional tax is imposed by paragraph (1), if a foundation manager refused to agree to part or all of the correction, there is hereby imposed a tax equal to 50 percent of the amount of the taxable expenditure. The tax imposed by this paragraph shall be paid by any foundation manager who refused to agree to part or all of the correction.

"(c) Special Rules.—For purposes of subsections (a) and (b)—

"(1) Joint and several liability.—If more than one person is liable under subsection (a)(2) or (b)(2) with respect to the making of a taxable expenditure, all such persons shall be jointly and severally liable under such paragraph with respect to such expenditure.

"(2) Limit for management.—With respect to any one taxable expenditure, the maximum amount of the tax imposed by subsection (a)(2) shall not exceed $5,000, and the maximum amount of the tax imposed by subsection (b)(2) shall not exceed $10,000.

"(d) Taxable Expenditure.—For purposes of this section, the term 'taxable expenditure' means any amount paid or incurred by a private foundation—

"(1) to carry on propaganda, or otherwise to attempt, to influence legislation, within the meaning of subsection (e),

"(2) except as provided in subsection (f), to influence the outcome of any specific public election, or to carry on, directly or indirectly, any voter registration drive, "(3) as a grant to an individual for travel, study, or other similar purposes by such individual, unless such grant satisfies the requirements of subsection (g),

"(4) as a grant to an organization (other than an organization described in paragraph (1), (2), or (3) of section 509(a)), unless the private foundation exercises expenditure responsibility with respect to such grant in accordance with subsection (h), or

"(5) for any purpose other than one specified in section 170(c)(2)(B).

"(e) Activities Within Subsection (d)(1).—For purposes of subsection (d)(1), the term 'taxable expenditure' means any amount paid or incurred by a private foundation for—

"(1) any attempt to influence any legislation through an attempt to affect the opinion of the general public or any segment thereof, and

"(2) any attempt to influence legislation through communication with any member or employee of a legislative body, or with any other government official or employee who may participate in the formulation of the legislation (except technical advice or assistance provided to a governmental body or to a committee or other subdivision thereof in response to a written request by such body or subdivision, as the case may be),

other than through making available the results of nonpartisan analysis, study, or research. Paragraph (2) of this subsection shall not apply to any amount paid or incurred in connection with an appearance before, or communication to, any legislative body with respect to a possible decision of such body which might affect the existence of the private foundation, its powers and duties, its tax-exempt status, or the deduction of contributions to such foundation.

"(f) Nonpartisan Activities Carried on by Certain Organizations.—Subsection (d)(2) shall not apply to any amount paid or incurred by any organization—

"(1) which is described in section 501(c)(3) and exempt from taxation under section 501(a),

"(2) the activities of which are nonpartisan, are not confined to one specific election period, and are carried on in 5 or more States,

"(3) substantially all of the income of which is expended directly for the active conduct of the activities constituting the purpose or function for which it is organized and operated,

"(4) substantially all of the support (other than gross investment income as defined in section 509(e)) of which is received from exempt organizations, the general public, governmental units described in section 170(c)(1), or any combination of the foregoing; not more than 25 percent of such support is received from any one exempt organization (for this purpose treating private foundations which are described in section 4946(a)(1)(H) with respect to each other as one exempt organization); and not more than half of the support of which is received from gross investment income, and

"(5) contributions to which for voter registration drives are not subject to conditions that they may be used only in specified States, possessions of the United States, or political subdivisions or other areas of any of the foregoing, or the District of Columbia, or that they may be used in only one specific election period.

In determining whether the organization meets the requirements of paragraph (4) for any taxable year of such organization, there shall be taken into account the support received by such organization during such taxable year and during the immediately preceding 4 taxable years of such organization (excluding therefrom any preceding taxable year which begins before January 1, 1970).

Subsection (d)(4) shall not apply to any grant to an organization which meets the requirements of this subsection.

"(g) Individual Grants.—Subsection (d)(3) shall not apply to an individual grant awarded on an objective and nondiscriminatory basis pursuant to a procedure approved in advance by the Secretary or his delegate, if it is demonstrated to the satisfaction of the Secretary or his delegate that—

"(1) the grant constitutes a scholarship or fellowship grant which is subject to the provisions of section 117(a) and is to be used for study at an educational institution described in section 151(e)(4),

"(2) the grant constitutes a prize or award which is subject to the provisions of section 74(b), if the recipient of such prize or award is selected from the general public, or

"(3) the purpose of the grant is to achieve a specific objective, produce a report or other similar product, or improve or enhance a literary, artistic, musical, scientific, teaching, or other similar capacity, skill, or talent of the grantee.

"(h) Expenditure Responsibility.—The expenditure responsibility referred to in subsection (d)(4) means that the private foundation is responsible to exert all reasonable efforts and to establish adequate procedures—

"(1) to see that the grant is spent solely for the purpose for which made,

"(2) to obtain full and complete reports from the grantee on how the funds are spent, and

"(3) to make full and detailed reports with respect to such expenditures to the Secretary or his delegate.

"(i) Other Definitions.—For purposes of this section—

"(1) Correction.—The terms 'correction' and 'correct' means, with respect to any taxable expenditure, (A) recovering part or all the expenditure to the extent recovery is possible, and where full recovery is not possible such additional corrective action as is prescribed by the Secretary or his delegate by regulations, or (B) in the case of a failure to comply with subsection (h)(2) or (h)(3), obtaining or making the report in question.

"(2) Correction period.—The term 'correction period' means, with respect to any taxable expenditure, the period beginning with the date on which the taxable expenditure occurs and ending 90 days after the date of mailing of a notice of deficiency with respect to the tax imposed by subsection (b)(1) under section 6212, extended by—

"(A) any period in which a deficiency cannot be assessed under section 6213(a), and

"(B) any other period which the Secretary or his delegate determines is reasonable and necessary to bring about correction of the taxable expenditure (except that such determination shall not be made with respect to any taxable expenditure within the meaning of paragraph (1), (2), (3), or (4) of subsection (d) because of any action by an appropriate State officer as defined in section 6104(c)(2)).

"Sec. 4946. Definitions and Special Rules.

"(a) Disqualified Person.—

"(1) In general.—For purposes of this chapter, the term 'disqualified person' means with respect to a private foundation, a person who is—

"(A) a substantial contributor to the foundation,

"(B) a foundation manager (within the meaning of subsection (b)(1)),

"(C) an owner of more than 20 percent of—

"(i) the total combined voting power of a corporation,

"(ii) the profits interest of a partnership, or

"(iii) the beneficial interest of a trust or unincorporated enterprise, which is a substantial contributor to the foundation,

"(D) a member of the family (as defined in subsection (d)) of any individual described in subparagraph (A), (B), or (C),

"(E) a corporation of which persons described in subparagraph (A), (B), (C), or (D) own more than 35 percent of the total combined voting power,

"(F) a partnership in which persons described in subparagraph (A), (B), (C), or (D) own more than 35 percent of the profits interest,

"(G) a trust or estate in which persons described in subparagraph (A), (B), (C), or (D) hold more than 35 percent of the beneficial interest,

"(H) only for purposes of section 4943, a private foundation—

"(i) which is effectively controlled (directly or indirectly) by the same person or persons who control the private foundation in question, or

"(ii) substantially all of the contributions to which were made (directly or indirectly) by the same person or persons described in subparagraph (A), (B), or (C), or members of their families (within the meaning of subsection (d)), who made (directly or indirectly) substantially all of the contributions to the private foundation in question, and

"(I) only for purposes of section 4941, a government official (as defined in subsection (c)).

"(2) Substantial contributors.—For purposes of paragraph (1), the term 'substantial contributor' means a person who is described in section 507(d)(2).

"(3) Stockholdings.—For purposes of paragraphs (1)(C)(i) and (1)(E), there shall be taken into account indirect stockholdings which would be taken into account under section 267(c), except that, for purposes of this paragraph, section 267(c)(4) shall be treated as providing that the members of the family of an individual are the members within the meaning of subsection (d).

"(4) Partnerships; trusts.—For purposes of paragraphs (1)(C)(ii) and (iii), (1)(F), and (1)(G), the ownership of profits or beneficial interests shall be determined in accordance with the rules for constructive ownership of stock provided in section 267(c) (other than paragraph (3) thereof), except that section 267(c)(4) shall be treated as providing that the members of the family of an individual are the members within the meaning of subsection (d).

"(b) Foundation Manager.—For purposes of this chapter, the term 'foundation manager' means, with respect to any private foundation—

"(1) an officer, director, or trustee of a foundation (or an individual having powers or responsibilities similar to those of officers, directors, or trustees of the foundation), and

"(2) with respect to any act (or failure to act), the employees of the foundation having authority or responsibility with respect to such act (or failure to act).

"(c) Government Official.—For purposes of subsection (a)(1)(I) and section 4941, the term 'government official' means, with respect to an act of self-dealing described in section 4941, an individual who, at the time of such act, holds any of the following offices or positions (other than as a 'special Government employee', as defined in section 202(a) of title 18, United States Code):

"(1) an elective public office in the executive or legislative branch of the Government of the United States,

"(2) An office in the executive or judicial branch of the Government of the United States, appointment to which was made by the President, "(3) a position in the executive, legislative, or judicial branch of the Government of the United States—

"(A) which is listed in schedule C of rule VI of the Civil Service Rules, or

"(B) the compensation for which is equal to or greater than the lowest rate of compensation prescribed for GS–16 of the General Schedule under section 5332 of title 5, United States Code,

"(4) a position under the House of Representatives or the Senate of the United States held by an individual receiving gross compensation at an annual rate of $15,000 or more,

"(5) an elective or appointive public office in the executive, legislative, or judicial branch of the government of a State, possession of the United States, or political subdivision, or other area of any of the foregoing, or of the District of Columbia, held by an individual receiving gross compensation at an annual rate of $15,000 or more, or

"(6) a position as personal or executive assistant or secretary to any of the foregoing.

"(d) Members of Family.—For purposes of subsection (a) (1), the family of any individual shall include only his spouse, ancestors, lineal descendants, and spouses of lineal descendants.

"Sec. 4947. Application of taxes to Certain Nonexempt Trusts.

"(a) Application Tax.—

"(1) Charitable trusts.—For purposes of part II of subchapter F of chapter 1 (other than section 508(a), (b), and (c)) and for purposes of this chapter, a trust which is not exempt from taxation under section 501 (a), all of the unexpired interests in which are devoted to one or more of the purposes allowed in section 170(c)(2)(B), and for which a deduction was allowed under section 170, 545(b)(2), 556(b)(2), 642(c), 2055, 2106(a)(2) or 2522 (or the corresponding provisions of prior law), shall be treated as an organization, described in section 501(c)(3). For purposes of section 509(a)(3)(A), such a trust shall be treated as if organized on the day on which it first becomes subject to this paragraph.

"(2) Split-interest trusts.—In the case of a trust which is not exempt from tax under section 501(a), not all of the unexpired interests in which are devoted to one or more of the purposes described in section 170(c)(2)(B), and which has amounts in trust for which a deduction was allowed under section 170, 545(b)(2), 556(b)(2), 642(c), 2055, 2106(a)(2), or 2522, section 507 (relating to termination of private foundation status), section 508(e) (relating to governing instruments) to the extent applicable to a trust described in this paragraph, section 4941 (relating to taxes on self-dealing), section 4943 (relating to taxes on excess business holdings) except as provided in subsection (b)(3), section 494 (relating to investments which jeopardize charitable purpose)except as provided in subsection (b)(3), and section 4945 (relating to taxes on taxable expenditures) shall apply as if such trust were a private foundation. This paragraph shall not apply with respect to—

"(A) any amounts payable under the terms of such trust to income beneficiaries. unless a deduction was allowed under section 170(f)(2)(B), 2055(e)(B), or 2522(c)(2)(B),

"(B) any amounts in trust other than amounts for which a deduction was allowed under section 170, 545(b)(2), 556(b)(2), 642(c), 2055, 2106(a)(2), or 2522, if such other amounts are segregated from amounts for which no deduction was allowable, or

"(C) any amounts transferred in trust before May 27, 1969.

"(3) Segregated amounts.—For purposes of paragraph (2)(B), a trust with respect to which amounts are segregated shall separately account for the various income, deduction, and other items properly atributable to each of such segregated amounts.

"(b) Special Rules.—

"(1) Regulations.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this section.

"(2) Limit to segregated amounts.—If any amounts in the trust are segregated within the meaning of subsection (a)(2)(B) of this section, the value of the net assets for purposes of subsections (c)(2) and (g) of section 507 shall be limited to such segregated amounts.

"(3) Sections 4943 and 4944.—Sections 4943 and 4944 shall not apply to a trust which is described in subsection (a)(2) if—

"(A) all the income interest (and none of the remainder interest) of such trust is devoted solely to one or more of the purposes described in section 170(c)(2)(B), and all amounts in such trust for which a deduction was allowed under section 170, 545(b)(2), 556(b)(2), 642(c), 2055, 2106(a)(2), or 2522 have an aggregate value not more than 60 percent of the aggregate fair market value of all amounts in such trust, or

"(B) a deduction was allowed under section 170, 545(b)(2), 556(b)(2), 642(c), 2055, 2106(a)(2), or 2522 for amounts payable under the terms of such trust to every remainder beneficiary but not to any income beneficiary.

"Sec. 4948. Application of Taxes and Denial of Exemption With Respect to Certain Foreign Organizations.

"(a) Tax on Income of Certain Foreign Organizations.—In lieu of the tax imposed by section 4940, there is hereby imposed for each taxable year on the gross investment income (within the meaning of section 4940(c)(2)) derived from sources within the United States (within the meaning of section 861) by every foreign organization which is a private foundation for the taxable year a tax equal to 4 percent of such income.

"(b) Certain Sections Inapplicable.—Section 507 (relating to termination of private foundation status), section 508 (relating to special rules with respect to section 501(c)(3) organizations), and this chapter (other than this section) shall not apply to any foreign organization which has received substantially all of its support (other than gross investment income) from sources outside the United States.

"(c) Denial of Exemption to Foreign Organizations Engaged in Prohibited Transactions.—

"(1) General rule.—A foreign organization described in subsection (b) shall not be exempt from taxation under section 501(a) if it has engaged in a prohibited transaction after December 31, 1969.

"(2) Prohibited transactions.—For purposes of this subsection, the term 'prohibited transaction' means any act or failure to act (other than with respect to section 4942(e) which would subject a foreign organization described in subsection (b), or a disqualified person (as defined in section 4946) with respect thereto, to liability for a penalty under section 6684 or a tax under section 507 if such foreign organization were a domestic organization.

"(3) Taxable years affected.—

"(A) Except as provided in subparagraph (B), a foreign organization described in subsection (b) shall be denied exemption from taxation under section 501(a) by reason of paragraph (1) for all taxable years beginning with the taxable year during which it is notified by the Secretary or his delegate that it has engaged in a prohibited transaction. The Secretary or his delegate shall publish such notice in the Federal Register on the day on which he so notifies such foreign organization.

"(B) Under regulations prescribed by the Secretary or his delegate, any foreign organization described in subsection (b) which is denied exemption from taxation under section 501(a) by reason of paragraph (1) may, with respect to the second taxable year following the taxable year in which notice is given under subparagraph (A) (or any taxable year thereafter), file claim for exemption from taxation under section 501(a). If the Secretary or his delegate is satisfied that such organization will not knowingly again engage in a prohibited transaction, such organization shall not, with respect to taxable years beginning with the taxable year with respect to which such claim is filed, be denied exemption from taxation under section 501(a) by reason of any prohibited transaction which was engaged in before the date on which such notice was given under subparagraph (A).

"(4) Disallowance of certain charitable deductions.—No gift or bequest shall be allowed as a deduction under section 170, 545(b)(2), 556(b)(2), 642(c), 2055, 2106(a)(2), or 2522, if made—

"(A) to a foreign organization described in subsection (b) after the date on which the Secretary or his delegate publishes notice under paragraph (3)(A) that he has notified such organization that it has engaged in a prohibited transaction, and

"(B) in a taxable year of such organization for which it is not exempt from taxation under section 501(a) by reason of paragraph (1)."

(c) Assessable Penalties For Repeated, or Willful and Flagrant, Acts Under Chapter 42.—Subchapter B of chapter 68 (relating to assessable penalties) is amended by adding at the end thereof the following new section:

"Sec. 6684. Assessable Penalties With Respect to Liability for Tax Under Chapter 42.

"If any person becomes liable for tax under any section of chapter 42 (relating to private foundations) by reason of any act or failure to act which is not due to reasonable cause and either—

"(1) such person has theretofore been liable for tax under such chapter, or

"(2) such act or failure to act is both willful and flagrant,

then such person shall be liable for a penalty equal to the amount of such tax."

(d) Information Returns of Exempt Organization.—

(1) In general.—Section 6033(a) (relating to information returns by exempt organizations) is amended to read as follows:

"(a) Organizations Required To File.—

"(1) In general.—Except as provided in paragraph (2), every organization exempt from taxation under section 501(a) shall file an annual return, stating specifically the items of gross income, receipts, and disbursements, and such other information for the purpose of carrying out the internal revenue laws as the Secretary or his delegate may by forms or regulations prescribe, and shall keep such records, render under oath such statements, make such other returns, and comply with such rules and regulations as the Secretary or his delegate may from time to time prescribe; except that, in the discretion of the Secretary or his delegate, any organization described in section 401(a) may be relieved from stating in its return any information which is reported in returns filed by the employer which established such organization.

"(2) Exceptions from filing.—

"(A) Mandatory exceptions.—Paragraph (1) shall not apply to—

"(i) churches, their integrated auxiliaries, and conventions or associations of churches,

"(ii) any organization (other than a private foundation, as defined in section 509

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(a)) described in subparagraph (C), the gross receipts of which in each taxable year are normally not more than $5,000, or

"(iii) the exclusively religious activities of any religious order.

"(B) Discretionary exceptions.—The Secretary or his delegate may relieve any organization required under paragraph (1) to file an information return from filing such a return where he determines that such filing is not necessary to the efficient administration of the internal revenue laws.

"(C) Certain organizations.—The organizations referred to in subparagraph (A) (ii) are—

"(i) a religious organization described in section 501(c)(3);

"(ii) an educational organization described in section 170(b)(1)(A)(ii);

"(iii) a charitable organization, or an organization for the prevention of cruelty to children or animals, described in section 501(c)(3), if such organization is supported, in whole or in part, by funds contributed by the United States or any State or political subdivision thereof, or is primarily supported by contributions of the general public;

"(iv) an organization described in section 501(c)(3), if such organization is operated, supervised, or controlled by or in connection with a religious organization described in clause (i);

"(v) an organization described in section 501(c)(8); and

"(vi) an organization described in section 501(c)(1), if such organization is a corporation wholly owned by the United States or any agency or instrumentality thereof, or a wholly-owned subsidiary of such a corporation."

(2) Additional Information.—Section 6033(b) (relating to certain organizations described in section 501(c)(3)) is amended—

(A) by striking out in paragraph (3) "out of income",

(B) by striking out paragraphs (4), (5), (6), and (8), and by redesignating paragraph (7) as paragraph (4), and

(C) by adding after paragraph (4) (as redesignated) the following new paragraphs:

"(5) the total of the contributions and gifts received by it during the year, and the names and addresses of all substantial contributors,

"(6) the names and addresses of its foundation managers (within the meaning of section 4946(b)(1)) and highly compensated employees, and

"(7) the compensation and other payments made during the year to each individual described in paragraph (6)."

(3) Annual report.—Part III of subchapter A of chapter 61 (relating to information returns) is amended by adding after subpart C, the following new subpart:

"Subpart D—Information Concerning
Private Foundations

"Sec. 6056. Annual reports by private foundations.

"Sec. 6056. Annual Reports by Private
Foundations.

"(a) General.—The foundation managers (within the meaning of section 4946(b)) of every organization which is a private foundation (within the meaning of section 509(a)) having at least $5,000 of assets at any time during a taxable year shall file an annual report as of the close of the taxable year at such time and in such manner as the Secretary or his delegate may by regulations prescribe.

"(b) Contents.—The foundation managers of the private foundation shall set forth in the annual report required under subsection (a) the following information:

"(1) its gross income for the year,

"(2) its expenses attributable to such income and incurred within the year,

"(3) its disbursements (including administrative expenses) within the year.

"(4) a balance sheet showing its assets, liabilities, and net worth as of the beginning of the year,

"(5) an itemized statement of its securities and all other assets at the close of the years, showing both book and market value,

"(6) the total of the contributions and gifts received by it during the year,

"(7) an itemized list of all grants and contributions made or approved for future payment during the year, showing the amount of each such grant or contribution, the name and address of the recipient, any relationship between any individual recipient and the foundation's managers or substantial contributors, and a concise statement of the purpose of each such grant or contribution.

"(8) the address of the principal office of the foundation and (if different) of the place where its books and records are maintained,

"(9) the names and addresses of its foundation managers (within the meaning of section 4946(b)), and

"(10) a list of all persons described in paragraph (9) that are substantial contributors (within the meaning of section 507(d)(2)) or that own 10 percent or more of the stock of any corporation of which the foundation owns 10 percent or more of the stock, or corresponding interests in partnerships or other entities, in which the foundation has a 10 percent or greater interest.

"(c) Form.—The annual report may be prepared in printed, typewritten, or any other legible form the foundation chooses. The Secretary or his delegate shall provide forms which may be used by a private foundation for purposes of the annual report.

"(d) Special Rules.—

"(1) The annual report required to be filed under this section is in addition to and not in lieu of the information required to be filed under section 6033 (relating to returns by exempt organizations) and shall be filed at the same time as such information.

"(2) A copy of the notice required by section 6104(d) (relating to public inspection of private foundations' annual reports), together with proof of publication thereof, shall be filed by the foundation managers together with the annual report.

"(3) The foundation managers shall furnish copies of the annual report required by this section to such State officials and other persons, at such times and under such conditions, as the Secretary or his delegate may by regulations prescribe."

(4) Penalty for late filing of certain information returns.—Section 6652 (relating to failure to file certain information returns) is amended by relettering subsection (d) as subsection (e) and inserting immediately after subsection (c) the following new subsection:

"(d) Returns by Exempt Organizations and by Certain Trusts.—

"(1) Penalty on organization or trust.—In the case of a failure to file a return required under section 6033 (relating to returns by exempt organizations), section 6034 (relating to returns by certain trusts), or section 6043(b) (relating to exempt organizations), on the date and in the manner prescribed therefor (determined with regard to any extension of time for filing), unless it is shown that such failure is due to reasonable cause there shall be paid (on notice and demand by the Secretary or his delegate and in the same manner as tax) by the exempt organization or trust failing so to file, $10 for each day during which such failure continues, but the total amount imposed hereunder on any organization for failure to file any return shall not exceed $5,000.

"(2) Managers.—The Secretary or his delegate may make written demand upon an organization failing to file under paragraph (1) specifying therein a reasonable future date by which such filing shall be made, and if such filing is not made on or before such date, and unless it is shown that failure so to file is due to reasonable cause, there shall be paid (on notice and demand by the Secretary or his delegate and in the same manner as tax) by the person failing so to file, $10 for each day after the expiration of the time specified in the written demand during which such failure continues, but the total amount imposed hereunder on all persons for such failure to file shall not exceed $5,000. If more than one person is liable under this paragraph for a failure to file, all such persons shall be jointly and severally liable with respect to such failure. The term 'person' as used herein means any officer, director, trustee, employee, member, or other individual who is under a duty to perform the act in respect of which the violation occurs.

"(3) Annual reports.—In the case of a failure to file a report required under section 6056 (relating to annual reports by private foundations) or to comply with the requirements of section 6104(d) (relating to public inspection of private foundations' annual reports), on the date and in the manner prescribed therefor (determined with regard to any extension of time for filing), unless it is shown that such failure is due to reasonable cause, there shall be paid (on notice and demand by the Secretary or his delegate and in the same manner as tax) by the person failing so to file or meet the publicity requirement, $10 for each day during which such failure continues, but the total amount imposed hereunder on all such persons for such failure to file or comply with the requirements of section 6104(d) with regard to any one annual report shall not exceed $5,000. If more than one person is liable under this paragraph for a failure to file or comply with the requirements of section 6104(d), all such persons shall be jointly and severally liable with respect to such failure. The term 'person' as used herein means any officer, director, trustee, employee, member, or other individual who is under a duty to perform the act in respect of which the violation occurs."

(e) Publicity of Information Required by Certain Exempt Organizations.—

(1) Names and addresses of contributors.—Section 6104 (relating to publicity of information required from certain exempt organizations and certain trusts) is amended by inserting at the end of subsection (b), the following sentence: "Nothing in this subsection shall authorize the Secretary or his delegate to disclose the name or address of any contributor to any organization or trust (other than a private foundation, as defined in section 509(a)) which is required to furnish such information."

(2) Publication to state officials.—Section 6104 is amended by adding after subsection (b) the following new subsection:

"(c) Publication to State Officials.—

"(1) General rule.—In the case of any organization which is described in section 501(c)(3) and exempt from taxation under section 501(a), or has applied under section 508(a) for recognition as an organization described in section 501(c)(3), the Secretary or his delegate at such times and in such manner as he may by regulations prescribe shall—

"(A) notify the appropriate State officer of a refusal to recognize such organization as an organization described in section 501(c)(3), or of the operation of such organization in a manner which does not meet, or no longer meets, the requirements of its exemption,

"(B) notify the appropriate State officer of the mailing of a notice of deficiency of tax imposed under section 507 or chapter 42, and

"(C) at the request of such appropriate State officer, make available for inspection and copying such returns, filed statements, records, reports, and other information, relating to a determination under subparagraph (A) or (B) as are relevant to any determination under State law.

"(2) Appropriate state officer.—For purposes of this subsection, the term 'appropriate State officer' means the State attorney general, State tax officer, or any State official charged with overseeing organizations of the type described in section 501(c)(3)."

(3) Annual reports.—Section 6104 is amended by adding after subsection (c), as added by paragraph (2) of this subsection, the following new subsection:

"(d) Public Inspection of Private Foundations' Annual Reports.—The annual report required to be filed under section 6056 (relating to annual reports by private foundations) shall be made available by the foundation managers for inspection at the principal office of the foundation during regular business hours by any citizen on request made within 180 days after the publication of notice of its availability. Such notice shall be published, not later than the day prescribed for filing such annual report (determined with regard to any extension of time for filing), in a newspaper having general circulation in the county in which the principal office of the private foundation is located. The notice shall state that the annual report of the private foundation is available at its principal office for inspection during regular business hours by any citizen who requests it within 180 days after the date of such publication, and shall state the address of the private foundation's principal office and the name of its principal manager."

(4) Willful failure to provide information regarding private foundations.—Subchapter B of chapter 68 (relating to assessable penalties) is amended by adding after section 6684 (added by subsection (c) of this section) the following new section:

"Sec. 6685. Assessable Penalties With Respect to Private Foundation Annual Reports.

"In addition to the penalties imposed by section 7207 (relating to fraudulent returns, statements, or other documents), any person who is required to file the report and the notice required under section 6056 (relating to annual reports by private foundations) or to comply with the requirements of section 6104(d) (relating to public inspection of private foundations' annual reports) and who fails so to file or comply, if such failure is willful, shall pay a penalty of $1,000 with respect to each such report or notice."

(5) Section 7207 (relating to fraudulent returns, statements, or other documents) is amended by striking out "section 6047 (b) or (c)" and inserting in lieu thereof "section 6047 (b) or (c), 6056, or 6104(d)".

(f) Petition to Tax Court; Deficiency Procedures Made Applicable.—

(1) Section 6211(a) (relating to definition of a deficiency) is amended—

(A) by striking out "and gift taxes" and inserting in lieu thereof "gift, and excise taxes,",

(B) by striking out "subtitles A and B," and inserting in lieu thereof "subtitles A and B, and chapter 42," and

(C) by striking out "subtitles A or B" and inserting in lieu thereof "subtitle A or B or chapter 42".

(2) Section 6212(c)(1) (relating to further deficiency letters restricted) is amended by striking out "or" before "of estate tax" and by inserting after "the same decedent," the following: "of section 4940 tax for the same taxable year, or of chapter 42 tax (other than under section 4940) with respect to any act (or failure to act) to which such petition relates,".

(3) Section 6213 (relating to restrictions applicable to deficiencies; petition to Tax Court) is amended by relettering subsection (e) as subsection (f) and inserting immediately after subsection (d) the following new subsection:

"(e) Suspension of Filing Period for Certain Chapter 42 Taxes.—The running of the time prescribed by subsection (a) for filing a petition in the Tax Court with respect to the taxes imposed by section 4941 (relating to taxes on self-dealing), 4942 (relating to taxes on failure to distribute income), 4943 (relating to taxes on excess business holdings), 4944 (relating to investments which jeopardize charitable purpose), or 4945 (relating to taxes on taxable expenditures) shall be suspended for any period during which the Secretary or his delegate has extended the time allowed for making correction under section 4941(e)(4), 4942 (j)(2), 4943(d)(3), 4944(e)(3), or 4945(h))(2)."

(g) Limitations on Assessment and Collection.—

(1) Section 6501 is amended by adding at the end thereof the following new subsection:

"(n) Special Rule for Chapter 42 Taxes.—

"(1) In general.—For purposes of any tax imposed by chapter 42 (other than section 4940), the return referred to in this section shall be the return filed by the private foundation for the year in which the act (or failure to act) giving rise to liability for such tax occurred. For purposes of section 4940, such return is the return filed by the private foundation for the taxable year for which the tax is imposed.

"(2) Certain contributions to section 501(c)(3) organizations.—In the case of a deficiency of tax of a private foundation making a contribution in the manner provided in section 4942(g)(3) (relating to certain contributions to section 501(c)(3) organziations) attributable to the failure of a section 501(c)(3) organization to make the distribution prescribed by section 4942(g)(3), such deficiency may be assessed at any time before the expiration of one year after the expiration of the period within which a deficiency may be assessed for the taxable year with respect to which the contribution was made."

(2) Section 6501(c) is amended by adding the following new paragraph at the end thereof:

"(7) Termination of private foundation status.—In the case of a tax on termination of private foundation status under section 507, such tax may be assessed, or a proceeding in court for the collection of such tax may be begun without assessment at any time."

(3) Section 6501(e)(3) is amended by adding at the end thereof the following sentence: "In determining the amount of tax omitted on a return, there shall not be taken into account any amount of tax imposed by chapter 42 which is omitted from the return if the transaction giving rise to such tax is disclosed in the return, or in a statement attached to the return, in a manner adequate to apprise the Secretary or his delegate of the existence and nature of such item."

(4) Section 6503 (relating to suspension of running of period of limitation) is amended by relettering subsection (h) as subsection (i) and inserting immediately after subsection (g) the following new subsection:

"(h) Suspension Pending Correction.—The running of the periods of limitations provided in sections 6501 and 6502 on the making of assessments or the collection by levy or a proceeding in court in respect of any tax imposed by chapter 42 or section 507 shall be suspended for any period described in section 507(g)(2) or during which the Secretary or his delegate has extended the time for making correction under section 4941(e)(4), 4942(j)(2), 4943(d)(3), 4944(e)(3), or 4945(h)(2)."

(h) Limitations on Credits or Refund.—Section 6511 (relating to limitations on credits or refunds) is amended by relettering subsection (f) as subsection (g) and inserting immediately after subsection (e) the following new subsection:

"(f) Special Rule for Chapter 42 Taxes.—For purposes of any tax imposed by chapter 42, the return referred to in subsection (a) shall be the return specified in section 6501(n)(1)."

(i) Civil Action for Refund.—Section 7422 (relating to civil actions for refund) is amended by relettering subsection (g) as subsection (h) and by inserting immediately after subsection (f) the following new subsection:

"(g) Special Rules for Certain Excise Taxes Imposed by Chapter 42.—

"(1) Right to bring actions.—With respect to any act (or failure to act) giving rise to liability under section 4941, 4942, 4943, 4944, or 4945, payment of the full amount of tax imposed under section 4941(a) (relating to initial taxes on self-dealing), section 4942(a) (relating to initial tax on failure to distribute income), section 4943(a) (relating to initial tax on excess business holdings), section 4944(a) (relating to initial taxes on investments which jeopardize charitable purpose), section 4945(a) (relating to initial taxes on taxable expenditures), section 4941(b) (relating to additional taxes on self-dealing), section 4942(b) (relating to additional tax on failure to distribute income), section 4943(b) (relating to additional tax on excess business holdings), section 4944(b) (relating to additional taxes on investments which jeopardize charitable purpose), or section 4945(b) (relating to additional taxes on taxable expenditures) shall constitute sufficient payment in order to maintain an action under this section with respect to such act (or failure to act).

"(2) Limitation on suit for refund.—No suit may be maintained under this section for the credit or refund of any tax imposed under section 4941, 4942, 4943, 4944, or 4945 with respect to any act (or failure to act) giving rise to liability for tax under such sections, unless no other suit has been maintained for credit or refund of, and no petition has been filed in the Tax Court with respect to a deficiency in, any other tax imposed by such sections with respect to such act (or failure to act).

"(3) Final determination of issues.—For purposes of this section, any suit for the credit or refund of any tax imposed under section 4941, 4942, 4943, 4944, or 4945 with respect to any act (or failure to act) giving rise to liability for tax under such sections, shall constitute a suit to determine all questions with respect to any other tax imposed with respect to such act (or failure to act) under such sections, and failure by the parties to such suit to bring any such question before the Court shall constitute a bar to such question."

(j) Technical Conforming, and Clerical Amendments.—

(1) Section 101(b)(2)(B)(iii) (relating to nonforfeitable rights) is amended by striking out "section 503(b)(1), (2), or (3)" and inserting in lieu thereof "section 170(b)(1)(A)(ii) or (vi) or which is a religious organization (other than a trust)".

(2) Section 170(i) (relating to disallowance of deductions in certain cases) (as redesignated by section 201(a)(1)(A) of this Act) is amended—

(A) by striking out paragraph (1), and

(B) by striking out "(2) For disallowance" and inserting in lieu thereof "For disallowance".

(3) Section 501(a) (relating to exemption from taxation) is amended by striking out "502, 503, or 504" and inserting in lieu thereof "502 or 503".

(4) Section 501(b) (relating to tax on unrelated business income) is amended to read as follows:

"(b) Tax on Unrelated Business Income and Certain Other Activities.—An organization exempt from taxation under subsection (a) shall be subject to tax to the extent provided in parts II and III of this subchapter, but (notwithstanding parts II and III of this subchapter) shall be considered and organization exempt from income taxes for the purpose of any law which refers to organizations exempt from income taxes."

(5) Section 501(c)(16) (relating to list of exempt organizations) is amended by striking out "part III" and inserting in lieu thereof "part IV".

(6) Section 501(e) (relating to cooperative hospital service organizations) is amended by striking out in the last sentence thereof "section 503(b)(5)." and inserting in lieu thereof "section 170(b)(1)(A)(iii).".

(7) Section 503(a)(1) (relating to general rule) is amended to read as follows:

"(1) General rule.—

"(A) An organization described in section 501(c)(17) shall not be exempt from taxation under section 501(a) if it has engaged in a prohibited transaction after December 31, 1959.

"(B) An organization described in section 401(a) if it has engaged in a prohibited transaction after March 1, 1954."

(8) Section 503(a)(2) (relating to taxable years affected by denial of exemption) is amended by striking out "section 501(c)(3) or (17)" and inserting in lieu thereof "section 501(c)(17)"

(9) Section 503(d) (relating to future status of organizations denied exemption) is amended by striking out "section 501(c)(3) or (17)" and inserting in lieu thereof "section 501(c)(17)".

(10) Section 503(g) (relating to special rule for loans) is amended by striking out "subsection (c)(1)," and inserting in lieu thereof "subsection (b)(1),".

(11) Section 503(h) (relating to special rules relating to lending by section 401(a) and section 501(c)(17) trusts to certain persons) is amended—

(A) by striking out in the heading thereof "Special rules relating to lending by section 401(a) and section 501(c)(17) trusts to certain persons.—", and inserting in lieu thereof "Special rules.—",

(B) by striking out "subsection (c)(1)," and inserting in lieu thereof "subsection (b)(1),",

(C) by striking out "acquired by a trust described in section 401(a) or section 501(c)(17)", and

(D) by striking out in paragraph (3) "subsection (c)" and inserting in lieu thereof "subsection (b)".

(12) Section 503(i) (relating to loans with respect to which employers are prohibited from pledging certain assets) is amended—

(A) by striking out "Subsection (c)(1)" and inserting in lieu thereof "Subsection (b)(1)", and

(B) by striking out "subsection (h)" and inserting in lieu thereof "subsection (e)".

(13) Section 503(j)(1) (relating to prohibited transactions) is amended by striking out "subsection (c)" and inserting in lieu thereof "subsection (b)".

(14) Section 503 (relating to requirements of exemption) is amended by striking out subsections (b), (e), and (f) and by redesignating subsections (c), (d), (g), (h), (i), and (j) (as amended), as subsections (b), (c), (d), (e), (f), and (g), respectively.

(15) Section 504 (relating to denial of exemption) is repealed.

(16) Section 542(a)(2) (relating to stock ownership requirement) is amended—

(A) by striking out in the second sentence "section 503(b)" and inserting in lieu thereof "section 401(a), 501(c)(17), or 509(a)", and

(B) by amending the third sentence to read as follows: "The preceding sentence shall not apply in the case of an organization or trust organized or created before July 1, 1950, if at all times on or after July 1, 1950, and before the close of the taxable year such organization or trust has owned all of the common stock and at least 80 percent of the total number of shares of all other classes of stock of the corporation."

(17) Section 663(a)(2) (relating to charitable, etc., distributions) is amended by striking out "section 681" and inserting in lieu thereof "sections 508(d), 681, and 4948(c)(4)".

(18) Section 681 (b) and (c) (relating to operations of trusts and accumulated income) is repealed.

(19) Section 681(d) (relating to cross reference) is redesignated as subsection (b), and as so redesignated is amended by striking out "section 503(e)" and inserting in lieu thereof "sections 508(d) and 4948(c)(4)".

(20) Section 878 (relating to foreign educational, charitable, and certain other exempt organizations) is amended by—

(A) striking out "unrelated business income of", and

(B) striking out "trusts, see section 512(a)" and inserting in lieu thereof "organizations, see sections 512(a) and 4948".

(21) Section 884 (relating to cross references) is amended by striking out paragraph (1) and by redesignating paragraphs (2), (3), (4), (5), and (6) as paragraphs (1), (2), (3), (4), and (5), respectively.

(22) Section 1443 (relating to foreign tax-exempt organizations) is amended by—

(A) inserting "(a) Income Subject to Section 511.—" before "In the case of", and

(B) adding subsection (b) to read as follows:

"(b) Income Subject to Section 4948.—In the case of income of a foreign organization subject to the tax imposed by section 4948(a), this chapter shall apply, except that the deduction and withholding shall be at the rate of 4 percent and shall be subject to such conditions as may be provided under regulations prescribed by the Secretary or his delegate."

(23) Section 2039(c)(3) (relating to exemption of annuities under certain trusts and plans) is amended by striking out "section 503(b) (1), (2), or (3)," and inserting in lieu thereof "section 170(b)(1)(A)(ii) or (vi), or which is a religious organization (other than a trust),".

(24) Section 2517(a)(3) (relating to general rule for certain annuities under qualified plans) is amended by striking out "section 503(b)(1), (2), or (3)," and inserting in lieu thereof "section 170(b)(1)(A)(ii) or (vi), or which is a religious organization (other than a trust),".

(25) Section 4057(b) (relating to the definition of nonprofit educational organization) is amended by striking out "section 503(b)(2)" and inserting in lieu thereof "section 170(b)(1)(A)(ii)".

(26) Section 4221(d)(5) (relating to the definition of nonprofit educational organization) is amended by striking out "section 503(b)(2)" and inserting in lieu thereof "section 170(b)(1)(A)(ii)".

(27) Section 4253(h) (relating to nonprofit hospitals) is amended by striking out "section 503(b)(5)" and inserting in lieu thereof "section 170(b)(1)(A)(iii)".

(28) Section 4294(b) (relating to the definition of nonprofit educational organization) is amended by striking out "section 503(b)(2)" and inserting in lieu thereof "section 170(b)(1)(A)(ii)".

(29) Section 5214(a)(3)(A) (relating to purposes for withdrawal of distilled spirits from bonded premises free of tax or without payment of tax) is amended by striking out "section 503(b)(2)" and inserting in lieu thereof "section 170(b)(1)(A)(ii)".

(30) Section 6033(b)(4) (as redesignated by subsection (d)(2) of this section) (relating to certain balance sheet items on returns by exempt organizations) is amended by striking out "and" at the end thereof.

(31) Section 6033(c) (relating to cross reference) is amended by inserting the following at the end thereof:

"For reporting requirements as to certain liquidations, dissolutions, terminations, and contractions, see section 6043(b). For provisions relating to penalties for failure to file a return required by this section, see section 6652(d)."

(32) Section 6034 (relating to returns by certain trusts) is amended by striking out all of such section before paragraph (1) of subsection (a) and inserting in lieu thereof the following:

"Sec. 6034. Returns by Trusts Described in Section 4947(a) or Claiming Charitable Deductions Under Section 642(c).

"(a) General rule.—Every trust described in section 4947(a) or claiming a charitable, etc., deduction under section 642(c) for the taxable year shall furnish such information with respect to such taxable year as the Secretary or his delegate may by forms or regulations prescribe, including—".

(33) Section 6034(a)(1) (relating to returns by certain trusts) is amended by striking out "(showing separately the amount of such deduction which was paid out and the amount which was permanently set aside for charitable, etc., purposes during such year)".

(34) Section 6034 (relating to returns by certain trusts) is amended by adding the following new subsection at the end thereof:

"(c) Cross Reference.—

"For provisions relating to penalties for failure to file a return required by this section, see section 6652(d)."

(35) Section 6043 (relating to return regarding corporate dissolution or liquidation) is amended—

(A) by striking out the heading and inserting in lieu thereof "returns regarding liquidation, dissolution, termination, or contraction.",

(B) by striking out "Every corporation" and inserting in lieu thereof "(a) Corporations.—Every corporation", and

(C) by adding the following new subsections at the end thereof:

"(b) Exempt Organizations.—Every organization which for any of its last 5 taxable years preceding its liquidation, dissolution, termination, or substantial contraction was exempt from taxation under section 501(a) shall file such return and other information with respect to such liquidation, dissolution, termination, or substantial contraction as the Secretary or his delegate shall by forms or regulations prescribe; except that—

"(1) no return shall be required under this subsection from churches, their integrated auxiliaries, conventions or associations of churches, or any organization which is not a private foundation (as defined in section 509(a)) and the gross receipts of which in each taxable year are normally not more than $5,000, and

"(2) the Secretary or his delegate may relieve any organization from such filing is not necessary to the efficient administration of the internal revenue laws or, with respect to an organization described in section 401(a), where the employer who established such organization files such a return.

"(c) Cross Reference.—

"For provisions relating to penalties for failure to file a return required by subsection (b), see section 6652(d)."

(36) Section 6104(b) (relating to inspection of annual information returns) is amended by striking out "section 6033(b) and 6034," and inserting in lieu thereof "sections 6033, 6034, and 6056,".

(37) Section 6161(b) (relating to the amount determined as a deficiency when granting an extension of time) is amended—

(A) by striking out in paragraph (1) "chapter 1 or 12," and inserting in lieu thereof "chapter 1, 12, or 42,", and

(B) by striking out "chapter 1," the last time it appears and inserting in lieu thereof "chapter 1 or 42,".

(38) Section 6201(d) (relating to deficiency proceedings) is amended by striking out "and gift taxes", and inserting in lieu thereof "gift, and chapter 42 taxes".

(39) Section 6211(b)(2) (relating to the term "rebate") is amended by striking out "subtitles A or B" and inserting in lieu thereof "subtitle A or B or chapter 42".

(40) Section 6212(a) (relating to notice of deficiency) is amended by striking out "subtitles A or B" and inserting in lieu thereof "subtitle A or B or chapter 42".

(41) Section 6212(b)(1) (relating to address for notice of deficiency) is amended—

(A) by striking out in the title thereof "AND GIFT TAXES" and inserting in lieu thereof "AND GIFT TAXES AND TAXES IMPOSED BY CHAPTER 42",

(B) by striking out "subtitle A or chapter 12," and inserting in lieu thereof "subtitle A, chapter 12, or chapter 42," and

(C) by inserting "chapter 42," after "chapter 12," the last place it appears.

(42) Section 6213(a) (relating to restrictions applicable to deficiencies; petition to Tax Court) is amended by inserting "or chapter 42" after "subtitle A or B".

(43) Section 6214 (relating to determination by the Tax Court) is amended by relettering subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) Taxes Imposed by Section 507 or Chapter 42.—The Tax Court, in redetermining a deficiency of any tax imposed by section 507 or chapter 42 for any period, act, or failure to act, shall consider such facts with relation to the taxes under chapter 42 for other periods, acts, or failures to act as may be necessary correctly to redetermine the amount of such deficiency, but in so doing shall have no jurisdiction to determine whether or not the taxes under chapter 42 for any other period, act, or failure to act have been overpaid or underpaid."

(44) Section 6214(d) (as relettered) is amended by inserting ", chapter 42", after "chapter".

(45) Section 6344(a)(1) (relating to certain cross references) is amended by inserting "and taxes imposed by chapter 42," after "gift taxes,".

(46) Section 6503(a)(1) (relating to issuance of statutory notice of deficiency) is amended by striking out "and gift taxes" and inserting in lieu thereof "gift and chapter 42 taxes".

(47) Section 6512(a) (relating to effect of petition to Tax Court) is amended—

(A) by striking out "and gift taxes" and inserting in lieu thereof "gift, and chapter 42 taxes", and

(B) by striking out "or of estate tax in respect of the taxable estate of the same decedent," and inserting in lieu thereof "of estate tax in respect of the taxable estate of the same decedent, or of tax imposed by chapter 42 with respect to any act (or failure to act) to which such petition relates,".

(48) Section 6512(b)(1) (relating to jurisdiction to determine overpayment determined by Tax Court) is amended by striking out "or of estate tax in respect of the taxable estate of the same decedent," and inserting in lieu thereof "of estate tax in respect of the taxable estate of the same decedent, or of tax imposed by chapter 42 with respect to any act (or failure to act) to which such petition relates,".

(49) Section 6601(d) (relating to suspension of interest in certain cases) is amended—

(A) by striking out in the title thereof "AND GIFT TAX CASES." and inserting in lieu thereof "GIFT, AND CHAPTER 42 TAX CASES.", and

(B) by striking out "and gift taxes" and inserting in lieu thereof "gift, and chapter 42 taxes".

(50) Section 6653(c)(1) (relating to definition of underpayment) is amended—

(A) by striging out in the heading thereof "AND GIFT TAXES." and inserting in lieu thereof "GIFT, AND CHAPTER 42 TAXES.", and

(B) by striking out "and gift taxes" the last time it appears and inserting in lieu thereof "gift, and chapter 42 taxes".

(51) Section 6659(b) (relating to procedure for assessing certain additions to tax) is amended by striking out "and gift taxes" and inserting in lieu thereof "gift, and chapter 42 taxes".

(52) Section 6676(b) (relating to deficiency procedures not to apply) is amended by striking out "and gift taxes" and inserting in lieu thereof "gift, and chapter 42 taxes".

(53) Section 6677(b) (relating to deficiency procedures not to apply) is amended by striking out "and gift taxes" and inserting in lieu thereof "gift, and chapter 42 taxes".

(54) Section 6679(b) (relating to deficiency procedures not to apply) is amended by striking out "and gift taxes" and inserting in lieu thereof "gift, and chapter 42 taxes".

(55) Section 6682(b) (relating to deficiency procedures not to apply) is amended by striking out "and gift taxes" and inserting in lieu thereof "gift, and chapter 42 taxes".

(56) Section 7422(e) (relating to stay of proceeding in civil actions for refund) is amended by striking out "or gift tax" the first time it appears and inserting in lieu thereof "gift tax, or tax imposed by chapter 42".

(57) Section 7454 (relating to burden of proof in fraud and transferee cases) is amended—

(A) by striking out "Fraud and Transferee Cases" and inserting in lieu thereof "Fraud, Foundation Manager, and Transferee Cases",

(B) by redesignating subsection (b) as subsection (c), and

(C) by inserting after subsection (a) the following new subsection:

"(b) Foundation Managers.—In any proceeding involving the issue whether a foundation manager (as defined in section 4946 (b)) has 'knowingly' participated in an act of self-dealing (within the meaning of section 4941), participated in an investment which jeopardizes the carrying out of exempt purposes (within the meaning of section 4944), or agreed to the making of a taxable expenditure (within the meaning of section 4945), the burden of proof in respect of such issue shall be upon the Secretary or his delegate."

(58) The table of parts for subchapter F of chapter 1 is amended to read as follows:

"Subchapter F.—Exempt Organizations

"Part I. General rule.
"Part II. Private foundations.
"Part III. Taxation of business income of certain exempt organizations.
"Part IV. Farmers' cooperatives.
"Part V. Shipowners' protection and indemnity association."

(59) The table of chapters for subtitle D is amended by adding at the end thereof the following new item:

"Chapter 42. Private foundations."

(60) The table of sections for subchapter B of chapter 68 is amended by adding at the end thereof the following new items:

"Sec. 6684. Repeated liability for tax under chapter 42.
"Sec. 6685. Assessable penalties with respect to private foundation annual reports."

(61) The table of sections for part I of subchapter F of chapter 1 is amended by striking out the item relating to section 504.

(62) The heading of subchapter B of chapter 63 is amended by striking out "and Gift Taxes" and inserting in lieu thereof "Gift, and Certain Excise Taxes".

(63) The table of subchapters for chapter 63 is amended by striking out "and gift taxes" in the item relating to subchapter B and inserting in lieu thereof "gift, and certain excise taxes".

(64) The table of subparts for part III of subchapter A of chapter 61 is amended by adding at the end thereof the following new item:

"Subpart D. Information concerning private foundations."

(k) Effective Dates.—

(1) In general.—Except as otherwise provided in this subsection and subsection (l), the amendments made by this section shall take effect on January 1, 1970.

(2) Provisions effective for taxable years beginning after December 31, 1969.—The following provisions shall apply to taxable years beginning after December 31, 1969:

(A) Sections 4940, 4942, 4943, and 4948 of the Internal Revenue Code of 1954 (as added by this section), and

(B) The amendments made by subsection (d) and paragraphs (3), (15), (16), (20), (21), (30), (31), (32), (33), (34), (35), and (61) of subsection (j).

(3) Sections 508 (a), (b), and (c).—Sections 508 (a), (b), and (c) of the Internal Revenue Code of 1954 (as added by this section) shall take effect on October 9, 1969.

(l) Savings Provisions.—

(1) References to internal revenue code provisions.—Except as otherwise expressly provided, references in the following paragraphs of this subsection are to sections of the Internal Revenue Code of 1954 as amended by this section.

(2) Section 4941.—Section 4941 shall not apply to—

(A) any transaction between a private foundation and a corporation which is a disqualified person (as defined in section 4946), pursuant to the terms of securities of such corporation in existence at the time acquired by the foundation, if such securities were acquired by the foundation before May 27, 1969;

(B) the sale, exchange, or other disposition of property which is owned by a private foundation on May 26, 1969 (or which is acquired by a private foundation under the terms of a trust which was irrevocable on May 26, 1969, or under the terms of a will executed on or before such date, which are in effect on such date and at all times thereafter), to a disqualified person, if such foundation is required to dispose of such property in order not to be liable for tax under section 4943 (relating to taxes on excess business holdings) applied, in the case of a disposition before January 1, 1975, without taking section 4943(c)(4) into account and it receives in return an amount which equals or exceeds the fair market value of such property at the time of such disposition or at the time a contract for such disposition was previously executed in a transaction which would not constitute a prohibited transaction (within the meaning of section 503(b) or the corresponding provisions of prior law);

(C) the leasing of property or the lending of money or other extension of credit between a disqualified person and a private foundation pursuant to a binding contract in effect on October 9, 1969 (or pursuant to renewals of such a contract), until taxable years beginning after December 31, 1979, if such leasing or lending (or other extension of credit) remains at least as favorable as an arm's-length transaction with an unrelated party and if the execution of such contract was not at the time of such execution a prohibited transaction (within the meaning of section 503(b) or the corresponding provisions of prior law);

(D) the use of goods, services, or facilities which are shared by a private foundation and a disqualified person until taxable years beginning after December 31, 1979, if such use is pursuant to an arrangement in effect before October 9, 1969, and such arrangement was not a prohibited transaction (within the meaning of section 503(b) or the corresponding provisions of prior law) at the time it was made and would not be a prohibited transaction if such section continued to apply; and

(E) the use of property in which a private foundation and a disqualified person have a joint or common interest, if the interests of both in such property were acquired before October 9, 1969.

(3) Section 4942.—In the case of organizations organized before May 27, 1969, section 4942 shall—

(A) for all purposes other than the determination of the minimum investment return under section 4942(j)(3)(B)(ii), for taxable years beginning before January 1, 1972, apply without regard to section 4942(e) (relating to minimum investment return), and for taxable years beginning in 1972, 1973, and 1974, apply with an applicable percentage (as prescribed in section 4942(e)(3)) which does not exceed 4½ percent, 5 percent, and 5½ percent, respectively;

(B) not apply to an organization to the extent its income is required to be accumulated pursuant to the mandatory terms (as in effect on May 26, 1969, and at all times thereafter) of an instrument executed before May 27, 1969, with respect to the transfer of income producing property to such organization, except that section 4942 shall apply to such organization if the organization would have been denied exemption if section 504(a) had not been repealed by this Act, or would have had its deductions under section 642(c) limited if section 681(c) had not been repealed by this Act. In applying the preceding sentence, in addition to the limitations contained in section 504(a) or 681(c) before its repeal, section 504(a)(1) or 681(c)(1) shall be treated as not applying to an organization to the extent its income is required to be accumulated pursuant to the mandatory terms (as in effect on January 1, 1951, and at all times thereafter) of an instrument executed before January 1, 1951, with respect to the transfer of income producing property to such organization before such date, if such transfer was irrevocable on such date;

(C) apply to a grant to a private foundation described in section 4942(g)(1)(A)(ii) which is not described in section 4942(g)(1)(A)(i), pursuant to a written commitment which was binding on May 26, 1969, and at all times thereafter, as if such grant is a grant to an operating foundation (as defined in section 4942(j)(3)), if such grant is made for one or more of the purposes described in section 170(c)(2)(B) and is to be paid out to such private foundation on or before December 31, 1974;

(D) apply, for purposes of section 4942(f), in such a manner as to treat any distribution made to a private foundation in redemption of stock held by such private foundation in a business enterprise as not essentially equivalent to a dividend under section 302(b)(1) if such redemption is described in paragraph (2)(B) of this subsection; and

(E) not apply to an organization which is prohibited by its governing instrument or other instrument from distributing capital or corpus to the extent the requirements of section 4942 are inconsistent with such prohibition.

With respect to taxable years beginning after December 31, 1971, subparagraphs (B) and (E) shall apply only during the pendency of any judicial proceeding by the private foundation which is necessary to reform, or to excuse such foundation from compliance with, its governing instrument or any other instrument (as in effect on May 26, 1969) in order to comply with the provisions of section 4942, and in the case of subparagraph (B) for all periods after the termination of such judicial proceeding during which the governing instrument or any other instrument does not permit compliance with such provisions.

(4) Section 4943.—

(A) In the case of a private foundation—

(i) which was incorporated before January 1, 1951;

(ii) substantially all of the assets of which on May 26, 1969, consist of more than 90 percent of the stock of an incorporated business enterprise which is licensed and regulated, the sales or contracts of which are regulated, and the professional representatives of which are licensed, by State regulatory agencies in at least 10 States; and

(iii) which acquired such stock solely by gift, devise, or bequest,

section 4943(c)(4)(A)(i) shall be applied with respect to the holdings of such foundation in such incorporated business enterprise by substituting "51 percent" for "50 percent", and section 4943(c)(4)(D) shall not apply with respect to such holdings. For purposes of the preceding sentence, stock of such enterprise in a trust created before May 27, 1969, of which the foundation is the remainder beneficiary shall be deemd to be held by such foundation on May 26, 1969, if such foundation held (without regard to such trust) more than 20 percent of the stock of such enterprise on May 26, 1969.

(B) Subparagraph (A) shall apply to a private foundation only if—

(i) the foundation does not purchase any stock or other interest in the enterprise described in subparagraph (A) after May 26, 1969, and does not acquire any stock or other interest in any other business enterprise which constitutes excess business holdings under section 4943; and

(ii) in the last 5 taxable years ending on or before December 31, 1970, the foundation expends substantially all of its adjusted net income (as defined in section 4942(f)) for the purpose or function for which it is organized and operated.

(C) For purposes of section 4943(c)(6), the term "purchase" does not include an exchange which is described in paragraph (2)(B) of this subsection and which is pursuant to a plan for disposition of excess business holdings.

(5) Section 4945.—Section 4945 (d)(4) and (h) shall not apply to a grant which is described in paragraph (3)(C) of this subsection.

(6) Section 508(e).—Section 508(e) shall not apply to require inclusion in governing instruments of any provisions inconsistent with this subsection.

(7) Section 509(a).—In the case of any trust created under the terms of a will or a codicil to a will executed on or before March 30, 1924, by which the testator bequeathed all of the outstanding common stock of a corporation in trust, the income of which trust is to be used principally for the benefit of those from time to time employed by the corporation and their families, the trustees of which trust are elected or selected from among the employees of such corporation, and which trust does not own directly any stock in any other corporation, if the trust makes an irrevocable election under this paragraph within one year after the date of the enactment of this Act, such trust shall be treated as not being a private foundation for purposes of the Internal Revenue Code of 1954 but shall be treated for purposes of such Code as if it were not exempt from tax under section 501(a) for any taxable year beginning after the date of the enactment of this Act and before the date (if any) on which such trust has complied with the requirements of section 507 for termination of the status of an organization as a private foundation.

(8) Certain redemptions.—For purposes of applying section 302(b)(1) to the determination of the amount of gross investment income under sections 4940 and 4948(a), any distribution made to a private foundation in redemption of stock held by such private foundation in a business enterprise shall be treated as not essentially equivalent to a dividend, if such redemption is described in paragraph (2)(B) of this subsection.

Subtitle B—Other Tax Exempt Organizations

Sec. 121. Tax on Unrelated Business Income.

(a) Organizations Subject to Tax.—

(1) Corporate rates.—Section 511(a)(2)(A) (relating to certain organizations subject to tax on unrelated business income at corporate rates) is amended to read as follows:

"(A) Organizations described in sections 401(a) and 501(c).—The taxes imposed by paragraph (1) shall apply in the case of any organization (other than a trust described in subsection (b) or an organization described in section 501(c)(1)) which is exempt, except as provided in this part or part II (relating to private foundations), from taxation under this subtitle by reason of section 501(a)."

(2) Individual rates.—Section 511(b)(2) (relating to charitable, etc., trusts subject to tax on unrelated business income) is amended to read as follows:

"(2) Charitable, etc., trusts subject to tax.—The tax imposed by paragraph (1) shall apply in the case of any trust which is exempt, except as provided in this part or part II (relating to private foundations), from taxation under this subtitle by reason of section 501(a) and which, if it were not for such exemption, would be subject to subchapter J (sec. 641 and following, relating to estate, trusts, beneficiaries, and decedents)."

(3) Section 501(c)(2) corporations.—Section 511 (relating to tax on unrelated business income) is amended by striking out subsection (c) and inserting in lieu thereof the following new subsection:

"(c) Special Rule for Section 501(c)(2) Corporations.—If a corporation described in section 501(c)(2)—

"(1) pays any amount of its net income for a taxable year to an organization exempt from taxation under section 501(a) (or which would pay such an amount but for the fact that the expenses of collecting its income exceed its income), and

"(2) such corporation and such organization file a consolidated return for the taxable year,

such corporation shall be treated, for purposes of the tax imposed by subsection (a), as being organized and operated for the same purposes as such organization, in addition to the purposes described in section 501(c)(2)."

(4) Conforming amendment.—Section 1504 (relating to definitions for purposes of consolidated returns) is amended by adding at the end thereof the following new subsection:

"(e) Includible Tax-Exempt Organizations.—Despite the provisions of paragraph (1) of subsection (b), two or more organizations exempt from taxation under section 501, one or more of which is described in section 501(c)(2) and the others of which derive income from such 501(c)(2) organizations, shall be considered as includible corporations for the purpose of the application of subsection (a) to such organizations alone."

(b) Definition of Unrelated Business Taxable Income.—

(1) In general.—Section 512(a) (relating to definition of unrelated business taxable income) is amended to read as follows:

"(a) Definition.—For purposes of this title—

"(1) General rule.—Except as otherwise provided in this subsection, the term 'unrelated business taxable income' means the gross income derived by any organization from any unrelated trade or business (as defined in section 513) regularly carried on by it, less the deductions allowed by this chapter which are directly connected with the carrying on of such trade or business, both computed with the modifications provided in subsection(b).

"(2) Special rule for foreign organizations.—In the case of an organization described in section 511 which is a foreign organization, the unrelated business taxable income shall be—

"(A) its unrelated business taxable income which is derived from sources within the United States and which is not effectively connected with the conduct of a trade or business within the United States, plus

"(B) its unrelated business taxable income which is effectively connected with the conduct of a trade or business within the United States.

"(3) Special rules applicable to organizations described in section 501(c) (7) or (9).—

"(A) General rule.—In the case of an organization described in section 501(c) (7) or (9), the term 'unrelated business taxable income' means the gross income (excluding any exempt function income), less the deductions allowed by this chapter which are directly connected with the production of the gross income (excluding exempt function income), both computed with the modifications provided in paragraphs (6), (10), (11), and (12) of subsection (b).

"(B) Exempt functions income.—For purposes of subparagraph (A), the term 'exempt function income' means the gross income from dues, fees, charges, or similar amounts paid by members of the organization as consideration for providing such members or their dependents or guests goods, facilities, or services in furtherance of the purposes constituting the basis for the exemption of the organization to which such income is paid. Such term also means all income (other than an amount equal to the gross income derived from any unrelated trade or business regularly carried on by such organization computed as if the organization were subject to paragraph(1)), which is set aside—

"(i) for a purpose specified in section 170(c)(4), or

"(ii) in the case of an organization described in section 501(c)(9), to provide for the payment of life, sick, accident, or other benefits,

including reasonable costs of administration directly connected with a purpose described in clause (i) or (ii). If during the taxable year, an amount which is attributable to income so set aside is used for a purpose other than that described in clause (i) or (ii), such amount shall be included, under subparagraph (A), in unrelated business taxable income for the taxable year.

"(C) Applicability to certain corporations described in section 501(c)(2).—In the case of a corporation described in section 501(c)(2), the income of which is payable to an organization described in section 501(c) (7) or (9), subparagraph (A) shall apply as if such corporation were the organization to which the income is payable. For purposes of the preceding sentence, such corporation shall be treated as having exempt function income for a taxable. year only if it files a consolidated return with such organization for such year.

"(D) Non recognition of gain.—If property used directly in the performance of the exempt function of an organization described in section 501(c) (7) or (9) is sold by such organization, and within a period beginning 1 year before the date of such sale and ending 3 years after such date, other property is purchased and used by such organization directly in the performance of its exempt function, gain (if any) from such sale shall be recognized only to the extent that such organization's sales price of the old property exceeds the organization's cost of purchasing the other property. For purposes of this subparagraph, the destruction in whole or in part, theft, seizure, requisition, or condemnation of property shall be treated as the sale of such property, and rules similar to the rules provided by subsections (b), (c), (e), and (j) of section 1034 shall apply."

(2) Modifications.—

(A) Rents and debt-financed property.—Section 512(b)(3) (relating to modifications with respect to rents from real property) and section 512(b)(4) (relating to modifications with respect to business leases) are amended to read as follows: "(3) In the case of rents—

"(A) Except as provided in subparagraph (B), there shall be excluded—

"(i) all rents from real property (including property described in section 1245(a)(3(C)), and

"(ii) all rents from personal property (including for purposes of this paragraph as personal property any property described in section 1245(a)(3)(B)) leased with such real property, if the rents attributable to such personal property are an incidental amount of the total rents received or accrued under the lease, determined at the time the personal property is placed in service.

"(B) Subparagraph (A) shall not apply—

"(i) if more than 50 percent of the total rent received or accrued under the lease is attributable to personal property described in subparagraph (A)(ii), or

"(ii) if the determination of the amount of such rent depends in whole or in part on the income or profits derived by any person from the property leased (other than an amount based on a fixed percentage or percentages of receipts or sales).

"(C) There shall be excluded all deductions directly connected with rents excluded under subparagraph (A).

"(4) Notwithstanding paragraph (1), (2), (3), or (5), in the case of debt-financed property (as defined in section 514) there shall be included, as an item of gross income derived from an unrelated trade or business, the amount ascertained under section 514(a) (1), and there shall be allowed, as a deduction, the amount ascertained under section 514(a)(2)."

(B) Limit on specific deduction.—Section 512(b)(12) (relating to allowance of specific deduction) is amended to read as follows:

"(12) Except for purposes of computing the net operating loss under section 172 and paragraph (6), there shall be allowed a specific deduction of $1,000. In the case of a diocese, province of a religious order, or a convention or association of churches, there shall also be allowed, with respect to each parish, individual church, district, or other local unit, a specific deduction equal to the lower of—

"(A) $1,000, or

"(B) the gross income derived from any unrelated trade or business regularly carried on by such local unit."

(C) Special rules for certain organizations.—Section 512(b) (relating to modifications in determining unrelated business taxable income) is further amended by adding at the end thereof the following:

"(15) Notwithstanding paragraphs (1), (2), or (3), amounts of interest, annuities, royalties, and rents derived from any organization (in this paragraph called the 'controlled organization') of which the organization deriving such amounts (in this paragraph called the 'controlling organization') has control (as defined in section 368(c)) shall be included as an item of gross income (whether or not the activity from which such amounts are derived represents a trade or business or is regularly carried on) in an amount which bears the same ratio as—

"(A)(i) in the case of a controlled organization which is not exempt from taxation under section 501(a), the excess of the amount of taxable income of the controlled organization over the amount of such organization's taxable income which if derived directly by the controlling organization would not be unrelated business taxable income, or

"(ii) in the case of a controlled organization which is exempt from taxation under section 501(a), the amount of unrelated business taxable income of the controlled orgnization, bears to

"(B) the taxable income of the controlled organization (determined in the case of a controlled organization to which subparagraph (A)(ii) applies as if it were not an organization exempt from taxation under section 501(a)), but not less than the amount determined in clause (i) or (ii), as the case may be, of subparagraph (A),

both amounts computed without regard to amounts paid directly or indirectly to the controlling organization. There shall be allowed all deductions directly connected with amounts included in gross income under the preceding sentence.

"(16) Except as provided in paragraph (4), in the case of a church, or convention or association of churches, for taxable years beginning before January 1, 1976, there shall be excluded all gross income derived from a trade or business and all deductions directly connected with the carrying on of such trade or business if such trade or business was carried on by such organization or its predecessor before May 27, 1969.

"(17) Except as provided in paragraph (4), in the case of a trade or business—

"(A) which consists of providing services under license issued by a Federal regulatory agency,

"(B) which is carried on by a religious order or by an educational institution (as defined in section 151(e)(4)) maintained by such religious order, and which was so carried on before May 27, 1959, and

"(C) less than 10 percent of the net income of which for each taxable year is used for activities which are not related to the purpose constituting the basis for the religious order's exemption,

there shall be excluded all gross income derived from such trade or business and all deductions directly connected with the carrying on of such trade or business, so long as it is established to the satisfaction of the Secretary or his delegate that the rates or other charges for such services are competitive with rates or other charges charged for similar services by persons not exempt from taxation."

(D) Technical amendment.—Section 512 (b) (relating to exceptions, additions, and limitations in determining unrelated busi-

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ness taxable income) is amended by striking out so much thereof as precedes paragraph (1) and inserting in lieu thereof the following:

"(b) Modifications.—The modifications referred to in subsection (a) are the following:"

(3) Related amendment.—

(A) Part IX of subchapter B of chapter 1 (relating to items not deductible) is amended by adding at the end thereof the following new section:

"Sec. 277. Deductions Incurred by Certain Membership Organizations in Transactions With Members.

"(a) General Rule.—In the case of a social club or other membership organization which is operated primarily to furnish services or goods to members and which is not exempt from taxation, deductions for the taxable year attributable to furnishing services, insurance, goods, or other items of value to members shall be allowed only to the extent of income derived during such year from members or transactions with members (including income derived during such year from institutes and trade shows which are primarily for the education of members). If for any taxable year such deductions exceed such income, the excess shall be treated as a deduction attributable to furnishing services, insurance, goods, or other items of value to members paid or incurred in the succeeding taxable year.

"(b) Exceptions.—Subsection (a) shall not apply to any organization—

"(1) which for the taxable year is subject to taxation under subchapter H or L,

"(2) which has made an election before October 9, 1969, under section 456(c) or which is affiliated with such an organization, or

"(3) which for each day of any taxable year is a national securities exchange subject to regulation under the Securities Exchange Act of 1934 or a contract market subject to regulation under the Commodity Exchange Act."

(B) The table of sections for part IX of subchapter B of chapter 1 is amended by adding at the end thereof the following:

"Sec. 277. Deductions incurred by certain membership organizations in transactions with members."

(4) Local employee association.—Section 513(a)(2) (relating to exception to definition of unrelated trade or business) is amended by striking out "employees; or" and inserting in lieu thereof the following: "employees, or, in the case of a local association of employees described in section 501(c)(4) organized before May 27, 1969, which is the selling by the organization of items of work-related clothes and equipment and items normally sold through vending machines, through food dispensing facilities, or by snack bars, for the convenience of its members at their usual places of employment; or".

(5) Voluntary employees' beneficiary associations and certain fraternal societies.—

(A) In general.—Section 501(c) (relating to list of exempt organizations) is amended by striking out paragraphs (9) and (10) and inserting in lieu thereof the following:

"(9) Voluntary employees' beneficiary associations providing for the payment of life, sick, accident, or other benefits to the members of such association or their dependents or designated beneficiaries, if no part of the net earnings of such association inures (other than through such payments) to the benefit of any private shareholder or individual.

"(10) Domestic fraternal societies, orders, or associations, operating under the lodge system—

"(A) the net earnings of which are devoted exclusively to religious, charitable, scientific, literary, educational, and fraternal purposes, and

"(B) which do not provide for the payment of life, sick, accident, or other benefits."

(B) Conforming amendments.—Section 801(b)(2) (relating to life insurance reserves) is amended—

(i) by inserting "and" at the end of subparagraph (A),

(ii) by striking out subparagraph (B), and

(iii) by redesignating subparagraph (C) and (B).

Section 810 (relating to rules for certain reserves) is amended by striking out subsection (e).

(6) Certain funded pension trusts.—

(A) Exemption from taxation.—Section 501(c) (relating to list of exempt organizations) is amended by adding at the end thereof the following new paragraph:

"(18) A trust or trusts created before June 25, 1959, forming part of a plan providing for the payment of benefits under a pension plan funded only by contributions of employees, if—

"(A) under the plan, it is impossible, at any time prior to the satisfaction of all liabilities with respect to employees under the plan, for any part of the corpus or income to be (within the taxable year or thereafter) used for, or diverted to, any purpose other than the providing of benefits under the plan,

"(B) such benefits are payable to employees under a classification which is set forth in the plan and which is found by the Secretary or his delegate not to be discriminatory in favor of employees who are officers, shareholders, persons whose principal duties consist of supervising the work of other employees, or highly compensated employees, and

"(C) such benefits do not discriminate in favor of employees who are officers, shareholders, persons whose principal duties consist of supervising the work of other employees, or highly compensated employees. A plan shall not be considered discriminatory within the meaning of this subparagraph merely because the benefits received under the plan bear a uniform relationship to the total compensation, or the basic or regular rate of compensation, of the employees covered by the plan."

(B) Conforming amendments.—

(i) Section 503(a)(1) as amended by section 101(j)(7) of this Act) is amended by inserting after subparagraph (B) thereof the following new paragraph:

"(C) An organization described in section 501(c)(18) shall not be exempt from taxation under section 501(a) if it has engaged in a prohibited transaction after December 31, 1969."

(ii) Section 503 (as so amended) is amended by striking out "(c)(17)" each place it appears therein and inserting in lieu thereof "(c)(17) or (18)".

(7) Special rules for feeder organizations.—Section 502 (relating to feeder organizations) is amended to read as follows:

"Sec. 502. Feeder Organizations.

"(a) General Rule.—An organization operated for the primary purpose of carrying on a trade or business for profit shall not be exempt from taxation under section 501 and on the ground that all of its profits are payable to one or more organizations exempt from taxation under section 501.

"(b) Special Rule.—For purposes of this section, the term "trade or business" shall not include—

"(1) the deriving of rents which would be excluded under section 512(b)(3), if section 512 applied to the organization,

"(2) any trade or business in which substantially all the work in carrying on such trade or business is performed for the organization without compensation, or

"(3) any trade or business which is the selling of merchandise, substantially all of which has been received by the organization as gifts or contributions."

(c) Activities Included as Unrelated Trade or Business.—Section 513 (relating to unrelated trade or business) is amended by striking out subsection (c) and inserting in lieu thereof the following new subsection:

"(c) Advertising, Etc., Activities.—For purposes of this section, the term 'trade or business' includes any activity which is carried on for the production of income from the sale of goods or the performance of services. For purposes of the preceding sentence, an activity does not lose identity as a trade or business merely because it is carried on within a larger aggregate of similar activities or within a larger complex of other endeavors which may, or may not, be related to the exempt purposes of the organization. Where an activity carried on for profit constitutes an unrelated trade or business, no part of such trade or business shall be excluded from such classification merely because it does not result in profit."

(d) Unrelated Debt-Financed Income.—

(1) In general.—Section 514 (relating to business leases) is amended by striking out so much thereof as precedes subsection (b) and inserting in lieu thereof the following:

"Sec. 514. Unrelated Debt-Financed Income.

"(a) Unrelated Debt-Financed Income and Deductions.—In computing under section 512 the unrelated business taxable income for any taxable year—

"(1) Percentage of income taken into account.—There shall be included with respect to each debt-financed property as an item of gross income derived from an unrelated trade or business an amount which is the same percentage (but not in excess of 100 percent) of the total gross income derived during the taxable year from or on account of such property as (A) the average acquisition indebtedness (as defined in subsection (c)(7)) for the taxable year with respect to the property is of (B) the average amount (determined under regulations prescribed by the Secretary or his delegate) of the adjusted basis of such property during the period it is held by the organization during such taxable year.

"(1) Percentage of deductions taken into account.—There shall be allowed as a deduction with respect to each debt-financed property an amount determined by applying (except as provided in the last sentence of this paragraph) the percentage derived under paragraph (1) to the sum determined under paragraph (3). The percentage derived under this paragraph shall not be applied with respect to the deduction of any capital loss resulting from the carryback or carryover of net capital losses under section 1212.

"(3) Deductions allowable.—The sum referred to in paragraph (2) is the sum of the deductions under this chapter which are directly connected with the debt-financed property or the income therefrom, except that if the debt-financed property is of a character which is subject to the allowance for depreciation provided in section 167, the allowance shall be computed only by use of the straight-line method.

"(b) Definition of Debt-Financed Property.—

"(1) In general.—For purposes of this section, the term 'debt-financed property' means any property which is held to produce income and with respect to which there is an acquisition indebtedness (as defined in subsection (c)) at any time during the taxable year (or, if the property was disposed of during the taxable year, with respect to which there was an acquisition indebtedness of any time during the 12-month period ending with the date of such disposition), except that such term does not include—

"(A)(i) any property substantially all the use of which is substantially related (aside from the need of the organization for income or funds) to the exercise or performance by such organization of its charitable, educational, or other purpose or function con-

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stituting the basis for its exemption under section 501 (or, in the case of an organization described in section 511(a) (2) (B), to the exercise or performance of any purpose or function designated in section 501(c) (3)), or (ii) any property to which clause (i) does not apply, to the extent that its use is so substantially related:

"(B) except in the case of income excluded under section 512(b) (5), any property to the extent that the income from such property is taken into account in computing the gross income of any unrelated trade or business;

"(C) any property to the extent that the income from such property is excluded by reason of the provisions of paragraph (7), (8), or (9) of section 512(b) in computing the gross income of any unrelated trade or business; or

"(D) any property to the extent that it is used in any trade or business described in paragraph (1), (2), or (3) of section 513(a).

For purposes of subparagraph (A), substantially all the use of a property shall be considered to be substantially related to the exercise or performance by an organization of its charitable, educational, or other purpose or function constituting the basis for its exemption under section 501 if such property is real property subject to a lease to a medical clinic entered into primarily for purposes which are substantially related (aside from the need of such organization for income or funds or the use it makes of the rents derived) to the exercise or performance by such organization of its charitable, educational, or other purpose or function constituting the basis for its exemption under section 501.

"(2) Special rule for related uses.—For purposes of applying paragraphs (1) (A), (C), and (D), the use of any property by an exempt organization which is related to an organization shall be treated as use by such organization.

"(3) Special rules when land is acquired for exempt use within 10 years.—

"(A) Neighborhood land.—If an organization acquires real property for the principal purpose of using the land (commencing within 10 years of the time of acquisition) in the manner described in paragraph (1) (A) and at the time of acquisition the property is in the neighborhood of other property owned by the organization which is used in such manner, the real property acquired for such future use shall not be treated as debt-financed property so long as the organization does not abandon its intent to so use the land within the 10-year period. The preceding sentence shall not apply for any period after the expiration of the 10-year period, and shall apply after the first 5 years of the 10-year period only if the organization establishes to the satisfaction of the Secretary or his delegate that it is reasonably certain that the land will be used in the described manner before the expiration of the 10-year period.

"(B) Other cases.—If the first sentence of subparagraph (A) is inapplicable only because—

"(i) the acquired land is not in the neighborhood referred to in subparagraph (A), or

"(ii) the organization (for the period after the first 5 years of the 10-year period) is unable to establish to the satisfaction of the Secretary or his delegate that it is reasonably certain that the land will be used in the manner described in paragraph (1) (A) before the expiration of the 10-year period,

but the land is converted to such use by the organization within the 10-year period, the real property (subject to the provisions of subparagraph (D)) shall not be treated as debt-financed property for any period before such conversion. For purposes of this subparagraph, land shall not be treated as used in the manner described in paragraph (1) (A) by reason of the use made of any structure which was on the land when acquired by the organization.

"(C) Limitations.—Subparagraphs (A) and (B)—

"(i) shall apply with respect to any structure on the land when acquired by the organization, or to the land occupied by the structure, only if (and so long as) the intended future use of the land in the manner described in paragraph (1) (A) requires that the structure be demolished or removed in order to use the land in such manner;

"(ii) shall not apply to structures erected on the land after the acquisition of the land; and

"(iii) shall not apply to property subject to a lease which is a business lease as (defined in subsection (f)).

"(D) Refund of taxes when subparagraph (b) applies.—If an organization for any taxable year has not used land in the manner to satisfy the actual use condition of subparagraph (B) before the time prescribed by law (including extensions thereof) for filing the return for such taxable year, the tax for such year shall be computed without regard to the application of subparagraph (B), but if and when such use condition is satisfied, the provisions of subparagraph (B) shall then be applied to such taxable year. If the actual use condition of subpargarph (B) is satisfied for any taxable year after such time for filing the return, and if credit or refund of any overpayment for the taxable year resulting from the satisfaction of such use condition is prevented at the close of the taxable year in which the use condition is satisfied, by the operation of any law or rule of law (other than chapter 74, relating to closing agreements and compromises) credit or refund of such overpayment may nevertheless be allowed or made if claim therefor is filed before the expiration of 1 year after the close of the taxable year in which the use condition is satisfied. Interest on any overpayment for a taxable year resulting from the application of subparagraph (B) after the actual use condition is satisfied shall be allowed and paid at the rate of 4 percent per annum in lieu of 6 percent per annum.

"(E) Special rule for churches.—In applying this paragraph to a church or convention or association of churches, in lieu of the 10-year period referred to in subparagraphs (A) and (B) a 15-year period shall be applied, and subparagraphs (A) and (B) (ii) shall apply whether or not the acquired land meets the neighborhood test.

"(c) Acquisition Indebtedness.—

"(1) General rule.—For purposes of this section, the term 'acquisition indebtedness' means, with respect to any debt-financed property, the unpaid amount of—

"(A) the indebtedness incurred by the organization in acquiring or improving such property;

"(B) the indebtedness incurred before the acquisition or improvement of such property if such indebtedness would not have been incurred but for such acquisition or improvement; and

"(C) the indebtedness incurred after the acquisition or improvement of such property if such indebtedness would not have been incurred but for such acquisition or improvement and the incurrence of such indebtedness was reasonably foreseeable at the time of such acquisition or improvement,

except that in the case of any taxable year beginning before January 1, 1972, any indebtedness incurred before June 28, 1966, shall not be taken into account. In the case of an organization (other than a church or convention or association of churches) such indebtedness incurred before June 28, 1966, shall be taken into account if such indebtedness constitutes business lease indebtedness (as defined in subsection (g)).

"(2) Property acquired subject to mortgage, etc.—For purposes of this subsection—

"(A) General rule.—Where property (no matter how acquired) is acquired subject to a mortgage or other similar lien, the amount of the indebtedness secured by such mortgage or lien shall be considered as an indebtedness of the organization incurred in acquiring such property even though the organization did not assume or agree to pay such indebtedness.

"(B) Exceptions.—Where property subject to a mortgage is acquired by an organization by bequest or devise, the indebtedness secured by the mortgage shall not be treated as acquisition indebtedness during a period of 10 years following the date of the acquisition. If an organization acquires property by gift subject to a mortgage which was placed on the property more than 5 years before the gift, which property was held by the donor more than 5 years before the gift, the indebtedness secured by such mortgage shall not be treated as acquisition indebtedness during a period of 10 years following the date of such gift. This subparagraph shall not apply if the organization, in order to acquire the equity in the property by bequest, devise, or gift, assumes and agrees to pay the indebtedness secured by the mortgage, or if the organization makes any payment for the equity in the property owned by the decedent or the donor.

"(3) Extension of obligations.—For purposes of this section, an extension, renewal, or refinancing of an obligation evidencing a preexisting indebtedness shall not be treated as the creation of a new indebtedness.

"(4) Indebtedness incurred in performing exempt purpose.—For purposes of this section, the term 'acquisition indebtedness' does not include indebtedness the incurrence of which is inherent in the performance or exercise of the purpose or function constituting the basis of the organization's exemption, such as the indebtedness incurred by a credit union described in section 501(c) (14) in accepting deposits from its members.

"(5) Annuities.—For purposes of this section, the term 'acquisition indebtedness' does not include an obligation to pay an annuity which—

"(A) is the sole consideration (other than a mortgage to which paragraph (2) (B) applies) issued in exchange for property if, at the time of the exchange, the value of the annuity is less than 90 percent of the value of the property received in the exchange,

"(B) is payable over the life of one individual in being at the time the annuity is issued, or over the lives of two individuals in being at such time, and

"(C) is payable under a contract which—

"(i) does not guarantee a minimum amount of payments or specify a maximum amount of payments, and

"(ii) does not provide for any adjustments of the amount of the annuity payments by reference to the income received from the transferred property or any other property.

"(6) Certain federal financing.—For purposes of this section, the term 'acquisition indebtedness' does not include an obligation, to the extent that it is insured by the Federal Housing Administration, to finance the purchase, rehabilitation, or construction of housing for low and moderate income persons.

"(7) Average acquisition indebtedness.—For purposes of this section, the term 'average acquisition indebtedness' for any taxable year with respect to a debt-financed property means the average amount, determined under regulations prescribed by the Secretary or his delegate, of the acquisition indebtedness during the period the property is held by the organization during the taxable year, except that for the purpose of computing the percentage of any gain or loss to be taken into account on a sale or other disposition of debt-financed property, such term means the highest amount of the acquisition indebtedness with respect to such property during the 12-month period ending with the date of the sale or other disposition.

"(d) Basis of Debt-Financed Property Acquired in Corporate Liquidation.—For purposes of this subtitle, if the property was acquired in a complete or partial liquidation of a corporation in exchange of its stock, the basis of the property shall be the same as it would be in the hands of the transferor corporation, increased by the amount of gain recognized to the transferor corporation upon such distribution and by the amount of any gain to the organization which was included, on account of such distribution, in unrelated business taxable income under subsection (a).

"(e) Allocation Rules.—Where debt-financed property is held for purposes described in subsection (b)(1) (A), (B), (C), or (D) as well as for other purposes, proper allocation shall be made with respect to basis, indebtedness, and income and deductions. The allocations required by this section shall be made in accordance with regulations prescribed by the Secretary or his delegate to the extent proper to carry out the purposes of this section."

(2) Related amendments.—

(A) Section 48(a)(4) (relating to definition of section 38 property) is amended by adding at the end thereof the following new sentence: "If the property is debt-financed property (as defined in section 514(c)), the basis or cost of such property for purposes of computing qualified investment under section 46(c) shall include only that percentage of the basis or cost which is the same percentage as is used under section 514(b), for the year the property is placed in service, in computing the amount of gross income to be taken into account during such taxable year with respect to such property."

(B) The second sentence of section 681(a) (relating to limitation on charitable deduction of taxable trusts) is amended by striking out the words "certain leases" and inserting in lieu thereof "certain property acquired with borrowed funds".

(C) Section 1443(a) (relating to withholding of tax on payments to foreign tax-exempt organizations) is amended by striking out "rents" and inserting in lieu thereof "income".

(3) Technical and conforming amendments.—

(A) Subsections (b), (c), and (d) of section 514 (relating to business leases) are relettered as subsections (f), (g), and (h), respectively.

(B) New subsection (f)(1) (old subsection (b)(1), relating to general rule for definition of business lease) is amended by striking out "subsection (c)" and inserting in lieu thereof "subsection (g)".

(C) The table of sections for part III of subchapter F of chapter 1 (as redesignated by section 101(a) of this Act) is amended by striking out—

"Sec. 514. Business leases."

and inserting in lieu thereof the following:

"Sec. 514. Unrelated deft-financed income."

(e) Returns.—

(1) In general.—Subpart B of part III of subchapter A of chapter 61 is amended by adding at the end thereof the following new section:

"Sec. 6050. RETURNS RELATING TO CERTAIN TRANSFERS TO EXEMPT ORGANIZATIONS.

"(a) General Rule.—On or before the 90th day after the transfer of income producing property, the transferor shall make a return in compliance with the provisions of subsection (b) if the transferee is known by the transferor to be an organization referred to in section 511(a) or (b) and the property (without regard to any lieu) has a fair market value in excess of $50,000.

"(b) Form and Contents of Returns.—The return required by subsection (a) shall be in such form and shall set forth, in respect of the transfer, such information as the Secretary or his delegate prescribes by regulations as necessary for carrying out the provisions of the income tax laws."

(2) Technical amendment.—The table of sections for subpart B of part III of subchapter A of chapter 61 is amended by adding at the end thereof the following:

"Sec. 6050. Returns relating to certain transfers to exempt organizations."

(f) Restrictions on Examination of Churches.—Section 7605 (relating to time and place of examination) is amended by adding at the end thereof the following new subsection:

"(c) Restriction on Examination of Churches.—No examination of the books of account of a church or convention or association of churches shall be made to determine whether such organization may be engaged in the carrying on of an unrelated trade or business or may be otherwise engaged in activities which may be subject to tax under part III of subchapter F of chapter 1 of this title (sec. 511 and following, relating to taxation of business income of exempt organizations) unless the Secretary or his delegate (such officer being no lower than a principal internal revenue officer for internal revenue region) believes that such organization may be so engaged and so notifies the organization in advance of the examination. No examination of the religious activities of such an organization shall be made except to the extent necessary to determine whether such organization is a church, or a convention or association of churches, and no examination of the books of account of such an organization shall be made other than to the extent necessary to determine the amount of tax imposed by this title."

(g) Effective Dates.—The amendments made by this section (other than by subsections (b)(3) and (e)) shall apply to taxable years beginning after December 31, 7969. The amendments made by subsection (b)(3) shall apply to taxable years beginning after December 31, 1970. The amendments made by subsection (e) shall apply with respect to transfers of property after December 31, 1969. Where an organization makes a bargain purchase of property before October 9, 1969, which is subject to a mortgage which was placed on the property more than 5 years before the purchase, and the organization paid the seller a total amount no greater than the amount of the seller's costs (including attorneys' fees) directly related to the transfer of such property to the organization (but in any event no more than 10 percent of the value of the seller's equity in the property), the indebtedness secured by such mortgage shall not be treated, notwithstanding the amendments made by subsection (d)(1), as acquisition indebtedness for purposes of section 514(c)(1) of the Internal Revenue Code of 1954 during a period of 10 years following the date of the transaction.

TITLE II—INDIVIDUAL DEDUCTIONS

Subtitle A—Charitable Contributions

Sec. 201. Charitable Contributions.

(a) Limitations and Special Rules.—

(1) In general.—Section 170 (relating to charitable, etc., contributions and gifts) is amended—

(A) by redesignating subsections (h) and (i) as (i) and (j), respectively, and by redesignating subsection (d) as (h), and

(B) by striking out subsections (a), (b), (c), (e), and (f) and inserting in lieu thereof the following:

"(a) Allowance of Deduction.—

"(1) General rule.—There shall be allowed as a deduction any charitable contribution (as defined in subsection (c)) payment of which is made within the taxable year. A charitable contribution shall be allowable as a deduction only if verified under regulations prescribed by the Secretary or his delegate.

"(2) Corporations on accrual basis.—In the case of a corporation reporting its taxable income on the accrual basis, if—

"(A) the board of directors authorizes a charitable contribution during any taxable year, and

"(B) payment of such contribution is made after the close of such taxable year and on or before the 15th day of the third month following the close of such taxable year,

then the taxpayer may elect to treat such contribution as paid during such taxable year. The election may be made only at the time of the filing of the return for such taxable year, and shall be signified in such manner as the Secretary or his delegate shall by regulations prescribe.

"(3) Future interests in tangible personal property.—For purposes of this section, payment of a charitable contribution which consists of a future interest in tangible personal property shall be treated as made only when all intervening interests in, and rights to the actual possession or enjoyment of, the property have expired or are held by persons other than the taxpayer or those standing in a relationship to the taxpayer described in section 267(b). For purposes of the preceding sentence, a fixture which is intended to be severed from the real property shall be treated as tangible personal property.

"(b) Percentage Limitations.—

"(1) Individuals.—In the case of an individual, the deduction provided in subsection (a) shall be limited as provided in the succeeding subparagraphs.

"(A) General rule.—Any charitable contribution to—

"(i) a church or a convention or association of churches,

"(ii) an educational organization which normally maintains a regular faculty and curriculum and normally has a regularly enrolled body of pupils or students in attendance at the place where its educational activities are regularly carried on,

"(iii) an organization the principal purpose or functions of which are the providing of medical or hospital care or medical education or medical research, if the organization is a hospital, or if the organization is a medical research organization directly engaged in the continuous active conduct of medical research in conjunction with a hospital, and during the calendar year in which the contribution is made such organization is committed to spend such contributions for such research before January 1 of the fifth calendar year which begins after the date such contribution is made,

"(iv) an organization which normally receives a substantial part of its support (exclusive of income received in the exercise or performance by such organization of its charitable, educational, or other purpose or function constituting the basis for its exemption under section 501(a)) from the United States or any State or political subdivision thereof or from direct or indirect contributions from the general public, and which is organized and operated exclusively to receive, hold, invest, and administer property and to make expenditures to or for the benefit of a college or university which is an organization referred to in clause (ii) of this subparagraph and which is an agency or instrumentality of a State or political subdivision thereof, or which is owned or operated by a State or political subdivision thereof or by an agency or instrumentality of one or more States or political subdivisions, "(v) a governmental unit referred to in subsection (c)(1),

"(vi) an organization referred to in subsection (c)(2) which normally receives a substantial part of its support (exclusive of income received in the exercise or performance by such organization of its charitable, educational, or other purpose or function constituting the basis for its exemption under section 501(a)) from a governmental unit referred to in subsection (c)(1) or from direct or indirect contributions from the general public,

"(vii) a private foundation described in subparagraph (E), or

"(viii) an organization described in section 509(a)(2) or (3),

shall be allowed to the extent that the aggregate of such contributions does not exceed 50 percent of the taxpayer's contribution base for the taxable year.

"(B) OTHER CONTRIBUTIONS.—Any charitable contribution other than a charitable contribution to which subparagraph (A) applies shall be allowed to the extent that the aggregate of such contributions does not exceed the lesser of—

"(i) 20 percent of the taxpayer's contribution base for the taxable year, or

"(ii) the excess of 50 percent of the taxpayer's contribution base for the taxable year over the amount of charitable contributions allowable under subparagraph (A) (determined without regard to subparagraph (D)).

"(C) UNLIMITED DEDUCTION FOR CERTAIN INDIVIDUALS.—Subject to the provisions of subsections (f)(6) and (g), the limitations in subparagraphs (A), (B), and (D), and the provisions of subsection (e)(1)(B), shall not apply, in the case of an individual for a taxable year beginning before January 1, 1975, if in such taxable year and in 8 of the 10 preceding taxable years, the amount of the charitable contributions, plus the amount of income tax (determined without regard to chapter 2, relating to tax on self-employment income) paid during such year in respect of such year or preceding taxable years, exceeds the transitional deduction percentage (determined under subsection (f)(6)) of the taxpayer's taxable income for such year, computed without regard to—

"(i) this section,

"(ii) section 151 (allowance of deductions for personal exemption), and

"(iii) any net operating loss carryback to the taxable year under section 172.

In lieu of the amount of income tax paid during any such year, there may be substituted for that year the amount of income tax paid in respect of such year, provided that any amount so included in the year in respect of which payment was made shall not be included in any other year.

"(D) SPECIAL LIMITATION WITH RESPECT TO CONTRIBUTIONS OF CERTAIN CAPITAL GAIN PROPERTY.—

"(i) In the case of charitable contributions of capital gain property to which subsection (e)(1)(B) does not apply, the total amount of contributions of such property which may be taken into account under subsection (a) for any taxable year shall not exceed 30 percent of the taxpayer's contribution base for such year. For purposes of this subsection, contributions of capital gain property to which this paragraph applies shall be taken into account after all other charitable contributions.

"(ii) If charitable contributions described in subparagraph (A) of capital gain property to which clause (i) applies exceeds 30 percent of the taxpayer's contribution base for any taxable year, such excess shall be treated, in a manner consistent with the rules of subsection (d)(1), as a charitable contribution of capital gain property to which clause (i) applies in each of the 5 succeeding taxable years in order of time.

"(iii) At the election of the taxpayer (made at such time and in such manner as the Secretary or his delegate prescribes by regulations), subsection (e)(1) shall apply to all contributions of capital gain property (to which subsection (e)(1)(B) does not otherwise apply) made by the taxpayer during the taxable year. If such an election is made, clauses (i) and (ii) shall not apply to contributions of capital gain property made during the taxable year, and, in applying subsection (d)(1) for such taxable year with respect to contributions of capital gain property made in any prior contribution year for which an election was not made under this clause, such contributions shall be reduced as if subsection (e)(1) had applied to such contributions in the year in which made.

"(iv) For purposes of this subparagraph, the term 'capital gain property' means, with respect to any contribution, any capital asset the sale of which at its fair market value at the time of the contribution would have resulted in gain which would have been long-term capital gain. For purpoess of the preceding sentence, any property which is property used in the trade or business (as defined in section 1231(b)) shall be treated as a capital asset.

"(E) CERTAIN PRIVATE FOUNDATIONS.—The private foundations referred to in subparagraph (A)(vii) and subsection (e)(1)(B) are—

"(i) a private operating foundation (as defined in section 4942(j)(3)),

"(ii) any other private foundation (as defined in section 509(a)) which, not later than the 15th day of the third month after the close of the foundation's taxable year in which contributions are received, makes qualifying distributions (as defined in section 4942(g), without regard to paragraph (3) thereof), which are treated, after the application of section 4942(g)(3), as distributions out of corpus (in accordance with section 4942(h)) in an amount equal to 100 percent of such contributions, and with respect to which the taxpayer obtains adequate records or other sufficient evidence from the foundation showing that the foundation made such qualifying distributions, and

"(iii) a private foundation all of the contributions to which are pooled in a common fund and which would be described in section 509(a)(3) but for the right of any substantial contributor (hereafter in this clause called 'donor') or his spouse to designate annually the recipients, from among organizations described in paragraph (1) of section 509(a), of the income attributable to the donor's contribution to the fund and to direct (by deed or by will) the payment, to an organization described in such paragraph (1), of the corpus in the common fund attributable to the donor's contribution; but this clause shall apply only if all of the income of the common fund is required to be (and is) distributed to one or more organizations described in such paragraph (1) not later than the 15th day of the third month after the close of the taxable year in which the income is realized by the fund and only if all of the corpus attributable to any donor's contribution to the fund is required to be (and is) distributed to one or more of such organizations not later than one year after his death or after the death of his surviving spouse if she has the right to designate the recipients of such corpus.

"(F) CONTRIBUTION BASE DEFINED.—For purposes of this section, the term 'contribution base' means adjusted gross income (computed without regard to any net operating loss carryback to the taxable year under section 172).

"(2) CORPORATIONS.—In the case of a corporation, the total deductions under subsection (a) for any taxable year shall not exceed 5 percent of the taxpayer's taxable income computed without regard to—

"(A) this section,

"(B) part VIII (except section 248),

"(C) any net operating loss carryback to the taxable year under section 172,

"(D) section 922 (special deduction for Western Hemisphere trade corporations), and

"(E) any capital loss carryback to the taxable year under section 1212(a)(1).

"(c) CHARITABLE CONTRIBUTION DEFINED.—For purposes of this section, the term 'charitable contribution' means a contribution or gift to or for the use of—

"(1) A State, a possession of the United States, or any political subdivision of any of the foregoing, or the United States or the District of Columbia, but only if the contribution or gift is made for exclusively public purposes.

"(2) A corporation, trust, or community chest, fund, or foundation—

"(A) created or organized in the United States or in any possession thereof, or under the law of the United States, any State, the District of Columbia, or any possession of the United States;

"(B) organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes or for the prevention of cruelty to children or animals;

"(C) no part of the net earnings of which inures to the benefit of any private shareholder or individual; and

"(D) no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation, and which does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office.

A contribution or gift by a corporation to a trust, chest, fund, or foundation shall be deductible by reason of this paragraph only if it is to be used within the United States or any of its possessions exclusively for purposes specified in subparagraph (B).

"(3) A post or organization of war veterans, or an auxiliary unit or society of, or trust or foundation for, any such post or organization—

"(A) organized in the United States or any of its possessions, and

"(B) no part of the net earnings of which inures to the benefit of any private shareholder or individual.

"(4) In the case of a contribution or gift by an individual, a domestic fraternal society, order, or association, operating under the lodge system, but only if such contribution or gift is to be used exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals.

"(5) A cemetery company owned and operated exclusively for the benefit of its members, or any corporation chartered solely for burial purposes as a cemetery corporation and not permitted by its charter to engage in any business not necessarily incident to that purpose, if such company or corporation is not operated for profit and no part of the net earnings of such company or corporation inures to the benefit of any private shareholder or individual.

For purposes of this section, the term 'charitable contribution' also means an amount treated under subsection (h) as paid for the use of an organization described in paragraph (2), (3), or (4).

"(d) CARRYOVERS OF EXCESS CONTRIBUTIONS.—

"(1) INDIVIDUALS.—

"(A) IN GENERAL.—In the case of an individual, if the amount of charitable contributions described in subsection (b)(1)(A) payment of which is made within a taxable year (hereinafter in this paragraph referred to as the 'contribution year') exceeds 50 percent (30 percent, in the case of a contribution year beginning before January 1, 1970) of the taxpayer's contribution base for such year, such excess shall be treated as a charitable contribution described in subsection (b) (1) (A) paid in each of the 5 succeeding taxable years in order of time, but, with respect to any such succeeding taxable year, only to the extent of the lesser of the two following amounts:

"(i) the amount by which 50 percent of the taxpayer's contribution base for such succeeding taxable year exceeds the sum of the charitable contributions described in subsection (b) (1) (A) payment of which is made by the taxpayer within such succeeding taxable year (determined without regard to this subparagraph) and the charitable contributions described in subsection (b) (1) (A) payment of which was made in taxable years before the contribution year which are treated under this subparagraph as having been paid in such succeeding taxable year; or

"(ii) in the case of the first succeeding taxable year, the amount of such excess, and in the case of the second, third, fourth, or fifth succeeding taxable year, the portion of such excess not treated under this subparagraph as a charitable contribution described in subsection (b) (1) (A) paid in any taxable year intervening between the contribution year and such succeeding taxable year.

"(B) Special rule for net operating loss carryovers.—In applying subparagraph (A), the excess determined under subparagraph (A) for the contribution year shall be reduced to the extent that such excess reduces taxable income (as computed for purposes of the second sentence of section 172(b) (2)) and increases the net operating loss deduction for a taxable year succeeding the contribution year.

"(2) Corporations.

"(A) In general.—Any contribution made by a corporation in a taxable year (hereinafter in this paragraph referred to as the 'contribution year') in excess of the amount deductible for such year under subsection (b) (2) shall be deductible for each of the 5 succeeding taxable years in order of time, but only to the extent of the lesser of the two following amounts: (i) the excess of the maximum amount deductible for such succeeding taxable year under subsection (b) (2) over the sum of the contributions made in such year plus the aggregate of the excess contributions which were made in taxable years before the contribution year and which are deductible under this subparagraph for such succeeding taxable year; or (ii) in the case of the first succeeding taxable year, the amount of such excess contribution, and in the case of the second, third, fourth, or fifth succeeding taxable year, the portion of such excess contribution not deductible under this subparagraph for any taxable year intervening between the contribution year and such succeeding taxable year.

"(B) Special rule for net operating loss carryovers.—For purposes of subparagraph (A), the excess of—

"(i) the contributions made by a corporation in a taxable year to which this section applies, over

"(ii) the amount deductible in such year under the limitation in subsection (b) (2),

shall be reduced to the extent that such excess reduces taxable income (as computed for purposes of the second sentence of section 172(b) (2)) and increases a net operating loss carryover under section 172 to a succeeding taxable year.

"(e) Certain Contributions of Ordinary Income and Capital Gain Property.—

"(1) General rule.—The amount of any charitable contribution of property otherwise taken into account under this section shall be reduced by the sum of—

"(A) the amount of gain which would not have been long-term capital gain if the property contributed had been sold by the taxpayer at its fair market value (determined at the time of such contribution), and

"(B) in the case of a charitable contribution—

"(i) of tangible personal property, if the use by the donee is unrelated to the purpose of function constituting the basis for its exemption under section 501 (or, in the case of a governmental unit, to any purpose or function described in subsection (c)), or

"(ii) to or for the use of a private foundation (as defined in section 509(a)), other than a private foundation described in subsection (b) (1) (E),

50 percent (62½ percent, in the case of a corporation) of the amount of gain which would have been long-term capital gain if the property contributed had been sold by the taxpayer at its fair market value (determined at the time of such contribution).

For purposes of applying this paragraph (other than in the case of gain to which section 617(d) (1), 1245(a), 1251(a), or 1252(a) applies), property which is property used in the trade or business (as defined in section 1231(b)) shall be treated as a capital asset.

"(2) Allocation of basis.—For purposes of paragraph (1), in the case of a charitable contribution of less than the taxpayer's entire interest in the property contributed, the taxpayer's adjusted basis in such property shall be allocated between the interest contributed and any interest not contributed in accordance with regulations prescribed by the Secretary or his delegate.

"(f) Disallowance of Deduction in Certain Cases and Special Rules.—

"(1) In general.—No deduction shall be allowed under this section for a contribution to or for the use of an organization or trust described in section 508(d) or 4948(c) (4) subject to the conditions specified in such sections.

"(2) Contributions of property placed in trust.—

"(A) Remainder interest.—In the case of property transferred in trust, no deduction shall be allowed under this section for the value of a contribution of a remainder interest unless the trust is a charitable remainder annuity trust or a charitable remainder unitrust (described in section 664), or a pooled income fund (described in section 642(c) (5)).

"(B) Income interests, etc.—No deduction shall be allowed under this section for the value of any interest in property (other than a remainder interest) transferred in trust unless the interest is in the form of a guaranteed annuity or the trust instrument specifies that the interest is a fixed percentage distributed yearly of the fair market value of the trust property (to be determined yearly) and the grantor is treated as the owner of such interest for purposes of applying section 671. If the donor cases to be treated as the owner of such an interest for purposes of applying section 671, at the time the donor ceases to be so treated, the donor shall for purposes of this chapter be considered as having received an amount of income equal to the amount of any deduction he received under this section for the contribution reduced by the discounted value of all amounts of income earned by the trust and taxable to him before the time at which he ceases to be treated as the owner of the interest. Such amounts of income shall be discounted to the date of the contribution. The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this subparagraph.

"(C) Denial of deduction in case of payments by certain trusts.—In any case in which a deduction is allowed under this section for the value of an interest in property described in subparagraph (B), transferred in trust, no deduction shall be allowed under this section to the grantor or any other person for the amount of any contribution made by the trust with respect to such interest.

"(D) Exception.—This paragraph shall not apply in a case in which the value of all interests in property transferred in trust are deductible under subsection (a).

"(3) Denial of deduction in case of certain contributions of partial interests in property.—

"(A) In general.—In the case of a contribution (not made by a transfer in trust) of an interest in property which consists of less than the taxpayer's entire interest in such property, a deduction shall be allowed under this section only to the extent that the value of the interest contributed would be allowable as a deduction under this section if such interest had been transferred in trust. For purposes of this subparagraph, a contribution by a taxpayer of the right to use property shall be treated as a contribution of less than the taxpayer's entire interest in such property.

"(B) Exceptions.—Subparagraph (A) shall not apply to a contribution of—

"(i) a remainder interest in a personal residence or farm, or

"(ii) an undivided portion of the taxpayer's entire interest in property.

"(4) Valuation of remainder interest in real property.—For purposes of this section, in determining the value of a remainder interest in real property, depreciation (computed on the straight line method) and depletion of such property shall be taken into account, and such value shall be discounted at a rate of 6 percent per annum, except that the Secretary or his delegate may prescribe a different rate.

"(5) Reduction for certain interest.—If, in connection with any charitable contribution, a liability is assumed by the recipient or by any other person, or if a charitable contribution is of property which is subject to a liability, then, to the extent necessary to avoid the duplications of amounts, the amount taken into account for purposes of this section as the amount of the charitable contribution—

"(A) shall be reduced for interest (i) which has been paid (or is to be paid) by the taxpayer, (ii) which is attributable to the liability, and (iii) which is attributable to any period after the making of the contribution, and

"(B) in the case of a bond, shall be further reduced for interest (i) which has been paid (or is to be paid) by the taxpayer on indebtedness incurred or continued to purchase or carry such bond, and (ii) is attributable to any period before the making of the contribution.

The reduction pursuant to subparagraph (B) shall not exceed the interest (including interest equivalent) on the bond which is attributable to any period before the making of the contribution and which is not (under the taxpayer's method of accounting) includible in the gross income of the taxpayer for any taxable year. or purposes of this paragraph, the term 'bond' means any bond, debenture, note, or certificate or other evidence of indebtedness.

"(6) Partial reduction of unlimited deduction.—

"(A) In General.—If the limitations in subsections (b) (1) (A) and (B) do not apply because of the application of subsection (b) (1) (C), the amount otherwise allowable as a deduction under subsection (a) shall be reduced by the amount by which the taxpayer's taxable income computed without regard to this subparagraph is less than the transitional income percentage (determined under subparagraph (C)) of the taxpayer's adjusted gross income. However, in no case shall a taxpayer's deduction under this section be reduced below the amount allowable as a deduction under this section without the applicability of subsection (b) (1) (C).

"(B) Transitional deduction percent-

AGE.—For purposes of applying subsection (b) (1) (C), the term 'transitional deduction percentage' means—

"(i) in the case of a taxable year beginning before 1970, 90 percent, and

"(ii) in the case of a taxable year beginning in—

1970	80 percent
1971	74 percent
1972	68 percent
1973	62 percent
1974	56 percent.

"(C) Transitional income percentage.—For purposes of applying subparagraph (A), the term 'transitional income percentage' means, in the case of a taxable year beginning in—

1970	20 percent
1971	26 percent
1972	32 percent
1973	38 percent
1974	44 percent."

(2) Conforming amendments.—

(A) Section 170(g) (relating to application of unlimited charitable deduction) is amended by striking out "subsection (b) (5)" each place it appears and inserting in lieu thereof "subsection (d) (1)", and by striking subparagraph (B) of paragraph (2).

(B) Section 545(b) (2) (relating to adjustments to personal holding company taxable income) and section 556(b) (2) (relating to adjustments to foreign personal holding company taxable income) are each amended—

(i) by striking out "section 170(b) (1) (A) and (B)" in the first sentence and inserting in lieu thereof "section 170(b) (1) (A), (B), and (D)";

(ii) by striking out "section 170(b) (2) and (5)" in the first sentence and inserting in lieu thereof "section 170(b) (2) and (d) (1)";

(iii) by striking out "'adjusted gross income'" in the second sentence and inserting in lieu thereof "'contribution base'"; and

(iv) by striking out "the first sentence of section 170(b) (2) and (5)" in the second sentence and inserting in lieu thereof "section 170(b) (2) and (d) (1)".

(C) Section 809(e) (3) (relating to modifications of deductions for life insurance companies) is amended—

(i) by striking out "the first sentence of" in subparagraph (A); and

(ii) by striking out "section 170(b) (3)" in subparagraph (B) and inserting in lieu thereof "section 170(d) (2) (B)".

(b) Charitable Contributions by Estates and Trusts.—Subsection (c) of section 642 (relating to deduction for amounts paid or permanently set aside for a charitable purpose) is amended to read as follows:

"(c) Deduction for Amounts Paid or Permanently Set Aside for a Charitable Purpose.—

"(1) General rule.—In the case of an estate or trust (other than a trust meeting the specifications of subpart B), there shall be allowed as a deduction in computing its taxable income (in lieu of the deduction allowed by section 170(a), relating to deduction for charitable, etc., contributions and gifts) any amount of the gross income, without limitation, which pursuant to the terms of the governing instrument is, during the taxable year, paid for a purpose specified in section 170(c) (determined without regard to section 170(c) (2) (A)). If a charitable contribution is paid after the close of such taxable year and on or before the last day of the year following the close of such taxable year, then the trustee or administrator may elect to treat such contribution as paid during such taxable year. The election shall be made at such time and in such manner as the Secretary or his delegate prescribes by regulations.

"(2) Amounts permanently set aside.—In the case of an estate, and in the case of a trust (other than a trust meeting the specifications of subpart B) required by the terms of its governing instrument to set aside amounts which was—

"(A) created on or before October 9, 1969, if—

"(i) an irrevocable remainder interest is transferred to or for the use of an organization described in section 170(c), or

"(ii) the grantor is at all times after October 9, 1969, under a mental disability to change the terms of the trust; or

"(B) established by a will executed on or before October 9, 1969, if—

"(i) the testator dies before October 9, 1972, without having republished the will after October 9, 1969, by codicil or otherwise,

"(ii) the testator at no time after October 9, 1969, had the right to change the portions of the will which pertain to the trust, or

"(iii) the will is not republished by codicil or otherwise before October 9, 1972, and the testator is on such date and at all times thereafter under a mental disability to republish the will by codicil or otherwise,

there shall also be allowed as a deduction in computing its taxable income any amount of the gross income, without limitation, which pursuant to the terms of the governing instrument is, during the taxable year, permanently set aside for a purpose specified in section 170(c), or is to be used exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, or for the establishment, acquisition, maintenance, or operation of a public cemetery not operated for profit. In the case of a trust, the preceding sentence shall apply only to gross income earned with respect to amounts transferred to the trust before October 9, 1969, or transferred under a will to which subparagraph (B) applies.

"(3) Pooled income funds.—In the case of a pooled income fund (as defined in paragraph (5)), there shall also be allowed as a deduction in computing its taxable income any amount of the gross income attributable to gain from the sale of a capital asset held for more than 6 months, without limitation, which pursuant to the terms of the governing instrument is, during the taxable year, permanently set aside for a purpose specified in section 170(c).

"(4) Adjustments.—To the extent that the amount otherwise allowable as a deduction under this subsection consists of gain from the sale or exchange of capital assets held for more than 6 months, proper adjustment shall be made for any deduction allowable to the estate or trust under section 1202 (relating to deduction for excess of capital gains over capital losses). In the case of a trust, the deduction allowed by this subsection shall be subject to section 681 (relating to unrelated business income).

"(5) Definition of pooled income fund.—For purposes of paragraph (3), a pooled income fund is a trust—

"(A) to which each donor transfers property, contributing an irrevocable remainder interest in such property to or for the use of an organization described in section 170(b) (1) (A) (other than in clauses (vii) or (viii)), and retaining an income interest for the life of one or more beneficiaries (living at the time of such transfer),

"(B) in which the property transferred by each donor is commingled with property transferred by other donors who have made or make similar transfers,

"(C) which cannot have investments in securities which are exempt from the taxes imposed by this subtitle,

"(D) which includes only amounts received from transfers which meet the requirements of this paragraph,

"(E) which is maintained by the organization to which the remainder interest is contributed and of which no donor or beneficiary of an income interest is a trustee, and

"(F) from which each beneficiary of an income interest receives income, for each year for which he is entitled to receive the income interest referred to in subparagraph (A), determined by the rate of return earned by the trust for such year.

For purposes of determining the amount of any charitable contribution allowable by reason of a transfer of property to a pooled fund, the value of the income interest shall be determined on the basis of the highest rate of return earned by the fund for any of the 3 taxable years immediately preceding the taxable year of the fund in which the transfer is made. In the case of funds in existence less than 3 taxable years preceding the taxable year of the fund in which a transfer is made, the rate of return shall be deemed to be 6 percent per annum, except that the Secretary or his delegate may prescribe a different rate of return.

"(6) Taxable private foundations.—In the case of a private foundation which is not exempt from taxation under section 501 (a) for the taxable year, the provisions of this subsection shall not apply and the provisions of section 170 shall apply."

(c) Two-Year Charitable Trusts.—Section 673(b) (relating to trusts where the income is payable to a charitable beneficiary for at least a two-year period) is repealed.

(d) Disallowance of Estate and Gift Tax Deductions in Certain Cases.—

(1) Estates of citizens or residents.—Subsection (e) of section 2055 (relating to disallowance of charitable deductions in certain cases) is amended to read as follows:

"(e) Disallowance of Deductions in Certain Cases.—

"(1) No deduction shall be allowed under this section for a transfer to or for the use of an organization or trust described in section 508(d) or 4948(c) (4) subject to the conditions specified in such sections.

"(2) Where an interest in property (other than a remainder interest in a personal residence or farm or an undivided portion of the decedents entire interest in property) passes or has passed from the decedent to a person, or for a use, described in subsection (a), and an interest (other than an interest which is extinguished upon the decedent's death) in the same property passes or has passed (for less than an adequate and full consideration in money or money's worth) from the decedent to a person, or for a use, not described in subsection (a), no deduction shall be allowed under this section for the interest which passes or has passed to the person, or for the use, described in subsection (a) unless—

"(A) in the case of a remainder interest, such interest is in a trust which a charitable remainder annuity trust or a charitable remainder unitrust (described in section 664) or a pooled income fund (described in section 642(c) (5)), or

"(B) in the case of any other interest, such interest is in the form of a guaranteed annuity or is a fixed percentage distributed yearly of the fair market value of the property (to be determined yearly)."

(2) Estates of nonresidents not citizens.—Subparagraph (E) of section 2106(a) (2) to disallowance of deductions in certain cases) is amended to read as follows:

"(E) Disallowance of deductions in certain cases.—The provisions of section 2055 (e) shall be applied in the determination of the amount allowable as a deduction under this paragraph."

(3) Gift tax.—Subsection (c) of section 2522 (relating to disallowance of charitable deductions in certain cases) is amended to read as follows:

"(c) Disallowance of Deductions in Certain Cases.—

"(1) No deduction shall be allowed under this section for a gift to or for the use of an organization or trust described in section 508(d) or 4948(c)(4) subject to the conditions specified in such sections.

"(2) Where a donor transfers an interest in property (other than a remainder interest in a personal residence or farm or an undivided portion of the donor's entire interest in property) to a person, or for a use, described in subsection (a) or (b) and an interest in the same property is retained by the donor, or is transferred or has been transferred (for less than an adequate and full consideration in money or money's worth) from the donor to a person, or for a use, not described in subsection (a) or (b), no deduction shall be allowed under this section for the interest which is, or has been transferred to the person, or for the use, described in subsection (a) or (b), unless—

"(A) in the case of a remainder interest, such interest is in a trust which is a charitable remainder annuity trust or a charitable remainder unitrust (described in section 664) or a pooled income fund (described in section 642(c)(5)), or

"(B) in the case of any other interest, such interest is in the form of a guaranteed annuity or is a fixed percentage distributed yearly of the fair market value of the property (to be determined yearly)."

(4) Political activities.—

(A) Section 2055(a) (relating to transfers for public, charitable, and religious uses) is amended—

(i) by striking out "and" before "no substantial part" in paragraph (2), and by inserting before the semicolon at the end of such paragraph ", and which does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office"; and

(ii) by striking out "and" before "no substantial part" in paragraph (3), and by inserting before the semicolon at the end of such paragraph ", and such trustee or trustees, or such fraternal society, order, or association, does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office".

(B) Section 2106(a)(2) (relating to transfers for public, charitable, and religious uses) is amended—

(i) by striking out "and" before "no substantial part" in subparagraph (A)(ii), and by inserting before the semicolon at the end of such subparagraph ", and which does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office"; and

(ii) by striking out "and" before "no substantial part" in subparagraph (A)(iii), and by inserting before the semicolon at the end of such subparagraph ", and such trustee or trustees, or such fraternal society, order, or association does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office".

(C) Section 2522(a) (relating to charitable and similar gifts of citizens or residents) is amended by striking out "and" before "no substantial part" in paragraph (2), and by inserting before the semicolon at the end of such paragraph ", and which does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office".

(D) Section 2522(b) (relating to charitable and similar gifts of nonresidents) is amended—

(i) by striking out "and" before "no substantial part" in paragraph (2), and by inserting before the semicolon at the end of such paragraph ", and which does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office"; and

(ii) by inserting after "legislation" in paragraph (3) ", and which does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office".

(e) Charitable Remainder Trusts.—

(1) Subpart C of part I of subchapter J of chapter 1 (relating to estates and trusts which may accumulate income or which distribute corpus) is amended by adding at the end thereof the following new section:

"Sec. 664. Charitable Remainder Trusts.

"(a) General Rule.—Notwithstanding any other provision of this subchapter, the provisions of this section shall, in accordance with regulations prescribed by the Secretary or his delegate, apply in the case of a charitable remainder annuity trust and a charitable remainder unitrust.

"(b) Character of Distributions.—Amounts distributed by a charitable remainder annuity trust or by a charitable remainder unitrust shall be considered as having the following characteristics in the hands of a beneficiary to whom is paid the annuity described in subsection (d)(1)(A) or the payment described in subsection (d)(2)(A):

"(1) First, as amounts of income (other than gains, and amounts treated as gains, from the sale or other dispositions of capital assets) includible in gross income to the extent of such income of the trust for the year and such undistributed income of the trust for prior years;

"(2) Second, as a capital gain to the extent of the capital gain of the trust for the year and the undistributed capital gain of the trust for prior years;

"(3) Third, as other income to the extent of such income of the trust for the year and such undistributed income of the trust for prior years; and

"(4) Fourth, as a distribution of trust corpus.

For purposes of this section, the trust shall determine the amount of its undistributed capital gain on a cumulative net basis.

"(c) Exemption From Income Taxes.—A charitable remainder annuity trust and a charitable remainder unitrust shall, for any taxable year, not be subject to any tax imposed by this subtitle, unless such trust, for such year, has unrelated business taxable income (within the meaning of section 512, determined as if part III of subchapter F applied to such trust).

"(d) Definitions.—

"(1) Charitable remainder annuity trust.—For purposes of this section, a charitable remainder annuity trust is a trust—

"(A) from which a sum certain (which is not less than 5 percent of the initial net fair market value of all property placed in trust) is to be paid, not less than annually, to one or more persons (at least one of which is not an organization described in section 170(c) and, in the case of individuals, only to an individual who is living at the time of the creation of the trust) for a term of years (not in excess of 20 years) or for the life or lives of such individual or individuals,

"(B) from which no amount other than the payments described in subparagraph (A) may be paid to or for the use of any person other than an organization described in section 170(c), and

"(C) following the termination of the payments described in subparagraph (A), the remainder interest in the trust is to be transferred to, or for the use of, an organization described in section 170(c) or is to be retained by the trust for such a use.

"(2) Charitable remainder unitrust.—For purposes of this section, a charitable remainder unitrust is a trust—

"(A) from which a fixed percentage (which is not less than 5 percent) of the net fair market value of its assets, valued annually, is to be paid, not less often than annually, to one or more persons (at least one of which is not an organization described in section 170(c) and, in the case of individuals, only to an individual who is living at the time of the creation of the trust) for a term of years (not in excess of 20 years) or for the life or lives of such individual or individuals.

"(B) from which no amount other than the payments described in subparagraph (A) may be paid to or for the use of any person other than an organization described in section 170(c), and

"(C) following the termination of the payments described in subparagraph (A), the remainder interest in the trust is to be transferred to, or for the use of, an organization described in section 170(c) or is to be retained by the trust for such a use.

"(3) Exception.—Notwithstanding the provisions of paragraphs (2) (A) and (B), the trust instrument may provide that the trustee shall pay the income beneficiary for any year—

"(A) the amount of the trust income, if such amount is less than the amount required to be distributed under paragraph (2)(A), and

"(B) any amount of the trust income which is in excess of the amount required to be distributed under paragraph (2)(A), to the extent that (by reason of subparagraph (A)) the aggregate of the amounts paid in prior years was less than the aggregate of such required amounts.

"(e) Valuation for Purposes of Charitable Contribution.—For purposes of determining the amount of any charitable contribution, the remainder interest of a charitable remainder annuity trust or charitable remainder unitrust shall be computed on the basis that an amount equal to 5 percent of the net fair market value of its assets (or a greater amount, if required under the terms of the trust instrument) is to be distributed each year."

(2) The table of sections for subpart C of part I of subchapter J of chapter 1 (relating to estates and trusts which may accumulate income or which distribute corpus) is amended by adding at the end thereof:

"Sec. 664. Charitable remainder trusts."

(f) Bargain Sales to Charitable Organizations.—Section 1011 (relating to adjusted basis for determining gain or loss) is amended—

(1) by striking out "The" at the beginning and inserting in lieu thereof:

"(a) General Rule.—The", and

(2) by adding at the end thereof the following new subsection:

"(b) Bargain Sale to a Charitable Organization.—If a deduction is allowable under section 170 (relating to charitable contributions) by reason of a sale, then the adjusted basis for determining the gain from such sale shall be that portion of the adjusted basis which bears the same ratio to the adjusted basis as the amount realized bears to the fair market value of the property."

(g) Effective Dates.—

(1)(A) Except as provided in subparagraphs (B) and (C), the amendments made by subsection (a) shall apply to taxable years beginning after December 31, 1969.

(B) Subsections (e) and (f)(1) of section 170 of the Internal Revenue Code of 1954 (as amended by subsection (a)) shall apply to contributions paid after December 31, 1969, except that, with respect to a letter or memorandum or similar property described in section 1221(3) of such Code (as amended by section 514 of this Act), such subsection (e) shall apply to contributions paid after July 25, 1969.

(C) Paragraphs (2), (3), and (4) of section 170(f) of such Code (as amended by subsection (a)) shall apply to transfers in trust and contributions made after July 31, 1969.

(D) For purposes of applying section 170(d) of such Code (as amended by subsection (a)) with respect to contributions paid in a taxable year beginning before January 1, 1970, subsection (b)(1)(D), subsection (e), and paragraphs (1), (2), (3), and (4) of subsection (f) of section 170 of such Code shall not apply.

(2) The amendments made by subsection (b) shall apply with respect to amounts paid, permanently set aside, or to be used for a charitable purpose in taxable years beginning after December 31, 1969, except that section 642(c)(5) of the Internal Revenue Code of 1954 (as added by subsection (b)) shall apply to transfers in trust made after July 31, 1969.

(3) The amendment made by subsection (c) shall apply to transfers in trust made after April 22, 1969.

(4)(A) Except as provided in subparagraphs (B) and (C), the amendments made by paragraphs (1) and (2) of subsection (d) shall apply in the case of decedents dying after December 31, 1969.

(B) Such amendments shall not apply in the case of property passing under the terms of a will executed on or before October 9, 1969—

(i) if the decedent dies before October 9, 1972, without having republished the will after October 9, 1969, by codicil or otherwise, (ii) if the decedent at no time after October 9, 1969, had the right to change the portions of the will which pertain to the passing of the property to, or for the use of, an organization described in section 2055(a), or

(iii) if the will is not republished by codicil or otherwise before October 9, 1972, and the decedent is on such date and at all times thereafter under a mental disability to republish the will by codicil or otherwise.

(C) Such amendments shall not apply in the case of property transferred in trust on or before October 9, 1969—

(i) if the decedent dies before October 9, 1972, without having amended after October 9, 1969, the instrument governing the disposition of the property.

(ii) if the property transferred was an irrevocable interest to, or for the use of, an organization described in section 2055(a), or

(iii) if the instrument governing the disposition of the property was not amended by the decedent before October 9, 1972, and the decedent is on such date and at all times thereafter under a mental disability to change the disposition of the property.

(D) The amendment made by paragraph (3) of subsection (d) shall apply to gifts made after December 31, 1969, except that the amendments made to section 2522(c)(2) of the Internal Revenue Code of 1954 shall apply to gifts made after July 31, 1969.

(E) The amendments made by paragraph (4) of subsection (d) shall apply to gifts and transfers made after December 31, 1969.

(5) The amendment made by subsection (e) shall apply to transfers in trust made after July 31, 1969.

(6) The amendments made by subsection (f) shall apply with respect to sales made after December 19, 1969.

(h) Eligibility for Unlimited Charitable Deduction.—

(1) Section 170(b)(1)(C) (relating to unlimited charitable deduction for certain individuals), as amended by subsection (a) of this section is amended by adding at the end thereof the following new sentence: "In the case of a separate return for the taxable year by a married individual who previously filed a joint return with a former deceased spouse for any of the 10 preceding taxable years, the amount of charitable contributions and taxes paid for any such preceding taxable year, for which a joint return was filed with the former deceased spouse, shall be determined in the same manner as if the taxpayer had not remarried after the death of such former spouse."

(2) The amendment made by this subsection shall apply to taxable years beginning after December 31, 1968.

Subtitle B—Farm Losses, Etc.

Sec. 211. Gain From Disposition of Property Used in Farming Where Farm Losses Offset Nonfarm Income.

(a) In General.—Part IV of subchapter P of chapter 1 (relating to special rules for determining capital gains and losses) is amended by adding at the end thereof the following new section:

"Sec. 1251. Gain From Disposition of Property Used in Farming Where Farm Losses Offset Nonfarm Income

"(a) Circumstances Under Which Section Applies.—This section shall apply with respect to any taxable year only if—

"(1) there is a farm net loss for the taxable year, or

"(2) there is a balance in the excess deductions account as of the close of the taxable year after applying subsection (b)(3)(A).

"(b) Excess Deductions Account.—

"(1) Requirement.—Each taxpayer subject to this section shall, for purposes of this section, establish and maintain an excess deductions account.

"(2) Additions to account.—

"(A) General rule.—There shall be added to the excess deductions account for each taxable year an amount equal to the farm net loss.

"(B) Exceptions.—In the case of an individual (other than a trust) and, except as provided in this subparagraph, in the case of an electing small business corporation (as defined in section 1371(b)), subparagraph (A) shall apply for a taxable year—

"(i) only if the taxpayer's nonfarm adjusted gross income for such year exceeds $50,000, and

"(ii) only to the extent the taxpayer's farm net loss for such year exceeds $25,000.

This subparagraph shall not apply to an electing small business corporation for a taxable year if on any day of such year a shareholder of such corporation is an individual who, for his taxable year with which or within which the taxable year of the corporation ends, has a farm net loss.

"(C) Married individuals.—In the case of a husband or wife who files a separate return, the amount specified in subparagraph (B)(i) shall be $25,000 in lieu of $50,000, and in subparagraph (B)(ii) shall be $12,500 in lieu of $25,000. This subparagraph shall not apply if the spouse of the taxpayer does not have any nonfarm adjusted gross income for the taxable year.

"(D) Nonfarm adjusted gross income.—For purposes of this section, the term 'nonfarm adjusted gross income' means adjusted gross income (taxable income, in the case of an electing small business corporation) computed without regard to income as deductions attributable to the business of farming.

"(3) Subtractions from account.—If there is any amount in the excess deductions account at the close of any taxable year (determined before any amount is subtracted under this paragraph for such year) there shall be subtracted from the account—

"(A) an account equal to the farm net income for such year, plus the amount (determined as provided in regulations prescribed by the Secretary or his delegate) necessary to adjust the account for deductions which did not result in a reduction of the taxpayer's tax under this subtitle for the taxable year or any preceding taxable year, and

"(B) after applying paragraph (2) or subparagraph (A) of this paragraph (as the case may be), an amount equal to the sum of the amounts treated, solely by reason of the application of subsection (c), as gain from the sale or exchange of property which is neither a capital asset nor property described in section 1231.

"(4) Exception for taxpayers using certain accounting methods.—

"(A) General rule.—Except to the extent that the taxpayer has succeeded to an excess deductions account as provided in paragraph (5), additions to the excess deductions account shall not be required by a taxpayer who elects to compute taxable income from farming (i) by using inventories, and (ii) by charging to capital account all expenditures paid or incurred which are properly chargeable to capital account (including such expenditures which the taxpayer may, under this chapter or regulations prescribed thereunder, otherwise treat or elect to treat as expenditures which are not chargeable to capital account).

"(B) Time, manner, and effect of election.—An election under subparagraph (A) for any taxable year shall be filed within the time prescribed by law (including extensions thereof) for filing the return for such taxable year, and shall be made and filed in such manner as the Secretary or his delegate shall prescribe by regulations. Such election shall be binding on the taxpayer for such taxable year and for all subsequent taxable years and may not be revoked except with the consent of the Secretary or his delegate.

"(C) Change of method of accounting, etc.—If, in order to comply with the election made under subparagraph (A), a taxpayer changes his method of accounting in computing taxable income from the business of farming, such change shall be treated as having been made with the consent of the Secretary or his delegate and for purposes of section 481(a)(2) shall be treated as a change not initiated by the taxpayer.

"(5) Transfer of account.—

"(A) Certain corporate transactions.—In the case of a transfer described in subsection (d)(3) to which section 371(a), 374(a), or 381 applies, the acquiring corporation shall succeed to and take into account as of the close of the day of distribution or transfer, the excess deductions account of the transferor.

"(B) Certain gifts.—If—

"(i) farm recapture property is disposed of by gift, and

"(ii) the potential gain (as defined in subsection (e)(5)) on farm recapture property disposed of by gift during any one-year period in which any such gift occurs is more than 25 percent of the potential gain on farm recapture property held by the donor immediately prior to the first of such gifts,

each donee of the property shall succeeed (at the time the first of such gifts is made, but in an amount determined as of the close of the donor's taxable year in which the first of such gifts is made) to the same proportion of the donor's excess deductions account (determined, after the application of paragraphs (2) and (3) with respect to the donor, as of the close of such taxable year), as the potential gain on the property received by such donee bears to the aggregate potential gain on farm recapture property held by the donor immediately prior to the first of such gifts.

"(6) Joint return.—In the case of an addition to an excess deductions account for a taxable year for which a joint return was filed under section 6013, for any subsequent taxable year for which a separate return was filed the Secretary or his delegate shall provide rules for allocating any remaining amount of such addition in a manner consistent with the purposes of this section.

"(c) Ordinary Income.—

"(1) General rule.—Except as otherwise provided in this section, if farm recapture property (as defined in subsection (e)(1)) is disposed of during a taxable year beginning after December 31, 1969, the amount by which—

"(A) in the case of a sale, exchange, or involuntary conversion, the amount realized, or

"(B) in the case of any other disposition, the fair market value of such property,

exceeds the adjusted basis of such property shall be treated as gain from the sale or exchange of property which is neither a capital asset nor property described in section 1231. Such gain shall be recognized notwithstanding any other provision of this subtitle.

"(2) Limitation.—

"(A) Amount in excess deductions account.—The aggregate of the amounts treated under paragraph (1) as gain from the sale or exchange of property which is neither a capital asset nor property described in section 1231 for any taxable year shall not exceed the amount in the excess deductions account at the close of the taxable year after applying subsection (b) (3) (A).

"(B) Dispositions taken into account.—If the aggregate of the amounts to which paragraph (1) applies is limited by the application of subparagraph (A), paragraph (1) shall apply in respect of such dispositions (and in such amounts) as provided under regulations prescribed by the Secretary or his delegate.

"(C) Special rule for dispositions of land.—In applying subparagraph (A), any gain on the sale or exchange of land shall be taken into account only to the extent of its potential gain (as defined in subsection (e) (5)).

"(d) Exceptions and Special Rules.—

"(1) Gifts.—Subsection (c) shall not apply to a disposition by gift.

"(2) Transfer at death.—Except as provided in section 691 (relating to income in respect of a decedent), subsection (c) shall not apply to a transfer at death.

"(3) Certain corporate transactions.—If the basis of property in the hands of a transferee is determined by reference to its basis in the hands of the transferor by reason of the application of section 332, 351, 361, 371 (a), or 374(a), then the amount of gain taken into account by the transferor under subsection (c) (1) shall not exceed the amount of gain recognized to the transferor on the transfer of such property (determined without regard to this section). This paragraph shall not apply to a disposition to an organization (other than a cooperative described in section 521) which is exempt from the tax imposed by this chapter.

"(4) Like kind exchanges; involuntary conversion, etc.—If property is disposed of and gain (determined without regard to this section) is not recognized in whole or in part under section 1031 or 1033, then the amount of gain taken into account by the transferor under subsection (c) (1) shall not exceed the sum of—

"(A) the amount of gain recognized on such disposition (determined without regard to this section), plus

"(B) the fair market value of property acquired with respect to which no gain is recognized under subparagraph (A), but which is not farm recapture property.

"(5) Partnerships.—

"(A) In general.—In the case of a partnership, each partner shall take into account separatively his distributive share of the partnership's farm net losses, gains from dispositions of farm recapture property, and other items in applying this section to the partner.

"(B) Transfers to partnerships.—If farm recapture property is contributed to a partnership and gain (determined without regard to this section) is not recognized under section 721, then the amount of gain taken into account by the transferor under subsection (c) (1) shall not exceed the excess of the fair market value of farm recapture property transferred over the fair market value of the partnership interest attributable to such property. If the partnership agreement provides fór an allocation of gain to the contributing partner with respect to farm recapture property contributed to the partnership (as provided in section 704(c) (2), the partnership interest of the contributing partner shall be deemed to be attributable to such property.

"(6) Property transferred to controlled corporations.—Except for transactions described in subsection (b) (5) (A), in the case of a transfer, described in paragraph (3), of farm recapture property to a corporation, stock or securities received by a transferor in the exchange shall be farm recapture property to the extent attributable to the fair market value of farm recapture property (or, in the case of land, if less, the adjusted basis plus the potential gain (as defined in subsection (e) (5)) on farm recapture property) contributed to the corporation by such transferor.

"(e) Definitions.—For purposes of this section—

"(1) Farm recapture property.—The term 'farm recapture property' means—

"(A) any property (other than section 1250 property) described in paragraph (1) (relating to business property held for more than 6 months), (3) (relating to livestock), or (4) (relating to an unharvested crop) of section 1231(b) which is or has been used in the trade or business of farming by the taxpayer or by a transferor in a transaction described in subsection (b) (5), and

"(B) any property the basis of which in the hand of the taxpayer is determined with reference to the adjusted basis of property which was farm recapture property in the hands of the taxpayer within the meaning of subparagraph (A).

"(2) Farm net loss.—The term 'farm net loss' means the amount by which—

"(A) the deductions allowed or allowable by this chapter which are directly connected with the carrying on of the trade or business of farming, exceed

"(B) the gross income derived from such trade or business. Gains and losses on the disposition of farm recapture property referred to in section 1231(a) (determined without regard to this section or section 1245(a)) shall not be taken into account.

"(3) Farm net income.—The term 'farm net income' means the amount by which the amount referred to in paragraph (2) (B) exceeds the amount referred to in paragraph (2) (A).

"(4) Trade or business of farming.—

"(A) Horse racing.—In the case of a taxpayer engaged in the raising of horses, the term 'trade or business of farming' includes the racing of horses.

"(B) Several businesses of farming.—If a taxpayer is engaged in more than one trade or business of farming, all such trades and businesses shall be treated as one trade or business.

"(5) Potential gain.—The term 'potential gain' means an amount equal to the excess of the fair market value of property over its adjusted basis, but limited in the case of land to the extent of the deductions allowable in respect to such land under sections 175 (relating to soil and water conservation expenditures) and 182 (relating to expenditures by farmers for clearing land) for the taxable year and the 4 preceding taxable years."

(b) Conforming Amendments.—

(1) Section 301(b) (1) (B) (ii) (relating to corporate distributions of property) is amended by striking out "or 1250(a)" and inserting in lieu thereof "1250(a), 1251(c), or 1252(a)".

(2) Section 301(d) (2) (B) (relating to the basis of property distributed by a corporation) is amended by striking out "or 1250 (a)" and inserting in lieu thereof "1250(a), 1251(c), or 1252(a)".

(3) Section 312(c) (3) (relating to adjustment to corporate earnings and profits) is amended by striking out "or 1250(a)" and inserting in lieu thereof "1250(a), 1251(c), or 1252(a)".

(4) Section 341(e) (12) (relating to nonapplication of section 1245(a) with respect to collapsible corporations) is amended by striking out "and 1250(a)" and inserting in lieu thereof "1250(a), 1251(c), and 1252(a)".

(5) Section 453(d) (4) (B) (relating to distribution of installment obligations under certain liquidations) is amended by striking out "or 1250(a)" and inserting in lieu thereof "1250(a), 1251(c), or 1252(a)".

(6) Section 751(c) (relating to unrealized receivables in partnership transactions) is amended by striking out "and section 1250 property (as defined in section 1250(c))" and inserting in lieu thereof "section 1250 property (as defined in section 1250(c)), farm recapture property (as defined in section 1251 (e) (1)), and farm land (as defined in section 1252(a))"; and by striking out "1250(a)" and inserting in lieu thereof "1250(a), 1251(c), or 1252(a)".

(7) The table of sections for part IV of subchapter P of chapter 1 is amended by adding at the end thereof the following:

"Sec. 1251. Grain from disposition of property used in farming where farm losses offset nonfarm income."

(c) Effective Dates.—The amendments made by this section shall apply to taxable years beginning after December 31, 1969.

Sec. 212. Livestock.

(a) Depreciation Recapture.—

(1) General rule.—Section 1245(a) (2) (relating to recomputed basis with respect to gain from disposition of certain depreciable property) is amended by striking out "or" at the end of subparagraph (A), and by inserting immediately after subparagraph (B) the following:

"(C) with respect to livestock, its adjusted basis recomputed by adding thereto all adjustments attributable to periods after December 31, 1969, or".

(2) Conforming amendment.—Section 1245(a) (3) (relating to section 1245 property) is amended by striking out "(other than livestock)".

(3) Effective date.—The amendments made by paragraphs (1) and (2) shall apply with respect to taxable years beginning after December 31, 1969.

(b) Livestock Used in Trade or Business.—

(1) Amendment of section 1231.—Section 1231(b) (3) (relating to property used in a trade or business) is amended to read as follows:

"(3) Livestock.—Such term includes—

"(A) cattle and horses, regardless of age, held by the taxpayer for draft, breeding, dairy, or sporting purposes, and held by him for 24 months or more from the date of acquisition, and

"(B) other livestock, regardless of age, held by the taxpayer for draft, breeding, dairy, or sporting purposes, and held by him for 12 months or more from the date of acquisition.

Such term does not include poultry."

(2) Effective date.—The amendments made by paragraph (1) shall apply to livestock acquired after December 31, 1969.

(c) Exchanges of Livestock of Different Sexes.—

(1) Not to be treated as like kind exchanges.—Section 1031 (relating to exchange of property held for productive use or for investment) is amended by adding at the end thereof the following new subsection:

"(e) Exchanges of Livestock of Different Sexes.—For purposes of this section, livestock of different sexes are not property of a like kind."

(2) Effective date.—The amendment

made by paragraph (1) shall apply to taxable years to which the Internal Revenue Code of 1954 applies.

SEC. 213. DEDUCTIONS ATTRIBUTABLE TO ACTIVITIES NOT ENGAGED IN FOR PROFIT.

(a) GENERAL RULE.—Part VI of subchapter B of chapter 1 (relating to itemized deductions for individuals and corporations) is amended by adding at the end thereof the following new section:

"SEC. 183. ACTIVITIES NOT ENGAGED IN FOR PROFIT.

"(a) GENERAL RULE.—In the case of an activity engaged in by an individual or an electing small business corporation (as defined in section 1371(b)), if such activity is not engaged in for profit, no deduction attributable to such activity shall be allowed under this chapter except as provided in this section.

"(b) DEDUCTIONS ALLOWABLE.—In the case of an activity not engaged in for profit to which subsection (a) applies, there shall be allowed—

"(1) the deductions which would be allowable under this chapter for the taxable year without regard to whether or not such activity is engaged in for profit, and

"(2) a deduction equal to the amount of the deductions which would be allowable under this chapter for the taxable year only if such activity were engaged in for profit, but only to the extent that the gross income derived from such activity for the taxable year exceeds the deductions allowable by reason of paragraph (1).

"(c) ACTIVITY NOT ENGAGED IN FOR PROFIT DEFINED.—For purposes of this section, the term 'activity not engaged in for profit' means any activity other than one with respect to which deductions are allowable for the taxable year under section 162 or under paragraph (1) or (2) of section 212.

"(d) PRESUMPTION.—If the gross income derived from an activity for 2 or more of the taxable years in the period of 5 consecutive taxable years which ends with the taxable year exceeds the deductions attributable to such activity (determined without regard to whether or not such activity is engaged in for profit), then, unless the Secretary or his delegate establishes to the contrary, such activity should be presumed for purposes of this chapter for such taxable year to be an activity engaged in for profit. In the case of an activity which consists in major part of the breeding, training, showing, or racing of horses, the preceding sentence shall be applied by substituting the period of 7 consecutive taxable years for the period of 5 consecutive taxable years."

(b) TECHNICAL AMENDMENT.—Section 270 (relating to limitation on deductions allowable to certain individuals) is repealed.

(c) CLERICAL AMENDMENTS.—

(1) The table of sections for part VI of subchapter B of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 183. Activities not engaged in for profit."

(2) The table of sections for part IX of subchapter B of chapter I is amended by striking out the item relating to section 270.

(3) Section 6504 (relating to cross references) is amended by striking out the item relating to section 270.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1969.

SEC. 214. GAIN FROM DISPOSITION OF FARM LAND.

(a) IN GENERAL.—Part IV of subchapter P of chapter 1 (relating to special rules for determining capital gains and losses) is amended by adding after section 1251 (added by section 211 of this Act) the following new section:

"SEC. 1252. GAIN FROM DISPOSITION OF FARM LAND.

"(a) GENERAL RULE.—

"(1) ORDINARY INCOME.—Except as otherwise provided in this section, if farm land which the taxpayer has held for less than 10 years is disposed of during a taxable year beginning after December 31, 1969, the lower of—

"(A) the applicable percentage of the aggregate of the deductions allowed under sections 175 (relating to soil and water conservation expenditures) and 182 (relating to expenditures by farmers for clearing land) for expenditures made by the taxpayer after December 31, 1969, with respect to the farm land or

"(B) the excess of—

"(i) the amount realized (in the case of a sale, exchange, or involuntary conversion), or the fair market value of the farm land (in the case of any other disposition), over

"(ii) the adjusted basis of such land, shall be treated as gain from the sale or exchange of property which is neither a capital asset nor property described in section 1231. Such gain shall be recognized notwithstanding any other provision of this subtitle, except that this section shall not apply to the extent section 1251 applies to such gain.

"(2) FARM LAND.—For purposes of this section, the term 'farm land' means any land with respect to which deductions have been allowed under sections 175 (relating to soil and water conservation expenditures) or 182 (relating to expenditures by farmers for clearing land).

"(3) APPLICABLE PERCENTAGE.—For purposes of this section—

	The applicable percentage is—
"If the farm land is disposed of—	
Within 5 years after the date it was acquired	100 percent.
Within the sixth year after it was acquired	80 percent.
Within the seventh year after it was acquired	60 percent.
Within the eighth year after it was acquired	40 percent.
Within the ninth year after it was acquired	20 percent.
10 years or more years after it was acquired	0 percent.

"(b) SPECIAL RULES.—Under regulations prescribed by the Secretary or his delegate, rules similar to the rules of section 1245 shall be applied for purposes of this section."

(b) CLERICAL AMENDMENT.—The table of sections for part IV of subchapter P of chapter 1 is amended by adding at the end thereof the following:

"Sec. 1252. Gain from the disposition of farm land."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1969.

SEC. 215. CROP INSURANCE PROCEEDS.

(a) YEAR IN WHICH INCLUDED IN INCOME.—Section 451 (relating to general rule for taxable year of inclusion) is amended by adding at the end thereof the following new subsection:

"(d) SPECIAL RULE FOR CROP INSURANCE PROCEEDS.—In the case of insurance proceeds received as a result of destruction or damage to crops, a taxpayer reporting on the cash receipts and disbursements method of accounting may elect to include such proceeds in income for the taxable year following the taxable year of destruction or damage, if he establishes that, under his practice, income from such crops would have been reported in a following taxable year. An election under this subsection for any taxable year shall be made at such time and in such manner as the Secretary or his delegate prescribes."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 216. CAPITALIZATION OF COSTS OF PLANTING AND DEVELOPING CITRUS GROVES.

(a) REQUIREMENT OF CAPITALIZATION.—Part IX of subchapter B of chapter 1 (relating to items not deductible) is amended by adding after section 277 (added by section 121(b)(3) of this Act) the following new section:

"SEC. 278. CAPITAL EXPENDITURES INCURRED IN PLANTING AND DEVELOPING CITRUS GROVES.

"(a) GENERAL RULE.—Except as provided in subsection (b), any amount (allowable as a deduction without regard to this section), which is attributable to the planting, cultivation, maintenance, or development of any citrus grove (or part thereof), and which is incurred before the close of the fourth taxable year beginning with the taxable year in which the trees were planted, shall be charged to capital account. For purposes of the preceding sentence, the portion of a citrus grove planted in one taxable year shall be treated separately from the portion of such grove planted in another taxable year.

"(b) EXCEPTIONS.—Subsection (a) shall not apply to amounts allowable as deductions (without regard to this section), and attributable to a citrus grove (or part thereof) which was:

"(1) replanted after having been lost or damaged (while in the hands of the taxpayer), by reason of freeze, disease, drought, pests or casualty, or

"(2) planted or replanted prior to the enactment of this section."

(b) CLERICAL AMENDMENT.—The table of sections for such part IX is amended by adding at the end thereof the following new item:

"Sec. 278. Capital expenditures incurred in planting and developing citrus groves."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1969.

SUBTITLE C—INTEREST

SEC. 221. INTEREST.

(a) LIMITATION ON INTEREST DEDUCTION ATTRIBUTABLE TO INVESTMENT INDEBTEDNESS.—Section 163 (relating to interest) is amended by redesignating subsection (d) as (e), and by inserting after subsection (c) the following new subsection:

"(d) LIMITATION ON INTEREST ON INVESTMENT INDEBTEDNESS.—

(1) IN GENERAL.—In the case of a taxpayer other than a corporation, the amount of investment interest (as defined in paragraph (3)(D)) otherwise allowable as a deduction under this chapter shall be limited, in the following order, to—

"(A) $25,000 ($12,500, in the case of a separate return by a married individual), plus

"(B) the amount of the net investment income (as defined in paragraph (3)(A)), plus

"(C) an amount equal to the amount by which the net long-term capital gain exceeds the net short-term capital loss for the taxable year, plus

"(D) one-half of the amount by which investment interest exceeds the sum of the amounts described in subparagraphs (A), (B), and (C).

In the case of a trust, the $25,000 amount specified in subparagraph (A) and in paragraph (2)(A) shall be zero. In determining the amount described in subparagraph (C), only gains and losses attributable to the disposition of property held for investment shall be taken into account.

"(2) CARRYOVER OF DISALLOWED INVESTMENT INTEREST.—

"(A) In general.—The amount of disallowed investment interest for any taxable year shall be treated as investment interest paid or accrued in the succeeding taxable year. The amount of the interest so treated which is allowable as a deduction by reason of the first sentence of this paragraph for any taxable year shall not exceed one-half of the amount by which—

"(i) the net investment income for such taxable year plus $25,000, exceeds

"(ii) the investment interest paid or accrued during such taxable year (determined without regard to this paragraph) or $25,000 whichever is greater.

"(B) Reduction for capital gain deduction.—If—

"(i) an amount of disallowed investment interest treated under subparagraph (A) as investment interest paid or accrued in the taxable year is not allowable as a deduction for such taxable year by reason of the second sentence of subparagraph (A), and

"(ii) the taxpayer is entitled to a deduction under section 1202 for such taxable year (whether or not the taxpayer claims such deduction), the amount of such disallowed investment interest shall be reduced by an amount equal to the amount of the deduction allowable under section 1202.

"(3) Definitions.—For purposes of this subsection—

"(A) Net investment income.—The term 'net investment income' means the excess of investment income over investment expenses.

"(B) Investment income.—The term 'investment income' means—

"(i) the gross income from interest, dividends, rents, and royalties,

"(ii) the net short-term capital gain attributable to the disposition of property held for investment, and

"(iii) any amount treated under sections 1245 and 1250 as gain from the sale or exchange of property which is neither a capital asset nor property described in section 1231, but only to the extent such income, gain, and amounts are not derived from the conduct of a trade or business.

"(C) Investment expenses.—The term 'investment expenses' means the deductions allowable under sections 164(a) (1) or (2), 166, 167, 171, 212, or 611 directly connected with the production of investment income. For purposes of this subparagraph, the deduction allowable under section 167 with respect to any property may be treated as the amount which would have been allowable had the taxpayer depreciated with property under the straight line method for each taxable year of its useful life for which the taxpayer has held the property, and the deduction allowable under section 611 with respect to any property may be treated as the amount which would have been allowable had the taxpayer determined the deduction under section 611 without regard to section 613 for each taxable year for which the taxpayer has held the property.

"(D) Investment interest.—The term 'investment interest' means interest paid or accrued on indebtedness incurred or continued to purchase or carry property held for investment.

"(E) Disallowed investment interest.—The term 'disallowed investment interest' means with respect to any taxable year, the amount not allowable as a deduction solely by reason of the limitations in paragraphs (1) and (2)(A).

"(4) Special rules.—

"(A) Property subject to net lease.—For purposes of this subsection, property subject to a lease shall be treated as property held for investment, and not as property used in a trade or business, for a taxable year, if—

"(i) for such taxable year the sum of the deductions with respect to such property which are allowable solely by reason of section 162 is less than 15 percent of the rental income produced by such property, or

"(ii) the lessor is either guaranteed a specified return or is guaranteed in whole or in part against loss of income.

"(B) Partnerships.—In the case of a partnership, each partner shall, under regulations prescribed by the Secretary or his delegate, take into account separately his distributive share of the partnership's investment interest and the other items of income and expense taken into account under this subsection.

"(C) Shareholders of electing small business corporations.—In the case of an electing small business corporation (as defined in section 1371(b)), the investment interest paid or accrued by such corporation and the other items of income and expense which would be taken into account if this subsection applied to such corporation shall, under regulations prescribed by the Secretary or his delegate, be treated as investment interest paid or accrued by the shareholders of such corporation and as items of such shareholders, and shall be apportioned pro rata among such shareholders in a manner consistent with section 1374(c)(1).

"(D) Construction interest.—For purposes of this subsection, interest paid or accrued on indebtedness incurred or continued in the construction of property to be used in a trade or business shall not be treated as investment interest.

"(5) Capital gains.—For purposes of sections 1201(b) (relating to alternative capital gains tax), 1202 (relating to deduction for capital gains), and 57(a)(9) (relating to treatment of capital gains as a tax preference), an amount equal to the amount of investment interest which is allowable as a deduction under this chapter by reason of subparagraph (C) of paragraph (1) shall be treated as gain from the sale or other disposition of property which is neither a capital asset nor property described in section 1231.

"(6) Exceptions.—This subsection shall not apply with respect to investment interest, investment income, and investment expenses attributable to a specific item of property, if the indebtedness with respect to such property—

"(A) is for a specified term, and

"(B) was incurred before December 17, 1969, or is incurred after December 16, 1969, pursuant to a written contract or commitment which, on such date and at all times thereafter prior to the incurring of such indebtedness, is binding on the taxpayer."

(b) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1971.

Subtitle D—Moving Expenses

Sec. 231. Moving Expenses.

(a) Deductions for Moving Expenses.—Section 217 (relating to moving expenses) is amended to read as follows:

"Sec. 217. Moving Expenses.

"(a) Deduction Allowed.—There shall be allowed as a deduction moving expenses paid or incurred during the taxable year in connection with the commencement of work by the taxpayer as an employee or as a self-employed individual at a new principal place of work.

"(b) Definition of Moving Expenses.—

"(1) In general.—For purposes of this section, the term 'moving expenses' means only the reasonable expenses—

"(A) of moving household goods and personal effects from the former residence to the new residence,

"(B) of traveling (including meals and lodging) from the former residence to the new place of residence,

"(C) of traveling (including meals and lodging), after obtaining employment, from the former residence to the general location of the new principal place of work and return, for the principal purpose of searching for a new residence,

"(D) of meals and lodging while occupying temporary quarters in the general location of the new principal place of work during any period of 30 consecutive days after obtaining employment, or

"(E) constituting qualified residence sale, purchase, or lease expenses.

"(2) Qualified residence sale, etc., expenses.—For purposes of paragraph (1)(E), the term 'qualified residence sale, purchase, or lease expenses' means only reasonable expenses incident to—

"(A) the sale or exchange by the taxpayer or his spouse of the taxpayer's former residence (not including expenses for work performed on such residence in order to assist in its sale) which (but for this subsection and subsection (e)) would be taken into account in determining the amount realized on the sale or exchange,

"(B) the purchase by the taxpayer or his spouse of a new residence in the general location of the new principal place of work which (but for this subsection and subsection (e)) would be taken into account in determining—

"(i) the adjusted basis of the new residence, or

"(ii) the cost of a loan (but not including any amounts which represent payments or prepayments of interest),

"(C) the settlement of an unexpired lease held by the taxpayer or his spouse on property used by the taxpayer as his former residence, or

"(D) the acquisition of a lease by the taxpayer or his spouse on property used by the taxpayer as his new residence in the general location of the new principal place of work (not including amounts which are payments or prepayments of rent).

"(3) Limitations.—

"(A) Dollar limits.—The aggregate amount allowable as a deduction under subsection (a) in connection with a commencement of work which is attributable to expenses described in subparagraph (C) or (D) of paragraph (1) shall not exceed $1,000. The aggregate amount allowable as a deduction under subsection (a) which is attributable to qualified residence sale, purchase, or lease expenses shall not exceed $2,500, reduced by the aggregate amount so allowable which is attributable to expenses described in subparagraph (C) or (D) of paragraph (1).

"(B) Husband and wife.—If a husband and wife both commence work at a new principal place of work within the same general location, subparagraph (A) shall be applied as if there was only one commencement of work. In the case of a husband and wife filing separate returns, subparagraph (A) shall be applied by substituting '$500' for '$1,000', and by substituting '$1,250' for '$2,500'.

"(C) Individuals other than taxpayer.—In the case of any individual other than the taxpayer, expenses referred to in subparagraphs (A) through (D) of paragraph (1) shall be taken into account only if such individual has both the former residence and the new residence as his principal place of abode and is a member of the taxpayer's household.

"(c) Conditions for Allowance.—No deduction shall be allowed under this section unless—

"(1) the taxpayer's new principal place of work—

"(A) is at least 50 miles farther from his former residence than was his former principal place of work, or

"(B) if he had no former principal place of work, is at least 50 miles from his former residence, and

"(2) either—

"(A) during the 12-month period immediately following his arrival in the general location of his new principal place of work, the taxpayer is a full-time employee, in such general location, during at least 39 weeks, or

"(B) during the 24-month period immediately following his arrival in the general location of his new principal place of work, the taxpayer is a full-time employee or performs services as a self-employed individual on a full-time basis, in such general location, during at least 78 weeks, of which not less than 29 weeks are during the 12-month period referred to in subparagraph (A).

For purposes of paragraph (1), the distance between two points shall be the shortest of the more commonly traveled routes between such two points.

"(d) Rules for Application of Subsection (c)(2).—

"(1) The condition of subsection (c)(2) shall not apply if the taxpayer is unable to satisfy such condition by reason of—

"(A) death or disability, or

"(B) involuntary separation (other than for willful misconduct) from the service of, or transfer for the benefit of, an employer after obtaining full-time employment in which the taxpayer could reasonably have been expected to satisfy such condition.

"(2) If a taxpayer has not satisfied the condition of subsection (c)(2) before the time, prescribed by law (including extensions thereof) for filing the return for the taxable year during which he paid or incurred moving expenses which would otherwise be deductible under this section, but may still satisfy such condition, then such expenses may (at the election of the taxpayer) be deducted for such taxable year notwithstanding subsection (c)(2).

"(3) If—

"(A) for any taxable year moving expenses have been deducted in accordance with the rule provided in paragraph (2), and

"(B) the condition of subsection (c)(2) cannot be satisfied at the close of a subsequent taxable year,

then an amount equal to the expenses which were so deducted shall be included in gross income for the first such subsequent taxable year.

"(e) Denial of Double Benefit.—The amount realized on the sale of the residence described in subparagraph (A) of subsection (b)(2) shall not be decreased by the amount of any expenses described in such subparagraph which are allowed as a deduction under subsection (a), and the basis of a residence described in subparagraph (B) of subsection (b)(2) shall not be increased by the amount of any expenses described in such subparagraph which are allowed as a deduction under subsection (a). This subsection shall not apply to any expenses with respect to which an amount is included in gross income under subsection (d)(3).

"(f) Rules for Self-Employed Individuals.—

"(1) Definition.—For purposes of this section, the term 'self-employed individual' means an individual who performs personal services—

"(A) as the owner of the entire interest in an unincorporated trade or business, or

"(B) as a partner in a partnership carrying on a trade or business.

"(2) Rule for application of subsections (b)(1) (c) and (d).—For purposes of subparagraphs (C) and (D) of subsection (b)(1), an individual who commences work at a new principal place of work as a self-employed individual shall be treated as having obtained employment when he has made substantial arrangements to commence such work.

"(g) Regulations.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this section."

(b) Inclusion in Gross Income of Moving Expense Reimbursements.—Part II of subchapter B of chapter 1 (relating to items specifically included in gross income) is amended by adding after section 81 the following new section:

"Sec. 82. Reimbursement for Expenses of Moving.

"There shall be included in gross income (as compensation for services) any amount received or accrued, directly or indirectly, by an individual as a payment for or reimbursement of expenses of moving from one residence to another residence which is attributable to employment or self-employment."

(c) Conforming Amendments.—

(1) The table of sections for part II of subchapter B of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 82. Reimbursement of Moving Expenses."

(2) Section 1001 (relating to determination of amount and recognition of gain or loss) is amended by adding after subsection (e) (as added by section 516(a) of this Act) the following new subsection:

"(f) Cross Reference.—

"For treatment of certain expenses incident to the sale of a residence which were deducted as moving expenses by the taxpayer or his spouse under section 217(a), see section 217(e)."

(3) Section 1016(c) is amended to read as follows:

"(c) Cross References.—

"(1) For treatment of certain expenses incident to the purchase of a residence which were deducted as moving expenses by the taxpayer or his spouse under section 217(a), see section 217(e).

"(2) For treatment of separate mineral interests as one property, see section 614."

(d) Effective Dates.—The amendments made by this section shall apply to taxable years beginning after December 31, 1969, except that—

(1) section 217 of the Internal Revenue Code of 1954 (as amended by subsection (a)) shall not apply to any item to the extent that the taxpayer received or accrued reimbursement or other expense allowance for such item in a taxable year beginning on or before December 31, 1969, which was not included in his gross income; and

(2) the amendments made by this section shall not apply (at the election of the taxpayer made at such time and manner as the Secretary of the Treasury or his delegate prescribes) with respect to moving expenses paid or incurred before July 1, 1970, in connection with the commencement of work by the taxpayer as an employee at a new principal place of work of which the taxpayer had been notified by his employer on or before December 19, 1969.

TITLE III—MINIMUM TAX; ADJUSTMENTS PRIMARILY AFFECTING INDIVIDUALS

Subtitle A—Minimum Tax

Sec. 301. Minimum Tax for Tax Preferences.

(a) In General.—Subchapter A of chapter 1 (relating to determination of tax liability) is amended by adding at the end thereof the following new part:

"PART VI—MINIMUM TAX FOR TAX PREFERENCES

"Sec. 56. Imposition of Tax.
"Sec. 57. Items of Tax Preference.
"Sec. 58. Rules for Application of This Part.

"Sec. 56. Imposition of Tax.

"(a) In General.—In addition to the other taxes imposed by this chapter, there is hereby imposed for each taxable year, with respect to the income of every person, a tax equal to 10 percent of the amount (if any) by which—

"(1) the sum of the items of tax preference in excess of $30,000, is greater than

"(2) the taxes imposed by this chapter for the taxable year (computed without regard to this part and without regard to the taxes imposed by sections 531 and 541) reduced by the sum of the credits allowable under—

"(A) section 33 (relating to foreign tax credit),

"(B) section 37 (relating to retirement income), and

"(C) section 38 (relating to investment credit).

"(b) Deferral of Tax Liability in Case of Certain Net Operating Losses.—

"(1) In general.—If for any taxable year a person—

"(A) has a net operating loss any portion of which (under section 172) remains as a net operating loss carryover to a succeeding taxable year, and

"(B) has items of tax preference in excess of $30,000,

then an amount equal to the lesser of the tax imposed by subsection (a) or 10 percent of the amount of the net operating loss carryover described in subparagraph (A) shall be treated as tax liability not imposed for the taxable year, but as imposed for the succeeding taxable year or years pursuant to paragraph (2).

"(2) Year of liability.—In any taxable year in which any portion of the net operating loss carryover attributable to the excess described in paragraph (1)(B) reduces taxable income, the amount of tax liability described in paragraph (1) shall be treated as tax liability imposed in such taxable year in an amount equal to 10 percent of such reduction.

"(3) Priority of application.—For purposes of paragraph (2), if any portion of the net operating loss carryover described in paragraph (1)(A) is not attributable to the excess described in paragraph (1)(B), such portion shall be considered as being applied in reducing taxable income before such other portion.

"Sec. 57. Items of Tax Preference.

"(a) In General.—For purposes of this part, the items of tax preference are—

"(1) Excess investment interest.—The amount of the excess investment interest for the taxable year (as determined under subsection (b)).

"(2) Accelerated depreciation on real property.—With respect to each section 1250 property (as defined in section 1250(c)), the amount by which the deduction allowable for the taxable year for exhaustion, wear and tear, obsolescence, or amortization exceeds the depreciation deduction which would have been allowable for the taxable year had the taxpayer depreciated the property under the straight line method for each taxable year of its useful life (determined without regard to section 167(k)) for which the taxpayer has held the property.

"(3) Accelerated depreciation on personal property subject to a net lease.—With respect to each item of section 1245 property (as defined in section 1245(a)(3)) which is the subject of a net lease, the amount by which the deduction allowable for the taxable year for exhaustion, wear and tear, obsolescence, or amortization exceeds the depreciation deduction which would have been allowable for the taxable year had the taxpayer depreciated the property under the straight line method for each taxable year of its useful life for which the taxpayer has held the property.

"(4) Amortization of certified pollution control facilities.—With respect to each certified pollution control facility for which an election is in effect under section 169, the amount by which the deduction allowable for the taxable year under such section exceeds the depreciation deduction which would otherwise be allowable under section 167.

"(5) Amortization of railroad rolling stock.—With respect to each unit of railroad rolling stock for which an election is in effect under section 184, the amount by which the deduction allowable for the taxable year under such section exceeds the depreciation deduction which would otherwise be allowable under section 167.

"(6) Stock options.—With respect to the transfer of a share of stock pursuant to the exercise of a qualified stock option (as defined in section 422(b)) or a restricted stock option (as defined in section 424(b)), the amount by which the fair market value of the share at the time of exercise exceeds the option price.

"(7) Reserves for losses on bad debts of financial institutions.—In the case of a financial institution to which section 585 or 593 applies, the amount by which the deduction allowable for the taxable year for a reasonable addition to a reserve for bad debts exceeds the amount that would have been allowable had the institution maintained its bad debt reserve for all taxable years on the basis of actual experience.

"(8) Depletion.—With respect to each property (as defined in section 614), the excess of the deduction for depletion allowable under section 611 for the taxable year over the adjusted basis of the property at the end of the taxable year (determined without regard to the depletion deductible for the taxable year).

"(9) Capital gains.—

"(A) Individuals.—In the case of a taxpayer other than a corporation, an amount equal to one-half of the amount by which the net long-term capital gain exceeds the net short-term capital loss for the taxable year.

"(B) Corporations.—In the case of a corporation, if the net long-term capital gain exceeds the net short-term capital loss for the taxable year, an amount equal to the product obtained by multiplying such excess by a fraction the numerator of which is the sum of the normal tax and the surtax rate under section 11, minus the alternative tax rate under section 1201(a), for the taxable year, and the denominator of which is the sum of the normal tax rate and the surtax rate under section 11 for the taxable year. In the case of a corporation to which section 1201(a) does not apply, the amount under this subparagraph shall be determined under regulations prescribed by the Secretary or his delegate in a manner consistent with the preceding sentence.

Paragraph (1) shall apply only to taxable years beginning before January 1, 1972. Paragraphs (1) and (3) shall not apply to a corporation other than an electing small business corporation (as defined in section 1371 (b)) and a personal holding company (as defined in section 542).

"(b) Excess Investment Interest.—

"(1) In general.—For purposes of paragraph (1) of subsection (a), the excess investment interest for any taxable year is the amount by which the investment interest expense for the taxable year exceeds the net investment income for the taxable year.

"(2) Definitions.—For purposes of this subsection—

"(A) Net investment income.—The term 'net investment income' means the excess of investment income over investment expenses.

"(B) Investment income.—The term 'investment income' means—

"(i) the gross income from interest, dividends, rents, and royalties,

"(ii) the net short-term capital gain attributable to the disposition of property held for investment, and

"(iii) amounts treated under sections 1245 and 1250 as gain from the sale or exchange of property which is neither a capital asset nor property described in section 1231,

but only to the extent such income, gain, and amounts are not derived from the conduct of a trade or business.

"(C) Investment expenses.—The term 'investment expenses' means the deductions allowable under sections 164(a) (1) or (2), 166, 167, 171, 212, 243, 244, 245, or 611 directly connected with the production of investment income. For purposes of this subparagraph, the deduction allowable under section 167 with respect to any property may be treated as the amount which would have been allowable had the taxpayer depreciated the property under the straight line method for each taxable year of its useful life for which the taxpayer has held the property, and the deduction allowable under section 611 with respect to any property may be treated as the amount which would have been allowable had the taxpayer determined the deduction under section 611 without regard to section 613 for each taxable year for which the taxpayer has held the property.

"(D) Investment interest expense.—The term 'investment interest expense' means interest paid or accrued on indebtedness incurred or continued to purchase or carry property held for investment. For purposes of the preceding sentence, interest paid or accrued on indebtedness incurred or continued in the construction of property to be used in a trade or business shall not be treated as an investment interest expense.

"(3) Property subject to net lease.—For purposes of this subsection, property which is subject to a net lease entered into after October 9, 1969, shall be treated as property held for investment, and not as property used in a trade or business.

"(c) Net Leases.—For purposes of this section, property shall be considered to be subject to a net lease for a taxable year if—

"(1) for such taxable year the sum of the deductions with respect to such property which are allowable solely by reason of section 162 is less than 15 percent of the rental income produced by such property, or

"(2) the lessor is either guaranteed a specified return or is guaranteed in whole or in part against loss of income.

"Sec. 58. Rules for Application of This Part.

"(a) Husband and Wife.—In the case of a husband or wife who files a separate return for the taxable year, the $30,000 amount specified in section 56 shall be $15,000.

"(b) Members of Controlled Groups.—In the case of a controlled group of corporations (as defined in section 1563(a)), the $30,000 amount specified in section 56 shall be divided equally among the component members of such group unless all component members consent (at such time and in such manner as the Secretary or his delegate prescribes by regulations) to an apportionment plan providing for an unequal allocation of such amount.

"(c) Estates and Trusts.—In the case of an estate or trust—

"(1) the sum of the items of tax preference for any taxable year of the estate or trust shall be apportioned between the estate or trust and the beneficiaries on the basis of the income of the estate or trust allocable to each, and

"(2) the $30,000 amount specified in section 56 applicable to such estate or trust shall be reduced to an amount which bears the same ratio to $30,000 as the portion of the sum of the items of tax preference allocated to the estate or trust under paragraph (1) bears to such sum.

"(d) Electing Small Business Corporations and Their Shareholders.—

"(1) In general.—Except as provided in paragraph (2), the items of tax preference of an electing small business corporation (as defined in section 1371 (b)) for each taxable year of the corporation shall be treated as items of tax preference of the shareholders of such corporation, and, except as provided in paragraph (2), shall not be treated as items of tax preference of such corporation. The sum of the items so treated shall be apportioned pro rata among such shareholders in a manner consistent with section 1374 (c)(1). For purposes of this paragraph, this part shall be treated as applying to such corporation.

"(2) Certain capital gains.—If for a taxable year of an electing small business corporation a tax is imposed on the income of such corporation under section 1378, such corporation shall, notwithstanding the provisions of section 1371(b)(1), be subject to the tax imposed by section 56, but computed only with reference to the item of tax preference set forth in section 57(a)(9) (B) to the extent attributable to gains subject to the tax imposed by section 1378.

"(e) Participants in a Common Trust Fund.—The items of tax preference of a common trust fund (as defined in section 584(a)) for each taxable year of the fund shall be treated as items of tax preference of the participants of such fund and shall be apportioned pro rata among such participants. For purposes of this subsection, this part shall be treated as applying to such fund.

"(f) Regulated Investment Companies, Etc.—In the case of a regulated investment company to which part I of subchapter M applies or a real estate investment trust to which part II of subchapter M applies—

"(1) the item of tax preference set forth in section 57(a)(9) shall not be treated as an item of tax preferences of such company or such trust for each taxable year to the extent that such item is attributable to amounts taken into account as income by the shareholders of such company under section 852(b)(3), or by the shareholders or holders of beneficial interests of such trust under section 857(b)(3), and

"(2) the items of tax preference of such company or such trust for each taxable year (other than the item of tax preference set forth in section 57(a)(9) and, in the case of a real estate investment trust, the item of tax preference set forth in section 57(a)(2)) shall be treated as items of tax preference of the shareholders of such company, or the shareholders or holders of beneficial interests of such trust (and not as items of tax preference of such company or such trust), in the same proportion that the dividends (other than capital gain dividends) paid to each such shareholder, or holder of beneficial interest, bears to the taxable income of such company or such trust determined without regard to the deduction for dividends paid.

"(g) Tax Preferences Attributable to Foreign Sources.—

"(1) In general.—For purposes of section 56, the items of tax preference set forth in section 57(a) (other than in paragraphs (6) and (9) of such section) which are attributable to sources within any foreign country or possession of the United States shall be taken into account only to the extent that such items reduce the tax imposed by this chapter (other than the tax imposed by section 56) on income derived from sources within the United States. For purposes of the preceding sentence, items of tax preference shall be treated as reducing the tax imposed by this chapter before items which are not items of tax preference.

"(2) Capital gains and stock options.—For purposes of section 56, the items of tax preferences set forth in paragraphs (6) and (9) of section 57(a) which are attributable to sources within any foreign country or possession of the United States shall not be taken into account if, under the tax laws of such country or possession—

"(A) in the case of the item set forth in paragraph (6) of section 57(a), preferential treatment is not accorded transfers of shares of stock pursuant to stock options described in such paragraph, and

"(B) in the case of the item set forth in paragraph (9) of section 57(a), preferential treatment is not accorded gain from the sale or exchange of capital assets (or property treated as capital assets)."

(b) Technical and Conforming Amendments—

(1) The table of parts for subchapter A of chapter 1 is amended by adding at the end thereof the following new item:

"Part VI. Minimum tax for tax preferences."

(2) Section 5(a) (relating to cross references to other rates of tax on individuals, etc.) is amended by adding at the end thereof the following new paragraph:

"(5) For minimum tax for tax preferences, see section 56."

(3) Section 12 (relating to cross references relating to tax on corporations) is amended by adding at the end thereof the following new paragraph:

"(8) For minimum tax for tax preferences, see section 56."

(4) Section 46(a)(3) (relating to liability for tax for determining amount of investment credit) is amended by inserting "section 56 (relating to minimum tax for tax preferences)," before "section 531".

(5) Section 51(b)(1) (relating to adjusted tax for purposes of tax surcharge) is amended by inserting "section 56," after "this section,".

(6) Section 443 (relating to returns for a period of less than 12 months) is amended by redesignating subsection (d) as subsection (e) and inserting after subsection (c) the following new subsection:

"(d) Adjustment in Exclusion for Computing Minimum Tax for Tax Preferences.—If a return is made for a short period by reason of subsection (a), then the $30,000 amount specified in section 56 (relating to minimum tax for tax preferences), modified as provided by section 58, shall be reduced to the amount which the same ratio to such specified amount as the number of days in the short period bears to 365."

(7) Section 453(c)(3) (relating to rule for change from accrual to installment basis) is amended by inserting ", other than by section 56," after "prior revenue laws)".

(8) Section 511 (relating to tax on unrelated business income of charitable, etc., organizations) is amended by adding after subsection (c) (as added by section 121(a)(3) of this Act) the following new subsection:

"(d) Tax Preferances.—The tax imposed by section 56 shall apply to an organization subject to tax under this section with respect to items of tax preference which enter into the computation of unrelated business taxable income."

(9) The last sentence of section 901(a) (relating to allowance of credit for taxes of foreign countries and of possessions of the United States) is amended by inserting "against the tax imposed by section 56 (relating to minimum tax for tax preferences)," after "not be allowed".

(10) Section 1373(c) (relating to definition of undistributed taxable income) is amended by striking out "tax imposed by section 1378(a)" and inserting in lieu thereof "taxes imposed by sections 56 and 1378(a)".

(11) Section 1375(a)(3) (relating to reduction for taxes imposed) is amended—

(A) by striking out "tax imposed by section 1378" in the heading of such section and inserting in lieu thereof "taxes imposed"; and

(B) by striking out "tax imposed by section 1378(a) on the income of" in teh text of such section and inserting in lieu thereof "taxes imposed by sections 56 and 1378(a) on".

(12) Section 6015(c) (relating to definition of estimated tax) is amended by inserting after "taxable year" in paragraph (1) "(other than the tax imposed by section 56)".

(13) Section 6654(f) (relating to definition of tax) is amended by inserting after "chapter 1" in paragraph (1) "(other than by section 56)".

(c) Effective Date.—The amendments made by this section shall apply to taxable years ending after December 31, 1969. In the case of a taxable year beginning in 1969 and ending in 1970, the tax imposed by section 56 of the Internal Revenue Code of 1954 (as added by subsection (a)) shall be an amount equal to the tax imposed by such section (determined without regard to this sentence) multiplied by a fraction—

(1) the numerator of which is the number of days in the taxable year occurring after December 31, 1969, and

(2) the denominator of which is the number of days in the entire taxable year.

Subtitle B—Income Averaging

Sec. 311. Income Averaging

(a) Limitation on Tax.—Section 1301 (relating to limitation on tax) is amended by striking out "20 percent of such income" and all that follows and inserting in lieu thereof "20 percent of such income to 120 percent of average base period income."

(b) Averagable Income.—Section 1302 (relating to the definition of averagable income and related definitions) is amended to read as follows:

"Sec. 1302. Definition of Averagable Income Related Definitions.

"(a) Averagable Income.—

"(1) In general.—For purposes of this part, the term 'averagable income' means the amount by which taxable income for the computation year (reduced as provided in paragraph (2)) exceeds 120 percent of average base period income.

"(2) Reductions.—The taxable income for the computation year shall be reduced by—

"(A) the amount (if any) to which section 72(m)(5) applies, and

"(B) the amounts included in the income of a beneficiary of a trust under section 668(a)

"(b) Average Base Period Income.—For purposes of this part—

"(1) In general.—The term 'average base period income' means one-fourth of the sum of the base period incomes for the base period.

"(2) Base period income.—The base period income for any taxable year is the taxable income for such year—

"(A) increased by an amount equal to the excess of—

"(i) the amount excluded from gross income under section 911 (relating to earned income from sources without the United States) and subpart D of part III of subchapter N (sec. 931 and following, relating to income from sources within possessions of the United States), over

"(ii) the deductions which would have been properly allocable to or chargeable against such amount but for the exclusion of such amount from gross income; and

"(B) decreased by the amounts included in the income of a beneficiary or a trust under section 668(a).

"(c) Other Related Definitions.—For purposes of this part—

"(1) Computation year.—The term 'computation year' means the taxable year for which the taxpayer chooses the benefits of this part.

"(2) Base period.—The term 'base period' means the 4 taxable years immediately preceding the computation year.

"(3) Base period year.—The term 'base period year' means any of the 4 taxable years immediately preceding the computation year.

"(4) Joint return.—The term 'joint return' means the return of a husband and wife made under section 6013."

(c) Special Rules.—Section 1304(b) (relating to special rules applicable to income averaging) is amended—

(1) by striking out "and" at the end of paragraph (3);

(2) by striking out the period at the end of paragraph (4) and inserting in lieu thereof a comma; and

(3) by adding at the end thereof the following new paragraphs:

"(5) section 1201(b) (relating to alternative capital gains tax), and

"(6) section 1348 (relating to 50-percent maximum rate on earned income)."

(d) Conforming Amendments.—

(1) Section 1303(c)(2)(B) is amended by striking out "adjusted".

(2) Section 1304 is amended—

(A) by striking out paragraph (3) of subsection (c) and by redesignating paragraphs (4) and (5) of such subsections as paragraphs (3) and (4), respectively;

(B) by striking out "Paragraphs (2), (3), and (4)" in subsection (c)(1) and inserting in lieu thereof "Paragraphs (2) and (3)";

(C) by striking out "paragraph (4)" in subsection (c)(1)(B) and inserting in lieu thereof "paragraph (3)";

(D) by striking out "adjusted" in subparagraph (B) of subsection (c)(3) (as redesignated);

(E) by striking out in subsection (d) ", and the $3,000 figure contained in section 1302 (b)(2)(C) shall be applied to the aggregate net incomes";

(F) by striking out subsections (e) and (f) and inserting in lieu thereof the following:

"(e) Treatment of Certain Other Items.—

"(1) Section 72(m)(5).—Section 72(m)(5) (relating to penalties applicable to certain amounts received by owner-employees) shall be applied as if this part had not been enacted.

"(2) Other items.—Except as otherwise provided in this part, the order and manner in which items of income or limitations on tax shall be taken into account in computing the tax imposed by this chapter on the income of any eligible individuals to whom section 1301 applies for any computation year shall be determined under regulations prescribed by the Secretary or his delegate."; and

(G) by redesignating subsection (g) as (f).

(3) Section 6511(d)(2)(B)(ii) is amended—

(A) by striking out "1302(e)(1)" and inserting in lieu thereof "1302(c)(1)"; and

(B) by striking out "1302(e)(3)" and inserting in lieu thereof "1302(c)(3)".

(e) Effective Date.—The amendments made by this section shall apply with respect to computation years (within the meaning of section 1302(c)(1) of the Internal Revenue Code of 1954) beginning after December 31, 1969, and to base period years (within the meaning of section 1302(c)(3) of such Code) applicable to such computation years.

Subtitle C—Restricted Property

Sec. 321. Restricted Property.

(a) In General.—Part II of subchapter B of chapter 1 (relating to items specifically included in gross income) is amended by adding after section 82 (as added by section 321(b) of this Act) the following new section:

"Sec. 83. Property Transferred in Connection With Performance of Services.

"(a) General Rule.—If, in connection with the performance of services, property is transferred to any person other than the person for whom such services are performed, the excess of—

"(1) the fair market value of such property (determined without regard to any restriction other than a restriction which by its terms will never lapse) at the first time the rights of the person having the beneficial interest in such property are transferable or are not subject to a substantial risk of forfeiture, whichever occurs earlier, over

"(2) the amount (if any) paid for such property,

shall be included in the gross income of the person who performed such services in the first taxable year in which the rights of the person having the beneficial interest in such property are transferable or are not subject to a substantial risk of forfeiture, whichever is applicable. The preceding sentence shall not apply if such person sells or otherwise disposes of such property in an arm's length transaction before his rights in such property become transferable or not subject to a substantial risk of forfeiture.

"(b) Election To Include in Gross Income in Year of Transfer.—

"(1) In general.—Any person who performs services in connection with which property is transferred to any person may elect to include in his gross income, for the taxable year in which such property is transferred, the excess of—

"(A) the fair market value of such property at the time of transfer (determined without regard to any restriction other than a restriction which by its terms will never lapse), over

"(B) the amount (if any) paid for such property.

If such election is made, subsection (a) shall not apply with respect to the transfer of such property, and if such property is subsequently forfeited, no deduction shall be allowed in respect of such forfeiture.

"(2) Election.—An election under paragraph (1) with respect to any transfer of property shall be made in such manner as the Secretary or his delegate prescribes and shall be made not later than 30 days after the date of such transfer (or, if later, 30 days after the date of the enactment of the Tax Reform Act of 1969). Such election may not be revoked except with the consent of the Secretary or his delegate.

"(c) Special Rules.—For purposes of this section—

"(1) Substantal risk of forfeiture.—The rights of a person in property are subject to a substantial risk of forfeiture if such person's rights to full enjoyment of such property are conditioned upon the future performance of substantial services by any individual.

"(2) Transferability of property.—The rights of a person in property are transferable only if the rights in such property of any transferee are not subject to a substantial risk of forfeiture.

"(d) Certain Restrictions Which Will Never Lapse.—

"(1) Valuation.—In the case of property subject to a restriction which by its terms will never lapse, and which allows the transferee to sell such property only at a price determined under a formula, the price so determined shall be deemed to be the fair market value of the property unless established to the contrary by the Secretary or his delegate, and the burden of proof shall be on the Secretary or his delegate with respect to such value.

"(2) Cancellation.—If, in the case of property subject to a restriction which by its terms will never lapse, the restriction is canceled, then, unless the taxpayer establishes—

"(A) that such cancellation was not compensatory, and

"(B) that the person, if any, who would be allowed a deduction if the cancellation were treated as compensatory, will treat the transaction as not compensatory, as evidenced in such manner as the Secretary or his delegate shall prescribe by regulations,

the excess of the fair market value of the property (computed without regard to the restrictions) at the time of cancellation over the sum of—

"(C) the fair market value of such property (computed by taking the restriction into account) immediately before the cancellation, and

"(D) the amount, if any, paid for the cancellation,

shall be treated as compensation for the taxable year in which such cancellation occurs.

"(e) Applicability of Section.—This section shall not apply to—

"(1) a transaction to which section 421 applies,

"(2) a transfer to or from a trust described in section 401(a) or a transfer under an annuity plan which meets the requirements of section 404(a)(2),

"(3) the transfer of an option without a readily ascertainable fair market value, or

"(4) the transfer of property pursuant to the exercise of an option with a readily ascertainable fair market value at the date of grant.

"(f) Holding Period.—In determining the period for which the taxpayer has held property to which subsection (a) applies, there shall be included only the period beginning at the first time his rights in such property are transferable or are not subject to a substantial risk of forfeiture, whichever occurs earlier.

"(g) Certain Exchanges.—If property to which subsection (a) applies is exchanged for property subject to restrictions and conditions substantially similar to those to which the property given in such exchange was subject, and if section 354, 355, 356, or 1036 (or so much of section 1031 as relates to section 1036) applied to such exchange, or if such exchange was pursuant to the exercise of a conversion privilege—

"(1) such exchange shall be disregarded for purposes of subsection (a), and

"(2) the property received shall be treated as property to which subsection (a) applies.

"(h) Deduction by Employer.—In the case of a transfer of property to which this section applies or a cancellation of a restriction described in subsection (d), there shall be allowed as a deduction under section 162, to the person for whom were performed the services in connection with which such property was transferred, an amount equal to the amount included under subsection (a), (b), or (d)(2) in the gross income of the person who performed such services. Such deduction shall be allowed for the taxable year of such person in which or with which ends the taxable year in which such amount is included in the gross income of the person who performed such services.

"(i) Transition Rules.—This section shall apply to property transferred after June 30, 1969, except that this section shall not apply to property transferred—

"(1) pursuant to a binding written contract entered into before April 22, 1969,

"(2) upon the exercise of an option granted before April 22, 1969,

"(3) before May 1, 1970, pursuant to a written plan adopted and approved before July 1, 1969,

"(4) before January 1, 1973, upon the exercise of an option granted pursuant to a binding written contract entered into before April 22, 1969, between a corporation and the transferor requiring the transferor to grant options to employees of such corporation (or a subsidiary of such corporation) to purchase a determinable number of shares of stock of such corporation, but only if the transferee was an employee of such corporation (or a subsidiary of such corporation) on or before April 22, 1969," or

"(5) in exchange for (or pursuant to the exercise of a conversion privilege contained in) property transferred before July 1, 1969, or for property to which this section does not apply (by reason of paragraph (1), (2), (3), or (4)), if section 354, 355, 356, or 1036 (or so much of section 1031 as relates to section 1036) applies, or if gain or loss is not otherwise required to be recognized upon the exercise of such conversion privilege, and if the property received in such exchange is subject to restrictions and conditions substantially similar to those to which the property given in such exchange was subject."

(b) Nonexempt Trusts and Nonqualified Annuities.—

(1) Beneficiary of nonexempt trust.—Section 402(b) (relating to taxability of beneficiary of nonexempt trust) is amended to read as follows:

"(b) Taxability of Beneficiary of Nonexempt Trust.—Contributions to an employees' trust made by an employer during a taxable year of the employer which ends within or with a taxable year of the trust for which the trust is not exempt from tax under section 501(a) shall be included in the gross income of the employee in accordance with section 83 (relating to property transferred in connection with performance of services), except that the value of the employee's interest in the trust shall be substituted for the fair market value of the property for purposes of applying such section. The amount actually distributed or made available to any distributee by any such trust shall be taxable to him in the year in which so distributed or made available, under section 72 (relating to annuities), except that distributions of income of such trust before the annuity starting date (as defined in section 72(c)(4) shall be included in the gross income of the employee without regard to section 72(e)(1) (relating to amount not received as annuities). A beneficiary of any such trust shall not be considered the owner of any portion of such trust under subpart E of part I of subchapter J (relating to grantors and others treated as substantial owners)."

(2) Beneficiary under nonqualified annuity.—Section 403 (relating to taxation of employee annuities) is amended by striking out subsections (c) and (d) and inserting in lieu thereof the following new subsection:

"(c) Taxability of Beneficiary Under Nonqualified Annuities or Under Annuities Purchased by Exempt Organizations.—Premiums paid by an employer for an annuity contract which is not subject to subsection (a) shall be included in the gross income of the employee in accordance with section 83 (relating to property transferred in connection with performance of services), except that the value of such contract shall be substituted for the fair market value of the property for purposes of applying such section. The preceding sentence shall not apply to that portion of the premiums paid which is excluded from gross income under subsection (b). The amount actually paid or made available to any beneficiary under such contract shall be taxable to him in the year in which so paid or made available under section 72 (relating to annuities)."

(3) Deductibility of employer contributions.—Section 404(a)(5) (relating to deduction for contributions of an employer to an employees' trust, etc.) is amended to read as follows:

"(5) Other plans.—If the plan is not one included in paragraph (1), (2), (3), in the taxable year in which an amount attributable to the contribution is includible in the gross income of employees participating in the plan, but, in the case of a plan in which more than one employee participates only if separate accounts are maintained for each employee."

(c) Clerical Amendment.—The table of sections for part II of subchapter B of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 83. Property transferred in connection with performance of services."

(d) Effective Dates.—The amendments made by subsections (a) and (c) shall apply to taxable years ending after June 30, 1969. The amendments made by subsection (b) shall apply with respect to contributions made and premiums paid after August 1, 1969.

Subtitle D—Accumulation Trusts, Multiple Trusts, Etc.

Sec. 331. Treatment of Excess Distributions by Trusts.

(a) In General.—Subpart D of part I of subchapter J of chapter 1 is amended to read as follows:

"Subpart D—Treatment of Excess Distributions by Trust

"Sec. 665. Definitions applicable to subpart D.
"Sec. 666. Accumulation distribution allocated to preceding years.
"Sec. 667. Denial of refund to trusts; authorization of credit to beneficiaries.
"Sec. 668. Treatment of amounts deemed distributed in preceding years.
"Sec. 669. Treatment of capital gain deemed distributed in preceding years.

"Sec. 665. Definitions Applicable to Subpart D.

"(a) Undistributed Net Income.—For purposes of this subpart the term 'undistributed net income' for any taxable year means the amount by which the distributable net income of the trust for such taxable year exceeds the sum of—

"(1) the amounts for such taxable year specified in paragraphs (1) and (2) of section 661(a), and

"(2) the amount of taxes imposed on the trust attributable to such distributable net income.

"(b) Accumulation Distribution.—For purposes of this subpart, the term 'accumulation distribution' means, for any taxable year of the trust, the amount by which—

"(1) the amounts specified in paragraph (2) of section 661(a) for such taxable year, exceed

"(2) distributable net income for such year reduced (but not below zero) by the amounts specified in paragraph (1) of section 661(a).

"(c) Special Rule Applicable to Distributions by Certain Foreign Trusts.—For purposes of this subpart, any amount paid to a United States person which is from a payor who is not a United States person and which is derived directly or indirectly from a foreign trust created by a United States person shall be deemed in the year of payment to have been directly paid by the foreign trust.

"(d) Taxes Imposed on the Trust.—For purposes of this subpart, the term 'taxes imposed on the trust' means the amount of the taxes which are imposed for any taxable year of the trust under this chapter (without regard to this subpart) and which, under regulations prescribed by the Secretary or his delegate, are properly allocable to the undistributed portions of distributable net income and gains in excess of losses from sales or exchange of capital assets. The amount determined in the preceding sentence shall be reduced by any amount of such taxes deemed distributed under section 666 (b) and (c) or 669 (d) and (e) to any beneficiary.

"(e) Preceding Taxable Year.—For purposes of this subpart—

"(1) in the case of a trust (other than a foreign trust created by a United States person), the term 'preceding taxable year' does not include any taxable year of the trust—

"(A) which precedes by more than 5 years the taxable year of the trust in which an accumulation distribution is made, if it is made in a taxable year beginning before January 1, 1974.

"(B) which begins before January 1, 1969, in the case of an accumulation distribution made during a taxable year beginning after December 31, 1973, or

"(C) which begins before January 1, 1969, in the case of a capital gain distribution made during a taxable year beginning after December 31, 1968; and

"(2) in the case of a foreign trust created by a United States person, such term does not include any taxable year of the trust to which this part does not apply.

In the case of a preceding taxable year with respect to which a trust qualifies (without regard to this subpart) under the provisions of subpart B, for purposes of the application of this subpart to such trust for such taxable year, such trust shall, in accordance with regulations prescribed by the Secretary or his delegate, be treated as a trust to which subpart C applies.

"(f) Undistributed . Capital Gain.—For purposes of this subpart, the term 'undistributed capital gain' means, for any taxable year of the trust beginning after December 31, 1968, the amount by which—

"(1) gains in excess of losses from the sale or exchange of capital assets, to the extent that such gains are allocated to corpus and are not (A) paid, credited, or required to be distributed to any beneficiary during such taxable year, or (B) paid, permanently set aside, or used for the purposes specified in section 642(c), exceed

"(2) the amount of taxes imposed on the trust atributable to such gains.

For purposes of paragraph (1), the deduction under section 1202 (relating to deduction for excess of capital gains over capital losses) shall not be taken into account.

"(g) Capital Gain Distribution.—For purposes of this subpart, the term 'capital gain distribution' for any taxable year of the trust means, to the extent of undistributed capital gain for such taxable year, that portion of—

"(1) the excess of the amounts specified in paragraph (2) of section 661(a) for such taxable year over distributable net income for such year reduced (but not below zero) by the amounts specified in paragraph (1) of section 661(a), over

"(2) the undistributed net income of the trust for all preceding taxable years.

"Sec. 666. Accumulation Distribution Allocated to Preceding Years

"(a) Amount Allocated.—In the case of a trust which is subject to subpart C, the amount of the accumulation distribution of such trust for a taxable year shall be deemed to be an amount within the meaning of paragraph (2) of section 661(a) distributed on the last day of each of the preceding taxable years, commencing with the earliest of such years, to the extent that such amount exceeds the total of any undistributed net income for all earlier preceding taxable years. The amount deemed to be distributed in any such preceding taxable year under the preceding sentence shall not exceed the undistributed net income for such preceding taxable years. For purposes of this subsection, undistributed net income for each of such preceding taxable years shall be computed without regard to such accumulation distribution and without regard to any accumulation distribution determined for any succeeding taxable years.

"(b) Total Taxes Deemed Distributed.—If any portion of an accumulation distribution for any taxable year is deemed under subsection (a) to be an amount within the meaning of paragraph (2) of section 661(a) distributed on the last day of any preceding taxable year, and such portion of such distribution is not less than the undistributed net income for such preceding taxable year, the trust shall be deemed to have distributed on the last day of such preceding taxable year an additional amount within the meaning of paragraph (2) of section 661(a). Such additional amount shall be equal to the taxes imposed on the trust for such preceding taxable year attributable to the undistributed net income. For purposes of this subsection, the undistributed net income and the taxes imposed on the trust for such preceding taxable year attributable to such undistributed net income shall be computed without regard to such accumulation distribution and without regard to any accumulation distribution determined for any succeeding taxable year.

"(c) Pro Rata Portion of Taxes Deemed Distributed.—If any portion of an accumulation distribution for any taxable year is deemed under subsection (a) to be an amount within the meaning of paragraph (2) of section 661(a) distributed on the last day of any preceding taxable year and such portion of the accumulation distribution is less than the undistributed net income for such preceding taxable year, the trust shall be deemed to have distributed on the last day of such preceding taxable year an additional amount within the meaning of paragraph (2) of section 661(a). Such additional amount shall be equal to the taxes imposed on the trust for such taxable year attributable to the undistributed net income multiplied by the ratio of the portion of the accumulation distribution to the undistributed net income of the trust for such year. For purposes of this subsection, the undistributed net income and the taxes imposed on the trust for such preceding taxable year attributable to such undistributed net income shall be computed without regard to the accumulation distribution and without regard to any accumulation distribution determined for any succeeding taxable year.

"(d) Rule When Information Is Not Available.—If adequate records are not available to determine the proper application of this subpart to an amount distributed by a trust, such amount shall be deemed to be an accumulation distribution consisting of undistributed net income earned during the earliest preceding taxable year of the trust in which it can be established that the trust was in existence.

"Sec. 667. Denial of Refund to Trusts; Authorization of Credit to Beneficiaries.

"(a) Denial of Refund to Trusts.—No refund or credit shall be allowed to a trust for any preceding taxable year by reason of a distribution deemed to have been made by such trust in such year under section 666 or 669.

"(b) Authorization of Credit to Beneficiary.—There shall be allowed as a credit (without interest) against the tax imposed by this subtitle on the beneficiary an amount equal to the amount of the taxes deemed distributed to such beneficiary by the trust under sections 666 (b) and (c) and 669 (d) and (e) during preceding taxable years of the trust on the last day of which the beneficiary was in being, reduced by the amount of the taxes deemed distributed to such beneficiary for such preceding taxable years to the extent that such taxes are taken into account under sections 668(b)(1) and 669 (b) in determining the amount of the tax imposed by section 668.

"Sec. 668. Treatment of Amounts Deemed Distributed in Preceding Years.

"(a) General Rule.—The total of the amounts which are treated under sections 666 and 669 as having been distributed by the trust in a preceding taxable year shall be included in the income of a beneficiary of the trust when paid, credited, or required to be distributed to the extent that such total would have been included in the income of such beneficiary under section 662(a)(2) and (b) if such total had been paid to such beneficiary on the last day of such preceding taxable year. The tax imposed by this subtitle on a beneficiary for a taxable year in which any such amount is included in his income shall be determined only as provided in this section and shall consist of the sum of—

"(1) a partial tax computed on the taxable income reduced by an amount equal to the total of such amounts, at the rate and in the manner as if this section had not been enacted, "(2) a partial tax determined as provided in subsection (b) of this section, and

"(3) in the case of a beneficiary of a trust which is not required to distribute all of its income currently, a partial tax determined as provided in section 669.

For purposes of this subpart, a trust shall not be considered to be a trust which is not required to distribute all of its income currently for any taxable year prior to the first taxable year in which income is accumulated.

"(b) Tax on Distribution.—

"(1) Alternative methods.—Except as provided in paragraph (2), the partial tax imposed by subsection (a)(2) shall be the lesser of—

"(A) the aggregate of the taxes attributable to the amounts deemed distributed under section 666 had they been included in the gross income of the beneficiary on the last day of each respective preceding taxable year, or

"(B) the tax determined by multiplying, by the number of preceding taxable years of the trust, on the last day of which an amount is deemed under section 666(a) to have been distributed, the average of the increase in tax attributable to recomputing the beneficiary's gross income for each of the beneficiary's 3 taxable years immediately preceding the year of the accumulation distribution by adding to the income of each of such years an amount determined by dividing the amount deemed distributed under section 666 and required to be included in income under subsection (a) by such number of preceding taxable years of the trust,

less an amount equal to the amount of taxes deemed distributed to the beneficiary under sections 666 (b) and (c).

"(2) Special Rules.—

"(A) If a beneficiary was not in existence on the last day of a preceding taxable year of the trust with respect to which a distribution is deemed made under section 666(a), the partial tax under either paragraph (1)(A) or (1)(B) shall be computed as if the beneficiary were in existence on the last day of such year on the basis that the beneficiary had no gross income (other than amounts deemed distributed to him under sections 666 and 669 by the same or other trusts) and no deductions for such year.

"(B) The partial tax shall not be computed under the provisions of subparagraph (B) of paragraph (1) if, in the same prior taxable year of the beneficiary in which any part of the accumulation distribution is deemed under section 666(a) to have been distributed to such beneficiary, some part of prior accumulation distributions by each of two or more other trusts is deemed under section 666(a) to have been distributed to such beneficiary.

"(C) If the partial tax is computed under paragraph (1)(B), and the amount of the undistributed net income deemed distributed in any preceding taxable year of the trust is less than 25 percent of the amount of the accumulation distribution divided by the number of preceding taxable years to which the accumulation distribution is allocated under section 666(a), the number of preceding taxable years of the trust with respect to which an amount is deemed distributed to a beneficiary under section 666(a) shall be determined without regard to such year.

"(3) Effect of other accumulation distributions and capital gain distributions.—In computing the partial tax under paragraph (1) for any beneficiary, the income of such beneficiary for each of his prior taxable years—

"(A) shall include amounts previously deemed distributed to such beneficiary in such year under section 666 or 669 as a result of prior accumulation distributions or capital gain distributions (whether from the same or another trust), and

"(B) shall not include amounts deemed distributed to such beneficiary in such year under section 669 as a result of a capital gain distribution from the same trust in the current year.

"(4) Multiple distributions in the same taxable year.—In the case of accumulation distributions made from more than one trust which are includible in the income of a beneficiary in the same taxable year, the distributions shall be deemed to have been made consecutively in whichever order the beneficiary shall determine.

"(5) Information requirements with respect to beneficiary.—

"(A) Except as provided in subparagraph (B), the partial tax shall not be computed under the provisions of paragraph (1)(A) unless the beneficiary supplies such information with respect to his income, for each taxable year with which or in which ends a taxable year of the trust on the last day of which an amount is deemed distributed under section 666(a), as the Secretary or his delegate prescribes by regulations.

"(B) If by reason of paragraph (2)(B) the provisions of paragraph (1)(B) do not apply, the determination of the amount of the beneficiary's income for a taxable year for which the beneficiary has not supplied the information required under subparagraph (A) shall be made by the Secretary or his delegate on the basis of information available to him.

"Sec. 669. Treatment of Capital Gain Deemed Distributed in Preceding Years.

"(a) Amount Allocated.—In the case of a trust which is not required to distribute all of its income currently, the amount of a capital gain distribution of such trust for a taxable year shall be deemed to be an amount properly paid, credited, or required to be distributed on the last day of each of the preceding taxable years, commencing with the earliest of such years, to the extent that such amount exceeds the total of any undistributed capital gain for all earlier preceding taxable years. The amount deemed to be distributed in any such preceding taxable year under the preceding sentence shall not exceed the undistributed capital gain for such preceding taxable year. For purposes of this subsection, undistributed capital gain for each of such preceding taxable years shall be computed without regard to such capital gain distribution and without regard to any capital gain distribution determined for any succeeding taxable year.

"(b) Tax on Distribution.—The partial tax imposed by section 668(a)(3) shall be the lesser of—

"(1) the aggregate of the taxes attributable to the amounts deemed distributed under this section, had such been included in the gross income of the beneficiary on the last day of each respective preceding taxable year, or

"(2) the tax determined by multiplying by the number of preceding taxable years of the trust, on the last day of which net gains from the sale or exchange of capital assets are deemed under subsection (a) to have been distributed, the average of the increase in tax attributable to recomputing the beneficiary's gross income for each of the beneficiary's 3 taxable years immediately preceding the year of the capital gain distribution by adding to the income of each of such years on amount determined by dividing the total of the amounts deemed distributed under this section and required to be included in income under section 668(a) by such number of preceding taxable years of the trust,

less an amount equal to the amount of taxes deemed distributed to the beneficiary under subsections (d) and (e) which are attributable to the capital gain distribution.

"(3) Effect of Other Distributions; Special Rules, Etc.—In computing the partial tax under subsection (b) for any beneficiary, the income of such beneficiary for each of his prior taxable years—

"(1) shall include amounts previously deemed distributed to such beneficiary in such year under section 666 or 669 as a result of prior accumulation distributions or capital gain distributions (whether from the same or another trust), and

"(2) shall include amounts deemed distributed to such beneficiary in such year under section 666 as a result of an accumulation distribution from the same trust in the current year.

Under regulations prescribed by the Secretary or his delegate, rules similar to the rules provided by paragraphs (2), (4), and (5) of section 668(b) shall be applied for purposes of this section.

"(d) Total Taxes Deemed Distributed.—If any portion of a capital gain distribution for any taxable year is deemed under subsection (a) to be an amount properly paid, credited or required to be distributed on the last day of any preceding taxable year, and such portion of such capital gain distribution is not less than the undistributed capital gain for such preceding taxable year, the trust shall be deemed to have properly distributed on the last day of such preceding taxable year an additional amount. Such additional amount shall be equal to the taxes imposed on the trust for such preceding taxable year attributable to such undistributed capital gain. For purposes of this subsection, the undistributed capital gain and the taxes imposed on the trust for such preceding taxable year attributable to such gain shall be computed without regard to such capital gain distribution and without regard to any capital gain distribution determined for any succeeding taxable year.

"(e) Pro Rata Portion of Taxes Deemed Distributed.—If any portion of a capital gain distribution for any taxable year is deemed under subsection (a) to be an amount properly paid, credited, or required to be distributed on the last day of any preceding taxable year and such portion of the capital gain distribution is less than the undistributed capital gain for such preceding taxable year, the trust shall be deemed to have properly distributed on the last day of such preceding taxable year an additional amount. Such additional amount shall be equal to the taxes imposed on the trust for such taxable year attributable to such undistributed capital gain multiplied by the ratio of the portion of the capital gain distribution to the undistributed caiptal gain of the trust for such year. For purposes of this subsection, the undistributed capital gain and the taxes imposed on the trust for such preceding taxable year attributable to such gain shall be computed without regard to the capital gain distribution and without regard to any capital gain distribution determination for any succeeding taxable year.

"(f) Character of Capital Gain.—For purposes of this section, the character of the capital gain of a trust for any taxable year with respect to a beneficiary shall be the same as it was with respect to the trust."

(b) Distributions in First Sixty-Five Days of Taxable Year.—Section 663(b)(2) (relating to limitation on sixty-five day rule) is amended to read as follows:

"(2) Limitation.—Paragraph (1) shall apply with respect to any taxable year of a trust only if the fiduciary of such trust elects, in such manner and at such time as the Secretary or his delegate prescribes by regulations, to have paragraph (1) apply for such taxable year."

(c) Excessive Credits.—Section 6401(b) (relating to excessive credits) is amended—

(1) by striking out "Under Sections 31 and 39" in the heading of such section;

(2) by striking out "and 39 (relating" in

the text of such section and inserting in lieu thereof ", 39 (relating"; and

(3) by inserting after "lubricating oil)" in the text of such section "and 667(b) (relating to taxes paid by certain trusts)".

(d) Effective Date.—

(1) General rule.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to taxable years beginning after December 31, 1968.

(2) Exceptions.—

(A) Amounts paid, credited, or required to be distributed by a trust (other than a foreign trust created by a United States person) on or before the last day of a taxable year of the trust beginning before January 1, 1974, shall not be deemed to be accumulation distributions to the extent that such amounts were accumulated by a trust in taxable years of such trust beginning before January 1, 1969, and would have been excepted from the definition of an accumulation distribution by reason of paragraphs (1), (2), (3), or (4) of section 665(b) of the Internal Revenue Code of 1954, as in effect on December 31, 1968, if they had been distributed on the last day of the last taxable year of the trust beginning before January 1, 1969.

(B) For taxable years of a trust beginning before January 1, 1970, the first sentence of section 666(a) of the Internal Revenue Code of 1954 (as amended by this section) shall not apply, and the amount of the accumulation distribution of the trust for such taxable years shall be deemed to be an amount within the meaning of paragraph (2) of section 661(a) distributed on the last day of each of the preceding taxable years to the extent that such amount exceeds the total of any undistributed net income for any taxable years intervening between the taxable year with respect of which the accumulation distribution is determined and such preceding taxable year.

(C) In the case of a trust which was in existence on December 31, 1969, section 669 of the Internal Revenue Code of 1954, as amended by this section, shall not apply to capital gain distributions made to a beneficiary before January 1, 1972. If the beneficiary receives capital gain distributions from more than one such trust before January 1, 1972, the preceding sentence shall apply to capital gain distributions from only one of such trusts, such one to be designated by the taxpayer in accordance with regulations prescribed by the Secretary or his delegate. For purposes of the preceding sentence, capital gain distributions received from a trust qualifying under section 2056 (b)(5) of the Internal Revenue Code of 1954 by a surviving spouse (who is the beneficiary of only one such trust) shall be disregarded.

Sec. 332. Trust Income for Benefit of a Spouse.

(a) Income for Benefit of Grantor's Spouse.—

(1) Paragraphs (1), (2), and (3) of section 677(a) (relating to income for benefit of grantor) are amended by striking out "the grantor" each place it appears and inserting in lieu thereof "the grantor or the grantor's spouse".

(2) Section 677(b) is amended by striking out "beneficiary" and inserting in lieu thereof "beneficiary (other than the grantor's spouse)".

(b) Effective Date.—The amendments made by subsection (a) shall apply in respect of property transferred in trust after October 9, 1969.

TITLE IV—ADJUSTMENTS PRIMARILY AFFECTING CORPORATIONS

Subtitle A—Multiple Corporations

Sec. 401. Multiple Corporations.

(a) In General.—

(1) Section 1561 (relating to surtax exemptions in case of certain controlled corporations) is amended to read as follows:

"Sec. 1561. Limitations on Certain Multiple Tax Benefits in the Case of Certain Controlled Corporations.

"(a) General Rule.—The component members of a controlled group of corporations on a December 31 shall, for their taxable years which include such December 31, be limited for purposes of this subtitle to—

"(1) one $25,000 surtax exemption under section 11(d),

"(2) one $100,000 amount for purposes of computing the accumulated earnings credit under section 535(c) (2) and (3), and

"(3) one $25,000 amount for purposes of computing the limitation on the small business deduction of life insurance companies under sections 804(a)(4) and 809(d)(10).

The amount specified in paragraph (1) shall be divided equally among the component members of such group on such December 31 unless all of such component members consent (at such time and in such manner as the Secretary or his delegate shall by regulations prescribe) to an apportionment plan providing for an unequal allocation of such amount. The amounts specified in paragraphs (2) and (3) shall be divided equally among the component members of such group on such December 31 unless the Secretary or his delegate prescribes regulations permitting an unequal allocation of such amounts.

"(b) Certain Short Taxable Years.—If a corporation has a short taxable year which does not include a December 31 and is a component member of a controlled group of corporations with respect to such taxable year, then for purposes of this subtitle—

"(1) the surtax exemption under section 11(d),

"(2) the amount to be used in computing the accumulated earnings credit under section 535(c) (2) and (3), and

"(3) the amount to be used in computing the limitation on the small business deduction of life insurance companies under sections 804(a)(4) and 809(d)(10),

of such corporation for such taxable year shall be the amount specified in subsection (a) (1), (2), or (3), as the case may be, divided by the number of corporations which are component members of such group on the last day of such taxable year. For purposes of the preceding sentence, section 1563 (b) shall be applied as if such last day were substituted for December 31."

(2) Section 1562 (relating to privilege of groups to elect multiple surtax exemptions) is repealed.

(3) The table of sections for part II of subchapter B of chapter 6 is amended by striking out the items relating to sections 1561 and 1562 and inserting in lieu thereof the following:

"Sec. 1561. Limitations on certain multiple tax benefits in the case of certain controlled corporations."

(b) Transitional Rules for Controlled Groups of Corporations.—

(1) Part II of subchapter B of chapter 6 (relating to certain controlled corporations) is amended by adding at the end thereof the following new section:

"Sec. 1564. Transtional Rules in the Case of Certain Controlled Corporations.

"(a) Limitation on Additional Benefits.—

"(1) In general.—With respect to any December 31 after 1969 and before 1975, the amount of—

"(A) each additional $25,000 surtax exemption under section 1562 in excess of the first such exemption,

"(B) each additional $100,000 amount under section 535(c) (2) and (3) in excess of the first such amount, and

"(C) each additional $25,000 limitation on the small business deduction of life insurance companies under sections 804(a)(4) and 809(d)(10) in excess of the first such limitation,

otherwise allowed to the component members of a controlled group of corporations for their taxable years which include such December 31 shall be reduced to the amount set forth in the following schedule:

"Taxable years including—	Surtax exemption	Amount under sec. 535(c) (2) and (3)	Small business deduction limitation
Dec. 31, 1970	$20,833	$83,333	$20,833
Dec. 31, 1971	16,667	66,667	16,667
Dec. 31, 1972	12,500	50,000	12,500
Dec. 31, 1973	8,333	33,333	8,333
Dec. 31, 1974	4,167	16,667	4,167

"(2) Election.—With respect to any December 31 after 1969 and before 1975, the component members of a controlled group of corporations shall elect (at such time and in such manner as the Secretary or his delegate shall by regulations prescribe) which component member of such group shall be allowed for its taxable year which includes such December 31 the surtax exemption, the amount under section 535(c) (2) and (3), or the small business deduction limitation which is not reduced under paragraph (1).

"(b) Dividends Received by Corporations.—

"(1) General rule.—If—

"(A) an election of a controlled group of corporations (as defined in paragraph (1), or in so much of paragraph (4) as relates to paragraph (1), of section 1563(a)) under section 1562(a) (relating to privilege of a controlled group of corporations to elect to have each of its component members make its returns without regard to section 1561) was made on or before April 22, 1969, and

"(B) such election is effective with respect to the taxable year of each component member of such group which includes December 31, 1969,

then, with respect to a dividend distributed on or before December 31, 1977, out of earnings and profits of a taxable year which includes a December 31 after 1969 and before 1975, subsections (a)(3) and (b) of section 243 (relating to dividends received by corporations) shall be applied to such component members comprising an affiliated group (as defined in section 243(b)(5)) in the manner set forth in paragraph (2).

"(2) Special rules.—

"(A) An election under section 243(b)(2) may be made for a taxable year which includes a December 31 after 1969 and before 1975, notwithstanding that an election under section 1562(a) is in effect for the taxable year.

"(B) Section 243(b)(1)(B)(ii) shall not apply with respect to a dividend distributed on or before December 31, 1977, out of earnings and profits of a taxable year which includes a December 31 after 1969 and before 1975 for which an election under section 1562(a) is in effect, and in lieu of the percentage specified in section 243(a)(3) with respect to such dividend, the percentage shall be the percentage set forth in the following schedule:

"If the dividend is distributed out of the earnings and profits of the distributing corporation's taxable year which includes—	The percentage shall be—
December 31, 1970	87½ percent.
December 31, 1971	90 percent.
December 31, 1972	92½ percent.
December 31, 1973	95 percent.
December 31, 1974	97½ percent.

"(C) For taxable years which include a December 31 after 1969 for which an election under section 1562(a) is in effect, section 243(b)(3)(C)(v) shall not be applied to limit the number of surtax exemptions.

"(c) Certain Short Taxable Years.—If—

"(1) a corporation has a short taxable year beginning after December 31, 1969, and ending before December 31, 1974, which does not include a December 31, and

"(2) such corporation is a component member of a controlled group of corporations with respect to such taxable year (determined by applying section 1563(b) as if the last day of such taxable year were substituted for December 31),

then subsections (a) and (b) shall be applied as if the day of such taxable year were the nearest December 31 to such day."

(2)(A) The first sentence of section 1562(b)(1) is amended by striking out "$25,000" and inserting in lieu thereof "the amount of such corporation's surtax exemption for such taxable year".

(B) Section 11(d) is amended by striking out "section 1561" and inserting in lieu thereof "section 1561 or 1564".

(C) Section 535(c)(5) is amended by striking out "section 1551" and inserting in lieu thereof "section 1551, and for limitation on such credit in the case of certain controlled corporations, see section 1561 and 1564".

(D) Section 804 is amended by adding after subsection (c) the following new subsection:

"(d) Cross Reference.—

"For reduction of the $25,000 amount provided in subsection (a)(4) in the case of certain controlled corporations, see sections 1561 and 1564."

(E) The table of sections for part II of subchapter B of chapter 6 is amended by adding at the end thereof the following:

"Sec. 1564. Transitional rules in the case of certain controlled corporations."

(c) Brother-Sister Controlled Groups.—Section 1563(a)(2) is amended to read as follows:

"(2) Brother-sister controlled group.—Two or more corporations if 5 or fewer persons who are individuals, estates, or trusts own (within the meaning of subsection (d)(2)) stock possessing—

"(A) at least 80 percent of the total combined voting power of all classes of stock entitled to vote or at least 80 percent of the total value of shares of all classes of the stock of each corporation, and

"(B) more than 50 percent of the total combined voting power of all classes of stock entitled to vote or more than 50 percent of the total value of shares of all classes of stock of each corporation, taking into account the stock ownership of each such person only to the extent such stock ownership is identical with respect to each such corporation."

(d) Excluded Stock Rules.—

(1) Section 1563(c)(2)(A) is amended by striking out "or" at the end of clause (ii); by striking out "stock." at the end of clause (iii) and inserting in lieu thereof "stock, or"; and by adding after clause (iii) the following new clause:

"(iv) stock in the subsidiary corporation owned (within the meaning of subsection (d)(2)) by an organization (other than the parent corporation) to which section 501 (relating to certain educational and charitable organizations which are exempt from tax) applies and which is controlled directly or indirectly by the parent corporation or subsidiary corporation, by an individual, estate, or trust that is a principal stockholder (within the meaning of clause (ii)) of the parent corporation, by an officer of the parent corporation, or by any combination thereof."

(2) Section 1563(c)(2)(B) is amended—

(A) by striking out "a person who is an individual, estate, or trust (referred to in this paragraph as 'common owner') owns" and inserting in lieu thereof "5 or fewer persons who are individuals, estates, or trusts (referred to in this subparagraph as 'common owners') own";

(B) by striking out "or" at the end of clause (i);

(C) by striking out in clause (ii) "such common owner", "the common owner", and "stock." and inserting in lieu thereof "any of such common owners", "any of the common owners", and "stock, or", respectively; and

(D) by adding after clause (ii) the following new clause:

"(iii) stock in such corporation owned (within the meaning of subsection (d)(2)) by an organization to which section 501 (relating to certain educational and charitable organizations which are exempt from tax) applies and which is controlled directly or indirectly by such corporation, by an individual, estate, or trust that is a principal stockholder (within the meaning of subparagraph (A)(ii)) of such corporation, by an officer of such corporation, or by any combination thereof."

(e) Investment Credit.—

(1) Section 46(a)(5) is amended to read as follows:

"(5) Controlled groups.—In the case of a controlled group, the $25,000 amount specified under paragraph (2) shall be reduced for each component member of such group by apportioning $25,000 among the component members of such group in such manner as the Secretary or his delegate shall by regulations prescribe. For purposes of the preceding sentence, the term 'controlled group' has the meaning assigned to such term by section 1563(a)."

(2) Section 48(c)(2)(C) is amended to read as follows:

"(C) Controlled groups.—In the case of a controlled group, the $50,000 amount specified under subparagraph (A) shall be reduced for each component member of the group by apportioning $50,000 among the component members of such group in accordance with their respective amounts of used section 38 property which may be taken into account."

(3) Section 48(c)(3)(C) is amended to read as follows:

"(C) Controlled group.—The term "controlled group' has the meaning assigned to such term by section 1563(a), except that the phrase 'more than 50 percent' shall be substituted for the phrase 'at least 80 percent' each place it appears in section 1563(a)(1)."

(4) Section 48(d)(2) is amended to read as follows:

"(2) if such property is leased by a corporation which is a component member of a controlled group (within the meaning of section 46(a)(5)) to another corporation which is a component member of the same controlled group, the basis of such property to the lessor."

(f) Additional First-Year Depreciation.—Section 179(d) is amended—

(1) by amending paragraph (2)(B) to read as follows:

"(B) the property is not acquired by one component member of a controlled group from another component member of the same controlled group, and"; and

(2) by amending paragraphs (6) and (7) to read as follows:

"(6) Dollar limitation of controlled group.—For purposes of substitution (b) of this section—

"(A) all component members of a controlled group shall be treated as one taxpayer, and

"(B) the Secretary or his delegate shall apportion the dollar limitation contained in such subsection (b) among the component members of such controlled group in such manner as he shall by regulations prescribe.

"(7) Controlled group defined.—For purposes of paragraphs (2) and (6), the term 'controlled group' has the meaning assigned to it by section 1563(a); except that, for such purposes, the phrase 'more than 50 percent' shall be substituted for the phrase 'at least 80 percent' each place it appears in section 1563(a)(1)."

(g) Retroactive Termination of Section 1562 Elections.—If an affiliated group of corporations makes a consolidated return for the taxable year which includes December 31, 1970 (hereinafter in this subsection referred to as "1970 consolidated return year"), then on or before the due date prescribed by law (including any extensions thereof) for filing such consolidated return such affiliated group of corporations may terminate the election under section 1562 of the Internal Revenue Code of 1954 with respect to any prior December 31 which is included in a taxable year of any of such corporations from which there is a net operating loss carryover to the 1970 consolidated return year. A termination of an election under this subsection shall be valid only if it meets the requirements of sections 1562(c)(1) and 1962(e) of such Code (other than making the termination before the expiration of the 3-year period specified in section 1562(e)).

(h) Effective Dates.—

(1) The amendments made by subsection (a) shall apply with respect to taxable years beginning after December 31, 1974.

(2) The amendments made by subsection (b) shall apply with respect to taxable years beginning after December 31, 1969.

(3) The amendments made by subsections (c), (d), (e), and (f) shall apply with respect to taxable years ending on or after December 31, 1970.

Subtitle B—Debt-Financed Corporate Acquisitions and Related Problems

Sec. 411. Interest on Indebtedness Incurred by Corporation To Acquire Stock or Assets of Another Corporation.

(a) Disallowance of Interest Deduction.—Part IX of subchapter B of chapter 1 (relating to items not deductible) is amended by adding at the end thereof the following new section:

"Sec. 279. Interest on Indebtedness Incurred by Corporation to Acquire Stock or Assets of Another Corporation.

"(a) General Rule.—No deduction shall be allowed for any interest paid or incurred by a corporation during the taxable year with respect to its corporate acquisition indebtedness to the extent that such interest exceeds—

"(1) $5,000,000, reduced by

"(2) the amount of interest paid or incurred by such corporation during such year on obligation (A) issued after December 31, 1967, to provide consideration for an acquisition described in paragraph (1) of subsection (b), but (B) which are not corporate acquisition indebtedness.

"(b) Corporate Acquisition Indebtedness.—For purposes of this section, the term 'corporate acquisition indebtedness' means any obligation evidenced by a bond, debenture, note, or certificate or other evidence of indebtedness issued after October 9, 1969, by a corporation (hereinafter in this section referred to as 'issuing corporation') if—

"(1) such obligation is issued to provide consideration for the acquisition of—

"(A) stock in another corporation (hereinafter in this section referred to as 'acquired corporation'), or

"(B) assets of another corporation (hereinafter in this section referred to as 'acquired corporation') pursuant to a plan under which at least two-thirds (in value) of all the assets (excluding money) used in trades and businesses carried on by such corporation are acquired,

"(2) such obligation is either—

"(A) subordinated to the claims of trade creditors of the issuing corporation generally, or

"(B) expressly subordinated in right of payment to the payment of any substantial amount of unsecured indebtedness, whether outstanding or subsequently issued, of the issuing corporation.

"(3) the bond or other evidence of indebtedness is either—

"(A) convertible directly or indirectly into stock of the issuing corporation, or

"(B) part of an investment unit or other arrangement which includes, in addition to such bond or other evidence of indebtedness, an option to acquire, directly or indirectly, stock in the issuing corporation, and

"(4) as of a day determined under subsection (c)(1), either—

"(A) the ratio of debt to equity (as defined in subsection (c)(2)) of the issuing corporation exceeds 2 to 1, or

"(B) the projected earnings (as defined in subsection (c)(3)) do not exceed 3 times the annual interest to be paid or incurred (determined under subsection (c)(4)).

"(c) Rules for Application of Subsection (b)(4).—For purposes of subsection (b)(4)—

"(1) Time of determination.—Determinations are to be made as of the last day of any taxable year of the issuing corporation in which it issues any obligation to provide consideration for an acquisition described in subsection (b)(1) of stock in, or assets of, the acquired corporation.

"(2) Ratio of debt to equity.—The term 'ratio of debt to equity' means the ratio which the total indebtedness of the issuing corporation bears to the sum of its money and all is other assets (in an amount equal to their adjusted basis for determining gain) less such total indebtedness.

"(3) Projected earnings.—

"(A) The term 'projected earnings' means the 'average annual earnings' (as defined in subparagraph (B)) of—

"(i) the issuing corporation only, if clause (ii) does not apply, or

"(ii) both the issuing corporation and the acquired corporation, in any case where the issuing corporation has acquired control (as defined in section 368(c)), or has acquired substantially all of the properties, of the acquired corporation.

"(B) The average annual earnings referred to in subparagraph (A), is, for any corporation, the amount of its earnings and profits for any 3-year period ending with the last day of a taxable year of the issuing corporation described in paragraph (1), computed without reduction for—

"(i) interest paid or incurred,

"(ii) depreciation or amortization allowed under this chapter,

"(iii) liability for tax under this chapter, and

"(iv) distributions to which section 301 (c)(1) applies (other than such distributions from the acquired to the issuing corporation),

and reduced to an annual average for such 3-year period pursuant to regulations prescribed by the Secretary or his delegate. Such regulations shall include rules for cases where any corporation was not in existence for all of such 3-year period or such period includes only a portion of a taxable year of any corporation.

"(4) Annual interest to be paid or incurred.—The term 'annual interest to be paid or incurred' means—

"(A) if subparagraph (B) does not apply, the annual interest to be paid or incurred by the issuing corporation only, determined by reference to its total indebtedness outstanding, or

"(B) if projected earnings are determined under clause (ii) of paragraph (3)(A), the annual interest to be paid or incurred by both the issuing corporation and the acquired corporation, determined by reference to their combined total indebtedness outstanding.

"(5) Special rules for banks and lending or finance companies.—With respect to any corporation which is a bank (as defined in section 581) or is primarily engaged in a lending or finance business—

"(A) in determining under paragraph (2) the ratio of debt to equity of such corporation (or of the affiliated group of which such corporation is a member), the total indebtedness of such corporation (and the assets of such corporation) shall be reduced by an amount equal to the total indebtedness owed to such corporation which arises out of the banking business of such corporation or out of the lending or finance business of such corporation, as the case may be;

"(B) in determining under paragraph (4) the annual interest to be paid or incurred by such corporation (or by the issuing and acquired corporations referred to in paragraph (4)(B) or by the affiliated group of which such corporation is a member) the amount of such interest (determined without regard to this paragraph) shall be reduced by an amount which bears the same ratio to the amount of such interest as the amount of the reduction for the taxable year under subparagraph (A) bears to the total indebtedness of such corporation; and

"(C) in determining under paragraph (3) (B) the average annual earnings, the amount of the earning and profits for the 3-year period shall be reduced by the sum of the reductions under subparagraph (B) for such period.

For purposes of this paragraph, the term 'lending or finance business' means a business of making loans or purchasing or discounting accounts receivable, notes, or installment obligations.

"(d) Taxable Years to Which Applicable.—In applying this section—

"(1) First year of disallowance.—The deduction of interest on any obligation shall not be disallowed under subsection (a) before the first taxable year of the issuing corporation as of the last day of which the application of either subparagraph (A) or subparagraph (B) of subsection (b)(4) results in such obligation being corporate acquisition indebtedness.

"(2) General rule for succeeding years.—Except as provided in paragraphs (3), (4), and (5), if an obligation is determined to be corporate acquisition indebtedness as of the last day of any taxable year of the issuing corporation, it shall be corporate acquisition indebtedness for such taxable year and all subsequent taxable years.

"(3) Redetermination where control, etc., is acquired.—If an obligation is determined to be corporate acquisition indebtedness as of the close of a taxable year of the issuing corporation in which clause (i) of subsection (c)(3)(A) applied, but would not be corporate acquisition indebtedness if the determination were made as of the close of the first taxable year of such corporation thereafter in which clause (ii) of subsection (c)(3)(A) could apply, such obligation shall be considered not to be corporate acquisition indebtedness for such later taxable year and all taxable years thereafter.

"(4) Special 3-year rule.—If an obligation which has been determined to be corporate acquisition indebtedness for any taxable year would not be such indebtedness for each of any 3 consecutive taxable years thereafter if subsection (b)(4) were applied as of the close of each of such 3 years, then such obligation shall not be corporate acquisition indebtedness for all taxable years after such 3 consecutive taxable years.

"(5) 5 percent stock rule.—In the case of obligations issued to provide consideration for the acquisition of stock in another corporation, such obligations shall be corporate acquisition indebtedness for a taxable year only if at some time after October 9, 1969, and before the close of such year the issuing corporation owns 5 percent or more of the total combined voting power of all classes of stock entitled to vote of such other corporation.

"(e) Certain Nontaxable Transactions.—An acquisition of stock of a corporation of which the issuing corporation is in control (as defined in section 368(c)) in a transaction in which gain or loss is not recognized shall be deemed an acquisition described in paragraph (1) of subsection (b) only if immediately before such transaction (1) the acquired corporation was in existence, and (2) the issuing corporation was not in control as (defined in section 368(c)) of such corporation.

"(f) Exemption for Certain Acquisitions of Foreign Corporations.—For purposes of this section, the term 'corporate acquisition indebtedness' does not include any indebtedness issued to any person to provide consideration for the acquisition of stock in, or assets of, any foreign corporation substantially all of the income of which, for the 3-year period ending with the date of such acquisition or for such part of such period as the foreign corporation was in existence, is from sources without the United States.

"(g) Affiliated Groups.—In any case in which the issuing corporation is a member of an affiliated group, the application of this section shall be determined, pursuant to regulations prescribed by the Secretary or his delegate, by treating all of the members of the affiliated group in the aggregate as the issuing corporation, except that the ratio of debt to equity of, projected earnings of, and annual interest to be paid or incurred by any corporation (other than the issuing corporation determined without regard to this subsection) shall be included in the determinations required under subparagraphs (A) and (B) of subsection (b)(4) as of any day only if such corporation is a member of the affiliated group on such day, and, in determining projected earnings of such corporation under subsection (c)(3), there shall be taken into account only the earnings and profits of such corporation for the period during which it was a member of the affiliated group. For purposes of the preceding sentence, the term 'affiliated group' has the meaning assigned to such term by section 1504(a), except that all corporations other than the acquired corporation shall be treated as includible corporations (without any exclusion under section 1504(b)) and the acquired corporation shall not be treated as an includible corporation.

"(h) Changes in Obligation.—For purposes of this section—

"(1) Any extension, renewal, or refinancing of an obligation evidencing a preexisting indebtedness shall not be deemed to be the issuance of a new obligation.

"(2) Any obligation which is corporate acquisition indebtedness of the issuing corporation is also corporate acquisition indebtedness of any corporation which becomes liable for such obligation as guarantor, endorser, or indemnitor or which assumes liability for such obligation in any transaction.

"(i) Certain Obligations Issued After October 9, 1969.—For purposes of this section, an obligation shall not be corporate acquisition indebtedness if issued after October 9, 1969, to provide consideration for the acquisition of—

"(1) stock or assets pursuant to a binding written contract which was in effect on October 9, 1969, and at all times thereafter before such acquisition, or

"(2) stock in any corporation where the issuing corporation, on October 9, 1969, and at all times thereafter before such acquisition, owned at least 50 percent of the total combined voting power of all classes of stock entitled to vote of the acquired corporation.

Paragraph (2) shall cease to apply when (at any time on or after October 9, 1969) the issuing corporation has acquired control (as defined in section 368(c)) of the acquired corporation.

"(j) Effect on Other Provisions.—No inference shall be drawn from any provision in this section that any instrument designated as a bond, debenture, note, or certificate or other evidence of indebtedness by its issuer represents an obligation or indebtedness of such issuer in applying any other provision of this title."

(b) Clerical Amendment.—The table of sections for part IX of subchapter B of chapter 1 is amended by adding at the end thereof the following new item:

"Sec 27. Interest on indebtedness incurred by corporation to acquire stock or assets of another corporation."

(c) Effective Date.—The amendments made by this section shall apply to the determination of the allowability of the dediduction of interest paid or incurred with respect to indebtedness incurred after October 9, 1969.

Sec. 412. Installment Method.

(a) Certain Evidences of Indebtedness Deemed To Be Payment.—Section 453(b) (relating to sales of realty and casual sales of personalty) is amended by adding at the end thereof the following new paragraph:

"(3) Purchaser evidences of indebtedness payable on demand or readily tradable.—In applying this subsection, a bond or other evidence of indebtedness which is payable on demand, or which is issued by a corporation or a government or political subdivision thereof (A) with interest coupons attached or in registered form (other than one in registered form which the taxpayer establishes will not be readily tradable in an established securities market), or (B) in any other form designed to render such bond or other evidence of indebtedness readily tradable in an established securities market, shall not be treated as an evidence of indebtedness of the purchaser."

(b) Effective Date.—The amendment made by subsection (a) shall apply to sales or other dispositions occurring after May 27, 1969, which are not made pursuant to a binding written contract entered into on or before such date.

Sec. 413. Bonds and Other Evidences of Indebtedness

(a) Bonds and Other Evidences of Indebtedness.—Section 1232(a) (relating to general rule) is amended to read as follows:

"(a) General Rule.—For purposes of this subtitle, in the case of bonds, debentures, notes, or certificates or other evidences of indebtedness, which are capital assets in the hands of the taxpayer, and which are issued by any corporation, or by any government or political subdivision thereof—

"(1) Retirement.—Amounts received by the holder on retirement of such bonds or other evidences of indebtedness shall be considered as amounts received in exchange therefor (except that in the case of bonds or other evidences of indebtedness issued before January 1, 1955, this paragraph shall apply only to those issued with interest coupons or in registered form, or to those in such form on March 1, 1954).

"(2) Sale or exchange.—

"(A) Corporate bonds issued after May 27, 1969.—Except as provided in subparagraph (C), on the sale or exchange of bonds or other evidences of indebtedness issued by a corporation after May 27, 1969, held by the taxpayer more than 6 months, any gain realized shall (except as provided in the following sentence) be considered gain from the sale or exchange of a capital asset held for more than 6 months. If at the time of original issue there was an intention to call the bond or other evidence of indebtedness before maturity. any gain realized on the sale or exchange thereof which does not exceed an amount equal to the original issue discount (as defined in subsection (b)) reduced by the portion of original issue discount previously includible in the gross income of any holder (as provided in paragraph (3)(B)) shall be considered as gain from the sale or exchange of property which is not a capital asset.

"(B) Corporate bonds issued on or before May 27, 1969, and government bonds.—Except as provided in subparagraph (C), on the sale or exchange of bonds or other evidences of indebtedness issued by a government or political subdivision thereof after December 21, 1954, or by a corporation after December 31, 1954, and on or before May 27, 1969, held by the taxpayer more than 6 months, any gain realized which does not exceed—

"(i) an amount equal to the original issue discount (as defined in subsection (b)), or

"(ii) if at the time of original issue there was no intention to call the bond or other evidence of indebtedness before maturity, an amount which bears the same ratio to the original issue discount (as defined in subsection (b)) as the number of complete months that the bond or other evidence of indebtedness was held by the taxpayer bears to the number of complete months from the date of original issue to the date of maturity,

shall be considered as gain from the sale or exchange of property which is not a capital asset. Gain in excess of such amount shall be considered gain from the sale or exchange of a capital asset held more than 6 months.

"(C) Exceptions.—This paragraph shall not apply to—

"(i) obligations the interest on which is not includible in gross income under section 103 (relating to certain governmental obligations), or

"(ii) any holder who has purchased the bond or other evidence of indebtedness at a premium.

"(D) Double inclusion in income not required.—This section shall not require the inclusion of any amount previously includible in gross income.

"(3) Inclusion in income of original issue discount on corporate bonds issued after May 27, 1969.—

"(A) General rule.—There shall be included in the gross income of the holder of any bond or other evidence of indebtedness issued by a corporation after May 27, 1969, the ratable monthly portion of original issue discount multiplied by the number of complete months (plus any fractional part of a month determined in accordance with the last sentence of this subparagraph) such holder held such bond or other evidence of indebtedness during the taxable year. Except as provided in subparagraph (B), the ratable monthly portion of original issue discount shall equal the original issue discount (as defined in subsection (6)) divided by the number of complete months from the date of original issue to the stated maturity date of such bond or other evidence of indebtedness. For purposes of this section, a complete month commences with the date of original issue and the corresponding day of each succeeding calendar month (or the last day of a calendar month in which there is no corresponding day); and, in any case where a bond or other evidence of indebtedness is acquired on any other day, the ratable monthly portion of original issue discount for the complete month in which such acquisition occurs shall be allocated between the transferor and the transferee in accordance with the number of days in such complete month each held the bond or other evidence of indebtedness.

"(B) Reduction in case of any subsequent holder.—For purposes of this paragraph, the ratable monthly portion of original issue discount shall not include an amount, determined at the time of any purchase after the original issue of such bond or other evidence of indebtedness, equal to the excess of—

"(i) the cost of such bond or other evidence of indebtedness incurred by such holder, over

"(ii) the issue price of such bond or other evidence of indebtedness increased by the portion of original discount previously includible in the gross income of any holder (computed without regard to this subparagraph),

divided by the number of complete months (plus any fractional part of a month commencing with the date of purchase) from the date of such purchase to the stated maturity date of such bond or other evidence of indebtedness.

"(C) Purchase defined.—For purposes of subparagraph (B), the term 'purchase' means any acquisition of a bond or other evidence of indebtedness, but only if the basis of the bond or other evidence of indebtedness is not determined in whole or in part by reference to the adjusted basis of such bond or other evidence of indebtedness in the hands of the person from whom acquired, or under section 1014(a) (relating to property acquired from a decedent).

"(D) Exceptions.—This paragraph shall not apply to any holder—

"(i) who has purchased the bond or other evidence of indebtedness at a premium, or

"(ii) which is a life insurance company to which section 818(b) applies.

"(E) Basis adjustments.—The basis of any bond or other evidence of indebtedness in the hands of the holder thereof shall be increased by the amount included in his gross income pursuant to subparagraph (A)."

(b) Issue Price.—Section 1232(b)(2) (relating to issue price) is amended by adding at the end thereof the following:

"In the case of a bond or other evidence of indebtedness and an option or other security issued together as an investment unit, the issue price for such investment unit shall be determined in accordance with the rules stated in this paragraph. Such issue price attributable to each element of the investment unit shall be that portion thereof which the fair market value of such element bears to the total fair market value of all the elements in the investment unit. The issue price of the bond or other evidence of indebtedness included in such investment unit shall be the portion so allocated to it. In the case of a bond or other evidence of indebtedness, or an investment unit as described in this paragraph (other than a bond or other evidence of indebtedness or an investment unit issued pursuant to a plan of reorganization within the meaning of section 368(a)(1) or an insolvency reorganization within the meaning of section 371, 373, or 374), which is issued for property and which—

"(A) is part of an issue a portion of which is traded on an established securities market, or

"(B) is issued for stock or securities which are traded on an established securities market,

the issue price of such bond or other evidence of indebtedness or investment unit, as the case may be, shall be the fair market value of such property. Except in cases to which the preceding sentence applies, the issue price of a bond or other evidence of indebtedness (whether or not issued as a part of an investment unit) which is issued for property (other than money) shall be the stated redemption price at maturity."

(c) Requirement of Reporting.—Section 6049(a)(1) (relating to requirements of reporting interest) is amended to read as follows:

"(1) In general.—Every person—

"(A) who makes payments of interest (as defined in subsection (b)) aggregating $10 or more to any other person during any calendar year,

"(B) who receives payments of interest as a nominee and who makes payments aggregating $10 or more during any calendar year to any other person with respect to the interest so received, or

"(C) which is a corporation that has outstanding any bond, debenture, note, or certificate or other evidence of indebtedness in registered form as to which there is during any calendar year an amount of original issue discount aggregating $10 or more includible in the gross income of any holder under section 1232(a)(3) without regard to subparagraph (B) thereof,

shall make a return according to the forms or regulations prescribed by the Secretary or his delegate, setting forth the aggregate amount of such payments and aggregate amount includible in the gross income of any holder and the name and address of the person to whom paid or such holder."

(d) Statements To Be Furnished to Persons With Respect to Whom Information Is Furnished.—Section 6049(c) (relating to statements to be furnished to persons with respect to whom information is furnished) is amended to read as follows:

"(c) Statements To Be Furnished to Persons With Respect to Whom Information Is Furnished.—Every person making a return under subsection (a)(1) shall furnish to each person whose name is set forth in such return a written statement showing—

"(1) the name and address of the person making such return, and

"(2) the aggregate amount of payments to, or the aggregate amount includible in the gross income of, the persons as shown on such return.

The written statement required under the preceding sentence shall be furnished to the person on or before January 31 of the year following the calendar year for which the return under subsection (a)(1) was made. No statement shall be required to be furnished to any person under this subsection if the aggregate amount of payments to, or the aggregate amount includible in the gross income of, such person shown on the return made with respect to subparagraph (A), (B), or (C), as the case may be, of subsection (a)(1) is less than $10."

(e) Effective Date.—The amendments made by this section shall apply with respect to bonds and other evidences of indebtedness issued after May 27, 1969 (other than evidences of indebtedness issued pursuant to a written commitment which was binding on May 27, 1969, and at all times thereafter).

Sec. 414. Limitation on Deduction of Bond Premium on Repurchase.

(a) Limitation on Deduction of Bond Premium on Repurchase.—Part VIII of subchapter B of chapter 1 (relating to special deductions for corporations) is amended by adding at the end thereof the following new section:

"Sec. 249. Limitation on Deduction on Bond Premium on Repurchase.

"(a) General Rule.—No deduction shall be allowed to the issuing corporation for any premium paid or incurred upon the repurchase of a bond, debenture, note, or certificate or other evidence of indebtedness which is convertible into the stock of the issuing corporation, or a corporation in control of, or controlled by, the issuing corporation, to the extent the repurchase price exceeds an amount equal to the adjusted issue price plus a normal call premium on bonds or other evidences of indebtedness which are not convertible. The preceding sentence shall not apply to the extent that the corporation can demonstrate to the satisfaction of the Secretary or his delegate that such excess is attributable to the cost of borrowing and is not attributable to the conversion feature.

"(b) Special Rules.—For purposes of subsection (a)—

"(1) Adjusted issue price.—The adjusted issue price is the issue price (as defined in section 1232(b)) increased by any amount of discount deducted before repurchase, or, in the case of bonds or other evidences of indebtedness issued after February 28, 1913, decreased by any amount of premium included in gross income before repurchase by the issuing corporation.

"(2) Control.—The term 'control' has the meaning assigned to such term by section 368(c)."

(b) Clerical Amendment.—The table of sections for part VIII of subchapter B of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 249. Limitation on deduction of bond
premium on repurchase."

(c) Effective Date.—The amendments made by this section shall apply to a convertible bond or other convertible evidence of indebtedness repurchased after April 22, 1969, other than such a bond or other evidence of indebtedness repurchased pursuant to a binding obligation incurred on or before April 22, 1969, to repurchase such bond or other evidence of indebtedness at a specified call premium, but no inference shall be drawn from the fact that section 249 of the Internal Revenue Code of 1954 (as added by subsection (a) of this section) does not apply to the repurchase of such convertible bond or other convertible evidence of indebtedness.

Sec. 415. Treatment of Certain Corporate Interests as Stock or Indebtedness.

(a) In General.—Subchapter C of Chapter 1 (relating to corporate distributions and adjustments) is amended by redesignating part VI (relating to effective date of subchapter C) as part VII and by inserting after part V the following new part:

"PART VI—TREATMENT OF CERTAIN CORPORATE INTERESTS AS STOCK OR INDEBTEDNESS

"Sec. 385. Treatment of certain interests in
corporations as stock or indebtedness.

"Sec. 385. Treatment of Certain Interests in Corporations as Stock or Indebtedness.

"(a) Authority To Prescribe Regulations.—The Secretary or his delegate is authorized to prescribe such regulations as may be necessary or appropriate to determine whether an interest in a corporation is to be treated for purposes of this title as stock or indebtedness.

"(b) Factors.—The regulations prescribed under this section shall set forth factors which are to be taken into account in determining with respect to a particular factual situation whether a debtor-creditor relationship exists or a corporation-shareholder relationship exists. The factors so set forth in the regulations may include among other factors:

"(1) whether there is a written unconditional promise to pay on demand or on a specified date a sum certain in money in return for an adequate consideration in money or money's worth, and to pay a fixed rate of interest,

"(2) whether there is subordination to or preference over any indebtedness of the corporation,

"(3) the ratio of debt to equity of the corporation,

"(4) whether there is convertibility into the stock of the corporation, and

"(5) the relationship between holdings of stock in the corporation and holdings of the interest in question."

(b) Clerical Amendment.—The table of parts for subchapter C of chapter 1 is amended by striking out the last line and inserting in lieu thereof the following:

"Part VI. Treatment of certain corporate interests as stock or indebtedness.
"Part VII. Effective date of subchapter C."

Subtitle C—Stock Dividends

Sec. 421. Stock Dividends.

(A) In general.—Section 305 (relating to distributions of stock and stock rights) is amended to read as follows:

"Sec. 305. Distributions of Stock and Stock Rights.

"(a) General Rule.—Except as otherwise provided in this section, gross income does not include the amount of any distribution of the stock of a corporation made by such corporation to its shareholders with respect to its stock.

"(b) Exceptions.—Subsection (a) shall not apply to a distribution by a corporation of its stock, and the distribution shall be treated as a distribution of property to which section 301 applies—

"(1) Distributions in lieu of money.—If the distribution is, at the election of any of the shareholders (whether exercised before or after the declaration thereof), payable either—

"(A) in its stock, or

"(B) in property.

"(2) Disproportionate distributions.—If the distribution (or a series of distributions of which such distribution is one) has the result of—

"(A) the receipt of property by some shareholders, and

"(B) an increase in the proportionate interests of other shareholders in the assets or earnings and profits of the corporation.

"(3) Distributions of common and preferred stock.—If the distribution (or a series of distributions of which such distribution is one) has the result of—

"(A) the receipt of preferred stock by some common shareholders, and

"(B) the receipt of common stock by other common shareholders.

"(4) Distributions on preferred stock.—If the distribution is with respect to preferred stock, other than an increase in the conversion ratio of convertible preferred stock made solely to take account of a stock dividend or stock split with respect to the stock into which such convertible stock is convertible.

"(5) Distributions of convertible preferred stock.—If the distribution is of convertible preferred stock, unless it is established to the satisfaction of the Secretary or his delegate that such distribution will not have the result described in paragraph (2).

"(c) Certain Transactions Treated as Distributions.—For purposes of this section and section 301, the Secretary or his delegate shall prescribe regulations under which a change in conversion ratio, a change in redemption price, a difference between redemption price and issue price, a redemption which is treated as a distribution to which section 301 applies, or any transaction (including a recapitalization) having a similar effect on the interest of any shareholder shall be treated as a distribution with respect to any shareholder whose proportionate interest in the earnings and profits or assets of the corporation is increased by such change, difference, redemption, or similar transaction.

"(d) Definitions.—

"(1) Rights to acquire stock.—For purposes of this section, the term 'stock' includes rights to acquire such stock.

"(2) Shareholders.—For purposes of subsections (b) and (c), the term 'shareholder' includes a holder of rights or of convertible securities.

"(e) Cross References.—

"For special rules—

(1) Relating to the receipt of stock and

stock rights in corporate organizations and reorganizations, see part III (sec. 351 and following).

"(2) In the case of a distribution which results in a gift, see section 2501 and following.

"(3) In the case of a distribution which has the effect of the payment of compensation, see section 61(a)(1)."

(b) Effective Dates.—

(1) Except as otherwise provided in this subsection, the amendment made by subsection (a) shall apply with respect to distributions (or deemed distributions) made after January 10, 1969, in taxable years ending after such date.

(2)(A) Section 305(b)(2) of the Internal Revenue Code of 1954 (as added by subsection (a)) shall not apply to a distribution (or deemed distribution) of stock made before January 1, 1991, with respect to stock (i) outstanding on January 10, 1969, (ii) issued pursuant to a contract binding on January 10, 1969, on the distributing corporation, (iii) which is additional stock of that class of stock which (as of January 10, 1969) had the largest fair market value of all classes of stock of the corporation (taking into account only stock outstanding on January 10, 1969, or issued pursuant to a contract binding on January 10, 1969), (iv) described in subparagraph (C)(iii), or (v) issued in a prior distribution described in clause (i), (ii), (iii), or (iv).

(B) Subparagraph (A) shall apply only if—

(i) the stock as to which there is a receipt of property was outstanding on January 10, 1969 (or was issued pursuant to a contract binding on January 10, 1969, on the distributing corporation), and

(ii) if such stock and any stock described in subparagraph (A)(i) were also outstanding on January 10, 1968, a distribution of property was made on or before January 10, 1969, with respect to such stock, and a distribution of stock was made on or before January 10, 1969, with respect to such stock described in subparagraph (A)(i).

(C) Subparagraph (A) shall cease to apply when at any time after October 9, 1969, the distributing corporation issues any of its stock (other than in a distribution of stock with respect to stock of the same class) which is not—

(i) nonconvertible preferred stock,

(ii) additional stock of that class of stock which meets the requirements of subparagraph (A)(iii), or

(iii) preferred stock which is convertible into stock which meets the requirements of subparagraph (A)(iii) at a fixed conversion ratio which takes account of all stock dividends and stock splits with respect to the stock into which such convertible stock is convertible.

(D) For purposes of this paragraph, the term "stock" includes rights to acquire such stock.

(3) In cases to which Treasury Decision 6990 (promulgated January 10, 1969) would not have applied, in applying paragraphs (1) and (2) April 22, 1969, shall be substituted for January 10, 1969.

(4) Section 305(b)(4) of the Internal Revenue Code of 1954 (as added by subsection (a)) shall not apply to any distribution (or deemed distribution) with respect to preferred stock (including any increase in the conversion ratio of convertible stock) made before January 1, 1991, pursuant to the terms relating to the issuance of such stock which were in effect on January 10, 1969.

(5) With respect to distributions made or considered as made after January 10, 1969, in taxable years ending after such date, to the extent that the amendment made by subsection (a) does not apply by reason of paragraph (2), (3), or (4) of this subsection, section 305 of the Internal Revenue Code of 1954 (as in effect before the amendment made by subsection (a)) shall continue to apply.

Subtitle D—Financial Institutions

Sec. 431. Reserve for Losses on Loans; Net Operating Loss Carrybacks.

(a) Bad Debt Deductions of Financial Institutions.—Part I of subchapter H of chapter 1 (relating to rules of general application to banking institutions) is amended by adding at the end thereof the following new sections:

"Sec. 585. Reserves for Losses on Loans of Banks.

"(a) Institutions to Which Section Applies.—This section shall apply to the following financial institutions:

"(1) any bank (as defined in section 581) other than an organization to which section 593 applies, and

"(2) any corporation to which paragraph (1) would apply except for the fact that it is a foreign corporation, and in the case of any such foreign corporation this section shall apply only with respect to loans outstanding the interest on which is effectively connected with the conduct of a banking business within the United States.

"(b) Addition to Reserves for Bad Debts.—

"(1) General rule.—For purposes of section 166(c), the reasonable addition to the reserve for bad debts of any financial institution to which this section applies shall be an amount determined by the taxpayer which shall not exceed the greater of—

"(A) for taxable years beginning before 1988 the addition to the reserve for losses on loans determined under the percentage method as provided in paragraph (2), or

"(B) the addition to the reserve for losses on loans determined under the experience method as provided in paragraph (3).

"(2) Percentage method.—The amount determined under this paragraph for a taxable year shall be the amount necessary to increase the balance of the reserve for losses on loans (at the close of the taxable year) to the allowable percentage of eligible loans outstanding at such time, except that—

"(A) If the reserve for losses on loans at the close of the base year is less than the allowable percentage of eligible loans outstanding at such time, the amount determined under this paragraph with respect to the difference shall not exceed one-fifth of such difference.

"(B) If the reserve for losses on loans at the close of the base year is not less than the allowable percentage of eligible loans outstanding at such time, the amount determined under this paragraph shall be the amount necessary to increase the balance of the reserve at the close of the taxable year to (i) the allowable percentage of eligible loans outstanding at such time, or (ii) the balance of the reserve at the close of the base year, whichever is greater, but if the amount of eligible loans outstanding at the close of the taxable year is less than the amount of such loans outstanding at the close of the base year, the amount determined under clause (ii) shall be the amount necessary to increase the balance of the reserve at the close of the taxable year to the amount which bears the same ratio to eligible loans outstanding at the close of the taxable year as the balance of the reserve at the close of the base year bears to the amount of eligible loans outstanding at the close of the base year.

For purposes of this paragraph, the term 'allowable percentage' means 1.8 percent for taxable years beginning before 1976; 1.2 percent for taxable years beginning after 1975 but before 1982; and 0.6 percent for taxable years beginning after 1981. The amount determined under this paragraph shall not exceed 0.6 percent of eligible loans outstanding at the close of the taxable year or an amount sufficient to increase the reserve for losses on loans to 0.6 percent of eligible loans outstanding at the close of the taxable year, whichever is greater. For purposes of this paragraph, the term 'base year' means: for taxable years beginning before 1976, the last taxable year beginning on or before July 11, 1969, for taxable years beginning after 1975 but before 1982, the last taxable year beginning before 1976, and for taxable year beginning after 1981, the last taxable year beginning before 1982; except that for purposes of subparagraph (A) such term means the last taxable year before the most recent adoption of the percentage method, if later.

"(3) Experienced method.—The amount determined under this paragraph for a taxable year shall be the amount necessary to increase the balance of the reserve for losses on loans (at the close of the taxable year) to the greater of—

"(A) the amount which bears the same ratio to loans outstanding at the close of the taxable year as (i) the total bad debts sustained during the taxable year and the 5 preceding taxable years (or, with the approval of the Secretary or his delegate, a shorter period), adjusted for recoveries of bad debts during such period, bears to (ii) the sum of the loans outstanding at the close of such 6 or fewer taxable years, or

"(B) the lower of—

"(i) the balance of the reserve at the close of the base year, or

"(ii) if the amount of loans outstanding at the close of the taxable year is less than the amount of loans outstanding at the close of the base year, the amount which bears the same ratio to loans outstanding at the close of the taxable year as the balance of the reserve at the close of the base year bears to the amount of loans outstanding at the close of the base year.

For purposes of this paragraph, the base year shall be the last taxable year before the most recent adoption of the experience method, except that for taxable years beginning after 1987 the base year shall be the last taxable year beginning before 1988.

"(4) Regulations; definition of eligible loan, etc.—The Secretary or his delegate shall define the terms 'loan' and 'eligible loan' and prescribe such regulations as may be necessary to carry out the purposes of this section; except that the term 'eligible loan' shall not include—

"(A) a loan to a bank (as defined in section 581),

"(B) a loan to a domestic branch of a foreign corporation to which subsection (a)(2) applies,

"(C) a loan secured by a deposit (i) in the lending bank, or (ii) in an institution described in subparagraph (A) or (B) if the lending bank has control over withdrawal of such deposit,

"(D) a loan to or guaranteed by the United States a possession or instrumentality thereof, or a State or a political subdivision thereof,

"(E) a loan evidenced by a security as defined in section 165(g)(2)(C),

"(F) a loan of Federal funds, and

"(G) commercial paper, including short-term promissory notes which may be purchased on the open market.

"Sec. 586. Reserves for Losses on Loans of Small Business Investment Companies, Etc.

"(a) Institutions to Which Section Applies.—This section shall apply to the following financial institutions:

"(1) any small business investment company operating under the Small Business Investment Act of 1958, and

"(2) any business development corporation.

For purposes of this section, the term 'business development corporation' means a corporation which was created by or pursuant to an act of a State legislature for purposes of promoting, maintaining, and assisting the economy and industry within such State on a regional or statewide basis by making loans to be used in trades and businesses which would generally not be made by banks (as defined in section 581) within such region or State in the ordinary course of their business (except on the basis of a partial participation), and which is operated primarily for such purposes.

"(b) Addition to Reserves for Bad Debts.—

"(1) General rule.—For purposes of section 166(c), except as provided in paragraph (2) the reasonable addition to the reserve for bad debts of any financial institution to which this section applies shall be an amount determined by the taxpayer which shall not exceed the amount necessary to increase the balance of the reserve for bad debts (at the close of the taxable year) to the greater of—

"(A) the amount which bears the same ratio to loans outstanding at the close of the taxable year as (i) the total bad debts sustained during the taxable year and the 5 preceding taxable years (or, with the approval of the Secretary or his delegate, a shorter period), adjusted for recoveries of bad debts during such period, bears to (ii) the sum of the loans outstanding at the close of such 6 or fewer taxable years, or

"(B) the lower of—

"(i) the balance of the reserve at the close of the base year, or

"(ii) if the amount of loans outstanding at the close of the taxable year is less than the amount of loans outstanding at the close of the base year, the amount which bears the same ratio to loans outstanding at the close of the taxable year as the balance of the reserve at the close of the base year bears to the amount of loans outstanding at the close of the base year.

For purposes of this subparagraph, the term 'base year' means the last taxable year beginning on or before July 11, 1969.

"(2) New financial institutions.—In the case of any taxable year beginning not more than 10 years after the day before the first day on which a financial institution (or any predecessor) was authorized to do business as a financial institution described in subsection (a), the reasonable addition to the reserve for bad debts of such financial institution shall not exceed the larger of the amount determined under paragraph (1) or the amount necessary to increase the balance of the reserve for bad debts at the close of the taxable year to the amount which bears the same ratio (as determined by the Secretary or his delegate) to loans outstanding at the close of the taxable year as (i) the total bad debts sustained by all institutions described in the applicable paragraph of subsection (a) during the 6 preceding taxable years (adjusted for recoveries of bad debts during such period) bears to (ii) the sum of the loans by all such institutions outstanding at the close of such taxable years."

(b) 10-Year Net Operating Loss Carryback.—Section 172(b)(1) (relating to net operating loss deduction) is amended by striking out in subparagraph (A)(i) thereof "and (E)" and inserting in lieu thereof "(E), (F), and (G)", and by adding at the end thereof the following new subparagraphs:

"(F) In the case of a financial institution to which section 585, 586, or 593 applies, a net operating loss for any taxable year beginning after December 31, 1975, shall be a net operating loss carrryback to each of the 10 taxable years preceding the taxable year of such loss and shall be a net operating loss carryover to each of the 5 taxable years following the taxable year of such loss.

"(G) In the case of a Bank for Cooperatives (organized and chartered pursuant to section 2 of the Farm Credit Act of 1933 (12 U.S.C. 1134)), a net operating loss for any taxable year beginning after December 31, 1969, shall be a net operating loss carryback to each of the 10 taxable years preceding the taxable year of such loss and shall be a net operating loss carryover to each of the 5 taxable years following the taxable year of such loss."

(c) Technical and Clerical Amendments.—

(1) Subsection (h) of section 166 (relating to bad debts) is amended by adding at the end thereof the following new paragraph:

"(4) For special rule for bad debt reserves of banks, small business investment companies, etc., see sections 585 and 586."

(2) The table of sections for part I of subchapter H of chapter 1 is amended—

(A) by striking out:

"Sec. 582. Bad debt and loss deduction with respect to securities held by banks."

and inserting in lieu thereof.

"Sec. 582. Bad debts, losses, and gains with respect to securities held by financial institutions."

(B) by adding at the end thereof the following:

"Sec. 585. Reserves for losses on loans of banks.

"Sec. 586. Reserves for losses on loans of small business investment companies, etc."

(d) Effective Date.—The amendments made by subsections (a) and (c) shall apply to taxable years beginning after July 11, 1969.

Sec. 432. Mutual Savings Banks, etc.

(a) Reserve for Losses on Loans.—Section 593(b) (relating to addition to reserves for bad debts) is amended—

(1) by striking out subparagraph (A) of paragraph (1) and inserting in lieu thereof the following:

"(A) the amount determined to be a reasonable addition to the reserve for losses on nonqualifying loans, computed in the same manner as is provided with respect to additions to the reserves for losses on loans of banks under section 585(b)(3), plus".

(2) by striking out paragraphs (2), (3), (4), and (5) and inserting in lieu thereof the following:

"(2) Percentage of taxable income method.—

"(A) In general.—Subject to subparagraphs (B), (C), and (D), the amount determined under this paragraph for the taxable year shall be an amount equal to the applicable percentage of the taxable income for such year (determined under the following table):

"For a taxable year beginning in—	The applicable percentage under this paragraph shall be—
1969	60 percent.
1970	57 percent.
1971	54 percent.
1972	51 percent.
1973	49 percent.
1974	47 percent.
1975	45 percent.
1976	43 percent.
1977	42 percent.
1978	41 percent.
1979 or thereafter	40 percent.

"(B) Reduction of applicable percentage in certain cases.—If, for the taxable year, the percentage of the assets of a taxpayer described in subsection (a), which are assets described in section 7701(a)(19)(C), is less than—

"(i) 82 percent of the total assets in the case of a taxpayer other than a mutual savings bank, the applicable percentage for such year provided by subparagraph (A) shall be reduced by $\frac{3}{4}$ of 1 percentage point for each 1 percentage point of such difference, or

"(ii) 72 percent of the total assets in the case of a mutual savings bank, the applicable percentage for such year provided by subparagraph (A) shall be reduced by $1\frac{1}{2}$ percentage points for each 1 percentage point of such difference.

If, for the taxable year, the percentage of the assets of such taxpayer which are assets described in section 7701(a)(19)(C) is less than 60 percent (50 percent for a taxable year beginning before 1973 in the case of a mutual savings bank), this paragraph shall not apply.

"(C) Reduction for amounts referred to in paragraph (1)(A).—The amount determined under subparagraph (A) shall be reduced by that portion of the amount referred to in paragraph (1)(A) for the taxable year (not in excess of 100 percent) which bears the same ratio to such amount as (i) 18 percent (28 percent in the case of mutual savings banks) bears to (ii) the percentage of the assets of the taxpayer for such year which are not assets described in section 7701(a)(19)(C).

"(D) Overall limitation on paragraph.—The amount determined under this paragraph shall not exceed the amount necessary to increase the balance at the close of the taxable year of the reserve for losses on qualifying real property loans to 6 percent of such loans outstanding at such time.

"(E) Computation of taxable income.—For purposes of this paragraph, taxable income shall be computed—

"(i) by excluding from gross income any amount included therein by reason of subsection (f),

"(ii) without regard to any deduction allowable for any addition to the reserve for bad debts,

"(iii) by excluding from gross income an amount equal to the net gain for the taxable year arising from the sale or exchange of stock of a corporation or of obligations the interest on which is excludable from gross income under section 103,

"(iv) by excluding from gross income an amount equal to the lesser of $\frac{3}{8}$ of the net long-term capital gain for the taxable year or $\frac{3}{8}$ of the net long-term capital gain for the taxable year from the sale or exchange of property other than property described in clause (iii), and

"(v) by excluding from gross income dividends with respect to which a deduction is allowable by part VIII of subchapter B, reduced by an amount equal to the applicable percentage (determined under subparagraphs (A) and (B)) of the dividends received deduction (determined without regard to section 596) for the taxable year.

"(3) Percentage method.—The amount determined under this paragraph to be a reasonable addition to the reserve for losses on qualifying real property loans shall be computed in the same manner as is provided with respect to addition to the reserves for losses on loans of banks under section 585(b)(2), reduced by the amount referred to in paragraph (1)(A) for the taxable year.

"(4) Experience method.—The amount determined under this paragraph for the taxable year shall be computed in the same manner as is provided with respect to additions to the reserves for losses on loans of banks under section 585(b)(3).

"(5) Determination of reserve for percentage method.—For purposes of paragraph (3), the amount deemed to be the balance of the reserve for losses on loans at the beginning of the taxable year shall be the total of the balances at such time of the reserve for losses on nonqualifying loans, the reserve for losses on qualifying real property loans, and the supplemental reserve for losses on loans."

(b) Certain Corporate Acquisitions.—Section 593(f)(1) (relating to distributions to shareholders) is amended by adding at the end thereof the following new sentence: "This paragraph shall not apply to any transaction to which section 381 (relating to carryovers in certain corporate acquisitions) applies."

(c) INVESTMENT STANDARDS.—Section 7701 (a)(19) (defining domestic building and loan association) is amended to read as follows:

"(19) DOMESTIC BUILDING AND LOAN ASSOCIATION.—The term 'domestic building and loan association' means a domestic building and loan association, a domestic savings and loan association, and a Federal savings and loan association—

"(A) which either (i) is an insured institution within the meaning of section 401(a) of the National Housing Act (12 U.S.C., sec. 1724(a)), or (ii) is subject by laws to supervision and examination by State or Federal authority having supervision over such associations;

"(B) the business of which consists principally of acquiring the savings of the public and investing in loans; and

"(C) at least 60 percent of the amount of the total assets of which (at the close of the taxable year) consists of—

"(i) cash,

"(ii) obligations of the United States or of a State or political subdivision thereof, and stock or obligations of a corporation which is an instrumentality of the United States or of a State or political subdivision thereof, but not including obligations the interest on which is excludable from gross income under section 103,

"(iii) certificates of deposit in, or obligations of, a corporation organized under a State law which specifically authorizes such corporation to insure the deposits or share accounts of member associations.

"(iv) loans secured by a deposit or share of a member,

"(v) loans (including redeemable ground rents, as defined in section 1055) secured by an interest in real property which is (or, from the proceeds of the loan, will become) residential real property or real property used primarily for church purposes, loans made for the improvement of residential real property or real property used primarily for church purposes, provided that for purposes of this clause, residential real property shall include single or multifamily dwellings, facilities in residential developments dedicated to public use or property used on a nonprofit basis for residents, and mobile homes not used on a transient basis,

"(vi) loans secured by an interest in real property located within an urban renewal area to be developed for predominantly residential use under an urban renewal plan approved by the Secretary of Housing and Urban Development under part A or part B of title I of the Housing Act of 1949, as amended, or located within any area covered by a program eligible for assistance under section 103 of the Demonstration Cities and Metropolitan Development Act of 1966, as amended, and loans made for the improvement of any such real property.

"(vii) loans secured by an interest in educational, health, or welfare institutions or facilities, including structures designed or used primarily for residential purposes for students, residents, and persons under care, employees, or members of the staff of such institutions or facilities,

"(viii) property acquired through the liquidation of defaulted loans described in clause (v), (vi), or (vii),

"(ix) loans made for the payment of expenses of college or university education or vocational training, in accordance with such regulations as may be prescribed by the Secretary or his delegate, and

"(x) property used by the association in the conduct of the business described in subparagraph (B).

At the election of the taxpayer, the percentage specified in this subparagraph shall be applied on the basis of the average assets outstanding during the taxable year, in lieu of the close of the taxable year, computed under regulations prescribed by the Secretary or his delegate. For purposes of clause (v), if a multifamily structure securing a loan is used in part for nonresidential purposes, the entire loan is deemed a residential real property loan if the planned residential use exceeds 80 percent of the property's planned use (determined as of the time the loan is made). For purposes of clause (v), loans made to finance the acquisition or development of land shall be deemed to be loans secured by an interest in residential real property if, under regulations prescribed by the Secretary or his delegate, there is reasonable assurance that the property will become residential real property within a period of 3 years from the date of acquisition of such land; but this sentence shall not apply for any taxable year unless, within such 3-year period, such land becomes residential real property."

(d) CONFORMING AMENDMENTS.—Section 7701(a)(32) (defining cooperative bank) is amended—

(1) by striking out subparagraph (B) and inserting in lieu thereof the following:

"(B) meets the requirements of subparagraphs (B) and (C) of paragraph (19) of this subsection (relating to definition of domestic building and loan association).", and

(2) by striking out the third sentence thereof.

(e) EFFECTIVE DATE.—The amendments made by this section shall be effective for taxable years beginning after July 11, 1969.

SEC. 433. TREATMENT OF BONDS, ETC., HELD BY FINANCIAL INSTITUTIONS.

(a) GAIN ON SECURITIES HELD BY FINANCIAL INSTITUTIONS.—Subsection (c) of section 582 (relating to bad debt and loss deduction with respect to securities held by banks) is amended by striking out such subsection and inserting the following in lieu thereof:

"(c) BOND, ETC., LOSSES AND GAINS OF FINANCIAL INSTITUTIONS.—

"(1) GENERAL RULE.—For purposes of this subtitle, in the case of a financial institution to which section 585, 586, or 593 applies, the sale or exchange of a bond, debenture, note, or certificate or other evidence of indebtedness shall not be considered a sale or exchange of a capital asset.

"(2) TRANSITIONAL RULE FOR BANKS.—In the case of a bank, if the net long-term capital gains of the taxable year from sales or exchanges of qualifying securities exceed the net short-term capital losses of the taxable year from such sales or exchanges, such excess shall be considered as gain from the sale of a capital asset held for more than 6 months to the extent it does not exceed the net gain on sales and exchanges described in paragraph (1).

"(3) SPECIAL RULES.—For purposes of this subsection—

"(A) The term 'qualifying security' means a bond, debenture, note, or certificate or other evidence of indebtedness held by a bank on July 11, 1969.

"(B) The amount treated as capital gain or loss from the sale or exchange of a qualifying security shall be determined by multiplying the amount of capital gain or loss from the sale or exchange of such security (determined without regard to this subsection) by a fraction, the numerator of which is the number of days before July 12, 1969, that such security was held by the bank, and the denominator of which is the number of days the security was held by the bank."

(b) CONFORMING AMENDMENT.—Paragraph (1) of section 1243 (relating to loss of a small business investment company) is amended to read as follows:

"(1) a loss is on stock received pursuant to the conversion privilege of convertible debentures acquired pursuant to section 304 of the Small Business Investment Act of 1958, and".

(c) CLERICAL AMENDMENT.—The heading for section 582 is amended to read as follows:

"SEC. 582. BAD DEBTS, LOSSES, AND GAINS WITH RESPECT TO SECURITIES HELD BY FINANCIAL INSTITUTIONS."

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years beginning after July 11, 1969.

(2) ELECTION FOR SMALL BUSINESS INVESTMENT COMPANIES AND BUSINESS DEVELOPMENT CORPORATIONS.—Notwithstanding paragraph (1), in the case of a financial institution described in section 586(a) of the Internal Revenue Code of 1954, the amendments made by this section shall not apply for its taxable years beginning after July 11, 1969, and before July 11, 1974, unless the taxpayer so elects at such time and in such manner as shall be prescribed by the Secretary of the Treasury or his delegate. Such election shall be irrevocable and shall apply to all such taxable years.

SEC. 434. LIMITATION ON DEDUCTION FOR DIVIDENDS RECEIVED BY MUTUAL SAVINGS BANKS, ETC.

(a) SPECIAL LIMITATION.—Part II of subchapter H of chapter 1 is amended by adding at the end thereof the following new section:

"SEC. 596. LIMITATION ON DIVIDENDS RECEIVED DEDUCTION.

"In the case of an organization to which section 593 applies and which computes additions to the reserve for losses on loans for the taxable year under section 593(b)(2), the total amount allowed under sections 243, 244, and 245 (determined without regard to this section) for the taxable year as a deduction with respect to dividends received shall be reduced by an amount equal to the applicable percentage for such year (determined under subparagraphs (A) and (B) of section 593(b)(2) of such total amount."

(b) TECHNICAL AND CLERICAL AMENDMENTS.—

(1) Section 246 (relating to rules applying to deductions for dividends received) is amended by adding at the end thereof the following new subsection:

"(d) CROSS REFERENCE.—

"For special rule relating to mutual savings banks, etc., to which section 593 applies, see section 596."

(2) The table of sections for part II of subchapter H of chapter 1 is amended by adding at the end thereof:

"Sec. 596. Limitation on dividends received deduction."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after July 11, 1969.

SEC. 435. FOREIGN DEPOSITS IN UNITED STATES BANKS.

(a) INCOME FROM SOURCES WITHIN THE UNITED STATES.—

(1) Effective with respect to amounts paid or credited after December 31, 1969, subparagraphs (C) and (D) of section 861(a)(1) (relating to interest) are each amended by striking out "after December 31, 1972,".

Section 861(c) (relating to interest on deposits, etc.) is amended by striking out "1972" and inserting in lieu thereof "1975".

(b) PROPERTY WITHIN THE UNITED STATES.—The second sentence of section 2104(c) (relating to debt obligations) is amended by striking out "December 31, 1972" and inserting in lieu thereof "December 31, 1969".

Subtitle E—Depreciation Allowed Regulated Industries; Earnings and Profits Adjustment for Depreciation

Sec. 441. Public Utility Property.

(a) In General.—Section 167 (relating to depreciation) is amended by inserting after subsection (k) (added by section 521) the following new subsection:

"(l) Reasonable Allowance in Case of Property of Certain Utilities.—

"(1) Pre-1970 public utility property.—

"(A) In general.—In the case of any pre-1970 public utility property, the term 'reasonable allowance' as used in subsection (a) means an allowance computed under—

"(i) a subsection (l) method, or

"(ii) the applicable 1968 method for such property.

Except as provided in subparagraph (B), clause (ii) shall apply only if the taxpayer uses a normalization method of accounting.

"(B) Flow-through method of accounting in certain cases.—In the case of any pre-1970 public utility property, the taxpayer may use the applicable 1968 method for such property if—

"(i) the taxpayer used a flow-through method of accounting for such property for its July 1969 accounting period, or

"(ii) the first accounting period with respect to such property is after the July 1969 accounting period, and the taxpayer used a flow-through method of accounting for its July 1969 accounting period for the property on the basis of which the applicable 1968 method for the property in question is established.

"(2) Post-1969 public utility property.—In the case of any post-1969 public utility property, the term 'reasonable allowance' as used in subsection (a) means an allowance computed under—

"(A) a subsection (l) method,

"(B) a method otherwise allowable under this section if the taxpayer uses a normalization method of accounting, or

"(C) the applicable 1968 method, if, with respect to its pre-1970 public utility property of the same (or similar) kind most recently placed in service, the taxpayer used a flow-through method of accounting for its July 1969 accounting period.

"(3) Definitions.—For purposes of this subsection—

"(A) Public utility property.—The term 'public utility property' means property used predominantly in the trade or business of the furnishing or sale of—

"(i) electrical energy, water, or sewage disposal services,

"(ii) gas or steam through a local distribution system,

"(iii) telephone services, or other communication services if furnished or sold by the Communications Satellite Corporation for purposes authorized by the Communications Satellite Act of 1962 (47 U.S.C. 701), or

"(iv) transportation of gas or steam by pipeline,

"if the rates for such furnishing or sale, as the case may be, have been established or approved by a State or political subdivision thereof, by any agency or instrumentality of the United States, or by a public service or public utility commission or other similar body of any State or political subdivision thereof.

"(B) Pre-1970 public utility property.—The term 'pre-1970 public utility property' means property which was public utility property in the hands of any person at any time before January 1, 1970.

"(C) Post-1969 public utility property.—The term 'post-1969 public utility property means any public utility property which is not pre-1970 public utility property.

"(D) Applicable 1968 method.—The term 'applicable 1968 method' means, with respect to any public utility property—

"(i) the method of depreciation used on a return with respect to such property for the latest taxable year for which a return was filed before August 1, 1969,

"(ii) if clause (i) does not apply, the method used by the taxpayer on a return for the latest taxable year for which a return was filed before August 1, 1969, with respect to its public utility property of the same kind (or if there is no property of the same kind, property of the most similar kind) most recently placed in service, or

"(iii) if neither clause (i) nor (ii) applies, a subsection (l) method.

In the case of any section 1250 property to which subsection (j) applies, the term 'applicable 1968 method' means the method permitted under subsection (j) which is most nearly comparable to the applicable 1968 method determined under the preceding sentence.

"(E) Applicable 1968 method in certain cases.—If the taxpayer evidenced the intent to use a method of depreciation (other than its applicable 1968 method or a subsection (l) method) with respect to any public utility property in a timely application for change of accounting method filed before August 1, 1969, or in the computation of its tax expense for purposes of reflecting operating results in its regulated books of account for its July 1969 accounting period, such other method shall be deemed to be its applicable 1968 method with respect to such property and public utility property of the same (or similar) kind subsequently placed in service.

"(F) Subsection (l) method.—The term 'subsection (l) method' means any method determined by the Secretary or his delegate to result in a reasonable allowance under subsection (a), other than (i) a declining balance method, (ii) the sum of the years-digits method, or (iii) any other method allowable solely by reason of the application of subsection (b)(4) or (j)(1)(C).

"(G) Normalization method of accounting.—In order to use a normalization method of accounting with respect to any public utility property—

"(i) the taxpayer must use the same method of depreciation to compute both its tax expense and its depreciation expense for purposes of establishing its cost of service for ratemaking purposes and for reflecting operating results in its regulated books of account, and

"(ii) if, to compute its allowance for depreciation under this section, it uses a method of depreciation other than the method it used for the purposes described in clause (i), the taxpayer must make adjustments to a reserve to reflect the deferral of taxes resulting from the use of such different methods of depreciation.

"(H) Flow-through method of accounting.—The taxpayer used a 'flow-through method of accounting' with respect to any public utility property if it used the same method of depreciation (other than a subsection (l) method) to compute its allowance for depreciation under this section and to compute its tax expense for purposes of reflecting operating results in its regulated books of account.

"(I) July 1969 accounting period.—The term 'July 1969 accounting period' means the taxpayer's accounting period ending before August 1, 1969, for which it computed its tax expense for purposes of reflecting operating results in its regulated books of account.

For purposes of this paragraph, different declining balance rates shall be treated as different methods of depreciation.

"(4) Special rules as to flow-through method.—

"(A) Election as to new property representing growth in capacity.—If the taxpayer makes an election under this subparagraph within 180 days after the date of the enactment of this subparagraph in the manner prescribed by the Secretary or his delegate, in the case of taxable years beginning after December 31, 1970, paragraph (2)(C) shall not apply with respect to any post-1969 public utility property, to the extent that such property constitutes property which increases the productive or operational capacity of the taxpayer with respect to the goods or services described in paragraph (3)(A) and does not represent the replacement of existing capacity.

"(B) Certain pending applications for changes in method.—In applying paragraph (1)(B), the taxpayer shall be deemed to have used a flow-through method of accounting for its July 1969 accounting period with respect to any pre-1970 public utility property for which it filed a timely application for change of accounting method before August 1, 1969, if with respect to public utility property of the same (or similar) kind most recently placed in service, it used a flow-through method of accounting for its July 1969 accounting period.

"(5) Reorganizations, assets acquisitions, etc.—If by reason of a corporate reorganization, by reason of any other acquisition of the assets of one taxpayer by another taxpayer, by reason of the fact that any trade or business of the taxpayer is subject to ratemaking by more than one body, or by reason of other circumstances, the application of any provisions of this subsection to any public utility property does not carry out the purposes of this subsection, the Secretary or his delegate shall provide by regulations for the application of such provisions in a manner consistent with the purposes of this subsection."

(b) Effective Date.—The amendment made by subsection (a) shall apply with respect to all taxable years for which a return has not been filed before August 1, 1969.

Sec. 442. Effect on Earnings and Profits.

(a) In General.—Section 312 (relating to earnings and profits) is amended by adding at the end thereof the following new subsection:

"(m) Effect of Depreciation on Earnings and Profits.—

"(1) General rule.—For purposes of computing the earnings and profits of a corporation for any taxable year beginning after June 30, 1972, the allowance for depreciation (and amortization, if any) shall be deemed to be the amount which would be allowable for such year if the straight line method of depreciation had been used for each taxable year beginning after June 30, 1972.

"(2) Exception.—If for any taxable year beginning after June 30, 1972, a method of depreciation was used by the taxpayer which the Secretary or his delegate has determined results in a reasonable allowance under section 167(a), and which is not—

"(A) a declining balance method,

"(B) the sum of the years-digits method, or

"(C) any other method allowable solely by reason of the application of subsection (b)(4) or (j)(1)(C) of section 167,

then the adjustment to earnings and profits for depreciation for such year shall be determined under the method so used (in lieu of under the straight line method).

"(3) Certain foreign corporations.—The provisions of paragraph (1) shall not apply in computing the earnings and profits of a foreign corporation for any taxable year for which less than 20 percent of the gross income from all sources of such corporation is derived from sources within the United States."

(b) Conforming Amendments.—

(1) Section 964(a) (relating to earnings and profits of a foreign corporation) is amended by striking out "For purposes of this subpart," and inserting in lieu thereof

"Except as provided in section 312(m)(3), for purposes of this subpart".

(2) Section 1248(c)(1) (relating to general rule for determination of the earnings and profits of a foreign corporation) is amended by striking out "For purposes of this section," and inserting in lieu thereof "Except as provided in section 312(m)(3), for purposes of this section".

TITLE V—ADJUSTMENTS AFFECTING INDIVIDUALS AND CORPORATIONS

SUBTITLE A—NATURAL RESOURCES

SEC. 501. PERCENTAGE DEPLETION RATES.

(a) CHANGE IN CERTAIN PERCENTAGE DEPLETION RATES.—Subsection (b) of section 613 (relating to percentage depletion) is amended to read as follows:

"(b) PERCENTAGE DEPLETION RATES.—The mines, wells, and other natural deposits, and the percentages, referred to in subsection (a) are as follows:

"(1) 22 PERCENT—

"(A) oil and gas wells;

"(B) sulphur and uranium; and

"(C) if from deposits in the United States—anorthosite, clay, laterite, and nephelite syenite (to the extent that alumina and aluminum compounds are extracted therefrom) asbestos, bauxite, celestite, chromite, corundum, fluorspar, graphite, ilmenite, kyanite, mica, olivine, quartz crystals (radio grade), rutile, block steatite talc, and zircon, and ores of the following metals: antimony, beryllium, bismuth, cadmium, cobalt, columbium, lead, lithium, manganese, mercury, molybdenum, nickel, platinum and platinum group metals, tantalum, thorium, tin, titanium, tungsten, vanadium, and zinc.

"(2) 15 PERCENT—if from deposits in the United States—

"(A) gold, silver, copper, and iron ore, and

"(B) oil shale (except shale described in paragraph (5)).

"(3) 14 PERCENT—

"(A) metal mines (if paragraph (1)(C) or (2)(A) does not apply), rock asphalt, and vermiculite and;

"(B) if paragraph (1)(C), (5), of (6)(B) does not apply, ball clay, bentonite, china clay, sagger clay, and clay used or sold for use for purposes dependent on its refractory properties.

"(4) 10 PERCENT—asbestos (if paragraph (1)(C) does not apply), brucite, coal, lignite, perlite, sodium chloride, and wollastonite.

"(5) 7½ PERCENT—clay and shale used or sold for use in the manufacture of sewer pipe or brick, and clay, shale, and slate used or sold for use as sintered or burned lightweight aggregates.

"(6) 5 PERCENT—

"(A) gravel, peat, pumice, sand, scoria, shale (except shale described in paragraph (2)(B) or (5)), and stone (except stone described in paragraph (7));

"(B) clay used, or sold for use, in the manufacture of drainage and roofing tile, flower pots, and kindred products; and

"(C) if from brine wells—bromine, calcium chloride, and magnesium chloride.

"(7) 14 PERCENT—all other minerals, including, but not limited to, aplite, barite, borax, calcium carbonates, diatomaceous earth, dolomite, feldspar, fullers earth, garnet, gilsonite, granite, limestone, magnesite, magnesium carbonates, marble, mollusk shells (including clam shells and oyster shells), phosphate rock, potash, quartzite, slate, soapstone, stone (used or sold for use by the mine owner or operator as dimension stone or ornamental stone), thenardite, tripoli, trona, and (if paragraph (1)(C) does not apply) bauxite, flake graphite, fluorspar, lepidolite, mica, spodumence, and talc (including pyrophyllite), except that, unless sold on bid in direct competition with a bona fide bid to sell a mineral listed in paragraph (3), the percentage shall be 5 percent for any such other mineral (other than slate to which paragraph (5) applies) when used, or sold for use, by the mine owner or operator as rip rap, ballast, road material, rubble, concrete aggregates, or for similar purposes. For purposes of this paragraph, the term 'all other minerals' does not include—

"(A) soil, sod, dirt, turf, water, or mosses; or

"(B) minerals from sea water, the air, or similar inexhaustible sources.

For purposes of this subsection, minerals (other than sodium chloride) extracted from brines pumped from a saline perennial lake within the United States shall not be considered minerals from an inexhaustible source."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after October 9, 1969.

SEC. 502. TREATMENT PROCESSES IN THE CASE OF OIL SHALE.

(a) IN GENERAL.—Section 613(c)(4) (relating to treatment processes considered as mining) is amended by striking out "and" at the end of subparagraph (G), by redesignating subparagraph (H) as subparagraph (I), and by inserting after subparagraph (G) the following new subparagraph:

"(H) in the case of oil shale—extraction from the ground, crushing, loading into the retort, and retorting, but not hydrogenation, refining, or any other process subsequent to retorting; and".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 503. MINERAL PRODUCTION PAYMENTS.

(a) IN GENERAL.—Subchapter I of chapter 1 (relating to natural resources) is amended by adding at the end thereof the following new part:

"PART IV—MINERAL PRODUCTION PAYMENTS

"Sec. 636. Income tax treatment of mineral production payments.

"SEC. 636. INCOME TAX TREATMENT OF MINERAL PRODUCTION PAYMENTS.

"(a) CARVED-OUT PRODUCTION PAYMENT.—A production payment carved out of mineral property shall be treated, for purposes of this subtitle, as if it were a mortgage loan on the property, and shall not qualify as an economic interest in the mineral property. In the case of a production payment carved out for exploration or development of a mineral property, the preceding sentence shall apply only if and to the extent gross income from the property (for purposes of section 613) would be realized, in the absence of the application of such sentence, by the person creating the production payment.

"(b) RETAINED PRODUCTION PAYMENT ON SALE OF MINERAL PROPERTY.—A production payment retained on the sale of a mineral property shall be treated, for purposes of this subtitle, as if it were a purchase money mortgage loan and shall not qualify as an economic interest in the mineral property.

"(c) RETAINED PRODUCTION PAYMENT ON LEASE OF MINERAL PROPERTY.—A production payment retained in a mineral property by the lessor in a leasing transaction shall be treated, for purposes of this subtitle, insofar as the lessee (or his successors in interest) is concerned, as if it were a bonus granted by the lessee to the lessor payable in installments. The treatment of the production payment in the hands of the lessor shall be determined without regard to the provisions of this subsection.

"(d) DEFINITION.—As used in this section, the term 'mineral property' has the meaning assigned to the term 'property' in section 614(a).

"(e) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this section."

(b) CLERICAL AMENDMENT.—The table of parts for subchapter I of chapter 1 is amended by adding at the end thereof the following:

"Part IV. Mineral production payments."

(c) EFFECTIVE DATES.—

(1) GENERAL RULE.—The amendments made by this section shall apply with respect to mineral production payments created on or after August 7, 1969, other than mineral production payments created before January 1, 1971, pursuant to a binding contract entered into before August 7, 1969.

(2) ELECTION.—At the election of the taxpayer (made at such time and in such manner as the Secretary of the Treasury or his delegate prescribes by regulations), the amendments made by this section shall apply with respect to all mineral production payments which the taxpayer carved out of mineral properties after the beginning of his last taxable year ending before August 7, 1969. No interest shall be allowed on any refund or credit of any overpayment resulting from such election for any taxable year ending before August 7, 1969.

(3) SPECIAL RULE.—With respect to a taxpayer who does not elect the treatment provided in paragraph (2) and who carves out one or more mineral production payments on or after August 7, 1969, during the taxable year which includes such date, the amendments made by this section shall apply to such production payments only to the extent the aggregate amount of such production payments exceeds the lesser of—

(A) the excess of—

(i) the aggregate amount of production payments carved out and sold by the taxpayer during the 12-month period immediately preceding his taxable year which includes August 7, 1969, over

(ii) the aggregate amount of production payments carved out before August 7, 1969, by the taxpayer during his taxable year which includes such date, or

(B) the amount necessary to increase the amount of the taxpayer's gross income, within the meaning of chapter 1 of subtitle A of the Internal Revenue Code of 1954, for the taxable year which includes August 7, 1969, to an amount equal to the amount of deductions (other than any deduction under section 172 of such Code) allowable for such year under such chapter.

The preceding sentence shall not apply for purposes of determining the amount of any deduction allowable under section 611 or the amount of foreign tax credit allowable under section 904 of such Code.

SEC. 504. EXPLORATION EXPENDITURES.

(a) AMENDMENTS TO SECTION 615.—Section 615 (relating to exploration expenditures) is amended—

(1) by striking out the heading and inserting in lieu thereof:

"SEC. 615. PRE-1970 EXPLORATION EXPENDITURES."; and

(2) by adding at the end thereof the following new subsection:

"(h) TERMINATION.—The provisions of this section shall not apply with respect to expenditures paid or incurred after December 31, 1969."

(b) AMENDMENTS TO SECTION 617.—Section 617 (relating to additional exploration expenditures in the case of domestic mining) is amended—

(1) by striking out the heading and inserting in lieu thereof:

"SEC. 617. DEDUCTION AND RECAPTURE OF CERTAIN MINING EXPLORATION EXPENDITURES."

(2) by striking out in subsection (a)(1) "in the United States or on the Outer Continental Shelf (within the meaning of section 2 of the Outer Continental Shelf Lands

Act, as amended and supplemented; 43 U.S.C. 1331)"; and

(3) by striking out subsection (h) and inserting the following in lieu thereof:

"(h) Limitation.—

"(1) In general.—Subsection (a) shall apply to any amount paid or incurred after December 31, 1969, with respect to any deposit of ore or other mineral located outside the United States, only to the extent that such amount, when added to the amounts which are or have been deducted under subsection (a) and section 615(a) and the amounts which are or have been treated as deferred expenses under section 615(b), or the corresponding provisions of prior law, does not exceed $400,000.

"(2) Amounts taken into account.—For purposes of paragraph (1), there shall be taken into account amounts deducted and amounts treated as deferred expenses by—

"(A) the taxpayer, and

"(B) any individual or corporation who has transferred to the taxpayer any mineral property.

"(3) Application of paragraph (2) (B).—Paragraph (2) (B) shall apply with respect to all amounts deducted and all amounts treated as deferred expenses which were paid or incurred before the latest such transfer from the individual or corporation to the taxpayer. Paragraph (2) (B) shall apply only if—

"(A) the taxpayer acquired any mineral property from the individual or corporation under circumstances which make paragraph (7), (8), (11), (15), (17), (20), or (22) of section 113(a) of the Internal Revenue Code of 1939 apply to such transfer;

"(B) the taxpayer would be entitled under section 381(c) (10) to deduct expenses deferred under section 615(b) had the distributor or transferor corporation elected to defer such expenses; or

"(C) the taxpayer acquired any mineral property from the individudal or corporation under circumstances which make section 334(b), 362 (a) and (b), 372(a), 373(b) (1), 1051, or 1082 apply to such transfer."

(c) Conforming Amendments.—

(1) Section 243(b) (3) (C) (iii) is amended by striking out "section 615(c) (1)" and inserting in lieu thereof "sections 615(c) (1) and 617(h) (1)".

(2) Paragraph (10) of section 381(c) is amended—

(A) by striking out so much as precedes the second sentence and inserting in lieu thereof:

"(10) Treatment of certain mining exploration and development expenses of distributor or transferor corporation.—The acquiring corporation shall be entitled to deduct, as if it were the distributor or transferor corporation, expenses deferred under sections 615 and 616 (relating to pre-1970 exploration expenditures and development expenditures, respectively) if the distributor or transferor corporation has so elected."; and

(B) by adding at the end thereof the following new sentence: "For the purpose of applying the limitation provided in section 617, if, for any taxable year, the distributor or transferor corporation was allowed the deduction in section 615(a) or section 617(a) or made the election provided in section 615 (b), the acquiring corporation shall be deemed to have been allowed such deduction or deductions or to have made such election, as the case may be."

(3) Section 703(b) is amended by striking out "(relating to exploration expenditures) or under section 617 (relating to additional exploration expenditures in the case of domestic mining)" and inserting in lieu thereof "(relating to pre-1970 exploration expenditures) or under section 617 (relating to deduction and recapture of certain mining exploration expenditures)".

(4) Paragraph (10) of section 1016(a) is amended by inserting "pre-1970" after "certain".

(5) The table of sections for part I of subchapter I of chapter 1 is amended—

(A) by striking out the item relating to section 615 and inserting in lieu thereof:

"Sec. 615. Pre-1970 exploration expenditures."; and

(B) by striking out the item relating to section 617 and inserting in lieu thereof:

"Sec. 617. Deduction and recapture of certain mining exploration expenditures."

(d) Effective Date.—

(1) In general.—The amendments made by this section shall apply with respect to exploration expenditures paid or incurred after December 31, 1969.

(2) Presumption of election under section 617.—For purposes of section 617 of the Internal Revenue Code of 1954, an election under section 615(e) of such Code, which is effective with respect to exploration expenditures paid or incurred before January 1, 1970, shall be treated as an election under section 617(a) of such Code with respect to exploration expenditures paid or incurred after December 31, 1969. The preceding sentence shall not apply to any taxpayer who notifies the Secretary of the Treasury or his delegate (at such time and in such manner as the Secretary or his delegate prescribes by regulations) that he does not desire his election under section 615(e) to be so treated.

Sec. 505. Continental Shelf Areas.

(a) In General.—Subchapter I of chapter 1 (relating to natural resources) is amended by adding after part IV (added by section 503 of this Act) the following new part:

"Part V—Continental Shelf Areas

"Sec. 638. Continental Shelf Areas.

"For purposes of applying the provisions of this chapter (including sections 861(a) (3) and 862(a) (3) in the case of the performance of personal services) with respect to mines, oil and gas wells, and other natural deposits—

"(1) the term 'United States' when used in a geographical sense includes the seabed and subsoil of those submarine areas which are adjacent to the territorial waters of the United States and over which the United States has exclusive rights, in accordance with international law, with respect to the exploration and exploitation of natural resources; and

"(2) the terms 'foreign country' and 'possession of the United States' when used in a geographical sense include the seabed and subsoil of those submarine areas which are adjacent to the territorial waters of the foreign country or such possession and over which the foreign country (or the United States in case of such possession) has exclusive rights, in accordance with international law, with respect to the exploration and exploitation of natural resources, but this paragraph shall apply in the case of a foreign country only if it exercises, directly or indirectly, taxing jurisdiction with respect to such exploration or exploitation.

No foreign country shall, by reason of the application of this section, be treated as a country contiguous to the United States."

(b) Source of Income for Withholding of Tax.—Section 1441 (relating to withholding of tax on nonresident aliens) is amended by adding at the end thereof the following new subsection:

"(f) Continental Shelf Areas.—

"For sources of income derived from, or for services performed with respect to, the exploration or exploitation of natural resources on submarine areas adjacent to the territorial waters of the United States, see section 638."

(c) Clerical Amendment.—The table of parts for subchapter I of chapter 1 is amended by adding at the end thereof the following new item:

"Part V. Continental shelf areas."

Sec. 506. Foreign Tax Credit With Respect to Certain Foreign Mineral Income.

(a) Limitation on Amount of Foreign Taxes Allowed.—Section 901 (relating to taxes of foreign countries and possessions of the United States) is amended—

(1) by redesignating subsection (e) as subsection (f), and

(2) by inserting after subsection (d) the following new subsection:

"(e) Foreign Taxes on Mineral Income.—

"(1) Reduction in amount allowed.—Notwithstanding subsection (b), the amount of any income, war profits, and excess profits taxes paid or accrued during the taxable year to any foreign country or possession of the United States with respect to foreign mineral income from sources within such country or possession which would (but for this paragraph) be allowed under such subsection shall be reduced by the amount (if any) by which—

"(A) the amount of such taxes (or, if smaller, the amount of the tax which would be computed under this chapter with respect to such income determined without the deduction allowed under section 613), exceeds

"(B) the amount of the tax computed under this chapter with respect to such income.

"(2) Foreign mineral income defined.—For purposes of paragraph (1), the term 'foreign mineral income' means income derived from the extraction of minerals from mines, wells, or other natural deposits, the processing of such minerals into their primary products, and the transportation, distribution, or sale of such minerals or primary products. Such term includes, but is not limited to—

"(A) dividends received from a foreign corporation in respect of which taxes are deemed paid by the taxpayer under section 902, to the extent such dividends are attributable to foreign mineral income, and

"(B) that portion of the taxpayer's distributive share of the income of partnerships attributable to foreign mineral income."

(b) Election of Overall Limitation.—Section 904(b) (relating to election of overall limitation) is amended—

(1) by striking out "with the consent of the Secretary or his delegate with respect to any taxable year" in paragraph (1) and inserting in lieu thereof "(A) with the consent of the Secretary or his delegate with respect to any taxable year or (B) for the taxpayer's first taxable year beginning after December 31, 1969", and

(2) by striking out "If a taxpayer" in paragraph (2) and inserting in lieu thereof "Except in a case to which paragraph (1) (B) applies, if the taxpayer".

(c) Effective Date.—The amendments made by this section shall apply with respect to taxable years beginning after December 31, 1969.

Subtitle B—Capital Gains and Losses

Sec. 511. Increase in Alternative Capital Gains Tax.

(a) Definition of Net Section 1201 Gain.—Section 1222 (relating to definition of terms applicable to capital gains and losses) is amended by adding at the end thereof the following new paragraph:

"(11) Net section 1201 gain.—The term 'net section 1201 gain' means the excess of the net long-term capital gain for the taxable year over the net short-term capital loss for such year."

(b) Increase in Alternative Tax Rates.—Section 1201 (relating to alternative tax) is amended to read as follows:

"Sec. 1201. Alternative Tax.

"(a) Corporations.—If for any taxable year a corporation has a net section 1201 gain, then, in lieu of the tax imposed by sections 11, 511, 821 (a) or (c), and 831(a), there is hereby imposed a tax (if such tax is less than the tax imposed by such sections) which shall consist of the sum of a tax computed on the taxable income reduced by the amount of the net section 1201 gain, at the rates and in the manner as if this subsection had not been enacted, plus—

"(1) in the case of a taxable year beginning before January 1, 1975—

"(A) a tax of 25 percent of the lesser of—

"(i) the amount of the subsection (d) gain, or

"(ii) the amount of the net section 1201 gain,

and

"(B) a tax of 30 percent (28 percent in the case of a taxable year beginning after December 31, 1969, and before January 1, 1971) of the excess (if any) of the net section 1201 gain over the subsection (d) gain; and

"(2) in the case of a taxable year beginning after December 31, 1974, a tax of 30 percent of the net section 1201 gain.

"(b) Other Taxpayers.—If for any taxable year a taxpayer other than a corporation has a net section 1201 gain, then, in lieu of the tax imposed by sections 1 and 511, there is hereby imposed a tax (if such tax is less than the tax imposed by such sections) which shall consist of the sum of—

"(1) a tax computed on the taxable income reduced by an amount equal to 50 percent of the net section 1201 gain, at the rates and in the manner as if this subsection had not been enacted,

"(2) a tax of 25 percent of the lesser of—

"(A) the amount of the subsection (d) gain, or

"(B) the amount of the net section 1201 gain, and

"(3) if the amount of the net section 1201 gain exceeds the amount of the subsection (d) gain, a tax computed as provided in subsection (c) on such excess.

"(c) Computation of Tax on Capital Gain in Excess of Subsection (d) Gain.—

"(1) In general.—The tax computed for purposes of subsection (b)(3) shall be the amount by which a tax determined under section 1 or 511 on an amount equal to the taxable income (but not less than 50 percent of the net section 1201 gain) for the taxable year exceeds a tax determined under section 1 or 511 on an amount equal to the sum of (A) the amount subject to tax under subsection (b)(1) plus (B) an amount equal to 50 percent of the subsection (d) gain.

"(2) Limitation.—Notwithstanding paragraph (1), the tax computed for purposes of subsection (b)(3) shall not exceed an amount equal to the following percentage of the excess of the net section 1201 gain over the subsection (d) gain:

"(A) 29½ percent, in the case of a taxable year beginning after December 31, 1969, and before January 1, 1971, or

"(B) 32½ percent, in the case of a taxable year beginning after December 31, 1970, and before January 1, 1972.

"(d) Subsection (d) Gain Defined.—For purposes of this section, the term 'subsection (d) gain' means the sum of the long-term capital gains for the taxable year arising—

"(1) in the case of amounts received before January 1, 1975, from sales or other dispositions pursuant to binding contracts (other than any gain from a transaction described in section 631 or 1235) entered into on or before October 9, 1969, including sales or other dispositions the income from which is returned on the basis and in the manner prescribed in section 453(a)(1),

"(2) in respect of distributions from a corporation made prior to October 10, 1970, which are pursuant to a plan of complete liquidation adopted on or before October 9, 1969, and

"(3) in the case of a taxpayer other than a corporation, from any other source, but the amount taken into account from such other sources for the purposes of this paragraph shall be limited to an amount equal to the excess (if any) of $50,000 ($25,000 in the case of a married individual filing a separate return) over the sum of the gains to which paragraphs (1) and (2) apply.

"(e) Cross References.—

"For computation of the alternative tax—

"(1) in the case of life insurance companies, see section 802(a)(2);

"(2) in the case of regulated investment companies and their shareholders, see section 852(b)(3) (A) and (D); and

"(3) in the case of real estate investment trusts, see section 857(b)(3) (A)."

(c) Conforming Amendments.—

(1) Section 802(a)(2)(B) (relating to alternative tax in case of capital gains of life insurance companies) is amended to read as follows:

"(B) an amount determined as provided in section 1201(a) on such excess."

(2) Section 852(b)(3) (relating to method of taxation of regulated investment companies and their shareholders in the case of capital gains) is amended:

(A) by striking out "of 25 percent of" in subparagraph (A) and inserting in lieu thereof ", determined as provided in section 1201(a), on",

(B) by adding at the end of subparagraph (C) the following new sentence: "For purposes of subparagraph (A)(ii), the deduction for dividends paid shall, in the case of a taxable year beginning before January 1, 1975, first be made from the amount subject to tax in accordance with section 1201 (a)(1)(B), to the extent thereof, and then from the amount subject to tax in accordance with section 1201(a)(1)(A).",

(C) by striking out "of 25 percent" in subparagraph (D)(ii), and

(D) by amending subparagraph (D) (iii) to read as follows:

"(iii) The adjusted basis of such shares in the hands of the shareholder shall be increased, with respect to the amounts required by this subparagraph to be included in computing his long-term capital gains, by 75 percent of so much of such amounts as equals the amount subject to tax in accordance with section 1201(a)(1)(A) and by 70 percent (72 percent in the case of a taxable year beginning after December 31, 1969, and before January 1, 1971) of so much of such amounts as equals the amount subject to tax in accordance with section 1201(a)(1) (B) or (2)."

(3) Section 857(b)(3) (relating to imposition of tax in the case of capital gains of real estate investment trusts) is amended:

(A) by striking out "of 25 percent of" in subparagraph (A) and inserting in lieu thereof ", determined as provided in section 1201(a), on", and

(B) by adding at the end of subparagraph (C) the following new sentence: "For purposes of subparagraph (A)(ii), in the case of a taxable year beginning before January 1, 1975, the deduction for dividends paid shall first be made from the amount subject to tax in accordance with section 1201(a)(1) (B), to the extent thereof, and then from the amount subject to tax in accordance with section 1201(a)(1)(A)."

(4) Section 1378 (relating to tax imposed on certain capital gains of an electing small business corporation) is amended:

(A) by striking out "25 percent of" in subsection (b)(1) and inserting in lieu thereof "the tax, determined as provided in section 1201(a), on",

(B) by adding at the end of subsection (b) the following new sentence: "In applying section 1201(a)(1) (A) and (B) for purposes of paragraph (1), the $25,000 limitation shall first be deducted from the amount (determined wtihout regard to this subsection) subject to tax in accordance with section 1201(a)(B), to the extent thereof, and then from the amount (determined without regard to this subsection) subject to tax in accordance with section 1201(a)(1)(A).", and

(C) by striking out "25 percent of" in subsection (3)(c) and inserting in lieu thereof "a tax, determined as provided in section 1201(a), on".

(d) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1969.

Sec. 512. Capital Losses of Corporations.

(a) Three-Year Carryback of Net Capital Losses.—Section 1212(a)(1) (relating to capital loss carryover for corporations) is amended to read as follows:

"(1) In general.—If a corporation has a net capital loss for any taxable year (hereinafter in this paragraph referred to as the 'loss year'), the amount thereof shall be—

"(A) a capital loss carryback to each of the 3 taxable years preceding the loss year, but only to the extent—

"(i) such loss is not attributable to a foreign expropriation capital loss, and

"(ii) the carryback of such loss does not increase or produce a net operating loss (as defined in section 172(c) for the taxable year to which it is being carried back; and

"(B) a capital loss carryover to each of the 5 taxable years (10 taxable years to the extent such loss is attributable to a foreign expropriation capital loss) succeeding the loss year,

and shall be treated as a short-term capital loss in each such taxable year. The entire amount of the net capital loss for any taxable year shall be carried to the earliest of the taxable year to which such loss may be carried, and the portion of such loss which shall be carried to each of the other taxable years to which such loss may be carried shall be the excess, if any, of such loss over the total of the net capital gains for each of the prior taxable years to which such loss may be carried. For purposes of the preceding sentence, the net capital gain for any such prior taxable year shall be computed without regard to the net capital loss for the loss year or for any taxable year thereafter. In the case of any net capital loss which cannot be carried back in full to a preceding taxable year by reason of clause (ii) of subparagraph (A), the net capital gain for such prior taxable year shall in no case be treated as greater than the amount of such loss which can be carried back to such preceding taxable year upon the application of such clause (ii)."

(b) Special Rules.—Section 1212(a) (relating to net capital losses of corporations) is amended by adding at the end thereof the following new paragraphs:

"(3) Electing small business corporations.—Paragraph (1)(A) shall not apply to the net capital loss of a corporation for any taxable year for which it is an electing small business corporation under subchapter S, and a net capital loss of a corporation (for a year for which it is not such an electing small business corporation) shall not be carried back under paragraph (1)(A) to a taxable year for which it is an electing small business corporation.

"(4) Special Rules on Carrybacks—A net capital loss of a corporation shall not be carried back under paragraph (1)(A) to a taxable year—

"(A) for which it is a foreign personal holding company (as defined in section 552);

"(B) for which it is a regulated investment company (as defined in section 851);

"(C) for which it is a real estate investment trust (as defined in section 856); or

"(D) for which an election made by it under section 1247 is applicable (relating to election by foreign investment companies to distribute income currently)."

(c) Certain Corporate Acquisitions.—Section 381(b)(3) (relating to operating rules for carryovers in certain corporate acquisitions) is amended by striking out "a net operating loss" and inserting in lieu thereof "a net operating loss or a net capital loss".

(d) Tentative Carryback Adjustments.—Section 6411 (relating to quick refunds in respect of tentative carryback adjustments) is amended—

(1) by striking out the first two sentences of subsection (a) and inserting in lieu thereof "A taxpayer may file an application for a tentative carryback adjustment of the tax for the prior taxable year affected by a net operating loss carryback provided in section 172(b), by an investment credit carryback provided in section 46(b), or by a capital loss carryback provided in section 1212 (a)(1), from any taxable year. The application shall be verified in the manner prescribed by section 6065 in the case of a return of such taxpayer, and shall be filed, on or after the date of filing of the return for the taxable year of the net operating loss, net capital loss, or unused investment credit from which the carryback results and within a period of 12 months from the end of such taxable year (or, with respect to any portion of an investment credit carryback from a taxable year attributable to a net operating loss carryback or a capital loss carryback from a subsequent taxable year, within a period of 12 months from the end of such subsequent taxable year), in the manner and form required by regulations prescribed by the Secretary or his delegate.", and

(2) by striking out "net operating loss or unused investment credit", wherever such term appears in subsections (a)(1), (b), and, (c), and inserting in lieu thereof "net operating loss, net capital loss, or unused investment credit".

(e) Statutes of Limitations and Interest Relating to Capital Loss Carrybacks.—

(1) Assessment and collection.—Section 6501 (relating to limitations on assessment and collection) is amended—

(A) by striking out "Loss Carrybacks" in the heading of subsection (h) and inserting in lieu thereof "Loss or Capital Loss Carrybacks",

(B) by striking out "loss carryback" in subsection (h) and inserting in lieu thereof "loss carryback or a capital loss carryback",

(C) by striking out "operating loss which" in subsection (h) and inserting in lieu thereof "operating loss or net capital loss which",

(D) by striking out "assessed, or within 18 months" and all that follows thereafter in subsection (h) and inserting in lieu thereof "assessed. In the case of a deficiency attributable to the application of a net operating loss carryback, such deficiency may be assessed within 18 months after the date on which the taxpayer files in accordance with section 172(b)(3) a copy of the certification (with respect to the taxable year of the net operating loss) issued under section 317 of the Trade Expansion Act of 1962, if later than the date prescribed by the preceding sentence.",

(E) by striking out "loss carryback" in subsection (j) and inserting in lieu thereof "loss carryback or a capital loss carryback", and

(F) by striking out "net operating loss carryback or an investment credit carryback" in subsection (m) and inserting in lieu thereof "net operating loss carryback, a capital loss carryback, or an investment credit carryback".

(2) Credit or refund.—Subsection (d) of section 6511 (relating to limitations on credit or refund) is amended—

(A) by striking out "LOSS CARRYBACKS" in the heading of paragraph (2) and inserting in lieu thereof "LOSS OR CAPITAL LOSS CARRYBACKS",

(B) by striking out "loss carryback" in that part of paragraph (2)(A) which precedes clause (i) thereof and inserting in lieu thereof "loss carryback or a capital loss carryback",

(C) by striking out "operating loss which" in that part of paragraph (2)(A) which precedes clause (i) thereof and inserting in lieu thereof "operating loss or net capital loss which",

(D) by striking out "loss carryback" in the first sentence of paragraph (2)(B)(i) and inserting in lieu thereof "loss carryback or a capital loss carryback",

(E) by amending the last sentence of paragraph (2)(B)(i) to read as follows: "In the case of any such claim for credit or refund or any such application for a tentative carryback adjustment, the determination by any court, including the Tax Court, in any proceeding in which the decision of the court has become final, shall be conclusive except with respect to the net operating loss deduction, and the effect of such deduction, or with respect to the determination of a short-term capital loss, and the effect of such short-term capital loss, to the extent that such deduction or short-term capital loss is affected by a carryback which was not an issue in such proceeding.",

(F) by striking out "loss carryback" in paragraph (2)(B)(ii) and inserting in lieu thereof "loss carryback or a capital loss carryback, as the case may be,", and

(G) by striking out "loss carryback" in paragraph (4)(A) and inserting in lieu thereof "loss carryback or a capital loss carryback".

(3) Interest on underpayments.—Section 6601(e) (relating to computation of interest in case of carryback or adjustment for certain unused deductions) is amended—

(A) by striking out "LOSS CARRYBACK" in the heading of paragraph (1) and inserting in lieu thereof "LOSS OR CAPITAL LOSS CARRYBACK",

(B) by striking out "net operating loss" wherever it appears in paragraph (1) and inserting in lieu thereof "net operating loss or net capital loss". and

(C) by striking out "loss carryback" in paragraph (2) and inserting in lieu thereof "loss carryback or a capital loss carryback".

(4) Interest on overpayments.—Section 6611(f) (relating to interest in case of refund of income tax caused by carryback or adjustment for certain unusual deductions) is amended—

(A) by striking out "LOSS CARRYBACK" in the heading of paragraph (1) and inserting in lieu thereof "LOSS OR CAPITAL LOSS CARRYBACK",

(B) by striking out "net operating loss" wherever it appears in paragraph (1) and inserting in lieu thereof "net operating loss or net capital loss", and

(C) by striking out "loss carryback" in paragraph (2) and inserting in lieu thereof "loss carryback or a capital loss carryback".

(f) Technical Amendments.—

(1) The heading of section 1212 is amended by striking out "Carryover" and inserting in lieu thereof "Carrybacks and Carryovers".

(2) The item relating to section 1212 in the table of sections for part II of subchapter P of chapter 1 is amended by striking out "carryover" and inserting in lieu thereof "carrybacks and carryovers".

(3) Section 246(b)(1) (relating to dividends received deduction) is amended by striking out "and 247" and inserting in lieu thereof "and 247, and without regard to any capital loss carryback to the taxable year under section 1212(a)(1)."

(4) Section 481(b)(3)(A) (relating to changes in method of accounting) is amended by striking out "loss carryover" and inserting in lieu thereof "loss carryback or carryover".

(5) Section 535(b)(6) (relating to improper accumulations of surplus) is amended—

(A) by striking out "capital loss carryover" in the first sentence and inserting in lieu thereof "capital loss carryback or carryover", and

(B) by striking out "capital loss carryover" in subparagraph (B) and inserting in lieu thereof "capital loss carryback and carryover".

(6) Paragraph (7) of section 535(b) (relating to treatment of capital loss carryovers) is amended to read as follows:

"(7) Capital loss.—No allowance shall be made for the capital loss carryback or carryover provided in section 1212."

(7) Section 1314(a) (relating to mitigation of limitations) is amended by striking out "capital loss carryover" and inserting in lieu thereof "capital loss carryback or carryover".

(8) The last sentence of section 1314(b) (relating to method of adjustment) is amended to read as follows: "In the case of an adjustment resulting from an increase or decrease in a net operating loss or net capital loss which is carried back to the year of adjustment, interest shall not be collected or paid for any period prior to the close of the taxable year in which the net operating loss or net capital loss arises."

(g) Effective Date.—The amendments made by this section shall apply with respect to net capital losses sustained in taxable years beginning after December 31, 1969.

Sec. 513. Capital Losses of Individuals.

(a) Limitation on Allowance of Capital Losses.—Section 1211(b) (relating to limitation on capital losses of taxpayers other than corporations) is amended to read as follows:

"(b) Other Taxpayers.—

"(1) In general.—In the case of a taxpayer other than a corporation, losses from sales or exchanges of capital assets shall be allowed only to the extent of the gains from such sales or exchanges, plus (if such losses exceed such gains) whichever of the following is smallest:

"(A) the taxable income for the taxable year,

"(B) $1,000, or

"(C) the sum of—

"(i) the excess of the net short-term capital loss over the net long-term capital gain, and

"(ii) one-half of the excess of the net long-term capital loss over the net short-term capital gain.

"(2) Married individuals.—In the case of a husband or wife who files a separate return, the amount specified in paragraph (1) (B) shall be $500 in lieu of $1,000.

"(3) Computation of taxable income.—For purposes of paragraph (1), taxable income shall be computed without regard to gains or losses from sales or exchanges of capital assets and without regard to the deductions provided in section 151 (relating to personal exemptions) or any deduction in lieu thereof. If the taxpayer elects to pay the optional tax imposed by section 3, 'taxable income' as used in this subsection shall read as 'adjusted gross income'."

(b) Capital Loss Carryover.—Section 1212 (b) (relating to capital loss carryover of taxpayers other than corporations) is amended by striking out "beginning after December 31, 1963" at the beginning of paragraph (1), by striking out the last sentence of paragraph (1), and by striking out paragraph (2) and inserting in lieu thereof the following new paragraphs:

"(2) Special rules.—

"(A) For purposes of determining the excess referred to in paragraph (1)(A), an amount equal to the amount allowed for the taxable year under section 1211(b)(1) (A), (B), or (C) shall be treated as a short-term capital gain in such year.

"(B) For purposes of determining the excess referred to in paragraph (1)(B), an amount equal to the sum of—

"(i) the amount allowed for the taxable year under section 1211(b)(1) (A), (B), or (C), and

"(ii) the excess of the amount described in clause (i) over the net short-term capital loss (determined without regard to this subsection) for such year,

shall be treated as a short-term capital gain in such year.

"(3) Transitional rule.—In the case of any amount which, under paragraph (1) and section 1211(b) (as in effect for taxable years beginning before January 1, 1970), is treated as a capital loss in the first taxable year beginning after December 31, 1969, paragraph (1) and section 1211(b) (as in effect for taxable years beginning before January 1, 1970) shall apply (and paragraph (1) and section 1211(b) as in effect for taxable years beginning after December 31, 1969, shall not apply) to the extent such amount exceeds the total of any net capital gains (determined without regard to this subsection) of taxable years beginning after December 31, 1969."

(c) Conforming Amendment.—Section 1222(9) (defining net capital gain) is amended by striking out "In the case of a corporation, the" and inserting in lieu thereof "The".

(d) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1969.

Sec. 514. Letters, Memorandum, etc.

(a) Treatment as Property Which Is Not a Capital Asset.—Section 1221(3) (relating to definition of capital asset) is amended to read as follows:

"(3) a copyright, a literary, musical, or artistic composition, a letter or memorandum, or similar property, held by—

"(A) a taxpayer whose personal efforts created such property,

"(B) in the case of a letter, memorandum, or similar property, a taxpayer for whom such property was prepared or produced, or

"(C) a taxpayer in whose hands the basis of such property is determined, for purposes of determining gain from a sale or exchange, in whole or in part by reference to the basis of such property in the hands of a taxpayer described in subparagraph (A) or (B);".

(b) Conforming Amendments.—

(1) Section 341(e)(5)(A)(iv) (relating to definition of subsection (e) asset in the case of collapsible corporations) is amended to read as follows:

"(iv) property (unless included under clause (i), (ii), or (iii)) which consists of a copyright, a literary, musical, or artistic composition, a letter or memorandum, or similar property, or any interest in any such property, if the property was created in whole or in part by the personal efforts of, or (in the case of a letter, memorandum, or similar property) was prepared, or produced in whole or in part for, any individual who owns more than 5 percent in value of the stock of the corporation."

(2) Section 1231(b)(1)(C) (relating to definition of property used in the trade or business) is amended by inserting ", a letter or memorandum" before ", or similar property".

(c) Effective Date.—The amendments made by this section shall apply to sales and other dispositions occurring after July 25, 1969.

Sec. 515. Total Distributions From Qualified Pension, Etc., Plans.

(a) Limitation on Capital Gains Treatment.—

(1) Employees' trust.—Section 402(a) (relating to taxability of beneficiary of exempt trust) is amended by adding at the end thereof the following new paragraph:

"(5) Limitation on capital gains treatment.—The first sentence of paragraph (2) shall apply to a distribution paid after December 31, 1969, only to the extent that it does not exceed the sum of—

"(A) the benefits accrued by the employee on behalf of whom it is paid during plan years beginning before January 1, 1970, and

"(B) the portion of the benefits accrued by such employee during plan years beginning after December 31, 1969, which the distributee establishes does not consist of the employee's allocable share of employer contributions to the trust by which such distribution is paid.

The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this paragraph."

(2) Employee annuities.—Section 403(a)(2) (relating to capital gains treatment for certain distributions under a qualified annuity plan) is amended by adding at the end thereof the following new subparagraph:

"(C) Limitation on capital gains treatment.—Subparagraph (A) shall apply to a payment paid after December 31, 1969, only to the extent it does not exceed the sum of—

"(i) the benefits accrued by the employee on behalf of whom it is paid during plan years beginning before January 1, 1970, and

"(ii) the portion of the benefits accrued by such employee during plan years beginning after December 31, 1969, which the payee establishes does not consist of the employee's allocable share of employer contributions under the plan under which the annuity contract is purchased.

The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this subparagraph."

(b) Limitation on Tax.—Section 72(n) (relating to treatment of certain distributions with respect to contributions by self-employed individuals) is amended—

(1) by striking out so much thereof as precedes paragraph (2) and inserting in lieu thereof the following:

"(n) Treatment of Total Distributions.—

"(1) Application of subsection.—

"(A) General rule.—This subsection shall apply to amounts—

"(i) distributed to a distributee, in the case of an employees' trust described in section 401(a) which is exempt from tax under section 501(a), or

"(ii) paid to a payee, in the case of an annuity plan described in section 403(a),

if the total distributions or amounts payable to the distributee or payee with respect to an employee (including an individual who is an employee within the meaning of section 401(c)(1)) are paid to the distributee or payee within one taxable year of the distributee or payee, but only to the extent that section 402(a)(2) or 403(a)(2)(A) does not apply to such amounts.

"(B) Distributions to which applicable.—This subsection shall apply only to distributions or amounts paid—

"(i) on account of the employee's death,

"(ii) with respect to an individual who is an employee without regard to section 401(c)(1), on account of his separation from the service,

"(iii) with respect to an employee within the meaning of section 401(c)(1), after he has attained the age of 59½ years, or

"(iv) with respect to an employee within the meaning of section 401(c)(1), after he has become disabled (within the meaning of subsection (m)(7)).

"(C) Minimum period of service.—This subsection shall apply to amounts distributed or paid to an employee from or under a plan only if he has been a participant in the plan for 5 or more taxable years prior to the taxable year in which such amounts are distributed or paid.

"(D) Amounts subject to penalty.—This subsection shall not apply to amounts described in clauses (ii) and (iii) of subparagraph (A) of subsection (m)(5) (but, in the case of amounts described in clause (ii) of such subparagraph, only to the extent that subsection (m)(5) applies to such amounts)."; and

(2) by adding at the end thereof the following new paragraph:

"(4) Special rule for employees without regard to section 401(c)(1).—In the case of amounts to which this subsection applies which are distributed or paid with respect to an individual who is an employee without regard to section 401(c)(1), paragraph (2) shall be applied with the following modifications:

"(A) '7 times' shall be substituted for '5 times', and '14 2/7 percent' shall be substituted for '20 percent'.

"(B) Any amount which is received during the taxable year by the employee as compensation (other than as deferred compensation within the meaning of section 404) for personal services performed for the employer in respect of whom the amounts distributed or paid are received shall not be taken into account.

"(C) No portion of the total distributions or amounts payable (of which the amounts distributed or paid are a part) to which section 402(a)(2) or 403(a)(2)(A) applies shall be taken into account.

Subparagraph (B) shall not apply if the employee has not attained the age of 59½ years, unless he has died or become disabled (within the meaning of subsection (m)(7))."

(c) Technical and Conforming Amendments.—

(1) Section 405(e) (relating to capital gains treatment not to apply to bonds distributed by trusts) is amended—

(A) by striking out "Capital Gains Treatment" in the heading and inserting in lieu thereof "Capital Gains Treatment and Limitation of Tax";

(B) by striikng out "Section 402(a)(2)" and inserting in lieu thereof "Section 72(n) and section 402(a)(2)"; and

(C) by striking out "section" and inserting in lieu thereof "sections".

(2) 406(c) (relating to termination of status as deemed employee not to be treated as separation from service for purposes of capital gain provisions) is amended—

(A) by striking out "Provisions." in the heading and inserting in lieu thereof "Provisions and Limitation of Tax."; and

(B) by striking out "section 402(a)(2)" and inserting in lieu thereof "section 72(n), section 402(a)(2),"

(3) Section 407(c) (relating to termination of status as deemed employee not to be treated as separation from service for purposes of capital gain provisions) is amended—

(A) by striking out "Provisions." in the heading and inserting in lieu thereof "Provisions and Limitation of Tax."; and

(B) by striking out "section 402(a)(2)" and inserting in lieu thereof "section 72(n), section 402(a)(2),".

(4) Section 1304(b)(2) (relating to certain provisions inapplicable) is amended to read as follows:

"(2) section 72(n)(2) (relating to limitation of tax in case of total distribution),".

(d) Effective Date.—The amendments made by this section shall apply to taxable years ending after December 31, 1969.

Sec. 516. Other Changes in Capital Gains Treatment.

(a) Sales of Term Interests.—Section 1001 (relating to determination of amount of and recognition of gain or loss) is amended by adding at the end thereof the following new subsection:

"(e) Certain Term Interests.—

"(1) In general.—In determining gain or

loss from the sale or other disposition of a term interest in property, that portion of the adjusted basis of such interest which is determined pursuant to section 1014 or 1015 (to the extent that such adjusted basis is a portion of the entire adjusted basis of the property) shall be disregarded.

"(2) Term interest in property defined.—For purposes of paragraph (1), the term 'term interest in property' means—

"(A) a life interest in property,

"(B) an interest in property for a term of years, or

"(C) an income interest in a trust.

"(3) Exception.—Paragraph (1) shall not apply to a sale or other disposition which is a part of a transaction in which the entire interest in property is transferred to any person or persons."

(b) Certain Casualty Losses Under Section 1231.—Section 1231(a) (relating to property used in the trade or business and involuntary conversions) is amended by striking out all that follows paragraph (1) and inserting in lieu thereof the following:

"(2) losses (including losses not compensated for by insurance or otherwise) upon the destruction, in whole or in part, theft or seizure, or requisition or condemnation of (A) property used in the trade or business or (B) capital assets held for more than 6 months shall be considered losses from a compulsory or involuntary conversion.

In the case of any involuntary conversion (subject to the provisions of this subsection but for this sentence) arising from fire, storm, shipwreck, or other casualty, or from theft, of any property used in the trade or business or of any capital asset held for more than 6 months, this subsection shall not apply to such conversion (whether resulting in gain or loss) if during the taxable year the recognized losses from such conversions exceed the recognized gains from such conversions."

(c) Transfers of Franchises, Trademarks and Trade Names.—

(1) In general.—Part IV of subchapter P of chapter 1 (relating to special rules for determining capital gains and losses) is amended by adding after section 1252 (added by section 214 of this Act) the following new section:

"Sec. 1253. Transfers of Franchises, Trademarks, and Trade Names.

"(a) General Rule.—A transfer of a franchise, trademark, or trade name shall not be treated as a sale or exchange of a capital asset if the transferor retains any significant power, right, or continuing interest with respect to the subject matter of the franchise, trademark, or trade name.

"(b) Definitions.—For purposes of this section—

"(1) Franchise.—The term 'franchise' includes an agreement which gives one of the parties to the agreement the right to distribute, sell, or provide goods, services, or facilities, within a specified area.

"(2) Significant power, right, or continuing interest.—The term 'significant power, right, or continuing interest' includes, but is not limited to, the following rights with respect to the interest transferred:

"(A) A right to disapprove any assignment of such interest, or any part thereof.

"(B) A right to terminate at will.

"(C) A right to prescribe the standards of quality of products used or sold, or of services furnished, and of the equipment and facilities used to promote such products or services.

"(D) A right to require that the transferee sell or advertise only products or services of the transferor.

"(E) A right to require that the transferee purchase substantially all of his supplies and equipment from the transferor.

"(F) A right to payments contingent on the productivity, use, or disposition of the subject matter of the interest transferred, if such payments constitute a substantial element under the transfer agreement.

"(3) Transfer.—The term 'transfer' includes the renewal of a franchise, trademark, or trade name.

"(c) Treatment of Contingent Payments by Transferor.—Amounts received or accured on account of a transfer, sale, or other disposition of a franchise, trademark, or trade name which are contingent on the productivity, use, or disposition of the franchise, trademark, or trade name transferred shall be treated as amounts received or accrued from the sale or other disposition of property which is not a capital asset.

"(d) Treatment of Payments by Transferee.—

"(1) Contingent payments.—Amounts paid or incurred during the taxable year on account of a transfer, sale, or other disposition of a franchise, trademark, or trade name which are contingent on the productivity, use, or disposition of the franchise, trademark, or trade name transferred shall be allowed as a deduction under section 162(a) (relating to trade or business expenses).

"(2) Other payments.—If a transfer of a franchise, trademark, or trade name is not (by reason of the application of subsection (a)) treated as a sale or exchange of a capital asset, any payment not described in paragraph (1) which is made in discharge of a principal sum agreed upon in the transfer agreement shall be allowed as a deduction—

"(A) in the case of a single payment made in discharge of such principal sum, ratably over the taxable years in the period beginning with the taxable year in which the payment is made and ending with the ninth succeeding taxable year or ending with the last taxable year beginning in the period of the transfer agreement, whichever period is shorter;

"(B) in the case of a payment which is one of a series of approximately equal payments made in discharge of such principal sum, which are payable over—

"(i) the period of the transfer agreement, or

"(ii) a period of more than 10 taxable years, whether ending before or after the end of the period of the transfer agreement,

in the taxable year in which the payment is made; and

"(C) in the case of any other payment, in the taxable year or years specified in regulations prescribed by the Secretary or his delegate, consistently with the preceding provisions of this paragraph.

"(e) Exception.—This section shall not apply to the transfer of a franchise to engage in professional football, basketball, baseball, or other professional sport."

(2) Conforming amendments.—

(A) Section 162(h) (as redesignated by section 902) is amended by striking out "For" and inserting in lieu thereof "(1) For", and by adding at the end thereof the following:

"(2) For special rule relating to the treatment of payments by a transferee of a franchise, trademark, or trade name, see section 1253."

(B) Section 1016(a) (relating to adjustments to basis) is amended by striking out the period at the end of paragraph (21) and inserting in lieu thereof a semicolon, and by inserting after paragraph (21) the following new paragraph:

"(22) for amounts allowed as deductions for payments made on account of transfers of franchises, trademarks, or trade names under section 1253(d)(2)."

(C) The table of sections for part IV of subchapter P of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 1253. Transfers of franchises, trademarks, and trade names."

(d) Effective Dates.—

(1) The amendment made by subsection (a) shall apply to sales or other dispositions after October 9, 1969.

(2) The amendment made by subsection (b) shall apply to sales or other dispositions after October 9, 1969.

(2) The amendments made by subsection (b) shall apply to taxable years beginning after December 31, 1969.

(3) The amendments made by subsection (c) shall apply to transfers after December 31, 1969, except that section 1253(d)(1) of the Internal Revenue Code of 1954 (as added by subsection (c)) shall, at the election of the taxpayer (made at such time and in such manner as the Secretary or his delegate may by regulations prescribe), apply to transfers before January 1, 1970, but only with respect to payments made in taxable years ending after December 31, 1969, and beginning before January 1, 1980.

SUBTITLE C—REAL ESTATE DEPRECIATION

SEC. 521. DEPRECIATION OF REAL ESTATE.

(a) Section 1250 Property and Rehabilitation Property.—Section 167 (relating to depreciation) is amended by redesignating subsection (j) as subsection (m), and by inserting after subsection (i) the following new subsections:

"(j) Special Rules for Section 1250 Property.—

"(1) General rule.—Except as provided in paragraphs (2) and (3), in the case of section 1250 property, subsection (b) shall not apply and the term 'reasonable allowance' as used in subsection (a) shall include an allowance computed in accordance with regulations prescribed by the Secretary or his delegate, under any of the following methods:

"(A) the straight line method,

"(B) the declining balance method, using a rate not exceeding 150 percent of the rate which would have been used had the annual allowance been computed under the method described in subparagraph (A), or

"(C) any other consistent method productive of an annual allowance which, when added to all allowances for the period commencing with the taxpayer's use of the property and including the taxable year, does not, during the first two-thirds of the useful life of the property, exceed the total of such allowances which would have been used had such allowances been computed under the method described in subparagraph (B).

Nothing in this paragraph shall be construed to limit or reduce an allowance otherwise allowable under subsection (a) except where allowable solely by reason of paragraph (2), (3), or (4) of subsection (b).

"(2) Residential rental property.—

"(A) In general.—Paragraph (1) of this subsection shall not apply, and subsection (b) shall apply in any taxable year, to a building or structure—

"(i) which is residential rental property located within the United States or any of its possessions, or located within a foreign country if a method of depreciation for such property comparable to the method provided in subsection (b)(2) or (3) is provided by the laws of such country, and

"(ii) the original use of which commences with the taxpayer.

In the case of residential rental property located within a foreign country, the original use of which commences with the taxpayer, if the allowance for depreciation provided under the laws of such country for such property is greater than that provided under paragraph (1) of this subsection, but less than that provided under subsection (b), the allowance for depreciation under subsection (b) shall be limited to the amount provided under the laws of such country.

"(B) Definition.—For purposes of subparagraph (A), a building or structure shall be considered to be residential rental property for any taxable year only if 80 percent or more of the gross rental income from such building or structure for such year is rental income from dwelling units (within the meaning of subsection (k)(3)(C). For purposes of the preceding sentence, if any portion of such building or structure is occupied by the taxpayer, the gross rental income from such building or structure shall include the rental value of the portion so occupied.

"(C) Change in method of depreciation.—Any change in the computation of the allowance for depreciation for any taxable year, permitted or required by reason of the application of subparagraph (A), shall not be considered a change in a method of accounting.

"(3) Property constructed, etc., before July 25, 1969.— Paragraph (1) of this subsection shall not apply, and subsection (b) shall apply, in the case of property—

"(A) the construction, reconstruction, or erection of which was begun before July 25, 1969, or

"(B) for which a written contract entered into before July 25, 1969, with respect to any part of the construction, reconstruction, or erection or for the permanent financing thereof, was on July 25, 1969, and at all times thereafter, binding on the taxpayer.

"(4) Used section 1250 property.—Except as provided in paragraph (5), in the case of section 1250 property acquired after July 24, 1969, the original use of which does not commence with the taxpayer, the allowance for depreciation under this section shall be limited to an amount computed under—

"(A) the straight line method, or

"(B) any other method determined by the Secretary or his delegate to result in a reasonable allowance under subsection (a), not inclding—

"(i) any declining balance method,

"(ii) the sum of the years-digits method, or

"(iii) any other method allowable solely by reason of the application of subsection (b)(4) or paragraph (1)(C) of this subsection.

"(5) Used residential rental property.—In the case of section 1250 property which is residential rental property (as defined in paragraph (2)(B)) acquired after July 24, 1969, having a useful life of 20 years or more, the original use of which does not commence with the taxpayer, the allowance for depreciation under this section shall be limited to an amount computed under—

"(A) the straight line method,

"(B) the declining balance method, using a rate not exceeding 125 percent of the rate which would have been used had the annual allowance been computed under the method described in subparagraph (A), or

"(C) any other method determined by the Secretary or his delegate to result in a reasonable allowance under subsection (a), not including—

"(i) the sum of the years-digits method,

"(ii) any declining balance method using a rate in excess of the rate permitted under subparagraph (B), or

"(iii) any other method allowable solely by reason of the application of subsection (b)(4) or paragraph (1)(C) of this subsection.

"(6) Special rules.—

"(A) Under regulations prescribed by the Secretary or his delegate, rules similar to the rules provided in paragraphs (5), (9), (10), and (13) of section 48(h) shall be applied for purposes of paragraphs (3), (4), and (5) of this subsection.

"(B) For purposes of paragraphs (2), (4), and (5), if section 1250 property which is not property described in subsection (a) when its original use commences, becomes property described in subsection (a) after July 24, 1969, such property shall not be treated as property the original use of which commences with the taxpayer.

"(C) Paragraphs (4) and (5) shall not apply in the case of section 1250 property acquired after July 24, 1969, pursuant to a written contract for the acquisition of such property or for the permanent financing thereof, which was, on July 24, 1969, and at all times thereafter, binding on the taxpayer.

"(k) Depreciation of Expenditures To Rehabilitate Low-Income Rental Housing.—

"(1) 60-month rule.—The taxpayer may elect, in accordance with regulations prescribed by the Secretary or his delegate, to compute the depreciation deduction provided by subsection (a) attributable to rehabilitation expenditures incurred with respect to low-income rental housing after July 24, 1969, and before January 1, 1975, under the straight line method using a useful life of 60 months and no salvage value. Such method shall be in lieu of any other method of computing the depreciation deduction under subsection (a), and in lieu of any deduction for amortization, for such expenditures.

"(2) Limitations.—

"(A) The aggregate amount of rehabilitation expenditures paid or incurred by the taxpayer with respect to any dwelling unit in any low-income rental housing which may be taken into account under paragraph (1) shall not exceed $15,000.

"(B) Rehabilitation expenditures paid or incurred by the taxpayer in any taxable year with respect to any dwelling unit in any low-income rental housing shall be taken into account under paragraph (1) only if over a period of two consecutive years, including the taxable year, the aggregate amount of such expenditures exceeds $3,000.

"(3) Definitions.—For purposes of this subsection—

"(A) Rehabilitation expenditures.—The term 'rehabilitation expenditures' means amounts chargeable to capital account and incurred for property or additions or improvements to property (or related facilities) with a useful life of 5 years or more, in connection with the rehabilitation of an existing building for low-income rental housing; but such term does not include the cost of acquisition of such building or any interest therein.

"(B) Low-income rental housing.—The term 'low-income rental housing' means any building the dwelling units in which are held for occupancy on a rental basis by families and individuals of low or moderate income, as determined by the Secretary or his delegate in a manner consistent with the policies of the Housing and Urban Development Act of 1968 pursuant to regulations prescribed under this subsection.

"(C) Dwelling unit.—The term 'dwelling unit' means a house or an apartment used to provide living accommodations in a building or structure, but does not include a unit in a hotel, motel, inn, or other establishment more than one-half of the units in which are used on a transient basis."

(b) Recapture of Additional Depreciation.—Section 1250(a) (relating to gain from dispositions of certain depreciable realty) is amended to read as follows:

"(a) General Rule.—Except as otherwise provided in this section—

"(1) Additional depreciation after December 31, 1969.—

If section 1250 property is disposed of after December 31, 1969, the applicable percentage of the lower of—

"(A) that portion of the additional depreciation (as defined in subsection (b)(1) or (4)) attributable to periods after December 31, 1969, in respect of the property, or

"(B) the excess of—

"(i) the amount realized (in the case of a sale, exchange, or involuntary conversion), or the fair market value of such property (in the case of any other disposition), over

"(ii) the adjusted basis of such property,

shall be treated as gain from the sale or exchange of property which is neither a capital asset nor property described in section 1231. Such gain shall be recognized notwithstanding any other provision of this subtitle.

"(C) Applicable percentage.—For purposes of paragraph (1), the term 'applicable percentage' means—

"(i) in the case of section 1250 property disposed of pursuant to a written contract which was, on July 24, 1969, and at all times thereafter, binding on the owner of the property, 100 percent minus 1 percentage point for each full month the property was held after the date the property was held 20 full months;

"(ii) in the case of 1250 property constructed, reconstructed, or acquired by the taxpayer before January 1, 1975, with respect to which a mortgage is insured under section 221(d)(3) or 236 of the National Housing Act, or housing is financed or assisted by direct loans or tax abatement under similar provisions of State or local laws, and with respect to which the owner is subject to the restrictions described in section 1039(b)(1)(B), 100 percent minus one percentage point for each full month the property was held after the date the property was held 20 full months;

"(iii) in the case of residential rental property (as defined in section 167(j)(2)(B)) other covered by clauses (i) and (ii), 100 percent minus 1 percentage point for each full month the property was held after the date the property was held 100 full months;

"(iv) in the case of section 1250 property with respect to which a depreciation deduction for rehabilitation expenditures was allowed under section 167(k), 100 percent minus 1 percentage point for each full month in excess of 100 full months after the date on which such property was placed in service; and

"(v) in the case of all other section 1250 property, 100 percent.

Clauses (i), (ii), and (iii) shall not apply with respect to the additional depreciation described in subsection (b)(4).

"(2) Additional depreciation before January 1, 1970.—

"(A) In general.—If section 1250 property is disposed of after December 31, 1963, and the amount determined under paragraph (1)(B) exceeds the amount determined under paragraph (1)(A), then the applicable percentage of the lower of—

"(i) that portion of the additional depreciation attributable to periods before January 1, 1970, in respect of the property, or

"(ii) the excess of the amount determined under paragraph (1)(B) over the amount determined under paragraph (1)(A),

shall also be treated as gain from the sale or exchange of property which is neither a capital asset nor property described in section 1231. Such gain shall be recognized notwithstanding any other provision of this subtitle.

"(B) Applicable percentage.—For purposes of subparagraph (A) the term 'applicable percentage' means 100 percent minus 1 percentage point for each full month the property was held after the date on which the property was held for 20 full months."

(c) Additional Depreciation.—Section 1250(b) (relating to definition of additional depreciation) is amended by adding at the end thereof the following new paragraph:

"(4) Additional depreciation attributable to rehabilitation expenditures.—The term 'additional depreciation' also means, in the case of section 1250 property with respect to which a depreciation deduction for rehabilitation expenditures was allowed under section 167(k), the depreciation adjustments allowed under such section to the extent attributable to such property, except that, in the case of such property held for more than one year after the rehabilitation expenditures so allowed were incurred, it means such adjustments only to the extent that they exceed the amount of the depreciation adjustments which would have resulted if such adjustments had been determined under the straight line method of adjustment without regard to the useful life permitted under section 167(k)."

(d) Change in Method of Computing Depreciation.—Section 167(e) (relating to depreciation) is amended by adding at the end thereof the following new paragraph:

"(3) Change with respect to section 1250 property.—A taxpayer may, on or before the last day prescribed by law (including extensions thereof) for filing his return for his first taxable year beginning after July 24, 1969, and in such manner as the Secretary or his delegate shall by regulation prescribe, elect to change his method of depreciation in respect of section 1250 property (as defined in section 1250(c)) from any declining balance or sum of the years-digits method to the straight line method. An election may be made under this paragraph notwithstanding any provision to the contrary in an agreement under subsection (d)."

(e) Technical and Conforming Changes.—

(1) Subsection (d) of section 1250 is amended by striking out "subsection (a)(1)" wherever it appears and inserting in lieu thereof "subsection (a)".

(2) Subsection (f) of section 1250 is amended—

(A) by striking out "subsection (a)(1)" in paragraph (1) and inserting in lieu thereof "subsection (a)", and

(B) by striking out paragraph (2) thereof and inserting in lieu thereof the following:

"(2) Ordinary income attributable to an element.—For purposes of paragraph (1), the amount taken into account for any elements shall be the sum of—

"(A) the amount (if any) determined by multiplying—

"(i) The amount which bears the same ratio to the lower of the amounts specified in subparagraph (A) or (B) of subsection (a) (1) for the section 1250 property as the additional depreciation for such element attributable to periods after December 31, 1969, bears to the sum of the additional depreciation for all elements attributable to periods after December 31, 1969, by

"(ii) the applicable percentage for such element, and

"(B) the amount (if any) determined by multiplying—

"(i) the amount which bears the same ratio to the lower of the amounts specified in subsection (a)(2)(A)(i) or (ii) for the section 1250 property as the additional depreciation for such element attributable to periods before January 1, 1970, bears to the sum of the additional depreciation for all elements attributable to periods before January 1, 1970, by

"(ii) the applicable percentage for such element.

For purposes of this paragraph, determinations with respect to any element shall be made as if it were a separate property."

(f) Carryovers in Certain Corporate Acquisitions.—Section 381(c)(6) (relating to method of computing depreciation allowance) is amended to read as follows:

"(6) Method of computing depreciation allowance.—The acquiring corporation shall be treated as the distributor or transferor corporation for purposes of computing the depreciation allowance under subsections (b), (j), and (k) of section 167 on property acquired in a distribution or transfer with respect to so much of the basis in the hands of the acquiring corporation as does not exceed the adjusted basis in the hands of the distributor or transferor corporation."

(g) Effective Date.—The amendments made by this section shall apply with respect to taxable years ending after July 24, 1969.

Subtitle D—Subchapter S Corporations

Sec. 531. Qualified Pension, Etc., Plans of Small Business Corporations.

(a) In General.—Subchapter S of chapter 1 (relating to election of certain small business corporations as to taxable status) is amended by adding at the end thereof the following new section:

"Sec. 1379. Certain Qualified Pension, Etc., Plans

"(a) Additional Requirement for Qualification of Stock Bonus or Profit-Sharing Plans.—A trust forming part of a stock bonus of profit-sharing plan which provides contributions or benefits for employees some or all of whom are shareholder-employees shall not constitute a qualified trust under section 401 (relating to qualified pension, profit-sharing, and stock bonus plans) unless the plan of which such trust is a part provides that forfeitures attributable to contributions deductible under section 404(a) (3) for any taxable year (beginning after December 31, 1970) of the employer with respect to which it is an electing small business corporation may not inure to the benefit of any individual who is a shareholder-employee for such taxable year. A plan shall be considered as satisfying the requirement of this subsection for the period beginning with the first day of a taxable year and ending with the 15th day of the third month following the close of such taxable year, if all the provisions of the plan which are necessary to satisfy this requirement are in effect by the end of such period and have been made effective for all purposes with respect to the whole of such period.

"(b) Taxability of Shareholder-Employee Beneficiaries.—

"(1) Inclusion of excess contributions in gross income.—Not withstanding the provisions of section 402 (relating to taxability of beneficiary of employees' trust), section 403 (relating to taxation of employee annuities), or section 405(d) (relating to taxability of beneficiaries under qualified bond purchase plans), an individual who is a shareholder-employee of an electing small business corporation shall include in gross income, for his taxable year in which or with which the taxable year of the corporation ends, the excess of the amount of contributions paid on his behalf which is deductible under section 404(a) (1), (2), or (3) by the corporation for its taxable year over the lesser of—

"(A) 10 percent of the compensation received or accrued by him from such corporation during its taxable year, or

"(B) $2,500.

"(2) Treatment of amounts included in gross income.—Any amount included in the gross income of a shareholder-employee under paragraph (1) shall be treated as consideration for the contract contributed by the shareholder-employee for purposes of section 72 (relating to annuities).

"(3) Deduction for amounts not received as benefits.—If—

"(A) amounts are included in the gross income of an individual under paragraph (1), and

"(B) the rights of such individual (or his beneficiaries) under the plan terminate before payments under the plan which are excluded from gross income equal the amounts included in gross income under paragraph (1).

then there shall be allowed as a deduction, for the taxable year in which such rights terminate, an amount equal to the excess of the amounts included in gross income under paragraph (1) over such payments.

"(c) Carryover of Amounts Deductible.—No amount deductible shall be carried forward under the second sentence of section 404(a)(3)(A) (relating to limits on deductible contributions under stock bonus and profit-sharing trusts) to a taxable year of a corporation with respect to which it is not an electing small business corporation from a taxable year (beginning after December 31, 1970) with respect to which it is an electing small business corporation.

"(d) Shareholder-Employee.—For purposes of this section, the term 'shareholder-employee' means an employee or officer of an electing small business corporation who owns (or is considered as owing within the meaning of section 318(a)(1)), on any day during the taxable year of such corporation, more than 5 percent of the outstanding stock of the corporation."

(b) Conforming Amendment.—Section 62 (relating to adjusted gross income defined) is amended by inserting after paragraph (8) the following new paragraph:

"(9) Pension, etc., plans of electing small business corporations.—The deduction allowed by section 1379(b)(3)."

(c) Clerical Amendment.—The table of sections for subchapter S of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 1379. Certain qualified pensions, etc., plans."

(d) Effective Date.—The amendments made by this section shall apply with respect to taxable years of electing small business corporations beginning after December 31, 1970.

TITLE VI—STATE AND LOCAL OBLIGATIONS

Sec. 601. Arbitrage Bonds.

(a) Not To Be Treated as Tax-Exempt Obligations.—Section 103 (relating to interest on certain governmental obligations) is amended by redesignating subsection (d) as (e), and by inserting after subsection (c) the following new subsection:

"(d) Arbitrage Bonds.—

"(1) Subsection *(a)(1)* not to apply.—Except as provided in this subsection, any arbitrage bond shall be treated as an obligation not described in subsection (a)(1).

"(2) Arbitrage bond.—For purposes of this subsection, the term 'arbitrage bond' means any obligation which is issued as part of an issue all or a major portion of the proceeds of which are reasonably expected to be used directly or indirectly—

"(A) to acquire securities (within the meaning of section 165(g)(2) (A) or (B)) or obligations (other than obligations described in subsection (a)(1)) which may be reasonably expected at the time of issuance of such issue, to produce a yield over the term of issuance of such issue, to produce a yield over the term of the issue which is materially higher (taking into account any discount or premium) than the yield on obligations of such issue, or

"(B) to replace funds which were used directly or indirectly to acquire securities or obligations described in subparagraph (A).

"(3) Exception.—Paragraph (1) shall not apply to any obligation—

"(A) which is issued as part of an issue substantially all of the proceeds of which are reasonably expected to be used to provide permanent financing for real property used or to be used for residential purposes for the personnel of an educational institution (within the meaning of section 151 (e)(4)) which grants baccalaureate or higher degrees, or to replace funds which were so used, and

"(B) the yield on which over the term of the issue is not reasonably expected, at the time of issuance of such issue, to be substantially lower than the yield on obligations acquired or to be acquired in providing such financing.

This paragraph shall not apply with respect to any obligation for any period during which it is held by a person who is a substantial user of property financed by the proceeds of the issue of which such obligation is a part, or by a member of the family (within the meaning of section 318(a)(1)) of any such person.

"(4) SPECIAL RULES.—For purposes of paragraph (1), an obligation shall not be treated as an arbitrage bond solely by reason of the fact that—

"(A) the proceeds of the issue of which such obligation is a part may be invested for a temporary period in securities or other obligations until such proceeds are needed for the purpose for which such issue was issued, or

"(B) an amount of the proceeds of the issue of which such obligation is a part may be invested in securities or other obligations which are part of a reasonably required reserve or replacement fund.

The amount referred to in subparagraph (B) shall not exceed 15 percent of the proceeds of the issue of which such obligation is a part unless the issuer establishes that a higher amount is necessary.

"(5) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this subsection."

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to obligations issued after October 9, 1969.

TITLE VII—EXTENSION OF TAX SURCHARGE AND EXCISE TAXES; TERMINATION OF INVESTMENT CREDIT

SEC. 701. EXTENSION OF TAX SURCHARGE.

(a) SURCHARGE EXTENSION. Section 51(a) (relating to imposition of tax surcharge) is amended—

(1) by adding at the end of paragraph (1)(A) the following:

CALENDAR YEAR 1970

TABLE 1.—SINGLE PERSON (OTHER THAN HEAD OF HOUSEHOLD) AND MARRIED PERSONS FILING SEPARATE RETURNS

If the adjusted tax is:		
At least—	But less than—	The tax is—
0	$155	0
$155	175	$1
$175	195	2
$195	215	3
$215	235	4
$235	255	5
$255	275	6
$275	300	7
$300	340	8
$340	380	9
$380	420	0
$420	460	11
$460	500	12
$500	540	13
$540	580	14
$580	620	15
$620	660	16
$660	700	17
$700	740	18
$740	780	19
$780	820	20
$820	860	21
$860	900	22
$900	940	23
$940	980	24
$980	1,020	25
$1,020	1,060	26
$1,060	1,100	27
$1,100	1,140	28
$1,140	1,180	29
$1,180	1,220	30
$1,220	1,260	31
$1,260	1,300	32
$1,300	1,340	33
$1,340	1,380	34
$1,380	1,420	35
$1,420	1,460	36
$1,460	1,500	37
$1,500	1,540	38
$1,540	1,580	39
$1,580	$1,620	$40
$1,620	1,660	41
$1,660	1,700	42
$1,700	1,740	43
$1,740	1,780	44
$1,780	1,820	45
$1,820	1,860	46
$1,860	1,900	47
$1,900	1,940	48
$1,940	1,980	49
$1,980	2,020	50
$2,020 and over, 2.5 percent of the adjusted tax.		

TABLE 2.—HEAD OF HOUSEHOLD

If the adjusted tax is:		
At least—	But less than—	The tax is—
0	$230	0
$230	250	$1
$250	270	2
$270	290	3
$290	310	4
$310	330	5
$330	350	6
$350	370	7
$370	390	8
$390	410	9
$410	430	10
$430	460	11
$460	500	12
$500	540	13
$540	580	14
$580	620	15
$620	660	16
$660	700	17
$700	740	18
$740	780	19
$780	820	20
$820	860	21
$860	900	22
$900	940	23
$940	980	24
$980	1,020	25
$1,020	1,060	26
$1,060	1,100	27
$1,100	1,140	28
$1,140	1,180	29
$1,180	1,220	30
$1,220	1,260	31
$1,260	1,300	32
$1,300	1,340	33
$1,340	1,380	34
$1,380	1,420	35
$1,420	1,460	36
$1,460	1,500	37
$1,500	1,540	38
$1,540	1,580	39
$1,580	1,620	40
$1,620	1,660	41
$1,660	1,700	42
$1,700	1,740	43
$1,740	1,780	44
$1,780	1,820	45
$1,820	1,860	46
$1,860	1,900	47
$1,900	1,940	48
$1,940	1,980	49
$1,980	2,020	50
$2,020 and over, 2.5 percent of the adjusted tax.		

TABLE 3.—MARRIED PERSONS OR SURVIVING SPOUSE FILING JOINT RETURN

If the adjusted tax is:		
At least—	But less than—	The tax is—
0	$300	0
$300	320	$1
$320	340	2
$340	360	3
$360	380	4
$380	400	5
$400	420	6
$420	440	7
$440	460	8
$460	480	9
$480	500	10
$500	520	11
$520	540	12
$540	560	13
$560	580	14
$580	620	15
$620	$660	$16
$660	700	17
$700	740	18
$740	780	19
$780	820	20
$820	860	21
$860	900	22
$900	940	23
$940	980	24
$980	1,020	25
$1,020	1,060	26
$1,060	1,100	27
$1,100	1,140	28
$1,140	1,180	29
$1,180	1,220	30
$1,220	1,260	31
$1,260	1,300	32
$1,300	1,340	33
$1,340	1,380	34
$1,380	1,420	35
$1,420	1,460	36
$1,460	1,500	37
$1,500	1,540	38
$1,540	1,580	39
$1,580	1,620	40
$1,620	1,660	41
$1,660	1,700	42
$1,700	1,740	43
$1,740	1,780	44
$1,780	1,820	45
$1,820	1,860	46
$1,860	1,900	47
$1,900	1,940	48
$1,940	1,980	49
$1,980	2,020	50
$2,020 and over, 2.5 percent of the adjusted tax.		

(2) By striking out the table in paragraph (1)(B) and inserting in lieu thereof the following table:

	Percent	
Calendar year	Estates and trusts	Corporation
1968	7.5	10.0
1969	10.0	10.0
1970	2.5	2.5

(3) by striking out "January 1, 1970" the first time it appears in paragraph (2)(A) and inserting in lieu thereof "July 1, 1970", and

(4) by striking out paragraph (2)(A)(ii) and inserting in lieu thereof the following:

"(ii) a fraction, the numerator of which is the sum of the number of days in the taxable year occurring on and after the effective date of the surcharge and before January 1, 1970, plus one-half times the number of days in the taxable year occurring after December 31, 1969, and before July 1, 1970, and the denominator of which is the number of days in the entire taxable year."

(b) RECEIPT OF MINIMUM DISTRIBUTIONS.—Section 963(b) (relating to receipt of minimum distributions) is amended—

(1) by striking out "surcharge period" in the heading of paragraph (1) and inserting in lieu thereof "surcharge period ending before January 1, 1970";

(2) by striking out "1964" in the heading of paragraph (2) and inserting in lieu thereof "1964 and taxable years beginning in 1969 and ending in 1970 to the extent subparagraph (B) applies"; and

(3) by striking out the last two sentences and inserting in lieu thereof the following: "In the case of a taxable year beginning before the surcharge period and ending within the surcharge period, or beginning within the surcharge period and ending after the surcharge period, beginning before January 1, 1970, and ending after December 31, 1969, the required minimum distribution shall be equal to the sum of—

"(A) that portion of the minimum distribution which would be required if the provisions of paragraph (1) were applicable to the taxable year, which the number of days in such taxable year which are within the surcharge period and before January 1, 1970, bears to the total number of days in such taxable year,

"(B) that portion of the minimum distribution which would be required if the provisions of paragraph (2) were applicable to such taxable year, which the number of days in such taxable year which are within the surcharge period and after December 31, 1969, bears to the total number of days in such taxable year, and

"(C) that portion of the minimum distribution which would be required if the provisions of paragraph (3) were applicable to such taxable year, which the number of days in such taxable year which are not within the surcharge period bears to the total number of days in such taxable year.

As used in this subsection, the term 'surcharge period' means the period beginning January 1, 1968, and ending June 30, 1970."

(c) Effective Dates.— The amendments made by subsections (a) and (b) shall apply to taxable years ending after December 31, 1969, and beginning before July 1, 1970.

Sec. 702. Continuation of Excise Taxes on Communication Services and on Automobiles.

(a) Passenger Automobiles.—

(1) In general.—Section 4061(a)(2)(A) (relating to tax on passenger automobiles, etc.) is amended to read as follows:

"(A) Articles enumerated in subparagraph (B) are taxable at whichever of the following rates is applicable:

"If the article is sold—	The tax rate is—
Before January 1, 1971	7 percent.
During 1971	5 percent.
During 1972	3 percent.
During 1973	1 percent.

The tax imposed by this subsection shall not apply with respect to articles enumerated in subparagraph (B) which are sold by the manufacturer, producer, or importer after December 31, 1973."

(2) Conforming amendment.—Section 6412(a)(1) (relating to floor stocks refunds on passenger automobiles, etc.) is amended by striking out "January 1, 1970, January 1, 1971, January 1, 1972, or January 1, 1973", and inserting in lieu thereof "January 1, 1971, January 1, 1972, January 1, 1973, or January 1, 1974".

(b) Communications Services.—

(1) Continuation of tax.—Section 4251 (a)(2) (relating to tax on certain communications services) is amended by striking out the table and inserting in lieu thereof the following table:

"Amounts paid pursuant to bills first rendered—	Percent—
Before January 1, 1971	10
During 1971	5
During 1972	3
During 1973	1".

(2) Conforming amendment.—Section 4251(b) (relating to termination of tax) is amended by striking out "January 1, 1973", and inserting in lieu thereof "January 1, 1974".

(3) Repeal of subchapter B of chapter 33.—Section 105(b)(3) of the Revenue and Expenditure Control Act of 1968 (82 Stat. 266) is amended to read as follows:

"(3) Repeal of subchapter B of chapter 33.—Effective with respect to amounts paid pursuant to bills first rendered on or after January 1, 1974, subchapter B of chapter 33 (relating to the tax on communications) is repealed. For purposes of the preceding sentence, in the case of communications services rendered before November 1, 1973, for which a bill has not been rendered before January 1, 1974, a bill shall be treated as having been first rendered on December 31, 1973. Effective January 1, 1974, the table of subchapters for chapter 33 is amended by striking out the item relating to such subchapter B."

Sec. 703. Termination of Investment Credit.

(a) In General.—Subpart B of part IV of subchapter A of chapter 1 (relating to rules for computing credit for investment in certain depreciable property) is amended by adding at the end thereof the following new section:

"Sec. 49. Termination of Credit.

"(a) General Rule.—For purposes of this subpart, the term 'section 38 property' does not include property—

"(1) the physical construction, reconstruction, or erection of which is begun after April 18, 1969, or

"(2) which is acquired by the taxpayer after April 18, 1969,

other than pre-termination property.

"(b) Pre-Termination Property.—For purposes of this section—

"(1) Binding contracts.—Any property shall be treated as pre-termination property to the extent that such property is constructed, reconstructed, errected, or acquired pursuant to a contract which was, on April 18, 1969, and at all times thereafter, binding on the taxpayer.

"(2) Equipped building rule.—If—

"(A) pursuant to a plan of the taxpayer in existence on April 18, 1969 (which plan was not substantially modified at any time after such date and before the taxpayer placed the equipped building in service), the taxpayer has constructed, reconstructed, erected, or acquired a building and the machinery and equipment necessary to the planned use of the building by the taxpayer, and

"(B) more than 50 percent of the aggregate adjusted basis of all the property of a character subject to the allowance for depreciation making up such building as so equipped is attributable to either property the construction, reconstruction, or erection of which was begun by the taxpayer before April 19, 1969, or property the acquisition of which by the taxpayer occurred before such date,

then all property comprising such building as so equipped (and any incidental property adjacent to such building which is necessary to the planned use of the building) shall be pre-termination property. For purposes of subparagraph (B) of the preceding sentence, the rules of paragraphs (1) and (4) shall be applied. For purposes of this paragraph, a special purpose structure shall be treated as a building.

"(3) Plant Facility Rule.—

"(A) General Rule.—If—

"(i) pursuant to a plan of the taxpayer in existence on April 18, 1969 (which plan was not substantially modified at any time after such date and before the taxpayer placed the plant facility in service), the taxpayer has constructed, reconstructed, or erected a plant facility, and either

"(ii) the construction, reconstruction, or erection of such plant facility was commenced by the taxpayer before April 19, 1969, or

"(iii) more than 50 percent of the aggregate adjusted basis of all the property of a character subject to the allowance for depreciation making up such plant facility is attributable to either property the construction, reconstruction, or erection of which was begun by the taxpayer before April 19, 1969, or property the acquisition of which by the taxpayer occurred before such date,

then all property comprising such plant facility shall be pretermination property. For purposes of clause (iii) of the preceding sentence, the rules of paragraphs (1) and (4) shall be applied.

"(B) Plant facility defined.—For purposes of this paragraph, the term 'plant facility' means a facility which does not include any building (or of which buildings constitute an insignificant portion) and which is—

"(i) a self-contained, single operating unit or processing operation,

"(ii) located on a single site, and

"(iii) identified, on April 18, 1969, in the purchasing and internal financial plans of the taxpayer as a single unitary project.

"(C) Special rule.—For purposes of this subsection, if—

"(i) a certificate of convenience and necessity has been issued before April 19, 1969, by a Federal regulatory agency with respect to two or more plant facilities which are included under a single plan of the taxpayer to construct, reconstruct, or erect such plant facilities, and

"(ii) more than 50 percent of the aggregate adjusted basis of all the property of a character subject to the allowance for depreciation making up such plant facilities is attributable to either property the construction, reconstruction, or erection of which was begun by the taxpayer before April 19, 1969, or property the acquisition of which by the taxpayer occurred before such date,

such plant facilities shall be treated as a single plant facility.

"(D) Commencement of construction.—For purposes of subparagraph (A)(ii), the construction, reconstruction, or erection of a plant facility shall not be considered to have commenced until construction, reconstruction, or erection has commenced at the site of such plant facility. The preceding sentence shall not apply if the site of such plant facility is not located on land.

"(4) Machinery or equipment rule.—Any piece of machinery or equipment—

"(A) more than 50 percent of the parts and components of which (determined on the basis of cost) were held by the taxpayer on April 18, 1969, or are acquired by the taxpayer pursuant to a binding contract which was in effect on such date, for inclusion or use in such piece of machinery or equipment, and

"(B) the cost of the parts and components of which is not an insignificant portion of the total cost,

shall be treated as property which is pre-termination property.

"(5) Certain lease-back transactions, etc.—

"(A) Where a person who is a party to a binding contract described in paragraph (1) transfers rights in such contract (or in the property to which such contract relates) to another person but a party to such contract retains a right to use the property under a lease with such other person, then to the extent of the transferred rights such other person shall, for purposes of paragraph (1), succeed to the position of the transferor with respect to such binding contract and such property. In any case in which the lessor does not make an election under section 48(d)—

"(i) the preceding sentence shall apply only if a party to the contract retains the right to use the property under a lease for a term of at least 1 year; and

"(ii) if such use is retained (other than under a long-term lease), the lessor shall be deemed for the purposes of section 47 as having made a disposition of the property at such time as the lessee loses the right to use the property.

For purposes of clause (ii), if the lessee transfers the lease in a transfer described in paragraph (7), the lessee shall be considered as having the right to use of the property so long as the transferee has such use.

"(B) For purposes of subparagraph (A)—

"(i) a person who holds property (or rights in property) which is pre-termination property by reason of the application of paragraph (4) shall, with respect to such property, be treated as a party to a binding contract described in paragraph (1), and "(ii) a corporation which is a member of the same affiliated group (as defined in paragraph (8)) as the transferor described in subparagraph (A) and which simultaneously with the transfer of property to another person acquires a right to use such property under a lease with such other person shall be treated as the transferor and as a party to the contract.

"(6) Certain lease and contract obligations.—

"(A) Where, pursuant to a binding lease or contract to lease in effect on April 18, 1969, a lessor or lessee is obligated to construct, reconstruct, erect, or acquire property specified in such lease or contract or in a related document filed before April 19, 1969, with a Federal regulatory agency, or property the specifications of which are readily ascertainable from the terms of such lease or contract or from such related document, any property so constructed, reconstructed, erected, or acquired by the lessor or lessee shall be pre-termination property. In the case of any project which includes property other than the property to be leased to such lessee, the preceding sentence shall be applied, in the case of the lessor, to such other property only if the binding leases and contracts with all lessees in effect on April 18, 1969, cover real property constituting 25 percent or more of the project (determined on the basis of rental value). For purposes of the preceding sentences of this paragraph, in the case of any project where one or more vendor-vendee relationships exist, such vendors and vandees shall be treated as lessors and lessees.

"(B) Where, in order to perform a binding contract or contracts in effect on April 18, 1969, (i) the taxpayer is required to construct, reconstruct, erect, or acquire property specified in any order of a Federal regulatory agency for which application was filed before April 19, 1969, (ii) the property is to be used to transport one or more products under such contract or contracts, and (iii) one or more parties to the contract or contracts are required to take or to provide more than 50 percent of the products to be transported over a substantial portion of the expected useful life of the property, then such property shall be pre-termination property.

"(C) Where, in order to perform a binding contract in effect on April 18, 1969, the taxpayer is required to construct, reconstruct, erect, or acquire property specified in the contract to be used to produce one or more products and (unless the other party to the contract is a State or a political subdivision of a State which is required by the contract to make substantial expenditures which benefit the taxpayer) the other party to the contract is required to take substantially all of the products to be produced over a substantial portion of the expected useful life of the property, then such property shall be pre-termination property. For purposes of applying the preceding sentence in the case of a contract for the extraction of minerals, property shall be treated as specified in the contract if (i) the specifications for such property are readily ascertainable from the location and characteristics of the mineral properties specified in such contract from which the minerals are to be extracted; (ii) such property is necessary for and is to be used solely in the extraction of minerals under such contract; (iii) the physical construction, reconstruction, or erection of such property is begun by the taxpayer before April 19, 1970, such property is acquired by the taxpayer before April 19, 1970, or such property is constructed, reconstructed, erected, or acquired pursuant to a contract which was, on April 18, 1970, and at all times thereafter, binding on the taxpayer; (iv) such property is placed in service on or before December 31, 1972; (v) such contract is a fixed price contract (except for provisions for price changes under which the loss of the credit allowed by section 38 would not result in a price change); and (vi) such property is not placed in service to replace other property used in extracting minerals under such contract.

"(7) Certain transfers to be disregarded.—

"(A) If property or rights under a contract are transferred in—

"(i) a transfer by reason of death,

"(ii) a transaction as a result of which the basis of the property in the hands of the transferee is determined by reference to its basis in the hands of the transferor by reason of the application of sections 332, 351, 361, 371(a), 374(a), 721, or 731, or

"(iii) a sale of substantially all of the assets of the transferor pursuant to the terms of a contract, which was on April 18, 1969, and at all times thereafter, binding on the transferee,

and such property (or the property acquired under such contract) would be treated as pre-termination property in the hands of the decedent or the transferor, such property shall be treated as pretermination property in the hands of the transferee.

"(B) If—

"(i) property or rights under a contract are acquired in a transaction to which section 334(b)(2) applies,

"(ii) the stock of the distributing corporation was acquired before April 19, 1969, or pursuant to a binding contract in effect April 18, 1969, and

"(iii) such property (or the property acquired under such contract) would be treated as pre-termination property in the hands of the distributing corporation,

such property shall be treated as pre-termination property in the hands of the distributee.

"(8) Property acquired from affiliated corporation.—In the case of property acquired by a corporation which is a member of an affiliated group from another member of the same group—

"(A) such corporation shall be treated as having acquired such property on the date on which it was acquired by such other member,

"(B) such corporation shall be treated as having entered into a binding contract for the construction, reconstruction, erection, or acquisition of such property on the date on which such other member entered into a contract for the construction, reconstruction, erection, or acquisition of such property, and

"(C) such corporation shall be treated as having commenced the construction, reconstruction, or erection of such property on the date on which such other member commenced such construction, reconstruction, or erection.

For purposes of this subsection and subsection (c), a contract between two corporations which are members of the same affiliated group shall not be treated as a binding contract as between such corporations, unless, at all times after June 30, 1969, and prior to the completion of performance of such contract, such corporations are not members of the same affiliated group. For purposes of the preceding sentences, the term 'affiliated group' has the meaning assigned to it by section 1504 (a), except that all corporations shall be treated as includible corporations (without any exclusion under section 1504 (b)).

"(9) Barges for ocean-going vessels.—Barges specifically designed and constructed, reconstructed, erected, or acquired for use with ocean-going vessels which are designed to carry barges and which are pre-termination property, but not in excess of—

"(A) the number to be used with such vessels specified in applications for mortgage or construction loan insurance filed with the Secretary of Commerce on or before April 18, 1969, under title XI of the Merchant Marine Act, 1936, or

"(B) if subparagraph (A) does not apply and if more than 50 percent of the barges which the taxpayer establishes as necessary to the initial planned use of such vessels are pre-termination property (determined without regard to this paragraph), the number which the taxpayer establishes as so necessary,

together with the machinery and equipment to be installed on such barges and necessary for their planned use, shall be treated as pre-termination property.

"(10) Certain new-design products.—Where—

"(A) on April 18, 1969, the taxpayer had undertaken a project to produce a product of a new design pursuant to binding contracts in effect on such date which—

"(i) were fixed-price contracts (except for provisions requiring or permitting price changes resulting from changes in rates of pay or costs of materials), and

"(ii) covered more than 50 percent of the entire production of such design to be delivered by the taxpayer before January 1, 1973, and

"(B) on or before April 18, 1969, more than 50 percent of the aggregate adjusted basis of all property of a character subject to the allowance for depreciation required to carry out such binding contracts was property the construction, reconstruction, or erection of which had been begun by the taxpayer, or had been acquired by the taxpayer (or was under a binding contract for such construction, reconstruction, erection, or acquisition),

then all tangible personal property placed in service by the taxpayer before January 1, 1972, which is required to carry out such binding contracts shall be deemed to be pre-termination property. For purposes of subparagraph (B) of the preceding sentence, jigs, dies, templates, and similar items which can be used only for the manufacture or assembly of the production under the project and which were described in written engineering and internal financial plans of the taxpayer in existence on April 18, 1969, shall be treated as property which on such date was under a binding contract for construction.

"(c) Leased Property.—In the case of property which is leased after April 18, 1969 (other than pursuant to a binding contract to lease entered into before April 19, 1969), which is section 38 property with respect to the lessor but is property which would not be section 38 property because of the application of subsection (a) if acquired by the lessee, and which is property of the same kind which the lessor ordinarily sold to customers before April 19, 1969, or ordinarily leased before such date and made an election under section 48(d), such property shall not be section 38 property with respect to either the lessor or the lessee.

"(d) Property Placed in Service After 1975.—for purposes of this subpart, the term 'section 38 property' does not include any property placed in service after December 31, 1975."

(b) Limitations on Use of Carryovers and Carrybacks.—Section 46(b) (relating to carryback and carryover of unused credits) is amended by adding at the end thereof the following new paragraphs:

"(5) Taxable years beginning after December 31, 1968, and ending after April 18, 1969.—The amount which may be added under this subsection for any taxable year beginning after December 31, 1968, and ending after April 18, 1969, shall not exceed 20 percent of the higher of—

"(A) the aggregate of the investment credit carrybacks and investment credit carryovers to the taxable year, or

"(B) the highest amount computed under subparagraph (A) for any preceding taxable year which began after December 31, 1968, and ended after April 18, 1969.

"(6) ADDITIONAL 3-YEAR CARRYOVER PERIOD IN CERTAIN CASES.—Any portion of an investment credit carryback or carryover to any taxable year beginning after December 31, 1968, and ending after April 18, 1969, which—

"(A) may be added under this subsection under the limitation provided by paragraph (2), and

"(B) may not be added under the limitation provided by paragraph (5),

shall be an investment credit carryover to each of the 3 taxable years following the last taxable year for which such portion may be added under paragraph (1), and shall (subject to the provisions of paragraphs (1), (2), and (5)) be added to the amount allowable as a credit by section 38 for such years."

(c) RULES RELATING TO CERTAIN CASUALTIES AND THEFTS AND TO REPLACEMENT OF CERTAIN SECTION 38 PROPERTY.—

(1) PROPERTY DESTROYED BY CASUALTY.—Section 47(a)(4) (relating to rules with respect to section 38 property destroyed by casualty, etc.) is amended by adding at the end thereof the following new sentence:

"Subparagraphs (B) and (C) shall not apply with respect to any casualty or theft occurring after April 18, 1969."

(2) REPLACEMENT OF CERTAIN SECTION 38 PROPERTY.—Section 47(a) (relating to certain dispositions of section 38 property) is amended by adding at the end thereof the following new paragraph:

"(5) CERTAIN PROPERTY REPLACED AFTER APRIL 18, 1969.—In any case in which—

"(A) section 38 property is disposed of, and

"(B) property which would be section 38 property but for section 49 is placed in service by the taxpayer to replace the property disposed of,

the increase under paragraph (1) and the adjustment under paragraph (3) shall not be greater than the increase or adjustment which would result if the qualified investment of the property described in subparagraph (B) (determined as if such property were section 38 property) were substituted for the qualified investment of the property disposed of (as determined under paragraph (1)). Except in the case of a disposition by reason of a casualty of theft occurring before April 19, 1969, the preceding sentence shall apply only if the section 38 property disposed of is replaced within 6 months after the date of such disposition."

(d) CONFORMING AMENDMENT.—The table of sections for subpart B of part IV of subchapter A of chapter 1 (relating to rules for computing credit for investment in certain depreciable property) is amended by adding at the end thereof the following new item:

"Sec. 49. Termination of Credit."

SEC. 704. AMORTIZATION OF POLLUTION CONTROL FACILITIES.

(a) ALLOWANCE.—Part VI of subchapter B of chapter 1 (relating to itemized deductions for individuals and corporations) is amended by striking out section 169 and inserting in lieu thereof the following new section:

"SEC. 169. AMORTIZATION OF POLLUTION CONTROL FACILITIES.

"(a) ALLOWANCE OF DEDUCTION.—Every person, at his election, shall be entitled to a deduction with respect to the amortization of the amortizable basis of any certified pollution control facility (as defined in subsection (d)), based on a period of 60 months. Such amortization deduction shall be an amount, with respect to each month of such period within the taxable year, equal to the amortizable basis of the pollution control facility at the end of such month divided by the number of months (including the month for which the deduction is computed) remaining in the period. Such amortizable basis at the end of the month shall be computed without regard to the amortization deduction for such month. The amortization deduction provided by this section with respect to any month shall be in lieu of the depreciation deduction with respect to such pollution control facility for such month provided by section 167. The 60-month period shall begin, as to any pollution control facility, at the election of the taxpayer, with the month following the month in which such facility was completed or acquired, or with the succeeding taxable year.

"(b) ELECTION OF AMORTIZATION.—The election of the taxpayer to take the amortization deduction and to begin the 60-month period with the month following the month in which the facility is completed or acquired, or with the taxable year succeeding the taxable year in which such facility is completed or acquired, shall be made by filing with the Secretary or his delegate, in such manner, in such form, and within such time, as the Secretary or his delegate may by regulations prescribe, a statement of such election.

"(c) TERMINATION OF AMORTIZATION DEDUCTION.—A taxpayer which has elected under subsection (b) to take the amortization deduction provided in subsection (a) may, at any time after making such election, discontinue the amortization deduction with respect to the remainder of the amortization period, such discontinuance to begin as of the beginning of any month specified by the taxpayer in a notice in writing filed with the Secretary or his delegate before the beginning of such month. The depreciation deduction provided under section 167 shall be allowed, beginning with the first month as to which the amortization deduction does not apply, and the taxpayer shall not be entitled to any further amortization deduction under this section with respect to such pollution control facility.

"(d) DEFINITIONS.—For purposes of this section—

"(1) CERTIFIED POLLUTION CONTROL FACILITY.—The term 'certified pollution control facility' means a new identifiable treatment facility which is used, in connection with a plant or other property in operation before January 1, 1969, to abate or control water or atmospheric pollution or contamination by removing, altering, disposing, or storing of pollutants, contaminants, wastes, or heat and which—

"(A) the State certifying authority having jurisdiction with respect to such facility has certified to the Federal certifying authority as having been constructed, reconstructed, erected, or acquired in conformity with the State program or requirements for abatement or control of water or atmospheric pollution or contamination; and

"(B) the Federal certifying authority has certified to the Secretary or his delegate (i) as being in compliance with the applicable regulations of Federal agencies and (ii) as being in furtherance of the general policy of the United States for cooperation with the States in the prevention and abatement of water pollution under the Federal Water Pollution Control Act, as amended (33 U.S.C. 466 et seq.), or in the prevention and abatement of atmospheric pollution and contamination under the Clean Air Act, as amended (42 U.S.C. 1857 et seq.).

"(2) STATE CERTIFYING AUTHORITY.—The term 'State certifying authority' means, in the case of water pollution, the State water pollution control agency as defined in section 13(a) of the Federal Water Pollution Control Act and, the case of air pollution, the air pollution control agency as defined in section 302(b) of the Clean Air Act. The term 'State certifying authority' includes any interstate agency authorized to act in place of a certifying authority of the State.

"(3) FEDERAL CERTIFYING AUTHORITY.—The term 'Federal certifying authority' means, in the case of water pollution, the Secretary of the Interior and, in the case of air pollution, the Secretary of Health, Education, and Welfare.

"(4) NEW IDENTIFIABLE TREATMENT FACILITY.—For purposes of paragraph (1), the term 'new identifiable treatment facility' includes only tangible property (not including a building and its structural components, other than a building which is exclusively a treatment facility) which is of a character subject to the allowance for depreciation provided in section 167, which is identifiable as a treatment facility, and which—

"(A) is property—

"(i) the construction, reconstruction, or erection of which is completed by the taxpayer after December 31, 1968, or

"(ii) acquired after December 31, 1968, if the original use of the property commences with the taxpayer and commences after such date, and

"(B) is placed in service by the taxpayer before January 1,

In applying this section in the case of property described in clause (i) of subparagraph (A), there shall be taken into account only that portion of the basis which is properly attributable to construction, reconstruction, or erection after December 31, 1968.

"(e) PROFITMAKING ABATEMENT WORKS, ETC.—The Federal certifying authority shall not certify any property under subsection (d)(1)(B) to the extent it appears that by reason of profits derived through the recovery of wastes or otherwise in the operation of such property, its costs will be recovered over its actual useful life.

"(f) AMORTIZABLE BASIS.—

"(1) DEFINED.—For purposes of this section, the term 'amortizable basis' means that portion of the adjusted basis (for determining gain) of a certified pollution control facility which may be amortized under this section.

"(2) SPECIAL RULES.—

"(A) If a certified pollution control facility has a useful life (determined as of the first day of the first month for which a deduction is allowable under this section) in excess of 15 years, the amortizable basis of such facility shall be equal to an amount which bears the same ratio to the portion of the adjusted basis of such facility, which would be eligible for amortization but for the application of this subparagraph, as 15 bears to the number of years of useful life of such facility.

"(B) The amortizable basis of a certified pollution control facility with respect to which an election under this section is in effect shall not be increased, for purposes of this section, for additions or improvements after the amortization period has begun.

"(g) DEPRECIATION DEDUCTION.—The depreciation deduction provided by section 167 shall, despite the provisions of subsection (a), be allowed with respect to the portion of the adjusted basis which is not the amortizable basis.

"(h) INVESTMENT CREDIT NOT TO BE ALLOWED.—In the case of any property with respect to which an election has been made under subsection (a), so much of the adjusted basis of the property as (after the application of subsection (f)) constitutes the amortizable basis for purposes of this section shall not be treated as section 38 property within the meaning of section 48(a).

"(i) LIFE TENANT AND REMAINDERMAN.—In the case of property held by one person for life with remainder to another person, the deduction under this section shall be computed as if the life tenant were the absolute owner of the property and shall be allowable to the life tenant.

"(j) CROSS REFERENCE.—

"For special rule with respect to certain gain derived from the disposition of property the adjusted basis of which is determined with regard to this section, see section 1245."

(b) Conforming, Etc., Amendments.—

(1) The table of sections for part VI of subchapter B of chapter 1 is amended by striking out the item relating to section 169 and inserting in lieu thereof the following new item:

"Sec. 169. Amortization of pollution control facilities."

(2) The heading and the first sentence of section 642(f) (relating to special rules for credits and deductions of estates and trusts) are amended to read as follows:

"(f) Amortization Deductions.—The benefit of the deductions for amortization provided by sections 168, 169, 184, and 187 shall be allowed to estates and trusts in the same manner as in the case of an individual."

(3) Section 1082(a)(2)(B) (relating to basis for determining gain or loss) is amended by striking out "or 1969" and inserting in lieu thereof ", 1969, 184, 185, or 187".

(4) Section 1245(a) of such Code (relating to gain from disposition of certain depreciable property) is amended—

(A) by inserting after paragraph (2)(C) (added by section 212(a)(1) of this Act) the following new subparagraph:

"(D) with respect to any property referred to in paragraph (3)(D), its adjusted basis recomputed by adding thereto all adjustments attributable to periods beginning with the first month for which a deduction for amortization is allowed under section 169 or 185";

(B) by striking out "168" each place it appears in paragraph (2) and inserting in lieu thereof "168, 169, 184, 185, or 187".

(C) by striking out "section 167" in paragraph (3) and inserting in lieu thereof "section 167 (or subject to the allowance of amortization provided in section 185)";

(D) by striking out "or" at the end of paragraph (3) (A) and (B);

(E) by striking out the period at the end of paragraph (3)(C) and inserting in lieu thereof ", or"; and

(F) by adding at the end of paragraph (3) the following new subparagraph:

"(D) so much of any real property (other than any property described in subparagraph (B)) which has an adjusted basis in which there are reflected adjustments for amortization under section 169 or 185."

(5) Section 1250(b)(3) (relating to depreciation adjustments) is amended by striking out "168" and inserting in lieu thereof "168, 169, or 185".

(c) Effective Date.—The amendments made by this section shall apply with respect to taxable years ending after December 31, 1968.

Sec. 705. Amortization of Railroad Rolling Stock and Right-of-Way Improvements.

(a) Allowance.—Part VI of subchapter B of chapter 1 (relating to itemized deductions for individuals and corporations) is amended by adding after section 183 (as added by section 213 of this Act) the following new sections:

"Sec. 184. Amortization of Certain Railroad Rolling Stock.

"(a) Allowance of Deduction.—Every person, at his election, shall be entitled to a deduction with respect to the amortization of the adjusted basis (for determining gain) of any qualified railroad rolling stock (as defined in subsection (d)), based on a period of 60 months. Such amortization deduction shall be an amount, with respect to each month of such period within the taxable year, equal to the adjusted basis of the qualified railroad rolling stock at the end of such month divided by the number of months (including the month for which the deduction is computed) remaining in the period. Such adjusted basis at the end of the month shall be computed without regard to the amortization deduction for such month. The amortization deduction provided by this section with respect to any qualified railroad rolling stock for any month shall be in lieu of the depreciation deduction with respect to such rolling stock for such month provided by section 167. The 60-month period shall begin, as to any qualified railroad rolling stock, at the election of the taxpayer, with the month following the month in which such rolling stock was placed in service or with the succeeding taxable year.

"(b) Election of Amortization.—The election of the taxpayer to take the amortization deduction and to begin the 60-month period with the month following the month in which the qualified railroad rolling stock was placed in service, or with the taxable year succeeding the taxable year in which such rolling stock is placed in service, shall be made by filing with the Secretary or his delegate, in such manner, in such form, and within such time, as the Secretary or his delegate may by regulations prescribe, a statement of such election.

"(c) Termination of Amortization Deduction.—A taxpayer which has elected under subsection (b) to take the amortization deduction provided by subsection (a) may, at any time after making such election, discontinue the amortization deduction with respect to the remainder of the amortization period, such discontinuance to begin as of the beginning of any month specified by the taxpayer in a notice in writing filed with the Secretary or his delegate before the beginning of such month. The depreciation deduction provided under section 167 shall be allowed, beginning with the first month as to which the amortization deduction does not apply, and the taxpayer shall not be entitled to any further amortization deduction under this section with respect to such rolling stock.

"(d) Qualified Railroad Rolling Stock.—Except as provided in subsection (e)(4), the term 'qualified railroad rolling stock' means, for purposes of this section, rolling stock of the type used by a common carrier engaged in the furnishing or sale of transportation by railroad and subject to the jurisdiction of the Interstate Commerce Commission if—

"(1) such rolling stock is—

"(A) used by a domestic common carrier by railroad on a full-time basis, or on a part-time basis if its only additional use is an incidental use by a Canadian or Mexican common carrier by railroad on a per diem basis, or

"(B) owned and used by a switching or terminal company all of whose stock is owned by one or more domestic common carriers by railroad, and

"(2) the original use of such rolling stock commences with the taxpayer after December 31, 1968.

"(e) Special Rules.

"(1) In general.—Except as otherwise provided in this subsection, this section shall apply to qualified railroad rolling stock placed in service after 1968 and before 1975.

"(2) Placed in service in 1969.—If any qualified railroad rolling stock is placed in service in 1969—

"(A) the month as to which the amortization period shall begin with respect to such rolling stock shall be determined as if such rolling stock were placed in service on December 31, 1969, and

"(B) subsections (a) and (b) shall be applied by substituting '48' for '60' each place that it appears in such subsections.

This section shall not apply to any qualified railroad rolling stock placed in service in 1969 and owned by any person who is not a domestic common carrier by railroad, or a corporation at least 95 percent of the stock of which is owned by one or more such common carriers.

"(3) Placed in service in 1970.—If any qualified railroad rolling stock is placed in service in 1970 by a domestic common carrier by railroad or by a corporation at least 95 percent of the stock of which is owned by one or more such common carriers, then subsection (a) shall be applied, without regard to paragraph (2), as if such rolling stock were placed in service on December 31, 1969.

"(4) Railroad rolling stock not in short supply.—The Secretary or his delegate shall determine (with the assistance of the Secretary of Transportation) which types of railroad rolling stock are not in short supply and shall prescribe regulations designating such types. The term 'qualified railroad rolling stock' shall not include any rolling stock which—

"(A) is of the type of rolling stock designated by such regulations as not in short supply, and

"(B) is placed in service after (i) 1972, or (ii) 30 days after the date on which such regulations are promulgated, whichever is later.

"(5) Adjusted basis.—

"(A) The adjusted basis of any qualified railroad rolling stock, with respect to which an election has been made under this section, shall not be increased, for purposes of this section, for amounts chargeable to capital account for additions or improvements after the amortization period has begun.

"(B) Costs incurred in connection with a used unit of railroad rolling stock which are properly chargeable to capital account shall be treated as a separate unit of railroad rolling stock for purposes of this section.

"(C) The depreciation deduction provided by section 167 shall, despite the provisions of subsection (a), be allowed with respect to the portion of the adjusted basis which is not taken into account in applying this section.

"(6) Constructive termination.—If at any time during the amortization period any qualified railroad rolling stock ceases to meet the requirements of subsection (d)(1), the taxpayer shall be deemed to have terminated under subsection (c) his election under this section. Such termination shall be effective beginning with the month following the month in which such cessation occurs.

"(7) Method of accounting for date placed in service.—For purposes of subsections (a) and (b), in the case of qualified railroad rolling stock placed in service after December 31, 1969, and before January 1, 1975, the taxpayer may elect (unless paragraph (3) is applicable) to begin the 60-month period with the date when such rolling stock is treated as having been placed in service under a method of accounting for acquisitions and retirements of property which—

"(A) prescribes a date when property is placed in service, and

"(B) is consistently followed by the taxpayer.

"(f) Life Tenant and Remainderman.—In the case of qualified railroad rolling stock leased to a domestic common carrier, and held by one person for life with remainder to another person, the deduction under this section shall be computed as if the life tenant were the absolute owner of the property and shall be allowable to the life tenant.

"(g) Cross Reference.—

"For treatment of certain gain derived from the disposition of property the adjusted basis of which is determined with regard to this section, see section 1245."

"Sec. 185. Amortization of Railroad Grading and Tunnel Bores.

"(a) General Rule.—In the case of a domestic common carrier by railroad, the taxpayer shall, at his election, be entitled to a deduction with respect to the amortization of the adjusted basis (for determining gain) of his qualified railroad grading and tunnel bores. The amortization deduction provided by this section with respect to such property shall be in lieu of any depreciation deduction, or other amortization deduction, with respect to such property for any taxable year to which the election applies.

"(b) Amount of Deduction.—

"(1) In general.—The deduction allowable under subsection (a) for any taxable year shall be an amount determined by amortizating ratably over a period of 50 years the adjusted basis (for determining gain) of the qualified railroad grading and tunnel bores of the taxpayer. Such 50-year period shall commence with the first taxable year for which an election under this section is effective.

"(2) Special rule.—In the case of qualified railroad grading and tunnel bores placed in service after the beginning of the first taxable year for which an election under this section is effective, the 50-year period with respect to such property shall begin with the year following the year the property is placed in service.

"(c) Election of Amortization.—The election of the taxpayer to take the amortization deduction provided in subsection (a) may be made for any taxable year beginning after December 31, 1969. Such election shall be made by filing with the Secretary or his delegate, in such manner, in such form, and within such time, as the Secretary or his delegate may by regulations prescribe, a statement of such election. The election shall remain in effect for all taxable years subsequent to the first year for which it is effective and shall apply to all qualified railroad grading and tunnel bores of the taxpayer, unless, on application by the taxpayer, the Secretary or his delegate permits him, subject to such conditions as the Secretary or his delegate deems necessary, to revoke such election.

"(d) Definitions.—For purposes of this section—

"(1) Railroad grading and tunnel bores.—The term 'railroad grading and tunnel bores' means all improvements resulting from excavations (including tunneling), construction of embankments, clearings, diversions of roads and streams, sodding of slopes, and from similar work necessary to provide, construct, reconstruct, alter, protect, improve, replace, or restore a roadbed or right-of-way for railroad track. If expenditures for improvements described in the preceding sentence are incurred with respect to an existing roadbed or right-of-way for railroad track, such expenditures shall be considered, in applying this section, as costs for railroad grading or tunnel bores placed in service in the year in which such costs are incurred.

"(2) Qualified railroad grading and tunnel bores.—The term 'qualified railroad grading and tunnel bores' means railroad grading and tunnel bores the original use of which commences after December 31, 1968.

"(e) Treatment Upon Retirement.—If any qualified railroad grading or tunnel bore is retired or abandoned during a taxable year for which an election under this section is in effect, no deduction shall be allowed on account of such retirement or abandonment and the amortization deduction under this section shall continue with respect to such property. This subsection shall not apply if the retirement or abandonment is attributable primarily to fire, storm, or other casualty.

"(f) Investment Credit Not To Be Allowed.—Property eligible to be amortized under this section shall not be treated as section 38 property within the meaning of section 48(a).

"(g) Regulations.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this section.

"(h) Cross Reference.—

"For special rule with respect to certain gain derived from the disposition of property the adjusted basis of which is determined with regard to this section, see section 1245."

(b) Conforming Amendment.—The table of sections for part VI of subchapter B of chapter 1 is amended by adding at the end thereof the following new items:

"Sec. 184. Amortization of certain railroad rolling stock.

"Sec. 185. Amortization of railroad grading and tunnel bores."

(c) Effective Date.—The amendments made by this section shall apply with respect to taxable years beginning after December 31, 1969.

Sec. 706. Expenditures in Connection With Certain Railroad Rolling Stock.

(a) In General.—Section 263 (relating to capital expenditures) is amended by adding at the end thereof the following subsection:

"(e) Expenditures in Connection With Certain Railroad Rolling Stock.—In the case of expenditures in connection with the rehabilitation of a unit of railroad rolling stock (except a locomotive) used by a domestic common carrier by railroad which would, but for this subsection, be properly chargeable to capital account, such expenditures, if during any 12-month period they do not exceed an amount equal to 20 per percent of the basis of such unit in the hands of the taxpayer, shall be treated (notwithstanding subsection (a)) as deductible repairs under section 162 or 212."

(b) Effective Date.—The amendment made by subsection (a) shall apply with respect to taxable years beginning after December 31, 1969.

Sec. 707. Amortization of Certain Coal Mine Safety Equipment.

(a) Allowance.—Part VI of subchapter B of chapter 1 (relating to itemized deductions for individuals and corporations) is amended by adding after section 186 (added by section 904 of this Act) the following new section.

"Sec. 187. Amortization of Certain Coal Mine Safety Equipment.

"(a) Allowance of Deduction.—Every person, at his election, shall be entitled to a deduction with respect to the amortization of the adjusted basis (for determining gain) of any certified coal mine safety equipment (as defined in subsection (d)), based on a period of 60 months. Such amortization deduction shall be an amount, with respect to each month of such period within the taxable year, equal to the adjusted basis of the certified coal mine safety equipment at the end of such month divided by the number of months (included the month for which the deduction is computed) remaining in the period. Such adjusted basis at the end of the month shall be computed without regard to the amortization deduction for such month. The amortization deduction provided by this section with respect to any certified coal mine safety equipment for any month shall be in lieu of the depreciation deduction with respect to such equipment for such month provided by section 167. The 60-month period shall begin, as to any certified coal mine safety equipment, at the election of the taxpayer, with the month following the month in which such equipment was placed in service or with the succeeding taxable year.

"(b) Election of Amortization.—The election of the taxpayer to take the amortization deduction and to begin the 60-month period with the month following the month in which the certified coal mine safety equipment was placed in service, or with the taxable year succeeding the taxable year in which such equipment is placed in service. shall be made by filing with the Secretary or his delegate, in such manner, in such form, and within such time, as the Secretary or his delegate may by regulations prescribe, a statement of such election.

"(c) Termination of Amortization Deduction.—A taxpayer which has elected under subsection (b) to take the amortization deduction provided by subsection (a) may, at any time after making such election, discontinue the amortization deduction with respect to the remainder of the amortization period, such discontinuance to begin as of the beginning of any month specified by the taxpayer in a notice in writing filed with the Secretary or his delegate before the beginning of such month. The depreciation deduction provided under section 167 shall be allowed beginning with the first month as to which the amortization deduction does not apply, and the taxpayer shall not be entitled to any further amortization deduction under this section with respect to such equipment.

"(d) Certified Coal Mine Safety Equipment.—For purposes of this section, the term 'certified coal mine safety equipment' means property which—

"(1) is electric face equipment (within the meaning of section 305 of the Federal Coal Mine Health and Safety Act of 1969) required in order to meet the requirements of section 305(a)(2) of such Act,

"(2) the Secretary of the Interior certifies is permissible within the meaning of such section 305(a)(2), and

"(3) is placed in service before January 1, 1975.

For purposes of this section, any property placed in service in connection with any used electric face equipment which the Secretary of the Interior certifies makes such electric face equipment permissible shall be treated as a separate item of certified coal mine safety equipment.

"(e) Special Rules.—

"(1) The adjusted basis of any certified coal mine safety equipment, with respect to which an election is made under this section, shall not be increased, for purposes of this section, for amounts chargeable to capital account for additions or improvements after the amortization period has begun.

"(2) The depreciation deduction provided by section 167 shall, despite the provisions of subsection (a), be allowed with respect to the portion of the adjusted basis which is not taken into account in applying this section."

(b) Clerical Amendment.—The table of sections for part VI of subchapter B of the chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 187. Amortization of certain coal mine safety equipment."

(c) Effective Date.—The amendments made by this section shall apply to taxable years ending after December 31, 1969.

TITLE VIII—ADJUSTMENT OF TAX BURDEN FOR INDIVIDUALS

Sec. 801. Personal Exemptions.

(a) Increased to $625 for 1970.—Effective with respect to taxable years beginning after December 31, 1969, and before January 1, 1971—

(1) section 151 (relating to allowance of personal exemptions) is amended by striking out "$600" wherever it appears therein and inserting in lieu thereof "$625"; and

(2) section 6013(b)(3)(A) (relating to assessment and collection in case of certain returns of husband and wife) is amended by striking out "$600" wherever it appears

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therein and inserting in lieu thereof "$625", and by striking out "$1,200" wherever it appears therein and inserting in lieu thereof "$1,250".

(b) Increase to $650 for 1971.—Effective with respect to taxable years beginning after December 31, 1970, and before January 1, 1972—

(1) section 151 (relating to allowance of personal exemptions) is amended by striking out "$625" wherever it appears therein and inserting in lieu thereof "$650"; and

(2) section 6013(b)(3)(A) (relating to assessment and collection in case of certain returns of husband and wife) is amended by striking out "$625" wherever it appears therein and inserting in lieu thereof "$650", and by striking out "$1,250" wherever it appears therein and inserting in lieu thereof "$1,300".

(c) Increase to $700 for 1972.—Effective with respect to taxable years beginning after December 31, 1971, and before January 1, 1973—

(1) section 151 (relating to allowance of personal exemptions) is amended by striking out "$650" wherever it appears therein and inserting in lieu thereof "$700"; and

(2) section 6013(b)(3)(A) (relating to assessment and collection in case of certain returns of husband and wife) is amended by striking out "$650" wherever it appears therein and inserting in lieu thereof "$700", and by striking out "$1,300" wherever it appears therein and inserting in lieu thereof "$1,400".

(d) Increase to $750 for 1973 and Subsequent Years.—Effective with respect to taxable years beginning after December 31, 1972—

(1) section 151 (relating to allowance of personal exemptions) is amended by striking out "$700" wherever it appears therein and inserting in lieu thereof "$750"; and

(2) section 6013(b)(3)(A) (relating to assessment and collection in case of certain returns of husband and wife) is amended by striking out "$700" wherever it appears therein and inserting in lieu thereof "$750", and by striking out "$1,400", wherever it appears therein and inserting in lieu thereof "$1,500".

Sec. 802. Low Income Allowance; Increase in Standard Deduction.

(a) In General.—Section 141 (relating to the standard deduction) is amended by striking out subsections (a), (b), and (c) and inserting in lieu thereof the following:

"(a) Standard Deduction.—Except as otherwise provided in this section, the standard deduction referred to in this title is the larger of the percentage standard deduction or the low income allowance.

"(b) Percentage Standard Deduction.—The percentage standard deduction is an amount equal to the applicable percentage of adjusted gross income shown in the following table, but not to exceed the maximum amount shown in such table (or one-half of such maximum amount in the case of a separate return by a married individual):

Taxable years beginning in	Applicable percentage	Maximum amount
1970	10	$1,000
1971	13	1,500
1972	14	2,000
1973 and thereafter	15	2,000

"(c) Low Income Allowance.—

"(1) In general.—The low income allowance is an amount equal to the sum of—

"(A) the basic allowance, and

"(B) the additional allowance.

"(2) Basic allowance.—For purposes of this subsection, the basic allowance is an amount equal to the sum of—

"(A) $200, plus

"(B) $100, multiplied by the number of exemptions.

The basic allowance shall not exceed $1,000.

"(3) Additional allowance.—

"(A) In general.—For purposes of this subsection, the additional allowance is an amount equal to the excess (if any) of $900 over the sum of—

"(i) $100, multiplied by the number of exemptions, plus

"(ii) the income phase-out.

"(B) Income phase-out.—For purposes of subparagraph (A)(ii), the income phase-out is an amount equal to one-half of the amount by which the adjusted gross income for the taxable year exceeds the sum of—

"(i) $1,100, plus

"(ii) $625, multiplied by the number of exemptions.

"(4) Married individuals filing separate returns.—In the case of a married taxpayer filing a separate return—

"(A) the low income allowance is an amount equal to the basic allowance, and

"(B) the basic allowance is an amount (not in excess of $500) equal to the sum of—

"(i) $100, plus

"(ii) $100, multiplied by the number of exemptions.

"(5) Number of exemptions.—For purposes of this subsection, the number of exemptions is the number of exemptions allowed as a deduction for the taxable year under section 151.

"(6) Special rule for 1971.—For a taxable year beginning after December 31, 1970, and before January 1, 1972,—

"(A) paragraph (3)(A) shall be applied by substituting '$850' for '$900',

"(B) paragraph (3)(B) shall be applied by substituting 'one-fifteenth' for 'one-half',

"(C) paragraph (3)(B)(i) shall be applied by substituting '$1050' for '$1100', and

"(D) paragraph (3)(B)(ii) shall be applied by substituting '$650' for '$625'.

(b) Determination of Marital Status.—Section 143 (relating to determination of marital status) is amended—

(1) by striking out "For purposes of this part—" and inserting in lieu thereof "(a) General Rule.—For purposes of this part—"; and

(2) by adding at the end thereof the following new subsection:

"(b) Certain Married Individuals Living Apart.—For purposes of this part, if—

"(1) an individual who is married (within the meaning of subsection (a)) and who files separate return maintains as his home a household which constitutes for more than one-half of the taxable year the principal place of aboue of a dependent (A) who (within the meaning of section 152) is a son, stepson, daughter, or stepdaughter of the individual, and (B) with respect to whom such individual is entitled to a deduction for the taxable year under section 151,

"(2) such individual furnishes over half of the cost of maintaining such household during the taxable year, and

"(3) during the entire taxable year such individual's spouse is not a member of such household,

such individual shall not be considered as married."

(c) Technical and Conforming Amendments.—

(1) Section 4(a) (relating to number of exemptions) is amended to read as follows:

"(a) Number of Exemptions.—For purposes of the tables prescribed by the Secretary or his delegate pursuant to section 3, the term 'number of exemptions' means the number of exemptions allowed under section 151 as deductions in computing taxable income."

(2) Section 4(c) (relating to married individuals filing separate returns) is amended to read as follows:

"(c) Husband or Wife Filing Separate Return.—

"(1) A husband or wife may not elect to pay the optional tax imposed by section 3 if the tax of the other spouse is determined under section 1 on the basis of taxable income computed without regard to the standard deduction.

"(2) Except as otherwise provided in this subsection, in the case of a husband or wife filing a separate return the tax imposed by section 3 shall be the lesser of the tax shown in—

"(A) the table prescribed under section 3 applicable in the case of married persons filing separate returns which applies the percentage standard deduction, or

"(B) the table prescribed under section 3 applicable in the case of married persons filing separate returns which applies the low income allowance.

"(3) The table referred to in paragraph (2)(B) shall not apply in the case of a husband or wife filing a separate return if the tax of the other spouse is determined with regard to the percentage standard deduction; except that an individual described in section 141(d)(2) may elect (under regulations prescribed by the Secretary or his delegate) to pay the tax shown in the table referred to in paragraph (2)(B) in lieu of the tax shown in the table referred to in paragraph (2)(A). For purposes of this title, an election under the preceding sentence shall be treated as an election made under section 141(d)(2).

"(4) For purposes of this subsection, determination of marital status shall be made under section 143."

(3) Paragraph (4) of section 4(f) is amended to read as follows:

"(4) For computation of tax by Secretary or his delegate, see section 6014."

(4) Section 141(d) (relating to married individuals filing separate returns) is amended—

(A) by striking out "minimum standard deduction" each place it appears and inserting in lieu thereof "low income allowance"; and

(B) by striking out "10-percent" each place it appears therein and inserting in lieu thereof "percentage"

(5) Section 1304(c)(4) (relating to special rules for income averaging) is amended by striking out "section 143" and inserting in lieu thereof "section 143(a)".

(d) Effective Date.—The amendments made by subsections (a), (b), and (c) shall apply to taxable years beginning after December 31, 1969.

(e) Years After 1971.— Effective with respect to taxable years beginning after December 31, 1971, section 141(c) (relating to low income allowance), as amended by subsection (a), is amended to read as follows:

"(c) Low Income Allowance.—The low income allowance is $1,000 ($500, in the case of a married individual filing a separate return)."

Sec. 803. Tax Rates for Single Individuals and Heads of Households; Optional Tax.

(a) Rates of Tax on Individuals.—Section 1 (relating to the tax imposed) is amended to read as follows:

"Section 1. Tax Imposed.

"(a) Married Individuals Filing Joint Returns and Surviving Spouses.—There is hereby imposed on the taxable income of—

"(1) every married individual (as defined in section 143) who makes a single return jointly with his spouse under section 6013, and

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"(2) every surviving spouse (as defined in section 2(a)), a tax determined in accordance with the following table:

"If the taxable income is:	The tax is:
Not over $1,000	14% of the taxable income.
Over $1,000 but not over $2,000	$140, plus 15% of excess over $1,000.
Over $2,000 but not over $3,000	$290, plus 16% of excess over $2,000.
Over $3,000 but not over $4,000	$450, plus 17% of excess over $3,000.
Over $4,000 but not over $8,000	$620, plus 19% of excess over $4,000.
Over $8,000 but not over $12,000	$1,380, plus 22% of excess over $8,000.
Over $12,000 but not over $16,000	$2,260, plus 25% of excess over $12,000.
Over $16,000 but not over $20,000	$3,260, plus 28% of excess over $16,000.
Over $20,000 but not over $24,000	$4,380, plus 32% of excess over $20,000.
Over $24,000 but not over $28,000	$5,660, plus 36% of excess over $24,000.
Over $28,000 but not over $32,000	$7,100, plus 39% of excess over $28,000.
Over $32,000 but not over $36,000	$8,660, plus 42% of excess over $32,000.
Over $36,000 but not over $40,000	$10,340, plus 45% of excess over $36,000.
Over $40,000 but not over $44,000	$12,140 plus 48% of excess over $40,000.
Over $44,000 but not over $52,000	$14,060, plus 50% of excess over $44,000.
Over $52,000 but not over $64,000	$18,060, plus 53% of excess over $52,000.
Over $64,000 but not over $76,000	$24,420, plus 55% of excess over $64,000.
Over $76,000 but not over $88,000	$31,020, plus 58% of excess over $76,000.
Over $88,000 but not over $100,000	$37,980, plus 60% of excess over $88,000.
Over $100,000, but not over $120,000	$45,180, plus 62% of excess over $100,000.
Over $120,000 but not over $140,000	$57,580, plus 64% of excess over $120,000.
Over $140,000 but not over $160,000	$70,380, plus 66% of excess over $140,000.
Over $160,000 but not over $180,000	$83,580, plus 68% of excess over $160,000.
Over $180,000 but not over $200,000	$97,180, plus 69% of excess over $180,000.
Over $200,000	$110,980, plus 70% of excess over $200,000.

"(b) HEADS OF HOUSEHOLDS.—There is hereby imposed on the taxable income of every income of every individual who is head of a household (as defined in section 2(b)) a tax determined in accordance with the following table:

"If the taxable income is:	The tax is:
Not over $1,000	14% of the taxable income.
Over $1,000 but not over $2,000	$140, plus 16% of excess over $1,000.
Over $2,000 but not over $4,000	$300, plus 18% of excess over $2,000.
Over $4,000 but not over $6,000	$660, plus 19% of excess over $4,000.
Over $6,000 but not over $8,000	$1,040, plus 22% of excess over $6,000.
Over $8,000 but not over $10,000	$1,480, plus 23% of excess over $8,000.
Over $10,000 but not over $12,000	$1,940, plus 25% of excess over $10,000.
Over $12,000 but not over $14,000	$2,440, plus 27% of excess over $12,000.
Over $14,000 but not over $16,000	$2,980, plus 28% of excess over $14,000.
Over $16,000 but not over $18,000	$3,540, plus 31% of excess over $16,000.
Over $18,000 but not over $20,000	$4,160, plus 32% of excess over $18,000.
Over $20,000 but not over $22,000	$4,800, plus 35% of excess over $20,000.
Over $22,000 but not over $24,000	$5,500, plus 36% of excess over $22,000.
Over $24,000 but not over $26,000	$6,220, plus 38% of excess over $24,000.
Over $26,000 but not over $28,000	$6,980, plus 41% of excess over $26,000.
Over $28,000 but not over $32,000	$7,800, plus 42% of excess over $28,000.
Over $32,000 but not over $36,000	$9,480, plus 45% of excess over $32,000.
Over $36,000 but not over $38,000	$11,280, plus 48% of excess over $36,000.
Over $38,000 but not over $40,000	$12,240, plus 51% of excess over $38,000.
Over $40,000 but not over $44,000	$13,260, plus 52% of excess over $40,000.
Over $44,000 but not over $50,000	$15,340, plus 55% of excess over $44,000.
Over $50,000 but not over $52,000	$18,640, plus 56% of excess over $50,000.
Over $52,000 but not over $64,000	$19,760, plus 58% of excess over $52,000.
Over $64,000 but not over $70,000	$26,720, plus 59% of excess over $64,000.
Over $70,000 but not over $76,000	$30,260, plus 61% of excess over $70,000.
Over $76,000 but not over $80,000	$33,920, plus 62% of excess over $76,000.
Over $80,000 but not over $88,000	$36,400, plus 63% of excess over $80,000.
Over $88,000 but not over $100,000	$41,440, plus 64% of excess over $88,000.
Over $100,000 but not over $120,000	$49,120, plus 66% of excess over $100,000.
Over $120,000 but not over $140,000	$62,320, plus 67% of excess over $120,000.
Over $140,000 but not over $160,000	$75,720, plus 68% of excess over $140,000.
Over $160,000 but not over $180,000	$89,320 plus 69% of excess over $160,000.
Over $180,000	$103,120, plus 70% of excess over $18,000."

"(c) UNMARRIED INDIVIDUALS (OTHER THAN SURVIVING SPOUSES AND HEADS OF HOUSEHOLDS).—There is hereby imposed on the taxable income of every individual (other than a surviving spouse as defined in section 2(a) or the head of a household as defined in section 2(b)) who is not a married individual (as defined in section 143) a tax determined in accordance with the following table:

"If the taxable income is:	The tax is:
Not over $500	14% of the taxable income.
Over $500 but not over $1,000	$70, plus 15% of excess over $500.
Over $1,000 but not over $1,500	$145, plus 16% of excess over $1,000.
Over $1,500 but not over $2,000	$225, plus 17% of excess over $1,500.
Over $2,000 but not over $4,000	$310, plus 19% of excess over $2,000.
Over $4,000 but not over $6,000	$690, plus 21% of excess over $4,000.
Over $6,000 but not over $8,000	$1,100, plus 24% of excess over $6,000.
Over $8,000 but not over $10,000	$1,590, plus 25% of excess over $8,000.
Over $10,000 but not over $12,000	$2,090, plus 27% of excess over $10,000.
Over $12,000 but not over $14,000	$2,630, plus 29% of excess over $12,000.
Over $14,000 but not over $16,000	$3,210, plus 31% of excess over $14,000.
Over $16,000 but not over $18,000	$3,830, plus 34% of excess over $16,000.
Over $18,000 but not over $20,000	$4,510, plus 36% of excess over $18,000.
Over $20,000 but not over $22,000	$5,230, plus 38% of excess over $20,000.
Over $22,000 but not over $26,000	$5,990, plus 40% of excess over $22,000.
Over $26,000 but not over $32,000	$7,590, plus 45% of excess over $26,000.
Over $32,000 but not over $38,000	$10,290, plus 50% of excess over $32,000.
Over $38,000 but not over $44,000	$13,290, plus 55% of excess over $38,000.
Over $44,000 but not over $50,000	$16,590, plus 60% of excess over $44,000.
Over $50,000 but not over $60,000	$20,190, plus 62% of excess over $50,000.
Over $60,000 but not over $70,000	$26,390, plus 64% of excess over $60,000.
Over $70,000 but not over $80,000	$32,790, plus 66% of excess over $70,000.
Over $80,000 but not over $90,000	$39,390, plus 68% of excess over $80,000.
Over $90,000 but not over $100,000	$46,190, plus 69% of excess over $90,000.
Over $100,000	$53,090, plus 70% of excess over $100,000.

"(d) MARRIED INDIVIDUALS FILING SEPARATE RETURNS; ESTATES AND TRUSTS.—There is hereby imposed on the taxable income of every married individual (as defined in section 143) who does not make a single return jointly with his spouse under section 6013, and of every estate and trust taxable under this subsection, a tax determined in accordance with the following table:

"If the taxable income is:	The tax is:
Not over $500	14% of the taxable income.
Over $500 but not over $1,000	$70, plus 15% of excess over $500.
Over $1,000 but not over $1,500	$145, plus 16% of excess over $1,000.
Over $1,500 but not over $2,000	$225, plus 17% of excess over $1,500.
Over $2,000 but not over $4,000	$310, plus 19% of excess over $2,000.
Over $4,000 but not over $6,000	$690, plus 22% of excess over $4,000.
Over $6,000 but not over $8,000	$1,130, plus 25% of excess over $6,000.
Over $8,000 but not over $10,000	$1,630, plus 28% of excess over $8,000.
Over $10,000 but not over $12,000	$2,190, plus 32% of excess over $10,000.
Over $12,000 but not over $14,000	$2,830, plus 36% of excess over $12,000.
Over $14,000 but not over $16,000	$3,550, plus 39% of excess over $14,000.
Over $16,000 but not over $18,000	$4,330, plus 42% of excess over $16,000.
Over $18,000 but not over $20,000	$5,170, plus 45% of excess over $18,000.
Over $20,000 but not over $22,000	$6,070, plus 48% of excess over $20,000.
Over $22,000 but not over $26,000	$7,030, plus 50% of excess over $22,000.
Over $26,000 but not over $32,000	$9,030, plus 53% of excess over $26,000.
Over $32,000 but not over $38,000	$12,120, plus 55% of excess over $32,000.
Over $38,000 but not over $44,000	$15,510, plus 58% of excess over $38,000.
Over $44,000 but not over $50,000	$18,990, plus 60% of excess over $44,000.
Over $50,000 but not over $60,000	$22,590, plus 62% of excess over $50,000.
Over $60,000 but not over $70,000	$28,790, plus 64% of excess over $60,000.
Over $70,000 but not over $80,000	$35,190, plus 66% of excess over $70,000.
Over $80,000 but not over $90,000	$41,790, plus 68% of excess over $80,000.
Over $90,000 but not over $100,000	$48,590, plus 69% of excess over $90,000.
Over $100,000	$55,490, plus 70% of excess over $100,00."

(b) Definitions and Special Rules.—Section 2 (relating to tax in case of joint return or return of surviving spouse) is amended to read as follows:

"Sec. 2. Definitions and Special Rules.

"(a) Definition of Surviving Spouse.—

"(1) In general.—For purposes of section 1, the term 'surviving spouse' means a taxpayer—

"(A) whose spouse died during either of his two taxable years immediately preceding the taxable year, and

"(B) who maintains as his home a household which constitutes for the taxable year the principal place of abode (as a member of such household) of a dependent (i) who (within the meaning of section 152) is a son, stepson, daughter, or stepdaughter of the taxpayer, and (ii) with respect to whom the taxpayer is entitled to a deduction for the taxable year under section 151.

For purposes of this paragraph, an individual shall be considered as maintaining a household only if over half of the cost of maintaining the household during the taxable year is furnished by such individual.

"(2) Limitations.—Notwithstanding paragraph (1), for purposes of section 1 a taxpayer shall not be considered to be a surviving spouse—

"(A) If the taxpayer has remarried at any time before the close of the taxable year, or

"(B) unless, for the taxpayer's taxable year during which his spouse died, a joint return could have been made under the provisions of section 6013 (without regard to subsection (a) (3) thereof).

"(b) Definition of Head of Household.—

"(1) In general.—For purposes of this subtitle, an individual shall be considered a head of a household if, and only if, such individual is not married at the close of his taxable year, is not a surviving spouse (as defined in subsection (a)), and either—

"(A) maintains as his home a household which constitutes for such taxable year the principal place of abode, as a member of such household, of—

"(i) a son, stepson, daughter, or stepdaughter of the taxpayer, or a descendant of a son or daughter of the taxpayer, but if such son, stepson, daughter, stepdaughter, or descendant is married at the close of the taxpayer's taxable year, only if the taxpayer is entitled to a deduction for the taxable year for such person under section 151, or

"(ii) any other person who is a dependent of the taxpayer, if the taxpayer is entitled to a deduction for the taxable year for such person under section 151, or

"(B) maintains a household which constitutes for such taxable year the principal place of abode of the father or mother of the taxpayer, if the taxpayer is entitled to a deduction for the taxable year for such father or mother under section 151.

For purposes of this paragraph, an individual shall be considered as maintaining a household only if over half of the cost of maintaining the household during the taxable year is furnished by such individual.

"(2) Determination of status.—For purposes of this subsection—

"(A) a legally adopted child of a person shall be considered a child of such person by blood;

"(B) an individual who is legally separated from his spouse under a decree of divorce or of separate maintenance shall not be considered as married;

"(C) a taxpayer shall be considered as not married at the close of his taxable year if at any time during the taxable year his spouse is a nonresident alien; and

"(D) a taxpayer shall be considered as married at the close of his taxable year if his spouse (other than a spouse described in subparagraph (C)) died during the taxable year.

"(3) Limitations.—Notwithstanding paragraph (1), for purposes of this subtitle a taxpayer shall not be considered to be a head of a household—

"(A) if at any time during the taxable year he is a nonresident alien; or

"(B) by reason of an individual who would not be a dependent for the taxable year but for—

"(i) paragraph (9) of section 152(a),

"(ii) paragraph (10) of section 152(a), or

"(iii) subsection (c) of section 152.

"(c) Certain Married Individuals Living Apart.—For purposes of this part, an individual who, under section 143(b), is not to be considered as married shall not be considered as married.

"(d) Nonresident Aliens.—In the case of a nonresident alien individual, the tax imposed by section 1 shall apply only as provided by section 871 or 877.

"(e) Cross Reference.—

"For definition of taxable income, see section 63."

(c) Optional Tax Tables for Individuals.—Section 3 (relating to optional tax if adjusted gross income is less than $5,000) is amended to read as follows:

"Sec. 3. Optional Tax Tables for Individuals.

"In lieu of the tax imposed by section 1, there is hereby imposed for each taxable year beginning after December 31, 1969, on the taxable income of every individual whose adjusted gross income for such year is less than $10,000 and who has elected for such year to pay the tax imposed by this section, a tax determined under tables, applicable to such taxable year, which shall be prescribed by the Secretary or his delegate. In the tables so prescribed, the amounts of tax shall be computed on the basis of the taxable income computed by taking the standard deduction and on the basis of the rates prescribed by section 1."

(d) Technical, Conforming, and Clerical Amendments.—

(1) Section 6014(a) (relating to election by taxpayer) is amended—

(A) by striking out "$5,000" in the first sentence, and inserting in lieu thereof "$10,000", and

(B) by striking out the last two sentences.

(2) Section 511(b)(1) (relating to imposition of tax on unrelated business income of charitable, etc., organizations) is amended by striking out "section 1", in the first sentence of such section, and inserting in lieu thereof "section 1(d)".

(3) Section 641 (relating to imposition of tax in respect of estates and trusts) is amended by striking out "The taxes imposed by this chapter on individuals" in subsection (a) and inserting in lieu thereof "The tax imposed by section 1(d)".

(4) Section 632 (relating to sale of oil or gas properties) is amended—

(A) by striking out "surtax" and inserting in lieu thereof "tax", and

(B) by striking out "30 percent" and inserting in lieu thereof "33 percent".

(5) Section 1347 (relating to claims against United States involving acquisition of property) is amended—

(A) by striking out "surtax" and inserting in lieu thereof "tax", and

(B) by striking out "30 percent" and inserting in lieu thereof "33 percent".

(6) Paragraphs (1) and (5) of section 5(b) (cross references) are each amended by striking out "surtax" and inserting in lieu thereof "tax".

(7) Section 6015(a)(1) (relating to declaration of estimated income tax by individuals) is amended—

(A) by striking out "section 1(b) (2)" each place it appears and inserting in lieu thereof "section 2(b)", and

(B) by striking out "section 2(b)" each place it appears and inserting in lieu thereof "section 2(a)".

(8) Section 1304(b) (1) (relating to special rules) is amended by striking out "if adjusted gross income is less than $5,000".

(9) The table of sections for part I of subchapter A of chapter 1 is amended by striking out the second and third items and inserting in lieu thereof the following:

"Sec. 2. Definitions and special rules.
"Sec. 3. Optional tax tables for individuals."

(e) Section 21(d) (relating to changes in rates during a taxable year) is amended to read as follows:

"(d) Changes Made by Tax Reform Act of 1969 in Case of Individuals.—In applying subsection (a) to a taxable year of an individual which is not a calendar year, each change made by the Tax Reform Act of 1969 in part I or in the application of part IV or V of subchapter B for purposes of the determination of taxable income shall be treated as a change in a rate of tax."

(f) Effective Dates.—The amendments made by subsections (a), (b), and (d) (other than paragraphs (1) and (8)) shall apply to taxable years beginning after December 31, 1970, except that section 2(c) of the Internal Revenue Code of 1954, as amended by subsection (b), shall also apply to taxable years beginning after December 31, 1969. The amendments made by subsections (c), (d) (1), and (d) (8) shall apply to taxable years beginning after December 31, 1969.

Sec. 804. Fifty-Percent Maximum Rate on Earned Income.

(a) In General.—Part VI of subchapter Q of chapter 1 (relating to other limitations) is amended by adding at the end thereof the following new section:

"Sec. 1348. Fifty-Percent Maximum Rate on Earned Income.

"(a) General Rule.—If for any taxable year an individual has earned taxable income which exceeds the amount of taxable income specified in paragraph (1), the tax imposed by section 1 for such year shall, unless the taxpayer chooses the benefits of part I (relating to income averaging), be the sum of—

"(1) the tax imposed by section 1 on the lowest amount of taxable income on which the rate of tax under section 1 exceeds 50 percent,

"(2) 50 percent of the amount by which his earned taxable income exceeds the lowest amount of taxable income on which the rate of tax under section 1 exceeds 50 percent, and

"(3) the excess of the tax computed under section 1 without regard to this section over the tax so computed with reference solely to his earned taxable income.

In applying this subsection to a taxable year beginning after December 31, 1970, and before January 1, 1972, '60 percent' shall be substituted for '50 percent' each place it appears in paragraphs (1) and (2).

"(b) Definitions.—For purposes of this section—

"(1) Earned income.—The term 'earned income' means any income which is earned income within the meaning of section 401 (c) (2) (C) or section 911(b), except that such term does not include any distribution to which section 72(m)(5), 72(n), 402(a)(2), or 403(a) (2) (A) applies or any deferred compensation within the meaning of section 404. For purposes of this paragraph, deferred compensation does not include any amount received before the end of the taxable year following the first taxable year of the recipient in which his right to receive such amount is not subject to a substantial risk

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of forfeiture (within the meaning of section 83(c)(1)).

"(2) **Earned taxable income.**—The earned taxable income of an individual is the excess of—

"(A) the amount which bears the same ratio (but not in excess of 100 percent) to his taxable income as his earned net income bears to his adjusted gross income, over

"(B) the amount by which the greater of—

"(i) one-fifth of the sum of the taxpayer's items of tax preference referred to in section 57 for the taxable year and the 4 preceding taxable years, or

"(ii) the sum of the items of tax preference for the taxable year, exceeds $30,000.

For purposes of subparagraph (A), the term 'earned net income' means earned income reduced by any deductions allowable under section 62 which are properly allocable to or chargeable against such earned income.

"(c) **Married Individuals.**—This section shall apply to a married individual only if such individual and his spouse make a single return jointly for the taxable year."

(b) **Clerical Amendment.**—The table of sections for part VI of subchapter Q of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 1348. Fifty-percent maximum rate on earned income."

(c) **Effective Date.**—The amendments made by this section shall apply to taxable years beginning after December 31, 1970.

Sec. 805. Collection of Income Tax at Source on Wages.

(a) **Requirement of Withholding.**—Section 3402(a) (relating to requirement of withholding) is amended by striking out paragraphs (1) and (2) and inserting in lieu thereof the following:

"(1) In the case of wages paid after December 31, 1969, and before July 1, 1970:

"Table 1—If the payroll period with respect to an employee is WEEKLY

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $21.00	0.
Over $21.00 but not over $33.00	21% of excess over $21.00.
Over $33.00 but not over $52.00	$2.52 plus 27% of excess over $33.00.
Over $52.00 but not over $88.00	$7.65 plus 18% of excess over $52.00.
Over $88.00 but not over $177.00	$14.13 plus 21% of excess over $88.00.
Over $177.00 but not over $212.00	$32.82 plus 26% of excess over $177.00.
Over $212.00	$41.92 plus 31% of excess over $212.00.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $21.00	0.
Over $21.00 but not over $48.00	21% of excess over $21.00.
Over $48.00 but not over $88.00	$5.67 plus 16% of excess over $48.00.
Over $88.00 but not over $177.00	$12.07 plus 18% of excess over $88.00.
Over $177.00 but not over $346.00	$28.09 plus 21% of excess over $177.00.
Over $346.00 but not over $423.00	$63.58 plus 26% of excess over $346.00.
Over $423.00	$83.60 plus 31% of excess over $423.00.

"Table 2—If the payroll period with respect to an employee is BIWEEKLY

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $42.00	0.
Over $42.00 but not over $65.00	21%of excess over $42.00.
Over $65.00 but not over $104.00	$4.83 plus 27% of excess over $65.00.
Over $104.00 but not over $177.00	$15.36 plus 18% of excess over $104.00.
Over $177.00 but not over $354.00	$28.50 plus 21% of excess over $177.00.
Over $354.00 but not over $423.00	$65.67 plus 26% of excess over $354.00.
Over $423.00	$83.61 plus 31% of excess over $423.00.

"(b) Married Person:

"If the amount of wages is:	The amount is income tax to be withheld shall be:
Not over $42.00	0.
Over $42.00 but not over $96.00	21% of excess over $42.00.
Over $96.00 but not over $177.00	$11.34 plus 16% of excess over $96.00.
Over $177.00 but not over $354.00	$24.30 plus 18% of excess over $177.00
Over $354.00 but not over $692.00	$56.16 plus 21% of excess over $354.00.
Over $692.00 but not over $846.00	$127.14 plus 26% of excess over $692.00.
Over $846.00	$167.18 plus 31% of excess over $846.00.

"Table 3—If the payroll period with respect to an employee is SEMIMONTHLY

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $46	0.
Over $46 but not over $71	21% of excess over $46.
Over $71 but not over $113	$5.25 plus 27% of excess over $71.
Over $113 but not over $192	$16.59 plus 18% of excess over $113.
Over $192 but not over $383	$30.81 plus 21% of excess over $192.
Over $383 but not over $458	$70.92 plus 26% of excess over $383.
Over $458	$90.42 plus 31% of excess over $458.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $46	0.
Over $46 but not over $104	21% of excess over $46.
Over $104 but not over $192	$12.18 plus 16% of excess over $104.
Over $192 but not over $383	$26.26 plus 18% of excess over $192.
Over $383 but not over $750	$60.64 plus 21% of excess over $383.
Over $750 but not over $917	$137.71 plus 26% of excess over $750.
Over $917	$181.13 plus 31% of excess over $917.

"Table 4.—If the payroll period with respect to an employee is MONTHLY

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $92	0.
Over $92 but not over $142	21% of excess over $92.
Over $142 but not over $225	$10.50 plus 27% of excess over $142.
Over $225 but not over $383	$32.91 plus 18% of excess over $225.
Over $383 but not over $767	$61.35 plus 21% of excess over $383.
Over $767 but not over $917	$141.99 plus 26% of excess over $767.
Over $917	$180.99 plus 31% of excess over $917.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $92	0.
Over $92 but not over $208	21% of excess over $92.
Over $208 but not over $383	$24.36 plus 16% of excess over $208.
Over $383 but not over $767	$52.36 plus 18% of excess over $383.
Over $767 but not over $1,500	$121.48 plus 21% of excess over $767.
Over $1,500 but not over $1,833	$275.41 plus 26% of excess over $1,500.
Over $1,833	$361.99 plus 31% of excess over $1,833.

"Table 5—If the payroll period with respect to an employee is QUARTERLY

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $275	0.
Over $275 but not over $425	21% of excess over $275.
Over $425 but not over $675	$31.50 plus 27% of excess over $425.
Over $675 but not over $1,150	$99.00 plus 18% of excess over $675.
Over $1,150 but not over $2,300	$184.50 plus 21% of excess over $1,150.
Over $2,300 but not over $2,750	$426.00 plus 26% of excess over $2,300.
Over $2,750	$543.00 plus 31% of excess over $2,750.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $275	0.
Over $275 but not over $625	21% of excess over $275.
Over $675 but not over $1,150	$73.50 plus 16% of excess over $625.
Over $1,150 but not over $2,300	$157.50 plus 18% of excess over $1,150.
Over $2,300 but not over $4,500	$364.50 plus 21% of excess over $2,300.
Over $4,500 but not over $5,500	$826.50 plus 26% of excess over $4,500.
Over $5,500	$1,086.50 plus 31% of excess over $5,500.

"Table 6—If the payroll period with respect to an employee is SEMIANNUAL

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $550	0.
Over $550 but not over $850	21% of excess over $550.
Over $850 but not over $1,350	$63 plus 27% of excess over $850.
Over $1,350 but not over $2,300	$198 plus 18% of excess over $1,350.
Over $2,300 but not over $4,600	$369 plus 21% of excess over $2,300.
Over $4,600 but not over $5,500	$852 plus 26% of excess over $4,600.
Over $5,500	$1,086 plus 31% of excess over $5,500.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $550	0.
Over $550 but not over $1,250	21% of excess over $550.
Over $1,250 but not over $2,300	$147 plus 16% of excess over $1,250.
Over $2,300 but not over $4,600	$315 plus 18% of excess over $2,300.
Over $4,600 but not over $9,000	$729 plus 21% of excess over $4,600.
Over $9,000 but not over $11,000	$1,653 plus 26% of excess over $9,000.
Over $11,000	$2,173 plus 31% of excess over $11,000.

"Table 7—If the payroll period with respect to an employee is ANNUAL

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $1,100	0.
Over $1,100 but not over $1,700	21% of excess over $1,100.
Over $1,700 but not over $2,700	$126 plus 27% of excess over $1,700.
Over $2,700 but not over $4,600	$396 plus 18% of excess over $2,700.
Over $4,600 but not over $9,200	$738 plus 21% of excess over $4,600.
Over $9,200 but not over $11,000	$1,704 plus 26% of excess over $9,200.
Over $11,000	$2,172 plus 31% of excess over $11,000.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $1,100	0.
Over $1,100 but not over $2,500	21% of excess over $1,100.
Over $2,500 but not over $4,600	$294 plus 16% of excess over $2,500.
Over $4,600 but not over $9,200	$630 plus 18% of excess over $4,600.
Over $9,200 but not over $18,000	$1,458 plus 21% of excess over $9,200.
Over $18,000 but not over $22,000	$3,306 plus 26% of excess over $18,000.
Over $22,000	$4,346 plus 31% of excess over $22,000.

"Table 8—If the payroll period with respect to an employee is a DAILY payroll period or a miscellaneous payroll period

"(a) Single Person—Including Head of Household:

"If the amount of wages divided by the number of days in the payroll period is:	The amount of income tax to to be withheld shall be:
Not over $3.00	0.
Over $3.00 but not over $4.70	21% of excess over $3.00.
Over $4.70 but not over $7.40	$0.36 plus 27% of excess over $4.70.
Over $7.40 but not over $12.60	$1.09 plus 18% of excess over $7.40.
Over $12.60 but not over $25.20	$2.02 plus 21% of excess over $12.60.
Over $25.20 but not over $30.10	$4.67 plus 26% of excess over $25.20.
Over $30.10	$5.94 plus 31% of excess over $30.10.

"(b) Married Person:

"If the amount of wages divided by the number of days in the payroll period is:	The amount of income tax to be withheld shall be:
Not over $3.00	0.
Over $3.00 but not over $6.80	21% of excess over $3.00.
Over $6.80 but not over $12.60	$0.80 plus 16% of excess over $6.80.

"(b) Married Person—Continued

Over $12.60 but not over $25.20	$1.73 plus 18% of excess over $12.60.
Over $25.20 but not over $49.30	$3.99 plus 21% of excess over $25.20.
Over $49.30 but not over $60.30	$9.06 plus 26% of excess over $49.30.
Over $60.30	$11.92 plus 31% of excess over $60.30.

"(2) In the case of wages paid after June 30, 1970, and before January 1, 1971:

"Table 1—If the payroll period with respect to an employee is WEEKLY

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $21	0.
Over $21 but not over $33	21% of excess over $21.
Over $33 but not over $52	$2.52 plus 25% of excess over $33.
Over $52 but not over $88	$7.27, plus 17% of excess over $52.
Over $88 but not over $177	$13.39, plus 21% of excess over $88.
Over $177 but not over $212	$32.08, plus 25% of excess over $177.
Over $212	$40.83, plus 30% of excess over $212.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $21	0.
Over $21, but not over $48	21% of excess over $21.
Over $48, but not over $88	$5.67, plus 15% of excess over $48.
Over $88 but not over $177	$11.67, plus 17% of excess over $88.
Over $177 but not over $346	$26.80, plus 20% of excess over $177.
Over $346 but not over $423	$60.60, plus 25% of excess over $346.
Over $423	$79.85, plus 30% of excess over $423.

"Table 2—If the payroll period with respect to an employee is BIWEEKLY

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $42	0.
Over $42 but not over $65	21% of excess over $42.
Over $65 but not over $104	$4.83 plus 25% of excess over $65.
Over $104 but not over $177	$14.58 plus 17% of excess over $104.
Over $177 but not over $354	$26.99 plus 21% of excess over $177.
Over $354 but not over $423	$64.16 plus 25% of excess over $354.
Over $423	$81.41 plus 30% of excess over $423.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $42	0.
Over $42 but not over $96	21% of excess over $42.
Over $96 but not over $177	$11.34 plus 15% of excess over $96.
Over $177 but not over $354	$23.49 plus 17% of excess over $177.
Over $354 but not over $692	$53.58 plus 20% of excess over $354.
Over $692 but not over $846	$121.18 plus 25% of excess over $692.
Over $846	$159.68 plus 30% of excess over $846.

"Table 3—If the payroll period with respect to an employee is SEMI-MONTHLY

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $46	0.
Over $46 but not over $71	21% of excess over $46.
Over $71 but not over $113	$5.25 plus 25% of excess over $71.
Over $113 but not over $192	$15.75 plus 17% of excess over 113.
Over $192 but not over $383	$29.18 plus 21% of excess over $192.
Over $383 but not over $458	$69.29 plus 25% of excess over $383.
Over $458	$88.04 plus 30% of excess over $458.

"(a) Single Person—Including Head of Household—Continued

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $46	0.
Over $46 but not over $104	21% of excess over $46.
Over $104 but not over $192	$12.18 plus 15% of excess over $104.
Over $192 but not over $383	$25.38 plus 17% of excess over $192.
Over $383 but not over $750	$57.85 plus 20% of excess over $383
Over $750 but not over $917	$131.25 plus 25% of excess over $750.
Over $917	$173.00 plus 30% of excess over $917.

"Table 4.—If the payroll period with respect to an employee is MONTHLY

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $92	0.
Over $92 but not over $142	21% of excess over $92.
Over $142 but not over $225	$10.50 plus 25% of excess over $142.
Over $225 but not over $383	$31.25 plus 17% of excess over $225.
Over $383 but not over $767	$58.11 plus 21% of excess over $383.
Over $767 but not over $917	$138.75 plus 25% of excess over $767.
Over $917	$176.25 plus 30% of excess over $917.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $92	0.
Over $92 but not over $208	21% of excess over $92.
Over $208 but not over $383	$24.36 plus 15% of excess over $208.
Over $383 but not over $767	$50.61 plus 17% of excess over $383.
Over $767 but not over $1,500	$115.89 plus 20% of excess over $767.
Over $1,500 but not over $1,833	$262.49 plus 25% of excess over $1,500.
Over $1,833	$345.74 plus 30% of excess over $1,833.

"Table 5—If the payroll period with respect to an employee is QUARTERLY

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $275	0.
Over $275 but not over $425	21% of excess over $275.
Over $25 but not over $675	$31.50 plus 25% of excess over $4.25.
Over $675 but not over $1,150	$94.00 plus 17% of excess over $675.
Over $1,150 but not over $2,300	$174.75 plus 21% of excess over $1,150.
Over $2,300 but not over $2,750	$416.25 plus 25% of excess over $2,300.
Over $2,750	$528.75 plus 30% of excess over $2,750.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $275	0.
Over $275 but not over $625	21% of excess over $275.
Over $625 but not over $1,150	73.50 plus 15% of excess over $625.
Over $1,150 but not over $2,300	$152.25 plus 17% of excess over $1,150.
Over $2,300 but not over $4,500	$347.75 plus 20% of excess over $2,300.
Over $4,500 but not over $5,500	$787.75 plus 25% of excess over $4,500.
Over $5,500	$1,037.75 plus 30% of excess over $5,500.

"Table 6—If the payroll period with respect to an employee is SEMIANNUAL

"(a) Single Person—Including Head of Household:

If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $550	0.
Over $550 but not over $850	21% of excess over $550.
Over $850 but not over $1,350	$63.00 plus 25% of excess over $850.
Over $1,350 but not over $2,300	$188.00 plus 17% of excess over $1,350.
Over $2,300 but not over $4,600	$349.50 plus 21% of excess over $2,300.
Over $4,600 but not over $5,500	$832.50 plus 25% of excess over $4,600.
Over $5,500	$1,057.50 plus 30% of excess over $5,500.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $550	0.
Over $550 but not over $1,250	21% of excess over $550.
Over $1,250 but not over $2,300	$147.00 plus 15% of excess over $1,250.
Over $2,300 but not over $4,600	$304.50 plus 17% of excess over $2,300.
Over $4,600 but not over $9,000	$695.50 plus 20% of excess over $4,600.
Over $9,000 but not over $11,000	$1,575.50 plus 25% of excess over $9,000.
Over $11,000	$2,075.50 plus 30% of excess over $11,000.

"Table 7—If the payroll period with respect to an employee is ANNUAL

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $1,000	0.
Over $1,100 but not over $1,700	21% of excess over $1,100.
Over $1,700 but not over $2,700	$126 plus 25% of excess over $1,700.
Over $2,700 but not over $4,600	$376 plus 17% of excess over $2,700.
Over $4,600 but not over $9,200	$699 plus 21% of excess over $4,600.
Over $9,200 but not over $11,000	$1,665 plus 25% of excess over $9,200.
Over $11,000	$2,115 plus 30% of excess over $11,000.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $1,000	0.
Over $1,100 but not over $2,500	21% of excess over $1,100.
Over $2,500 but not over $4,600	$294 plus 15% of excess over $2,500.
Over $4,600 but not over $9,200	$609 plus 17% of excess over $4,600.
Over $9,200 but not over $18,000	$1,391 plus 20% of excess over $9,200.
Over $18,000 but not over $22,000	$3,151 plus 25% of excess over $18,000.
Over $22,000	$4,151 plus 30% of excess over $22,000.

"Table 8—If the payroll period with respect to an employee is a DAILY payroll period or a miscellaneous payroll period

"(a) Single Person—Including Head of Household:

"If the amount of wages divided by the number of days in the payroll period is:	The amount of income tax to be withheld shall be:
Not over $3.00	0.
Over $3.00 but not over $4.70	21% of excess over $3.00.
Over $4.70 but not over $7.40	$0.36 plus 25% of excess over $4.70.
Over $7.40 but not over $12.60	$1.03 plus 17% of excess over $7.40.
Over $12.60 but not over $25.20	$1.92 plus 21% of excess over $12.60.
Over $25.20 but not over $30.10	$4.56 plus 25% of excess over $25.20.
Over $30.10	$5.79 plus 30% of excess over $30.10.

"(b) Married Person:

"If the amount of wages divided by the number of days in the payroll period is:	The amount of income tax to be withheld shall be:
Not over $3.00	0.
Over $3.00 but not over $6.80	21% of excess over $3.00.
Over $6.80 but not over $12.60	$0.80 plus 15% of excess over $6.80.
Over $12.60 but not over $25.20	$1.67 plus 17% of excess over $12.60.
Over $25.20 but not over $49.30	$3.81 plus 20% of excess over $25.20.
Over $49.30 but not over $60.30	$8.63 plus 25% of excess over $49.30.
Over $60.30	$11.38 plus 30% of excess over $60.30.

"(3) In the case of wages paid after December 31, 1970, and before January 1, 1972:

"Table 1—If the payroll period with respect to an employee is WEEKLY

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $20	0.
Over $20 but not over $31	14% of excess over $20.
Over $31 but not over $50	$1.54 plus 17% of excess over $31.

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"(a) Single Person—Including Head of Household—Continued

Over $50 but not over $100	$4.77 plus 20% of excess over $50.
Over $100 but not over $135	$14.77 plus 18% of excess over $100.
Over $135 but not over $212	$21.07 plus 21% of excess over $135.
Over $212	$37.24 plus 24% of excess over $212.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $20	0.
Over $20 but not over $42	14% of excess over $20.
Over $42 but not over $77	$3.08 plus 17% of excess over $42.
Over $77 but not over $163	$9.03 plus 16% of excess over $77.
Over $163 but not over $269	$22.79 plus 19% of excess over $163.
Over $269 but not over $385	$42.93 plus 21% of excess over $269.
Over $385	$67.29 plus 25% of excess over $385.

"Table 2—If the payroll period with respect to an employee is BI-WEEKLY

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $40	0.
Over $40 but not over $62	14% of excess over $40.
Over $62 but not over $100	$3.08 plus 17% of excess over $62.
Over $100 but not over $200	$9.54 plus 20% of excess over $100.
Over $200 but not over $269	$29.54 plus 18% of excess over $200.
Over $269 but not over $423	$41.96 plus 21% of excess over $269.
Over $423	$74.30 plus 24% of excess over $432.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $40	0.
Over $40 but not over $85	14% of excess over $40.
Over $85 but not over $154	$6.30 plus 17% of excess over $85.
Over $154 but not over $327	$18.03 plus 16% of excess over $154.
Over $327 but not over $538	$45.71 plus 19% of excess over $327.
Over $538 but not over $769	$85.80 plus 21% of excess over $538.
Over $769	$134.31 plus 25% of excess over $769.

"Table 3—If the payroll period with respect to an employee is SEMIMONTHLY

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $44	0.
Over $44 but not over $67	14% of excess over $44.
Over $67 but not over $108	$3.22 plus 17% of excess over $67.
Over $108 but not over $217	$10.19 plus 20% of excess over $108.
Over $217 but not over $292	$31.99 plus 18% of excess over $217.
Over $292 but not over $458	$45.49 plus 21% of excess over $292.
Over $458	$80.35 plus 24% of excess over $458.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $44	0.
Over $44 but not over $92	14% of excess over $44.
Over $92 but not over $167	$6.72 plus 17% of excess over $92.
Over $167 but not over $354	$19.47 plus 16% of excess over $167.
Over $354 but not over $583	$49.39 plus 19% of excess over $354.
Over $583 but not over $833	$92.90 plus 21% of excess over $583.
Over $833	$145.40 plus 25% of excess over $833.

"Table 4—If the payroll period with respect to an employees is MONTHLY

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $88	0.
Over $88 but not over $133	14% of excess over $88.
Over $133 but not over $217	$6.30 plus 17% of excess over $133.
Over $217 but not over $433	$20.58 plus 20% of excess over $217.
Over $433 but not over $583	$63.78 plus 18% of excess over $433.
Over $583 but not over $917	$90.78 plus 21% of excess over $583.
Over $917	$160.92 plus 24% of excess over $917.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheldd shall be:
Not over $88	0.
Over $88 but not over $183	14% of excess over $88.
Over $183 but not over $333	$13.30 plus 17% of excess over $183.
Over $333 but not over $708	$38.80 plus 16% of excess over $333.
Over $708 but not over $1,167	$98.80 plus 19% of excess over $708.
Over $1,167 but not over $1,667	$186.01 plus 21% of excess over $1,167.
Over $1,667	$291.01 plus 25% of excess over $1,667.

"Table 5—If the payroll period with respect to an employee is QUARTERLY

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $263	0.
Over $263 but not over $400	14% of excess over $263.
Over $400 but not over $650	$19.18 plus 17% of excess over $400.
Over $650 but not over $1,300	$61.68 plus 20% of excess over $650.
Over $1,300 but not over $1.750	$191.68 plus 18% of excess over $1,300.
Over $1,750 but not over $2,750	$272.68 plus 21% of excess over $1,750.
Over $2,750	$482.68 plus 24% of excess over $2,750.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $263	0.
Over $263 but not over $550	14% of excess over $263.
Over $550 but not over $1,000	$40.18 plus 17% of excess over $550.
Over $1,000 but not over $2,125	$116.68 plus 16% of excess over $1,000.
Over $2,125 but not over $3,500	$296.68 plus 19% of excess over $2,125.
Over $3,500 but not over $5,000	$557.93 plus 21% of excess over $3,500.
Over $5,000	$872.93 plus 25% of excess over $5,000.

"Table 6—If the payroll period with respect to an employee is SEMIANNUAL

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $525	0.
Over $525 but not over $800	14% of excess over $525.
Over $800 but not over $1,300	$38.50 plus 17% of excess over $800.
Over $1,300 but not over $2,600	$123.50 plus 20% of excess over $1,300.
Over $2,600 but not over $3,500	$383.50 plus 18% of excess over $2,600.
Over $3,500 but not over $5,500	$545.50 plus 21% of excess over $3,500.
Over $5,500	$965.50 plus 24% of excess over $5,500.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $525	0.
Over $525 but not over $1,100	14% of excess over $525.
Over $1,100 but not over $4,200	$80.50 plus 17% of excess over $1,100.

"(b) Married person—Continued

Over $2,000 but not over $4,250	$233.50 plus 16% of excess over $2,000.
Over $4,250 but not over $7,000	$593.50 plus 19% of excess over $4,250.
Over $7,000 but not over $10,000	$1,116.00 plus 21% of excess over $7,000.
Over $10,000	$1,746.000 plus 25% of excess over $10,000.

"Table 7—If the payroll period with respect to an employee is ANNUAL

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $1,050	0.
Over $1,050 but not over $1,600	14% of excess over $1,050.
Over $1,600 but not over $2,600	$77 plus 17% of excess over $1,600.
Over $2,600 but not over $5,200	$247 plus 20% of excess over $2,600.
Over $5,200 but not over $7,000	$767 plus 18% of excess over $5,200.
Over $7,000 but not over $11,000.	$1,091 plus 21% of excess over $7,000.
Over $11,000	$1,931 plus 24% of excess over $11,000.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $1,050	0.
Over $1,050 but not over $2,200	14% of excess over $1,050.
Over $2,200 but not over $4,000	$161 plus 17% of excess over $2,200.
Over $4,000 but not over $8,500	$467 plus 16% of excess over $4,000.
Over $8,500 but not over $14,000	$1,187 plus 19% of excess over $8,500.
Over $14,000 but not over $20,000	$2,232 plus 21% of excess over $14,000.
Over $20,000	$3,492 plus 25% of excess over $20,000.

"Table 8.—If the payroll period with respect to an employee is a DAILY payroll period or a miscellaneous payroll period

"(a) Single Person—Including Head of Household:

"If the amount of wages divided by the number of days in the payroll period is:	The amount of income tax to be withheld shall be:
Not over $2.90	0.
Over $2.90 but not over $4.40	14% of excess over $2.90.
Over $4.40 but not over $7.10	$0.21 plus 17% of excess over $4.40.
Over $7.10 but not over $14.20	$0.67 plus 20% of excess over $7.10.
Over $14.20 but not over $19.20	$2.09 plus 18% of excess over $14.20.
Over $19.20 but not over $30.10	$2.99 plus 21% of excess over $19.20.
Over $30.10	$5.28 plus 24% of excess over $30.10.

"(b) Married Person:

"If the amount of wages divided by the number of days in the payroll period is:	The amount of income tax to be withheld shall be:
Not over $2.90	0.
Over $2.90 but not over $6.00	14% of excess over $2.90.
Over $6.00 but not over $11.00	$0.43 plus 17% of excess over $6.00.
Over $11.00 but not over $23.30	$1.28 plus 16% of excess over $11.00.
Over $23.30 but not over $38.40	$3.25 plus 19% of excess over $23.30.
Over $38.40 but not over $54.80	$6.12 plus 21% of excess over $38.40.
Over $54.80	$9.57 plus 25% of excess over $54.80.

"(4) In case of wages paid after December 31, 1971, and before January 1, 1973:

"Table 1—If the payroll period with respect to an employee is WEEKLY

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $19	0.
Over $19 but not over $38	14% of excess over $19.
Over $38 but not over $58	$2.66 plus 17% of excess over $38.
Over $58 but not over $87	$6.06 plus 19% of excess over $58.
Over $87 but not over $135	$11.57 plus 20% of excess over $87.
Over $135 but not over $221	$21.17 plus 21% of excess over $135.
Over $221	$39.23 plus 24% of excess over $221.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $19	0.
Over $19 but not over $48	14% of excess over $19.
Over $48 but not over $183	$4.06 plus 16% of excess over $48.
Over $183 but not over $269	$25.66 plus 19% of excess over $183.
Over $269 but not over $365	$42.00 plus 21% of excess over $269.
Over $365 but not over $442	$62.16 plus 24% of excess over $365.
Over $442	$80.64 plus 28% of excess over $442.

"Table 2—If the payroll period with respect to an employee is BIWEEKLY

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $38	0.
Over $38 but not over $77	14% of excess over $38.
Over $77 but not over $115	$5.46 plus 17% of excess over $77.
Over $115 but not over $173	$11.92 plus 19% of excess over $115.
Over $173 but not over $269	$22.94 plus 20% of excess over $173.
Over $269 but not over $442	$42.14 plus 21% of excess over $269.
Over $442	$78.47 plus 24% of excess over $442.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $38	0.
Over $38 but not over $96	14% of excess over $38.
Over $96 but not over $365	$8.12 plus 16% of excess over $96.
Over $365 but not over $538	$51.16 plus 19% of excess over $365.
Over $538 but not over $731	$84.03 plus 21% of excess over $538.
Over $731 but not over $885	$124.56 plus 24% of excess over $731.
Over $885	$161.52 plus 28% of excess over $885.

"Table 3—If the payroll period with respect to an employee is SEMI-MONTHLY

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $42	0.
Over $42 but not over $83	14% of excess over $42.
Over $83 but not over $125	$5.74 plus 17% of excess over $83.
Over $125 but not over $188	$12.88 plus 19% of excess over $125.
Over $188 but not over $292	$24.85 plus 20% of excess over $188.
Over $292 but not over $479	$45.65 plus 21% of excess over $292.
Over $479	$84.92 plus 24% of excess over $479.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $42	0.
Over $42 but not over $104	14% of excess over $42.
Over $104 but not over $396	$8.68 plus 16% of excess over $104.
Over $396 but not over $583	$55.40 plus 19% of excess over $396.
Over $583 but not over $792	$90.93 plus 21% of excess over $583.
Over $792 but not over $958	$134.82 plus 24% of excess over $792.
Over $958	$174.66 plus 28% of excess over $958.

"Table 4—If the payroll period with respect to an employee is MONTHLY

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $83	0.
Over $83 but not over $167	14% of excess over $83.
Over $167 but not over $250	$11.76 plus 17% of excess over $167.
Over $250 but not over $375	$25.87 plus 19% of excess over $250.

"(a) Single Person—Including Head of Household—Continued

Over $375 but not over $583	$49.62 plus 20% of excess over $375.
Over $583 but not over $958	$91.22 plus 21% of excess over $583.
Over $958	$169.97 plus 24% of excess over $958.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $83	0.
Over $83 but not over $208	14% of excess over $83.
Over $208 but not over $792	$17.50 plus 16% of excess over $208.
Over $792 but not over $1,167	$110.94 plus 19% of excess over $792.
Over $1,167 but not over $1,583	$182.19 plus 21% of excess over $1,167.
Over $1,583 but not over $1,917	$269.55 plus 24% of excess over $1,583.
Over $1.917	$349.71 plus 28% of excess over $1,917.

"Table 5—If the payroll period with respect to an employee is QUARTERLY

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $250	0.
Over $250 but not over $500	14% of excess over $250.
Over $500 but not over $750	$35.00 plus 17% of excess over $500.
Over $750 but not over $1,125	$77.50 plus 19% of excess over $750.
Over $1,125 but not over $1,750	$148.75 plus 20% of excess over $1,125.
Over $1,750 but not over $2,875	$273.75 plus 21% of excess over $1,750.
Over $2,875	$510.00 plus 24% of excess over $2,875.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $250	0.
Over $250 but not over $625	14% of excess over $250.
Over $625 but not over $2,375	$52.50 plus 16% of excess over $625.
Over $2,375 but not over $3,500	$332.50 plus 19% of excess over $2,375.
Over $3,500 but not over $4,750	$546.25 plus 21% of excess over $3,500.
Over $4,750 but not over $5,750	$808.75 plus 24% of excess over $4,750.
Over $5,750	$1,048.75 plus 28% of excess over $5,750.

"Table 6—If the payroll period with respect to an employee is SEMIANNUAL

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $500	0.
Over $500 but not over $1,000	14% of excess over $500.
Over $1,000 but not over $1,500	$70.00 plus 17% of excess over $1,000.
Over $1,500 but not over $2,250	$155.00 plus 19% of excess over $1,500.
Over $2,250 but not over $3,500	$297.50 plus 20% of excess over $2,250.
Over $3,500 but not over $5,750	$547.50 plus 21% of excess over $3,500.
Over $5,750	$1,020.00 plus 24% of excess over $5,750.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $500	0.
Over $500 but not over $1,250	14% of excess over $500.
Over $1,250 but not over $4,750	$105.00 plus 16% of excess over $1,250.
Over $4,750 but not over $7,000	$665.00 plus 19% of excess over $4,750.
Over $7,000 but not over $9,500	$1,092.50 plus 21% of excess over $7,000.
Over $9,500 but not over $11,500	$1,617.50 plus 24% of excess over $9,500.
Over $11,500	$2,097.50 plus 28% of excess over $11,500.

"Table 7—If the payroll period with respect to an employee is ANNUAL

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $1,000	0.
Over $1,000 but not over $2,000	14% of excess over $1,000.
Over $2,000 but not over $3,000	$140 plus 17% of excess over $2,000.
Over $3,000 but not over $4,500	$310 plus 19% of excess over $3,000.
Over $4,500 but not over $7,000	$595 plus 20% of excess over $4,500.
Over $7,000 but not over $11,500	$1,095 plus 21% of excess over $7,000.
Over $11,500	$2,040 plus 24% of excess over $11,500.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $1,000	0.
Over $1,000 but not over $2,500	14% of excess over $1,000.
Over $2,500 but not over $9,500	$210 plus 16% of excess over $2,500.
Over $9,500 but not over $14,000	$1,330 plus 19% of excess over $9,500.
Over $14,000 but not over $19,000	$2,185 plus 21% of excess over $14,000.
Over $19,000 but not over $23,000	$3,235 plus 24% of excess over $19,000.
Over $23,000	$4,195 plus 28% of excess over $23,000.

"Table 8—If the payroll period with respect to an employee is a DAILY payroll period or a miscellaneous payroll period

"(a) Singe Person—Including Head of Household:

"If the amount of wages divided by the number of days in the payroll period is:	The amount of income tax to be withheld shall be:
Not over $2.70	0.
Over $2.70 but not over $5.50	14% in excess over $2.70.
Over $5.50 but not over $8.20	0.39 plus 17% of excess over $5.50.
Over $8.20 but not over $12.30	$0.85 plus 19% of excess over $8.20.
Over $12.30 but not over $19.20	$1.63 plus 20% of excess over $12.30.
Over $19.20 but not over $31.50	$3.01 plus 21% of excess over $19.20
Over $31.50	$5.59 plus 24% of excess over $31.50.

"(b) Married Person:

"If the amount of wages divided by the number of days in the payroll period is:	The amount of income tax to be withheld shall be:
Not over $2.70	0.
Over $2.70 but not over $6.80	14% of excess over $2.70.
Over $6.80 but not over $26.00	$0.57 plus 16% of excess over $6.80.
Over $26.00 but not over $38.40	$3.65 plus 19% of excess over $26.00.
Over $38.40 but not over $52.10	$6.00 plus 21% of excess over $38.40.
Over $52.10 but not over $63.00	$8.88 plus 24% of excess over $52.10.
Over $63.000	$11.50 plus 28% of excess over $63.00.

"(5) In the case of wages paid after December 31, 1972:

"Table 1—If the payroll period with respect to an employee is WEEKLY

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $19	0.
Over $19 but not over $38	14% of excess over $19.
Over $38 but not over $58	$2.66 plus 17% of excess over $38.
Over $58 but not over $96	$6.06 plus 19% of excess over $58.
Over $96 but not over $183	$13.28 plus 20% of excess over $96.
Over $183 but not over $221	$30.68 plus 21% of excess over $183.
Over $221	$38.66 plus 23% of excess over $221.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $19	0.
Over $19 but not over $38	14% of excess over $19.
Over $38 but not over $96	$2.66 plus 15% of excess over $38.
Over $96 but not over $183	$11.36 plus 16% of excess over $96.
Over $183 but not over $288	$25.28 plus 19% of excess over $183.
Over $288 but not over $442	$45.23 plus 22% of excess over $288.
Over $442	$79.11 plus 27% of excess over $442.

"Table 2—if the payroll period with respect to an employee is BIWEEKLY

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $38	0.
Over $38 but not over $77	14% of excess over $38.
Over $77 but not over $115	$5.46 plus 17% of excess over $77.
Over $115 but not over $192	$11.92 plus 19% of excess over $115.
Over $192 but not over $365	$26.55 plus 20% of excess over $192.
Over $365 but not over $442	$61.15 plus 21% of excess over $365.
Over $442	$77.32 plus 23% of excess over $442.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $38	0.
Over $38 but not over $77	14% of excess over $38.
Over $77 but not over $192	$5.46 plus 15% of excess over $77.
Over $192 but not over $365	$22.71 plus 16% of excess over $192.
Over $365 but not over $577	$50.39 plus 19% of excess over $365.
Over $577 but not over $885	$90.67 plus 22% of excess over $577.
Over $885	$158.43 plus 27% of excess over $885.

"Table 3—If the payroll period with respect to an employee is SEMIMONTHLY

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $42	0.
Over $42 but not over $83	14% of excess over $42.
Over $83 but not over $125	$5.74 plus 17% of excess over $83.
Over $125 but not over $208	$12.88 plus 19% of excess over $125.
Over $208 but not over $396	$28.65 plus 20% of excess over $208.
Over $396 but not over $479	$66.25 plus 21% of excess over $396.
Over $479	$83.68 plus 23% of excess over $479.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $42	0.
Over $42 but not over $83	14% of excess over $42.
Over $83 but not over $208	$5.74 plus 15% of excess over $83.
Over $208 but not over $396	$24.49 plus 16% of excess over $208.
Over $396 but not over $625	$54.57 plus 19% of excess over $396.
Over $625 but not over $958	$98.08 plus 22% of excess over $625.
Over $958	$171.34 plus 27% of excess over $958.

"Table 4—If the payroll period with respect to an employee is MONTHLY

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $83	0.
Over $83 but not over $167	14% of excess over $83.
Over $167 but not over $250	$11.76 plus 17% of excess over $167.
Over $250 but not over $417	$25.87 plus 19% of excess over $250.
Over $417 but not over $792	$57.60 plus 20% of excess over $417.
Over $792 but not over $958	$132.60 plus 21% of excess over $792.
Over $958	$167.46 plus 23% of excess over $958.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $83	0.
Over $83 but not over $167	14% of excess over $83.
Over $167 but not over $417	$11.76 plus 15% of excess over $167.
Over $417 but not over $792	$49.26 plus 16% of excess over $417.
Over $792 but not over $1,250	$109.26 plus 19% of excess over $792.
Over $1,250 but not over $1,917	$196.28 plus 22% of excess over $1,250.
Over $1,917	$343.02 plus 27% of excess over $1,917.

"Table 5.—If the payroll period with respect to an employee is QUARTERLY

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $250	0.
Over $250 but not over $500	14% of excess over $250.
Over $500 but not over $750	$35.00 plus 17% of excess over $500.
Over $750 but not over $1,250	$77.50 plus 19% of excess over $750.
Over $1,250 but not over $2,375	$172.50 plus 20% of excess over $1,250.
Over $2,375 but not over $2,875	$397.50 plus 21% of excess over $2,375.
Over $2,875	$502.50 plus 23% of excess over $2,875.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $250	0.
Over $250 but not over $500	14% of excess over $250.
Over $500 but not over $1,250	$35.00 plus 15% of excess over $500.
Over $1,250 but not over $2,375	$147.50 plus 16% of excess over $1,250.
Over $2,375 but not over $3,750	$327.50 plus 19% of excess over $2,375.
Over $3,750 but not over $5,750	$588.75 plus 22% of excess over $3,750.
Over $5,750	$1,028.75 plus 27% of excess over $5,750.

"Table 6—If the payroll period with respect to an employee is SEMIANNUAL

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $500	0.
Over $500 but not over $1,000	14% of excess over $500.
Over $1,000 but not over $1,500	$70.00 plus 17% of excess over $1,000.
Over $1,500 but not over $2,500	$155.00 plus 19% of excess over $1,500.
Over $2,500 but not over $4,750	$345.00 plus 20% of excess over $2,500.
Over $4,750 but not over $5,750	$795.00 plus 21% of excess over $4,750.
Over $5,750	$1,005.00 plus 23% of excess over $5,750.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $500	0.
Over $500 but not over $1,000	14% of excess over $500.
Over $1,000 but not over $2,500	$70.00 plus 15% of excess over $1,000.
Over $2,500 but not over $4,750	$295.00 plus 16% of excess over $2,500.
Over $4,750 but not over $7,500	$655.00 plus 19% of excess over $4,750.
Over $7,500 but not over $11,500	$1,177.50 plus 22% of excess over $7,500.
Over $11,500	$2,057.50 plus 27% of excess over $11,500.

"Table 7—If the payroll period with respect to an employee is ANNUAL

"(a) Single Person—Including Head of Household:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $1,000	0.
Over $1,000 but not over $2,000	14% of excess over $1,000.
Over $2,000 but not over $3,000	$140 plus 17% of excess over $2,000.
Over $3,000 but not over $5,000	$310 plus 19% of excess over $3,000.
Over $5,000 but not over $9,500	$690 plus 20% of excess over $5,000.
Over $9,500 but not over $11,500	$1,590 plus 21% of excess over $9,500.
Over $11,500	$2,010 plus 23% of excess over $11,500.

"(b) Married Person:

"If the amount of wages is:	The amount of income tax to be withheld shall be:
Not over $1,000	0.
Over $1,000 but not over $2,000	14% of excess over $1,000.
Over $2,000 but not over $5,000	$140 plus 15% of excess over $2,000.
Over $5,000 but not over $9,500	$590 plus 16% of excess over $5,000.
Over $9,500 but not over $15,000	$1,310 plus 19% of excess over $9,500.
Over $15,000 but not over $23,000	$2,355 plus 22% of excess over $15,000.
Over $23,000	$4,115 plus 27% of excess over $23,000.

"Table 8.—If the payroll period with respect to an employee is a DAILY payroll period or a miscellaneous payroll period

"(a) Single Person—Including Head of Household:

"If the amount of wages divided by the number of days in the payroll period is:	The amount of income tax to be withheld shall be:
Not over $2.70	0.
Over $2.70 but not over $5.50	14% of excess over $2.70.
Over $5.50 but not over $8.20	$0.39 plus 17% of excess over $5.50.
Over $8.20 but not over $13.70	$0.85 plus 19% of excess over $8.20.
Over $13.70 but not over $26.00	$1.90 plus 20% of excess over $13.70.
Over $26.00 but not over $31.50	$4.36 plus 21% of excess over $26.00.
Over $31.50	$5.51 plus 23% of excess over $31.50.

"(b) Married Person:

"If the amount of wages divided by the number of days in the payroll period is:	The amount of income tax to be withheld shall be:
Not over $2.70	0.
Over $2.70 but not over $5.50	14% of excess over $2.70.
Over $5.50 but not over $13.70	$0.39 plus 15% of excess over $5.50.
Over $13.70 but not over $26.00	$1.62 plus 16% of excess over $13.70.
Over $26.00 but not over $41.10	$3.59 plus 19% of excess over $26.00.
Over $41.10 but not over $63.00	$6.46 plus 22% of excess over $41.10.
Over $63.00	$11.28 plus 27% of excess over $63.00."

(b) PERCENTAGE METHOD OF WITHHOLDING.—

(1) WAGES PAID BEFORE JULY 1, 1970.—Effective with respect to wages paid after December 31, 1969, and before July 1, 1970, the table contained in section 3402(b)(1) is amended to read as follows:

"Percentage Method Withholding Table

"Payroll period	Amount of one withholding exemption:
Weekly	$11.50
Biweekly	23.00
Semimonthly	25.00
Monthly	50.00
Quarterly	150.00
Semiannual	300.00
Annual	600.00
Daily or miscellaneous (per day of such period)	1.60."

(2) WAGES PAID IN 1970 AND 1971.—Effective with respect to wages paid after June 30, 1970, and before January 1, 1972, the table contained in section 3402(b)(1) is amended to read as follows:

"Percentage Method Withholding Table

"Payroll period	Amount of one withholding exemption:
Weekly	$12.50
Biweekly	25.00
Semimonthly	27.10
Monthly	54.20
Quarterly	162.50
Semiannual	325.00
Annual	650.00
Daily or miscellaneous (per day of such period)	1.80."

(3) WAGES PAID DURING 1972.—Effective with respect to wages paid during 1972, the table contained in section 3402(b)(1) is amended to read as follows:

"Percentage Method Withholding Table

"Payroll period	Amount of one withholding exemption:
Weekly	$13.50
Biweekly	26.90
Semimonthly	29.20
Monthly	58.30
Quarterly	175.00
Semiannual	350.00
Annual	700.00
Daily or miscellaneous (per day of such period)	1.90."

(4) WAGES PAID AFTER 1972.—Effective with respect to wages paid after 1972, the table contained in section 3402(b)(1) is amended to read as follows:

"Percentage Method Withholding Table

"Payroll period	Amount of one withholding exemption:
Weekly	$14.40
Biweekly	28.80
Semimonthly	31.30
Monthly	62.50
Quarterly	187.50
Semiannual	375.00
Annual	750.00
Daily or miscellaneous (per day of such period)	2.10."

(c) WAGE BRACKET WITHHOLDING.—Section 3402(c) (relating to wage bracket withholding) is amended—

(1) by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) At the election of the employer with respect to any employee, the employer shall deduct and withhold upon the wages paid to such employee a tax (in lieu of the tax required to be deducted and withheld under subsection (a)) determined in accordance with tables prescribed by the Secretary or his delegate in accordance with paragraph (6),", and

(2) by striking out paragraph (6) and inserting in lieu thereof the following:

"(6) In the case of wages paid after December 31, 1969, the amount deducted and withheld under paragraph (1) shall be determined in accordance with tables prescribed by the Secretary or his delegate. In the tables so prescribed, the amounts set forth as amounts of wages and amounts of income tax to be deducted and withheld shall be computed on the basis of table 7 contained in paragraph (1), (2), (3), (4), or (5) (whichever is applicable) of subsection (a)."

(d) ALTERNATIVE METHODS OF COMPUTING AMOUNT TO BE WITHHELD.—Section 3402(h) (relating to withholding on basis of average wages) is amended to read as follows:

"(h) ALTERNATIVE METHODS OF COMPUTING AMOUNT TO BE WITHHELD.—The Secretary or his delegate may, under regulations prescribed by him, authorize—

"(1) WITHHOLDING ON BASIS OF AVERAGE WAGES.—An employer—

"(A) to estimate the wages which will be paid to any employee in any quarter of the calendar year,

"(B) to determine the amount to be deducted and withheld upon each payment of wages to such employee during such quarter as if the appropriate average of the wages so estimated constituted the actual wages paid, and

"(C) to deduct and withhold upon any payment of wages to such employee during such quarter (and, in the case of tips referred to in subsection (k), within 30 days thereafter) such amount as may be necessary to adjust the amount actually deducted and withheld upon the wages of such employee during such quarter to the amount required to be deducted and withheld during such quarter without regard to this subsection.

"(2) WITHHOLDING ON BASIS OF ANNUALIZED WAGES.—An employer to determine the amount of tax to be deducted and withheld upon a payment of wages to an employee for a payroll period by—

"(A) multiplying the amount of an employee's wages for a payroll period by the number of such payroll periods in the calendar year,

"(B) determining the amount of tax which would be required to be deducted and withheld upon the amount determined under subparagraph (A) if such amount constituted the actual wages for the calendar year and the payroll period of the employee were an annual payroll period, and

"(C) dividing the amount of tax determined under subparagraph (B) by the number of payroll periods (described in subparagraph (A)) in the calendar year.

"(3) WITHHOLDING ON BASIS ON CUMULATIVE WAGES.—An employer, in the case of any employee who requests to have the amount of tax to be withheld from his wages computed on the basis of his cumulative wages, to—

"(A) add the amount of the wages to be paid to the employee for the payroll period to the total amount of wages paid by the employer to the employee during the calendar year,

"(B) divide the aggregate amount of wages computed under subparagraph (A) by the number of payroll periods to which such aggregate amount of wages relates,

"(C) compute the total amount of tax that would have been required to be deducted and withheld under subsection (a) if the average amount of wages (as computed under subparagraph (B)) had been paid to the employee for the number of payroll periods to which the aggregate amount of wages (computed under subparagraph (A)) relates, "(D) determine the excess, if any, of the amount of tax computed under subparagraph (C) over the total amount of tax deducted and withheld by the employer from wages paid to the employee during the calendar year, and

"(E) deduct and withhold upon the payment of wages (referred to in subparagraph (A)) to the employee an amount equal to the excess (if any) computed under subparagraph (D).

"(4) OTHER METHODS.—An employer to determine the amount of tax to be deducted and withheld upon the wages paid to an employee by any other method which will require the employer to deduct and withhold upon such wages substantially the same amount as would be required to be deducted and withheld by applying subsection (a) or (c), either with respect to a payroll period or with respect to the entire taxable year."

(e) WITHHOLDING ALLOWANCES BASED ON ITEMIZED DEDUCTIONS.—Section 3402(m) (relating to withholding allowances based on itemized deductions in the case of income tax collected at source) is amended:

(1) by redesignating paragraph (2)(C) as paragraph (2)(D), and

(2) by amending that portion of such section as precedes paragraph (2)(D) (as redesignated) to read as follows:

"(m) WITHHOLDING ALLOWANCES BASED ON ITEMIZED DEDUCTIONS.—

"(1) GENERAL RULE.—An employee shall be entitled to withholding allowances under this subsection with respect to a payment of wages in a number equal to the number determined by dividing by $750 the excess of—

"(A) his estimated itemized deductions, over

"(B) an amount equal to 15 percent of his estimated wages.

For purposes of this subsection, a fractional number shall not be taken into account unless it amounts to one-half or more, in which case it shall be increased to 1.

"(2) DEFINITIONS.—For the purposes of this subsection—

"(A) ESTIMATED ITEMIZED DEDUCTIONS.—The term 'estimated itemized deductions' means the aggregate amount which he reasonably expects will be allowable as deductions under chapter 1 (other than the deductions referred to in sections 141 and 151 and other than the deductions required to be taken into account in determining adjusted gross income under section 62) for the estimation year. In no case shall such aggregate amount be greater than the sum of (i) the amount of such deductions (or the amount of the standard deduction) reflected in his return of tax under subtitle A for the taxable year preceding the estimation year, and (ii) the amount of his determinable additional deductions for the estimation year.

"(B) ESTIMATED WAGES.—The term 'estimated wages' means the aggregate amount which he reasonably expects will constitute wages for the estimation year.

"(C) DETERMINABLE. ADDITIONAL DEDUCTIONS.—The term 'determinable additional deductions' means those estimated itemized deductions which (i) are in excess of the deductions referred to in subparagraph (A) (or the standard deduction) reflected on his return of tax under subtitle A for the taxable year preceding the estimation year, and (ii) are demonstrably attributable to an identifiable event during the estimation year or the preceding taxable year which can reasonably be expected to cause an increase in the amount of such deductions on the return of tax under subtitle A for the estimation year.'

(f) EMPLOYEES INCURRING NO INCOME TAX LIABILITY.—

(1) IN GENERAL.—Section 3402 (relating to income tax collected at source) is amended by adding at the end thereof the following new subsection:

"(n) EMPLOYEES INCURRING NO INCOME TAX LIABILITY.—Notwithstanding any other provision of this section, an employer shall not be required to deduct and withhold any tax under this chapter upon a payment of wages to an employee if there is in effect with respect to such payment a withholding exemption certificate (in such form and containing such other information as the Secretary or his delegate may prescribe) furnished to the employer by the employee certifying that the employee—

"(1) incurred no liability for income tax imposed under subtitle A for his preceding taxable year, and

"(2) anticipates that he will incur no liability for income tax imposed under subtitle A for his current taxable year.

The Secretary or his delegate shall by regulations provide for the coordination of the provisions of this subsection with the provisions of subsection (f)."

(2) CONFORMING AMENDMENT.—The first sentence of section 6051 (relating to receipts for employees) is amended by striking out "under section 3402 if" and inserting "under section 3402 (determined without regard to subsection (n)) if".

(g) EXTENSION OF WITHHOLDING TO PAYMENTS OTHER THAN WAGES.—Section 3402 (relating to income tax collected at source) is amended by adding after subsection (n) (added by subsection (f)) the following new subsections:

"(o) EXTENSION OF WITHHOLDING TO CERTAIN PAYMENTS OTHER THAN WAGES.—

"(1) GENERAL RULE.—For purposes of this chapter (and so much of subtitle F as relates to this chapter—

"(A) any supplemental unemployment compensation benefit paid to an individual, and

"(B) any payment of an annuity to an individual, if at the time the payment is made a request that such annuity be subject to withholding under this chapter is in effect, shall be treated as if it were a payment of wages by an employer to an employee for a payroll period.

"(2) DEFINITIONS.—

"(A) SUPPLEMENTAL UNEMPLOYMENT COMPENSATION BENEFITS.—For purposes of paragraph (1), the term 'supplemental unemployment compensation benefits' means amounts which are paid to an employee, pursuant to a plan to which the employer is a party, because of an employee's involuntary separation from employment (whether or not such separation is temporary), resulting directly from a reduction in force, the discontinuance of a plant or operation, or other similar conditions, but only to the extent such benefits are includible in the employee's gross income.

"(B) ANNUITY.—For purposes of this subsection, the term 'annuity' means any amount paid to an individual as a pension or annuity, but only to the extent that the amount is includible in the gross income of such individual.

"(3) REQUEST FOR WITHHOLDING.—A request that an annuity be subject to withholding under this chapter shall be made by the payee in writing to the person making the annuity payments, shall be accompanied by a withholding exemption certificate, executed in accordance with the provisions of subsection (f)(2), and shall take effect as provided in subsection (f)(3). Such a request may, notwithstanding the provisions of subsection (f)(4), be terminated by furnishing to the person making the payments a written statement of termination which shall be treated as a withholding exemption certificate for purposes of subsection (f)(3)(B).

"(p) VOLUNTARY WITHHOLDING AGREEMENTS.—The Secretary or his delegate is authorized by regulations to provide for withholding—

"(1) from remuneration for services performed by an employee for his employer which (without regard to this subsection) does not constitute wages, and

"(2) from any other type of payment with respect to which the Secretary or his delegate finds that withholding would be appropriate under the provisions of this chapter, if the employer and the employee, or in the case of any other type of payment the person making and the person receiving the payment, agree to such withholding. Such agreement shall be made in such form and manner as the Secretary or his delegate may by regulations provide. For purposes of this chapter (and so much of subtitle F as relates to this chapter) remuneration or other payments with respect to which such agreement is made shall be treated as if they were wages paid by an employer to an employee to the extent that such remuneration is paid or other payments are made during the period for which the agreement is in effect."

(h) EFFECTIVE DATES—

(1) The amendments made by subsections (a), (b), (c), (d), and (e) shall apply with respect to remuneration paid after December 31, 1969.

(2) The amendment made by subsection (f) applies to wages paid after April 30, 1970.

(3) Subsection (o) of section 3402 of the Internal Revenue Code of 1954, added by subsection (g) of this subsection, shall apply to payments made after December 31, 1970. Subsection (p) of such section 3402, added by subsection (g) of this section, shall apply to payments made after June 30, 1970.

TITLE IX—MISCELLANEOUS PROVISIONS

SUBTITLE A—MISCELLANEOUS INCOME TAX PROVISIONS

SEC. 901. EXCLUSION OF ADDITIONAL LIVING EXPENSES.

(a) EXCLUSION OF ADDITIONAL LIVING EXPENSES.—Part III of subchapter B of chapter 1 (relating to items specifically excluded from gross income) is amended by renumbering section 123 as 124, and by inserting after section 122 the following new section:

"SEC. 123. AMOUNTS RECEIVED UNDER INSURANCE CONTRACTS FOR CERTAIN LIVING EXPENSES.

"(a) GENERAL RULE.—In the case of an individual whose principal residence is damaged or destroyed by fire, storm, or other casualty, or who is denied access to his principal residence by governmental authorities because of the occurrence or threat of occurrence of such a casualty, gross income does not include amounts received by such individual under an insurance contract which are paid to compensate or reimburse such individual for living expenses incurred for himself and members of his household resulting from the loss of use or occupancy of such residence.

"(b) LIMITATION.—Subsection (a) shall apply to amounts received by the taxpayer for living expenses incurred during any period only to the extent the amounts received do not exceed the amount by which—

"(1) the actual living expenses incurred during such period for himself and members of his household resulting from the loss of use or occupancy of their residence, exceed

"(2) the normal living expenses which would have been incurred for himself and members of his household during such period."

(b) CONFORMING AMENDMENT.—The table of sections for such part III is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 123. Amounts received under insurance contracts for certain living expenses.

"Sec. 124. Cross references to other Acts."

(c) Effective Date.—The amendments made by this section shall apply with respect to amounts received on or after January 1, 1969.

Sec. 902. Deductibility of Treble Damage Payments, Fines and Penalties, Etc.

(a) Fines and Penalties; Treble Damage Payments.—Section 162 (relating to deduction of trade or business expenses) is amended by redesignating subsection (f) as subsection (h), and by inserting after subsection (e) the following new subsections:

"(f) Fines and Penalties.—No deduction shall be allowed under subsection (a) for any fine or similar penalty paid to a government for the violation of any law.

"(g) Treble Damage Payments Under the Antitrust Laws.—If in a criminal proceeding a taxpayer is convicted of a violation of the antitrust laws, or his plea of guilty or nolo contendere to an indictment or information charging such a violation is entered or accepted in such a proceeding, no deduction shall be allowed under subsection (a) for two-thirds of any amount paid or incurred—

"(1) on any judgment for damages entered against the taxpayer under section 4 of the Act entitled 'An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes', approved October 15, 1914 (commonly known as the Clayton Act), on account of such violation or any related violation of the antitrust laws which occurred prior to the date of final judgment of such conviction, or

"(2) in settlement of any action brought under such section 4 on account of such violation or related violation.

The preceding sentence shall not apply with respect to any conviction or plea before January 1, 1970, or to any conviction or plea on or after such date in a new trial following an appeal of a conviction before such date."

(b) Bribes and Illegal Kickbacks.—Section 162(c) (relating to improper payments to certain government officials or employees) is amended to read as follows:

"(c) Bribes and Illegal Kickbacks.—

"(1) Illegal payments to government officials or employees.—No deduction shall be allowed under subsection (a) for any payment made, directly or indirectly, to an official or employee of any government, or of any agency or instumentality of any government, if the payment constitutes an illegal bribe or kickback or, if the payment is to an official or employee of a foreign government, the payment would be unlawful under the laws of the United States if such laws were applicable to such payment and to such official or employee. The burden of proof in respect of the issue, for the purposes of this paragraph, as to whether a payment constitutes an illegal bribe or kickback (or would be unlawful under the laws of the United States) shall be upon the Secretary or his delegate to the same extent as he bears the burden of proof under section 7454 (concerning the burden of proof when the issue relates to fraud).

"(2) Other bribes or kickbacks.—If in a criminal proceeding a taxpayer is convicted of making a payment (other than a payment described in paragraph (1)) which is an illegal bribe or kickback, or his plea of guilty or nolo contendere to an indictment or information charging the making of such a payment is entered or accepted in such a proceeding, no deduction shall be allowed under subsection (a) on account of such payment or any related payment made prior to the date of the final judgment in such proceeding.

"(3) Statute of limitations.—If a taxpayer claimed a deduction for a payment described in paragraph (2) which is disallowed because of a final judgment entered after the close of the taxable year for which the deduction was claimed, and if the proceeding was based on an indictment returned or an information filed prior to the expiration of the period for the assessment of any deficiency for such taxable year, the period for the assessment of any deficiency attributable to the deduction of such payment shall not expire prior to the expiration of one year from the date of such final judgment, and such deficiency may be assessed prior to the expiration of such one-year period notwithstanding the provision of any other law or rule of law which would otherwise prevent such assessment."

(c) Effective Dates.—Section 162(f) of the Internal Revenue Code of 1954 (as added by subsection (a)) shall apply to all taxable years to which such Code applies. Section 162(g) of such Code (as added by subsection (a)) shall apply with respect to amounts paid or incurred after December 31, 1969. Section 162(c)(1) of such Code (as amended by subsection (b)) shall apply to all taxable years to which such Code applies. Sections 162(c)(2) and (3) of such Code (as amended by subsection (b)) shall apply with respect to payments made after the date of the enactment of this Act.

Sec. 903. Accrued Vacation Pay.

Section 97 of the Technical Amendments Act of 1958 is amended by striking out "January 1, 1969" and inserting in lieu thereof "January 1, 1971".

Sec. 904. Deduction of Recoveries of Antitrust Damages, Etc.

(a) Deduction Allowed.—Part VI of subchapter B of chapter 1 (relating to itemized deductions for individuals and corporations) is amended by adding after section 185 (as added by section 705 of this Act) the following new section:

"Sec. 186. Recoveries of Damages for Antitrust Violations, Etc.

"(a) Allowance of Deduction.—If a compensatory amount which is included in gross income is received or accrued during the taxable year for a compensable injury, there shall be allowed as a deduction for the taxable year an amount equal to the lesser of—

"(1) the amount of such compensatory amount, or

"(2) the amount of the unrecovered losses sustained as result of such compensable injury.

"(b) Compensable Injury.—For purposes of this section, the term 'compensable injury' means—

"(1) injuries sustained as a result of an infringement of a patent issued by the United States,

"(2) injuries sustained as a result of a breach of contract or a breach of fiduciary duty or relationship, or

"(3) injuries sustained in business, or to property, by reason of any conduct forbidden in the antitrust laws for which a civil action may be brought under section 4 of the Act entitled 'An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes', approved October 15, 1914 (commonly known as the Clayton Act).

"(c) Compensatory Amount.—For purposes of this section, the term 'compensatory amount' means the amount received or accrued during the taxable year as damages as a result of an award in, or in settlement of, a civil action for recovery for a compensable injury, reduced by any amounts paid or incurred in the taxable year in securing such award or settlement.

"(d) Unrecovered Losses.—

"(1) In general.—For purposes of this section, the amount of any unrecovered loss sustained as a result of any compensable injury is—

"(A) the sum of the amount of the net operating losses (as determined under section 172) for each taxable year in whole or in part within the injury period, to the extent that such net operating losses are attributable to such compensable injury, reduced by

"(B) the sum of—

"(i) the amount of the net operating losses described in subparagraph (A) which were allowed for any prior taxable year as a deduction under section 172 as a net operating loss carryback or carryover to such taxable year, and

"(ii) the amounts allowed as a deduction under subsection (a) for any prior taxable year for prior recoveries of compensatory amounts for such compensable injury.

"(2) Injury period.—For purposes of paragraph (1), the injury period is—

"(A) with respect to any infringement of a patent, the period in which such infringement occurred,

"(B) with respect to a breach of contract or breach of fiduciary duty or relationship, the period during which amounts would have been received or accrued but for the breach of contract or breach of fiduciary duty or relationship, and

"(C) with respect to injuries sustained by reason of any conduct forbidden in the antitrust laws, the period in which such injuries were sustained.

"(3) Net operating losses attributable to compensable injuries.—For purposes of paragraph (1)—

"(A) a net operating loss for any taxable year shall be treated as attributable to a compensable injury to the extent of the compensable injury sustained during such taxable year, and

"(B) if only a portion of a net operating loss for any taxable year is attributable to a compensable injury, such portion shall (in applying section 172 for purposes of this section) be considered to be a separate net operating loss for such year to be applied after the other portion of such net operating loss.

"(e) Effect on Net Operating Loss Carryovers.—If for the taxable year in which a compensatory amount is received or accrued any portion of a net operating loss carryover to such year is attributable to the compensable injury for which such amount is received or accrued, such portion of such net operating loss carryover shall be reduced by an amount equal to—

"(1) the deduction allowed under subsection (a) with respect to such compensatory amount, reduced by

"(2) any portion of the unrecovered losses sustained as a result of the compensable injury with respect to which the period for carryover under section 172 has expired."

(b) Clerical Amendment.—The table of sections for part VI of subchapter B of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 186. Recoveries of Damages for Antitrust Violations, Etc."

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1968.

Sec. 905. Corporations Using Appreciated Property To Redeem Their Own Stock.

(a) General Rule.—Section 311 (relating to taxability of corporation on distribution) is amended by adding at the end thereof the following new subsection:

"(d) Appreciated Property Used To Redeem Stock.—

"(1) In General.—If—

"(A) a corporation distributes property (other than an obligation of such corporation) to a shareholder in a redemption (to which subpart A applies) of part or all of his stock in such corporation, and

"(B) the fair market value of such property exceeds its adjusted basis (in the hands of the distributing corporation), then gain shall be recognized to the distributing corporation in an amount equal to such excess as if the property distributed had been sold at the time of the distribution. Subsections (b) and (c) shall not apply to any distribution to which this subsection applies.

"(2) Exceptions and limitations.—Paragraph (1) shall not apply to—

"(A) a distribution in complete redemption of all of the stock of a shareholder who at all times within the 12-month period ending on the date of such distribution, owns at least 10 percent in value of the outstanding stock of the distributing corporation, but only if the redemption qualifies under section 302(b)(3) (determined without the application of section 302(c)(2)(A)(ii));

"(B) a distribution of stock or an obligation of a corporation—

"(i) which is engaged in at least one trade or business,

"(ii) which has not received property constituting a substantial part of its assets from the distributing corporation, in a transaction to which section 351 applied or as a contribution to capital, within the 5-year period ending on the date of the distribution, and

"(iii) at least 50 percent in value of the outstanding stock of which is owned by the distributing corporation at any time within the 9-year period ending one year before the date of the distribution;

"(C) a distribution before December 1, 1974, of stock of a corporation substantially all of the assets of which the distributing corporation (or a corporation which is a member of the same affiliated group (as defined in section 1504(a)) as the distributing corporation) held on November 30, 1969, if such assets constitute a trade or business which has been actively conducted throughout the one-year period ending on the date of the distribution;

"(D) a distribution of stock or securities pursuant to the terms of a final judgment rendered by a court with respect to the distributing corporation in a court proceeding under the Sherman Act (26 Stat. 209; 15 U.S.C. 1–7) or the Clayton Act (38 Stat. 730; 15 U.S.C. 12–27), or both, to which the United States is a party, but only if the distribution of such stock or securities in redemption of the distributing corporation's stock is in furtherance of the purposes of the judgment;

"(E) a distribution to the extent that section 303(a) (relating to distributions in redemption of stock to pay death taxes) applies to such distribution;

"(F) a distribution to a private foundation in redemption of stock which is described in section 537(b)(2) (A) and (B); and

"(G) a distribution by a corporation to which part I of subchapter M (relating to regulated investment companies) applies, if such distribution is in redemption of its stock upon the demand of the shareholder."

(b) Conforming Amendments.—

(1) Section 311(a) is amended by striking out "subsections (b) and (c)" and inserting in lieu thereof "subsections (b), (c), and (d)".

(2) Section 301(b)(1)(B)(ii), 301(d)(2)(B), and 312(c)(3) are each amended by striking out "subsection (b) or (c)" and inserting in lieu thereof "subsection (b), (c), or (d)".

(c) Effective Date.—

(1) Except as provided in paragraphs (2) and (3), the amendments made by subsections (a) and (b) shall apply with respect to distributions after November 30, 1969.

(2) The amendments made by subsections (a) and (b) shall not apply to a distribution before April 1, 1970, pursuant to the terms of—

(A) a written contract which was binding on the distributing corporation on November 30, 1969, and at all times thereafter before the distribution,

(B) an offer by the distributing corporation before December 1, 1969,

(C) an offer made in accordance with a request for a ruling filed by the distributing corporation with the Internal Revenue Service before December 1, 1969, or

(D) an offer made in accordance with a registration statement filed with the Securities and Exchange Commission before December 1, 1969.

For purposes of subparagraphs (B), (C), and (D), an offer shall be treated as an offer only if it was in writing and not revocable by its express terms.

(3) The amendments made by subsections (a) and (b) shall not apply to a distribution by a corporation of specific property in redemption of stock outstanding on November 30, 1969, if—

(A) every holder of such stock on such date had the right to demand redemption of his stock in such specific property, and

(B) the corporation had such specific property on hand on such date in a quantity sufficient to redeem all of such stock.

For purposes of the preceding sentence, stock shall be considered to have been outstanding on November 30, 1969, if it could have been acquired on such date through the exercise of an existing right of conversion contained in other stock held on such date.

Sec. 906. Reasonable Accumulations by Corporations.

(a) General Rule.—Section 537 (relating to reasonable needs of the business) is amended to read as follows:

"Sec. 537. Reasonable Needs of the Business.

"(a) General Rule.—For purposes of this part, the term 'reasonable needs of the business' includes—

"(1) the reasonably anticipated needs of the business,

"(2) the section 303 redemption needs of the business, and

"(3) the excess business holdings redemption needs of the business.

"(b) Special Rules.—For purposes of subsection (a)—

"(1) Section 303 redemption needs.—The term 'section 303 redemption needs' means, with respect to the taxable year of the corporation in which a shareholder of the corporation died or any taxable year therafter, the amount needed (or reasonably anticipated to be needed) to make a redemption of stock included in the gross estate of the decedent (but not in excess of the maximum amount of stock to which section 303(a) may apply).

"(2) Excess business holdings redemption needs.—The term 'excess business holdings redemption needs' means, with respect to taxable years of the corporation ending after May 26, 1969, the amount needed (or reasonably anticipated to be needed) to redeem from a private foundation stock which—

"(A) such foundation held on May 26, 1969 (or which was received by such foundation pursuant to a will or irrevocable trust to which section 4943(c)(5) applies); and

"(B) constituted excess business holdings on May 26, 1969, or would have constituted excess business holdings as of such date if there were taken into account (i) stock received pursuant to a will or trust described in subparagraph (A), and (ii) the reduction in the total outstanding stock of the corporation which would have resulted solely from the redemption of stock held by the private foundation.

"(3) Obligations incurred to make redemptions.—In applying paragraphs (1) and (2), the discharge of any obligation incurred to make a redemption described in such paragraphs shall be treated as the making of such redemption.

"(4) No inference as to prior taxable years.—The application of this part to any taxable year before the first taxable year specified in paragraph (1) or (2) shall be made without regard to the fact that distributions in redemption coming within the terms of such paragraphs were subsequently made."

(b) Effective Date.—The amendment made by subsection (a) shall apply to the tax imposed under section 531 of the Internal Revenue Code of 1954 with respect to taxable years ending after May 26, 1969.

Sec. 907. Insurance Companies.

(a) Special Contingency Reserves Under Group Contracts.—

(1) Interest paid.—Section 805(e)(4) (relating to interest paid on certain reserves) is amended to read as follows:

"(4) Interest on certain special contingency reserves.—Interest for the taxable year on special contingency reserves under contracts of group term life insurance or group health and accident insurance which are established and maintained for the provision of insurance on retired lives, for premium stabilization, or for a combination thereof."

(2) Rules for certain contingency reserves.—Section 810(c) (relating to items taken into account as reserves) is amended by inserting after paragraph (5) the following new paragraph:

"(6) Special contingency reserves under contracts of group term life insurance or group health and accident insurance which are established and maintained for the provision of insurance on retired lives, for premium stabilization, or for a combination thereof."

(b) Certain Distributions.—

(1) Exception from definition of distribution.—Section 815(f) (relating to definition of distribution) is amended—

(A) by striking out "or" at the end of paragraph (3);

(B) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; or";

(C) by inserting after paragraph (4) the following new paragraph:

"(5) any distribution after December 31, 1968, of the stock of a controlled corporation to which section 355 applies, if such distribution is made to a corporation which immediately after the distribution is the owner of all of the stock of all classes of both the distributing corporation and such controlled corporation and if, immediately before the distribution, the distributing corporation had been the owner of all of the stock of all classes of such controlled corporation at all times since December 31, 1957.";

(D) by striking out "Neither paragraph (3) nor paragraph (4) shall apply" in the next to the last sentence and inserting in lieu thereof "Paragraphs (3), (4), and (5) shall not apply"; and

(E) by striking out "paragraphs (3) and (4)" in the last sentence and inserting in lieu thereof "paragraphs (3), (4), and (5)".

(2) Special rule.—Section 815 (relating to distributions to shareholders) is amended by adding at the end thereof the following new subsection:

"(g) Certain Distributions Related to Former Subsidiaries.—If subsection (f)(5) applied to the distribution by a life insurance company of the stock of a corporation which was a controlled corporation—

"(1) any distribution by such corporation to its shareholders (after the date of the distribution of its stock by the life insurance company), and

"(2) any disposition of the stock of such corporation by the distributee corporation,

shall, for purposes of this section, be treated as a distribution to its shareholders by such

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life insurance company, until the amounts so treated equal the amount of the distribution of such stock which by reason of subsection (f)(5) was not included as a distribution for purposes of this section."

(c) Carryover of Losses.—

(1) In general.—Part IV of subchapter L of chapter 1 (relating to provisions of general application to insurance companies) is amended by adding at the end thereof the following new section:

"Sec. 844. Special Loss Carryover Rules.

"(a) General Rule.—If an insurance company—

"(1) is subject to the tax imposed by part I, II, or III of this subchapter for the taxable year, and

"(2) was subject to the tax imposed by a different part of this subchapter for a prior taxable year beginning after December 31, 1962,

then any operations loss carryover under section 812, unused loss carryover under section 825, or net operating loss carryover under section 172, as the case may be, arising in such prior taxable year shall be included in its operations loss deduction under section 812 (a), unused loss deduction under section 825(a), or net operating loss deduction under section 832(c)(10), as the case may be.

"(b) Limitation.—The amount included under section 812(a), 825(a), or 832(c)(10), as the case may be, by reason of the application of subsection (a) shall not exceed the amount that would have constituted the loss carryover under such section if for all relevant taxable years such company had been subject to the tax imposed by the part referred to in subsection (a)(1) rather than the part referred to in subsection (a)(2). For purposes of applying the preceding sentence—

"(1) in the case of a mutual insurance company which becomes a stock insurance company, an amount equal to 25 percent of the deduction under section 832(c)(11) (relating to dividends to policyholders) shall not be allowed, and

"(2) section 812(b)(1)(A)(iii) (relating to additional years to which losses may be carried by new life insurance companies) shall not apply.

"(c) Regulations.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this section."

(2) Clerical and conforming amendments.—

(A) The table of sections for part IV of subchapter L of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 844. Special Loss Carryover Rules.

(B) Sections 809(e)(5) and 823(b)(1) are each amended by striking out "The" and inserting in lieu thereof "Except as provided by section 844, the".

Section 825(g)(2) is amended by striking out "to or from" and inserting in lieu thereof "except as provided by section 844, to or from".

(D) Section 825(g)(3) is amended by striking out "to any" and inserting in lieu thereof "except as provided by section 844, to any".

(d) Effective Date.—The amendments made by subsection (a) shall apply to taxable years beginning after December 31, 1957. The amendments made by subsection (b) shall apply to taxable years beginning after December 31, 1968. The amendments made by subsection (c) shall apply with respect to losses incurred in taxable years beginning after December 31, 1962, but shall not affect any tax liability for any taxable year beginning before January 1, 1967.

Sec. 908. Certain Unit Investment Trusts

(a) Not To Be Treated as Separate Taxpayer.—Section 851 (relating to definition of regulated investment company) is amended by adding at the end thereof the following new subsection:

"(f) Certain Unit Investment Trusts.—For purposes of this title—

"(1) A unit investment trust (as defined in the Investment Company Act of 1940)—

"(A) which is registered under such Act and issues periodic payment plan certificates (as defined in such Act) in one or more series,

"(B) substantially all of the assets of which, as to all such series, consist of (i) securities issued by a single management company (as defined in such Act) and securities acquired pursuant to subparagraph (C), or (ii) securities issued by a single other corporation, and

"(C) which has no power to invest in any other securities except securities issued by a single other management company, when permitted by such Act or the rules and regulations of the Securities and Exchange Commission,

shall not be treated as a person.

"(2) In the case of a unit investment trust described in paragraph (1)—

"(A) each holder of an interest in such trust shall, to the extent of such interest, be treated as owning a proportionate share of the assets of such trust;

"(B) the basis of the assets of such trust which are treated under subparagraph (A) as being owned by a holder of an interest in such trust shall be the same as the basis of his interest in such trust; and

"(C) in determining the period for which the holder of an interest in such trust has held the assets of the trust which are treated under subparagraph (A) as being owned by him, there shall be included the period for which such holder has held his interest in such trust.

This subsection shall not apply in the case of a unit investment trust which is a segregated asset account under the insurance laws or regulations of a State."

(b) Effective Date.—The amendment made by subsection (a) shall apply to taxable years of unit investment trusts ending after December 31, 1968, and to taxable years of holders of interests in such trusts ending with or within such taxable years of such trusts. The enactment of this section shall not be construed to result in the realization of gain or loss by any unit investment trust or by any holder of an interest in a unit investment trust.

Sec. 909. Foreign Corporations Not Availed of To Reduce Taxes.

(a) Exclusion From Foreign Base Company Income.—Section 954(b)(4) (relating to exception for foreign corporations not availed of to reduce taxes) is amended to read as follows:

"(4) Exception for foreign corporations not availed of to reduce taxes.—For purposes of subsection (a), foreign base company income does not include any item of income received by a controlled foreign corporation if it is established to the satisfaction of the Secretary or his delegate that neither—

"(A) the creation or organization of such controlled foreign corporation under the laws of the foreign country in which it is incorporated (or, in the case of a controlled foreign corporation which is an acquired corporation, the acquisition of such corporation created or organized under the laws of the foreign country in which it is incorporated), nor

"(B) the effecting of the transaction giving rise to such income through the controlled foreign corporation,

has as one of its significant purposes a substantial reduction of income, war profits, or excess profits or similar taxes."

(b) Effective Date.—The amendment made by subsection (a) shall apply to taxable years ending after October 9, 1969.

Sec. 910. Sales of Certain Low-Income Housing Projects.

(a) Nonrecognition of Gain in Case of Approved Dispositions.—Part III of subchapter O of chapter 1 (relating to common nontaxable exchanges) is amended by adding at the end thereof the following new section:

"Sec. 1039. Certain Sales of Low-Income Housing Projects.

"(a) Nonrecognition of Gain.—If—

"(1) a qualified housing project is sold or disposed of by the taxpayer in an approved disposition, and

"(2) within the reinvestment period the taxpayer constructs reconstructs, or acquires another qualified housing project,

then, at the election of the taxpayer, gain from such approved disposition shall be recognized only to the extent that the net amount realized on such approved disposition exceeds the cost of such other qualified housing project. An election under this subsection shall be made at such time and in such manner as the Secretary or his delegate prescribes by regulations.

"(b) Definitions.—For purposes of this section—

"(1) Qualified housing project.—The term 'qualified housing project' means a project to provide rental or cooperative housing for lower income families—

"(A) with respect to which a mortgage is insured under section 221(d)(3) or 236 of the National Housing Act, and

"(B) with respect to which the owner is, under such sections or regulations issued thereunder—

(i) limited as to the rate of return on his investment in the project, and

"(ii) limited as to rentals or occupancy charges for units in the project.

"(2) Approved disposition.—The term 'approved disposition' means a sale or other disposition of a qualified housing project to the tenants or occupants of units in such project, or to a cooperative or other nonprofit organization formed solely for the benefit of such tenants or occupants, which sale or disposition is approved by the Secretary of Housing and Urban Development under section 221(d)(3) or 236 of the National Housing Act or regulations issued under such sections.

"(3) Reinvestment period.—The reinvestment period, with respect to an approved disposition of a qualified housing project, is the period beginning one year before the date of such approved disposition and ending—

"(A) one year after the close of the first taxable year in which any part of the gain from such approved disposition is realized, or

"(B) subject to such terms and conditions as may be specified by the Secretary or his delegate, at the close of such later date as the Secretary or his delegate may designate on application by the taxpayer. Such application shall be made at such time and in such manner as the Secretary or his delegate prescribes by regulations.

"(4) Net amount realized.—The net amount realized on an approved disposition of a qualified housing project is the amount realized reduced by—

"(A) the expenses paid or incurred which are directly connected with such approved disposition, and

"(B) the amount of taxes (other than income taxes) paid or incurred which are attributable to such approved disposition.

"(c) Special Rules.—For purposes of applying subsection (a)(2) with respect to an approved disposition—

"(1) no property acquired by the taxpayer before the date of the approved disposition shall be taken into account unless such property is held by the taxpayer on such date, and

"(2) no property acquired by the taxpayer shall be taken into account unless, except as provided in subsection (d), the unadjusted basis of such property is its cost within the meaning of section 1012.

"(d) Basis of Other Qualified Housing Project.—If the taxpayer makes an election under subsection (a) with respect to an approved disposition, the basis of the qualified housing project described in subsection (a) (2) shall be its cost reduced by an amount equal to the amount of gain not recognized by reason of the application of subsection (a).

"(e) Assessment of Deficiencies.—

"(1) Deficiency attributable to gain.—If the taxpayer has made an election under subsection (a) with respect to an approved disposition—

"(A) the statutory period for the assessment of any deficiency, for any taxable year in which any part of the gain on such approved disposition is realized, attributable to the gain on such approved disposition shall not expire prior to the expiration of 3 years for the date the Secretary or his delegate is notified by the taxpayer (in such manner as the Secretary or his delegate may by regulations prescribe) of the construction, reconstruction, or acquisition of another qualified housing project or of the failure to construct, reconstruct, or acquire another qualified housing project, and

"(B) such deficiency may be assessed before the expiration of such 3-year period notwithstanding the provisions of section 6212 (c) or the provision of any other law or rule of law which would otherwise prevent such assessment.

"(2) Time for assessment of other deficiencies attributable to election.—If a taxpayer has made an election under subsection (a) with respect to an approved disposition and another qualified housing project is constructed, reconstructed, or acquired before the beginning of the last taxable year in which any part of the gain upon such approved disposition is realized, any deficiency, to the extent resulting from such election, for any taxable year ending before such last taxable year may be assessed (notwithstanding the provisions of section 6212(c) or 6501 or the provisions of any other law or rule of law which would otherwise prevent such assessment) at any time before the expiration of the period within which a deficiency for such last taxable year may be assessed."

(b) Amendments to Section 1250.—

(1) Section 1250(d) (relating to exceptions and limitations) is amended by adding at the end thereof the following new paragraph:

"(8) Disposition of qualified low-income housing.—If section 1250 property is disposed of and gain (determined without regard to this section) is not recognized in whole or in part under section 1039, then—

"(A) Recognition limit.—The amount of gain recognized by the transferor under subsection (a) shall not exceed the greater of—

"(i) the amount of gain recognized on the disposition (determined without regard to this section), or

"(ii) the amount determined under subparagraph (B).

"(B) Adjustment where insufficient section 1250 property is acquired.—With respect to any transaction, the amount determined under this subparagraph shall be the excess of—

"(i) the amount of gain which would (but for this paragraph) be taken into account under subsection (a), over

"(ii) the cost of the section 1250 property acquired in the transaction.

"(C) Basis of property acquired.—The basis of property acquired by the taxpayer, determined under section 1039(d), shall be allocated—

"(i) first to the section 1250 property described in subparagraph (E)(i), in the amount determined under such subparagraph, reduced by the amount of gain not recognized attributable to the section 1250 property disposed of,

"(ii) then to any property (other than section 1250 property) to which section 1039 applies, in the amount of its cost, reduced by the amount of gain not recognized except to the extent taken into account under clause (i), and

"(iii) then to the section 1250 property described in subparagraph (E)(ii), in the amount determined thereunder, reduced by the amount of gain not recognized except to the extent taken into account under clauses (i) and (ii).

"(D) Additional depreciation with respect to property disposed of.—The additional depreciation with respect to any property acquired shall include the additional depreciation with respect to the corresponding section 1250 property disposed of, reduced by the amount of gain recognized attributable to such property.

"(E) Property consisting of more than one element.—There shall be treated as a separate element of section 1250 property—

"(i) that portion of the section 1250 property acquired the cost of which does not exceed the net amount realized (as defined in section 1039(b)) attributable to the section 1250 property disposed of, reduced by the amount of gain recognized (if any) attributable to such property, and

"(ii) that portion of the section 1250 property acquired the cost of which exceeds the net amount realized (as defined in section 1039(b)) attributable to the section 1250 property disposed of.

"(F) Allocation rules.—For purposes of this paragraph—

"(i) the amount of gain recognized attributable to the section 1250 property disposed of shall be the net amount realized with respect to such property, reduced by the greater of the adjusted basis of the section 1250 property disposed of or the cost of section 1250 property acquired, but shall not exceed the gain recognized in the transaction, and

"(ii) if any section 1250 property is treated as consisting of more than one element by reason of the application of subparagraph (E) to a prior transaction, then the amount of gain recognized, the net amount realized, and the additional depreciation, with respect to each such element shall be allocated in accordance with regulations prescribed by the Secretary or his delegate.

(2) Section 1250(e) (relating to holding period) is amended by adding at the end thereof the following new paragraph:

"(4) Qualified low-income housing.—The holding period of any section 1250 property acquired which is described in subsection (d)(8)(E)(i) shall include the holding period of the corresponding element of section 1250 property disposed of."

(3) Section 1250 (relating to gain from dispositions of certain depreciable realty) is amended by redesignating subsections (g) and (h) as subsections (h) and (i) and by inserting after subsection (f) the following new subsection:

"(g) Special Rules for Qualified Low-Income Housing.—

"(1) Amount treated as ordinary income.—If, in the case of a disposition of section 1250 property, the property is treated as consisting of more than one element by reason of the application of subsection (d)(8)(E), and gain is recognized in whole or in part, then the amount taken into account under subsection (a) as gain from the sale or exchange of property which is neither a capital asset nor property described in section 1231 shall be the sum of the amounts determined under paragraph (2).

"(2) Ordinary income attributable to an element.—For purposes of paragraph (1), the amount taken into account for any element shall be the amount determined by multiplying—

"(A) the amount which bears the same ratio to the lower of the additional depreciation or the gain recognized for the section 1250 property disposed of as the additional depreciation for such element bears to the sum of the additional depreciation for all elements disposed of, by

"(B) the applicable percentage for such element.

For purposes of this paragraph, determinations with respect to any element shall be made as if it were a separate property."

(c) Clerical Amendment.—The table of sections for part III of subchapter O of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 1039. Certain sales of low-income housing projects."

(d) Effective Date.—The amendments made by this section shall apply to approved dispositions of qualified housing projects (within the meaning of section 1039 of the Internal Revenue Code of 1954, as added by subsection (a)) after October 9, 1969.

Sec. 911. Per-Unit Retain Allocations.

(a) Payments of Money and Other Property.—Section 1382(b)(3) (relating to patronage dividends and per-unit retain allocations) is amended to read as follows:

"(3) as per-unit retain allocations (as defined in section 1388(f)), to the extent paid in money, qualified per-unit retain certificates (as defined in section 1388(h)), or other property (except nonqualified per-unit retain certificates, as defined in section 1388 (i)) with respect to marketing occurring during such taxable year; or".

(b) Conforming Amendment.—Section 1388(f) (relating to per-unit retain allocations) is amended by striking out "other than by payment in money or other property (except per-unit retain certificates)".

(c) Effective Date.—The amendments made by this section shall apply to per-unit retain allocations made after October 9, 1969.

Sec. 912. Foster Children.

(a) In General.—Section 152(b)(2) (relating to rules relating to definition of dependent) is amended by inserting immediately before "shall be treated" the following: ", or a foster child of an individual (if such child satisfies the requirements of subsection (a)(9) with respect to such individual),".

(b) Effective Date.—The amendment made by subsection (a) of this section shall apply to taxable years beginning after December 31, 1969.

Sec. 913. Cooperative Housing Corporations.

(a) Stock Held by Governmental Units.—Section 216(b) (relating to definitions) is amended by adding at the end thereof the following new paragraph:

"(4) Stock owned by governmental units.—For purposes of this subsection, in determining whether a corporation is a cooperative housing corporation, stock owned and apartments leased by the United States or any of its possessions, a State or any political subdivision thereof, or any agency or instrumentality of the foregoing empowered to acquire shares in a cooperative housing corporation for the purpose of providing housing facilities, shall not be taken into account."

(b) Effective Date.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1969.

Sec. 914. Personal Holding Company Dividends.

(a) Dividends Paid After Close of Year.—Section 563(b) (relating to personal holding company tax) is amended by striking out "10 percent" in paragraph (2) and inserting in lieu thereof "20 percent".

(b) Effective Date.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1969.

Sec. 915. Replacement of Property Involuntarily Converted Within a 2-Year Period.

(a) In General.—Section 1033(a)(3)(B) (relating to the period within which property must be replaced) is amended by striking out "one year" in clause (i) and inserting in lieu thereof "2 years."

(b) Effective Date.—The amendment made by this section shall apply only if the disposition of the converted property (within the meaning of section 1033(a)(2) of the Internal Revenue Code of 1954) occurs after the date of the enactment of this Act.

Sec. 916. Change in Reporting Income on Installment Basis.

(a) In General.—Section 453(c) (relating to change from accrual to installment basis of reporting) is amended by adding at the end thereof the following new paragraphs:

"(4) Revocation of election.—An election under paragraph (1) to report taxable income on the installment basis may be revoked by filing a notice of revocation, in such manner as the Secretary or his delegate prescribes by regulations, at any time before the expiration of 3 years following the date of the filing of the tax return for the year of change. If such notice of revocation is timely filed—

"(A) the provisions of paragraph (1) and subsection (a) shall not apply to the year of change or for any subsequent year;

"(B) the statutory period for the assessment of any deficiency for any taxable year ending before the filing of such notice, which is attributable to the revocation of the election to use the installment basis, shall not expire before the expiration of 2 years from the date of the filing of such notice, and such deficiency may be assessed before the expiration of such 2-year period notwithstanding the provisions of any law or rule of law which would otherwise prevent such assessment; and

"(C) if refund or credit of any overpayment, resulting from the revocation of the election to use the installment basis, for any taxable year ending before the date of the filing of the notice of revocation is prevented on the date of such filing, or within one year from such date, by the operation of any law or rule of law (other than section 7121 or 7122), refund or credit of such overpayment may nevertheless be made or allowed if claim therefor is filed within one year from such date. No interest shall be allowed on the refund or credit of such overpayment for any period prior to the date of the filing of the notice of revocation.

"(5) Election after revocation.—If the taxpayer revokes under paragraph (4) an election under paragraph (1) to report taxable income on the installment basis, no election under paragraph (1) may be made, except with the consent of the Secretary or his delegate, for any subsequent taxable year before the fifth taxable year following the year of change with respect to which such revocation is made."

(b) Effective Date.—The amendment made by subsection (a) shall apply to an election made for any year of change (as defined in section 453(c)(1) of the Internal Revenue Code of 1954) ending on or after the date of the enactment of this Act, and shall also apply to any such year of change which ended before such date if the 3-year statutory period for assessment of any deficiency for such year has not expired on the date of the enactment of this Act.

Sec. 917. Recognition of Gain in Certain Liquidations.

For purposes of applying section 333 (e) and (f) of the Internal Revenue Code of 1954 to a distribution in liquidation of a corporation during 1970, stock (including stock received in respect of such stock by reason of a stock dividend or stock split), or securities received by a qualified electing shareholder in exchange for his stock in the liquidating corporation shall be considered as having been acquired by the liquidating corporation before January 1, 1954, if—

(1) such stock or securities were acquired by the liquidating corporation after December 31, 1953, from such qualified electing shareholder (or from a person from whom such qualified electing shareholder acquired such stock in the liquidating corporation by gift, bequest, or inheritance) solely in exchange for its stock in a transaction to which section 351 of such Code (or the corresponding provisions of prior law) applied, and

(2) the holding period of such stock or securities in the hands of the liquidating corporation, determined under section 1223(2) of such Code, includes any period before January 1, 1954.

Subtitle B—Miscellaneous Excise Tax Provisions

Sec. 931. Concrete Mixers.

(a) Exemption From Tax on Motor Vehicles.—Section 4063(a) (relating to exemption of specified articles from the tax on motor vehicles) is amended by adding at the end thereof the following new paragraph:

"(5) Concrete mixers.—The tax imposed under section 4061 shall not apply in the case of—

"(A) any article designed (i) to be placed or mounted on an automobile truck chassis or truck trailer or semitrailer chassis and (ii) to be used to process or prepare concrete, and

"(B) parts or accessories designed primarily for use on or in connection with an article described in subparagraph (A)."

(b) Effective Date.—The amendment made by subsection (a) shall apply with respect to articles sold after December 31, 1969.

Sec. 932. Constructive Sale Price.

(a) Determination of Fair Market Price.—Section 4216(b) (relating to constructive sale price) is amended by adding at the end thereof the following new paragraphs:

"(3) Fair market price in case of certain articles.—Except as provided in paragraph (4), for purposes of paragraph (1)(C), if—

"(A) the manufacturer, producer, or importer of an article regularly sells such article to a distributor which is a member of the same affiliated group of corporations (as defined in section 1504(a)) as the manufacturer, producer, or importer, and

"(B) such distributor regularly sells such article to one or more independent retailers, but does not regularly sell to wholesale distributors,

the fair market price of such article shall be 90 percent of the lowest price for which such distributor regularly sells such article in arm's-length transactions to such independent retailers. The price determined under this paragraph shall not be adjusted for any exclusion (except for the tax imposed on such article) or readjustments under subsections (a) and (f) and under section 6416(b)(1). If both this paragraph and paragraph (4) apply with respect to an article, the fair market price for such article shall be the lower of the fair market price determined under this paragraph or paragraph (4).

"(4) Fair market price in case of certain other articles.—For purposes of paragraph (1)(C), if—

"(A) the manufacturer, producer, or importer of an article regularly sells (except for tax-free sales) only to a distributor which is a member of the same affiliated group of corporations (as defined in section 1504(a)) as the manufacturer producer, or importer,

"(B) the distributor regularly sells (except for tax-free sales) such article only to retailers, and

"(C) the normal method of sales for such articles within the industry by manufacturers, producers, or importers is to sell such articles in arm's-length transactions to distributors,

the fair market price for such article shall be the price at which such article is sold to retailers by the distributor, reduced by a percentage of such price equal to the percentage which (i) the difference between the price for which comparable articles are sold to wholesale distributors, in the ordinary course of trade, by manufacturers or producers thereof, and the price at which such wholesale distributors in arm's-length transactions sell such comparable articles to retailers, is of (ii) the price at which such wholesale distributors in arm's-length transactions sell such comparable articles to retailers. The price determined under this paragraph shall not be adjusted for any exclusion (except for the tax imposed on such article) or readjustment under subsections (a) and (f) and under section 6416(b)(1)."

(b) Effective Date.—The amendment made by subsection (a) shall apply with respect to articles sold after December 31, 1969.

Subtitle C—Miscellaneous Administrative Provisions

Sec. 941. Filing Requirements.

(a) In General.—Section 6012(a) (relating to persons required to make returns of income) is amended by striking out paragraph (1) and inserting in lieu thereof the following:

"(1)(A) Every individual having for the taxable year a gross income of $600 or more, except that a return shall not be required of an individual (other than an individual referred to in section 142(b))—

"(i) who is not married (determined by applying section 143(a)) and for the taxable year has a gross income of less than $1,700, or

"(ii) who is entitled to make a joint return under section 6013 and whose gross income, when combined with the gross income of his spouse, is, for the taxable year, less than $2,300 but only if such individual and his spouse, at the close of the taxable year, had the same household as their home.

Clause (ii) shall not apply if for the taxable year such spouse makes a separate return or any other taxpayer is entitled to an exemption for such spouse under section 151(e).

"(B) The $1,700 amount specified in subparagraph (A)(i) shall be increased to $2,300 in the case of an individual entitled to an additional personal exemption under section 151(c)(1), and the $2,300 amount specified in subparagraph (A)(ii) shall be increased by $600 for each additional personal exemption to which the individual or his spouse is entitled under section 151(c);".

(b) Technical Amendment.—Subsections (b) and (c)(2) of section 151 (relating to allowance of deductions for personal exemptions) are amended by striking out "if a separate return is made by the taxpayer" and inserting in lieu thereof "if a joint return is not made by the taxpayer and his spouse".

(c) Effective Date.—The amendments made by subsections (a) and (b) shall apply to taxable years beginning after December 31, 1969.

(d) Taxable Years After 1972.—Effective with respect to taxable years beginning after December 31, 1972, section 6012(a)(1) is amended—

(1) by striking out "$600" each place it appears therein and inserting in lieu thereof "$750";

(2) by striking out "$1,700" each place it appears and inserting in lieu thereof "$1,750"; and

(3) by striking out "$2,300" each place it appears and inserting in lieu thereof "$2,500".

Sec. 942. Computation of Tax by Internal Revenue Service.

(a) In General.—The first sentence of section 6014(b) (relating to regulations; tax not computed by taxpayer) is amended to read as follows: "The Secretary or his delegate shall prescribe regulations for carrying out this section, and such regulations may provide for the application of the rules of this section—

"(1) to cases where the gross income includes items other than those enumerated by subsection (a),

"(2) to cases where the gross income from sources other than wages on which the tax has been withheld at the source is more than $100,

"(3) to cases where the gross income is $10,000 or more,

"(4) to cases where the taxpayer is entitled to the credit provided by section 37 (relating to retirement income credit), or

"(5) to cases where the taxpayer does not elect the standard deduction."

(b) Effective Date.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1969.

Sec. 943. Failure To Make Timely Payment or Deposit of Tax.

(a) Failure To Pay Tax.—Section 6651 (relating to failure to file tax return) is amended to read as follows:

"Sec. 6651. Failure To File Tax Return Or To Pay Tax.

"(a) Addition to the Tax.—In case of failure—

"(1) to file any return required under authority of subchapter A of chapter 61 (other than part III thereof), subchapter A of chapter 51 (relating to distilled spirits, wines, and beer), or of subchapter A of chapter 52 (relating to tobacco, cigars, cigarettes, and cigarette papers and tubes), or of subchapter A of chapter 53 (relating to machine guns and certain other firearms), on the date prescribed therefor (determined with regard to any extension of time for filing), unless it is shown that such failure is due to reasonable cause and not due to willful neglect, there shall be added to the amount required to be shown as tax on such return 5 percent of the amount of such tax if the failure is for not more than 1 month, with an additional 5 percent for each additional month or fraction thereof during which such failure continues, not exceeding 25 percent in the aggregate;

"(2) to pay the amount shown as tax on any return specified in paragraph (1) on or before the date prescribed for payment of such tax (determined with regard to any extension of time for payment), unless it is shown that such failure is due to reasonable cause and not due to willful neglect, there shall be added to the amount shown as tax on such return 0.5 percent of the amount of such tax if the failure is for not more than 1 month, with an additional 0.5 percent for each additional month or fraction thereof during which such failure continues, not exceeding 25 percent in the aggregate; or

"(3) to pay any amount in respect of any tax required to be shown on a return specified in paragraph (1) which is not so shown (including an assessment made pursuant to section 6213(b)) within 10 days of the date of the notice and demand therefor, unless it is shown that such failure is due to reasonable cause and not due to willful neglect, there shall be added to the amount of tax stated in such notice and demand 0.5 percent of the amount of such tax if the failure is for not more than 1 month, with an additional 0.5 percent for each additional month or fraction thereof during which such failure continues, not exceeding 25 percent in the aggregate.

"(b) Penalty Imposed on Net Amount Due.—For purposes of—

"(1) subsection (a)(1), the amount of tax required to be shown on the return shall be reduced by the amount of any part of the tax which is paid on or before the date prescribed for payment of the tax and by the amount of any credit against the tax which may be claimed on the return,

"(2) subsection (a)(2), the amount of tax shown on the return shall, for purposes of computing the addition for any month, be reduced by the amount of any part of the tax which is paid on or before the beginning of such month and by the amount of any credit against the tax which may be claimed on the return, and

"(3) subsection (a)(3), the amount of tax stated in the notice and demand shall, for the purpose of computing the addition for any month, be reduced by the amount of any part of the tax which is paid before the beginning of such month.

"(c) Limitations and Special Rule.—

"(1) Additions under more than one paragraph.—

"(A) With respect to any return, the amount of the addition under paragraph (1) of subsection (a) shall be reduced by the amount of the addition under paragraph (2) of subsection (a) for any month to which an addition to tax applies under both paragraphs (1) and (2).

"(B) With respect to any return, the maximum amount of the addition permitted under paragraph (3) of subsection (a) shall be reduced by the amount of the addition under paragraph (1) of subsection (a) which is attributable to the tax for which the notice and demand is made and which is not paid within 10 days of notice and demand.

"(2) Amount of tax shown more than amount required to be shown.—If the amount required to be shown as tax on a return is less than the amount shown as tax on such return, subsections (a)(2) and (b)(2) shall be applied by substituting such lower amount.

"(d) Exception for Declaration of Estimated Tax.—This section shall not apply to any failure to file a declaration of estimated tax required by section 6015 or to pay any estimated tax required to be paid by section 6153 or 6154."

(b) Failure To Make Deposit of Tax.—Section 6656(a) (relating to penalty for failure to make deposit of taxes) is amended by striking out the first sentence and inserting in lieu thereof the following: "In case of failure by any person required by this title or by regulation of the Secretary or his delegate under this title to deposit on the date prescribed therefor any amount of tax imposed by this title in such government depositary as is authorized under section 6302(c) to receive such deposit, unless it is shown that such failure is due to reasonable cause and not due to willful neglect, there shall be imposed upon such person a penalty of 5 percent of the amount of the underpayment."

(c) Conforming Amendments.—

(1) Section 3121(k)(1)(F)(i) (relating to definitions of waiver of exemption by religious, charitable, and certain other organizations) is amended by inserting "or pay tax" after "tax return".

(2) Section 3121(k)(1)(G)(i) (relating to definitions of waiver of exemption by religious, charitable, and certain other organizations) is amended by inserting "or pay tax" after "tax return".

(3) Section 3121(k)(1)(H)(i) (relating to definitions of waivers of exemption by religious, charitable, and certain other organizations) is amended by inserting "or pay tax" after "tax return".

(4) Section 5684(d)(2) (relating to cross references for penalties relating to the payments and collections of liquor taxes) is amended by inserting "or pay tax" after "tax return".

(5) The table of sections for subchapter A of chapter 68 is amended by striking out:

"Sec. 6651. Failure To File Tax Return."

and inserting in lieu thereof:

"Sec. 6651. Failure To File Tax Return or Pay Tax."

(6) Section 6653(d) (relating to penalty for failure to pay tax if fraud assessed) is amended by adding "or pay tax" after "such return".

(d) Effective Dates.—The amendments made by subsections (a) and (c) shall apply with respect to returns the date prescribed by law (without regard to any extension of time) for filing of which is after December 31, 1969, and with respect to notices and demands for payment of tax made after December 31, 1969. The amendment made by subsection (b) shall apply with respect to deposits the time for making of which is after December 31, 1969.

Sec. 944. Declarations of Estimated Tax by Farmers.

(a) Return as Declaration or Amendment.—Section 6015(f) (relating to return considered as declaration or amendment) is amended by striking out "February 15" and inserting in lieu thereof "March 1".

(b) Effective Date.—The amendment made by subsection (a) shall apply with respect to taxable years beginning after December 31, 1968.

Sec. 945. Portion of Salary, Wages, or other Income Exempt from Levy.

(a) In General.—Section 6334(a) (relating to enumeration of property exempt from levy) is amended by adding at the end thereof the following new paragraph:

"(8) Salary, wages, or other income.—If the taxpayer is required by judgment of a court of competent jurisdiction, entered prior to the date of levy, to contribute to the support of his minor children, so much of his salary, wages, or other income as is necessary to comply with such judgment."

(b) Effective Date.—The amendment made by subsection (a) shall apply with respect to levies made 30 days or more after the date of the enactment of this Act.

Sec. 946. Interests and Penalties in Case of Certain Taxable Years.

(a) Interest on Underpayment.—Notwithstanding section 6601 of the Internal Revenue Code of 1954, in the case of any taxable year ending before the date of the enactment of this Act, no interst on any underpayment of tax, to the extent such underpayment is attributable to the amendments made by this Act, shall be assessed or collected for any period before the 90th day after such date.

(b) Declarations of Estimated Tax.—In the case of a taxable year beginning before the date of the enactment of this Act, if any taxpayer is required to make a declaration or amended declaration of estimated tax, or to pay any amount or additional amount of estimated tax, by reason of the amendments made by this Act, such amount or additional amount shall be paid ratably on or before each of the remaining installment dates for the taxable year beginning with the first installment date on or after the 30th day after such date of enactment. With respect to any declaration or payment of estimated tax before such first installment date, sections 6015, 6154, 6654, and 6655 of the Internal Revenue Code of 1954 shall be applied without regard to the amendments made by this Act. For purposes of this subsection, the term "installment date" means any date on which, under section 6153 or 6154 of such Code (whichever is applicable), an installment payment of estimated tax is required to be made by the taxpayer.

Subtitle D—United States Tax Court

Sec. 951. Status of Tax Court.

Section 7441 (relating to the status of the Tax Court) is amended to read as follows:

"Sec. 7441. Status.

"There is hereby established, under article I of the Constitution of the United States, a court of record to be known as the United States Tax Court. The members of the Tax Court shall be the chief judge and the judges of the Tax Court."

Sec. 952. Appointments; Term of Office.

(a) Subsection (b) of section 7443 (relating to appointment of Tax Court judges) is amended by adding at the end thereof the following new sentence: "No individual shall be a judge of the Tax Court unless he is appointed to that office before attaining the age of 65."

(b) Subsection (e) of such section (relating to terms of office of Tax Court judges) is amended to read as follows:

"(e) Term of Office.—The term of office of any judge of the Tax Court shall expire 15 years after he takes office."

Sec. 953. Salary.

Section 7443(c) (relating to salaries of Tax Court judges) is amended to read as follows:

"(c) Salary.—

"(1) Each judge shall receive salary at the same rate and in the same installments as judges of the district courts of the United States.

"(2) For rate of salary and frequency of installment see section 135, title 28, United States Code, and section 5505, title 5, United States Code."

Sec. 954. Retirement.

(a) Subsection (b) of section 7447 (relating to time of retirement) is amended to read as follows:

"(b) Retirement.—

"(1) Any judge shall retire upon attaining the age of 70.

"(2) Any judge who has attained the age of 65 may retire any time after serving as judge for 15 years or more.

"(3) Any judge who is not reappointed following the expiration of the term of his office may retire upon the completion of such term, if (A) he has served as a judge of the Tax Court for 15 years or more and (B) not earlier than 9 months preceding the date of the expiration of the term of his office and not later than 6 months preceding such date, he advised the President in writing that he was willing to accept reappointment to the Tax Court.

"(4) Any judge who becomes permanently disabled from performing his duties shall retire.

Section 8335(a) of title 5 of the United States Code (relating to automatic separation from the service) shall not apply in respect of judges."

(b) Subsection (d) of such section (relating to retired pay) is amended to read as follows:

"(d) Retired Pay.—Any individual who—

"(1) retires under paragraph (1), (2), or (3) of subsection (b) and elects under subsection (e) to receive retired pay under this subsection shall receive retired pay during any period at a rate which bears the same ratio to the rate of the salary payable to a judge during such period as the number of years he has served as judge bears 10; except that the rate of such retired pay shall not be more than the rate of such salary for such period; or

"(2) retires under paragraph (4) of subsection (b) and elects under subsection (e) to receive retired pay under this subsection shall receive retired pay during any period at a rate—

"(A) equal to the rate of the salary payable to a judge during such period if before he retired he had served as a judge not less than 10 years; or

"(B) one-half of the rate of the salary payable to a judge during such period if before he retired he had served as a judge less than 10 years.

Such retired pay shall begin to accrue on the day following the day on which his salary as judge ceases to accrue, and shall continue to accrue during the remainder of his life. Retired pay under this subsection shall be paid in the same manner as the salary of a judge. In computing the rate of the retired pay under paragraph (1) of this subsection for any individual who is entitled thereto, that portion of the aggregate number of years he has served as a judge which is a fractional part of 1 year shall be eliminated if it is less than 6 months, or shall be counted as a full year if it is 6 months or more."

(c) Subsection (g) of such section is amended by striking out paragraphs (2), (3), and (4) and inserting in lieu thereof the following:

"(2) Effect of electing retired pay.—In the case of any individual who has filed an election to receive retired pay under subsection (d)—

"(A) no annuity or other payment shall be payable to any person under the civil service retirement laws with respect to any service performed by such individual (whether performed before or after such election is filed and whether performed as judge or otherwise);

"(B) no deduction for purposes of the Civil Service Retirement and Disability Fund shall be made from retired pay payable to him under subsection (d) or from any other salary, pay, or compensation payable to him, for any period beginning after the day on which such election is filed; and

"(C) such individual shall be paid the lump-sum credit computed under section 8331(8) of title 5 of the United States Code upon making application therefor with the Civil Service Commission."

(d) Section 7447 (relating to retirement) is amended by adding at the end thereof the following new subsections:

"(h) Retirement for Disability.—

"(1) Any judge who becomes permanently disabled from performing his duties shall certify to the President his disability in writing. If the chief judge retires for disability, his retirement shall not take effect until concurred in by the President. If any other judge retires for disability, he shall furnish to the President a certificate of disability signed by the chief judge.

"(2) Whenever any judge who becomes permanently disabled from performing his duties does not retire and the President finds that such judge is unable to discharge efficiently all the duties of his office by reason of permanent mental or physical disability and that the appointment of an additional judge is necessary for the efficient dispatch of business, the President shall declare such judge to be retired."

(e) Section 7447 (relating to retirement) is further amended as follows:

(1) Paragraph (4) of subsection (a) is repealed.

(2) Paragraph (1) of subsection (g) is amended by striking out "Civil Service Retirement Act" and inserting in lieu thereof "civil service retirement laws" and by striking out "such Act applies" and inserting in lieu thereof "such civil service retirement laws apply."

Sec. 955. Survivors.

(a) Section 7448(b) (relating to election of survivor annuities) is amended to read as follows:

"(b) Election.—Any judge may by written election filed while he is a judge (except that in the case of an individual who is not reappointed following expiration of his term of office, it may be made at any time before the day after the day on which his successor takes office) bring himself within the purview of this section. In the case of any judge other than the chief judge the election shall be filed with the chief judge; in the case of the chief judge the election shall be filed as prescribed by the Tax Court."

(b) Section 7448 (relating to survivor annuities) is further amended as follows:

(1) Subsections (d), (h), and (r) are each amended by striking out "Civil Service Retirement Act" the last place it appears in each such subsection and inserting in lieu thereof in each such place "civil service retirement laws".

(2) Subsections (d) and (n) are each amended by striking out "section 3 of the Civil Service Retirement Act (5 U.S.C. 2253)" and inserting in lieu thereof in each such place "section 8332 of title 5 of the United States Code".

(3) Subsection (m) is amended by striking out "section 1(c) of the Civil Service Retirement Act (5 U.S.C. 2251(c))" and inserting in lieu thereof "section 2197 of title 5 of the United States Code".

(4) Subsection (r) is amended by striking out "a waiver filed under section 7447(g)(3)" and inserting in lieu thereof "an election filed under section 7447(e)".

Sec. 956. Powers.

Section 7456 (relating to powers of the Tax Court) is amended by adding at the end thereof the following new subsection:

"(d) Incidental Powers.—The Tax Court and each division thereof shall have power to punish by fine or imprisonment, at its discretion, such contempt of its authority, and none other, as—

"(1) misbehavior of any person in its presence or so near thereto as to obstruct the administration of justice;

"(2) misbehavior of any of its officers in their official transactions; or

"(3) disobedience or resistance to its lawful writ, process, order, rule, decree, or command.

It shall have assistance in the carrying out of its lawful writ, process, order, rule, decree, or command as is available to a court of the United States."

Sec. 957. Tax Disputes Involving $1,000 or Less.

(a) Part II of subchapter C of chapter 76 (relating to Tax Court procedure) is amended by renumbering section 7463 as 7464, and by inserting after section 7462 the following new section:

'Sec. 7463. Disputes Involving $1,000 or Less

"(a) In General.—In the case of any petition filed with the Tax Court for a redetermination of a deficiency where neither the amount of the deficiency placed in dispute, nor the amount of any claimed overpayment, exceeds—

"(1) $1,000 for any one taxable year, in the case of the taxes imposed by subtitle A and chapter 12, or

"(2) $1,000, in the case of the tax imposed by chapter 11,

at the option of the taxpayer concurred in by the Tax Court or a division thereof before the hearing of the case, proceedings in the case shall be conducted under this section. Notwithstanding the provisions of section 7453, such proceedings shall be conducted in accordance with such rules of evidence, practice, and procedure as the Tax Court may prescribe A decision, together with a brief summary of the reasons therefor in any such case shall satisfy the requirements of sections 7459(b) and 7460.

"(b) Finality of Decisions.—A decision entered in any case in which the proceedings are conducted under this section shall not be reviewed in any other court and shall not be treated as a precedent for any other case.

"(c) Limitation of Jurisdiction.—In any case in which the proceedings are conducted under this section, notwithstanding the provisions of sections 6214(a) and 6512(b), no decision shall be entered redetermining the amount of a deficiency, or determining an overpayment, except with respect to amounts placed in dispute within the limits described in subsection (a) and with respect to amounts conceded by the parties.

"(d) Discontinuance of Proceedings.—At any time before a decision entered in a case in which the proceedings are conducted under this section becomes final, the taxpayer or the Secretary or his delegate may request that further proceedings under this section in such case be discontinued. The Tax Court, or division thereof hearing such case, may, if it finds that (1) there are reasonable grounds for believing that the amount of the deficiency placed in dispute, or the amount of an overpayment, exceeds the applicable jurisdictional amount described in subsection (a), and (2) the amount of such excess is large enough to justify granting such request, discontinue further proceedings in such case under this section. Upon any such discontinuance, proceedings in such case shall be conducted in the same manner as cases to which the provisions of sections 6214(a) and 6512(b) apply.

"(e) Amount of Deficiency in Dispute.—For purposes of this section, the amount of any deficiency placed in dispute includes additions to the tax, additional amounts, and penalties imposed by chapter 68, to the extent that the procedures described in subchapter B of chapter 63 apply."

(b) The table of sections for part II of subchapter C of chapter 76 is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 7463. Disputes involving $1,000 or less.

"Sec. 7464. Provisions of special application to transferees."

Sec. 958. Commissioners.

Section 7456(c) (relating to Tax Court commissioners) is amended to read as follows:

"(c) Commissioners.—The chief judge may from time to time appoint commissioners who shall proceed under such rules and regulations as may be promulgated by the Tax Court. Each commissioner shall receive the same compensation and travel and subsistence allowances provided by law for commissioners of the United States Court of Claims."

Sec. 959. Notice of Appeal.

(a) Section 7483 (relating to petition for review) is amended to read as follows:

"Sec. 7483. Notice of Appeal.

"Review of a decision of the Tax Court shall be obtained by filing a notice of appeal with the clerk of the Tax Court within 90 days after the decision of the Tax Court is entered. If a timely notice of appeal is filed by one party, any other party may take an appeal by filing a notice of appeal within 120 days after the decision of the Tax Court is entered."

(b) The table of sections for subchapter D of chapter 76 is amended by striking out the item relating to section 7483 and inserting in lieu thereof the following:

"Sec. 7483. Notice of appeal."

Sec. 960. Conforming Amendments.

(a) Section 6214(a) (relating to jurisdiction to determine increased deficiencies, etc.) is amended by striking out "The Tax Court" and inserting in lieu thereof "Except as provided by section 7463, the Tax Court".

(b) Section 6512(b)(1) (relating to jurisdiction to determine overpayments) is amended by striking out "If the Tax Court" and inserting in lieu thereof "Except as provided by paragraph (2) and by section 7463, if the Tax Court".

(c) Sections 7447(a)(1) and 7448(a)(1) (relating to retirement and survivor annuities) are each amended by striking out "Tax Court of the United States" and inserting in lieu thereof "United States Tax Court".

(d) Section 7447(a)(5) (relating to periods of service) is amended by striking out "or as a member of the Board." and inserting in lieu thereof ", as judge of the Tax Court of the United States, or as a member of the Board of Tax Appeals."

(e) Section 7448 (n) (relating to includible service) is amended by inserting after "Tax Appeals" the following: ", as a judge of the Tax Court of the United States,".

(f) Section 7453 (relating to rules of practice, procedure, and evidence) is amended by striking out "The" and inserting in lieu thereof "Except in the case of proceedings conducted under section 7463, the".

(g) Section 7471(c) (relating to travel and subsistence allowances of commissioners) is amended to read as follows:

"(c) Commissioners.—

"For compensation and travel and subsistence allowances of commissioners of the Tax Court, see section 7456(c)."

(h)(1) Section 7481 (relating to date when Tax Court decision becomes final) is amended—

(A) by striking out so much of such section as precedes paragraph (2) thereof and inserting in lieu thereof the following:

"(a) Reviewable Decisions.—Except as provided in subsection (b), the decision of the Tax Court shall become final—

"(1) Timely notice of appeal not filed.—Upon the expiration of the time allowed for filing a notice of appeal, if no such notice has been duly filed within such time; or";

(B) by striking out "petition for review" in the heading of paragraph (2) and inserting in lieu thereof "appeal";

(C) by striking out "petition for review" each place it appears in the text of paragraph (2) and inserting in lieu thereof "appeal"; and

(D) by adding at the end thereof the following new subsection:

"(b) Nonreviewable Decisions.—The decision of the Tax Court in a proceeding conducted under section 7463 shall become final upon the expiration of 90 days after the decision is entered."

(2) Section 7482(c) (relating to courts of review) is amended—

(A) by striking out "section 2074 of title 28" in paragraph (2) and inserting in lieu thereof "section 2072 of title 28";

(B) by striking out the second sentence of paragraph (2); and

(C) by striking out "petition" in paragraph (4) and inserting in lieu thereof "notice of appeal".

(3) Section 7485 (relating to bond to stay assessment and collection) is amended—

(A) by striking out "Petition for Review" in the heading of subsection (a) and inserting in lieu thereof "Notice of Appeal";

(B) by striking out "petition for review" each place it appears in the text of subsection (a) and inserting in lieu thereof "notice of appeal"; and

(C) by striking out "review bond" in paragraph (2) of subsection (a) and inserting in lieu thereof "appeal bond".

(i)(1) Section 7487 (relating to cross references) is amended to read as follows:

"Sec. 7487. Cross References.

"(1) Nonreviewability.—For nonreviewability of Tax Court decisions in small claims cases, see section 7463(b).

"(2) Transcripts.—For authority of the Tax Court to fix fees for transcript of records, see section 7474."

(2) The last item in the table of sections for subchapter D of chapter 76 (relating to court review of Tax Court decisions) is amended to read as follows:

"Sec. 7487. Cross references."

(j) Section 7701(a)(27) (relating to definition of Tax Court) is amended by striking out "Tax Court of the United States" and inserting in lieu thereof "United States Tax Court".

Sec. 961. Continuation of Status.

The United States Tax Court established under the amendment made by section 951 is a continuation of the Tax Court of the United States as it existed prior to the date of enactment of this Act, the judges of the Tax Court of the United States immediately prior to the date of enactment of this Act shall become the judges of the United States Tax Court upon the enactment of this Act, and no loss of rights or powers, interruption of jurisdiction, or prejudice to matters pending in the Tax Court of the United States before the date of enactment of this Act shall result from the enactment of this Act.

Sec. 962. Effective Dates.

(a) The amendments made by sections 951, 953, 954 (c) and (e), 955, 956, 958, and 960 (c), (d), (e), (g), and (j) shall take effect on the date of enactment of this Act.

(b) The amendment made by section 952 (a) shall apply to judges appointed after the date of enactment of this Act.

(c) The amendment made by section 952 (b) shall take effect on the date of enactment of this Act, except that—

(1) the term of office being served by a judge of the Tax Court on that date shall expire on the date it would have expired under the law in effect on the day preceding the date of enactment of this Act; and

(2) a judge of the Tax Court on the date of enactment of this Act may be reappointed in the same manner as a judge of the Tax Court hereafter appointed.

(d) The amendments made by subsections (a), (b), and (d) of section 954 shall apply to—

(1) all judges of the Tax Court retiring on or after the date of enactment of this Act, and

(2) all individuals performing judicial duties pursuant to section 7447(c) or receiving retired pay pursuant to section 7447(d) on the day preceding the date of enactment of this Act.

Any individual who has served as a judge of the Tax Court for 18 years or more by the end of one year after the date of the enactment of this Act may retire in accordance with the provisions of section 7447 of the Internal Revenue Code of 1954 as in effect on the day preceding the date of the enactment of this Act. Any individual who is a judge of the Tax Court on the date of the enactment of this Act may retire under the provisions of section 7447 of such Code upon the completion of the term of his office, if he is not reappointed as a judge of the Tax Court and gives notice to the President within the time prescribed by section 7447(b) of such Code (or if his term expires within 6 months after the date of enactment of this Act, gives notice to the President before the expiration of 3 months after the date of enactment of this Act), and shall receive retired pay at a rate which bears the same ratio to the rate of the salary payable to a judge as the number of years he has served as a judge of the Tax Court bears to 16; except that the

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rate of such retired pay shall not exceed the rate of the salary of a judge of the Tax Court. For purposes of the preceding sentence the years of service as a judge of the Tax Court shall be determined in the manner set forth in section 7447(d) of such Code.

(e) The amendments made by sections 957 and 960 (a), (b), (f), and (i) shall take effect one year after the date of enactment of this Act.

(f) The amendments made in sections 959 and 960(h) shall take effect 30 days after the date of the enactment of this Act. In the case of any decision of the Tax Court entered before the 30th day after the date of the enactment of this Act, the United States Court of Appeals shall have jurisdiction to hear an appeal from such decision, if such appeal was filed within the time prescribed by Rule 13(a) of the Federal Rules of Appellate Procedure or by section 7483 of the Internal Revenue Code of 1954, as in effect at the time the decision of the Tax Court was entered.

TITLE X—INCREASE IN SOCIAL SECURITY BENEFITS

SEC. 1001. SHORT TITLE.

This title may be cited as the "Social Security Amendments of 1969".

SEC. 1002. INCREASE IN OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE BENEFITS.

(a) Section 215 of the Social Security Act is amended by striking out the table and inserting in lieu thereof the following:

"TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS

"I		II	III		IV	V
(Primary insurance benefit under 1939 act, as modified)		(Primary insurance amount under 1967 act)	(Average monthly wage)		(Primary insurance amount)	(Maximum family benefits)
If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
At least—	But not more than—		At least—	But not more than—		
....	$16.20	$55,40 or less	....	$76	$64.00	$96.00
$16.21	16.84	56.50	$77	78	65.00	97.50
$16.85	17.60	57.70	79	80	66.40	99.60
$17.61	18.40	58.80	81	81	67.70	101.60
$18.41	19.24	59.90	82	83	68.90	103.40
$19.25	20.00	61.10	84	85	70.30	105.50
$20.01	20.64	62.20	86	87	71.60	107.40
$20.65	21.28	63.30	88	89	72.80	169.20
$21.29	21.88	64.50	90	90	74.20	111.30
$21.89	22.28	65.60	91	92	75.50	113.30
$22.29	22.68	66.70	93	94	76.80	115.26
$22.69	23.08	67.80	95	96	78.00	117.00
$23.09	23.44	69.00	97	97	79.40	119.10
$23.45	23.76	70.20	98	99	80.80	121.20
$23.77	24.20	71.50	100	101	82.30	123.50
$24.21	24.60	72.60	102	102	83.50	125.30
$24.61	25.00	73.80	103	104	84.90	127.40
$24.01	25.48	75.10	105	106	86.40	129.60
$25.49	25.92	76.30	107	107	87.80	131.70
$25.93	26.40	77.50	108	109	89.20	133.80
$26.41	26.94	78.70	110	113	90.60	135.90
$26.95	27.46	79.90	114	118	91.90	137.90
$27.47	28.00	81.10	119	122	93.30	140.00
$28.01	28.68	82.30	123	127	94.70	142.10
$28.69	29.25	83.60	128	132	96.20	144.30
$29.26	29.68	84.70	133	136	97.50	146.30
$29.69	30.36	85.90	137	141	98.80	148.20
$30.37	30.92	87.20	142	146	100.30	150.50
$30.93	31.36	88.40	147	150	101.70	152.60
$31.37	32.00	89.50	151	155	103.00	154.50
$32.01	32.60	90.80	156	160	104.50	156.80
$32.61	33.20	92.00	161	164	105.80	158.70
$33.21	33.88	93.20	165	169	107.20	160.80
$33.89	34.50	94.40	170	174	108.60	162.90
$34.51	35.00	95.60	175	178	110.00	165.00
$35.01	35.80	96.80	179	183	111.40	167.10
$35.81	36.80	98.00	184	188	112.70	169.10
$36.41	37.08	99.30	189	193	114.20	171.30
$37.09	37.60	100.50	194	197	115.60	173.40
$37.61	38.20	101.60	198	202	116.90	175.40
$38.21	39.12	102.90	203	207	118.40	177.60
$39.13	39.68	104.10	208	211	119.80	179.70
$39.69	40.33	105.20	212	216	121.00	181.50
$40.34	41.12	106.50	217	221	122.50	183.80
$41.13	41.76	107.70	222	225	123.90	185.90
$41.77	42.44	108.90	226	230	125.30	188.00
$42.45	43.20	110.10	231	235	126.70	190.10
$43.21	43.76	111.40	236	239	128.20	192.30
$43.77	44.44	112.60	240	244	129.50	195.20
$44.45	44.88	113.70	245	249	130.80	199.20
$44.89	45.60	115.00	250	253	132.30	202.40
		116.20	254	258	133.70	206.40
		117.30	259	263	134.90	210.40
		118.60	264	267	136.40	213.60
		119.80	268	272	137.80	217.60
		121.00	273	277	139.20	221.60
		122.20	278	281	140.60	224.80
		123.40	282	286	142.00	228.80
		124.70	287	291	143.50	232.80
		125.80	292	295	144.70	236.00
		127.10	296	300	146.20	240.00
		128.30	301	305	147.60	244.00
		129.40	306	309	148.90	247.20
		130.70	310	314	150.40	251.20
		131.90	315	319	151.70	255.20
		133.00	320	323	153.00	258.40
		134.30	324	328	154.50	262.40
		135.50	329	333	155.90	266.40
		136.80	334	337	157.40	269.60
		137.90	338	342	158.60	273.60
		139.10	343	347	160.00	277.60
		$140.40	$348	$351	$161.50	$280.80
		141.50	352	356	162.80	284.80
		142.80	357	361	164.30	288.80
		144.00	362	365	165.60	292.00
		145.10	366	370	166.90	296.00
		146.40	371	375	168.40	300.00
		147.60	376	379	169.80	303.20
		148.90	380	384	171.30	307.20
		150.00	335	389	172.50	311.20
		151.20	390	393	173.90	314.40
		152.50	394	398	175.40	318.40
		153.60	399	403	176.70	322.40
		154.90	404	407	178.20	325.60
		156.00	408	412	179.40	329.60
		157.10	413	417	180.70	333.70
		158.20	418	421	182.00	336.80
		159.40	422	426	183.40	340.80
		160.50	427	431	184.60	344.80
		161.60	432	436	185.90	348.80
		162.80	437	440	187.30	350.40
		163.90	441	445	188.50	352.40
		165.00	446	450	189.80	354.40
		166.20	451	454	191.20	356.00
		167.30	455	459	192.40	358.00
		168.40	460	464	193.70	360.00
		169.50	465	468	195.00	361.60
		170.70	469	473	196.40	363.60
		171.80	474	478	197.60	365.60
		172.90	479	482	198.90	367.20
		174.10	483	487	200.30	369.20
		175.20	488	492	201.50	371.20
		176.30	493	496	202.80	372.80
		177.50	497	501	204.20	374.80
		178.60	502	506	205.40	376.80
		179.70	507	510	206.70	378.40
		180.80	511	515	208.00	380.40
		182.00	516	520	209.30	382.40
		183.10	521	524	210.60	384.00
		184.20	525	529	211.90	386.00
		185.40	530	534	213.30	388.00
		186.50	535	538	214.50	389.60
		187.60	539	543	215.80	391.60
		188.80	544	548	217.20	393.60
		189.90	549	553	218.40	395.60
		191.00	554	556	219.70	396.80
		192.00	557	560	220.80	398.40
		193.00	561	563	222.00	399.60
		194.00	564	567	223.10	401.20
		195.00	568	570	224.30	402.40
		196.00	571	574	225.40	404.00
		197.00	575	577	226.60	405.20
		198.00	578	581	227.70	406.80
		199.00	582	584	228.90	408.00
		200.00	585	588	230.00	409.60
		201.00	589	591	231.20	410.80
		202.00	592	595	232.30	412.40
		203.00	596	598	233.50	413.60
		204.00	599	602	234.60	415.20
		205.00	603	605	235.80	416.40
		206.00	606	609	236.90	418.00
		207.00	610	612	238.10	419.20
		208.00	613	616	239.20	420.80
		209.00	617	620	240.40	422.40
		210.00	621	623	241.50	423.60
		211.00	624	627	242.70	425.20
		212.00	628	630	243.80	426.40
		213.00	631	634	245.00	428.00
		214.00	635	637	246.10	429.20
		215.00	638	641	247.30	430.80
		216.00	642	644	248.40	432.00
		217.00	645	648	249.60	433.60
		218.00	649	650	250.70	434.40".

(b)(1) Section 203(a) of such Act is amended by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) when two or more persons were entitled (without the application of section 202(j)(1) and section 223(b)) to monthly benefits under section 202 or 223 for January 1970 on the basis of the wages and self-employment income of such insured individual and at least one such person was so entitled for December 1969 on the basis of such wages and self-employment income, such total of benefits for January 1970 or any subsequent month shall not be reduced to less than the larger of—

"(A) the amount determined under this subsection without regard to this paragraph, or

"(B) an amount equal to the sum of the amounts derived by multiplying the benefit amount determined under this title (including this subsection, but without the application of section 222(b), section 202(q), and subsections (b), (c), and (d) of this section), as in effect prior to the enactment of the Social Security Amendments of 1969 (and prior to January 1, 1970), for each such person for such month, by 115 percent and raising each such increased amount, if it is not a multiple of $0.10, to the next higher multiple of $0.10;

but in any such case (i) paragraph (1) of this subsection shall not be applied to such total of benefits after the application of subparagraph (B), and (ii) if section 202(k)(2)(A) was applicable in the case of any such benefits for January 1970, and ceases to apply after such month, the provisions of subparagraph (B) shall be applied, for and after the month in which section 202(k)(2)(A) ceases to apply, as though paragraph (1) had not been applicable to such total of benefits for January 1970, or".

(2) Notwithstanding any other provision of law, when two or more persons are entitled to monthly insurance benefits under title II of the Social Security Act for any month after 1969 on the basis of the wages and self-employment income of an insured individual (and at least one of such persons was so entitled for a month before January 1971 on the basis of an application filed before 1971), the total of the benefits to which such persons are entitled under such title for such month (after the application of sections 203(a) and 202(q) of such Act) shall be not less than the total of the monthly insurance benefits to which such persons would be entitled under such title for such month (after the application of such sections 203(a) and 202(q)) without regard to the amendment made by subsection (a) of this section.

(c) Section 215(b)(4) of such Act is amended by striking out "January 1968" each time it appears and inserting in lieu thereof "December 1969".

(d) Section 215(c) of such Act is amended to read as follows:

"Primary Insurance Amount Under 1967 Act

"(c)(1) For the purposes of column II of the table appearing in subsection (a) of this section, an individual's primary insurance amount shall be computed on the basis of the law in effect prior to the enactment of the Social Security Amendments of 1969.

"(2) The provisions of this subsection shall be applicable only in the case of an individual who became entitled to benefits under section 202(a) or section 223 before January 1970, or who died before such month."

(e) The amendments made by this section shall apply with respect to monthly benefits under title II of the Social Security Act for months after December 1969 and with respect to lump-sum death payments under such title in the case of deaths occurring after December 1969.

(f) If an individual was entitled to a disability insurance benefit under section 223 of the Social Security Act before December 1969 and became entitled to old-age insurance benefits under section 202(a) of such Act for January 1970, or he died in such month, then, for purposes of section 215(a)(4) of the Social Security Act (if applicable), the amount in column IV of the table appearing in such section 215(a) for such individual shall be the amount in such column on the line on which in column II appears his primary insurance amount (as determined under section 215(c) of such Act) instead of the amount in column IV equal to the primary insurance amount on which his disability insurance benefit is based.

Sec. 1003. Increase in Benefits for Certain Individuals Age 72 and Over.

(a)(1) Section 227(a) of the Social Security Act is amended by striking out "$40" and inserting in lieu thereof "$46", and by striking out "$20" and inserting in lieu thereof "$23".

(2) Section 227(b) of such Act is amended by striking out "$40" and inserting in lieu thereof "$46".

(b)(1) Section 228(b)(1) of such Act is amended by striking out "$40" and inserting in lieu thereof "$46".

(2) Section 228(b)(2) of such Act is amended by striking out "$40" and inserting in lieu thereof "$46", and by striking out "$20" and inserting in lieu thereof "$23".

(3) Section 228(c)(2) of such Act is amended by striking out "$20" and inserting in lieu thereof "$23".

(4) Section 228(c)(3)(A) of such Act is amended by striking out "$40" and inserting in lieu thereof "$46".

(5) Section 228(c)(3)(B) of such Act is amended by striking out "$20" and inserting in lieu thereof "$23".

(c) The amendments made by subsections (a) and (b) shall apply with respect to monthly benefits under title II of the Social Security Act for months after December 1969.

Sec. 1004. Maximum Amount of a Wife's or Husband's Insurance Benefit.

(a) Section 202(b)(2) of the Social Security Act is amended to read as follows:

"(2) Except as provided in subsection (q), such wife's insurance benefit for each month shall be equal to one-half of the primary insurance amount of her husband (or, in the case of a divorced wife, her former husband) for such month."

(b) Section 202(c)(3) of such Act is amended to read as follows:

"(3) Except as provided in subsection (q), such husband's insurance benefit for each month shall be equal to one-half of the primary insurance amount of his wife for such month."

(c) Sections 202(e)(4) and 202(f)(5) of such Act are each amended by striking out "whichever of the following is the smaller: (A) one-half of the primary insurance amount of the deceased individual on whose wages and self-employment income such benefit is based, or (B) $105" and inserting in lieu thereof "one-half of the primary insurance amount of the deceased individual on whose wages and self-employment income such benefit is based".

(d) The amendments made by subsections (a), (b), and (c) shall apply with respect to monthly benefits under title II of the Social Security Act for months after December 1969.

Sec. 1005. Allocation to Disability Insurance Trust Fund.

(a) Section 201(b)(1) of the Social Security Act is amended—

(1) by striking out "and" at the end of clause (B); and

(2) by striking out "1967, and so reported," and inserting in lieu thereof the following: "1967, and before January 1, 1970, and so reported, and (D) 1.10 per centum of the wages (as so defined) paid after December 31, 1969 and so reported,".

(b) Section 201(b)(2) of such Act is amended—

(1) by striking out "and" at the end of clause (B); and

(2) by striking out "1967," and inserting in lieu thereof the following: "1967, and before January 1, 1970, and (D) 0.825 of 1 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1969,".

Sec. 1006. Disregarding of Retroactive Payment of OASDI Benefit Increase.

Notwithstanding the provisions of sections 2(a)(10), 402(a)(7), 1002(a)(8), 1402(a)(8), and 1602(a)(13) and (14) of the Social Security Act, each State, in determining need for aid or assistance under a State plan approved under title I, X, XIV, or XVI, or part A of title IV, of such Act, shall disregard (and the plan shall be deemed to require the State to disregard), in addition to any other amounts which the State is required or permitted to disregard in determining such need, any amount paid to an individual under title II of such Act (or under the Railroad Retirement Act of 1937 by reason of the first proviso in section 3(e) thereof), in any month after December 1969, to the extent that (1) such payment is attributable to the increase in monthly benefits under the old-age, suvivors, and disability insurance system for January or February 1970 resulting from the enactment of this title, and (2) the amount of such increase is paid separately from the rest of the monthly benefit of such individual for January or February 1970.

Sec. 1007. Disregarding of Income of OASDI Recipients in Determining Need for Public Assistance

In addition to the requirements imposed by law as a condition of approval of a State plan to provide aid or assistance in the form of money payments to individuals under title I, X, XIV, or XVI of the Social Security Act, there is hereby imposed the requirement (and the plan shall be deemed to require) that, in the case of any individual receiving aid or assistance for any month after March 1970 and before July 1970 who also receives in such month a monthly insurance benefit under title II of such Act which is increased as a result of the enactment of the other provisions of this title, the sum of the aid or assistance received by him for such month, plus the monthly insurance benefit received by him in such month (not including any part of such benefit which is disregarded under section 1006), shall exceed the sum of the aid or assistance which would have been received by him for such month under such plan as in effect for March 1970, plus the monthly insurance benefit which would have been received by him in such month without regard to the other provisions of this title, by an amount equal to $4 or (if less) to such increase in his monthly insurance benefit under such title II (whether such excess is brought about by disregarding a portion of such monthly insurance benefit or otherwise).

And the Senate agree to the same.

W. D. Mills,
Hale Boggs,
John C. Watts,
Al Ullman,
John W. Byrnes,
James B. Utt,
Jackson E. Betts,
Managers on the Part of the House.

Russell B. Long,
Clinton P. Anderson,
Albert Gore,
Herman E. Talmadge,
Wallace F. Bennett,
Jack Miller,
Managers on the Part of the Senate.

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STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 13270) to reform the income tax laws submit the following in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate stuck out all of the House bill after the enacting clause and inserted a substitute amendment. The conference has agreed to a substitute for both the Senate amendment and the House bill. The following statement explains the principal differences between the effect of the House bill and the effect of the substitute agreed to in conference:

TITLE I—TAX EXEMPT ORGANIZATIONS[1]

SUBTITLE A—PRIVATE FOUNDATIONS

1. *Excise tax based on investment income (sec. 4940 of the code)*

The House bill imposes a tax of 7.5 percent on the net investment income of a private foundation for each taxable year.

The Senate amendment substitutes for the House provision an annual audit-free tax of one-tenth of 1 percent (one-fifth of 1 percent for 1970) of the noncharitable assets of a private foundation, but in no event less than $100.

The conference substitute (sec. 101(b) of the substitute and sec. 4940 of the code) provides a tax of 4 percent of the net investment income of each foundation for the taxable year.

2. *Prohibitions against self-dealing* (*sec. 4941 of the code*)

Both the House bill and the Senate amendment impose taxes on the following acts of self-dealing:

(*a*) The sale, exchange, or leasing of properties between a private foundation and a disqualified person,

(*b*) The lending of money or other extension of credit between such persons,

(*c*) The furnishing of goods, services, or facilities between such persons,

(*d*) The payment of compensation by a private foundation to a disqualified person.

(*e*) The transfer to or use by, or for the benefit of, disqualified persons of the income or assets of a private foundation, and

(*f*) Agreement by a private foundation to make any payment of money or other property to a Government official (other than an agreement to employ such individual for certain periods after termination of Government service).

The Senate amendment adds a seventh category to the term "self-dealing." It specifies that payment by a private foundation of any of the taxes imposed under the new provisions added by the bill upon any disqualified person constitutes self-dealing.

The conference substitute (sec. 101(b) of the substitute and sec. 4941(d)(1) of the code) omits this category in view of the fact that such payments are already considered to be self-dealing by paragraph (*e*) referred to above.

The conferees also agree with the statement appearing in the report of the Senate Committee on Finance to the effect that where stock is bought or sold by the foundation in order to manipulate the price of the stock for the benefit of a disqualified person (as referred to below), then the foundation's assets have been used for the "benefit of a disqualified person" within the meaning of paragraph (*e*) above.

The term "disqualified person", as it appears in both the House bill and the Senate amendment, includes a substantial contributor to the foundation. A substantial contributor under the House bill is anyone who (with his spouse) contributes more than $5,000 in any one year or who (with his spouse) contributes more than anyone else in any one year, even though less than $5,000.

The Senate amendment modifies the definition of subtantial contributor to mean any person who contributes more than $5,000 to a private foundation if such amount is more than 2 percent of the contributions received by the foundation before the end of the year in which the foundation receives the contribution of the person.

The conference substitute (sec. 101(a) of the substitute and sec. 507(d)(2) of the code) follows the Senate amendment.

The Senate amendment also modifies the definition of a disqualified person in other respects. The House bill provides that a general partner of a substantial contributor is also to be treated as a disqualified person. The Senate substitute limits this to an owner of more than 20 percent of the profits interest of a partnership.

The conference substitute (sec. 101(b) of the substitute and sec. 4946(a)(1) of the code) follows the Senate amendment.

The House bill provides that a disqualified person includes a member of the family (within the meaning of sec. 341(d) of the code) of a substantial contributor, foundation manager or certain other persons. Included in the definition in section 341(d) is a brother or sister (and any of their descendants) of any of the foregoing persons. The Senate amendment omits such brothers and sisters and their descendants from the definition of the term "family."

The conference substitute (sec. 101(b) of the substitute and sec. 4946(d) of the code) follows the Senate amendment.

Under both the House bill and the Senate amendment a violation of the self-dealing provision results in an annual tax on the self-dealer of 5 percent of the amount involved in the violation. If the self-dealing is not corrected within an appropriate length of time, then a tax of 200 percent of the amount involved is imposed on the self-dealer. If the foundation manager is knowingly involved in the self-dealing, a tax of 2.5 percent initially is imposed upon him (subject to a maximum of $10,000). Where the foundation manager refuses to agree to the correction of the initial transaction, a tax of 50 percent of the amount involved is imposed (subject to a maximum of $10,000). In the case of repeated or willful violations, the tax imposed on the self-dealer or foundation managers may be doubled. (A third level of tax may also be assessed as described below in "Change of Status".)

The Senate amendment provides that the tax on the foundation manager who knowingly participates in the self-dealing is not to apply unless the violation is willful and is not due to reasonable cause. In addition, the amendment provides that the burden of proof that a violation by a foundation manager is "knowing" is to be upon the Government to the same extent as in civil fraud in present law.

The conference substitute (secs. 10 (b) and (1) of the substitute and sec. 4941(a) of the code) follows the Senate amendment.

The Senate amendment provides that in the case of leases and loans outstanding on October 9, 1969, and also where under arrangements in existence prior to that date, goods and services or facilities were shared by a private foundation and a disqualified person, such transactions are not to constitute self-dealing if the foundation receives terms at least as favorable as terms offered to third parties in arm's-length transactions. Under the amendment these existing arrangements can continue for a period up to 10 years.

The conference substitute (sec. 101(1)(2) of the substitute) follows the Senate amendment but includes within the term "loan," reference to "extension of credit."

The Senate amendment provides that where a private foundation and disqualified person, together owned on October 9, 1969, more than 20 percent of voting stock of a company, then the foundation may make fair-market-value sales of that stock or nonvoting stock to disqualified persons before January 1, 1975, so long as the sales do not bring the combined holdings of the voting stock below 20 percent. After that date, such sales may be made to disqualified persons only if the stock has to be disposed of in order to avoid violating the excess business holdings rules, described below.

The conference substitute (sec. 101(1)(2) of the substitute) follows the Senate amendment.

The House bill and the Senate amendment both require as a condition of tax exemption that a foundation's governing instrument conform to the new provisions added by this bill (regarding the rules relating to self-dealing, distribution of income, excess business holdings, investments jeopardizing charitable purpose, and taxable expenditures). Both the House bill and the Senate amendment give existing organizations until 1972 to modify their governing instruments in the respects set out above (or longer if it is impossible to conform their governing instruments by that time).

The House bill and Senate amendment also contain savings clauses permitting fair-price sales of existing holdings to disqualified persons under certain circumstances. The Senate amendment also provides that an organization's governing instrument need not prohibit activities which are permitted to it under the excess business holdings savings clauses.

The conference substitute (sec. 101(1)(6) of the substitute) follows the Senate amendment and extends it to activities permitted under any other of the special savings clauses.

3. *Taxes on failure to distribute income* (*sec. 4942 of the code*)

Both the House bill and the Senate amendment provide for the imposition of taxes on a private foundation where it does not distribute currently an amount equal to all of its income, or if higher, an amount equal to a specified percentage of the value of its assets (other than those assets currently being used in the active conduct of the foundation's exempt activities).

Both the House bill and the Senate amendment provide that a tax of 15 percent of the undistributed amount is to be imposed where there has been a failure to distribute by the end of the taxable year after the income is earned (unless certain exceptions apply). If the distribution of the remaining amount is not made during the "correction period", a tax of 100 percent of the amount not distributed is then imposed.

The minimum amount which must be paid out, for years beginning in 1970, is the greater of the adjusted net income or 5 percent of the assets (the Secretary or his delegate is authorized in certain years to make changes in this percentage based upon changes in money rates and investment yields).

The Senate amendment changes this percentage to 6 percent.

The conference substitute (sec. 101(b) of the substitute and sec. 4942(e) of the code) follows the Senate amendment.

Both the House bill and the Senate amendment do not apply the minimum investment return for the years 1970 and 1971.

In addition, the Senate amendment provides that the minimum investment return is not to be more than 3.5 percent in 1972,

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[1] All references to titles, subtitles, and sections of the bill, unless otherwise specified, will use the designation in the conference substitute.

4 percent in 1973, 4.5 percent in 1974, 5 percent in 1975, and 5.5 percent in 1976.

The conference substitute (sec. 101(l)(3) of the substitute) provides that the minimum investment return is not to be more than 4.5 percent in 1972, 5 percent in 1973, and 5.5 percent in 1974.

The Senate amendment allows foundations to make deficiency distributions (along the lines of deficiency dividend procedures presently allowable to personal holding companies) if failure to distribute is due to failure to properly value the assets and is not willful but is due to reasonable cause.

The conference substitute (sec. 101(b) of the substitute and sec. 4942(a) of the code) follows the Senate amendment.

Under the House bill the tax on investment income and any tax on unrelated business income reduce the amount of the required current distribution only when the foundation's income exceeds the minimum percentage for that year.

The Senate amendment allows the audit-fee tax and any tax on unrelated business income as deductions in determining the amount of income which must be distributed currently.

The conference substitute (sec. 101(b) of the substitute and sec. 4942(d) of the code) follows the Senate amendment.

The Senate amendment makes it clear that reasonable administrative expenses in operating a private foundation are also to be treated as qualifying distributions.

The conference substitute (sec. 101(b) of the substitute and sec. 4942(g) of the code) follows the Senate amendment.

Loans to individuals which are related to the exempt purpose for which a private foundation was established (for example, student loans) have generally been considered as qualifying distributions at the time the loan was made. The Senate amendment also provides that when the loan is repaid (or when amounts are received from the sale of assets previously used for charitable purposes) these amounts should be treated as income, for purposes of the minimum distribution requirement, to the extent the private foundation had previously treated the amounts as expenditures which were qualifying distributions. (This rule also applies where an amount previously set aside and treated as a qualifying distribution at that time is no longer needed for the purpose for which it was set aside.)

The conference substitute (sec. 101(b) of the substitute and sec. 4942(f) of the code) follows the Senate amendment.

The House bill provides that where a private foundation spends more than the minimum required distributable amount in a given year, the excess expenditures over this amount are to be treated as qualifying expenditures in the next 5 years. The Senate amendment makes it clear that the distributions in years before the first taxable year beginning after December 31, 1969, are not to be taken into account for purposes of applying this 5-year carryover rule.

The conference substitute (sec. 101(b) of the substitute and sec. 4942(i) of the code) follows the Senate amendment.

The Senate amendment provides that where written commitments have been made before October 9, 1969, by one private foundation to another private foundation, the grants made by December 31, 1974, under such commitments are to be treated as qualifying distributions if the foundation to which the distributions are made is not controlled by the granting foundation. For the grant to be so treated, however, it must be made for the charitable, educational, or other purpose consistent with the basis for the organization's exemption.

The conference substitute (sec. 101(l)(3) of the substitute) follows the Senate amendment but provides that the written commitment must have been made before May 27, 1969.

The Senate amendment provides that if a corporation redeems existing excess business holdings of a private foundation, such a redemption is not to be treated as essentially the equivalent of a dividend for purposes of determining the foundation's income that must be distributed.

The conference substitute (sec. 101(l)(3) of the substitute) follows the Senate amendment.

4. *Taxes on excess business holdings (sec. 4943 of the code)*

The House bill as a general rule limits to 20 percent the combined ownership of a corporation's voting stock which may be held by a foundation and all disqualified persons together. However, if someone else can be shown to have control of the business, the 20-percent limit is raised to 35 percent. Excess holdings acquired by gift or bequest in the future under the House bill generally must be disposed of within 5 years.

The House bill provides that the 20-percent limit referred to above (or the 35-percent limit if applicable) needs to be met with respect to existing holdings only after the lapse of a 10-year period. The House bill also provides certain interim requirements of progressive partial divestiture at the end of 2 years and at the end of 5 years.

The Senate amendment provides that in the case of present holdings the combined holdings of a private foundation and all disqualified persons in any one business (if at present in excess of 50 percent) must generally be reduced to 50 percent by the end of the 10 years after the date of enactment of the bill. However, where the combined holdings now exceed 75 percent, an additional 5 years is allowed before the 50-percent limit must be reached. Present holdings in excess of 20 percent but less than 50 percent need not be decreased but also may not be increased.

The conference substitute (sec. 101(b) of the substitute and sec. 4943(c)(4) of the code) provides that where existing holdings are in excess of 50 percent but are not in excess of 75 percent, a 10-year period is to be available before the holdings must be reduced to 50 percent. If the holdings are more than 75 percent but not over 95 percent, the reduction to 50 percent need not occur for a 15-year period. If the foundation itself holds more than 95 percent of a corporation's stock, the reduction to 50 percent need not occur until the lapse of a 20-year period. The excess time provided above the 10 years in the second case is not to be available if a disqualified person having 15 percent or more of the stock of the corporation objects to this additional time for disposition of the excess holdings.

If at the end of the 10, 15, or 20-year period referred to above, the foundation and all disqualified persons together have holdings not in excess of 50 percent and the foundation has holdings of not more than 25 percent, then no further divestiture is required in order for the taxes on excess holdings not to apply. If the disqualified persons together hold no more than 2 percent of the stock, then the foundation is not subject to the 25-percent limit of the preceding sentence (however, the 50-percent total still applies to the combined holdings at the end of this first period); then the foundation is to have 15 additional years to bring its holdings of the stock in question down to 35 percent without imposition of any tax under this provision.

The House bill and the Senate amendment both permit fair price sales by a private foundation to disqualified persons in the case of existing excess business holdings without tax consequences.

Under the Senate amendment fair market value exchanges and other dispositions are also permitted under the same conditions as in the case of sales.

The conference substitute (sec. 101(l)(2) of the substitute) follows the Senate amendment.

5. *Taxes on investments which jeopardize charitable purpose (sec. 4944 of the code)*

At present a private foundation loses its tax exemption if its accumulated income is invested in such a manner as to jeopardize the carrying out of its charitable purposes. The House bill and the Senate amendment provide that unless this test is met with respect to all of its assets (not merely its accumulated income), a foundation will be subject to a special tax.

The House bill provides that where a foundation invests in a manner which would jeopardize the carrying out of its charitable purposes a tax is to be imposed equal to 100 percent of the investment.

The Senate amendment provides an initial tax on private foundations of 5 percent of the amount involved, and an initial tax on the foundation manager, where he knowingly jeopardizes the carrying out of the foundation's exempt purposes, of 5 percent (up to a maximum of $5,000 on the manager). The Senate amendment also modifies the second level tax where the jeopardy situation is not corrected by providing a 25-percent tax on the foundation and a 5-percent tax on the foundation manager who refuses to take action to correct the situation. (In the case of the foundation manager, this sanction may not exceed $10,000.)

The conference substitute (sec. 101(b) of the substitute and sec. 4944 of the code) follows the Senate amendment.

6. *Taxes on taxable expenditures (sec. 4945 of the code)*

Among the activities which under the House bill give rise to taxable expenditures are those to influence the outcome of any public election.

The Senate amendment modifies this to prohibit expenditures for the purpose of influencing the outcome of any specific public election.

The conference substitute (sec. 101(b) of the substitute and sec. 4945(d) of the code) follows the Senate amendment.

Both the House bill and the Senate amendment provide for taxes on expenditures where the private foundations spend money on activities generally referred to as lobbying expenditures. The House bill prohibits expenditures on attempts to influence legislation through attempts to affect the opinion of the general public.

The Senate amendment taxes expenditures where attempts are made to influence legislation by attempting to cause members of the general public to propose, support, or oppose legislation.

The conference substitute (sec. 101(b) of the substitute and sec. 4945(e) of the code) follows the House provision except that the managers on the part of the House desire to make it clear that in retaining this language it is not intended to prevent the examination of broad social, economic, and similar problems of the type the Government could be expected to deal with ultimately, even though this would not permit lobbying on matters which have been proposed for legislative action. In addition, the conferees are in accord with the Senate Finance Committee's report language regarding the application of this provision to noncommercial educational broadcasting.

The House bill attempts to influence legislation through private communications with persons who participate in the formation of legislation other than through making available the results of nonpartisan analysis or research (except that private foundations could communicate with respect to their own tax-exempt status, etc.)

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The Senate amendment would tax attempts to influence legislation through communications with Government personnel who may participate in the formation of legislation except in the case of technical advice or assistance provided to a governmental body in response to a written request by such body or person. In addition, an exception is provided where the activity consists of making available nonpartisan analysis, study, or research and an exception is also provided for communications with respect to the tax-exempt status, etc., of the foundation itself.

The House bill provides that where a foundation invests in a 4945(e) of the code) follows the Senate amendment except that in the case of technical advice or assistance provided to a governmental body in response to a written request by such body or member of such body, the substitute limits the request which can be made of this type to requests by the body itself or a subdivision such as a committee of such body and provides that the response can be given only to such body or subdivision.

The House bill provides for the imposition of taxes on expenditures for grants to organizations other than public charities unless the granting organization becomes responsible for how the money is spent and for providing information to the Secretary or his delegate regarding the expenditures.

Under the Senate amendment this expenditure responsibility does not make the granting foundation an insurer of the activity of the organization to which it takes a grant, if it uses reasonable efforts and establishes adequate procedures so that the funds will be used for public charitable purposes. In effect, this provides a "prudent man" standard in such cases and would permit, for example, without imposition of tax, situations where an organization to whom the grant is made supplies a certified audit as to the purpose of the expenditures.

The conference substitute (sec. 101(b) of the substitute and sec. 4905(h) of the code) follows the Senate amendment.

The House bill provides that voter registration drives are to be permitted where: (1) the organization's principal activity is nonpartisan political activity; (2) the organization's nonpartisan political activities are carried on in five or more States; (3) substantially all of the support (other than gross investment income) normally comes from five or more independent exempt organizations or from the general public; and (4) no more than 25 percent of the support (other than gross investment income) may normally come from any one exempt organization.

The Senate amendment provides that voter registration drives are to be permitted where: (1) the organization's activities are nonpartisan; (2) the organization's activities are carried on in more than one State; (3) substantially all of the support (other than gross investment income) normally comes from three or more independent exempt organizations, government, or the general public; (4) no more than 40 percent of the support (other than gross investment income) may come from any one exempt organization in 5 consecutive years; and (5) voter registration drive contributions may not be subject to the condition that they be used in only one specific election period.

The conference substitute (sec. 101(b) of the substitute and sec. 4945(f) of the code) provides that voter registration drives are to be permitted where: (1) the organization's principal activities are nonpartisan; (2) the organization's activities are carried on in five or more States; (3) not over 50 percent of the organization's support is derived from gross investment income; (4) no more than 25 percent of the support (other than gross investment income) may come from any one exempt organization in 5 consecutive years; and (5) voter registration drive contributions may not be subject to the condition that they may be used in only one specific election period.

Under the House bill there is one level of taxation in the case of expenditures for activities representing taxable expenditures. A tax equal to 100 percent of the amount improperly spent is provided plus a tax on the foundation manager who knowingly makes the improper expenditure of 50 percent of that amount.

The Senate substitute provides an initial tax of 10 percent of the amount improperly spent (plus a tax of 2½ percent up to a maximum of $5,000 on the foundation manager who knowingly makes the improper expenditure). The second tax (100 percent) is to apply later only if the foundation fails to correct the earlier improper action to the extent possible. In addition, the second level (50 percent) tax on the manager (up to a maximum of $10,000) is to apply later only if he refuses to agree to the correction.

The conference substitute (sec. 101(b) of the substitute and secs. 4945(a), (b), and (c) of the code) follows the Senate amendment except that if full recovery of the expenditure is not possible, than (in order to avoid the second-level tax) the foundation must take such additional corrective action as may be prescribed by regulations.

7. *Disclosure and publicity requirements (secs. 6033, 6034, 6056, 6104, 6652, 6685, and 7207 of the code)*

The House bill provides that every exempt organization (whether or not a private foundation) must file an annual information return, except where the Secretary or his delegate determines that this is unnecessary for efficient tax administration.

The Senate amendment provides two exceptions from this provision. First it exempts churches and their integrated auxiliary organizations and associations or conventions of churches from the requirement of filing this annual information return (where the church or its auxiliary organization, etc., is engaged in an unrelated trade or business, however, it would still be required to file an unrelated business income tax return). The integrated auxiliary organizations to which this applies include the church's religious school, youth group, and men's and women's clubs.

The Senate amendment also exempts from the requirement for filing the annual information return any organization that normally has gross receipts of $5,000 or less where the organization is of a type not required to file an information return under present law. (As under the House bill, in addition to these two exempt categories the Secretary or his delegate can exempt other types of organizations from the filing requirement if he concludes that the information is not of significant value.)

The conference substitute (sec. 101(d) of the substitute and sec. 6033(a) of the code) follows the Senate amendment except that it also exempts from the filing requirement any religious order with respect to its exclusively religious activities (but not including any educational, charitable, or other exempt activities which would serve as a basis of exemption under section 501(c)(3) if an organization which is not a religious organization is required to report with respect to such activities).

The House bill requires that there be shown on each information return the names and addresses of all substantial contributors, directors, trustees, and other management officials, and of highly compensated employees. Compensation and other payments to managers and highly compensated employees also must be shown.

The Senate amendment differs from the House bill provision only in that it does not require the names and addresses of substantial contributors to be disclosed to the public in the case of exempt organizations other than private foundations. (Such organizations would, however, still be required to disclose these names to the Internal Revenue Service.)

The conference substitute (sec. 101(e) of the substitute and sec. 6104(b) of the code) follows the Senate amendment.

The Senate amendment provides that private foundations with at least $5,000 of assets at any time during the year are required to file an annual report providing information in addition to that previously described. The principal additional information consists of lists of assets showing book and market values, lists of grants (including amounts and purposes thereof), and grantees' names, as well as other information. In addition to this information being filed with the Service, a copy of this annual report must be made available to any citizen at the foundation's office for at least 180 days and the foundation must publicize its availability.

The conference substitute (secs. 101(d) and (e) of the substitute and secs. 6056, 6104, 6652, 6685, and 7207 of the code) follows the Senate amendment.

8. *Termination of private foundation status and certain other rules with respect to sec. 501(c)(3) organizations (secs. 507 and 508 of the code)*

The House bill provides that an organization which was a private foundation for its last taxable year ending before May 27, 1969, or becomes one subsequently may not change its status unless it repays to the Government the aggregate tax benefits (with interest) which have resulted from its tax-exempt status. (This tax may be abated, however, as described below.) The tax benefits to be repaid in these cases are the net increases in income, estate, and gift taxes which would have been imposed upon the organization and all substantial contributors if the organization had been liable for income taxes and if its contributors had not received deductions for contributions to the organization.

If a private foundation is required to pay this tax or volunteers to pay this tax in order to change its status, the Secretary or his delegate may then abate any part of the tax which has not been paid if the foundation (1) distributes all of its assets to organizations which had been public charities for 5 years or (2) itself operates for at least 5 years as a section 501(c)(3) organization which is not a private foundation.

The Senate amendment modifies this provision in several respects: (1) it provides that an existing private foundation need not go through the "change of status" process if it becomes a public charity by the end of its first taxable year beginning after December 31, 1969; (2) if the foundation intends to change its status by acting as a public charity for 5 years it must notify the Secretary or his delegate in advance of its intention to do so as well as demonstrate at the end of the period that it has fully lived up to the appropriate requirements; (3) where the private foundation volunteers to change its status by acting in all respects as a public charity for at least 5 years, the foundation is to be classified as a public charity during the 5-year period (should the organization fail to act as a public charity during that period it would lose its status as of that date as a public charity but it would still be subject to the "change of status" rules during this period); (4) the tax on the change of status may be abated if the Secretary or his delegate is satisfied that corrective action to preserve the foundation's assets for charity has been taken by the State attorney general or other appropriate State official under the supervision of the appropriate courts.

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The conference substitute (sec. 101(a) of the substitute and sec. 507 of the code) follows the Senate amendment.

The House bill provides that new exempt organizations (those coming into existence after May 26, 1969) must notify the Secretary or his delegate if they claim exempt status under section 501(c)(3). It also requires that they and existing organizations notify the Secretary or his delegate if they claim to be other than private foundations. In addition, the House bill provides that the Treasury Department may exempt from either or both of these notification requirements the following: churches (or conventions and associations of churches), schools and colleges, and any other class of organization where the Treasury determines that full compliance is not necessary for efficient administration.

The Senate amendment modifies the House bill in several respects. It provides that the organizations which must notify the Service as to their exempt status are those coming into existence after October 9, 1969, rather than after May 26, 1969; it provides that churches, their integrated auxiliaries and conventions or associations of churches are not in any event to be required to claim exempt status in order to be exempt from tax, nor are they to be required to file with the Secretary or his delegate in order to avoid classification as private foundations; and it excludes from these notice rules those educational or public charitable organizations whose gross receipts normally are $5,000 or less. In addition, the Senate amendment requires special information returns to be filed by exempt organizations upon their liquidation, dissolution, or substantial contraction.

The conference substitute (sec. 101(a) of the substitute and sec. 508 of the code) follows the Senate amendment.

9. Private foundation defined (*sec. 509 of the code*)

The House bill in general defines private foundations as organizations described in section 501(c)(3) of the code other than:

(1) Organizations contributions to which may be deducted to the extent of 30 percent (or 50 percent under the bill) of an individual's income:

(2) Broadly publicly supported organizations; and

(3) Organizations organized and operated exclusively for the benefit of one or more of the types of organizations described in (1) or (2) above which are controlled by one or more of these organizations or are operated in connection with one of them and are not controlled by disqualified persons; and

(4) Organizations organized and operated exclusively for testing for public safety.

The Senate amendment in general provides that an organization which would meet all of the tests of the third category described above except that it is operated in connection with more than one organization, nevertheless may qualify where all of the organizations it operates in connection with are educational organizations.

The conference substitute (sec. 101(a) of the substitute and sec. 509(a) of the code) follows the Senate amendment except that it provides that an organization which meets all of the tests of the third category described above except that it is operated in connection with two or more specific organizations may qualify where all of the specific organizations are the type of organizations described in (1) or (2) above.

The Senate amendment also provides that a foundation which is run in conjunction with an organization exempt under paragraphs (4), (5), or (6) of section 501(c) (such as a social welfare, labor, or agricultural organization, business league, or real estate board, etc.) which is publicly supported is to be treated as meeting the publicly supported tests for purposes of being a public charity rather than a private foundation.

The conference substitute (sec. 101(a) of the substitute and sec. 509(a) of the code) follows the Senate amendment.

10. Private operating foundation defined (*sec. 4942(j) of the code*)

The House bill provides that an operating foundation is a private foundation substantially all of whose income is spent directly for the active conduct of its activities representing the purpose or function for which it is organized and operated. The foundation must also meet one of two other tests. The first of these alternative tests requires that substantially more than half of the assets of the foundation must be devoted directly to the activities for which it is organized or to functionally related businesses. The second alternative covers cases where the organization normally receives substantially all of its support (other than gross investment income) from five or more exempt organizations or private individuals. In this case not more than 25 percent of the foundation's support (other than gross investment) may be received from any of these exempt organizations.

Under the Senate amendment, in addition to the categories that meet the private operating foundation definition under the House bill, another category also qualifies. The new category is a private foundation substantially all of whose income is spent directly for the active conduct of its activities representing the purpose or function for which it is organized and operated and where the organization's endowment based upon a rate of return of 80 percent of the minimum investment rate (for purposes of minimum distribution requirement) is no more than adequate to meet its current operating expenses.

The conference substitute (sec. 101(b) of the substitute and sec. 4942(j)(3) of the code) follows the Senate amendment but modifies the rate of return referred to above to 66⅔ percent.

11. Hospitals (*sec. 501 of the code*)

The House bill provides that hospitals, if they meet all the other requirements of section 501(c)(3), are exempt under that provision, whether or not they provide charitable services on a no-cost or low-cost basis. The Senate amendment strikes out these provisions.

The conference substitute (sec. 101(j) of the substitute and sec. 501(c)(3) of the code) follows the Senate amendment.

SUBTITLE B—OTHER TAX-EXEMPT ORGANIZATIONS

1. Unrelated debt-financed income (*sec. 514 of the code*)

The House bill provides that all exempt organizations' income from "debt-financed" property which is unrelated to their charitable function is to be subject to tax in the proportion in which the property is financed by the debt. Capital gains on the sale of debt-financed property also are taxed. Exceptions are made for property to be used for an exempt purpose of the organization within a reasonable time and also for property acquired by gift or inheritance under certain conditions. Special exceptions are also provided for the sale of annuities and for debts insured by the Federal Housing Administration to finance low- and moderate-income housing.

The Senate amendment makes minor or technical modifications in the House bill.

The conference substitute (sec. 121(d) of the substitute and sec. 514 of the code) in general follows the Senate amendment.

2. Tax on unrelated business income (*secs. 511 and 512 of the code*)

The House bill extends the unrelated business income tax to all exempt organizations (except U.S. instrumentalities). The bill contains several administrative provisions including one providing that no audit of a church, its integrated auxiliaries or convention or association of churches is to be made unless the principal internal revenue officer for the region believes the church may be engaged in a taxable activity. Churches will not be subject to tax under this provision for 6 years on businesses they now own.

The Senate amendment among other technical provisions provides that the unrelated business income tax is not to apply to a religious order or to an educational institution maintained by such religious orders or by a State that has held unrelated businesses which provide services under licenses issued by a Federal regulatory agency for 10 years or more, if the unrelated business distributes not less than 90 percent of its earnings each year and it is established to the satisfaction of the Secretary or his delegate that rates and other charges for services charged by such a business are fully competitive with, and do not exploit, similar businesses operated in the same general area.

The conference substitute (sec. 121(b)(2)(C) of the substitute and secs. 511 and 512 of the code) follows the Senate amendment except that it does not extend this provision to educational institutions maintained by a State.

The fact that an unrelated business income tax is payable by an organization is not intended to mean that the organization should, or should not, retain its exemption. This is to be determined on the basis of the organization's overall activities without regard to the fact that some of its activities are subject to the unrelated business income tax.

3. Taxation of investment income of social, fraternal and similar organizations (*sec. 512 of the code*)

The House bill provides for the taxation (at regular corporate rates) of the investment income of social clubs, fraternal beneficiary associations and employee beneficiary associations. In the case of the income of fraternal beneficiary associations and employees beneficiary associations this tax does not apply, however, to the extent the income is set aside to be used only for the exempt insurance function of these organizations or for charitable purposes. In any year such an amount is taken out of the set-aside and used for any other purpose, however, this amount becomes subject to tax at that time.

The Senate amendment modifies the House bill by excluding fraternal beneficial associations from the tax on investment income. It also provides a new category of exemption for fraternal beneficiary associations where the fraternal activities are largely religious, charitable, or educational in nature but where no insurance is provided for the members.

The conference substitute (sec. 121(b) of the substitute and sec. 512 of the code) follows the Senate amendment.

The Senate amendment extends the exemption from the investment income tax available in the House bill for fraternal beneficiary associations and employees beneficiary associations in the case of amounts set aside for charitable purposes to social clubs. The Senate amendment also provides that the tax on investment income is not to apply to the gain from the sale of assets used by the organizations in the performance of their exempt functions to the extent that the proceeds are reinvested in assets used for such exempt functions beginning 1 year before the date of the sale and ending 3 years after that date.

The conference substitute (sec. 121(b) of the substitute and sec. 512 of the code) follows the Senate amendment.

4. Interest, rent and royalties from controlled corporations (*sec. 512 of the code*)

The House bill provides that where a tax-exempt organization owns more than 80 percent of a taxable subsidiary, interest, annuities, royalties, and rents received by it are to be treated as "unrelated business income" and subject to tax. The deductions connected with the production of this income are allowed.

The Senate amendment makes minor and technical modifications in the House bill.

The conference substitute (sec. 121(b) of the substitute and sec. 512 of the code) generally follows the Senate amendment with minor modifications.

5. *Limitation on deductions of nonexempt membership organizations* (*sec. 277 of the code*)

The House bill provides that in the case of a taxable membership organization, the deductions for expenses incurred in supplying services, facilities, or goods to the members is to be allowed only to the extent of the income received from these members.

The Senate amendment modifies this provision to exclude from its application organizations which receive prepaid dues income as consideration for services and also securities and commodity exchanges organized on a membership basis. The Senate amendment also provides a carryover to succeeding years of the cost of furnishing services, facilities or goods to members where this exceeds the income from members. It also treats as income received from members income received from institutes and trade shows. The Senate Amendment further postpones the effective date of this provision until 1971.

The conference substitute (sec. 121(b) of the substitute and sec. 277 of the code) follows the Senate amendment except that, in the case of institutes and trade shows it limits the treatment described above to most institutes and trade shows which are primarily for the education of members.

6. *Income from advertising, etc., activities* (*sec. 513 of the code*)

The House bill provides that the term "trade or business" for purposes of the tax on unrelated business income includes any activity which is carried on for the production of income from the sale of goods or the performance of services. It further indicates that for this purpose the activity does not lose its identity as a trade or business merely because it is carried on within a larger aggregate of similar businesses which may, or may not, be related to the exempt purposes of the organization.

The Senate amendment provides that the provision should apply only in the case of advertising in the case of a sale by a hospital pharmacy of drugs to persons other than hospital patients and to the operation of a racetrack by an exempt organization.

The conference substitute (sec. 121(c) of the substitute and sec. 513—of the code) follows the House bill except that it provides that where an activity carried on for profit constitutes an unrelated trade or business no part of it is to be excluded from such classification merely because it does not result in profit.

TITLE II—INDIVIDUAL DEDUCTIONS

SUBTITLE A—CHARITABLE CONTRIBUTIONS

1. *50-percent charitable contribution deductions* (*sec. 170(b) of the code*)

The House bill generally increases the limitation on the charitable contribution deduction for individual taxpayers from 30 percent of adjusted gross income to 50 percent. However, the 50-percent limit is not available with respect to property in which there is unrealized appreciation in value.

The Senate amendment provides that the taxpayer's cost or other basis for property contributed to public charities is to be eligible for the 50 percent limitation and that only the appreciation element in the donated property is to come under the 30 percent limitation.

The conference substitute (sec. 201(a) of the substitute and sec. 170(b) of the code) follows the House bill except that it provides that where a taxpayer makes a contribution to a public charity of property which has appreciated in value the taxpayer may deduct such contributions of property under the 50 percent limitation if he elects to take the unrealized appreciation in value into account for tax purposes.

Under the House bill contributions to private foundations are subject to the 20-percent charitable contribution limitation.

Under the Senate amendment contributions to a private operating foundation, and contributions to a private nonoperating foundation which distributes the contributions it receives to public charities or to private operating foundations within 1 year following the year of receipt qualify for the 50 percent limitation (30 percent in the case of gifts of appreciated property).

The conference substitute (sec. 201(a) of the substitute and section 170(b) of the code) follows the Senate amendment except that it provides that in the case of contributions to private nonoperating foundations, the contribution such foundations receive must be distributed to public charities or private operating foundations within 2½ months following the year of receipt if the 50 percent limitation (or the 30 percent limitation as the case may be) is to apply.

2. *Repeal of the unlimited charitable deduction* (*secs. 170(b)(1)(C), (f)(6), and (g) of the code*)

The House bill eliminates the unlimited charitable contribution deduction for years beginning after 1974. During the interim period an increasing limitation is placed on the amount by which the deduction may reduce an individual's taxable income. For taxable years beginning in 1970, the total charitable deduction (for those qualifying under this provision is not to be allowed to reduce the individual's taxable income to less than 20 percent of his adjusted gross income. This percentage is increased by 6 percentage points a year for the years 1971 through 1974. Corresponding downward adjustments are made in the percentage of a taxpayer's income which must be given to charity (or paid in income taxes) in 8 out of the 10 preceding taxable years in order to qualify for the extra charitable deduction during the interim period.

The Senate amendment modifies the House bill to provide that two rules are not to apply in the case of a person qualifying for the extra charitable contribution deduction: (1) the 30-percent limit on gifts of appreciated property and (2) the appreciated property rule which takes the appreciation into account for tax purposes in the case of gifts of property which would give rise to a long-term capital gain is sold.

The conference substitute (sec. 201(a) of the substitute and secs. 170(b)(1)(C), (f)(6), and (g) of the code) follows the Senate amendment.

3. *Charitable contributions of appreciated property* (*sec. 170(e) of the code*)

The House bill in the case of charitable contributions of appreciated property takes this appreciation into account for tax purposes in five types of situations. These are as follows:

(1) Appreciation is taken into account in the case of gifts to a private foundation other than an operating foundation and other than a private foundation which within 1 year distributes an amount equivalent to the total amount of gifts of appreciated property;

(2) Appreciation is taken into account in the case of property (such as inventory or works of art created by the donor) which would give rise to ordinary income if sold;

(3) Appreciation is taken into account in the case of gifts of tangible personal property (such as paintings, art objects, and books not produced by the donor) which would result in capital gain if the property were sold.

(4) Appreciation is taken into account in the case of gifts of future interests in property (such as a remainder interest in trust) which would result in capital gain if the property were sold.

(5) The cost or other basis of property in the case of a so-called bargain sale to charity is allocated between the portion of the property which is "sold" to the charity and the portion which is "given" to the charity on the basis of the fair market value of each portion.

The Senate amendment deleted categories (3), (4), and (5) listed above.

The conference substitute (sec. 201(a) of the substitute and sec. 170(e) of the code) follows the House bill except that in the case of category (3), listed above, it does not take appreciation in value into account in the case of gifts of tangible personal property (which would result in capital gain if the property were sold) where the use of the property is related to the exempt function of the donee. In addition, the conference substitute does not take appreciation into account in the case of category (4) referred to above relating to gifts of future interests in property.

The House bill provides that the amendments relating to charitable contributions generally apply to contributions paid after December 31, 1969.

The Senate amendment modifies this effective date to provide that in the case of a gift of a letter or memorandum or similar property, the charitable contribution amendments are to apply to contributions paid after December 31, 1968.

The conference substitute (sec. 201(g)(1)(B) of the substitute) follows the Senate amendment except that it changes the date to July 25, 1969.

4. *Two-year charitable trust* (*sec. 673(b) of the code*)

No substantive change is made by the Senate amendment in the House bill.

5. *Gifts of the use of property* (*sec. 170(f)(3) of the code*)

The House bill provides that a charitable deduction is not to be allowed for contributions to charity of less than the taxpayer's entire interest in property.

The Senate amendment modifies the House bill by providing that:

(1) A deduction is to be allowed for contributions of a remainder interest in real property;

(2) A charitable deduction is to be allowed where an outright gift is made of an undivided interest in property;

(3) The amendments are to apply to gifts made after October 9, 1969 (the House bill applies to gifts made after April 22, 1969).

The conference substitute (sec. 201(a) of the substitute and sec. 170(f)(3) of the code) follows the Senate amendment except that in the case of the first modification referred to above the charitable deduction is allowed only for contributions of remainder interests in real property consisting of personal residences or farms.

The conferees on the part of both Houses intend that a gift of an open space easement in gross is to be considered a gift of an undivided interest in property where the easement is in perpetuity.

6. *Charitable contribution by estates and trusts* (*sec. 642(c) of the code*)

The House bill denies nonexempt trusts a deduction for the amount of their current income set aside for charity. The House bill also denies this deduction to estates.

The Senate amendment makes the following modifications in the House provision:

(1) In the case of estates it restores the set aside deduction;

(2) It restores the set aside deduction in the case of pooled income funds under which a person transfers property to a public charity which places the property in an investment pool and then pays the donor (or perhaps another person) the income attributable to the property for his life. The set-aside deduction is restored in this case to the extent the pool accumulates capital gains for the benefit of charity. The set aside deduction also is restored in the case of certain trusts in existence on October 9, 1969, and trusts established by wills in existence on October 9, 1969, in specified circumstances.

The conference substitute (sec. 201(b) of the substitute and sec. 642(c) of the code) follows the Senate amendment.

7. Charitable remainder trusts (secs. 170(f), 664, 2055(e), 2106(a), 2522(c) of the code)

The House bill limits the availability of the charitable contribution deduction for income, estate, and gift tax purposes in the case of a charitable gift of a remainder interest in trusts to situations where the trust specifies the annual amount which is to be paid to the noncharitable income beneficiary in dollar terms (annuity trust) or as a fixed percentage of the value of the trust's assets as determined each year (unitrust).

The Senate amendment retains the treatment described above with the following modifications:

(1) When a person transfers property to a charity which places the property in a pooled income fund, a charitable contribution deduction is to be allowed to the donor determined by reference to the highest rate of return from the particular pool or fund in which the investment is placed during the 3 years prior to the contribution.

(2) In the case of a gift of a remainder interest in real property to charity it is provided that in determining the value of the gift straight line depreciation or cost depletion is to be taken into account.

(3) The unitrust and annuity trust rules of the House bill are modified by providing that the trust instrument need not require the full distribution of the stated amount to the income beneficiary so long as the distribution of the full current income (other than capital gains) is required. In addition, an annuity trust or unitrust must be required to distribute each year 5 percent of the value of its assets or the amount of trust income if lower. The value of a charitable remainder in an annuity trust or unitrust is to be determined on the basis of the higher of a 5-percent payout to the income beneficiary or the amount of the stated payout.

(4) Although the new charity remainder trust rules generally apply for estate tax purposes in the case of decedents dying after December 31, 1969, it is provided that the new rules are to be inapplicable with respect to wills in existence on October 9, 1969, under specified circumstances and also in the case of certain transfers in trusts prior to October 10, 1969.

(5) The new charitable remainder trust rules apply for income and gift tax purposes in the case of transfers in trusts and gifts made after October 9, 1969 (under the House bill this date is April 22, 1969).

The conference substitute (secs. 201(a) (d), and (e) of the substitute and secs. 170 (f), 664, 2055(e), 2106(a), and 2522(c) of the code) follows the Senate amendment with the following modifications:

(1) No. 2 above is modified to provide that given today's money rates and investment returns, the value of the charitable gift is to be computed on the basis of a 6-percent discount rate, except that the Secretary or his delegate may vary this amount as money rates and investment returns change.

(2) No. 3, above is modified to make the provision that the trust may distribute the lesser of the stated payout or the trust income inapplicable to annuity trusts and to provide that in the case of unitrusts this flexibility of payment may not be discretionary with the trustee.

(3) The new rules are made applicable for income and gift tax purposes in the case of transfers in trusts and gifts after July 31, 1969.

8. Charitable income trust with noncharitable. remainders (secs. 170(f), 2055(e), 2106 (e), 2106(a), and 2522(c) of the code)

The House bill generally provides that a charitable contribution deduction for income and gift tax purposes is not to be allowed where a person gives an income interest to charity in trust unless he is taxable on the trust income. Even in this case the charitable deduction is not to be allowed unless the charity income interest is in the form of a guaranteed annuity or is a fixed percentage (payable annually) of the value of the trust property (as determined each year). In addition, a charitable deduction for estate tax purposes is denied for gifts of income interest in trust.

The Senate amendment provides that the rules described above (other than the requirement that the gift take the form of a guaranteed annuity or fixed percentage payout) are to be inapplicable for gift and estate tax purposes. In addition, the Senate amendment provides that this provision is to apply for income and gift tax purposes with respect to transfers of property to a trust after October 9, 1969 (under the House bill this date is April 22, 1969).

The conference substitute (secs. 201 (a) and (d) of the substitute and secs. 170(f), 2055(e), 2106(a), 2522(c) of the code) follows the Senate amendment except that the October 9, 1969 date is changed to July 31, 1969.

9. Limitation on nonexempt trusts (secs. 508 and 4947 of the code)

The House bill generally imposes on nonexempt charitable trusts the same requirements and restrictions which are made applicable to private foundations (i.e., those provisions relating to self-dealing, retention of excess business holdings, and the making of speculative investments or taxable expenditures, but not the current income payout requirement except where all of the interests in the trust are charitable).

The House bill also provides that a charitable contribution deduction (for income, gift and estate tax purposes) for a contribution to charity in trust would not be allowed unless the trust instrument prevents the trust from violating these requirements or restrictions.

The Senate amendments make the following modifications in the House provision:

(1) The stock ownership and speculative investment requirements are not to apply to split-interest trusts (i.e., trusts having a noncharitable income beneficiary and a charitable remainder beneficiary or vice versa) (A) in cases where charity is only an income beneficiary and the beneficial interest of charity in the trust is less than 60 percent of the value of the trust property and (B) in cases where the only interest of charity in the trust is as a remainderman (in the latter case the stock ownership and speculative investment requirements are to become applicable at the time the remainder interest comes into possession).

(2) In the case of a trust created before January 1, 1970, the requirement that the governing instruments of the trust must be conformed in order for a charitable contribution deduction to be available is to apply in the case of contributions in years beginning after 1971 (under the House bill these changes would apply to contributions in years beginning after 1969).

The conference substitute (sec. 101 of the substitute and secs. 508 under 4947 of the code) follows the Senate amendment.

SUBTITLE B—FARM LOSSES, ETC.

1. Gain from disposition of property used in farming where farm losses offset nonfarm income (sec. 1251 of the code)

The House bill in effect converts capital gains into ordinary income to the extent a taxpayer's farm losses (above limitations) have been offset against nonfarm income. Under the House bill a taxpayer is required to maintain an "excess deductions account" to record his farm losses. In the case of individuals, farm losses would be added to EDA only if the taxpayer has more than $50,000 of nonfarm income for the year and only to the extent the farm losses for the year exceed $25,000. Limitations are placed on the extent to which farm losses would be recaptured on the sale of farm land with reference to amounts spent for soil and water conservation and land clearing. To the extent of the gain on farm property which would be treated under these rules as ordinary income, there would be a reduction in the taxpayer's excess deduction account. The limitations described above do not apply where the taxpayer follows generally applicable (accrual) accounting rules.

The Senate amendment contained a substitute for the House provision which, in general, provided that farm losses may be offset against nonfarm income only to the extent of 50 percent of the farm losses. The remaining half of the farm deductions may be taken in subsequent years to the extent that ordinary farm income exceeds farm deductions. In the case of all taxpayers, the deduction of farm losses against nonfarm income is limited in the manner described above only if the taxpayer has more than $50,000 of nonfarm income and, in addition, only to the extent the farm loss for the year exceeds $25,000.

The conference substitute (sec. 211 of the substitute and sec. 1251 of the code) follows the House bill except that it makes the dollar limitations described above also applicable to subchapter S corporations in cases where none of the shareholders of the corporation who are individuals have farm losses.

2. Depreciation recapture (sec. 1245(a) of the code)

The Senate amendment makes no substantive change in the House bill.

3. Holding period for livestock (sec. 1231(b) of the code)

The House bill provides that livestock, in order to be eligible for capital gains treatment upon sale (in the case of animals held for draft, dairy, breeding or sporting purposes) must have been held by the taxpayer for at least a year after the animal would have normally been used for draft, dairy, breeding or sporting purposes.

The Senate amendment provides that in order for any gain on the sale of horses or cattle to result in capital gain where the animals are held for draft, dairy, breeding, or sporting purposes, the horses or cattle must have been held for at least 2 years. The gain on the sale of other types of livestock held for one of these purposes would continue to be subject to the 1-year holding period presently in existing law.

The conference susbtitute (sec. 212(b) of the substitute and sec. 1231(b) of the code) follows the Senate amendment.

4. Exchange of livestock of different sexes (sec. 1031 of the code)

The House bill contains no comparable provision.

The Senate amendment provides that for purposes of applying the tax-free like kind exchange rules of present law, livestock of different sexes are not property of a like kind.

The conference substitute (sec. 212(c) of the substitute and sec. 1031 of the code) follows the Senate amendment.

5. Hobby losses (secs. 183 and 270 of the code)

The House bill replaces the present hobby loss provision with a rule which disallows the deduction of losses from an activity carried on by the taxpayer where the activity is not carried on with "a reasonable expectation of profit." An activity would be presumed to have been carried on without this expectation of profit where the losses from the activity were greater than $25,000 in 3 out of 5 years.

The Senate amendment makes a series of modifications in this provision:

(1) In lieu of the test of a "reasonable expectation of profit" the Senate amendment substitutes the test of "not engaged in for profit."

(2) The Senate amendment restricts the applicability of the hobby loss provision to individual taxpayers and subchapter S corporations.

(3) The Senate amendment provides that deductions will not be disallowed under this provision for items which presently may be deducted without regard to whether the taxpayer incurs them in a trade or business or for the production of income (for example, the capital gains deduction and the deduction for certain State and local taxes).

(4) The Senate amendment allows deductions in the case of an activity not engaged in for profit to the extent income is earned from such an activity.

(5) In lieu of the presumption in the House provision to the effect that the activity constitutes a hobby where there are losses of $25,000 or more in 3 out of 5 years, the Senate amendment substitutes a presumption that the taxpayer is not engaged in carrying on the activity as a hobby if he has profits in 2 out of 5 years (or in the case of an activity which in major part consists of the breeding, training, showing, or racing of horses if he has profits in 2 out of 7 years).

The conference substitute (sec. 213 of the substitute and sec. 183 of the code) follows the Senate amendment except for the effective date relating to the presumption described in No. 5 above.

6. Gain from the disposition of farm land (sec. 1252 of the code)

There is no comparable provision in the House bill.

The Senate amendment provides for the recapture of soil and water conservation expenditures and land clearing expenditures made with respect to farm land where the land is disposed of within 5 years after it was acquired. If the land is sold within 6 to 9 years after it is acquired the amount of the expenditures recaptured is reduced by 20 percent a year. There is no recapture if the land is disposed of 10 years or more after it is acquired.

The conference substitute (sec. 214 of the substitute and sec. 1252 of the code) follows the Senate amendment.

7. Crop insurance proceeds (Sec. 451 of the code)

There is no comparable House provision.

The Senate amendment provides that, at his election, a cash basis farmer whose crops have been damaged or destroyed and who receives crop insurance proceeds in compensation for his loss may elect to defer the reporting of these proceeds for Federal income tax purposes until the year following the year of the damage or destruction, if he normally would have reported the income from the sale of the crops in a year after the receipt of the insurance proceeds.

The conference substitute (sec. 215 of the substitute and sec. 451 of the code) follows the Senate amendment.

8. Capitalization of cost of planting citrus groves (sec. 278 of the code)

There is no comparable House provision.

The Senate amendment provides that the expendtures of purchasing, planting, cultivating, maintaining, or developing a citrus grove must be capitalized if they are incurred within 4 years after the grove is planted. This capitalization rule is not to apply to expenditures incurred in replanting a citrus grove which was damaged or destroyed by freeze, drought, disease, pest or casualty.

The conference substitute (sec. 216 of the substitute and sec. 278 of the code) follows the Senate amendment.

SUBTITLE C—INTEREST (SEC. 163 OF THE CODE)

The House bill limits the deduction allowed individuals for interest on funds borrowed for investment purposes (but not interest incurred in a trade or business). Under this provision, a taxpayer's deduction for investment interest is to be limited to the amount of his net investment income (dividends, interest, rents, etc.), plus the amount of his long-term capital gains, plus $25,000. Investment interests in excess of $25,000 first is offset against net investment income and then is offset against long-term capital gain income (before the 50 percent capital gains deduction which is reduced by the amount of investment interest which offsets capital gains). A carryover of disallowed interest is allowed so that the disallowed interest can be used to offset investment income (and capital gains) in subsequent years.

The Senate amendment deleted this provision.

The conference substitute (sec. 221 of the substitute and sec. 163 of the code) follows the House provision with the modifications set forth below:

(1) A deduction is to be allowed for excess investment interest to the extent of 50 percent of the excess interest. Appropriate modification is made for the carryover of excess investment interest which may not be currently deducted (the carryover is not allowed against capital gains but the capital gains deduction allowable in subsequent years reduces the amount of any further carryover).

(2) Capital gains which are used to offset investment interest are treated as ordinary income for purposes of the alternative capital gains tax, the capital gains deduction and the minimum tax for tax preferences.

(3) The interest limitation is to apply in the case of partnerships only at the partner level and in the case of subchapter S corporations only at the shareholder level. The $25,000 floor is not to apply in the case of trusts.

(4) In computing the amount of investment against which investment interest may be offset it is provided that depreciation may be taken into account on a straight-line basis and depletion may be taken into account on a cost basis.

(5) Amounts treated as ordinary income upon the sale of investment assets as a result of the recapture rules are to be treated as income against which investment interest may be offset for purposes of this provision.

(6) Interest on indebtedness incurred with respect to property which is being constructed and which will be used in a trade or business when the construction is completed is to be considered as interest incurred in a trade or business rather than investment interest for purposes of this provision.

(7) It is provided that the above rules are not to apply to investment interest, investment income or expenses attributable to a specific item of property if the indebtedness with respect to the property (A) is for a specified term and (B) was incurred before December 17, 1969, or is incurred on or after that date pursuant to a binding written contract or commitment.

(8) The limitation on the deduction of interest is not to apply to taxable years beginning prior to 1972.

SUBTITLE D—MOVING EXPENSES (SECS. 217 AND 82 OF THE CODE)

The House bill extends the present moving expense deduction to cover three additional types of job-related moving expenses:

(1) Traveling, meals, and lodging expenses for premove house-hunting trips;

(2) Expenses for meals and lodging in the general location of the new job location for a period of up to 30 days after obtaining employment; and

(3) Expenses incident to the sale of a residence or a settlement of a lease at the old job location or to the purchase of a residence or the acquisition of a lease at the new job location. A limitation of $2,500 is placed on the deduction allowed for these three additional categories of moving expenses. In addition, expenses for house hunting trips and temporary living expenses may not account for more than $1,000 of the $2,500. The House bill provides that the 39-week test is to be waived if the taxpayer is unable to satisfy it due to circumstances beyond his control. In addition, the House bill requires that reimbursements of moving expenses must be included in gross income.

The Senate amendment modifies the House bill in the following respects:

(1) The moving expense deduction (both the categories which are deductible under present law and those made deductible by this bill) are extended to self-employed persons. However, the period of time the self-employed person is required to work at the new location is extended from 39 to 78 weeks.

(2) The moving expense deduction which may be claimed by a husband and wife, both of whom work, is limited to the amount which could be claimed if only one were employed.

(3) The Senate amendment provides that the taxpayer's new principal place of work must be located at least 20 miles (the same as under existing law instead of the 50 miles as provided by the House bill) farther from his former residence than his former place of work. However, the distance between the two points is to be the shortest of the more commonly traveled routes between these two points rather than the distance between the two points.

The conference substitute (sec. 231 of the substitute and secs. 217 and 82 of the code) follows the Senate amendment except that it substitutes a 50-mile test for the 20-mile test referred to in No. 3 above. In addition, the conference substitute permits taxpayers who move before July 1, 1970, pursuant to notices received from their employers on or before December 19, 1969, to apply the provisions of existing law rather than the new provisions.

TITLE III—MINIMUM TAX; ADJUSTMENTS PRIMARILY AFFECTING INDIVIDUALS

SUBTITLE A—MINIMUM TAX (SECS. 56, 57, AND 58 OF THE CODE)

The House bill requires individuals with substantial amounts of otherwise tax-free income to pay significant amounts of tax through the use of two basic provisions: a limit on tax preferences which requires the individual taxpayer to aggregate his taxable income and his tax-free income and to include at least one-half of this amount in his tax base; and an allocation of deductions under which individual taxpayers are required to allocate their personal itemized expenses between taxable and nontaxable income, disallowing those deductions attributable to the nontaxable income.

The Senate amendment substitute for the two House provisions provides a minimum tax on preference income made equally applicable to individuals and corporations. Under the Senate amendment tax preference income, after the deduction of a $30,000 exemption and after the deduction of the taxpayer's regular Federal income tax, is taxed at a 10-percent rate. Approximate adjustment is made for net operating losses. The items of tax preference included in the base of the 10-percent tax under the Senate amendment are as follows:

(1) excess investment interest;

(2) accelerated depreciation on personal property subject to a net lease in excess of straight line depreciation;

(3) accelerated depreciation on real property in excess of straight line depreciation;

(4) amortization of rehabilitation expenditures in excess of straight line depreciation;

(5) amortization of certified pollution control facilities in excess of accelerated depreciation;

(6) amortization of railroad rolling stock over accelerated depreciation;

(7) in the case of qualified stock options, the excess of the fair market value of the stock at the time of the exercise of the option over the option price of the stock;

(8) bad debt deductions of financial institutions to the extent they exceed the additions to the bad debt reserves which would have been allowed if the institution had always computed its reserve for bad debts on the basis of its own loss experience;

(9) depletion costs to the extent they exceed the cost or other basis for the property involved;

(10) intangible drilling expenses (other than in the case of dry holes) in cases where the taxpayer's income for the taxable year exceeds $3 million;

(11) capital gains in the case of individuals to the extent of one-half of the gains and in the case of corporations to the extent of 18/48th of the gain.

Special rules are provided in the case of estates or trusts, multiple corporations, subchapter S corporations, regulated investment companies, real estate investment trusts and in the case of husbands and wives filing separate returns.

The conference substitute (sec. 301 of the substitute and secs. 56, 57, and 58 of the code) follows the Senate amendment with the following adjustments:

(1) the preference item for excess investment interest applies only to individuals, subchapter S corporations, and personal holding companies, and only until 1972 when the interest limitation deduction provision becomes applicable.

(2) the preference relating to accelerated depreciation on personal property subject to a net lease applies only in the case of individuals, subchapter S corporations, and personal holding companies;

(3) the preference relating to intangible drilling and development costs is deleted, but the cost or other basis on which the depletion deduction preference is computed does not include such costs.

SUBTITLE B—INCOME AVERAGING (SEC. 1301–1305 OF THE CODE)

The House bill lowers the percentage by which an individual's income must increase before the averaging provision is available from 33⅓ to 20 percent. The House bill also extends income averaging to long-term capital gains, income from wagering, and income from gifts. The House bill denies a taxpayer who elects averaging both the benefit of the limitation on tax in the case of a distribution from an accumulation trust and the maximum tax on earned income.

The Senate amendment modifies the provisions of the House bill by restoring existing law regarding the types of income eligible for averaging. (This makes averaging unavailable to long-term capital gains, income from wagering, and income from gifts.) The Senate amendment also modifies the House bill by permitting a taxpayer receiving accumulation trust distributions to elect income averaging but excludes the trust distribution from the income eligible for averaging.

The conference substitute (sec. 311 of the substitute and secs. 1302 and 1304(b) of the code) follows the House bill but adopts the Senate amendment rule with respect to distributions from accumulation trusts. It also provides that taxpayers electing income averaging may not also make use of the alternative capital gains rate. The conference substitute further provides that the maximum tax on earned income is to be unavailable to taxpayers electing averaging.

SUBTITLE C—RESTRICTED PROPERTY (SECS. 83, 402(b) AND 403(c) OF THE CODE)

The House bill provides that a person who receives compensation in the form of property, such as stock, which is subject to a restriction generally is to be taxed on the value of the property at the time of its receipt unless his interest is subject to a substantial risk of forfeiture. In this latter case, he is to be taxed on the value of the property at the time the risk of forfeiture is removed. The restrictions on the property are not taken into account in determining its value except in cases where the restriction by its terms will never lapse.

The Senate amendment generally accepts the House provision but makes a series of modifications, the more important of which are as follows:

(1) The amendment permits employees receiving property subject to forfeitable restrictions to treat the receipt of the property under these conditions as the receipt of property not subject to forfeitable conditions, and pay tax on the basis of the unrestricted value of the property at that time. If, subsequently, the employee's right to the property is forfeited, he would not, if he elects this option, be eligible for a refund of the tax previously paid or receive any deduction for the amount forfeited.

(2) The amendment further provides that if restricted stock (or other property) is exchanged in a tax-free exchange for other stock or property subject to substantially the same restrictions, the exchange is not to cause the holder of the stock to become taxable, and the stock received in the exchange is to be treated as restricted property. The same principle is applied where stock not subject to the restricted property provision because of the effective date is exchanged in a tax-free exchange. The stock received in the exchange in this case is not to be treated as subject to the new restricted property rules if it is subject to substantially the same restrictions as the stock given up. This also applies to stock received on a tax-free conversion of convertible stock or securities.

(3) The amendment provides rules for deductions for the employer with respect to restricted property and nonexempt trusts.

(4) The amendment makes it clear that the amount subject to tax in the case of nonexempt trusts and nonqualified annuities when the employee's interest becomes nonforfeitable is the value at that time of his interest in the trust (or the then value of the annuity contract).

(5) Under the amendment, the restricted property provision does not apply where property is transferred before May 1, 1970 (rather than February 1, 1970, as under the House bill), pursuant to a written plan adopted and approved before July 1, 1969.

The conference substitute (sec. 321 of the substitute and secs. 83, 402(b) and 403(c) of the code) follows the Senate amendment.

SUBTITLE D—ACCUMULATION TRUSTS, MULTIPLE TRUSTS, ETC. (SECS. 663, 665–669, 677 AND 6401 OF THE CODE)

The House bill provides that in the case of accumulation trusts (including multiple trusts), the beneficiaries are to be taxed on the distributions of accumulated income in substantially the same manner as if the income had been distributed to the beneficiaries when it was earned by the trust. The taxes paid by the trust on the income, in effect, are considered as paid by the beneficiary for this purpose. A shortcut method of computing the tax on accumulated income is provided under which the tax attributable to the distribution is, in effect, averaged over the number of years in which the income was earned by the trust.

The Senate amendment, among other technical provisions, makes the following substantive modifications in the House provision:

(1) In the case of capital gains an unlimited throwback rule is provided for those gains allocated to the corpus of an accumulation trust. This provision does not apply to any trust so long as it distributes its ordinary income currently.

(2) An interest charge is provided to cover the tax payments which are deferred by the income beneficiaries (to the extent their taxes exceed those paid by the trust) as a result of the use of accumulation trusts.

(3) The accumulation trust rules are not applied to distributions made to a beneficiary before January 1, 1972, from a trust which was in existence on December 31, 1969, if the beneficiary elects to have existing law apply to the distributions. If the beneficiary is the beneficiary of more than one such trust, he may designate only one trust for which this provision is to apply. However, where a person is a beneficiary of two trusts, one of which is for the lifetime benefit of a surviving spouse, then both trusts qualify under this provision.

The conference substitute (secs. 331 and 332 of the substitute and secs. 663, 665–669, 677, and 6401 of the code) generally follows the Senate technical amendments and the amendment relating to capital gains (described in No. (1) above). The conference substitute also provides for a delay until 1972 of the application of the throwback rules in the case of capital gain distributions where the person is a beneficiary of only one trust and such trust was in existence on December 31, 1969, or in the case of two such trusts where one is for the lifetime benefit of a surviving spouse. The conference substitute does not adopt the Senate amendment provision relating to interest charges (described in No. (2) above) or the broader exception until 1972 (described in No. (3) above).

HOUSE PROVISION OMITTED FROM CONFERENCE SUBSTITUTE—OTHER DEFERRED COMPENSATION (SEC. 331 OF THE HOUSE BILL)

The House bill continues to tax deferred compensation as under present law when it is received but, to the extent the deferred compensation exceeds $10,000 a year, it taxes the income at rates which would be applicable had the income been received when earned. This result is accomplished by determining the tax that would apply had the income been received over the employee's entire period of service with the employer or over the period to which the deferred compensation is properly attributable. An alternative method bases the tax on the average income for the 3 highest years during the last 10 of the earning period. The Senate amendment does not contain this provision.

The conference substitute does not contain this provision.

TITLE IV—ADJUSTMENTS PRIMARILY AFFECTING CORPORATIONS

SUBTITLE A—MULTIPLE CORPORATIONS (SECS. 1561–1564, 46, 48, 179, AND 804 OF THE CODE)

The House bill provides that a group of controlled corporations may have only one of each of a number of special provisions designed to aid small corporations. The most important of these are the surtax exemption and the accumulated earnings credit. A controlled group of corporations is limited to one $25,000 surtax exemption and one $100,000 accumulated earnings credit after an 8-year transitional period (in which the additional surtax exemptions in excess of one are reduced by $3,125 in each of the years 1969 through 1976). The House bill also modifies the present definition of a brother-sister controlled corporation.

The Senate amendment, in addition to certain technical changes, modifies the House bill by providing a 5-year transitional period, reducing the additional surtax exemption by $5,000 in each of the years 1970 through 1974.

The conference substitute (sec. 401(b) of the substitute and sec. 1564 of the code) provides a 6-year transitional period, reducing the surtax exemptions in excess of one by $4,167 in each of the years 1970 through 1975. In other respects the conference substitute follows the Senate amendment.

SUBTITLE B—DEBT-FINANCED CORPORATE ACQUISITIONS AND RELATED PROBLEMS

1. Interest on indebtedness incurred by corporation to acquire stock or assets of another corporation (sec. 279 of the code)

In general the House bill disallows a deduction of interest on bonds issued in connection with the acquisition of a corporation where the bonds have specified characteristics which make them more closely akin to equity.

The disallowance rule only applies to bonds and debentures issued by a corporation to acquire stock in another corporation or to acquire at least two-thirds of the assets of another corporation. In addition, the disallowance rule only applies to bonds or debentures which have three characteristics:

(1) The bonds are subordinated to the corporation's trade creditors;

(2) The bonds are convertible into stock or are issued as an investment unit including warrants;

(3) The ratio of debt to equity of the acquiring corporation (including affiliated corporations) is more than 2:1 or the annual interest expense on its indebtedness is not covered at least three times over by its earnings.

An exception to the interest disallowance rule is provided for up to $5 million of interest per year on obligations to which the interest disallowance rule would otherwise apply. The amount of this exception is reduced by interest on debt used for acquisition purposes which are not subject to the disallowance rule.

The Senate amendment adopts the basic House provision but makes a series of modifications, the most important of which are as follows:

(1) The interest disallowance rule does not apply unless the ratio of debt to equity exceeds 4:1 or the annual interest expense on the indebtedness of the corporation is not covered at least two times over by its earnings.

(2) The exception in the House bill for up to $5 million of interest under the Senate amendment takes into account only interest on obigations issued after December 31, 1967.

(3) The amendment provides that the interest disallowance rule applies where a corporation acquires at least two-thirds of the assets (excluding money) used in the business carried on by another corporation (i.e., operating assets) rather than where it acquired two-thirds of a company's "total" assets (as under the House bill).

(4) The amendment provides that the subordination test referred to above includes an obligation which is expressly subordinated in right of payment to any substantial amount of the corporation's unsecured indebtedness.

(5) The amendment provides that the interest disallowance rule is no longer to apply after a corporation, for a period of at least 3 consecutive years, has brought itself down below the 4:1 debt-equity ratio and the interest charges over the 3-year period are covered more than two times by the earnings of the corporation.

(6) This provision is made applicable to indebtedness incurred after October 9, 1969 (rather than May 27, 1969, as in the House bill). The provision also is made inapplicable where stock or assets of a corporation were acquired pursuant to a binding contract entered into before this effective date.

The conference substitute (sec. 411 of the substitute and sec. 279 of the code) follows the Senate amendment with the following modification:

The 2:1 debt-equity ratio of the House bill was adopted and the earnings ratio whereby the interest expense must be covered at least three times over, as contained in the House bill, was adopted except that in computing earnings for this purpose depreciation and amortization charges are not to be taken into account.

2. Installment method (sec. 453(b) of the code)

The House bill provides that where bonds have interest coupons attached, are in registered form or have other features which make them readily tradeable in the market, these bonds are to be considered as payments in the year of sale for purposes of the installment sales provision. The House bill also would deny the use of the installment method unless the payment of the principal of the loan or the payment of the principal of the loan and the interest taken together are spread relatively evenly over the installment period. This requirement would be satisfied if at least 5 percent of the principal was paid by the end of the first quarterr, 15 percent by the end of the second quarter and 40 percent by the end of the third quarter.

The Senate amendment made three changes in the House bill:

(1) The amendment excludes from the category of bonds or debentures in registered form (which otherwise would be considered as payments received in the year of sale) bonds or debentures which the taxpayer establishes will not be readily tradeable in the established securities market.

(2) The amendment makes the new rules effective with respect to sales occurring after October 9, 1969 (rather than after May 27, 1969, in the House bills). In addition, the amendment provides that the new rules are not to apply to sales made pursuant to a binding contract entered into before October 9, 1969.

(3) The amendment deletes the provision of the House bill denying the use of the installment method unless the payments are spread relatively evenly over the installment period.

The conference substitute (sec. 412 of the substitute and sec. 453(b) of the code) follows the Senate amendment except that the effective date of May 27, 1969, contained in the House bill is substituted for the October 9, 1969, date in the Senate amendent.

3. Bonds and other evidences of indebtedness (sec. 1232 of the code)

The House bill provides that the bondholder and issuing corporation are generally to be treated in a consistent manner with respect to original issue discount. Bondholders are to include the original issue discount in income ratably over the life of the bond. This rule applies to the original bondholder and subsequent bondholders. (Issuing corporations already take deductions ratably under this period.) Corporations issuing bonds in registered form are to furnish the bondholder and the Government with annual information return indicating the amount of the original issue discount to be included in income for the year in question.

The Senate amendment provides an exception to the rule set forth above in the case of life insurance companies which already accrue discount on a basis which produces essentially the same result. The Senate amendment also limits the application of this rule in cases where the bonds are issued for property to situations where either the bond is a part of an issue which is traded on an established securities market or the property for which the bond is issued consists solely of securities which are so traded.

The Senate amendment makes these rules applicable to debt obligations issued after October 9, 1969 (instead of after May 27, 1969, as under the House bill). In addition the new rules are made inapplicable to debt obligations issued after this effective date which are issued pursuant to a binding contract entered into on or before October 9, 1969.

The conference substitute (sec. 413 of the substitute and sec. 1232 of the code) follows the Senate amendment except that the effective date of the provision (and also for the binding contract rule) is the date contained in the House bill, namely May 27, 1969.

4. Limitation on deduction of bond premium on repurchase (sec. 249 of the code)

The House bill provides that a corporation which repurchases its convertible indebtedness at a premium may deduct only that part of the premium which represents the cost of borrowing and not that portion attributable to the conversion feature. Generally, the deduction is limited to the normal call premium for nonconvertible corporate debt except where the corporation can satisfactorily demonstrate that a larger amount of the premium is related to the cost of borrowing.

The Senate amendment accepts the House bill provision but makes it apply to repurchases of convertible indebtedness after October 9, 1969 (instead of after April 22, 1969, as in the House bill).

The conference substitute (sec. 414 of the substitute and sec. 249 of the code) follows the House provision.

5. Treatment of certain corporate interests as stock or indebtedness (sec. 385 of the code)

The House bill does not contain a comparable provision.

The Senate amendment provides a statutory authorization for the Treasury Department to issue regulatory guidelines distinguishing between debt and equity. The factors which may be taken into account in these guideline include the following:

(1) Whether there is a written unconditional promise to pay on demand or on a specified date a sum certain in money in return for an adequate consideration in money or moneys worth, and to pay a fixed rate of interest;

(2) Whether there is a subordination to, or preference over, any indebtedness of the corporation;

(3) The ratio of debt to equity of the corporation;

(4) Whether there is convertibility into the stock of the corporation; and

(5) The relationship between the holdings of stock in the corporation and the holdings of the interest in question.

The conference substitute (sec. 415 of the substitute and sec. 385 of the code) follows the Senate amendment.

SUBTITLE C—STOCK DIVIDENDS (SEC. 301 AND 305 OF THE CODE)

The House bill provides that a stock dividend is to be taxable if one group of shareholders receives a distribution in cash and there is an increase in the proportionate interest of other shareholders in the corporation. In addition, the distribution of convertible preferred stock is to be taxable unless it does not cause this result. The House bill gives the Treasury Department regulatory authority to treat as distributions changes in conversion ratios, systematic redemptions, and other transactions that have the effect of creating disproportionate distributions. The House bill also provides that stock dividends on preferred stock (except antidilution distributions on convertible preferred stock) are taxable.

The Senate amendment makes a series of modifications in the House bill, which are as follows:

(1) The amendment provides a de minimis rule under which the disproportionate distribution rules are not to apply to certain distributions which increase the proportionate interest of shareholders, if the distribution and all prior distributions during the prior 36 months do not increase the proportionate interest of shareholders by more than one-tenth of 1 percent.

(2) Generally, under the House bill and the Senate amendment, the provisions apply to distributions made after January 10, 1969 (or in certain cases, after April 22, 1969). The House bill contains a transitional rule for stock dividends paid on stock that was outstanding on the effective date or issued pursuant to a contract binding on the effective date. The Senate amendment provides that where a corporation had two classes of stock outstanding for at least a year before the effective date, but had not prior to the effective date used them in a way which would have given rise to tax under the new rules, the corporation cannot begin after the effective date making disproportionate distributions of the kind covered by the bill (without the distributions becoming subject to tax).

(3) If the transitional rule applies where two classes of stock were in existence before the effective date, one convertible into the other and one paying cash dividends and the other paying stock dividends, the Senate amendment provides that a corporation that qualifies for the transitional rule is to be able to continue issuing one class of stock, and the stock which may be issued in such a case is to be the largest of the two classes. The Senate amendment also specifically permits a corporation that qualifies for the transitional rule to issue nonconvertible preferred stock, and convertible preferred stock that has full antidilution protection.

(4) The Senate amendment also contains a transitional rule under which existing law continues to apply to stock dividends paid before 1991 on preferred stock issued before the effective date.

(5) Under the Senate amendment, a special rule is provided for corporations with specified capital stock which are subject to the transitional rule for disproportionate distributions. These corporations would be permitted to issue before 1975 certain kinds of stock not otherwise permitted to be issued under the transitional rule.

The conference substitute (sec. 421 of the substitute and sec. 305 of the code) follows the Senate amendment except that the rules referred to in numbers (1) and (5) above were omitted from the substitute.

SUBTITLE D—FINANCIAL INSTITUTIONS

1. *Commercial banks—Reserves for losses on loans (sec. 585 of the code)*

The House bill limits the deduction allowed commercial banks for additions to bad-debt reserves to the amount called for on the basis of their own bad-debt loss experience. The House provision also permits new banks to take bad-debt deductions during the first 10 years of their existence on the basis of the industrywide average. In addition, the House provision permits banks (and other financial institutions to carry back net operating losses for 10 years instead of 3 years as under present law.

The Senate amendment provides that in the future the deduction allowed commercial banks for additions to bad-debt reserves is to be limited to 1.8 percent of eligible loans, or the amount called for on the basis of their own experience as indicated by losses for the current year and the 5 preceding years. Banks presently below the 1.8-percent reserve will be permitted to bring their reserves up to this level over a 5-year period. Banks with bad-debt reserves in excess of 1.8 percent of eligible loans are not to be permitted to add to these reserves unless additions are justified on the basis of their own experience. However, these banks will not be required to reduce their existing level of reserves. Moreover, they will be allowed in any event to deduct their actual bad debt losses during the year.

The Senate amendment deleted the 10-year industry average for new banks and the 10-year carryback of net operating losses.

The conference substitute (sec. 431 of the substitute and sec. 585 of the code) follows the Senate provision relating to the bad-debt reserve for the next 6 years, at which time the addition to the reserve will be limited to 1.2 percent of eligible loans for 6 years, then .6 percent for 6 additional years, after which the addition to the bad-debt reserve is to be based on the bank's own bad-debt loss experience. The conference substitute follows the House provision permitting banks to carry back net operating losses for 10 years, except that it changes the effective date to December 31, 1975.

The Senate amendment added a provision not contained in the House bill which allows banks for cooperatives a 10-year carryback for net operating losses.

The conference substitute (sec. 431 of the substitute and sec. 172 of the code) follows the Senate amendment.

2. *Small business investment companies, etc.—reverse for losses on loans (sec. 586 of the code)*

No substantive change is made by the Senate amendment in the House bill.

3. *Mutual savings banks, savings and loan associations, etc. (secs. 593, 596, and 7701(a) of the code)*

The House bill revises the tax treatment of mutual savings banks, cooperative banks, and savings and loan associations in a number of ways. It amends the special bad-debt reserve provisions by eliminating the 3-percent method and reducing the present, 60-percent method to 30 percent gradually over a 10-year period.

The Senate amendment also eliminates the 3-percent method and reduces the 60-percent method to 50 percent over a 4-year period.

The conference substitute (sec. 432 of the substitute and sec. 593 of the code) provides that the 60-percent method is to be reduced to 40 percent over a 10-year period.

The Senate amendments among other technical modifications provides that the intercorporate dividends-received deduction is to be allocated between the portion of the income subject to tax and the portion which is allowed as a bad-debt reserve deduction. The effect is to disallow the portion of the dividends-received deduction equal to the percentage of taxable income allowed as a bad-debt deduction, an thus not taxed. The Senate amendment also gives mutual savings banks and savings and loan institutions the option of computing their bad-debt reserves under the commercial bank formula (with certain modifications relating to their reserve accounts) in lieu of their special bad debt reserve formulas.

The conference substitute (secs. 432 and 434 of the substitute and secs. 593, 596, and 7701(a) of the code) follows these provisions of the Senate amendment.

4. *Treatment of bonds held by financial institutions (sec. 582 of the code)*

The House bill provides parallel treatment for gains and losses derived by financial institutions on transactions in corporate and governmental bonds and other evidences of indebtedness. Under the bill, financial institutions treat net gains from these transactions as ordinary income, instead of as capital gains, and they continue to treat net losses from such transactions as ordinary losses in the same manner as under present law.

The Senate amendment provides the same rule for indebtedness acquired after July 11, 1969. However, in the case of indebtedness held by financial institutions on or before that date, this indebtedness, if sold at a gain, is to continue to receive capital gains treatment if the gain is realized within 13 years (until July 11, 1982), but only if it is a net capital gain, taking into consideration transactions in all such securities in any year.

The conference substitute (sec. 433 of the bill and sec. 582 of the code) provides a transitional rule for bonds held by banks on July 11, 1969. The gains on or before July 11, 1969, receive capital gains treatment and the gains after July 11, 1969, receive ordinary income treatment. This will be determined when the bonds are sold based pro rata on the number of days before July 12, 1969, and afterward.

5. *Mergers of savings and loan associations (593(f) of the code)*

The House bill does not include this provision.

The Senate amendment provides that in those cases where section 381 applies (relating to carryovers in certain corporate acquisitions which qualify as tax-free reorganizations or liquidations), the bad-debt reserves are not to be restored to income (i.e., the provision of sec. 593(f) are not applicable).

The conference substitute (sec. 432 of the substitute and sec. 593(f) of the code) follows the Senate amendment.

6. *Foreign deposits in U.S. banks (secs. 861 and 2104(c) of the code)*

The House bill provides that in the case of deposits in U.S. banks, the special income and estate tax rules regarding U.S. bank deposits (including deposits with savings and loan associations and certain amounts held by insurance companies) of foreign persons are to continue until the end of 1975. As a result, income from deposits in the United States by nonresident alien individuals and foreign corporations which is not effectively connected with a U.S. business will be exempt from U.S. income tax until the end of 1975.

The Senate amendment revises the treatment of U.S. bank deposits of foreign persons to provide the same treatment for deposits in U.S. branches of a foreign bank as now exists in the case of deposits in U.S. banks.

The conference substitute (sec. 435 of the substitute and secs. 861 and 2104(c) of the code) follows the Senate amendment.

SUBTITLE E—DEPRECIATION ALLOWED REGULATED INDUSTRIES; EARNINGS AND PROFITS ADJUSTMENT FOR DEPRECIATION

1. *Depreciation allowed regulated industries (sec. 167 of the code)*

The House bill provides that in the case of certain listed regulated industries (the furnishing or sale of electrical energy, water, sewage disposal services, gas through a local distribution system, telephone services, and transportation of gas by pipeline) a taxpayer is not permitted to use accelerated depreciation unless it "normalizes" the current income tax reduction resulting from the use of such accelerated depreciation. (Normalization involves the utility retaining the current tax reduction and using this money in lieu of capital that would otherwise have to be of capital that would otherwise have to be obtained from equity investments or borrowing.)

This rule is not to apply in the case of a taxpayer that is at present flowing through the tax reduction to earnings for purposes of computing its allowable expenses on its regulated books of account. Also, if the taxpayer is now using straight line depreciation as to any public utility property it may not change to accelerated depreciation as to that property.

The Senate amendment makes the following changes in the House bill: (*a*) oil pipelines are removed from and steam transporters and distributors and Comsat are added to the categories of utilities to which the provision applies; (*b*) where a company was in the process of changing methods of depreciation or methods of keeping its regulated books of account, the company is treated as having changed if it had filed a timely request for permission to change befor August 1, 1969, or had changed in its regulated books of account for its July 1969 accounting period; (*c*) several technical changes are made to insure that the normalization requirement is not avoided by those to whom the bill applies; (*d*) an election is permitted to be made within 180 days after the date of enactment by a company at present on flowthrough to come under the rules of the bill; and (*e*) a special provision permits a company under specified circumstances to avoid the rules of the bill by changing from normalization to flowthrough.

The conference substitute (sec. 441 of the substitute and sec. 167(l) of the code) follows the Senate amendment except that the special provision referred to in (*e*) above is stricken and the 180-day election (item (*d*), above) is modified to apply to new property and not to replacement property. Even in the case of new property, however, the right to change over from the flowthrough method is to be available only to the extent the new property increases the productive or operational capacity of the company.

2. Treatment of depreciation for earnings and profits (sec. 312 of the code)

The House bill provides that, in computing its earnings and profits (on the basis of which a distribution is treated as a dividend or as a nontaxable return of capital), a corporation is to deduct depreciation on the straight-line method or similar ratable method.

The Senate amendment provides that this rule is not to apply in determining the earnings and profits of a foreign corporation less than 20 percent of whose income is from the United States.

The conference substitute (sec. 442 of the substitute and sec. 312(m) of the code) follows the Senate amendment.

TITLE V—ADJUSTMENTS AFFECTING INDIVIDUALS AND CORPORATIONS

SUBTITLE A—NATURAL RESOURCES

1. Percentage depletion rates (sec. 613 of the code)

The House bill reduces the percentage depletion rate for oil and gas from 27½ to 20 percent and makes percentage depletion unavailable in the case of foreign oil and gas wells. In addition, the percentage depletion rates applicable to other minerals are reduced by approximately 25 percent (except for domestic gold, silver, oil shale, copper, and iron ore, which are left at the present rate of 15 percent).

The Senate amendment makes the following changes in the treatment of percentage depletion:

(1) The percentage depletion rate for both domestic and foreign oil and gas wells is reduced from 27½ to 23 percent.

(2) The percentage depletion rate for molybdenum is increased from 15 to 23 percent.

(3) The 50 percent of taxable income limitation on the percentage depletion allowance is increased to 70 percent in the case of gold, silver, and copper, and is increased to 65 percent in the case of oil and gas produced by a taxpayer whose aggregate gross income from oil and gas wells is less than $3 million.

(4) For purposes of percentage depletion, minerals other than sodium chloride extracted from brine pumped from a saline perennial lake within the United States are not to be considered minerals from an inexhaustible source (in which case percentage depletion would not be allowable). Thus the specific percentage depletion rates are to be available with respect to these minerals.

The conference substitute (sec. 501 of the substitute and sec. 613 of the code) makes the following changes in the treatment of percentage depletion:

(1) The percentage depletion rate for both domestic and foreign oil and gas wells is reduced from 27½ to 22 percent.

(2) In the case of other minerals which presently receive percentage depletion at a rate of 23 percent, the rate is reduced to 22 percent. Molybdenum is included in the category of minerals subject to the 22-percent depletion rate.

(3) In the case of those minerals which presently receive percentage depletion at a rate of 15 percent, the rate is reduced to 14 percent (except in the case of domestic gold, silver, oil shale, copper, and iron ore).

(4) For percentage depletion purposes, minerals other than sodium chloride, extracted from brine pumped from a saline perennial lake within the United States are not be be considered minerals from an inexhaustible source.

2. Treatment processes in the case of oil shale (sec. 613(c)4 of the code)

No substantive change is made by the Senate amendment in the House bill.

3. Mineral production payments (sec. 636 of the code)

The House bill provides that carved-out production payments and retained payments (including ABC transactions) are to be treated as loans by the owner of the production payment to the owner of the mineral property. In the case of a carved-out production payment the payment is to be treated as a mortgage loan on the mineral property (rather than as an economic interest in the property). In the case of retained production payments the payment is to be treated as a purchase money mortgage loan (rather than as an economic interest in the mineral property).

The Senate amendment makes the following modifications in the House provision:

1. These rules are to apply to mineral production payments created on or after October 9, 1969, other than to payments created before January 1, 1971, pursuant to a binding contract entered into before October 9, 1969. (In the House bill April 22, 1969, was used instead of October 9, 1969.)

(2) Taxpayers may elect to apply the new rules to carved-out payments (i.e., treat them as loans) if they were sold during and after the taxpayer's last taxable year ending prior to October 9, 1969.

(3) It is provided that the new rules relating to carved out production payments are not to apply (except for percentage depletion and foreign tax credit purposes) to payments sold during the part of the taxpayer's year which occurs on or after October 9, 1969, to the extent the payments offset a net operating loss which otherwise would have occurred in the taxable year. The amount of carved out production payments qualifying for this treatment, plus the amount of payments sold by the taxpayer in the prior part of his taxable year, however, may not exceed the amount of carved out payments sold by him during his preceding taxable year. (The House bill allowed payments to be carved out during the part of the taxable year occurring after the effective date of this provision to the extent of the exploration, drilling, or development costs incurred during the portion of the taxpayer's taxable year prior to the effective date.)

The conference substitute (sec. 503 of the substitute and sec. 636 of the code) follows the Senate amendment except that the October 9, 1969, date in the basic effective date and the transition rules is changed to August 7, 1969.

4. Exploration expenditures (secs. 615 and 617 of the code)

The House bill provides that insofar as future mining exploration expenditures are concerned, the general recapture rules of present law are to apply (under which exploration expenditures previously deducted are recaptured when a mine reaches the producing stage, generally by disallowing an appropriate portion of the depletion deduction with respect to the mine). Taxpayers may continue to deduct expenditures for foreign (and oceanographic) exploration to the extent permitted under the limited provision of present law (generally up to a maximum of $400,000). The House provision applies to mining exploration expenditures made after July 22, 1969.

The Senate amendment modifies the House provision to make it applicable to exploration expenditures made after December 31, 1969.

The conference substitute (sec. 504 of the substitute and secs. 615 and 617 of the code) follows the Senate amendment.

5. Continental shelf areas (sec. 638 of the code)

The House bill does not contain a comparable provision.

The Senate amendment provides that for purposes of applying the income and employment tax provisions of the code with respect to mines, oil and gas wells, and other natural deposits, the term "United States" includes the seabed and subsoil of the submarine areas adjacent to the territorial waters of the United States over which the United States has exclusive rights under international law with respect to the exploration and exploitation of natural resources. A similar definition of the term "foreign country" also is provided.

The conference substitute (sec. 505 of the substitute and sec. 638 of the code) follows the Senate amendment.

6. Foreign tax credit with respect to certain foreign mineral income (secs. 901 and 904 of the code)

The House bill provides that a taxpayer who uses the per country limitation on the foreign tax credit and who reduces his U.S. tax on U.S. income by reason of a loss from a foreign country is to have the resulting tax benefit recaptured when income is subsequently derived from the foreign country involved. The House bill also imposes a separate foreign tax credit limitation on foreign mineral income so that excess credits from this source cannot be used to reduce U.S. tax on other foreign income. In other words, the foreign tax credit allowed on mineral income from a foreign country is limited to the amount of U.S. tax on that income. This limitation applies generally where the foreign country receives mineral royalties with respect to the property or where it has substantial mineral rights in the properties. Excess credits can be carried over under normal foreign tax credit carryover rules and credited against U.S. tax in other years on the foreign mineral income from the same country.

The Senate amendment deletes these provisions of the House bill.

The conference substitute (sec. 506 of the substitute and secs. 901 and 904 of the code) provides that a foreign tax credit is not to be allowed for foreign taxes imposed on foreign mineral income considered on a country-by-country basis to the extent the foreign tax is attributable to the percentage depletion allowance granted by the United States. Thus, excess foreign tax credits attributable to the percentage depletion allowance on mineral income from a foreign country cannot reduce U.S. tax payable on other foreign income. For this purpose mineral income includes income from extraction, processing, transportation, distribution, and sales of the primary products derived from the mineral or the mineral itself. This rule applies to taxable years beginning after December 31, 1969. Taxpayers who previously elected the overall limitation on the foreign tax credit may revoke the election without the consent of the Treasury Department for the taxpayer's first taxable year beginning after 1969.

SUBTITLE B—CAPITAL GAINS AND LOSSES

1. Increase in alternative capital gains tax (sec. 1201 of the code)

The House bill repeals the 27½ percent (including the surcharge) alternative capital gains tax rate for noncorporate taxpayers effective with respect to sales on other dispositions after July 25, 1969. As a result, after that date noncorporate taxpayers are to include one-half of their net long-term capital gains in income without regard to their tax rate bracket. Given the rate schedules in the House bill, this means a top, capital gains rate of 32½ percent in 1972 and subsequent years for those in the top bracket rate of 65 percent. In addition, the House bill increases the alternative capital gains rate which is applied to a corporation's net long-term capital gains from the present 27½ percent rate (including the surcharge) to 30 percent. This change applies to sales and other dispositions occurring after July 31, 1969.

The Senate amendment makes the following modifications in the House provision:

(1) In the case of noncorporate taxpayers the alternative rate continues to apply to up to $140,000 of capital gains. The $140,000 limit on the amount of capital gains qualifying for the alternative rate is reduced to the extent the taxpayer's tax preferences exceed $10,000.

(2) The changes made by these provisions are to apply to taxable years beginning after December 31, 1969. In addition in the case of noncorporate taxpayers the maximum effective rate on capital gains not eligible for the 25-percent alternative rate is phased in over a 3-year period. The present rate of 27½ percent (including the surcharge) is increased to 28¾ percent for 1970, to 31 percent for 1971, and then to 35 percent for 1972. In the case of corporations the full 30 percent rate is not effective until 1971. In 1970 a special rate of 28 percent applies.

(3) The present 25-percent capital gains tax rate continues to apply in the case of binding contracts in effect on October 9, 1969.

(4) The present 25-percent alternate rate also continues to apply to installment payments received after 1969 pursuant to sales made before October 10, 1969. Furthermore, the 25-percent rate continues to apply to distributions from corporations made prior to October 10, 1970, which are made pursuant to plans of complete liquidation adopted before October 10, 1969.

The conference substitute (sec. 511 of the substitute and sec. 1201 of the code) follows the Senate amendment with the following modifications:

(1) In the case of noncorporate taxpayers, it is provided that $50,000 of long-term capital gains continue to qualify for the alternative gains rate without regard to the amount of the taxpayer's tax preferences.

(2) In the case of noncorporate taxpayers the rate of tax on capital gains not eligible for the 25-percent alternative rate is increased to 29½ percent for 1970, to 32½ percent for 171, and then to 35 percent for 1972.

(3) The continuation of the 25-percent alternative tax rate in the case of payments received pursuant to certain binding contracts and installment sales (described in Nos. 3 and 4 above) is limited to amounts received before 1975.

2. Capital losses of corporations (sec. 1212 of the code)

The House bill does not contain a comparable provision.

The Senate amendment provides a 3-year capital loss carryback for corporations which is in addition to the 5-year capital loss carryforward presently allowed corporations. The 3-year carryback is not available for foreign expropriation capital losses for which a special 10-year carryforward is presently available or for losses incurred by, or to be used by, a subchapter S corporation. The "quickie" refund procedure presently available in the case of net operating loss carrybacks (under which the refund is made after only a preliminary check by the Internal Revenue Service on the appropriateness of the refund) is made available in the case of the 3-year capital loss carryback. This provision applies to capital losses sustained in taxable years beginning after December 31, 1969.

The conference substitute (sec. 512 of the substitute and sec. 1212 of the code) follows the Senate amendment.

3. Capital losses of individuals (sec. 1211 of the code)

The House bill provides that only 50 percent of an individual's long-term capital losses may be offset against his ordinary income up to the $1,000 limit. Thus, $2,000 of losses are required to obtain the full $1,000 offset. (Short-term capital losses, however, continue to be fully deductible within the $1,000 limitation.) In addition, the deduction of capital losses against ordinary income for married persons filing separate returns is limited to $500 for each spouse (rather than the $1,000 presently allowed).

The Senate amendment retains the treatment provided by the House bill except that it is made applicable for taxable years beginning after December 31, 1969 (rather than July 25, 1969, as under the House bill).

The conference substitute (sec. 513 of the substitute and sec. 1211(b) of the code) follows the Senate amendment.

4. Letters, memorandums, etc. (secs. 1221 (3) and 1231(b)(1)(c) of the code)

The House bill provides that letters, memorandums, and similar property (or collections thereof) are not to be treated as capital assets if they are held by the taxpayer whose personal efforts created the property or for whom the property was prepared or produced (or by a person who received the property as a gift from the person who created it). Gains from the sale of these letters and memorandums, accordingly, are to be taxed as ordinary income, rather than as capital gains.

The Senate amendment modifies this provision of the House bill to make it applicable to sales or other disposition of these letters, memorandums, etc., occurring after December 31, 1968 (rather than July 25, 1969, as provided by the House bill).

The conference substitute (sec. 514 of the substitute and secs. 1221(3) and 1231(b)(1)(c) of the code) follows the House bill.

5. Total distribution from qualified pension, etc., plans (secs. 482(a), 403(a)(2), and 72(n) of the code)

The House bill limits the extent to which capital gains treatment is to be allowed for lump-sum distributions from qualified employee trusts (qualified pension, profit sharing, stock bonus, and annuity plans). Amounts attributable to employer contributions for plan years beginning after 1969 are treated as ordinary income. All other amounts received in the lump-sum distribution continue to be accorded capital gains treatment if received in one taxable year upon separation from employment or death. A special 5-year "forward" averaging is provided for the amounts to be treated as ordinary income. The tax on this amount may be recomputed at the end of 5 years by including one-fifth of the ordinary income amount in gross income for the 5 taxable years. If the recomputed tax determined in this manner results in a lower tax than previously paid, the taxpayer would be entitled to a refund.

The Senate amendment deletes this provision from the bill.

The conference substitute (sec. 515 of the substitute and secs. 402(a), 403(a)(2), and 72(n) of the code) follows the House provision whereby employer contributions to qualified pension, profit sharing, stock bonus, and annuity plans for plan years beginning after 1969 are to be treated as ordinary income when received in a lump-sum distribution. The amounts to be treated as ordinary income, however, are to be eligible for a special 7-year "forward" averaging. In addition, the amounts received by the employee as compensation (other than deferred compensation) during the taxable year the lump-sum distribution is received and the capital gains portion of the lump-sum distribution are not to be taken into account for the calculation of the tax on the ordinary income portion of the distribution under the 7-year special averaging procedure. There is no recomputation or refund procedure.

6. Sales of life estates, etc. (sec. 1001 of the code)

The House bill provides that the entire amount received on the sale or other disposition of a life (or term of years) interest in property or an income interest in trust, if such interest was acquired by gift, bequest, inheritance, or a transfer in trust, is to be taxable, rather than only the excess of the amount received over the seller's basis for his interest. The provision does not, however, change present law in the situation where there is a sale or other disposition of a life (or term of years) interest in property or an income interest in trust where such sale is a part of a single transaction in which the entire interest in the property is transferred to another person or to two or more other persons jointly.

The Senate amendment makes the provision applicable to sales or other dispositions after October 9, 1969, rather than with respect to sales or other dispositions made after July 25, 1969, as under the House bill.

The conference substitute (sec. 516(a) of the substitute and sec. 1001 of the code) follows the Senate amendment.

7. Certain casualty losses under section 1231 (sec. 1231 of the code)

The House bill modifies the treatment of casualty losses and casualty gains (under sec. 1231) to provide that casualty (or theft) losses with respect to depreciable property and real estate used in a trade or business and capital assets held for the production of income are to be consolidated with casualty (or theft) gains with respect to this type of property. If the casualty losses exceed the casualty gains, the net loss is treated as an ordinary loss without regard to whether there may be noncasualty gains under section 1231. If, however, the casualty gains exceed the casualty losses, the net gain is treated as a section 1231 gain and must be consolidated with other gains and losses under section 1231.

The Senate amendment includes personal assets in this netting of casualty gains and casualty losses and applies the new rules to taxable years beginning after December 31, 1969, rather than July 25, 1969, the effective date under the House bill.

The conference substitute (sec. 516(b) of the substitute and sec. 1231 of the code) follows the Senate amendment.

8. Transfers of franchises, trademarks, and trade names (sec. 1253 of the code)

The House bill denies a franchisor capital gains treatment on the transfer of a franchise if he retains any significant power, right, or continuing interest with respect to the subject matter of the franchise. If the franchise agreement includes significant rights or restrictions which are subject to the franchisor's approval on a continuing basis, or if the franchisor's conduct constitutes participation in the commercial or economic activities of the franchise, the franchisor is regarded as having retained a significant power, right, or continuing interest.

The Senate amendment makes more specific the rules of the House bill and extends these rules to trademarks and trade names. A "franchise" includes "an agreement which gives one of the parties to the agreement the right to distribute, sell, or provide goods, services, or facilities, within a specified area." A "significant power, right, or continuing interest" includes, but is not limited to, a right to disapprove any assignment; a right to terminate at will; a right to prescribe standards of quality; a right to require exclusive sale or advertising of products or services of the transferor; a right to require exclusive purchases of supplies and equipment from the transferor; and a right to payments contingent on productivity of such payments constitute a substantial element under the transfer agreement.

Under the Senate amendment, contingent payments are treated as ordinary income and are deductible by the transferee as trade or business expenses.

The Senate amendment also provides rules with resepct to initial payments (including a lump sum or fixed amount payable in installments). If the transaction is treated as a sale, the transferor treats an initial payment as proceeds from the sale of a capital asset (except in the case of a dealer). The transferee is not entitled to depreciation or amortization deductions for the payment made to the transferor if the intangible asset does not have an ascertainable useful life. If, however, the transfer is a license, the transferor treats the initial payment as ordinary income, and the transferee treat its as a deductible expense over the period to which the payment is attributable but in no event over more than 10 years.

The Senate amendment excludes transfers of a franchise to engage in professional sports.

The Senate amendment provides that in the case of transfers before the effective date, the transferee may elect to deduct payments which would be deductible under the new rules (as if the transfer had occurred after the effective date), but only with respect to payments made in taxable years ending after December 31, 1969.

The conference substitute (sec. 516(c)) of the substitute and sec. 1253 of the code) follows the Senate amendment, except that the transferee may elect to deduct only contingent payments made in taxable years ending after December 31, 1969, and beginning before January 1, 1980, with respect to transfers before the effective date.

9. House provision omitted—holding period of capital assets (sec. 1222 of the code)

The House bill extends the holding period for long-term capital gain treatment from 6 to 12 months.

The Senate amendment restores the 6-month holding period of present law.

The conference substitute follows the Senate amendment.

SUBTITLE C—REAL ESTATE DEPRECIATION (SECS. 167 AND 1250 OF THE CODE)

The House bill provides that the 200 percent declining balance and sum of the years digits methods of real estate depreciation are to be limited to new residential housing. To qualify for this accelerated depreciation, at least 80 percent of the income from the building must be derived from rentals of residential units.

Other new real estate, including commercial and industrial buildings, under the House bill is limited to the 150-percent declining balance depreciation method.

In the case of used building (including housing acquired in the future), the House bill limits depreciation on future acquisitions to straight line depreciation.

Under the House bill, a special 5-year amortization deduction is provided in the case of expenditures made on or after July 25, 1969, for the rehabilitation of buildings for low-cost rental housing. This rapid amortization is to be available only where the property is held for occupancy by families and individuals of low or moderate income determined in a manner consistent with the policies of the Housing and Urban Development Act of 1968. The aggregate rehabilitation may not exceed $15,000 per dwelling unit and the sum of the rehabilitation expenditures (over a 2-year period) must exceed 3,000 per dwelling unit.

The House bill also provides that accelerated depreciation taken in the future in excess of allowable straight-line depreciation is to be recaptured as ordinary income to the extent of the gain occurring upon subsequent sale of real estate.

The Senate amendment made a series of modifications in the House bill, the more important of which are as follows:

(1) 150 percent declining balance depreciation is allowed on used residential housing with a useful life of 30 years or more and 125 percent declining balance depreciation is allowed with respect to used residential rental housing with a useful life of 20 to 30 years (all other used assets acquired after July 24, 1969, are limited to straight-line depreciation).

(2) The Senate amendment modifies the recapture rules by providing a reduction of 1 percent per month in the amount to be recaptured after the property has been held for 60 full months in the case of residential housing and in the case of all other real property after the property has been held for 10 years.

(3) The changes in the recapture rules are not to apply in the case of federally assisted projects (such as the FHA 221(d)(3) and 236 programs) or to other publicly assisted housing programs under which the return to the investor is limited on a comparable basis. These projects are to be subject to the present recapture rules which provide for a recapture of the depreciation in full if the sale occurs in the first 12 months and for a phase-out of the recapture of the excess of accelerated over straight-line depreciation after 20 months. The recapture is reduced at the rate of 1 percent per month until 120 months after which no recapture applies. These recapture rules of existing law will continue to apply only with respect to such property constructed, reconstructed, or acquired before January 1, 1975.

(4) The Senate amendment modifies the House bill to allow accelerated depreciation under pre-existing law with respect to a building constructed after July 25, 1969, if the taxpayer had filed with the appropriate local government authority, before July 25, 1969, an initial application for permission to construct, and if construction of such property is begun within 1 year after the date the initial application was filed.

(5) The Senate amendment applies the new recapture rules to depreciation attributable to periods after December 31, 1969 (rather than to periods after July 24, 1969, as under the House bill).

(6) The Senate amendment applies the existing recapture rules where the sale of the property was subject to a binding contract in existence prior to October 9, 1969, even though the transfer takes place after that date.

(7) The Senate amendment provides that the special 5-year amortization deduction for rehabilitation expenditures is to apply only with respect to such expenditures made before December 31, 1974.

The conference substitute (sec. 521 of the substitute and secs. 167 and 1250 of the code), generally follows the Senate amendment with the following modifications:

(1) The conference substitute permits 125 percent declining balance depreciation on used residential rental property with a useful life of 20 years or more acquired after July 24, 1969. All other used real property acquired after July 24, 1969 (other than that acquired pursuant to pre-July 25, 1969, contracts), is limited to straight line depreciation.

(2) The conference substitute modifies the recapture rules pertaining to residential housing by allowing a 1-percent-per-month reduction in the amount to be recaptured as ordinary income after the property has been held for 100 full months. Other real property is subject to full recapture, thus eliminating the phaseout of recapture after 10 years for nonhousing under the Senate amendment.

(3) The conference substitute applies the existing recapture rules where the sale of the property was subject to a binding contract in existence prior to July 25, 1969, even though the transfer took place after that date.

(4) The conference substitute deletes the Senate amendment (No. 4 above) which would allow accelerated depreciation under existing law if the taxpayer had filed an application to construct with the appropriate local government authority before July 25, 1969.

SUBTITLE D—SUBCHAPTER S CORPORATIONS (SEC. 1379 OF THE CODE)

Both the House bill and the Senate amendment provide limitations similar to those contained in the retirement plans for individuals (the so-called H.R. 10-type plans) with respect to contributions made by subchapter S corporations to the retirement plans for individuals who are "shareholder-employees." Under the bill, a shareholder-employee must include in his income the contributions made by the corporation under a qualified plan on his behalf to the extent contributions exceed 10 percent of his salary or $2,500, whichever is less.

The Senate amendment makes the following modifications in the House provision:

(1) The definition of a shareholder-employee is changed from an employee or officer who owns more than 5 percent of the corporation's stock to one who holds 10 percent or more.

(2) The provision is not to apply until taxable years beginning after 1970. The House bill would apply this provision to taxable years beginning after 1969.

The conference substitute (sec. 531 of the substitute and sec. 1379 of the code) follows the Senate amendment deferring the application of this provision to 1971. The conference substitute, however, does not follow the Senate amendment changing the percentage relating to the definition of a shareholder-employee.

E. HOUSE PROVISION OMITTED—COOPERATIVES (SEC. 531 OF THE HOUSE BILL)

The House bill requires cooperatives to revolve out patronage dividends and per unit retains within 15 years from the time the written notice of allocation was made or the per unit retain certificate was issued. In addition, the percentage of patronage allocations which must be paid out currently in cash or by qualified check are increased under the House bill from 20 to 50 percent. The additional 30 percent is to be paid with respect to the current allocation or in redemption of prior allocations. The increase in the required payout is phased in ratably over a 10-year period.

The Senate amendment omits this provision.

The conference substitute omits this provision.

The conference noted that the Treasury Department and congressional staffs had been requested by the Committee on Finance to study problems in the tax treatment of cooperatives, particularly as to whether cooperatives engage in activities which are unrelated to the purpose for which special tax treatment is given and that a report had been requested on this subject. The conferees requested that this report be made by January 1, 1972.

TITLE VI—STATE AND LOCAL OBLIGATIONS

1. Arbitrage bonds (sec. 103(d) of the code)

The House bill provides for the taxation of arbitrage bonds issued by State or local governments. The bill provides that, under regulations issued by the Secretary or his delegate, any arbitrage obligation is not to be treated as a tax-exempt State or local government bond.

The Senate amendment makes four modifications in the House bill:

(1) The amendment defines arbitrage bonds as obligations issued where all or a major part of the proceeds can be reasonably expected to be used (directly or indirectly) to acquire securities or obligations which may be reasonably expected, at the time of the issuance of the State and local obligation, to produce a yield which is materially higher than the yield on the State or local governmental bond issue.

(2) Arbitrage bonds are defined as not including issues where a major part of all of the proceeds of the issue are reasonably expected to be used to provide permanent financing for real property used, or to be used, for residential purposes where the yield on the Government obligation at the time of issue is not expected to be substantially lower than the yield on the permanent financing.

(3) An obligation is not treated as an arbitrage bond solely because the proceeds of the issue may for a temporary period be invested in higher yield securities or other obligations until the proceeds are used for the purpose for which the State or local government bonds were issued. Nor are obligations to be classified as arbitrage bonds where the proceeds of the Government issue may be invested in higher yield securities which are part of a reasonable reserve or replacement fund so long as this fund does not exceed 15 percent of the total issue (unless the issuer establishes that a higher amount is necessary).

(4) This provision of the amendment is effective with respect to obligations issued after October 9, 1969 (after July 11, 1969, under the House bill).

The conference substitute (sec. 601 of the substitute and sec. 103(d) of the code), follows as the Senate amendment except that in the case of the modification described in No. (2) above the permanent financing for real property is limited to real property used, or to be used, for residential purposes for the personnel of an educational institution of higher learning.

2. House provision omitted from conference substitute—election to issue taxable bonds and information reporting (secs. 6056 and 6685 of the code under the Senate amendment)

The House bill provides that States and local governments can voluntarily relinquish the tax exemption with respect to given debt security issues and in these cases the Secretary or his delegate is to pay a fixed percentage of the interest yield on each such issue. The fixed percentage may vary within a range of 30 to 40 percent of the yield up to 1975 and from 25 to 40 percent of the yield thereafter.

The Senate amendment deletes this provision of the House bill. It substitutes a requirement that every person who receives or accrues $600 or more of tax exempt State and local government bond interest or who is required to file an income tax return is to report the amounts of any tax-exempt State or local government bond interest he receives.

The conference substitute omits both the provision of the House bill and the provision of the Senate amendment.

TITLE VII—EXTENSION OF TAX SURCHARGE AND EXCISE TAXES; TERMINATION OF INVESTMENT CREDIT

1. Extension of tax surcharge (secs. 51(a) and 963(b) of the code)

The Senate amendment makes no substantive change in this provision of the House bill.

2. Continuation of excise taxes on communication services and automobiles (secs. 4061(a), 6412(a), and 4251 of the code)

The Senate amendment makes no substantive change in this provision of the House bill.

3. Termination of investment credit (sec. 49 of the code)

The House bill provides that the investment credit is not to be available with respect to property, the physical construction, reconstruction, or erection of which is begun after April 18, 1969, or which is acquired by the taxpayer after that date. The House bill contains essentially the same transition rules as were contained in the bill which suspended the investment credit in 1966. This includes transition rules relating to an equipped building, a plant facility, the construction of machinery or equipment, and certain contracts or leases with third parties requiring the construction of machinery or equipment. Other transitional rules were also included in the House bill.

The Senate amendment made a series of modifications in the transition rules provided by the House bill. The more important of these are as follows:

(1) The investment credit is made available where the site of a plant facility was acquired before April 19 to construct a refinery and substantial expenditures for the acquisition of pipeline were incurred before that date.

(2) The investment credit is made available where under a binding contract or contract to lease entered into before April 18, a lessor or lessee is obligated to construct or acquire property specified in documents related to the lease or contract which were filed with a Federal regulatory agency before April 19.

(3) The investment credit is made available in the case of property which a taxpayer must construct or acquire in order to carry out a pre-April 19, 1969, contract with a person who must take substantially all of the production from the property over its useful life. The property must be specified in the binding contract or must be extractive property with respect to which a series of specified requirements are satisfied.

(4) The House bill makes the investment credit available in the case of barges where the oceangoing vessel with respect to which the barges are to be used is eligible for the investment credit. The number of barges qualifying is limited to the number specified in binding contracts with the Maritime Administration. The Senate amendment modifies this provision to make the credit available where the barges are specified in a pre-April 19 application for mortgage or construction loan insurance filed with the Secretary of Commerce or when more than 50 percent of the barges planned to be used with the vessel qualify under the binding contract or other transitional rules.

(5) The House bill makes available the investment credit in the case of certain new design projects where certain conditions are met. The Senate amendment modifies these conditions to provide that fixed-price binding contracts may allow for price changes due to material costs in addition to those due to pay increases and also increases from 50 to 60 percent the amount of the production of the new design products to be delivered before 1973 which must be covered by the binding contracts.

(6) The House bill phases out the investment credit available in 1971 through 1974 by reducing the rate of the investment credit by 0.1 of 1 percentage point a month during this period. Under the Senate amendment the investment credits are to be available at the full 7 percent rate if the property is placed in service before 1979.

(7) The House bill limits the amount of unused credits from prior years which may be carried over and used in 1969 and subsequent years generally by providing that no more than 20 percent of the carryovers available at the end of 1968 may be used in any one year. The Senate amendment adopts this feature of the House bill but provides an additional 3-year carryforward period for unused investment credits to the extent these credits cannot be used in the year solely because of the special 20-percent limitation.

(8) The amendment exempts from the repeal of the investment credit up to $20,000 of investment in eligible property.

(9) The amendment provides that the investment credit is to be available for certain property which a taxpayer places in service to carry out a local organization's plan for works of improvement within the meaning of the Watershed Protection and Flood Prevention Act.

(10) An exception to the repeal of the investment credit is provided for certain investments in depressed areas.

The conference substitute (sec. 703 of the substitute and sec. 49 of the code) generally follows the Senate amendment but deletes the items referred to in paragraphs 1, 8, 9, and 10 and moves the termination date for property placed in service back from before 1979 to before 1976 (par. 6 referred to above).

4. Amortization of pollution control facilities (sec. 169 of the code)

Under the House bill, a taxpayer is allowed to amortize any certified pollution control facility over a period of 60 months. The amortization replaces the depreciation deduction, but the additional first year 20-percent depreciation allowance still is available.

The Senate amendment made the following changes in the provision of the House bill:

(1) The amendment limits the amortization deduction to pollution control facilities added to plants which were in operation on December 31, 1968.

(2) Under the House provision it is necessary for the appropriate Federal authority to certify to the Treasury Department that the facility meets minimum performance standards which are to be promulgated by the Federal authority from time to time and which must take technological advances into account and specify the tolerance of such pollutants and contaminants as is appropriate. The amendment modifies this to provide that the Federal authorities are not to establish effluent standards for water or emission standards for air but rather are to set national guidelines for the standards to be specified by the States.

(3) The 5-year amortization deduction is to apply only to those facilities placed in service before January 1, 1975.

(5) The 5-year amortization is limited to the proportion of the cost of the property attributable to the first 15 years of its normal useful life. Where property has a normal useful life of more than 15 years one portion of the facility is to be amortized over

the 5-year period and the remaining portion is to receive regular depreciation based upon the entire normal useful life of the property.

The conference subtstitute (sec. 704 of the substitute and sec. 169 of the code) follows the Senate amendment.

5. Amortization of certain railroad rolling stock, etc. (secs. 184, 185 and 263(e) of the code)

The Hill bill provides that a domestic common carrier by railroad, subject to regulation by the Interstate Commerce Commssion, may elect to amortize its rolling stock (other than locomotives) over a 7-year period. This treatment is available in the case of rolling stock acquired after July 31, 1969. Rolling stock constructed by the taxpayer after that date also is eligible for the 7-year amortization provision.

The Senate amendment substitutes a broader provision which differs from the House provision in the following respects:

(1) Instead of 7-year amortization of new rolling stock, the Senate amendment provides for a 5-year amortization of new rolling stock, including locomotives.

(2) The 5 year (or 4 year described below) amortization referred to above is available with respect to the rolling stock of all railroads, switching, and terminal companies all of whose stock is owned by railroads and rolling stock of lessors who lease to railroads. The 5 (or 4) year amortization provision is not available, however, in the case of rolling stock owned and used by companies other than railroads or rolling stock leased to companies other than railroads.

(3) Rolling stock placed in service during 1969 and owned by a railroad (or a 95-percent-owned subsidiary of a railroad) is eligible for 4-year amortization to the extent of any unrecovered costs as of January 1, 1970. Rolling stock placed in service in 1969 and owned by a lesser is not eligible.

(4) The 5-year amortization provision applies to qualified rolling stock placed in service before January 1, 1975.

(5) For purposes of the amortization provision, property placed in service at any time during 1970 by a railroad (or 95-percent-owned subsidiary of a railroad) is presumed to be placed in service on December 31, 1969. For 1970 in the case of a lessor and for subsequent years for railroads and for lessors, the question of when the rolling stock is placed in service is to depend upon the depreciation convention generally followed by the taxpayer.

(6) The Secretary of the Treasury is to issue regulations indicating particular classes of cars or locomotives which are not in short supply. Rolling stock in these specific classes which is placed in service after 1972 or 30 days after the regulations become effective, whichever is later, are not eligible for the 5-year amortization writeoff.

(7) The Senate amendment treats the cost of repairs as an expense in all cases where such costs in any 12-month period do not exceed 20 percent of the original basis of the unit involved.

(8) The Senate amendment also adds a new provision which provides railroads with an option to amortize railroad gradings and tunnel bores on the basis of a 50-year life. Under present law, railroads capitalize these costs but have not been able to depreciate them because of uncertainties as to the length of their useful lives.

The railroad property which would be amortized would include only improvements resulting from excavating (including tunneling), constructing embankments, clearings, diverting of roads and streams, sodding of slopes, and all similar work necessary to provide, construct, reconstruct, alter, protect, improve, replace, or restore a roadbed or right-of-way for railroad track.

The conference substitute (secs. 705 and 706 of the substitute and secs. 184, 185, and 263(e) of the code) follows the Senate amendment except that the amortization provisions relating to railroad grading and tunnel bores apply only to such property the original use of which commences after December 31, 1968. Improvements to existing gradings and bores are to be treated as a separate item of such property for purposes of the provisions.

6. Amortization of certain coal mine safety equipment (sec. 187 of the code)

The House bill does not contain this provision.

The Senate amendment provides that a taxpayer may elect 5-year amortization for certified coal mine safety equipment. This is in lieu of the depreciation deduction with respect to this equipment.

Certified coal mine safety equipment for this purpose means electric face equipment which is required in order to comply with the Federal Coal Mine Health and Safety Act of 1969, which is certified by the Secretary of Interior, and which is placed in service within 6 years after the operative date of title III of that act. Property placed in service in connection with used electric face equipment also is eligible for this 5-year amortization when certified by the Secretary of Interior as property which makes such used equipment permissible under that act.

The conference substitute (sec. 707 of the substitute and sec. 187 of the code) follows the Senate amendment, but applies it to taxable years ending after December 31, 1969 (instead of years ending after date of enactment). In addition, under the substitute, the coal mine safety equipment eligible for the amortization must be placed in service before January 1, 1975.

TITLE VIII—ADJUSTMENT OF TAX BURDEN FOR INDIVIDUALS

1. Personal exemption (secs. 151 and 6013(b) of the code)

The House bill does not change the present $600 personal exemption.

The Senate amendment increases the personal exemption to $700 in 1970 and $800 in 1971.

The conference substitute (sec. 801 of the substitute and sec. 151 of the code) increases the personal exemption to $625 for calendar year 1970 (by increasing it to $650 on July 1, 1970, for withholding purposes), to $650 for 1971, to $700 for 1972, and to $750 for 1973, and thereafter.

2. Increase in standard deduction (141 of the code)

The House bill increases the present 10-percent standard deduction with a $1,000 ceiling to 13 percent with a $1,400 ceiling in 1970, to 14 percent with a $1,700 ceiling in 1971, and to 15 percent with a $2,000 ceiling for 1972 and thereafter.

The Senate amendment does not increase the percentage standard deduction.

The conference substitute (sec. 802 of the substitute and sec. 141 of the code) increases the percentage standard deduction to 13 percent with a $1,500 ceiling in 1971, to 14 percent with a $2,000 ceiling in 1972, and to 15 percent with a $2,000 ceiling for 1973 and thereafter.

3. Low-income allowance (141 of the code)

The House bill replaces the present minimum standard deduction with a low-income allowance of $1,100. In 1970 only, the excess of the low-income allowance over the present minimum standard deduction is reduced $1 for every $2 of income above the new nontaxable levels. Thereafter, there is no reduction in the $1,100 minimum standard deduction.

The Senate amendment substitutes a $1,000 low-income allowance for the $1,100 in the House bill and, in 1970 only, reduces the entire amount by $1 for every $4 of income in excess of the nontaxable levels provided by the amendment.

The conference substitute (sec. 802 of the substitute and sec. 141 of the code) follows the House bill low-income allowance provision for 1970 and provides a $1,050 allowance in 1971 with a reduction in the excess over the present minimum standard deduction by $1 for every $15 of income above the nontaxable levels. For 1972 and thereafter the low-income allowance is $1,000 with no reduction.

4. Tax treatment of single persons (sec. 1 of the code)

The House bill provides that widows and widowers regardless of age and single persons age 35 or over are to use the head-of-household rate schedule, and surviving spouses are to use the joint return rates as long as they have dependent children under age 19 or attending school.

The Senate amendment substitutes for the House provision a new rate schedule for single persons which provides a tax that is no more than 20 percent in excess of that paid on a joint return with the same amount of taxable income and provides a new head-of-household rate schedule half way between the schedule applicable to joint returns and the new schedule applicable to single persons. The Senate amendment does not extend surviving spouse treatment beyond the 2 years provided in present law.

The conference substitute (sec. 803 of the substitute and sec. 1 of the code) follows the Senate amendment.

5. 50 percent maximum rate on earned income (sec. 1348 of the code)

The House bill provides that the maximum marginal tax rate applicable to an individual's earned income is not to exceed 50 percent.

The Senate amendment does not contain this provision.

The conference substitute (sec. 804 of the substitute and new sec. 1348 of the code) generally follows the House 50-percent rate limit on earned income except that the 50-percent limit is applicable to earned income reduced by tax preferences in excess of $30,000 in the current year or the average tax preferences in excess of $30,000 for the current year and the prior 4 years, whichever is greater. Tax preferences for this purpose are the same as those applicable to individuals under the minimum tax.

6. Collection on income tax at source on wages (sec. 3402 of the code)

The House bill requires the Secretary of the Treasury to prescribe withholding rates and tables incorporating the low-income allowance, the higher standard deduction, the reduced tax rates, and, for the first 6 months of 1970, the 5-percent surcharge.

The Senate amendment provides that withholding is to incorporate the low-income allowance, the higher personal exemption, the new tax rates for single persons, and the 5-percent surcharge.

The conference substitute (sec. 805(a) of the substitute and sec. 3402(a) of the code) provides percentage method withholding tables (and requires the Secretary of the Treasury to prescribe wage bracket tables) which incorporate: for 1970, the low-income allowance (with a phaseout), the 5-percent surcharge for the first 6 months, and the $650 personal exemption for the second 6 months; for 1971, the low-income allowance (with a phaseout), the $650 personal exemption, the 13-percent standard deduction (with a $1,500 ceiling) and the new tax rates for single persons; for 1972 the low-income allowance (with no phaseout), the $700 personal exemption, the 14-percent standard deduction (with a $2,000 ceiling) and the new tax rates for single persons. For 1973 and thereafter withholding is further changed to reflect the $750 personal exemption and the 15 percent standard deduction (with a $2,000 ceiling).

7. *Provision for flexibility in withholding procedures (sec. 3402(h) of the code)*

The House bill does not contain a provision dealing with flexibility in withholding procedures.

The Senate amendment permits the Secretary of the Treasury to authorize withholding methods which provide substantially the same amount of withholding as the present methods or withhold the correct amount of tax for the entire year. Withholding on the basis of cumulative wages and on the basis of annualized wages is specifically permitted.

The conference substitute (sec. 805(d) of the substitute and sec. 3402(h) of the code) follows the Senate amendment.

8. *Additional withholding allowances for excess itemized deductions (sec. 3402(m) of the code)*

The House bill does not contain a provision dealing with withholding allowances.

The Senate amendment permits a taxpayer to claim estimated itemized deductions which are higher than those for the prior year if he can demonstrate that there is a reasonable expectation that the deductions will be higher in the current year.

The Senate amendment changes the level for determining itemized deductions above which an allowance is permitted. It is changed from 10 percent of the first $7,500 of wages and 17 percent of the excess, to 15 percent of all wages. In addition, the Senate amendment changes present law to permit a withholding allowance to be claimed where a fractional allowance of one-half or more results.

The conference substitute (sec. 805(e) of the substitute and sec. 3402(m) of the code) follows the Senate amendment except that it substitutes $750, the amount of the personal exemption under the substitute in 1973, for the $600 amount in the Senate amendment and present law.

9. *Certification of nontaxability for withholding tax purposes (sec. 3402 of the code)*

The House bill contains no provision dealing with certification of nontaxability.

The Senate amendment provides that an individual is not to be subject to withholding of income tax if he certifies to his employer that he expects to have no Federal income tax liability for the year and, in fact, had no income tax liability for the preceding year.

The conference substitute (sec. 805(f) of the substitute and sec. 3402 of the code) follows the Senate amendment.

10. *Withholding on supplemental unemployment benefits (sec. 3402 of the code)*

The House bill contains no provision concerning withholding on supplemental unemployment benefits.

The Senate amendment requires the payor of taxable supplemental unemployment compensation benefits to withhold Federal income tax from these payments.

The conference substitute (sec. 805(g) of the substitute and sec. 3402 of the code) follows the Senate amendment.

11. *Voluntary withholding on payments not defined as wages (sec. 3402 of the code)*

The House bill contains no provision concerning withholding on nonwage payments.

The Senate amendment provides that employers or other payors must withhold income tax on taxable pension and annuity payments when the payee requests withholding. In the case of payments for services not defined as wages (or other payments where the Secretary of the Treasury finds withholding would be appropriate) the payor and payee may agree to withholding.

The conference substitute (sec. 805(g) of the substitute and sec. 3402 of the code) follows the Senate amendment.

12. *House provisions omitted—individual income tax rates (sec. 1 of the code and sec. 804 of the bill)*

The House bill reduces tax rates by at least 1 percentage point in all brackets, reducing tax by at least 5 percent in all brackets.

The Senate amendment does not reduce tax rates generally. Selected rate reductions are made for single persons and heads-of-households (as indicated above).

The conference substitute follows the Senate amendment.

Title IX—Miscellaneous Provisions

SUBTITLE A—MISCELLANEOUS INCOME TAX PROVISIONS

1. *Exclusion of additional living expenses (sec. 123 of the code)*

The House bill does not include this provision.

The Senate amendment provides that in the case of an individual whose residence is destroyed or damaged by fire, storm or other casualty, gross income does not include amounts received under an insurance contract for reimbursement for living expenses incurred by the taxpayer and members of his household as the result of the loss of use or occupancy of a residence. The amendment allows the exclusion only to the extent that the amounts received do not exceed the excess of actual living expenses (for the taxpayer and members of his household) resulting from the loss of the use of the residence over the normal living expenses which would have been incurred by the taxpayer (for himself and members of his household) during this period.

The conference substitute (sec. 901 of the substitute and sec. 123 of the code) follows the Senate amendment.

2. *Deductibility of treble damage payments, fines, penalties, etc. (secs. 162 (c), (f), and (g) of the code)*

The House bill does not include this provision.

The Senate amendment codifies court decisions that deductions are not to be allowed for fines or similar penalties paid to a government for the violation of any law. It also denies deductions for three other types of expenditures: two-thirds of treble damage payments under the antitrust laws, deductions for bribes of public officials (whether or not foreign officials), and other unlawful bribes or "kickbacks."

Under the Senate amendment, deductions are denied for treble damage payments under the antitrust laws only where there has been a conviction in a criminal prosecution (or a plea of guilty or nolo contendere). This is also true of the provisions relating to bribes and kickbacks other than to public officials. Illegal bribes and kickbacks with respect to public officials are in a different category, however, and deductions for such payments are denied in accordance with the treatment which is already accorded bribes of or kickbacks to foreign governmental officials or employees.

The provisions of the Senate amendment relating to antitrust treble damage payments apply to amounts paid or incurred after December 31, 1969, with regard to convictions after that date. The provisions as to fines and penalties paid to a government and illegal payments to government officials and employees apply to all taxable years to which the code applies. The provisions as to other bribes and kickbacks apply to payments made after the date of enactment.

The conference substitute (sec. 902 of the bill and sec. (c), (f), and (g) of the code) follows the Senate amendment.

3. *Deductibility of accrued vacation pay (sec. 97 of the Technical Amendments Act of 1958)*

The House bill contains no comparable provision.

The Senate amendment postpones for 2 years the effective date of Revenue Ruling 54–608. As a result, deductions for accrued vacation pay, if computed by an accounting method consistently followed, will not be denied for any taxable year ending before January 1, 1971, solely because the liability to a specific person for vacation pay cannot be clearly estimated or the amount computed with reasonable accuracy.

The conference substitute (sec. 903 of the substitute) follows the Senate amendment.

4. *Deduction of recoveries of antitrust damages, etc. (sec. 186 of the code)*

The House bill contains no comparable provision.

The Senate amendment provides that in the case of losses resulting from patent infringement, breach of contract, breach of fiduciary duty, or an antitrust injury for which there is a recovery under section 4 of the Clayton Act, a special deduction is to be allowed which has the effect of reducing the amounts required to be included in income to the extent that the losses to which they relate did not give rise to a tax benefit. This result is accomplished by providing, in effect, that the amount includable in gross income is to be the compensatory amount reduced by the amount of the losses which have not been recovered for tax purposes which were sustained as a result of the compensable injury.

The compensatory amount for this purpose means the amount of the award, settlement, or recovery reduced by the amounts paid or incurred in securing it. The unrecovered losses are the net operating losses for the year to the extent the losses are attributable to the compensable injury, reduced by the net operating losses which are allowed as offsets against income in other years.

This provision applies only to recoveries (which are includible in taxable income) for actual economic injury and not for additional amounts. In the case of treble damage recoveries under section 4 of the Clayton Act, for example, the provision applies to that part of the recovery which represents the economic injury and not to the other part which is punitive in nature.

The conference substitute (sec. 904 of the substitute and sec. 186 of the code) follows the Senate amendment.

5. *Corporations using appreciated property to redeem their own stock (sec. 311 of the code)*

The House bill contains no similar provision.

The Senate amendment provides that if a corporation distributes property to a shareholder in redemption of part or all of the shareholder's stock and the property distributed has appreciated in value in the hands of the distributing corporation, gain is to be recognized to the extent of this appreciation. This provision applies whether or not the redemption is classified as a dividend, but it does not apply to redemptions in complete or partial liquidation of the corporation or to redemptions in a tax-free reorganization or splitoff (secs. 355 and 356).

The conference substitute (sec. 905 of the substitute and sec. 311 of the code) generally follows the Senate amendment except that certain additional exceptions and transitional rules are provided. These include the following:

(1) The provision is made inapplicable to distributions in complete termination of the interest of a shareholder owning at least 10 percent of the stock, distributions of stock of a 50 percent or more owned subsidiary, distributions pursuant to an antitrust decree, redemptions under section 303 of the code, certain redemption distributions to private foundations, and distributions by regulated investment companies.

(2) The transitional rules make the provision inapplicable to contracts in existence on November 30, 1969, and written offers which were made before December 1, 1969, or are made pursuant to a ruling request filed with the Internal Revenue Service or a registration statement filed with the Securities and Exchange Commission before that date. Such offers must not be revocable by their express terms.

The Treasury Department and congressional staff were requested to analyze this provision both from the standpoint of whether any tax avoidance possibilities still remain and also from the standpoint as to whether the changes made by this provision constituted hardships in any areas.

6. *Reasonable accumulations by corporations* (*sec. 537 of the code*)

The House bill does not contain a comparable provision.

The Senate amendment provides that for purposes of the accumulated earnings tax (sec. 531 et seq. of the code), the reasonable needs of the business (sec. 537 of the code) are to include the amount needed (or reasonably anticipated to be needed) in the year of death and in later years to accomplish a section 303 redemption. It is also provided that the reasonable needs of the business include the amounts needed (or reasonably anticipated to be needed) to redeem from private foundations stock held, or received pursuant to a will or irrevocable trust treated as binding on October 9, 1969, which constitutes excess business holdings.

It is further provided that no inference is to be drawn with respect to earlier years as a result of distributions in redemption to which this provision is applicable.

The conference substitute (sec. 906 of the substitute and sec. 537 of the code) adopts the Senate amendment except that this provision is made effective with respect to the accumulated earnings tax in taxable years ending after May 26, 1969 (rather than October 9, 1969 as in the Senate amendment).

7. *Special contingency reserves of insurance companies* (*secs. 805(e) and 810(c) of the code*)

The House bill does not include a comparable provision.

The Senate amendment provides that in computing the taxable income of a life insurance company a deduction is to be allowed for interest paid on special contingency reserves under contracts of group term life insurance or group health and accident insurance which are established and maintained to provide for insurance on retired lives, for premium stabilization, or for a combination of the two. A similar amendment is made to the life insurance company provisions relating to the items taken into account as reserves for purposes of the so-called "phase II" tax imposed on life insurance company income (i.e., the tax on gains from operations other than investment income).

The conference substitute (sec. 907(a) of the bill and sec. 805(e) and 810(c) of the code) follows the Senate amendment.

8. *Spinoff by life insurance companies* (*sec. 815 of the code*)

The House bill does not contain a comparable provision.

The Senate amendment permits the spinoff of a second tier ordinary business subsidiary by a life insurance company to the parent holding company without the application of phase III tax consequences at that time, but in a manner designed to preserve the potential application of a phase III tax. The phase III tax continues to apply as if the spinoff had not been made and as if distributions to the holding company by the ordinary business corporation were channeled through the life insurance company. The sale or other disposition of the stock of the ordinary business subsidiary is treated as reducing the shareholders surplus account or policyholders surplus account of the life insurance company. These effects are limited to the amount of the fair market value of the stock of the ordinary business corporation at the time of the spinoff.

This provision applies only where a life insurance company has, at all times since December 31, 1957, owned all of the stock of the business subsidiary which is spun off to the parent holding company. The phase III tax does not apply (except to the extent of any post-1957 contributions to capital of the business subsidiary) at the time of the spinoff but will continue to apply to distributions by (or the sale of stock of) the ordinary business subsidiary.

The conference substitute (sec. 907(b) of the substitute and sec. 815 of the code) follows the Senate amendment.

9. *Loss carryover of insurance company on change of form of organization or nature of insurance business* (*sec. 844 of the code*)

The House bill does not include a comparable provision.

The Senate amendment permits an insurance company to carry over and deduct a net operating loss when its insurance company tax status changes. However, this provision forestalls any tax advantage by limiting the net operating loss which may be carried over to the lesser of the loss carryover as computed under the rules applicable to the company before the change or the loss carryover as computed under the rules which apply to the company after the change.

Where a casualty insurance company changes from a mutual to a stock company, the Senate amendment further provides that in computing the loss carryover allowable under the stock company rules the deduction for dividends paid to policyholders is denied.

The conference substitute (sec. 907(c) of the substitute and sec. 844 of the code) follows the Senate amendment, except that only 25 percent of the deduction for dividends paid to policyholders is denied for purposes of the loss carryover computation where a casualty insurance company changes from a mutual to a stock company.

10. *Mutual funds under periodic payment plans* (*sec. 851(f) of the code*)

The House bill does not include this provision.

The Senate amendment adds a provision to the regulated investment company provisions, the effect of which is to preclude a periodic payment plan from being treated as a corporation, partnership or trust where the bank custodian can purchase shares only in a single specified fund. Instead, the mutual fund shares are to be treated as owned directly by the investor with the bank custodian acting as a nominee. The new provision does not apply in the case of a unit investment trust which is a segregated asset account under the insurance laws or regulations of a State.

The conference susbtitute (sec. 908 of the bill and sec. 851(f) of the code) follows the Senate amendment.

11. *Foreign base company income* (*sec. 954 (b)(4) of the code*)

There is no comparable provision in the House bill.

The Senate amendment revises the exception from foreign base company income to provide that foreign base company income does not include any item of income received by a foreign corporation if it is established to the satisfaction of the Treasury Department that neither the creation nor organization (or acquisition) of the controlled foreign corporation in the particular foreign country nor the transaction giving rise to the income in question has as one of its significant purposes a substantial reduction of income or similar taxes.

The conference substitute (sec. 909 of the substitute and sec. 954(b)(4) of the code) follows the Senate amendment.

12. *Deferral of gain upon the sale of certain low-income housing* (*sec. 1039 of the code*)

There is no comparable provision in the House bill.

The Senate amendment provides that no gain is to be recognized to the initial investor in federally assisted housing projects where the properties are sold to the occupant or a tax-exempt organization managing the property, but only to the extent that the investor reinvests the proceeds from the sale in other similar Government-assisted housing. In this case, the taxpayer's basis for the project is carried over and becomes part or all of his basis for the new project in which the funds are invested (depending upon whether or not he also invests additional funds in the second project). The holding period of the first property is taken into account in determining how long the second property is held in this case, but only to the extent the proceeds from sale of the old project are reinvested in the new project. This provision also applies to certain State-assisted projects.

The conference substitute (sec. 910 of the bill and sec. 1039 of the code) follows the Senate amendment except as it relates to State-assisted projects.

13. *Cooperative per unit retain allocations paid in cash* (*sec. 1382(b) of the code*)

The House bill does not include this provision.

The Senate amendment provides that a cooperative can deduct or exclude from gross income per unit retain allocations whether they are paid in qualified per unit retain certificates (as under existing law) or whether they are paid in money (or other property).

The conference substitute (sec. 911 of the substitute and sec. 1382(b)(3) of the code) follows the Senate amendment.

14. *Inclusion of foster children in the definition of dependents* (*sec. 152(b)(2) of the code*)

The House bill does not include this provision.

The Senate amendment redefines the rules relating to the definition of a dependent (sec. 152(b)(2)) to enable foster parents to claim additional exemptions for dependent foster children on the same terms as for natural children. Thus, a foster child may have gross income for a year in excess of $600 (if the child is less than 19 years of age or is a student) without the taxpayer losing the dependency exemption for the child, provided he continues to furnish more than one-half of the foster child's support.

The conference substitute (sec. 912 of the substitute and sec. 152(b)(2) of the code) follows the Senate amendment except that the provision is made applicable to taxable years beginning after December 31, 1969 (rather than after the date of enactment as in the Senate amendment).

15. *Cooperative housing corporations* (*sec. 216(b) of the code*)

The House bill does not include a comparable provision.

The Senate amendment provides that, in determining whether a corporation is a cooperative housing corporation, no account is to be taken of stock owned and apartments leased by governmental entities empowered to acquire shares in a cooperative housing corporation for the purpose of providing housing facilities. The effect of the amendment is to allow individual tenant-stockholders to deduct their proportionate share of interest and taxes even though more than 20 percent of the cooperative housing corporation's income is derived from a governmental entity.

The conference substitute (sec. 913 of the substitute and sec. 216(b) of the code) follows the Senate amendment, except that it is made applicable to taxable years beginning after December 31, 1969 (instead of after December 31, 1968, as in the Senate amendment).

16. Personal holding company dividends (sec. 563(b) of the code)

The House bill does not include this provision.

The Senate amendment provides that in computing the personal holding company tax, a taxpayer may elect to take a deduction for dividends paid on or before the 15th day of the third month following the close of its taxable year, provided that the dividend deduction may not exceed 20 percent (instead of 10 percent as under present law) of the dividends paid by the corporation during the year.

The conference substitute (sec. 914 of the substitute and sec. 563(b) of the code) follows the Senate amendment, except that it is made effective for taxable years beginning after December 31, 1969 (the Senate amendment does not contain an effective date).

17. Replacement of property involuntarily converted within a 2-year period (sec. 1033(a)(3)(B) of the code)

The House bill does not include this provision.

The Senate amendment modifies the rule of existing law that no gain is recognized if property is compulsorily or involuntarily converted into replacement property which is similar or related in use or service, provided the property is replaced within 1 year after the year in which the involuntary conversion occurred, to allow a 2-year period for the replacement.

The conference substitute (sec. 915 of the substitute and sec. 1033(a)(3)(B) of the code) follows the Senate amendment.

18. Change in reporting income on installment basis (sec 453 of the code)

The House bill does not include this provision.

The Senate amendment modifies the installment reporting provision of present law to allow a taxpayer to retroactively revoke an election to report on the installment basis. For this treatment to be available, the taxpayer must file a notice of revocation within 3 years following the date of the filing of the tax return for the year the installment method was elected. The revocation would apply to the year installment reporting was elected and subsequent years. Interest would not be allowed, however, on any refunds or credits resulting from a revocation.

The conference substitute (sec. 916 of the substitutes and sec. 453 of the code) follows the Senate amendment with a modification prohibiting, within 5 years, a new election to report on the installment basis except with the consent of the Secretary or his delegate.

19. Recognition of gain in certain liquidations (sec. 333 of the code)

The House bill does not include this provision.

The Senate amendment provides that for purposes of the 1-month liquidation rule of section 333 of the code, securities transferred to a controlled corporation after December 31, 1953, solely in exchange for stock in a tax-free transfer under section 351 will be treated as acquired by the corporation before that date, if they were acquired before that date by the person making the transfer. The amendment applies only to liquidations occurring prior to 1971.

The conference substitute (sec. 916 of the substitute) follows the Senate amendment, except that this provision is made applicable only during calendar year 1970.

SUBTITLE B—MISCELLANEOUS EXCISE TAX PROVISIONS

1. Application of excise taxes on trucks to concrete mixers (sec. 4063 of the code)

The House bill does not include a comparable provision.

The Senate amendment provides an exemption from the manufacturers' excise tax on trucks in the case of articles designed to be mounted on an automobile truck trailer or semitrailer chassis which are designed to be used primarily to process or prepare concrete. In addition, an exemption is provided for parts and accessories designed primarily to be used in connection with the use of these concrete mixers.

The conference substitute (sec. 931 of the substitute and sec. 4063 of the code) follows the Senate amendment, except that this provision is made applicable to articles sold after December 31, 1969 (rather than June 30, 1968, as under the Senate amendment).

2. Constructive sale price (sec. 4216 of the code)

The House bill does not include a comparable provision.

The Senate amendment adds two constructive price rules to the excise tax provisions dealing with situations where a manufacturer or importer regularly sells an article subject to excise tax to an affiliated corporation and that corporation regularly sells the article to independent retailers but does not regularly sell to wholesale distributors.

The first of these rules provides that the fair market price of the article is to be 90 percent of the lowest price for which the subsidiary corporation regularly sells the article in arms-length transactions to independent retailers.

The second rule provides that where the distributor regularly sells only to retailers and the normal method of sales in the industry is by arms-length sales to distributors, the fair market price of the article is to be the price at which the article is sold to retailers by the affiliated distributor reduced by a percentage equal to the markup used by independent distributors in that industry.

The conference substitute (sec. 932 of the substitute and sec. 4216 of the code) follows the Senate amendment with minor modifications, except that the provision is made applicable to articles sold after December 31, 1969 (rather than January 1, 1969).

SUBTITLE C—MISCELLANEOUS ADMINISTRATIVE PROVISIONS

1. Filing requirements for individuals (sec. 6012 of the code)

The House bill does not include this provision.

The Senate amendment raises the income levels at which an individual is required to file a tax return to correspond to the new nontaxable levels under the Senate amendment.

The conference substitute (sec. 941 of the substitute and sec. 6012 of the code) adopts the principle of the Senate amendment that the filing requirement should generally correspond to the nontaxable levels of income and raises the income level at which a return must be filed to correspond generally with the nontaxable levels under the conference substitute: For 1970, 1971, and 1972 the income level up to which returns are not required is $1,700 for a single person and $2,300 for a married couple filing jointly. These amounts are increased $600 for each additional personal exemption to which the taxpayer or married couple filing jointly are entitled. In 1973 and thereafter, when the increase in the personal exemption and the low income allowance are fully effective, the income levels are $1,750 for a single person and $2,500 for a married couple filing jointly, plus $750 for each additional personal exemption.

2. Computation of tax by Internal Revenue Service (sec. 6014 of the code)

The House bill removes some of the present limitations with respect to the type of taxpayer who may elect to have his tax computed by the Internal Revenue Service. The House bill removes the $5,000 income limitation of present law and permits the use of the optional tax table containing the minimum standard deduction in computing the tax for married taxpayers filing separate returns. In addition, the House bill permits the Secretary of the Treasury to issue regulations under which the tax computation may take account of the retirement income credit and the marital status of the taxpayer and may extend the election to any taxpayer regardless of the specified limitations.

The Senate amendment modifies the House bill in the following manner:

(1) Those present law limitations which remain are specifically listed and the Secretary of the Treasury is permitted to waive them by regulation. The Secretary may issue regulations which permit the taxpayer to request that the Internal Revenue Service compute his tax without regard to the amount or the source of his adjusted gross income and without regard to whether he claims the retirement income credit or whether he itemizes or takes the standard deduction.

(2) The Senate amendment also substitutes $7,500 for the $5,000 amount under present law and removes the restriction on taking into account the marital status of the taxpayer and the use of the optional tax table for married taxpayers filing separate returns. The Internal Revenue Service is permitted to compute the tax for persons with income above $7,500 if it so decides.

The conference substitute (sec. 942 of the substitute and sec. 6014 of the code) follows the Senate amendment but substitutes $10,000 for the $7,500 amount under the Senate amendment.

3. Penalties for failure to pay tax or make deposits (sec. 6661 of the code)

The House bill does not include this provision.

The Senate amendment provides a penalty for failure to pay income tax when due. The penalty is 5 percent of the amount of the tax if the failure is for not more than 1 month, with an additional 5 percent for each additional month while the failure continues, not exceeding 25 percent in total. In the case of failure to pay income tax shown on a return when due, the penalty is imposed on the amount shown in the return less amounts that have been withheld, estimated tax payments, partial payments, and other applicable credits. In the case of failure to pay a deficiency within 10 days of the date of notice and demand, the penalty is imposed on the tax stated in the notice reduced by the amount of any partial payments. The penalty is not to be imposed in any case if it is shown that the failure to pay the tax or the deficiency is due to reasonable cause and not to willful neglect.

With respect to failure to make deposits of tax, the Senate amendment changes the 1-percent-per-month penalty to a flat 5-percent penalty.

The conference substitute (sec. 943 of the substitute and sec. 6651 of the code) generally follows the Senate amendment but reduces the penalty for failure to pay income tax to one-half of 1 percent per month limited to a total of 25 percent.

4. Declarations of estimated tax by farmers (sec. 6015 of the code)

The House bill does not include this provision.

The Senate amendment advances the due

date for filing of tax returns by farmers and fishermen in order to be excused from filing declarations of estimated tax from February 15 to March 15.

The conference substitute (sec. 944 of the substitute and sec. 6015 of the code) advances this date from February 15 to March 1.

5. Portion of salary, wages, or other income exempt from levy (sec. 6334 of the code)

The House bill does not include this provision.

The Senate amendment provides that if the taxpayer is required by a court judgment to contribute to the support of his minor children, his salary, wages, or other income to the extent necessary to comply with the judgment is exempt from levy to pay Federal taxes. The provision applies only if the court decree providing for the support of minor children is entered prior to the date of the levy.

The conference substitute (sec. 945 of the substitute and sec. 6334 of the code) follows the Senate amendment.

6. Interest and penalties in case of certain taxable years

The House bill does not include this provision.

The Senate amendment provides relief from interest and penalties with respect to payments of estimated tax where this results from understatement of tax because of the repeal of the investment credit or extension of the surcharge.

The conference substitute (sec. 946 of the substitute) provides relief from interest and penalties with respect to underpayments of tax and payments of estimated tax where this results from understatement of tax because of any amendments made by this act. If a taxpayer is required to pay any additional amount of estimated tax, as a result of changes made by this act, such amount is to be paid ratably over the taxpayer's remaining estimated tax installment dates for his taxable year.

SUBTITLE D—U.S. TAX COURT

1. Article I status for Tax Court and provision for small claims cases (secs. 7441, 7443(b), (c), and (e) and 7447 of the code)

The House bill does not include this provision.

The Senate amendment makes the following changes in the Tax Court provision of the code:

(1) The Tax Court is established as a court under Article I of the Constitution;

(2) The term of office is established as 15 years from the date the judge takes office;

(3) A judge may not be appointed for the first time after reaching age 65;

(4) The provisions in the code dealing with the salaries of Tax Court judges are altered so as to make applicable the statutory provisions dealing with salaries or district court judges, but no actual change in the salary provisions is made;

(5) The provisions regarding retirement are revised to require, among other provisions, retirement at age 70 whether or not the judge has completed 10 years of service at that time;

(6) As in the case of the district court, a judge may retire at age 65 if he has served 15 years, but he may retire at a younger age with 15 years of service if he is available for reappointment at the conclusion of his term but is not reappointed;

(7) A Tax Court judge may retire if he is permanently disabled;

(8) An election to provide for survivors' benefits may be made at any time during service as a judge instead of only at the specific times now set forth;

(9) The Tax Court is given powers regarding contempt, and the carrying out of its writs, orders, etc., equivalent to those which Congress has previously given to the district courts;

(10) A small claims procedure is established, for deficiencies or overpayments not exceeding $1,000 in any year and estate tax deficiencies under $1,000, under which the decision is to be based upon a brief summary opinion instead of formal findings of fact, is not to be a precedent for future cases and is not to be reviewable upon appeal;

(11) Commissioners can be used by the Tax Court in the small claims cases and are to be paid at the same rate as commissioners of the Court of Claims;

(12) Changes are made as to time for appeal and terminology in order to conform the code provisions to the Federal Rules of Appellate Procedure;

(13) The U.S. Tax Court, as established by this act, is a continuation of the existing Tax Court of the United States and the act is to have no effect upon existing litigation, jurisdiction, etc.

The conference substitute (secs. 951–962 of the substitute and secs. 7441, 7443 (b), (c), and (e) and 7447 of the code) follows the Senate amendment. The conferees believe the Tax Court should sit in a greater number of cities than the 50 in which it presently sits so as to ease the burdens imposed on taxpayer who must travel substantial distances in order to take advantage of the new and small claims procedures.

E. SENATE PROVISIONS OMITTED

1. Income earned abroad (sec. 910 of the Senate amendment)

No such provision is contained in the House bill.

The Senate amendment reduces from $20,000 or $25,000 to $6,000 the amount of earned income received from abroad which a U.S. citizen who is a bona fide resident of a foreign country or who is abroad for 17 out of 18 months may exclude from income in computing his U.S. income tax.

This provision is omitted from the conference substitute.

2. Deductions for medical care, medicine, and drugs for individuals who have attained the age of 65 (sec. 914 of the Senate amendment)

No such provision is contained in the House bill.

The Senate amendment eliminates the 3 and 1 percent floors applicable to medical and drug expenses of individuals age 65 and over.

The conference substitute omits this provision.

3. Transportation expenses of handicapped individuals (sec. 915 of the Senate amendment)

No such provision is contained in the House bill.

The Senate amendment provides a tax deduction for transportation expenses incurred in getting to and from work, up to $600 a year, for certain handicapped persons. The deduction is available to taxpayers using the standard deduction. A handicapped person to be eligible for this deduction may prove his disability by presenting a certificate from a State vocational rehabilitation agency. The certificate must indicate he has a disability that is expected to last for a continuous period of long and indefinite duration that prevents him from using public transportation without undue hardship or danger.

The conference substitute omits this provision.

4. Tax credit for certain expenses of higher education (sec. 917 of the Senate amendment)

No such provision is contained in the House bill.

The Senate amendment provides an income tax credit for certain expenses of higher education to the individual incurring the expenses. The credit is limited to a maximum of $325 a year and is reduced by 2 percent of the amount by which the adjusted gross income of the taxpayer exceeds $15,000.

The conference substitute omits this provision.

5. Special tax treatment for property acquired with funds obtained through violation of criminal laws (sec. 921 of the Senate amendment)

No such provision is contained in the House bill.

The Senate amendment denies capital gains tax treatment on the sale or exchange of property that directly or indirectly was purchased or financed in whole or in part with money or other property which was obtained through violation of the criminal laws of the United States or the District of Columbia. In addition the provision allows only straight line depreciation for such property.

The conference substitute omits this provision.

6. Elimination of child's insurance benefit payments in determining support (sec. 922 of the Senate amendment)

No such provision is contained in the House bill.

The Senate amendment provides that amounts received by an individual as a child's insurance benefit under the Social Security Act is not to be taken into account in determining whether the child has received more than half of his support from the taxpayer.

The conference substitute omits this provision.

7. Reporting of medical payments (sec. 944 of Senate amendment)

No such provision is contained in the House bill.

The Senate amendment requires the filing of information returns for payments of $600 or more to a supplier of medical goods and services including doctors and dentists. The information return requirement also applies to bills for services by doctors, dentists, etc., which are reimbursed by the insurance company or other organizations to the patient.

The conference substitute omits this provision.

8. Reimbursement of taxpayer's costs in certain cases (sec. 945 of the Senate amendment)

No such provision is contained in the House bill.

The Senate amendment provides that once a taxpayer accepts a deficiency or an overpayment, or has received a notification that there is no change in his initial tax liability, then if there is a subsequent determination which is not more favorable to the Government, the taxpayer is to be reimbursed for all costs he incurs in connection with the second deficiency or reduction in overpayment proposed.

The conference substitute omits this provision.

9. Reimbursement of certain costs of litigation (sec. 984 of the Senate amendment)

No such provision is contained in the House bill.

The Senate amendment provides for awarding costs to the prevailing party in a Tax Court proceeding. In the case where the Tax Court determines the deficiency was assessed without good cause or for purposes of harassment, costs may include reasonable attorney fees and costs of expert witnesses.

The conference substitute omits this provision.

10. Statistics based on ZIP code areas (*sec. 949 of the Senate amendment*)

No such provision is contained in the House bill.

The Senate amendment provides that the publication of statistics of income and the compilation of statistics for special studies are not to contain statistics classified in any way by a coding system for the delivery of mail (i.e., the ZIP code), except for statistics made available on an official basis to a Federal, State, or local agency or instrumentality (which may not publish or disclose such information).

The conference substitute omits this provision.

F. PROTECTION OF AMERICAN INDUSTRY AND LABOR

This Senate provision, not in the House bill, would have authorized the President to impose limitations on imports when he finds that an imported product is disrupting the domestic market or causing injury to domestic-producing interests and when the exporting country is imposing restrictions of any kind on imports of articles produced in the United States. The conference substitute does not include this provision. This provision is extraneous to the subject of tax reform and for that reason was not included in the conference substitute. It was not considered on its merits one way or the other. The problems to which the amendment was addressed will be the subject of extensive hearings by the Committee on Ways and Means early next year.

TITLE X—INCREASE IN SOCIAL SECURITY BENEFITS

The Senate amendment added to the House bill a new title X (the "Social Security Amendments of 1969") increasing social security benefits and making related changes in the OASDI and public assistance programs.

1. Benefit increase and related OASDI provisions

The Senate amendment increased regular OASDI benefits by 15 percent with a minimum primary insurance amount of $100, beginning January 1970, and provided a similar (15 percent) increase in the special payments for certain individuals aged 72 and older who have no coverage or whose coverage is insufficient to qualify for regular benefits. In addition, it eliminated the $105 limitation on wife's, husband's, widow's, and widower's insurance benefits, revised the allocation of tax receipts between the OASI and DI trust funds, and raised from $7,800 to $12,000 (beginning January 1973) the social security earnings base for benefit and tax purposes.

Although the House bill itself had no corresponding provisions, H.R. 15095 (which passed the House on December 15, 1969) contained provisions which are the same as those in the Senate amendment except that (*a*) the minimum primary insurance amount is left at $64 (the figure which results from simply applying the 15-percent increase to the existing $55 minimum), and (*b*) the earnings base is not raised above its present level of $7,800.

The conference substitute (secs. 1002 through 1005) follows H.R. 15095; i.e., it retains, with technical modifications, those benefit increase provisions of the Senate amendment which are also contained in H.R. 15095 and omits those provisions (the specially increased minimum PIA and the higher earnings base) which are not.

2. Public assistance provisions

The Senate amendment also contained provisions designed to assure that at least a part of the OASDI benefit increase will be reflected in the total income of public assistance recipients; under these provisions each State is required, in determining need under any of the public assistance programs, to disregard any retroactive social security benefit increase payments (including those made under future laws as well as those resulting from this increase), and in addition to disregard $7.50 per month of the income of each adult public assistance recipient or (if the State is already satisfying this requirement) to otherwise provide at least a $7.50 increase in the amount of such recipient's aid or assistance.

The conference substitute contains provisions which are similar in intent to those in the Senate amendment.

Under section 1006 of the conference substitute, each State is required (in determining the need of its public assistance recipients) to disregard any retroactive payment of the OASDI benefit increase provided by the bill for January and February 1970, which is expected to be paid (by separate check) in April; but this requirement would be limited to the situation created by the bill and would not apply to any retroactive payments which may result from future laws.

Under section 1007 of the conference substitute, each State is also required (in determining the need of its public assistance recipients) to assure that every recipient of aid or assistance under any of its adult public assistance programs who also receives an OASDI benefit which is increased under the bill will realize an increase in the total of his public assistance and OASDI benefit payments equal to $4 a month (or the amount of the increase in his OASDI benefit if less), whether such increase in his total payment is brought about by disregarding a portion of his OASDI benefit or otherwise (e.g., by raising the State's standard of assistance for all recipients under the program involved). This requirement is made applicable only to months before July 1970 in order to allow the Congress time to consider the matter in connection with its work on major welfare proposals early next year.

The 15-percent OASDI benefit increase will mean an average $9.50 increase to those beneficiaries also eligible for public assistance under the programs of aid or assistance to the aged, blind, and disabled. This increase is more than sufficient to meet the requirement (discussed above) that all such persons have their total incomes raised by $4 a month. Moreover, for practically all States, the savings from the remaining $5.50 will be sufficient to raise the incomes of those not receiving OASDI benefits by $4 a month; and the conferees hope that the States will do so.

Senate provision omitted—social security retirement age

The Senate amendment contained a provision making qualified individuals eligible for actuarially reduced OASDI benefits at age 60, instead of at age 62 as under present law, to be effective upon a determination by the President that it is desirable to expand consumer purchasing power by making additional persons eligible for such benefits. The conference substitute omits this provision.

MISCELLANEOUS SENATE PROVISIONS OMITTED

1. Submittal of Federal funds budget information to the Congress

The House bill did not contain this provision.

The Senate amendment requires the President to send a report to Congress to accompany the budget and each supplemental appropriation request in which he describes the extent to which the request will result directly or indirectly in a surplus or deficit in the Federal funds portion of the budget or an increase or decrease in the national debt of the United States. The supporting factors and circumstances which form the basis for the effects on the debt and Federal funds budget also are to be presented in the report. The report is to be sent to the Committees on Appropriations and Ways and Means of the House of Representatives and the Committees on Appropriations and Finance of the Senate.

The conference substitute omits this provision.

2. Presidential Commission on Philanthropic Activities

The House bill did not contain this provision.

The Senate amendment creates a Presidential Commission on Philanthropic Activities to study whether the national interest requires philanthropic and similar tax-exempt activity and the effect of the internal revenue laws on such activity.

The conference substitute omits this provision.

3. Securities and Exchange registration of tax-exempt securities

The House bill did not contain this provision.

The Senate amendment exempts States and municipalities from the requirement that they register with the Securities and Exchange Commission any industrial development bonds which they propose to issue if the issue qualifies for tax exemption under the tax laws including both the $1 and $5 billion exemptions.

The conference substitute omits this provision. Nevertheless, the conferees are concerned at the time required and costs involved in these small issues of industrial revenue bonds. It recommends to the Securities and Exchange Commission that it give serious consideration to expediting its consideration of these issues and reducing the registration requirements and costs of these small industrial revenue bond issues.

4. Capitol Guide Service

The House bill did not contain this provision.

The Senate amendment establishes within the Congress of the United States an organization to be known as the Capitol Guide Service. This organization is to provide, without charge, guided tours of the interior of the U.S. Capitol Building for the education and enlightment of the general public.

The conference substitute omits this provision.

W. D. Mills,
Hale Boggs,
John C. Watts,
Al Ullman,
John W. Byrnes,
James B. Utt,
Jackson E. Betts,
Managers on the Part of the House.

Mr. MILLS (during the reading). Mr. Speaker, the statement of the managers on the part of the House is rather lengthy, and since we do have some 2 hours to discuss the conference report, I ask unanimous consent that the statement of the managers be considered as read and printed in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The SPEAKER. The gentleman from Arkansas is recognized for 2 hours.

Mr. MILLS. Mr. Speaker, I yield myself 15 minutes.

Mr. Speaker, the conference report before us concerns the tax reform bill on which the Committee on Ways and Means began hearings last February 18, a little over 10 months ago. Fundamentally it is a bill conceived and written by the House of Representatives. However, I would like to acknowledge the major support and the help received from the Treasury. Without the Treasury's cooperation, I am sure this legislation would not have been possible. Also I want to acknowledge the very fine cooperation we had in conference on the part of the Senate conferees, for without that cooperation it would not have been posible for us to have had the bill that is before us today in the form of a conference report. Nevertheless, it is still a measure fundamentally created by the House, with the cooperation of Senate conferees—something, at least on this scale, which has never happened before.

Actually, Mr. Speaker, this is really a legislative miracle in many respects.

I have in my hand a volume which consists of nothing but Senate amendments.

Members will recall the size of the bill when it passed the House. This is the Senate bill.

To give you some idea of the magnitude and the proportion of the matter, the conference report, including the statement of the managers on the part of the House is some 340 pages in length.

I want also to pay tribute to the work of the staffs of the Ways and Means Committee and the Joint Committee on Internal Revenue Taxation. Also, I would call attention to the size and difficulty of the job performed by the legislative counsel's office—the legislative drafting service—in working with us day and night, Friday, Saturday, and Sunday. We were some 5 days in conference on the bill. Actually, we started on Monday, December 15. We worked well past dark on Monday, Tuesday, Wednesday, and Thursday, and then adjourned at 2:55 a.m.—not p.m.—Friday.

We came back at 12 o'clock on Friday for about 2 or 3 hours to consider the finishing touches and also to receive some information that we had requested from our staffs and from the Treasury Department. We signed the conference report around 3 o'clock on Friday afternoon.

You will recall I asked the House for permission to have until midnight Sunday night to file this conference report.

Mr. Speaker, when I think of the work involved, I wonder how those who were drawing up the conference report and writing the statement of the managers could have performed this service within that limited period of time.

I think we must recognize that this type of legislation in the past has normally consumed two sessions of Congress. Here it has been accomplished in one session. The hope that I had in mind for a long time was that we could hand the bill to the President in such a way that he would readily accept it and sign it if he wanted to before Christmas.

Mr. Speaker, the bill contains substantial tax reform measures in a wide range of areas that we have seldom if ever tackled before in such proportion.

It is not in all respects what I would have preferred or what many other Members of Congress in all probability would have preferred. In view of the size and range of the issues with which the bill deals, I doubt that anyone agrees with each and every provision contained in it. Nevertheless, I think it is a significant bill and a major step forward for tax reform. The very fact that it deals with areas that have not been dealt with before is an indication of the mood of the country with respect to tax reform. I believe it will go down in the records as the turning point in our concern in improving tax equity although we will have to let the future tell us whether I am right or wrong.

Insofar as I know, this bill deals with all but one area which taxpayers are using to an appreciable extent in completely avoiding the income tax. The exception, of course, is in the State and municipal bond interest, a problem that the Senate was unwilling to deal with at the present time in view of the difficulty which the State and local governments are now encountering in marketing their bonds. So, there is no reference whatsoever to this subject matter in the conference report. The only provision in this regard which was retained was that relating to so-called arbitrage transactions, which was included in both the House and Senate bills.

The areas in which this bill brings about substantial tax reform for individuals are as follows:

First, percentage depletion;

Second, real estate depreciation;

Third, capital gains;

Fourth, interest deduction;

Fifth, farm losses; and

Sixth, charitable contributions.

Nor is the bill limited to individuals. It also applies in the major areas of corporate taxation requiring reform. This includes multiple surtax exemptions, the tax treatment of commercial banks, the taxation of mutual savings banks and savings and loan associations, corporate mergers, percentage depletion, and capital gains taxation.

We have not been satisfied, however, merely to reduce the deductions, exemptions, or other tax benefits in these areas by specific provisions directed specifically to curtailing undue tax preferences. The bill also provides a secondary line of defense which supplements the specific remedial provisions by providing a minimum tax on tax preferences. The minimum tax in the conference version differs somewhat from the approach with which we started, also from that worked out in the Senate Committee on Finance, but its general objective remains the same.

We have also approached tax reform by reducing substantially the differential between the tax on earned income and the tax on capital gains income. The attempt in one manner or another to convert income into capital gains, yet take the deductions against ordinary income, is almost the universal tax ploy. This is the root cause of most tax avoidance. It is my belief that by limiting the top marginal rate on earned income to 50 percent—after it is reduced by tax preferences—and at the same time by raising modestly the rate on capital gains, the bill substantially reduces the interest of the executive or professional man in looking for tax shelters.

Very briefly, this outlines the tax reform objectives of the bill. I realize that there probably is more current interest in the tax relief the bill provides than in the tax reform it achieves. However, I believe in the long run it is the tax reform provisions that will be the more significant. Tax reductions, of course, always arouse more interest than tax equity, but it is equity in our tax system which provides that necessary sense of fair play that all of us must feel if we are willing to pay our taxes, and in a voluntary tax system it is essential that most of us approach our taxes in this manner.

Let me turn first to the substantial relief the bill provides. Perhaps its most important single relief measure—at least, from the standpoint of the total dollars of tax relief granted—is the increase in the per capita exemption from its present level of $600. For budgetary reasons, this increase in the exemption level is phased in gradually. The exemption rises to $650 as of July 1, 1970, the exemption remains at $650 for the entire calendar year 1971, and then rises to $700 for 1972, and to $750 for 1973.

The Tax Reform Act originally passed by the House did not provide for increases in the exemption level; instead, it provided relief to a combination of measures including substantial cuts in tax rates, a low income allowance, and a minimum standard deduction.

However, because of the widespread interest in the House, as well as throughout the country, in increasing the level of personal exemptions, the House conferees agreed to incorporate a substantial increase in the personal exemption level in the tax reform bill.

I would like to emphasize that in the pending bill this increase in exemption level is achieved without the unfortunate fiscal and budgetary effects that would have resulted under the Senate bill. You will recall that the Senate bill would increase exemptions to $700 in 1970, and to $800 in 1971, involving a revenue cost of close to $3.3 billion in calendar year 1970, and $6.4 billion in calendar 1971. This was one of the primary reasons why the Senate bill involved such large revenue losses, amounting to more than $4.7 billion in calendar 1971 and $6.3 billion in calendar 1972. The Nation can ill afford to have deficits of this magnitude, particularly in view of the strong and widely prevalent inflationary pressures in the economy.

The sound fiscal effects under the conference bill are achieved first by raising the exemption level to $750 instead of $800 provided by the Senate bill; and, second, by phasing in the increases in the exemption level gradually instead of abruptly. As a result, although the increased exemptions provided by the bill will give taxpayers over $4.8 billion of relief a year when fully effective, the pending bill achieves a surplus of over $2.2 billion in calendar 1970, exclusive of the revenue raised by the extension of the surcharge and the excise taxes.

This compares with a revenue loss of $1.3 billion for calendar 1970 under the Senate bill. Similarly, the net revenue loss from the combined reform and relief package provided by the conference bill amounts to a modest $500 million in calendar 1971 compared with the $5.5 billion of revenue loss for that year under the combined reform and relief package under the Senate bill.

Actually, the net revenue effect of the pending measure, taking into consideration all the features including the extension of the surcharge and excise taxes, follows the same general pattern—and I want you to get this—as those that would have resulted under the Treasury recommendations made in September before the Finance Committee. This is particularly true in the next few years when it will be most important for purposes of keeping the economy under control to maintain a proper fiscal stance. For example, in calendar 1970 the bill now before us on this basis will produce a surplus of about $6.4 billion, including the revenue effects of the surcharge and excise tax extensions, as compared with an increase of $7 billion under the Treasury recommendation. In 1971 the pending bill will result in a surplus of close to $300 million as compared with a surplus of somewhat over $600 million for the Treasury proposals. In 1972 the pending bill will result in a net revenue loss of $1.8 billion; however, this is substantially less than the net revenue loss of $2.3 billion for that year which would have resulted under the Treasury recommendation. In the long run—based on current income levels—the pending bill is expected to result in an estimated revenue loss of about $2.5 billion a year as compared with a net loss of $1.4 billion which would have resulted under the Treasurey recommendation made before the Finance Committee.

The tax relief provided by the pending bill is substantial. On the average, after taking into consideration both tax relief measures and tax reform measures, those with incomes up to $3,000 will get a tax reduction amounting to close to 70 percent of their present law tax, while those with incomes between $5,000 and $7,000 will get a tax reduction of approximately 20 percent. The percentage tax reductions under the bill amount to almost 16 percent for those with incomes between $10,000 and $15,000, about 8½ percent for those with incomes between $15,000 and $20,000, 5 percent for those with incomes between $20,000 and $50,000 and 1.5 percent for those with incomes between $50,000 and $100,000. For those over $100,000 there is generally an increase in taxes to be paid.

In addition to providing an increase in personal exemptions, the pending legislation provides for a new low income allowance which is specifically designed to concentrate tax relief on low income individuals living at poverty or near-poverty levels. The House and Senate bills both provided for such a low-income allowance, with relatively minor difference between the two bills. The provision agreed to by the conferees grants a minimum standard deduction to taxpayers amounting to $1,100 when first effective in calendar 1970, $1,050 in 1971 and $1,000 in 1972 and thereafter. This new low income allowance is in addition to the personal exemptions. The modest decrease in the low income allowance in 1971 and 1972 is timed to coincide with the increases in the personal exemption levels scheduled to take effect in those years. The net result is to produce a stable and adequate level of combined exemption and low income allowance. Because of budgetary reasons the low income allowance is reduced in 1970 and 1971 where taxpayers' incomes exceed specified poverty levels. However, in 1972 and later years the low-income allowance is available without any reduction regardless of the size of the taxpayer's income. This provision when fully effective will give over $2 billion of relief and will completely exempt from tax many millions of taxpayers at or near poverty levels.

I wish—and I think every Member of this House joins me in this—that it would have been possible in this bill to provide substantial reductions in tax rates as well as to grant an increase in exemptions. The traditional objective of tax reform is to broaden the tax base and thereby to make it possible to lower tax rates by spreading the tax burden over a larger tax base. I believe that this is an important objective of tax reform and I think we should keep this objective firmly in mind for the future as a high priority item whenever the fiscal and economic situation make further tax reform feasible. However, as we all know, rate reductions and exemption increases share the distinction of being very costly. As a result, in the present bill we have been forced to make a hard choice—a choice between these two forms of tax reduction, particularly in view of the present budgetary and economic situation. As I have indicated, the original House bill provided for substantial cuts in tax rates. But in view of the desire of the Congress to raise the exemption level substantially—a desire which is fully recognized in this bill—it just is not possible to provide substantial tax rate cuts, too. However, the bill before us does make an important start in the direction of rate reductions, which has the virtue in the present situation, of involving relatively little loss in revenue.

Under present law, the marginal tax rates applicable to all taxpayers including those with earned income go as high as 70 percent. Under the bill, no individual will be required to pay a marginal rate in excess of 50 percent on his earned income. To prevent individuals with substantial amounts of tax preferences from deriving undue benefits from the rate limitation for earned income, however, the benefits of this limit are reduced where such individuals have over $30,000 of tax preferences.

This rate limitation for earned income has importance far beyond its modest cost. The tax reform or loophole closing provisions of this bill will substantially increase the tax liabilities of many high income people. Insofar as this means that a man is now required to pay tax on a preference which should have been taxed in the first place, the result is fair.

However, I think the emphasis should be on the word "fair." The 50-percent limit on the marginal tax rate on earned income will help to some modest degree to provide significant relief to those who have large incomes as a result of their personal efforts.

The marginal rate limitation for earned income also has the advantage of recognizing the importance of providing adequate work incentives. These incentives are frequently impaired under present excessively high marginal tax rates which merely have the result of discouraging professional people and other earned income individuals from putting forth their full and best efforts.

In addition, the rate limitation for earned income works hand in hand with the tax reform or loophole closing measures of the pending bill. Tax preferences give rise to problems not only because they result in revenue losses but also because they divert the attention of professional individuals and other individuals with substantial amounts of earned income from their occupations to tax considerations. This provision in effect tells a man that if he sticks to his knitting and concentrates his attention on his profession, the Government will not take an undue portion of the amounts that he earns through his own efforts. This should encourage him not to hunt for tax shelters. It will, for example, make it less attractive for individuals to convert earned income to capital gains by reducing the gap between the taxes applicable to capital gains and earned income.

The conference bill provides for a significant increase in the standard deduction which is now limited to 10 percent of adjusted gross income or $1,000, whichever is less. The Senate bill would have retained these limits on the standard deduction. However, the conference adopted the broad outlines of the House provision to liberalize the standard deduction.

As a result, the pending bill provides for gradually increasing the standard deduction until it reaches a level of 15 percent of adjusted gross income, with a ceiling of $2,000 by 1973. This increase in the standard deduction will provide very substantial simplification in the preparation of tax returns by inducing large numbers of taxpayers to take the standard deduction instead of itemizing their deductions. The change will provide about $1.6 billion of relief annually to about 34 million returns and will result in taking about 5 million taxpayers off the tax rolls.

Single people will also receive substantial tax relief under the conference bill. Since the Revenue Act of 1948, single people have been required to pay relatively heavy tax burdens compared with married couples. The extension of head-of-household treatment to certain categories of single people has granted some relief, but most single people still bear unduly heavy tax burdens. Both the House and Senate bills grant single people substantial tax relief. The conferees adopted the Senate approach which generally provides that single people will not pay more than 120 percent of the tax liabilities of married couples at comparable income levels.

If I may make myself clear, under the House bill we would have made the tax relief available only to single people under 35 and to widows and widowers regardless of age. But in conference we accepted the Senate's provision which says that the single individual, regardless of his age shall not pay more than 120 percent of what the married couple pays under the split income provision.

So much for the tax relief provisions. I would like to turn now to the tax reform features of the bill. As I have already indicated, though the tax relief provisions of the bill have attracted greater attention, I think that in the long run the tax reform aspects will be the more significant. I know that everyone is not going to agree with each and every tax reform provision in the bill. Certainly, we cannot expect the man whose preferences are eliminated to be enthusiastic about the tax reform bill. On the other hand, some would go even further than we have gone in the present bill in reducing tax preferences. I, myself, did not get everything that I wanted in this bill in the way of tax reform. Nonetheless, I think we should all be able to agree that this bill represents a substantial and comprehensive step forward toward a fairer tax system—and a step which is particularly needed to dispel the widespread and pervasive feeling that our tax system is now not as fair as it should be.

The House conferees have generally been successful in getting conference agreement on restoration of a number of tax reforms which were in the initial House bill but which were made somewhat less effective in the bill that passed the Senate.

Let me give you a few examples of this. Under the initial House bill, private foundations were to be subject to a 7½-percent tax on investment income. The Senate bill reduced this tax to one-tenth of 1 percent of the value of assets, which roughly is equivalent to a 2 percent tax on income. The conference restored the tax to 4 percent of investment income. Similarly, the conference report strengthens the rules relating to the divestiture of stock by foundations which were not as strict in the Senate bill as in the initial House bill.

Another indication of the desire of the conferees to provide adequate guideposts for foundations concerns the payout rules. The Senate required private foundations to pay out 6 percent of their assets for charitable purposes, and that is the provision which the conferees accepted.

Similarly, the conference report basically accepts the House provisions limiting deductions for charitable gifts of appreciated property. Under these provisions, charitable deductions for gifts of appreciated property were limited to 30 percent of income even though deductions for charitable contributions generally were allowed to reach 50 percent of income. Moreover, for purposes of the 30-percent limit, the entire value of the appreciated property, including basis, was taken into consideration. The Senate bill relaxed this rule by subjecting to the 30-percent limit only that part of a gift which represented the appreciation in value, while the portion representing basis could be deducted under the 50 percent limit. Under the conference report, the House version was accepted. As a result, under the conference bill gifts of appreciated property can be deducted under the 50-percent limit only if the donor elects to account for the appreciation for tax purposes.

Still another instance in which the House conferees were able to restore the initial House provision concerns the limitation on the deduction of interest. This involves a most important limitation since the undue use of interest deductions by taxpayers constituted one of the primary reason why 154 individuals with adjusted gross incomes in excess of $200,000 were able to avoid payment of all income taxes in 1966. In general, this tax reduction device consists of deducting interest paid on loans for the purpose of acquiring appreciating investment assets held for capital gains purposes. The Senate bill contained no provision to limit interest deductions in such cases. However, the House conferees were able to reach agreement in conference to restore the House provision to limit deductions for investment interest to the amount of the taxpayer's net investment income plus the amount of his long-term capital gains and $25,000.

The House conferees have not blindly insisted on the House provisions, when it was clear that the Senate provision was preferable. This is illustrated in the case of the House provisions for a limit on tax preferences and allocation of deductions, which together were intended to impose a minimum tax liability on those with preference income as a sort of second line of defense against escape of tax on preference income after the particular preferences were limited by specific provisions. After these provisions were adopted, it became apparent that though their purpose was commendable, they were unduly complex and could not be put into effect without causing very considerable hardship in terms of administrative work for taxpayers. The Senate provision for a minimum tax achieves basically the same objective as the House provisions in a much simpler and more effective manner.

Basically, the Senate approach imposes a 10-percent tax on selected tax preference items after reduction by a specific exemption of $30,000 and the income tax paid by the taxpayer. Unlike the House provision which applied only to individuals, the Senate provision has the advantage of applying to both individuals and corporations. In addition, it raises more revenue than the House provision. Accordingly, the House conferees accepted most of the Senate provision which is incorporated in the pending bill.

In the area of corporate mergers the House conferees stood firm on a House provision to disallow interest deductions where the ratio of debt to equity of an acquiring corporation is 2 to 1 instead of 4 to 1 as under the Senate bill. Similarly, we were able to secure agreement to disallow such interest unless the annual interest expense on such indebtedness is covered at least three times instead of two times as under the Senate bill. However, we have had to acknowledge the logic of allowing depreciation allowances to be treated like earnings for purposes of this earnings—interest expense test, inasmuch as depreciation allowances can be used, if need be, to meet interest expenses.

The Senate retained the House provision on the taxation of stock dividends. Transitional rules are available under limited conditions but a corporation will not lose the benefit of these rules if it issues any type of stock under a conversion right contained in other stock which it was permitted to issue under these rules.

The Senate deleted the House provisions designed to eliminate abuses in the foreign tax credit. The House conferees succeeded in securing agreement in restoring one of these provisions. As a result, the pending bill provides a separate foreign tax credit limitation for foreign mineral income so that excess credits from this source cannot be used to reduce U.S. tax on other foreign income. However, we were not able to secure agreement to restore the House provision specifying that a taxpayer who uses the per country limitation and who reduces his U.S. tax on U.S. income by reason of the loss from a foreign country is to have the resulting tax benefit recaptured when income is subsequently derived from the foreign country involved. I regret the fact that this recapture provision is not included in the pending bill. I think that this is a worthwhile reform which should be considered in any future tax reform legislation.

The House bill reduced substantially the permissible deductions for the additions to bad debt reserves of financial institutions which were altogether excessive and resulted in unduly reducing the tax liabilities of these institutions. While the Senate bill also reduced such deductions, we on the House side did not believe that the Senate provisions were as effective as the House provisions. In conference we were able to reach agreement to restore much, but not all, of the effectiveness of the House provision. Under the pending bill, commercial banks are generally permitted to deduct additions to bad debt reserves at 1.8 percent of outstanding eligible loans for 6 years instead of the 2.4 percent level permitted by present law.

The 1.8 percent figure corresponds to the level of reserves permitted under the Senate bill. However, the deductions of commercial banks for this purpose are reduced gradually until after 18 years, they will be permitted to deduct only those bad debt expenses which are justified on the basis of their actual experience.

If a bank's reserve at the end of its taxable year is less than the appropriate permissible percentage, the reserve can be increased to this percentage as set forth in the act. For this purpose the pertinent percentage will also apply to any increase in eligible loans during the taxable year. Actual bad debt losses charged against the bad debt reserve during the year can, of course, be restored.

In addition, savings and loan institutions and mutual savings banks will generally be permitted to deduct as additions to bad debt reserves 40 percent of taxable income—half-way between the 50 percent of taxable income figure permitted under the Senate bill and the 30 percent of taxable income figure under the House bill.

In the natural resource area, the overriding issue is the percentage depletion rate for oil and gas which now is 27½ percent of gross income. The House provision reduces percentage depletion rate to 20 percent while the Senate set this rate at 23 percent. The conferees agreed to a percentage depletion rate of 22 percent for oil and gas.

The conferees agreed to a Senate provision permitting percentage depletion on minerals taken from saline perennial lakes—but, of course, do not intend that any inference as to present law be drawn from this action.

I would like to stress, however, that under the pending bill the income from oil and gas wells will be subjected to increased taxes not only as a result of the reduction in the percentage depletion rate, but also as a result of the minimum tax which I have described above. This is because percentage depletion allowances in excess of the cost of the property is included as a tax preference under the minimum tax. I would also like to point out that in addition to reducing the percentage depletion rate on oil and gas, the pending bill provides for at least some reductions in the percentage depletion rates of a large number of other minerals. The Senate bill did not provide for such reductions.

The conference bill retains the present 6-month holding period for long-term capital gains. It is hard for me to see the logic of such a holding period which accords treatment akin to averaging for assets held for less than 1 year. However, the Senate bill deleted the House provision to extend the holding period to 1 year and the Senate conferees insisted on the same treatment. However, the House conferees were able to secure agreement on eliminating the 25 percent alternative rate for all gains in excess of the first $50,000 of gain. This goes a long way toward the original House provision.

The pending bill achieves very real tax reform by eliminating the widely prevalent abuses resulting from unduly large depreciation allowances. In general, under both the House and Senate bills, depreciation allowances are reduced substantially for all property except new residential housing which, because of the need for additional dwellings, continues to be eligible for the double declining balance method at 200 percent of straight line depreciation as well as for the sum of the digits method.

However; the Senate bill would have accorded used housing 150 percent of the straight line method in some cases. The conference report reduced this allowance for used residential housing to 125 percent of the straight line method where such property has a useful life of more than 20 years.

In addition, the conference report imposes stricter recapture rules than would be required by the Senate bill. These recapture rules are essential in order to insure that gains on the sale of property which are attributable to accelerated depreciation allowances taken previously are taxed as ordinary income rather than as capital gain.

A House provision granting State and local governments a subsidy if they voluntarily agree to issue taxable bonds was deleted by the Senate, and the Senate conferees insisted on this deletion. I regret that the pending bill does not include this subsidy provision. In my opinion, it is a useful device which would provide considerable opportunity for a State and local government to expand the markets for their securities without involving additional cost to them. However, in view of the present chaotic state of the market for State and local bonds and the present psychology of investors, apparently any change in the area of State and local government was frowned upon even where the change tries to help State and local governments as was the case of the subsidy provision. Accordingly, we had no choice but to agree to the deletion of this provision.

Finally, under both the House and Senate bills, the investment credit is generally repealed for property constructed on or after April 19, 1969, unless a binding contract for such construction was entered into before this date. The Senate added a number of amendments providing for continuing the investment credit in certain specified situations. However, for the most part these were eliminated in conference unless it was clear that they had substantial merit. For example, the conference eliminated Senate amendments to continue the investment credit for the first $20,000 of investment in eligible property, and for investment in depressed areas. The House conferees insisted on elimination of these exemptions because they would have been contrary to the fundamental purpose of repeal of the credit and would have involved an annual loss of $790 million which would clearly be inappropriate in the present budgetary situation.

So much for the details of the bill. In closing I would like to emphasize again that I am well aware this bill is not perfect in many respects. I don't think that anyone can be expected to agree with every single provision in the legislation. As I have indicated, I too have some reservations on some of the provisions and if I could write the bill myself, a number of the provisions would be changed substantially. But I think that we should all keep in mind the fact that this is inevitable with a bill of this magnitude. What is important in judging the bill is that it is a good bill—that its adoption will improve the tax system and will make our tax system a fairer system. In other words, the main question is, does this bill, on balance, improve the tax system? I think that the answer to this is unquestionably, yes. The taxpayers are looking to us for tax reform and for tax relief. This bill provides this relief and reform.

Mr. VANIK. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Ohio.

Mr. VANIK. Mr. Speaker, I would like to inquire what action the conferees took on the provisions of the law which permits a taxpayer to deduct interest on the late payments of taxes to the Federal Government.

Mr. MILLS. I think I understand what the gentleman means. Is that the situation, for example, where an individual files his income tax which shows he owes $5,000, and he has not transmitted payment?

Mr. VANIK. And he pays the Government 6 percent interest on his money, which he would otherwise have to pay 8 or 9 percent on.

Mr. MILLS. We have corrected that. In addition to the continued requirement of paying the 6-percent interest that is presently in the law, which, of course, is deductible once it is paid, there is a provision that says for each month this taxpayer is delinquent in paying the tax he says he owes, there is a one-half of 1 percent interest charged for each month he waits. If he waits a whole year, it is 6 percent. This 6 percent is not deductible from the income tax as interest.

So in the case of a 50-percent taxpayer, he is out of pocket about 9 percent. He gets 3 percent on the first 6 percent as a deduction, but he pays the remaining total 6 percent, which must come out of his income after tax. As a result he will be paying 9 percent as the privilege of delaying his payment to the Government, which is rather a heavy charge, and I think that is a great improvement.

Mr. FULTON of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Pennsylvania.

Mr. FULTON of Pennsylvania. Mr. Speaker, my question is the exact opposite from that asked by the gentleman from Ohio.

When people want to help their own communities by paying their local taxes ahead of time because of the local stringency on tax money, is that a deduction? For example, in 1969 if an individual wants to pay his local community taxes for 1970 in 1969, is there any way that can be worked out as an adjustment in the 1969 tax?

Mr. MILLS. No, he is not permitted to deduct those taxes until 1970.

Mr. FULTON of Pennsylvania. I want to know whether under this bill that will be.

Mr. MILLS. That is not affected in this bill.

Mr. FULTON of Pennsylvania. Will it be in 1970, if one pays his local taxes ahead of time?

Mr. MILLS. No, that is not affected in this bill. We leave those provisions of the law as they are. He does not get a deduction until the taxes are due.

Mr. RHODES. Mr. Speaker, will the genteman yield?

Mr. MILLS. I am glad to yield to the gentleman from Arizona.

Mr. RHODES. First, I want to compliment the gentleman from Arkansas for his usual workmanlike job in explaining a very complex bill.

In order to ask this question I shall have to give a hypothetical case.

I understand a provision inserted in the bill by the Senate would have made the following a taxable transaction:

Corporation A decides to divide its assets equally between newly formed corporations B and C, taking the capital stock of corporations B and C, as payment.

The stock of corporation B would then be spun off to one group of corporation A stockholders, the stock in corporation B contemporaneously being spun off to the other group of corporation A stockholders. The end result would leave the stockholders of corporation A with stock in the corporations B and/or C with substantially the same book value as the original holdings in corporation A possessed.

It is my understanding that amendments made in conference would leave such a transaction in the same position as it occupies under the present law. Is this correct?

Mr. MILLS. The gentleman is correct.

The SPEAKER pro tempore. The time yielded by the gentleman from Arkansas has expired.

Mr. MILLS. Mr. Speaker, I yield myself 1 additional minute.

Mr. ROUDEBUSH. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Indiana.

Mr. ROUDEBUSH. I know the gentleman from Arkansas shares my concern, because we have been over this many times in the past, as to the effect of the increase in social security on those veterans who receive nonservice, totally permanent injuries. I wonder if the gentleman will explain any understanding he has along the line, so that we who want to support this tax bill will know these former members of the armed services are protected.

Mr. MILLS. It is my understanding from talking with the chairman of the Veterans' Affairs Committee—and I do not see him on the floor now—that it would be his intention to have his committee report legislation sometime in the coming year that would discount that portion of social security which would be required to be discounted in order to avoid the income level rising in the hands of the veteran to such an extent that his pension would be reduced; just as we did in 1967. The gentleman will remember that his committee reported such legislation after we passed the social security bill.

It should be borne in mind, this is not a matter that has to be passed right now or in the immediate future, because we are talking about income that the veteran may have in the year 1970 for the purpose of determining whether or not he is eligible to a pension in the following year.

The SPEAKER pro tempore. The time yielded by the gentleman from Arkansas has again expired.

Mr. MILLS. Mr. Speaker, I yield myself 1 additional minute.

Mr. ROUDEBUSH. I thank the gentleman, and I agree that the report on that income would have to be made January 1, 1971.

Mr. MILLS. That is right. It is my understanding it would affect what the veteran would get in 1971 rather than 1970.

Mr. ROUDEBUSH. That is correct.

Mr. TEAGUE of California. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from California.

Mr. TEAGUE of California. As the ranking Republican on the Committee on Veterans' Affairs I am glad to say it is my understanding that the gentleman in the well, the gentleman from Arkansas (Mr. MILLS), has correctly stated the intentions of the chairman of the Committee on Veterans' Affairs.

Mr. MILLS. I appreciate that affirmation.

Mr. DORN. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from South Carolina.

Mr. DORN. I should like to commend the distinguished chairman, of course, for his outstanding work on this bill. I should like to ask about section 433, I believe it is, where in the House version there was some reference to the small bankers. The case I have in mind is of a small banker.

Mr. MILLS. Is the gentleman referring to the provision of the House bill that converted the gain on a bond to ordinary income?

Mr. DORN. Capital gains on municipal bonds, and the change of the rules in the middle of the ball game.

Mr. MILLS. The House bill was too harsh in that respect.

The SPEAKER pro tempore. The time yielded by the gentleman from Arkansas has again expired.

Mr. MILLS. Mr. Speaker, I yield myself 2 additional minutes.

In one sense we were levying a tax increase on the holders of these assets, retroactively. A bank might have bought a municipal bond, let us say, in 1961, which might have had a 20-year maturity. We made this change effective in July of 1969. Certainly there were 8 or 9 years of appreciation in value in the past to which we were denying the 25 percent rate, and saying, "You have to be now taxed at the ordinary income rate."

What we have done is to pick the day July 11 as the point of departure. Any assets that were owned by one of these institutions on that date would have the appreciation attributable to the time prior to July 12 continue to result in capital gain no matter when realized. The portion of the gain attributable to the period after July 12 will be treated as ordinary income. The portions of the gains attributable to these two periods will be determined on a pro rata basis—the portions of the period the bond is held which is before and after July 11.

The reason why we make this change, I think the gentleman realizes, is we presently allow banks—and only banks, no individual or other corporation—the privilege of deducting against their ordinary income the losses that they incur with respect to bonds they held, whether they are State, local, Federal, or corporate bonds. So if they have the privilege of writing off losses as ordinary losses, is it not fair that any gain they have be treated as ordinary income? But certainly it would not be fair to treat them that way with respect to gains on holdings attributable to the past.

Mr. FRELINGHUYSEN. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Mr. Speaker, I would like to commend the chairman of the committee for a very comprehensive statement.

I have a brief question about charitable contributions of tangible personal property, because I understand the language on page 294 to be that tangible personal property may be given—for example, an art object may be given to a museum—without the imposition of a capital gains tax.

Mr. MILLS. That is true.

Mr. FRELINGHUYSEN. But I am not sure whether or not the language means the property is related to the tax-exempt property of the donee. Supposing an art object were given to a university. Would that require a tax on the appreciation?

Mr. MILLS. Not if the university used it in accordance with some educational program of the university, in an art appreciation course or something of that type.

Mr. FRELINGHUYSEN. Suppose it were to be sold by the university or an object of art were given to a hospital, for example, in order to have that object sold for the use of the hospital or the money to be used for that purpose.

Mr. MILLS. It is the use of the property that is the determining factor. If it was contemplated that the property would be sold, rather than used for the organization's exempt purposes, then the appreciation must be taken into account for tax purposes by the donor.

The SPEAKER pro tempore. The time of the gentleman has again expired.

Mr. MILLS. Mr. Speaker, I yield myself 2 additional minutes.

What we are trying to say is that we will allow you to give this appreciated property and take today's market value as a charitable deduction without any tax consequences to you whatsoever if you give it to a charitable organization that normally would use the property for its exempt purpose. Now, a clear case is a gift of a picture or work of sculpture, or anything of that sort, to a museum. The question does arise with respect to a college or university as to whether or not they are using this for their exempt purpose, whether it is used in their teaching. Of course, the college could have a course in art, and if the gift were to be used for that purpose it would probably qualify as such a gift.

Mr. FRELINGHUYSEN. If, for instance, an object were given to a hospital and the intention on the part of the donor and hospital was to sell the object, would that require a tax on the appreciation of the value of that?

Mr. MILLS. The appreciation would be taken into account for tax purposes in that case, because of the requirement that the property be given where it is really used for the exempt purpose of the organization.

Mr. BYRNES of Wisconsin. Will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. I do not think it would be done on the appreciated value. You would have to deduct it so it would relate to its value.

Mr. MILLS. The modification made by the Senate, which was agreed to by the conference, provides that the appreciation is taken into account by reducing the charitable contribution by one-half the appreciation, if the property involved is a capital asset.

Mr. BYRNES of Wisconsin. That is true.

Mr. HARSHA. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman.

Mr. HARSHA. This is in reference to losses. Capital gains or capital losses on stock transactions. As I understand it, under the present law you can deduct total losses from ordinary income at the rate of $2,000 per year.

Mr. MILLS. An individual can deduct $1,000 a year against ordinary income and carry over the remainder to subsequent years to offset losses in those years or to the extent of $1,000 a year to offset ordinary income.

The SPEAKER pro tempore. The time of the gentleman from Arkansas has again expired.

Mr. MILLS. Mr. Speaker, I yield myself 2 additional minutes.

Mr. HARSHA. This means that one would have to incur a $2,000 loss in order to get credit for the $1,000?

Mr. MILLS. That is the case. Since nearly half of capital gains are taken into income it was thought that when losses are offset against ordinary income only half the loss should be allowed.

Mr. HARSHA. Mr. Speaker, if the gentleman will yield further, he could do that if this goes into effect? It is my understanding that it goes into effect next year. Am I right about that?

Mr. MILLS. Yes.

Mr. HARSHA. Assuming he would have a $5,000 loss this year and he carried part of that over into next year, how does that affect that loss which has incurred previously?

Mr. MILLS. Let me yield to the gentleman from Oregon (Mr. ULLMAN) to respond to that question.

Mr. ULLMAN. The new provision would not reduce a carryover from 1969 by one half.

Mr. MILLS. The reduction by one half applies to the years beginning after this year.

Mr. HARSHA. In other words, in case of a carryover, it does not apply?

Mr. MILLS. That is correct. I wanted that in the RECORD because I thought that was right.

Mr. BURTON of California. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from California.

Mr. BURTON of California. First, I would like to commend the distinguished gentleman from Arkansas (Mr. MILLS), the gentleman from Wisconsin (Mr. BYRNES) and the conferees for reflecting great credit upon themselves and upon the Congress with respect to this tax reform measure.

With respect to social security programs I would like to inquire of the gentleman from Arkansas with reference to two specific aspects of the conference agreement.

First, I understand that the amendment on which the gentleman and I have had discussions earlier this year with reference to disregarding the retroactive social security payments for those who also receive public assistance is in the bill. Would those retroactive payments be required to be disregarded by the States? This disregard applies not only to the aged, blind, and disabled, but also to AFDC recipients.

Mr. MILLS. The gentleman is correct.

Mr. BURTON of California. Certainly. As I understand the social security provisions, there is provided a 15-percent increase and that the States are required for those who receive the social security increase under the terms of this bill, it is expected and required of the States either to disregard that income or provide an equivalent increase in grants for all those on adult public assistance, of $4 a month?

Mr. MILLS. The State must, for payments made in April, May, and June of next year, disregard, insofar as a person getting social security is concerned not less than $4 of this increase in determining his grant under the State programs of aid for the aged, blind or disabled. We did not go beyond this but suggested that the States increase the payments to all recipients in the adult categories by $4. However, I want the RECORD to be eminently clear that there are enough savings resulting from the 15-percent increase in social security benefits to enable practically every State to raise every individual it has on its rolls in those three adult categories by $4 a month. There is enough savings in their own hands and most States will have money left after they do that. If this could be done on a uniform national basis the amount of net increase for these recipients could actually go to $4.35.

Mr. BURTON of California. Mr. Speaker, if the distinguished gentleman will yield further, to briefly restate what the gentleman has stated for those receiving social security income, the States are required to see that those persons are permitted to retain at least $4 of that increase, without reduction of their public assistance grants?

Mr. MILLS. In other words, if a person gets $80 a month now, part of which is from social security that person's payment must be supplemented by the State so that he will have a combined payment counting both OASDI and public assistance of $84.

Mr. BURTON of California. As I understand it, and as has been stated by the chairman on previous occasions, it is the earnest desire and expectation of the committee, because of public assistance savings generated to the States under this bill, that the States will raise the grants $4 for those who are not helped by the social security disregard?

Mr. MILLS. We are not saying they have to do it, but I will be the most disappointed individual around here if they do not and when we come to the consideration of the welfare programs their actions will certainly be considered.

Mr. BURTON of California. The gentleman from Arkansas has anticipated my next question. I am very grateful for that reassurance as there are literally over 1.1 million aged, crippled and blind who are helped by the $4.00 disregard and when that question comes up in the committee deliberations next year, I rely upon the chairman's assurance if the States do not provide an increase for those people on public assistance but who do not receive social security that that failure to act will be taken into consideration when you review the public assistance program next year.

Mr. MILLS. The gentleman from California reads my mind.

Mr. Speaker, I now yield to the gentleman from Montana (Mr. MELCHER).

Mr. MELCHER. Mr. Speaker, I thank the gentleman for yielding. I might say, Mr. Speaker, that the distinguished chairman of the Committee on Ways and Means has given a very lucid picture of the bill, but I do not recall that the gentleman has mentioned repeal of the investment tax credit.

Mr. MILLS. I did not get onto it as deeply as perhaps I should have. There is so much in this that I have not been able to cover in detail, but the 7-percent investment credit is repealed; there are no exceptions to it. There are some transitional rules we put in, not for the benefit of any individual company or one individual taxpayer, but as a result of general problems presented to the committee. By and large the investment credit rules are the same as the House-passed provisions.

Mr. MELCHER. Then the Senate amendment was stricken?

Mr. MILLS. The $20,000 exemption was stricken, as well as the amendment which would allow you to locate businesses in an area of underemployment. I believe the Senator from Alaska offered the latter amendment, and the Senator from Indiana, the $20,000 exemption, but they are both out of the conference.

Mr. MELCHER. Then under the effective date of April 18, the typical farmers and small businessmen could very well have a tax increase instead of securing tax relief for this calendar year, and also for the taxable year 1970?

Mr. MILLS. If he had gotten the benefit of the 7-percent provision to a large extent, and did not have a large family of children to which the $50 increase in personal exemptions for the last half of 1970 would apply and did not benefit from the new minimum standard deduction, then that might well occur, but this $20,000 exemption involves $720 million of revenue loss. We thought that we needed that amount of money for revenue purposes at this particular time.

The SPEAKER pro tempore. The time of the gentleman from Arkansas has again expired.

Mr. MILLS. I yield myself 1 additional minute.

Mr. OTTINGER. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Speaker, I have two questions. Would the gentleman please explain what restrictions were placed, if any, in the operation of foundations in the public field?

Mr. MILLS. Mr. Speaker, I would suggest to the gentleman from New York that there is a great deal in the report on this subject and to try to answer here would take considerable time. But this was the very first thing that we talked about in the statement of the managers on the part of the House, beginning on page 278 of the conference report, and if the gentleman will notice, he will see we continue on with this subject for several pages before we get to another subject matter. In fact, we go over to page 290 before we get onto a new subject matter. If the gentleman will read that, I believe that explains the situation in considerable detail. Basically we prohibit self dealing between foundations and their substantial contributors, require the current pay out of income, require the disposition of stock holdings above certain levels, prohibit investments in ways which jeopardize the foundations assets, and prohibit the foundations from getting into certain types of activities, such as trying to influence legislation.

The SPEAKER. The time of the gentleman has again expired.

Mr. MILLS. I yield myself 1 additional minute.

Mr. OTTINGER. Mr. Speaker, will the gentleman yield further?

Mr. MILLS. Yes, I will yield further to the gentleman from New York.

Mr. OTTINGER. Mr. Speaker, in the Senate, Senator Ed Kennedy pointed out that there were a large number of special interest provisions put in the Senate bill for individual companies.

Mr. MILLS. Well, we took out virtually all of those provisions including the one that he referred to as for the constituent in Massachusetts. Often, however, provisions may have quite wide application even though they are called to our attention by one person. Sometimes these are mistaken as special purpose provisions.

Mr. ZABLOCKI. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. Mr. Speaker, I thank the chairman for yielding. I want to join my other colleagues in commending the chairman, Mr. Mills, and the ranking minority member, Mr. Byrnes and the entire committee for the excellent job they have done on the tax bill. Undoubtedly the gentleman from Arkansas recalls that when the bill was considered in the House in August we had a colloquy on the closing of certain tax loopholes?

Mr. MILLS. Yes; I do recall that.

Mr. ZABLOCKI. And on the revenue from advertising, I wondered if there had been any change in the House version in any way.

Mr. MILLS. In reply to the inquiry of the gentleman from Wisconsin let me say that there is a slight change. I would refer the gentleman to page 292 of the conference report.

Mr. ZABLOCKI. Mr. Speaker, am I correct in my understanding the conferees have agreed that; when an organization publishes more than one magazine, periodical, and so forth, the organization may treat the advertising appearing in these separate activities or publications on a consolidated basis for accounting purposes, but the editorial costs of any publications such as throwaways may be deducted only from advertising revenues of that publication, and not on a consolidated basis?

Mr. MILLS. The Senate amendment would have provided that the provision should apply only in the case of advertising, in the case of a sale by a hospital pharmacy of drugs to persons other than hospital patients, and in the operation of a race track by an exempt organization. The conference took our own House version but added one sentence. The conference substitute follows the House bill except that it provides that where an activity carried on for profit constitutes an unrelated trade or business no part of it is to be excluded from such classification merely because it does not result in profit.

Mr. ZABLOCKI. For purposes of clarification, in other words, the publication may consolidate the profit or loss for accounting purposes?

Mr. MILLS. It may consolidate where it is the policy to make a profit out of the publication of a journal involved.

Mr. ZABLOCKI. In other words, that is the House version in this instance is retained?

Mr. MILLS. That is right. The provision is the same as passed by the House except for one minor addition which does not go to the problem with which you are concerned.

Mr. ZABLOCKI. I thank the gentleman.

Mr. MATSUNAGA. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. Will the gentleman from Arkansas explain what was done with reference to profit sharing?

Mr. MILLS. Yes. The provision treating as ordinary income amounts employers contribute to profit sharing arrangement where lump sum payments are made was stricken by the amendment on the floor of the Senate. We felt very strongly that the amount of the payment by the employer for the employee's benefit ought to be treated as ordinary income and not as a capital gain in the case of a lump-sum payment. So what we have done is provide for an averaging device. Looking only at what the employer has put into the fund, you disregard all of his other earned income, but you combine with any investment income he may have one-seventh of the amount he receives representing the employer's contribution. The tax on this amount is determined and also the extent to which this tax is attributable to employer contribution. Then you multiply this latter tax by seven. In that way you in effect spread this income out over a 7-year period and treat it as if it were ordinary income received over this period. On many amounts received the tax is less than that paid under present law. Of course where the amounts get quite large there would be a bigger tax. In other words the smaller amounts are not adversely affected, but the bigger amounts would be subjected to a heavier tax.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Illinois.

Mr. PUCINSKI. I certainly share my colleagues' congratulations of the gentleman for the work that he and his committee have done.

I understand that they increased the deduction—that the increase in deduction does not become operative until after January 1, 1971.

Mr. MILLS. Not if the gentleman is talking about the personal exemption.

Mr. PUCINSKI. Yes, I am talking about the personal exemption.

Mr. MILLS. The first $50 increase in the personal exemption goes into effect on next July 1.

Mr. PUCINSKI. Actually, though, there are millions of Americans who are under tax withholding and they will feel some immediate relief from this bill in their first pay check after January 1, 1970, because you have readjusted the surtax. Is that correct?

Mr. MILLS. Yes. It is dropped from 10 percent to 5 percent. That is right. Actually there may also be many who will be affected by the new minimum standard deduction.

Mr. PUCINSKI. I wonder if the gentleman could comment on this matter. A person with an increase of $9,500 would save roughly $138 next year—2¼ percent—would he not?

Mr. MILLS. That would depend on how many exemptions he has. However, let me tell the gentleman a great many will be getting decreases next year because the low income allowance and the increase in the personal exemption to $650 will go into effect. The loss of revenue is estimated to be about $1.4 billion for 1970.

Mr. PUCINSKI. But the effect of the withholding will be felt almost immediately as a result of the readjustment.

Mr. MILLS. Oh, yes. There is a big difference—the difference between the 5-percent and a 10-percent surcharge as well as the difference in the minimum standard deduction. Then the withholding will reflect another decrease next July when they get the benefit of an increased personal exemption, also at that time for withholding purposes the 5-percent surcharge goes off for the remainder of the year for withholding tax purposes.

Mr. TAYLOR. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman.

Mr. TAYLOR. Mr. Speaker, if I may ask the gentleman from Arkansas a question concerning donations, let us say an individual owns stock that cost $10,000 and a college is putting on a drive for money for building purposes. The individual gives that stock to the college, and the college immediately converts it into cash at an appreciated price of, let us say, $50,000. What effect will the bill have on the tax situation in such a case?

Mr. MILLS. That depends on the taxpayer's level of income. If the taxpayer is a $100,000-a-year man, he can give up to $30,000 in appreciated property under the provisions of the bill and get a deduction for it. You cannot get the full 50 percent credit for a contribution if you are giving property that has appreciated in value unless you are in effect willing to convert the property into cash. We said, "If you want to come under the 50-percent provision, you can make the gift in cash, or for tax purposes treat it as if you had." Of course you can get credit for $30,000 if you want to give the gift in the form of property, and then you can carry the remainder of the deduction over to the next year.

Mr. TAYLOR. The amendment relates to the individual tax credit.

Mr. MILLS. Yes. There is a lower limit on what corporations can give—5 percent.

Mr. REID of New York. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from New York.

Mr. REID of New York. I thank the distinguished gentleman for yielding. Am I correct in stating that there is no change in the law relative either to appreciated property or crystal gifts to educational institutions?

Mr. MILLS. I regret to say the gentleman is correct. If ever there is a loophole in the law, it is in this business of being able to give property that has appreciated tremendously in value. It is possible to get a tax break and save money under the tax law, doing it all under the guise of charity. This is a part of the bill with which I do not agree completely. But we backed off of it, I guess because the people running the museums said, "If you do not let them donate property and receive a tax deduction, they will sell the property for the benefit of Europeans and we will be deprived of the opportunity to see it."

Mr. REID of New York. Second, Mr. Speaker, may I ask this question: It is my understanding that personal property, such as a painting, given to a charity or foundation is not taxable, but you have changed the statute as you have indicated a minute ago relative to appreciated property given to a charity or foundation?

Mr. MILLS. We limit the taxpayer in the deduction he may take. He can give this kind of property and get a charitable contribution deduction for up to 30 percent of his adjusted gross income.

Mr. Speaker, I include in my remarks a table which has been prepared by the staff of the Joint Committee on Internal Revenue Taxation which has a number of charts, tables, and other statistical information showing the financial effect, the dollar effect of any of these provisions:

TABLE 1.—BALANCING OF TAX REFORM AND TAX RELIEF UNDER H.R. 13270—CALENDAR YEAR TAX LIABILITY

A. AS PASSED BY THE HOUSE OF REPRESENTATIVES (AUG. 7, 1969)

[In millions of dollars]

	1970	1971	1972	1974	Long run
Tax reform program under House bill [1]	+1,665	+2,080	+2,215	+2,650	+3,605
Repeal of investment credit	+2,500	+3,000	+3,000	+3,100	+3,300
Tax reform and repeal of investment credit [1]	+4,165	+5,080	+5,215	+5,750	+6,905

	1970	1971	1972	1974	Long run
Income tax relief under House bill	[1] −1,912	[1] −6,568	−9,273	−9,273	−9,273
Balance between reform (+) and relief (−) under House bill [1]	+2,253	−1,488	−4,058	−3,523	−2,368
Extension of surcharge and excises	+4,270	+800	+800		
Total	+6,523	−688	−3,258	−3,523	−2,368

B. AS PASSED BY THE SENATE (DEC. 11, 1969)

	1970	1971	1972	1974	Long run
Tax form program under Senate bill	+915	+1,135	−455	+65	+895
Amendment of investment credit	+1,710	+2,200	+2,200	+2,300	+2,510
Tax reform and amendment of investment credit	+2,625	+3,335	+1,745	+2,365	+3,405

	1970	1971	1972	1974	Long run
Income tax relief under Senate bill	−3,963	−8,883	−8,883	−8,883	−8,883
Balance between reform (+) and relief (−) under Senate bill [1]	−1,338	−5,548	−7,138	−6,581	−5,478
Extension of surcharge and excises	+4,720	+800	+800		
Total	+2,932	−4,748	−6,338	−6,518	−5,478

C. AS APPROVED BY THE CONFERENCE (DEC. 19, 1969)

	1970	1971	1972	1974	Long run
Tax reform program under conference bill	+1,150	+1,430	+1,660	+2,195	+3,320
Repeal of investment credit	+2,500	+2,990	+2,990	+3,090	+3,300
Tax reform and repeal of investment credit	+3,650	+4,420	+4,650	+5,285	+6,620
Income tax relief under conference bill	−1,441	−4,927	−7,269	−9,134	−9,134

	1970	1971	1972	1974	Long run
Balance between reform (+) and relief (−) under conference bill [1]	+2,209	−507	−2,619	−3,849	−2,514
Extension of surcharge and excises	+4,270	+800	+800		
Total	+6,479	+293	−1,819	−3,849	−2,514

[1] Revised.

TABLE 2.—BALANCING OF TAX REFORM AND TAX RELIEF UNDER H.R. 13270—CALENDAR YEAR TAX LIABILITY

[In millions of dollars]

	1970	1971	1972	1974	Long run
A. AS PASSED BY THE HOUSE OF REPRESENTATIVES (AUG. 7, 1969)					
Tax reform program under House bill [1]	+1,665	+2,080	+2,215	+2,650	+3,605
Repeal of investment credit	+2,500	+3,000	+3,000	+3,100	+3,300
Tax reform and repeal of investment credit [1]	+4,165	+5,080	+5,215	+5,740	+6,905
Income tax relief:					
Low-income allowance	−625	−625	−625	−625	−625
Removal of phaseout on low income allowance		−2,027	−2,027	−2,027	−2,027
Increase in standard deduction [2]	[1] −1,087	[1] −867	−1,373	−1,373	−1,373
Rate reduction		−2,249	−4,498	−4,498	−4,498

	1970	1971	1972	1974	Long run
A. AS PASSED BY THE HOUSE OF REPRESENTATIVES (AUG. 7, 1969)—Continued					
Income tax relief:					
Maximum 50-percent rate on earned income	−200	−150	−100	−100	−100
Intermediate tax treatment for certain single persons, etc.		−650	−650	−650	−650
Total tax relief under House bill	[1] −1,912	[1] −6,568	−9,273	−9,273	−9,273
Balance between reform (+) and relief (−) under House bill [1]	+2,253	−1,488	−4,058	−3,523	−2,368
Extension of surcharge and excises	+4,270	+800	+800		
Total	+6,523	−688	−3,258	−3,523	−2,368

TABLE 2.BALANCING OF TAX REFORM AND TAX RELIEF UNDER H.R. 13270—CALENDAR YEAR TAX LIABILITY—Continued

[In millions of dollars]

	1970	1971	1972	1974	Long run
B. AS PASSED BY THE SENATE (DEC. 11, 1969)					
Tax reform program under Senate bill	+915	+1, 135	—455	+65	+895
Amendment of investment credit	+1, 710	+2, 200	+2, 200	+2, 300	+2, 510
Tax reform and amendment of investment credit	+2, 625	+3, 335	+1, 745	+2, 365	+3, 405
Income tax relief:					
Low-income allowance	—550	—550	—550	—550	—550
Change in phaseout on low income allowance	—146	—1, 507	—1, 507	—1, 507	—1, 507
Increase in exemption	—3, 267	—6, 406	—6, 406	—6, 406	—6, 406
Tax treatment of single persons		—420	—420	—420	—420
Total tax relief under Senate bill	—3, 963	—8, 883	—8, 883	—8, 883	—8, 883
Balance between reform (+) and relief (—) under Senate bill	—1, 338	—5, 548	—7, 138	—6, 518	—5, 478
Extension of surcharge and excises	+4, 270	+800	+800		
Total	+2, 932	—4, 748	—6, 338	—6, 518	—5, 478

	1970	1971	1972	1974	Long run
C. AS APPROVED BY THE CONFERENCE (DEC. 19, 1969)					
Tax reform under conference bill	+1, 150	+1, 430	+1, 660	+2, 195	+3, 320
Repeal of investment credit	+2, 500	+2, 990	+2, 990	+3, 090	+3, 300
Tax reform and repeal of investment credit	+3, 650	+4, 420	+4, 650	+5, 285	+6, 620
Income tax relief:					
Low-income allowance	−625	+1, 592	−2, 057	−2, 057	−2, 057
Increase in standard deduction [3]		−1, 207	−1, 355	−1, 642	−1, 642
Increase in exemption	−816	−1, 633	−3, 267	−4, 845	−4, 845
Maximum 50-percent rate on earned income		−75	−170	−170	−170
Tax treatment of single persons		−420	−420	−420	−420
Total tax relief under conference bill	−1, 441	−4, 927	−7, 269	−9, 134	−9, 134
Balance between reform (+) and relief (−) under conference bill	+2, 209	−507	−2, 619	−3, 849	−2, 514
Extension of surcharge and excises	+4, 270	+800	+800		
Total	+6, 479	+293	−1, 819	−3, 849	−2, 514

[1] Revised.

[2] 1970: 13 percent, $1,400 ceiling; 1971: 14 percent, $1,700 ceiling; 1972: 15 percent $2,000 ceiling.

[3] 1971: 13 percent, $1,500 ceiling; 1972: 14 percent, $2,000 ceiling; 1973: 15 percent, $2,000 ceiling.

TABLE 3.—INDIVIDUAL INCOME TAX LIABILITY—TAX UNDER PRESENT LAW AND AMOUNT AND PERCENTAGE OF CHANGE UNDER REFORM AND RELIEF PROVISIONS UNDER H.R. 13270 WHEN FULLY EFFECTIVE

Adjusted gross income class	Tax under present law [1] (millions)	Increase (+) decrease (−) from reform and relief provisions: Amount (millions)	Increase (+) decrease (−) from reform and relief provisions: Percentage
A. AS PASSED BY THE HOUSE OF REPRESENTATIVES (AUG. 7, 1969)			
0 to $3,000	$1, 169	−$775	−66. 3
$3,000 to $5,000	3, 320	−1, 049	−31. 6
$5,000 to $7,000	5, 591	−996	−17. 8
$7,000 to $10,000	11, 792	−1, 349	−11. 4
$10,000 to $15,000	18, 494	−1, 932	−10. 4
$15,000 to $20,000	9, 184	−775	−8. 4
$20,000 to $50,000	13, 988	−976	−7. 0
$50,000 to $100,000	6, 659	−365	−5. 5
$100,000 and over	7, 686	+324	+4. 2
Total	77, 884	−7, 893	−10. 1
B. AS PASSED BY THE SENATE (DEC. 11, 1969)			
0 to $3,000	$1, 169	−$925	−79. 1
$3,000 to $5,000	3, 320	−1, 355	−40. 8
$5,000 to $7,000	5, 591	−1, 581	−28. 3
$7,000 to $10,000	11, 792	−2, 380	−20. 2
$10,000 to $15,000	18, 494	−2, 460	−13. 3
$15,000 to $20,000	9, 184	−1, 092	−11. 9
$20,000 to $50,000	13, 988	−851	−6. 1
$50,000 to $100,000	6, 659	−108	−1. 6
$100,000 and over	7, 686	+625	+8. 1
Total	77, 884	−10, 128	−13. 0
C. AS APPROVED BY THE CONFERENCE (DEC. 19, 1969)			
0 to $3,000	$1, 169	−$816	−69. 8
$3,000 to $5,000	3, 320	−1, 101	−33. 2
$5,000 to $7,000	5, 591	−1, 112	−19. 9
$7,000 to $10,000	11, 792	−1, 859	−15. 8
$10,000 to $15,000	18, 494	−2, 327	−12. 6
$15,000 to $20,000	9, 184	−791	−8. 6
$20,000 to $50,000	13, 988	−715	−5. 1
$50,000 to $100,000	6, 659	−128	−1. 9
$100,000 and over	7, 686	+557	+7. 2
Total	77, 884	−8, 294	−10. 6

[1] Exclusive of tax surcharge.

Note: Details do not necessarily add to totals because of rounding.

TABLE 4.—TAX RELIEF PROVISIONS UNDER H.R. 13270 AFFECTING INDIVIDUALS AND TOTAL FOR ALL REFORM AND RELIEF PROVISIONS AFFECTING INDIVIDUALS, WHEN FULLY EFFECTIVE BY ADJUSTED GROSS INCOME CLASS, 1969 LEVELS

A. AS PASSED BY THE HOUSE OF REPRESENTATIVES (AUG. 7, 1969)

[In millions of dollars]

Adjusted gross income class	Reform provisions	Relief provisions: Low income allowance	Relief provisions: Elimination of phaseout	Relief provisions: 15-percent $2,000 standard deduction	Relief provisions: General rate reduction	Relief provisions: Maximum tax on earned income	Relief provisions: Intermediate tax treatment	Total relief provisions	Total, all provisions
0 to $3,000	+16	−552	−202		−27		−10	−791	−775
$3,000 to $5,000	−3	−72	−788		−141		−45	−1, 046	−1, 049
$5,000 to $7,000	+3	−1	−594		−329		−75	−999	−996
$7,000 to $10,000	+7		−335	−228	−663		−130	−1, 356	−1, 349
$10,000 to $15,000	+26		−83	−789	−975		−111	−1, 958	−1, 932
$15,000 to $20,000	+23		−16	−231	−496		−55	−798	−775
$20,000 to $50,000	+90		−8	−117	−806		−135	−1, 066	−976
$50,000 to $100,000	+137		−1	−7	−420	−20	−54	−502	−365
$100,000 and over	+1, 081			−1	−641	−80	−35	−757	+324
Total	+1, 380	−625	−2, 027	−1, 373	−4, 498	−100	−650	−9, 273	−7, 893

TABLE 4.—TAX RELIEF PROVISIONS UNDER H.R. 13270 AFFECTING INDIVIDUALS AND TOTAL FOR ALL REFORM AND RELIEF PROVISIONS AFFECTING INDIVIDUALS, WHEN FULLY EFFECTIVE BY ADJUSTED GROSS INCOME CLASS, 1969 LEVELS—Continued

B. AS PASSED BY THE SENATE (DEC. 11, 1969)

[In millions of dollars]

Adjusted gross income class	Reform provisions	Relief provisions: Low income allowance	Relief provisions: $800 exemption	Relief provisions: Tax treatment of single persons	Relief provisions: Total relief provisions	Total, all provisions
0 to $3,000	−69	−682	−174		−856	−925
$3,000 to $5,000	−159	−719	−477		−1,196	−1,355
$5,000 to $7,000	−313	−458	−803	−7	−1,268	−1,581
$7,000 to $10,000	−492	−198	−1,645	−45	−1,888	−2,380
$10,000 to $15,000	−517		−1,875	−68	−1,943	−2,460
$15,000 to $20,000	−391		−639	−62	−701	−1,092
$20,000 to $50,000	−57		−615	−179	−794	−851
$50,000 to $100,000	+71		−139	−40	−179	−108
$100,000 and over	+682		−40	−17	−57	+625
Total	−1,245	−2,057	−6,406	−420	−8,883	−10,12

C. AS APPROVED BY THE CONFERENCE (DEC. 19, 1969)

[In millions of dollars]

Adjusted gross income class	Reform provisions	Relief provisions: Low income allowance	Relief provisions: $750 exemption	Relief provisions: 15-percent $2,000 standard deduction	Relief provisions: Maximum tax on earned income	Relief provisions: Tax treatment of single persons	Relief provisions: Total relief provisions	Total all provisions
0 to $3,000	+6	−682	−140				−822	−816
$3,000 to $5,000	−6	−719	−366	−10			−1,095	−1,101
$5,000 to $7,000	−4	−458	−612	−31		−7	−1,108	−1,112
$7,000 to $10,000	−5	−198	−1,244	−366		−45	−1,853	−1,858
$10,000 to $15,000	+6		−1,407	−858		−68	−2,333	−2,327
$15,000 to $20,000	−7		−480	−242		−62	−784	−791
$20,000 to $50,000	+56		−462	−125	−5	−179	−771	−715
$50,000 to $100,000	+54		−104	−8	−30	−40	−182	−128
$100,000 and over	+740		−30	−1	−135	−17	−183	+557
Total	+840	−2,057	−4,845	−1,642	−170	−420	−9,134	−8,294

Note: Details do not necessarily add to totals because of rounding.

TABLE 4A.—INDIVIDUAL INCOME TAX RELIEF PROVISIONS IN H.R. 13270, CALENDAR YEARS 1970-73

A. AS PASSED BY THE HOUSE OF REPRESENTATIVES

Provision	1970	1971	1972	1973
Minimum standard deduction	$1,100–1:2 [1]	$1,100	$1,100	
Percentage standard deduction	13 percent—$1,400	14 percent—$1,700	15 percent—$2,000	
Rate reduction [2]		½ of reduction	Full reduction	
Maximum tax rate on earned income [3]	50 percent	50 percent	50 percent	
Intermediate tax treatment for certain single persons, etc.[4]		½ split income benefit	½ split income benefit	

B. AS PASSED BY THE SENATE

Minimum standard deduction	$1,000–1:4 [5]	$1,000	$1,000	
Personal exemption	$700	$800	$800	
Tax treatment of single persons		Tax no greater than 120 percent of joint return tax with same taxable income.	Tax no greater than 120 percent of joint return tax with same taxable income.	

C. AS APPROVED BY THE CONFERENCE

Minimum standard deduction	$1,100–1:2 [1]	$1,050–1:15 [6]	$1,000	$1,000.
Percentage standard deduction		13 percent—$1,500	14 percent—$2,000	15 percent—$2,000.
Personal exemption	$650 from July 1	$650	$700	$750.
Maximum tax rate on earned income [3]		60 percent	50 percent	50 percent.
Tax treatment of single persons		Tax no greater than 120 percent of joint return tax with same taxable income.	Tax no greater than 120 percent of joint return tax with same taxable income.	Tax no greater than 120 percent of joint return tax with same taxable income.

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[1] This low-income allowance, or minimum standard deduction, is "phased out" by reducing the additional allowance (difference between the 1969 minimum standard deduction and $1,100) by $1 for every $2 of adjusted gross income in excess of the 1970 nontaxable level.

[2] A reduction of at least 1 percentage point in each bracket with a 5 percent or more reduction in tax in all brackets, taking place in 2 equal stages in 1971 and 1972.

[3] Under the House bill the specified maximum marginal rate is applicable to earned income; under the conference bill the specified maximum marginal rate is applicable to earned income less preference income over $30,000 in the current year or the average tax preferences in excess of $30,000 for the current year and the prior 4 years, whichever is greater.

[4] Widows and widowers, regardless of age, and single persons age 35 and over use the head of household rate schedule, i.e., tax liability halfway between that of the regular rate schedule used by single persons and the joint return schedule; surviving spouses with dependent children under age 19 or attending school would have the joint return privilege.

[5] This entire minimum standard deduction ($1,000) is "phased out" by reducing it by $1 for every $4 of adjusted gross income above the nontaxable level.

[6] This minimum standard deduction is "phased out" by reducing the additional allowance (difference between the 1969 minimum standard deduction and $1,050) by $1 for every $15 of adjusted gross income in excess of the 1971 nontaxable level.

TABLE 5.—TAX REFORM PROVISIONS UNDER H.R. 13270 AFFECTING INDIVIDUALS, FULL-YEAR EFFECT—BY ADJUSTED GROSS INCOME CLASS

[In millions]

A. AS PASSED BY THE HOUSE OF REPRESENTATIVES (AUG. 7, 1969)

Adjusted gross income class	Eliminate alternative tax rate on long-term gains [1]	6- to 12-month gains included at 100 percent [1]	Capital loss limitation	Pension plan provision	Life estates provision	Averaging including capital gains and 120 percent	Deferred compensation	Charitable deductions	Interest deduction	Reduced percentage depletion	Accumulation trusts	Moving expenses	Farm losses	Real estate	Tax-free dividends	Limit on tax preferences	Allocation	Total
0 to $3,000		+$1	+$5	(2)		(2)	(2)			+$1	(2)	−$1		(2)	(2)	+$10	(2)	+$16
$3,000 to $5,000		+2	+3	+$1		(2)	(2)			+1	(2)	−11		(2)	(2)	+1	(2)	−3
$5,000 to $7,000		+2	+5	+2		(2)	(2)			+2	+$1	−13		(2)	+$1	+3	(2)	+3
$7,000 to $10,000		+5	+9	+3		(2)	(2)			+2	+1	−23		+$5	+2	+3	(2)	+7
$10,000 to $15,000		+10	+15	+9		−$5	(2)			+5	+3	−29		+10	+3	+3	+$2	+26
$15,000 to $20,000		+10	+8	+6		−30	(2)			+5	+3	−10		+10	+3	+15	+3	+23
$20,000 to $50,000	+$1	+35	+16	+17	(2)	+110	(2)			+19	+16	−11		+45	+17	+10	+35	+90
$50,000 to $100,000	+11	+30	+4	+10	+$5	+105	+$5			+13	+17	−2	+$5	+50	+19	+10	+65	+137
$100,000 and over	+348	+55	(2)	+22	+5	−50	+20	+$20	+$20	+22	+29	(2)	+20	+140	+35	+30	+365	+1,081
Total	+360	+150	+65	+70	+10	−300	+25	+20	+20	+70	+70	+100	+25	+260	+80	+85	+470	+1,380

B. AS PASSED BY THE SENATE (DEC. 11, 1969)

[In millions]

Adjusted gross income class	Change alternative tax on long-term gains [1]	Capital loss limitation	Life estates provision	Averaging at 120 percent	Charitable deductions	Reduced per centage depletion	Accumulation trusts	Moving expenses	Foreign income	Farm losses	Real estate	Tax free dividends	Tax on preference income	Aged medical expenses	Transportation for disabled	Higher education expenses	Citrus grove costs	Children's exemption	Total
0 to $3,000		+$5		(2)		(2)	(2)	−$1			(2)	(2)	+$2	−$2	−$1	−$70		−$2	−$69
$3,000 to $5,000		+3		(2)		+$1	+$1	−12			(2)	(2)	(2)	−6	−8	−130		−8	−159
$5,000 to $7,000		+5		(2)		+1	+1	−14	(2)		(2)	+$1	(2)	−13	−18	−260	(2)	−16	−313
$7,000 to $10,000		+9		(2)		+1	+1	−26	+$1		+$5	+2	(2)	−18	−33	−410	(2)	−24	−492
$10,000 to $15,000		+15		−$5		+2	+5	−32	+3		+10	+3	(2)	−26	−20	−455	(2)	−17	−517
$15,000 to $20,000		+8		−20		+2	+6	−11	+10		+10	+3	(2)	−15	−5	−375	(2)	−4	−391
$20,000 to $50,000	+$1	+16	(2)	−45		+8	+30	−12	+10		+40	+17	+48	−65	−4	−100	+$2	−3	−57
$50,000 to $100,000	+7	+4	+$5	−30		+5	+32	−2	+1	+$5	+45	+19	+28	−49	−1		+3	−1	+71
$100,000 and over	+242	(2)	+5	−10	+$20	+10	+54	(2)	(2)	+20	+125	+35	+207	−31	(2)		+5	(2)	+682
Total	+250	+65	+10	−110	+20	+30	+130	−110	+25	+25	+235	+80	+285	−225	−90	−1,800	+10	−75	−1,245

C. AS APPROVED BY THE CONFERENCE (DEC. 19, 1969)

[In millions]

Adjusted gross income class	Change alternative tax on long-term gains [1]	Capital loss limitation	Pension plan provision	Life estates provision	Averaging including capital gains and 120 percent	Charitable deductions	Interest deduction	Reduced percentage depletion	Accumulation trusts	Moving expenses	Farm losses	Real estate	Tax free dividends	Tax on preference income	Citrus grove costs	Total
0 to $3,000		+$5	(2)		(2)			(2)	(2)	−$1		(2)	(2)	+$2		+$6
$3,000 to $5,000		+3	+$1		(2)			+$1	+$1	−12		(2)	(2)	(2)		−6
$5,000 to $7,000		+5	+2		(2)			+1	+1	−14		(2)	+$1	(2)	(2)	−4
$7,000 to $10,000		+9	+3		(2)			+1	+1	−26		+$5	+2	(2)	(2)	−5
$10,000 to $15,000		+15	+8		−$5			+3	+4	−32		+10	+3	(2)	(2)	+6
$15,000 to $20,000		+8	+5		−30			+3	+5	−11		+10	+3	(2)	(2)	−7
$20,000 to $50,000	+$1	+16	+14	(2)	−110			+11	+27	−12		+42	+17	+48	+$2	+56
$50,000 to $100,000	+7	+4	+8	+$5	−105			+7	+28	−2	+$5	+47	+19	+28	+3	+54
$100,000 and over	+267	(2)	+19	+5	−50	+$20	+$20	+13	+48	(2)	+20	+131	+35	+207	+5	+740
Total	+275	+65	+60	+10	−300	+20	+20	+40	+115	−110	+25	+245	+80	+285	+10	+840

[1] Assumes ½ of effect as compared with no change in realization. [2] Less than $500,000.

TABLE 6.—REVENUE ESTIMATES, TAX REFORM UNDER H.R. 13270, CALENDAR YEAR LIABILITY [1]

[In millions of dollars]

Provision	As passed by the House of Representatives					As passed by the Senate					As approved by the conference				
	1970	1971	1972	1974	Long run	1970	1971	1972	1974	Long run	1970	1971	1972	1974	Long run
Corporate capital gains	175	175	175	175	140	175	175	175	175	175	105	175	175	175	175
Foundations	65	70	75	85	100	20	25	25	25	30	35	35	40	45	55
Unrelated business income	5	5	5	5	20	5	5	5	5	20	5	5	5	5	20
Contributions	5	10	20	20	50	5	10	20	20	20	5	10	20	20	20
Farm losses	(2)	5	10	10	25	25	25	25	25	25	(2)	5	10	10	25
Moving expenses	−100	−100	−100	−100	−100	−110	−110	−110	−110	−110	−110	−110	−110	−110	−01
Railroad amortization [3]	(2)	−5	−[4]15	−[4]60	−[4]85	−125	−115	−160	−185	−105	−105	−95	−140	−165	−85
Amortization of pollution facilities [3]	−40	−130	−230	−380	−400	−15	−40	−70	−115	−120	−15	−40	−70	−115	−120
Corporate mergers, etc	10	20	25	40	70	(2)	(2)	(2)	(2)	(2)	5	10	15	25	40
Multiple corporations	[4]45	[4]75	[4]105	[4]175	235	30	70	120	235	235	25	60	100	195	235
Accumulation trusts	50	70	70	70	70	5	10	35	60	130	10	25	35	55	115
Income averaging	−300	−300	−300	−300	−300	−110	−110	−110	−110	−110	−300	−300	−300	−300	−300
Deferred compensation:															
Restricted stock	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Other deferred compensation	(2)	(2)	5	10	25										

Footnotes at end of table.

TABLE 6.—REVENUE ESTIMATES, TAX REFORM UNDER H.R. 13270, CALENDAR YEAR LIABILTY [1]—Continued

[In millions of dollars]

Provision	As passed by the House of Representatives					As passed by the Senate					As approved by the conference				
	1970	1971	1972	1974	Long run	1970	1971	1972	1974	Long run	1970	1971	1972	1974	Long run
Stock dividends	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	2()	(2)	(2)	(2)	(2)	(2)
Subchapter S	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Tax-free dividends				80	80				80	80				80	80
Financial institutions:															
Commercial banks:															
Reserves	250	250	250	250	250	225	150	125	100	100	225	150	125	100	250
Capital gains	50	50	50	50	50	(2)	5	5	10	50	5	10	15	25	50
Mutual thrift reserves:															
Savings and loan associations	10	25	35	60	125	10	20	30	40	40	20	35	45	60	85
Mutual savings banks	(2)	5	10	15	35	20	25	30	35	35	25	25	30	30	35
Tax-exempt interest	(2)	(2)	(2)	(2)	(2)										
Individual capital gains:															
Capital loss provisions	50	50	55	60	65	50	50	55	60	65	50	50	55	60	65
6-months-1 year holding period [6]	100	150	150	150	150										
Pension plans	(2)	5	10	25	70						(2)	5	10	20	60
Casualty loss	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Sale of papers	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Life estates	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Franchises	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Alternative rate provision [6]	360	360	360	360	360	150	200	250	250	250	165	220	275	275	275
Natural resources:															
Production payment	100	110	125	150	200	100	110	125	150	200	110	110	125	150	200
Percentage depletion	400	400	400	400	400	150	150	150	150	150	235	235	235	235	235
Foreign depletion	25	10	(2)	(2)	(2)										
Foreign income:															
Loss carryover	35	35	35	35	35										
Restriction on mineral credits	30	30	30	30	30										
Reduced exclusion						25	25	25	25	25					
Individual interest deduction	20	20	20	20	20								20	20	20
Regulated utilities [3,5]	60	140	185	260	310	60	140	185	260	310	60	140	185	260	310
Cooperatives	(2)	(2)	(2)	(2)	(2)										
Limit on tax preferences	40	50	60	70	85										
Allocation	205	420	425	440	470										
Tax on preference income						630	635	645	670	680	590	595	600	625	635
Real estate:															
Used property [3,5]	15	40	65	150	250	15	35	55	125	210	15	35	55	130	220
New nonhousing [3,5]	(2)	60	170	435	960	(2)	60	170	435	960	(2)	60	170	435	960
Capital gain, recapture	5	15	25	50	125	(2)	5	10	20	50	(2)	10	15	30	80
Rehabilitation [3,5]	−15	−50	−100	−200	−330	−15	−50	−100	−200	−330	−15	−50	−100	−200	−330
Medical expenses for aged						−225	−225	−225	−225	−225					
Transportation deduction for disabled						−90	−90	−90	−90	−90					
Exemption for foster children						(2)	(2)	(2)	(2)	(2)					
Revision of children's support test						−75	−75	−75	−75	−75					
Capitalization of citrus grove expenses						5	10	10	10	10	5	10	10	10	10
Credit for education expense								−1,800	−1,800	−1,800					
Total tax reform	[4] 1,665	[4] 2,080	[4] 2,215	[4] 2,650	[4] 3,605	915	1,135	−455	65	895	1,150	1,430	1,660	2,195	3,320
Plus investment credit	2,500	3,000	3,000	3,100	3,300	1,710	2,200	2,200	2,300	2,510	2,500	2,990	2,990	3,090	3,300
Total	[4] 4,165	[4] 5,080	[4] 5,215	[4] 5,750	[4] 6,905	2,625	3,335	1,745	2,365	3,405	3,650	4,420	4,650	5,285	6,620

[1] Except as indicated these estimates are all at current levels, the time difference being solely to show the phasein.

[2] Less than $2,500,000.

[3] The figures in the "long run" columns are for 1979.

[4] Revised.

[5] Assumes growth.

[6] Assumes ½ of effect as compared with no change in realization.

Note: Calendar year 1969 estimates, not shown above, are as follows: Under the House bill and the Conference bill repeal of the investment credit $900,000,000 and under the Senate bill amendment of the investment credit $370,000,000; under the House bill corporate capital gains $75,000,000, multiple corporations $20,000,000, accumulation trusts $20,000,000, and individual capital gains $175,000,000.

TABLE 7.—TAXABLE RETURNS UNDER PRESENT LAW AND NUMBER MADE NONTAXABLE BY RELIEF PROVISOINS OF H.R. 13270

[Number of returns in thousands]

Adjusted gross income class	Returns taxable under present law	Returns made nontaxable by low-income allowance and 15 percent $2,000 standard deduction [2]	Returns remaining taxable—but benefiting from the relief provisions [2]
A. AS PASSED BY THE HOUSE OF REPRESENTATIVES [1] (AUG. 7, 1969)			
0 to $3,000	10,053	5,149	4,904
$3,000 to $5,000	9,562	405	9,157
$5,000 to $7,000	9,779	24	9,755
$7,000 to $10,000	13,815	8	13,807
$10,000 to $15,000	13,062	4	13,058
$15,000 to $20,000	3,852	2	3,850
$20,000 to $50,000	2,594		2,594
$50,000 to $100,000	340		340
$100,000 and over	95		95
Total	63,152	5,592	57,560

Adjusted gross income class	Returns taxable under present law	Returns made nontaxable by low income allowance and $800 exemption	Returns remaining taxable—but benefiting from the relief provision
B. AS PASSED BY THE SENATE [3] (DEC. 11, 1969)			
0 to $3,000	10,053	6,111	3,942
$3,000 to $5,000	9,562	1,445	8,117
$5,000 to $7,000	9,779	570	9,209
$7,000 to $10,000	13,815	211	13,604
$10,000 to $15,000	13,062	36	13,026
$15,000 to $20,000	3,852		3,852
$20,000 to $50,000	2,594		2,594
$50,000 to $100,000	340		340
$100,000 and over	95		95
Total	63,152	8,373	54,779

Adjusted gross income class	Returns taxable under present law	Returns made nontaxable by low-income allowance, 15 percent $2,000 standard deduction and $750 exemption	Returns remaining taxable—but benefiting from the relief provisions
C. AS APPROVED BY THE CONFERENCE [4] (DEC. 19, 1969)			
0 to $3,000	10,053	5,846	4,207
$3,000 to $5,000	9,562	1,131	8,431
$5,000 to $7,000	9,779	424	9,355
$7,000 to $10,000	13,815	172	13,643
$10,000 to $15,000	13,062	28	13,034
$15,000 to $20,000	3,852	2	3,850
$20,000 to $50,000	2,594		2,594
$50,000 to $100,000	340		340
$100,000 and over	95		95
Total	63,152	7,603	55,549

[1] Provisions effective for tax year 1972 and thereafter.

[2] Revised.

[3] Provisions effective for tax year 1971 and thereafter.

[4] Provisions effective for tax year 1973 and thereafter.

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TABLE 8.—TAX BURDEN ON THE SINGLE PERSON UNDER PRESENT LAW[1] AND UNDER H.R. 13270 AS PASSED BY THE HOUSE OF REPRESENTATIVES,[2] AS PASSED BY THE SENATE,[3] AND AS APPROVED BY THE CONFERENCE[4]

A. ASSUMING NONBUSINESS DEDUCTIONS OF 10 PERCENT OF INCOME

1. AS PASSED BY THE HOUSE OF REPRESENTATIVES

Adjusted gross income (wages and salaries)	Tax under present law	Single persons under 35 (other than widows and widowers)			Single persons 35 and over (and widows and widowers at any age)		
			Tax decrease			Tax decrease	
		Tax under H.R. 13270	Amount	Percentage	Tax under H.R. 13270	Amount	Percentage
$900	0	0	0	0	0	0	0
$1,700	$115	0	$115	100.0	0	$115	100.0
$1,750	123	$7	116	94.3	$7	116	94.3
$1,800	130	13	117	90.0	13	117	90.0
$3,000	329	180	149	45.3	175	154	46.0
$3,500	415	258	157	37.8	250	165	39.8
$4,000	500	344	156	31.2	331	169	33.8
$5,000	671	524	147	21.9	501	170	25.3
$7,500	1,168	1,023	145	12.4	957	211	18.1
$10,000	1,742	1,507	235	13.5	1,399	343	19.7
$12,500	2,398	2,078	320	13.3	1,907	491	20.5
$15,000	3,154	2,806	348	11.0	2,532	622	19.7
$17,500	3,999	3,683	316	7.9	3,250	749	18.7
$20,000	4,918	4,650	268	5.4	4,042	876	17.8
$25,000	6,982	6,566	416	6.0	5,643	1,339	19.2

2. AS PASSED BY THE SENATE

Adjusted gross income (wages and salaries)	Tax under present law	Tax under H.R. 13270	Tax decrease	
			Amount	Percentage
$900	0	0	0	0
$1,700	$115	0	$115	100.0
$1,750	123	0	123	100.0
$1,800	130	0	130	100.0
$3,000	329	$177	152	46.2
$3,500	415	259	156	37.6
$4,000	500	348	152	30.4
$5,000	671	538	133	19.8
$7,500	1,168	1,047	121	10.4
$10,000	1,742	1,640	102	5.9
$12,500	2,398	2,212	186	7.8
$15,000	3,154	2,833	321	10.2
$17,500	3,999	3,505	494	12.4
$20,000	4,918	4,238	680	13.8
$25,000	6,982	5,876	1,106	15.8

3. AS APPROVED BY THE CONFERENCE

Adjusted gross income (wages and salaries)	Tax under present law[1]	Tax under H.R. 13270	Tax decrease	
			Amount	Percentage
$900	0	0	0	0
$1,700	$115	0	$115	100.0
$1,750	123	0	123	100.0
$1,800	130	$7	123	94.6
$3,000	329	185	144	43.8
$3,500	415	267	147	35.5
$4,000	500	357	143	28.5
$5,000	671	547	124	18.4
$7,500	1,168	1,031	136	11.7
$10,000	1,742	1,530	212	12.2
$12,500	2,398	2,059	339	14.2
$15,000	3,154	2,702	452	14.3
$17,500	3,999	3,442	556	13.9
$20,000	4,918	4,255	663	13.5
$25,000	6,982	5,895	1,087	15.6

B. ASSUMING NONBUSINESS DEDUCTIONS OF 18 PERCENT OF INCOME

1. AS PASSED BY THE HOUSE OF REPRESENTATIVES

Adjusted gross income (wages and salaries)	Tax under present law	Single persons under 35 (other than widows and widowers)			Single persons 35 and over (and wid ws and widowers at any age)		
			Tax decrease			Tax decrease	
		Under H.R. 13270	Amount	Percentage	Under H.R. 13270	Amount	Percentage
$900	0	0	0	0	0	0	0
$1,700	$114	0	$114	100.0	0	$114	100.0
$1,750	120	$7	113	94.2	$7	113	94.2
$1,800	126	13	113	89.7	13	113	89.7
$3,000	286	180	106	37.1	175	111	38.8
$3,500	361	258	103	28.5	250	111	30.7
$4,000	439	344	95	21.6	331	108	24.6
$5,000	595	524	71	11.9	501	94	15.8
$7,500	1,031	976	55	5.3	915	115	11.3
$10,000	1,530	1,438	92	6.0	1,336	194	12.7
$12,500	2,092	1,976	116	5.5	1,816	276	13.2
$15,000	2,734	2,580	154	5.6	2,342	392	14.3
$17,500	3,460	3,265	195	5.6	2,910	550	15.9
$20,000	4,252	4,016	236	5.6	3,520	732	17.2
$25,000	6,025	5,688	337	5.6	4,905	1,120	18.6

TABLE 8.—TAX BURDEN ON THE SINGLE PERSON UNDER PRESENT LAY[1] AND UNDER H.R. 13270 AS PASSED BY THE HOUSE OF REPRESENTATIVES,[2] AS PASSED BY THE SENATE,[3] AND AS APPROVED BY THE CONFERENCE[4]—Continued

B. ASSUMING NONBUSINESS DEDUCTIONS OF 18 PERCENT OF INCOME—Continued

2. AS PASSED BY THE SENATE

Adjusted gross income (wages and salaries)	Tax under present law	Tax under H.R. 13270	Tax decrease	
			Amount	Percentage
$900	0	0	0	0
$1,700	$114	0	$114	100.0
$1,750	120	0	120	100.0
$1,800	126	0	126	100.0
$3,000	286	$177	109	38.1
$3,500	361	259	102	28.3
$4,000	439	348	91	20.7
$5,000	595	538	57	9.6
$7,500	1,031	974	57	5.5
$10,000	1,530	1,446	84	5.5
$12,500	2,092	1,953	139	6.6
$15,000	2,734	2,495	239	8.7
$17,500	3,460	3,080	380	11.0
$20,000	4,252	3,706	546	12.8
$25,000	6,025	5,122	903	15.0

3. AS APPROVED BY THE CONFERENCE

Adjusted gross income (wages and salaries)	Tax under present law[1]	Tax under H.R. 13270	Tax decrease	
			Amount	Percentage
$900	0	0	0	0
$1,700	$114	0	$114	100.0
$1,750	120	0	120	100.0
$1,800	126	$7	119	94.5
$3,000	286	185	101	35.4
$3,500	361	267	94	26.0
$4,000	439	357	82	18.6
$5,000	595	547	48	8.0
$7,500	1,031	984	47	4.6
$10,000	1,530	1,458	72	4.7
$12,500	2,092	1,965	127	6.1
$15,000	2,734	2,509	225	8.3
$17,500	3,460	3,094	366	10.6
$20,000	4,252	3,722	530	12.5
$25,000	6,025	5,140	885	14.7

[1] Exclusive of tax surcharge.
[2] Provisions effective for tax year 1972 and thereafter
[3] Provisions effective for tax year 1971 and thereafter.
[4] Provisions effective for tax year 1973 and thereafter.

TABLE 9.—TAX BURDEN ON THE MARRIED COUPLE WITH NO DEPENDENTS UNDER PRESENT LAW[1] AND UNDER H.R. 13270 AS PASSED BY THE HOUSE OF REPRESENTATIVES,[2] AS PASSED BY THE SENATE,[3] AND AS APPROVED BY THE CONFERENCE[4]

A. ASSUMING NONBUSINESS DEDUCTIONS OF 10 PERCENT OF INCOME

1. AS PASSED BY THE HOUSE OF REPRESENTATIVES

Adjusted gross income (wages and salaries)	Tax under present law	Tax under H.R. 13270	Tax decrease	
			Amount	Percentage
$1,600	0	0	0	0
$2,300	$98	0	$98	100.0
$2,500	126	$26	100	79.4
$2,600	140	39	101	72.1
$3,000	200	91	109	54.5
$3,500	275	158	117	42.5
$4,000	354	228	126	35.6
$5,000	501	375	126	25.1
$7,500	915	792	123	13.4
$10,000	1,342	1,174	168	12.5
$12,500	1,831	1,599	232	12.7
$15,000	2,335	2,098	237	10.1
$17,500	2,898	2,669	229	7.9
$20,000	3,484	3,276	208	6.0
$25,000	4,796	4,530	266	5.5

2. AS PASSED BY THE SENATE

$1,600	0	0	0	0
$2,300	$98	0	$98	100.0
$2,500	126	0	126	100.0
$2,600	140	0	140	100.0
$3,000	200	$56	144	72.0
$3,500	275	126	149	54.2
$4,000	354	200	154	43.5
$5,000	501	354	147	29.3
$7,500	915	791	124	13.6
$10,000	1,342	1,266	76	5.7
$12,500	1,831	1,743	88	4.8
$15,000	2,335	2,238	97	4.2
$17,500	2,898	2,798	100	3.5
$20,000	3,484	3,372	112	3.2
$25,000	4,796	4,668	128	2.7

TABLE 9.—TAX BURDEN ON THE MARRIED COUPLE WITH NO DEPENDENTS UNDER PRESENT LAW [1] AND UNDER H.R. 13270 AS PASSED BY THE HOUSE OF REPRESENTATIVES [2] AS PASSED BY THE SENATE [3] AND AS APPROVED BY THE CONFERENCE [4]—Con.

A. ASSUMING NONBUSINESS DEDUCTIONS OF 10 PERCENT OF INCOME

3. AS APPROVED BY THE CONFERENCE

Adjusted gross income (wages and salaries)	Tax under present law	Tax under H.R. 13270	Tax decrease	
			Amount	Percentage
$1.600	0	0	0	0
$2.300	$98	0	$98	100.0
$2.500	126	0	126	100.0
$2.600	140	$14	126	90.0
$3.000	200	70	130	65.0
$3.500	275	140	135	49.1
$4.000	354	215	139	39.3
$5.000	501	370	131	26.2
$7.500	915	786	128	14.0
$10.000	1,342	1,190	152	11.3
$12.500	1,831	1,628	203	11.1
$15.000	2,335	2,150	185	7.9
$17.500	2,898	2,760	138	4.8
$20.000	3,484	3,400	84	2.4
$25.000	4,796	4,700	96	2.0

B. ASSUMING NONBUSINESS DEDUCTIONS OF 18 PERCENT OF INCOME

1. AS PASSED BY THE HOUSE OF REPRESENTATIVES

$1,600	0	0	0	0
$2,300	$96	0	$96	100.0
$2,500	119	$26	93	78.2
$2,600	130	39	91	70.0
$3,000	179	91	88	49.2
$3,500	241	158	83	34.4
$4,000	303	228	75	24.8
$5,000	434	375	59	13.6
$7,500	801	751	50	6.2
$10,000	1,190	1,120	70	5.9
$12,500	1,611	1,521	90	5.6
$15,000	2,062	1,951	111	5.4
$17,500	2,548	2,405	143	5.6
$20,000	3,060	2,876	184	6.0
$25,000	4,184	3,951	233	5.6

2. AS PASSED BY THE SENATE

$1,600	0	0	0	0
$2,300	$96	0	$96	100.0
$2,500	119	0	119	100.0
$2,600	130	0	130	100.0
$3,000	179	$56	123	68.7
$3,500	241	126	115	47.7
$4,000	303	200	103	34.0
$5,000	434	354	80	18.5
$7,500	801	725	76	9.5
$10,000	1,190	1,114	76	6.4
$12,500	1,611	1,523	88	5.5
$15,000	2,062	1,974	88	4.3
$17,500	2,548	2,448	100	3.9
$20,000	3,060	2,960	100	3.3
$25,000	4,184	4,072	112	2.7

3. AS APPROVED BY THE CONFERENCE

$1,600	0	0	0	0
$2,300	$96	0	$96	100.0
$2,500	119	0	119	100.0
$2,600	130	$14	116	89.3
$3,000	179	70	109	60.9
$3,500	241	140	101	41.8
$4,000	303	215	88	29.0
$5,000	434	370	64	14.8
$7,500	801	744	57	7.1
$10,000	1,190	1,133	57	4.8
$12,500	1,611	1,545	66	4.1
$15,000	2,062	1,996	66	3.2
$17,500	2,548	2,473	75	2.9
$20,000	3,060	2,985	75	2.5
$25,000	4,184	4,100	84	2.0

[1] Exclusive of tax surcharge.
[2] Provisions effective for tax year 1972 and thereafter.
[3] Provisions effective for tax year 1971 and thereafter.
[4] Provisions effective for tax year 1973 and thereafter.

TABLE 10.—TAX BURDEN ON THE MARRIED COUPLE WITH 2 DEPENDENTS UNDER PRESENT LAW [1] AND UNDER H.R. 13270 AS PASSED BY THE HOUSE OF REPRESENTATIVES,[2] AS PASSED BY THE SENATE,[3] AND AS APPROVED BY THE CONFERENCE [4]

A. ASSUMING NONBUSINESS DEDUCTIONS OF 10 PERCENT OF INCOME

1. AS PASSED BY THE HOUSE OF REPRESENTATIVES

Adjusted gross income (wages and salaries)	Tax under present law	Tax under H.R. 13270	Tax decrease	
			Amount	Percentage
$3,000	0	0	0	0
$3,500	$70	0	$70	100.0
$4,000	140	$65	75	53.6
$4,200	170	91	79	46.5
$5,000	290	200	90	31.0
$7,500	687	576	111	16.2
$10,000	1,114	958	156	14.0
$12,500	1,567	1,347	220	14.0

TABLE 10.—TAX BURDEN ON THE MARRIED COUPLE WITH 2 DEPENDENTS UNDER PRESENT LAW [1] AND UNDER H.R. 13270 AS PASSED BY THE HOUSE OF REPRESENTATIVES,[2] AS PASSED BY THE SENATE,[3] AND AS APPROVED BY THE CONFERENCE [4]—Continued

A. ASSUMING NONBUSINESS DEDUCTIONS OF 10 PERCENT OF INCOME—Continued

1. AS PASSED BY THE HOUSE OF REPRESENTATIVES—Continued

Adjusted gross income (wages and salaries)	Tax under present law	Tax under H.R. 13270	Tax decrease	
			Amount	Percentage
$15,000	$2,062	$1,846	$216	10.5
$17,500	2,598	2,393	205	7.9
$20,000	3,160	2,968	192	6.1
$25,000	4,412	4,170	242	5.5

2. AS PASSED BY THE SENATE

$3,000	0	0	0	0
$3,500	$70	0	$70	100.0
$4,000	140	0	140	100.0
$4,200	170	0	170	100.0
$5,000	290	$112	178	61.4
$7,500	687	501	186	27.1
$10,000	1,114	962	152	13.6
$12,500	1,567	1,391	176	11.2
$15,000	2,062	1,886	176	8.5
$17,500	2,598	2,398	200	7.7
$20,000	3,160	2,960	200	6.3
$25,000	4,412	4,184	228	5.2

3. AS APPROVED BY THE CONFERENCE

$3,000	0	0	0	0
$3,500	$70	0	$70	100.0
$4,000	140	0	140	100.0
$4,200	170	$28	142	83.5
$5,000	290	140	150	51.7
$7,500	687	514	173	25.2
$10,000	1,114	905	209	18.8
$12,500	1,567	1,309	258	16.5
$15,000	2,062	1,820	242	11.7
$17,500	2,598	2,385	213	8.2
$20,000	3,160	3,010	150	4.8
$25,000	4,412	4,240	172	3.9

B. ASSUMING NONBUSINESS DEDUCTIONS OF 18 PERCENT OF INCOME

1. AS PASSED BY THE HOUSE OF REPRESENTATIVES

$3,000	0	0	0	0
$3,500	$66	0	$66	100.0
$4,000	123	$65	58	47.2
$4,200	147	91	56	38.1
$5,000	245	200	45	18.4
$7,500	578	540	38	6.6
$10,000	962	904	58	6.0
$12,500	1,352	1,273	79	5.8
$15,000	1,798	1,699	99	5.5
$17,500	2,249	2,130	119	5.3
$20,000	2,760	2,600	160	5.8
$25,000	3,848	3,627	221	5.7

2. AS PASSED BY THE SENATE

$3,000	0	0	0	0
$3,500	$66	0	$66	100.0
$4,000	123	0	123	100.0
$4,200	147	0	147	100.0
$5,000	245	$112	133	54.0
$7,500	578	442	136	23.3
$10,000	962	810	152	15.5
$12,500	1,352	1,200	152	11.8
$15,000	1,798	1,622	176	9.2
$17,500	2,249	2,073	176	7.8
$20,000	2,760	2,560	200	7.8
$25,000	3,848	3,624	244	5.2

C. AS APPROVED BY THE CONFERENCE

$3,000	0	0	0	0
$3,500	$66	0	$66	100.0
$4,000	123	0	123	100.0
$4,200	147	$28	119	80.9
$5,000	245	140	105	42.9
$7,500	578	476	102	17.7
$10,000	962	848	114	11.9
$12,500	1,352	1,238	114	8.4
$15,000	1,798	1,666	132	7.3
$17,500	2,249	2,117	132	5.9
$20,000	2,760	2,610	150	5.4
$25,000	3,848	3,680	168	4.4

[1] Exclusive of tax surcharge.
[2] Provisions effective for tax year 1972 and thereafter.
[3] Provisions effective for tax year 1971 and thereafter.
[4] Provisions effective for tax year 1973 and thereafter.

TABLE 11.—EFFECT OF H.R. 13270 AS PASSED BY THE HOUSE OF REPRESENTATIVES, AS PASSED BY THE SENATE, AND AS APPROVED BY THE CONFERENCE, FISCAL YEAR RECEIPTS, 1970 AND 1971

[In billions]

As passed by the House of Representatives

Provision	Fiscal year 1970	Fiscal year 1971
Tax reform provisions (+):		
Corporation	+$0.4	+$1.0
Individual	+.3	+.6
Total, tax reform provisions	+.7	+1.6
Tax relief provisions (−): Individual	−.7	−3.6
Other provisions (+):		
Repeal of investment credit:		
Corporation	+.9	+1.9
Individual	+.4	+.6
Total, repeal of investment credit	+1.3	+2.5
Extension of tax surcharge:		
Corporation	+.3	+.7
Individual	+1.7	+.4
Total, surcharge extension	+2.0	+1.1
Extension of excise taxes	+.5	+1.1
Total, other provisions	+3.8	+4.7
Total, all provisions	+3.8	+2.7

As passed by the Senate

Provision	Fiscal year 1970	Fiscal year 1971
Tax reform provisions (+):		
Corporation [1]	+$0.2	+$0.9
Individual [2]	(3)	(3)
Total, tax reform provisions	+.2	+.9
Tax relief provisions (−):		
Individual [4]	−1.7	−6.1
Other provisions (+):		
Repeal of investment credit:		
Corporation	+.7	+1.6
Individual	(3)	+.1
Total, repeal of investment credit	+.7	+1.7
Extension of tax surcharge:		
Corporation	+.3	+.7
Individual	+1.7	+.4
Total, surcharge extension	+2.0	+1.1
Extension of excise taxes	+.5	+1.1
Total, other provisions	+3.2	+3.9
Total, all provisions	+1.7	−1.3

As approved by the conference

Provision	Fiscal year 1970	Fiscal year 1971
Tax reform provisions (+):		
Corporation [1]	+$0.2	+$0.9
Individual [2]	(3)	+.2
Total, tax reform provisions	+.2	+1.1
Tax relief provisions (−):		
Individual [4]	−.3	−3.1
Other provisions (+):		
Repeal of investment credit:		
Corporation	+.9	+1.9
Individual	+.4	+.6
Total, repeal of investment credit	+1.3	+2.5
Extension of tax surcharge:		
Corporation	+.3	+.7
Individual	+1.7	+.4
Total, surcharge extension	+2.0	+1.1
Extension of excise taxes	+.5	+1.1
Total, other provisions	+3.8	+4.7
Total, all provisions	+3.7	+2.7

[1] Does not reflect the increase in tax receipts resulting from the imposition of increased penalties for failure to pay tax and make deposits when due.

[2] Does not reflect increase in tax receipts resulting from the imposition of increased penalties for failure to pay tax and make deposits when due; nor the increase in receipts resulting from the provisions regarding the reporting of medical payments for which data are not available.

[3] Less than $50,000,000.

[4] Does not reflect $200,000,000 reduction in receipts resulting from certification of nontaxability for withholding tax purposes.

TABLE 12.—EFFECT OF MAJOR SOCIAL SECURITY AMENDMENTS IN H.R. 13270

[In billions]

	1970	1971	1972	1973	1974
A. AS PASSED BY THE SENATE					
Calendar years: [1]					
Benefits (−)	−$5.7	−$6.4	−$6.4	−$6.4	−$6.4
Tax (+)				+6.7	+6.7
Total	−5.7	−6.4	−6.4	+.3	+.3
Fiscal years: [1]					
Benefits (−)	−2.6	−6.3	−6.4	−6.4	−6.4
Tax (+)				+.7	+6.7
Total	−2.6	−6.3	−6.4	−5.7	+.3
B. AS APPROVED BY THE CONFERENCE					
Calendar years: [1]					
Benefits (−)	−$3.9	−$4.4	−$4.4	−$4.4	$4.4
Fiscal years: [1]					
Benefits (−)	−1.8	−4.3	−4.4	−4.4	−4.4

[1] These estimates are at present levels.

Mr. MILLS. Mr. Speaker, I yield 15 minutes to the gentleman from Wisconsin (Mr. BYRNES).

(Mr. BYRNES of Wisconsin asked and was given permission to revise and extend his remarks and to include extraneous material.)

Mr. BYRNES of Wisconsin. Mr. Speaker, we approach the end of a long, arduous, and at times very frustrating journey.

I am finishing my 24th year on the Ways and Means Committee, and in that time we have had some major undertakings in the field of trade, social security, and taxes, but I do not know of any legislation that has consumed more of our time than the consideration of the arduous task we undertook almost a year ago.

We have had a number of major reforms in the Tax Code since it was originally enacted in 1913. The general revision of 1939 was followed 15 years later by the basic revisions of 1954. I was involved in the basic reform of 1954, and it took a considerable period of time to produce the final product. Now, 15 years later, we have accomplished this basic revision during the current year.

I suppose we might ask the question, have the frustrations and the long hours and all that went into it been worthwhile? While I must confess that I am not elated at the results, since I had hoped for more than has been accomplished, I must conclude that it has been a worthwhile undertaking. It may be that my hopes were exaggerated. There were those who told us last year and again earlier this year, that Congress would not undertake meaningful reform of the Internal Revenue Code, that it was an impossibility, that it was something that would always be deferred. We have accomplished something that many said was not within the capability of the Congress, so maybe I should be elated when it is put in that context.

I am disappointed, however, because we cannot, Mr. Speaker, say that no one with substantial income will escape taxes.

Mr. LANDRUM. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Georgia.

Mr. LANDRUM. Mr. Speaker, we have heard the gentleman from Wisconsin talk about his hopes being abridged and his appreciation for what has been accomplished, and about not as much being accomplished as he had hoped for. I think I can speak for the majority, or I think when I say this I will be expressing the feelings of the majority of the Ways and Means Committee, that except for the diligent efforts of the distinguished chairman, the gentleman from Arkansas, and the distinguished ranking minority member, the gentleman from Wisconsin, in keeping all the members of the committee and the staff at work day and night over a longer period of time than I have known a committee to be kept at work since I have been a Member of this House, this would not have been accomplished, and the monumental task that has been accomplished is due in no small measure to the combined efforts of the distinguished gentleman from Arkansas, and the distinguished gentleman from Wisconsin.

Mr. Speaker, I am glad to have been a part of the group that these gentlemen led to this accomplishment.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Arkansas.

Mr. MILLS. Mr. Speaker, certainly I do not want the gentleman from Wisconsin to conclude his remarks and take his seat without my having an opportunity to thank the gentleman from Wisconsin from the bottom of a very grateful heart for the very splendid and wonderful cooperation that he gave, as well as the members of the committee on his side and the members on my own side of the aisle in developing this bill, first of all, in the Ways and Means Committee.

Then, Mr. Speaker, I want to thank the gentleman from Wisconsin again for standing as he did, along with the other members of the conference, to see to it that we developed in conference a conference report that could take on at least the characteristics of fiscal responsibility and the characteristics of tax reform.

I thank the gentleman, because without him none of this would have been possible.

Mr. BYRNES of Wisconsin. I thank the chairman most deeply.

I suppose some of my disappointment

results from the fact that we cannot say that no one with substantial income will be able to escape the payment of his fair share of taxes, since there are areas we did not come to grips with for one reason or another.

One of them, mentioned by the chairman, is the use of municipal bonds. Also, we did not do as much as we had hoped to do or as the House did in the area of closing the use of intangible drilling costs to reduce taxes. Presently, we allow these costs to be expensed rather than capitalized.

Additionally, the continuation of the special 200 percent declining balance and sum of the years digit methods of real estate depreciation on residential housing leaves avenues open to reduce or escape taxation.

There are justifications for the conference action in relaxing the House bill in this area, because of the great need for an increase in housing in this country. But the point still remains that some of these avenues have not been completely closed.

It is also regrettable that the reform represented by rate changes which were contained in the House bill and in the Senate Finance Committee bill were scuttled in the conference argument. It is rate reform, I would tell my colleagues, that is needed if we are to provide an equitable change in the tax burden on our people.

It is rate reform that will provide equity for the great mass of Americans in the middle income group. There was a complaint about the bill as it originally passed the House committee, because we did not recognize the problem of the individual in the middle income level who pays high State and local taxes, meets high interest payments on his home mortgage, and incurs high medical costs that prevent him from benefiting from the increase in the standard deduction. Similarly, the middle income groups will not benefit from the low-income allowance.

After the bill was reported from the Ways and Means Committee we recognized this gap, and the committee met again after it filed its report to provide rate changes benefiting the middle income groups as well as all other taxpayers. I must report to you that those rate changes, which were also included in the bill that passed the Senate Finance Committee, have been eliminated from the bill.

On the other hand, I would not want my disappointments to indicate that all of the work and effort underlying this bill have not been worth while, because they have been. The great majority of devices used to reduce or escape taxation have been materially limited.

While I disagree with some of the details of our final proposal—particularly the deletion of any reform in the area of tax exempt bonds—I do recommend the final bill to the House of Representatives.

By and large it combines most of the better elements in both the House and Senate bills.

In this connection, it is appropriate to emphasize the singularly unstinting efforts throughout the last year of the dedicated and able chief of staff of the Joint Committee on Internal Revenue Taxation, Dr. Woodworth, and his fine staff, and the Assistant Secretary and Deputy Assistant Secretary of Treasury for Tax Policy, Mr. Edwin Cohen and Mr. John Nolan, and their staffs. At the same time, I want to emphasize the contribution made by Mr. Ed Craft and his staff in the House legislative counsel's office in working long hours in the difficult task of drafting this legislation and the conference report. For a solid year these people have been burning the midnight oil to assist both the Ways and Means Committee and the Senate Finance Committee, as well as the conference committee to produce this monumental legislation.

I will not go into great detail, as this is provided in the conference report that is available to all the members and since our able chairman has provided his usual thorough and accurate explanation of the details of this bill. As one who has worked long and hard for tax reform, I do want to point out that this bill does represent a real accomplishment in three fundamental areas.

First, it increases tax equity by substantially closing loopholes that have enabled some citizens to avoid paying their fair share of taxes while imposing unduly heavy burdens on other citizens. When the tax reform bill was before the House in August, I pointed out that comprehensive reforms were recommended in nearly every major area of our Federal income tax law. These reforms have enabled us to include a program of tax relief that will reduce the unduly heavy burdens borne by the average American taxpayer who has for too long carried more than his fair share of the load. The tax reforms recommended will, in the long run, raise $6.6 billion, and the relief provided will total over $9 billion. This relief includes improved tax equity for single people, a liberalized standard deduction, and a low income allowance that will remove over 5 million low-income individuals from the tax rolls. A phased-in increase in the personal exemption from its present level of $600 to $750 is also included. The personal exemption, which was last increased from $500 to $600 by a Republican Congress in 1948, has long been considered inadequate.

The conferees also retained a fundamental improvement in the relief provisions of the House tax bill that will insure that no one will pay a higher marginal rate on their earned income than 50 percent. By insuring that the Federal Government will not be more than an equal partner, in the income earned by our citizens, a substantial reduction in incentive to avoid taxes through loopholes and a fundamental improvement in equity was achieved.

Second, the final bill takes an important step in the direction of a goal that I have consistently worked for—simplification of our complex tax laws for the average taxpayer. The conference agreement includes provisions that were in the House bill for liberalizing the standard deduction for the first time since this provision was enacted a quarter of a century ago. The standard deduction permits an individual to file a very simple return, but present law limits the standard deduction to 10 percent of an individual's income, or $1,000, whichever is less. The final bill would increase these limitations in stages to 15 percent of adjusted gross income subject to a $2,000 ceiling. This will enable 8.4 million individuals who now itemize to utilize the standard deduction and file the simplified return. The percentage of taxpayers using the standard deduction will increase from 58 percent to 70 percent.

In recent years, the Ways and Means Committee has addressed itself to the problem of taxpayers with fluctuations in income from year to year, who under our progressive tax rate schedule bear an unduly heavy tax burden. In the 1964 Revenue Act, Congress attempted to alleviate this "bunched income problem," by enacting the income averaging provisions, which permit an individual to even out the fluctuations in income—to average out the "bunching."

For many individuals, however, income averaging represents the greatest complexity in the law. This complexity largely stems from provisions of present law that deny income averaging to capital gains and income from gifts. Instead of computing simple averages, a taxpayer must net out these items through elaborate computations in the base period and the current taxable year. The House bill extended income averaging to capital gains and income from gifts, and also made income averaging available to citizens with smaller fluctuations in income than is required by provisions of existing law. These improvements, which were retained by the conferees, will greatly simplify the tax forms and enable the typical individual with bunched income problems to utilize the income averaging provisions.

Third, the conference agreement includes amendments that will provide fundamental improvements in the administration of our tax laws as they affect the American taxpayer. The Tax Court of the United States will be made an article one court with powers to enforce its own subpenas and other improvements that will enable it to more efficiently discharge its growing volume of business. Additionally, a procedure for adjudicating small claims is provided that will be informal, expeditious, and inexpensive. This procedure will be available in many other areas beyond the 50 cities in which the Tax Court now holds hearings. Under present law the expenses of litigation, the judicial formality necessarily associated with a transcript and written opinions, and the inconvenience and expense of travel impose a burden on the average taxpayer that dissuades him from seeking an independent judicial hearing in view of the small amount of taxes that may be in controversy. The new procedure will provide every American with the oppor-

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tunity to have his "day in court" when he feels he is being treated unfairly by the Internal Revenue Service.

Another provision of the final bill provides for an advisory committee to assist the Internal Revenue Service with difficult administrative problems in the area of farm losses. Relief is provided for students and other individuals who only work part of the year, and from whom taxes are withheld that cannot be recovered until they file their returns in the following year. Provision is made for voluntary wage withholding agreements where it is convenient for employees not covered by existing law, and improvements are included to insure that the graduated withholding that was enacted several years ago will not result in some citizens having an excess amount of taxes withheld from their wages.

Mr. Speaker, these goals are accomplished under the conference agreement consistent at least in the short run with the paramount need to be fiscally responsible. In the long run, however, there will be a loss under the conference agreement of $2.5 billion. During fiscal years 1970 and 1971, which are critical to the President's efforts to introduce order into the fiscal chaos he inherited, the conference agreement on the tax reform bill will result in an increase in revenues of $6.4 billion, including the extension of the surcharge and excise taxes, which is slightly less than the $6.5 billion increase provided for the same period under the House bill. We should take note of the fact that this conference agreement is a substantial improvement over the Senate bill which would have resulted in a $1.3 billion loss in fiscal 1971, increasing in 1972 and beyond until a long range loss of $5.5 billion annually was attained.

The SPEAKER, pro tempore. The time of the gentleman has again expired.

Mr. MILLS. I yield the gentleman 5 additional minutes.

Mr. ZWACH. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Minnesota.

Mr. ZWACH. When this bill left the House it had a tax on cooperatives and changed the formula for co-op tax loss. Are they now under this conference report in exactly the same position as they were previously?

Mr. BYRNES of Wisconsin. The present law prevails. That was eliminated in the conference.

Mr. ZWACH. And, the investment tax credit has been entirely eliminated?

Mr. BYRNES of Wisconsin. We repealed the investment credit in another bill that passed the House earlier this year. We repeated that action in the tax reform bill, and the conference agreement includes this repeal.

Mr. ZWACH. Mr. Speaker, with reference to the old-age security benefits, the floor is still at $64 as it was in the House bill?

Mr. BYRNES of Wisconsin. Insofar as the social security provisions of this legislation are concerned—which I think is entirely separate from tax reform—we do not change that item. Including the social security provisions in the conference agreement was a means of expeditiously providing for the 15-percent across-the-board increase in benefits which was passed by the House in a separate bill on December 15. It was accepted in this conference, not because it had a place in tax reform, but simply as a method of expediting action. We accepted what the House did with one minor exception. This minor exception involves a "pass through" provision for social security beneficiaries on welfare that was not part of the social security bill that passed the House. In the interests of administrative simplicity, the States will, in determining the needs of their old age assistance cases, be required to ignore the benefit increase attributable to January and February that will be payable by a separate check in April. Additionally, the States will be required to ignore the $4 of the monthly increase in benefits received in April, May, and June. While I have real reservations about requiring the States to treat social security differently from other income individuals on public assistance receive, this will give the Ways and Means Committee time to review the entire question when we consider social security amendments and welfare reform early next year.

Mr. BUSH. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Texas, a most valuable member of the Committee on Ways and Means.

Mr. BUSH. I thank the gentleman for yielding.

I would like to ask the gentleman to enlighten the House if he would on the overall impact of this legislation on inflation. Since the social security legislation is included, I think many Members are confused as to exactly what the effects are. As I understand the situation the bill produces a surplus in the first year, is that correct?

Mr. BYRNES of Wisconsin. Yes. But let me make this clear. I think social security should be considered entirely apart from tax reform, as an item that stands on its own feet. The funds for social security are raised through separate taxes.

In my opinion the tax reform and tax relief provisions contained in this legislation should also be considered apart from the extension of the surtax and the excise taxes. We acted on these items, which were included in the budget submitted by President Johnson in January and the revised budget submitted in April by President Nixon, in a separate bill in the House earlier this year.

This bill is fundamentally a tax reform bill and on that basis reform and relief provisions of the bill do leave us in fiscal 1970 $1.2 billion more than we would have had if we had simply extended the surtax and the excise taxes.

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has expired.

Mr. MILLS. Mr. Speaker, I yield 5 additional minutes to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. Mr. Speaker, I thank the gentleman for the additional time.

Mr. Speaker, I think our problem concerns the situation that will develop as a result of the long-range impact of some of the provisions of this legislation that will take effect in 1972, in 1973, and 1974. In the long run there is the potential of inflationary problems because this bill, taken by itself, does produce deficits in those years which would not exist if this bill was not passed.

But I would call attention to the fact that the balance of reform and relief in this bill will produce $1.2 billion of additional revenue in fiscal 1970, and if we include the extension of the excise taxes and the extension of the surcharge on a reduced basis, the bill produces an additional $3.7 billion for fiscal 1970.

Mr. MILLS. Mr. Speaker, if the gentleman will yield at that point——

Mr. BYRNES of Wisconsin. I yield to our distinguished chairman.

Mr. MILLS. Mr. Speaker, I have a table here that I referred to earlier that was prepared by the staff, and the Joint Committee on Internal Revenue, which shows that when the bill passed the House, in fiscal 1970, we would pick up, as a result of all of the provisions, $3.82 billion for fiscal year 1970, and $3.8 billion in 1971.

As the conference report comes back in the House, for fiscal 1970 we pick up $3.7 billion and in fiscal 1971 we pick up $2.7 billion.

So as the gentleman from Wisconsin says, why, in those 2 years in the House bill we would be satisfied with the income.

Mr. BYRNES of Wisconsin. Mr. Speaker, as far as fiscal 1970 and 1971 are concerned—even disregarding the surtax extension and the excise tax extension which we considered as a separate item in the House—we are better off from an anti-inflationary and budgetary standpoint with this bill than we would be without it.

Mr. BUSH. Mr. Speaker, will the gentleman yield for an additional question?

Mr. BYRNES of Wisconsin. I will in just one moment.

However, I have to express a different opinion as it relates to 1973 and 1974, because in these years the bill before us does result in a loss of revenue.

Now I will yield to the gentleman from Texas.

Mr. BUSH. Mr. Speaker, I thank the gentleman for yielding. I understand the point made by the gentleman about separating social security, and I think from a tax standpoint it is a valid observation. But one of the things that concerns many of the Members of the House is the fact that the President indicated that he might have to veto the bill. I think he was speaking largely to the other body, because of the inflationary effects of the legislation that they passed.

Let me ask this question of the distinguished ranking minority member, and perhaps he would want to have the chairman join in answering it.

My question is this: If in subsequent years it becomes evident that a tax cut would be fiscally dangerous, is there anything that precludes the Committee on Ways and Means from reconsidering and making suggestions that would be more appropriate to the economic conditions prevailing at that time?

Mr. BYRNES of Wisconsin. No Congress can bind another Congress. Certainly whoever is here the year after next can do what they feel the circumstances at that time require, either changing provisions of this act or amending other provisions of the tax law. We should not make our judgment about this conference report on the basis that no changes can or will be made.

I anticipate that we will consider various other changes in our tax law. We deferred action in some areas because of their complexities, the desire to have further studies, and the time limitations we were working under. I refer particularly to the area of estate and gift taxation. We have asked that the Treasury Department study the entire area of deferred compensation, and studies are going forward relative to the taxation of foreign income. The Committee on Ways and Means and the Congress is going to continue its work on taxes.

It is also my hope that from here on the Internal Revenue Service and the Treasury will be more alert than in the past pointing out to us areas of tax evasion as they develop and are used by taxpayers so that we can act promptly instead of letting them accumulate over a 15-year period.

I certainly feel that further changes need to be made and I would hope they would be recommended by the Committee on Ways and Means.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman.

Mr. MILLS. The gentleman from Texas raises what I think is a very good question. But for the life of me I do not see how any of us, and you are better informed in this field than I am, could look only at the tax side of the total fiscal picture and decide that something is, or is not, inflationary.

This bill itself is not inflationary. It is the combination of all things that one has to consider.

If we must assume, and admit, and continue to allow expenditures to be made faster than you get an increase in the revenues—and if you know that that is going to happen down the road—then of course we would be making a mistake in reducing taxes ahead of time.

If we know that we are not going to stop, and if we are going to let them go just as it has been in recent months—at the same rate of speed—there will be no place or any time for the taxpayer to get any relief now or in the future.

But in so doing you are looking only at one-half of the whole picture and trying to make a decision as to whether looking upon this one-half, we are creating inflation or not creating inflation.

The expenditure side must be added to it. It is a total of all that mixture that determines. I have said repeatedly I think the Congress is just as much in the right to establish as a No. 1 priority the return of some of the increment in taxes to the taxpayers as it has to establish as a No. 1 priority the retention of all of that money for use in enlarged programs or new programs of Government.

What we are doing here is to say that some of this will be returned down the road to the American taxpayers.

Mr. JONAS. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman.

Mr. JONAS. Can the gentleman in the well inform the House what is the latest and most current estimate of revenues for the fiscal year? We can exercise some control over the expenditure level in appropriation bills, but we cannot exercise much control over the revenues if earnings decline or there is a business slowdown. Is it not true that there may be a sharp fall in revenues next June 30, and do we have a current estimate?

Mr. BYRNES of Wisconsin. Since the chief of staff of the Joint Committee on Internal Revenue Taxation who assists the committee is here let me inquire whether they have made a recent recomputation of revenues. I yield to the gentleman from Arkansas (Mr. MILLS).

Mr. MILLS. I can give you the latest staff estimate for the fiscal year 1970 but I do not have the figure for 1971 yet.

Mr. JONAS. The 1970 figure is the one I am interested in.

Mr. MILLS. That is $198.8 billion—almost $200 billion.

Mr. JONAS. How is that changed from the estimate in the budget submitted last January?

Mr. MILLS. You would add to this figure which the President included in his budget, and I believe you did, 5 percent—and the repeal of the 7-percent investment tax credit.

Mr. JONAS. If I might interrupt, he included a lot of other things that Congress has not enacted.

Mr. MILLS. This is only revenue I am talking about. You would not add those figures to this. They are already in here.

Mr. JONAS. I had reference to the postal rate increase.

Mr. MILLS. That is not included in this.

Mr. JONAS. In this fiscal year income tax payments were made in September, in October, and the December 15 payment I think can be carried over to January 15.

Mr. MILLS. January 15.

Mr. JONAS. We ought to be able to have a fairly responsible estimate. I wonder how the estimate compiled by the joint committee coincides or compares with Treasury estimates that have been prepared for the committee.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Arkansas.

Mr. MILLS. This estimate is higher than the prior estimates prepared by the staff of the joint committee. These estimates vary somewhat from the Treasury estimates. I do not know what the present Treasury estimate of revenue is, but there has always been some relation.

Mr. JONAS. I guess we will not be able to get the final Treasury estimates until the first of the year. But I thought the House might be interested in the best estimate the committee could provide now. I understand it to be about $198 billion in revenue.

Mr. MILLS. We said also, you will remember, early in the year we would not exceed $191 billion of spending, was it? If we had stayed with that, we would have a sizable surplus altogether.

Mr. JONAS. I was interested to know whether there has been any estimate relating to changes in receipts—not in balances or surpluses.

Mr. MILLS. They have gone up.

Mr. BYRNES of Wisconsin. I yield to the gentleman from Florida.

Mr. HALEY. I thank the gentleman for yielding.

I would like to propound a question or two of the gentleman in the well, who is one of the most able men in the House, next to the gentleman from Arkansas.

I would like to propound this question to the gentleman: If the raise of 15 percent in the social security fund is passed by the House, in the opinion of the gentleman would that in any way jeopardize the actual soundness of this fund?

Mr. BYRNES of Wisconsin. No, the chief actuary for the social security program has advised us that the taxes assessed under current law for the Old-Age, Survivors, and Disability Insurance System will finance a 15-percent across-the-board benefit increase.

Additional liberalizations will, since we are using the present surplus for this 15-percent across-the-board benefit increase, will require a change in either the tax base or the tax rates, or a combination of the two.

Mr. HALEY. Mr. Speaker, will the gentleman yield further?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Florida.

Mr. HALEY. So that I may propound the same question to the chairman of the full committee.

Mr. BYRNES of Wisconsin. I hope he does not disagree with me.

Mr. MILLS. If the gentleman will yield, I can forgo repeating the answer to the question by saying I agree completely with the gentleman from Wisconsin with respect to your question. I just wish I could say as much about the actuarial soundness of the hospital trust fund.

Mr. HALEY. Mr. Speaker, if the gentleman will yield further, now we have the opinion of two of the most able men in that field in the Congress of the United States.

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. I, too, wish to compliment the gentleman now in the well for his splendid statement and his contribution to this act. I was particularly interested in that portion of your discussion where you related the fact that when the bill passed the House, there had been no change in the individual exemption. As I understand it, on the floor of the other body there were two proposals, one offered by the senior Senator from Illinois and also the junior Senator from Kansas, and one by the senior Senator from Tennessee, on the subject of increasing the personal exemption.

I would be interested in having the opinion of the gentleman from Wisconsin as to which of those positions was adopted by the conference committee.

Mr. BYRNES of Wisconsin. Frankly, if I were to make a judgment I would have said the more appropriate way to provide reform at this time was to give all of our people tax equity through rate revision rather than the personal exemption. If the gentleman wants my opinion, I would take the lesser of the two proposals, although I did not agree with either one of them.

Mr. ANDERSON of Illinois. But my question really was, the conference committee in its final position came closer to which position?

Mr. BYRNES of Wisconsin. I am no student of all the actions the Senate considered. I cannot comment on all the various amendments and actions of the Senate in the last month or so, but let me allow the gentleman to make his own conclusion by saying the increase in the personal exemption to $750 is phased in over a period of time to avoid having an adverse impact on fiscal years 1970 and 1971.

Mr. ANDERSON of Illinois. Mr. Speaker, let me ask just one more brief question further to show the gentleman's opinion. However, if we were to give really effective income tax relief to the middle income tax or average income tax payer, it would have to be in the area of rate reform rather than tampering with the personal exemption?

Mr. BYRNES of Wisconsin. I think that would be true, because that has a more direct impact on all taxpayers. An increase in the personal exemptions is great for a man like myself with seven dependents, but it does not provide the same true equity to a person with one or two exemptions, so I have serious doubts about it.

Mr. ANDERSON of Illinois. Mr. Speaker, I thank the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. Mr. Speaker, let me conclude my remarks by saying that this is not the millenium by any means but it is considerable improvement. Justice Holmes once said, "I like to pay taxes, it is the price of civilization." While most Americans are probably not as enamoured as Justice Holmes with the privilege of paying taxes, the great success of our voluntary self-assessment system attests to the responsibility all our citizens feel for supporting our democracy. This kind of support is essential if we are to raise the necessary revenues to meet our critical problems without an oppressive tax system inimical to the fundamental precepts underlining our form of government.

Tax scholars have often remarked that a tax system is capable of producing a relatively high yield with maximum taxpayer cooperation if it is fundamentally fair, but a very low yield with a high degree of taxpayer resistance if it is rifled with inequities. The serious inequities on which Congress focused in this bill were eroding the confidence of our citizens in the integrity of our tax system. The bill produced by the conference agreement is an important step towards restoring taxpayer confidence in our tax system and will provide the basis for further reforms in the future.

Mr. Speaker, I think the conference report should be adopted.

Mr. WATSON. Mr. Speaker, the 15-percent increase in social security benefits to our retired citizens is long overdue, and that accomplishment alone makes this extraordinary Christmas week session worthwhile.

For several years, I have advocated an increase in these benefits for our elderly and retired people, who have to bear the most serious impact of the alarming increase in the cost of living. Too long have we spent billions upon billions of dollars on so-called poverty programs while allowing those Americans on social security to exist on less than poverty payments.

While applauding this long overdue help for our social security recipients, I am equally disappointed that the conference committee did not retain the educational tax credit feature of the bill. The costs of education have skyrocketed, and this tax relief should be the least we can do for our overburdened parent taxpayer. It seems most inconsistent for the Federal Government to provide every conceivable program for the education of the underprivileged, and I believe in helping them, yet we should also show some consideration for the American parent who is trying to pay for the tremendous cost of educating his children.

Although I am disappointed that such was not included in this year's bill, I shall continue to fight for the passage of the measures I have introduced to give our citizens some help in this area.

Mr. ZWACH. Mr. Speaker, it was in my assessment an unwise move on the part of the conferees to eliminate all investment credit. The farm producers and their smalltown supplier have not shared in the increased incomes. Instead they have been the victims of inflation. The producer also must in the main sell on a world market and buy on an American market. To compete he must do so by modernization. Investment credit was an assist to countryside America. A credit of $10,000 to $15,000 should be retained.

Mr. Speaker, another matter in which I feel the conferees erred seriously was in not making a larger across-the-board increase for those receiving the minimum. The cost increases of these recipients have been the same as those in the higher brackets. Yet in dollars their increases are very small. I had hoped that the Congress would have made further increases on these floor amounts before applying a percentage increase.

Mr. BUSH. Mr. Speaker, in August, when we voted on the tax bill I voted "No." I set out in the minority views in the Ways and Means Committee report and on the floor of the House my reasons for voting against the bill.

Basically I was opposed to the disincentives built into this bill and the Senate bill and I was strongly opposed to the inflationary effects of the Senate bill. In addition, I felt there was an imbalance in the bill between punishing investment and favoring cosumption. I felt that this would result in fewer goods being chased by more and more money. I still have serious reservations about some of these points.

But now we have a different bill before us—in my view a better bill. It includes a needed increase in social security benefits to our older citizens—a group whose savings have been eroded away by the ravages of inflation. I support the 15 percent across-the-board increase. I would prefer to see legislation encompassing the President's recommendation for a built-in cost-of-living increase; but the social security increase, which is accomplished without an increase in taxes is sound. I am troubled, I will admit, by the fact that we are in fact pumping more money out through this measure, but on balance this increase is needed, and since it can be accomplished without higher taxes I favor it.

The bill before us today is better than the House-passed bill in several other ways, but let me quickly add it still is imperfect.

I was amazed to find many Members of Congress feeling that the tax free features on municipal bonds was a loophole. At a time when the country is literally crying out for decentralized answers—for the "new federalism" concept that President Nixon advocates—the House charged in and passed a bill which in effect considered tax-free municipal bonds as loopholes. The conference appropriately omitted the alternative tax on municipals that we passed in the House and appropriately left municipals alone as far as the minimum tax goes.

If our cities and local governments are to finance themselves—if they are to innovate and solve problems locally—it is important that the tax-free status of municipal securities be protected. This we are doing in the legislation before us.

I do not like the thought of some rich person escaping all taxation because of putting his money into tax-exempt securities, but it is essential that a sound method of decentralized financing not be torpedoed in order to get at a miniscule handful of people who in my opinion stupidly invest all of their funds in tax-exempt issues. I personally feel our committee should keep probing for ways to see that all people with significant incomes pay some tax. We should not forget all about it—but I commend the conference committee for not shooting the piano player just because they did not like one tune.

I still am very much concerned about many of the disincentives in the bill. I favor tax credits and tax incentives as the way to answer many of our problems as opposed to direct Government subsidy or starting some new bureau on the Potomac to try to solve all the Nation's problems.

In this regard the conference improved on the House-passed bill as far as natural resource taxation goes—but the bill is still imperfect in this regard. I do not want to whip a dead horse, but I do want to remind the House that we are faced in this country with declining gas reserves. Our reserve to consumption ratios are plummeting. The new FPC chairman recently reiterated his concern about growing shortages of natural gas. He warned that the consumers will be facing major shortages, but the Congress plows ahead terming depletion on oil and gas a giant loophole. The House cut depletion from 27½ percent to 20 percent. The Senate bill set it at 23 percent. The conference has recommended 22 percent. I do not know what the magic figure should be. Many countries directly subsidized their oil industries due to the extra risks involved and due to the importance to national security that oil and gas carry. All I can say is that we are unwise to cut incentives at all in the face of declining reserve to consumption ratios. I do not support the cut to 23 percent just as I did not support the cut to 22 percent. I am bitterly disappointed that the conference kicked out the provision that would have raised the 50 percent of net limitation on depletion to 65 percent for certain operators. The independent is usually the real wildcatter. This little recognized provision would have given him additional incentive in order to look for more reserves.

I commend the conference for not altering the tax treatment of intangible drilling costs—the conference apparently recognized that this provision is more fundamental to the acquisition of future reserves than any other provision of the tax law.

I must again speak up against the taxation of foundations. The answer to the foundation problem is already wisely in the bill; namely, the provisions to make the foundations pay out their funds for charitable purposes and to see them butt out of politics and remain in the area of helping out in charitable, educational, and scientific pursuits. The bill properly eliminates "self-dealing." It cracks down on asset hoarding and it does not permit foundations to be a device by which families perpetuate control of businesses.

Yes, the bill corrects abuses, and this is as it should be. These are excellent reforms, but I cannot see why there should be a foundation tax. A fee for policing "yes," but a tax "no." The tax moves us again away from pluralism, away from innovative decentralization, away from the diversity we need so badly in trying to find new ways to solve the lingering old problems. To the degree we levy a tax—to that degree the legitimate services performed by foundations will now either go unperformed or there will be some new bill, some new plea to Washington, D.C.. to solve the problem. It has become fashionable to assail foundations, but for the most part, they have done an imaginative, creative job and have made fantastic contributions to the general welfare.

To summarize, a 4-percent tax is less onerous than a 7-percent tax, but I oppose the theory of taxing legitimate charities. Clean up the ball game, blow the whistle on those who cheat, or get involved in non-tax-exempt pursuits, but don't sideline the players. Under the conference-approved bill, foundations will be able to continue in operation, but they will be slightly hobbled, at a time when the country is crying more than ever for innovation and new ideas to help the problems of the cities and the poor and underprivileged.

One thing that causes me grave concern is the tendency on the part of some Members of Congress to treat capital gains the same as income. I will not dwell on this, but I would like to remind the House that it is the private sector that provides the jobs. It is the private sector that does far more than Government toward the alleviation of human suffering. It is indeed that very fact—that there is a difference between capital and income—that makes our system strong and progressive. And now we see some well-intentioned Members wanting to redistribute the capital, as it were, through moving toward taxing capital on the same basis as income. This is wrong for this country. The bill's provisions are admittedly not sweeping in this regard, but it is the trend, the direction that bothers me—the direction away from capital accumulation and investment.

I reiterate my opposition to the tendency to restrict the horizontal flow of capital through such devices as cracking down on the ability of a man in the farming businesses to charge off his losses against other income. The conference bill is far better than the Senate bill in this regard, but again I warn against the direction that this legislation will take us.

In real estate I fear by cracking down on the rapid depreciation provisions on new commercial and industrial real estate we may adversely affect the building goals that this country faces over the next 20 years.

The conferees in my view should be commended by this House. They worked grueling hours and came up with a piece of legislation far better than the Senate bill or House bill as far as I am concerned. The increase in the personal exemption is long overdue. I would not have been able to vote for it, as much as I would have liked to see it, had the bill had the horrible inflationary effects of the Senate bill. I am impressed this bill should enable us to stay out of the red, for we must stay out of the red. Should the inflationary pressures still be as great in 1971 and 1972, it seems to me that the Congress can take a new look at the overall tax structure. I for one would not feel wed to the tax relief provisions of the bill should these provisions throw us into tremendous deficits in the years ahead.

It seems to me we are now in a position of delicate balance. People are crying for tax relief—the bill provides this. We repeal the investment tax credit which will give us more income and which after all was placed on to "get the economy moving again." We extend the surtax for a very shortrun period. We must be very careful that we not move too far away from the incentive to invest. We must, to phrase it differently, guard against recession at the same time we try to come to grips with the pressures of inflation—no easy task, this. Should we need investment incentives in the future I would prefer to see these done through changes in depreciation schedules rather than through trying to put on an investment tax credit.

For this bill to work out in the long run just as it is now written, there must continue to be a growing gross national product and there must continue to be strong business in this country. Without these the bill could prove to be disastrous—certainly we would have to come back in and change some things. I think we will continue to enjoy considerable growth in this country. Though I deplore certain of the disincentives in the bill, based on the way in which the conference has handled the income versus the outgo, I can now support the legislation. I do it with some little enthusiasm because I feel so strongly in opposition to some of the specific disincentive provisions I discussed above. I have not dwelled as long on the parts of the legislation I approve—much has been said on them here today.

My congratulations to Chairman MILLS and to Representative BYRNES and the others who worked so long and so hard on this legislation.

These men took a gigantic can of wiggly worms from the Senate. They did not exactly convert the worms to caviar—it is more like C-rations—but at least we can live with it.

Mr. UTT. Mr. Speaker, I have requested this time from the chairman of the committee to briefly explain my position on the conference report covering the tax reform bill. I took part in a most strenuous conference committee and signed the conference report, believing it to be the best solution to the differences between the House and Senate versions. I wish to compliment the conference committee for its joint efforts, and especially I wish to express my deep appreciation to Chairman MILLS, who presided over the joint conference throughout its long days and nights.

There were many items not in conference which therefore could not be considered for solution. I signed the report with the expressed understanding that I reserved my options to vote against the bill and to point out certain deficiencies in the legislation, which will have a terrific collateral impact on the American system of free enterprise.

I do not intend to urge anyone to vote against the bill, as there is much present gain to be found in the legislation. In case there appears to be a motion to recommit with instructions. I shall offer a straight motion to recommit the bill to the conference committee, for the sole purpose of using the parliamentary privilege granted to the minority, to protect the bill.

In this legislation there is the opening move to implement the Marxian philosophy enunciated in "Das Kapital," to wit, the theory that earned income should receive a high privilege over "unearned income" in the form of rents, issues and profit, together with the belief that the capital gains dollar should not receive any preferred consideration.

Most of the earned income, which now stands at the highest per capita level of any country in the world, as well as having reached the highest point in our own history, could not occur, if it were not that some people have been able to accumulate sufficient reserve funds to expend from $20,000 to $30,000 to create one single job. In 1970 there will be 1,400,000 additional men and women coming into the work force. To provide gainful employment it will take $28 billion in plant expansion, machinery, and tools of the trade, to provide gainful employment for these 1,400,000. If there are no reserves, from whence will this money come?

The source of these funds, while coming from an aggregate of small savings, also comes in a large part from those people who have had the incentive and the motivation to put capital to work.

In 1970, the economy will demand another $16.5 billion to provide new housing for our expanding population. The young marrieds have the right to expect financing to be available for this purpose. That money also comes from reserve savings.

It will take another $18 billion for the repair and upgrading of existing housing. This money also comes from reserve savings.

These last three figures total up to $62.5 billion. This figure does not include repair and replacement of obsolescent machinery in order to maintain production at a high and efficient level.

These are just the needs in the private economic sector. The past few years the Federal Government has been sopping up these reserves as the first and biggest hog at the trough, followed closely by the financial demands of the States, the counties, the cities, the school districts, and water districts, to name but a few. These public demands will reach $20 billion in 1970. Add that to the previous total and you have in excess of $82 billion needed in 1970.

In the last 2 years, total accumulations available for the above needs have been falling, to a point in 1968 of $65 billion, and they are currently running at the rate of just under $61 billion. This will deteriorate further next year, with a deficit in excess of $20 billion.

We are all concerned about the scarcity of money and the high interest rates. We act as if we did not know what caused this scarcity and these high interest rates. It is much like the woman who, after having ten children, finally discovered what was causing it. Apparently, we cannot comprehend what causes the shortage of money. The simple answer is Government. When there is a demand for $4 and a supply of $3, the one who bids the highest will get the money. That is Government.

The current trend toward the abolition of capital has been long in the making, but like the timelag between the lighting of a fuse and the explosion of the dynamite, there is also a timelag between the shortage of funds and the skyrocketing of interest rates.

The theory behind the destruction of private capital is the theory that government should own all productive capacity, and then the fruits of that production would be spread among the 200,000,000 people in America. That sounds good, but it does not work that way.

Let me give you just one example of a privately owned domestic water company whose service rates are lower than the municipally owned water system in the city of Los Angeles, the city of Santa Ana, and in fact lower than any city rate in Orange County, Calif., none of which pays any tax, local, State, or Federal, and yet this privately owned water company pays 20 percent of its gross revenue to the county, State, and Federal Governments. If this system were sold to the city, that city would pay no tax, and even though it would save 20 percent of the revenues, the history is that inefficient operation, political jobs, and so forth, would eat up that tax saving, and the consumer would not be benefited.

The Federal Government owns, controls and operates 17 percent of the total productive capacity in the United States. It is being operated on a tax-free basis, and the consumer is not benefited, because of inefficient operation. That inefficiency occurs because there is no profit motive in its operation and, if this 17 percent could be returned to the private sector, it would yield more than $10 billion a year in tax revenues.

There is one area that this administration should examine and implement as rapidly as possible. That is the value added tax. We are outmaneuvered and outtraded by nearly every country in the world, from the Common Market to Japan, simply because we do not modernize our tax structure to provide fair and equal competition with the other countries of the world. Until we do this, all the loopholes in the law, if they were plugged, would not equal this one item alone. Not only would such a tax put us on an equal competitive basis, but it would soon correct the imbalance of payments under which we have suffered for years.

Mr. MILLS. Mr. Speaker, I yield such time as he may consume to the gentleman from Oregon (Mr. ULLMAN).

Mr. ULLMAN. Mr. Speaker, as one of the conferees I want to say just a word about the chairman of our conference, the gentleman from Arkansas, one of the most able men to have served in this great body. He certainly demonstrated it in those many, many hours that we sat in conference. There is nobody who knows more about the tax problem, and nobody who is more dedicated to tax reform and tax equity than is our chairman.

I would say this is monumental legislation. As has been stated by the distinguished gentleman from Wisconsin, certainly there are compromises in this bill, and there are things that each one of us would do differently, but, when we look down the long road of tax equity, this, indeed, is monumental.

It is a monument to the gentleman from Arkansas, and his distinguished and able efforts in this field.

I want also to say a word about the ranking minority member, the gentleman from Wisconsin, who was equally dedicated to tax reform in the many months this committee had this matter before it, and in the conference. I know this bill would not have been possible without his efforts also.

I am pleased to have been a part of it. I am proud of the bill. None of us will know its consequences for many months, and even years, but I believe over the long haul we will look upon this piece of legislation as milestone legislation.

Mr. MILLS. Mr. Speaker, I yield 5 minutes to the gentleman from New York (Mr. CONABLE).

Mr. CONABLE. Mr. Speaker, if I may be forgiven a poetic allusion at this intensely practical moment in the life of the House, I should like to call up the words of the great Scotch poet who, when he scattered the nest of a mouse with his plow, said not only—

> The best-laid schemes o' mice an' men,
> Gang aft a-gley—

But also ended his poem with the the words—

> But, och! I backward cast my e'e
> On prospects drear.'
> An' forward, though I canna see,
> I guess and fear!

These lines have some relevance to the situation in which we find ourselves. There are many people, aware of the chances for plans to go awry, who expected after all this rumbling only a mouse would be brought forth by the Ways and Means Committee and by the conference committee. We may not have a tiger, but we certainly do not have a mouse.

I believe it is a great tribute to the distinguished chairman of our committee and to the ranking minority member of our committee that, leading the conferees, they preserved the spirit of the House measure and have brought us back a bill which has fiscal sanity and still preserves its reform aspects.

Also we have to admit as we look back to the beginning of this effort that the prospects were not very good. We can see it took a great deal of statesmanship and determination to arrive at this point.

Looking ahead, I say that we need not "guess and fear" because, having accomplished this very difficult task, it seems to me quite clear it is within the capacity of Congress to reform not only this central institution between the Government and the people, but many other aspects of Government which have fallen under the shadow of what we call a "credibility gap."

There are two points I believe must be made about tax reform at this stage. One of them is quite obvious, the other controversial.

I believe the gentleman from California (Mr. UTT) made this point very clearly in his additional remarks in the original House report on tax reform; that is, the ultimate tax reform must be simplicity. We have not struck any blows for simplicity in this bill. Complexity raises an issue of credibility, I suppose, if it is going to be difficult for people to comply with the very complicated tax law we have generated over the years and have added to in the complexity of this measure.

But let us console ourselves with the thought that perhaps this bill itself will be one of the compelling motives toward that ultimate reform of simplicity.

The second and more controversial point which I think must be made relates to a statement made by the chairman of the committee at the outset of our effort when he said there was a head of steam behind tax reform in this country. That head of steam relates not just to the Federal level. As a matter of fact, if I were to guess, I would say people are upset about taxes more on the State and local level than they are on the Federal level simply because our State and local taxes are so inequitable and in many cases so regressive. We must accept as a part of our responsibility, I think, the relieving of some of the pressure on State and local taxes through some form of revenue sharing if we are going to eliminate the popular "head of steam" in favor of tax reform.

We have made a very good step here and one of which I think this body and the other body can both be extremely proud. We have a long way to go yet and we must face up to the issue of the burdens placed on State and local taxpayers if we are going ultimately to relieve the American people who are calling for greater equity in the total tax system.

Mr. Speaker, again I wish to express my thanks and my gratitude to the conference committee for the excellent work they have done in bringing this bill back in its present form for today's very gratifying moment of truth.

Mr. ULLMAN. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts (Mr. BURKE).

Mr. BURKE of Massachusetts. Mr. Speaker, I rise in support of the conference report.

I wish to commend our distinguished chairman, the Honorable WILBUR MILLS, the ranking member of the minority the Honorable JOHN BYRNES, all the Members on both sides of the aisle who serve on the House Ways and Means Committee including the gracious gentlewoman from Michigan (Mrs. GRIFFITHS), the able member from Illinois, DAN ROSTENKOWSKI; PHIL LANDRUM, of Georgia; CHARLES VANIK, of Ohio; RICHARD FULTON, of Tennessee; JACOB GILBERT, of New York; OMAR BURLESON, of Texas; JAMES C. CORMAN, of California; WILLIAM GREEN, of Pennsylvania, and SAM GIBBONS, of Florida. Every one of these members of the House Committee on Ways and Means gave unstintingly of their time and effort to bring about this far-reaching legislation before us today.

They deserve the thanks of the American people for the action that is taking place today.

Mr. Speaker, the conference report before the House represents many months of arduous and dedicated labor and effort on the part of the Committee on Ways and Means, this House, and the congressional staffs. It will be recalled that tax reform was the initial major order of business before the committee in this session of Congress.

Only time will tell, but I am convinced that we have done a workmanlike job on this measure, and at the outset of my remarks, I wish to commend Chairman MILLS for his unsurpassed leadership in the development of this bill. I also wish to commend the ranking minority member, Congressman JOHN W. BYRNES, of Wisconsin, and Members from both sides of the aisle, who have contributed to the development of this monumental piece of legislation. As I have said on other occasions, without the spirit of team effort, the moment at which we have presently arrived would not have been possible.

Again, let me say that I am not stating that the bill is perfect in every respect, and there are provisions of it that I would change, if it were in my power to do so. We cannot overlook the fact, however, that the bill is unprecedented in the generosity of its relief provisions for our low-income citizens, and for that reason, if for no other, the conference report deserves prompt approval by the House. The provision which has the greatest salutary impact on those at or near the poverty level is the low-income allowance in the bill, which will remove some 5.2 million returns from the tax rolls in 1970.

Looking at the bill as a whole, as approved by the conference committee, it would on the average reduce the tax liability of those in the lowest adjusted gross income class, that is, those with incomes up to $3,000, by nearly 70 percent; those with incomes of between $3,000 to $5,000 would on the average enjoy a tax reduction of over 33 percent. Those with incomes between $5,000 and $7,000 would on the average enjoy a tax reduction of approximately 20 percent. Appropriately, therefore, the bill gives proportionately greater relief to people with low and moderate incomes than to people with high incomes.

Mr. Speaker, there is one provision of the bill about which I am particularly gratified, and I hope that Members of the House will pardon my pride of authorship with respect to it. I am speaking of the liberalization in the deduction for moving expenses. Members of the House know that I have introduced bill after bill on this subject, seeking to expand the tax treatment of legitimate, job-related employee moving expenses. The foundation for the provision in this bill was laid by my successive bills that have been introduced in this and preceding Congresses. I am not saying that the conference provision is perfect or that it is as generous as we would have desired. It is, however, a significant move in the direction of recognizing that moving expenses are really a cost of earning income and that the mobility of labor is an important and necessary part of a healthy, growing economy.

Mr. Speaker, I am also very much gratified that this bill contains a provision to increase social security benefits across-the-board. By supporting this measure, however, I am not by any means stating that the 15 percent increase is adequate. As members of the House know, I have introduced a bill, H.R. 55, which, among other things, would increase benefits across the board by 50 percent. In view of the time element, it is obvious that if we are going to bring to the deserving senior citizens of this Nation word of an increase before Congress adjourns and during this blessed Christmas season, it must be done now in this legislation. I am advised that social security and welfare revision will be a subject high on the committee's priorities for consideration early in the next session of Congress. At that time, we can make other determinations and judgments respecting needed changes in these programs.

Mr. Speaker, again I wish to reiterate that this measure does not represent the end of tax reform. This will be a continuing responsibility of the Congress to see that every person shares in the burden of the costs of running the Federal Government proportionate to his ability. We have closed many of the unconscionable loopholes of present law; we have granted very considerable tax relief benefits, especially to those in the low-income brackets; and we have provided a much-needed increase in social security benefits as an interim measure looking toward more extensive revision in social security and welfare next year. These elements make this a well-balanced measure deserving of the support of every Member of the House. I urge prompt approval of the conference report.

Mr. ULLMAN. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio (Mr. VANIK).

Mr. VANIK. Mr. Speaker, the chairman of the Ways and Means Committee, the distinguished gentleman from Arkansas (Mr. MILLS) has led the Ways and Means Committee, the House, and the House-Senate conferees in accomplishing a great public service in developing this tax bill. For this monumental task, he has the gratitude of every member of this body and every taxpayer of America. Every Member of Congress must share some pride in the fact that this proposal originated in the Congress. There was no other clarion call to action—but the indignation of the taxpayer.

A bill of this magnitude cannot satisfy every citizen. But it does take a step toward tax justice—and insofar as it does, it is a step in the right direction and should be enacted.

The provisions in this bill to reduce the depletion allowance to 22 percent are perhaps the most glaring concessions to privileged interests.

Under circumstances in which the oil and gas industry can utilize only 23 percent of the 27½-percent depletion allowance, the bill provides a light touch on a force in our economy which has exercised a heavy hand on the consumer, the Government and politics in America. The industry can rejoice on its political policies and actions which would never muscle—but the taxpayers of America have served notice that they will not stand back and continue to take it.

This bill continues the extension of the depletion allowance to foreign-produced oil. It is regrettable that the conferees dropped the House provision which completely eliminated the depletion allowance on foreign oil. There never was a justification for extending the depletion allowance to foreign production. Nor does one exist today. Some American investments in foreign oil and mineral development enjoy several depletion allowances. One from the U.S. Government and one from the host country. When the depletion allowance or allowances are combined with the foreign tax credit, the tax obligation of American investors in the foreign development of oil and minerals is negligible. The Federal Treasury, under this bill, will gain very little tax revenue from these American resource developments in foreign countries. And yet these operations in foreign countries have involved our Government in foreign occur if it were not for the economic pressure of the oil and mineral development interests.

This bill will still permit certain American taxpayers of high income to escape taxation or pay much less than their fair share. As long as there is taxation, there will be avoidance. In the final analysis, the taxpayer retains considerable discretion as to whether he pays his fair share.

The pride with which some citizens escape taxation borders on tax treason. It would serve tax justice if the Ways and Means Committee and the Congress were to consider a more frequent perusal of the tax structure. High density utilization of tax avoidance should be publicized and exposed. Loopholes must be closed as rapidly as they are discovered.

Although this bill provides the first extensive review of the tax laws in 15 years, I hope that tax laws can be reviewed in every Congress—so that the burden of extensive tax review may be lessened—so that action in revising our tax laws can be calm, deliberate, and less subject to a hasty timetable.

This bill is not the end of tax reform—it is only a good beginning.

This bill settles the controversy on the capability of the social security fund to provide a 15-percent increase across-the-board in social security benefits. The administration and the President sought to hold the increase to only 7 percent, placing the full burden of curing inflation on the elderly. The senior citizens of America who need increased benefits to survive are the victors by this action for a 15-percent across-the-board increase which originated in the Congress.

The President and the administration resisted every effort to increase dependency exemptions. No citizen can be expected to support his dependents on a dependency exemption of $600 per person. The gradual increase to $750 is not realistic, but it does begin to recognize the problem of family support.

Following are tables prepared by the Joint Committee on Internal Revenue and Taxation which outlines the effect of the new law on the taxpayer:

TABLE 1.—BALANCING OF TAX REFORM AND TAX RELIEF UNDER THE TAX REFORM BILL OF 1969.—CALENDAR YEAR TAX LIABILITY

[In millions of dollars]

	1970	1971	1972	1974	Long run
Tax reform program under conference bill	+1,150	+1,430	+1,660	+2,195	+3,320
Repeal of investment credit	+2,500	+2,990	+2,990	+3,090	+3,300
Tax reform and repeal of investment credit	+3,650	+4,420	+4,650	+5,285	+6,620
Income tax relief under conference bill	-1,441	-4,927	-7,269	-9,134	-9,134
Balance between reform (+) and relief (-) under conference bill	+2,209	-507	-2,619	-3,849	-2,514
Extension of surcharge and excises	+4,270	+800	+800		
Total	+6,479	+293	-1,819	-3,849	-2,514

THE TAX REFORM BILL OF 1969

TABLE 2.—BALANCING OF TAX REFORM AND TAX RELIEF UNDER THE TAX REFORM BILL OF 1969—CALENDAR YEAR TAX LIABILITY

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Tax reform and repeal of investment credit	+3,650	+4,420	+4,650	+5,285	+6,620
Income tax relief:					
Low-income allowance	-625	-1,592	-2,057	-2,057	-2,057
Increase in standard deduction[1]		-1,207	-1,355	-1,642	-1,642
Increase in exemption	-816	-1,633	-3,267	-4,845	-4,845
Maximum 50-percent rate on earned income		-75	-170	-170	-170
Income tax relief—Continued					
Tax treatment of single persons		-420	-420	-420	-420
Total tax relief under conference bill	-1,441	-4,927	-7,269	-9,134	-9,134
Balance between reform (+) and relief (-) under conference bill	+2,209	-507	-2,619	-3,849	-2,514
Extension of surcharge and excises	+4,270	+800	+800		
Total	+6,479	+293	-1,819	-3,849	-2,514

[1] 1971: 13 percent, $1,500 ceiling; 1972: 14 percent, $2,000 ceiling; 1973: 15 percent, $2,000 ceiling.

TABLE 3.—INDIVIDUAL INCOME TAX LIABILITY—TAX UNDER PRESENT LAW AND AMOUNT AND PERCENTAGE OF CHANGE UNDER REFORM AND RELIEF PROVISIONS UNDER THE TAX REFORM KILL OF 1969 WHEN FULLY EFFECTIVE

Adjusted gross income class	Tax under present law (millions)	Increase (+) decrease (-) from reform and relief provisions	
		Amount (millions)	Percentage
0 to $3,000	$1,169	-$816	-69.8
$3,000 to $5,000	3,320	-1,101	-33.2
$5,000 to $7,000	5,591	-1,112	-19.9
$7,000 to $10,000	11,792	-1,859	-15.8
$10,000 to $15,000	18,494	-2,327	-12.6
$15,000 to $20,000	9,184	-791	-8.6
$20,000 to $50,000	$13,988	-$715	-$5.1
$50,000 to $100,000	6,659	-128	-1.9
$100,000 and over	7,686	+557	+7.2
Total	77,884	-8,294	-10.6

TABLE 4.—TAX RELIEF PROVISIONS UNDER TAX REFORM BILL OF 1969 AFFECTING INDIVIDUALS AND TOTAL FOR ALL REFORM AND RELIEF PROVISIONS AFFECTING INDIVIDUALS, WHEN FULLY EFFECTIVE, BY ADJUSTED GROSS INCOME CLASS, 1969 LEVELS

		Relief provisions						
Adjusted gross income class	Reform provisions	Low income allowance	$750 exemption	15-percent $2,000 standard deduction	Maximum tax on earned income	Tax treatment of single persons	Total relief provisions	Total, all provisions
			(millions)					
0 to $3,000	+$6	−$682	−$140				−$822	−$816
$3,000 to $5,000	−6	−719	−366	−$10			−1,095	−1,101
$5,000 to $7,000	−4	−458	−612	−31		−$7	−1,108	−1,112
$7,000 to $10,000	−5	−198	−1,244	−366		−45	−1,853	−1,858
$10,000 to $15,000	+6		−1,407	−858		−68	−2,333	−2,327
$15,000 to $20,000	−7		−480	−242		−62	−784	−791
$20,000 to $50,000	+56		−462	−125	−$5	−179	−771	−715
$50,000 to $100,000	+54		−104	−8	−30	−40	−182	−128
$100,000 and over	+740		−30	−1	−135	−17	−183	+557
Total	+840	−2,057	−4,845	−1,642	−170	−420	−9,134	−8,924

TABLE 4A.—INDIVIDUAL INCOME TAX RELIEF UNDER THE TAX REFORM BILL OF 1969, CALENDAR YEARS 1970–73

	1970	1971	1972	1973
Minimum standard deduction	[1] $1,100–1:2	[2] $1,050–1:15	$1,000	$1,000.
Percentage standard deduction		13 percent—$1,500	14 percent—$2,000	15 percent—$2,000.
Personal exemption	$650 from July 1	$650	$700	$750.
Maximum tax rate on earned income [3]		60 percent	50 percent	50 percent.
Tax treatment of single persons		Tax no greater than 120 percent of joint return tax with same taxable income.	Tax no greater than 120 percent of joint return tax with same taxable income.	Tax no greater than 120 percent of joint return tax with same taxable income.

[1] This low-income allowance, or minimum standard deduction, is "phased out" by reducing the additional allowance (difference between the 1969 minimum standard deduction and $1,100) by $1 for every $2 of adjusted gross income in excess of the 1970 nontaxable level.

[2] This minimum standard deduction is "phased out" by reducing the additional allowance difference between the 1969 minimum standard deduction and $1,050) by $1 for every $15 of adjusted gross income in excess of the 1971 nontaxable level.

[3] Under the House bill the specified maximum marginal rate is applicable to earned income; under the conference bill the specified maximum marginal rate is applicable to earned income less preference income over $30,000 in the current year or the average tax preferences in excess of $30,000 for the current year and the prior 4 years, whichever is greater.

TABLE 5.—TAX REFORM PROVISIONS UNDER THE TAX REFORM BILL OF 1969 AFFECTING INDIVIDUALS, FULL-YEAR EFFECT—BY ADJUSTED GROSS INCOME CLASS

Adjusted gross income class	Change alternative tax on long-term gains [1]	Capital loss limitation	Pension plan provision	Life estates provision	Averaging including capital gains and 120 percent	Charitable deductions	Interest deduction	Reduced percentage depletion	Accumulation trusts (millions)	Moving expenses	Farm losses	Real estate	Tax free dividends	Tax on preference income	Citrus grove costs	Total
0 to $3,000		+$5	(2)		(2)			(2)	(2)	−$1		(2)	(2)	+$2		+$6
$3,000 to $5,000		+3	+$1		(2)			+$1	+$1	−12		(2)	(2)	(2)		−6
$5,000 to $7,000		+5	+2		(2)			+1	+1	−14		(2)	+$1	(2)	(2)	−4
$7,000 to $10,000		+9	+3		(2)			+1	+1	−26		+$5	+2	(2)	(2)	−5
$10,000 to $15,000		+15	+8		−$5			+3	+4	−32		+10	+3	(2)	(2)	+6
$15,000 to $20,000		+8	+5		−30			+3	+5	−11		+10	+3	(2)	(2)	−7
$20,000 to $50,000	+$1	+16	+14	(2)	−110			+11	+27	−12		+42	+17	+48	+$2	+56
$50,000 to $100,000	+7	+4	+8	+$5	−105			+7	+28	−2	+$5	+47	+19	+28	+3	+54
$100,000 and over	+267	(2)	+19	+5	−50	+$20	+$20	+13	+48	(2)	+20	+131	+35	+207	+5	+740
Total	+275	+65	+60	+10	−300	+20	+20	+40	+115	−110	+25	+245	+80	+285	+10	+840

[1] Assumes ½ of effect as compared with bo change in realization. [2] Less than $500,000 .

TABLE 6.—TAX BURDEN ON THE SINGLE PERSON UNDER TAX REFORM BILL OF 1969

A. ASSUMING NONBUSINESS DEDUCTIONS OF 10 PERCENT OF INCOME

Adjusted gross income (wages and salaries)	Tax under present law	Tax under H.R. 13270	Tax decrease		Adjusted gross income (wages and salaries)	Tax under present law	Tax under H.R. 13270	Tax decrease	
			Amount	Percentage				Amount	Percentage
$900	0	0	0	0	$7,500	$1,168	$1,031	$136	11.7
$1,700	$115	0	$115	100.0	$10,000	1,742	1,530	212	12.2
$1,750	123	0	123	100.0	$12,500	2,398	2,059	339	14.2
$1,800	130	$7	123	94.6	$15,000	3,154	2,702	452	14.3
$3,000	329	185	144	43.8	$17,500	3,999	3,442	556	13.9
$3,500	415	267	147	35.5	$20,000	4,918	4,255	663	13.5
$4,000	500	357	143	28.5	$25,000	6,982	5,895	1,087	15.6
$5,000	671	547	124	18.4					

B. ASSUMING NONBUSINESS DEDUCTIONS OF 18 PERCENT OF INCOME

Adjusted gross income (wages and salaries)	Tax under present law [1]	Tax under H.R. 13270	Tax decrease		Adjusted gross income (wages and salaries)	Tax under present law [1]	Tax under H.R. 13270	Tax decrease	
			Amount	Percentage				Amount	Percentage
$900	0	0	0	0	$7,500	$1,031	$984	$47	4.6
$1,700	$114	0	$114	100.0	$10,000	1,530	1,458	72	4.7
$1,750	120	0	120	100.0	$12,500	2,092	1,965	127	6.1
$1,800	126	$7	119	94.5	$15,000	2,734	2,509	225	8.3
$3,000	286	185	101	35.4	$17,500	3,460	3,094	366	10.6
$3,500	361	267	94	26.0	$20,000	4,252	3,722	530	12.5
$4,000	439	357	82	18.6	$25,000	6,025	5,140	885	14.7
$5,000	595	547	48	8.0					

Exclusive of tax surcharge.

TABLE 7.— TAX BURDEN ON THE MARRIED COUPLE WITH NO DEPENDENTS UNDER TAX REFORM BILL OF 1969
A. ASSUMING NONBUSINESS DEDUCTIONS OF 10 PERCENT OF INCOME

Adjusted gross income (wages and salaries)	Tax under present law	Tax under H.R. 13270	Tax decrease		Adjusted gross income (wages and salaries)	Tax under present law	Tax under H.R. 13270	Tax decrease	
			Amount	Percentage				Amount	Percentage
$1,600	0	0	0	0	$7,500	$915	$786	$128	14.0
$2,300	$98	0	$98	100.0	$10,000	1,342	1,190	152	11.3
$2,500	126	0	126	100.0	$12,500	1,831	1,628	203	11.1
$2,600	140	$14	126	90.0	$15,000	2,335	2,150	185	7.9
$3,000	200	70	130	65.0	$17,500	2,898	2,760	138	4.8
$3,500	275	140	135	49.1	$20,000	3,484	3,400	84	2.4
$4,000	354	215	139	39.3	$25,000	4,796	4,700	96	2.0
$5,000	501	370	131	26.2					

TABLE 8.—TAX BURDEN ON THE MARRIED COUPLE WITH NO DEPENDENTS UNDER TAX REFORM BILL OF 1969
B. ASSUMING NONBUSINESS DEDUCTIONS OF 18 PERCENT OF INCOME

Adjusted gross income (wages and salaries)	Tax under present law [1]	Tax under H.R. 13270	Tax decrease		Adjusted gross income (wages and salaries)	Tax under present law [1]	Tax under H.R. 13270	Tax decrease	
			Amount	Percentage				Amount	Percentage
$1,600	0	0	0	0	$7,500	$801	$744	$57	7.1
$2,300	$96	0	$96	100.0	$10,000	1,190	1,133	57	4.8
$2,500	119	0	119	100.0	$12,500	1,611	1,545	66	4.1
$2,600	130	$14	116	89.3	$15,000	2,062	1,996	66	3.2
$3,000	179	70	109	60.9	$17,500	2,548	2,473	75	2.9
$3,500	241	140	101	41.8	$20,000	3,060	2,985	75	2.5
$4,000	303	215	88	29.0	$25,000	4,184	4,100	84	2.0
$5,000	434	370	64	14.8					

TABLE 9.—TAX BURDEN ON THE MARRIED COUPLE WITH 2 DEPENDENTS UNDER PRESENT LAW AND UNDER TAX REFORM BILL OF 1969
A. ASSUMING NONBUSINESS DEDUCTIONS OF 10 PERCENT OF INCOME

Adjusted gross income (wages and salaries)	Tax under present law	Tax under H.R. 13270	Tax decrease		Adjusted gross income (wages and salaries)	Tax under present law	Tax under H.R. 13270	Tax decrease	
			Amount	Percentage				Amount	Percentage
$3,000	0	0	0	0	$10,000	$1,114	$905	$209	18.8
$3,500	$70	0	$70	100.0	$12,500	1,567	1,309	258	16.5
$4,000	140	0	410	100.0	$15,000	2,062	1,820	242	11.7
$4,200	170	$28	142	83.5	$17,500	2,598	2,385	213	8.2
$5,000	290	140	150	51.7	$20,000	3,160	3,010	150	4.8
$7,500	687	514	173	25.2	$25,000	4,412	4,240	172	3.9

B. ASSUMING NONBUSINESS DEDUCTIONS OF 18 PERCENT OF INCOME

Adjusted gross income (wages and salaries)	Tax under present law	Tax under H.R. 13270	Tax decrease		Adjusted gross income (wages and salaries)	Tax under present law	Tax under H.R. 13270	Tax decrease	
			Amount	Percentage				Amount	Percentage
$3,000	0	0	0	0	$10,000	$962	-848	$114	11.9
$3,500	$66	0	$66	100.0	$12,500	1,352	1,238	114	8.4
$4,000	123	0	123	100.0	$15,000	1,798	1,666	132	7.3
$4,200	147	$28	119	80.9	$17,500	2,249	2,117	132	5.9
$5,000	245	140	105	42.9	$20,000	2,760	2,610	150	5.4
$7,500	578	476	102	17.7	$25,000	3,848	3,680	[illegible]	4.4

Mr. BURLESON of Texas. Mr. Speaker, will the gentleman yield?

Mr. VANIK. I yield to the gentleman from Texas.

Mr. BURLESON of Texas. I thank the gentleman for yielding.

Mr. Speaker, I notice the gentleman emphasizes oil and gas when speaking on the subject of depletion. This seems to be a general practice.

As a matter of fact, as the gentleman well knows, there are well over 100 minerals which receive some percentage of depletion. It seems to me it would be more proper to use the term mineral depletion rather than simply refer to oil and gas alone.

Under the provisions of the conference report before us, 41 minerals out of the 105 or 106 receiving the depletion allowance will have the same depletion as oil and gas. I do not complain of the depletion allowance on other minerals because I think it is well justified, both when first allowed and at the present time. I do not believe, however, that it can be successfully agreed that the risk capital which goes into oil and gas exploration is not much greater than any other mineral and, hence, the reason for it heretofore having had a higher depletion than any other mineral.

If the gentleman will yield further, let me further point out that the provisions of the conference report, as I understand it, further reduce the 22-percent figure for oil and gas by imposing a 10-percent surcharge under a formula relating to tax preferences. Theoretically, this could mean another 10-percent reduction on the 22 percent, or result in an allowance depreciable rate of 19.8 percent.

Now, Mr. Speaker, for the first time in the history of our country natural gas is in short supply. The explorer does not go out and look for gas or oil, but drills for either. The incentive for risk capital in these ventures is already greatly reduced because of prices, foreign oil imports and inflation. Reducing it further will invetiably result, finally, in shorter supplies, which will mean higher prices to the consumer. This is the direction in which we are headed and I fear on down the line we will see the mistake of this action.

One thing further, if the gentleman will further yield. I doubt if there is any such thing as fairness in the tax structure or that we can ever equalize the tax burden on everyone and every industry. We must, however, work toward fairness, equality, and justice in the taxing process. Equally important is to exercise a more careful judgment in the expenditure of these revenues.

This conference report is going to pass this House overwhelmingly. No changes can be made in the provisions of this bill at this stage of its consideration. As all of us know, it is a matter of taking it or leaving it, since we have reached the point of no return. Certainly, this measure is not going to please a great many people affected by it and

I fear it holds out some false hopes in tax relief, but it is the best that can be done at this time and I must join with others who have expressed their appreciation for the diligence and arduous hours of work devoted to producing this legislation by the leaders of the Ways and Means Committee, and particularly the conferees.

The SPEAKER pro tempore (Mr. HOLIFIELD). The time of the gentleman from Ohio has expired.

Mr. ULLMAN. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. BURLESON of Texas. I appreciate the gentleman yielding and I shall take just one other second.

It is a dramatic thing that for the first time in the history of our Nation we are short of natural gas. You do not go out and look for gas alone. You go out and look for oil and you may get gas. You cannot separate the two. When the day comes that the incentive of risk capital to search for oil and gas puts us in a deficit position to depend upon foreign-owned imports—and this is another problem that is now pending—and the price to the consumer is going to inevitably increase, this country can be placed in a dangerous position because today with oil and gas furnishing more than 87 percent of all energy, what will our Nation do if we find ourselves in a deficit position?

So I know when the gentleman from Ohio is talking about oil and gas that he wants to look at this from an overall picture and consider all of the minerals. But I do not complain about the depletion allowance because I think it is justified by its great historical background.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

Mr. ULLMAN. I yield 1 additional minute to the gentleman from Ohio.

Mr. VANIK. Mr. Speaker, I thank the gentleman for yielding me the additional time.

Mr. Speaker, I would like to respond to the gentleman from Texas by saying that I understand the economic force that oil and gas are in his community. But I must agree with the gentleman from Wisconsin that we did not touch intangibles, we did not touch drilling costs, we did not touch bookkeeping practices, and we did not touch a great many privileges enjoyed by the extraction industry.

I would like to say this: that in recent years there has been a tremendous effort on the part of mineral and oil producing industries to suppress information on their reserves so that they do not have to pay taxes on known reserves. However, I think that this is a debate that we can better carry on next year when time will permit a more extensive discussion as to the effect of the depletion allowance, and the availability of oil and gas reserves.

Mr. ULLMAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Tennessee (Mr. FULTON).

Mr. FULTON of Tennessee. Mr. Speaker, passage of the conference report today on the Tax Reform Act of 1969 will mark a significant step forward in our efforts to provide for more equity in our tax laws.

Today's vote will climax days and hours of strenuous effort which began almost 11 months ago when the Ways and Means Committee of the House opened public hearings on tax reform.

In the intervening months we have seen tax reform move from a concept long overdue and frequently denied to a concrete and meaningful piece of legislation.

This bill has its weaknesses and imperfections, to be sure. For my part, I was particularly disappointed that the House approved a reduction in the oil depletion allowance to only 20 percent. This disappointment was heightened by the conference committee's decision to cut back this reduction to 22 percent.

Also, it was a disappointment to me and to an overwhelming majority of the near 5 million small businesses in the country that the conference committee eliminated the Senate amendment to exclude the first $20,000 of annual capital investment per firm from the elimination of the investment tax credit. This would have been a great assistance to the small businessman who, in today's money market, finds investment funds hard to secure and very costly to borrow.

It is heartening to see the 15 percent across-the-board social security benefit increase in this bill. However, this does not finish the work of the 91st Congress on social security. When the second session of the Congress reconvenes in January, we must consider further needed changes in the social security law such as reduction of age requirements for benefit eligibility and liberalization of the outside earnings limitation which, at $1,680 a year, is far too low. I also feel that by next July the Congress should increase social security benefits by at least another 10 percent.

On balance, the positive aspects of the tax reform bill far outweigh the negative ones.

The House conferees accepted, with important modification, the Senate's action to increase the personal exemption. Unfortunately, the ultimate $750.00 figure did not match the $800 which was passed by the Senate, but the conferees, by this slight reduction and by phasing out the ultimate impact of the exemption increase, eliminated from the bill a very strong inflationary impact.

In addition, the bill provides meaningful relief for the poor and near poor. About 5 to 5½ million persons in these categories will be removed from the Federal tax rolls by this bill while the impact of taxation on millions of other middle income taxpayers will be reduced.

Also, because of the minimum income tax provisions, the average taxpayer can be assured that all taxpayers except the poor, will pay some tax on income.

Mr. Speaker, time does not permit an item-by-item discussion of the provisions of the bill. I have attempted here to touch on some of the highlights. However, I feel the bill is a genuine accomplishment and step forward. It was a privilege and pleasure to sit on the Ways and Means Committee during the hearings and writing of the House version. I recommend favorable consideration of the conference report of the Tax Reform Act of 1969.

Mr. ULLMAN. Mr. Speaker, I yield 3 minutes to the gentleman from Montana (Mr. MELCHER).

Mr. MELCHER. Mr. Speaker, the tax reform bill, which has been reported by the conference committees, does a serious injustice, which can have serious consequences to the whole Nation, to two categories of citizens who most need tax relief instead of a tax increase—farmers and ranchers and small business.

The bill will increase taxes for 1969—the present year—for these two groups of people, and it will continue to assess higher tax bills against them, in spite of some relief in the rate schedules, in the years ahead.

The bill repeals the 7 percent investment tax credit as of April 18, 1969, and the Senate amendment to allow a $20,000 exemption has been discarded.

This is both inequitable and inadvisable.

The big corporations and the biggest operators with continuous investment requirements all undoubtedly used up $20,000 or $100,000, or a million dollar investment credit in the first 3½ months of the year or have salted it down with valid contracts by the April 18 cutoff date. They will get theirs.

But farmers and small business would not have started making their investments in new equipment, building improvements, modernization of their business operations in the winter months.

They generally wait until later in the calendar year to determine whether they will have the money in their business, or the chance of a crop, before investing in new machinery and equipment which might be delayed another year.

Sales of farm machinery are much higher in the final quarters of the year than in the first quarter. Sales of farm machinery are insignificant in the first 3 months compared to the last 9 of the year.

The investment tax credit for the farmer-rancher and small businessmen in 1969 will be almost nil. They will find themselves confronted with unexpectedly high tax liabilities when they make out their income tax returns on the 1969 income next month, while their larger competitors have gotten considerable advantage out of the credit as a consequence of their continuing programs of expansion, improvement and modernization and doubtless also as having had the advantage of consultation with able tax counsel who foresaw, because of earlier public discussion, the probable termination of this tax advantage.

The repeal as of April 18 is clearly discriminatory, and the discrimination can only be eliminated by the inclusion of an exemption which will extend the credit, on a reasonable amount of investment. I think the Senate chose a good level—$20,000—but even if that were reduced to $15,000 to reach the most hard-pressed farmers and small businessmen, it would promote equity.

Make no mistake—this is an instant tax increase for virtually all of the 3 million farmers in America, and for millions of small business establishments. This is an increase in the 1969 taxes—the income taxes they will be figuring and paying next month.

It is also an increase in their tax burden for 1970, 1971, 1972 and ensuing years, but the first shock of this highly touted tax reform bill comes for these struggling people—all faced by giant competition just a few days after we write this measure into law, if we do.

It is a case of: "Merry Christmas, your taxes are up. Happy new year, your taxes are going to stay up."

We have been losing about 100,000 farm units a year for the past two decades. The decline ran over that in the fifties. It has been under for most years in the sixties, but I predict that it will rise again if this tax bill passes as the conference has reported it and you will find more and more farmers, ranchers and rural residents migrating to your overcrowded cities to find some sort of economic opportunity.

I am not talking about just the smallest farmers—the 400,000 that the Department of Agriculture says may one day be provided for under President Nixon's family welfare plan.

I am talking about farmers who are producing $25,000 to $60,000 or more in products, whose adjusted gross income runs in the $3,000 to $7,000 range, and above that.

I am talking about people whose average age is 53 years, who pay high property taxes to the county, the schools, and the State to maintain education and necessary local services, who is now confronted with 9 percent interest on the operating loans he needs, and who has to anticipate that the prices for the products he sells will average less than 80 percent of parity, and probably a good deal less than that.

He has been staying on the land only because his wife is a full, working partner, who drives the tractors when necessary, the trucks, runs the errands for parts and supplies, keeps the records, cooks the meals, and keeps the household running.

The loss of this investment tax credit—even though most of the farmers and ranchers will only use $4,000 to $5,000 of it on an average, will not be made up by reductions in personal tax rates.

For those whose incomes are $3,500 or below, who have no business investments to make, there is substantial help in the bill.

But for the farmer who handles $20,000 to $60,000 in products each year, and has to keep up his equipment, build and maintain barns and outbuildings, fences—operators whose annual investment to remain efficient enough to stay in business, the loss of the investment tax credit on his likely $5,000 annual yearly investments will be $350. For those with larger operations, but still commercial family farms, investment may easily run $10,000 to $15,000 yearly, and their tax loss under this bill $700 to $1,000 although their net, and their offsetting savings from rate reductions, in only a fraction of that. For the small businessman struggling to keep his business progressing and solvent, he, too, needs this tax tool.

This bill will definitely speed up the outmigration, not just from the farms and ranches of the Nation, but from the rural communities and larger trading centers, to the overcrowded urban areas.

Recently I put in the RECORD a newspaper article about the jump in farm closing out sales in eastern Montana. The sellouts and the migration is already at an alarmingly high level because of the diminishing margin of returns to agriculture as farm prices stay around 20-year-ago levels and farm costs continue rising. A couple of weeks ago the railroads increased freight rates, across-the-board, by 6 percent, but the agriculture producers or small business raise their prices to absorb that increase; indeed, it will come out of their pocketbooks for the farm price of commodities is always the urban price, less freight, whatever that may be. And the competitive position of small businessmen is shakey, so it comes out of their pocket, too.

High interest, high credit, skyrocketing operating costs and now higher Federal income taxes are going to start a migration out of the rural areas of this Nation that will plague us next year, and for many years to come.

The surtax has not controlled inflation.

High interest has not curtailed inflation—it is fueling the fire in most instances.

Repeal of every cent of the investment tax credit—the omission of the Senate's $20,000 exemption—is not going to make or break inflation control.

But it is going to trigger trouble for our whole economy and society, in my opinion, and is a mighty sorry sort of Christmas package to present to the Nation—and especially farmers and small business—on Christmas eve.

I can understand why this tax reform bill is welcomed in some quarters: there is relief in some instances. There is a little but probably wholly inadequate shift back to progressive taxation in some instances.

But I cannot welcome a measure which will increase the tax burden of a major segment of my people and will, in my judgment, do an unjustified overall economic injury to my district and my State.

In spite of the rush to adjournment, we have the time to send this bill back to conference with instructions to accept the exemption for the small operators of this Nation to help keep them in business or in agriculture.

THE TAX SCHEDULES UNDER THE TAX BILL FOR FARMERS, RANCHERS, AND SMALL BUSINESS (EFFECT ON A FAMILY OF FOUR)

Income	1970 tax	Savings due to new rates	Estimated investment by farmers, ranchers, and small businessmen	Loss due to investment credit repeal	Net tax increase
$3,500	None	$70			
$5,000	$275	15	$3,000	[1] $210	$195
$7,500	685	71	4,000	[1] 280	209
$10,000	1,122	103	5,000	[1] 350	247
$15,000	2,091	177	6,000	[1] 420	243

[1] In nearly all instances this sum will be lost on 1969 income tax returns as well as in all future years due to Apr. 18, 1969 repeal of the investment tax credit—a date in advance of normal farm and small business buying season.

Note: Data on 1970 tax and savings from Joint Committee on Internal Revenue Taxation.

Mr. ULLMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri. (Mr. RANDALL).

Mr. RANDALL. Mr. Speaker, it was not until this morning that there was delivered to each of our offices the 346-page conference report that accompanies H.R. 13270 being the bill which started out in the House several months ago as the Tax Reform Act of 1969. Until the receipt of this copy of the conference report we have had to rely on hearsay or press accounts of the actual agreement reached by our conferees. The actual content of what we are going to be called upon to vote for or against was not in our hands until a few hours ago. For that reason I ask at this time to propound some questions either to the chairman of the committee or to some member who was a conferee.

In recent weeks while the Senate was considering this measure, and during the time of the conference our mail was heaviest on such subjects as taxation of municipal bonds; the taxation of professional service corporations; the treatment of lump sum distributions under pension plans; the tax treatment of dividend distributions of cooperatives, and the amount of the reduction of taxable income that can be kept as a reserve for bad debts by savings and loan associations. Accordingly, I hope I can make a record on exactly what is contained in the conference report with respect to these separate provisions.

I ask the gentleman from Oregon (Mr. ULLMAN) whether the only change as to taxation of the income from municipal or State bonds is in the requirement that there be an arbitrage charge and that the formula of the House to tax the income from municipal bonds is not a part of this conference report?

Mr. ULLMAN. The only provision as to municipal bonds is on arbitrage. All the other provision of taxation of municipal bonds under the House version have been deleted.

Mr. RANDALL. Now, if I may ask the gentlemen from Oregon a question concerning the professional service corporations that have been set up by dentists and doctors which were organized to relieve them from being subject to the limitations of the Keough Act. As I understand it there was nothing in our bill as it went to the Senate to effect the tax treatment of these professional corporations. As I understand it the Senate Finance Committee subjected these corporations to the same limitations as the Keough Act and this change by the Senate Finance Committee was knocked out on the Senate floor. I want to be sure that there is nothing in this conference report that would change the present tax treatment of these professional corporations?

Mr. ULLMAN. That is correct—these corporations are not dealt with in any way in the conference report.

Mr. RANDALL. Now if I may ask the gentleman from Oregon a question with reference to any changes in the tax treatment of lump sum distribution under company pension plans. I refer to the situation where a pensioner elects to take a lump sum settlement of his pension plan when he may need these funds for some investment purpose. I received a lot of mail complaining against the change which made these distributions taxable at ordinary tax rates instead of capital gains rate. As I recall it, our bill passed by the House provided that the payment of taxes on this lump sum distribution could be averaged out over a 5-year period. That is, the tax on such distribution could be paid in five installments. Now I understand that the agreement of the conferees contained in this conference report provides taxes may be paid over a period of 7 years. In other words, whatever amount a distributee may receive may be divided by seven and pay one-seventh of the tax each year? I am asking you for the record if that is what is contained in the conference report?

Mr. ULLMAN. That is correct.

Mr. RANDALL. There is another question which has generated some mail from our constituents and that is the provision concerning taxation of the portion of dividends retained and not paid out by cooperatives. If my memory serves me correctly the House version provided these dividends were required to be paid out within 15 years. As I read the portion of the conference report which concerns this subject, I cannot find any reference to the House version. Is it true that the House requirement that dividends had to be paid out in 15 years was knocked out by the Senate and the House receded and at the present time there is no provision in the conference report concerning the taxation of dividends of cooperatives. Is that right?

Mr. ULLMAN. That is correct.

That provision as to cooperatives was taken out of the bill completely.

Mr. RANDALL. One final question which although last in the order of my inquiries should not be construed to be the least important. I have received mail from our savings and loan people who feel the method of taxing their reserve for bad debts is being unfairly treated. My recollection is the House version of H.R. 13270 reduced the amount of taxable income that can be kept by savings and loan associations as a reserve for bad debts from 60 percent to 30 percent. In other words, after all deductions have been made, a savings and loan could set up only 30 percent of its taxable income to take care of its bad debts. As I remember it the Senate reduced this from 60 percent to only 50 percent. The point that I must have clarified in order that I may be able to report to the several savings and loan associations in our congressional district is the final figure agreed to by the conferees. In other words is it true the conferees have compromised the difference between 30 and 50 percent and have in effect reduced the amount these associations can set aside for bad debts from 60 percent to only 40 percent?

Mr. ULLMAN. That is correct, 40 percent.

Mr. RANDALL. I am grateful to the gentleman from Oregon who as one of the conferees has provided me with such clear and accurate answers to my several questions.

Mr. STEIGER of Wisconsin. Mr. Speaker, I shall support the adoption of the conference report on H.R. 13270, the Tax Reform Act of 1969.

The House of Representatives can be proud of this effort and I particularly want to pay tribute to the chairman, the gentleman from Arkansas (Mr. MILLS), and the ranking Republican, the gentleman from Wisconsin (Mr. BYRNES).

The product of the conference is a major step toward greater tax equity. But it should be clear that there remains much yet to be done since this bill has not touched all areas.

I am particularly pleased, Mr. Speaker, with the adoption of an income in the personal exemption from $600 to $750 over a period of time. This significant improvement in distributing the burden of taxation coupled with changes in the taxation of single persons, in the standard deduction and in the adoption of a low-income allowance are valuable. While I still believe a further increase in the personal exemption is desirable a start on this road has been made.

I remain concerned about the treatment of foundations contained in this report which parallels the House version. Those in the private sector deserve better at this critical time in our history than efforts to limit their role. I fear a greater reliance on Government which is not, at this point, appropriate.

This conference report represents both reform and relief. It also contains an increase in social security benefits which is desperately needed as well as a continuation of the surtax at 5 percent for the first 6 months of 1970, which is also needed.

Thus, Mr. Speaker, the overall concept of tax equity has been maintained by this bill and since its inflationary impact has been seriously lessened in fiscal years 1971 and 1972 I believe the conference report should be passed.

Mr. TUNNEY. Mr. Speaker, passage of the tax reform bill will do much to restore the faith and confidence of millions of Americans in the fairness of our system of taxation. I hope that we give this bill our overwhelming support.

Our belief in the principle that taxes should be assessed on the basis of ability to pay has been strained to the limit by reports of wealthy taxpayers who pay no tax at all. It is acutely clear that the progressive tax rate has been a myth for thousands of privileged taxpayers. Now, because of the marathon efforts of Members in both bodies, those less privileged will no longer be forced to bear the major share of Federal taxes, while the wealthy shield their incomes from any significant tax bite.

Some have called this bill a tax giveaway program, citing the generous relief afforded low- and middle-income citizens. I raise strong objection to these charges that tax relief and tax reductions undermine the purposes of tax reform.

Too often we speak of tax reform and tax relief as if they were two separate things. I believe that tax relief is at the heart of comprehensive tax reform. Tax justice demands not only that we tighten restrictions on the availability of tax loopholes, but also that we lighten the burdens which low- and middle-income citizens have borne for so long.

There is merit to the complaint that revenues lost as a result of tax relief will exceed revenues gained as a result of narrower loopholes. My answer to that is a simple one. If there is a genuine fear that lost revenues are excessive, we can, and should, do more to place a fairer share of the tax burden on the select few who receive sheltered income. Municipal bond interest is still tax free. Taxpayers can still arrange to protect substantial earnings through oil depletion allowances.

The failure of the tax reform bill to incorporate the House proposals to place some tax on income from tax-exempt bonds is a glaring omission. The tax-exempt bonds that are owned by individuals are concentrated in the hands of the wealthiest 2 percent of the population. The reason is easy to understand. A 6-percent return from a tax-free bond, for a person in the 70 percent bracket, puts as much money in his pocket as a taxable investment bearing 20 percent interest. There are taxpayers with income from tax-free bonds in excess of $1 million who pay no tax at all, and who do not even have to file a return. And because they pay no tax, they pay no surtax.

Last January I introduced a tax reform bill which would have imposed a minimum tax of 10 percent on all income. This minimum tax would have reached income presently sheltered by depletion, accelerated depreciation and the exclusion of one-half of all long-term capital gains, as well as income from tax-free bonds. I will be happy to see adopted the mechanism of a minimum tax, which I feel goes further to assure that tax preference income will not escape tax entirely, than did the original House proposal. The exclusion of tax-free bond income in the conference bill, however, leaves millions of dollars of income completely immune from tax. It will still be possible for a select few to receive vast amounts of tax-free income, while persons with incomes of one-hundredth the size will be taxed at effective rates of 20 to 30 percent. This is not tax justice, and we will be making a mistake if we think that we can sit comfortably back, after the passage of this bill, and wait another 50 years before the cry for reform is heard again.

I strongly urge support for this bill as a dramatic, albeit a first step toward comprehensive tax reform.

Mr. KLEPPE. Mr. Speaker, farmers and small businessmen will be especially disappointed that the conference report on the Tax Reform Act of 1969 does not include the Senate amendment exempting investments up to $20,000 in eligible property from the investment credit repeal.

This might have been fully justified had no special concessions been made to some other groups in the treatment of investment credit. I do not object to the provisions affecting amortization of certain railway rolling stock, pollution control facilities, and coal mine safety equipment; but I believe that an equally strong case could be made for at least a limited tax credit on equipment purchases by farmers and small businessmen.

With farm machinery prices continuing to move sharply higher, while most farm prices remain at generally depressed prices, American agriculture is in a tighter cost-price squeeze than any other segment of the economy. The typical commercial farmer has far more than $20,000 invested in machinery and equipment which must be replaced periodically if he is to maintain an efficient operation. This hard economic fact deserves recognition in the Federal tax structure.

From a safety factor alone, farmers should be encouraged to replace obsolete and other dangerous equipment. More farmers and agricultural workers are killed or injured every year in on-the-job accidents than in any other industry. Many of these tragedies could be averted with newer and safer farm equipment. Even a modest tax incentive would encourage farmers to replace obsolete and dangerous equipment at a much faster rate.

Mr. BINGHAM. Mr. Speaker, there is no question but that the pluses in this enormous tax bill outweigh the minuses.

Tax relief is provided, increasingly over a period of years, for those income groups that most need it.

A small increase is provided in social security benefits—far too small but better than nothing.

While the bill does not go nearly as far in the direction of closing tax loopholes as many of us would have liked, it still goes further than any of us could surely have predicted a year ago.

Today's New York Times contains an excellent summary by Eileen Shanahan of the tax reform aspects of the bill, which I insert herewith:

For Most Wealthy Nontaxpayers, New Bill Ends Favored Status

(By Eileen Shanahan)

WASHINGTON, December 21.—How many of that well-publicized group of 155 individuals who pay no Federal income taxes, although they have incomes in excess of $200,000 a year, will have to start paying taxes now?

The answer is most, and possibly every one of them, assuming that the tax reform bill now awaiting final congressional action and Presidential approval does, as expected, become law. To say that the new tax reform bill might eliminate the nontaxable status of all 155 overstates the amount of reform, however.

The reason is that the figure of 155 always drastically understated the true number of high-income persons who paid no taxes. The only ones who made the famous list were those who had "adjusted gross income" of $200,000 or more, and many oilmen, real estate operators and owners of municipal bonds did not have any such amount of "adjusted gross income," even though their real, economic income may have been in the millions. The reason has to do with the mechanics of the way income—and tax-avoidance devices—is reported on tax returns.

Leaving aside the deficiencies of the number 155, the bill really does go most of the way toward blocking the routes for escape of all Federal taxes on sizable amounts of income.

STILL NO BOND TAX

Owners of municipal bonds can continue to pay no tax at all, if their sole income is from the interest on such bonds. Despite the reduction in the depletion allowance that the bill contains, some, and possibly many, oilmen will be able to arrange their affairs so that they can legally continue to avoid all Federal income tax.

But for other zero taxpayers, on or off the list of 155, the party is over. Or, more precisely, it will be shortly, once some transitional provisions of the bill have run their course.

It is the new "minimum tax" contained in the tax reform act of 1969 that will do the most toward eliminating complete tax avoidance by wealthy individuals (and by economically profitable corporations, as well, it should be noted.) The minimum tax stands as the most striking feature of the new legislation, the one that seems likely to earn for the 1969 act a place in the record books as the most significant tax reform bill since the inauguration of the income tax in 1913.

EFFECT ISN'T CERTAIN

This is true, even though no one is precisely sure how the minimum tax will work out in practice. The concept and mechanics of the tax are completely novel, and experienced tax lawyers tend to feel that it will probably produce some inequitable results, as between different individuals and different companies, and will need some amending in the future.

Basically, the minimum tax lumps together a long list of current provisions of the tax law—the depletion allowance is one, rapid depreciation of buildings is another—and commands the taxpayer to add up all of his income that is sheltered from tax by the operation of these various devices. If the total amount so sheltered exceeds $30,000, plus the amount of tax the individual is paying on his other income, he must pay the minimum tax on the amount of the excess.

The rate of tax on income subject to the minimum tax is only 10 per cent, compared with the rates on other income that go as high as 70 per cent. This is a defect in the minimum tax, in the view of ardent tax reformers.

STARTING WITH LOW RATE

But many others feel that a relatively low, flat rate of tax is a good way to start, particularly when no one knows exactly how the complex idea of setting levies on tax-sheltered income that exceeds taxes otherwise due will actually work out.

While the minimum tax may be the most striking single feature of the reform bill the measure contains countless other sections that also make its title "tax reform act" no misnomer. Some of these have almost been lost sight of recently because they have stirred relatively little controversy.

In this category come the provisions taxing, for the first time, the income that churches receive from ownership of businesses. Similarly noncontroversial but significant are extensive new statutory rules aimed at preventing individuals from creating and operating allegedly charitable foundations solely or partly for personal financial benefit.

FOUNDATION PROVISIONS

The other provisions of the bill involving tax-exempt foundations are highly controversial, and even some vigorous tax reformers do not necessarily regard them as improvements in the tax law. There is general agreement, however, that the new restrictions on politically oriented activities of foundations, the requirement that foundations pay out 6 percent of their income annually for their stated purposes, the audit fee they will pay the Government, the limitations on their ownership of businesses, and the restrictions on making grants to individuals on an arbitrary basis—that all of these are requirements the foundations can, in fact, live with.

One of the most significant sections of the bill affects both corporations and individuals—the one dealing with real estate. The measure cuts back drastically on the amount of rapid depreciation that can be deducted from income before any tax is calculated, and also limits to $21,000 a year the interest reductions that can be taken, unless the interest payments lead to profits or capital gains.

The combination of these provisions is expected to put many real estate operators in the taxpayer category for the first time in years.

The interest provision by itself will also reduce the zero taxpayer list to about half its present size, with most of those eliminated being either real estate men or speculators in securities.

Successful securities speculators and many other persons with large amounts of capital gains will be paying heavier taxes because of two or three different provisions of the bill.

However, for those who realize a big capital gain only occasionally, over a lifetime, the advantages of averaging would be granted.

FEW NEW PREFERENCES

But persons with an occasional big capital gain would be among the few to be better off under the reform provisions of the 1969 act. The relief provisions are another matter. For the legislation is emerging from Congress remarkably free of new tax preferences, although there are a few such as the increase in the depletion allowance on molybdenum, even though it is already in surplus supply.

There are four other major new tax preferences in the bill: tax incentives (which is what preferences always are at their birth) aimed at stimulating the installation of antipollution equipment, the modernization of railroad equipment, the rehabilitation of old residential housing, and the adoption of safety devices in coal mines. But all of these preferences contain an unprecedented feature: an automatic termination date five years hence.

EFFECT IS UNCLEAR

One of the great unknowns concerning the tax bill is its economic impact, because of both its reform provisions and its relief provisions. The tax reductions contained in the bill will reduce Government collections by billions in the years ahead. These are considerably more billions than the $9-billion figure usually cited, which, among other things, contains no allowance for increased income over the years that is a result of normal economic growth.

It is not yet clear just how this reduction in revenues, which would be phased over a period of years through 1973, will affect the economy. It depends on what shape the economy is in at the time.

Even more interesting is the question of how the various tax reform provisions will affect business activity. There should be considerably less building of office buildings and shopping centers and other forms of nonresidential construction; there might be more building of apartment houses. There could be relatively more investment in the oil industry which had its tax preferences cut back a bit, but relatively little compared with other areas of past tax avoidance, such as real estate.

The repeal of the investment credit, and the concentration of tax relief in the hands of those who spend all their money, rather than save and invest, might have some depressing effect on investment.

Finally, there is another interesting question. Will the bill make people stop trying so hard to find tax-avoidance routes? Plain old earned income—salaries, commissions, professional fees—would be taxed at a top rate of 50 percent under the act. If that is the top rate (rather than the 70 percent it is now, or the 91 percent it was until 1963), is it really going to be worthwhile to pursue, for example, income that is taxed as capital gains, just by definition under the tax laws, and taxable at a maximum 35 percent? Will it be worthwhile to pursue income that would be subject just to the 10 percent minimum tax?

The Assistant Secretary of the Treasury for tax policy, Edwin S. Cohen, hopes and believes that one of the most beneficial effects of the legislation will be a lessening of the amount of energy and intelligence that is devoted to chasing after avoidance devices, Mr. Cohen's Democratic predecessor, Stanley S. Surrey, now of the Harvard Law School, advocated a somewhat different version of a maximum tax on earned income, but he believed the same thing.

Most other tax lawyers seem to think that Mr. Cohen and Mr. Surrey are wrong, that a 35 percent tax is better than a 50 percent and that the pursuit of tax preferences will continue unabated.

Mr. SEBELIUS. Mr. Speaker, I should like to comment on a most disturbing fact involving the Tax Reform Act of 1969.

I do not think it is equitable or right for the economic problems of the small businessman and farmer to increase as a result of measures taken to combat inflation in the economy as a whole.

I am speaking about the repeal of the 7 percent investment tax credit. The small businessman and the farmer should be the beneficiaries, not the victims of anti-inflationary policy.

This tax provision is a key factor in stimulating growth and economic development in our rural and smalltown areas. Certainly any successful effort to stimulate new jobs in rural America will serve the national interest. It has become apparent that the crisis in urban America is related to and in many cases due to our problems of rural migration.

I also want to stress this repeal will be a crushing blow to many farmers and small businessmen who have just managed to keep their heads above the waters of bankruptcy. While those of us vitally interested in rural America fully understand the obvious need for inflationary control, we were hopeful that at least this tax credit would be retained up to $25,000. Just this morning I received a call from a dryland farmer who was forced to sink new wells this summer or simply give up his investment and call it quits. He and his banker informed me the repeal of the 7 percent investment tax credit made his operation extremely marginal—dependent entirely upon how much more money he could borrow to avert financial ruin.

Mr. Speaker, I am most hopeful that future tax proposals and future proposals for revitalizing rural and smalltown America as well as plans to aid our cities can include special tax credits in this area. Once again I think we have cut off the farmer's nose in an effort to save the Nation's fiscal face. The investment tax credit was in effect an investment in future revenue, an investment we need desperately in rural America.

Mr. BURTON of California. Mr. Speaker, while I am delighted that the conference approved in part, amendments that Senator HARRIS and I prepared and which were vital to assure some measure of equity for our Nation's needy on public assistance—I must note with regret, that about 1.5 million aged, blind, and disabled who do not receive social security must rely on the States for any benefit under this bill.

I must further note that many of the 1.4 million who benefit under the Burton-Harris amendments will still have $5.50 or more a month of their small social security increase taken away from them if they are currently on public assistance.

However, some progress in this area is better than none at all.

The following reflect the results of the adoption of those portions of the Burton-Harris amendments agreed to by the conference committee:

Increased amounts received as a result of the Burton-Harris "pass-on" and "retroactive payment" amendments

California (285,000 persons receive increase as result of Burton–Harris amendments):	
Retroactive payment [1]	$5,700,000
Pass-on amendment [2]	3,420,000
Subtotal	9,120,000
Retroactive payment AFDC [3]	472,500
Total	9,592,500
Nationwide (1.4 million persons receive increase as result of Burton-Harris amendments):	
Retroactive payment amendment [1]	28,000,000
Pass-on amendment [2]	16,800,000
Subtotal	44,800,000
Retroactive payment AFDC [3]	3,510,000
Total	48,310,000

[1] Retroactive amendment requires the states to ignore for purposes of computing income of public assistance recipients the lump sum payment (averaging about $20) which will appear as a back payment for Jan. and Feb. in their April Social Security checks.

[2] Pass-on amendment requires the states to ignore for purpose of computing income of public assistance recipients $4 per month for March, April and May of the increase in benefits enacted in the Social Security Amendments of 1969.

[3] Retroactive payment AFDC represents 130,000 families nationally (17,500 Calif.) with combined AFDC/SS income—average SS income per family $90 per month—plus 15% increase for Jan. and Feb.=average retroactive payment of $27 for each family.

CALIFORNIA

		April 1970 projections	
	Public assistance recipients as of October 1969	Percent also receiving social security	Number public assistance recipients also receiving social security (rounded)
Aged	311,691	75	234,000
Blind	13,173	45	6,000
Disabled	157,091	27	45,000
Total	481,955		285,000

Note: In addition 17,500 families receive concurrent aid to families with dependent children/social security benefits.

Mr. Speaker, the following is the latest available information on the varying ways the different States have acted—or failed to act—on the 1967 social security legislation permitting the States to disregard $7.50 per month and as a result, increase payments to aged, blind, and disabled public assistance recipients by that amount.

My colleagues will note that in California, Governor Reagan's administration has failed to act to provide this $7.50 per month increase.

The Congress in 1967 urged the States to enact the increase because of the great savings to the States in welfare cost as the result of the 1967 social security amendments.

The only group in California who received the benefit of this $7.50 increase were the blind, under an amendment I offered to State legislation which was enacted in 1963.

I hope, but am not optimistic, that the States are more compassionate in dealing with the 1969 amendments, than they were with the 1967 Social Security Amendments.

THE 1965–67 AMENDMENTS

(Effective October 1, 1965; January 2, 1968)

OAA, AB, APTD and AABD: Disregarding some amount of income received from any source prior to disregarding of other amounts, as reported September 30, 1969:

Provision in effect [1]: *26 Jurisdictions.*

A. Not more than $5 a month (1965): *13 Jurisdictions.*

Connecticut [2]
Delaware [3]
Georgia [4]
Guam
Indiana
Missouri
Nevada [5]
New Hampshire
Ohio
Pennsylvania
South Carolina [2]
South Dakota
Virgin Islands

B. Not more than $7.50 a month (1967): *13 Jurisdictions.*

Alabama [6]
Arizona [2]
California [6]
Hawaii [7]
Idaho
Iowa
Kentucky
Maine
Massachusetts [6]
Mississippi
Montana
Texas [2]
Wyoming [8]

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[1] Plan material approved for all jurisdictions except Connecticut.

[2] OAA only. *Connecticut*—Disregards $2.50.

[3] *Delaware*: OAA and APTD—up to $5. *AB*—up to $7.50.

[4] AABD—up to $5 a month.

[5] OAA and AB. State has no APTD program. Plan material submitted for 1967 amendment.

[6] AB only. Will not implement at present for other categories. *Massachusetts DPW*—Needs legislation.

[7] OAA and APTD only.

[8] OAA, AB, APTD—adults only.

Not in effect; plan material submitted: *0 Jurisdictions.*

Plan material in preparation: *0 Jurisdictions.*

Legislation enacted: *0 Jurisdictions.*

Legislation in process: *0 Jurisdictions.*

Interested or intend to use: *2 Jurisdictions.*

Oklahoma.

Tennessee.

Will not implement at present: *26 Jurisdictions.*

Alaska
Arkansas [9]
Colorado
D.C.
Florida [10]
Illinois
Kansas [11]
Louisiana [12]
Maryland
Michigan
Minnesota [11]
Nebraska [11]
New Jersey
New Mexico [13]
New York*
North Carolina
North Dakota
Oregon [11]
Puerto Rico [14]
Rhode Island
Utah [11]
Vermont [10]
Virginia
Washington [11]
West Virginia
Wisconsin [11]

Mr. OBEY. Mr. Speaker, I intend to vote in favor of the tax reform bill which is before us for a final vote today.

With the enactment of this legislation, I think the Congress will take a long first step in making our tax laws more equitable for all our people.

I am particularly happy that the bill contains increases in social security benefits for our senior citizens, without increasing the earnings base on which social security taxes are paid. Although I would have been happier if the bill did more for those receiving minimum payments, there is no doubt that further social security reforms are needed. Surely it is incredibly difficult for anyone, let alone an elderly person with large medical expenses, to live on $64 a month, the minimum benefits contained in the bill. Nor does the bill contain automatic cost-of-living increases or provisions assuring pensioners that increases in social security will not result in a disproportionate decrease in veterans or other types of retirement benefits. So, in this area, while we have made a start, much remains to be done.

I am disappointed also because this bill does not contain some of the provisions regarding the 7-percent investment credit which had been adopted by the Senate. While I generally support the repeal of the 7-percent investment credit, I doubt the economy would have been injured if the credit had remained available to small businessmen and farmers up to say $10,000 or $15,000 per year.

The provisions regarding tax loss farming could also be improved upon. The provisions adopted in this bill would only pertain to tax-loss farmers with nonfarm income over $50,000 per year, and then only if their losses exceeded $25,000. As Secretary of the Treasury David Kennedy said when he testified before the Senate Finance Committee, "In practice this exclusion renders the bill ineffective."

Mr. Speaker, tax-loss and hobby farmers do injury to the principle of tax equity, and pose a great threat to the family farmer in this country and the tax reform bill is deficient in dealing with them.

On the plus side, the bill does delete the provisions inserted by the House regarding cooperatives. The House bill—which would have required cooperatives to revolve out patronage dividends within 15 years—would have proved a significant hardship on agricultural cooperatives. The conference committee bill calls for a study of the taxation of cooperatives some time before January 1, 1972, and I am pleased to see that no action has been taken before this matter is studied thoroughly.

Mr. Speaker, some of the provisions inserted by the Senate to benefit specific industries have wisely been deleted. We will have a minimum tax which will make it more difficult for any high-income persons to avoid all Federal taxation as they have in the past, although the interest earned on individual investment in municipal bonds will still be exempt from taxation.

Although I think it is still too high, the oil depletion allowance has been decreased from 27½ to 22 percent. There will be a minimum tax on all earned income. The standard deduction has been increased, and will reach 15 percent or $2,000 in 1973. Income tax exemptions will be increased $150 over a 3-year period, from $600 to $650 on July 1st, to $700 in 1972, and to $750 in 1973.

Overall, as the chairman of the Ways and Means Committee has pointed out, our low-income wage earners who need tax relief the most, will be able to get it. Under the bill, it is estimated that those with an income less than $3,000 will have a 70-percent reduction in taxes. Those with incomes between $5,000 and $7,000 will have their taxes reduced 20 percent. Those who make $10,000 to $15,000 will have a 10 percent reduction. Those making $15,000 to $20,000 will have an 8½ percent decrease. Those making $20,000 to $50,000 will have a 5 percent reduction. Those with an income of $50,000 to $100,000 will have a 1½ percent reduction, and those who make over $100,000 will probably be paying more in taxes than they do today.

Mr. Speaker, I am sure all of us here would change parts of this bill if we were given the opportunity to do so. There are other faults which I have not mentioned. Nonetheless, I believe this legislation provides a foundation on which to build more tax equity in future years and I intend to vote for it.

I am very hopeful too that President Nixon will not decide to veto this legislation. In 1970 the bill will increase the revenue coming into the Treasury by $6.4 billion and in 1971 there will be a $315 million surplus. If the inflationary impact of this legislation was the President's major concern when he threatened to veto it several weeks ago, it seems to me that this has been taken care of. The Members of both Houses of Congress, especially the House Ways and Means and the Senate Finance Committees, are to be congratulated for the reforms we have achieved in this legislation. A veto of this measure by the President would only be a step backwards in efforts to get as just a tax system as we can for the people in this Nation.

Mr. MILLER of Ohio. Mr. Speaker, the House has overwhelmingly approved the conference report on the tax reform and social security legislation with only two dissenting votes. This measure is commendable in that it will grant long overdue tax relief to most low- and middle-income taxpayers and will increase social security benefits by 15 percent across the board, effective January 1.

The legislation as finally approved will tighten up a number of special tax advantages available to specified industries and individuals with certain sources of income. The end result is that these groups will be paying more taxes under the reformed laws. In some cases it is proper and fair that loopholes be closed, but at the same time I was not satisfied that proper consideration had been given to such features as abolishing the investment tax credit for small farmers and changing the tax treatment on income derived from employee pension plans.

The procedural rules in effect during original consideration of the House tax reform measure precluded floor amendments and therefore prevented individual House Members from amending the bill to correct the unfair or unwise provisions. After the Senate passed legislation with major variations from the House measure, the conferees hastily compromised the differences and we were then asked to approve the conference report less than a day later after only 2 hours of debate.

The tax reform legislation has its good points, but the entire measure could have been much better if additional time had been available to study its impact on various sectors of the economy. The opportunity for comprehensive review of the tax system comes along very rarely; we should insure that truly wise and equitable legislation is enacted so that our hard-working, taxpaying businesses and individuals will retain their confidence in the fairness of the Federal tax structure.

Mr. DONOHUE. Mr. Speaker, I most earnestly urge and hope that the House will promptly and overwhelmingly accept this compromise conference tax reduction and reform report now before us.

Even though it does not eliminate every loophole, correct every discrimination, and project the full reductions that so many of us sponsored and desired, it still represents the first substantial effort in a good many years to fundamentally revise, and reform, our tax system and redistribute the heavy tax burden being imposed upon the people of this country. Let us clearly emphasize that this measure is not intended to be an ending; it is only a promising beginning. We know that it has had the indication of a Presidential veto hanging over it, which we trust has been averted.

Of course, a conference report, by its nature, is an accommodation of a wide range of differences; such an accommodation is inevitably and always far from perfect. However, as it stands, this bill does represent a responsible, earnest and long overdue attempt toward placing our tax system back where it belongs on the foundation principle of "ability to pay." It moves closer to this principle, through its provisions to remove the impoverished from the tax rolls, raise personal exemptions and deductions, exact heavier taxes from the very wealthy, restrict special privileges, lessen the disproportionate burdens of the middle income and single head-of-household taxpayers, and in general more equitably distribute the overall tax load.

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*As of June 30, 1969. No report received for Sept. 30, 1969.

[9] AABD—Deleted effective March 1, 1968.

[10] Plan material withdrawn. Provision in AABD terminated June 30, 1966.

[11] Needs legislation.

[12] Expects to disregard larger amount when funds are available.

[13] Insufficient funds.

[14] Plan withdrawn. Ceiling on Federal financial participation a deterrent.

It is obvious that, under the existing circumstances, this is the most progressive compromise of all the varied viewpoints that can be accomplished. Let us, then, accept it in that spirit and realization, while we pledge to persevere in our common efforts toward early, further accomplishment of urgently needed tax relief to parents for college tuition and expenses, to persons over 65 for full medical expenses, to the handicapped, to small business, and in so many other areas where extraordinary economic distress is being unjustly and disproportionately experienced, by both individuals and organizations.

Mr. PICKLE. Mr. Speaker, at 10 o'clock this morning, we received the massive conference report on the tax reform bill. Some 3 hours later, we began debate—debate that lasted only 2 hours.

I am distressed that we were forced to consider this crash legislation, under these circumstances. The members of the conference committee did an admirable job in informing Congress in detail via their conference report. But the sad fact of life is that only a handful of men, the House and Senate conferees, have had the opportunity to develop any expertise in this, one of the major legislative items of the 90th Congress. I recognize and understand this political reality, but I cannot say I concur with the principle.

For example, today I spent a large part of the morning calling tax attorneys, businessmen, accountants, farmers and just folks in an attempt to gain deeper insights into the multifaceted provisions of the tax reform bill. When the bill was first voted earlier this year you will recall I offered the motion to recommit the tax bill. My concern then, as it does now, stems from the alarming fact that we were not given ample time to analyze this legislation.

I recall when the bill first faced the House, we were only given 2 or 3 days to investigate a highly technical document that had taken the committee months to prepare. The Senate, by contrast, spent almost a month on a measure that we passed in just days.

I repeat—this is crash legislation and we were faced with the alternative of accepting or rejecting major legislation almost completely on blind faith and newspaper accounts.

I am pleased that the bill we passed today is more palatable, in many respects, than either the House or Senate version. There are trouble areas; some trouble areas, I suspect, will not surface until we have the opportunity to really dig into this bill. Too, this bill within a year or two may increase government deficits.

There are certain areas that I think a better solution could have been found and I anticipate that I—and others—will be offering amendatory legislation at the first of the next session.

But basically, the bill we passed today is a sound compromise. The most telling arguments for supporting the bill comes from the provisions giving overdue tax relief to the middle- and low-income taxpayers.

Additionally, we instituted substantial reform. Probably we did not go far enough in some reform measures and too far in others.

Perhaps, if we had been allowed more time, we could have voted a cleaner bill. But still, this is the first major tax reform bill passed by Congress in 50 years.

Mr. REID of New York. Mr. Speaker, I am voting for the conference report on the Tax Reform Act of 1969 but I recognize that it is a very close question. Certainly the bill does contain the danger of yet greater inflation. Yet it is extremely difficult to foresee the effect of this bill in our present inflationary period, characterized by some recessionary trends. Those most familiar with the measure disagree as to whether there will be a net revenue gain to the Government in 1970 of $6.5 billion or a net loss of $8 billion. Similarly, for 1971, some estimate a revenue gain of $315 million while others predict a loss of $13.5 billion. It is simply impossible to predict with any degree of accuracy what will happen to the GNP and the net revenue picture as a result of this legislation. However, should the bill prove to be inflationary, the administration and the Congress have a special responsibility to take appropriate fiscal and monetary actions to offset this effect.

I would hope, however, that such actions will not include further reductions in urgently needed social and urban programs which are already grossly under funded. There are other ways for the administration and the Congress to curb Federal spending through the reordering of national priorities—postponement of an unnecessary SST; meaningful, rather than token, cuts in the defense budget; elimination of the ABM, to name just a few.

There are, however, certain limited steps toward tax equity in this bill and a number of flagrant loopholes have been closed. It was unconscionable that some 155 very wealthy persons paid no tax at all in prior years; the minimum tax and list of tax preferences should foreclose this opportunity. Equally, the decrease in the oil depletion allowance from 27½ percent to 22 percent is a step in the right direction but far too modest. The low-income allowance is a long-needed action to remove the poor from the tax rolls but there is some question whether this benefit will be offset by inflation.

In particular, there are benefits in the tax bill for some middle-income families. Principally, their tax obligations will be somewhat lower as a result of the increase in the personal exemption to $650 this year and ultimately to $750, and from the increase in the standard deduction. The provisions affecting deductions for moving expenses are also broadened to include certain other kinds of costs associated with relocating a family, including pre-move house hunting, but the move must now be at least 50 miles from the present location to qualify, instead of 20 miles as in existing law. Self-employed persons would be eligible for moving expenses deductions for the first time.

Single persons have won a major victory in this bill; starting in 1971, certain single persons over 35 will qualify as heads of households and their tax rates will accordingly be adjusted so that they will be no more than 20 percent above the tax for married couples with the same income.

The 15-percent social security increase is, I believe, also a necessary expenditure. Perhaps the cost of living has only risen 9 percent since the last social security increase, but far too many older citizens live bleak lives, surrounded by malnutrition, ill health and fear, because they lack adequate incomes.

There are, however, a number of special interest provisions in the tax bill which are cause for some concern. First, while much can be said from the point of view of controlling inflation for repealing the investment tax credit, I think we should bear in mind its importance to new plant and equipment in a competitive world market.

Second, I am gratified that the law was left unchanged with regard to gifts of appreciated stock or personal property to educational institutions. To impose an onerous tax burden on gifts of this nature would have been to jeopardize the future of higher education which is already in a precarious financial position and largely dependent on individual private bequests. I am concerned, however, that while the law affecting gifts of personal property to charities was left unchanged, a full charitable deduction can no longer be taken for the short-term appreciation on gifts of appreciated property to charity. This action may vitiate the philanthropy on which some hospitals and other social and humanitarian charities rely, without any evident means of replacement.

Finally, I am deeply concerned about the limitations in this bill on foundations. While foundations are not immune to some criticism for certain of their actions, their endeavors in the main have been excellent, and this bill is punitive rather than constructive.

In sum, Mr. Speaker, I think that greater tax equity will be achieved by the passage of this bill than by its defeat, although it is not without some potentially serious inflationary dangers. Stern measures may yet be required to offset this danger and there should be no hesitation in applying them. Lastly, however, let it be clear that a real job of major tax reform yet lies ahead, particularly for the middle-income family; the bill we are approving today is just a beginning.

Mr. RANDALL. Mr. Speaker, when the roll is called I suppose I will vote in favor of the conference report on H.R. 13270. That should not mean I agree with all of its provisions. In a separate colloquy with one of the conferees, the gentleman from Oregon (Mr. ULLMAN) I tried to make a record about the changes in tax treatment of income from municipal bonds; what changes if any were provided for the taxation of professional service corporations; the tax treatment of the lump sum distribution of proceeds under employment pension plans; the requirement for the taxation of undistributed dividends of cooperatives, and the reduction in the percentage of taxable income for savings and loans to be exempt as a reserve for bad debts.

I am grateful for his answers and his cooperation in attempting to make clear the provisions of the conference report on these matters. I recognize that this bill does have some meritorious provisions. There is some long needed tax reform. Some tax loopholes have been closed. There has been a reduction of the disparity or gap between those that are taxed on earned income, and those who seek the enjoyment of tax shelters from capital gains treatment. I recognize there has been some important reforms. Certainly tax equity and fairness are necessary in a voluntary system such as ours.

Last summer I was delighted to be able to call the attention of my people to tax reforms in the measure we sent to the other body. In that bill there were actually some reductions on rates. Now it comes back to us and about all we have is an increase in the per capita exemption. I doubt if many of us are happy with the slight increase in these exemptions but I know we all recognize that we can ill afford to operate our Government under large deficits occasioned by the loss of revenues at a time of inflation. The House bill, is not inflationary. Through the combination of the reform and the reduction provisions our bill will not contribute to inflation. As much as I would prefer a larger reduction there is still some tax relief for the middle-income groups. Of course everyone must recognize that we cannot both increase personal exemptions and at the very same time lower the tax rates. Either procedure is costly in terms of revenue but both together would create such a revenue loss as to be unacceptable in our present fiscal condition. That brings us down to the hard choice. While the House provided rate cuts the Senate version and the conference report provides for exemption increases, and we are forced to accept the latter.

Mr. Speaker I shall not take the time to express myself on each of the provisions of the conference report. That would be impossible. I received a copy of the report barely just a few hours before the House considered this voluminous tax bill. You will recall the bill which passed the House several months ago contained 363 pages. The Senate bill contained 600 pages. Today, by an extraordinary relaxation of House rules we will have 2 hours for explanation of this bill instead of the usual 1 hour. Then as representatives of the people we are expected to cast an enlightened vote.

Let us not forget that back in August we debated a bill in this House which contained more sweeping changes in our tax law than at any time since 1913. Even that debate took place under a rule which barred the rank and file of the Members from offering any amendments to the bill.

Only last week we passed an important bill to adjust the social security benefits for our older citizens in the declining years of their lives. We were allowed to debate that bill for 40 minutes under a procedure which barred the offering of amendments. Today we consider these two bills combined as one and once again we will have only one vote—"yes" or "no"—on final passage.

Mr. Speaker this kind of a situation demonstrates the crying need for some congressional reorganization or congressional reform. Perhaps it is impossible in a body as large as ours that each Member should be permitted to offer multiple amendments but at least there should be a rule for separate rollcall votes on a limited number of motions to recommit with instructions, or else some other parliamentary procedure which will give us a chance to express ourselves. We deserve more than to have to swallow this whole package without an expression of our displeasure at some of its provisions. True, it is a complex and complicated bill. Yet, we should have a chance to show our constituents how we stand on the more important provisions when the roll is called. As it is we are denied that prerogative.

To say what we have just said is not to lessen our confidence in the great Ways and Means Committee. But neither is it to say that 410 Members of the House who are not members of that committee are incapable of making reasonable recommendations to be incorporated in tax legislation. Over on the other end of the Capitol the other body enjoyed virtual carte blanche on the legislation we now debate. One of the Eastern papers said they had "fun" with the bill and they went "wild" with their changes. But at least they had the right to make the changes. We the Members of the House of Representatives or the body closest to the people and most answerable to them have only the right of giving this conference report either the rubber stamp approval or vote it down. If we routinely adopt this conference report then we are surrendering rights and to a degree abdicate our responsibilities to the country. On the other hand if we vote the conference report down then the benefits in the form of tax reform, tax breaks for the disadvantaged, and increases in payments to social security beneficiaries may be indefinitely postponed or denied.

It is interesting to note in the limited time that I have had to examine the conference report, that the agreement of the conferees followed the Senate amendments 111 times. That means in 111 instances this bill was written over in the other body in spite of article I section VII of the Constitution which clearly states bills to raise revenue shall originate in the House. If we approve this conference report today then we are put in a position of legislating after the fact in an area of responsibility specifically reserved to this body by the Constitution.

Mr. Speaker, I have said before and let me repeat at this point the way we are proceeding today is no way to legislate upon such an important subject as taxes. The House actually provided a percentage reduction in the tax table in the bill which we passed. But now we see substituted for that a woefuly inadequate increase in personal exemption. It makes you wonder what effort was made to relieve the tax burden on middle income America. Today under the present rules of the House governing consideration of tax bills and conference reports we must accept this slight relief or get nothing at all.

If there was one reason I would vote against this bill it is because it makes the burden heavier which our small family farmer must bear. For that matter, it makes the burden for the small businessman heavier because of the elimination of the 7-percent investment tax credit. This percentage of investment credit was one of the few things left for our family farmer. Now that has been taken away. It is even possible that to offset the small savings due to the new rates when considered against the loss of the investment credit repeal, there could be no tax relief at all for our farmers, ranchers and small businessmen. Certainly this will be true in 1970 although there could be reductions in the years to follow.

In the bill which we must approve or disapprove after 2 hours of debate with all of its massive provisions, we find those who had the special privilege to write our tax legislation have ordained that the surtax will be continued at 5 percent through next June 30. I have already voted against the surtax upon at least four or perhaps five occasions. I wish it were possible to vote against it again without sacrificing the benefits contained in this bill.

Finally, we come to social security. The bill does provide for a 15-percent increase in benefits paid to social security annuitants. I approve of that 15-percent increase. Last May I introduced my own bill which would grant an across-the-board increase of 15 percent. In my bill these increases would apply to the first quarter following the enactment of the bill. In other words, my proposal would have gone into effect last July 1 granting at least six additional months benefits. My bill would have been less miserly by increasing minimum benefits to $80 instead of $64. My bill would have protected the elderly against erosion from inflation by carrying a provision for automatic increases in benefits when the cost of living rose 1 percent for 3 consecutive months.

It may be repetition but I repeat once again when we get a printed copy of a conference report just a matter of 3 to 4 hours before we have to vote on that conference report the only conclusion can be this is no way to run a railroad. Certainly there should be a rule included in whatever congressional reorganization or reform that we enact in the future that such a conference report cannot be finally considered until at least 5 days after a printed copy is in the hands of Members.

I recall so well my vote against the gag rule when we considered the House version of this bill last August. I appeared before the Rules Committee urging at least a modified closed rule. I recognize the Ways and Means Committee have their specialists and staff technicians but the time should never come when the general membership of the House has to accept the work of the members of this committee or their staff on faith alone.

As we come to vote on this conference report we are faced once again with the hard fact of having to swallow the surtax. On the other hand, this conference report provides increased benefits for about 25,000,000 of our older and most deserving citizens. If we oppose this increase because of our abhorrence to the surtax or if we vote against the conference report because of its shabby treatment of our family farmers or the new and less than fair treatment of lump sum distributees of pension funds and the damage done to our small businessmen for loss of their investment credit then of course we have to vote against the benefits for our 25 million deserving senior citizens. The truth is there is not enough time left to explain to these folks why we had to oppose their new benefits just to try to do tax justice to a few others.

For those who may think that they know all the provisions in this 346-page conference report let me respectfully suggest that in all likelihood just before the next congressional election someone will raise an embarrassing question that may be hard to explain.

If there is one way to describe the situation that many find ourselves in as we come to a vote on this massive measure, it is to say we are all held hostage because of the long-over-due and richly deserved social security increases for our 25,000,000 senior citizens. There are some benefits in the conference report but not nearly enough in tax reform or tax reduction. To accept these shortcomings is the ransom that we must pay for being held hostage because of the social security increases. Such a situation today should provide the strongest reason for congressional reorganization to give the Members of the House a few of the rights enjoyed by the other body.

Mr. ROBISON. Mr. Speaker, earlier, in making reference to adoption of the conference report on this year's Labor-HEW appropriation bill, I touched upon the perils of "package" legislation—my specific reference in that instance having to do with the approval, some months ago, by this House of the so-called Joelson amendment that, more than anything else, renders possible a Presidential veto of that important measure which the other body may now hold back until next year.

Now, once again, and only a few hours later, we face another "package" vote, but this time on an even more far-reaching and important matter—the so-called Tax Reform Act of 1969.

The legislative history of this bill has been an interesting one, it having been stimulated, as much as by anything else, by the rather surprising public reaction early this year to the new publicity given to a fact long known—which was, that a few Americans do not pay any Federal income tax at all, or not very much income tax, on their very large incomes.

The full-throated public outcry that then ensued was for tax "reform"—and it came from an awful lot of our constituents who were fed up to the ears with high taxes and inflation, and the pocketbook-squeeze exerted by the two together, and it seemed likely to many of us that there might, indeed, be more than just talk to the "taxpayers' revolt" they threatened us with.

Unfortunately, there just did not prove to be time enough on the political clock—tangled up as the drive for tax reform got with the new administration's obvious need for at least a temporary extension of the surtax—to do the kind of painstakingly careful background work that an honest-to-goodness and thorough overhaul of our Federal tax system has long demanded. Our Ways and Means Committee members did the best they could, working overtime against a self-imposed deadline for House action that ought to have been avoided, and by mid-August had produced a complex and far-reaching product that—although far from perfect—was at least an acceptable beginning point if true tax reform was still our goal. This House—with its non-committee members having only a "yes" or "no" vote on that product, and having a great deal of faith in its tax-writing committee's wisdom and integrity—accepted that package on a 394-to-30 vote and hoped for the best as it sent what was already then being called the "most sweeping overhaul of the Nation's tax laws in its history" on over to the other body.

By this time, the public clamor for reform had died down—and the shouts about a possible "taxpayers' revolt" had become merely echoes; and, as someone has suggested, the vacuum of public interest in true tax reform was shortly thereafter filled by the private interests which seem never to sleep.

Some of this growing impetus for a second look at what the House had done was useful in nature, for some of the putative tax loopholes the House had made an effort to close had been slammed shut—our treatment of municipal bond interest being an example of this—without adequate consideration of the economic or social justifications that lay behind the creation of such loopholes, years ago.

But what was of far more consequence was the fact that, by now, our colleagues in that other body were reading the earlier cries for tax reform as really being cries for tax relief—meaning tax reduction—and, as the days and weeks of second thoughts about all this went by, what had started out as a tax reform bill became more and more to look like a tax reduction bill, and one possessing alarmingly inflationary possibilities unless it could somehow, in conference, be brought back within the confines of some degress of fiscal responsibility.

This, apparently, has been largely accomplished—for which we owe, again, a large vote of thanks to those who serve on our Ways and Means Committee. But, also again, we each now face one more of those "yes" or "no" votes on the final package, all wrapped up as it is in Christmas ribbon, with only scant newspaper accounts of what it may contain to guide us, along with a frustratingly-technical report from the conference committee that just reached our desks this very morning. Obviously, a good deal of blind faith in the wisdom and integrity of our Ways and Means Committee members is going to be required, and I—like nearly everyone here, I suspect—am going, by my vote, to exhibit my hope that my confidence in this respect is not misplaced.

But, Mr. Speaker, let us have no misunderstanding about what we are doing. We have responded—responsibly or not—to what we have read as our constituents' political demands for Federal tax relief; relief they all probably need, though the extra pounds that have been added to their overall tax burdens in recent years have come at the hands of State and local legislators rather than at our hands, but relief that may well be of a very exceedingly short-term nature, only, unless we shape our future actions in other regards with one eye constantly on the still potentially disastrous inflationary impact of this whole package.

That impact has been, at best, postponed by the conferees' action—which we will shortly endorse. In fact, this bill in its present form will—thanks largely to the repeal of the investment-credit business and the 6-months' extension of the surtax at 5 percent—actually increase anticipated Federal revenues during calendar 1970 by an estimated $6.5 billion. As to that, so far, so good—and we can surely use the money, the way we have been voting to spend it lately. But, then, as the tax relief portions of the bill begin to catch up with its remaining reform provisions—with tax reduction for individuals expected to reach a total of $9.1 billion by 1973—it will be necessary for the executive and legislative branches of our Federal Government to begin to cooperate together in a manner they have not this year if that amount of relief, and more, is not to be totally consumed in the continuing fires of inflation.

As I see it, Mr. Speaker, this means that we must look harder than before at wasteful Federal spending, rooting out low-priority and obsolete programs no matter what the political pain thereof, and harder, too, at our table of national priorities, for we simply cannot take care of everyone's needs and demands and have tax reduction, too, unless we wish to totally destroy the dollar.

Hopefully, this task may be made a bit easier if defense spending—and not altogether as a result of phasing out our misadventure in Vietnam—can go on being restrained; but this must be considered as largely a hope, until the realities of the world's future become clearer than now.

As I said, in connection with the Labor-HEW appropriation bill earlier today, we can expect this coming year to see the debate between proponents of greater spending on our more urgent domestic problems and those who warn we need to go slow on cutting back in military spending areas intensify. Some observers are already suggesting that this surge for tax relief—that reaches its climax this afternoon in this body—is part and parcel of that developing fight. The theory evidently is that the more vocal proponents of even greater tax relief than we are now about to vote for, see the same as one way to keep pressure on the administration to change from military to domestic priorities. But I would doubt that many who will, today, vote for this bill see their vote as cast with such a purpose even though—who knows?—such could ultimately be the result.

In any event, Mr. Speaker, those who may be trying to move in that direction would be playing a dangerous game. The prospects for peace in Vietnam—or, at a minimum, for a gradual reduction of our role there—may look good, but the simmering threat of war in the Middle East cannot be ignored and, though we can all take heart from the fact that the SALT talks have, at last, begun, it is very premature for anyone to begin to assume that the cold war, therefore, is about to end.

World peace—lasting peace—would be the greatest Christmas gift any of us could have, but there is no sign that Santa, this year, has such a priceless present in his bag; and, though I am just as dedicated as anyone to getting military spending cut down to size, I am nowhere near as optimisitic about how small that "size" can be for awhile as some of my less realistic colleagues here seem to be.

At the same time, our own domestic problems loom large on our horizon. We have not, as a Government nor as a people, done very well about solving any of them yet, but we must go on trying and all of us must recognize that the better approaches to solutions we are reaching for—such as the pending welfare-reform proposals—will require substantial investment of Federal moneys if they are to have a chance at working.

I am prepared to give some of those new proposals favorable consideration. The future of our entire society may well depend upon their adoption and implementation, both in the social welfare field and the equally important environmental field. And, though I shall vote for this tax bill, I want it to be noted that I do so with considerable reservations about its possible effect on our being able to carry through in these important areas of domestic concern.

For, as the former Director of the Bureau of the Budget, Charles L. Schultze, has recently said:

> There is much brave talk about "new priorities," but with the large tax cuts enacted, there simply will not be the revenues available to pay for these new priorities. When the chips were down on tax cuts, those who talked about priorities for pollution control and education and an end to hunger, voted for a different set of priorities—for beer and cosmetics and white-wall tires.

That sort of criticism—as now echoed by Governor Rockefeller and others—may well be valid criticism.

It comes close to striking home, as there is in what we are about to do a good deal of that old high-spending-low-tax approach to fiscal matters that has led this Nation into trouble before and, unless we watch our future steps with great care, could do so again.

At the very least, Mr. Speaker, let us all recognize the fact that, in approving this bill, we have put ourselves on a tight rope that, though urged upon us by our constituents, is largely of our own fashioning, and that we will be required to summon up a good deal more political courage and wisdom than we have of late shown if we are to walk that "rope" safely across to a satisfactory conclusion of what may prove to be one of the world's greatest balancing acts in history.

Oh, one more thing: As to those 155 or so individuals who supposedly had incomes in excess of $200,000 a year but, because they paid no Federal income taxes thereon, set this whole matter in motion, it might be noted that most, and possibly all of them, from now on, will have to start paying at least something again in the way of Federal income taxes as a result of this bill's passage. This is all not as clear yet as it might be, but that seems to be the indicated result. So, at the very least, we have accomplished something—and that is what we started out to do.

But, after reviewing the nature and the result of this whole exercise, Mr. Speaker, I am not at all sure but I was right years ago when, despairing of the ability and sense of purpose of Congress, as an institution, to develop a true tax reform bill, I introduced legislation which would have established a nonpartisan tax-reform commission, composed of economists, private citizens and Congressmen, that would review that crazy-quilt structure we call our Federal tax "system," and come up eventually with reform recommendations of the sort around which an objective and thoughtful public consensus could be formed, to be followed by congressional action.

That may well still be the best—and perhaps the ony—approach to honest tax reform, in light of all its complex angularities.

However, as to that, we will probably never know for a good long while, for we have now tried for tax reform "our" way, and that effort will probably end any further efforts in this direction for years to come.

We have done the best we could, Mr. Speaker, under the circumstances.

And let us now hope that the "best" was good enough.

Mr. MILLS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MILLS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 381, nays 2, not voting 50, as follows:

[Roll No. 351]

YEAS—381

Abernethy
Adair
Adams
Addabbo
Albert
Alexander
Anderson, Calif.
Anderson, Ill.
Anderson, Tenn.
Annunzio
Arends
Ashley
Aspinall
Ayres
Baring
Barrett
Beall, Md.
Belcher
Bell, Calif.
Bennett
Betts
Biaggi
Biester
Bingham
Blackburn
Blanton
Blatnik
Boggs
Boland
Bow
Brademas
Brasco
Bray
Brinkley
Brock
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, Calif.
Burton, Utah
Bush
Button
Byrne, Pa.
Byrnes, Wis.
Cabell
Camp
Carter
Casey
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cohelan
Collins
Conable
Conte
Corbett
Corman
Coughlin
Cowger
Cramer
Crane
Culver
Cunningham
Daddario
Daniel, Va.
Daniels, N.J.
Davis, Ga.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denney
Dennis
Dent
Derwinski
Devine
Dickinson
Diggs
Dingell
Donohue
Dorn
Dowdy
Downing
Dulski
Duncan
Dwyer
Eckhardt
Edmondson
Edwards, Ala.
Edwards, La.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fallon
Fascell
Feighan
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Ford, William D.
Foreman
Fountain
Fraser
Frelinghuysen
Frey
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Galifianakis
Gallagher
Garmatz
Gaydos
Gettys
Giaimo
Gibbons
Gilbert
Gonzalez
Goodling
Gray
Green, Pa.
Griffin
Gross
Grover
Gubser
Gude
Hagan
Haley
Halpern
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Hastings
Hathaway
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Hicks
Hogan
Holifield
Horton
Hosmer
Howard
Hungate
Hunt
Hutchinson
Ichord
Jacobs
Jarman
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Karth
Kastenmeier
Kazen
Kee
Keith
King
Kleppe
Kluczynski
Koch
Kuykendall
Kyl
Kyros
Landrum
Langen
Latta
Leggett
Lennon
Lloyd
Long, La.
Long, Md.
Lowenstein
Lujan
Lukens
McCarthy
McCloskey
McClure
McCulloch
McDade
McDonald, Mich.
McEwen
McFall
McKneally
McMillan
Macdonald, Mass.
MacGregor
Madden
Mahon
Mailliard
Mann
Marsh
Mathias
Matsunaga
May
Mayne
Meeds
Melcher
Meskill
Michel
Mikva
Miller, Ohio
Mills
Minish
Mink
Minshall
Mize
Mizell
Mollohan
Monagan
Moorhead
Morgan
Morton
Mosher
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Hara
O'Konski
Olsen
O'Neill, Mass.
Ottinger
Passman
Patman
Patten
Pelly
Pepper
Perkins
Pettis
Philbin
Pickle
Pike
Pirnie
Podell
Poff
Pollock
Preyer, N.C.
Price, Ill.
Price, Tex.
Pryor, Ark.
Pucinski
Purcell

Quie
Quillen
Railsback
Randall
Rarick
Reid, Ill.
Reid, N.Y.
Reuss
Rhodes
Riegle
Rivers
Roberts
Robison
Rodino
Roe
Rogers, Colo.
Rogers, Fla.
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Roth
Roudebush
Roybal
Ruppe
Ruth
Ryan
St Germain
St. Onge
Satterfield
Saylor
Schadeberg
Scherle
Scheuer
Schneebeli
Schwengel
Scott
Sebelius
Shipley
Shriver
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Springer
Stafford
Staggers
Stanton
Steed
Steiger, Ariz.
Steiger, Wis.
Stokes
Stratton
Stubblefield
Stuckey
Symington
Taft
Taylor
Teague, Calif.
Thompson, Ga.
Thompson, N.J.
Thomson. Wis.
Tiernan
Tunney
Udall
Ullman
Utt
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waggonner
Waldie
Wampler
Watson
Watts
Weicker
Whalen
Whalley
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H.
Winn
Wold
Wolff
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young
Zablocki
Zion
Zwach

NAYS—2

Ashbrook
Landgrebe

NOT VOTING—50

Abbitt
Andrews, Ala.
Andrews, N. Dak.
Berry
Bevill
Bolling
Brown, Ohio
Caffery
Cahill
Carey
Celler
Collier
Colmer
Conyers
Dawson
Edwards, Calif.
Evins, Tenn.
Farbstein
Findley
Goldwater
Green, Oreg.
Griffiths
Hall
Harvey
Hébert
Hull
Kirwan
Lipscomb
McClory
Martin
Miller, Calif.
Montgomery
Morse
Moss
O'Neal, Ga.
Poage
Powell
Rees
Reifel
Rostenkowski
Sandman
Sikes
Sisk
Smith, Calif.
Stephens
Sullivan
Talcott
Teague, Tex.
Watkins
Wright

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Hall.
Mr. Moss with Mr. Berry.
Mr. Andrews of Alabama with Mr. Brown of Ohio.
Mr. Evins of Tennessee with Mr. Martin.
Mr. Rostenkowski with Mr. Collier.
Mr. Teague of Texas with Mr. Watkins.
Mr. Morse with Mr. Edwards of California.
Mr. Celler with Mr. Cahill.
Mr. Wright with Mr. Findley.
Mr. Montgomery with Mr. Reifel.
Mr. Sandman with Mr. Colmer.
Mrs. Griffiths with Mr. McClory.
Mr. Sisk with Mr. Smith of California.
Mrs. Green of Oregon with Mr. Talcott.
Mr. Andrews of North Dakota with Mr. Miller of California.
Mr. Sikes with Mr. Goldwater.
Mr. Carey with Mr. Harvey.
Mrs. Sullivan with Mr. Lipscomb.
Mr. Stephens with Mr. Caffery.
Mr. Bevill with Mr. Abbitt.
Mr. Farbstein with Mr. Conyers.
Mr. Kirwan with Mr. Powell.
Mr. Rees with Mr. Dawson
Mr. O'Neal of Georgia with Mr. Hull.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. MILLS. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may have 5 legislative days in which to revise and extend their remarks in the RECORD just prior to the vote on the conference report, and to include extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

PERSONAL EXPLANATION

Mr. PHILBIN. Mr. Speaker, I was unavoidably delayed at the National Airport this morning in the air, by low ceilings, and did not arrive in the House Chamber until after the rollcall vote on the conference report on the HEW appropriations bill was concluded.

I strongly favor this bill, which I voted for when it was pending in the House, and ask unanimous consent that my remarks may be appropriately inserted in the RECORD.

PERSONAL EXPLANATION

Mr. BROWN of Ohio. Mr. Speaker, I take this time to indicate that I just missed the vote on the tax reform measure, because I was in the television gallery making a tape on how I voted on the tax reform measure. I would like to state that had I been present and not making that tape, I would have voted in favor of the tax reform measure.

PERSONAL EXPLANATION

Mr. TALCOTT. Mr. Speaker, on the vote on the tax reform bill H.R. 13270, which was just concluded, I was unavoidably detained, so I did not vote, but if I had been here I would have voted "yea."

DUTY-FREE STATUS OF CERTAIN GIFTS FROM SERVICEMEN IN COMBAT ZONES

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 15071) to continue for 2 additional years the duty-free status of certain gifts by members of the Armed Forces serving in combat zones, which was unanimously reported to the House by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to to the request of the gentleman from Arkansas?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, and I do not intend to object, I do so only that Members may have a brief explanation of the bill, and I yield to the chairman of the Committee on Ways and Means, the gentleman from Arkansas, for that purpose.

Mr. MILLS. Mr. Speaker, the purpose of H.R. 15071 as reported by the Committee on Ways and Means is to extend for 2 years until December 31, 1971, the existing provision of the tariff schedules which permits members of the Armed Forces serving in combat areas to send from abroad on a duty-free basis gifts not exceeding $50 in retail value.

Under existing customs law and regulations, gifts may be sent from abroad and enter free of duty if they are valued at not more than $10 fair retail value. Historically, we have made an exception to this $10 rule in the case of gifts from servicemen serving abroad in time of war.

In recognition of the Vietnam conflict, Congress reenacted this $50 exception for servicemen on duty in combat zones in Public Law 89–368, on a temporary basis. The duty exemption was further extended by Public Law 90–240, and will expire on December 31 of this year unless extended, as proposed in H.R. 15071.

In view of the continuation of the Vietnam war, it is believed that a 2-year extension of the duty exception is warranted.

The enactment of H.R. 15071 was urged by interested agencies in the executive branch and no objection to the bill was received by the Committee on Ways and Means.

The committee, therefore, unanimously recommends enactment of H.R. 15071.

Mr. BYRNES of Wisconsin. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) item 915.25 of the appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by striking out "On or before 12/31/69" and inserting in lieu thereof "On or before 12/31/71".

(b) The amendment made by subsection (a) shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after January 1, 1970.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING TARIFF ACT OF 1930—TO EXTEND DUTY-FREE TREATMENT OF CERTAIN DYES

Mr. MILLS .Mr. Speaker, I ask unanimous consent for the immediate consideraiton of the bill (H.R. 14956), to amend the Tariff Act of 1930—to extend the duty-free treatment of certain dyes, which was unanimously reported to the House by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, and I do not intend to object, I do believe a brief explanation might be in order, and I yield to the chairman of the Committee on Ways and Means for that purpose.

Mr. MILLS. Mr. Speaker the purpose of H.R. 14956, as introduced by our colleague on the Committee on Ways and Means, the Honorable GEORGE BUSH of Texas, is to continue for 3 years until the close of September 30, 1972, the suspension of duties on certain dyeing and tanning materials.

The duties on certain dyeing and tanning extracts were initially suspended in 1957 and the suspension of duties, with some changes, has been continued on a temporary basis until September 30, 1969.

There has long been an insufficient supply of raw materials from domestic sources for United States producers of tanning extracts. In particular, the blight affecting chestnut trees in the Appalachian area drastically reduced the only vegetable tanning material which was produced in the United States in significant quantity.

The imported vegetable dyeing and tanning materials are needed by the leather industry to convert raw hides and skins into leather. In addition, certain of the materials are used by the oil well drilling industry as a thinner for fluids used in rotary drilling operations.

Since the last extension of the duty suspension expired on September 30, 1969, prior to the time the Committee on Ways and Means could consider the bill, H.R. 14956 provides for the free entry of imports made between that date and the effective date of the bill.

Mr. Speaker, I would like to point out a printing error in the report of the Committee on Ways and Means (Report No. 91–704 to accompany H.R. 14956). In this report the full text of the committee amendments is not set off in italics. That part of the committee amendment beginning with "Sec. 2" and ending at the bottom of page 1 with "this Act." should have been italicized. In addition, the first full word "offices" in the fifth line from the bottom of page 2 should read "officer".

No objection to this bill was received by the Committee on Ways and Means, and the committee is unanimous in recommending its enactment.

Mr. Speaker, as far as I know, there is no domestic production in sufficient quantity to justify allowing this duty suspension to expire.

Mr. **BYRNES** of Wisconsin. Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER**. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That

(a) Item 907.80 (relating to certain dyeing products) of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by striking out "9/30/69" and inserting in lieu thereof "9/30/72".

(b) The amendment made by subsection (a) shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the date of enactment of this Act.

(c) Upon request therefor filed with the Collector of Customs concerned on or before the one hundred twentieth day after the date of enactment of this Act, all articles classified under items 470.23, 470.25, 470.55, 470.57, and 470.65 in the Tariff Schedules of the United States Annotated entered into the United States or withdrawn from warehouse for consumption on or after October 1, 1969, shall be liquidated or relinquished as if such articles had been free of duty at the time of such entry or withdrawal.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That item 907.80 of the appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by striking out "9/30/69" and inserting in lieu thereof "9/30/72".

"Sec. 2. (a) The amendment made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption after the date of the enactment of this Act.

"(b) Upon request therefor filed with the customs officer concerned on or before the one hundred and twentieth day after the date of the enactment of this Act, the entry or withdrawal of any article—

"(1) which was made after October 1, 1969, and on or before the date of the enactment of this Act, and

"(2) with respect to which there would be no duty if the amendment made by the first section of this Act applied to such entry or withdrawal,

shall, notwithstanding the provisions of section 514 of the Tariff Act of 1930 or any other provision of law, be liquidated or reliquidated as though such entry or withdrawal had been made on the day after the date of the enactment of this Act."

Mr. **MILLS** (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The **SPEAKER**. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed.

The title was amended so as to read: "A bill to extend for three years the period during which certain dyeing and tanning materials may be imported free of duty."

A motion to reconsider was laid on the table.

EXTENSION OF DATE FOR TRANSMISSION TO THE CONGRESS OF THE PRESIDENT'S ECONOMIC REPORT AND THE REPORT OF THE JOINT ECONOMIC COMMITTEE

Mr. **PATMAN**. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H.J. Res. 1040) extending the time for filing the Economic Report and the report of the Joint Economic Committee.

The Clerk read the title of the joint resolution.

The **SPEAKER**. Is there objection to the request of the gentleman from Texas?

Mr. **GERALD R. FORD**. Mr. Speaker, reserving the right to object, and I do not intend to object, am I correct in the statement that the proposed action is only for the purpose of adjusting the time for the sending up of the President's Economic Report and the filing of the report by the Joint Economic Committee at later dates because of the January 19th date for the reconvening of the second session of the 91st Congress?

Mr. **PATMAN**. The gentleman is correct. I have discussed it with the gentleman in advance, of course. The Economic Report is due on January 20, and the joint resolution would make the date February 2. The report of the Joint Economic Committee is due on March 1. We are making it April 1 under this resolution.

Mr. **GROSS**. Mr. Speaker, will the gentleman yield?

Mr. **GERALD R. FORD**. I yield to the gentleman from Iowa.

Mr. **GROSS**. I suppose it is understandable that there should be a delay, for the longer it is delayed, the longer the bad news will be withheld from the public. The Economic Report will show how deep in the mire of debt this Nation is. Last year's report showed the country to have 1 trillion 500 and some-odd billion dollars of debt, public and private. So I suppose the longer it is delayed the better some people will feel about it.

The **SPEAKER**. Is there objection to the request of the gentleman from Texas?

There being no objection, the Clerk read the joint resolution as follows:

H.J. Res. 1040

Resolved by the Senate and House of Representatives of the United States of America in Congress Assembled, That (a) notwithstanding the provisions of section 3 of the Act of February 20, 1946, as amended (15 U.S.C. 1022), the President shall transmit to the Congress not later than February 2, 1970, the Economic Report; and (b) notwithstanding the provisions of clause (3) of section 5(b) of the Act of February 20, 1946 (15 U.S.C. 1024(b)), the Joint Economic Committee shall file its report on the President's Economic Report with the House of Representatives and the Senate not later than April 1, 1970.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON H.R. 15149, FOREIGN ASSISTANCE APPROPRIATIONS, 1970

Mr. **PASSMAN**. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 15149) making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1970, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the further conference asked by the Senate.

The Clerk read the title of the bill.

The **SPEAKER**. Is there objection to the request of the gentleman from Louisiana?

Mr. **CONTE**. Mr. Speaker, reserving the right to object, I have tried on two occasions to knock down the appropriation of $54.5 million for jets to China. When we debated the aid bill on December 9, I fought to completely delete these funds. However, when we debated the conference bill on December 20, I simply called for the deletion of the specific earmarking of funds. I did not call for a reduction in the total military assistance appropriation. And on this effort, I was pleased to have 135 of my colleagues go along with me.

I am very pleased that the other body has knocked down this item. We should have also because the way this request was initiated raises some very serious questions. I want to see these questions answered before going ahead with jets for China—and specifically, I want someone to explain to me why China needs them. And I want explanation where I have the opportunity to follow it up with questions. That is all I am asking, that we go through the regular processes of Government and not through any surprise maneuvers on the floor.

The situation now, Mr. Speaker, is that a new conference must be called and conferees must be appointed. I do not intend to object at this time. However, I want it clearly understood that I reserve the right to object. Although I do not plan to move to instruct the conferees, I also do not plan to abrogate my right to question their recommendation on these jets.

I am hopeful that we can work this out in conference. I am confident that an effort in this direction will be made by all parties concerned.

I also realize that it is very, very late in the session, and that the aid bill will not come up until we reconvene in January.

In view of all this, I am reserving my objections at this time. But I want to make it clear that I plan to fight on in January if this money remains in the conference bill for China.

In the meantime, I hope that my colleagues will take a good hard look at just what has happened with these China jets.

I have said many times that something is fishy. I know some of my colleagues agree with me. This being the case, I think we should resolve this conflict in favor of the American people and the great trust they put in this body. Let us look the request over, talk with Secretary Laird, Secretary Rogers, and Dr. Hannah, and see what the story is. Then we can act.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana? The Chair hears none, and appoints the following conferees: Messrs. PASSMAN and ROONEY of New York, Mrs. HANSEN of Washington, Messrs. COHELAN, LONG of Maryland, McFALL, MAHON, SHRIVER, and CONTE, Mrs. REID of Illionis, and Messrs. RIEGLE and BOW.

Mr. PASSMAN. Mr. Speaker, I question that few times, if ever, in the history of the Congress could we find such an affirmative record in such a short period of time in support of any item as that record-supporting military assistance for our stanch and dependable ally, the Republic of China.

There have been 10 separate and distinct votes on this matter, either on this floor, in the Committee on Appropriations, or the conference sustaining the belief that it was a "must" to provide funds for our proven friend, the Republic of China. The table below shows the voting record on this amendment.

HISTORY OF FUNDS FOR REPUBLIC OF CHINA IN HOUSE OF REPRESENTATIVES

	Yeas	Nays
Authorization bill (H.R. 14580):		
Nov. 20, 1969—Adopted Sikes amendment to include $54,500,000 for China	176	170
Nov. 20, 1969—Final passage, including China funds	176	163
Appropriations bill (H.R. 15149):		
Dec. 3, 1969—Subcommittee—Motion to include $54,500,000 for China	8	4
Dec. 8, 1969—Full committee—Motion to delete China funds	11	21
Dec. 9, 1969:		
House floor—Motion to retain $54,500,000 for China (Broomfield substitute for Conte motion to delete)	250	142
Final passage, including China funds	200	195
Dec. 19, 1969—Conference action—agreement to retain China funds:		
House conferees	9	3
Senate conferees	8	0
Dec. 20, 1969—House action on conference report:		
Conte motion to recommit deleting China funds	136	220
House adopted conference report including China funds	181	174

Mr. Speaker, may I assure the Members of this House that I have not and will not enter into any agreement that would pull the rug out from under those who believe that right should, and will prevail, notwithstanding the fact that there are those who insist on their way whether it is sustained with facts or not.

Mr. Speaker, for my part, I shall return to conference as quickly as possible and endeavor to sustain the will and position of this body which has expressed itself so forcefully and so often so recently. As of today no agreement has been reached between the Senator from Wyoming and myself as to when the next meeting of the conference committee will take place, statements made to the contrary notwithstanding.

(Mr. PASSMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

CONFERENCE REPORT ON H.R. 15209, SUPPLEMENTAL APPROPRIATIONS (H. DOC. NO. 91-208)

Mr. MAHON. Mr. Speaker, I call up the conference report on the bill (H.R. 15209) making supplemental appropriations for the fiscal year ending June 30, 1970, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentlemen from Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of December 20, 1969.)

Mr. MAHON (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement of the managers on the part of the House be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. MacGREGOR. Mr. Speaker, reserving the right to object—and I will not object—I would like to ask the chairman of the Committee on Appropriations, since I glanced at the conference report quickly and found no reference therein to the so-called Philadelphia plan, the rider adopted by the Senate, will the chairman call to our attention where in the report of the statement of the managers on the part of the House we might find reference to the Philadelphia plan rider?

Mr. MAHON. Mr. Speaker, if the gentleman will yield, because of a technicality the conference agreement is not incorporated in the conference report. On page 6 of the report it is stated: "Amendment No. 33: Reported in technical disagreement."

But agreement was reached, and that agreement is to move to recede from disagreement and concur in the Senate amendment. The matter will be before us when we take up the amendments reported in technical disagreement.

Mr. MacGREGOR. Mr. Speaker, may we then expect the chairman of the Committee on Appropriations to discuss the issue of the Philadelphia plan in some detail?

Mr. MAHON. I plan to discuss the issue of what is involved when I offer the motion to recede and concur.

Mr. MacGREGOR. Mr. Speaker, I thank the chairman of the committee and withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

SUMMARY OF THE CONFERENCE BILL

Mr. MAHON. Mr. Speaker, the supplemental appropriation bill for the fiscal year 1970 has passed both bodies, has been agreed to in conference, and the conference report is now before the House.

This report provides a total of $278 million-plus. The great bulk of the funds provided in this bill relate to the small business disaster loans required as a result of Hurricane Camille and otherwise. There are additional funds in the bill to which reference should be made, because many Members are interested in them.

The final action has not been taken toward the enactment of the mine safety bill. It has not been signed into law, but we provide in this report today for mine safety $22 million, contingent, of course, upon the approval of the authorization.

We provide $1.8 million for weather facilities on the east coast growing out of recommendations that came as a result of the hurricane.

We provide $4 million for Secret Service police protection for embassies in the District of Columbia.

We provide for a continuing resolution which would continue funds for any agency of the Government for which appropriations have not been provided at the time of the adjournment of Congress.

There is a provision relating to what is commonly known as the Philadelphia plan. This is somewhat of a misnomer, because the Philadelphia plan is in no way mentioned in the bill.

We provide, for claims, the additional sum of $530,000 for additional claims and judgments which were sent to the Senate.

I do not believe there is any real controversy about this conference report. I do not plan to belabor the issue, because I know that Members want to get to the subject of the impending controversy.

I have been advised by the minority, by the gentleman from Michigan (Mr. GERALD R. FORD), and my counterpart, the gentleman from Ohio (Mr. Bow), that some reference will be made to the so-called Philadelphia plan, and that a motion will be made to delete the language approved by the Senate which will be before us on a special motion which I shall offer.

Mr. Speaker, the Philadelphia plan is by no means and to no extent the actual issue involved here. The issue involved is the integrity of the House of Representatives. The issue involved is the stature of the House of Representatives and the Congress.

There has been a lot of talk about the erosion of the power of the legislative branch. Most of us have not agreed that such erosion has taken place; but we have to acknowledge that the courts, by overstepping themselves in some instances, and the Executive, by speaking with one voice and having an advantage when it comes to presenting an image to the American people, have done rather well in promoting their power in this country.

An effort will be made to reduce the power of the Congress during the course of this debate, and I shall not be in favor of reducing the power of the Congress and denying the Comptroller General, who is the creature of the Congress, the authority which he has had since 1921, when the office was created, to be the final arbiter as to the legality of Federal expenditures.

In other words, the issue here is the power of the Congress over the Federal purse. I believe we should retain that power unrestrained and unsullied by any action on the part of the executive branch.

Many of us have served here with a number of Speakers. I remember serving with Joe Byrns of Tennessee, with Bill Bankhead of Alabama, with Sam Rayburn of Texas, and Joe Martin of Massachusetts, and with JOHN MCCORMACK.

These men have held somewhat different views in many ways, but in one respect they have all been alike. They have all had a passionate desire to uphold the dignity and power of the House of Representatives and the U.S. Congress. That position is being or will be challenged here today.

Can you not close your eyes and hear Sam Rayburn or some other Speaker of the past, or the present Speaker, saying how much he loved the House and how jealous he was of the prerogatives of the House? Well, that is the true issue involved here.

Now, if you would turn to the Senate version of the bill or get a copy of the statement which is available on the committee table here, you will see precisely what is in the bill and you will see why I say that the Philadelphia plan is not the issue.

Here is the section in the bill that others want to knock out. I am going to make a motion that we retain it in the bill. It was hard fought in the Senate and adopted by a strong vote. Here is what the provision I shall move that we approve provides:

> SEC. 1004. In view of and in confirmation of the authority invested in the Comptroller General of the United States—

And the Comptroller General of the United States is our lawyer, the lawyer of the House of Representatives—

> by the Budget and Accounting Act of 1921, as amended,

Here is what we say—

> no part of the funds appropriated or otherwise made available to finance, either directly or through any Federal aid or grant, any contract or agreement which the Comptroller General of the United States holds to be in contravention of any Federal statute:

Under the provision, the executive branch cannot legally pay out money if it is in contravention of the law, and the man holding sole authority in making that determination—although, of course, the courts can be appealed to, the man with sole authority in that field is the Comptroller General of the United States.

Now continuing with the quote:

> *Provided*, That this section shall not be construed as affecting or limiting in any way the jurisdiction or the scope of judicial review of any Federal court in connection with the Budget and Accounting Act of 1921, as amended, or any other Federal law.

That is the provision we shall be voting on here. It is the question as to whether or not the Comptroller General of the United States will be the sole arbiter in matters involving expenditures and as a representative of the Congress determine whether or not moneys appropriated by the Congress are expended out of the Treasury in a legal manner. It is just that simple.

This is not a civil rights issue at all.

It is not a Philadelphia plan issue at all.

It is simply, as I stated, a question of the power, the authority, the position, and the prestige of the Congress.

Before 1921, when we set up the Budget and Accounting Act, and when we established the office of the Comptroller General to be our spokesman in the regard, there was a Comptroller of the Treasury, and the executive branch had the final determination, but it was thought that a more or less independent agency not amenable to the Executive and more amenable to the Congress should have the final determination and should be the final arbiter of the legality of funds paid out of the Federal Treasury.

This is the Budget and Accounting Act of 1921, and it says:

> Balances certified by the General Accounting Office upon the settlement of public accounts—

And when the public accounts are settled is when you have to pay—

> shall be final and conclusive upon the Executive Branch of the Government. . . .

Now, the question of the finality of the Comptroller General's decisions arose during the debate back in 1921 when this law was adopted.

Chairman Good at that time said this:

> if he—

Meaning the Comptroller General—

> is allowed to have his decisions modified or changed by the will of an Executive, then we might as well abolish the office.

He was chairman of the committee that brought in the bill creating the office of Comptroller General. He was chairman of the Committee on Appropriations.

As chairman of the Committee on Appropriations today, I say if we did not allow our lawyer, our spokesman, the Comptroller General of the United States, the authority to determine whether or not funds appropriated by Congress shall be paid out, then we might as well abolish the General Accounting Office.

Mr. Good also observed:

> There ought to be an independent body, independent of the Executives, with an official who could say, "This appropriation can or cannot be used for this purpose."

And certainly that is true today.

We have a man with a 15-year appointment, not a Democrat, not a Republican, not an independent, but the spokesman and the representative of all of us in determining the power of the purse as to the paying out of Federal money.

So, that is the problem. How did we get into the civil rights question? The Comptroller General has held that the so-called Philadelphia plan contravenes the law of the country and, therefore, he supports the position which I have expressed to you with respect to this matter.

Mr. ECKHARDT. Mr. Speaker, will the gentleman yield?

Mr. MAHON. Let me proceed for a few moments and then I shall be glad to yield to the gentleman.

Here is what the Civil Rights Act of 1964 says, and the Comptroller General must not permit money to be paid out when in violation of that law or any other law:

> Nothing contained in this subchapter shall be interpreted to require any employer, employment agency, labor organization, or joint labor-management committee subject to this subchapter to grant preferential treatment to any individual or to any group because of the race, color, religion, sex, or national origin of such individual or group *on account of an imbalance which may exist with respect to the total number or percentage of persons* of any race, color, religion, sex, or national origin employed by any employer, *referred or classified for employment by any employment agency or labor organization*, admitted to membership or classfied by any labor organization, or admitted to, or employed in, any apprenticeship or other training program, in comparison with the total number or percentage of persons of such race, color, religion, sex, or national origin

> in any community, State, section, or other area, or in the available work force in any community, State, section, or other area. (Italics added.)

If Congress wanted to change the law and permit the establishment of quotas with respect to those who draw Federal moneys on a contract with the Government, that would be something that the Congress could do. But that is not the law at the present time.

I hasten to say that I believe the people who receive contracts from the U.S. Government ought to give fair consideration to all people and to all elements of labor seeking to work. I believe that there should be no discrimination against a man because of his religion, and no discrimination because of race or color, and no discrimination because of sex. This is a principle on which I think we can all agree. So, we are not confronted with the question of whether or not we believe in a policy of fairness and non-discrimination. We do believe in a policy of fairness and we do not believe in discrimination. But we simply say that the law of the land should be upheld until changed by due process and should not be brushed aside.

No official of the Government should be able to brush aside the law of the land. No one should be given the privilege of thwarting the law of the land which provides that the final decision insofar as the expenditure of Federal moneys is concerned rests with the Comptroller General of the United States who serves for a 15-year term.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Illinois.

Mr. PUCINSKI. Mr. Speaker, I would like to congratulate the gentleman from Texas for making one of the most important pronouncements on the floor of the House this year, and I want to further congratulate the gentleman for putting this whole issue into its proper perspective. We have all been reading about the Philadelphia plan. The Philadelphia plan is a smoke screen. The gentleman has quite properly put before this House what the issue is. The issue is whether or not our Attorney, and the General Accounting Office, is going to have the right to advise us as Members of the Congress, on the legality of actions of the executive branch of the Government.

This is one of the most brazen power grabs you have ever been confronted with. The Secretary of Labor, when he comes before Congress and the people, raising the question of the Philadelphia plan, is raising a strawman.

The fact of the matter is——

Mr. MAHON. Mr. Speaker, I cannot yield further.

Mr. PUCINSKI. Mr. Speaker, if the gentleman will yield just a moment further so that I may quote a paragraph, because I think it spells out what the gentleman has been trying to tell us. It is on page 40017, the RECORD of December 18, in a series of questions and answers:

> Question: Just what did the Attorney General say which conflicts with the authority of the Comptroller General?

And the answer is exactly as the chairman said:

> Answer: The Attorney General, in an opinion to the Secretary of Labor, not only upheld the action of the Secretary of Labor but went on to say, and I quote:
>
> "I hardly need to add that the conclusions expressed herein may be relied on by your Department and other contracting agencies and their accountable officers in the administration of Executive Order No. 11246."
>
> This, in effect, tells the agencies to ignore the opinion of the Comptroller General. Now, where will this lead? If this position is allowed to stand, it will be used in other cases, and Congress might as well forget about trying to exercise its Constitutional authority.

That is what the gentleman from Texas is trying to tell us.

Mr. MAHON. Mr. Speaker, I thank the gentleman for his remarks.

The issue is very clear. I do not know all there is to be known about the Philadelphia plan, and for the purposes of this discussion that is not important. The only thing that is important, as I see it, is whether or not the House is willing to stand on its two feet and protect itself and the prerogatives of Congress. It is up to us to make that determination.

I would think that we would not want to adjourn this Congress with an action which in any way militates against our constitutional powers to any branch of the Government—and I would quote from Holy Writ, the King James Version:

> If any provide not for his own and especially for those of his own house, he hath denied the faith and is worse than an infidel.

Now, in the Standard Version, there is a slight modification:

> But if any man provideth not for his own, and especially for his own household, he hath denied the faith, and is worse than an unbeliever.

I believe that we are believers in the House of Representatives, and in our prerogatives, and in the carrying out of our duties, and in our oath of office. And I hope that the Members of the Congress will stand up and be counted, not on the Philadelphia plan, but on the issue of whether we shall maintain the power and the prestige of the U.S. Congress or let it slip away, and let one of the strong points of our Government be destroyed.

Mr. FRASER. Mr. Speaker, will the gentleman yield?

Mr. MAHON. Mr. Speaker, how much time have I used?

The SPEAKER pro tempore. The gentleman has consumed 21 minutes.

Mr. MAHON. I have promised to yield a great deal of time but I yield briefly to the gentleman, but not for a speech.

Mr. FRASER. No, no—I just want to ask the chairman a question or two.

Does section 1004 which the chairman wants us to agree to add anything to existing law?

Mr. MAHON. Does it add to existing law?

Mr. FRASER. Yes.

Mr. MAHON. It does not add, I believe, significantly to existing law. I think it just recites and clarifies the existing law.

Mr. FRASER. But this is important.

Mr. MAHON. The Comptroller General's decision has been overriden by the executive branch. This is an effort to make clear just what the position of the Congress is with respect to this issue.

Mr. FRASER. Would the chairman agree that it has been the position of the Congress that the Comptroller General's opinion should prevail? Has that not been the past position of the Congress?

Mr. MAHON. With respect to the use of Federal funds?

Mr. FRASER. In matters dealing with the use of funds.

Mr. MAHON. Decisions on the use of Federal funds are up to the Comptroller General, and he is the sole arbiter for the paying out of funds.

Mr. FRASER. That is our view of the present law?

Mr. MAHON. That is our view.

Mr. FRASER. My question is does section 1004 add anything to that law?

Mr. MAHON. The gentleman can be his own judge of that.

Mr. FRASER. Will the chairman advise us as to whether or not we are making a substantive change in the law or not? Does the chairman have a position on that question? Are we changing the law or are we here simply restating it?

Mr. MAHON. We are restating it and reaffirming it and to some extent clarifying the law enacted in 1921.

Mr. FRASER. I would just say to the chairman if we are expanding the law today as a rider on an appropriation bill without hearings and without Congress inquiring into the nature of the contest that has developed between the Comptroller General and the Attorney General it does not seem to me to be a very fruitful way to legislate. I wonder what the chairman says about that.

Mr. MAHON. I will say that whenever the U.S. Congress is attacked I believe in standing like Horatio at the bridge and saying, "They shall not pass."

The SPEAKER pro tempore. The gentleman from Texas has consumed 23 minutes.

Mr. MAHON. Mr. Speaker, I yield 10 minutes to the gentleman from Ohio (Mr. BOW).

Mr. BOW. Mr. Speaker, this is a question of civil rights. There is no question but that this rider, which has been placed on this appropriation bill, has been for one purpose and that is to destroy the Philadelphia plan.

On the question of whether the Comptroller General should completely control the spending of this House, may I point out that the Comptroller General is appointed for 15 years. He is not a lawyer, and it seems to me that what the House is doing—if we follow the advice of my distinguished friend, the gentleman from Texas and chairman of my committee—is delegating to a nonelected czar with a term of 15 years the opportunity to cancel anything that we may think is right; and that includes the Philadelphia plan.

Now, I have talked to a number of Members and they all say to me, "What is the Philadelphia plan?" So I believe my contribution in this debate should be to discuss, to a certain extent, the Philadelphia plan.

I definitely believe the Philadelphia

plan is a question of civil rights, and the question concerns a group of people who want to maintain complete control of labor and want to dictate who may and may not work.

The revised Philadelphia plan sets forth ranges for minority manpower utilization on federally involved construction projects. These ranges are expressed for six designated trades—ironworkers, sheetmetal workers, electricians, plumbers and pipefitters, steamfitters, and elevator construction workers—which have less than 2 percent minority membership. The ranges are based on a realistic evaluation of existing labor force factors in Philadelphia and were issued on September 23, 1969.

To be eligible for award, a contractor must include in his bid a goal for the utilization of minority persons in the designated trades which meets these standards. If he fails to submit a goal or his goal does not meet the established standards the contractor's bid will be rejected as nonresponsive. If a contractor meets his goals he will be presumed in compliance. However, if he fails, he will not automatically be in noncompliance with his obligations under the plan and Executive Order 11246. All that is required is a "good faith" effort to satisfy his goals. The plan specifies criteria for the measurement of "good faith" which include among others efforts by the contractor to broaden his recruitment base by soliciting employment applicants from known sources of minority workers and from training programs established within the Philadelphia area.

Numerous questions have arisen in the months since the revised Philadelphia plan was issued concerning the authority of the Department of Labor to take such action. Thus, a brief review of the Department's position regarding the revised plan seems in order here.

The authority of the President to issue Executive orders requiring fair employment practices by Government contractors has been exercised for more than 28 years. Since 1941 Presidents have issued Executive orders requiring equal employment opportunity of those persons doing business with the Federal Government and the validity of these Executive orders has been upheld by opinions of the Attorney General, the Comptroller General and several courts which have dealt with that issue. This authority derives from the right of the Government to decide with whom and upon what conditions it will do business. Indeed, under the reasoning of certain cases, Federal contracts or assistance to private employers who discriminate would amount to unconstitutional discrimination by the Government.

The passage of the Civil Rights Act of 1964 did not deprive the President of his authority nor relieve him of his responsibility to achieve equal employment opportunity among government contractors. Far from the Executive order or the Civil Rights Act frustrating the purposes of one another, the objective of both is equality of employment opportunity for all Americans, and the procedures of one law complement the procedures of the other.

Executive Order 11246 imposes more than a duty not to discriminate. It requires "affirmative action" to insure equal employment opportunity for minority groups. The Congress recognized this separate obligation when it enacted title VII of the 1964 Civil Rights Act. The legislative history and the statutory language of that act, and several court decisions make manifestly clear the fact that title VII was not intended as a general mandate to replace all laws and actions of the Executive to achieve the goal of equal job opportunity.

In the construction industry, special measures are required to implement the "affirmative action" requirements of Executive Order 11246 and to overcome the effects of past discrimination in the designated trades. This is so because:

First. Contractors rely upon labor unions as their source of labor supply; and

Second. Contractors often hire a new employee labor complement for each job.

In order to achieve equal employment opportunity in the construction trades it is necessary, therefore, to require that bidders on federally involved construction projects commit themselves to "goals" of minority manpower utilization.

Allegations have been made that the revised Philadelphia plan sets required quotas for the hiring of minorities and, as such, contravenes title VII of the Civil Rights Act of 1964 and Executive Order 11246.

Initially, I believe it is important to understand that the plan does not require, nor does it allow, discriminatory hiring practices as implied by the use of the word "quota." Instead, the plan establishes a range of desirable hiring within which the contractor must set his goal. To emphasize the point that there is no magic in these numbers or percentages it established ranges and allowed the contractors to set their own hiring goals within these ranges. Furthermore, it does not require that such goals be met but rather that the government contractor make every good faith effort to meet those goals. Thus, what is required is what any effective business, government or other organization requires of itself; the establishment of goals for achievement and the requirement of a good faith, but lawful effort to meet those goals.

Of course, no one contends that the ranges and goals as well as the contractor's good faith efforts are to be defined in a color vacuum. But, as stated by the Attorney General, title VII does not prohibit and the Executive order may require encouraging the employment of members of minority groups.

It is not intended by this plan to hold any contractor responsible for the exclusionary practices of any union or unions. That responsibility rests upon the union itself.

However, under the Executive order, contractors and subcontractors have a responsibility to provide equal employment opportunity if they want to participate in federally involved contracts. To the extent that they have delegated the responsibility for some of their employment practices to another organization or agency which prevents them from providing equal employment opportunity, they cannot be considered in compliance with the Executive order. Otherwise, the affirmative action obligation might be nullified particularly in the construction industry.

Again, I wish to emphasize that what the Philadelphia plan "requires" of a contractor in that area is a good faith effort. He is required to broaden his recruitment base, and thus the size and makeup of the pool of available employees, by informing minority recruitment organizations and training programs that he is willing to hire minority group persons and by urging these sources to refer minorities to him for employment. A review of the availability of minority manpower in the area has been made, and it has been determined that recruitment efforts as described above should produce minority applicants for employment in sufficient numbers that a contractor may satisfy his goal of minority employment as a matter of course.

In conclusion, Mr. Speaker, I emphasize the Philadelphia plan does not set quotas, it establishes goals. But again I say, as the gentleman from Minnesota (Mr. FRASER) has said, this is not the place—as a rider on the last appropriation bill to come before this Congress—to include this language. It is very evident, whatever may be said, that there was only one reason why this rider was included in this bill. That reason was to stop the Philadelphia plan and prevent equal employment opportunities in the city of Philadelphia, where it has been denied over the years. There can be no question about this.

When the time comes, when the gentleman from Texas and chairman of the committee, offers a motion to recede and concur with the Senate amendment, I shall ask for a rollcall vote. In order to defeat this motion, the vote, of course, should be "No." I hope the Members of this body will vote "No."

Mr. MAHON. Mr. Speaker, I yield 10 minutes to the gentleman from Michigan (Mr. GERALD R. FORD), the minority leader.

Mr. GERALD R. FORD. Mr. Speaker, I think it is important to understand as clearly as possible the parliamentary situation. We have before us a conference report on the Supplemental Appropriations Act for 1970. We are now debating the conference report, and at the conclusion of this 1 hour, there will be a motion made to approve the conference report. I intend to vote for the conference report on the Supplemental Appropriations Act for 1970. We are now debating the conference report, and at the conclusion of this 1 hour, there will be a motion made to approve the conference report. I repeat, I intend to vote for the conference report.

I think it is immaterial whether we win or lose on the conference report on the basic issue which has just been discussed by the chairman and by the ranking minority member of the Committee on Appropriations.

However, subsequent to the consideration of the conference report, there will be a number of motions made by the distinguished chairman of the Committee on Appropriations, the gentleman from Texas (Mr. MAHON). On amendment No. 33, the test will come. At that point, the gentleman from Texas will move to recede and accept the Senate amendment which involves the Philadelphia plan. At that time it is possible for additional debate on the specifics involving this issue, which is the Senate rider. As I understand it, the gentleman from Texas has agreed when that point comes, if there is a desire, we can have and will have more debate on this equal job opportunity issue.

The history of the appropriation bill is that we passed the supplemental. It then went to the other body, and they incorporated amendment No. 33.

The gentleman from Texas has indicated that the issue on amendment No. 33 is not civil rights, but the issue is the power of the purse, or to put it another way will or will not Congress lose that power if amendment No. 33 prevails. Before discussing that I should like to indicate for the benefit of the membership some of the support which is coming for the action the gentleman from Ohio (Mr. Bow) and I are advocating. We hope there will be a "no" vote—a "no" vote—at the time the gentleman from Texas moves to recede and concur in the Senate amendment.

Let me read a communication received today from Mr. Steven Horn, the Vice Chairman of the U.S. Commission on Civil Rights. I might say parenthetically here, he intended to refer to the supplemental. It reads as follows:

> On behalf of Father Theodore M. Hesburgh, Chairman, and the other members of the U.S. Commission on Civil Rights, I urge the defeat of the Senate rider on the HEW-Labor appropriations bill which would destroy the Philadelphia Plan. In the judgment of the Commission, the Philadelphia Plan not only is an appropriate exercise of the contracting power of the executive branch but is required by the Constitution as well. To frustrate the Philadelphia Plan would interfere with the Constitutional duty of the federal government to guarantee equal employment opportunity in fact in all contracts entered into by the government. The plan represents a major breakthrough in opening skilled and high-paying jobs to members of minority groups. It has great potential and must be continued.
>
> STEVEN HORN,
> *Vice Chairman.*

Of course, the Secretary of Labor has been working hard to make the Philadelphia plan work. He is vigorously opposed to the Senate rider on the appropriation bill:

STATEMENT BY SECRETARY SHULTZ

> The country's long-established commitment to—and affirmative action for—equal job opportunity have been gravely jeopardized by the United States Senate and by the Senate-House conferees.
>
> This blow against social justice started with a rider attached to a supplemental appropriations bill by the Senate Appropriations Committee last Wednesday night. This drastic legislation was proposed without even the procedure of a public hearing.
>
> The rider is part of an effort by some unions in the construction trades, and supported vigorously by lobbyists for the AFL-CIO, to block affirmative steps to open skilled and high-paying jobs to black and other minority people.
>
> I call attention to the impending vote on this bill in the House of Representatives. I hope it will be done on the record—by roll call vote—so all Americans can know whether or not each Member stands with the President for equal job opportunity.
>
> I trust the House Members will vote to open construction and all other jobs to all. Let us continue the struggle for fairness and justice in job opportunity. And let us get on with the job of building a good society as well as the homes, factories, schools and other structures so desperately needed.

The President of the United States has issued two strong statements urging the defeat of the Senate rider on the appropriation bill.

STATEMENT BY THE PRESIDENT

> The House of Representatives now faces an historic and critical civil rights vote.
>
> Tucked into the supplemental appropriations conference report is a provision vesting the Comptroller General a new quasi-judicial role. The first effect of this proposal will be to kill the "Philadelphia Plan" effort of this Administration to open up the building trades to non-white citizens. It is argued that the Administration seeks to restrict the role of the General Accounting Office and the Comptroller General. This is a false issue.
>
> I wish to assure the Congress and the public of this nation that I consider the independence of the Comptroller General of the United States of the utmost importance is the separation of powers in our federal system. The amendment now under discussion by the Congress will not and should not be permitted to bring this principle into any doubt.
>
> Of course, in the conduct of his independent review of all Executive actions, the Comptroller General may raise, and has often raised, questions about the legality of federal contracts and whether funds, according to the law, should be spent under such contracts. The Executive has always, will always, give the fullest attention to his recommendations and his rulings.
>
> When rulings differ, however, when the chief legal officer of the Executive Branch and the chief watchdog of the Congress end up with opposing views on the same matter of law, the place for resolution of such differences, is the courts—just as it is for the resolution of differences between private citizens.
>
> The amendment as presently written makes a court review extremely difficult, even questionable. For example, fourteen contracts have been let under the Philadelphia Plan. If the amendment passes, these contracts will have to be cancelled. If the contractors should not elect to sue, the Executive Branch of the Federal Government could not—and the matter would not reach the courts unless a member of my Cabinet were intentionally to violate the law.
>
> The position I am taking is, therefore, that the amendment need not be stricken but that it should be modified to permit prompt court review of any difference between legal opinions of the Comptroller General and those of the Executive, and to permit the Comptroller General to have his own counsel (rather than the Attorney General) to represent him in such cases.
>
> To be quite candid, I share the Attorney General's serious doubts as to the constitutionality of this amendment and may have to withhold my signature from any legislation containing it.

STATEMENT BY THE PRESIDENT

> The civil rights policy to which this Administration is committed is one of demonstrable deeds—focussed where they count. One of the things that counts most is earning power. Nothing is more unfair than that the same Americans who pay taxes should by any pattern of discriminatory practices be deprived of an equal opportunity to work on Federal construction contracts.
>
> The Philadelphia Plan does not set quotas; it points to goals. It does not presume automatic violation of law if the goals are not met; it does require affirmative action if a review of the totality of a contractor's employment practices shows that he is not affording equal employment opportunity.
>
> The Attorney General has assured the Secretary of Labor that the Philadelphia Plan is not in conflict with Title VII of the Civil Rights Act of 1964. I, of course, respect the right and duty of the Comptroller General to render his honest and candid views to the Congress. If in effect we have here a disagreement in legal interpretation between the Attorney General and the Comptroller General the place for the resolution of this issue is in the courts.
>
> However, the rider adopted by the Senate last night, would not only prevent the Federal departments from implementing the Philadelphia Plan; it could even bar a judicial determination of the issue.
>
> Therefore, I urge the conferees to permit the continued implementation of the Philadelphia Plan while the courts resolve this difference between Congressional and Executive legal opinions.

My distinguished friend, the gentleman from Texas has said this is not a civil rights issue, this is an issue as to whether the Congress should control the power of the purse. My dear friend from Texas is very wrong.

The issue is civil rights and jobs—equal job opportunity for members of minority groups in America.

Let me answer the distinguished chairman by saying this: The Congress of the United States has controlled the power of the purse since the first day the Congress convened about 180 years ago, and it has controlled the power of the purse without this rider in the past and it will control the power of the purse in the future without this rider.

Second, the gentleman seems to indicate that if we defeat this rider the Comptroller General will lose his control over the purse as far as the Federal Government is concerned. Well, since 1921, when the Congress established the General Accounting Office under the Budget and Accounting Act, the Comptroller General has had an influence on expenditures by the Federal Government. He did not have to have this rider in the past. He does not have to have this rider in the future.

My dear friend from Texas, when asked a question by the gentleman from Minnesota (Mr. FRASER), honestly said that this amendment does expand the power and the control of the Comptroller General. Of course it does. If it did not expand the power of the Comptroller General there would be no argument. As a matter of fact, there would be no need for the Senate rider in the minds of those who sponsor it because it would be meaningless. The authors in the other body want the Senate rider because it adds authority to the Office of the Comptroller General. They know it expands his power, his control. They know, too, that that amendment raises a serious constitutional issue.

The gentleman from Minnesota (Mr.

MacGregor) will discuss the constitutional issue later during this debate.

Let me tell you, as I see it, what is the real issue. It does involve civil rights, and it does it in this way: In the 1950's and in the 1960's the Congress passed far-reaching civil rights legislation involving social rights. We passed legislation in 1965 to give to individuals in minority groups the right to vote in America. In the 1950's and in the 1960's we passed other social legislation protecting the rights of minorities—open housing and other rather sweeping legislation to protect people against discrimination because of race, creed, and color.

Now let me say this: All of those social rights are important, but if you do not have a job, it does not do you much good in some of these cases. If you do not have a job to earn the money to buy a house, then open housing legislation does not do you one bit of good. If you do not have a job to earn a living for your family, it does not do you any good in many of these other areas, many of the other areas where Congress has given protection against discrimination.

This rider prevents minority groups from getting a job in a meaningful way. This rider precludes the opportunity for job equality under Federal contracts. Make no mistake about that. Those who vote "yea" in effect are saying all these other rights are fine but we are not going to help get you a job under Federal contracts. An "aye" vote will permit the kind of discrimination in employment that has existed in the past. An "aye" vote is going to mean you vote to perpetuate job discrimination in Federal contracts. A "nay" vote means that individuals will have the protection of the Federal Government in getting jobs. Minority groups will have an opportunity to earn a living so that they can enjoy the fruits of social legislation which the Congress has passed in the last two decades.

I say to you as strongly as I can that there is no need for the rider on the appropriation bill. It was put on the appropriation bill without any consideration by the House of Representatives, without any hearings in the Committee on Appropriations in the U.S. Senate. It is unneeded. I think it is discriminatory. I hope and trust when the issue is faced up to that we will get a resounding "no" vote. I am sure the other body will accept our vote.

Mr. MAHON. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. Holifield).

Mr. HOLIFIELD. Mr. Speaker, the House is faced today with a dilemma, and it is a very clever arrangement. It is almost as clever as the Powell amendment, which we are all familiar with. The Philadelphia plan is similar to the Powell amendment. It is advanced for political purposes.

Now, the Comptroller General acts under the Budget and Accounting Act of 1921, which comes under the jurisdiction of the House Committee on Government Operations of which I am the ranking Democratic member. That is why I am speaking in the well, because this is a special jurisdictional field I think I know something about.

The Comptroller General is a servant of the Congress. If we ever lose the services of the Comptroller General and his independence in evaluating the internal expenditures of this Government, we have lost something far more important than this ethereal Philadelphia plan.

Mr. Speaker, we have a great body of civil rights laws. I voted for every one of the civil rights bills because I believe in civil rights and also believe in the rights of labor and I have voted to protect labor.

Mr. Speaker, we are caught between the two horns of a dilemma at this time. This is a political struggle between the Attorney General and the Comptroller General. It is as clear as that.

If you decide on behalf of the Attorney General in his struggle in place of letting this go to the courts, if it is necessary to be decided, then you nullify the Comptroller General's power for all time insofar as his ability is concerned to make final decisions. And, I want to underline the word "final," because somewhere in this Government you have got to have someone to make a final decision as to where moneys are allowed to be spent in a particular field; that is, the Comptroller General being able to make such decisions as he is doing today for the Congress and not for the executive branch.

He is doing it for the Congress, and if you undermine his authority to do that, you undermine the control of the pursestrings of the Congress. That is what you would be doing. This is a real struggle for power and it is also a very clever little gimmick to put the liberals and the Democrats on the spot on this thing. Upon many occasions we have had the so-called Powell amendment put on legislation for education, housing and other programs in the United States and some of us had the guts to go down and vote against the Powell amendment because we knew it would jeopardize education and housing and the other programs. It was a mischievous amendment. It was not an amendment that would bring any good. It would bring nothing but confusion and disaster to the programs which the Congress has set up.

We have also set up a lot of programs upon which the Comptroller General has to render decisions as to the validity of expenditures. His job is to render decisions based on the statutes Congress has enacted and in accord with the intent and purpose of Congress.

The SPEAKER, pro tempore. The time of the gentleman from California has expired.

Mr. MAHON. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. HOLIFIELD. We have, as I said, set up a lot of new programs under which the Comptroller General will have to make decisions which will either validate or nullify the expenditure of funds.

If you want to kill the power and authority of the Comptroller General, the servant of the Congress, and turn over to the Attorney General this power—and I am not speaking about personalities because Attorneys General come and go and the Comptroller General we have at this time is not a political individual. He is a public servant, one of the greatest public servants we have ever had and as for my money, I would rather have for my part this man's evaluation as to where our money should be spent rather than to put it in the office of the Attorney General which shifts with the changing tides of political opinion. The 15-year term of the Comptroller General gives him independence from political influences. His record of response to the duties Congress has imposed on him, is well known to all of us.

The SPEAKER pro tempore. The time of the gentleman from California has again expired.

Mr. MAHON. Mr. Speaker, I yield 4 minutes to the gentleman from Michigan (Mr. O'Hara).

Mr. O'HARA. Mr. Speaker, the rider to the supplemental appropriation bill that has been the subject of most of the discussion here today does indeed pose a very serious problem for those of us who have voted to gain equality in employment for all Americans. Indeed, I was one of the sponsors of the legislation, the Equal Employment Act, which was finally picked up by the Judiciary Committee and included as title VII of the Civil Rights Act of 1964. Since that time it has become apparent that the enforcement provisions of that legislation are inadequate to do the job as we intended.

For that reason I have together with a number of the members of the Committee on Education and Labor, sponsored a bill that would give the Commission on Equal Employment Opportunities power to issue cease-and-desist orders to enforce their findings upon those in violation, whether they be employers or labor unions. Unfortunately, that legislation has not prospered. In fact, it has recently been opposed by this administration.

Now I am told that for the sake of equal justice I should vote against a provision in an appropriation bill that affirms the finding of the Comptroller General that quotas in employment are a violation of title VII. I am sorry but I do not see it that way.

What I would really like to do is enact legislation providing for fair and binding administrative enforcement of title VII. If we had effective enforcement of title VII we would not have to worry about this rider.

Mr. Speaker, I have consistently opposed quotas including compensatory quotas in employment. I would like to see a colorblind America in which the color of a man's skin makes no difference. It does him no harm and it does him no good. That is the kind of America I envision. And quotas, whether or not they are benign quotas, promulgated with a good intent, are wrong.

Therefore, Mr. Speaker, I will vote to uphold the committee and to concur in the Senate amendment. I do so reluctantly, because the goal that is sought by the Philadelphia plan is one that I heartily endorse although I cannot approve of the method. But I hope that we in Congress who are expressing ourselves today in favor of equality in employment opportunities will move rapidly now to strengthen the Equal Employment Opportunities Commission and to give it power to effectively enforce title VII and make it meaningful.

Mr. MAHON. Mr. Speaker, I yield 1 minute to the gentleman from Illinois (Mr. PUCINSKI).

Mr. PUCINSKI. Mr. Speaker, several statements have been made here, one by the gentleman from Ohio (Mr. BOW), and the distinguished minority leader, that the Philadelphia plan does not have any quotas; that it is not a quota system; that it is not in violation of the 1964 Civil Rights Act. I would ask my colleagues to reach down underneath their chairs and secure the CONGRESSIONAL RECORD for December 18, and commencing on page 39952, the whole Philadelphia plan is spelled out in the RECORD.

I call your attention first of all to page 39952, which points out how the Labor Department has the right to cancel—to cancel a construction contract if he is not satisfied that a good-faith effort, as is set forth in step 10, has been unfinished by the contractor. Mind you, under the Philadelphia plan the Labor Department can set aside low bidders. This opens the door to more brutal skulduggery. Here is what it says:

> Before the sanctions of cancellation, termination, suspension, or debarment are imposed against any contractor or subcontractor, he will be given the further opportunity to request a formal hearing.

In other words, any faceless bureaucrat who does not believe a contractor is making a "good faith" effort to meet the quota can cancel a contract.

Then I call your attention to page 39955, which says:

> Further ordered: That the following ranges are hereby established as the standards for minority manpower utilization for each of the designated trades in the Philadelphia area for the next four years:

And the timetable for 1973 calls for—and you have it there in front of you, do not take my word for it, 22 to 26 percent ironworkers must be from minority groups, 20 to 24 percent plumbers and pipefitters must be from minority groups by 1973; 20 to 24 percent for steamfitters, 19 to 23 percent for sheet metal workers, 19 to 23 percent for electrical workers, and 19 to 23 percent for elevator construction workers. These are the quotas the Labor Department has ordered for Philadelphia by 1973 and any contractor who does not meet this quota will not be eligible to bid on Federal construction contracts.

If these are not quotas, then the English language has lost its meaning. It is childish to suggest that the table I cite here from the Labor Department's own directive does not constitute a quota system. Of course the Department uses the word "ranges" but in this case you cannot, by the widest stretch of the imagination, argue that the words "the following ranges are hereby established as the standards for minority manpower utilization for each of the designated trades in the Philadelphia area for the next 4 years," is not an affirmation of quotas for each of the designated categories by 1973 in order to qualify for a contract.

I am enclosing with my remarks the order issued by the Department of Labor on quotas:

> 4. *Order:* Therefore, after full consideration and in light of the foregoing, be it *ordered:* That the Order of June 27, 1969 entitled "Revised Philadelphia Plan for Compliance with Equal Employment Opportunity Requirements of Executive Order 11246 for Federally-Involved Construction" is hereby implemented, affirmed, and in certain respects amended, this Order to constitute a supplement thereto as required and contemplated by said Order of June 27, 1969.
>
> *Further ordered:* That the following ranges are hereby established as the standards for minority manpower utilization for each of the designated trades in the Philadelphia area for the next four years:

Range of minority group employment until Dec. 31, 1970

[Percent]

Identification of trade:	
Ironworkers	[1] 5–9
Plumbers and pipefitters	5–8
Steamfitters	5–8
Sheetmetal workers	4–8
Electrical workers	4–8
Elevator construction workers	4–8

Range of minority group employment for the calendar year 1971 [2]

[Percent]

Identification of trade:	
Ironworkers	11–15
Plumbers and pipefitters	10–14
Steamfitters	11–15
Sheetmetal workers	9–13
Electrical workers	9–13
Elevator construction workers	9–13

[1] The percentage figures have been rounded.

[2] After December 1, 1970 the standards set forth herein shall be reviewed to determine whether the projections on which these ranges are based adequately reflect the construction labor market situation at that time. Reductions or other significant fluctuations in federally involved construction shall be specifically reviewed from time-to-time as to their effect upon the practicality of the standards. In no event, however, shall the standards be increased for contracts after bids have been received.

Range of minority group employment for the calendar year 1972

[Percent]

Identification of trade:	
Ironworkers	16–20
Plumbers and pipefitters	15–19
Steamfitters	15–19
Sheetmetal workers	14–18
Electrical workers	14–18
Elevator construction workers	14–18

Range of minority group employment for the calendar year 1973

[Percent]

Identification of trade:	
Ironworkers	22–26
Plumbers and pipefitters	20–24
Steamfitters	20–24
Sheetmetal workers	19–23
Electrical workers	19–23
Elevator construction workers	19–23

> The above ranges are expressed in terms of man hours to be worked on the project by minority personnel and must be substantially uniform throughout the entire length of the project for each of the designated trades.

I tell you, Mr. Speaker, the Labor Department and the President are engaging in a scheme that violates every concept of prohibition against quotas. They are turning the clock back.

I agree with the distinguished gentleman from Michigan. Of course we want to give every person in America an equal opportunity for jobs and employment in the building trades. But the Philadelphia plan, with its quota system, is not the way to do it. And your Comptroller General, the man that each of you relies on day in and day out for information, has told you that this plan runs contrary to the 1964 Civil Rights Act.

Mr. Speaker, I support the committee and its full recommendation. I can tell you this: If the Labor Department persists in the Philadelphia plan you will see the cost of construction skyrocket. What will happen as a probable proposition is that contractors will hire minority group workers to show they meet the quota but if such workers don't have the training to do the job, contractors will hire white workers to actually do the work and add the additional workers to the cost of the project. The whole concept is incredible and indefensible. More important, if you think it will stop in Philadelphia or the building industry you are mistaken. The Secretary of Transportation has adopted the Philadelphia plan procedure in awarding of highway construction contracts.

Mr. MAHON. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota (Mr. FRASER).

Mr. FRASER. Mr. Speaker, I do not know if the Philadelphia plan is legal or illegal. I am not impressed by the reading from title VII of the Civil Rights Act, because the President is not proceeding under that power, so that the provision which rightfully proscribes quotas under title VII, it seems to me, may not be applicable in this case.

What I am concerned about is for us to say today that the Comptroller General's opinion should be binding and that no money can be paid out and, therefore, no contracts may be let or carried forward which would affirmatively seek to end discrimination in employment and expand employment opportunities for minority groups under the scheme known as the revised Philadelphia plan.

I cannot tell, except for the word of the chairman, whether or not in section 904 what we are asked to embrace really does alter the relationship between the Attorney General and the Comptroller General.

If it does not alter the relationship, if it is simply a restatement of existing law, it is not necessary. If it does change the law, I would like to have spelled out just how that law is changed.

This is a matter of some importance. I think the chairman is right when he says that this goes to a very fundamental question relative to the rights of the Congress in the control of the use of funds. But I am not prepared to dispose of that very fundamental question in the kind of limited time frame that we have here this afternoon.

It seems to me that the Government Operations Committee might well take this question up next year to see if in fact the Attorney General has acted unwisely or improperly and perhaps strengthen our statutory powers as a Congress.

I remain committed to the principle that in this Nation which is torn so severely by racial tensions, when I can I want to cast my vote in favor of trying to make it possible for those who have suffered for so long to gain equal access to employment in America.

Mr. MAHON. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. THOMPSON).

Mr. THOMPSON of New Jersey. Mr. Speaker, one has only to sit in this Chamber and listen to such thoughtful people as the gentleman from Minnesota and the gentleman from Michigan and the chairman of the committee to realize the enormity of this problem and the difficulty that is involved.

I think I am not alone on this side of the aisle in saying perfectly candidly at this minute that I have yet to make up my mind as to how I am going to vote. I am not really terribly impressed by the minority leader's invocation of Father Hesburgh's name in support of his argument today, especially in view of the fact that when the voting rights bill was up just a few days ago Father Hesburgh's advice was ignored by that gentleman—just as an indication of the schizophrenia, I suppose, that exists throughout this body.

I hope to develop at an appropriate time an amendment which will be acceptable to the great majority of this House who favor equal opportunity for all, an amendment which will, I think, if I may develop it in time, rather dramatically demonstrate who is for and who is not for equal employment opportunity.

Mr. MAHON. Mr. Speaker, I would like to make this further statement.

We are about to vote on the conference report. The conference report deals with mine safety funds, appropriations to the Small Business Administration for disaster loans, and sundry other items.

The final provision in the bill, which was brought back in technical disagreement, is amendment No. 33. As I noted a while ago, amendment No. 33, about which we have had much discussion, is not included in the conference report. So far as I know, there is nothing controversial about the conference report.

As this point, I would like to move the previous question on adoption of the conference report.

Mr. BOW. Mr. Speaker, will the gentleman yield before he moves the previous question?

Mr. MAHON. I yield to the gentleman from Ohio.

Mr. BOW. I would like to say to the gentleman from Texas that, insofar as this Member, and I believe most of the members of our committee are concerned, we shall support the report. The real question will come when the gentleman from Texas offers his motion to recede and concur with amendment No. 33. That I do not approve of, but I do want to make it clear that I have no objection to the other items in the conference report, and I shall support the gentleman's motions.

Mr. CRAMER. Mr. Speaker, I rise in support of the amendment to the supplemental appropriations bill. I want to state at the outset my firm belief that the matter before us transcends the civil rights considerations with which it is, unfortunately, intertwined. It is far more fundamental and basic than that. It involves the very essence of our tripartite system of government and the respect for the role and responsibility of each branch which is essential for the effective functioning of all.

In the congressional debate establishing the Office of the Comptroller General a half century ago, it was declared:

> If, he, the Comptroller General, is allowed to have his decisions modified or changed by the will of the Executive, then we might as well abolish the office.

I regret to say that we are confronted with a situation in which precisely that authority is being asserted by an agency of the executive branch.

The Comptroller General, as agent of this body, undertook to declare that an expenditure of public money was illegal and should not be paid out. The Attorney General, thereupon sought to contravene that ruling. He declared that the expenditures in question were legal and that the executive departments involved should proceed to make them.

The language of the amendment before us is simple and direct. It would overrule this attempted arrogation of authority. It provides that:

> No part of the funds appropriated or otherwise made available by this or any other act shall be available to finance, either directly or through any Federal aid or grant, any contract or agreement which the Comptroller General of the United States holds to be in contravention of any Federal statute.

The purpose of the amendment is to reaffirm the power which we long ago granted to the Comptroller General. If we do not, if we allow the current challenge by the executive branch to go unanswered, I am very much afraid that the constitutional consequences will be very grave indeed. Can there be any doubt that if the Attorney General can overrule one decision he can overrule any and all decisions made by the Comptroller General.

In my judgment, to sanction such an assertion of power would be for Congress to surrender its power over the purse to the executive branch.

Opponents of the amendment assert that its passage would somehow or other override the constitutional authority of the courts; that the judiciary will in some manner be inhibited from carrying out its function to interpret the laws. This is a fallacious argument. Decisions of the Comptroller General are binding on the executive branch, not on anyone outside of it. Any aggrieved citizen may appeal his rulings. As Senator ALLOTT so eloquently declared when this measure was under consideration in the other body:

> The Comptroller General is not a Super God in Government. He is the arm of Congress, and that is all he is; and Thank God we have such an arm in the Government. If we did not have that arm, we in Congress would be subject to the will and whim of the Executive Branch.

On May 22, 1968, the Comptroller General ruled, on my request, that the EEO requirements relating to highways were illegal. I believe that subsequent efforts to enforce the Philadelphia plan are contrary to competitive bidding laws as well as the 1964 Civil Rights Act, § 703(a) and § 703(j).

My letter of April 8 and a copy of the May 22 letter in reply follows.

APRIL 8, 1968.

Hon. ELMER B. STAATS,
Comptroller General of the United States,
General Accounting Office, Washington, D.C.

DEAR MR. STAATS: The Office of Federal Contract Compliance of the United States Department of Labor has recently proposed procedures designed to insure that contractors and subcontractors on Federally-assisted construction contracts would provide "affirmative action programs" relative to equal employment opportunities. Attached is a draft memorandum submitted for comment to the heads of all agencies by the Director of the Office of Federal Contract Compliance. A final order regarding compliance with the procedures outlined in the draft memorandum has not yet been issued. I am informed, however, that a final order will be issued in the relatively near future, and that it will contain substantially the same requirements as set forth in the draft memorandum.

Briefly speaking, the procedures contemplate the following actions: On all projects to cost $1 million or more the specifications for the project would include a notice to the prospective bidders that the low bidder will be required to submit, in writing, an "acceptable affirmative action program" to assure equal employment opportunity. The specifications for the project apparently would not include a statement outlining the details of what would be an "acceptable affirmative action program". After the bids are opened, but before the contract is awarded, the low bidder would have to submit an action program for evaluation by the contracting or administrative agency. If the proposed action program is not acceptable to the contracting or administrative agency, negotiations would ensue and the contract not awarded until agreement has been reached on the acceptability of the program.

Imposition of these procedures will certainly cause added delay and cost to the Federal-aid highway program. In my opinion, there is considerable doubt as to whether these procedures are permissible under the competitive bidding requirements applicable to Federal-aid highway contracts. Under the provisions of section 112 of title 23, United States Code, construction of each Federal-aid highway project "shall be performed by contract awarded by competitive bidding, unless the Secretary shall affirmatively find that, under the circmustances relating to such project, some other method is in the public interest."

In order for bidding to be truly competitive, all bidders must compete on the same basis with no allowance for registrations on particular aspects of the project after the bids are opened.

Under the procedures proposed by the Office of Federal Contract Compliance, the bidders will not know, at the time of bidding, what will constitute an acceptable action program, and therefore will not be able to make a reasonable estimate of the probable cost of the program. Since the proposed procedures apply to subcontractors as well as prime contractors, the prime contractor will have to run the risk that the subcontractors he expected to use may not submit an acceptable action program. If they fail to do so, the prime contractor will have to use different subcontractors, with the possibility of added cost to him. It should also be pointed out that if a low bidder decides for reasons satisfactory to him that he does not wish to enter into a contract on the basis of the bid, he can accomplish his purpose by failing or refusing to submit an acceptable action program.

There are other legal and practical problems which would be created by imposition of the procedures proposed by the Office of Federal Contract Compliance. My major concern at the present time, however, is whether, under the provisions of the competitive bidding requirements of section 112, title 23, United States Code, the proposed procedures can legally be required.

I will appreciate your opinion on this question.

With kindest regards, I am
Sincerely,
William C. Cramer.

Comptroller General
of the United States,
Washington, D.C. May 22, 1968.

Hon. William C. Cramer,
House of Representatives.

Dear Mr. Cramer: Further reference is made to your letter of April 8, 1968, with enclosure, concerning requirements for acceptable "affirmative action programs" for compliance with the equal employment opportunity conditions of Executive Order No. 11246 of September 24, 1965. You enclose a copy of a draft memorandum of a proposed order which was submitted for comment to the heads of all agencies by the Director, Office of Federal Contract Compliance (OFCC), Department of Labor.

We understand your request for our opinion is confined to the propriety of the prepared requirements, particularly with reference to the Federal-aid highway program, in view of the specific provision of 23 U.S.C. 112 that such highway projects shall be performed by contracts awarded by competitive bidding and that you do not question generally the legality of the requirement for the inclusion of nondiscrimination clauses, which were first imposed as to Government contracts by Executive Order No. 3802, June 25, 1941, and extended to construction contracts under federally aided or financed programs by Executive Order No. 1114, June 22, 1963.

You state that the procedures proposed by the Department of Labor contemplate that the low bidder and its subcontractors, on contracts covered by the order, will be required to submit before award acceptable affrmative action programs to assure equal employment opportunities, but that the invitation for bids apparently would not include a statement outlining the details of an acceptable program. Further, that when an unacceptable program is submitted award will not be made until agreement is reached on an acceptable program. You say that since bidders will not know what will constitute an acceptable program they will not be able to make a reasonable estimate of the probable cost of the program, and thus must run the risk of added costs, including possible additional subcontracting costs, when the proposed subcontractors do not submit acceptable action programs. You also point out that a low bidder has the opportunity to avoid entering into a contract by failing or refusing to submit an acceptable action program. Finally, you state that you believe imposition of the proposed procedures will cause added delay and cost to the Federal-aid highway program.

The purpose and background for the proposed order is stated therein as follows:

"1. *Purpose*

"This Order is to insure that before contracts are awarded, Federally involved construction contractors provide affirmative action programs which comply with the requirements of Executive Order 11246 and with Rules and Regulations issued pursuant to it.

"2. *Background*

"For over one and a half years, acceptable affirmative action programs have been required before contract award by a number of Federal contracting and administering agencies. Detailed pre-award programs are now required by this Office in three specific geographical areas (St. Louis, San Francisco Bay, and Cleveland) for all Federal contracting and administering agencies. Experience has shown that such procedures are considerably more effective in implementing the Executive Order than exclusively post-award approaches. The pre-award requirement for nonconstruction contracts has been in effect since May 3, 1966."

The following pertinent provisions of the proposed order are set forth under paragraph 3b:

"On all projects for Federal or Federally-assisted construction, in which the total construction cost may be one million dollars or more:

"(1) Each agency shall include, or require the applicant to include, in the specifications for each formally-advertised construction contract, a notice (the form of which is approved by the Office of Federal Contract Compliance) to all prospective bidders stating that, if its bid is one million dollars or more, the low bidder must submit, in writing, (an) acceptable affirmative action program(s) which will have the result of assuring equal employment opportunity in all trades and particularly the better-paid trades (such as electricians, plumbers, pipefitters, sheet metal workers, ironworkers and Operating Engineers) to be used on the job and in all phases of the work, whether or not the work is to be subcontracted.

"(2) Before each contract is awarded, the contracting or administering agency shall make an evaluation of the proposed affirmative action program submitted with the bid. The evaluation *shall be* conducted by *qualified specialists* regularly involved in equal employment opportunity programs, in cooperation with the OFCC Area Coordinator if one serves the area where the contract will be performed."

Under paragraph 3c each Federal contracting and administering agency is required to submit to the CFCC its program to implement the order.

Existing regulations issued by the Secretary of Labor pursuant to the authority of the Executive Order, which appear in Title 41, Chapter 60, of the Code of Federal Regulations, require that federally assisted construction contracts shall include a clause under which the contractor and subcontractors agree to take various affirmative actions to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. 41 CFR 60-1.3(b). A proposed revision of 41 CFR Ch. 60 issued by the Office of Federal Contract Compliance pursuant to Executive Order No. 11246, was published in the Federal Register, Vol. 33, No. 32, on February 15, 1968. Requirements for a similar clause in federally assisted construction contracts and subcontracts are stated under Section 60-1.4(b) of the proposed revision, and general requirements of satisfactory affirmative action programs are set forth in Subpart C thereof. Other than the submission of an affirmative action program prior to award, and the requirement for approval thereof by CFCC prior to award, we do not find a substantial basis on which to conclude that the proposed order contemplates that the affirmative actions required of contractors or subcontractors under federally examined construction contracts will be materially different from those which have been required of such parties after award for several years.

A review of the records of this Office does not show receipt of any cases involving undue restrictions on competition resulting from the requirement for affirmative actions by contractors to ensure compliance with the Equal Employment Opportunity Program in federally assisted construction contracts, or involving contractors having encountered substantially higher costs in satisfactorily complying with equal opportunity requirements than were anticipated in the preparation of their bids. It is further noted that, in the background information quoted above, it is stated that preaward acceptable affirmative action programs have been required by a number of Federal procurement agencies for over two years, and our records fail to show any cases presented to this Office wherein award was not made to the low bidder because of his failure or refusal to submit an acceptable affirmative action program, or involving claims for unanticipated costs resulting from such a program.

While, as noted above, problems in the existing preaward acceptable affirmative action program have not been reflected in our contract work, statements contained in records of your office which you have made available for examination by representatives of this Office reflect that road contractors may be encountering serious problems in connection with the preaward program as it is being administered in the geographical areas mentioned in the proposed order. Such statements indicate that the preaward procedures have in some instances resulted in extended periods of delay in the awarding of contracts; that bidders are furnished inadequate guidelines for the develoment of an acceptable affirmative action program, and the responsive (and otherwise responsible) bidder may therefore be required to enter into negotiation procedure on an acceptable program in order to obtain the award; that a program which is acceptable on one contract may not be acceptable on another; that a program which is acceptable at the time the contract is awarded may be unacceptable when the project is half completed; and that a bidder operating under negotiated labor agreements would in some cases be required to violate those agreements in order to comply with the proposed order.

Statutory provisions, such as that contained in 23 U.S.C. 112, for competitive bidding in the award of contracts have been interpreted to require award after advertising to the lowest responsible bidder whose bid is responsive to the terms of the invitation, and it is elementary that bidders must be adequately advised beforehand of all material requirements which will affect their costs or ability to perform. Invitations for bids were designed to secure a firm commitment upon which award could be made for securing the Government's requirements described therein, and not as a first step for subsequent negotiation procedures. In view thereof, there would appear to be a technical defect in an invitation's requirement for submission of a program subject to Government approval prior to contract award which does not include or incorporate definite standards on which approval or disapproval will be based. We believe that the basic principles of competitive bidding require that bidders be assured that award will be made only on the basis of the low responsive bid submitted by a bidder meeting established criteria of responsibility, including any additional specific and definite requirements set forth in the invitation, and that award will not thereafter be dependent upon the low bidder's ability to successfully negotiate matters mentioned only vaguely before the bidding. We are therefore advising the Secretary of Labor that if the proposed order is adopted it should be appropriately implemented, before becoming effective, by regulations which should include a statement of definite minimum requirements to be met by the bidder's program, and any other standards or criteria by which the acceptability of such program will be judged.

As to any added delay or cost to the Federal-aid highway program which might be occasioned by the requirement for acceptable affirmative action programs by contractors and subcontractors, such factors would not negate the apparent legality of the requirement. As indicated above, one of the basic requisites in awarding contracts pursuant to competitive bidding is that award be made to a responsible bidder, and added delay and cost in determining the responsibility or acceptabiltiy of the low responsive bidder are matters commonly associated with the awarding of such contracts.

Although, as you state, imposition of the procedures proposed by the Office of Federal Contract Compliance will no doubt create other legal and practical problems, we believe that many areas of such contemplated problems may be subject to resolution or disposition by regulations promulgated by the Office of Federal Contract Compliance or by implementing regulations of the agencies as provided for in the proposed order. In any event, we cannot conclude at this time that the proposed requirement for submission of acceptable affirmative action programs prior to awarding federally assisted construction contracts is as a matter of law clearly incompatible with competitive bidding requirements of 23 U.S.C. 112, and therefore illegal, provided the implementing regulations discussed above are issued before the proposed order establishing such requirement becomes effective.

We trust this serves the purpose of your letter of April 8. Please let us know if we can be of any further assistance in this matter.

Sincerely yours,
/s/ Frank H. Weitzel,
Assistant Comptroller General
of the United States.

Mr. TAFT. Mr. Speaker, the elimination by the conference committee of funding for a Commission on Population Growth and the American Future points up the failure of this House to act on H.R. 15165. This measure was recently removed from consideration under suspension of the rules. Hopefully this legislation will get a rule early in the next session and will be enacted and then funded by a supplemental appropriation bill.

This makes it appropriate to discuss other developments in this important area.

Mr. Speaker, today the House Republican Task Force on Earth Resources and Population, chaired by the gentleman from Texas (Mr. Bush) released a comprehensive report on Federal family planning programs after having conducted extensive hearings and research throughout this session of Congress.

As chairman of the House Republican Research Committee, I wish to commend Chairman Bush and his task force colleagues for preparing this timely report which has been placed in the Record today. The report contains a careful analysis of the domestic and international problems associated with providing family planning services to those who desire and need this service. The task force has also made a series of recommendations, which I endorse, that would strengthen the Federal Government's family planning programs and enable us to meet the national goal enunciated by President Nixon of providing family planning services to all who desire and need such services but cannot afford them.

Through their hearings with prominent figures in the field of family planning and population, their independent research; and the issuance of their report, the Republican Task Force on Earth Resources and Population has provided the Congress and the American people with much needed information on a topic which should be a matter of high priority among governmental and private sector decisionmakers.

The problems associated with family planning and population growth are among the most critical we face as a nation. I therefore urge all Members of Congress to consider the report with utmost care. The earth resources and population task force's recommendations merit early consideration by this body next session.

A related matter in the population field requiring prompt congressional action next session is H.R. 15165, the bill to create a Commission on Population Growth and America's Future. I was deeply disappointed when I learned last week that the Democratic House leadership had failed to schedule this legislation. It was reported unanimously by the Committee on Government Operations on December 10. Similar legislation has already passed the other body without opposition.

It was my understanding that H.R. 15165 would be considered on Monday, December 15, under suspension. The Democratic House leadership, however, failed to place this important piece of legislation on the calendar for last Monday. There is no reason for holding up this bill.

The President recognized the urgency of the population problem in his message to Congress on July 18 when he called for creation of a Commission on Population Growth and the American Future. All Members of the House Republican Task Force on Earth Resources and Population, the Republican leadership, along with a substantial majority of the members of the Government Operations Committee heeded the President's call for action and cosponsored the Commission bill. Now, however, the House has been denied an opportunity to work its will on the legislation until next year. The work of this Commission is too important to be delayed indefinitely. Rather, it should be starting its work immediately.

At present rates of growth, the United States will reach a population of 300 million in the next 30 years. An increase of that magnitude is going to place a tremendous strain on both our natural resources and our social institutions. We need to know what the impact of that population growth will be on our society. We need this information gathered in a comprehensive and systematic manner, as quickly as possible because all the values we prize—decent housing, quality education, economic opportunity, outdoor recreation, privacy, natural beauty, and even free institutions—are at stake.

In his message to the Congress, President Nixon correctly stated that too few people are examining the problems associated with population growth from the viewpoint of the whole society. The Commission proposal in H.R. 15165 would therefore address itself to these problems:

First, the probable course of population growth, internal migration and related demographic developments between now and the year 2000;

Second, the resources in the public sector of the economy that will be required to deal with the anticipated growth in population;

Third, the ways in which population growth may affect the activities of Federal, State, and local governments;

Fourth, the impact of population growth on environmental pollution and on the depletion of natural resources; and

Fifth, the various means appropriate to the ethical values and principles of this society by which our Nation can achieve a population level properly suited for its environmental, natural resources, and other needs.

There should be no delay in our search for these answers and that is why the Commission legislation is so important. Certainly H.R. 15165, the bill to create a Commission on Population Growth and the American Future, should be the first item on the House agenda in January.

Mrs. HANSEN of Washington. Mr. Speaker, the House was so occupied this afternoon debating other items in this supplemental appropriations bill, H.R. 15209, that I did not take the time to advise the House of exactly why the Indian health service appropriation appears not as large in the conference report as the amount which reached us from the other body. I, therefore, take this opportunity to place in the Record the following table on Indian health service:

	Appropriations
1968	$90,860,000
1969	94,350,000
1970	99,481,000
1970 supplemental	2,048,000
Total, 1970	101,529,000

In considering these figures it should be noted that—even as the Congress is adding funds and even if there is a shortage of service and medical care in various Indian health facilities—the Bureau of the Budget in its "infinite wisdom" has held back in reserve $957,000 of operating funds appropriated earlier this year.

This was not a construction cut. These are funds for medicine, personnel services and all the other things that mean health care for Indians.

I have heard this afternoon a lot of double talk and lip service to civil rights. Civil rights is more than casting an occasional vote. Civil rights is an administration caring enough to release that $957,000 to buy medical help and assistance to American Indians.

I now list for you the total amount of contract medical care year by year:

1965	$11,815,000
1966	12,861,000
1967	14,106,000
1968	15,537,000
1969	17,779,000
1970	19,114,000
1970 supplemental	1,000,000
Total available in 1970	20,114,000

You will note that H.R. 15209 has added $1 million relative to the additional money provided in the other body to this supplemental appropriation. It is useless to provide funding for additional positions when the regular 1970 appropriations bill provides for 6,583 positions but the Bureau of the Budget imposed a personnel ceiling on the Indian health service at 5,982. There are 5,813 now on duty and, due to personnel freezes, the department has filled only 65 percent of all vacancies.

I list below construction totals for the Indian health service:

1968	$16,848,000
1969	18,156,000
1970	19,000,000
Supplemental	1,952,044
Total 1970	20,952,000

Of the $19,000,000 appropriated for construction in the regular 1970 appropriation bill, $1,432,000 has not be apportioned.

Mr. Speaker, it is time that this House recognized that only by lifting these ceilings—only by the actual expenditures of these funds—can we expect better Indian health services.

It is sheer hypocrisy to expect while there are personnel ceilings and unspent reserves that health care can be made available in the manner which this House intended when it passes an appropriation bill.

Mr. BOLAND. Mr. Speaker, I am pleased that the House and Senate conferees on the fiscal year 1970 supplemental appropriations have agreed to include necessary funds in the bill for the stationing of an additional weather ship in the North Atlantic Ocean, approximately 200 miles south southeast of Nantucket Island.

The Department of Transportation has been allowed $1 million so the Coast Guard can provide and maintain this ocean station vessel. Meteorological equipment and instruments for the vessel will be provided for under the $1,040,000 supplemental appropriations for the Environmental Science Services Administration.

This ship will provide New England and the entire northeastern section of the Nation with vastly improved weather forecasting information. The data provided would save many lives and prevent considerable economic loss when hurricanes and blizzard-type winter storms blow northward along the Atlantic Ocean coastline. The "killer" snowstorms last year, striking without adequate warning, caused loss of lives and economic damages estimated at $100 million in the New York-New England regions.

The United States now maintains four vessels in the North Atlantic as part of the ocean stations program. This additional ship, south of New England, will assist ESSA in gathering surface weather observational data, upper air soundings and weather radar information in order to better track and forecast east coast storms and tropical hurricanes. The ocean area south of New England is now a meteorological blind area. The need to have weather observations from this area has become increasingly greater as the population has increased along the Eastern seaboard and as the economy has become more dependent on technology with the corresponding increase in the need for more accurate weather forecasts and warnings.

From this Coast Guard operated vessel, ESSA will be equipped to take upper air soundings of pressure, temperature and wind—data essential for numerical computer calculations of hurricanes and east coast storms. The weather radar aboard the ship will enable ESSA to provide a detailed hour-by-hour track of the centers of storms and their accompanying precipitation. Surface weather observations from the vessel will provide additional essential data for use in storm tracking and forecasting.

Mr. Speaker, I want to take this opportunity to commend my colleague from Massachusetts, Senator EDWARD W. BROOKE, for the time and effort he put into the investigation of the adequacy of storm warnings for New Englanders, following the destructive storms of last winter. With the money provided in this bill, an additional vessel will be stationed in the data-sparse area of the North Atlantic south of Nantucket so that the accuracy of forecasts and warnings can be improved along the east coast.

Mr. MAHON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. HOLIFIELD). The question is on the conference report.

The conference report was agreed to.

The SPEAKER pro tempore. The Clerk will report the first committee amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 4: Page 3, line 18, insert: ", to remain available until June 30, 1972."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 4 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 8: Page 5, line 5, insert:

"BUREAU OF MINES

"For expenses necessary to improve health and safety in the Nation's coal mines, $15,000,000."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 8 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert:

"BUREAU OF MINES

"HEALTH AND SAFETY

"For an additional amount for expenses necessary to improve health and safety in the Nation's coal mines, $12,000,000: *Provided*, That this paragraph shall be effective only upon the enactment into law of S. 2917, 91st Congress."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 13: Page 5, line 19, insert:

"MAINTENANCE AND REHABILITATION OF PHYSICAL FACILITIES

"For an additional amount for "Maintenance and Rehabilitation of Physical Facilities", $75,000, for reconstruction of certain streets in Harpers Ferry, West Virginia."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 13 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert: "$50,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 19: Page 7, line 11, insert:

"DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

"For expenses necessary to improve health and safety in the Nation's coal mines, $10,000,000."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 19 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert:

"DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

"CONSUMER PROTECTION AND ENVIRONMENTAL HEALTH SERVICES

"ENVIRONMENTAL CONTROL

"For expenses necessary to improve health and safety in the Nation's coal mines, $10,000,000: *Provided*, That this paragraph shall be effective only upon the enactment into law of S. 2917, 91st Congress."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 27: Page 11, line 1, insert:

"UNITED STATES SECTION OF THE UNITED STATES-MEXICO COMMISSION FOR BORDER DEVELOPMENT AND FRIENDSHIP

SALARIES AND EXPENSES

"For necessary expenses of the United States Section of the United States-Mexico Commission for Border Development and Friendship, including expenses for liquidating its affairs $159,000, to be available from July 1, 1969, and to remain available until January 31, 1970.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 27 and concur therein.

The motion was agreed to.

The **SPEAKER** pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 29: Page 12, line 15, insert:

"UNITED STATES SECRET SERVICE

"SALARIES AND EXPENSES

"For an additional amount for "Salaries and Expenses," including purchase of an additional forty-two motor vehicles for police-type use without regard to the general purchase price limitation for the current fiscal year, $4,250,000: *Provided*, That this paragraph shall be available only upon enactment into law of H.R. 14944, 91st Congress, or similar legislation."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 29 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert "$4,000,000".

The motion was agreed to.

The **SPEAKER** pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 32: On page 15, line 15, insert:

"SEC. 1003. The appropriations, authorizations, and authority with respect thereto in this Act, the Department of Defense Appropriation Act, 1970, the District of Columbia Appropriation Act, 1970, the Foreign Assistance and Related Agencies Appropriation Act, 1970, the Departments of Labor, and Health, Education, and Welfare Appropriation Act, 1970, the Military Construction Appropriation Act, 1970, and the Department of Transportation Act, 1970, shall be available from the sine die adjournment of the first session of the Ninety-first Congress for the purposes provided in such appropriations, authorizations, and authority. All obligations incurred during the period between the sine die adjournment of the first session of the Ninety-first Congress and the dates of enactment of such Acts in anticipation of such appropriations, authorizations, and authority are hereby ratified and confirmed if in accordance with the terms of such Acts or the terms of Public Law 91–33, Ninety-first Congress, as amended, except that subsection (c) of section 102 of Public Law 91–117, as amended, is hereby repealed, and in lieu thereof the following is inserted: "(c) January 30, 1970, whichever first occurs."."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 32 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert:

"SEC. 1003. Section 102 of the Act of November 14, 1969 (Public Law 91–117), as amended, is further amended by striking "the sine die adjournment of the first session of the Ninety-first Congress" and inserting in lieu thereof, "January 30, 1970"."

The **SPEAKER** pro tempore. The gentleman from Texas is recognized.

Mr. STEED. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Oklahoma.

Mr. STEED. Mr. Speaker, I appreciate the gentleman from Texas yielding.

Mr. Speaker, I think it is only fair to call the attention of the House to the fact that this amendment is a continuing resolution, and while I think we are probably going to adopt it, I personally am opposed to it. Let me point out that, in my opinion, the minute we adopt this resolution, we are saying to the American people that we are not only incapable of finishing our work, but also that we have no intention of doing so. When we adopt this amendment, we shall have given up our chance to see to it that the appropriation bills that should be passed will be passed—especially the Labor-HEW on which the House has finished all its action.

I think it ought to be clear to every Member here that by the time we get home, we will be hearing a great deal about the incompetent session of Congress that could not finish its work. I am opposed to adopting a continuing resolution at this stage of affairs.

I think it ought to be stricken out here. If it becomes necessary before we adjourn to have such a continuing resolution, it could very easily be accomplished. I am going to oppose this amendment in the hope that the House will take it out at this stage and retain some ability to try to get this Congress to finish its work before we adjourn.

Mr. ICHORD. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Missouri.

Mr. ICHORD. Mr. Speaker, I would like to ask the distinguished gentleman from Texas this question. It has been rumored that the Senate conferees have already decided it will not go into further conference with the gentleman from Louisiana on the Foreign Assistance Act, and the amendment of the distinguished gentleman from Texas does provide for continuing appropriations on the Foreign Aid Assistance Act. Is there not some basis for the concern of the gentleman from Oklahoma? Are we not here acquiescing in the intention of the Senate to adjourn without completing action on appropriation measures?

I disagree with the intentions of the Senate. I think they should stay here and finish their work. I would have to concur with the gentleman from Oklahoma and object to the amendment also.

Mr. MAHON. Mr. Speaker, the issue before the House now is, Shall we provide that in any instance where an appropriation has not been enacted to carry out the functions of any department or agency of the Government, that department or agency of the Government shall be authorized to proceed under certain conditions up to January 30, 1970? This applies to the entire Government and applies to any bills not enacted before adjournment. So I would think this is the only appropriate thing to do.

There has been a great deal of controversy as to how we should restructure the foreign aid program. Mr. Nixon says he wants it restructured. There must be a study first. Officials are supposed to report on the findings of this study, I believe, in March, so some delay in that bill should not be taken as an indication of any inability of the Congress to proceed. AID can proceed at the level of last year, which is below the level of the bill which cleared the House a few days ago under the continuing resolution. With reference to the Labor-HEW bill, the President sent a message to the Congress last week, when the issue arose, stating that the President would veto the Labor-HEW bill because it was considerably above his budget request and was inflationary.

I made a statement to Mr. Harlow and asked him to convey it to the President, saying that we should not proceed without some definite statement and that we would need a letter from the President. Mr. Harlow got back in touch with me and said the President would provide a letter.

Later in the evening of that day I was over in the other body, with the leaders of the other body, and a letter to the leaders was arranged.

The House could stay in session, let the President make his veto, which as I understand he is committed to do, and then we would vote on the issue. Or we could wait and let the President veto a Labor-Health, Education, and Welfare bill in January, when we return on about the 19th.

It seems to me nothing will be jeopardized particularly by this procedure. So, under the circumstances, in view of Christmas, the time when we celebrate the birthday of the Saviour of the world, it seems to me even this deliberative and august body might recess, so that Members might unwind in an atmosphere of peace and quiet and come back with clearer minds and warmer hearts in late January and determine what to do about the President's veto. This does not seem to be too unreasonable to me, although I am willing to proceed either way.

Mr. STEED. Mr. Speaker, will the gentleman yield further?

Mr. MAHON. I yield.

Mr STEED. We may come back with clearer minds and purer hearts but without any hides when the people get through with us because we would not finish our work.

I am not aware of what the President's position is on this, but I believe all of us have to be aware of our own responsibilities. I believe we ought to defeat this amendment now. We could take up a continuing resolution later in the session, if it became absolutely necessary. To foreclose our prerogatives by adopting a continuing resolution now seems to me to be not in the best interest of the House. I hope we will take it out and try to find a better way to complete our work in the time remaining.

It is a very simple thing to send a bill to the White House. The President said he might veto it, but that was before the conference report. None of the changes had been made in the bill by the conferees. He might have a different opinion about it now.

I believe our main concern is not so much what the President is going to do, but what are we going to do! I do not want us to go home, saying at this stage of the game not only that we cannot but we do not intend to finish our work.

Mr. MAHON. The gentleman's views are of interest. I happened to be in Oklahoma in his district not long ago. I learned of the affection in which he is held by the people. His concern that if we adjourn for Christmas and return to our people we will not be well received I believe is ill founded, especially in the case of the gentleman from Oklahoma, who is much beloved and respected.

I feel all of us will be well received by the folks at home, and they will understand we have done the best we could under the circumstances.

Mr. COHELAN. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from California.

Mr. COHELAN. I wonder if my distinguished chairman would comment further on the continuing resolution. As I understand it, we passed the Labor-HEW bill, which is now over in the Senate. Apparently, if I understand the colloquy between the gentleman and the gentleman from Oklahoma, the Senate does not propose to act on it until January; therefore, it is required we have a continuing resolution.

My question of the gentleman is: What happens to title B funds under the continuing resolution?

Mr. MAHON. In answer to the gentleman's question, let me say I do not know what the other body will do. The other body is somewhat like this body. One cannot always be sure what we are going to do from moment to moment. We have to do whatever is necessary to meet the demands of the hour. A time of adjournment is very unpredictable. I do not know what the other body will do.

In response to the gentleman's question as to what happens to impacted aid funds, under the present law impacted aid funds are payable and they will continue to be payable under the continuing resolution up to the 30th day of January. It will not change the situation.

Mr. COHELAN. If the gentleman will yield further, my distinguished chairman, I am sure, is aware that for the last 60 days there have been no payments made by HEW. Can we expect more of the same under a continuing resolution?

Mr. MAHON. I would assume that the President would continue to wait until he has the final package before he makes a final determination as to the release of these funds. What our people are interested in in impacted aid is more especially whether or not they eventually get the money. Whether it is early or in the middle of the year or later in the year is not important to them in some districts, although it very well may be in some others.

Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. MAHON).

The question was taken; and on a division (demanded by Mr. STEED) there were—ayes 108, noes 35.

Mr. ICHORD. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

PARLIAMENTARY INQUIRY

Mr. GERALD R. FORD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. GERALD R. FORD Mr. Speaker, on this vote a "yea" vote would strike out the continuing resolution?

The SPEAKER pro tempore. The Chair will inform the gentleman that this motion relates to Senate amendment 32, which has to do with the continuing resolution.

Mr. GERALD R. FORD. Excuse me, Mr. Speaker, Would the Chair repeat that answer? A "yea" vote would strike out——

The SPEAKER pro tempore. The Clerk will re-read the motion.

The Clerk read as follows:

> Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 32 and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment, insert:
>
> "SEC. 1003. Section 102 of the Act of November 14, 1969 (Public Law 91-117) as amended, is further amended by striking "the sine die adjournment of the first session of the Ninety-first Congress" and inserting in lieu thereof, "January 30, 1970"."

The question was taken; and there were—yeas 276, nays 99, not voting 58, as follows:

[Roll No. 352]

YEAS—276

Abernethy
Adair
Adams
Addabbo
Albert
Alexander
Anderson, Ill.
Anderson, Tenn.
Annunzio
Arends
Ashley
Ayres
Baring
Barrett
Beall, Md.
Belcher
Bell, Calif.
Bennett
Betts
Biaggi
Bingham
Blatnik
Boggs
Boland
Bow
Brademas
Brasco
Brock
Brooks
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, Calif.
Burton, Utah
Bush
Button
Byrne, Pa.
Byrnes, Wis.
Cabell
Camp
Carter
Casey
Cederberg
Chamberlain
Chisholm
Clark
Clausen, Don H.
Clay
Collins
Conable
Conte
Corbett
Corman
Coughlin
Cramer
Crane
Culver
Cunningham
Daddario
Daniels, N.J.
Davis, Ga.
de la Garza
Denney
Derwinski
Dickinson
Diggs
Dingell
Donohue
Dorn
Downing
Dulski
Duncan
Eckhardt
Edmondson
Edwards, Ala.
Edwards, La.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fallon
Fascell
Feighan
Fish
Flood
Foley
Ford, Gerald R.
Ford, William D.
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Fuqua
Galifianakis
Gallagher
Garmatz
Gaydos
Gilbert
Gray
Green, Pa.
Gubser
Gude
Halpern
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Wash.
Harrington
Hathaway
Hays
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hicks
Hogan
Holifield
Horton
Hosmer
Howard
Hunt
Jacobs
Jarman
Johnson, Calif.
Jonas
Jones, Ala.
Jones, Tenn.
Karth
Kastenmeier
Kee
Keith
King
Kluczynski
Koch
Kuykendall
Kyros
Latta
Lloyd
Long, La.
Long, Md.
Lujan
McCarthy
McCloskey
McCulloch
McDade
McDonald, Mich.
McEwen
McFall
McKneally
McMillan
MacGregor
Madden
Mahon
Mailliard
Mathias
Matsunaga
May
Mayne
Meeds
Melcher
Meskill
Michel
Mikva
Mills
Minish
Minshall
Mizell
Mollohan
Monagan
Moorhead
Morgan
Morton
Mosher
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nix
Obey
O'Hara
O'Konski
Olsen
O'Neill, Mass.
Ottinger
Passman
Patman
Patten
Pelly
Pepper
Perkins
Pettis
Philbin
Pirnie
Podell
Pollock
Preyer, N.C.
Price, Ill.
Pryor, Ark.
Purcell
Quillen
Railsback
Reid, Ill.
Reid, N.Y.
Riegle
Rivers
Robison
Rodino
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Roth
Roudebush
Ruppe
Ruth
Ryan
St Germain
St. Onge
Sandman
Saylor
Scheuer
Schneebeli
Schwengel
Scott
Shipley
Slack
Smith, Iowa
Springer
Stafford
Staggers
Stanton
Stokes
Stubblefield
Taft
Talcott
Taylor
Teague, Calif.
Thompson, Ga.
Thompson, N.J.
Tiernan
Tunney
Udall
Ullman
Utt
Vander Jagt
Vanik
Vigorito
Waggonner
Watson
Watts
Whalen
Whalley
White
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H.
Winn
Wold
Wolff
Wyatt
Wylie
Wyman
Yates
Yatron
Young
Zion

NAYS—99

Anderson, Calif.
Ashbrook
Biester
Blackburn
Bray
Brinkley
Broomfield
Brown, Calif.
Burke, Fla.
Chappell
Clancy
Clawson, Del
Cleveland
Cohelan
Cowger
Daniel, Va.
Davis, Wis.
Dellenback
Dennis
Devine
Dowdy
Fisher
Flowers
Flynt
Foreman
Fountain
Frey
Gettys
Giaimo
Gibbons
Gonzalez
Goodling
Griffin
Gross
Grover
Hagan
Haley
Hansen, Idaho
Harsha
Hastings
Hawkins
Henderson
Hungate
Hutchinson
Ichord
Jones, N.C.
Kazen
Kleppe
Kyl
Landgrebe
Langen
Leggett
Lennon
Lowenstein
Lukens
McClure
Macdonald, Mass.
Mann
Marsh
Miller, Ohio
Mink
Mize
Nelsen
Nichols
Pickle
Pike
Price, Tex.
Pucinski
Quie
Randall
Rarick
Rhodes
Roberts
Roe
Rogers, Colo.
Rogers, Fla.
Roybal
Satterfield
Schadeberg
Scherle
Sebelius
Shriver
Smith, N.Y.
Snyder
Steed
Steiger, Ariz.
Steiger, Wis.
Stratton
Stuckey
Symington
Thomson, Wis
Van Deerlin
Waldie
Wampler
Weicker
Whitehurst
Wydler
Zablocki
Zwach

NOT VOTING—58

Abbitt
Andrews, Ala.
Andrews, N. Dak.
Aspinall
Berry
Bevill
Blanton
Bolling
Caffery
Cahill
Carey
Celler
Collier
Colmer
Conyers
Dawson
Delaney
Dent
Dwyer
Edwards, Calif.
Evins, Tenn.
Farbstein
Findley
Fulton, Tenn.
Goldwater
Green, Oreg.
Griffiths
Hall
Harvey
Hébert
Hull
Johnson, Pa.
Kirwan
Landrum
Lipscomb
McClory
Martin
Miller, Calif.
Montgomery
Morse
Moss
O'Neal, Ga.
Poage
Poff
Powell
Rees
Reifel
Reuss
Rostenkowski
Sikes
Sisk
Skubitz
Smith, Calif.
Stephens
Sullivan
Teague, Tex.
Watkins
Wright

So the motion was agreed to.

The Clerk announced the following pairs:

Mr. Miller of California with Mr. Lipscomb.
Mr. Sisk with Mr. Smith of California.
Mr. Celler with Mr. Morse.
Mr. Evins of Tennessee with Mr Watkins.
Mrs. Griffiths with Mrs. Dwyer.
Mr. Hébert with Mr. Hall.
Mr. Moss with Mr. Andrews of North Dakota.
Mr. Sikes with Mr. Harvey.
Mr. Bevill with Mr. Goldwater.
Mr. Caffery with Mr. Martin.
Mr. Aspinall with Mr. Cahill.
Mr. Rostenkowski with Mr. Collier
Mr. Abbitt with Mr. Poff.
Mr. Fulton of Tennessee with Mr. Johnson of Pennsylvania.
Mr. Delaney with Mr. Reifel.
Mr. Hull with Mr. Skubitz.
Mr. Dent with Mr. Findley.
Mr. Colmer with Mr. Berry.
Mr. Carey with Mr. McClory.
Mr. Andrews of Alabama with Mr. Montgomery.
Mr. Conyers with Mr. Edwards of California.
Mr. Blanton with Mr. O'Neal of Georgia.
Mr. Farbstein with Mr. Dawson.
Mrs. Green of Oregon with Mr. Landrum.
Mr. Reuss with Mr. Powell.
Mr. Stephens with Mr. Rees.
Mrs. Sullivan with Mr. Teague of Texas.
Mr. Wright with Mr. Kirwan.

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 33: On page 16, line 11, insert:

"SEC. 1004. In view of and in confirmation of the authority invested in the Comptroller General of the United States by the Budget and Accounting Act of 1921, as amended, no part of the funds appropriated or otherwise made available by this or any other Act shall be available to finance, either directly or through any Federal aid or grant, any contract or agreement which the Comptroller General of the United States holds to be in contravention of any Federal statute: *Provided*, That this section shall not be construed as affecting or limiting in any way the jurisdiction or the scope of judicial review of any Federal court in connection with the Budget and Accounting Act of 1921, as amended, or any other Federal law."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 33 and concur therein.

The SPEAKER. For what purpose does the gentleman from New Jersey rise?

Mr. THOMPSON of New Jersey. Mr. Speaker, I ask that the question be divided. Mr. Speaker, I have a motion at the desk.

Mr. MAHON. Mr. Speaker, I do not yield for a motion at this time.

The SPEAKER. The gentleman from New Jersey demands a division?

Mr. THOMPSON of New Jersey. The gentleman does.

The SPEAKER. The question is, Will the House recede from its disagreement to the amendment of the Senate numbered 33?

PARLIAMENTARY INQUIRY

Mr. MACGREGOR. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MACGREGOR. I should like to ask the Speaker if the time for debate on the motion of the gentleman from Texas (Mr. MAHON) is under the control of the gentleman from Texas and if it is in order for me at this time to ask the gentleman from Texas to yield to me for 5 minutes?

Mr. MAHON. I have agreed to yield to the gentleman from Minnesota for 5 minutes for the purpose of debate.

Mr. MACGREGOR. Am I recognized, Mr. Speaker?

The SPEAKER. The gentleman from Texas will be recognized for 1 hour, but the question before the House now is on the motion of the gentleman from Texas that the House recede from its disagreement to the Senate amendment.

Mr. MAHON. Mr. Speaker, I yield to the gentleman from Minnesota for 5 minutes.

Mr. THOMPSON of New Jersey. Mr. Speaker, a parliamentary inquiry.

Mr. MAHON. Mr. Speaker, I do not yield for that.

The SPEAKER. The gentleman from Texas is recognized for 1 hour.

Mr. MACGREGOR. Mr. Speaker, will the gentleman from Texas yield 5 minutes to me?

Mr. MAHON. I yield 5 minutes to the gentleman from Minnesota.

The SPEAKER. The gentleman is recognized for 5 minutes.

Mr. MACGREGOR. Mr. Speaker and Members of the House, I rise in opposition to the pending motion with respect to the Senate rider which would kill the Philadelphia plan. I speak as a member of the House Committee on the Judiciary who was pleased to play a role in the draftsmanship and passage of title VII of the Civil Rights Act of 1964. The revised Philadelphia plan is not—I repeat, not—in conflict with any provision of the Civil Rights Act of 1964. It is a lawful implementation of the provisions of Executive Order 11246. It should be enforced in accordance with its terms in the award of Government contracts. The plan provides that the contractor's commitment to specific goals is not intended and shall not be used to discriminate against any qualified applicant or employee. Furthermore, the obligation to meet the goals set forth pursuant to the Philadelphia plan is not absolute. "In the event of failure to meet the goals the contractor shall be given an opportunity to demonstrate that he made every good faith effort to meet his commitment." That last sentence is a direct quote from the Philadelphia plan and the program. Now neither the Executive order nor the Philadelphia plan, which implements the order, with respect to certain construction contracts, regulates the practices of employers generally.

While the power of the Government to determine the terms which shall be included in its contracts is subject to limitations imposed by the Constitution or by acts of Congress, the existence of such power does not depend on an affirmative legislative enactment. In evaluating the Comptroller General's challenge to the Philadelphia plan on the basis of conflict with title VII of the Civil Rights Act, it is important to distinguish between those things prohibited by title VII as to all employers covered by that act, and those things which are merely not required of employers by that act. Therefore the United States as a contracting party may not require an employer to engage in practices which Congress has prohibited. It does not follow, however, that the United States may not require of those who contract with it certain employment practices which Congress has not seen fit to require of employers generally. Nothing in the Philadelphia plan requires an employer to violate section 703(a) (1) and (2) of the Civil Rights Act of 1964. The employer's obligation is to make every good faith effort to meet his goals. A good faith effort does not include any action which would violate section 703 (a) or any other provision of title VII of the Civil Rights Act of 1964.

The Philadelphia plan addresses itself to a situation in which, according to the Department of Labor's findings, the contractors have in the past delegated an important part of the hiring function to labor organizations by selecting their work force on the basis of union referrals. The referral practices of certain unions, whether or not amounting to violations of title VII, have in fact contributed to the virtual exclusion of Negroes from employment in certain trades in the Philadelphia area. Continued reliance by contractors on established hiring practices may reasonably be expected to result in continued exclusion of Negroes. The purpose of the Philadelphia plan is to place squarely upon the contractor the burden of broadening his recruitment base whether within or without the existing union referral system, as he, the contractor, shall determine. The contractor's obligation is phrased primarily in terms of goals and not quotas; the choice of methods of employment is his, provided only that he does not discriminate against qualified employees or applicants. Unless it can be demonstrated that the hiring goals cannot be achieved without unlawful discrimination, I fail to see why the Government is not permitted to require a pledge of good faith efforts to meet them as a condition for the award of contracts.

Mr. Speaker, I cannot assume that any contractor who desires to participate in good faith in the Philadelphia plan will be forced, as a practical matter, to choose between noncompliance with his affirmative action obligation under the Executive order and violation of title VII. If unfairness in the administration of the plan should develop, it cannot be doubted by any Member of this House that judicial remedies are available.

We have heard here earlier in this debate that it is important that we uphold the dignity of this House by agreeing to the Senate rider. But let me point out a few things to you:

In essence, the Senate rider would

grant judicial powers to the Comptroller General. It would give him the authority of a court in determining whether or not the Philadelphia plan violates the Constitution. I do not think the Comptroller General wants that authority. He should not have it. He is not a lawyer. He is not trained in the law. He is a brilliant accountant and a fine administrator. After completing his undergraduate studies he earned a Master's degree from Kansas and a Ph. D. from the University of Minnesota. None of these graduate degrees are in law.

I urge you not to give to the Comptroller General—who ought to be concerned with spending practices, not hiring practices—I urge you not to give him this judicial authority, but to leave it to the courts.

Finally, Mr. Speaker, Christmas is 3 days away and there is a temptation at this time to appeal on the basis of compassion for those who have been denied equality of opportunity in any area. I make no such appeal. I ask you for justice, not compassionate pity, for those who are victims of discrimination.

It does not avail a man much to be guaranteed the opportunity to be served in a Howard Johnson restaurant——

The SPEAKER. The time of the gentleman has again expired.

Mr. MAHON. I yield 1 additional minute to the gentleman from Minnesota.

Mr. MacGREGOR. It does not avail a man much to be able to be served in Howard Johnson restaurants across the face of America, as indeed he now can do through the Civil Rights Act of 1964, if he does not have the money to pay for his meal.

It does not avail a man much to be able to buy a house, as our distinguished minority leader said, if he does not have a job to earn the money to pay for that house.

It does not avail a Negro American much if he has the equal right to see the Minnesota Vikings defeat the Los Angeles Rams next Saturday but lacks the money to buy a ticket.

A good job enables those discriminated against because of race to earn the money to enjoy all of the equal opportunities guaranteed by recent acts of Congress.

I ask you to let the Philadelphia plan go forward by defeating the motion offered by the gentleman from Texas. If the plan is offensive to the Constitution or laws of the United States, let that be decided ultimately in the Federal courts, not by the opinion of the Comptroller General.

The SPEAKER. The time of the gentleman from Minnesota has again expired.

Mr. MAHON. Mr. Speaker, I yield 4 minutes to the gentleman from Arizona (Mr. Rhodes), a member of the conference.

Mr. RHODES. Mr. Speaker, there has been much said today about whether or not this rider enlarges the power of the Comptroller General. I suggest to you that it enlarges his power almost beyond recognition. A look at the language which is relied upon from the Budget Act of 1921 for this enlargement shows that it reads like this:

> Balances certified by the General Accounting Office on the settlement of public accounts shall be final, and conclusive upon the executive branch of the Government.

I suggest that when you talk about "balances" you are talking about the postaudit functions of the Comptroller General. He has that function, and what he says about the accounts of the Government indeed are final, there is no doubt about it. But let us look at the subject before us. We do not have a question of monetary balances, we have a question where the Comptroller General has very properly gone into a situation to see whether or not an act of Congress has actually been interpreted or administered as the Congress intended it. However, whether he believes this proper or whether he does not believe it is proper I submit in this instance is not and should not be binding, and is not binding under the Budget and Accounting Act. It is not an opinion on accounts, it is not a postaudit, it is an opinion on the validity of the exercise of a power by the Executive, under the Civil Rights Act of 1964. It is, in reality, the determination of what the Congress intended when it enacted that law.

The Comptroller General has very properly given to the Congress a warning that its intent may have been misinterpreted. In exercise of its function of legislative oversight, the Congress should inquire of the executive department, whether or not it has in this instance properly administered the law. If it has not, we should see that it does so. The courts often make final determination on matters like this. When the Executive received the opinion of the Comptroller General, he very properly inquired of the Attorney General as to his opinion. In this case, the Attorney General said succinctly, "I disagree with the Comptroller General."

The next thing to be done of course is for the Congress either to decide between the two, in a proper form, a proper bill, or to let a court decide the matter. But at any stage of the whole discussion the Congress can take over and say, "look, do not put words in my mouth, Mr. Comptroller General—do not put words in my mouth, Mr. Court—here is what I meant when I passed that law." This is a thing that this Congress should do, and has done. But we cannot and should not delegate this authority.

This is a supplemental appropriation bill. This is no vehicle upon which we should determine the legislative intent of the Congress which passed the Civil Rights Act of 1964. Yet this is what we are being asked to do—to state whether or not when we passed the Civil Rights Act of 1964 we had in mind an arrangement such as the Philadelphia plan.

Mr. Speaker, let us let the Committee on the Judiciary, from which the Civil Rights Act of 1964 came, take this up under the function of legislative oversight and if necessary submit legislation to the House and clarify what our intent was at that time. I submit, however, that this is not the time and this is not the hour to take an action which is as far reaching as this one would be because, gentlemen and ladies of the House and Mr. Speaker, believe me you are setting up the Comptroller General of the United States as an arbiter, with power which is almost beyond precedent. I do not believe this is the time or this is the hour to do that particular job.

So I ask you, when the vote comes that you vote "no" on the motion of the gentleman from Texas.

Mr. MAHON. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana (Mr. Dennis) for the purpose of debate only.

Mr. DENNIS. Mr. Speaker, we are dealing here today with an important and fundamental question, which is, really, the question of the opportunity and the right of a man to learn a trade and make a living; and when the proposition is put to me in those basic terms I have to vote for that right and for that opportunity.

Now, we have heard many eloquent statements here on the floor of the House about civil rights and civil liberties, and I hope that some of these eloquent voices will agree with me here today because they are so much more eloquent than I am. But in some of these matters there are very grave constitutional questions and social questions and conflicts of rights that are involved. Here we have a question which, although it is fundamental, is relatively simple. There is no great constitutional question here of the structure of our Federal Government or of the powers of the Federal Government and of the several States. There is just a question of the right of a man to go out and learn a trade and get a job. Stated simply the real issue is, should a man's race or color affect adversely his right and opportunity to do that? And I say that if the promise of this country means anything the answer to that question has to be "No"; and if our citizens and all of them are ever going to reach the plane of equality which I think they must reach if we are going to have peace and happiness in this country the answer to that question has to be "No."

The gentleman from Michigan said here a while ago that he wanted to see a colorless society insofar as employment and the right to employment is concerned—and I do too—in theory you should not have to legislate anything along these lines. In respect to employment it should not make any difference whether a man is black, brown, white, or checkered. But as a matter of fact, as we all know, it does.

So really the only question here today is whether it is proper for the Federal Government, the situation being as it is, to give a small amount of encouragement in its own contracts to its own citizens, in respect to their right to make a living.

I say our Government ought to be entitled to do that. Whatever the powers of the Comptroller General may be, they were never such as to create a dictatorship entitling him to tell the Federal Government that it cannot do a fundamental thing of that kind; and if any money is actually spent contrary to the Civil Rights Act, or any other act, the courts will determine that. So when you get right down and strip the verbiage away, it is just a question of whether or not the Federal Government, in its own contracts, can do a little something to help people have an economic opportunity and economic equality, and nothing else. And this House ought to be for that.

Mr. MAHON. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. Fulton).

Mr. FULTON of Pennsylvania. Mr. Speaker, this is a question of where two of our U.S. progressive policies contravene each other. One is civil rights and the other is the right of free collective bargaining. The question on civil rights does not go to the basic foundation of civil rights legislation, but is our method of proposed enforcement in one field, in one area of Government contracts.

I am glad to advise the House and the Congress that I have voted for every civil rights bill that has passed the Congress during my service in Congress. In the 80th Congress, Senator Ives of New York and I cosponsored the Republican civil rights bill, commonly designated the Ives-Fulton civil rights bill. I am for civil rights, but will not break the basic principle of collective bargaining, on a point of limited enforcement. Already there is an Executive order of the President in force on this very subject. This is an added method of enforcement that is being considered.

I believe that Congress should not set the terms and conditions of contracts that should be arrived at by collective bargaining. Congress must protect the right of collective bargaining for voluntary contracts mutually agreed, and voluntarily complied with by the parties.

I have stood here almost alone when the question of compulsory arbitration for railroad workers arose and I have said, "No, the parties must bargain collectively, and the Federal Government should not move in and impose contract provisions on the parties by law." When the Government takes collective bargaining away from any section of industry, you take it away from everyone, and gradually Government spoils collective bargaining procedures.

In my estimation, I believe the AFL-CIO and local unions should bargain. I do not want quota systems or any procedure that will assign in various sections of the country a purely white labor force and in some sections a mixed force, and in other sections a completely colored labor force. Quotas are not the solution.

We in Pittsburgh have had a confrontation on this question and we have learned not to settle our collective bargaining procedures by Government or groups force. Our people, the AFL-CIO, the building trades, are voluntarily working out this problem. We ask you in Congress to give our good labor unions the time to work this out by consent and not to force us by law, shutting off good collective bargaining procedures.

Mr. MAHON. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. Hawkins).

(Mr. HAWKINS asked and was given permission to revise and extend his remarks, and to include extraneous material.)

Mr. HAWKINS. Mr. Speaker, in opposing today this rider to the supplemental appropriation bill which will kill the so-called Philadelphia plan, I cannot in good conscience believe the issue of equal employment opportunities is being presented to us by the administration in the constructive and forthright manner such a concept deserves. I am willing to encourage, however, what may be its first sign of repentance.

The alleged purpose of the administration's Philadelphia plan is to place more Negroes in skilled construction work. It is proposed that approximately 20 percent of the work force be hired in the next 4 years. This is stated as a goal rather than a quota, thereby in the opinion of the administration it is not a violation of the Civil Rights Act which forbids hiring on a racial quota basis.

The provision inserted by the Senate would forbid Government spending on "any contract which the Comptroller General of the United States holds to be in contravention of any Federal statute." Since such a ruling has already been made on the Philadelphia plan, this plan is naturally the focus of controversy.

Basically the administration has made the Philadelphia plan its program of providing more jobs for Negroes. Serious questions may be raised as to its reason. Why should minority employment be limited in effect to a single industry? And, why only to certain cities in the first instance? If it is in futherance of Executive order, why has the order not been invoked before?

If in fact the administration supports the concept of affirmative action in ending racial discrimination in employment, why has it failed to use the tools clearly available under law?

The Office of Contract Compliance in the Department of Labor is charged with policing nondiscrimination in Government contracts. Yet earlier this year the Department of Defense chose to ignore this office by awarding over $9 million of contracts in the textile industry to companies that had a history of discriminatory hiring practices.

The Federal Equal Employment Opportunity Commission also has some powers in "affirmative action" employment which have not been utilized even to the limited extent available. As a matter of fact, the Department of Justice with support from the Commission is even now in a position to move in ending discrimination in three major industries—motion pictures, communications, and aerospace—involving Federal contracts but apparently seems more interested in confining its civil rights attention to a single industry under the Philadelphia plan.

The administration has a golden opportunity to obtain strong powers, including affirmative action, under the EEOC part of the Civil Rights Act, title VII, by supporting a bill which Mr. Ogden Reid of New York, and I have introduced to give cease and desist power to this Federal Commission. Incidentally, a similar bill is pending in the Senate backed by 35 sponsors. The administration, however, prefers to confuse the issue with a new and different approach unsupported by a single civil rights authority or organization.

A few weeks ago the administration sought to dilute the Voting Rights Act on the basis of extending its coverage nationally, although the problem was clearly limited to certain States. Now the same administration seeks to narrowly confine its civil rights posture in a limited area although the problem is clearly national.

The Philadelphia plan is designed to implement Executive Order 11246, 1965, issued by President Johnson and forbidding discrimination in employment by Federal contractors. But prohibition of discrimination is not enough. Positive action is now necessary.

Under the Philadelphia plan, the Government, in opening jobs for competitive bidding, will require bidders to state their plans for meeting certain goals based primarily on new job openings and to show good faith in reaching the goals.

Such a plan certainly is one of the many tools suited for opening up new and better jobs in industry. Its application, however, should be national in scope and extended to all industries as a showing of good faith and expression of fairness. And it must be understood that this plan is only one, and not necessarily the best of the tools for opening opportunities.

It is, therefore, difficult to understand the inconsistency of this administration in the civil rights field and its ejection of political favoritism.

If, however, the administration is willing to assume the national leadership for correction of one of our major urban ills, racial discrimination, I am willing to support it as long as it moves ahead consistently and uncompromisingly.

Let it then, push on to removing discrimination against three out of every four black children who attend segregated schools instead of supporting a slowdown in school desegregation.

Let it reverse itself and now support us on a strong Voting Rights Act.

Let it move in to support of a strong Equal Employment Act, and to ending discrimination in employment in its own executive departments.

Then, we can truly make the Philadelphia plan an American plan.

Mr. Speaker, I include a letter on this subject:

Washington, D.C.,
December 22, 1969.

Hon. John McCormack,
Speaker, U.S. House of Representatives,
Washington, D.C.:

In order that the record may be clear I am sending this wire to confirm the fact that we had a conversation in your office with Mr. Carl Albert and Mr. O'Hara on Friday, December 19, concerning the so-called Philadelphia Plan rider that was attached to the supplemental appropriations bill in the Senate. The NAACP is opposed to this rider as we have opposed similar riders to the appropriations bill in other fields. I am deeply shocked to learn that the Nixon Administration is seeking to convey the impression that civil rights groups are not opposed to this amendment.

It is amazing that the same administration which has sought to destroy the voting rights bill, which is against strengthening existing equal employment opportunity legislation, which has been guilty of outrageous footdragging in school desegregation, now suddenly is on a great crusade to save the Philadelphia Plan. It is very odd that at the beginning of the year the administration was perfectly willing to let the textile industry continue employment discrimination by reaching a dubious unwritten agreement with the big employers of that highly discriminating industry, but now is enthusiastically cracking down on discrimination that involves labor unions. The NAACP opposes all kinds of racial discrimination whether by employers or labor unions. Now that the Nixon Administration is giving such vigorous defense to the Philadelphia Plan, we hope it will show equal zeal in supporting the Hawkins-Reid bill on strengthening EEOC.

We urge the defeat of the rider attached to the Senate bill, but I personally would like to have this telegram serve as a record of the fact that the Administration spokesmen who said we have not acted against it simply are not telling the truth.

CLARENCE MITCHELL,
Director, Washington Bureau, NAACP.

Mr. REID of New York. Mr. Speaker, will the gentleman yield?

Mr. HAWKINS. I yield to the gentleman from New York, (Mr. Reid).

Mr. REID of New York. Mr. Speaker, I commend the gentleman from California (Mr. Hawkins) for his statement, and I urge support for the Philadelphia plan, the position the Secretary of Labor has taken, and a "no" vote on the motion of the gentleman from Texas.

This is a key vote for an effective road to racial justice and in support of equal employment opportunity.

Further, as a cosponsor with the gentleman from California (Mr. Hawkins) of legislation to give the Equal Employment Opportunity Commission cease-and-desist powers, I would strongly hope that Members will support that legislation at an appropriate time as well.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may revise and extend their remarks at this point in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Speaker, I yield 1 minute to the gentleman from Florida (Mr. Pepper).

Mr. PEPPER. Mr. Speaker, I merely want to say we lawyers know there is an old saying in the law that hard cases make bad law. Assuming there is no political motivation behind the action of the administration, it would then be a case whether or not the law that gave to the Comptroller General, since his inception in 1921, his authority to determine the propriety of governmental payments is to be set aside by the opinion of an Attorney General appointed by the President under the authority of an Executive order even to achieve a desirable result.

What is the source of the authority of the Executive order?

This conflict was not initiated by this House or by the other body. What happened was, if Members recall, the Department of Labor put into effect in Philadelphia in Government contracts the Philadelphia plan. The Comptroller General held that plan was in contravention of the Civil Rights Act of 1964.

Did the administration come to Congress and ask for an amendment of the authority of the Comptroller General or of the Civil Rights Act of 1964?

On the contrary, the Attorney General held under the Executive order of the President the Department of Labor act contrary to the Civil Rights Statute of 1964. By this provision we are simply protecting the authority of the Comptroller General under the statute we enacted in 1921 except as the courts may hold to the contrary.

Mr. MAHON. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. Corman) for debate only.

Mr. CORMAN. Mr. Speaker, the fundamental issues are the same, it seems to me, and the words are almost the same on this as on every other civil rights matter. Last week we took up on the floor of this House the fundamental right of Americans to participate in government. Now we are talking about their right to participate in the economy of this Nation.

Mr. Speaker, I very much hope we defeat the motion and speak out loudly and clearly in support of racial justice. As the gentleman from California (Mr. Hawkins) pointed out, I, too, was pleased to see we had support this week we did not have last week. When I listened to the distinguished minority leader I felt very much like a father who welcomes home his prodigal son as told in the biblical parable:

> When the prodigal son returned his father said: "Bring quickly the best robe and put it on him; and put a ring on his hand, and shoes on his feet, and bring the fattest calf and kill it, and let us eat and make merry; for this my son was dead, and is alive again; he was lost, and is found."

Mr. Speaker, I have not checked yet to see how long the prodigal son stayed home. I hope this one stays home for the rest of the 91st Congress.

Mr. GERALD R. FORD. Mr. Speaker, I hope the gentleman from California (Mr. Corman) would give me the same consideration and I hope he treats me with the same consideration as he gave the gentleman from Michigan (Mr. O'Hara) when that gentleman quoted Father Hesburgh last week, but this week the gentleman from Michigan (Mr. O'Hara) is going contrary to the good father's recommendation.

Mr. CORMAN. Mr. Speaker, my heart, which was healed in one respect was broken in another when I heard the other gentleman from Michigan make the statement he did. However, I have no fear that the gentleman from Michigan (Mr. O'Hara), who has been a consistent and effective champion of civil rights during all the 9 years it has been my privilege to serve with him, will continue those efforts.

Mr. MAHON. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. Gerald R. Ford) for debate only.

Mr. GERALD R. FORD. Mr. Speaker, I take this time only for the purpose of seeking to clarify the vote on the motion by the gentleman from New Jersey to divide the motion.

A "no" vote on the motion to recede is a vote for the Philadelphia plan, and for equal job opportunity. If that motion does not prevail, then a motion will be made to insist on the House disagreement with the Senate. That motion, if it prevails, will mean that the House will have sought to strip from the conference report the Senate rider.

If the motion to recede prevails with an "aye" vote—to which I am opposed—then a motion to concur with an amendment would be in order. I believe it is far better to have the issue straight up or down, rather than the alternative. Therefore, I hope and trust those who believe in equal job opportunity will vote "no" on the motion to recede.

Mr. MAHON. Mr. Speaker, I yield, for debate only, 3 minutes to the gentleman from New Jersey (Mr. Thompson).

Mr. THOMPSON of New Jersey. Mr. Speaker, earlier, when the distinguished chairman of the committee moved to recede and concur, I asked that the question be divided. Therefore, there will be, as the gentleman from Michigan (Mr. Gerald R. Ford) described it, an opportunity to vote for or against receding.

Before concurring, I have an amendment which ought to be extremely attractive to the champions of equal employment opportunities.

The issue before us is confined for the moment to Philadelphia. My amendment says:

> "*Provided*, That no holding of the Comptroller General that a contract or agreement is in contravention of title VII of the Civil Rights Act of 1964 shall have any effect until he shall have examined and reported upon the employment practices of the J. P. Stevens Company, Burlington Mills and Dan River Mills for compliance with said title VII."

This is simple. I want to extend this equal opportunity to the thousands and thousands of textile workers who, by the admission of those three major employers, are being discriminated against. I want the great friends of civil rights to be consistent, to broaden this to include another great industry or indeed all industries. That simply is what I hope to do when the time comes to concur.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to my friend from Michigan.

Mr. GERALD R. FORD. I somewhat anticipated the gentleman from New Jersey might offer such an amendment or raise the issue, and I have a communication from the Secretary of Labor that the executive branch has written agreements from the textile plants involved and is getting full compliance and regular reports. I believe, therefore, there is no necessity for the gentleman's amendment.

Mr. THOMPSON of New Jersey. Would the gentleman tell me the date of that letter?

Mr. GERALD R. FORD. I received this communication some time this afternoon. I assume that it is up to date as of today.

Mr. THOMPSON of New Jersey. I hope that the gentleman is right.

Mr. GERALD R. FORD. The Secretary tells me it is accurate, and I happen to believe he has done his job.

Mr. THOMPSON of New Jersey. I am certain he does his job. The Comptroller General does his job. The Attorney General does his. Yet they are at loggerheads.

I have evidence here from the Secretary of Defense that there is no compliance, and yet the Secretary of Labor says there is. I have a file here an inch thick showing noncompliance.

The gentleman should have no objection to my amendment if they are complying. I wish he would accept it.

Mr. MAHON. Mr. Speaker, I yield, for debate only, 3 minutes to the gentleman from New York (Mr. RYAN).

Mr. RYAN. Mr. Speaker, I rise in opposition to the motion which will be offered by the distinguished chairman of the Committee on Appropriations to recede and concur in section 1004, Senate amendment numbered 33.

The distinguished chairman earlier this afternoon said that this was not a civil rights issue. I do not know what else it is but a civil rights issue. This question goes to the very fundamental question of the right of an individual to a job, to gainful employment, without regard to race, creed, or color.

It also goes to the heart of the President's Executive Order 11246 which prohibits discrimination on the part of those who have contracts with the Federal Government.

That Executive order has not been effectively implemented. The Philadelphia plan is a small step, but an important step, toward the implementation of that Executive order.

The conference report on the Supplemental Appropriations Act, H.R. 15209, has been amended by the Senate to include Senate amendment No. 33—section 1004. The amendment is in disagreement.

Amendment No. 33 would deny the use of Federal funds "to finance, either directly or through any Federal aid or grant, any contract or agreement which the Comptroller General of the United States holds to be in contravention of any Federal statute." Despite its broad language, the Senate debate shows the intent of this amendment—blocking of the so-called Philadelphia plan.

The revised Philadelphia plan was issued on June 27 of this year. Its purpose is to implement Executive Order 11246, which bans discrimination in Federal employment and in the hiring practices of Federal contractors, and which mandates affirmative action to insure nondiscriminatory employment practices, by establishing goals for contractors to seek to reach in hiring minority group members.

I have long been critical of the failure of the Government to fully implement Executive Order 11246. The ad hoc hearings which I and several of my colleagues held last year on discrimination in Federal employment and on the failure to enforce contract compliance pointed out to me the long way we must yet travel, and the strong affirmative actions that must yet be taken before discrimination in hiring and promotion is overcome.

The Philadelphia plan is one small step in this direction. In brief, the plan establishes employment goals for contractors on Federal or federally assisted construction projects in Philadelphia. As issued by Arthur A. Fletcher, Assistant Secretary for Wage and Labor Standards, Department of Labor:

> In order to promote the full realization of equal employment opportunity on Federally-assisted projects, it is the policy of the Office of Federal Contracts Compliance that no contracts or subcontracts shall be awarded for General and Federally-assisted construction in the Philadelphia area on projects whose cost exceeds $500,000 unless the bidder submits an acceptable affirmative action program which shall include specific goals of minority manpower utilization, meeting the standards included in the invitation or other solicitation for bids, in trades utilizing the following classifications of employees: Iron workers, plumbers, pipefitters, steamfitters, sheetmetal workers, electrical workers, roofers and water proofers, and elevator construction workers.

The premise behind this policy is that the construction trade relies on the construction craft unions as its prime or sole source of labor, and that, because of the exclusionary policies of these unions, minority member employees are excluded from working on construction projects.

Although several HEW contracts have successfully been negotiated in accordance with the Philadelphia plan's prescriptions, full implementation has largely been stymied by an adverse opinion of the Comptroller General. He has held that funds expended for contracts entered into in accordance with the plan would be expended illegally.

This conclusion is based on his reading of the plan as setting quotas for minority group members' employment in controvention of title VII of the 1964 Civil Rights Act.

At this time I do not propose to engage in legal debate over the merits of the Comptroller General's conclusion. The Attorney General has already done that; it is his position that the Philadelphia plan is legal. He does not read "goals," which the plan is directed at, as "quotas." Nor does he read good faith efforts to take affirmative action as meaning exclusion of qualified white workers.

The distinction is drawn by the editorial appearing in the Washington Post on December 22, 1969:

> A quota is a specific, fixed figure nominated in a contract and binding upon its parties; the goals contemplated in the Philadelphia Plan are elastic aims agreed upon as feasible and desirable in individual situations, toward the attainment of which contractors pledge themselves to make a "good faith" effort. They constitute simply a reaching toward decency and fairness.

Mr. Speaker, thus far, the administration, both by action and by inaction, has shown a distressing disregard for the poor and for the black people of America. There can be no clearer testimony to this than its substitute for an extension of the Voting Rights Act, which the House passed, over my opposition, less than 2 weeks ago. However, where there is merit, it must be recognized, and the Philadelphia plan is a step in the right direction and should not be destroyed. For too long we have been content to pass legislation which purports to extend opportunity to all. And for too long we have stood by as that purported opportunity proves to be a chimera—attractive in conception, defective in implementation. Discrimination in hiring and promotion still exists; access to well-paying, skilled jobs is still very limited when it is the black man or the Spanish-speaking citizen who seeks them.

The report published by the Civil Rights Commission in April 1969, and entitled "Jobs and Civil Rights" makes this clear:

> Every year, for the past thirteen years, the unemployment rate for nonwhites has been twice that for whites. Even with optimistic expectations for the future of the economy, government statisticians currently project that "the 1975 unemployment rate for nonwhites would still be twice that for the labor force as a whole." Moreover, when an adjustment is made for the undercount by the Census Bureau of the nonwhite population of working age, the spread between unemployment rates for nonwhites and whites widens.
>
> Besides entry level discrimination, there is also a vertical or skill-level aspect of job inequality for nonwhites. In many industries, the jobs held by nonwhites are less desirable, requiring less skill and paying lower wages, than the jobs held by whites. 1966. According to Arthur M. Ross, former Commissioner of Labor Statistics, they are under-represented in the occupations with smaller percentages (all the white collar and skilled-labor categories) and over-represented in those with larger percentages (all the semi-skilled, unskilled, and service activities except for protective service workers, as well as farm laborers).

Statistics recently revealed by the Equal Employment Opportunity Commission further underline how essential the need is to change current employment patterns. William H. Brown III, Chairman of EEOC, released results on September 28, 1969, of a survey made of 3,700 local unions throughout the country, reflecting their membership in 1967.

These figures do not isolate the situation in Philadelphia alone, but that is not the real issue before us. The Philadelphia story is not an atypical one. And the figures from across the country show how devastating the story is.

Chairman Brown discussed minority membership in referral unions, which he defined as unions with hiring halls, unions which have agreements with employers requiring the employers to consider or hire persons referred by the union or any agent of the union; and unions which have 10 percent or more of their members employed by employers who customarily and regularly look to the union for the employees to be hired on a casual or temporary basis, for a specified period of time or for the duration of a specific job.

Of the 2 million members of these 3,700 local unions having referral bargaining units, 10 percent were black, 6 percent had Spanish surnames, 1 percent were orientals, and 0.5 percent were American Indians.

These figures are certainly disheartening. Even though the 10 percent figure for blacks is in line with the national population proportions, the disparity becomes apparent when one considers that most black workers are, in practice, largely excluded from white collar jobs, and thus must look to blue-collar jobs for their employment.

Even more discouraging are these figures, when they are broken down to consider only the construction industry unions. These unions account for five-eighths, or 1.3 million, of the 2 million union members in referral bargaining units. Of these 1.3 million, only 106,000—8.4 percent—are blacks and only 56,000—4.5 percent—are Spanish surnamed. Thus, these percentages are even lower than the aggregate figures I have previously noted.

And of these 106,000 blacks, 81,000, or about 75 percent, are laborers. In the skilled occupations, the percentages are bleak:

[In percentages]

	Blacks	*Spanish surnamed*
Electrical workers	0. 6	1. 8
Elevator constructors	0. 4	1. 3
Asbestos workers	0. 9	1. 2
Plumbers	0. 2	1. 4
Sheetmetal workers	0. 2	(1)

[1] Not available.

Mr. Speaker, these statistics are 2 years old, but as Chairman Brown noted:

> (It) is most likely that these minority membership figures of two years ago are generally representative of the situation existing today. Even the most optimistic expectations for the Apprenticeship Outreach programs and other attempts to enroll minorities in apprenticeship programs only affect a small proportion of referral union membership.

Clearly the need is great. Clearly, the time is late. I have spoken of the merits of the Philadelphia plan, and of the statistics—statistics which represent blacks and Indians and Puerto Ricans who are being foreclosed from hope and from opportunity—which make this, and many other firmer steps essential now.

But even if the issue is to be framed in terms of the language of Senate amendment No. 33, how can we let such an amendment pass? To me, it is most disturbing for the Comptroller General to become the judicial body determinative of a matter of such great national significance. Surely, the Civil Rights Act of 1964 is not to be the judicial preserve of this nonjudicial office.

If the Comptroller General, as the Senate amendment would permit him to do it, is given the authority to nullify the Philadelphia plan, then he would have the authority, it must follow, to nullify any other affirmative action plan which is initiated by the Federal Office of Contract Compliance. In other words, the Comptroller General would have a complete veto power over the action of any department or agency head who acts under authority of the President of the United States to implement Executive Order 11246.

If there is a constitutional question as to whether or not the Philadelphia plan contravenes title VII of the Civil Rights Act of 1964, then that issue should be determined by the judiciary. That is the proper place for that question to be decided.

Adoption of the Senate amendment would be tantamount to turning over the equal employment program of the Federal Government to the Comptroller General.

In matters of technical contract matters, the Comptroller General serves well as the Congress' watchdog over the funds which we have appropriated. But there his sphere must stop.

What is left for the Office of Federal Contract Compliance to do, for compliance officers to do, if the Comptroller General is to assess each contract to determine whether the affirmative action plan of the contracting agency, which the Executive order compels, is, in his view, in contravention of any Federal statute.

If the Comptroller General can block the Philadelphia plan by ruling that funds expended for contracts in pursuance of it would be expended illegally, so can he block all efforts to rectify discrimination in employment. This must not be permitted.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. MAHON. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. ECKHARDT).

Mr. ECKHARDT. Mr. Speaker, I favor permitting the use of the Philadelphia plan.

I grasp this small forceps even though it has been in the hands of the other party and there are many larger tools and more effective ones that they have eschewed.

I agree with the able chairman of the committee that this is not altogether just a civil rights matter, but it seems to me that under the proposed agreement with the Senate the Comptroller General becomes a master of the House and not its servant.

Under the original act, the 1921 act, the Comptroller General can determine as a matter of auditing for the House the extent to which transactions have been consummated in accordance with the laws, but under the bill that is before us, if we accept the Senate viewpoint, then the Comptroller General turns the faucet through which funds flow.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. MAHON. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. HOLIFIELD) for the purpose of debate only.

Mr. HOLIFIELD. Mr. Speaker, why did this question arise? The question arose because the Attorney General and the Comptroller General are in conflict over the jurisdiction of the Comptroller General. That is why it arose.

The Comptroller General for 50 years, under the Budgeting and Accounting Act, has been given the following authority, and I read:

> Balances certified by the General Accounting Office upon the settlement of public accounts shall be final and conclusive upon the Executive Branch of the Government—

Not on the contractor, Mr. Speaker, but upon the executive branch of the Government. In other words, you pay the bill if the Comptroller General says you pay it and you do not pay it if he says you do not. That is as far as the executive branch is concerned.

Because of this fight, this section 1004 reads as follows:

> In view of and in confirmation of the authority invested in the Comptroller General of the United States by the Budget and Accounting Act of 1921, as amended, no part of the funds appropriated or otherwise made available by this or any other Act shall be available to finance, either directly or through any Federal aid or grant, any contract or agreement which the Comptroller General of the United States holds to be in contravention of any Federal statute:

This is a confirmation of the rights and the privileges and the authority which the Comptroller General has been exercising for 50 years. Then the question arose in the other body as to whether this language went too far and that it gave the Comptroller General additional authority far beyond what he was supposed to have had and exercised. Then the gentleman from West Virginia, Senator BYRD, offered this amendment:

> *Provided*, That this section shall not be construed as affecting or limiting in any way the jurisdiction or the scope of judicial review of any Federal court in connection with the Budget and Accounting Act of 1921, as amended, or any other Federal law.

So, this does not affect the right of a litigant to go into court and get a judgment set aside which has been made by the Comptroller General, provided the Comptroller General has not made that decision in line with the intent and purpose of the statute which the Congress has enacted.

That is what the fight is about. The Labor Department represented by Mr. Schultz and the Attorney General, Mr. Mitchell have now said that the Philadelphia plan is the only way they can enforce the Civil Rights Act of 1964 in regard to job opportunities. And, of course, as the people on the floor who are on the Education and Labor Committee know—and I see one of the gentlemen standing—this is untrue.

If they want to enforce the job opportunities provisions against discrimination which are contained in the Civil Rights Act they can use that statute which is already on the books, I will state to the gentleman from Illinois.

Mr. PUCINSKI. Mr. Speaker, if the gentleman will yield, the gentleman is telling the House now that there is nothing in this bill that precludes any agency of the executive branch from going into court and testing the decision of the Comptroller General?

Mr. HOLIFIELD. The gentleman is right insofar as litigants are concerned.

Mr. Speaker, I ask that the Members support the gentleman from Texas and his motion.

Mr. MAHON. Mr. Speaker, permission will be sought for all Members to extend their remarks in connection with the pending issue.

Anyone reading this RECORD might think that we have been debating the question of whether or not we should adopt the Philadelphia plan. But the question before us is not the Philadelphia plan. The Philadelphia plan is not mentioned, is not singled out in any way in the wording of the Senate amendment. The question before us is the supremacy of the Congress over the executive branch in deciding the purposes for which appropriations may or may not be used, whether expenditures shall be within the law or outside the law. This is the vital question. The power of the purse is the one certain and continuing power by which the Congress, as a representative of the people, controls the operations of Government.

It is unthinkable that we would do anything that would in any way militate against the authority which the Constitution gives us to control appropriations, and the authority which for almost 50 years we have given to our agent, the Comptroller General, to decide whether or not expenditures by the executive branch are in compliance with the appliable laws. All the amendment does is to reaffirm—in view of the dispute which has arisen—the authority of the Comptroller General to determine whether or not the expenditures of the Government are within the laws of the land. That is all there is to it.

It seems to me that it is wrong to throw a red herring in the form of civil rights into the discussion. There may be some practices of certain of the labor unions that are not good. I would not say that there has not been some discrimination in the labor unions. Congress has the authority to undertake to legislate in this field if it desires to do so. But that is not the issue before us today. The simple question is, shall we support the General Accounting Office and its chief officer, the Comptroller General, who represents the Congress of the United States in determining whether or not the money we appropriate is to be spent in accord with the applicable laws. The executive branch has challenged his decision on the so-called Philadelphia plan, and has indicated it will proceed despite the ruling that it would be an illegal expenditure.

So I would hope that, regardless of one's views on the Philadelphia plan—and if the Congress wants to adopt such legislation, that is a matter for Congress to decide—but regardless of one's own opinion on that, I hope that we will take action here today reasserting congressional control of the Federal purse.

The SPEAKER. The time of the gentleman has expired.

Mr. MIKVA. Mr. Speaker, I was pleased to see Americans for Democratic Action take an unequivocal position in favor of the Philadelphia plan. In a telegram to the leadership of this House, Joseph L. Rauh, Jr., vice chairman of the ADA and one of the great names in civil rights history, made clear ADA's position. As he pointed out, this is no time for retreat in such an important area of the civil rights front.

The text of the telegram to Speaker John W. McCormack and Majority Leader Carl Albert follows:

Americans for Democratic Action strongly urges you to support efforts to delete from Supplemental Appropriation bill the rider outlawing Philadelphia and similar affirmative action plans. Only strong governmental action can reverse long history of exclusion of blacks from construction industry. Philadelphia Plan offers greatest hope for minority employment in skilled construction work. To dash that hope at this time by rider barring this Plan would be to heap coals on the fires of racial tension. This is worst possible time for such retreat on the civil rights front. We trust you will lead the House of Representatives away from such retreat.

Joseph L. Rauh, Jr.,
vice chairman, ADA.

Mr. ANDERSON of Illinois. Mr. Speaker, I shall vote "no" on the motion of the gentleman from Texas (Mr. Mahon) to recede and concur in Senate amendment No. 904 which would have the effect of imposing a death sentence on the so-called Philadelphia plan. I have been shocked and surprised at some erstwhile supporters of civil rights who have sought in vain to explain their dislike for a plan to admit blacks to the building trades unions from which they have heretofore been barred because of crass discrimination. I received Mr. George Meany's wire in which he professes his attachment to equality of opportunity in employment and yet finds the rider to the Supplemental Appropriations bill acceptable because "quota systems are illegal, un-American, and in and of themselves discriminatory." This, of course, begs the question. The Secretary of Labor and others have pointed out that under the Philadelphia plan we are dealing with goals, not arbitrary fixed quotas.

In the current issue of Harpers, Bayard Rustin has written an article entitled "Black Separatism." In it he concludes that the future economic welfare of the black man depends upon a perpetuation of the ancient coalition between the trade unions and the Democratic Party. Mr. Speaker with such notable exceptions as the gentleman from Minnesota (Mr. Frazer), the gentleman from California (Mr. Corman), the gentleman from Indiana (Mr. Jacobs), and a few others, that coalition has not served the black man very well on the floor of this House this evening.

Look at the situation in the Philadelphia area. Thirty percent of all those engaged in the construction industry are members of a minority group, but only 1.6 percent are privileged to be members of the six skilled trades such as plumbers, pipefitters, electricians, and sheet metal workers. The obvious purpose of these selfish, shortsighted craft unions has been to constrict the labor supply at a time when we need hundreds of thousands of new skilled building craftsmen to meet our Nation's housing goals.

I hope the amendment of the gentleman from Texas (Mr. Mahon) is defeated.

Mr. MAHON. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER. The gentleman from New Jersey (Mr. Thompson) demanded a division on the motion made by the gentleman from Texas (Mr. Mahon).

The question is on the motion offered by the gentleman from Texas (Mr. Mahon) that the House recede from its disagreement to the amendment of the Senate numbered 33.

The question was taken; and on a division (demanded by Mr. Mahon) there were ayes 83, noes 125.

Mr. MAHON. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 156, nays 208, answered "present" 1, not voting 68, as follows:

[Roll No. 353]

YEAS—156

Abernethy
Addabbo
Alexander
Anderson, Tenn.
Ashbrook
Baring
Bennett
Biaggi
Blackburn
Bray
Brinkley
Brooks
Brown, Calif.
Broyhill, N.C.
Broyhill, Va.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Cabell
Casey
Chappell
Clancy
Clark
Clawson, Del
Collins
Corbett
Cramer
Crane
Daniel, Va.
Daniels, N.J.
Davis, Ga.
de la Garza
Denney
Derwinski
Devine
Dingell
Donohue
Dorn
Dowdy
Downing
Duncan
Edmondson
Eilberg
Fisher
Flood
Flowers
Flynt
Ford, William D.
Foreman
Fountain
Frey
Fulton, Pa.
Fuqua
Galifianakis
Gaydos
Gettys
Giaimo
Gray
Griffin
Gross
Grover
Hagan
Haley
Hansen, Wash.
Harsha
Hays
Henderson
Hicks
Holifield
Hungate
Ichord
Jarman
Johnson, Calif.
Jonas
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Karth
Kazen
Kee
King
Kluczynski
Kyros
Lennon
Long, La.
Long, Md.
McDonald, Mich.
McFall
McMillan
Macdonald, Mass.
Mahon
Mann
Marsh
Melcher
Minshall
Mizell
Mollohan
Monagan
Morgan
Murphy, Ill.
Myers
Natcher
Nedzi
O'Hara
O'Konski
Olsen
Passman
Patman
Pepper
Perkins
Philbin
Pickle
Preyer, N.C.
Pryor, Ark.
Pucinski
Purcell
Quillen
Randall
Rarick
Rivers
Roberts
Roe
Rogers, Fla.
Rooney, Pa.
Roudebush
Ruth
St Germain
St. Onge
Satterfield
Scherle
Scott
Shipley
Slack
Smith, Iowa
Snyder
Steed
Steiger, Ariz.
Stubblefield
Stuckey
Symington
Taylor
Thompson, Ga.
Tiernan
Ullman
Vigorito
Waggonner
Wampler
Watson
Watts
Whitehurst
Whitten
Wiggins
Williams
Yatron
Young
Zablocki

NAYS—208

Adams
Albert
Anderson, Calif.
Anderson, Ill.
Annunzio
Arends
Ashley
Ayres
Barrett
Beall, Md.
Belcher
Bell, Calif.
Betts
Biester
Bingham
Blatnik
Boggs
Boland
Bow
Brademas
Brasco
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Buchanan
Burke, Fla.
Burton, Calif.
Bush
Button
Byrne, Pa.
Byrnes, Wis.
Camp
Carter
Cederberg
Chamberlain
Chisholm
Clausen, Don H.
Clay
Cleveland
Cohelan
Conable
Conte
Corman
Coughlin
Cowger
Culver
Cunningham
Daddario
Davis, Wis.
Dellenback
Dennis
Dickinson
Diggs
Dulski
Eckhardt
Edwards, Ala.
Erlenborn
Esch
Eshleman
Evans, Colo.
Feighan
Fish
Foley
Ford, Gerald R.
Fraser
Frelinghuysen
Friedel
Gallagher
Garmatz
Gibbons
Gilbert
Gonzalez
Goodling
Green, Pa.
Gubser
Gude
Halpern
Hamilton
Hanley
Hanna
Hansen, Idaho
Harrington
Hastings
Hathaway
Hawkins
Hechler, W. Va.
Heckler, Mass.

Helstoski
Hogan
Horton
Hosmer
Howard
Hunt
Hutchinson
Jacobs
Kastenmeier
Keith
Kleppe
Koch
Kuykendall
Kyl
Landgrebe
Langen
Latta
Leggett
Lloyd
Lowenstein
Lujan
Lukens
McCarthy
McCloskey
McClure
McCulloch
McDade
McEwen
McKneally
MacGregor
Madden
Mailliard
Mathias
Matsunaga
May
Mayne
Meeds
Meskill
Michel
Mikva
Miller, Ohio
Minish
Mink
Mize
Moorhead
Morton
Mosher
Murphy, N.Y.
Nelsen
Nix
Obey
O'Neill, Mass.
Ottinger
Patten
Pelly
Pettis
Pike
Pirnie
Podell
Price, Ill.
Price, Tex.
Quie
Railsback
Reid, Ill.
Reid, N.Y.
Rhodes
Riegle
Robison
Rodino
Rogers, Colo.
Rooney, N.Y.
Rosenthal
Roth
Roybal
Ruppe
Ryan
Sandman
Saylor
Schadeberg
Scheuer
Schneebeli
Schwengel
Sebelius
Shriver
Smith, N.Y.
Springer
Stafford
Staggers
Stanton
Steiger, Wis.
Stokes
Stratton
Taft
Talcott
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Tunney
Udall
Utt
Van Deerlin
Vander Jagt
Vanik
Waldie
Weicker
Whalen
Whalley
White
Widnall
Wilson, Bob
Wilson, Charles H.
Winn
Wold
Wyatt
Wydler
Wylie
Wyman
Yates
Zion
Zwach

ANSWERED "PRESENT"—1

Pollock

NOT VOTING—68

Abbitt
Adair
Andrews, Ala.
Andrews, N. Dak.
Aspinall
Berry
Bevill
Blanton
Bolling
Brock
Burton, Utah
Caffery
Cahill
Carey
Celler
Collier
Colmer
Conyers
Dawson
Delaney
Dent
Dwyer
Edwards, Calif.
Edwards, La.
Evins, Tenn.
Fallon
Farbstein
Fascell
Findley
Fulton, Tenn.
Goldwater
Green, Oreg.
Griffiths
Hall
Hammerschmidt
Harvey
Hébert
Hull
Johnson, Pa.
Kirwan
Landrum
Lipscomb
McClory
Martin
Miller, Calif.
Mills
Montgomery
Morse
Moss
Nichols
O'Neal, Ga.
Poage
Poff
Powell
Rees
Reifel
Reuss
Rostenkowski
Sikes
Sisk
Skubitz
Smith, Calif.
Stephens
Sullivan
Teague, Tex.
Watkins
Wolff
Wright

So the motion was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Montgomery for, with Mr. Pollock against.

Mr. Hébert for, with Mr. Reuss against.

Mr. Andrews of Alabama for, with Mr. Hammerschmidt against.

Mr. Bevill for, with Mr. Conyers against.

Mr. Nichols for, with Mr. Farbstein against.

Mr. O'Neal of Georgia for, with Mr. Celler against.

Until further notice:

Mr. Colmer with Mr. Goldwater.

Mr. Evins of Tennessee with Mr. Brock.

Mr. Fallon with Mr. Watkins.

Mr. Miller of California with Mr. Lipscomb.

Mr. Mills with Mr. Hall.

Mr. Hull with Mr. Burton of Utah.

Mr. Powell with Mr. Edwards of California.

Mr. Rostenkowski with Mr. Collier.

Mr. Edwards of Louisiana with Mr. Skubitz.

Mr. Fulton of Tennessee with Mr. Findley.

Mrs. Green of Oregon with Mr. Cahill.

Mr. Rees with Mr. Reifel.

Mr. Sikes with Mr. Martin.

Mr. Stephens with Mr. Berry.

Mr. Carey with Mr. Morse.

Mr. Sisk with Mr. Smith of California.

Mr. Teague of Texas with Mr. Adair.

Mrs. Sullivan with Mrs. Dwyer.

Mr. Landrum with Mr. Andrews of North Dakota.

Mr. Moss with Mr. Harvey.

Mr. Abbitt with Mr. Poff.

Mr. Delaney with Mr. Cahill.

Mrs. Griffiths with Mr. McClory.

Mr. Dent with Mr. Johnson of Pennsylvania.

Mr. Aspinall with Mr. Blanton.

Mr. Dawson with Mr. Kirwan.

Mr. Wolff with Mr. Wright.

Messrs. GARMATZ and ROONEY of New York changed their vote from "yea" to "nay."

Mr. POLLOCK. Mr. Speaker, I have a live pair with the gentleman from Mississippi (Mr. MONTGOMERY). If he had been present he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

The doors were opened.

MOTION OFFERED BY MR. BOW

Mr. BOW. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Bow moves that the House insist on its disagreement to the amendment of the Senate numbered 33.

The SPEAKER. The question is on the motion offered by the gentleman from Ohio (Mr. Bow).

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and on the several motions was laid on the table.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in the RECORD on the conference report and motions.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMPOSITION OF COMMITTEE ON EDUCATION AND LABOR

Mr. ALBERT. Mr. Speaker, I offer a resolution (H. Res. 764) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That during the remainder of the Ninety-first Congress, the Committee on Education and Labor shall be composed of thirty-seven members.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. PUCINSKI. Mr. Speaker, reserving the right to object——

Mr. WAGGONNER. Mr. Speaker, reserving the right to object——

The SPEAKER. The Chair will not entertain a reservation of objections.

Mr. WAGGONNER. Mr. Speaker, then I object.

The SPEAKER. Objection is heard.

COMMUNICATION FROM S. DILLION RIPLEY, SECRETARY, SMITHSONIAN INSTITUTION

The SPEAKER laid before the House the following communication from S. Dillon Ripley, Secretary, Smithsonian Institution:

SMITHSONIAN INSTITUTION,
Washington, D.C., December 4, 1969.

Hon. JOHN W. MCCORMACK,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: On the occasion of the address to the Houses of Congress by the crew of Apollo 11, we understand that two United States flags were presented to you and the Vice President. These flags were carried aboard the Apollo 11 to the Moon and back.

We would like very much to display one of these two flags in our Hall of Flags in the museum of History and Technology. Would a loan of one flag be possible? We would, of course, document in the label the presentation to the House of Representatives and its loan to the Smithsonian Institution.

The millions of visitors each year to the Smithsonian will be inspired by seeing this symbolic display. It is our hope, therefore, that you will find it possible to approve this loan.

Sincerely yours,
S. DILLON RIPLEY,
Secretary.

AUTHORIZING SMITHSONIAN INSTITUTION TO DISPLAY U.S. FLAG PRESENTED BY APOLLO 11 ASTRONAUTS

Mr. ALBERT. Mr. Speaker, I offer a resolution (H. Res. 765) and ask unanimous consent for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 765

Whereas, Commander Neil A. Armstrong, Colonel Michael Collins, and Colonel Edwin E. Aldrin, Jr., Apollo XI astronauts, were received by the House of Representatives and the Senate in a Joint Meeting on September 16, 1969;

Whereas, Colonel Aldrin, on behalf of the Appollo XI astronauts, presented to the House one of the two United States flags that had been flown over the Capitol, and taken on Apollo XI on the epic moonlanding mission when man first trod the surface of the moon;

Whereas, The Speaker of the House of Representatives, the Honorable John W. McCormack, in accepting the flag on behalf of the House, assured the Apollo XI astronauts that every care and caution would be taken to safeguard this treasured possession; and

Whereas, The Smithsonian Institution has expressed its desire to display this flag in the Hall of Flags in the Museum of History and Technology: Now, therefore, be it

Resolved, That the Sergeant at Arms of the House of Representatives is authorized and directed, on behalf of the House of Representatives, to loan the United States flag presented to the House by the Apollo XI astronauts to the Smithsonian Institution, under procedures which will assure its proper documentation, preservation, display and return; *Provided, however,* That said flag shall be returned to the House of Representatives on or before June 1, 1970.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. FULTON of Pennsylvania. Mr. Speaker, reserving the right to object, as ranking minority member of the House Science and Astronautics Committee, and also ranking member on the Manned Space Flight Subcommittee, my question is first for how long is this loan? I might say so far as the wording of the resolution is concerned, "loan" is a noun and "lend" is the verb. So it would be very nice to have it read—lend the flag—instead of loan it.

How long is this loan to be for? I favor lending the flag to the Smithsonian for a definite period, but not indefinitely. I am very interested in this flag taken to the moon by Apollo 11 astronauts, as I was the member who purchased the flag flown over the U.S. Capitol to be carried to the moon on behalf of the House. I have had the hope that the historic flag would be kept up in the Capitol for display by the House, as the House certainly had a lot to do with the Apollo 11 going to the moon—we were the strong backers of the Apollo moon program, backing it unanimously in the House on a record vote which I called, to support President Kennedy in his courageous plan announced in the House Chamber in a joint session in 1961, to land a man on the moon and return him safely in this decade.

The SPEAKER. In reply to the gentleman's inquiry, the resolution provides that the flag shall be returned to the House of Representatives on or before June 1, 1970.

Mr. FULTON of Pennsylvania. For how long, Mr. Speaker? I did not hear—until June 1, 1970?

The SPEAKER. Exactly.

Mr. FULTON of Pennsylvania. There is a definite time limit on the loan then when the flag will be returned?

The SPEAKER. Until June 1, 1970.

Mr. FULTON of Pennsylvania. I am glad to hear the loan is of limited time duration, and return will be made to the House. I had hoped originally that the flag would be brought up here and displayed either in the Rotunda of the Capitol or inside of the House, because it was for the purpose of display in the Capitol by the House of Representatives that I acquired the flag.

Mr. Speaker, on the basis the flag is returned by the Smithsonian Institution to the House, on June 1, 1970, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma (Mr. Albert)?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON S. 1075, NATIONAL ENVIRONMENTAL POLICY ACT OF 1969

Mr. DINGELL. Mr. Speaker, I call up the conference report on the bill (S. 1075) to declare a national policy which will encourage productive and enjoyable harmony between man and his environment; to promote efforts which will prevent or eliminate damage to the environment and biosphere and stimulate the health and welfare of man; to enrich the understanding of the ecological systems and natural resources important to the Nation; and to establish a Council on Environmental Quality, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. GROSS. Mr. Speaker, reserving the right to object, does the gentleman propose to take some time to explain this conference report?

Mr. DINGELL. In answer to the question of my good friend, the gentleman from Iowa, the answer is yes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of December 17, 1969.)

Mr. DINGELL (during the reading). Mr. Speaker, I ask unanimous consent that the statement of the managers on the part of the House be considered as read.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER. The gentleman from Michigan is recognized for 1 hour.

Mr. DINGELL. Mr. Speaker, S. 1075, as originally passed by the Senate, contained three titles in the bill. Title I provided for a declaration by the Congress of a national environmental policy; title II provided the necessary authorization for the Federal agencies to carry out the purposes of the act in conjunction with their existing ongoing programs and activities; and title III provided for the creation of a Board of Environmental Quality Advisers in the Executive Office of the President.

Mr. Speaker, as the Members of the House will recall, the House struck out of the Senate bill all after the enacting clause and inserted in lieu thereof a substitute amendment. The House amendment to the bill was very similar to title III of the Senate-passed bill except for the name "Board of Environmental Quality Advisers" which was changed to read "Council on Environmental Quality." There were no provisions in the House amendment similar to titles I and II of the bill as originally passed by the Senate.

Mr. Speaker, the committee of conference has agreed to a substitute for both the Senate bill and the House amendment. The substitute is in effect title I of the bill as originally passed by the Senate and the House amendment to the bill.

Except for technical, clarifying, and conforming changes, following is a brief explanation of the differences between the bill, as passed by the House, and the substitute, as provided by the conference agreement:

PROVISIONS OF THE CONFERENCE SUBSTITUTE

Section 1 of the Senate bill provided that the bill may be cited as the "National Environmental Policy Act of 1969". Section 2 of the Senate bill contained a statement of the purpose of the bill. There were no similar provisions in the House amendment. The conference substitute conforms to the Senate bill with respect to these two sections.

Title I of the bill provides for a declaration of a national environmental policy. There was no similar provision in the House amendment to the bill.

Section 101 of the Senate bill contained a recognition by Congress of (1) the critical dependency of man on his environment, (2) the profound influences which the factors of contemporary life have had and will have on the environment, and (3) certain specified goals in the management of the environment which the Federal Government should, as a matter of national policy, attain by use of all possible means, consistent with other essential considerations of national policy. The House amendment (in the first section thereof) contained a general statement of national environmental policy, but did not include specified policy goals. The first section of the House amendment also stated that the Federal Government should achieve the general policy in cooperation with State and local governments and certain specified public and private organizations and that financial and technical assistance should be among the means and measures used by the Federal Government to achieve the policy. Under the conference agreement, the language of the House amendment is substantially retained in section 101(a) of the conference substitute.

The national goals of environmental policy specified in the Senate bill are set forth in section 101(b) of the conference substitute. Some of the national goals are as follows:

(1) assure for all Americans safe, healthful, productive, and esthetically and culturally pleasing surroundings;

(2) attain the widest range of beneficial uses of the environment;

(3) preserve important historic, cultural, and natural aspects of our national heritage;

(4) achieve a balance between population and resource use which will permit high standards of living and a wide sharing of life's amenities; and

(5) enhance the quality of renewable resources and approach the maximum attainable recycling of depletable resources.

Section 101(c) of the conference substitute states that "Congress recognizes that each person should enjoy a healthful environment and that each person has a responsibility to contribute to the preservation and enhancement of the environment. There was no similar provision in the House amendment.

Section 102 of the conference substitute is based on section 102 of the Senate bill. There was no comparabe provision in the House amendment. Under the conference substitute, the Congress authorizes and directs that, *to the fullest extent possible:* (1) the Federal laws, regulations, and policies be administered in accordance with the policies set forth in the bill; and (2) all Federal agencies shall—

(A) utilize a systematic, interdisciplinary approach to insure integrated use of the sciences and arts in any official planning or decision-making which may have an impact on the environment;

(B) in consultation with the Council on Environmental Quality, identify and develop methods and procedures to insure that unquantified environmental amenities will be considered in the agency decision-making process, along with economic and technical considerations;

(C) include in every recommendation or report on proposals for legislation or other major Federal actions a detailed statement by the responsible official on the environmental impact of the proposed action, any adverse environmental effects which cannot be avoided should the proposal be adopted, alternatives to the proposed action, the relationship between the short-term uses of the environment and the maintenance and enhancement of long-term productivity, and any irreversible and irretrievable commitments of resources which would be involved. Prior to making any such detailed statement, the responsible Federal official would be required to consult with and obtain the comments of any Federal agency having jurisdiction by law or special expertise with respect to any environmental impact involved and the comments of any such agency, together with the comments and views of appropriate State and local agencies, would be required thereafter to be made available to the President, the Council on Environmental Quality, and the public.

In addition, the Federal agencies would be required to—

(D) study, develop, and describe appropriate alternatives to recommend courses of action in any proposal which involves unresolved conflicts concerning alternative uses of available resources;

(E) recognize the worldwide and long-range character of environmental problems and, where consistent with the foreign policy of the United States, lend support to programs and other ventures designed to maximize international cooperation in anticipating and preventing a decline in the world environment;

(F) make available to State and local governments and individuals and organizations advice and information useful in restoring, maintaining and enhancing the quality of the environment;

(G) initiate and utilize ecological information in the planning and development of resource-oriented projects; and

(H) assist the Council on Environmental Quality established under title II of the bill.

Section 103 is based upon a provision of the Senate bill (section 102(f)) which was not in the House amendment. This section provides that all agencies of the Federal Government shall review their "present statutory authority, administrative regulations, and current policies and procedures to determine whether there are any deficiencies and inconsistencies therein which prohibit full compliance with the purpose and provisions" of the bill. If an agency finds such deficiencies or inconsistencies, it is required under this section to propose to the President not later than July 1, 1971, such measures as may be necessary to bring its authority and policies into conformity with the intent, purposes, and procedures of the bill.

Section 104, which was not in the House amendment, provides that nothing in sections 102 or 103 shall affect the specific statutory obligations of any Federal agency—

(1) to comply with criteria and standards of environmental quality;

(2) to coordinate or consult with any Federal or State agency; or

(3) to act, or refrain from acting contingent upon the recommendations or certification of any other Federal or State agency.

Section 105 declares that the policies and goals set forth in the bill are supplementary to those set forth in existing authorities of Federal agencies. The effect of this section is to give recognition to the fact that the bill does not repeal existing law and that it does not obviate the requirement that the Federal agencies conduct their activities in accordance with the provisions of this bill unless to do so would clearly violate their existing statutory authorizations.

Title II of the bill has to do with the establishment of the Council on Environmental Quality and is essentially the same as the House amendment to S. 1075.

Section 201 of the conference substitute requires the President to submit to the Congress annually, beginning July 1, 1970, an Environmental Quality Report which will set forth an up-to-date inventory of the American environment, broadly and generally identified, together with an estimate of the impact of visible future trends upon the environment. Such report shall also include a review of the programs and activities of the Federal, State, and local governments, as well as those of nongovernmental groups, with respect to environmental conditions, together with recommendations for remedying the deficiencies of existing programs, including legislative recommendations.

Section 202 of the conference substitute establishes in the Executive Office of the President a Council on Environmental Quality composed of three members appointed by the President by and with the advice and consent of the Senate. One of the members shall be designated by the President as the chairman of the Council. The conference substitute provision is basically the House provision except that the membership of the Council would be reduced from five to three and the members of the Council would have to be approved by and with the advice and consent of the Senate.

Section 203 of the conference substitute (which were contained in both the House amendment and the bill as it originally passed the Senate) would permit the Council to hire such officers and employees as are necessary to carry out the purposes of the Act and also would permit the Council to hire such experts and consultants as may be appropriate.

The House amendment set forth the following duties and functions of the Council on Environmental Quality—

(1) to assist the President in the preparation of the Environmental Quality Report;

(2) to gather information on the short- and long-term problems that merit Council attention, together with a continuing analysis of these problems as they may affect the policies stated in section 101;

(3) to maintain a continuing review of Federal programs and activities as they may affect the policies declared in section 101, and to keep the President informed on the degree to which those programs and activities may be consistent with those policies;

(4) to develop and to recommend policies to the President, on the basis of its activities, whereby the quality of our environment may be enhanced, consistent with our social, economic and other requirements;

(5) to make studies and recommendations relating to environmental considerations, as the President may direct; and

(6) to report at least once each year to the President.

Section 204 of the conference substitute contains the functions and duties listed above and also adds the following functions and duties (which, under title II of the bill as it originally passed the Senate, would have been the responsibilities of other Federal agencies)—

(1) to conduct investigations, studies, surveys, research, and analyses relating to ecological systems and environmental quality; and

(2) to document and define changes in the natural environment, including the plant and animal systems, and to accumulate necessary data and other information for a continuing analysis of these changes or trends and an interpretation of their underlying causes.

Section 205 of the conference substitute sets forth those public and private organizations with which the Council on Environmental Quality shall consult in carrying out its functions and duties under the Act and states that the Council should utilize, to the fullest extent possible, the services, facilities, and information of public and private organizations and individuals in carrying out such functions and duties. Section 205 conforms to the language in section 7 of the House amendment, with the exception that the conference substitute provision specifies that the Council shall consult also with the Citizens' Advisory Committee on Environmental Quality, which was established in May, 1969, by Executive Order of the President.

Section 206 provides that the Chairman of the Council on Environmental Quality shall be compensated at the rate provided for at Level II of the Executive Schedule Pay Rates, and that the other members of the Council shall be compensated at the rate provided for in Level IV of such Rates. This section conforms with the rates of compensation provided for in both the House amendment and the bill as it originally passed the Senate.

Section 207 of the conference substitute authorizes the appropriation of not to exceed $300,000 in fiscal year 1970, $700,000 in fiscal year 1971, and $1,000,000 in each fiscal year thereafter, to carry out the purposes of the Act. Under the House amendment, the same amounts were authorized to be appropriated except with respect to fiscal year 1971, for which $500,000 was authorized.

Mr. Speaker, before closing I would like to take this opportunity to pay tribute to my colleagues, particularly to my distinguished chairman, the Honorable Edward A. Garmatz, the members of the Merchant Marine and Fisheries Committee, and the House and Senate conference committee, who have worked so courageously and diligently in seeing that this legislation came to fruition. It has been a long and hard-fought battle, but we have been successful, and I cannot congratulate my colleagues enough.

Mr. Speaker, my efforts in behalf of this legislation date back to March of 1967, when in the first session of the 90th Congress, I and several other members of the House introduced similar legislation to provide for the establishment of a Council on Environmental Quality. Although no action—other than hearings—was taken in the 90th Congress, much valuable groundwork was laid.

In February of this year, I again introduced legislation and was most fortunate in having it referred to the Committee on Merchant Marine and Fisheries, and subsequently to the Subcommittee on Fisheries and Wildlife Conservation, the subcommittee I have the honor of chairing. The subcommittee held 7 full days of hearings on the legislation, and as a result of the hearings, H.R. 12549, which was reported by the committee and passed by the House, was cosponsored by all the members of the subcommittee. As you will probably recall, the bill passed on the floor of the House overwhelmingly with a vote of 372 to 15.

Mr. Speaker, the passage of this legislation will constitute one of the most significant steps ever taken in the field of conservation. With the establishment of the Council on Environmental Quality, we can now move forward to preserve and enhance our air, aquatic, and terrestrial environments, and at the same time it will offer us an opportunity to carry out the policies and goals set forth in the bill to provide each citizen of this great country a healthful environment.

Mr. Speaker, I strongly recommend the adoption of this conference report.

Mr. Speaker, I have reviewed the state-

ment of the chairman of the Senate Interior and Insular Affairs Committee and find no inconsistencies in his statement with that of the statement on the part of the House managers.

Mr. Speaker, a communication from the gentleman from Maryland follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON PUBLIC WORKS,
Washington, D.C., December 20, 1969.
Hon. JOHN D. DINGELL,
House Committee on Merchant Marine and Fisheries, Rayburn House Office Building, Washington, D.C.

DEAR JOHN: It is my understanding that the Conference Report on S. 1075 will shortly be scheduled for Floor consideration. I have had an opportunity to review the Conference Report.

I have a few questions concerning the effects of the legislation which I would like to address to you for clarification on the Floor. Four questions are enclosed.

Sincerely yours,
GEORGE H. FALLON,
Chairman.

QUESTIONS BY MR. FALLON

I have had an opportunity to review the Conference Report on S. 1075. I have a few questions concerning the effects of the legislation which I would like to address to the gentleman.

1. Would the gentleman advise as to the intent of the House Conferees with regard to committee jurisdiction concerning the annual report required of the President by Section 201 and the recommendations made therein?

Answer: It is the clear intent of the House Conferees that the annual report required by Section 201 would be referred in the House of Representatives to all committees which have exercised jurisdiction over any part of the subject matter contained therein. The House Conferees' refusal to accept specific language for inclusion in the Conference Report was based upon a parliamentary technicality and was in no way intended to place exclusive jurisdiction over the President's report in any one committee.

The House Conferees intend that under the language of the Conference Report, the annual report and the recommendations made by the President would be the vehicle for oversight hearings and hearings by the appropriate legislative committees of the House, and the referral of the annual report would be made to all appropriate committees.

2. H.R. 4148 which is now in conference includes provision for the Office of Environmental Quality which would serve to advise the Council of Environmental Quality which is established in S. 1075. Is there any conflict between the Office and the Council?

Answer: Title II establishes a Council on Environmental Quality in the Executive Office of the President. This Council will provide an institution and an organizational focus at the highest level for the concerns of environmental management. It will provide the President with objective advice, and a continuing and comprehensive overview of the Federal jurisdictions involved with the environment. The Council's activities in this area will be complemented by the support of the Office of Environmental Quality proposed in H.R. 4148, the Water Quality Improvement Act of 1969. It is not intended that the Council will employ, pursuant to Section 203, a staff which would in any way conflict with the capabilities of the staff of the Office of Environmental Quality.

It is further understood that, when the Office of Environmental Quality is established, it will mesh with the Council as an integrated agency in the Office of the President—the Council operating on the policy level and the Office of Environmental Quality on the staff level. The professional staff of the Office will be available to the Council to assist in the implementation of existing environmental policy and the provisions of the legislation and to assist in forecasting future environmental problems, values and goals.

3. Is it intended that the Council become involved in the day to day operation of the Federal agencies, specific project, or in interagency conflicts which arise from time to time?

Answer: In including Section 204, Item (3), pertaining to the duties and functions of the Council, the Conferees on the part of the House did not view this direction to the Council as implying a project-by-project review and commentary on Federal programs. Rather, it is intended that the Council will periodically examine the general direction and impact of Federal programs in relation to environmental trends and problems and recommend general changes in direction or supplementation of such programs when they appear to be appropriate.

It is not the Conferees' intent that the Council be involved in the day-to-day decision-making processes of the Federal Government or that it be involved in the resolution of particular conflict between agencies and departments. These functions can best be performed by the Bureau of the Budget, the President's Interagency Cabinet-level Council on the Environment or by the President himself.

4. What would be the effect of this legislation on the Federal Water Pollution Control Agency?

Answer: Many existing agencies such as the Federal Water Pollution Control Agency already have important responsibilities in the area of environment control. The provisions of Sections 102 and 103 are not designed to result in any change in the manner in which they carry out their environmental protection authority. This provision is primarily designed to assure consideration of environmental matters by agencies in their planning and decision-making—but most especially those agencies who now have little or no legislative authority to take environmental considerations into account.

GENERAL LEAVE

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that all Members may revise and extend their remarks on the conference report on environmental quality.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MAILLIARD. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from California (Mr. MAILLIARD).

Mr. MAILLIARD. Mr. Speaker, I consider this a very important bill.

I support the conference report and statement of the House managers on S. 1075 to establish a national policy for the environment, and to provide for the establishment of a Council on Environmental Quality. I urge my colleagues to adopt this report.

S. 1075, as passed by the House, would establish a five-member Council on Environmental Quality appointed by the President whose principal duty would be to assist the President in the preparation of an annual environmental quality report. Additionally, the Council would make and furnish to the President such studies, together with policy and legislative recommendations in the area of environmental quality as the President might request. The bill contained a brief statement of policy recognizing the impact of man's activity on all components of the natural environment, and the critical importance of restoring and maintaining environmental quality for the welfare of mankind.

The Senate bill would establish a comparable three-member Board on Environmental Quality which would perform essentially the same functions called for in the House bill. The Senate, however, substantially increased the responsibilities of this advisory group so that it would have continuing statutory authority and responsibility to monitor the quality of the environment and review the activities of the Federal Government to determine the extent to which its programs contribute to the achievement of environmental quality. The Senate bill would thus create a more dynamic council, one that need not wait for an executive request to pursue the policy mandate of the Congress. I believe this is an important and significant strengthening of the Council.

The Senate bill also contained a more detailed statement of policy and, most significantly, positive direction to all agencies of the Federal Government that they shall administer their programs to the fullest extent possible in a manner which reflects the declaration of national environmental policy set forth in the bill.

What the conference has done, in essence, is to adopt the basic House version of S. 1075 with respect to the establishment of the Council, together with the strengthening provisions I have mentioned previously, and that portion of the Senate bill setting forth detailed policy statements and agency directives.

Title I of the conference bill sets forth the statements of policy and requirements for implementation of these policies while title II of the bill establishes the Council on Environmental Quality.

Mr. Speaker, the work of the conference has produced a careful blending of the House and Senate-passed bills while retaining the basic thrust of both. This legislation stands as a commitment of the Federal Government to the American people that the quality of life in this country in terms of its basic environmental components will be restored and maintained for our own benefit and that of succeeding generations of Americans.

Again, Mr. Speaker, I urge adoption of the conference report.

Mr. SAYLOR. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to my good friend the gentleman from Pennsylvania.

Mr. SAYLOR. Mr. Speaker, I rise in strong support of the conference report on S. 1075, the National Environmental Policy Act of 1969. The bill as agreed upon by the conference is a landmark in the history of conservation legislation.

While this landmark legislation is not as strong and inclusive as I would prefer it to be, it provides the foundation upon which this Congress and future Congresses can forge ahead toward the goal of providing all Americans with a quality environment in which they can live.

Mr. Speaker, the importance of this legislation cannot be overstated. My colleagues in this body should well understand the need and goals behind this legislation. In this Nation today, we read with ever increasing frequency about the pollution of our waters, pollution of the air we breathe, the scarring of our natural landscape, through the exploitation of our resources. The profound impact of man's activity through technological advances, to accommodate the growing urbanization, resource exploitation, and the industrial expansion has a direct interrelation to the health and welfare of all Americans.

The report of the conference committee seeks to meet this challenge by recognizing the need for a coordinated Federal program to attack the abuses so nonchalantly inflicted upon all mankind. The bill as reported by the committee of conference proposes a Council on Environmental Quality to coordinate the directives that each Federal agency examine its authority and programs, and to administer and interpret that authority and programs so as to assure for all Americans a safe, healthful, productive, esthetic, and cultural environment.

I am privileged to have sponsored a similar measure, H.R. 12900, in this first session of the 91st Congress. I have also witnessed during this first session of the 91st Congress a number of converts to our environmental concerns. I am thankful for their concern and support because it expresses the responsibility of Congress to the public demand. That public demand is for a coordinated Federal program directed toward the protection of our environment.

Mr. Speaker, I most strongly support the adoption of the conference report and urge my colleagues to support its adoption.

Mr. HARSHA. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to my good friend, the gentleman from Ohio (Mr. Harsha).

Mr. HARSHA. Mr. Speaker, I would like to ask the distinguished gentleman from Michigan a question. It is my understanding this legislation contains several questions about jurisdiction of various committees in the House. It was my understanding there was to be a statement on the part of the managers, or on the part of the gentleman from Michigan, on the subject.

Mr. DINGELL. Mr. Speaker, I assure the gentleman from Ohio the statement will be in my extension of remarks.

Mr. HARSHA. Do I have the gentleman's assurance this will not invade the jurisdiction of the Public Works Committee in particular?

Mr. DINGELL. Mr. Speaker, it is not the intention of this committee to impair or alter or change in any fashion the jurisdiction of any sitting committee in this body.

Mr. HARSHA. Mr. Speaker, I thank the gentleman.

Mr. GARMATZ. Mr. Speaker, I would like to join my colleagues in recommending passage of the conference report on S. 1075. This legislation, if enacted, would provide for the establishment of a Council on Environmental Quality.

The Council, which would be composed of outstanding and qualified leaders of the scientific, industrial and business community, would oversee and review all national policies relating to our environment; it would report directly to the President and recommend national programs to foster and promote the improvement of the Nation's total environmental quality.

One of the vital functions of this Council would be to consult with State and local governments and other interested groups and individuals, and to utilize the services, facilities and information of these agencies and organizations. I consider this to be an extremely important and significant function, since, for the first time, it would establish an effective liaison between the Federal Government and individual States, thereby creating a long-needed central clearinghouse of information.

Mr. Speaker, the ugly and devastating disease of pollution has contaminated every aspect of our environment—air, land, and water. The problem is so vast and interrelated, one segment of the environment cannot be separated from another. The only logical and practical approach is a broad-ranging, coordinated Federal program, as proposed in this legislation.

Establishing such a Council will not solve all our massive pollution problems. It will, however, constitute the most significant step yet taken to conserve and preserve our natural resources for future generations.

I also think it is fitting to add a word of praise about my distinguished colleague, John Dingell, because it is he—more than any other—who pioneered the movement that gradually evolved into the legislation we have before us today. Although we are considering the Senate bill, I think it is important to recognize that Congressman Dingell's efforts date back to March, 1967, when he first introduced legislation on this issue. As chairman of our Subcommittee on Fisheries and Wildlife Conservation, he also sacrificed much in personal time and effort in a series of seven hearings—which he chaired in May and June of this year. An impressive record was established at those hearings, which were held both morning and afternoon—on each of the 7 days.

Mr. Speaker, I am sure that this important legislation will be passed and enacted expeditiously, so that we can all get on with the job of protecting our environment from further destruction by man.

Mr. ASPINALL. Mr. Speaker, the conference report on S. 1075, which is now before this House for consideration, brings to the attention of the Members of Congress the many facets of the problems of environmental quality which are continually coming before the Congress of the United States for consideration and solution. Most apparent of these various problems is the matter of jurisdiction of not only the executive departments but also the committees of Congress. For the first time, to my knowledge, since I have been a Member of Congress—some 21 years—the conferees appointed from this body included members of two different standing committees of the House. I do not see how the matter could have been resolved otherwise, although I would be the first one to admit that perhaps other committees of the House should have had representation on the conference committee in addition to those two committees handling the conference report. As a House conferee, I have signed the conference report but I have refused to sign the statement of the managers on the part of the House. This is the first time that I have found myself in this unenviable position. However, I find that I cannot read into the language that was finally agreed upon by the conferees the interpretation that is given to it in the statement of the House managers. I desire my position to be clearly set forth.

The two principal purposes of S. 1075 are: First, to state congressional policy with respect to protecting our natural environment; and, second, to establish a Council on Environmental Quality to alert this Nation with respect to environmental problems that we must face up to and resolve in the years ahead. The legislation which has emerged from the conference committee accomplishes both of these purposes. And while environmental problems are already receiving increased attention in connection with ongoing Federal programs, I believed that this legislation will add new emphasis and urgency to their resolution. Thus, the language of the conference report has my approval. However, the statement of managers, in certain respects, does not accurately interpret the language in the conference report.

Since I first became involved in this legislation at the time it was considered in the House, it has been my purpose to try to establish an orderly procedure for bringing the operations of all existing Federal agencies into compliance with the environmental policy requirements of this legislation. It has been my position from the beginning that existing Federal agencies should not be given new statutory authority by this legislation. All agencies should cooperate so far as possible under their existing authority in complying with the congressional statement of environmental policy and should seek, through normal procedures, the authority they need to fully comply with this policy. This agency procedure is established in sections 102 and 103 of the conference report, the final language of which is language that I suggested to the conference committee.

Section 102 tells the agencies to follow to the fullest extent possible under their existing auhority the procedures required to make their operations consistent with the environmental policy established in this act; and section 103 tells them to review their statutory authority and, if there are deficiencies or inconsistencies which prohibit full compliance with the purposes and provisions of this act, to report not later than July 1, 1971, what additional authority is needed to permit them to operate in conformity with this act. There is no language in these two sections to support the interpretation given in the statement of managers which reads:

> The House conferees are of the view that the new language does not in any way limit the Congressional authorization and directive to all agencies of the Federal Government set out in subparagraphs (A) through (H) of clause (2) of section 102. The purpose of the new language is to make it clear that each agency of the Federal Government shall comply with the directives set out in such subparagraphs (A) through (H) unless the existing law applicable to such agency's operations expressly prohibits or makes full compliance with one of the directives impossible. * * * the intent of the conferees is that all Federal agencies shall comply with the provisions of section 102 "to the fullest extent possible," unless, of course, there is found to be a clear conflict between its existing statutory authority and the bill.

The conference report language requires the agencies to determine whether there are any deficiencies in their statutory authority which prohibit compliance, and you cannot make "deficiencies in statutory authority" mean "clear conflict between its existing statutory authority and the bill" merely by statements of intent and interpretation in the statement of managers. A deficiency in an agency statutory authority which prohibits compliance cannot be interpreted to mean that—

> Each agency * * * shall comply * * * unless the existing law applicable to such agency's operations expressly prohibits or makes full compliance * * * impossible.

Mr. Speaker, I do not believe that this matter is of such urgency that we cannot take the time to follow an orderly procedure in requiring all agencies to get their operations in line with the environmental policy, needs, and goals of this Nation. They can do that by proceeding as required in the conference report to examine their authority and move quickly to recommend the necessary changes. The new statutory authority that is needed can then be recommended to the Congress and can be considered by the committees of Congress having jurisdiction.

I recommend approval of the conference report.

Mr. GALIFIANAKIS. Mr. Speaker, I am very pleased to see the results of the House-Senate conference committee on S. 1075, the National Environmental Policy Act of 1969. Our colleagues have brought forth an excellent piece of legislation which will, in my opinion, become a landmark in society's struggle to preserve the quality of our surroundings while continuing to enjoy high standards of living.

This legislation is further demonstration of congressional leadership in resolving the basic conflicts of using the environment. It caps a decade of response to public concern which has generated laws for pollution abatement, natural resource management, recreation and natural beauty. The enthusiastic administration of these laws by the executive branch should bring a restoration of environmental quality in the United States of which we may all be proud.

The activities of Government agencies will all be subjected to a thorough review, under the terms of this bill, to judge their impact on the environment and to minimize adverse effects. A great deal of scientific knowledge will be necessary to avoid subjective judgment and to form a basis for enforcement which is incontrovertible. I would call to the attention of the Congress, Mr. Speaker, the important facilities and the trained scientists and engineers now at work in North Carolina on these very problems. The research triangle area of Raleigh, Durham, and Chapel Hill houses three progressive institutions of higher learning. In addition the National Institute of Environmental Health and major laboratories of the National Air Pollution Control Administration are located in the area.

It is clear that these technical organizations will play a major role in implementing the bill we have before us today. The interplay of ideas facilitated by the proximity of many different laboratories and training centers will make North Carolina a focal point for Government and private sector management personnel as they seek the facts to bring their programs into consonance with the new National Environmental Policy Act.

Mr. HARSHA. Mr. Speaker, I am happy to have the assurance of the gentleman from Michigan (Mr. DINGELL) that there is no intent to infringe upon the jurisdiction of any committee in this Congress.

However, I am still concerned about the sweeping effect this legislation could have on the substantive law and the jurisdiction of practically every committee in this Congress.

Functions and responsibilities of the Federal agencies are substantively changed in the House substitute for S. 1075. These changes have a definite bearing on the interpretation of existing laws and administration of programs which are under the jurisdiction of committees other than the originating committee of this legislation in the House. In addition the annual environmental quality report which would include legislative recommendations for realining agency functions and responsibilities conceivably could be referred to that one originating committee and in effect make them an oversight committee for a myriad of programs presently under the jurisdiction of other committees.

I trust this is not the case and that the remarks of the gentleman from Michigan (Mr. DINGELL) will preclude any such action.

While I appreciate the assurances of the gentleman from Michigan I still have deep reservations about this conference report and feel I must warn the Members that they should be on guard against the ramifications of a measure that is so loose and ambiguous as this.

I fear that the purpose of this bill is to cause a change in the organization of the House of Representatives and to reorganize the administrative agencies for the purpose of transferring jurisdiction and powers to certain committees of this body.

Lest this sound too strong an accusation, I would remind this body that the President of the United States was the first to organize a Council of this nature. Under the guise for support of such a concept and with a view toward providing the benefits of a legislative organized body, S. 1075 and its original counterparts were set before the bodies of Congress.

However, if we read this bill and if we look at what it does, we discover it does absolutely nothing to control pollution. The language is vague and strange. The exposition which we may find in the CONGRESSIONAL RECORD of December 20 where the other body acted gives us cause to wonder. For example, I would invite the attention of my colleagues to the RECORD of December 20, 1969, page 40423, at the point where the distinguished junior Senator from Maine addresses himself to the meaning of this legislation. At that point the concern of the Public Works Committee of the other body was expressed because the language is such that it could be read and interpreted to mean that the jurisdiction of that committee in that body over various areas of environmenal concern would be altered. It is my understanding of the RECORD that assurances were given to the Public Works Committee of the Senate by that body that this was not the case. I must admit that I would feel considerably more content about this bill if similar assurances were given in this body.

I would like, if I might, to invite the attention of my colleagues to page 40425 of the RECORD of December 20. In this, the distinguished junior Senator from Maine distinguishes between environmental control agencies and those agencies which have a strong impact upon the environment. In the latter category, he means the Bureau of Public Roads, for example, as well as the Atomic Energy Commission. He further states that the nature and extent of environmental impact with regard to these agencies will be determined by the environment control agencies.

Now this might be a desirable thing; I do not know and I do not say at this time that it is not. I do say, however, that this is a major revision of the administrative functions of the U.S. Government and is indeed far beyond the concept of that which the House in its wisdom thought it was passing when H.R. 12549 was considered by this body.

Obviously there was considerable reservation in the Senator from Maine's mind about this bill or there would have been no need for the colloquy.

In other words, reasonable minds

could come to different conclusions about this legislation because it is so loose and ambiguous.

The impact of S. 1075, if it becomes law, I am convinced would be so wide sweeping as to involve every branch of the Government, every committee of Congress, every agency, and every program of the Nation. This is such an important matter that I am convinced that we here should consider it very, very carefully and make a clear record as to exactly the direction in which we wish the various elements of our Government, to move.

I regret that so important a matter is being handled in so light a manner. I realize the Members desire to adjourn for Christmas and that the hour is late and that we are all tired, but this is no subject to merely brush aside. I had hoped that this matter could be laid over until Congress reconvenes, providing the Congress with ample time to fully understand the complete ramifications of this legislation.

Mr. Speaker, I fear, too, that there may be a measure of politics in the action forced upon us here tonight.

Frequently, it is the practice in the American political arena to use emotionally charged words or phrases as a disguise for actions completely divorced from the true intent of the apparent purpose. I believe we have such a case here.

As we all know, the word "environment" has become emotionally charged. We are given to understand that a major thrust of the President's state of the Union address will concern itself with this subject. We have been told—and the CONGRESSIONAL RECORD supports it—that an effort is being made among the campuses of the country to make "environment" an issue leading to demonstrations of various types. It is my understanding indeed that high-placed Government officials in the legislative branch have extended their support for these demonstrations.

I would take the liberty, Mr. Speaker, of reminding this body that whenever a subject becomes so infused with emotion, the danger arises that it can be used to defeat the very purposes which it purports to support.

I suggest to this body that we have such a case here in S. 1075.

I have devoted much of the time that I have spent serving in this body to the creation, support and passage of pollution control legislation. I believe that I am thoroughly familiar with our problems in water pollution, our problems with the administrative agencies, and our problems in accomplishing the efforts made toward improving the environment. I am woefully aware of the problems that have not yet been solved; and I shall support as I have in the past, any legitimate effort to solve these problems but I cannot stand idly by and watch this most serious problem of our Nation and indeed of all the nations be used as a thin disguise of politically motivated moves.

Mr. Speaker, this matter should be laid over until Congress reconvenes in January so that Members can be adequately apprised of the full import of this measure.

Mr. FARBSTEIN. Mr. Speaker, I fully supported S. 1075 when it came to the floor of the House in October, and I continue to support it today. However, I hope that its passage will not serve as an excuse for substantive legislative action.

The bill establishes a national policy for the environment. Unfortunately, policy standards can easily get lost in the bureaucratic maze.

The bill authorizes studies and research on environmental problems. All too often, research has been used by the Federal Government as an excuse for action. The Federal Government has studied environmental problems to death. We know that our air and waters are polluted. It does us a great deal more good to establish programs to do away with this situation than to study the extent of it from every possible angle.

The bill also establishes a Board of Environmental Quality Advisers. More bureaucracy need not bring more action.

I hope that before this Congress adjourns next year, it can take some of the substantive steps necessary to demonstrate a genuine commitment to do something about the environment.

In the area of auto-caused air pollution, this means ignoring the pressure of the auto-oil complex and passing strict new standards for pollution control, controlling the use of additives in fuels, and making it clear in many other ways as well that the Federal Government is not going to sit idly by and let the automobile suffocate us all.

In the area of water pollution, this means enactment of legislation like the Regional Water Quality Act of 1970, to make the polluter pay for the cost of his pollution. It also means more money for water pollution abatement. I am the House sponsor of that bill.

It means that the Federal Government should be policing its own dispoiling of the environment.

The bill we have before us, S. 1075, is certainly a good bill and deserves enactment, but it must not be used as an excuse for substantive action.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

REQUEST FOR AUTHORITY FOR SPEAKER TO DECLARE RECESS TODAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that it may be in order at any time today for the Speaker to declare a recess subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. GROSS. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

PERSONAL EXPLANATION

Mr. STOKES. Mr. Speaker, on Saturday, on rollcall No. 347, on the adoption of the conference report on the Economic Opportunity Act amendments, I was away on business. Had I been present, I would have voted "yea."

Mr. Speaker, today, on rollcall No. 350, the conference report on the appropriation bill for the Departments of Labor and Health, Education, and Welfare, had I been present I would have voted "yea."

REVIEW OF THE FIRST SESSION, 91ST CONGRESS

(Mr. ADAIR asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ADAIR. Mr. Speaker, as the first session of the 91st Congress draws to a close, I think it propitious to review for the citizens of the Fourth Congressional District of Indiana the work of this Congress and my views on some of the important matters that have engaged our attention. In addition, I have included a summary of the legislation which I have introduced.

Although the Nixon administration has made more than 40 major proposals to the Congress, the Democratically controlled Congress has failed to act on many of these programs. There has been a sharp contrast between the vigor of the new administration and the lethargy of the Democratic leadership on Capitol Hill. Perhaps the greatest weakness of this Congress is that it did not manage the appropriations bills competently. The Government entered the new fiscal year last June 30 without a single appropriation being authorized. Consequently, many of the administration proposals on such badly needed programs as crime control, anti-inflation measures, tax reform, education and manpower training, revenue sharing, welfare reform, and electoral reform have been delayed.

There have, however, been occasional breakthroughs and action has at least been initiated on many of the Nixon proposals. Congress has been responding to the Nixon program to curb inflation by reducing Federal spending. The first comprehensive attempt at tax reform in years was undertaken by this session of Congress. Legislative progress was also made on improving the quality of our environment, draft reform, and social security. In addition, the Nixon plan for ending the Vietnam war has been solidly supported by the Congress.

TAXES

The major concern of the House of Representatives this session has been the overhaul of the antiquated tax structure. There are many loopholes in the tax laws which no longer serve the interests of the country, either from a revenue or public policy standpoint and which result in an undue tax burden being placed on the middle income group. Thus, I voted for the tax reform bill which passed the House in August. The $7 billion measure provides a tax cut of at least 5 percent for all taxpayers with incomes under $100,000 annually by 1972, removes 5 million low-income earners from all Federal income tax obligations, permits 10 million taxpayers to use the simplified form instead of itemizing their deductions and closes major loopholes in the present tax laws. Another tax reform measure that I supported was the Interstate Taxation Act which prohibits taxation of the same income by more than one State and allows a State to levy income taxes only on one domiciled in the State or one earning income within a State.

As in the last Congress, I again voted against the surtax. In my view, judicious budget pruning would eliminate the necessity for this tax. With State and local taxes so high, I just did not feel that continuance of the surtax was justified. Another provision of the surtax extension act that I opposed was the repeal of the 7-percent investment tax credit which I believe should be retained as a stimulant to business expansion.

ECONOMY VOTES

In order to prevent further increases in Federal taxes and to secure a balanced budget so necessary to stop inflation, I made an effort to vote only for programs vital to the country and at a reasonable level of funding. For the most part, however, the authorization and appropriation requests of the Nixon administration have been reasonable and should once again result in a budgetary surplus. The past fiscal year was the first time in 10 years that a national administration closed its fiscal books in black ink instead of red ink.

Two main areas that I felt required reductions in spending were the space program and foreign aid. The annual authorization for NASA this year was $3.9 billion which is less than previous years and represents a recognition that we need to solve many of our problems on earth such as air and water pollution while we carry on our space exploration. Having attended the launch of Apollo 11 and having spoken with the astronauts, I fully realize the importance of the space program, but feel that we must be patient and only allocate what we can afford to the program.

Although the Nixon administration has effected improvements in the foreign aid program, there is still too much evidence of wasted taxpayers' dollars. Thus, I voted against both the foreign aid authorization bill and the foreign aid appropriation bill. I offered amendments both in the Foreign Affairs Committee and on the floor of the House which reduced the requested authorization substantially.

Further attempts to curb expenses included my vote against the addition of another staff member for congressional offices at the taxpayer's expense, opposition to the construction of a new wing to the Capitol Building, and support for the provision in the Agricultural Appropriations Act limiting Federal subsidy payments to farmers to a ceiling of $20,000 per year.

DRAFT REFORM

I strongly favored the draft reform legislation initiated by the Nixon administration as it should cure many of the inequities in the present system. It will minimize the disruption in the individual lives of our young people by reducing the period of prime vulnerability to the draft from up to 7 years to 12 months. Moreover, selection of those classified as "available" on a completely random basis will give all an equal chance.

ELECTORAL REFORM

During the last presidential election it became apparent that a situation was developing whereby the contest could have been thrown into the House of Representatives. Fortunately, this did not happen, but it was evident that reform was in order. While I favored the district plan and introduced a bill proposing such, I voted for the direct election plan on final passage in order that the Nation would not have to face the possibility of another presidential election under the present system. The Senate still has to act on the constitutional amendment and it must be ratified by three-fourths of the States.

CRIME LEGISLATION

As crime continued to rise across America, the democratically controlled Congress continued to delay consideration of anticrime bills, some of which President Nixon asked for as long ago as January 31. The President proposed a wide-ranging attack on criminal activity at all levels, including a stepped-up drive against organized crime, illicit drug traffic, and illegal gambling; legislative changes in witness immunity laws, bail reform laws, and grand jury procedures; and Federal aid to State and local enforcement agencies. The only proposal acted on by the Congress was an amendment to the Bail Bond Act, which I cosponsored, to permit "preventive detention" until a trial is held of defendants likely to commit further crimes. Among the few anticrime bills to come before the House, all of which I supported, were the following: establishment of a Select Committee To Study Crime; the Correctional Rehabilitation Act; and the Drug Abuse Education Act which authorizes educational programs concerning the adverse effects from the use of drugs.

CONSERVATION AND POLLUTION CONTROL

The House was especially active in this area, as we all realize the urgent need to improve the quality of our environment. The House passed the Water Pollution Control Act which amended and strengthened water pollution control legislation and proposed an authorization of $348 million for a 3-year period. Furthermore, the Public Works Appropriations bill called for $600 million for water pollution control grants to the States. This is considerably more than has been appropriated in the past. I also supported the Clean Air Act which authorized funds for research into air pollution problems involving fuels and motor vehicles, the major contributors to air pollution. In addition, legislation was passed to establish a Council on Environmental Quality. Permanent machinery to study and recommend solutions for this pressing problem has long been needed.

EDUCATION

Several constructive developments occurred here. I supported the Republican proposal for a 2-year extension of the Elementary and Secondary Education Act approved by the House instead of a 4-year extension. A shorter authorization is needed as Congress should change the fund distribution formula after the 1970 census results and the program should not be frozen beyond the current 4-year presidential term. This bill also combined four Federal grant programs into a single block grant to the States which is much more efficient and allows better planning by the States and local communities. Since I strongly support vocational education programs as they make productive citizens out of many who would otherwise be on our welfare roles, I voted for an amendment to the HEW appropriations bill which raised the total for HEW programs to $17,500,000 as the increase was primarily in the area of vocational education. The House also passed the student loan emergency bill which increased the Federal subsidy on student loans by 3 percent. This was imperative as college tuition in Indiana went up markedly this year and at the same time interest rates on loans increased. Finally, I favored a House-adopted amendment to a supplemental appropriations bill which denies Federal interest subsidies on college construction loans to colleges which fail to certify that they are complying with a law directing colleges to cut off Federal aid to students or employees convicted of crime of force against the college or who engage in disruptive activities detrimental to the college. I voted for this amendment as I felt the Congress had to do something to assure those students who are in college primarily for an education that they will obtain the education for which they paid.

SOCIAL SECURITY

The Congress passed an immediate across-the-board increase in social security benefits of 15 percent for the 25 million elderly people, disabled people and their dependents, and widows and orphans who now get monthly benefits. Because of the recent inflationary trend, it became obvious to me that there was a pressing and urgent need for an across-the-board increase in the social security payments of people now on the benefit rolls.

DEFENSE SPENDING

Although I feel that some budgetary restraints are needed by the Pentagon in its operation of our Defense Establishment, I voted for the military procurement authorization bill which included funds for the ABM as it is needed to protect U.S. missile bases against a Soviet first strike and would aid rather than harm our nuclear disarmament talks with the Soviet Union. By deciding not to put ABM's around our cities, the President has effectively removed them from the list of high priority targets, but at the same time has made certain that we will have the power to react if an enemy strikes first. This is the best way, I feel, to deter such an attack and save millions of lives if it should ever take place.

COMMITTEE WORK

As the senior Republican member of the Foreign Affairs Committee, I have spent a great portion of this session working on legislation affecting our foreign affairs and also consulting regularly with President Nixon and Secretary of State Rogers on Foreign policy matters. The bulk of the committee work concerned foreign aid. As I mentioned previously, I led the successful effort to reduce the amount authorized and encouraged more emphasis on technical aid rather than on grants and loans. A new feature of the Foreign Aid Act is the Overseas Private Investment Corporation which will facilitate private U.S. investment abroad, and, thereby, reduce the need for U.S. tax dollars to be spent on foreign assistance.

Both in the committee and on the floor of the House, I supported the annual authorization bill for the Peace Corps. During the hearings on the bill, we heard a good deal of refreshing commonsense testimony from the new Director, Joe Blatchford. He proposed that we utilize the services of older persons whose families are grown and who have the skills so needed by the developing countries. Moreover, because of Blatchford's reduction of administrative personnel, the Peace Corps was able to reduce its request for funds by $8,700,000.

The Foreign Affairs Committee spent most of its remaining time on the consideration of a resolution which I, along with others, introduced supporting the President's plan for ending the Vietnam war and a resolution which I also cosponsored concerning the humane treatment of American prisoners of war in North Vietnam. Both passed the House by large margins.

I was equally pleased by the work the Veterans' Affairs Committee on which I am now the third ranking Republican. Legislation increasing the monthly education allowances for GI's was reported out and approved by the House. The Senate has passed a similar but not identical bill, and both Houses are now meeting in conference to iron out the differences. Other veterans legislation which was favorably acted on includes the elimination of the requirement for filing an annual income questionnaire, a raise in dependency and indemnity compensation, and liberalization of mailing privileges for servicemen. The committee has also begun action to prevent veterans' pensions from terminating as a result of the recent increase in social security benefits.

LEGISLATION INTRODUCED

Following is a list of some of the bills I have introduced which I feel are vitally important to our country and to the Fourth District:

House Joint Resolution 304, FCC study of violence on TV;

House Joint Resolution 305, constitutional amendment allowing prayer in public schools;

House Joint Resolution 357, constitutional amendment for electoral reform;

H.R. 3045, definition of food supplements for the Federal Food, Drug, and Cosmetic Act;

H.R. 3855, establishment of a Commission To Improve Government Management;

H.R. 4782, exempt ammunition from Federal regulation;

H.R. 4783, limit questions in census taking;

H.R. 4784, increase outside earnings without deductions from social security benefits;

H.R. 5168, preventive detention of criminals;

H.R. 5171 and H.R. 14202, prohibit mailing of obscene material;

H.R. 7427 cost-of-living increases for railroad retirement;

H.R. 7428 cost-of-living increases in social security payments;

H.R. 8769, permit joint operation of newspapers for economy reasons;

House Concurrent Resolution 169, Biafran relief;

H.R. 9156, deduction of increased living expenses from taxes due to the destruction of one's home;

H.R. 9355, Supreme Sacrifice Medal for wives and parents of servicemen killed in Vietnam;

H.R. 11118, liberalize eligibility of blind persons for social security benefits;

H.R. 12744, authorization of Eisenhower silver dollar;

H.R. 12425, addition of kidney disease to Public Health Act;

House Resolution 301, creation of National Gerontology Center to study ways to help the aged;

H.R. 13053, benefits for firemen and policemen killed in line of duty;

H.R. 13374, funding of Federal Water Pollution Control Act;

H.R. 13463, creation of mass transit trust fund;

H.R. 13776, establishment of orderly procedures to consider renewal of broadcast licenses;

H.R. 13875, broaden active duty allowed for GI education benefits;

H.R. 13983, revenue sharing with the States;

H.R. 14130, increase in home loan financing for veterans;

H.R. 14214, railroad passenger service standards;

House Resolution 614, "peace with justice in Vietnam" resolution;

House Concurrent Resolution 441, prisoner of war declaration;

H.R. 14893, giving Secretary of State authority to impose restrictions of travel to countries when such travel undercuts American foreign policy; and

House Resolution 758, establishment of congressional Committee on Improveing the Quality of Our Environment.

CONCERN FOR THE SECURITY OF ISRAEL

(Mr. PODELL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous material.)

Mr. PODELL. Mr. Speaker, I am deeply concerned about the security of Israel in the conflict that now rages in the Middle East. The erosion of Israel-American relations threatens that security still further.

Many of the points in the December 9 speech delivered by Secretary of State William P. Rogers contradict some of the earlier administration's declarations concerning Israel. On December 19, I wrote to President Nixon asking him to clarify the U.S. position on this matter.

I think it important that the contents of this letter be repeated.

DECEMBER 19, 1969.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I have carefully examined Secretary of State William P. Rogers address of December 9, 1969, stating the Administration's policy objectives in the Middle East. Secretary Rogers enunciated a stand that appears to differ in important aspects from your own thinking on the issues of peace and security in that region.

It would appear to me, Mr. President, that the Congress has a right to know whether to regard Secretary Rogers' expressions or your own words as the official guideline to our Middle East policy. You have often stated that it is important for our enemies not to miscalculate on our intentions. A situation now exists, however, that finds Members of our own Congress confused as to whether the Administration is still backing Israel's insistence on a real peace as the essential precondition for any rolling back of Israeli forces from the present firing lines.

I would be appreciative, Mr. President, if you would clarify the actual position of the United States Government on the question of Israeli withdrawal from occupied territory. Secretary Rogers has opened a Pandora's box of confusion by giving the Communist bloc and the Arabs the impression that the United States might press Israel to withdraw in exchange for some flimsy accord that would fall short of an actual peace treaty. The notion is spreading that our government is willing to use its great influence on Israel to accept a withdrawal arrangement similar to the 1957 roll back. You are aware, sir, of how the 1957 withdrawal from the Sinai Peninsula contained international assurances that were so lacking in substance that we are now faced with the present tragedy which is daily taking a toll of Israeli lives.

I am certain you recall your erudite and well-received address of September 8, 1968, before the B'nai B'rith convention in Washington, D.C. You asserted that "it is not realistic to expect Israel to surrender vital bargaining counters in the absence of a genuine peace and effective guarantees." Have you now changed your mind?

You stated in that same speech that "we support Israel because it is threatened by Soviet imperialism". Yet Secretary Rogers failed to remark on that fact in his recent remarks. Nor did he find a single word in his lengthy address to denounce the growing menace of Soviet support of Arab guerrillas and terrorists and the deadly pipeline of Russian munitions supplying the unrelenting Arab war against Israel.

In your own speech, sir, you stated that "we must impress upon the Soviets the full extent of our determination". But Secretary Rogers gives the impression that we might be vulnerable to appeasement at Israel's expense. He said nothing about the vitriolic anti-Israel and anti-Jewish policies of the Soviet Union. Are you still mindful, Mr. President, of this sinister aspect of the Kremlin's policies?

You told the B'nai B'rith that "we can hardly ignore the fact that during the past five years of active Soviet penetration, the United States Government has at times seemed to hide its head in the sands of the Middle East. The (previous) Administration has failed to come to diplomatic grips with the scope and seriousness of the Soviet threat". Sir, is your own Administration similarly failing?

Mr. President, you told the B'nai B'rith in 1968 that "as long as the threat of Arab attack remains direct and imminent . . . the (power) balance must be tipped in Israel's favor". You pointed out that "if maintaining that margin of superiority should require that the United States should supply Israel with supersonic Phanton F-4 jets, we should supply those jets so that they can maintain that superiority".

Secretary Rogers did not even state that we were still concerned about a balance to deter aggression. Are you still in favor of maintaining an Israeli margin? When may we expect a reply to the promise you made to Israeli Premier Golda Meir when she visited the White House last September? Mrs. Meir got the very definite impression, it would seem, that you were following the Soviet military build-up of the Arabs and were considering authorizing the sale of additional jets, in addition to financial arrangements to enable Israel to cope with the developing military situation. As an original sponsor of the Congressional resolutions favoring the provision of Phantom jets to Israel, I would naturally like to know what is happening involving the supply of such aircraft beyond the number originally sold. I also am extremely eager to know whether we will agree to financial arrangements that would permit Israel to deter the mounting Soviet-backed and Soviet-armed vendetta of the radical Arab states against Israel.

Secretary Rogers has created more questions than he answered. I feel that the crisis in the Middle East requires that we say what we mean—and that we mean what we say. Since I, as a Member of the Congress, do not know what is going on with reference to our Middle East policy, there is a considerable likelihood that the Russians and their Arab friends may grievously miscalculate on American intentions.

I would deeply appreciate a reply that would help clarify the seeming inconsistencies.

With assurances of the highest, personal respect.

BERTRAM L. PODELL,
Member of Congress.

IS DAVID ROCKEFELLER PROMOTING ANTI-ISRAEL POLICIES?

(Mr. KOCH asked and was given permission to address the House for 1 minute, and to devise and extend his remarks and include extraneous material.)

Mr. KOCH. Mr. Speaker, an article which appeared in the New York Times today indicated an apparent anti-Israel position by David Rockefeller, president of the Chase Manhattan Bank and several other oil company executives who are advising the President. The implications of that article distressed me and I am sure other Members of this House.

To ascertain whether the columnist correctly stated Mr. Rockefeller's position, I have written to him today. A copy of my letter follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., December 22, 1969.

Mr. DAVID ROCKEFELLER,
New York, N.Y.

DEAR MR. ROCKEFELLER: I was very distressed to read this morning in the New York Times an article by Tad Szulc which clearly indicated that you, as president of the Chase Manhattan Bank, John J. McCloy, former president of the Chase Manhattan, and Robert B. Anderson, former Secretary of the Treasury and director of Dresser Industries Company, which has oil interests in Kuwait and Libya—as well as others—met with the President on December 9th and advised him against continuing the present policy of allegedly supporting Israel in its confrontation with the Arab countries. It appears that you basically argued that the oil industry and perhaps the Chase Manhattan Bank are suffering because our policies toward Israel have received an adverse economic and political reaction from the Arab states—and that "the United States must act immediately to improve its relations with oil producing and other Arab states."

In my own judgement, the United States has not sufficiently supported Israel and has failed to provide it with arms and planes necessary to offset the arms and planes furnished by the Soviet Union to the Arab states, and indeed now Secretary Rogers is attempting to impose a settlement in the Middle East which would be adverse to Israel. I, for one, believe it is in our national interest to support the State of Israel as the one democratic government in that area which from its inception has identified with the United States and for which reason it has gained the enmity of the Soviet Union. In addition, and of equal importance, are the moral reasons for supporting the people of Israel in their fight to survive. However, if you are not already convinced of the validity of both or either of these two reasons, this letter will not persuade you and I will not attempt to elaborate on them.

The reason for this letter is to inquire whether the thrust of Mr. Szulc's article was correct. And to do so I would appreciate having the opportunity of meeting with you as soon as possible.

While you and the Chase Manhattan Bank have an absolute right to take any position you deem correct in support of your economic interests and while I have no quarrel with your having financial agreements with any of the Arab states, I want you to know that when you attempt to influence the foreign policy of the United States so as to support your economic interest, you run the risk of having those who disagree with you undertake a campaign designed to render effects which would be economically adverse for the Chase Manhattan Bank. The survival of Israel is an important issue to me and my constituents—Jews and Christians alike. If after our discussion, it is clear that the article fairly sets forth your position, further acts with respect to your bank would be in order. And in that eventuality, your patrons may be heard from.

Sincerely,

EDWARD I. KOCH.

PLAN TO RESTRUCTURE NEW YORK PUBLIC SERVICE COMMISSION

(Mr. LOWENSTEIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOWENSTEIN. Mr. Speaker, Monday's papers headlined a story on Governor Rockefeller's plans to restructure the New York Public Service Commission. The commission's predilection for servicing the utilities it is supposed to regulate, rather than protecting the public, has been documented many times.

Many of us in Nassau County are living and working literally on top of explosive evidence of the commission's dereliction of duty. I am referring of course, to the high pressure pipeline installed with the cursory approval of the State Public Service Commission by the Long Island Lighting Co. The route for this pipeline—capable of generating pressure of up to 350 pounds per square inch—runs directly through heavily populated and traveled routes in Rockville Centre, East Rockaway, Long Beach, Island Park, Lynbrook, Hempstead, Malverne, and Oceanside. In many instances the route passes within 50 feet of residences and within 12 feet of a high school. The Public Service Commission took the incredible position that the choice of route for this potentially lethal installation was largely within the discretion of the LILCO and did not really subject it to scrutiny.

In fact, the commission held absolutely no hearings on the entire issue until the construction of the pipeline was virtually completed and $9 million had been spent. After 4 days of so-called hearings in which no cross-examination was permitted, the commission predictably issued a finding that permitted the completion of the pipeline. Subsequent lawsuits by aroused citizens groups and affected villages were unsuccessful largely on technical grounds. However, in these cases one senses an underlying feeling by the court that the existence of the Public Service Commission as a guardian of the public interest, was persuasive in denying these petitions. Residents of the areas through which the pipeline traverses are not so deluded. They are living over a powder keg of incalculable destructive potential. At least once in a week gas leaks and explosions are reported in various parts of the country. Yet, not one of these disasters approaches what could be the magnitude of a similar incident in Nassau. Potential for explosion or leaks is always present and becomes greater as time goes on. The pipeline is constructed a few inches under heavily traveled highways, and is located closer to homes, schools, and other underground utility lines than the distance specified by law. This variance was made possible by further odd behavior on the part of the Public Service Commission—again acting without hearings—without even consulting the people most directly affected.

If this pipeline did not represent such a continuing potential for catastrophe for so many human beings, we could file its existence as a case history of the way in which the Public Service Commission and the utilities it is entrusted with regulating operate in partnership, cynically disregarding the need and rights of the public.

But it does represent such a potential, and residents of the community cannot file as history what remains a clear and present danger. They have sought redress from the commission, from the courts, and from Congress. Their cause is the cause of all Americans whose rights and interests have been subordinated to the financial conveniences of powerful companies and the unrelenting pressure of a technology that may yet destroy its creators. All of us who have been in this fight welcome the new voices that have joined our protest against the failures of the Public Service Commission to fulfill its functions.

We hope they will add their energies as well as their words to the tough battle to bring some regulation to the regulators.

And we hope they will remember that among the continuing victims of the Public Service Commission's past derelictions are the people who must live every day literally on top of the LILCO pipeline. We will not be quiet while this totally inexcusable invitation to disaster perils the health and safety of our community.

COAL MINE SAFETY BILL

(Mr. MOLLOHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOLLOHAN. Mr. Speaker, it is unfortunate that the administration has taken its present stance as Congress moves to clear its agenda for this session.

The threat of a veto is, of course, a legitimate weapon in the President's political arsenal; but in the past, most administrations have exercised this threat only at times when legislative and executive branches have reached an impasse.

It is unfortunate that an administration should use this most potent of weapons to shape legislation when other means, and more constructive means, have been and are available.

For instance, the administration used the veto threat against the coal mine safety bill last week, because of the expense of the compensation provisions, even though the Secretary of the Interior ignored until last week a request of 6 months ago to comment on those very provisions, and their expense. The conferees had completed their work a full month before the Secretary answered. Thus, the threat to veto the legislation came at a time when neither House was in a position to reopen its consideration of that bill. In this instance, the threat of veto hampered rather than contributed to the legislative process.

Now we are faced with the threat of veto for the supplemental appropriations for Labor and HEW unless the President's civil rights plan, the Philadelphia plan, is left intact. The Comptroller General has flatly stated that the plan is in direct violation of the 1964 civil rights law. In view of the administration's efforts to curb Federal construction and the general decline in the construction industry at this time, implementing the Philadelphia plan would be profoundly divisive at a time when this Nation should seek unity rather than further division.

Capitalizing on the desire of the Congress to adjourn, the administration is using this threat of veto to shape legislation on taxes and appropriations alike. The Senate was bluntly informed during its consideration of both tax reform and the appropriations for the Departments of Labor and Health, Education, and Welfare, that their legislation was unacceptable and would be vetoed. The warning was based upon the cost of the two measures and both were represented to the public as being highly inflationary. The administration declined to note that even with the higher expense of the tax bill and the outlays for Labor and HEW, the budget would not be disturbed because of the nearly $5½ billion cut in the Defense budget.

This use of executive powers is a form of legislative overkill, and it is lamentable that the administration has chosen such a blunt and inflexible approach to shape the Nation's legislation. It is more provocative than productive, and the response of the Hill is more likely to be reactive than reasoned. In the final analysis, this attempt to legislate through veto is likely to be more damaging to the country than helpful.

PRICE OF CHRISTMAS TURKEYS AFFECTED BY ECONOMY

(Mr. McCARTHY asked and was given permission to address the House for 1 minute, to revise and extend his remarks.)

Mr. McCARTHY. Mr. Speaker, as Americans shop for their Christmas turkeys the high prices of the festive birds remind them that we are suffering from the worst inflation in 18 years.

Last month the wholesale price of turkeys skyrocketed 6½ percent. And indications are that the average turkey price of 52.2 cents a pound will go even higher in the future.

Since President Nixon took office inflation has pushed prices up 5½ percent—the highest rise since 1951. Another increase this month equal to last month's will make 1969 the most inflationary year since 1947.

In the meantime, the average weekly paychecks of some 45 million U.S. workers have actually dropped. They fell 62 percent last month because of shorter work weeks in the slowing U.S. economy.

When asked about price increases 7 days after taking office, President Nixon answered that the Government would not intervene in price and wage decisions, that the fight against inflation would rest on fiscal and monetary policy and he would not exhort business and labor.

That blew the lid off prices right there.

The President has supported a severe monetary policy. He demanded continuation of the tax surcharge. But unlike President Johnson, he has made no effort to use the moral power of the presidency to persuade business and labor to modify their price of wage demands. The Johnson administration not only used moral suasion but put the pressure on rising prices by sales out of stockpiles and by altering Government buying policies, especially at the Pentagon.

While Members of Congress, including myself, have sought to reduce defense spending, not only to shift priorities but to fight inflation, the President has supported almost all of the new major weapons systems. Clearly, in this vital area, the President has fumbled the economic ball and set off a cycle of runaway inflation. And the effect has been devastating especially on those with fixed incomes, those living on social security and pensions. In the case of working men and women, price increases have far outdistanced gains in wages.

I believe the time is long past due for President Nixon to start using the powers of his office to do something meaningful to halt this cycle of runaway inflation.

NEW APPROACHES TO THE HOUSING CRISIS

The SPEAKER. Under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, the Secretary of Housing and Urban Development, George Romney, has made clear his conviction that high-interest, tight-money conditions dominating the Nation's economy have produced an explosive situation in terms of the country's housing needs.

He has declared that it is now impossible for half of the Nation's population to afford a new home.

He has stated that the dimensions of the problem now translate into the need to create one new city of 250,000 people every month for the remainder of the century—360 such cities having a total population of 90 million people by the year 2000.

He has said that the recent increase in the annual rate of new housing starts from 1.3 million in August to 1.5 million units in September is a "temporary aberration" and that he expects the level to decline significantly in the months ahead. Other housing experts predict the rate of new housing starts will drop to 1 million or less by the end of this year or early in 1970. This is little more than one-third of the number of units annually required to meet the Nation's housing goal. Furthermore, the great majority of single-family dwellings now being constructed are in the $30,000 bracket and up. In other words, the low- and moderate-income families of the Nation have been priced out of the housing market.

TIGHT MONEY—HIGH INTEREST

Tight-money, high-interest conditions are all but crippling savings and loan associations which account for nearly half of all residential mortgages in the Nation. The flow of funds into these institutions is expected to be reduced by 44 percent during the first 10 months of the year, $2.9 billion so far this year as compared to $5.2 billion during the same period last year.

The situation is almost as severe for mutual savings banks which account for 16 percent of all residential mortgages and rank second as a source of home loans in the Nation. The flow of funds into mutual savings banks is down 37.4 percent and September was one of the lowest inflow months on record for these banks.

The situation with life insurance companies which provide 14 percent of all residential mortgage loans shows a reduction of $1 billion during the first 10 months of the year.

And commercial banks, which also supply 14 percent of all residential mortgages, had a reduction of over 50 percent in large certificates of deposits between December of 1968 and October this year, from $24.4 billion to $11.6 billion.

Tight money-high interest rate conditions have clearly produced an ever worsening drought in the flow of mortgage funds. Assets that ordinarily would be devoted to this field have been diverted to higher yielding, shorter term investments.

IMPENDING DISASTER

Mr. Speaker, this is a thumbnail sketch of impending disaster made ironic by the priority we continue to give other projects. If things continue as they are we will be housing middle income scientists on the moon long before we get around to the decent homes and suitable living environment Congress promised the American people last year. We will be financing luxurious, supersonic air transports for jet setters and corporate executives while the price of housing skyrockets because demand far exceeds the supply. We will continue to tabulate military costs overruns while the rate at which housing falls into the substandard category runs wild.

There is little satisfaction to be gained by stressing our technological superiority to both our allies and enemies when many of these same countries are doing a far better job of meeting the needs of their people. Last year, when housing starts were higher than is presently the case, the United States provided 7.69 units per 1,000 residents, but Sweden produced 13.43 units, Japan built 11.89, the Soviet Union provided 9.80, the Netherlands built 9.63, and France produced 8.23.

The Director of the Standards Policy Office of the Commerce Department, A. Allen Bates, asserts:

> Within a few years—perhaps a decade—it will probably be generally acknowledged internationally that the best housed inhabitants of any large country in the world are those of the USSR. The political impact of this situation will be profound. The United States will suffer devastating comparisons.

Under these circumstances it would be painfully embarrassing to claim that our capitalist, free enterprise system is the basis for the best of all possible worlds.

RELIANCE ON PRIVATE SECTOR

Secretary Romney, who launched a successful revolution in the Nation's massive auto industry by fathering and selling the compact car, and President Nixon who saw the world from the rose-colored halls of Wall Street, have placed their faith in the private sector to achieve a solution in our housing crisis. Secretary Romney is fond of saying that the greatest single market in the future of the Nation's economy is the housing market. His assessment is correct only if the private sector provides the financing for this market and so far it has dismally failed to do so. To this Secretary Romney replies that the private sector cannot be expected to meet necessary investment quotas in housing until a large puncture has been made in our inflationary bubble. So far the only thing that has been deflated is the housing industry, and there is little evidence of change in other segments of the economy despite the hopeful forecasts of the administration's economic wizards.

Among the things which are obviously needed is the channeling of large blocks of funds into housing from sources which until now have remained relatively untapped. Such action should take place immediately and not on some distant, unknown date when the United States has slipped from a sixth-place ranking in housing to 10th or 15th and our housing industry is too weak to climb out of its sick bed.

NEW APPROACHES

One of the largest investment possibilities that can and should be utilized is the assets of private pension funds which total more than $115 billion, providing a completely tax-exempt annual income of nearly $6 billion. The tax advantage given these pension programs now totals more than $3 billion a year.

Another equally important source is in the use of the assets of the Federal Reserve to purchase housing paper.

This bill opens the way to turn both of these possibilities into concrete action.

The growth of private pension fund assets, including those programs administered by insurance companies, has been nothing short of phenomenal. During the 9-year period 1960 to 1968 total assets rose from $52 to $115 billion, more than doubling, and the rate of future growth is expected to be even more spectacular. It is now estimated that by 1981 private pension fund assets will total more than $200 billion and will comprise one of the largest single investment forces in the Nation's economy.

This is especially true for the corporate empires of the Nation. The most outstanding feature of pension fund change during the 9-year period has been their collective gallop into common stock investments. In 1960 private, noninsured pension funds, with total assets of $33.1 billion, had $10.7 billion worth of common stock, a little more than a third of the value of all their assets. Today the value of their common stock investments amounts to more than $40.3 billion, more than half the value of their total assets.

No other aspect of private, noninsured pension fund investments have moved so dramatically. In fact all other types of investments are far below the $40 billion in common stock, the next closest being $26 billion in corporate bonds. Other investments occupy relatively minor positions, among them real estate loans and mortgages which in 1960 totaled $1.3 billion and now total about $3.9 billion.

Another aspect of the striking growth of private pension fund assets is the low rate of return their investments produce. A study of the 100 largest private pension funds, having assets totaling $33.1 billion, shows the rate of return on investments seldom exceeds 5 percent, and a large number of the plans have rates of return which do not exceed 4 percent.

GREAT POTENTIAL

Mr. Speaker, these facts clearly illustrate the potential of private pension plans to pump desperately needed resources into the housing market—primarily into the low and moderate income family housing market where the flow of mortgage funds has virtually evaporated and where the need is greatest. Accordingly, I am introducing a bill which establishes a formula by which private pension plans can be directed to make such investments in return for the tax advantages they now enjoy, amounting to more than half the earned income of these plans. In essence, the bill calls on the Secretary of Housing and Urban Development to determine the investment required to meet the national housing goal of 600,000 low- and moderate-income units a year, assess how much of this investment can be expected to be made from sources which are now supporting this section of the housing market, and determine how much of an investment is required from the private pension plans to fill the gap.

The fact that pension programs now hold mortgages totaling $3.9 billion verifies beyond doubt that program administrators have found such purchases fit requirements for prudent and secure investments. The bill provides that investments ordered by the Secretary of Housing and Urban Development shall be in mortgages which are federally insured or guaranteed, thus removing all question of risk.

It also removes all doubt about providing an adequate return since mortgages insured by the Federal Housing Administration or guaranteed by the Veterans' Administration are now yielding 8 percent, almost twice as much as the rate of return for all but a few pension programs as indicated by the study of the top 100 plans. Moreover, it is fair to assume that although private pension plans have invested in mortgages, an extremely small portion of this investment is in homeownership loans for low- and moderate-income families. By emphasizing the purchase of mortgages in this particular category, pension plans would at once be making a high yield investment and performing an urgently needed social service backed by the full faith and credit of the United States. It may be argued that to divert funds from common stock purchases to mortgages will reduce the rate at which pension plan assets appreciate. To this I say that an absolutely safe mortgage investment paying 8½ to 10 percent interest means that a $20,000 mortgage with a 30-year term will provide interest payments totaling over $32,000 alone, or more than 1½ times the amount of the principal, an arrangement that seems more than adequate in view of the tax-free status of the multimillion-dollar investment portfolios.

For administrative purposes, my bill would authorize the Secretary of Housing and Urban Development to confine his directives concerning investment of assets to those pension plans which have assets valued at $4 million or more. This would take in most retirement programs.

FEDERAL RESERVE PURCHASES

Mr. Speaker, title II of my bill would open a second avenue leading to substantial new investments in housing mortgages. Title II would authorize and direct the Federal Reserve to buy and sell in the open market, or deal directly with the issuing agency, any obligation which is a direct obligation or fully guaranteed as to principal and interest of any agency of the United States. The bill makes it clear that it is the sense of Congress that the legislation shall be used to meet the national housing goals through the purchase and sale of residential mortgage paper by the Federal Reserve.

In 1966 Congress authorized the Federal Reserve to make such purchases but since then that agency has looked on this legislation as being permissive rather than a directive and has never utilized it despite the housing crisis that existed at the time of enactment and the housing crisis that is currently crippling our housing industry. In effect, the Federal Reserve has refused to comply with the will of Congress. It is ridiculous to think that Congress would grant the authority to make housing paper purchases without also assuming that Congress clearly meant that this authority should be exercised in a meaningful way.

In rationalizing its position, the Federal Reserve has insisted that its role is to deal with general monetary policies and that it does not work with specific segments of the economy. The fact of the matter is that the high-interest, tight-money policies of the Federal Reserve strike first, foremost, and almost exclusively at the housing market with the result that a large share of the responsibility for the Nation's massive housing problem rests with that agency.

The Federal Reserve's position has even been contradicted by its own studies. Describing the results of restrictive monetary policy, Federal Reserve Governor Dewey Daane said:

> We find a rise in mortgage rates and a reduction in the availability of market credit to borrowers—and hence . . . a relatively prompt and significant effect on housing starts.

One illustration of this situation came in 1966 when the Federal Reserve's policies took $8 billion worth of credit out of the economy and $7 billion of the total came out of housing alone.

HOUSING PRIORITIES

Mr. Speaker, the Government of this Nation must finally begin to look at housing needs as being on the same level of importance—the same level of necessity—as adequate food, clothing and medical care for the people of this Nation. This bill, applying as it does to the use of private pension fund assets and the assets of the Federal Reserve for the purchase of residential mortgages, especially mortgages for low and moderate income families, constitutes a long step in this direction. The thrust of the measure goes to the point that it is not enough to simply create housing programs which provide fully insured and guaranteed mortgages for purchase by the private sector to meet our housing goals. The bill provides a way to help make these programs fully responsive to the needs of the Nation and the intent of Congress during times of crisis in the housing industry.

Mr. Speaker, I include in the Record the text of the Mortgage Investment Act and data disclosing the assets and income of the 100 largest private, noninsured pension plans. Inspection of these figures graphically indicates the potential of these and other pension plan programs to help end our housing crisis.

The material follows:

H.R. 15402

A bill to amend the National Housing Act and the Federal Reserve Act to help meet the national housing goals, including the goals for low- and moderate-income families through the purchase of mortgages with private pension fund and Federal Reserve assets

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Mortgage Investment Act".

TITLE I

PENSION FUND MORTGAGE INVESTMENTS

Sec. 101. Title V of the National Housing Act is amended by adding at the end thereof the following new section:

"INVESTMENT IN LOW- AND MODERATE-INCOME HOUSING MORTGAGES BY PRIVATE PENSION FUNDS

"Sec. 524. (a) (1) The Congress finds that housing starts in the United States have dropped to an alarming level due largely to the inflationary, high-interest-tight-money condition of the economy. This shortage of mortgage money on reasonable terms is felt most severely by the Nation's low- and moderate-income families—a group whose housing needs have reached a crisis stage because adequate funds on reasonable terms are not available for mortgage investments of this type. Moreover, it is impossible to realistically hope for fulfillment of the national housing goals of six million new and rehabilitated units in ten years for low- and moderate-income families, as set forth in the Housing Act of 1949 and reaffirmed in the Housing Act of 1968, unless action is taken to supply additional amounts of mortgage funds on reasonable terms for this purpose.

"(2) The Congress finds that the additional resources required to meet the national housing goals for low- and moderate-income families are available in the form of moneys in private pension funds. It further finds that only a small portion of these funds are presently invested in mortgages and that a larger share of these assets can and should be devoted to investments in mortgages to supply decent housing for low- and moderate-income families without risk or the sacrifice of an adequate return.

"(3) It is the purpose of this section and the policy of the Congress to encourage investment of private pension fund assets in federally insured or guaranteed low- and moderate-income mortgages in amounts that will assure meeting the national housing goals as they apply to this segment of the Nation's population."

Sec. 102. As used in this section—

(1) the term "Secretary", unless otherwise specified, means the Secretary of Housing and Urban Development;

(2) the terms "low- and moderate-income housing" and "low- and moderate-income families" shall have the meaning given them by the Secretary and the Secretary of Agriculture in establishing the criteria by which families qualify for occupancy of dwellings supplied under the low- and moderate-income rental and homeownership programs contained in the National Housing Act and title V of the Housing Act of 1949;

(3) the term "federally insured or guaranteed mortgage" means any mortgage, or the securities backed by any mortgage, which is insured or guaranteed under the National Housing Act or title V of the Housing Act of 1949 for low- and moderate-income families; and

(4) the term "private pension fund" means a pension plan to which section 401 (a) of the Internal Revenue Code of 1954 applies; except that it shall also include such additional organizations and entities as the Secretary, after consultation with the Secretary of the Treasury, determines should be subject to this section in order to assure that the purpose of this section will be achieved.

Sec. 103. As soon as possible after the date of the enactment of this section the Secretary, after consulting with the Secretary of Agriculture, shall determine—

(1) the total investment required to meet the national housing goals for low- and moderate-income families in both urban and rural America during the next thirty-six months;

(2) the total amount, projected on the basis of rehabilitated and new housing starts for low- and moderate-income families occurring during the previous twelve months, that can be expected to be invested in low- and moderate-income family housing during the next thirty-six months;

(3) the difference between what can be expected to be invested and what is required to be invested to meet the national housing goals for low- and moderate-income families during the next thirty-six months;

(4) the total combined assets of any or all private pension funds; and

(5) the portion of the combined assets of private pension funds which would be required to be invested in federally insured or guaranteed mortgages on low- and moderate-income housing in both urban and rural areas to assure that the national housing goals for low- and moderate-income families are met during the next thirty-six months.

Sec. 104. (1) The Secretary, after conferring with the Secretary of the Treasury, shall notify the administrators of all private pension funds having assets appropriate for mortgage investment that during a period of time specified by the Secretary they are required to invest in federally insured or guaranteed mortgages on low- and moderate-income housing such amount from their pension fund assets as will be required to assure meeting the national housing goals for low- and moderate-income housing as determined by the Secretary for the thirty-six month period involved under subsection 102(5).

(2) The Secretary, bearing administrative problems in mind, shall determine which private pension funds shall be required to make such investments and the amount of the investment to be required by each.

Sec. 105. Upon fulfilling the obligations specified by subsections 103 and 104 the Secretary shall, after conferring with the Secretary of the Treasury and the Secretary of Agriculture, and using the same methods as those prescribed in such subsections, determine the total investment of private pension fund assets required to assure meeting the national housing goals as they apply to low- and moderate-income housing for each successive twelve-month period and shall notify the administrators of all private pension funds having assets appropriate for mortgage investment of the amount of such assets they are required to invest in federally insured or guaranteed mortgages on such housing during each such twelve-month period as designated by the Secretary.

Sec. 106. (1) If the actual investments in federally insured or guaranteed mortgages on low- and moderate-income housing held by a private pension fund in any taxable year beginning after the date of enactment of this section are less than the amount of investments in such mortgages required of such fund for such year under section 104 or 105 there is hereby imposed on such fund's failure to make and hold the required investments a tax equal to 100 per centum of the amount by which the actual investments are less than the required investments. Such tax shall be paid by the private pension fund, and shall be assessed and collected, under regulations prescribed by the Secretary of the Treasury or his delegate, in the manner provided in subtitle F of the Internal Revenue Code of 1954 with respect to taxes imposed by subtitle D or such Code.

(2) A private pension fund shall not be subject to the tax imposed by this subsection for any taxable year if the fair market value of its assets at the beginning of such year does not exceed $4,000,000.

TITLE II

FEDERAL RESERVE MORTGAGE PURCHASES

SEC. 201. (a) Paragraph (2) of section 14 (b) of the Federal Reserve Act (12 U.S.C. 355) is amended to read as follows:

"(2) Under the direction and regulations of the Federal Open Market Committee, to buy and sell in the open market, or to deal directly with the issuing agency in the purchase and sale of, any obligation which is a direct obligation of, or fully guaranteed as to principal and interest by, any agency of the United States."

(b) It is the sense of the Congress that the authority conferred by paragraph (2) of section 14(b) of such Act be used to assist the Nation in meeting the housing goals contained in the Housing and Urban Development Act of 1968.

Shell Oil Co., Shell Pipeline Corp., Asiatic Petroleum Corp., Asiatic Petroleum Co. (Tex.), Ltd., New York, N.Y., Dec. 31, 1968

Contributions:	
Employer	$26, 105, 376
Employee	26, 053, 699
Investments:	
Common stock	219, 937, 001
Federal obligations	954, 120
Foreign government obligations	27, 053, 205
Non-Government obligations	376, 301, 421
Total assets	634, 477, 084
Receipts from investments:[1]	
Interest	17, 235, 643
Dividends	6, 408, 469
Total	23, 644, 112
Sale of assets:	
Cost	125, 167, 530
Cash	126, 485, 068
Net gain	1, 317, 538
Total income for year	24, 961, 650
Tax bill that would apply if income was not tax exempt	12, 813, 475

[1] Rate of Return, 3.6 percent.

Radio Corp. of America, New York, N.Y., Dec. 31, 1968

Contributions:	
Employer	$17, 294, 183
Employee	12, 199, 347
Investments:	
Stock:	
Preferred	1, 553, 591
Common	178, 182, 260
Non-Government obligations	75, 653, 559
Real estate loans and mortgages	16, 042, 397
Unsecured notes	14, 118, 000
Real estate leasebacks	$14, 387, 315
Total assets	332, 979, 124
Receipts from investments:[1]	
Interest	6, 104, 869
Dividends	5, 426, 821
Total	11, 531, 690
Sale of assets	
Cost	140, 979, 086
Cash	140, 350, 572
Net loss	628, 514
Total income for year	10, 903, 176
Tax bill that would apply if income was not tax exempt	5, 756, 876

Radio Corp. of America, New York, N.Y., Dec. 31, 1968—Continued

[1] Rate of return, 3.3 percent.

Employees savings and profit-sharing plan, Sears, Roebuck & Co., Chicago, Ill.

Contributions:	
Employer	$85, 251, 948
Employee	67, 548, 247
Investments:	
Bank deposits and savings and loan shares at interest	1, 369, 877
Stock:	
Preferred	7, 362, 041
Common	2, 357, 057, 421
Non-Government obligations	4, 441, 499
Real state loans and mortgages	10, 118, 979
Secured loans	1, 450, 000
Unsecured notes	135, 893, 573
Total assets	2, 543, 295, 196
Receipts from investments:[1]	
Interest	4, 822, 608
Dividends	49, 685, 554
Total	54, 508, 162
Sale of Assets	
Cost	45, 192, 186
Cash	61, 993, 422
Net gain	16, 801, 236
Total income for year	71, 309, 398
Tax bill that would apply if income was not tax exempt	32, 980, 618

[1] Rate of return, 2.1 percent.

Savings-stock purchase program for salaried employees in the United States, General Motors Corp., Detroit, Mich., Dec. 31, 1968

Contributions:	
Employer	$46, 445, 805
Employee	108, 232, 792
Investments:	
Common stock	578, 310, 314
Federal obligations	234, 413, 964
Total assets	822, 649, 361
Receipts from investments:[1]	
Interest	2, 585, 025
Dividends	28, 578, 119
Total receipts from investments	31, 163, 144
Tax bill that would apply if income was not tax exempt	16, 454, 140

[1] Rate of return; 3.8 percent.

Supplemental pension plan for employees 30 years or older earning over $15,000, Sears, Roebuck & Co., Chicago, Ill., Dec. 31, 1968

Employer contributions	$11, 552, 100
Investments:	
Stock:	
Preferred	2, 465, 616
Common	90, 713, 943
Federal obligations	1, 497, 500
Foreign government obligations	5, 801, 372
Non-Government obligations	35, 262, 057
Real estate loans and mortgages	1, 001, 725
Total assets	138, 491, 551
Receipts from investments:[1]	
Interest	2, 310, 396
Dividends	2, 384, 397
Rents	2, 975
Total	4, 697, 768
Sale of assets	
Cost	75, 008, 700
Cash	77, 487, 142
Net gain	2, 478, 442
Total income for year	7, 176, 210
Tax bill that would apply if income was not tax exempt	3, 100, 031

[1] Rate of return, 2.9 percent.

Pension plan, Republic Steel Corp., Cleveland, Ohio

Employer contributions	$31, 620, 700
Investments:	
Stock:	
Preferred	9, 553, 100
Common	82, 685, 553
Federal obligations	1, 895, 575
Foreign government obligations	12, 177, 975
Non-Government obligations	143, 398, 719
Secured loans	11, 783, 042
Total assets	278, 233, 909
Receipts from investments:[1]	
Interest	7, 779, 233
Dividends	4, 534, 919
Total	12, 314, 152
Sale of Assets	
Cost	72, 447, 633
Cash	79, 995, 910
Net gain	7, 548, 277
Total income for year	19, 862, 429
Tax bill that would apply if income was not tax exempt	8, 388, 941

[1] Rate of return, 4.3 percent.

Shell pension plan, all employees, Shell Oil Co., Shell Pipepline Corp., Asiatic Petroleum Corp., Asiatic Petroleum Co. (Texas) Ltd., Dec. 31, 1968

Employer contributions	$21, 688, 888
Investments:	
Stock:	
Preferred	2, 025, 421
Common	168, 269, 818
Federal obligations	9, 460, 885
Foreign government obligations	21, 314, 150
Non-Government obligations	264, 338, 212
Real estate loans and mortgages	5, 466, 094

Shell pension plan, all employees, Shell Oil Co., Shell Pipeline Corp., Asiatic Petroleum Corp., Asiatic Petroleum Co. (Texas) Ltd., Dec. 31, 1968—Continued

Real estate operations	$5, 256, 063
Total assets	488, 256, 539
Receipts from investment: [1]	
Interest	13, 395, 265
Dividends	5, 441, 172
Rents	425, 062
Total	19, 261, 499
Sale of assets	
Cost	92, 677, 783
Cash	89, 066, 930
Net loss	3, 610, 853
Total income for year	15, 650, 646
Tax bill that would apply if income was not tax exempt	8, 263, 541

[1] Rate of return, 3.9 percent.

The Savings Banks Retirement System, New York, N.Y., Sept. 30, 1968

Contributions:	
Employer	$6, 298, 355
Employee	319, 519
Investments:	
Stock	
Preferred	269, 350
Common	10, 917, 934
Federal obligations	1, 362, 047
Foreign government obligations	697, 343
Non-Government obligations	16, 332, 464
Real estate loans and mortgages	85, 821, 626
Other real estate	40, 904
Total assets	117, 366, 411
Receipts from investments: [1]	
Interest	5, 385, 328
Dividends	257, 782
Total	5, 692, 185
Sale of assets:	
Cost	3, 826, 131
Cash	3. 891, 669
Net gain	65, 538
Total income for year	5, 757, 723
Tax bill that would apply if income was not tax exempt	3, 021, 857

[1] Rate of return, 4.3 percent.

Disability benefits and death benefits, Southern Bell Telephone & Telegraph Co., Atlanta, Ga., Dec. 31, 1968

Employer contributions	$32, 955, 835
Investments:	
Common stock	78, 756, 473
Federal obligations	98, 972
State and municipal obligations	309, 792
Foreign government obligations	75, 819
Non-Government obligations	140, 941, 163
Real estate loans and mortgages	13, 298, 494
Other real estate	2, 009, 000
Total assets	239, 487, 539
Receipts from investments: [1]	
Interest	10, 583, 905
Dividends	2, 359, 766
Rents	$79, 760
Total	13, 023, 432
Sales of assets:	
Cost	71, 124, 603
Cash	67, 536, 779
Net loss	3, 587, 824
Total income for year	7, 435, 608
Tax bill that would apply if income was not tax exempt	3, 926, 001

[1] Rate of return, 5.4 percent.

Stock plan for employees (all employees), Standard Oil Co. of California, San Francisco, Calif., Dec. 31, 1968.

Contributions:	
Employer	$11, 681, 000
Employee	6, 585, 000
Investments: Common stock	188, 424, 000
Total assets	188, 424, 000
Receipts from investments: [1]	
Dividends	9, 838, 000
Total receipts from dividends	9, 838, 000
Tax bill that would apply if income was not tax exempt	5, 194, 464

[5] Rate of return, 4.8 percent.

Annuity Plan—(All Employees), Standard Oil Co. of California, Dec. 31, 1967

Contributions:	
Employer	$7, 700, 000
Employees	4, 627, 000
Investments:	
Bank deposits and savings and loan shares at interest	937, 217
Stock:	
Preferred	1, 386, 423
Common	223, 959, 663
Federal obligations	70, 140
Non-Government obligations	77, 655, 715
Commingled trusts—GEB trust special purpose funds	50, 357, 713
Real estate loans and mortgages	15, 089, 850
Real estate operations	2, 793, 559
Total assets	374, 310, 231
Receipts from investments: [1]	
Interest	3, 957, 669
Dividends	6, 755, 541
Rents	234, 068
GEB special purpose fund	2, 665, 866
Total	13, 613, 146
Sale of assets:	
Book value	109, 832, 325
Cash	122, 589, 611
Net gain	12, 757, 286
Total income for year	26, 370, 432
Tax bill that would apply if income was not tax exempt	10, 377, 062

[1] Rate of return, 3.5 percent.

Pension, disability benefits, death benefits (all employees), Southwestern Bell Telephone Co., St. Louis, Mo., Dec. 31, 1968

Employers contributions	$36, 768, 175
Investments:	
Stock:	
Preferred	1, 014, 650
Common	141, 493, 083
Federal obligations	$2, 615, 159
Non-Government obligations	295, 618, 900
Real estate loans and mortgages	18, 309, 977
Unsecured notes	4, 808, 074
Other real estate	5, 000
Total assets	468, 066, 926
Receipts from investments: [1]	
Interest	13, 708, 952
Dividends	4, 113, 575
Total	17, 822, 527
Sale of assets:	
Cost	204, 887, 579
Amount received	206, 494, 074
Net gain	1, 606, 495
Total income for year	19, 429, 022
Tax bill that would apply if income was not tax exempt	9, 811, 917

[1] Rate of return, 3.6 percent.

Pension, disability and death benefits (all *employees), New York Telephone Co., New York, N.Y., Dec. 31, 1968*

Employer contributions	$58, 722, 197
Investments:	
Stock:	
Preferred	6, 416, 664
Common	183, 326, 004
Federal obligations	3, 012, 624
Foreign government obligations	9, 375, 854
Non-Government obligations	498 ,092, 599
Real estate loans and mortgages	9, 730, 459
Unsecured notes	16, 639, 870
Total assets	$733, 646, 236
Receipts from investments: [1]	
Interest	22, 834, 497
Dividends	4, 545, 088
Total	27, 379, 585
Sale of assets:	
Cost	173, 371, 899
Amount received	170, 496, 871
Net loss	2, 875, 028
Total income for year	24, 504, 557
Tax bill that would apply if income was not tax exempt	12, 938, 406

[1] Rate of return, 3.7 percent.

Pension, disability, and death benefits—(all employees), New Jersey Bell Telephone Co., Dec. 31, 1968

Employer contributions	$17, 989, 969
Investments:	
Stock:	
Preferred	1, 554, 379
Common	52, 925, 940
Federal obligations	2, 567, 428
Non-Government obligations	163, 029, 780
Real estate loans and mortgages	3, 093, 323
Unsecured notes	6, 000, 000
Total assets	231, 252, 855

Pension, disability, and death benefits—(all employees), New Jersey Bell Telephone Co., Dec. 31, 1968—Continued

Receipts from investments: [1]	
Interest	$7,050,852
Dividends	1,435,289
Total	8,486,141
Sale of assets:	
Cost	68,432,731
Amount received	69,013,248
Net gain	580,517
Total income for year	9,066,658
Tax bill that would apply if income was not tax exempt	4,557,922

[1] Rate of return, 3.5 percent.

Retirement plan for salaried employees, Johns-Manville Corp., New York, N.Y., Dec. 31, 1968

Contributions:	
Employer	$1,141,582
Employee	2,658,321
Investments:	
Stock:	
Preferred	945,016
Common	61,769,718
Foreign government obligations	442,215
Non-Government obligations	22,187,627
Morgan Guaranty commingled funds—stocks and bonds	7,535,411
Real estate loans and mortgages	9,379,465
Morgan Guaranty commingled fund mortgages	10,290,550
Unsecured notes	3,174,000
Real estate operated—leasebacks	6,139,098
Total assets	122,437,657
Receipts from investments: [1]	
Interest	3,063,707
Dividends	2,451,047
Rents	685,896
Total	6,200,650
Sale of assets:	
Cost	58,615,927
Cash	58,557,350
Net loss	58,577
Total income for year	6,142,073
Tax bill that would apply if income was not tax exempt	3,243,014

[1] Rate of return, 4.9 percent.

UMWA welfare and retirement fund (hourly rated employees), United Mine Workers of America, Washington, D.C., June 30, 1968

Employer contributions	$163,089,691
Investments:	
Bank deposits and savings and loan shares at interest	50,000,000
Common stock	44,188,818
State and municipal obligations	15,236,717
Unsecured notes	125,000
Total assets	180,109,406
Receipts from investments: [1]	
Interest	2,466,000
Dividends	2,201,882
Total receipts from investments	4,667,882

[1] Rate of return, 2.9 percent.

UMWA welfare and retirement fund (hourly rated employees), United Mine Workers of America, Washington, D.C., June 30, 1968—Continued

Estimated contribution due but unpaid	$5,681,511
Tax bill that would apply if income was not tax exempt	2,464,641

Central States, southeast and southwest areas pension fund (all employees). Central States Drivers Council (Teamsters), Chicago, Ill., Jan. 31, 1969

Employer contributions	$118,347,395
Investments:	
Bank deposits and savings and loan shares at interest	9,400,000
Stock:	
Preferred	2,526,908
Common	22,069,920
Federal obligations	1,960,292
Non-Government obligations	39,486,450
Real estate loans and mortgages	461,264,348
Secured loans	34,990
Real estate operated	18,503,863
Other real estate	42,855,296
Total assets	628,026,886
Receipts from investments: [1]	
Interest	19,642,411
Dividends	814,505
Rents	700,350
Amortized loans and mortgages	55,124,965
Total	76,282,233
Sale of assets:	
Cost	4,928,148
Cash	5,379,527
Net gain	451,379
Total income for year	76,733,612
Tax bill that would apply if income was not tax exempt	40,389,863

[1] Rate of return, 12.1 percent.

Dun & Bradstreet, Inc., New York, N.Y.

Employer contributions	$2,002,296
Investments:	
Group trust equity and fixed income funds:	
Preferred stock	375,964
Common stock	41,180,104
Foreign government obligations	1,735,252
Non-Government obligations	27,603,502
Common trusts	385,456
Real estate loans and mortgages	1,202,934
Unsecured notes	7,450,000
Total assets	80,574,490
Receipts from investments: [1]	
Earnings distribution by group trust	1,354,137
Capital gains distributed by group trust	4,034,507
Interest	1,366,635
Dividends	1,280,759
Total	8,036,038
Sale of assets:	
Cost	49,197,697
Amount received	55,450,261
Net gain	6,252,564
Total income for year	14,288,602
Tax bill that would apply if income was not tax exempt	4,684,575

[1] Rate of return, 10.0 percent.

The Great Atlantic & Pacific Tea Co., Inc., New York, N.Y.

Employer contributions	$6,310,000
Investments:	
Stock:	
Preferred	918,540
Common	156,372,239
Non-Government obligations	48,424,492
Real estate loans and mortgages	5,464,374
Total assets	212,134,357
Receipts from investments: [1]	
Interest	2,961,289
Dividends	3,490,541
Total	6,451,830
Sale of assets: Gain	3,183,972
Total income for year	9,635,802
Tax bill that would apply if income was not tax exempt	4,202,559

[1] Rate of return, 2.8 percent.

Firestone Tire & Rubber Co., Akron, Ohio, Oct. 31, 1968

Contributions:	
Employer	$1,083,597
Employee	532,428
Investments:	
Stock:	
Preferred	2,108,034
Common	81,577,725
Federal obligations	5,079,826
Foreign government obligations	2,775,610
Non-government obligations	75,540,570
Real estate operations	5,437,881
Total assets	174,760,023
Receipts from investments: [1]	
Interest	4,055,794
Dividends	2,691,244
Rents	436,991
Total	7,184,031
Sale of assets:	
Cost	71,792,955
Cash	73,185,407
Net gain	1,392,451
Total income for year	8,576,482
Tax bill that would apply if income was not tax exempt	4,141,288

[1] Rate of return, 4.0 percent.

Continental Oil Co., Houston, Tex., Dec. 31, 1968

Contributions:	
Employer	$3,563,530
Employee	3,873,203
Investments:	
Preferred stock	74,626,369
Non-Government obligations	33,206,917
Real estate loans and mortgages	38,671,791
Total assets	147,927,179
Receipts from investments: [1]	
Interest	3,254,037
Dividends	2,670,108
Rents	1,099,626
Total	7,023,771
Sale of assets:	
Book value	42,088,156

[1] Rate of return, 4.8%.

Continental Oil Co., Houston, Tex., Dec. 31, 1968—Continued

Sale of assets—Continued	
Amount received	$44, 910, 235
Net gain	2, 822, 079
Net gain for year	9, 845, 850
Tax bill that would apply if income was not tax exempt	3, 814, 070
Employer contribution	$12, 000, 000
Investments:	
Stock:	
Preferred	4, 811, 000
Common	189, 735, 000
Non-Government obligations	28, 503, 000
Real estate loans and mortgages	10, 223, 000
Total assets	261, 937, 000
Receipts from investment:[1]	
Interest	2, 775, 000
Dividends	5, 077, 000
Total	7, 852, 000
Net gain from sale of assets	36, 575, 000
Net gain for year	44, 427, 000
Tax bill that would apply if income was not tax exempt	13, 289, 606

[1] Rate of return, 2.7%.

Illinois Bell Telephone Co., Chicago, Ill., Dec. 31, 1968

Employer contributions	$31, 174, 855
Investments:	
Stock:	
Preferred	1, 751, 181
Common	154, 604, 012
Foreign government obligations	448, 166
Non-government obligations	211, 732, 193
Real estate loans and mortgages	10, 959, 503
Unsecured notes	6, 839, 581
Total assets	389, 030, 283
Receipts from investment:[1]	
Interest	10, 333, 359
Dividends	3, 396, 278
Total	13, 730, 278
Sale of assets:	
Cost	199, 094, 282
Cash	194, 223, 063
Net loss	4, 871, 219
Total gain for year	8, 859, 059
Tax bill that would apply if income was not tax exempt	4, 677, 583

[1] Rate of return, 3.3 percent.

Gulf Oil Corp., Pittsburgh, Pa., Dec. 31, 1968

Contributions:	
Employer	$981, 680
Employee	5, 099, 054
Investments:	
Stock:	
Preferred	1, 337, 990
Common	78, 941, 871
Foreign government obligations	575, 470
Non-Government obligations	53, 911, 690
Real estate loans and mortgages	17, 521, 849
Total assets	$156, 699, 765
Receipts from investments:[1]	
Interest	$3, 171, 480
Dividends	2, 838, 729
Rents	370, 647
Total	6, 380, 857
Sale of assets:	
Cost	35, 479, 010
Cash	39, 643, 876
Net gain	4, 164, 865
Total gain for year	10, 545, 722
Tax bill that would apply if income was not tax exempt	4, 410, 308

[1] Rate of return, 3.8 percent.

Gulf Oil Co. (annuities and benefits plan), Pittsburgh, Pa., Dec. 31, 1968

Employer contributions	$14, 395, 551
Investments:	
Stock:	
Preferred	4, 549, 840
Common	150, 757, 197
Non-Government obligations	110, 868, 757
Real estate loans and mortgages	18, 571, 934
Total assets	314, 822, 268
Receipts from investments[1]	12, 543, 926
Sale of assets:	
Cost	90, 566, 504
Cash	103, 929, 041
Net gain	13, 362, 537
Total gain for year	25, 906, 463
Tax bill that would apply if income was not tax exempt	9, 963, 826

[1] Rate of return, 3.8 percent.

General Motors Corp. (Savings stock purchase program for salaried employees), Detroit, Mich., Dec. 31, 1968

Contributions:	
Employer	$46, 445, 805
Employee	108, 232, 792
Investments:	
Stock: Common, preferred	578, 310, 314
Federal obligations	234, 413, 964
Total assets	822, 649, 361
Receipts from investments:[1]	
Interest	2, 585, 425
Dividends	28, 578, 119
Total	31, 163, 144
Sale of assets:	
Cost	36, 054, 764
Cash	36, 054, 764
Net gain	0
Total gain for year	31, 163, 144
Tax bill that would apply if income was not tax exempt	16, 454, 140

[1] Rate of return, 3.8 percent.

General Motors Corporation (hourly rate employees pension plan), Detroit, Mich., Dec. 31, 1968

Employer contributions	$174, 000, 000
Investments:	
Bank deposits and savings and loan shares	985, 256
Stock:	
Preferred	$7, 735, 685
Common	654, 259, 181
Federal obligations	18, 153, 745
Foreign government obligations	4, 648, 057
Non-Government obligations	346, 426, 511
Commingled Trust, Morgan Guaranty	1, 500, 962
Bonds	6, 060, 585
Comingled real property	36, 401, 544
Real estate loans and mortgages	115, 708, 531
Unsecured notes	36, 751, 311
Real estate operations	53, 518, 906
Gas and oil mineral royalties	11, 395, 813
Total assets	1, 300, 333, 313
Receipts from investments:[1]	
Interest	25, 601, 178
Dividends	25, 724, 959
Rents	4, 873, 492
Oil and gas mineral royalties	1, 798, 188
Total	57, 997, 817
Sale of assets:	
Cost	346, 347, 710
Cash	385, 903, 275
Net gain	39, 555, 565
Total gain for year	97, 553, 382
Tax bill that would apply if income was not tax exempt	40, 511, 738

[1] Rate of return, 4.4 percent.

Air Canada (pension trust fund—all employees), Montreal, Canada, Dec. 31, 1968

Contributions:	
Employer	$5, 847, 277
Employee	6, 689, 832
Investments:	
Stock—common	31, 279, 339
Federal obligations	12, 232, 487
Provincial obligations	25, 332, 460
Non-Government obligations	9, 372, 824
Mutual funds	3, 343, 029
Mortgages	50, 605, 981
Real estate operations	1, 542, 550
Short-term loans	11, 519, 628
Total assets	147, 338, 151
Receipts from investments:[1]	
Interest	5, 884, 058
Dividends	896, 405
Total	6, 780, 463
Sale of assets:	
Cost	16, 123, 529
Cash	19, 041, 936
Net gain	2, 918, 407
Total income for year	9, 698, 870
Tax bill that would apply if income was not tax exempt	4, 309, 685

[1] Rate of return, 4.1 percent.

Pension, disability, and death benefit plan (all employees), Western Electric Co., Inc., New York, N.Y., December 31, 1968

Employer contributions	$104, 234, 000
Investments:	
Stock:	
Preferred	10, 992, 844
Common	473, 793, 599

Pension, disability, and death benefit plan (all employees), Western Electric Co., Inc., New York, N.Y., December 31, 1968—Con.

Investments—Continued	
Federal obligations	$2,219,610
Non-Government obligations	791,770,107
Real estate loans and mortgages	40,419,748
Unsecured notes	46,018,423
Total assets	1,375,579,009
Receipts from investments:[1]	
Interest	38,232,309
Dividends	10,758,630
Total	48,990,939
Sale of assets:	
Cost	359,649,191
Amount received	353,811,964
Net loss	5,837,227
Total income for year	43,153,712
Tax bill that would apply if income was not tax exempt	22,785,159

[1] Rate of return, 3.5%.

Pension Plan (hourly paid and nonexempt salaried employees eligible to a bargaining unit), the Youngstown Sheet & Tube Co., Youngstown, Ohio, Dec. 31, 1968

Employer contributions	$7,365,688
Investments:	
Stock	
Preferred	3,668,161
Common	79,829,672
Foreign government obligations	1,754,219
Non-Government obligations	22,442,339
GEB trust—Special purpose funds	5,745,196
Real estate loans and mortgages	3,408,199
Real estate operations	1,111,952
Total assets	118,818,923
Receipts from investments:	
Interest	1,755,733
Dividends	1,950,653
Rents	93,319
Other	17,572
Total	3,817,278
Sale of assets:	
Cost	57,119,757
Cash	62,909,821
Net gain	5,790,064
Total income for year	9,607,342
Tax bill that would apply if income was not tax exempt	3,463,038

Employees Savings Plan, Texaco, Inc., New York, N.Y., Dec. 31, 1968

Contributions:	
Employer	$6,785,703
Employee	13,571,406
Investments:	
Common stock	157,676,012
Federal obligations	10,086,187
Total assets	169,868,812
Receipts from investments:[1]	
Interest	178,749
Dividends	8,321,155
Total	8,499,904
Sale of assets:	
Cost	$6,398,180
Cash	8,175,475
Net gain	1,777,295
Total income for year	10,277,199
Tax bill that would apply if income was not tax exempt	4,932,272

[1] Rate of return, 4 percent.

Westinghouse Electric Corp. (pension plan), Pittsburgh, Pa., Dec. 31, 1968

Contributions:	
Employer	$25,119,760
Employee	5,942,664
Investments:	
Beneficial interest in common trust (99.4 percent)	653,659,376
Stock:	
Preferred	1,668,074
Common	369,133,321
Foreign government obligations	4,868,537
Non-Government obligations	145,510,898
Common trust—Continental Illinois National Bank	186,928
Real estate loans and mortgages	69,072,535
Unsecured notes	33,622,000
Real estate operations	27,600,118
Total assets	657,615,073
Receipts from investments:[1]	
Interest	13,808,615
Dividends	11,519,067
Retained Income in Common Trust	3,103
Total	25,330,785
Sale of assets:	
Cost	180,824,919
Amount received	204,864,325
Net gain	24,039,406
Total income for year	49,370,191
Tax bill that would apply if income was not tax exempt	19,384,505

[1] Rate of return, 3.8 percent.

Noncontributory pension plan (all employees), Dec. 31, 1969

Employer contributions	$27,000,000
Investments:	
Stock:	
Preferred	189,703
Common	109,882,177
Federal obligations	2,255,216
Foreign government obligations	2,991,167
Nongovernment obligations	44,570,580
Real estate loans and mortgages	9,589,203
Total assets	170,513,838
Receipts from investments:[1]	
Interest	2,497,139
Dividends	4,054,723
Accrued income (on sale)	5,596
Total	6,557,458
Sale of assets:	
Cost	38,664,115
Cash	47,688,265
Net gain	9,024,150
Total income for year	15,581,608
Tax bill that would apply if income was not tax exempt	$5,718,374

[1] Rate of return, 3.5 percent.

Swift & Co., (pension trust, all employees), Chicago, Ill., Dec. 31, 1968

Employer contributions	$6,272,765
Investment:	
Stock	
Preferred	6,455,139
Common	75,440,506
Federal obligations	4,935,828
Foreign government obligations	2,157,063
Non-Government obligations	127,617,732
Total assets	219,971,693
Receipts from investments:[1]	
Interest	5,993,656
Dividends	5,335,075
Total	11,328,731
Sale of assets:	
Cost	57,425,774
Cash	69,541,023
Net gain	12,115,249
Total income for year	23,443,980
Tax bill that would apply if income was not tax exempt	9,010,381

[1] Rate of return, 5 percent.

Contributory Participants in Retirement Plan, Standard Oil Co., and participating subsidiary companies, Dec. 31, 1968

Contributions:	
Employer	$12,691,244
Employee	21,181,403
Investments:	
Common stock	177,298,565
Federal obligations	13,245,627
Total assets (due withdrawing participants)	191,219,796
Receipts from investments:[1]	
Interest	184,024
Dividends	9,171,184
Total	9,355,208
Sale of assets:	
Cost	9,953,263
Cash	12,262,936
Net gain	2,309,673
Total income for year	11,664,881
Tax bill that would apply if income was not tax exempt	5,516,967

[1] Rate of return, 4.7 percent.

Savings and security program (all employees), General Electric Co., New York, N.Y., Dec. 31, 1967

Contributions:	
Employer	$37,300,011
Employee	81,909,066
Investments:	
Common stock	242,905,358
Federal obligations	141,236,584
Non-Government obligations	2,436,300
Investment Trust: GE, S&S program mutual fund	19,202,611
Total assets	420,900,900

Savings and security program (all employees), General Electric Co., New York, N.Y., Dec. 31, 1967—Continued

Receipts from investments:[1]	
Interest	$127,916
Dividends	5,855,214
Total	5,983,214
Sale of assets:	
Cost	28,059,457
Cash	28,262,902
Net gain	203,445
Total income for year	6,186,575
Tax bill that would apply if income was not tax exempt	3,209,997

[1] Rate of return, 1.2 percent.

Retirement plan, salaried employees, Aluminum Co. of America, Pittsgurgh, Pa., Dec. 31, 1968

Employer contributions	$9,800,000
Investments:	
Stock:	
Preferred	6,948,962
Common	86,082,904
Foreign government obligations	523,861
Non-Government obligations	58,472,131
Real estate loans and mortgages	13,876,400
Unsecured notes	1,972,000
Total assets	169,976,090
Receipts from investments:[1]	
Interest	3,687,721
Dividends	3,139,030
Total	6,826,751
Sales of assets:	
Cost	43,467,659
Cash	49,687,827
Net gain	6,220,168
Total income for year	13,046,919
Tax bill that would apply if income was not tax exempt	5,159,566

[1] Rate of return, 3.6 percent.

Employees retirement plans (hourly rate employees, salaried employees), Aluminum Co. of America, Pittsburgh, Pa., Dec. 31, 1968

Investments:	
Stock:	
Preferred	$4,136,326
Common	75,859,723
Foreign government obligations	481,110
Non-Government obligations	49,031,791
Real estate loans and mortgages	12,547,918
Unsecured notes	2,498,000
Total assets	146,482,097
Receipts from investments:[1]	
Interest	3,219,530
Dividends	2,469,519
Total	5,689,049
Sale of assets:	
Cost	41,266,674
Cash	45,741,744
Net gain	4,475,070
Total income for year	10,164,119
Tax bill that would apply if income was not tax exempt	4,122,584

[1] Rate of return, 3.4 percent.

Pension and profit-sharing plan (all employees), Dow Chemical Co., Midland, Mich., Dec. 31, 1968

Employer contribution	$11,828,272
Investment:	
Stock:	
Preferred	948,522
Common	100,857,745
Foreign government obligations	752,677
Non-Government obligations	31,392,390
Commingled trust, Morgan Guaranty bond fund	6,725,532
Mortgages:	
Special situations	3,907,282
Real property	19,430,010
Real estate loans and mortgages	15,825,285
Secured notes	49,456
Unsecured notes	7,402,000
Other real estate	4,854,419
Total assets	272,187,098
Receipts from investments:[1]	
Interest	3,901,240
Dividends	3,874,124
Rents	411,651
Total	8,187,017
Sale of assets:	
Cost	68,767,326
Cash	72,895,114
Net gain	4,127,788
Total income for year	12,314,805
Tax bill that would apply if income was not tax exempt	5,354,691

[1] Rate of return, 2.9 percent.

Standard Oil Co. (Indiana), Chicago, Ill., Dec. 31, 1968

Contributions:	
Employer	$13,104,903
Employee	12,038,882
Investments:	
Stock	
Preferred	2,412,191
Common	387,840,355
Non-Government obligations	16,334,028
Real estate loans and mortgages, including lease backs	7,712,546
Unsecured Notes	54,213,425
Total assets	477,741,907
Receipts from investments:	
Interest	2,980,873
Dividends	12,125,532
Rents	97,355
Oil royalty and oil payment	189,856
Total	15,393,616
Sale of assets:	
Cost	441,689,733
Cash	458,284,712
Net gain	16,594,979
Total income for year	31,988,595
Tax bill that would apply if income was not tax exempt	12,276,573

Crown Zellerbach Corp., San Francisco, Calif.

Contributions:	
Employer	$3,573,328
Employee	1,087,882
Investments:	
Preferred stock	1,077,296
Common stock	68,195,225
Foreign government obligations	2,752,570
Non-government obligations	28,722,598
Commingled Trust, Bankers Trust Co. and GEB trust	5,758,820
Investments—Continued	
Real estate loans and mortgages	$4,855,810
Total assets	117,881,252
Receipts from investments:[1]	
Dividends	3,779,883
Transfer from Boatmen's National Bank, St. Louis, Mo	19,812
Total receipts from investments	3,799,695
Sale of assets:	
Book value	40,844,471
Cash	37,042,987
Net loss	3,801,484
Net loss from investments	1,789

[1] Rate of return, 2.6 percent.

Douglas Aircraft Co., Santa Monica, Calif.

Employer contributions	$24,468,875
Investments:	
Stock:	
Preferred	174,820
Common	75,142,485
Federal obligations	30,000
Non-Government obligations	55,757,650
Commingled trust (general employee benefit trust)	4,374,782
Real estate loans and mortgages	4,171,229
Total assets	163,529,356
Receipts from investments:[1]	
Interest	3,039,266
Dividends	1,316,181
Royalty income	14,644
Total receipts from investments	4,370,091
Sale of assets:	
Book value	38,454,127
Cash	36,471,192
Net loss	1,982,935
Net gain for year	2,387,156
Tax bill that would apply if income was not tax exempt	1,260,418

[1] Rate of return, 2.5 percent.

Detroit Edison Co., Detroit, Mich.

Contributions: Employer	$4,954,712
Investments:	
Bank deposits at interest or shares in savings and loans	100,000
Stock:	
Preferred	3,395,940
Common	65,909,931
Foreign government obligations	376,472
Non-Government obligations	48,210,528
Real estate loans and mortgages	8,430,562
Total assets	134,682,618
Receipts from investments:[1]	
Interest	2,209,595
Dividends	2,553,054
Rents	25,425
Total receipts from investments[2]	4,788,075
Tax bill that would apply if income was not tax exempt	2,521,803

[1] Rate of returns, 3.0 percent.

[2] Net gain from sale of assets not available.

Burlington Industries, Inc., Greensboro, N.C.

Employer contributions	$5,771,618
Investments:	
Stock:	
Preferred	829,400
Common	112,517,658
Non-Government obligations	9,026,138
Real estate and mortage loans	249,713
Total assets	130,828,324
Receipts from investments:[1]	
Interest	462,572
Dividends	3,298,354
Total receipts from investments	3,761,025
Sale of assets:	
Book value	8,727,514
Cash	8,886,943
Net gain	159,429
Net gain for year	3,920,454
Tax bill that would apply if income was not tax exempt	2,025,678

[1] Rate of returns, 2.3 percent.

The Boeing Co., Seattle, Wash.

Employer contributions	$43,752,777
Investments:	
Stock:	
Preferred	8,589,697
Common	191,135,059
Federal obligations	693,750
Foreign government obligations	13,196,894
Non-Government obligations	108,023,677
Real estate loans and mortgages	15,112,125
Total assets	338,379,275
Receipts from investments:[1]	
Interest	6,466,794
Dividends	4,037,233
Rents	91,085
Investments	51,492
Total receipts from investments	10,646,604
Sale of assets:	
Cost	85,902,560
Amount received	88,659,296
Net gain	2,756,736
Total gain for year	13,403,340
Tax bill that would apply if income was not tax exempt	6,310,590

[1] Rate of return, 3.0 percent.

Federated Department Stores, Cincinnati, Ohio

Contributions:	
Employer	$7,518,267
Employee	5,144,335
Investments:	
Common stock	104,926,913
Federal obligations	35,548,681
Non-Government obligations	1,175,000
Total assets	150,048,134
Receipts from investments:[1]	
Interest	1,636,959
Dividends	2,640,178
Total	4,277,137

[1] Rate of return, 2.7 percent.

Federated Department Stores, Cincinnati, Ohio—Continued

Sale of assets:	
Cost	$2,688,555
Amount received	2,688,031
Net loss	524
Total gain for year	4,276,613
Tax bill that would apply if income was not tax exempt	2,258,051

Eastman Kodak Co., Rochester, N.Y., Dec. 31, 1966

Contributions:	
Employer	$47,398,793
Employee	6,643,786
Investments:	
Bank deposits and shares in savings and loans	22,000
Stock:	
Preferred	1,146,000
Common	118,738,000
Non-Government obligations	3,650,000
Unsecured notes	4,930,000
Total assets	128,838,000
Receipts from investments:[1]	
Interest	246,000
Dividends	3,276,000
Total receipts from investments	3,522,000
Sale of assets:	
Cost	37,574,000
Amount received	37,731,000
Total gain	157,000
Total gain for year	3,679,000
Tax bill that would apply if income was not tax exempt	1,898,866

[1] Rate of return, 2.3 percent.

Ford Motor Co., Dearborn, Mich., Dec. 31, 1968

Contributions:	
Employer	$51,198,776
Employee	15,914,555
Investments:	
Stock:	
Preferred	5,355,433
Common	374,219,994
Foreign government obligations	5,298,020
Non-government obligations	177,226,270
Common trusts, Morgan Guarantee Trust Co. commingled funds	80,300,990
1st National Bank of Boston Commingled pension	1,749,989
Real estate loans and mortgages	30,000,450
Unsecured notes	12,207,000
Other real estate	32,287,186
Total assets	729,652,111
Receipts from investments:[1]	
Interest	12,094,733
Dividends	12,486,450
Rents	1,616,056
Other	4,748,000
Total receipts from investments	30,945,240
Sale of assets:	
Cost	232,263,100
Amount received	245,293,457
Net gain	13,030,357
Total gain for year	43,975,597
Tax bill that would apply if income was not tax exempt	19,596,675

[1] Rate of return, 4.1 percent.

National Electric Contractors Association, Inc., Washington, D.C., Dec. 31, 1968

Employer contributions	$19,985,169
Investments:	
Bank deposits and shares in savings and loans	20,700,000
Stock: Common	13,921,344
Federal obligations	3,337,650
Non-Government obligations	12,313,000
Real estate loans and mortgages	106,605,729
Secured notes	895,650
Real estate operations	11,862,190
Total assets	173,670,081
Receipts from investments:[1]	
Interest	7,421,046
Dividends	449,042
Rents	456,390
Total receipts from investments	8,326,478
Sale of assets:	
Cost	130,760
Amount received	230,031
Net gain	99,271
Total gain for year	8,425,749
Tax bill that would apply if income was not tax exempt	4,421,197

[1] Rate of return, 4.6 percent.

First National City Bank, New York, N.Y., Dec. 31, 1968

Employer contributions	$12,390,721
Investments:	
Common stock	100,473,516
Federal obligations	4,813,334
Foreign government obligations	1,777,535
Non-Government obligations	29,572,210
Real estate loans and mortgages	7,038,681
Unsecured notes	2,305,000
Other real estate	1,857,659
Total assets	149,196,319
Receipts from investments:[1]	
Interest	5,246,227
Accured interest	708,586
Total	5,954,814
Sale of assets:	
Book value	43,549,273
Cash	40,984,555
Net loss	2,564,718
Net gain for year	3,390,096
Tax bill that would apply if income was not tax exempt	1,789,970

[1] Rate of return, 3.4 percent.

The First National Bank of Chicago, Chicago, Ill., Dec. 31, 1968

Contributions:	
Employer	$1,538,231
Employee	611,415
Investments:	
Stock:	
Preferred	1,864,004
Common	53,213,898
Federal obligations	10,850,864
Non-Government obligations	44,851,550
Real estate and mortgage loans	10,039,456
Other real estate	4,389,880
Total assets	128,690,813

The First National Bank of Chicago, Chicago, Ill., Dec. 31, 1968—Continued

Receipts from investments: [1]	
Interest	$3,447,134
Dividends	3,796,329
Rents	461,082
Commissions, fees, oil & gas income	403,573
Total	8,108,119
Sale of assets:	
Cost	27,059,642
Amount received	33,635,264
Net gain	6,575,622
Total gain for year	14,683,741
Tax bill that would apply if income was not tax exempt	5,924,991

[1] Rate of return, 6.3 percent.

Ford Motor Co. (Salaried Employees)

Contributions:	
Employer	$21,775,600
Employee	53,020,905
Investments:	
Common stock	366,146,253
Federal obligations	9,163,922
Total assets	385,995,077
Receipts from investments: [1]	
Interest	443
Dividends	18,467,423
Total	18,467,866
Tax bill that would apply if income was not tax exempt	9,751,033

[1] Rate of return, 4.7 percent.

General Electric Co., New York, N.Y., Dec. 31, 1967

Contributions:	
Employer	$55,667,488
Employee	14,697,607
Investments:	
Bank deposits and shares in savings and loans	10,000,000
Common stock	604,921,608
Foreign government obligations	7,639,213
Non-government obligations	424,140,812
Real estate loans and mortgages	189,447,318
Real estate operations	223,389,153
Total assets	1,524,125,852
Receipts from investments: [1]	
Interest	27,199,210
Dividends	30,352,122
Rents	13,884,038
Total	71,435,370
Sale of assets:	
Cost	171,797,308
Cash	173,729,417
Net gain	1,932,109
Total gain for year	73,367,479
Tax bill that would apply if income was not tax exempt	38,200,902

[1] Rate of return, 4.7 percent.

General Mills, Inc., Minneapolis, Minn., Oct. 31, 1968

Investments:	
Stock:	
Preferred	$1,745,101
Common	110,582,062
Federal obligations	13,069,432
Foreign government obligations	21,461,648
Total assets	149,545,450
Receipts from investments: [1]	
Interest	858,320
Dividends	2,180,486
Total	3,038,806
Sales of assets:	
Cost	172,200,054
Cash	195,349,048
Net gain	23,148,994
Total gain for year	26,187,800
Tax bill that would apply if income was not tax exempt	7,391,737

[1] Rate of return, 2.0 percent.

Ford Motor Co. (UAW retirement plan), Dearborn, Mich., Dec. 31, 1968

Employer contributions	$90,325,000
Investments:	
Stock	
Preferred	7,697,768
Common	461,441,801
Federal obligations	1,430,654
Non-Government obligations	100,733,060
Commingled trust, Morgan Guaranty	7,947,698
1st National Bank of Boston	1,749,989
Real estate loans and mortgages	86,648,563
Unsecured notes	16,504,997
Other real estate	23,300,815
Total assets	737,250,442
Receipts from investments: [1]	
Interest	12,763,376
Dividends	13,981,271
Rents	1,124,516
Oil royalties and commingled funds	112,914
Total	27,982,078
Sale of assets:	
Cost	353,886,324
Cash	393,105,900
Net gain	39,219,576
Total gain for year	67,201,654
Tax bill that would apply if income was not tax exempt	24,579,431

[1] Rate of return, 3.7 percent.

The Chase Manhattan Bank, New York, N.Y. (thrift incentive plan), Dec. 31, 1968

Contributions:	
Employer	$11,788,089
Employee	3,526,128
Investments:	
Bank deposit and savings and loan shares	266,325
Stock:	
Preferred	411,250
Common	87,902,001
Federal obligations	2,361,260
Foreign government obligations	333,938
Non-Government obligations	$20,876,390
Unsecured notes	18,255,000
Total assets	134,150,776
Receipts from investments: [1]	
Interest	1,667,293
Dividends	1,764,704
Total	3,431,997
Sales of assets:	
Cost	69,627,402
Cash received	74,813,295
Net gain	5,185,893
Total gain for year	8,617,890
Tax bill that would apply if income was not tax exempt	3,108,567

[1] Rate of return, 2.2 percent.

Chase Manhattan Bank (retirement and family benefit plan), Dec. 31, 1968

Employer contributions	$5,469,815
Investments:	
Bank deposits and savings and loan shares	43,344
Stock:	
Preferred	295
Common	83,577,864
Federal obligations	985,985
Foreign government obligations	5,993,959
Non-Government obligations	22,903,472
Real estate loans and mortgages	16,320,095
Unsecured notes	3,348,400
Other real estate	6,177,832
Total assets	144,055,764
Receipts from investments: [1]	
Interest	2,753,034
Dividends	2,457,001
Other	407,180
Total	5,617,215
Sale of assets:	
Cost	29,195,589
Cash	32,108,448
Net gain	2,912,859
Total gain for year	8,530,074
Tax bill that would apply if income was not tax exempt	3,694,103

[1] Rate of return, 3.5 percent.

Canadian Pacific Railway Co., Montreal, Canada, Dec. 31, 1968

Contributions:	
Employer	$8,224,931
Employee	8,889,739
Investments:	
Stock:	
Preferred	5,738,864
Common	124,576,178
Federal obligations	47,309,760
State and municipal obligations	210,583,525
Non-Government obligations	85,735,751
Total assets	490,309,684

Canadian Pacific Railway Co., Montreal, Canada, Dec. 31, 1968—Continued

Receipts from investments:[1]	
Interest	$19,316,102
Dividends	5,218,287
Total	24,534,389
Net gain on sale of assets	2,603,434
Total gain for year	27,137,823
Net income that would apply if income was not tax exempt	13,605,015

[1] Rate of return, 5 percent.

Chrysler Corp. (UAW pension plan), Dec. 31, 1968

Employer contributions	$76,381,911
Investments:	
Stock:	
Preferred	2,803,178
Common	187,134,631
Federal obligations	5,145,167
Foreign government obligations	4,125,659
Nongovernment obligations	168,714,687
Commingled trusts, Morgan guaranty	2,230,843
Real estate loans and mortgages	10,358,399
Total assets	385,953,014
Receipts from investments:[1]	
Interest	9,001,608
Dividends	5,500,978
Total	14,502,586
Sale of assets:	
Cost	227,668,603
Cash	243,753,728
Net gain	16,085,125
Total gain for year	30,587,711
Tax bill that would apply if income was not tax exempt	11,678,646

[1] Rate of return, 3.6 percent.

Commonwealth Edison Co., Chicago, Ill., Dec. 31, 1968

Employer contribution	$10,242,500
Investments:	
Stock:	
Preferred	2,659,791
Common	80,649,653
Federal obligations	9,413,280
Foreign government obligations	9,894,181
Non-Government obligations	115,489,556
Real estate loans and mortgages	2,119,282
Other real estate	1,559,739
Total assets	228,449,621
Receipts from investments:[1]	
Interest	6,419,740
Dividends	2,287,431
Rents	231,871
Total	8,939,042
Sale of assets:	
Cost	89,013,861
Cash	90,947,818
Net gain	1,933,957
Total gain for year	10,872,999
Tax bill that would apply if income was not tax exempt	5,203,303

[1] Rate of return, 3.5 percent.

National Maritime Union of America, AFL–CIO (NMU Pension Trust, All Employees), Dec. 31, 1968

Employer contributions	$45,039,295
Investments:	
Bank deposits and savings and loan shares at interest	1,983,661
Stock:	
Preferred	2,405,966
Common	72,767,546
Federal obligations	9,396,795
Non-Government obligations	58,452,847
Real estate loans and mortgages	8,954,638
Operated real estate	450,675
Total assets	161,761,105
Receipts from investments:[1]	
Interest	3,993,001
Dividends	1,786,930
Total	5,779,932
Sale of assets:	
Cost	51,386,495
Cash	53,547,256
Net gain	2,160,761
Total income for year	7,940,693
Tax bill that would apply if income was not tax exempt	3,591,994

[1] Rate of return, 3.1 percent.

Eli Lilly & Co. and participating subsidiaries (retirement plan, all employees), Dec. 31, 1968

Contributions:	
Employer	7,183,497
Employee	78,797
Investments:	
Common stock	65,922,904
Foreign government obligations	500,000
Non-Government obligations	30,699,533
Real estate loans and mortgages	9,052,592
Secured notes	1,758,114
Operated real estate	6,593,560
Total assets	117,216,651
Receipts from investments:[1]	
Interest	2,141,524
Dividends	2,129,224
Rents	700,524
Other	16,131
Total	4,987,403
Net gain, sale of assets	3,131,864
Total income for year	8,119,267
Tax bill that would apply if income was not tax exempt	3,416,314

[1] Rate of return, 3.4 percent.

International Business Machines Corp. (Retirement plan, all employees), Dec. 31, 1968

Employer contribution	$60,016,000
Investments:	
Bank deposits and savings and loan shares at interest	1,252
Stock:	
Preferred	2,036,812
Common	260,667,066
Federal obligations	11,581
Non-Government obligations	112,021,107
GEB equity and investment fund, Bankers Trust	46,410,867
Commingled fund (bond, mortgages, equities), Morgan Guaranty	36,294,410
Commingled fund (Equities), First National City	$500,000
E B special situation fund (equities), Bank of America	99,999

International Business Machines Corp. (Retirement plan, all employees), Dec. 31, 1968—Continued

Investments—Continued	
Real estate loans and mortgages	36,149,745
Unsecured notes	17,731,559
Operated real estate	2,711,574
Other real estate	6,669,508
Total assets	556,516,693
Receipts from investments:[1]	
Interest	10,975,372
Dividends	10,098,535
Rents	186,082
Total	21,259,990
Sale of assets:	
Book value	187,530,101
Cash	187,893,832
Net gain	363,731
Total income for year	21,623,721
Tax bill that would apply if income was not tax exempt	11,316,206

[1] Rate of return, 3.8 percent.

Noncontributory retirement plan (all employees except those covered by special union), International Harvester Co., Chicago, Ill., Dec. 31, 1968

Employer contribution	$36,442,717
Investments:	
Stock:	
Preferred	4,035,476
Common	169,734,269
Federal obligations	591,547
Non-Government obligations	72,612,613
Real estate loans and mortgages	3,356,873
Other real estate	7,574,734
Total assets	270,745,803
Receipts from investments:[1]	
Interest	4,198,680
Dividends	4,404,590
Rents	667,777
Retained income received, etc	70,640
Total	9,341,687
Sales of assets:	
Cost	99,829,093
Cash	104,105,426
Net gain	4,276,333
Total income for year	13,618,020
Tax bill that would apply if income was not tax exempt	5,039,318

[1] Rate of return, 3.3 percent.

Pension, disability and death benefits (all employees), Michigan Bell Telephone Co., Dec. 31, 1968

Employer contributions	$17,195,388
Investments:	
Stock:	
Preferred	663,317
Common	62,491,057
Federal obligations	9,916,188
Non-Government obligations	137,711,398
Real estate loans and mortgages	5,175,110
Total assets	217,778,647
Receipts from investments:[1]	
Interest	$6,185,210
Dividends	1,697,377
Total	7,882,587

[1] Rate of return, 3.1 percent.

Pension, disability and death benefits (all employees), Michigan Bell Telephone Co., Dec. 31, 1968—Continued

Sale of assets:	
Cost	55, 506, 276
Cash	55, 776, 217
Net gain	269, 941
Total income for year	8, 152, 528
Tax bill that would apply if income was not tax exempt	4, 229, 490

[1] Rate of return, 3.2 percent.

Employee savings plan (all employees), Mobil Oil Corp., New York, N.Y., Dec. 31, 1967

Contributions:	
Employer	$9, 660, 067
Employee	11, 807, 897
Investments:	
Common stock	148, 098, 015
Federal obligations	30, 942, 225
Trustees coequity fund	6, 681, 119
Trustees balance fund	781, 712
Total assets	190, 717, 474
Receipts from investments:[1]	
Dividends	8, 908, 266
Sale of assets:	
Cost	13, 157, 002
Cash	15, 635, 977
Net gain	2, 478, 975
Total income for year	11, 387, 241
Tax bill that would apply if income was not tax exempt	5, 323, 307

[1] Rate of return, 4.2 percent.

Employees savings and profit-sharing plan (all employees with 1 year or more of service), Motorola, Inc., and domestic subsidies, Franklin Park, Ill., Dec. 31, 1968

Contributions:	
Employer	$9, 967, 171
Employee	5, 219, 967
Investments:	
Stock:	
Preferred	655, 681
Common	59, 703, 644
Federal obligations	17, 336, 881
Non-Government obligations	37, 152, 810
Real estate loans and mortgages	415, 000
Secured notes	3, 667, 666
Total assets	129, 859, 912
Receipts from investments:[1]	
Interest	2, 947, 627
Dividends	1, 331, 226
Rents	28, 000
Total	4, 305, 853
Sale of assets:	
Cost	22, 100, 614
Cash	22, 858, 887
Net gain	758, 273
Total income for year	5, 064, 126
Tax bill that would apply if income was not tax exempt	2, 463, 058

[1] Rate of return, 3.1 percent.

Pension, disability, and death benefits (all employees), Mountain States Telephone & Telegraph Co., Denver, Colo., Dec. 31, 1967

Employer contributions	$14, 866, 235
Investments:	
Bank deposits and savings and loan shares at interest	242, 903
Common stock	44, 203, 505
Federal obligations	233, 815
Non-Government obligations	108, 837, 488
Real estate loans and mortgages	8, 127, 183
Unsecured notes	849, 000
Other real estate	360, 000
Total assets	164, 305, 571
Receipts from investments:[1]	
Interest	4, 953, 662
Dividends	1, 034, 696
Other	9, 257
Total	5, 997, 615
Sale of assets:	
Cost	26, 379, 883
Amount received	25, 732, 559
Net loss	647, 324
Total income for year	5, 250, 291
Tax bill that would apply if income was not tax exempt	3, 328, 571

[1] Rate of return, 3.0 percent.

Retirement plan (all employees), International Paper Co., New York, N.Y., Dec. 31, 1968

Contributions:	
Employer	$8, 554, 628
Employee	3, 884, 532
Investments:	
Stock:	
Preferred	6, 452, 956
Common	136, 005, 656
Non-Government obligations	82, 967, 681
Total assets	229, 303, 496
Receipts from investments:[1]	
Interest	4, 019, 787
Dividends	3, 948, 898
Total	7, 968, 685
Sale of assets:	
Cost	74, 238, 390
Cash	80, 096, 033
Net gain	5, 847, 643
Total gain for year	13, 816, 328
Tax bill that would apply if income was not tax exempt	5, 668, 375

[1] Rate of return, 3.1 percent.

Aluminum Co. of America, Pittsburgh, Pa. (held by Mellon National Bank & Trust Co.)

Investments:	
Securities	$108, 508, 893
Stocks:	
Preferred	11, 085, 288
Common	161, 942, 627
Total	173, 027, 915
Demand notes	4, 470, 001
Mortgages	19, 543, 906
Real estate	6, 880, 412
Total	30, 894, 319
Total investments	312, 431, 127
Total assets in hands of trustees	312, 698, 656
Total assets	316, 458, 187
Income from investments[1]	12, 425, 678
Plus sales gain	4, 475, 152
Total gain for year	16, 900, 830
Tax bill that would apply if income was not tax exempt	7, 679, 545

[1] Rate of return, 3.8 percent.

Bethlehem Steel Corp. and Subsidiary companies, Bethlehem, Pa.

Employer contribution	$27, 777, 576
Investments:	
Stock:	
Preferred	11, 000, 955
Common	329, 556, 618
Federal obligations	34, 056, 382
Non-Government obligations	124, 152, 108
Total assets	509, 536, 937
Receipts from investments:[1]	
Interest	7, 006, 023
Dividends	14, 669, 943
Total	21, 675, 966
Sales of assets:	
Cash	221, 714, 066
Cost	201, 953, 039
Net gain	19, 761, 027
Total gain for year	41, 436, 993
Tax bill that would apply if income was not tax exempt	16, 385, 166

[1] Rate of return, 4.1 percent.

Entitlement benefit plan for flight engineers, American Airlines, Inc., New York, N.Y.

Investments:	
Deposit administration contract with John Hancock Mutual Life Insurance Co., balance on deposit	$29, 096, 214
Held by Morgan Guaranty trusts:	
Preferred stock	468, 750
Common stock	78, 305, 312
Non-Government obligations	21, 296, 552
Morgan Guaranty commingled trusts:	
SSI bonds	4, 385, 362
Real property	18, 091, 127
Equities	5, 240, 939
	27, 717, 428
Real estate loans and mortgages	9, 265, 184
Total assets	137, 217, 906
Receipts from investments:[1]	
Interest	$2, 462, 200
Dividends	3, 157, 077
Rents	570, 607
Total	6, 189, 884
Tax bill that would apply if income was not tax exempt	3, 268, 258

[1] Rate of return, 4.4 percent.

The American electric power system retirement plan, American Electric Power Service Corp., New York, N.Y.

Contributions:	
Employer	$4, 217, 747
Employee	2, 942, 871
	6, 160, 618

The American electric power system retirement plan, American Electric Power Service Corp., New York, N.Y.

Investments:	
Stocks:	
Preferred	$2,468,178
Common	70,493,549
Bonds, debentures:	
Federal	2,319,461
Foreign government obligations	3,775,351
Non-Government obligations	42,353,816
Total	48,448,628
Real estate loans and mortgages	2,869,351
Real estate operated	1,346,889
Total assets	128,741,836
Receipts from investments [1]	5,586,339
Sale of assets:	
Cash	11,814,913
Cost	11,787,004
Net gain	27,909
Total gain for year	5,614,248
Tax bill that would apply if income was not tax exempt	2,956,563

[1] Rate of return, 3.9 percent.

American Airlines, Inc. (flight engineers), New York, N.Y. (held by Republic National Bank)

Investments:	
Stock:	
Preferred	$224,450
Common	14,547,905
Obligations:	
Federal	2,475,545
State and municipal	533,646
Non-Government obligations	7,287,787
Commingled trust, special equity fund	549,988
Total assets	26,882,153
Receipts from investments: [1]	
Interest	260,202
Dividends	238,972
Total	499,174
Sale of assets:	
Book value	20,224,472
Amount received	21,170,270
Net gain	945,798
Total gain for year	1,444,972
Tax bill that woud apply if income was not tax exempt	500,012

[1] Rate of return, 1.9 percent.

Salaried employees pension plan, Armour & Co., Chicago, Ill.

Contributions:	
Employer	$5,500,000
Employee	2,647,445
Investments:	
Stock:	
Preferred	5,190,512
Common	80,458,709
Bonds and debentures:	
Federal	1,069,606
Foreign government	3,162,980
Salaried employees pension plan, Armour & Co., Chicago Ill.—Continued	
Investments—Continued	
Non-Government obligations	$56,500,863
Real estate loans and mortgages	843,782
Loans and notes receivable	1,884,112
Real estate operations	3,708,813
Total assets	155,244,224
Receipts from investments: [1]	
Interest	3,165,205
Dividends	2,875,933
Rents	169,845
Total receipts	6,210,983
Tax bill that would apply if income was not tax exempt	3,279,399

[1] Rate of return, 3.9 percent.

Plan for employees' pensions, disability benefits, death benefits, Bell Telephone Co. of Pennsylvania, Philadelphia, Pa.

Employer contributions	$23,510,034
Investments:	
Commingled	90,439,240
Federal obligations	775,221
Non-Government obligations	184,329,106
Real estate loans and mortgages	12,580,626
Total assets	293,420,917
Receipts from investments: [1]	
Interest	8,484,708
Dividends	1,887,716
Rents	68,246
Total receipts from investments	10,440,670
Sale of assets:	
Cost	54,312,762
Cash	51,828,621
Loss from sale of assets	2,484,141
Total gain for year	7,956,529
Tax bill that would apply if income was not tax exempt	4,201,047

[1] Rate of return, 3.4 percent.

Atlantic Richfield Co., Philadelphia, Pa.

Contributions:	
Employer	$6,708,980
Employee	5,210,437
Investments:	
Pacific Mutual Life Insurance Co. Deposit Administration Contract	9,575,416
Equitable Life Insurance Society and U.S. Deposit Administration contract	13,870
Stock:	
Preferred	2,015,904
Common	149,362,000
Government obligations	6,000,723
Foreign government obligations	3,764,644
Non-Government obligations	116,565,806
Total assets	299,217,710
Receipts from investments: [1]	
Interest	7,027,273
Dividends	3,492,596
Total	10,519,869

[1] Rate of return, 3.3 percent.

Atlantic Richfield Co., Philadelphia, Pa.—Continued

Sale of assets:	
Cash	$103,069,554
Cost	98,069,684
Gain	5,199,870
Total gain for year	15,719,739
Tax bill that would apply if income was not tax exempt	6,854,457

American Telephone & Telegraph Co., New York, N.Y.

Contributions: Employer	$28,875,197
Investments:	
Stock:	
Preferred	327,886
Common	128,514,405
Government obligations	1,996,528
Non-Government obligations	174,221,095
Real estate loans and mortgages	10,830,223
Total assets [2]	333,118,837
Receipts from investments: [1]	
Interest	9,204,214
Dividends	2,746,153
Commitment fees	270
Total receipts from investments	11,950,637
Tax bill that would apply if income was not tax exempt	6,309,936

[1] Rate of return, 3.3 percent.

[2] Negligible loss indicated on sales of assets.

Chrysler thrift stock ownership program, Chrysler Corp., Detroit, Mich.

Contributions:	
Employer	$9,143,293
Employee	22,307,516
Investments:	
Common stock	84,583,058
Federal obligations	44,299,145
Total assets	129,468,821
Receipts from investments: [1]	
Interest	16,465
Dividends	4,561,497
Total receipts from investments [2]	4,577,962
Tax bill that would apply if income was not tax exempt	2,417,163

[1] Rate of return, 3.3 percent.

[2] No sales reported.

Consolidated Edison Co. of New York, Inc., New York, N.Y.

Employer contributions	$20,148,786
Investments:	
Stock:	
Preferred	1,879,316
Common	58,172,380
Government obligations	8,550,000
Non-Government obligations	24,165,207
Commingled benefit fund	21,927,784
Real estate loans and mortgages	5,540,213
Total assets	118,061,842
Receipts from investments: [1]	
Interest	2,531,274
Dividends	1,920,906

Consolidated Edison Co. of New York, Inc., New York, N.Y.—Continued

Receipts from investments: [1]—Continued	
Rents	$227,488
Other	61,170
Total receipts from investments [2]	4,740,840
Tax bill that would apply if income was not tax exempt	2,503,163

[1] Rate of return, 3.4 percent.
[2] Net gain from sales not reported.

Pension, disability, death benefits (all employees), Northwestern Bell Telephone Co., Omaha, Nebr., Dec. 31, 1968

Employer contributions	$15,293,280
Investments:	
Stock:	
Preferred	290,905
Common	56,243,460
Nongovernment obligations	112,822,446
Real estate loans and mortgages	8,550,231
Unsecured notes	1,838,000
Other real estate	1,605,958
Total assets	183,091,197
Receipts from investments: [1]	
Interest	5,286,374
Dividends	1,180,205
Rents	42,560
Commitment fee	3,043
Total	6,512,184
Sale of assets:	
Cost	36,240,088
Amount received	34,624,016
Net loss	1,616,072
Total income for year	4,896,112
Tax bill that would apply if income were not tax exempt	2,585,147

[1] Rate of return, 3.3 percent.

Retirement plan for salary and weekly payroll employees, North American Rockwell Corp., El Segundo, Calif., Sept. 30, 1968

Employer contributions	$53,139,076
Investments:	
Stock:	
Preferred	13,267,850
Common	153,938,717
Federal obligations	1,729,993
Non-Government obligations	179,057,348
Morgan Guaranty Commingled Fund special situation bonds	3,884,601
Morgan Guaranty Commingled Fund mortgages-real property	7,459,456
Morgan Guaranty Commingled Fund special situation equities	999,595
Continental Illinois Mortgage Fund	1,964,980
Real estate loans and mortgages	32,275,400
Secured notes	4,601,641
Operated real estate	22,542,404
Total assets	424,614,267
Receipts from investments: [1]	
Interest	12,230,392
Dividends	4,680,871
Rents	1,287,977
Commitment fees	10,820
Total	18,210,061
Sale of assets:	
Cost	$228,272,593
Cash	229,758,111
Net gain	1,485,518
Total income for year	19,695,579
Tax bill that would apply if income was not tax exempt	9,986,291

[1] Rate of return, 4.2 percent.

Pension, disability, and death benefits (all employees), Pacific Northwest Bell Telephone Co., Dec. 31, 1968

Employer contributions	$11,867,436
Investments:	
Stock:	
Preferred	45,113
Common	43,732,699
Federal obligations	986,297
Foreign government obligations	5,118,612
Non-Government obligations	87,733,338
Real estate loans and mortgages	3,853,830
Unsecured notes	775,000
Operated real estate	1,565,409
Total assets	145,409,734
Receipts from investments: [1]	
Interest	4,415,147
Dividends	903,042
Rents	68,656
Total	5,386,845
Sale of assets:	
Cost	45,416,711
Amount received	45,921,285
Net gain	504,574
Total income for year	5,891,419
Tax bill that would apply if income was not tax exempt	2,970,379

[1] Rate of return, 3.4 percent.

Profit-sharing trust plan for salaried employees, the Procter & Gamble Co., Cincinnati, Ohio, June 30, 1968

Employer contributions	$14,416,024
Investments:	
Common stock	153,826,009
Unsecured notes	644,558
Total assets	172,983,333
Receipts from investments: [1]	
Interest	298,164
Dividends	7,407,926
Total receipts from investments	7,706,090
Tax bill that would apply if income was not tax exempt	4,068,815

[1] Rate of return, 4.1 percent.

Plan for supplemental pensions (all employees), Penn Central Co., Philadelphia, Pa., Dec. 31, 1968

Contributions:	
Employer	$1,156,190
Employee	679,875
Investments:	
Bank deposits and savings and loan shares at interest	1,270,142
Stock:	
Preferred	15,377,541
Common	127,570,307
Nongovernment obligations	$70,490,689
Real estate loans and mortgages	11,147,669
Secured notes	23,940,265
Unsecured notes	2,265,079
Total assets	252,619,653
Receipts from investments: [1]	
Interest	5,803,818
Dividends	5,493,392
Total	11,297,211
Sale of assets:	
Cost	50,382,187
Cash	57,765,925
Net gain	7,383,738
Total income for year	18,680,949
Tax bill that would apply if income was not tax exempt	7,810,861

[1] Rate of return, 4.4 percent.

Service annuity plan (all employees), Philadelphia Electric Co., Philadelphia, Pa., Dec. 31, 1968

Employer contributions	$5,840,418
Investments:	
Stock:	
Preferred	6,880,475
Common	52,131,069
Federal obligations	3,838,640
Foreign government obligations	1,904,093
Nongovernment obligations	58,286,254
Total assets	123,891,067
Receipts from investments: [1]	
Interest	2,940,436
Dividends	3,292,301
Total	6,232,738
Received from sale of assets	2,770,906
Tax bill that would apply if income was not tax exempt	3,983,611

[1] Rate of return, 4.9 percent.

Benefit program (all employees), Standard Oil Co. of New Jersey, New York, N. Y., Dec. 31, 1968

Contributions:	
Employer	$47,085,162
Employee	25,324,587
Investments:	
Federal obligations	66,568,000
Non-Government obligations	36,169,000
Secured notes	50,415,000
Stock held for certain participants	338,726,000
Total assets	494,015,000
Receipts from investments: [1] Interest	7,518,000
Tax bill that would apply if income was not tax exempt	3,969,504

[1] Rate of return, 1.4 percent.

Pension benefits (all employees), United States Steel Corp., New York, N.Y., Dec. 31, 1967

Contributions:	
Employer	$47,018,767
Employee	6,140,612

Pension benefits (all employees), United States Steel Corp., New York, N.Y., Dec. 31, 1967—Continued

Investments:	
Stock:	
Preferred	$9,785,235
Common	793,132,885
Federal obligations	107,649,190
Non-Government obligations	690,457,182
Oil, gas, and other payments and royalties	22,575,890
Real estate loans and mortgages	13,636,618
Other real estate	192,840,334
Total assets	1,890,043,804
Receipts from investments:[1]	
Interest	39,363,929
Dividends	41,508,300
Rents	14,850,534
Mortgages, oil, gas and other payments and royalties	7,294,084
Total	103,016,847
Sale of assets:	
Cost	172,245,208
Cash	184,948,270
Net gain	12,703,062
Total income for year	115,719,909
Tax bill that would apply if income was not tax exempt	57,568,660

[1] Rate of return, 5.4 percent.

Employee savings plan, contributory participants in retirement plan, Standard Oil Co. and participating subsidiary companies, Chicago, Ill., Dec. 31, 1968

Contributions:	
Employer	$12,691,247
Employee	21,181,403
Investments:	
Common stock	177,298,565
Federal obligations	12,245,627
Total assets	191,219,796
Receipts from investments:[1]	
Interest	184,024
Dividends	9,171,184
Total	9,355,208
Sale of assets:	
Cost	9,953,263
Cash	12,262,936
Net gain	2,309,673
Total income for year	11,664,881
Tax bill that would apply if income was not tax exempt	5,516,967

[1] Rate of return, 4.7 percent.

Pension, disability, and death benefits (all employees), New England Telephone & Telegraph Co., Boston, Mass., Dec. 31, 1968

Employer contributions	$25,851,809
Investments:	
Bank deposits and savings and loan shares at interest	392,367
Stock:	
Preferred	252,579
Common	82,109,022
Federal obligations	1,287,103
Non-Government obligations	203,517,266
Real estate loans and mortgages	16,369,537
Unsecured notes	4,435,000
Total assets	310,784,610
Receipts from investments:[1]	
Interest	$9,434,182
Dividends	1,934,403
Total	11,368,403
Sale of assets:	
Cost	52,524,547
Amount received	52,331,222
Net loss	193,325
Total income for year	11,175,260
Tax bill that would apply if income was not tax exempt	5,900,537

[1] Rate of return, 3.5 percent.

Pension, disability, and death benefits (all employees), the Ohio Bell Telephone Co., Cleveland, Ohio, Dec. 31, 1968

Employer contributions	$15,532,979
Investments:	
Stock:	
Preferred	1,016,310
Common	53,889,160
Federal obligations	4,674,285
Non-Government obligations	126,222,517
Total assets	187,655,212
Receipts from investments:[1]	
Interest	5,546,630
Dividends	1,812,304
Total	7,358,934
Sale of assets:	
Cost	24,474,216
Amount received	24,383,124
Net loss	91,092
Total income for year	7,267,842
Tax bill that would apply if income was not tax exempt	3,837,420

[1] Rate of return, 3.7 percent.

Pension, disability, and death benefits, the Pacific Telephone & Telegraph Co., San Francisco, Calif., Dec. 31, 1968

Employer contributions	$53,853,040
Investments:	
Common stock	203,447,304
Non-Government obligations	355,414,021
Real estate loans and mortgages	25,492,719
Unsecured notes	3,514,000
Other real estate	4,020,000
Total assets	596,590,358
Receipts from investments:[1]	
Interest	16,435,415
Dividends	4,007,418
Rents	230,225
Total	20,673,059
Sale of assets:	
Cost	110,702,396
Amount received	106,242,752
Net loss	4,459,644
Total income for year	16,213,415
Tax bill that would apply if income was not tax exempt	8,560,683

[1] Rate of return, 3.4 percent.

Retirement plan (hourly rate employees), *Olin Mathieson Chemical Corp., New York, N.Y., Dec. 31, 1968*

Employer contributions	$6,513,364
Investments:	
Stock	
Preferred	1,659,371
Common	82,105,279
Foreign government obligations	1,200,000
Non-Government obligations	35,338,039
Commingled Trusts:	
Morgan Guaranty-Mortgage	6,600,790
Morgan Guaranty-Bonds	6,600,790
Collect Employee Benefit Fund from St. Louis Union—Fund F	4,166,613
St. Louis Union—Fund G	3,381,656
Real Estate Loans and Mortgages	8,344,352
Unsecured Notes	7,114,419
Other Real Estate	8,817,344
Total assets	160,408,450
Receipts from investments:[1]	
Interest	3,191,734
Dividends	3,145,697
Rents	811,053
Commitment fee	1,487
Total	7,059,972
Sale of assets:	
Cost	75,435,631
Amount received	79,456,896
Net Gain	4,021,265
Total income for year	11,081,237
Tax bill that would apply if income was not tax exempt	4,732,981

[1] Rate of return, 4.4 percent.

Hourly rate employees pension plan, General Motors Corp., Detroit, Mich., Dec. 31, 1968

Employer contributions	$190,000,000
Investments:	
Bank deposits and savings and loan shares at interest	522,496
Stock:	
Preferred	23,406,704
Common	732,272,341
Federal obligations	18,971,395
Foreign government obligations	5,699,057
Non-Governmental obligations	372,558,674
Commingled trust (Morgan Guaranty)	63,442,396
Real estate loans and Mortgages	114,138,654
Unsecured notes	56,596,634
Oil, gas and mineral royalties	10,692,726
Total assets	1,458,222,250
Receipts from investments:[1]	
Interest	30,321,282
Dividends	27,194,939
Rents	5,244,248
Oil, gas, mineral royalties	1,473,785
Total	64,234,254
Sale of assets:	
Cash	480,772,058
Cost	454,026,076
Net gain	26,745,982
Total income for year	90,980,236
Tax bill that would apply if income was not tax exempt	40,602,181

[1] Rate of return, 4.4 percent.

Member pension plan, International Brotherhood of Electrical Workers, Washington, D.C., June 30, 1968

Employee contributions	$34,719,908
Investments:	
Bank deposits and savings and loan shares at interest	19,450,000
Stock:	
Preferred	1,210,316
Common	21,404,926
Federal obligations	1,987,530
Foreign government obligations	3,084,168
Non-Government obligations	16,088,412
Real estate loans and mortgages	73,734,693
Secured loans	2,652,240
Other real estate	9,696,230
Rental equipment	172,254
Total assets	151,440,986
Receipts from investments:[1]	
Interest	5,484,786
Dividends	1,317,099
Rents	743,256
Gain on bonds, prepayment fees, commitment fees	119,876
Total receipts from investments	7,665,021
Tax bill that would apply if income was not tax exempt	4,047,131

[1] Rate of return, 4.6 percent.

Retirement program for salaried employees, General Motors Corp., Detroit, Mich.

Contributions:	
Employer:	
Part I	$47,200,000
Part II	24,577,323
Employees	35,554,226
Investments:	
Bank deposits and savings and loan shares at interest	407,716
Stock:	
Preferred	6,041,408
Common	439,887,472
Federal obligations	9,775,592
Foreign government obligations	9,775,592
Non-Government obligations	230,895,438
fund equities	1,075,898
Morgan Guaranty commingled fund bonds, Morgan Guaranty commingled fund mortgage	3,872,177
Real property	23,515,403
Real estate loans and mortgages	77,984,532
Unsecured notes	18,129,202
Real estate operated	36,282,644
Oil, gas, mineral royalties	9,721,537
Total assets	864,033,760
Receipts from investments:[1]	
Interest	16,819,069
Dividends	18,346,970
Rents	3,407,812
Oil, gas, and mineral royalties	1,470,285
Total	40,044,285
Sale of assets:	
Cost	207,988,254
Cash	237,847,872
Net gain	29,859,618
Total income for year	69,903,903
Tax bill that would apply if income was not tax exempt	28,608,286

[1] Rate of return, 4.6 percent.

Board of Trustees, ILGWU National Retirement Fund, New York, N.Y., Dec. 31, 1968

Employer contributions	$41,874,690
Investments:	
Bank deposits and savings and loan shares at interest	800,000
Federal obligations	58,201,792
State and municipal obligations	2,137,366
Foreign government obligations	974,647
Non-Government obligations	156,353,822
Real estate loans and mortgages	55,260,298
Total assets	277,963,229
Receipts from Investments:[1]	
Interest	12,188,989
Sale of assets:	
Cost	41,900,912
Cash	41,942,130
Net gain	41,318
Total income for year	12,230,307
Tax bill that would apply if income was not tax exempt	6,446,025

[1] Rate of return, 4.3 percent.

Retirement annuity plan (all employees), Mobil Oil Corp., Dec. 31, 1968

Contributions:	
Employer	$7,920,921
Employee	6,484,386
Investments:	
Stock:	
Preferred	113,337
Common	226,629
Federal obligations	3,647,026
Non-Government obligations	12,163,720
Common trusts	1,095,224
Metropolitan GAC	5,489,322
Total assets	250,151,674
Receipts from investments:[1]	
Interest	718,916
Dividends	6,404,748
Total	7,123,664
Sale of assets:	
Cost	177,622,985
Cash	180,629,723
Net gain	3,006,738
Total income for year	10,130,402
Tax bill that would apply if income was not tax exempt	4,412,978

[1] Rate of return, 2.8 percent.

Income plan for certain salaried employees, Lockheed Aircraft Corp., Burbank, Calif., Dec. 24, 1967

Employer contribution	$36,550,479
Investments:	
Stock:	
Preferred	7,352,754
Common	109,593,393
Non-Government obligations	90,511,290
Real estate loans and mortgages	16,840,408
Secured notes	4,998,493
Other real estate	10,994,434
Total assets	241,968,952
Receipts from investments:[1]	
Interest	5,526,986
Dividends	2,822,793
Rents	846,578
Commitment fees	4,000
Total	9,200,358

[1] Rate of return, 3.7 percent.

Income plan for certain salaried employees, Lockheed Aircraft Corp., Burbank, Calif., Dec. 24, 1967—Continued

Sale of assets:	
Cost	$103,430,868
Cash	106,227,483
Net gain	2,796,615
Total income for year	11,996,973
Tax bill that would apply if income was not tax exempt	5,556,942

Salaried employees pension plan, Monsanto Co., St. Louis, Mo., Dec. 31, 1968

Contributions:	
Employer	$17,939,964
Employee	2,481,195
Investments:	
Stock:	
Preferred	4,265,483
Common	104,665,988
Federal obligations	2,307,589
Foreign government obligations	4,835,233
Non-Government obligations	17,185,572
Commingled trusts	14,120,478
Real estate loans and mortgages	2,016,552
Other secured loans and notes	591,916
Unsecured notes	3,158,876
Recognized, unrealized appreciation from variable trusts	8,593,271
Total assets	163,000,027
Receipts from investments:[1]	
Net accrued income, 67–68–103,054	
Interest	2,037,415
Dividends	2,508,338
Rents	19,458
Common trust income distribution	190,814
Total	4,652,971
Sale of assets:	
Cost	88,047,804
Cash	90,910,668
Net gain	1,962,864
Total income for year	6,615,835
Tax bill that would apply if income was not tax exempt	2,947,484

[1] Rate of return, 2.5 percent.

PESTICIDE CONTAMINATION AND POISONING—TIME FOR ACTION

The SPEAKER. Under a previous order of the House, the gentleman from Connecticut (Mr. MONAGAN) is recognized for 30 minutes.

Mr. MONAGAN. Mr. Speaker, the failure of the Department of Agriculture to protect the public from the effects of certain pesticides has resulted in a minimum of 100,000 unnecessary human poisonings in the past 10 years. The Department has failed to enforce provisions of the Federal Insecticide, Fungicide, and Rodenticide Act—FIFRA—intended to protect the public from hazardous pesticide products being marketed in violation of the act. Moreover, unless constructive action is taken by the Department of Agriculture to enforce provisions of FIFRA—much of our food will be illegally adulterated with pesticide residues. At present, millions of pounds of cheese and fish are impounded for this reason and will have to be destroyed. Unless constructive action is taken, much of the food supply will contain large amounts of cancer-producing pesticide compounds. Unless constructive action is taken to reduce environmental contamination, a very large percentage of the world's remaining animal life faces extinction during the next 20 years and human life may be endangered. Much of this wanton destruction has been attributed to pesticide contamination and misuse.

The President and members of the Cabinet acting as the Environmental Quality Council should not be forced to oversee, review, and order the cancellation in part or whole of every pesticide registration allowed by the Pesticide Regulation Division of the Department of Agriculture that may be a potential or imminent health hazard. If the Department of Agriculture had carried out its Federal Insecticide, Fungicide, and Rodenticide Act responsibilities by following a prudent course in matters concerning hazards to human, other forms of life and our ecology, much of our problems and fears would not exist.

It is chilling to realize that certain food additives and pesticide residues which we ingest may kill, cause cancer, create fetal deformities in animal—mammalian—life and also be hazardous to humans. Pesticide fogs, sprays, and vapors in a constant fallout in concentrations sufficient to kill animal life may fall on man. Certain pesticides stored in containers for home or lawn use and kept within the home are known to cause poisoning and deaths especially among children within the ages of 1 to 5.

Despite the dangers, the Department of Agriculture still freely allows the use of certain pesticides which are responsible for such hazards. The Department still rocks along with a public be damned approach which does not assure the health and safety of the public while further evidence is sought to evaluate the danger.

CANCER-PRODUCING AND FETAL-DEFORMING PESTICIDES

I felt that it would be worthwhile to examine the grounds of some of the 1,600 registration objections made by the Department of Health, Education, and Welfare over a 5-year period from July 1, 1964, through June 30, 1969, which the Pesticides Regulation Division of the Department of Agriculture largely chose to ignore. The findings and further study of the subject continue to appall me.

The Department of Agriculture allows the registration and reregistration of cancer-producing pesticide compounds that HEW objects to on the ground that it does not believe that compounds which are carcinogens in experimental animals should be employed in pesticides. A partial list of objectionable compounds includes such well-known pesticides as dieldrin; toxaphene; DDT; chlordane; amitrole; aramite; triethanolamine salt of Dicamba and related compounds; Carbaryl; Folpet; lindane; simazine; 2-(p-tert - butylphenoxyl) 1 - methylethyl, 2 chloroethyl sulfite; o.o.-diethyl-o- (2-isopropyl-6 methyl-4 pyrimidinyl) phosphorothioate and the mercurials.

The Department of Agriculture's answer to questions about approval is that until the Department of HEW can produce evidence that the involved compound produces cancers in human beings from inhalation or skin contact, the Department of Agriculture will continue to register the pesticide.

The Department of Health, Education, and Welfare under the Delaney clause of the food additive amendment to the Food and Drug Act must ban foods containing an additive which causes cancer in mice or rats. An example would be cyclamate. It is obvious that the Department of Agriculture's standard is far less than that required of the Department of HEW by the food statutes.

The Mrak—Secretary of Department of Health, Education, and Welfare's Commission on Pesticides and their Relationship to Environmental Health—Commission recommendation No. 5 stated:

> In recent screening studies in animals employing high dosage levels, several compounds have been judged to be "positive" for tumor induction. In similar screening studies, other pesticides have been judged to be teratogenic. The evidence does not prove that these are injurious to man but indicates: (1) a need to re-examine the registered uses of the materials and other relevant data in order to minimize human exposure to these chemicals; . . . These materials are Aldrin; Amitrol; Aramite; Avadex; Bis (2-chloroethyl) ether; Chlorobenzilate; p!p!-DDT; Dieldrin; Heptachlor (epoxide); Mirex; N-(2-hydroxyethyl)-hydrazine; Strobane; Captan; Carbaryl; mercurials; PCNB; the butyl, isopropyl, and isooctyl esters of 2,4-D and 2, 4, 5-T.

Many of the registered compounds mentioned by the Mrak Commission recommendations were objected to previously by the Department of Health, Education, and Welfare.

The President's Environmental Quality Council endorsed the recommendations of the Mrak Commission. The Council forced the Secretary of Agriculture to act on DDT, and 2,4,5-T. The actions were based on findings that the compounds were harmful in rats and mice. This is the standard used by HEW in its objection to the registration of compounds which are potential cancer producers. The Council—chaired by the President and composed of relevant Cabinet members—does not have a statutory base or authority. The Council and staff only can pressure by invoking the name and signature of the President as the statutory authority still rests entirely with the Secretary of Agriculture.

The 2,4,5,-T and DDT actions were mandated practically on a case by case basis by the Evironmental Quality Council. I appreciate the wisdom of the action taken by the Environmental Quality Council. But should the President and Cabinet members acting as the Environmental Quality Council be forced to oversee and review every pesticide registration allowed by the Pesticide Regulation Division of the Department of Agriculture that may be either a potential or immediate health hazard? Does this mean that the President and Council will have to determine for the Secretary of Agriculture on a case by case basis whether to ban the other hazardous pesticide compounds objected to as potential cancer producers by Department of Health, Education and Welfare, as well as potential cancer producers and/or fetal deformers by the Mrak Commission, or for other good and substantial reasons?

The President and Council act on policy and/or emergency matters. We cannot afford to, and we should not have to, wait until an emergency situation is reached and the President and Council react instead of the Department of Agriculture taking the initiative with due care and consideration, as Congress intended, in the administration of the FIFRA. Emergency banning which restricts the manufacture, sale and use of established market products or the pursuit of agriculture may cause economic and agricultural disruptions which would not occur if proper consideration initially had been given by the agency responsible for the administration of FIFRA.

For many pesticides there may be a great deal to be said against their use—but there also may be a great deal to be said for their use. In determining such use there must be a rational balancing of benefits and risks whereas emergency reaction tends to be overreaction so that much good, justifiable use may also be banned along with the bad.

LINDANE VAPORIZER

Commencing with a Food and Drug Administration study completed in 1953, the Department of Health, Education, and Welfare, concluded that a continuous vaporizer using lindane—a cancer-producing compound—pellets that killed insects by filling the room with the active ingredient, caused food contamination and were dangerous to exposed humans—especially the aged, the sick, and infants. Such devices found extensive usage in bakeries, eating places, hospitals, meat processing plants, and homes. The Department of Agriculture was promptly informed. In accordance with the 1964 Interdepartmental pesticide agreement, the Department of Health, Education, and Welfare, in its review of pesticide registrations from the health safety aspect objected to the registration of lindane pellet vaporizers. A Public Health Service Ad Hoc Advisory Committee reviewed the use of pesticide vaporizing units. The committee expressed unanimous opposition to the use of lindane vaporizers. Its report was transmitted to the Department of Agriculture on September 22, 1966.

The Department of Health, Education, and Welfare, was not alone in its objection to lindane pellet vaporizers. The old Interdepartmental Committee on Pest Control on October 22, 1952, revised its original 1951 statement on lindane vaporizers to state:

> Unless it can be demonstrated that contamination does not occur, the Committee recommends against the use of insecticide vaporizers in rooms or areas where food is served, processed or stored.

Following this, the committee on pesticides of the American Medical Association reported on July 25, 1953, that at least 14 States and 35 municipalities had adopted measures to control the installation, sale, or use of lindane vaporizers and that other States and local units had invoked existing provisions of their food laws and sanitary codes for a similar purpose. The Consumer and Marketing Service of the Department of Agriculture disapproved the use of continuously operating lindane vaporizers where meat or poultry would be exposed to the vapor.

The Pesticide Regulation Division of the Department of Agriculture chose to ignore these objections. As a result, there were about 100 registrations of lindane pellets, of which about half were for use in continuously operating vaporizers. It is estimated that millions of the vaporizers have been sold and utilized.

A summary article in the July 1967 issue of the AMA's "Archives of Environmental Health" pointed out that since 1954 lindane exposure had been implicated directly or circumstantially in cases of serious bone marrow failure, but that no method had been developed to prove the cause and effect relation.

The General Accounting Office issued a report pointing out the problem of lindane vaporizers on February 20, 1969. When hearings were scheduled by the House Government Operations Committee, the Department of Agriculture after 18 years—more than 15 years of objections—conducted its own tests and after 5 days concluded that the facts and conclusions reached in 1953 by the FDA were correct. As a result, the Department decided to cancel lindane registrations. However, if past performance is any standard, additional enforcement action will be necessary to remove the vaporizers from use and, in the meantime, the hazard to health will continue.

PESTICIDES POISONING

Due to the recommendation of the President's Science Advisory Committee in 1963 that decisions on registration clearly relating to health be reviewed by the Department of Health, Education, and Welfare, the interdepartmental agreement of 1964 was evolved. The Pesticide Regulation Division of the Department of Agriculture believes that it is fully capable of evaluating the public health aspects, that the duplication of review is unnecessary and that the Department of Health, Education, and Welfare is responsible for its delay in reducing the registration backlog. Thus, the emphasis within the Department of Agriculture's operation has been to make a paper record through cutting down on the existing backlog by passing out registrations without adequate assurance of the effect on public health. Rather than resolve HEW's objections in accordance with the interdepartmental agreement, the Department of Agriculture has chosen for the most part to ignore them and applaud the processing of its registrations. The following example I believe points out the issue.

On May 21, 1965, HEW objected to the Department of Agriculture on a re-registration as follows:

> We cannot grant approval to the following Registration No. ——. Results of our investigation show that sixty-five cases of poisoning have been documented with this product during the years 1962 and 1963. Fifty-nine of these poisonings occurred in the 1–5 year age range.

Investigation of this registration number disclosed that the product was registered first in 1948. The active ingredient of the product, lead arsenate, has been the same from the initial registration to the present time. The records of the Division of Poison Control, FDA, Department of Health, Education, and Welfare disclose 53 accidental poisonings caused by this product in 1968. Forty-eight of these poisonings involved children under 5 years of age. Officials of the HEW National Clearinghouse for Poison Control Centers believe that the total number of poisonings occurring each year is about eight to 10 times the number reported to the centers. The centers are a voluntary network usually affiliated with hospitals and reporting data is not their primary purpose. This is understandable. So, including the number of unidentifiable product poisonings reported, an estimated total count of poisonings per year attributable to this product would easily be in excess of 500 with about 500 per year occurring with children under 5 years of age.

If the HEW recommendation had been put into effect when it was rendered, a very large number of young children would not have been poisoned. It is obvious that the number of poisonings attributable to the product alone since 1948 is considerable.

Another example was a registered product containing sodium arsenate as the active ingredient. It was objected to in May 1965 because of the usage pattern, the active compound and the accident reports filed with the Poison Control Center. This product accounted for 85 accidental poisoning reports in 1968 on the records of the Poison Control Division or the equivalent of about 850 total poisonings annually.

Due to the usage pattern, pesticide uses containing arsenicals such as arsenic trioxide, sodium arsenite, lead arsenate, sodium arsenate, et cetera have been questioned in situations which would place them within the home and reach of youngsters. This class of compounds was responsible for over 307 recorded reports in 1968 to the Poison Control Division or the estimated equivalent of about 3,000 total accidental ingestions—poisonings—per year or 30,000 poisonings over a 10-year period.

In 1968, the Poison Control Division had 5,739 pesticide poisoning reports of which 3,965 were children under 5 years old. This is an estimated annual equivalent of about 50,000 to 55,000 pesticide poisonings of which nearly 40,000 are children 4 years or less. The injury control program, National Center for Urban and Industrial Health of HEW in a 1968 statement to the National Commission on Product Safety estimated the number of pesticide poisonings to be 75,000 per year. Therefore, it would not be unreasonable to conclude that in the last 10 years there have been at least a half-million—500,000—pesticide poisonings of which 350,000 were children under 5 years of age.

Study of over 1,600 HEW objections to pesticide registration discloses that a great number are based on their potential for storage or usage pattern within the home, the toxicity of a small amount of the active ingredient and the poisoning pattern of registered products—proposal for reregistration after 5 years. In most instances the objection is against a class of compounds such as the arsenicals.

These types of objections are devised to cut back on the use of products that could lead to the poisoning of children under 5 years of age. Investigation by class of compounds discloses that this approach would blanket at least an estimated 350,000 poisonings within a 10-year period. The reasonableness of some of these objections is evident as some are now being accepted—however tardily—for example, those related to products containing thallium sulfate and certain of the arsenicals. It is estimated that the arsenicals and thallium sulfate, alone, can account for 50,000 to 70,000 poisonings over the period of the past 10 years. It is obvious and reasonable to conclude that substantial and adequate objections existed to the use of pesticide products which resulted in at least 100,000 poisonings over the past 10 years and for which safer substitutes exist. Constructive and prompt administration of the Federal Insecticide, Fungicide, Rodenticide Act could prevent the poisoning of large numbers of our population especially our very young.

CONCLUSION

In the course of the House action on H.R. 1237—which can be found in the CONGRESSIONAL RECORD of May 12, 1947, at page 5054 which became FIFRA, Representative Keefe asked why the Department of Agriculture rather than the Food and Drug Administration was made responsible for the administration of the proposed functions. Representative Flanagan explained that the bill was an amendment of existing legislation and merely extended the previous authorization which placed responsibility in the Department of Agriculture. Representative Andersen, floor manager for the bill, agreed that Government reorganization was necessary, including a consolidation of functions but he hoped "in view of the emergency of the measure" that the question would not be pursued at that moment. It was not.

However adequate the act may have been in 1947, it is obvious it is not now. It is time that greater authorization be given to FDA and that Government reorganization in this area be instituted since it is more necessary at present than it was 22 years ago.

I desire to see this Nation a far better place than it has been. To do so we must prevent unnecessary contamination; protect the public health, the quality of the environment and our food. We must remove hazards that may poison and destroy humans. In many instances, our technology has run away—the risks may now exceed the benefits. In the area of pesticide use, the Department of Agriculture has failed in its responsibility to protect the public safety and interest. We cannot expect the President and the Environmental Quality Council to take up every case of pesticide or other contamination that may constitute either a potential or actual peril to health.

To protect the public health, to assure the reliability of our food and to remove hazards to life, I have proposed legislation which will grant to HEW the authority to control the health hazards of pesticides. It will also grant to the Department of the Interior adequate authority to protect our wildlife. Furthermore, it includes an amendment to the meat and poultry inspection acts granting to the Department of Agriculture authority to allow prohibitions against pesticide contamination.

I urge the President to require that the Department of Agriculture carry out its responsibilities under existing law. An exercise of leadership, an expenditure of effort and funds, and especially the use of mature judgment at the present time will do much to make our lives less hazardous and our environment a better place to live in. Deeds not words are needed. It is time for action.

CULVER REPORTS RESULTS OF FIFTH ANNUAL SECOND DISTRICT QUESTIONNAIRE

The SPEAKER. Under a previous order of the House, the gentleman from Iowa (Mr. CULVER) is recognized for 20 minutes.

Mr. CULVER. Mr. Speaker, again this year, I have prepared a questionnaire on the issues before this Congress and the Nation, in order to obtain the opinions of the people of the Second District of Iowa. I am pleased to report that the response to this fifth annual questionnaire has been the largest one we have ever received. More than 18,000 forms have been returned to date, and they are still arriving in the mail.

So that we could report the results of this survey to the House before adjournment, we have tabulated the first 12,672 returns—a sample which, according to authorities, is more than large enough to reflect accurately the total response. I include those tabulations at this point in the RECORD.

1. *The National Budget.* Present inflationary pressures require restraint in federal spending. If you were required to make the choice as to where the budget should be cut, which area would you select?

	Percent
Defense	55.1
International affairs	30.2
Space	47.3
Agriculture	12.2
Natural resources	2.3
Commerce, Transportation	11.3
Community development	11.7
Education and manpower	6.8
Social security	10.4
Health and welfare	12.3
Veterans benefits	6.2
General Government	7.3

2. *Vietnam.* Which one of the following do you consider to be the most preferable course in Vietnam at the present time?

	Percent
Immediate withdrawal of all combat forces, while continuing economic and social assistance and maintaining military advisers	14.1
Continued phased withdrawal of American combat forces as South Vietnamese army assumes more responsibility for conducting the war	57.7
Complete immediate removal of any American presence in Vietnam	13.6
Resumption of full scale attacks on the North with any necessary increase in American men and material	9.8
No response	4.8

3. *Foreign Commitments.* Would you favor a Congressional resolution requiring the President to obtain approval of Congress before United States troops are committed to fight in foreign countries?

	Percent
Yes	73.7
No	15.7
Undecided	6.5
No response	4.0

4. *National Security.* Which one of the following do you feel poses the most immediate and serious threat to the security of the United States?

	Percent
Foreign Communist aggression	17.8
Instability in the developing nations of Asia, Africa, and Latin American	4.9
Radicals in this country	46.0
Unmet domestic human needs which give rise to internal tensions	26.8
No response	4.4

5. *Campus Disorders.* Who do you feel should have the primary responsibility for controlling campus unrest and disciplining students who disrupt the functions of the university?

	Percent
The college or university itself	71.6
Local law enforcement officials	15.5
The Federal Government	9.0
No response	3.9

6. *Social Security.* Do you favor legislation which would provide an automatic cost-of-living increase for social security recipients?

	Percent
Favor	70.5
Oppose	16.6
Undecided	10.2
No response	2.6

7. *Consumers.* Would you favor legislation establishing a separate federal agency, either as a full Cabinet-level department or as a statutory office, to consolidate and direct current consumer programs and serve as a spokesman for consumer interests?

	Percent
Favor	43.2
Oppose	28.1
Undecided	22.3
No response	6.4

8. *Agriculture.* The present farm program will expire in 1970, and various proposals are now under consideration by the Congress. Which one of the following do you feel would best meet the needs of Iowa farmers and a generally stable agricultural economy?

	Percent
Continuation of present programs, based on voluntary annual acreage diversion and price supports for individual commodities, with changes and additions which experience has proven necessary	35.7
Shift from present annual acreage control and direct payments to general long-term land retirement, emphasizing whole farm retirements	10.4
No farm program	19.7
Undecided	26.6
No response	7.6

While a Member of Congress cannot be guided in his judgments solely by opinion polls, I have found our annual questionnaire extremely helpful in my own consideration of issues in the House of Representatives.

The size of this year's response, and the additional correspondence and comments which the questionnaire has stimulated, demonstrates the interest and concern of the people in eastern Iowa, and I am grateful for their help.

This year, we examined the responses in terms of certain demographic criteria, including age, political identification, occupation, and place of residence. We have prepared a chart which analyzes the results in terms of those criteria, and I include it at this point in the RECORD:

Questions	Age				Political identification				Occupation						Place of residence			
	Under 21	21 30	30 65	Over 65	Republican	Democrat	Independent	Other	Farmer	Independent businessman	Professional	Worker	Housewife	Retired	Farm	Town under 2500 population	2500 to 10,000 population	City over 10,000 population
1. National Budget:																		
Defense	50.6	64.6	55.9	43.5	56.8	52.2	61.5	53.4	49.1	62.0	66.9	50.9	53.2	44.7	50.2	48.9	56.1	59.8
International Affairs	17.6	25.9	32.7	28.7	31.7	27.8	32.3	35.6	24.1	34.2	29.4	37.1	28.5	27.9	25.5	30.4	27.6	32.7
Space	43.5	32.8	47.2	65.2	48.7	49.7	39.4	45.2	58.5	42.5	33.4	46.8	49.9	63.6	60.2	47.0	49.1	41.9
Agriculture	7.1	9.3	13.7	11.8	13.6	10.5	15.3	6.8	4.8	16.0	14.5	14.2	10.2	13.7	5.7	8.8	12.9	16.0
Natural Resources	0	1.0	2.1	3.6	2.2	2.4	1.8	1.4	5.0	1.3	1.2	2.0	1.7	4.1	3.7	1.4	1.4	1.9
Commerce, Transportation	15.3	10.4	11.3	12.2	12.0	10.4	12.6	13.7	15.7	9.6	9.8	12.4	10.9	12.6	11.9	13.6	11.8	10.4
Community Development	15.3	12.6	12.8	7.4	12.3	10.1	13.8	17.8	12.7	11.8	12.1	14.3	12.1	7.3	13.4	11.3	10.0	12.3
Education and Manpower	0	4.0	7.5	7.1	6.9	6.5	7.0	9.6	12.4	8.5	5.4	8.1	5.0	8.0	8.8	6.0	5.4	6.6
Social security	15.3	18.0	10.1	3.1	12.3	6.6	14.8	9.6	16.5	16.2	13.7	8.0	9.3	3.4	14.7	8.8	11.0	9.5
Health and welfare	12.9	19.0	14.1	5.1	16.8	8.6	17.3	8.2	15.5	17.5	17.5	13.9	12.0	5.3	14.4	15.4	13.2	13.0
Veterans benefits	4.7	7.1	6.1	5.7	6.5	5.4	7.5	8.2	5.2	7.1	8.8	4.9	5.2	5.3	5.0	4.4	5.0	7.6
General government	9.4	5.6	7.7	7.7	6.8	7.1	7.7	6.8	8.3	6.6	7.4	9.4	6.7	6.6	8.0	5.6	6.6	7.8
Vietnam:																		
Immediate withdrawal of combat forces	23.5	16.5	13.1	14.5	10.9	17.5	14.0	11.0	11.7	11.5	15.8	11.6	15.7	13.5	11.7	15.9	12.6	15.0
Continued phased withdrawal	51.8	59.3	59.4	53.4	67.7	51.1	57.7	43.8	55.6	63.0	61.9	57.6	56.8	53.2	55.8	57.1	61.7	58.5

Questions	Age				Political identification				Occupation						Place of residence			
	Under 21	21–30	30–65	Over 65	Republican	Democrat	Independent	Other	Farmer	Independent businessman	Professional	Worker	Housewife	Retired	Farm	Town under 2500 population	2500 to 10,000 population	City over 10,000 population
2. Vietnam—Continued																		
Complete immediate withdrawal of all U.S. presence	14.1	13.2	13.6	13.9	10.5	14.7	15.0	21.9	14.8	12.4	11.6	13.2	15.5	13.2	16.2	11.7	11.9	14.1
Resumption of full-scale attacks on the North	8.2	8.6	9.8	10.4	6.9	12.2	9.9	12.3	10.7	7.7	8.6	13.9	7.6	12.3	11.1	9.9	9.8	9.0
No response	2.4	2.4	4.1	7.9	4.0	4.6	3.4	11.0	6.2	5.3	2.0	3.7	4.4	7.8	5.2	5.3	4.1	3.5
3. Foreign commitments:																		
Yes	78.8	69.3	73.9	79.8	70.7	76.9	73.8	67.1	76.4	72.4	69.8	73.3	74.3	78.9	75.4	74	72.8	74.2
No	17.6	21.0	16.5	7.5	19.1	12.7	17.8	21.9	13.3	17.7	22.3	17.2	14.1	7.9	12.9	14.3	19	16.6
Undecided	2.4	7.9	6.6	5.5	6.6	6.7	5.5	8.2	7.6	5.8	6.5	7.1	7.4	5.2	7.9	6.8	5.5	6.6
No response	1.2	1.8	3.0	7.3	3.5	3.6	2.8	2.7	2.8	4.1	1.3	2.3	4.2	8	3.7	4.9	2.7	2.7
4. National security:																		
Foreign Communist aggression	9.4	12.6	17.9	23.1	18.3	18.6	13.1	11	20.5	22.2	12	20.7	16.7	22.3	17.9	20.4	18.2	16.1
Instability in developing nations	2.4	7.4	4.7	3.6	5.5	4.6	6.1	2.7	4.1	5.3	6.6	4.9	4.7	3.4	4	3.9	4.3	6.1
Radicals in this country	49.4	39.3	48.4	46.9	50.6	43.1	44.6	58.9	56.8	47	40.5	47.9	45.8	47.3	55.7	46.9	44.3	44.2
Unmet domestic human needs	36.5	38.9	25.1	19.2	21.6	29.5	33.2	27.4	15.5	20.1	38.5	23.8	28.5	19.2	18.4	24.4	29.9	30.1
No response	2.4	1.9	3.8	7.1	4	4.2	3	0	3.1	5.3	2.4	2.6	4.3	7.8	4	4.4	3.3	3.5
5. Campus disorders:																		
College or university	76.5	73.9	73.0	67.7	73.9	69.4	75.5	64.4	70.4	71.6	78.1	68.1	74.2	64.1	69.2	68.9	75.9	73.6
Local law enforcement	11.8	17.7	15.2	13.1	16.0	15.9	13.9	21.9	16.4	15.0	14.8	17.9	14.3	15.8	17.5	15.2	13.0	15.7
Federal Government	9.4	6.8	8.5	12.6	7.4	11.2	7.1	9.6	9.1	8.8	5.2	11.6	8	13.5	8.6	11.1	9.2	8.1
No response	2.4	1.6	3.2	6.7	2.7	3.5	3.5	4.1	4.1	4.7	1.9	2.4	3.5	6.6	4.7	4.8	1.9	2.6
6. Social security:																		
Favor	54.1	53.5	70.2	84.5	65.8	78.4	68.5	67.1	54.6	64.5	68.8	77.9	69.3	86.4	57.9	71.3	71.6	75.3
Oppose	25.9	22.8	17.8	6.0	20.6	11.8	18.8	17.8	30.3	22.4	18.9	12.8	16.6	5.2	27	15.5	16.5	13.9
Undecided	18.8	13	10.5	6.4	11.8	8.6	11.4	12.3	13.1	10.7	11.5	8.8	11.7	5.9	12.5	11.6	10.1	9.6
No response	1.2	.6	1.5	3.1	1.8	1.2	1.3	2.7	2.1	2.4	.9	.6	2.4	2.5	2.5	1.6	1.8	1.2
7. Consumers:																		
Favor	55.3	50.1	41.3	44.0	34.4	51.9	45.2	43.8	28.1	37.2	49.2	48.7	41.8	46.4	29.5	42.1	45.7	48.3
Oppose	22.4	24.9	32.2	20.3	37.7	20.3	29.6	32.9	35.3	39.5	30.9	25.5	27.2	18.2	34.0	29.4	29.2	26.8
Undecided	20.0	23.1	22.0	24.7	22.5	22.4	22.3	16.4	28.4	18.4	17.8	21.7	25.3	25.1	29.0	22.4	20.0	21.3
No response	2.4	1.9	4.5	11.0	5.4	5.4	3.0	6.8	8.3	4.9	2.0	4.1	5.6	10.3	7.6	6.1	5.1	3.7
8. Agriculture:																		
Continuation of present program	44.7	35.8	35.4	38.4	33.9	41.7	29.6	32.9	59.2	34.6	31.1	33.7	34.3	37.0	57.8	37.5	33.0	29.5
Shift to long-term land retirement	7.1	8.4	11.9	9.4	11.7	9.9	11.8	4.1	19.3	10.0	13.4	9.1	7.6	8.1	16.5	10.5	11.3	8.6
No farm program	5.9	13.2	21.8	21.2	24.0	16.3	20.8	15.1	14.5	25.0	19.0	22.4	17.7	22.4	13.7	17.7	22.6	21.5
Undecided	38.8	39.0	24.9	20.1	24.3	26.1	32.0	41.1	5.0	24.8	31.1	28.8	33.3	21.6	8.6	28.6	27.1	33.3
No response	3.5	3.5	6.0	10.9	6.1	6.0	5.8	6.8	2.1	5.6	5.5	6.0	7.1	10.8	3.3	5.8	6.1	7.2

THE STATE OF THE NATION AND THINGS AS VIEWED FROM NORTH POLE R.D. NO. 4

The SPEAKER. Under a previous order of the House, the gentleman from Pennsylvania (Mr. ROONEY) is recognized for 10 minutes.

Mr. ROONEY of Pennsylvania. Mr. Speaker, a few days ago an enterprising newspaper in my congressional district dispatched one of its reporters, Richard Ewald of the Easton, Pa., Express, to a distant snowbound community inhabited by a kindly old gentleman and his wife, several score of tiny elves and a herd of hardy reindeer.

Chief purpose of the reporter's journey was to secure an exclusive interview with this remote settlement's sole woman inhabitant, Mrs. S. Claus, of North Pole R.D. No. 4.

I am pleased to report to my colleagues the journey was a success, the reporter has returned safely and filed his story, and he has reported to me some information which I am certain will be of keen interest to the Members of the 91st Congress as we move toward adjournment.

First, I am assured that despite some serious postal problems in urban centers here in the United States, the U.S. postal service has encountered no difficulties in maintaining regular and reliable postal service to the residence of Mr. and Mrs. S. Claus, although Mrs. Claus indicated she sometimes almost wishes the mailman would get lost.

Further, Mr. Claus' sleigh has been inspected by Ralph Nader and was certified "safe at any altitude." And, in conjunction with the FAA and the CAB, certain precautions have been taken to guard against potential hijackers.

Despite a problem of obesity both of the Clauses have sworn off Ice Pack Cola because it contains cyclamates. As substitutes, Mrs. Claus asked her husband for a rowing machine for Christmas while Mr. Claus is taking inches off his belly with daily jogging around the North Pole.

Of course, the Clauses are very much concerned about the tax reform bill pending in Congress. They expressed concern that their nonprofit foundation might be required to discontinue operations within 40 years.

Both of the Clauses indicated they are pleased with their medicare coverage, although Mr. Claus urged that Congress extend its provisions to include veterinary service for the reindeer, particularly because of the chronic inflammation of Rudolph's nose which requires regular treatment.

The cost of living has had its impact on the remote North Pole settlement. Feeding and clothing the elves has become a serious problem. As a result, the Clauses have raised the fees they charge whenever the reindeer or elves are employed by movie and TV producers.

But for the most part, all is well at the North Pole and the Congress and the Nation can rest assured that Santa will be making his appointed rounds on Christmas Eve.

There is just one more thing Mrs. Claus said during the interview that disturbs me. Understandably, Mr. Speaker, living in such a distant place, the Clauses very seldom receive visitors. In fact, Mrs. Claus told the reporter he was the first visitor she had entertained since June.

And it is that June visitor which causes me some real concern. He was a magazine salesman and he told her she could get five or six magazines free because the publishers were trying to increase circulation in their neighborhood. The only cost, he told her, was 49 cents a week to cover the postage and wrapping.

She was so happy to have a visitor that she signed on the dotted line and now she's paying $5 monthly payments for some magazines she did not want and cannot even use—you know, magazines about gardening, skindiving, and things like that. She is afraid to tell Santa because he still reminds her about the time she bought a freezer from a fast-talking salesman.

Mr. Speaker, we must do something about consumer protection legislation during the second session of the 91st Congress.

CANASTA ANYONE? MRS. SANTA IS AVAILABLE FOR CHRISTMAS EVE

(By Richard Ewald)

NORTH POLE.—"Wanted. Accomplished canasta player. Must be good company. For work Christmas Eve. Good wages. Refreshments. Apply in person to Mrs. S. Claus, North Pole R.D. 4."

This ad which has appeared in the classified section of newspapers around the globe has raised serious questions about the world's number one Christmas family.

"Oh, that. No, everything is still cool between me and the Mister. I just get a bit lonely come Christmas Eve and I thought I could use a little company this year," Mrs. Claus said today in an exclusive interview with The Express.

The vivacious Mrs. Claus was more than happy to entertain her first guest in six months while her famous husband was cloistered in his shop, working furiously to meet this year's deadline on gifts.

"You know, you're the first visitor I've had since that nice magazine salesman was here in June," Mrs. Claus smiled, offering a cup of cocoa.

Mrs. Claus is the former Jacqueline Frost of Point Barrow, Alaska, sister of Jack Frost, outspoken critic of the summer months.

How long have the Clauses been married? "Oh, I couldn't tell you that," she said, her ruddy cheeks blushing pink.

"Let's just say Mr. Claus gave young Charles Dickens his first quill pen and leave it at that," she said with a wink.

How did they meet?

"It was marvelous. We both liked the same things—seclusion, plenty of snow, canasta, an occasional sleigh ride," she mused. "We had both been overweight since childhood. High school dances were an absolute horror.

"On our first date I told him he had a stomach that shook like a bowl full of jelly. He told me my breath would kill a reindeer. I guess you could say it was love at first slight."

"He had some pretty miserable habits. There's that disgusting thing he does laying a finger aside of his nose and nodding all the time. He cracks his knuckles, too.

"But who could resist those twinkling eyes?"

"I tried to get him to go into the fur business. There's good money there and he could have made a real name for himself.

"But he insisted on this Christmas thing, spending most of the year making toys for kids and all. I guess it's worked out pretty well. I can't complain. Christmas Eve does get a little dull with him gone, though. That's why I took out the ad."

Does Mrs. Claus ever help Santa with the work?

"No, not anymore," she said. "We tried that in the beginning before he hired the elves. But I couldn't help him and take care of the cooking and cleaning too. The house was a wreck.

"Of course, back then, and I won't tell you when, business was terrible and we were living in a horrid little igloo. We were having a hard time making ends meet until Rudolph came along.

"Then there was the trouble with the elves and their union contract. It was during the Depression and we had to bring in strikebreakers to get the toys out.

"Christmas was pretty important then and I imagine it pulled a lot of people through to know we were still on the job.

"Things have changed since then. I've noticed Santa has become a little down-in-the-mouth about people's attitude toward Christmas.

"People keep saying it's the spirit of giving that counts, but they don't practice what they preach. Talk about commercialization! We've had kids send up regular order blanks along with checks for what they want. They don't understand this is a non-profit operation, sort of like that hippie group The Diggers on the West Coast."

Is Santa getting a little old for such dangerous, hard work?

"Oh, I don't know," Mrs. Claus said, "I used to worry a great deal about his climbing down chimneys and all. Central heating has done a lot to simplify the job.

"And we had Ralph Nader check out the sleigh. He said it was safe at any altitude.

"The late hours are tough on him, of course. He usually doesn't get a wink of sleep from the 23rd on. Then he comes home and flops down on the bed and I don't see him until about Jan. 3. It's rough on our social life.

"It's Christmas Eve that gets to me, though. Say, young man, do you play canasta?"

ONE SOLITARY LIFE

(Mr. MIZE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MIZE. Mr. Speaker, of all the inspiring messages Mrs. Mize and I have received during this Christmas season, one stands out for the simple statement of facts of what Christmas is all about. I feel it is appropriate to share the message about "One Solitary Life" with my colleagues.

ONE SOLITARY LIFE

He was born in an obscure village, the child of a peasant woman. He grew up in still another village, where he worked in a carpenter shop until he was thirty. Then for three years he was an itinerant preacher. He never wrote a book. He never held an office. He never had a family or owned a house. He didn't go to college. He never visited a big city. He never traveled two hundred miles from the place where he was born. He did none of the things one usually associated with greatness. He had no credentials but himself. He was only thirty-three when the tide of public opinion turned against him. His friends ran away. He was turned over to his enemies and went through the mockery of a trial. He was nailed to a cross between two thieves. While he was dying, his executioners gambled for his clothing, the only property he had on earth. When he was dead, he was laid in a borrowed grave through the pity of a friend. Nineteen centuries have come and gone, and today he is the central figure of the human race and the leader of mankind's progress. All the armies that ever marched, all the navies that ever sailed, all the parliaments that ever sat, all the kings that ever reigned, put together, have not affected the life of a man on this earth as much as that one solitary life.

SOME REFLECTIONS ON THE PROBLEMS OF OUR TIMES—PART VI: CHANGING VALUES

(Mr. BROWN of California asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BROWN of California. Mr. Speaker, in an earlier statement on the subject of the "campus revolution," I made the point that youthful militancy has its roots in a rejection of much of the current system of social values and in a search for a new system of values. I made no effort to elaborate on this point or to delineate these new values, other than by implication. As I continue to reflect on the entire range of problems our society seeks to solve today, it seems to me that some additional discussion of this topic of changing values is clearly necessary.

I would stress that the process of changing values is not inevitably to be feared, although it is sometime painful. It is unlikely that radical youth, or adults, will suddenly seek to substitute for the conventional and comforting goals and values of the past a system which is completely new, strange, or contradictory of previous values. The process is much more likely to be one whereby changes, large and small, will take place in the relationship and priority of existing values. It will take place at different times and rates among different individuals and groups.

In some cases the changes may be only the stripping away of the facade of belief, comfortably upheld by the empty forms of institutional practice or personal ritual, and exposing the true inner nature of the value to which lip service only has been given. In much of the dialog of youth, reference will be found to this type of change which is referred to as ending the hypocrisy of the adult world. A simple example of this would be the alcohol-imbibing, cigarette-smoking, drug-using parent who is enraged when his son or daughter reveals that he smokes pot. That parent needs to change his values in some important regards.

Efforts to force value changes on an individual will almost invariably result in fear and anxiety and violent retaliatory action against the causes of change. This normal reaction is frequently encouraged and its results amplified by leaders who seek to resist the change in question. Another course, which I hold in more favor, is to encourage all individuals to test their value framework against reality with a sensitive and open spirit. Where the current reality is rife with damaging physical and psychic conflict, a new examination and testing may reveal the need for change. At a minimum, it will help to reinforce the individual's commitment to his course, whether changed or not.

The leader who seeks to inspire hope, rather than stimulate fear, will encourage change toward values which reduce conflict, increase cooperation, and enhance the fulfillment of each individual. It would seem that the conditions of today demand such leadership.

One of the popular pastimes of pollsters and politicians in these days is to prepare lists of the problems facing our society, generally in the order of their presumed importance to the ordinary citizen or voter. These lists will almost always include such items as the Vietnam war, campus unrest, ghetto riots, crime, inflation, high taxes, environmental pollution, poverty, welfare, and urban decay—to list only the usual number of 10 items. That our citizens are profoundly disturbed today, because of these and other problems, is beyond question.

More difficult to understand is the fact that this profound unrest has developed and flourished during a period described by many as one of amazing progress for this country. We have experienced nearly 10 years of uninterrupted economic prosperity. Our gross national product, in total and per capita, exceeds that of any other nation by larger margins than ever before in history. Our military expenditures, which are presumed to be an index of our security in an unstable world, are at an all-time high. Our farms and factories produce food and hardware in volumes incomprehensible to the ordinary mortal in other parts of the world. Federal expenditures for education, health, and welfare have blossomed enormously. Unemployment has decreased to levels only rarely experienced. Laws to secure racial justice, end poverty, and eradicate crime have been passed in profusion. Our science and technology are the envy of the world. And a massive communication system conveys the message of our good fortune throughout our society and to all parts of the globe.

By all the standards of the conventional wisdom our society should be approaching the status of an earthly paradise. Whence, therefore, springs the discontent which plagues the youth and, increasingly, many of those no longer youthful? Have we been seeking to measure human happiness by the wrong yardsticks? Are the goals which we have, in practice, sought wrong, or have they been perverted from good to evil as we seem to approach them?

I would suggest that at least part of our national discontent is due to the slowness with which we have moved to achieve the goals that we have already set and publicized so widely, and not to any radical change in values. No large part of our society seriously questions the need to eliminate legally sanctioned discrimination toward minority groups, of whatever their nature, but ending such discrimination completely still eludes us. De facto discrimination is somewhat less widely condemned; its eradication, therefore, moves even more slowly. The positive goals of achieving true equality of opportunity in every field, without regard to race, color, creed, sex, or economic status—the subject of many political speeches—is much more elusive. It is far from realized because it begins to require changes in attitudes regarding the organization of economic power, as well as changes in social and political status.

The elimination of substantial unemployment was established as a national goal a generation ago, but for many groups of potential workers full employment is still a dream. And the more recently enunciated goals of ending hunger, ill housing, and poverty are even less of a reality. Modern communications technology not only informs of society's goals, but informs all too well of the failure to achieve them. It, likewise, spreads the word of collective action to overcome that failure.

The discontent of these many who seek merely to collect on the promises already made, to join the mainstream of the conventional society, accounts, as I say, for a part of our problems. These discontented are not revolutionaries. Even though they may frequently react with passion and even violence, they are not now seeking to make fundamental changes in the system—if the system keeps its promises. Possibly the best example of this statement is the conventional and even conservative posture of organized labor today. There was a time when it was feared as a threat to the holders of economic power and, possibly, as even the destroyer of our free enterprise system. It is only when progress toward accepted goals becomes so slow that it would appear that the existing system conspires against it rather than encourages it, that the deprived and discriminated become radicalized.

Much of the domestic furor and strife focused around the war in Vietnam is what I would also describe as conventional, not radical, discontent. Much as I would like to ascribe it to perceptive analysis of fundamental deficiencies in our concept of our role in the world and in our resulting foreign policy, such is not the case. Most of the alienated and impoverished black and brown minorities are not protesting against the Vietnam war except as a peripheral issue—as another inadequate excuse for not spending the money needed here to keep the promises society has made to them.

Many, if not most of the suddenly activist and altruistic middle-class white students who have been so obvious in the Vietnam protest movements, are coincidentally the ones who are most in danger of being called for service in Vietnam, as the war drags on without end. Their perception of the injustice of the war is remarkably sharpened as the end of their own student deferment comes closer. Many of the academics, along with the great bulk of the American people, continue to share the cold war goals of containing communism by military force. Their increasing discontent with the war in Vietnam is not with the goal, or even whether Vietnam comes within the framework of that goal. It is rather with the fact that it is taking too long and costing too much, and their faith in their leaders is impaired.

A reduction in the level of the war to pre-1964 levels would, in all probability, reduce the war-centered public discontent to minimal levels—easily manageable from a political standpoint.

If we were to make the changes tomorrow required to keep our promises for a society in which there is opportunity for all within the economic system, an end to poverty and want, freedom from discrimination, and an end to the war in Vietnam—would we not then achieve the public tranquillity which all politicians esteem so highly? In fact, would we not have arrived at the promised land, heaven on earth, the utopia of our dreams?

At the risk of losing my credibility as a politician, I must say, "No" in the strongest possible way to the above question. Rather than having alleviated the basic discontent of our society, we would merely have cleared the decks for action.

We might at last be ready to examine the question of values and goals which, beneath the surface, constitute the major dynamic force for change in society today.

Today in this country we are the acknowledged leaders of a political, social, and cultural system which is the finest fruit of Western civilization's scientific and technological development. That system has harnessed the power of the human mind to the control of nature and the production and distribution of those material commodities deemed essential to man, the consumer. We have organized human resources and the power relationship in our society around the system of material production and distribution, and we have been fantastically successful. The larger part of our art, science, religion, and philosophy are devoted to improving, justifying, and glorifying the role of man as a producer and consumer of things, and the economic, social, and political system created around that role.

"Freedom" in our language means primarily being able to select and pursue an economic role and to achieve economic power without constraint. "Opportunity" means access to the paths of material affluence. "Education" is valued largely in terms of the increased lifetime earnings or economic power it will produce. Those activities not directly related to increasing the quantity of material goods produced by the society are labeled by many as "nonproductive." Such "nonproductive" activities may include much of Government as well as those aspects of art, science, religion, and philosophy with only a tenuous relationship to the production of material goods.

In the minds of the conventional majority there is a flavor of parasitism about such activities. And, oddly enough, there is much in common in the attitudes of this conventional majority in both the mature capitalist and Communist societies.

This devotion to materialism as a primary value creates two sets of conflicts which constitute the major threats to the continued existence of mankind today. The first and most imminent threat is the conflict between the super powers over how best to organize systems of material production and distribution; that is, capitalism or communism. The second, which may well supersede the first in importance shortly, is the potential conflict between the affluent super powers and the nonaffluent remainder of mankind, which aspires to at least a minimum of material security, if not affluence.

This devotion to a value system in which materialism, in the broadest sense, is primary, rather than a loving concern for human beings, in the broadest sense, is far more at the root of our discontent, young and old alike, than most of us can conceive.

It might appear from these remarks that I am one of those unrealistic dreamers or ascetics who preaches renunciation of the real material world in favor of a purely spiritual life. Such is not the case. I am convinced, however, that we must consciously set a new order of priorities for our most fundamental human activities. Throughout history there have always been those few who devoted their lives to a different set of goals than other human beings. They explored man's role and function, his relationship to other humans, to the universe and to the unknowable, which some called God. In their exploration, they sought knowledge of the order which pervades the universe. In their search for order they were creative, expressing man's uniqueness, seeking to expand the scope of human consciousness. Long before the current debate on goals and values a great scientist and educator in my own state expressed his view of priorities as follows:

> In the last analysis humanity has but one supreme problem, the problem of kindling the torch of enlightened creative effort, here and there and everywhere, and passing on for the enrichment of the lives of future generations the truth already discovered. (Robert A. Millikan—Science and the New Civilization, 1930).

I am suggesting that we need to establish man and his total creative development as the primary goal of our activity, not man as the producer and consumer of more food, clothing, shelter, and hardware. I am suggesting that the goals of material production and consumption, economic power and political domination be properly subordinated in our scheme of things and that the enhancement of the human mind and spirit, the quest for meaning in existence, the development of the more human qualities of love, humility, and awe, be placed at the forefront of human aspiration. I am asking, in effect, that we set as our primary goal to inspire in all men that sense of seeking after the good which has been throughout history the province of the few who were gifted by providence.

The challenge to create a social, economic and political framework compatible with these goals and values is the most revolutionary force of our times. Today, as a people, we are insecure, neurotic, frightened and confused by the magnitude of our power and affluence, and the failure of that power and affluence to meet our most fundamental needs. We have been told for so long that the measures of personal and national achievement are to be found in our yearly income, our gross national product, and our military destructive capacity that we are at a loss to understand why our massive superiority by all these measurements has failed to bring us happiness or peace of mind.

A society that is in fact dominated by the goal of material acquisition and of maximizing production and consumption, which is obsessed in practice with the idea that this goal is the supreme political value and that our method of achieving it can and should be imposed on other societies by force and destruction, will always be in conflict with itself and the remainder of the world. This will be so regardless of how much it tries to rationalize its course by claiming that it has a different goal which it calls freedom or democracy.

The results of our obsession with the value of technological achievement, material production and power are easily observable throughout our society. Our educational institutions have become factories for turning out the engineers, mathematicians, chemists, physicists and lesser specialists demanded by our system. Educational procedures are modeled to a large extent after the assembly line created by Henry Ford more than a half a century ago. The small subassemblies of knowledge are attached to the student as he moves from class to class and grade to grade. He is inspected periodically and rejected or retrained if he fails to pass the inspection. As EDP has come to the forefront, the student is frequently accompanied by a card which, when interpreted by a machine, indicates the condition of the student for further processing.

The educational factory produces a wide variety of product, from the reject through variously priced models up to the Cadillac, marked by the symbol Ph. D. To a large degree, the educational model produced will determine the niche filled in the bureaucratic power system, which is likewise structured much like the factory assembly line. Small subassemblies of activity, frequently meaningless in themselves, are attached to the human being as he moves through the hierarchy until, if he passes all the inspection and check points, he may end up as the bureaucratic executive, the Cadillac of the bureaucratic system. And the bureaucracy may be corporate, governmental, educational, religious, or what-have you. The differences are increasingly insignificant. The measure of success is always how well he fills his niche, how well he conforms to the demands of the educational or bureaucratic assembly line, not how well he develops as a free man. As our values change so must our institutional bureaucracies and their ways of organizing human efforts.

Most of the liberals among us have lamented the Vietnam war because of the resources and energies it has drained from vital programs required for social progress. They point to the vast unmet needs of our cities—the schools, the hospitals, the homes for the poor, and a myriad other things on our agenda of unfinished business required to achieve the Great Society.

They add up all of the good things that could have been bought with the $100 billion already spent in Vietnam, and they project all manner of wonderful new programs that could be financed with the annual dividend of $25 to $30 billion that should be available when Vietnam is behind us. In their enthusiasm, I am sure that many of them feel that we could be on the verge of the millennium, or, at least, have wiped out all want and deprivation, if we were but to spend those millions of war-released dollars for the proper programs of social welfare over the next few years. Such is the degree to which we have become a product-minded, dollar-measured society.

The fact of the matter is, we are set on a path today in which progress, as we define it, generates fundamental problems faster than the superficial application of dollars by Government can ever hope to solve them, almost regardless of the number of dollars used. It is interesting to compare the social stresses of today with the stresses of 35 years ago when we were as a nation at the bottom of the great depression. I would presume that most observers would say that our problems then were as great or greater than they are today. Yet if discontent with our condition can be measured and compared by its social manifestations, there is little question that today is a time of at least equal discontent.

But if progress is measured by dollars, we should be incomparably happier today than 35 years ago. Then our total gross national product was $55 billion; today it is close to $900 billion—a more than 16-fold increase. Gross national product per capita was then $440; today it is $4,400—a 10-fold increase. Federal budget receipts were $2 billion; today they are close to $200 billion—a 100-fold increase. Federal Government expenditures are today, in fact, almost four times the entire gross national product of that time, and Federal Government expenditures per person are a staggering 27 times what they were then.

By any dollar yardstick, we should be somewhere between 10 and 100 times happier today than 35 years ago, depending upon whether we use our personal share of the gross national product, or the Federal Government's, to measure by. All too obviously these dollar measures fail us today in the task of weighing human happiness. And they will fail us in that fast approaching day, possibly 1990, when we have a gross national product of $2 trillion and a Federal budget of $800 billion, instead of the $200 billion of today.

Perhaps it is not the province of a politician to question the values which in fact govern our collective lives. We relegate these questions to the philosophers or the clergy and caution them not to tamper with the practical world of politics. But here in itself lies one of the great problems of modern culture. Just as our knowledge, science, technology, art and culture have become highly fragmented, so have our social and civic lives, our morality, our power relationships.

Humane and learned men can create hydrogen bombs, CBR warfare agents, military intelligence devices, industrial plants that destroy the environment, consumer goods that shorten or destroy lives, and all manner of similar things with never a twinge of conscience. They do not make the decisions as to how those things will be used. Their hands are clean. The consumer, whether government or private, demands these products. If these humane men do not produce them, some lesser man will.

Today our fragmented, production-consumption-oriented culture sees increasing millions of our citizens crowded into cities where there is no community and no power to create communities. An increasing number of our dollars go toward a futile battle to stem the symptoms of alienation, of rejection of the system which has stripped the individual of his role as a whole human being. In this category are the costs of most crime, riots, welfare, unemployment, mental illness, and a host of other symptoms of failure. These costs show every sign of increasing both absolutely and as a percentage of gross national product as our dollar-measured "progress" continues.

This is true, at least in part because human settlements, as Doxiadis calls them, are no longer "communities" but merely the locale for widely dispersed human activities. A great premium has been placed on mobility and its servant, the automobile. One now sleeps in one locale, works in another, plays in yet another, invests his time and money in another, exercises political power in another. Within limits this can be tolerable, even healthy. Beyond these limits, and we are now well beyond them, we degrade the quality of our society. Our ever-eager industrial system has leaped to help us achieve the mobility we now require, through the unlimited production of mechanical devices, such as automobiles and aircraft. Not only is the process of social disruption hastened by this mobility, but the inevitable, but disregarded, costs of the deleterious side-effects of the mobility are added to our burdens.

We consider the $25 or $30 billion per year we spend on new cars and the $15 or $20 billion on gas, oil, tires, and so forth, as a mark of economic progress. Likewise, the $10 billion or so we spend on highways and parking lots. Similarly the $13 billion paid out by insurance companies on auto accidents. Also the hundreds of millions on smog control devices. Nor do we even subtract from this measure the cost of 50,000 lives lost per year in auto accidents, or the several hundred thousand injured, or the untold numbers sickened by the automobile. Everything adds to the GNP, nothing is subtracted, and we call it all progress.

The fact is that we would save money, lives, and happiness by building communities for people, instead of automobiles. And we would need only half as many automobiles, if that.

The continued concentration of people in urban areas is a fact. These urban areas today are largely unplanned, inefficient in every respect, incapable of control and improvement by their citizens, continually worsening, degrading the lives of increasing numbers. Spending more public dollars to replace old houses with new apartments, or old streets with new freeways, without a framework of ideas as to how a city can be a satisfying and productive place to live will be largely a waste of money. Likewise will the efforts of the affluent to escape the cities' problems by flight to suburban enclaves on the wings of the auto be a waste of their private funds, if they think that they are buying a happier life.

The point that I am trying to make here is that in a fragmented culture, in which we are taught to specialize in every activity of life, with no individual, group or institution responsible for the system as a whole, we may well be creating chaos rather than the good society. The examples of this can be extended indefinitely. The decisions and actions of individuals, voluntary organizations, corporations and many levels of government all make their contribution. All must bear the responsibility for changing the course we are on. The continued growth of GNP or government expenditures, if not serving true human values, will not measure progress but decay. Emphasizing man as primarily a producer and consumer, an economic unit, rather than as a whole man with needs which go far beyond producing and consuming, will ultimately destroy any hope of a contented society.

The one aspect of the American way of life which is most at the root of our current unease of the spirit is this conflict between the values of our production-consumption oriented economic power system and the historic humanistic values inculcated by our religion and philosophy. Mankind has struggled so long to reach this time in which material needs in sufficiency can be provided to an entire people, that we have perhaps forgotten why we struggled. For individuals and for societies, material sufficiency, economic security, enough food, clothing, and shelter were never the ultimate goals. They were the means, the tools, the instruments required so that man could be man and could fulfill his human potential.

Just as man has now for the first time in human history cut the ties that bind him to earth, so he must now cut the ties which have bound him to a life circumscribed and ordered by his material needs. Each man must become free in a sense new to history. Each man must confront the world unafraid to ask the questions that wise men have always asked—who am I? Why am I here? No man will find the answer, but in seeking for them he will be fulfilling his unique destiny as man. Man exists not merely to seek food, clothing and shelter and to procreate himself. Man exists to seek to know the truth—about himself, about society, about the universe, about God. When he forgets this all important fact he finds himself alone and insecure.

I believe that we of the older generation have, during the past 25 years, forced the younger generation into an examination of their world and its values unprecedented in previous generations. I suggest that it is appropriate that we build bridges of understanding to this generation, and techniques of cooperation with them. After all, they will be here when we are gone.

A TRIBUTE TO MARY SWITZER

(Mr. BRADEMAS asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, Miss Mary Switzer, a great lady, has announced her retirement after 48 years of Government service in Washington. Few people have contributed so much to enriching the lives of so many as has Mary Switzer, now retiring as head of the Social and Rehabilitation Service of the Department of Health, Education, and Welfare.

Mr. Speaker, under unanimous consent I share with my colleagues the fine tribute paid to her by Mary Wiegers in the December 18, 1969, Washington Post:

Mary Switzer: Welfare, Work and Wisdom

(By Mary Wiegers)

Since Mary Switzer "came to Washington with the Harding gang," eight Presidents have come and gone.

Through all those administrations, Mary Switzer was making a steady climb from a clerk's post in the U.S. Treasury Department to the job she holds today as head of the U.S. Department of Health, Education and Welfare's Social and Rehabilitation Service.

The SRS is an agency organized in 1967 with Miss Switzer as its first head. It combines welfare and social service programs with a total annual budget exceeding $8 billion, and distributes funds to the needy, disabled, children and the aged. It also makes Miss Switzer the executive with the largest administrative responsibility of any woman in government.

Now at the age of 69, the tough-minded bureaucrat with the Boston accent is retiring. HEW Secretary Robert Finch announced yesterday that he is accepting her resignation "with regret," to be effective in mid-February.

As the announcement was being released the gray-haired, sparkling-eyed Miss Switzer sat at a conference table outside her office and talked about her 48 years of government service.

She reflected on the future of the welfare program, and the landmark decision which merged welfare, rehabilitation and social services and what it could mean.

She recalled highlights from her career, the jobs she didn't get, the ones she did—like becoming the first person to organize a bacteriological and chemical warfare program, and the first to head federal programs for rehabilitation of the disadvantaged.

The beginning, she recalled, was pretty inauspicious. "I came in at the bottom as a junior economist in the division of statistics in the Treasury Department. If there's one thing I have no gift for, it's research." On the day the Graf Zeppelin flew over Washington, she was fired. But the Treasury Department is "paternalistic" and took her back as a mimeograph operator.

That first setback didn't last long. By 1928, Mary Switzer was handling press intelligence for the Secretary of the Treasury. By 1934 she was assistant to the assistant secretary, who supervised the Public Health Service.

In '39, when the Public Health Service was transferred to the Federal Security Agency, forerunner of HEW, Miss Switzer became assistant to the administrator. During the war, she managed the Procurement and Assignment Services for Physicians, Dentists, Sanitary Engineers and Nurses. For her work she received the President's Certificate of Merit, the first of many honors.

She also organized a research program on bacteriological and chemical warfare. "I had to do it because strangely enough in today's light, the Army and Navy wouldn't do it. They thought it was contrary to the Geneva Convention. I've often thought how terrible it was, that I did that though I don't know. I don't see much difference between one weapon and another, though on the scale they're doing it today, it's unnecessary and unreal. Anyway we developed some good medical information valuable to researchers later on, so I suppose some good came out of it."

In 1950, Miss Switzer became head of the federal-state program for the rehabilitation of the disabled. Thirteen years later, she was made commissioner of the vocational rehabilitation administration, when HEW Secretary Anthony Celebrezze thought that rehabilitation ought to be co-equal with welfare. In 1967, Secretary John Gardner sold her on the idea of merging the two areas and she was appointed head.

That merging, she felt, was an important and wise step. What she'd like to see now is a merging of services for the individual on the local level.

"The next five years are years that need the thrust in the field to get much closer interaction of these services in the community." She would like to see the individual get medical needs, welfare assistance, disability training, and so on, all in the same place, and with all the bureaus working together.

"There has to be a willingness to give up sovereignty on everybody's part to give people what they have to have. There must be decentralization of authority to regions. This big government has to have some glue—has to put things together."

The SRS, she believes, is the part of HEW that is concerned about the individual. "It's like a southern mansion with three pillars. There's health on one side, education on the other and us in the middle.

"Health and education deal mainly with institutions. And sometimes the institutionalized structure stops before they ever see a person. SRS reaches down to the individual.

"One of the most exciting exposures—to involvement—was with the National Welfare Rights Organization people. During the Poor People's march, we met with them or their representatives every day for a month.

"The greatest eye opener of that was the difficulty they had getting something done on the local level."

Miss Switzer lives in Alexandria and has made it a point to take part in community affairs there. "It's essential if you have a job like mine, where you are telling people what to do in the communities. It's one thing to tell people what to do, but to do it yourself is to find out how difficult it really is.

"In the Rehabilitation Administration, I had every letter of complaint followed up immediately. Now I've adopted that program in welfare, but I've found the welfare people are not as responsive. I suppose after years in the field they become kind of tough."

On the welfare program, Mary Switzer is a firm believer that "people shouldn't get something for nothing. I think we made the biggest mistake when we saw the welfare load growing, when we didn't emphasize work."

She added that work must be made dignified and meaningful again, as it's not been "in this age of permissiveness.

"I think that one good part about Mr. Nixon's welfare program is that it doesn't put a premium on breaking up homes." In the past she explained, a man didn't work if, for instance, he had a wife and three children, because he could get more money for his family by deserting them and letting them get welfare.

"I don't see anything else that will change the present psychology of not minding dependency, except to make it more attractive to be employed."

Miss Switzer, herself, is going to continue to be employed after her retirement. On Dec. 2, she was elected vice president of the World Rehabilitation Fund, and when she leaves government service in February, she'll set up an office at 1 Dupont Circle for the fund.

She'll also work with the Association of Schools for Allied Health Professions in Washington.

"But if I want to take a day off, I'll be able to. When I feel like cooking my spiced gooseberry preserves and yellow tomato preserves, I can."

Her HEW office is filled with more than 40 awards she has received, among them the Albert Lasker award and the National Civil Service award. Sixteen colleges have given her honorary degrees. She is the first woman to serve on the board of directors of Georgetown University, and the first woman to be appointed trustee of Assumption College.

Miss Switzer was born in Newton, Mass. Her parents came from Ireland. About the one disappointment in her life was that she didn't become assistant director of the mint, a job she badly wanted at the time. "Nellie Tayloe Ross was director then, and she said no. She didn't want another woman around her. When I think of what a dead end that job would have been . . ." said Miss Switzer, her voice trailing off.

HIS BIG GOAL: A TRAVELER'S UTOPIA

(Mr. KLUCZYNSKI asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KLUCZYNSKI. Mr. Speaker, I have requested this time for the purpose of inserting in the RECORD an article from the Washington Daily News of Monday, December 22, 1969, with reference to the Department of Transportation and Secretary John A. Volpe.

The article referred to follows:

TRANSPORTATION SECRETARY SEES DREAM MATERIALIZING—HIS BIG GOAL: A TRAVELER'S UTOPIA

(By Dan Thomasson)

(EDITOR'S NOTE.—Since President Nixon took office last January the 12 members of his official family, the Cabinet, have by now had occasion to test their mettle with Congress and in the fires of national debate. This is another in a series of profile-assessments of how each of these men has fared in his job.)

After almost a year in office, Transportation Secretary John A. Volpe believes he has made significant advances toward solving the increasingly complex problem of getting America's booming population from one place to another.

Toward this end Mr. Volpe the fidgety, volatile son of an Italian immigrant, is devoting all the energy that carried him from a hod carrier to the head of a huge Boston construction firm, to three terms as governor of Massachusetts, and finally to President Nixon's Cabinet.

Mr. Volpe's biggest gains may have been within the Department of Transportation (DOT) itself which, until his arrival there, had made no unified attack on the problem it was set up to handle.

The bureaus and agencies within the loosely knit DOT had jealously protected the modes of transportation with which they were concerned and, at times, seemed to be working at cross purposes with one another.

"A year ago everyone was holding out for his own interests around here," Mr. Volpe said. "The highway people were saying they didn't care about railroads and the railroad people weren't concerned with the highway situation."

HAS AGENCIES THINKING

But, Mr. Volpe feels now he has most of the agencies thinking in terms of what he calls "the total transportation system." He visualizes for the future a harmonious interrelationship of highways, skyways and rails to take the American traveler where he wants to go quickly, economically and with as little stress as possible.

To help realize this traveler's utopia, Mr. Volpe has become one of the most traveled members of the Cabinet—zipping between his desk and transportation gatherings thruout the country.

"You have to sell Congress," he said, "and to sell Congress, you have to sell the country. What transportation always has needed is a good public relations man."

His efforts no doubt contributed to the House's overwhelming passage of a $5 billion, 10-year plan to improve the nation's airports. The Senate also is expected to approve it.

The program would authorize the Federal Government to provide $2.5 billion in grants to local airport authorities for the improvement of runways and general facilities and $2.5 billion to help airports purchase and install safety equipment.

"I called the President, who was traveling to Florida on Air Force One (the Presidential plane) and told him the vote on the bill was 337 to 6 in our favor," Mr. Volpe said. "He couldn't believe it."

Mr. Volpe also believes he has an excellent chance of convincing Congress to give him the $10 billion, 12-year program he says is needed to get started on solving the nation's growing urban mass-transportation dilemma.

Mr. Volpe, who grew up in a Boston ghetto, sees no more pressing problem than providing the physical means for the urban poor to reach the opportunities that will help them break out of the ghetto environment.

"This is a social problem as much as anything," he said. "If a poor boy has a chance for a good job, it's no good if its going to take him more than two hours to get to it and two hours to return.

"Nor does it do any good for a poor mother of a sick child to know of a beautiful health center across town, if she can't get there and back with a reasonable amount of time and effort."

The $10 billion for the urban mass-transportation fund, Mr. Volpe believes, will help encourage the construction of new commuter rail and bus systems and eventually grow into an effort the size of the one that has crisscrossed the country with superhighways.

"A lot of people said in 1956 the $27 billion highway program was too much," he noted. "But that has grown into $60 billion and if you do any cutting, the public raises the devil."

WILL PAY OFF

Mr. Volpe also is trying to convince local governments and private industry to step up their own mass-transit program, arguing they will pay off in the long run.

Part of the problem, he concedes, is the reluctance of the railroads to continue first-rate commuter services as a slight profit or a loss. But he feels the railroads can be encouraged to change their position with the infusion of some Federal aid.

He has called for a task-force report on both long- and short-haul rail passenger service which has been declining for the last 10 years. He openly condemns the railroads for their "leave it to the airlines" attitude.

Mr. Volpe opposes direct operating subsidies to the railroads, preferring instead some form of government corporation which would guarantee the lines funds for capital construction and equipment purchase.

Mr. Volpe also cites as a major first-year accomplishment his department's recommendation that rail safety come under Federal regulation.

The recommendation grew from a task-force study ordered after Mr. Volpe noted that rail accidents had doubled over the past few years and the dangers from freight trains carrying volatile chemicals were growing daily.

Altho the Senate Commerce Committee has sidetracked the DOT proposal, a similar recommendation authored by Sen. Vance Hartke, D-Ind., is expected to be adopted soon by the committee.

HAS HILL SUPPORT

Mr. Volpe also has congressional support for his efforts to improve the air traffic controller situation. The House Appropriations Committee even increased considerably Mr. Volpe's request for money to finance new air traffic personnel.

But, Mr. Volpe concedes his toughest fight with Congress is still to come—over whether the Federal Government should continue to finance research and development of a prototype supersonic transport (SST) for overseas flight.

Altho the House has approved the bill authorizing $96 million to continue development of the SST, the Senate has yet to act and Senate opponents are damning it as a "boondoggle."

"This is the next generation to the 747 (jumbo jet) which was the next generation to the 707," Mr. Volpe argues. "Unless we have a new-generation jet, thousands and thousands of airplane workers are going to be out of jobs."

He also contends the United States would lose both the $406 million it already has put into the plane and its reputation as having the greatest air industry in the world.

WON'T RETURN

With this battle still to fight, Mr. Volpe says he has no immediate intention of returning to politics, despite pressures on him to run against Sen. Edward M. Kennedy, D-Mass., in next year's congressional elections.

Most political observers believe Mr. Volpe is the only Republican who would have a chance of dumping Sen. Kennedy.

"The opportunities for service in this area (transportation) are tremendous," he says. "I want to stick with it awhile."

NOTE: Come January, Mr. Volpe will be overseeing DOT from quarters atop a gleaming new building, owned by a fellow Bostonian, David Nassif, and built by the construction firm that bears Mr. Volpe's name but in which he no longer owns an interest.

THE SOUTHERN RAILWAY

(Mr. RIVERS asked and was given permission to extend his remarks at this point in the RECORD and to include an article on the oldest railroad in the United States, the Southern Railroad, which ran from Charleston to Augusta, Ga.)

Mr. RIVERS. Mr. Speaker, I want to bring to the attention of the Members of the House an article recently published about the Southern Railway.

In a legal sense, Southern is celebrating its 75th anniversary, but in actuality it is the oldest railway in the United States, dating from December 25, 1830, when the South Carolina Canal & Railroad Co. of Charleston, S.C., inaugurated the first scheduled train service pulled by a steam locomotive on this continent.

A tremendous amount of credit for the recent success of the Southern Railway, which is outlined in this article, goes to its dynamic president, W. Graham Claytor, Jr.

One of the outstanding administrators in America, Mr. Claytor has brought Southern to a position of No. 7 among the rail-oriented transportation systems in the country. At a time when other major railroads are having problems and other railroads' leaders are picturing their industry as in serious trouble, Claytor has brought Southern through another outstanding year with net income up 17 percent.

Among his many administrative innovations is the fact that it was the first American industry of any type to utilize large-scale data processing computers.

This article is an inspiring American business story that all Members will want to read:

[From the Washington Post, Dec. 21, 1969]

THE SOUTHERN RAILWAY—AFTER 75 YEARS IT IS ONE OF THE WORLD'S MOST EFFICIENT RAIL SYSTEMS, OPTIMISTIC ABOUT THE FUTURE AND SUCCESSFUL WHERE OTHERS FAILED

(By William H. Jones)

Dec. 25, 1830, was both Christmas and an historic day for railroading on the North American continent.

In Charleston, S.C., the South Carolina Canal & Railroad company inaugurated the first scheduled train service pulled by a steam locomotive on the continent. Moreover, the engine, dubbed the Best Friend of Charleston, was the first locomotive built in the United States for regular railroad service.

Recognizing the importance of the event, officials placed a U.S. Army gun on a flat car behind the engine, and the gun was fired in salute "at proper intervals," drowning out the cheers of the passengers.

The regular service started that day was also the beginning of the family tree of what today is regarded by shippers, passengers, competing railroad executives and investors alike as one of the most efficient railroads in the world—the Southern Railway System.

Armed with their proud history and surrounded by paintings of former presidents in the paneled halls and rooms of the railroad's headquarters here in the Southern building, at 15th and K Streets NW—the engineer-designer of the *Best Friend*, Horatio Allen, is the only non-chief executive officer honored with a gilt-framed painting—railroad officials have something of a problem explaining just why Southern this year is celebrating its 75th anniversary.

Legally, they explain, the present corporation dates to an act of the Virginia Assembly in 1894 authorizing purchasers of the Richmond and Danville Railroad to organize a new company, with the goal of consolidating an extensive system of small and longer lines put together in the years following the Civil War.

SUCCESSFUL, OPTIMISTIC

Southern was successful where other companies had failed. In the years since, Southern has never defaulted on a financial obligation, and it has grown to become the nation's seventh largest rail-oriented transportation company. In 1968, Southern had operating revenues of $517.6 million and assets of $1.4 billion.

Moreover, at a time when many captains of the American railroad industry are calling for crying towels—and in some cases practically throwing in the towel—Southern president W. Graham Claytor Jr., is optimistic both about his own system's future and railroads in general.

For the first nine months of this year, Southern net income was up 17 per cent to $33.45 million ($4.59 a share) from $28.6 million ($3.95 a share) in 1968. And, for the second December in a row, Southern declared an extra dividend of 20 cents a share this month, on top of the regular quarterly 70-cent dividend. The 1968 dividend was the first such extra payment since February, 1956. (Southern contrasts sharply with the Penn Central and Northwest Industries, holding company of the Chicago & North Western, both of which omitted dividends for the fourth quarter.)

SOUTHERN DEVELOPMENT

"All major roads in the South are doing well," Claytor noted in an interview here, and he sees nothing but growth in the next decade. A key to this growth is the general economic boom in the Southern states, in turn helped by the generally modern rail transportation network.

Paper manufacturing, textiles, furniture and iron and steel are cited as major growth industries in future years, and new plants are bing developed adjacent to the rail lines of Southern, the Seaboard Coast Line, the Frisco and the Louisville and Nashville railroads.

Claytor insists, however, that future railroad success is not confined to the Southern and its main competitors. A few rail systems with major difficulties—particularly in the Northeast—have convinced many people (Claytor calls them "prophets of gloom") that the industry is in serious trouble.

Claytor thinks the railroads' problems have been exaggerated as he made clear in a speech last month:

"In spite of our admitted problems," he told the Richmond Traffic Club, "in spite of strong competition from other modes, and in spite of all the pot shots being taken at us from various governmental and financial quarters, the railroads of this country are on the move, are working together as they never have before, to solve their common problems and not merely complain about them, and that as a result the railroads are going to be a greater not a lesser factor in transportation in the great decade of the 1970's."

Claytor also points out that 9 per cent of the nation's Gross National Product is now represented by the cost of moving freight and says the rail share should increase. Analysts predict that in 1969 the railways held their own at 43 to 44 per cent of the nation's transportation dollar, down from 65 per cent in 1947 but up slightly from the modern-day low of 42.5 per cent in 1967.

At the same time, the railroads are near the bottom of industrial profitability scales. In 1969, experts believe the U.S. rails' rate of return—the ratio of net income to the investments in property used in transportation services—will fall below 2.5 per cent.

A major exception is the Southern, with a rate of return more than twice the national average. In 1968, when the national average was 2.6 per cent, Southern's was 5.6 per cent, and it may be slightly higher this year.

Such figures are not very satisfactory, Claytor noted, when compared to other regulated industries. American Telephone & Telegraph Co., with a virtual monopoly situation in telephone service, was recently permitted by the Federal Communications Commission to exceed the agency's limit of a 7.5 per cent rate of return.

RAILS OVER-REGULATED

"But the railroads are in the sad position of having prices controlled by competitors (trucking, barges) and fixed by regulators," Claytor said. "We are substantially over-regulated," he continued.

The only way to solve the problem, according to the Southern executive, is to change "ridiculous" national policy prohibiting establishment of transportation companies that could offer varied services.

"Largely as the result of historical accident," he said in the Richmond speech, "present law forbids common ownership of railroads and any other mode of transportation. This in turn builds in unnecessary inefficiency and needless costs for all modes. Railroads are performing transportation services today," Claytor said more recently. "People want a service—transportation—and they don't care how you do it."

"It doesn't make economic sense that could more cheaply and efficiently be performed by trucks, and vice versa . . ."

As a first step, he advocates permission for mergers among all surface transportation industries regulated by the Interstate Commerce Commission—trucking, buses, railroads and barge shipping. Later changes could permit entry into air transportation and ocean shipping, he said.

"If a transportation company could sell just that—transportation—and then perform it by whatever mode or combination of modes produced the required service at the cheapest cost, everyone would be ahead," Claytor stated. "Competition would remain, but it would be more effective competition between true transportation companies."

On other subjects in the interview, Claytor had these comments:

Rail passenger service is necessary in high density corridors and must be maintained. Elsewhere, unprofitable trains should either be discontinued or subsidized at a "fair" compensation.

The Southern has made "great strides" in racial integration, and is engaged in local programs to train hardcore unemployed.

The railroad safety measure passed by the Senate late Friday night is "perfectly terrible," because it doesn't provide uniform national controls but instead permits the states to set stiffer regulation and to enforce the federal standards.

Economic activity should level off for the first half of 1970 but increase in the last six months, with business on the whole "about the same" as 1969, and with the rate of growth in Southern's freight traffic slowed somewhat.

Railroads have to spend enormous amounts of capital, despite record interest rates, "just to stay even, and I don't propose to fall behind."

SOUTHERN A PIONEER

Southern and its predecessors have been pioneers since the early days of American railroading. Among more recent innovations of the 10,400-mile Southern system:

It bought the first road-freight diesel locomotive built in the U.S.

It was the first U.S. line 100 percent dieselized.

It first applied the shuttle-train concept to coal.

It was the first American industry of any type to utilize a large-scale data processing computer. Southern spent $10 million in 1969 on new third generation computers for its Atlanta communications and traffic center.

Southern has invested $156 million, or $1.5 million a week, over the past two years in new equipment, bringing its fleet to nearly 72,000 freight units.

INCO AND AIR POLLUTION CONTROL

(Mr. HECHLER of West Virginia asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, there follows the text of a press statement dated December 12, 1969, which describes the air pollution control measures initiated by Huntington Alloy Products Division, the International Nickel Co., Inc. I wish to thank Mr. Robert Hinerman of Huntington, W. Va., for making this release available to me:

HUNTINGTON, W. VA.—A new 30-ton electric arc furnace, whose modern design permitted the planned addition of efficient pollution control equipment, has been ordered by Huntington Alloy Products Division, The International Nickel Company, Inc., it was announced by J. E. Carter, Executive Vice President.

Fume and dust collecting equipment to be installed with the new furnace represents an expenditure of $865,000 out of the $2.2 million total cost of the project. It consists of high efficiency "baghouse" collectors which were recommended by the West Virginia Air Pollution Control Commission to control this metallic process source.

Scheduled for installation at the Huntington plant during the second half of 1970, the new furnace replaces two older-type, 15-ton furnaces.

"The older furnaces were installed before 1935 and have served us well," Mr. Carter said, "but they are simply not designed to be compatible with the more efficient type of pollution control equipment. The decision to replace them at this time is a response to the recommendations for pollution control issued on March 14 of this year by the Federal Abatement Conference on Interstate Air Pollution. It also reflects the high priority given to environmental control at the Division and throughout the International Nickel Company."

The Federal Abatement Conference on Interstate Air Pollution in the Ironton-Ashland-Huntington area was called by the Secretary of Health, Education, and Welfare. This conference, which was held in Ironton, Ohio for the Ironton-Ashland-Huntington area, was a conference between the States of West Virginia, Ohio, Kentucky, and the Federal Government. It was related to air pollution originating in each of the three states. As a result of the conference, recommendations for pollution control in the area were developed by the involved states and the Federal Government and were issued by the Secretary of Health, Education, and Welfare.

The Huntington Division's new pollution control equipment complements the modern dust collection system included as a part of another electric arc melting facility installed four years ago at the Huntington plant. When the new melting facility is completed, it will mean that all electric arc melting at the Huntington Division will be done in conjunction with modern, efficient fume and dust collection equipment to minimize particulate emission.

THE PROBLEMS OF PESTICIDES

(Mr. MILLER of Ohio asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILLER of Ohio. Mr. Speaker, the problems of persistent pesticides contaminating the land and waterways are of deep concern to those of us interested in a wholesome and healthy environment. We are faced with a serious conflict between the benefits to be derived from the continued use of pesticides and the damage done by their residual effects.

This conflict is discussed in a recent article from the October 20, 1969, issue of U.S. News & World Report and the specific problem of DDT is examined in a recent statement by Secretary of Health, Education, and Welfare, Robert H. Finch.

I offer these documents for inclusion in the RECORD at this point:

STATEMENT OF ROBERT H. FINCH

This April I announced the creation of an HEW Commission on Pesticides. Dr. Emil Mrak, former Chancellor of the University of California at Davis and an internationally recognized food scientist, accepted the position of Commission Chairman. He put together a distinguished committee of experts from a wide selection of disciplines and immediately set to work. The Commission had the full support of a backup team of staff experts from HEW agencies, and from the Departments of Agriculture and Interior. You have a list of the Commission members. At this time I wish to express my gratitude for their devotion and dedication.

In the course of their review, they examined scientific reports on over 600 active pesticidal chemicals which are in use in this country and which are formulated in more than 60,000 ways.

Commission members were charged to bring back specific recommendations for action and they did. Several weeks of editing and printing time remain before the full Commission Report can be published.

I have chosen at this time to release the specific recommendations made by the Commission and to discuss the action we are taking and which we propose to take.

The Commission's first recommendation was that a new interagency agreement be written between this department and the departments of Agriculture and Interior to tighten control of registration and develop cooperative approaches to the control of health hazards and environmental pollution. As it now stands the legal authority to register pesticides is vested in the Secretary of Agriculture, but we are working toward a new agreement that would preclude the registration of any pesticide on which either the Secretary of HEW or of the Interior is not fully satisfied. I have discussed this matter with Secretary Hardin and with Secretary Hickel and I feel that a cooperative agreement ensuring full consideration and attention to the health and environmental impact of pesticides will be accomplished without asking for new legislation. As a step in this direction, I will refer the Commission's Report to the Environmental Quality Council. I have had discussions on this with Dr. Lee DuBridge, and he assures me it will be on the agenda at the group's next meeting on November 20.

The Commission members did not hesitate to take a candid look at this department and their second recommendation to us was to strengthen our departmental coordination. The plain fact is that the responsibility for activities relating to the health hazards of pesticides has been widely scattered throughout HEW. Efforts to draw HEW pesticide functions together have been underway, and I have directed Assistant Secretary Roger O. Egeberg to review HEW research and regulatory programs for pesticides to be sure that we have a consolidated and unified effort.

We come now to the specific chemical that stimulated us to call the Commission together initially. The finding of excessive concentrations of DDT in coho salmon caused us to launch this study into the use of pesticides, their effect upon food safety, and the adequacy of our knowledge of their effects upon human health.

While DDT certainly has saved many lives in many countries, nevertheless it is the conclusion of the Commission that the use of DDT and DDD be restricted within 2 years to those uses *essential* to the preservation of human health or welfare and approved unanimously by the Secretaries of HEW, Agriculture, and Interior.

It should be emphasized, nonetheless, that despite the restrictions we will set on its usage, unavoidable residues of DDT will continue to be found in the ecological chain for a period of years. We will have to set up reasonable methods to make use of our food supply without undue hazard to human health, but in full recognition of the DDT it may already contain.

One of the basic research problems that the Commission has brought to our attention is that both industry and public agencies tend to focus research attention on the new and experimental. Industry does this because its efforts must be geared to proving the safety of a pesticide so that it can be placed on the market. Government research tends this way because it must be prepared to exercise judgment as to the safety of the newly offered products.

However, it is a recommendation of the Commission that more research be directed toward gaining a further understanding of the ecological dynamics and public health implications of DDT even though we will be using much less of it. As the persistent pesticide most widely distributed in the environment it is worthy of our continued study.

There are several other pesticides and families of compounds that are persistent and that can cause environmental contamination. The Commission has specifically pointed them out and suggested restricted usage, in the fourth recommendation. Registration of labels and clearances for usage of all of those pesticides, including DDT, are responsibilities of the Secretary of Agriculture. I have discussed the Commission Report with Secretary Hardin and will make every effort to implement these recommendations.

Inherent in all of these decisions is the extremely difficult problem of measuring hazards to human health. The whole matter of transferring results of animal experiments to prediction of human effects still relies heavily on the intuitive judgment of skilled observers. We do feel that prudent steps must be taken to minimize human exposure to chemicals that demonstrate undesirable responses in the laboratory at any level. There should be continuing review and adjustment of pesticide residue tolerances.

We must protect the health and welfare of the public. That is the basic charge of this Department. But it is not in the best interest of the public to permit unduly precipitate or restrictive action based only on anxiety. The indiscriminate setting of zero tolerances for widely distributed pesticides could have a disastrous effect upon our national supply of essential foods.

This has been stated by the Commission, which further suggests that pesticide tolerances might be measured against graded standards that take into consideration both the need for public health protection and the need for producing an adequate and wholesome food supply. Existing law requires us to take both factors into account in establishing pesticide tolerances.

This recommendation appears to be the most realistic basis for a sound and sensible policy to be followed by this department in meeting its public health responsibilities. We are instructing the affected agencies in HEW to study this recommendation and advise me as to appropriate implementation. We will also announce soon the makeup of a Pesticide Advisory Committee to assist our staff. This group, as was the Commission, will be drawn from professional, industrial and academic specialists in related fields. Judging from the work of the Commission, it should be of great assistance to us in identifying gaps in research that need to be closed, and in evaluating the complex risks and benefits that must be considered in establishing tolerances and standards for pesticide usage.

To enable us to proceed with this policy of reevaluation it is important that we interpret the Delaney Amendment to the Federal Food, Drug, and Cosmetic Act specifically as it was enacted. This amendment requires the removal from interstate commerce of any food additive shown to be capable of inducing cancer when fed to experimental animals. The Delaney Amendment was conceived in high purpose and has served a useful function. The Department's General Counsel has pointed out that the Delaney Amendment does not apply to pesticide chemical residues in raw agricultural commodities or in foods processed from lawful crops. Nor does it apply to the unavoidable environmental contamination of foods.

The unbelievably sophisticated and sensitive measuring devices now in the skilled hands of our laboratory technicians can measure one twentieth part of one unit in a billion. Measurement techniques have improved 1,000 fold since the Delaney Amendment was enacted eleven years ago. If the Delaney Amendment, as it is now written, were to be strictly enforced for pesticide residues it would convert us to a nation of vegetarians. Much of our red meat, many dairy products, some eggs, fowl and fish—all parts of basic food groups deemed necessary to a balanced diet—would be outlawed because of very small pesticide residues from the ecological chain.

The Commission has made a number of somewhat technical recommendations having to do with the pooling of our information, the development of pesticide protection teams and increasing support for research into pesticides and their relationship to human health and the environment. They have drawn attention to vast gaps in our basic knowledge. We must establish priorities for this research and mobilize the scientific talents of the Nation to fill in this needed information.

We especially need support for programs to better evaluate the benefits of specific pesticides and their relation to alternative methods of pest control. We need to develop less hazardous pest control techniques that are highly specific and leave minimum of persistent chemicals in the environment. There is inherent a basic need for an improved understanding of the relationship of man to his environment, and a very real need to improve our techniques for predicting the effects of chemicals on man himself.

We can feed inbred laboratory rats doses of chemical many times the usual human exposure and some of the animals may develop tumors. We cannot translate this information to man with certainty, therefore, we must continue to improve our animal predicting systems, so that they will have more and more relevance to man.

The Commission has suggested that we sharpen our legislative and administrative policies concerning labeling and advertising practices, the granting of experimental labels, and on the very important and to often neglected matter of the safe handling and disposal of pesticides. They also suggest the monitoring and control of effluents from plants manufacturing, formulating or using pesticides. They have specifically suggested that the current Model Pesticides Law that we suggest to states and local communities be expanded to properly cover the disposal of surplus pesticides and used containers. We will be drafting administrative changes and model legislation to conform to these very practical suggestions. This will be done in consultation with the Council of State Governments. And we will make a greater effort to obtain state and local adoption of the model law.

Our responsibility is to the American people, but the problem of environmental pesticide pollution is global. It requires international cooperation to solve problems of these dimensions. Canada, Great Britain, Sweden and many other nations have shown an awareness of the hazards to man's environment and are fellow workers in this field. We have cooperated in the training of technical personnel from other countries, and we must increase our participation in international cooperative efforts to abate contamination.

In this discussion of administrative and legislative proposals we may forget that it is not your government that manufactures and markets pesticides. It is private industry. The chemical firms that manufacture and formulate pesticides carry the burden of proving their safety and efficacy before any such chemical can be marketed. The Commission found in its study that 55% of the funds spent nationally for agricultural research is spent by private industry. It further estimates that there is an investment of around $6 million in research and development before a new pesticide reaches the market.

It is right that we ask industry to provide us with pesticides that are highly specific in their action, targeted to do only one job with a minimum of persistence in the environment and few, if any, side effects on non-target species. But when we do this we are also asking industry to look at a smaller market, and a larger cost.

There is still little doubt that our actions will discourage investments in this field unless we provide some incentives for this very important job. We will be meeting with industry leaders, to consider a wide-range of suggestions. It is important that all of us who are involved, government and industry alike, work together toward solving the essential problems of our environment and we intend to pursue the matter of industry cooperation vigorously.

In conclusion, you may well ask "Where are we now? How much do we know about pesticides? How much do we know about their effect on man and his environment?"

I can tell you that with the report of this Commission we have made a sound beginning. The Commission's study shows that we, as a nation, have a tremendous need for ecological research on a large scale. We have an understanding of the methods of evaluating safety and establishing safety standards from certain types of injuries, but we need to learn more about the basic metabolic processes of the human animal.

We have to know more about the effects of the chemicals we use. We welcome the cooperation of industry in the search for alternatives to some of the pesticides we now employ.

Overall, pesticides have been of great benefit to mankind through controlling diseases and by increasing his food supply. It is essential that their intelligent use not be accompanied by unintentioned hazards to man or to his wholesome environment. Continued research and continued evaluation of man's ecology can provide us the necessary guidance.

[From U.S. News & World Report,
Oct. 20, 1969]

PESTICIDES: PRO AND CON

Across America, there is rising concern that man is befouling his environment. Much of this worry centers on widespread use of chemical insecticides—particularly DDT and other "persistent" pesticides.

These chemicals, say critics, have contaminated rivers, lakes and oceans, and they pose a danger to man.

DDT has been banned indefinitely in Michigan. Arizona has barred its use for a year. New York and Minnesota have restricted pesticide use, and other States are considering similar action. The U.S. Department of Agriculture has limited use of DDT and other similar pesticides in some Government spray programs.

Yet, despite these official actions and rising protests, respected scientists are urging continued use of DDT and other pesticides.

Without them, say these scientists, food production and human health would suffer greatly.

From authoritative sources, you get both sides of an important and growing debate.

THE CASE AGAINST CONTINUED USE OF PERSISENT PESTICIDES

Those who would ban the use of DDT and similar pesticides admit that there is as yet no hard evidence that these chemicals, properly used, will cause death or serious injury to humans.

These critics do say, however, that there is enough evidence of death and sickness among lower animals related to widespread use of such pesticides to warrant a complete bar to their use.

DDT and its chemical relatives are nerve poisons. In lethal doses they bring on violent convulsions, followed by death from heart or lung failure.

DDT is a chlorinated hydrocarbon. In this same chemical family are such pesticides as lindane, dieldrin, aldrin, heptachlor and several others widely used. All are persistent chemicals. This means that when sprayed on crops to kill insects, or into swamps to kill mosquitoes, they do not break down readily into less potent forms.

These persistent chemicals have been carried down rivers and streams into the lakes and oceans of the world. DDT, the most widely used pesticide, has been found in the fatty tissues of birds and fish in the Arctic and Antarctic.

The average human being, scientists say, now carries 10 to 20 parts per million of DDT in his body. The chemical is transmitted to babies through mothers' milk. It has been shown to kill fish and birds and to cause cancer in laboratory animals.

Dr. James T. Grace, director of the Roswell Park Memorial Institute in Buffalo, recently told the Environmental Health Subcommittee of the New York State legislature that tests show "clearly" that chlorinated hydrocarbons can cause tumors in mice. Said Dr. Grace: "If we find these chemicals create problems in lower forms, then we must be extremely careful how we gamble on their use in our environment."

At hearings in Wisconsin, Dr. Richard W. Welch, a pharmacologist, reported that laboratory experiments showed that DDT will produce changes in sexual activity of both male and female rats. He suggested that this change "probably does occur in humans."

Dr. Goran Lofroth, a Swedish toxicologist, has warned that breast-fed infants throughout the world are ingesting twice the amount of DDT said by the World Health Organization to be safe.

Another finding, reported by Dr. William B. Deichmann of the University of Miami school of medicine: Persons afflicted with liver cancer, leukemia, high blood pressure and carcinoma had at death two to three times the residues of DDT and related pesticides stored in their body tissues as did persons who died accidental deaths.

Senator Gaylord Nelson (Dem.), of Wisconsin, one of several Congressmen demanding that use of DDT and similar pesticides be barred in the U.S., cited a study by the U.S. Bureau of Sport Fisheries and Wildlife. This research found DDT in 584 of 590 samples of fish taken from 45 U.S. rivers and lakes.

In June, 60 marine scientists formally petitioned California Governor Ronald Reagan to place an absolute ban on DDT in his State. They expressed fear of "wholesale damage to important world fisheries" and "loss of whole categories of animals" important to man. These scientists said:

"DDT is no longer an essential weapon in the battle for human health and food. It is less effective than it once was, for nearly 150 species of insect pests have developed resistance to it, and many other pesticides which are less destructive to man's environment are now available to take its place."

In May of this year, the National Research Council's Committee on Persistent Pesticides reported, after an 18-month study for the U.S. Department of Agriculture: ". . . There is an immediate need for worldwide attention to the problem of build-up of persistent pesticides in the total environment."

To some scientists, the problem is that DDT and other persistent chemicals in the modern environment may combine, with each other and with other factors, to upset human well-being. In this view, the fact that residual amounts of any one chemical are tiny, when measured, does not lessen their potential for harm to humanity over the long range.

THE CASE FOR CONTINUED USE OF PERSISTENT PESTICIDES

Opposing a ban on the use of DDT and similar pesticides are many top scientists in the U.S. and other countries. They say that, on balance, the report of the Committee on Persistent Pesticides supports their position. Cited are such statements as the following from that committee's report:

"Through use of these chemicals, spectacular control of diseases caused by insect-borne pathogens has been achieved, and agricultural productivity has been increased to an unprecedented level. No adequate alternative for the use of pesticides for either of these purposes is expected in the foreseeable future."

In July, Dr. M. G. Candau of Brazil, Director General of the World Health Organization, told the group's assembly in Boston: "The record of the safety of DDT to man has been outstanding during the last 20 years, and its low cost makes it irreplaceable in public health at the present time."

Samuel Rotrosen, president of Montrose Chemical Corporation, the largest U.S. manufacturer of DDT, cites these figures as evidence of the chemical's effectiveness against the malaria-carrying mosquito:

"In India, for example, before DDT there were 100 million cases of malaria, with 750,000 dying each year. Today, there are only 15,000 cases, with 1,500 dying a year."

The World Health Organization, which is a United Nations agency, estimates that DDT saved 5 million lives and prevented 100 million illnesses in the first eight years of its employment.

"I think it is safe," says Dr. Wayland Hayes, former chief toxicologist of the National Communicable Disease Center in Atlanta. "Volunteers were fed doses 200 times what you and I get every day for 12 months, and they showed no ill effects."

A report of the American Chemical Society in September stated that "despite the vast increase in the availability and use of pesticides, the incidence of fatal poisoning in the U.S. has held virtually constant at 1 per 1 million population over a 25-year period."

Workers engaged in manufacture of persistent pesticides, say industry experts, carry many times the normal burden of these chemicals in their body tissues, yet suffer no ill effects.

Scientists who have studied effects of DDT on humans say that once a certain amount of the chemical accumulates in the body, added amounts are thrown off.

The 1966 "Yearbook of Agriculture," published by the U.S. Department of Agriculture, stated:

"Without insecticides, production of livestock would soon drop about 25 percent. Food prices might then go up as much as 50 to 75 percent, and the food still would not be of good quality."

At a recent symposium on the use of pesticides, Dr. Donald G. Crosby, toxicologist at the University of California, said:

"We're not talking about a cockroach in a bedroom. We're talking about insects that devour up to 80,000 tons per day—capable of stripping bare an area of the size of Rhode Island. . . . We should accept the self-interest of our species."

Actually, production of DDT in the U.S. is down by about 20 percent since 1960. The U.S. Department of Agriculture, where officials deem it feasible, is substituting other pesticides in Government spray programs and urging private users to do likewise.

Other means are being sought to control pests—for example, parasites and predators that will kill harmful insects. There is promise, too, in new strains of crops that resist insects and plant diseases.

The big debate over persistent pesticides, in broad terms, comes down to this:

Those who would outlaw these chemicals see their accumulation in the environment as a time bomb that will explode at some future date with disastrous effects to mankind.

Those who urge continued use of the persistent pesticides say that these chemicals have enhanced the world's health and food supply with virtually no evidence of harm to mankind.

TAKE PRIDE IN AMERICA

(Mr. MILLER of Ohio asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. MILLER of Ohio. Mr. Speaker, in 1967, there were 78 million television sets in use in the United States, more than four times the number in any other country.

DEVELOPING SENIOR POWER

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, I believe our colleagues would be interested in a very informative and eloquent address on "Developing Senior Power" given by my friend, the able James Cuff O'Brien at the National Council on the Aging, Inc., Office of Economic Opportunity's Mid-Atlantic Conference in Pittsburgh, Pa., on November 20, 1969.

Mr. O'Brien has long been identified for his great and good work in behalf of our senior citizens and his dedication to solving the problems of the aging is outstanding and highly commendable.

I was most impressed with Mr. O'Brien's speech and include it in the Record immediately following my remarks:

Thank you for the invitation to speak to you here in Pittsburgh. The theme of your conference today is developing senior power. As a stated theme for a conference sponsored by a professional organization in the field of aging, let me say that this conference is long overdue. I guess that it means that we are moving beyond our professional hang-ups on "technique" and "methodology" and "structure" into the ultimate technique of social interaction—power. Ten years ago when professionals in the field of aging met in the first White House Conference on Aging, any of us in attendance might have been looked at as mad, had we used the phrase "Senior Power" . . . as mad and as dangerous as were considered the first users of the phrase "Black Power" or "Brown Power". But now even Presidents can say "Black Power" and I hope the day is coming when millions of older persons *and* Presidents can use the term "Senior Power" in the sense of a fact, not a hope.

Because we really do not have, as yet, an operational reality of "Senior Power" . . . it is still a hope . . . a hope that demands theory and planning and commitment.

And, for the occasion of this meeting, I would like to point out some impediments to the realization of that hope and some thoughts on how we might be able to achieve that hope.

Just to summarize at the start, let me list some of the impediments to the achievement of "Senior Power".

First, the professionals—including community action agency staffs, senior center staffs, welfare personnel;

Secondly, older persons themselves . . . older persons who have long given up the hope of exercising authority and power;

Thirdly, the design of Federal and community programs which tend to exclude the elderly from the exercise of responsibility;

Fourthly—erroneous generalizations about the capacity and power of the elderly to function as a power group in society . . . the folk myth that says that the elderly cannot be or *will not be* human participants in social and political life.

In preparation for this meeting, I had the occasion to read a number of recent papers dealing with current thoughts in the field of aging. These papers included questions of housing, poverty, health, urban stress, the financing of social services for the elderly and the like. One message (or concept, if you will) continually came through . . . "Don't stereotype the aging" . . . etc.

Of course, I agree with this concept. Any specialist is aware of the dangers of generalizations in any field of work or study. But sometimes the fight against shallow typing of old people leads to other generalizations which are equally dangerous. For example, in an otherwise useful paper prepared for use by cities in the Federal Model Cities Program, Professor James E. Birren of the University of Southern California says the following:

"It is questionable whether the aged either regard themselves as or behave like a minority group. The circumstances of their being poor and their area of residence in the city do not in themselves lead older people to affiliate with others of the same age across ethnic, religious, and occupational groupings. It seems unlikely that any massive program to better the position of the aged in the city would have favorable effects if it were based upon the idea that the aged are or should be a single, self-contained group. The urban environment of the near future should recognize the wide range of individual differences in interests, education, energy level, health, religion, and customs. Rather than a single pattern, the many ethnic backgrounds and needs require a pluralistic approach to the living arrangements of the aged in urban areas."

As I read this, in the context of the dynamics of political and social life in America's communities today, I hear a generalization . . . a gentle and a goodwilled soft-pedaling of the idea that older persons need to, *in fact*, "affiliate . . . across ethnic, religious and occupational grouping" to gain the things that older persons want and need. In short, the social and political role of older persons as an interest and group power is constantly being downgraded by *professionals* in the field on the mistaken notion that a recognition of such a role will lead to a stereotyping and a further segregation of older persons in the community. I think that this is a serious error with serious consequences for the Nation's and this region's older persons.

THE FEDERAL PROGRAMS

As I am sure most of you know, in the last six to eight years there have been a great number of new, federally financed program efforts to deal with the problems of the Nation. We have seen medicare and medicaid quickly develop into major fiscal and social commitments; the economic opportunity act and the model cities program represent major new programs at the community level; the older American act, itself, is attempting a massive reordering of national priorities to benefit the aging; the numerous manpower programs sponsored by the Department of Labor are restructuring vocational education in the market place; Federal aid to higher, middle and lower education is now a major factor in American educational financing.

All of these programs, in one way or another, affect the aging . . . or should affect and benefit the aging. But are they?

Medicare obviously is serving the needs of older persons . . . but is it serving the needs of all older persons? There seems to be some question as to the degree of benefit of medicare to some older persons . . . namely the poor. We are not at all sure that the program is making as significant an impact among the poor user as it clearly is on the middle class and more wealthy older person.

Let's look at OEO. By their own statistics, at least 30 to 35 percent of all the poor can be classified as "older," that is, 55 or older. If we count in the dependents of the older poor, *nearly half of the poverty in the country is directly related to factors of aging*. Dr. Hal Sheppard, in a study conducted for the Senate Sub-Committee on Manpower and Poverty in 1967, showed that since 1960 only two identifiable groups were *growing* in poverty in both absolute and relative terms . . . large families headed by a female and . . . the elderly. Yet, what does OEO allocate to the needs of this large group of the poor? By the most generous estimates of the agency itself, not more than 4% of its budget.

While it is too early to evaluate the impact of the Model Cities program, one thing is clear. HUD does not as yet see the needs of the elderly in the 150 model cities as even meriting one full-time staff person to develop programs and policy. The guidelines and program development material hardly mention the fact of the special needs of the elderly in housing, jobs, health, recreation, transportation, etc. And at the local community level, there is little recognition of these special needs. At the same time, in city after city, in the elections for community boards to guide the model city program, special slates of *youth* representatives are being elected to serve *their* special needs.

In the federal manpower program the same lack of equity is taking place. Even though in some communities the long term unemployment problem is not a younger worker problem but rather the problem of persons above the age of 45, less than 5% of federal manpower dollars serve persons above the age of 45 and infinitesimal amounts for persons above the age of 60. This in the face of that 60% of the long-term unemployed are 45 and over.

In the general area of housing and urban renewal, federal law and regulations now require community boards to help design and plan such housing. None of these laws require special representation of the elderly.

Now, is any of this of any real importance to the elderly? Should they really care about the poverty program with all of its mistakes and inefficiencies? Should they really care, at age 60, about retraining for new employment? Do they want to jockey for community power in the model cities program? Do they really want to wrangle with their fellow citizens over allocations of public housing and urban renewal relocation payment formulas? Should the bulk of the aging, now receiving vastly improved medical services through medicare and medicaid really have to worry about the distribution of such services to all of the aging . . . rich and poor?

To restate the question . . . are not the aging being asked for too much, to have to shoulder these burdens on their own behalf? Should not the Senate Committee on Aging, the Administration on Aging, the Pittsburgh Senior Center Director and Staff, the National Officers of the NCSC and NCOA, the Mayors and the Catholic charities staff and the rest of us "Specialists" really worry about these issues? Is "Senior Power" really relevant?

But can *we?* Where were we when OEO put a third of a billion dollars into Headstart, a fine program to be sure, and less than $10,000,000 into the foster grandparent program? Where were we when the building of 3 miles of interstate highways represents the budget of AOA for a year? What have we done, *effectively*, to reallocate employment services for older workers on a par with teenagers? What can we really do about the direction of the Model Cities Program as it appears to ineluctably drift into a youth serving apparatus?

It is my opinion that we, the professionals, the concerned and the committed cannot really represent the interests of the aging. The degree to which we *pretend* to *solely* represent these interests, we fall into the grievous sin of generalization of dependence and powerlessness of the elderly. We indeed stereotype 10% of the population as a mass of incompetents needing only services and specialists to tend to their needs.

The programs that I have mentioned, OEO, AOA, Model Cities, Manpower, Urban Renewal are indeed important. They represent billions of dollars of national wealth which are flowing into communities and they represent new resources to tax starved cities and states, and resources that are subject to increasing degrees of local control, control down to the level of that bickering OEO community action board, the Model Cities Board, the Urban Renewal Advisory Board, and the like. The allocation of these resources are now subject to the influence and indeed control of residents and the poor. And it seems to me that we can make one kind of generalization that holds true . . . *if the aging are not organized to "affiliate across ethnic, religious and occupational groupings"* in the words of Prof. Birren, *if they are not ready and able to function as an interest and power group at the local level on a par with youth, welfare clients, business, labor, civil rights and black power groups,* they will continue to receive the short end of the stick!

THE CITY AS SOCIAL ORGANIZATION

Something like 70% of the Nation's older population now live within urban areas. It should be kept in mind that cities are primarily social organizations and secondarily physical organizations. It is a setting for living out both individual lives and lives as parts of larger groupings. It is the place where we are challenged to function as human beings and where we are being required to find personal and family and group "salvation" within the pressures of congregate living.

It is in this setting that we are all looking for, in the words again of Prof. Birren, "life space," that part of the community which we occupy physically, socially and psychologically. But as I have indicated, there is a maldistribution of concern and benefits as regards the elderly and that maldistribution is attributable to lack of social and political organization and power of the elderly at the local, state and national levels. The "life space" of the elderly is being squeezed.

INTEREST GROUPS

How and why do people organize themselves? There are certain kinds of preconditions to social or political movement:

1. People must consciously recognize their common dissatisfactions and share them.

2. They must believe in their own ability to reshape the course of their lives . . . to use power.

3. They must live under conditions in which the banding together to cause change in their lives is both possible and plausibly effective . . . in short, hope for success.

4. There must be clear and proximate purposes, and goals, for the actions to be taken.

5. There must be duration to a movement, a projection, in time, of activities and a *commitment* to such duration.

In short, people organize, mobilize for the purpose of fostering perceived common interests, to provide fellowship in common purpose, to preserve or maintain status.

The problem then, it seems to me, is to assist older persons, *your clients*, to see themselves as an interest group, and to act in *self*-interest to meet their needs. *Secondly*, to help define for older persons those issues which are the basis for common action.

I don't think that it would be very useful here to try to prove that older persons in Pittsburgh or Trenton, N.J. constitute an interest group. I believe that that is crystal clear. In terms of the *"real"* interests of society . . . the economy, jobs, schools, family, consumption . . . the elderly are considered marginal to major social and political decisions. They are set aside to consume meagre pensions and social security benefits, to find "living space" where they can. They don't riot, grow beards, smoke pot, burn social security cards, burn down their *own* ghettos and the like. They are not shrill and don't very often picket or protest. They don't play the power game.

And while they remain, or choose to remain, marginal to the social and political life of communities, their status will remain marginal and in terms of social "hardware"—housing, health services, jobs, transportation, community services—they will continue to constitute the hard core of poverty and dehumanized life in the nation.

OLDER PERSONS AND COMMUNITY ORGANIZATION

I realize that it is difficult to organize older persons to act as an interest or power group. They tend to not want to be identified as "old," "aging," "seniors," or, Heaven forbid, "older poor people." A recent work done by Duke University, "Social Aspects of Aging," shows that older persons resist such classifications . . . "Old, not me, I'm only 64, old starts when you are 70" . . . etc.

But when they do perceive their common interests, when the crisis of their own lives is made clear, they can organize, "affiliate with others of same age across ethnic, religious, and occupational groups" to demand change. My own involvement with older persons in the fight for medicare showed me that. The National Council of Senior Citizens is built on that premise.

I can recall a time, not more than 15 years ago, when any number of persons, good persons, felt that black persons were a "dead" people . . . politically and socially. "They" won't organize. "They" are so filled with self-hate and guilt that they won't move on their own behalf, etc. "They" don't think that way now. As a group, with all their diversity and individuality, black people in this country are united, as no other group in society are united, at least to an idea . . . that they are relevant, worthy, valuable, free and have a future. And they intend to no longer allow the wider society to be responsible for their lives. Older persons, perhaps with an entirely different style, may be ready to assume that same direction of self-responsibility, self-determination, and relevance.

It is our job to help in that process. I think that we have to drop our custodial and dependency image of the individual older persons and recognize what Negroes, Mexican farm workers, youth groups, welfare mothers are recognizing . . . all those groups which are going through the process of moving toward political power and community decision making . . . these groups recognize individual dependence but also recognize that group strengths, interdependence, is a social tool. The recognition of needs and dependence is, in itself, a strong motivational factor in organizing.

WHAT CAN YOU DO?

As professionals and activists you have tools to assist the elderly in the goal of organization. You have facts, information. I think that one of your major tasks is to help older persons to see clearly their status in the communities, to see clearly their needs in comparison with their resources.

1. Help make the issues clear. Free transportation on city busses for school children and not for older persons. Is this an issue in Pittsburgh? Cannot the older persons take this on as a political effort, as old people? Of course, and it is your job to help make it clear.

2. Help people set immediate goals. Bus transportation, a new nursing home, a place on the model cities or community action board.

3. Identify the movement as an older persons movement. Don't hide as a "community effort." There is more political weight to an older persons movement than to a fuzzy "community effort." Older persons vote and vote and vote.

4. Identify local, older persons as leadership. Don't think that they need *you* to take leadership. They really don't want that. Step aside—but *support* that leadership.

5. Don't confuse styles. Older people don't sit in, scream, etc. Remember that the typical organizing setting for the Townsend movement was a simple church where some of the most radical social and economic talk of the thirties was interspersed with gentle hymns.

6. At the same time, *dramatize* the *crisis* in housing, health, etc. It works!

7. Seek confrontation . . . albeit quiet confrontation . . . with those agencies and officials who impact the lives of the elderly.

8. Demand proportional representation on community boards and committees which control the allocation of services and benefits.

What I have been suggesting may sound somehow radical. It is not. What I have been outlining is the same process that other groups in the society use, often in more institutional settings (NLRB, City Council, etc.) to get what they want and need. The elderly are now often outside of those structures and must develop new kinds of community structures in which they can press their claims on society.

But more importantly, I am talking about the necessity of recognizing that older persons must again play a role in determining what happens to them in the society. To play such a role is, after all, simply human. To deny such a role is to dehumanize the elderly and to deny them the basic responsibility over their own persons. And what I have been talking about is the *opening up of individual options through group action and group power*. With free bus transportation, a widow can exercise the *option* of visiting old friends and grandchildren instead of staying in a room. With a new, local non-profit nursing home developed out of the group action of older persons, the *option* of remaining in the community instead of being shipped to the faraway and impersonal state facility becomes a real and valuable individual freedom.

And lastly, I am talking about returning to old people that former authority, that status of recognized contribution to society that we might have once had and have clearly lost. The social contract no longer includes that clause that gives special recognition to the elderly. Our economy, our job structure, our educational and cultural system does not allow it. But the degree to which the elderly begin again to play a major role in their communities for purposes of good, they will again merit that recognition of authority.

So, as you discuss Senior Power in your communities, rethink again *your* vision of older people. Stop looking at them as clients, recipients of *your* services and education. See them as colleagues, with a vital role to play in community decision making. Your greatest resource in planning programs is not money . . . and there is not enough of it in medicare, the Economic Opportunity Act, the Model Cities Program . . . your most potent resource is the organized strength and competence of your communities elderly.

And as you plan and work for Senior Power, stop looking at the Seniors as consumers of *your* insufficient services which will continue to force them into the mold of human impotence and dependency . . . that is the most deadly generalization of them all.

Let's try something new . . . Senior Power . . . and be prepared to step aside and watch them do their own thing!

MR. JAMES CUFF O'BRIEN ADDRESSES UNITED STEELWORKERS

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, it is my privilege to call to the attention of my colleagues the splendid address given by James Cuff O'Brien, the able political action director of the United Steelworkers of America, at the annual conference of district 15 of the United Steelworkers of America at Ligonier, Pa., on November 24, 1969. I believe there are some excellent suggestions in Mr. O'Brien's speech giving a good deal of insight into some of our challenging problems which face us today. Mr. O'Brien has a deep understanding of democratic principle and a very sincere dedication to our Nation's affairs.

I include Mr. O'Brien's address in the RECORD as follows:

After Jack Kennedy's first press conference, a news reporter asked, "Mr. President, why is it that you don't hold the door for Mrs. Kennedy or assist her around rain puddles because many people are concerned about how you plan to change this practice." President Kennedy replied, "Jackie will just have to learn to walk a little fast-A." And, as Director Thornton will tell you, Mr. Abel has asked me often to do just the opposite and to speak a little slower, so I will try.

It is indeed a great pleasure to be with you today. As Political Action Director, I have been traveling around the nation attending state and regional COPE conferences and United Steelworkers meetings. It is always a pleasure to return to a state that gave the Vice President a plurality of 179,386 in carrying the state for the Democratic Party in 1968. And the political professionals in Washington know that it was *this group*—Pennsylvania labor and the United Steelworkers—that did the job.

I would first like to review for you some of the important history of 1968:

In 1968 Mr. Abel was cochairman with Joseph Keenan, I.B.E.W., of the national 1968 Labor Campaign Committee for Hubert Humphrey. Mr. Abel was also commissioned by George Meany to be in charge of political efforts in Pennsylvania and we won Pennsylvania.

Ted White, in *the Making of the President, 1968*, credits labor with being the single most important factor in the Humphrey effort.

On *November 11, 1968*, the *Wall Street Journal* stated: "Labor is alive and well after all and it can motivate its members, gird itself for a campaign, and come close to total victory under almost impossible circumstances."

On November 12, 1968, the following appeared in Business Week: "Labor and only labor came damn near doing it for Hubert."

By November, 1968, labor had done the following:

Registered 4.6 million voters;

National COPE had 55 million pieces of literature passed out and 60 million more pieces passed through local unions;

Established 638 city phone banks with 8,055 phones and 24,611 people manning the phones;

Before election day the labor people canvassing numbered 72,255;

On election day there were 94,457 precinct workers from labors' ranks. These statistics of labor do not include the UAW or the Teamsters Union or a number of other unions.

In 1968, the net loss of liberal candidates amounted to four Senators and two Representatives.

Nixon was the first President since 1848 to go into the White House without control of either House of the Congress.

Let's look at the special election of which we won five out of six:

2nd District of Montana—Was held for six terms by a Republican before the special election.

8th District of Tennessee—Jones beat a Wallace candidate.

7th District of Wisconsin—The seat of Melvin Laird which had not been won by a Democrat in this century.

27th District of California—Democratic candidate received 44% of the vote against young Goldwater as compared to 28% in November '68.

6th District of Massachusetts—Part of this district had never been represented by a Democrat.

8th District of New Jersey—In a year of a Democratic disaster in the state (we lost the governorship by 400,000 votes) we were able to retain this seat. Bob Roe ran 19,000 votes ahead of the Governor in his Congressional District.

In 1970 we have cause for great concern. There are 25 Democratic Senators running and only 8 Republicans and a loss of 7 Democratic seats would give the Republicans control of the Senate and put a hostile Senate in charge of our destinies.

With such a change in the Congress, the Republicans would be on their way to complete control with the White House, the Courts, and the Legislature. And, we would face total disaster.

The Steelworkers have a great opportunity and grave responsibility. We are the largest union in Montana, Utah, Colorado, Arizona and Wyoming as well as powerful here in the East in states such as Illinois, Indiana, Pennsylvania, and Ohio.

When I said earlier, "the Vice President", I, of course, meant Mr. Humphrey. Spiro Agnew?

He may be the first man to contribute to the abolition of this office. Everyone knows him now. Even my youngest son knows him. On my last trip home—Yes, even labor officials sometimes go home—my youngest son ran up to me and demanded:

"If Mickey Mouse can have a Spiro Agnew watch, why can't I?"

Last week I attended a conference in neighboring Ohio. I had the pleasure of introducing former astronaut John Glenn at a Labor Dinner. Some say he has intentions of becoming Ohio's next Democratic U.S. Senator. There is no doubt that he is personally a very charming man but the thing that startled me was how it reminded me of Hubert Humphrey's great phrase that "If we can spend billions to put a man on the moon we certainly should be able to spend millions to put men on their feet."

Many of you asked me earlier what was new in Washington. I shall tell you what's new. Spiro Agnew's attack on the nation's news media, first television and now the nation's leading newspapers are the first attempts of a calculated campaign to intimidate and muzzle our free press. And you better believe that it is a calculated, planned campaign.

No one realizes this attempt to intimidate is only just picking up momentum. Very few people know that the Director of the overseas-oriented United States Information Agency, Frank Shakespeare, Jr., addressed the Radio and Television News Directors Association on September 26th. Speaking just a little too bluntly, Shakespeare charged that TV commentators leaned to an excessively liberal point of view. While saying it was the responsibility of news directors to assure a better conservative news balance, he assured his audience he was speaking only in a private capacity. Shakespeare then ticked off the following instances of disturbing news coverage:

Broadcasting's treatment of Senator Goldwater at the 1964 Republican Convention in San Francisco;

The observations of TV commentators at the Republican 1968 Convention in Miami Beach;

Critical broadcasts of the conduct of the war and corruption in Vietnam;

And the emphasis laid on the young lieutenant who reported to senior officers that his men would not go into battle;

Coverage of the Chicago Democratic Convention.

If you want to know about this man who heads our crucial Overseas Information Agency, I suggest you read Joe McGinness' *The Selling of the President—1968*. McGinness is a very sharp, young reporter who worked for a Philly newspaper, traveled with the GOP campaign and has written a magnificent book on how they *packaged Richard Nixon*, made his *smile* and *smirk* and sold him to the American public. McGinness devotes a whole chapter to Shakespeare and his right wing views. In fact, McGinness reports that when the Russians marched into Czechoslovakia, Shakespeare rubbed his hands in glee and said, "Oh boy, are we going to pin the soft on Communism label on Hubert now." *This is the man whom Richard Nixon appointed to head the U.S. Information Agency.*

Now we have Agnew picking up and continuing the attack. Agnew states: "The men who select . . . and analyze TV news are philosophically out of step with most of their audience . . . We can deduce that these men read the same newspapers. They draw their political and social views from the same sources. Worse, they talk constantly to one another, thereby providing artificial reinforcements to their shared viewpoints."

Now let me tell you about these simplistic statements of Mr. Agnew's. Let's strip away this self-serving odor of sanctity. It really is only the burning tar of a Baltimore demagogue. Let's talk about the men who make and manage the news. Where are they from.

The man who produces the Walter Cronkite show, Les Midgley, comes from Salt Lake City. The man who is President of ABC news comes from Kansas City, Elmer Lowrer. He describes himself as a boy who never left the middle west. What do they read? The man who produces the Huntley-Brinkley show, William Westfeldt, reads the *Atlanta Journal*, the *Los Angeles Times* and the *New Orleans Times-Picayune*, by the way, he is from New Orleans. Oh, yes—These men talk constantly to one another. Thereby providing artificial reinforcement to their shared viewpoints.

When Ave Westin, the man who produces the ABC Evening News With Howard K. Smith and Frank Reynolds, heard that, he exclaimed:

"I'll be damned if I'll compare notes with anyone. My job is to beat the hell out of the other networks."

For all the vaunted power of television, a Gallup poll after the Democratic Convention showed that 56 percent of Americans approved and only 31 percent disapproved—"of the way the Chicago police dealt with the young people who were registering their protest against the Vietnam war."

Supposedly, the one hurt worse by network coverage of the Chicago Convention saw through Mr. Agnew's ploy last week. Hubert Humphrey blasted Agnew and FCC Chairman Dean Burch for asking the Presidents of the three major networks for transcripts of their networks comments on President Nixon's recent speech on Vietnam—something that is normally done by the lowest clerk at the Federal Communications Commission.

Gentlemen, Spiro Agnew brings no light to the problems of free speech in a Democratic society. He brings the dark light of know-nothingism. The Nixon Administration is happy with Spiro. They boast how people are bombarding the networks and TV stations with telephone calls and mail backing the Vice President's position.

I am worried. I am worried because the great silent majority stands not only for families living in Des Moines, Iowa, or Dallas, Texas, it also is comprised of the American labor movement—our members. It is incumbent on us to educate them to this latest ploy of the Nixon Administration to stifle the forces of liberalism and moderation—our allies—the forces of criticism who are not happy the way our country is moving.

I am also worried because Richard Nixon is starting to build a new political coalition. A coalition which they hope will dominate American politics for decades such as the New Deal made the Democratic Party the nation's dominant party.

And you my friends, and your state, are a key part in a hoped for cynical, cold and one can almost say—heartless—coalition planned by the worst of the Republicans to dominate the American political scene. What are its parts?

It is based upon a grouping which is "unyoung, unpoor, and unblack." It is all spelled out blatantly and with cynical bias in a new book titled *The Emerging Republican Majority* by Kevin P. Phillips. He dedicates the book, and I quote:

"This book is respectfully dedicated to the emerging Republican majority and its two principal architects: President Richard M. Nixon and Attorney General John N. Mitchell."

(Incidentally, our Mr. Phillips is special assistant to Attorney General Mitchell.)

There is no doubt that Mr. Phillips has done his political homework but fitting the political, economic and social facts within a preconceived political framework. You open to the chapter on Pennsylvania. You read of the successive waves of immigration that populated the State in ethnic layers. In the southeast, the English and Welsh, the Germans who established themselves in the rich farming country north and west of Philadelphia, and then the Scotch-Irish came who dominated the Cumberland and other Appalachian valleys. You read about the Democratic Presidential voting patterns in Pike, Columbia, York and Greene Counties, the pro-New Deal movement by the Western Pennsylvania black country, Mr. Phillips is very thorough.

(And you better believe that Mr. Phillips is graphic. He buttresses his projection of an emerging Republican majority with forty-seven maps and 145 charts—some bearing such intriguing titles as "The Yankee Metamorphosis" and "non-historical denominators of the inner south.")

You then turn to the concluding chapters which graphically detail the emerging Republican majority. You see that Pennsylvania is grouped with the so-called non-Yankee northwest (Pennsylvania, New Jersey, Delaware, and Maryland).

To these deep-thinking Republican strategists such as Phillips and Attorney General Mitchell, Pennsylvania is part of their coming Republican majority. You have the dubious honor of being linked with other coming Republican bastions—Texas and outer south (Florida, Virginia, North Carolina, and Tennessee). You do not have even the honor of being what they call a contingent bastion. This is the deep south and Arkansas which will fall to the GOP if Wallace does not ride again.

To Mitchell and his boys, the only future political battlegrounds will be the Pacific States. The upper Mississippi valley with Iowa, Minnesota, and Wisconsin, the Ohio-Mississippi valley with Missouri, Illinois, Indiana, Kentucky, Ohio, and West Virginia. The Republicans graciously concede New York and New England to the Democrats.

Well, I concede nothing to a projected coalition that is morally and spiritually bankrupt, that crassly hopes to play on the emotions and fears of the American people. If anything, the recent elections in New York, Buffalo, Cleveland, Pittsburgh and Atlanta belie the rise of a permanent right-wing trend. Who would ever have expected a liberal Jew to be elected Mayor and a black Vice Mayor in a southern city—even Atlanta. Whoever expected a young liberal pro-labor candidate to secure 60 percent of the vote in Pittsburgh this difficult year.

But even if we discount a right wing trend, our labor movement must realize that the 387,882 Pennsylvanians who voted for Wallace in 1968 were not an isolated phenomenon. They are part of what some call the forgotten Americans.

> Who is the forgotten American? He has been described as a white employed male . . . earning between $5,000 and $10,000. He works regularly, steadily, dependably, wearing a blue collar or a white collar. Yet the frontiers of his career expectations have been fixed since he reached the age of thirty-five, when he found that he had too many obligations, too much family, and too few skills to match opportunities with aspirations.
>
> This definition of the forgotten American involves almost 23 million Americans. It encompasses many who voted for George Wallace in 1968. It speaks for many of the 387,882 voters who stood up for Wallace in Pennsylvania in 1968.
>
> It also speaks for the responsibility owed by the national labor movement to educate our member workers about the evils of hate, bigotry and demagogy. You may rest assured that all of you will hear from Director Thornton and I and from our national COPE Director, Al Barkan, in the coming months as we try to devise new and better ways to reach our workers, to alert them to the new George Wallaces and those who wish to make a coalition of the unyoung, unpoor, and unblack.
>
> 1970 is so important in Pennsylvania. You can and should elect a Governor. You can elect a U.S. Senator of your choice. You can show the nation that, lead by President Abel, Secretary-Treasurer Burke, and Vice President Moloney, and with the solid commitment to progressive politics you have shown here today that the 1968 victories in Pennsylvania can be repeated.

THE CRUEL THREAT OF VETO

(Mr. HECHLER of West Virginia asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, there is a cruel threat of a Presidental veto of the coal mine health and safety bill in the air. For the long-suffering coal miners of the Nation, such news on the eve of Christmas, when the value of a human life takes on renewed significance, is almost unbelievable. How can anyone blame those who work in this injury-ridden industry, and who suffer from the ravages of pneumoconiosis, for inflation? What kind of a sense of values equates the pittance of compensation which will go to coal miners against the billions spent in other areas, and then charge the coal miners with being the cause of inflation?

There is a very timely editorial in the December 20, 1969, Charleston, W. Va., Gazette which deserves careful thought:

> ### Mine Safety Bill Stands as Memorial to Lost 78
>
> It may have taken the lives of 78 West Virginia coal miners in the Farmington disaster to provide the impetus, but the coal mine safety bill sent to the White House by the Senate Thursday night stands out as a memorial that says they did not die in vain.
>
> What this legislation means, providing its provisions are strictly enforced, is that there will be less likelihood of another Farmington in the future, and the nation's 140,000 coal miners will have greater protection for their health and safety.
>
> And for President Nixon to threaten veto of this vitally needed and long overdue legislation is unthinkable, particularly in light of the reasons given.
>
> The administration is disturbed by a provision that would establish a new federal program of payments to miners disabled by lung disease, objecting strongly to the potential cost of these payments and saying the problem should be handled by the states.
>
> The payments would range from $136 a month for a single miner to $272 for one with three dependents—hardly an overabundance for one disabled by breathing coal dust—with the federal government meeting the cost for four years, after which mine operators and the states would be responsible.
>
> And what kind of money is the White House talking about in waving the flag of veto?
>
> By administration estimates the cost could run as high as $385 million a year, although Democrats in Congress insist the maximum would be $60 million.
>
> In either case the cost is peanuts, considering the size of the federal budget and the humanitarian good to which the payments would go.
>
> Even if the cost should go as high as $385 million a year, this amount could be taken out of the Pentagon budget without creating even a shortage in paper clips.
>
> President Nixon, without batting an eye, gives a go-ahead on development of the SST, a highly questionable project costing billions, and he applies all the pressure at his command on a reluctant Senate to force through deployment of the fantastically expensive Safeguard Antiballistic Missile system.
>
> This is a strange sense of values. It is a situation difficult to fathom when the administration shows no qualms about spending billions on weapons of destruction or an oversized airplane that would cut a path of wreckage with its sonic boom, but suddenly becomes economy conscious at the suggestion of providing modest compensation for the victims of an occupational hazard.
>
> As for leaving the problem up to the states, the President well knows that this would not provide a solution. Most states already have demonstrated a reluctance to pay benefits, and it hardly serves the ends of justice to have some disabled miners compensated while others—most likely the great majority—are left to shift for themselves.
>
> President Nixon will be doing an extreme disservice to the men in the coal mining industry—and to the country at large—if he vetoes the mine safety bill on such a flimsy pretext. If he carries out the threat, the 78 miners who died at Farmington—and the thousands who died in the depths of the earth before and since—most certainly will have died in vain.

CHILDHOOD LEAD POISONING

(Mr. RYAN asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. RYAN. Mr. Speaker, the problem of lead poisoning has reached epidemic proportions among the children in our urban centers. The disease is the result of the ingestion of peeling paint and plaster by young children, who usually will eat anything within their reach.

Most children who suffer from this disease go undiagnosed and untreated, and for this reason the illness has become known as the "silent epidemic."

When the disease finally is diagnosed, it is often in its acute stage. The child may die. If he lives, he will suffer permanent brain damage, mental retardation, cerebral palsy, or epilepsy.

Although this disease principally affects children between the ages of 1 and 5 years old who live in the slums, it is also found in rural areas.

In the city of New York, for example, the health department has estimated that between 30,000 and 35,000 children are lead poisoned. Studies done in several cities indicate that from 5 to 10 percent of the youngsters between 1 and 6 years of age living in dilapidated housing suffer from lead poisoning.

Because of my deep concern about this serious health hazard, I have introduced legislation—H.R. 9191, H.R. 9192, and H.R. 11699—to help combat it. These bills have been reintroduced to include 19 of my colleagues as cosponsors.

The legislation would aid identification and treatment of children afflicted, would aid detection of the presence of lead-based paints and require that local governments have an effective program for detecting and eliminating lead-based paint as a prerequisite for receiving federal funds for housing code enforcement or rehabilitation.

To better familiarize others with this problem and the need to eliminate the lead poisoning hazard, I sponsored an informational breakfast on November 12 in the Rayburn Building in Washington. The breakfast was cosponsored by Senator Edward Kennedy and by several of my colleagues in the House.

It was conducted by the New York Scientists' Committee for Public Information, a nonprofit organization which attempts to provide necessary information to citizens so that they may have a better understanding of the scientific aspects of public policy issues.

Senator Kennedy expressed his concern at the breakfast and announced his intention to introduce similar legislation in the Senate. He has since introduced S. 3216 with 19 cosponsors.

The formal program was a forum of three expert panelists discussing various aspects of the problem. The program was moderated by Glenn Paulson, cochairman of the Scientists' Committee.

Dr. J. Julian Chisolm, associate professor of pediatrics at Johns Hopkins School of Medicine, discussed clinical observations and the consequences of acute lead poisoning in young children.

Dr. Edmund O. Rothschild of the Sloan Kettering Institute discussed the epidemiology of lead poisoning.

And Dr. Joel Buxbaum of the Albert Einstein School of Medicine discussed the environmental aspects of the disease.

I am inserting in the Record the text of Dr. Chisolm's remarks at the information breakfast. In his remarks, Dr. Chisolm summed up the causes, effects, and cures of this disease. He said:

> An effective medical program for prevention can only be carried out where adequate and accurate laboratory facilities are available; thus a coordinated plan incorporating mass screening of both children and deteriorated housing in high risk areas together with organized treatment centers could do much to reduce the incidence of severe plumbism, even today. The means and the knowledge are at hand. Sound epidemiologic and environmental approaches such as those used for the prevention of measles and polio will suffice. The medical principles are the same. Whereas infectious diseases may be brought under control by immunization of the child, the prevention of lead poisoning requires the "immunization" of the house in which he lives.

I urge all my colleagues to read carefully Dr. Chisolm's remarks and to support the pending legislation which will help eradicate this horrible and preventable disease.

The material referred to follows:

CHILDHOOD LEAD POISONING: NATURAL COURSE, TREATMENT AND PREVENTION

(Synopsis of Remarks by J. Julian Chisolm, Jr., M.D., associate professor of pediatrics, Johns Hopkins Medical School, associate chief of pediatrics, Baltimore City Hospitals)

Mr. Chairman, Members of the Congress and guests, Childhood lead poisoning is a preventable disease. This morning, I should like to outline for you some aspects of the epidemiology, natural course, symptoms, diagnosis and treatment of this disease and the permanent brain damage which it can cause.

EPIDEMIOLOGY

Childhood lead poisoning occurs almost exclusively in children one to five years of age. Indeed, 80 percent of cases of acute poisoning occur between 1½ and 3 years of age. Almost all of the acute symptomatic cases in young children occur during the summer months. We believe this is in part due to the fact that the absorption of lead from the intestine is greater during the summer months than it is during the winter. The disease is almost entirely limited to children who reside in deteriorated urban housing built and painted prior to 1940, when lead pigment paints were commonly used in housing interiors. Now that many of these houses have fallen into disrepair, the old layers of paint containing lead pigments are flaking and within easy reach of a small child's grasp. Recent surveys in Baltimore, Maryland indicate that 50–70 percent of old houses in selected slum areas still contain dangerous quantities of flaking lead pigment paint. A few small chips of such paint may contain 100 mg or more of lead. The association between childhood lead poisoning and old housing has been well documented. Careful surveys indicate that 10–25 percent of young children who live in such housing show evidence of an increased body lead content and that from 2–5 percent show sufficient evidence of poisoning due to lead to require hospitalization and treatment. This is not surprising when one considers that pica is a common habit in young children. Pica is here defined as the repetitive ingestion of nonfood substances such as clay, plaster, ashes, putty, paint chips, paper, string and so forth. It is estimated that 50 percent of young children may exhibit pica: what they eat depends in part upon what is available.

ABSORPTION OF LEAD

Traces of lead are almost ubiquitous in nature and, indeed, minute amounts are found in a normal varied diet. It is estimated that normal American dietary intake does not exceed 0.5 mg/day. Under these conditions, according to the classic balance studies of Kehoe, absorption does not exceed excretory capacity, so that there is not net retention or excess accumulation of lead in the body. As the amount ingested increases beyond this, absorption exceeds excretory capacity with the result that there begins the net retention and storage of an excess body burden of lead. Since inorganic lead compounds such as those found in old paint are poorly absorbed into the body, repetitive ingestion or inhalation of small amounts is usually far more hazardous than a single massive exposure. Plumbism thus results from the accumulation over a period of weeks, months or years of an excessive body burden of lead. This burden is distributed between bone and soft tissues, with the major portion being stored in bone. Serious toxic effects of lead are exerted in the various soft tissues. So long as excessive ingestion continues, the chronic course of plumbism will be punctuated by acute symptomatic episodes which are usually associated with sharp increases in soft tissue lead content. Whereas the "safe" daily intake of lead is estimated at $<$.05mg/day, Chisolm and Harrison have reported that young lead-poisoned children may ingest 5 to 100 mg of lead per day as a result of eating lead paints from old housing surfaces. It is worth noting that this amount of lead may be found in a few tiny chips of paint the size of one's fingernail and that this type of exposure exceeds moderately-severe types of industrial exposure. Apparently, at least two to three months of repetitive ingestion of old paint chips are required for a child to accumulate a potentially lethal body burden of lead.

SYMPTOMS OF POISONING

Clinical symptoms in early childhood are subtle, non-specific and insidious in onset. During the first four to six weeks of abnormal ingestion, no symptoms are apparent. Thereafter, over the next four to six weeks, there is the insidious onset of decreased appetite, unwillingness to play, increased irritability, sporadic vomiting and delay in development, especially in the development of speech. None of these things are specific for lead poisoning, so that these early symptoms are easily and frequently confused with other diseases. Indeed, the child may be thought to have a behavior disturbance or some minor intercurrent infectious illness. Associated iron deficiency anemia is virtually always present. If excessive lead ingestion continues, the child's apathy and unwillingness to play progress to intermittent drowsiness and and stupor, and vomiting becomes increasingly frequent, persistent and forceful. Brief self-limited convulsions may also occur. Within a week or less, such a course can culminate abruptly and unpredictably in coma and intractable convulsions. This most severe form of lead poisoning is called acute encephalopathy and results from the toxic effect of lead in the brain. The blood vessels of the brain are damaged, so that there is leakage of fluid with resultant acute swelling of the brain and extensive damage to brain cells. Acute encephalopathy is more common in children 15–30 months of age. As the preschool child grows older, acute toxic episodes tend to be less severe.

Thus the two to five-year old child with unrecognized lead poisoning may present with convulsive disorder, chronic impulsive, aggressive hyper-kinetic behavior disorder or mental retardation. Uncommon syndromes includes progressive loss of mental function, which stimulate degenerative cerebral diseases and peripheral neuropathy. Symptoms tend to wax and wane, but are more frequent during the summer.

DIAGNOSIS

Symptoms are non-specific. A history of pica is usually obtained in only 75–80% of cases. Unfortunately, a history of pica is least likely to be obtained in the most severely affected cases. Physical examination and routine laboratory procedures do not yield information diagnostic of plumbism. Special tests which measure lead in blood and urine must be performed. Thus, diagnosis requires an appreciation of the causative factors and the high index of suspicion on the part of the physician. This brief description of the clinical aspects of plumbism in young children permits two important conclusions:

1. Early diagnosis on clinical grounds alone is exceedingly difficult, if not impossible and
2. By the time the clinical diagnosis is obvious to all, permanent brain damage which cannot be modified by therapy, may already have taken place.

It follows from these conclusions that significant reduction in the risk of permanent brain damage requires identification of the child with increased body lead burden prior to the onset of toxic manifestations.

TREATMENT

Potent drugs known as chelating agents are available, which can remove part but not all of the excess lead in the body. The most serious effect of lead poisoning in young children is acute swelling of the brain which is known as lead encephalopathy. Before any drugs were available, the mortality from lead encephalopathy was 66%. Recent improvements have reduced this mortality to something less than 5%. Unfortunately, however, these improvements have not resulted in any substantial reduction in the incidence of permanent brain damage which lead encephalopathy causes. I am currently following ten survivors of acute lead encephalopathy, five of whom are clearly permanently and severely brain damaged.

PERMANENT BRAIN DAMAGE

Available medical studies indicate that at least 25% of the survivors of lead encephalopathy sustain permanent brain damage as manifested by severe intellectual deficits, life long convulsive disorders and severe aggressive behavior disturbances. The intellectual deficits including short attention span, perseveration and perceptual impairments so impair the child's learning ability that the affected child usually requires special schooling facilities at the very least. In a study of 425 children surviving severe acute lead poisoning, Perlstein and Attala found that 39% had one or more forms of permanent brain damage. I have recently evaluated 38 adolescent boys and girls who had lead encephalopathy in early childhood. Sixteen or 42% of these showed evidence of significant brain damage due to lead. In other studies, it has been found in children who survive one known episode of acute encephalopathy, that the incidence of permanent brain damage is increased to virtually 100% if that child is returned to a deteriorated house with flaking lead paint chips. Whether lead poisoning without encephalopathy causes severe permanent brain damage is not known. It can be said, however, that about 10% of lead-poisoned children with no history of encephalopathy show similar residual brain damage. Because of difficulties in diagnosis, one cannot be certain that such children have not had undetected, mild episodes of encephalopathy.

LONG-TERM TREATMENT

The cornerstone of any treatment program is the axiom that the child must be promptly and permanently removed from the hazardous environmental sources of lead. Exhortations to parents to stop the abnormal ingestion have not been effective in the past. This, in turn, means removal of hazardous old flaking lead paint chips from the child's house before he returns home from the hospital or relocation of the child into modern safe housing. Because of the persistence of the habit of pica until three to five years of age in some children, any child once found to have lead poisoning must have close medical followup until at least five years of age. He must be followed with blood lead determinations. This, in turn, requires the availability of an experienced and accurate laboratory for the determination of lead in blood, urine, and environmental samples.

COST OF TREATMENT

Attached is a table showing estimated total costs of treatment of typical individual cases. These estimates were made in March, 1969. The total cost for a given case varies according to the final outcome in that case. Also included are estimates for the rehabilitation of hazardous housing which is the vital key to sucessful treatment and prevention. If the child has severe encephalopathy and sustains permanent brain damage severe enough to require permanent institutionalization for the remainder of his life, the total estimated cost is in excess of $220,000.

On the other hand, if brain damage is less severe and the patient requires special schooling only, the costs will be approximately $17,000. If the diagnosis is made prior to the onset of encephalopathy and if no significant brain damage has yet occurred, the cost is still considerable and at least equivalent to the cost of the removal of flaking lead paint or the replacement of hazardous window and door units. These costs, of course, do not take into account such intangible factors as the loss of a productive life and the grief to the parents of the affected child. They are included here to emphasize the fact that treatment must be provided for the affected child and hence society is already paying these costs. How much more intelligent it would be to spend our effort and substance on the systematic elimination of hazardous environmental lead exposure associated with old housing. This is the key to the problem. Indeed where it is possible to get the flaking paint removed, much time is consumed in the process and this, in turn, results in prolongation of hospitalization of the child in order to assure his return to a safe environment.

PREVENTION

An effective medical program for prevention can only be carried out where adequate and accurate laboratory facilities are available; thus a coordinated plan incorporating mass screening of both children and deteriorated housing in high risk areas together with organized treatment centers could do much to reduce the incidence of severe plumbism, even today. The means and the knowledge are at hand. Sound epidemiologic and environmental approaches such as those used for the prevention of measles and polio will suffice. The medical principles are the same. Whereas infectious diseases may be brought under control by immunization of the child, the prevention of lead poisoning requires the "immunization" of the house in which he lives. A truly preventive approach might be as follows: immediately following the birth of a family residing in a pre-World War II dwelling, the prospective dwelling could be inspected and sampled for lead so that hazardous conditions could be corrected before that infant reaches the age of pica. Pica usually begins at approximately one year of age.

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CHILDHOOD LEAD POISONING—ESTIMATED COST FACTORS, BALTIMORE, 1969

		Treatment (BAL-EDTA and d-penicillamine) acute encephalopathy				
	Unit cost	Severe permanent brain damage	Moderate permanent brain damage	Asymptomatic plumbism		Prevention (rehabilitation of dilapidated housing)
Hospitalization, acute illness	$75 per day	$1,500 (20 days)	$750 (10 days)	$750 (10 days)		Average rowhouse (10 windows, 2 doors, base boards).
Convalescent facility	$27.50 per day	$1,650 (60 days)	$825 (30 days)	$825 (30 days)	$825 (30 days)	
Outpatient followup	$15 per visit	$225 (2 years)	$675 (10 years)	$225 (2 years)	$225 (2 years)	Complete removal of old lead paint from window and door units, baseboards, $250 to $300.
Nursery school	$3 per day		$780 (2 years)	[1]	[1]	
Special schooling excess cost	$1,200 per year		$14,400 (12 years)			
Institutionalization	$3,650 per year	$219,000 (60 years)				Replacement of window and door units, baseboards, $600 to $1,200.
Total, treatment costs		$222,375	$17,430	$1,800	$1,050	

[1] Paid by parents.

BRITISH PARLIAMENT CONSIDERS FULLER DISCLOSURE

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, as chairman of the Committee on Standards of Official Conduct, I found a recent London dispatch to the Washington Post particularly interesting. This article, written by Alfred Friendly and published in the Washington Post of December 20, 1969, reported that the House of Commons is considering adoption of a requirement for disclosure of certain financial interests and emoluments.

I take this opportunity to include the article in the RECORD.

It is interesting to note that a Select Committee of the House of Commons, while recommending mandatory disclosure of some matters, rejected a proposal similar to that which the Congress now applies to its Members, namely, the annual disclosure, for public purposes, of certain holdings and income sources, without exact amounts.

While some revisions in our present requirements in this area may be in order, and are in fact being considered by the committee of which I have the honor to serve as chairman, I should like to remind my colleagues that the House accepted the existing system as a median that would provide our constituents adequate information to make a proper judgment at the polls with respect to possible conflicts of interest.

Alfred Friendly's dispatch from London follows:

BRITISH PARLIAMENT CONSIDERS FULLER DISCLOSURE OF INTERESTS

(By Alfred Friendly)

LONDON.—Britain has long operated on the principle that a legislator cannot—and should—be prevented from having private pecuniary interests and income, but that if they might have a bearing on his parliamentary action they must be disclosed.

A Select Committee of the House of Commons, comprised of members of all three major political parties, this week unanimously called for more complete disclosure—including those latter-day forms of legislators' emoluments, such as foreign junkets and lavish entertainment. The committee also proposed that what has hitherto been only custom, the practice of members making a "declaration of interest," be made a rule.

In making known publicly what personal or professional interests members may be serving whenever they advocate or debate on proposed legislation, the House of Commons is already well in advance of the American Congress. In acknowledging that in today's world there are new forms of influencing a legislator's vote, and that receipt of these new inducements must also be made known, parliament will move even further ahead in the pursuit of probity.

The problem in parliament has rarely been outright bribes. "The offer of money, or other advantage, to a member of Parliament for the promoting of any matter whatsoever depending or to be transacted in parliament is a high crime and misdemeanor," the house ruled as long ago as 1695.

More than a century ago, it forbade any

member to "bring forward, promote or advocate in this house any proceedings or measures . . . in consideration of any pecuniary fee or reward."

Thus, the parliament has almost totally escaped the kind of scandals that have periodically rocked the American Congress: legislators on the take from the Katanga or the Sugar Lobby, outright vote buying, or covert influence by heavy contributions.

But there is no such thing here, as anywhere else, as total divorce from outside interests, and especially in the British Parliament where it is accepted and advocated, as matter of principle, that a member should not live on his legislator's salary. He must have either an independent income or an outside job to supplement his parliamentary pay and expenses of barely more than $8000 per year.

Sooner or later, therefore, almost every member will be found proposing or debating bills in which, as an owner or officer of a business, a trade union agent, a farmer, a lawyer, a physician, a public relations man or a journalist, he has some direct or ancillary financial interest, or stands to gain or lose in some monetary way from what transpires.

Since there is no practical escape from this predicament, the solution has been for the debater or motion-maker to precede his remarks with some such phrase as: "As this house knows, I am a director of the XYZ Chemical Co." or "Among my public relations firm's clients is the National Association of Sheep Growers."

With such a "declaration of interest," his subsequent remarks can be judged, discounted, evaluated.

The code of conduct that the Select Committee proposes would convert the custom to a rule and would require the same declaration to be made also in all transactions or communications with other members even off the floor of Commons, and in any dealing with the government.

Further, it proposes that no member "bring forward by speech or question, or advocate in this house or among fellow members" any bill or other matter for a fee or payment "direct or indirect."

The new wrinkle here is the "indirect" payment. What has aroused the Commons is the recent habit of corporations and countries of buttering up a legislator, with a junket abroad or fancy entertainment. As one member testified to the committee, a foreign trip "is the biggest pourboire" that can be given.

Under the proposed rules, the recipient of such hospitality would be honor bound to disclose that too. In speaking on foreign policy concerning Lower Slobovia, he would have to preface his remarks with: "I have been a recent guest of the government of Lower Slobovia . . ." And what he goes on to say can be judged in the light of that knowledge.

For this recent concern, one suspects, the Arab governments are to be thanked. The oil sheikhs, their eyes on the conflict with Israel, have been rivaling Cooks Tours in promoting visits for well-chosen Members of Parliament—and may just have outsmarted themselves.

Interestingly enough, the Select Committee turned down a proposal of one member that a public register—the emphasis is on "public"—be maintained showing every legislator's holdings and major sources and amounts of income, year by year. It considered, but also rejected, the new American requirement for Senators and Congressmen to file a private list of holdings and income, although without amounts.

The trouble, the committee decided, was that any such register would disclose more than was necessary or proper. "A general register is directed to the contingency that an interest *might* affect a member's action. The house practice is, or should be, aimed at revealing an interest when it *does* affect it."

If the recommendations are accepted by the house, and there is no indication they they will not be, it will have even more right than ever to proclaim itself "the cleanest parliament in the world."

RESCINDING TITLE II OF THE INTERNAL SECURITY ACT

(Mr. YATES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. YATES. Mr. Speaker, I voted against the Internal Security Act of 1950. Title II of that act permitted the detention, in the event the President should declare an emergency, of anyone who might be considered as engaging or about to engage in espionage or sabotage and subsequently six detention centers were established. Fortunately, they were never used.

The U.S. Supreme Court has declared unconstitutional almost every provision of the original act. One of the few remaining sections is the odious title II concerning which hearings ought to be held as promptly as possible and its provisions rescinded.

Mr. Speaker, I have filed an appropriate bill to rescind title II of the Internal Security Act and I shall press for its repeal.

I attach to my remarks copies of editorials in support of my position:

[From the Chicago Daily News, Dec. 9, 1969]

ERASE DETENTION CAMP LAW

The Justice Department has moved, rather belatedly, to erase from the lawbooks a measure that has created fear and uncertainty among minority groups. This is the Emergency Detention Act of 1950, a section of the Internal Security Law enacted when Congress was haunted by visions of a Communist uprising.

The act authorizes the establishment of detention camps if the President should declare an emergency to exist, as in the case of invasion or insurrection. This act even spells out where such camps should be, and in fact they were at one time held in readiness though never used. They were abandoned long ago, but some months back rumors swept the country that militant blacks were being penned up—or would be—in these "concentration camps."

Rep. Abner Mikva (D-Ill.) moved in with a bill to repeal the enabling law as one of his first acts as a freshman congressman. In the Senate, a similar bill was sponsored by Sen. Daniel K. Inouye (D-Hawaii), who has personal memories of the massive detention and relocation of Americans of Japanese descent at the outbreak of World War II.

The Justice Department's call last week for repeal came only after months of silence during which the concentration camp rumors arose again. Myths die hard in any case, and when the myth is grounded in a law unused but available, it is no wonder it gains currency. As we said here last April, in support of Mikva's bill, "As long as this holdover from the McCarthy era is on the books it remains a source of uneasiness and ready ammunition for hate-mongers."

Congress should erase this law, and do it with enough fanfare to squelch the rumors that contribute to racial division and unrest.

[From the Chicago Sun-Times, Dec. 8, 1969]

DETENTION CAMP LAW OUTRAGEOUS

The Nixon administration has belatedly moved to erase fears that war protesters, rioters or other dissidents could wind up in concentration camps.

Deputy Atty. Gen. Richard G. Kleindienst has asked repeal of the Emeregncy Detention Act of 1950—and with that impetus Congress should move with all deliberate speed to pass repealing legislation.

The act—Title II of the Internal Security Act of 1950—woud permit detention, during an emergency declared by the President, of anyone considered liable to engage in espionage or sabotage. Passage of the act did in fact lead to establishment of six detention centers which were closed down in the late 1950s only because the appropriation for their maintenance ran out.

Against this background of real barbed wire and barracks, it is not surprising that minority groups have expressed fear the act could be stretched to cover any situation the President or his aides deemed uncomfortable. The fear was not stilled when Kleindienst himself was quoted last spring as saying demonstrators who interfered with others "should be rounded up and put in a detention camp." Kleindienst denies saying that, but the damage was done because there was, in fact, a detention camp low on the books.

It is astounding that the administration took so long to seek a repeal of this obnoxious law, but now that it has so moved, there are bills aplenty upon which Congress could act. Legislation in the Senate was introduced last spring. In the House, there are bills cosponsored by more than 100 members. Two bills were submitted by Rep. Abner J. Mikva (D-Ill.), who has lobbied consistently for camp-law repeal.

There is, really, no reason for Congress to delay. The repeal would cost nothing. It would add immeasurably to America's stature to eschew such totalitarian symbols as concentration camps.

[From the Baltimore Sun, Friday, Dec. 5, 1969]

REPEAL IT

Concentration, or "detention," camps is the ugly name of an ugly thing, and Deputy Attorney General Richard G. Kleindienst speaks the plainest truth when he says that continuation of a law authorizing their use is "extremely offensive to many Americans." We think "many" is too weak a word; it would have been better if Mr. Kleindienst had said "most Americans."

But as Stuart S. Smith says in his report in *The Sun*, very few Americans ever knew such a law exists. This provision of a 1950 immigration act has never been used. We are confident that it never will be. The point is that it remains on the books and has given rise to rumors—however wildly unjustified—that it *might* be. There is no reason to permit it to lend fictitious support to such rumors or to breed suspicions lacking any basis except the existence of the law itself.

To deal with the dangers of espionage and sabotage "in times of emergency" there are other fully adequate and effective laws that do not prescribe anything so abhorrent to the American mind as concentration camps. The Department of Justice speaks with special authority in calling for repeal of the 1950 act. The request is very much in order and should be granted promptly.

[From the Washington (D.C.) Post, Dec. 6, 1969]

BACK TO AMERICA

The acknowledgment of error is never easy; and among government officials it is exceedingly uncommon. The Deputy Attorney General has just come about as close to such an acknowledgment as can currently be recollected. Although the error acknowledged was institutional and not personal and although it was inaugurated by an act of Congress and in an earlier administration, the straightforwardness and candor with which he has proposed a rectification of the government's course deserve the highest commendation.

"The Department of Justice," Deputy Attorney General Richard G. Kleindienst wrote to the chairman of the Senate Judiciary Committee, "recommends repeal of the Emergency Detention Act of 1950." The Emergency Detention Act was the most fascist feature of a uniformly bad law—the McCarran Internal Security Act of 1950—enacted in a period of national hysteria. It fixed procedures for arresting and interning American citizens in a time of national emergency if they were officially suspected of being dangerous to security.

"Unfortunately," Mr. Kleindienst wrote, "the legislation has aroused among many of the citizens of the United States the belief that it may one day be used to accomplish the apprehension and detention of citizens who hold unpopular beliefs and views." He is quite right about that. That uncomfortable belief is grounded in a realistic recognition of precisely what the act was intended to accomplish. He is quite right also in acknowledging that "various groups . . . (including Japanese-Americans and Negroes) look upon the legislation as permitting a reoccurrence of the roundups which resulted in the detention of Americans of Japanese ancestry during World War II." Mr. Kleindienst recalls, to his credit, that he "abhorred" that detention when it occurred. So did this newspaper. It is a blot on the pages of American history.

The country will be at once freer and safer if Congress repeals the Emergency Detention Act. The sooner the better. And if it could throw into the discard along with it the ridiculous antiriot law, the whole country could feel more comfortable—and more like its old familiar self.

[From Chicago Today, Dec. 5, 1969]

Time To Erase a Police-State Law

Reversing a previous stand, the justice department has asked Congress to repeal an odious law authorizing the use of detention camps in the United States during internal-security emergencies. That is a welcome change of heart.

The law is part of the McCarran act, passed in 1950 over President Truman's veto. It provides for imprisonment of anyone the attorney general thinks might be likely to commit sabotage or espionage in time of war, invasion or insurrection. The request for its repeal was made in a letter to the Senate judiciary committee's chairman, James O. Eastland [D., Miss.], from Deputy Atty. Gen. Richard D. Kleindienst, who said the law had aroused fears which "outweighed any usefulness it might have in a future domestic crisis."

Laws aren't put on the books for fun. Insurrection can mean any open rebellion against civil authority, and a street riot could be called an insurrection without bending the rules. Its participants could be hauled off to a detention camp in times of urban violence. That's too much power to leave to individuals, even tho its use is unlikely.

Whatever the reasons for the justice department's delay in recognizing this police-state provision for what it is, we're glad Kleindienst now agrees with Sen. Daniel K. Inouye [D., Hawaii] and Rep. Abner Mikva [D., I.], who introduced measures for a repeal last April. We're also glad Kleindienst has repudiated a statement attributed to him that demonstrators "should be rounded up and put in detention camps."

The detention-camp law should be put high on Congress' priorities for oblivion.

[From the Chicago Sun-Times, Dec. 7, 1969]

The Detention-Camp Decision

(By Evans-Novak)

Washington.—The long overdue decision, announced last Wednesday, to repeal the concentration-camp provision in the 1950 Internal Security Act was reached only after quiet pressure from the White House overcame stubborn resistance by Atty. Gen. John N. Mitchell.

The question, which had been simmering inside the administration all year, came to a boil in an extraordinary secret meeting in Mitchell's office Oct. 23. On that day, while Justice Department attorneys were vainly arguing before the Supreme Court for delay in the Mississippi school desegregation cases, Mitchell spent three hours in a confrontation with Negro leaders.

One of the key issues they raised was Title II of the Internal Security Act, which permits the government to establish detention camps for use in internal security emergencies.

Originally passed at the height of the McCarthy-era Communist scare, this provision has never been used and camps originally established to detain suspected subversives have long since been closed. But rumors started sweeping urban ghettos in early 1966 that the Federal Government was planning to use Title II authority to lock up black militants.

One reason the rumors persisted was the refusal by the Justice Department to take a stand on bills introduced in Congress to repeal Title II. Indeed, at one point, the Justice Department—reflecting Mitchell's position—decided tentatively, but not publicly, to oppose repeal on grounds that Title II might be needed in a national emergency.

Thus, the Negroes in Mitchell's office on Oct. 23 were deeply concerned. Among those present were Coretta King (widow of Dr. Martin Luther King Jr.), Dr. Ralph D. Abernathy (Dr. King's successor), Mayor Richard Hatcher of Gary and Rep. John Conyers of Detroit.

Representing the White House was Leonard Garment, President Nixon's top adviser on minority affairs. Garment had been subtly lobbying for repeal of Title II.

After airing grievances against the administration's position to extend the Voting Rights Act beyond the South and deteriorating relations between big-city police departments and black ghettos, Mitchell's visitors pulled no punches in asking repeal of Title II.

With congressional liberals pushing hard for the same thing, Mitchell agreed to consider it—but left the final decision up to Deputy Atty. Gen. Richard Kleindienst, who was not present. Kleindienst read the minutes of the Oct. 23 meeting and—six weeks later—rendered his decision. He announced it last Wednesday in a letter to Sen. James O. Eastland (D-Miss.), chairman of the Senate Judiciary Committee (who favors repeal but in a trade-off to liberals for a new, tough internal security law).

PERSONAL ANNOUNCEMENT

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the Record.)

Mr. BINGHAM. Mr. Speaker, I was unavoidably absent on Saturday, December 20, when the House agreed to the conference report on S. 3016, to provide for continuation of programs authorized under the Economic Opportunity Act of 1964, and to authorize funding of such programs. Had I been present for the vote on OEO, I would have voted "yea" as I have in the past.

REPORT ON THE 91ST CONGRESS, FIRST SESSION

(Mr. SMITH of Iowa asked and was given permission to extend his remarks at this point in the Record.)

Mr. SMITH of Iowa. Mr. Speaker, at the end of each year I summarize the activities of the Congress for the year, reprint it in the Congressional Record at my expense, and mail it to my constitutents in Iowa so that they might be better informed on the status of legislative proposals. Since hundreds of bills passed and about 16,000 were introduced, all cannot be fully described but I am including those which I believe to be of the most interest.

In instances where the bill is referred to as a public law, that means it has passed both Houses of Congress and has been sent to the White House and signed into law.

LAW ENFORCEMENT

Public Law 90- , which makes appropriations for the Justice Department, includes $268 million for the 1968 omnibus anticrime law to aid State and local law enforcement agencies. This is nearly $210 million more than the amount appropriated last year.

In the past 4 years Congress has passed 13 anticrime bills including the Omnibus Crime Control and Safe Streets Act which authorizes Federal aid to help State and local governments recruit and train law enforcement personnel and secure better equipment; the National Crime Information Center so local police officers can secure information within seconds from other parts of the country; the Juvenile Delinquency Prevention and Control Act providing Federal grants to States to assist them in juvenile delinquency programs, a greatly expanded FBI school to handle schooling for 1,000 local police officers per year, the Dangerous Drug Control Act increasing penalties for pushers of drugs, and a law making it a Federal crime for a criminal to move from one State to another to escape arrest for a local crime.

Since the Constitution reserves police powers to the States, there has been difficulty in finding any new Federal laws to help control local crimes. The new administration has been searching for new ideas, but all of their proposals except one have merely been for extension or expansion of previous laws. That one new proposal is for a law permitting judges to jail and keep jailed without bond people they suspect might commit a crime. English common law, developed over the centuries, and our American constitutional law, prohibits jailing anyone without due process of law. This means that a person charged with a crime cannot be imprisoned without trial or unless he fails to post a bond set by the judge to assure that he will be in court for the trial. Therefore, most Members have serious doubts as to the constitutionality of this proposal for "preventive detention." Crime has increased this year faster than ever before and to new heights, but most Members of Congress are reluctantly concluding that additional Federal laws that will help are limited and that every possible support must be given to local governments to do a better job in the area that is reserved to them. That is the substance of the 13 laws passed in the last few years.

AGRICULTURE

The current farm program expires with the 1970 crop year. Hearings have been held in both the House and the

Senate on extending the program and although the administration has suggested some alternate ideas that might be considered they have not yet forwarded any definite recommendations or outlined what must not be in a bill to escape a veto.

CIVIL RIGHTS

A voting rights bill passed the House. A simple extension for 5 years of the present voting rights bill which expires next year was defeated. In the States where voter participation is very low, Federal registrars can proceed to oversee registration to assure that voters are not being restricted from registering on racial grounds. Instead of extending it 5 more years, the House passed a bill sponsored by the administration which requires court action through appeals stages and final judgment on each case of alleged discrimination and would require a new court case when laws are changed. Voting rights advocates said it would create a game of "chasing the legislature" because they said when one act is declared unconstitutional, the legislature in some States would pass another one and another election would have passed before it would be declared unconstitutional. The act has not yet passed the Senate and may be changed there.

EDUCATION

H.R. 514—passed House, pending in Senate—extends the Elementary and Secondary Education Act which provides Federal aid to local school districts.

H.R. 13310—passed House, pending in Senate—would authorize assistance for special educational programs for children with learning disabilities.

H.R. 14252—passed House, pending in Senate—would authorize Federal grants for special educational programs and activities to prevent the abuse of drugs.

Public Law 91–95 increases the allowable interest rate under the guaranteed student loan program. Under the NDEA direct loan program, $190 million was provided to college students last year. The administration recommended cutting this to $155 million but Congress appropriated $222 million.

Public Law 91–86 permits labor management cooperation in setting up educational scholarships and child care centers. It does not involve Federal money.

Public Law 91–97 extends the program for Federal grants to help build education TV and radio facilities and provides continued support for the Educational Broadcasting Corp.

Public Law 91–61 establishes a National Center on Education Media and Materials for the Handicapped to facilitate the use of new technology in educational programs for the handicapped.

H.R. 13111—passed both the House and Senate but not yet signed by the President—includes my amendment which prohibits further 1970 Federal loan or grant funds to students using violence to seize property or disrupt a university or curtail academic freedom. Congress rejected more drastic proposals by others to penalize all students, both innocent and guilty, at universities where officials fail to control violence.

FOREIGN AFFAIRS

Public Law 91–14 extends the authority for U.S. participation in the International Development Association.

Public Law 91– , the Foreign Assistance Act of 1969, provides a 1-year continuation of the foreign aid program but at a level below that requested by the administration.

The Senate ratified the nuclear nonproliferation treaty, negotiated in 1968. The purpose of the treaty is to prevent the spread of nuclear weapons to nations which do not now possess them and is a followup to the 1963 limited nuclear test ban agreement.

Public Law 91–99 provides for a 1-year extension of the Peace Corps.

CONSUMER PROTECTION

Public Law 91–127 includes funds to finance the Wholesome Meat Act, which I sponsored in 1967. This law, aimed at bringing all meat plants in the country up to Federal inspection standards, becomes fully effective on December 15, 1970. The same law also included funds for the Wholesome Poultry Products Act of 1968, which I also sponsored and which is modeled after the meat inspection law.

Public Law 91–113, the Child Protection and Toy Safety Act, provides for the labeling of toys or other articles intended for use by children and which are hazardous due to the presence of electrical, mechanical or thermal hazards.

Since passage of the Federal Meat Inspection Act of 1967, which I sponsored, a number of other bills have been passed to help protect the consuming public. Other bills include the Poultry Inspection Act which I also sponsored; Consumer Credit Protection Act provided disclosure of interest rates and finance charges, an act providing for a study and investigation and cost of automobile insurance; the Natural Gas Pipeline Safety Act; the Interstate Land Sales Disclosure Act; the Flammable Fabrics Act, and an act to amend the Public Health Service Act to provide for protection against radiation emissions from electronic products such as the microwave ovens and color television. Some other bills, including an egg inspection bill, which I am sponsoring, are currently under consideration in this Congress.

Hearings have been held in both the House and Senate on a Utilities Consumer Act and may be reported for passage next year.

VIETNAM

House Resolution 613, which is a resolution only and does not have the force of law, passed the House of Representatives and endorsed a peace with justice in Vietnam.

Although it really said nothing anyone would disagree with, it has been almost universally misinterpreted as either endorsing President Nixon's carrying out of the Clark Clifford plan or as calling for protection of the refugees against a blood bath. The debate, however, illustrated that there was less difference of opinion in the Congress than ordinarily believed on whether we should continue the Clark Clifford plan. The Clark Clifford plan of Vietnamization and announced troop withdrawals to encourage the South Vietnamese Government to take more responsibility was formulated in March of 1968. It was followed by President Johnson and is being followed by President Nixon even to almost the same number of troop withdrawals estimated. While some doves talked about immediate withdrawal in the debate, most of them conditioned that upon protecting the refugees and our soldiers and securing release of our boys who are held prisoners of war. While some hawks talked about "fighting to win," they showed a reluctance to blockade Haiphong Harbor or invade North Vietnam. Actually this much-publicized resolution said very little and mostly just provided a vehicle for discussing the subject matter.

NATIONAL DEFENSE AND VETERANS

Public Law 91–124 amends the Selective Service Act to authorize a random selection system for the draft. This will reduce the period of draft vulnerability for young men from 7 years to 12 months and thus remove most of the uncertainty which has made the law so difficult to administer. This draft reform measure was originally proposed in 1967 and most Members of Congress now feel it should have been adopted then.

Public Law 91–121, the Defense Authorization Act, provides for first steps toward deployment of an ABM system, authority for other defense activities and also contains restrictions relating to chemical agents such as phosgene gas.

Public Law 91–102 makes any war veteran with a permanent total disability from service-connected injuries eligible for outpatient treatment in civilian life.

Public Law 91–96 provides for a more equitable compensation formula and increased payments for most widows of deceased veterans or servicemen whose deaths are service-connected.

H.R. 11959—passed House and Senate, referred to conference committee—provides for increased educational allowances for Vietnam veterans attending college.

HOUSING AND URBAN DEVELOPMENT

Public Law 91– , the Housing and Urban Development Act, continues the urban renewal, model cities, neighborhood development programs, as well as providing new contract authority for homeownership and rental housing assistance.

Des Moines, designated as one of the first 63 cities to participate in the model cities program, received a $2 million Federal grant to implement its model cities plan this year.

HEALTH AND WELFARE

Public Law 91–56 requires that States receiving money under the medicaid program use it for that purpose. Some had merely reduced their contributions for other programs when they received medicaid payments from the Federal Government.

H.R. 11702—passed House and Senate, sent to conference committee—would amend the Public Health Services Act to improve and extend provisions for assistance to medical libraries.

H.R. 13950—passed both Houses and awaiting the President's signature—the Coal Mine Safety Act, strengthens requirements for safety in coal mines and includes provisions to protect workers against "black lung" disease. This is the most far-reaching mine safety law ever passed.

German measles vaccine was developed by Federal researchers and licensed. Women who have the disease while pregnant bear a much higher incidence of retarded or deformed children. In order to carry out an immunization program, $26 million was appropriated for aid to State and local health departments. Iowa will receive about $400,000, but there is no requirement that the State fully match the funds, and some States are not contributing nearly as much to the program as the Federal Government does. Therefore, some States or counties have a good program and some do not. I helped secure a 60 percent increase in the funds because some States, like Iowa, were not getting the program off the ground. It is apparent that before other vaccines are discovered, we need a program, even if mostly paid for by the Federal Government, which will secure more cooperation from State and local health departments who are depended upon to secure medical personnel.

JOB TRAINING

Public Law 91-   continues the antipoverty program for 2 years without any basic changes. By administrative action, the administration closed many Job Corps centers and is using more of the antipoverty funds to contract with private employers to provide additional jobs.

NATURAL RESOURCES

Public Law 91-   establishes a top-level Council on Environmental Quality to review national policy on natural resources and environmental control. The Council's first report is to be submitted next July 1.

Public Law 91-137 amends the Clean Air Act to extend research activities to curb air pollution from motor vehicles.

Public Law 91-135, the Endangered Species Preservation Act, prohibits importation of certain skins and protects certain wildlife in danger of becoming extinct in their native habitat.

Public Law 91-144 includes $800 million to provide aid to State and local governments in building sewage treatment facilities. The administration had recommended $214 million for this water pollution control program.

FOOD AND NUTRITION

Public Law 91-116 provides an increase to $610 million in the authorization for the food stamp program. This is almost twice the previous amount.

H.R. 11651—passed House, pending in Senate—would provide authority under the National School Lunch Act for free or reduced-price meals to needy children not now being reached.

H.R. 515—passed House, pending in Senate—includes provisions for improving the National School Lunch Act, including strengthening of the program's nutritional training and educational benefits.

H.R. 5554—passed House, pending in Senate—amends the Child Nutrition Act to encourage consumption of milk in nonprofit nursery schools, child care centers, and elsewhere.

Hearings have been held on a Nutrition Act which I am cosponsoring which puts greater emphasis on the need for balanced and adequate diets for the poor and school children and low-income individuals.

TRANSPORTATION

H.R. 10105—passed House and Senate, referred to conference committee—extends and makes improvements to the 1966 auto safety law.

Both versions of the bill include my amendment providing for a report and recommendations by the Secretary of Transportation on the farm tractor safety problem. At least 2,000 persons are killed each year in tractor accidents—nearly as many as died last year in railroad accidents—and, in terms of fatalities per miles traveled, farm tractors are about one-half as safe as autos. This amendment provides for the first top-level Federal study on tractor safety.

H.R. 11465—passed House, pending in Senate—provides for expansion of the Federal program to aid in construction of airport facilities.

LABOR

Public Law 91-54 provides for health and safety standards for workers at federally financed or federally assisted construction projects.

Public Law 91-53 makes some adjustments in the Federal-State unemployment compensation system.

Public Law 91-   makes some revisions in the number of hours railroad employees may work each week.

H.R. 13300—passed House, pending in Senate—provides for continuation of the supplemental annuity program for railroad workers.

GENERAL GOVERNMENT

House Joint Resolution 681—passed House, pending in Senate—would abolish the electoral college and provide for direct popular election of the President. This is one of the most important bills in many years and will become a constitutional amendment if approved by the Senate and ratified by the States.

Public Law 91-5 continues the authority under which the President, subject to approval by Congress, can reorganize Federal agencies.

Public Law 91-93 amends the Civil Service Retirement Act to encourage earlier retirement for some older Federal employees and increases the contributions to pay for the change.

Public Law 91-138 updates the existing law governing contested elections of Members of the House of Representatives. I have proposed, as part of a suggested Congressional Reorganization Act, a more substantial change to require a recount in contested elections.

House Resolution 17 creates a select committee of the House of Representatives to conduct a full and complete investigation into all aspects of crime in the United States.

DISTRICT PROJECTS

Congress appropriated $3.7 million, the full amount requested, to continue work on the Saylorville Dam and Reservoir north of Des Moines. At my request, an unbudgeted $400,000 was also approved to permit purchase of land near the dam site for the Ames Dam and Reservoir and also from those who prefer to sell now.

TAX AND FISCAL POLICIES

The Tax Reform Act—passed both Houses and awaiting the President's signature—removes some loopholes, reduces the scope of some others and removes some incentives to business to expand. It also reduces the rate of taxes, increased the exemptions per dependent and increased social security benefits by 15 percent.

H.R. 7906—passed House, pending in Senate—includes my amendment to prohibit a State income tax from being levied by more than one State on the same income of an individual. Some people are finding themselves liable for income taxes on their entire income in a State other than where they live merely because they took a vacation, make occasional business trips there or drive through the State. Under by bill, taxes are owed to the State where the money is earned and no other State can tax it for income tax purposes.

Public Law 91-128 extends the Interest Equalization Tax Act which contains provisions to keep the balance-of-payments problem under control.

APPROPRIATIONS

The Congress during the past year worked even harder than usual developing appropriations bills. The requests for appropriations submitted to the Congress in early January were formulated by an outgoing administration and President Nixon naturally wanted to submit his own appropriations requests. They were not sent to Congress until April and some were delayed even longer. Congress waited for the new appointees who were put in charge of the departments and agencies and carefully considered their testimony. After cutting some and increasing some other requests, Congress cut a net total of $5.6 billion from the President's requests. Congress always adjusts the priorities in a President's budget to some extent but considerable controversy has now developed with the President saying there should not have been increases for education and health grants even though it was more than offset by reductions in other Federal programs.

The Appropriations Committee, upon which I serve, recommends and the Congress as a whole approves amounts for each department and agency. These amounts are limits on the amount the administration can spend within each department but a President is not required to spend all of it. Congress also limits the amounts that each department or agency can spend for each program that it administers but the administration is not required to spend all of it. For example, the President requested more than Congress appropriated for a supersonic airplane and for foreign aid. He cannot spend more than Congress appropriates for each program. The President requested less than Congress appropriated for vocational training, libraries, and German measles vaccine. The President can spend the extra money Congress appropriated for these purposes, but there is no way to make him do so and all Presidents have withheld some funds appropriated.

Congress must consider the needs of all the people and settle disagreements over the limits to be placed on each program so that the total cost does not exceed the amount it is decided we can afford or must spend.

Although we have such disagreements every year, it has recently been labeled "adjusting priorities" with each individual wanting the adjustment in a different way. Few want increases in Federal taxes to pay for increases in the programs they like but all of us think more money could be shifted from some other programs to the ones we like best.

I am setting forth last year's appropriations—for fiscal year 1969, which is July 1, 1968, to July 1, 1969—together with President Nixon's requests and the amounts appropriated by Congress prior to adjourning just before Christmas so you can arrive at your own conclusion.

APPROPRIATIONS BILLS PASSED BY 91ST CONGRESS, 1ST SESSION, FOR FISCAL YEAR 1970

Departments or agencies	Amount appropriated last year	President Nixon's request	Amount appropriated	Comparison
Treasury and Post Office	$8,158,477,000	$8,821,727,000	$8,783,245,000	−$38,482,000
Agriculture	5,531,296,650	7,237,562,050	7,488,903,150	+251,341,100
HUD and independent agencies	13,820,395,000	15,337,969,600	15,111,870,500	−226,099,100
Interior	1,284,989,300	1,390,856,500	1,380,375,300	−10,481,200
State, Justice, Commerce, and Judiciary	1,986,721,500	2,475,704,600	2,354,432,700	−121,271,900
Labor-HEW	17,464,789,500	18,608,125,700	19,747,153,200	+1,139,027,500
Legislative	298,151,396	372,152,949	344,326,817	−27,826,132
Space, Atomic Energy, and Public Works	4,608,421,000	4,203,978,000	4,756,007,500	+552,029,500
Military Construction	1,758,376,000	1,917,300,000	1,560,456,000	−356,844,000
Transportation	1,429,266,000	1,840,473,630	1,929,738,630	+89,265,000
District of Columbia	148,755,000	228,842,000	168,510,000	−60,332,000
Defense	72,063,296,500	75,278,200,000	69,640,568,000	−5,637,632,000
Foreign Assistance	1,775,725,000	3,679,564,000	2,558,910,000	−1,120,654,000
Miscellaneous increases requested		314,597,852	278,281,318	−36,316,534
Total	130,328,659,846	135,200,040,881	129,595,765,115	−5,604,275,766

DEVELOPMENT OF LEGISLATION

I think Congress should have more capability in terms of computers and staff so it can originate more of its own legislation, but during most of the past 30 years there has been strong leadership in the White House and Congress has depended upon the adminstration to originate legislation, send up requests for extension or revision of ongoing programs or at least tell us how a law is working and if or how a proposal would need to be modified to avoid a veto. However, this year, a much larger than usual portion of legislation was originated or developed in Congress.

THE FOLLOWING IS A SHORT SUMMARY OF HOUSE ACTION ON SOME BILLS WHICH RECEIVED CONSIDERABLE PUBLIC ATTENTION

Bill	Nixon administration position	Passed House of Representatives
S. 1058, to grant President reorganization powers.	For	334-44 (Democrats 168-40; Republicans 166-4).
H.R. 8508, Increases Maximum Public Debt.	For	313-93 (Democrats 173-52; Republicans 140-41).
H.R. 4148, Water Pollution Control	Partially for	392-1 (Democrats 218-0; Republicans 174-1).
H.R. 514, Extend Elementary and Secondary Education Act.	For 2 years, not 5 years.	400-17 (Democrats 225-9; Republicans 175-8).
H. Res. 17, set up Special Commission to Investigate Crime in the United States.	None	384-2 (Democrats 205-2; Republicans 177-0).
H.R. 5554, Extend Child Nutrition and Milk Act.	None	384-2.
Amendment to H.R. 11582, Limit subsidies to publishers.	None	Failed 100-239 (Democrats 79-112; Republicans 21-127).
H.R. 11102, amend act for aid to construct hospitals.	None	351-0.
H.R. 7906, prohibit double taxation by different States.	None	311-87 (Democrats 156-60; Republicans 155-27).
H.R. 12290, Continue Income Tax Surcharge.	For	210-205 (Democrats 56-179; Republicans 154-26).
H.R. 100, additional funds for Kennedy Center on Arts.	For	210-163 (Democrats 158-54; Republicans 52-109).
H.R. 11702, Extent Library Assistance Act.	None	370-3.
H.R. 11651, Extend and Expand National School Lunch Program.	None	352-5.
H.R. 9825, to amend Civil Service Retirement Act.	None	359-48.
Amendment to H.R. 13111, Joelson amendment to increase education funds.	Against	294-119 (Democrats 195-38; Republicans 99-81).
Amendment to H.R. 13111, prohibit funds to any student who uses violence to close buildings, etc.	For	316-95 (Democrats 155-76; Republicans 161-19).
H.R. 509, extend surtax through Dec. 31, 1969.	For	237-17 (Democrats 85-144; Republicans 152-26).
H.R. 13270, tax reform	Presented alternate, Apr. 21, after this bill almost completed.	394-30 (Democrats 218-20; Republicans 176-10).
H.R. 10105, extend Highway Safety Act.	None	322-0 (Democrats 175-0; Republicans 147-0).
H.R. 7621, extend act to protect against hazardous substances and toys.	None	327-0.
H.R. 12085, extend Clean Air Act	None	332-0.
H.R. 11039, extend Peace Corps Act.	For	282-52 (Democrats 150-32; Republicans 132-20).
H. J. Res. 618, constitutional amendment to elect the President by popular election.	For an alternate plan	338-70 (Democrats 184-44; Republicans 154-26).
H.R. 13300, amend the Railroad Retirement Act.	None	372-17 (Democrats 202-15: Republicans 170-2).
H.R. 13950, Coal Mine Safety Act	For at first, later opposed provision for compensation to disabled.	389-4 (Democrats 217-0; Republicans 172-4).
H. Res. 586, amend draft law	For	383-12 (Democrats 208-11; Republicans 175-1).
H.R. 14252, authorize special educational programs on drugs.	Against	294-0 (Democrats 163-0; Republicans 131-0).
H.R. 14465, expand airport facilities.	Endorsed same day as passed.	337-6 (Democrats 192-3; Republicans 145-3).
H.R. 14580, foreign aid funds for planes for Formosa.	For	176-163 (Democrats 107-85; Republicans 69-78).

THE REAL MEANING OF PEACE

(Mr. HAGAN asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. HAGAN. Mr. Speaker, as we contemplate this holy time, we must consider the real meaning of peace.

Approaching the 21st century, we have seen many marvels here on earth. Man has mastered the atom, we have put a man on the moon, and through our technical knowledge we are going farther into space and seeing the wonders of God's great universe. Through science man has made progress in the fields of medicine and agriculture. We are seeking a better way of life in every area, yet the world is in turmoil, our people are far from united and in every part of the world there is unrest. Peace is still a longing and a hope.

Despite the efforts of the best minds in this country and other nations of the world, we have yet to devise an everlasting panacea which will abolish for all time man's oldest plague—war.

At this time of joy in the civilized world, we should take time to contemplate a better world for all—a world of peace. We should all take care and ample time to reflect upon and to appreciate the joyous experiences and all the many blessings which we so often take for granted. We should not for a moment forget that we are extremely fortunate among men to live in this land of plenty. We should make it our determined purpose to live in harmonious peace with our neighbor, whatever his religion, color, or nationality.

I pray that this happy season will see all my good friends in the First District, the State of Georgia, and throughout this great Nation enjoying the very best of good health, happiness and prosperity. I pray that the new year will bring added fulfillment of our purpose—the attainment of real peace—increased joy in all of our pursuits, and abundant living for all.

The message of love and hope proclaimed many years ago still stands today—it is there for all mankind. Love one another, love thy neighbor, find inner peace and love yourself so you can spread this message of love. When we have a sincere concern for those around us and a desire to help and serve we cannot hate and attack.

If we work together and pray together in a common spirit, we shall all reap the bounteous rewards of peace and a better world.

Happy holidays and God bless you all.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Conyers (at the request of Mr. Pepper), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Daniel of Virginia); to revise and extend their remarks and to include extraneous matter:)

Mr. Culver, for 20 minutes, today.

Mr. Rooney of Pennsylvania, for 10 minutes, today.

Mr. Gonzalez, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Gross.

Mr. Mahon and to include extraneous material on the conference report on the supplemental appropriations, 1970.

Mr. Friedel following the reading of the Journal.

Mr. Edmondson in three instances.

Mr. Price of Illinois in three instances and to include extraneous matter.

Mr. Boland during the consideration of the supplemental appropriation bill for fiscal year 1970 and to include extraneous matter.

Mr. Bush to follow the remarks of Mr. Byrnes of Wisconsin on the conference report on H.R. 13111.

Mr. Watson to extend his remarks in the Record following those of Mr. Byrnes of Wisconsin.

Mr. Broyhill of North Carolina.

Mr. Smith of Iowa in three instances.

Mr. Hagan in three instances.

Mr. Burleson of Texas to revise and extend his remarks in colloquy with Mr. Vanik on the tax reform bill.

(The following Members (at the request of Mr. Mizell), and to include extraneous matter:)

Mr. Zwach in two instances.

Mr. Riegle.

Mr. Utt in three instances.

Mr. Wyman in two instances.

Mr. Miller of Ohio in two instances.

Mr. Scott in two instances.

Mr. Duncan in two instances.

Mr. Ashbrook in two instances.

Mr. Hosmer in four instances.

Mr. Bray in five instances.

Mr. Bush.

Mr. Landgrebe.

Mr. O'Konski in four instances.

Mr. McKneally.

Mr. King.

Mr. Reid of New York in two instances.

Mr. Hogan in two instances.

Mr. Gude in three instances.

Mr. Goodling in two instances.

Mr. Wylie.

Mr. Keith in two instances.

Mr. Langen.

Mr. Conte in three instances.

Mr. Michel.

(The following Members (at the request of Mr. Daniel of Virginia), and to include extraneous matter:)

Mr. McCormack.

Mr. McCarthy in 10 instances.

Mr. Friedel in six instances.

Mr. Daniels of New Jersey in 10 instances.

Mr. Mollohan.

Mr. Karth in four instances.

Mr. Hagan in two instances.

Mr. Ottinger.

Mr. O'Hara.

Mr. Rarick in three instances.

Mr. Pickle in three instances.

Mr. Helstoski in two instances.

Mr. Fulton of Tennessee in two instances.

Mr. Tunney in two instances.

Mr. Ryan in five instances.

Mr. Brooks in four instances.

Mr. Boggs.

Mr. Minish in two instances.

Mr. Podell.

Mr. Gallagher.

Mr. Kastenmeier in two instances.

Mr. Johnson of California.

Mr. Fountain.

Mr. Dorn in two instances.

Mr. Gonzalez in two instances.

Mr. Kee in two instances.

Mr. Pucinski in 10 instances.

Mr. de la Garza in five instances.

ENROLLED BILLS AND A JOINT RESOLUTION SIGNED

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resoluton of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 9233. An act to amend title 5, United States Code, to promote the efficient and effective use of the revolving fund of the Civil Service Commission in connection with certain functions of the Commission, and for other purposes;

H.R. 14794. An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1970, and for other purposes; and

H.J. Res. 764. Joint resolution to authorize appropriations for expenses of the President's Council on Youth Opportunity.

SENATE ENROLLED BILLS AND A JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 65. An act to direct the Secretary of Agriculture to convey sand, gravel, stone, clay, and similar materials in certain lands to Emogene Tilmon of Logan County, Ark.;

S. 80. An act to direct the Secretary of Agriculture to convey sand, gravel, stone, clay, and similar materials in certain lands to Enoch A. Lowder of Logan County, Ark.;

S. 81. An act to direct the Secretary of Agriculture to convey sand, gravel, stone, clay, and similar materials in certain lands to J. B. Smith and Sula E. Smith, of Magazine, Ark.;

S. 82. An act to direct the Secretary of Agriculture to convey sand, gravel, stone, clay, and similar materials in certain lands to Wayne Tilmon and Emogene Tilmon of Logan County, Ark.;

S. 2325. An act to amend title 5, United States Code, to provide for additional positions in grades GS-16, GS-17, and GS-18;

S. 2577. An act to lower interest rates and fight inflation; to help housing, small business, and employment; to increase the availability of mortgage credit; and for other purposes;

S. 3016. An act to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, and for other purposes; and

S.J. Res. 154. Joint resolution to authorize and request the President to proclaim the month of January 1970 as "National Blood Donor Month."

BILLS PRESENTED TO THE PRESIDENT

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 9233. An act to amend title 5, United States Code, to promote the efficient and effective use of the revolving fund of the Civil Service Commission in connection with certain functions of the commission, and for other purposes;

H.R. 9334. An act to amend title 38, United States Code, to promote the care and treatment of veterans in State veterans' homes;

H.R. 14751. An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1970, and or other purposes; and

H.R. 14794. An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1970, and for other purposes.

ADJOURNMENT TO 11 O'CLOCK A.M. TUESDAY, DECEMBER 23

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow morning.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 15 minutes p.m.), under its previous order, the House adjourned until tomorrow, Tuesday, December 23, 1969, at 11 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1433. A letter from the Chief, National Guard Bureau, Department of Defense, transmitting a report of all Army and Air National Guard operations during fiscal year 1969; to the Committee on Armed Services.

1434. A letter from the Chairman, Federal Maritime Commission, transmitting a draft of proposed legislation to amend the Shipping Act, 1916, and the Intercoastal Shipping Act, 1933, to convert criminal penalties to civil penalties in certain instances and for other purposes; to the Committee on Merchant Marine and Fisheries.

1435. A letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation to amend the Merchant Marine Act, 1936; to the Committee on Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DULSKI: Committee on Post Office and Civil Service. Report on improved manpower management in the Federal Government—examples for the period January through June 1969 (Rept. No. 91–783). Referred to the Committee of the Whole House on the State of the Union.

Mr. FALLON: Committee on Public Works. S. 2910. An act to amend Public Law 89–260 to authorize additional funds for the Library of Congress James Madison Memorial Building; with an amendment (Rept. No. 91–784). Referred to the Committee of the Whole House on the State of the Union.

Mr. TAYLOR: Committee on Interior and Insular Affairs. H.R. 3786. A bill to authorize the appropriation of additional funds necessary for acquisition of land at the Point Reyes National Seashore in California; with an amendment (Rept. No. 91–785). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CHAPPELL:

H.R. 15396. A bill to amend the Internal Revenue Code of 1954 to increase from $600 to $900 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemptions for a dependent, and the additional exemptions for old age and blindness); to the Committee on Ways and Means.

By Mr. ESCH:

H.R. 15397. A bill to authorize the U.S. Commissioner of Education to establish educational programs to encourage understanding of policies and support of activities designed to enhance environmental quality and maintain ecological balance; to the Committee on Education and Labor.

By Mr. FREY:

H.R. 15398. A bill to establish a Joint Committee on Environmental Quality; to the Committee on Rules.

By Mrs. HANSEN of Washington:

H.R. 15399. A bill to provide for a separate session of Congress each year for the consideration of appropriation bills, to establish the calendar year as the fiscal year of the Government, and for other purposes; to the Committee on Rules.

By Mr. O'HARA:

H.R. 15400. A bill to amend the Fish and Wildlife Act of 1956 to provide a criminal penalty for shooting at certain birds, fish, and other animals from an aircraft; to the Committee on Merchant Marine and Fisheries.

By Mr. O'KONSKI:

H.R. 15401. A bill to amend title II of the Social Security Act to provide a minimum primary benefit of $100 a month (with corresponding increases in the benefits payable to certain uninsured or insufficiently insured individuals), and for other purposes; to the Committee on Ways and Means.

By Mr. PATMAN:

H.R. 15402. A bill to amend the National Housing Act and the Federal Reserve Act to help meet the national housing goals, including the goals for low- and moderate-income families through the purchase of mortgages with private pension fund and Federal Reserve assets; to the Committee on Banking and Currency.

By Mr. SEBELIUS:

H.R. 15403. A bill to amend the Federal Meat Inspection Act to give additional time to small State inspected facilities additional time to comply with new inspection regulations and that State inspected facilities after meeting the inspection requirements shall be eligible for distribution in establishments on the same basis as plans inspected under title I; to the Committee on Agriculture.

By Mr. SHRIVER:

H.R. 15404. A bill to amend the Uniform Time Act of 1966 in order to provide that daylight saving time shall be observed in the United States from the first Sunday following Memorial Day to the first Sunday following Labor Day; to the Committee on Interstate and Foreign Commerce.

By Mr. TUNNEY (for himself, Mr. RHODES, Mr. UDALL, Mr. STEIGER of Arizona, and Mr. LIPSCOMB):

H.R. 15405. A bill to render the assertion of land claims by the United States based upon accretion or avulsion subject to legal and equitable defenses to which private persons asserting such claims would be subject; to the Committee on Interior and Insular Affairs.

By Mr. BRADEMAS:

H.R. 15406. A bill to assist State and local criminal justice systems in the rehabilitation of criminal and youth offenders, and the prevention of juvenile delinquency and criminal recidivism by providing for the development of specialized curriculums, the training of educational personnel, and research and demonstration projects; to the Committee on Education and Labor.

By Mr. GONZALEZ:

H.R. 15407. A bill to amend chapter 89 of title 5, United States Code, relating to enrollment charges for Federal employees' health benefits; to the Committee on Post Office and Civil Service.

By Mr. MAILLIARD:

H.R. 15408. A bill to establish a Joint Committee on Environmental Qaulity; to the Committee on Rules.

By Mr. PELLY:

H.R. 15409. A bill to establish a Joint Committee on Environmental Quality; to the Committee on Rules.

By Mr. TIERNAN:

H.R. 15410. A bill to amend part 1 of the Interstate Commerce Act to require the installation of sanitation devices in railroad cars to prevent the discharge from such cars of sewage; to the Committee on Interstate and Foreign Commerce.

By Mr. UDALL:

H.R. 15411. A bill to establish a Joint Committee on Environmental Quality; to the Committee on Rules.

By Mr. GUDE:

H.R. 15412. A bill to require disclosure of political campaign financing in the District of Columbia; to the Committee on the District of Columbia.

By Mr. MILLER of Ohio:

H. Con. Res. 474. Concurrent resolution expressing the sense of the Congress with respect to public expression of religious faith by American astronauts; to the Committee on the Judiciary

By Mr. FRIEDEL:

H. Res. 764. Resolution authorizing payment of compensation for certain committee employees; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DONOHUE:

H.R. 15413. A bill for the relief of Dimitrios Mitkonis; to the Committee on the Judiciary.

By Mr. DULSKI (by request):

H.R. 15414. A bill for the relief of Dr. Salvador C. Barba; to the Committee on the Judiciary.

By Mr. JOHNSON of California:

H.R. 15415. A bill for the relief of George F. Mills; to the Committee on the Judiciary.

H.R. 15416. A bill for the relief of Jasper Dean Riggins; to the Committee on the Judiciary.

By Mr. McCLURE:

H.R. 15417. A bill for the relief of Paulino O. Tolentino; to the Committee on the Judiciary.

By Mr. ST GERMAIN:

H.R. 15418. A bill for the relief of Stefania Widor; to the Committee on the Judiciary.

By Mr. BYRNE of Pennsylvania:

H. Res. 766. A resolution to refer the bill, H.R. 15352, entitled "For the relief of Leopold Morse Tailoring Co.," to the Chief Commissioner of the U.S. Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII,

270. The SPEAKER presented a memorial of the Legislature of the State of Wisconsin, relative to flood control and watershed protection on the Pecatonica River in Wisconsin and Illinois, which was referred to the Committee on Public Works.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

362. By the SPEAKER: Petition of Henry Stoner, York, Pa., relative to a map of the United States showing congressional districts; to the Committee on House Administration.

363. Also, petition of Henry Stoner, York, Pa., relative to combining all tax payments annually; to the Committee on Ways and Means.

HOUSE OF REPRESENTATIVES—*Tuesday, December 23, 1969*

The House met at 11 o'clock a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Matthew 2: 2: *We have seen His star in the east and have come to worship Him.*

Eternal God, our Father, send Thou the light of Thy spirit into the darkness of this world and into the turmoil of these times.

Let the star of love shine upon every heart and upon every family that good will may live within us and in every home in our land.

Let the star of hope be seen by the eyes of men and may they continue to look up even in dark days and amid discouraging experiences for Thou art the hope of the world.

Let the star of truth shed its light into the spirits of men, cleansing them and empowering them to walk in Thy way and to live Thy life.

Led by Thy star may we walk the way

revealed to us as did the shepherds of old and the wise men from distant lands and in Thee find light and life and love.

> "As with gladness men of old
> Did the guiding star behold;
> As with joy they hailed its light,
> Leading onward, beaming bright;
> So, most gracious Lord, may we
> Evermore be led to Thee."

May the Lord watch over us as we depart, and when we return may His spirit guide us and our Nation through another year.

In the Master's name we pray. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H.R. 944. An act to amend section 404(d) of title 37, United States Code, by increasing the maximum rates of per diem allowance and reimbursement authorized, under certain circumstances, to meet the actual expenses of travel;

H.R. 14227. An act to amend section 1401a (b) of title 10, United States Code, relating to adjustments of retired pay to reflect changes in Consumer Price Index;

H.R. 14571. An act to amend the Central Intelligence Agency Retirement Act of 1964 for Certain Employees, as amended, and for other purposes;

H.R. 15071. An act to continue for two additional years the duty-free status of certain gifts by members of the Armed Forces serving in combat zones; and

H.J. Res. 1040. Joint resolution extending the time for filing the Economic Report and the report of the Joint Economic Committee.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 13270) entitled "An act to reform the income tax laws."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15209) entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1970, and for other purposes."

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1626. An act to regulate the practice of psychology in the District of Columbia;

S. 1872. An act to repeal the Emergency Detention Act of 1950 (title II of the Internal Security Act of 1950);

S. 2694. An act to amend the District of Columbia Police and Firemen's Salary Act of 1958 and the District of Columbia Teachers' Salary Act of 1955 to increase salaries, and for other purposes;

S. 2981. An act to revise the laws of the District of Columbia on juvenile court proceedings; and

S. 3009. An act to authorize the Commissioner of the District of Columbia to enter into contracts for the payment of the District's equitable portions of the costs of reservoirs on the Potomac River and its tributaries, and for other purposes.

AUTHORITY FOR THE SPEAKER TO DECLARE A RECESS TODAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that it may be in order at any time today for the Speaker to declare a recess subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. GROSS. Mr. Speaker, reserving the right to object, how long does the gentleman think we would be in recess? What is the business outstanding? Let me get at it that way.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. GROSS. Yes; of course.

Mr. ALBERT. We are waiting for the conferees on the Export Control Act to bring in a conference report. We were told earlier that it would probably be in by 11 o'clock but it obviously is not ready as yet. That and the adjournment resolution are so far as I know the only business remaining. That is the purpose of the unanimous-consent request.

Mr. GROSS. Then, I take it that the House is prepared to adjourn sine die with some $21 billion or $22 billion worth of appropriations still outstanding and not acted upon at this session of Congress?

Mr. ALBERT. I would say to the gentleman from Iowa that every agency is covered by resolution which was passed, or I should say by the appropriation bill that was passed yesterday which contained the continuing resolution.

Mr. GROSS. I am well aware of that, but the answer I assume the gentleman would give——

Mr. ALBERT. No appropriation matter is pending in the House of Representatives.

Mr. GROSS. But at least two such matters are pending in the Congress, and it requires the concurrence of the House in order to enact a sine die adjournment resolution. The gentleman will agree with that, I am sure. It is not proposed then to go into a night session today if permission is granted to the House to recess?

Mr. ALBERT. Will the gentleman from Iowa yield further to me?

Mr. GROSS. I yield further to the gentleman from Oklahoma.

Mr. ALBERT. I hope it is not even necessary to go into an afternoon session.

Mr. GROSS. I hope the gentleman is correct.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. PUCINSKI. Mr. Speaker, reserving the right to object, I wonder if in light of the colloquy we just heard the distinguished majority leader would not agree that if there are some appropriation bills that have not been completed, this is with full agreement with the White House? As I understand it, the White House has agreed that there are problems involved which could not be resolved before the recess but they can be resolved after the recess. In the meantime agencies can continue to operate through the continuing resolution. Would the gentleman from Oklahoma care to comment on that?

Mr. ALBERT. The only comment I can make on that is that I have seen a copy of a letter sent by the President. I have not discussed this particular item or these particular bills with the President or any other representative of the White House or the administration.

Mr. PUCINSKI. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

NATIONAL RAILROAD ADJUSTMENT BOARD—H.R. 15349

(Mr. STAGGERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STAGGERS. Mr. Speaker, I have introduced a bill—H.R. 15349—to amend the Railway Labor Act to adjust the membership of the First Division of the National Railroad Adjustment Board. As a result of the merger of four unions out of the five formerly represented on that Board, it has been impossible for the strict requirements of the law with respect to the composition of the Board to be complied with. Legislation is necessary to adjust the law to the prevailing situation relating to the membership of the first division, but there has been disagreement among the parties as to the terms of that legislation.

Agreement has finally been reached between the two unions involved and representatives of all the carriers involved, and this bill reflects the exact terms of that agreement.

I anticipate expeditious action on this bill, so that it can become law early during the next session of the Congress, so that this first division can get back to work handling its backlog of claims.

COTTON BOWL GAME

(Mr. BRADEMAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BRADEMAS. Mr. Speaker, I take this time to speak of a matter of great national significance. I regret very much that my friend and distinguished colleague, the gentleman from Texas (Mr. PICKLE) is not on the floor at this time, for on January 1, New Year's Day, the great State of Texas will be invaded by the Fighting Irish of the University of Notre Dame, led by the greatest Irishman of them all, Coach Ara Parseghian, for the playing of the Cotton Bowl football game.

I want to put my friends from Texas on warning that they are in deep trouble because the Irish from Indiana have blood in their eyes and intend to win in this first bowl invitation Notre Dame has accepted in 45 years. As evidence of my own conviction of victory on New Year's Day, I hereby challenge my colleague, Congressman PICKLE, who represents the district in which the University of Texas is located, to a wager. I am willing to wager one handsome Irish shillelagh—against any like wager which the gentleman from Texas is willing to make—that on the 1st of January the Fighting Irish of Notre Dame will fight on to a great victory over the University of Texas in the Cotton Bowl game.

GENERAL LEAVE TO EXTEND ON CONFERENCE REPORT ON S. 1075

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days from the time after the passage of the conference report on S. 1075, which was adopted by the House of Representatives yesterday, to extend their remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

A CHRISTMAS OF HOPE

(Mr. PELLY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PELLY. Mr. Speaker, on the eve of our commemoration of the birth of the Prince of Peace, word has come that the United States and Russia have agreed to full strategic nuclear arms talks next April in Vienna. This adds a new ray of hope to our Christmas season.

Further, Mr. Speaker, this may be the most important series of meetings in the history of mankind, for a halt in the arms race may save our future generations from mass suicide.

I was comforted in the announcement from Helsinki that the two superpowers, in the preliminary talks, had reached agreement that each accepts the idea of mutual deterrence. They agreed that their joint problem is how to maintain the present balance of power between them on which the nuclear peace depends.

This is vital to our survival, Mr. Speaker. Both nations today possess the power to destroy each other many times over. This overkill capability need not be extended, and it is on this basis that these talks are being conducted.

While there is much work to be done, we should pause at this time of the Christmas season and pray for success. While the two nations have agreed that any agreement to curb or limit weapons systems must be satisfactorily verified, they left the details of that touchy problem for later.

However, as much as this is a time of renewing our faith, this year there is a new element of hope for a lasting peace; a peace that is not possible without a limitation on nuclear arms on earth.

PRINTING OF ADDITIONAL COPIES OF HEARINGS ENTITLED "ENVIRONMENTAL EFFECTS OF PRODUCING ELECTRIC POWER"

Mr. FRIEDEL. Mr. Speaker, I offer a resolution (H. Res. 767) and ask unanimous consent for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 767

Resolved, That there be printed, concurrently with the press run, for the use of the Joint Committee on Atomic Energy, seven hundred additional copies of the hearings held by said joint committee during the Ninety-first Congress entitled "Environmental Effects of Producing Electric Power."

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE TO NOTIFY THE PRESIDENT

Mr. ALBERT. Mr. Speaker, I offer a resolution (H. Res. 768) and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 768

Resolved, That a committee of two Members be appointed by the House to join a similar committee appointed by the Senate to wait upon the President of the United States and inform him that the two Houses have completed their business of the session and are ready to adjourn, unless the President has some other communication to make to them.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Iowa.

Mr. GROSS. Are we still awaiting the conference report?

Mr. ALBERT. They are on their way over here. One of the conferees is here now. It is just a matter of minutes.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. The Chair appoints as Members on the part of the House of the Committee To Notify the President the gentleman from Oklahoma, Mr. ALBERT, and the gentleman from Michigan, Mr. GERALD R. FORD.

THE APPROPRIATIONS BUSINESS OF THE SESSION

(Mr. MAHON asked and was given permission to revise and extend his remarks and include extraneous matter.)

Mr. MAHON. Mr. Speaker, with the conclusion of the session today, I think it appropriate that we make a stab at the approximate results of our actions on the money bills of the year in relation to the President's budget requests.

Congress deals with the spending side of the budget principally through the appropriation bills, but certain actions outside the appropriation bills also have an impact on the totals, in respect not only to revenues but also to expenditures and new spending authority.

Also, I should add that certain inactions by the Congress on budget proposals enter into the final comparisons of congressional impact on the budget.

Final figures are not immediately available, but can be reasonably approximated. For one thing, final action was not taken on two major appropriation bills; namely, Labor-HEW and foreign assistance.

A. THE APPROPRIATION BILLS

But with respect to the current fiscal year 1970, in the 14 appropriation bills—and at the moment I refer only to the appropriation bills, and I include the amounts in the conference reports on the two bills not yet cleared by Congress, namely, Labor-HEW and foreign assistance—here in briefest outline are some of the major highlights. Elaboration and some supporting detail will be provided later.

First. Congress has cut the appropriation budget requests for fiscal year 1970 by about $5,604,000,000. The budget requests were $135,200,000,000. The approved amounts total $129,596,000,000.

Second. This, we roughly calculate, will translate into an expenditure cut of approximately $3,000,000,000 in fiscal 1970. A cut of $5.6 billion in the appropriation requests means an ultimate cut of equal amount in expenditures, but since some portions of appropriations for a given year are budgeted to be paid out over two or more years, the first year expenditure reduction effect is not as great as the ultimate effect.

Third. In Defense appropriations, in the two defense bills, we cut the 1970 requests by $5,994,000,000. The budget requests were $77,195,000,000. The approved amounts total $71,201,000,000.

Fourth. This, we roughly calculate, will translate into a first year—fiscal 1970—expenditure cut of approximately $3,200,000,000.

Fifth. In respect to non-defense appropriations, and this includes the Labor-HEW and foreign assistance conference reports, Congress made a net increase in the 1970 appropriation requests of $390,000,000. On foreign assistance, in the pending conference report, we cut $1,120,000,000. On Labor-HEW, in the pending conference report, there is a net increase of $1,139,000,000. In the 10 other bills, there was a net increase of $371,000,000. We will supply a table by bills for the RECORD.

Sixth. The big chunks of nondefense appropriation increases over the budget are these:

Education: elementary and secondary; impacted aid; higher education; vocational education, plus $1,093,000,000;

Clean water, plus $586,000,000;

Federal Aviation Administration: equipment and airport aid—plus $140,000,000; and

Agricultural conservation program and special milk program, plus $279,000,000.

ADVANCE 1971 APPROPRIATIONS

Mr. Speaker, the figures I have given are for fiscal year 1970. There were a handful of items for fiscal year 1971 advance funding, notably an item of $1,226,000,000 for elementary and secondary education, which we disallowed. That item can come in the early education appropriation bill next session.

The advance funding totals for fiscal year 1971 are as follows:

Budget requests	$1,651,000,000
Approved (mass transit)	214,000,000
Total	−1,437,000,000

The reductions in advance fiscal 1971 funding requests do not affect expenditures budgeted for fiscal 1970, and are not, of course, included in the $5.6 billion appropriation cut for fiscal 1970 mentioned earlier.

IN RELATION TO FISCAL YEAR 1969

Appropriations: In relation to fiscal 1969, the appropriations total in the appropriation bills—that is, on the appropriations on which Congress annually acts—the tentative total for fiscal 1970, including the conference amounts on the two bills pending—Labor-HEW and foreign assistance—is roughly $2,400,000,000 below the fiscal year 1969 total.

That is the approximate situation on appropriations thus far in fiscal year 1970 in relation to fiscal year 1969. But I must add that substantial supplementals may be forthcoming in the spring, mainly, I would expect, for the military and civilian pay increases already in effect but for which the 1970 appropriations did not make specific provision.

Expenditures: The relationship of estimated fiscal 1970 expenditures to actual fiscal 1969 expenditures is somewhat different than the relationship measured by appropriation amounts acted upon annually by the Congress. Expenditures in a given fiscal year flow from not only the appropriations made for that year but also from unexpended carryover balances of appropriations made in previous years. And appropriations from which expenditures follow are not only those which Congress votes annually but very substantial appropriations go on the books automatically each year under so-called permanent, or recurring provisions of law for such items as interest on the debt and the social security and certain other trust funds.

Spending during the last several years has been steadily rising, and for a variety of reasons. Expenditures—not appropriations—in fiscal 1969 were about $6 billion above expenditures for fiscal 1968. Due importantly to higher spending for defense and for a number of domestic civilian programs, expenditures in fiscal 1968 exceeded fiscal 1967 by about $20 billion; expenditures in fiscal 1967 exceeded fiscal 1966 by about $23 billion. Both defense and domestic civilian programs were importantly involved.

For the current fiscal year 1970, President Nixon, in April, estimated that expenditures would exceed actual fiscal 1969 expenditures by about $8 billion. This estimate is now probably too low, a complicating factor being the rapid rise in spending for a number of programs and items not subject to effective control under terms of existing law. Among other reasons, interest on the debt has skyrocketed. The President has announced that increases above his April estimates that are chargeable to the $2 billion cushion leeway written into the overall statutory spending ceiling for fiscal 1970 have already taken up the $2 billion and gone beyond it by some $1.2 billion.

I will elaborate on the spending ceiling later in these remarks.

I should recall, Mr. Speaker, that something in excess of $81,000,000,000 of appropriations annually arise from so-called permanent appropriations, such as interest on the debt, social security trust funds, and the like. The total may run some billions higher than originally estimated, because of mounting interest costs and other items.

SUPPLEMENTALS FOR FISCAL YEAR 1969

There were, during this session, several supplemental measures involving the fiscal year 1969 that ended last June 30. I will supply a table showing each measure, but the totals involved in appropriations are: Budget requests, $5,850,000,000; amounts approved, $5,388,000,000; reduction, $462,000,000.

APPROPRIATION BILLS AND TOTALS

Under leave granted, I include two tabulations of figures on the appropriation bills—again including the two conference reports not yet finalized—Labor-HEW and foreign assistance.

Appropriations bills for fiscal year 1970—Changes from the revised budget (As to fiscal year 1970 amounts)[1]

NONDEFENSE	
Treasury-Post Office	−$38,482,000
Agriculture (principally Agricultural Conservation Program and special milk programs)	+251,341,000
Independent Offices—HUD	−226,099,000
Interior	−10,481,000
State-Justice-Commerce-Judiciary	−$121,272,000
Legislative	−27,826,000
Public Works-AEC (principally clean water program)	+552,029,000
Transportation (principally FAA facilities, equipment and aids to airports)	+89,265,000
District of Columbia	−60,332,000
Supplemental	−36,316,000
Subtotal, these 10 bills	+371,827,000
Labor-HEW (*conference report*), principally educational items	+1,139,027,000
Subtotal, these 11 bills	+1,510,854,000
DEFENSE BILLS	
Military construction	−356,844,000
Defense	−5,637,632,000
FOREIGN AID	
Foreign assistance (*conference report*), including $275,000,000 cut in military credit sales	−1,120,654,000
Totals for 1970 in the 14 bills for 1970	−5,604,276,000

[1] Change from the budget (New budget authority).

CAPSULE SUMMARY ON APPROPRIATION BILLS OF THE SESSION

[In millions. New budget authority]

	Revised budget estimates	Approved	Change
1. The House:			
Fiscal year 1969	$5,400	$4,819	−$581
Fiscal year 1970[1]	132,607	126,213	[1] −6,394
Fiscal year 1971	425	395	−30
Total	138,432	131,427	−7,005
2. The Senate:			
Fiscal year 1969	5,850	5,496	−354
Fiscal year 1970	135,200	130,318	−4,882
Fiscal year 1971	1,651	1,318	−333
Total	142,701	137,132	−5,569
3. Enacted:[2]			
Fiscal year 1969	5,850	5,388	−462
Fiscal year 1970	135,200	[2] 129,596	[2] −5,604
Fiscal year 1971	1,651	[2] 214	[2] −1,437
Total	142,701	[2] 135,198	[2] −7,503

[1] Translates into approximately $3,000,000,000 expenditures reduction in first fiscal year, namely fiscal 1970.

[2] Those figures include amounts in the conference reports on Labor-HEW and Foreign Assistance bills, on which congressional action has not been finalized.

B. LEGISLATIVE BILLS

Mr. Speaker, in legislative bills, there are certain actions and inactions bearing significantly on the budget. We do not as yet have a finalized tabulation of all such matters affecting fiscal year 1970 budget spending authority and expenditures, but there are several of a mandatory nature that bear importantly on the overall results of congressional action—or inaction—on the President's budget estimates.

Important examples are—and I would note that they all add up to increases to the President's budget totals:

Postage rates: Failure of enactment of the postage rate proposal will increase the April 15 budgeted expenditures, for fiscal 1970, by about $600,000,000.

Social security: The tentative estimate is that the 15 percent increase, combined with an earlier effective date than the President proposed, could increase the April 15 budgeted expenditures for social security benefits, in fiscal 1970, by about $1,200,000,000.

Other: Failure of enactment of certain other budget proposals that operate to offset budget expenditures would have the effect—it is estimated—of increasing the overall April 15 budget spending totals, for fiscal 1970, by roughly $600,000,000. Details on these items are reported on in the budget "scorekeeping" reports of the Joint Committee on Reduction of Federal Expenditures.

Mr. Speaker, I have mentioned some of the principal items. They count in the overall casting-up of what Congress does in the way of impact on the budget totals.

Very roughly, these actions—and inactions—offset to a very considerable extent the reductions made through the appropriations bills.

C. IN SUMMARY

In the appropriation bills—including the two conference reports not yet finalized—we have cut appropriation requests for fiscal year 1970 by $5.6 billion.

This, we tentatively estimate, would reduce budget spending, in fiscal 1970, by roughly $3 billion.

In the legislative bills, the actions and inactions to which I have referred, could result in increases in appropriations—or other budget authority—of perhaps as much as $6 billion in all areas.

And, we tentatively estimate, spending increases in legislative bills—or by reason of legislative inaction—over the budget could amount to perhaps as much as $2.6 billion, for fiscal 1970.

In summary:

[In billions]

	Fiscal Year 1970	
	NOA	Expenditure
Appropriation bills (including 2 pending conference reports)	−$5.6	−$3.0
Legislative bills (and this is very tentative)	+6.0	+2.6
Net (tentative)	+.4	−.4

The final "scorekeeping" report of the Joint Committee on Reduction of Federal Expenditures will supply more detail in respect to the legislative bills.

THE EXPENDITURE BUDGET AND THE SPENDING CEILING

In terms of expenditures rather than appropriations or budget authority, the April 15 budget of the administration projected fiscal year 1970 expenditures at $192.9 billion. This includes estimated expenditures in fiscal year 1970 from fiscal year 1970 appropriations and also expenditures in fiscal year 1970 from carryover balances of previous appropriations.

This $192.9 billion for fiscal year 1970 is $8 billion over actual fiscal year 1969 expenditures. And the $192.9 billion for fiscal year 1970 is the total that the President has repeatedly expressed a determination not to exceed. But to hold to this total, the President, some months ago, ordered cutbacks of $3.5 billion—$3 billion in defense and $500 million otherwise—to offset then estimated unbudgeted overruns in the so-called uncontrollable areas of interest on the debt, retirement funds, higher outlays from loss of anticipated offshore oil receipts, failures of certain legislative revenue proposals, and the like.

Congress, in the Second Supplemental Appropriation Act of 1969, placed a ceiling on overall government expenditures for fiscal year 1970. The initial total was set at $191,900,000,000, a flat $1,000,000,000 reduction from the President's April 15 projection of $192,900,000,000. The ceiling law provided that net reduction actions by Congress in the individual spending bills would count toward the $1 billion initial cut, and would lower the ceiling further if they went deeper than $1 billion. Conversely, the $191.9 billion ceiling would escalate if through actions, or inactions, in the individual spending bills Congress exceeded the estimates on which the $192.9 billion April 15 spending budget was based.

In other words, the $191,900,000,000 ceiling was made to be continuously adjustable, depending on the net outlay effect of congressional actions or inactions on budgetary proposals whether initiated by the President or by Congress and whether inside or outside the April 15 budget review totals. The limitation required the President to make the reductions necessary to achieve the $1,000,000,000 cut to the extent that Congress failed to do so through its budgetary actions during the session. Net congressional reductions up to $1 billion counted toward the initial $1,000,000,000 ceiling reduction, not in addition to it.

The limitation also provided the President with the authority, if he finds it necessary and so notifies the Congress, to adjust the ceiling upward in the amount of not to exceed $2,000,000,000 to cover increases in certain of those programs and items on which Congress does not act annually to supply the appropriation or other outlay authority. These are mainly the so-called permanent authorizations. They involve large sums for which it is often difficult to make accurate projections. Typical and familiar examples would be social security, medicare, interest on the debt, farm price supports, and others.

I would add, based on recent indications, that the $2 billion leeway is somewhat short of requirements, especially because of mounting costs of interest on the debt.

The limitation on outlays for fiscal year 1970 was the first ceiling ever to place directly in the hands of Congress the specific decision as to the maximum amount to be taken out of the Treasury for payment of the Government's bills in a given 12-month period. The ceiling was comprehensive, it involved a reduction in the Executive's projections, and it featured a unique, flexible feature that was designed to preserve congressional control of fiscal affairs.

The President, in his December 17 letter to congressional leaders on "Budget and Fiscal Policy," strongly criticized the flexible feature of the spending limitation. He criticized the concept because, in his words, it ". . . quite wrongly—removed the incentive for the Congress to exercise continued restraint by providing that increased spending later enacted by the Congress would be added to the ceiling and decreases taken away." His concern seemed to be that the major congressional changes in the budget this year, with the single exception of the $3 billion defense reduction, were increases, and that those increases would make anti-inflationary efforts more difficult.

I would point out that as an individual Member of Congress and as chairman of the House Appropriations Committee, I share this concern. The record is perfectly clear that actions by the House Appropriations Committee, by the House, and by Congress this year on appropriations bills did contribute significantly to the battle against inflation by reducing, in net figures, expenditures budgeted for fiscal year 1970.

Other actions, and inactions, by Congress in legislative bills rather than appropriation bills to some considerable extent offset these reductions. But that, in my judgment, is not a conclusive argument. The object of Congress in enacting the ceiling was to secure greater focus on total spending and to retain control of total spending. It was intended to assist the Congress in addressing itself to the problem of priorities. Recourse to a flat, across-the-board, fixed spending ceiling on a continuing basis has fundamental implications for Congress' most basic source of influence—the power of the purse. My point here is that while the net effect of Congress' exercise of this power is certainly a legitimate area for criticism and debate by its own Members as well as the Executive, it is not the ground for altering fundamentally this most basic of all legislative functions.

I believe that overall the expenditure ceiling provision has had a salutary effect on the finances of the Government.

INITIAL HOUSE ACTIONS ON APPROPRIATIONS—AT A GLANCE

Mr. Speaker, it may be of some interest to Members of the House to have handy, in capsule form, a summary of initial House actions on the appropriation bills. These are initial House actions alone, not final congressional actions.

As the following table shows, the Committee on Appropriations, in the 14 appropriation bills for fiscal year 1970, recommended a total of $125,823,000,000, a reduction of $7,209,000,000.

The House, in various floor actions but principally on the Labor-HEW bill, made a net increase of $785,000,000 to the committee recommendations, approving $126,608,000,000 in new budget obligating authority, a sum $6,424,000,000 below related budget requests of $133,032,000,000.

The table follows:

HOUSE ACTIONS IN THE APPROPRIATION BILLS FOR 1970 (AT A GLANCE)

(In Millions of Dollars)

Bills	Appropriations (new budget authority)	Approximate expenditure reduction effect
A. 11 bills (i.e., other than 2 defense bills and foreign aid):		
Budget	52,157	....
Committee recommendations	51,854	....
Committee reduction (net)	−303	....
House floor additions (net)	+735	....
House totals (on 11 bills)	52,589	....
House change from budget (on 11 bills)	+432	+200
B. 2 Defense bills:		
Budget	77,195	....
Committee and House	71,411	....
House change from budget (on 2 bills)	[1] −5,784	[1] −3,037
C. Foreign assistance bill:		
Budget	3,680	....
Committee recommendation	2,558	....
Committee reduction	−1,122	....
House addition	+50	....
House total	2,608	....
House change from budget (on foreign assistance)	−1,072	−167
D. All 14 bills:		
Budget	133,032	....
Committee recommendations	125,823	....
Committee reductions (net)	−7,209	....
House additions (net)	+785	....
House totals (on 14 bills)	126,608	....
House change from budget (on 14 bills)	[2] −6,424	−3,004

[1] Defense bill, $5,318,000,000 in appropriations; $3,000,000,000 in expenditures. Military construction, $467,000,000 in appropriations; $37,000,000 in expenditures.

[2] Includes $40,000,000 reduction in items fro fiscal year 1971; balance of $6,384,000,000 relates to fiscal year 1970.

CHANGING FEDERAL PRIORITIES

Mr. Speaker, we hear much about spending priorities. Budgeting and appropriating is essentially a priorities-setting business for the simple reason that with never enough public funds to cover all our national wants and often not enough to cover all our national needs, choices have to be made.

Any budget is basically a set of plans for future action, which is to say a statement of priorities. The Federal budget document is the single most inclusive statement of the Federal Government's proposed policies and plans for the budgetary period. Congressional action on that budget with final approval by the President represents the statement of Federal priorities.

Overall Federal Government budget outlays have continued to increase in recent years at a rate substantially greater than the rate of increase in the population of the United States. Identification of the functions for which those increased outlays are being spent should contribute an often neglected element to this year's extensive congressional debate over priorities. For that purpose, I include a table that indicates which major functions are increasing or decreasing in relation to the increase in total Federal Government outlays. I would call attention to the fact that particularly over the 10-year period, the areas of relative decrease are national defense, veterans' benefits and services, and international affairs and finance, and that among the areas of greatest increase are education and manpower, health and welfare, and community development and housing. I mention only these areas specifically because of their significance in current debates over Federal priorities. The complete picture is reflected, in percentages, in the table which I include at this point:

USES OF FEDERAL GOVERNMENT FUNDS, BUDGET OUTLAYS (EXPENDITURES AND NET LENDING) BY MAJOR FUNCTIONS EXPRESSED AS A PERCENT OF TOTAL OUTLAYS, FISCAL YEARS 1961–70

	1961	1962	1963	1964	1965	1966	1967	1968	1969, estimated	1970, estimated
Total outlays (millions of dollars)	$97,802	$106,830	$111,314	$118,585	$118,431	$134,654	$158,352	$178,862	$183,701	$195,272
Outlays by major functions (as a percent of total outlays):										
National defense	48.45	47.83	46.95	45.19	41.86	42.17	44.26	45.02	44.09	41.76
International affairs and finance	3.43	4.20	3.70	3.47	3.66	3.33	2.87	2.58	2.14	1.92
Space research and technology	.76	1.18	2.29	3.52	4.30	4.41	3.42	2.64	2.31	2.02
Agriculture and agricultural resources	3.42	3.87	4.62	4.37	4.06	2.73	2.76	3.32	2.97	2.65
Natural resources	1.60	1.58	1.35	1.66	1.74	1.51	1.17	.95	1.03	.97
Commerce and transportation	5.16	5.06	5.16	5.47	6.22	5.30	4.83	4.52	4.38	4.59
Community development and housing	.20	.55	[1] −.79	[1] −.16	.24	1.96	1.65	2.28	1.26	1.42
Education and manpower	1.51	1.59	1.53	1.68	2.12	3.34	3.87	3.92	3.90	4.04
Health and welfare	22.34	21.88	22.71	22.43	22.97	23.26	23.75	24.32	26.59	28.15
Veterans benefits and services	5.82	5.27	4.96	4.79	4.83	4.40	4.36	3.85	4.19	3.96
Interest	8.29	7.79	8.28	8.27	8.75	8.38	7.95	7.68	8.26	8.17
General Government	1.58	1.59	1.65	1.77	1.92	1.75	1.63	1.47	1.60	1.68
Allowances for contingencies and civilian and military pay increase									.05	1.61
Undistributed intergovernmental transactions:										
Government contribution for employee retirement	−1.11	−1.04	−1.07	−1.11	−1.18	−1.12	−1.10	−1.06	−1.15	−1.12
Interest received by trust funds	−1.44	−1.35	−1.33	−1.37	−1.50	−1.42	−1.44	−1.50	−1.63	−1.82

[1] Total outlays represent total expenditures plus total loans granted minus loans repaid. Many of the outlays related to the community development and housing function are made as loans. In some years the amount of loans repaid exceeds the amount of loans granted plus expenditures. Whenever this occurs, the total outlay amount is expressed as a negative figure.

Note:—The amount of outlays by functions on which these percentages are calculated are contained in table 17, pp. 527–530, of the budget document.

Source: U.S. Bureau of the Budget. Budget document for fiscal year ending June 30, 1970 (the January budget, not revised to conform to the April 15 revision).

DEFENSE VERSUS NONDEFENSE SPENDING

Speaking specifically on the issue of defense versus nondefense spending, and using dollar amounts rather than percentages, I believe it is important to note that, from 1964 to 1970, defense expenditures have increased by $27 billion and this is mostly explained by the war. During this same time period, however, other agencies of the Federal Government have increased their expenditures by over $47 billion.

Let me try to bring this expenditure picture into better focus by looking at the last couple of years. From fiscal year 1968 to fiscal year 1970, defense expenditures actually declined slightly, while the other agencies of the Government increased their expenditures by $12.4 billion.

It is also interesting to note that military outlays, as a percentage of the gross national product, are estimated to be 8.1 percent in fiscal year 1970 as compared with 9.5 percent in fiscal year 1968. The 8.1 percent estimate is below the pre-Vietnam year of 1964, and well below the levels of the 1950's and early 1960's.

My purpose in citing these statistics is to make it clear that the Defense budget alone has not been responsible for the inflationary trend in recent years. We need to look at both sides of the coin. It has been alleged that the needs of the domestic front are being neglected in our effort to maintain a strong military posture. The facts do not support this premise.

DELAYS IN ENACTMENT OF THE APPROPRIATION BILLS

Mr. Speaker, next year, Congress must do a better job in processing the authorization bills and the appropriation bills. It must do a far better job procedurally. We must undertake to get the authorization and appropriation bills enacted in a more timely manner.

Delays in enactment of several of the annual authorization bills were major stumbling blocks this year. The bulk of the budget revisions of the new administration did not come to us until April 15. Some were received on May 5. The foreign assistance budget amendments were received on June 19 and July 22. The request for the supersonic transport plane—SST—was received October 8.

The record speaks for itself, and while neither the administration nor the House or Senate has done acceptably well on processing the bills, I am constrained to say that the Committee on Appropriations of the House was not the major stumbling block. We are not perfect by any means. We are not always as prompt as we might be, but under all the circumstances, I believe the committee did reasonably well.

But in any event, as chairman of the Committee on Appropriations, working in cooperation with the leadership on both sides of the aisle, we have definite plans for doing a much more expeditious job next year. Additionally, delays inherent in setting up a new administration will not beset the executive team next year.

Mr. Speaker, let me give a brief rundown on the timing on several of the major recurring annual or other authorization bills that caused considerable delay in processing the appropriation bills, especially the six bills that have been pending in Congress in recent weeks.

Taking these bills one by one:

First, Defense appropriation bill: The underlying authorization bill passed the Senate September 18; the House October 3. It cleared Congress November 6, and was signed into law November 19. The Committee on Appropriations reported the appropriation bill December 3. The House passed it December 8. The Senate passed it on December 15. The conference report cleared Congress on December 18.

Second, military construction appropriation bill: The authorization bill passed the House August 5. The Senate passed it November 11. It cleared Congress November 21, and was signed into law December 5.

The Committee on Appropriations reported the appropriation bill on November 12, ahead of final clearance of the authorization. The House passed it on November 13. It passed the Senate on December 8. The conference report cleared Congress on December 19.

Third, foreign assistance appropriation bill: The authorization bill passed the House November 20. It passed the Senate December 12. The conference report cleared Congress December 19. The requests from the administration were not received until June 19 and July 22.

The Committee on Appropriations reported the appropriation bill on December 8. The House passed it December 9. The Senate passed it December 18. The conference report cleared the House on December 20, but the Senate rejected it on December 20. It remains unenacted; activities will continue in the interim under the continuing resolution.

Fourth, District of Columbia appropriation bill: The District of Columbia revenue authorization bill on which the District budget program so heavily depended passed the House August 11. The Senate passed it on October 13. The conference report cleared Congress October 30 and it was signed into law October 31.

The Committee on Appropriations reported the appropriations bill November 20. The House passed it on November 24. The Senate passed it on December 11. The Conference report cleared Congress on December 16.

Fifth, Transportation appropriation bill: When this bill was reported on November 13 and passed in the House on November 18, it was necessary to adopt a rule making it in order because of the lack of enacted authorization bills for the urban mass transportation and traffic and highway safety program. The budget request for the supersonic transport program—considered in connection with this bill—was not received from the administration until October 8. The Senate passed this bill on December 17. The conference report cleared Congress on December 19.

Sixth, Labor-HEW appropriation bill: Despite absence of enacted authorization bills for the antipoverty program and several other programs normally funded in this bill, the Committee on Appropriations reported this bill on July 24. The House passed it July 31. The Senate passed it on December 17. The conference report cleared the House on December 22, but was not acted on by the Senate. Activities will continue in the interim under the continuing resolution.

Mr. Speaker, there are a number of other authorization bills that were more timely. I include a tabular statement listing the major bills, the dates they were acted upon at the several stages, the dates the related appropriation bills were reported in the House, and some historical data on similar authorization bills for several years back:

MAJOR RECURRING LEGISLATIVE AUTHORIZATION BILLS FOR FISCAL YEAR 1970 (WHICH, UNDER THE RULES, MUST PRECEDE THE RELATED APPROPRIATION BILLS)

Current bills	Current authorization bills				Corresponding appropriation bill reported to House, 91st Cong., 1st sess.	Dates similar authorizations were signed into law in previous Congresses									
						90th Cong.		89th Cong.		88th Cong.		87th Cong.		86th Cong.	
	Passed House	Passed Senate	Conference report finally adopted	Signed into law 91st Cong., 1st sess.		2d sess.	1st sess.	2d sess.	1st sess.	2d sess.	1st sess.	2d sess.	1st sess.	2d sess.	1st sess.
	1969	1969	1969	1969	1969	1968	1967	1966	1965	1964	1963	1962	1961	1960	1959
Defense: Armed Forces, procurement, R.D.T. & E. (S. 2546)	Oct. 3	Sept. 18	Nov. 6	Nov. 19	Dec. 3	Sept. 20	June 5	July 13	June 11	Mar. 20	May 23	Apr. 27	June 21		
Military construction: Armed Forces, military construction (H.R. 13018)	Aug. 5	Nov. 11	Nov. 21	Dec. 5	Nov. 12	July 21	Oct. 21	Sept. 12	Sept. 16	Aug. 1	Nov. 7	July 27	June 27	June 8	Aug. 10
District of Columbia: District of Columbia Revenue Act (H.R. 12982)	Aug. 11	Oct. 3	Oct. 30	Oct. 31	Nov. 20	Aug. 2	Nov. 3	Sept. 30							
Foreign Operations:															
Foreign assistance (H.R. 14580)	Nov. 20	Dec. 12	Dec. 19	(1)	Dec. 8	Oct. 8	Nov. 14	Sept. 19	Sept. 6	Oct. 7	Dec. 16	Aug. 1	Sept. 4	May 14	July 24
Peace Corps (H.R. 11039)	Sept. 8	Oct. 3	Oct. 16	Oct. 29	do	June 27	Dec. 5	Sept. 13	Aug. 24	Mar. 17	Dec. 13				
Foreign military credit sales (H.R. 12853)	(2)	(2)	(2)	(2)	do	Oct. 22									
Independent Offices—Housing & Urban Development:															
Appalachian regional development program (S. 1072)	July 15	July 8	Nov. 19	Nov. 25	June 19		Oct. 11		Mar. 9						
NASA (H.R. 11271)	June 10	Sept. 19	Nov. 7	Nov. 18	do	July 3	Aug. 21	Aug. 5	June 28	July 11	Sept. 6	Aug. 14	July 21	June 1	June 15
National Science Foundation (S. 1857)	Oct. 7	Sept. 18	Nov. 5	do	do										
Labor-Health, Education, and Welfare: Office of Economic Opportunity (S. 3016)	Dec. 12	Oct. 14	Dec. 20	(1)	July 24		Dec. 23	Nov. 8	Oct. 9	Aug. 20					
Public Works: Atomic Energy Commission (H.R. 12167)	June 24	June 26		July 11	Oct. 2	Apr. 19	July 26	May 21	June 2	June 30	July 22	Sept. 26	Sept. 26	May 13	June 11
State, Justice, Commerce, and Judiciary: Maritime Administration (H.R. 4152)	May 15	Sept 22		Oct. 10	July 21	Aug. 9									
Transportation:															
Coast Guard (H.R. 4153)	Apr. 29	June 30		July 22	Nov. 13	June 8	June 30	Mar. 30	Apr. 20	Mar. 11					
Traffic and highway safety (H.R. 10105)	Sept. 3	Dec. 2	(2)		do			Sept. 9							
Urban mass transportation (1971 advance, S. 2864)	Oct. 23	Sept. 23	Dec. 12	(1)	do	Aug. 1		Sept. 8		July 9					

[1] Pending signature of the President.

[2] Not reported out from conference.

TABLE OF THE APPROPRIATION BILLS

Mr. Speaker, in elaboration of this statement on the appropriation business of the session, I submit at this point a comprehensive table covering major actions on the appropriations bills:

ACTIONS ON BUDGET ESTIMATES OF NEW BUDGET (OBLIGATIONAL) AUTHORITY IN APPROPRIATION BILLS, 91ST CONG., 1ST SESS., AS OF DEC. 23, 1969

[Does not include any "back-door" type budget authority; or any permanent (Federal or trust) authority, under earlier or "permanent" law,[1] without further or annual action by the Congress]

Bill and fiscal year	House actions			Senate actions		Enacted	(+) or (−), latest action compared with budget requests
	Budget requests considered	Reported by committee	Approved by House	Budget requests considered	Approved by Senate		
A. Bills for fiscal 1970:							
1. Treasury-Post Office (H.R. 11582) (net of estimated postal revenues appropriated)	[2] $2, 314, 714, 000	[2] $2, 272, 332, 000	[2] $2, 272, 332, 000	[2] $2, 314, 714, 000	[2] $2, 280, 195, 000	[2] $2, 276, 232, 000	−$38, 482, 000
(Memoranda: Total, including authorizations out of postal funds)	(8, 821, 727, 000)	(8, 779, 345, 000)	(8, 779, 345, 000)	(8, 821, 727, 000)	(8, 787, 208, 000)	(8, 783, 245, 000)	(−38, 482, 000)
2. Agriculture (H.R. 11612)	6, 967, 562, 050	6, 806, 655, 000	6, 806, 655, 000	7, 237, 562, 050	7, 642, 797, 650	7, 488, 903, 150	+251, 341, 100
3. Independent offices–HUD (H.R. 12307) (including 1971 advance)	15, 380, 413, 600	14, 907, 089, 000	14, 909, 089, 000	15, 512, 969, 600	[3] 14, 985, 449, 000	15, 111, 870, 500	−401, 099, 100
(Fiscal year 1970 amounts only)	(15, 205, 413, 600)	(14, 732, 089, 000)	(14, 734, 089, 000)	(15, 337, 969, 600)	[3] (14, 985, 449, 000)	(15, 111, 870, 500)	(−226, 099, 100)
4. Interior (H.R. 12781)	1, 390, 096, 500	1, 374, 434, 000	1, 374, 286, 700	1, 390, 856, 500	1, 382, 766, 900	1, 380, 375, 300	−10, 481, 200
5. State, Justice, Commerce, and Judiciary (H.R. 12964)	2, 475, 704, 600	2, 534, 134, 200	2, 335, 634, 200	2, 475, 704, 600	2, 382, 354, 700	2, 354, 432, 700	−121, 271, 900
6. Labor-HEW (H.R. 13111)	16, 495, 237, 700	16, 651, 039, 700	17, 573, 602, 700	19, 834, 125, 700	21, 363, 391, 700	[4] 19, 747, 153, 200	−86, 972, 500
(Fiscal year 1970 amounts only)	(16, 495, 237, 700)	(16, 651, 039, 700)	(17, 573, 602, 700)	(18, 608, 125, 700)	20, 245, 811, 700))	[4] (19, 747, 153, 200)	(+1, 139, 027, 500)
7. Legislative (H.R. 13763)	311, 374, 273	284, 524, 057	284, 524, 057	372, 152, 949	342–310, 817	344, 326, 817	−27, 826, 132
8. Public works (and AEC) (H.R. 14159)	4, 203, 978, 000	4, 505, 446, 500	4, 505, 446, 500	4, 203, 978, 000	4, 993, 428, 500	4, 756, 007, 500	+552, 029, 500
9. Military construction (H.R. 14751)	1, 917, 300, 000	1, 450, 559, 000	1, 450, 559, 000	1, 917, 300, 000	1, 603, 446, 000	1, 560, 456, 000	−356, 844, 000
10. Transportation (H.R. 14794) (including 1971 advances)	2, 090, 473, 630	2, 095, 019, 630	2, 095, 019, 630	2, 090, 473, 630	2, 147, 152, 630	2, 143, 738, 630	+53, 265, 000
(Fiscal year 1970 amounts only)	(1, 840, 473, 630)	(1, 875, 019, 630)	(1, 875, 019, 630)	(1, 840, 473, 630)	(1, 947, 152, 630)	(1, 929, 738, 630)	(+89, 265, 000)
11. District of Columbia (H.R. 14916) (Federal funds)	228, 842, 000	188, 691, 000	188, 691, 000	228, 842, 000	173, 547, 000	168, 510, 000	−60, 332, 000
(District of Columbia funds)	(751, 575, 300)	(683, 106, 300)	(683, 106, 300)	(752, 944, 300)	(657, 064, 600)	(650, 249, 600)	(−102, 694, 700)

Footnotes at end of table.

ACTIONS ON BUDGET ESTIMATES OF NEW BUDGET (OBLIGATIONAL) AUTHORITY IN APPROPRIATION BILLS, 91ST CONG., 1ST SESS., AS OF DEC. 23, 1969—Continued

[Does not include any "back-door" type budget authority; or any permanent (Federal or trust) authority, under earlier or "permanent" law,[1] without further or annual action by the Congress]

	House actions			Senate actions			
Bill and fiscal year	Budget requests considered	Reported by committee	Approved by House	Budget requests considered	Approved by Senate	Enacted	(+) or (−), latest action compared with budget requests
A. Bills for fiscal 1970—Continued							
12. Defense (H.R. 15090)	75,278,200,000	69,960,048,000	69,960,048,000	75,278,200,000	69,322,656,000	69,640,568,000	−5,637,632,000
13. Foreign assistance (H.R. 15149)	3,679,564,000	2,558,020,000	2,608,020,000	3,679,564,000	2,718,785,000	[5] 2,558,910,000	−1,120,654,000
14. Supplemental (H.R. 15209)	298,547,261	235,057,761	244,225,933	314,597,852	296,877,318	278,281,318	−36,316,534
Total, these bills—							
As to fiscal 1970 (including Labor-HEW and foreign assistance	132,607,007,614	125,428,049,858	126,213,133,720	135,200,040,881	130,317,578,215	129,595,765,115	−5,604,275,766
Exluding Labor-HEW and foreign assistance	(112,432,205,914)	(106,218,990,148)	(106,031,511,020)	(112,912,351,181)	(107,352,981,515	(107,289,701,915)	(−5,622,649,266)
As to fiscal 1971 (including Labor-HEW)	425,000,000	395,000,000	395,000,000	1,651,000,000	1,317,580,000	214,000,000	−1,437,000,000
Excluding Labor-HEW	(425,000,000)	(395,000,000)	(395,000,000)	(425,000,000)	(200,000,000)	(214,000,000)	(−211,000,000)
Total, 1970 bills (including Labor-HEW and foreign assistance	133,032,007,614	125,823,049,848	126,608,133,720	136,851,040,881	131,635,158,215	129,809,765,115	−7,041,275,766
(Excluding Labor-HEW and foreign assistance)	(112,857,205,914)	(106,613,990,148)	(106,426,511,020)	(113,337,351,181)	(107,552,981,515)	(107,503,701,915)	(−5,833,649,226)
B. Bills for fiscal 1969:							
1. Unemployment compensation (H.J. Res. 414)	$36,000,000	$36,000,000	$36,000,000	$36,000,000	$36,000,000	$36,000,000	
2. Commodity Credit Corporation (H.J. Res. 584)	[6] 1,000,000,000	[6] 1,000,000,000	[6] 1,000,000,000	[6] 1,000,000,000	[6] 1,000,000,000	[6] 1,000,000,000	
3. 2d supplemental (H.R. 11400)	4,364,006,956	3,783,212,766	3,783,212,766	4,814,305,334	4,459,669,644	4,352,357,644	−$461,947,690
Release of reserves (under Public Law 90-364)	(82,463,000)	(82,766,000)	(82,766,000)	(79,999,000)	(80,230,000)	(80,230,000)	(+231,000)
Total, 1969 bills	5,400,006,956	4,819,212,766	4,819,212,766	5,850,305,334	5,495,669,644	5,388,357,644	−461,947,690
C. Cumulative totals for the session:							
House	138,432,014,570	130,642,262,614	131,427,346,486				−7,004,668,084
Senate				142,701,346,215	137,130,827,859		−5,570,518,356
Enacted (including Labor-HEW and foreign assistance)				142,701,346,215		135,198,122,759	−7,503,223,456
(Excluding Labor-HEW and foreign assistance)				(119,187,656,515)		(112,892,059,559)	(−6,295,596,956)

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[1] In round amounts, the revised (April) budget for fiscal 1970 tentatively estimated total new budget (obligational) authority for 1970 at $219,600,000,000 gross ($205,900,000,000 net of certain offsets made for budget summary purposes only), of which about $80,700,000,000 would become available, through so-called permanent authorizations, without further action by Congress, and about $138,900,000,000 would require "current" action by Congress (mostly in the appropriation bills). Also, the April Review of the Budget contemplates budget requests for advance fiscal 1971 funding in 4 items totaling $1,661,000,000.

[2] These figures do not reflect the budget proposal for postal rate increases, valued in the summer review of the 1970 budget at $315,800,000. Also, they do not reflect a revision downward of some $137,800,000 in postal revenues as estimated in the summer review.

[3] Reflects reduction of $175,000,000 for Appalachian highway program for 1970 and $175,000,000 for advance funding for 1971. Authorization Act provided for contract authority in lieu of new obligational authority, with payments for liquidation to be appropriated later.

[4] Amounts agreed to in conference. House agreed to conference report Dec. 22, 1969; not considered in Senate.

[5] Amount agreed to in conference. House agreed to conference report Dec. 20, 1969; Senate rejected conference report. Bill pending in conference.

[6] Shifted from fiscal 1970 budget, a portion of which is technically classified in the budget as "liquidation of contract authorization" rather than as new budget (obligational) authority.

Note: House actions on appropriation bills for 1970 including Labor-HEW and Foreign assistance are tentatively estimated to decrease outlays (expenditures and net lending) budgeted for 1970 by approximately $3,003,370,000. Based on the enacted amounts of appropriation bills, including Labor-HEW and foreign assistance and the effect of the 2d supplemental, 1969 on 1970 spending, it is estimated that outlays budgeted for 1970 will be reduced by roughly $3,000,000,000.

Source: Prepared Dec. 23, 1969, in the House Committee on Appropriations.

RECESS

The SPEAKER. The Chair declares a recess subject to the call of the Chair.

Accordingly (at 11 o'clock and 32 minutes a. m.), the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 12 o'clock and 11 minutes p.m.

REPORT OF THE COMMITTEE TO NOTIFY THE PRESIDENT

The SPEAKER. The Chair will receive a report.

Mr. ALBERT. Mr. Speaker, your committee appointed to join a committee of the Senate to inform the President that the Congress is ready to adjourn, and to ask him if he has any further communications to make to the Congress, has performed that duty. The President has directed us to say that he has no further communication to make to the Congress.

And, Mr. Speaker, may I add that the President asked the committee to wish every Member of the House a very merry Christmas.

PROVIDING FOR SINE DIE ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I offer a Concurrent Resolution (H. Con. Res. 475) and ask for its immediate consideration.

The Clerk read the concurrent resolution as follows:

H. Con. Res. 475

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress shall adjourn on Tuesday, December 23, 1969, and that when they adjourn on said day, they stand adjourned sine die.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING PRESIDENT OF THE SENATE AND PRESIDENT PRO TEMPORE OF THE SENATE OR ACTING PRESIDENT PRO TEMPORE OF THE SENATE AND SPEAKER OF THE HOUSE TO SIGN ENROLLED BILLS AND RESOLUTIONS

Mr. ALBERT. Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 476) and ask for its immediate consideration.

The Clerk read the concurrent resolution as follows:

H. Con. Res. 476

Resolved by the House of Representatives (the Senate concurring), That notwithstanding the sine die adjournment of the two Houses, the Speaker of the House of Representatives and the President of the Senate, or the President pro tempore of the Senate, or the acting President pro tempore of the Senate be, and they are hereby, authorized to sign enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING PRINTING OF REPORTS OF COMPTROLLER GENERAL AS HOUSE DOCUMENTS OF FIRST SESSION OF THE 91ST CONGRESS

Mr. ALBERT. Mr. Speaker, I offer a resolution (H. Res. 769) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 769

Resolved, That, notwithstanding the sine die adjournment of the House, reports of the Comptroller General of the United States made to the Congress pursuant to the Government Corporation Control Act (31 U.S.C. 841 et seq.) shall be printed during such adjournment as House documents of the second session of the Ninety-first Congress.

The resolution was agreed to.

A motion to reconsider was laid on the table.

FIXING THE TIME OF ASSEMBLY OF THE SECOND SESSION, OF THE 91ST CONGRESS

Mr. ALBERT. Mr. Speaker, I offer a joint resolution (H.J. Res. 1041) establishing that the second regular session of the 91st Congress convene at noon on Monday, January 19, 1970, and ask unanimous consent for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Clerk read the joint resolution as follows:

H.J. Res. 1041

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the second regular session of the Ninety-first Congress shall begin at noon on Monday, January 19, 1970.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING THE CLERK OF THE HOUSE TO RECEIVE MESSAGES FROM THE SENATE

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that notwithstanding the sine die adjournment of the House, the Clerk be authorized to receive messages from the Senate.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

AUTHORIZING THE SPEAKER OF THE HOUSE TO ACCEPT RESIGNATIONS, APPOINT COMMISSIONS, BOARDS, AND COMMITTEES

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the first session of the 91st Congress, the Speaker be authorized to accept resignations, and to appoint commissions, boards, and committees authorized by law or by the House.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

REPORTS OF THE 91ST CONGRESS, FIRST SESSION, FOLLOWING SINE DIE ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that reports filed with the Clerk following the sine die adjournment by committees authorized by the House to conduct investigations may be printed by the Clerk as reports of the 91st Congress.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

GENERAL LEAVE

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that all Members of the House shall have the privilege, until the last edition authorized by the Joint Committee on Printing is published, to extend and revise their own remarks in the Congressional Record on more than one subject, if they so desire, and may also include therein such short quotations as may be necessary to explain or complete such extension of remarks; but this order shall not apply to any subject matter which may have occurred, or to any speech delivered subsequent to the adjournment of Congress.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION FOR CHAIRMEN AND RANKING MINORITY MEMBERS OF STANDING COMMITTEES AND SUBCOMMITTEES TO EXTEND REMARKS AND INCLUDE SUMMARIES OF COMMITTEE WORK

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the chairman and ranking minority member of each standing committee and each subcommittee thereof be permitted to extend their remarks in the Record, up to and including the last publication thereof, and to include therewith a summary of the work of that committee or subcommittee.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CONFERENCE REPORT ON H.R. 4293, PROVIDING FOR CONTINUATION OF AUTHORITY FOR REGULATION OF EXPORTS

Mr. ASHLEY submitted the following conference report and statement on the bill (H.R. 4293) to provide for continuation of authority for regulation of exports:

Conference Report (H. Rept. 91–786)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the amendment of the Senate to the bill (H.R. 4293) to provide for continuation of authority for regulation of exports, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment, insert the following:

SHORT TITLE

Section 1. This Act may be cited as the "Export Administration Act of 1969".

FINDINGS

Sec. 2. The Congress makes the following findings:

(1) The availability of certain materials at home and abroad varies so that the quantity and composition of United States exports and their distribution among importing countries may affect the welfare of the domestic economy and may have an important bearing upon fulfillment of the foreign policy of the United States.

(2) The unrestricted export of materials, information, and technology without regard to whether they make a significant contribution to the military potential of any other nation or nations may adversely affect the national security of the United States.

(3) The unwarranted restriction of exports from the United States has a serious adverse effect on our balance of payments.

(4) The uncertainty of policy toward certain categories of exports has curtailed the efforts of American business in those categories to the detriment of the overall attempt to improve the trade balance of the United States.

DECLARATION OF POLICY

Sec. 3. The Congress makes the following declarations:

(1) It is the policy of the United States both (A) to encourage trade with all countries with which we have diplomatic or trading relations, except those countries with which such trade has been determined by the President to be against the national interest, and (B) to restrict the export of goods and technology which would make a significant contribution to the military potential of any other nation or nations which would prove detrimental to the national security of the United States.

(2) It is the policy of the United States to use export controls (A) to the extent necessary to protect the domestic economy from the excessive drain of scarce materials and to reduce the serious inflationary impact of abnormal foreign demand, (B) to the extent necessary to further significantly the foreign policy of the United States and to fulfill its international responsibilities, and (C) to the extent necessary to exercise the necessary vigilance over exports from the standpoint of their significance to the national security of the United States.

(3) It is the policy of the United States (A) to formulate, reformulate, and apply any necessary controls to the maximum extent possible in cooperation with all nations with which the United States has defense treaty commitments, and (B) to formulate a unified trade control policy to be observed by all such nations.

(4) It is the policy of the United States to use its economic resources and trade potential to further the sound growth and stability of its economy as well as to further its national security and foreign policy objectives.

(5) It is the policy of the United States (A) to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States, and (B) to encourage and request domestic concerns engaged in the export of articles, materials, supplies, or information, to refuse to take any action, including the furnishing of information or the signing of agreements, which has the effect of furthering or supporting the restrictive trade practices or boycotts fostered or imposed by any foreign country against another country friendly to the United States.

AUTHORITY

Sec. 4. (a) (1) The Secretary of Commerce shall institute such organizational and procedural changes in any office or division of the Department of Commerce which has heretofore exercised functions relating to the control of exports and continues to exercise such controls under this Act as he determines are necessary to facilitate and effectuate the fullest implementation of the policy set forth in this Act with a view to promoting trade with all nations with which the United

States is engaged in trade, including trade with (A) those countries or groups of countries with which other countries or groups of countries having defense treaty commitments with the United States have a significantly larger percentage of volume of trade than does the United States, and (B) other countries eligible for trade with the United States but not significantly engaged in trade with the United States. In addition, the Secretary shall review any list of articles, materials, or supplies, including technical data or other information, the exportation of which from the United States, its territories and possessions, was heretofore prohibited or curtailed with a view to making promptly such changes and revisions in such list as may be necessary or desirable in furtherance of the policy, purposes, and provisions of this Act. The Secretary shall include a detailed statement with respect to actions taken in compliance with the provisions of this paragraph in the second quarterly report (and in any subsequent report with respect to actions taken during the preceding quarter) made by him to the Congress after the date of enactment of this Act pursuant to section 10.

(2) The Secretary of Commerce shall use all practicable means available to him to keep the business sector of the Nation fully apprised of changes in export control policy and procedures instituted in conformity with this Act with a view to encouraging the widest possible trade.

(b) To effectuate the policies set forth in section 3 of this Act, the President may prohibit or curtail the exportation from the United States, its territories and possessions, of any articles, materials, or supplies, including technical data or any other information, except under such rules and regulations as he shall prescribe. To the extent necessary to achieve effective enforcement of this Act, these rules and regulations may apply to the financing, transporting, and other servicing of exports and the participation therein by any person. Rules and regulations may provide for denial of any request or application for authority to export articles, materials, or supplies, including technical data, or any other information, from the United States, its territories and possessions, to any nation or combination of nations threatening the national security of the United States if the President determines that their export would prove detrimental to the national security of the United States, regardless of their availability from nations other than any nation or combination of nations threatening the national security of the United States, but whenever export licenses are required on the ground that considerations of national security override considerations of foreign availability, the reasons for so doing shall be reported to the Congress in the quarterly report following the decision to require such licenses on that ground to the extent considerations of national security and foreign policy permit. The rules and regulations shall implement the provisions of section 3(5) of this Act and shall require that all domestic concerns receiving requests for the furnishing of information or the signing of agreements as specified in that section must report this fact to the Secretary of Commerce for such action as he may deem appropriate to carry out the purposes of that section.

(c) Nothing in this Act, or in the rules and regulations authorized by it, shall in any way be construed to require authority and permission to export articles, materials, supplies, data, or information except where the national security, the foreign policy of the United States, or the need to protect the domestic economy from the excessive drain of scarce materials makes such requirement necessary.

(d) The President may delegate the power, authority, and discretion conferred upon him by this Act to such departments, agencies, or officials of the Government as he may deem appropriate.

(e) The authority conferred by this section shall not be exercised with respect to any agricultural commodity, including fats and oils, during any period for which the supply of such commodity is determined by the Secretary of Agriculture to be in excess of the requirements of the domestic economy, except to the extent required to effectuate the policies set forth in clause (B) or (C) of paragraph (2) of section 3 of this Act.

CONSULTATION AND STANDARDS

Sec. 5. (a) In determining what shall be controlled hereunder, and in determining the extent to which exports shall be limited, any department, agency, or official making these determinations shall seek information and advice from the several executive departments and independent agencies concerned with aspects of our domestic and foreign policies and operations having an important bearing on exports. Consistent with considerations of national security, the President shall from time to time seek information and advice from various segments of private industry in connection with the making of these determinations.

(b) In authorizing exports, full utilization of private competitive trade channels shall be encouraged insofar as practicable, giving consideration to the interests of small business, merchant exporters as well as producers, and established and new exporters, and provision shall be made for representative trade consultation to that end. In addition, there may be applied such other standards or criteria as may be deemed necessary by the head of such department, or agency, or official to carry out the policies of this Act.

VIOLATIONS

Sec. 6. (a) Except as provided in subsection (b) of this section, whoever knowingly violates any provision of this Act or any regulation, order, or license issued thereunder shall be fined not more than $10,000 or imprisoned not more than one year, or both. For a second or subsequent offenses, the offender shall be fined not more than three times the value of the exports involved or $20,000, whichever is greater, or imprisoned not more than five years, or both.

(b) Whoever willfully exports anything contrary to any provision of this Act or any regulation, order, or license issued thereunder, with knowledge that such exports will be used for the benefit of any Communist-dominated nation, shall be fined not more than five times the value of the exports involved or $20,000, whichever is greater, or imprisoned not more than five years, or both.

(c) The head of any department or agency exercising any functions under this Act, or any officer or employee of such department or agency specifically designated by the head thereof, many impose a civil penalty not to exceed $1,000 for each violation of this Act or any regulation, order, or license issued under this Act, either in addition to or in lieu of any other liability or penalty which may be imposed.

(d) The payment of any penalty imposed pursuant to subsection (c) may be made a condition, for a period not exceeding one year after the imposition of such penalty, to the granting, restoration, or continuing validity of any export license, permission, or privilege granted or to be granted to the person upon whom such penalty is imposed.

(e) Any amount paid in satisfaction of any penalty imposed pursuant to subsection (c) shall be covered into the Treasury as a miscellaneous receipt. The head of the department or agency concerned may, in his discretion, refund any such penalty, within two years after payment, on the ground of a material error of fact or law in the imposition. Notwithstanding section 1346(a) of title 28 of the United States Code, no action for the refund of any such penalty may be maintained in any court.

(f) In the event of the failure of any person to pay a penalty imposed pursuant to subsection (c), a civil action for the recovery thereof may, in the discretion of the head of the department or agency concerned, be brought in the name of the United States. In any such action, the court shall determine de novo all issues necessary to the establishment of liability. Except as provided in this subsection and in subsection (d), no such liability shall be asserted, claimed, or recovered upon by the United States in any way unless it has previously been reduced to judgment.

(g) Nothing in subsection (c), (d), or (f) limits

(1) the availability of other administrative or judicial remedies with respect to violations of this Act, or any regulation, order, or license issued under this Act;

(2) the authority to compromise and settle administrative proceedings brought with respect to violations of this Act, or any regulation, order, or license issued under this Act; or

(3) the authority to compromise, remit, or mitigate seizures and forfeitures pursuant to section 1(b) of title VI of the Act of June 15, 1917 (22 U.S.C. 401(b)).

ENFORCEMENT

Sec. 7. (a) To the extent necessary or appropriate to the enforcement of this Act or to the imposition of any penalty, forfeiture, or liability arising under the Export Control Act of 1949, the head of any department or agency exercising any function thereunder (and officers or employees of such department or agency specifically designated by the head thereof) may make such investigations and obtain such information from, require such reports or the keeping of such records by, make such inspection of the books, records, and other writings, premises, or property of, and take the sworn testimony of, any person. In addition, such officers or employees may administer oaths or affirmations, and may by subpoena require any person to appear and testify or to appear and produce books, records, and other writings, or both, and in the case of contumacy by, or refusal to obey a subpena issued to, any such person, the district court of the United States for any district in which such person is found or resides or transacts business, upon application, and after notice to any such person and hearing, shall have jurisdiction to issue an order requiring such person to appear and give testimony or to appear and produce books, records, and other writings, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(b) No person shall be excused from complying with any requirements under this section because of his privilege against self-incrimination, but the immunity provisions of the Compulsory Testimony Act of February 11, 1893 (27 Stat. 443; 49 U.S.C. 46) shall apply with respect to any individual who specifically claims such privilege.

(c) No department, agency, or official exercising any functions under this Act shall publish or disclose information obtained hereunder which is deemed confidential or with reference to which a request for confidential treatment is made by the person furnishing such information, unless the head of such department or agency determines that the withholding thereof is contrary to the national interest.

(d) In the administration of this Act, reporting requirements shall be so designed as to reduce the cost of reporting, recordkeeping, and export documentation required under this Act to the extent feasible consistent with effective enforcement and compilation of useful trade statistics. Reporting, recordkeeping, and export documentation requirements shall be periodically reviewed and revised in the light of developments in the field of information technology. A detailed statement with respect to any action taken in compliance with this subsection shall be included in the first quarterly report made pursuant to section 10 after such action is taken.

EXEMPTION FROM CERTAIN PROVISIONS RELATING TO ADMINISTRATIVE PROCEDURE AND JUDICIAL REVIEW

SEC. 8. The functions exercised under this Act are excluded from the operation of sections 551, 553–559, and 701–706, of title 5 United States Code.

INFORMATION TO EXPORTERS

SEC. 9. In order to enable United States exporters to coordinate their business activities with the export control policies of the United States Government, the agencies, departments, and officials responsible for implementing the rules and regulations authorized under this Act shall, if requested, and insofar as it is consistent with the national security, the foreign policy of the United States, the effective administration of this Act, and requirements of confidentiality contained in this Act—

(1) inform each exporter of the considerations which may cause his export license request to be denied or to be the subject of lengthy examination;

(2) in the event of undue delay, inform each exporter of the circumstances arising during the Government's consideration of his export license application which are cause for denial or for further examination;

(3) give each exporter the opportunity to present evidence and information which he believes will help the agencies, departments, and officials concerned to resolve any problems or questions which are, or may be, connected with his request for a license; and

(4) inform each exporter of the reasons for a denial of an export license request.

QUARTERLY REPORT

SEC. 10. The head of any department or agency, or other official exercising any functions under this Act, shall make a quarterly report, within 45 days after each quarter, to the President and to the Congress of his operations hereunder.

DEFINITION

SEC. 11. The term "person" as used in this Act includes the singular and the plural and any individual, partnership, corporation, or other form of association, including any government or agency thereof.

EFFECTS ON OTHER ACTS

SEC. 12. (a) The Act of February 15, 1936 (49 Stat. 1140), relating to the licensing of exports of tinplate scrap, is hereby superseded; but nothing contained in this Act shall be construed to modify, repeal, supersede, or otherwise affect the provisions of any other laws authorizing control over exports of any commodity.

(b) The authority granted to the President under this Act shall be exercised in such manner as to achieve effective coordination with the authority exercised under section 414 of the Mutual Security Act of 1954 (22 U.S.C. 1934).

EFFECTIVE DATE

SEC. 13. (a) This Act takes effect upon the expiration of the Export Control Act of 1949.

(b) All outstanding delegations, rules, regulations, orders, licenses, or other forms of administrative action under the Export Control Act of 1949 or section 6 of the Act of July 2, 1940 (54 Stat. 714), shall, until amended or revoked, remain in full force and effect, the same as if promulgated under this Act.

TERMINATION DATE

SEC. 14. The authority granted by this Act terminates on June 30, 1971, or upon any prior date which the Congress by concurrent resolution or the President by proclamation may designate.

And the House agree to the same.

WRIGHT PATMAN,
LEONOR SULLIVAN,
HENRY REUSS,
THOMAS ASHLEY,
WILLIAM B. WIDNALL,
CHESTER L. MIZE,
Managers on the Part of the House.
EDMUND S. MUSKIE,
HARRISON A. WILLIAMS,
WALTER F. MONDALE,
HAROLD E. HUGHES,
WALLACE F. BENNETT,
EDWARD W. BROOKE,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the amendment of the Senate to the bill (H.R. 4293) to provide for continuation of authority for the regulation of exports, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate agreed to the amendment of the House in its entirety with the exception of the text of section 4(b). As passed the House, the third sentence of section 4(b) read as follows:

"The rules and regulations shall provide for denial of any request or application for authority to export articles, materials, or supplies, including technical data, or other information, from the United States, its territories and possessions, to any nation or combination of nations threatening the national security of the United States if the President determines, taking into consideration its availability from other nations with which the United States has defense treaty commitments, that the export would prove detrimental to the national security and welfare of the United States."

In lieu of the foregoing language, the conferees agreed to substitute the following:

"Rules and regulations may provide for denial of any request or application for authority to export articles, materials, or supplies, including technical data, or any other information, from the United States, its territories and possessions, to any nation or combination of nations threatening the national security of the United States if the President determines that their export would prove detrimental to the national security of the United States, regardless of their availability from nations other than any nation or combination of nations threatening the national security of the United States, but whenever export licenses are required on the ground that considerations of national security override considerations of foreign availability, the reasons for so doing shall be reported to the Congress in the quarterly report following the decision to require such licenses on that ground to the extent considerations of national security and foreign policy permit."

WRIGHT PATMAN,
LEONOR SULLIVAN,
HENRY REUSS,
THOMAS ASHLEY,
WILLIAM B. WIDNALL,
CHESTER L. MIZE,
Managers on the Part of the House.

Mr. ASHLEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H.R. 4293) to provide for continuation of authority for regulation of exports.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ASHLEY. Mr. Speaker, I ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. GROSS. Mr. Speaker, reserving the right to object——

The SPEAKER. The gentleman from Iowa reserves the right to object.

Mr. GROSS. Mr. Speaker, this is a highly important matter for some of the Members of the House, including the gentleman from Iowa. I presume, in view of the fact that we have nothing at hand in printed form upon which we can rely for information as to the action of the conferees, that the gentleman will take ample time and yield for questions if questions may be asked, to explain what happened?

Mr. ASHLEY. Mr. Speaker, in reply to the inquiry of the gentleman from Iowa, I will state that there is no question but, of course, I will yield for that purpose.

Mr. GROSS. Mr. Speaker, with that understanding, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the statement.

The SPEAKER. The Chair recognizes the gentleman from Ohio (Mr. ASHLEY) for 1 hour.

Mr. ASHLEY. Mr. Speaker, the atmosphere which prevailed during this conference on H.R. 4293 can simply be stated in the following manner.

It was the desire of the conferees that we move as rapidly as possible into a new policy position for our Nation; namely, that the spirit of this legislation is one of seeking to rapidly expand our exports without in any way jeopardizing our national security.

In all instances, again without in any way jeopardizing our national security, the conference report reflects on the part of the two bodies a position of viewing our export policy in the light of current worldwide economic activity and trade.

The disagreement on the part of the House to the first conference report was based entirely on a single subsection. The questions and objections raised by the House were concerned with:

First, whether the language provided to the President the authority to control the export of new technology which would make a significant contribution to the military potential of a nation threatening the national security of the United States and which might not be known to the Government at the time when its export might be attempted. Special concern was registered with respect to whether authority was provided to maintain commodity control list categories of a "basket" type, in order to control new products and technology for which specific descriptions other than those of the "not elsewhere classified" type would not yet exist.

From the House debate the managers on the part of the House concluded that, with respect to such new products and technology it was imperative that there be a presumption of denial to the exporter rather than a burden of discovery on the part of the Government. Thus, the managers on the part of the House insisted and prevailed in their position that the conference substitute contain language authorizing the rules and regulations which may provide for the right of denial in the first instance, in order to afford the Government an opportunity for review of the product, under such circumstances.

Second, whether the language provided the President with the authority to control, without specific justification, the export of articles, materials, and supplies which would contribute significantly to the military potential of any nation or combination of nations threatening the national security of the United States when comparable articles, materials, or supplies are available from within such combination of nations. The managers on the part of the House insisted and prevailed in their position that the President not be required to report the reasons for requiring export licenses in such cases.

Third, whether the language required the President, in reporting the reasons for requiring application for authority to export, to divulge intelligence reports or other information of a classified nature. The managers on the part of the House insisted and prevailed in their position that such reporting shall set forth the pertinent articles, materials, supplies, data, or information, the nation or nations affected thereby, and the reasons therefore, only in such detail as considerations of national security and foreign policy permit.

The conferees wish to make clear the intent of Congress that an item which is available from free world nations other than the United States shall be freely exportable from the United States without licensing requirements unless overriding national security considerations still require that the item be controlled. Such decision to control should be made only after full consideration has been given to the availability of this item from other sources. In such cases, a report must be made to the Congress, in the quarterly report following that decision, indicating the reasons for requiring an export license in such detail as national security and foreign policy permit.

The conference substitute reflects the view of the members of conference that, over the past several years and even until now, many categories of goods nominally controlled on national security grounds have been, in fact, controlled for reasons of domestic and foreign policy unreported to the Congress and apart from any indication of legislative intent. It was the intent of the managers, in agreeing to the conference substitute, to indicate that such practices be terminated.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ASHLEY. I am happy to yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding. Do I correctly understand that the main change was made in section 4(b), the so-called Brown amendment?

Mr. ASHLEY. Yes, that was the only matter in dispute, so far as the conference was concerned.

Mr. GROSS. Would the gentleman direct himself briefly to just what change was made in the language which appears in the December 10, 1969, RECORD, page 38105? Would the gentleman again state briefly what change was made in that particular section?

Mr. ASHLEY. I thank the gentleman for his question. The Senate agreed to the amendment of the House in its entirety with the exception of the text of section 4(b), as the gentleman points out. As passed by the House, the third sentence, which is the operative sentence, of section 4(b) reads as follows:

> The rules and regulations shall provide for denial of any request or application for authority to export articles and materials or supplies, including technical data or other information from the United States, its Territories and Possessions to any nation or combination of nations threatening the national security—

Mr. GROSS. That must be the way it reads now, if I may interrupt.

Mr. ASHLEY. No.

Mr. GROSS. I do not find "United States" mentioned in that line of the Brown amendment.

Mr. ASHLEY. I am suggesting to the gentleman the language I am reading is the language that was passed by the House. It is very short. When I am finished, I will read the language that was adopted by the conference, and the gentleman will see the points of difference.

Mr. GROSS. All right.

Mr. ASHLEY (continuing to read)—

> threatening the national security of the United States if the President determines, taking into consideration its availability from other nations with which the United States has defense treaty commitments, that the export would prove detrimental to the national security and welfare of the United States.

Now, in lieu of the foregoing language, the conference agreed to substitute the following:

> The rules and regulations may provide for denial of any request or application for authority to export articles and materials or supplies, including technical data or any other information from the United States, its Territories and Possessions, to any nation or combination of nations threatening the national security of the United States if the President determines that their export would prove detrimental to the national security of the United States, regardless of their availability from nations other than any nation or combination of nations threatening the national security of the United States, but whenever export licenses are required on the grounds that considerations of national security override considerations of foreign availability, the reasons for so doing shall be reported to the Congress in the Quarterly Report following the decision to require such licenses on that ground to the extent that considerations of national security and foreign policy permit.

Mr. GROSS. That is a substantial change in the language of the so-called Brown amendment, section 4(b).

Mr. ASHLEY. The conferees did not feel that this was a difference of a substantial nature. I might point out that the language in question has been reviewed by the Commerce Department. It would have preferred, possibly, other language. This language, however, is satisfactory to the Commerce Department.

Mr. GROSS. Does the gentleman feel there is a further easing, as a result of the conference, of restrictions upon trade with Communist countries?

Mr. ASHLEY. No, I do not think so. The intent of the Managers on the part of the House was to answer the points that arose during the debate on the floor on the bill in question.

As I pointed out in my opening remarks, I feel the House has prevailed and that the intent of the House is substantially reflected in the conference report.

Mr. GROSS. That may well be, but some of us are more concerned than ever over what is taking place, by virtue of the President's statement of, I believe, last Sunday or last week, in which he espoused trade with Communist China.

I am fearful in the light of this and the wide open discretionary authority that has been given to the President that this action may well be used to open up trade with Communist China. I, for one, am opposed to it.

Mr. ASHLEY. I am aware of the gentleman's views. I can only repeat that the conferees did feel that this reflects the sentiments of the House. Not all the conferees signed. One gentleman, to whom I will yield shortly, did not sign. The other two managers from the minority signed. All members from the other body signed.

Mr. BROWN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Speaker, I thank the gentleman for yielding because I think what I have to say may add to the discussion. The question has been asked whether or not the conference report constitutes an easing or a toughening of the controls.

Frankly, as the author of the so-called Brown amendment, I think the language of the conference report probably toughens control. Members will recall in the so-called Brown amendment I made it mandatory that the President consider availability elsewhere, from nations with which we have defense treaty commitments, in determining whether or not this export should be denied a license. Under the language in the report, the President is not mandated to look at this availability elsewhere, and as a consequence I do not think the tests that the President must satisfy are as tough in the conference report as they were in the so-called Brown amendment.

So to the gentleman from Iowa I would merely say I think his fears in that regard are certainly not unfounded but I think they need not be too great in view of what we have done in the conference report.

That aspect of it, if I may further respond to the gentleman from Iowa and the gentleman from Ohio, from a liberal-conservative standpoint causes me no problem, because as I have said, I think it is probably more conservative than my language.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I want to read one statement into the RECORD, one sentence by the gentleman from Michigan (Mr. BROWN) when the bill was before the House on December 10:

> Mr. BROWN of Michigan. There is one basic factor involved that did not exist before; that is, the President would be required to take into consideration the availability of exports from nations of the free world with which we have defense treaty commitments in making a determination as to whether or not exports from this Nation shall be controlled or restricted.

The gentleman has already made this point, and I simply wanted to put the verbatim statement in the RECORD. At that time, it seemed very important to me. I regret that the mandatory feature of this bill has been eliminated and I think the bill suffers badly from the action of the conference.

Mr. BURKE of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. Mr. Speaker, I thank the gentleman for yielding. Mr. Speaker, I would like to ask the gentleman from Ohio if there is anything in this report which will accelerate imports of footwear or textile products from the Communist countries?

Mr. ASHLEY. No. I will say to the gentleman this bill has as its purpose the expansion of exports from the United States consistent with the national security of our country.

Mr. BURKE of Massachusetts. It also deals with exports and imports.

Mr. ASHLEY. No. It does not deal with imports into the United States. It deals only with exports.

Mr. BURKE of Massachusetts. I thank the gentleman.

Mr. BROWN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. I thank the gentleman for yielding.

Because legislative history is especially important with respect to this legislation, I think it is essential that I make these few remarks.

At the outset, I should like to address a question to the gentleman from Ohio. I believe there is a complete understanding on this. When he mentioned military potential, does not the gentleman agree that the ability to control exports under the law is not tied in any way to the military significance or potential of such export; that the test to be applied is the test of detrimental effect on national security, regardless of any military potential or significance it may or may not have?

Mr. ASHLEY. The language of the report speaks for itself. There is no reference, if this is the point of the gentleman, to military potential. There is considerable reference to national security. Obviously, our national security is conceived with the military potential of nations unfriendly to the United States.

Mr. BROWN of Michigan. But the gentleman will agree that the "military significance or potential" words were in the Senate language and were specifically and purposefully taken out so as not to make that a specific factor or particular test; isn't that right?

Mr. ASHLEY. National security remains the test. I can only repeat that military potential elsewhere obviously affects our national security but it is not the only test or factor involved.

Mr. BROWN of Michigan. I would again ask the gentleman, under the law as passed, isn't it true that there is no direction, in determining the effect of an export on the national security, to limit consideration, military significance, or potential?

Mr. ASHLEY. The gentleman is correct.

Mr. BROWN of Michigan. That has been eliminated.

Mr. ASHLEY. It was felt that national security was the umbrella for military potential and other factors relating to national security.

Mr. BROWN of Michigan. Then I would ask the gentleman another question. In other words, the President for any reason may control and deny a license for any export which he determines would be detrimental to the national security of the United States?

Mr. ASHLEY. The gentleman is eminently correct; absolutely so.

Mr. BROWN of Michigan. The agreement between the House and the Senate incorporated in the report can be summarized in two paragraphs.

First, it provides that the availability test shall not apply to those nations of the world which pose a threat to our national security.

Second, it limits the reporting requirements of the President to those instances where export licenses are required in the future and where such requirement is based on national security or foreign policy grounds notwithstanding the foreign availability referred to in the immediately preceding paragraph.

The provision requiring the President to report his reasons whenever export licenses are required is intended to apply prospectively, not retroactively. In other words, the rules, regulations, and requirements with respect to existing controls are continued in full force and effect under section 13 of the act, and the President need not report thereon or explain his reasons for such control and license requirements.

Section 13(b) of the act provides:

> All outstanding delegations, rules, regulations, orders, licenses, or other forms of administrative action under the Export Control Act of 1949 or section 6 of the Act of July 2, 1940 (54 Stat. 714), shall, until amended or revoked, remain in full force and effect, the same as if promulgated under this Act.

Now, in conclusion, Mr. Speaker, I regret that my further remarks hardly reflect the holiday season.

Frankly, I am dissatisfied with the conference report but feel that the need for continuation of export controls under export control legislation rather than the Trading With the Enemy Act outweighs my dissatisfaction with the report.

But let me say—and let it be known to all those interested in an updating of our export control policy—no great debt of gratitude is owed to the Senator from Minnesota nor the Senator from Maine. They would have let this legislation go down the drain and have exports controlled under the Trading With the Enemy Act rather than concede to reasonable criticism of their rather shoddily drafted product.

Mr. ASHLEY. Mr. Speaker, in all truth I did not yield to the gentleman for anything other than comments on the conference report.

Mr. BROWN of Michigan. Those comments are being made.

Mr. ASHLEY. But the comments that the gentleman is making with respect to Members of the other body are out of order, and I will not yield to the gentleman further for that purpose.

Mr. BROWN of Michigan. I do not intend to refer to the gentlemen from the other body again.

If I may continue, the awkwardness of some of the language in this report and the vagueness of all the new language is distressing to me. I care not to be associated with the drafting of the changes for the reasons stated. I think it is atrocious.

Mr. Speaker, I am further disturbed over the fact that the rather significant foreign trade policy consideration which was incorporated in the the House language has been eroded by the language of the conference report.

Under the House language, we required the President to make a determination of its availability from all nations with which we have defense treaty commitments as a condition to the control of such export. The requirement that the President look at such foreign availability in every case has significance beyond the one factor of a two-factor test suggested in the Senate language. Under the Senate language, the President was required to first make a determination of the national security significance of an export and then determine that it was not readily available elsewhere; therefore, since the availability elsewhere was a separate test, it did not have impact upon the first factor of the Senate test, that is, the significance of the detrimental effect of the export on the national security. Since the ready availability elsewhere in the free world is a very real and important consideration in determining the strategic importance or significance of an export to an unfriendly nation, the House language provided a much better and more encompassing availability test.

Mr. Speaker, in offering the amendment relative to availability in the House and throughout our deliberations in subcommittee and committee regarding this facet of export control legislation, it was constantly emphasized by me and others that the thrust of the availability test was, to a great extent, an attempt to establish greater mutuality and uniformity between the export control policy of this Nation and the export control policy of the rest of the free world, especially those nations of the free world with which we have defense treaty commitments and are joined together with us in the COCOM association.

By deleting the reference to examination of the availability from nations with which we have defense treaty commitments and inserting in lieu thereof a consideration of the availability under language which states "regardless of their—proposed exports—availability from nations other than any nation or combination of nations threatening the national security of the United States," we have done serious damage to the thrust of the House language which is aimed at greater mutuality and uniformity of export control policy with the whole free world.

I regret that adoption of the new conference language constitutes such a setback to the cause of multilateralism in this Nation's foreign trade policy. Admittedly, what we have now written is a slight step in that direction, but we have made that slight step by rejecting the potentially great strides which we could have made. I would hope that reconciliation of differences hereafter be accomplished with greater consideration of the larger context of policymaking rather than the limited scope of correction of administrative procedures and policies which is the primary goal, it seems, of the conference report we adopted today.

But, as previously stated, the substance of the changes, as clarified and explained in these remarks, does incorporate some of the thrust and meaning of the House amendment to section 4(b) adopted several days ago after the House defeated the first conference report. It also corrects some of its defects.

Therefore I intend to support and would urge support of the conference report even though I did not sign that conference report.

I thank the gentleman for yielding to me.

Mr. ASHLEY. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. The Chair will count.

Mr. GROSS. Mr. Speaker, let the RECORD show that I am absolutely, unequivocally, and diametrically opposed to this bill.

I withdraw my point of order.

So the conference report was agreed to.

A motion to reconsider was laid on the table.

ELECTION OF MEMBER TO COMMITTEE

Mr. GERALD R. FORD. Mr. Speaker, I offer a privileged resolution (H. Res. 770) and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 770

Resolved, That Philip M. Crane, of Illinois, be, and he is hereby, elected a member of the standing committees of the House on Banking and Currency and House Administration.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ADMINISTRATION'S MARITIME PROGRAM

(Mr. GARMATZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GARMATZ. Mr. Speaker, today I have introduced a bill which is designed to implement President Nixon's proposed 10-year program to revitalize the American merchant marine.

I want to emphasize that this legislation is cosponsored by 35 members of my House Committee on Merchant Marine and Fisheries, as well as myself. It is also cosponsored by a number of Congressmen who are not members of my committee but are concerned about the future of the American merchant marine. This includes the majority whip, the gentleman from Louisiana (Mr. BOGGS), and the minority leader, the gentleman from Michigan (Mr. GERALD R. FORD).

The fact that many Democrats and Republicans have joined together to support this legislation is significant: It is indicative—especially of my committee—of the bipartisan, cooperative spirit with which we are attempting to reverse the alarming decline of our maritime industry.

I hope the same spirit of cooperation will now be displayed by all segments of the industry—including labor and management—so that this program can be made to work. I think the industry realizes that—as far as a maritime program is concerned—it is "now, or never." Everyone is going to have to hitch in his belt a few notches, and be willing to make a few sacrifices.

When President Nixon first presented his proposal for a long-range maritime program to our committee, I said at the time that it was a good program, and that I would support it.

The President first presented that program to Congress October 23, 1969. When the implementing legislation did not soon follow, I became naturally concerned about the time lag. I, therefore, announced on December 11, that my committee would begin a series of comprehensive hearings in January 1970 on a total maritime program. In that hearing schedule, I included a number of subjects which are not considered in the President's program. Among these are the Jones Act, passenger ships, inducement for ship construction in the domestic trades, an independent maritime agency bill, nuclear potential, and so forth. These matters are important and, I think should be included in a comprehensive maritime program.

The schedule of hearings already announced were based on the assumption that we would have in hand by the time the hearings commenced the legislative recommendations of the administration to implement the President's long-range maritime program. Accordingly, I do not think it will be necessary to reprogram our hearings to take account of the administration's legislative recommendations. I am confident that with the cooperation of spokesmen for the Government agencies, industry, and labor we can complete the hearings in all the subject areas I have proposed within the time frame I suggested.

I want to congratulate President Nixon; Maurice H. Stans, Secretary of Commerce; and Andrew E. Gibson, Maritime Administrator. They have kept their word and presented America with a new hope for its ailing maritime industry. I hope Congress will give it the support it deserves.

MIDDLE EAST CONFLICT

(Mr. McKNEALLY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McKNEALLY. Mr. Speaker, I rise seriously to question a policy being pursued by the State Department and the administration. It is incredible that the long, drawn out period leading to negotiations following the 6-day war in 1967 between the Arabs and the State of Israel should be culminating in the way they are. It is understood that the Soviet Union and the other two parties were informed by our country that Israel should withdraw to the Egyptian border of 1967. Now we are informed that Israel is to withdraw to the Jordanian border with minimal changes. It occurs to me that this policy is based upon a calculation which works to the detriment of our friends and will lead, if it has not already done so, to a further unsettling of the situation bedeviling the Middle East.

Israel won the 1967 war. It threw its own soldiers into the fight. In a period of 6 heroic days, they redeemed again their right to exist as a nation. The issue was simple enough—whether Israel was to remain a sovereign state or was to be obliterated. In 1948, within 11 hours of the Declaration of Independence of the State of Israel, the United States recognized Israel's sovereignty. From that day on, it has been understood by all people that the policy of the United States would be in pursuance of its original show of friendship and support.

Over the years the American people of all faiths and nationalities have visited Israel and acclaimed the strength of its spirit and its stability. Time after time that spirit has been tested by the Arabs and time after time that spirit has not once been broken. It can, however, be broken by such behavior as we are witnessing in the present attempts at negotiations.

I might say to you, in addition, that all of this is leading to the Americanization of the negotiations in the Middle East, and I warn you, Mr. Speaker, it will lead to another Americanized conflict. As the political settlement of 1957 led to another war, so will this settlement as proposed lead to a conflict of immense proportions. There is only one way to serve the interest of all and that is to bring the parties to the conflict in 1967 and the conflicts before that to the negotiating table. Israel ran its war—it can run its diplomacy.

I spoke above of a calculation. That calculation is simply this. By concessions to the Soviet Union, it is expected that we shall appease them, and perhaps neutralize the Arabs in the Middle East. I am not unaware of the extent to which Russia has armed the Arab nations following their disastrous defeat in 1967. I am not unaware of their rising power in the Middle East, but I submit to you, Mr. Speaker, and to this House that the interest of the Soviet Union in the Middle East transcends their present involvement with the Arabs and even supersedes their hostility to the State of Israel.

The Soviets are working on a global scheme. If they can subvert the Arab nations and subdue and destroy Israel, they will have reached the Indian Ocean and the control of everything that touches it. One arm of the pincers movement will be secure. The other arm at this moment is strengthening rather successfully, it appears to me, through the Southeast of Asia and the heart of South Vietnam. If we pursue the policy in the Middle East that seems to be developing, we will have played into the hands of the Soviets.

Forget if you will, Mr. Speaker, the strong sentiments of sympathy, of solidarity, of confidence and of faith that many of us have for Israel. Forget its capacity to be born, its strength to live, its strength to dream, its struggle to teach its children the traditions, the aspirations, and the realities of an ancient faith. Forget if you will the thrust which resulted in Israel's birth. Israel came about after World War II largely because an ancient people were nearly destroyed in Europe. They were disappointed when other people who might have helped turned and looked the other way.

The Jews were lonely during those years because of the faults of other men. For Heaven's sake, do not make the Jews of Israel lonely again. The very basis of our policy should be to keep this one democratic state in the Middle East alive. If we cannot keep it alive out of compassion and friendship, let us keep it alive because of our own selfish self-interest. No matter what we forget, let us not forget that Israel is the bastion, on a far away shore, of Western values, Western culture, and free men. If this Nation forgets that, it will have abandoned a primary of its own existence.

Therefore, Mr. Speaker, the policy as we understand it needs immediate revamping. Any policy concerning the Middle East must be based upon the central fact of upholding the State of Israel as the only bastion of freedom in that area and the only light in a darkening world.

PEACE IN ISRAEL

(Mr. KING asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. KING. Mr. Speaker, I wish to associate myself with the remarks of the gentleman from New York (Mr. McKNEALLY). I, too, am greatly disturbed by the attitude of the Secretary of State, Mr. Rogers, in attempting to dictate peace terms to the sovereign State of Israel. The result of his latest press releases has been to send a shiver of fear down the backs of all of us who have long supported Israel. We must not yield to Soviet influence. We must not become entrapped by Soviet schemes. Russia is not our friend; Israel is.

Earlier this session, I introduced House Resolution 234, which calls upon and urges the President among other things to bring about direct negotiations between Israel and the Arab States. This must be done. Israel won the war; it can and must be allowed to negotiate its own peace.

House Resolution 234 reads as follows:

H. RES. 234

Whereas an internal Middle East conflict inherently endangers the peace and well-being of the world community of nations;

Whereas an open door in the Middle East is vital to the protection of NATO's southern flank and to the flow of world commerce;

Whereas by United Nations declaration Israel legally deserves the status and rights of a sovereign nation and the territorial integrity which such status entails;

Whereas many thousands lost their lives in the recent Middle East conflict; and

Whereas it is essential to avoid repeating the mistakes of 1956 which led to the resumption of hostilities in 1967: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that permanent peace in the Middle East can be achieved only if—

(1) the existence and sovereignty of Israel is acknowledged by the Arab nations;

(2) freedom of passage in the Suez Canal and the Gulf of Aqaba is guaranteed not only to Israel but to all nations;

(3) final settlement of the boundaries of the State of Israel is made and such boundaries are acknowledged by the Arab nations;

(4) effective restrictions are imposed upon the flow of arms into the Middle East from other members of the world community;

(5) all nations address themselves to a final and equitable solution of the refugee problem in the Middle East; and be it further

Resolved, That the House of Representatives, in order that lasting peace may be established in the Middle East, urges the President of the United States—

(1) to use all diplomatic resources at his command, including our membership in the United Nations, to work for the accomplishment of the five aforementioned objectives, and

(2) to oppose, as a precondition to the discussion and negotiation of the aforementioned five objectives, the relinquishment by Israel of territories possessed at the time the cease-fire was effectuated, and

(3) to oppose an imposed settlement either upon Israel or the Arab States, and

(4) to use every available means to bring about, through direct negotiations between Israel and the Arab States, the consummation of permanent peace treaties.

AMERICAN POLICY IN THE MIDDLE EAST

(Mr. LOWENSTEIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOWENSTEIN. Mr. Speaker, I wish to associate myself with the remarks of the distinguished gentleman from New York (Mr. McKNEALLY) this morning.

MUSEUM OF HISTORY AND TECHNOLOGY

(Mr. BOW asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous material.)

Mr. BOW. Mr. Speaker, the Board of Regents of the Smithsonian Institution voted at its meeting on November 5, 1969, to request that the Congressional Regents introduce legislation to authorize the construction of pavilions as additions to the National Museum of History and Technology for the Smithsonian Institution, including the preparation of plans and specifications and all other work incidental thereto.

As a member of the Board of Regents, I am complying with that request today.

The Board of Regents has prepared the following statement of justification for the legislation:

JUSTIFICATION

The National Museum of History and Technology (NMHT) is the center of historic research and education at the Smithsonian. It is fitting, therefore, that the Institution's observance of the Nation's Bicentennial in 1976 should be focused principally upon this Museum.

Yet this Museum, which has far surpassed all expectations in its popularity and in demands upon its resources, is already inadequate to accommodate the increased numbers of visitors and to display to best advantage its historical resources. Unless action is taken immediately to fit the Museum for its role in the Bicentennial, the Museum may prove unable to make the contribution the occasion demands.

INCREASED VISITORS, LIMITED SPACE

The number of visitors to NMHT is increasing steadily, even without the Bicentennial. In 1967, for example, the number of visitors to NMHT was nearly six million. The year 1976 will bring much larger numbers to the Mall and to the Museum.

Exhibit space in NMHT is already scarce. The historical collections are growing and special acquisitions of historical artifacts will be a part of the Museum's Bicentennial preparations. If the Museum is to fulfill its education role, to make a coherent and comprehensive statement about the growth of the United States it must now construct appropriate exhibit space.

To accommodate new permanent exhibits and to handle an unprecedented influx of Bicentennial visitors, the Smithsonian Institution proposes that two Bicentennial pavilions be added to the Museum of History and Technology.

THE BICENTENNIAL PAVILIONS

The Bicentennial Pavilions will become the focus of a great effort of research to interpret the first 200 years of the United States. Long after 1976, they will be the scene of important educational presentations revealing the special international nature of America's history.

As proposed, the two Pavilions will, with the present museum, provide a three-part complex in the National Museum of History and Technology.

THE FIRST PAVILION

The first pavilion, "A Nation From the Nations," will present the people who have settled America: their contributions, their trials, and their character. The theme would be the distinctive immigrant experience of each period of American history and of each part of the country.

Topical exhibits would illuminate the rise of American civilization, emphasizing the contributions of all the different ethnic groups: political institutions and law influenced by other nations; technology, from English factory organizations to Dutch diamond cutting; the scientific, agricultural and mathematical contributions of the Germans, Danish, Swiss and Italians, and the many contributions of various peoples to American religion, art, architecture, education, science, sports and other fields.

THE SECOND PAVILION

The present Museum will continue to show the achievements of America: what the American people have accomplished together, from folk art to physics to human rights.

The second pavilion will provide the final phase of the Museum's Bicentennial presentation: "A Nation to the Nations." Its goal: to trace the influence of America on the world: the shaping power of our thought, industry and politics upon the world.

A final segment of this pavilion, entitled "Toward World Community," will show how Americans and their ideas of cooperation have helped shape and cement a world community.

A SCHOLARLY EFFORT

It should be noted that the Bicentennial Pavilions promise not only an effort in bricks and mortar, but a focal point for new and important scholarly activity.

As Secretary Ripley has said:

"We have failed to give the true historical picture, to describe the whole panorama of our cultures. Young people representing Negroes, Indians, Spanish, Chinese, Japanese and other subcultures are not given the evidence that they are part of the stream of history of the United States with a noble past, a vital present, and an unlimited future. If our Institution is to play a valid role in the Bicentennial of the American Revolution in 1976, we should be prepared to correct what is in effect a series of oversights in history, the history of our country and of the multiplicity of our people."

To this end, the Pavilion project will call upon many of the nation's greatest scholars as consultants. The Smithsonian hopes that such eminent social historians as Oscar Handlin, Samuel Eliot Morison, John Hope Franklin, Oscar Lewis, Richard Hofstadter, and others, will contribute to the Bicentennial Pavilion effort.

The paucity of scholarship both in immigration-history and in the history of American influence abroad gives us the opportunity to promote a deeper and wider discovery and understanding of our role in the world.

At a time when our nation is preoccupied with its internal divisions, when we are tempted to identify "minority" status with poverty and inequality, the Pavilions will channel our concern into a broad humanistic pride. They will remind all Americans that our "minorities" are the symbol of our peculiar strength and of our ties to all mankind.

COST

Each pavilion will provide approximately 25,000 square feet of additional floor space. Design, construction, site improvements and completion of interior furnishings are estimated to cost $6,000,000.

The text of the bill is as follows:

H.R. 15420

A bill to authorize the construction of pavilions as additions to the National Museum of History and Technology for the Smithsonian Institution, including the preparation of plans and specifications and all other work incidental thereto

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Regents of the Smithsonian Institution are hereby authorized and directed to have prepared drawings and specifications for and to construct suitable pavilions as additions to the National Museum of History and Technology Building at 14th Street and Constitution Avenue, NW., Washington, D.C. (with requisite equipment) for the use of the Smithsonian Institution, to be used for special exhibits in support of the Bicentennial of the American Revolution and thereafter for the use of the Smithsonian Institution, at a cost not to exceed $6,000,000.

SEC. 2. That the preparation of said drawings and specifications, the design and erection of the building, and all work incidental thereto may be placed under the supervision of the Administrator of the General Services Administration in the discretion of the Board of Regents.

SEC. 3. That there are hereby authorized to be appropriated to the Smithsonian Institution such sums, not to exceed $6,000,000 as may be necessary to carry out the provisions of this Act: *Provided,* That appropriations for this purpose, except such part as may be necessary for the incidental expenses of the Regents of the Smithsonian Institution in connection with this project, may be transferred to the General Services Administration for the performance of the work: *Provided further,* when so specified in the pertinent appropriation act, that amounts appropriated under this authorization are available without fiscal year limitation.

VETERANS' ADMINISTRATION'S MEDICAL PROGRAM FOR VETERANS

(Mr. TEAGUE of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TEAGUE of California. Mr. Speaker, although the President is making strenuous efforts to reduce expenditures in all Government departments and agencies, he has shown his concern for the medical care of our sick and disabled veterans by recently authorizing 1,500 additional full-time employees for the Veterans' Administration. Moreover, 83 percent of these employees were specifically earmarked for the hospital and medical program.

Despite this action by the President, and other significant developments, certain news items that have appeared in recent days in newspapers, and which have been highlighted in national TV news programs fail to present all of the facts regarding the Veterans' Administration's medical care program for veterans.

I am concerned that the general public, and, more importantly, our young Vietnam veterans may come to the belief that the Veterans' Administration is neither capable nor much concerned about providing proper hospital care for these younger veterans. Such a conclusion would be entirely erroneous. This Congress, the Veterans' Administration and the President of the United States are equally determined to provide—and are now providing—outstanding medical care which the Nation's veterans have most assuredly earned and deserve.

I am informed by high officials of the Veterans' Administration that these are the facts.

Some reports infer that "an avalanche" of Vietnam veterans are seeking Veterans' Administration hospital treatment, but that Veterans' Administration facilities cannot provide the necessary beds. Nothing could be further from the truth. These reports overstate the demand, and underestimate the Veterans' Administration's capacity for meeting the demand that actually exists.

Vietnam veterans have full and equal eligibility for Veterans' Administration hospital care with veterans of all other wars. An accurate measure of the present demand is demonstrated by the fact that of some 86,000 patients in the Veterans' Administration's 166 hospitals at this very moment, fewer than 6,000 are Vietnam era veterans. In the past fiscal year, of the more than 800,000 Veterans' Administration patients treated, only 44,000—or slightly more than 5 percent—were Vietnam veterans who required hospitalization.

Based on experience to date, the total of Vietnam veterans requiring treatment probably will reach about 60,000 in this fiscal year, and the Veterans' Administration has the capacity to meet the gradually increasing hospitalization needs of our younger veterans. Thanks in large part to farsighted legislation initiated by our House Committee on Veterans' Affairs, plus constantly improving treatment methods, the Veterans' Administration is treating more than 150,000 additional patients than it could accommodate a decade ago.

The Veterans' Administration appropriations bill recently signed by the President includes $1.5 billion for medical care—the highest sum devoted to this purpose in the history of the Veterans' Administration. The amount is about $68 million over last year's appropriations, and more than $180 million in excess of amounts available in the 1968 fiscal year.

Although much has been said about the inadequacy of Veterans' Administration hospital staffs, the staffing ratio between medical employees and patients is constantly improving. The ratio for all types of Veterans' Administration hospitals in this fiscal year is about 127 employees for each 100 patients. The ratio was 121 to 100 last year; 117 to 100 the year before, and only 104 to 100 in fiscal year 1966.

It has been alleged that physicians are leaving the Veterans' Administration program in disproportionate numbers. This is not borne out by the latest statistics. As of September 30, 1969, the Veterans' Administration had 4,954 full-time physicians—including 799 hard-to-get psychiatrists. This is 190 more doctors than VA had just 6 months earlier, including 26 more psychiatrists.

Many of the critics who mistakenly claim that physicians are not attracted to the Veterans' Administration medical program, infer that this has occurred principally because of a major reduction in medical research and medical education and training funds. The truth is that the Veterans' Administration now has a medical research budget of $57.6 million, which is 20 percent higher than last year, and 26 percent higher than the year before—and is currently funding the medical education and training programs at an all-time high level of $87 million, a sum $11.4 million higher than the year before.

It has been claimed that the Veterans' Administration was loading its psychiatric patients with chemicals and, thus was dooming young Vietnam veterans to perpetual stays in mental hospitals.

The psychotropic drugs now used throughout the medical world, have nearly doubled the turnover of mental patients in all mental hospitals. The Veterans' Administration, through its cooperative studies, has scientifically established the proper use of these drugs. As a result, the Veterans' Administration monthly turnover of psychiatric patients in the past fiscal year was 18.4 percent. The turnover was 15.4 percent the year before, and was 12.7 percent and 10.6 percent in the 2 years before that. In fiscal year 1950—before the Veterans' Administration's pioneering work with these drugs—the turnover rate was only 5.3 percent.

I want to assure our Vietnam veterans and the American people that the Nation's veterans now have, and will continue to have the finest medical care possible in our Veterans' Administration hospitals. I also know that no one is more determined that this should be so than President Nixon and his administration.

AMERICAN POLICY IN THE MIDDLE EAST FAILS TO SERVE PEACE

(Mr. PUCINSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PUCINSKI. Mr. Speaker, I believe that Secretary of State Rogers is playing a very dangerous game in the policy he has assumed in the Middle East, particularly the policy he has proposed for the solution of the Arab-Israel problem.

I believe the Secretary is totally unmindful of the fact that there is a whole new problem in the Middle East since the Soviet Union has come into the Middle East and has moved in on that situation. I believe the policy of parity in arms in the Middle East which this country has followed for many years is no longer realistic when we consider that the Soviet Union has given Egypt 960 jet fighters and has given the Syrians 460 jet fighters and has rearmed completely the Arab armies and is now stirring up aggression in the Middle East.

In my judgment it is folly for our State Department to fail to see that, unless we give Israel the kind of arms she needs to defend herself and to have a balance of power in the Middle East, we are actually inviting a major disaster in that part of the world.

I was astounded to hear the Secretary now is suggesting an imposition of terms on Israel which neither Israel nor the Arab States have had anything to say about. We remember well the result of Yalta and we remember well the result of the other international agreements where the major powers have tried to determine the destinies of small countries, and we know what happens.

I suggest Mr. Rogers seriously reconsider his policy and that Mr. Rogers indeed move in the direction of forcing the Arabs and the Israelis to sit down and work this problem out for themselves.

There are those who say the Israelis are the aggressors. I think we have to understand what the situation is. Here is a nation of 2.5 million people gallantly and heroically and valiantly trying to stem the tide of 100 million whose leaders have publicly stated they will not rest until Israel is driven into the sea. So Israel cannot under any circumstances permit any kind of build up of strength anywhere along her many borders. The moment she lets two or three pockets of strength build up, she is through. So the Israelis have had to take a calculated risk because they are fighting against great odds.

I think it is high time that we Americans recognize the survival of a free Israel is not a sentimental journey for the Jewish people alone but it is in the highest interest of the United States.

What happens in the Middle East may very well control and determine the future of this world. There is an old saying that he who controls Africa controls the world. The rich natural resources of that African Continent have always been the great ambition of the Soviet Union. Little Israel alone stands today in the way of the complete domination by the Soviet Union of the Middle East.

So I say, Mr. Speaker, it is a naive policy Mr. Rogers is following today. I believe the United States ought to publicly declare that the survival of Israel is in the highest interests of the United States and of all free nations, and act accordingly. If Israel needs 200 Phantom jets, give her 200 Phantom jets to maintain peace. The only way we will have peace in the Middle East is to let Israel be strong enough to defend herself. If we forget this nation we will see the Soviet Union dominating the Middle East, dominating Southeast Asia, and dominating Europe. There is no question that this is coming unless we act decisively.

That is why I say there is reason to believe that the State Department is on a collision course in the Middle East. Two objectives are the motivation which may lead to a point of no return: first, the desire to appease the Soviet Union in the hope that by such appeasement the Soviet Union will reciprocate by attempting to gain concessions for us from Hanoi and second, the desire by the United States to regain the lost amity once enjoyed in her relationship with the Arab nations. Both attempts are pregnant with danger for the United States. The lessons of Yalta should have taught our State Department that the appeasement of the Soviet Union can only bring tragedy in its wake. Because of its present involvement with Communist China the Soviet Union may give the impression that she is willing to abandon her Communist expansionism in exchange for friendly relations with the United States. This is sheer hypocrisy. There is a better way for the Soviet Union to demonstrate her peaceful intentions: By allowing the peoples of Eastern and Central Europe to hold free elections. I am sure that the United States would applaud such action and offer many concrete acts of friendship once that is done. But not until such time ought we to rely on Soviet promises.

The desire to regain friendly relations with the Arab States is commendable. The United States should attempt to achieve friendly relations with all nations. But at what cost? How is one to measure friendly relations? And with whom do we seek friendly relations—with the people of the Arab States or with their dictators? Are we attempting to appease Nasser? If we are, then I hold that the American people ought to be appraised of that fact. In my opinion, appeasement is a mistaken policy. A man who sees war as the only solution to the problems in the Middle East is not my idea of a man in whom the American people should have trust and confidence. By contrast, how does the Prime Minister of Israel state her case?

Mrs. Golda Meir declared:

> We have decided, that as far as it lies within our power, and to the extent that it depends on us this is going to be the last war that will be fought between the Arab States and us. We don't ask them for a love declaration but that they must acquiesce to our existence in the area. They will be there forever. We ask them to live with us in peace—for our part, in cooperation.

Any concessions made to Nasser will not be interpreted by anyone as a victory for us. It will, in deed and in fact, be a defeat for the United States and a victory for the Soviet Union.

The problems of the Middle East can be solved only when the principals themselves are made to sit down at the conference table. I am sure the Israelis would not object, no matter what the shape of the table may be. Instead of pressuring the Israelis, as is now being done, the United States would do well to take a more positive stand on the side of Irael, not on the side of the Soviet Union.

GI EDUCATIONAL BENEFITS

The SPEAKER. Under a previous order of the House the gentleman from New York (Mr. HALPERN) is recognized for 5 minutes.

Mr. HALPERN. Mr. Speaker, I deplore the fact that Congress has failed to take final action on a broader veterans' education benefit bill this year. It is my fervent hope that action on an increased GI education bill will be the first order of business when the Congress reconvenes in January.

It is my belief that the increases being proposed are inadequate, because they fall far short of today's realities. The House passed a 30-percent hike, raising benefits from $130 to $170 monthly. However, the Senate passed the Yarborough-Cranston bill, similar to my own proposal, providing for a 50-percent boost to $190 monthly. The difference must now be reconciled by a Senate-House conference, which I hope will swiftly be convened when Congress returns.

Another major difference in the bills passed by both houses, was that the Senate passed an amendment sponsored by Senator CRANSTON, which I sponsored in the House, setting up a PREP program, a remedial education incentive effort to encourage more Vietnam GI's to use their educational benefits. The House failed to act on this amendment.

Indecision on this matter of GI benefits vitally affects the Nation's future. GI education costs should be considered a part of the cost of waging war. I do not hear anyone asking that we skimp in the cost of weapons to help our men defend themselves.

In June of 1944 this Nation undertook a bold new commitment in the area of veterans' benefits with the passage of the Servicemen's Readjustment Act of 1944. Among other provisions, this act, popularly known as the GI bill, established a program to help returning war veterans obtain an education.

The response to this program was immediate and immense. More than half of the 15 million veterans returning from service in World War II took advantage of it to further their education. Under a similar program enacted for veterans of the Korean war period, another 2.4 million ex-servicemen received educational assistance, and the number of veterans who have participated in the current program for those serving in the post-Korean period has already passed the million mark.

It is not possible, of course, to measure precisely the long-range effects of these programs of educational assistance for veterans, but we can, in general terms, be confident that every dollar spent for such purposes is a dollar wisely invested.

Education is after all, as Abraham Lincoln once said, "the most important subject which we as a people can be engaged in." We do, moreover, know that on the average the more education an individual receives, the higher his lifetime earnings will be. In a very real sense, then, we may look forward to repayment with interest of whatever we spend on veterans' educational allowances in the form of the taxes to be paid on incomes which might otherwise never be earned. For this reason, failure to maintain these educational allowances at a level which will encourage our veterans to go back to school and enable them to stay in school would be false economy of the very worst kind.

CHANGING POLICY TOWARD MIDDLE EAST SOLUTION

(Mr. BROWN of California asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BROWN of California. Mr. Speaker, the Middle East is a powder keg fused with big power politics and lit with deep emotional issues of sovereignty and survival. How this problem—this crisis—can be resolved has troubled me for some time. Every person concerned with world peace must think about the Middle East and the possible strains, conflicts, and destruction it can create throughout the world.

Until now, my position had been in the formative stage. My first appraisal of the conflict led me to the belief that the United Nations must play a crucial role along with the big powers to resolve the problem. In this regard, I did not cosponsor the many resolutions which advocated direct talks between the hostile nations.

I still firmly believe that through the efforts of the U.N. and major powers of the world a true peace can be obtained. It is through these bodies that I am looking for economic aid, refugee assistance, and a world leadership and guidance in obtaining a lasting peace. However, I have reevaluated the situation and now believe and would like to be associated with those who advocate that an immediate end to the continuous undeclared war can be found in direct talks between the hostile nations.

The reasons for my new position are multifold. I have watched the United Nations debate the merits of the 1967 war while one nation became the victor. This demonstrated to me the importance of a preventive role of the U.N. and the likelihood of its direct intervention in another all-out war.

The problems in Vietnam and the ineffectiveness of the present negotiations in Paris provide a good lesson. If we are to avoid another Vietnam, and more dependent relationships, we must permit hostile nations to independently negotiate their own peace—if they are to control and operate their own governments.

I am greatly distressed by the recent pro-Arab foreign policy statement by our Secretary of State. If the United States is to become a viable agent in the search for peace in the Middle East, we must demonstrate no bias in our views and vested interests. This was not shown by the Secretary's recent declaration. The huge arsenal buildup by the Soviet Union in the Arab world coupled with the neglect by the United States, Britain, and France in the survival of the only democratic nation in the Middle East produces great concern for the real prospects of an immediate peace and the role of the United States in the search for that peace.

The answer to Middle East crisis must be found not in military terms, but in solutions which emphasize peaceful coexistence, recognition of the sovereignties of the area, and their right to peaceful existence, recognition of refugee problems and their right to live, and recognition of nonmilitary expressions of hostility.

CONGRESSMEN CALL ON PRESIDENT TO NEGOTIATE WITH INDIAN PEOPLE ABOUT ALCATRAZ ISLAND

(Mr. BROWN of California asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BROWN of California. Mr. Speaker, Alcatraz Island long stands out as a poignant symbol of our civilization.

For years it was "the Rock," an impregnable prison fortress—its image one of solitude, repression. Today, though, Alcatraz begins to assume a new, more positive, role. To American Indian people a saga now taking place on Alcatraz is a milestone. It represents a real breakout to them, an escape by the Indian people from a series of private and public binds imposed by our society.

Since early November—and in the face of persistent official harassment—Indian people have "occupied" Alcatraz Island, not as a conquest, but instead as a means of pointing out the tragic place of the Indian people in this society. The occupation of Alcatraz by the Indians has been a harmless, yet effective, method of bringing to the attention of the American people the fact that we have neglected the cultural needs of today's Indians.

To date, Government Indian policies have been patronizing, treating them like children, and further alienating the Indian people and destroying their rich culture. One has only to read recent books by young Indians such as Vine Deloria and Scott Momday, and by the Indians who wrote the moving study "Our Brothers' Keeper" under auspices of the Citizen's Advocacy Center, to understand the impact of the Government's futile attempts to assimilate Indian people into the "mainstream of American life."

Assimilation, termination, the entire list of Indian policies have failed miserably. There are more Indians in America today than ever before, we are spending more than ever on various Indian programs; yet, the Indian people consistenly rank as the poorest, most illiterate, short-lived and distant members of our society.

Therefore, Alcatraz is critically important. It is a move by the Indian people themselves. Unfortunately—and tragically—the Government has failed them. Now, Indians have decided to peacefully take destiny into their own hands.

I view the Alcatraz experience as no "renegade" act. The island is barren, crumbling, isolated, seemingly unwanted by the Government which owns the property. While various proposals for the island have been made since the prison was abandoned, virtually all have been rejected as unfeasible for one reason or another.

I assume that had not the Indians moved onto the island, it would have gone unused, unnoticed for years. Over that period, it would be a continual cost for the Government; but, while it may be a debit for Government, for the Indian people it poses many immediate benefits.

On Alcatraz the Indians are doing something positive. They have created a living community on the island. And their future plans are both feasible and viable. Instead of a casino or a gold rush days exposition, two possible alternative suggestions bantered about at one time or another for Alcatraz, the Indian people envision using the facilities on the island to set up a cultural center and educational complex.

Along with a surprisingly large number of my colleagues, I support the Indian people in their plans and their vision. Three weeks ago I met with some of the Indians from Alcatraz—the group is known as the Alcatraz relief fund—

at the American Indian Center in San Francisco, and I indicated that I would do all I could to help the Indian people in their efforts to gain title to the island.

Last week, a meeting was held in my Washington office. The relief fund was represented by Mr. Browning Pipestem of the Arnold & Porter law firm, the fund's Washington counsel. Mr. Pipestem had just returned from San Francisco, and we discussed the current situation on Alcatraz.

As a result of that meeting, Representative OGDEN REID and I decided to introduce legislation to assist the Indian people in their plans to obtain title to Alcatraz. The language contained in the joint resolution we are introducing today was approved at a meeting this past weekend by the Indians on the island.

Now, Representative REID and I have been joined by nine of our colleagues to sponsor a House joint resolution. This resolution directs the President to initiate immediate negotiations with delegated representatives of the Alcatraz relief fund and any other appropriate representatives of the American Indian community with the objective of transferring unencumbered title in fee of Alcatraz Island to the relief fund or any other designated organization of the American Indian community.

Joining with Mr. REID and me in this measure are: JONATHAN B. BINGHAM, SHIRLEY CHISHOLM, DONALD M. FRASER, ALLARD K. LOWENSTEIN, ABNER J. MIKVA, OGDEN R. REID, BENJAMIN S. ROSENTHAL, EDWARD R. ROYBAL, WILLIAM F. RYAN, and LOUIS STOKES. In addition, Representative TOM REES expressed his wish to be associated with this resolution.

This resolution is but a first step. Next session I plan to sponsor a broad legislative proposal aiming to establish Government-funded, but Indian-run, cultural centers and educational systems geared to the needs and objectives of the Indian people.

For too long, the relationship between our Government and the Indian people has been distressingly dismal. Alcatraz can be a significant turning point in that relationship, and I pray that President Nixon will begin these important negotiations as soon as possible.

LABOR DEPARTMENT SHOULD INVESTIGATE

(Mr. HECHLER of West Virginia asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, on December 9, 1969, members of the United Mine Workers of America voted for their international officers. In an unprecedented move, the challenger for UMWA president, Joseph A. Yablonski, had posted about 2,000 volunteer election observers at many of the polls throughout the country. Thus, he was able to document many new violations of the UMWA constitution and the Labor-Management Reporting and Disclosure Act. Pursuant to LMRDA requirements, Mr. Yablonski invoked the union's internal remedies on December 18, 1969, when he wrote to the UMWA international tellers and the union's three top officers, W. A. Boyle, George J. Titler, and John Owens, challenging the December 9 election and setting out in detail the grounds for his challenge. All of this material was submitted to the Department of Labor. Some of it had already appeared in the RECORD—July 15, 19636; July 29, 21259; and December 3, 36762. The rest of the information, including election day violations, I am including in today's RECORD. The Secretary of Labor has authority under section 601 of LMRDA to make an investigation in connection with the December 9 election. As the following documented information reveals, the Secretary of Labor should investigate these matters.

I am cognizant that there are those who would prefer to forgive and forget any election, once it is over. I submit that law and order should not be suspended, either during or after an election campaign. We have an obligation to insure that the law of the land is fully enforced. There follow the documents to which I have referred:

DECEMBER 18, 1969.

Messrs. W. A. BOYLE, president; GEORGE J. TITLER, vice president; and JOHN OWENS, secretary-treasurer,
United Mine Workers of America,
Washington, D.C.

DEAR MESSRS. BOYLE, TITLER, AND OWENS: Section 402 of the Labor-Management Reporting and Disclosure Act of 1959 requires that I invoke the remedies available under the UMWA Constitution prior to filing a complaint with the Secretary of Labor to invalidate the election of December 9.

The UMWA Constitution is not clear on what remedies are open to me inside the Union. I submit this letter and the enclosed letter to the International Tellers and appendices thereto and request that they be treated as my effort to exhaust any and all available remedies within the UMWA to invalidate the December 9 election as violative of the UMWA Constitution and LMRDA, all as described in massive detail in the enclosed letter and appendices.

I desire to present this matter to the International Executive Board at its next meeting. Secretary Owens has informed me that the Board would be called to consider my letter concerning your financial peculations. Either at that meeting or at one specially called to consider your election violations, I will present to the International Executive Board the matters covered by the enclosed letter to the International Tellers and appendices.

Fraternally yours,
JOSEPH A. YABLONSKI.

DECEMBER 18, 1969.

International Tellers WILLIAM CALPIN, CLYDE W. RUNIONS, and EDWARD A. LAZUR,
United Mine Workers of America,
Washington, D.C.

GENTLEMEN: For the following reasons I hereby challenge the December 9, 1969 election for International Officers:

1. All of the conduct, unlawful under the UMWA Constitution and the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA), set forth in Mr. Joseph L. Rauh, Jr.'s July 9, 1969 letter to Secretary of Labor George P. Shultz, attached hereto as Appendix A.

2. All of the conduct, unlawful under the UMWA Constitution and LMRDA, set forth in Mr. Rauh's July 18, 1969 letter to Secretary Shultz, attached hereto as Appendix B.

3. All of the conduct, unlawful under the UMWA Constitution and LMRDA, set forth in Mr. Rauh's July 25, 1969 letter to Secretary Shultz, attached hereto as Appendix C.

4. All of the conduct, unlawful under the UMWA Constitution and LMRDA, set forth in Mr. Rauh's July 30, 1969 letter to Secretary Shultz, attached hereto as Appendix D.

5. All of the conduct, unlawful under the UMWA Constitution and LMRDA, set forth in Mr. Rauh's August 13, 1969 letter to Secretary Shultz, attached hereto as Appendix E.

6. All of the conduct, unlawful under the UMWA Constitution and LMRDA, set forth in Mr. Rauh's December 1, 1969 letter to Secretary Shultz, attached hereto as Appendix F.

7. All of the conduct, unlawful under the UMWA Constitution and LMRDA and in breach of Secretary-Treasurer Owens' Letter of Instructions sent to UMWA local unions pursuant to representations made on behalf of UMWA to Judge George Hart in Civil Action No. 3061–69, set forth in the affidavit of Joseph A. ("Chip") Yablonski, who coordinated my campaign effort in the field, attached hereto as Appendix G.

8. All of the conduct, unlawful under the UMWA Constitution and LMRDA, set forth in the affidavit of Clarice R. Feldman, attached hereto as Appendix H.

There is no need to repeat here what is set forth in those eight appendices. What they show, in a word, is that Tony Boyle stole the election through massive violations of the UMWA Constitution and LMRDA unprecedented in the history of the American trade union movement. His campaign can best be described as a great treasury raid in which he converted the dues of honest mine workers and elderly pensioners to his personal campaign and used the personnel of the UMWA as though they were his private servants.

These eight appendices demonstrate that the election must be set aside because of the massive violations up to election day, including already judicially-adjudicated violations of Title IV of LMRDA; that it must be set aside because of the massive violations on election day; and that it must be set aside because of the massive violations of the UMWA Constitution in counting the votes cast in unconstitutional bogey locals. The election must be set aside for each of these reasons separately. Taken together they make an overwhelming case binding on the mind and conscience of all honest men.

Tellers, stand up before it's too late. I, too, once submitted to the discipline of Tony Boyle. But I shall die an honest man because I finally rejected that discipline. I realized at long last that there are values so great in this world that the time had come to stand up and be counted for decency in our union and a better life for the miners we represent. Your conscience will have to be your guide.

Fraternally yours,
JOSEPH A. YABLONSKI.

LAW OFFICES RAUH AND SILARD,
Washington, D.C., July 18, 1969.

Hon. GEORGE P. SHULTZ,
Secretary of Labor, Department of Labor,
Washington, D.C.

DEAR MR. SECRETARY: On July 9, 1969, Joseph A. Yablonski, candidate for President of the United Mine Workers of America, and H. Elmer Brown, candidate for Vice President thereof, requested an immediate and continuing investigation of the illegal activities of the incumbent UMWA officers who are seeking to prevent the nomination of Mr. Yablonski and Mr. Brown for those offices. I am writing on behalf of Mr. Yablonski and Mr. Brown once again to set forth additional pieces of information supporting our earlier request for an investigation. It can truthfully be said that there has never been the equal in massive violations of federal law to what the officers of the UMWA are now doing.

Initially, it should be pointed out that a copy of the July 9th letter was served the same day upon W. A. ("Tony") Boyle, President, George J. Titler, Vice President, and John Owens, Secretary-Treasurer, with a request that the Union or its governing Board or officers bring suit to remedy the breaches of trust by the incumbent UMWA officers and those working with them as enumerated in the July 9th letter to you. That request was, in effect, rejected in a letter from Mr. Edward Carey, General Counsel of the UMWA, dated July 14, 1969, a copy of which was sent to you. But the significant thing about Mr. Carey's letter was not his rejection of our request; rather it was his calculated failure to deny practically every assertion in our letter to you, a denial which would have carried the penalties of 18 U.S.C. 1001.

Incidentally, in the two instances where Mr. Carey did make statements of fact, they are without foundation. The suggestion in Mr. Carey's letter that Mr. Yablonski was somehow involved in the change of the UMWA Constitution in 1964 to require 50 nominations from local unions rather than 5 has no support in any record of the UMWA and is incorrect. The statement of fact—Mr. Carey's denial that "an attorney for the UMWA deliberately sought to sabotage the mailing"—falls in the face of the actual facts. After Judge Corcoran issued his preliminary injunction on June 20, 1969, directing the UMWA to send out Mr. Yablonski's campaign literature, lawyers for the UMWA and Mr. Yablonski worked out an arrangement under which a non-profit bulk mailing permit was obtained by the UMWA from the Silver Spring, Maryland, Post Office (Permit No. 542). It was understood that this permit was acquired for the purpose of distributing Mr. Yablonski's campaign literature pursuant to Judge Corcoran's Order. While Mr. Yablonski's literature, under the label "Miners for Yablonski," was on the printing press and after the postal authorities had approved use of said permit by Mr. Yablonski, Mr. Willard Owens, a lawyer for the UMWA and son of Secretary-Treasurer John Owens, called Mr. Harold E. McKnight, the relevant official of the Post Office Department, and informed him that an organization of private individuals, i.e., "Miners for Yablonski," was attempting to use the UMWA non-profit bulk mailing permit. Mr. Owens further told Mr. McKnight that "Miners for Yablonski" was not the same entity as UMWA and that therefore he thought they should not be allowed to use the UMWA bulk mailing permit. He did not mention the fact that the UMWA were under federal injunction to mail out Mr. Yablonski's literature under their aegis nor that UMWA had obtained the non-profit bulk mailing permit for the express purpose of this very mailing. Only after this deception was uncovered by Mr. Yablonski's counsel was the matter rectified at the Post Office and the mailing consummated.

Mr. Carey's calculated failure to deal with the factual allegations in our letter of July 9, 1969, adds urgency to our request to the Labor Department for immediate action.

We desire, in addition, to submit certain further information corroborating the UMWA's course of illegal conduct, which has come to our attention since delivery of the earlier letter to you:

1. Referring to paragraph 2 of our July 9th letter, we can now report that Judge Corcoran again ruled for Mr. Yablonski on July 15, 1969 (Civil Action No. 1799–69), holding Mr. Boyle's removal of Mr. Yablonski from his office as acting director of Labor's Non-Partisan League to be an illegal reprisal against him for exercising rights under LMRDA and directing Mr. Yablonski's reinstatement. In other words, Mr. Boyle has now been found, on the judicial record, twice to have been in flagrant violation of LMRDA.

2. With respect to paragraph 3 of our earlier letter, Mr. Yablonski has not yet fully recovered from the blow knocking him unconscious at the campaign meeting on June 28, 1969. We understand that the Department of Justice is still investigating this violence against Mr. Yablonski.

3. With respect to paragraph 5 of the earlier letter, those working for Mr. Boyle have continued to approach and to direct supporters of Mr. Yablonski to switch to Mr. Boyle and have threatened later reprisal if they do not do so. Among those so approached, in addition to others already mentioned, are Charles Shawkey, a local union president at Boomer, West Virginia.

4. With respect to paragraphs 8 and 9 dealing with the discriminatory dechartering of local unions to avoid Yablonski-Brown nominations, that process continues unabated. UMWA Local 7488, Oakwood, Virginia, and its President, Tom Owens, strongly support Mr. Yablonski. In order to avoid a nomination of Mr. Yablonski, a paid official of trusteed UMWA District 28 tried to force Local 7488 into a merger with a larger nearby local and, failing in that, literally snatched the official seal of the local and escaped therewith with local union members in hot pursuit. Although the official seal was recovered on a writ of replevin, the threat of discriminatory dechartering still looms.

5. With respect to paragraphs 10, 11, and 12 of the earlier letter, the pattern of surprise meetings and surprise nominations continues. On July 5, 1969, without any prior notice and even before the nominating period had officially commenced, the same violation of law occurred as in UMWA Local 7113. This time it was Local Union 9603, Ragland, West Virginia. Only approximately a dozen of the more than two hundred local union members were present at this July 5th meeting, no notice of nominations having been given. One "Rusty" Runyon, a recently appointed paid employee of trusteed UMWA District 17, successfully sprung a surprise nomination for the Boyle team upon the local union meeting.

6. Next, on July 14, 1969, the same type of surprise nomination was perpetrated upon UMWA Local 5582, Frackville, Pennsylvania. There, again, and as in all these instances in violation of the UMWA Constitution, no notices were posted or appeared in local newspapers informing the local union members that nominations were to be held at this regularly scheduled local union meeting.

7. Next, on July 16, 1969, about thirty members attended the regularly scheduled meeting of UMWA Local Union 1686, St. Clair, Pennsylvania. Again no notice had been given that nominations would be conducted at this meeting; and again a surprise nomination for the Boyle ticket was sprung, this time by one William Martin, brother-in-law of John Reddington, a UMWA trusteed District 25 Executive Board member, who was also present. Despite the surprise, the opposition to Mr. Boyle became obvious. An attempt to close nominations immediately after the nomination of the Boyle ticket failed. Thereupon, James DeAngelo nominated Mr. Yablonski. In view of the threatening presence of paid District officials working for Mr. Boyle, Mr. DeAngelo demanded that the vote on nominations be by secret ballot. Reddington, in effect taking over the meeting, prevented the secret ballot; instead a voice vote was announced in favor of the Boyle ticket though no count whatever was taken.

8. An equal, if not more flagrant, violation of LMRDA occurred the same day at the regularly scheduled meeting of UMWA Local Union 807, Shenandoah, Pennsylvania. The president of that local, one John Karlavage, is also a paid official of UMWA trusteed District 25 and was the leading instigator of the disruption of the campaign rally in Shenandoah referred to in paragraph 4 of our earlier letter. No notice was given that this regularly scheduled meeting would consider nominations. Compounding the absence of notice of nominations, Mr. Karlavage got a few people together in the meeting room and nominated the Boyle team even before the time of the regularly scheduled meeting and after a number of members, who had come in to pay their dues, left before the meeting opened because they were not informed that nominations would occur.

9. Mr. Karlavage was equally active the day before, i.e., on July 15, 1969, at UMWA Local 1516, Shenandoah, Pennsylvania. There, the only notices posted were at remote job sites long since abandoned by the mining industry. Approximately twelve members attended this meeting, which nevertheless unanimously nominated Mr. Yablonski. However, Mr. Karlavage, the paid official of UMWA District 25 referred to in the previous paragraph, and other District officials, lingered behind after the meeting of Local 1516 and attempted to prevent the nomination going forward in due course.

10. With respect to paragraph 13 of the earlier letter, UMWA funds are continuing to be expended to prevent Yablonski-Brown nominations at an ever-accelerating pace. On July 13, 1969, incumbent UMWA officers Boyle, Titler, and Owens and their associates staged a "health and safety" rally at Welch, West Virginia. This rally, run at UMWA expense, was not the usual "health and safety" meeting; it was an out-and-out Boyle team election rally. Chartered buses, providing free transportation to the meeting, displayed large signs and placards (some professionally made) urging support of the Boyle ticket. Justin McCarthy, editor of the United Mine Workers Journal, utilized his office to arrange local radio and other advertising for the rally. Campaign literature urging re-election of the Boyle team was widely distributed at the rally. Eight of the rally's eleven organizers were appointed officials of trusteed UMWA District 29.

11. With respect to paragraph 14 of the earlier letter, the anonymous and libelous sheet about Mr. Yablonski, prepared by Mr. McCarthy, has continued to be circulated by those working with Mr. Boyle. It is highly significant that Mr. McCarthy has not under oath or otherwise, denied the charge made to the Secretary of Labor in the earlier letter that, in direct breach of trust, he wrote this anonymous and libelous sheet.

12. With respect to paragraph 15 of the earlier letter, the United Mine Workers Journal of July 15, 1969, is a most obvious campaign document for Mr. Boyle. His name appears favorably 34 times in 24 pages; statements such as these stand out:

"It would not be too much of an exaggeration to say that Lewis and his union saved the coal industry as we know it today. Only the solid rock of the joint wage agreement kept the price structure from being totally wrecked by cut-throat operators and for years on end it was the only stable element in a strife-torn business. . . .

"In his last days, men challenging the present leadership of the union called upon him to 'save' it. There is no evidence that he ever deigned to acknowledge such a demand from crusader Ralph Nader, which will come as no surprise to those who know that Lewis groomed *Tony Boyle* as his eventual successor and heir" (p. 13).

Also:

"Ghizzoni [International Executive Board Member] warned his audience to beware of certain 'crackpots' who would destroy the effective leadership of the United Mine Workers of America. He drew a warm round of applause when he said the miners' slogan was 'Stick and Stay With Tony Boyle All the Way.'"

Still no single mention of Mr. Yablonski.

13. With respect to paragraph 16 of the earlier letter, it is understood that the FBI has already received statements from several UMWA employees who were forced to assist in the conversion of union funds into Mr. Boyle's election campaign chest.

14. With respect to paragraph 17 of the earlier letter, the Boyle team continues to utilize the list of officers of local unions and continues to refuse to turn over the same list to Mr. Yablonski for like utilization.

15. But even all this is not the end. Local union presidents of pensioner locals in Southern Illinois are being offered $150–$200 each to coerce their locals into nominating incumbent Boyle and to block nominations for the Yablonski-Brown ticket.

16. The direct purchase of votes is also a Boyle team tactic. One James Manfredi, working for Mr. Boyle, offered to pay $5 a vote for Boyle at a nomination election of Local Union 688, Fredericktown, Pennsylvania

17. Paid officials of trusteed UMWA District 17 were present at campaign rallies of Mr. Yablonski and Mr. Brown held in Matewan and Beckley, West Virginia, on Sunday, July 13, 1969. These officials, armed with tape recorders, compiled lists of Yablonski-Brown supporters attending the rallies, informed certain of them that the fact of their presence at the Yablonski-Brown rally was known and would be taken into consideration by District and International officials, and otherwise made clear that reprisal and intimidation would be meted out to persons attending Yablonski-Brown functions.

* * * * *

The case made against the incumbent officers of the United Mine Workers is so overwhelming that it seems hard to believe that there can be any question about the Department of Labor making the investigation for which Mr. Yablonski and Mr. Brown are asking. Now, nine days into the 30-day nominating period, we repeat that request even more urgently than in our earlier letter.

We make one additional request about which there also should be no question. We ask you to send our letter of July 9, 1969, and this letter to Mr. Boyle and request an official response to the charges made therein. The UMWA officials have been very careful not to deny to the Department of Labor the charges made in our original letter; rather Mr. Carey has merely sent you a copy of his letter to the undersigned which avoids answering the charges. We do not believe the Boyle team will submit a direct answer to the Department either under oath or under the penalties of 18 U.S.C. 1001.

The Department has two ways to test out our allegations—by its own investigation and by its demand for a responsive statement from the UMWA. To make the LMRDA a reality rather than a formality we ask the Secretary to do both—now.

Respectfully submitted,

JOSEPH L. RAUH, Jr.,
Attorney for Joseph A. Yablonski and H. Elmer Brown.

LAW OFFICES, RAUH AND SILARD,
Washington, D.C., July 30, 1969.

Hon. GEORGE P. SHULTZ,
Secretary of Labor, U.S. Department of Labor, Washington, D.C.

DEAR MR. SECRETARY: With further reference to our letter of July 25, 1969, we enclose a copy of an affidavit of Wanson Ray Hutchinson, President of UMWA Local Union 1374 referred to in paragraph 15 of that letter. In the interest of precision, which was not possible in the rush on the telephone last Thursday night, we ask that you substitute this affidavit for paragraph 15 of the letter. You will note that the affidavit makes the same essential point as does paragraph 15, namely, the effort of District officials supporting the Boyle candidacy to prevent nominations for Mr. Yablonski already made from going forward in due time to the international headquarters and thus to be counted.

We also enclose a copy of an affidavit of one Albert Henry Matney evidencing further misuse of union funds.

One other comment on the July 25th letter might be in order. In paragraph 3 we stated that no notice was given that nominations would be conducted at the July 19th meeting of UMWA Local Union 1577. This is an accurate statement, but further investigation has indicated that a hand-written, undated notice not even giving the time of the meeting was posted in the transom of a wholly separate building and was not generally visible to passersby. Nothing could show the deliberateness of withholding legally-required notice better than action of this type. We have also learned that the meeting was at 7 and that the clock had deliberately been set forward to read 7:10 p.m.

We are continually checking our facts and any further changes or additional information will be supplied. Indeed, we can report one additional violation (at Local 6394) right now. Please see attached copy of letter from Stanley J. Pinkas to Mr. Yablonski.

Sincererly yours,

JOSEPH L. RAUH, Jr.,
Attorney for Joseph A. Yablonski and H. Elmer Brown.

SAINT MICHAEL, PA.,
July 23, 1969.

DEAR MR. YABLONSKI: I am a union member of district 2, Local 6394. The officers made a special meeting Saturday, July 9, 1969 to vote for you or Tony. The rank and file *was not* notified of this going on. They *did not* post any notices on the mine bulletin board so the men did not know what was going on. The vote came out 13 for Tony and 6 for you. The men are asking for another special meeting and notices posted for another election. The officers are denying us this request. I know you would come out better if we can get another election. Would you please send me information on how to handle this. I do not think the district will help for it seems they are all for Tony. We have many members who are for you. We wish you all the luck and success in the world.

Thank you,

STANLEY J. PINKAS.

AFFIDAVIT

Wanson Ray Hutchinson, being duly sworn, deposes and says:

On Tuesday, July 8, 1969, I was contacted by one Earl Brown, a District Representative of U.M.W.A. (United Mine Workers of America) District 28, and directed to report to him at the sub-district office in Grundy, Virginia, which I did. Present at the sub-district office was one Ray Thornsbury, the Acting President of U.M.W.A. District 28, who ordered me to "talk down" anyone who attempted to nominate Mr. Yablonski from the floor of my local union nomination meeting. Mr. Thornsbury and Mr. Brown then said that they would talk to me later about nominations.

On Thursday, July 17, 1969, I met Mr. Earl Brown again at Grundy, Virginia. He ordered me, in the event that Mr. Yablonski received the nomination of my local union, to direct my local recording secretary, Mr. Perry Fuller, not to mail in the Yablonski nomination blank until after the deadline so that it would not be accepted.

Then on Thursday, July 17, 1969, I met Mr. Earl Brown again, this time at Garden Creek, Buchanan County, Virginia, and he said that he and Acting President Thornbury had decided that, instead of my recording secretary holding the Yablonski nomination blank until after the deadline, I should turn over this nomination blank to him directly and that he would "take care of it." He said also that he had discussed the matter with District 28 President Carson Hibbitts and that Hibbitts had directed him (Earl Brown) to attend the nomination meeting of my local union. Suspecting that Mr. Earl Brown would attempt to prevent the fair and democratic nomination of Mr. Yablonski, on Sunday, July 23, 1969, I gave Mr. Brown permission to attend my local nomination meeting on the condition that he would not be recognized to speak at the meeting—inasmuch as Mr. Brown is not a member of UMWA Local 1374, of which I am President.

On Monday, July 28, 1969, after my local union had nominated Mr. Yablonski the previous day, Mr. Thornsbury called me and asked me to accompany three other officers of my local 1374—Hubert Leonard, Chairman, Mine Committee; Perry Fuller, Recording Secretary; and Paul Childress, Mine Committeeman—on a trip to Pittsburgh, Pennsylvania, where the officials of UMWA District 5 would "tell us the truth" about Joseph Yablonski. We were then to return and tell our local union members what the District 5 officers had said about Mr. Yablonski. Thornsbury said that "we can't afford to have Yablonski elected President of the International Union." Thornsbury further informed me that all expenses of the two-day trip, including travel, food, hotel, time lost from work, would be paid by UMWA District 28, and Mr. Thornsbury also said that the District would procure leaves of absences from our employers for the time during which we would be away from work.

WANSON ROY HUTCHINSON,
President, United Mine Workers of America Local 1374.

OAKWOOD, VA.

Sworn and subscribed before me this 28th day of July, 1969. In the County of Buchanan and the State of Virginia.

THOS. R. LOOMEY,
Notary Public.

My commission expires August 28, 1971.

LAW OFFICES RAUH AND SILARD,
Washington, D.C., August 13, 1969.

Hon. GEORGE P. SHULTZ,
Secretary of Labor, U.S. Department of Labor, Washington, D.C.

DEAR MR. SECRETARY: On July 9, July 18, July 25, and July 30, I reported to you the massive violations of the Labor-Management Reporting and Disclosure Act which were being perpetrated by Mr. W. A. Boyle and those working with him in an effort to keep Mr. Joseph A. Yablonski and Mr. H. Elmer Brown from receiving the 50 local union nominations required for a place on the official December 9, 1969 UMWA election ballot. The violations have continued unrelentingly and they are set forth in the Appendix to this letter. As Mr. Yablonski said in his public statement August 11, Mr. Boyle and his group have committed over 100 violations of LMRDA that we are able to document at this time. There must be many times this number unknown to us since we have no investigative resources and yours were not forthcoming.

Despite the unprecedented violence, despotism and corruption mounted against the Yablonski-Brown effort to obtain the nomination of 50 local unions, they receive approximately double the required number. The United Mine Workers announced yesterday that Mr. Yablonski had 96 nominations and Mr. Brown 86, which means they will be on the ballot in the December election.

In your letter of July 25, you stated as follows:

"I pointed out in my earlier letter the reasons why the Department chooses not to conduct investigations before an election is completed. The developing circumstances of this case may, however, lead us to consider this matter further after the nominations are closed on August 9."

The "developing circumstances of this case", as evidenced by the wholesale violations of law by the UMW incumbents, certainly warrant your further consideration of our request for an investigation under Section 601 of LMRDA. The successful struggle for the nomination will be rendered meaningless if these wholesale violations of law are allowed to continue.

Sincerely yours,

JOSEPH L. RAUH, Jr.,
Attorney for Joseph A. Yablonski and H. Elmer Brown.

APPENDIX TO LETTER OF AUGUST 13, 1969

1. Our letter to you of July 30, 1969, amended paragraph 15 of our letter of July 25, 1969. The sworn affidavit of W. Ray Hutchinson, President of UMWA Local Union 1374, Oakwood, Virginia, stated that officials of UMWA trusteed District 28 ordered Mr. Hutchinson to take steps to insure that the nomination papers attesting the nomination of Mr. Yablonski by UMWA Local Union 1374 would *not* reach UMWA International Secretary-Treasurer John Owens in time to be counted as valid.

2. Also in our letter to you of July 30, 1969, the sworn affidavits of W. Ray Hutchinson and Albert Matney, the latter a member of UMWA Local Union 1256, Clintwood, Virginia, stated that they had been asked to accompany District 28 officials to Pittsburgh, Pennsylvania. Pursuant to that request, Mr. Hutchinson, Mr. Matney and several of their fellow local union members and officers were taken to Pittsburgh, Pennsylvania on Tuesday, July 29, 1969, and returned on Friday, August 1, 1969. The District 28 treasury illegally paid all expenses of this journey, including travel, lodging, and meals. Moreover, District 28 paid Mr. Hutchinson and his companions an amount equal to lost wages for six days labor, although they were away from work for only four days. The sole and announced purpose of this trip was to engage Mr. Hutchinson and his companions in a lengthy meeting with officials of UMWA District 5 in order that the latter might urge them to support Mr. Boyle for reelection as the UMWA International President. These UMWA officials also made numerous slanderous statements and distributed libelous campaign literature concerning Mr. Yablonski. Mr. Hutchinson and his companions were shown large quantities of Boyle campaign literature stored in the UMWA District 5 office at Pittsburgh, Pennsylvania.

3. On Saturday, August 2, 1969, Mr. W. Ray Hutchinson, *supra*, was called into the principal office of UMWA District 28 at Norton, Virginia. There, Mr. Carson Hibbits, the President of both trusteed UMWA District 28 and trusteed UMWA District 30, stated that District 28 would pay Mr. Hutchinson's expenses and lost wages if he would engage in part-time political campaigning for Mr. Boyle. A specific suggestion was made that Mr. Hutchinson should travel to UMWA District 30, where he would visit union members favoring the candidacy of Mr. Yablonski and relate to them the pro-Boyle campaign propaganda with which he had been inculcated at the Pittsburgh, Pennsylvania meeting referred to in paragraph 2, *supra*. There is good reason to believe that this illegal practice is widespread within the UMWA (see, e.g., paragraph 7 of our letter to you of July 9, 1969).

4. When questioned about the consequences of supporting Mr. Yablonski's candidacy instead of that of Mr. Boyle, Mr. Ray Thornsbury, Acting President of UMWA trusteed District 28, threatened Mr. W. Ray Hutchinson, President of UMWA Local Union 1374, Oakwood, Virgina, that a local union president supporting Mr. Yablonski might be removed from office for circulating false campaign statements—i.e. statements critical of incumbent UMWA President Boyle.

5. Our letter to you of July 30, 1969, also described the illegal nomination of Mr. Boyle by UMWA Local Union 6394, St. Michael, Pennsylvania. There, Mr. Boyle was nominated by a vote of only 13–6 at a meeting for which there was no notice to the local union members that nominations would be conducted for International officers. The pro-Boyle local and District officers have ignored a request by local union members that another special nomination meeting be held with the legally required notice given.

6. Although Mr. Boyle and other UMWA officials have been apprised of our numerous accounts of unannounced or otherwise illegal local union nomination meetings, they have neither denied these allegations nor discontinued the practice. Such tactics as the deliberate absence of notice, the denial of secret ballot, the intimidating presence of pro-Boyle UMWA District and International officials at local union nomination meetings, and the calculated engineering of secret Boyle nominations by such officials assembling small numbers (often less than a quorum) of handpicked Boyle supporters for that purpose—it is clear that all these practices constitute a pattern of illegal conduct perpetrated by Boyle supporters, most of whom are UMWA officials or employees, which conduct is actively encouraged by Mr. Boyle and the other incumbent UMWA International officers.

7. On July 19, 1969, a nomination election was held at UMWA Local Union 6045, Footdale, Pennsylvania. Mr. Walter Suba and Mr. Joseph Pesar, District Representatives of the UMWA, attempted to override the desire of the membership for a secret ballot vote by telling them that UMWA General Counsel Edward Carey had made a ruling that the UMWA Constitution *prohibited* a secret ballot vote in nomination elections. Any such ruling, if made, would have been palpably erroneous and could only have been calculated to deceive the membership. Moreover, even after the membership rejected the purported ruling and obtained a secret ballot vote, Mr. Pesar was observed to mark at least fifteen ballots for persons who were voting.

8. On July 11, 1969, a so-called nomination "election" was held at UMWA Local Union 8203, Yukon, Pennsylvania. Present at this meeting was a large and intimidating number of UMWA District Representatives and their friends, including Joseph Ladasic, Robert Gordon, Martin Migroc, Sam Sethman, and George Lacotta. Mr. Joseph Daniels, a candidate for International Auditor, asked that his name be placed in nomination but his request was refused. No nominations were allowed except those of Mr. Boyle and his ticket, who were declared nominated.

9. And on July 19, 1969, a similar, flagrantly illegal nomination "election" was conducted by Mr. Jess Stimmell at UMWA Local Union 5071, Cokeburg, Pennsylvania, of which he is President. Mr. Joseph Daniels, the candidate for International Auditor, informed Mr. Stimmell prior to the meeting of his intention to seek the nomination of that local union. Mr. Stimmell replied that the meeting had already been "arranged" with the officials of UMWA District 5 in Pittsburgh, Pennsylvania and that when the meeting began, a motion would be made, seconded, and immediately voted upon for the nomination of the Boyle slate of candidates, without any opportunity for nominations of opposing candidates. This is precisely what transpired, as Mr. Daniels was again denied the right to have his or anyone else's name placed into nomination. In addition, more non-member and pro-Boyle officials of UMWA District 5 and their friends were present at this meeting than were local union members.

10. Also, on July 12, 1969, Mr. Joseph Daniels attended the nomination meeting of UMWA Local Union 6478, Blythdale, Pennsylvania, again intending to have his name and that of Mr. Yablonski placed in nomination. The posted notice of the meeting stated that it was scheduled for 2:00 p.m. When he arrived at the meeting at approximately 2:01 p.m., however, Mr. Daniels was told that the nomination election had already been conducted.

11. On July 14, 1969, still another rigged Boyle nomination was perpetrated upon the unknowing members of UMWA Local Union 1584, Ashland, Pennsylvania. The President of that Local Union, Mr. William Freed, who was one of the Boyle "goons" referred to in paragraph 4 of our July 9 letter, recruited a bare quorum of local union members known to favor Mr. Boyle, gathered them together, and declared the Boyle slate nominated after a brief "election"—again with no notice thereof to the other local union members. Mr. Freed is reported to be lending his efforts to recruiting Boyle quorums for secret nomination meetings at other local unions in his area.

12. On July 19, 1969, nominations were held at UMWA Local Union 7553, Centralia, Pennsylvania. This is one of the several hundred predominantly inactive UMWA Locals where most of the members are disabled or unemployed miners or, which is more often the case, retired miners receiving pensions. Since the vast majority of the members of these inactive locals do not frequent the local union headquarters and do not see other members of the union regularly, extreme care should have been utilized in the giving of notice. To the contrary, notice of the Local 7553 nomination election was not even given by publication in local newspapers as had been the practice with respect to previous elections. And although Mr. Boyle was proclaimed the winner of this secret nomination election, the meeting itself was not attended by a quorum of local union members as required by the UMWA Constitution.

13. Our extremely limited investigative resources do not allow us to discover the form of notice at each UMWA local union. However, some light may be shed upon this mystery by quantitative analysis. In the Shenandoah, Pennsylvania area, in the so-called Anthracite Region, there are approximately 90 local unions, but they are composed of approximately 15,000 pensioned and retired miners and only 2,000 active and working miners. Throughout our letters to you we have referred to a few of these locals by citing specific illegalities. As these examples illustrate, Mr. Boyle and his supporters feel that by informing only a select few of nomination elections they can control the vote. Even though the large number of inactive miners in these locals eliminates mere posting on the union hall door as an effective form of notice, a significant but thus far undetermined proportion of these locals have not granted even that courtesy to their unknowing membership. Moreover, of these 90 locals, only Locals 1514, 3289, 1443, and 2346 have provided notice by publication in a local newspaper (in the classified advertisement section), and even then the latter two did not describe or designate the offices to be contested.

14. Threats and intimidations are also continuing and accelerating as part of the illegal scheme of Mr. Boyle and his supporters. Numerous instances have already been cited of the intimidating presence of pro-Boyle UMWA International and District officials and employees at local union nomination elections. On August 3, 1969, five officials of UMWA trusteed District 28 attended the nomination meeting of Local 1256, Clintwood, Virginia, of which they are not members, and made speeches demanding that the members nominate Mr. Boyle. Strikingly high is the correlation between Boyle nom-

inations, the absence of secret ballot, and the presence of these persons—especially in those few cases where at least partially effective notice has been given. On July 17, 1969, UMWA Local Union 4917 had scheduled a nomination meeting at Houston, Pennsylvania. Just before the meeting was to begin, a large number of persons, including at least five UMWA District 5 pro-Boyle officers, appeared and made pro-Boyle protestations in an attempt to intimidate this local into endorsing Mr. Boyle. The President of that local, and also a UMWA District 5 Executive Board Member, Mr. Marion Pelligrini, has twice been threatened on account of his public support of Mr. Yablonski—once by Mr. John Popp, a UMWA District 5 representative, and again by Mr. Stanley Budzik, a local union officer.

15. Even worse, for this involves the obstruction of justice, Mr. Pelligrini has been threatened with removal from his elected offices by Mr. Michael Budzanoski, President of UMWA District 5, because he truthfully answered certain questions asked of him by agents of the Federal Bureau of Investigation concerning certain alleged criminal activities in District 5.

16. Our predictions to you are being borne out that Mr. Boyle and his supporters would even attempt to intercept illegally the valid nominations of Mr. Yablonski before they can be officially counted. On August 2, 1969, the voters of UMWA Local Union 1476, Nora, Virginia, nominated Mr. Yablonski over Mr. Boyle by a large majority in that local's nomination election. A few minutes later, however, the Acting President of UMWA Trusteed District 28, Mr. Ray Thornsbury, rose, made a boisterous speech, and conducted another vote by which Mr. Boyle was declared the winner.

17. Moreover, at Fairview, West Virginia, UMWA Local Union 9909 nominated Mr. Yablonski by a vote of 49–45. Then, after some discussion and after several Yablonski supporters had departed, another vote was called for by which Mr. Boyle was declared the winner, 36–35. And at Brookwood, Alabama, after Mr. Yablonski had been duly nominated by UMWA Local Union 8878, District officials coerced a new nomination election with a different result.

18. Nor does the Boyle camp leave untried any illegal method of preventing the nomination of Mr. Yablonski and Mr. Brown. In the face of their own massive and undenied violations of law, there is evidence that a plan is emerging to reverse many Yablonski nominations by groundless charges of imperfections in these locals' nomination elections—to be sustained by twisted "interpretations" of the UMWA Constitution. These rulings, of course, will be made by Mr. Boyle and his supporters. Officials of UMWA trusteed District 28 have this fate planned for the already duly conducted nomination of Mr. Yablonski by UMWA Local Union 1374, Oakwood, Virginia (see also paragraphs 1, 2, 3, supra).

UMWA Local Union 1496, Midvale, Ohio, which duly nominated Mr. Yablonski, has also been threatened with an unfounded challenge by three District officials.

19. Mr. Boyle and his supporters are already putting into motion illegal schemes with respect to the December 9, 1969 general election. Already the immense long run political advantages that they have acquired by their illegal activities with respect to the July 9–August 9 nominating elections are affecting the outcome of the December 9, 1969 election. Large sums of union monies have been expended in Mr. Boyle's behalf. A powerful and highly coordinated Boyle campaign organization has been formed among paid UMWA District and International officials and employees anxious to maintain their well-paying jobs. Many Yablonski-leaning union members have been appointed to newly-created District positions such as "special organizers" and "dust committeemen" for which they are paid their regular coal mining wages plus liberal expenses. This wasting of union assets is carried out in order to induce Yablonski supporters to support Boyle, and once appointed, the dust committeemen and special organizers earn their union pay by campaigning for Mr. Boyle. This organization, illegally financed by union monies, reaches into even the most remote local unions and carries out the pattern of illegal activities already described.

20. The UMWA sends the *United Mine Workers Journal* free of charge to over 160,000 union members every two weeks. This is by far the principal means of communication between the union officials and its rank and file electorate. The *Journal* continues to operate as the exclusive mouthpiece of Mr. Boyle and the incumbent UMWA officers, spouting forth obvious campaign propaganda by Mr. Boyle thinly disguised as "policy" statements on health and safety legislation and other matters. In the August 1, 1969, issue of the *Journal* Mr. Boyle's name appears (often in conspicuous bold-face type) 29 times in the first nine pages. Not only does Mr. Yablonski's request for equal treatment meet continued refusal, but his name has purposefully been omitted from the *Journal*. While pro-Boyle union officers are given specific credit for their achievements, Mr. Yablonski's achievements are instead attributed to the UMWA as an entity. In the five issues of the *Journal* that have been circulated since Mr. Yablonski's announcement of candidacy on May 29, 1969, his name has never even been mentioned (except in the official roster of UMWA officers).

ELECTION DAY VIOLATIONS

1. In Local Union 6326, located in the District 4 Office, Uniontown, Pa., a pensioned member appeared, withdrew a ballot from his pocket and asked where he should put it. When the Yablonski-Brown observers, William S. Corfont and Peter Sabo, inquired where he got the ballot, the member was ordered not to answer the question and was quickly escorted from the polling area by district officials. Ballots had been either mailed or handed out to pensioned members. In 1964, illegal absentee ballots were sent to members of this local by District President John Cassidy. Whether the ballots were mailed again this year or some other method was used to distribute marked ballots prior to the election is not known to us.

2. In Local Union 9584, located in Connellsville, Pa., Yablonski observer Marty Conners was threatened by local union President Roy Lindsay less than a week before the election. Lindsay said he would kill Conners if Conners tried to come onto Lindsay's property to observe the election. After the matter was turned over to the FBI, Conners was admitted on election day to observe. But he discovered that Lindsay had numbered all the ballots. When a voter was given a ballot, the ballot number was written beside his name on the eligibility list. Consequently, members of this local were deprived of their right to a secret ballot election.

3. In Local 7915, Yablonski-Brown observers showed their credentials to Local Union President Joseph Domen and were admitted. A man, identifying himself as a Boyle observer, asked to be admitted. When he could show no credentials, he was turned away. Ten minutes afterward, Mr. Domen received a call from one Jack Rohland, a District Four official. Rohland told Domen that Yablonski and Boyle had an agreement that Yablonski observers were to have credentials while Boyle observers did not need them. Needless to say, no such agreement had ever been made.

4. In Local Union 7684, absentee ballots were sent to members by Stuart Eberly in violation of the International Constitution prohibiting absentee voting.

5. In Local Union 6310 (Warwick), James Torma was repeatedly threatened by John Hardy, Local Union President, for supporting the Yablonski candidacy. These threats continued up to and after the day of the election.

6. At Local Unions 6321, 6326 and many others where there are large pensioned miner memberships, district and local officials in hired buses and cars and equipped with membership lists denied to Yablonski sought out elderly pensioned members, drove them to the polls, gave them sample ballots premarked for the Boyle slate, and ordered them to vote for incumbents.

7. In Local Union 2244, following the tally of the votes, the local union president and secretary, both ardent Boyle supporters, refused to fill in the return sheet and mail it. They said that they did not have the return sheet with them, but would execute, seal and mail it at some later date.

8. At Local 2026, the ballots were opened and counted by the secretary, John Kutchman, a Boyle supporter, in his home, out of the presence of observers. He tried, later, to deceive the observers as to the number of blank ballots he had brought with him to the polls. Since the ballot package had been opened before it was brought with him to the polls, moreover, we were unable to determine how many ballots Kutchman had, in fact, received.

9. Local 2242 represents the entire election in a microcosm. The local is comprised entirely of pensioned miners—there are no elected officers. On election day, Francis McCallister, a District Five Board Member and active part of the Boyle forces, acted as local president—he *appointed* two tellers, one of whom undertook the task of telling most of the voters how to vote. The ballots were brought to the local by the Board member; a count revealed that nearly 50 ballots were missing from the package ("510" was marked on the package, but there were only 465 ballots in it). The ballots for Local 2242 had been mailed to August Demarco, an employee of District Five, who is neither a member of Local 2242 nor a local resident. The Board member had more than 100 UMWA 50-year pins. Previously, the District had written to all pensioned miners to come to the polling place to pick up their pins. Four Boyle campaigners stood outside the polls while another four were paid at least $50 to haul voters to and from the polls.

10. At Local 2148 in Pricedale, another local comprised entirely of pensioned miners, the Local President, William Dews, interfered with several members while they were marking their ballots.

11. At the Muse local, Local Union 5600, which is controlled by August Demarco, the observer counted 371 blank ballots before the voting began. As the total membership of the local was only 230, the union had been sent ballots grossly in excess of its needs.

12. On the other hand, at Local 1360 in New Athens, Ohio, comprised mostly of working men, there were 418 eligible to vote, but the local was sent only 389 ballots. The International Representative, Thomas J. Starks, somewhere and somehow obtained 50 extra ballots for the local so that everyone who appeared could vote. Free and excess ballots were always available to the Boyle forces.

13. At Local 8348 in Shawnee, Ohio, a pension local, voters were greeted at the door by a big man, whose name was not revealed. No one was permitted to vote in secret as one of the local officials stood over voters. After the ballots were counted, the teller refused to seal the return sheet in the envelope because he said the local union seal was at his home. Small wonder Yablonski did not receive a single vote in this local.

14. Also in District 6, in Nelsonville, at Local 9861, two young Yablonski-Brown observers from Ohio University were denied access to the polls for more than an hour and a half. These observers, Emily Haute

and Glenn Scherrff, were ejected from the polling place when they asked to check the ballot box, to count the ballots and to observe the voting. The young man, Mr. Scherrff, was taunted and sworn at. One of the tellers "threatened to beat him up if he didn't mind his own business". After 7½ hours of abuse, the votes were counted but the observers were permitted only to observe the count of the offices for the candidates who signed their own observer credentials and not for all the offices. Finally, the observers were told to get out without witnessing the filling in of the return sheet.

15. In Local 6822, 60 votes were cast for President, 59 for Boyle, 1 for Yablonski. The UMWA membership list contains only 57 members. Under Art. XI, Sec. 21, the vote of this local should be eliminated.

16. Local Union 1611 in District 11 was sent 470 ballots. One hundred and seventy voted. But this local does not even appear in the most recent UMWA audit and thus does not even appear to exist according to UMWA records. Local 1611 was sent more ballots than Local 5584 which is the largest local in the district according to UMWA membership rolls.

17. At Local 1421, in District 12, the observer protested the six absentee ballots which were in the ballot box when he arrived at the polling site. These ballots were subsequently removed. International Board Member Shannon was seen loitering in the polling place and stationing himself so that he could see how the men were voting. The voting facilities did not permit a secret ballot.

18. In a working local in District 12, Local 1487 in Sesser, only 206 ballots were mailed, despite the fact that the Old Ben #26 Mine is one of the largest underground operations in the state. Forty ballots were later borrowed from Local 1124, but it is unknown how many working men failed to vote because of the ballot shortage. Yablonski carried the local, but the ballot shortage necessarily cost him votes.

19. At Local 79 in District 12, Peter J. Relzda possessed full credentials but was denied admission to the polls by one Joe "Fat" Orlandi, who ran the election in the basement of his home.

20. In another local, Local 5509, comprised entirely of pensioned miners, Boyle sample ballots were on the table next to the official ballots. The walls in the polling area were adorned with photos of the incumbent officers.

21. In Local Union 17, the district pension local in District 17, with nearly a thousand members, no notices of election as required by the UMWA Constitution and LMRDA, were mailed. Indeed, in the days before the election, phone calls were made to members advising that voting would be held in District 17 offices, in Chatteroy, W. Va. and Logan, W. Va. When our observers were concerned that there might be more than three polling places, we inquired at District Headquarters. Mr. R. R. Humphreys hung up the phone on Vice Presidential candidate Elmer Brown when asked about polling places. Later, Attorney Connolly, after being advised we were going back to Judge Hart, furnished us with the information that there would be three polling places.

22. The polling places in Logan and Chatteroy were the local headquarters of the Miners Committee for Boyle, Titler and Owens. Those who appeared at the polls were not afforded the right to vote in secret. They had to cast their ballots on the table right in front of the tellers and officers. Frequently, the tellers interfered with the voters. Moreover, Yablonski-Brown observers were denied the right to inspect the voter eligibility list or to watch the voting. When the polls were closed, District official R. Runyon picked up the ballots in Logan and Chatteroy and put them in his car. The votes were not counted at the Chatteroy site.

23. In another local in District 17, Local 8840, an observer was excluded all day and secret ballot voting was denied. There was only one table provided for voting, at which the tellers were seated.

24. At Cinderella, Local 8215, though Yablonski handily carried the local, 16 unlawful absentee ballots were cast.

25. And in Local 1582, District official James Vance, Jr. ran into the polling place and took all the ballots that had been cast and not counted.

26. In Local 8843, the local president David Forms periodically stuck his hand into the ballot box and removed some ballots. He then went with some others into the kitchen behind the polling place to count the votes.

27. In Local 7604, Kopperstown, W. Va., Lloyd Bragg was observed hauling pensioned miners to the polls. Once the retired miners entered, they would uniformly ask for help and state that they "couldn't see." After voting, each pensioner would point "to an exact spot on the ballot like he was trying to prove to someone so they (sic) would get pay" for voting the right way.

28. At Local 7692, Robert Estep, the Yablonski-Brown observer was run out of the polling place by the Local President Jack Headrich, and the polls were left unobserved for an hour and one-half until Estep returned with four others.

29. Also in District 17, the President of Local 6712, James I. Brown, and other local officials were observed to have interfered with secret voting by telling retired men and others to vote for Boyle.

30. At Local 1078 in the Gilbert-Matewan area, no notices of election were mailed to members, but an observer did appear and saw, among other things, coal operators voting in the union election.

31. In the West Kentucky district, District 23, numerous violations were reported. One practice appears to have occurred in every local comprised of pensioned miners. Boyle-dominated local officers uniformly distributed pink Boyle sample ballots with every official ballot handed to each pensioner member. This practice was observed in Local 2613, Local 630 and Local 188 and is believed to have occurred in the other pension locals in the district.

32. The massive violations which occurred in UMWA District 25 in the Pennsylvania anthracite region demonstrate how many violations could be committed in an area and yet not be sufficient enough to prevent a resounding defeat. In Local 1456, for example, the observer reported that the local officers tabulated Yablonski votes for Boyle.

33. In Local 7779 a district official and two other men passed out Boyle sample ballots in the polling area and told the men to vote for Boyle and company. There was unwarranted interference with several voters by the Local President Joseph Karlo and others. These officers went into the polling booth with the voters and were overheard directing the men to vote for Boyle. When observer Charles Ofelt complained of this, Karlo inquired if he spoke Polish. When Ofelt replied "no", all other men who Karlo "assisted" were spoken to in Polish, except Francis Conner. When some of the voters tried to leave the sample outside the booth, they were told to "take the sample" with them into the booth and "think about voting the right way."

34. At Local 1682 observers were not permitted to view the eligibility list or to ask voters any questions; the ballot box was often purposely blocked from the view of observers by local or district officials; on at least 15 occasions the tellers actually filled out the ballots of voters; one teller (Curtiss) was overheard telling a voter to request help and thereupon Curtiss filled out the member's ballot; 40 more votes were cast than the number of people who appeared at the polls; 4 voters protested the interference with secrecy and two men even left the polls in disgust.

35. In Local 807 the total number of ballots sent to the union was not ascertained before, or after, balloting; no figure was recorded on the eligibility list; observers were denied permission to look at the eligibility list, which was guarded by two men. Moreover, from 12:30 to 12:50, observer Ralph Kates was repeatedly threatened by President Al Alishuski, Recording Secretary John Grutza, and Financial Secretary Ed Kristopolski. The local President finally intervened to prevent physical harm to the observer. Throughout the day, Boyle supporters "helped" voters who never requested assistance. These helpers would mark the Boyle slate and give the ballot to the voter to deposit in the ballot box. The return sheet was not filled out in the presence of the observers.

36. At Local 1868 the return sheet was not filled in following the counting of the ballots.

37. In Local 7300 both Yablonski observers, Rich Levin and Elliott Mandel, were denied access to the polls. After numerous calls to local officials from Washington and a local lawyer and threatened court action, President Raymond Tarole finally consented, but 50 to 70 men had voted by that time. At least one voter had his vote cast for him by a teller. Anti-Yablonski literature "was all over the tables, right next to the ballot box", along with Boyle-slate sample ballots. The observers in their reports indicate that massive vote fraud was committed.

38. At Local 1174 Boyle sample ballots were all over the polling place including the voting table. Tellers gave sample ballots to voters and were observed instructing voters to vote the names appearing on the Boyle sample ballot.

39. In Local 975 the president of the local marked 25 ballots himself.

40. At Local 1691 the local president "assisted" scores of voters.

41. Locals 1672, 1691 and 975 voted at the same site. Sherry Carr and Jay MacDonald were observers in 1672 and 1691. Voters were simultaneously given official ballots and sample ballots. In 1672 and 1691 there were incidents of improper assistance to voters, where tellers simply marked the ballots for Boyle and his team. Jay MacDonald confirms what was reported above concerning Local 975. He says he personally saw a teller in Local 975 cast more than 25 ballots.

42. In Local 2587 six voters who were not members of this local and who had never transferred into this local, were permitted to vote by the local president.

43. At Local 2848 Boyle sample ballots were on the voting table next to the official ballots.

44. In Local 506 the three Yablonski-Brown observers in this local were physically threatened by Alex Gonzales, who identified himself as the local secretary. Several Boyle supporters sat next to the polling booth and handed out Boyle sample ballots to members in the polling place before the members voted. The observers were not permitted to determine the identity of voters; no eligibility list was maintained. Generally, the observers were harassed and frustrated in everything they tried to do.

45. At Local 7499 Financial Secretary Pete Mandana was observed casting ballots for at least 30 men; he was vocal in his support of Boyle. Balloting took place in a poorly-lit barroom and there was little secrecy. An official voted for a blind man, but when the observer inquired of the member whom he had voted for, the man said he did not know.

46. At Local 2444 the men who identified themselves as the local president and recording secretary voted although their names were not on the eligibility list.

47. In Local 20 local officials instructed voters to vote for Boyle, and this practice ceased only after observers objected.

48. At Local 9874 at least nine men voted who were not on the eligibility list, and observers were denied permission to check identification of voters.

49. In Local 466 several voters were "coached" to vote for the incumbents, but challenges to this practice were denied. Six voters were not named on the eligibility list; one absentee ballot was cast; and Boyle slate sample ballots were passed out in polling area.

50. At Local 6902 Charlie Zelno, a local officer, threatened Yablonski observers several times. On about 18 different occasions Zelno "assisted" voters by marking their ballots for Boyle, who received only 19 votes overall.

51. The following statement by Tony Bugaiski is indicative of how pensioned miners were treated by incumbent officials. If they said they would vote for Boyle, they were driven to the polls by union officials on union time. But if they were Yablonski supporters, they were ignored:

"DECEMBER 8, 1969.

"As I was shoveling my sidewalk at 10 a.m., a car drove by and the driver honked the horn. At first, I did not recognize the driver of the car, but a few minutes later the same car drove by again and stopped directly in front of my home. I know the name of the man who spoke to me. He requested that I vote for Boyle. I identified this man as Neil Craig of 736 E. Diamond Avenue, Hazleton, Pa. I told him I refused to vote for Boyle. He then threatened he would obtain a Petition and take away the $30.00 pension from the miners.

"TONY BUGAISKI,
"Executive Committee of Pensioned Miners."

52. In union District 28, in Virginia, the Yablonski-Brown slate did not cover every local with observers, but in two of the largest locals, 7025 and 7327, observers saw the local presidents cast ballots for practically everyone that appeared. Those who cast their own ballots had to do so in full view of the local officers and tellers. The president at the Harman local (7025) made the statement before the "balloting" commenced that he didn't "want a single Yablonski vote" in his local. At Harman, no election notices were mailed, despite the fact that it is one of the largest locals in the district. Similarly, the President of Local 7327, John Kennedy, asked all voters if they needed help and regardless of their response, he took them to a table, told them how to vote (for Boyle's team) and watched them as they marked their ballots.

53. In the Norton local (a pension local located in the District 28 offices), Local 6797, District President Ray Thornbury, Chairman of the Committee for Re-Election of Our International Officers, asked all pensioned voters if they needed help. As if on cue, they replied "Yes" and Thornbury voted the incumbent ticket. He was assisted by Sandra Elam, another district employee and Secretary of the above Committee, while another district representative acted as local president. The local voted in two locations, but the ballots were never tallied before leaving the first polling place, the John L. Lewis Hall in Oakwood, Va., nor was an observer permitted to accompany the ballots and the ballot box on its transfer to Norton, Va.

54. In District 29, wholesale voting of pensioners under the premise that they "needed help" also occurred. In the District's two huge locals comprised mostly of pensioners, assistance by district staff people occurred with great frequency. A cab company and dozens of men were hired in Beckley to seek out pensioned miners with the aid of membership lists and bring them to the polls. These elderly people were intimidated into accepting "help" in voting without protest. The lopsided totals in these locals, Local 5997 in Welch and Local 7006 in Beckley, further demonstrate the counterfeit nature of the "election". Yablonski was defeated by about identical 8½ to 1 ratios in both locals (364 to 43 in Local 5997 and 842 to 96 in Local 7086).

55. At Local 6025 in Bishop, Va., dozens of voters had their ballots cast for them by local union tellers.

56. And at Local 6039 no notice of election was ever mailed, local union members were not afforded the opportunity to elect tellers, Boyle sample ballots were distributed in the polling area and the blank ballots were not kept in possession of the tellers.

57. At Local 9108, another local dominated by district officials (primarily one Blaine O'Dell), a UMWA field worker and others spent the day hauling pensioned miners to the polls. Coal operators and members from as far away as Silver Spring, Maryland (more than 250 miles distant) reportedly voted.

58. In Quinwood, W. Va., at Local 6200, the Vice President, Ronald Sayre, was designated a Yablonski observer. He was physically ejected from the polling place after he complained of numerous instances of improper interference with voters. Local President Kyle Brewster, a Boyle backer, openly and brazenly told union members to vote for Boyle while dozens of Boyle supporters loitered and electioneered in the polling area.

59. Few reports have emanated from Eastern Kentucky, Districts 19 and 30, because of the absence of Yablonski observers and the Boyle-imposed silence. But the total absurdity of the Boyle-announced unofficial returns demonstrates that no real election took place. At eight o'clock on the night of the election, unofficial returns from District 19 showed:

Boyle	3725
Yablonski	87

Six or eight hours later the figures were the same but the tally was announced as "final," a Boyle victory of 43 to 1 proportions. This tally was reported too early to have been the result of an honest tabulation.

60. In District 30, Yablonski received a similar defeat. Across the state line, in District 17, where ample observers were available, Yablonski defeated Boyle; but in Kentucky where 81 locals refused to provide information as to when and where the polling would take place, Yablonski was defeated by a reported 6 to 1 margin. Lee Lewallen's letter of December 12, 1969, tells the story:

"Rule number 3 Honest Election says the local union officials are required to notify you of the place where you vote and the hours during which the polls will be open. Well I can tell you that wasn't carried out. I belong to local union 5890 and I wasn't notified. And I don't think any of the others locals members was notified. I think this should be looked in to."

The failure to send out election notices was apparently a widespread pattern in District 30.

61. In Canada, in UMWA Districts 18 and 26, pensioned miners voted in their first International election, though they are not qualified to vote. The margin given Boyle in District 26 (Nova Scotia), 2677 to 470, is in large measure due to the illegal pension vote since most of the active mines have closed down. Local officers in one active Canadian local were offered $50 apiece by District Representative Marsh to tabulate the unlawful pensioner votes, but they refused.

62. In District 31, the pattern of unlawful interference with secret ballot voting was continued. It occurred at Local 9014 in Fairmont, W. Va., at Local 7248 in Webster Springs and Local 5650 in Maidsville, W. Va., and, no doubt, at many other locals.

63. At Local 2122, the ballot box was opened before the balloting was completed and all the votes "counted" without any Yablonski observers being present.

64. At Local 1380, no ballot box, no voter eligibility list and no secret ballot were provided. The voting began after the polls were to have closed, and the ballots were simply handed to everyone. No official tally sheet or return sheets were in the possession of the tellers.

65. At Local 14271, in the Fairmont Clinic, several ineligible voters cast ballots and no facility for voting in secret was provided.

66. At Local 1466, where Yablonski defeated Boyle by a 228 to 50 margin, the local union officers refused to fill out the return sheet in ink or to seal it with the Local seal.

67. Then, there are the miscellaneous local unions, Local 7725 and Local 13410, which respectively represent *all* of the employees and former employees of the Union and of the Welfare Fund, including but not limited to lawyers, doctors, department heads, executive assistants, editors of the *Journal* and others. These locals have never been authorized by the International Executive Board as required by Art. XIV, Sec. 1 of the International Constitution. Furthermore, they are an illegal sham—they are, plain and simple, company unions illegal under the law and their existence in the headquarters of a labor organization in a disgrace. The entire vote of these locals should be thrown out. Moreover, these locals were permitted to send out absentee ballots to employees working in district or regional offices and retired former employees. Such absentee ballots are strictly forbidden by the International Constitution.

68. Additional violations have just recently come to our attention. At Local 1167 in District 25, Yablonski-Brown observers were forbidden to watch the counting of the ballots.

69. At Local 3453, Secretary Dave Holman mailed absentee ballots to the local members.

70. At Local 6, District 6, observers Mike Franks and Jim Young were denied admission to the polls. After the voting was completed, Ronald Owens, the appointed District Secretary-Treasurer, took 200 blank ballots with him and refused to seal the return sheet in the special envelope. The local tellers, William Payne and Clyde Haskins had been appointed by the district instead of being elected.

71. The Local 1002 (District 12) election was held in the District 12 office in Duquoin, Ill. The walls and windows were covered with Boyle campaign propaganda. District 12 officer Jesse Ballard called our observer and told him to get out of his (Ballard's) office. Almost all of the voters in this local received assistance which meant one of the three tellers marked their ballots.

72. The election at Local 7818, District 12, was held in the same location as the Local 1002 election, and the procedure here described was the same as in Local 1002. After each pensioner received his ballot, he walked into another room, where he voted or was voted by the two officers who flanked each voter. The Yablonski observer was denied admission to this second room, but could see how the "voting" was conducted.

73. A voting procedure similar to that used in Locals 1002 and 7818 was employed at Local 9954, District 12.

74. At Local 8766 in District 11, many pensioned voters received "assistance" from the local tellers. The vote was 94 to 1 for Boyle.

75. On election day Yablonski-Brown observers Lerner Corn, Paul Moore and Glenn Furlow appeared at District 12 Headquarters, the mailing address for Local Unions 12 and 746. They were told that the locals would not vote in the District Office as they had in the past, but were voting at private residences. When the observers inquired of

the addresses of these homes, the secretary refused to tell them.

76. The following notice of election was mailed to members of Local Union 8215. The hours of polling are not listed and the notice was used as a campaign instrument for the incumbent officers:

"DEAR SIR, and BROTHER: The time has come for our Local Union To Vote for International President, Vice President, Secretary, and Treasurer.

"So I have to notify each of our Members. The Election will be December 9, 1969, at our Local Union Hall, Cinderella, W. Va.

"If you are not able to come please write me and request a Absent Tee Ballot, and I will mail you one. Our Local Union are staying with the same Committee, Boyle, Titler, & Owens.

"But you have your choice to Vote the way you want and the ones you want to Vote for.

"ISOM PHILLIPS,
"Financial Secretary, Local Union 8215, District 17, Route 1, Box 360, Williamson, W. Va. 25661."

77. At Local 1321, District 12, facilities for secret ballot were not provided. Teller Virgil Taylor and other tellers "assisted" voters to vote for Boyle. Boyle campaign literature was placed around the polling place.

78. At Local 1498, District 29, facilities for secret ballot were not provided.

79. In Local 6114, District 29, facilities for secret ballot were not provided.

80. In Local 2236, District 17, the notice of the election sent to members did not disclose the hours of the polling.

81. Local 4475 in District 29 did not send any election notice to members at all.

82. Similarly Local 5948 in District 17 did not send a notice of election to members.

83. In Local 1084, District 30, 29 men marked their ballots in full view of the union's officers. I have been informed that the vote in that local was 29–0 for Boyle.

84. In Local 1078, District 17, coal operators were allowed to vote; dues were collected at the polling place so that men were allowed to vote who had not been paid up by December 1; and many members were sent no written notice of the election.

85. At Local 8871 or 8821 in District 17, a Mr. Ferguson was locked out of the polling place. He had not been notified as to where the voting would take place. When he nevertheless showed up at the local, he observed persons inside the local's headquarters, but they refused to admit him to vote.

86. In sum, through a variety of unlawful stratagems, tens of thousands of pensioned and working miners were intimidated or bullied into giving up their statutory rights to vote by secret ballot. Countless thousands of members, working and pensioned, were denied the fundamental right under the Constitution and LMRDA to be informed by mail of the place where and time when their locals would vote. At the same time, district officials and paid Boyle supporters cast votes for poor, helpless and elderly pensioners. Even where we had observers, massive violations of LMRDA and the UMWA Constitution were observed. Where we had no observers, vote stealing was a crude affair; the difference in results between observed and unobserved elections is the best proof of fraud. That this is so is best demonstrated by the fact that throughout the country, obedient to the incumbents' order, district and local officials refused to reveal vote tallies and by the fact that the "unofficial returns" released by the UMWA hierarchy through the UMWA *Journal* revealed totally unbelievable victories for Boyle. Reliable reports of election day fraud have been pouring into my office, and will, I am sure, continue to be received by me long after "election" day. I intend to forward any new information received by me concerning violations of federal law and the UMWA Constitution.

* * * * *

I, Joseph A. ("Chip") Yablonski, being duly sworn, depose and state that I assisted my father, Joseph A. Yablonski, in his bid for the Presidency of the United Mine Workers of America. The foregoing statement was drafted by me from reports received by me from informants whom I believe to be reliable. It is, to my best knowledge and belief, accurate.

JOSEPH A. ("CHIP") YABLONSKI.

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1. Article VIII, Section 2 of the UMWA Constitution provides that no two International Tellers shall be elected from the same District. William Calpin and Edward A. Lazur, the incumbent Tellers, are both from District 25 and are, therefore, constitutionally disqualified from acting as Tellers in connection with this election. Additionally, in violation of LMRDA and the UMW Constitution, the incumbent International Officers and those acting on behalf of the International Officers engaged in conduct, described below, which affected the outcome of the December 9 election and which warrants the setting aside of that election.

2. The International Constitution Article XIV, Sections 1 and 21, requires that local unions be comprised of 10 or more men working in or around coal mines, and that when mines are abandoned or closed, all members of such locals be transferred into bona fide working locals. The International Officers have failed to follow the Constitution by permitting approximately 760 locals without 10 working miners, containing some 59,000 members, to continue in operation. In the election suit, Mr. Yablonski asked to remove the cloud on the voting rights of these members by transferring them to lawful locals; the International Officers refused to do this. Because of the failure of the International Officers to take the appropriate action, you must, to comply with the Constitution, rule that these 760 locals are illegally constituted and that tally sheets submitted by these locals cannot be tabulated. We intend to furnish you with a list of these locals within a week.

3. Through fraud and deception and without notice to one of the trustees, incumbent UMWA President Boyle effected a substantial increase in pensions during the course of the election campaign in order to affect the results of the election by inducing pensioner voters to reelect the Boyle slate.

4. UMWA funds and personnel were unlawfully used to prepare and distribute a news release on *Journal* stationery distorting Mr. Yablonski's position with respect to the voting rights of pensioners. To assure maximum coverage of this lie, the incumbents gave it play in the *Journal*, thereby affecting the pensioner vote and the outcome of the election.

5. While denying Yablonski the right to a list of UMWA members, Boyle's appointed local and district officials used such lists to bring them to the polls on buses, taxicabs, and cars hired for this purpose. Indeed, despite LMRDA requirements and representations made to Judge Hart in the election case, Mr. Yablonski was denied the right to view the complete UMWA membership list before the election.

6. UMWA funds and personnel were used to prepare and promote "safety meetings" and "black lung rallies" which were, in fact, no more than Boyle campaign rallies. Thus, for example, on November 30 a rally was held in Madisonville, Kentucky, which had been advertised in the November 1 and November 15 editions of the *Journal* as a "black lung rally". Newspaper accounts of this rally reveal, however, that this was a campaign rally where Boyle accused Yablonski, *inter alia*, of having a conflict-of-interest.

7. The incumbent officers used district organizations as ready-made, union-paid campaign committees for their reelection. In District 30, for example, the Committee for the Re-Election of Our International Officers operated out of the district headquarters in Pikesville, Kentucky. The chairman of the Committee received a $11,130 salary as a district representative and the secretary of the Committee was the secretary to the district president. In other districts as well, officers, staff members and district facilities were utilized in a full-time effort to support the incumbents' reelection. These districts have mailed at district expense pro-Boyle and anti-Yablonski literature, including the "Election Bulletin", prepared by UMWA personnel, to all union members. District and local funds were also used directly to sponsor campaign rallies for the incumbents, to publish programs for such rallies, and to pay phone bills incurred in connection with the Boyle-slate's reelection bid. Indeed, Boyle's campaign itinerary directed District officials to set up such rallies and visits to the local mines for Boyle. In sum, the entire staff of approximately 500 UMWA employees was regimented into full-time Boyle election campaigners.

8. Thousands of dollars from the treasuries of the International, the Districts, the Local Unions, and the Welfare Fund have been used to pad the union payroll with an estimated 1000 new employees—"coal dust committeemen", "checkers", "organizers", and temporary staff members who, in fact, were out campaigning full-time for Boyle and his slate.

9. In less direct ways, too, the International Officers spent union funds to buy Boyle campaign workers. On October 23, 1969, for example, the International paid 500 miners $60 apiece to come to Washington to "lobby" for the Mine safety legislation then pending in Congress. The thirty thousand dollars a day spent in this venture was to promote the candidacy of the incumbent officers, not to assist in the passage of the coal mine health and safety bill. At no time was the union's chief lobbyist, Mr. Yablonski, acting director of Labor's Non-Partisan League, told of the plan to bring the "lobbyists" to Washington, nor was he ever given an opportunity to coordinate their efforts. In fact, the bill was assured of passage long before these "lobbyists" appeared in Washington. Indeed, these "lobbyists" acted contrary to the best interests of the union, deriding Congressmen who fought for this safety legislation but who had opposed Boyle's reelection. This was an obvious junket for Boyle supporters unlawfully paid for out of union funds. Similar such junkets took place in Illinois, Ohio, and Pennsylvania.

10. To make Mr. Yablonski's right to have observers—a right guaranteed by Landrum-Griffin—effective, Yablonski's staff prepared for UMWA mailing a letter to each local union requesting notification of the time and place of his local's election. Officials of approximately three-quarters of the union's reported 1,297 local unions denied this request because of the almost complete control the incumbent International Officers have over the local officers. Without this information, the statutory right to post observers was ephemeral. That this affected the results of the election is underscored by fact that where Yablonski had observers he generally won by substantial margins or held his own. Where Yablonski had no observers he was beaten by substantial and unbelievable majorities—in one case, District 19, by a 43 to 1 ratio—in returns which were reported in UMWA headquarters too early to be the result of honest tabulation.

* * * * *

I, Clarice R. Feldman, being duly sworn, depose and state that I assisted Joseph A. ("Chip") Yablonski during the December election and on the basis of reports received by me from persons whom I believe to be reliable informants, I drafted the foregoing statement. To the best of my knowledge and belief, it is accurate.

Clarice R. Feldman.

MUSEUM OF MAN

(Mr. BOW asked and was given permission to extend his remarks at this point in the Record and to include extraneous material.)

Mr. BOW. Mr. Speaker, the Board of Regents of the Smithsonian Institution voted at its meeting on November 5, 1969, to request that the Congressional Regents introduce legislation to authorize the appropriation of a site for a Museum of Man for the Smithsonian Institution.

As a member of the Board of Regents, I am complying with that request today.

The Board of Regents has prepared the following statement of justification for the legislation:

Justification

Long-standing policies guiding the development of the Mall have restricted land use to museums, galleries and other similar uses. With construction of an addition to the National Gallery of Art on the square bounded by 3rd Street, Madison Drive, 4th Street and Pennsylvania Avenue, the north side of the Mall becomes fully committed to use. Attention is now directed to the south side and the panel bounded by 3rd Street, Maryland Avenue, 4th Street and Jefferson Drive. To insure that this last square is used for public purposes, legislation is proposed to have it appropriated to the Smithsonian Institution for museum purposes, without cost to the Institution.

An exchange of correspondence in February 1969 with the Chairman of the National Capital Planning Commission confirmed their view that the site should be used for museum purposes.

A new building will be constructed on the site to house the National Museum of Man. The availability of an appropriate and properly designed building will permit removal of the sciences of man from the Museum of Natural History and for the first time put in a single worldwide context all studies and exhibits of cultures and peoples from the earliest time to the present. The Museum of Man will coordinate and carry out programs involving research, education and service in facilitating the study of man in a comprehensive and scholarly manner.

Since 1879 the Smithsonian's Bureau of American Ethnology has been gathering, recording and publishing information on the American Indians and natives of lands under the jurisdiction of the United States—their languages, material culture, history, social and religious organization and mythology. The initial researches of the Bureau were studies of the language and culture of the existing Indian tribes; but within a few years, the study of prehistoric Indian remains also was undertaken with Congressional approval. Nearly 300 publications devoted to American Indian linguistics, ethnology, and archaeology constitute the Bureau's tangible record of the achievement in the study of the original inhabitants of America.

The Bureau of American Ethnology was later expanded to the Office of Anthropology encompassing more comprehensive studies in the science of man. In 1968 the Center for the Study of Man was established to assure responsibility for the operation and development of the research components of the Office of Anthropology and to concentrate on areas of urgent anthropology because of many of the unique characteristics that distinguish various cultures and subcultures are being destroyed by the spread of mass media, rapid transportation, greater literacy, and the general mobility of groups in our civilization.

With the restructuring and redefining of anthropological programs, to meet the urgent demand for knowledge concerning man's intersocietal relationships, the Smithsonian has established the National Museum of Man by the consolidation of the Office of Anthropology of the National Museum of Natural History and the Center for the Study of Man. Thus the foundation is laid for a major new museum to carry on work started in 1879 and to provide a base for study and education for the future.

The proposed site will, within zoning requirements and good planning standards, permit construction of a building containing approximately 350,000 square feet of floor space.

The proposed legislation reserves the site for museum purposes. Since the land is now in Federal ownership, there will be no cost to the Smithsonian. Future legislation will be proposed, at some appropriate time, to authorize design and construction as national policies may permit.

The text of the bill is as follows:

H.R. 15429

A bill to appropriate a site for a Museum of Man for the Smithsonian Institution

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the portion of the Mall bounded by Third Street, Maryland Avenue, Fourth Street and Jefferson Drive, in the District of Columbia, is hereby appropriated to the Smithsonian Institution as the permanent site for a museum building. Subject to further authorization for design and construction, the museum shall be known as the National Museum of Man, and shall be under the administration of the Board of Regents of the Smithsonian Institution.

VIETNAM WAR DATA

(Mr. RIEGLE asked and was given permission to extend his remarks at this point in the Record and to include extraneous material.)

Mr. RIEGLE. Mr. Speaker, at a recent press conference, I made public an analysis of recent Vietnam war data. This information includes an analysis and interpretation of President Nixon's withdrawal program, as well as an analysis of recent attrition statistics.

I now insert two charts and a general summary of my views with respect to this data:

NIXON TROOP WITHDRAWAL PROGRAM

Announced date	Terminal date	Period, months	Existing troop ceiling	Existing troop strength	Number troops withdrawn	New ceiling	New strength	Projected withdrawal rate per month	Actual withdrawal rate per month
June 8, 1969	August 31, 1969.	3	549,500	544,000	25,000	524,500	519,000	8,333	8,333
September 16, 1969	December 15, 1969.	3	524,500	519,000	35,000	489,500	475,000	11,666	14,666
December 15, 1969	April 15, 1970.	4	489,500	475,000	50,000	439,500	425,000	12,500	
Total		10			110,000				

1. Monthly rate of planned withdrawal is increasing—with approximately a 50% in third phase over first phase withdrawal. (12,500 per month versus 8,333 per month)

2. Monthly rate of *actual* withdrawal in second phase ran 25 plus% ahead of withdrawal plan (actual of 14,666 versus planned of 11,666)

3. Three troop withdrawal announcements at three month intervals tends to confirm existence of a formal withdrawal plan.

4. At latest actual withdrawal rate (14,500 per month), the troop strength would reach maintenance level of 50,000 26 months from now—February, 1972.

UPDATED ATTRITION EQUATION

Total enemy strength (yearend)	Year	For each 1,000 enemy killed	American servicemen killed	South Vietnamese servicemen killed	American military spending in Vietnam (in millions)
79,300	1962	1,000	1.5	228	$14
91,700	1963	1,000	3.7	270	18
128,500	1964	1,000	8.6	438	24
251,000	1965	1,000	39.0	321	16
279,000	1966	1,000	89.4	169	109
333,000	1967	1,000	106.5	124	234
222,000	1968	1,000	81.0	154	$140
240,000	1969/TD	1,000	68.0	139	108
240,000	June 1969	1,000	65.0	111	
240,000	July 1969	1,000	62.0	143	
240,000	August 1969	1,000	64.1	131	
240,000	September 1969	1,000	46.3	144	

These figures indicate:

1. Increasing "Vietnamization" of the war—with South Vietnamese deaths rising, and Americans deaths declining.

2. In dollars alone in 1969, it is costing some $108,000 to kill each Viet Cong, as measured by U.S. military spending in Vietnam. This compares to a high of $234,000 in 1967, and $140,000 in 1968.

3. Combined losses of American and South Vietnam per 1,000 enemy killed have declined to the lowest point in 8 years. 1969 rate of Allied loss is 207 per 1,000 enemy killed.

PRESS RELEASE

Subject: War data supporting progress in Vietnam.

Congressman Don Riegle said today that recent Vietnam war data indicates:

The Nixon Administration has, and is implementing a formal troop withdrawal program.

That the rate of American troop withdrawal is accelerating.

That the cost of the war in American lives and dollars is declining sharply.

That the South Vietnamese military capability, vis-a-vis the enemy, is increasing.

Riegle, who has long advocated the staged withdrawal of U.S. troops from Vietnam, said these trends were encouraging—and appeared to indicate that, to this point, the Nixon/Laird Vietnamization program was working. He supported these conclusions with official war data. He cautioned, however, that these results have occurred during a period of minimum enemy activity.

Riegle said that indications are that Secretary of Defense Laird has taken a "no-nonsense" attitude toward Vietnamization of the war, putting increasing pressure on the South Vietnamese to assume the full military burden of the war. This attitude seems to have strengthened the South Vietnamese while sharply reducing American combat deaths. "These policies, to this point, are saving American lives", he said.

Riegle said he was hopeful that the monthly rate of U.S. troop withdrawal would continue to increase. He also expressed the hope that American combat operations be concluded by the end of 1970—thus ending the loss of American lives in combat.

WHERE CONSERVATION IS A BAD WORD

(Mr. GUDE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, our colleague, Mr. BLACKBURN, of Georgia, has written a most thought-provoking article on the unfortunate byproducts of some of the Federal Government's well-intentioned efforts in the area of land reclamation. The article appears in the December issue of Field and Stream, and points out that departments of the Federal Government are working at cross-purposes. On the one hand, many Federal agencies, including the Department of Agriculture, are spending large sums of money on water and wildlife reclamation projects to restore the natural environment. On the other hand, the Soil Conservation Service of the Department of Agriculture is conducting a channelization program to deepen and widen streams, which destroys the natural ecology the other departments are trying to save. To top it off, this channelization program is carried on in the name of reclaiming land for farming, when we are already paying massive subsidies to keep the land we have out of cultivation. Does the left hand know what the right hand is doing? This is the type of problem that has concerned me as a member of the Conservation and Natural Resources Subcommittee of the Government Operations Committee, and I commend Mr. BLACKBURN's fine article to the attention of our colleagues:

WHERE CONSERVATION IS A BAD WORD

(By Hon. BEN B. BLACKBURN)

The stream wandered through valleys and stands of hardwood, and turned by fields where, in summer, cows stood in the shade of sweetgums near a bank of white sand. It was a vital stream, something to be seen in the early morning, when the world was clean. Fish swam in pools and small rapids beneath the gum limbs which hung far over the water. It was a good place in summer for small boys to build rock dams, and often they could see a deer up the stream, where the water entered the forest. At night coons, eyes flashing, would sit on the bank and wash as carefully as surgeons before an operation. At Christmas the stream reflected snow and evergreens.

All of this is remembered, because the stream is dead now, executed four years ago. In its place is a straight, deep, and open wound across the land. The water has no time to wander now, but rushes along its linear course. Not a tree stands within 50 feet of either of the clifflike banks. Four years ago, when the stream died, the trees had been cut, snagged, chopped, and burned. Saddest of all the deaths was that of a great oak patriarch which had seen many of the state's first settlers. In place of the hardwoods, the laurel, and the wood flowers is a vast tangle of briars, not unlike the wire strung in "No Man's Land" at Verdun. The fish have died and the wildlife is gone.

The execution of this stream was not a unique event. Other streams and small rivers (and even a big river) in Georgia have come under the same death sentence. In my state more streams and rivers are "coming to trial," and the same events are happening in other states, even in national parks and wildlife refuges.

What remarkable star chamber can decree the death of streams, literally the extinction of nature? Of what offense are rivers and streams guilty? What is the method of execution? What is the aftermath?

Countless streams in Georgia and across the nation in the past decade have suffered from what is called "channelization." Channelization is the deepening, clearing, and straightening of meandering streambeds by draglines and bulldozers. Established under Public Law 566, which is administered by the Soil Conservation Service of the U.S. Department of Agriculture, channelization hangs as a heavy threat over every stream in north and central Georgia. Multiply this by the scheduled Public Law 566 projects across the nation and the picture assumes tragic and dangerous proportions. Public Law 566 was designed to save and improve, but it is being used to destroy.

What has made it necessary to ruin the irreplaceable resources small rivers and streams provide?

The Soil Conservation Service calls Public Law 566 projects "flood control and land reclamation." It argues that channelization, which includes the draining of swamps, provides literally millions of additional acres of arable land. With pride the Service claims the elimination of flood possibilities in the streams that have been channelized.

The channelization program has been under way in Georgia for years. I submit, on the basis of the evidence here, that whatever questionable benefits are derived, there is no question as to the loss of untold acres of hardwood, the almost complete destruction of game, fish, and wildlife, and the subsequent lowering of the surrounding water table at a time when pure water is becoming ever more precious. While other Federal agencies (including the U.S. Department of Agriculture) are spending large sums on water and wildlife reclamation projects, another agency is, in effect, spending equal millions in the destruction of vast water areas, the habitats of fish and animals. Channelization projects are now believed to be causing irrevocable basic changes in the areas involved, and are resulting in the loss of thousands of acres of scenic natural beauty.

Ironically, as the draglines and bulldozers cut, dig, and "straighten," other machines are building dams, seeding forests, and attempting to rebuild natural ecology. As hundreds of thousands of acres are placed in the Federal soil banks, the Soil Conservation Service is spending more millions to "reclaim land for farmers." Why is it necessary to "reclaim land" if landowners are being paid not to grow crops on land presently available?

In the usual channelization project, the bulldozers snag stream bottoms, dig almost perpendicular banks, and remove all trees on each side of what becomes a spillway. Twists, turns, and rocky, pebbly bottoms are torn away. What once was a clear stream becomes a muddy torrent. Gone forever are the gentle banks, low hanging trees, and trout pools. The drainage spillways, which are left to cut arrowlike across the landscape, can support few healthy fish, for there is nothing left on which they can feed and their life is a constant battle against the torrent. Far from being a method of flood control, the shattered stream acts as a chute through which valuable water rushes to major tributaries, toward the sea, lost before it can benefit the land. If flood control is indeed the aim of the Soil Conservation Service, the methods employed are unique and disastrous, having the opposite result of that intended. Past channelization projects have served to reduce the incidences of flooding to once every three years, but when flood waters do pour down channelized streams their devastation is far more widespread. More often than the Soil Conservation Service would care to admit, channelized streams are known to cause a worse flooding problem than before, but at different times, in different places, further downstream.

The aftermath of channelization is demoralizing in its tragic effects. A Mississippi study before and after a stream was channeled showed drastic reductions of the game fish. Prior to channelization, the stream had averaged 240 pounds of game fish per acre; after channelization, it averaged only 5 pounds of tiny game fish per acre. A study in North Carolina found that not only were fish populations greatly reduced in channeled streams, but that the drop in water table which resulted from the channelization produced die-back in hardwoods (tupelo, gum, and oak) a considerable distance from the demolished streams. Georgia's Little River, channelized years ago, has left the additional malady of "slumping," the process where rushing water cuts into the steep banks, caves them in, and causes a serious erosion and land loss problem. Along the ditch which was Little River, the bank collapse has resulted in serious damage to many portions of the reclaimed land. The river's muddy waters then rush to Lake Allatoona and there deposit their load of silt.

Until recently, the Soil Conservation Service concerned itself primarily with the channelization of smaller rivers and streams. However the threat has now been extended to include large tributaries. Georgians in a three-county area near Atlanta were suddenly unnerved to learn that in 1967 plans were completed to channelize more than eighty miles of the Alcovy River. The head-water of the Alcovy is renowned throughout the South for its beauty, its teeming fish and wildlife populations, and its surrounding thousands of acres of natural forest and river swamp. The Alcovy is not a small river. Its extensive swamp areas are a refreshing change in scenery for today's city dwellers.

As important as the Alcovy itself is Jackson Lake into which it flows. Jackson Lake has become a major recreational area and source of game fish. Under careful management by the Georgia State Game and Fish Commission, the fish population is on the increase. But the threat of the Alcovy channelization now hangs over the lake's clear waters. Residents, state officials, conservation and business leaders, are deeply concerned that the lake will be drastically muddied and ruined as a primary recreational and fishing area if the Alcovy is channelized.

The projected Alcovy River channelization causes one to consider the possible lengths to which the Soil Conservation Service could go. Bigger rivers? The Chattahoochee? Possibly the Mississippi?

One of the real dangers of channelization, often unnoticed by the public, but a recognized threat to water management and conservation officials, is swamp drainage. Swamps, creations of nature, are classed as some of the world's finest water reservoirs and purification areas. River swamps act as water filters, depositing the river's silt loads over great areas and cleaning the river as it flows through the countryside. The swamps also act as natural oxidation basins, purifying the water of pollution. In fact, water emerging from a river swamp is purer than water from the best of modern treatment plants.

Water management officials are concerned that swamp drainage through channelization will increase the likelihood of floods because swamps are retention areas which serve the dual purpose of absorbing water during wet seasons and feeding the rivers during dry summer months. In flood times water spreads slowly through the large swamps, much of it sinking into the ground. Rises and falls frequently occur over several days, with the result that headwaters are reduced. Retained, the flood waters are made useful by the swamp.

What takes the place of the trees and plant life cut and burned along the big new ditches, areas where once hardwoods grew? In Georgia the replacements are huge tangles of briars, brambles, privet, and honeysuckle, which are impossible for wildlife, much less man, to penetrate.

The economics of Public Law 566 land reclamation projects would seem to defy the wizardry of even the most articulate proponent. If questioned, the Soil Conservation Service "salesmen"—agents and field officials whose job it is to sell the benefits of channelization projects to landowners—would be hard pressed to justify the expense on a cost-benefit basis utilizing even the most basic economic concepts.

The Alcovy project is a case in point. Soil Conservation Service planners propose to channel up to 80.8 miles at an estimated cost of $3,494,432. This expenditure, it is said, will "benefit" 4,326 acres of swampland. Cost per acre of the "benefit" comes to $807.77. Estimated land value of the improved swampland is presently $350 per acre. The taxpayers of America could save more than $400 per acre if the land were bought and the swamp declared a wildlife preserve!

On the basis of the proposed costs and reclamation value the Alcovy project will have to be amortized over thirty years if it is to realize even a degree of success. This does not take into account the irrevocable destruction and loss of natural beauty and wildlife. In short, it is impossible to justify the project on the basis of the economics involved. Yet the pleas of wildlife, game, conservation, water management, and other interested parties have thus far been answered only by stony silence from the uncooperative Soil Conservation Service.

In Georgia (and other states face similar problems), the entire Piedmont area is now threatened by Public Law 566 channelization projects. It is not farfetched to imagine that if the projects continue on the present basis, not a single naturally beautiful stream or small river will remain to be enjoyed by coming generations. The state will become a ditch-filled drainage basin from which fish and wildlife have fled or died for lack of support. But if all the states are undergoing the same unfortunate transformation, where are the wildlife and fish populations to flee? A consideration of what has happened and what is about to happen brings one to understand the fears of game, wildlife, and conservation officials.

What is to be done about the massacre? Can landowners themselves stop the destruction? At this time apparently not. Unwilling property owners, wishing to keep the inherent benefits and the natural beauty of the small rivers and streams that flow across their land, are forced to defeat by condemnation proceedings. Nor do state authorities fare much better. Wildlife and conservation officials, often unaware of planned Public Law 566 projects until those projects have been approved and even funded by Federal authorities, have too often seen their recommendations ignored by powerful agencies.

All of this comes at a time when America must establish a strict priority on Federal expenditure. Every Federal project must be carefully examined to insure that it best serves the interest of the people. Therefore, it may be necessary for Congress to take a hard look at laws under which channelization projects are permitted, for Georgia and the nation now face an unprecedented threat, one as far reaching and disastrous as any confronted in our natural history: the potential—and pointless—loss of a great many of our streams and rivers as they exist today.

Public Law 566 is an outstanding example of a self-perpetuating Federal program. From the time a watershed project is originated until the bulldozers begin their destruction, those involved have every incentive for urging approval of the project and no incentive for urging disapproval.

The Soil Conservation Service must have a continuing inventory of projects approved and proposed in order to justify its own position with the Department of Agriculture. The landowners in the area affected are promised great benefits to the land they own at no expense to themselves. County and local officials are urged to adopt resolutions approving the projects because it means "Federal money" coming into their area. Congressmen and Senators likewise have every incentive to assist in bringing "Federal funds" home. Thus, from the time of conception to birth, a PL 566 project lacks any realistic mechanisms whereby conservationists or interested citizens can bring effective pressure to halt or modify it.

It would be interesting to have a study made as to the number of PL 566 projects which have been stopped for reasons of conservation and wildlife preservation. I suspect that the few which have not come to fruition have been stopped simply because of the unavailability of funds in the appropriations process.

If PL 566 is to function in the interests of all of the citizens of the country, new legislation is needed to give conservation and wildlife officials at the state and national levels a voice in the decision-making process before such projects become final. The taxpayers, conservationists, and sportsmen of America deserve a method of effective intervention in projects involving vast expenditures and the destruction of the natural ecology. At the present time, the only voices heard in such projects are those of the entrenched bureaucrat seeking to expand his own sphere of influence and the landowner who finds himself the direct beneficiary of huge Federal expenditures with little or no inconvenience to himself.

TAKE PRIDE IN AMERICA

(Mr. MILLER of Ohio asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILLER of Ohio. Mr. Speaker, in 1966, the U.S. public expenditure for education totaled $36,687,000,000—more than twice the amount of any other country.

SOME BROADER QUESTIONS RAISED BY EVENTS AT SONGMY

(Mr. LOWENSTEIN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. LOWENSTEIN. Mr. Speaker, many Americans are deeply troubled by the question of how often American servicemen have been involved in episodes like Songmy. It is a question that must be investigated carefully and fully.

Stories about other alleged atrocities continue to come to my attention, but it seems to me it would be irresponsible and unfair to discuss them publicly until I have had an opportunity to look into them more thoroughly.

Meanwhile, I want to call to the attention of the House a powerful and disturbing article by Mr. Joseph Lelyveld in the New York Times Magazine of December 14, 1969. Joe Lelyveld's honesty and intelligence are celebrated throughout his profession and far beyond. Added to his great energy and skill as a writer they make him one of America's great reporters, and we are indebted to him once again for the care and compassion with which he has assembled the material that appears in this article, which follows:

THE STORY OF A SOLDIER WHO REFUSED TO FIRE AT SONGMY

(By Joseph Lelyveld)

As has been noted, many young Americans haven't exactly rallied to the war in Vietnam. One who did was Michael Bernhardt, who dropped out of the University of Miami in the middle of his junior year with the express purpose of testing his courage in Vietnam under fire. That was early in 1967, at a time when resistance groups were sprouting across the country and hundreds—later, thousands—of young men his age were testing their courage by incinerating their draft cards. The spectacle of widening opposition to the war made little impression on him. Most of the young dissenters, he told himself, were merely obeying a herd instinct, following the nearest crowd. Bernhardt prided himself on being above that and had what he now somewhat wonderingly calls "absolute faith" in his Government's virtue. But beyond that, he had always assumed that his generation would have its war the way previous generations had theirs, that soldiering was a natural stage in the life cycle. Vietnam for him was more than a duty. It was a realization, an opportunity.

"I said, 'Well, if you're going to be a soldier, that's what soldiers do, that's what they're supposed to do'," he recalled the other day as he groped his way back to the reasons he had volunteered for the war. "When the country's involved in a conflict, that's where a soldier is supposed to be. There's a certain amount of logic in that, but a lot of people figure that's the place to avoid. I could never understand that myself. This was my bag. I've been military all the way."

Thus when the Spring Mobilization against the war was staged in 1967, Bernhardt was at Fort Jackson in South Carolina, training to excel in basic training. He shouldn't have had to strain, for he had been through most of it before: in R.O.T.C. at Miami, where he had been assigned to a counterinsurgency company that actually was trained by Green Berets and where he was admitted to the Pershing Rifles, R.O.T.C.'s national honor society; and before that at the LaSalle Military Academy at Oakdale, L.I., a Catholic school where he was tagged "a small, determined guy" in the yearbook. But Bernhardt wanted to be a helicopter pilot in Vietnam and was hoping to come out on top in basic training. His martial fervor made up for his short stature; he is only 5-foot-4. He recorded the second-highest rifle score in the entire training company and the third-highest score on the physical training test. It was a major disappointment when his papers went astray in the Army's bureaucracy and he lost out on helicopter training.

By the time of the march on the Pentagon in October, 1967, Bernhardt had been through advanced infantry training and a special leadership course at Fort McClellan in Alabama, followed by a paratroop course at Fort Benning in Georgia, and was undergoing special training at Schofield Barracks in Hawaii to prepare himself for hazardous long-range reconnaissance missions in Vietnam. The next month, he joined Company C of the First Battalion, 11th Infantry Brigade, in the Americal Division, which immediately was airlifted across the Pacific to a place called Ducpho.

At dawn on March 16, 1968, Company C arrived by helicopter at a village believed to be a Vietcong stronghold. The village was called Songmy and the company, Bernhardt says, was under unambiguous orders to destroy it and all its inhabitants. If that is the case, some of its members were unhappy about the orders and went through the motions of massacre with a minimum of real participation. One has said he concentrated on shooting pigs and chickens. Another is supposed to have shot himself in the foot to get out of it. A third reportedly dropped his weapon after firing at point-blank range into a group of civilians and refused to go on. But only one, so far as is now known, appears to have made a conspicuous show from the start of his firm refusal to take part.

That was Michael Bernhardt—then a 21-year-old private first class and, beyond any doubt, one of the most highly motivated soldiers in the unit—who says he kept his rifle slung on his shoulder with its muzzle pointing to the ground throughout the 30 minutes or so it took to kill off 109, or 300, or 400, or 567 (depending on your estimate) women, children and old men discovered in the first hamlet the troops entered. "I just didn't have any use for it at that time," Bernhardt says.

Last month—that is, 20 months after the event—when Songmy came out of the obscurity that had more than figuratively shrouded it, Bernhardt—a drill sergeant now at Fort Dix—became the first alumnus of Company C to state publicly what he had already stated privately to Army investigators: that, yes, it really had happened and, no, there had been no apparent reason for it at all.

Nothing about the antiwar movement—the draft-card burnings, mobilizations or marches—had more than grazed Bernhardt's consciousness. Even now, he is quite sure that he would vote for President Nixon against any conceivable peace candidate. It shouldn't be necessary even to mention this, for there is no reason in the world why his refusal to go along at Mylai 4, as the hamlet within the village of Songmy was known, should be regarded as a political act. But Bernhardt finds his motives constantly questioned. As he phrases it, this is the question most often put to him by the men in Company C and soldiers he meets now at Fort Dix: "Are you some kind of a nut?"

"On the post," he remarked, "I have to defend myself for saying what I did unless I'm with friends. If anyone talks to me, I usually end up defending myself and trying to explain why it's wrong to shoot up people like that. I've come across people who say they've done the same thing. Not on such a large scale—nobody claims to beat Mylai 4—but there are some that have said they've gotten 60 or so. Their biggest defense is that it happens all the time, and that that in itself is enough to make it all right. . . . I hope that's only talk."

The weekend after his news conference at Fort Dix, he went home to find even his family divided over what he had said. Bernhardt grew up in Franklin Square, L.I., a conservative Middle American community made up of small, similarly well-tended houses with big, similar cars in their driveways, some of which now have "Honor America" stickers on their bumpers. The Bernhardt house, a prim two-tone job, green with white gables, has a small silk banner with a blue star on it hanging in a living-room window, symbolic of pride in a fighting son. Michael's father runs an insurance and travel business, with the help of his wife, from a storefront on Hempstead Turnpike. He used to be active in local Republican politics but now, finding that "the little man" is being squeezed out of business here, he's planning to move to Florida.

The parents have known about Mylai 4 since shortly after their son's return from Vietnam a year ago. "If it had been anybody else, they wouldn't have believed it," Michael said, "but coming from me, they had no choice. They know I didn't do anything." He paused, laughed tensely to himself, then added the kind of stupefying reflection that makes the massacre so hard to grasp. "They know, just like the parents of William Calley [the lieutenant now charged with the murder of 109 Vietnamese] know that he would never have anything to do with this. They wanted me to do the right thing, but they wanted me to do the smart thing, too." In other words, they hoped he would not have to become any more involved in uncovering the massacre than he had been in perpetrating it.

It was Michael's brother-in-law—a Suffolk County policeman who lives in Islip and who was one of his boyhood heroes, a model for the man he hoped to become by going to military school and serving in the Army—who objected most strenuously to what he finally did. He felt that Michael had been wrong to speak out at the news conference, that what he said had been damaging to the Army and its mission in Vietnam, that "no comment" was the only proper response to questions posed by civilians. He felt this so strongly that Michael found his two nephews, 11 and 9 years old, unwilling even to speak to him when he went to Islip that weekend to explain himself. His explanation was that he really had been very good to the Army, that it would have been more damaging had he said everything that came into his mind.

For instance, he had dodged the question of why he had waited so long to come forward. He would have found it hard to answer that succinctly, for it ran very deep—to the kind of person he was, to the kind of war he experienced, and to the reasons the massacre may have happened in the first place. Michael Bernhardt was certain it was morally wrong and militarily illogical to slaughter civilians without cause. But by March 16, 1968, after only 15 weeks in Vietnam, he was no longer certain that the Army command in Vietnam or most Americans would agree.

"Maybe this was the way wars really were," he reflected. "Maybe what we saw in the movies and on TV wasn't so, that war was running around and shooting civilians and doing this kind of thing. Maybe all along everybody else knew. I felt like I was left out, like maybe they forgot to tell me something, that this was the way we fought wars and everybody knew but me."

To Bernhardt it became almost a question of sanity. The French novelist Louis-Ferdinand Céline was provoked by World War I to the sardonic observation: "It's the majority which decides what is mad and what isn't." In Company C, on the issue of the expendability of Vietnamese lives, Bernhardt felt himself heavily outvoted.

"I thought I was a pretty ordinary, regular guy," he said. True, he had always been something of a loner. In military school, where it was an everyday thing to short-sheet beds or fill shoes with shaving cream, he rarely played pranks or had pranks played on him. At Miami, instead of going in for heavy dating or weekend parties, he would drive down to Key West for skin diving. But he never regarded himself as a nonconformist. As far as he could tell, the other men in Company C were ordinary, regular guys, too.

"You know, when I think of somebody who would shoot up women and children," he said, "I think of a real nut, a real maniac, a real psycho, somebody who has just completely lost control and doesn't have any idea of what he's doing. That's what I figured. That's what I thought a nut was. Then I found out that an act like, you know, murder for no reason, that could be done by just about anybody."

Bernhardt says he was troubled from the first by the question of when to consider a Vietnamese civilian fair game. As he recalls it, about a week after the company arrived at its fire base, Lieutenant Calley ordered him to stop a Vietnamese woman running across a field. He ran after her, shouting: "Dong lai!"—Vietnamese for "Halt!"—but the woman kept going on and got away. The lieutenant, he says, told him he should shoot any Vietnamese who ignored an order to dong lai.

To Bernhardt this seemed unreasonable. He understood that this was a war in which the enemy easily merged with the local population, and that his unit was operating in an especially hostile province where few Vietnamese could be wholly trusted without close scrutiny. Yet he thought there was a clear difference between a wary regard for the possibility that a civilian might be a member of the Vietcong and a casual assumption that he could be nothing else. Perhaps a woman running through a field refused to *dong lai* because the foreigner was mispronouncing the word. Perhaps she was hard of hearing. Or perhaps she was scared out of her wits. Bernhardt decided to ask another officer whether it was really Army policy to fire on any civilian who ignored an order. This got back to Calley, in whose eyes he was now marked, he felt, as a troublemaker.

Later, when the question of whether it made sense to shoot children came up for discussion, an officer observed that children would one day be large enough to carry guns if they were allowed to grow. Some weeks before Songmy, Bernhardt saw dead children for the first time. Company C called in American gun planes to hit a village from which it had received fire. Afterward, as the troops marched into the village, he noticed two lifeless youngsters crumpled beside the path.

Before and after Songmy, he saw many other civilians shot down. Usually, like those children, they were victims of the brutal illogic that passes for fate in wartime. But sometimes they seemed victims only of an American's whim. In one village, an old Vietnamese was dumped into a well; then a hand grenade was dropped in after him. In another, some soldiers were interrupted as they were attempting to hang a villager for no apparent reason. In another, an old man dogged the path of a machine-gun crew that had just ransacked his hut, bowing with folded hands and pleading for the return of some keepsakes the foreigners had pilfered—until one of the soldiers became exasperated and gunned him down. The incident of the old woman running through the field was repeated: This one was bent under a long pole with baskets tied to either end. When she failed to stop, it was assumed that she was carrying something for the Vietcong. But moments later, when her corpse was examined, there were no military supplies of any kind in her baskets.

Bernhardt asserts that he witnessed some of these incidents and heard of others from the men in Company C. They soon seemed as unremarkable as they were unheralded and unexplained, sudden tropical storms in a season of war. Asked how many there had been, he just shook his head from side to side, unable to supply a number. A dozen? "Or more," he replied tonelessly.

He says Capt. Ernest Medina, the company commander, worried beyond the call of duty about his men but never seemed concerned about what happened to Vietnamese who crossed their path. He can recall no admonitions from his officers in Vietnam to be sparing of civilian lives and no repetition of the lectures the troops used to get in their training days about the need to respect the customs of the people. On only one occasion was a soldier in Company C ever punished, he says, for abusing a civilian, and then the punishment was relatively light. The incident was a rape in which three soldiers allegedly participated. The company's Vietnamese interpreter angrily threatened to report the crime, whereupon members of the company plotted to ambush him. Bernhardt says he spoke up against the ambush—which may or may not be the reason it never came off. The interpreter made his report and one of the three soldiers was disciplined with loss of rank. There was no court-martial, Bernhardt says.

War teaches the cheapness of life—not surprisingly, the specific lesson of the war in Vietnam is the cheapness of Vietnamese life. They were "gooks" or "slants" or "slopes" and the sounds they made conveyed no sense "A lot of these people wouldn't think of killing a man," Bernhardt said of Company C. "I mean, a white man—a human, so to speak. You cannot say that a person over there who would shoot a Vietnamese for nothing would shoot a Caucasian for nothing, would shoot an American or an English-speaking person. Even if it was allowed. Even if you wouldn't go to jail or the chair or something."

Bernhardt himself never had a close relation with any particular Vietnamese, but he tried to pick up phrases in the language and, now and then, he says, attempted to remind the men in Company C that the Vietnamese had their virtues—industriousness, tolerance and, above all, patience. The result, he thought, was that he was regarded as a sentimental bore.

As he recounts it, it wasn't that the soldiers felt frustrated by the difficulty of distinguishing the enemy from the mass of the population, but rather that they couldn't even be bothered to try. His own reaction seemed to harken back to the parochial, often maligned, values of the householder. "If it was my country and my home and I had seen some foreigners running through it the way we ran through it," he said, "I would not be too pleased with those people. Most of the Americans handle themselves very badly. They come into a village with their weapons and they're the boss. It was almost as though this was another part of their country. They owned the place, basically. The Vietnames didn't really belong."

Company C often operated in what is called a "free-fire zone" where there was permanent open season on Vietnamese whose activities appeared in the least suspicious. Its normal occupation was "search-and-destroy missions" ("Though I'm not sure about the 'search' part," Bernhardt added wryly). Razing villages deemed to be hostile was a common activity; a village was deemed hostile if a few shots were fired from within its perimeter or a booby trap was discovered there.

The only respite the company got was a visit to its own fire base, where it slept in bunkers, not bunks. There were no diversions—no bars, no girls. The company had a couple of severe firefights with the enemy and, shortly before Songmy, a disastrous excursion into a mine field in which about 20 of its number tripped off explosions. "Every time somebody made a move, he'd go up," Bernhardt said. "A lot of minds went that day."

"You mean mines?"

"No, minds," he repeated, pointing to his head.

Some former members of Company C have said that they had been fired on from Songmy, or have suggested that they ran into a mine field immediately outside the village. Sergeant Bernhardt cannot recall that they had ever seen Songmy before they jumped from their helicopters on the morning of March 16.

The briefing for the mission, he has said, took place at the fire base called Dotty at dusk the previous day. Bernhardt insists that Captain Medina was explicit and matter-of-fact: The village and its inhabitants *would* be destroyed. Sgt. Gregory Olsen of Portland, Ore., told the reporter Seymour Hersh a different story, that Medina ordered the men to shoot anyone who looked as if he might belong to the enemy. Whatever the precise wording of the order or the intention behind it, Bernhardt and others took it to apply to any and all civilians. If the order was less than routine, the manner in which it was conveyed could not have been more normal. The captain dwelt on the losses the company had suffered. No questions were asked, Bernhardt says.

He adds that he never thought that the order had originated with Captain Medina. The captain's lawyer, F. Lee Bailey, has said his client neither received nor transmitted any order to kill Vietnamese civilians.

As Bernhardt depicts it, his own reaction to the order he says he heard that evening was almost as neurasthenic as that of the rest of the company. "It just didn't hit me," he says, explaining that orders often were changed at the last minute or abandoned in the heat of an operation. "I didn't think there was going to be any big difference in the attitude of the men. It was just that, well, O.K., now they had permission. The difference was nothing. I figured there was always the possibility that these guys won't be so bad."

The next morning, he discovered he had guessed wrong. "They were looking for an excuse and they got it."

Bernhardt says he was not moved by compassion as he watched the slaughter but by a sense of how ridiculous and illogical it all seemed. "I wasn't really violently emotionally affected. I just looked around and said, 'This is all screwed up.' "

He guesses there were 70 men from the under-strength company on the operation that morning plus others from various units, including two officers without insignia who he thinks were from military intelligence. He doesn't remember what ended the shooting or even whether he himself took part in the burning of the village.

What he does remember best are a few gruesome vignettes—one soldier, in particular, who laughed every time he pressed the trigger ("He just couldn't stop. He thought it was funny, funny, funny"), and others who used hand grenades and grenade launchers to do the job of small arms ("One guy, I heard, shot directly at somebody with an M–79 grenade launcher from 10 or 15 yards. Boom! He blew him all apart"). Perhaps a dozen of the men he watched struck him as having gone berserk, he said. The reactions of the rest he found—and still finds—impossible to interpret. In all, the Army is said to be looking into possible charges against 26 members of the company.

There is no one witness who saw it all and Bernhardt, like the others, is vague about many details. At the time, he felt helpless. Later he wondered whether he could have done anything to stop the massacre. He hasn't arrived at a satisfactory answer yet, and doubts that he ever will. When it was all over, Company C burned its way through a few other villages, then reached the seashore where Bernhardt and others stripped and jumped into the surf. He can recall no sense of hangover in the company, no brooding over rights and wrongs. "If you had told them a year ago they were going to be on trial, maybe for their lives, they wouldn't have believed you. It would have been so fantastic."

Bernhardt's own hesitation to report the incident started with his eerie feeling that most Army officers, even most Americans, might not see it his way. This became fear when he heard that a helicopter pilot who had reported the massacre had been killed the very next day in a crash. Bernhardt never even learned the pilot's name. In fact, there has been no report of such a crash. The helicopter pilot who appears to have made the first report on the massacre. Warrant Officer Hugh C. Thompson, Jr., is still alive and serving at Fort Rucker, Ala., where recently he was awarded the Distinguished Flying Cross for rescuing 16 children from Mylai 4.

Nevertheless, the faith that had brought Bernhardt into the service was severely shaken and he became convinced that his life was in danger—not from individuals in his company, most of whom seemed to have erased Songmy from their memories, but from some remote high power in the Army that might have been involved in ordering the killings.

This was a point he evaded at his news conference at Fort Dix on Nov. 20. He stated that he had not been in fear of his life. But later he said: "I was the only one I knew who could say something and not implicate himself, the only one I knew that didn't do anything at all, didn't do any shooting whatsoever. So I thought it was possible that anyone who wanted to get this thing under the rug could say, 'There's only one kink in this whole plan, only one guy who could say something and not possibly implicate himself. And what are we going to do about him?' And all I could think of was this helicopter pilot. . . .

"I didn't sleep with a gun under my pillow, but I thought it was a distinct possibility. It may sound a little paranoid, but it was only reasonable to assume that it could happen. After what I have seen in the Army, I knew it wouldn't have been the worst thing that had happened." Besides, if there wasn't this danger, he asked himself, why wasn't the helicopter pilot's report being investigated?

So he became guarded in any comments about the massacre, telling himself, he says, that he would do something about bringing it to light only after he returned safely to the United States. A few days after the event itself, he say, Captain Medina called him over at the fire base and asked whether it was true he was planning to write his Congressman. Bernhardt says the captain didn't explicitly say what he might have been writing his Congressman about, but he was sure they understood each other. He says he replied indirectly, protesting that he had said no such thing to anyone and couldn't imagine where the captain had heard the rumor Medina, he says, simply commented that it would be unwise to do so. Bernhardt didn't construe that as a threat, he says—but then he already felt sufficiently threatened.

He also thought of taking his story to a chaplain, but ruled that out, he says, because he rarely saw chaplains in the field and thought he needed a greater assurance of support than a cross on some strange officer's collar.

As it happened, he finally unburdened himself just before he left Vietnam. Ronald Ridenhour, a soldier with whom he had served in Hawaii, visited him at a hospital in Chulai where he had gone for treatment of his feet, which had become painfully raw after months of slogging through paddy fields and marshland. That was late in November of 1968, a little less than a year before the story of Maylai 4 finally broken. Ridenhour had heard parts of the story from other old buddies. Bernhardt confirmed them, but expressed his fear of coming forward. So Ridenhour said he would handle it. It was April before he sent his letters to officials in Washington, including the President and Secretary of Defense, and August before investigators came to interview Bernhardt.

Bernhardt can't escape pondering the meaning of Mylai 4, for at dawn every morning he has to face a platoon of callow trainees, many of whom see little points in risking their lives in the war. It is his duty, he believes, to assure them that there is something meaningful at stake in Vietnam, a moral issue. When they ask about the massacre he can reply only that it was immoral and unsoldierly, a lunatic aberration. But it didn't look to him like an aberration at the time. It looked like an extreme, officially sanctioned example of a kind of random terror that struck him, one solitary soldier, as inextricably a part of the war. This clash between his experience and his convictions is something he still cannot resolve.

We hold out a hope, you know," he said the other evening, having come full circle in a painful discussion of the massacre. He was speaking of the American presence in South Vietnam. The words seemed to hang in the air, unrelated to anything that had been said before. Bernhardt paused and sighed. "What can you say?" he resumed. "You feel that maybe if the whole country was the way you wanted it to be that you could be right and that what you're doing could be right. But you find out that people aren't responsible enough and that whether what you're trying to do is right or not doesn't make any difference, because some people are doing it all wrong."

As a drill sergeant, he can talk to his troops of responsibility. But in March his term of enlistment will be up, with the issue still hanging in the air. He hopes that the President's "Vietnamization" scheme will solve the problem by extricating American troops from the hamlets of Vietnam. But if he were forced to pick, he would choose his convictions over his experience, even if he discovered that his darkest fears about the Army and Mylai 4 were true.

"You can't just say, 'Well, we're not doing this right' and walk away," he said. "You go out and you're playing a lousy game so you throw everything down and you quit. That may make sense to some people, but it doesn't make sense to me. If you're trying to win, the idea is to correct what you're doing wrong."

It is hard to escape a feeling that this is more than one man's opinion, that it may be a distinctively American way of looking at the world. In other words, even if Mylai 4 proved to be something worse than a dozen soldiers going berserk, we might still need to redeem ourselves in hamlet after hamlet.

In this regard, it is interesting to speculate about what might have happened had the story broken at once. The same day that Company C passed through Mylai 4, Robert Kennedy announced his candidacy for the Presidency; two weeks later, Lyndon Johnson withdrew his. In the first speech of his campaign, Kennedy quoted Tacitus on Rome: "They made a desert, and called it peace." To many, the allusion sounded shrill at the time. But for one obscure hamlet, of which not many more than 100 Americans had yet heard, it was an altogether definitive epitaph.

STUDENTS TALK ABOUT NARCOTICS—STAND, INC.

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, during the recent hearings of the House Select Committee on Crime in Columbia, S.C., our committee had the encouraging and inspiring experience of seeing what private individuals who become interested in the problem of crime can do to curb and prevent crime.

One of the finest examples of that was presented by a very lovely and talented lady, Mrs. Mary Ann Overcash of Spartanburg, S.C. Mrs. Overcash, accompanied by a very attractive and dedicated young student, testified before our committee about an organization called STAND, Inc., meaning "Students Talk About Narcotics."

STAND is doing great work among the young people, in making them aware of the dangers of the use of narcotics, and in enlisting young people to work among their own age group in the expansion of this meaningful program.

It developed in the course of our hearings that Mrs. Overcash initiated this very significant program in cooperation with one of the distinguished members of the House Select Committee on Crime, the ranking minority member, Hon. ALBERT W. WATSON.

I was so impressed with what STAND is doing and the hope that it offers for curbing the tragic use of narcotics by young people that I asked Mrs. Overcash to write me a letter telling me how STAND got started and how it operates. I wanted this information for myself and the other members of the committee in the hope that we might encourage the formation of such organizations in our respective States, and I wanted the information also to be available to other Members of the Congress who would like to stimulate the formation of this organization in their respective areas.

Mrs. Overcash wrote me on November 22 this epic account of STAND.

I hope all over America other great ladies like Mrs. Overcash will accept the challenge of the need for such private assistance to our young people so seriously threatened by the use of narcotics and dangerous drugs, and join Mrs. Overcash and others in this wonderful work.

Mr. Speaker, I include Mrs. Overcash's letter in the RECORD following my remarks:

109 E. MAIN ST.,
SPARTANBURG, S.C.,
November 22, 1969.

Congressman CLAUDE PEPPER,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN PEPPER: I read in my former home town paper, San Antonio, Texas Light, about how a group of young people were talking to other young people concerning the use of narcotics and drugs. During the time that this article came out, we were having a great deal of publicity here in South Carolina about the growing problem of narcotic and drug use among our students all over the state. During this time I also met a mother who's son was arrested for possession of marijuana here in Spartanburg, and her appeal for someone to do something, to help curb this drug use made me realize that we needed a program that would almost guarantee to reach our young people.

There were many worthwhile projects aimed at our adults, so far as educational programs were concerned, but there were not any programs aimed at reaching primarily our students, and these were the main ones we needed to reach.

Being a resident of South Carolina, altho I was born in Riverside, California, lived most of my life in San Antonio, Texas, and my son was born in Nebraska, but as this was now my home, there was one person that I thought of immediately that might be willing to help get this program started here in South Carolina. This person was Congressman Albert Watson. The reason that I went to Congressman Watson was not for political reasons, for that would be impossible in this situation, but because Congressman Watson has become very involved by way of the House Crime Committee hearings as a member of the committee, I therefore knew that this was the logical person to contact on this.

Congressman Watson decided on the name STAND, which stands for Students Talk About Narcotic Dangers. At this time a press conference was called by Congressman Watson in Columbia, and Stand was launched.

Since Spartanburg was to be our main headquarters, the first step had to be a building for the STAND headquarters. As the location was most important, I searched for a building on main street, as this was the logical place for the students to be passing by each day. It is very hard to describe the extent of cooperation that we have received from business's who are most willing and anxious to help, knowing what a problem the drug use among our students is, and that all of our work is volunteer work, they wanted to help in any way they could.

Not only was our building donated to us rent free, but also our desks, chairs, couches, tables, typewriter, and even a copying machine.

Next I contacted all of the school superintendents of every school district in the county, and they have sent us three students, not A students as such, but student leaders, from each high school and each jr. high school in the county. These students are required to come in at least once a week after school or on Saturdays and answer the phone, and talk to the students coming in concerning drugs and narcotics. These students also keep a bulletin board in their schools and arrange for the films we have, and speakers, at their own schools. In this way, the students themselves run the headquarters and also arrange for everything at their own schools.

There is at least one adult at the headquarters at all times, but this adult is told that they are a chaperone only, as soon as school is out, for the students answer all calls and do all the talking to the other students coming in.

We have only had this first STAND headquarters open for three weeks, but we feel that we have accomplished a great deal in this short time.

We have as many as fifteen or twenty students in one afternoon after school. This may not sound like many, and we have had more, but this is about the average. We feel that if we have even fifteen students that will walk through the door and ask for information or literature on drugs and narcotics, then all of our volunteer work is worthwhile, for we have never found one piece of our literature on the sidewalk outside of our headquarters, for when they will come in for it, then they really want it.

In one day, we had four admitted users of marijuana and one identified pusher from one high school. We do not ask their names, nor do we report them, for we feel that this way they will feel free to come to STAND headquarters, and then we have an opportunity to help them in our own way.

Each day that we have been open has been an unusual experience, and usually a very rewarding one, for we have almost every day an admitted user that we have a chance to reach, and quite a few to persuade never to try these drugs in the first place.

Our main objective for STAND was to reach the students and show and tell them why they should never even once try any drug, but to our surprise, we have also had many admitted users to talk to and to help.

Two days ago I had a call from a junior high principal. He had a student who had come to him for help. It seems that this student three years ago started drinking cough syrup, and then went to glue sniffing and now to marijuana. He said that he was alright until the week-ends but then he would go back to marijuana and he wanted help. The principal said that at first he didn't know what to do until he remembered STAND, so he called and is going to bring the boy down to see us for help.

We also had a man in three day's ago who is a heroin addict. He had heard about STAND, and said that he wanted help. As we have three doctors on call at all times, we immediately got in touch with the doctor, and in turn the health dept. and have gotten this man help.

There are many more examples that I could give of the rewarding things that have happened here at the STAND headquarters in the short three weeks that we have been opened. We have proved that this way we have of student to student really works, and for every student that comes in here asking for help or information, makes all of our volunteer work well worthwhile.

Our only problem seems to be that it is pretty hard when we are financed only by citizens and businesses, to be able to buy enough literature and information from the Government Printing Office for our students, for when we have to pay twenty-five cents for some of our four and five page booklets, then it takes quite a lot of money to stock all of this literature, and right now our finances are slightly low, with only three hundred in our bank account. If there was some way to have the price of the information on narcotics cut, it would certainly be very helpful.

I have been going around the state slowly organizing STAND, for we are planning to have STAND in every county in South Carolina and in doing this, we will have every school in South Carolina covered by students from STAND.

As I stated previously, all of our work is volunteer work, and therefore I pay my own expenses as I travel around the state to organize STAND. This I do gladly, for if I can help just one young person to stop, or never to start using any of the drugs or narcotics, then all of my work and effort are well worth while.

I have had requests from other states for STAND to be organized in their state. This would be one of the finest things that could happen here in America I feel, for this way, and only through this type program can we reach the youth of America.

Unless this would be taken up as a government program, for financial reasons, I could not go to each state to help in the organizing of STAND, but believe me if I could, I would, for as I have previously stated, it really works, with both black and white working together from all of the schools here in the headquarters.

Sincerely,

MARY ANN OVERCASH,
State Assistant Director STAND.

RECESS

The SPEAKER. The Chair declares the House in recess, subject to the call of the Chair, with the bells to be rung 15 minutes before the House reconvenes.

Accordingly (at 12 o'clock and 46 minutes p.m.) the House stood in recess, subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 2 o'clock and 50 minutes p.m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate has passed without amendment a joint resolution and concurrent resolutions of the House of the following titles:

H.J. Res. 1041. Joint resolution establishing that the second regular session of the Ninety-first Congress convene at noon on Monday, January 19, 1970.

H. Con. Res. 475. Concurrent resolution providing for sine die adjournment of the first session of the Ninety-first Congress.

H. Con. Res. 476. Concurrent resolution authorizing the Speaker of the House of Representatives and the President of the Senate or the President pro tempore or the acting President pro tempore of the Senate to sign enrolled bills and joint resolutions notwithstanding the sine die adjournment of the two Houses.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 10105) entitled "An act to amend the National Traffic and Motor Vehicle Safety Act of 1966 to authorize appropriations for fiscal years 1970, 1971, and 1972, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAGNUSON, Mr. HARTKE, Mr. HART, Mr. PROUTY, and Mr. GRIFFIN to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4293) entitled "An act to provide for continuation of authority for regulation of exports."

S. 299

The message also announced that the Senate passed the following resolution (S. 299) that two Senators be appointed to join a similar committee of the House of Representatives to notify the President of the United States that the two Houses have completed the business of the session and are ready to adjourn unless he has some further communication to make to them.

UNIVERSITY OF TEXAS LONGHORNS

(Mr. PICKLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PICKLE. Mr. Speaker, earlier today my esteemed Irish colleague, by way of Greece, extended a challenge to me when the Texas Longhorns and the Irish of Notre Dame play in the Cotton Bowl game. With typical Texas graciousness and modesty, I agreed to his issuing the challenge—you always try harder when you are No. 6 or 7.

My colleague has offered as a wager to put up a special Irish shillelagh. It is an ancient war club, I understand, used by the Irish when they were stronger. To match that offer, I will put up a magnificent set of horns from a Texas longhorn. Of course, I do not actually put up the horns at this point, because we cannot lose and there is no point in my obtaining a set of horns in advance. Yet these longhorns are something special, however, Mr. Speaker. You will recall the sturdy longhorns of olden days pushed aside all obstacles in the path of the cattle drives. I feel confident that this will be reenacted as the powerful University of Texas Longhorns hurl aside the Irish of Notre Dame to make way for the devastating wishbone-T on New Year's Day.

As for the shillelagh, in advance I warn the Irish to be careful with its use. When you hit a Texas longhorn with a mesquite tree stick, much less a shillelagh, all hell will break loose.

I assume the Irish will hit us with something other than prayers or the luck of the Irish. The Longhorns and Coach Darrell Royal will prevail because we are No. 1 and we aim to stay there.

Some of the following may be crossing themselves, but confidentially, Mr. Speaker, I am told that they might be doing it with the "Hook 'Em Horns" sign.

But what a day it will be, Mr. Speaker, at the best bowl game of them all—the Cotton Bowl in Dallas, Tex., on January 1, 1970.

Mr. de la GARZA. Mr. Speaker, will the gentleman yield?

Mr. PICKLE. I yield to my Irish friend, my colleague, the gentleman from Texas (Mr. de la Garza).

Mr. de la GARZA. Mr. Speaker, I thank the gentleman for yielding to me, but I would like to tell him the No. 1 team is Texas A. & I. in my district. I challenge the Texas Longhorns and Notre Dame both at the same time.

Mr. PICKLE. Mr. Speaker, I do not yield to the gentleman from Texas any further.

Mr. GALLAGHER. Mr. Speaker, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from New Jersey (Mr. Gallagher).

Mr. GALLAGHER. Mr. Speaker, I would like to point out to the gentleman from Texas that no one has been able to put the horns on the Irish yet, and I doubt if the Texas Longhorns will be able to do so.

Mr. BRADEMAS. Mr. Speaker, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from Indiana.

Mr. BRADEMAS. Mr. Speaker, I am glad the gentleman from Texas has agreed to accept my challenge of the Irish shillelagh. I shall not ask the gentleman to yield further at this time because I expect him to do so on New Year's Day.

PERSONAL EXPLANATION

Mr. LOWENSTEIN. Mr. Speaker, I ask unanimous consent to insert in the permanent Record of August 1 an explanation of votes cast previously thereto.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

HAIL TO THE CONQUERERS

(Mr. BROWN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWN of Michigan. Mr. Speaker, in that Texas has been considered to be the No. 1 team in the Nation and Notre Dame and others are contenders to that throne, but I state that January 1 when all of the final guns have been sounded, they will still be singing to the No. 1 team in this Nation:

Hail to the victors, the conquerers: Valiant Michigan.

TRIBUTE TO BOB HOPE

(Mr. THOMPSON of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMPSON of New Jersey. Mr. Speaker, once again this yuletide season a distinguished American entertainer has taken the time and effort to organize and take to Vietnam a group of artists to bring the spirit of this season to our servicemen in that far-off war-torn Asian land.

Nor is such an effort new to Bob Hope. All of us recall his visits to entertain American troops in World War II global battlefields, during the Korean war, and in remote spots throughout the world during the lonely years of the cold war.

Mr. Speaker, it makes no difference what we may feel about the conduct of the war in Vietnam or what political views Bob Hope may choose to embrace. The important thing is that he has generously and courageously given of himself and his artistic talent to bring laughter, entertainment, a message from home, and an escape from war to many hundreds of thousands of Americans in the four corners of the globe for more than 25 years.

Throughout our history, many Americans have displayed dedication to a cause, courage in the face of adversity, and bravery on the field of battle. For such superior acts our Nation has awarded medals for valor. Yet in many ways, Bob Hope has performed over many years another, far different level of distinguished service to our country that I feel deserves special recognition.

Mr. Speaker, when the House convenes again in January it is my intention to introduce a resolution to authorize the presentation of a special Distinguished Service Award for meritorious service to Bob Hope. I hope that other colleagues will join with me in cosponsoring this measure to honor this great American.

PARLIAMENTARY INQUIRY

Mr. GROSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GROSS. Mr. Speaker, would a quorum call be in order at this point in order to get some people here to hear these resounding speeches?

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Halpern (at the request of Mr. Mizell), for 5 minutes, today; to revise and extend his remarks and include extraneous material.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Hechler of West Virginia in three instances.

Mr. Hagan in three instances and include extraneous matter.

(The following Members (at the request of Mr. Mizell) and to include extraneous matter.)

Mr. Pelly in three instances.

Mr. Sandman.

Mr. Horton in five instances.

Mr. Anderson of Illinois in five instances.

Mr. Rhodes in five instances.

Mr. Sebelius in three instances.

Mr. Schwengel in two instances.

Mr. Shriver in five instances.

Mr. Winn.

Mr. Ashbrook.

Mr. Steiger of Wisconsin in two instances.

(The following Members (at the request of Mr. Albert) and to include extraneous matter:)

Mr. Gonzalez in two instances.

Mr. Dingell.

Mr. Vanik in two instances.

Mr. Powell in two instances.

Mr. Scheuer in two instances.

Mr. de la Garza in six instances.

Mr. Garmatz in four instances.

Mr. Lowenstein in five instances.

Mr. Brown of California in five instances.

Mr. Feighan in six instances.

Mr. Culver in two instances.

Mr. Rosenthal in five instances.

Mr. Matsunaga in five instances.

Mr. Anderson of California in five instances.

Mr. Pickle in two instances.

Mr. Tunney in five instances.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1626. An act to regulate the practice of psychology in the District of Columbia; to the Committee on the District of Columbia.

S. 1872. An act to repeal the Emergency Detention Act of 1950 (title II of the Internal Security Act of 1950); to the Committee on Internal Security.

S. 2694. An act to amend the District of Columbia Police and Firemen's Salary Act of 1958 and the District of Columbia Teachers' Salary Act of 1955 to increase salaries, and for other purposes; to the Committee on the District of Columbia.

S. 2981. An act to revise the laws of the District of Columbia on juvenile court proceedings; to the Committee on the District of Columbia.

S. 3009. An act to authorize the Commissioner of the District of Columbia to enter into contracts for the payment of the District's equitable portions of the costs of reservoirs on the Potomac River and its tributaries, and for other purposes; to the Committee on the District of Columbia.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 15209. An act making supplemental appropriations for the fiscal year ending June 30, 1970, and for other purposes; and

H.J. Res. 1040. Joint Resolution Extending the time for filing the Economic Report and the report of the Joint Economic Committee.

SENATE ENROLLED BILL SIGNED

The Speaker announced his signature to an enrolled bill of the Senate of the following title.

S. 1075. An act to establish a national policy for the environment, to provide for the establishment of a Council on Environmental Quality, and for other purposes.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a joint resolution of the House of the following title:

H.J. Res. 764. Joint resolution to authorize appropriations for expenses of the President's Council on Youth Opportunity.

ACCOMPLISHMENTS OF THE FIRST SESSION, 91ST CONGRESS

(Mr. ALBERT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALBERT. Mr. Speaker, we are in the closing hours of the first session of the 91st Congress. This has been in many respects a difficult year for Members of the House on both sides of the aisle. It has been in some respects a time of adjustment and reassessment; however, in many other areas it has been a year of innovation and great initiative.

This has been a long session, but it has been a session in which major legislative accomplishments have been attained. Members of this great legislative body, Republicans and Democrats, have met their responsibilities and met them well. All Members can be proud of the achievements of this session including such landmark measures as passage by the House of a resolution providing for direct election of the President, increased support for education and water pollution, environmental control, increased social security benefits and the monumental tax reform bill, which is one of the great pieces of legislation of the last 25 years.

Mr. Speaker, it is not my intent, however, to speak in detail of the legislation passed by the House of Representatives during our first session. That will be done in a report which will be inserted in the Record following adjournment. Rather, I would like to take this time during the closing hours of the session and during this holiday season to express to all Members my deep and heartfelt thanks for their support and cooperation and to extend to them my best wishes for a most happy Christmas and for a few weeks of justly deserved rest.

Also, I would like to take a few minutes to pay tribute during this season of charity and good will to a man who is the very embodiment of the spirit of these blessed days, to a man of great compassion and conscience, a man of great honor and integrity, our respected and beloved Speaker. Serving under the leadership of John W. McCormack has been one of the great experiences of my life—second only perhaps to service in this House itself. Our distinguished Speaker has given much of himself to each of us as individuals, as members of the world's greatest deliberative body and to the legislative effort of this session. It has been a great privilege to serve under and work with our distinguished Speaker. In my view, there has been no greater man than John McCormack to sit in the chair which has been distinguished by so many great and honored Speakers of the House.

Also, I want to say a word of thanks to my friend and colleague, Hale Boggs, the Democratic whip and to his very able assistant whips. Our work this session would have been infinitely more difficult without his invaluable advice and counsel. I am deeply appreciative of the assistance he and his associates have rendered me and of the service they have given to this House.

Mr. Speaker, I also desire to express my deep thanks to my good friend and colleague, the distinguished minority leader, Mr. Gerald R. Ford, for his cooperation and assistance and for the service he has rendered all Members of the House through his wise and judicious leadership. As I have mentioned on similar occasions, we sit on opposite sides of the aisle. We often stand on opposite sides of the issues. But we stand shoulder to shoulder in our belief that the House of Representatives is truly the world's greatest legislative forum.

The distinguished minority leader has, as all of us know, a very able assistant who is one of the most congenial Members of the House of Representatives. There is certainly no more respected Member of the House than the Republican whip, Les Arends.

Mr. Speaker, we cannot finish our business for the year without expressing our thanks to Lew Deschler, our distinguished and able Parliamentarian and the preeminent parliamentary expert of the world, for his always sound advice. Without his efforts and those of his able staff we would be unable to carry on the business of this great body. Also, Mr. Speaker, I would like to express my thanks to the other officers of the House, our distinguished Clerk, Mr. W. Pat Jennings, our affable and able Doorkeeper, William M. "Fishbait" Miller, the distinguished Sergeant at Arms, Zeake W. Johnson, Jr., Postmaster H. H. Morris, and our beloved Chaplain, Dr. Edward Latch. Also, I want to say a special word of thanks to the many House employees—the clerks at the desk, the official reporters, the doormen, the pages, and all those who provide support and assistance in the conduct of our daily affairs. To all of them, to all officers and Members, and to you, Mr. Speaker, I again express my thanks and wish each of you a very merry Christmas.

Mr. Speaker, I am happy to yield to the distinguished gentleman from Michigan (Mr. Gerald R. Ford).

Mr. GERALD R. FORD. Mr. Speaker, first I want to thank the distinguished majority leader for yielding to me. The ovation which has been given to our distinguished Speaker—unanimously—I believe is fully deserved. The distinguished Speaker has presided over the first session of the 91st Congress with his usual wisdom, skill, fairness, dedication and impartiality.

Speaking for the minority, Mr. Speaker, I want to thank you for your courtesy, for your cooperation not only with us on the Republican side of the aisle but also with the President of the United States.

This noon the distinguished Speaker was the host at a luncheon where the President of the United States was the honored guest. It was a bipartisan luncheon with the leaders on this side of the Capitol and the leaders on the other side of the Capitol.

The President of the United States said to the Speaker of the House how deeply grateful he was for the Speaker's complete and total cooperation on those vital matters affecting foreign policy and national security. The President indicated to the Speaker and to the others from the Democratic Party present his appreciation for their help and understanding in some of the terribly crucial matters concerning foreign policy before him and before the country.

The Republican leadership in the House want to express not only to the Speaker but to my friend, the distinguished majority leader, and the majority whip our gratitude for their help, cooperation and understanding.

We have had some differences on domestic issues from time to time, but these are normal and I think are really a vital part of a two-party system in America. Competition is healthy in the political arena just as competition is helpful and beneficial in all aspects of America's society whether in business, athletics or otherwise.

Mr. Speaker, I want to join the distinguished majority leader in congratulating all Members of the House of Representatives on their diligence, on their willingness to stay on the job until the final whistle is blown. I believe that the job done by this Congress thus far has been, in the areas where we have acted, a plus. However, we have a great many things to do in the next session. However, on the limited legislative production 1969 the record is reasonable quality—draft reform and the tax bill. I am hopeful, as I am sure the Speaker and the majority leader are, that when the curtain is drawn next year we can all go home and say that we have done a good job for America.

May I especially thank my colleagues in the Republican House leadership. They have been a great help to me and I am deeply grateful. I am indebted also to all Republican Members who have been loyal, hardworking, and willing to make great sacrifices for the benefit of our President and his program. I also express my appreciation to all House employees and officers.

I wish for each and every one of you a merry Christmas and the very best for a happy and joyous holiday season.

(Mr. McCORMACK asked and was

given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCORMACK. Mr. Speaker and my distinguished colleagues, I appreciate very much the very generous remarks made about me by the distinguished majority leader and the distinguished minority leader. I value them very much and shall always treasure them. At the same time I would like to express my great pleasure not only personally but as Speaker of the House in working with my colleagues; and, not only the pleasure of working with them but also the personal friendships that have developed between us. Might I say that after my service as Speaker is over, I prefer to be remembered and I hope I will be remembered as the Members' Speaker. That would please me more than anything else.

The spirit of this House since this session of the Congress began last January has been one of outstanding cooperation and harmony, one of reasonable understanding and give and take. I think I can safely say with my many years of experience in this body that this session about to close has been one of maximum understanding, more maximum understanding than any session of Congress I have ever served in. There has been practically no bitterness—I fail to remember any bitterness; difference of opinion, yes, but those differences have been harmonized and in debate they have been discussed in a very understanding manner

Growth and progress in the legislative field is invariably something which requires reasonable compromise of conflicting views. I think that this Congress made an outstanding record for itself. It has been by reason of reasonable understanding, give and take on the part of members of both parties, and of individual Members of the House.

In particular I pay my respects to my dear and distinguished friend, the exceptionally distinguished majority leader, CARL ALBERT. He has been a bulwark of strength to me. His kindness and acceptance of my weaknesses, if any—and I have them, and we are all human—and his loyalty has made a permanent impression on me and upon all Members of the House.

I also want to pay my respects and my appreciation to the outstanding majority whip, HALE BOGGS, whose loyalty I greatly value, and whose relations with me throughout the years has been on a very close, friendly and understanding basis.

Both of these gentlemen have served with remarkable ability throughout this session of the Congress and their closeness and their loyalty to me is something that has been a bulwark of strength in the performance of my duties as Speaker of the House.

I wish also to thank the chairmen of the various committees and subcommittees and also the members of the Democratic whip group for their splendid cooperation and for their loyalty and devotion to me.

I am particularly appreciative also to our very able minority leader, the gentleman from Michigan (Mr. GERALD R. FORD), and the able minority whip, the gentleman from Illinois, Mr. LES ARENDS, whose services to their party and to the House of Representatives have been outstanding. Their courtesy to me personally as Speaker of the House has been particularly impressed upon my mind. Our cooperation and understanding has been very close. They have their responsibility as leaders of their party as have Mr. ALBERT and Mr. BOGGS as leaders of our party. But there has always existed between us understanding minds. I appreciate in particular not only the friendship but the friendly cooperation that has always existed between us.

During this first session, as in the past, as Speaker I have endeavored to play the role in an impartial way to the fullest extent possible. When I take the Speaker's chair every day, I take it as Speaker, not as JOHN McCORMACK, the Democrat and the leader of my party in the House. This task has been made considerably easier by the many courtesies extended to me by Members on both sides of the aisle. My objective has always been to apply the rules as fairly and equally as possible to every Member of both parties as is humanly possible.

Looking back on the past year, I am fully aware of the important roles played by the many employees of the House, who have performed their duties with diligence, and certainly deserve the thanks of every Member. I wish time permitted me to mention each by name. I do, howevery, want to pay my respects to the Clerk of the House of Representatives, Pat Jennings; the Doorkeeper, Bill Miller; the Sergeant at Arms, Zeake Johnson; the Postmaster, Hap Morris; and our beloved Chaplain, Dr. Latch; but over and above all I want to extend my very special gratitude to that great human being, that man equally brilliant and practical, that fountain of wisdom, our great Parliamentarian, Lewis Deschler. He is both great and good.

I also want to express my thanks to Bill Cochrane and all the other members of the Parliamentarian's office and my own staff in the Speaker's office, and in my district office.

I want to express my thanks to John Barriere for his invaluable assistance as staff director of the Democratic steering committee. He has been most helpful to Chairman MADDEN, the majority leader, and myself in helping us to process the year's legislative program, also to the official reporters of debate in the House, as well as the official reporters to the committees.

Lest I forget, I want to express my thanks to the pages who serve us in such a very able and loyal and diligent manner and also to all of the other employees of the House of Representatives.

I might say that I am so proud of the House—and I emphasize this—I am so proud of the House of Representatives in this trying period of the world's history. The House has been a bulwark of strength in the national interest of our country, in supporting both a strong national defense and a firm foreign policy. When the historians of tomorrow write the history of this period, I believe that the House of Representatives will occupy outstanding and prominent pages in the history of this time. It has certainly been a bulwark of strength.

In closing, may I state that I deeply appreciate the manifestations of friendship and respect, not only upon this occasion, but throughout the years during which I have served in this great body as a Member, and as majority leader, and now as Speaker of the House of Representatives.

To all of my colleagues and their loved ones, Mrs. McCormack and I extend the greetings of the holy season and the coming year, and that God will continue to bless you and your loved ones for countless of years to come.

SINE DIE ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER. In accordance with the provisions of House Concurrent Resolution 475, the Chair declares the first session of the 91st Congress adjourned sine die.

Thereupon (at 3 o'clock and 10 minutes p.m.), pursuant to House Concurrent Resolution 475, the House adjourned sine die.

MESSAGES FROM THE SENATE RECEIVED AFTER SINE DIE ADJOURNMENT

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, D.C., December 24, 1969.

The Honorable the SPEAKER,
U.S. House of Representatives

SIR: Pursuant to authority granted on December 23, 1969, the Clerk received from the Secretary of the Senate today the following messages:

That the Senate agree to the amendment of the House of Representatives to the joint resolution (S.J. Res. 117) entitled "Joint Resolution to authorize appropriations for expenses of the Office of Intergovernmental Relations, and for other purposes."; and

That the Senate disagree to the amendment of the House of Representatives to the bill (S. 2809) entitled "An Act to amend the Public Health Service Act so as to extend for an additional period the authority to make formula grants to schools of public health, project grants for graduate training in public health and traineeships for professional public health personnel", and request a conference with the House of Representatives on the disagreeing votes of the two Houses thereon.

Ordered, That Mr. Yarborough, Mr. Williams of New Jersey, Mr. Kennedy, Mr. Nelson, Mr. Eagleton, Mr. Cranston, Mr. Hughes, Mr. Dominick, Mr. Javits, Mr. Murphy, Mr. Prouty, and Mr. Saxbe be the conferees on the part of the Senate.; and

That the Senate disagree to the Amendment of the House of Representatives to the bill (S. 2523) entitled "An Act to amend the Community Mental Centers Act to extend and improve the program of assistance under that Act for community mental health centers and facilities for the treatment of alcoholics and narcotic addicts, to establish programs for mental health of children, and for other purposes", and request a conference with the House of Representatives on the disagreeing votes of the two Houses thereon.

Ordered, That Mr. Yarborough, Mr. Williams of New Jersey, Mr. Kennedy, Mr. Nelson, Mr. Eagleton, Mr. Cranston, Mr. Hughes, Mr. Dominick, Mr. Javits, Mr. Murphy, Mr. Prouty, and Mr. Saxbe be the conferees on the part of the Senate.

Respectfully yours,
W. PAT JENNINGS,
Clerk.
By W. RAYMOND COLLEY.

SENATE ENROLLED JOINT RESOLUTION SIGNED AFTER SINE DIE ADJOURNMENT

Pursuant to the authority granted the Speaker by House Concurrent Resolution 476, 91st Congress, he did on December 24, 1969, sign and enrolled joint resolution of the Senate of the following title:

S.J. Res. 117. Joint resolution to authorize appropriations for expenses of the Office of Intergovernmental Relations, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED AFTER SINE DIE ADJOURNMENT

Pursuant to the authority granted the Speaker by House Concurrent Resolution 476, 91st Congress, he did on the following dates, sign enrolled bills and a joint resolution of the House of the following titles:

On December 24, 1969:

H.R. 944. An act to amend section 404(d) of title 37, United States Code, by increasing the maximum rates of per diem allowance and reimbursement authorized, under certain circumstances, to meet the actual expenses of travel;

H.R. 14227. An act to amend section 1401a (b) of title 10, United States Code, relating to adjustments of retired pay to reflect changes in Consumer Price Index;

H.R. 14571. An act to amend the Central Intelligence Agency Retirement Act of 1964 for Certain Employees, as amended, and for other purposes;

H.R. 15071. An act to continue for two additional years the duty-free status of certain gifts by members of the Armed Forces serving in combat zones; and

H.J. Res. 1041. Joint resolution establishing that the second regular session of the 91st Congress convene at noon on Monday, January 19, 1970.

On December 29, 1969:

H.R. 4293. An act to provide for continuation of authority for regulation of exports; and

H.R. 13270. An act to reform the income tax laws.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT AFTER SINE DIE ADJOURNMENT

Mr. FRIEDEL from the Committee on House Administration, reported that that committee did on the following dates, present to the President, for his approval, bills and joint resolutions of the House of the following titles:

On December 24, 1969:

H.R. 944. An act to amend section 404(d) of title 37, United States Code, by increasing the maximum rates of per diem allowance and reimbursement authorized, under certain circumstances, to meet the actual expenses of travel;

H.R. 14227. An act to amend section 1401 a(b) of title 10, United States Code, relating to adjustments of retired pay to reflect changes in Consumer Price Index;

H.R. 14571. An act to amend the Central Intelligence Agency Retirement Act of 1964 for Certain Employees, as amended, and for other purposes;

H.R. 15071. An act to continue for two additional years the duty-free status of certain gifts by members of the Armed Forces serving in combat zones;

H.R. 15209. An act making supplemental appropriations for the fiscal year ending June 30, 1970, and for other purposes;

H.J. Res. 1040. Joint resolution extending the time for filing the Economic Report and the report of the Joint Economic Committee; and

H.J. Res. 1041. Joint resolution establishing that the second regular session of the 91st Congress convene at noon on Monday, January 19, 1970.

On December 29, 1969:

H.R. 4293. An act to provide for continuation of authority for regulation of exports; and

H.R. 13270. An act to reform the income tax laws.

BILLS AND JOINT RESOLUTIONS APPROVED AFTER SINE DIE ADJOURNMENT

The President, subsequent to the sine die adjournment of the Congress, notified the Clerk of the House that on the following dates he had approved and signed bills and joint resolutions of the House of the following titles:

On December 16, 1969:

H.R. 13767. An act to authorize the appropriation of funds for Fort Donelson National Battlefield in the State of Tennessee, and for other purposes.

On December 18, 1969:

H.R. 2238. An act to provide for the relief of certain civilian employees paid by the Air Force at Tachikawa Air Base, Japan.

On December 19, 1969:

H.R. 4744. An act for the relief of Mrs. Ezra L. Cross.

On December 22, 1969:

H.R. 9163. An act to authorize the disposal of certain real property in the Chickamauga and Chattanooga National Military Park, Ga., under the Federal Property and Administrative Services Act of 1969; and

H.R. 12785. An act to declare that the United States hold in trust for the Southern Ute Tribe approximately 214.37 acres of land.

On Decenber 24, 1969:

H.R. 210. An act to eliminate requirements for disclosure of construction details on passenger vessels meeting prescribed safety standards, and for other purposes;

H.R. 2208. An act for the relief of James Hideaki Buck;

H.R. 4244. An act to raise the ceiling on appropriations of the Administrative Conference of the United States;

H.R. 4560. An act for the relief of Sa Cha Bae;

H.R. 5133. An act for the relief of Pagona Anomerianaki;

H.R. 6600. An act for the relief of Panagiotis, Georgia, and Constantina Malliaras;

H.R. 7491. An act to clarify the liability of national banks for certain taxes;

H.R. 10156. An act for the relief of Lidia Mendola;

H.R. 11503. An act for the relief of Wylo Pleasant, doing business as Pleasant Western Lumber Co. (now known as Pleasant's Logging & Milling, Inc.);

H.R. 11711. An act to amend section 510 of the International Claims Settlement Act of 1949 to extend the time within which the Foreign Claims Settlement Commission is required to complete its affairs in connection with the settlement of claims against the Government of Cuba.

H.R. 12964. An act making appropriations for the Departments of State, Justice, and Commerce, the judiciary, and related agencies for the fiscal year ending June 30, 1970, and for other purposes;

H.R. 14916. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1970, and for other purposes; and

H.J. Res. 10. Joint resolution authorizing the President to proclaim the second week of March, 1970, as Volunteers of America Week.

On December 26, 1969:

H.R. 8449. An act to amend the act entitled "An act to promote the safety of employees and travelers upon railroads by limiting the hours of service of employees thereon," approved March 4, 1907.

H.R. 9366. An act to change the limitation on the number of apprentices authorized to be employees of the Government Printing Office, and for other purposes;

H.R. 14794.—An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1970, and for other purposes; and

H.R. 15209. An act making supplemental appropriations for the fiscal year ending June 30, 1970, and for other purposes.

On December 29, 1969:

H.R. 14751. An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1970, and for other purposes; and

H.R. 15090. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1970, and for other purposes.

On December 30, 1969:

H.R. 944. An act to amend section 404(d) of title 37, United States Code, by increasing the maximum rates of per diem allowance and reimbursement authorized, under certain circumstances, to meet the actual expenses of travel;

H.R. 4293. An act to provide for continuation of authority for regulation of exports;

H.R. 9233. An act to amend title 5, United States Code, to promote the efficient and effective use of the revolving fund of the Civil Service Commission in connection with certain functions of the Commission, and for other purposes;

H.R. 9334. An act to amend title 38, United States Code, to promote the care and treatment of veterans in State veterans' homes;

H.R. 13270. An act to reform the income tax laws;

H.R. 14227. An act to amend section 1401a (b) of title 10, United States Code, relating to adjustments of retired pay to reflect changes in Consumer Price Index;

H.R. 14571. An act to amend the Central Intelligence Agency Retirement Act of 1964 for certain employees, as amended, and for other purposes;

H.R. 14580. An act to promote the foreign policy, security, and general welfare of the United States by assisting peoples of the world to achieve economic development within a framework of democratic economic, social, and political institutions, and for other purposes;

H.R. 15071. An act to continue for 2 additional years the duty-free status of certain gifts by members of the Armed Forces serving in combat zones;

H.J. Res. 764. Joint resolution to authorize appropriations for expenses of the President's Council on Youth Opportunity;

H.J. Res. 1040. Joint resolution extending the time for filing the Economic Report and the report of the Joint Economic Committee; and

H.J. Res. 1041. Joint resolution establishing that the second regular session of the 91st Congress convene at noon on Monday, January 19, 1970.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1436. A letter from the Secretary of State, transmitting a report of third country transfers of U.S. origin defense articles to which the United States has given consent under the provisions of section 3(a) (2) of the Foreign Military Sales Act; to the Committee on Foreign Affairs.

1437. A letter from the Secretary of the Treasury, transmitting the semiannual consolidated report of balances of foreign currencies acquired without payment of dollars, as of June 30, 1969, pursuant to the provisions of sections 613(c) of the Foreign Assistance Act of 1961; to the Committee on Foreign Affairs.

1438. A letter from the Assistant Secretary of the Interior, transmitting a report on matters contained in the Helium Act for fiscal year 1969, pursuant to the provisions of the act (50 U.S.C. 167); to the Committee on Interior and Insular Affairs.

1439. A communication from the President of the United States, transmitting revisions in the estimates for certain items designated in title IV of the Second Supplemental Appropriations Act, 1969 (Public Law 91–47) (H. Doc. No. 91–208); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ASHLEY: Committee of Conference. Conference report on H.R. 4293 (Rept. No. 91–786). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARING:

H.R. 15419. A bill to permit suits to be brought against the United States to adjudicate disputed land titles; to the Committee on the Judiciary.

By Mr. BOW (by request):

H.R. 15420. A bill to authorize the construction of pavilions as additions to the National Museum of History and Technology for the Smithsonian Institution, including the preparation of plans and specifications and all other work incidental thereto; to the Committee on Public Works.

By Mr. CHAMBERLAIN:

H.R. 15421. A bill to establish in the State of Michigan the Sleeping Bear Dunes National Lakeshore, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. CHAMBERLAIN:

H.R. 15422. A bill to provide for a coordinated national boating safety program; to the Committee on Merchant Marine and Fisheries.

By Mr. FLYNT:

H.R. 15423. A bill to amend title 38, United States Code; to the Committee on Veterans' Affairs.

By Mr. GARMATZ (for himself, Mr. Mailliard, Mr. Ashley, Mr. Pelley, Mr. Downing, Mr. Mosher, Mr. Rogers of Florida, Mr. Grover, Mr. Stubblefield, Mr. Dellenback, Mr. Murphy of New York, Mr. Ruppe, Mr. Dingell, Mr. Bray, Mr. Byrne of Pennsylvania, Mr. McCloskey, Mrs. Sullivan, Mr. Frey, Mr. St. Onge, Mr. Clark, Mr. Lennon, Mr. Boggs, and Mr. Gerald R. Ford):

H.R. 15424. A bill to amend the Merchant Marine Act, 1936; to the Committee on Merchant Marine and Fisheries.

By Mr. KARTH (for himself, Mr. Keith, Mr. Hathaway, Mr. Watkins, Mr. Jones of North Carolina, Mr. Schadeberg, Mr. Hanna, Mr. Pollock, Mr. Leggett, Mr. Button, Mr. Feighan, Mr. Goodling, Mr. Annunzio, Mr. McDonald of Michigan, Mr. Biaggi, Mr. Edwards of Alabama, Mr. Morton, Mr. Bow, Mr. Friedel, Mr. Fallon, Mr. Matsunaga, Mr. Gilbert, Mr. Addabbo, Mr. Rooney of Pennsylvania, and Mr. Tiernan):

H.R. 15425. A bill to amend the Merchant Marine Act, 1936; to the Committee on Merchant Marine and Fisheries.

By Mr. JOHNSON of California:

H.R. 15426. A bill to withdraw certain public lands from all forms of appropriation under the public lands laws for the protection of the watersheds supplying water to the city of Los Angeles, Calif., the grant of rights-of-way over certain public lands, authorizing the exchange of lands between the United States and the city of Los Angeles and authorizing and directing the Secretary of the Interior to grant to the city of Los Angeles certain public lands and interests in public lands in California, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. O'HARA:

H.R. 15427. A bill to amend the Labor-Management Reporting and Disclosure Act of 1959 to provide for full disclosure of activities of groups or associations of employers and other persons providing supportive services and assistance in connection with labor disputes and labor relations matters in which they are not directly involved; to the Committee on Education and Labor.

By Mr. THOMPSON of New Jersey:

H.R. 15428. A bill to amend the Labor-Management Reporting and Disclosure Act of 1959 to provide for full disclosure of activities of persons providing supportive services and assistance in connection with labor disputes and labor relations matters in which they are not directly involved; to the Committee on Education and Labor.

By Mr. BOW (by request):

H.R. 15429. A bill to appropriate a site for a Museum of Man for the Smithsonian Institution; to the Committee on House Administration.

By Mr. CUNNINGHAM:

H.R. 15430. A bill to modernize the U.S. Postal Service, to provide for efficient and economical postal service to the public, to improve postal employee-management relations, and for other purposes; to the Committee on Post Office and Civil Service.

By Mrs. HANSEN of Washington:

H.R. 15431. A bill to establish within the Department of Interior the position of Assistant Secretary of the Interior for Indian Affairs; to the Committee on Interior and Insular Affairs.

By Mr. PEPPER (for himself, Mrs. Griffiths, Mr. Nix, Mr. Waldie, Mr. Watson, Mr. Wiggins, and Mr. Denney):

H.R. 15432. A bill to control the manufacture, distribution, and possession of methamphetamines; to the Committee on Interstate and Foreign Commerce.

By Mr. TUNNEY:

H.R. 15433. A bill to provide early educational opportunities for all preschool children, and to encourage and assist in the formation of local preschool districts by residents of urban and rural areas; to the Committee on Education and Labor.

By Mr. BROWN of California (for himself, Mr. Fraser, Mr. Bingham, Mr. Lowenstein, Mr. Mikva, Mrs. Chisholm, Mr. Rosenthal, Mr. Stokes, Mr. Ryan, Mr. Roybal, and Mr. Reid of New York):

H.J. Res. 1042. Joint resolution expressing the sense of the Congress that title to Alcatraz Island should be transferred to representatives of the American Indian community; to the Committee on Interior and Insular Affairs.

By Mrs. HANSEN of Washington:

H.J. Res. 1043. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. SHRIVER:

H.J. Res. 1044. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. BROTZMAN (for himself and Mr. Grover):

H. Res. 771. Resolution to amend the Rules of the House of Representatives to create a standing committee to be known as the Committee on the Environment; to the Committee on Rules.

By Mr. HECHLER of West Virginia:

H. Res. 772. Resolution expelling Adam Clayton Powell from his seat as a Member of the House of Representatives in the Ninety-first Congress; to the Committee on the Judiciary.

By Mr. McKNEALLY:

H. Res. 773. Resolution expressing the sense of the House of Representatives with respect to the establishment of permanent peace in the Middle East; to the Committee on Foreign Affairs.

By Mr. STEIGER of Wisconsin:

H. Res. 774. Resolution amending the Rules of the House of Representatives to expedite the enactment of general appropriation measures, to facilitate the making of appropriations for subsequent fiscal years, and for other purposes; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. McCLOSKEY introduced a bill (H.R. 15434) for the relief of Daniel T. Abta and Nitza Derfner Abta, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

364. The SPEAKER presented a petition of the Board of County Commissioners, Pinellas County, Fla., relative to funds for cancer research, which was referred to the Committee on Appropriations.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

> (b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

QUARTERLY REPORTS

The following reports for the second calendar quarter of 1969 were received too late to be included in the published reports for that quarter:

A. Aberman, Greene & Locker, 660 Madison Avenue, New York, N.Y.
B. Toy Manufacturers of America, Inc., 200 Fifth Avenue, New York, N.Y.
E. (9) $1,853.51.

A. AFL–CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $18,900. E. (9) $11,380.86.

A. Herbert F. Alfrey, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $425. E. (9) $32.

A. American Civil Liberties Union, 156 Fifth Avenue, New York, N.Y.
D. (6) $5,657.44. E. (9) $5,657.44.

A. The American College of Radiology, 20 North Wacker Drive, Chicago, Ill.
D. (6) $2,318.24. E. (9) $2,318.24.

A. American Dental Association, 211 East Chicago Avenue, Chicago, Ill.
D. (6) $7,194.91. E. (9) $7,194.91.

A. American Institute of Merchant Shipping, 1120 Connecticut Avenue NW., Washington, D.C.
E. (9) $5,759.96.

A. American National Cattlemen's Association, 801 E. 17th Avenue, Denver, Colo.
D. (6) $86,976.58 E. (9) $1,807.58.

A. American Nurses' Association, Inc., 10 Columbus Circle, New York, N.Y.
D. (6) $7,928.01. E. (9) $7,928.01.

A. American Society of Consulting Planners, 1815 H Street NW., Washington, D.C.
E. (9) $2,250.

A. Erma Angevine, 1012 14th Street NW., Washington, D.C.
B. Consumer Federation of America, 1012 14th Street NW., Washington, D.C.
D. (6) $800.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C.
B. Record Industry Association of America, Inc., 1 East 57th Street, New York, N.Y.
D. (6) $12,500. E. (9) $1,186.85.

A. Association of Mutual Fund Plan Sponsors, Inc., 50 East 42d Street, New York, N.Y.
D. (6) $15,567.90. E. (9) $17,449.48.

A. A. V. Atkinson, 1925 K Street NW., Washington, D.C.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C.
E. (9) $4,725.

A. Atlantic Richfield Co., 717 Fifth Avenue, New York, N.Y.
E. (9) $300.

A. John Barnard, Jr., 61 Broadway, New York, N.Y.
B. Investment Company Institute, 61 Broadway, New York, N.Y.

A. Irvin L. Barney, 400 First Street NW., Washington, D.C.
B. Brotherhood Railway Carmen of America, 4929 Main Street, Kansas City, Mo.
D. (6) $3,600.

A. Davis M. Batson, 611 Madison Office Building, Washington, D.C.
B. The Ethyl Corp., 1155 15th Street NW., Washington, D.C.
D. (6) $600.

A. Daniel S. Bedell, 1126 16th Street NW., Washington, D.C.
B. International Union, United Automobile Aerospace & Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich.
D. (6) $1,770. E. (9) $474.07.

A. Helen W. Berthelot, 1925 K Street NW., Washington, D.C.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C.
E. (9) $4,89.70.

A. Walter J. Bierwagen, 5025 Wisconsin Avenue NW., Washington, D.C.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C.

A. Thomas D. Blake, 1108 16th Street NW., Washington, D.C.
B. James R. Sharp, 1108 16th Street NW., Washington, D.C.
D. (6) $2,250.

A. C. B. Blankenship, 1925 K Street NW., Washington, D.C.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C.
E. (9) $4,752.09.

A. Bluejay Oil Co., 1108 National Press Building, Washington, D.C.
E. (9) $75.

A. Charles H. Brown, 1201 16th Street NW., Washington, D.C.
B. National Education Association, 1201 16th Street NW., Washington, D.C.
D. (6) $550. E. (9) $50.

A. J. D. Brown, 2600 Virginia Avenue NW., Washington, D.C.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C.
D. (6) $150.

A. Anne Bryant, 1025 Connecticut Avenue NW., Washington, D.C.
B. COMAC Co., 1025 Connecticut Avenue NW., Washington, D.C.
D. (6) $125. E. (9) $217.60.

A. Dan L. Butler, 400 Walker Building, 734 15th Street NW., Washington, D.C.
B. Harold K. Howe, 734 15th Street NW., Washington, D.C.

A. Dan L. Butler, 734 15th Street NW., Washington, D.C.
B. Harold K. Howe, 734 15th Street NW., Washington, D.C.

A. Monroe Butler, 1801 Avenue of the Stars, Los Angeles, Calif.
B. The Superior Oil Co., 1801 Avenue of the Stars, Los Angeles, Calif.

A. Canal Zone Central Labor Union—Metal Trades Council, AFL–CIO, Post Office Box 471, Balboa Heights, Canal Zone.
D. (6) $1,431.04. E. (9) $1,178.21.

A. Marvin Caplan.
B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D C.
D. (6) $2,219.75. E. (9) $119.

A. Michael H. Cardozo.
B. Association of American Law Schools, 1521 New Hampshire Avenue NW., Washington, D.C.

A. Carr, Bonner, O'Connell, Kaplan & Scott, 1001 Connecticut Avenue NW., Washington, D.C.
B. Association of Federal Investigators, 815 15th Street NW., Washington, D.C.

A. Richard M. Carrigan, 1201 16th Street NW., Washington, D.C.
B. National Education Association, 1201 16th Street NW, Washington, D.C.
D. (6) $2,187.25. E. (9) $76.13.

A. Casey, Lane & Mittendorf, 26 Broadway, New York, N.Y.
B. South African Sugar Association, Post Office Box 507, Durban, South Africa.
E. (9) $4,218.85.

A. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C.

A. Albert T. Church, Jr., 1120 Connecticut Avenue NW., Washington, D.C.
B. American Institute of Merchant Shipping, 1120 Connecticut Avenue NW., Washington, D.C.
D. (6) $340. E. (9) $18.12.

A. Citizens Committee for Postal Reform, Inc., 1725 I Street NW., Washington, D.C.
D. (6) $133,534.12. E. (9) $10,336.56.

A. Citizens for a Postal Corporation, Inc., Post Office Box 1807, Washington, D.C.

A. William F. Claire, 1835 K Street NW., No. 705, Washington, D.C.
B. American Paper Institute, 260 Madison Avenue, New York, N.Y.

A. Joseph S. Clark, 2029 K Street NW., Washington, D.C.
B. United World Federalists, Inc., 2029 K Street NW., Washington, D.C.
E. (9) $1,777.61.

A. Clay Pipe Industry Depletion Committee, Post Office Box 13125, Kansas City, Mo.
D. (6) $125. E. (9) $4,263.74.

A. James F. Collins, 1008 16th Street NW., Washington, D.C.
B. American Iron and Steel Institute, 150 East 42d Street, New York, N.Y.
D. (6) $500. E. (9) $125.

A. Paul R. Conrad, 491 National Press Building, Washington, D.C.
B. National Newspaper Association, 491 National Press Building, Washington, D.C.
E. (9) $876.37.

A. Bernard J. Conway, 211 East Chicago Avenue, Chicago, Ill.
B. American Dental Association, 211 East Chicago Avenue, Chicago, Ill.
D. (6) $1,857.

A. J. Milton Cooper, 1000 Vermont Avenue NW., Washington, D.C.
B. R. J. Reynolds Tobacco Co., Winston-Salem, N.C.

A. Paul L. Courtney, 1725 K Street NW., Washington, D.C.
D. (6) $300.

A. Culbertson, Pendleton & Pendleton, 1155 15th Street NW., Washington, D.C.
B. The Canned Meat Importers' Association, c/o Transmundo Co., Inc., Rockefeller Center, New York, N.Y.
D. (6) $750. E. (9) $81.05.

A. John Jay Daly, Direct Mail Advertising Association, 921 National Press Building, Washington, D.C.
D. (6) $1,500. E. (9) $650.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C.
B. American Importers Association, New York, N.Y.
D. (6) $118.56. E. (9) $118.56.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C.
B. American Textile Importers Association, New York, N.Y.
D. (6) $5. E. (9) $5.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C.
B. Japan Chemical Fibres Association, Tokyo, Japan.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C.
B. Japan Woolen & Linen Textiles Exporters Association, 4, 4-Chome, Bingomachi, Higashiku.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C.
B. Unione Industriale Pratese, Prato, Italy.
D. (6) $5. E. (9) $5.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C.
B. Vorort des Schweizerischen Handels-und Industrie-Vereins, Borsenstrasse 26, Zurich, Switzerland.

A. Philip J. Daugherty.
B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C.
D. (6) $1,911. E. (9) $63.50.

A. DeHart and Broide, Inc., 1150 Connecticut Avenue NW., Washington, D.C.
B. Record Industry Association of America, New York, N.Y.

A. Dow, Lohnes & Albertson, 1225 Connecticut Avenue NW., Washington, D.C.
B. Newspaper Committee for Cablevision, 9th and Edmond Streets, St. Joseph, Mo.

A. Eastern Meat Packers Association, 1820 Massachusetts Avenue NW., Washington, D.C.
D. (6) $177.50. E. (9) $177.50.

A. Harmon L. Elder, 1900 L Street NW., Washington, D.C.
B. Wilson E. Hamilton & Associates, Inc., 1900 L Street NW., Washington, D.C.
D. (6) $250. E. (9) $34.39.

A. Ethyl Corp., 1155 15th Street NW., Washington, D.C.
E. (9) $1,543.15.

A. John D. Fagan, 200 Maryland Avenue, NE., Washington, D.C.
B. Veterans of Foreign Wars of the United States.
D. (6) $2,375. E. (9) $32.20.

A. Bonner Fellers, 3535 Springland Lane NW., Washington, D.C.
D. (6) $3,472.51. E. (9) $981.83.

A. Mello G. Fish, 100 Indiana Avenue NW., Washington, D.C.
B. AFL–CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $665.01. E. (9) $115.98.

A. Frank U. Fletcher, 1225 Connecticut Avenue NW., Washington, D.C.
B. National Association of FM Broadcasters, 665 Fifth Avenue, New York, N.Y.

A. Fletcher, Heald, Rowell, Kenehan & Hildreth, 1225 Connecticut Avenue NW., Washington, D.C.
B. National Association of FM Broadcasters, 665 Fifth Avenue, New York, N.Y.

A. R. Frank Frazier, 1155 15th Street NW., Washington, D.C.
B. National Broiler Council, 1155 15th Street NW., Washington, D.C.
D. (6) $150.

A. Mary Condon Gereau, 1201 16th Street NW., Washington, D.C.
B. National Education Association, Legislation & Federal Relations, 1201 16th Street NW., Washington, D.C.
D. (6) $2,700. E. (9) $30.93.

A. Don L. Gilchrist, 1701 18th Street NW., Washington, D.C.
B. Home Manufacturers Association, 1701 18th Street NW., Washington, D.C.
D. (6) $200.

A. Vance V. Goodfellow, 828 Midland Bank Building, Minneapolis, Minn.
B. Crop Quality Council, 828 Midland Bank Building, Minneapolis, Minn.
D. (6) $4,500. E. (9) $200.83.

A. John A. Gosnell, 1225 19th Street NW., Washington, D.C.
D. (6) $1,834.34.

A. George Grant, 1619 Massachusetts Avenue NW., Washington, D.C.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C.
D. (6) $3,050. E. (9) $30.60.

A. Dale Greenwood, 302 Hoge Building, Seattle, Wash.
B. Washington Railroad Association, 302 Hoge Building, Seattle, Wash.
E. (9) $895.10.

A. William G. Greif, 1155 15th Street NW., Washington, D.C.
B. Bristol-Myers Co., 630 Fifth Avenue, New York, N.Y.

A. John F. Griner, 400 First Street NW., Washington, D.C.
B. American Federation of Government Employees, 400 First Street NW., Washington, D.C.
D. (6) $9,417.80. E. (9) $2,168.88.

A. James J. Gudinas, 1712 G Street, Washington, D.C.
B. American Automobile Association, 1712 G Street NW., Washington, D.C.

A. Hoyt S. Haddock, 100 Indiana Avenue NW., Washington, D.C.
B. AFL–CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $2,316.66. E. (9) $380.73.

A. Franklin Hardinge, Jr., 1444 Wentworth Avenue, Pasadena, Calif.
B. California Savings & Loan League, 1444 Wentworth Avenue, Post Office Box R, Pasadena, Calif.
D. (6) $1,800.

A. David Hartsough, 245 Second Street NE., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $805.

A. Robert B. Heiney, 1133 20th Street NW., Washington, D.C.
B. National Canners Association, 1133 20th Street NW., Washington, D.C.
D. (6) $875. E. (9) $530.70.

A. Phil D. Helmig, 1001 Connecticut Avenue NW., Washington, D.C.
B. The Atlantic Richfield Co., 717 Fifth Avenue, New York, N.Y.
D. (6) $150. E. (9) $150.

A. M. F. Hicklin, 507 Bankers Trust Building, Des Moines, Iowa.
B. Iowa Railway Committee, 507 Bankers Trust Building, Des Moines, Iowa.
E. (9) $1,120.

A. William Graham Hinkle, 2011 I Street NW., Washington, D.C.
B. Executives Consultants, Inc., 2011 I Street NW., Washington, D.C.

A. Frances I. Holway, Box 47, Rye, N.H.
B. Animal Welfare, Inc. 810 17th Street NW., Washington, D.C.

A. Home Manufacturers Association, 1701 18th Street NW., Washington, D.C.
D. (6) $1,052. E. (9) $40.

A. Harold K. Howe, 734 15th Street NW., Washington, D.C.
B. National Automatic Merchandising Association, 400 Walker Building, Washington, D.C.

A. Harold K. Howe, 734 15th Street NW., Washington, D.C.
B. Outdoor Power Equipment Institute, Inc., 400 Walker Building, Washington, D.C.

A. Edward W. Hummers, Jr., 1225 Connecticut Avenue NW., Washington, D.C.
B. National Association of FM Broadcasters, 665 Fifth Avenue, New York, N.Y.

A. Philip A. Hutchinson, Jr., 1735 New York Avenue NW., Washington, D.C.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C.
D. (6) $1,000. E. (9) $2,401.96.

A. INA Corp., 1600 Arch Street, Philadelphia, Pa.

A. Independent Broker Dealers' Trade Association, 472 Bridge Street, Springfield, Mass.
E. (9) $900.

A. Industrial Mutual Association of Flint, 901 East Second Avenue, Flint, Mich.
E. (9) $519.53.

A. William E. Isaeff, 1712 G Street NW., Washington, D.C.
B. American Automobile Association, 1712 G Street NW., Washington D.C.
D. (6) $1,080. E. (9) $12.50.

A. Raymond M. Jacobson, 1815 H Street NW., Washington, D.C.

B. American Society of Consulting Planners, 1815 H Street NW., Washington, D.C.

D. (6) $2,250.

A. Mrs. Fritz R. Kahn, 9202 Ponce Place, Fairfax, Va.

B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

E. (9) $15.75.

A. Robert H. Kellen, 25 East Chestnut Street, Chicago, Ill.

B. Mayonnaise and Salad Dressings Institute, 25 East Chestnut Street, Chicago, Ill.

A. Robert H. Kellen, 25 East Chestnut Street, Chicago, Ill.

B. National Preservers Association, 25 East Chestnut Street, Chicago, Ill.

A. Edward F. Kenehan, 1225 Connecticut Avenue NW., Washington, D.C.

B. National Association of FM Broadcasters, 665 Fifth Avenue, New York, N.Y.

A. Franklin E. Kepner, Berwick Bank Building, Berwick, Pa.

B. Associated Railroads of Pennsylvania, Transportation Center, Philadelphia, Pa.

A. J. Don Kerlin, 1108 Stuart Road, Herndon, Va.

B. Time, Inc., Rockefeler Center, New York, N.Y.

D. (6) $300. E. (9) $100.

A. John A. Killick, 1820 Massachusetts Avenue NW., Washington, D.C.

B. Eastern Meat Packers Association, Inc., 1820 Massachusetts Avenue NW., Washington, D.C.

D. (6) $12.50.

A. John A. Killick, 1820 Massachusetts Avenue NW., Washington, D.C.

B. The National Independent Meat Packers Association, 1820 Massachusetts Avenue NW., Washington, D.C.

D. (6) $363.

A. King, Miller, Anderson, Nash & Yerke and Mark C. McClanahan, 1200 American Bank Building, Portland, Oreg.

B. Confederated Tribes of the Umatilla Indian Reservation, Post Office Box 520, Pendleton, Oreg.

E. (9) $2,015.13.

A. Mr. and Mrs. Harry L. Kingman, 535 San Luis Road, Berkeley, Calif.

D. (6) $1,793. E. (9) $1,793.

A. George W. Koch, 1133 Avenue of the Americas, New York, N.Y.

B. Grocery Manufacturers of America, Inc., 1133 Avenue of the Americas, New York, N.Y.

A. Kenneth S. Kovack, 1001 Connecticut Avenue NW., Washington, D.C.

B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.

D. (6) $3,450. E. (9) $1,196.05.

A. Glenn T. Lashley, 1712 G Street, Washington, D.C.

B. D.C. Division, American Automobile Association, 1712 G Street NW., Washington, D.C.

A. Charles W. Lee, 300 New Jersey Avenue SE., Washington, D.C.

B. Emergency Committee for Full Funding of Education Programs, 300 New Jersey Avenue SE., Washington, D.C.

D. (6) $4,650. E. (9) $35.

A. Donald Lerch, Jr. & Co., Inc., 1522 K Street NW., Washington, D.C.

B. Japan Chemical Fibres Association, 3,3-Chrome, Muromachi Nihonbashi, Chuo-Ku, Tokyo, Japan.

A. Donald Lerch, Jr., 1522 K Street NW., Washington, D.C.

B. National Agricultural Chemicals Association, 1155 15th Street NW., Washington, D.C.

A. Donald Lerch, Jr. & Co., Inc., 1522 K Street NW., Washington, D.C.

B. Shell Chemical Co., 110 West 31st Street, New York, N.Y.

A. J. Stanley Lewis, 100 Indiana Avenue NW., Washington, D.C.

B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C.

D. (6) $2,812.50.

A. Lindsay, Nahstoll, Hart, Dafoe & Krause, Ninth Floor, Loyalty Building, Portland, Oreg.

B. Master Contracting Stevedore Association of the Pacific Coast, Inc., San Francisco, Calif.

A. Lindsay, Nahstoll, Hart, Dafoe & Krause, Ninth Floor, Loyalty Building, Portland, Oreg.

B. National Maritime Compensation Committee, Ninth Floor, Loyalty Building, Portland, Oreg.

A. John M. Lumley, 1201 16th Street NW., Washington, D.C.

B. National Education Association, 1201 16th Street NW., Washington, D.C.

D. (6) $4,437. E. (9) $241.31.

A. James H. Lynch, 400 First Street NW., Washington, D.C.

B. American Federation of Government Employees, 400 First Street NW., Washington, D.C.

D. (6) $3,278.10. E. (9) $1,543.49.

A. Breck P. McAllister, 25 Broadway, New York, N.Y.

B. American Committee for Flags of Necessity, 25 Broadway, New York, N.Y.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Washington, D.C.

B. The Coca-Cola Co., Post Office Drawer 1734, Atlanta, Ga.

E. (9) $394.20.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Washington, D.C.

B. Gulf & Western Industries, Inc., 437 Madison Avenue, New York, N.Y.

E. (9) $727.38.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Washington, D.C.

B. International Packers Limited, 410 North Michigan Avenue, Chicago, Ill.

E. (9) $12.23.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Washington, D.C.

B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y.

E. (9) $498.11.

A. Joseph J. McDonald, 1001 Connecticut Avenue NW., Washington, D.C.

B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.

D. (6) $3,625. E. (9) $540.

A. Stanley J. McFarland, 1201 16th Street NW., Washington, D.C.

B. National Education Association, 1201 16th Street NW., Washington, D.C.

D. (6) $2,925. E. (9) $121.32.

A. Joseph B. McGrath, 1625 L Street NW., Washington, D.C.

B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C.

D. (6) $5,999.98. E. (9) $624.72.

A. William H. McLin, 1201 16th Street NW., Washington, D.C.

B. National Education Association, 1201 16th Street NW., Washington, D.C.

D. (6) $2,700. E. (9) $82.89.

A. William F. McManus, 777 14th Street NW., Washington, D.C.

B. General Electric Co., 570 Lexington Avenue, New York, N.Y.

D. (6) $650. E. (9) $155.25.

A. C. W. McMillan, 801 East Avenue, Denver, Colo.

B. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.

D. (6) $1,200.

A. Charles R. McNeill, 815 Connecticut Avenue NW., Washington, D.C.

B. The American Bankers Association, 90 Park Avenue, New York, N.Y.

D. (6) $1,300. E. (9) $2,174.31.

A. Ben J. Man, 100 Indiana Avenue NW., Washington, D.C.

B. AFL–CIO Maritime Committee, 100 Indiana Avenue, Washington, D.C.

D. (6) $300. E. (9) $437.08.

A. James J. Marshall, 1725 I Street NW., Washington, D.C.

B. Citizens Committee for Postal Reform, Inc., 1725 I Street NW., Washington, D.C.

D. (6) $1,088.22.

A. Albert E. May, 1120 Connecticut Avenue NW., Washington, D.C.

B. American Institute of Merchant Shipping, 1120 Connecticut Avenue NW., Washington, D.C.

D. (6) $533.28. E. (9) $55.87.

A. Arnold Mayer, 100 Indiana Avenue NW., Washington, D.C.

B. Amalgamated Meat Cutters and Butcher Workmen of North America (AFL–CIO), 2800 North Sheridan Road, Chicago, Ill.

D. (6) $4,750. E. (9) $340.

A. Mayonnaise and Salad Dressings Institute, 25 East Chestnut Street, Chicago, Ill.

A. Anthony Mazzocchi, 1126 16th Street NW., Washington, D.C.

B. Oil, Chemical & Atomic Workers International Union, 1840 California Street, Denver, Colo.

D. (6) $1,750. E. (9) $227.50.

A. Carl J. Megel, 1012 14th Street NW., Washington, D.C.

B. American Federation of Teachers, AFL–CIO, 1012 14th Street NW., Washington, D.C.

E. (9) $11,300.

A. Hermon I. Miller, 5116 Moorland Lane, Bethesda, Md.

B. National Turkey Federation, Mount Morris, Ill.

A. Joseph L. Miller, 1612 K Street NW., Washington, D.C.

A. Lester F. Miller, 1750 Pennsylvania Avenue NW., Washington, D.C.

B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.

D. (6) $425. E. (9) $31.

A. Clarence Mitchell, 422 First Street SE., Washington, D.C.

B. National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y.
D. (6) $3,000.

A. National Associated Businessmen, 1000 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,131.48. E. (9) $1,351.59.

A. National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y.

A. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C.
D. (6) $26,839.06. E. (9) $31,503.16.

A. National Association of Insurance Agents, Inc., 96 Fulton Street, New York, N.Y.
E. (9) $499.95.

A. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $631,626.65. E. (9) $70,243.83.

A. National Association of Railroad Passengers, 41 Ivy Street SE., Washington, D.C.
D. (6) $3,804. E. (9) $9,275.10.

A. National Association of Real Estate Boards, 155 East Superior Street, Chicago, Ill. and 1300 Connecticut Avenue, Washington, D.C.
E. (9) $12,347.86.

A. National Broiler Council, 1155 15th Street NW., Washington, D.C.
D. (6) $250. E. (9) $250.

A. National Canners Association, 1133 20th Street NW., Washington, D.C.
D. (6) $914,319.69. E. (9) $12,826.52.

A. National Conference of Non-Profit Shipping Associations, Inc., 2309 Fannin, Houston, Tex.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C.
B. Cenco Instruments Corp., 2600 South Kostner Avenue, Chicago, Ill.
D. (6) $1,125. E. (9) $120.56.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C.
B. Committee for the Study of Revenue Bond Financing, Pierson, Ball & Dowd, Ring Building, Washington, D.C.
D. (6) $2,000. E. (9) $68.38.

A. National Education Association, 1201 16th Street NW., Washington, D.C.
E. (9) $23,523.18.

A. National Federation of Business & Professional Women's Clubs, Inc., 2012 Massachusetts Avenue NW., Washington, D.C.
D. (6) $81,310.50. E. (9) $4,581.07.

A. The National Independent Meat Packers Association, 1820 Massachusetts Avenue NW., Washington, D.C.
D. (6) $2,062.50. E. (9) $1,990.

A. National Multiple Sclerosis Society, 257 Park Avenue South, New York, N.Y.
E. (9) $1,102.79.

A. National Preservers Association, 25 East Chestnut, Chicago, Ill.

A. National Realty Trust, 1108 National Press Building, Washington, D.C.
E. (9) $100.

A. National Rehabilitation Association, 1522 K Street NW., Washington, D.C.
D. (6) $4,098.25. E. (9) $1,336.06.

A. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.
E. (9) $1,576.20.

A. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $3,817. E. (9) $7,221.

A. National Small Business Association, 1225 19th Street NW., Washington, D.C.
D. (6) $5,000. E. (9) $2,562.52.

A. National Tax Equality Association, Inc., 1000 Connecticut Avenue Building, Washington, D.C.
D. (6) $2,654.34. E. (9) $3,184.37.

A. National Turkey Federation, Mount Morris, Ill.

A. John A. Nevius, 1000 Vermont Avenue NW., Washington, D.C.
B. Association of Mutual Fund Plan Sponsors, Inc., 50 East 42d Street, New York, N.Y.
D. (6) $3,750. E. (9) $629.61.

A. Leo W. O'Brien, 60 South Manning Boulevard, Albany, N.Y.
B. Home Rule Committee, Virgin Islands Legislature, St. Thomas, Virgin Islands.
D. (6) $2,594.

A. Edward W. Oliver, 5025 Wisconsin Avenue NW., Washington, D.C.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C.

A. Claude E. Olmstead, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $425. E. (9) $34.

A. Esther Peterson, 815 16th Street NW., Washington, D.C.
B. Amalgamated Clothing Workers of America, 15 Union Square, New York, N.Y.
D. (6) $3,499.99. E. (9) $73.74.

A. Joseph D. Phelan, 201 Massachusetts Avenue NE., No. 216, Washington, D.C.
B. Colorado River Association, 417 South Hill Street, Los Angeles, Calif.
D. (6) $3,750. E. (9) $500.

A. Pierson, Ball & Dowd, 1000 Ring Building, Washington, D.C.
B. Committee for Study of Revenue Bond Financing, 1000 Ring Building, Washington, D.C.
D. (6) $3,888.89. E. (9) $195.87.

A. J. Francis Pohlhaus, 422 First Street SE., Washington, D.C.
B. National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y.
D. (6) $1,000.

A. James H. Rademacher, 100 Indiana Avenue NW., Washington, D.C.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $3,375.

A. Ragan & Mason, 900 17th Street NW., Washington, D.C.
B. The Department of Tourism and Trade Development, Hamilton, Bermuda.
D. (6) $1,666.

A. Ragan & Mason, 900 17th Street NW., Washington, D.C.
B. Sea-Land Service, Inc., Post Office Box 1050, Elizabeth, N.J.
D. (6) $900.

A. Ragan & Mason, 900 17th Street NW., Washington, D.C.
B. South Atlantic & Caribbean Line, Inc., 250 Park Avenue, New York, N.Y.
D. (6) $200.

A. Sydney C. Reagan, 6815 Prestonshire, Dallas, Tex.
B. Southwestern Peanut Shellers Association, 6815 Prestonshire, Dallas, Tex.
D. (6) $150.

A. John T. Reggitts, Jr., Rural Delivery No. 2, 95 Boonton Avenue, Boonton, N.J.

A. Darrell G. Renstrom, 1201 16th Street NW., Washington, D.C.
B. National Education Association, Legislation and Federal Relations, 1201 16th Street NW., Washington, D.C.
D. (6) $2,691.76. E. (9) $29.52.

A. Ronald E. Resh, 1300 Wyatt Building, Washington, D.C.
B. Wyatt & Saltzstein, 1300 Wyatt Building, Washington, D.C.
D. (6) $1,250.

A. Mark Richardson, 342 Madison Avenue, New York, N.Y.
B. National Footwear Manufacturers Association, Inc., 342 Madison Avenue, New York, N.Y.
D. (6) $250. E (9) $250.

A. Richard N. Rigby, Jr., 1900 L Street NW., Washington, D.C.
B. National Oceanography Association, 1900 L Street NW., Washington, D.C.
D. (6) $435. E. (9) $29.81.

A. John Riley, 1625 L Street NW., Washington, D.C.
B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C.
D. (6) $628.12. E. (9) $31.38.

A. Roberts & Holland, 1301 Avenue of the Americas, New York, N.Y.
B. Trustees of the Bernice P. Bishop Estate, 519 Halekauwila Street, Honolulu, Hawaii.

A. John P. Roche, 150 East 42d Street, New York, N.Y.
B. American Iron and Steel Institute, 150 East 42d Street, New York, N.Y.
D. (6) $500. E. (9) $210.

A. Nathaniel H. Rogg, 1625 L Street NW., Washington, D.C.
B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C.
D. (6) $1,875. E. (9) $52.96.

A. James S. Rubin, 1225 Connecticut Avenue NW., Washington, D.C.
B. American Association of Retired Persons, National Retired Teachers Association.
E. (9) $689.32.

A. Mrs. Edward F. Ryan, 110 Bridge Street, Manchester, Mass.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.
E. (9) $296.95.

A. Carl K. Sadler, 400 First Street NW., Washington, D.C.
B. American Federation of Government Employees, 400 First Street NW., Washington, D.C.
D. (6) $4,561.90. E. (9) $9,372.79.

A. Robert A. Saltzstein, 1300 Wyatt Building, Washington, D.C.
B. American Business Press, Inc., 205 East 42d Street, New York, N.Y.
D. (6) $6,625. E. (9) $982.91.

A. Patricia A. Samuel, 120 Maryland Avenue NE., Washington, D.C.
B. Women's International League for Peace and Freedom, 120 Maryland Avenue NE., Washington, D.C.
D. (6) $37,269.60. E. (9) $9,303.68.

A. William H. Scheick, 1735 New York Avenue NW., Washington, D.C.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C.
D. (6) $50.

A. Clayton A. Seeber, 1201 16th Street NW., Washington, D.C.
B. National Educaton Association, Legislation and Federal Relations, 1201 16th Street NW., Washington, D.C.
D. (6) $2,700. E. (9) $57.42.

A. Theodore A. Serrill, 491 National Press Building, Washington, D.C.
B. National Newspaper Association, 491 National Press Building, Washington, D.C.
E. (9) $121.94.

A. Joseph H. Sharlitt, 1522 K Street NW., Washington, D.C.
B. Mail Advertisers Educational Committee of the Major Mailers and Producers of the Mail Advertising Service Association, International, Inc., 425 13th Street NW., Washington, D.C.
D. (6) $4,000. E. (9) $69.

A. Edwin R. Schneider, Jr., 1522 K Street NW., Washington, D.C.
B. Mail Advertisers Educational Committee of the Major Mailers and Producers of the Mail Advertising Service Association International, Inc., 425 13th Street NW., Washington, D.C.
D. (6) $4,000. E. (9) $69.

A. James R. Sharp, 1108 16th Street NW., Washington, D.C.
B. American Fur Merchants' Association, 224 West 30th Street, New York, N.Y., and Scandinavian Fur Farm Organizations, Langagervej 60, Glostrup, Denmark.
D. (6) $9,250. E. (9) $2,745.51.

A. John J. Sheehan, 1001 Connecticut Avenue NW., Washington, D.C.
B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.
D. (6) $4,300. E. (9) $3,088.34.

A. Shipley, Akerman & Pickett, 1108 National Press Building, Washington, D.C.
B. Ad Hoc Committee on Pet Legislation, Post Office Box 531, Fond du Lac, Wis.
D. (6) $500. E. (9) $75.

A. Shipley, Akerman & Pickett, 1108 National Press Building, Washington, D.C.
B. Independent Broker Dealers' Trade Association, 472 Bridge Street, Springfield, Mass.
E. (9) $750.

A. Jonathan W. Sloat, 1632 K Street NW., Washington, D.C.
B. Grocery Manufacturers of America, Inc., 1133 Avenue of the Americas, New York, N.Y.

A. Marvin J. Sonosky, 1225 19th Street NW., Washington, D.C.

A. Southwestern Peanut Shellers Association, 6815 Prestonshire, Dallas, Tex.
D. (6) $150. E. (9) $150.

A. B. H. Steverwald, 400 First Street NW., Washington, D.C.

A. Stitt, Hemmendinger & Kennedy, 1000 Connecticut Avenue, Washington, D.C.
B. Imported Footwear Group, American Importers Association, New York, N.Y.; Japan General Merchandise Exporters Association, and Japan Rubber Footwear Manufacturers Association, Tokyo, Japan.
E. (9) $380.

A. Stitt, Hemmendinger & Kennedy, 1000 Connecticut Avenue, Washington, D.C.
B. Japan Iron and Steel Exporters' Association, Tokyo, Japan.
D. (6) $50. E. (9) $50.

A. Nelson A. Stitt, 1000 Connecticut Avenue NW., Washington, D.C.
B. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C.
D. (6) $50.

A. Richard L. Studley, 1400 20th Street NW., Washington, D.C.
B. Machinery Dealers National Association, 1400 20th Street NW., Washington, D.C.

A. Noble J. Swearingen, 224 East Capitol Street, Washington, D.C.
B. National Tuberculosis and Respiratory Disease Association, 1740 Broadway, New York, N.Y.
D. (6) $950. E. (9) $219.91.

A. Monroe Sweetland, 1705 Murchison Drive, Burlingame, Calif.
B. National Education Association, Legislation and Federal Relations, 1201 16th Street NW., Washington, D.C.
D. (6) $335. E. (9) $50.

A. Russell A. Swindell, Box 2635, Raleigh, N.C.
B. North Carolina Railroad Association, Box 2635, Raleigh, N.C.
D. (6) $711.67. E. (9) $457.83.

A. Taxpayers Committee to End Foreign Aid.
D. (6) $500.

A. Julia C. Thompson, 1030 15th Street NW., Washington, D.C.
B. American Nurses' Association, Inc., 10 Columbus Circle, New York, N.Y.
D. (6) $3,372.90.

A. Trustees for Conservation, 251 Kearny Street, San Francisco, Calif.
D. (6) $41.58. E. (9) $489.06.

A. W. Lloyd Tupling, 235 Massachusetts Avenue NE., Washington, D.C.
B. Trustees for Conservation, 251 Kearny Street, San Francisco, Calif.

A. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C.
D. (6) $716.07. E. (9) $716.07.

A. Wald, Harkrader & Rockefeller, 1225 19th Street NW., Washington, D.C.
B. INA Corp., 1600 Arch Street, Philadelphia, Pa.

A. Merrill A. Watson, 342 Madison Avenue, New York, N.Y.
B. National Footwear Manufacturers Association, Inc., 342 Madison Avenue, New York, N.Y.
D. (6) $500. E. (9) $750.

A. John C. White, 1317 F Street NW., Washington, D.C.
B. Private Truck Council of America, Inc., 1317 F Street NW., Washington, D.C.

A. Whitlock, Markey & Tait, 15th and H Streets NW., Washington, D.C.
B. American Institute of Laundering, Joliet, Ill., and National Institute of Drycleaning, 909 Burlington Avenue, Silver Spring, Md.
D. (6) $500.

A. Milburn E. Wilson, Route 1, Fremont, Mich.
B. Gerber Products Co., 445 State Street, Fremont, Mich.
D. (6) $200.

A. Peter L. Wolff.
B. Association of American Law Schools, 1521 New Hampshire Avenue NW., Washington, D.C.

A. Edward E. Wright, 1000 Connecticut Avenue NW., Washington, D.C.
B. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C.
D. (6) $400.

QUARTERLY REPORTS

The following quarterly reports were submitted for the third calendar quarter 1969:

(Note.—The form used for registration is reproduced below. In the interest of economy in the Record, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19______ ◀

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◀

AFFIDAVIT

[Omitted in printing]

PAGE 1◀

NOTE ON ITEM "D."—(*a*) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302(a) of the Lobbying Act.

(*b*) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(*c*) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $--------Dues and assessments
2. $--------Gifts of money or anything of value
3. $--------Printed or duplicated matter received as a gift
4. $--------Receipts from sale of printed or duplicated matter
5. $--------Received for services (e.g., salary, fee, etc.)

6. $--------TOTAL for this Quarter (Add items "1" through "5")
7. $--------Received during previous Quarters of calendar year

8. $--------TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).

9. $--------TOTAL now owed to others on account of loans
10. $--------Borrowed from others during this Quarter
11. $--------Repaid to others during this Quarter

12. $--------"Expense money" and Reimbursements received this Quarter

Contributors of $500 or more
(from Jan. 1 through this Quarter)

13. Have there been such contributors?

Please answer "yes" or "no": --------

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor*
	(*"Period"* from Jan. 1 through ------------------, 19----)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E".—(*a*) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(*b*) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $--------Public relations and advertising services
2. $--------Wages, salaries, fees, commissions (other than item "1")
3. $--------Gifts or contributions made during Quarter
4. $--------Printed or duplicated matter, including distribution cost
5. $--------Office overhead (rent, supplies, utilities, etc.)
6. $--------Telephone and telegraph
7. $--------Travel, food, lodging, and entertainment
8. $--------All other expenditures

9. $--------TOTAL for this Quarter (Add "1" through "8")
10. $--------Expended during previous Quarters of calendar year

11. $--------TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).

12. $--------TOTAL now owed to person filing
13. $--------Lent to others during this Quarter
14. $--------Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*	
$1,750.00	7-11:	Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15:	Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL	

A. Aberman, Greene & Locker, 660 Madison Avenue, New York, N.Y.
B. Toy Manufacturers of America, Inc., 200 Fifth Avenue, New York, N.Y.
D. (6) $4,125. E. (9) $1,112.09.

A. Clarence G. Adamy, 1725 I Street NW., Washington, D.C.
B. National Association of Food Chains, 1725 I Street NW., Washington, D.C.
D. (6) $100.

A. Aerospace Industries Association of America, Inc., 1725 DeSales Street NW., Washington, D.C.
D. (6) $7,002.27. E. (9) $7,002.27.

A. Air Traffic Control Association, Inc., 525 School Street SW., Washington, D.C.

A. Aircraft Owners & Pilots Association, Post Office Box 5800, Washington, D.C.

A. John R. Ale, 1701 K Street NW., Washington, D.C.
B. American Life Convention, 211 East Chicago Avenue, Chicago, Ill.
D. (6) $200.03. E. (9) $16.52.

A. Mrs. Donna Allen, 3306 Ross Place NW., Washington, D.C.
B. National Committee to Abolish the House Internal Security Committee, 555 Northwestern Avenue, Los Angeles, Calif.
D. (6) $1,040. E. (9) $1,410.26.

A. Kenneth D. Allen, 1701 K Street NW., Washington, D.C.
B. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.

A. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C.

A. Amalgamated Transit Union, National Capital Division 689, 100 Indiana Avenue NW., Washington, D.C.

A. American Association of Fund-Raising Counsel, Inc., 500 Fifth Avenue, New York City.
D. (6) $39,000. E. (9) $500.

A. American Automobile Association, 1712 G Street NW., Washington, D.C.

A. Amercian Cancer Society, 219 East 42d Street, New York City.
E. (9) $7,925.04.

A. American Committee for Flags of Necessity, 25 Broadway, New York, N.Y.

A. American Dental Association, 211 East Chicago Avenue, Chicago, Ill.
D. (6) $5,603.75. E. (9) $5,603.75.

A. American Farm Bureau Federation, 425 13th Street NW., Washington, D.C.
D. (6) $35,075. E. (9) $35,075.

A. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
E. (9) $45,493.01.

A. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill.
D. (6) $18,036.17. E. (9) $18,036.17.

A. American Hotel & Motel Association, 221 West 57th Street, New York, N.Y.

A. American Humane Association, 5351 Roslyn Street, Englewood, Colo.
E. (9) $2,242.85.

A. American Industrial Bankers Association, 1629 K Street NW., Washington, D.C.
D. (6) $1,650. E. (9) $1,650.

A. American Institute of Merchant Shipping, 1120 Connecticut Avenue NW., Washington, D.C.
E. (9) $3,735.26.

A. American Insurance Association, 85 John Street, New York, N.Y.
D. (6) $12,415.38. E. (9) $12,415.38.

A. American Israel Public Affairs Committee, 1341 G Street NW., Washington, D.C.
D. (6) $1,714.76. E. (9) $4,699.89.

A. American Justice Association, Inc., Defense Highway, Gambrills, Md.
D. (6) $2. E. (9) $2.

A. American Landowners Association, Box 294, Route 1, Harpers Ferry, W. Va.
D. (6) $14.

A. American Life Convention, 211 East Chicago Avenue, Chicago, Ill.
D. (6) $965.72. E. (9) $183.37.

A. American Maritime Association, 17 Battery Place, New York, N.Y., and 1612 K Street NW., Washington, D.C.
E. (9) $480.38.

A. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
E. (9) $24,106.

A. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill.
E. (9) $730.

A. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.
D. (6) $73,087.87. E. (9) $1,746.55.

A. American Optometric Association, Post Office Box 5147, Knoxville, Tenn.
D. (6) $2,914.90. E. (9) $2,914.90.

A. American Parents Committee, Inc., 21 E Street NW., Washington, D.C., and 2104 Davenport St. NW., Wash., D.C.
D. (6) $11,020.99. E. (9) $648.15.

A. American Petroleum Institute, 1271 Avenue of the Americas, New York, N.Y.
D. (6) $8,015. E. (9) $9,767.

A. American Podiatry Association, 20 Chevy Chase Circle, Washington, D.C.
E. (9) $737.06.

A. American Pulpwood Association, 605 Third Avenue, New York, N.Y.

A. The American Short Line Railroad Association., 2000 Massachusetts Avenue NW., Washington, D.C.
B. The American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C.
D. (6) $939.81. E. (9) $939.81.

A. American Society of Consulting Planners, 1815 H Street NW., Washington, D.C.
E. (9) $2,250.

A. American Stock Yards Association, 1712 I Street NW., Washington, D.C.
D. (6) $1,350. E. (9) $1,000.

A. American Taxpayers Association, 326 Pennsylvania Building, Washington, D.C.

A. American Textile Machinery Association, 224 Ellington Road, Longmeadow, Mass.
D. (6) $25.71.

A. American Textile Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C.
D. (6) $12,945.08. E. (9) $12,945,08.

A. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.
D. (6) $10,290.06. E. (9) $23,290.88.

A. American Unsubsidized Lines, 1824 R Street NW., Washington, D.C.
D. (6) $1,133.90. E. (9) $1,133.90.

A. American Veterinary Medical Association, 1522 K Street NW., Washington, D.C.
E. (9) $35.

A. The American Waterways Operators, Inc., 1250 Connecticut Avenue, Washington, D.C.
D. (6) $3,742.69. E. (9) $3,742.69.

A. Walter M. Anderson, Jr., Montgomery, Ala.
B. Alabama Railroad Association, 1002 First National Bank Building, Montgomery, Ala.
D. (6) $144. E. (9) $321.30.

A. Erma Angevine, 1012 14th Street NW., Washington, D.C.
B. Consumer Federation of America, 1012 14th Street NW., Washington, D.C.
D. (6) $800.

A. George W. Apperson, 100 Indiana Avenue NW., Washington, D.C.
B. Amalgamated Transit Union, National Capital Division 689, 100 Indiana Avenue NW., Washington, D.C.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C.
B. Phoebe Waterman Foundation, Inc., 1819 John F. Kennedy Boulevard, Philadelphia, Pa.

A. Carl F. Arnold, 1101 17th Street NW., Washington, D.C.
B. American Petroleum Institute, 1271 Avenue of the Americas, New York, N.Y.
D. (6) $3,562.50. E. (9) $1,287.49

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C.
B. American Trading & Production Co., 1 North Charles Street, Baltimore, Md.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C.
B. Commissioner of Baseball, 680 Fifth Avenue, New York, N.Y.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C.
B. Fairchild Camera and Instrument Corp., 464 Ellis Street, Mountain View, Calif.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C.
B. Floor Covering Committee Affiliated with the National Council of American Importers, 295 Fifth Avenue, New York, N.Y.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C.
B. Samuel Hamburger, 20001 Sherwood, Detroit, Mich.
E. (9) 23.21.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C.
B. Record Industry Association of America, Inc., 1 East 57th Street, New York, N.Y.
D. (6) $12,500. E. (9) $910.41.

A. Associated Credit Bureaus, Inc., 6767 Southwest Freeway, Houston, Tex.
E. (9) $3,062.27.

A. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C.

A. Associated Railroads of New Jersey, Pennsylvania Station, Newark, N.J.

A. Associated Third Class Mail Users, 1725 K Street NW., Washington, D.C.

D. (6) $1,596.86. E. (9) $1,569.86.

A. Association of American Physicians and Surgeons, Inc., 230 North Michigan Avenue, Chicago, Ill.

D. (6) $500. E. (9) $500.

A. Association of American Railroads, 406 American Railroads Building, Washington, D.C.

D. (6) $9,512.07. E. (9) $9,512.07.

A. Association of Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y.

E. (9) $1,000.

A. Association of Mutual Fund Plan Sponsors, Inc., 50 East 42d Street, New York, N.Y.

E. (9) $6,256.58.

A. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C.

E. (9) $320.

A. The Association of Western Railways, 224 Union Station Building, Chicago, Ill.

D. (6) $465.

A. A. V. Atkinson, 1925 K Street NW., Washington, D.C.

B. Communications Workers of America, 1925 K Street NW., Washington, D.C.

E. (9) $4,437.90.

A. Atlanta Committee for Democratic Republican Independent Voter Education, 2540 Lakewood Avenue SW., Atlanta, Ga.

D. (6) $2,050. E. (9) $3,421.80.

A. Atlantic Richfield Co., 717 Fifth Avenue, New York, N.Y.

E. (9) $300.

A. Robert L. Augenblick, 61 Broadway, New York, N.Y.

B. Investment Company Institute, 61 Broadway, New York, N.Y.

D. (6) $50. E. (9) $35.19.

A. Richard W. Averill, 1026 17th Street NW., Washington, D.C.

B. American Optometric Association, care of J. C. Tumblin, O.D., Post Office Box 5147, Knoxville, Tenn.

D. (6) $800. E. (9) $301.

A. Harry S. Baer, 1725 De Sales Street NW., Washington, D.C.

B. National Aerospace Services Association, 1725 De Sales Street NW., Washington D.C.

E. (9) $270.

A. John F. Banhaf III, 530 N Street SW., Washington, D.C.

B. Legislative Action on Smoking and Health, 2000 H Street NW., Washington, D.C.

D. (6) $345. E. (9) $320.37.

A. Ernest L. Barcella.

B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.

A. John Barnard, Jr., 61 Broadway, New York, N.Y.

B. Investment Company Institute, 61 Broadway, New York, N.Y.

A. Robert C. Barnard, 1250 Connecticut Avenue NW., Washington, D.C.

B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C.

A. Robert C. Barnard, 1250 Connecticut Avenue NW., Washington, D.C.

B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C.

A. Robert C. Barnard, 1250 Connecticut Avenue NW., Washington, D.C.

B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C.

A. Arthur R. Barnett, 1140 Connecticut Avenue NW., Washington, D.C.

B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Washington, D.C.

D. (6) $139.13. E. (9) $29.03.

A. David S. Barrows, 214 Century Building, Portland, Oreg.

B. Association of Oregon and California Land Grant Counties, Douglas County Courthouse, Roseburg, Oreg.

D. (6) $900.

A. A. Wesley Barthelmes, 2133 Wisconsin Avenue NW., Washington, D.C.

B. Insurance Company of North America and Life Insurance Company of North America, 1600 Arch Street, Philadelphia, Pa.

D. (6) $365. E. (9) $184.30.

A. Eugene T. Bartkowiak, 3829 W Street, SE., Washington, D.C.

B. The National Association of Polish Americans, Inc., 3829 W Street SE., Washington, D.C.

A. Ross Bass Associates, 1120 Connecticut Avenue NW., Washington, D.C.

B. Record Industry Association of America, 1 East 57th Street, New York, N.Y.

D. (6) $6,250.

A. Lucius D. Battle.

B. Communications Satellite Corp., 950 L'Enfant Plaza South SW., Washington, D.C.

A. Mrs. Dita Davis Beard, 1707 L Street NW., Washington, D.C.

B. International Telephone & Telegraph Corp., 1707 L Street NW., Washington, D.C.

D. (6) $4,200. E. (9) $6,235.

A. Donald S. Beattie, 400 First Street NW., Washington. D.C.

D. (6) $1,200.

A. Daniel S. Bedell, 1126 16th Street NW., Washington, D.C.

B. International Union, United Automobile, Aerospace & Agricultural Implement Workers, 8000 East Jefferson Avenue, Detroit, Mich.

D. (6) $1,888.50. E. (9) $545.82.

A. John H. Beidler, 1000 Wisconsin Avenue NW., Washington, D.C.

B. Committee for Community Affairs, 1000 Wisconsin Avenue NW., Washington, D.C.

D. (6) $3,125.01. E. (9) $266.22.

A. James F. Bell, 1100 Connecticut Avenue NW., Washington, D.C.

B. National Association of Supervisors of State Banks, 1101 17th Street NW., Washington, D.C.

D. (6) $2,548.75. E. (9) $312.45.

A. Reed A. Benson, 1028 Connecticut Avenue NW., Washington, D.C.

B. The John Birch Society, Inc., 395 Concord Avenue, Belmont, Mass.

A. Berlack, Israels & Liberman, 26 Broadway, New York, N.Y.

B. General Public Utilities Corp., 80 Pine Street, New York, N.Y.

D. (6) $1,500. E. (9) $20.

A. Walter J. Bierwagen, 5025 Wisconsin Avenue NW., Washington, D.C.

B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C.

A. John H. Bivins, 1101 17th Street NW., Washington, D.C.

B. American Petroleum Institute, 1101 17th Street NW., Washington, D.C.

D. (6) $760.

A. Robert W. Blair.

B. New Process Co., Warren, Pa.

E. (9) $317.

A. Thomas D. Blake, 1108 16th Street NW., Washington, D.C.

B. James R. Sharp, 1108 16th Street NW., Washington, D.C.

D. (6) $2,250.

A. Wm. Rhea Blake, 1918 North Parkway, Memphis, Tenn.

B. National Cotton Council of America, Post Office Box 12285, Memphis, Tenn.

D. (6) $760.80. E. (9) $476.75.

A. C. B. Blankenship, 1925 K Street NW., Washington, D.C.

B. Communications Workers of America, 1925 K Street NW., Washington, D.C.

E. (9) $4,513.20.

A. William Blum, Jr., 1815 H Street NW., Washington, D.C.

B. Committee for the Study of Revenue Bond Financing, 1000 Ring Building, Washington, D.C.

D. (6) $1,820. E. (9) $423.97.

A. Blumberg, Singer, Ross, Gottesman, Diamond & Gordon, 245 Park Avenue, New York, N.Y.

B. Cigar Manufacturers Association of America, Inc., 350 Fifth Avenue, New York, N.Y.

D. (6) $6,250. E. (9) $124.45.

A. Eugene F. Bogan, 1000 16th Street NW., Washington, D.C.

B. Investment Company Institute, 61 Broadway, New York, N.Y.

A. Lyle H. Boren.

B. The Association of Western Railways, 224 Union Station Building, Chicago, Ill.

D. (6) $465.

A. Robert T. Borth, 777 14th Street NW., Washington, D.C.

B. General Electric Co., 570 Lexington Avenue, New York, N.Y.

D. (6) $1,200. E. (9) $83.85.

A. G. Stewart Boswell, 1120 Connecticut Avenue NW., Washington, D.C.

B. American Textile Manufacturers Institute, 1501 Johnston Building, Charlotte, N.C.

D. (6) $649. E. (9) $58.43.

A. Charles G. Botsford, 1225 Connecticut Avenue NW., Washington, D.C.

B. Fairchild Hiller Corp., Germantown, Md.

A. J. Wiley Bowers, Pioneer Building, Chattanooga, Tenn.

B. Tennessee Valley Public Power Association, Pioneer Building, Chattanooga, Tenn.

A. Samuel E. Boyle, 428 South Avenue, Pittsburgh, Pa.

B. The Christian Amendment Movement, 804 Penn Avenue, Pittsburgh, Pa.

D. (6) $1,950. E. (9) $238.28.

A. Charles N. Brady, 1712 G Street NW., Washington, D.C.

B. American Automobile Association, 1712 G Street NW., Washington, D.C.

A. Wayne W. Bradley, 1776 K Street NW., Washington, D.C.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.

D. (6) $1,875. E. (9) $409.36.

A. Joseph E. Brady, Sheraton Gibson Hotel, Cincinnati, Ohio.
B. National Coordinating Committee of the Beverage Industry.

A. Parke C. Brinkley, 1155 15th Street NW., Washington, D.C.
B. National Agricultural Chemicals Association.

A. Wally Briscoe.
B. National Cable Television Associates, Inc., 1634 I Street NW., Washington, D.C.
D. (6) $135. E. (9) $16.50.

A. Florence I. Broadwell, 1737 H Street NW., Washington, D.C.
B. National Federation of Federal Employees, 1737 H Street NW., Washington, D.C.
D. (6) $4,622.40.

A. David A. Brody, 1640 Rhode Island Avenue NW., Washington, D.C.
B. Anti-Defamation League of B'Nai B'rith, 315 Lexington Avenue, New York, N.Y.
D. (6) $250.

A. W. S. Bromley, 605 Third Avenue, New York, N.Y.
B. American Pulpwood Association, 605 Third Avenue, New York, N.Y.

A. Joseph P. Brosnan, 9160 Springhill Lane, Greenbelt, Md.
B. Air Force Sergeants Association, 1501 Pennsylvania Avenue SE., Washington, D.C.
D. (6) $100.

A. Brotherhood of Railway, Airline & Steamship Clerks, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $16,213.56. E. (9) $16,213.56.

A. Charles H. Brown, 1250 Connecticut Avenue NW., Washington, D.C.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C.
D. (6) $900.

A. J. D. Brown, 2600 Virginia Avenue NW., Washington, D.C.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C.
D. (6) $150.

A. Brown, Lund & Levin, 1625 I Street NW., Washington, D.C.
B. Ebasco Industries, 345 Park Avenue, New York, N.Y.
D. (6) $882.50.

A. Brown, Lund & Levin, 1625 I Street NW., Washington, D.C.
B. General Public Utilities Corp., 80 Pine Street, New York, N.Y.
D. (6) $400.

A. Lyman L. Bryan, 2000 K Street NW., Washington, D.C.
B. American Institute of CPA's, 666 Fifth Avenue, New York, N.Y.

A. Anne Bryant, 1025 Connecticut Avenue NW., Washington, D.C.
B. Comac Co., 1025 Connecticut Avenue NW., Washington, D.C.

A. George S. Buck, Jr., Post Office Box 12285, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 12285, Memphis, Tenn.

A. Bulgarian Claims Committee, 88–04 63d Drive, Rego Park, N.Y.
D. (6) $150. E. (9) $505.12.

A. George J. Burger.
B. Burger Tire Consultant Service, 250 West 57th Street, New York, N.Y.

A. George J. Burger.
B. National Federation of Independent Business, 921 Washington Building, Washington, D.C.

A. J. J. Burke, Jr., 40 East Broadway, Butte, Mont.
B. The Montana Power Co., Butte, Mont.

A. Burley & Dark Leaf Tobacco Export Association, Post Office Box 860, Lexington, Ky.
E. (9) $623.49.

A. Mrs. Margot Burman, 100 Seventh Street NE., Washington, D.C.
B. National Committee to Abolish HUAC/HISC, 555 North Western Avenue, Los Angeles, Calif.
E. (9) $194.18.

A. George B. Burnham, 120 C Street NE., Washington, D.C.
B. Burnham Chemical Co., 120 C Street NE., Washington, D.C.
D. (6) $555. E. (9) $555.

A. George Burnham, 1625 K Street NW., Washington, D.C.
B. United States Steel Corp., 525 William Penn Place, Pittsburgh, Pa.
D. (6) $620. E. (9) $392.43.

A. Charles S. Burns, 1100 Ring Building, Washington, D.C.
B. American Mining Congress, Ring Building, Washington, D.C.
D. (6) $725. E. (9) $240.01.

A. David Burpee, Fordhook Farms, Doylestown, Pa.

A. Herbert H. Butler, 438 Pennsylvania Building, Washington, D.C.
B. U.S. Independent Telephone Association, 438 Pennsylvania Building, Washington, D.C.
D. (6) $100. E. (9) $420.

A. Monroe Butler, 1801 Avenue of the Stars, Los Angeles, Calif.
B. The Superior Oil Co., 1801 Avenue of the Stars, Los Angeles, Calif.

A. Robert B. Byrnes, 1514 17th Street NW., Washington, D.C.
B. National Railroad Pension Forum, Inc., 328 Pennsylvania Avenue SE., Washington, D.C.
E. (9) $221.

A. John H. Callahan, 1126 16th Street NW., Washington, D.C.
B. International Union of Electrical, Radio & Machine Workers, AFL–CIO–CLC, 1126 16th Street NW., Washington, D.C.
D. (6) $875. E. (9) $240.

A. Gordon L. Calvert, 425 13th Street NW., Washington, D.C.
B. Investment Bankers Association of America, 425 13th Street NW., Washington, D.C.
D. (6) $2,000. E. (9) $975.

A. Donald L. Calvin, 11 Wall Street, New York, N.Y.
B. New York Stock Exchange, 11 Wall Street, New York, N.Y.

A. Carl C. Campbell, 1200 18th Street NW., Washington, D.C.
B. National Cotton Council of America, Post Office Box 12285, Memphis, Tenn.
D. (6) $123.92.

A. Charles Argyll Campbell, 1615 H Street NW., Washington, D.C.
B. Chamber of Commerce of the United States.

A. Ronald A. Capone, the Farragut Building, Washington, D.C.
B. Committee of European Shipowners, 30–32 St. Mary Axe, London E.C. 3, England; CENSA/CES Joint Container Committee, 30–32 St. Mary Axe, London E.C. 3, England.
D. (6) $5,625. E. (9) $616.59.

A. Michael H. Cardozo.
B. Association of American Law Schools, 1521 New Hampshire Avenue NW., Washington, D.C.

A. Philip Carlip, 675 Fourth Avenue, Brooklyn, N.Y.
B. Seafarers International Union.
D. (6) $2,500. E. (9) $1,410.

A. Braxton B. Carr, 1250 Connecticut Avenue, Washington, D.C.
B. The American Waterways Operators, Inc., 1250 Connecticut Avenue, Washington, D.C.
D. (6) $3,066.66. E. (9) $230.17.

A. Albert A. Carretta, 1815 H Street NW., Washington, D.C.
B. Work Glove Manufacturers Association, 1604 Chicago Avenue, Evanston, Ill.
D. (6) $512.50.

A. Eugene C. Carusi, 1629 K Street NW., Washington, D.C.
B. American Committee for Flags of Necessity, 25 Broadway, New York, N.Y.
D. (6) $100.

A. Ralph E. Casey, 1120 Connecticut Avenue NW., Washington, D.C.
B. American Institute of Merchant Shipping, 1120 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,233. E. (9) $96.36.

A. E. Michael Cassady, 1130 17th Street NW., Washington, D.C.
B. Mississippi Valley Association, 1130 17th Street NW., Washington, D.C.

A. Francis R. Cawley, 15th and H Streets NW., Washington, D.C.
B. Agricultural Publishers Association, 15th and H Streets NW., Washington, D.C.
D. (6) $35. E. (9) $29.

A. Francis R. Cawley, 15th and H Streets NW., Washington, D.C.
B. Harcourt, Brace & World, Inc., 15th and H Streets NW., Washington, D.C.
D. (6) $96. E. (9) $36.18.

A. Michael J. Cefalo, 4880 MacArthur Boulevard NW., Washington, D.C.
B. International Union of District 50, UMWA, 4880 MacArthur Boulevard NW., Washington, D.C.
D. (6) $3,270.04.

A. Chapman, DiSalle & Friedman, 932 Pennsylvania Building, Washington, D.C.
B. Louis A. Cohn, 710 North Stone Avenue, Tucson, Ariz.
E. (9) $95.03.

A. Chapman, DiSalle & Friedman, 932 Pennsylvania Building, Washington, D.C.
B. International Association of Game, Fish and Conservation Commissioners, 5727 Blake Road, Minneapolis, Minn.
D. (6) $900. E. (9) $502.79.

A. Chapman, DiSalle & Friedman, 932 Pennsylvania Building, Washington, D.C.
B. The National Committee for the Recording Arts, 9300 Wilshire Boulevard, Beverly Hills, Calif.
D. (6) $25,000. E. (9) $73.46.

A. Chapman, DiSalle & Friedman, 932 Pennsylvania Building, Washington, D.C.
B. Newspaper Committee for a Free and Competitive Press, 33 North Dearborn Street, Chicago, Ill.
E. (9) $13.74.

A. Chapman, DiSalle & Friedman, 932 Pennsylvania Building, Washington, D.C.
B. Strohmeyer & Arpe Co., 260 West Broadway, New York, N.Y.
D. (6) $387.50.

A. James W. Chapman, 1625 I Street NW., Washington, D.C.
B. Retired Officers Association, 1625 I Street NW., Washington, D.C.
D. (6) $1,800.

A. Leslie Cheek III, 1025 Connecticut Avenue NW., Washington, D.C.
B. American Insurance Association, 1025 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,500. E. (9) $250.

A. A. H. Chesser, 400 First Street NW., Washington, D.C.
B. United Transportation Union.
E. (9) $300.

A. The Christian Amendment Movement, 804 Penn Avenue, Pittsburgh, Pa.
D. (6) $7,217.73. E. (9) $6,563.57.

A. Edwin Christianson.
B. The Farmers' Educational and Cooperative Union of America, 1012 14th Street NW., Washington, D.C.

A. Lowell T. Christison, 1026 17th Street NW., Washington, D.C.
B. American Optometric Association, Post Office Box 5147, Knoxville, Tenn.
D. (6) $345.24. E. (9) $368.75.

A. Albert T. Church, Jr., 1120 Connecticut Avenue NW., Washington, D.C.
B. American Institute of Merchant Shipping, 1120 Connecticut Avenue NW., Washington, D.C.
D. (6) $45. E. (9) $3.52.

A. Cigar Manufacturers Association of America, Inc., 350 Fifth Avenue, New York, N.Y.
D. (6) $38,162.43. E. (9) $334.75.

A. Citizens Committee for Postal Reform, Inc., 1725 I Street NW., Washington, D.C.
D. (6) $97,227.01. E. (9) $33,613.79.

A. Allen C. K. Clark, 1730 K Street NW., Washington, D.C.
B. Shipbuilders Council of America, 1730 K Street NW., Washington, D.C.

A. Earl W. Clark.
B. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $1,500. E. (9) $37.17.

A. Robert M. Clark, 1100 Connecticut Avenue NW., Washington, D.C.
B. The Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill.

A. Clay Pipe Industry Depletion Committee, Post Office Box 13125, Kansas City, Mo.
D. (6) $126.56. E. (9) $86.57.

A. Bonn H. Clayton, 3924 Louisiana Circle, Minneapolis, Minn.
B. Fire Engineers Inc., 3924 Louisiana Circle, Minneapolis, Minn.
D. (6) $300. E. (9) $500.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C.
B. Houston Chemical Co., 1 Gateway Center, Ethyl Corp., 451 Florida, Baton Rouge, La., E. I. dupont de Nemours & Co., Inc., Wilmington, Del.
D. (6) $2,000. E. (9) $24.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C.
B. The Oil Shale Corp., 680 Fifth Avenue, New York, N.Y.
D. (6) $200. E. (9) $905.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C.
B. Washington International School, 3211 Volta Place NW., Washington, D.C.
E. (9) $8.40.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C.
B. American Brands, Inc.
D. (6) $300. E. (9) $112.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C.
B. Brown & Williamson Tobacco Corp.
D. (6) $300. E. (9) $112.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C.
B. Liggett & Myers, Inc.
D. (6) $300. E. (9) $112.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C.
B. Philip Morris, Inc.
D. (6) $300. E. (9) $112.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C.
B. R. J. Reynolds Tobacco Co.
D. (6) $300. E. (9) $112.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C.
B. The Tobacco Institute, Inc.

A. Eugene R. Clifford.
B. Cooperative League of U.S.A., 59 East Van Buren Street, Chicago, Ill.
D. (6) $1,800. E. (9) $2,100.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C.
B. General American Transportation Corp., 120 South Riverside Plaza, Chicago, Ill.
E. (9) $6.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C.
B. Realty Committee on Taxation, 299 Madison Avenue, New York, N.Y.
E. (9) $4.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C.
B. Toy Manufacturers of America, 200 Fifth Avenue, New York, N.Y.
E. (9) $803.41.

A. David Cohen, 1000 Wisconsin Avenue NW., Washington, D.C.
B. Committee for Community Affairs, 1000 Wisconsin Avenue NW., Washington, D.C.
D. (6) $2,687.52. E. (9) $249.35.

A. Coles & Goertner, 1000 Connecticut Avenue NW., Washington, D.C.
B. Committee of American Tanker Owners, Inc., One Chase Manhattan Plaza, New York, N.Y.

A. William J. Colley, 1776 K Street NW., Washington, D.C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $1,875. E. (9) $710.03.

A. Collier, Shannon, Rill & Edwards, 1625 I Street NW., Washington, D.C.
B. National Broiler Council, 1155 15th Street NW., Washington, D.C.
D. (6) $100.

A. James F. Collins, 888 16th Street NW., Washington, D.C.
B. American Iron & Steel Institute, 150 East 42d Street, New York, N.Y.
D. (6) $500. E. (9) $125.

A. Paul G. Collins, 111 Westminster Street, Providence, R.I.
B. The Industrial National Bank of Rhode Island, 111 Westminster Street, Providence, R.I.
D. (6) $68.75.

A. Colorado Railroad Association, 702 Majestic Building, Denver, Colo.
B. Colorado Railroad Association, 702 Majestic Building, Denver, Colo.
D. (6) $1,320. E. (9) $2,914.

A. COMAC Co., 1025 Connecticut Avenue, Washington, D.C.
E. (9) $400.86.

A. Harrison Combs, Jr., 1437 K Street NW., Washington, D.C.
B. United Mine Workers of America, 900 15th Street NW., Washington, D.C.
D. (6) $3,452.

A. The Committee for Broadening Commercial Bank Participation in Public Financing, 50 South LaSalle Street, Chicago, Ill.

A. Committee for Community Affairs, 1000 Wisconsin Avenue NW., Washington, D.C.
D. (6) $11,040.57. E. (9) $11,040.57.

A. Committee for Free Cotton Market, Inc., 1725 K Street NW., Washington, D.C.

A. Committee on Metropolitan Washington Banking, Union Trust Building, Washington, D.C.
D. (6) $458.98. E. (9) $500.

A. Committee for Study of Revenue Bond Financing, 1000 Ring Building, Washington, D.C.
D. (6) $17,600. E. (9) $9,671.43.

A. Computer Lessors Association, Inc., One Chase Manhattan Plaza, New York, N.Y.
D. (6) $5,000. E. (9) $1,727.

A. Paul B. Comstock, 1771 N Street NW., Washington, D.C.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C.

A. Raymond F. Conkling, 1001 Connecticut Avenue NW., Washington, D.C.
B. Texaco Inc., 135 East 42d Street, New York, N.Y.
D. (6) $320. E. (9) $274.14.

A. Howard M. Conner, 1725 K Street NW., Washington, D.C.
B. Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif.
D. (6) $1,397. E. (9) $823.76.

A. Robert J. Conner, Jr., 1100 Connecticut Avenue NW., Washington, D.C.
B. Chrysler Corp., 341 Massachusetts Avenue, Detroit, Mich.
D. (6) $380. E. (9) $210.

A. John A. Conner, 2139 Wisconsin Avenue NW., Washington, D.C.
B. National Machine Tool Builders Association, 2139 Wisconsin Avenue NW., Washington, D.C.

A. Bernard J. Conway, 211 East Chicago Avenue, Chicago, Ill.

B. American Dental Association, 211 East Chicago Avenue, Chicago, Ill.
D. (6) $1,759.60.

A. Harry N. Cook, 1130 17th Street NW., Washington, D.C.
B. The National Waterways Conference.

A. Howard Lee Cook, Jr., 1776 K Street NW., Washington, D.C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $1,875. E. (9) $830.14.

A. Miss Eileen D. Cook, 200 C Street SE., Washington, D.C.
B. American Library Association, 50 East Huron Street, Chicago, Ill.
D. (6) $73.70.

A. Edward Cooper.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C.

A. J. Milton Cooper, 1000 Vermont Avenue NW., Washington, D.C.
B. R. J. Reynolds Tobacco Co, Winston-Salem, N.C.

A. Joshua W. Cooper, 626 South Lee Street, Alexandria, Va.
B. Portsmouth-Kittery Armed Services Committee, Inc., Post Office Box 1123, Portsmouth, N.H.
D. (6) $3,750. E. (9) $1,436.48.

A. Mitchell J. Cooper, 1001 Connecticut Avenue, Washington, D.C.
B. Council of Forest Industries, 1477 West Pender Street, Vancouver, B.C., Canada.
D. (6) $3,000.

A. Mitchell J. Cooper, 1001 Connecticut Avenue, Washington, D.C.
B. Footwear Division, Rubber Manufacturers Association, 444 Madison Avenue, New York, N.Y.
D. (6) $6,000. E. (9) $6.00.

A. Darrell Coover, 1776 K Street NW., Washington, D.C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $1,400. E. (9) $410.90.

A. Darrell Coover, 215 Watergate Building, 2600 Virginia Avenue NW., Washington, D.C.
B. National Association of Independent Insurers, 30 West Monroe Street, Chicago, Ill.
D. (6) $700. E. (9) $164.

A. Corcoran, Foley, Youngman & Rowe, 1511 K Street NW., Washington, D.C.
B. Association of Stock Exchange Firms, 120 Broadway, New York, N.Y.

A. Corcoran, Foley, Youngman & Rowe, 1511 K Street NW., Washington, D.C.
B. The Committee for Broadening Commercial Bank Participation in Public Financing, 50 South LaSalle Street, Chicago, Ill.

A. Corcoran, Foley, Youngman & Rowe, 1511 K Street NW., Washington, D.C.
B. Gas Marketers Association, 1250 Connecticut Avenue NW., Washington, D.C.

A. Corcoran, Foley, Youngman & Rowe, 1511 K Street NW., Washington, D.C.
B. Lilly Endowment, Inc., 914 Merchants Bank Building, Indianapolis, Ind.

A. Emmet P. Corrigan, 922 24th Street NW., Washington, D.C.
B. United Association of Journeymen & Apprentices of the Plumbing & Pipe Fitting Industry of the U.S. and Canada, 901 Massachusetts Avenue NW., Washington, D.C.

A. Allan D. Cors, 1629 K Street NW., Washington, D.C.
B. Corning Glass Works, Corning, N.Y.
D. (6) $125.

A. Council for a Livable World, 1346 Connecticut Avenue NW., Washington, D.C.
D. (6) $18,976.82. E. (9) $28,570.69.

A. Council of Mutual Savings Institutions, 60 East 42d Street, New York, N.Y.
E. (9) $613.96.

A. Council of Profit Sharing Industries, 29 North Wacker Drive, Chicago, Ill.

A. Council of State Chambers of Commerce, 1028 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,066.67. E. (9) $1,066.67.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C.
B. American Corn Millers Federation, 1030 15th Street NW., Washington, D.C.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C.
B. Classroom Periodical Publishers Association, 38 West Fifth Street, Dayton, Ohio.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C.
B. Industrial Diamond Association of America, Inc., 2017 Walnut Street, Philadelphia, Pa.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C.
B. Jewelers Vigilance Committee, Inc., 156 East 52d Street, New York, N.Y.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C.
B. Linen Supply Association of America, 975 Arthur Godfrey Boulevard, Miami, Fla.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C.
B. Kohler Co., Kohler, Wis.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C.
B. National Association of Casualty and Surety Agents, 83 Maiden Lane, New York, N.Y.

A. Paul L. Courtney, 1725 K Street NW., Washington, D.C.
D. (6) $300.

A. Covington & Burling, 888 16th Street NW., Washington, D.C.
B. American Machine Tool Distributors Association, 1500 Massachusetts Avenue NW., Washington, D.C.

A. Covington & Burling, 888 16th Street NW., Washington, D.C.
B. Electronic Industries Association, 2001 I Street NW., Washington, D.C.

A. Covington & Burling, 888 16th Street NW., Washington, D.C.
B. The James Irvine Foundation, 111 Sutter Street, San Francisco, Calif.

A. Covington & Burling, 888 16th Street NW., Washington, D.C.
B. A. P. Moller, 8 Kongens Nytorv, Copenhagen, Denmark.

A. Covington & Burling, 888 16th Street NW., Washington, D.C.
B. National Machine Tool Builders Association, 2139 Wisconsin Avenue NW., Washington, D.C.

A. Covington & Burling, 888 16th Street NW., Washington, D.C.
B. National Ready Mixed Concrete Association, 900 Spring Street, Silver Spring, Md.

A. Covington & Burling, 888 16th Street NW., Washington, D.C.
B. National Tool, Die & Precision Machining Association, 1411 K Street NW., Washington, D.C.

A. Covington & Burling, 888 16th Street NW., Washington, D.C.
B. Truck Mixer Manufacturers Bureau, 900 Spring Street, Silver Spring, Md.

A. Cox, Langford & Brown, 1521 New Hampshire Avenue NW., Washington, D.C.
B. Association of Research Libraries, 1527 New Hampshire Avenue NW., Washington, D.C.
E. (9) $50.70.

A. Cox, Langford & Brown, 1521 New Hampshire Avenue NW., Washington, D.C.
B. The National Collegiate Athletic Association, Midland Building, Kansas City, Mo.

A. W. J. Crawford, Post Office Box 2180, Houston, Tex.
B. Humble Oil & Refining Co., Post Office Box 2180, Houston, Tex.
E. (9) $172.25.

A. Francis D. Cronin, 1100 Ring Building, Washington, D.C.
B. American Mining Congress, Ring Building, Washington, D.C.
D. (6) $475.

A. Harold L. Crosier, 400 First Street NW., Washington, D.C.
B. Brotherhood of Railway, Airline, and Steamship Clerks, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $415.39.

A. H. C. Crotty, 12050 Woodward Avenue, Detroit, Mich.

A. J. A. Crowder, 1200 17th Street NW., Washington, D.C.
B. National Association of Wool Manufacturers, 1200 17th Street NW., Washington, D.C.
D. (6) $1,500.

A. Michael B. Crowson, 1132 Pennsylvania Building, Washington, D.C.
B. Distilled Spirits Institute, 1132 Pennsylvania Building, Washington, D.C.

A. Culbertson, Pendleton and Pendleton, 1155 15th Street NW., Washington, D.C.
B. The Canned Meat Importers' Association, Time-Life Building, Rockefeller Center, New York, N.Y.
D. (6) $750. E. (9) $42.47.

A. CUNA International, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $1,269.23. E. (9) $933.03.

A. Dan Curlee, 25 Louisiana Avenue NW., Washington, D.C.
B. International Brotherhood of Teamsters, 25 Lousiana Avenue NW., Washington, D.C.
D. (6) $3,750.

A. John T. Curran, 905 16th Street NW., Washington, D.C.
B. Laborers' International Union of North America, 905 16th Street NW., Washington, D.C.
D. (6) $6,000. E. (9) $3,165.35.

A. John R. Dalton, 1508 Merchants Bank Building, Indianapolis, Ind.

B. Associated Railways of Indiana, 1508 Merchants Bank Building, Indianapolis, Ind.

A. C. A. Darnell, 1000 Connecticut Avenue NW., Washington, D.C.

B. Sheet Metal Workers International Association, 1000 Connecticut Avenue NW., Washington, D.C.

D. (6) $320.

A. John Davenport, 2000 Florida Avenue NW., Washington, D.C.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.

D. (6) $165.

A. Aled P. Davies, 59 East Van Buren Street, Chicago, Ill.

B. American Meat Institute, 59 East Van Buren Street, Chicago, Ill.

D. (6) $1,000. E. (9) $80.61.

A. Fred E. Davis, 918 16th Street NW., Washington, D.C.

A. Charles W. Day, 815 Connecticut Avenue NW., Washington, D.C.

B. Ford Motor Co., Dearborn, Mich.

D. (6) $89. E. (9) $116.

A. Michael B. Dean, 611 National Press Building, Washington, D.C.

B. Meat Imports Council of America Inc., 25 Broadway, New York, N.Y.

A. Tony T. Dechant.

B. The Farmers' Educational and Co-Operative Union of America, 1012 14th Street NW., Washington, D.C.

D. (6) $1,875. E. (9) $68.82.

A. DeHart and Broide, Inc., 1150 Connecticut Avenue NW., Washington, D.C.

B. Employer Industry Association of America and Newspaper Committee for Cablevision.

A. James J. Delaney, Jr., 1003 Lancaster Drive, Anchorage, Alaska.

B. Association of American Railroads, Transportation Building, Washington, D.C.

D. (6) $100. E. (9) $147.40.

A. Richard A. Dell, 2000 Florida Avenue NW., Washington, D.C.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.

D. (6) $150.

A. Vincent A. Demo, 25 Broadway, New York, N.Y.

B. New York Committee of International Committee of Passenger Lines, 25 Broadway, New York, N.Y.

D. (6) $6,250.

A. Max A. Denney, 1629 K Street NW., Washington, D.C.

B. American Industrial Bankers Association, 1629 K Street NW., Washington, D.C.

D. (6) $900.

A. Leslie E. Dennis, 400 First Street NW., Washington, D.C.

B. Brotherhood of Railway, Airline and Steamship Clerks, 1015 Vine Street, Cincinnati, Ohio.

D. (6) $540.75. E. (9) $128.65.

A. Lloyd J. Derrickson, 888 17th Street NW., Washington, D.C.

B. National Association of Securities Dealers, Inc.

A. Claude J. Desautels & Associates, 1725 I Street NW., Washington, D.C.

B. American Society of Composers, Authors, and Publishers, 575 Madison Avenue, New York, N.Y.

D. (6) $6,000.

A. Claude J. Desautels, 1725 I Street NW., Washington, D.C.

B. Citizens Committee for Postal Reform, Inc., 1725 I Street NW., Washington, D.C.

D. (6) $6,730.78.

A. Claude J. Desautels & Associates, 1725 I Street NW., Washington, D.C.

B. Joseph Napolitan Associates, Inc., 121 Chestnut Street, Springfield, Mass.

D. (6) $4,000.

A. Timothy V. A. Dillon, 1001 15th Street NW., Washington, D.C.

B. Department of Water Resources, State of California, Post Office Box 388, Sacramento, Calif.

D. (6) $1,882.46. E. (9) $232.46.

A. Timothy V. A. Dillon, 1001 15th Street NW., Washington, D.C.

B. Sacramento Municipal Utility District, Post Office Box 15830, Sacramento, Calif.

D. (6) $1,619.23. E. (9) $69.23.

A. Timothy V. A. Dillon, 1001 15th Street NW., Washington, D.C.

B. Yuba County Water Agency, Marysville, Calif.

D. (6) $1,208.95. E. (9) $8.95.

A. Disabled American Veterans, National Service Headquarters, 1221 Massachusetts Avenue NW., Washington, D.C.

B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky.

D. (6) $15,125. E. (9) $4,698.60.

A. Discover America Travel Organizations, 1100 Connecticut Avenue NW., Washington, D.C.

D. (6) $114,313.50. E. (9) $682.50.

A. William H. Dodds, 1126 16th Street NW., Washington, D.C.

B. International Union, United Automobile, Aerospace, and Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich.

D. (6) $954.50. E. (9) $93.03.

A. Paul R. M. Donelan, 1776 K Street NW., Washington. D.C.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.

A. C. L. Dorson, 501 13th Street NW., Washington, D.C.

B. Retirement Federation of Civil Service Employees of the U.S. Government, 501 13th Street NW., Washington, D.C.

D. (6) $2,884.51. E. (9) $217.

A. Dow, Lohnes & Albertson, 1225 Connecticut Avenue NW., Washington, D.C.

B. Newspaper Committee for Cablevision, 9th and Edmond Streets, St. Joseph, Mo.

D. (6) $5,620:

A. F. Raymond Downs, 1730 K Street NW., Washington, D.C.

B. The Proctor and Gamble Manufacturing Co., 301 East 6th Street, Cincinnati, Ohio.

A. Franklin B. Dryden.

B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C.

A. R. Michael Duncan, 1250 Connecticut Avenue NW., Washington, D.C.

B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C.

A. William E. Dunn, 1957 E Street NW., Washington, D.C.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C.

A. J. D. Durand, 1725 K Street NW., Washington, D.C.

E. (9) $320.

A. Henry I. Dwershak, 1100 Ring Building, Washington, D.C.

B. American Mining Congress, Ring Building, Washington, D.C.

D. (6) $975.

A. Roy W. Easley, 1735 DeSales Street NW., Washington, D.C.

D. (6) $5.70. E. (9) $5.35.

A. Macon T. Edwards, 1918 North Parkway, Memphis, Tenn.

B. National Cotton Council of America, Post Office Box 12285, Memphis, Tenn.

A. J. C. B. Ehringhaus, Jr., 300 New Jersey Avenue SE., Washington, D.C.

B. Association of American Railroads, American Railroads Building, Washington, D.C.

D. (6) $38.46. E (9) $25.

A. Harmon L. Elder, 1900 L Street NW., Washington, D.C.

B. Wilson E. Hamilton & Associates, Inc., 1900 L Street NW., Washington, D.C.

D. (6) $250. E. (9) $44.05.

A. John Doyle Elliott, 5500 Quincy Street, Hyattsville, Md.

D. (6) $2,567.91. E. (9) $2,936.86.

A. John M. Elliott, 5025 Wisconsin Avenue NW., Washington, D.C.

B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C.

A. D. A. Ellsworth, 400 First Street NW., Washington, D.C.

B. Brotherhood of Railway, Airline & Steamship Clerks, 1015 Vine Street, Cincinnati, Ohio.

D. (6) $3,383.82. E. (9) $893.55.

A. Perry R. Ellsworth, 1025 Vermont Avenue NW., Washington, D.C.

B. Retail Jewelers of America, Inc., 1025 Vermont Avenue NW., Washington, D.C.

A. Ely, Bartlett, Brown & Proctor, 225 Franklin Street, Boston, Mass.

B. Massachusetts Federal Savings Council, Inc., 11 Beacon Street, Boston, Mass.

E. (9) $398.79.

A. Ely & Duncan, 1200 Tower Building, Washington, D.C.

B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C.

D. (6) $2,100. E. (9) $15.56.

A. Ely & Duncan, 1200 Tower Building, Washington, D.C.

B. Coachella Valley County Water District, Coachella, Calif.

D. (6) $1,200.

A. Ely & Duncan, 1200 Tower Building, Washington, D.C.

B. Department of Water and Power of the City of Los Angeles, Calif., 111 North Hope Street, Los Angeles, Calif.

D. (6) $2,400.

A. Ely & Duncan, 1200 Tower Building, Washington, D.C.

B. East Bay Municipal Utility District, 2130 Adeline Street, Oakland, Calif.

D. (6) $1,200.

A. Ely & Duncan, 1200 Tower Building, Washington, D.C.

B. Imperial Irrigation District, El Centro, Calif.

D. (6) $2,100.

A. Ely & Duncan, 1200 Tower Building, Washington, D.C.

B. Six Agency Committee, 909 South Broadway, Los Angeles, Calif.

D. (6) $3,180.

A. Richard W. Emory, 1400 Mercantile Trust Building, Baltimore, Md.

B. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md.

A. Employee Relocation Real Estate Advisory Council, Inc., 333 North Michigan Avenue, Chicago, Ill.

D. (6) $29.04.

A. James C. England, 1317 F Street NW., Washington, D.C.

B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y.

E. (9) $48.35.

A. Grover W. Ensley, 200 Park Avenue, New York, N.Y.

B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y.

D. (6) $4,470. E. (9) $939.86.

A. John D. Fagan, 200 Maryland Avenue NE., Washington, D.C.

B. Veterans of Foreign Wars of the United States.

D. (6) $2,375. E. (9) $25.50.

A. Richard E. Faggioli, 1025 Connecticut Avenue NW., Washington, D.C.

B. Standard Oil Company of New Jersey, 30 Rockefeller Plaza, New York, N.Y.

A. The Farmers' Educational and Cooperative Union of America (National Farmers Union), 1012 14th Street NW., Washington, D.C.

D. (6) $74,381.48. E. (9) $17,561.10.

A. Bonner Fellers, 3535 Springland Lane NW., Washington, D.C.

B. Taxpayers Committee To End Foreign Aid.

A. Herbert A. Fierst, 607 Ring Building, Washington, D.C.

B. Council of Forest Industries of British Columbia, 1477 West Pender Street, Vancouver, British Columbia, Canada.

D. (6) $7,500. E. (9) $138.

A. Herbert A. Fierst, 607 Ring Building, Washington, D.C.

B. Joint Committee of Printing and Publishing Industries of Canada, 117 Eglinton Avenue East, Toronto, Canada.

D. (6) $2,250. E. (9) $35.50.

A. Francis S. Filbey, 817 14th Street NW., Washington, D.C.

B. United Federation of Postal Clerks, 817 14th Street NW., Washington, D.C.

D. (6) $3,739.77.

A. Fire Engineers Inc., 3924 Louisiana Circle, Minneapolis, Minn.

E. (9) $1,000.

A. Firearms Lobby of America, 415 Second Street NE., Washington, D.C.

D. (6) $12,871.50. E. (9) $9,796.80.

A. William J. Flaherty, 1221 Massachusetts Avenue NW., Washington, D.C.

B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky.

D. (6) $4,500.

A. Fletcher, Heald, Rowell, Kenehan & Hildreth, 1225 Connecticut Avenue NW., Washington, D.C.

B. National Association of FM Broadcasters, 665 Fifth Avenue, New York, N.Y.

A. Gene Fonden, Post Office Box 192, Taylor, Tex.

B. Texas Railroads.

D. (6) $3,416.53. E. (9) $673.70.

A. Gordon Forbes, 207 Union Depot Building, St. Paul, Minn.

D. (6) $500. E. (9) $1,460.39.

A. Frederick W. Ford.

B. National Cable Television Association, Inc., 1534 I Street NW., Washington, D.C.

D. (6) $417. E. (9) $18.

A. Forest Farmers Association Cooperative, 1375 Peachtree Street NE., Altanta, Ga.

A. James W. Foristel, 1776 K Street NW., Washington, D.C.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.

D. (6) $1,950. E. (9) $272.97.

A. Ronald J. Foulis, 1140 Connecticut Avenue NW., Washington, D.C.

B. United States Independent Telephone Association, 425 13th Street NW., Washington, D.C.

D. (6) $225.

A. John G. Fox, 2000 L Street NW., Washington, D.C.

B. American Telephone & Telegraph Co., 195 Broadway, New York, N.Y.

D. (6) $58.34.

A. Morley E. Fox, 300 New Jersey Avenue SE., Washington, D.C.

B. Central Arizona Project Association, 1124 Arizona Title Building, Phoenix, Ariz.

D. (6) $68.55. E. (9) $32.64.

A. Walter L. Frankland, Jr., 1625 I Street NW., Washington, D.C.

B. Silver Users Association, 1625 I Street NW., Washington, D.C.

D. (6) $500. E. (9) $191.21.

A. R. Frank Frazier, 1155 15th Street NW., Washington, D.C.

B. National Broiler Council, 1155 15th Street NW., Washington, D.C.

D. (6) $150.

A. Robert M. Frederick, 1616 H Street NW., Washington, D.C.

B. The National Grange, 1616 H Street NW., Washington, D.C.

D. (6) $3,750.

A. James O. Freeman, 812 Pennsylvania Building, Washington, D.C.

B. United States Savings & Loan League, 221 North LaSalle Street, Chicago, Ill.

D. (6) $1,625. E. (9) $108.

A. Joseph Freni, Jr., 1629 K Street NW., Washington, D.C.

B. American Industrial Bankers Association, 1629 K Street NW., Washington, D.C.

D. (6) $750.

A. Bernice Friedlander, 950 25th Street NW., Washington, D.C.

B. Legislative Action on Smoking & Health, 2000 H Street NW., Washington, D.C.

D. (6) $345. E. (9) $320.

A. Philip P. Friedlander, Jr., 1343 L Street NW., Washington, D.C.

B. National Tire Dealers & Retreaders Association, Inc., 1343 L Street NW., Washington, D.C.

D. (6) $50.

A. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.

D. (6) $23,519. E. (9) $9,284.

A. Owen V. Frisby, 821 15th Street NW., Washington, D.C.

B. The Chase Manhattan Bank, One Chase Manhattan Plaza, New York, N.Y.

D. (6) $458.40. E. (9) $738.40.

A. Frank W. Frisk, Jr., 2600 Virginia Avenue NW., Washington, D.C.

B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C.

D. (6) $300.

A. Frank W. Frisk, Jr., 2600 Virginia Ave-Avenue NW., Washington, D.C.

B. National Telephone Cooperative Association, 1000 Connecticut Avenue NW., Washington, D.C.

D. (6) $1,140.15.

A. Gadsby & Hannah, 1700 Pennsylvania Avenue NW., Washington, D.C.

B. Anchor Corp. et al.

D. (6) $500. E. (9) $331.79.

A. Gadsby & Hannah, 1700 Pennsylvania Avenue NW., Washington, D.C.

B. Royal Crown Cola Co., Columbus, Ga.

A. Henry E. Gardiner, 1511 K Street NW., Washington, D.C.

B. The Anaconda Co., 25 Broadway, New York, N.Y.

D. (6) $250.

A. William B. Gardiner, 1221 Massachusetts Avenue NW., Washington, D.C.

B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky.

D. (6) $3,750.

A. Marion R. Garstang, 30 F Street NW., Washington, D.C.

B. National Milk Producers Federation, 30 F Street NW., Washington, D.C.

D. (6) $200.

A. Gas Appliance Manufacturers Association, 2000 K Street NW., Washington, D.C.

A. Gas Supply Committee, 1725 DeSales Street NW., Washington, D.C.

A. General Public Utilities Corp., 80 Pine Street, New York, N.Y.

E. (9) $1,926.25.

A. John H. Gilbert, 128 C Street NE., Washington, D.C.

B. National Association of Theater Owners, Inc., 1501 Broadway, New York, N.Y.

D. (6) $1,125.

A. Arthur P. Gildea, 2347 Vine Street, Cincinnati, Ohio.

B. International Union of United Brewery, Flour, Cereal, Soft Drink & Distillery Workers of America, 2347 Vine Street, Cincinnati, Ohio.

A. Joseph S. Gill, 16 East Broad Street, Columbus, Ohio.

B. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio.

D. (6) $1,375. E. (9) $94.26.

A. Dave Givens, 916 Nashville Trust Building, Nashville, Tenn.

B. Class I railroads in Tennessee.

A. Glassie, Pewett, Beebe & Shanks, 1819 H Street NW., Washington, D.C.

B. Eastern Meat Packers Association, Inc., 1820 Massachusetts Avenue NW., Washington, D.C.

D. (6) $5. E. (9) $3.37.

A. Glassie, Pewett, Beebe & Shanks, 1819 H Street NW., Washington, D.C.
B. The National Independent Meat Packers Association, 1820 Massachusetts Avenue NW., Washington, D.C.
D. (6) $225. E. (9) $8.15.

A. Vance V. Goodfellow, 828 Midland Bank Building, Minneapolis, Minn.
B. Crop Quality Council, 828 Midland Bank Building, Minneapolis, Minn.
D. (6) $4,500.

A. W. S. Gookin, consulting engineer, 112 North Central Avenue, Phoenix, Ariz.

A. Frederick D. Goss, 1000 Connecticut Avenue NW., Washington, D.C.
B. National Telephone Cooperative Association, 1000 Connecticut Avenue NW., Washington, D.C.
D. (6) $231.50.

A. Edward Gottlieb & Associates, Ltd., 485 Madison Avenue, New York, N.Y.
B. Florists' Transworld Delivery Association, 900 West Lafayette Boulevard, Detroit, Mich.

A. Government Employes Council, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $10,011.92. E. (9) $5,205.87.

A. Donald E. Graham, 1200 17th Street NW., Washington, D.C.
B. National Council of Farmer Cooperatives, 1200 17th Street NW., Washington, D.C.
D. (6) $5,349.96. E. (9) $228.10.

A. Grain & Feed Dealers National Association, 725 15th Street NW., Washington, D.C.

A. Cornelius R. Gray, 1712 G Street NW., Washington, D.C.
B. American Automobile Association, 1712 G Street NW., Washington, D.C.

A. George O. Gray, 1625 I Street NW., Washington, D.C.
E. (9) $3,839.51.

A. James A. Gray, 2139 Wisconsin Avenue NW., Washington, D.C.
B. National Machine Tool Builders Association, 2139 Wisconsin Avenue NW., Washington, D.C.

A. Robert K. Gray, 1735 K Street NW., Washington, D.C.
B. Hill & Knowlton, Inc., 150 East 42d Street, New York, N.Y.

A. Virginia M. Gray, 3501 Williamsburg Lane NW., Washington, D.C.
B. Citizens Committee for UNICEF, 20 E Street NW., Washington, D.C.
D. (6) $425. E. (9) $137.56.

A. Samuel A. Grayson, 611 Idaho Building, Boise, Idaho.
B. Union Pacific Railroad Co., 1416 Dodge Street, Omaha, Nebr.
E. (9) $1,668.05.

A. Clifford P. Greck, 432 Park Avenue South, New York, N.Y.
B. American Educational Publishers Institute, 432 Park Avenue South, New York, N.Y.
D. (6) $250.

A. Dale Greenwood, 302 Hoge Building, Seattle, Wash.
B. Washington Railroad Association, 302 Hoge Building, Seattle, Wash.
E. (9) $1,005.93.

A. William G. Greif, 11555 15th Street NW., Washington D.C.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y.

A. Fred J. Greiner, 910 17th Street NW., Washington, D.C.
B. Evaporated Milk Association, 910 17th Street NW., Washington, D.C.

A. John F. Griner, 400 First Street NW., Washington, D.C.
B. American Federation of Government Employees, 400 First Street NW., Washington, D.C.
D. (6) $8,796.90. E. (9) 2,549.45.

A. James J. Gudinas, 1712 G Street NW., Washington, D.C.
B. American Automobile Association, 1712 G Street NW., Washington, D.C.

A. Dr. Harry P. Guenther, 1101 17th Street NW., Washington, D.C.
B. National Association of Supervisors of State Banks, 1101 17th Street NW., Washington, D.C.
D. (6) $950. E. (9) $200.

A. Ben H. Guill, 2000 K Street NW., Washington, D.C.
B. National Automobile Dealers Association and American Zinc.
D. (6) $2,186.54. E. (9) $925.

A. Jerome R. Gulan.
B. National Federation of Independent Business, 15th Street and New York Avenue NW., Washington, D.C.

A. Matthew Hale, 815 Connecticut Avenue NW., Washington, D.C.
B. The American Bankers Association, 815 Connecticut Avenue NW., and 90 Park Avenue, New York, N.Y.
D. (6) $500. E. (9) $100.

A. J. G. Hall, Detroit, Mich.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.

A. Keith Halliday, 1725 K Street NW., Washington, D.C.
B. Associated Third-Class Mail Users, 1725 K Street NW., Washington, D.C.
D. (6) $300.

A. Norman S. Halliday, 1629 K Street NW., Washington, D.C.
B. Magazine Publishers Association, Inc., 575 Lexington Avenue, New York, N.Y.
D. (6) $2,500. E. (9) $383.67.

A. Thomas A. Halsted, 1346 Connecticut Avenue, Washington, D.C.
B. Council for a Livable World, 1346 Connecticut Avenue NW., Washington, D.C.
D. (6) $5,000.10.

A. Hamel, Morgan, Park & Saunders, 888 17th Street NW., Washington, D.C.
B. American Courier Corp., 2 Nevada Drive, Lake Success, N.Y.

A. Hamel, Morgan, Park & Saunders, 888 17th Street NW., Washington, D.C.
B. Ida Cason Callaway Foundation, Pine Mountain, Ga.

A. Hamel, Morgan, Park & Saunders, 888 17th Street NW., Washington, D.C.
B. National School Supply & Equipment Association, 79 West Monroe Street, Chicago, Ill.

A. Hamel, Morgan, Park & Saunders, 888 17th Street NW., Washington, D.C.
B. Scientific Apparatus Makers Association, 1140 Connecticut Avenue NW., Washington, D.C.

A. Hamel, Morgan, Park & Saunders, 888 17th Street NW., Washington, D.C.
B. United Student Aid Funds, Inc., 845 Third Avenue, New York, N.Y.

A. Robert N. Hampton, 1200 17th Street NW., Washington, D.C.
B. National Council of Farmer Cooperatives, 1200 17th Street NW., Washington, D.C.
D. (6) $5,250. E. (9) $263.15.

A. Edward F. Harding, 140 New Montgomery Street, San Francisco, Calif.
B. The Pacific Telephone & Telegraph Co., 140 New Montgomery Street, San Francisco, Calif.
D. (6) $170. E. (9) $168.50.

A. Franklin Hardinge, Jr., 1444 Wentworth Avenue, Pasadena, Calif.
B. California Savings & Loan League, 1444 Wentworth Avenue, Pasadena, Calif.
D. (6) $1,800. E. (9) $589.69.

A. William E. Hardman, 1411 K Street NW., Washington, D.C.
B. National Tool, Die and Precision Machining Association, 1411 K Street NW., Washington, D.C.

A. Eugene J. Hardy, 918 16th Street NW., Washington, D.C.
B. National Association of Manufacturers.

A. Mrs. Mildred B. Harman, 13th and E Streets NW., Washington, D.C.
B. National Woman's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill.
D. (6) $825. E. (9) $407.43.

A. William B. Harman, Jr., 1701 K Street NW., Washington, D.C.
B. American Life Convention, 211 East Chicago Avenue, Chicago, Ill.
D. (6) $420. E. (9) $146.35.

A. L. James Harmanson, Jr., 1200 17th Street NW., Washington, D.C.
B. National Council of Farmer Cooperatives, 1200 17th Street NW., Washington, D.C.
D. (6) $7,500. E. (9) $105.67.

A. David Hartsough, 245 Second Street NE., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NW., Washington, D.C.
D. (6) $690.

A. Lewis B. Hastings, 1619 Massachusetts Avenue NW., Washington, D.C.
B. Automobile Manufacturers Association, Inc., 320 New Center Building, Detroit, Mich.
D. (6) $500.

A. Walter A. Hasty, Jr., 1616 P Street NW., Washington, D.C.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.
D. (6) $1,000. E. (9) $83.82.

A. Paul M. Hawkins, 1701 K Street NW., Washington, D.C.
B. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.

A. John Gerald Hayes, 330 South Wells Street, Chicago, Ill.
B. International Brotherhood of Electrical Workers, 330 South Wells Street, Chicago, Ill.
D. (6) $550.

A. Hays & Hays, Warner Building, Washington, D.C.
B. Motor Commerce Association, Inc., 4004 Versailles Road, Lexington, Ky.
D. (6) $200.

A. John C. Hazen, 1317 F Street NW., Washington, D.C.
B. National Retail Merchants Association, 100 West 31st Street, New York.
E. (9) $47.90.

A. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.

A. Patrick B. Healy, 30 F Street NW., Washington, D.C.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C.
D. (6) $300. E. (9) $423.64.

A. George J. Hecht, 52 Vanderbilt Avenue, New York, N.Y.
B. American Parents' Committee, Inc., 20 E Street NW., Washington, D.C.

A. Robert B. Heiney, 1133 20th Street NW., Washington, D.C.
B. National Canners Association, 1133 20th Street NW., Washington, D.C.
D. (6) $875. E. (9) $1,260.01.

A. Kenneth G. Heisler, 1200 17th Street NW., Washington, D.C.
B. National League of Insured Savings Associations, 1200 17th Street NW., Washington, D.C.
D. (6) $1,100.

A. Phil D. Helmig, 1001 Connecticut Avenue NW., Washington, D.C.
B. Atlantic Richfield Co., 717 Fifth Avenue, New York, N.Y.
D. (6) $150. E. (9) $150.

A. C. O. Henderson, Post Office Box 381, Washington, D.C.
D. (6) $100. (E) (9) $100.

A. Christopher O. Henderson, 1341 G Street NW., Washington, D.C.
B. Organization of Professional Employees of the U.S. Department of Agriculture, 1341 G Street NW., Washington, D.C.
D. (6) $185. E. (9) $25.

A. Edmund P. Hennelly, 150 East 42d Street, New York, N.Y.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y.
D. (6) $1,125. E. (9) $1,165.79.

A. John K. Herbert, 575 Lexington Avenue, New York, N.Y.
B. Magazine Publishers Association, 575 Lexington Avenue, New York, N.Y.
D. (6) $3,448.26.

A. A. S. Herlong, Jr., 1920 L Street NW., Washington, D.C.
B. Association of Southeastern Railroads, 1920 L Street NW., Washington, D.C.
D. (6) $12,000. E. (9) $427.46.

A. Clinton M. Hester, 432 Shoreham Building, Washington, D.C.
B. National Football League, 410 Park Avenue, New York, N.Y.

A. Clinton M. Hester, 432 Shoreham Building, Washington, D.C.
B. Savage Arms, Westfield, Mass.; Redfield Gun Sight Co., Denver, Colo.; and Browning Arms Co., Morgan, Utah.
D. (6) $11,416.50. E. (9) $52.65.

A. Hester & Stone, 432 Shoreham Building, Washington, D.C.
B. United States Brewers Association, 535 Fifth Avenue, New York, N.Y.
D. (6) $5,000. E. (9) $180.80.

A. M. F. Hicklin, 507 Bankers Trust Building, Des Moines, Iowa.
B. Iowa Railway Committee, 507 Bankers Trust Building, Des Moines, Iowa.
E. (9) $1,725.87.

A. George T. Higgins, 1100 Connecticut Avenue NW., Washington, D.C.
B. Chrysler Corp., 341 Massachusetts Avenue, Detroit, Mich.
D. (6) $450. E. (9) $175.

A. John W. Hight, 1028 Connecticut Avenue NW., Washington, D.C.
B. Legislative Committee of the Committee for a National Trade Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C.
D. (6) $200.

A. J. Eldred Hill, Jr., 720 Hotel Washington, Washington, D.C.
B. Unemployment Benefit Advisors, Inc.
D. (6) $2,000.

A. James J. Hill, 5025 Wisconsin Avenue NW., Washington, D.C.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C.

A. Harry R. Hinton, 1776 K Street NW., Washington, D.C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $2,100. E. (9) $647.21.

A. Mrs. Mae Hipsley, 1776 K Street NW., Washington, D.C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $712.50. (E) (9) $30.66.

A. Lawrence S. Hobart, 2600 Virginia Avenue NW., Washington, D.C.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C.
D. (6) $290.

A. Claude E. Hobbs, Room 707, 1000 Connecticut Avenue NW., Washington, D.C.
B. Westinghouse Electric Corp., 3 Gateway Center, Pittsburgh, Pa.
D. (6) $900. E. (9) $195.

A. Irvin A. Hoff, 1001 Connecticut Avenue NW., Washington, D.C.
B. United States Cane Sugar Refiners' Association, 1001 Connecticut Avenue NW., Washington, D.C.

A. Bryce P. Holcombe, 1925 K Street NW., Washington, D.C.
B. Brotherhood of Painters, Decorators & Paperhangers of America, AFL–CIO, 217–19 North Sixth Street, Lafayette, Ind.
D. (6) $1,850.

A. Lee B. Holmes, 666 11th Street NW., Washington, D.C.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill.
E. (9) $730.

A. John W. Holton, 815 Connecticut Avenue NW., Washington, D.C.
B. The American Bankers Association, 90 Park Avenue, New York, N.Y.
D. (6) $1,500. E. (9) $710.89.

A. Edwin M. Hood, 1730 K Street NW., Washington, D.C.
B. Shipbuilders Council of America, 1730 K Street NW., Washington, D.C.

A. The Hormel Foundation, Austin, Minn.
E. (9) $21,266.19.

A. Thomas B. House.
B. National Association of Frozen Food Packers, 919 18th Street NW., Washington, D.C.
D. (6) $100.

A. Joe L. Howell, 1225 Connecticut Avenue NW., Washington, D.C.
B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill.

A. Joe L. Howell, 1225 Connecticut Avenue NW., Washington, D.C.
B. Allstate Insurance Co., Allstate Plaza, Northbrook, Ill.

A. Charles L. Huber, 1221 Massachusetts Avenue NW., Washington, D.C.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky.
D. (6) $6,875. E. (9) $4,698.60.

A. William J. Hull, 1660 L Street NW., Washington, D.C.
B. Ashland Oil & Refining Co., 1409 Winchester Avenue, Ashland, Ky.

A. William J. Hull, 1660 L Street NW., Washington, D.C.
B. Ohio Valley Improvement Association, Inc.

A. Edward W. Hummers, Jr., 1225 Connecticut Avenue NW., Washington, D.C.
B. National Association of FM Broadcasters, 665 Fifth Avenue, New York, N.Y.

A. Robert R. Humphreys, 1000 Connecticut Avenue NW., Washington, D.C.
B. Air Transport Association, 1000 Connecticut Avenue NW., Washington, D.C.
D. (6) $320. E. (9) $147.45.

A. James L. Huntley, 1775 K Street NW., Washington, D.C.
B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C.
D. (6) $4,875. E. (9) $927.74.

A. Philip A. Hutchinson, Jr., 1735 New York Avenue NW., Washington, D.C.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C.
D. (6) $1,000. E. (9) $13,122.90.

A. Frank N. Ikard, 1271 Avenue of the Americas, New York, N.Y.
B. American Petroleum Institute, 1271 Avenue of the Americas, New York, N.Y.

A. Illinois Railroad Association, 135 East 11th Place, Chicago, Ill.
E. (9) $1,851.26.

A. Bernard J. Imming, 777 14th Street NW., Washington, D.C.
B. United Fresh Fruit & Vegetable Association, 777 14th Street NW., Washington, D.C.

A. INA Corp., 1600 Arch Street, Philadelphia, Pa.
E. (9) $250.

A. Harry A. Inman, 1200 17th Street NW., Washington, D.C.
B. The New York Botanical Garden, Bronx Park, New York, N.Y.
D. (6) $67.50. E. (9) $1.50.

A. Independent Natural Gas Association of America, 1660 L Street NW., Washington, D.C.
B. Independent Natural Gas Association of America.
D. (6) $1,300.

A. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C.
D. (6) $5,157.70. E. (9) $5,157.70.

A. Institute of Scrap Iron & Steel, Inc., 1729 H Street NW., Washington, D.C.
D. (6) $300. E. (9) $289.60.

A. International Association of Machinists, 1300 Connecticut Avenue NW., Washington, D.C.

A. Legislative Committee, International Economic Policy Association, 1625 I Street NW., Washington, D.C.
E. (9) $3,839.51.

A. International Union of District 50, UMWA, 4880 MacArthur Boulevard NW., Washington, D.C.
E. (9) $3,270.04.

A. Investment Company Institute, 61 Broadway, New York, N.Y.
E. (9) $1,981.35.

A. Iron Ore Lessors Association, Inc., 1500 First National Bank Building, St. Paul, Minn.
D. (6) $10,049.22 E. (9) $8,312.64.

A. William E. Isaeff.
B. American Automobile Association, 1712 G Street NW., Washington, D.C.

A. Charles E. Jackson, 1200 18th Street NW., Washington, D.C.

A. Robert C. Jackson, 1120 Connecticut Avenue NW., Washington, D.C.
B. American Textile Manufacturers Institute, 1501 Johnston Building, Charlotte, N.C.
D. (6) $2,750. E. (9) $104.63.

A. Raymond M. Jacobson, 1815 H Street NW., Washington, D.C.
B. American Society of Consulting Planners, 1815 H Street NW., Washington, D.C.
D. (6) $2,250.

A. Walter K. Jaenicke.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C.
D. (6) $700. E. (9) $245.

A. Robert L. James, 730 15th Street NW., Washington, D.C.
B. Bank of America N.T. and S.A., Bank of America Plaza, San Francisco, Calif.
D. (6) $525. E. (9) $360.

A. Japanese American Citizens League, 1634 Post Street, San Francisco, Calif.
E. (9) $200.

A. Daniel Jaspan, Post Office Box 1924, Washington, D.C.
B. National Association of Postal Supervisors, Post Office Box 1924, Washington, D.C.
D. (6) $6,864.51. E. (9) $64.25.

A. Philip F. Jehle, 300 National Press Building, Washington, D.C.
B. Smith, Kline & French Laboratories, 1500 Spring Garden Street, Philadelphia, Pa.

A. Chas. B. Jennings, 1712 I Street NW., Washington, D.C.
B. American Stock Yards Association, 1712 I Street NW., Washington, D.C.
D. (6) $400.

A. H. Bradley Johnson, 1100 Ring Building, Washington, D.C.
B. American Mining Congress, Ring Building, Washington, D.C.
D. (6) $725.

A. Hugo E. Johnson, 600 Bulkley Building, Cleveland, Ohio.
B. American Iron Ore Association, 600 Bulkley Building, Cleveland, Ohio.

A. Reuben L. Johnson.
B. The Farmers' Educational and Co-Operative Union of America (National Farmers Union), 1575 Sherman Street, Denver, Colo., and 1012 14th Street NW., Washington, D.C.
D. (6) $3,692.16. E. (9) $201.66.

A. Spencer A. Johnson, 1025 Vermont Avenue NW., Washington, D.C.
B. National Retail Furniture Association, 1150 Merchandise Mart, Chicago, Ill.
D. (6) $300.

A. Charlie W. Jones, 815 Connecticut Avenue NW., Washington, D.C.
B. The Signal Companies, Inc., 1010 Wilshire Boulevard, Los Angeles, Calif.

A. George Bliss Jones, Montgomery, Ala.
B. Alabama Railroad Association, 1002 First National Bank Bldg., Montgomery, Ala.
D. (6) $242.50. E. (9) $322.87.

A. L. Dan Jones, 1110 Ring Building, Washington, D.C.
B. Independent Petroleum Association of America, 1110 Ring Building, Washington, D.C.
E. (9) $39.15.

A. Dr. Oliver H. Jones, 1707 H Street NW., Washington, D.C.
B. Mortgage Bankers Association of America, 1707 H Street NW., Washington, D.C.
D. (6) $11,250. E. (9) $4,779.

A. Ardon B. Judd, Jr., 1100 Connecticut Avenue, Washington, D.C.
B. Dresser Industries, Inc., 1100 Connecticut Avenue, Washington, D.C.

A. Francis M. Judge, 1615 H Street NW., Washington, D.C.
B. Chamber of Commerce of the U.S.A.

A. Edwin L. Kahn, 1815 H Street NW., Washington, D.C.
B. B'nai B'rith, 1640 Rhode Island Avenue NW., Washington, D.C.

A. Mrs. Fritz R. Kahn, 9202 Ponce Place, Fairfax, Va.
B. National Congress of Parents and Teachers, 700 N. Rush Street, Chicago, Ill.
E. (9) $18.25.

A. Karelsen, Karelsen, Lawrence & Nathan, 230 Park Avenue, New York, N.Y.
E. (9) $29.05.

A. Gerald M. Katz, 1400 Mercantile Trust Building, Baltimore, Md.
B. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md.

A. Carleton R. Kear, Jr., 1625 I Street NW., Washington, D.C.
B. Retired Officers Association, 1625 I Street NW., Washington, D.C.
D. (6) $625.

A. Captain William J. Keating, 725 15th Street NW., Washington, D.C.
B. Grain and Feed Dealers National Association, 725 15th Street NW., Washington, D.C.

A. Howard B. Keck, 1801 Avenue of the Stars, Los Angeles, Calif.
B. The Superior Oil Co., 1801 Avenue of the Stars, Los Angeles, Calif.
E. (9) $300.

A. W. M. Keck, Jr., 1801 Avenue of the Stars, Los Angeles, Calif.
B. The Superior Oil Co.
E. (9) $275.

A. Charles C. Keeble, Post Office Box 2180, Houston, Tex.
B. Humble Oil & Refining Co., Post Office Box 2180, Houston, Tex.
E. (9) $73.08.

A. James C. Kelley, 1500 Massachusetts Avenue NW., Washington, D.C.
B. American Machine Tool Distributors Association, 1500 Massachusetts Avenue NW., Washington, D.C.

A. Robert H. Kellen, 25 East Chestnut Street, Chicago, Ill.
B. Mayonnaise & Salad Dressings Institute, 25 East Chestnut Street, Chicago, Ill.

A. Robert H. Kellen, 25 East Chestnut Street, Chicago, Ill.
B. National Preservers Association, 25 East Chestnut Street, Chicago, Ill.

A. Daniel C. Kellick, 1317 F Street NW., Washington, D.C.
B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y.
E. (9) $33.

A. Harold V. Kelly, 720 Hotel Washington, Washington, D.C.
B. Unemployment Benefit Advisors, Inc.
D. (6) $1,000.

A. John T. Kelly, 1155 15th Street NW., Washington, D.C.
B. Pharmaceutical Manufacturers Association.

A. Stephen E. Kelly, 575 Lexington Avenue, New York, N.Y.
B. Magazine Publishers Association, 575 Lexington Avenue, New York, N.Y.
D. (6) $1,609.23.

A. Edward K. Kenehan, 1225 Connecticut Avenue NW., Washingon, D.C.
B. National Association of FM Broadcasters, 665 Fifth Avenue, New York, N.Y.

A. I. L. Kenen, 1341 G Street NW., Washington, D.C.
B. American Israel Public Affairs Committee, 1341 G Street NW., Washington, D.C.
D. (6) $600.

A. Harold L. Kennedy, 420 Cafritz Building, Washington, D.C.
B. Marathon Oil Co., Findlay, Ohio.
E. (9) $107.40.

A. James J. Kennedy, Jr., 400 First Street NW., Washington, D.C.
B. Brotherhood of Railway, Airline & Steamship Clerks, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $3,375.79. E. (9) $1,160.46.

A. Thomas P. Kerester, 1025 Connecticut Avenue NW., Washington, D.C.
B. Gulf Oil Corporation, Pittsburgh, Pa.
D. (6) $750. E. (9) $150.

A. J. Don Kerlin, 1108 Stuart Road, Herndon, Va.
B. Time, Inc., Rockefeller Center, New York, N.Y.
D. (6) $200. E. (9) $150.

A. Joseph T. King, 1028 Connecticut Avenue NW., Washington, D.C.
B. Associated Equipment Distributors and Sprinkler Irrigation Association.
D. (6) $20,000 to $25,000 per year. E. (9) $1,103.06.

A. T. Bert King, 812 Pennsylvania Building, Washington, D.C.
B. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.
D. (6) $825.

A. Mr. and Mrs. Harry L. Kingman, 535 San Luis Road, Berkeley, Calif.
D. (6) $425. E. (9) $425.

A. John M. Kinnaird, 1616 P Street NW., Washington, D.C.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.
D. (6) $1,000. E. (9) $640.22.

A. Herbert C. Kirstein, 30 F Street NW., Washington, D.C.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C.
D. (6) $3,561. E. (9) $315.96.

A. Ernest A. Kistler, 901 Hamilton Street, Allentown, Pa.
B. Pennsylvania Power & Light Co., 901 Hamilton Street, Allentown, Pa.
D. (6) $83. E. (9) $112.98.

A. Ralph W. Kittle.
B. International Paper Co., 220 East 42d Street, New York, N.Y.

A. Robert E. Kline, Jr., 409 LaSalle Building, 1028 Connecticut Avenue NW., Washington, D.C.
B. Bowling Proprietors' Association of America, Inc., West Higgins Road, Hoffman Estates, Ill.
D. (6) $1,250. E. (9) $88.60.

A. James F. Kmetz, 1437 K Street NW., Washington, D.C.
B. United Mine Workers of America, 900 15th Street NW., Washington, D.C.
D. (6) $5,552.

A. Keith R. Knoblock, 1100 Ring Building, Washington, D.C.
B. American Mining Congress, Ring Building, Washington, D.C.
D. (6) $475.

A. John D. Knodell, Jr., 1025 Connecticut Avenue NW., Washington, D.C.
B. Humble Oil & Refining Co., Post Office Box 2180, Houston, Tex.
E. (9) $510.65.

A. George W. Koch, 1133 Avenue of the Americas, New York, N.Y.
B. Grocery Manufacturers of America, Inc., 1133 Avenue of the Americas, New York, N.Y.

A. Robert M. Koch, 702 H Street NW., Washington, D.C.
B. National Limestone Institute, Inc., 702 H Street NW., Washington, D.C.
E. (9) $51.50.

A. Wm. L. Kohler, 1616 P Street NW., Washington, D.C.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.
D. (6) $1,200. E. (9) $789.23.

A. Horace R. Kornegay, 1776 K Street NW., Washington, D.C.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C.

A. Kenneth S. Kovack, 1001 Connecticut Avenue NW., Washington, D.C.
B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.
D. (6) $3,450. E. (9) $1,100.70.

A. June Kysilko Kraeft, 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.
D. (6) $110.

A. Germaine Krettek, 200 C Street SE., Washington, D.C.
B. American Library Association, 50 East Huron Street, Chicago, Ill.
D. (6) $588.30.

A. Lloyd R. Kuhn, 1725 De Sales Street NW., Washington, D.C.
B. Aerospace Industries Association of America, Inc., 1725 DeSales Street NW., Washington, D.C.
D. (6) $5,472. E. (9) $698.45.

A. Labor Bureau of Middle West, 1155 15th Street NW., Washington, D.C., 11 S. LaSalle Street, Chicago, Ill.

A. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $9,873. E. (9) $8,200.

A. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C.
E. (9) $11,040.35.

A. A. M. Lampley, 400 First Street NW., Washington, D.C.
B. United Transportation Union.
E. (9) $200.

A. Albert Lannon, 1341 G Street NW., Washington, D.C.
B. International Longshoremen's and Warehousemen's Union, 150 Golden Gate Avenue, San Francisco, Calif.
D. (6) $2,972.46. E. (9) $439.35.

A. James J. LaPenta, Jr., 905 16th Street NW., Washington, D.C.
B. Laborers' International Union of North America, 905 16th Street NW., Washington, D.C.
E. (9) $35.75.

A. LASH, Legislative Action on Smoking and Health, 2000 H Street NW., Washington, D.C.
D. (6) $345. E. (9) $320.37.

A. Dillard B. Lasseter, 1616 P Street NW., Washington, D.C.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.
D. (6) $1,200. E. (9) $525.

A. Robert F. Lederer, 835 Southern Building, Washington, D.C.
B. American Association of Nurserymen, Inc., 835 Southern Building, Washington, D.C.
D. (6) $20. E. (9) $267.84.

A. Charles W. Lee, 300 New Jersey Avenue SE.
B. Emergency Committee for Full Funding of Education Programs, 300 New Jersey Avenue SE., Washington, D.C.
D. (6) $500. E. (9) $50.

A. Legislation for Animal Welfare, Inc., 3045 P Street NW., Washington, D.C.
E. (9) $323.47.

A. Legislative Committee of the Committee for a National Trade Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C.
D. (6) $10. E. (9) $1,573.

A. Robert J. Leigh, 1000 Connecticut Avenue NW., Washington, D.C.
B. National Telephone Cooperative Association, 1000 Connecticut Avenue NW., Washington, D.C.
D. (6) $244.18.

A. G. E. Leighty, 400 First Street NW., Washington, D.C.

A. Nils A. Lennartson, 1140 Connecticut Avenue NW., Washington, D.C.
B. Railway Progress Institute, 1140 Connecticut Avenue NW., Washington, D.C.
D. (6) $10,666.64.

A. Donald Lerch, Jr. & Co., Inc., 1522 K Street NW., Washington, D.C.
B. Japan Chemical Fibres Association, 3, 3-Chrome, Muromachi Nihonbashi, Chuo-Ku, Tokyo, Japan.

A. Donald Lerch, Jr. & Co., Inc., 1522 K Street NW., Washington, D.C.
B. National Agricultural Chemicals Association, 1155 15th Street NW., Washington, D.C.

A. Donald Lerch, Jr. & Co., Inc., 1522 K Street NW., Washington, D.C.
B. Shell Chemical Co., 110 West 31st Street, New York, N.Y.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C.
B. The American Waterways Operators, Inc., 1250 Connecticut Avenue NW., Washington, D.C.
D. (6) $2,000. E. (9) $152.67.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C.
B. CIT Financial Corp., 650 Madison Avenue, New York, N.Y.
D. (6) $350.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue, Washington, D.C.
B. Committee of Producers of Ferroalloys and Related Products, 815 Connecticut Avenue, Washington, D.C.
D. (6) $1,000. E. (9) $10.

A. Marx Leva, 815 Connecticut Avenue NW., Washington, D.C.
B. CIT Financial Corp., 650 Madison Avenue, New York., N.Y.
D. (6) $350.

A. Morris J. Levin, 910 17th Street NW., Washington, D.C.
B. Arden Publishing Co., Tucson, Ariz.
D. (6) $2,500.

A. Morris J. Levin, 910 17th Street NW., Washington, D.C.
B. Association of American Railroads, American Railroads Building, Washington, D.C.

A. J. Stanly Lewis, 100 Indiana Avenue NW., Washington, D.C.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $2,812.50.

A. Liberty Lobby, Inc., 130 Third Street SE., Washington, D.C.
D. (6) $13,975.90. E. (9) $20,134.24.

A. Herbert Liebenson, National Small Business Association, 1225 19th Street NW., Washington, D.C.
D. (6) $4,500. E. (9) $1,200.

A. Lester W. Lindow, Association of Maximum Service Telecasters, Inc., 1735 De Sales Street NW., Washington, D.C.

A. Lindsay, Nahstoll, Hart, Dafoe & Krause, Ninth Floor, Loyalty Building, Portland, Ore.
B. Master Contracting Stevedore Association of the Pacific Coast, Inc., San Francisco, Calif.

A. Lindsay, Nahstoll, Hart, Dafoe & Krause, Ninth Floor, Loyalty Building, Portland, Ore.
B. National Association of Electric Committee, Ninth Floor, Loyalty Building, Portland, Oreg.

A. Charles B. Lipsen, 1775 K Street NW., Washington, D.C.
B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C.
D. (6) $5,500. E. (9) $1,04 81.

A. Robert G. Litschert, 1140 Connecticut Avenue NW., Washington, D.C..

B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Washington, D.C.

D. (6) $417.38. E. (9) $186.

A. Paul H. Long, 1025 Connecticut Avenue NW., Washington, D.C.

B. Standard Oil Co. (New Jersey), 30 Rockefeller Plaza, New York, N.Y.

E. (9) $3.

A. Harold O. Lovre, 1616 P Street NW., Washington, D.C.

B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.

D. (6) $2,400. E. (9) $165.90.

A. Otto Lowe, Cape Charles, Va.

B. National Canners Association, 1133 20th Street NW., Washington, D.C.

D. (6) $1,500.

A. Otto Lowe, Cape Charles, Va.

B. Norfolk & Western Railway Co., Roanoke, Va.

D. (6) $600.

A. George A. Lucas, 400 First Street NW., Washington, D.C.

B. Brotherhood of Railway, Airline & Steamship Clerks, 1015 Vine Street, Cincinnati, Ohio.

D. (6) $249.23.

A. James H. Lynch, 400 First Street NW., Washington, D.C.

B. American Federation of Government Employees, 400 First Street NW., Washington, D.C.

D. (6) $3,044.30. E. (9) $935.14.

A. LeRoy E. Lyon, Jr., 11th and L Building, Sacramento, Calif.

B. California Railroad Association, 11th and L Building, Sacramento, Calif.

A. Breck P. McAllister, 25 Broadway, New York, N.Y.

B. American Committee for Flags of Necessity, 25 Broadway, New York, N.Y.

A. William C. McCamant, 1725 K Street NW., Washington, D.C.

D. (6) $300.

A. John A. McCart, 100 Indiana Avenue NW., Washington, D.C.

B. Government Employes Council, AFL–CIO, 100 Indiana Avenue NW., Washington, D.C.

D. (6) $2,546.25.

A. Bruce E. McCarthy, 1730 Rhode Island Avenue NW., Washington, D.C.

B. National Electrical Contractors Association, 1730 Rhode Island Avenue NW., Washington, D.C.

A. Jack F. McCarthy, 1700 K Street NW., Washington, D.C.

B. United Utilities, Inc., 2330 Johnson Drive, Shawnee Mission, Kans.

A. E. L. McCulloch, 814 Railway Labor Building, 400 First Street NW., Washington, D.C.

B. Brotherhood of Locomotive Engineers, Engineers Building, Cleveland, Ohio.

D. (6) $284.60. E. (9) $81.50.

A. Albert L. McDermott, 777 14th Street NW., Washington, D.C.

B. American Hotel & Motel Association, 221 West 57th Street, New York, N.Y.

D. (6) $150.

A. Angus H. McDonald.

B. The Farmers' Educational & Cooperative Union of America (National Farmers Union), 1575 Sherman Street, Denver, Colo., and 1012 14th Street NW., Washington, D.C.

D. (6) $3,415.30. E. (9) $105.82.

A. Joseph J. McDonald, 1001 Connecticut Avenue NW., Washington, D.C.

B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.

D. (6) $3,625. E. (9) $709.60.

A. Joseph A. McElwain, 40 East Broadway, Butte, Mont.

E. (9) $109.30.

A. J. Raymond McGlaughlin, 400 First Street NW., Washington, D.C.

B. Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich.

D. (6) $5,000.

A. Marshall C. McGrath.

B. International Paper Co., 220 East 42d Street, New York, N.Y.

D. (6) $500.01. E. (9) $143.12.

A. Peter E. McGuire, 400 First Street NW., Washington, D.C.

B. Brotherhood of Railway, Airline & Steamship Clerks, 1015 Vine Street, Cincinnati, Ohio.

D. (6) $415.55.

A. Clarence M. McIntosh, 400 First Street NW., Washington, D.C.

B. Brotherhood of Railway, Airline & Steamship Clerks, 1015 Vine Street, Cincinnati, Ohio.

D. (6) $2,853.84.

A. William F. McKenna, 1200 17th Street NW., Washington, D.C.

B. National League of Insured Savings Associations, 1200 17th Street NW., Washington, D.C.

D. (6) $1,240.40.

A. John S. McLees, 1615 H Street NW., Washington, D.C.

B. Chamber of Commerce of the U.S.A.

A. William F. McManus, 777 14th Street NW., Washington, D.C.

B. General Electric Co., 570 Lexington Ave., New York, N.Y.

D. (6) $725. E. (9) $240.

A. C. W. McMillan, 801 East 17th Avenue, Denver, Colo.

B. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.

D. (6) $1,200.

A. Clarence M. McMillan, 1343 L Street NW., Washington, D.C.

B. National Candy Wholesalers Association, Inc., 1343 L Street NW., Washington, D.C.

E. (9) Less than $10.

A. Charles R. McNeill, 815 Connecticut Avenue NW., Washington, D.C.

B. The American Bankers Association, 90 Park Avenue, New York, N.Y.

D. (6) $1,500. E. (9) $1,816.13.

A. Shane MacCarthy, 5223 River Road, Washington, D.C.

B. Printing Industries of America, 5223 River Road, Washington, D.C.

D. (6) $750. E. (9) $1,125.

A. Earl S. Mackey, 425 13th Street NW., Washington, D.C.

B. Investment Bankers Association of America, 425 13th Street NW., Washington, D.C.

D. (6) $1,000. E. (9) $5,800.

A. H. E. Mahlman, 1026 17th Street NW., Washington, D.C.

B. American Optometric Association, in care of J. C. Tumblin, O.D., Post Office Box 5147, Knoxville, Tenn.

D. (6) $700. E. (9) $51.66.

A. Robert L. Maier, 900 17th Street NW., Washington, D.C.

B. Kaiser Industries Corp., 900 17th Street NW., Washington, D.C.

A. Carter Manasco.

B. National Coal Association, Coal Building, 1130 17th Street NW., Washington, D.C.

D. (6) $6,000. E. (9) $150.45.

A. Mike Manatos, 1730 K Street NW., Washington, D.C.

B. The Procter & Gamble Manufacturing Co., 301 East Sixth Street, Cincinnati, Ohio.

E. (9) $21.

A. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C.

D. (6) $5,000. E. (9) $3,500.

A. Mrs. Olya Margolin, 924 Dupont Circle Building, 1346 Connecticut Avenue NW., Washington, D.C.

B. National Council of Jewish Women, Inc., 1 West 47th Street, New York, N.Y.

D. (6) $3,250. E. (9) $131.30.

A. Rodney W. Markley, Jr., 815 Connecticut Avenue NW., Washington, D.C.

B. Ford Motor Co., Dearborn, Mich.

A. Edwin E. Marsh, 600 Crandall Building, Salt Lake City, Utah.

B. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah.

D. (6) $3,674.07. E. (9) $497.40.

A. Winston W. Marsh, 1343 L Street NW., Washington, D.C.

B. National Tire Dealers & Retreaders Association, Inc., 1343 L Street NW., Washington, D.C.

D. (6) $75.

A. J. Paull Marshall, 300 New Jersey Avenue SE., Washington, D.C.

B. Association of American Railroads, American Railroads Building, Washington, D.C.

D. (6) $153.57. E. (9) $143.60.

A. James J. Marshall, 1725 I Street NW., Washington, D.C.

B. Citizens Committee for Postal Reform, Inc., 1725 I Street NW., Washington, D.C.

D. (6) $5,384.61.

A. Thomas A. Martin, 1625 K Street NW., Washington, D.C.

B. Mid-Continental Oil & Gas Association, 300 Tulsa Building, Tulsa, Okla.

D. (6) $500. E. (9) $150.

A. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md.

A. Mike M. Masaoka, 2021 L Street NW., Washington, D.C.

A. Mike M. Masaoka, 2021 L Street NW., Washington, D.C.
B. Association on Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y.
D. (6) $1,000.

A. Mike M. Masaoka, 2021 L Street NW., Washington, D.C.
B. Japanese American Citizens League, 1634 Post Street, San Francisco, Calif.
D. (6) $200.

A. Mike M. Masaoka, 2021 H Street NW., Washington, D.C.
B. West Mexico Vegetable Distributors Association, Post Office Box 848, Nogales, Ariz.
D. (6) $500.

A. Alfred Maskin, 1612 K Street NW., Washington, D.C.
B. American Maritime Association, 17 Battery Place, New York, N.Y.
D. (6) $100.

A. Charles D. Matthews, 1140 Connecticut Avenue NW., Washington, D.C.
B. National Association of Electrical Companies, 1140 Connecticut Avenue NW., Washington, D.C.
D. (6) $484. E. (9) $411.08.

A. P. H. Mathews, 300 New Jersey Avenue SE., Washington, D.C.
B. Association of American Railroads, American Railroads Building, Washington, D.C.
D. (6) $844.90. E. (9) $398.75.

A. Charles E. Mattingly, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $3,298.50. E. (9) $43.30.

A. C. V. and R. V. Maudlin, 1111 E Street NW., Washington, D.C.
B. Georgia Power Co., 270 Peachtree Street, Atlanta, Ga.

A. Albert E. May, 1120 Connecticut Avenue NW., Washington, D.C.
B. American Institute of Merchant Shipping, 1120 Connecticut Avenue NW., Washington, D.C.
D. (6) $350. E. (9) $28.08.

A. Arnold Mayer, 100 Indiana Avenue NW., Washington, D.C.
B. Amalgamated Meat Cutters and Butcher Workmen of North America, AFL–CIO, 2800 North Sheridan Road, Chicago, Ill.
D. (6) $4,750. E. (9) $370.

A. Mayonnaise and Salad Dressings Institute, 25 East Chestnut Street, Chicago, Ill.

A. George G. Mead, 128 C Street NE., Washington, D.C.
B. The American Society of Radiologic Technologists, 645 North Michigan Avenue, Chicago, Ill.
D. (6) $29.32. E. (9) $1,390.74.

A. George G. Mead, 128 C Street NE., Washington, D.C.
B. National Association of Theater Owners, Inc., 1501 Broadway, New York, N.Y.
D. (6) $3,010. E. (9) $1,516.65.

A. Medical-Surgical Manufacturers Association, 342 Madison Avenue, New York, N.Y.
D. (6) $3,000. E. (9) $2,343.26.

A. Carl J. Megel, 1012 14th Street NW., Washington, D.C.
B. American Federation of Teachers, AFL–CIO, 1012 14th Street NW., Washington, D.C.
E. (9) $11,300.

A. Ellis E. Meredith, 2000 K Street NW., Washington, D.C.
B. American Apparel Manufacturers Association, Inc., 2000 K Street NW., Washington, D.C.
E. (9) $1,200.

A. Lawrence C. Merthan, 1735 K Street NW., Washington, D.C.
B. Hill & Knowlton, Inc., 150 East 42d Street, New York, N.Y.

A. Metropolitan Washington Board of Trade, 1616 K Street NW., Washington, D.C.

A. George F. Meyer, Jr., 1625 I Street NW., Washington, D.C.
B. Retired Officers Association, 1625 I Street NW., Washington, D.C.
D. (6) $688.

A. Midland Cooperative Dairy Association, Box 128, Cazenovia, N.Y.

A. A. Stanley Miller, 1629 K Street NW., Washington, D.C.
B. American Committee for Flags of Necessity, 25 Broadway, New York, N.Y.
D. (6) $100.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C.
B. Dallas, Tex., Chamber of Commerce.
D. (6) $1,950.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C.
B. Gulf Intracoastal Canal Association, 2211 South Coast Building, Houston, Tex.
D. (6) $2,625.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C.
B. Texas Gulf Sulphur Co., Newgulf, Tex., and New York, N.Y.
D. (6) $2,250.

A. Edwin Reid Miller, 1815 Capitol Avenue, Omaha, Nebr.
B. Nebraska Railroads Legislative Committee, 1815 Capital Avenue, Omaha, Nebr.
D. (6) $4,305. E. (9) $1,326.52.

A. Hermon I. Miller, 5116 Moorland Lane, Bethesda, Md.
B. National Turkey Federation, Mount Morris, Ill.

A. Joe D. Miller, 535 North Dearborn Street, Chicago, Ill.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $875.

A. Lloyd S. Miller, 1700 K Street NW., Washington, D.C.
B. United Utilities, Inc., Post Office Box 11315, Plaza Station, Kansas City, Mo.
D. (6) $225.

A. Luman G. Miller, 912 Failing Building, Portland, Oreg.
B. Oregon Railroad Association, 912 Failing Building, Portland, Oreg.
E. (9) $1,327.51.

A. Robert H. Miller, 1000 16th Street NW., Washington, D.C.
B. Tenneco, Inc., Post Office Box 2511, Houston, Tex.
E. (9) $76.80.

A. Jack Mills, 1776 K Street NW., Washington, D.C.
B. The Tobacco Institute, Inc.

A. Marion Daniel Minchew, 1200 18th Street NW., Washington, D.C.
B. National Cotton Council of America, Post Office Box 12285, Memphis, Tenn.
D. (6) $206.25. E. (9) $16.67.

A. Willis C. Moffatt, Post Office Box 829, Boise, Idaho.

A. Michael Monroney.
B. Communications Satellite Corp., 950 L'Enfant Plaza South SW., Washington, D.C.
D. (6) $1,750. E. (9) $650.

A. Joseph E. Moody, 1000 16th Street NW., Washington, D.C.
D. (6) $500.

A. Jo V. Morgan, Jr., 815 15th Street NW., Washington, D.C.
B. American Humane Association, Post Office Box 1266, Denver, Colo.
D. (6) $1,500. E. (9) $347.19.

A. Morgan, Lewis & Bockius, 1140 Connecticut Avenue, Washington, D.C.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N.Y.
D. (6) $725.

A. Robert E. Morin, 1311 Delaware Avenue SW., Washington, D.C.
B. National Association of Mutual Insurance Agents, 520 Investment Building, Washington, D.C.
E. (9) $5,423.04.

A. Morison, Murphy, Abrams & Haddock, the Pennsylvania Building, Washington, D.C.
B. The Sperry & Hutchinson Co., 330 Madison Avenue, New York, N.Y.

A. James G. Morton, 1825 Connecticut Avenue NW., Washington, D.C.
B. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C.
D. (6) $2,500. E. (9) Under $200.

A. Lynn E. Mote, 1619 Massachusetts Avenue NW., Washington, D.C.
B. Automobile Manufacturers Association, Inc., 320 New Center Building, Detroit, Mich.
D. (6) $1,000.

A. Motor Commerce Association, Inc., 4004 Versailles Road, Lexington, Ky.
E. (9) $275.

A. T. H. Mullen, 4301 Columbia Pike, Arlington, Va.

A. John J. Murphy.
B. National Customs Service Association.

A. William E. Murray, 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.
D. (6) $185.

A. J. Walter Myers, Jr., 1375 Peachtree Street NE., Atlanta, Ga.
B. Forest Farmers Association Cooperative, 1375 Peachtree Street NE., Atlanta, Ga.

A. Kenneth D. Naden, 1200 17th Street NW., Washington, D.C.
B. National Council of Farmer Cooperatives, 1200 17th Street NW., Washington, D.C.
D. (6) $9,499.98. E. (9) $664.23.

A. John J. Nangle, 2600 Virginia Avenue NW., Washington, D.C.
B. National Association of Independent Insurers, 30 West Monroe Street, Chicago, Ill.
D. (6) $2,000. E. (9) $1,350.

A. Augustus Nasmith, Pennsylvania Station, Raymond Plaza, Newark, N.J.
B. Associated Railroads of New Jersey, Pennsylvania Station, Raymond Plaza, Newark, N.J.

A. The Nationwide Committee on Import-Export Policy, 815 15th Street NW., Washington, D.C.
D. (6) $6,000. E. (9) $14,023.84.

A. National Agriculture Chemicals Association, 1155 15th Street NW., Washington, D.C.

A. National Associated Businessmen, 1000 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,222.49. E. (9) $778.85.

A. National Association of Credit Management, 44 East 23d Street, New York, N.Y.
D. (6) $38,131.60. E. (9) $3,234.55.

A. National Association of Electric Companies, 1140 Connecticut Avenue NW., Washington, D.C.
D. (6) $851.51. E. (9) $6,892.96.

A. National Association of Food Chains, 1725 I Street NW., Washington, D.C.
D. (6) $100. E. (9) $100.

A. National Association of Frozen Food Packers, 919 18th Street NW., Washington, D.C.
D. (6) $93,231.17. E. (9) $1,408.96.

A. National Association of Business Agents, 48 Fulton Street, New York, N.Y.
E. (9) $668.80.

A. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $747,407.18. E. (9) $65,047.94.

A. National Association of Margarine Manufacturers, Munsey Building, Washington, D.C.

A. National Association of Mutual Insurance Companies, 2611 East 46th Street, Indianapolis, Ind.

A. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y.
D. (6) $5,726.60. E. (9) $5,726.60.

A. The National Association of Polish Americans, Inc., 3829 W Street SE., Washington, D.C.

A. National Association of Postal Supervisors, Post Office Box 1924, Washington, D.C.
D. (6) $35,000. E. (9) $16,396.42.

A. National Association of Theatre Owners, Inc., 1501 Broadway, New York, N.Y.
D. (6) $25,407.47. E. (9) $45,150.94.

A. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va.
D. (6) $38,435. E. (9) $1,385.

A. National Automobile Dealers Association (NADA), 2000 K Street NW., Washington, D.C.
D. (6) $2,113.33. E. (9) $2,113.33.

A. National Broiler Council, 1155 Fifteenth Street NW., Washington, D.C.
D. (6) $250. E. (9) $250.

A. National Canners Association, 1133 20th Street NW., Washington, D.C.
B. National Canners Association, 1133 20th Street NW., Washington, D.C.
D. (6) $400. E. (9) $225.

A. National Canners Association, 1133 20th Street NW., Washington, D.C.
D. (6) $572,625.66. E. (9) $7,028.19.

A. National Coal Association, Coal Building, Washington, D.C.

A. National Coal Policy Conference, Inc., 1000 16th Street NW., Washington, D.C.
E. (9) $4,229.38.

A. National Committee to Abolish HUAC/HISC, 555 North Western Avenue, Los Angeles, Calif.
D. (6) $1,604.44. E. (9) $1,604.44.

A. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. National Cotton Council of America, Post Office Box 12285, Memphis, Tenn.
D. (6) $12,292.23. E. (9) $12,292.23.

A. National Council of Naval Air Stations Employee Organizations, 239 Beach Road, Alameda, Calif.
D. (6) $500. E. (9) $524.30.

A. National Council of Technical Service Industries, 888 17th Street NW., Washington, D.C.
B. National Council of Technical Service Industries (NCTSI), 888 17th Street NW., Washington, D.C.
D. (6) $827.50. E. (9) $784.28.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C.
B. Cenco Instruments Corp., 2600 South Kostner Avenue, Chicago, Ill.
D. (6) $1,125. E. (9) $215.01.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C.
B. Committee for the Study of Revenue Bond Financing, Ring Building, Washington, D.C.
D. (6) $2,000. E. (9) $123.03.

A. National Council of Farmer Cooperatives, 1200 17th Street NW., Washington, D.C.
D. (6) $18,955.88. E. (9) $16,855.19.

A. National Cystic Fibrosis Research Foundation, 202 East 44th Street, New York, N.Y.
E. (9) $1,500.

A. National Electrical Contractors Association, Inc., 1730 Rhode Island Avenue NW., Washington, D.C.

A. National Electrical Manufacturers Association, 155 East 44th Street, New York, N.Y.

A. National Federation of Federal Employees, 1737 H Street NW., Washington, D.C.
D. (6) $253,240.43. E. (9) $15,322.05.

A. National Federation of Independent Business, Inc., 920 Washington Building, Washington, D.C.
D. (6) $12,261.70. E. (9) $12,261.70.

A. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C.
D. (6) $1,597.96. E. (9) $1,783.33.

A. The National Grange, 1616 H Street NW., Washington, D.C.
E. (9) $9,350.

A. National Independent Dairies Association, 1735 K Street NW., Washington, D.C.
E. (9) $292.43.

A. National League of Insured Savings Associations, 1200 17th Street NW., Washington, D.C.
D. (6) $6,348.11. E. (9) $3,117.36.

A. National Limestone Institute, Inc., 702 H Street NW., Washington, D.C.
D. (6) $2,763.05. E. (9) $2,763.05.

A. National Livestock Feeders Association, Inc., 309 Livestock Exchange Building, Omaha, Nebr.
D. (6) $4,209.78. E. (9) $4,209.78.

A. Philip Carlip.
B. National Marine Engineers Beneficial Association, District 2, 650 Fourth Avenue, Brooklyn, N.Y.
D. (6) $1,000. E. (9) $148.

A. National Milk Producers Federation, 30 F Street NW., Washington, D.C.
D. (6) $7,747.20. E. (9) $7,747.20.

A. National Multiple Sclerosis Society, 257 Park Avenue South, New York City, N.Y.
E. (9) $861.01.

A. National Parking Association, 1101 17th Street NW., Washington, D.C.
E. (9) $831.74.

A. National Preservers Association, 25 East Chestnut Street, Chicago, Ill.

A. National Rehabilitation Association, 1522 K Street NW., Washington, D.C.
D. (6) $269.33. E. (9) $1,221.75.

A. National Retail Furniture Association, 1150 Merchandise Mart, Chicago, Ill.
E. (9) $390.30.

A. National Retail Merchants Association, 100 West 31st Street, New York, N.Y.
E. (9) $6,766.

A. National Small Business Association, 1225 19th Street NW., Washington, D.C.
D. (6) $5,000. E. (9) $2,562.52.

A. National Tax Equality Association, Inc., 1000 Connecticut Avenue Building, Washington, D.C.
D. (6) $2,429.95. E. (9) $2,595.52.

A. National Telephone Cooperative Association, 1000 Connecticut Avenue NW., Washington, D.C.
E. (9) $1,935.83.

A. National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C.
D. (6) $125. E. (9) $125.

A. National Turkey Federation, Mount Morris, Ill.

A. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah.
D. (6) $13,960. E. (9) $5,220.56.

A. Alexander W. Neale, Jr., 1101 17th Street NW., Washington, D.C.
B. National Association of Supervisors of State Banks, 1101 17th Street NW., Washington, D.C.
D. (6) $2,062.50. E. (9) $369.81.

A. Alan M. Nedry, 888 17th Street NW., Washington, D.C.
B. Southern California Edison Co., Post Office Box 351, Los Angeles, Calif.
D. (6) $2,500. E. (9) $2,822.58.

A. Allen Neece, Jr., 537 Washington Building, Washington, D.C.
B. National Association of Small Business Investment Companies, 537 Washington Building, Washington, D.C.
D. (6) $300.

A. Samuel E. Neel, 1707 H Street NW., Washington, D.C.
B. Mortgage Bankers Association of America, 1707 H Street NW., Washington, D.C.
D. (6) $6,250. E. (9) $1,506.

A. Frances R. Neely, 245 Second Street NE., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NW., Washington, D.C.
D. (6) $1,164.

A. George R. Nelson, 1300 Connecticut Avenue NW., Washington, D.C.

B. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C.

D. (6) $2,500. E. (9) $372.56.

A. Ivan A. Nestingen, 1000 Connecticut Avenue NW., Washigton, D.C.

B. CUNA International Inc., 1617 Sherman Avenue, Madison Wis.

D. (6) $300. E. (9) $290.25.

A. Robert B. Neville, 1155 15th Street NW., Washington, D.C.

B. National Restaurant Association, 1155 15th Street NW., Washington, D.C., 1530 North Lake Shore Drive, Chicago, Ill.

D. (6) $2,687.50. E. (9) $100.

A. Louis H. Nevins, 1300 Connecticut Avenue NW., Washington, D.C.

B. National Association of Real Estate Boards, 155 East Superior Street, Chicago, Ill., 1300 Connecticut Avenue NW., Washington, D.C.

D. (6) $2,667. E. (9) $74.25.

A. E. J. Newbould, 1130 17th Street NW., Washington, D.C.

B. National Clay Pipe Institute, 350 West Terra Cotta Avenue, Crystal Lake, Ill.

D. (6) $150. E. (9) $48.37.

A. Sarah H. Newman, 1029 Vermont Avenue NW., Washington, D.C.

B. National Consumers League, 1029 Vermont Avenue NW., Washington, D.C.

D. (6) $1,650.

A. Patrick J. Nilan, 817 14th Street NW., Washington, D.C.

B. United Federation of Postal Clerks, Washington, D.C.

D. (6) $6,712.30. E. (9) $1,047.34.

A. James W. Nisbet, 280 Union Station Building, Chicago, Ill.

B. The Association of Western Railways, 224 Union Station Building, Chicago, Ill.

A. Stanley D. Noble, 29 North Wacker Drive, Chicago, Ill.

B. Council of Profit Sharing Industries, 29 North Wacker Drive, Chicago, Ill.

A. Robert W. Nolan, 1303 New Hampshire Avenue NW., Washington, D.C.

B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C.

D. (6) $100.

A. Charles M. Noone, 1225 Connecticut Avenue NW., Washington, D.C.

B. National Association of Small Business Investment Companies, 537 Washington Building, Washington, D.C.

D. (6) $1,500. E. (9) $396.23.

A. Graham T. Northup, 1707 H Street NW., Washington, D.C.

B. Mortgage Bankers Association of America, 1707 H Street NW., Washington, D.C.

D. (6) $6,250. E. (9) $13,837.

A. Ira H. Nunn, 1155 15th Street NW., Washington, D.C.

B. National Restaurant Association, 1155 15th Street NW., Washington, D.C., and 1530 North Lake Shore Drive, Chicago, Ill.

D. (6) $3,375. E. (9) $250.

A. Seward P. Nyman, 20 Chevy Chase Circle, Washington, D.C.

B. American Podiatry Association, 20 Chevy Chase Circle, Washington, D.C.

D. (6) $650.

A. Raymond D. O'Connell, 400 Madison Avenue, New York, N.Y.

B. National Cable Television Association, Inc., 1634 I Street NW., Washington, D.C.

D. (6) $6,000. E. (9) $318.54.

A. Richard T. O'Connell, 1200 17th Street NW., Washington, D.C.

B. National Council of Farmer Cooperatives, 1200 17th Street NW., Washington, D.C.

D. (6) $5,325. E. (9) $178.51.

A. O'Conner, Green, Thomas, Walters & Kelley, 1750 Pennsylvania Avenue NW., Washington, D.C.

B. American Transit Association, 815 Connecticut Avenue NW., Washington, D.C.

D. (6) $2,250. E. (9) $119.

A. O'Conner, Green, Thomas, Walters & Kelley, 1750 Pennsylvania Avenue NW., Washington, D.C.

B. Upper Mississippi Towing Corp., 7703 Normandale Road, Minneapolis, Minn.

D. (6) $2,500 E. (9) $97.

A. John B. O'Day, 11 East Adams Street, Chicago, Ill.

B. Insurance Economics Society of America, 11 East Adams Street, Chicago, Ill.

D. (6) $14,662.61.

A. John A. O'Donnell, 1616 P Street NW., Washington, D.C.

B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.

D. (6) $1,200.

A. Jane O'Grady, 1000 Wisconsin Avenue NW., Washington, D.C.

B. Committee for Community Affairs, 1000 Wisconsin Avenue NW., Washington, D.C.

D. (6) $2,187.51. E. (9) $39.50.

A. Richard C. O'Hare, 1120 Investment Building, Washington, D.C.

B. Harness Tracks of America, 333 North Michigan Avenue, Chicago, Ill.

A. Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio.

E. (9) $1,947.49.

A. Alvin E. Oliver, 725 15th Street NW., Washington, D.C.

B. Grain & Feed Dealers National Association, 725 15th Street NW., Washington, D.C.

A. Edward W. Oliver, 5025 Wisconsin Avenue NW., Washington, D.C.

B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C.

A. Robert Oliver, 400 First Street NW., Washington, D.C.

B. The Sperry & Hutchinson Co., 330 Madison Avenue, New York City.

A. Michael S. Olson, 501 Raleigh Building, Raleigh, N.C.

E. (9) $3.45.

A. Samuel Omasta, 702 H Street NW., Washington, D.C.

B. National Limestone Institute, Inc., 702 H Street NW., Washington, D.C.

E. (9) $54.75.

A. Raymond B. Ondov, 105 East Oakland Avenue, Austin, Minn.

B. The Hormel Foundation, Austin, Minn.

D. (6) $5,125. E. (9) $438.85.

A. Organization of Professional Employees of the U.S. Department of Agriculture, Post Office Box 381, Washington, D.C.

D. (6) $172.40. E. (9) $817.99.

A. Franklin L. Orth, 1600 Rhode Island Avenue NW., Washington, D.C.

B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C.

D. (6) $625.

A. Kermit Overby, 2000 Florida Avenue NW., Washington, D.C.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.

D. (6) $185.

A. J. Allen Overton, Jr., 1100 Ring Building, Washington, D.C.

B. American Mining Congress, Ring Building, Washington, D.C.

D. (6) $1,200.

A. Walter Page, Box 128, Cazenovia, N.Y.

A. Norman Paige, 1132 Pennsylvania Building, Washington, D.C.

B. Distilled Spirits Institute, 1132 Pennsylvania Building, Washington, D.C.

A. Lew M. Paramore, Post Office Box 1310, Kansas City, Kans.

B. Mississippi Valley Association, 1130 17th Street NW., Washington, D.C.

A. J. D. Parel, 300 New Jersey Avenue SE., Washington, D.C.

B. Association of American Railroads, American Railroads Building, Washington, D.C.

(D) (6) $365.51. E. (9) $223.54.

A. Judith E. Park, 1909 Q Street NW., Washington, D.C.

B. National Association of Retired Civil Employees, 1909 Q Street NW., Washington, D.C.

D. (6) $2,548.97. E. (9) $172.96.

A. Michael L. Parker, 3300 Crocker Plaza, San Francisco, Calif.

B. Kaiser Foundation Health Plan, 300 Lakeside Drive, Oakland, Calif.

D. (6) $1,833.33. E. (9) 2,175.72.

A. George F. Parrish, Post Office Box 7, Charleston, W Va.

B. West Virginia Railroad Association.

D. (6) $6,000. E. (9) $183.72.

A. Parsons, Tennent, Hammond, Hardig & Ziegelman, 600 Ford Building, Detroit, Mich.

B. Comac Co., 1500 North Woodward Avenue, Birmingham, Mich.

D. (6) $375. E. (9) $25.86.

A. Robert D. Partridge, 2000 Florida Avenue NW., Washington, D.C.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.

D. (6) $108.20.

A. Patton, Blow, Verrill, Brand & Boggs, 1200 17th Street NW., Washington, D.C.

B. Boating Industry Association, 333 North Michigan Avenue, Chicago, Ill.

D. (6) under $500.

A. Patton Blow, Verrill, Brand & Boggs, 1200 17th Street NW., Washington, D.C.

B. The Reader's Digest Association, Inc., Pleasantville, N.Y.

D. (6) $1,000.

A. Paul, Weiss, Goldberg, Rifkind, Wharton & Garrison, 345 Park Avenue, New York, N.Y.

B. Computer Lessors Association, Inc., Room 3901, 1 Chase Manhattan Plaza, New York, N.Y.

E. (9) $756.76.

A. Paul, Weiss, Goldberg, Rifkind, Wharton & Garrison, 345 Park Avenue, New York, N.Y.
B. GATX-Armco-Boothe, Alcoa Building, 1 Maritime Plaza, San Francisco, Calif.
E. (9) $613.

A. Lynn C. Paulson, 1735 K Street NW., Washington, D.C.
B. National Independent Dairies Association, 1735 K Street NW., Washingon, D.C.
E. (9) $466.98.

A. Pennzoil United, Inc., 900 Southwest Tower, Houston, Tex.
E. (9) $2,439.10.

A. D. V. Pensabene, 1700 K Street NW., Washington, D.C.
B. Standard Oil Co. of California, 1700 K Street NW., Washington, D.C.
D. (6) $50. E. (9) $25.

A. J. Carter Perkins, 1700 K Street NW., Washington, D.C.
B. Shell Oil Co., 50 West 50th Street, New York, N.Y.

A. A. J. Pessel, 1001 Connecticut Avenue NW., Washington, D.C.
D. (6) $2,250. E. (9) $200.

A. A. Harold Peterson, 715 Cargill Building, Minneapolis, Minn.
B. National REA Telephone Association, 715 Cargill Building, Minneapolis, Minn.
D. (6) $2,500. E. (9) $1,247.90.

A. Esther Peterson, 815 16th Street NW., Washington, D.C.
B. Amalgamated Clothing Workers of America, 15 Union Square, New York, N.Y.
D. (6) $3,259.99. E. (9) $53.

A. Michael Petresky, 400 First Street NW., Washington, D.C.
B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich.
D. (6) $2,555.

A. Walter T. Phair, 900 17th Street NW., Washington, D.C.
B. Kaiser Industries Corp., 900 17th Street NW., Washington, D.C.
D. (6) $300. E. (9) $250.

A. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C.

A. John P. Philbin, 1100 Connecticut Avenue, Washington, D.C.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y.
D. (6) $1,125. E. (9) $258.58.

A. Pierson, Ball & Dowd, 1000 Ring Building, Washington, D.C.
B. Committee for Study of Revenue Bond Financing, 1000 Ring Building, Washington, D.C.
D. (6) $3,333.33. E. (9) $319.57.

A. James F. Pinkney, 1616 P Street NW., Washington, D.C.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.
D. (6) $1,000. E. (9) $83.05.

A. T. E. Pinkston, 101 East High Street, Lexington, Ky.
E. (9) $1,110.29.

A. James H. Pipkin, 1001 Connecticut Avenue NW., Washington, D.C.
B. Texaco Inc., 135 East 42d Street, New York, N.Y.
D. (6) $700. E. (9) $1,700.

A. Robert R. Poston, 908 Colorado Building, Washington, D.C.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y.
D. (6) $900. E. (9) $232.38.

A. George G. Potts, 15 East Cliff Street, Alexandria, Va.
B. National Association of Mutual Insurance Agents, 520 Investment Building, Washington, D.C.
E. (9) $660.

A. Ramsay D. Potts, 910 17th Street NW., Washington, D.C.
B. Investment Company Institute, 61 Broadway, New York, N.Y.
D. (6) $1,500. E. (9) $1,211.58.

A. Richard M. Powell, 1210 Tower Building, Washington, D.C.
B. National Association of Refrigerated Warehouses, 1210 Tower Building, Washington, D.C.

A. William T. Powell, 1110 Ring Building, Washington, D.C.
B. Independent Petroleum Association of America, 1110 Ring Building, Washington, D.C.
E. (9) $27.

A. Carlton H. Power, 1918 North Parkway, Post Office Box 12285, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 12285, Memphis, Tenn.
D. (6) $540. E. (9) $112.04.

A. William C. Prather, 221 North LaSalle Street, Chicago, Ill.
B. U.S. Savings and Loan League, 221 North LaSalle Street, Chicago, Ill.
D. (6) $450.

A. William H. Press, 1616 K Street NW., Washington, D.C.
B. Metropolitan Washington Board of Trade, 1616 K Street NW., Washington, D.C.
D. (6) $8,450.

A. Forrest J. Prettyman, 703 15th Street NW., Washington, D.C.
B. Association of Registered Bank Holding Companies, 730 15th Street NW., Washington, D.C.
D. (6) $218.75.

A. Mrs. Pearl B. Price, 406 Mayrant Drive, Dallas, Tex.

A. Jerry C. Pritchett, 59 Ivy Street SE., Washington, D.C.
B. National Association of Plumbing-Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C.
D. (6) $3,660. E. (9) $3,660.

A. Earle W. Putnam, 5025 Wisconsin Avenue NW., Washington, D.C.
B. Amalgamated Transit Union, 5025 Wisconsin Avenue NW., Washington, D.C.

A. Earl G. Quinn, 400 First Street NW., Washington, D.C.
B. Brotherhood of Railway, Airline & Steamship Clerks, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $502.50.

A. Joseph E. Quin, 1616 H Street NW., Washington, D.C.
B. The National Grange, 1616 H Street NW., Washington, D.C.
D. (6) $600.

A. Luke C. Quinn, Jr., 1001 Connecticut Avenue NW., Washington, D.C.
B. American Cancer Society, New York, N.Y., et al.
D. (6) $11,247.97. E. (9) $11,581.71.

A. James H. Rademacher, 100 Indiana Avenue NW., Washington, D.C.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $3,375.

A. Alex Radin, 2600 Virginia Avenue NW., Washington, D.C.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C.
D. (6) $375.54.

A. Chris J. Radovan, 1000 Connecticut Avenue NW., Washington, D.C.
B. Sheet Metal Workers International Association, 1000 Connecticut Avenue NW., Washington, D.C.
D. (6) $675.

A. Edward F. Ragland, 6917 Marbury Road, Bethesda, Md.
B. The Tobacco Institute, Inc., 1735 K Street NW., Washington, D.C.

A. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C.

A. Railway Progress Institute, 1140 Connecticut Avenue NW., Washington, D.C.

A. Alan T. Rains, 777 14th Street NW., Washington, D.C.
B. United Fresh Fruit & Vegetable Association, 777 14th Street NW., Washington, D.C.

A. William A. Raleigh, Jr., 1000 16th Street NW., Washington, D.C.
B. National Coal Policy Conference, Inc., 1000 16th Street NW., Washington, D.C.
D. (6) $4,988.

A. Carl R. Ramsey, 239 Beach Road, Alameda, Calif.
B. National Council of Naval Air Stations Employee Organizations, 239 Beach Road, Alameda, Calif.

A. Louis J. Rancourt, 400 First Street NW., Washington, D.C.
B. Brotherhood of Railway, Airline & Steamship Clerks, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $415.39.

A. Record Industry Association of America, Inc., 1 East 57th Street, New York, N.Y.
E. (9) $38,921.60.

A. Robert E. Redding, 1101 17th Street NW., Washington, D.C.
B. Transportation Association of America, 1101 17th Street NW., Washington, D.C.

A. John T. Reggitts, Jr., 95 Boonton Avenue, R.F.D. No. 2, Boonton, N.J.

A. E. Lewis Reid, 111 Sutter Street, San Francisco, Calif.
B. Valley Center Municipal Water District, Valley Center, Calif.
D. (6) $3,507.50. E. (9) $625.87.

A. John A. Reilly, 59 Maiden Lane, New York, N.Y.
B. Estate of Bert L. Adams, et al.
E. (9) $150.

A. Research to Prevent Blindness, Inc., 598 Madison Avenue, New York, N.Y.
E. (9) $3,000.

A. Ronald E. Resh, 1300 Wyatt Building, Washington, D.C.
B. Wyatt & Saltzstein, 1300 Wyatt Building, Washington, D.C.
D. (6) $1,250.

A. Retired Officers Association, 1625 I Street NW., Washington, D.C.
D. (6) $3,113.

A. Retirement Federation of Civil Service Employees of the U.S. Government, 13th and E Streets NW., Washington, D.C.
D. (6) $9,070.55. E. (9) $11,389.40.

A. Vincent P. Reusing, 1026 17th Street NW., Washington, D.C.
B. American Optometric Association, care of J.C. Tumblin, O.D., Post Office Box 5147, Knoxville, Tenn.
D. (6) $138. E. (9) $210.25.

A. James J. Reynolds, 1120 Connecticut Avenue NW., Washington, D.C.
B. American Institute of Merchant Shipping, 1120 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,875. E. (9) $104.30.

A. William L. Reynolds, 1200 17th Street NW., Washington, D.C.
B. National League of Insured Savings Association, 1200 17th Street NW., Washington, D.C.
D. (6) $36.

A. Theron J. Rice, 1130 17th Street NW., Washington, D.C.
B. Continental Oil Co., 30 Rockefeller Plaza, New York, N.Y.

A. James W. Richards, 1000 16th Street NW., Washington, D.C.
B. Standard Oil Co. (Indiana), 910 South Michigan Avenue, Chicago, Ill.
D. (6) $1,284.02. E. (9) $14.93

A. Harry H. Richardson, 335 Austin Street, Bogalusa, La.
B. Louisiana Railroads.
D. (6) $25.75. E. (9) $63.07.

A. Lloyd C. Richardson, Jr., Box 489, Aberdeen, S. Dak.
E. (9) $892.84.

A. Mark Richardson, 342 Madison Avenue, New York, N.Y.
B. National Footwear Manufacturers Association, Inc., 342 Madison Avenue, New York, N.Y.
D. (6) $250. E. (9) $250.

A. Siert F. Riepma, Munsey Building, Washington, D.C.
B. National Association of Margarine Manufacturers.

A. Richard N. Rigby, Jr., 1900 L Street NW., Washington, D.C.
B. National Oceanography Association, 1900 L Street NW., Washington, D.C.
D. (6) $435. E. (9) $73.25.

A. William Neale Roach, 1616 P Street NW., Washington, D.C.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.
D. (6) $1,200.

A. Roberts & Holland, 1301 Avenue of the Americas, New York, N.Y.
B. Samuel Hamberger, 20001 Sherwood Road, Detroit, Mich.
E. (9) $76.

A. Roberts & Holland, 1301 Avenue of the Americas, New York, N.Y.
B. John D. Rockefeller III, 30 Rockefeller Plaza, New York, N.Y.
E. (9) $742.66.

A. Roberts & Holland, 1301 Avenue of the Americas, New York, N.Y.
B. Trustees of the Bernice P. Bishop Estate, 519 Halekauwila Street, Honolulu, Hawaii.

A. Stephen Philip Robin, 1000 Connecticut Avenue NW., Washington, D.C.
B. Kozai Club 3-16. Nihonbashi-Kayabacho, Chuo-ku, Tokyo, Japan.

A. Charles A. Robinson, Jr., 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.
D. (6) $185.

A. Donald [illegible] Rogers, 730 15th Street NW., Washington, D.C.
B. Association of Registered Bank Holding Companies, 730 15th Street NW., Washington, D.C.
D. (6) $562.50.

A. Frank W. Rogers, 1700 K Street NW., Washington, D.C.
B. Western Oil and Gas Association, 609 South Grand Avenue, Los Angeles, Calif.
D. (6) $688.80.

A. Walter E. Rogers, 1660 L Street, NW., Washington, D.C.
B. Independent Natural Gas Association of America, 1660 L Street NW., Washington, D.C.
D.(6) $1,000.

A. William E. Rollow, 815 15th Street NW., Washington, D.C.
B. National Capital Area Council of Sportsmen, 815 15th Street NW., Washington, D.C.

A. William E. Rollow, 815 15th Street NW., Washington, D.C.
B. The National Skeet Shooting Association.

A. Michael J. Romig, 1025 Connecticut Avenue NW., Washington, D.C.
B. American Insurance Association, 1025 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,500. E. (9) $250.

A. Dena Rosen, 1812 K Street NW., Washington, D.C.
B. American Academy of General Practice, Volker Boulevard at Brookside, Kansas City, Mo.
E. (9) $23.82.

A. Dena Rosen, 1812 K Street NW., Washington, D.C.
B. Potter Bros., Inc., Carlstadt, N.J.
D. (6) $400. E. (9) $14.68.

A. Michael P. Roudnev, 1825 K Street NW., Washington, D.C.
B. Del Monte Corp., 215 Fremont Street, San Francisco, Calif.
D. (6) $332. E. (9) $32.

A. Robert J. Routier, 1701 K Street NW., Washington, D.C.
B. American Life Convention, 211 East Chicago Avenue, Chicago, Ill.

A. Royall, Koegel & Wells, 1730 K Street NW., Washington, D.C.
B. The ARW Foundation, 100 Church Street, New York City, N.Y.

A. Royall, Koegel & Wells, 1730 K Street NW., Washington, D.C.
B. The Morris and Gwendolyn Cafritz Foundation, 1825 K Street NW., Washington, D.C.

A. Royall, Koegel & Wells, 1730 K Street NW., Washington, D.C.
B. Great Salt Lake Minerals & Chemicals Corp., 579 Fifth Avenue, New York, N.Y.

A. Royall, Koegel & Wells, 1730 K Street NW., Washington, D.C.
B. The Pinkerton Foundation, 100 Church Street, New York, N.Y.

A. John Forney Rudy, 902 Ring Building Washington, D.C.
B. The Goodyear Tire & Rubber Co., Akron, Ohio.

A. Harland J. Rue.
B. New Process Co., Warren, Pa.
E. (9) $163.05.

A. Rural Small Town Small City Coalition, Inc., Rushville, Ind.
D. (6) $9,100. E. (9) $2,469.63.

A. Albert R. Russell, 1918 North Parkway, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 12285, Memphis, Tenn.
D. ($6) $1,304.40. E. (9) $461.94.

A. J. T. Rutherford & Associates, Inc., 1555 Connecticut Avenue NW., Washington, D.C.
B. The American College of Radiology, 20 North Wacker Drive, Chicago, Ill.
D. (6) $750. E. (9) $1,024.17.

A. J. T. Rutherford, 1616 P Street NW., Washington, D.C.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.
D. (6) $1,200. E. (9) $324.50.

A. Edward F. Ryan, 110 Bridge Street, Manchester, Mass.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.
E. (9) $331.68.

A. William H. Ryan, Machinist Building, Washington, D.C.
B. International Association of Machinists & Aerospace Workers.
D. (6) $2,006.25. E. (9) $480.

A. Francis J. Ryley, 519 Title & Trust Building, Phoenix, Ariz.
B. Standard Oil Co. of California, San Francisco, et al., Shell Oil Co., Mobil Oil Corp., Atlantic Richfield Co., Phillips Petroleum Co., Union Oil Co., Signal Oil & Gas Co., Gulf Oil Corp., all Los Angeles; Humble Oil & Refining Co., Midland, Tex.

A Carl K. Sadler, 400 First Street NW., Washington, D.C.
B. American Federation of Government Employees, 400 First Street NW., Washington, D.C.
D. (6) $4,214.70. E. (9) $11,520.26.

A. Robert A. Saltzstein, 1300 Wyatt Building, Washington, D.C.
B. American Business Press Inc., 205 East 42d Street, New York, N.Y.
D. (6) $3,062.50. E. (9) $2,894.19.

A. William H. Scheick, 1735 New York Avenue NW., Washington, D.C.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C.
D. (6) $50.

A. Jacques T. Schlenger, 1400 Mercantile Trust Building, Baltimore, Md.
B. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md.

A. Edwin R. Schneider, Jr., 1522 K Street NW., Washington, D.C.
B. Mail Advertisers Educational Committee of the Major Mailers and Producers of the Mail Advertising Service Association International, Inc., 425 13th Street NW., Washington, D.C.
D. (6) $5,000. E. (9) $673.34.

A. Stanley W. Schroeder, 1100 Ring Building, Washington, D.C.
B. American Mining Congress, Ring Building, Washington, D.C.
D. (6) $475.

A. C. Herschel Schooley, 815 15th Street NW., Washington, D.C.
B. Independent Bankers Association of America, Sauk Centre, Minn.
D. (6) $4,250. E. (9) $3,048.63.

A. John W. Scott, 1616 H Street NW., Washington, D.C.
B. The National Grange, 1616 H Street NW., Washington, D.C.
D. (6) $5,000.

A. Durward Seals, 777 14th Street NW., Washington, D.C.
B. United Fresh Fruit & Vegetable Association, 777 14th Street NW., Washington, D.C.

A. Hollis M. Seavey, 1771 N Street NW., Washington, D.C.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C.

A. Ronald C. Seeley, 1357 Nicolet Place, Detroit, Mich.
E. (9) $857.23.

A. W. O. Senter, 1725 DeSales Street NW., Washington, D.C.
B. Gas Supply Committee, 1725 DeSales Street NW., Washington, D.C.

A. Leo Seybold, 1000 Connecticut Avenue NW., Washington, D.C.
B. Air Transport Association, 1000 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,125. E. (9) $184.65.

A. Robert L. Shafer, 1700 Pennsylvania Avenue NW., Washington, D.C.
B. Chas. Pfizer & Co., Inc., 235 East 42d Streety, New York, N.Y.
D. (6) $500. E. (9) $215.

A. Joseph H. Sharlitt, 1522 K Street NW., Washington, D.C.
B. Mail Advertisers Educational Committee of the Major Mailers and Producers of the Mail Advertising Service Association International, Inc., 425 13th Street NW., Washington, D.C.
D. (6) $5,000. E. (9) $673.34.

A. Sharon, Pierson & Semmes, 1100 17th Street NW., Washington, D.C.
B. General Electric Co., 570 Lexington Avenue, New York, N.Y.
D. (6) $500.

A. Sharon, Pierson & Semmes, 1100 17th Street NW., Washington, D.C.
B. Hershey Trust Co., Trustee for Milton S. Hershey School, Chocolate Avenue, Hershey, Pa.
D. (6) $6,450. E. (9) $50.

A. Sharon, Pierson & Semmes, 1100 17th Street NW., Washington, D.C.
B. Rubber Manufacturers Association, 444 Madison Avenue, New York, N.Y.
D. (6) $2,500.

A. Sharon, Pierson & Semmes, 1100 17th Street NW., Washington, D.C.
B. Anchor Corp. et al.
D. (6) $1,500.

A. James R. Sharp, 1108 16th Street NW., Washington, D.C.
B. American Fur Merchants' Association, 224 West 30th Street, New York, N.Y.
E. (9) $2,250.

A. Arnold F. Shaw, 503 D Street NW., Washington, D.C.
B. The National Committee for the Recording Arts, 9300 Wilshire Boulevard, Beverly Hills, Calif.

A. Kenneth D. Shaw, 400 First Street NW., Washington, D.C.
B. Brotherhood of Railway, Airline and Steamship Clerks, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $750.

A. Shaw, Pittman, Potts, Trowbridge and Madden, Barr Building, Washington, D.C.
B. Doubleday & Co., Inc., 277 Park Avenue, New York, N.Y.

A. John J. Sheehan, 1001 Connecticut Avenue NW., Washington, D.C.
B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.
D. (6) $4,300. E. (9) $3,587.04.

A. Laurence P. Sherfy, 1100 Ring Building, Washington, D.C.
B. American Mining Congress, Ring Building, Washington, D.C.
D. (6) $825.

A. Ira Shesser, 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.

A. Max Shine, 1126 16th Street NW., Washington, D.C.
B. American Federation of Technical Engineers, 1126 16th Street NW., Washington, D.C.
D. (6) $992. E. (9) $20.

A. Robert L. Shortle, 1147 International Trade Mart Tower, New Orleans, La.
B. Mississippi Valley Association, 1130 17th Street NW., Washington, D.C.

A. Grant S. Shotwell, 1957 E Street NW., Washington, D.C.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C.

A. Charles B. Shuman, Merchandise Mart Plaza, Chicago, Ill.
B. American Farm Bureau Federation, Merchandise Mart Plaza, Chicago, Ill.
D. (6) $1,000.

A. Sidney & Austin, 1625 I Street NW., Washington, D.C.
B. American Walnut Manufacturers Association, 666 North Lake Shore Drive, Chicago, Ill.

A. Sidney & Austin, 1625 I Street NW., Washington, D.C.
B. Associated Third Class Mail Users, Inc., 1725 K Street NW., Washington, D.C.

A. Sidney & Austin, 1625 I Street NW., Washington, D.C.
B. Bankers National Life Insurance Co., 1 Sunset Avenue, Montclair, N.J.

A. Sidney & Austin, 1625 I Street NW., Washington, D.C.
B. Elba Systems Corp., 5909 East 38th Avenue, Denver, Colo.

A. David Silver, 61 Broadway, New York, N.Y.
B. Investment Company Institute, 61 Broadway, New York, N.Y.
E. (9) $284.48.

A. Silver Users Association, 1625 I Street, NW., Washington, D.C.
D. (6) $124.96. E. (9) $110.15.

A. Carstens Slack, 1625 I Street NW., Washington, D.C.
B. Phillips Petroleum Co., Bartlesville, Okla.

A. Stephen Slipher, 812 Pennsylvania Building, Washington, D.C.
B. United States Savings and Loan League, 221 North LaSalle Street, Chicago, Ill.
D. (6) $3,125. E. (9) $40.25.

A. Jonathan W. Sloat, 1632 K Street NW., Washington, D.C.
B. Grocery Manufacturers of America, Inc., 1133 Avenue of the Americas, New York, N.Y.

A. Donald E. Smiley, 1025 Connecticut Avenue NW., Washington, D.C.
B. Humble Oil & Refining Co., Post Office Box 2180, Houston, Tex.
E. (9) $192.02.

A. T. W. Smiley, 135 East 11th Place, Chicago, Ill.
B. Illinois Railroad Association, 135 East 11th Place, Chicago, Ill.
E. (9) $1,851.26.

A. Gordon L. Smith, 1145 19th Street NW., Washington, D.C.
B. Edward Gottlieb & Associates, Ltd., 485 Madison Avenue, New York, N.Y.
E. (9) $40.41.

A. Robert W. Smith, 815 Connecticut Avenue NW., Washington, D.C.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $440. E. (9) $102.

A. Wallace M. Smith, 425 13th Street NW., Washington, D.C.
B. American Unsubsidized Lines, 1824 R Street NW., Washington, D.C.
D. (6) $866. E. (9) $101.50.

A. Wallace M. Smith, 425 13th Street NW., Washington, D.C.
B. National Association of Mutual Insurance Cos., 2611 East 46th Street, Indianapolis, Ind.

A. Wayne H. Smithey, 815 Connecticut Avenue NW., Washington, D.C.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $740.90. E. (9) $516.10.

A. Lyle O. Snader, 300 New Jersey Avenue SE., Washington, D.C.
B. Association of American Railroads, American Railroads Building, Washington, D.C.
D. (6) $223.25. E. (9) $270.

A. Frank B. Snodgrass, 1726 M Street NW., Washington, D.C.
B. Burley and Dark Leaf Tobacco Export Association, Post Office Box 860, Lexington, Ky.
D. (6) $425. E. (9) $198.49.

A. Society for Animal Protective Legislation, Post Office Box 3719, Georgetown Station, Washington, D.C.
D. (6) $9,970.40. E. (9) $6,547.70.

A. Carl A. Soderblom, 1 East First Street, Reno, Nev.
B. Nevada Railroad Association, 1 East First Street, Reno, Nev.

A. J. Taylor Soop, 400 First Street NW., Washington, D.C.
B. International Brotherhood of Electrical Workers, 330 S. Wells Street, Chicago, Ill.
D. (6) $2,430.

A. William W. Spear, 1000 16th Street NW., Washington, D.C.
B. Standard Oil Co., Indiana, 910 South Michigan Avenue, Chicago, Ill.
D. (6) $1,100.40. E. (9) $4.88.

A. Frank J. Specht, Schenley Industries, Inc., 1725 DeSales Street NW., Washington, D.C.
B. Schenley Industries, Inc., 1290 Avenue of the Americas, New York, N.Y.

A. Lawrence Speiser, 1424 16th Street NW., Washington, D.C.
B. American Civil Liberties Union, 156 Fifth Avenue, New York, N.Y.

A. Nicholas J. Spiezio, 1707 H Street NW., Washington, D.C.
B. Mortgage Bankers Association of America, 1707 H Street NW., Washington, D.C.
D. (6) $2,750. E. (9) $3,162.

A. Joseph L. Spilman, Jr., 1625 K Street NW., Washington, D.C.
B. Mid-Continent Oil & Gas Association, 300 Tulsa Building, Tulsa, Okla.
D. (6) $500. E. (9) $120.

A. Louis P. Spitz, 404 Madison Building, Washington, D.C.
B. American Association of Motor Vehicle Administrators, 404 Madison Building, Washington, D.C.
D. (6) $1,000.

A. Melvin L. Stark, American Insurance Association, 1025 Connecticut Avenue NW., Washington, D.C.
B. American Insurance Association, 1025 Connecticut Avenue NW., Washington, D.C.
D. (6) $3,000. E. (9) $350.

A. Mrs. C. A. L. Stephen, Post Office Box 6234, Northwest Station, Washington, D.C.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C.
B. American Claims in Cuba Committee, 1250 Connecticut Avenue, Washington, D.C.
D. (6) $275.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C.
B. International Telephone & Telegraph Corp., 320 Park Avenue, New York, N.Y.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C.
B. Robert College of Istanbul, Turkey, 548 Fifth Avenue, New York, N.Y.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C.
B. Teachers Insurance and Annuity Association of America, 730 Third Avenue, New York, N.Y.
D. (6) $2,900. E. (9) $84.80.

A. Sterling F. Stoudenmire, Jr., 61 St. Joseph Street, Mobile, Ala.
B. Waterman Steamship Corp., 61 St. Joseph Street, Mobile, Ala.

A. Francis W. Stover, 200 Maryland Avenue NE., Washington, D.C.
B. Veterans of Foreign Wars of the United States.
D. (6) $5,000. E. (9) $368.43.

A. William M. Stover, 1825 Connecticut Avenue NW., Washington, D.C.
B. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C.
D. (6) $815.90. E. (9) Under $100.00.

A. Ronnie J. Straw, 1000 Connecticut Avenue NW., Washington, D.C.
B. National Telephone Cooperative Association, 1000 Connecticut Avenue NW., Washington, D.C.
D. (6) $320.

A. Herald E. Stringer, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $5,050.50. E. (9) $307.70.

A. Philip W. Stroupe, 1100 Ring Building, Washington, D.C.
B. American Mining Congress, Ring Building, Washington, D.C.
D. (6) $475.

A. Norman Strunk, 221 North LaSalle Street, Chicago, Ill.
B. United States Savings & Loan League, 221 North LaSalle Street, Chicago, Ill.
D. (6) $1,875. E. (9) $946.81.

A. Richard L. Studley, 1400 20th Street NW., Washington, D.C.
B. Machinery Dealers National Association, 1500 20th Street NW., Washington, D.C.

A. Walter B. Stults, 537 Washington Building, Washington, D.C.
B. National Association of Small Business Investment Co., 537 Washington Building, Washington, D.C.
D. (6) $600.

A. Barry Sullivan, 536 Washington Building, Washington, D.C.
B. National Association of River & Harbor Contractors, 536 Washington Building, Washington, D.C.
D. (6) $750. E. (9) $45.46.

A. C. Don Sullivan, 1100 Ring Building, Washington, D.C.
B. American Mining Congress, Ring Building, Washington, D.C.
D. (6) $475.

A. John T. Sun, 1712 G Street NW., Washington, D.C.
B. American Automobile Association, 1712 G Street NW., Washington, D.C.

A. Sutherland, Asbill, and Brennan, 1200 Farragut Building, Washington, D.C.
B. Carnegie Corp. of New York, 437 Madison Avenue, New York, N.Y.
D. (6) $2,410. E. (9) $22.50.

A. Sutherland, Asbill, and Brennan, 1200 Farragut Building, Washington, D.C.
B. The Travelers Corp., 1 Tower Square, Hartford, Conn.

A. Irving W. Swanson, 1155 15th Street NW., Washington, D.C.
B. Pharmaceutical Manufacturers Association.

A. John R. Sweeney, 1000 16th Street NW., Washington, D.C.
B. Bethlehem Steel Corp., 701 East Third Street, Bethlehem, Pa.

A. Charles P. Taft, 1028 Connecticut Avenue NW., Washington D.C.
B. Legislative Committee, Committee for a National Trade Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C.
D. (6) $200.

A. Russell D. Tall, 1200 17th Street NW., Washington, D.C.
B. National Council of Farmer Cooperatives, 1200 17th Street NW., Washington, D.C.

A. Rev. Charles C. Talley, 100 Angus Court, Charlottesville, Va.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. The Taxpayers Committee to End Foreign Aid.
D. (6) $500.

A. L. D. Tharp, Jr., 1660 L Street NW., Washington, D.C.
B. Independent Natural Gas Association of America, 1660 L Street NW., Washington, D.C.
D. (6) $300.

A. Evert S. Thomas, Jr., 1730 Rhode Island Avenue NW., Washington, D.C.
B. CUNA International, Inc., 1617 Sherman Avenue, Madison Wis.
D. (6) $969.23. E. (9) $642.78.

Clark W. Thompson, 1000 6th Street NW., Washington, D.C.
B. Tenneco Inc., Post Office Box 2511, Houston, Tex.
E. (9) $36.10.

A. William B. Thompson, Jr., 300 New Jersey Avenue SE., Washington, D.C.
B. Association of American Railroads, American Railroads Building, Washington, D.C.
D. (6) $190. E. (9) $205.10.

A. William H. Tinney, 2000 L Street NW., Washington, D.C.
B. Penn Central Transportation Co., 230 Park Avenue, New York, N.Y.

A. Tobacco Associates, Inc., 1101 17th Street NW., Washington, D.C.
E. (9) $1,087.

A. H. Willis Tobler, 30 F Street NW., Washington, D.C.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C.
D. (6) $2,800. E. (9) $146.60.

A. David R. Toll, 1140 Connecticut Avenue, Washington, D.C.
B. National Association of Electric Companies, 1140 Connecticut Avenue, Washington, D.C.
D. (6) $500.85. E. (9) $654.19.

A. F. Gerald Toye, 777 14th Street NW., Washington, D.C.
B. General Electric Co., 570 Lexington Avenue, New York, N.Y.
D. (6) $1,200. E. (9) $19.95.

A. John P. Tracey, 1705 DeSales Street NW., Washington, D.C.
B. American Bar Association, 1705 DeSales Street NW., Washington, D.C.
D. (6) $400. E. (9) $50.

A. Joseph P. Trainor, 400 First Street NW., Washington, D.C.
B. Brotherhood of Railway, Airline & Steamship Clerks, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $441.80.

A. Transportation Association of America, 1101 17th Street NW., Washington, D.C.
E. (9) $1,200.

A. Richard S. Tribbe, 1000 16th Street NW., Washington, D.C.
B. Trans World Airlines, Inc., 10 Richards Road, Kansas City, Mo.

A. Bernard H. Trimble, 1730 Rhode Island Avenue NW., Washington, D.C.
B. National Electrical Contractors Association, 1730 Rhode Island Avenue NW., Washington, D.C.

A. Glenwood S. Troop, Jr., 812 Pennsylvania Building, Washington, D.C.
B. United States Savings and Loan League, 221 North LaSalle Street, Chicago, Ill.
D. (6) $5,000. E. (9) $47.05.

A. Joel B. True, 918 16th Street NW., Washington, D.C.
B. National Association of Manufacturers.

A. Trustees for Conservation, 251 Kearny Street, San Francisco, Calif.
D. (6) $10. E. (9) $99.60.

A. Galen Douglas Trussell, 918 16th Street NW., Washington, D.C.
B. National Association of Manufacturers.

A. Dick Tullis, 607 Maple Terrace, Dallas, Tex.
B. Superior Oil Co., Houston, Tex., and Los Angeles, Calif.
D. (6) $200. E. (9) $150.

A. Richard F. Turney, 835 Southern Building, Washington, D.C.
B. American Association of Nurserymen, Inc., 835 Southern Building, Washington, D.C.
D. (6) $20. E. (9) $287.84.

A. John D. Tyson.
B. International Paper Co., 220 East 42d Street, New York, N.Y.
D. (6) $410.16. E. (9) $196.96.

A. United Cerebral Palsy Association, Inc., 66 East 34th Street, New York, N.Y.
E. (9) $1,434.95.

A. United Federation of Postal Clerks, 817 14th Street NW., Washington, D.C.
D. (6) $614,278.80. E. (9) $80,899.12.

A. U.S. Cane Sugar Refiners' Association, 1001 Connecticut Avenue, Washington, D.C.
E. (9) $210.30.

A. U.S. Savings and Loan League, 221 North LaSalle Street, Chicago, Ill.
E. (9) $31,462.30.

A. The Universal Exchange, Post Office Box 8701, Orlando, Fla.
E. (9) $425.05.

A. Valicenti, Leighton, Reid & Pine and Richard L. Goldman, 70 Pine Street, New York, N.Y.
B. Association of Mutual Fund Plan Sponsors, Inc., 50 East 42d Street, New York, N.Y.
D. (6) $5,800. E. (9) $1,326.33.

A. John A. Vance, 1725 K Street NW., Washington, D.C.
B. Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif.
D. (6) $3,830. E. (9) $2,744.49.

A. Theodore A. Vanderzyde, Machinists Building, Washington, D.C.
B. International Association of Machinists and Aerospace Workers, AFL–CIO.
D. (6) $2,006.25. E. (9) $480.

A. Mrs. Lois W. Van Valkenburgh, 1673 Preston Road, Alexandria, Va.
B. Citizens Committee for UNICEF, 20 E Street NW., Washington, D.C.
D. (6) $166.90. E. (9) $0.90.

A. G. W. Vaughan, 233 Broadway, New York, N.Y.

A. Venable, Baetjer & Howard, 1400 Mercantile Trust Building, Baltimore, Md.
B. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md.

A. Richard E. Vernor, 1701 K Street NW., Washington, D.C.
B. American Life Convention, 211 East Chicago Avenue, Chicago, Ill.
D. (6) $345.69. E. (9) $20.50.

A. L. T. Vice, 1700 K Street NW., Washington, D.C.
B. Standard Oil Co. of California, 1700 K Street NW., Washington, D.C.
E. (9) $125.

A. Volume Footwear Retailers of America, Inc., 51 East 42d Street, New York, N.Y.
E. (9) $974.56.

A. E. R. Wagner, 888 17th Street NW., Washington, D.C.
B. National Council of Technical Service Industries, 888 17th Street NW., Washington, D.C.
D. (6) $184.62. E. (9) $39.58.

A. Richard B. Walbert, 888 17th Street NW., Washington, D.C.
B. National Association of Securities Dealers, Inc.

A. Wald, Harkrader & Rockefeller, 1225 19th Street NW., Washington, D.C.
B. INA Corp., 1600 Arch Street, Philadelphia, Pa.
D. (6) $250.

A. Franklin Wallick, 1126 16th Street NW., Washington, D.C.
B. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, Solidarity House, 8000 East Jefferson Avenue, Detroit, Mich.
D. (6) $4,172.48. E. (9) $1,132.53

A. Charles S. Walsh.
B. National Cable Television Association, Inc., 1634 I Street NW., Washington, D.C.
D. (6) $417. E. (9) $18.

A. Thomas G. Walters, 1909 Q Street NW., Washington, D.C.
B. National Association of Retired Civil Employees, 1909 Q Street NW., Washington, D.C.
D. (6) $2,884.80. E. (9) $2,775.17.

A. Washington Consulting Service, 1435 G Street NW., Washington, D.C.
B. American Occupational Therapy Association, 251 Park Avenue South, New York, N.Y.
D. (6) $350. E. (9) $285.

A. Washington Consulting Service, 1435 G Street NW., Washington, D.C.
B. Rehabilitation Institute of Chicago, 401 East Ohio Street, Chicago, Ill.
D. (6) $900. E. (9) $800.

A. Charles A. Webb, 1025 Connecticut Avenue NW., Washington, D.C.
B. National Association of Motor Bus Owners Association of Intercity Bus Operators, 1025 Connecticut Avenue NW., Washington, D.C.

A. Herman Webb, 330 South Wells Street, Chicago, Ill.
B. International Brotherhood of Electrical Workers, 330 South Wells Street, Chicago, Ill.
D. (6) $614.

A. E. Jerome Webster, Jr.
B. National Association of Frozen Food Packers, 919 18th Street NW., Washington, D.C.
D. (6) $100.

A. Clarence M. Weiner, 350 Fifth Avenue, New York, N.Y.
B. Cigar Manufacturers Association of America, Inc., 350 Fifth Avenue, New York, N.Y.
D. (6) $8,750. E. (9) $101.15.

A. Dr. Frank J. Welch, 3724 Manor Road, Chevy Chase, Md.
B. The Tobacco Institute, Inc., 1735 K Street NW., Washington, D.C.

A. Joseph E. Welch, 1630 Locust Street, Philadelphia, Pa.
B. Wellington Management Co., 1630 Locust Street, Philadelphia, Pa.

A. Robert L. Weneck, 9121 West 73d Street, Shawnee Mission, Kans.
B. Weneck International Marketers, Inc., 2 East Gregory, Kansas City, Mo.

A. Terrell M. Wertz, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $2,934. E. (9) $115.95.

A. John C. White, 1317 F Street NW., Washington, D.C.
B. Private Truck Council of America, Inc., 1317 F Street NW., Washington, D.C.

A. Douglas Witlock II, 910 Washington Building, Washington, D.C.
B. Montgomery Ward & Co., Inc., Box 8339, Chicago, Ill.

A. Whitlock & Tait, 15th and H Streets NW., Washington, D.C.
B. American Institute of Laundering, Joliet, Ill.
D. (6) $500.

A. Louis E. Whyte, 1660 L Street NW., Washington, D.C.
B. Independent Natural Gas Association of America, 1660 L Street NW., Washington, D.C.

A. William E. Wickert, Jr., 1000 16th Street NW., Washington, D.C.
B. Bethlehem Steel Corporation, 701 East Third Street, Bethlehem, Pa.

A. Leonard M. Wickliffe, 11th and L Building, Sacramento, Calif.
B. California Railroad Association, 11th and L Building, Sacramento, Calif.
D. (6) $2,312.49. E. (9) $4,054.79.

A. Claude C. Wild, Jr., 1025 Connecticut Avenue NW., Washington, D.C.
B. Gulf Oil Corp., Pittsburgh, Pa.
D. (6) $1,000. E. (9) $250.

A. Billy Glen Wiley, 1000 16th Street NW., Washington, D.C.
B. Standard Oil Company (Indiana), 910 South Michigan Avenue, Chicago, Ill.
D. (6) $736. E. (9) $12.13.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C.
B. American Society of Travel Agents, Inc., 360 Lexington Avenue, New York, N.Y.
E. (9) $121.23.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C.
B. Arapahoe Indian Tribe, Fort Washakie, Wyo.
E. (9) $3.81.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C.
B. Association of Data Processing Service Organizations, Inc., 420 Lexington Avenue, New York, N.Y.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C.
B. Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont.
E. (9) $40.33.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C.
B. Estate of Albert W. Small, c/o Mrs. Albert W. Small, 5803 Green Tree Road, Bethesda, Md.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C.
B. The Hoopa Valley Tribe, Post Office Box 817, Hoopa, Calif.
E. (9) $2.29.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C.
B. National Congress of American Indians, 1346 Connecticut Avenue NW., Washington, D.C.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C.
B. Quinaielt Tribe of Indians, Taholah, Wash.
E. (9) $2.29.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C.
B. The Three Affiliated Tribes of the Fort Berthold Reservation, New Town, N. Dak.
E. (9) $2.81.

A. Mr. John Willard, Box 1172, Helena, Mont.
B. Montana Railroad Association, Box 1172, Helena, Mont.
D. (6) $460. E. (9) $650.46.

A. Francis G. Williams.
B. National Association of Frozen Food Packers, 919 18th Street NW., Washington, D.C.
D. (6) $100.

A. Harding deC. Williams, 918 16th Street NW., Washington, D.C.
B. National Association of Manufacturers.

A. John C. Williamson, 1300 Connecticut Avenue NW., Washington, D.C.
B. National Association of Real Estate Boards, 1300 Connecticut Avenue NW., Washington, D.C.
D. (6) $5,000. E. (9) $351.45.

A. E. Raymond Wilson, 245 Second Street NE., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $1,331.

A. Earl Wilson, 400 First Street NW., Washington, D.C.
B. Brotherhood of Railway, Airline & Steamship Clerks, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $285.38. E. (9) $56.65.

A. Frank J. Wilson, 888 17th Street NW., Washington, D.C.
B. National Association of Securities Dealers, Inc.

A. Milburn E. Wilson, Route 1, Fremont, Mich.
B. Gerber Products Co., 445 State Street, Fremont, Mich.
D. (6) $200.

A. W. E. Wilson, 623 Ockley Drive, Shreveport, La.
B. Pennzoil United, Inc., 900 Southwest Tower, Houston, Tex.
D. (6) $1,200. E. (9) $373.37.

A. R. J. Winchester, 900 Southwest Tower, Houston, Tex.
B. Pennzoil United, Inc., 900 Southwest Tower, Houston, Tex.
D. (6) $500. E. (9) $365.73.

A. Richard F. Witherall, 702 Majestic Building, Denver, Colo.
B. Colorado Railroad Association, Majestic Building, Denver, Colo.
D. (6) $1,320. E. (9) $2,914.

A. Clay B. Wolfe, 400 First Street NW., Washington, D.C.
B. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C.
D. (6) $416.60.

A. Peter L. Wolff.
B. Association of American Law Schools, 1521 New Hampshire Avenue NW., Washington, D.C.

A. Nathan T. Wolkomir, 1737 H Street NW., Washington, D.C.
B. National Federation of Federal Employees, 1737 H Street NW., Washington, D.C.
D. (6) $6,318.40. E. (9) $1,093.20.

A. James Woodside, 1126 16th Street NW., Washington, D.C.
B. American Federation of Technical Engineers, 1126 16th Street NW., Washington, D.C.
D. (6) $240. E. (9) $20.

A. Albert Young Woodward, 815 Connecticut Avenue NW., Washington, D.C.
B. The Flying Tiger Line Inc., Los Angeles International Airport, Los Angeles, Calif.

A. Albert Young Woodward, 815 Connecticut Avenue NW., Washington, D.C.
B. The Signal Companies, Inc., 1010 Wilshire Boulevard, Los Angeles, Calif.

A. Perry W. Woofter, 1101 17th Street NW., Washington, D.C.
B. American Petroleum Institute, 1271 Avenue of the Americas, New York, N.Y.
D. (6) $1,719. E. (9) $639.35.

A. Frank K. Woolley, 230 N. Michigan Avenue, Chicago, Ill.
B. Association of American Physicians and Surgeons, Inc., 230 North Michigan Avenue, Chicago, Ill.

A. Jack Yelverton, 1303 New Hampshire Avenue NW., Washington, D.C.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C.

A. John H. Yingling, 905 16th Street NW., Washington, D.C.
B. Association of Corporate Owners of One Bank, 905 16th Street NW., Washington, D.C.
D. (6) $500. E. (9) $59.90.

A. John H. Yingling, 905 16th Street NW., Washington, D.C.
B. First National City Bank, 399 Park Avenue, New York, N.Y.
D. (6) $100. E. (9) $53.80.

A. J. Banks Young, 1200 18th Street NW., Washington, D.C.
B. National Cotton Council of America, Post Office Box 12285, Memphis, Tenn.
D. (6) $600.

A. Robert C. Zimmer, 1250 Connecticut Avenue NW., Washington, D.C.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C.

A. Robert C. Zimmer, 1250 Connecticut Avenue NW., Washington, D.C.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C.

A. Zimring, Gromfine and Sternstein, 1155 15th Street NW., Washington, D.C.

A. Albert H. Zinkand.
B. Getty Oil Co.

A. John L. Zorack, 1000 Connecticut Avenue NW., Washington, D.C.
B. Air Transport Association, 1000 Connecticut Avenue NW., Washington, D.C.
D. (6) $900. E. (9) $190.

A. Charles O. Zuver, 815 Connecticut Avenue NW., Washington, D.C.
B. The American Bankers Association, 90 Park Avenue, New York, N.Y.
D. (6) $500. E. (9) $100.

REGISTRATIONS

The following registrations were submitted for the third calendar quarter 1969:

(NOTE.—The form used for registration is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19______ ◄

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th

(Mark one square only)

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◄

AFFIDAVIT

[Omitted in printing]

PAGE 1◄

A. American Committee to Keep Biafra Alive, Inc., Hadson Hotel, 1234 Broadway, New York, N.Y.

A. American Association of Fund-Raising Counsel, Inc., 500 Fifth Avenue, New York, N.Y.

D. (6) $39,000. E. (9) $3,310.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C.

B. Phoebe Waterman Foundation, Inc., 330 Boulevard Building, 1819 John F. Kennedy Boulevard, Philadelphia, Pa.

A. R. Gordon Arneson, 1555 Connecticut Avenue, Washington, D.C.

B. The Committee To Maintain a Prudent Defense Policy.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C.

B. American Trading & Production Co., 1 North Charles Street, Baltimore, Md.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C.

B. Samuel Hamburger, 2001 Sherwood, Detroit, Mich.

A. Automatic Car Wash Association, Inc., 1115 Union Planters Building, Memphis, Tenn.

A. Emil F. Baker, 1303 New Hampshire Avenue NW., Washington, D.C.

B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C.

A. Baker & McKenzie, 815 Connecticut Avenue NW., Washington, D.C.

B. National Association of Property and Casualty Reinsurers, 1025 Connecticut Avenue NW., Washington, D.C.

A. Baker & McKenzie, 815 Connecticut Avenue NW., Washington, D.C.

B. National Club Association, 1522 K Street NW., Washington, D.C.

A. Baltimore Gas & Electric Co., Gas and Electric Building, Baltimore, Md.

A. Bebchick, Sher & Kushnick, 919 18th Street NW., Washington, D.C.

B. Connecticut Avenue Association, 1739 Connecticut Avenue NW., Washington, D.C.

A. Bow Valley Industries, Ltd., 630 Sixth Avenue SW., Calgary, Alberta, Canada.

A. David A. Bunn, 818 18th Street NW., Washington, D.C.

B. Parcel Post Association, 818 18th Street NW., Washington, D.C.

A. Albert A. Carretta, 1815 H Street NW., Washington, D.C.

B. Work Glove Manufacturers Association, 1604 Chicago Avenue, Evanston, Ill.

A. Margaret F. Clamser.

B. National Frozen Food Association, 55 East 43d Street, New York, N.Y.

A. Bonn H. Clayton, 3924 Louisiana Circle, Minneapolis, Minn.

B. Fire Engineers Inc., 3924 Louisiana Circle, Minneapolis, Minn.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C.

B. Realty Committee on Taxation, 299 Madison Avenue, New York, N.Y.

A. Coal Industry Committee on Mine Safety, 1250 Connecticut Avenue, Washington, D.C.

A. Carl A. S. Coan, Jr., 1625 L Street NW., Washington, D.C.

B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C.

A. Cohen & Uretz, 1730 M Street NW., Washington, D.C.

B. Benwood Foundation, Chattanooga, Tenn.

A. Earl M. Colson, 1815 H Street NW., Washington, D.C.

B. Antonio M. Marinelli, 4744 Baltimore Avenue, Hyattsville, Md.

A. Committee of Foreign-Owned Banks, 52 Wall Street, New York, N.Y.

A. The Committee of Friends of the Museum of Modern Art, 21 West 53d Street, New York, N.Y.

A. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y.

A. Computer Lessors Association, Inc., 1 Chase Manhattan Plaza, New York, N.Y.

A. D. Barry Connelly, 6767 Southwest Freeway, Houston, Tex.

B. Associated Credit Bureaus, Inc., 6767 Southwest Freeway, Houston, Tex.

A. James T. Conner, Madison Building, 1155 15th Street NW., Washington, D.C.

B. National Agricultural Chemicals Association.

A. Darrell Coover, 215 Watergate Building, 2600 Virginia Avenue NW., Washington, D.C.

B. National Association of Independent Insurers, 30 West Monroe Street, Chicago, Ill.

A. James D. Cope, 1700 Pennsylvania Avenue NW., Washington, D.C.

B. The Proprietary Association, 1700 Pennsylvania Avenue NW., Washington, D.C.

A. Corcoran, Foley, Youngman & Rowe, 1511 K Street NW., Washington, D.C.

B. Association of Stock Exchange Firms, 120 Broadway, New York, N.Y.

A. Corcoran, Foley, Youngman & Rowe, 1511 K Street NW., Washington, D.C.

B. Gas Marketers Association, 1250 Connecticut Avenue NW., Washington, D.C.

A. Corcoran, Foley, Youngman & Rowe, 1511 K Street NW., Washington, D.C.

B. Lilly Endowment, Inc., 914 Merchants Bank Building, Indianapolis, Ind.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue, Washington, D.C.

B. Kohler Co., Kohler, Wis.

A. Covington & Burling, 888 16th Street NW., Washington, D.C.

B. The James Irvine Foundation, 111 Sutter Street, San Francisco, Calif.

A. Cox, Langford & Brown, 1521 New Hampshire Avenue NW., Washington, D.C.

B. Association of Research Libraries, 1527 New Hampshire Avenue NW., Washington, D.C.

A. Robert Craig, 1030 15th Street NW., Washington, D.C.

B. American Nurses' Association, Inc., 10 Columbus Circle, New York, N.Y.

A. Harold L. Crosier, 400 First Street NW., Washington, D.C.

B. Brotherhood of Railway, Airline & Steamship Clerks, 1015 Vine Street, Cincinnati, Ohio.

A. Harold Daly, 80 Wall Street, New York, N.Y.

A. C. A. Darnell, 1000 Connecticut Avenue NW., Washington, D.C.

B. Sheet Metal Workers International Association, 1000 Connecticut Avenue NW., Washington, D.C.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.

B. Trans Union Corp., 111 West Jackson Boulevard, Chicago, Ill.

A. Thomas R. Dougherty, National Press Building.

B. The National Association of Retail Druggists, 1 East Wacker Drive, Chicago, Ill.

A. Elbridge Stuart Foundation, 5045 Wilshire Boulevard, Los Angeles, Calif.

A. Kenneth W. Emerson, 1522 K Street NW., Washington, D.C.

B. National Club Association, 5122 K Street NW., Washington, D.C.

A. Fensterwald, Bevan & Ohlhausen, 927 15th Street NW., Washington, D.C.

B. Winepress Publishing Co., 4026 North Longview Avenue, Portland, Oreg.

A. Fire Engineers Inc., 3924 Louisiana Circle, Minneapolis, Minn.

A. John J. Flynn, 1750 Pennsylvania Avenue NW., Washington, D.C.

B. Loeb-Rhoades & Co., New York, N.Y.

A. John J. Flynn, 1750 Pennsylvania Avenue NW., Washington, D.C.

B. Sears, Roebuck & Co., 925 South Homan Avenue, Chicago, Ill.

A. Fuel Desulphurization, Inc., 342 Madison Avenue, New York, N.Y.

A. James E. Gaffigan, 777 14th Street NW., Washington, D.C.

B. American Hotel & Motel Association, 221 West 57th Street, New York, N.Y.

A. Gardner, Morrison & Rogers, 1126 Woodward Building, Washington, D.C.

B. Chas. Pfizer & Co., 235 East 42d Street, New York, N.Y.

A. Gatx-Armco-Boothe, 1 Maritime Plaza, San Francisco, Calif.

A. John H. Gilbert, 128 C Street NE., Washington, D.C.

B. National Association of Theatre Owners, Inc., 1501 Broadway, New York, N.Y.

A. Don L. Gilchrist, 1701 18th Street NW., Washington, D.C.

B. Home Manufacturers Association, 1701 18th Street NW., Washington, D.C.

A. Jay W. Glasmann, 1700 Pennsylvania Avenue NW., Washington, D.C.

B. Browning Arms Co., Morgan, Utah.

A. James M. Henderson, 1819 H Street NW., Washington, D.C.; Glassie, Pewett, Beebe & Shanks, 1819 H Street NW., Washington, D.C.

B. Thomas Arciola and Techbestos, Inc., Moonachie, N.J.

A. The Glenmede Trust Co., 1608 Walnut Street, Philadelphia, Pa.

A. Harry P. Guenther, 1101 17th Street NW., Washington, D.C.

B. National Association of Supervisors of State Banks, 1101 17th Street NW., Washington, D.C.

A. Hamel, Morgan, Park & Saunders, 888 17 Street NW., Washington, D.C.

B. Paulin Publishing Co., Inc., 4980 Wyaconda Road, Rockville, Md.

A. Redmond Roop Hart, Post Office Box 414, Alexandria, Va.

A. J. Dudley Huapt, 1629 K Street NW., Washington, D.C.

B. St. Regis Paper Co, 150 East 42d Street, New York, N.Y.

A. John Gerald Hayes, 330 South Wells Street, Chicago, Ill.

B. International Brotherhood of Electrical Workers, 330 South Wells Street, Chicago, Ill.

A. Hercules Inc., 910 Market Street, Wilmington, Del.

A. Alice Herrington, 1 West 85th Street, New York, N.Y.

B. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y.

A. Frederic W. Hickman, 1 North LaSalle Street, Chicago, Ill.

B. Northwest Industries, Inc., 400 West Madison, Chicago, Ill.

A. Teresa B. Hightower, 1625 I Street NW., Washington, D.C.

B. American Osteopathic Association, 212 East Ohio Street, Chicago, Ill.

A. The Hormel Foundation, Austin, Minn.

A. David J. Humphreys and Jones, Paulson, Humphreys & Leach, 1140 Connecticut Avenue NW., Washington, D.C.

B. Mobile Housing Association of America, 39 South LaSalle Street, Chicago, Ill.

A. David J. Humphreys and Jones, Paulson, Humphreys & Leach, 1140 Connecticut Avenue NW., Washington, D.C.

B. Recreational Vehicle Institute, 2720 Des Plaines Avenue, Des Plaines, Ill.

A. International Association of Fire Fighters AFL–CIO, 905 16th Street NW., Washington, D.C.

A. William E. Isaeff, 1712 G Street NW., Washington, D.C.

B. American Automobile Association, 1712 G Street NW., Washington, D.C.

A. J. P. Janetatos, 815 Connecticut Avenue NW., Washington, D.C.

B. Baker & McKenzie, 815 Connecticut Avenue NW., Washington, D.C.

A. Ardon B. Judd, Jr., 1100 Connecticut Avenue NW., Washington, D.C.

B. Dresser Industries, Inc., 1100 Connecticut Avenue NW., Washington, D.C.

A. Augustus W. Kelley III, 345 Park Avenue, New York, N.Y.

B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y.

A. David W. Kendall, 1881 First National Building, Detroit, Mich.

B. Wilfred V. Casgrain, 1343 Free Press Building, Detroit, Mich.

A. Robert F. Kennon, 356 St. Charles Street, Baton Rouge, La.

B. Stroock & Stroock & Lavan, 61 Broadway, New York, N.Y.

A. Kennon, White & Odom, 356 St. Charles Street, Baton Rouge, La.

B. Provident Life and Accident Insurance Co., Chattanooga, Tenn.

A. Gladys Kessler, 1910 N Street NW., Washington, D.C.

B. Berlin, Roisman and Kessler, 1910 N Street NW., Washington, D.C.

A. John L. Kilcullen, 1250 Connecticut Avenue, Washington D.C.

B. Coal Industry Committee on Mine Safety, 1250 Connecticut Avenue, Washington, D.C.

A. Charles Koppelman, 1525 M Street, Washington, D.C.

B. Youth Franchise Coalition, 1525 M Street, Washington, D.C.

A. William J. Lehrfeld, 1000 Federal Bar Building, Washington, D.C.

B. The National Fraternal Congress of America, 35 East Wacker Drive, Chicago, Ill.

A. George A. Lucas, Brotherhood of Railway, Airline & Steamship Clerks, 400 First Street NW., Washington, D.C.

B. Brotherhood of Railway, Airlines & Steamship Clerks, 1015 Vine Street, Cincinnati, Ohio.

A. Joseph E. McAndrews, 1700 Pennsylvania Avenue NW., Washington, D.C.

B. American Automobile Association, 1712 G Street NW., Washington, D.C.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Washington, D.C.

B. Silberberg & Co., 40 Wall Street, New York, N.Y.

A. W. F. McCroskey, Post Office Box 371, Corpus Christi, Tex.

A. William G. McFadzean, 505 Foshay Tower, Minneapolis, Minn.

A. J. Raymond McGlaughlin, 400 First Street NW., Washington D.C.

B. Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich.

A. Peter E. McGuire, 400 First Street NW., Washington, D.C.

B. Brotherhood of Railway, Airline & Steamship Clerks, 1015 Vine Street, Cincinnati, Ohio.

A. Andre Maisonpierre, 666 11th Street NW., Washington, D.C.

B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill.

A. James J. Marshall, 1725 I Street NW., Washington, D.C.

B. Citizens Committee for Postal Reform, Inc., 1725 I Street NW., Washington, D.C.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C.

B. American Mining Congress, 1102 Ring Building, 18th and M Streets NW., Washington, D.C.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C.

B. Baltimore Gas & Electric Co., Gas and Electric Building, Baltimore, Md.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C.

B. Berylwood Investment Co., care of John Robinson, 1 Wilshire Boulevard, Los Angeles, Calif.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C.

B. Elbridge Stuart Foundation, 5045 Wilshire Boulevard, Los Angeles, Calif.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C.

B. Hercules Inc., 910 Market Street, Wilmington, Del.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C.

B. Estate of Roy A. Hunt.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C.

B. Litton Industries, Inc., 9370 Santa Monica Boulevard, Beverly Hills, Calif.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C.

B. The Lovelace Foundation for Medical Education and Research, 5200 Gibson Boulevard SE., Albuquerque, N. Mex.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C.

B. McDonnell-Douglas Corp., St. Louis, Mo.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C.

B. Henry T. Mudd, 523 West Sixth Street, Los Angeles, Calif.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C.

B. National Interfraternity Conference, Inc., 271 Madison Avenue, New York, N.Y.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C.

B. James H. Orr, 75 Federal Street, Boston, Mass.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C.

B. Margaret Bundy Scott, care of Walker, Wright, Tyler & Ward, 631 Van Nuys Building, 210 West Seventh Street, Los Angeles, Calif.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C.

B. Temple Sinai, care of Melvin D. Wilson, Musick, Peeler & Garrett, 1 Wilshire Boulevard, Los Angeles, Calif.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C.

B. Washington Gas Light Co., 1100 H Street NW., Washington, D.C.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C.

B. Dr. Norman Zamcheck, 63 Kenwood Avenue, Newton Center, Mass.

A. Paul Minarchenko, 1525 M Street, Washington, D.C.

B. Youth Franchise Coalition, Inc., 1525 M Street, Washington, D.C.

A. Hogan & Hartson, 815 Connecticut Avenue, Washington, D.C.

B. Hughes Tool Co., Houston, Tex.

A. Susan Moon, 1030 15th Street NW., Washington, D.C.

B. American Nurses' Association, Inc., 10 Columbus Circle, New York, N.Y.

A. Henry T. Mudd, 523 West Sixth Street, Los Angeles, Calif.

A. National Club Association, 1522 K Street NW., Washington, D.C.

A. National Interfraternity Conference, Inc., 271 Madison Avenue, New York, N.Y.

A. National Realty Trust, 69 Hickory Drive, Waltham, Mass.

A. Nessen & Csaplar, 84 State Street, Boston, Mass.
B. Condren, Walker & Co., Inc., 767 Fifth Avenue, New York, N.Y.

A. Nessen & Csaplar, 84 State Street, Boston, Mass.
B. Lazard Freres & Co., 44 Wall Street, New York, N.Y.

A. E. J. Newbould, 1130 17th Street NW., Washington, D.C.
B. National Clay Pipe Institute, 350 West Terra Cotta Avenue, Crystal Lake, Ill.

A. F. Clayton Nicholson, Box 15, Route 1, Henryville, Pa.
B. Northern Helex Co., 2223 Dodge Street, Omaha, Neb.

A. Daniel F. O'Keefe, Jr., 1700 Pennsylvania Avenue NW., Washington, D.C.
B. The Proprietary Association, 1700 Pennsylvania Avenue NW., Washington, D.C.

A. Raymond B. Ondov, 105 East Oakland Avenue, Austin, Minn.
B. The Hormel Foundation, Austin, Minn.

A. James H. Orr, 75 Federal Street, Boston, Mass.

A. Joseph G. W. Parry-Hill, 3803 Military Road NW., Washington, D.C.

A. Christopher A. Paterson, 1316 Fenwick Lane, Silver Spring, Md.
B. National Association of Single Taxpayers, 1010 Vermont Avenue NW., Washington, D.C.

A. Paul, Weiss, Goldberg, Rifkind, Wharton & Garrison, 345 Park Avenue, New York, N.Y.
B. Computer Lessors Association, Inc., room 3901, One Chase Manhattan Plaza, New York, N.Y.

A. Paul, Weiss, Goldberg, Rifkind, Wharton & Garrison, 345 Park Avenue, New York, N.Y.
B. GATX-Armco-Boothe, 1 Maritime Plaza, San Francisco, Calif.

A. Peabody, Rivlin, Kelly, Cladouhos & Lambert, 1730 M Street NW., Washington, D.C.
B. U.S. Court Reporters Association, U.S. Court House, Philadelphia, Pa.

A. Pepper, Hamilton & Scheetz, 123 South Broad Street, Philadelphia, Pa.
B. The Glenmede Trust Co., 1608 Walnut Street, Philadelphia, Pa.

A. John K. Pickens, 201 North Washington Street, Alexandria, Va.
B. American Nursing Home Association, 1025 Connecticut Avenue NW., Washington, D.C.

A. John K. Pickens, 201 North Washington Street, Alexandria, Va.
B. Laundry-Dry Cleaning Association of Greater Metropolitan Washington, 2401 Calvert Street NW., Washington, D.C.

A. Pierson, Ball & Dowd, 1000 Ring Building, Washington, D.C.
B. American Advertising Federation, 1225 Connecticut Avenue NW., Washington, D.C.

A. Pierson, Ball & Dowd, 1000 Ring Building, Washington, D.C.
B. Soap & Detergent Association, 405 Madison Avenue, New York, N.Y.

A. Pierson, Ball & Dowd, 1000 Ring Building, Washington, D.C.
B. The Zenith Radio Corp. 1900 North Austin Avenue, Chicago, Ill.

A. Milton Plumb, 1629 K Street NW., Washington, D.C.
B. Shade Tobacco Growers Agricultural Association, River Road, Windsor, Conn.

A. Mrs. Pearl B. Price, 406 Mayrant Drive, Dallas, Tex.

A. Earl G. Quinn, 400 First Street NW., Washington, D.C.
B. Brotherhood of Railway, Airline & Steamship Clerks, 1015 Vine Street, Cincinnati, Ohio.

A. Luke C. Quinn, Jr., 1001 Connecticut Avenue NW., Washington, D.C.
B. American Association of Fund-Raising Counsel, Inc., 500 Fifth Avenue, New York, N.Y.

A. Thomas H. Quinn, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. Olin Foundation, 1 East 44th Street, New York, N.Y.

A. Chris J. Radovan, 1000 Connecticut Avenue NW., Washington, D.C.
B. Sheet Metal Workers International Association, 1000 Connecticut Avenue NW., Washington, D.C.

A. Louis J. Rancourt, 400 First Street NW., Washington, D.C.
B. Brotherhood of Railway, Airline & Steamship Clerks, 1015 Vine Street, Cincinnati, Ohio.

A. Roberts & Holland, 1301 Avenue of the Americas, New York, N.Y.
B. AMK Corp., 245 Park Avenue, New York, N.Y.

A. Roberts & Holland, 1301 Avenue of the Americas, New York, N.Y.
B. Samuel Hamberger, 20001 Sherwood Road, Detroit, Mich.

A. Anthony Z. Roisman, 1910 N Street NW., Washington, D.C.
B. Berlin, Roisman and Kessler, 1910 N Street NW., Washington, D.C.

A. Dena Rosen, Ruder & Finn, Inc, 1812 K Street NW., Washington, D.C.
B. American Academy of General Practice, Volker Boulevard at Brookside, Kansas City, Mo.

A. Dena Rosen, Ruder & Finn, Inc, 1812 K Street NW., Washington, D.C.
B. Potters Brothers, Inc., Carlstadt, N.J.

A. Michael P. Roudnev, 1825 K Street NW., Washington, D.C.
B. Del Monte Corp., 215 Fremont Street, San Francisco, Calif.

A. Royall, Koegel & Wells, 1730 K Street NW., Washington, D.C.
B. The ARW Foundation, 100 Church Street, New York, N.Y.

A. Royall, Koegel & Wells, 1730 K Street NW., Washington, D.C.
B. The Morris and Gwendolyn Cafritz Foundation, 1825 K Street NW., Washington, D.C.

A. Royall, Koegel & Wells, 1730 K Street NW., Washington, D.C.
B. The Pinkerton Foundation, 100 Church Street, New York, N.Y.

A. Royall, Koegel & Wells, 1730 K Street NW., Washington, D.C.
B. Teachers Insurance and Annuity Association of America and College Retirement Equities Fund, 730 Third Avenue, New York, N.Y.

A. Rural-Small Town-Small City Coalition, Inc., 206 North Main Street, Rushville, Ind.

A. Alan Di Sciullo, 1525 M Street, room 612, Washington, D.C.
B. Youth Franchise Coalition, Inc., 1525 M Street, Washington, D.C.

A. Margaret Bundy Scott, 631 Van Nuys Building, 210 West Seventh Street, Los Angeles, Calif.

A. Scribner, Hall, Casey, Thornburg & Thompson, 1200 18th Street NW., Washington, D.C.
B. Provident Life & Accident Insurance Co., Chattanooga, Tenn.

A. Ashley Sellers, 1625 K Street NW., Washington, D.C.
B. Wilfred V. Casgrain, 1343 Free Press Building, Detroit, Mich.

A. Shapero, Shapero & Cohn, 2525 Cadillac Tower, Detroit, Mich.
B. Samuel Hamburger, 20001 Sherwood, Detroit, Mich.

A. Sharon, Pierson & Semmes, 1100 17th Street NW., Washington, D.C.
B. National Livestock Tax Committee, 500 Equitable Building, Denver, Colo.

A. Shaw, Pittman, Potts, Trowbrige & Madden, 910 17th Street NW., Washington, D.C.
B. Committee of Foreign Owned Banks.

A. Joseph C. Shell, 2930 21st Street, Bakersfield, Calif.
B. Independent Petroleum Association of California, Route 1, Box 487, Bakersfield, Calif.

A. Shipley, Akerman & Pickett, 1108 National Press Building, Washington, D.C.
B. Ad Hoc Committee on Pet Legislation, Post Office Box 531, Fond du Lac, Wis.

A. Sidley & Austin, 1625 I Street NW., Washington, D.C.
B. American Walnut Manufacturers Association, 666 North Lake Shore Drive, Chicago, Ill.

A. Sidley & Austin, 1625 I Street NW., Washington, D.C.
B. Associated Third Class Mail Users, Inc., 1725 K Street NW., Washington, D.C.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C.
B. Bristol Myers Co., 345 Park Aveune, New York, N.Y.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C.
B. GATX-Armco-Boothe Group, 1 Maritime Plaza, San Francisco, Calif.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C.
B. National Association of Home Builders, 1625 L Street NW., Washington, D.C.

A. Walter A. Slowinski, 815 Connecticut Avenue NW., Washington, D.C.
B. Baker & McKenzie, 815 Connecticut Avenue NW., Washington, D.C.

A. Smathers, Merrigan & O'Keefe, 1700 Pennsylvania Avenue NW., Washington, D.C.
B. American Horse Council, 1735 K Street NW., Washington, D.C.

A. Smith & Smith, 1400 Bull Street, Columbia, S.C.
B. Kohler Co., Kohler, Wis.

A. Mrs. Mary M. Spears, 500 23d Street NW., Washington, D.C.

B. Folsom Cordova Unified School District, 1091 Coloma Street, Folsom, Calif.

A. Joseph L. Spilman, Jr., 1625 K Street NW., Washington, D.C.

B. Mid-Continent Oil & Gas Association, 300 Tulsa Building, Tulsa, Okla.

A. Louis P. Spitz, 404 Madison Building, Washington, D.C.

B. American Association of Motor Vehicle Administrators, 404 Madison Building, Washington, D.C.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C.

B. Robert College of Istanbul, Turkey, 548 Fifth Avenue, New York, N.Y.

A. Theodore Roosevelt Storch, 220 West 24th Street, New York, N.Y.

A. Stroock & Stroock & Lavan, 1100 Connecticut Avenue NW., Washington, D.C.

B. Fuel Desulphurization, Inc., 342 Madison Avenue, New York, N.Y.

A. Structural Clay Products Industry Depletion Committee, 1032 Shoreham Building, 15th and H Streets NW., Washington, D.C.

D. (6) $28,816.12.

A. Norman A. Sugarman, 1956 Union Commerce Building, Cleveland, Ohio.

B. Akron Community Trusts, 307 Hollywood Avenue, Akron, Ohio.

A. Norman A. Sugarman, 1956 Union Commerce Building, Cleveland, Ohio.

B. Chicago Community Trust, 10 South LaSalle Street, Chicago, Ill.

A. Norman A. Sugarman, 1956 Union Commerce Building, Cleveland, Ohio.

B. The Cleveland Foundation, 700 Nation City Bank Building, Cleveland, Ohio.

A. Norman A. Sugarman, 1956 Union Commerce Building, Cleveland, Ohio.

B. Columbus Foundation, 100 East Broad Street, Columbus, Ohio.

A. Norman A. Sugarman, 1956 Union Commerce Building, Cleveland, Ohio.

B. Committee of the Permanent Charity Fund, 100 Franklin Street, Boston, Mass.

A. Norman A. Sugarman, 1956 Union Commerce Building, Cleveland, Ohio.

B. Hartford Foundation for Public Giving, 45 South Main Street, West Hartford, Conn.

A. Norman A. Sugarman, 1956 Union Commerce Building, Cleveland, Ohio.

B. New York Community Trust, 415 Madison Avenue, New York, N.Y.

A. Norman A. Sugarman, 1956 Union Commerce Building, Cleveland, Ohio.

B. Philadelphia Foundation, 1509 Girard Trust Building, Philadelphia, Pa.

A. Norman A. Sugarman, 1956 Union Commerce Building, Cleveland, Ohio.

B. The Pittsburgh Foundation, 1417 North American Rockwell Building, Pittsburgh, Pa.

A. Norman A. Sugarman, 1956 Union Commerce Building, Cleveland, Ohio.

B. San Francisco Foundation, 425 California Street, San Francisco, Calif.

A. Sutherland, Asbill & Brennan, 1200 Farragut Building, Washington, D.C.

B. Governors of the Knights of Ak-Sar-Ben, 63d and Shirley Streets, Omaha, Nebr.

A. Sutherland, Asbill and Brennan, 1200 Farragut Building, Washington, D.C.

B. John M. Olin, Box B, Alton, Ill.

A. Richard V. Thornton, 620 Southern Building, Washington, D.C.

B. National Council of Agricultural Employers, 620 Southern Building, Washington, D.C.

A. Joseph P. Trainor, 400 First Street NW., Washington, D.C.

B. Brotherhood of Railway, Airline & Steamship Clerks, 1015 Vine Street, Cincinnati, Ohio.

A. John M. Vansant, Jr., 1250 Connecticut Avenue NW., Washington, D.C.

B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C.

A. Washington Gas Light Co., 1100 H Street NW., Washington, D.C.

A. Herman Webb, 330 South Wells Street, Chicago, Ill.

B. International Brotherhood of Electrical Workers, 330 South Wells Street, Chicago, Ill.

A. Wenchel, Schulman & Manning, 1625 K Street NW., Washington, D.C.

B. The Heckscher Foundation for Children, 52 Vanderbilt Avenue, New York, N.Y.

A. Wenchel, Schulman & Manning, 1625 K Street NW., Washington, D.C.

B. Public Welfare Foundation, Inc., 2600 Virginia Avenue NW., Washington, D.C.

A. Whitlock & Tait, 1032 Shoreham Building, 15th and H Streets NW., Washington, D.C.

B. Structural Clay Products Industry Depletion Committee, 1032 Shoreham Building, 15th and H Streets NW., Washington, D.C.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C.

B. Association of Data Processing Service Organizations, Inc., 420 Lexington Avenue, New York, N.Y.

A. Winepress Publishing Co., 4026 N. Longview Avenue, Portland, Oreg.

A. Burton C. Wood, 1625 L Street NW., Washington, D.C.

B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C.

A. William E. Woods, National Press Building, Washington, D.C.

B. The National Association of Retail Druggists, 1 East Wacker Drive, Chicago, Ill.

A. Wyman, Bautzer, Finell, Rothman & Kuchel, 1211 Connecticut Avenue NW., Washington, D.C.

B. Paul, Weiss, Goldberg, Rifkind, Wharton & Garrison, 345 Park Avenue, New York, N.Y.

A. Youth Franchise Coalition, Inc., 1525 M Street, Washington, D.C.

A. Dr. Norman Zamcheck, 63 Kenwood Avenue, Newton Center, Mass.

A. Charles O. Zuver, 815 Connecticut Avenue NW., Washington, D.C.

B. The American Bankers Association, 90 Park Avenue, New York, N.Y.

SENATE—*Tuesday, December 23, 1969*

The Senate met at 11 o'clock a.m. and was called to order by Hon. HAROLD E. HUGHES, a Senator from the State of Iowa.

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

> "O holy Child of Bethlehem,
> Descend to us, we pray;
> Cast out our sin, and enter in,
> Be born in us today.
> We hear the Christmas angels
> The great glad tidings tell;
> O come to us, abide with us,
> Our Lord Emanuel."
>
> —PHILLIPS BROOKS.

Unto God's gracious mercy and protection we commit you.

Go in peace, be kindly disposed one to another, and may the blessing of God's love go with you and remain in this day and ever more. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will read a communication to the Senate.

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., December 23, 1969.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. HAROLD E. HUGHES, a Senator from the State of Iowa, to perform the duties of the Chair during my absence.

RICHARD B. RUSSELL,
President pro tempore.

Mr. HUGHES thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, December 22, 1969, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Leonard, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that statements in relation to the transaction of routine morning business be limited to 3 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AUTHORIZATIONS FOR INSERTIONS IN THE RECORD FOLLOWING ADJOURNMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Senators may be permitted to make insertions in the Record following the adjournment of Congress until the last edition authorized by the Joint Committee on Printing is published; but this order shall not apply to any subject matter which may have occurred or to any speech delivered subsequent to the adjournment of Congress. It is my understanding that the copy for the last Record, January 12, 1970, must be received in the Government Printing Office by 6 p.m. on that date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PRINTING OF COMMITTEE REPORTS

Mr. MANSFIELD. Mr. President, with reference to the printing of committee activity reports for the second session, I state, on behalf of the chairman of the Joint Committee on Printing (Mr. Jordan of North Carolina), that the Joint Committee on Printing has very properly ruled that the printing of such reports, both as committee prints and in the Record, is duplication, the cost of which cannot be justified.

It is requested that committee chairmen decide whether they wish these reports printed as committee prints or in the Record, since the Government Printing Office will be directed not to print them both ways.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations on the Executive Calendar will be stated.

U.S. ARMY

The assistant legislative clerk read the nomination of Chaplain (Col.) Gerhardt Wilfred Hyatt, 494-22-7575, Army of the United States (lieutenant colonel, U.S. Army), to be a brigadier general.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

U.S. NAVY

The assistant legislative clerk proceeded to read sundry nominations in the U.S. Navy.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

NOMINATIONS PLACED ON THE SECRETARY'S DESK—ARMY, NAVY, AND MARINE CORPS

The assistant legislative clerk proceeded to read sundry nominations in the Army, the Navy, and the Marine Corps, which had been placed on the Secretary's desk.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may proceed for not to exceed 10 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

A HOLIDAY MESSAGE

Mr. SCOTT. Mr. President, I should like to take this opportunity, on what we believe is to be the eve of adjournment sine die, to express my very deep thanks to Senators on both sides of the aisle for their kindness and thoughtfulness and courtesy to me, to all those in the Republican leadership who have throughout the session worked so hard and worked so well and closely and amicably together—Senator Margaret Chase Smith, the conference chairman; Senator Young of North Dakota, the secretary; Senator Griffin, the assistant floor leader; the staffs of both the Republican and Democratic side—and to say that it has been, indeed, a privilege and a joy to work with the distinguished majority leader Senator Mansfield, the distinguished assistant majority leader, Senator Kennedy, and the Secretary of the Democratic Conference, Senator Byrd of West Virginia.

I am, first of all, very honored to be allowed to stand in this Chamber, in these times, and most grateful that the work which has been involved with the responsibility has brought me into such warm, friendly, and amicable contact with the great Senator from Montana (Mr. Mansfield).

Finally, on this eve of the Christmas season, before we go, I should like to simply say that we will all leave to join our families, to express our great happiness in the company of those we love, and to express the hope that we will all bear with us, ever present in our minds, hearts, and memories, the recollection that nearly 2,000 years ago history made its first great try for a moratorium—for a moratorium on wars and hatred and intolerance.

That try continues; and the men who practice the various religions of mankind, imperfect as they are, perhaps—imperfect in the nature of human kind—nevertheless, may take the Christmas joy in the fact that there was and continues this great humanistic striving for a moratorium expressed in the eternal words, "Peace on earth, good will toward men."

Mr. MANSFIELD. Mr. President, may I express my thanks to the distinguished minority leader and to join him in extending to Senators, to the attachés of the Senate, to our personal staffs, to the pages, to our friends of the fourth estate, and to our critics up there as well, a good Christmas and, I hope, a peaceful new year.

STATEMENT OF MAJORITY LEADER ON CLOSE OF ANOTHER SESSION

Mr. MANSFIELD. Mr. President, we reach the close of another session. It is the first in the administration of President Richard M. Nixon. I want to take the occasion to express my appreciation to the President for his efforts on behalf of the Nation and, particularly, with respect to foreign relations. To be sure, peace has not yet been restored. Nevertheless, there have been changes for the better; the gears of war appear to have been reversed. We are moving out of, not into, the tragedy in Vietnam. The barbaric conflict is not expanding; it is contracting. So long as additions continue to be made to the casualty list, of course, it is not contracting fast enough. Nevertheless, I can sympathize with the President's predicament. I will continue to give him, as I am sure the Senate as a whole will, every support in whatever negotiations he may undertake to end the war sooner rather than later.

The President has had, too, and he will continue to have, my personal support in seeking changes in our long-outdated Asian policy. His innovations under the Guam Doctrine and in attempting to dissipate the hostile atmosphere in U.S. relations with mainland China are useful and necessary steps in the evolution of policy, which, in my judgment, need to be pursued if future Vietnams are to be prevented. In the same fashion, the President's vigorous support of the SALT talks is most timely. Tangible progress has yet to be realized from these talks. Nevertheless, continuance of the negotiating contact with the Soviet Union is essential if we are ever to reduce the suffocating burdens which armaments competition places on both nations.

It is not surprising that the support of the President by the Senate has generally been forthcoming in matters of foreign policy. It could hardly be otherwise because for many years the Senate has been a source of national leadership pointed in the new directions which are now being essayed by the administration. Indeed, this session, thanks in part to the Senate's National Commitments Resolution, may have inaugurated a new era which could witness a better coordination of the President's constitutional powers to direct foreign relations and the Senate's constitutional responsibilities of advice and consent.

This development is to be welcomed, insofar as the cooperation remains a two-way street. Notwithstanding the differences in party control as between the administration and the Senate, I will do whatever I can to sustain it because, in my judgment, it can be of inestimable value to the Nation.

In other aspects of the public's business. I am satisfied that the record of the Senate in the first session of the 91st Congress is responsible and respectable. I shall not, in these closing hours of the first session, indulge in party bickering over the merits of this record. Who did what and when? Who held matters up and who moved them ahead? I will not paint the President and the admiinstration in an unflattering light for the sake of some flimsy political advantage. Certainly I will not treat my esteemed colleagues on the other side of the aisle in that fashion. For what went right during this session, there is credit enough to go around. And there is blame enough to spare for all for what went wrong.

In due course, there will be included in the final issue of the RECORD a full report on the legislative record of the session. It will show that innumerable measures of benefit to the citizens of the Nation have been enacted into law and many others have been set on the path to prompt legislative disposition in the next session.

If this Senate is to be characterized at all, it seems to me that it should be remembered, first, as the Senate that stayed intensely with the Vietnamese issue until the lamp of peace showed at least a flicker of light. May I add the expectation and hope that the Senate's concern will not lessen until the casualties cease and the last American soldier is withdrawn. Second, this session should be remembered for the general tax reform and tax relief bill, sought unsuccessfully for many years, ridiculed as a possibility for this session, and regarded by many as an impossible dream. It now awaits the President's signature. Finally, this Senate ought to be remembered as that moment in legislative time when the concept of the Nation's security ceased to be drawn in terms of the piling up of more and more military hardware—as the Senate which began to require from the executive branch a full and complete explanation of the relationship of vast military expenditures to defense—as the Senate which insisted that, in the making of claims on the people's tax resources by any Administration, human values must be given their just consideration along with military demands.

For making this session of the Senate a good one, a Senate of leadership and service to the Nation, I want to thank the Members on both sides of the aisle. In particular, I want to express my gratitude to the distinguished Republican leader, the Senator from Pennsylvania (Mr. SCOTT). He has carried on superbly after the death of our late beloved colleague, Everett M. Dirksen. In the few short weeks that he has been a member of the joint leadership, he has acted in the highest traditions of service to party, to the Senate, and to the Nation. I also extend my thanks to the distinguished assistant Republican Leader, the Senator from Michigan (Mr. GRIFFIN) and to all those Senators who comprise the Republican leadership.

I want to thank, too, the outstanding assistant majority leader (Mr. KENNEDY) and the able Secretary of the majority conference, Senator BYRD of West Virginia. If it is possible to carry the responsibilities of majority leadership in the Senate, it is because of the dedication of these associates and the cooperation of the majority policy committee and the committee chairmen, and the warm personal support of every Democratic and Republican Senator.

To all of you, Republicans and Democrats alike, to my colleagues and friends, all I can say is thank you for your cooperation, your understanding, and your sense of the Senate, of the institution that it is and what it must and will always remain—a citadel of democracy and the Nation's freedom.

Mr. SCOTT. Mr. President, on behalf of all of us in the Senate, I want to express my deep personal appreciation for what the distinguished majority leader has just said and to say to him there is no one for whom we have collectively and individually so much affection.

THE LAW, ANARCHY, AND CIVIL DISOBEDIENCE

Mr. MILLER. Mr. President, an editorial entitled "The Law, Anarchy, and Civil Disobedience" was published in the Sunday Star on December 14, 1969. This is a most timely and perceptive editorial, and because of its tremendous importance in connection with what we are going through in these troubled times in our country, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed the the RECORD, as follows:

THE LAW, ANARCHY, AND CIVIL DISOBEDIENCE

By a 7–6 vote, the National Commission on the Causes and Prevention of Violence, whose 338-page report is published this weekend, has concluded that nonviolent civil disobedience could lead to anarchy in the United States. We agree.

Predictably, five of the six dissenters are younger than the seven who form the majority. Equally understandably, the two black members of the commission found themselves in the minority. As they rightly put it, progress in the civil rights field over the past 15 years almost certainly would have been slower but for the activism of those who flouted unjust laws.

But the fact that the vote could not have been closer, and that the members of the majority happen to be white and a few years older than the dissenters does not invalidate the logic of their findings.

The argument between the disciples of law and the advocates of that untrammeled liberty which verges on license is as old as the human race. More recently, that is what the French Revolution—but not its American predecessor—was all about.

Insofar as theory is concerned, the side one takes is largely dictated by one's opinion of the nature of man. Those meliorists who—despite events since 1914—still believe in the perfectibility of man and in the inherent repressiveness of institutions are free, like Rosseau, to indulge in fantasies of absolute liberty.

Philosophers such as Burke—and we and the majority of the commission are with him—knowing man's nature to be violent and his appetites to be voracious, viewed civilization as possible only within a framework of carefully guarded institutions and respected laws.

This latter view does not and cannot preclude either the desirability or the inevitability of change. Freedom, social progress and economic development cannot continue to exist without constant examination and renewal of the foundations which make them possible. Men were not placed upon this earth to chew thoughtlessly like cattle upon the cud of passivity.

While the law cannot countenance it, there is a moral case to be made for the citizen who practices nonviolent civil disobedience in protest against what he conceives to be a particular evil in the social order.

His action should be the result of earnest and honest consideration and is permissible, as Terence Cardinal Cooke, one of the minority, puts it, "only as a last resort to obtain justice when all other remedies available in our system of representation" have been exhausted. The dissenter must be fully prepared to accept the legal consequences.

It is this form of protest which the commission's minority defends—and, in that context, rightly so.

But what is developing in this country today is another form of protest: A generalized, aimless, across-the-board attack on the very concept of order. Such indiscriminate squandering of the precious moral capital of civil disobedience debases the value of the act. This is not the exercise of responsible conscience; it is a cop-out on responsibility. It is doubtful whether any society can long survive in a climate of contempt for its own legal framework. This is the mood and attitude which the majority of the commission properly condemned.

The notion that men have a mass of inalienable rights which outweighs their duties to society dates largely from the publication in 1792 of Thomas Paine's "Rights of Man." It is worth noting that the French Revolution which gave political form to Paine's theories resulted in his imprisonment.

And that is the lesson which the majority of the commission is trying to get across to millions of restless young people. By combating what they hold to be hypocrisy and indifference with civil disobedience, they are forging not the foundations of a better world but their own shackles and those of their children.

As the majority of the commission puts it, "erosion of the law is an inevitable consequence of widespread civil disobedience." The consequences are clear: "Violators must ponder the fact that once they have weakened their judicial system, the very ends they sought to attain—and may have attained—cannot be preserved."

The entire commission, including the two black members, came to the conclusion that when civil disobedience "creates social disorder, even the most sympathetic are forced to judge whether and to what extent the ends sought justify the means that are being used."

Another difficulty recognized by Dr. Milton S. Eisenhower and his twelve colleagues is that "the law cannot distinguish between the consciences of saints and sinners." While a moral distinction may exist between the youngster who burns his draft card and the Southern governor who "bars the schoolhouse door" to black children, their actions are equally illegal. And each tends to place in contempt not only the law objected to but all laws.

We believe, as does the commission, that the majority of young dissenters in this country are acting on generous impulses in an attempt to recall this nation to the ideals upon which it was founded. But we have to go along with the commission in its finding that "what is occurring in the United States today will lead to the conclusion that disobedience to valid law as a tactic of protest by discontented groups is not contributing to the emergence of a more liberal and humane society, but is, on the contrary, producing an opposite tendency.

To those "dark forces" which consciously seek not the reform but the destruction of society and its institutions we have nothing to say. Except this: They shall not succeed. Not because of the power of the current establishment, but because the coming generation of Americans, despite the confusions and the contradictions of the hour, is intelligent enough to realize that tyranny, rather than freedom, is the child of anarchy.

When men draw together to form governments which pass laws formulating the social contract to which men subscribe for their common good and mutual protection, there is an inherent, voluntary abridgment of men's rights. We agree, for instance, not to murder each other. The Tate murderers have violated that agreement, therefore society will punish them.

But if man has duties, he also has rights. At this troubled time in our history, all of us would do well to reflect upon what those rights might be. Few men have done so in a clearer and more down-to-earth fashion than Burke in the 18th Century:

"Men have a right to live by that rule (of law); they have a right to do justice, as between their fellows, whether their fellows are in public function or in ordinary occupation. They have a right to the fruits of their industry, and to the means to make their industry fruitful. They have a right to the acquisitions of their parents; to the nourishment and approvement of their offspring; to instruction in life, and to consolation in death. Whatever each man can separately do, without trespassing upon others, he has a right to do for himself."

Man, poor creature that he is, lives but a short time, prey to the passions of the moment and to his own self-limiting ignorance. But institutions and laws endure. They are the product not alone of our own intelligence but of the tested wisdom of generations past. They are the only meaningful legacy we have to leave to those who will come after us. Thus it is not for any generation to destroy that which it has not made and of which, as such, it is not full owner.

Burke was a conservative. The Star is conservative. But it is important to understand what we are dedicated to conserving. We are not here to conserve privilege or to defend inequity. Rather the opposite. We are here to preserve that rule of law which in the end is the only guarantor of the liberties of all men, including dissenters.

NOMINATIONS PENDING BEFORE THE SENATE

Mr. SCOTT. Mr. President, I ask unanimous consent that rule 38, paragraph 6, be suspended, so that nominations now pending before the Senate retain their status before the Senate for further action at the next session.

Mr. MANSFIELD. Mr. President, it is with reluctance that I am constrained to object at this time. I think the best way to handle this matter for both the Senate and the President would be to object, and I do object reluctantly.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT OF NATIONAL TRAFFIC AND MOTOR VEHICLE SAFETY ACT OF 1966

Mr KENNEDY. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 10105.

The ACTING PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 10105) to amend the National Traffic and Motor Vehicle Safety Act of 1966 to authorize appropriations for fiscal years 1970, 1971, and 1972, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. KENNEDY. I move that the Senate insist upon its amendments and agree to the request of the House for a conference, and that the Chair be authorized to appoint the conferees on the part of the Senate.

Mr. HRUSKA. Mr. President, may we have an explanation on that, because we were unable to hear the Senator. We do not know what it is. We should like to be informed.

Mr. KENNEDY. The House has asked for a conference on this auto safety bill and the request is that we agree to the conference.

Mr. HRUSKA. I thank the Senator.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Massachusetts.

The motion was agreed to; and the Acting President pro tempore appointed Mr. MAGNUSON, Mr. HARTKE, Mr. HART, Mr. PROUTY, and Mr. GRIFFIN conferees on the part of the Senate.

ORDER OF BUSINESS

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ACHIEVEMENTS OF THE BANKING AND CURRENCY COMMITTEE DURING THE FIRST SESSION OF THE 91ST CONGRESS

Mr. SPARKMAN. Mr. President, during the first session of the 91st Congress, the Senate acted favorably upon 24 of the 25 bills which were handled by the committee. Of these, 14 have become public law and three are at the White House awaiting approval.

I am listing below the information concerning each of the bills handled by the committee in this session:

S. 408 (Mr. Sparkman); passed Senate March 17, 1969; P.L. 91–22; modify eligibility requirements governing the grant of assistance in acquiring specially adapted housing to include loss or loss of use of a lower extremity and other service-connected neurological or orthopedic disability which impairs locomotion to the extent that a wheelchair is regularly required. (S. Rept. 91–94, March 13, 1969, passed House May 19, 1969; approved June 6, 1969.)

S. 823 (Mr. Proxmire); passed Senate Nov. 6, 1969; would enable consumers to protect themselves against arbitrary, erroneous, and malicious credit information. (S. Rept. 91–517, Nov. 5, 1969.)

S. 1081 (Mr. Eagleton); passed Senate March 13, 1969; P.L. 91–12; provided for the striking of medals in honor of the dedication of the Winston Churchill Memorial and Library. (S. Rept. 91–95, March 13, 1969, passed House May 5, 1969; approved May 7, 1969.)

S. 1130 (Mr. Magnuson); passed Senate March 17, 1969; P.L. 91–13; provided for the striking of medals in commemoration of the 100th anniversary of the founding of the American Fisheries Society. (S. Rept. 91–96, March 13, 1969, passed House May 5, 1969; approved May 15, 1969.)

S. 1995 (Mr. Sparkman); passed Senate May 16, 1969; P.L. 91–29; provides for the striking of medals in commemoration of the 150th anniversary of the founding of the State of Alabama. (S. Rept. 91–171, May 14, 1969, passed House June 2, 1969; approved June 17, 1969.)

S. 2224 (Mr. Sparkman); passed Senate May 26, 1969; would amend the Investment Company Act of 1940 and the Investment Advisers Act of 1940 to define the equitable standards governing relationships between investment companies and their investment advisers and principal underwriters, and for other purposes. (S. Rept. 91–184, May 21, 1969.)

S. 2540 (Mr. McIntyre); passed Senate August 13, 1969; would amend the Small Business Investment Act of 1958. (S. Rept. 91–369, August 11, 1969.)

S. 2577 (Mr. Proxmire); passed Senate November 13, 1969; provides additional mortgage credit, and for other purposes. (Senate Rept. 91–516, November 5, 1969.) Passed House December 17, 1969. Sent to President December 19, 1969.

S. 2815 (Mr. McIntyre); passed Senate August 13, 1969; would amend section 4(c) of the Small Business Act and sections 302 and 304 of the Small Business Investment Act of 1958. (S. Rept. 91–369, August 11, 1969.)

S. 2864 (Mr. Sparkman); passed Senate September 23, 1969; would amend and extend laws relating to housing and urban development and for other purposes. (S. Rept. 91–392; September 5, 1969; passed House October 23, 1969.) Sent to President, December 12, 1969.

H.R. 2 (Mr. Patman); would amend the Federal Credit Union Act so as to provide for an independent Federal agency for the supervision of federally chartered credit unions, and for other purposes. (S. Rept. 91–518, November 5, 1969; passed House July 28, 1969; on Senate Calendar.)

H.R. 4293 (Mr. Patman); passed Senate October 22, 1969; provides for continuation of authority for regulation of exports. (S. Rept. 91–336 on S. 2696, July 24, 1969; passed House October 16, 1969; Senate agreed to Conference report November 14, 1969.) Sent to further conference December 15, 1969, and December 23, 1969; Conference report agreed to by House and Senate on December 23, 1969.

H.R. 6269 (Mr. Rivers) passed Senate May 16, 1969; P.L. 91–16; provides for the striking of medals in commemoration of the 300th anniversary of the founding of South Carolina. (S. Rept. 91–172, May 14, 1969; passed House May 5, 1969; approved May 28, 1969.)

H.R. 7215 (Mr. Patman); passed Senate July 15, 1969; P.L. 91–48; provides for the striking of medals in commemoration of the 50th anniversary of the U.S. Diplomatic Courier Service. (S. Rept. 91–319, July 14, 1969; passed House May 5, 1969; approved July 22, 1969.)

H.R. 7491 (Mr. Patman); passed Senate November 21, 1969; to clarify the liability of national banks for certain taxes. (S. Rept. 91–530, November 12, 1969; passed House July 17, 1969. Sent to President, December 12, 1969.

H.R. 8188 (Mr. Shriver); passed Senate May 20, 1969; P.L. 91–18; provides for the striking of medals in commemoration of the 100th anniversary of the founding of the city of Wichita, Kansas. (S. Rept. 91–174, May 16, 1969; passed House May 5, 1969; approved May 28, 1969.)

S.J. Res. 37 (Mr. Sparkman); passed Senate March 10, 1969; P.L. 91–9; would extend the time for the making of a final report by the Commission To Study Mortgage Interest Rates. (S. Rept. 91–92, March 7, 1969; passed House April 1, 1969; approved April 11, 1969.)

S.J. Res. 112 (Mr. Sparkman); passed Senate June 2, 1969; P.L. 91–94; would amend section 19(e) of the Securities Exchange Act of 1934 to extend the time for the SEC to report to the Congress the results of its study on institutional investors to September 1, 1970. (S. Rept. 91–206, May 27, 1969; passed House October 6, 1969; approved October 20, 1969.)

S.J. Res. 122 (Mr. Brooke); passed Senate June 26, 1969; P.L. 91–35; provides for a temporary extension of the authority conferred by the Export Control Act of 1949. (S. Rept. 91–275, June 25, 1969; passed House June 27, 1969; approved June 30, 1969.

S.J. Res. 123 (Mr. Sparkman); passed Senate June 17, 1969; P.L.91–236; extends time for filing of final report on mortgage interest rates. (S. Rept. 91–236, June 17, 1969; passed House June 24, 1969; approved July 1, 1969.)

S.J. Res. 140 (Mr. Dodd); passed Senate July 30, 1969; provides for the striking of medals in honor of American astronauts who have flown in outer space. (S. Rept. 91–337, July 29, 1969.)

S.J. Res. 149 (Mr. Proxmire); passed Senate September 12, 1969; P.L. 91–71; extends for three months the authority to limit the rates of interest or dividends payable on time and savings deposits and accounts. (S. Rept. 91–397, September 10, 1969; passed House September 16, 1969; approved September 22, 1969.)

S.J. Res. 152 (Mr. Sparkman); passed Senate September 23, 1969; P.L. 91–78; provides for the temporary extension of rural housing programs and Federal Housing Administration insurance authority, and to extend the period during which the Secretary of Housing and Urban Development may establish maximum interest rates on insured loans. (S. Rept. 91–419, September 18, 1969; passed House September 24, 1969; approved September 30, 1969.)

S.J. Res. 158 (Mr. Bennett); passed Senate October 15, 1969; authorizes the minting of clad silverless dollars bearing the likeness of the late President of the United States, Dwight David Eisenhower. (S. Rept. 91–451, October 8, 1969; passed House amended October 15, 1969; House struck out all after the enacting clause of Senate passed S.J. Res. 158 and inserted the language of H.R. 14127.)

S.J. Res. 164 (Mr. Proxmire); passed Senate October 30, 1969; P.L. 91–105; provides for a temporary extension of the authority conferred by the Export Control Act of 1949. (S. Rept. 91–500, October 30, 1969; passed House October 30, 1969; approved October 31, 1969.)

Thirty-one nominations were acted on by the Committee and approved by the Senate.

ORDER OF BUSINESS

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore laid before the Sentae the following letters, which were referred as indicated:

Proposed Amendment of the Shipping Act and the Intercoastal Shipping Act

A letter from the Chairman, Federal Maritime Commission, transmitting a draft of proposed legislation to amend the Shipping Act, 1916, and the Intercoastal Shipping Act, 1933, to convert criminal penalties to civil penalties in certain instances (with accompanying papers); to the Committee on Commerce.

Report on Hurricane Camille

A letter from the Acting Defense Commissioner, Federal Communications Commission, transmitting, pursuant to law, a report on Hurricane Camille, August 17–21, 1969, and its effect on communications, prepared by the National Industry Advisory Committee ad hoc working group, dated November 25, 1969 (with an accompanying report); to the Committee on Commerce.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PROXMIRE:

S. 3302. A bill to amend the Defense Production Act of 1950, and for other purposes; to the Committee on Banking and Currency.

(The remarks of Mr. Proxmire when he introduced the bill appear later in the Record under the appropriate heading.)

By Mr. YARBOROUGH:

S. 3303. A bill for the relief of Harry J. Coyne, Sr.; and

S. 3304. A bill for the relief of Harry J. Coyne, Sr.; to the Committee on the Judiciary.

S. 3302—INTRODUCTION OF A BILL TO AMEND THE DEFENSE PRODUCTION ACT OF 1950

UNIFORM ACCOUNTING STANDARDS FOR DEFENSE CONTRACTORS CAN SAVE $1 BILLION

Mr. PROXMIRE. Mr. President, I introduce a bill to renew for 2 additional years to June 30, 1972, the allocation authority contained in the Defense Production Act of 1950.

In addition, the legislation amends section 718 of the Defense Production Act dealing with Uniform Accounting Standards for defense contractors. In 1968, Congress amended the Defense Production Act by calling for the General Accounting Office to make a general study of the feasibility of implementing uniform cost accounting standards for defense contracts in excess of $100,000.

A preliminary report from the General Accounting Office indicates that such uniform cost accounting standards are both feasible and desirable. Accordingly, section 2 of the bill I have introduced amends section 718 of the Defense Production Act by requiring the General Accounting Office to promulgate uniform cost accounting standards within 18 months of enactment of the legislation.

Admiral Rickover has said the lack of uniform cost accounting standards is the most serious deficiency in defense procurement today and that savings from uniform standards could exceed $1 billion.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3302) to amend the Defense Production Act of 1950, and for other purposes, was received, read twice by its title, and referred to the Committee on Banking and Currency.

ADDITIONAL COSPONSORS OF BILLS

S. 503

Mr. DOLE. Mr. President, at the request of the Senator from Oregon (Mr. Hatfield), I ask unanimous consent that, at the next printing, the name of the Senator from Indiana (Mr. Hartke) be added as a cosponsor of S. 503, to provide for meeting the manpower neeeds of the Armed Forces of the United States through a completely voluntary system of enlistments, and to further improve, upgrade, and strengthen such Armed Forces, and for other purposes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

S. 2658

Mr. BYRD of West Virginia. Mr. President, on behalf of the Senator from Texas (Mr. Yarborough), I ask unanimous consent that, at the next printing, the name of the Senator from Minnesota (Mr. Mondale) be added as a cosponsor of S. 2658, to amend title 38 of the United States Code so as to entitle veterans of World War I and their widows and children to pension on the same basis as veterans of the Spanish-American War and their widows and children respectively.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

S. 3113

Mr. MAGNUSON. Mr. President, I ask unanimous consent that, at the next printing, the names of the following Senators be added as cosponsors of S. 3113, to provide for a separate session of Congress each year for the consideration of appropriation bills, to establish the calendar year as the fiscal year of the Government, and for other purposes:

The Senator from Tennessee (Mr. BAKER), the Senator from Utah (Mr. BENNETT), the Senator from Nevada (Mr. BIBLE), the Senator from Massachusetts (Mr. BROOKE), the Senator from West Virginia (Mr. BYRD), the Senator from Nevada (Mr. CANNON), the Senator from New Jersey (Mr. CASE), the Senator from Idaho (Mr. CHURCH), the Senator from Kentucky (Mr. COOK), the Senator from California (Mr. CRANSTON), the Senator from Connecticut (Mr. DODD), the Senator from Kansas (Mr. DOLE), the Senator from Mississippi (Mr. EASTLAND), the Senator from Arizona (Mr. GOLDWATER), the Senator from Alaska (Mr. GRAVEL), the Senator from Oklahoma (Mr. HARRIS), the Senator from Michigan (Mr. HART), the Senator from Indiana (Mr. HARTKE), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Iowa (Mr. HUGHES), the Senator from Hawaii (Mr. INOUYE), the Senator from Washington (Mr. JACKSON), the Senator from Idaho (Mr. JORDAN), the Senator from Massachusetts (Mr. KENNEDY), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Montana (Mr. MANSFIELD), the Senator from Montana (Mr. METCALF), the Senator from Minnesota (Mr. MONDALE), the Senator from Wyoming (Mr. MCGEE), the Senator from Maine (Mr. MUSKIE), the Senator from Wisconsin (Mr. NELSON), the Senator from Illinois (Mr. PERCY), the Senator from Rhode Island (Mr. PELL), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Pennsylvania (Mr. SCHWEIKER), the Senator from Pennsylvania (Mr. SCOTT), the Senator from Virginia (Mr. SPONG), the Senator from Alaska (Mr. STEVENS), the Senator from Missouri (Mr. SYMINGTON), the Senator from South Carolina (Mr. THURMOND), the Senator from Maryland (Mr. TYDINGS), the Senator from New Jersey (Mr. WILLIAMS), and the Senator from Ohio (Mr. YOUNG).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ADDITIONAL COSPONSOR OF A JOINT RESOLUTION

SENATE JOINT RESOLUTION 156

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that, at the next printing, the name of the Senator from Maine (Mr. MUSKIE) be added as a cosponsor of Senate Joint Resolution 156, to establish an interagency commission to make necessary plans for the United Nations Conference on the Human Environment scheduled for 1972.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SENATE RESOLUTION 299—RESOLUTION SUBMITTED AND AGREED TO APPOINTING A COMMITTEE TO NOTIFY THE PRESIDENT CONCERNING THE PROPOSED ADJOURNMENT OF THE SESSION

Mr. MANSFIELD submitted a resolution (S. Res. 299) appointing a committee to notify the President concerning the proposed adjournment of the session, which was considered and agreed to.

(The remarks of Mr. MANSFIELD when he submitted the resolution appear later in the RECORD under the appropriate heading.)

SENATE RESOLUTION 300—RESOLUTION SUBMITTED AND AGREED TO TENDERING THE THANKS OF THE SENATE TO THE VICE PRESIDENT

Mr. MANSFIELD submitted a resolution (S. Res. 300) tendering the thanks of the Senate to the Vice President for the courteous, dignified, and impartial manner in which he has presided over the deliberations of the Senate, which was considered and agreed to.

(The remarks of Mr. MANSFIELD when he submitted the resolution appear later in the RECORD under the appropriate heading.)

SENATE RESOLUTION 301—RESOLUTION SUBMITTED AND AGREED TO TENDERING THE THANKS OF THE SENATE TO THE PRESIDENT PRO TEMPORE

Mr. GRIFFIN (for himself and Mr. SCOTT) submitted a resolution (S. Res. 301) tendering the thanks of the Senate to the President pro tempore for the courteous, dignified, and impartial manner in which he has presided over the deliberations of the Senate, which was considered and agreed to.

(The remarks of Mr. GRIFFIN when he submitted the resolution appear later in the RECORD under the appropriate heading.)

SENATE RESOLUTION 302—RESOLUTION SUBMITTED AND AGREED TO TENDERING THE THANKS OF THE SENATE TO THE ACTING PRESIDENT PRO TEMPORE

Mr. MANSFIELD submitted a resolution (S. Res. 302) tendering the thanks of the Senate to the Acting President pro tempore for the courteous, dignified, and impartial manner in which he has presided over the deliberations of the Senate, which was considered and agreed to.

(The remarks of Mr. MANSFIELD when he submitted the resolution appear later in the RECORD under the appropriate heading.)

SENATE RESOLUTION 303—RESOLUTION SUBMITTED AND AGREED TO AUTHORIZING THE PRESIDENT OF THE SENATE TO MAKE CERTAIN APPOINTMENTS AFTER THE SINE DIE ADJOURNMENT OF THE PRESENT SESSION

Mr. GRIFFIN (for himself and Mr. SCOTT) submitted a resolution (S. Res. 303) authorizing the President of the Senate to make certain appointments after the sine die adjournment of the present session, which was considered and agreed to.

(The remarks of Mr. GRIFFIN when he submitted the resolution appear later in the RECORD under the appropriate heading.)

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, December 23, 1969, he presented to the President of the United States the following enrolled bills and joint resolution:

S. 65. An act to direct the Secretary of Agriculture to convey sand, gravel, stone, clay, and similar materials in certain lands to Emogence Tilmon of Logan County, Ark.;

S. 80. An act to direct the Secretary of Agriculture to convey sand, gravel, stone, clay, and similar materials in certain lands to Enoch A. Lowder of Logan County, Ark.;

S. 81. An act to direct the Secretary of Agriculture to convey sand, gravel, stone, clay, and similar materials in certain lands to J. B. Smith and Sula E. Smith of Magazine, Ark.;

S. 82. An act to direct the Secretary of Agriculture to convey sand, gravel, stone, clay, and similar materials in certain lands to Wayne Tilmon and Emogence Tilmon of Logan County, Ark.;

S. 2325. An act to amend title 5, United States Code, to provide for additional positions in grade GS–16, GS–17, and GS–18; and

S.J. Res. 154. Joint resolution to authorize and request the President to proclaim the month of January 1970 as "National Blood Donor Month."

SENATOR McCARTHY WRITES OF AMERICA IN THE 1960'S

Mr. McGOVERN. Mr. President, the distinguished senior Senator from Minnesota (Mr. MCCARTHY) has written a most succinct and perceptive account of the major themes of the 1960's. I ask unanimous consent that his article, entitled "The Sixties," published in Look magazine for December 30, 1969, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE SIXTIES

(By Senator MCCARTHY)

The Thirties were marked by the Depression, partial recovery and the beginning of World War II; the Forties, by the war itself and the immediate postwar adjustment. The Fifties bore the stamp of the Eisenhower Administration: it was a time of quiet, of silent and passive students, of restrained economic progress, of quantitative religious growth.

Not only did these decades carry a distinctive set of marks, but each bore a relationship to the one that had gone before. There were clear lines of continuity running from one to the other. And there were understandable reactions in a later decade to conditions existing in the previous one.

The Sixties seem to be generally out of context. They are not a continuation of the Fifties nor a reaction to the Fifties. Even within the decade itself no clear directions or lines of movement have become manifest.

The decade began with the political defeat of Richard Nixon for President of the United States and is ending with him as President of the country.

It began with the promise of peaceful growth and progress and is ending with the United States desperately involved in a war that it cannot explain.

It began with the problem of civil rights, which most people thought could be solved in an orderly and progressive way. It is ending with a race problem for which no one is able to prescribe any very certain answer.

It began with a spirit of renewal, of ecumenism and revived religious commitment, manifest in the Catholic Church under the inspiration of Pope John and the Vatican Council. It is ending on a note of great religious confusion, if not chaos.

It began with the welcome participation of young people in the Kennedy campaign of 1960, as opposed to their repudiation and physical abuse by the Chicago police at the Democratic Convention of 1968.

Between these oversimplied points of contrast, the general condition of the Sixties has been one of contradiction, of confusion, of conflicting currents. The revolution of rising expectations was proclaimed with all the necessary rhetoric. As the years passed, the gap between rhetoric and reality continued to grow. Philosophy and policy and program in almost every major area of national concern became increasingly out of phase.

We have a policy on poverty, for example, but have neither the philosophy to sustain the policy nor a program to carry it out.

In the case of civil rights, we have philosophy and policy but a wholly inadequate program.

The principle behind our military establishment is supposedly one of defense. Yet the policies are essentially offensive, and the programs are of such magnitude that they have in fact become policy and have overridden principle.

In the conduct of our foreign policy, we are acting in keeping with principles that were established immediately following World War II—containment and preservation of the status quo—principles that are clearly inadequate for conditions more than 20 years after they were first conceived.

The young people, especially the students, are more distressed than adults are by the inconsistencies that they see. A small percentage of the young have taken the way of withdrawal or violent attack upon institutions. The greater majority, however, are neither indifferent nor alienated. Many of them made deep, even dangerous commitments toward making America what they think it should be and what they have been told by older generations that it can be.

They are inexperienced; they oversimplify; they may not have a sense of history. They have other shortcomings, but they bring with their commitment intelligence, a deep sense of moral responsibility, an openness of spirit and—hope.

These attributes, if they continue to flourish and are brought to bear upon the problems of the country, will so change the Seventies that in retrospect the Sixties will be distinguished as the decade in which the spirit of America, largely through its young people, was renewed and revitalized.

MEDICAID ABUSES BY UNSCRUPULOUS PROFESSIONALS

Mr. WILLIAMS of Delaware. Mr. President, the New York Times, on December 19, published an article entitled "Legislators Say Medicaid Abuses Cost $60 Million." The article, written by William E. Farrell, calls attention to a report by a committee of the New York State Legislature which describes the rather widespread abuse under this program.

The allegations of fraud in the program emphasize the importance of the Committee on Finance promptly resuming its hearings on this subject next year.

The costs of both the medicare and medicaid programs have increased at an alarming rate, and any evidence of fraud must be dealt with promptly and affirmatively.

I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Legislators Say Medicaid Abuses Cost $60 Million—Yearly Loss in State Said To Result From Unscrupulous Practices by Professionals—Doctors Score Figures—But Bipartisan Panel Says Laws Are Needed To End the Bilking of Funds

(By William E. Farrell)

Albany.—A legislative committee reported today that the state's $1-billion Medicaid program was being bilked of as much as $60-million a year by unscrupulous doctors, dentists, pharmacists and medical institutions.

It said their tactics ranged from falsification and padding of bills to unnecessary referrals to specialists.

In an interim report sent to the majority leaders of both houses, the Joint Legislative Committee on Public Health, headed by State Senator Norman F. Lent, Nassau Republican, urged the passage of legislation imposing "penalties for those providers of services who intentionally falsify their claims or intentionally overuse the program for the purpose of padding their bills."

Spokesmen for both the state's dental and medical societies said they had not seen the report and could not comment on it in detail.

DENTAL HEAD OPPOSES FIGURES

Dr. Walter T. Heldmann, president of the Medical Society of the State of New York, said that "so far as physicians go" the committee figure of between $50-million and $60-million in losses "is ridiculous to begin with."

He said private physicians received less than 10 percent of last year's $1-billion in Medicaid funds and added that he was "sure" the committee "didn't mean that better than 50 per cent of the money spent on physicians was paid needlessly."

Dr. Percy T. Phillips, secretary of the New York State Dental Society, said charges of "fraudulence" have been "blown all out of proportion."

Both doctors said that the vast bulk of Medicaid funds were received directly by hospitals, nursing homes and the like and not by private practitioners.

The committee report also recommended the enactment of laws making Medicaid recipients liable for providing false information to obtain benefits.

Under the Medicaid program, Federal, state and local funds are used to pay the full or partial medical bills of those deemed medically indigent. According to state welfare officials, 2,750,000 people are currently enrolled in Medicaid.

About half of them are on the relief rolls, but about 1.3 million are not and they are currently required to pay 20 per cent of the cost of medical services and supplies other than in-patient care in an institution.

A family of four with less than $5,000-a-year income is eligible for Medicaid.

Joseph Jaspan, counsel to the committee, which consists of seven Republicans and four Democrats, said there was a need for "firm state legislation" dealing with abuses in the Medicaid program because existing legislation was "uncertain."

"We want absolute prohibition," Mr. Jaspan said in an interview. He said he knew of no instances in which the state had prosecuted professionals or institutions in the program, although he said there had been suspensions of doctors from the Medicaid program.

He added that legislation to be introduced early next month would provide for penalties of up to one year in jail for those convicted of Medicaid abuses.

Mr. Jaspan said that the $60-million figure was "an estimate" arrived at after the committee had interviewed social services commissioners in a series of hearings in the state.

He said there was no comparable figure for Medicaid recipients falsely representing themselves in the program and added that the information available to date indicated that the number of such representations was "relatively small."

The committee also called for a study to determine whether Medicaid should be administered by a single agency rather than by the State Social Services Department and the Health Department, as it is now.

Citing comments by officials of both departments concerning duplication, bureaucratic confusion, delay and differences of interpretation of regulations, the committee said such a study was desirable "to determine whether a merger is economically and administratively sound."

LAW BEING STUDIED

In the meantime, the report said, the committee is studying the existing laws governing the huge Medicaid program, much of which is paid with 50 per cent Federal funds and with the state and the localities splitting the remainder, "for the purpose of suggesting legislative and administrative changes."

The committee's report drafted after six months of study as well as public and private hearings, said that despite objections from the medical profession that "overseeing" of their conduct was "an unwarranted intrusion into their professional lives," there was "substantial reason to impose some pre-treatment regulation and require post-treatment 'peer review' of the work of the providers of health services."

The committee's interviews with social service commissioners showed evidence of "unacceptable practices," the report said.

These practices included rendering bills for services that were not provided; the administration of tests unrelated to the needs of the patient; unnecessary referral of patients to one or more specialists; provision of fewer drugs and supplies than were written in prescriptions along with altering of prescriptions and the administering of inadequate medical examinations and the performance of inferior dental work.

"The cumulative evidence," the report said, "indicates that appropriate review procedures in all counties would enable recapture and savings of the $50–60-million now believed to be lost to the program each year by reason of fraud, abuse, misuse and overuse."

"WATCHDOG SYSTEM" STARTED

The committee cited a special $800,000 appropriation made to New York City to provide for a Medicaid "watchdog system" and urged that similar systems be established throughout the state.

The cost of the "watchdog" committees "will be returned many times over to the contributing governmental bodies," the report said. In the interview, Mr. Jaspan said the New York system was working well.

He said that the testimony of the various social services commissioners in many cases listed specific abuses such as a podiatrist who has given every patient a series of X-ray examinations regardless of the problem and a doctor who administered a series of eight tests on all Medicaid patients no matter how minor the patient's ailment. Mr. Jaspan said he did not know if the social services officials had presented any of their data to local district attorneys, adding that that was "not really the committee's main job at the moment."

SENATOR RANDOLPH EXPRESSES CONCERN OVER ELIMINATION OF FUNDS FOR STATE TECHNICAL SERVICES PROGRAM—ADVOCATES FUNDING IN NEXT SUPPLEMENTAL APPROPRIATION

Mr. RANDOLPH. Mr. President, the House-Senate Conference on the 1970 Supplemental Appropriations bill has eliminated the entire amount of the $5 million recommendation by the Senate Appropriations Committee for matching program funds of the Office of State Technical Services.

I am greatly concerned over this action, and its effect upon the 50 State offices, which depend on the Federal STS operation for money and leadership, and upon the small and medium size businesses which are the major beneficiaries of the technical services program.

The 1970 budget originally contained a recommendation for $5.3 million for the period July 1, 1969, through June 30, 1970. This spring, however, the new administration reduced the request to $290,000, an amount covering only salary and administrative expenses.

On September 22, as chairman of the Subcommittee on Science and Technology, I joined with other Senators in writing to the Department of Commerce to question this cutback.

In November, the administration made a request to restore the $5 million, citing a study performed by the Arthur D. Little Co. which concluded that:

> The program produces economic benefits which are greater than its cost . . . expected tax returns to Federal, State, and local governments based on increased economic activity generated by the program will cover its cost.
>
> The program has been most helpful to small and medium size firms which do not have broad technical and research capabilities.

The House Appropriations Committee declined to approve any of the requested supplemental appropriation. Although the Senate approved the full amount, evidently it was not possible to gain agreement from the House conferees. I know that the Senate conferees worked actively to hold the funds in the bill.

Mr. President, it is not possible to operate this program efficiently on an off-again, on-again basis. For example, when the status of this appropriation was placed in doubt in May, four members of the Technical Services Office in West Virginia left the program. At present, only one university in my State is active in the program, the University of West Virginia. However, the West Virginia Institute of Technology at Montgomery had submitted a program which had been approved, but could not be funded.

In earlier years Concord, Bethany, Shepard, and Wheeling Colleges had expressed an interest. It can readily be imagined how a wider participation by these institutions could assist the various sections of West Virginia in which they are located. However, the effect of this year's inaction will dampen their enthusiasm and preparation for future years.

Mr. John Frank, the director of the West Virginia State Technical Services office, informs me that this program is "sorely needed in West Virginia, where the technology level is low, and where it could materially help the economy of the State."

I therefore believe it is unfortunate and regrettable that, as of now—6 months after the start of the fiscal year—no funds are available for the substantive programs of State technical services.

It is my genuine hope that adequate money for State technical services can be secured in the next supplemental appropriations bill. I shall actively support such an effort.

PIPELINE SEWAGE TREATMENT

Mr. BOGGS. Mr. President, Congress has demonstrated its commitment to improve water quality across our Nation, appropriating $800 million this year for grants to the States and municipalities to be used in the construction of sewage treatment facilities.

Together with this increased Federal drive toward clean waters, scientists are at the same time making greater efforts to improve sewage treatment techniques. Prof. T. W. Fraser Russell, of the University of Delaware's chemical engineering faculty, has carried out some interesting experiments into new methods for treating sewage in the pipeline rather than at the plant. With the assistance of graduate student Timothy Holmes, Professor Russell has found that pipeline treatment of raw sewage for a period of 4 hours goes further to improve the quality of water than a conventional activated sludge plant would.

Professor Russell's very interesting work has been detailed in a recent issue of the publication "Environmental Science and Technology."

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PIPELINE REACTOR MAY CUT SEWAGE PLANT COSTS—BIOLOGICAL TREATMENT IN TRANSFER LINE IS FEASIBLE

The lowly sewage conduit heretofore a largely ignored element in the municipal waste water collection-treatment complex, may one day be upgraded to a continuous, two-phase, biological reactor and claim status as a relatively sophisticated piece of water treatment equipment. This prediction of two University of Delaware engineers is based on the initial results of their studies into the possibility of conducting secondary sewage treatment by the activated sludge process within the sewage transfer lines.

In fact, the two engineers, Prof. T. W. Fraser Russell of the university's chemical engineering faculty and Timothy Holmes, a graduate student in that department, are now putting the finishing touches to a case study report on the design of such a system. Their major conclusion: Pipeline sewage treatment is not only feasible, but promises to offer greater BOD reduction at lower initial capital cost than conventional activated sludge plants.

NEW TWIST TO OLD IDEA

Prof. Russell is quick to admit that "the idea of treating sewage in pipelines is not original with us." "The concept has intrigued a number of investigators over the years," he says, and adds: "What we've done is to survey much of the literature and original data on biological treatment and plant design and apply this data in quantitative form to the pipeline reactor concept."

The pipeline sewage treatment is, in essence, a natural outgrowth of a strong interest in fluid mechanics at Delaware's chemical engineering department. A major portion of Dr. Russell's research activity in the past has been directed at understanding gas-liquid flow as applied to the problems of momentum, mass, and heat transfer and chemical reaction. The chance to apply this research data to the field of sewage treatment came in the form of a grant from the university's Water Resources Center. Delaware is one of a number of institutions throughout the country at which the U.S. Department of Interior's Office of Water Resources Research has set up such a center.

AERATION THE CRITICAL STAGE

The initial phase of the investigation into the sewage pipeline reactor centered on the problem of aerating the sewage mass, perhaps the critical phase of any biological treatment. In order to optimize the introduction of oxygen into the flowing sewage, the investigators first had to resolve the problem of deciding which of a variety of flow regimes, or conditions, are applicable to sewage transfer lines, in order that the basic fluid mechanics of the oxygen-sewage system could be probed more deeply. They found that for sewage flow the two regimes of most interest are the stratified, or continuous flow, regime, and the bubble flow regime, which consists of one liquid phase and one discrete fluid phase. In fact, since most sewage lines flow by gravity, it is hard to imagine any other regime in most lines. Further investigation showed that the amount of oxygen that can be absorbed under stratified flow conditions, even if the air above the sewage is kept fresh, is very low: about twenty miles of transfer lines would be required to reach oxygen saturation.

However, if small sparger lines were introduced at the bottom of the transfer line, a bubble flow regime can be created, and it would then be possible to saturate the liquid with oxygen in a much shorter length of line, perhaps as little as two miles. This led to the concept of a three-stage pipeline reactor system. In the first, or aeration section, the oxygen content of the sewage is built up to near saturation by means of the air sparger line; in the second, or bubble flow section, the activated sludge is introduced while the air is still sparged into the system; in the third, stratified flow section, the sludge bacteria continue to degrade the organic content of the sewage in a continuous oxygen-water system. In addition, if the primary solids removal step were introduced into the system between the last two sections, some of the floatable solids would be drawn into the liquid phase by biological degradation.

SEWAGE PLANT DESIGN

At this point, Russell and Holmes were ready to attack the problem of the design of a hypothetical sewage plant that would incorporate the pipeline treatment concept. After reviewing the literature on biological sewage treatment and plant design, a mathematical model was constructed which incorporates the important process parameters. Using this model, computer calculations can be run to predict the performance, equipment size, and costs for any plant which would incorporate the pipeline reactor concept. Although results obtained vary with the quantity and characteristics of the raw sewage to be treated, certain generalizations about the process can be made:

With a transfer line long enough to permit an equivalent residence time of four hours, BOD reduction is greater than for a conventional activated sludge plant with the same throughput capacity.

Activated sludge recycle rates can be much lower with the pipeline treatment concept.

Because of the lower sludge recycle rate, sludge handling equipment can be much smaller.

To illustrate the advantages of the proposed process, Holmes has completed a case study which compares the performance of the system with a typcial, conventional, activated sludge plant that treats the effluent from a community of 100,000 that has a 5-day BOD demand of 200 mg./l. Based on this design model, Holmes predicts that, given a transfer line of 10.6 miles, the proposed process would effect a BOD removal of 96% at a sludge recycle rate of 3.7%. This compares with 90% for the conventional plant, at the typcial recycle rate of 25%. Perhaps the most significant results of the study are the cost comparisons; the proposed pipeline method would cost $700,000 less—about 30%—than the conventional plant.

UNCONVENTIONAL BUT PROMISING

The basic configuration of the proposed treatment system would differ from the conventional processes in two major respects—elimination of the secondary treatment aeration tank, and placing the aeration step ahead of primary solids removal operations. In the 10.6-mile transfer line case study, primary aeration would occur in the first 4000 ft., at which point the activated sludge would be introduced, and the biological action would occur in a 1000-ft. bubble reactor section. Bar screens and cutting screens would then accomplish the primary solids removal, and the effluent would be fed to the activated sludge clarifier. Underflow solids from the clarifier would be removed for ultimate disposal. The clarifier overflow and excess activated sludge would be fed to the stratified flow reactor where degradation of the dissolved organics and some of the floatable solids would take place in the stratified flow sections which comprise the balance of the 10.6-mile transfer line system. A final clarification step would separate the residual sludge from the clear liquid effluent.

Professor Russell is anxious to extend the work on the pipeline reactor to include conditions other than gravity flow. "We'd like to develop design criteria for pumped sewage," he states; "Since we already have some of the basic data for this from our previous work, we could accomplish it in as little as six or seven months." In the meantime, the Delaware team is ready for a chance to field test their proposed system on both municipal and industrial waste." Although our design study was done on municipal effluents, any industrial wastes that are subject to biological degradation could be treated in this way," Russell adds.

ECONOMIC ANALYSIS OF PUBLIC EXPENDITURES

Mr. PROXMIRE. Mr. President, the Subcommittee on Economy in Government of the Joint Economic Committee has just completed a series of hearings on the Economic Analysis of Public Expenditures, an area of public policy which has been badly neglected in the past. Representative William S. Moorhead was a most steadfast and dedicated participant in these investigations. He has recently given an eloquent and pointed statement on "The Congressional Budget Process: Inexplicit, Closed, and Uninformed," before the Association of Public Program Analysis. Mr. President, I ask unanimous consent that the statement be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

The Congressional Budget Process: Inexplicit, Closed, and Uninformed

(By Congressman William S. Moorhead)

I would like to begin my remarks by expressing appreciation to you for your efforts in implementing policy and issue analysis in the context of the Program Planning and Budgeting System.

As you are well aware, the Government sorely requires the yardstick of social costs and benefits to be applied to those programs supported by taxpayers' money. Only by determining those programs which have outlived or attained their original objectives; those programs whose objectives have become outdated; and those programs whose costs are far in excess of social benefits can we lay a basis for reordering our national priorities. I would argue that the application of sound economic analysis to all public programs is the first and basic step in reordering national priorities. Your leadership in both doing policy analysis and publicizing the role which it must play in an effective government has been most valuable.

As you, I believe that responsible government must adopt a more rational approach to public policy decisions. We can no longer continue with a system which fails to undertake the quantitative evaluation of the economic benefits and economic costs of program alternatives, both now and in the future, in relations to analyses of similar programs. To continue to ignore the careful consideration of gains and losses is equivalent to saying that we have no objectives; no goals which we are attempting to achieve. While it is true that the objectives of the Federal Government are less tangible and more complex than those of a business firm, they do exist, and analysis should be carried out to determine which of our alternatives will allow us to satisfy these objectives at least cost to the taxpayers. I would add that the very effort of attempting to evaluate alternatives is of substantial assistance in determining what our objectives really are. To neglect a conscious and quantitative appraisal of policy alternatives is the recipe for continued unresponsiveness and ineffectiveness of government.

While your efforts have been most important, I would emphasize that efforts to institute effective economic analysis of policy issues is not completed. In fact, only the very barest start has been mad. The concrete of tradition, which protects many outworn institutions and outlooks, must be broken down if policy analysis is ever going to be made an effective decision tool within the public sector of our economy.

I know and I am sure that you appreciate the resistance to your efforts that you have met and will continue to meet. No doubt one of the most serious of these is opposition to those in the bureaucracy who fear that sound and quantitative policy analysis will upset their comfort and, more significantly, their power and influence if it becomes effective in the decision-making process. Such forces exist in both the Executive Branch and the Legislature. You must not be discouraged by them. As time erodes vested positions and as the value of program analysis becomes more widely understood, their ability to deny analysis and information its due will be reduced.

In urging you to remain optimistic, I am arguing that one of your next steps must be to increase your efforts in publicizing the importance of the PPB System. The worst thing that could happen would be for you to withdraw into the comfortable warmth of the society of analysts—where you could discuss with fellow believers the fine points of analysis. You must make the education of nonalysts both inside and outside of Government one of your primary missions. To fail to do so would play into the hands of those in the bureaucracy who retain their power only by keeping the spotlight of analysis away from their decisions.

THE CONGRESSIONAL NEED FOR POLICY ANALYSIS

As you may surmise, in advocating an increased role for "Missionary activity" on your part, I have a particular group in mind. While many in the Executive tend to forget the fact, the Congress plays an important role in the budget and decision process. Decision-makers in the Legislative Branch require sound policy analysis and a broad consideration of alternatives fully as much as do Executive decision-makers. I would like to give you my assessment of the present role of policy analysis in the Congress and describe what you can do to improve this situation.

In my judgment, the congressional budgetary process is one of the world's great anacronisms. In a very real sense, the congressional appropriation process is a classic example of an *inexplicit, closed,* and *uninformed* decision process.

This does not mean that the executive budgetary process is perfect, or that it is, in fact, very good on any absolute scale of balance. But it is both informed and open compared with the budgetary process which exists in the Legislative Branch.

In the Congress, with its committee and subcommittee system, there is very little explicit consideration of program objectives, of tradeoffs, or alternative means of achieving objectives, or of the benefits and costs of budget proposals this year and in the future. In short, Congress does not really give the budget a meaningful review because it fails to ask the right questions. Indeed, in program area after program area, the Congress does not even know what the right questions are.

I would argue that a primary reason for this is the traditional policy of the Executive Branch dealings with the Congress. In my view, the Executive has been irresponsible in its budgetary dealings with the Congress. The basic presumption of the Executive is that it can govern itself without interference of the Legislature. Consequently, it divulges to the Congress as little information as it can get away with. The Executive Branch comes to the Congress with only one budget, with only one set of program proposals, and typically with no quantitative information on the benefits and the costs of even their own proposals. There are no budget projections; there is no description of the characteristics of the beneficiaries of programs; there is typically no indication of alternative ways to satisfy an objective.

I should emphasize, however, that much of the responsibility for this void rests on the Congress. We should demand alternatives and more sophisticated program analysis. We have not done this. For the first time in my memory, both the House and the Senate has been demanding this kind of analysis in the military area, and for reasons I will discuss later, the analyses were not made available. This effort, I believe, signals a new era in the demands of the Congress for analysis and policy studies.

One of the reasons why the Congress has performed so badly in the budgetary and appropriation areas has to do with the interest of Congressmen and Senators. Many in the Legislative Branch have little interest in or patience for careful deliberations on budgetary matters. A careful consideration of alternatives requires much effort and concentrated study of the relative merits and demerits, the costs and benefits, of alternative policy proposals. This is hard and grubby work. Many legislators not used to thinking in such terms have found it easier simply to rely on the Executive agency. Unfortunately these agencies are often more interested in selling their programs regardless of the merits than in having Congress analyze them. Other legislators, some in powerful positions, fear that the spotlight of analytical information will diminish their power to set policy in a particular area. Irrespective of the basis for the lack of interest by particular members of Congress, those of us concerned with improving the effectiveness of government must demand more and better analysis.

I would mention a further reason for Congress' poor performance in this area—the severe staffing constraints under which the Legislative Branch operates. Currently we do not have the staff either to interpret or to evaluate the analyses done by the Executive Branch if it were presented to us. More significantly, we have *no* staff to do program analysis on its own. An official of the Bureau of the Budget, in viewing congressional capability, stated:

"You (the Congress) have some outstanding people who can provide program evaluation, but very few. I frankly think that Congress is not very well equipped to provide that evaluation."

In addition to this lack of interest and staff, there is a further serious problem. The very organization of the Congress is such as to discourage the establishment of an effective public expenditure decision process. A primary difficulty is the organizational structure of the legislative and appropriations committees. A Congressman has strong incentive to get on a committee which would serve his own best interests and those of his constituency. The net result of this, of course, is that the committee structure develops a built-in bias toward higher budgets. Because the people who serve on each committee have an interest in seeing the budget for which they are responsible increase, they often fail to encourage a careful evaluation and analysis of expenditures. When this is combined with the well-known problems of the seniority system in combination with virtual fiefdoms in some areas, the stage is set for "power without information."

Largely as an outgrowth of this built-in committee bias, the relationship between the staffs of the committees and their counterparts in the executive agencies is hardly one of arms-length dealing. The degree of mutuality of interest between the executive staff and those on the Legislative Branch committees is substantial. I would add that this problem is not peculiar to Legislative-Executive relationships. The serious lack of an adversary climate between Budget Bureau examiners who work on the military budget and their counterparts in the Pentagon has recently been of much concern to me.

The response of the executive to the congressional situation has not been encouraging. Indeed, realizing the organizational, staff, and incentive problems in Congress, the Executive has used its monopoly on information and analysis to retain real decision-making power inside of the Bureaucracy. The failure of the Bureau of the Budget to attempt to educate the Congress to the purposes, methods, and benefits of the PPB System is only one manifestation of the Executive tendency. In preparing for my discussions with you tonight, I had my staff query a random sample of House legislative and administrative assistants as to their level of understanding of the PPB System. It is noteworthy that only about 10 percent could identify what the letters "PPB" stand for. This is appalling. If either the Executive or the Congressional leadership had been concerned with a better decision process, this result would not have occurred.

THE CONGRESS, THE MILITARY, AND ROLE OF ANALYSIS

The question of domestic priorities versus military priorities has not been a subject for discussion in the highest councils of the National Government. This is one of the primary reasons the American people today face what some call "the military juggernaut." It is one of the primary reasons for the extended talk on the "failure of government" which has mainfested itself in the taxpayers' revolt.

The Legislative Branch has not developed even the beginnings of a rational decision-making process as regards the military budget. The Executive Branch, and particularly the Department of Defense, has at least formally adopted a system of analysis and evaluation for their spending programs. The Secretary of Defense never comes to the Hill without a satchel full of analytic studies evaluating the cost-effectiveness of proposed decisions. These studies which estimate costs and effectiveness enable the Secretary to understand the effects of a variety of alternative ways of reaching similar goals and enable him to well defend his proposals.

Congress has lagged far behind the Executive in developing this capability. Indeed, Congress does not even go through the motions of systematic analysis and evaluation. This is especially serious in the face of a military policy which is distorted by bloated views of contingencies, a tendency to over plan for even the most probable contingency and unhealthy relationships between military planners, procurement personnel, and contractors.

The problems of Congressional decision-making, it should be noted, are not often discussed in Congress. It is a taboo here, and the committee structure with all of its inadequacies and shortcomings is regarded by many as some part of a holy cow.

Yet the vast majority of us know that the authorization and the appropriation process often does not produce rational or good decisions, and this is especially true in the area of military spending.

My point that the Congressional appropriation process is a classic example of an inexplicit, closed, and uniformed decision process is doubled in spades as regards the military budget.

In the case of the military budget, as with others, the Executive comes before Congress with a single budget and a single set of programs. The committees might change the budget somewhat, and sometimes programs are modified. But changes and modifications are relatively slight. The Pentagon knows it will get from Congress more or less what it requests. Moreover, it knows that it will be able to guide whatever marginal changes do get made. Especially in the area of military spending, the Congressional committees have played a passive, noncritical, and overly permissive role. As John Kenneth Galbraith pointed out in the Economy in Government Subcommittee hearings on "The Military Budget and National Economic Priorities," Congress has sorely neglected the economics of defense.

In sum, the Pentagon and defense contractors have used fear, secrecy, propaganda, and monopolization to obtain fat budgets and fat contracts. Congress, up to this year, has acquiesced.

Many who defend the status quo argue that military affairs are so technical and complicated that decisions about weapons systems and military policy are best left to the experts. They point out that the experts reside only in the Executive Branch and in the Pentagon, and that Congress is misinterpreting its role if it tries to second-guess these experts. For many years, Congress has succumbed to the temptation to delegate its authority to the Executive Branch using this "technical expertize" argument to rationalize its inaction. In fact, this argument has been carried so successfully that many in Congress now feel their responsibility fulfilled when Congress, relying upon the knowledge of the experts in the Executive Branch, exercises only common sense judgments about the broader policy questions with the aid of its own wisdom and the political pressures it perceives.

I emphatically reject this argument. In my view, it represents the abdication by Congress of its constitutional responsibility to provide for the common defense.

In my view, the function of the Legislative Branch is to make decisions on matters of public policy within its jurisdiction. Under the Constitution, national defense policy is clearly under the jurisdiction of Congress. However, and this is my main point, in order to make intelligent decisions about these matters, Congress must be informed. Currently the main obstacle to intelligent Congressional decisionmaking on the military budget is the lack of information, analysis, and qualified staff necessary to evaluate Pentagon assertions.

In point of fact, the Congress has often been misinformed by the Pentagon. Indeed, Pentagon misinformation is only exceeded by Pentagon noninformation. The numerous and shocking cases of large cost overruns, poor performance, and late delivery of weapons systems reflects very poorly the Pentagon's ability to manage the affairs entrusted to it. They also reflect on the ability of Congress to keep itself informed and to oversee Executive performance. It is such inept management and misuse of the public interest which has fostered the current lack of confidence in the ability of the public sector to serve the people.

This serious shortfall in both Executive and Legislative performance is best illustrated by the C–5A affair. Among other things, this affair triggered what could be called "The year that the Congress discovered the usefulness of systems analysis, but lacked the capability of doing anything about it." Because of the groundswell of public outrage generated by the initial investigations of the Subcommittee on Economy in Government, there has arisen a genuine feeling among many Congressmen and Senators that the Congress sorely needs an analytic capability for program evaluation across the board.

Based on the findings of the Subcommittee on Economy in Government, I began questioning the requirement for the fourth squadron of 23 C–5A's. This was as early as March. It seemed to be a perfect system to question because:

The C–5A was an integral part of a new system for airlift—sealift capability with the FDL's. If the FDL's are cut out, do we still need the C–5A's?

The fantastically increased cost of the C–5A from $21 million to $45 million per plane. How does this escalation affect the cost effectiveness of the system vis-a-vis existing capabilities of C–141's, C–130's, and the new Boeing 747?

In the Senate debate over the fourth squadron of C–5A's a great deal of debate focused on the conclusions, methods, and implications of two policy studies done in the Office of Systems Analysis in OSD. One study was made in November 1968; the other in June 1969. In general, both of these studies found little if any military or economic justification for purchase of these aircraft beyond the third squadron. As is now well-known, Mr. Laird decided to override the findings of these studies. In other words, he overruled the only studies that were made in determining the justification for an additional 23 aircraft which in total will probably cost American taxpayers over $1 billion. While some might label such a decision "tough-minded," it seems to be more appropriately called "knot-headed."

Having made his decision, Secretary Laird came to the Congress fully expecting *carte blanche* ratification. And his expectation was justified. We, in the Congress, confronted his decision with no independent analysis of our own and with no capability to generate it. In truth, all we possessed was some driblets of information from the leaked reports. Moreover, because the Pentagon had classified these reports, their usefulness in Congressional debate was minimized.

As ultimately became known, Secretary Laird had rejected the assumption of the first study concerning the utilization rates of the aircraft under emergency conditions. He also rejected the assumptions of the second study regarding the availability of other transports and the availability of prepositioned material. I was and still am baffled concerning why the Pentagon undertakes such studies using analytical assumptions which are later going to be rejected as unrealistic.

The lesson of this sordid experience is clear. Congress finally saw itself as awkward and helpless and wholely unprepared to manage and control that for which it has constitutional responsibility. Because of the frustrating debate over the military procurement authorization bill, there is a growing consensus among those who are concerned about efficient and responsive government that the Congress should insist that the Administration undertake careful and quantitative studies of the programs which they are proposing and submit these to the Congress for its scrutiny. As an aside, it is interesting to note that I talked with a member of the Defense Appropriations Subcommittee staff about whether or not they had seen the Systems Analysis studies of the C–5A. He said neither the Subcommittee nor its staff had seen them but that, if they requested, they could be briefed on them. I asked if they had demanded any study justifying this additional buy so that they could see the assumptions on which it was based, as well as the effectiveness of the alternatives. They had not. This example, it seems to me, gives stark evidence of the ability of the Pentagon to do what it wants without interference from the Congress. The up-shot of this affair is that there is now a strong feeling in the Congress that we need a substantial increase in staff capability in the systems analysis or program analysis area so that we may develop the capability to ask the right questions concerning both military and civilian programs.

THE FORM OF INSTITUTIONAL REFORM

If it is ultimately decided that the Congress should develop an increased analytical capability, the basic questions will have to be confronted. Where should it be housed? How large should it be? What should its responsibilities be? To whom should it report? These are tough questions.

Some argue for a straight increase in committee staffs. Although I agree that the committee staffs, and especially the appropriation committees, should have increased capability available in this area, this will not answer the basic need. There needs to be some capability available to all members of Congress desiring independent analysis and study of programs which are not prepared by existing substantive committees.

My initial feeling was that the GAO could perform this role. I have had a number of both private and public discussions with Mr. Staats about this matter. However, I grow increasingly less optimistic about this alternative. There is a basic problem of the capability becoming institutionalized and controlled by certain segments of the Congressional establishment. The danger that the staff of an independent analytic office in GAO would be severely restricted is a very real one.

A second alternative is the establishment of a semi-autonomous staff unit of, say, 10 professional analysts to the Joint Economic Committee. This is a realistic solution and, in fact, Senator Proxmire has stated his intention to introduce a resolution to this effect within the next few weeks. In Senator Proxmire's view, the services of this staff unit would be available to all members of Congress. It would have responsibility for:

a. Stimulating and drawing from policy analysis work done in the entire analytical community;

b. Staying abreast of analysis information and results as these develop in the Executive Branch;

c. Establishing Congressional liaison with university analysts and those in research institutions;

d. Monitoring in the sense of testing assumptions and checking data of studies forthcoming from any source;

e. Translating into a form appropriate for open Congressional debate the results of complex and technical analytic studies; and

f. Providing evaluation information and analysis to Members of Congress, Congressional committees, and their staffs.

However, even if this staff capability were achieved, the Congress would find itshelf at a serious disadvantage. We would be assisted in asking the right questions, but we still would not have access on an on-going basis to the wealth of studies and staff capability available to the Executive. In my view, the Congress needs to be provided by the Executive with certain basic kinds of PPB-type information on an on-going basis. The Executive Branch must be asked to develop this information and submit it regularly to the Congress in a form appropriate for use in Congressional debate. As a Report forthcoming from the Subcommittee on Economy in Government will document, we need a substantially improved budget document which will enable any member of Congress, indeed any citizen, to determine in short order the nature of any Federal program and the administering agency, the past budgetary costs of the program and the future budgetary implications of decision already made, the economic costs of the program, and the economic and social characteristics of the recipients of the program benefits. This means that the budget document must include:

a. A Breakdown of the Federal budget by detailed, government-wide program categories;

b. Five-year budget projections for each major Federal expenditure program, describing the future implications of commitments of decisions made and proposed, of the sort required by Public Law 85–801 for new programs;

c. An experimental regional budget covering those Federal programs of a grant, construction, investment, or project-type nature;

d. A detailed analysis of "tax expenditures" including a functional and agency breakdown of these "expenditures";

e. A detailed analysis of the full economic and distributive impact of subsidy and subsidy-like programs, including those involving loans and guarantees.

ECONOMIC ANALYSIS AND NATIONAL PRIORITIES

As I mentioned earlier, it is my belief that the public sector will not be able to accommodate flexibility to new national priorities unless the spotlight of economic analysis is placed on the full range of programs which we have inherited from the past and unless decisions are based on the results of this analysis. We need to engage in true zero-based budgeting so as to eliminate or severely reduce programs with outdated and obsolete missions and those with negative net benefits.

Although the tools of economic analysis have been with us for some time, we, for one reason or another, have failed to apply them rigorously to public expenditure policy decisions. This fact was made crystal clear in the recent Economy in Government Subcommittee hearings on "Economic Analysis and the Efficiency of Government.

In these hearings, the Subcommittee turned the hard spotlight of economic analysis on several government programs, and what we found was highly disturbing. Among the programs discussed in these hearings were Federal maritime policy, aviation policy, navigation policy, highway construction policy, urban renewal policy, water policy, water pollution control policy, and programs for institutional aid to higher education. In case after case, distinguished analysts confronted the Subcommittee with disturbing evidence of the waste, inefficiency, resource misallocation, and inequity of public expenditures and rulemaking decisions. Some examples will make this clear.

Many of the Nation's largest and renowned corporations and their stockholders received, free of charge, publicly-supported and publicly-produced goods and services—subsidies which are neither economically efficient nor available to middle-income citizens and the poor.

Federal rulemaking and regulatory policy, we were told, undertakes no analysis of the economic impact of the decisions which they make. Moreover, they are supposed to be the object of regulation in the public interest.

Enormous spending programs with little economic justification are established and supported for decades with no challenge to their existence or increased funding. This is true of Federal highway and water policy.

Some public programs designed to achieve social objectives in fact impose higher costs foster inefficiency and inflation. The structure of incentives in Medicare reimbursements and the Maritime programs are examples.

Some public programs designed to achieve social objectives in fact impose higher costs on low-income citizens, costs which are neither compensated nor considered in program decisions.

Many Federal programs generate serious

overproduction and resource misallocation because they distribute public outputs free of charge or at a price substantially below cost.

Public policy subsidizes those who generate pollution and congestion rather than making them bear the costs which they impose on society. Through this strategy, the Government fails to induce altered private behavior which would eliminate enormous pollution and congestion costs.

The conclusion of this miserable record is that open and explicit economic analysis has not been rigorously applied to public decisions. Consequently, although the Nation's needs and priorities have changed, the Federal budget has not responded. While the social demands which justify the creation of many public programs have been met or have evaporated, the tax dollars poured into these outmoded, outdated, inefficient, and inequitable programs expand as though driven by an "invisible hand." New concerns, new responsibilities, and new commitments requiring new programs or lower taxes are no match for old subsidies for supporting entrenched interests. It is clear that this new "invisible hand" does not have the properties which were attributable to its predecessor. It neither serves the public interest nor guides the economic system to respond to new demands and new needs.

Although discouraged, I am not pessimistic with regard to the future of the public sector to improve its performance. I am convinced that we can increase the efficiency, equity, and responsiveness of Government if we begin using analysis as a guide to decisions. Currently the Congress itself actually prohibits much economic analysis, and the Executive Branch expects the Congress to ratify the pre-cooked decisions with little economic justifications or open consideration of alternatives. In many cases, the instrument of Executive privilege is wheeled out to justify Executive unresponsiveness. This syndrome of bureaucratic unresponsiveness cloaked in secrecy must give way to the open and explicit consideration of alternatives based on analysis and study.

In my view, one of the first things we must do is to communicate efficiency and equity distortions to the people in clear, unmistakable terms. So far we have not done so. I have a feeling that the time is right. There is now widespread acceptance of the proposition that our national priorities are seriously out of line. To capitalize on these sentiments, we have to put the economic case against inefficient and inequitable government programs in terms people can understand and then encourage widespread debate on the issue, as was done in the case of the ABM.

Some of these cases are astonishing and could be made very popular. I would like to very quickly run through the farm subsidy case as presented to the Subcommittee by Charles L. Schultze, former Director of the Bureau of the Budget. He prefaced his comments by pointing out two interesting things. First, that very often, we undertake programs which admittedly reduce the efficiency of the economy presumably for purposes of welfare or income distribution. And that is a perfectly legitimate objective at times. But some programs, as a matter of fact many of them, tend to reduce efficiency, but don't even redistribute income in a way in which most of us would think proper—mainly, toward the poor. They tend to redistribute income upward.

If we measure the budgetary costs plus the costs to the consumer of higher prices involved in the farm program, interestingly enough it comes to about the same number as the annual cost of our strategic nuclear weapons programs. This is something like 8 to 9 billion dollars per year. This volume of subsidy tends to be distributed among farmers on the basis of production; the more that is produced, in general, the higher the subsidy. It turns out that the largest 16 percent of American farmers produce about two-thirds of all farm output and get about 60 percent of the subsidies. So 60 percent of the subsidies, roughly, go to the upper 16 percent. In turn, the upper 16 percent is a group of farmers whose average net income is about $19 to $20 thousand per year. Two-thirds, therefore, of this $8 to $9 billion subsidy, direct or indirect, goes to 16 percent of the largest farmers making something in the neighborhood of $19 to $20 thousand per year. Calculated out, this comes to about $7 to $8 thousand per farmer. I find it most difficult to justify this program on equity grounds.

It is analysis like this which must be encouraged. The facts of efficiency and equity in public programs must be laid out with clarity for all to see. These facts must be brought home in open and explicit fashion to the American people.

THE ROLE OF THE COMMUNITY OF POLICY ANALYSTS

As I have tried to make clear, the decision-making process in the Congress operates with little information and under severe institutional constraints. For all intents and purposes, policy and program analysis plays little if any role in Legislative deliberations. In essence, the problem is one of contagious and spreading ignorance as a basis for decisions. I believe that this condition can over time be changed. The basic ingredient for change must be a strong and effective educational program directed at Congress and Congressional staff.

This is where I see the community of public policy analysts playing a vital role. As a first step, I would suggest that the Association of Public Program Analysts set up a seminar series for Congressional staff along the lines of the seminar program on military procurement undertaken last spring. This series should focus on the role of analysis in spotlighting waste, inefficient policy strategies and inequity in government programs. I would propose that the recent hearings of the Subcommittee on Economy in Government on "Economic Analysis and the Efficiency of Government" be used as a text book.

This seminar series can be run with little or no money, and the response on the Hill is usually pretty good. Some political appeal, of course, has to be provided in terms of egregious examples of unproductive programs and interesting and well-known speakers, such as Charles Schultze, and others, who have highly significant insights on the failure of Government to perform in the public interest.

I would hope that the explanation of the systems or programs would be in laymen's terms—stressing simplicity and common sense rather than complexity and sophistication. Moreover, the sessions would have to be geared toward recommendations for changes in public policy so that the staff can elicit action from their Congressmen or Senators on specific issues that have some immediacy.

I hope that you will seriously consider this suggestion. I will do what I can to assist you in making policy analysis relevant to the Congressional decision process.

THOUGHTS FOR CHRISTMAS; THE ROAD TO SONGMY, FROM SATURDAY REVIEW

Mr. YARBOROUGH. Mr. President, I recently received from Mr. William D. Patterson, the publisher of Saturday Review, a copy of the December 20 edition of that magazine. It contains a thoughtful, thought-provoking, and, I think, brilliant editorial written by the editor of that journal, Mr. Norman Cousins, on the alleged massacre at Songmy, in South Vietnam.

At this Christmastime, when many of us are celebrating the birth of the Christ Child, who is called the Prince of Peace, I think all of us, regardless of our views about this war, would do well to read the editorial and to think on its meaning for the Nation and for this generation.

Mr. President, I ask unanimous consent that the editorial entitled "The Road to Songmy," be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The Road to Songmy

"I sent them a good boy," said Mrs. Anthony Meadlo, "and they sent home a murderer." The name of Paul David Meadlo, of New Goshen, Indiana, has figured in the reports of the slaughter of more than 100 Vietnamese civilians (some accounts put the number above 350) by American soldiers at a village named Songmy.

Where did the journey to Songmy begin? Did it begin only after Paul David Meadlo arrived in Vietnam? Or did it start far, far back—back to the first time Paul Meadlo played the game of killing Indians, or cheered when Western movies showed Indians being driven off cliffs? Even in some schoolbooks, the Indians were fit subjects for humiliation and sudden death. They were something less than fully human, and their pain levied no claim on the compassion of children—or even adults.

Long before Paul Meadlo ever saw a Vietnamese, he learned that people of yellow skin were undesirable and therefore inferior. He learned in his history class about the Oriental Exclusion Act, the meaning of which was that people from Asia were less acceptable in the United States than people from Europe. He learned very little about the culture of Asian people but he learned to associate them with all sorts of sinister behavior.

The road to Songmy is long and wide. It is littered with children's toys—toy machine guns, toy flame-throwers, toy dive bombers, toy atom bombs. Standing at the side of the road are parents watching approvingly as the children turn their murderous playthings on one another. The parents tell themselves that this is what children do in the act of growing up. But the act of growing up is an enlargement of, and not a retreat from, the games that children play. And so the subconscious is smudged at an early age by bloody stains that never fully disappear.

Paul David Meadlo grew up in a little town 10,000 miles away from Vietnam; but the kind of things that were to happen in Songmy came springing to life in his living room where there was an electronic box called television. Hour after hour, the box would be lit up by pictures showing people whose faces were smashed and pulverized, but it was part of an endless and casual routine. Where did the desensitization to human pain and the preciousness of life begin? Did it begin at formal indoctrination sessions in Vietnam, or at point-blank range in front of an electronic tube, spurting its messages about the cheapness of life.

And when the court-martial is held, who will be on trial? Will it be only the soldiers who were face-to-face with the civilians they say they were ordered to kill? The Army now says soldiers should not obey commands that are senseless and inhuman. What wellsprings of sense and humaneness are to be found in the orders to destroy *whole* villages from the air? Is a man in a plane exempt from wrongdoing solely because he does not see the faces of the women and children whose bodies will be shattered by the explosives he rains on them from the sky? How does one define a legitimate victim of war? What of a frightened mother and her baby who take refuge in a tunnel and are cremated alive by a soldier with a flamethrower? Does the darkness of the tunnel make them proper candidates for death?

Will the trial summon every American officer who has applied contemptuous terms like "gook," "dink," and "slope" to the Vietnamese people—North and South? Will it ask whether these officers have ever understood the ease and rapidity with which people who are deprived of respect as humans tend to be regarded as sub-human? Have these officers ever comprehended the connection between the casual violence of the tongue and the absolute violence of the trigger finger?

Will the men who conceived and authorized the search-and-destroy missions be on trial? Search-and-destroy quickly became destroy first and search afterward. How far away from unauthorized massacre is authorized search-and-destroy?

Will the trial ask why it was that the United States, which said it was going into Vietnam to insure self-determination, called off the countrywide free elections provided for in the 1954 Geneva Agreements—after which call-off came not just Vietcong terror but the prodigious growth of the National Liberation Front?

Will the trial ask what role the United States played in the assassination of President Ngo Dinh Diem? Will it ask how it was that political killing and subversion, which had always been regarded as despicable actions perpetrated by our enemies, should have been made into practices acceptable to the United States?

Will there be no one at the trial to explain why the negotiations at Paris were deadlocked over the shape of the table for six weeks—during which time five thousand Americans and Vietnamese were killed? If the men at Paris had been able in advance to see the faces of those who were to die, would this have made them responsible for the dead?

There is a road back from Songmy and Vietnam. It is being traveled today by the American soldiers who gave their Thanksgiving dinners and regular rations to Vietnamese, and who in deed and attitude have made themselves exemplars of a creatively humane presence. There are doctors and teachers and volunteers on this road who comprehend the possibilities and power of regeneration. But their numbers need to be swelled to bursting in order to begin to meet the need.

It is a long road back, not just for the soldiers who were there but for all of us who showed them the way to Songmy. —N.C.

SEED PRODUCTION AND TRADE

Mr. SMITH of Illinois. Mr. President, the American Seed Trade Association held its Corn Sorghum Research Conference in Chicago last week—an annual event that focuses on improvement in two of those feed grain crops that mean so much to the feed-livestock economy of America.

The contributions of the seedsman have been basic to the advancement of farm productivity, including the remarkable yield increases of recent years. Over and beyond the matters involving seed production and trade, the ASTA is also interested in the overall progress of agriculture—including the farmer's export markets.

This subject was discussed by Assistant Secretary of Agriculture Clarence D. Palmby at the Chicago meeting. It was an extremely interesting and perceptive speech.

I ask unanimous consent that Mr. Palmby's address be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMARKS BY ASSISTANT SECRETARY OF AGRICULTURE CLARENCE D. PALMBY

It is easy to forget that as recently as 1940 the U.S. average yield of corn was still below 30 bushels per acre. This year, farmers are harvesting an acre yield of 81 bushels.

It is easy to forget that as recently as a decade ago the U.S. average yield of grain sorghum was around 35 bushels. In 10 years, sorghum yields have gone up some 20 bushels.

Many elements have contributed to the spectacular efficiency of America's corn and sorghum industries. *But first the seed.*

I congratulate the American seed trade for its outstanding contributions to agriculture. Without the rise in grain yields that you have done so much to generate, we would have a vastly different agriculture today—a vastly poorer America in terms of the food we eat—the quality of diet available even to people of modest means.

Once again, I am pleased to have a place on the program of your annual Corn Sorghum Research Conference. I have looked forward to being here. I want to talk with you about something that has been on my mind for some time.

Since returning to Government service a little less than a year ago, I have found myself more and more impressed by the fact that the world agricultural community is standing at *a point of decision* in terms of its future development. The decision is this:

We have the opportunity—our Nation and others—to move rather rapidly now to a commercial world agriculture. Parts of the world are now emerging from a subsistence economy. Other areas have the opportunity to move away from an agriculture administered by Government. Modern industrial complexes are offering job opportunities to more people.

The opportunity is present—to develop a world agricultural economy based on economic comparative advantage. This would imply less Government interference in trade and in pricing. It would mean a truly international trading economy that could do a great deal for the growth of national economies around the world.

On the other hand, the world may miss this golden opportunity. It may move further into protectionism—and this would be a disaster.

The Nixon Administration is dedicated to a freer trade concept—based on economic comparative advantage. We are pursuing this objective in a number of ways—and it is certainly true that a variety of approaches is needed, by the U.S. and by other countries.

For example, the United States supports the Organization for Economic Cooperation and Development (OECD), headquartered in Paris, and The General Agreement on Tariffs and Trade (GATT), officed in Geneva. This is good, but supporting or belonging to international forums does not in itself contribute to a lessening of trade problems and impediments. New initiatives are needed. We need a constructive examination of internal agriculture policies within industrially developed countries, with a goal of improving and increasing the international climate for trade. We need a full appreciation of the fact that *trade* is *trade* regardless of whether we are talking about agricultural commodities or industrial products. They go hand in hand.

We are eager, therefore, to discuss trade problems in international forums—or, in instances, on a bilateral basis.

The fact is that there is increasing government interference in agriculture and trade, around the world. There is more involvement by governments in the pricing of exports. There is a growing tendency to set prices on the basis of destination—which means that there may be little relationship between the export price, the domestic price, and the cost of production.

In the short run at least, this will continue. At the same time, we are not reconciled to it. We will continue to do everything we can to persuade other trading nations to liberalize and rationalize their trade policies. Meanwhile, we hope to administer our own domestic policies in such a way as to permit our farm products to compete in the world.

Because of our historic involvement in the European market, we have been watching with acute interest the possibility that the United Kingdom and other nations may be admitted to the Common Market. The U.S. and other members of the so-called "outer seven"—the European Free Trade Area—are possibilities for future membership; and the outcome of these negotiations could be critical to our trade with those nations.

If those countries do enter the Community, the terms of their admission will of course be crucial as far as we are concerned. If the Community is expanded to a dozen or more members, will this mean that present restrictive agricultural policies will be extended to these additional areas? Or would it mean that the broadening of membership might cause the Community's trading policies to be tempered or even recast?

These are timely questions. They are critical questions as far as we are concerned. They are the reasons why we are watching with such intense interest the negotiations between EEC and its possible new members.

Our European friends have often said that we should not be concerned about our corn and sorghum exports. They point out that their imports of U.S. corn and soybeans have trended upward quite rapidly during the 1960's. Even since the "harmonizatibon" of EEC grain policies in the middle 60's, imports of these commodities from the U.S. have increased. Therefore, they say, we in the U.S. have nothing to worry about.

The rightful answer is that our grain and soybean exports to Europe *should* expand and any time they do not expand we should be concerned. We have a true economic comparative advantage in producing soybeans, corn, and milo. In order for the U.S. to continue to increase our over-all trade with Europe, Japan, and other countries, we must continue to expand our sales of those commodities in which we do enjoy a comparative advantage. Otherwise they in turn cannot expect to expand or even to maintain their sales of industrial items to the United States.

The European Community has made heavy sales of feed wheat to central European countries at prices that have no relationship to world corn prices. Also, the EEC has been feeding wheat at record levels internally. Couple these facts, and they add up to a matter of considerable concern to farm and trade interests in this country.

As I look at it, there is a growing body of thought among U.S. opinion-makers—

including many in Congress—that we should definitely expect a growth in our exports of corn and soybeans. This means that European actions to produce and use more of their grain for feed, with the announced goal of lessening the need for U.S. corn, would be looked upon unfavorably by many Americans. Such actions, without downward price adjustments in Europe, would likely lead to a demand for import restrictions on many items imported into the U.S.

The mood here, as I read it, is that growth in the market for imported industrial items into this country simply cannot continue unless normal growth is allowed for our export products to Europe, Japan, and other industrially developed countries. This feeling, it seems to me, is growing. I find it sad that trends abroad should encourage this type of protectionist reaction in a Nation that has traditionally supported a liberal trade policy.

To summarize the export situation very briefly, our exports of corn and sorghums in the past marketing year, which ended September 30, were disappointing. But exports in the current marketing year are brighter—particularly for corn.

A major problem for corn and sorghum exports has been, of course, the large increase in world stocks of wheat available for export. The demand for milling wheat from the world market declined. There has been, as a result of these pressures, a deterioration in world wheat prices. There has been increased feeding of wheat—not only in the EEC, as I mentioned, but also in Spain and the United Kingdom.

Even in the United States, use of wheat for feed is growing. In 1966 and 1967, we were feeding less than 100 million bushels of wheat a year. In the current marketing year, we will feed an estimated 225 million bushels.

To summarize: U.S. corn exports were off about 15 percent last year, and sorghum exports were off 36 percent.

Looking ahead: Export prospects in the new marketing year seem considerably brighter for corn. We are not likely to increase exports of sorghum, but the opportunity for future growth in sorghum exports is certainly great. This depends primarily on our product being available the year-round at prices that are acceptable in relation to corn or grain from other countries.

In the current marketing year, world trade in feed grains should run somewhat above last year. Meanwhile, the present corn loan level in the U.S. is allowing corn to move into use at unprecedented levels. And—supplies are shorter than usual in the other principal exporting countries, Argentina and South Africa.

The upshot is that corn export in 1969–70 will be an estimated 600 million bushels or more.

Japan continues to be a major factor in the U.S. outlook. Import demand for feed grains in that country will expand this marketing year, as it has in recent years. Japanese imports of grain for feed from all sources are expected to increase at the rate of 25 to 30 million bushels per year.

Now, if I may introduce a change of subject—I would like to talk with you about something we have discussed several times before. It is not unrelated to export policy; in fact, there is a great deal of relationship between our market development efforts and the condition of the commodity that we export.

Much has been said in recent years about the condition of U.S. corn arrivals in Great Britain and other importing countries. Consistent with this problem, let me quote a few lines to you from a U.S. Department of Agriculture report:

"For several years an increasingly large number of more or less forcible and persistent representations were made to the Secretary of Agriculture and other officers of the Federal Government, to the effect that much of the grain, and especially the corn, that was being exported from the United States was not being delivered abroad in a satisfactory condition, that it was not of the quality represented by the inspection certificates accompanying the shipments, and that material injury was in consequence being done to the export grain trade of the United States."

When do you think that report was submitted? In 1969? In 1968? The paragraph I just read is from a USDA circular entitled "American Export Corn (Maize) in Europe" and *dated February 8, 1910!*

The report also included the following paragraph:

"Several shipments or parcels, amounting in all to 79,847 bushels of badly discolored heat-damaged corn, sometimes known as 'mahogany,' which had been artificially dried before shipping, were also examined in Europe. These shipments bore certificates as 'rejected corn,' 'dried' . . . The moisture content of this corn varied from 13.2 to 17.4 percent. Such corn is used almost entirely for distilling purposes on the continent of Europe."

Finally, under "Observations and Recommendations", the Report said:

"There are two means by which the moisture content in any part or the whole of a ship's corn cargo may be increased during transit: (1) The transfer of moisture by air currents caused by changes in temperature; and (2) by chemical changes within the corn kernel."

What all this proves is that, although things change, they sometimes remain the same. It is apparent that, despite all our progress in shipping and handling, we still have problems in corn quality—after 60 years!

I think it is fair to say that these problems, if and as they exist, are caused more often than not by our rapidly changing technology. I am thinking particularly of the great increase in the amount of field selling and kiln drying. It is quite evident that we cannot ship to other countries corn that has higher quality than it possessed at the time it was sold by the farmer to the first receiver. Of necessity, following receipt of corn after the first exchange of hands, the need for blending may result in the incorporation of wider ranges of moisture levels than may be desirable. This may add to our problem.

I have discussed this problem with you many times, along with other aspects of production and handling of grains. The problem is large enough that each segment can participate in trying to improve the condition of our corn so it can be handled and shipped without undue depreciation. All of us can help.

I know that you are concerned about one situation that has been present the past few years. This is the fact that the competition for maximum yields someimes leads to high levels of moisture in corn in normal harvesting periods. To the extent that varieties may lead to poor quality under farm conditions, the seed trade shares a responsibility.

There does seem to be some progress in developing corn for good handling qualities as well as for good yields and feeding quality. There may be promise in some of this work.

The problem for the United States in supplying corn of almost any quality and condition is a most difficult one. It is difficult because the price for corn traded in the entire world market is established at Chicago. Other suppliers price their corn in relation to U.S. prices. Need I say more?

In closing, let me reiterate that world trade policy and the domestic agricultural policies of various countries are at a critical point in their history. The world's nations could go either way—toward more protectionism or to more liberalism in their trade policies. This is a key question, not only in terms of world trade, but also in relation to future economic development of countries that need to trade in order to develop.

So we need all the help we can muster to move the world toward more liberal trade policies. Also, we need to gear our own agriculture—in production, marketing, pricing, and merchandising—to meet the requirements of the world market in the 1970's.

The U.S. is maturing as an export nation. But we will never be really mature as an exporter until we are able to look at overseas outlets as being as important to us as are the commercial poultry producer and the commercial corn processor in this country.

We have not yet attained that degree of sophistication.

THE NIGHTMARE OF DISTRICT OF COLUMBIA SCHOOLS

Mr. PROXMIRE. Mr. President, the Washington Daily News of December 18, 1969, contains an article entitled "The Nightmare of District of Columbia Schools."

This analysis of some of the many pressing problems confronting the public schools of this city should be available to every Member of Congress and every reader of the CONGRESSIONAL RECORD.

I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE NIGHTMARE OF DISTRICT OF COLUMBIA SCHOOLS

(By Richard Starnes)

Enter the dirty, tombstone-colored building and you walk into a nightmare world where an aura of diffuse falls into step beside you.

There is a sound in the air that bespeaks Kafka's madhouse, a subdued keening, a wordless language that murmurs violence, despair, savagery and dread. The sound is an overture to hysteria, an obbligato written for the destruction of a society.

There are warders wherever you look, but it isn't a prison. There is the unmistakable stink of lunacy on the place, but it is not an asylum. Where you are is a public school. It might be any one of a hundred in Washington (or, perhaps, in any other American ghetto, circa 1969).

It may be unfair to single out one school, for its most awful crime is that it is fairly typical. This one happens to be Shaw Junior High, and it is a monument to an unprecedented epoch of murder, rape, extortion and fear that has all but destroyed the public school system in the nation's capital.

IN RIOT AREA

Shaw sits in the middle of Washington's "charcoal alley"—the central ghetto that was burned and pillaged in the riots of April, 1968. Because it is so typical of the disaster that has overtaken the public schools here it is worth a closer look. But it is a look that should be taken within this perspective:

The District of Columbia school system, in the words of its acting superintendent, has been "seriously crippled" by vandalism and thefts, security of children has reached "a horrible point," classroom intruders have posed a "severe" threat to education.

At Cardozo High School, 13th and Clifton streets nw, two to three purse snatchings occur in the school cafeteria every day, despite the fact that a policeman is on duty during school hours. Last winter at Cardozo an assistant principal was shot and killed by youths who robbed the school bank.

At Hart Junior High, 601 Mississippi-ave se, the score since school opened in September is two burglaries, one safe cracking, 20 assaults, an equal number of cases of extortion, more than a score of lockers looted, and an undetermined amount of teaching equipment stolen or vandalized.

An epidemic of robbery, beating and extortion has created a reign of terror for children attending public schools in the area of Bolling Air Force Base and the U.S. Naval Station in southeast Washington. Mrs. Gladys Ford, president of the Military Parents Association, told authorities that career service men were quitting the military rather than expose their children to the jungle atmosphere. "Our children are being robbed and beaten every day," she said.

On the first day of school a Paul Junior High teacher was knocked unconscious. It was the third such episode in less than a year, and teachers threatened a march on the Capitol to demand protection.

In the Anacostia (far southeast) area of the city one girl was put on tranquilizers after young thugs tore off her shirtwaist and bra during a robbery.

Early this week at Anacostia High School (scene of a shootout with .45s last year) a pupil was shot and critically wounded in a washroom.

A class at Monroe Elementary School (1725 Columbia road nw) was held at gunpoint just after the start of the current school year and a teacher's purse was looted of the $2 it contained.

A teacher at McFarland Junior High School (Iowa-av and Webster-st nw) told a Congressional inquiry two months ago that he spent most of his time as a jailer, cop and disciplinarian. Three weeks after school started this fall he was beaten up by five drunken youths who invaded his classroom and began overturning desks. A policeman advised him to ". . . get yourself a club" if it happened again.

Since much of the violence comes from dropouts and truants most school officials try to restrict access to the schools to pupils who are actually attending classes. This has led to the chaining and padlocking of all but one or two exits in a number of schools, a clear violation of the law that has alarmed Fire Department officials. Altho fire marshals have made representations to principals of the schools involved the practice has not stopped.

BLACKBOARD JUNGLE

A durable—almost heroic—first witness to this nightmare is Percy Ellis, principal of Shaw Junior High, a Negro who goes everywhere in his seedy old school at a dead run, who takes cheerless pride in telling it like it is, and who might make a fruitful source for some latter-day Gibbon recording the decline and fall of the American civilization. Mr. Ellis has a round, smooth face that mirrors tragedy, elation, moody reflection and ominous forboding with the quick fluency of a performer schooled in Chinese drama.

With the quick hands of a welterweight, Mr. Ellis intercepts a skinny black child who is sidling along a corridor.

"What are you doing with those rubber bands on your wrist?" he demands. "Take them off. Throw them in the waste basket."

With the expertise of an old cop he frisks the child, and then tells him to return to his home room. When the child is gone Mr. Ellis answers a question posed by a visitor naive in the ways of the blackboard jungle.

HALLWALKER

"Why did I take the rubber bands? Because I have two good eyes and I want to keep them. These hallwalkers use rubber bands as slingshots, and their ammunition is staples. He hasn't had any eyes put out yet, and I'd like to keep it that way."

Another question elicits the information that a "hallwalker" is a youth—truant or dropout—who invades the school but does not attend classes.

In Mr. Ellis' office a tray of untouched lunch, a wilted sandwich and a sagging piece of cherry pie, bears additional witness that the principal of a District of Columbia public school has no more time for lunch than the master of a burning passenger vessel would.

But all this is prologue. The real message of archetypal Shaw is the ominous shadow of the future that it casts.

"Something happened six months ago," Mr. Ellis tells his visitor. "It became different, much more difficult, almost unmanageable." Three veteran women teachers have come to the principal's office now—women like those for whom the word "dedicated" first was coined—and in deference to them Mr. Ellis takes rare recourse to euphemism. "Since school started I've been called s.o.b. and m.f. more times than in all my 21 years in the schools before. They stop you in the halls and want to fight you. And it is going to get worse. Something is happening."

VOLATILE

One of the teachers, bright, articulate and (curiously, like so many others in the front line of Washington's school system) a chain smoker, takes up the dreadful hard kernel of the story.

"There is something unusually volatile about Shaw," she muses. "So often we have been the first wave of whatever is going to happen. Ten years ago it was gangs, and every boy wore the uniform jacket of his gang or club. Then, long before it began to happen elsewhere, the gangs disappeared at Shaw. After that, say two years ago, we began having fires . . ." The sentence hangs unfinished in the air, while everyone in the room is reminded that 20-odd months ago the riot fires consumed a great deal of the ghetto area around Shaw. "And now . . ." Again she lets her listeners complete the sentence themselves.

Now Shaw is a place of aimless violence, where hallwalkers sow terror, where burly assistant principals stand guard at doors and stairways, where little children are drilled in the safest method of reacting to extortion.

EXHAUSTION

Like chain smoking, exhaustion is another hallmark of the people who are trying to keep Washington's public schools from slipping the last inch into the inferno. At 5 p.m. it is dark outside, and the lurking shadows in the hallways contain a malignant promise that is enough to raise the hair on a veteran of Vietnam, Watts and other way-stations in our hard hat society. But Percy Ellis is still at it, explaining, preaching, like some despairing ancient mariner unwilling to miss an opportunity to tell a man from the other side what is happening here, where it is at.

The (Teachers) union is responsible for a lot of this," he says. "This isn't a 9 to 5 job here. It takes dedication. Like those three great ladies who were here earlier. But we aren't getting that kind any more, we're getting a new breed. They won't take hall duty, which is the only thing that keeps us alive here. They won't offer that extra effort that is a minimum requirement here.

"We are trying to hold back disaster, and with them everything is a grievance. Two or three a week. Children in Shaw need self-respect, for example, and we know that a child's opinion of himself, his morale, is conditioned by his appearance. Until two or three months ago we had a necktie rule here; it was difficult to enforce, yes, but it was a valuable thing. But they made a grievance out of it, and we got orders from the superintendent's office to stop it. Things have gotten worse since."

RACIAL IMBALANCE

Not everyone who was interviewed during a week-long survey of the beleaguered Washington schools agreed that the Washington Teachers Union (WTU) was a major factor in the coming collapse of the system. But most agreed with Mr. Ellis about a number of other elements in the gathering disaster.

From a number of different vantage points everyone alludes to the fact that integration has been a failure in Washington. The schools here are between 93 and 94 per cent black. Even busing, which is done to a limited extent, cannot redress the imbalance. Some experts (among them the voluble Percy Ellis) vow that no improvement can be expected until whites are somehow encouraged to return to the city. Others insist the problem is not one of race, but of poverty, and point to an unemployment rate among ghetto youths that may be more than 25 per cent. Almost everyone agrees that one cause is a creaking, time-encrusted bureaucracy that is unable to deal with the explosive problems that confront it. While Congress, the city's perennial scapegoat, is not wholly blameless, a good case can be made that the bulk of the blame lies elsewhere.

Sen. William Proxmire, D-Wis., a member of the Appropriations Committee considering the school system's $185 million annual budget, recently offered figures to show that Washington was "right on top" in per capita expenditure per pupil. At $982 per year, according to Sen. Proxmire, the nation's capital compares favorably with Cleveland's $800, Boston's $885 and Atlanta's $772.

HISTORY OF NEGLECT

Benjamin J. Henley, the city's acting superintendent of schools (another worn-out chain smoker) is quick to admit the manifest ailments that afflict the schools, and cites "a long history of neglect" to explain them.

"We have urgent needs in employment, housing, education and health," he told a recent visitor to his top floor office in one of Washington's newest high rise buildings. "In the far southeast overcrowding is almost unbelievable. We need staff development—all of us need re-training."

Why the terribly physical toll on school buildings? Why more than $200,000 worth of broken windows in the schools every year?

"The schools represent the power structure," Mr. Henley replies slowly. "The schools are an agency to which people turned with hope, and it has not done what was hoped for. If we could handle the materials that are needed quickly enough, if we had a mechanism that really made teachers think that their feelings were being taken into account, if we could respond quickly to critical situations, morale could be helped measurably."

IMPROVE READING

Mr. Henley sighs ponderously and lights another cigaret. "If I could have one wish I would have every teacher given the skills needed to improve reading in our schools. We would reduce dropouts. We would convince the community that we are doing what we are supposed to be doing."

In spite of the bubbling of the volcano beneath him, Henley says he is convinced things are getting a little better. "Student unrest is lessening," he insists. "We've been thru two moratoriums this fall with no problems. We have had a championship football game without incident."

Not unexpectedly the Washington Teachers Union takes a somewhat different attitude toward the convulsion that has beset the school system. WTU President William Simons cautiously concedes "Yes, there is a problem. But nevertheless a learning program is going on for many children. The problem that does exist is a shortage of classroom facilities, too-large classes. The average is 35, it should be 25, and 20 for the very early grades."

(But again Shaw's tough-minded Percy Ellis: "Teacher-student ratios are meaningless. We have 1,300 enrolled in Shaw, and on an average day 20 per cent will be absent. Some classes might show as many as 45 on the books, but you visit the room and you'll find eight or 10 actually attending.")

DISCIPLINE

WTU defends its intervention in the great necktie dispute, calling a dress code "absolutely unnecessary." But it turns out that during contract negotiations for Washington's 8,000 teachers (of whom about half belong to WTU) the union opposed a dress code for teachers. "We could hardly oppose it for teachers and accept it for the children," a union spokesman said.

The next witness, is the Proxmire committee. "Whatever the problems of the District school system," a recent committee paper said, "the committee suggests that they are perhaps not wholly related to the present level of resources being committed to it.

"The children of the District of Columbia are entitled to better educational advantages than they are receiving. The schools have both the personnel and financial means to mold a system of public education second to none."

And at the locked and guarded door of Shaw, a final word from Principal Ellis:

"Discipline has vanished from the homes and from the schools. It is in fact now impossible to fire or transfer a teacher. Nothing can be accomplished without discipline. Above all else we need discipline, discipline, discipline."

DEATH OF FORMER SENATOR JAMES H. DUFF, OF PENNSYLVANIA

Mr. SCOTT. Mr. President, the Senate was shocked and saddened last Saturday to hear of the untimely death of one of our distinguished former colleagues, James H. Duff.

Known affectionately as "Big Jim" and "Big Red," he remained vigorous and independent until his death. He died Saturday after collapsing at National Airport. As usual, he was on the go and running hard. Big Jim, often called "Rough Tough Duff," was a strong man, explicit in his convictions and forward looking in his political philosophy. He was in politics all his life and knew how to get things done. Fiercely independent, he was nevertheless a gregarious, friendly man with a genuine love for people, dogs, and conviviality. He preferred scotch. He forged an impressive record as one of the most progressive Governors the Commonwealth of Pennsylvania has ever had.

James H. Duff was born in 1883 of Scottish, Irish, and Welsh ancestry. He was graduated from Princeton in 1905 and studied law at the University of Pennsylvania and at the University of Pittsburgh.

He served as attorney general of our Commonwealth from 1943 to 1947. He was elected Governor in 1947 at the age of 63. He left the Governor's Mansion for a full term in this body and left the Senate in 1957, continuing to practice law in Washington. Big Jim was catapulted into the national spotlight during his first years as a Senator and was once being considered for our party's presidential nomination. He served with distinction on the Post Office and Civil Service Committee and on the Armed Services Committee.

The quality of independence characterized Big Jim's entire career as a Republican. He held Teddy Roosevelt, Woodrow Wilson, and Harry Truman in high esteem. They were his political favorites because, as he once said, "They were vigorously willing to fight the trend if they believed in something else."

During the Duff administration the Commonwealth of Pennsylvania made significant strides in cleaning up pollution and achieving a wide range of other progressive accomplishments. During these years State education budgets increased more than 60 percent, and special education programs were established for the blind and deaf. He initiated camps for underprivileged boys. The highway system in our State was greatly expanded during his term, as were hospitals and mental institutions. He believed in placing human rights above property rights but stanchly opposed coddling those who refused to help themselves. He once stated:

> I am definitely opposed to free government handouts. On the other hand, I definitely believe in the business of government doing for people anything, within the financial framework, those things which they cannot do for themselves.

When he moved from the governorship to the Senate, Pennsylvania had a $63 million surplus, and 3,000 new industries had moved into the State.

James Duff was an adventurer. In his early years he roamed the oil fields of Texas, and he hiked throughout the jungles of Mexico in search of Aztec artifacts years before archeologists were to search the same areas. Jim Duff was rugged. He appeared with icy blue eyes and a stubble haircut, but everyone knew that here was a man of action. Mr. President, Jim Duff died the way he would have wanted to. He was in great vigor and in action, moving with his boots on, early in the morning, traveling.

Mrs. Scott and I extend our deepest condolences to the members of his family. He will not be forgotten in our hearts or in our minds, in Washington or in our Commonwealth of Pennsylvania. We shall miss him.

I ask unanimous consent that an editorial from the Philadelphia Evening Bulletin be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Philadelphia-Bulletin, Dec. 22, 1969]

JAMES H. DUFF

The sights and sounds of the 1946 campaign for governor of Pennsylvania have faded into the history books. And gone, too, now is the man who won the governorship that year, broke with the conservatives who had supported him, and established a new Republicanism in Pennsylvania. James H. Duff is dead at 86.

However, Mr. Duff was not a political theorist. A combative politician, he had neither the time nor inclination for precise blueprints of what his party ought to be. But, confronted by the day-to-day reality of a sometimes inflexible conservatism, he had a quite exact idea of what the party shouldn't be.

It was not to be a party hitched to the concept of government "by a few, for the benefit of a few . . ." It was not to be a party indifferent to the despoiling of the state's natural resources—culm-clogged streams running red with the drainage from abandoned coal workings. And, above all, it was not to be a party to ignore people who couldn't "do for themselves," especially the population of the state's mental hospitals.

And this was his point of departure in wresting the party from former U.S. Senator Joseph R. Grundy. To the late Mr. Duff, Grundy was a political brawler, more interested in power than principle, without a clearly defined political philosophy to match the conservatism which had enriched Pennsylvania and its more energetic and venturesome citizens.

Despite Mr. Duff's stream reclamation projects, his revitalizing of mental health services, his four years as governor left his political opponents glad of only one thing. He couldn't run for another term; the State Constitution then prevented it. Thus, he couldn't convert his personal magnetism, his instinct for politics into a strong political organization.

And Mr. Duff would have done just that. He understood political power and its uses in cleansing streams and building highways. And there's another thought worth pondering: Mr. Duff's party and his state were the better for his first term. And both would have been better for a second.

"CAP" WHEELER

Mr. PELL. Mr. President, for more than 20 years in the State of Rhode Island, the name "Cap" Wheeler has been synonymous with recreational safety. As a State recreational supervisor and director of water safety, Cap Wheeler was a familiar sight at every beach and pond in Rhode Island, constantly on guard against potential safety hazards.

As an old Coast Guardsman and a long time friend of Cap Wheeler, I was particularly grieved, along with thousands of my fellow Rhode Islanders, to learn last week that Roger W. "Cap" Wheeler had died.

"Cap" Wheeler began his career in recreational safety 45 years ago, in 1924, as a member of the lifeguard force on the beaches in my home city of Newport. With a singular devotion to the cause of water safety, Cap rose to become chief of the State division of lifesaving during the late 1930's. During World War II, as a warrant officer in the Army, he trained men in rescue techniques and designed a life jacket that became standard equipment in the Air Force.

We in Rhode Island, in the years after World War II, came to know and expect that at the first signs of trouble or danger at waterfront recreation areas, Cap Wheeler would be there. Perhaps more important were Cap Wheeler's tireless efforts, through lectures and demonstrations, to help people avoid hazards and to take care of themselves.

Mr. President, Cap Wheeler will long be missed in Rhode Island. I extend to his wife, his children and grandchildren my sympathy. I ask unanimous consent that an article from the Providence

Journal of December 18 on Cap Wheeler's career be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

R. W. WHEELER DIES; WATER SAFETY LEADER

Roger W. Wheeler, 62, of Narragansett, who devoted his life to the improvement of lifesaving methods, died yesterday in South County Hospital, Wakefield.

Mr. Wheeler, known as "Cap", was the husband of Myrtle V. (Johnson) Wheeler and lived at 11 Watson Ave.

He was a state recreational supervisor and director of water safety.

Cited many times for his devotion to safety and accident prevention, Mr. Wheeler is credited with many innovations in training lifeguards and improving lifesaving in the state. He had been connected with lifesaving since he joined the Newport lifeguard force in 1924.

He was an inventor of many rescue devices. During World War II a Wheeler-designed lifejacket became standard Air Force equipment.

As cold weather set in each winter, Mr. Wheeler was always the one to warn the state's residents away from skating areas until they were solidly frozen. He participated actively in many ice and beach rescues.

Mr. Wheeler was appointed chief of the former state Division of Lifesaving during the administration of former Gov. Robert E. Quinn (1937–39), but was succeeded by William G. Bradshaw during the administration of former Gov. William H. Vanderbilt, who took office in 1939.

The division was abolished in 1941 and Mr. Wheeler returned to a state job the same year as a recreational safety director.

His state service was interrupted in April, 1944, when he was appointed an Army warrant officer and was assigned to the Army Air Force Emergency School at Keesler, Miss. as an instructor in rescue procedures.

He was later transferred to Wright Field, Ohio, as a project engineer warrant officer in the rescue unit of the engineering division.

While there, he received the Army Commendation Ribbon for "the inception and implementation of numerous and invaluable experiments and development of emergency air-sea rescue procedures." He returned to his state post in 1946.

Mr. Wheeler was a former state commander of AMVETS and a former national rescue coordinator of the National Rescue and First Aid Association.

He was appointed acting chairman of the Narragansett Charter Reform Commission on Oct. 6, 1965.

Born in Newport, Sept. 28, 1907, he was a son of the late Frank M. and Agnes (Knowe) Wheeler.

He is survived by his wife, two daughters, Mrs. Carol W. Zuercher of Narragansett, and Mrs. Barbara Knerr of Providence; a stepson, John Johnson of Sacramento, Calif., and seven grandchildren.

INFLATIONARY ASPECTS OF THE TAX BILL

Mr. WILLIAMS of Delaware. Mr. President, an editorial entitled "The Case for a Veto," published in the Wall Street Journal for today, Tuesday, December 23, 1969, is an excellent commentary upon the inflationary aspects of the tax bill passed by the Senate this week.

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE CASE FOR A VETO

The veto is a weapon that any President is likely to use with care. Congress, in pique, may react by refusing to take the action the President wants—or it may override the veto so overwhelmingly as to damage White House prestige.

These are risks that we think Mr. Nixon nonetheless should take in the case of the badly botched tax bill that Congress will send him this week. The product of the House-Senate conference is less bad than the measure the Senate passed, but it would by no means be good for the nation.

The conferees tossed out some of the Senate's wilder notions, such as a $1.8 billion-a-year tax credit for tuition expenses and a $225 million-a-year liberalization of medical expense deduction rules. However good or bad such ideas may be in normal times, the inflated present certainly does not qualify as normal.

In an effort to look more responsible, the lawmakers also delayed the impact of some of their tax goodies slightly. The net effect of all the maneuvering, according to the legislators' figures, is that the bill would increase Federal revenue by $6.5 billion in calendar 1970.

Those figures, though, don't stand up at all well under analysis—at least they don't for anyone with a real interest in curbing inflation. The revenue gain is more than accounted for by repeal of the investment tax credit and extension of the income tax surcharge at a reduced rate to June 30.

Ending the investment credit may be unavoidable at this juncture, but the step to discourage businessmen from cost-cutting modernization has always been a dubious tax measure against inflation. And while revenue presumably will be higher with the surcharge than it would be without it, the fact is that the rate is cut to 5% from 10%.

Various of the so-called reforms that are supposed to increase revenue may do so, but the estimates of the revenue gains are frequently suspect. Tougher tax treatment of capital gains, to take only one example, may mainly mean that fewer stockholders will take capital gains. In addition to providing relatively less revenue, of course, such a development would further freeze capital markets—surely a dubious benefit.

No one seriously questions the need for true tax reform, but that plainly isn't what Congress has achieved in this weird political exercise. Whether the bill becomes law or not, this year's legislative performance well may have destroyed the chance for genuine tax reform for years to come; conscientious reformers will be leery of involvement in any similar mess at any time soon.

So far as this bill has any philosophical thrust, it is simply the old soak-the-corporations line. Tax cuts for individuals, expected to total $9.1 billion by 1973, are to a certain extent offset by increases for the corporations.

The lawmakers are apparently banking on the fact that individuals vote while corporations do not. In this they may be selling the public short, since there is increased awareness that taxes on business are in part paid by individuals, and not just by stockholders in corporations. If a corporation wants to stay in business, it must regard taxes as part of its costs—costs that it must try to recover in the prices it charges the public.

Inflationary tax legislation might make a little sense if Congress were at the same time restraining Federal spending. The fact is that Congress is going right ahead boosting spending in a wide range of areas.

Like most people, we too would be happy to see tax cuts, but they should be planned far more reasonably than those Congress now endorses. In any case, the benefits from the proposed tax cuts are bound to be largely illusory, as continued inflation eats away at practically everyone's income.

And, make no mistake about it, continued inflation will become all the more certain if this peculiar piece of legislation is allowed to become law.

DEATH AND INJURY TOLL FROM TRAFFIC ACCIDENTS

Mr. BOGGS. Mr. President, with the holiday season approaching, Americans across the Nation are going to hear with increasing frequency the grisly projections about the death and injury toll from traffic accidents.

There will be more injuries and fatalities over the holidays due to greater volumes of traffic on our highways, but every week the figures are nearly as high. It is unfortunate that we too often think of the tragedy of automobile death and injury only when the spirit of the holiday season makes it particularly poignant, instead of recognizing that traffic death is a major killer all year round—more than 50,000 deaths per year.

My colleague on the Committee on Public Works, the Senator from Florida (Mr. GURNEY), made an excellent speech in his home State on November 7 which deals with traffic safety problems. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

SPEECH OF SENATOR EDWARD J. GURNEY

Ladies and gentlemen, you will be delighted to learn that I am not here today to lecture you about seat belts; my only word on that subject is that people should stop talking about them and start using them, regularly.

What I would like to discuss with you today is the role of the Federal Government in the area of highway safety. As you probably know, I am by temperament, by inclination—and by conviction—a constitutionalist and an advocate of limiting the role of the Federal Government and keeping it out of purely local matters. I flatter myself that I enjoy the reputation of frugality in the extension of Federal power. In short, I am for States' rights.

At the same time I am, I hope, a practical man. When we are confronted with a national problem, I think the American people have a right to look to the Federal Government for leadership.

No matter how you slice it, highway safety is a national problem. It is for that reason that I supported, as a member of the House of Representatives, the passage of the National Highway Safety Act of 1966 and support the expenditure of Federal funds to carry out its objectives.

That act was the first step, and, in my judgment, it has been a good start. For the first time, it mandated Federal leadership in the area of highway safety. The act provides for grants to set up and make State and local safety programs workable. The legislation directs the Department of Transportation to report to Congress periodically on progress. The reports so far have been "encouraging."

Now "encouraging" here is a misleading word. No one in his right mind can be "encouraged" when faced with a staggering toll of slaughter on our highways—more than 50,000 deaths annually. The killing far exceeds that in Vietnam. There, since 1965 in 4 years of shooting war, our deaths have been about 30,000 as contrasted with about 200,000 deaths on our highways in the same period. Would 40,000 deaths or 30,000 deaths be satisfactory? The answer would be emphatically "no."

The tragedy seems to me to be that so many of these deaths are avoidable. Never mind the huge loss in property, but try to think of this in purely human terms. My overwhelming impression is one of senseless waste—the loss of parents, children and loved ones. In this sense, highway deaths are akin to cancer or heart diseases—accidents are so common place nowadays that we can all number in our immediate circle of acquaintances, friends or relatives, family, someone who has been maimed, or broken or killed on a highway accident. Former Senator Frank Clement of Tennessee was killed in an accident earlier this week—at the age of 49. My nephew, my sister's boy was killed last year, in his freshman year in college, in the flower of his youth.

In human terms then, the Federal presence in this area makes sense. We should have Federal standards for equipment. They might be cumbersome at first, but in the long run they will work to the benefit of us all.

The National Driver Register is a good idea, intended to assist the States in weeding out the rotten drivers. People who have their licenses revoked in one jurisdiction can't flee to another jurisdiction and be relicensed there. We should have stricter State licensing requirements, (I'm glad to know that Florida has done this already), and we should get busy to get the older, defective death-trap cars off the roads.

We should have Federal standards for testing for alcoholic drivers. On this score, let me tell you about some very significant testimony before our public works subcommittee on the safety program. Although it is impossible to state this with mathematical precision, because of the nature of the problem, the educated estimates are that drunken drivers—or drivers whose judgment is significantly impaired by alcohol—are involved in fifty percent of all fatal accidents. In real figures—this means about twenty-five thousand fatalities a year involve alcohol.

Now, we have an extremely tolerant attitude in this country about this sort of thing. The sooner we get over this foolish tolerance, and the faster we view these people for what they are—killers and potential killers—the faster we will bring down that horrible death toll.

This is an area where the States can act now—immediately. I think we should begin to think in terms of mandatory suspension of licenses for first offenders convicted of drunken driving, and more importantly, mandatory revocation of licenses for repeaters and chronic drunks.

When we enacted the highway safety legislation, we had in mind that the National Highway Bureau would act as a clearing house for information, for guidance, and for research. You should be on the receiving end of this information, but at the same time, and I mean this quite apart from formal reports or mandatory filings, in my view, you should be feeding your ideas in to Washington and giving the Department of Transportation the benefit of your suggestions and your experience. You people have had practical experience in this area which can be invaluable to the Federal Government.

My experience has been that often, through no fault of their own, our Federal technicians and administrators tend to be more theoretical than practical in their approach to these problems, and they think of statistics as abstractions. Many of you in this audience know there is nothing abstract or theoretical about arresting a drunken driver, giving first aid to an injured child, or pulling a pathetically mangled motorist out of the wreck that once was a car. Such experiences are all to real, too ghastly, and too direct. I urge you to get on to Washington with your experiences, your views, and your suggestions. Do it through my office or through any member of the Florida delegation, or go directly to the Department of Transportation and to the National Highway Safety Bureau. You can make the statistics meaningful.

We are a Nation of confident and self-reliant people. Because of this trait, we all think of ourselves individually as excellent drivers and we instinctively blame accidents on the other fellow.

An American would no more fault his own driving than he would deny having a sense of humor, or admit that he didn't like dogs. Point of fact however we can all use improvement, and we can all benefit from education and the updating of our driving methods and technics. The vast majority of us over thirty never took a driving course in school or had any formal driver training. We learned to drive the way we learned to swim or play ball—our fathers taught us on Sunday afternoons. On those happy days years ago, conditions were so very different: the roads were winding maybe, but the traffic was light. The cars were slower, but simpler. It was, above all, fun. It still can be fun. The old days are gone, alas, forever, but by using our heads and our know-how we can beat the new problems. The primary responsibility to make driving safe rightfully remains with the States. But, I can assure you that we will continue to do our best in Washington to help you in your task with funds, with research, and information, with advice, and, I hope, with leadership.

Thank you for your kind attention.

A RESTORATION OF CONFIDENCE

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed in the Record an excellent comment upon one of the central problems of this Republic. It is an article entitled "A Restoration of Confidence," published in the New Republic of December 20 and 27, 1969.

There being no objection, the article was ordered to be printed in the Record, as follows:

A Restoration of Confidence

The final question put to the President at his latest press conference was this: "Your Administration has been charged with the failure to reach the young people—both those who protest and march and those who don't. Have you any specific plans for reaching the young people of this country?" The President did not, and did not seem to feel he needed one. Unfortunately, the question was poorly phrased. There has been no failure of communication, but of policy. "Those who protest and march" are not consumers, who for reasons of obstinacy, obtuseness or indifference, are boycotting a merchandiser—in this case, the President—whose policy more clever advertising could sell. The unpersuaded simply don't like the product and don't believe Mr. Nixon's claims for it. They don't believe that the NLF's peace proposals are "quite frivolous," or that "virtually all" of the 1,200,000 Americans who have been in Vietnam "have helped the people of Vietnam in one way or another"; or that the President sincerely thinks "the people of the US are entitled to know everything that they possibly can with regard to any involvement of the US abroad." How can they believe that? Time and again, the people have not known, because they have not been told. The most recent examples are the still-concealed extent of US bombing of Laos, and the still-to-be-revealed amount of US payments to Thailand and South Korea for their collaboration in Vietnam.

To dismiss "those who protest and march" as a minority, and a not quite respectable minority, is to miss their significance. Nose counting is not the ultimate in political wisdom; it is a very primitive measure of the quality of what is being said, and of the social impact this particular minortly has now and will have in the years ahead.

The press conference question should have been phrased thus: Why has confidence in authority, especially among the young, broken down, and how might it be repaired? It has broken down for reasons unrelated to the arts and techniques of communications, which are the most sophisticated in history. Part of the answer lies in the dissidents' scorn for the anonymity of bureaucracy, of systematization. Many of the young see society as an anthill, and they don't want to live like ants. If they mock the affluent society, it is because its affluence (and its freedoms) are not equitably shared, and because this on-the-make consumer civilization overvalues things and undervalues people. In sum, confidence has broken down because traditional values have *not* broken down. They are being taken seriously. And because they are, authority is being held to account for its fourth of July commitments to personal dignity, fair play, freedom of speech and assembly, equal opportunity for all manner and race of men. Authority, as represented by this Administration, might have been spared some of youth's anger and skepticism had its oratory been less laudatory of the American Dream. "Those who protest and march and those who don't" cannot comprehend how the hungry can be fed, cities made livable, rivers and air purified, the uneducated properly schooled—so long as the President and Congress commit most of our national budget to the military.

Most of all, confidence in authority has broken down because of Vietnam. Our obsession with "fighting Communism" had led us to this abhorrent war, which authority repeatedly justified against every prudential and compassionate counsel. Of all the sources of disaffection, Vietnam must be put first. Our experience there has brought home to us that we too, as Senator Fulbright said last week, "are susceptible to the same virus of brutalization that other societies have come to, and nothing contributes more to the moral breakdown of a society than the long continuation of an unjust and unnecessary war."

Mr. Nixon has never seen to the bottom of the case against the war—that it is unjustified. "For whatever their reasons—conviction, pride or dogmatic anti-Communism—our policy makers," Senator Fulbright points out, "have never been willing to recognize the Vietnamese conflict for that which virtually every expert and seasoned observer has long recognized it to be: a civil conflict in which Communism is and always has been secondary to the drive for national independence." Until they do, policy will not change. It is by now clear that Mr. Nixon is not determined to end the war through negotiations (for the prerequisite to that is a government in Saigon with which the NLF and Hanoi *can* deal), but is bent on prosecution of the war on the cheap. His real stategy, Walter Lippmann writes in *Newsweek*, "is to appease American dissent by removing many of the burdens of the war—by amending the draft so that primarily 19-year-olds are vulnerable, by changing the tactics of the battlefield to reduce the casualties, by withdrawing most of the combat infantry. The theory of the strategy is that a long occupation, using some 200,000 support troops and the artillery and the Air Force, can be made acceptable to the American people. The official strategy is addressed not to negotiating with our adversaries, but to placating American opinion." This is the strategy the President and Secretary Laird call Vietnamization; that is, a proxy war. So it is that Mr. Nixon can reply as follows to a question concerning our subsidies to the Thais for their collaboration in Vietnam—"I would much rather pay out some money to have them [the Thais] there than to have American men fighting there in their place."

That ephemeral "silent majority" may be temporarily placated (the marchers will not) by such strategy. But even that majority will wise up to what is being done. A Saigon government that has to be carried by foreigners will never command support from its own people. No sensible person, moreover, will long believe that fewer troops can win a victory that more troops could not. American support of "Vietnamization" will not keep a puppet government in Saigon propped up for very long, and as its hold on power weakens, that ruling group will be driven to harsher repression. Speaking last week of three "neutralist" legislators, President Thieu, according to *Reuters*, said that if they were not impeached, "the people and the armed forces will cut off these deputies' heads. Our duty is to beat such dogs to death."

"Those who protest and march" are asking basic, unanswered questions: why are we fighting; how did we get so deeply into it; why don't we clear out; what and how much difference would it make to the Vietnamese—or the US—were the Vietcong to take power in the South, what makes Hanoi the "enemy"? The official response to such questions by this Administration and the preceding one, has been a flood of what Mr. Fulbright calls "prideful nonsense about 'defeat' and 'humiliation.' "

A restoration of confidence in government, in authority, is incompatible with such cant and deception. Confidence would begin to revive, however, the day the President or a majority of members of the Congress admitted this country has taken a wrong turning. "Liquidation of a mistake is neither a defeat nor a humiliation," Fulbright reminds us; "it is a rational and mature way of accommodating to reality, and the ability to do it is something to be proud of. . . . When [a war's] political purposes are recognized as unworthy, as they have been in Vietnam, it is rank immorality to press on for a costly, destructive and probably unattainable victory."

The point is not that confession is good for our souls, but that the integrity, and indeed the cohesiveness, of the United States demands it. For two decades, we have had drilled into our heads that anything done in the name of anti-Communism is right and necessary. That lie must be laid. In doing so, we take the first step toward "tearing away the debris of Cold War dogmas and resolutions that stultify our policies," called for last week by Senator Charles Mathias. The truth must be spoken, aloud, not only for the sake of reconciliation at home, or of peace in Vietnam, but because its utterance would lift the hearts of America's most valued friends everywhere. Only then might that discredited claim—American world leadership—again carry conviction.

WMAL ENDORSES S. 2936, BILL TO PROVIDE COMPENSATION TO INNOCENT VICTIMS OF CRIME

Mr. YARBOROUGH. Mr. President, I recently introduced S. 2936, a bill to provide compensation for the victims of crime in the District of Columbia. Briefly, my bill would create a commission which would be empowered to hear requests for compensation from victims of crime.

Crime is one of the unfortunate facts of life in the Nation's Capital and I think that we in Congress should demonstrate our concern about this matter by considering the plight of the victims of crime.

Recently, radio station WMAL endorsed my bill and I am flattered by their support. I ask unanimous consent that the text of the WMAL endorsement of S. 2936, which was broadcast during the week of September 28, 1969, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

COMPENSATE CRIME VICTIMS

We urge passage of Senator Ralph Yarborough's bill to compensate victims of serious crime in Washington. The Yarborough measure would establish a procedure by which crime victims might be compensated up to $25,000 for pain and injury.

Senator Yarborough has explained the reason for his bill very neatly and we need say no more. Says the Texas Democrat: "Society's responsibility to the victims of crimes of violence is directly related to society's dereliction in fulfilling its responsibilities for preserving law and order within society. . . . When society fails in its assumed duty to protect its citizens, society ought to have the responsibility of compensating the innocent victims for his personal pain and injury.

BRITISH PARLIAMENT ABOLISHES CAPITAL PUNISHMENT

Mr. HART. Mr. President, last week the Parliament of Great Britain voted to abolish capital punishment for all crimes except a few occurring in time of war. Now the only Western European nation to retain capital punishment is France.

Hearings were held last year on proposed legislation, introduced by a number of other Senators and me, which would abolish the death penalty for all Federal crimes. No action was taken on the proposal, and again this year the measure was reintroduced as S. 2301. Hopefully it will be reported early in the next session, thereby allowing the full Senate to determine if this Nation will follow in the same direction as other civilized nations.

Mr. President, the New York Times of Sunday, December 21, contains an interesting article summarizing the international situation as to capital punishment. I ask unanimous consent that the article and an editorial from the New York Times of December 20 be printed in the RECORD.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the New York Times, Dec. 21, 1969]

CAPITAL PUNISHMENT RESTRICTED OR ABOLISHED BY MANY NATIONS

LONDON, December 20.—Now that Britain has done away with capital punishment for murder, all Western European countries except France have abolished the death penalty, and there is a trend toward its abolition in the United States and the Soviet Union.

Eleven of the 50 states in the United States have outlawed capital punishment and in three others it is sanctioned only for such special cases as the murder of a prison guard or a prison official.

The 11 states are Alaska, Hawaii, Iowa, Maine, Michigan, North Dakota, Minnesota, Oregon, Rhode Island, West Virginia and Wisconsin. The three with special qualifications are New Mexico, New York and Vermont.

There have been no executions in the United States since 1967, and more than 500 prisoners are awaiting a ruling by the Supreme Court on capital punishment.

In the Soviet Union, the death penalty was abolished in 1947 but was brought back three years later for traitors, spies and "wrecker diversonists."

PENALTY ABOLISHED IN BRITAIN

Presently the criminal code for the Russian Federation—similar to that for the other Soviet republics—exacts capital punishment for 10 types of crime including counterfeiting, large-scale theft of state property, rape and some classes of murder. However, the code does not apply to pregnant women or persons under 18 years of age.

Britain abolished hanging in 1965 for a five-year period. The Labor Government arguing this year for its permanent abolition, stated that the homicide rate had remained remarkably stable since 1965.

After an acrimonious two-day debate, the House of Commons agreed this week by an impressive majority of 158 to abolish the death penalty without waiting for the five-year no-hanging experiment to end. Thursday night the House of Lords agreed without a vote to continue indefinitely the existing ban on hanging. The ban was not scheduled to expire until July.

Although the death penalty for murder has been abolished, there are still crimes that under British law can be punished by execution. These include wartime treason, piracy and arson in the royal dockyards and arsenals.

There have been no executions for offenses other than murder in peacetime for more than a century.

West Germany and Italy both abolished capital punishment for civilians at the end of World War II. Japan has retained the death penalty, and a recent Japanese survey showed 56 percent of the public favored capital punishment, and 36 percent sought its abolition.

Portugal was one of the first countries to abolish capital punishment. King Don Luiz abolished it in 1867.

France has not abandoned the guillotine, although a recent poll showed that 58 percent of the population opposed capital punishment. This fall, President Pompidou reprieved the only two persons under a death sentence.

The death penalty still exists in Spain but is rarely carried out. In most cases, the death sentence is commuted to 30 years' imprisonment, the nation's maximum prison sentence. Switzerland and the Scandinavian countries have outlawed the death penalty except for serious crimes committed in wartime. Life imprisonment is the most severe Swiss penalty for a peacetime criminal.

FURTHER RESTRICTIONS URGED

Finland banned the death penalty for peacetime offenses 133 years ago, but in wartime, treason and desertion call for execution. A Government bill before the Finnish Parliament would limit capital punishment to mutiny.

Austria abolished capital punishment in 1950, a few months after the last hanging there, and there are no plans to reintroduce it.

Belgian law still provides for the death penalty, but it has not been carried out in peacetime since the Government ended hangings 90 years ago.

Poland is introducing a new penal code that will reduce the number of cases calling for the death penalty. Bulgaria recently abandoned capital punishment except for certain serious crimes against the republic and mankind. Other Soviet-bloc countries have taken similar measures.

EXECUTIONS DECLINE IN INDIA

India has retained the death penalty despite calls for its abolition. The number of executions has dropped below 200 a year, according to officials, even though there were 13,398 murders in 1967.

Capital punishment still exists in Malaysia for murder, treason and kidnapping for ransom. Most death sentences are commuted to life imprisonment.

The Philippines congress is expected to debate a bill to abolish the death penalty in the present session.

[From the New York Times, Dec. 20, 1969]

BRITAIN ENDS THE DEATH PENALTY

With approval by the House of Lords of a Government resolution to terminate the death penalty, Parliament has taken a historic act aligning Great Britain with the overwhelming majority of civilized nations. More than seventy countries have now put an end to the barbarous practice under which the state itself becomes a killer.

Only France and the United States, among Western nations at least, still retain capital punishment. In both there is strong sentiment against it. In France, for example, Premier Pompidou, a convinced abolitionist, is pledged to eliminate the guillotine.

In this country the National Council of Churches has called for abolition of the death penalty on the ground that it contributes to the "brutalization of society." Former Attorney General Ramsey Clark urged its abolition for Federal crimes last year, but Congress failed to act. Fourteen of the fifty states, the latest of them New Mexico, have outlawed the practice.

Nevertheless there are nearly 500 prisoners under sentence of death in various prisons in this country, although there has not been an execution since one in Colorado in 1967. The reason for this is that the murder conviction of William Lee Maxwell in Arkansas is under attack on constitutional grounds that would apply to many other convictions as well. The United States Supreme Court has not yet handed down its decision in this case.

Most sociologists and criminologists who have studied the matter have come to the conclusion that statistics do not support the contention that the death penalty is a deterrent to murder. Massachusetts had the death penalty and Rhode Island, for all practial purposes, did not, between 1940 and 1955. In seven of those years Massachusetts had the lower homicide rate, and in nine Rhode Island did. In New York State, which in 1965 abolished capital punishment except for murder of a policeman or a prison guard, a determined attempt to restore it is likely at the coming session of the Legislature. It should be firmly repulsed.

ABA SECTION ON INDIVIDUAL RIGHTS AND RESPONSIBILITIES DISCOUNTS OBJECTIONS TO GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, in a thoughtful and exact analysis of the 1948 Genocide Convention, adopted by the General Assembly of the United Nations, the American Bar Association's section on individual rights and responsibilities declared the general objections to the Genocide Convention made in 1949–50 are wholly obsolete today.

In light of this analysis, I again urge the Senate to consider and move toward the ratification of this most important convention now.

I ask unanimous consent that the analysis by the ABA section on individual rights and responsibilities be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

IV. THE GENOCIDE CONVENTION IS IN ALL RESPECTS CONSISTENT WITH THE CONSTITUTION, THE LAWS, AND THE IDEALS OF THE UNITED STATES

A. THE GENERAL OBJECTIONS TO THE GENOCIDE CONVENTION MADE IN 1949–50 ARE WHOLLY OBSOLETE TODAY

The opposition to the Genocide treaty at the Senate hearings twenty years ago centered around three main points.[1] First, a general opposition to the "new concept" of government action by treaties. During the next two decades, the United States has entered into some 4,000 international agreements, without any noticeable diminution of its sovereign independence, nor any noticeable debasement of its standards to an international average. That treaties are the modern means of developing international law, just as statutes are the modern means of developing state and federal law, has been noted earlier, and hardly requires demonstration. If some felt nervous or cautious in 1949 about stepping on the new ground of multilateral treaties, including treaties affecting individuals, that fear is no longer justified. On the contrary, the only concern a United States citizen should have is that his country not be left out as the documents and issues of new international law are drafted, debated, interpreted and applied.[2]

Second, the opposition expressed the fear that by treaties in general, and by the Genocide Convention in particular, Article 2(7) of the United Nations Charter, dealing with matters "essentially within the domestic jurisdiction of states, was being undercut. In the words of the ABA Special Committee,[3] "Shall we be governed in internal affairs by treaty or by laws passed by Congress with a constitutional basis?" Again the answer has already been given. Article 2(7) is in no way undercut by the Genocide Convention. Domestic matters are as out of bounds for the United Nations as ever. The only effect of the Genocide Convention is to say that the issues specified in Articles II and III cover not merely one country, but all countries. If the United States wants (1) to take a complete hands-off attitude if genocide should occur somewhere in the world; or (2) to foster, shield, or protect the commission of genocide within the nation's borders, then it should certainly not join the Convention. If neither of these attitudes is real, then the argument has no appeal whatever.

Third, the opposition, focusing on certain enigmatic language of Justice Holmes in *Missouri* v. *Holland*,[4] considered that the Genocide Convention might be the opening wedge in a drive to exceed the legislative powers of the Congress vis-a-vis the states through the use of the treaty power. Whatever theoretical merit there might have been with respect to this point, discussed for nearly ten years in the context of the proposed Bricker Amendment,[5] it has no relevance to the Genocide Convention. No one could have any doubt about the right of the Congress to prohibit genocide. Quite apart from the treaty power, the Constitution expressly grants to the Congress the power "to define and punish Piracies and Felonies committed on the high seas and Offences against the Law of Nations."[6] And if anyone suspected that the Genocide Convention might be used to justify federal legislation in the field of civil rights, the events since 1949 have shown that the United States Constitution as currently understood is quite adequate to sustain any civil rights legislation likely to be proposed and passed, and certainly far more ample to coverage than any authority possibly derived from the Genocide Convention.

THE TAX REFORM BILL

Mr. CHURCH. Mr. President, on Sunday, December 21, the Washington Star printed a page-long summary of the tax reform bill as approved by the conference committee. The summary not only covers the provisions of the tax reform bill, but contrasts those provisions with existing law.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SUMMARY OF TAX REFORM BILL AWAITING FINAL ACTION

(NOTE.—The following is a summary of how the tax reform bill will work if it is passed by the House and Senate tomorrow or Tuesday, as expected, and President Nixon signs it into law.)

TAX RELIEF

Personal exemptions

A personal exemption of $600 for the taxpayer and each dependent now is subtracted from gross income in computing taxable income. The bill will raise the exemption to $650 July 1, 1970, to $700 Jan. 1, 1972, and to $750 Jan. 1, 1973.

Tax withholding rates in the first half of 1970 will be based on the present $600 exemption. Withholding rates will reflect the new $650 exemption starting July 1, increasing take-home pay. On 1970 tax returns filed in the spring of 1971, taxpayers will claim $625 exemptions—the average for the year.

When the exemption rises to $750 in 1973, taxable income of a family of four will be reduced by $600. In the 20 percent tax bracket, for example, this will cut taxes by $120.

Standard deduction

Expenses for interest, charitable contributions and other specified items are deducted from income by some taxpayers. Instead of itemizing actual deductions, other taxpayers take the standard deduction, which now is 10 percent of gross income or $1,000, whichever is less.

The bill will raise the standard deduction to 13 percent or $1,500 in 1971, to 14 percent or $2,000 in 1972 and to 15 percent or $2,000 in 1973.

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[1] See *Senate Hearings* (1950) 154–230.

[2] This point, in the context of the growth of international law in the post-war period, is developed by Bernard G. Segal, President of the ABA, in a recent address to the World Peace Through Law Conference, Bangkok, Thailand, September 1969.

[3] 74 A.B.A. Rep. 320 (1949), *Senate Hearings* (1950) 160.

[4] 252 U.S. 416, 433–434 (1920).

[5] There were several versions of the Amendment. For the principal one, see S.J. Res. 1 as amended and reported favorably by the Senate Judiciary Comm. S. Rep. No. 412, 83d Cong., 1st Sess. (1953).

[6] U.S. Constitution Art. I, sec. 8, cl. 10.

At $2,000 the new standard deduction will save a taxpayer in the 20-percent tax bracket $200, for example.

Low-income allowance

This is a minimum standard deduction of $1,100 in 1970, $1,050 in 1971 and $1,000 starting in 1972. Persons in lower income brackets will deduct the low-income allowance in addition to personal exemptions and in lieu of other deductions.

The regular standard deduction of 15 percent will allow a person with $3,000 of gross income, for example, to deduct only $450. The low-income allowance will permit a deduction of $1,000 regardless of income.

It is designed to remove practically all persons at the poverty level from the tax rolls and reduce taxes for the near-poor. For a single person, the low-income allowance and the $750 personal exemption will make $1,750 of income tax-free. For a family of four, $3,000 of income will be tax-free.

In 1970 and 1971 the amount of the low-income allowance will be reduced and finally eliminated at successively higher income levels. This phase-out formula will be dropped in 1972, making the full $1,000 allowance available to anyone. However, the regular 15 percent standard deduction will be more beneficial to those with incomes over $6,670.

Single persons

The income of married couples filing joint returns is split and each half is taxed at lower rates than would apply if the total were earned by a single person. In some brackets the tax on a single person is as much as 40 percent larger than the tax on a couple with the same taxable income.

The bill will introduce a new and lower rate schedule for spinsters, bachelors, divorced persons, widows and widowers without dependents in their households. The new rates, effective in 1971, will assure that the tax on an unmarried person will be no more than 20 percent higher than the tax on a couple with the same taxable income. The new rates will apply regardless of age.

Unmarried persons maintaining households with dependents now are taxed at "head-of-household" rates, which are about midway between current single and joint rates. The bill will reduce these rates so they still will be midway between joint rates and the new lower rates for single persons without dependents.

Widows and widowers with dependent children will continue to be taxed at joint return rates for two years after the spouse's death, after which head-of-household rates apply.

Earned income

The maximum tax rate, not counting the surtax, is 70 percent on income over $100,000 for single persons and $200,000 for married couples.

The bill will reduce the maximum marginal rate (the rate on the top dollar of income) for earned income to 60 percent in 1971 and 50 percent in 1972. Earned income is income from personal services—wages, salaries, fees and commissions—as distinct from dividends, interest and other income from investments.

However, the amount of income eligible for the new maximum rate will be reduced by the amount of income received, in excess of $30,000, from specified sources benefiting from special tax treatment.

For example, if an executive receives $100,000 of salary and $60,000 of income from accelerated depreciation and other "tax-preference" sources, only $70,000 of his salary will qualify for the new maximum tax rate.

The rate ceiling will benefit married couples with taxable incomes over $52,000 and single persons over $26,000—the levels at which regular tax rates exceed 50 percent.

The theory is that the rate ceiling will reduce the incentive for high-paid executives, doctors and others to seek tax loopholes. Few persons actually pay the 70 percent rate because they find ways to convert ordinary income into capital gains or shelter it from taxation through other devices.

SOCIAL SECURITY

The bill will raise Social Security benefits by approximately 15 percent across the board for retired persons, surviving spouses and children, and disabled persons.

The increases will take effect Jan. 1 but will not be paid until April, when retroactive payments for January, February and March will be mailed.

Social Security payroll taxes will not be raised to pay for the benefit increase.

The 15 percent increase will raise minimum monthly benefits from $55 to $64 for single persons and from $82.50 to $96 for couples. Average benefits will increase from about $100 to $116 for single persons, from $170 to $196 for couples, from $88 to $100 for widows without children, from $250 to $296 for widows with two children and from $113 to $130 for disabled persons.

About 25 million persons will benefit.

The bill includes a provision designed to prevent states from fully offsetting the Social Security increase by cutting welfare payments to the same persons.

TAX EXTENSIONS

Surtax

The 10 percent income surtax on individuals and corporations is scheduled to expire Dec. 31. The bill will extend the surtax at a reduced rate of 5 percent through June 30.

Withholding rates will reflect the reduction starting in January and the final expiration starting in July. On 1970 tax returns filed in the spring of 1971, the surtax will add 2.5 percent to the regular tax on income received through 1970.

Excises

The 7 percent excise tax on autos and the 10 percent excise on telephone service are scheduled to decline to 5 percent Jan. 1, to 3 percent in 1971, to 1 percent in 1972 and to zero in 1973. The bill will keep the current rates of 7 and 10 percent in effect through 1970 and postpone the later scheduled reductions by one year.

TAX REFORMS

Investment credit

The investment tax credit subsidizes business spending for machinery and equipment at a cost to the Treasury of more than $3 billion a year. If a company buys a machine for $10,000, for example, it subtracts 7 percent of the cost, or $700, from federal taxes otherwise due.

The bill will repeal the tax credit generally retroactive to April 18. That is, the credit will be available only for machinery and equipment acquired by that date, or on which construction is started by that date. Also eligible to receive the credit will be machinery and equipment placed in service before 1976, if acquired under binding contract commitments entered into by April 18.

There are numerous transition provisions and several exceptions to the general rule under binding contracts. But Senate provisions for broad exemptions from repeal were eliminated.

Capital gains

When a person buys stocks or other capital assets for $10,000 for example, and sells them after more than six months for $12,000, only $1,000 of the $2,000 gain is taxed as income. In effect, the $2,000 capital gain is taxed at half the rate of ordinary income.

Furthermore, the tax on the full gain cannot exceed 25 percent. If a person is in the 70 percent tax bracket, for example, the capital gain is taxed at 25 percent rather than 35 percent. All but small corporations pay a flat 25 percent tax on capital gains instead of the regular corporation tax of 48 percent.

The bill will continue the 25 percent maximum rate for individuals only for the first $50,000 of capital gains in a year. Beyond that amount, capital gains will be taxed at half the ordinary rate—that is, up to 35 percent—after a three-year transition period starting in 1970.

Th capital gains rate for corporations will rise from 25 to 30 percent, with a three-year transition.

If a person sells capital assets at a loss, he can deduct the full amount of the loss, up to $1,000 a year, from ordinary income. To make treatment of losses consistent with gains, the bill will permit deduction if only half the losses from ordinary income. Therefore, it will take $2,000 of capital losses to offset the maximum $1,000 of ordinary income in a year.

Public officials and others who sell collections of their letters and similar material are taxed at capital gain rates instead of higher rates on ordinary income. The bill will levy ordinary income taxes in such cases.

When collections of letters are donated to a library or similar philanthropy, the fair market value can be claimed as a charitable deduction. The bill will deny the deduction when the letters were written by the donor or prepared for him.

Pensions received in installments are taxed as ordinary income, to the extent the payments exceed the employe's contributions. However, if the pension is paid in a lump sum, the portion contributed by the employer is taxed at lower capital gains rates.

On the theory that the lump-sum pension is deferred compensation, the bill will tax the portion contributed by the employer as ordinary income, effective with contributions after 1969. The amount can be averaged over seven years to put the income into a lower tax bracket, however.

Real estate

When property bought for a trade or business is to be useful over a period of years, the cost cannot be deducted from taxable earnings immediately, but rather the deductions must be spread over a period related to the useful life.

The simplest form of depreciation is straight-line. If a $10,000 machine has a useful life of 10 years, $1,000 a year is deducted.

Real estate investors use accelerated depreciation to deduct most of the cost of property in the early years. A new building can be depreciated under the double-declining balance method. On a $10,000 building with a 10-year life, $2,000 is deducted the first year, $1,600 the second, $1,280 the third, $1,020 the fourth, $820 the fifth and so on. Used buildings can be depreciated at a rate half-way between straight-line and double-declining balance.

Large depreciation deductions in the early years often wipe out taxable income, even if the property really is profitable, and may produces losses to offset the investor's taxable income from other sources.

When the property is sold within 10 years, some of the excess depreciation is "recaptured" by taxation of a portion of the gain as ordinary income. If the property is sold after 10 years, the full gain is taxed at capital gains rates.

The bill will allow the fastest depreciation method—the double-declining balance formula—only for new housing. New commercial and industrial real estate will be limited to the 150 percent declining balance formula, which is half-way between straight-line and double-declining balance.

DEPRECIATION ALLOWANCE

Purchasers of used housing with a remaining useful life of at least 20 years, will be permitted to use a 125 percent declining balance formula; all other used housing and all used commercial and industrial real estate will be limited to straight-line depreciation.

When the housing is sold within 16⅔ years, all or part of the accelerated depreciation will be recaptured through taxation of some of the gain as ordinary income. After 16⅔ years, the full gain will be taxed at capital gains rates. For commercial and industrial real estate, accelerated depreciation will be recaptured in full through taxation of an appropriate portion of the gain as ordinary income when the property is sold.

Minerals

Oil and gas operators can deduct 27½ percent of a well's gross income from net income subject to taxation, if the deduction does not exceed 50 percent of net income. This is the depletion allowance. Unlike depreciation in other industries, depletion is not related to costs; the investment in a well can be recovered many times over through depletion deductions.

The bill will reduce the depletion allowance to 22 percent of gross income for oil and gas.

Depletion allowances for sulphur, uranium and other minerals now at 23 percent will be reduced to 22 percent and molybdenum will be raised from 15 to 22 percent. Except for gold, silver, oil shale, copper and iron ore, all minerals now receiving 15 percent depletion allowance will be cut to 14 percent.

All other depletion allowances will remain unchanged.

Minerals, other than salt, extracted from Great Salt Lake, Utah, will become eligible for depletion for the first time.

DEPLETION ALLOWANCE CUT

Financing arrangements called production payments are widely used in the oil and gas industry to raise funds. Although sale of a production payment by an oil operator performs the function of obtaining a loan, proceeds of the sales are treated as income rather than loans.

This device increases net income and thus increases the portion of the depletion allowance that can be claimed within the formula limiting depletion to 50 percent of net income.

The bill will require treatment of production payments as loans, not sales, thus reducing depletion allowances in many cases even below the new 22 percent rate.

Charitable contributions

Deductions for charitable contributions generally are limited to 30 percent of gross income. The bill will raise this limit to 50 percent, although some types of contributions will be limited to 30 percent.

Despite the general limit, individuals in certain circumstances can deduct the full amount of their income for contributions. This is permitted if in eight of the preceding 10 years the total of contributions and federal income tax payments exceeded 90 percent of taxable income.

The practice of some wealthy persons is to contribute to charity stocks or other assets equal in current value to taxable income from other sources. The property may have been purchased at much lower prices years before.

Although the deduction is for the full current value of the contributed property, the gain in value since the original purchase is not taxed.

In this way, a wealthy person can contribute property equal in current value to his taxable income from other sources, and so keep all of that income tax-free.

REPEAL BY STAGES

The bill will repeal the unlimited charitable deduction by stages, so that by 1975 all charitable deductions will be limited to 50 percent of gross income.

For donations to private foundations, the bill will allow a deduction only for the original cost of the contributed property, or alternatively require the donor to pay taxes on the gain in value. For gifts of stock to colleges, art to museums and other donations, the present rules will continue—allowing deductions for the current market value without taxation of the gain.

An exception will tax the gain in value of property that would have been taxed as ordinary income instead of capital gains if sold. This applies, for example, to donations of business inventories and works of art contributed by their creators.

Other provisions will tighten the rules for charitable contribution deductions by trusts.

Interest deductions

Interest payments on loans can be deducted without limit. Some persons borrow heavily to buy stocks or other property that produces little current income but may gain in value.

These interest payments exceed income from the investment and the deductions offset ordinary income from other sources. When the investment is sold, the gain is taxed at low capital gains rates.

The bill will limit deductions by individuals for interest on money borrowed to finance investments. The limit will be the amount of net income from dividends, interest and other investment sources, plus the amount of capital gains, plus $25,000.

FARMING LOSSES

Liberal accounting rules for farmers permit some wealthy persons to register tax losses from farming operations and use the losses to offset taxable ordinary income from other sources. In addition, they are taxed at low capital gains rates when they sell the farm assets.

The bill will in certain circumstances require maintenance of an account of farm losses used to offset income from other sources. Losses will be recorded in this "excess deductions account" only if the taxpayer has more than $50,000 of non-farm income, and only to the extent the farm losses exceed $25,000.

When the farm assets are sold, a portion of the gain equal to the amount in the excess deductions account will be taxed as ordinary income rather than at low capital gains rates.

Another provision will deny deductions for farm and other losses if the activity is not carried on for profit. This "hobby loss" provision will create a presumption that the activity is carried on for profit if there have been profits in two of the preceding five years. But for horse breeders and racers, the standard is two out of seven years.

MINIMUM TAX

Existing law permits many wealthy individuals and profitable corporations to reduce taxes sharply or avoid taxation entirely by using deductions to offset income and by converting ordinary income into capital gains. Despite the theory that tax rates are progressive—rising as income increases—some wealthy persons pay lower tax rates than ordinary wage earners.

Although the bill will restrict or close many loopholes, many tax benefits will remain available. To backstop the specific loophole-closing provisions, the bill will levy a new minimum tax on income that otherwise would be sheltered from taxation by special "preferences" in the law.

Individuals and corporations will add up the amount of income sheltered from taxes by specific preferences. The amount of regular federal income taxes paid will be subtracted from the amount of preference in excess of $30,000. A 10 percent minimum tax will be levied on any balance.

If an individual receives $130,000 of preference income and pay $40,000 of regular taxes, for example, he will pay an additional minimum tax of 10 percent on $60,000, or $6,000.

The preferences subject to the minimum tax will include real estate depreciation in excess of straight-line, amortization deductions in excess of straight-line depreciation for expenses of rehabilitating slum housing, installing pollution control equipment and purchasing railroad cars, tax benefits from stock options, depletion allowance deductions in excess of the property's cost, the one-half of capital gains excluded from taxable income and investment interest deductions in excess of net investment income.

Foundations

The bill will levy an excise tax equal to 4 percent of investment income on private foundations that otherwise are tax-exempt. The tax will pay for closer regulation of foundations.

"Self-dealing" financial transactions between foundations and their donors will be prohibited and punitive taxes will be levied on violators.

Some foundations disburse little income, hoarding their assets instead. The bill will require them to disburse all their income from assets (as distinct from contributions received) to philanthropies within one year. If the income is less than 6 percent of assets, they will be required to dip into capital to disburse 6 percent anyway.

Some foundations are used to maintain control of a business by the donor and his family. The bill will limit the combined ownership of any corporation by any foundation and its donors.

OWNERSHIP LIMITED

For foundations established in the future, the combined ownership will be limited generally to 20 percent of any corporation's stock, although 35 percent will be allowed in some cases.

For foundations already in existence, any combined stock holdings in excess of 50 percent must be disposed of within a period of 10 to 20 years. In some circumstances, a further reduction of holdings to 20 or 35 percent will be required over an additional period of years. In other circumstances, no further divestiture of stock below 50 percent will be required.

The bill also will restrict foundation activities in such areas as lobbying, politics and voter registration drives.

Other tax-exempt organizations

Existing law takes the income of some otherwise tax-exempt organizations from business activities not related to their basic functions. This applies to charities, colleges, religious organizations other than churches, chambers of commerce, labor unions and several others.

But some churches and other exempt organizations engage in business without paying taxes. The bill will extend the unrelated business tax, with some exceptions, to cover churches, social welfare organizations, social clubs, fraternal beneficiary societies, credit unions, mutual insurance companies and others.

Social clubs and employes' beneficiary associations now are exempt from taxation of income from investments, as distinct from business income. The bill will revoke this exemption.

The bill also will tax income of tax-exempt organizations from advertising in their publications. This applies, for example, to the Journal of the American Medical Association, the National Geographic and Boy's Life.

Moving expenses

Employes who move to new job locations now can deduct some direct moving expenses. The bill will extend allowable deductions to cover expenses of house-hunting trips before the move, temporary living expenses at the new location and incidental expenses of selling the new house and buying a new house, such as real estate commissions.

These additional deductions will be limited to 2,500.

Moving expense deductions also will be extended to self-employed persons.

Banks

Commercial banks now can deduct 2.4 percent of the amount of their outstanding uninsured loans for reserves against bad-debt losses. This greatly exceeds actual losses.

The bill will reduce the allowable bad-debt reserve deduction to 1.8 percent for the next six years, then lower it gradually to actual debt losses. This standard will be reached in 1987.

THE CREDIT CARD AVALANCHE

Mr. PROXMIRE. Mr. President, recently my Subcommittee on Financial Institutions held 3 days of hearings on the problem of unsolicited credit cards. According to the testimony taken by the subcommittee, credit card losses are approaching the staggering sum of $100 million a year. Testimony of Royal Jackson, the chief of the bankruptcy division of the U.S. courts, shows that unsolicited credit cards contribute to the alarming high level of consumer bankruptcies. Referees in bankruptcy around the country firmly believe unsolicited credit cards cause consumers to become overextended with credit.

Mr. President, on Monday, December 22, 1969, the Wall Street Journal published an interesting and informative article on the growth of credit cards. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHARGE IT!: BANK CREDIT CARDS WIN WIDE USAGE, BRINGING BOTH BENEFITS, PROBLEMS—USERS LIKE NO-FEE FEATURE; THEFTS AND BANKRUPTCIES RESULT FROM MASS MAILINGS—IS AMERICAN EXPRESS WORRIED?

(By Carol H. Falk)

NEW YORK.—The Majestic Ballroom is a so-called dime-a-dance emporium near Times Square that actually charges $7.50 for a half an hour of tripping the light fantastic with the resident lovelies. But customers needn't worry if they don't have $7.50 in cash—they can use their Master Charge credit cards.

About 25 or 30 customers have danced on credit since the Majestic signed up with Master Charge a few weeks ago, says manager Nick Milano. It's helping business, he says, and he's thinking of signing up with BankAmericard and American Express.

Everybody, it seems, has at least one credit card these days, and more often than not it's a Master Charge or a BankAmericard card rather than the older American Express, Diners or Carte Blanche cards. In the past year or so, the two major bank credit cards have gone nationwide. Some 7,200 banks have affiliated with one or the other, and some 43 million Americans now have a Master Charge card, a BankAmericard or both. The number of bank card holders is rising two to three million a month, the card companies claim.

THEFTS AND BANKRUPTCIES

This trend delights many of these millions, but critics say it is creating some problems, too. The mass, unsolicited mailings of bank cards have caused a rash of thefts of the cards from the postal system, and the fraud losses are estimated at well over $100 million a year. What's more, say critics, the unsolicited mailings have resulted in a large number of bankruptcies by people who couldn't resist going overboard with credit purchases.

Nor is an unsolicited card always received with joy. A California lawyer who received a BankAmericard sent it back with a blistering letter that said in part: "In a word, this and similar plans to make money by encouraging extravagance strike me as being beneath the dignity of an institution with responsibility to depositors. To compound the error by a direct-mail selling campaign such as would perhaps be appropriate to sell cap pistols, patent medicines and questionable merchandise strikes me as a new low in banking practice."

But most people who receive the cards keep them, and some sources claim the two bank cards are causing problems for the so-called prestige cards. Executives at American Express, Diners' Club and Carte Blanche flatly deny this, however. In fact, they would have you believe that the new competition is the best thing that ever happened to them.

"When everyone can get a bank card, it becomes a status symbol to qualify for our card," claims Anthony Kopp, president of the credit card division of Diners Club Inc. "Our marketing studies find that as a bank card goes into a Midwest or Southwest area where we haven't been strong, our applications in the area triple or quadruple overnight."

There's no reason to doubt him, of course, but it's easy to find card holders and merchants who say that if they had their choice—and they do—they'd take a bank card over a "prestige" card. It's simple economics. Bank cards are free, but the six million holders of "prestige" cards have to pay $15 a year. And merchants generally have to turn over a higher percentage of their sale when a nonbank card is used.

"A MATTER OF DOLLARS AND CENTS"

"It's a matter of dollars and cents," says a man at Lawry's Associated Restaurants in Los Angeles. Lawry's stopped accepting Carte Blanche and American Express cards last Sept. 15, figuring BankAmericard, Diners Club and Lawry's own card were sufficient. "We figure we'll save $50,000 to $60,000 a year on this move by 1972," he says.

The amount that has to be paid by the merchant to the credit card company varies, often depending on what kind of a deal the shopkeeper can negotiate, but the average is probably around 3% for a bank card and 4% for the traditional cards, according to a study by Lionel D. Edie & Co., a consulting company. One industry source says the fees for bank cards range from zero at particularly prestigious spots where the bank wants its name displayed all the way up to 5%. American Express says its fees range from 2¾% (for an air line that does a large volume) to 7% (for a small specialty shop).

One big restaurant that recently dropped American Express says the company was charging it two percentage points more than Carte Blanche charged and 3½ points more than BankAmericard charged.

American Express officials says the company will drop its maximum charge to 6% next year, but a spokesman is quick to claim that the drop reflects efficiencies of operation and not competition. Perhaps so, but there are indications that American Express, Diners and Carte Blanche are running a bit scared.

THE HAPLESS GIRL CIRCULATES

All three card companies have significantly stepped up their merchandising efforts within the past year because of increased competition, according to Stephen R. Friedman, president of Plaza Group Inc., a company that provides mass-merchandising serfices. For example, the sponsors have been offering card holders low rates for a range of merchandise, such as stereo and film equipment.

One big Los Angeles restaurant says it was ardently wooed to continue its affiliation with American Express after it quit accepting the card. (It didn't sign up again, however.) And American Express gave wide circulation to an article from the May 1969 issue of Cosmopolitan, which bemoaned the fate of the hapless single girl spending herself into insolvency with unsolicited, interest-charging credit cards. (The bank cards allow a holder to pay just a portion of the bill and carry the rest over, at 18% annual interest, which is the chief way the banks profit from their free cards. The older cards demand prompt, full payment every month.)

"We're not sitting here fat and happy," concedes an official of American Express. But, he asserts, his company really won't have to worry "until a bank card is as good in Kenya as it is in San Francisco."

That day may not be too far off. Both major banks cards already are accepted in a few places in Europe, and BankAmericard is as good as yen in much of Japan. Marketing officials at both BankAmericard and Master Charge claim their cards will be accepted throughout the world before too long.

Precise figures on anything in the credit card business are hard to come by. Master Charge says its card is accepted in 605,000 outlets, but a man at American Express says he refuses to be drawn into "the numbers game." How do you count Mobil Oil? he asks. As one outlet or as thousands?

Figures on purchases with the various cards aren't quite as elusive. Officials of the companies sponsoring the three "prestige" cards estimate that $2.7 billion of goods will be purchased with their cards this year, with American Express accounting for about $1.8 billion of the total. The two bank cards probably will account for close to $3.7 billion of sales, officials estimate.

SOME PRECISE FIGURES

A more precise figure is the number of mail fraud cases that have resulted from the mailings of credit cards. In the year ended June 30, 1964, the Post Office reported investigating only 15 cases of credit card frauds. By fiscal 1968, the figure was 360, and in the most recent year there were 762. The number is up sharply again this year.

Eugene Gold, the district attorney in Brooklyn, says recent studies indicate that losses from these stolen cards are "well in excess of $100 million a year," up from $20 million in 1966. These losses generally are borne by banks or insurance companies, but they cost consumers a lot in time and aggravation. The person whose name is on the card is often required to show that he never received the card, which is sometimes difficult. An Administration official recently told the Senate that the black market price of a stolen credit card ranges up to $100.

Thefts are one reason that state and Federal legislators have been asked to enact laws barring unsolicited mailing of credit cards. A Senate subcommittee headed by William Proxmire, a Democrat from Wisconsin, is investigating the practice. In New York, state

Attorney General Louis Lefkowitz has labeled unsolicited credit cards "an insidious evil" and has promised to back a bill next year to ban such mailings in New York.

Another reason cards shouldn't be sent unsolicited is that they make it too easy for a person to spend more money than he has, critics contend. Bankruptcy often results. They say, most personal bankruptcies are due to overextended credit, "frequently due to the unwise use of credit cards," asserts Royal E. Jackson, chief of the bankruptcy division of the administrative office of the U.S. courts.

In Senate testimony, he referred to a report from a bankruptcy referee in Knoxville, Tenn., who said that 17% of the 682 consumer bankruptcy cases in a six-month period this year listed credit card debts owed to banks. The referee added that the average wage earner in his area received $70 a week, had a 10th-grade education and "almost without exception was mailed a credit card without application."

THE TRAGEDY OF THE MISSING IN ACTION IN VIETNAM

Mr. DOLE. Mr. President, scattered across the Nation are members of a special group of women for whom that phrase "the uncertainties of war" has a very deep meaning.

These are the women who are wondering if they are widows or wives of missing soldiers in Vietnam. The hardships these women and their families face because of Hanoi's refusal to release prisoner names are indeed tragic.

Mrs. Kathleen Johnson, a Salina resident, is one of these women. She has not known whether she is a wife or a widow since June 10, 1965, when her husband, Maj. Bruce Johnson, was reported missing in action in Vietnam.

This tragedy has been expressed with poignancy in an article written by Robert Entroken and published in the Salina, Kans., Journal of December 14.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IS SHE A WIFE OR A WIDOW? "I KNOW IN MY HEART THAT BRUCE IS ALIVE"

(By Robert Entriken)

Mrs. Kathleen Johnson, 138 Denver, Schilling Manor, doesn't know if she is a wife or a widow. She hasn't known since June 10, 1965.

Since that date her husband, Maj. Bruce Johnson, has been missing in action in Vietnam. He is one of about 1400 Americans so listed.

The number is an estimate. It includes those known to be prisoners of the Communists and those who simply have dropped from sight in the war zone.

But neither the Hanoi government nor the Viet Cong have seen fit to release the names of their prisoners. There is no way of knowing if fathers, husbands and sons are alive in a prison camp—or dead in a Mekong Delta swamp.

Friday, Mrs. Johnson and 25 other wives of missing men responded to an invitation to meet with President Nixon at the White House.

There was no advance publicity "because of the personal nature of this visit with you and other wives and mothers", said Nixon's telegram to Mrs. Johnson.

"I think his presence and what he had to say demonstrated his concern," Mrs. Johnson said. "He told us our men would not be abandoned no matter where they might be. He stressed this point."

Mrs. Johnson said she believed the meeting to be without precedent. As far as she knows, no other President has ever met with wives of missing servicemen.

But then, she said, America has never been in a war where the names of prisoners have been withheld for so long. Both Japan, in World War 2, and North Korea, during the "police action" there, withheld names briefly but then released them.

MISSING MANY YEARS

Sen. Robert P. Griffin, R-Mich., the Senate Minority Whip, said Wednesday on the Senate floor one serviceman has been known to be a prisoner for nearly 5½ years. Four others have been missing or held captive for 5 years. More than 200 have been missing or captured nearly 4 years.

Johnson, who now has been missing 4 years, 6 months and 4 days, is high on the list.

But are the men captured or dead? Nobody knows.

Mrs. Johnson believes her husband is a prisoner of the Viet Cong or the North Vietnamese Army (NVA).

"I know in my heart that Bruce is alive. I knew it the day the telegram arrived and I know it now," she said.

He has not been heard of or from since that day when, as an adviser to a South Vietnamese Army (ARVN) unit, he went in with a relief force to try to rescue units surrounded by the enemy.

This was during the battle of Dong Xoai, a Special Forces camp which had been overrun north of Saigon. Johnson's last contact with anyone was with the commanding officer of the U.S. Army helicopter unit which was flying-in the relief forces.

His final message was that all the other Americans with him were dead and there was nothing left to relieve.

The Johnsons have 3 children—Bruce, 10, Colleen Joy, 7, and Bryan, who will be 9 next month.

"The children have to live with this, too. They've had to almost all of their lives," Mrs. Johnson said. "It could all be relieved if only the Viet Cong and Hanoi would just give a list of names of the men they're holding prisoner."

Bruce, she said, entered kindergarten the September after his father became missing. He now is in the 5th grade.

But the last memory Johnson had of his children was in a photograph taken in September, 1964. It showed Bruce as a preschooler of 4. Bryan and Colleen were toddlers of 3 and 2.

The photograph was returned, its cardboard frame yellowed and with a couple of smudges and spots on the print, with Johnson's personal effects.

Bruce, said Mrs. Johnson, is the extrovert of the trio. He's the type who walks up boldly to greet a new friend. And Colleen is a rather typical young girl. But Bryan is the quiet one. He has to be drawn out.

"It's been particularly hard for all of them," Mrs. Johnson said, "but in a child like him I can see in his eyes the hurt it has caused."

Colleen has her moments too, Mrs. Johnson said.

"Colleen will see a father and a daughter—she doesn't know what she's doing but she'll step back a few paces and just watch."

Sometimes normal childhood activities take on a different hue. Recently Colleen's Brownie troop was making cookies to give to daddy.

"Colleen's cookies are in the refrigerator at home," Mrs. Johnson said.

One time a class was writing letters to their fathers—a fairly basic exercise in primary school.

"How do you write a letter to your father when you know he'll never get it?" Mrs. Johnson asked.

Letters to prisoners in Vietnam disappear. They are never returned. But prisoners who have been released or escaped said the mail never get through except on extremely rare occasions—like for use in propaganda films.

And packages eventually are returned to the sender.

For the fifth Christmas, Mrs. Johnson has sent a package to her husband. The previous 4 all were returned 5 or 6 months later, marked "refused".

They are sitting in a closet at home now. "I just can't throw them away," Mrs. Johnson said.

Last September Mrs. Johnson wrote her congressman, James Harvey, R-Mich., who represents the district in the "thumb" of the lower Michigan peninsula including her home town of Harbor Beach.

Three days later Johnson's mother, Mrs. Claire Johnson, Harbor Beach, also wrote Harvey.

On Sept. 17 the House passed a resolution condemning North Vietnam and the National Liberation Front for their inhumane treatment of prisoners and disregard for the Geneva Convention.

The discussion on the resolution, all favorable, covered 58 pages of the Congressional Record, in which Harvey read the letters of Jonhson's wife and mother.

In her letter, Johnson's wife asked Harvey to make "a strong and firm stand demanding that the NLF and Hanoi cease their cruel and inhumane treatment of our husbands, fathers, sons—please demand as a spokesman of your people that names of prisoners be given, that there be an exchange of mail and packages between the men and their families and that a Red Cross group or any neutral committee be allowed to examine POW camps in both North and South Vietnam, that those of our loved ones who are sick or wounded be returned in the name of humanity and basic decency—that physical and mental torture be stopped!"

North Vietnam is a signatory to the Geneva Convention. They signed it in 1957. The Republic of Vietnam signed in 1953 and the U.S. ratified it in 1955.

NOT BOUND?

Sen. Griffin, in his Dec. 10 Senate address, said the Viet Cong contends it is not bound by the Geneva Convention since the NLF never has signed it.

"But the International Red Cross says that the Viet Cong is bound," Griffin said, "since both North and South Vietnam are parties to the Geneva Convention."

Hanoi and the NLF have been oblivious to official calls for humane treatment of prisoners and inspection of POW camps by neutral parties.

But, Mrs. Johnson said, something seems to be getting to them: individual efforts.

The US Junior Chamber of Commerce has begun an individual letter-writing drive to Xuan Thuy, leader of the North Vietnamese delegation at the Paris peace talks. Others have been urging letters to Madame Nguyen Thi Binh, head of the NLF delegation, to neutral countries and anyone who may be able to influence the Communists.

"This seems to be the one thing they're really uncomfortable about," Mrs. Johnson said.

Since her husband, if captured, would have been taken by enemy units in South Vietnam, he probably still is in South Vietnam. Intelligence reports from escaped prisoners have shown that an enemy unit generally will keep a prisoner with it rather than send him to a POW camp in the north.

For this reason Mrs. Johnson is directing her efforts at letters to Mme. Binh.

Griffin also has gotten behind the project.

"Perhaps one card will make no difference," he said, "but who can say what a million will do?"

Griffin said the US Jaycees have set up an address for letters to Thuy. The Jaycees will collect the letters and arrange for their delivery. The address is:

Project Xuan Thuy
Box 2600
Washington, D.C. 20013

Mrs. Johnson gave an address for letters to Mme. Binh (which take 20 cents postage for a half-ounce):

Mme. Nguyen Thi Binh
Provisional Revolutionary Government
49 Avenue Cambaceres
Verrieres-Le-Buisson
91 Essonne, France

"We're feeling a desperation for our husbands and for ourselves," Mrs. Johnson said of herself and other women whose husbands are missing or prisoner.

"Hanoi and the NLF must act. They must release the names."

JOURNEY IN SEARCH OF AMERICA

Mr. EAGLETON. Mr. President, Mr. David B. Bowes, a Washington correspondent of the St. Louis Post-Dispatch, recently finished an odyssey which in a period of 7 months carried him over 18,000 miles in the air and 8,500 miles along the highways of our Nation.

It was a journey in search of America, during which he talked with thousands of people from all walks of life.

Recently he concluded his travels and in a series of reflective articles presented his impressions of America in its 163d year.

Mr. President, I ask unanimous consent that these excellent articles be printed in the Record. They were published in the St. Louis Post-Dispatch on December 18, 19, and 21.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Crossroads America: Issues, Reactions Uniform in U.S.

(By David B. Bowes)

Washington.—The problems tormenting America, and reactions of individuals to them, have remarkable uniformity from state to state, city to city, town to town and farm to farm.

This predominant conclusion emerges after seven months spent in search of America—flying the equivalent of six times across the continent, driving 8500 miles along highways and streets, talking with thousands of citizens in all walks of life.

One never stopped looking for significant exceptions to the national rule. There are variations, yet no real exceptions.

Travelers who make the effort can learn interesting local nuances in public opinion. History and climate and custom still shape Americans as a people. Drifting through various regions helps one apply a sort of fine tuning to what he thinks he knows about the United States.

But there are no surprises.

Somewhere in this land there may be a place where the divisive social, political and economic issues of the 1960s have been eluded or held at bay. This reporter did not find it.

Somewhere exists a community that established its priorities, dealt methodically with urgent public tasks. committed sufficient funds to assure success and lived happily ever after. Don't you believe it.

Indeed, the chaotic pressures exerted on man and nature appear to be so consistent that one is inclined to be encouraged even as he ventures a fairly negative prognosis for the immediate future.

America is at a crossroads in its life as a cohesive and governable nation. Its citizens unanimously agree on that much.

What many of them still do not seem to realize—despite the quantities of printed and broadcast information to this effect—is that their own community's problems are not in any way unusual.

As surely as a marigold seed grows into a marigold and not a daisy, the community that undergoes marked changes in population and uniformity of its citizens is soon beset with all the now-familiar facets of the urban crisis, suburban crisis, rural crisis, etc.

A white candidate for Mayor of Detroit could be running for the same office in any other city with his promises to use "modern electronic technology" for getting policemen to the scene of crime, to establish "neighborhood city halls" where clerks will listen to you, to do something nice for senior citizens, to do something firm about juvenile delinquency.

Everywhere public officials are attuned to overwhelming public revulsion against overt violence of any sort. Citizens insist that they are not against greater equality for blacks or a greater voice for students in university affairs.

But don't try to justify violence as a means of achieving anything. The American people, although not renouncing their own violent national past, are turning against even the quiet violence by which man has assaulted and battered his environment.

Yet the protest technique seems certain to be with us for years to come. It has become respectable.

"The middle class for years has been afraid to rock the boat," says the head of a citizens' tax group in Milwaukee. "Students and minority groups showed us that confrontation is the key to getting results."

The tax revolt runs wide and deep. All over America voters are rejecting school budgets, refusing to approve bond issues and otherwise declaring that, Oliver Wendell Holmes' statement notwithstanding, their taxes are not buying a civilized society.

Older white residents of cities contend that the tax load is driving them out of their little homes. Even in the suburbs this theme can now be heard.

"The tax system is starting an elite here," mutters a barber near Boston. "The rich can afford to stay but I can't."

From Richmond, Va., to Portland, Oreg., the traveler is told that middle-class resistance to taxation will continue until America starts tending to the things that once were the hallmarks of a proud and efficient adventure in democracy: Garbage collection. Postal service. Poor people willing to work for a living.

New York City is viewed as being so big and such a mess that it is a special case. There is vague awareness, however, that if Gotham is ungovernable, no other city can take its future for granted. If citizens do not maintain their property in the Bronx some sort of bell may be tolling for Des Moines.

Stated in various ways, a national demand for new priorities is what seems to arise for this welter of dissatisfaction.

Putting astronauts on the moon was an exhilarating, almost spiritual, experience for an America divided against itself. In the fifth and by some measures the eighth year of a war that will not be "lost" and cannot be "won," the mission of Apollo 11 was victory in its most decisive, noble and faultless form.

Where do we go from here? The public has expressed no clear judgment on how badly it wants to explore Mars. Some observers considered Apollo 12 something of a rerun. Even in central Florida, not far from Cape Kennedy, polls disclose erosion of support for more of the same. There is pride in the country's technology and delivery systems. As a people, Americans take know-how for granted, and not only in the bleak reaches of space. This nation applauds the same expertise when it is harnessed to deliver countless hot dogs (cooked in beer) to just about any intersection in these United States.

So why can't trash be taken for disposal to some place far away? San Francisco on its peninsula may appear to be a special case in this respect. It is a matter of degree, however. City dwellers in every region are receptive to trash trains, laser beams, anything to make their junk dissappear.

The sanitary landfill at wealthy Monterey, Calif., "even has a Filipino gardener," boasts the landfill superintendent. While picturesque and sequestered Monterey was giving trash a relatively fancy burial, the local teachers went on strike for more pay.

One finds virtually no support for continuing the Vietnam war. This is not to say that some people would not like to bomb Hanoi and "get it over with." Mostly it is the young who brood about the violence overseas.

Those who express the greatest frustration over the stalemate, and the shortest patience with antiwar protesters, seem to know what is inexorably coming. Equating withdrawal with defeat, their bitter search for reasons "why" has already begun.

In philosophical moments, some individuals of ultraconservative persuasion seem to be saying that President Richard M. Nixon has their permission to end it as long as he calls it something else. Many object to "instant analysis" on television because, they say, it militates against efforts to give Americans something to believe and cling to at this painful juncture in the nation's life.

Mostly folks are simply tired of war, tired of death, tired of trying to do right by "little brown people" on the other side of the world who "aren't worth the life of any American boy."

For too many years, one is told in cities and towns everywhere, families have been separated for no good reason if we're not going to win this thing.

The sad departures continue. Smart in his starched uniform, the soldier tries to cheer his wife and aging parents at the airport. They are not to be consoled. Just as they see few tangible domestic returns for their tax dollars, they no longer believe that we protect Los Angeles by scanning a Saigon crowd for an indistinguishable enemy.

On the home front these issues, listed in the order in which residents of the Massachusetts view them with alarm, hold true in the South, West and Midwest as well:

Drug abuse among youth, inflation, welfare, lack of respect for authority, the Mafia, crime in the streets, cost of auto insurance, cost of state government, riots in the ghettos, highway accidents, breakdown in parental discipline, student protests, property taxes, cost of town and city government, industrial development, income taxes, water pollution, dishonesty in high places, air pollution, traffic congestion, helping the poor, police protection, racial prejudice, parking, alcoholism, public transportation, mental health, education, quality of roads, recreation facilities and unemployment.

In the face of all this, Americans have turned predominantly conservative in their attitudes, whatever their political party affiliation.

The conservatives are more conservative.

Perhaps half the liberals have become conservative; the other half are either silent or dispirited because the nation is in no mood to support new crusades against hunger, injustice or the like.

One hears also of the strong desire of American suburbia to be let alone. Americans are a people struggling to better themselves and the lives of their families. Whites want to move up from apartments where people dump their automobile ashtrays in the parking lot. Blacks want to leave places far worse than that.

To date, the suburbs have not been the paradise to which all have aspired. Americans still search for the sense of place that small towns and farmsteads offered. Even city neighborhoods offered this sense of belonging before cities started falling apart.

No matter. For now, at least, the expanding American middle class wishes to putter in its back yard, see a football game on television, play some corkball (in Savannah they call it half-rubber) with the kids, and try to get a little love and laughter out of a world that is beyond understanding.

"We are concerned in public affairs, but immersed in our private ones," wrote Walter Lippmann nearly 50 years ago. It remains true today, although it is increasingly difficult to tell public from private.

RACE, YOUTH ISSUES TEST U.S.

(By David Bowes)

WASHINGTON.—"I know that the heart of America is good," said President Richard M. Nixon in his inaugural address last January. Americans want to believe this but many cannot.

As if the complexities and disruptions of metropolitan life were not enough, the traveler in search of America today hears repeatedly that two issues—race and youth—are sorely testing the nation's capacity for good will.

White citizens still express support in principle for racial harmony in education, employment and housing. As time passes there seems to be more willingness to accept black Americans as equals—in the sense that they have equal opportunities.

Simultaneously, however, whites make it clear that they do not condone racially divisive language from blacks. Nor do they understand why some Negro Americans act as if they thought separatism was the answer. Moreover, many whites believe that militant blacks speak for most blacks.

Negroes, for their part, generally express faith that their race will gain full access to life in America just as various groups of ethnic whites did before them. Most blacks disapprove of the conduct of militant separatists, but they voice fully as much impatience.

The revolution of rising expectations—a term often applied to underdeveloped colonial nations—has become a major factor in domestic race relations as well. "Now," as in "Freedom Now," means what it says.

As surely as Southern whites knew deep down that school integration was coming, no matter how many delays were cooked up, Negroes everywhere predict that full equality will come. Their desperation stems from the feat that they might not live to enjoy it.

A black woman in Virginia, about 60 years old, knows the times have left her behind. Although she is not angry, she makes this melancholy observation:

"All these modernistic things that colored kids are demanding. Mostly they're getting chances that all of us should have. What I wonder sometimes is why I didn't think of trying harder for freedom when it could have made a difference. Why didn't I think of it? Maybe only schooling sets you thinking."

These thoughts are almost identical to comments made by white parents who contemplate the turbulent, liberating lives of young persons now coming of age in America. Few citizens, however, are aware of these similarities in outlook.

Back in May this reporter talked with a Negro woman whose student son he had met in a different city. Remembering her boy's high-rise Afro hair style, this mother asked:

"I suppose he's still wearing that awful, long hair, isn't he?"

Frequently, in many sections of the country, the comment has been recounted in conversations with white mothers perplexed by the rebellious attitudes of young persons whose hair hangs down instead of standing up.

Without exception, the reaction of the white women has been one of amazement. All of them immediately recognize the parallels between their own motherly dismay and that of the Negro mother.

Most of them accept this true incident as true, despite the fact they have never experienced anything that might corroborate it. A few whites insist that the reporter is making up stories to support some personal bias.

Besides this evidence of de facto separatism, one encounters a wide range of misconceptions which raise serious questions about reality as well as tolerance in America today.

The white merchant in Salinas, Calif., may be forgiven his annoyance at finding Negro members of the Job Corps living in the Omaha hotel where his high school prom was held. Having declared that we can't go home again, people try anyway, blaming others when it doesn't work out.

Not so easily forgiven, at least not by low-income whites, is the middle-class liberal who espouses integration for others but lives beyond the upheavals it produces. Some crusaders live in expensive suburbs; others live in northern states where only a few Negroes reside.

Southerners are quick to express resentment when people in higher latitudes tell them how to manage their affairs. The southern point is fairly made.

A parade in Florence, Oreg., last summer included a shuffling character in blackface whose function was to clean up manure from the horses. Vermont's tradition of equality since Abolition days was shaken a year ago when night raiders attacked the home of a black minister. In Minnesota, indorsement of the Kerner Report is no less valid if the political leader has never met any Negro, but some might find indorsement easier.

The glamorous culture of youth is wringing other anxieties from the heart of America. Fed the world's most nourishing diet, reaching puberty earlier than ever, our children are brimming with righteous indignation and animal spirits in equal measure.

Organized religion is going through a time trial for many reasons, chief among them the young persons who accuse the bigger denominations of practicing real estate first and Christianity second. This is what the traveler is told by clergymen in metropolitan areas.

Urban America is where church membership projections in the late 1950s heralded growth. New wings were built for Sunday schools and the full range of secular activities that characterize religion in the twentieth century. In many cities this growth did not pan out. So the mortgages are bigger and financial support from congregations is declining.

Without young persons and their social gospel of brotherhood and involvement, religion in the United States faces a doubt-filled future. With middle-class adults dropping out—they say churches are too liberal and controversial—religion today is tenuous, too.

An unscheduled visit to a Protestant theological seminary illustrated the youthful view that the seniority system has held back the nation. In addition, it was one of countless incidents showing how "youth" as an age bracket now runs from roughly 12 years of age through graduate students in their middle twenties.

Hearing a broadcast report that seminarians had occupied an administration building, this reporter left a busy freeway and found his way to the shade-dappled campus that was under seige.

The seminarians, most of them clean-shaven and all of them terribly earnest, were protesting against the fact that the board of trustees had no Negro members. A small percentage of seminarians was black; most of the protesters were white.

Not only were these future ministers unanimous in the action they took. Their wives had signed a petition urging them to boycott examinations and the like. A student spokesman explained:

"This country is being run by self-perpetuating boards of older people. Time and again we respectfully asked for a hearing. Not a word, not even from the progressive businessmen who serve as trustees here. Now that we've taken over they all want to talk. Isn't it sad when we have to do something absurd like this to get action on a moral issue?"

Another significant factor is that many Americans under 30 no longer fear attack or invasion by a foreign power. The Cuban missile crisis was seven years ago—a long time as young people measure it.

Even members of right-wing political organizations seem content to focus on what they believe is domestic subversion.

"I belong to an anti-Communist organization that never holds meetings," confided a pleasant lady in Dallas. "We don't want to be infiltrated."

Few Americans express interest or abiding faith in the civil defense program. In a suburb of Washington, D.C.—a prime target for enemy attack—more than a hundred water containers in one big shelter stand empty. First aid kits have been borrowed and never returned.

Citizens who may have given the best years of their lives to winning World War II remember Pearl Harbor, Dachau, Buchenwald and Manchuria. Indoctrinated with the notion that America could be attacked, for reasons totally beyond its control, they made a kind of game of pondering global machinations.

Younger citizens, better educated than ever before, know nothing of this feeling, just as they know nothing of great economic depressions. For this reason, some thoughtful observers suggest, the young are unwilling to pursue military adventures in Korea, Vietnam and elsewhere.

Instead, youth worries about why the nation cannot supply adequate housing, sufficient clothing, food, a decent environment. They ask why it is not possible, with affluence upon us, for an individual to find creative work and leisure in this impersonal, industrial society.

This divergence of emphasis between generations may produce more startling contrasts in the future. More than 12,000,000 Americans were enrolled in colleges or universities in this decade. Is higher education an intense mass experience, shaping lives and attitudes just as war and depression did?

Near a midwestern university two unmarried students are strolling. He gathers a handful of her hair and tugs it gently. She looks up with the adoring eyes that women have saved for special men since time began They do the weekly washing at a coin laundry, then head home to macaroni, marijuana and bed.

Many young people consider such relationships essentially more honest than what is described in the vintage Americans painted on honeymoon cars. "Just Married! Tonight It's Legal!" declares a Dodge in New Hampshire. "Now It's Legal! Ha-Ha!" shouts a Volkswagen in Seattle.

Youth's new brand of honesty still has fewer adherents than the old. But youth, because it is so young, has time.

America Clings to Past Amid Urbanization

(By David B. Bowes)

Washington.—Too tired and discouraged for its tender years, this nation of 202,000,000 has moved to the city but left its heart on the farm.

Paying unconscious homage to the agrarian past and its systems of government, America is an urban society surprisingly naive about how it got that way and about why it is undergoing spasms of change.

On every hand the traveler sees evidence of disparity between the vast, industrial United States as it is and the hope of many citizens that small town and rural values still set the pace.

Nearly everyone knows what a dramatic increase in population growth and density can do. It can make a nation such as India seethe with class hatred, taxing its capacity to achieve consensus or withstand protest and rioting.

The historical rate of population growth in America is not far different from that of contemporary India, according to the Population Research Center of the University of Chicago. America's high natural birth rate and heavy immigration were wonders of the world.

Not until April will we complete 50 years as an urban nation—a majority of Americans living in communities of 2500 or more—and demographers predict sizable population growth before the year 2000.

With the disappearance of free frontier land, the impact of this trend of urban growth intensified.

Philip M. Hauser, professor of sociology and director of the center, believes that the combined effects of population growth, density and racial concentration "produced in the realm of the social the equivalent of a mutation in the realm of the genetic."

In Hauser's view, the northward migration of Negroes is not yet fully grasped. Blacks, having been excluded from mainstream America, went from 73 per cent rural to 73 per cent urban in a half century.

Although he does not believe that either conservatism or liberalism can solve the urban crisis—he calls for new emphasis on social sciences—Hauser does relate politics to population.

It is no accident, he said, that conservative Senator Barry M. Goldwater of Arizona comes from a state that as recently as 1940 had a population density about the same as that of the United States in 1790. Nor is it mere coincidence, he said, that Senator Jacob K. Javits, a liberal Republican, represents crowded New York.

Asked whether the United States had somehow slipped its moorings and begun drifting as a nation, Hauser shook his head.

"On the contrary," he replied, "I don't think we've slipped our moorings fast enough. Our responses to urban problems are tied to archaic state and federal constitutions. I question whether America can remain a viable society unless we stop trying to solve twentieth-century problems with nineteenth-century methods."

Hauser, a recent past president of the American Sociological Association, is outspoken in his interpretations of population data tracing the passage of this country "from the little community to the mass society."

That Americans find it difficult to reassess familiar systems of governance is neither new nor surprising. Friendly conversations in many states reveal some progress amid the general lag.

The realization that county government, as constituted, may not be equal to its tasks is gaining ground. One is frequently told that county seats were situated one day's buggy ride from anywhere in the county, the implication being too clear to spell out.

Planning has become a respectable word, as Hauser noted, if it is modified by the term "city." However, when modified by such terms as "metropolitan," "regional," or "national," it is still considered a dangerous idea by many Americans.

While youth exalts the here-and-now, its elders seem preoccupied with earlier years—not so much to learn where we have been as to relive simpler periods through their artifacts and rhetoric.

Dealers in antiques and the like report that traditional distinctions between antiques and worthless discards are blurred. A Post Toasties box glued to a varnished board sells for $14. The coil from a Model T Ford is tagged $8.75. Demand is as great for morality plays of the sort depicted in comic books from the 1940s.

On the philosophical side, one encounters not a misreading of history, but an apparent disregard for context and changing times. Century-old quotations from Abraham Lincoln, suggesting that free Negroes ought to know their place, are cited chapter and verse against civil rights legislation.

Furthermore, there is limited sentiment among the voting public for the possibility that the Founding Fathers did not intend specific points in their documents to be protected against amendment of any sort.

Hauser noted that the United States, at the time of the writing of the Federal Constitution and most of the state constitutions for which it was the prototype, was an agricultural society in every respect.

Between 1910 and 1967, farm employment declined to 4,953,000 persons from 13,555,000. Americans working in service industries increased to 10,071,000 from 2,203,000 in about 40 years. There were 2,676,000 Government employes in 1919. Now there are more than 11,000,000 civil servants and neither political party promises to do anything to reduce the number.

Megalopolis—with every physical economic, personal, social, spiritual, racial and governmental problem—is where you find it. Hauser sees it emerging from:

Milwaukee to Chicago to South Bend
Chicago to Peoria to St. Louis.
Detroit to Toledo to Cincinnati
Toledo to Cleveland to Pittsburgh
San Francisco to Sacramento
San Francisco to Fresno to Los Angeles to San Diego
Everett to Seattle to Tacoma to Portland to Salem
Jacksonville to Orlando to Miami on Florida's east coast
Jacksonville to Orlando to Fort Myers on Florida's west coast
Buffalo to Utica to Albany
Knoxville to Chattanooga to Birmingham
Denver to Pueblo
Dallas to Houston to Galveston to Fort Worth to San Antonio
Atlanta to Durham.
New Orleans to Mobile to Tallahassee.

It takes anly time and depth of focus for the roving reporter to confirm that Hauser's predictions are coming true.

The talk about new towns and new cities suggests to some persons that escape from urban society and its ills is possible. This is still a free country; hippies and straight people alike are returning to till the earth.

Hauser foresees continued concentration into metropolitan clusters, ". . . because such areas are the most efficient producing and consuming areas which man has yet devised."

"They are also the areas of greatest social lure," Hauser said, "embodying the most advanced levels of education, science, art and general recreational and cultural facilities."

By 1990, even with considerably reduced fertility, the total population could increase by as many as 90,000 persons. Of this increment, 80 per cent is likely to concentrate in metropolitan areas where racial segregation by cities and suburbs still will be pronounced.

This means that for the next 50 years America can look forward to more of the growth and confusion that already has it reeling. If the prospect is discouraging, one can be thankful that a nation so young should be resilient enough to pull through.

"The trick is to grow up without getting old," the architect Frank Lloyd Wright once remarked. Wright's words suggest a fitting challenge for a stirring and beautiful democracy in the 193rd year of this country's independence.

LEGISLATIVE ACCOMPLISHMENTS OF THE SENATE COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. YARBOROUGH. Mr. President, as the session draws to a close, I wish to report to the Senate on the work done by the Committte on Labor and Public Welfare, of which I am chairman.

Let me say first that I am proud of the record the committee has made in 1969. The record could not have been made without the great help and cooperation I received from all Senators, including our colleagues on the other side of the aisle.

The committee received and reported 31 nominations, all of them subsequently confirmed by the Senate.

It held hearings on 56 different topics, covering 150 days of hearings in Washington and in various places in the country.

The legislative record shows the following results:

Eleven bills handled by the committee were passed by both Houses, and signed into law by the President. The list of bills follow:

H.R. 497, Public Law 91–4: To amend sec. 301 of the Manpower Development and Training Act of 1962, as amended. (H. Rept. 91–26, Feb. 4, 1969; passed Senate (in lieu of S. 279); Mar. 7, 1969). Approved Mar. 19, 1969.

H.R. 8438, Public Law 91–6: To extend the time for filing final reports under the Correctional Rehabilitation Study Act of 1965 until July 31, 1969. (H. Rept. 91–77, Mar. 13, 1969; passed House, Mar. 18, 1969; Mar. 20, 1969, received by Senate and placed on Senate Calendar; taken from calendar and passed by Senate, Mar. 24, 1969) Approved Mar. 28, 1969.

H.R. 3689, Public Law 91–45: To cede to the State of Montana concurrent jurisdiction with the United States over the real property comprising the Veterans' Administrative Center, Fort Harrison, Mont. (H. Rept. 91–13, Feb. 4, 1969; passed House Feb. 17, 1969; S. Rept. 91–284, July 2, 1969; passed Senate, July 8, 1969). Approved July 19, 1969.

H.R. 10946, Public Law 91–54: To promote health and safety in the building trades and construction industry in all Federal and federally financed or federally assisted construction projects. (H. Rept. 91–320, July 15, 1969; passed Senate, with amendments, July 24, 1969; House agrees to Senate amendments, July 28, 1969.)

S. 1611, Public Law 91–61: To amend Public Law 85–905 to provide for a National Center on Educational Media and Materials for the Handicapped, and for other purposes. (S. Rept. 91–195, May 23, 1969; H. Rept. 91–395, July 28, 1969; passed House, amended, Aug. 4, 1969; Senate agreed to House amendment, Aug. 7, 1969.)

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H.R. 11235, Public Law 91–69: To amend the Older Americans Act of 1965, and for other purposes. (H. Rept. 91–285, June 5, 1969; passed House, June 16, 1969; S. Rept. 91–340, Aug. 5, 1969; passed Senate, amended, Aug. 13, 1969; House agrees to Senate amendments, Sept. 3, 1969.)

S. 2068, Public Law 91–86: To amend sec. 302(c) of the Labor-Management Relations Act of 1947 to permit employer contributions to trust funds to provide employees, their families, and dependents with scholarships for study at educational institutions, or the establishment of child-care centers for preschool and school-age dependents of employees. (S. Rept. 91–293, July 7, 1969; passed Senate, Sept. 12, 1969; H. Rept. 91–286 (H.R. 4314), June 5, 1969; passed House, amended, Sept. 29, 1969; Senate agrees to House amendment, Oct. 1, 1969.)

H.R. 13194, Public Law 91–95: To amend the Higher Education Act of 1965 to authorize Federal incentive payments to lenders with respect to insured student loans when necessary, in the light of economic conditions, in order to assure that students will have reasonable access to such loans for financing their education. (H. Rept. 91–455, Aug. 7, 1969; S. Rept. 91–368 (S. 2721), Aug. 8, 1969; passed Senate (S. 2721), Aug. 12, 1969; Conference report H. Rept. 91–560, Oct. 13, 1969; agreed to by Senate, Oct. 13, 1969; agreed to by House, Oct. 16, 1969.)

H.R. 2768, Public Law 91–101: To amend title 38 of the United States Code in order to eliminate the six-month limitation on the furnishing of nursing home care in the case of veterans with service-connected disabilities. (H. Rept. 91–270, May 27, 1969; passed House, June 12, 1969; S. Rept. 91–482, Oct. 17, 1969; passed Senate Oct. 21, 1969)

H.R. 3130, Public Law 91–102: To amend title 38, United States Code, to provide that the Administrator of Veterans' Affairs may furnish medical services for non-service-connected disability to any war veteran who has total disability from a service-connected disability. (H. Rept. 91–271, May 27, 1969; passed House, June 2, 1969; S. Rept. 91–483, Oct. 17, 1969; passed Senate, Oct. 21, 1969)

S. 1857, Public Law 91–120: To authorize appropriations for activities of the National Science Foundation pursuant to Public Law 81–507, as amended. (S. Rept. 91–285, July 2, 1969; passed Senate, Sept. 18, 1969; (H. Rept. 91–288, June 5, 1969—H.R. 10878); passed House amended in the nature of a substitute, Oct. 7, 1969; conference report, H. Rept. 91–600, filed Oct. 27, 1969; House agrees, Oct. 30, 1969; Senate agrees, Nov. 5, 1969.)

Three bills have been passed by both Houses, and are awaiting final action by the President. They are: S. 2917, the coal mine health and safety bill; S. 3016, Office of Economic Opportunity Amendments of 1969; and H.R. 9334, to provide for veterans State home care.

We are ready to go to conference with the House on one bill, H.R. 11702, relating to medical libraries.

On three bills: S. 2523, the community mental health centers bill; S. 2809, for public health training; and H.R. 11959, raising the allowances for veterans taking education and training, and making certain other improvements in the GI bill, the Senate has appointed its conferees.

Three bills are awaiting referral to conference or acceptance by the House of Representatives. These are: H.R. 14733 on migrant health, H.R. 693 for medical benefits for older veterans, and H.R. 9634 for sharing of medical services.

One bill has just cleared the full committee and been ordered reported to the Senate. It is H.R. 514, the Elementary and Secondary Education Amendments of 1969.

Finally, four bills referred to the Labor and Public Welfare Committee have been passed by the Senate and are awaiting action by the House of Representatives. The list of bills follow:

S. 1519: To establish a National Commission on Libraries and Information Science, and for other purposes. (S. Rept. 91–196, May 22, 1969; passed Senate, May 23, 1969) Referred to House Education and Labor Committee on May 26, 1969.

S. 2264: To amend the Public Health Service Act to provide authorization for grants for communicable disease control. (S. Rept. 91–478, Oct. 15, 1969; passed Senate, Oct. 20, 1969) Referred to House Interstate and Foreign Commerce Committee on October 21, 1969.

S. 2452: To amend Sec. 211 of the Public Health Service Act to equalize the retirement benefits for commissioned officers of the Public Health Service with retirement benefits provided for other officers in the uniformed services. (S. Rept. 91–455, Oct. 14, 1969; passed Senate, Oct. 20, 1969). Referred to House Interstate and Foreign Commerce Committee on October 21, 1969.

S. 1279: To provide that any disability of a veteran who is a former prisoner of war is presumed to be service connected for purposes of hospitalization and outpatient care. (S. Rept. 91–486, Oct. 17, 1969; passed Senate Oct. 21, 1969). Referred to House Veterans' Affairs Committee on October 22, 1969.

I want to commend and thank my colleagues on the committee for the hard work they have put in on these measures and for their diligent attendance at hearings and at committee meetings. They have already enabled the committee to make a fine record in the first half of the 91st Congress, and I look forward to an equally productive year in 1970.

NEED TO IMPROVE INDIAN EDUCATIONAL SYSTEM

Mr. MONDALE. Mr. President, the appalling statistics on unemployment, health, poverty, and education which come out of our Nation's Indian reservations and communities have been recited many times. We have heard them so often—40 percent unemployment, $1,500 annual family income, lifespan of 44 years—that we have almost become immune to their meaning.

I was beginning to fear I had, until I received a letter this week from Mr. Jerry Buckanaga, the Indian principal of the Pine Point School near Ponsford, Minn. Out of this small northern Minnesota Indian community, Mr. Buckanaga reported the following tragic statistics: two teenage suicides and seven attempted suicides in the last 10 months; 18 local Indian youths incarcerated in State correctional institutions, another 27 on probation; a high school Indian dropout rate of 78 percent, and an average daily attendance of only 51 percent.

These statistics can be interpreted a number of ways, but of one thing I am convinced: the educational system must bear the major responsibility for these tragic situations. These statistics will not change until the educational system changes to recognize the special needs of Indian students.

The recently released report of the Senate Indian Education Subcommittee pointed out ways in which the educational system should change. The report called for, among other things, increased participation by Indians in the operation of schools attended by Indians, and development and implementation of curriculum materials which recognize cultural differences. Mr. Buckanaga has taken these recommendations to heart and has begun plans to establish an Indian-planned and Indian-operated experimental school in place of the present system. His observations on the problem in Indian education are insightful and his suggested remedy is a gratifying response to the Indian Education Subcommittee's recommendations.

I ask unanimous consent that his letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

PINE POINT SCHOOL,
Ponsford, Minn., December 12, 1969.

Hon. WALTER F. MONDALE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MONDALE: In light of your deep concern in the area of Indian Education, I am writing to you to inform you of a serious problem and perhaps you may find a way to assist me.

Briefly, this is the problem. In 1967, the State Legislature passed a law calling for reorganization of the school districts in the state of Minnesota. This affects us and the future of this Indian community. This will eliminate an all Indian school board and Indian administrator. I think our administration structure is indeed a very unique instance. The aspect of improving Indian Education is very difficult when done by the non-Indian. This has been the pattern for generations and this will continue to be the pattern in light of the school reorganization act. This is a most unfortunate circumstance because of the impact this will have in the area of Indian self-determination. The impact, I feel will be a negative one. Many of the Indian parents have stated they will not send their children to school if we lose ours. This, of course, is the ultimatum and I don't want to go that route unless there is no way to turn.

I feel there are some things that I as an Indian can correct in the field of Indian education. Being the administrator here for the past year has given me extensive insight to the gigantic problems the Indian child has to encounter. The ignorance of the public school system in attempting to educate the Indian is deplorable.

I have initiated a proposal for the development and establishment of an Experimental-School in this community, similar to the Rough Rock, Arizona school. It will involve a drastic change in the curriculum and methodology of instruction and personnel. I feel I must do this and be given the chance to make mistakes because others have made too many mistakes for us. If we fail it will be our failure and at least the Indian will have had the opportunity to decide on his own destiny. Perhaps the major reason for wanting a project such as this is because of the many problems we do have and very little is being accomplished to alleviate the problems we live with. Although it is difficult to select a most serious problem I feel that education is of a major priority because of the impact it will have on the future generations of Indian people. In my proposal I intend also to be dealing with the economic aspect, with the employment of Indian people in the school program. This means a concentrated involvement of the community and the people. The apathy we have is because of the ignoring of the Indian people, the manipulation of Indian people by the professional people who have been delegated to serve us and this must be a focal point in the project. The Indian has not had much hope and has accepted the poverty, alienation and degrading without too much opposition. The problems we live with in this community are known by all when people discuss the Indian "problem". I am referring to the figures and statistics which I constantly read about. Let me cite a few statistics also.

Suicide: In the past ten (10) months, two (2) young Indian people have committed suicide. Seven (7) more attempts were made.

Delinquency: We have eighteen (18) of our young people being detained in state correction agencies. Twenty-seven (27) are on probation to the courts.

Dropouts: The high school drop-out rate in the high school we contract with, is 78%. The average daily attendance is approximately 51%.

These are the statistics of one Indian community and this is the community of Pine Point-Ponsford.

The Indian people have little hope. What hope there is lies in me and retaining the school. I feel that I can correct many of the despicable wrongs which have been done to the Indian people. I must be given the chance to salvage the identity of the Indian and this community. This is the hope that we have.

I am appealing to you on behalf of the Indian people in the community of Pine Point-Ponsford to assist us in our efforts. What there is you can do, I don't know. What I do know is you are concerned about Indian people and Indian education.

I will keep you informed as to the progress of the proposal.

Sincerely,

Jerry Buckanaga,
Principal.

GEORGETOWN UNIVERSITY PROPOSES CENTER FOR INTER-AMERICAN AFFAIRS

Mr. BAKER. Mr. President, on October 31, 1969, President Nixon in an address before the Inter-American Press Association called for "further interchange, for increased communication, and, above all, for new imagination in meeting our responsibilities" in the Americas. Georgetown University, ever conscious of its special responsibility to hemispheric affairs due to its unique resources and its location in the Nation's capital, is attempting to answer this call.

Recognizing the national and hemispheric need for intensified study and research on inter-American affairs, Georgetown University plans to establish a center for inter-American studies. This new center will conduct a program of research, study, and consultation which will focus on the changing dynamics of the two principal cultures of the hemisphere, oriented toward present and future issues and problems. Training in the acquisition and application of knowledge and theory regarding specific problems will be provided for graduate students, while services will be made available to the larger academic and professional communities.

SECTION II

Georgetown University, through its departments of economics, history, and government, its school of foreign service, its school of languages and linguistics, its center for population research, and its interdisciplinary Latin American studies program, has long offered opportunity for both undergraduate and advanced studies in the area and languages of the Western Hemisphere. Because of this, Georgetown has consistently attracted a large number of students from Latin America, which fosters an active and fruitful interchange between them and their North American counterparts.

Located in the heart of the Nation's Capital, the university is close to some of the major centers of activity dealing with Western Hemispheric problems and issues. The Pan American Union, Secretariat of the Organization of American States, Hispanic Foundation of the Library of Congress, National Archives, and Latin American embassies as well as U.S. Government offices concerned with inter-American affairs offer unequaled opportunities for historical investigations and the study of contemporary problems.

With these resources to draw upon, the center will engage in five new areas of endeavor in addition to its current inter-American activities:

First. A continuing university seminar on contemporary inter-American issues will be conducted by specialists from international organizations and by visiting professors from other universities. It will focus on contemporary problems such as the economic integration of Latin America, the Central American Common Market, population growth, and current revolutionary movements.

Second. An internship program will bring students into a working contact with inter-American organizations and problems. Work and research would be carried out in inter-American organizations in the District of Columbia, in departments and agencies of the U.S. Government concerned with Latin American affairs, and in the area's Spanish-speaking community.

Third. Special research and study projects of a political, economic, social, and cultural nature will be undertaken in cooperation with individual governments, national and international organizations, and public or private groups.

Fourth. Cooperation with Latin American universities will be established.

Fifth. A publication and translation program will be integrated into the interuniversity relationships, utilizing the excellent facilities and staff of Georgetown's School of Languages and Linguistics.

In order to turn the proposed center into a reality, Georgetown University is seeking both private and Federal funds.

BANKING ON BLACKS

Mr. KENNEDY. Mr. President, last night the Senate voted to reverse the stand it took last week on the so-called Philadelphia plan. I believe that plan is a step toward the goal of providing every reasonable and effective means of encouragement from the Federal Government to increase the number of black people working on federally funded jobs.

I am pleased that the Senate agreed that on its merits the Philadelphia plan should be a useful and necessary tool for insuring equitable employment of minorities.

George Shultz, Secretary of the Department of Labor, deserves praise for his forthright stand in support of that plan. He clearly foresaw the impending doom to the hopes of Negroes in his claim that congressional destruction of the plan would be a blow to social justice. I am convinced that the failure of the Congress to approve the plan would surely "lend tragic encouragement to the desperate view that Negroes cannot win equality of opportunity in America by peaceful and orderly democratic processes," as cited in the Washington Post.

Racial discrimination in the construction trades has been exceptionally blatant. But with the Philadelphia plan we should begin to see changes in the hiring of minorities in those trades. A revealing account of how the Chase Manhattan Bank has initiated recruiting drives for more blacks and Puerto Ricans appears in today's issue of the Wall Street Journal. I feel that the Journal column is an excellent description of what is needed in the entire area of providing full employment opportunities for all Americans.

The Chase stepped up its recruitment of blacks and Puerto Ricans simply because it needs more people. Our expanding economy has forced most industries, and especially the banking industry, to seek more and more skilled employees. Chase is looking to that vast market of black and Puerto Rican New Yorkers to fill its needs for banking clerks, tellers, and officers.

Mr. President, I was impressed with the account of the Chase's program because it reveals so much about minority employment and the response of our society to that crucial issue.

I ask unanimous consent that the article, entitled "Banking on Blacks," he printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Banking on Blacks: Chase Manhattan Bank Recruits in the Ghetto, and Results Are Mixed—Drive Brings in Needed Clerks, But Training, White Bias Are Among New Problems—"The Guy in the Purple Pants"

(By Frederick Andrews)

New York.—Eight miles, or a 35-minute ride on the A Train, separates central Harlem from the trim, glass-walled world of the Chase Manhattan Bank. The subway trip, quite literally, is a journey between two cultures.

Hundreds of blacks now take that ride each day, to work in a bank that until recent years hired few of them. They don't owe their jobs entirely to corporate altruism: Chase needed clerks and decided to go to the ghettos to find them. When it did, it learned a lot about ghetto people and a few things, painfully, about itself.

Some seven years have passed since Chase began intensive efforts to recruit blacks and Puerto Ricans from low-income neighborhoods in Harlem, as well as in the Bronx and Brooklyn. Those groups now comprise about 30% of the bank's 18,000 employees in this country, compared with about 23% two years ago and about 8% in 1963. The influx, still increasing, has forced Chase—the largest bank in New York City and second-largest in the country—to confront problems new to its experience.

AN AMERICA-IN-MINIATURE

For better or worse, the new hiring policy has resulted in an America-in-miniature within Chase's glass walls, with the nonwhites concentrated on bottom and the whites—with a few exceptions on top. The bank now has a large, class-conscious minority—persons new to banking and often poorly prepared for the work, sensitive to criticism, anxious to advance but afraid they won't.

Chase has had to cope with black militancy and formal charges of racial bias. It has launched a costly program of remedial education. It has discovered that some of its white supervisors are ill-equipped, because of prejudices they may hardly recognize, to work with nonwhite subordinates. Gains—and there have been many—often create frustrating new problems.

Both the gains and the problems merit study, because indications are that more and more big-city concerns will have to turn to the ghettos to fill some of their personal needs. Not only are whites leaving cities for the suburbs but also they are showing less and less interest in the kind of low-level clerical jobs every concern must fill. The Chase experience may be seen as a case study that, for many firms, foreshadows the future.

It is generally agreed that Chase has done much better than other members of the New York financial community, including brokerage houses as well as banks, in opening both clerical jobs and other higher-ranking positions to nonwhites. And in business circles, few, if any, concerns are thought to have a keener sense of "corporate responsibility" than Chase. Propelled by strong, concerned leadership at the very top—Chairman David Rockefeller and former chairman George Champion until he retired—the bank has tackled racial problems in dozens of ways.

Chase sponsors a "street academy" in Harlem and has drawn hundreds of its employes into tutoring ghetto children. A Chase foundation gives some $1.5 million annually to urban programs and community groups that work with drug addicts, unwed mothers and ghetto youths. Bank officers are encouraged to lend their time and expertise—and some Chase money—to struggling black businesses, normally considered poor credit risks.

HELP WANTED

But corporate responsibility isn't the main reason a growing number of ghetto youths have found jobs with Chase. "We need people. They're people. It's as simple as that," says one bank official.

In recent years, while the labor market remained drum-tight, a growing economy forced Chase and other banks into big expansion programs. The banks quickly discovered that their traditional supply of clerical help had shrunk greatly. Many a white, middle-class high school graduate who once saw respectability in the teller's cage now goes to college instead.

And so Chase turned to the ghettos, spreading the word that the bank needed workers, regardless of color. Clearly, that message got across. Recently, a visitor to the Chase personnel office on the 28th floor noted that 14 of the 25 job applicants there were Negroes or Puerto Ricans.

But when the visitor was whisked up to the lofty 60th floor and the officers' dining room (a place few of those job applicants will ever frequent), the black and brown faces were few and far between. There are 1,365 officers at Chase (from assistant treasurer on up), and only 13 are Negro or have Spanish surnames.

Undoubtedly, other concerns around the country have similar ratios, but the makeup of the executive ranks at Chase dramatizes only one of the problems created by the new hiring policy. Horatio Alger stories to the contrary, few bank clerks ever rise to vice president. When most of the clerks at Chase were white nobody gave this truism much thought. But now the division between clerk and officer increasingly falls along racial lines, a situation that is at once highly visible and potentially explosive.

THE RANKING BLACK

Chase hopes to avoid that explosion by drawing more qualified nonwhites into its officer corps. Already, the bank's ranking black officer, Hughlyn Fierce, probably can lend more money on his own say so than any other black banker in the nation. (Mr. Fierce, 34, who works at the busy Times Square branch, will only say the amount is "comfortably in the six figures.") But Mr. Fierce is only a second vice president, one of 375. Chase says it has nearly 50 nonwhites in training as potential officers.

Meanwhile, Chase is grappling with a more immediate problem: How to train its new recruits to handle clerking jobs. The bank has about decided that its traditional manner of training new employes—a quick orientation followed by on-the-job training, often supplemented by special textbooks—isn't enough for employes, either white or nonwhite, drawn from low-income neighborhoods.

Harold B. Coburn, the bank's vice president in charge of training, explains that Chase supervisors just don't have the time and skill necessary to develop workers who are products of "a deplorable home environment and community context," a well as of deplorable schools. ("I'll never understand why the hell everybody in New York isn't screaming bloody murder" about the city's public school system, he says.)

One sign of the difficulty of fitting in the new employes is the bank's annual turnover rate, which is about 38% for the bank as a whole but almost twice that rate for starting-level jobs. One Chase official says that other banks face a similar problem and adds that the problem is "not so much a function of race as a function of young people, first jobs and not having the discipline to get up in the morning."

Many new employes drawn from the ghetto bring to the job a built-in expectation of failure, Mr. Coburn says. Chase expected that. What the bank didn't foresee is that some of its white supervisors also would expect the newcomers to fail—an expectation that only makes failure more likely. Trying to remedy that, Chase is putting about 900 of its officers, managers and supervisors through a special three-day course this year.

One day last summer, Mortimer R. Feinberg, a psychology professor and president of a New York consulting firm, told one such group to expect more women, more youths and "rising proportions of nonwhites" in the work force. He said many of the nonwhites will have "inadequate academic backgrounds and a variable work history." Some will show "a slight paranoia of suspicion and fear." But this, he emphasized, is "the cross we must willingly bear."

Kenneth Clark, the Negro psychologist whose study of the impact of segregated school systems on nonwhite children was cited in the 1954 Supreme Court desegregation decision, told participants in one session that what many new employes from the ghetto need most is that "someone, some program, take them seriously—acknowledge that their humanity is equal to others." He warned, however, that such employes will be quick to resent "the basic insult implicit in double, triple and overly solicitous standards."

An experimental, costly Chase program seems designed to incorporate much of that advice. It's called JOB and it costs the bank about $1,200 a participant. So far Chase has put only 255 workers through JOB, but at least parts of the program seem destined to become standard for many new employes in the future.

The typical JOB trainee is "young, black, a dropout who spent 10 years in school but reads at the fifth-grade level," says Art Humphrey Jr., JOB's white director. The program is open to any young man, white or nonwhite, who can meet the bank's bonding requirements. These exclude felons and narcotics addicts but not purse-snatchers or former addicts. The objective is to make such men into reliable employes.

STRAIGHT TALK

JOB trainees begin with four weeks of full-time study, then spend the next five months working and studying on alternate weeks. The bank pays trainees $1.60 an hour. Lessons cover mathematics, business fundamentals and language skills (the bank says it teaches some trainees more reading in six weeks than they learned in public schools in years), Mr. Humphrey and his assistants, many of them young and black, bear down hard on work habits, and they believe the trainees appreciate their no-nonsense approach.

"Sometimes I start with real basics," explains Bob Walters, a 30-year-old Negro and JOB's second-in-command. He'll ask: "What do you do when you get out of bed? Don't you wash? I wouldn't want to stand next to you at work." Then he'll move on to dress: "In business they judge a book by its cover. Do you want to become known as the guy in the purple pants?"

Repeatedly, trainees are lectured on the importance of punctuality. A tardy trainee will be dispatched to buy an alarm clock. "If he's late for the fourth time, he's through," Mr. Walters says. "It's back to the (subway) token and the comic book."

Trainees "don't mind being told," says Mr. Humphrey. "They realize that what we're talking about is money—and that's all we're talking about. They don't come to Chase because it's friendly." Accordingly, the pitch often is unabashedly materialistic.

SIGNS OF SUCCESS

Stocky, gum-chewing Steve Kornett, a white assistant treasurer at Chase, bore down on the money angle when he strolled in to address one JOB class. "In our department we work as a team, there's no hanky-panky and we really get that work out," he said. "And our people get *rewarded* for it." To emphasize the point, he stepped to the blackboard and wrote: "$=WORK!!!"

Chase deems JOB a success. According to a recent count, 128 of the 255 JOB graduates still are with Chase, a better retention rate than that for similar employes who did not go through JOB. Mr. Humphrey thinks the most encouraging sign is that three-fourths of the current JOB applicants say they were steered there by JOB graduates.

Many graduates speak warmly of the program. "It did a lot for me because they was interested in how you did your work," says Larnell Johnson, 21, a Southern-born Negro who dropped out of a Brooklyn school in the 10th grade. "You feel like you got to help the other guys. We tried not to ask the teacher. Everybody helped everybody along. It was a beautiful experience."

Since JOB, Mr. Johnson has been working in Chase's audiovisual department. His main job is to direct three other men in setting up the necessary charts, screens and slide projectors for staff meetings. He earns about $97 a week.

Craig Edwards, 20, another Negro graduate, maintains his ties to the program. "I try to get by to talk with every (new) group, (to) tell them you make it on your own," he says. Born and reared in Brooklyn's grim, depressed Bedford-Stuyvesant section. Mr. Edwards had graduated from high school and worked as a messenger before trying Chase. He now works in the bank's bond department, earning $133 a week.

While generally satisfied with their jobs, both men do worry that they're being boxed into jobs of low pay and little responsibility.

They also assert that Chase demands too much conformity for the rewards it gives.

BOXED IN

"I feel like I'm in a box," Mr. Edwards says. "I can go all the way around, but never up. But as of now, it's worth it." Mr. Johnson also feels he's doing well now but believes he "never could see manager of audiovisual in my future unless I go to college."

A bank official says that without more education employes with Mr. Johnson's kind of background probably will hit a pay ceiling of about $8,000 a year under present scales.

Mr. Johnson agrees. "I knew I was going to have to be a schizo and act two different ways," one way for Chase and another off the jobs he says. "When I'm with my brothers I act differently." (And perhaps it's wise he does: Several JOB trainees, after complying with Mr. Walters' exhortations to dress more like businessmen, were mugged in their own neighborhoods when they were returning from work.)

Neither man complains of overt racial bias at Chase; in fact, both praise the bank's efforts to end such bias. "They're trying, they're really trying to change attitudes," Mr. Johnson says. Nevertheless, both have been angered by unconscious racial slights.

Mr. Johnson, for example, resents the stares he sometimes gets if he lingers too long in preparing a Chase meeting room for their predominantly white gatherings. "If I'm still there when they (whites) get there, they look at me, like, You lost? Either you or me got to be in the wrong room, and I don't think it's me."

Once, Mr. Johnson was instructed to see to it that a freshly cleaned washroom be kept locked and unsullied until a shareholders meeting began. He had to turn away one insistent white executive. "So he went over to the white guy—my helper—and asked him to unlock the door," Mr. Johnson says indignantly. (The white worker referred the matter back to Mr. Johnson. The door remained closed.)

Although resentful of such experiences, neither man considers them particularly remarkable. "I don't think perfect fair-and-square will ever come," says Mr. Edwards. "The difference is drawn in your black face. This isn't anything new. This is the way most people act unless you have the money or the power. Number one, you haven't got the education. Most of them (whites) do. Number two, you haven't got the money factor. Most of them do."

CHARGES OF BIAS

Bitterness by some other nonwhite employes, however, led to formal charges of racial bias against Chase in 1967. Fourteen employes brought the charges before the New York City Human Rights Committee. Chase denied every charge. Regardless of their merits, the complaints illustrate the kinds of issues that weigh on many minority group employes.

One man complained that while supervisors trained a white employe to run a computer, he had to learn from a mere clerk. Another said whites received individualized instruction while blacks were trained in small groups. A woman charged that her work records were lost deliberately "to minimize my production and prevent my advancement."

The matter escalated when Chase fired nine of the 14 employes. The bank maintained that the firings were for insubordination that had nothing to do with the charges. In a preliminary finding, commission investigators indicated that some of the workers' complaints seemed to have some merit, but the commission eventually closed the case without reaching any official findings. None of the dismissed employes was reinstated.

To Irving B. Davis, a militant black who led the protest and was among those fired, the outcome of the case amounts to a "whitewash." But the protest did jolt Chase: As a direct result the bank began the management training sessions on the handling of new employes and set up a new department charged with improving the bank's grievance procedures and identifying nonwhites qualified for promotion.

Tom O'Reilly, the white who heads the new department, concedes that in the past Chase "probably wasn't as aggressive as it might have been" in promoting nonwhites. If he succeeds in reversing that situation, Chase is going to end up with more officers like Mr. Fierce, the aggressive, independent black loan officer.

Mr. Fierce won a job at Chase on sheer brass—by writing a top Chase official that more black bankers were needed and offering his services. Then a social worker, he had no banking or business experience. Today he is anything but a docile company man.

Mr. Fierce believes there is "no question" that Chase has done more than other banks to aid nonwhites. But he criticizes the bank for not developing more Negro officers, for being unwilling to pay enough to hire some qualified blacks and for not appointing at least one prominent Negro to its board. He believes his responsibility is to his family, his race and his community—in that order—and consciously measures his job against those priorities.

That's black consciousness, Mr. Fierce agrees, and if critics don't appreciate his priorities or his outspokenness, maybe its because they've never been black themselves. "They don't understand the impact on a black kid of growing up afraid of his blackness," he says. "It's a monster to walk into a place, hat-in-hand."

INDUSTRY'S MUDDIED WATERS

Mr. MOSS. Mr. President, an important awakening is occurring in this country, an awakening that we are destroying our evironment with various types of pollution.

The Sciences, a magazine published by the New York Academy of Sciences, has published in its December issue an informative article on this problem entitled "Industry's Muddied Waters." It points out that industry, although not the only polluter of our Nation's streams and waters, does produce three times as much waste as do municipalities.

The article has an important message for all Americans. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INDUSTRY'S MUDDIED WATERS

Althugh industry is not the sole polluter of U.S. waterways, it produces about three times as much waste as do the municipalities. Annually, manufacturing plants discharge 5,300,009,000,000 gallons of sewage and 18,000,000,000 pounds of settled and suspended solids. Industrial sources are also expected to provide the greatest increase in future waste volume, which will grow three times faster than the population. These vast amounts of waste matter completely alter the waterways, aging them and making them unsuitable for agriculture, recreation, fish, wildlife, and as sources of municipal and industrial water supply.

Destruction of usable water sources is accomplished quickly when organic wastes add to the BOD, the biochemical oxygen demand. Wastes from food and fiber processing plants, the unesthetic byproducts of canneries, paper mills, poultry-packers and slaughterhouses may include blood, hair and bits of flesh. Such nutrient-rich sewage stimulates aquatic plant growth and reduces the concentration of dissolved oxygen in the water. When anaerobic bacteria take over, malodorous hydrogen sulfide and methane gas are emitted from the black and bubbly water. (See "Short-Circuiting the Water Cycle," The Sciences, Dec., 1966.) Although many organic wastes are broken down by conventional sewage treatment, chemical companies and fabricators often discharge persistent pollutants—synthetic organic wastes which are not removed by natural stream purification or by modern sewage techniques.

INTENSE, UNPREDICTABLE DAMAGE

More prevalent are industry's inorganic wastes: acids, alkalis, metals and dyes. Dilution makes some harmless; others, in concentrations of less than one part per billion of water, are lethal to fish life. "Some are toxic to plants, some to animals, some to both. . . ." writes naturalist John Perry. "The effects may be quick and evident, or slow and difficult to ascertain. Some chemicals may react with each other in water, forming new compounds." (Our Polluted World Franklin Watts, Inc., 1967) Chemical effects are most intense near metropolitan areas and their associated industrial complexes, striking hardest in dry weather when stream flows decline. But industrial pollution is unpredictably episodic. "Pipes breaking, accidental spilling, and other mishaps cause sudden and unexpected contamination of lakes and streams," Mr. Perry says. "Occasionally such an accident releases dangerous chemicals, such as cyanide, not usually present in the wastes." The most striking fact about these episodes, the conservationist notes, is that minute quantities of chemicals may cause extensive damage and touch off massive fish kills.

As industrial processes grow more complex, time-honored materials give way to new synthetics whose transformation in nature is unpredictable. "Questions about the possible carcinogenicity of some of these materials remain unanswered," states a 1965 report of the Environmental Pollution Panel and President's Science Advisory Committee. "The identities of many of the organic pollutants or products formed in nature from the original chemicals have not been established. Although the kinds of chemicals and their effects remain largely unknown, it is known that . . . many of them pass through the usual water treatment processes and reach the consumer in his drinking water." (*Restoring the Quality of the Environment*, The White House, Washington, Nov., 1965.) In 1968, the Public Health Service reported to the House of Representatives' Committee on Science and Astronautics that "knowledge as to the long-term chronic effects of these substances is notable by its absence." The testimony noted that "the increasing discharge of wastes to water resources is exposing man to an increasing degree to low levels of potential hazardous chemical intoxicants which may have a direct effect on his health." Such contaminants affect man directly in his drinking water and indirectly through food sources and increased insect vectors. (*Environmental Quality*, U.S. Government Printing Office, Washington, 1969.)

Despite the increasing hazards of industrial pollution, the notion that industry is responsible for safe disposition of its own wastes is still alien to most businessmen. "The Federal government for years has provided grants and loans to municipalities to assist them in building sewerage systems and sewage-treatment plants which has enabled them to proceed with these works at a moderate cost to the citizens, but there has been no such help to industry," writes Edmund B. Besselievre, industrial consultant to Forrest & Cotton, Inc., Dallas, Texas. "The health authorities have demanded that industries desist from pollution of the streams by its wastes, but have steadfastly refused until very recently to give them any financial assistance. . . . Industry has always been the scapegoat in the water-pollution problem, despite all the efforts that farsighted and public-spirited industrial concerns and organizations have shown." (*The Treatment of Industrial Wastes, McGraw-Hill Book Co.,* 1969.)

BY-PASSING THE LAW

Mr. Besselievre points out, however, that not every concern is public-spirited. Some have found legal loopholes to avoid the cost of waste treatment. Others, he notes, have "procrastinated in the fulfillment of the orders of the regulatory agencies or tried to circumvent them by expedients of different kinds." Even industries that are motivated to control water pollution may face such problems as finding space to build treatment facilities. Older plants operate on profit margins so narrow that waste treatment costs may make it impossible for them to compete with newer, more efficient companies.

Although industry resists spending money for treatment works, recirculation equipment, or development of new processes that use less water, its stake in water pollution control is immense. Forecasts estimate that industry will require "80 per cent or more of the expected increase in total future water requirements and will account for 65 per cent or more of all fresh water used in 1980 and 2000." (U.S. Senate Select Committee on National Water Resources, Water Quality Management, Committee Print No. 24, Feb., 1960). By building adequate facilities for waste treatment, industry may also acquire more modern plants, better equipment and replacements for obsolete processes.

Aware that both clean water and public patience are running out, some companies are ending their indiscriminate waste disposal. The new Kimberly-Clark pulp and paper plant on the Sacramento River in California, for example, has invested large sums to prevent pollution. U.S. Steel publicly states that it has invested over $200 million in facilities for water and air pollution control in the past 15 years. In an industry-wide effort in 1965, companies which together produce more than 90 per cent of all detergents sold in the United States changed over from a persistent-pollutant cleansing ingredient to a substance which decomposes in the presence of oxygen. (Facts & Issues, The League of Women Voters, Nov., 1965).

Unfortunately, these supposedly harmless ignoranic substances "are themselves reconverted to organic materials by the green plants . . . in the aquatic biological system and thereby totally frustrate the initial aim of the treatment process," Professor Barry Commoner of Washington University told a Senate Committee in April, 1969. According to the Manufacturing Chemists Association (MCA), the chemical industry's research spending for water pollution control doubled between 1962 and 1967. To explain this growing investment in waste treatment, MCA president George H. Decker said that "the chemical companies, like other industries, have truly taken to heart the critical challenge of maintaining the natural environment. . . ." (*Chemical & Engineering News,* Mar. 10, 1969). A large part of this challenge derives from pressure by scientists, government and the public to stop industry's incessant and deadly pollution. Tightened federal and state pollution control efforts, particularly, have destroyed the concept of an "inherent right to pollute" public waters.

FEDERAL AID

The first permanent Federal Water Pollution Control Act was passed in 1956, awarding grants to municipalities for improving or building sewage treatment works. Industries that joined with municipalities in cooperative projects could also benefit from Federal aid. During the program's first decade, the Federal contribution was more than a billion dollars. The clean water program was greatly expanded with the Water Quality Act of 1965 and the Clean Water Restoration Act of 1966, which called for all states to establish water quality standards. The Act also authorized construction, research and development grants, training and information activities.

In hopes of encouraging industry to comply with the standards, the Federal Water Pollution Control Administration (FWPCA) is studying possible incentives for building treatment facilities. Some suggestions under consideration are investment tax credit, loans and loan guarantees, and accelerated depreciation. The last would allow a company to deduct the entire cost of water pollution control equipment over one to three years rather than over twenty. Massive Federal financial assistance is unlikely; a professional staff member of the Senate Committee on Public Works predicts, "As long as we are in Vietnam, and as long as there is a budgetary squeeze, industry will not be given any tax incentives." Instead, punitive actions to halt polluting may be in the offing, including levies based on the quantity of waste discharged and the cost of downstream treatment. Proponents of this idea think management would choose waste-reducing changes if they cost less than effluent charges. (*Facts & Issues,* Apr., 1966).

CAN THE HARM BE UNDONE?

The FWPCA and the Bureau of the Budget are considering a national inventory of industrial waste disposal for which industry would voluntarily submit information. Industry claims that "to place in the public record the names and quantities of discharged waste materials or descriptions of treatment methods would, in many cases, be tantamount to disclosing a company's secrets to its competitors." (*Facts & Issues,* Nov., 1965) But without such information, FWPCA's Commissioner suggests, there can be no effective water pollution control.

Even complete cooperation between industry and government is not enough to clean up our waterways or prevent further pollution. According to FWPCA, it would require at least $26 billion to be spent by 1973 to get the nation's lakes and streams up to water quality standards. But in 1969 the government authorized only $214 million for water pollution control, and in 1970 the figure is less than a billion, pitifully inadequate to save water systems that are aquatic wastelands filled with rotting algae and fish, devoid of oxygen, dangerous to man. Immediate outlays of large sums of money and energy are needed. Unless the careless and costly destruction that has transformed our lakes into cesspools, our streams into sewers, is quickly reversed, the price of clean water may become too high to pay.

THE FEDERAL RESPONSIBILITY TO THE ELDERLY MEXICAN AMERICAN

Mr. YARBOROUGH. Mr. President, the Senate Special Committee on Aging has been assigned the duty of making "a full and complete study and investigation of any and all matters pertaining to problems and opportunities of older people."

That study and investigation would not be complete if elderly members of minority groups were ignored or given scant attention. For that reason, at the request of the committee chairman, I have conducted 7 days of hearings on the "Usefulness and Availability of Federal Programs and Services to Elderly Mexican Americans."

Much useful testimony has been taken in the field: in Los Angeles, Calif., and in El Paso and San Antonio, Tex. We have also heard from Federal officials and from representatives of national organizations of Mexican Americans in Washington, D.C.

It has become all too clear that many of the elderly Mexican Americans—probably the majority—suffer from what has been described as triple jeopardy: they are poor, they are old, they belong to an unheard and unseen minority.

And in too many cases they are unserved by Federal programs and services. The hearings have revealed examples of elderly men and women who give up all hope of obtaining medical service or public-supported housing, for example, because of language difficulties or other problems. Too often, those most in need of help are least likely to receive it. In addition, there is too often a tendency to study and restudy longstanding problems instead of dealing with them.

At our hearings on November 20, for example, we were told that the Social Security Administration is waiting until 1970 to begin a study of medicare utilization among elderly Mexican Americans. I expressed my surprise at this delay and I pointed out examples—from testimony taken 11 months ago—of problems encountered by the elderly Mexican American when he attempts to exercise his right of medicare coverage. I still do not understand why this study is still in the planning stages, and why it must wait until 1970 for implementation.

Another disturbing problem arises when Federal and local officials are content to remain blind to the existence of poor and isolated individuals who need their help. Again and again during the hearings we have heard from witnesses who have firsthand information about neglect caused by unawareness, or unwillingness on the part of officials to reach out and provide the assistance they are required, by law, to give.

This point was made forcefully on November 21, by Mr. Henry Santiestevan, a member of the board of directors for the Southwest Council of La Raza. He said:

> In my opinion, the most significant recommendation that I can make to improve Federal programs for the Mexican-American aged is a forceful policy of aggressive outreach and advocacy incorporated as part of all relevant programs. There can be no substitute for this approach. The Mexican-American elderly, as you have learned, simply are not aware of the existence of these programs. You have heard repeatedly in your past hearings that there seems to be a pattern of exclusion rather than inclusion of the Mexican-American elderly in programs at the local level.
>
> This outreach and advocacy function can best be accomplished by bilingual Mexican-Americans. No pamphlet or public service television announcement can be a substitute for this.

Several other witnesses have offered worthwhile suggestions, and there have been several encouraging signs of increasing responsiveness in Federal examples. For example, Mrs. Marie McGuire of the Department of Housing and Urban Development gave an excellent statement on attempts within that department to make housing more appropriate and available for the elderly Mexican American.

Nevertheless, the committee study on the Mexican-American aging is not yet complete. More information—and more prodding—are required.

Some idea of the magnitude of the job ahead was provided in two excellent statements taken at our last hearing. I submit them now for the reprinting in this RECORD, and I once again thank Mr. William Bechill, former Commissioner of the Administration on Aging, for an excellent discussion of the root causes of the many problems encountered by the elderly Mexican Americans. The other statement was provided by Mr. Dennis Fargas, until recently the Director of the Office of Spanish-Surnamed Americans at the Department of Health, Education, and Welfare. He is to be commended for many of the points he raised, but I wish to draw special attention to the arguments he gives for providing technical assistance intended to help those who wish to make good use of Federal programs and services. As Mr. Fargas points out, the art of "grantsmanship" is intricate and understandable only to the specialist. Unless technical help is provided, the Federal grant is not likely to be given where the need is most desperate.

I ask unanimous consent that my opening statements before the Special Committee on Aging on November 20, 1969, as well as the statements of Mr. William Bechill and Mr. Dennis Fargas, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OPENING STATEMENT BY HONORABLE RALPH YARBOROUGH, HEARINGS ON "THE USEFULNESS AND AVAILABILITY OF FEDERAL PROGRAMS AND SERVICES TO ELDERLY MEXICAN-AMERICANS" BY THE U.S. SENATE SPECIAL COMMITTEE ON AGING

Today the United States Senate Special Committee on Aging begins two more days of hearings on "The Usefulness and Availability of Federal Programs and Services to Elderly Mexican-Americans."

Our fundamental purpose is to provide an opportunity for members of the new Administration to give up-to-date information on several Federal programs and goals discussed at our last hearing in January.

In addition, we will also ask questions about the future intentions of the present Administration on matters of vital concern in this inquiry.

Each witness has, I believe, been provided with the printed transcripts of our earlier hearings.

We began with field hearings on these questions last December in Los Angeles, California; and held hearings also in El Paso and San Antonio, Teaxs.

Our two additional days of hearings in Washington early this year provided the Committee with an opportunity to check our grassroots testimony against the official reports of Federal agencies.

To some extent, the testimony here in Washington was heartening.

We heard expressions of concern and commitment. We learned of promising, if limited, efforts to reach out and make Federal services or programs more accessible to those who stand in greatest need of them but who are too often denied them because of language problems and other difficulties.

But it was clear, too, that much more concern and much more effective commitment is needed.

Among the questions, therefore, that I have today are the following:

—What more has been done since January to hire and train bilingual field personnel who can counsel and help elderly Mexican-Americans on such matters as Social Security coverage, housing, health care, and the like?

—What more has been done since January to establish, within our Federal departments and agencies, a communication and specialist network capable of dealing more effectively with needs of all Mexican-Americans, including the elderly.

—What more has been done since January to cope with the special problems of those elderly Mexican-Americans who stand in need of housing and do not now receive help from any Federally-assisted program?

—What more has been done since January to resolve problems along the Mexican-United States border that are of direct concern to the elderly Mexican-American, including a high incidence of tuberculosis in some areas?

—And finally, what dialogue exists between the present Administration and the leaders of Mexican-American organizations?

We have a great deal of testimony to take, and I will defer additional comment until later. We will hear first from representatives of the Department of Health, Education, and Welfare.

STATEMENT OF WILLIAM BECHILL, ASSOCIATE PROFESSOR, SCHOOL OF SOCIAL WORK, UNIVERSITY OF MARYLAND

Mr. Chairman and members of the Committee: My name is William Bechill. I am Associate Professor and Chairman of the Social Policy Sequence of the University of Maryland School of Social Work.

From October, 1965, until April of this year, I was the Commissioner on Aging in the Department of Health, Education, and Welfare. During that period of time, I had the opportunity to be associated with the early years of the implementation of the Older Americans Act of 1965.

At the outset of my remarks, I want to commend the Committee for scheduling this hearing before completing its study of the subject under consideration today. I believe that it is especially important for you to have the views of the current Administration on the policies and program priorities which they believe are required to meet the serious needs of the Mexican-American elderly which have been identified in the Committee's study to date.

In many respects, the new Administration is in a favorable position to effect some basic changes as the result of recent admintrative and legislative action that has taken place to strengthen federal programs for the aging. First, with the passage of the Older Americans Act Amendments of 1969, the Congress has authorized a significant expansion of the Act that should result in more comprehensive coverage and programs of community services and opportunities for older people, provided, of course, that the present budget available to the Administration on Aging is increased commensurately with Congressional intent in future years.

Second, the appointment by the President of Commissioner John Martin as Special Assistant to the President on Aging, is another significant step since some of the issues raised in previous hearings could possibly be more effectively dealt with through improved coordination and joint action and planning efforts on the part of various Federal agencies and departments whose benefits and services are available to the Mexican-American elderly. Like many others, I was especially glad to see early evidence of such joint programming brought about by Commissioner Martin in his additional role. I am referring, in particular, to the joint program announced in August between the Model Cities Administration of HUD and the Administration on Aging to increase the technical and financial assistance available to plan and develop services for older people in the Model Cities program and to more directly involve older people in the planning of such services.

In earlier testimony, I recommended several administrative and legislative actions that should be considered by the Committee in behalf of the elderly Mexican-American, as well as all older people generally. In the light of developments that have taken place since January, I would like to elaborate on some of my earlier recommendations.

FULL IMPLEMENTATION OF THE OLDER AMERICANS ACT AMENDMENTS OF 1969

The substantial expansion and extension of the Older Americans Act authorized by the Congress this year could be the key to both improved availability and access of federal programs for the aging to the older Mexican-American as well as other groups of older people who may not have benefited to the extent proportionate to their needs from the programs of the Act to date.

One of the several objectives of this legislation was to strengthen the ability of State commissions and agencies on aging in the levels of both financial and technical assistance given to local communities in the development of their programs. Substantial increases in the authorization levels for community projects, research and demonstration grants, and training grants were authorized. And, most significantly, the Administration on Aging was given the responsibility for developing a national program to enlist the talents of interested older people as either volunteers or as Foster Grandparents.

The great and potential promise of this legislation will be difficult for the Administration on Aging and the States to carry out unless there is an equal commitment by the Congress, and by the Administration, to fund the new legislation at the authorization levels currently provided for under the Act as amended.

If full funding were to be made available, and if appropriate attention were given to the unique needs of the Mexican-American and other minority group elderly in program implementation, I believe that, in time, the present barriers to the involvement and participation of Spanish-speaking communities and in the program could be removed, if not eliminated altogether.

If there is one area that these hearings have documented, Mr. Chairman, it is the need for both additional technical assistance, as well as financial assistance, being made available to communities and areas of a State which have a particularly high concentration of older people of Mexican-American descent. Many of these people are now culturally blocked from any tangible access to the present program and its resources for helping them because of this general lack of technical assistance being made available to them to the degree needed.

These remarks are not intended, in any way, to be critical of the present work or present efforts of the Administration on Aging. During my service with the Administration on Aging, I was acutely aware of the deficiencies that existed at both the federal and state level in the area of technical assistance. I am talking here specifically having the type of personnel and staff at both federal and state levels that could work with Spanish-speaking people in the development of community programs, demonstration projects, or training programs aimed at bringing the kinds of opportunities and services to the Mexican-American elderly that are so urgently needed at the present time.

SPECIALLY TRAINED PERSONNEL

Another area which my earlier testimony covered, Mr. Chairman, was the need for training of personnel who are working with the older Mexican-American. One of the last grants which I approved as Commissioner was a grant for short-term training to the

Western Center of Los Angeles to carry out a sensitivity training program involving professionals, older Mexican-Americans, and other staff people of neighborhood organizations indigenous to the Mexican-American community.

While I have not been appraised of the results of this project, I hope that it is given very careful evaluation in terms of its usefulness as a possible prototype for use elsewhere in similar training efforts.

I link technical assistance and the subject of training together for obvious reasons. The failure of many federal and state programs to reach the Mexican-American elderly indicates that there has often been a lack of creative efforts to develop policies, strategies, and approaches to reach this population. The issues of the use of Spanish-speaking staff, training of staff in cultural differences, more aggressive "reach out" approaches to the delivery of services, utilization of the indigenous leadership and organizations in the Mexican-American community, dissemination of information in channels normally used by Spanish-speaking people underscore this need for special training programs, going beyond the initial pilot grant made to the Western Center. It would be my hope that such short-term training, directed at the special needs of the elderly Mexican-American and other minority groups in the older population could become a permanent feature of both the Title III and Title V grant programs of the Act.

EXPANDED NUTRITION AND FOOD SERVICES

I, of course, want to mention the area of nutrition and health. I was most impressed with the excellent statement submitted by Commissioner Martin on this subject in his recent testimony before Senate Select Committee on Nutrition and Human Needs. In it, he raised the important policy question of whether or not the time had not come for the nation to develop a broad program of food and nutrition services for older people in much the same manner that the present school lunch program has been developed for a large part of its child population.

Mr. Chairman, and members of the Committee, the evidence is beginning to accumulate, from the National Nutrition Survey and other studies, to illustrate the shocking incidence of hunger and malnutrition that exists in the United States among the poor, the young, and the old. Currently, the Senate has passed legislation that would particularly move towards the type of national program that Commissioner Martin alluded to in his testimony before the McGovern Committee. As I understand the provisions of the Senate version of the Food Stamp Act Amendments of 1969, the bill would liberalize the present eligibility requirements for the program, expand the program's coverage to additional numbers of low income persons and families, but permit older people to receive meals in exchange for food stamps as such facilities as senior centers and other kinds of community facilities serving older people. I sincerely hope this legislation is enacted this year. It could be a most important new resource to help the Mexican-American elderly.

Moreover, I would urge the Committee to encourage the Administration on Aging and the Department of Health, Education, and Welfare to consider the development of a proposal to establish a national Older Americans Food Service Program for presentation to the Congress next year. I am sure that such a program would be well received in all parts of the nation, especially if it were designed to utilize the experience and interest of older people themselves in its administration and actual implementation.

STRENGTHENING THE INCOME SECURITY OF OLDER PEOPLE

Last January, in my statement, I recommended substantial improvements in Social Security be made as well as consideration of either a 100 per cent federal financed Old Age Assistance program or strong federal standards to insure a more equitable and adequate program of Old Age Assistance. At that time, I was deliberately general since it was the last week of the previous Administration, and the President had made it clear to his appointees that no major policy pronouncements were to be made that were not already included in the Budget Message, a decision which all of us respected. However, I am under no such restraints today.

As my final point, Mr. Chairman, I think the most important recommendation that the Committee could make is to endorse the provisions of the bills introduced by Senator Harrison Williams of New Jersey in the Senate, Congressman Jacob Gilbert of New York in the House, and other members of the Congress for the most comprehensive improvements in Social Security that have ever been seriously proposed in either House in many years.

The Williams and the Gilbert bill would authorize an overall increase of over fifty per cent in the present level of social security benefits over a period of four years, increase the present minimum benefit to $120 by January, 1972; provide for automatic cost of living increases of at least 3 per cent beginning in 1973, place the medical insurance program of Medicare on a prepayment basis, and make many other significant improvements in the Social Security and Medicare programs.

The enactment of such legislation by the Congress would be a massive blow against the poverty experienced not only by a high percentage of Mexican-American elderly, but also would be a major step in the virtual elimination of poverty among older people of our nation in the decade ahead.

Such a step is long overdue. Our national goal should be remove older people out of poverty as fast as possible. As the richest nation in the world, we must adapt a more enlightened social policy towards the income position of the aged in our nation. I think we need to approach this objective with new policies, new ideas, and new proposals, but even more significant, a new commitment of national will to abolish poverty among the old in our nation for all time. Unless we take such steps now, we shall continue to see the unpleasant and unnecessary economic hardships that now rob too many older Americans of even a modicum of self respect and human dignity.

Thank you.

Statement Before Senate Special Committee on Aging by Mr. Dennis Fargas

I was delighted, Senator, to receive an invitation to come back and testify as I was initially delighted to testify on the first occasion. It is very important, Senator, that you carry on this task because you certainly have by virtue of last year's hearings highlighted the problems which few of us have had the opportunity to work on at the Federal level in Washington. It is very important that you continue the task of alerting the bureaucracy in general of the existence of this specific group and of their special needs. I would like to again congratulate you, Senator, for your efforts on behalf of the Mexican-American.

Last year you recall, Senator, I came to you as a unique representative of the efforts of the previous Administration to reach out to the Mexican-American community and to the Puerto Rican community. I am proud to tell you, Senator, that this present Administration saw fit to continue the existence of the Office for the Spanish Surnamed Americans within the Department of Health, Education, and Welfare. I was very happy to see this happen because at least it meant that the initial effort would continue.

At the time that I directed the office, and as I indicated to you in previous testimony, bureaucracy of the Department of Health, Education and Welfare an awareness of the my key concern was to develop within the existence of the Mexican-American and second a clear understanding of the specific problems that affected this community.

In terms of the aged I worked with Commissioner Bechill first of all to develop that training grant which you have made reference to. It was to have been an initial step towards the establishment of a model senior citizen center in Los Angeles possibly to cater to the exclusive problems of the Spanish-speaking. A proposal for the establishment of such a center was developed in cooperation with the Mexican-American Opportunities Foundation. The proposal was forwarded over my signature to Commissioner Martin.

So, sir, we did follow up on the training grant by developing a proposal for the establishment of such a model center and we did forward it to the Commissioner for action.

Question: When was that proposal sent?

Mr. Fargas. The proposal was sent to Commissioner Martin during the month of February.

Question: What response have you received?

Mr. Fargas. I did not receive a response while I remained in the position which I held.

Question: When did you leave that position?

Mr. Fargas. I left that position at the end of October.

Question: October?

Mr. Fargas. Yes.

Question: And you had received no reply?

Mr. Fargas. That is correct.

Senator Murphy. When did Martin come into office?

Mr. Fargas. Sir, I believe that he was able to arrive and take possession of his office in May, I am not certain.

Senator Murphy. Thank you. In other words, you had directed this to Martin I think you said in February.

Mr. Fargas. Yes, sir.

Senator Murphy. How did you know that he was going to be in charge?

Mr. Fargas. Because we were told that he was going to be the gentleman.

Senator Murphy. Who told you that?

Mr. Fargas. I beg your pardon?

Senator Murphy. Who told you that?

Mr. Fargas. Well, other officials in the Department indicated that Mr. Martin would indeed succeed.

Senator Murphy. Officials that had been in the Department indicated that he would be selected?

Mr. Fargas. Yes, sir.

Senator Murphy. I am interested in this. Being the senior Senator from the State I am usually told about these things and I did not hear about it until much later than February. I am always interested to know how the officials in the Departments always seem to know things that we who have the responsibility never get to know except by chance.

Mr. Fargas. Well, that, sir, is not of course a matter that is of my incumbancy. I can only indicate to you——

Senator Murphy. It is of interest to me.

Mr. Fargas. We were alerted to the fact that this gentleman was going to come, and therefore since I had received the proposal from Los Angeles I forwarded it to his office.

Senator Murphy. If many of these Departments could be as clairvoyant and active in setting up good programs as knowing who is going to have these top jobs, we would have a lot less of these problems hanging over us today.

Mr. Fargas. Senator Murphy, I can assure you that I did not participate in that process and I am no longer with the Department.

Senator Yarborough. Senator Murphy, when I hear all these attacks on the Congress I shudder to think of what the Government would be like if it was not for the elected representatives coming from the people and bringing these messages straight from the people. I am out with them all the time and learning what conditions are all the time. We have a vast bureaucracy of three and a half million people employed by the Government and a handful elected by the people. Frankly, I don't get it in my office, I get that only when I go out among the people.

Senator Murphy. I think what we need is a Senate Bureau of Investigation.

Mr. Fargas. I would like to, if I may——

Senator Murphy. Mr. Chairman, I will personally call Martin and find out and let your office know exactly what the status is and what is happening.

Senator Yarborough. I will leave that up to you, Senator, since that project, while it is of interest to all Mexican-Americans, it is in your state. If it were in San Antonio——

Senator Murphy. Could you tell me the exact date of the project?

Mr. Fargas. It is a proposal prepared by the Mexican-American Opportunity Foundation of Los Angeles, California.

Senator Murphy. Who heads that up?

Mr. Fargas. The name of the gentleman is Dionicio Morales.

As part of the close cooperation with Mr. Morales and our office, we moved forward to develop this proposal. The objective of the proposal, Senator, was to establish a model senior citizen center which would be developed specifically to respond to the needs of Spanish-speaking people. The idea, Senator, was to work out a template for such a center which could then with some modifications of course be utilized in New Jersey, in New York, in Connecticut, in Texas, in Arizona and other states where we find concentrations of Spanish-speaking populations.

Senator Yarborough. Mr. Fargas, did you say that was the East Los Angeles area?

Mr. Fargas. Yes.

Senator Yarborough. If you have available copies, I would like to get a copy of that proposal.

Mr. Fargas. I have not kept any for my personal use, Senator; they are in the files of the office.

Senator Yarborough. I direct the staff to get copies from the files. If that is available, I would like to get one for west San Antonio and south El Paso.

Mr. Fargas. This is just a model and the idea was to get one going so that we could then work out the bugs as you always have to and then move forward to use it elsewhere.

Senator Yarborough. Fine. Thank you very much.

I want to congratulate you, Mr. Bechill, on this goal that you state in the closing paragraphs of your statement, pages 6 and 7 at the end, poverty of the elderly. I have a goal of ending poverty in America for everybody, but as you point out it is more critical among the elderly. Such a high percentage of people who are elderly are in poverty and a relief of their poverty would relieve funds that their children use to try to help their elders with to educate their own children. The generation that is caught between the desire to aid their parents and the duty of educating their children will have a wider range of economic and social effects, as you know from your great knowledge of social affairs and social work and sociology in just helping those elderly people. I think it will help the nation in many wavs and for this bill that you mention.

Mr. Bechill. Mr. Chairman, I think it would have a profound effect——

Senator Yarborough. You had not concluded, Mr. Fargas?

Mr. Fargas Yes.

Mr. Bechill. I just wanted to say I think that goal would have a profound effect not only on the old but on the young. Arnold Toynbee once said——

Senator Yarborough. Who did you say?

Mr. Bechill. The great historian of England once said, "You can measure a civilization by the treatment that it affords its elderly population as to its greatness." I think we have a way to go yet.

Senator Yarborough. If they measure that way, we are not going to be too high on the totem pole.

Senator Murphy.

Senator Murphy. I have no questions.

Senator Yarborough. Does the staff have any questions?

Mr. Fargas, had you finished or did I interrupt you?

Mr. Fargas. I wanted to pick up on the other theme I had also stressed in my previous presentation and that is the theme which has also been echoed in Mr Bechill's testimony, the theme of technical assistance to those groups in our society which are not part of the establishment. During my previous testimony I indicated to you that I felt that frankly the Mexican-American is in no position in terms of resources or talent at this point in time to play the grantsmanship game which is really indispensable if one is really going to tap the resources of Government.

Federal funds, Senator, as I am sure you know, flow through channels which are carefully established and in such a way to favor those that already have knowledge, those that have talent to write proposals, those that know the right jargon to use. If you don't have these talents, if you don't have this expertise, you do not tap a great number of Federal programs. The establishment of up-grantsmanship at the Federal level is a very, very small step to take in terms of getting resources to the poor or to segments of our population which are not part of the mainstream. That is a fact.

The program which I attempted to get going in our Department was one where the regional offices of the Department would reach out to the Mexican-American and to the Puerto Rican in terms of providing these communities with technical assistance. The meeting which was cited by Mr. Cohen which took place in San Francisco on November 7 was one step along this direction. It was the first step in terms of getting regional office staff directly acquainted with a new constituency for them because the regional staffs of most of our Departments, Senator, cater to a very specific constituency, the bureaucracy of state agencies. They do not cater, they do not respond to, they do not have direct ties with the poor, the black, the Mexican-American, the Puerto Rican.

I feel that it is important that through the activities of your committee you push forward the idea that the staffs or regional offices of our major Departments concerned with social policy establish direct contacts with these populations; that they acquaint these populations with the administrative processes through which grants are obtained; that they then develop, if you will, traveling teams to go out to the communities and to afford these groups an understanding of the process of grant writing, of proposal writing.

I feel this is vital. If this does not occur, then we will continue the process of developing fine relationships between Federal bureaucracies and state bureaucracies, and we will not really reach the people that have to be touched by these programs. And no amount of record will solve that problem. It is a mechanical problem, Senator, but it is a key mechanical problem and without it we are not really going to bring Federal programs to the people that really need them.

Senator Yarborough. That is where we politicians feel what we call the coils of the bureaucracy at times; we pass laws to get something it ends up in what you have so beautifully described here as grantsmanship.

Mr. Fargas. That is what it is.

Senator Yarborough. I see that over in the field of education, the National Defense Education Act of 1958. One of the principal sponsors of the Act, since I see the colleges, that no grantsmanship won't get the money. Those colleges and universities that do not have an expertise in the grantsmanship rule—your Science Department was not big enough for this grant, always some rule that was not in on the know, as the political term is, it does not get a grant.

Mr. Fargas. That is right.

Senator Yarborough. I think you have very aptly described grantsmanship. One special purpose of this subcommittee on Mexican-Americans is to see that they are not bypassed in this economic division with the tax dollars because they are not experts at grantsmanship at the Washington linguistic level because it is a different lingo.

Mr. Fargas. That is right.

Senator Yarborough. I was thinking of this man Palmer that has been appointed by the Spanish-speaking people of Texas, educated in Mexico City. I wondered, how does he know how to talk Texan?

Mr. Fargas. That is a good question.

Senator Yarborough. I doubt that when he gets on the Mexico-Texas border they look at him and say, When did he arrive from Madrid; what does he know about it?

Mr. Fargas. It is vital, Senator, that the officials of the regional offices of the various departments which are now concentrated in Dallas, which as you know is considerably north of the concentration of Mexican-Americans in your state, that they get to know the Rio Grande Valley like the palm of their hand. It is not enough for them to get on the Dallas-Houston shuttle every day and keep their political lines and bureaucratic lines in good shape. It is not enough for them to fly to Austin and keep in touch with the respective state officials connected with their bureaucratic work. If they don't get to the Rio Grande Valley, they are not going to get acquainted with the problem of hunger or TB and to respond to the fact that Mexican-American women have the highest rate of cervical cancer in the United States.

Senator Yarborough. You leave that volatile valley for two weeks and you have lost it, it changes. I hope to be down there next Sunday and Monday.

Mr. Fargas. So these are some of the questions, Senator, I am delighted that I have had an opportunity to expound on because if you do not do it by virtue of your concern with the elderly through the Special Committee, by virtue of your position in other committees of the Senate, if you do not exercise pressure to have the bureaucracy understand that aside from getting the legislative mandate to administer the program, it also has to have a mandate to teach people how to make use of the program, then you are correct in saying that legislation can come out and the problem really won't be solved.

Thank you, Senator.

Senator Yarborough. Thank you very much for this very able and moving presentation that will help us so much.

Mr. Bechill, your statement will be in the record and will receive the attention of the Special Committee on Aging as well as the Federal agents but that is too limited readership. I plan to place this in the Congressional Record within the next week, maybe today or tomorrow—if not, then next week—and that gives it a circulation of something like 27,000 copies or something. The Congressional Record, as you know, is examined by every governmental agency usually every morning. It goes to the principal libraries of the United States and all the main colleges for relevant material and sent out to other places. So by placing it in the Congressional Record, that is not a daily newspaper but it goes to the people in America who are best informed about these problems or are seeking information about them.

If your fine paper were in writing, Mr. Fargas, where I could get my hands on it that way I would send yours out, too. I think that I will borrow your remark about grantsmanship and use it, Mr. Fargas. I don't want to spoil it. Somebody using some of ———'s material said, "How rightly he appropriates another man's wit, how he spoils what he steals." So I don't want to spoil this in appropriating it, but it is so good I am going to ask the reporter to extrapolate that and let me have a copy of your statement in that respect.

Thank you, gentlemen, very much. I know the staff will have a number of questions. Do you think we have time to ask them before noon?

We will submit those in writing. I see some urgent matters waiting. We will submit other questions in writing if you gentlemen have time to respond in your respective different positions. I think we can boil these questions down and we will submit them to you and ask you for your continued help and cooperation. I want to thank you for your past services. I don't think anything exceeds your statements here this morning. I hope that we can translate these recommendations into action and get information about what you have said out to enough people who have the will to act and to cause some action to be taken.

Thank you very much.

AMERICAN COMMITTEE FOR ASSISTANCE TO TUNISIA

Mr. KENNEDY. Mr. President, heavy rains in late September and early October caused serious floods in central and eastern Tunisia. Many thousands of homes were destroyed, some 300,000 persons were made homeless, and several hundred more lost their lives. In addition to this tragic human toll, the floods severely retarded Tunisia's development. Roads, bridges, and various installations were destroyed or heavily damaged. It is estimated the catastrophe will take some 4 to 5 years to remedy.

Reports indicate that the international community, including our own Government, have responded very well to the urgent appeals of the Tunisian Government for assistance. So, too, have private individuals and organizations. A group of distinguished Americans were in Tunisia at the time of the floods, attending the African-American dialogs sponsored by the African-American Institute. They immediately organized a relief committee, and over the last couple of months have enlisted the support of many of their fellow citizens. Mrs. Arthur B. Krim is the executive secretary of the American Committee for Assistance to Tunisia. Mrs. Krim and the others who took the initiative to organize the committee deserve high tribute and the good will of all Americans.

Mr. President, I ask unanimous consent to have printed in the RECORD a list of the members of the American Committee for Assistance to Tunisia, a background memorandum prepared by the Committee, a recent press release issued by the Embassy of Tunisia, and a recent article from the New York Times.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

MEMBERS OF THE AMERICAN COMMITTEE FOR ASSISTANCE TO TUNISIA

Mr. Andre O. Backar, First Vice President, Shearson, Hammill & Company, Inc., New York, New York.

Mr. Edgar M. Bronfman, President, Joseph E. Seagram & Sons, New York, New York.

Senator Edward Brooke, U.S. Senate, Washington, D.C.

Congressman John Culver, House of Representatives, Washington, D.C.

Congressman Charles C. Diggs, Jr., House of Representatives, Washington, D.C.

Mr. Frank Ferrari, Vice President for External Relations, African-American Institute, New York, New York.

Mr. Wayne Fredericks, Vice President, Ford Foundation, New York, New York.

Justice Arthur J. Goldberg, Paul Weiss, Goldberg, Rifkin, Wharton & Garrison, New York, New York.

Honorable Ernest A. Gross, Curtis-Mallet, Prevost, Colt & Mosle, New York, New York.

Dr. Charles V. Hamilton, Professor of Government, Columbia University, New York, New York.

Honorable Paul Hoffman, Administrator, Development Program—United Nations, New York, New York.

Mrs. Jane Jacqz, Corporate Secretary, African-American Institute, New York, New York.

Senator Jacob K. Javits, U.S. Senate, Washington, D.C.

Senator Edward M. Kennedy, U.S. Senate, Washington, D.C.

Dr. James Kirk, Vice President, African-American Institute, New York, New York.

Mr. Arthur B. Krim, Chairman of the Board, United Artists Corporation, New York, New York.

Mrs. Arthur B. Krim, Ph. D., Research Biologist, Executive Secretary, American Committee for Assistance to Tunisia, New York, New York.

Honorable David Lilienthal, Chairman & Chief Executive, Development and Resources Corporation, New York, New York.

Mr. George N. Lindsay, Partner, Debevoise, Plimpton, Lyons & Gates, New York, New York.

Mr. Ian S. Michie, Vice President, Chase Manhattan Bank, New York, New York.

Mr. Bill Moyers, Publisher, Newsday, New York, New York.

Honorable Robert Murphy, Chairman of the Board—Former Under Secretary of State, Corning Glass International, New York, New York.

Mr. Waldemar A. Nielsen, President, African-American Institute, New York, New York.

Honorable Christopher Phillips, U.S. Mission to the United Nations, New York, New York.

Honorable Ogden R. Reid, Congressman, House of Representatives, Washington, D.C.

Mr. David Rockefeller, Chairman of the Board, Chase Manhattan Bank, New York, New York.

Honorable Dean Rusk, Former Secretary of State, Rockefeller Foundation, New York, New York.

Mr. Harvey Russell, Vice President, Pepsi-Cola Company, New York, New York.

Mr. Bayard Rustin, Executive Director, A. Philip Randolph Institute, New York, New York.

Mr. Jack Valenti, President, Motion Picture Association, Washington, D.C.

Mr. Whitney M. Young, Jr., Executive Director, National Urban League, New York, New York.

Mr. Osborn Elliott, Editor-in-Chief, Newsweek, New York, New York.

[From information compiled by American Embassy, Tunis, May 1969]

MEMORANDUM ON TUNISIA

BACKGROUND INFORMATION

A. General political background

Tunisia is a republic with a strong executive form of government. It has a single political party, previously called the Neo-Destour ("New Constitution") and since 1964 called the Destourian Socialist Party. Habib Bourguiba was unanimously proclaimed President by the Constituent Assembly in 1957, then popularly elected in 1959, 1964, and again at the beginning of November 1969.

Tunisia was occupied by France in 1881. The Destour nationalist party was founded in 1920; Habib Bourguiba left it in 1934 to form the Neo-Destour Party which effectively organized the Tunisian people. After periods of repression during which Habib Bourguiba and his followers were repeatedly incarcerated, independence was won from France, March 20, 1956. France only evacuated its last troops from Bizerte in 1963. Economic ties with France have had ups and downs since independence, while the close cultural ties built up between the two countries during the protectorate period are still very strong. 3,000 French teachers are still there in secondary education and at the University.

Tunisian-United States Relations

Partly as a result of Tunisia's difficulties with France, Tunisian relations with the U.S. have become very important. As a result of Tunisia's moderation in foreign affairs, and its serious and well thought-out program for economic development, the U.S. has become the largest contributor to Tunisia's development program. However, Tunisia has not felt bound to follow American policy at every point, particularly in questions relating to European colonial interests.

Tunisian-Algerian Relations

Tunisia helped the Algerians in their struggle with valuable assistance.

Tunisia and the Arab League

From the very beginning, Tunisian relations with the Arab League have been troubled by disagreements with Gamel Abdul Nasser's U.A.R., disagreements which led to a first break in diplomatic relations between Tunisia and the U.A.R. in 1958. Nasser visited Tunisia in 1963, and Bourguiba Egypt in 1965. Immediately thereafter, differences of opinion arose on how to deal with the problems in the Middle East, and within a few months Tunisia withdrew from active participation in the Arab League's activities. Most diplomatic personnel were recalled from Iraq, Syria, and the U.A.R. Relations were formally broken again with the U.A.R. in 1966. In July 1967, after the Arab defeat in the June 1967 war Tunisia reestablished relations with the U.A.R. and the Arab League. In September 1968 the Tunisian Government decided to boycott all League activities, after the Tunisian representative to a League meeting was not allowed to challenge the U.A.R.'s claim to lead the Arab World.

Tunisia and Africa

Tunisia has taken a continuing interest in the continent's political, economic and social development. It played an important role in the U.N. effort in the Congo. It has welcomed and supported the creation of the O.A.U., (Organization of African Unity) and exercised a constructive influence within the organization in the interest of moderate and realistic policies.

International Problems

Tunisia's policies are motivated by its concern for its own security, and its belief in self-determination and non-interference in the internal affairs of other nations. While maintaining a formally non-aligned posture, it often supports Western positions because it recognizes the threat posed to its principles by the communist powers. It has, however, not failed to criticize the West on appropriate occasions for remnants of colonialism, and has been a leader in the Third World on these matters.

B. General economic background, before the floods

1. Economic Indicators

Population estimated at 4,700,000.

GNP, $1,086 million in 1968, at $230 per capita. Compound annual growth rate, 5.5% in 1961–65 period. In 1966 and 1967, because of severe drought, no real growth; in 1968 growth was 7.3%.

National budget:

a. Revenues, $244.3 million (22% of GNP).

b. Expenditures, $345.2 million; 33 percent for investment of the total operating and capital expenditures; 25 percent for education; 9 percent for health; 6 percent for national defense.

Gap between revenues and expenditures was financed by foreign aid, domestic borrowing and/or drawing on reserves.

Balance of payments: Although a substantial portion of the deficit has been financed by foreign aid and private capital (mainly supplier credits) the uncovered balance has been financed by drawing on foreign exchange reserves, and increased short-term borrowing.

In 1968, the U.S. aid amounted to $38 million, non-U.S. aid to $53 million, and private capital to $60 million.

Reserves: Gross foreign exchange reserves as to 1968, $34 million. If short-term liabilities are deducted, net foreign reserves amounted to minus $30 million.

2. Production and Trade

Agriculture: ⅔ of the population is still in agriculture while it accounts only for ⅓ of GNP. Main crops: olives, wheat, barley, grapes, citrus fruits, dates.

Minerals and fuel: Phosphates, crude petroleum and iron ore are the principal minerals exported.

Main industries: Concerned mainly with import substitutions: food processing, textiles, footwear, sugar refining, petroleum refining, and steel manufacturing. Two superphosphate plants, two cement plants, foundries, and one petroleum refinery.

For export: Olive presses, wine distillers, fish and vegetable canneries.

Tourism, particularly from Western Europe, is developing rapidly as the major industry.

Foreign trade:

Exports: Phosphates, olive oil, citrus fruits, crude petroleum, vegetables, wine, iron ore, esparto grass and cork.

Imports: Wheat, petroleum products, iron and steel, agricultural and industrial machinery, sugar, textiles, phamaceuticals and dairy products.

Trade with U.S.: In 1968: exports to U.S. $2.8 million; imports from U.S. $44.5 million.

Trade with others: 35% of trade with France, 12% only with Eastern Europe.

Labor:

Total labor force—1.4 million (812,000 or 58%, in agriculture).

Unemployment, about 20% (¾ in agricultural sector).

Underemployment is also a serious problem in some sectors.

3. Economic philosophy

A pragmatic form of socialism has been chosen as the best means of mobilizing limited resources, and providing social services to the widest number of people. The government has acquired substantial or complete control over many enterprises whose character is essentially that of a public service: railroads, road transportation companies, most electrical energy generating potential.

The country has adopted a *comprehensive planning system,* where the government manages and supervises the principal sectors of the economy. Before independence economic power rested principally, if not solely, in the hands of non-Tunisians. No strong indigenous private sector could develop within the economy, and the government has not always felt it possible to wait for private initiative. Economic development is the prime national objective and the population is continually exhorted to work for a more prosperous life for the nation and for themselves.

4. Current Economic Situation

Tunisia has a good record of economic growth, one of the highest in Africa, although it was under severe strain at the beginning of 1969, before the floods. Rapid investment since 1962 created some disequilibrium, which it attempts to correct by measures agreed to by the International Monetary Fund. Despite these measures, how ever, government operating expenses have continued to grow due to greater demands for social services in education and health. The balance of payments has worsened, because France nearly eliminated its wine imports from Tunisia in 1964 as a reprisal, when Tunisia expropriated land held by by French "colons." Contributing to this situation were heavy imports of capital equipment generated by past investment programs, and a sharp increase in foreign debt servicing, due to extensive use of medium-term European supplier credits utilized to finance development. A severe drought, which cut back agricultural production in 1966 and 1967 made this situation even more acute. The need for further external assistance to help Tunisia meet its balance of payments was urgent even before the floods.

Several favorable shifts in policies have occurred: improved control and management of public enterprises; more encouragement for private investment in tourism and industry, and greater attention given to the agricultural sector. A nation-wide, free, family-planning program is well underway.

5. Economic outlook before the 1969 floods

The short-term outlook seemed to call for a continued austerity program and continued attention to investment-financing problems. In the long run, however, the outlook for Tunisia eventually winning its struggle for development remained promising. The operation of several new industries to supply the local market (textiles, steel) started having its effect. The extensive effort to double the irrigated areas by 1972 would have made periods of drought less hazardous. Tourism was expected to grow. Exports of petroleum had an impact on the economy. Economic ties were being developed with the neighboring Mahgreb countries and Tunisia had just signed an association agreement with the Common Market in March 1969. With its planning for the economic development of the country monitored by the World Bank (International Bank for Reconstruction and Development), the Government was making a promising effort towards facilitating investment in Tunisia.

THE TUNISIAN FLOOD DISASTER

On *October 8, 1969,* the Tunisian Government issued an urgent appeal for help to a startled world, describing its situation as follows:

"Ten out of thirteen provinces of Tunisia are disaster areas.

The spread of destruction due to floods is so extensive that the Tunisian resources to meet the demand are exhausted. Communications are out and contact is lost with many areas.

Water supplies in several cities and towns have been destroyed.

Many friendly countries and international organizations responded by sending useful contributions, but more help is needed."

On *October 27, 1969,* official Tunisian estimates of the disaster were:

Ten to 13 provinces disaster areas (93% of the territory);

More than 525 identified dead;

More than 160,000 homeless people;

More than 60,000 homes destroyed;

Four villages disappeared altogether;

Hundreds of miles of railroads destroyed;

Two hundred miles of roads disappeared;

Fifty-three bridges destroyed.

Two large dams breached.

Three other large dams damaged.

Eighteen factories completely inundated and out of use;

Due to flooded pits, complete interruption of activities in the mining industries, creating 20,000 more unemployed;

Date harvest completely destroyed;

Olive harvest completely destroyed;

Four-fifths of livestock lost in flooded areas;

Ploughing and sowing cannot be carried out this year;

Economic activities at a standstill;

Telecommunications completely disorganized; and

Distribution of relief food and medicines, possible only by helicopter.

On the same day the weather report in Tunisia was: "Heavy rainfall and storms over almost the entire country."

WHAT HAS HAPPENED?

(The following was written after personal inquiries and a survey of the flooded areas by helicopter on October 27, 1969).

Tunisia is usually a lovely, sunny country on an inviting green strip of coast between Algeria and Lybia. Its long shore line was visited by Ulysses, settled by the Phoenicians who built proud Carthage there, conquered by the Romans, and many other peoples who had been seduced by its beautiful harbors and beaches, its clear and enchanting waters, and the dry mildness of its climate—typically Mediterranean in the North and Saharan in the South. At its North-East tip and in the central areas, Tunisia is a country of rolling hills on mountains covered with a sparse Mediterranean growth of trees and, as in all countries with a meagre rainfall, thin vegetation and very little top soil. Mostly rocky in the mountains, the soil is sandy in the valleys and plains, easily carried away by winds and heavy rains. The nature of the vegetation and the soil makes erosion a major problem in Tunisia, as in other countries with a similar climate. Over the centuries, farmers have painstakenly built retaining walls around their fields, planted hedges of cactus and agave, and constructed terraces on the slopes of hills; more recently, with substantial assistance from the U.S., heavy agricultural machinery has been brought in to contour-plow all agricultural lands situated on slopes, in order to prevent further erosion and retain the water from the rare rainfall. Dams and irrigation systems have also been constructed wherever possible over the last few years at a great cost (about $6 million). Trees have been planted along hundreds of miles of roads to provide shade and to retain soil.

Typically, rainfall occurs in Tunisia in the winter for a short period of time. As in all semi-arid or arid lands, the rain water runs off rapidly from the rocky high points into dry river beds called "ouadis" (the equivalent of the "creeks" of our own West) which, within minutes, may become torrents of fast flowing water. Bridges have to be built solidly over ouadis for roads and railways, which must often span the whole width of a flat valley. Any plant or building located at a low point is at the mercy of occasional and short lived flood waters. The coastal plains are wide and flat and agriculturally the most productive.

Towards the end of September 1969, rain began to fall, heavily from the start. Following two years of severe drought, it was more violent than at any time in recorded Tunisian history; for instance, 2 Roman bridges, which had stood for almost 2000 years, collapsed. Within hours, ouadis filled up and tons of water and mud spilled out over anything standing in their path. People ran from their houses, towards safety on higher ground, abandoning their cattle and very modest possessions. From the very start of what was later to become a major national disaster, death or complete loss of property began to be the fate of thousands of industrious Tunisians.

Day in and day out, for almost two months, rain continued to fall heavily in different parts of the country; at times, over the whole of it, including Tunis, the capital, as well as the deserts in the South and parts of Algeria and Lybia.

The ouadis never emptied and their angry waters broke bridges and roads, uprooting electricity and telephone poles. Millions of tons of mud and dirt pouring out of old and new torrent beds turned yellow the formerly blue Mediterranean, for miles out to sea.

Fertile plains became expanses of muddy water, several feet deep, in which treacherous new gullies were formed, whose violent currents swept away to their death people and cattle trying to escape. Where they are still standing, telephone poles, from which the wires have been ripped off can be seen, looking only a few feet high as they emerge from the mud; formerly green fields are deeply buried; trees barely emerge or are else uprooted and dead; the terraces on the green hills have been broken wide open, with their stones spilled out over hundreds of yards.

The houses of farmers, traditionally built of an "adobe" type material, once thoroughly soaked, have collapsed under their own weight; like forgotten sand castles, they remain deserted, little piles of crumbling sand in the rising tide. Where it has not buried them altogether, the flow of mud has eroded the foundations of the roads: long stretches of concrete and asphalt road beds are now either suspended in mid-air or else have collapsed into fragments, looking like a giant jigsaw puzzle whose pieces are often scattered over large areas among smashed trees, agricultural machinery, cars and carts which happened to be on the roads when they gave way.

In the low lands, the roads have simply disappeared beneath the mud, their former presence revealed only by some twisted or torn road sign or wooden pole, still emerging from the mud.

Two railroad lines of vital importance to the country connected Sfax (where phosphate is mined) to Gafsa (where it is processed for export) and Jerissa to Bizerte, for the transport of iron ore. These deposits are the only mineral resources of the country and the phosphate its main item for export. The railroad lines are the life line of the country's economy. Pilots working on rescue missions told me that the railroads have been so heavily damaged that for miles they have just ceased to exist. Twenty major railroad bridges have been destroyed; in places, only twisted, ghost-like pieces of black steel emerge, apparently from deep ground or, look like loose fragments, swimming in a sea of mud: altogether hundreds of miles of railroad track have literally disappeared.

The most difficult thing to visualize for those who have not seen the Tunisian disaster at first hand, is the sheer magnitude of the areas hit by the disaster: from a helicopter flying at the height of a thousand feet we could look all around us—where a rich agricultural plain used to be—and see as far as the eye could reach only muddy water, either stagnant and silent as death, or rushing to the sea with angry ripples and swirls: in those, some shapeless dark object would bob up from time to time: tangled remnants of bushes and trees, a dead animal or a human body? . . .

A fertile coastal plain, lovingly cultivated in neat rectangular, irrigated green fields as recently as a few weeks ago, now looks like unreclaimed parts of the Zuyder Zee: the outline of the fields can still be seen, but each is filled with yellow water, while the whole area is isolated, like an island, from the mainlands, all its roads, bridges and irrigation lines broken down.

Hergla, a white jewel of a little town on a high promontory, that formerly looked out proudly over the blue sea to the East, and over green rolling fields to the West, is now an island in a yellow sea. Mud is choking Hergla, cut from the mainland and left without drinking water. Sousse, also isolated on its hills, was famous until recently for its terraced gardens overlooking the sea. It still seems to be linked remotely to the land by the disconnected sections of its water supply line, zig-zagging haphazardly over soft yellow mud. A town of about 40,000 people, it is still without drinking water since it is impossible for heavy machinery to reach it, or for people to cross what has become miles of quicksand.

All the major Tunisian cities have been cut off from surrounding areas at one time or another, some for weeks. Only helicopters can find dry spots large enough on which to land and evacuate the starving and the sick. The day we left Tunisia, a Minister of State who wanted to visit Monastir, another coastal city, had to cancel his trip, because the last possible helicopter landing site had just been flooded. On his first mission, Major Robert McDougal, a U.S.A.F. helicopter pilot distributing U.S. emergency food relief, successfully landed his Huey in the square of an isolated village: he found himself immediately surrounded by a small pitful crowd, franctically pounding at his machine, ripping its doors open and grabbing whatever was movable inside, including radio equipment. They had been without food for two weeks: seven children and two adults had died of hunger, and most of the survivors were suffering from food poisoning as a result of eating the raw flesh of their drowned sheeps and goats. Helicopters now first bail out food from high up before landing to rescue the sick and dying.

To find the people to be rescued is a problem. Throughout our flight we saw hundreds of abandoned houses . . . or were there starving despairing people inside? We saw clusters of people standing on high ridges, on the walls of their wells filled with mud, waving at us; thousands of them. Those who still can call and wave are probably not the worst off.

In a country with no extensive communications network to start with, no television and few radios, the destruction of the telephone lines has totally disrupted communications. It is therefore extremely difficult to arrive at any estimate of the loss in lives and property. Maps are in many cases useless to pilots, as the very geography of the country has changed; the landmarks provided by rivers, roads and villages have totally disappeared in many places. The modest dried-mud house of a small Tunisian farmer, suited to a dry climate because it is cool in the summer and warm in the winter, disappears in the fury of the elements almost without a trace. Its inhabitants—if they were lucky—now may be huddling with countless others in some surviving stronger structure: the mosque or the cement built schoolhouse, waiting around modest fires for the helicopters to find them, or finally for the waters to recede . . . When?

While fires and earthquakes strike suddenly and constitute a mortal danger, recovery from their horrors can start as soon as they are over, whereas the horrors of floods linger on. After the food and the blankets have been dropped, after the doctors have come and inoculated all the crouching, desolate bodies against typhoid fever and flown off again, the water is still there, as well as the treacherous mud and the new clouds in the sky, now, not expected to leave for another month. The latest news is that new rainfall is expected.

Emergency help has been provided by several countries including our own—$1 million voted by Congress, and the release of wheat and other staple foods stocked in Tunisia for ongoing Aid programs. Private emergency relief agencies like CARE, the American National Red Cross, Project HOPE, Catholic Relief Services, and the Joint Distribution Committee have all reacted quickly to the acute immediate distress.

But who will help Tunisia when reconstruction must begin, in a country that has no financial reserves, in which the very basis of the economy—its few mines, its agriculture and the beauty of its land—have all been destroyed?

We, who know what happened, and what is at stake, feel we must help. We believe that many more Americans will also want to help the Tunisian people rebuild their country. We still have a few weeks to get ready to do so, for then we can work with the glorious Tunsian spring and the will of the Tunisian people to recreate the hope to a future they have so cruelly and unjustly lost.

AIMS OF THE AMERICAN COMMITTEE OF ASSISTANCE TO TUNISIA

Because of the scale of the assistance needed by Tunisia to reconstruct its economy, the major part of such assistance will have to come from governments and international organizations, through grants and easy long-term loans. However, an important part can be played by an American Committee from the private sector:

1. We can raise a meaningful, though limited, amount of funds towards a definite project—this to be defined specifically in our forthcoming meetings. Such funds can be forwarded as tax-exempt contributions to a designated account to be set up for this purpose by the African-American Institute, a private non-profit educational organization, incorporated in the District of Columbia.

2. We can approach certain industries who might be able to contribute gifts in kind which would be extremely helpful. Examples are machinery, pipes, communication equipment, construction materials etc.

3. We can stimulate the interest of private sources of support, particularly voluntary relief organizations, in the present Tunisian situation and possibly persuade them to extend their help beyond the present crisis, into the reconstruction phase.

4. We can help to encourage the Congress and Government's Agencies to extend generous assistance to Tunisia.

5. We can encourage the media to report and interpret the consequences of the Tunisian disaster to the American public more adequately than they have done so far.

6. The existence of an American Committee will be viewed in Tunisia as a symbol of people to people friendship and solidarity, and so will strengthen good relations between the Tunisian and American peoples.

[Press release from the Embassy of Tunisia, Washington, D.C.]

Tunisia Flood Relief

Three days of heavy rain at the end of September caused serious floods in Central and Eastern Tunisia. Other rainstorms on October 6th and 7th brought additional flooding and problems to Tunisia. Thus continuing rains have worsened the situation, turning ten out of the thirteen provinces of Tunisia into disaster areas.

People were stranded in trees and on roof tops requiring rescue; public buildings and mosques are being used for shelter. Last reports indicated 425 deaths, 100,000 people homeless, and 37,000 houses destroyed.

The spread of destruction is so extensive that Tunisian resources to meet the demands are exhausted. Communications are cut and contact with many areas has disappeared.

Preliminary estimates are: 125 miles of roads destroyed; 25 highways bridges washed away; 20 railway bridges destroyed—loss of railroad lines led to the shut down of the mining industry (phosphates and iron-ore) and caused work-stoppage for almost 20,000 workers. Estimated cost of restoring the road and rail lines is 5 to 6 million dollars.

There has been severe damage to the telegraph and telephone systems. To reestablish the shortwave network will cost an estimated $700,000.

Moreover, water supplies in several cities and towns are threatened. This catastrophe may take 4 to 5 years to remedy; the Tunisian Government is making an urgent appeal to the international community for immediate assistance.

Following this appeal, many friendly countries and international organizations responded by sending useful contributions. But more help is still needed, mainly of a financial nature.

EXCHANGE OF MESSAGES BETWEEN PRESIDENT NIXON AND PRESIDENT BOURGUIBA

DEAR MR. PRESIDENT: I am very sorry to read of the disastrous floods which hit Tunisia over the past weekend. I extend my personal sympathy and that of the American people to you and the thousands of victims of these floods.

Ambassador Calhoun has informed me of the extensive and well organized relief efforts in progress. We send our earnest wishes for a rapid recovery. With warm personal regards,

RICHARD NIXON.

President Bourguiba replied by the following message:

DEAR MR. PRESIDENT: I was deeply moved by your kind message of concern following the serious flooding in Tunisia at the end of September.

I know how much you and the American people sympathize with Tunisia, and I express to you my gratitude for all your assistance during this emergency.

I avail myself of this opportunity to convey to you, Mr. President, my most sincere feelings and the assurance of my highest consideration.

HABIB BOURGUIBA,
President of Tunisia.

[From the New York Times, Dec. 5, 1969]

FLOOD-STRICKEN TUNISIA FACES A 5-YEAR RECOVERY TASK

TUNIS, December 4.—After weeks of nearly constant rain and floods, Tunisia is facing a recovery task that is expected to take at least five years and cost more than $40-million.

In some places the rainfall, between Sept. 24 and the end of November, totaled more than eight and a half inches a day. It left behind new lakes, and cut new rivers through the central regions of the country. Olive trees, one of Tunisia's sparse natural resources and the livelihood of many of her people, were uprooted and carried away.

But despite the picture of desolation and disaster left by the retreating waters, Tunisia has not been plunged into chaos. Her immediate appeal for help met with a prompt response from her North African neighbors, most European countries and the United States, which carried the biggest burden of aid beyond the $40-million the Tunisians expect to pay.

RIVER BECOMES A TORRENT

Frency, Moroccan, West German and United States helicopters have been flying relief supplies and anti-typhoid vaccine to disaster areas. Teams of engineers from Belgium, France, Spain and West Germany began the task of re-establishing communications; repairs to 125 miles of highways and 60 miles of railroad track are under way.

The Zeroud River, which even in winter is little more than a modest stream in central Tunisia, became a torrent, more than a half mile wide and 40 feet deep. Experts estimated that it had a bigger instantaneous flow than the Rhone in France and Switzerland after the melting of the winter snows. Near the Islamic city of Kairouan, the river left its shallow bed, normally a few hundred yards wide, and became a 10-mile-wide expanse of raging floodwater that swept away all before it.

In the Plain of Kairouan, two other streams, the Merguellil and the Nebhana, were transformed beyond recognition with the same disastrous effects. Concrete blocks weighing about 100 tons each were torn out of wrecked bridges and hurled 50 to 100 yards downstream.

BRIDGES WASHED AWAY

Nearly 30 rail and road bridges were washed away. In the worst-hit area of Sousse, artesian wells and water-supply pipes are in urgent need of repair. Muddy rivers invaded villages and towns in the south, engulfing livestock. Dwellings crumbled, leaving 542 dead and some 300,000 people without shelter. Most Tunisian industries have been at a standstill since the beginning of the floods. The export of phosphates, Tunisia's chief earner of currency, was interrupted because of damaged railway track.

The railroad, which carries phosphates from the mines of the Gafs a region to the port of Sfax, is being repaired by French engineers to enable the earliest possible resumption of phosphate exports. The repairs seem to be proceeding in record time, as the officials of the southern region are to announce shortly the completion of the task.

In the Sousse region, Spanish teams are building a bridge across the Zeroud at Sidi Bou Ali, a small town that suffered more than any other area. The Dutch are undertaking the rehabilitation of mud-filled artesian wells and the Sousse water supply.

The people of Kairouan and adjoining villages, which had been cut off from the rest of the country at the onset of the floods, have been kept alive by the uninterrupted flow of supplies and vaccine by the United States Navy and Army helicopters. Their crews told of the human suffering they witnessed on the hazardous missions.

WOMEN IN DESPAIR

A member of one Navy helicopter crew said: "Down below a handful of people were gesticulating to attract our attention. We lowered the craft; we could clearly see women tearing their clothes and scratching their faces in despair. We dropped our supplies. People scrambled and fought for food like a pack of hungry wolves."

Another crew was forced to land on a railroad track, slightly denting the rear of the helicopter, to unload food supplies to about 20 Tunisian peasants who had taken refuge from the muddy river on the track and had been without food for four days.

Members of the United States Embassy staff in Tunis worked around the clock on the relief program. Supplies of blankets, food and vaccine were flown to Tunisia immediately. One million dollars was donated for the construction of emergency bridges in the north.

Medical teams from the hospital ship Hope, anchored in the Tunis harbor, went to the Sousse and Sfax areas to vaccinate the population. So far no cases of typhoid have been reported.

The World Food Program, an organization affiliated with the United Nations, has undertaken to feed 100,000 refugees for the next six months. Food, blankets and donations in money continue to arrive from many countries.

One expression of sympathy for the victims of the floods came from the children of United States servicemen at the Wheelus air base in Libya. They sent 500 pounds of candy for the children of Kairouan.

THE PROBLEM OF HUNGER

Mr. SMITH of Illinois. Mr. President, at a time when the country is devoting a vast amount of resources to landing on the moon and to resolving the Vietnam conflict, it is essential not to lose sight of the many other pressing priorities facing the Nation and the entire world. One of the most pervasive of these is the problem of human hunger. Considerable attention has been directed toward this by Congress, and President Nixon recently held the Nation's first White House Conference on Food, Nutrition, and Health.

I find it most significant that ways in which to solve the hunger problem are not only being given attention here in Washington, but also by young people all over the United States. During the past year, several Walks for Development have been held around the country to raise funds for the fight against human malnutrition and starvation.

Mr. President, I ask unanimous consent to have printed in the RECORD an article, published in the September issue of Good Housekeeping, which shows the enthusiastic acceptance for these walks in my State of Illinois.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THEY WALK TO FEED THE HUNGRY

(By Charles and Bonnie Remsberg)

Just the day before, 3,000 young people had invaded tiny Zap, North Dakota. In a drunken orgy of window-smashing and fire-setting, they had roamed the streets and left the helpless village in shambles.

Now, more than 800 miles away, the early Sunday-morning stillness found some 5,000 teen-agers massed on a high school football field in the tranquil Chicago suburb of Villa Park, Illinois.

Tense excitement crackled through the crowd as speakers shouted from a platform to deafening cheers. Suddenly, the mob broke from the field and surged into the street. Those in the lead were running. Filling the pavement curb-to-curb, the teens headed for a middle-class residential section, where many families were still asleep.

Gleefully, a handsome eighteen-year-old named Chuck Steinbach, the driving force behind the youthful throng, leaped to the platform for a better view. "My God!" he shouted. "There's no stopping them now." For, as far as he could see, a mighty human river rolled resolutely forward. . . .

Startled homeowners who stumbled, still in nightclothes to their picture windows may have felt apprehensive at first. But before that day last May was over, adults in Villa Park and surrounding communities realized that these young people stood in sharp contrast to their peers at Zap and other sites of recent adolescent destructiveness. Instead of hell-raising, these teen-agers were on a "Walk for Development" peacefully giving their energy to help fight widespread and growing human hunger.

Such walks began in this country about a year ago, under the auspices of the American

Freedom from Hunger Foundation in Washington, D.C., a private, nonprofit organization supported by leaders in business, labor, social welfare, agriculture and education. Since then, an estimated 150,000 largely-middle-class young people, from 35 communities, ranging in size from Aurora, Iowa (population 600) to Los Angeles, have turned their "sole power" into dollars for the needy.

Each walker recruits "sponsors" to pay him, from a few cents to several dollars, for every mile he hikes over a charted 26- to 32-mile course. So the youngsters not only draw public attention to the problem of hunger but earn hard cash for a variety of imaginative self-help anti-poverty projects in the United States and abroad. Thus far, youthful walkers have raised almost $1,000,000, with more walks scheduled for this fall.

Although the Foundation offers some basic guidelines for conducting a walk, the teens themselves handle the detailed planning, organizing and problem solving. They learn firsthand how to cope successfully with the adult system, from slow-moving city governments to vicious extremist groups. And in the end, they have the satisfaction of having helped bring meaningful change to a world they never made.

Their efforts are heroic. In hilly Duluth, Minnesota, thousands of boys and girls trudged a 29-mile route through snow and cold, and in Palm Springs they struggled along in broiling desert heat. In San Diego, a blind student ran the full course with his hand on the shoulder of a high school track star. In Eugene, Oregon, a girl went 24 miles in the rain—in a wheelchair. In each of the cities, youngsters have stumbled wearily across the finish line with feet blistered and bleeding from hours of walking. "I couldn't stop until I finished," a thirteen-year-old girl in Fargo, North Dakota, told Leonard Wolf, the Foundation's executive director. "I felt I was carrying a starving baby in my arms, and if I quit the baby would die."

"There are still some beautiful, beautiful kids in this country," says Wolf. "They have a purity of concern that's not all cluttered up with the attitude, 'What's in it for me?'

Soon after he came to the Foundation early last year, Wolf, 43, a former congressman from Iowa and one-time director of the U.S. Food for Peace program in Brazil, began pushing the idea of the walks. The method had been used successfully in recent years to mobilize youth in Canada and England, and Wolf, who has three children ranging in age from eleven to eighteen, recognized its genius: There is enough challenge and offbeat adventure in the sponsored-walker concept to attract vast hordes of teen-agers; solicitation of neighbors, businessmen and relatives as sponsors, publicity and the sight of the peaceful marchers helps draw the attention of uninformed or apathetic adults to the pressing problem of hunger. Because the proceeds go almost wholly to projects attacking the root causes of hunger and poverty, the young walkers make a positive social contribution to a troubled world in which they so often feel only helpless.

Under the plan Wolf drew up, fifteen percent of the money raised in each walk goes to the Foundation to help finance educational campaigns on the hunger problem. The rest is divided evenly between foreign and domestic projects. Although the young organizers choose their own projects to support, the Foundation requires that the programs involve the poor themselves. "Rather than just sending carloads of food," explains Wolf, "we believe in the proverb, 'Give a man a fish and he eats for a day, show him how to fish and he eats for a lifetime.' " To be certain the money is used wisely, the projects submit proposed budgets to the Foundation and are audited regularly.

Thirty-five hundred young people, some with dozens of paying sponsors, stepped off on the Foundation's first walk in Fargo, September 28, 1968. Six hundred and forty-nine staggered across the finish line 32 miles later, some with the soles of their feet blistered solid. The combined group raised $23,530 for an Indian nutrition education program in North Dakota and a rural youth-training center in Dahomey, West Africa.

"I came away from Fargo fully committed to the walk approach," says Wolf. "In terms of young people moving a community, it was a lot more effective than a bunch of busted heads."

In subsequent walks in sixteen states, from $3,800 to $85,000 has been raised to benefit projects that range in nature from consumer education for Mexican-Americans in Texas to the immunization of farm animals against diseases in South Korea.

The Villa Park, Illinois, walk was started by high school senior Chuck Steinbach. The son of a television repairman, Chuck is a soft-spoken young man with sideburns and a Bobby Kennedy mop of brown hair, a mind keen enough to put him on the dean's list, and a personal magnetism that made him student-council president at Villa Park's sprawling Willowbrook High School. Although he grew up amidst the flowering trees and comfortable homes of Chicago's western suburbs, he has what friends call "exceptional sensitivity" for the less fortunate. "When Chuck looks at a picture of a starving kid in Biafra," says Richard Cargill, the student council's faculty adviser, "I think he *feels* the hunger."

During the summer of 1968, with Biafra much in the headlines, Chuck grew increasingly aware of hunger as a mounting world crisis. He read expert predictions that within the next three decades, as the world's population doubles, millions will die of famine. Already seven persons every minute are dying worldwide from malnutrition and starvation, and one child in three now living will carry for life the irreversible effects of food deficiencies. Even in the United States, the most affluent nation on the globe, government researchers estimate that at least 10,000,000 impoverished men, women and children suffer from inadequate diets. [A detailed report, *America's Hungry Families*, by the Remsbergs, appeared in the October, 1968, issue of GOOD HOUSEKEEPING.] "I could see that hunger is linked to a whole range of social problems—war, racism, political chaos, poverty," Chuck recalls. "But like most other people, I didn't see how I could help."

Then at a church youth conference, he heard about the Foundation's walks. Curious, he drove to Madison, Wisconsin, and on November 16 joined in one with 5,500 other hiking youngsters.

"It was one of the most moving experiences of my life," he remembers. One participant was an eighteen-year-old boy with a birth deformity that forces him to walk on the sides of his feet. After seventeen miles in rain and sleet, his mother begged him to drop out, but he told her, "I've got a job to do, Mom, and I haven't done it." By 9 P.M., the rain had turned to snow. All the other youngsters had quit or finished, but the boy trudged on alone. At 10:10—fourteen hours after he began—he crossed the 32-mile finish line and fell exhausted into his mother's arms. He had earned about $15 to help train Wisconsin Indians to grow and market wild rice and to buy irrigation pumps for a poor farmers' cooperative in Ecuador.

By early last February, Chuck Steinbach had formed a "core committee" of thirteen enthusiastic students from eleven suburban high schools and colleges to organize a Walk for Development in Villa Park and adjacent communities.

On the surface, the group seemed almost hopelessly diverse. One was a boy who spent nearly all his spare time at the library; a few had been involved in such activities as voluntarily tutoring ghetto children; several were style- and popularity-conscious youngsters whose main interests were parties and school-sponsored events, and another was a boy who had compiled one of the worst disciplinary records at his high school.

All, however, were committed to a single philosophy. Explains Tom McDermott, a freshman at Elmhurst College: "We wanted to show other students that it's possible to help improve society without being disruptive and destructive. And we wanted to wake up the adult community to the problem of hunger and to communicate that kids can be responsible when given a chance to do something meaningful."

With May 11, Mother's Day, agreed upon as the walk date, the committee began attacking the problems of organization, coordination and troubleshooting, all the while scrambling to stay abreast of school obligations and part-time jobs.

From the Foundation, they obtained a long list of carefully researched foreign self-help projects needing assistance. They chose two to help: an institute in Lucknow, India, that teaches young farmers literacy and new agricultural methods, and a center in Biafra which is establishing a weaving industry for displaced persons. As part of their learning process, however, committee members themselves were to ferret out deserving domestic projects.

For more than two months, a subcommittee headed by Jan Wallinder, seventeen, followed leads supplied by social agencies, church groups and antipoverty organizations in the Chicago area. To their surprise, they discovered that hidden among the affluence of their own DuPage County (where, in Chuck's words, "Most of us equate hunger with not having a second dessert") was considerable hard-core poverty. Census statistics revealed that at least 4,300 families in the county fall below the poverty line, including some who live nineteen to a two-bedroom apartment or who exist on beans and bread in flooded basements and rat-run shacks.

Certain that publicity about such need so close to home would shock the uninformed, Jan and her group kept digging until they discovered a newly formed organization called Project HOPE. It had been started by concerned citizens in nearby Wheaton to buy and rehabilitate homes with volunteer funds and rent them cheaply to welfare mothers and their children. Then, through personal counseling from HOPE members, families could learn to utilize their own talents and resources to shake off the yoke of poverty.

As the second domestic beneficiary, the committee chose the Delta Ministry, an interfaith program aimed at making unemployed Mississippi field-workers economically self-sufficient.

As word of the walk spread, students from more than eighteen high schools and six colleges from throughout the western suburbs wanted to join in, so schools chairman Tom McDermott took on the massive job of organizing sub-core committees in each school to handle publicity and walker registration. Other committee members tracked down amateur radio operators and rescue squads to operate a communications network on the day of the walk. Still others persuaded adults to man the thirteen checkpoints that would be set up every few miles along the route where sponsor cards could be stamped to show the mileage covered. In addition, there were hundreds of "Sole Power" lapel buttons to be made and sold to cover organizing costs; press releases to be written and news conferences conducted; speaking engagements about world hunger to be lined up during a whirlwind visit by Wolf and a United Nations food expert; bank accounts to be opened; tax receipts to be distributed to contributing sponsors; toilet and food facilities for 5,000 to 10,000 walkers to be arranged.

Just laying out the 30-mile route mushroomed into a logistics nightmare. Chuck and route chairman Jill Feldmann, seventeen, spent hours driving suburban streets before settling on a course that began and ended at Willowbrook High School and twisted through five suburbs. They spent long nights poring over law books to be certain that their plans conformed with village ordinances because, as Chuck explains, "The idea was to work within the law and walk within the law." They appeared before village boards to explain their cause and persuade city officials to grant parade permits, and then they had to confer with police officials to coordinate manpower deployment and traffic control for the walk day.

Not everything went perfectly, however. "We were always fighting the fear people have of kids," Jill says. "It seems that when they think of students getting together these days, they usually think of riots." Also, the teens discovered, in some suburban areas many persons still oppose efforts to aid the poor and the sending of money overseas. Policies at some schools prohibited publicizing walk plans. Trustees on one village board delayed nearly a month before finally granting a walk permit; another town refused to okay the solicitation of sponsors. When the committee wrote to 150 area churches asking for help in making sandwiches for the walk and in spreading information about world hunger, only twenty responded. "Some kids who had never been involved in anything before were discouraged by all the doors that closed," says nineteen-year-old Cathy Johnston, who served as Chuck's co-coordinator. "But they learned to keep going until they found doors that opened."

By the time the walk was just ten days off, students were eagerly pursuing sponsors. Enthusiasm was high.

Then trouble surfaced that made earlier problems seem like minor annoyances.

Right-wing elements in the western suburbs suddenly began issuing a barrage of false accusations. The Foundation was a Communist front, the extremists charged, and the teen-agers were trying to "undermine a fundamental American institution" by hiking on Mother's Day. Some of the proceeds would be pocketed by the kids instead of being given to the poor, some opponents asserted, and the Foundation would keep at least 65 percent of the money raised. One critic even saw evidence of a diabolical plot in the fact that the line of walkers would temporarily block off residential driveways. A "newsletter," filled with innuendo and insinuation, was widely distributed and a telephone campaign was launched to urge parents to withdraw permission for their children to walk and sponsors to cancel their pledges.

"After all their work, the kids were pretty shook at first," recalls Mrs. Linda Eller, a suburban youth leader. "But they realized they had a responsibility to fulfill, and in the face of this intense hostility they forged ahead."

On the Friday night before Mother's Day, the committee held mass sandwich-making parties with bread, cheese and peanut butter donated by local businesses. Saturday they put up route markers and tied up scores of loose ends. That night, Chuck was so exhausted he couldn't sleep. "All that work," he kept thinking, "and tomorrow is it."

Mother's Day dawned to a cloudless sky, and by 6 A.M. young people were starting to gather on Willowbrook's grounds. While kids in hippie garb and blacks with Afro hairdos milled together with girls in bell-bottoms and sandals and boys with hiking boots and knapsacks. Kids whose parents had dropped them off in expensive cars stood talking to a boy who had walked in from Aurora, Illinois, 25 miles away. Whole families, including grandparents, stood hand in hand. Many teens had brought younger brothers and sisters. Ministers who were sponsored by their congregations, and teachers sponsored by their students, arrived to walk. One boy flashed sponsor cards bearing almost 250 names. High school track teams and college fraternities and sororities had challenged each other, and some carried hand-lettered signs reading. "30 miles on a dare, show the world how much you care." A young woman in a wheelchair and two retarded youths waited quietly for the walk to begin.

By eight o'clock, a crowd of more than 5,000 filled the school's athletic field. When core committee member Jay Lyons climbed onto a platform and shouted. "How many are going 30 today?" the responding cheer was earsplitting.

Then a state legislator began calling out the names of schools represented. The mob was fired into action. The six track teams broke from their positions and ran into the street, with the walkers surging after them. The Walk for Development was under way.

After the initial two and one-half miles, the curb-to-curb tide of walkers reached the first checkpoint. As they swarmed around the tables where volunteers from women's clubs and civic organizations were stamping sponsor cards, the committee presented a daisy to each mother among the walkers.

By the third checkpoint, three and one-half miles away on the shore of a lake in suburban Glen Ellyn, the dropout rate was beginning to show. Relays of "toe trucks" were picking up those who could not continue, and the thinned line kept mostly on sidewalks now. Men in radio communications cars estimated that the walk stretched for more than six miles.

By the lake, many youngsters, already blistered, tied their shoes around their necks and went barefoot. A father led his two sons in leg relaxing exercises. One eager hiker, an eight-year-old girl, admitted, "This sure gets my feet sore. But," she grinned, "I'll keep going 'cause I'm worth 70 cents a mile."

It was nearly noon when the trickle of walkers arriving at the fourth checkpoint, nine miles along the route in Wheaton, swelled to a stream. Hundreds of sandwiches were served out of new garbage cans, taped with signs that said: "We're walking because some people still have to eat from these." The walkers, many limping with pain, slumped wearily to the ground to eat. A volunteer nurse applied bandages to blistered feet.

Slowly the sky darkened, and a cool rain began. Still the walkers pushed ahead.

On the way to checkpoint six, a middle-aged housewife opened her home as a rest-room stop. By early afternoon, 150 kids an hour were trooping into her two bathrooms. "It's a wonderful way to spend Mother's Day," she declared. "We can all learn something from these kids. They're showing the good that can come if every person just does what he can on every need he meets."

At checkpoint eight, ten miles from the finish line, a rock band was on hand to boost morale. But, one hiker observed as he bandaged his numb and bleeding feet, "We're on automatic pilot now. The only thing that keeps us going is sheer will."

"Kids didn't even want to stop to rest," co-coordinator Cathy Johnston remembers, "because they knew their legs would tighten up and they wouldn't be able to walk." Along the way, grade-school children who wanted to help set up free water and fruit juice stands.

The track teams, running the full course, had arrived back at Willowbrook before one o'clock. At five, the rain over, walkers started limping in. Many had worn through their shoes and the soles of their socks.

After eight, as darkness fell and the temperature dropped, Chuck dispatched trucks to pick up those walkers still on the route. Not one would accept a ride.

The last walkers reached the edge of the school grounds at nine. Some students were carrying others whose legs had given out. One father was in the group with his seven-year-old son, and the eight-year-old girl with "sore feets," whose older sister had dropped out earlier, had walked the distance. One teen-age girl crossed the finish line and collapsed, sobbing, "I made it, I made it!"

That evening, the school had been rented to an adult theater group. As one of the play-goers arrived, he looked disdainfully around at the exhausted young people sprawled in his path. "Why don't you get these kids out of here?" he complained to officials. "People are coming here to see a drama."

It never struck him that his statement was the ultimate in irony.

In all, in this area where in Chuck's words, "people get in their cars to go across the street to the mailbox," 1,800 youngsters had crossed the finish line.

In the days that followed, the walkers hobbled back to their sponsors, displayed their stamped cards and collected more than $60,000.

Even more important than the money, potentially, was the human concern the walk had awakened. Some adults, alerted for the first time to poverty in DuPage County, are working to establish branches of Project HOPE in their own communities. Teachers are beginning to integrate studies of world hunger and the effects of malnutrition into their courses. Teen-agers are looking for other ways they can help combat poverty, and Chuck Steinbach and his committee are drafting a list of projects in the Chicago area that need volunteer aid. "There is a lot that Americans can do," says Bill Kokontis, a student from Maryknoll Seminary. "We have a lot of wealth—not just money, but healthy people with energy who can think and work."

Other towns, too, have found walks to be the catalysts for a wide variety of community involvement. In Eugene, Oregon, the mayor was so impressed with the responsibility of young people that he established an active youth-advisory council to his office. In Minneapolis, school curricula have been changed to deal more realistically with poverty and other social issues. In Buffalo, adult leaders have laid plans for working with teen-agers on a full range of community projects. In Denver and other cities, some teens, because of their walk experiences, have decided to pursue careers that deal with social problems.

At the next-to-last checkpoint on the Villa Park walk, a long-haired girl sat bandaging her feet.

"Do you think we're going to make it?" her boy friend asked.

"Of course we're going to make it," she answered. "I've got a feeling we're going to make it for a long time to come. Maybe tomorrow is going to be better after all."

SPIRO AND THE BROADCASTERS

Mr. MOSS. Mr. President, the Vice President's recent attacks on the national news media have brought a varied response from numerous sources. One reply which was of special interest to me was an editorial by KSL radio and television in Salt Lake City.

I ask unanimous consent that the editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Spiro and the Broadcasters

Vice-President Spiro Agnew Thursday night renewed his attacks on the news media. This time his target was newspapers which he said have grown "fat and irresponsible". Earlier the Vice President had levelled a blast at broadcast news coverage, which he characterized as "biased and distorted".

The Vice-President's remarks are frightening and dangerous because they imply, though he has disclaimed, a Government encroachment on the freedom of the press. Frank Angelo, Managing Editor of the Detroit Free Press and a Vice President himself—of Sigma Delta Chi—the national journalism fraternity, said Mr. Agnew's earlier speech "was one of the most shocking ever made by a public official because of the implied threat to freedom of reporting and commentary".

It seems from Mr. Agnew's quotes about what is fair comment and criticism that he does not understand the intent of the Constitution. The gentlemen who guaranteed the freedom of the press in the First Amendment of the Constitution were under no illusions about whether the press was always fair, just, unbiased, and undistorted. They knew all too well that it was not and could never be. Their conviction was that out of the welter of opinions, comments and criticisms which a free press permits, the truth will surface. And, as the English philosopher Mill put it, "who hath seen truth vanquished in a fair fight".

It seems to KSL that Thomas Jefferson said it best when he said that if he must choose between the tyranny of governments and the tyranny of the press, he would choose the tyranny of the press.

DEPARTMENT OF DEFENSE PUBLIC RELATIONS PROGRAMS

Mr. FULBRIGHT. Mr. President, last week the acting chairman of the Appropriations Committee assured the Senate that his committee would, in the coming year, take a close look at the Department of Defense public relations programs.

In the wake of a series of speeches I gave on this subject, I have received a number of letters—particularly from men in service or just out—which contain comments relevant to this matter. While protecting the identity of the authors, I should like to share their thoughts and suggestions with other Senators.

I ask unanimous consent that the items be printed in the Record.

There being no objection, the items were ordered to be printed in the Record, as follows:

Hon. J. William Fulbright,
United States Senate,
Washington, D.C.

Dear Sir: I have long believed that your instincts on the military establishment are among the soundest in Congress, and I am particularly gratified by your recent criticism of military spending for public relations.

Most Americans are unaware that they are the target of a ceaseless propaganda campaign waged by the largest advertising agency in the world. We know, of course, that Generals and other Pentagon officials engage in political activities, such as speaking before pro-war groups. But we do not realize that the U.S. military maintains an active, professional advertising department ("information" office) on every one of its thousands of installations around the world.

For two and one-half years of my recent term in the U.S. Air Force, I was assigned to one such "information" office, at Lackland AFB, Tex. Our mission was identical to that of any commercial advertising agency: to "push" our product (the Air Force) as hard as we could—to capitalize on its successes, and to conceal its blunders, creating a favorable public image of the Air Force.

The information office had a lavish budget and large staff (25 persons including well paid civilian employees, NCOs, and officers through the rank of colonel). All day, every day, our primary business was grinding out "news" stories and features for daily and weekly newspapers, magazines, radio, and television. We also were active in other forms of public relations techniques such as taking visiting Congressmen and civic officials on "canned" tours of the base. The local news media were receptive to our efforts, which consisted largely of glorifying the Air Force role in Vietnam.

We were not concerned primarily with truth or accuracy (except in spelling the names of officers), and we were not adverse to releasing false information when advantageous to the Air Force. Even when we were not actually lying, however, our slanted stories were distortions of the truth. It was simply advertising.

Since my experience in the Air Force, I have often questioned the use of public funds for military advertising. In effect, the taxpayers are paying to have their own attitudes and opinions shaped by self-serving military leaders. By permitting the military to propagandize on such a massive scale, we allow generals not merely to implement national policy, but to formulate it.

If we must spend money for advertising, let us advertise the need for controls over environmental pollution, or the problem of starvation, or perhaps even peace. Please continue to press for a full investigation of military spending for advertising and public relations.

December 2, 1969.

Dear Senator Fulbright: Being rather to the right of center politically I am pleased to report that an issue has come along on which we agree.

Today's paper report that you have declared war on the Pentagon's Public Information Program. In this effort I wish you the best of luck. I am doing so because I have twice served as an information officer against my will, when my only wish was to go forth in the jungle and fight the VC.

If you ask around at the unit level, at least in infantry outfits you will find that the information officer is usually someone like me who was shanghaied into the assignment and hates it. At least this was true of myself and my predecesors as information officer of the 5th Special Forces Group (Abn) in Vietnam. Both of us were constantly sneaking off on combat operations. He got away with it and I didn't.

I made the mistake of going into the A Shau valley with Project Delta and got two nerves and an artery shot out of my right arm. I could have stayed in the army with a waiver, but reflecting that my last twelve years of military service would have been spent captioning pictures of generals shaking hands with each other I elected to retire with my disability.

The especially painful thing about the Pentagon's PI program is that fully ninety percent of the money is spent to preen the ego of some jackass who desires promotion. I didn't join the army to do that kind of garbage and I don't know anybody else who did either.

I used to find it especially frustrating that I had twelve men, the exact number of an SF A Detachment, which normally runs six to nine hundred Vietnamese troops (excuse me, advises) and all we did was put out a monthly magazine in four colors. Presumably this boosted the morale of the troops, but it has been my experience that the last thing in the world the average Special Forces Trooper needed was to be told how good he was. We damn well knew we were good. It was a good enough little magazine and all that (Rep. Rivers, incidentally, gets a copy of it if you want to see one. It is called, naturally enough, the Green Beret (but I always wondered if it was worth the time and effort it took to publish it. It struck me that a magazine was excess fat which should be trimmed, rather like the officer's club.

In any case good luck in your effort. I'd kind of like to see the army quit congratulating itself and get it's collective ass back in the woods where it belongs.

Senator William J. Fulbright,
U.S. Senate Building,
Washington, D.C.

Dear Senator Fulbright: As writer-researcher for the five DOD movie teams you are hoping to eliminate over here in Vietnam, I am of course very much concerned by your feeling that our movie submissions to U.S. television networks are propaganda in the guise of newsfilms.

Since I got this job several months ago, I have traveled to various parts of South Vietnam to research dozens of film stories covering pacification, Vietnamization, joint U.S.-Vietnamese military operations, and highlights of U.S. military operations.

Is this propaganda? This is what is happening in the country. The progress is real. It is not being invented by either myself, the camera crews, or the cameras themselves. It is my conviction that the American people are not aware of the progress being made in Vietnamization, pacification, and nation-building simply because the day-to-day sweaty efforts being made to achieve these goals at grass-roots level, are NOT being shown by civilian press, radio, and TV outlets in the U.S.

Hence I was shocked by your belief that the efforts of our five movie teams to show these things is propaganda. Our Armed Forces, as you well know, have the mission of crushing Viet Cong and North Vietnamese forces in South Vietnam while assisting the country in the goal of getting on its own feet militarily. Yet you are saying that in documenting these things our movie teams are merely presenting the American people with propaganda!

How about humanitarian efforts by Americans to aid Vietnamese hamlets, orphanages, etc. . . . are films showing these things also propaganda? If so, then I plead guilty on behalf of the movie teams.

Certainly everything over here isn't peaches and cream. The Vietnamese aren't uniformly perfect, but neither are Americans. Are we, as DOD movie teams, supposed to be searching for foul-ups, corruption, mistakes, or backsliding to catch on film for the scrutiny of the American people?

Does the newspaper of any town in the U.S. concentrate on filling its pages with instances of crime to the exclusion of all progress being made in the community?

Sir, in 1948 about 90 percent of American newspaper publishers were against Truman in his re-election campaign. Nevertheless he was re-elected, and is now recognized as having been a great president. Today, I would guess that a majority of influential American radio, newspaper, magazine, and television owners and news officials are against the American effort in South Vietnam. It is just possible, however, that when the smoke and haze covering our current effort in Vietnam lifts, it will be seen that great things have indeed been accomplished over here, and the specter of a Communist takeover has been replaced by a workable democratic system doing a lot of good for a lot of people.

I can only interpret your desire to eliminate our teams as an effort to leave the coverage of news in Vietnam to agencies whose owners and managers are violently against our effort over here and whose one-side coverage of the Vietnam scene reflects that bias.

Civilian news agencies are NOT giving the American people anywhere near the full picture of day-to-day progress in the Allied effort over here, and as a journalist with twenty years' experience I consider this a blot on the profession, to state it very mildly.

This is why I'm so enthusiastic about what our movie teams are doing to show the real over-all picture of the war, and why I was so shocked by your propaganda label.

If President Truman had been muzzled in 1948, and not allowed to state and illustrate his case, our country would have been denied a great president, since he would not have been re-elected, simply because the whole truth was kept back.

Sir, I cannot believe that you, standing at the pinnacle of our democratic system, want to hold back the *whole* truth from the American people. I would like to respectfully ask that you reconsider your position on these movie teams.

We have dozens and dozens of our films on file here, and if you can find any instances of phoniness, or smoke-screens, or twisting or slanting of the truth, it would come as an awful big surprise to me.

I am not speaking as a Johnny-come-lately, since I have been stationed in Vietnam for a total of more than 18 months.

P.S.—Having re-read these words, I would like to add just one thought more. Perhaps the full story of the Allied effort over here is not being told by the civilian media simply because bad news—sensationalism—makes hotter copy than day-to-day efforts at progress. That's a horribly irresponsible approach to news coverage.

DECEMBER 10, 1969.

Senator J. WILLIAM FULBRIGHT,
Senate Office Building,
U.S. Senate,
Washington, D.C.

MY DEAR MR. SENATOR: It is with some hesitation that I write to you, for in my 16 years of military service I have always believed that I should remain loyal to the service. During this last tour in Vietnam I have become more disenchanted with the military and the system and have decided to take my discharge as of this coming May.

Yesterday, I was informed of statements attributed to you with regard to the office that I am assigned. I have enclosed an article from the Pacific Stars and Stripes edition of December 9th, and a UPI release quoting your remarks. I would like to know if these remarks were quoted in context.

At present, I am the NCO in charge of the Air Force DOD Newsfilm Team that is providing many of the films that have been released to the major networks in the U.S. Although I may not wholly agree with your remarks, there is much validity in what you have said and it has been a constant battle for myself to try and change the style of the story we are providing. Our job here, could have a far reaching effect on the population of the U.S., if we were allowed to film the stories that should be filmed and after filming these stories, the powers to be in the Pentagon would allow such stories to be released.

To give you a specific instance with regard to propagandizing the war, about four months ago, while filming various jobs, we were advised to concentrate on the Vietnamese doing various jobs. Although I will readily admit that some Vietnamese are doing more, we are filming so much of the Vietnamese and what they are doing that it certainly would appear from looking at our stories, that the Vietnamese have taken the major share of the war as their own. This however is not the case, at least in my humble opinion. We are just showing them more, thereby making it look as though they are really working faster. If I believe your statements to be correct, then this is what you are referring to with regard to propaganda.

We here in Vietnam are continually faced with the struggle of having to find stories, film them under less than desirable conditions, furnish the written material, i.e., captions and cover stories, and then forward this material to the UPI Newsfilm office in Washington. It is there that the selection is made as to what will be used and what will not be used and this selection is under the eye of a military liason officer. We continually have stories rejected for the reason that they have no military envolvment or that the story is not news worthy. Well, we are here and have to find the stories and I feel the decision as to what is used should eminate from here and not by someone who has been out of touch with reality for a period of time.

The blame however does not only lie in Washington, there is a great deal that should be placed squarely on the shoulders of the responsible individuals right here in Vietnam. Since being assigned to this job last May, I have constantly been arguing the fact that we are still responsible for showing the combat role of the U.S. soldier in Vietnam. To tell the true story of that man still living and dying in the field. I have only been able to get out on one semi-combat operation since that time. The roadblocks that have been thrown up on all sides are seemingly insurmountable. My first roadblock is the statement that filming combat is dangerous and there is no sense in the team going out and getting killed. Now, do I have to go on with other reasons for not being able to tell the true story. Oh, believe me Senator, there are many.

I would be most happy to provide you with any further information dealing with specific questions that you might have and also, as I intend to take my discharge from the service on the 4th of May, I would be most happy to visit with you in Washington at that time. I fully intended to visit Washington at that time anyway to tell a few people at UPI Newsfilm what I think of their operation. At that time also, I intend to begin writing a book on my experiences in Vietnam covering a period of three full years.

In 1962 and 1963, I was with the Army in almost the same capacity as I am at present, except that the films made at that time were solely for the use of the Army and not normally released to the public. I sincerely felt that we were justified in assisting the Vietnamese with their struggle, but since that time we have only helped to perpetuate the graft, corruption and mismanagement of the war.

In closing Senator, I would like to state that I have been informed, you will be receiving another letter from a member of our staff, who is a researcher for the office. Although this man is also a member of the Air Force, he lacks the experience in news filming and is primarily a writer. The stories that he researches fall right in line with the desired party line and he would never think to go against the establishment. When he told me that he had written to you, I asked to see a copy of his letter, but as is the case with this type individual, he said he had no copy of the letter and that he had already mailed it. To be sure Senator, anyone that desires to read my letter to you, will have that privilege, for I cannot say one thing to you and deny the other side the opportunity of reading what I have written.

I am enclosing release sheets of the stories that I have worked on while in this job and I feel that you will readily see the jobs are not very closely related to the actual conditions that presently exist in this country.

If I may be of further assistance to you Sir, please feel free to contact me at your convenience. I support your stand and hope that something beneficial will come from it. More hopefully that we will put an end to this conflict and the loss of American lives as well as those of our allies and also of the innocent people that are being killed and injured daily.

Very respectfully yours,

FULBRIGHT ASKS BUDGET CEILING ON DOD PUBLICITY PROGRAMS

WASHINGTON.—Sen. J. William Fulbright, D-Ark., warning that "1984" was fast approaching, said that he would attempt to impose a $10 million ceiling on Defense Department publicity programs when the $70 billion defense appropriations bill is brought to the floor.

Fulbright said he also would introduce an amendment to abolish five service-funded camera crews operating in Vietnam to produce news stories on Vietnam.

"When unlimited resources are available to a government agency for selling forces, the public does not stand a chance," he said.

The chairman of the Senate Foreign Relations Committee charged that the Defense Department—with a public relations expenditure of at least $27 million a year—was "engaged in a vast effort to sell the administration's Vietnam policy to the public, as it did to sell the Vietnam policy of the previous administration."

"This is only one step removed from using the public relations resources of the military establishment to rid the Congress of those who question executive branch policies," he said.

"If the present trend continues, '1984' may arrive long before the next 15 years have gone by."

In the novel "1984" by George Orwell, the government practices "thought control" over the population.

Fulbright also introduced a bill requiring semiannual reports to Congress on the Pentagon's public relations program, including a list of speeches, scripts, press releases and other material. The bill would require films and speeches dealing with a foreign country to be approved by the Secretary of State.

Fulbright devoted the last of four Senate speeches on what he called Pentagon "propaganda" to the Army's public information program.

He told the Senate the Army employed 442 servicemen and 170 civilians in fiscal 1969 on its public affairs programs, spending $4.9 million.

In addition, he said the Army keeps a steady stream of military speakers before the public in an effort to give its special view of the world situation, and particularly the Vietnam war.

"Tonight, and for each night of the week, no less than seven Army speakers are appearing before public audiences, most of them to give the Army view of the war in Vietnam," he said.

"How can those of us who seek to challenge the administration, and thus the Army's position in this most important matter, complete with that array of speakers?" he asked.

Fulbright emphasized he was not talking about "muzzling the military."

"That issue was fought out years ago," he told the Senate.

"We are talking about military men using their position and their ability to travel around the country as a public relations tool designed to promote support of a political activity on which there is profound difference on opinion."

Fulbright said Congress removed the spending limitation on Pentagon public relations activities 10 years ago and since then the "military's spending on lobbying the public" had skyrocketed from $2.7 million to $27 million.

PENTAGON PROPAGANDA

WASHINGTON.—Sen. J. William Fulbright, D-Ark., urged Congress today to sharply prune a $28 million Pentagon public relations program which he said is used to woo public support for fancy weapons and the Vietnam war.

Fulbright, a leading critic of the war and the Defense Department, said he would introduce amendments to the Defense appropriations bill to limit the money spent on information programs and outlaw "public relations, as against public information."

The Arkansas Democrat said Pentagon publicists were much more dangerous than the television newsmen criticized by Vice President Spiro T. Agnew.

"Vice President Agnew's remarks only served to reconfirm my fears that an administration that actively desires to use the tremendous power and prestige of its high office to control the media in our free society can do great damage to our traditions," Fulbright said in a Senate speech.

"He spoke as part of an administration effort to stifle dissent. I am speaking of an administration program designed actively to promote support."

Fulbright said the Pentagon uses TV film, news releases, speakers and expense-paid tours for influential civilians to swing public opinion behind its policies.

He said 2,800 men are employed in Armed Forces public information and public relations programs, and spending has multiplied 10 times to at least 27,953,000 last year since Congress stopped limiting it 10 years ago.

Fulbright said his amendment would seek to eliminate five television camera crews the Defense Department maintains in Vietnam. He said the film clips he viewed "have a propaganda rather than a journalistic thrust," and are turned over to commercial TV stations for use in news shows.

"There is enough administration propaganda on Vietnam being provided the American public through speeches and statements without providing this additional outlet in the guise of 'objective' newsfilm stories," he said.

Fulbright said he began to look into Pentagon publicity efforts following his unsuccessful attempt to delay deployment of the antiballistic missile (ABM). During the debate, he said, he learned of a Pentagon memorandum "which depicted an ambitious, coordinated public relations program to promote that weapons system."

[A Newsfilm release from the Office of Assistant Secretary of Defense, Public Affairs, Washington, D.C., June 24, 1969]

Mobile TV Station Brings U.S. Programs to American Troops in South Vietnam

(Official Department of Defense motion picture film by the U.S. Marines under the direction of the MACV Office of Information. Photography by SSgt. Bloom and SSgt. DeMiter: Sound by SSgt. Melcher.)

At Chu Lai in Quang Tin Province in South Vietnam a new mobile television station joins (March 14, 1969) the existing American Forces Vietnam Network to bring U.S. television programs to our troops in this forward combat area. In-between and during incoming mortar rounds, blasting explosions and aircraft noises Channel 13 daily provides ten hours of TV programs that include three newscasts a day to soldiers in the area. Three feature films are run at varying times each week so that no matter what shift a man works he is able to see the film. "Combat" and "Mission Impossible" are reputed to be among the most popular programs viewed by Americans and the Vietnamese. The mobile van also picks up and rebroadcasts incoming Armed Forces radio programs and evidence of this radio reception is seen everywhere. The programs are broadcast by a power of 40,000 watts from a 305 ft. tower. Channel 13 is the eighth such armed forces television station that is now bringing television programming to servicemen stationed in South Vietnam.

Scene footage, 7; video sequences (a) LS pan down TV tower to van; audio, wild track.

Scene footage 4; video sequences (b) Two scenes sign & bldg.; audio, wild track.

Scene footage, 6; video sequences (c) Inside TV van control room; audio, wild track.

Scene footage, 7; video sequences (d) New program on screen & cameras; audio, wild track.

Scene footage, 9; video sequences (e) News announcer on camera; audio, sync sound.

Scene footage, 9; video sequences (f) Three scenes men watching TV in sick bay; audio, wild track.

Scene footage, 6; video sequences (g) Man w/portable radio at aircraft repair; audio, wild track.

Scene footage, 8; video sequences (h) Another sequence portable radio; audio, wild track.

Scene footage, 3; video sequences (i) Man on guard with radio; audio, wild track.

Scene footage, 8; video sequences (j) 2 scenes men stringing barbed wire w/radio; audio, wild track.

Note to Editors: 67′ 16mm color composite print released to ABC–TV, CBS–TV, NBC–TV, Fox Movietone, UPI-Newsfilm and a master and optical track to Deluxe Lab.

Editors: Please credit Department of Defense in title or commentary. This is a "V" series color composite print released to each individual DOD Pool member and is available commercially to non-pool members and other authorized agencies from Deluxe Laboratories, 850 Tenth Avenue, New York City, telephone CIrcle 7–3220.

[A newsfilm release from the Office of Assistant Secretary of Defense, Public Affairs, Washington, D.C., Aug. 22, 1969]

South Vietnamese Volunteers Receive Popular Forces Training

(Official Department of Defense motion picture film by the U.S. Army under the direction of MACV Office of Information. Photography by SSgt. De Mitor and Sgt. Waligorski. Sound by SSgt. Turlington.)

The American Forces Advisory effort in South Vietnam has been engaged in a vital training program to teach volunteers from local villages and hamlets basic military procedures that will be used in defense of their own villages. The program, known as the Popular Forces concept, puts the South Vietnamese recruits through a training program similar to that received by U.S. Army trainees in the United States. Once the South Vietnamese complete the training they will be used in defense of their own property and families. The improvement in fighting capability and Esprit de Corps is easily recognized in their performance. The course begins with the recruit being taught how to wear the uniform properly, military courtesy, and continues through the use of the M–16 Rifle and Small Unit Tactics. Special classes are conducted in mines and booby traps. If the need should arise, these men could easily become part of a larger mobilized force by bringing several Popular Force Units together to combat enemy attacks on their villages.

Scene footage, 4; video sequences (a) Entrance to Trung-Tam Camp; audio, wild track.

Scene footage, 3; video sequences (b) LS Morning formation; audio, wild track.

Scene footage, 4; video sequences (c) MS troops salute; audio, wild track.

Scene footage, 2; video sequences (d) Sgt. reports to ARVN Lieutenant; audio, wild track.

Scene footage, 2; video sequences (e) CU ARVN Sgt.; audio, wild track.

Scene footage, 3; video sequences (f) Lt. teaches rifle class; audio, wild track.

Scene footage, 2; video sequences (g) troops in class; audio, wild track.

Scene footage, 2; video sequences (h) MS Lieutenant; audio, wild track.

Scene footage, 3; video sequences (i) Lt. & U.S. Adviser walk past troops in firing position; audio, wild track.

Scene footage, 1; video sequences (j) Lt. talks to soldier; audio, wild track.

Scene footage, 2; video sequences (k) CU ARVN soldier shooting rifle; audio, wild track.

Scene footage, 4; video sequences (l) MS ARVN soldier shooting rifle; audio, wild track.

Scene footage, 7; video sequences (m) Troops through infiltration course; audio, wild track.

Scene footage, 2; video sequences (n) ARVN cadre fires machine gun; audio, wild track.

Scene footage, 5; video sequences (o) CU ARVN soldier crawling; audio, wild track.

Scene footage, 1; video sequences (p) CU machine gun muzzle; audio, wild track.

Scene footage, 2; video sequences (q) CU soldier crawling; audio, wild track.

Scene footage, 4; video sequences (r) U.S. Adviser with ARVN Cadre; audio, wild track.

Scene footage, 7; video sequences (s) Gas Mask lecture; audio, wild track.

Scene footage, 2; video sequences (t) troops clapping; audio, wild track.

Scene footage, 5; video sequences (u) girl entertainer; audio, wild track.

Scene footage, 4; video sequences (v) U.S. Adviser with Camp Commander; audio, wild track.

Scene footage, 1; video sequences (w) CU drums; audio, wild track.

Scene footage, 2; video sequences (x) CU troops clapping; audio, wild track.

Note to Editor: 74′ 16mm color composite print released to ABC–TV, CBS–TV, NBC–TV, Fox Movietone, UPI-Newsfilm and a master and optical track to Deluxe Lab.

Editors: Please credit Department of Defense in title or commentary. This is a "V" series color composite print released to each individual DOD pool.

[A Newsfilm release from the Office of Assistant Secretary of Defense, Public Affairs, Washington, D.C., Sept. 17, 1969]

New Amphibious Cargo Carrier "Huskies" Joins Marines in Vietnam

(Official Department of Defense motion picture film by the U.S. Air Force under the direction of the MACV Office of Information. Photography by S. Sgt. DeMitor and Sgt. Waligorski. Sound by S. Sgt. Turlington.)

A new light amphibious cargo carrier, the M116A1 "Huskie" is joining U.S. Marines on duty in Viet Nam. Near Da Nang, one of the "Huskies", which are replacing similar carriers called the "Otter", goes through its paces. Designed to carry as many as 13 troops or up to 3,000 pounds of cargo, the "Huskie" is equally at home in water or on land. The snub-nosed vehicle is 15 feet long and 7 feet wide with an aluminum hull. Its powered by a 283-cubic inch Chevrolet engine that develops 160 horsepower. Running on its two 20-inch steel tracks, the "Huskie" crosses water at a speed of 5 miles per hour and can hurdle ground obstacles over 18 inches high. Its range can be as much as 300 miles on land at a speed of about 40 mph and it can travel 22 miles in water on a tank load of 65 gallons of gas. At present, four of the "Huskies" have reached Marines in Viet Nam and more of the 45 ordered will be dispersed as mechanics and drivers become available. The "Huskie" is not armor plated or armed. But later models will be equipped with machine guns or a mortar. The vehicles cost $64,000 each but to the Marine who no longer has to haul ammunition in stifling heat or to the rifleman whose life is saved in a medevac, the "Huskie" is worth a million.

Scene footage, 4; video sequences (a) LS Huskies in water; audio, wild track.

Scene footage, 15; video sequences (b) Various shots of Huskies in water; audio, wild track.

Scene footage, 7; video sequences (c) Huskies onto land; audio, wild track.

Scene footage, 1; video sequences (d) CU dashboard; audio, wild track.

Scene footage, 4; video sequences (e) Huskies down road; audio, wild track.

Scene footage, 22; video sequences (f) Huskies cross puddles; audio, wild track.

Note to editors: 53ft 16mm color composite print released to ABC–TV, CBS–TV, NBC–TV, Fox Movietone, UPI–Newsfilm, and a master and optical track to Deluxe Laboratories.

Editors: Please credit Department of Defense in title or commentary. This is a "V" series color composite print released to each individual DOD pool.

[A newsfilm release from the Office of Assistant Secretary of Defense, Public Affairs, Washington, D.C., Sept. 5, 1969]

U.S. Navy Cruiser, USS "St. Paul," on Fourth Tour in Vietnam Waters

(Official Department of Defense motion picture film by the U.S. Air Force under the direction of MACV Office of Information. Photography by S.Sgt. DeMitor and Sgt. Waligorski.)

Over the past four years, the heavy cruiser, USS Saint Paul, has spent four tours in Vietnamese waters. In this time, her nine eight-inch and ten five-inch guns have lobbed more than 100,000 rounds onto enemy targets in the I Corps Tactical Zone in South Vietnam. Calls for assistance come into the Combat Information Center on board the Saint Paul from aerial spotters or ground troops. The target information is passed on to the ship's sophisticated fire control computer along with wind speeds, course, and the ship's speed. The computer spits out the adjusted--target settings. In less than five minutes,-Saint Paul's guns can answer any call for help, sending their projectiles at the enemy. Recently, the "Fighting Saints", as the men of the Saint Paul are known, supported elements of the 1st Marine Division at Da Nang with their heavy naval gunfire. This was at 1:00 a.m. Five hours later, and 80 miles away, the cruiser was hurling her shells in an effort to assist the 3rd Marine Division, south of the Demilitarized Zone.

The Saint Paul's operations officer, Commander Clifford Barnes of Warm Springs, Georgia, describes the effect of this naval firepower in these words: "Naval gunfire is devastating. The enemy doesn't have time to hear the incoming rounds. They're hit before they hear them." The "fighting Saints" have received numerous congratulatory messages from Army and Marine Corps ground forces in appreciation of the Saint Paul's close support during their operations. Rear Admiral T. J. Rudden, Jr., commander of Flotilla 3, consisting of more than 50 cruisers and destroyers of the U.S. Seventh Fleet, commented on the combination of air strikes, artillery, and naval gunfire which support ground operations in Vietnam, and he said "The enemy is hurting. It's a combination of all the pressures. We (the Navy) are a part of a whole team."

Scene footage, 3; video sequences, (a) Aerial of target area; audio, wild sound.

Scene footage, 4; video sequences, (b) MCU Forward Air Controller in cockpit of plane; audio, wild sound.

Scene footage, 3; video sequences, (c) Aerial shot of target; audio, wild sound.

Scene footage, 6; video sequences, (d) Aerial shot of USS Saint Paul; audio, wild sound.

Scene footage, 3; video sequences, (e) Saillor writing down coordinates on board; audio, wild sound.

Scene footage, 6; video sequences, (f) Sailor plotting target; audio, wild sound.

Scene footage, 1; video sequences, (g) CU of officer; audio, wild sound.

Scene footage, 2; video sequences, (h) Sailor setting target on computer; audio, wild sound.

Scene footage, 5; video sequences, (i) Computer sets targets; audio, wild sound.

Scene footage, 3; video sequences, (j) Gun turret moving; audio, wild sound.

Scene footage, 1; video sequences, (k) Bridge of USS Saint Paul; audio, wild sound.

Scene footage, 2; video sequences, (l) Sailors on bridge of USS Saint Paul; audio, wild sound.

Scene footage, 4; video sequences, (m) Guns firing; audio, wild sound.

Scene footage, 10; video sequences, (n) Guns being loaded; audio, wild sound.

Scene footage, 12; video sequences, (o) Several scenes of guns firing; audio, wild sound.

Scene footage, 4; video sequences, (p) Aerial shot of USS Saint Paul; audio, wild sound.

Note to editor: 69′ 16 mm color composite print released to ABC–TV, CBS–TV, NBC–TV, Fox Movietone, UPI–Newsfilm and a master and optical track to Deluxe Laboratories.

Editors: Please credit Department of Defense in title or commentary. This is a "V" series color composite print released to each individual DOD pool.

[A newsfilm release from the Office of Assistant Secretary of Defense, Public Affairs, Washington, D.C., Sept. 3, 1969]

U.S. Navy Trains Enlisted Men for Deep-Sea Diving at Philippines School

(Official Department of Defense motion picture film by the U.S. Air Force under the direction of MACV Office of Information. Photography by S. Sgt. N. G. De Miter. Sound by S. Sgt. J. T. Turlington Special underwater photography by Charles Sawyer.)

Approximately 75 U.S. Navy enlisted men are graduated each year from one of the Navy's most exacting training courses: the deep-sea diving school at the Subic Bay Naval Base in the Philippines. These men are volunteers and are taught such under-water skills as replacing ship's propellers, inspecting hulls, patching water suction and exhaust outlets in ships' hulls, and repairing communication lines. Without these skills, the Navy would be forced to have ships placed in drydock, a time consuming operation and one that would involve millions of dollars each year. Trainees are first acquainted with "Jake," a dummy wearing the same 195 pounds of deep-sea diving gear they must learn to handle perfectly. The gear can be compared to an astronaut's space suit, except that it is much heavier. The diving helmet weighs from 54 to 60 pounds; the weighted belt weighs 84 pounds; the lead-soled shoes weigh 18 pounds each.

The trainees work together in pairs as divers and diver-tenders. The accent is on safety and teamwork, and no detail is overlooked as students take turns suiting one another up.

The training tank at Subic Bay is equipped with portholes so the new diver can be carefully observed as he makes his descent. In these training dives the face plate of the helmet is blackened out to simulate deep-sea conditions. When they have completed the eight-week course, they will be working at depths of up to 150 feet for as long as an hour at a time. At that depth, visibility extends only a few feet for the diver. He must learn to "feel" rather than "see" his work. One deep sea test simulated in the diving tank is a jump from a three foot table on the bottom to experience the buoyancy of the suit. When they have earned their diplomas from the Deep-Sea Diving School, these men will be assigned to submarine rescue ships, shore-based repair facilities, and rescue salvage ships.

Scene footage, 3; video sequences (a) Exterior Diving Center; audio, wild track.

Scene footage, 3; video sequences (b) Sign "Diving School"; audio, wild track.

Scene footage, 3; video sequences (c) CU diving helmet; audio, wild track.

Scene footage, 8; video sequences (d) Instructor lectures to class; audio, wild track.

Scene footage, 2; video sequences (e) Trainee suited up; audio, wild track.

Scene footage, 4; video sequences (f) CU trainee; audio, wild track.

Scene footage, 5; video sequences (g) Trainee suiting up; audio, wild track.

Scene footage, 8; video sequences (h) Diving helmet in place; audio, wild track.

Scene footage, 13; video sequences (i) Student lowers himself into diving tank; audio, wild track.

Scene footage, 2; video sequences (j) Instructor watches through porthole; audio, wild track.

Scene footage, 3; video sequences (k) Diver under water; audio, wild track.

Scene footage, 1; video sequences (l) CU instructor; audio, wild track.

Scene footage, 4; video sequences (m) Trainee jumps off 3′ table underwater; audio, wild track.

Scene footage, 2; video sequences (n) Diver-tender holds life line; audio, wild track.

Scene footage, 7; video sequences (o) Trainee out of diving tank; audio, wild track.

Note to editors: 68′ 16mm color composite print released to ABC–TV, CBS–TV, NBC–TV, Fox Movietone, UPI-Newsfilm and a master and optical track to Deluxe Laboratories.

Editors: Please credit Department of Defense in title or commentary. This is "V" series color composite print released to each individual DOD pool.

[A Newsfilm Release From the Office of Assistant Secretary of Defense, Public Affairs, Washington, D.C., Sept. 22, 1969]

Vietnamese Helicopter Unit Reducing Enemy Hideouts in Delta

(Official Department of Defense motion picture film by the U.S. Air Force under the direction of the MACV Office of Information. Photography by SSgt. DeMitor and Sgt. Waligorski. Sound by SSgt. Drew.)

Hiding places for Viet Cong forces in the Delta region of South Vietnam are disappearing through the efforts of the Vietnamese 217th Helicopter Squadron at Binh Thuy. The mobile assault operations are carried on from dawn to dusk and represent one of the biggest advances made to date in the growing "Vietnamization" of the war designed to turn all such operations over to the Vietnamese. The 217th is equipped with UH–1H "Huey" helicopters capable of carrying 14 troops or 2000 pounds of cargo at speeds of up to 115 miles an hour.

The U.S. Air Force Advisers, headed by Major Richard C. Ground of Burbank, California, and the Vietnamese pilots and crewmen are briefed on the day's mission or missions. The Huey helicopters, each carrying a pair of M–60 machine guns and escorted by U.S. Army gunship helicopters, pick up a Vietnamese infantry unit and rush them into a suspected Viet Cong hideout near Rach Gia, 38 miles west of Binh Thuy. These relentless air mobile assaults have forced the enemy to reduce its operating units from Battalion strength to small, 15-man units. They have also pushed the Viet Cong into two main refuge areas—a swamp region and an area around the only mountain in the IV Corps.

Scene footage, 4; video sequences (a) Aerial pan of Huey helicopters on ground; audio, wild track.

Scene footage, 5; video sequences (b) ARVN officers and U.S. Advisers at map; audio, wild track.

Scene footage, 4; video sequences (c) Helicopters take off; audio, wild track.

Scene footage, 5; video sequences (d) Helicopters in flight; audio, wild track.

Scene footage, 2; video sequences (e) Helicopters land in field; audio, wild track.

Scene footage, 10; video sequences (f) South Vietnamese troops board helicopters; audio, wild track.

Scene footage, 7; video sequences (g) Helicopters take off; audio, wild track.

Scene footage, 4; video sequences (h) Interior troops inside helicopters; audio, wild track.

Scene footage, 12; video sequences (i) Helicopters land, troops move out; audio, wild track.

Scene footage, 7; video sequences (j) Helicopters take off; audio, wild track.

Note to editors: 60 ft. 16mm color composite print released to ABC–TV, CBS–TV, NBC–TV, Fox Movietone, UPI-Newsfilm, and a master and optical track to Deluxe Laboratories.

Editors: Please credit Department of Defense in title or commentary. This is a "V" series color composite print released to each individual DOD pool.

[A newsfilm release from the Office of Assistant Secretary of Defense, Public Affairs, Washington, D.C., Oct. 1, 1969]

UNITED STATES-SOUTH VIETNAMESE FORCES PATROL ENEMY INFILTRATION ROUTES

(Official Department of Defense motion picture film by the U.S. Air Force under the direction of the MACV Office of Information. Photography by SSgt. DeMitor and Sgt. Waligorski. Sound by Sgt. Cawood.)

Located in the path of several enemy infiltration routes leading to Saigon is Fire Support Base Kein, manned by elements of the U.S. 1st Infantry Division and South Vietnamese 5th Infantry Division. The base was one of the first and most successful to be implemented under the Vietnamization program announced in July. The operation is called "Dong Tien"—Progress Together. The American and South Vietnamese battalions have worked hand in glove with one another in a system which blends the firepower and mobile assault capabilities of the Americans with the local expertise of the ARVN troops.

Brig. Gen. Herbert E. Wolff, Commander of the U.S. 1st Infantry Division, and Major Gen. Nguyen Van Hieu, Commander of the 5th RVN Division, conferred with staff members at the base prior to a recent river operation. A major portion of Fire Support Base Kein's efforts are directed against closing off the Saigon River to enemy infiltrators. High-speed patrol boats heavily armed with machine guns, grenade launchers and mortars carry ARVN soldiers to suspected infiltration points along the river banks. Once ashore, the troops fan out and sweep through a rice paddy searching for signs of the enemy. These operations are steadily being turned over to the South Vietnamese, and it's expected that by June of next year, the turnover will be complete.

Scene footage, 8; video sequences (a) Gens. Wolff and Hieu and staff discuss mission, audio, wild track.

Scene footage 6; video sequences (b) ARVN troops board patrol boats, audio, wild track.

Scene footage, 18; video sequences (c) Boats down river, audio, wild track.

Scene footage, 13; video sequences (d) Boats land and discharge troops, audio, wild track.

Scene footage, 10; video sequences (e) Troops cross rice paddy, audio, wild track.

Scene footage, 4; video sequences (f) Boats land to pick up troops, audio, wild track.

Scene footage, 6; video sequences (g) Troops re-embark, audio, wild track.

Note to editors: 65 ft. 16mm color composite print released to ABC–TV, CBS–TV, NBC–TV, Fox Movietone, UPI-Newsfilm and a master and optical track to Deluxe Laboratories.

Editors: Please credit Department of Defense in title or commentary. This is a "V" series color composite print released to each individual DOD pool.

[A newsfilm release from the Office of Assistant Secretary of Defense, Public Affairs, Washington, D.C., Oct. 8, 1969]

REFUGEES RELOCATED AT CAM RANH BAY

(Official Department of Defense motion picture film by the U.S. Air Force under the direction of the MACV Office of Information. Photography by Sgt. Waligorski. Sound by Sgt. Cawood.)

More than 200 Vietnamese refugee families recently found a new life in a new land when the South Vietnamese government and the U.S. Air Force teamed up to carry them to home sites near Cam Ranh Bay. These refugees, totaling more than 1,100 people, were forced to leave their homes to escape the communists when they overran their village. They were relocated at Quang Ngai, about 170 miles below the Demilitarized Zone separating North and South Vietnam. Soon afterwards, it was found that the area around Cam Ranh Bay, some 200 miles further to the south, could better support these people, if they were willing to make the change. A refugee delegation inspected the land and volunteered to make the move.

The Government of Vietnam supplied the refugees with a six-month supply of food, helped in the purchasing of materials, and assisted in the building of their new housing. U.S. Air Force planes provided transportation for the refugees, making the difficult transition just a little easier. Among those making the journey were Do Phung Ngoc, a 65-year-old farmer, his wife and their two children. They had escaped from the communists eight months before and had been living in a Refugee Reception Center at Tho Lo until given the chance to begin their new life near Cam Ranh Bay. Do Phung Ngoc deserted 37 acres of farm land to remain free—land that had been tilled by his forefathers for more than 100 years. This was not an easy change, but he and his family have a new land, a new home and a new hope.

Scene footage, 6; video sequences (a) Zoom to refugee village at Tho Lo; audio, wild track.

Scene footage, 7; video sequences (b) Ngoc and family in home; audio, wild track.

Scene footage 5, video sequences (c) Ngoc and family with other villagers; audio, wild track.

Scene footage, 1; video sequences (d) Sign "320 Aviation Airfield"; audio, wild track.

Scene footage, 1; video sequences (e) Airmen at base; audio, wild track.

Scene footage, 5; video sequences (f) Refugees board plane; audio, wild track.

Scene footage, 3; video sequences (g) Plane takes off; audio, wild track.

Scene footage, 6; video sequences (h) Plane lands near Cam Ranh Bay; audio, wild track.

Scene footage, 3; video sequences (i) Refugees off plane; audio, wild track.

Scene footage, 3; video sequences (n) Refugees on bus; audio, wild track.

Scene footage, 8; video sequences (k) New village at Cam Ranh Bay; audio, wild track.

Scene footage, 9; video sequences (l) Pan new site; audio, wild track.

Scene footage, 5; video sequences (m) Ngoc looks at frame of new home; audio, wild track.

Scene footage, 3; video sequences (j) Refugees till field; audio, wild track.

Scene footage, 9; video sequences (o) Ngoc works in garden at new home; audio, wild track.

Note to editors: 74 ft. 16mm color composite print released to ABC–TV, CBS–TV, NBC–TV, Fox Movietone, UPITN, and a master and optical track to Deluxe Laboratories.

Editors: Please credit Department of Defense in title or commentary. This is a "V" series color composite print released to each individual DOD pool.

[A newsfilm release from the Office of Assistant Secretary of Defense, Public Affairs, Washington, D.C., Oct. 13, 1969]

SOUTH VIETNAM'S "FIRE DRAGONS" RULE NIGHT SKIES

(Official Department of Defense motion picture film by the U.S. Air Force under the direction of the MACV Office of Information. Photography by SSgt. De Mitor, and Sgt. Waligorski. Sound by Sgt. Cawood.)

The South Vietnamese Air Force has taken over the night flying combat missions of the AC–47 "Fire Dragons" from American air crews in the III and IV Corps areas and compiled an enviable record against enemy infiltrators. The 417th Squadron based at Tan Son Nhut Air Base is the only unit in the South Vietnamese Air Force using the slow-flying, twin-engine planes converted to deadly "Dragons" by carrying three miniguns. Crew members and gunners are given detailed briefings before each mission.

The planes cover about one-third of the land of South Vietnam and have been highly effective in helping ground forces defend outposts. The nightly missions last about four hours with flares dropped to illuminate the target. The miniguns carried by the AC–47 can be fired at 18,000 rounds per minute in an incredible burst of flame and roar. Tracer bullets help the gunner to stay on target. Many of the South Vietnamese pilots have logged 5,000 hours of flying time patrolling the night skies in the "Dragons."

Scene footage, 21; video sequences (a) Pilots briefed at maps; audio, synchronized sound.

Scene footage, 8; video sequences (b) Crew enters AC–47; audio, wild sound.

Scene footage, 4; video sequences (c) Gunner checks minigun; audio, wild sound.

Scene footage, 3; video sequences (d) AC–47 engines turned over; audio, wild sound.

Scene footage: 10: video sequences (e) Plane taxies; audio, wild sound.

Scene footage, 7; video sequences (f) Aerial shots of AC–47, guns fired; audio, wild sound.

Scene footage, 19; video sequences (g) Sev. scenes miniguns fired, audio, wild sound.

Note to Editors: 72 ft. 16mm color composite print released to ABC–TV, CBS–TV, NBC–TV, Fox Movietone, UPITN, and a master and optical track to Deluxe Laboratories.

Editors: Please credit Department of Defense in title or commentary. This is a "V" series color composite print released to each individual DOD pool.

[A newsfilm release from the office of Assistant Secretary of Defense, Public Affairs, Washington, D.C., Oct. 31, 1969.]

EARLY CHRISTMAS MAILING ESSENTIAL FOR OVERSEAS SERVICEMEN

(Official Department of Defense motion picture film by the U.S. Air Force under the direction of the MACV Office of Information. Photography by SSgt. De Mitor and Sgt. Waligorski. Sound by SSgt. Turlington.)

Narration: No matter where he's stationed, one of the brightest moments in any serviceman's day is "mail call." At Christmas time, far from home, mail has a special meaning for the man in uniform. The Christmas mail rush of packages going overseas has already begun. To make certain packages get to their destinations by Christmas morning, the Department of Defense and the U.S. Post Office have teamed up once more. Christmas packages going overseas at regular postage rates, like to this aircraft carrier at sea off the coast of Vietnam, should be mailed by November eighth. If a Christmas package is going overseas by airmail, it must be mailed by December thirteenth. The U.S. Navy Post Office at Subic Bay in the Philippines is typical of the super-human job that is done at military post offices around the globe. In just one month, this unit processed more than two million pounds of mail to the men of the U.S. Seventh Fleet. The fleet is scattered over millions of square miles of the Western Pacific, sixty percent of the mail going to ships on line duty off Vietnam. From the time mail arrives at Subic Bay, until it is sorted, and rerouted, only twenty-four to thirty hours have gone by. Major headaches of these post men, especially during the Christmas season, are incorrect addresses and poorly wrapped packages. To keep track of the Seventh Fleet's three hundred ships at sea, a large board with the name of every vessel and unit is maintained to constantly up-date mail-delivery routing. The Christmas mail crunch has begun for these men and thousands like them all over the world. They need your help . . . please, MAIL EARLY!

Time of scene, (wild sound throughout): .08 SOF Plane lands on carrier; :17 SOF Mail off plane; :20 SOF "Mail Call"; :38 SOF Sailors read mail; :43 SOF Subic Bay Post Office; 1:03 SOF Mail off truck; 1:28 SOF Sailors sort mail; 1:40 SOF Routing mail on large board; 1:58 SOF Mail in sacks.

Note to Editors: 71 ft. 16 mm color composite print released to ABC–TV, CBS–TV, NBC–TV, Fox Movietone, UPITN, and a master and optical track to Deluxe Laboratories.

Editors: Please credit Department of Defense in title or commentary. This is a "V" series color composite print released to each individual DOD pool.

[A newsfilm release from the Office of Assistant Secretary of Defense, Public Affairs, Washington, D.C., Nov. 7, 1969.]

Republic of Vietnam Aircraft Mechanics Whiz Through Aircraft Conversions

(Official Department of Defense motion picture film by the U.S. Air Force under the direction of the MACV Office of Information. Photography by Sgt. Waligorski. Sound by SSgt. Drew.)

Vietnamese Air Force (CNAF) mechanics stationed at Binh Thuy Air Base in South Vietnam's delta region recently whizzed through a change-over course in helicopters and attack aircraft. Six months had been allotted for the conversion from CH–34 helicopters to faster, more versatile UH–1H helicopters, and from A–1 attack aircraft to A–37 jets. Working under the supervision of U.S. Air Force technicians the Vietnamese mechanics learned to handle testing equipment and major repair work for their new aircraft.

The hard working officers and men of the VNAF 74th Technical Group completed their training well ahead of schedule. In both cases, the conversion of helicopters and planes represented a switch from conventional engine to jet engine. The UH–1H "Huey" helicopters are employed in daily combat assault operations against the Viet Cong in the Delta. The new attack aircraft are used against enemy base camps, supply areas and troop concentrations.

Scene footage, 7; video sequences (a) mechanics work on plane; audio, wild track.

Scene footage, 8; video sequences (b) mechanics work on helicopter; audio, wild track.

Scene footage, 3; video sequences (c) mechanics work on attack plane; audio, wild track.

Scene footage, 7; video sequences (d) dolly shot of machine shop; audio, wild track.

Scene footage, 8; video sequences (e) U.S. adviser work test equipment with South Vietnamese mechanics; audio, wild track.

Scene footage, 6; video sequences (f) mechanic testing bomb pylon; audio, wild track.

Scene footage, 17; video sequences (g) mechanic works on engine with U.S. adviser; audio, wild track.

Note to editors: 56 ft. 16mm color composite print released to ABC–TV, CBS–TV, NBC–TV, Fox Movietone, UPITN, and a master and optical track to Deluxe Laboratories.

Editors: Please credit Department of Defense in title or commentary. This is a "V" series color composite print released to each individual DOD pool.

[A newsfilm release from the Office of Assistant Secretary of Defense, Public Affairs, Washington, D.C., Nov. 19, 1969]

Sailors, Marines Aid "Boys Town" in the Philippines

(Official Department of Defense motion picture film by the U.S. Air Force under the direction of the MACV Office of Information. Photography by SSgt. DeMitor. Sound by Sgt. Cawood.)

At Olangapo in the Philippines, U.S. Naval and Marine Corps personnel have, for more than two years, aided a Philippine "Boys Town" modeled after the famous boys home in Nebraska. Since Olangapo borders the huge U.S. Naval facility at Subic Bay, working parties from ships of the Seventh Fleet which put into Subic regularly give their time to the school. In the little more than two years since the school was founded, an estimated 1,500 Sailors and Marines have given their time and money toward aiding the boys. U.S. Sailors have built a playground and schoolhouse for the boys, who range in age from 6 to 16; hooked up an electrical system, and assisted in construction of farm-type buildings.

Rev. John Moran, a Catholic Missionary of the Columban Fathers Order, from Providence, R.I., is director of the institution which currently houses 32 boys. He estimated Navy volunteers have donated about $4,500 in cash and $5,000 in labor toward the Boys Town. Typical of the groups which regularly visit the Filipino boys is this one from the U.S.S. PARICUTIN, which put into Subic Bay directly from line duty in Vietnam waters. They spent a day seeding a field, painting a building to house pigs, repairing a water pump and playing with the youngsters.

Scene footage, 6; video seqeunces (a) Navy trucks into Boys Town; audio, wild track.

Scene footage, 19; video sequences (b) Sailors seed field; audio, wild track.

Scene footage, 6; video sequences (c) Sailors painting box; audio, wild track.

Scene footage, 10; video sequences (d) Sailors work on pump; audio, wild track.

Scene footage, 12; video sequences (e) Sailors play basketball; audio, wild track.

Scene footage, 6; video sequences (f) Sailors, boys on swing; audio, wild track.

Scene footage, 21; video sequences (g) All at party; audio, wild track.

Note to Editors: 80 ft. 16mm color composite print released to ABC–TV, CBS–TV, NBC–TV, Fox Movietone, UPITN, and a master and optical track to Deluxe Laboratories.

Editors: Please credit Department of Defense in title or commentary. This is a "V" series color composite print released to each individual DOD pool.

[A newsfilm release from the Office of Assistant Secretary of Defense (Public Affairs), Washington, D.C., Nov. 28, 1969]

South Vietnam Fighter Pilots Fly F–5 "Freedom Fighter"

(Official Department of Defense motion picture film by the U.S. Air Force under the direction of the MACV Office of Information. Photography by SSgt. DeMitor, and Sgt. Waligorski. Sound by SSgt. Cawood.)

Vietnam Air Force (VNAF) fighter pilots flying the supersonic F–5 "Freedom Fighter" have been taking on a more varied combat role in operations against the Viet Cong and North Vietnamese Army troops as part of the growing "Vietnamization" program taking place in all branches of the Republic of Vietnam military. The 23rd Tactical Wing of the VNAF, based at Bien Hoa, one of the world's busiest air fields, is the only wing employing the sleek jet fighter plane. Many of these pilots have logged 2000 to 3000 hours of combat in the F–5 and, in the process, have earned the respect of pilots everywhere for their prowess with the supersonic aircraft.

The "Freedom Fighter" carries a terrific wallop with its two fast-firing 20mm cannons, 19 "Mighty Mouse" 2.75-inch rockets and four five-inch High Velocity Aircraft Rockets. Other possible armament loads include 500, 750, 1000, or 2000 pound bombs, "Sidewinder" missiles, "Zuni" rockets or napalm cannisters, depending upon the mission. These films show the South Vietnamese pilots on a mission against an enemy bunker complex. The target has been marked with a smoke rocket and seconds later the F–5s swoop in, drop their bombs, and are gone as quickly as they came.

Scene footage, 8; video sequences (a) VNAF pilot puts on helmet in cockpit; audio, wild track.

Scene footage, 7; video sequences (b) Crew chief gives pilot go-ahead signal; audio, wild track.

Scene footage, 17; video sequences (c) F–5 taxiing; audio, wild track.

Scene footage, 6; video sequences (d) F–5 taking off; audio, wild track.

Scene footage, 9; video sequences (e) F–5s in flight; audio, wild track.

Scene footage, 3; video sequences (f) Target on ground marked by smoke; audio, wild track.

Scene footage, 19; video sequences (g) F–5 on bombing run; audio, wild track.

Scene footage, 6; video sequences (h) F–5s in flight; audio, wild track.

Note to editors: 75 ft. 16mm color composite print released to ABC–TV, CBS–TV, NBC–TV, Fox Movietone, UPITN, and a master and optical track to Deluxe Laboratories.

Editors: Please credit Department of Defense in title or commentary. This is a "V" series color composite print released to each individual DOD pool.

[A newsfilm release from the Office of Assistant Secretary of Defense, Public Affairs, Washington, D.C., Dec. 2, 1969]

South Vietnamese Forces Guard Island in Siam Gulf Against Vietcong

(Official Department of Defense motion picture by the U.S. Air Force under the direction of the MACV Office of Information. Photography by SSgt. DeMitor, SSgt. Schriever, and Sgt. Waligorski. Sound by SSgt. Cawood.)

For some time, the Viet Cong have looked longingly at the island of Phu Quoc in the Gulf of Siam, about 25 miles from the Vietnam mainland. The island is only 30 miles long and 17 miles across at its widest point. Its nearly 16,000 inhabitants live primarily in the city of Duong Dong. They bring in enough fish and manufacture enough fish products to enjoy the highest per capita income level in the Republic of Vietnam. This alone would be reason enough for the Viet Cong to want to control Phu Quoc, but, militarily, it would serve as an excellent staging point for operations against the Mekong Delta region of the mainland. Phu Quoc is secure from the Viet Cong.

As part of the successful "Vietnamization" program, South Vietnamese Regional and Popular Force troops have completely assumed the job of guarding the island against enemy infiltrators. There are now only a handful of American troops on the island. Popular Force units are used to guard bridges and access routes into Duong Dong while Regional Forces conduct patrols and sweeps well outside the city searching for traces of enemy infiltrators. The sweeps into the countryside are conducted during the day and at night. This patrol uncovered an enemy bunker, but found no trace of any Viet Cong soldiers.

Scene footage, 10; video sequences (a) Aerial of Phu Quoc Island and Duong Dong city; audio, wild track.

Scene footage, 7; video sequences (b) Harbor scenes at Duong Dong; audio, wild track.

Scene footage, 5; video sequences (c) Fishermen with nets; audio, wild track.

Scene footage, 3; video sequences (d) Ox team through the city; audio, wild track.

Scene footage, 7; video sequences (e) Popular Forces check villager on bridge; audio, wild track.

Scene footage, 4; video sequences (f) Regional Forces camp; audio, wild track.

Scene footage, 5; video sequences (g) Regional Forces officers and Americans confer; audio, wild track.

Scene footage, 25; video sequences (h) Regional Forces troops on sweep through countryside; audio, wild track.

Scene footage, 10; video sequences (i) Enemy bunker inspected; audio, wild track.

Scene footage 5; video sequences (j) Regional Forces troops continue sweep; audio, wild track.

Note to editors: 80 ft. 16mm color composite print released to ABC–TV, CBS–TV, NBC–TV, Fox Movietone, UPITN, and a master and optical track to Deluxe Laboratories.

Editors: Please credit Department of Defense in title or commentary. This is a "V" series color composite print released to each individual DOD pool.

PROJECT HOPE COMES TO AMERICA; MORE MEDICAL PERSONNEL NEEDED

Mr. YARBOROUGH. Mr. President, neither the advances in medical science, nor the growing ability of Americans to pay for good medical care will raise health standards in this country until we break the bottleneck of limited medical manpower. This scarcity is not only among physicians; it is acute among medical and laboratory technicians, nurses aids, and public health workers of all kinds.

More people in these jobs can make the greatest impact upon low health standards in poverty areas all over the country. Where medical care is limited to doctors, dentists, and hospitals, it is also limited to families able to pay for this most costly care, plus a few charity patients. We need to expand our supply of hospitals, doctors, dentists, and all their related professional personnel.

But there is an even greater need to expand the supply of men and women trained in public health techniques and in education. Without more such people, there is not much chance that health standards will improve among the poor.

Therefore, I want to call to the attention of the Senate a pilot program in the training of such people that holds promise for many communities. It is privately sponsored and financed. It is operated by the same organization that has made such a mark upon health techniques in undeveloped countries.

It is Project HOPE. Project HOPE has come into Laredo, Tex., just to locate and train the people who can accomplish the most in their local community to improve its health.

An article describing the HOPE campaign in Laredo was published in Parade magazine on December 7, 1969. Ably written by George Michaelson, it accurately outlines the problem, and it relates the way in which HOPE is doing something about it.

I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

HOPE Is the Best Medicine

(By George Michaelson)

Laredo, Tex.—"Ever since I was in third grade I had the idea in my head to be a nurse. But, in the seventh grade I had to drop out of school to help my father support my eight younger brothers and sisters. You see, my father is deaf and couldn't get work except in the fields. So, in the summer we went north to thin tomatoes in Utah, to hoe beets in Minnesota, and to pick cucumbers in Wisconsin. Then we came back to Texas to top carrots and onions. I did this until I was 19 and got married. I never lost the idea of being a nurse, but I figured I didn't have no chance anymore."

Oralia Camarillo, a short, dark-haired, dark-eyed woman, now has a chance, or more exactly, HOPE. Together with 23 other Mexican-Americans, most of whom are high-school dropouts, she is currently enrolled here as a "health assistant" trainee in what may well be America's most innovative medical training program—Project HOPE.

AROUND THE WORLD

Project HOPE is no newcomer to this training business. For the past nine years, its 15,000-ton World War II hospital ship, also called HOPE, has been sailing to some of the world's poverty regions with a cargo of about 150 American doctors, dentists and nurses. Some of these medics fan out into the city and countryside to train local people, while the rest administer to the sick from aboard the ship's model hospital.

As a privately financed project (annual budget is $6.7 million, with 70 percent coming from individuals and 30 percent from corporations), HOPE goes only where it is invited and usually stays no more than nine or ten months. To date, it has visited 11 countries on four continents, trained some 5,100 persons in medicine, dentistry and nursing, and has compiled a list of achievements that range from organizing the first nursing school in northern Peru to fabricating the first set of false teeth in Guinea.

Yet in the last year or so, with the growing awareness that America too has poverty pockets, some of the project's workers began to feel that HOPE—like charity—ought to begin at home Explains HOPE's 49-year-old founder-director, Dr. William Walsh: "Our country is already approaching something of a crisis in medical care. We have only about half the doctors and medical technicians we need and two-thirds of the nurses. And as you can imagine, it's even worse in poor areas. Therefore, about a year ago, we decided that in addition to our work overseas, we would also try to get something going here in the U.S. After looking all around the country we decided to start in Laredo."

HOPE couldn't have found a better spot to launch its first domestic program. Laredo is a dusty Texas border town of some 78,000 people, a town that in all its sun-baked history has managed to pick up few distinctions, except that it is now the poorest city in the nation. About 85 percent of the population are Mexican-Americans, many of whom scratch out an existence as field hands. There is much illness, few doctors, and only one 250-bed hospital to serve them and anyone else within a 150-mile radius.

SUPERSTITION

Moreover, with this under-exposure to modern medicine, has gone superstition. It is not at all uncommon for an appendicitis patient to attempt the home cure of wrapping his belly with spiced banana leaves, or for a mother to refuse to let a doctor see her newborn baby for fear that he might look upon the child with a *mal de ojo* (evil eye). "So much of this superstition and the sickness that comes with it," concludes José Gonzalez, administrator of the county's public health program, "can be wiped out if only we can educate the people. But we just don't have the medical personnel to do it. That's where HOPE comes in."

Shortly after the eight-member HOPE staff arrived in May, they began seeking out candidates for their "health assistant" trainee program—a program that in four months intends to make nurses' aides and public health workers out of under-educated housewives and field hands. "Since we've done this kind of thing all over the world," says William Walsh Jr., son of HOPE's director, and administrator of the Laredo project, "there's no reason why we can't do it here. You see, in almost all poverty areas there are a lot of very bright and unused people who are just waiting for a chance to improve themselves and serve others. Our job is to give them the chance."

Right away, however, HOPE ran into problems. Almost no males applied to the program—"evidently," says Walsh, "it is considered woman's work to look after the sick." And then, there were women who wanted to apply, but whose husbands wouldn't let them for fear they would be rubbing elbows too closely with other men.

Even with these obstacles, by the beginning of October HOPE had recruited and begun to teach its first batch of trainees—all women, from 18 to 37 years old. "We had to scout around a bit to find them," says young Walsh, "but we've come up with a tremendous group that's rarin' to go. Almost all of them come from large families that are living below the poverty level, and yet have average IQ's or better. We've got them working a full 40-hour week and absences are rare."

COLLEGE AND FIELD

Participation in the program, for which trainees get a weekly stipend of about $40, involves an equal mix of classroom and field work. The courses are taught at Laredo Junior College, and range from public health care to weekly seminars in Mexican-American history. "The purpose of the Mexican-American history course," explains Dr. Stanley Ross, coordinator of the seminar series, "is to give the trainees some understanding and pride in their background."

As for the field work, it runs the gamut from learning to give enemas and vaccines at Mercy Hospital, to visiting farm workers' families. On a typical home visit, trainees meet up with families like that of Mrs. Felicitas Hernandez. Her husband, Guadalupe, is a field hand who earns $20–$30 a week, out of which he pays for his two-room shack, and feeds and clothes his eight children. They and thousands of other families like them," says Mrs. Anna-Maria Ramirez, a public health nurse, "are almost completely isolated. They go nowhere, see nobody. Yet, if any of them gets sick they must have somebody to turn to, to call. And who could be better than these health assistants who know the problems so well, because many of them have come from the same background."

"Most of us have been here all our lives," adds HOPE trainee, Manuela Chavarria, "so we know how the people are. Before HOPE came, I used to work as a custodian at Mercy Hospital. There you'd see a lot of real sad cases—like tuberculosis patients who died because they were afraid or forgot to take the pills the doctor gave them, or babies who had about scratched out their own eyes with long fingernails their mothers wouldn't cut. They believed it would stop the child's growth. Now that I'm getting some training I'm anxious to get out in the field and see what I can do about these things."

Once the health assistants have completed their training they will immediately fill the vacant slots in the public health program and at Mercy Hospital. Yet, they will not be throught with their education. HOPE's staff has already begun to map out an "in-service" training program which will provide on-going education for the new health assistants, as well as for many other nurses' aides and public health workers.

"The reason for this in-service training," explains HOPE nurse Nancy Fern, who in addition to working on the training program also puts in a full-time shift at Mercy Hospital, "is to keep the health assistants and all other health workers up-to-date. In big cities like New York and Philadelphia it is common practice to have on-going training which includes lectures and familiarization with some of the latest techniques in medical practice. But out in places like Laredo, in-service training goes by the boards. We want to make sure that the training goes on after HOPE leaves."

BEYOND LAREDO

HOPE's immediate plan is to stick around Laredo for another three years. By that time they will have trained hundreds of health assistants, some of whom will stay in Laredo, while others are expected to fan out to other needy and desolate areas.

Also within a few years, HOPE intends to start up similar projects throughout the country (a second program is already underway on the Navajo Reservation in Ganado, Arizona). And if HOPE is successful, perhaps other programs, both public and private, will follow suit. "This is just the beginning," says Dr. Leo Cigarroa, Laredo surgeon and co-chairman of HOPE's Laredo project. "If we prove here that housewives and field hands can be made into competent health workers, there's no reason why it can't be done elsewhere."

Meanwhile, the eyes of Texas, and much of the nation, are upon them. They are beginning to see that the ready solution to poor quality medicine in poor areas may not be a lot of doctors and a lot of money, but a classroom full of Oralia Camarillos and a little bit of HOPE.

VALUE OF GOOD STATISTICS FOR GOOD GOVERNMENT

Mr. BIBLE. Mr. President, most of us, I suppose, are inclined to leave statistics to the statisticians. Yet, as pointed out in a recent editorial in Barron's, the national business and financial weekly, we do so at our own risk. We could be playing Russian roulette with our economic well-being if major decisions on public policy are being based on faulty and inaccurate statistics.

During the past year, several of our major economic series have come under severe criticism, both for tardiness and inaccuracy. Among the key business statistics cited are: First, money supply; second, retail sales; third, inventories; fourth, housing data; and fifth, both actual and potential GNP—gross national product. And there are more. Several weeks ago, Mr. Julius Shiskin, Assistant Director for Statistical Policy, Bureau of the Budget, charged that today's inflation may well have been sparked by decisions based upon erroneous gross national product data in 1965.

And Chairman Paul McCracken, of the Council of Economic Advisers, stated recently that there is apparently as much uncertainty about where we have been as where we are going.

Mr. President, I believe it is high time that we took steps to put our statistical house in order. It is meaningless to complain about our past mistakes—for one thing, there have been just too many of them. But it is a sad fact, that this Nation, the wealthiest and most advanced of all, has not been able to afford good statistics. What kind of economy is it when multibillion dollar public and private judgments must be based on a few thousand dollars worth of unreliable statistics? As stated so well in the Barson's article, "A firm grasp of one's own ignorance is the beginning of wisdom."

I ask unanimous consent that the article from Barrons of November 24, 1969, on this general subject, be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE NUMBERS GAME—ERRANT STATSTICS ARE NO GUIDE TO PUBLIC POLICY

"What's making investors a little nervous right here is the unthinkable notion that an agency of government is telling the truth." Thus ironically noted Alan Abelson, our resident cynic, in his stock market column last week. After the classic fashion of oracles, his comment, which referred to the Federal Reserve Board, was suitably hedged against a sudden reversion to form. Nonetheless, from the White House on down, the Nixon Administration lately has been treating Main Street and Wall Street alike to an unsettling burst of candor, with regard to everything from the palpable bias of television newscasters to the sorry state of the nation's basic economic data. On the latter count, Maurice Mann, Assistant Director of the Bureau of the Budget, recently jolted a professional audience by sharply criticizing the tardiness and inaccuracy of government figures on inventories and retail sales; "in my opinion," he added bluntly, "we are playing 'Russian Roulette' with our economy. . . ." Concerning recent revisions in official estimates of the U.S. money supply, Paul W. McCracken, chairman of the President's Council of Economic Advisers, has bitterly complained that the "figures are falling apart on us." The chief of the three wise men went on to say: "It is perhaps not being excessively bold to suggest there is apparently as much uncertainty about where we have been as where we are going."

After eight years of government that was frequently wrong but seldom in doubt, uncertainty is refreshing. The New Frontier, which must have fancied the allusion to Plato, talked a good deal of encouraging "dialogue"; indeed, the American Bankers Association, with a bow to the concept, has just held a "Symposium on Public Policy and Economic Understanding," which is modestly labeled (in advance) as its "most prestigious meeting of the year." Yet the Kennedy Administration, when not ranting at the business community, tended to speak in a querulous, arrogant tone which brooked no reply. "Come let us reason together," was the watchword of the Great Society, even as it proceeded ruthlessly to manipulate statistics—the balance of payments and interest rates are two painful cases in point—and twist arms. Perhaps the ship of state has become so hard to navigate lately because someone on the bridge for years has been diddling the compass.

Even in the absence of tampering, the charts by which the federal powers-that-be seek to steer are fragmentary, hard-to-read and subject to change without notice. Statistics on the Gross National Product no longer tally with those of the Federal Reserve Board Index of Industrial Production. A sharp advance in personal income mysteriously fails to yield either an increase in retail sales or a proportionate rise in savings. Figures on housing starts and the U.S. stock of shelter, historically wide of the mark, go from bad to worse. The data, in sum, remain what they have always been, a major roadblock to accurate forecasts of business conditions, public and private alike. Thereby they also necessarily make hash of efforts either to fine-tune the economy or indeed to turn it on and off. The fault may lie not only in ourselves but also in our stars.

Be that as it may, the statistical firmament for too long has shed only faint and fitful light. Some of the distortion, to be sure, is man-made: since mid-1966, the U.S. deliberately has confused the balance-of-payments statistics (and clouded the issues they raise) by disclosing not one set of figures but two; on the basis of official reserve transactions, which are readily prettied up or cosmeticized, the U.S. position has looked billions of dollars better than it really is. By and large, however, official data simply suffer from inherent defects. Thus, Assistant Budget Director Mann cited the example of business inventories, swings in which, he observed, "are a major source of imbalance between aggregate demand and a desirable growth path." Nonetheless, statistics lag nearly two months behind events, and all too often fail to reflect the true state of affairs. In the fourth quarter of 1966, preliminary estimates by the Department of Commerce put the annual rate of inventory accumulation at $13 billion, far short of the $20 billion which the final figure proved to be.

Other horrid examples come to mind. Unemployment statistics, as we have noted before, choose to ignore the number of unfilled jobs, thereby giving the official appraisal of the labor market a lopsided bearish bias. Housing statistics fail to include either mobile or nursing homes, omissions which understate by at least one-quarter the number of dwelling units added this year to the nation's store of shelter. Even the money supply, which now looms so large in Washington's economic frame of reference, has proven unreliable. Prior to a series of recent revisions, it gave a short count both to Eurodollar deposits and to nonmember bank holdings of vault cash. Hence, for the first six months of 1969, the figures tended to understate the growth of demand deposits and currency in circulation, and to exaggerate the impact of tight money.

The first of the revisions cited above prompted Dr. McCracken's heartfelt and widely quoted complaint; the second left him speechless. Well it might. For how can anyone predict the future if he has only a foggy notion of where things stand? Wall Street all along has tended to date the advent of monetary restraint from last December, when the Federal Reserve upped the discount rate from 5¼% to 5½% and launched the stock market on its long and painful slide. Now it seems that until midsummer, money tightened in spite, rather than because, of the Federal Reserve. Scant wonder—as FRB member Dewey Daane insisted last week—that the Fed has no early plans to relax a policy which began to bite barely three months ago. On the fiscal scene, as early budget estimates time and again have gone awry, the prognosticators also rate scant kudos. In fiscal '68, the Treasury at first forecast a deficit of $8.3 billion; the shortfall actually exceeded $25 billion.

Forecasts without facts; prophets without honor; public policy based on faulty premises. The mounting evidence should give pause to even the most grandiose planners. Last week Julius Shishkin, newly designated satistical expert of the Budget Bureau, disclosed that errors in computing the gross national product four years ago helped unleash today's inflation. The GNP figures for 1965 apparently showed a yawning gap between actual and potential output; subsequent revisions of the data wiped out the gap, he told the Federal Statistics Users Conference, but not before the policy-makers had succeeded in "over-heating an already bubbling economy." Business men who should know better may call for price and wage controls, while professors may urge a so-called incomes policy (as did Professor Paul A. Samuelson of MIT at last week's ABA Symposium). Both doctrinaire groups might first reflect on the glaring inadequacies of the national income statistics. A firm grasp of one's own ignorance is the beginning of wisdom.

On this score, the Nixon Administration is light-years ahead of its predecessor's. Let it seek to improve the nation's statistics, as Mr. Mann wants. Let it keep an honest count (as, to the dismay of observers who have forgotten the earlier chicanery, it now is doing with the balance of payments). Above all, let it take a properly dim view of the dismal science. The shrill pitchmen of the New Economics have been peddling the old snake oil. High time they were called to account.

THE CRISIS OF OUR ENVIRONMENT

Mr. McGOVERN. Mr. President, the national interest in the crisis of our environment is abundantly clear. For too long we have ignored the abuse of the habitat on which all life, including man himself, depends. Now, in the last third of the 20th century, we must establish quality as well as quantity as a goal of American life.

Nowhere is this challenge greater than in the new State of Alaska, where there is unparalleled beauty and integrity of the natural environment, but also a bounty of riches that increasingly is exploitable and exploited by our modern technology.

The question is whether these riches can be utilized to the benefit of Alaska, our Nation, and the world without the destruction of the unique and priceless ecological system of the far north. The answer is still far from clear. And in large part, the future of Alaska's environment will be determined by the protections that are built into the plans for extracting the massive oil deposits that have been discovered on the North Slope.

To report on this complex picture, the St. Louis Post-Dispatch sent two reporters, William K. Wyant Jr., of the Washington bureau, and Al Delugach, of the St. Louis staff, and photographer Robert C. Holt, Jr., to Alaska last fall to study the impact of oil development on the 49th State.

Arriving in Alaska at the end of September, the Post-Dispatch team remained in the State during most of October, and the result was a series of 11 articles that were published just recently.

The articles are not hostile to commercial development of Alaska's resources, but they do very effectively call attention to the hazards of uncurbed and headlong exploitation.

The series also concerns itself with broad questions of public interest that are raised, not only for citizens of Alaska but those of the entire Nation, as large segments of federally owned public domain are transferred to State and private hands.

The series is well written and very informative, and I commend it as a public service in portraying to American readers a very complex and important issue.

I ask unanimous consent that the series and an editorial by the Post-Dispatch be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

HOW OIL STRIKE BOOMS ALASKA ECONOMY

(By William K. Wyant Jr. and Al Delugach)

ANCHORAGE, November 22—It is not much of an exaggeration to say that the oil industry has bought and paid for the State of Alaska. And it is moving pell-mell to develop it with the enthusiastic co-operation of state and federal officials, Congress and most of Alaska's citizenry.

This could be called the Second Alaska Purchase. The first came a century ago, in 1867, when Secretary of State William H. Seward bought Alaska from Russia for $7,200,000. The second was dramatized last September when oil men paid the state more than $900,000,000 for oil leases on the North Slope.

There is sentiment that the state should have received more, billions more, in this dramatic sale. Even so, the amount realized was nearly five times Alaska's total expenditures for fiscal 1968, and it is money in the bank.

Oil is having a tremendous impact on Alaska, a gorgeous but forbidding and largely trackless and unpopulated territory that entered the Union as the forty-ninth state in 1959—only 10 years ago.

The impact is political, economic and esthetic. It has enriched some Alaskans, made others more prosperous and subjected a great many to saber-toothed inflation.

Oil and gas are already a dominant source of state revenue because of production from the Cook Inlet area in south central Alaska over the last decade. They will be more important when the industry taps the North Slope.

The state's political capital is Juneau, far in the southeast and out of the oil action. The commercial capital is Anchorage, the largest city. In some vital decisions, a third capital city of Alaska is Houston, Tex., where petroleum magnificos hang their hats.

As an underdeveloped land rich in potential but low on cash, Alaska got special concessions from Congress. For example, the statehood law gave Alaska 90 per cent of the royalties and net profits from oil, gas and mineral leases on the federal domain. Other western states got less generous treatment.

The North Slope strike, made on newly acquired state lands owned until recently by the people of the United States as a whole, vaulted the state from rags to riches. No longer can Alaska be considered an economic "basket case." The tin cup has become a cornucopia.

Well aware of their state's expanded horizons and broader hopes are Alaska's Eskimos, Indians, and Aleuts, and their attorneys. The Aleuts are a southern branch of the Eskimo, hardy seafarers of the Aleutian chain. The native peoples, who owned Alaska long before the white man came, have asserted claim to most of the state. They want to share in the oil riches.

In the nineteeth century, the railroads opened up the West with federal help and not much help except from the Indians. The oil industry is opening up Alaska, and the arrows, such as they are, are coming from a new breed of American—the conservationists.

The United States, the critics say, neglected and mismanaged "Seward's Icebox" as a federal fief for a long time. With oil men now in the saddle, neglect is not the word. Billions have been invested. More will be. Alaska is seized in a burning, tearing rush to get the oil to market.

NEGLECT CHARGED

Not a point in the black gold from the North Slope has found its way into ordinary commercial channels, but things have been moving at breakneck pace since Atlantic Richfield Co. confirmed an impressive strike at Prudhoe Bay last year.

The oil was more than 8000 feet deep in Triassic sands laid down many millions of years ago. To conservationists bent on preventing damage to the Arctic's fragile tundra and the animal life there, man's extraction of a resource so long in the making could wait a while.

In contrast, and naturally enough from their viewpoint, the oil production men are not thinking in terms of geologic time. They are in a big hurry because there is a lot of money at stake. For one big company alone, it has been estimated, each day's delay in getting oil out costs $1,000,000.

LEADERS INEXPERIENCED

The resulting crunch has convulsed a state that is more than twice the size of Texas, is largely innocent of roads, has fewer than 300,000 persons, of whom about 60,000 are Eskimos, Aleuts and Indians, and is led by a new team of politicians relatively inexperienced at the national level.

Republican Gov. Keith Miller, a former holly and mistletoe dealer, came in on the coattails of Walter J. Hickel, the Anchorage entrepreneur and booster who left the governor's office to become President Richard M. Nixon's Secretary of the Interior.

Both of Alaska's Senators, Democrat Mike Gravel and Republican Theodore (Ted) Stevens, are freshmen in Congress. Gravel was selected in 1968 and Stevens was appointed by Hickel last year. Another Republican, Howard W. Pollock, Alaska's lone Representative, is a two-termer and is the state's senior member of Congress.

All these men are in the 40s and all are, like most Alaskans, enthusiastic about development. At times the enthusiasm of Alaska politicians goes to the point of embarrassing the oil companies, which must worry about public opinion in the Lower 48.

Secretary Hickel ruined himself, in the opinion of some development-minded Alaskans by ebullient statements he made just after President Nixon named him to the Cabinet. He would have done better, they feel, to have kept his mouth shut about what he was going to do for the state when he got to Washington.

In like manner, Senator Stevens, who is rated as very intelligent but has a hot temper, riled conservationists and intellectuals with a hell-roaring speech he made at a science conference at the University of Alaska late in August. It may have won him some votes in 1970, but scientists dismissed him as a Neanderthal.

"Alaskans know Alaska," one published report had Stevens saying. "I'm fed up to here with people who try to tell us how to develop our country."

The Senator spoke extempore. No text was available. As Stevens himself, ordinarily a hearty and engaging man, recalled it, he told the conference that Alaskans were not wasters and spoilers, they had the right to develop the North Slope oil, and they had enough experience to run their country in accordance with good conservation practices.

A conservationist who heard the speech complained that Stevens said in effect: "Go back to where you come from, you outsiders." An oil and gas man sympathetic to Stevens' viewpoint praised the new Senator for voicing what was on the minds of many citizens of the state.

PIPELINE IN SPOTLIGHT

The center of attention for months has been the oil industry's Trans Alaska Pipeline System combine and its plan for throwing an 800-mile conduit of 48-inch steel pipe all the way from Prudhoe Bay on the frigid Arctic shore to the deep-water port of Valdez on the Gulf of Alaska.

The project will cost more than $900,000,000—or something like $1,000,000 a mile—and has been described as the biggest single privately financed construction job ever undertaken anywhere.

Involved in the Trans Alaska Pipeline System joint venture, known as TAPS, are Atlantic Richfield (ARCO) with 27½ per cent interest, British Petroleum Co., Ltd., with 27½, Humble Oil & Refining Co. with 25, and several other oil companies holding the remaining 20 per cent.

The three major companies in the venture, taking into account the fact that Humble is a subsidiary of the giant Standard Oil of New Jersey, had a combined net income in 1968 of nearly a billion and a half dollars.

If Prudhoe Bay were in the tropics, the oil could be taken to market by ship and no pipeline across the tundra would be needed. If the pipeline were being built in Oklahoma, it would offer no problem. As things are, the sea route to this oil is ice-blocked much of the year, and the overland route is an engineer's nightmare.

In bisecting Alaska on a north-south line, the pipe draining the Prudhoe Bay field will pass over, on or under hundreds of miles of federal land administered by the Bureau of Land Management of the Department of Interior. More than 95 per cent of the state's 571,000,000 square miles is still in federal hands.

The fact that the pipeline is to cross federal land meant that the TAPS combine had to get the permission of Secretary Hickel's Interior Department to go ahead with it. Hickel, in turn, could not give the green light without approval from the Senate Interior Committee, of which the chairman is Senator Henry M. Jackson (Dem.), Washington.

Under the Statehood Act, the state got the right to select more than 103,000,000 acres from federal lands. Hickel's predecessor as Interior Secretary, Stewart L. Udall, imposed a "land freeze" and halted the selection process to protect unsettled native claims.

OPPOSED BY HICKEL

Hickel opposed the land freeze as Republican Governor of Alaska. After his appointment by President Nixon, he made an off-the-cuff statement to the press that what Udall had done he, Hickel, could undo. Other Hickel utterances sounded good to impatient Alaskans but riled those in the Lower 48.

In consequence, Hickel, a rough-hewn, 50-year-old multimillionaire who made his pile in real estate, the gas utilities business and construction, found himself at a psychological disadvantage when he appeared before Senator Jackson's committee for confirmation to the Cabinet.

The committee gave the then Governor of Alaska a rought time, grilling him about his financial dealings and political actions. This reflected the hue and cry raised by conservationists, who regarded Hickel as anything but an ideal choice for the nation's chief guardian of America the Beautiful.

Before Hickel finally was confirmed, Senator Jackson extracted from him the promise that Udall's land-freeze order protecting the native claims would not be modified without prior consultation with his panel. That means that Hickel, as Secretary of the Interior, could not approve the pipeline himself but had to take the matter to Congress.

"Actually, the man who controls Alaska is Jackson—and his committee," an Anchorage entrepreneur who has become rich in the oil and gas boom told the Post-Dispatch. "Hickel ruined himself with his first statement."

It is against this background that the oil industry's mammoth project for getting the North Slope's oil to market—the TAPS pipeline—is not simply a matter of getting a state permit but a complex, many-faceted question involving federal and state officials, Congress, conservationists, the state's native claimants and the industry itself.

Hickel, making use of his conservation-minded Under Secretary, Russell E. Train, has made every effort to give assurance that when the pipeline is built across the delicate tundra and its underlying permafrost, it will be constructed right and with proper safeguards.

Hickel created a North Slope task force in the Interior Department last April, putting Train in charge. President Nixon in May enlarged the task force to include other federal agencies. In June the oil consortium made its formal application for approval of the pipeline route.

RUPTURE WARNING

Train released a statement last summer warning that breakage of the pipeline, if not provided against, could spill 500,000 gallons for each mile of line. If anything like that amount were lost, it would be more than seven maids with seven mops could clean up.

The Interior Department and President Nixon's federal task force on Alaskan oil development—working with state officials, conservationists and industry—labored for months to prepare stipulations regulating construction of the pipeline and a service road paralleling it.

Rules were agreed on for protection of the Arctic terrain and caribou, salmon and other wildlife, and to minimize danger of a pipeline break spewing oil onto the land and into the water. In an August revision there were two fat books of rules—one for the pipeline, the second for the road. A September version boiled the stipulations down to one 34-page document.

At the beginning of October, Hickel won the applause of most Alaskans by asking the Senate and House Interior Committees to allow an easing of the land freeze to permit construction of the pipeline. The next move is up to the committees.

CONSORTIUM ACTIVE

While all this was going on, the TAPS oil consortium under its Houston top management went briskly ahead with preparations for its mammoth task, committing millions and millions of dollars on the assumption that all the roadblacks and technical problems would be cleared away in the end.

The timetable was for completing the pipeline by 1972. Under pressure of a tremendous financial investment, no time could be lost. The route was explored and surveyed. TAPS bought the pipe from Japan early this year and got moving on the terminal at Valdez, where shiploads of the massive, five-ton pipe lengths are being delivered.

Hickel, who was being criticized by his fellow Alaskans for dragging his heels on the pipeline project, came through in mid-August with a congressionally approved green light for the first big construction job related to the pipeline.

The Hickel action allowed TAPS to go forward with building of a 53-mile secondary highway from Livengood, north of the boom town of Fairbanks, to the Yukon River. It will serve as a hauling road for the pipeline. Once built, it will be turned over to the state for maintenance.

There are at present virtually no roads north of Livengood, the jumping-off place for the North Slope. The state is 2000 miles across and 1100 miles north-south, but has only about 3000 miles of hard-surface roads connecting Fairbanks with major towns in south central Alaska and with Canada. To reach most places, the traveler goes by air.

TAPS, a private agency dealing wtih federal and state governments and breaking new ground for Alaska gave the road contract to Burgess Construction Co., a concern established by Lloyd Burgess, who succeded Hickel as Republican national committeeman from Alaska and resigned from the committee July 22.

Burgess International, the parent company, had been acquired June 18 by Alaska Interstate Co., a Houston-based conglomerate in which Hickel formerly owned close to $1,000,000 worth of stock. A few weeks thereafter, on July 7, Hickel sold his Alaska Interstate stock in compliance with a January directive of the Senate Interior Committee.

Shortly after Hickel announced the clearance for the Livengood-Yukon road in August, TAPS announced the award to Burgess. It is no great shakes in itself—an $8,000,000 to $10,000,000 or more job on a cost-plus basis—but is regarded as a plum because it puts Burgess in the catbird's seat for bidding on future work.

The road construction is being driven across the tundra and streams and black spruce hills north of Livengood with vigor. Like an armored division, the big cats and heavy machinery, are pushing toward the Yukon. The road and the big lengths of pipe waiting in the rain at Valdez are symbolic of the way Alaska is being opened up by oil.

Hickel warned that the fact the road had been approved did not mean the pipeline would be, but to an observer in Alaska—watching the machinery chew up the virgin land—it looked as if all systems were go.

CLASH ON OIL DEVELOPMENT

(By William K. Wyant Jr. and Al Delugach)

VALDEZ, ALASKA, November 24.—"It's sheer arrogance on the part of these conservationists," said Mayor George Gibson, a Republican, as he sat over a late afternoon cup of coffee at his grocery and clothing store. Outside it was getting dark, and a cold rain beat on the black gravel.

The major was contemplating the magnitude of the oil industry's plans for making Valdez the southern terminus of its 800-mile pipeline tapping the rich oil fields discovered last year on the Arctic North Slope. In this valley alone, the Mayor said, the outlay will be $100,000,000.

There is a battle at present between the majority of Alaskans who, like Mayor Gilson, favor development and conservationists who want to go slow or wait a while. Not much tension is left in the struggle, because the developers are obviously prevailing.

HARD HIT BY QUAKE

Valdez, which suffered a cataclysmic blow in the 1964 earthquake, has a splendid deep-water harbor and is the most northerly ice-free seaport in the West. Oilmen seized on it as the logical place for transfer of the North Slope's oil to ships—2,000,000 barrels a day.

Inside Gilson's store there was warmth and good cheer. Alaskans are the friendliest of peoples. A block or two away the Japanese freighter Rocky Maru lay in its berth after unloading a shipment of pipe. The pipe was being stockpiled where the earthquake-shattered old town used to be, and across Valdez Arm was the oil terminal site.

Reflecting on all this activity in a town that a few years ago had nothing but magnificent scenery and a little fishing, the Mayor wondered out loud what would have happened to the Union Pacific, which opened up the West in the nineteenth century, if Abraham Lincoln had encountered the kind of opposition the pipeline is getting.

Gilson said that Valdez, which has a population now of about 1100 and is jumping with oil activity, might have 5000 in 10 years. A high school biology techer, he mused, had objected that a tanker might have an accident and flood the harbor with oil.

"Yes," the Mayor said he replied, "but what if the sun doesn't rise tomorrow? It's a cruel world and you've got to take your chances."

TYPICAL MAYOR

Gilson, 53 years old, is a good example of the small-town Alaska mayors, who are basically not politicians but businessmen doing their duty. He attended the Naval Academy at Annapolis for three years, was eliminated for eye trouble, and finished at the Colorado School of Mines. He said that Valdez's new town was well built on bedrock.

The conservation issue in Alaska is much broader than the pipeline, involving as it does a broad question of whether Americans are going to repeat in this lovely new land the mistakes they made in the Lower 48 states. However, the pipeline is where the action is now.

In the Lower 48 the American people as they pushed westward toward the Pacific treated a great natural heritage as if it were inexhaustible. Special interests were permitted to ravage and exploit the land. At great cost and with indifferent success, the nation is now trying to repair damage that might have been avoided by planning and foresight.

PICTURE NO BETTER

Most Alaskans want to keep their air and water pure and their country beautiful. And most want Alaska opened up. They may be able to have it both ways, but neither the history of the United States nor the history of Alaska thus far makes that a good bet. What man is doing here is no prettier than what man did to the Lower 48.

Gilson's attitude on the pipeline and conservationists was echoed by another leading Valdez citizen, Owen Meals, 78 years old, who is building a modern house on a bluff overlooking the water, not far from the dock where the Japanese pipe is unloaded. The thermal windows look out on blue spruce and blue water.

Oil will mean much to the Valdez area, Meals said. He spoke disdainfully of "a few roadblockers" who will not or cannot open up the country themselves and want to make it impossible for outsiders to do it.

"I vote for the man who can get things done," Meals said when asked about his politics. He is the retired head of the community's electric and telephone system. His view of Alaska's Walter J. Hickel, former Republican Governor who is now Secretary of the Interior, is that Hickel has talked too much.

SPECTACULAR ROUTE

The highway out of Valdez to Glenallen rises steeply through the Chugach Mountains via Thompson Pass (elev. 2722 feet). It is a wild, spectacular drive, winding up Keystone Canyon, past the fast-flowing Lowe River and Worthington Glacier. The pipeline must make this passage with its freight of hot oil.

Farther north, as the pipeline snakes its way from the North Slope, the engineering will be tougher, not because the route is more mountainous but because the terrain is underlain by permafrost—Alaska's major construction headache. It is not clear how this difficulty will be surmounted.

Permafrost is a layer of permanently frozen ice and soil. Eighty-five per cent of Alaska is in the permafrost region. Trying to build something on it is like placing a hot penny on an ice cream cone.

What if the oil-burdened pipeline breaks because of soil instability due to permafrost? What if an earthquake shears it? These and other problems worry conservationists and construction men alike. A broken line would be a terrible mess.

CONCERN OVER SHIPS

Fears of a pipeline spill or other damage are matched by concern over the possibility of a marine disaster in the Arctic if the Northwest Passage through northern Canada turns out to be a feasible way of getting part of the North Slope's oil to eastern markets.

The Northwest Passage route was explored last summer and fall by the supertanker Manhattan in a voyage supported by Humble Oil and the other two major companies involved in the overland pipeline—Atlantic Richfield and British Petroleum.

It is obvious that up to a point the conservationists, the oil men and the politicians have an identity of interest. A pipeline that kept breaking would be no good from the industry's stand-point, ruinous to the land and its inhabitants, disastrous to the public men—Hickel and others—who helped the project along.

Beyond the question of stability, the public and private interests may diverge. The oil companies and their crews, as they press through and open up the Arctic, can cause great damage to the environment and bring new population pressures with which undermanned state and federal agencies are not ready to cope.

NO RUGGED INDIVIDUALISM

"Neither the physical nor the biological environment of this region can stand a helter-skelter, individual advantage approach to development within the context of nineteenth century rugged individualism," David M. Hickok of Anchorage said at an Interior Department hearing in August.

Hickok is natural resources officer with the Federal Field Committee for Development Planning in Alaska. This Government agency, which has served the state as a "think tank," was headed until May by Joseph H. Fitzgerald, now director of community affairs for Atlantic Richfield Co.

The presence of Fitzgerald in the oil fraternity is reassuring to Alaskans who support oil deveolpment, but want it properly managed. He is a Rhodes scholar and former Ozark Airlines president, greatly respected in the state.

Up to now, in the absence of state rules, the oil explorers have run wild on the North Slope. Hickok saw no reason why the pipeline should not be approved under proper conditions. He assumed that it would be. However, he termed inexcusable the oil barrel and garbage litter that has piled up.

CONFLICT INCREASED

The North Slope oil discovery, which may turn out to be the richest ever in North America, intensified a conflict between oil and conservation that has been going on for years. It is part of a much larger picture in which other industries—fishing, mining, timber—have sought to exploit Alaska's wealth.

Oil men penetrating Alaska have shown an increasing awareness of the importance of vital sanitation and pollution problems. Cynics may dismiss this as window-dressing, but it goes beyond that. Conservationists tend to give the industry credit for good intentions.

"The people from the oil companies may be sincere in the desire not to foul up the landscape, but it's the guy on the bulldozer in the field who is going to do the damage," said Lloyd Tupling of the Sierra Club, a powerful conservation group. Among the concerned, one hears this point made all over Alaska.

BEGAN IN 1902

Oil drilling in Alaska began in 1902 but only recently have oil and gas explorations and production become the economic backbone of the state. The growth has been remarkable. In 1960 the value of oil and gas production was only $1,300,000 but in 1968 it had climbed to $187,900,000 and was, when coupled with nearly $31,000,000 in minerals output, at the head of the list among Alaska's resource industries.

The end is nowhere in sight, for the vast oil reserves of the North Slope—where the excitement is now—have not got into production. All the current oil and gas output from Alaska comes from the previously discovered and developed Cook Inlet-Kenai areas a short distance southwest of the principal city of Anchorage.

Oil development has ruffled the fur of conservationists in Alaska almost from the beginning. In 1923 President Warren G. Harding set aside a 37,000-square-mile tract around Barrow as the Navy's Petroleum Reserve No. 4. This is on the North Slope just west of the state lands on which last year's epochal strike was made.

EXPLORED BY NAVY

The Navy Department started exploring the reserve in 1944—in World War II—and some oil and gas was found but not put in production. Cities are still complaining about the litter, such as oil cans and other debris, left on the slope. The Federal Government has been called the greatest litterbug in the Arctic.

The Navy's Arctic Research Laboratory at Barrow, under Max Brewer, is credited with decades of scientific work that have gone far toward making the North Slope commercial oil development possible. The federal investment there over the years has been put at about $55,000,000.

Far to the south, in relatively temperate climes, the former Richfield Oil Corp.—now Atlantic Richfield—discovered the lucrative Swanson River field in Kenai National Moose Range, a 2700-square-mile wildlife refuge on the eastern shore of Cook Inlet. This, in 1957, was the state's first commercial oilfield.

BOOM CREATED

The oil companies created a boom in the town of Kenai and spread oil rigs like great golden argosies in Cook Inlet. They are pouring money into the state's coffers. Gas from the field is piped to Anchorage under contract with Anchorage Natural Gas Co., of which Interior Secretary Hickel was formerly board chairman.

Petroleum's presence on the Moose Range, which had been established in 1941, has been hailed as a model of industry-Government co-operative endeavor from which all have benefited, including the moose. Actually the range is not what it used to be. Oil and politics have changed its character.

"The ordinary guy in Alaska—90 times out of 100—is all for development and to hell with conservation," said an official long familiar with the state. Another said: "The Alaskan himself is a frontier animal. He came up here to get away from rules."

One of those impatient with the restrictions being imposed by federal and other rule-makers is Locke Jacobs Jr. of Anchorage, a former Army-Navy store clerk who was a millionnaire at 30 and now, at 40, is reaping the rewards of his expertise on oil and gas properties.

CHASES THE DOLLAR

"Basically, I must chase the dollar," said Jacobs. He is an energetic, well-spoken man who smokes big cigars, has a polar bear rug in his office, and enjoys showing visitors mineral samples and heavy canvas bags of gold nuggets he keeps in his safe.

Like Mayor Gilson of Valdez, Jacobs favored full steam ahead for Alaska. He admired former Gov. Hickel as a man of action, saying: "Wally is a doer and a goer . . . He'd just as soon tromp on you as look at you."

It is Jacobs's hunch that development of hard-rock minerals, which has been lagging while oil and gas soared, will be big in the future. He handed across the table heavy chunks of copper and silver ores. As nationalist fervor makes it hot for American capital in foreign countries, he thinks, mining interests will turn to Alaska.

The hunches of Jacobs have paid off well. He is a man who likes to stay ahead of the game.

UPROAR RIDICULED

Jacobs said he agreed with conservationists that damage to the environment should be kept to a minimum, even if doing the job right costs more, but he considered the uproar about the oil pipeline and the new road to the North ridiculous. The state, he said, is getting a free highway.

There is a disposition among development-minded Alaskans such as Jacobs to believe that the Federal Government, which ruled Alaska for so long and still owns most of the state, is too slow in giving up its suzerainty now that Alaska has entered the Union.

"The Interior Department," said Jacobs, "is reluctant to give up this country . . ."

Another strongly held Alaskan view in that the citizens of the Lower 48, having trod the primrose path themselves, are insisting to an unreasonable degree that Alaska take the rocky road of virtue. A frequent complaint is that conservationists have obtained the upper hand.

"Really," Jacobs said, "they almost want to keep this thing in an icebox,— these rule makers. These boys sitting in an office can kill an industry."

HICKEL'S BUSINESS HANDLED BY BROTHER

(By William K. Wyant, Jr. and Al Delugach)

ANCHORAGE, November 25.—Secretary of the Interior Walter J. Hickel's business interests are alive and well in Alaska.

A prominent part of the scene here, Hickel Investment Co., is under management of his brother Vernon while Walter is in Washington. The firm, owned by Walter Hickel and his wife, is estimated to have a $5,000,000 net worth. It operates a construction business, four hotels and two shopping centers.

Hickel Investment was recently given a contract for about $1,000,000 worth of construction on Atlantic Richfield Oil Company's expanding Alaskan headquarters here, the Post-Dispatch learned.

Atlantic Richfield does not own its building, but leases it from a corporation whose vice president is also vice president of the Hickel firm. The building is in the name of 700 Building Inc., which engages in no other business.

HUGE STAKE

As one of the Big Three in the fabulous oil boom, Atlantic Richfield has a huge stake in Hickel's official decisions as guardian of the public's lands.

The most recent and crucial decision on Alaskan oil to come before Hickel is whether the major oil firms may build a pipeline the length of the state. Early last month Hickel asked the Senate and House Interior Committee to clear the way for approval, but they have not acted.

As Secretary of the Interior, Hickel will be faced with other decisions involving United States lands in Alaska, including whether to allow oil exploration in the Arctic Wildlife Refuge.

At a Senate hearing last January on his appointment by President Richard M. Nixon, Hickel agreed to divest himself of certain business and stock holdings deemed a threat of conflict of interest.

Senator Henry M. Jackson (Dem.), Washington, powerful chairman of the Senate Interior Committee, decided in view of Hickel's promises that it would not be necessary for him to put his remaining business affairs in a trust.

The Post-Dispatch learned that the construction work on the Atlantic Richfield Building went to the Hickel company without competitive bidding.

The job is a four-story addition, which was started recently, to Atlantic Richfield's quarters in downtown Anchorage. The addition adjoins the oil company's present 3-year-old building, also four stories high.

ANOTHER ADDITION

Last April the Hickel firm completed an addition of two floors on the present oil company building, the Post-Dispatch learned also. The work began in June 1968, while Hickel was Governor of Alaska. The earlier job also was given without competitive bidding.

The construction of an oil company headquarters did not come out in the Senate confirmation hearing, in which Hickel's views, enterprises and actions as Governor were scrutinized for five days.

Before he was finally confirmed by the Senate, Hickel was criticized strongly by several Senators as having close ties to the oil industry and being sensitive to conflict of interest.

Vernon Hickel told the Post-Dispatch recently that Hickel Investment had had a total of $1,200,000 in construction work on the Atlantic Richfield Building, including the first addition.

CONNECTIONS CITED

The contract, he pointed out, is not with the oil company but with 700 Building Inc., whose president is E. E. (Gene) Silberer, a real estate broker. Vernon Hickel did not mention that the vice president of the Hickel firm, Richard L. Silberer, is Gene Silberer's son.

Gene Silberer told the Post-Dispatch that his son, who "used to be a carpenter for Wally," was vice president of 700 Building Inc. and Gene's wife is secretary.

He said also that the Atlantic Richfield Building was his property and that Walter Hickel had no financial interest in it. Silberer said he had sold much real estate for Hickel over the years, but they had never been business partners.

A spokesman for Atlantic Richfield said that the company had dealt only with the Silberers on its building.

SIGNATURE ON CONTRACTS

Richard Silberer's signature is on the building permits for the contractor on both additions to the building, city records show.

Discussing the matter with a reporter, Gene Silberer pulled old records out of a filing cabinet to show that Atlantic Richfield had been a tenant of his company since February 1964.

He said that 700 Building Inc. got its name from the address of the original building he leased to Atlantic Richfield from 1964 until the present one was occupied in 1966.

The new addition will be four stories initially, Silberer said, but it is planned to be expandable to eight, on which he estimates the cost at $2,700,000.

Atlantic Richfield has signed a long-term lease on the first four floors and has an option on another four, Silberer said.

He said that the work was let to the Hickel firm without bids because of time pressures. In the case of the newest addition, he said, the oil firm wants completion next September, and there was a rush to get the foundation in before this winter.

Silberer said the Hickel company was the second best bidder for the first two floors of the present building and the job was awarded to another contractor.

Figures on the rent that Atlantic Richfield is paying to 700 Building Inc. and the profit the Hickel company is expected to get on the construction work were not available.

Similarly, key details on the sale of Hickel's assets, sold in compliance with the desires of the Senate committee, are obscured from public inspection because the sale is in the realm of private transactions.

OFFICES IN HOUSTON

The most valuable of these assets, it appeared, was his interest in Alaska Interstate. The firm, a conglomerate, has headquarters in Houston. Its Alaska holdings include a natural gas pipeline and a franchise to serve the city of Anchorage. Hickel was one of seven Alaskans who got in on the ground floor of the natural gas enterprise 10 years ago.

Efforts to learn who bought Hickel's stock in Alaska Interstate were unavailing.

He acquired 32,316 shares of the stock at a total cost of $141,000, the Senate had been informed last January. Senator Lee Metcalf (Dem.), Montana, observed that the stock had increased in value fourfold during Hickel's term as Governor. Metcalf added: "Happiness is Alaska Interstate."

Hickel was allowed six months by Senator Jackson to sell the stock, and in June Vernon Hickel asked for and received a six-month extension.

At the time Hickel's stock was reportedly sold last July 7, within the initial time allotted, it was worth more than $900,000 on the market.

However, an Interior Department spokesman was quoted as saying that Hickel would have made $250,000 more if the stock had been held two more days.

A big surge occurred in the stock's market price within two days of Alaska Interstate's announcement in mid-June that it was acquiring Burgess International Inc.

The Burgess firm has done millions of dollars worth of construction work for oil companies in Alaska and has prospects of doing much more. Its owner, Lloyd Burgess, had succeeded Hickel as Republican national committeeman for Alaska in 1964.

SAW NOTHING WRONG

Senator Jackson was quoted June 25 as saying he saw nothing wrong in Hickel's stock disposal plan. As to the sharp rise in Alaska Interstate stock on the market after the Burgess announcement, he said: "Burgess is active on the North Slope, and that is all you have to say to sell it."

The Post-Dispatch sought to learn more about the sale, because the divestiture was a major requirement by the Senate committee. Also, there is the matter of the big jump in the market value after the developments related to Alaskan oil.

Who bought the stock, what was the exact price and who owns it now? The answers remain a mystery.

About June 21 Vernon Hickel was quoted in Anchorage as saying that the stock was turned over to a broker early in June with instructions to sell it "at an opportune time."

On July 10 an Interior Department spokesman reported that the stock was sold July 7. On that day the price on the American Stock Exchange ranged from 28¾ to 29½, which is somewhat higher than the $28 Vernon Hickel told the Post-Dispatch his brother's stock brought.

Shortly after Walter Hickel took office, the Alaska Interstate price had dipped to about 20. It rose to 35 on July 9. The rise that had begun in June continued to a peak of 49½ in late summer.

According to Anchorage newspapers, Vernon Hickel refused to discuss the stock matter July 9, saying, "I don't think that's a public matter."

He recently told the Post-Dispatch that he did not know who bought the stock. He said that the Seattle office of Dean Witter, a brokerage firm, handled the sale.

ADDITIONAL DATA

Some additional information was given by Richard Sassara, of the Seattle brokerage firm of Foster & Marshall, Inc., which is correspondent with Loeb Rhoades, a New York investment firm.

Sassara said that Foster & Marshall and Loeb Rhoades bought the stock for their clients. However, he said he was not at liberty to disclose their identities.

Coincidentally, Foster & Marshall handled a projected public stock offering by Burgess International last spring. The offering was dropped in favor of merger with Alaska Interstate.

Robert Baldwin, president of Alaska Interstate, told the Post-Dispatch that he did not know who bought Hickel's stock.

"He (Walter Hickel) told me he sold it," Baldwin said.

Asked whether the corporation's stock transfer records would show the subsequent ownership, Baldwin said they would show only brokers' names.

Further, he said he would not be able to find from records the date of the sale. He said the approximately 30,000 shares would be part of the total transactions involving trading in Alaska Interstate stock on a given day.

Although Hickel's stock represented 2 per cent of the outstanding shares, Baldwin said it was not a large enough block to stand out on a particular day's trading.

Interviewed in his Houston headquarters, Baldwin did not offer to look at or show any of the firm's stock transfer records.

MODEST OFFICE

Vernon Hickel, who at 41 is nine years younger than the Secretary of the Interior, was found at his desk in a modest office suite above an Anchorage plumbing firm that Walter Hickel sold also in consideration of the Senate's desires.

Stocky and round-faced, Vernon Hickel shows a marked resemblance to his brother. He spoke with some bitterness about the requirements imposed on Walter Hickel regarding financial holdings.

Bearing such a cost to serve in public office "isn't worth it; there's no way," Vernon declared.

Pretty soon, he said, the country will not be able to get a qualified man to serve—"only a stumblebum" could afford it.

He continued that others in Government were not quizzed about their finances, nor did they have to sell business interests. As an example, he mentioned the man serving under his brother as under secretary of the interior, Russell Train. Vernon Hickel said that Train had a large portfolio of stocks that no one troubled him about.

Whatever hardships the Secretary of the Interior suffered by having to liquidate some of his holdings are not apparent to his friends in Alaska. They credit him with being an astute businessman.

The small but elegant Captain Cook Hotel in Anchorage, the modern Travelers Inns there and in Fairbanks, and the shopping centers seem to be the thriving.

In the Senate debate on Hickel, Senator Metcalf expressed misgivings about the appointment but said he would vote for confirmation.

Metcalf expressed hope that Hickel would devote to his new job "the energy that he has devoted to his real estate and contracting business that enabled him to build a fortune."

Carving Road To Alaska Oil

(By William K. Wyant Jr. and Al Delugach)

Livengood, Alaska, November 26.—From a low-flying Cessna plane, mile after mile of monster machines could be seen rushing in both directions along a swath carved through forested highlands in north-central Alaska.

It looked like an armored division engaged in a desperate battle, but with nature instead of human foes.

This is perhaps the greatest array of modern road-building equipment, millions of dollars worth, that has been assembled in the state.

The reason for the great concentration of expensive effort: oil.

It is an impressive demonstration of the way the oil industry can mobilize on a massive scale the forces to accomplish a top-priority job.

In this case it is a 53-mile-long stretch of access road for an 800-mile, billion-dollar pipeline construction. The pipeline job itself will dwarf in size and difficulty all the other work accomplished in connection with the North Slope oil strike.

GRAVEL ROAD

The gravel road will extend from here to the Yukon River. After the pipeline is built, the oil industry is to turn the road over to the state.

The project illustrates a number of things about the unfolding Alaskan oil drama.

Because the multimillion-dollar road job is predicated on the industry's getting federal permission for the pipeline, it represents either a fantastic gamble or an index of certainty that the pipeline will be given the green light.

The project illustrates also the central role that a single Alaskan firm, Burgess International Inc., is playing in the construction work that the big oil companies are having done.

Burgess was founded by Lloyd Burgess, who resigned July 22 as Republican national committeeman for Alaska. Ownership of Burgess was sold last June to Alaska Interstate, a Houston conglomerate.

Burgess stock exchanged for Alaska Interstate stock worth about $7,000,000 on the market at the time.

HICKEL SOLD STOCK

Alaska Interstate is the company in which Secretary of the Interior Walter J. Hickel reportedly sold his stock, estimated to be worth over $900,000, last July 7. The sale was required by the Senate prior to his confirmation last January. The reason for the divestment was the connection between Alaska Interstate and the oil industry, many of whose activities are regulated by the Secretary of the Interior.

Burgess Construction Co., a subsidiary of Burgess International is constructing the pipeline road on a cost-plus basis. The construction firm's president is George MacClanahan, who served as Gov. Hickel's public works director in 1967 while on leave of absence from the firm.

As in most instances of private financial matters involving Alaskan oil development, it is difficult to obtain details about the pipeline road contract.

Public announcements do not usually reflect the dates that agreements were reached or contracts signed.

INQUIRY TURNED ASIDE

There were announcements on June 19 that Alaska Interstate was acquiring Burgess, on July 10 that Hickel had sold his Alaska Interstate stock, on Aug. 14 that Hickel had authorized the pipeline road and Aug. 20 that Burgess had received the road contract.

Weeks earlier, however, other competitors for the road job reportedly had been informed that they had not been selected.

An inquiry by the Post-Dispatch as to just when Burgess had been selected as the contractor was turned aside by George C. Hughes Jr., project manager for Trans-Alaska Pipeline System (TAPS). TAPS, a consortium of oil firms operating on the North Slope, is paying for the road as well as the pipeline. TAPS headquarters is in Houston.

Hughes said he did not think the date of Burgess's selection was significant. Later, however, he said, "We've been talking to road contractors since last January."

Even before that, Burgess had been working on the North Slope for the same oil companies that own TAPS. The firm was doing millions of dollars worth of construction on air strips and roads around Prudhoe Bay.

The pipeline road is regarded by some experts as special. It enabled Burgess to gather an array of equipment that will be an asset in any competition for extension of the road 350 miles farther to the North Slope.

According to Joe LaRocca, resources editor of the Fairbanks Daily News-Miner, the Burgess company began assembling construction equipment and a base camp near here some days before the contract was announced.

Although official estimates of the cost of the 53-mile stretch have remained at the original $8,000,000 to $10,000,000, some experts have said it will cost $15,000,000 or more.

Hughes said the time pinch had prevented TAPS from seeking the type of contract providing a firm price.

"We got proposals from a number of contractors in a hurry," he told the Post-Dispatch. "We had to get someone with equipment on the ground in the general area, so we could mobilize in a hurry. We just had a few weeks before we started working, and the state didn't have its permit yet (from Hickel)."

He said the contractors' proposals were based on equipment and labor rates and profit margin. He added:

"We think we know who gave us the best proposal."

Major national firms that bid against Burgess included Peter Kiewit and Sons. Subsequently, Kiewit received from TAPS a contract to clear land for the pipeline terminal at the southern port of Valdez.

The TAPS road project recalls the state's controversial winter haul road from here to the North Slope, scene of feverish exploratory oil drilling last winter.

Initiated by Hickel while he was governor, the winter road was named the Walter J. Hickel Highway by his successor, Gov. Keith Miller.

Burgess clearly was not the best bidder for the job, but its bulldozers ended up doing the work. It's bid of $283,000 for the 420-mile road was bested by one of $237,400 by Anchorage Asphalt Paving Co.

About two weeks after bids were opened for the rush job, the Hickel administration suddenly reversed its field, threw out all bids and announced state crews would build the road. It conceded that costs would be higher, but said the job would go faster.

Also, an official explained, the experience with winter construction would enable the state to handle future bidding on such work more competently.

The state then rented Burgess tractors at $20 and $25 an hour for the job.

The state belatedly completed the road at double the amount of the $237,400 low bid. The cost, including maintenance during the month the road could be used, was reported to have soared to $750,000. Only about 7000 tons of freight were moved over the road.

Since then it has been a political football and an object of horror to conservation-minded Alaskans.

The latter reaction resulted because the road was scraped out of the fragile tundra, instead of being built on a protective layer of gravel. During the summer thaw, the road resembled a canal.

Gov. Miller announced Sept. 24 that the road would not be rebuilt this year until "adequate funds" were available. He said estimates of the cost of reopening and maintenance run up to $1,500,000 and that only $433,000 was available. However, he said:

"We are convinced that the state's action in opening the Hickel Highway last winter demonstrated the state's willingness to press for and co-operate in the orderly development of northern Alaska, and this action very likely had a significant favorable effect on the recent oil and gas lease sale."

By contrast with the Hickel Highway, the methods used by Burgess on the TAPS road have been praised by state and federal overseers.

Secretary of the Interior Hickel, in signing the order allowing the road to go ahead, said it would be regarded as a "showpiece to the nation that the fundamental questions arising from the impact of modern technology upon a delicate ecosystem can be resolved without detrimental effects upon the environment or the native peoples."

"I would emphasize," he said, "that the performance on this road construction will bear direct relevance to our subsequent response to the 800-mile pipeline application."

One of the competitors for pipeline work will be Burgess.

Since becoming a subsidiary of Alaska Interstate, the firm has entered into a joint venture with still another Houston-based company, Houston Contracting Co., on all future work for oil companies in Alaska.

Houston Contracting is a pipeline builder, and indications are the combine has a good shot at a share of the TAPS project.

Last spring, when Burgess was considering a public offering of its stock, Burgess filed a prospectus with the Securities and Exchange Commission. It throws some light on the company's status in the oil boom.

The prospectus stated that Burgess was the largest contractor doing all its business in Alaska, doing work there for Atlantic Richfield, British Petroleum, Standard Oil of California and Mobil Oil.

"Success in the construction industry," the prospectus said, "is measured in large part by the organization's ability to estimate with reasonable accuracy the cost to be incurred in projects awarded . . ."

However, it noted also that the contracts with the oil firms on the North Slope were obtained "on a negotiated basis."

The prospectus said Burgess had spent $3,900,000 for road building and heavy-construction equipment in the five-year period between 1964 and 1968.

In just the first three months of 1969 Burgess bought $3,500,000 worth of additional heavy construction equipment, it revealed.

Burgess happened to be the greatest beneficiary of the tidal wave of low interest, federal disaster loans after a flood in Fairbanks in 1967.

The construction company itself got one $1,000,000 loan, and Burgess and his business interests got two more loans totaling $526,400. The Small Business Administration loans bear only 3 per cent interest.

Criticism of the SBA's lavishing hundred of thousands of dollars in loans each to a number of wealthy businessmen after the flood was reportedly a factor in tightening of SBA rules last April.

But there is no question that the $155,900,000 in SBA loans devoted to the Fairbanks flood and the 1964 earthquake in the Anchorage area represented a massive boost to the Alaskan economy prior to the oil bonanza.

BONANZA AND DISSENT

(By William K. Wyant, Jr., and Al Delugach)

ANCHORAGE, November 28.—The oil industry's Alaskan Purchase may go down in history as one of the biggest bargains since Manhattan was bought from a band of innocents in loincloths.

The dazzling sight of $900,000,000 cash has, for many Alaskans, obscured the dimensions of the mineral wealth that was bartered for it. The North Slope may well be the richest oil province ever found.

The state held its famous oil lease sale on Sept. 10. The drama of industrial giants bidding staggering sums captured the imagination of people thousands of miles from Alaska. It was a one-day bonanza unrivaled in the state's annals, though it fell short of some forecast as high as $1,500,000,000.

However, in Washington on Wednesday the Department of the Interior was asked to cite legal authority for the $900,000,000 oil lease sale.

Russell E. Train, under secretary of the Interior, was asked at a House interior subcommittee hearing what authority Alaska had for the sale of state leases on the North Slope.

The subcommittee chairman, Representative James A. Haley (Dem.) Florida, said that Alaska had "raked in" about $900,000,000 for leases covering lands not owned by the state.

Train said that his department had given tentative approval to Alaska's claims on oil lands in the Prudhoe Bay area but that the state did not yet have patent ownership.

Waves of euphoria rolled in on the newly rich state. Top state officials led the merry splashing in the surf.

But signs have been increasing that Alaska has realized only a fraction of the oil's worth. And people are beginning to talk more of increasing taxes on the oil production as one way of recouping.

Gov. Keith Miller, a Republican, has said he does not intend to ask for an increase in the severance tax when the Legislature meets in January. But Republican and Democratic legislators are making noises about doing it anyway. Alaskans are independent in politics as in other ways.

Even before the September oil lease sale, there were public warnings that the procedures were not likely to maximize the public's share of the state's irreplaceable minerals.

Economists and others asserted that, under the bonus bidding system, the firms that discovered oil on the North Slope already had achieved a monumental windfall.

North Slope lease sales from 1965 to 1967 had brought in a total of $12,000,000 in cash bonuses. The big Three in the oil strike paid $5,600,000 of that amount for land where oil believed to be worth several hundred times that amount has been tapped.

The warnings about the lease sale were overridden by state officials and the leasing went on under the old ground rules. That it brought in $900,000,000 did not still the critics.

Post-sale announcements have disclosed additional successful wells in the same Prudhoe Bay area on the Arctic Ocean. They have shed new light on the relatively modest estimates of how much oil underlies the frozen wasteland.

The earlier assessment of 5 billion to 10 billion barrels—which itself would be a record size for a United States oil field—has given way to figures as high as 100 billion barrels. At $2 or $3 a barrel, the riches in even half that amount become staggering.

The joys of sudden riches, although still manifest, have been modified by second thoughts and litigation and I-told-you-so expressions.

Aside from the sufficiency of the lump-sum bonuses paid by the oil companies, serious questions have been raised about the amount the state will receive in royalties and taxes on the oil that is eventually produced. The state's bite is much smaller than is obtained by many other states and foreign countries.

COURT BATTLES LIKELY

Lawsuits filed in the wake of the lease sale pose possibilities of protracted court fights over some of the tracts.

The legal actions center on rejected offers of royalties several times larger than the 12½ per cent that the state will get under the sale rules. The difference could be hundreds of millions of dollars on tracts that do contain oil deposits.

State officials are sticking to their guns, however. They maintain that the public came out very well in the sale.

The official position was given the Post-Dispatch recently by Thomas Kelly, a former oil industry geologist and executive, who is state commissioner of natural resources.

Kelly, an appointee of Gov. Walter J. Hickel, conducted the lease sale.

Kelly said the sale was well timed. Further, he hinted that the state actually out maneuvered and out psyched the oil industry. An asset, he said, was the "romantic factor" given to the bidding psychology by last year's dramatic oil strike.

"It was certainly to our advantage to move when we did," he said. "That is not to say they won't find several more large fields. . . ."

CHANCE OF DRY HOLES

But, he continued, the nature of oil fields is that a majority of the tracts will not have oil under them and some companies will end up drilling dry holes.

The criterion for the sale's success, he indicated, was the amount of money "left on the table." This, he explained, is the difference of several hundred thousand dollars between the winning bids and the next highest ones.

However, he did concede that some changes might be in order for future lease sales, both as to royalties and bidding procedures.

Kelly, an affable and self-possessed young man, who like many others was transplanted from Texas to Alaska, is still credited widely in Alaska as a man who got a good deal for the state.

That his origins are in the oil industry he regulates is not of concern to most Alaskans, it appears.

OILMAN'S STEPSON

It was brought out in the Senate confirmation hearings last January on the appointment of Hickel as Secretary of the Interior that his appointee, Kelly, is a stepson of Michael Halbouty, head of Halbouty Oil Co. of Texas. Michael Halbouty formerly was in business with Hickel in Alaska.

Referring to Kelly's oil background, Hickel explained to the Senate committee:

"You have to get these men from somewhere."

Further, it was brought out in the hearing that Kelly had bought 1400 shares of British Petroleum Co., one of the North Slope Big Three, after he assumed the state office that has jurisdiction over oil leasing.

To a question by a Senator, Hickel said he had not received many complaints about Kelly's "being oriented very much toward the oil industry."

"Really," said Hickel, "I think if you would go talk to the Alaskans, they are very, very happy, and proud that we have that kind of a person doing the magnificent job he is doing."

Post-Dispatch reporters found this to be true of many Alaskans.

OPPOSED BY LAWYER

One of the major exceptions is a lawyer, Edgar Paul Boyko of Anchorage, who is involved in a lawsuit against the state over the September oil lease sale.

Although a Democrat, Boyko had served for a year as state attorney general as an appointee of Gov. Hickel.

In his suit Boyko represents himself, three other individuals and two independent oil companies.

They are seeking to overturn awards on 35 of the 179 tracts of North Slope acreage. Each tract has 2560 acres.

The individuals had submitted bids offering 37½ per cent royalties on 25 tracts, and the two oil companies' bids offered 27½ per cent, all with small cash bonuses.

Bids providing much greater cash bonuses and the standard 12½ per cent royalty were accepted by Kelly as the winners.

The suit contends state officials violated the Alaskan constitution by making what is in effect a gift of public money or property to the winners. The gift is the difference in revenue the state would receive with the higher royalties, the petition claims.

SUIT BY SMALL FIRMS

Champion Oil Co., an obscure Alaskan corporation, which bid $1 on all 179 tracts and ended up high bidder on seven, has brought a lawsuit. Its bids were rejected as too low. The company asks the court to determine a value of the seven tracts and direct the state to issue leases to Champion after its payment of the court-fixed bonuses.

Verbal shelling of the state administration has come from the Alaska Independent Oil and Gas Association, which has an obvious financial interest in rules of future lease sales.

"The giant oil companies could have taken the funds they paid for the North Slope leases out of their petty cash boxes," it said in a bit of hyperbole.

The association said the 12½ per cent royalty to Alaska is sinfully small compared with 25 per cent in Oklahoma, 57 per cent in Venezuela and 60 to 80 per cent in the Middle East.

The cash bonuses on which the September lease sale were based are minor compared to what higher royalties would have brought the state, it said.

Alaska Construction & Oil, a magazine with expertise and a record of objectivty, said this month that there was increasing feeling in Alaska that the state "isn't getting a fair shake from the oil industry." This sentiment is being manifest in talk of increasing the present 3 per cent severance tax on oil taken out of the ground, it noted.

Kelly told the Post-Dispatch that a sliding scale of royalties probably would be in order in future leasing, with higher percentage on the richer oil fields, such as those of the North Slope. But he said he does not favor a quick tax hike.

"If we arbitrarily start jockeying the rate around," he said, "we might get less. No one is going to drill for oil unless they are assured of getting a fair return. The time to increase the tax is after they start producing and see how it is."

Kelly said the Prudhoe Bay field would not be proved until actual production starts.

Some key legislators of both parties are among those who are frankly concerned about the state's policies in oil and gas leasing. One is Brad Phillips, a Republican and leader of the Senate.

"Presently," Phillips said, "one man makes all decisions for the state regarding the oil industry. Everywhere else in the world there is a body, a commission or something, that develops policy, rules and regulations. It is extremely dangerous to have this function in a single person's hands."

The Legislature, Phillips said, must develop a broader policy. He went on:

"We have come of age and we have got to stop operating as though we are still on horseback."

Some Republican and Democratic state senators were disturbed this year by another state oil transaction, which originated with Gov. Hickel last year and was concluded by Kelly last January.

A Senate committee held a hearing in April into a multi-million-dollar profit turned by a Midland, Tex., group that received a contract to buy the state's royalty oil in Cook Inlet. The contract was negotiated on a noncompetitive basis.

What bothered the senators chiefly was that the Alaska Oil & Refining Co. of Midland, whose stockholders reportedly invested $2,500,000 capital, sold their interest shortly afterward to Tesoro Oil Co. of Texas, for a profit of from $2,500,000 to $7,500,000. Alaska Oil & Refining shareholders received Tesoro stock valued at $5,000,000 and are to receive a like amount if a certain level of net profits is achieved in five years.

Frank J. Cahoon, president of Alaska Oil, told the committee he wanted to build a refinery in Alaska and was unable to buy oil from the oil companies pumping it in Cook Inlet.

He said he approached Kelly and Gov. Hickel in April 1968 and suggested purchasing oil that the state can take as its royalty in lieu of cash.

Cahoon said his firm committed itself to building a refinery and that the negotiation of a noncompetitive sale of the royalty oil was approved by the state attorney general.

Senator Elton E. Engstrom, committee chairman and a Republican, brought out that Kelly knew of the merger negotiations between Alaska Oil and Tesoro before the state contract was signed. Kelly said he did not negotiate directly with Tesoro because its representatives did not get in touch with state officials on the subject.

When Senator Edward Merdes, a Democrat, said he thought the people of Alaska should have received the $7,500,000 profit paid by Tesoro, Kelly said:

"I think we are most fortunate in having an organization (that) wanted to come up here and build a refinery. Now, the manner in which they negotiated their settlement is certainly a matter of their own business and concern. I don't see how you can say the state could have turned around and have made the same amount of money from somebody else."

Senator Engstrom observed:

"It is in the state's interest to have received the bonanza that these individuals received . . . Now we have given the advantage to seven or eight Texans. As far as I can see, men of the most modest circumstances—we have made them overnight millionaires."

U.S. Antitrust Inquiry in Alaska Oil Leases

(By William K. Wyant, Jr., and Al Delugach)

ANCHORAGE, November 30.—Superimposed on a map of the North Slope, oil lease tracts look like a giant chessboard.

Something resembling a chess game was played with 179 of these 2,560-acre squares on Sept. 10. But the music hall atmosphere and the crowd in the Sydney Laurence Auditorium here were not characteristic of chess.

The United States Department of Justice is curious as to whether that game was played properly by the participants—the oil companies. A salient question: Were antitrust laws violated by the joint bidding arrangements among various oil firms?

A national inquiry by the department into industry practices in bidding on federally controlled offshore oil was made public last month.

But the Post-Dispatch found an assistant U.S. attorney general from Washington at work here, compiling information on the same type of practices in the state lease sale.

He was on loan to the Alaska Legal Services Corp., a federally financed war-on-poverty agency. His assignment was to advise on matters of discrimination against natives, but the patterns of the September oil bidding were undergoing scrutiny.

The lease sale had all the earmarks of a Titanic competition.

After opening speeches and some colorful song and dance, the day-long opening of bid envelopes within envelopes went on in an atmosphere of tension and suspense. Faces of oil executives beamed or fell with the announcements of some of the closer contests. Whistles and cheers broke out at times from the throng of spectators.

For months before the sale, cloak and dagger security precautions were clamped on the oil fields. Helicopter-borne oil scouts (for which can be substituted "industrial spies") peered at drilling rigs at Prudhoe Bay. Others bought drinks for roustabouts on leave in Fairbanks. Frenetic seismic tests and exploratory drilling were rushed by a number of companies to obtain information on the underground prospects.

The drama even included a "mystery train." Hundreds of miles from the Alaskan border in the Canadian Province of Alberta, 60 executives from 10 oil companies spent five days on a chartered train. It shuttled back and forth the 225 miles between Calgary and Edmonton at a cost estimated at $10,000 a day. While security guards foiled inquiries from reporters who got wind of the strange journey, the group worked on joint bids for the Sept. 10 sale.

The group was formed by Hamilton Brothers Oil Co. and included Continental Oil, Cities Service and Sun Oil.

Paul Marshall, a vice president of Hamilton Brothers, said after the sale that only he and one other executive were allowed to get off the train during the trip.

He said the isolation was necessary because the companies had planned to bid as a group only on certain tracts. They were also bidding as individual companies or as part of another group. Combinations of the companies won at least 10 tracts.

SHIFTING COMBINATIONS

Other giant oil companies bid in shifting combinations of their own and occasionally against their sometime partners. Most bid only on a limited number of tracts.

The resulting patterns could take months for the Justice Department to analyze.

Question: Was competition substantially lessened by the combined bidding or by any sharing of geological and drilling information?

It is known that the bonus payments on the sale bids fell short of some experts' expectations by as much as $600,000.

One theory is that the state erred in insisting on full cash payment of the bonuses, rather than installment plan over two or more years.

According to this hypothesis, the tight money market prevented oil firms from raising any more money than was bid. The oil industry is known to have drawn heavily on the banking community for money to finance the lease purchases.

Hand in hand with this theory is the criticism that the state could have obtained just as much in bonuses by putting up less of its potentially rich land.

The state, critics say also, could have assured itself a greater share by "checkerboarding," reserving alternate tracts for future sale after more was known of the true potential.

ROLLING BIDS

And Alaska might have received a greater benefit, too, by using the Canadian system of "rolling" bids. Under this procedure, a loser on one tract can use the money he bid there to increase his bids on other tracts.

Thomas E. Kelly, state commissioner of natural resources, told the Post-Dispatch he had considered the Canadian system but did not get enough support for it from the oil industry. He said the Canadian system might have been better, continuing: "I don't think we would have got any less."

Asked for his view of the possibility of antitrust violations in the bidding, Kelly was emphatic.

"If you study the bidding there is no way you could say there was trading of information or collusion."

To illustrate, he said that the Amerada Hess group had no acreage in Alaska. They went in to buy a position and they did it—and those with more information were unsuccessful," Kelly said. Indeed, the combine paid the highest bonus for a single tract—$72,277,113. It edged out a $72,113,000 bid by Phillips, Mobil and Standard Oil of California.

(That's like bidding 72 cents for a $20 bill," says a lawyer, Clem Stevenson, who said he recently came to Alaska but has been contending with the major oil companies for decades in Oklahoma. He maintains the oil under that one tract alone is worth 2 billion dollars.)

One of the quirks of the sale is that Atlantic Richfield, Humble and British Petroleum did not bid enough to come away with much new acreage. They are the big three with the discovery wells on the Slope.

NO PESSIMISM

This should not be assumed to be a sign of pessimism about their find. Opinion of some experts has it that the Big Three decided they were satisfied that the tracts they got at bargain-basement prices in the 1957–67 lease sales contain a big enough slice of the oil field so that they did not find it worthwhile to get more at a cost several thousand times higher.

A University of Alaska resource economist pointed out that the Big Three got their prior leases on nearly 200,000 acres in the Prudhoe Bay area for $5,600,000. He continued:

"A conservative estimate based on the industry's own figures puts the value of this Prudhoe Bay acreage at something over 2 billion dollars, or better than 360 times the amount that the oil companies spent to acquire it."

43 PER CENT

The economist, Gregg Erickson, said that if the severance tax stays the same, the value would be 3 billion dollars. He estimated the industry rate of return on the pre-September holdings on the North Slope at 43 per cent, which is several times the average of the industry.

Erickson spoke at a science conference Aug. 26, two weeks before the big lease sale. He was making the point that the state's present bonus bidding system was not getting the state a fair bargain. He said the sale should be postponed at least six months to give the legislature time to overhaul the system.

Strong doubts about the policy were voiced at the same meeting by John S. Hedland, supervising attorney for Alaska Legal Services Corp.

"In leasing these lands, the state is trustee for and acting on behalf of its citizens," he said. "The state's role is not that of a neutral arbiter owing equal allegiance to the oil industry and Alaska's citizens, but as a bargaining representative of all of the people of the state."

COMPENSATION OF NATIVES

Hedland said public concern about oil development had focused on problems such as conservation and compensation of Alaska's natives for the taking of their land.

But, he said, all this had diverted attention from the question of whether the public is getting a fair share of the wealth generated through exploitation of public resources.

Hedland noted that some of the firms active in previous North Slope lease sales had merged and that joint ventures had further reduced competition.

He asserted also that state law does not require submission of all the types of exploration information obtained by the oil industry, such as seismic and geological data. The industry is required to give only information obtained through actual drilling, and then in reports filed within 30 days of completion, suspension or abandonment of a well.

The state is therefore at a disadvantage in trying to set a minimum acceptance bid or knowledgeable refusal price on tracts to be leased, Hedland said.

REJECTS CRITICISM

Kelly, who went ahead with the sale under the old system, rejects this type of criticism.

He told the Post-Dispatch the state had "everybody's dope" on Slope exploration. The oil firms were "extremely co-operative" with information, even to the point of giving some on request before the end of the 30-day filing period.

It should be noted that there are those, other than state officials, who do not feel that the public got less than it should from the Sept. 10 sale.

"Alaska was lucky; they made a half billion more than the do-gooders would have us make," said Locke Jacobs, a millionaire gas and oil lease investor.

He said most of the big oil combines "overpaid" for their leases this fall, adding: "This sale was overbid by half a billion dollars. Tom Kelly did a good job."

Gerald Canopole, a consulting oil geologist formerly with Texaco, said he was convinced the leased lands were worth no more than $500,000,000 in bonuses. If there had been collusion, he said, the companies would not have left the other $400,000,000 on the table.

MORE IN FUTURE

An engineering expert who favors oil development told the Post-Dispatch, not for attribution to him, that the oil on the North Slope is worth a lot more than the state is getting. But, under the circumstances, he said, it has helped the state get "off its back" economically. The state can and should get more for the oil in the future, he went on.

Kelly said the state has 800,000,000 acres still unleased on the North Slope, much of it in tidelands and uplands. In addition, immediately to the south are 2,900,000 acres on which Alaska has filed claims under its statehood allowance of land from the federal domain.

There are no prospects for another North Slope sale in the near future, Kelly said.

The main reason, he continued, is that the oil companies probably don't have any more money available after the recent splurge.

CONSERVATIONIST CONCERN IN ALASKA

(By William Wyant Jr. and Al Delugach)

ANCHORAGE, December 1—John Hakala, the Federal Government's manager of the oil-invaded Kenai National Moose Range, has a reputation for making the oil operators behave. He was asked recently what he had to say for publication about how things are in his bailiwick.

"Everything is hunky-dory," Hakala said. This brought a roar of laughter from the young biologists seated around the table. They are friends of moose and natural enemies of cats—the tractors that roam the range in search of more oil.

Hakala's constituency is composed of 2700 square miles of excellent wildlife habitat and a growing herd of 9000 or more moose, none of which vote. In the last decade or so, oil and politics have penetrated the northern half of the range in a big way.

Under intense pressure, local and national, government let the oil industry into the federal area in 1957 and 1958. Seismic crews charged in. Oil rigs went up. The invaded northern sector now is criss-crossed by more miles of trails than the State of Alaska has highways.

The Kenai Moose Range has only four or five professionals and a starveling operating budget of $150,000 a year. Yet it produced oil valued last year with federal royalties of $5,215,077, of which the State of Alaska gets 90 per cent.

Hakala and his associates in the Interior Department's Bureau of Sport Fisheries and Wildlife do a good job with what they have. David Spencer, associate supervisor of the Wildlife Refuge Division at Anchorage, said there was very little bulldozer damage on the range any more. He said the oil complex on the Moose Range took up parts of about 20 square miles.

"When it is done properly," he said, "you wind up with an industrial complex right inside of a refuge area."

Kenai's fate has its bright side. Kenai town is booming. The state has a golden flow of revenue, sportsmen and tourists are flocking in, and Alaskan leaders—chief among them former Senator Ernest F. Gruening—get credit for carving a juicy steak from the federal ox.

To conservationists, the forces that sliced up the Moose Range are much to be feared as the vast and beautiful land of Alaska—now about 97 per cent public domain—slides into the hands of the newly created state and thence into private ownership of one kind or another.

Alaska's "last frontier" status—a pristine snow maiden awaiting the ravaging Huns—has caught the imagination of the American public. Conservationists do not want to see this state raped and laid waste by destroyers. The sorry record of the past is heavy on the national conscience.

There is a good reason for Alaskans to be weary of the federal yoke. Alaska has been a fief of the Interior Department and Congress. It has a history of exploitation by fishing, timber and mining interests as well as by oil. Wealth has been extracted with small benefits to people here.

Ten years after statehood, the federal presence is still overwhelming. Among Alaska's civilians employed in 1968, one out of three was in government work at some level and one in six—or thereabouts—was a federal worker. The federal outlay for Alaska was more than three quarters of a billion dollars. The state's total expenditures were about $181,000,000.

Despite the large proportion of Alaskans in government work of one kind or another, conservationists feel that both federal and state agencies are undermanned and underfinanced considering the size of the task ahead.

BURDEN ON BUREAU

A heavy burden falls on the Interior Department's Bureau of Land Management, which has been looking after more than 300,000,000 acres of public domain in Alaska—most of the state—with a force of fewer than 200 people and a budget of only about $4,000,000. The BLM director for Alaska is Burton W. Silcock, who was born in Idaho.

After a struggle with Congress, the way apparently has been cleared for hiring of 45 more BLM employees to help the government supervise construction of the Prudhoe Bay to Valdez oil pipeline. Silcock himself has been heavily involved in drawing up "stipulations" to safeguard the land over which the line will go.

"I think they have come out with some real fine stipulations," Silcock told the Post-Dispatch.

If the history of other states repeats itself in Alaska, the state will be even less resistant to the pressures of politics and the private interests than the Federal Government as it faces the difficult job of supervising orderly growth and protecting the public interest.

The Alaska political lobby during territorial status means for a long time, as economist George W. Rogers has noted, the Alaska Canned Salmon Industry Inc. and the Alaska Miners' Association. They gave way to construction and commercial voices related to military buildup. Now, it is expected, oil will have its day in the legislative halls.

VULNERABLE AREA

Kenai Moose Range was particularly vulnerable because it is close to Alaska's most thickly populated area and yielded the state's first commercial oil. The second big strike, 1000 miles away on the frigid North Slope, will intensify the pressure on two big federal reserves that now lock up potential oil wealth on both sides of the now-fabulous Prudhoe Bay discovery.

To the west of Prudhoe Bay is Petroleum

Reserve No. 4 around Barrow, a 37,000-square-mile tract set aside for the Navy in the 1920s. To the east is the Arctic National Wildlife Range, about 13,900 square miles set up in 1960. There is clamor for oil development of both these federal areas.

When he was Governor of Alaska, Secretary of the Interior Walter J. Hickel urged oil exploration on the Arctic Wildlife Range. He said he just wanted to find out what was there. As for the Navy's reserve, it was proposed this year that the tract be opened to oil leasing and the revenues used to pay native land claims.

There is a small but able and articulate entente of conservationists on the scene in Alaska, backed up by such national organizations as the Wilderness Society, the Sierra Club, the Wildlife Management Institute and others. Allied with them, to some extent are sportsmen, rod and gun people, recreationists and others.

Three quarters of Alaska's conservationists, it has been estimated, work for the federal or state government. Robert B. Weeden, formerly with the state fish and game department, left recently to become Alaska representative for several major national conservation groups. He has a small basement office near the University of Alaska at Fairbanks, opposite a used clothing shop.

Weeden was president of the Alaska Conservation Society, but fell victim to a ukase handed down by Augie Reetz, an Anchorage dealer in office supplies named commissioner of fish and game by Hickel, then governor. Reetz ordered that nobody in his department could hold office in a conservation or sportsmen's group.

"The Bureau of Land Management has done the same thing in a more subtle way," said Gerald Ganopole of Anchorage, a consulting geologist with the oil and gas industry. The BLM, in the Federal Government's Interior Department now headed by Secretary Hickel, manages most of Alaska, including the Navy's petroleum reserve.

THORN IN SIDE

Ganopole, a leader in the Sierra Club and other groups trying to keep Alaska from going the way of all flesh, is a thorn in the side of the wasters. He told the Post-Dispatch the cause of conservation in the state is not going well.

"The state and its policies are some of our biggest handicaps," he said. ". . . Ever since statehood, anybody could go on state lands and do what they wanted. Alaska agencies have no regulatory department at all. . . . There is a very little conservation in effect at lower levels that actually do the work."

As Governor of Alaska, Secretary Hickel in 1967 fired the three chief officials of the state's Fish and Game Department. Among those dismissed was James W. Brooks, director of the game division, who then joined the Interior Department's Bureau of Sports Fisheries and Wildlife as a biologist.

Brooks is an expert on polar bears (thalarctus maritimus) and marine mammals. As such, he was invited by the Soviet Union to chair a session on predatory-prey relationships at an international wildlife conference in Moscow last September. However, Brooks, Alaska's polar bear authority, did not attend the meeting.

The reason for Brooks' nonattendance, the Post-Dispatch was told by an Alaska conservationist who was irate about it and said he was certain of the facts, is that Hickel vetoed the travel after it had been approved all the way up the line. Brooks confirmed that he had been invited, but said he did not know who disapproved the trip.

NOT MUZZLED

Although federal and state professionals in Alaska are under wraps in some extent, it cannot be said that conservationists have been muzzled or intimidated. Weeden writes a hard-hitting column in the Fairbanks News-Miner. The conservationists speaks out at every opportunity.

Attention is now galvanized on the 800-mile pipeline the oil industry will construct—at a cost of $900,000,000 or more—to bring the oil of the North Slope from Prudhoe Bay across the mountains and tundra to the year-round, deepwater port of Valdez on Prince William Sound.

The main thrust of conservationist effort is not to block the pipeline, which has to be cleared with Congress as well as the Interior Department, but to see that it is done right. There will be as much as 2,000,000 barrels of hot oil a day driving through the 48-inch pipe. Nobody wants a break.

Under the leadership of Secretary Hickel, in an effort in which President Richard M. Nixon himself has had a hand, the Interior Department has hammered out a set of "stipulations" for the massive construction job. The oil companies have co-operated well, and conservationists themselves have joined in the task. Hickel was careful to get them in early.

MANY PROBLEMS

There are many problems. The pipeline job, to be completed in 1972, will put 3000 to 4000 construction men and their heavy machinery in the wilderness. As it cuts across the country, the line will cross salmon streams and the migration routes of hundreds of thousands of caribou. In Alaska's interior, the temperature can stay in the minus 50s for weeks at a time.

On the Yukon river especially, during the spring break-up, ice can build up two stories high and come scouring down the channel like a grader, said Joe V. Neeper, construction manager for the Trans Alaska Pipeline System, a joint venture among oil companies. He is a 45-year-old Texan, a graduate of Iowa State.

"I don't think we can go through without doing any damage," he said. "I don't think anybody would be naive enough to think that. But we will try to hold it to a minimum."

Neeper said the pipe would be laid above ground, in all probability, but will go under the rivers in every case. The five-ton, 40-foot lengths will be welded in the field.

"There's got to be a lot of ends put together," the construction chief said. He said pipeline had never been laid that far north, but he had no doubt problems could be solved, once they were defined.

PERMAFROST WORRIES

The big cause of engineering and conservationist worries is permafrost. This is defined as "perennially frozen ground". It is the subject of a none too reassuring study published last summer by the United States Geological Survey of the Interior Department.

Most of the research thus far on permafrost has been done in the Soviet Union.

Basically the problem is that when a road or house or pipeline is placed on soil underlain by permafrost the natural equilibrium is disturbed. The structure's warmth causes the ice to melt more than it ordinarily would in summer. There is a similar effect when the Arctic's thin vegetation is scraped off by bulldozers, removing the insulation over the ice.

In summer the structure tends to sink; in winter it is heaved up again by frost. A house tilts at a crazy angle; a railway takes on the appearance of a roller-coaster; a highway develops gullies; bridge piles are heaved up proportionately. A winter road—like the "Hickel Highway" toward the North Slope—degenerates into a canal when the thaw comes.

In some areas of the Arctic, underlying permafrost causes massive earth movements. The engineer may find permafrost on the north side of a slope and none on the south slope.

160-DEGREE OIL

The North Slope's oil will be at 160 to 180 degree fahrenheit as it moves through the pipeline. One mile of the line will have a capacity of 500,000 gallons and each 40-foot section will weight 40 tons filled with oil, Interior Department officials have calculated.

"Permafrost is the overriding environmental problem right now," said Jack Horton of the Interior Department's Alaskan task force a few weeks ago. He had a well-thumbed copy of the Geological Survey's report on his desk.

It is still not clear how the engineers will defeat the permafrost, but they seem confident they can get the oil down to Valdez without spilling it.

NOME: WAITING FOR OIL BOOM

(By William K. Wyant Jr. and Al Delugach)

NOME, ALASKA, Dec. 2.—In this fabled but desolate city of hope on the gray Bering Sea, it is difficult for a stranger to pay for a drink and a citizen will lend you his car with casual, princely generosity. Nome's environs in contrast, strike the newcomer as hostile.

It is a bleak, treeless place where ramshackle houses seem to be fighting a losing battle with the elements. The average minimum temperature for January is about 5 degrees below zero. Wind and fog complicate the weather, and much of the ground hereabouts is underlain by permafrost.

Nome is isolated. It is 550 miles northwest of Anchorage and an even farther distance, up to now, from the oil boom that invigorates the central part of the state. The distance by sea to Anchorage is more than 1300 miles. There are no roads.

"I'll say this—within three years we'll be seeing oil drilling offshore," predicted Albro B. Gregory, the bearded, 59-year-old editor of the Nome Nugget. There has indeed been oil exploration hereabouts. Nome would be glad to see something come of it.

Failing that, Nome will have to get along on government work—its major activity—a little subsistence fishing, ivory carving, hunting and tourism based largely on winter sports and memories of the great days when Nome was a roaring gold camp.

In its heydey, Nome had 30,000 people. That was around the turn of the century. Now the population is 2800 to 3000, two-thirds of them natives, or Eskimos. Placer mining for gold used to be a big thing here, but not any more. The big dredges stand gaunt against the sky.

There is a White Alice military communications site on the hill back of the town. The country is rolling and bleak, reminiscent of northern Scotland. It has a wild beauty. The tundra is soft and spongy underfoot. Here and there are great piles of gravel where the ground has been chewed up by the dredges.

Just east along the shores of Norton Sound is the King Island Eskimo village, a miscellany of appallingly inadequate hovels. The sanitary arrangements for Nome as a whole are nothing to write home about. Only part of the town is connected to the sewer, and the "honey pot" serves for disposal of human waste.

In the Eskimo village the residue of existence—tin cans, paper and what-not—is dumped on the beach in small piles and left to the mercy of wind and tide. A visitor from the Lower 48 may get at Nome the kind of cultural shock he experiences on first seeing the slums of Calcutta.

Sargent Shriver, then director of the Office of Economic Opportunity, reacted strongly after inspecting Nome in 1967. He said most of Nome's houses are "ramshackle, falling down places," and added:

"But even this city has a slum that is worse than the rest of the town where 500 natives live in the most abject poverty that I've seen anywhere—including Africa, Latin America, India or anywhere else."

Nome is one of three towns—Kotzebue and Barrow being the others—in the 150,000 square miles of Alaska north of the Yukon river drainage. Two years ago the total population of this vast area was estimated at less than 14,000 people. Northwest Alaska is mostly tundra and mountains, a federal report said, and "the climate is inhospitable to most human activity."

"Alaska Natives and the Land," a monumental document produced early this year by the Federal Field Committee for Development Planning, shed light on the status of the state's 50,000 to 60,000 aboriginal peoples—Eskimos, Aleuts and Indians. The average life expectancy among them is short, only 34 to 35 years.

In Alaska the white and other non-aboriginal people born in the state do not speak of themselves as natives. The term is reserved for Eskimos, Aleuts and Indians. This is quickly pointed out to the visitor who asks a white whether he is a native Alaskan.

Among the adults, natives in Alaska are likely to have less than an eighth-grade education. They are beneficiaries of federal spending that totaled $43,000,000 in fiscal 1968 in programs of the Bureau of Indian Affairs and the Division of Indian Health of the Public Health Service. Even so, they are a neglected minority.

In Nome, as is true generally in the world, the impact of the white man's culture on the native way of life is neither esthetically pleasing or fully satisfactory in other respects. Mental health problems, including alcoholism, occur with distressing frequency.

The federal study quoted a story from the Eskimo-edited Tundra Times, as told by a former villager:

"This big problem of alcoholism is out of control in our new state already. It's not only here, it's all over in our small villages as well. They order liquor by cases in the villages. Our jails and children homes are over-flowing because of alcohol. Parents are separated by this same matter. White men are taking advantage of our native women, young and old, just because they are divorced and not employed . . . An Eskimo can work if given a chance but his greatest enemy is alcohol . . ."

Despite what appear to be profound socioeconomic and climatic difficulties, Nome's citizens—non-native and native alike—manage to rise above adversity and enjoy life. The town has a gallant spirit and is, to the traveler who comes in by air one somber autumn day and departs the next, an unforgettable experience.

Editor Gregory, an Alaskan since 1957, came from Seattle. He returned to Seattle last winter for a while, and found himself very nervous driving along the crowded expressways. His feet kept pressing against the floorboards as he battled through the automotive rat race.

"I'd hate like hell to move back to the states," he said, meaning the Lower 48.

In addition to good airline service and a comfortable hotel or two, Nome has a 25-bed hospital, a doctor, a public health dentist and a state health nurse. There are trout, grayling and salmon in the streams and ptarmigan and moose are plentiful. The Soviet Union's Siberia is not far away.

"Right now, the major industry is federal and state services," said Nome's Mayor Donald Perkins, 42, a Democrat. Perkins was born in Poplar Bluff, Mo. He attended Southeast Missouri State College, at Cape Girardeau. He came to Nome 19 years ago as a teacher and now runs the Arctic Oil Delivery Co.

Tourism is important, Perkins said. He described Nome's weather as much milder than that of Fairbanks, in the interior. In winter the town can offer dog team rides, fishing through the ice, and other pleasures. Winter is the social season, when folks get together to play pinochle and whist.

The mayor had just been elected with an impressive mandate—about 65 per cent of the vote in a five-way race. He and his wife have a fine collection of old bottles dating from Nome's early and more glorious period. The bottles, some manufactured in Nome, are found in old dump pits in the vicinity.

Nome has new concrete sidewalks along its main street to replace the old-fashioned wooden ones. In editor Gregory's view, the wooden ones are better for Nome. The mayor is inclined to agree. He also is struggling with the town's sanitation problems.

The mayor said gold mining used to be Nome's main activity. At one time 200 companies were seeking the metal. When Nome's mining operations closed in 1962, the mayor said, they were giving work to only 60 men.

As for oil, Mayor Perkins took an optimistic view. He said a division of Litton Industries had done some exploration around Nome. In addition, he said, the United States Geological Survey made a report last March indicating that structures in the area could be oil-bearing.

"We would welcome it," the mayor said.

The King Island Eskimos have been year-round residents of Nome for only a few years. On their island, off the tip of the Seward peninsula in the Bering Sea, they hunted walrus and whales. There is subsistence fishing around Nome, an abundance of wild berries and other seasonal foods that can be taken from the land.

Among Alaska's rural people, hunting is still the skill that brings prestige. Wildlife is so plentiful that the pressures of civilization and population show no signs at present of endangering the supply. The men bring home the meat, and the women, using a circular knife called a "ulu," cut it up.

The snowmobile has largely replaced the dog sled as a means of conveyance. One advantage has been that the snowmobile does not have to be fed, whereas sled dogs consume large amounts of fish.

The Eskimos and the non-native Alaskans seem to get along well at Nome despite a marked difference in cash income. At the Board of Trade Bar, in the late afternoon, several Eskimos were among the customers in an establishment redolent of Nome's past magnificence.

Behind the bar were old advertisements and newspaper clippings. The Nome Semi-Weekly News advertised Green River Whisky—"drink it without a headache"—for 12½ cents a throw at the Board of Trade. Also for sale were ladies' fast blend hose at five pair for $1 and men's business suits—"noble and well-wearing"—at $15. There was a Budweiser sign showing a girl in a Victorian costume, holding a stein of beer.

Walt Williams, the bartender, used to work on a gold dredge. From somewhere under the bar he brought out a ulu—the Eskimo woman's knife—and a wooden berry picker shaped like a sugar scoop with teeth. He insisted on presenting them to visitors from the Lower 48.

"When the hunter brings the animal ashore, his job is done," Williams said. He talked with eloquence about the rewards of living in Alaska and at Nome.

ALASKAN NATIVES CALL FOR JUSTICE

(By William K. Wyant, Jr. and Al Delugach)

ANCHORAGE, December 3—Two shacks stand as symbols of a great moral issue that faces Alaska, and which is shared by the whole United States.

One shack is of unpainted wood. It is overcrowded and lacks sanitation facilities. It, and not the igloo of happy connotation, is the typical abode of the native Eskimo, Indian and Aleut throughout this state.

The other shack is of blue, corrugated metal. It houses the North Slope discovery oil well. It is on land that the state chose from the federal domain in 1964 because of its prospective riches. The fact that Eskimos had used the land for centuries for subsistence was irrelevant.

Belatedly, but not beyond recovery, the natives have filed legal claims to the whole North Slope and much of the rest of the state's 375,000,000 acres.

In court, the prospects are for years of delay and perhaps an eventual cash award, as in all previous settlements of aboriginal claims.

The 60,000 Alaskan natives want land, too. It is a deeply felt need that surpasses material considerations. In all this vast state, natives hold fee simple title to only 500 acres, which is 400 square feet per capita.

Congress has the power to settle all native claims at a single stroke, providing both land and money. Three years ago former Secretary of the Interior Stewart L. Udall put a freeze on further land selection by Alaska until the native claims were settled.

During Senate hearings on his confirmation as the new secretary, Walter J. Hickel agreed to continue the freeze through 1970.

In addition to slowing the pace of oil development, the freeze has prevented the state from obtaining title to more millions of acres of federal public land with high potential for oil.

The next six months may well determine the welfare of Alaska's aboriginal peoples for many generations.

Several bills now before Congress contain settlement terms of varying generosity, with cash up to $500,000,000 and between 10,000,000 and 40,000,000 acres of land.

A cardinal point of controversy is whether to grant the natives' request for 2 per cent of the future royalties from oil and other natural resources. The issue is widening a division between the natives and the Establishment.

Alaska state officials have opposed the royalty share. There is a good chance it would come out of the state's pocket. Congress in the generous Statehood Act of 1958 gave Alaska 90 per cent of the royalties on federal land, a provision that may be altered in the future because of the sudden enrichment of the state.

However, the natives have in the past week received strong support on the royalty issue from both of Alaska's Senators, Ted Stevens and Mike Gravel, and from its Representative, Howard Pollock.

Stevens, a member of the Interior Committee, and Gravel worked out a compromise that would give the natives 2 per cent royalty on oil for 10 years from state lands and 20 years from federal lands. Stevens and Pollock until the last week or so had opposed the mineral revenue sharing idea.

OPPOSED BY U.S.

The Interior Department, headed by former Alaska Gov. Hickel, opposes any sharing of the underground wealth.

Everyone concerned is declared in favor of a "fair" settlement.

But the history of Alaska's acquisition of the part of the North Slope that includes Prudhoe Bay tells something about priorities. It was long known that Alaska's Arctic plain had a geological structure with great oil potential. Public funds had been used to gather much knowledge about it, particularly from drilling in the Navy's big petroleum reserve on the westside of the Slope.

In 1964 the state selected about 2,000,000 acres east of the Navy reserve as part of the

103,000,000 acres it was given under the statehood law.

The state's application for the 2,000,000 acres warranted that the area was uninhabited, despite the fact it is part of the traditional hunting and fishing grounds of hundreds of Eskimos.

OBJECTIONS INVITED

A federal agency, the Bureau of Land Management, formally published a legal notice in a weekly newspaper circulated in the north country and invited objections. When none was filed by the deadline, the state was given tentative approval to claim the land. However, its ownership has not been made final.

Later in 1964 the state began a series of competitive oil lease sales that, by 1967, resulted in 900,000 acres leased at bonuses totaling $12,000,000.

Oil worth billions was found under it since then, and leasing of only half as much additional land there brought in about $900,000,000 on Sept. 10.

As one of his final acts as governor, Hickel last January selected about 3,000,000 acres lying just to the south of those state lands. Again the priority lay with the oil prospects.

LACKING MILITANCY

It has been said that, until their claims were filed, the 60,000 Alaskan natives were invisible to the 240,000 white Alaskans. The natives have never approached the militancy that has evolved in the urban centers of other states.

Visiting members of Congress had an opportunity in late October to sample the mood and aspirations of the natives during a tour of villages and at public hearings at Fairbanks and Anchorage on the claims bills.

There was some grumbling by Emil Notti, top native leader, that the House Interior Committee members did not spend enough time in the villages.

Native leaders did not join the laughter when Representative James Haley (Dem.), Florida, told a chamber of commerce luncheon that "with a few more strikes of oil" Alaska could be like the Oklahoma Indians who were so wealthy that if their Cadillacs ran out of gas, they bought new ones. "I hope that's what you're going to have here," Haley added cheerfully.

NO COMMITMENTS

At the public hearings, the members of Congress listened politely to many hours of testimony and departed without committing themselves to any of the competing claims bills.

Witness after witness had spoken with simplicity and dignity of the ways in which the white man had taken their lands over the years.

Critics have pointed out that the Federal Government, which still officially owns 97 per cent of Alaska, historically has been in the forefront of exploitation in pre-empting the inhabitants' village sites and hunting grounds.

The case of the Kenaitze tribe was described to the members of Congress by its president, George Miller.

Once the occupants of the Kenai peninsula south of Anchorage, the Kenaitze Indians were pushed out of their homeland by white settlers and the Government.

Miller told how the Government moved his tribe out of the Kenai townsite to make way for an airport, then auctioned the rest of the land. He told of federal employes burning natives' cabins and bulldozing the tribal cemeteries.

The tribe's remaining land was taken over by the Interior Department for the 1,730,000-acre Kenai moose range. The oil companies were later permitted to drill wells in the range. The Kenaitze were reduced to the status of squatters in Alaskan towns.

An Athabascan Indian on crutches, Peter Ezi, told the members of Congress that the Eklutna village north of Anchorage now contains 2000 of its original 326,000 acres. Federal and state governments took land for an Army fort, a dam site, a highway, a railroad.

George King, a young Eskimo in slacks and sweater, said the 300 natives of Nunivak Island off the southeast coast—were unable to get even a townsite there because the island's 300,000 acres are withdrawn by the Federal Government as a wildlife refuge.

"In other words," he said, "birds, reindeer and musk ox have more rights than the people."

RECALLS GOLD RUSH

A man in wash pants and a light jacket limped to a witness chair. Jerome Twigg, whose black hair is graying at the temples and who wears spectacles, spoke for the Eskimos of the Seward peninsula on the Bering Sea. Referring to the gold rush of 65 years ago, he said:

"Even after our land was exploited, we remained. The gold rush left the natives poorer. Will the oil rush trample us too? We don't want our children to suffer what absentee exploitation brought to my generation."

He spoke quietly of "Eskimo kids who never have baths."

The natives have great health problems and an average life expectancy of only 34 years, he pointed out.

"Our children are going to school in distant places," Twigg said. "We want them home. We do not want to live off taxes that other people pay. We want to earn our own way and make our decisions as other people do."

SUBSTANTIAL CLAIMS

Alaska's natives have substantial legal claims to the land. Their defenders declare that no one who has not seen their plight can appreciate the even stronger moral issue presented by the degradation of a once proud and hardy people.

Starting with the Russians in 1799, there has been a steady exploitation of resources on which the natives have subsisted—whales, seals, salmon and the land itself.

Along with it has been the overrunning of the native way of life by the white man's cash economy—but without the jobs to get the cash. Subsistence fishing and hunting are still necessary to livelihood of many natives, at least to augment their meager income from welfare and sporadic employment.

The median cash income for native families in Alaskan villages, where most of them live, is estimated at $2000 a year. White families average over $10,000.

PRICES HIGHER

Prices of commodities run 75 per cent higher in the native villages than in Seattle.

More than half the native work force is unemployed most of the year. Most adults have less than an eighth grade education and few skills adaptable to the white man's economy.

In the rural villages, 7100 of 7500 dwellings were found by the Bureau of Indian Affairs to need replacement. Sanitary water supply and waste disposal is almost nonexistent. Overcrowded and ill-ventilated one-room dwellings are the rule. They are the setting for widespread infection and respiratory ailments that cripple a large number of natives.

Mental disorders and alcoholism are prevalent; much of it is blamed on the cultural displacement that besets natives unadapted to modern civilization.

NATIVES DETERMINED

Despite everything, the natives today show an esprit and a determination to see their claims through.

The Alaska Federation of Natives, only three years old, has brought about a united front and a legal effort headed by Arthur Goldberg, former U.S. Supreme Court justice, and Ramsey Clark, former U.S. attorney general.

Referring to the nation's treatment of the Indians, Clark said recently:

"Resolution of the claims of native Alaskan people to the vast northlands that largely remain their home will be the last chapter in a long, sad history. . . . Now comes Alaska and an historic opportunity. . . . This last chapter must be the best."

OIL, GAS BOOM IN KENAI AREA OF SOUTHERN ALASKA

(By William K. Wyant Jr. and Al Delugach)

KENAI, December 4.—It is a flight of only 20 minutes from the Anchorage metropolis across Cook Inlet to this busy oil town. By road it is a drive of more than 150 miles, first around Turnagin Arm and then through Chugach National Forest and the Kenai National Moose Range.

The overland traveler is rewarded by vistas of staggering beauty. High mountains form a backdrop as the highway goes through dense woods and threads along the sparkling, glacier-fed Kenai River. At length the "Oil Capital of Alaska" is in view.

In September the State of Alaska was drenched in a shower of gold from the great oil discovery on the North Slope. The Kenai oil fields, in milder climes just southeast of Anchorage, were discovered in 1957 and have been money in the bank for some time.

The town of Kenai had 4500 persons last year, including military, compared with 321 in 1950 and 778 in 1960. It is an oil development center superimposed on a fishing village. There is a strong flavor of Tulsa here, even though the old wooden Russia Orthodox chapel—a brooding and strangely lovely relic of the past—still looks out over Cook Inlet.

Leaving the North Slope out of it entirely, Alaska's petroleum and natural gas production rose to a value of $187,900,000 in 1968, nearly double the 1967 production of $95,400,000. All the increase was from this Cook Inlet region, still the state's only producing area.

At the end of last year, Alaska was in eighth place among oil-producing states with prospects of moving up to fourth place. Before 1959 Alaska had no production.

Oil's invasion of the Swonson River area of the Kenai Moose Range. where the first strike was made, and the adjacent Cook Inlet and the inlet's west shore has not been without cost in terms of environmental values. It has altered the character of the land and brought pollution problems that did not exist before.

There is always the danger that winter ice or an earthquake or some other force or mishap will cause a massive oil leak in the inlet, comparable to the Santa Barbara disaster. Or an oil pipe may break in the on-shore Swanson River field, as one did a few months ago.

Would it have been better if the oil men had had left Cook Inlet alone? What is acceptable damage and what is not? The first question is academic in the Kenai area. Oil has a firm foothold here and it has brought with it, unquestionably, a measure of prosperity and hopeful change.

The oil industry, which claims to have spent nearly two billion dollars on its Alaska operations in the decade ended last year, has laid out hundreds of millions in the Kenai area. It has brought new citizens to Kenai town and erected handsome suburbs for them.

A fast-growing strip development along North Kenai road leads to the Nikiski rig tenders dock, built by Union Oil of California, Mobile, Atlantic Richfield and Marathon as a receiving and sending terminal for the off-shore rigs in the inlet.

Along the shore to the south of the terminal are Standard of California's Kenai pipeline dock, a $50,000,000 natural gas liquefication plant put up by Phillips Petroleum and Marathon, and the shining new Collier Carbon and Chemical Co. (Union Oil) complex for producing ammonia from gas.

From the ammonia, the plant turns out urea, a fertilizer rich in nitrogen, in a joint venture with the Japan Gas-Chemical Co. of Tokyo. The ammonia-urea facility is said to have cost $50,000,000 and is credited with putting Alaska in the petro-chemical business.

METHODS OF PACKAGING

Both the Union Oil ammonia-urea operation and the Phillips Marathon liquefication plant provide methods of packaging the Kenai area's abundant natural gas and getting it to distant markets. The liquefied gas will be transported to Japan in two specially designed Swedish tankers. They call it a "floating pipeline"—Alaska to Japan.

In addition, a part of the area's gas is piped to Anchorage and the town of Kenai where it is available for heating and the manufacture of electricity. The presence of this energy is of course important for future commercial and industrial growth.

An offshore oil platform in Cook Inlet is a strange and wonderful world. A Post-Dispatch reporter and photographer visited the Grayling platform as guest of Union Oil of California in company with B. G. Spradlin, Union's production superintendent at Kenai.

"When you get a problem up here," Spradlin said, "the only way is to beat it to death with money and time. That's the only way to get it done."

For personnel, the method of transport to and from the platforms is by helicopter. There is a chopper pad on a height overlooking the rig tenders dock. A chopper comes rattling in with a load of men. They scramble out with their gear and another chopperload climbs aboard and is wafted away.

TRASH PICKUP

Spradlin called attention to dockmen handling containers of trash that had been taken from the offshore rigs by ship. The trash is hauled by truck from the dock to dumping grounds ashore. The Union Oil officer said this procedure is expensive "but it's a must." Throwing anything into the inlet is forbidden.

There are now 14 platforms in Cook Inlet. They were said to range in cost from $13,000,000 to $24,000,000 each. The Grayling, named after a trout-like fish, cost $20,000,000 or more, Spradlin said, and it has two 10-inch pipelines running five miles to the west shore. They were put down at a cost of about $10,000,000.

The oil drawn from the earth is cleaned ashore and shipped through an onshore pipeline 42 miles down the west side of the inlet to the modern, deepwater terminal at Drift River. The pipeline and terminal, a joint project, cost $45,000,000. From Drift River the oil is taken away by tankers.

There is a 9-knot tidal current in Cook Inlet. The thermometer gets down to minus 38 degrees, in Spradlin's experience, and the ice in winter can be four or five feet thick. When the current moves the ice back and, forth, slamming it against the legs of the oil platforms, life aboard can be very interesting.

Earthquakes are a hazard in Alaska. A memorable tremor occurred not long ago. One oilman recalled that he was thrown from his bunk whereupon he rushed out to see whether the rig had been hit by a ship. He said pots and pans were jostled from their shelves. A constant hazard is fire, particularly from welding sparks. One platform was evacuated because of fire, without loss of life.

BURNING GAS

Like an aircraft carrier, the Grayling looked small when approached from the air. On closer inspection it became a colossus and its flares of burning gas, from afar mere candles on the blue water, were roaring orange flames that leaped high and gave off intense heat. The natural gas, for which there is no economical use, is disposed of by burning as it comes out of the wells.

Plans are under way for using the gas now being burned in the inlet. An Alaska conservationist told the Post-Dispatch that the Cook Inlet platforms were wasting three times as much gas as the city of Anchorage used.

The first thing the visitor saw after leaving the Grayling's chopper pad was a sign warning personnel not to throw anything overboard. Down below, in the neat, pre-fabricated living quarters, was another sign calling attention to the fact that—just as in oil's world on the North Slope—no liquor is allowed.

"Notice," said the Grayling's antipollution sign in emphatic terms, "Absolutely nothing is to be thrown off this platform. Individuals found doing so are subject to immediate dismissal."

There were about 100 people on the Grayling that day, too many for the platform's 86 bunks. In general charge as offshore production foremen was Bob C. Smith, an Oklahoman who ran a tight ship with bluff good nature. The men are well paid. A roughneck on the drilling team, on a typical offshore rig, will receive $1500 a month, it was said.

12-HOUR SHIFTS

The food was abundant and excellent, served cafeteria-style. Oranges, ice cream, doughnuts and coffee were on hand around the clock. The work never stops. A roughneck pulls 12-hour shifts for 10 days and is off five. The helicopter service is around the clock, costing about $35,000 a month.

"There's no efficiency in this operation," Spradlin said in speaking of the climatic and other difficulties built into this kind of oil production. "It drives me nuts—coming from southern California. You spend all your time traveling."

The Grayling was producing 46,000 barrels of oil a day compared with 42,000 for the Dolly Varden and 26,000 for the King Salmon platforms. The three form the Trading Bay unit in which Union and Marathon each own a 40 per cent interest. Atlantic Richfield has 14 per cent and several other companies share the rest.

There are four steel legs supporting the Grayling, each 19 feet in diameter. The platform stands in 150 feet of water and towers high above the surface. It has two 50-ton cranes.

Each of the Grayling's legs will accommodate a dozen wells. Of this 48-well capacity, 19 have been drilled so far. By means of sophisticated directional drilling techniques, these wells can be extended like tentacles far outboard of the platform itself, tapping the field at various levels and places.

On the busy platform, oil from existing wells was flowing up at the rate of 2100 barrels an hour while two ships, the Rig Pusher and the Pete Tide, were nuzzled against the massive legs for delivery of machinery, pipe and other supplies.

LABORIOUS JOB

At the same time, at a higher level, a four-man team was busy pulling a drill up from below 8000 feet to fit a new bit. The pipe is pulled up length by length, disconnected in 90-foot sections and stacked to one side. When the new bit is attached, the procedure is reversed. It is a laborious job taking about six hours.

Production foreman Smith said that constant attention was paid aboard the Grayling to safety regulations and to driving home to all hands the ban against pollution of the inlet. During the platform tour, he noted a leak in a hose delivering diesel fuel from one of the tenders to the Grayling. He ordered it repaired instantly.

One who has seen at first hand the technological complexity of an off-shore oil operation, and talked with the good fellows aboard, has no trouble understanding why some oil men grumble about a public that demands plenty of gasoline but does not want unsightly oil rigs around.

Nevertheless, even though the oil industry is given full credit for its efforts to prevent avoidable contamination of the environment, it is obvious that the Cook Inlet platforms and the oil activity in Keani Moose Range constitute a hazard. The area is subject to earthquakes, and there are active volcanoes in plain sight.

The Federal Water Pollution Control Administration, an agency of Secretary Walter J. Hickel's Interior Department, keeps watch over the inlet. It has 25 people in Alaska. The three-man operations branch at Anchorage is headed by Acting Chief Raymond Morris. He is assisted by Warren McFall, a sanitary engineer.

In 1963 Morris's office counted 69 oil spills in Alaska, most of them minor. Most of the spills have been in Cook Inlet. One of British Petroleum's bladder tanks ruptured on the North Slope this fall, spilling about 20,000 gallons of diesel fuel. Part of the oil got into Prudhoe Bay.

Morris said the response to cleaning up the British Petroleum mess had been good. Before the accident, none of the North Slope tanks were diked. Now the companies are going ahead with diking them, to minimize pollution in case of accident. There have been sizable spills in Cook Inlet and the Moose Range.

In times past, Morris said, old construction materials and other waste were tossed into the inlet from oil platforms. Some garbage still is dumped. However, things have improved greatly in recent times, it was said, and strenuous efforts are made to keep fouling of the waters to a minimum.

"They always co-operate, all smiles," Morris said of the oil companies. "But it is the performance that has changed. . . . Public sentiment against throwing anything in there made the big difference. They knew somebody cared."

The companies also are getting much better, Morris said, about reporting their own oil spills. As to legal action to enforce pollution rules, Morris said the federal act has no teeth and the few cases that have reached the courts have gone nowhere.

What does work, apparently, is constant vigilance and the kind of manpower that is not always available for the surveillance job. A federal official familiar with the Kenai Moose Range, often cited as a model of industry-federal co-operation, said it took determination and enforcement.

"You have to be on their backs constantly," he said. "Any company will agree to anything on paper, but what counts is what happens on the ground."

The same official called the oil activity on the Kenai range "a living bomb"—in that a pipeline break could wipe out a salmon stream. He was indignant about what he considered failure to clean up oil slicks in Cook Inlet.

"This is constantly going on and nobody gives a damn," he said.

USES OF ALASKA'S NEW REVENUES

(By William K. Wyant Jr. and Al Delugach)

Yet North and ever North we pressed
To the land of our Golden Dream.
—Robert W. Service.

JUNEAU, December 5.—Alaska's receipt of $900,000,000 from the North Slope oil lease sale last September put the state in the enviable position of having more money on hand than it knows what to do with. Once the Cinderella of the Union, Alaska now wears the oil industry's glass slipper.

When the Legislature meets here in January, one of its happy tasks will be to rifle through the new oil dollars and set new courses for a state that has been spending annually only about one fourth of the amount that it got from the oil industry in one giant dollop.

While it is endowed with natural splendor, Alaska has plenty of the prosaic and grubby problems long familiar in the Lower 48. There is pollution. There is litter. Considered graver by far, however, are the poverty of the rural native village, the dismal level of education among the poor and the highest unemployment rate in the United States.

In considering how to use the new riches, Alaska's leaders have been proceeding cautiously. Expert advice is being obtained.

Gov. Keith H. Miller, Republican, called in the Stanford Research Institute to assess the state's needs and goals. The State Legislative Council hired the Brookings Institution of Washington to arrange a series of seminars to explore the subject. These studies should help prevent a spending spree.

"Alaska's great mineral wealth is not to be merely preserved for some future distant time," Miller said in an address on the eve of the Sept. 10 oil lease sale. "We're going to use what God has given us to brighten the futures of our people. I will not tolerate any delay in getting our natural resources to market."

Like many Alaskans, the Governor is confident it will be possible to go forward with industrial exploitation without despoiling the land's great natural beauty. He draws a distinction between conservationists, with whom he allies himself, and "preservationists" who would keep the state locked up in perpetuity.

The conservationist critics of what is going on in Alaska are not extremists, for the most part. They feel it is possible to make intelligent use of resources without ruining the land. But they fear—with justification from the nation's history and present plight—that it will not be done that way.

A case in point is the proposed trans-Alaska pipeline. The oil industry is eager to go ahead with a project that has staggering technical difficulties and potential for environmental damage—even before solutions are in hand.

"I don't think there is any way we can do it without mistakes," was the frank comment made to the Post-Dispatch by J. V. Neeper, the man in charge of constructing the 800-mile-long, 48-inch-diameter conduit.

Asked about chances of having the problems solved by the time work is undertaken, Neeper replied: "I believe we will have our problems at least defined. If we can define them, I believe we can solve them."

In this situation, as in many others, crucial actions and decisions are up to Secretary of the Interior Walter J. Hickel and the men he brought into the state government before he left the governorship last January for his federal appointment.

TWO AREAS OF CONCERN

As large segments of Alaska are carved from the federal domain and become state and private property, and as Alaska's leaders here at Juneau ponder disposition of the oil money, there are two obvious areas of concern:

(1) The people of the United States, including those who are citizens of Alaska, still own more than 95 per cent of this forty-ninth state. To what extent will be broad public interest be safeguarded in the future management and disposition of this heritage?

(2) The people of Alaska, a miniscule part of the national population, are falling heir to property of immense value—the North Slope oil lands, for example—that has been the nation's as a whole. Will Alaskans benefit as they should from the state's generous dowry?

The reason such questions are being asked now about Alaska, with excitement and urgency, is that this is a state that has a chance to do well. It has the money, it is uncrowded and it has what is in many respects an almost blank tablet on which to write. Alaska becomes not only the last frontier but the last opportunity.

SMALL POPULATION

Here is a state more than twice the size of Texas, and one-fifth the size of the entire U.S., with fewer than 300,000 people. Even if the population were to double in the next decade, that would still be a very small number coming into collective possession of immense natural wealth.

Oil and gas may set off other development. There are great fisheries and forests. Hard minerals, like copper and iron, not to mention gold and silver and platinum, await the miner. Alaska has the longest shoreline among the states, possessing 65 percent of the nation's continental shelf.

Offsetting these advantages are adverse factors that are sometimes ignored, sometimes over-emphasized. Alaska is geographically remote. Harsh cold and permafrost make huge areas impractical for settlement. Alaska has no Class I soil, and only about 1 per cent of the state is suitable for farming, another 2 percent for grazing.

Alaska's inflated living costs and environmental difficulties are hazards against which the penniless, would-be homesteader must be warned. The pioneer without capital, and his wife, may find they have a hard row to hoe.

TOURISM, RECREATION

The magnificent scenery and the matchless sport fishing and hunting are assets that could in time yield more for Alaska than do the chain saw and the plow. Tourism and recreation yielded $30,000,000 in 1968. Many people want to visit this great land before it undergoes inevitable change.

Up to the present, modern man's impact on Alaska has not been very pretty. The U.S. has owned Alaska and nibbled at its resources for a century.

The president of the state Senate, Brad Phillips, gave voice to a growing concern of Alaskans.

"Alaska has a history of exploitation—mining, timber, fishing; this time a lot of people are determined it is not going to happen," he told the Post-Dispatch.

The natives and other victims of the state's high unemployment see all the activity of oil development going on without their having a "piece of the action," Phillips said.

They see out-of-state interests buying up transportation firms and other oil-related enterprises, he said, adding: "Nobody's complaining so far about legitimate business deals, but there is fear that outsiders will own Alaska pretty quick."

ECONOMIST HIRED

Mindful of the No. 1 subject in Alaska, the Legislative Council has hired Walter Levy, New York, internationally known economist and consultant to government and major oil firms, to write 15 position papers on oil and gas over a two-year period.

These will be used, Phillips said, to "try to establish some policy on these matters we've never dealt with before." Until the paper on oil and gas taxation is received, Phillips is not making any predictions of what the Legislature will do about it. He said that it would be "like trying to perform brain surgery without even having had a first aid course."

Next year's elections of a governor and legislature are shaping up as the most important in the state's history.

Alaska has a strong governor system, and whoever gets the job—and potential candidates are sprouting in profusion—will have an unprecedented opportunity to shape the state for the future.

Political realists see the coming elections as very expensive, with vested interests pouring gold into the campaigns.

And what of Alaska's prospects? In the opinion of William R. Wood, president of the University of Alaska, the state can eliminate totally in one generation the existing evils of unemployment, inadequate medical care, illiteracy and substandard housing.

"EXTRAORDINARY ENVIRONMENT"

"The reason I think you can do it here," Wood said in his office at the university town of College, just outside Fairbanks, "is that you have this extraordinary environment—enormous space, automation and cybernetics, very few people."

Wood conceded this was a brash prediction, as he put it, but said he had made it even before the latest oil discovery. The 62-year-old educator presides over a campus that is crammed with brand-new buildings in hilly terrain among the spruces. The university has about 2300 students, 15 per cent of them graduate students. Enrollment is growing by about 15 per cent a year.

The university has received some oil money and is hoping to get more, Wood said. Robert O. Anderson, board chairman of Atlantic Richfield Oil Co., was the guest speaker at the university's commencement exercises last May.

Wood is a good-humored man, full of energy and eloquence. He was born in Jacksonville, Ill., and was educated at Illinois College and the University of Iowa. He sat on the edge of his desk as he talked. Not far from his window a length of 48-inch oil pipeline was on display on campus.

"I am very high on Alaska's future," Wood said. "There are enormous problems, however."

RICHES FROM THE SEA

Wood recently visited Asian countries, where he saw some of the consequences of overpopulation. In Alaska, he said, economic development is far ahead of population growth.

"The result is happiness," Wood said. "In India and Latin America you've had it—you've overgrazed the range."

Wood pointed out that Alaka has enormous potential, not only on land but in the two oceans and three seas that wash the state's shores. He ventured that the seas were probably more valuable than the land mass, inasmuch as Alaska claims the wealthiest part of the nation's continental shelf.

"I think there is a great power shift under way in the world—a shift from the Atlantic to the Pacific," he said. "I think the coming century will be the century of the Pacific."

Industrialized Japan is an eager customer for Alaska's timber and pulp and petroleum products. In fact, Japan is the largest importer of the state's output, and the visitor sees Japanese businessmen everywhere.

"BEAUTIFUL PROBLEMS"

Charles E. Behlke, engineering dean of the university, said the state had been doing badly in the mid-1960s and was fortunate that oil was struck on the North Slope when it was.

Now, he said, the fiscal outlook is rosy; the Prudhoe Bay find will be followed by others. There will be money, plenty of energy and a change in the standard of living.

"Alaska has always been a great place for a young man," Behlke said. "But now you can get rich four years away from retirement . . . We have the most beautiful problems in the world since last year."

A less ebullient view was expressed by Victor Fischer, director of the university's Institute of Social, Economic and Government Research. He said there has been a big shift in Alaskan attitudes on development and environment.

Until last year, he said, the prevailing attitude had been "development uber alles." But lately there has been more emphasis on keeping Alaska the way people want it, which is the attraction that brought most of them here in the first place.

"Alaska needed development money to survive," Fischer said. "Now there are riches, and the people can have what they want."

As examples of things brought into the realm of fiscal possibility for the first time by the state's oil money, he cited universal education and a guaranteed annual income.

Fischer does not believe the oil itself will generate other industrial types of development in Alaska, for the economics would dictate shipping the oil out of the state for processing. And the oil industry does not provide a large amount of employment itself, particularly after beginning of the production phase. However, he said it was likely to create some secondary employment in supporting goods and services.

More jobs in this unemployment-ridden state could be generated, Fischer said, by the way the state spends its oil money. He said that the still-unclear potential for use of the great natural gas deposits on the North Slope might generate some industrial development in the future, when the gas might be piped south.

Harold R. Peyton, professor of Arctic environmental engineering on leave from the university to serve as a consultant to the oil industry, is credited with having sold Humble Oil Co. on the idea of sending the supertanker Manhattan across northern Canada this year to test the feasibility of a Northwest Passage outlet for the North Slope oil.

COMMERCE POTENTIAL

There is reason to think, Peyton told the Post-Dispatch, that the Manhattan voyage was successful even beyond published expectations. He said the indications were that sea transport across the Northwest Passage was feasible, both economically and technically.

This, he said, would put Alaska at the hub of world commerce. For example, ships from London to Tokyo via the Panama Canal undertake a voyage of 14,000 nautical miles, whereas the distance via the Northwest Passage would be 8000.

British Petroleum's area manager in Alaska, G. C. (Geoff) Larminie, seemed less certain that use of the Northwest Passage would materialize in the near future. He pointed out that the Arctic Ocean is shallow off Prudhoe Bay. Tankers would have to stand off 20 miles for loading. Furthermore, oil-carrying vessels could be trapped in ice, he said.

Edward Teller, nuclear physicist, said in Texas recently that a study was under way to determine the feasibility of using nuclear fission to clear a harbor at the North Slope.

Not only would this be a massive job, but it would doubtless cause a massive public row.

In its social aspects, Alaska has its share of difficulties that will require good will as well as money to ameliorate.

It has a disadvantaged minority. Willard L. Bowman, executive director of the State Commission for Human Rights, said that about 25 per cent of the population was dark-skinned. He estimated the total at 78,000, including 60,000 natives (Eskimo, Indian and Aleut), 12,000 Negroes and the rest Mexican-Americans, Filipinos and Orientals.

"Alaskans pride themselves on being non discriminating," said Bowman, a Negro and World War II Navy veteran who was born in Ohio but had been an Alaskan 20 years. However, he said. "The fact is that Anchorage or any other urban area in Alaska is like other American cities in the north. There are economic ghettos and substandard housing.

"We also find that, as in other states, most whites know how to deal with blacks. They know how to discriminate. But the Eskimo and Indian is a new concept, and they don't know how to discriminate against them.

CULTURAL DIFFERENCES

"We are beginning to get stereotypes about the natives—drunkenness, not showing up for work and so forth. But we are dealing with people who have definite cultural differences. You can't say a cultural lag. Their culture may be better. They know how to live in this climate."

The United States has brought Western civilization to Alaska, Bowman said, and now the newcomers are saying that the natives do not fit into that civilization.

"We reject them," he said. "It is not a planned thing. We are so busy, so involved."

He said the natives were discriminated against in housing and employment. He described it mostly as "class type" discrimination.

Up to now the natives have not been militant in the familiar sense. But there seems to be growing polarization between the whites and the natives over the native land claims. In particular, there are hard feelings over the natives' efforts to obtain a 2 per cent royalty on oil and other resources as part of a settlement.

One of the native leaders, Willie Hensley, a young Eskimo from Kotzebue in the northwest, set what may be a new tone recently by wearing on his lapel a button proclaiming "Eskimo Power."

But Hensley, who was educated at a Tennessee college and is a state representative expressed at a recent annual meeting of the Alaska Federation of Natives an optimism that seems to typify all Alaskans.

He said he believes the state has learned a lesson from the old ways of exploitation and will see to it that "once the oil is gone in 50 years, we'll have something here to show that Alaska was once rich."

RICHES AND DOUBTS IN ALASKA

Booming oil riches are precipitating many of Alaska's problems for solution now, as our series of articles by William K. Wyant Jr. and Al Delugach has made evident, and solutions in which the public interest are kept paramount will depend, more than on any other man, on Secretary of Interior Hickel, whose financial interests in the oil industry have still not been unequivocally divested.

As Secretary of the Interior, Alaska's former governor must make crucial decisions on public lands which comprise more than 95 percent of the state; on whether to build an 800-mile pipeline across fragile tundra to the North Slope; on how to protect the environment from possible damage by the pipeline; on how to settle the land claims of the native Eskimos, Indians and Aleuts.

The chief question of Mr. Hickel's objectivity in making these decisions about the reshaping of Alaska arises from the undisclosed facts about his financial interest in Alaska Interstate. This Houston conglomerate is building the pipeline road and will be a major bidder on the pipeline. Secretary Hickel is reported to have sold his $900,000 stock interest in it in accordance with requirements laid down by the Senate committee which held the hearings on his confirmation last January. But efforts to learn who bought the stock have been unavailing. Nor could it be learned how much was paid for it, or even when it was sold.

So long as Mr. Hickel does not disclose these facts, which are so salient to a genuine divestment, the public can have no way of knowing whether the Senate committee's requirements have in fact been met.

An Anchorage corporation, 700 Building, Inc., owns a building there which is leased by Atlantic Richfield Oil Co., one of the participants in the North Slope exploitation, and is constructing a million-dollar addition to it, the contractor for which is Hickel Investment Co., owned by Mr. Hickel and his wife.

It seems to us that Hickel Investment's construction contract represents a clear conflict of interest and a violation of the spirit of Secretary Hickel's promise to the Senate Interior Committee to avoid questionable business relationships.

The president of 700 Building, Gene Silberer, who says he owns it, has sold real estate for Mr. Hickel in the past, and the vice president, his son, Richard L. Silberer, formerly was a carpenter for Mr. Hickel, and is also vice president of Hickel Investment Co.

Adding fuel to the flames of doubt is the apparent certainty of the companies involved in the pipeline project that they are going to get the go-ahead. Not only are they spending millions of dollars on the pipeline road, which will involve a loss if the pipeline should not be built; the president of Atlantic Richfield, Thornton F. Bradshaw, said in May, months before Secretary Hickel announced his recommendation of the pipeline: "This line will definitely be built." What assurance can he have had to make that statement—and from whom?

Mr. Hickel's response, through a secretary, to questions by the *Post-Dispatch* is quite unsatisfactory. Yet it would be easy for him to dispel all doubts and demonstrate that his personal financial interests are not in conflict with his public service. All he would have to do is to ask the Senate Interior Committee for the opportunity to testify under oath, disclosing the purchaser, amount and date of his sale of stock in Alaska Interstate, explaining how his ownership of Hickel Investment squares with his promise of divestment, and putting on record that he has no financial interest in 700 Building, Inc., personal or proxy.

If he is in the clear on these matters, as we certainly hope he is, we should think he would regard it as a duty to himself as well as to the country to make it incontrovertibly plain.

GRAZING FEES—PART IV

Mr. METCALF. Mr. President, 24 days after the Secretary of the Interior advised the Committee on Interior and Insular Affairs that he planned to publish a notice not to raise grazing fees, his Assistant Secretary for Public Lands, Harrison, Loesch, finally supplied a review made by the Bureau of Land Management dated November 1969. I ask unanimous consent that his letter of December 19 and the enclosures be printed at the conclusion of my remarks.

The Assistant Secretary closed his brief letter saying:

> I appreciate the opportunity to clarify our position in this matter.

The letter, however, clarified nothing and it is but another link in a chain of delaying tactics and confusion the like of which I have never seen in all my years of public service.

In transmitting this Bureau of Land Management review, Assistant Secretary Loesch says it "does not bear the imprimatur of the Department."

A son of the West would hardly use the word. He might say, in this case, that "it doesn't carry our brand"; or if he wanted to be more precise—"our approval." But the word "imprimatur" is hardly one that would be used on the ranch. It has an effete sort of ring to it. Some might say even a snobbish ring.

It is a rather curious term to use, for Webster defines it as a license to print; and where censorship exists, approval of that which is published.

So far as I have been able to determine, the Department of the Interior does not have in its possession one creditable study or analysis which supports the proposition that grazing fees should not be increased.

It does have, in both the Department of Agriculture review by three of its expert and responsible agencies as well as in its own Bureau of Land Management's tandem review, a substantial block of solid evidence that grazing fees ought to be increased.

The conduct of the Department of the Interior has in my candid opinion been both arbitrary and capricious in this matter.

It has failed to provide in a timely manner the basis for its position.

It stated an intent to publish a notice of a proposal not to raise grazing fees by December 1, announcing it would give the public 45 days to comment. It was 4 days late in publishing the notice. It shortened the comment period to 30 days. It was not until December 19 that it released any facts bearing on the subject, a delay of 15 days. It then only released them to the Senate Committee on Interior and Insular Affairs. For example, no conservation organization had the facts when I checked with them on December 20.

So more than half the period for public comment has passed and the public is without the salient facts on which the Secretary's proposition rests.

In fact the only report the Department has released says it "does not bear the imprimatur of the Department." In a word, it does not bear their brand. I can only conclude from this that the facts do not fit with some preconceived notions.

The leadership in the Department of the Interior may think that on this issue they are maneuvering very expertly. They have kept all the facts well hidden in one of the canyons in their vast Department. They have shortened their own announced period for public comment to January 4, 1970. They will be able to make their final decision while Congress is in recess.

But a true Westerner knows that there are many dry gulches, there are many long stretches of arid desert, and it sometimes is a long way to the next good water. When the water runs low, your horse has gone lame, and the going gets tough, having a few friends along the way can mean the difference between life and death. Riding too hard, not looking at the tough country ahead, and not caring about those who might help you travel the long trail safely is not the best way to go. But it is a choice some like to make.

Previously I discussed the report on grazing fees furnished the Committee on Interior and Insular Affairs by the Secretary of Agriculture.

Now we have one from the Bureau of Land Management.

The BLM report is almost a carbon copy of the one from the Forest Service. As one reads it he is struck by the similarity of sentence structure, words, phrases, and organization. In fact, it looks so much like the work of a uniform pen that I think it incumbent on the Secretary of Agriculture and the Secretary of the Interior to advise the committee on the precise roles and consultation of its agencies in the preparation of these reports.

The summary in the BLM report is identical with the Forest Service, except that it is more succinct.

Secretary Hickel has asked for observations on his proposal not to raise grazing fees for 1970 as outlined in the schedule announced on January 14, 1969.

I can report to Secretary Hickel that if I had either the report of the Forest Service or the Bureau of Land Management before me I would have found no evidence therein to support a proposal that grazing fees for 1970 be held to the 1969 level. In fact, I would have judged that I would be derelict in my duty if I did not carry out the scheduled increases.

Therefore, Mr. President, I shall ask the chairman of the Committee on Interior and Insular Affairs to obtain from the Secretary of the Interior the precise basis upon which he rests his proposal not to raise grazing fees.

To me the evidence for a grazing fee increase looks incontrovertible and Secretary Hickel's proposal looks incomprehensible.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C.

Hon. HENRY M. JACKSON,
Chairman, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Thank you for your letters of December 15 and 19, concerning our response of November 25.

In accordance with your request, I am enclosing two copies of the review made by the Bureau of Land Management. I would like to point out that such review was only one of the many factors considered in our overall evaluation, and that such review does not bear the imprimatur of the Department.

I appreciate the opportunity to clarify our position in this matter.

Sincerely yours,
HARRISON LOESCH,
Assistant Secretary.

A Review of the Bureau of Land Management Grazing Fee System as Implemented in 1969 on the Public Lands in the 11 Western States

PURPOSE

By resolution dated August 7, 1969, the Senate Committee on Interior and Insular Affairs requested and called upon the Secretaries of Interior and Agriculture with other officials of the Executive Branch to undertake and complete by December 1, 1969, a review of the grazing fee schedule imposed by the Order of January 14, 1969. This review was to include considerations of whether the public interest and equity as well as the purpose and intent of the Congress are reflected in the criteria and methods used in the setting of the fee schdule.

The Acts to which the resolution referred are the Taylor Grazing Act and Title V of Public Law 137, 82nd Congress (65 Stat. 268, 290), the Independent Offices Appropriation Act of 1952. This report presents findings of a review of the effect of the Bureau of Land Management 1969 grazing fees schedule.

FEE AUTHORITIES AND POLICIES

The authority of the Secretary of the Interior in regard to setting grazing fees on Bureau of Land Management administered lands is set forth in the Taylor Grazing Act, 48 Stat. 1269, as amended by the Act of August 6, 1947, 61 Stat. 790, 43 U.S. 790, 43 U.S.C. (1964 ed.) sec. 315b, which reads as follows:

"The Secretary of the Interior is authorized to issue or cause to be issued permits to grazing livestock on such grazing districts to such bona fide settlers, residents, and other stock owners as under his rules and regulations are entitled to participate in the use of the range, upon the payment annually of reasonable fees in each case to be fixed or determined from time to time, and in fixing the amount of such fees the Secretary of the Interior shall take into account the extent to which such districts yield public benefits over and above those accruing to the users of the forage resources for livestock purposes. Such fees shall consist of a grazing fee for the use of the range, and a range-improvement fee which, when appropriated by the Congress, shall be available until expended solely for the construction, purchase, or maintenance of range improvements."

Congressional direction exists in the form of the Independent Offices Appropriation Act of 1952 (PL 137, 82nd Congress; 65 Stat. 268, 290). Because of Congress' concern about the lack of fair return to the Treasury resulting from the use of not only public lands, but also from the use of other forms of public property, the following directive was written into Title V of the Act (August 31, 1951, 65 Stat. 290, 5 U.S.C. (1964 ed.) sec 140 (31 U.S.C., sec. 483 (a) in Supp. IV to 1964 ed.)):

"It is the sense of the Congress that any work, service, publication, report, document, benefit, privilege, authority, use, franchise, license, permit, certificate, registration, or similar thing of value or utility performed, furnished, provided, granted, prepared, or issued by any Federal agency (including wholly owned Government corporations as defined in the Government Corporation Control Act of 1954) to or for any person (including groups, associations, organizations, partnerships, corporations, or businesses), except those engaged in the transaction of official business of the Government, shall be self-sustaining to the full extent possible, and the head of each Federal agency is authorized by regulation (which, in the case of agencies in the Executive Branch, shall be as uniform as practicable and subject to such policies as the President may prescribe) to prescribe therefor such fee, charge, or price, if any, as he shall determine, in case none exists, or redetermine, in case of an existing one, to be fair and equitable taking into consideration, value to the recipient, public policy or interest served, and other pertinent facts, and any amount so determined or redetermined shall be collected and paid into the Treasury as miscellaneous receipts."

In response to a long history of looking at user charges, some of which went back to 1947, the Bureau of the Budget in 1957 set forth in a BOB Bulletin general policies for developing an equitable and uniform system of charges for certain Government services and property. Policies of the 1957 Bulletin were incorporated into BOB Circular A–25, dated September 23, 1969. That policy and the guidelines had their basis in the Independent Offices Appropriations Act cited above.

The grazing fees study was carried out under direction provided by the Bureau of the Budget in Circular A–25. The general policy of Circular A–25 was amplified in a 1964 "Natural Resources User Charges" report that spelled out general principles to follow in establishing user charges. This circular and the 1964 report specified that fair market value should be obtained where Federally owned resources or property are leased or sold. Principles specific to establishment of grazing fees were laid out in the 1964 BOB report.

The 1964 BOB report reiterated the policy that the recipient of special benefits that accrue from the use of Federal resources to identifiable recipients above and beyond those that accrue to the public at large generally should pay a reasonable charge for the resource used. That basic concept is an endorsement of the policy expression by Congress in Title V of the Independent Offices Appropriation Act of 1952 (5 U.S.C. 140).

THE FEE SYSTEM

Under his authorities, the Secretary of the Interior set forth Regulations (43 CFR 4115) about grazing fees on the public lands administered within the Department of the Interior. That Regulations, titled, "Grazing Regulations for Public Lands," was published in the *Federal Register*, January 14, 1969 (Appendix, pages 10, 11). These regulations were in effect during the 1969 grazing season on the public domain lands in the 11 Western States.

As announced by the Bureau of the Budget on January 14, 1969, the grazing fees decision was made using data obtained in 1966 from a Western-wide survey of some 10,000 farmers and ranchers, bankers, and other representatives of lending institutions. The basis for the method used in the survey was a series of studies that extended back to about 1961. The Bureau of the Budget Circular A-25 provided policy and guidelines that set the direction.

The formulation of the 1966 Western Livestock Grazing Survey, the analysis of the data thereby produced, the design of the grazing fee formula, and the implementation schedule announced on January 14, 1969, were all guided by the Congressional mandate and Executive principles previously discussed.

The general principle of the new grazing fee system was to establish and obtain fair market value for the Government. The system recognized that immediate, full imposition of a fair market value charge would have a strong impact on the users and, thus, a schedule was set forth that would take ten years to arrive at the fair market value level. Federal receipts from grazing would be less than fair market value during this period. This was considered to be the reasonable period of time called for in the policy guideline and in line with the 1952 Act which prescribes fairness and equity.

The system placed into effect in 1969 further employs the principle of uniformity in the basis for grazing fees charged among the several Federal agencies that administer public lands for grazing. Under the new system, a common set of guidelines and procedures was used to arrive at the basis for grazing fees on the public domain lands administered by the Bureau of Land Management and on the National Forests, and a uniform fair market value fee level was established for both agencies. The fee system is fully intended to provide a fair return to the Government and equitable treatment to the users.

JUDICIAL REVIEW

The January 14, 1969, grazing fee regulations were challenged by a segment of the livestock industry using public lands through suits filed against the Secretary of the Interior in the Utah District Court and against the Secretary of Interior and the Secretary of Agriculture in the New Mexico District Court. Injunctive relief was sought against the regulations in each suit. In both instances, the purpose and intent of the Congress and delegated Secretarial authorities were issues. The Courts dismissed the cases in favor of the Secretaries.

The Utah District Court was quite specific in its ruling on the matter by concluding:

"And, thus, as I say, I find that the required matters were taken into consideration and I find that the Secretary has, within the scope and extent of his discretion and authority, made determination that the fees are fair, reasonable, and equitable, taking the required matters into consideration."

"I conclude that the legislative history of the Taylor Grazing Act does not preclude the basic standard the Secretary has arrived at."

In the New Mexico District Court case, the Court again ruled:

"It has not been shown that the Secretaries have failed to consider all the factors as directed by Congress. They have acted within the area of discretion and judgment committed to them by law in promulgating the new regulations. . . ."

The New Mexico case has been appealed to the United States Tenth Circuit Court of Appeals and will probably be heard in 1970.

FEE SYSTEM REVIEW

The one special mandate contained in the Taylor Grazing Act that requires additional consideration is that the fees are to be "reasonable". In recognition of this directive, the then Secretary of the Interior stated in the January 14, 1969, announcement that "the base fee would be studied periodically to determine if adjustments should be made. Reviews would be undertaken concurrently of the impact of these changes on livestock industry stability, loaning arrangements, collateral values, and the private forage market." These reviews were to be made to determine that the resulting fee remained reasonable.

The results of reviews over the past year are now available. The data resulting from the first increment of the 10-year schedule has been evaluated. The specific data are attached as appendices. In summary, the results to date of the review of the grazing fee increases indicate there has been no noticeable impact upon the livestock industry stability, loaning arrangements, or collateral values.

FEE IMPACTS

The review of data and information pertaining to the public domain lands in the 11 Western States disclosed the following:

(a) Economic Research Service data relating to farm title transfers show that forced sales (foreclosures, plus tax sales) represent 5.1 percent of all classes of title transfers in the Mountain and Pacific Regions for 1968 and 1969 forced sales were 5.2 percent. These percentages fluctuate between 3.7 percent and 5.3 percent for the period 1959–69. However, we cannot at this time separate out the data pertaining specifically to the segment of agriculture engaged in livestock grazing on the public lands.

(b) We have surveyed our field offices and find that there have been 762 Bureau of Land Management grazing permits transferred so far in the first eight months of 1969, indicating that ranches with public land grazing privileges are continuing to be bought and sold in the market place. The 10-year tract record establishes 1969 as a typical year. The percent of total permits transferred for the period 1960–69 varies from 6.3 percent to 8.4 percent. All of the 10 Western States have had typical numbers of transfers during the first eight months of 1969.

(c) The 1966 Western Livestock Survey indicated that an average permit sales price of $14.41 per animal unit month was being paid between ranchers during the period 1960–65 for the grazing privileges on Bureau of Land Management administered lands. A five percent sample of the 762 permit transfers suggests that the average sales price has not decreased since the new fee schedule was announced in January 1969. Data further indicates that this value may have increased responding to supply, demand and other market factors.

(d) The changes in the private forage market, i.e., the index used to keep the 1966 base fee of $1.23 current with market conditions, has increased at a rate consistent with the trend in these values for the past 10 years.

(e) An examination of the current lease rates for comparable forage set by State and private land owners indicates these rates to substantially exceed public land fee rates. Ranchers continue to pay these higher fee rates for State and private forage.

(f) The livestock industry's income picture has been good in 1969. The average monthly price received by farmers for the four classes of animals (cattle, calves, sheep and lambs) for the first 10 months of 1969 varies from 10.5 percent to 14.8 percent higher than the average 1968 prices for the 11 Western States.

(g) The Farmers Home Administration of the U.S. Department of Agriculture reports that the number of requests for farm purchase loans continues to exceed the funds available for these loans, indicating the demand for loans continues. The amount loaned to date in 1969 in the 11 Western States exceeds the amount loaned in 1968. The Farmers Home Administration reported on November 20, 1969, that it has encountered no cases where credit has been denied due to the grazing fees announced January 14, 1969.

SUMMARY

The U.S. District Courts of Utah and New Mexico found that the actions on grazing fees taken were not beyond the authority delegated by Congress to the Secretary and that the Secretary had taken into account the required items as directed by Congress.

Prices paid in the private forage market are still considerably above those charged for use of the public land resource. Ranchers using private lands are able to operate even though paying these higher lease rates.

The number of permit transfers has shown no significant change for 1969.

The percent of forced sales in the farm real estate market for 1969 has not changed.

Sales prices of the Federal grazing privilege have not decreased.

The number of loans and total amount loaned to agriculture-related industries in the 11 Western States has increased for 1969 and the rancher income has improved over previous years. FHA loan credit has not been denied due to the new grazing fees.

APPENDIX

FARM TITLE TRANSFERS: ESTIMATED NUMBER PER 1,000 OF ALL FARMS UNWEIGHTED COMBINED 11 WESTERN STATES

Year	Forced sales= foreclosures + tax sales	Total all classes	Forced sales × 100, percent total all classes
1959	2.7	63.7	4.2
1960	3.0	64.0	4.7
1961			
1962	2.6	62.2	4.2
1963	3.0	62.6	4.8
1964	3.4	64.2	5.3
1965	2.9	60.1	4.8
1966	2.7	61.4	4.4
1967	2.0	54.4	3.7
1968	2.8	55.3	5.1
1969	3.0	55.5	5.2

Note: We can not at this time separate out the data specifically to the segment of agriculture engaged in livestock grazing.

Source: Farm R/E Mkt. Develop.—ERS (Year ending Mar. 1, 1967=1967)

PERMIT TRANSFERS BLM (SECTION 3) (7a+7b)

State	1960			1961			1962			1963		
	Total permits	Total transfer	Percent transfer	Permits	Transfer	Percent transfer	Permits	Transfer	Percent transfer	Permits	Transfer	Percent transfer
Arizona	378	29	7.7	364	39	10.7	347	18	5.2	371	36	9.7
California	336	2	.6	326	8	2.5	314	12	3.8	313	14	4.5
Colorado	1,414	100	7.0	1,415	72	5.1	1,413	113	8.0	1,392	146	10.5
Idaho	2,317	142	6.1	2,240	152	6.8	2,151	151	7.0	2,209	219	9.9
Montana										2,951	130	4.4
Nevada	855	54	6.3	920	59	6.4	893	83	9.3	934	102	10.9
New Mexico												
Oregon	1,153	69	6.0	1,073	51	4.8	1,074	68	6.3	1,085	97	8.9
Utah	2,804	228	8.1	2,743	287	10.5	2,720	233	8.6	2,600	265	10.2
Wyoming	1,233	47	3.8	1,193	44	3.7	1,186	74	6.2	1,167	77	6.6
Total	10,490	671	6.4	10,274	712	6.9	10,100	752	7.4	13,022	1,086	8.3

State	1964			1965			1966			1967		
Arizona	348	13	3.7	334	15	4.5	539	47	8.7	532	45	8.5
California	308	12	3.9	308	15	4.9	302	11	3.6	302	14	4.6
Colorado	1,366	174	12.7	1,330	121	9.1	1,440	128	8.9	1,482	157	10.6
Idaho	2,195	232	10.6	2,179	238	10.9	2,138	210	9.8	2,092	221	10.6
Montana	2,863	145	5.1	2,860	117	4.1	2,871	68	2.4	2,776	96	3.5
Nevada	919	104	11.3	905	87	9.6	855	58	6.8	864	66	7.6
New Mexico												
Oregon	1,009	110	10.9	1,022	108	10.6	980	115	11.7	961	124	12.9
Utah	2,392	198	8.3	2,475	183	7.4	2,375	222	9.3	2,313	215	9.3
Wyoming	1,106	68	6.1	1,084	81	7.5	1,045	92	8.8	1,033	63	6.1
Total	12,506	1,056	8.4	12,497	965	7.7	12,545	951	7.6	12,355	1,001	8.1

State	1968			1969								
Arizona	526	30	5.7	524	48	9.2	(1)	(1)	(1)	(1)	(1)	(1)
California	319	13	4.1	323	23	7.1						
Colorado	1,406	156	11.1	1,409	132	9.4						
Idaho	2,036	196	9.6	1,952	106	5.4						
Montana	2,763	66	2.4	2,743	117	4.3	(2)	(2)	(2)	(2)	(2)	(2)
Nevada	820	68	8.3	863	72	8.3						
New Mexico	1,992	94	4.7	1,992	89	4.7						
Oregon	874	77	8.8	919	70	7.6						
Utah	2,254	219	9.7	2,258	143	6.3						
Wyoming	1,031	64	6.2	1,028	51	5.0						
Total	12,029	889	7.4	12,019	[4] 762	6.3	(3)	(3)	(3)	(3)	(3)	(3)

[1] 1960–65 only 2 districts information.
[2] 1960–62 no data.
[3] Excludes New Mexico.
[4] Part year data. Represents approximately 8 months.

PERMIT VALUES 1969 TRANSFER DATA

5% Sample of the 762 transfers to date.

Range of values, $1.80 to $156.60/AUM.

Range of the mean, $18.00 to $27.00/AUM.

NOTE.—Range of the mean caused by the various alternatives of weighing the values reported. At least one sample from each State except Washington and Oregon where no information was available—(16 Districts in the 9 States).

Cash rent: Average rate for pasturing cattle, 11 Western States, 1959–1969

[In dollars per AUM]

1959	$3.19
1960	3.27
1961	3.26
1962	3.38
1963	3.40
1964	3.51
1965	3.57
1966	3.71
1967	3.73
1968	3.74
1969	3.82

Source: Farm Real Estate Market Developments, Econ. Research Service.

"OTHER" FORAGE PRICES

(Item and 1969[1] per AUM price range)

McGregor Military Range, New Mexico; $1.02–2.96.

Fort Mead Mil. Range, Montana; $3.77–8.59.

BSF&W Wildlife Refuges, 1968 average, $1.73.

BIA (Sample of 9 reservations); $0.75–4.33.

Colorado State School Lands; $1.28–7.20.

Idaho State Lands; average, $1.39.

Montana State Lands; $0.70–0.90.

Corps of Engineers, Fort Peck, Montana, $1.50.

N. P. Railroad, Montana, $3.50.

Vallue Mining Co., Montana; $1.00–1.30.

Anaconda Mining Co., Montana; $1.30.

S. P. Railroad, Nevada; $0.90–1.75.

Utah State Fish and Game; $1.56–3.37.

FHA FARM OWNERSHIP LOANS 11 WESTERN STATES (PER YEAR)

	1962	1963	1964	1965	1966	1967	1968	1969
Number of loans	1,690	2,113	1,623	1,297	1,478	1,662	1,325	1,754
Dollars per loan	19,704	19,336	19,108	18,769	21,046	23,724	23,189	24,704

Source: FHA.

Note: These data are available by individual State. The number of loans made in these States were limited by the amount of loan funds available. Therefore, the number of loans made is not an exact measure of the demand for loans. We cannot at this time separate out the data pertaining specifically to the segment of agriculture engaged in livestock grazing.

U.S. DEPARTMENT OF AGRICULTURE,
FARMERS HOME ADMINISTRATION,
Washington, D.C.

Mr. BOYD L. RASMUSSEN,
Director, Bureau of Land Management, U.S. Department of the Interior, Washington, D.C.

DEAR MR. RASMUSSEN: This is in reference to our telephone conversation with Mr. Harold Sieverding of your office regarding Farmers Home Administration loans in areas where BLM grazing permits are available.

The FHA makes loans to individuals and groups which involve, in many cases, BLM grazing permits. We have encountered no cases to date where FHA credit has been denied due to the grazing fees announced January 14, 1969. In fact, the revised fee schedule may enable family-type farmers to have a better opportunity to secure grazing permits.

We have not modified our regulations as a result of this increase as each loan, individual or group, must be determined economically feasible before it can be approved. If the increased grazing fees would cause a loan request not to be feasible, then the proposal would have been a very marginal case.

Sincerely,

JOSEPH HASPRAY,
Administrator.

[Federal Register, vol. 34, No. 9—Tuesday, Jan. 14, 1969; corrected, Federal Register, vol. 34, No. 12—Friday, Jan. 17, 1969.]

GRAZING REGULATIONS FOR PUBLIC LANDS

On November 16, 1968, there was published in the FEDERAL REGISTER, as proposed rule making, the text of amendments and revisions to the regulations governing grazing on public lands within officially designated grazing districts. The notice provided opportunity for public comment until December 31, 1968.

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[1] Unless otherwise stated.

The comments received were numerous and varied. After extensive consideration, which included public meetings and review by the various advisory boards, the regulations, modified as set forth below, are hereby adopted to become effective upon publication of this notice in the FEDERAL REGISTER.

One of the purposes of this change is to authorize the determination of grazing fees which reflect fair market value as a range forage pricing objective based upon an appraisal of operating costs which considers comparability between Federal and private grazing lands. Such an appraisal has been accomplished in the form of the Western Livestock Grazing Survey of 1966. In order to minimize the impact on the livestock industry, a primary schedule is established to reach fair market value in 10 annual incremental steps at $0.09 per AUM per year. Federal receipts from grazing will be less than fair market value during this period.

The change provides that the Secretary may adjust the fees annually in order to maintain the comparability between public and private lease rates through the annual application of a forage value index which establishes the rate of increase or decrease occurring in private lease rates for similar type range lands.

The resulting fee formula charges the permittees only for the value of the public forage grazed after taking into account the extent to which public benefits are yielded over and above those accruing to the users of the forage resources for livestock purposes.

The change additionally provides that the base fee may be studied periodically to determine if adjustments should be made. Reviews will be undertaken concurrently of the impact of these changes on livestock industry stability, loaning arrangements, collateral values and the private forage market.

The Department is mindful of the Public Land Law Review Commission's efforts and looks forward to its recommendations. Grazing fees may be fixed from time to time. At the appropriate time, after assessment of the aforementioned reviews and the Public Land Law Review Commission's reports, further consideration will be given to the grazing fee structure to assure its reasonableness.

This change also provides for the simplification of administrative procedures to allow flexibility in livestock operations when operating under an approved allotment management plan. Flexibility is necessary where intensive management is being practiced to allow livestock operators to adjust to changing climatic and forage conditions. Grazing fees based on the actual forage consumed will reflect a more equitable payment.

1. New paragraphs (s) and (t) are added to § 4110.0–5 as follows:

§ 4110.0–5 Definitions.

* * * * *

(s) "Allotment management plan" means a program of action designed to reach specific management goals.

(t) "Grazing system" means a specific sequence of livestock grazing by designated area to accomplish management objectives.

2. In § 4115.2–1, the introductory portion of paragraph (g) and the entire paragraph (k) are amended to read as follows:

§ 4115.2–1 License and permit procedures; requirements and conditions.

* * * * *

(g) *Change in grazing season.* Any licensee or permittee who desires to use the Federal range for a period or periods other than as authorized by his license, permit, or approved allotment management plan, may, upon a written approval of the District Manager, be allowed to use the amount of his authorized grazing privileges during any period of time for which the Federal range is classified as proper for use, provided:

* * * * *

(k) *Fees, payments and refunds*—(1) *Fees.* (i) Fees will be charged for the grazing of all livestock on public lands at a rate per animal unit month, except that no fee will be charged for a free-use license. Fees for any fee year, consisting of a grazing fee for use of the range and a range improvement fee, will be published as a notice in the FEDERAL REGISTER.

(ii) Fees will be established by the Secretary in 10 equal annual increments to attain the fair market value of range forage at the 1978 fee year. Fair market value is that value established by the Western Livestock Grazing Survey of 1966 or as determined by a similar study which may be conducted periodically to update the fee base, if deemed necessary. In addition, annual adjustments may be made for any of the 1969–78 fee years, and thereafter, to reflect current market values.

(iii) A minimum annual charge of $10 will be made on all regular licenses, permits, nonrenewable licenses, and crossing permits, except as specified in subdivision (vi) of this subparagraph.

(iv) Range improvement fees may vary in accordance with the character or requirements of the various districts or portions thereof. Grazing fees may differ in any district or unit thereof in which the grazing capacity of the Federal range is increased by reason of the addition of land not owned by the United States, or by reason of a cooperative agreement or memorandum of understanding between the Bureau of Land Management and any State or Federal agency, or any person, association, corporation, or otherwise.

(v) All livestock 6 months of age or over allowed on the Federal range will be considered at any point of time during the grazing period as a part of the total number for which a license or permit has been issued, or for which an allotment management plan has been approved. No fees will be charged for livestock under 6 months of age.

(vi) Upon application filed with the District Manager, by any person showing the necessity for crossing the Federal range with livestock for proper and lawful purposes, a crossing permit may be issued. Charges are payable in advance at the same rate charged for regular grazing use, except that no fee will be charged where the trail to be used is so limited and defined that no substantial amount of forage will be consumed in transit.

(2) *Payment of fees.* (i) No regular license or permit shall be issued or renewed until payment of all fees due the United States under these regulations have been made. Grazing privileges may be canceled or reduced, in accordance with paragraph (d) of this section, for failure to pay the required fees. Fees for regular licenses and permits are due the United States upon issuance of a fee notice and are payable in full in advance before grazing use is authorized; except that where grazing is authorized on the basis of an approved allotment management plan, which includes grazing system requirements necessary to assure proper management of the public land and its resources, the District Manager may either:

(*a*) Issue a fee notice upon termination of the grazing period authorized. The fee notice will reflect the actual grazing use made and will be payable within 30 days of the date of issuance, or

(*b*) Issue a fee notice on the basis of the normal operation detailed in the allotment management plan. Such fees are due the United States upon issuance and are payable in full in advance before grazing use is authorized. At the conclusion of the authorized grazing period the actual grazing use will be determined. A supplemental billing reflecting additional use must be paid within 30 days of issuance. A refund or credit may be made toward the following year's fees for use less than the normal operation. Ordinarily, no adjustment will be made when the amount is under $5.

(ii) Any licensee or permittee who desires a change in grazing use authorized pursuant to any of the provisions of this section must file, in advance, a written request for such change, except when in conformance with an approved allotment management plan. Upon approval of change, an adjusted billing notice will be issued.

(3) *Refunds.* No refund will be made for failure to use all grazing privileges represented by a license or permit, except that:

(i) During periods of range depletion due to severe drought or other natural causes, or in case of a general epidemic of disease during the life of a regular license or permit, fees due may be reduced in whole or in part, credited or refunded; or fee payment may be postponed for such periods so long as the emergency exists.

DAVID S. BLACK,
Under Secretary of the Interior.

January 10, 1969.

[F.R. Doc. 69–526; Filed, Jan. 13, 1969; 9:10 a.m.]

[From the Federal Register, vol. 34, No. 9—Tuesday, Jan. 14, 1969]

SCHEDULE OF GRAZING FEES, 1969

Pursuant to the authority vested in the Secretary of the Interior by the Taylor Grazing Act, notice is hereby given of the schedule of grazing fees for the 1969 grazing year beginning March 1, 1969, and ending February 28, 1970, for grazing use of the Federal range.

For the purpose of establishing charges for grazing use, one animal unit month shall be considered equivalent to grazing use by one cow, five sheep, or 0.5 of one horse for 1 month (one horse for 1 month equals two AUM's).

Billings shall be issued in accordance with the rates prescribed in this notice.

INSIDE GRAZING DISTRICTS

Pursuant to Departmental regulations (43 CFR 4115.2–1(k)(1)), published this date, fees for use of the Federal range, including LU (Land Utilization) land within grazing districts, except as otherwise herein provided shall be $0.44 per animal unit month of forage of which $0.29 is the grazing fee and $0.15 is the range improvement fee which shall be credited to the range improvement fund.

Exceptions to the above rates are herein provided for certain LU lands in order to continue the basis of fees that have hereto been established under the provisions of the Bankhead-Jones Farm Tenant Act of July 22, 1937. Such exceptions, together with the applicable schedule are as follows:

Arizona. For the Cienega Area transferred to the Department of the Interior by E.O. 10322, the fees for use of Federal range for the 1969 grazing year shall be $1.12 per animal unit month of forage of which $0.29 is the grazing fee and $0.83 is the range improvement fee which shall be credited to the range improvement fund.

Colorado. For the Great Divide Project transferred to the Department of the Interior by E.O. 10046, the fees for use of Federal range for the 1969 grazing year shall be $0.63 per animal unit month of forage of which $0.29 is the grazing fee and $0.34 is the range improvement fee which shall be credited to the range improvement fund.

Montana. For all LU land within the State of Montana transferred to the Department of the Interior by E.O. 10787, the fees for use of Federal range for the 1969 year shall be $0.65 per animal unit month of forage of which $0.29 is the grazing fee and $0.36 is the range improvement fee which shall be credited to the range improvement fund. Twenty-five percent of the grazing fee shall be paid to the counties within which the fee was collected pursuant to the requirements of E.O. 10787.

New Mexico. For the Hope Project transferred to the Department of the Interior by

E.O. 10787, the fees for use of Federal range for the 1969 grazing year shall be $0.55 per animal unit month of forage of which $0.29 is the grazing fee and $0.26 is the range improvement fee which shall be credited to the range improvement fund. Twenty-five percent of the grazing fee shall be paid to the counties within which the fee was collected pursuant to the requirements of E.O. 10787.

OUTSIDE GRAZING DISTRICTS (EXCLUSIVE OF ALASKA)

Lease rates for grazing leases issued under section 15 of the Taylor Grazing Act and section 4 of the O&C Act for the 1969 grazing year are contained herein. Except as detailed below, the rates shall be $0.44 per animal unit month of forage of which $0.33 is the grazing fee and $0.11 is the range improvement fee which shall be credited to the range improvement fund.

Wyoming. For the Northeast LU (Land Utilization) Project transferred to the Department of the Interior by E.O. 10046 and amended by E.O. 10175, the fees shall be $0.63 per animal unit month of forage of which $0.47 is the grazing fee and $0.16 is the range improvement fee which shall be credited to the range improvement fund.

Western Oregon. For the O&C and intermingled public domain lands located in Western Oregon the fees shall be $0.71 per animal unit month of forage of which $0.53 is the grazing fee and $0.18 is the range improvement fee which shall be credited to the range improvement fund.

DAVID S. BLACK,
Under Secretary of the Interior.
JANUARY 10, 1969.

[F.R. Doc. 69-527; Filed, Jan. 13, 1969; 9:10 a.m.]

ACTION BY CONFEREES ON SECOND SUPPLEMENTAL APPROPRIATION BILL

Mr. PROUTY. Mr. President, I wish to make a few remarks concerning the action by the conferees with respect to the supplemental appropriations bill.

Mr. President, the supplemental appropriations bill as reported by the Appropriations Committee of the Senate and as passed by the Senate contained an appropriation of $5 million for the Office of State Technical Service in the Department of Commerce. As I glance at the conference report brought back to this body by the conferees, I am dismayed to find that that $5 million figure is completely excluded.

Mr. President, in the haste to adjourn, I think we recognize that many measures are not given the thorough and careful scrutiny that would be desirable. In the case of the State Technical Services program, I am convinced that we have taken an action that we shall all regret later on.

Mr. President, quite frankly, the denial of appropriations for this important program means that clearly the most effective program to come out of the great society legislation of the last administration is abolished.

Mr. President, I recall well the remarks of President Johnson when he signed the State Technical Services Act on September 14, 1965. Let me quote from his remarks at the signing ceremony in the East Room on that day. President Johnson stated:

> The test of our generation will not be the accumulation of knowledge. In that, we have surpassed all the ages of man combined. Our test will be how well we apply that knowledge for the betterment of all mankind.
>
> We are responding to this challenge.
>
> Today we sign into law the State Technical Services Act. We are committing ourselves to an intelligent and an orderly application of the great technical and scientific breakthroughs of our time. We are recognizing that this Nation can no longer afford economic development on a helter-skelter basis.
>
> Not very much has been written about this bill. But 20 years from now, Americans will look back on it as the "sleeper" of the 89th Congress.

Mr. President, I think that President Johnson was absolutely correct when he said that this program was the "sleeper" of the 89th Congress. Unfortunately, the action taken by the conferees with respect to the supplemental appropriations bill simply means that 20 years from now Americans will look at the 91st Congress as a careless butcher of a successful program. At that time, President Johnson also remarked that this bill "will do for American businessmen what the great Agricultural Extension Service has done for the American farmer. It will put into their hands the latest ideas and methods, the fruits of research and development."

In his final budget message to Congress, President Johnson requested $5.6 million for the Office of State Technical Services. He also included a line item requesting funds for a comprehensive study and evaluation concerning the effectiveness of this State technical services program.

President Nixon, in his desire to make absolutely certain that the American taxpayer got the greatest possible benefit from their tax dollar, suggested that the comprehensive study and evaluation of the State technical services program should take place before any concrete figure should be requested for fiscal year 1970. The President, working through Secretary of Commerce Stans, contracted with the Arthur D. Little Co. of Cambridge, Mass. to conduct a comprehensive study of the State technical services program.

The Arthur D. Little Co. conducted their study, Mr. President, and in summary stated:

> Our evaluation of the STS program shows it is providing a useful and economic service in transferring technology which substantially benefits the nation. The program can be made more effective and costs reduced by concentrating the Federal and State investments in efforts and services which yield the most returns. We recommend that the STS program receive continued Federal and State support with increasing emphasis on direct service to industry.

Based on the recommendations of the Arthur D. Little Co. and a thorough investigation and evaluation by the Department of Commerce and the Bureau of the Budget, the administration was convinced that President Johnson had been correct in assessing this program as the "sleeper" of the 89th Congress. Every single piece of hard evidence indicated that the State technical services program had one of the most effective cost/benefit ratios of any program in the Federal Government. Mr. President, I am appalled that apparently a number of Members in the other body completely ignored the kind of scientific hard evidence which was presented concerning this particular program. Apparently guided by emotion alone, they sounded the death knell for this program even though all the objective evidence was against them.

In the closing days of this session, I am not going to be one who calls for the rejection of this conference report simply because of the injustice done to an effective program through the denial of funds. However, I shall seek the assistance of all Senators and all of the Members of the other body toward the restoration of this program during the early months of the next session. At that time I am hopeful that cooler heads will prevail and that Members in both bodies will be able to look at the evidence which justifies the existence of the State technical services program. No program should be allowed to die simply because no one has cared enough to look objectively at the program and its effect on the people.

Mr. President, I ask unanimous consent that letters I received from the Governors of most of the States be inserted in the RECORD immediately following my remarks. As can be seen, those men who are on the firing line in trying to make programs work at the State level have nothing but the highest praise for the State technical services program.

Finally, I ask unanimous consent that a few select excerpts from the Arthur D. Little study be printed in the RECORD, so that the Members of both bodies can use the time during the Christmas holidays to study this program.

The materials follow:

STATE OF ALABAMA,
Montgomery, Ala., July 28, 1969.

Senator WINSTON PROUTY,
U.S. Senator, Committee on Commerce,
Washington, D.C.

DEAR SENATOR: Your recent letter to Governor Brewer was forwarded to me for reply in that all State Technical Services activities are coordinated and certified through this department. We believe the program has been beneficial to Alabama's expanding economic development and that it will continue to assist in the industrial betterment of the State and the South.

In response to your questions, our evaluation of the STS Program and the Alabama Community Technical Services Agency, Inc. (ACTSA) follows:

1. The program meets a specific need of updating engineers and business men with new technologies developed in our research institutions, laboratories and classrooms of our educational institutions. As the only Federal-State Program carrying out the application of technological benefits to medium and small business establishments, Alabama relies solely on the efforts of ACTSA.

2. STS has greatly assisted in attracting industry by:

(a) Transferring more efficient conversion of our natural resources to end products.

(b) Industrial managers and supervisors applying new techniques, modernizing operations and training employees in new methods which improve personnel resources.

(c) Helping industry to operate more profitably.

3. As a direct result of a Special Merit Project on Flat Flexible Cabling and two seminars held on this technology, a company in Huntsville has expanded by some

40 employees to produce the cable. A new company to produce flexible cable that will employ approximately 120 personnel is programmed for Tuskegee, Alabama.

4. The program has helped to upgrade existing employment by conducting: 6 seminars, conferences and short courses; 4 information dissemination services; and 1 referral service. These projects were conducted in 18 different field locations, with 1,135 individuals representing 550 companies being served.

5. Examples of the effective dissemination of technical information to improve business include:

(a) A cost study of saw-mill operation that resulted in applying technology to provide $20,000 in annual savings.

(b) By applying a recommended technology a veneer mill eliminated a $10,000 annual loss and obtained an additional annual net return of $25,000.

(c) A lumber manufacturer who completed a modernization program as the result of an STS project, increased production by 50% and obtained a profit of $12,500 annually.

(d) A wood products processing complex that was provided information on costs and returns from various sources of raw materials applied analytical techniques resulting in additional net returns of $66,800 on no new capital investment—a 38% efficiency increase in utilization of raw materials.

6. Our STS program provides direct coordination with other Federal/State programs such as Title I of the Higher Education Act of 1965. ACTSA shares offices with the Alabama Technical Assistance Corporation and works closely with all other allied federal and state projects.

7. In addition to increased projects, new jobs, and new industry, material benefits accrue to the institutions that present seminars, short courses, and workshops. Accordingly standard curriculum courses are being reconstructed to more nearly meet industry's requirements.

* * * * *

We hope this information meets your requirements and we have no objection to publication of this reply.

Sincerely,

J. E. Mitchell, Jr.,
Director.

State of Alaska,
Juneau, Alaska, July 15, 1969.

Senator Winston Prouty,
Committee on Commerce,
U.S. Senate,
Washington, D.C.

Dear Senator Prouty: Your letter to Governor Miller, dated June 27, requesting an evaluation of the State Technical Program in Alaska has been referred to this office for a response. I am sorry to be late in responding, but have been away on annual leave.

Alaska, because of its small population, receives only the minimum amount of federal money for the STS Program. We feel that these dollars make a vital contribution to the industrial progress and development within the State. Because of the small number of industries and the great distances, plus the fact that most of the businessmen do not have sufficient expertise, we depend primarily upon field services by staff personnel to make direct contact with the management. This has been quite productive in transferring new technology resulting in improvements in operations.

Some STS programs which have been carried out in Alaska include:

1. Conference and Seminar: During the month of July, 1968, a series of one-day conferences were held in three cities of Southeast Alaska in the hope of providing information and technology which would lead to the development on a peat industry in Alaska. As a result of these conferences a corporation has been formed at Juneau, Alaska, capitalized at $100,000, for the purpose of extracting and processing peat. The finished product will not only be used in raw form, but will be mixed with fishmeal for a concentrated lawn and flower fertilizer, and will be pressed into logs for fireplace fuel. Approximately ten persons will be employed with a payroll of approximately $75,000.

2. Conference and Seminar: A conference was held in Anchorage, Alaska in September, 1968, for the purpose of supplying information on technology relative to molded plastics. As a result of this conference, a corporation is presently being formed in Anchorage which will establish a new industry. This new industry will employ approximately twenty people with a payroll in excess of $150,000.

3. Field Service Program: Beginning in January, 1968, Field Service Staff worked closely with the Matanuska Valley Farmer's Cooperative in planning and developing facilities for producing and processing peas. A pilot project was started with the cultivation of fifty acres. This project was so successful that the acreage is being substantially increased, permanent processing facilities are being constructed, and additional vegetables which now must be shipped by air to Alaskan cities will now be produced in Alaska. Although these projects may not increase the number of people employed, it will substantially increase the period of employment to provide a much greater annual income to each employee.

You are free to use this report in any way which will support arguments for continuation of the program.

Very truly yours,

Theron F. Borden,
Deputy Director.

State of California,
Sacramento, Calif., July 8, 1969.

Hon. Winston Prouty,
U.S. Senator,
Senate Office Building,
Washington, D.C.

My Dear Senator: Thank you for your letter of June 27 concerning the effectiveness of the State Technical Services Program in California.

I appreciate your interest in this program and have asked Earl Coke, Secretary for Agriculture and Services, for the evaluation that you had requested.

Sincerely,

Ronald Reagan,
Governor.

State of California,
Sacramento, Calif., September 4, 1969.

Hon. Winston Prouty,
U.S. Senator,
Washington, D.C.

Dear Senator Prouty: Governor Reagan has asked me to respond to your letter in which you request information on the State Technical Services Program in California.

* * * * *

We find it extremely difficult to provide OSTS requested information in this section of the annual report, especially in such suggested categories as capital investments or savings, annual return or savings, and jobs saved or new jobs as they relate to STS projects.

While California STS personnel can appreciate the need for cost/benefit ratio data, particularly for testimony before congressional committees, specific benefits in terms of dollar amounts and employment levels cannot be itemized in California since this type of data has not been solicited or complied, or is the facility for doing so available to the designated agency.

In this regard, the historical and future lack of a field service staff in California should be noted, in addition to the fact that other state agencies have statutory jurisdiction and philosophical and actual commitments not only to the growth of existing California industry, establishment of new industry from within and otuside the State, the establishment of branch plants, and relocation of industry, but to increased employment levels, capital investments and overall industrial and commercial growth.

While reports from the business and industrial community and STS project directors, staff visits and Advisory Council evaluation meetings indicate generally that the conduct of STS projects has contributed to the total State economic growth, specific tabulations and data are only partially documented. In cooperation with local, State and federal agencies, tangible results accrued but are either indeterminable or cannot be properly evaluated at this time.

Additionally, I might say that California's STS Five Year Plan will be revised to be coordinated with the recently proposed State Development Plan and we have currently entered into a contract with a private consultant to assist us in this critique and revision.

I hope this information is helpful to you. Please do not hesitate to request additional information should you need it.

Respectfully,

William F. Scheuermann, Jr.,
Director.

State of Connecticut,
Hartford, Conn., July 11, 1969.

Hon. Winston Prouty,
U.S. Senate,
Committee on Commerce,
Washington, D.C.

Dear Senator Prouty: Thank you for providing me with the opportunity to express my views on the State Technical Services Program. My response to the questions raised in your letter of June 27 are included in the attachment. This response can be published in the Congressional Record or the Committee hearing reports if you so desire.

In Connecticut, the State Technical Services Program has proven to be an effective mechanism to encourage economic growth by assisting business and industry to apply the results of science and technology. I am sure that the evaluation being conducted by the A. D. Little Company will verify that other states have incurred similar benefits.

I trust that this evaluation will result in a substantially increased federal appropriation for 1970 to support state and regional technical services programs. Since the concept has been of proven values to Connecticut, I recommend that consideration be given to extend the Act to include projects that are directed at assisting in the application of science and technology to the problems and operations of state and local government. This could help considerably toward scientific decision making at all governmental levels.

I am sure our Connecticut Research Commission officials can supply any additional information you may desire.

Sincerely,

John Dempsey,
Governor.

Response to STS Questionnaire

Reference: Senator Prouty's letter of June 27, 1969.

Submitted by: Governor John Dempsey, of Connecticut.

1. To what extent do you rely on the STS program?

The Connecticut Research Commission was established in 1965, prior to the federal enactment of the State Technical Services Act, in recognition of the importance of research and technology to the future of the State. The Commission is a state agency with state funds to support basic and applied research in the interest of the citizens of the state. Since 1965, the Commission has received total state appropriations of approximately $6.7 million. The Commission serves as designated agency for the State Technical Services Program and has received federal grants of approximately $317,000 in support of this effort. Thus, Connecticut has developed a comprehensive program to promote economic growth by investing in research and technology with the STS program an important element of this pioneering effort. The fact that the federal government has failed to support this program at funding levels originally authorized by the Congress and as recommended by the STS Public Evaluation Committee has been disappointing, especially when Connecticut has been willing to invest state funds in support of programs of such magnitude.

2. To what extent has it helped attract industry to your State?

The STS program has *not* been used as a mechanism to attract industry *to the State.* It has proven to be an effective mechanism to assist in the development of new industries *within* the State and to assist in the *growth of existing industries within the State.* The Field Liaison, Technical Referral and Technical Information Location services have provided direct assistance to over 35 *new* industrial and service companies established in Connecticut since 1966. As a result of a recent STS regional program on Venture Capital and Entrepreneurs, there is a considerable interest in the private sector to establish a mechanism that would effect a closer relationship between the scientific and financial communities in Connecticut to further assist in developing new industries in the State. It is estimated that over 1000 Connecticut companies have participated in the various STS projects conducted to date.

3. To what extent has it helped create *new* employment opportunities?

Qualitative and quantitative statistical data are not available to answer this question. However, a review of 20 of over 400 firms aided by the Field Liaison Service indicated that approximately 205 new positions would result from such assistance over the next 2 to 3 years. In addition this service has provided assistance in securing new subcontracts for firms who were confronted with a requirement to terminate employees as a result of defense contract reductions and terminations.

4. To what extent has it helped upgrade existing employment?

It is conservatively estimated that over 1500 employees have been upgraded by direct participation in STS programs. Many of the continuing education programs that were developed and initiated with the benefit of STS financial support *have been continued* by the participating institution on a *self-supporting* basis. The "seed money" benefits of STS programs are of major consequence and are duly considered during the development of Connecticut's annual STS programs.

5. To what extent has it effectively disseminated technical information which was used to improve business?

The Technical Information Location Service is processing 40 requests per week, the Technical Referral Service is processing 40 inquiries per month, and over 600 copies of an abstract of new developments in Welding and Joining of Materials have been distributed. It has been Connecticut's experience that the most effective method to assist in the dissemination and application of technology is to (1) identify the problem and (2) to inform the firm with the problem of the technological resources in the State with competence to solve the problem. This problem/people approach, unique to STS, has proven to be more effective than attempts to disseminate technical information via "paper mills" established for this purpose.

6. To what extent has the State STS program been used for coordinating other Federal/State programs?

The fact that the STS program is administered by the Research Commission with broad interest, competence and responsibility in science and technology has resulted in some coordination. For example, the Commission has recommended that projects be developed under other federal programs to provide entrepreneurial and managerial training for minority people desiring to start new businesses. The Commission has been successful in developing research projects that are supported by state-federal funds through such agencies as NSF and the Federal Pollution Control Agency.

7. Please indicate any other benefits that you feel have been derived from your State's participation in the STS program.

The most significant benefit is the verification of the concept that the federal and state governments, by supporting projects conducted by the creative resources in a state or region, can be effective in assisting the application of science and technology in business and industry. There is a vital need to assist in the application of science and technology to the operations of state and local government. The STS program could, and should, be extended to include such an application. The Research Commission, in concept with the State Planning Commission, is developing a small pilot project for this purpose.

8. With respect to the above, what is the cost/benefit ratio of your State STS program?

Connecticut's STS program has not been subjected to a comprehensive cost/benefit analysis. The obvious benefits of the program, coupled with the limited amount of federal funds available to support the program, does not justify the cost of such an analysis. It is estimated that the cost of the program was offset by the benefits that have accrued after the second year of operation. As the services rendered today generates future economic benefits, it is felt that the benefits will exceed costs by a rate of 4:1 after the third year of operation. It is further estimated that maximum return would result from an annual federally supported program of $250,000 in contrast to the $78,500 of federal funds in support of Connecticut's FY 1969 program.

STATE OF DELAWARE,
Dover, Del., August 6, 1969.

Hon. WINSTON L. PROUTY,
U.S. Senator,
Washington, D.C.

DEAR SENATOR PROUTY: In compliance with your letter of June 27 I am forwarding the information you requested regarding the State Technical Services Program in the State of Delaware. You have my permission to publish this reply in hearings or the Congressional Record should you so desire.

The answers to your questions are numbered in the same sequence as presented.

1. This office has not relied on the S.T.S. program to date. Prior to your inquiry and one subsequent research, our information was limited to a general knowledge of its goals and objectives. With a broadened understanding of the program, we are now in a better position to make use of it.

2. UDTS has worked with the State Chamber of Commerce and the State Department of Economic Development to a limited extent in an effort to encourage an influx of industry to Delaware. Specific instances of their enticement of companies into the state have not been isolated. It is recognized though that their efforts in attracting industry are secondary to their concern with upgrading businesses within the state and with helping new companies in the scientific and technical sphere.

3. UDTS has been influential in aiding in the creation of new job opportunities in Delaware. In many cases, information transfer through the efforts of UDTS personnel have modified and increased production of companies, thereby providing them with the opportunity to expand. In these instances, there is considerable difficulty in determining the number of additional jobs that can be specifically attributed to UDTS actions, although the input can be shown to have had some influence.

4. In the area of upgrading, significant results can be shown. Some 570 students have enrolled in the Plastics Technology Certificate Programs within a one-year period. As a result of this program, additional educational offerings, both credit and non-credit, are being planned at the trade school, high school, undergraduate and graduate levels.

The Building Construction Education Program is another example. Approximately 80 construction supervisors have taken these courses over the past three years. Discussion is underway with the Delaware Contractors Association regarding a considerable extension of the program.

Conferences, seminars, and workshops on the subjects of transportation, computers, ocean engineering, meat sanitation, air and water pollution, decisionmaking, etc., have been presented to diverse groups. All of these offerings are at the application level with every indication that upgrading of personnel has been accomplished.

5. Those businesses and industries of Delaware with which UDTS has had the opportunity to interact have almost unanimously indicated that the assistance provided has been helpful and has often been very valuable. Evaluating efforts by UDTS have shown that the transfer of technology and scientific information and knowledge has been of value to their clients.

6. Although the STS program was not specifically planned to coordinate other Federal or State programs, UDTS has provided assistance and input to a number of such projects. The UDTS provides coordination and administration assistance to the NSF Sea Grant project at the University of Delaware, and has submitted an additional supporting proposal to the Economic Development Administration for a project regarding the layout and preliminary design of an oyster hatchery.

UDTS has also participated in the recently approved Themis project at the University to plan and carry out two conferences to disseminate the research results of the project to industry and the scientific community.

In addition, UDTS is undertaking the Comprehensive Health Plan for Delaware under contract with the State Board of Health. Their office is working with the City of Wilmington to upgrade its technical departments.

Finally, a continuing and expanding role is anticipated by UDTS in State/Federal programs dealing with technology and science, and its use by the industries and businesses of the state.

7. Qualitatively, the benefits from UDTS activities appear to be well worth the efforts and the funds applied to the program. Many business and industry personnel have been exposed to scientific and technological information that they probably would not have had the opportunity to learn of otherwise. The implications for the future appear to be quite favorable for an increasing awareness by industry of the innovative role of scientific and technological information in encouraging economic growth.

8. Over the 3½ years that the program

has been operating in Delaware, the University of Delaware has provided a total of $30,000 in support of UDTS. During the same period, approximately $16,000 has been returned to the University in overhead payments from the STS program, plus an additional $4,000 in overhead payments from income received from other sources. The total cost of operating UDTS for 3½ years has been approximately $210,000 of which no funds have been received directly from the State, and $10,000 un-reimbursed from the University. Benefits have not been adequately quantified statistically to enable a realistic cost/benefit ratio to be calculated.

There is little question that STS is currently undergoing intensive evaluation by the Department of Commerce in conjunction with the Arthur D. Little Company. To the extent that this evaluation better enables STS to quantitatively measure the results of its efforts, it should benefit all those concerned with the STS Program. From the standpoint of the State of Delaware, I feel that the University of Delaware Technical Services has made a significant attempt to encourage economic growth through its dissemination and utilization of scientific and technological information.

Sincerely,

RUSSELL W. PETERSON,
Governor.

EXECUTIVE DEPARTMENT,
Atlanta, Ga., July 11, 1969.

Hon. WINSTON PROUTY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PROUTY: In response to your letter of June 27, 1969, concerning the State Technical Services Program in Georgia, I am pleased to submit the following answers to your questions.

1. The STS program is a major effort in Georgia to upgrade the technological level of our business and industry.

2. Although attracting new industry to the State is not the direct function of the STS program in Georgia, it creates a climate of increasing technological sophistication which is attractive to new industry. . . .

3. The STS program has created significant new employment opportunities by raising the overall technological level of business and industry in the State. . . .

4. The STS program has been a significant help in upgrading existing employment by providing technical information which has enabled the Georgia businessman to improve his products, processes, and overall operating conditions. . . .

5. The STS program made it possible to identify the technological needs of Georgia industry and to effectively attack these needs in a systematic manner. . . .

6. The STS program in Georgia has cooperated and coordinated its efforts with other Federal and State programs whenever and wherever necessary. Examples of other governmental agency programs with which STS has worked are the programs of the Small Business Administration, the National Aeronautics and Space Administration, the Atomic Energy Commission and the Cooperative Extension Service to name only a few.

7. The STS program has made it possible to develop and foster a greater interaction among the Universities of the State, the business and industrial community, and the other public service agencies.

8. It is believed that the cost/benefit ratio of the program is very favorable for our state. There is only very incomplete statistical data available at this time. . . .

Thank you for the opportunity to make my views on behalf of this very important program known to you at this time. Please feel free to publish my reply in any hearings or in the Congressional Record.

Sincerely,

LESTER MADDOX,
Governor.

EXECUTIVE CHAMBERS,
Honolulu, July 15, 1969.

Hon. WINSTON L. PROUTY,
Senate Office Building,
Washington, D.C.

DEAR SENATOR PROUTY: First of all, may I express my appreciation to you for the opportunity to express myself in regard to the State Technical Services Program administered by the Department of Commerce.

Our participation began with a planning effort in 1967 and a fiscal year program grant was subsequently received which effectively ran in calendar 1968. Only in April of this year did Hawaii's program launch a field service, and staffing for this service began this month. We anticipate developing a broad range, functioning referral service over the next six months; we are offering this service on a partial basis right now.

Nevertheless, our STS information services are now well established and professionally staffed, and are beginning to achieve recognition and acceptance in the private industrial community. Our education programs have been particularly well received.

With these general remarks let me consider your specific questions.

We have come to rely on STS financial support to subsidize an adult education effort for practicing professional engineers at the University of Hawaii; this program is oriented toward dissemination of new technology and is by no means a "refresher course" project. I anticipate also that STS financial support will materially assist in achieving "technology transfer" by linking our existing information available through the State Library System and the University of Hawaii libraries and making it readily available to the State's business community.

Obviously, however, a Federal matching grant of $40,000 to $50,000 a year for three fiscal years can hardly have any measurable impact in attracting industry to the state, creating new employment opportunities or upgrading existing employment. I don't think the program in Hawaii, given its funding level, can be judged at this point in time on the second and third bases you mention, although on reflection I would say that our STS educational programs have had an influence on upgrading the skills and knowledge of those participating.

The STS program has not been used to coordinate other Federal/State programs in Hawaii, and we have been careful to avoid "matching Federal dollars with Federal dollars."

In summary, we feel that a number of benefits, intangible as well as tangible, have already been derived from the program, with the potential of much greater benefits as the program grows in scope and experience. Valuable contacts have been made with sources of scientific and technical information, both government and private; liaison has been and is being developed between government and businesses, resulting in an increased awareness of technical problem areas in business, on the part of the State, and in an increased awareness of available services and assistance from government sources, on the part of business.

As to the cost/benefit ratio of the STS program in Hawaii, it is still too early to our experience with the program to be able to concretize results to this extent. Our program is still at the point where more effort is going into acquainting the public with its services than in providing the services. A number of states which are far more highly industrialized than Hawaii, and which have had large STS programs with dozens of engineers and professional people on the staff, are in a good position to evaluate results quantitatively.

With our current staff and funding, we are making what we believe to be an impressive impact on Hawaii's economic development through the STS program. Hopefully after our field services project has been in operation for a year, we can place a more concrete evaluation on the program. Please feel free to use these remarks as you wish.

Warmest personal regards. May the Almighty be with you and yours always.

Sincerely,

JOHN A. BURNS,
Governor.

OFFICE OF THE GOVERNOR,
Springfield, Ill., August 8, 1969.

Hon. WINSTON PROUTY,
U.S. Senator, U.S. Senate,
Committee on Commerce,
Washington, D.C.

DEAR SENATOR PROUTY: I am happy to reply to your inquiry about the implementation of the State Technical Services Act in Illinois.

1. To what extent do you rely on the STS program?

In Illinois, the STS program represents the only mechanism within state government to assist Illinois business and industry in acquiring and using new technology. Viewed in this light, we rely entirely upon the STS program to perform this function.

2. To what extent has it helped attract industry to your state?

The STS program has not attempted to attract industry to Illinois. This function is fulfilled by the Division of Community and Industrial Development of the Department of Business and Economic Development.

3. To what extent has it helped create *new* empolyment opportunities?

Because the creation of new employment opportunities is not the primary objective of the Illinois STS program, this factor has not been studied in great depth. It would be difficult to establish a definite casual relationship between STS activities and the creation of new empolyment opportunities. However, several specific instances have occurred wherein new employment, or the promise of future new employment, can be credited to the STS program.

4. To what extent has it helped upgrade existing employment?

There can be no doubt that the upgrading of existing employment has been a major contribution of the Illinois STS program. Several companies have reported that the STS program has enabled them to offer improved job opportunities. These same companies also report that considerable upgrading of personnel has occurred.

5. To what extent has it effectively disseminated technical information which was used to improve business?

In relation to its extremely limited budget, the Illinois STS program has been remarkably effective in working with Illinois business and industry. A number of concrete examples could be cited wherein STS activities have resulted in the acquisition and use of new technology by business and industrial organizations.

6. To what extent has the state STS program been used for coordinating other federal/state programs?

To a surprising extent, the Illinois STS program has initiated activities which have proved to be of interest to other state agencies. Public health, vocational education, conservation, highways, educational institutions, advisory groups and legislative commissions represent some of the organizations that have benefited from STS activities.

7. Please indicate any other benefits that you feel have been derived from your state's participation in the STS program.

The STS program is helpful in providing information which assists in the development of appropriate state policy in regard to science and technology, particularly in areas where state policy affects the use of science and technology by business and industry. The STS program has exhibited leadership in encouraging consideration of state roles in these areas.

8. With respect to the above, what is the cost/benefit ratio of your state STS program?

In a project serving the building industry, the incremental annual expense to each user of the system developed through the project is approximately $4,000. Annual cost savings to users averages $33,800 each. This savings figure is based on only one proven element of savings; actual savings may be more than tice this amount as a result of other benefits of the system. Thus, the cost/benefit ratio for this project is a minimum of 8, and may approach 20 at the high end of the estimate. It should be noted that the expenditure of public funds will cease on this project but the benefits to industry will continue through time.

In another project serving the wood using industry, an investigation was initiated which shows promise of solving the problem of disposal of bark by Illinois wood using companies. A use has been found for the bark which increases its value from zero to $8.00 per ton. Net profit increase to Illinois industry is expected to be between $200,000 and $600,000 per year. Total public investment in this project is $37,295. Using savings from only a one year period, the cost/benefit ratio would range from 5 to 16.

According to my staff members who are intimately acquainted with the program, it would be difficult to establish an overall cost/benefit ratio. Because of the existence of the program a great many associations are being made which result in small but significant transfers of knowledge to Illinois businesses. There have been a number of instances where a single contact has resulted in linking an Illinois manufacturer with a Federal source of information which can be profitably used on a continuing basis. For example, a metal working firm of considerable size was acquainted with the Air Force Machinability Data Center through a minor STS activity. Although this contact will probably result in substantial savings, I feel that STS officials should not continually question those we help regarding their savings. Such request for cost saving data may not only give the wrong opinion of our motives, but the time and expense of replying to such requests can partially offset the benefits of the program. Rather than pursue data that may justify the program, but put its acceptance in jeopardy, we have preferred to rely upon the good judgment and understanding of those such as yourself.

I hope that this information will be of use to you. Please use it in any way you see fit. If I may be of further assistance, please do not hesitate to contact me.

Sincerely,

RICHARD B. OGILVIE,
Governor.

OFFICE OF THE GOVERNOR,
Des Moines, Iowa, July 11, 1969.

Senator WINSTON PROUTY,
U.S. Senate,
Committee on Commerce,
Washington, D.C.

DEAR SENATOR PROUTY: Governor Ray has asked that I respond to your letter of June 27, 1969. We are pleased to give you the information you requested regarding the State Technical Services Act in the state of Iowa.

I will answer your questions numerically as you have stated them.

(1) The state of Iowa has come to rely on the STS Program to serve as complementary to and as a means of expanding an on-going program. The program in Iowa STS is administered by the Board of Regents through the Center for Industrial Research and Service (CIRAS) at Iowa State University, Ames, Iowa. The STS Program has provided for the implementation of short courses and seminars by the qualified institutions such as the four-year private colleges and also within the state institutions of higher learning, namely Iowa State University, State University of Iowa and University of Northern Iowa. The program on a matching fund basis, has provided means for these institutions to expand and at the privately owned colleges to develop an extension program for the areas of interest and need in their particular section of the state.

CIRAS was established in 1963, two years prior to the STS Program. Since the function of both CIRAS and STS were similar to a very close degree, they provide a definite synergistic effect upon each other. The CIRAS program expanded and improved through STS grants and federal funds became much more effective due to the already functioning CIRAS program. This benefit was much more than just a dollar matching fund program as stipulated in the State Technical Services Act of 1965.

(2) STS probably does not attract industry to Iowa by itself nor does the combined program. However, without these programs, industry might conceivably elect another location because such a service was offered. Our program is dedicated and implemented to aid existing industry to grow and prosper. The main responsibility to attract industry to Iowa lies with other agencies within the state.

(3) In the five-year period (1964 through 1968), 31,992 new jobs have been created through expansion alone or 63% of the total of 50,196 new industrial jobs created during the period. New industry created 4,035 and branch plants created 14,169. CIRAS and STS have been particularly effective in all three sources of new jobs, but most effective in expansion of existing industry. In 1968, (11 months) alone expanding Iowa industries provided 4,918 new jobs, new industries created 718 and branch plants and relocation created 1,377 for a total of 7,013.

(4) The fact that many of Iowa's industries have sent personnel of all levels to the various short courses, seminars and conferences held throughout the state with the help of STS funding together with an ongoing program by Engineering Extension at Iowa State University has definitely helped to upgrade existing employment.

In fiscal 1968, 1,243 people from 788 firms, cities and other agencies attended 23 seminars, conferences and short courses conducted by six Iowa universities and colleges and supported by STS.

(5) The task of disseminating technical information from federally and privately sponsored research and development to the industries of Iowa has been a phase of the State Technical Services program which definitely was not being handled elsewhere or by any other organization. The utilization of this technical information has been very sparse. Much of the information is couched in such very highly technical verbiage that most small Iowa industries do not have the capability nor the time to utilize it in its present form. In the jointly funded pilot project to accomplish this dissemination, fifty people in fifteen companies were serviced with 30,000 notifications of technical articles in our Selective Dissemination of Information project. 12,000 of these notifications proved to be of interest to the participants. Efforts are being continued in an effort to determine a more usable package of this very important source of technical information.

(6) In a number of instances, the State Technical Services program of conferences and short courses has been utilized to coordinate federal and state programs of the Small Business Administration. This resulted in the utilization of material supplied by SBA to the advantage of the overall program of the meeting. There is a very close coordination between this program and the Iowa Office of the Department of Commerce in Des Moines. Each annual program submitted for Iowa is very closely checked to see that there is no duplication of effort from other federal programs and a further effort is made to coordinate the overall federal program for the state of Iowa through a coordinating body of the State Extension Council, an arm of the Board of Regents, established to review federal programs with the expressed purpose of best utilization of federal funds in the state and best assignment of responsibilities to the various coordinating agencies in Iowa.

(7) The major benefit derived from STS in Iowa has been that of expanding an already on-going program of service to industry and providing a means of cooperation with the federal government in disseminating information which might otherwise not be available to many of the state's industries. In our state, over 70% of our industries employ less than fifty people. This fact is most important when considering the service rendered through the STS program. Several new areas of extension have been scheduled through STS programming and the dissemination of highly technical information is also a direct result of this program. It is most important that we remember that this type of program does not develop overnight and the long range benefits cannot be estimated or anticipated with any degree of accuracy.

Intangible benefits include the confidence of Iowa industry that they do have an organization to which they can come to discuss, in confidence, their problems no matter how simple or complex, large or small, technical or otherwise.

This program in Iowa has served as a means of cooperation between the Board of Regents Institutions and the private four-year colleges. This has not been a fact in the state prior to this coordinating effort by the STS program.

(8) The most difficult question which you have asked in your letter is that of attempting to provide you with a cost/benefit ratio of our state STS program, but we will state several instances of known benefit for which dollar values can be placed on the current year, but estimating the future benefit of this type of operation is very difficult to assess. In one instance, a manufacturer attended one of the conferences which was originally scheduled and programmed through the activities of the State Technical Services in which knowledge gleaned from the conference resulted in a savings of $70,000 in one years activities and the implementation of a new program for a future year involving an initial investment of this company in access of $100,000 and a provision for employment for four or five new employees.

The results of activities of the field representatives point out a number of projects that amount to savings in the operation of manufacturers in the terms of $2,000 to $5,000 each year for an unlimited number of years. The utilization of a management consulting firm report to a company for which a fee of $20,000 had been paid and for which the company had definitely felt they had no means of implementing. This report was utilized by the company following a consultation with a field representative through the service to industry program. The utilization of consulting firms within the state of Iowa has been a definite result of the field operation and we know of one instance that a firm has had several projects totaling in excess of $50,000 in one year. These projects are on-going and very difficult to analyze as to the cost/benefit ratio.

Two instances of the service of field representatives and headquarters staff resulted in the re-establishment of the industries to a profit-making organization from a condition of virtual bankruptcy at the time CIRAS was requested to enter the program. These two industries are now flourishing businesses and again the dollar value of this effort is difficult to estimate.

In these instances mentioned, it should be again called to your attention that the STS program has served to complement the efforts of an on-going program and therefore makes the dollar analysis rather nebulous.

I hope that this information will be of help to you.

We in the state of Iowa believe that there is a definite advantage to be gained from the State Technical Services Act.

If you should request further assistance, please advise.

Sincerely,

Elmer H. Vermeer,
Administrative Assistant.

Department of Labor,
Baton Rouge, La., July 23, 1969.

Hon. Winston Prouty,
U.S. Senator, Senate Building,
Washington, D.C.

Dear Senator Prouty: As indicated in his communication to you on July 14, 1969, Governor McKeithen had forwarded your inquiry of June 27, 1969 to me for reply.

(1) The State of Louisiana and its Department of Commerce and Industry rely on the State Technical Services Program (S.T.S.) to the extent that is an integral factor of the overall industry inducement of this state.

(2) To evaluate the one factor of S.T.S. as to the extent it alone has helped attract industry would be rather ambiguous. Without S.T.S. we would still have a very strong industry inducement program in Louisiana; however, with S.T.S. it is further enhanced.

(3–4) In many instances, where both small and large manufacturers have been informed of advanced methodology or technological, automated improvements in operations and management have increased the production and margins of profit for the employers. In other instances they have expanded and increased the size of their work force; however, how does one relate these opportunities for new and/or upgraded employment to numbers?

(5) The program has very effectively disseminated technical information which was used to improve business. In many instances such information, gleaned from research in the State Library or the Library of Congress, was given directly to the employing units by the S.T.S. representative. In other instances, the advanced techniques and/or information was imparted by scientists and men of learning from colleges and universities by S.T.S. funded workshops, seminars and conferences as indicated on the attached brochure.

(6) The S.T.S. specialist is a member of the State Cooperative Area Manpower Planning System Committee (CAMPS), and in such capacity, is made aware of all federal and state programs while making the other members representing state and federal agencies aware of the S.T.S. program. In some instances, the S.T.S. specialist has made employees aware of the availability of MDTA-OJT programs.

(7–8) As previously cited, as an integral component of a very appealing industry inducement program, it is improbable that anyone can arrive at a definite cost/benefit ratio or apply a monetary value to the benefits derived in this State as a result of the S.T.S. program. It alone has afforded our specialist opportunities to open the door of employers to other program specialists. Without S.T.S. this State will continue to have an industry inducement program; however, with S.T.S. the program is even more enticing.

We in Louisiana feel that the results of any evaluation of the S.T.S. program will reflect far more good being done than some of the shortcomings or discrepancies that may be uncovered. It is very difficult to evaluate the S.T.S. program in terms of dollars or numbers of jobs, etc., but we feel that the program, limited in scope only because of limited appropriations, is providing a worthwhile service to the manufacturers and employers of Louisiana. Also, limited resources prevent the establishment of their own research centers, laboratories, etc., which are necessary to determine new techniques or advanced methodology in automation and cybernetics.

We hope this information may be of some benefit to you, and you have our permission to publish this report in any manner you see fit.

Respectfully yours,

F. C. Doyal, Jr.,
Administrator,
Chairman, State CAMPS Committee.

Office of the Governor,
Augusta, Maine, July 16, 1969.

Hon. Winston L. Prouty,
U.S. Senator,
Senate Office Building,
Washington, D.C.

Dear Senator Prouty: This is to acknowledge the receipt of your letter of June 27, and to respond to the questions on State Technical Services. The information in this letter and the accompanying documentation summarizes the State Technical Services activities from March 1, 1967 to June of 1969.

In answer to question number one, I rely on STS to fulfill a major economic service by assuming the responsibility for the dissemination of technical information on the latest science and technology to industry; keeping our scientific community abreast of the latest technological developments; and assisting small technically oriented firms and businesses in finding solutions to their technical problems. The program also serves as the communication link between many of the federally sponsored technical research and development programs and the State of Maine.

The State of Maine has a number of small technically oriented firms that cannot support a sophisticated R/D facility. STS has in many cases served this need by assisting individual firms in developing new products and solving technical problems. Hopefully, with this assistance, in addition to other services sponsored by the State, these firms will expand to the point whereby they can support their own R/D facility.

In answer to question number two, the program has not in itself attracted any new industries, nor has it been used for this purpose. The new industries that it will hopefully promote will be as a result of "spin-offs" from new technologies. One new product line has resulted from STS efforts with possibly four new products within the near future. However, the "spin-offs" have not been great enough to warrant a new firm.

It might be advantageous to comment here that the University of Maine was appointed by me as the designated agency to administer the program in Maine and the services provided through STS have been of a highly technical nature using the scientific resources of the University of Maine as well as the R/D resources of private firms. The services have been of an industrial extension nature rather than one of promotion.

In answer to question number three, no new employment opportunities have resulted thus far, from STS activities. The industrial extension activities were only initiated in January of this year. The one "spin-off" has increased production without a necessary increase in employment. The technical problems solved through STS efforts have been directed to increasing productivity and reducing production costs. A description of the services provided in the accompanying material will give you an idea of the benefits derived from the program.

In answer to question number four, STS has sponsored a continuing education program on the latest technologies for practicing engineers. Over 900 engineers have participated in the program. Please refer to the accompanying newsletter for a more complete listing.

In answer to question number five, the accompanying letters will give you an idea of the contribution by STS in the disseminating of technical documents. The office communicates the announcement of new technologies through a newsletter to four thousand scientists, engineers, and technically oriented firms, ranging from the smallest to the largest. Approximately 200 to 300 requests are received monthly, either by telephone or mail. In addition to the request, STS serves as the liaison between the many federal Technical Application Centers and members of industry. Many inquiries are answered by telephone using the research resources of the Application Centers.

In answer to question number six, the program has not been utilized to coordinate Federal/State programs. This responsibility is assigned to an office within the executive department. The program has served, however, to coordinate the federally sponsored technical R/D programs for the State.

* * * * *

A cost benefit evaluation program has not been carried out. Hopefully at some period of time we can enter into a sophisticated evaluation showing some cost/benefit ratios. Presently the limited STS funds are being utilized to encourage many of the Maine technically oriented firms to be more aware of the need for continuing education for their engineers; more aware of the need to solve some of their technical problems instead of trying to work around them; and more aware of the need to keep abreast of, and apply new technologies in this technically oriented economy.

I wish to take this opportunity to convey to you my whole-hearted support for the continuation of this pogram. STS has fulfilled a major economic need within the State of Maine which is well documented in the accompanying material. However, I think it is also important to recognize that it has also served a major national need which is that of a Federal/State partnership in promoting economic "spin-offs" from the $17 billion of federal R/D. The monies spent for the application of federal R/D through STS are really quite insignificant when compared to our total national R/D effort.

I would hope that Congress would find it possible to restore the STS appropriation to the $30 million that is authorized by the Act. I would also hope that Congress could see fit to increase the federal participation to seventy-five percent with the remaining twenty-five percent coming from State sources. The investment by the federal government would be returned through growth in the economy.

Your efforts in behalf of STS are very much appreciated. This letter and the accompanying materials, with the exception of the letters from industry, may be used as you see fit in the promotion of STS.

Sincerely,

Kenneth M. Curtis,
Governor.

Department of Commerce,
Lansing, Mich., August 27, 1969.

Hon. Winston Prouty,
U.S. Senate,
Washington, D.C.

Dear Senator Prouty: Governor Milliken has asked me to reply to your letter regarding Michigan's State Technical Services Program and to express his appreciation for this opportunity to comment on it. We believe the program is eminently useful and that its value to the economy of Michigan and the region is increasing steadily.

We will take up your questions in order:

(1) To what extent do you rely on the STS program?

The STS program is an important technical arm of state government. It can reach out to industries to help them improve their operations. We have a systematic method for providing technical expertise to companies that need it. The program is young, but is effective in bringing about the use of new techniques. We expect to depend heavily on it in the future.

(2) To what extent has it helped attract industry to your state?

Michigan is a heavily industrialized state. More than 80% of our industrial growth derives from companies already established here. Consequently, much of our effort to improve the economy is concentrated on helping our existing industry to grow. Bringing new techniques to these industries helps them to increase efficiency, create savings and achieve growth. The program is a significant factor in our economic growth. This effectiveness does not overshadow the program's usefulness in our substantial effort to attract new industry.

The Office of Economic Expansion, which conducts the state's industrial promotion, makes a continuous effort to stimulate the growth of technically oriented industries. We have a growing number of these, and such firms depend for their existence on the availability of technical information and technical and scientific people. Our STS program often can be used to solve production or processing problems of manufacturing firms contemplating a plant location in Michigan. Under these conditions, the STS program becomes a strong attraction to new industry.

(3) To what extent has it helped create new employment opportunities?

The answer to this question is combined with that of No. 4 below.

(4) To what extent has it helped upgrade existing employment?

The STS program has had a substantial effect both on creating new jobs and upgrading existing jobs. A canvass of management in 56 companies in Michigan showed that over a period of six months their sales and employment improved in many cases as a result of the efforts of STS field men.

(5) To what extent has it effectively disseminated technical information which was used to improve business?

The benefit mentioned above indicates how our STS field men disseminate information and expedite its use by industry. A recent analysis of our technical seminars showed that 1,000 attendees generated 191 technical inquiries. From this number, our STS staff identified 94 industrial problems and helped solve 75 of them.

(6) To what extent has the State STS program been used for coordinating other Federal/State programs?

The STS program has drawn on the resources of other Federal/State programs such as EDA and the Upper Great Lakes Commission. This is an area of considerable potential, and it should be expanded.

(7) Please indicate any other benefits that you feel have been derived from your State's participation in the STS program.

Michigan has 11 state-supported colleges and universities. The STS program has proven effective in drawing the technical capabilities of these schools together to work for the good of the entire state with less duplication and competition.

(8) With respect to the above, what is the cost/benefit ratio of your State STS program?

It appears that the ratio of benefits for Michigan industry to dollars expended on the STS program may be extremely high. As a part of our Program Planning and Budgeting System, more precise comparative measures are being developed.

Please feel free to publish this letter in hearings or the Congressional Record.

Sincerely,

RICHARD E. WHITMER,
Director.

OFFICE OF THE GOVERNOR,
St. Paul, Minn., July 21, 1969.

Re Inquiry about Minn. Tech. Services Program.

Hon. WINSTON PROUTY,
U.S. Senator,
Washington, D.C.

DEAR SENATOR PROUTY: Following a start-up period of organization, the State Technical Services Program in Minnesota has been in operation about 2½ years. The initial emphasis was on developing the five-year plan as a basic guide to the most effective structure and projects for the annual programs for our state.

From the beginning we have concentrated on personal contact, the face-to-face discussion with the businessman of his problems and needs, which all studies of the technology transfer process have shown is of utmost importance. As you well know, this is time consuming and does not result immediately in large numbers of business contacted. Nor does it result immediately in the kind of data needed for cost-benefit analysis.

In short, we have concentrated on making the STS Program known to the business community and effective in serving it, rather than in developing justification for the Program. In taking this approach, we relied on what we believed to be the intent of Congress in establishing STS as a permanent program.

We have general indicators of the program's effectiveness: cooperative efforts among various agencies, requests for assistance from business previously serviced, and letters of support.

The STS Program in Minnesota is administered by the State Planning Agency and carried out through contract by the University of Minnesota, certain of the State Colleges, and the Minnesota Department of Economic Development. Cooperative efforts have been developed between program participants and additional state colleges, the Minnesota Department of Conservation, various University components not directly involved, and our state planning effort. In addition, under a special grant from the Department of Education Public Libraries Section, the technical library service of the STS Program is servicing public libraries throughout the state in assisting business.

(Furthermore, there now appears to be the possibility of a joint effort between the STS Program and the Upper Great Lakes Regional Commission (of Minnesota, Wisconsin and Michigan) based on a proposal from the State of Michigan.) Requests for assistance from business previously serviced have grown until they now account for around ⅓ of all contacts. Many of our largest companies have become regular users.

Companies of all sizes and from all areas of the state have written expressing support. Attached is a sample of letters from a year ago generated by an informal survey of companies assisted through the Technical Information Service, and a sample of letters received by my office during our 1969 Legislative session.

While our recent session reduced the budget request for STS, the direct state appropriation was still increased 25% over the previous biennium. The increase was in spite of the decision not to request F.Y. 1970 Federal funding which came during our session. However, the Legislative intent was made quite clear by the following language: "This appropriation is available only if federal funds are available under the Technical Services Act."

In general, Senator, we have found tremendous enthusiasm in Minnesota both for the concept of technology transfer to aid business and for the services received through the STS Program, but we have not structured the Program to provide the definitive qualified data you request.

You certainly may publish this reply with the exception of the STS-Upper Great Lakes Regional Commission proposal. It would be premature to make public mention of that proposal at this time.

Sincerely,

HAROLD LEVANDER,
Governor.

EXECUTIVE OFFICE,
Jefferson City, Mo., July 18, 1969.

Senator WINSTON PROUTY,
U.S. Senate, Committee on Commerce,
Washington, D.C.

DEAR SENATOR PROUTY: In answer to your letter of June 27, 1969, I appreciate your interest in the State Technical Services Program which is administered by the U.S. Department of Commerce, and admire the fact that you have chosen to evaluate it on your own.

Enclosed are the answers to your questions in the order presented in your letter.

If we in Missouri can be of any further assistance to you in this effort, please advise.

Sincerely,

WARREN E. HEARNES,
Governor.

1. The Missouri State Technical Services Program is administered through the Division of Commerce and Industrial Development in our State and is the only program we have established for aiding and assisting existing industry. Approximately ⅔ of the increase in jobs in Missouri each year is due to expansion of our existing industry, and yet, until this program, we had no means of helping these plants stay alive, thrive and expand.

2. We have found that industrial prospects are not interested in a community where other manufacturing firms are not happy or where they are struggling for existence. Through the services of STS these companies can stay up to date on new techniques, procedures and products, and therefore stay competitive. Knowing this is readily available throughout our State impresses prospective industry and, I am sure, influences their desire to locate here.

3. As stated previously, services offered through the STS Program give a plant an opportunity to stay abreast of new techniques and possibly new products. We have several examples of industries who have expanded their operations due to services rendered through STS and increased the number of jobs in a community. For example, a Kansas City metal fabricator faced the decision to refurbish or replace a product line for manufacturing beer barrels. After attending an STS Operations Analysis Seminar and with the help of course faculty officials of the company programmed and conducted such a sophisticated analysis that decision was made to make the necessary investment. In addition, one potential customer was so pleased with the market projection that they awarded the fabricator a three million dollar contract for purchase of beer barrels. Employment in the plant already has increased by eighteen people, primarily because of increased stainless barrel production. Another instance involves a company which previously had made metal furniture and wished to expand the product line which would include laminated tops for office tables and desks. Through a Missouri STS field agent and the Wood Utilization Specialist of a Special Merit STS Project, assistance was given in all aspects of plant lay-out, scheduling and flow as well as techniques for laminating plastics to wood. A new building is underway which will house twenty to twenty-five employees.

4. Courses offered through this Program are of such technical nature that they are not readily available and are attended by persons who must keep themselves alert to the advancements in their fields to keep

themselves and their companies competitive. As companies up-grade their technical levels, employees must also keep current and advancing.

5. Requests for technical information from the Technological Information Center located at the Linda Hall Library of Science and Technology are almost doubling each month. Requests for technical assistance and information made through the Industrial Referral Center at this half-year point in our Program are three times the number of requests made the whole of last year. The effectiveness in utlizing this information is shown through reports of job increases, job advancements, plant expansions, increased production and money saved.

6. No other federal-state programs are coordinated through the State Technical Services Program. However, the cooperation of all agencies are utilized when pertinent to the problem at hand. These agencies are also welcome to utilize the STS Program for the benefit of the State and its industry when necessary.

7. One of the primary benefits resulting from this Program, other than direct and indirect technological advancement and assistance for industry, is the spirit and practice of cooperation between the State-supported and private educational institutions which have grown for the first time through this Program. Each institution is now pulling with the others for the betterment of the whole State. This Program also provides the means for colleges and universities to have more interaction with business and industry and assists these institutions in relating more directly to industry needs.

8. We have not been, up to this time, recording cost/benefit figures. We do record benefits resulting from individual projects or activities, and estimated savings. However, even this type of follow-up has not been strenuously pursued up until the last few months. Although this program is extremely beneficial for Missouri industry, much of this is of an intangible nature. It should be pointed out that the cost of administering this Program on the State level last year at approximately $25,000 is extremely small when compared with just one example of savings of one million dollars per year estimated by a company and resulting from a new technique one of its employees learned at an STS sponsored course.

Commonwealth of Virginia,
Governor's Office,
Richmond, July 17, 1969.

Senator Winston Prouty,
Senate Office Building,
Washington, D.C.

Dear Senator Prouty: I very much appreciate your continuing interest in the State Technical Services Program as well as the opportunity to respond to your inquiry concerning its value to commence and industry in Virginia. Your letter of June twenty-seventh contains several perceptive and penetrating questions very similar to those addressed in a recent evaluation of Virginia's Program, a copy of which is enclosed for your information and reference. For your convenience, I will restate your questions and comment in capsule form on each separately.

1. "To what extent do you rely on the S. T. S. program?"

Virginia's State Technical Services Program is a major link between education and industry and a primary means of transferring technical information.

2. "To what extent has it helped attract industry to your State?"

Our Program provides the mechanism for disseminating advances in technical knowledge and for marshalling resources of the State and Nation in the solution of commercial and industrial problems. Thus, it is a significant factor in the economic growth of domestic industry and provides a wholesome environment for new industrial development.

3. "To what extent has it helped create *new* employment opportunities?"

It has helped create many new jobs in industry and commerce . . .

4. "To what extent has it helped upgrade existing employment?"

It is difficult to evaluate the extent to which existing employment has been upgraded, although significant strides have been made and is evident throughout the enclosed Report. As illustrated in our case studies, the application of waste products of industry to useful purposes is of incalculable benefit. Generally, technological advancements, in the long run, always have an enhancing effect on the quality of employment.

5. "To what extent has it effectively disseminated technical information which was used to improve business?"

The report is replete with salutary examples and case histories. In addition, many educational programs have been conducted with multifarious benefits, though intangible and unquantified.

6. "To what extent has the S.T.S. Program been used for coordinating other Federal/State Programs?"

Through the State Council of Higher Education, the State Technical Services Program and other higher education programs are coordinated to provide business and industry a full range of services. Our State Technical Services Program is a vital link in our higher education public service efforts. . . .

7. "Please indicate any other benefits that you feel have been derived from your State's participation in the S.T.S. Program."

Our Program is an effective instrument in the development of an industrial extension program for the entire State.

8. "With respect to the above, what is the cost/benefit ratio of your S.T.S. Program?" . . . the cost benefit ration ranges from 1/100 on the overall program to 1/1,000 on individual case histories.

In conclusion, I think it is appropriate for the National Program to be evaluated at this time after three years of operation. If Virginia's experience, which I have described and which is fully documented in the enclosed report is any indication of the value of the program to the national economy, it would seem appropriate that the program be substantially expanded in the ensuing fiscal year.

Sincerely,

Mills E. Godwin, Jr.

State of West Virginia, Office
of the Governor,
Charleston, July 21, 1969.

Hon. Winston Prouty,
U.S. Senate,
Committee on Commerce,
Washington, D.C.

Dear Senator Prouty: I am pleased to reply to your letter expressing your interest in the State Technical Services Program more especially since I, too, have a continuing interest in giving assistance to business and industry. Early in this administration the office of Federal-State Relations was created within my office. The STS Program is now administered by Federal-State Relations and not by our State Department of Commerce.

It is my feeling that the STS program can be an effective means of keeping our industrial firms abreast of the latest technical advances in their particular fields. Its existence as a functioning unit out of my office is evidence of my feeling about the Program and of our desire to offer assistance to businesses—scientific and technological assistance in fields they might not otherwise be able to obtain. By introducing new methods, inventions, and innovations coming out of government and privately financed research, STS has given our manufacturers the opportunity to improve their products and processes; and, in some cases, has encouraged them to broaden their product line into related fields of endeavor. In this respect, STS has been instrumental in stabilizing the existing level of employment and added new jobs as well.

Since its inception in West Virginia a little over two years ago, the Program has generated over 320 requests for technical information. This has been done through field contact service, news brief publications, institutional contacts, seminars, etc. The field contact service has provided an excellent means of promoting and coordinating the services of other state and federal agencies designed to aid the business communities. Field contact representatives fairly knowledgeable about related agencies have made some 180 documented referrals to these agencies in the course of their STS work.

The STS Program has proven to be an effective wedge in establishing closer relations between the business community and state government. It has been beneficial to large industry as well as the smaller manufacturers. In several cases it has led the large manufacturers to lower cost sources of raw materials and services closer to home. It has been of notable help in aiding small business to obtain government contracts.

To document the specific benefits derived from this Program with its inherent intangibles is difficult. In the last three months we have started a follow-up procedure on services rendered in an attempt to dollarize derived benefits. Federal funds expended to date amount to $112,000.00. We are sure this investment has been returned several times in benefits accruing to West Virginia industry. Our neighboring state of Virginia recently published a report entitled "Specific Benefits Report". This report shows that within the state their STS efforts have resulted in a possible 1,000% return on the STS money spent.

We, in West Virginia, are of the opinion that this Program is needed. It should be continued and with a higher funded level, could be made even more effective. In fact, the most serious criticism of the Program, it seems to me, is simply that there has not been enough money to accomplish the task set forth.

You should be aware that Federal Funding on the basis of population works a disadvantage on West Virginia. Many persons work in this state but live in the neighboring states of Ohio, Pennsylvania, Maryland and Virginia. *Some consideration should be given to increasing grant levels to the lesser populated states.*

Finally, if your office summarizes a report of your findings, we would be most interested in receiving a copy. Again, I sincerely appreciate your giving me the opportunity to provide you with my thoughts and certainly, you may publish this reply in hearings or the congressional record.

Cordially,

Arch A. Moore, Jr.,
Governor.

State of Washington, Office of
the Governor,
Olympia, July 22, 1969.

Hon. Winston L. Prouty,
U.S. Senator,
Senate Office Building,
Washington, D.C.

Dear Senator Prouty: We sincerely appreciate the interest that you are taking in the State Technical Services program and are glad to have this opportunity to express our opinion of its merits.

In our State we feel it has demonstrated an excellent potential for contributing to economic growth despite the short period it has been in effect. Because of such a brief history with the program, we have found it difficult to establish a direct causal relationship between an STS activity and allied economic developments.

Responding to your queries in order, we have had the following experience with our STS program.

1. Our universities rely on this program to initiate extensions of continuing education programs into areas of industrial education which they are otherwise unable to undertake. Several of their STS projects are now continued on a self-supporting basis after STS provided the seed money for their initiation. As these projects reach a self-sustaining basis, STS funds are shifted to new activities, thereby catalyzing the development of a sequence of programs directed toward technological and economic growth.

For many years, industry in the Pacific Northwest has relied upon the Technical and Specifications Center of the Washington State Department of Commerce and Economic Development for military specifications and special information services. The STS program is enabling us to expand this service to include many other types of technical information commonly needed by industry and commerce, but not readily available from other public sources in this region, i.e., various engineering and materials specifications and standards, patents, vendor catalogs, roster of technical expertise, directories of information resources and of industrial education courses, and a clearinghouse for technical information on air and water pollution control methods. We feel as this repository grows and as its staff gains proficiency, industry will place increasing reliance on this service.

2. In this initial phase no extensive use of the STS program has been made by industrial development groups for attracting industry to the state. The program has enabled us to make a profile of the technological interests of the state that will be of assistance in projecting future industrial development.

* * * * *

4. The principal effort of the STS program has been through industrial education programs for technical and management personnel. Most of these were conducted within the past two years and in this short period no assessment can be made of their impact on upgrading existing employment.

5. Our STS program has made two unsuccessful attempts at the disseminations of "pre-packaged" technical literature. A more direct person-to-person contact appears necessary to effect this type of literature dissemination.

6. The STS program has had very little involvement with other Federal-State programs except for cooperation with the State Library in its library development program under the Library Act.

7. One of the principal benefits has been to create an increased involvement by our academic institutions with industrial problems.

* * * * *

We have found that users usually associate a project with the participating institutions, but seldom identify the State Technical Services program as a sponsor. Despite this problem of identity, we feel that substantial progress is being made toward achieving the goals stated in the State Technical Service Act of 1965.

I hope this letter provides the needed information. Please let me know if we can be of further assistance.

Sincerely,

DANIEL J. EVANS,
Governor.

THE STATE OF WISCONSIN, EXECUTIVE OFFICE,
Madison.
Hon. WINSTON PROUTY,
U.S. Senator, U.S. Senate, Committee on Commerce, Washington, D.C.

DEAR SIR: I appreciate your interest in the State Technical Services Program and I am glad to add my comments for your evaluation.

Whereas the state units and the State Technical Services program are coordinated through meetings between the University and the related State Departments, our reliance upon the State Technical Services program is primarily in serving the industry in the State. This service is made known as one of the resources to be used and is recommended by advisors in assisting our Wisconsin companies and it is described in literature about resources in the State. There is no evidence, however, as to whether or not it has helped attract industry to Wisconsin.

From information supplied to me by the State Director for the annual report, the Information Services answered over 4,000 requests for technical information this year and the Field Services made over 100 calls on companies and replied to some 1,400 telephone requests for information. I believe this has demonstrated a good dissemination of technical information.

The dollar benefits from the transfer of knowledge inevitably are difficult to determine early in any utilization. A sample of the major users of the services indicated that about one half could fix some dollar value of savings, sales, development program expenditures or capital investment which resulted from the services. A selected sample of ten users yielded a short-term benefit of about $3 million and a five-year potential of an estimated $20 million.

A major benefit often overlooked is the savings to the taxpayers by using existing facilities and staff. The University of Wisconsin Engineering Library has estimated that the use of the library in the State Technical Services program has resulted in a savings to the using companies in the State of the order of $750,000 per year because the library holdings and clerical staff need not be duplicated in all of the using firms.

Because of the nature of the sampling and the intangible benefits, no reliable overall cost/benefit ratio can be determined at this point. A lower bound on this number, however, appears to be at least a return of ten dollars for each dollar invested in the program if no multiplier effects are considered.

The coordination with other Federal/State programs such as EDA and the National Science Foundation's Sea Grant Program has been excellent. The similarity of objectives has permitted a good exchange of expertise and operations. The cooperation generated between engineering and business faculties and between institutions has been gratifying and an unexpected side benefit. There is an increased interchange and cooperation among the states and an increased use of State and Federal resources.

In summary, I believe the beginning of substantial help can be seen especially in the increased awareness of the smaller firm in the benefits to be derived from the use of new technologies and the available resources. At a time when the nation faces many needs and priorities, we must not neglect industry a segment of our economy that provides jobs and tax base important to our national goals. Our economists make a convincing argument for increased productivity as a major asset in meeting this challenge. The available technical information properly disseminated should materially aid in achieving this objective.

Sincerely,

WARREN P. KNOWLES,
Governor.

STATE OF NEW HAMPSHIRE,
July 9, 1969.
From: Zandy Taft, Coordinator of Federal Funds.
To: Senator Winston Prouty.

DEAR SENATOR PROUTY: Thank you for your letter of June 27th regarding the State Technical Services Program in New Hampshire.

Many answers of the questions you put are as follows:

1. N.H.'s participation in STS is based on the premise that the effective application of science and technology in business and industry will stimulate increased economic progress for the State. . . .

2. Hard to measure, as this is not one of primary STS goals. STS staff has worked with several company representatives, however, major emphasis has been on existing industry.

3. & 4. Some new employment has resulted from STS efforts, but major emphasis has been on upgrading existing employment base, through continuing education activities.

5. Quite extensively, as measured by documented evidence from a number of firms who have participated in the program.

6. STS has been used in coordination with a number of Federal and State programs and agencies, emphasizing the following: Small Business Administration, New England Regional Commission, New England Governor's Conference, New England Marine Resources Information Program, N. H. Industrial Development, N. E. Technical Services, Tuck School (Dartmouth) Boston College, Battelle Memorial Institute, and the Resources Development Center, Engineering Experiment Station, Cooperative and University Extensions, University of New Hampshire.

7. STS has increased awareness of *available* technology-transfer capabilities of existing State and Federal agencies and institutions, and more utilization thereof.

8. Documented economic returns to the State to date indicate a cost/benefit ration of 1/1, a reasonable multiplier effect would indicate about $2 return for every $1 expended.

To summarize, I feel that the STS program has been of real benefit to the State, in that it provides technical service opportunities to many smaller firms, enabling them to compete technologically with larger firms in other states. The flow of technology to New Hampshire firms has been accelerated, a critically important factor in this era of rapid technological change.

You have my permission to publish any remarks and hearings for the congressional file.

Sincerely,

ALEXANDER M. TAFT.

STATE OF NEW JERSEY, DEPARTMENT OF CONSERVATION AND ECONOMIC DEVELOPMENT,
Trenton, July 23, 1969.
Hon. WINSTON PROUTY,
Senate Office Building,
Washington, D.C.

DEAR SENATOR PROUTY: * * * A number of technical inquiries have been received, and fortunately our record is a good one because we have been able to provide valuable information to each inquirer to date.

The basis of our New Jersey Program will be a comprehensive Information Center and a strong Engineering Extension Service, both in cooperation with Rutgers, The State University.

At the present time we are revising our current program in an effort to make it even more relevant to the needs of our State and particularly those of our underprivileged minorities.

We are very enthusiastic about the State Technical Services Program because we feel that it will make New Jersey industries more competitive, that it will attract new industry to our State, and that more jobs and increased ratables will be provided. Furthermore, to strengthen the State program we are participating actively in a Regional Information System which will incorporate the libraries and information facilities of our neighboring states of Pennsylvania and Delaware into a single organization that will provide much more to New Jersey customers than would be possible were we to limit our efforts to the area within our political boundaries.

Included in our program for the current year will be a cost/benefit ratio study which will provide us with precise statistical data. Therefore, a year from now we will be in a much better position to provide you specific answers to the interesting questions you have raised.

Sincerely yours,

ROBERT A. ROE,
Commissioner.

STATE OF NEW YORK,
EXECUTIVE CHAMBER,
Albany, July 31, 1969.

Hon. WINSTON PROUTY,
U.S. Senator,
Old Senate Office Building,
Washington, D.C.

DEAR WIN: Thank you for your recent letter regarding the State Technical Services Program.

State Commerce Commissioner Neal L. Moylan recently advised me of the Arthur D. Little Company's evaluation of STS programs. His Department was contacted by that company and has provided them with operational statistics and specific case histories pertinent to the New York State Program. I have asked Commissioner Moylan to also send this information to you.

I am concerned about the ultimate fate of this excellent program. We recognized the potential benefits of STS and consequently New York State has actively supported it from its beginning.

From inception through fiscal 1969 nearly one million dollars will have been expended by the State to support STS. Nineteen regional centers have already been established. Over 40,0000 requests for assistance have been acted upon.

At present, the program provides the only direct communications channel between industry and educational centers throughout the State. Many concrete benefits to specific industries have resulted thereby. I believe that the long-term benefits of this interchange of knowledge, if it is allowed to continue, are of immeasurable value to the future growth of the State.

It is difficult to see how industries, in particularly small ones, will be able to function effectively as the already rapid pace of technological change accelerates in the years to come without STS or its equivalent to aid them.

I strongly recommend that Congress provide adequate funds to continue the program. It has proven valuable to New York and to all the states in the future.

In answer to your question, I have no objection if you wish to include these remarks in the *Congressional Record.*

Sincerely,

NELSON A. ROCKEFELLER.

STATE OF NEVADA,
Carson City, Nev., July 10, 1969.

Hon. WINSTON PROUTY,
U.S. Senator,
Senate Office Building,
Washington, D.C.

DEAR SENATOR PROUTY:

* * * * *

There is no doubt of the value of such a program to Nevada, especially when we are in the greatest industrial and economic expansion in our history. To have the resource information and the advantages of on-going research is one thing—For business to receive this knowledge is another. I feel the STS program is exactly the answer to the problem of information dissemination.

By the redesignation to the state level and continued coordination with the University System, I feel the program will improve to meet the needs of the people and business in Nevada.

In answer to your questions 2, 3, 4, and 8—I am told the former plan did not call for a cost/benefit ratio study and therefore, figures on the actual results of STS in fields of employment and business attraction are not available; however, once combined, services and assistance of all levels are helpful to business an industry.

Senator, there are many individual examples of praise for the past STS program and the help given to firms and companies located in my State. I can only say, we hope to improve and expand the advantages of modern technology to more people and with less staff salaries.

I wholeheartedly support the continuation of the STS program and feel a determination should be made by Congress as soon as possible, as the remaining funds will not permit prolonged activity.

Best personal regards.

Sincerely,

PAUL LAXALT,
Governor of Nevada.

STATE OF NORTH CAROLINA,
Raleigh, N.C., July 15, 1969.

Hon. WINSTON L. PROUTY,
U.S. Senate,
Committee on Commerce,
Washington, D.C.

DEAR SENATOR: Thank you for your letter of June 27 regarding an evaluation of our North Carolina State Technical Services Program. Governor Scott has requested the Department of Administration, which is also the Designated Agency for the State Technical Services Program in North Carolina, to respond to the questions you have presented. Our most considered answers to these questions are as follows:

1. To what extent do you rely on the State Technical Services Program?

Most inquiries of a technical nature are referred to the Department of Administration or to the Department of Conservation and Development. I know that there is excellent personal working relationship between these departments and the participating institutions of the State Technical Services Program. The exchange of ideas and information between these groups is, in my opinion, highly beneficial in providing the most useful and appropriate response. This is particularly effective in serving the small industries of our State.

2. To what extent has it helped attract industry to your State?

There are many contributing agencies to our industrial development program and our University service agencies are involved in varying degrees. Some specifics directly related to the State Technical Service Program would include the following:

(a) Many industries need to know of special technical or manufacturing capabilities within the area being considered as a possible new plant site. Here again, because of the excellent communications between the Department of Conservation and Development and State Technical Service Field Representatives, answers are supplied from persons most familiar with the existing industry in the state.

(b) Under the North Carolina State Technical Services Program, several directories have been compiled which identify scientific and technical capabilities within the State. These serve multiple purposes but are most useful in demonstrating to new firms the technological advancements our industries have made in recent years.

(c) New companies considering North Carolina as a potential area for expansion are usually concerned with educational offerings which will be available to their top scientific, engineering, and management personnel. As you know many such programs are sponsored or coordinated by State Technical Service personnel.

3. To what extent has it helped create *new* employment opportunities?

We must admit that we have not kept as good a record on this as we probably should have. Let me answer it this way: During the past two years, our State Technical Services Field Representatives have personally contacted over 2000 industries. Their mission was to inform and encourage participation in many informational, educational, referral and technical assistance projects. During the current year, 500 companies were contacted and about 366 firms received technical assistance or information. We couldn't have done this amount of work and evaluated each and every project so let me cite some recent examples:

(a) Sixteen new persons employed by a metal plating firm due to increased business directly resulting from liaison efforts of a State Technical Services Field Representative.

(b) Seven new persons employed by a small upholstered frame manufacturer due to the implementation of cost control systems and plant layout changes recommended by State Technical Services Representatives.

(c) A plant employing 40 people credits the State Technical Services Program with "saving" 20 jobs because of their cost reduction efforts.

Other projects not yet brought to fruition along with additional follow-up on completed projects would provide many other examples.

4. To what extent has it helped upgrade existing employment?

The State Technical Services Program provided the impetus to extensively expand the engineering continuing education program. To illustrate this, 27 short courses and Educational Television programs were held in 1966–67, 48 in 1967–68, and 71 in 1968–69. This past year (1968–69) there were 4617 attendees as compared to 1962 in 1965–66.

The loan of training aids for use by industry has been a continuing State Technical Services project. This past year there were 2157 film loans as compared to 996 in 1965–66. We estimated that over 30,000 industrial employees benefited by the inclusion of these visual aids in industrial training programs.

5. To what extent has it effectively disseminated technical information which was used to improve business?

This past year our Technical Information Center has performed over 400 library searches for business and industry in the State. In addition, ten information resource guides have been compiled and distributed upon request.

The Science and Technology Research Center has prepared more than 30 bibliographies on topics with broad general interest to North Carolina industry. The Science and Technology Research Center utilized the Triangle University Computation Center facilities to search more than half a million technical and scientific documents.

6. To what extent has the State STS Program been used for coordinating other Federal/State programs?

I believe that our State Technical Services Program has helped considerably in improving communications and cooperation between many Federal and State programs. Coordination doesn't exactly fit here. For example, all personnel involved in the State Technical Services Program have become better acquainted with persons in other agencies (in fact, have been required) to become knowledgeable of other programs so that duplication of effort will be avoided. This applies to both State and Federal programs. As a result, there are many referrals and cooperative projects between the Small Business Administration office in Charlotte, the United States Department of Commerce Field Office in Greensboro, the Economic Development Administration, and State Technical Services personnel and participating institutions.

7. Other benefits (see letter for complete question).

Up until now we have been talking in terms of very tangible benefits, but now allow me to be a bit philisophical.

The State Technical Services Program has allowed us to establish a firm approach of assistance to many businesses, industries, and individuals with problems or needs that cover a multitude of topics that do not fit neatly into any one agency's responsibility. Although most of the inquiries are of a technical or managerial nature, everyone requires personal attention for the most satisfactory results. It is this intangible benefit of personal consultation given or arranged by State Technical Services personnel that constitutes a great majority of the "other benefits" derived by this program. I do not know the "batting average" for the success of new ideas or new products, but it seems that I remember a quote of "only one or two out of 100 ever reach a good measure of success". The same holds true for many of the persons contacted under the State Technical Services Program; i.e., for every success story we cite, there must be several dozen that are concluded with no measurable results—except that the firm or individual has the satisfying feeling that the best effort from an assisting agency has been obtained.

8. Cost/Benefit Ratio.

Educational, referral, and information programs are most difficult to evaluate. The effectiveness of our State Technical Services Program can best be measured by the greatly increasing demand for the services it provides. We are instituting a formal dollar evaluation procedure this year and are confident that these results will be most gratifying. A partial answer can be obtained by referral to the report supplied to the Office of State Technical Services about four months ago.

In closing, I would like to note that during the past three years, we in North Carolina have made a conscientious effort to establish a stable and effective program for assistance to commerce and industry. A very good beginning has been made—one that should be continued and expanded. In fact, our State Legislature believes in the program so strongly that State matching funds in support of this act have been available for the past two years and are now committed through 1970. We sincerely hope that your Committee on Commerce will see the same potential and make a similar commitment on a National level.

Sincerely,

W. L. TURNER.

COMMONWEALTH OF PENNSYLVANIA,
Harrisburg, Pa., July 14, 1969.

Hon. WINSTON PROUTY,
Committee on Commerce,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PROUTY: Thank you for your letter of June 27, 1969, in which you express your interest in Pennsylvania's experience with the State Technical Services Program. I appreciate the opportunity to reply to your specific questions concerning the application of the program in Pennsylvania.

The responsibility for the State Technical Services Program in Pennsylvania has been assigned to the Bureau of State and Federal Economic Aid in the Pennsylvania Department of Commerce. The Act is administered by the Pennsylvania Technical Assistance Program (PENNTAP) with the Pennsylvania State University being the Designated Agency. PENNTAP exists solely to disseminate tecnical information and to carry out the provisions of Public Law 89–182.

1. "To what extent do you rely on the S.T.S. program?"

The Commonwealth of Pennsylvania relies on the S.T.S. program as *the* means for placing technical information in the hands of industry—to improve products and services, increase profits and (as a result) provide additional employment possibilities within Pennsylvania.

In the last full year for which data is available (July 1, 1967—June 30, 1968), PENNTAP services were used by 976 companies. This is an increase of 219% over the previous program year.

The growth pattern of industrial users of the State Technical Services Program in Pennsylvania (PENNTAP) has been a slow but steady increase. This is graphically presented in the attached chart of just one of our projects—the Library Information Services. A constant problem remains of reaching effectively the maximum number of potential users of PENNTAP services—especially the small businessman.

2. To what extent has it helped attract industry to your State?"

The Pennsylvania Technical Assistance Program has been concerned primarily with assisting the more than 17,000 industrial establishments already located within our Commonwealth. Emphasis under the S.T.S. program has not been placed on attempting to attract industry from outside the State. However, the availability of the PENNTAP services have been utilized by some out of state publicity to indicate services that are available to industry once it locates within the Commonwealth. The emphasis has been to upgrade present industry through providing technical knowledge which will have economic impact.

3. "To what extent has it helped create new employment opportunities?"

The stress of PENNTAP has been to provide technical information as an answer to existing technical problems. We think that in the process we are creating the probability of new employment. Pennsylvania is blessed with a larger industrial community and our philosophy has been to make them as strong technically and economically as possible. The resulting expansion, we believe, will eventually lead to new employment possibilities.

4. "To what extent has it helped upgrade existing employment?"

Once again our emphasis has been on helping the "decision makers" of organizations receive the technical information they need to strengthen their companies. You will recall that Public Law 89–182 does not permit the direct training of hourly workers; therefore, the upgrading of existing employment has been exclusively on the managerial, technical level with the individual companies following through on the updating of their hourly employees as needed based upon technological change.

5. "To what extent has it effectively disseminated technical information which was used to improve business?"

Attached to this correspondence is a series of selected case studies which illustrates the diverse type of assistance provided to industry. In some cases you will note that actual dollar savings occurred as a result of applying a technological answer to an existing problem and thereby eliminating waste or improving production. In other cases you will see where contemplated processes and the resulting expenditures did not occur because the knowledge prevented the company from making a mistake. In other categories, you will note that costly time and money in conducting research was eliminated due to the availability of existing information when supplied to the industrialists. Our experience has been that the greatest effectiveness occurs when a person to person situation exists—where a specific solution can be suggested to a specific problem.

Also attached to this correspondence is a copy of the remarks made by Mr. Everett Zurn, Chairman of Zurn Industries of Erie, Pennsylvania, and a member of the National Evaluation Panel appointed by the U.S. Secretary of Commerce. Mr. Zurn, who had the privilege of reviewing a number of the state programs as a member of the Panel, has indicated that he felt the Pennsylvania program was being quite effective in the dissemination of technical information.

6. "To what extent has the State STS program been used for coordinating other Federal/State programs?"

Pennsylvania is fortunate in having in its state government the Bureau of State and Federal Economic Aid, which coordinates many grant assistance programs on behalf of the Commonwealth and the State responsibility for PENNTAP has been assigned to the Director of this Bureau.

PENNTAP has a very close relationship with the U.S. Department of Commerce Field Office in Philadelphia and has been instrumental in developing informal but practical technical transfer programs between the states of Deleware, New Jersey, and Pennsylvania. PENNTAP is also actively coordinating its activities with such state programs as the Pennsylvania Science and Engineering Foundation, the Governor's Science Advisory Committee, the State Department of Commerce (Industrial Development Division), the numerous Economic Development Councils and Local Development Districts of Appalachia Pennsylvania, and in the past—where applicable—through such other programs as EDA and SBA.

7. "Please indicate any other benefits that you feel have been derived from your State's participation in the S.T.S. program."

I have attempted to point out in the selected case studies (which are attached) the specific technical benefits that are accruing. There are many other intangible benefits which at this point are hard to evaluate. Specifically, PENNTAP has provided the means whereby an industrialist who is on "dead center" not knowing where to turn for assistance now has an organization available to him which can now make him aware of the countless resources available to him within the Commonwealth of Pennsylvania. Through PENNTAP, an exchange of ideas is occurring between the members of the academic and industrial communities and communication, which is so vital to our technological society, is improving.

8. "With respect to the above, what is the cost/benefit ratio of your State S.T.S. program?"

This is truly a difficult question and I am not sure an answer exists. For example, 20 people attended a three-day session devoted to helping them reach a decision as to whether or not they should automate their plant. One individual decides, as a result of the conference, that automation is needed by his organization. He then has an engineering firm design the equipment, capital funds are secured, and plant layout changes are made. Perhaps a period of 18 months to two years passes before the results are seen. At that point, how much of the cost of putting on the seminar versus the effectiveness of the automation change can be attributed to an STS program and how much to individual company management, consulting engineers, manufacturers, etc.?

Another example: a company intends to spend money to change a production process which they think will correct an existing problem, and through PENNTAP they are shown that this change will not solve their problem. What should be the economic cost/benefit ratio here?

One of the big problems that we are encountering is that companies are extremely reluctant to provide specific dollar figures on benefits derived since they are in an extremely competitive market and prefer to be very vague about such data. It would seem to me that the proof and the benefit of the program are being clearly demonstrated in the number of new users of the program and to the number of industrial organizations that have become repeat users. Our files are fairly full of industrial companies thanking us for the assistance but very little can be translated into direct statistical data.

I hope the above information is helpful and if you would care to have additional information or copies of our project or annual reports, I will be very happy to send such literature to you.

You have my permission to publish this reply in hearings or in the Congressional Record.

Sincerely yours,

RAYMOND P. SHAFER.

STATE OF SOUTH CAROLINA,
Columbia, S.C., August 11, 1969.

Hon. WINSTON PROUTY,
U.S. Senator, Senate Office Building, Washington, D.C.

DEAR SENATOR PROUTY: This is in reference to your recent letter requesting my comments on several questions relating to the State Technical Services Program. Attached is a copy of a memorandum which expresses the comments of the State agency designated to operate the Technical Services Program. You have the permission of this office to publish these views in the Congressional Record.

Sincerely,

ROBERT E. MCNAIR.

INTER-OFFICE MEMORANDUM, STATE DEVELOPMENT BOARD, COLUMBIA, S.C.

Date: August 5, 1969.
From: P. M. Smurthwaite.
To: Mr. J. D. Little, Jr.
Subject: Comments in Response to Senator Winston Prouty's Letter of June 27 to Governor Robert E. McNair on the Subject of the State Technical Services Programs.

1. To what extent do you rely on the STS program?

The State Technical Services Program has served as the seed bed for a comprehensive program of service to industry throughout the state of South Carolina. This program is administered by the South Carolina State Development Board and is the focal point for activities designed to assist industries who have recently established operations in the state and to enable existing industries to take advantage of the latest techniques to present a more competitive posture.

2. To what extent has it helped attract industry to your State?

We believe the South Carolina program is so closely keyed to the needs of industry that it represents a plus factor in discussions with new industrial prospects. The STS program has provided an essential working link between new industrial prospects and the capabilities of universities in South Carolina. The easy accessibility to university expertise is important in attracting technically oriented industry which is so essential to the diversification of our industrial economy.

3. To what extent has it helped create new employment opportunities?

The central thrust of the STS program in South Carolina has necessarily been through an active field service project designed to provide diagnostic and remedial assistance to small and medium size industries. Over 100 companies have been helped significantly through this program to upgrade their manufacturing operations, increase productivity and reduce costs. The outstanding benefit resulting from these services is to increase competitive ability and make it possible for these manufacturers to retain present markets, increase profit margins and expand their sales. All of these conditions are essential to creating new employment opportunities from existing industries. Furthermore, this is the only effective way to combat inflationary tendencies—increased productivity of individuals and organizations.

4. To what extent has it helped upgrade existing employment?

During the last decade South Carolina has realized rapid industrial development. Our present programs call for a continued emphasis on the attraction of new industries which are technically oriented and which will provide a broader base for our economy. Before this industrial development era, labor was wasted and underpaid because of the buyer's market which existed. Industrial development programs are designed to change all this and, in terms of 1959 conditions, there is a "labor shortage." The STS program is essential in helping labor intensive industries adapt new techniques, processes and equipment to avoid the unnecessary use of labor where organizational, method or equipment improvements can be applied. The STS program tends to eliminate or minimize the laborious tasks previously carried out by the surplus labor force and substitute higher skills to operate mechanized equipment.

5. To what extent has it effectively disseminated technical information which was used to improve business?

Three avenues of information dissemination have been used, in this order of effectiveness:

(a) Workshops, seminars and conferences. Through the cooperation of universities in South Carolina several seminars and workshops have been presented which have brought to industry the latest pertinent technology. The response from participants in these sessions indicates they have provided both valuable information and vital stimulus to the participants and the industries for whom they work.

(b) Special projects—Color Measurement Clinic (Clemson) and Foundation Design Manual (University of South Carolina). These two special projects have organized and presented information to two important areas in South Carolina's developing economy. First, the Clemson project has been very effective in serving the textile industry in South Carolina as well as neighboring states and throughout the country. The Foundation Design Manual dealt with peculiar problems of construction throughout the state and reached the concerned personnel of industrial and utility construction groups.

(c) Dissemination of information from the Clearinghouse for Federal Scientific and Technical Information. A continuous dissemination of this information to South Carolina industries has been administered by STS. We believe that the transmission and infusion of this information from federally sponsored research programs to South Carolina organizations can be of significant importance, but our feedback and measurement cannot quantify this value.

6. To what extent has the State STS program been used for coordinating other Federal/State programs?

This has been an area in which the field service program and the central program administration has been most useful in directing and coordinating industrial needs with federal programs. Our STS staff is completely informed of all other state and federal programs and has continuing dialogue with EDA, OEO, SBA, FHA, Coastal Plains, ESC, and MDTA programs.

7. Please indicate any other benefits that you feel have been derived from your State's participation in the STS program.

Probably the one single benefit that far exceeds all others is the rapport that has been established between ongoing industry throughout the state and the South Carolina State Development Board. This program has assumed the function of a clearinghouse for a wide variety of problems that face small and medium size companies, as well as an occasional corporate giant and for which there is not obvious contact of source of information.

8. With respect to the above, what is the cost/benefit ratio of your State STS program?

The cost/benefit ratio of the program has been an elusive criterion which we have sought to establish and which we discussed thoroughly with the Arthur D. Little Company during their recent evaluation. A rational figure has not been developed but perhaps the program can best be evaluated by considering the total cost during the past two fiscal years ($75,000 per year—federal) against the benefits and activities discussed above.

I call your attention to the fact that Senator Prouty requests permission to use our reply in hearings or the Congressional Record. I would also expect that Governor McNair would want to send a copy of his reponse to Senator Hollings because he is on the Commerce Committee along with Senator Prouty.

STATE OF TEXAS,
Austin, Tex., July 11, 1969.

Hon. WINSTON PROUTY,
U.S. Senator,
Committee on Commerce,
Washington, D.C.

DEAR SENATOR PROUTY: Thank you very much for your letter of June 27, 1969, which requested information on the Texas State Technical Services Program.

The State of Texas has always been a strong supporter of the S.T.S. Program. The Texas Five Year Plan to implement the State Technical Services Act and the First Annual Program were submitted in January, 1966 and was the first program approved by the Department of Commerce. Since that time Texas has expended approximately $850,000, of which approximately $450,000 were federal funds. Because of the tremendous pressures on Texas general revenue funds, the nonfederal matching dollars were provided by the universities and by the private enterprise users in the form of fees charged. Because of the necessity for recouping a sizable portion of their costs through user fees, the participating institutions have primarily provided technical services for the larger firms. As Governor, I intend to try to develop a plan for use of the S.T.S. Program which will provide more assistance to those small firms which need help but cannot afford the cost.

We do not rely on the S.T.S. Program in the sense of our being solely dependent upon the program for providing technical assistance. However, we do feel that the S.T.S. Program is an imaginative one with tremendous potential and one which we hope will expand and develop into a program upon which we can rely as the primary source of technical assistance for Texas business and industry.

Quotation of statistics or even specific instances of industry being attracted to Texas as a direct result of our technical assistance program would be extremely difficult. The Coordinating Board, Texas College and University System, which administers the S.T.S. Program in Texas, prepared a Directory of Research Facilities available through the S.T.S. Program which was distributed by the Texas Industrial Commission to over 1,000 out-of-state business and industrial firms. The effectiveness of such efforts is difficult to gauge and any positive results of such efforts will likely be long-term rather than immediate.

A study of seven care histories of technical services provided by Southern Methodist University's Industrial Information Service showed that the services resulted, either directly or indirectly, in the creation of approximately one hundred and forty new jobs, increased sales of approximately ten million dollars for Texas firms and a savings of $250,000 that would have been wasted on a project doomed to failure because of technical defects. To date, the Industrial Information Service has received and obligated $142,536 of S.T.S. funds. All matching funds have been paid by Southern Methodist University and by the firm assisted in the form of user fees. It is estimated that Federal tax revenues have been increased by $657,500 as a result of the S.T.S. assistance rendered in these seven cases. It should be pointed out here that the seven cases studied were not chosen on the basis of the degree of success involved, but were chosen simply because these were the only cases out of the 534 cases assisted by SMU about which relatively complete statistical data was available. At present, Texas has eight colleges and universities in addition to Southern Methodist participating in the S.T.S. Program. Statistics for the programs at those schools will be available at the first part of September when annual reports are compiled. We will be happy to provide this data when it becomes available.

In view of the tremendous potential of the program, I would prefer to see the S.T.S. Program funded at a more realistic level. A grant of $190,000 per year is not a sufficiently large sum to even approach optimum use of the program's potential.

I am most anxious to see the State Technical Services Program continue. The literally billions of dollars spent during the last decade on research and development have created a valuable new national resource—a vast storehouse of new knowledge. We are trying to build in Texas an efficient organization capable of gaining access to this new resource and enabling Texans to participate in the full benefits of the research revolution. We believe that the S.T.S. Program has already demonstrated its capacity to accomplish this end.

Sincerely,

Preston Smith,
Governor of Texas.

Program Evaluation of the Office of State Technical Services

(Prepared for Department of Commerce, Office of Program Planning, by Arthur D. Little, Inc., Cambridge, Mass.)

I. INTRODUCTION

A. Background

1. The State Technical Services Program

The State Technical Services (STS) Program was created by Act of Congress in 1965[1] "to speed industrial and economic growth of the States and the country through an improved application of technical and scientific knowledge." The program was designed to achieve three objectives:

(1) Strengthening the nation's economy by upgrading industries through the utilization of advanced technology, thereby thoroughly expanding the industrial base;

(2) Increasing employment by facilitating industrial use of technology and the manufacturing of new products which result; and

(3) Enhancing the competitive position of U.S. products in world markets.

The emphasis of the proposed legislation is on State participation in technical services programs, planned locally, and designed specifically to place findings of science and technology in the hands of local businesses and industries.

Most funded activities in the program are carried out by designated state agencies under federal grants that provide matching funds for approved projects. The designated state agency prepares and submits to the Office of State Technical Services (OSTS) a five-year plan and an annual technical services program that has been certified by the state governor to be consistent with the policies and objectives of the state. These programs must, of course, follow the technical guidelines issued by OSTS and conform to the STS Act of 1965.

In most cases, these proposals have been funded with only minor revisions suggested by OSTS. Each state program, therefore, has been viewed by an evaluator as a small-scale experiment to demonstrate one or more approaches to technology transfer within a specific business and economic climate, despite the fact that the programs were not operated as experiments.

The STS program was reviewed by The Public Evaluation Committee appointed in accordance with the STS Act of 1965. This committee recommended to the Secretary of Commerce improvements in the STS program, and modifications to the State Technical Service Act.[2]

2. The transfer of technology

In our view, technology transfer means carrying specific technological know-how from a source to another point where it is applied. In many cases, the new applications may serve a completely different purpose than the one for which the technology was originally developed. Obviously, technology transfer is as old as civilization itself, and historically it has been accomplished almost routinely as an instrument of business enterprise. Nevertheless, it is difficult to assert with complete confidence how technology transfer can best be effected in this era of rapid technological change.

Furthermore, no satisfactory criteria have yet evolved for evaluating the economic effects of technology transfer activities. To be sure, there is overwhelming evidence of a direct casual link between technical progress and economic development, but establishing such a cause-and-effect relationship in a particular case is difficult. Moreover, technology transfer cannot be considered complete until the new technology, or a modification of it, is put into practice; this may well be a long and involved process, particularly if the technology is advanced. The barriers to technology transfer programs are not just technical in nature: factors like financial risk, politics, fear of change, legal restrictions, marketing problems, and sheer inertia may block completion of the transfer and thus weaken or negate its economic effect. In addition, technology transfer rarely occurs along logical directions which can be definitively planned in advance.

Technology is generally transferred by either supplying specific units of technology to potential users (information dissemination), or by identifying problems and then finding or adapting the technology that will solve them. In our usage then, both information services and problem-solving are approaches to technology transfer. The problem to be solved is most often seen as unique by the company experiencing it. Problem-solving activities cannot successfully be carried out without personal contacts in the field involving risks and responsibilities for both parties in these activities and motivated by personal rewards and recognition.

B. Purpose and scope

The Department of Commerce asked Arthur D. Little, Inc., (ADL) to appraise the value of public investment in the STS program and to supply evidence for assessing whether the program—with or without modification—merits continued support. The scope of the evaluation has been stated in the Office of Program Planning's Request for Proposal of March 1969 and in the proposal that ADL submitted to that Office March 26, 1969 which stated that we would perform the following tasks by August 22, 1969:

1. Select samples of office of State Technical Services (OSTS) funded activities carried out by designated state agencies,

2. Design interview procedures and analyses that can be used to identify and quantify the economic and other benefits of an objective character that resulted from each project,

3. Determine the variables associated with high and low achievement of objectives,

4. Analyze the effectiveness of OSTS activities and establish cost benefits based on degree of industralization, type of activity, type of technical dissemination, and type of client served,

5. Compare present OSTS activities with other existing technology transfer activities,

6. Formulate recommendation for improvements in the current program, assuming continuation of the existing level of funding,

7. Establish the appropriate level of funding for the program and determine whether the current program can be justified on solely economic grounds, and

8. Develop procedures, information requirements, and cost guidelines for continuing evaluation as an integral requirement of future OSTS projects supported by public funds.

C. Approach

On the basis of the understanding developed through our experiences with technology transfer, we established what information would be most valuable to those interested in the results of our evaluation. In the absence of formalized procedures within the STS program designed to generate the required data, we developed questionnaires, interview guidelines, and analytical procedures as the basis for a realistic and useful assessment of the program. (See Appendix)

We conducted a detailed evaluation of the program within nine states—Arkansas, Georgia, Illinois, Michigan, Oregon, South Carolina, Utah, Vermont, and Wisconsin. To obtain a varied and representative sample, we selected these states on the basis of the following factors: Geographic location, nature of industry, dynamics of industry, income distribution, program image, program content, and population factors.

When we began our evaluation, the states participating in the STS program formed a committee composed of a number of state program directors. They offered us their cooperation, which we accepted, with OPP concurrence, as a way of obtaining useful feedback on the information developed in our evaluation.

We asked each of the nine selected states to choose the ten most successful cases of technology transfer achieved by the program in that state. We defined a case as an interaction with a user organization about a specific and identifiable subject, such as a problem or need. While the states were selected for examination on the basis of the different factors listed, the cases within each state were selected for the greatest possible success, in the view of that state. We reasoned that detailed evaluation of a small number of the most successful cases would be the most easily measurable indicator of overall results achieved in a state. Random sampling of cases would be costly and perhaps misleading because the percentage of successful cases might in fact be small.

Footnotes at end of article.

With the assistance of the state program directors, we arranged to conduct detailed interviews with persons concerned with the selected cases. We sought detailed and verified information on who was helped in each case, in what way, and what the specific technical and economic effects were. In our interviews we obtained confidential information from the company and STS personnel involved, as well as university or other technical people who had played a role in the case or had been a direct witness to events.

Results obtained are summarized in Chapter III of this report, and presented in Appendix C.

We submitted questionnaires not only to the nine selected states but to all the participants in the STS program (See Appendix C). The questionnaires were designed to obtain information about program activities, response to the program funding, and administrative procedures. We interviewed representatives of the OSTS, Office of Field Services, Economic Development Administration, Federal Clearinghouse, and the Office of the Assistant Secretary for Science and Technology to obtain their views of the STS program and to inform ourselves about other related Department of Commerce activities. We also consulted with staff members in the Bureau of the Budget.

II. SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

A. Summary

Our evaluation of the STS program shows it is providing a useful and economic service in transferring technology which substantially benefits the nation. The program can be made more effective and costs reduced by concentrating the federal and state investments in efforts and services which yield the most returns. We recommend that the STS program receive continued Federal and State support with increasing emphasis on direct service to industry.

Detailed conclusions and recommendations are supported and amplified in the following sections.

B. Conclusions

1. Federal Support Justification

The program should receive federal support because:

Risks of innovations necessary for industrial growth are spread across a large number of companies;

Increased tax returns are obtained from successful innovations which the program helped develop; and

Social benefits are an important product.

A major block to innovation by small firms with limited technical resources is the high risk associated with the cost of technical assistance in solving problems.

A major contribution of the program to economic development is the distribution of the costs of high-risk innovation.

2. Program Benefits

The program is meeting its goals by providing technical services which result in both primary and secondary economic and other benefits to the nation.

In general, the program produces economic benefits which are greater than its cost, but the benefit-to-cost ratio can be improved.

We estimate that expected tax returns to federal, state, and local governments based on increased economic activity generated by the program will cover its cost.

Most of the successful cases interviewed produced significant secondary economic and social benefits in addition to primary benefits, such as increased sales and new jobs, and cost savings.

The program has been most helpful to small and medium sized firms which do not have broad technical and research capabilities.

The program has provided useful technical services to firms who would not or could not pay for such services.

An important effect of the program is increased awareness by program users of external technical resources and how to apply them.

3. Program Content

Field services, including referral, are the most valuable part of the program. Information and educational services are secondary and discretionary activities.

In each year, a few successful cases will produce most of the benefits, while the majority of cases produce little or no benefit, which is typical of activities involving innovations.

It is not possible in most cases to predict whether a user will benefit from services.

Technology transfer was an important ingredient in almost all interviewed cases. The technology transferred was seen as new and valuable to the user, although it may have existed elsewhere for some time.

Problem-solving services provided under the program do not conflict with those available from other private or public sources.

Successful STS program personnel are aggressive risk-takers who are willing and able to make informed judgments on technical and business issues, and to commit resources in situations where a successful outcome cannot be predicted.

4. Areas for Program Improvement

Communications between states can be improved to facilitate more complete exploitation of useful results and techniques. The OSTS has a unique contribution to make in such communication.

The program only partially benefits from other Department of Commerce activities which are directed to stimulating the growth of the economy.

C. Recommendations

The information we have obtained and the conclusions drawn from them have led us to make the following recommendations:

1. The program should be retained and federal support continued.

2. Problem-solving services to industry which do not participate in federally-sponsored R&D programs because of small size or nature of industry should be the central activity of the program.

3. Field services which are oriented towards problem-solving should receive increasing emphasis through increased budgets and more personnel.

4. Education, information services, and demonstrations should be de-emphasized and only used as discretionary activities in support of need-oriented field services.

5. Federal funding levels should be increased gradually in a manner which permits new personnel to be adequately trained.

6. The funding formula for the states should be revised and expanded to take into account need factors, as well as performance.

7. The OSTS should design and institute a management information system to provide continuing evaluation of program effectiveness and direction, particularly with respect to economic effects and benefits.

8. The OSTS should play a stronger role in defining and guiding program activities and methods, including program evaluation.

9. The Department of Commerce should establish regional offices for improved communication and coordination of activities between the states.

10. Organizational and geographical location of STS field offices should be reviewed in the light of increased emphasis on field services.

11. The state directors should have more flexibility in the use of funds.

12. The Department of Commerce should review other activities (such as documentation, information, and educational services) which parallel the services of STS to eliminate duplication and promote increased working cooperation.

13. The Department of Commerce should continue to obtain interview-based case histories and comparative economic studies to determine the economic benefits resulting from industrial innovations and how to maximize them through technology transfer programs.

III. RESULTS OF EVALUATION

The method of evaluation used interviews and questionnaires for fact-finding. The variable and complex nature of the STS activities did not permit us to come to any *a priori* conclusions, but rather, required a concerted effort to establish economic effects in the different states. The information obtained was reviewed and analyzed in terms of economic effects. We used statistical methods (based on the results obtained in the interviews) to project economic effects to an entire state program, and to the 50 state programs.

A. Selected cases

We placed the greatest emphasis on factual material obtained through direct interviews. Memoranda concerning each interview were prepared (as many as seven or eight interviews were held concerning as given case) and three of the most successful cases are summarized below.

1. Vermont Case No. 1

Federal and state water pollution legislation forced cheese manufacturers to discontinue dumping whey into Vermont rivers and streams as of January 1, 1969. When the STS director in Vermont learned of the potential impact of the legislation which would have resulted in bankruptcy or closing down for some cheese producers and curtailed operations for others, he funded a small study at the University of Vermont on the feasibility of converting the liquid whey into a dried, edible product. The results of the study were favorable, and, with these findings, he was able to:

Attract a major food processor into the state who possessed the required technology to operate the drying plant,

Organize the 18 cheese manufacturers into a cooperative group that agreed to supply whey,

Arrange $2 million in federal grants and loans to the project, and

Provide leadership, direction, and coordination to the project.

Aspects of annual economic effects include:

54 new direct jobs created at the whey plant, with an annual payroll of $464,800 based on sales of $1,440,000 of dried food grade whey per year,

51 jobs saved at 4 cheese plants which would otherwise close down (payroll $225,000),

28 new jobs created by increase in cheese production—payroll $395,000,

$454,800 in new federal, state, and local tax revenue generated,[3] and

119 new jobs in secondary employment.

Most of the primary and secondary employment will occur in Franklin country, an area with serious unemployment problems.

No estimate has been made of the economic or other benefits from removing the pollution from Vermont rivers and streams.

However, the cost of a sewage disposal plant which would have been required to process the whey is about $30 million, plus about $400,000 per year for operating cost.

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2. Georgia Case No. 2

A firm which bottles soft drinks and preserves decided to switch to plastic bottles for its soft drink line, believing that the plastic bottles would be cheaper, safer, and more appealing to the consumer. However, after production had begun, the bottles began to leak.

The firm tried various remedies, none of which worked. It appealed to the plastic manufacturers, the container companies, and group after group of engineers, but to no avail. Finally, it contacted the Georgia STS group. Because of the agricultural nature of the product line, a delegation from the University of Georgia was sent to investigate the problem, but it was unable to solve it. A second contract was arranged by the Georgia STS with the Industrial Development Division (IDD) at Georgia Tech. A field engineer was sent and he redesigned the bottle closure, thus solving the leakage problem.

The solution of this problem enabled the firm not only to expand its production and sales of soft drinks because of increased consumer acceptance, but also to increase its area of distribution due to lower freight costs on the lightweight plastic containers. The differential in sales from the use of plastic rather than glass bottles amounted to an estimated $1,000,000 in the first year.

In addition, the plastic bottle supplier in Ohio, which has agreed to manufacture the new design, has received a firm $140,000 order for the bottles. As a result of this order, it plans to establish a new plant in the Atlanta area that represents an investment of $200,000.

Before success had been demonstrated, the manufacturer stated that a small firm like his cannot afford to use consultants when results are not assured. Now he has modified his stand and signed a contract for $15,000 for further development work at Georgia Tech.

3. Arkansas Case No. 3

This case involves service to the developer of an automatic catfish feeder. Catfish raising in artificial lakes has become an important business in Arkansas. Until recently, the fish have been fed by distributing meal or pellets by hand, a time-consuming and expensive process. The subject of this case, a successful catfish farmer, invented an automatic blower type feeder which can be mounted on a tractor. If the tractor is driven slowly along the bank, the feeder spreads an even, economical distribution of feed out to the fish. It saves labor, conserves feed, and reduces overcrowding and nonuniformity of fish size.

The inventor had produced a hand-made working model, but needed help to commercialize the feeder. The STS field agent studied the situation and recommended that he develop reliable production cost data on the device, and also optimize its design on the basis of available information on how catfish should be fed. The agent then developed the needed cost information, as well as the marketing requirements and design specifications. He tested and calibrated the finished device and worked out operating specifications. Finally, he helped the inventor to find a suitable manufacturer in Pine Bluff and then set up an equitable agreement between the inventor and the manufacturing firm.

The inventor estimates that, over five years, machines will be used on 100,000 acres of catfish farms at one machine per 50 acres. He expects to capture 40% of the market and sell 800 machines at a selling price of $1,000 each, or total sales of $800,000.

The services provided by STS were crucial to the commercial development of the catfish feeder. The inventor had little sophistication or previous experience that would allow him to make needed decisions and develop necessary information for the development of the feeder. He did not have the money to hire a professional consultant and believed that a small businessman, like himself, was safer dealing with a state organization than with private consultants or manufacturers.

B. The STS contribution factor

In analyzing the interview material, only claims that we could substantiate were accepted and minimum figures were used when in doubt about the economic effects of the STS program. The "STS Contribution Factor" represents our judgment of the importance of the contribution of STS services to improvements achieved by a company in its operation. In no case did we assume that an STS contribution was the only crucial factor in a company's performance, even if it did have a major effect. Company performance depends not only on the STS contribution but also on many other factors—not the least of which is the contribution of the company's own personnel.

The size of the STS Contribution Factor which we assigned in a given case depends on whether the services performed were passive or active. Table 1 identifies typical services and indicates the relative size of the factor associated with these services. The magnitude of the STS Contribution Factor was determined by discussing the case with the interviewer and applying the judgment of several senior ADL staff members.

C. Economic effects

Table 2 summarizes interview results in the nine sample states, and presents the positive economic effects that the STS service had on individual companies. The major business features of these companies are listed in Table 3 (arranged by magnitude of economic effects as shown in Figure 1). The economic effects fall into the general categories of sales, savings (in costs or jobs), loss prevention and investments. To compare the different cases and to make projections, we expressed the economic effects in dollars of sales, using the averaged conversion figures appropriate to the different categories and industries prepared by *Fortune* magazine.[4] The useful lifetime effects were discounted by applying the appropriate STS contribution factor. The useful lifetime for a case was assumed to be the average lifetime of a product in the business area applicable to the case. Table 4 shows our estimates of these useful lifetimes. The useful lifetime effect in several cases was larger than a straight line estimate would have indicated.

TABLE 1.—*Examples of STS contribution factor* (Arranged in increasing order)

[STS contribution factor, in percent]

Type of service:	
Providing the name of a specialist; sending general or background literature; referral to specific information or specialized information service	0 to 25
Participation in combined diagnosis and planning activity; preparing detailed plan for use of solution; convincing or selling client on need for a particular change and facilitating change; coping with strong resistance from one or more places	25 to 50
Inventing, devising or developing solution to client's problem; providing leadership, taking responsibility and demonstrating solution	50 to 75

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TABLE 2.—ECONOMIC EFFECTS FOR INTERVIEWED CASES

[Dollars in thousands]

Sample State and case number	Type of effect	1st year effect	Estimated useful lifetime (years)	Estimated useful lifetime effects	STS contribution factor (percent)	Discounted STS useful lifetime effect
Arkansas:						
1	Sales	$400.0	5	$7,800.0	15	$1,170
2	do	430.0	5	2,150.0	20	430
3	do	3.0	5	800.0	25	200
4	do	90.0	3	2,850.0	10	285
Georgia:						
1	Savings	145.0	5	835.0	10	84
2	Sales	1,000.0	4	4,000.0	10	400
3	do	140.0	4	560.0	5	28
Illinois: 1	Savings	650.0	[1] 1	[1] 650.0	100	650
Michigan:						
1	Loss Previous.	10.0	1	10.0	60	6
2	Sales	1,000.0	4	4,000.0	20	800
3	do	200.0	4	800.0	5	40
	Savings	4.0	4	14.0	10	2
Oregon:						
1	Sales	40.0	2	80.0	5	4
2	Loss Previous.	12.0	1	12.0	30	4
3	do	7.0	1	7.0	10	1
4	Savings	4.0	6	25.0	50	13
South Carolina:						
1	Sales	$250.0	4	$1,000.0	30	$300
2	Savings	5.0	3	15.0	30	5
3	Sales	1,300.0	4	5,200.0	30	1,560
Utah:						
1	Savings	10.0	2	35.0	50	18
	Sales	25.0	2	50.0	10	5
2	Savings	.3	1	.3	50	....
3	do	3.5	1	3.5	5	....
	Sales	100.0	3	300.0	10	30
Vermont:						
1	do	1,440.0	5	7,200.0	20	1,440
	do	255.0	5	1,275.0	40	510
	do	140.0	4	560.0	40	224
2	Savings	6.0	6	36.0	30	11
	Loss previously.	7.0	1	7.0	30	2
Wisconsin:						
1	Savings	25.0	5	125.0	5	6
2	Sales	2,500.0	1	2,500.0	1	25
3	Savings	1,000.0	1	1,000.0	1	10
4	do	350.0	1	350.0	5	18

[1] Since continuing costs occur along with continuing effects, effects are measured on annual basis only.

TABLE 3.—FIRMS INTERVIEWED

[Dollar amounts in millions]

Code	Type of company	Annual gross sales
Arkansas No. 1	Feed mill	$1.5
Arkansas No 2	do	6.6
Arkansa No. 3	Private inventor	(1)
Arkansas No. 4	Laser grading equipment	1.4
Georgia No. 1	Brick manufacturer (28 employees)	
Georgia No. 2	Food processing and packaging	3.0
Georgia No. 3	Container manufacturer	(2)
Illinois No 1	Computer services to construction industry	(1)
Michigan No. 1	Building system supplier	1.0
Michigan No. 2	Instrument manufacturers	1.0
Michigan No. 3	Power transmission equipment	.6
Oregon No. 1	Individual fisherman	(1)
Oregon No. 2	do	(1)
Oregon No. 3	do	(1)
Oregon No. 4	Oregon coast fisherman	(1)
South Carolina No. 1	Iron and steel company	$8.0
South Carolina No. 2	Canvas products	3.0
South Carolina No. 3	Synthetic yarns	7.5
Utah No. 1	Wig manufacturer	.3
Utah No. 2	Patient monitoring equipment, fluidic systems, machine parts.	.415
Utah No. 3	Optical instruments (small company)	(2)
Vermont No. 1	Whey drying plant	(1)
Vermont No. 2	Drilling, structural steel products	4.8
Wisconsin No. 1	Rubber	1.5
Wisconsin No. 2	Stainless steel	2.8
Wisconsin No. 3	Industrial products	375.0
Wisconsin No. 4	Electronics manufacturers	100.0

[1] Not applicable.

[2] Not available.

Figure 1 presents the economic effects arranged by magnitude of the cases. The type of service rendered by STS is also indicated. A small number of successful cases account for the largest economic effects, with field services being the dominant STS activity. In the nine sample states, we found that successful cases were only a small percentage of the total number of cases. Modifications in program operation or funding can be expected to influence the number of successful cases, although the general distribution pattern is likely to remain the same; this is indicative of high risk innovative activities.

We designed a statistical projection procedure (See Appendix B) for extrapolating the results of interviews in the nine sample states to obtain: 1) the aggregate economic effect for the first year in which such an effect was obtained; and 2) estimates of the aggregate economic effect for the lifetime of a case. The statistical procedure was based on a log-normal distribution function which has been used to predict similar events (See Figure 2). This distribution provides minimum projections for economic effects.

Table 5 summarizes the first year and lifetime economic effects extrapolated from the interviewed cases to the individual sample states for comparison and evaluation. The table also shows the combined federal and state budgets and the federal budgets for 1969.

Figure 3 shows that the ratio of program expenditures to economic effects (lines 1 and 2) for the successful cases (which made up the bulk of economic effects generated by the program in the sample states) is far larger than the ratio of overall costs to economic effects (lines 3 and 4) in the same states. Because there is no way of predicting where field services will have the most significant effects, activities have to be spread over many cases requiring a proportionally larger expenditure.

TABLE 4.—*Examples of useful lifetime estimates*

	Years
Consumer products:	
Basic foods	4
Clothing, fabrics	2
Packaging and containers	2
Cosmetics	1
Toys, novelties	1
Industrial products:	
Structural steel	6
Heavy machinery	5
Chemicals	4
Building materials	3
Electronics	2
Instruments	2
Services:	
Insurance	6
Computer services	3

TABLE 5.—ECONOMIC EFFECTS IN SAMPLE STATES

[In thousands of dollars]

	First-year State aggregate	Useful lifetime aggregate	Total 1969 budget	1969 Federal budget
Arkansas	294	2,838	153	70
Georgia	620	4,457	214	107
Illinois	1,625	1,625	753	200
Michigan	522	1,628	393	197
Oregon	234	619	138	69
South Carolina	631	2,477	154	77
Utah	233	785	165	59
Vermont	1,264	3,814	153	66
Wisconsin	1,279	1,513	198	97
Total	6,702	19,756	2,321	942

The ratio of the entire STS program budget ($10,878,000) to the nine-state budget ($2,321,000) is 4.7. Using this ratio, the entire program one-year aggregate economic effect would be projected as $31,412,000 and the useful lifetime aggregate economic effect would be $92,596,000.

These projections are useful in a gross sense only. Our interviews in the nine sample states showed wide variation in techniques and procedures, and we have no reason to expect uniformity in the other states. Therefore, we feel that more accurate estimates of results in any state must be based on interviews in that state.

Our evaluation explored some new ground in the assessment of activities designed to produce economic effects. We believe that the results are useful as a guide for the evaluation of programs such as the STS when no program results are available. Many of the approximations we used out of necessity can be refined to greater accuracy in the future and a system designed to collect appropriate data.

IV. IMPLICATIONS OF THE EVALUATION FOR THE STS PROGRAM

A. Benefits of the STS program

In discussing results obtained through STS participation,[5] we have distinguished between effects and benefits. An economic *effect* is a change in economic activity, i.e., sales of goods and services, including labor, real property, barter, trade, loans and investment, stocks and bonds, personal and professional services, entertainment, taxes, and government expenditure.

An increase in one region that is a result of a decrease in another region is considered a *net* effect (i.e., losses cancel gains). Economic effects are usually directly observable and readily quantifiable.

An economic *benefit* is a positive net effect upon the society at large expressed within the intent of the State Technical Services Act in terms of Gross National Product, employment, and increased competitiveness of U.S. products. In addition, we believe that upgrading of products, services, labor, wages, and environment are examples of other benefits. "Almost without exception, technological developments will affect some people or interests adversely and others beneficially, and there simply is no agreed-upon algebra by which one can neatly subtract the pains from the pleasures in order to arrive at a net index of social desirability.[6]

"Innovation is the keystone of a strong economy and incentives for innovation are justified by the broad social benefits engendered by technological progress. This position has long been supported by economic theory, and, recently, by empirical evidence. Indeed, research by Joseph Schumpeter supports the fundamental conclusion that entrepreneurial innovation is the wellspring of economic growth."[7] Modern econometric studies indicate that more than 80% of the growth in output (GNP) in the United States from 1909 to 1949 must be attributed to innovation and efficiency.[8,9]

Benefits may be primary; that is, direct and immediate consequences of action taken or they may be secondary, indirect, and not an immediate consequence. Both primary and secondary benefits must usually be inferred, rather than observed. Secondary economic benefits might include the following:

Increasing the general competitiveness of American industry,

Economic development of regions,

Improving the level of technology and increasing the efficiency of American industry, and

Improving or increasing application of scientific or technical knowledge and procedures.

The cases examined in our study varied in the degree of innovation involved. While the primary economic effect may not be a direct function of innovation, the secondary benefits appear to increase as innovation increases. Thus, in South Carolina Case No. 1, where the STS provided an industrial engineering analysis of a structural steel production facility, little or no innovation occurred, and benefits are probably rather narrowly confined. On the other hand, in terms of changing the way people do things, the innovative impact of Vermont Case No. 1, where a whey-drying plant is under construction in Franklin county, is quite large and the secondary benefits (e.g., secondary equipment, removal of pollution, probable increase in tourism, and economic development of a poverty area) are very significant.

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1. Economic Benefits

The increased sales received by companies as a result of STS program services may be regarded from a national or social point of view as related (through the portion of the increase in sales which represents an increase in value added)[10] to the GNP. From a social point of view, an increment to GNP is the most widely used accounting measure of the merit of an economic activity and is used as one of the performance criteria as we have interpreted the State Technical Services Act. Other criteria, such as increased employment and enhancement of the competitive position of U.S. industry, while desirable, are not readily measurable in the cases examined. To produce the estimate of the increase in GNP, the increase in sales was multiplied by the ratio of value added to value of shipments.

TABLE 6.—RATIO VALUE ADDED TO VALUE OF SHIPMENTS

	Value added by manufacturer	Value of shipments	Ratio VA/VS
Arkansas	1, 568	3, 827	0. 410
Georgia	5, 034	11, 876	. 424
Illinois	20, 045	41, 843	. 479
Michigan	17, 297	39, 407	. 439
Oregon	1, 961	4, 451	. 441
South Carolina	3, 035	6, 456	. 470
Utah	750	1, 665	. 450
Vermont	486	1, 101	. 441
Wisconsin	7, 062	15, 811	. 447

Note: 1967 Census of Manufacturers: General Statistics for Geographic Divisions and States, U.S. Dept. of Commerce.

Evaluating a case in terms of its contribution to gross national or state product also permits generalization as to the increase in federal, state, and local revenues likely to be produced by the increase in GNP. In 1968, approximately 14.5% of the GNP of the United States was received as net tax payments by the federal government. Contributions to social insurance (transfer payments) have been excluded from government receipts. In addition, state and local government receipts are net of federal grants. State and local government receipts constituted 9% of GNP in 1968. Thus, insofar as the increased value product of the sample companies is typical of their respective states, the enlarged activities within the nine states in which interviews were conducted may be expected to generate approximately $1,254,000 in federal government tax receipts, and $783,000 in state and local government tax receipts.[11] (See Table 7.)

Rough estimates of the additional employment provided in the nine sample states can also be inferred from overall GNP aggregate for 1968. In that year, the value of GNP per employed member of the labor force was about $11,200.[12] This dollar amount of GNP per worker applied to the additional sales recorded for the sample states indicates that (if the successful companies are typical of the nation as a whole in this one respect) about 600 additional jobs may have been created as a result of their enlarged activities. Table 8 shows the increased employment calculated from the increase in value added in each state.

In very few instances the program provided services which contributed to increased economic activity in one area that were reflected in a decrease in another area (e.g., location of an electronics company to utilize STS information services in one state rather than in a neighboring state which did not concentrate their program effort in these activities). Such application of STS services, while in accordance with the STS act, contribute only marginally to the nation's economic development. They can be avoided in the future by instructing field agents to concentrate their efforts on activities which assist industry to introduce innovations in terms of new products, processes, and services and new business activities. The difference between economic benefits produced by a new venture as opposed to a relocated one or one which is made more competitive is, of course, a matter of degree. Continuing evaluation of the STS program should permit deliberate guidance of program services by crediting economic benefits to the STS program which are not just displaced from one location to another.

TABLE 7.—FEDERAL GOVERNMENT RECEIPTS

[In thousands of dollars]

State	Increase in sales, useful lifetime state aggregate	Corresponding net contribution to gross national product [1]	Federal receipts at 14.5 percent	STS Federal budget 1969	State and local receipts at 9 percent	STS 1969 State budget	Total receipts	Total 1969 budget
Arkansas	$2, 838	$1, 164	$169	$70	$105	$83	$274	$153
Georgia	4, 457	1, 890	274	107	170	107	444	214
Illinois	1, 625	778	113	200	70	533	183	753
Michigan	1, 628	715	104	197	64	197	168	394
Oregon	619	273	40	69	25	69	65	138
South Carolina	2, 476	1, 164	169	77	105	77	274	154
Utah	785	353	51	59	32	106	83	165
Vermont	3, 814	1, 682	236	66	151	87	387	153
Wisconsin	1, 513	676	98	97	61	101	159	198
Aggregate States	19, 755	8, 695	1, 254	942	783	1, 380	2, 037	2, 322

[1] Obtained by multiplying column 1 by VA/VS from table 6.

Note: 1969 total budget for all programs: $10,878,000.

TABLE 8.—EMPLOYMENT EQUIVALENT OF GROSS NATIONAL PRODUCT INCREASE

[Dollars in thousands]

State	Increase in sales useful lifetime State aggregate	Less [1] savings	Increase in sales only	Increase in GNP	Primary employment equivalent (Number of jobs)
Arkansas	$2, 838	0	$2, 838	$1, 164	104
Georgia	4, 457	$1, 246	3, 211	1, 361	122
Illinois	1, 625	1, 421	204	98	9
Michigan	1, 628	115	1, 513	664	59
Oregon	619	531	88	39	3
South Carolina	2, 476	106	2, 370	1, 114	99
Utah	785	431	354	159	14
Vermont	3, 814	196	3, 618	1, 596	143
Wisconsin	1, 513	661	852	381	34
Total	19, 755	4, 707	15, 048	6, 576	587

[1] Total savings is a mixture of savings from the reduction of various factors of production including labor. In order to produce a deliberately conservative estimate of net primary employment created by the increase in value added, all savings were subtracted from it. This is probably overly conservative in that whatever labor was saved would be unlikely to remain long unemployed.

Sources: "The Economic Report of the President," January 1969, and Arthur D. Little, Inc., estimates.

2. *Secondary Benefits*

In addition to measurable economic benefits, projects may have secondary noneconomic benefits that can be identified but not quantified. These secondary benefits must be considered in any evaluation of a program.

In many of the cases studied among the smaller and technically less sophisticated user firms, learning the techniques and resources of technical problem-solving was an important secondary benefit. Some of the users, as a consequence of receiving help, started efforts to solve other problems facing them by searching out information sources, consultants, etc. Table 9 presents typical secondary benefits we found to be produced by STS program activities.

Benefits like those shown in Table 9 can be an important gain for society. For example, in Vermont Case No. 1, reducing pollution and producing an edible protein food supplement are both socially and economically desirable. Program services should be designed to support activities expected to result in such benefits. The success of the program should be gauged not only by its economic consequences but also by its contribution to the public good in ways that are not necessarily reducible to economic benefits.

B. *Public support for program*

A major question that has been raised about the STS program is: If the program is successful, why should the federal government (rather than the states or industry within the states) support the program? The answer to this question is, of course, intimately tied to the benefits that result from the program. Unlike the programs of state development commissions, the STS program is concerned more with creating new activities that will produce benefits for society as a whole than with displacing an activity from one place to another or improving the competitive position of a particular company or segment of industry.

TABLE 9.—*Typical secondary benefits of the STS program*

PROGRAM

Vermont #1: Reduction of pollution in Vermont rivers and streams.

Potentially increased tourism.

Illinois #1: Increased efficiency in construction industry.

Use of Illinois-developed computer program in other states.

Arkansas #3: Availability of more efficient fish-feeding methods.

Awareness of business procedures and product development techniques by private developer.

Footnotes at end of article.

Oregon #4: Organization of fishermen into group for sharing information and pooling resources.

Georgia #1: Improved knowledge of available techniques in brick manufacturing.

Georgia #2: Awareness of a variety of problem-solving services and resources.

Utah #1: Awareness of wide range of low-cost replacement materials.

In a number of states, the development department is the designated agency and might tend to emphasize these displacement effects, which are generally easier to produce, rather than innovative activities. With an STS program carried out on a national scale with federal support and guidance, there is better chance to produce benefits for an entire region or the nation as a whole. The federal government can assess the desirability of social benefits and provide incentives for industry to engage in activities which can lead to such benefits. If these activities are left to the states, each state government would emphasize its own political and economic objectives and each state program could be a success with the sum of such "benefits" for the nation equal to zero.

Most small firms are not in a good position to absorb the costs and incur the risks involved in technology transfer. To be sure, private consultants play an important role in disseminating the benefits of new technology to American business; however, many firms have never received problem-solving assistance from an outside source and are reluctant to do so because they cannot afford a single failure in an activity where failures outnumber successes by something like ten to one. These firms often attempt to innovate, but have neither the technical staff to follow through internally or the financial resources to absorb failures. The STS program can afford a reasonable number of failures, if the successful projects produce sufficient primary economic benefits to generate tax returns equivalent to the total program budget, as we have shown they do in some states. These small but innovative firms are perhaps the ones that most need such assistance. For them, the STS program serves as a form of insurance, or risk distribution. Because they are free to the user, the STS services may well encourage these firms to attempt innovations they would not try otherwise.

Federal funds for research and development serve as a springboard for new products and processes for many large firms. The STS programs give firms that have not received such federal R&D funds an opportunity to develop new and improved products and processes. There is some evidence to show that many smaller firms are willing and able innovators, but without participation in federal R&D programs or some other form of technical assistance, they can rarely afford or attract the technical staff needed for complex development.

C. The relationship of the STS program to other programs

Several current programs of the Department of Commerce and other government agencies provide services that relate to the STS program.

We found that the cooperation between STS and other various programs—particularly with the Economic Development Administration (EDA) and Office of Field Services—depends on the initiative of local personnel. For example, in Pennsylvania the STS program has very close relationships with the Office of Field Services in Philadelphia, but no contacts with the office in Pittsburgh.

Apparently, there is no overall policy for coordinating the various program components of the field offices of STS, EDA, and Office of Field Services in order to achieve their common objectives. The major difference appears to be that the STS program is supported by federal grants, state funds, and to a limited extent, private funds, while EDA and Office of Field Services are funded and staffed by the Department of Commerce.

Several of the EDA and Office of Field Services staff members we interviewed felt that the activities of the STS program could be absorbed by their programs. However, further discussion showed that EDA and Office of Field Services activities do not parallel the most important activities of the STS program, i.e., direct services that provide problem-solving assistance to industry, primarily on a technical level. The Office of Field Services as the direct representative of the Department of Commerce, makes available the resources and services of the Department and answers technical inquiries with information from the Federal Clearinghouse or Patent Office.

The Office of Field Services estimates that a typical staff member spends 40% of his time in field contacts with industry, whereas the STS field agent spends about 60% of his time in field contact and the more successful his efforts, in general, the more time he spends in direct contact with users. The Technical Assistance Program of EDA is concerned more with planning and programming sizable development projects than with the type of problem-solving carried out by STS. Moreover, in the EDA program technical assistance funds go directly to the applicant (although a maximum nonfederal contribution in cash or kind is sought for each project, so that the federal share does not ordinarily exceed 75%). The ratio of shared expenditure in the STS program is unique among the federal government's current technology transfer activities.

A number of other federal agencies have responsibilities in the area of technology transfer. These include the National Aeronautics and Space Administration (NASA), the Atomic Energy Commission (AEC), the Department of Agriculture (USDA), and the National Science Foundation (NSF). The first two seek to make technology available to industrial users through publications, information services, and industrial cooperation programs. USDA activity is aimed at serving agriculture. In addition to literature and information services, USDA emphasizes local field offices. The NSF is indirectly involved in technology transfer through its concern with improving scientific information systems. It performs research on the communication of scientific information.

D. Program funding

Since measurements of the program's economic benefits are only now emerging, estimates of optimum funding levels have not been possible in the past. Therefore, overall funding levels for the program have tended to reflect availability of money. The formula for distribution to the states does take into account some need factors, such as population size and degree of industrial development.

The overall program federal funding level [13] reached in the last full year of operation appears to be sufficient to maintain the momentum of the program. However, there are many more potential users than there are resources to reach them. Because the federal budget could be substantially increased without reducing the ratio of benefits to expenditures, increases should be gradual to insure the efficient training and integration of new personnel in an operation where personal relationships are important. (ADL experience with new staff members suggests that 15% growth per year is a reasonable figure).

The formula used to allocate funds should be revised so that the federal government is better able to support economic development programs in specific regions, assist localities with large numbers of disadvantaged, and provide the states with incentive for achieving state program objectives. This will require the establishment of uniform criteria for measuring program effectiveness along the lines used in this evaluation.

Once such criteria have been established, the various state programs can be compared to determine which ones deserve continued support and which ones should be discontinued. The proposed regional offices would then have a basis for suggesting remedial measures and changes in program organization or content. The criteria would also place OSTS in a better position to review proposals and funding requests. Additional funds can then be allocated to those states which follow suggestions for improving their programs. The fact that the states themselves have been increasing their matching funds (two-thirds of the states increased their contributions in 1968) indicates some degree of state satisfaction with the program's economic and other contributions.

It is often difficult to determine precisely how much a particular state spends on the program. One reason is that some states obtain funds from private sources (e.g., Illinois obtained $553,000 in one year from such sources). Moreover, some states (e.g., Arkansas) pool STS funds with funds from other programs, such as EDA.

E. Program activities

Within the meaning of the Act of 1965, STS program activities can be classified as either information services, educational services, referral services, field services, or demonstrations. All of these activities are potentially useful aspects of technology transfer; however, as we have shown, direct field services which participate in problem-solving are most effective.

Information services are, of course, invaluable for disseminating technology, particularly to companies that lack know-how or a market position in a specific area of technology and do not have ready access to an information center where the information they require can be obtained. However, STS information services should not be considered ends in themselves as we often found. Their primary purpose should be to serve as back up and support to the problem-solving activities of the field agent. In this way, the entire program can benefit from the accelerated development of integrated comprehensive information systems [14] expected in the coming years, particularly, the planned build-up of computerized federal systems.[15] For example, more regional information centers that draw upon the federal data base could be set up; these centers could supply information rapidly and at low cost, interpret it for the user, and support the field agents problem-solving activities as needed.[16] And (because of their access to federal data) the centers would not have to spend time and money establishing and cataloging information systems on the state or regional level. Moreover, since information services by themselves are not unique to the STS program, they should be coordinated with activities of other agencies whose primary function is to supply information. As far as the STS is concerned information should be treated as just one of many available resources the field agent or problem solver may choose to employ.

Educational services accounted for over 25% of the total program expenditures in 1968. (See Table 10). The effect of these services is difficult to evaluate by any accepted indices of economic activity. Like all well-run educational services, they are of value, and the seminars and courses arranged by the program have enjoyed considerable popularity and acceptance by industry. On a practical level, they have been used to aid in marketing of field services,

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Footnotes at end of article.

uncovering of problems, and as public relations activities in support of the program and the associated universities. They may also be useful start-up activities in a state with a new program.

TABLE 10.—*Federal STS support by activity, 1968*

Administration	$498,291
Education services	1,260,645
Information dissemination services	1,148,386
Subtotal	2,409,031
Referral services	403,045
Field services	984,037
Subtotal	1,387,082
Demonstrations	158,604
Total	4,453,008

Source: U.S. Department of Commerce.

Nevertheless, educational services do not appear to be essential to the program's objectives. Although fees can be charged for some of them, the administration and organization of seminars and courses does require considerable program effort. The STS program, therefore, could well de-emphasize—without completely eliminating—these services.

One way to do this is make the program a focal point for industry's educational needs in a given area and to encourage state universities, private institutions, and professional societies to respond to these needs. For example, rather than conducting short courses on computer methods, critical path methods, or technological innovations, the state services could direct interested parties to the almost identical courses that many institutions of higher learning are now sponsoring. Conversely, such institutions could make their special capabilities known to the STS so that industry can be informed of opportunities for obtaining useful scientific and technical knowledge.

Thus, STS could serve as a bridge between industry and universities. To do this, the STS program must encourage universities to view industry as a potential market for their workshops, seminars, short courses, and conferences and offer to publicize such educational programs.

Demonstrations of new technology carried out under the auspices of the STS program may have had some local significance, although none appeared in the interview material. Nevertheless, some projects, particularly of a vocational training nature, could be carried out by state schools. Here again, STS would serve as an intermediary rather than underwriting the cost of such projects.

Within the program there has been growing recognition that person-to-person contacts are the most effective method of technology transfer. As a result, expenditures for field services have been increasing (See Figure 4). A comparison of expenditures shows that for 1968 the total expenditure for educational and information services exceeded the amount expended on field services (including referrals) by about 70%. (See Table 10). A further reduction in expenditures for educational services is projected for 1969, with information services being kept at the same level.

As the results indicate, services that require active participation, such as problem-solving, innovation and entrepreneuring, are more likely to produce measurable effects. Educational and information services, on the other hand, may increase industry awareness of the program, but their economic effects tend to be indirect and difficult to evaluate; moreover, these "less active" activities often seem to duplicate other services provided by the Department of Commerce and other government agencies.

We, therefore, recommend increased emphasis on field service work, with educational, information, and demonstration services playing decreasing and secondary roles in support of field services. The proper balance between these activities should be influenced by economic considerations of the kind used in this report and should be integrated into the program decision-making process. For example, the program services can be directed to those problems where secondary benefits are likely to result.

We have not attempted to evaluate precisely where and how the federal technology transfer programs overlap. There appears to be considerable room for greater coordination and cooperation among the various programs. Since nearly all government departments can affect technology transfer to industry, and since one department may be in conflict with another, collaborative policy-making could greatly strengthen the various activities now directed towards that objective.

F. Program organization

The current organizational structure of the program is a result of funding methods for the program, the considerable variation between state programs, and the limited operational experience and evaluation of the program. The funding methods are somewhat analogous to those used by grant-giving federal agencies to support R&D in industry or academic institutions. As a result, each state exercises a great deal of control over how its program will be conducted, what methods will be employed, and what the emphasis of the program will be. Consequently, the OSTS has played a limited role in program management.

Because each one is somewhat unique, the state programs can be viewed by us as a series of natural experiments in technology transfer—experiments which have been carried out along dissimilar lines and which have produced diverse results. In a sense, the variable nature of the state program is a virtue because a set of rules governing technology transfer has yet to be established. However, greater control over program content by OSTS might produce more effective technology transfer now that we have had some opportunity to evaluate results. Such control will become more and more necessary as it becomes apparent that certain programs result in greater economic benefit and more effective use of funds than others do.

Our contacts with the states have shown that improving communication at every level of the program could greatly aid the program effectiveness. For example, one state has designed a management information system in order to decide what actions should be taken in the program, while a neighboring state is in need of such an information system to guide its program actions. In another instance, the problem-solving activity for an industry sector in one state was very similar to activities carried out in another state, but no information passed between the states to help them carry out these activities. The states have no direct incentive to share information. The communication of useful results and techniques in one state to points of application in the others may be a uniquely federal function. But because the OSTS field directors have to interface with a large number of state directors (a ratio of 1:10), they have had little time to work individually with them.

The need for better communication has been recognized, and a number of meetings and conferences to remedy the situation have been held. Still other remedies can be suggested.

The states can be organized into regions that coincide wtih regions set up for other federal government programs. This regionalization has already begun and its usefulness is being recognized. (Three formal regional programs involved one-third of the states in 1968). The end result should be regional offices that serve as communication points for both the states and the OSTS.

One method by which regionalization could be achieved would be to set up regional offices as part of the offices of the ten STS program directors who are members of the *ad hoc* committee representing the states participating in the STS program. Each office could serve about five neighboring states as a communication point between these states and OSTS. The *ad hoc* committee could then become the vehicle through which the interfaces between the states and OSTS could be more easily established as compared to dealing with 50 STS program offices and directors.

These regional offices could perform such functions as:

Collecting the data for program evaluation components and suggesting procedures by which the states could make their own evaluations,

Exchanging information with other regional offices so that activities that have worked in some regions could be adapted and instituted in other regions,

Coordinating the training of the program staff through the region and working out training procedures with other regional offices,

Helping the states prepare meaningful proposals for activities and insuring that the program organization within each state is set up to achieve maximum program effectiveness, and

Coordinating STS programs with other federal programs so that the states can use the services provided under other programs, while remaining responsive to the guidance of OSTS and the Department of Commerce.

G. Continuing evaluation procedures

We have evolved a number of approaches, guidelines, and forms for evaluating the program (See Appendix D.) Such evaluation should not only serve the internal management of the program, but also guide the actions of the funding agencies. It will be greatly facilitated by establishing a management information system to provide data about program operations, services performed to meet program objectives, and the effectiveness of supporting functions (such as accounting, reporting, marketing, personnel and public relations). These data will enable the management to plan and control program activities, personnel selection and training, marketing and public relation support, and liaison with outside groups, including the various state offices, the universities, other federal programs, industry in general, and the public at large.Therefore, a management information system should be an integral part of the program. Such a system would have the following purposes:

Providing management with the information required to make decisions and initiate changes,

Providing a data base for analysis of economic and other benefits of the program,

Continuing evaluation of benefits provided under the program, and

Providing useful information for marketing and public relations activities, as well as for personnel selection, training and guidance.

The data for this management information system would be largely supplied by the regional and state offices and would include information on the activities of the field offices, the problems encountered, the results achieved in the program, and the performance of the program participants.

The information generated at the state level or at the regional level should be the basis for quarterly reports and annual reports to be submitted to OSTS. These reports should answer the following questions:

How many successful cases have been identified and what are their economic effects and benefits?

Who has been served in terms of size of company, type of industry, type of technology transferred, geographical location, type of service rendered?

What has been the cost of providing the service, both direct and indirect?

How much problem-solving activity or other activity has resulted from contacts within the program and outside it?

Who has contributed to the various activities and services carried out under the program?

Have the resources been properly utilized and have difficulties been encountered in working with other agencies?

What modifications are being instituted or requested to improve program effectiveness?

What marketing efforts and public relations efforts have been undertaken and what has been the effectiveness?

What is the progress of guidance and training of program participants?

The procedures outlined above will provide the necessary data for a continuing evaluation of program effectiveness and will indicate to Department of Commerce program planners the value of involvement in the STS program.

H. Location of designated agency

In each state, a designated agency is charged with directing the program within the state. In most cases, we found that these agencies have offices that are attached either to a state-run agency or to a university. Both situations can create difficulties, although we must not overlook the advantages of cooperation and support from these groups.

We found that an agency which is attached to a state development commission or other state-run agency often sees its goals subordinated to those of the state-run agency. Because the STS programs in the states are relatively small compared to several of the other programs, the state director often finds himself in a weak position regarding the compensation he can obtain and requests for support and services from the state. State agencies are usually quick to support activities that show promise of generating substantial economic benefits, however.

Attaching an STS office to a university produces several positive results. The state director and the field agent are viewed by industry as university representatives and, therefore, find easier acceptance and higher prestige associated with their office. Industry has a high regard for academic institutions, although it may view them as being out of touch with the "practical problems." Moreover, academic institutions possess many of the resources, skills, and knowledge that the program is designed to make available to industry.

However, there is always the danger that a university's goals may conflict with those of the program. Such conflict can affect the conduct and administration of the program adversely, particularly when field agents are located in different campuses of state universities. If the university faculty views the program as irrelevant or contradictory to its own function, it will oppose it. Thus, when an office is located at a university, it is important that the program services do not interfere with the university's major tasks as defined by the university. Not all universities consider seriously their role in support of industry, or agree that problem-solving at the level of the individual firm is an appropriate way to provide such support.

There is no simple solution to the problem of organizational location and program autonomy. It would be useful to have the support and working cooperation of both the university with its technical resources and various offices of the state government. There are parallel objectives among these organizations to which the STS field office might well provide an effective mechanism for relating efforts. To do so, it must not be controlled solely by the existing goals of the designated agency, however worthy these may in fact be.

Although it may not be possible to retain direct federal administrative control over the program in a state, physical location in a building housing other federally-sponsored programs may mitigate the problem. This would make it easier for the STS program to draw on the services provided by the other programs and would open up personal communications with the staffs of these other programs. As a result, duplication of program efforts could be reduced, activities shared, and the STS program identified with the overall federal effort to foster economic growth and development.

I. Personnel selection and training

One of the most significant features of the STS program is the high enthusiasm and commitment of the staff members we encountered during our visits to the states and our meetings with the *ad hoc* committee of state representatives. This commitment transcends any personal gain that the staff could expect to receive from this program. On the contrary, a number of staff members have contributed in a manner that would bring them to far higher salaries if they were working in private industry. In one instance, the program director is part of the state's civil service and the small size of his staff precludes him from advancing in grades, but he is recognized throughout the state as a major contributor to the state's economic growth.

Nevertheless, the field agents could benefit from further training and guidance. To be successful, a field agent should be trained to perceive the possible effects of new technologies on industry. He must also be able to present technological information in a form understandable to people in industry. Because problem-solving is a crucial activity within the program, the field agent should be able to identify with the problem and procedures of a given industry or industry groups so that he can be perceived as being "on industry's side." The agent need not have training in a specific technical area to be helpful, but he should be able to familiarize himself quickly with the methods and terminology used in that area. It may often be useful to have some field agents with specialized technical knowledge in given areas, so that problems in those areas can be referred to them.

In addition to having a technical education, therefore, a field agent should:

Be well versed in the basic economics of business enterprise,

Be imaginative and capable of readily grasping new concepts,

Be able to quickly learn a company's research and manufacturing capabilities and its marketing objectives,

Be capable of assessing the effects of changes on a company and on the social environment,

Be able to convey new ideas and deal effectively at different levels within the company,

Be willing to seek and accept responsibility for the problem-solving activities from inception to successful conclusions, and

Be flexible enough to discard a pet idea when it becomes inappropriate and to look beyond stock answers or procedures for the solution to a problem.

The best way to select new field agents is to find people who have a proven record of success with industrial problem-solving or consulting. Sales or marketing experience, particularly with technical products, would also be desirable. A useful selection procedure might be to have successful field agents interview potential applicants and to rely on agents' judgments.

Field agents with the qualifications outlined above will require high salaries, good facilities, and strong support. We have found that successful field agents often receive employment offers from the industries they serve and are lost to the program. Compensation practices, therefore, should recognize the need for higher pay levels and better facilities for field agents. Reduction in program costs could be achieved with fewer field agents who are better trained and capable of assuming more responsibility and authority.

Field agents capable of doing an effective job neither need nor want detailed instruction on how to go about their work. The best way to provide this type of man with useful and constructive criticism while cultivating and supporting his independent thought and action is through seminars, organizational development activities, and group meetings where a full, frank exchange of experience is possible. New personnel might be supplied with a written guide to provide background information. There should be continuing review of cases and failure analysis of activities to give program personnel the opportunity to learn from their mistakes.

FOOTNOTES

[1] *State Technical Services Act of 1965*, 89th Congress, Report No. 817, pp. 1–2.

[2] *Growth Through Technology*, final report of the Public Evaluation Committee for the State Technical Services Act of 1965, presented to the Secretary of Commerce of the United States, November 14, 1968.

[3] Federal, state, and local tax revenues as estimated in "Differential Economic Impact Analysis of a Proposed Central Whey Drying Plant in Vermont" by C. L. Fife and K. M. Nilson are as follows:

Franklin County property tax	$109, 800
Property tax increase due to expansion	18, 000
State corporate income tax	15, 000
Personal income tax increase	40, 500
Federal corporate tax	150, 000
Federal personal income tax increase	121, 000
Total	454, 800

[4] "The Fortune Directory of the 500 largest U.S. Industrial Corporations who did best (and worst) among the 500," *Fortune*, June 15, 1968, p. 204.

[5] The State Technical Services Act is concerned with promoting benefits in the terms we have used here and does not permit support of ". . . services specially related to a particular firm or company, public work or other capital work except insofar as the services are of general concern to the industry and commerce of the community, State, or region." *State Technical Services Act of 1965*, 89th Congress, Report No. 817, p. 9.

[6] "Technology: Processes of Assessment and Choice," *Report of the National Academy of Science*, July 1969, p. 29.

[7] J. A. Schumpeter, *The Theory of Economic Development*, Harvard University Press, 1936, and "The Creative Response in Economic History," *Journal of Economic History*, Nov. 1947, pp. 149–59.

[8] R. M. Solow, "Technical Change and the Aggregate Production Function," *Review of Economics and Statistics*, Aug. 1957, Vol. 39, pp. 312–320.

[9] I. H. Plotkin, "The Consequences of Industrial Regulation on Profitability, Risk Taking, and Innovation," A statement submitted to the Interstate Commerce Commission on behalf of Sea Land Service, Inc., *Arthur D. Little, Inc., Report*, June 1969.

[10] Value added is the contribution of an industry to GNP since it is the sum of wages and salaries, depreciation, rents, profits, and indirect business taxes. It is the measure of

the net addition to GNP by a productive process.

[11] The national numbers used were taken from *The Economic Report of the President* transmitted to the Congress Jan. 1969, Appendix B, Tables B-1, B-23, and B-63.

[12] United States employment throughout 1968 averaged 75,920,000 persons.

[13] Federal levels have remained within narrow ranges, $3,024,999 in 1966, $4,981,939 in 1967, $5,829,999 in 1968 and $4,874,000 in 1969.

[14] $603 million federal expenditure was reported for the collection, documentation, and dissemination of scientific and technical information in 1966. $684 million was projected for 1967 and $760 million for 1968. *National Science Foundation*, "Federal Funds for Research, Development and other Scientific Activities: Fiscal Years, 1966, 1967 and 1968." XVI, Washington, D.C., USGPO, Aug. 1967.

[15] *The National Academy of Sciences in* the 1969 Report of the Scientific and Technical Communication recommends that the federal government establish a single group to (a) plan a unified program of critical experiments of operational scale in scientific and technical communication and (b) find, guide, and support contractors in the conduct of such experiments.

[16] Regional dissemination centers set up under the auspices of the NASA Technology Utilization Program carry out some of these activities, but are not designed to meet the needs of the STS program.

STATE TECHNICAL SERVICES PROGRAM

Mr. SCOTT. Mr. President, I wish to express my deep disappointment over the action of the conferees in totally deleting funding in the current supplemental appropriations bill for the State technical services program. I had hoped that the $5 million contained in the Senate version of the supplemental, as compared with zero funding in the House bill, might be compromised at $2.5 million in the final conference report. This amount, while inadequate, would at least have allowed Federal participation in State technical services projects to continue. That no STS funds other than those for administrative expenses will have been appropriated by Congress this year, is a matter of serious concern to me.

Mr. President, I am the primary Republican cosponsor of the original legislation, now Public Law 89-182, which established the State technical services program in 1965. This act authorized Federal grants to the States, on a fully equal matching basis, for cooperative programs designed to encourage the distribution and utilization of scientific knowledge in business, commerce, and industry. The legislative history leading to enactment made clear that it was the intent of Congress that the State technical services program was to be both permanent and ongoing.

Last year, I was privileged to cosponsor, and to conduct Senate Commerce Committee hearings on, legislation extending the State technical services program. If there was one theme which dominated these hearings, it was that the enthusiastic reception of the State technical services program by the States and business communities had produced a demand for Federal matching dollars far in excess of supply. I believe it is significant that the version of the extending legislation finually approved was essentially the Senate bill calling for a 3-year extension of this program, rather than the limited 1-year extension passed initially by the House of Representatives.

Unhappily, the State technical services program, during its brief history, has been characterized by an appropriations level far below authorizations. The original State Technical Services Act autorized appropriations for Federal participation of $10 million, $20 million, and $30 million for fiscal years 1966, 1967, and 1968, respectively. Actual appropriations, reflecting national commitments abroad, were $3.5 million, $5.5 million, and $6.5 million for those years. Last year's final bill contained additional authorizations of $6.6 million for the current fiscal year, and $10 million each for fiscal years 1970 and 1971.

In January of this year, I wrote to both President Nixon and Commerce Secretary Stans urging that the State technical services program be funded. My letter grew out of reports which saw some likelihood that State technical services might be considered in the uncertain context of social welfare legislation, rather than as an effort which is distinctly oriented toward the improvement of the economy, and which also produces new employment opportunities as one of its many benefits. Subsequently, I was advised by Secretary Stans, in response to my letter, that the Arthur D. Little Co. had been retained by the Department of Commerce to make an independent review of the State technical services program. I was most pleased when I learned in October of the Arthur D. Little report's conclusion that:

> Our evaluation of the STS Program shows it is providing a useful and economic service in transferring technology which substantially benefits the nation . . . We recommend that the STS Program receive continued Federal and State support with increasing emphasis on direct service to industry.

I am pleased especially to note also that my Commonwealth of Pennsylvania has been among the most enthusiastic of the States in its reception of this program, known in Pennsylvania as the Pennsylvania technical assistance program—Penntap—and ably administered through the Pennsylvania State University. Despite budgetary pressures, the Pennsylvania State Legislature this year appropriated $200,000 for State participation in the State technical services through Penntap. In the absence of Federal matching, this allowed the State technical services program in Pennsylvania to continue. If Federal matching is not soon forthcoming, however, these efforts certainly will be jeopardized, not only in Pennsylvania, but in all of the 50 States, as well as Guam, Puerto Rico, the Virgin Islands, and the District of Columbia, where State technical services now are planned or in actual operation.

Mr. President, I believe sincerely that more than funds are involved here. The very future of the State technical services program is at stake. Each evaluation conducted to date has shown that the State technical services program can provide, and is providing, real economic growth through the effective transfer of technology. Yet delays in Federal matching, which have occurred each year, are adversely affecting this program.

Therefore, Mr. President, it is my hope that funding for State technical services can be included in the next supplemental appropriations bill, perhaps in January. Efforts in this direction will have my full support.

NATIONAL COMMISSION ON THE CAUSES AND PREVENTION OF VIOLENCE

Mr. HART. Mr. President, the National Commission on the Causes and Prevention of Violence has now disbanded, but I do think that the Nation will be poorly served if its reports are allowed to be forgotten.

I say that at the risk of sounding self-congratulatory, since I was a member of that Commission. So I should hasten to add, truthfully, that credit for the report is due—in a very large degree—to a brilliant staff and a most knowledgeable and civilized Chairman, Dr. Milton S. Eisenhower.

The report is long, but so that at least the introduction with its summary may be readily available to all Senators, I ask unanimous consent that it be printed in the RECORD.

The paragraphs in the introduction that hit home the hardest for me are those that urge a reordering of our national priorities.

The introduction states the conviction of the Commission that our liberties today are under as great a threat from within our society as from any foreign power; and it declares that these new threats can be dealt with only if we devote a sizable portion of our national resources to them.

I ask unanimous consent that the introduction be printed in the RECORD.

There being no objection, the introduction was ordered to be printed in the RECORD, as follows:

TO ESTABLISH JUSTICE, TO INSURE DOMESTIC TRANQUILITY

(Final report of the National Commission on the Causes and Prevention of Violence, December 13, 1969)

INTRODUCTION

This Commission was created by the President in June, 1968, to determine the causes of violence in the United States and to recommend methods of prevention.

Last January we issued a Progress Report, stressing the enormous complexities involved in understanding this vexing and multifaceted problem.[1] We noted that to understand violence, we had to study American society itself, past and present, and the traditions and institutions which accept or condemn, generate or reduce the various forms of violence in our society. We indicated, too, that rather than depending solely on our own knowledge and preconceptions, we had found it necessary to enlist the assistance of more than two hundred of the nation's leading scholars in criminology, psychology, history, political science, sociology, and law.

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[1] The Progress Report is reproduced as Appendix 2 to this Report.

We have now completed our study. We present the results in this Report. The full scope of our endeavor will be apparent to those who study not only what we say here but also the work of our seven research task forces and five investigatory study teams. Their reports to us fill fifteen volumes.[2] We also held a series of hearings and conferences, receiving the views of more than 150 public officials, scholars, educators, religious leaders, and private citizens from media executives to young students. We are publishing the transcript of six days of hearings on the mass media; transcripts of the other hearings will be available for study in the National Archives.

VIOLENT CRIME (U.S. 1968)

	Number reported crimes	Rate per 100,000 population
Homicide	13,650	6.8
Forcible rape	31,060	15.5
Robbery	261,730	131.0
Aggravated assault	282,400	141.3
Total	588,840	294.6
Total Reported Serious Property Crime United States 1968 (Burglary, Larceny Over $50, Auto Theft)	3,877,700	1,940.0

Comparison of U.S. homicide rates with those of other nations, 1966

[Rate per 100,000 population]

Australia	1.5
Finland	2.3
Canada	1.3
United States	6.0
Austria	1.1
England and Wales	0.7
Hungary	1.9

Source: Task Force Report, *Crimes of Violence* (National Commission on the Causes and Prevention of Violence, to be published.)

Extensive as our study was, it could not embrace every aspect of such a complex problem. Others must build on our work, just as we have built on work that preceded ours. But within the confines of the time and resources available to us, we believe we have gained some valuable insights. We believe we have identified the causes of much of the violence that plagues contemporary America. We are convinced that most of this violence can be prevented, for our work has illuminated for us the strengths of this great nation, as well as its shortcomings. Our institutions and the spirit of our people are equal to this challenge, no less than to the challenges we have met in the past.[3]

* * * * *

Violence in the United States has risen to alarmingly high levels. Whether one considers assassination, group violence, or individual acts of violence, the decade of the 1960s was considerably more violent than the several decades preceding it and ranks among the most violent in our history. The United States is the clear leader among modern, stable democratic nations in its rates of homicide, assault, rape, and robbery, and it is at least among the highest in incidence of group violence and assassination.

This high level of violence is dangerous to our society. It is disfiguring our society—making fortresses of portions of our cities and dividing our people into armed camps. It is jeopardizing some of our most precious institutions, among them our schools and universities—poisoning the spirit of trust and cooperation that is essential to their proper functioning. It is corroding the central political processes of our democratic society—substituting force and fear for argument and accommodation.

We have endured and survived other cycles of violence in our history. Today, however, we are more vulnerable to violence than ever before. Two-thirds of our people live in urban areas, where violence especially thrives. Individual and group specializations have intensified our dependence on one another. Men are no longer capable of solitary living and individual self-defense; men must live together and depend upon one another to observe the laws and keep the peace.

The American people know the threat. They demand that violence be brought to a halt. Violence must be brought under control—to safeguard life and property, and to make possible the creation of the understanding and cooperation needed to remedy underlying causes. No society can remain free, much less deal effectively with its fundamental problems, if its people live in fear of their fellow citizens; it is ancient wisdom that a house divided against itself cannot stand.

In this Report we suggest a number of specific measures for the better control of violence. We urge, for example, that the nation should double its investment in the prevention of crime and the administration of justice, as rapidly as that investment can be wisely planned and utilized. We recommend that central offices of criminal justice be created at the metropolitan level to make all parts of the criminal justice process—police, courts, corrections—function more effectively, and that private citizens' organizations be formed to work as counterparts of these offices in every major city in the nation. We urge that public officials, including law enforcement officers, intensify their efforts to develop more effective tactics in handling both peaceful demonstrations and violent disturbances. As we show by comparing successful and unsuccessful strategies of control of major mass demonstrations of the past few years, official behavior may determine whether protest remains peaceful or erupts into serious violence.

Further, we recommend the adoption of a national firearms policy that will limit the general availability of handguns.

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Crime and law enforcement

(Total serious crimes*, U.S. 1968: 9,000,000)

[Percent—Based on estimates]

All serious crimes committed	100
Crime reported to the police	50
Suspect arrested for crime	12
Suspect convicted for crime	6
Suspect imprisoned for crime	1.5

*Aggregate of homicide, forcible rape, robbery, aggravated assault, burglary, larceny over $50, auto theft.

VIOLENT CRIME IN THE CITY

VIOLENT CRIME BY CITY SIZE (UNITED STATES 1960 AND 1968)

[Rates per 100,000 population]

Cities	1960	1968
Over 250,000	293.7	773.2
100,000 to 250,000	154.0	325.3
50,000 to 100,000	104.3	220.5
25,000 to 50,000	70.1	150.8
10,000 to 25,000	57.3	126.6
Under 10,000	47.7	111.4
Suburban	N.A.	145.5
Rural	N.A.	96.5

REPORTED URBAN ARREST RATES FOR VIOLENT CRIMES BY AGE

Rate per 100,000 population, United States 1967	Age	Increase in rate 1958 to 1967 (percent)
123.0	10 to 14	222.0
408.2	15 to 17	102.5
222.1	10 to 17	138.8
436.1	18 to 24	45.5
127.3	25	41.1
189.1	(1)	65.7

NOTES

[1] All ages (10 plus).

Violent crime in the city is overwhelmingly committed by males.

Violent crime in the city is concentrated especially among youths between the ages of 15 and 24.

Violent crime in the city is committed primarily by individuals at the lower end of the occupational scale.

Violent crime in the cities stems disproportionately from the ghetto slum where most Negroes live.

The victims of assaultive violence in the cities generally have the same characteristic as the offenders: victimization rates are generally highest for males, youths, poor persons, and blacks. Robbery victims, however, are very often older whites.

Source: Task Force Report, "Crimes of Violence" (National Commission on the Causes and Prevention of Violence, to be published.)

Necessary as measures of control are, they are only a part of the answer. They do not cure the basic causes of violence. Violence is like a fever in the body politic: it is but the symptom of some more basic pathology which must be cured before the fever will disappear.

Indeed, if measures of control were this society's only response to violence, they would in the long run exacerbate the problem. The pyramiding of control measures could turn us into a repressive society, where the peace is kept primarily through official coercion rather than through willing obedience to law. That kind of society, where law is more feared than respected, where individual expression and movement are curtailed, is violent too—and it nurtures within itself the seeds of its own violent destruction.

In this Report, we analyze basic causes which underlie the chief varieties of contemporary violence. We make a number of recommendations directed to removing these causes. They cannot be eliminated entirely; even in a perfectly just society in which all have a fair and nondiscriminatory stake, there will always be some violent individuals, in rural as well as in urban areas, and measures of control will always be required to restrain them. But we can improve the conditions and opportunities of life for all citizens and thus reduce sharply the number who will commit violent acts.

Thus, we urge that young people must be given a greater role in determining their own destiny and in shaping the future course of our society. Responsible participation in decision-making may, for many, be a substitute for the violence that is born in frustration. We propose lowering the voting age, reforming the draft, and providing a massive expansion in opportunities for youth to engage in public service activities whose goals young people wholeheartedly embrace.

While we categorically condemn all illegal violence, including group violence,[4] as incompatible with the survival of a just, democratic, and humane society, we state emphatically that aggrieved groups must be permitted to exercise their constitutional rights of protest and public presentation of grievances. Accordingly, we believe the President should seek legislation that would confer jurisdiction upon the United States District Courts to grant injunctions, upon the request of the Attorney General or private persons, against the threatened or actual interference by any person, whether or not under color of state or federal law, with the rights of individuals or groups to freedom of speech, freedom of the press, peaceful assembly, and petition for redress of grievances.

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[2] The contents of these reports are outlined in Appendix IV.

[3] We have devoted an entire Chapter of this Report to "The Strengths of America."

[4] In Chapter 3 we define group violence as the unlawful threat or use of force by any group that results or is intended to result in the injury or forcible restraints or intimidation of persons, or the destruction or forcible seizure of property.

We must have the perception to recognize injustices when they are called to our attention, and we must have the institutional flexibility to correct those injustices promptly. To enable the less affluent to obtain effective and peaceful redress of grievances, we recommend that additional steps should be taken to meet their needs for lawyers, and that state and local jurisdictions should be encouraged to experiment with the establishment of grievance agencies to serve all citizens.

The way in which we can make the greatest progress toward reducing violence in America is by taking the actions necessary to improve the conditions of family and community life for all who live in our cities, and especially for the poor who are concentrated in the ghetto slums. It is the ghetto slum that is disproportionately responsible for violent crime, by far the most acute aspect of the problem of violence in the United States today.

To be a young, poor male; to be undereducated and without means of escape from an oppressive urban environment; to want what the society claims is available (but mostly to others); to see around oneself illegitimate and often violent methods being used to achieve material gain; and to observe others using these means with impunity—all this is to be burdened with an enormous set of influences that pull many toward crime and delinquency. To be also a Negro, Puerto Rican or Mexican-American and subject to discrimination and segregation adds considerably to the pull of these other criminogenic forces.

DEMONSTRATIONS, RIOTS AND INDIVIDUAL VIOLENT CRIMES (U.S. JUNE 1963–MAY 1968)

	Political demonstrations and protests involving more than 100 persons [2]	Urban riots [3]	Individual acts of violent crime [1]	
			Homicide	Aggravated assault
Population	[4] 2,000,000	[4] 200,000	[5] 195,000,000	[5] 195,000,000
Injuries	1,100	8,000		1,124,200
Deaths	(6)	190	53,200	
Arrests	21,000	50,000	39,000	457,500

[1] Based on uniform crime reports, FBI, adjusted for mid-1963 to mid-1968.

[2] Civil rights demonstrations, antiwar demonstrations, student protests on campus issues, school anti-integration demonstrations, segregationist clashes and counter-demonstrations. 642 events identified.

[3] 239 events identified.

[4] Participants.

[5] Citizens.

[6] None.

Source: Task force report, violence in America (National Commission on the Causes and Prevention of Violence, June 1969).

ASSASSINATION ATTEMPTS AGAINST PRESIDENTS AND PRESIDENTIAL CANDIDATES

Victim	Year	Assailant and professed or alleged reason	Method of attack and result	Location	Activity of victim at time of attack
Andrew Jackson	1835	Richard Lawrence; declared insane, said Jackson was preventing him from obtaining large sums of money.	Pistol, misfired	Washington, D.C	Attending funeral service in Capitol rotunda
Abraham Lincoln	1865	John W. Booth; loyalty to the Confederacy, revenge for defeat, slavery issue.	Pistol, killed	do	Attending theatrical performance in Ford Theater.
James Garfield	1881	Charles Guiteau; disgruntled officeseeker, supporter of opposite faction of Republican Party.	do	do	Passing through train station to go on vacation.
William McKinley	1901	Leon F. Czolgosz; anarchist ideology	do	Buffalo, N.Y	Standing in reception line at Pan-American Exposition.
Theodore Roosevelt (candidate)	1912	John Schrank; declared insane, had vision that McKinley wanted him to avenge his death.	Pistol, wounded	Milwaukee, Wis	Leaving hotel to deliver a campaign speech.
Franklin D. Roosevelt (President-elect).	1933	Guiseppe Zangara; hated rulers and capitalists	Pistol, bullets missed the President.	Miami, Fla	Leaving after delivering speech in Bayside Park.
Harry S. Truman	1950	Oscar Collazo and Griselio Torresola; Puerto Rican independence.	Automatic weapon, prevented from shooting at President.	Washington, D.C	Insider Blair House as assassins attempted to break in.
John F. Kennedy	1963	Lee H. Oswald; motive unknown	Rifle, killed	Dallas, Tex	Taking part in motorcade through Dallas streets.
Robert F. Kennedy (candidate)	1968	Sirhan Sirhan; opposition to U.S. mid-East policy	Pistol, killed	Los Angeles, Calif	Leaving primary campaign headquarters through hotel kitchen after delivering speech.

Source: Task force report, "Assassination and Political Violence" (National Commission on the Causes and Prevention of Violence, October 1969).

Safety in our cities requires nothing less than progress in reconstructing urban life. We must meet the 1968 Housing Act's goal of a decent home for every American within a decade. We must take more effective steps to realize the goal, first set in the Employment Act of 1946, of a useful job at a reasonable wage for all who are able to work. We must provide better educational opportunities for all our children. We must act on current recommendations that those American families who cannot care for themselves receive a basic annual income. We must restructure our local governments, restore their fiscal vitality and accomplish a host of other major tasks of the kind discussed in this Report.

* * * * *

As these brief introductory comments indicate, we believe that the twin objectives of the social order must be to make violence both unnecessary and unrewarding. To make violence unnecessary, our institutions must be capable of providing justice for all who live under them—of giving all a satisfactory stake in the normal life of the community and the nation. To make violence unrewarding, our institutions must be able to control violence when it occurs, and to do so firmly, fairly, and within the law.

The Preamble of our Constitution does not speak merely of justice or merely of order; it embraces both. Two of the six purposes set forth in the Preamble are to "establish justice" and to "insure domestic tranquility." If we are to succeed in preventing and controlling violence, we must achieve both of these goals.

We are well aware that our recommendations for attaining these objectives—and the recommendations of other national commissions before us—will require far-reaching improvements in our institutions and unprecedented levels of public funding. We adopt as our own the verdict which the Kerner Commission pronounced upon the scope and costs of its recommendations:

> [T]hey neither probe deeper nor demand more than the problems which called them forth. There can be no higher priority for national action and no higher claim on the nation's conscience.

For the past three decades, the primary concerns of the federal government have been the national defense, the conduct of wars and foreign affairs, the growth of the economy, and, more recently, the conquest of space. These problems have consumed the major part of the public attention. They currently devour more than two-thirds of federal expenditures and approximately 50 percent of federal, state, and local expenditures combined.

Traditionally we have left the problems of social justice, provision of essential community services, and law enforcement primarily to the states and cities. In recent years, the federal government has made some major efforts in diverse fields such as rural development, civil rights, medical care, housing, employment, and education, but these efforts have been subordinated to the claims of the "national security."

Yet the federal government still collects the lion's share (about 65 percent) of all tax receipts. Tax revenue available to the states and cities falls woefully below what is needed to discharge their responsibilities. Each one percent rise in the Gross National Product increases the income of the federal government by one and one-half percent, while the normal income of state and city governments increases by less than half that percentage. Concentration on "national" and international problems at the expense of "local" and domestic concerns has left us with an enormous deficit of unmet social needs and deeply-felt social injustices.

Ironically, this gap has appeared despite rapidly accelerating technological, economic and social gains. For the first time in man's history, the nation is nearing the capability of releasing all citizens from the poverty and social privation that hitherto have been accepted as the inevitable lot of mankind. We have also achieved an enormous capacity to communicate: the poor, the black, and other deprived groups among us can see daily on their television sets what they are missing, and how near their release from bondage can be. But our institutions have not yet made it possible for an expectant populace to achieve what our economy and technology are becoming capable of providing.

In our judgment, the time is upon us for a reordering of national priorities and for a greater investment of resources in the fulfillment of two basic purposes of our Constitution—to "establish justice" and to "insure domestic tranquility."

* * * * *

We solemnly declare our conviction that this nation is entering a period in which our people need to be as concerned by the internal dangers to our free society as by any probable combination of external threats. We recognize that substantial amounts of funds cannot be transferred from sterile war purposes to more productive ones until our participation in the Vietnam war is ended. We also recognize that to make our society essentially free of poverty and discrimination, and to make our sprawling urban areas fit to inhabit, will cost a great deal of money and will take a great length of time. We believe, however, that we can and should make a major decision now to reassess our national priorities by placing these objectives in the first rank of the nation's goals.

Firearms

1. Total number of firearms in civilian hands (U.S. 1968):

	Million
Shotguns	31
Handguns	24
Rifles	35
Total	90

2. Annual increase in number of firearms in civilian hands (U.S. 1962 versus 1968):

	Million
Rifles:	
1962	0.7
1968	1.4
Shotguns:	
1962	0.7
1968	1.4
Handguns:	
1962	0.6
1968	2.5
Total, 1962	2.1
Total, 1968	5.3

3. Criminal uses of firearms (U.S. 1964 versus 1967):

[Percentage with firearms]

Homicides:	
1964	55
1967	63
Aggravated assaults:	
1964	15
1967	21
Robberies:	
1964	Not available
1967	37

4. Deadlines of firearms attack versus knife attacks (U.S. 1967):

[In percent]

Firearms attacks resulting in death	12.8
Knife attacks resulting in death	2.9

Firearms—Continued

Firearms attacks are thus 4.4 times as deadly as knife attacks.

5. Type of gun used in crimes committed with firearms (large U.S. cities 1967):

[In percent]

Homicide:	
Handguns	92
Long guns	0.8
Aggravated assault:	
Handguns	86
Long guns	14
Robbery:	
Handguns	96
Long guns	0.4

Source: Task Force Report, *Firearms and Violence in American Life* (National Commission on the Causes and Prevention of Violence, July, 1969).

The decision that has the greatest effcet on the level of our expenditures for these objectives is what we decide to spend on the national defense. For three decades, the national defense has ranked first by far in our scale of priorities, much of the time necessarily so. With occasional exceptions, whatever the Administration has requested for the Armed Forces has been readily granted. Since 1939 there have been a number of occasions when the Administration's budget requests for the Armed Forces have been exceeded by Congressional appropriations; for most other federal programs the opposite is true. For example, actual appropriations for the general welfare (health, labor, education, housing, pollution, and law enforcement) are currently running more than five billion dollars annually below the amounts previously authorized by the Congress.

Our Commission is not competent to recommend a specific level of national defense expenditures. We recognize that without the deterrent capability essential for security against external attack, internal freedom and security would not be possible. It is to be expected that our military leaders will, like other government officials; stress the extreme urgency of the programs under their charge. But we believe the time has come to question whether expenditures for the general welfare should continue to be subordinated to those for national defense.

Defense expenditures, stated in 1968 prices, fell from about 78 billion dollars in 1953 (at the end of the Korean War) to about 60 billion dollars in 1954 and remained at that level for the decade 1955 to 1964. But by 1968 they had risen again to the present 81 billion dollar annual level as the result of our major commitment of troops to Vietnam.[5]

Federal expenditures for the general welfare, while they have increased substantially over the past several years, are now approximately 60 billion dollars, of which $25 billion represents social security payments.

As a first step, we should try to reverse this relationship. When our participation in the Vietnam War is concluded, we recommend increasing annual general welfare expenditures by about 20 billion dollars (stated in 1968 dollars), partly by reducing military expenditures and partly by use of increased tax revenues resulting from the growth of the Gross National Product. We suggest this only as an initial goal; as the Gross National Product and tax revenues continue to rise, we should strive to keep military expenditures level (in constant dollars), while general welfare expenditures should continue to increase until essential social goals are achieved.[6]

Based on estimates of the Council of Economic Advisers,[7] the funds needed to achieve this goal without inflationary consequences could be obtained from two sources:

(1) The end of the Vietnam war should reduce defense expenditures by 19 billion dollars annually. The Council anticipates that this reduction will be offset in part by war-end program adjustments and deferred weapons programs. Hence, defense expenditures should go down to about 65 billion dollars (at 1968 prices).[8]

(2) The Gross National Product is expected to increase over the next decade (in constant dollars) at the rate of about four percent a year. The same should be true of federal tax revenues, which should grow in real terms at an annual increment of approximately 15 billion dollars.[9] Of this amount, approximately half will be required to meet expected annual increases for "baseline" federal non-defense expenditures other than general welfare programs. Hence, about seven or eight billion dollars more each year than the preceding year should be available for new and expanded programs in the general welfare field.

Whether somewhat more or less than the amounts we have indicated should be provided to overcome social ills is not the important point.[10] What is important is that the people of this nation recognize both the possibilities and the need for choice. For an entire generation, we have necessarily been more aware of and responsive to the external dangers to our society than to the internal dangers. In this Commission's opinion, the internal dangers now demand a greater awareness and a more substantial response—one that can only be made if we face the need to reorder our priorities. It is time to balance the risks and precautions we take abroad against those we take here at home.

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[5] For fiscal 1970, the budgeted figure is $77 billion.

[6] Some experts believe that since military expenditures were successfully held to an annual level of 60 billion dollars (in 1968 prices) for the decade from 1955 to 1964, a comparable plateau can and should be maintained for the decade of the seventies. Indeed, it has been urged that, assuming the success of strategic arms limitation talks and a reevaluation of our foreign commitments, it would be feasible to hold the military budget for the early 1970s to 50 billion dollars (at 1969 prices). See Kaysen. "Military Strategy, Military Forces and Arms Control," in *Agenda for the Nation* (Washington, D.C.: Brookings Institution, 1969), p. 549.

[7] Annual Report of the Council of Economic Advisers, January, 1969, pp. 199–200.

[8] At estimated 1972 prices, for example, actual outlays would be 73 billion. At this point, defense expenditures would be at seven percent of forecast GNP, as compared to perhaps eight percent at present. In other industrially advanced democratic countries, according to the Institute for Strategic Studies, defense expenditures (in 1966) were 6.4 percent of GNP for the United Kingdom, 4.4 percent in France, 3.6 percent in West Germany, 3.3 percent in Italy, 2.2 percent in Canada and 1.1 percent in Japan. For Soviet Russia, the estimated figure is 8.9 percent, but this represents a total 1966 defense outlay of less than 30 billion dollars as compared to about 68 billion dollars for the United States.

[9] This estimate assumes that the present 10 percent surcharge will have been repealed, but that other tax reform measures will be neutral in their effect on aggregate revenues. Any substantial reduction in federal tax revenues incidental to tax reform will make it more difficult to reorder our priorities as we have proposed.

[10] We further note that the same point can be strongly made for other non-military categories of expenditure that have been built into the federal budget, including agricultural and maritime subsidies, the postal service as presently structured, and space exploration. See Schultze, "Budget Alternatives After Vietnam" in *Agenda for the Nation* (Brookings, 1969), p. 44.

The Department of Health, Education, and Welfare has made a suggestion which merits careful consideration as a potentially valuable supplemental step toward reordering national priorities, namely, the preparation of an "Annual Social Report."[11] The Annual Social Report, comparable to the present Annual Economic Report, would provide us with a set of measurements—of "social indicators"—on how well we have done in providing housing, education, health care, public safety, and opportunities for the upward advancement of all sectors of our population. It would tell us whether the disadvantaged groups among us have been advancing at a rate sufficient to foster hope and to quiet the desperation that drives men to violence. It would significanly aid the nation and its leaders in establishing national priorities.

The Social Report would be prepared by social scientists recruited for stated periods of public service from among the nation's best scholars, just as the members and staff of the Council of Economic Advisers are today. They could be organized as a Council of Social Advisers, as are the Economic Advisers, or in some other visible and independent form. A major function of the social science staff would be to develop tools for measuring the comparative effectiveness of social programs. While we have learned a good deal about social stresses and the gross causative factors that require correction, we still know very little about whether particular remedial programs work at all which ones work better than others, and why. We lack practicable means for measuring cost-benefit ratios, for establishing and observing parallel programs with significant variables, and for putting an end to programs which have failed to justify their continuance.[12] A central staff charged with this responsibility could do much to improve the accuracy of our social planning and the efficacy of on-going programs.

Two decades ago, the Council of Economic Advisers was created by the Full Employment Act of 1946, amid much skepticism about the "science" of economics and particularly about the wisdom and effect of governmental efforts to stimulate or restrain economic activity. Today we recognize the importance of the government's economic role and of national economic measurements, imprecise and imperfect as the economist's tools still are. The other social sciences may now have as much potential for informing wise government policy as economics had twenty years ago.

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In a democratic society, the citizens possess the basic social power, and national priorities reflect the value judgments of the majority. Skeptics may thus take a pessimistic view of this Commission's recommendation that our national priorities be reordered. They will point, for example, to the reluctance of the public, despite the penetrating reports and the excellent recommendations of previous presidential commissions, to take the comprehensive actions needed to curb crime, eliminate racial discrimination, and alleviate the problems of the ghetto poor. They will point especially to middle-class America—to the "forgotten American"—and his concern over some consequences of racial integration, his rebellion against rising taxes, his distrust of dissent on the campus and protest movements in the capital. How realistic is it, they will ask, to think that the majority of Americans will support a reallocation of our national resources to deal with social problems?

Skepticism is understandable. But the majority of Americans have always responded constructively to national crises when they have been fully informed and responsibly led. The "silent majority," like most other Americans, do not wish to surrender any of the most important freedoms of our open society—freedom of movement, freedom from harm, freedom from fear. They stand to benefit from the programs necessary to retain these freedoms just as much as any disadvantaged minority. All Americans—the majority and our various minorities—must come to grips with the basic causes of violence in our society and do what must be done to achieve liberty and justice for all.

Some, with little faith in our nation, predict that majority indifference will result in a violent revolution of some kind. Indeed, nihilists and anarchists openly espouse this course. We see signs, however, that a peaceful revolution is already under way; a spirit of needed reform is rising steadily among the people and in the ranks of local and national leaders. We see a growing readiness to formulate new values, to set new priorities, and to make firm commitments now, to be honored as soon as resources are available.

Some ordinary citizens feel they can do nothing to influence the direction and the destiny of their nation. But more and more Americans are proving this to be a myth. A growing number of our citizens have found they need not stand idle while our cities rot, people live in fear, householders build individual fortresses, and human and financial resources flow to less urgent endeavors. A new generation of Americans is emerging, with the energy and the talent and the determination to fufill the promise of the nation. As it ever was, the young—idealistic but earnest, inexperienced but dedicated—are the spearheads of the drive toward change, and increasing numbers of adult Americans are joining their ranks.

When in man's long history other great civilizations fell, it was less often from external assault than from internal decay. Our own civilization has shown a remarkable capacity for responding to crises and for emerging to higher pinnacles of power and achievement. But our most serious challenges to date have been external—the kind this strong and resourceful country could unite against. While serious external dangers remain, the graver threats today are internal: haphazard urbanization, racial discrimination, disfiguring of the environment, unprecedented interdependence, the dislocation of human identity and motivation created by an affluent society—all resulting in a rising tide of individual and group violence.

The greatness and durability of most civilizations has been finally determined by how they have responded to these challenges from within. Ours will be no exception.

RECESS

Mr. KENNEDY. Mr. President, I move that the Senate stand in recess subject to the call of the Chair.

The motion was agreed to; and, at 11 o'clock and 32 minutes a.m., the Senate recessed, subject to the call of the Chair.

The Senate reconvened at 12:52 p.m. when called to order by the Acting President pro tempore.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed the following bill and joint resolution, in which it requested the concurrence of the Senate:

H.R. 14956. An act to extend for 3 years the period during which certain dyeing and tanning materials may be imported free of duty; and

H.J. Res. 1041. A joint resolution establishing that the second regular session of the 91st Congress convene at noon on Monday, January 19, 1970.

The message also announced that the House had agreed to the following resolutions:

H. Res. 768. A resolution relating to appointment by the House to join a similar committee appointed by the Senate to wait upon the President of the United States and inform him that the two Houses have completed their business of the session and are ready to adjourn, unless the President has some other communication to make to them; and

H. Res. 769. A resolution relating to printing of reports of the Comptroller General of the United States during the adjournment of Congress.

The message informed the Senate that the Speaker had appointed Mr. ALBERT of Oklahoma and Mr. GERALD R. FORD of Michigan as members on the part of the House of the Committee to Notify the President.

The message announced that the House had agreed to the following concurrent resolutions, in which it requested the concurrence of the Senate:

H. Con. Res. 475. A concurrent resolution providing for sine die adjournment of the first session of the 91st Congress; and

H. Con. Res. 476. A concurrent resolution authorizing the Speaker of the House of Representatives and the President of the Senate or the President pro tempore or the Acting President pro tempore of the Senate to sign enrolled bills and joint resolutions notwithstanding the sine die adjournment of the two Houses.

HOUSE BILL REFERRED

The bill (H.R. 14956) to extend for 3 years the period during which certain dyeing and tanning materials may be imported free of duty, was read twice by its title and referred to the Committee on Finance.

RECESS

Mr. METCALF. Mr. President, I ask unanimous consent that the Senate stand in recess subject to the call of the Chair.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

(Thereupon (at 12 o'clock and 53 minutes p.m.) the Senate took a recess subject to the call of the Chair.)

The Senate reconvened at 1:08 p.m. when called to order by the Acting President pro tempore.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House

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[11] *Toward a Social Report,* Government Printing Office, 1969.

[12] Daniel P. Moynihan, *Maximum Feasible Misunderstanding* (New York; Macmillan, 1968), pp. 190–203.

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had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4293) to provide for continuation of authority for rgulation of exports.

ORDER OF BUSINESS

Mr. MUSKIE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXPORT ADMINISTRATION ACT OF 1969—CONFERENCE REPORT

Mr. MUSKIE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the amendment of the Senate to the bill (H.R. 4293) to provide for continuation of authority for regulation of exports. I ask unanimous consent for the present consideration of the report.

The ACTING PRESIDENT pro tempore. The report will be read for the information of the Senate.

The assistant legislative clerk read the report.

(For conference report, see House proceedings of today.)

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. MUSKIE. Mr. President, I am most happy to support the conference report on H.R. 4293. This bill is the product of many months of work by many of us who believe that the export administration procedures followed by the United States need extensive revision in order to assure that the national security of the United States is fully protected and, at the same time, to assure that American business has the opportunity to compete freely in the world marketplace.

Mr. President, I believe that the conference report achieves these two objectives. There are many changes in existing law embodied in the conference report. The existing law provides that the President shall deny an export license if an item would contribute significantly to the military or economic potential of a nation or nations threatening the national security of the United States. The existence of the economic potential criterion has caused considerable confusion and unnecessary restriction in the interpretation and application of the existing law. Obviously, virtually any export would contribute to the economic potential of a nation. But it is equally obvious that there was no intention under the existing law that all exports be prohibited to the specified nations. This confusion and uncertainty as to what the law actually means has apparently led to overly restrictive interpretation by the executive department and has also curtailed the efforts of American business to export to the specified nations because of the uncertainty of business as to what the congressional intent is in regard to these exports.

The conference report removes any reference to economic potential. This removal should aleviate the confusion and focus on the primary objective of regulating exports, which is to protect the national security.

Another major change in the existing law which is contained in the conference report is a congressional mandate concerning regulation of the export of items which are available outside the United States from nations other than those nations threatening the national security of the United States.

The bill makes clear the intent of Congress that an item which is available from certain nations, other than the United States, shall be freely exportable from the United States without licensing requirements unless overriding national security considerations still require that the item be controlled. Such decision to control should be made only after full and complete consideration has been given to the availability of this item from other sources. In such cases the Department of Commerce must report to the Congress, in the quarterly report following that decision, the reasons for requiring an export license in such detail as national security and foreign policy permit. This report should include such detail as the pertinent articles, materials, supplies, data or information; the nation or nations affected by the decision; and the reasons, subject to the specified limitations, for the decision to control the item, in spite of its availability elsewhere.

In addition to these two key provisions, the bill contains a number of provisions which represent an improvement over the existing law. The new act includes a finding that the unwarranted restriction of exports has a serious effect on the balance of payments.

It contains a finding that the uncertainty of policy toward certain exports has had the effect of curtailing the attempts of American business to export items contained in those categories. It states that this curtailment has been to the detriment of our trade balance.

Thus, the new act recognizes specifically the importance of American exports to the balance of payments of the United States, and, implicit therein, their importance to the overall financial and economic well-being of this country.

The act includes a new statement that it is the policy of the United States to encourage trade with all countries with which we have diplomatic or trading relations while, at the same time, restricting the export of goods and technology which would make a significant contribution to the military potential of certain nations which would prove detrimental to the national security. Thus, in the legislation dealing with the administration of exports, there is the express policy to encourage the flow of trade.

The act requires the Secretary of Commerce to institute such changes as are necessary to facilitate and effectuate the fullest implementation of the policy of the act with a view to promoting trade with all nations with which the United States is engaged in trade.

It also requires the Department of Commerce to review its control lists with a view to make promptly any changes and revisions as may be necessary in furtherance of the policy of the act. The Department is required to report its actions in this regard to Congress on a regular basis.

The act requires the Department of Commerce to keep the business sector of our economy advised of the changes in export control policy and procedures instituted by it in conformity with the act with a view to encouraging the widest possible trade.

The act also requires the President to seek the information and advice from private industry in regard to the export policies and procedures utilized by him.

The act requires that it be administered in such a manner so as to reduce the cost of recordkeeping and export documentation requirements that are required of American business. A periodic review of these requirements must be made and Congress must be kept up to date on what the administration is doing in this respect.

It establishes a new procedure whereby exporters may be kept fully advised of the status of their license applications along with pertinent factors which may affect their application.

Mr. President, I have given a brief summary of the innovations contained in this act. There is certainly no way for us to know the precise effect this act will have on American business. However, I am confident that if the act is administered in a manner which implements the policies and objectives sought by those of us who have spent a great deal of time on it that there will be a substantial increase in the efforts of American business to enter the world market and there will be a substantial increase in the exports from the United States.

Mr. President, at this time, I wish to express my appreciation to the distinguished Senator from Minnesota (Mr. MONDALE), who was the principal architect of this new policy in the Senate, and to my distinguished colleague, the Senator from Utah (Mr. BENNETT) for his cooperation in making possible a compromise of these difficult issues at literally the last moment in this session.

Any mention of the success of the compromise which has been worked out would be incomplete without reference to the untiring efforts of the distinguished Senator from Massachusetts (Mr. BROOKE). He truly has been the key figure in working out this compromise with the administration. For those of us on this side of the aisle, as well as those on the other end of the Capitol, I wish to express my very deep appreciation to him for his efforts.

Mr. BENNETT. Mr. President, I appreciate the kind things my friend the Senator from Maine has said about my participation in this activity; and I was delighted to have him add an expression of appreciation to the Senator from Massachusetts (Mr. BROOKE), because during the last few hours in which this final solution was hammered out, it was the Senator from Massachusetts and not the Senator from Utah who bore the brunt of this accomplishment.

Mr. President, I believe that it is in the best interest of this Nation that the conferees were able to reach an agreement on language for section 4(a) of the Export Administration Act. If we had not, it would have been necessary to control our exports under the Trading With the Enemy Act, and although the administration was ready to do that if necessary, it would not have been a convenient way to protect the security of the United States while still allowing exports not affecting our security.

The strong feelings on this issue are reflected in the fact that the statement of the managers of the conference for the House contains only a reference to the actual language changes from the act approved by the House and that agreed to in conference this morning. No interpretation of the language could be agreed upon by the conferees.

In the absence of such interpretation, I believe that it is necessary that one point is made clear. I have submitted two questions to the manager of the conference report for the Senate, which I will ask that he give me his understanding of the will of the conferees.

The first question is:

Is it the intent of the conferees in section 4(a) that the Department of Commerce be required to presurvey all of the thousands of items that might be subject to export in order to retain them on the export control list?

Mr. MUSKIE. My specific answer to that question is no. I should like to amplify it in this way: What the conference envisions—and I think this is true of all the Senate conferees—is an orderly transition into the new policy, embodied in this Act. What is involved is the requirement that new policies must be set in regard to more than 1,300 categories of goods. The setting of these new policies will necessarily require a period of time which is, at this time, incapable of precise determination. The act leaves the administration the flexibility it needs in regard to the time it will take to review its control lists in the light of the new availability mandate. How long this takes will be up to the administration and will depend on the vigor with which the review is undertaken by the administration. We express the hope that the administration will take the initiative and move quickly into the new policy areas.

Mr. BENNETT. I thank the Senator from Maine.

The second question is:

It is my understanding then, that under section 4(a) reporting requirements, items presently on the control list may be retained without a report to Congress as to why they are being retained until a review is initiated as a result of a specific license application from an exporter. Is that correct?

Mr. MUSKIE. Yes. Insofar as the language of section 4(b) is concerned, the specific licensing application is one triggering action provided in the law. The receipt of license applications, and the reappraisal of the control lists to be initiated by the administration will cause the complete lists to be examined in the light of the new availability criterion. As this examination takes place,, the administration will revise its control lists as it makes determinations on the question of availability. In the meantime, however, the Commerce Department will continue to have the authority to control categories now on the list.

Mr. BENNETT. I thank the Senator from Maine. I realize, of course, that section 4(a) will, before it is fully implemented, require a more or less systematic review of all the items on the control list and I assume that we in the Banking and Currency Committee can expect reports on the actions taken as a result of that continual and systematic review.

I am sure we are all in agreement as to the goal which we hope to reach. I am very happy that the differences that separated the two Houses have been worked out, even in the closing minutes of the session, so that this act which would otherwise expire on the 31st day of December can continue in force.

Mr. MUSKIE. Let me say this in addition, that the distinguished Senator from Utah has referred to the fact that no interpretation of the language of the conference report could be agreed upon by the conferees. In explanation of what the Senator has said, and it is a correct statement, the extensive negotiations we have had with representatives of the administration have led to a rather complete understanding, at least as between the Senate conferees and the administration, of what we have in mind with this legislation. So that, although it is not technically an official interpretation of the language, I think it is the kind of understanding which will make it possible to work out wise policies in this field.

I now yield to the Senator from Minnesota (Mr. MONDALE).

Mr. MONDALE. Mr. President, may I express my deep appreciation and admiration to the distinguished Senator from Maine (Mr. MUSKIE) for his gifted contribution to the measure which we are about to adopt today.

This is the first significant trade liberalization measure passed by Congress since the end of World War II.

It is important by virtue of its own terms. But it may be that its symbolism is even more important, because, for years, deeply patriotic U.S. businessmen, seeking to sell peaceful, nonstrategic items to Eastern Europe have been subject to the charge that there is something wrong with their patriotism, even though they knew that such efforts were in this Nation's best interests, and even though they knew that to restrict such trade would be self-defeating for the United States, because increasingly other nations in Western Europe, as well as Japan and other free world countries, were producing identical items and it was no longer a question of denying something to the nations of Eastern Europe but a question of U.S. businessmen being permitted to participate and compete with them.

Thus, I think this act today should encourage not alone the Government in its administration of the act, and of other acts that bear upon East-West trade, but should be further support for U.S. businessmen in seeking to find and expand markets in Eastern Europe in the peaceful, nonstrategic trade categories.

Repeatedly, throughout this act, we have declared it to be the policy of the United States to support such a movement on the part of U.S. businessmen.

Second, I think that this act is important, in that it finally brings into focus the point I have referred to earlier, the most absurd feature of the operation of the present Export Control Act. Under the present act over 1,300 items or categories of goods are freely available elsewhere in the world but we unilaterally prevent our own businessmen from selling them in Eastern Europe, even though we deny nothing to these nations.

The heart of the legislation is directed at that patent absurdity and asks the executive branch, particularly the Department of Commerce, quickly to review those areas in which this condition continues to exist, and to the extent that the Nation's national security permits, to decontrol those items as quickly as possible.

I am hopeful—and I understand that the Department of Commerce now supports this measure—that it will follow through in the full spirit and intent of this measure.

Finally, this proposal calls for more open and public administration of the act. The present legislation was passed in 1949 during the darkest days of the cold war, and during the worst days of Stalin. Its operation was from that time on, a dark and closely kept secret. How the Export Control Act was administered, on what basis it would grant or deny licenses on what basis it would delay, and on what basis the Export Control Office would consult or not consult with businessmen, or the Congress—it was almost as though it were a Secret Service-CIA operation, beyond the legitimate right of anyone to know or to understand.

The pending legislation asks that it now become a public operation to the fullest extent the Nation's security permits, and asks for the first time that U.S. businessmen be widely advised and be widely permitted to consult with the Department of Commerce on general policy on the administration of the Export Control Act; but more specifically, in one of its sections, it asks that the particular applicant for an export control license be informed at every stage of the application process as to precisely what it is that bears upon the granting or the denial of that license, it provides a fair hearing and it would inform each exporter of the reasons for the denial, if an application is denied.

This measure seeks to aid the business community in achieving the objective of expanded East-West trade, and asks that it become a public operation. It requires that those who deal with the agency be freely and honestly dealt with. In the same way, it seeks that same sort of relationship between Congress and the Department of Commerce, by asking that we be given full and detailed reports, to permit Congress in cooperation with the executive branch to achieve the objective of this legislation.

This I regard to be a terribly important first step to a healthy reform of trade policies in nonstrategic goods to Eastern Europe.

I hope that we may quickly adopt reforms in export-import financing policies as well. I remind the Senate that every industrialized country in the world has a bank like the Eximbank which extends credit or loans to their businessmen to do business around the world. Ours is the only bank which is prevented by law from any participation at all in assisting U.S. business in nonstrategic items in eastern Europe, except for Yugoslavia.

This is something we could not deal with in this legislation, but I hope we may deal with in the near future.

Finally, we must have reform of most-favored-nation treatment for most eastern European countries. I was pleased to read the other day that the President has recommended expanding trade opportunities with China. I see present on the floor the Senator from Washington (Mr. MAGNUSON), who has been 12 years ahead of us in proposing expanded trade with China. Yet, in spite of the proposed new initiatives with China—with which I agree—we seem intent on restricting trade, for example, with Rumania. One of the ways we restrict that trade is by refusing Rumania most-favored-nation treatment, on grounds which are difficult to understand.

So I hope, in addition to Ex-Im reform, we can take those long overdue steps in the extension of the most-favored-nation treatment to many nations of eastern Europe as well.

Let me conclude by again renewing my expression of deep appreciation to the distinguished Senator from Maine for his inspired and creative support in this effort.

Mr. MUSKIE. I thank the Senator from Minnesota and compliment him again for his very real and effective leadership in connection with this legislation. I am sure it is clear that the legislative history and discussion of the merits which he has just put into the record, is a reflection of the knowledge and background and ability he brings to this field.

I would like now to yield to my good friend from Massachusetts, who has been such a key figure in working out the compromise at this last moment.

Mr. BROOKE. I thank the Senator from Maine. I certainly want to thank him for his very kind and generous references to my participation in this legislation. I also want to thank my distinguished colleague from Utah (Mr. BENNETT), for his usual, selfless manner in making these very kind remarks.

I have nothing but the highest commendation for Senators MUSKIE, MONDALE, BENNETT, HUGHES, and other Senators who worked in the conference committee, and for members on the House side who worked so closely with us on this very important legislation.

Mr. President, it is important legislation. It enables the American businessman, at long last, to compete with the businessmen of allied nations in trading with the eastern European countries.

We have not had a truly competitive position in the past. I think this legislation puts us on parity with businessmen from allied nations. It is something that has been long in coming. I am certainly grateful that the distinguished Senator from Maine and the distinguished Senator from Minnesota have been so strong in their support of the legislation, as has been well outlined.

I shall not delay the Senate longer in repetition, but, as the Senator from Minnesota (Mr. MONDALE) said, we are now opening up negotiations with respect to trade with Communist China—the Red Chinese, so-called. I agree with Senators who have spoken on this subject. I think it has been long-coming. I agree, too, that the Senator from Washington (Mr. MAGNUSON) has been a leader in this field.

We cannot ignore 800 million Chinese people—and it may be 1 billion people—who are on earth at the present time. Sometime that has got to stop. One of the ways it must stop is to begin to trade with those people in nonstrategic items that will not jeopardize the national security. No one wants to jeopardize the national security of the United States. We have not jeopardized the national security of the United States in this piece of legislation. Let there be no doubt about that.

The measure before us represents progressive legislation in this field which has been needed for a long period of time. I hope it is just the beginning of what we are able to do. The Helsinki talks have so far proved to be fruitful. At least, the tone of them has proved to be fruitful. We have every hope that when we meet with the Soviets in Vienna and in Helsinki again, there will be more fruitful progress. Certainly, I hope these negotiations with the Soviet Union will help us thaw the cold war and reduce the fears and threats of these two powerful nations, as was helped by the nonproliferation treaty, and as we hope to achieve in the strategic arms limitation talks. I hope further good results will be forthcoming. This all ties in with what this Nation is trying to do.

President Nixon and the Commerce Department have been cooperative with regard to this legislation, for which we are all grateful.

Again, I want to thank the distinguished manager of the Senate conferees for all the effort he has put into this undertaking, and to thank also the Senator from Minnesota (Mr. MONDALE), the Senator from Utah (Mr. BENNETT), and the other Senators who have made efforts in this field.

Mr. MAGNUSON. Mr. President, will the Senator from Maine yield?

Mr. MUSKIE. I yield.

Mr. MAGNUSON. Mr. President, I am very pleased with this legislation, because for a long time I have been saying what the distinguished Senator from Massachusetts and the distinguished Senator from Minnesota said. I do not know what the title of the bill is going to be, but it is a tool for peace. Trade in legitimate, nonstrategic products is a bridge to help relieve tensions in the world. It is much better than diplomatic meetings, where people get together and understand one another.

As the Senator from Massachusetts pointed out, we cannot just ignore 800 million people. They are there. By 1985 it is estimated that the population of China will be 1 billion people—one-third of the world's population.

The people behind the Iron Curtain—not the governments, but the people—are eager for the things that we make. If there is to be any revolution in Russia, it will be by the women of Russia. When a husband comes home and says, "Oh, we are big Communists. We can run the world," the wife says, "if you are so good, why can't I get a decent pair of shoes or a better electric iron or a better refrigerator?"

I think there is a revolution going on on the part of people who have legitimate needs. The one country in the world to help furnish those needs is the United States, and in the meantime we will create a lot of good will.

Mr. MUSKIE. Mr. President, I thank the distinguished Senator from Washington.

I am not going to detain the Senate long. My distinguished colleagues from Minnesota (Mr. MONDALE), from Massachusetts (Mr. BROOKE), and from Washington (Mr. MAGNUSON) have expressed hopes that I trust may be advanced at least a little by this legislation. At least, they have spelled out its motivation.

I would like to take this opportunity to compliment the President upon the initiatives he has taken. They are very small initial initiatives with respect to trade with Red China. I was delighted that he should have taken those initiatives at a time when we were in negotiation over this legislation. I think the steps which he took encouraged us to believe that he and we were really moving, and intended to move, in the same direction.

There are long and difficult days and years ahead of us. There will be many frustrating negotiations, contacts, and talks with the Soviet Union. But I think in the long run, unless we can move in the directions indicated in this legislation, we cannot hope to move at all in the direction of peace.

Mr. President, at this time I want to

pay tribute to the staff of the Banking and Currency Committee, particularly Hugh Smith, assistant counsel, to the committee, and Tim Naegele, assistant minority counsel, and to Jean Dubofsky and Duane Scribner, both formerly of Senator Mondale's staff, and to Jane Fenderson of my staff for their long hours of extremely effective staff work on this bill.

So, Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

The ACTING PRESIDENT pro tempore. What is the will of the Senate?

TRIBUTE TO THE MAJORITY LEADER

Mr. KENNEDY. Mr. President, earlier this morning, at the opening of the Senate, the majority leader, in a very concise and significant way, detailed some of the achievements and accomplishments of this session. I think it is only appropriate, Mr. President, for us, as we reach the final hours of this session, to recognize as well, the extraordinary leadership that he has provided in a number and variety of different ways, on different measures which have been before this body during the period of the last 12 months.

I would say, first of all, that he has shown an extraordinary amount of patience and understanding to all of the Members of this body, but an added measure to his new assistant leader; and despite the pressures of his office and the weight of the responsibility he has carried, he has made the time to help me better assist him. I consider myself most fortunate to know Mike Mansfield, to work with him and learn from him, and to count him as a friend.

It is, I think, very appropriate to highlight some of the legislative areas which he did not mention, and in which I think he did play a very important and significant role. I think, first of all, of the great trust that was placed in the majority leader by our distinguished President earlier this year, when he asked him to travel to Southeast Asia and embark on a mission of great importance and substance in terms of evaluating our policy in that part of the world. I think everyone in this body, as all Americans, realizes that when the majority leader travels, he travels not as a Democrat or even as a Senator from a great State, but as one who has an extraordinary background and experience in the role and the problems of Southeast Asia, as a scholar, as a man, and as a national leader. I think all those concerned about our Nation's policies in that area felt much better after he reported to the President and the Senate about the problems of our involvement in Southeast Asia. He made some most useful and significant contributions, I felt, toward the development of the President's foreign policy as was enunciated in the declaration of Guam.

His trip through Southeast Asia this year was perhaps more important than most Americans will ever realize. There is no partisanship to this man when he goes abroad—and his counsel to presidents is as an American. We all know the esteem in which he is held by our current President and the worth that President Nixon placed on his report given at San Clemente. Eventually, it was Mike Mansfield who amended the foreign aid bill to keep our involvement in Laos and Thailand under constant surveillance and control.

I think this was one of the important and useful contributions made by the majority leader during this session.

Mr. President, one of the year's most important involvements, and one of the most important debates that took place during the session, was the Senate debate on ABM. The leader, once again, was able to insure to all the Members of this body, regardless of their views, a full opportunity to expound those views, and to engage in this extremely important and even emotional, discussion and debate.

Mr. President, I have said on other occasions, as have many others, that perhaps the most important measure that passed this body this session was the tax reform bill although it does not include all the measures that many of us would like to have seen included. I can remember back to the early part of this summer, when the majority leader stood in the well and presented his position in an extremely effective way. And I think he was speaking really for many Members of the Senate, and reflecting the views of many Americans when he said that we should not have an extension of the surtax unless we were going to undertake at the same time a comprehensive tax reform bill, which the Finance Committee eventually produced as they had agreed to do. It was really through the Senator from Montana's leadership and through the exercise of his persuasive powers, in coordination with the Finance Committee, that this body received that measure on October 31, as promised. And I do think that final approval of that bill was perhaps the most important and significant achievement of the year.

Mr. President, we have also had a debate and discussion on the floor this session on the whole question of our Armed Forces in Western Europe, created principally by the introduction of a resolution which had the unanimous support of the Policy Committee, by the majority leader to express the Senate's disposition on that question.

So I think, in two important areas of foreign policy—in Southeast Asia and in Western Europe, important leadership recommendations have been made by the majority leader, and should be listened to and heeded, in this Senator's opinion.

On the most significant domestic issue, his leadership qualities were extremely important. As one who was involved in the question of draft reform, I can say that it was with the intercession of the leader who did not even support this random selection system proposal, but who felt that we ought to move on draft reform, that we were able to pass the measure. And those of us who are most interested in more comprehensive reforms received assurances by the distinguished chairman of the Armed Services Committee that hearings will be held in the early part of this next year.

These are just some of the measures which come to my mind when I think about the achievements and the accomplishments of this Congress, when we reflect upon the accomplishments which Senator Mansfield talked about and about which the minority leader (Mr. Scott) spoke about earlier today. I do think, as we draw a close to this year, and as there have been and will be speculation as to the achievements and the accomplishments of the Senate this year, it is important to add this footnote about what I think has been the exemplary leadership which has been provided by Mike Mansfield.

GRANTS TO CERTAIN SCHOOLS

Mr. YARBOROUGH. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2809.

The ACTING PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 2309) to amend the Public Health Service Act so as to extend for an additional period the authority to make formula grants to schools of public health, project grants for graduate training in public health and traineeships for professional public health personnel which was to strike out all after the enacting clause and insert:

> That section 309(c) of the Public Health Service Act is amended by striking out "$5,000,000 for the fiscal year ending June 30, 1968, $6,000,000 for the fiscal year ending June 30, 1969, and $7,000,000 for the fiscal year ending June 30, 1970" and inserting in lieu thereof: "$7,000,000 for the fiscal year ending June 30, 1970, $7,000,000 for the fiscal year ending June 30, 1971, $9,000,000 for the fiscal year ending June 30, 1972, and $12,000,000 for the fiscal year ending June 30, 1973".

Mr. YARBOROUGH. Mr. President, I move that the Senate disagree to the amendment of the House of Representatives to S. 2809 and request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Acting President pro tempore appointed Mr. Yarborough, Mr. Williams of New Jersey, Mr. Kennedy, Mr. Nelson, Mr. Eagleton, Mr. Cranston, Mr. Hughes, Mr. Dominick, Mr. Javits, Mr. Murphy, Mr. Prouty, and Mr. Saxbe conferees on the part of the Senate.

COMMUNITY MENTAL HEALTH CENTERS AMENDMENTS OF 1969

Mr. YARBOROUGH. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2523.

The ACTING PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 2523) to amend the Community Mental Health Centers Act to extend and improve the program of assistance under that Act for community mental health centers and facilities for the treatment of alcoholics and narcotic addicts, to establish programs for mental health of children, and for other purposes, which was to strike out all after the enacting clause and insert:

SHORT TITLE

SECTION 1. This Act may be cited as the "Community Mental Health Centers Amendments of 1969".

TITLE I—GRANTS FOR CONSTRUCTION OF COMMUNITY MENTAL HEALTH CENTERS AND FACILITIES FOR ALCOHOLICS AND NARCOTIC ADDICTS

EXTENSION OF PROGRAM FOR COMMUNITY MENTAL HEALTH CENTERS

SEC. 101. (a) Section 201 of the Community Mental Health Centers Act (42 U.S.C. 2681) is amended by striking out the period at the end and inserting in lieu thereof a comma and the following: "and for each of the next three fiscal years.".

(b) Section 207 of such Act (42 U.S.C. 2687) is amended by striking out "1970" and inserting in lieu thereof "1973".

EXTENSION OF PROGRAMS FOR FACILITIES FOR ALCOHOLICS AND NARCOTIC ADDICTS

SEC. 102. (a) Section 261(a) of such Act (42 U.S.C. 2688o) is amended by striking out "and $25,000,000 for the next fiscal year" and inserting in lieu thereof "$15,000,000 for the fiscal year ending June 30, 1970, $20,000,000 for the fiscal year ending June 30, 1971, $25,000,000 for the fiscal year ending June 30, 1972, and $30,000,000 for the fiscal year ending June 30, 1973,".

(b) Section 261(b) of such Act is amended by striking out "the next three" and inserting in lieu thereof "the next seven", and by striking out "for the fiscal year ending June 30, 1969, or the fiscal year ending June 30, 1970" and inserting in lieu thereof "for any fiscal year ending before July 1, 1973".

TRAINING AND EVALUATION OF PROGRAMS FOR ALCOHOLISM AND NARCOTIC ADDICTION

SEC. 103. (a) Part C of the Community Mental Health Centers Act is amended by redesignating sections 245 and 246 as sections 246 and 247, respectively, and by inserting after section 244 the following:

"TRAINING AND EVALUATION

"SEC. 245. The Secretary is authorized to make grants to any public or nonprofit private agency or organization to cover part or all of the cost of (1) developing specialized training programs or materials relating to the provision of public health services for the prevention and treatment of alcoholism, or developing inservice training or short-term or refresher courses with respect to the provision of such services; (2) training personnel to operate, supervise, and administer such services; and (3) conducting surveys and field trials to evaluate the adequacy of the programs for the prevention and treatment of alcoholism within the several States with a view to determining ways and means of improving, extending, and expanding such programs."

(b) Section 252 of such Act (42 U.S.C. 2688l) is amended by striking out "1970" and inserting in lieu thereof "1973".

(c) The first sentence of section 261(a) of the Community Mental Health Centers Act (42 U.S.C. 2688o) is amended by striking out "section 252" and inserting in lieu thereof "sections 245 and 252".

TITLE II—GRANTS FOR STAFFING OF COMMUNITY MENTAL HEALTH CENTERS AND FACILITIES FOR ALCOHOLICS AND NARCOTIC ADDICTS

FEDERAL SHARE

SEC. 201. (a) (1) Effective with respect to costs of compensation of professional and technical personnel of any community mental health center for any period after June 30, 1970, for which a grant has been or is made under subsection (a) of section 220 of the Community Mental Health Centers Act (42 U.S.C. 2688), subsection (b) of such section is amended to read as follows:

"(b) (1) Except as provided in paragraph (2), grants under this section for such costs for any center may be made only for the period beginning with the first day of the first month for which such a grant is made and ending with the close of six years and three months after such first day; and such grants with respect to any center may not exceed 75 per centum of such costs for the period ending with the close of the fifteenth month following such first day, 60 per centum of such costs for the first year thereafter, 45 per centum of such costs for the second year thereafter, and 30 per centum of such costs for the third, fourth, and fifth years thereafter.

"(2) In the case of any such center providing services for persons in an area designated by the Secretary as an urban or rural poverty area, grants under this part for such costs for any such center may be made only for the period beginning with the first day of the first month for which such a grant is made and ending with the close of six years after such first day; and such grants with respect to any such center may not exceed 90 per centum of such costs for the first two years after such first day, 80 per centum of such costs for the third year after such first day, and 70 per centum of such costs for the fourth, fifth, and sixth years after such first day."

(2) Effective with respect to costs of compensation of professional and technical personnel of any alcoholism prevention and treatment facility, specialized facility for alcoholics, or treatment facility for narcotic addicts for any period after June 30, 1970, for which a grant has been or is made under section 242, 243, or 251 of the Community Mental Health Centers Act (42 U.S.C. 2688g, 2688h, 2688k), subsection (b) of section 242 of such Act is amended to read as follows:

"(b) (1) Grants under this part for such costs for any facility may be made only for the period beginning with the first day of the first month for which such a grant is made and ending with the close of six years after such first day; and, except as provided in paragraph (2), such grants with respect to any facility may not exceed 80 per centum of such costs for the first two years after such first day, 75 per centum of such costs for the third year after such first day, 60 per centum of such costs for the fourth year after such first day, 45 per centum of such costs for the fifth year after such first day, and 30 per centum of such costs for the sixth year after such first day.

"(2) In the case of any such facility providing services for persons in an area designated by the Secretary as an urban or rural poverty area, such grants with respect to any such facility may not exceed 90 per centum of such costs for the first two years after such first day, 80 per centum of such costs for the third year after such first day, and 70 per centum of such costs for the fourth, fifth, and sixth years after such first day.

(b) In the case of any community mental health center, alcoholism prevention and treatment facility, specialized facility for alcoholics, or treatment facility for narcotic addicts, for which a staffing grant was made under section 220, 242, 243, or 251 of the Community Mental Health Centers Act before July 1, 1970, the applicable provisions of subsection (b) of section 220 or 242 of such Act (as amended by subsection (a) of this section) shall, with respect to costs incurred after June 30, 1970, apply to the same extent as if such subsection (b) had been in effect on the date a staffing grant for such center or facility was initially made.

AUTHORIZATION OF APPROPRIATIONS

SEC. 202. (a) The first sentence of section 224 of such Act (42 U.S.C. 2688d) is amended by striking out "and $32,000,000 for the fiscal year ending June 30, 1970" and inserting in lieu thereof "$26,000,000 for the fiscal year ending June 30, 1970, $32,000,000 for the fiscal year ending June 30, 1971, $40,000,000 for the fiscal year ending June 30, 1972, and $48,000,000 for the fiscal year ending June 30, 1973".

(b) The last sentence of such section 224 is amended by striking out "seven" and inserting in lieu thereof "twelve".

(c) Section 221(b) of such Act (42 U.S.C. 2688a) is amended by striking out "1970" each place it appears therein and inserting in lieu thereof "1973".

REVIEW OF APPLICATIONS BY STATE MENTAL HEALTH AUTHORITY AND HEALTH PLANNING AGENCIES

SEC. 203. (a) Effective with respect to projects approved under sections 220 and 242 of the Community Mental Health Centers Act (42 U.S.C. 2688, 2688g) after June 30, 1970, section 221(a) of such Act (42 U.S.C. 2688a) is amended by adding immediately below paragraph (5) of the first sentence the following new sentence: "No application for a grant under section 220 shall be approved unless opportunity has been provided, prior to such approval, for consideration of the project by the State mental health authority, by any public or nonprofit private agency or organization which has developed the comprehensive regional, metropolitan area, or other local area plan or plans referred to in section 314(b) of the Public Health Service Act covering the area in which the project is to be located, and by the State agency administering or supervising the administration of the State plan approved under section 314(a) of such Act."

(b) Effective with respect to projects approved under sections 243 and 251 of such Act (42 U.S.C. 2688h, 2688k) after June 30, 1970, subsection (c) of section 243 of such Act (42 U.S.C. 2688h) and subsection (c) of section 251 of such Act (42 U.S.C. 2688k) are amended by adding at the end of each subsection the following: "No application for a grant under this section shall be approved unless opportunity has been provided, prior to such approval, for consideration of the project by the State mental health authority, by any public or nonprofit private agency or organization which has developed the comprehensive regional, metropolitan area, or other local area plan or plans referred to in section 314(b) of the Public Service Health Service Act covering the area in which the project is to be located, and by the State agency administering or supervising the administration of the State plan approved under section 314(a) of such Act."

GRANTS FOR CONSULTATION SERVICES

SEC. 204. Part E of the Community Mental Health Centers Act is amended by adding at the end thereof the following new section:

"SEC. 264. (a) In the case of any community mental health center, alcoholism prevention and treatment facility, specialized facility for alcoholics, treatment facility for narcotic addicts, or facility for mental health of children, to which a grant under part B, C, D, or F, as the case may be, is made from appropriations for any fiscal year beginning after June 30, 1970, to assist it in meeting a portion of the costs of compensation of professional and technical personnel providing consultation services, the Secretary may, with respect to such center or facility, make a grant under this section in addition to such other staffing grant for such center or facility.

"(b) A grant under subsection (a) with respect to a center or facility referred to in that subsection—

"(1) may be made only for the period applicable to the staffing grant made under part B, C, D, or F, as the case may be, with respect to such facility, and

"(2) may not exceed whichever of the following is the lower: (A) 15 per centum of the costs with respect to which such other staffing grant is made, or (B) that percentage of such costs which when added to the percentage of such costs covered by such other staffing grant equals 100 per centum.

"(c) For purposes of making initial grants under this section, there are authorized to be appropriated $5,000,000 for each of the fiscal years ending June 30, 1971, June 30, 1972, and June 30, 1973. There are also authorized to be appropriated for the fiscal year ending June 30, 1972, and for each of the next seven fiscal years such sums as may be necessary to continue to make grants under this section for projects which received initial grants under this section from appropriations authorized for any fiscal year ending before July 1, 1975.

APPROVAL BY NATIONAL ADVISORY MENTAL HEALTH COUNCIL

SEC. 205. (a) Part E of the Community Mental Health Centers Act is amended by adding after the section added by section 204 the following new section:

"APPROVAL BY NATIONAL ADVISORY MENTAL HEALTH COUNCIL

"SEC. 265. Grants made under this title for the cost of compensation of professional and technical personnel may be made only upon recommendation of the National Advisory Mental Health Council established by section 217(a) of the Public Health Service Act."

(b) The amendment made by subsection (a) shall apply with respect to grants initially made under the Community Mental Health Centers Act from appropriations made for fiscal years beginning after June 30, 1970.

INITIATION AND DEVELOPMENT GRANTS

SEC. 206. Effective with respect to appropriations made under section 224 of the Community Mental Health Centers Act (42 U.S.C. 2688d) for fiscal years beginning after June 30, 1970, part B of such Act is amended by adding after such section 224 the following new section:

"GRANTS FOR INITIATION AND DEVELOPMENT OF COMMUNITY MENTAL HEALTH CENTERS

"SEC. 225. For the purposes of assessing local mental health needs, developing necessary resources, and involving local citizens in the development of mental health programs, up to a maximum of 5 per centum of the appropriation for each fiscal year under section 224 shall be available to the Secretary for grants to local public or nonprofit private agencies or organizations to cover up to 100 per centum of the costs, but in no case to exceed $50,000, for initiation and development of a program for delivery of community mental health center services, for one year only running from the first day of the first month for which such a grant is made with respect to such a local public or private nonprofit agency or organization."

TITLE III—AMENDMENTS RELATING TO COMMUNITY MENTAL HEALTH CENTERS AND FACILITIES FOR THE MENTALLY RETARDED, ALCOHOLICS, AND NARCOTIC ADDICTS

FEDERAL SHARE; HIGHER SHARE FOR DISADVANTAGED AREAS

SEC. 301. Effective with respect to projects approved after June 30, 1970, under part C of title I or part A of title II of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, section 402 of such Act (42 U.S.C. 2692) is repealed and section 401(h) of such Act is amended to read as follows:

"(h)(1) The term 'Federal share' with respect to any project means the portion of the cost of construction of such project to be paid by the Federal Government under part C of title I or part A of title II.

"(2) The Federal share with respect to any project in the State shall be the amount determined by the State agency designated in the State plan but, except as provided in paragraph (3), the Federal share for any project may not exceed 66⅔ per centum of the cost of construction of such project or the State's Federal percentage, whichever is the lower. Prior to the approval of the first such project in the State during any fiscal year, such State agency shall give the Secretary written notification of the maximum Federal share established pursuant to this paragraph for such projects in such State to be approved by the Secretary during such fiscal year and the method for determining the actual Federal share to be paid with respect to such projects; and such maximum Federal share and such method of determination for such projects in such State approved during such fiscal year shall not be changed after the approval of the first such project in the State during such fiscal year.

"(3) In the case of any facility or center which provides or will, upon completion of the project for which application has been made under part C of title I or under part A of title II, provide services for persons in an area designated by the Secretary as an urban or rural poverty area, the maximum Federal share determined under paragraph (2) may not exceed 90 per centum of the costs of construction of the project."

PERIOD FOR PROMULGATING FEDERAL PERCENTAGES

SEC. 302. Section 401(j)(1) of such Act is amended by striking out "August 31" and inserting in lieu thereof "September 30".

MAXIMUM FEDERAL SHARE OF CONSTRUCTION PROJECTS FOR FACILITIES FOR ALCOHOLICS OR NARCOTIC ADDICTS IN DISADVANTAGED AREAS

SEC. 303. Effective with respect to projects approved after June 30, 1970, under part C or part D of the Community Mental Health Centers Act, section 241(b) of such Act (42 U.S.C. 2688f), section 243(d) of such Act (42 U.S.C. 2688h), and section 251(b) of such Act (42 U.S.C 2688k) are each amended by inserting immediately after "66⅔ per centum" the following: "(or 90 per centum in the case of a facility providing services for persons in an area designated by the Secretary as an urban or rural poverty area)"

TITLE IV—MENTAL HEALTH OF CHILDREN

CONSTRUCTION AND STAFFING OF TREATMENT FACILITIES

SEC. 401. The Community Mental Health Centers Act is amended by adding after part E of the following:

"PART F—MENTAL HEALTH OF CHILDREN

"GRANTS FOR TREATMENT FACILITIES

"SEC. 271. (a) Grants from appropriations under subsection (d) may be made by the Secretary to any public or nonprofit private agency or organization which owns or operates a community mental health center to assist such agency or organization in meeting the costs of construction of a facility for mental health of children within the States, and to assist such an agency or organization in meeting a portion of the costs (determined pursuant to regulations of the Secretary) of compensation of professional and technical personnel for the operation of a facility for mental health of children constructed with a grant made under part A or this part or for the operation of new services in an existing facility for mental health of children.

"(b)(1) No grant may be made under this section for the construction of a facility for mental health of children unless such facility will be part of or affiliated with the community mental health center owned or operated by the agency or organization receiving the grant.

"(2) The grant program for construction of facilities authorized by subsection (a) shall be carried out consistently with the grant program under part A, except that the amount of any such grant with respect to any project shall be such percentage of the cost thereof, but not in excess of 66⅔ per centum (or 90 per centum in the case of a facility providing services for persons in an area designated by the Secretary as an urban or rural poverty area), as the Secretary may determine.

"(c)(1) No application for a grant under this part for the costs of compensation of professional and technical personnel shall be approved unless opportunity has been provided, prior to such approval, for consideration of the project by the State mental health authority, by any public or nonprofit private agency or organization which has developed the comprehensive regional, metropolitan area, or other local area plan or plans referred to in section 314(b) of the Public Health Service Act covering the area in which the project is to be located, and by the State agency administering or supervising the administration of the State plan approved under section 314(a) of such Act.

"(2) Grants made under this section for such costs may not exceed the percentages of such costs, and may be made only for the periods, prescribed for grants for such costs under section 242.

"(d)(1) There are authorized to be appropriated $6,000,000 for the fiscal year ending June 30, 1971, $10,000,000 for the fiscal year ending June 30, 1972, and $15,000,000 for the fiscal year ending June 30, 1973, for grants under this part for construction, for initial grants under this part for compensation of professional and technical personnel, and for training and evaluation grants under section 272.

"(2) There are also authorized to be appropriated for the fiscal year ending June 30, 1972, and each of the next six fiscal years such sums as may be necesary to continue to make grants with respect to any project under this part for which an initial staffing grant was made from appropriations under paragraph (1) for any fiscal year ending before July 1, 1973.

"TRAINING AND EVALUATION

"SEC. 272. The Secretary is authorized, during the period beginning July 1, 1971, and ending with the close of June 30, 1973, to make grants to public or nonprofit private agencies or organizations to cover part or all of the cost of (1) developing specialized training programs or materials relating to the provision of services for the mental health of children, or developing inservice training or short-term or refresher courses with respect to the provision of such services; (2) training personnel to operate, su-

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pervise, and administer such services; and (3) conducting surveys and field trials to evaluate the adequacy of the programs for the mental health of children within the several States with a view to determining ways and means of improving, extending, and expanding such programs."

Mr. YARBOROUGH. Mr. President, I move that the Senate disagree to the amendment of the House of Representatives to S. 2523 and request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Acting President pro tempore appointed Mr. Yarborough, Mr. Williams of New Jersey, Mr. Kennedy, Mr. Nelson, Mr. Eagleton, Mr. Cranston, Mr. Hughes, Mr. Dominick, Mr. Javits, Mr. Murphy, Mr. Prouty, and Mr. Saxbe conferees on the part of the Senate.

TRIBUTE TO LEADERSHIP

Mr. YARBOROUGH. Mr. President, I commend the distinguished majority leader and the majority whip for their work in this session of the Congress. I shall not take time now to talk about the Committee on Labor and Public Welfare, in which the distinguished occupant of the chair, the Senator from Iowa (Mr. Hughes), played an important part. We have a list of page after page of bills acted upon in our committee that have passed both Houses of the Congress and been signed into law by the President. Some have passed one House and have been approved by the committee and have not yet been acted upon by the Senate.

The legislative session has lasted a long time. However, without that long a time, not as much work could have been accomplished.

THE TAX BILL—H.R. 13270

Mr. YARBOROUGH. Mr. President, on December 22, 1969, Congress passed the most comprehensive tax reform bill in recent history. It is no accident that this bill came to Congress this year. On the contrary, the tax bill is the result of two important factors: First, the demand by the vast majority of Americans for a restoration of equality to our tax laws, and second, the courage, determination, and leadership of the distinguished majority leader, Senator Mansfield, the distinguished chairman of the Finance Committee, Senator Long, the distinguished chairman of the House Ways and Means Committee, Congressman Mills, in producing this bill despite the obstacles which were erected by the administration and by other sources.

In particular, I wish to commend Senator Long and Congressman Mills and the other conferees from both Houses for their diligence and hard work in working out the differences between the House and Senate version of this bill. They worked day and night on this bill and I am sure every Member of Congress joins me in thanking them for their efforts.

None of us can truthfully say that H.R. 13270 is a perfect bill. No piece of legislation which touches so many facets of American life as does H.R. 13270 will ever satisfy everyone or every interest. History will judge the merits of H.R. 13270 and the Congress that wrote and passed it by whether or not it meets the needs of the average American taxpayer. In this respect, the tax bill contains several important measures which will directly benefit the average American taxpayer who has been neglected by our tax laws for so long.

The first of these measures is the acceptance by both Houses of Congress of the Gore-Yarborough amendment to increase the personal exemption. No other provision in this complex bill means more to the average taxpayer than this one. The personal exemption has not been raised since its enactment in 1948. The present personal exemption of $600 cannot be justified on either economic or moral grounds.

I have worked for over 12 years to increase the personal exemption to a figure that is in line with the ever-increasing cost of living. In this Congress, I introduced a bill to increase the personal exemption from $600 to $1,200. Later when the tax bill came to the Senate, I reintroduced my bill as an amendment to it. Throughout my fight for an increase in the personal exemption, the distinguished senior Senator from Tennessee has been an invaluable ally and the leader. This year Senator Gore brought the issue of the personal exemption to the floor of the Senate and was successful in obtaining the increase included in H.R. 13270. I am proud to have been a part of this fight and to have worked with Senator Gore on this important matter.

I am also pleased that in conference the House accepted the theory of the Gore-Yarborough amendment, although the rates were modified in conference. As passed by Congress, the tax bill would increase the personal exemption in the following manner. The personal exemption will be increased to $625 for 1970, to $650 for 1971, to $700 for 1972 and to $750 for 1973. In addition to the increase in the personal exemption, the personal deduction is increased from 10 percent with a $1,000 ceiling to 15 percent with a $2,000 ceiling over a 3-year period. Furthermore, the bill provides for a low-income allowance of $1,100 which will be reduced to $1,000 in 1972. This low-income allowance will take millions of poor and near-poor citizens off the tax rolls.

The acceptance by Congress of the Gore-Yarborough amendment marks the first significant step toward real tax relief for the low- and middle-income taxpayers in nearly 20 years. Again, I wish to join with millions of Americans in thanking Senator Gore for his leadership in this fight.

The tax bill is also important because of the 15-percent increase in social security benefits. This increase has been needed for many years by our Nation's senior citizens who are compelled to face the perils of inflation on small fixed income. I have supported this increase in the social security and I am pleased that the House agreed to it.

I am particularly glad that in accepting the increase in social security, both Houses of Congress accepted the intent and purpose of the Harris-Yarborough amendment which provides that no State can reduce welfare payments as a result of the increase in social security benefits. Thus, under this provision, those members of our society who are drawing welfare will not be deprived of the increase in social security benefits.

I deeply regret that the conferees did not accept the amendment introduced by the distinguished minority leader and myself to allow private foundations to support nonpartisan voter registration projects. The Yarborough-Scott amendment which was accepted by the Senate by a substantial majority was a well-reasoned amendment designed to encourage legitimate voter activities while curbing abuses that have occurred under the present law. Unfortunately, the conferees adopted the much more restrictive provisions of the House version of the bill, particularly the unreasonable and unnecessary requirement that the voter activities be conducted in five or more States. I fear that by substituting the House provisions Congress has severely crippled attempts to increase voter participation in America.

The people of the United States presented Congress with a clear challenge—reform our tax laws and redistribute the Nation's tax burden. In passing this historic tax bill, Congress has demonstrated to the people that it is conscious of their concern and needs and will respond to them. The tax bill contains a healthy balance between fiscal responsibility and relief for our overtaxed low- and middle-income taxpayers. Thus, Congress has answered the people's challenge.

TRIBUTES TO THE LEADERSHIP

Mr. METCALF. Mr. President, I was proud and thrilled a few minutes ago when the senior Senator from Massachusetts (Mr. Kennedy) talked about my distinguished colleague, the majority leader.

I know that all Montanans are proud of Senator Mansfield; proud of his accomplishment, and proud of the recognition he has received.

We have had, as every State, a distinguished litany of outstanding Senators from Montana. Yet, I think that when the historians write about the present distinguished senior Senator from Montana and our former distinguished Senators, including the great Senator Walsh, they will recognize that our present majority leader is the greatest of them all.

This very decent guy, this outstanding Senator is a fine leader and at the same time is most generous and tolerant.

Mr. President, while I am on my feet, I also want to pay tribute to the other Members of the Democratic leadership, the Senator from Massachusetts (Mr. Kennedy) and the Senator from West Virginia (Mr. Byrd).

They have been tremendously indefatigable in their efforts on the floor and in their work with other Senators and with the committees.

I am certainly grateful for all of the activities in which they have engaged and for the leadership they have demonstrated.

I am also proud that I am able to serve in the Senate with the two leaders of the minority party, with whom I served in the House of Representatives before they came to the Senate.

They, too, have been most generous.

I asked for the floor at this time to direct the attention of the Senator from Massachusetts to a matter of importance to him as chairman of the Administrative Practice and Procedure Subcommittee of the Committee on the Judiciary.

We Montanans are close to the Administrative Practice and Procedure Subcommittee.

It was a Montanan who was the father of the Administrative Procedure Act. He was Mr. Carl McFarland, who, with Homer Cummings, wrote the definitive book on Federal Justice and won an award from the American Bar Association for his activities in putting through the Administrative Procedure Act.

We would like to see that act carried out.

In November, Secretary Hickel overruled a decision of former Secretary Udall and decided that the previously ordered increase in grazing fees would not go into effect. Mr. Hickel's proposal was published in the Federal Register of December 4, 1969.

We have little, if any, of the information on which Mr. Hickel based his decision. Early in the session, before the new administration came in, Secretary Udall, after hearings before the Senate Committee on Interior and Insular Affairs and the House Committee on the Interior, ordered an increase in grazing fees over a 10-year period from 33 cents per animal unit to about $1.25 an animal unit.

The difference between the 33 cents and the $1.25 is the amount we are subsidizing many stockmen who graze cattle on our public land.

Subsequent to Secretary Hickel's notice of proposed rulemaking in the Federal Register, I asked him for the reports on which he based his ruling that the previous decision would be set aside.

I have already read into the Record a report of the U.S. Forest Service and the U.S. Bureau of Land Management, the two agencies most concerned, recommending that the grazing fees be increased.

On behalf of the conservationists in my State and the other multiple users, I tried to find the basis Secretary Hickel has used for his new decision. The public has until January 4 to comment. By that time, Congress will be out of session.

It seems to me that there has been an abuse of the administrative process when a Cabinet officer denies to the people access to the information upon which he bases a decision.

I ask the Senator from Massachusetts, as the chairman of that subcommittee, to direct his staff to look into this matter to ascertain if there has been an abuse of the Administrative Procedure Act.

Mr. KENNEDY. Mr. President, I commend the distinguished Senator for bringing this matter to my attention. What the Senator from Montana has stated this afternoon will be of great interest to the members of the committee and to the staff, and I will be more than delighted to look into the procedures employed by the Secretary of the Interior in drafting these regulations.

As the Senator from Montana realizes, the people of this country sometimes express reservations toward their large Government in Washington, D.C. They feel that the Government is often not interested or concerned about their welfare and their well-being, and that it seems somewhat remote to them. I believe it is important that people who have an interest in rules and regulations—and who will be directly affected by the rules and regulations formulated by any of the administrative agencies—should be accorded the opportunity to have their views, their ideas, and their concerns fully examined in a hearing.

I do not know how we can expect those who would be affected by a rule or regulation of the Interior Department to have any degree of confidence in it if they are denied the opportunity to express their views, their interests, and their concerns to the Department.

Whenever any regulatory agency or executive department drafts rules or regulations affecting great numbers of people, or even just a few people—affecting their lives, their well-being, their economies, often their whole future—we should make the greatest possible effort to give them a full and open hearing and to listen to their views. Too often in the past this has not been done. We surely have a considerable responsibility to insure that individuals have their views heard and their rights protected.

So I wish to express my appreciation to the Senator from Montana for bringing this matter to our attention. It reaches the basic questions of equities, and of the proper role of the Federal Government in providing public lands for private uses.

In view of what the Senator has mentioned—and these are the only facts I have—I think it has been most worthwhile to bring this matter up. I will have the subcommittee staff look into this matter and report to the Senator from Montana in the early part of next year.

Mr. METCALF. I am very grateful to the Senator from Massachusetts. I will work with anyone the Senator from Massachusetts designates and will supply all the information I have.

I emphasize that this is a matter of national concern. This is public land. This is recreation land which people from Massachusetts visit every summer. This is recreation land on which the people of Washington ski every winter.

The multiple users are concerned about a single special use of public land. This is a matter of national interest and national concern.

Mr. KENNEDY. As I understand, the increased resources that would be obtained from this land, in making it of equal rental value with private lands, would be used to strengthen the county school systems as well as to improve the roads in rural America. So, once again, we find that it affects the taxpayers of every State—of Massachusetts as well as those in the West—in terms of resources which should be used to support school systems.

Mr. METCALF. The Senator is correct. I thank the Senator.

Mr. KENNEDY. I thank the Senator from Montana.

AUTHORIZATION OF APPROPRIATIONS FOR EXPENSES OF THE OFFICE OF INTERGOVERNMENTAL RELATIONS

Mr. KENNEDY. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S.J. Res. 117.

The ACTING PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the joint resolution (S.J. Res. 117) to authorize appropriations for expenses of the Office of Intergovernmental Relations, and for other purposes, which was to strike out all after the resolving clause and insert:

That there is hereby authorized to be appropriated such sums as may be necessary for expenses of the Office of Intergovernmental Relations (referred to hereafter as the "Office"), established by Executive Order Numbered 11455 of February 14, 1969.

Sec. 2. The Director of the Office shall be compensated at a rate of basic compensation not to exceed the rate now or hereafter provided for level IV of the Federal Executive Salary Schedule.

Sec. 3. The Director of the Office is authorized—

(1) to appoint such personnel as he deems necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive services; and

(2) to obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code, at rates not to exceed the daily equivalent of the rate now or hereafter provided for GS–18.

Mr. GRIFFIN. Mr. President, may I inquire of the distinguished assistant majority leader—it is my understanding this matter has been cleared with the minority of the committee. Is that correct?

Mr. KENNEDY. That is correct.

Mr. President, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

TWO SEPARATE SESSIONS OF CONGRESS AND ESTABLISHING THE CALENDAR YEAR AS THE FISCAL YEAR

Mr. MAGNUSON. Mr. President, I ask unanimous consent to place in the Record at this point a letter sent this morning to the distinguished Senator from

North Carolina (Mr. Jordan), chairman of the Senate Rules and Administration Committee.

This letter was signed by an additional nine Senators, not cosponsors of S. 3113, asking for action on this vital issue. Thus over 50 Senators have indicated a desire for some affirmative action and I am sure the able Senator from North Carolina will give us every consideration.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Senate,
Committee on Commerce,
Washington, D.C.

Hon. B. Everett Jordan,
Chairman, Senate Committee on Rules and Administration.

Dear Senator: Recently I introduced a bill, S. 3113, providing for two separate sessions of Congress each year to allow separate consideration of legislative and fiscal matters. S. 3113 would also establish the calendar year as the fiscal year—thus giving us more time to consider authorizations before final consideration of appropriation bills. Every Senator is aware of the many problems we have with the present system requiring the passage of authorization bills before appropriation bills.

My primary concern is the effectiveness of our present rules and procedures. This year we are running almost six months behind in passing most appropriation bills. In this regard, I would be hopeful that hearings could be held by your Committee in February or March of next year to consider this and other bills aimed at reforming the rules of the Congress in these important areas.

In introducing this bill I have been joined by 40 Senators—Senators Baker, Bennett, Bible, Brooke, Byrd (W. Va.), Cannon, Case, Cook, Church, Cranston, Dodd, Dole, Eastland, Goldwater, Gravel, Harris, Hart, Hartke, Hollings, Hughes, Inouye, Jackson, Jordan (Ida.), Kennedy, McGovern, Mansfield, Metcalf, Mondale, Moss, McGee, Muskie, Nelson, Percy, Pell, Ribicoff, Scott, Spong, Stevens, Symington, Thurmond, Tydings, Williams (N.J.) and Young (Ohio), as cosponsors. Those 9 Senators signing this letter, although not co-sponsors, create a total of 53 Senators who favor action on this vital issue.

I am certain that you share the concern of those who wish to review these important rules.

Best regards,
Warren G. Magnuson, U.S. Senator; Peter H. Dominick, U.S. Senator; J. W. Fulbright, U.S. Senator; Thomas J. McIntyre, U.S. Senator; Jennings Randolph, U.S. Senator.
Quentin N. Burdick, U.S. Senator; Thomas F. Eagleton, U.S. Senator; Roman L. Hruska, U.S. Senator; William Proxmire, U.S. Senator; John Sparkman, U.S. Senator.

Mr. MAGNUSON. Mr. President, I ask unanimous consent to place in the Record at this point my remarks of November 4, 1969, and a printed copy of my bill.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 3113—Introduction of a Bill To Provide a Separate Session of Congress Each Year for Consideration of Appropriation Bills and To Establish Calendar Year as the Fiscal Year

Mr. Magnuson. Mr. President, today I am reintroducing a bill which I have introduced for many years, and I must say without very much success. The bill basically provides for a separate session of Congress each year for the consideration of appropriation bills and establishes the calendar year as the fiscal year of the U.S. Government.

Under my bill Congress would consider legislative matters from January 3 through the first Monday in November, unless the Congress has adjourned such meeting sine die prior to such first Monday. Congress, under this bill, would assemble on the second Monday of November of each year for the purpose of considering bills and resolutions making appropriations for the support of the Government. Such meetings shall terminate on December 31 of such year unless the Congress has adjourned such meeting sine die prior to such day.

Last week my distinguished colleague from Montana (Mr. Mansfield) mentioned this bill and said as follows on page 32109 of the Record:

"I should like to suggest to the Senate, Mr. President, that in view of the fact that we are becoming a year-round institution, as attested to by the fact that we agreed to a 3-week recess during August—and will very likely do so again next year—we recognize realities and shift from a fiscal year to a calendar year basis.

"I would hope, also, that if that would be given serious consideration, the idea propounded by the Senator from Washington (Mr. Magnuson) over the years—if not decades—could be adopted in both the House and the Senate. His proposal is that each session be divided in two, one for legislative authorization bills and the other for appropriation bills. With these proposals in operation, perhaps we could do our job a little more effectively and be able to spend the time we should on both types of measures—that is, the authorization and the appropriation bills.

"This is not a reply to the President. This is just a statement of fact. As I have said, I think that the President's letter is well merited. It is an understanding letter. But he is faced with reality, just as we in this body are. So far as the joint leadership is concerned, I think we can assure him that we will do our very best to get the appropriation bills and other proposed legislation he has requested to the floor for consideration, debate, and disposal as soon as possible."

The President of the United States has also recognized this problem and in a letter to Senator Scott, printed in the Record on page 32110, stated as follows:

"The White House,
"Washington, October 28, 1969.

"Hon. Hugh Scott,
"Minority Leader, U.S. Senate,
"Washington, D.C.

"Dear Senator Scott: My great respect and regard for the leadership of the Congress and of the Senate and House Appropriations Committees make me extremely reluctant to send this letter.

"I must, however, call attention to an impending crisis in the handling of the Nation's financial affairs. We are already almost four months into the new fiscal year. Only the second appropriation bill has come to me for signature. Authorizing legislation still lags. For the country the situation is fast becoming intolerable.

"The Executive Branch has already begun the preparation of the 1971 budget. Under the law, this budget must be submitted in January. It must be completed, therefore, in December. But unless the Congressional pace is sharply accelerated, it is clear that many appropriation bills will not pass in time for Federal agencies to assemble the voluminous details necessary to meet the budget deadlines.

"To array and print the vast amount of technical detail required by the Congress in time to meet this schedule, Congressional action on appropriation bills must be substantially completed within the next few weeks. *If this is not done, it may be impossbile for me to transmit the 1971 budget in January.*

"The Nation clearly has a right to question a Government which cannot conduct its financial affairs in an efficient manner. I urgently request your cooperation, therefore, in securing swift action by the Congress on the pending 1970 appropriation bills. Otherwise we will be frustrated in our efforts to move ahead efficiently on the 1971 budget.

"I write in this vein neither to criticize the Congress for delay nor to exonerate the Executive Branch for delay. At this critical point in the appropriations and budgetary process I am less interested in why we are where we are than I am in where we now seem to be headed. I am confident that you share these concerns.

"This same letter is being sent to the President of the Senate, Speaker of the House, the Majority and Minority Leaders of both Houses, and the Chairmen and senior Minority Members of the Senate and House Appropriations Committees.

"Sincerely,

"Richard Nixon."

As every Senator knows, a key problem this year resulted from the submission of two separate presidential budgets with the resulting delays caused by the necessity for appropriate review by the Nixon administration of the Johnson budget.

Another critical problem is the delay in passing authorization bills, which must be on the books before appropriations can be properly voted. Congress has fallen into the habit of passing new authorizations for some programs every year. As chairman of the Labor, HEW Subcommittee on Appropriations, I am still waiting for the OEO authorization which must be passed before its budget should properly be reviewed.

I was pleased to note that Phillip S. Hughes, Deputy Director of the Bureau of the Budget, testified before the Subcommittee on Congressional Reorganization of the House Committee on Rules that the administration favors a switch of the fiscal year to make it coincide with the calendar year. It appears that this is the only reasonable course of action.

Congress must consider, as soon as possible, the changes this bill would provide for, if we are to keep the confidence of the American people in our appropriations procedures.

At this point I ask unanimous consent to have printed, at the appropriate place, the full text of this bill.

The Presiding Officer. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record.

The bill (S. 3113) to provide for a separate session of Congress each year for the consideration of appropriation bills, to establish the calendar year as the fiscal year of the Government, and for other purposes introduced by Mr. Magnuson, for himself and other Senators, was received, read twice by its title, referred to the Committee on Rules and Administration, and ordered to be printed in the Record, as follows:

"S. 3113

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the 'Fiscal Act of 1970'.

"TITLE I—FISCAL SESSIONS OF THE CONGRESS

"Sec. 101. The meeting of the Congress which begins on the third day of January of each year (or on such day as they shall appoint pursuant to section 2 of article XX of the articles of amendment to the Constitution) shall terminate on the first Monday in November of such year unless the Congress has adjourned such meeting sine die prior to such first Monday. Each such meeting, and every other meeting, of the Congress, other than a meeting pursuant to section 102 of this title, shall be known as a "legislative session". The legislative sessions of each Congress shall be numbered serially.

"Sec. 102. The Congress shall assemble on the second Monday of November of each year for the purpose of considering bills and resolutions making appropriations for the support of the Government. Such meeting shall terminate on December 31 of each year unless the Congress has adjourned such meeting sine die prior to such day. Each such meeting shall be known as a "fiscal session". The fiscal sessions of each Congress shall be numbered serially.

"Sec. 103. (a) Except as provided in this section, no matters shall be considered by the House of Representatives or the Senate during a fiscal session other than bills or resolutions making appropriations for the support of the Government.

"(b) The provisions of subsection (a) shall not preclude any committee of the House of Representatives or the Senate or any joint committee of the two Houses from meeting during a fiscal session for the consideration of any matter over which such committee or joint committee has jurisdiction, or from holding hearings or conducting studies and investigations with respect to any such matter, but, except as provided in this section, no committee of either House, other than the Committees on Appropriations, shall, during a fiscal session, report any bill or resolution or take any other legislative action, and no committee of the Senate shall report any treaty or nomination.

"(c) Notwithstanding the provisions of subsections (a) and (b), the appropriate committees of the House of Representatives and the Senate may report, and the two Houses may consider, during a fiscal session, any bill or resolution if the President notifies the Congress that the consideration of such bill or resolution during such fiscal session is necessary in the national interest.

"(d) Notwithstanding the provisions of subsections (a) and (b), the appropriate committee of the Senate may report, and the Senate may consider, during a fiscal session, any treaty or nomination if the President notifies the Senate that the consideration of such treaty or nomination is necessary in the national interest.

"(e) For purposes of this section, in the case of a joint committee which has legislative jurisdiction, the members of the joint committee who are Members of the Senate shall be considered as a committee of the Senate, and the members of the joint committee who are Members of the House shall be considered as a committee of the House.

"Sec. 104. (a) Except as provided in this section, the House of Representatives and the Senate shall not consider any bill making appropriations for the support of the Government during a legislative session.

"(b) The provisions of subsection (a) shall not preclude the Committees on Appropriations of the House and Senate from meeting during a legislative session for the consideration of any matter over which such committees have jurisdiction, or from holding hearings or conducting studies and investigations with respect to any such matter, but except as provided in this section, neither of such committees shall, during a legislative session, report any appropriation bill or resolution.

"(c) Notwithstanding the provisions of subsections (a) and (b), the Committees on Appropirations of the House and Senate may report, and the two Houses may consider, during a legislative session, bills or resolutions making supplemental or deficiency appropriations for the fiscal year which is current during such legislative session.

"Sec. 105. The provisions of sections 103 and 104 shall not preclude the reconsideration by the House of Representatives and the Senate, during any session, of any bill or of any order, resolution, or vote returned by the President to either House pursuant to the second or third paragraph of section 7 of article I of the Constitution.

"Sec. 106. For purposes of this title, the term "appropriations" has the meaning assigned to it by section 2 of the Budget and Accounting Act, 1921 (31 U.S.C. 2).

"Sec. 107. (a) Sections 101 and 102 of this title shall become effective at noon on the day on which the Congress assembles, pursuant to section 2 of article XX of the articles of amendment to the Constitution, in the year 1970.

"(b) Sections 103, 104, 105, and 106 of this title shall become effective upon the adjournment sine die of the meeting of the Congress which begins pursuant to section 2 of article XX of the articles of amendment to the Constitution in the year 1970.

"TITLE II—CHANGE OF FISCAL YEAR

"Sec. 201. Section 237 of the Revised Statutes (31 U.S.C. 1020) is amended to read as follows:

"Sec. 237. (a) Except as provided in subsection (b), the fiscal year of the Treasury of the United States in all matters of accounts, receipts, expenditures, estimates, and appropriations shall commence on July 1 of each year and end on June 30 of the following year.

" '(b) The fiscal year of the Treasury of the United States which commences on July 1, 1971, shall end on December 31, 1972. The next succeeding fiscal year shall commence on January 1, 1973, and end on December 31, 1973, and thereafter the fiscal year of the Treasury of the United States shall commence on January 1 and end on December 31 of each year.

" '(c) All accounts of receipts and expenditures required by law to be published annually shall be prepared and published for the fiscal year, as established by subsections (a) and (b).'

"Sec. 202. The following provisions of law are repealed:

"(1) The ninth paragraph under the headings "Legislative Establishment", "Senate", of the Deficiency Appropriation Act, fiscal year 1934 (48 Stat. 1022; 2 U.S.C. 66); and

"(2) The proviso to the second paragraph under the headings "House of Representatives", "Salaries, Mileage, and Expenses of Members", of the Legislative-Judiciary Appropriation Act, 1955 (68 Stat. 400; 2 U.S.C. 81).

"Sec. 203. (a) Appropriations for the fiscal year which begins on July 1, 1970, shall be made at the legislative session of the Ninety-first Congress which begins on January 3, 1970 (or on such day as may be appointed pursuant to section 2 of article XX of the articles of amendment to the Constitution). Appropriations for the fiscal year which begins on July 1, 1971, shall be made at the leigslative session of the Ninety-second Congress which begins on January 3, 1971 (or on such day as may be appointed pursuant to section 2 of article XX of the articles of amendment to the Constitution). Appropriations for the fiscal year which begins on January 1, 1973, shall be made at the fiscal session of the Ninety-second Congress which begins on the second Monday of November 1972. Appropriations for each fiscal year thereafter shall be made at the fiscal session of the Congress which immediately precedes the commencement of such fiscal year.

"(b) Nothing contained in subsection (a) shall preclude the making of deficiency or supplemental appropriations for any fiscal year—

"(1) at any session of the Congress prior to the fiscal session of the Ninety-second Congress which begins on the second Monday of November 1972; or

"(2) at any fiscal session of the Congress.

"TITLE III—AMENDMENTS TO THE BUDGET AND ACCOUNTING ACT, 1921

"Sec. 301. (a) Section 201 of the Budget and Accounting Act, 1921 (31 U.S.C 11), is amended—

"(1) by striking out in subsection (a) 'during the first fifteen days of each regular session' and inserting in lieu thereof ", at the time specified in subsection (c)"; and

"(2) by adding at the end thereof the following new subsections;

" '(b) In addition to the information required by subsection (a), the Budget shall contain a statement, in such form and detail as the President may determine, of the capital assets of the Government, and their value, as of the end of the last completed fiscal year.

" '(c) The President shall transmit the Budget to the Congress as follows:

" '(1) for any fiscal year prior to the fiscal year which begins on January 1, 1973, during the first fifteen days of the session which begins on the day prescribed, or appointed pursuant to section 2 of article XX of the articles of amendment to the Constitution preceding the commencement of the fiscal year, and

" '(2) for the fiscal year which begins on January 1, 1973, and for each fiscal year thereafter, on or before July 15 of the year preceding the commencement of the fiscal year.

If the Congress is not in session on the day on which the President submits the budget for the fiscal year which begins on January 1, 1973, of for any fiscal year thereafter, such budget shall be transmitted to the Clerk of the House of Representatives and shall be printed as a document of the House of Representatives.'

"(b) This section shall become effective on July 1, 1972.

"Sec. 302. (a) Section 201(a)(5) of such Act is amended by striking out "October 15" and inserting in lieu thereof "May 15".

"(b) This section shall become effective on May 1, 1972."

Mr. MAGNUSON. Mr. President, now is the time for change. The Congress cannot operate under its present rules and maintain the confidence of the American people. We must come to grips with the annual legislative logjams and move decisively.

My proposal is quite simple: first, Congress shall change the fiscal year to the calendar year and second, it shall have a divided session each year considering separately legislative and fiscal matters.

Under my bill Congress would consider legislative matters from January 3 through the first Monday in November, unless the Congress has adjourned such meeting sine die prior to such first Monday. Congress, under this bill, would assemble on the second Monday of November of each year for the purpose of considering bills and resolutions making appropriations for the support of the Government. Such meetings shall terminate on December 31 of such year unless the Congress has adjourned such meeting sine die prior to such day.

This bill is a beginning point for hearings which I am certain would bring some refinements. Congress should, as a first step, change the fiscal year to the calendar year. This would get us out of the foolish position of passing appropriation bills 5 or 6 months after the start of the fiscal year.

A recent article in the Christian Science Monitor by Robert P. Hay highlighted the very unbusinesslike picture of how Congress operates.

Mr. President, I ask unanimous consent to have printed at this point a copy of this excellent article.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From The Christian Science Monitor, Dec. 16, 1969]

CONGRESS MAY UPDATE APPROPRIATION MACHINERY: U.S. AGENCIES CLAMOR—"HOW MUCH CAN WE SPEND IN 1970?"

(By Robert P. Hey)

WASHINGTON.—How would you like to run a business without knowing for months how much money your boss would let you spend? Whether you'd be able to hire more people—or have to fire some? Whether you could start expensive and important new programs—or would not have enough money to?

It's not a very businesslike picture. Yet many huge federal agencies are having to operate just that way right now. What's more, that's the way they have had to operate for many years.

It all stems from Congress's methods of deciding how much money these agencies should be able to spend. First Congress decides the maximum amount they can have; then it looks at their specific spending requests and grants them a certain amount of money, up to the top level.

The whole process takes a lot of time. And while a busy Congress is cogitating these financial-appropriation bills—often months after a decision is supposed to have been reached—federal agencies often go along month after month spending about what they did the previous year and wondering how much they'll finally get.

WORST PERFORMANCE YET?

The Congress ought to have passed all these appropriation bills by July 1—that's the start of the new fiscal year for all the federal government. But this year by Dec. 1 Congress had only passed 4 of 14 major appropriation bills. Some were calling it the worst performance yet.

There's a silver lining to this year's appropriation mess. The muddle has caused increased pressure within Congress to do something to put the business of financing the government on a businesslike basis.

There's activity in both the Senate and the House on the issue.

The principal effort is to change the government's fiscal year to run the same time as the calendar year—from January to January.

The second effort is to make the appropriation process itself more efficient by splitting up the annual session into two parts: legislative and appropriations.

Sen. Warren G. Magnuson (D) Washington says he has introduced a bill into Congress to do those two things "every session of Congress for 20 years." He's introduced his bill again early this year. This year, he says, the climate for Senate passing is better than it has ever been.

PHILOSOPHIES DIFFER

For one thing, he has some two dozen cosponsors of diverse philosophies, including Senate Majority Leader Mike Mansfield. Early next year the sponsors are expected to ask Sen. B. Everett Jordan (D) of North Carolina, Rules Committee chairman, to hold hearings on the Magnuson bill.

No hearings so far have been scheduled.

But a committee staff member says there is no inclination "not to hold hearings." He says that if senators push for hearings (and especially if Senator Mansfield pushes) that'd get action—that is, a hearing.

However, it is too early to predict what chance the Magnuson bill would have of passing the full Senate, although the broad list of cosponsors at this stage augurs well for it.

Under the Magnuson bill Congress every year would devote the period from January through the first Monday in November to legislating—passing new laws, examining federal programs, and authorizing the maximum amount of funds they could be given.

From the second Monday in November through the end of December Congress would appropriate—actually finance federal programs and agencies. With its attention undivided, Senator Magnuson says, Congress would have ample time to complete the appropriations process.

POSITION OUTLINED

President Nixon has not specifically commented on the Magnuson bill. But a presidential spokesman says that on this subject the Bureau of the Budget speaks for the President. The bureau's position was outlined in testimony Oct. 23, 1969, before a House subcommittee by Philip S. Hughes, then the bureau's deputy director.

Mr. Hughes told the congressional-reorganization subcommittee of the House Rules Committee:

"In sum, we favor a change in the fiscal year, but believe that the complexities and ramifications of such a change should be carefully explored and planned for."

Otherwise the administration has not stated support for the specific Magnuson bill. But its sponsor says he anticipates no difficulty in obtaining presidential support.

In the House there are 17 bills dealing with changing the fiscal year. They are lodged in the subcommittee on executive and legislative reorganization of the parent Committee on Government Operations. No hearings were held on the issue this year. At the moment there are no plans for hearings by this subcommittee next year—and no expectations, either.

REORGANIZATION MAPPED

However, a provision to change the fiscal years is being considered by a subcommittee of the House Rules Committee, which now is writing a bill on congressional reorganization. A committee source says the subcommittee is "considering" including such a fiscal-year provision in its reorganization bill. Another source says flatly that such a provision has been included in a draft of the reorganization bill which is being circulated among congressmen.

However, internal House politics concerning other provisions of the proposed reorganization are such that chances of the bill's passing the full House are "up in the air," in the opinion of one who supports it.

A committee source reports however that it is "almost a certainty that we'll get a bill out of the Rules Committee."

The fiscal-year issue is deeply rooted in American history. When the country first was formed the fiscal year ran from January to January. By horse and stagecoach congressmen arrived in December for the legislative session. The country was young, small, and uncomplicated—the appropriation process was short and could be done in a month.

In the early 1800's it began to take longer. In 1843 Congress changed the fiscal year to the present July 1-June 30 period in order to give itself several months to conduct its business and carefully consider its appropriations.

PUSH FOR EFFICIENCY

In recent years this has not been enough time, as the country has become more populous, government bigger, and society more complicated. And, as one senatorial source puts it: "Congress just starts off slowly every year." Hence the push to make the appropriation process more efficient, and to change the fiscal year back again.

Senator Magnuson would like to see both parts of his bill enacted. But he says "the least we can do to make a start is to get them to shift to this calendar year. And then the first time you did that, you could make appropriations for 18 months instead of 12."

Making such a change has many practical problems—such as the fact that 47 of the 50 states also operate on a July 1-June 30 fiscal year. But the Senator feels these could be worked out—with the end product greater efficiency and a more smoothly running system.

Mr. MAGNUSON. It is time for Congress to come to grips with the issue of reorganization. We can no longer allow for annual appropriation logjams. This year has been the worst in history and has found the President and Congress being highly critical of each other without coming to grips with the real problem.

Under my proposal all authorizations and legislative matters would have to be passed during the legislative session. This eliminates the problem of trying to appropriate for programs which have not yet been authorized, thus eliminating one of the worst problems with the existing system.

Under my program, Congress will first review all legislative matters and then focus directly on appropriations without the confusion of authorizing legislation being passed at the same time.

In summary, my proposals may have some bugs but it has to be better than what we presently have. This bill will improve the efficiency of Congress and will also help the Government agencies which never know the amount of funds they are receiving until halfway through the fiscal year.

Mr. President, I hope that we can get moving on this bill as soon as Congress returns from the Christmas holiday. I close by saying, as the majority leader and I said at the end of the last session of Congress, that there must be a better way to do our business than the way we are doing it now.

H.R. 12290—INDEFINITE POSTPONEMENT AND REMOVAL FROM THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Calendar No. 312, H.R. 12290 be postponed indefinitely and taken from the calendar.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SENATOR PERCY REPORTS TO HIS CONSTITUENTS

Mr. SCOTT. Mr. President, my distinguished colleague, the senior Senator from Illinois (Mr. PERCY), has made a most impressive and significant annual report to his constituents on the first

session of the 91st Congress. The report appears in the Record for December 19, and it stands as an excellent statement of the work this Congress has accomplished to date, and more significant, the immense work which needs doing next session.

I commend the Senator for the excellent statement. I wish to thank him wholeheartedly for the assistance he has provided me upon my succession to the post of minority leader. Senator Percy has played an immensely important role during this session. I am particularly and personally grateful to him for the assistance he has provided the Senate in enacting historic tax relief legislation. I think it is significant that the Percy proposal for scaled personal income tax exemption has been accepted by the conferees as the most appropriate way to provide substantial tax relief to the vast majority of Americans.

Mr. Percy's comprehensive and well-spoken statement deserves the attention of the members of this body and of his constitutents in Illinois. It is a tribute to his ability as a U.S. Senator and as a man who has broad, far-reaching concerns for the people of Illinois and the Nation. I am proud to be able to work so closely with this dynamic leader. His record in this body is indeed impressive, and I look forward to ever greater accomplishments by him.

A FULL YEAR OF ACTIVITY AND PRODUCTIVITY FOR THE U.S. SENATE

Mr. MANSFIELD. Mr. President, this has been a full year of activity and productivity for the U.S. Senate. There have been few years when more major issues of national and international import have been considered and acted upon.

One of the principal reasons the Senate has been able to deal so fully and effectively with such a great number of significant matters is due to the willingness of committee and subcommittee chairmen to work unusually long hours, with great energy and patience, and with unending devotion to duty. An especially heavy load of legislative responsibility has been carried by the Senator from Mississippi (Mr. Stennis).

As chairman of the Armed Services Committee he presided over extensive hearings on military procurement in a year that the bill was under particularly close, critical examination and debate. He skillfully managed the bill in committee and on the floor, giving due opportunity for full debate of the most controversial issues, including the antiballistic-missile system while, at the same time, strongly and persuasively pressing his own views without prejudice to others.

The deep and intense knowledge of defense matters which the Senator possesses has contributed immeasurably to the Senate, and is evidence of the Senator's long and tireless study of national security.

In addition, he has presided over the Committee on Standards and Conduct and, as such, has served as a conscience of the Senate, carefully guarding the ethics and standards of this body, and of its individual members.

As chairman of the Appropriations Committee on Transportation he has guarded the examination of the newest department of our Government which reaches into so many vital areas of our geography and society. As a member of the Space Committee he has devoted attention and given assistance that has substantially contributed to the attainment of national space goals never attained before by any nation.

As a working member of the Appropriations Committee, he has diligently pursued his duty of establishing and policing the national budget with equal emphasis on giving full value of the Federal dollar and the elimination of unnecessary expenditures.

I especially commend the Senator from Mississippi for his capacity to accomplish all of these things in the national interest, while at the same time placing foremost in his priority of service the matters which affect his State. He has been at the very front of the line in all matters that pertain to his constituents and, although heavily loaded with other senatorial duties, has fully discharged his responsibility to his people in matters essential to them.

To carry this dual responsibility has required a man of unusual stamina, the highest dedication, and exceptional ability. I commend him for his excellent work on behalf of his country and his State.

RESOLUTION FOR ADJOURNMENT SINE DIE

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on House Concurrent Resolution 475.

The ACTING PRESIDENT pro tempore laid before the Senate House Concurrent Resolution 475, which was read as follows:

> *Resolved by the House of Representatives (the Senate concurring)*, That the two Houses of Congress shall adjourn on Tuesday, December 23, 1969, and that when they adjourn on said day, they stand adjourned sine die.

Mr. MANSFIELD. Mr. President, I ask for the immediate consideration of the resolution.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (H. Con. Res. 475) was considered and agreed to.

AUTHORITY TO SIGN ENROLLED BILLS AND RESOLUTIONS

Mr. MANSFIELD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on House Concurrent Resolution 476.

The ACTING PRESIDENT pro tempore laid before the Senate House Concurrent Resolution 476, which was read as follows:

> *Resolved by the House of Representatives (the Senate concurring)*, That notwithstanding the sine die adjournment of the two Houses, the Speaker of the House of Representatives and the President of the Senate, or the President pro tempore of the Senate, or the acting President pro tempore of the Senate be, and they are hereby, authorized to sign enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the resolution (H. Con. Res. 476) was considered and agreed to.

DATE OF MEETING OF SECOND SESSION OF 91st CONGRESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Chair lay before the Senate a message from the House of Representatives on House Joint Resolution 1041.

The ACTING PRESIDENT pro tempore laid before the Senate House Joint Resolution 1041, establishing that the second session of the 91st Congress convene at noon on Monday, January 19, 1970, which was read twice by its title.

Mr. MANSFIELD. Mr. President, I ask for the immediate consideration of the joint resolution.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (H.J. Res. 1041) was considered, ordered to a third reading, read the third time, and passed.

AUTHORITY FOR SECRETARY OF SENATE TO RECEIVE MESSAGE FROM THE PRESIDENT ON BUDGET OUTLAYS FOR FISCAL 1970 THROUGH NOVEMBER 1969 DURING ADJOURNMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, notwithstanding the sine die adjournment of Congress, the Secretary of the Senate be authorized to receive a message from the President on budget outlays for fiscal 1970 through November 1969, during such adjournment.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NOTIFICATION TO THE PRESIDENT

Mr. MANSFIELD. Mr. President, I send to the desk a resolution and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The resolution will be stated.

The legislative clerk read the resolution (S. Res. 299), as follows:

> *Resolved*, That a committee of two Senators be appointed by the Presiding Officer to join a similar committee of the House of Representatives to notify the President of the United States that the two Houses have completed their business of the session and are ready to adjourn unless he has some further communication to make to them.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

The ACTING PRESIDENT pro tempore. Under the terms of the resolution the Chair appoints the Senator from Montana (Mr. Mansfield) and the Senator from Pennsylvania (Mr. Scott).

THANKS OF THE SENATE TO THE VICE PRESIDENT

Mr. MANSFIELD. Mr. President, I send to the desk a resolution and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The resolution will be stated.

The legislative clerk read the resolution (S. Res. 300) as follows:

> *Resolved,* That the thanks of the Senate are hereby tendered to the Honorable Spiro T. Agnew, Vice President of the United States and President of the Senate, for the courteous, dignified, and impartial manner in which he has presided over its deliberations during the first session of the Ninety-first Congress.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

THANKS OF THE SENATE TO THE PRESIDENT PRO TEMPORE

Mr. GRIFFIN. Mr. President, for myself and the Senator from Pennsylvania (Mr. Scott), I send to the desk a resolution and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The resolution will be stated.

The legislative clerk read the resolution (S. Res. 301) as follows:

> *Resolved,* That the thanks of the Senate are hereby tendered to the Honorable Richard B. Russell, President pro tempore of the Senate, for the courteous, dignified, and impartial manner in which he has presided over its deliberations during the first session of the Ninety-first Congress.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection. the resolution was considered and agreed to.

THANKS OF THE SENATE TO THE ACTING PRESIDENT PRO TEMPORE

Mr. MANSFIELD. Mr. President, I send to the desk a resolution and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The resolution will be stated.

The legislative clerk read the resolution (S. Res. 302), as follows:

> *Resolved,* That the thanks of the Senate are hereby tendered to the Honorable Lee Metcalf, Acting President pro tempore of the Senate, for the courteous, dignified, and impartial manner in which he has presided over its deliberations during the first session of the Ninety-first Congress.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

AUTHORIZATION FOR PRESIDENT OF THE SENATE TO MAKE APPOINTMENTS TO COMMISSIONS AND COMMITTEES

Mr. GRIFFIN. Mr. President, for myself and the Senator from Pennsylvania (Mr. Scott), I send to the desk a resolution and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The resolution will be stated.

The legislative clerk read the resolution (S. Res. 303) as follows:

> *Resolved,* That, notwithstanding the final adjournment of the present session of the Congress, the President of the Senate be, and he is hereby, authorized to make appointments to commissions or committees authorized by law, by concurrent action of the two Houses, or by order of the Senate.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

THE SENATE'S RESPONSE TO ITS RESPONSIBILITIES DURING THE FIRST SESSION OF THE 91ST CONGRESS

Mr. MANSFIELD. Mr. President, I am fully aware that the first session of the 91st Congress has been an arduous, long, and grueling work year for the Senate. We began early, on January 3; we are leaving late. Moreover, when we return for the second session in mid-January of 1970, we shall have some leftover, and assuredly many new responsibilities to face. The experience this year again underscores the fact that the Nation's business is year round and so, too, is work of the Senate and the Congress becoming year round.

APPROPRIATIONS

The record of the Senate in the first session of the 91st Congress is a responsible one. The Senate has had its problems, of course, as it always does in any session of any Congress. So, too, has a new administration and the two are not unrelated. The transition in the Presidency involved adjustments in the budget and, hence, delays in appropriations which have not been easy for either the executive or the legislative branch. The new monetary requests were delayed until April when revised budget estimates were submitted to Congress. This delay, in turn, delayed congressional appraisal of, and action on, appropriations requests. I regret the necessity of the Senate having had to act on many appropriations measures so late in the session. Perhaps now is the time for Congress to consider drawing a line—a set division of the year separating authorization and appropriations matters, as has been suggested so wisely by the distinguished Senator from Washington (Mr. Magnuson).

Perhaps, too, appropriations should be established on a calendar year basis, rather than being standardized by the so-called fiscal year which, and as the Senate knows without rhyme or reason, is in the middle of the year. Perhaps it is time to concern ourselves less with which body of Congress acts first on an appropriations request than with which body's schedule enables it to act first. And perhaps when provisions are placed in authorizing laws which limit appropriations amounts, the limitations should not be casually cast aside.

ACTION ON PRESIDENT NIXON'S PRIORITY ITEMS

Notwithstanding the difficulties, I reiterate that the record of the Senate in the first session of the 91st Congress has been responsible. In a message to Congress on October 13, for example, President Nixon directed attention to legislative items he felt merited priority. The following summarizes the Senate-congressional performance with respect to this list. Congress has completed action on legislation involving draft reform, tax reform, repeal of the investment tax credit as of April 18, 1969, extension of the surtax at a 5-percent rate through June 30, 1970, a social security increase of 15 percent rather than the 10-percent figure recommended by the President, a rapid rail transit system for the District of Columbia and suburbs, a foreign assistance authorization, and coal mine health and safety. Moreover, the Senate has either passed or has pending on its legislative calendar for prompt floor action next session the following: All of the proposed District of Columbia government reform and crime measures, an Airport and Airways Development Act, a revised and expanded food stamp program, a Commission on Population Growth and the American Future, an organized crime control bill, and a controlled dangerous substances bill.

Other items to which the President attached priority which are receiving Senate consideration are postal reform, manpower reform, grant-in-aid reform, electoral reform, public transportation assistance, occupational health and safety, equal employment enforcement power, voting rights, and antipornography measures. Only a few items have not yet received any Senate scrutiny at all. In those cases, I am satisfied that there are valid reasons for the deferment by the committees. I ask unanimous consent, Mr. President, to insert in the Record at the close of my remarks a statement outlining in brief an appraisal of the Senate's action on legislative proposals mentioned by the President on October 13.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

SENATE ROLE DURING THE NEXT SESSION

Mr. MANSFIELD. Mr. President, it must be kept in mind, too, that this is only the first session of the 91st Congress. Another session remains in which to analyze, approve, or disapprove legislation proposed by the President both this year and next. Moreover, in the next session, I fully expect, as has been the case during the first session, that the Senate will continue, with initiative, innovation, and insight, to make its own contributions to the legislative proposals presented to it by the administration, to originate legislative proposals of its own, and to carry on its vital and important function of legislative oversight.

TAX REFORM-TAX RELIEF

Mr. President, I summarize now what appears to me to be major achievements of the Senate this year.

The most responsible action of all which the Congress took this session on behalf of the people of the United States was in giving its final approval during this session to the tax reform-tax relief bill. This legislation, initiated by Congress, was the product of many months of dedicated and diligent effort on the part of the legislative branch. It is landmark legislation which makes comprehensive reforms in the tax laws and grants tax relief to persons in the low- and middle-income brackets. For example, it increases on a graduated scale, the personal income tax exemption from $600 to $750 by 1972. It grants a 15 percent increase in social security benefits effective January 1, 1970. It terminates the investment tax credit as of April 18, 1969, and makes many other substantial and beneficial changes in the tax laws.

This Congress has also acted in many other areas of Federal concern and activity.

HUNGER—FOOD STAMP PROGRAM

It increased the food stamp authorization for fiscal year 1970 by almost twofold, from $340 to $610 million. A separate Senate-passed food stamp bill deals further with the inexcusable persistence of hunger in the United States. Among the salient features of this bill are provisions enabling very low-income families to receive food stamps free and requiring every county in the Nation to have a food stamp program for its poor and hungry by 1971.

CRIME

With respect to combating the crime, Congress gave the administration substantial sums of money which should for the present permit the administration to move rapidly against the rising statistics. Early next year I anticipate the Senate will consider S. 30, the organized crime control bill which is pending on the Senate legislative calendar. This very comprehensive measure is the culmination of a year of bipartisan detailed study, hearings, and consultations. The process began early this year when the original version of S. 30 was originated in the Senate on January 15. Hearings on this and other Senate-sponsored bills began in March, and on April 23 the administration sent a special message to Congress on the subject of organized crime which covered a good deal of the same ground. As I understood it, the organized crime control bill is a composite of provisions in various Senate-sponsored bills and incorporates administration suggestions as well.

The Senate has also approved an impressive list of crime proposals for the District of Columbia which includes the Bail Agency Act amendments, a reorganization of District of Columbia courts, a Public Defender Act, revision in District of Columbia criminal law and procedure, and a bill to establish a District of Columbia Juvenile Code.

Speaking of crime, I am most grateful, may I say, for the Senate's approval of a bill I introduced which will strengthen the penalty provisions of certain aspects of the Gun Control Act which are clearly aimed at the criminal usage of guns. The Senate also repealed some onerous, unnecessary, and unauthorized ammunition recordkeeping requirements which were not clearly delineated and I was delighted to sponsor legislation to achieve that result. All that was done by those provisions as interpreted by the Treasury Department was to create additional need for Government inspectors to make recordkeeping difficult for small retail businessmen without contributing, so far as I can see, anything to the war on crime.

DRAFT REFORM

This Congress approved a Presidential recommendation permitting the use of a lottery for the military draft. For fiscal year 1970, a $1.6 billion military construction program was also authorized, and a $20.7 billion military procurement program. Not only was the proposal for a Safeguard anti-ballistic-missile system scrutinized with care, but I am convinced the bill received in the Senate the most searching examination it has ever had in the legislative branch. The time spent in consideration of this measure, some may think, was too long. I believe, however, that the time was well spent and that the many Senate amendments added to the bill will ultimately save a tremendous amount of money for the American taxpayer, the bulk of whose tax dollar goes to pay for the huge military expenditures of this Nation. Indeed, even this year the bill should be about $1.24 billion less because of the work of the Senate and the Congress.

DISTRICT OF COLUMBIA

For the District of Columbia, aside from the crime measures mentioned above, the Senate passed legislation to improve the structure and authority of the District government, and to provide for a congressional delegate from the District. Congress has also heeded the transportation needs of the District and its suburbs by authorizing a Federal contribution to get a rapid rail transit system underway. The District of Columbia Federal payment was authorized and appropriated and will assist in carrying on District functions and in meeting its law enforcement needs. The Senate also approved legislation providing for pay increases for police, firemen, and teachers in the District of Columbia.

ECONOMY

In terms of the Nation's economy, the Congress set a permanent debt limitation of $365 billion and a temporary additional increase of $12 billion through June 30, 1970. It granted disaster relief, raised the interest rates on Government bonds, and revised and extended the Appalachian Regional Development Act and portions of the Public Works and Economic Act. Approved was a mortgage market expansion and lowered interest rate bill providing means of fighting inflation and helping small business. Other measures to aid small business the Senate also passed. Largely as a result of an intensive study of export controls undertaken by a Senate subcommittee, the Senate was able to pass an innovative exports and expansion regulation bill. Today both the Senate and House approved a very good compromise version of this important legislation which will not only meet the President's original request but will provide opportunities for the expansion of U.S. trade and assist in alleviating the Nation's balance-of-payments problem.

The Senate also initiated bills requiring fair credit reporting, mutual fund reforms, making relocation assistance uniform, and creating Commissions on Bankruptcy and on Balanced Economic Development.

ANTIPOVERTY

The Congress also extended existing Economic Opportunity Act programs and for carrying them out authorized $2.195 billion for fiscal year 1970 and $2.29 billion for fiscal year 1971. As a consequence of Senate initiative, I might add, this legislation contains two new programs—one for the counseling and recovery of alcoholics and one for the rehabilitation of drug users.

EDUCATION

In meeting the Nation's educational needs, Congress passed legislation authorizing funds for and extending the Public Broadcasting Act to July 1, 1974. I revamped and expanded the student loan programs, by providing increased funds for programs of college student assistance—the national defense student loan program, the educational opportunity grant program, the college work-study program. Funds for the National Science Foundation was authorized and a National Center on Educational Media for the Handicapped was approved. It might be added that Elementary and Secondary Education Act amendments and the Hill-Burton Act have been considered in depth this year and are expected to be reported to the Senate soon.

GOVERNMENT EFFICIENCY

To assist in achieving efficiency in the operations of Government, Congress extended to April 1, 1971, authority to enable the President to submit reorganization plans to Congress. A reorganization plan submitted this year relating to the Interstate Commerce Commission was permitted to go into effect. Additional executive positions were created and the use of the Civil Service Commission revolving fund was made more flexible.

Local, State, and Federal relationships would be strengthened through the Intergovernmental Personnel Act, and by placing the appointment of postmasters on a career basis, both of which received Senate approval. To give Federal employees assurance that sufficient funds would be available to pay for their future retirement benefits, Congress developed a plan to place the civil service retirement and disability fund on a financially sound footing. It increased both agency and employee contributions to the fund. A bill to raise the salaries of certain Federal employees, including postal employees, to conform to salaries paid employees in private industry doing comparable work, is in a conference committee at the present time.

XUM

Other bills which the Senate approved establish a Cabinet Committee on Opportunities for Spanish-Speaking People and a Commission on Population Growth and the American Future, and provide funds for the Office of Intergovernmental Relations and the Council on Youth Opportunity, and for construction of the John F. Kennedy Cultural Center.

HEALTH

In the area of health, Congress came forth with the Child Protection and Toy Safety Act, Clean Air Act amendments, and an extension of the National Commission on Product Safety. Other Senate-passed legislation related to communicable disease control, improvement and extension of the Community Mental Health Centers Act, extending public health training, authorizing water pollution control, extending the program of health services for migratory workers and their families, and extending programs for medical libraries and health communications. Also approved was a strong public health cigarette smoking bill which will provide adequate warning to the public of the hazards of cigarette smoking through strengthened cautionary labeling of cigarette packages and will prohibit after January 1, 1971, all television and radio broadcasting of cigarette advertising.

HOUSING

In the area of housing, this Congress passed the Housing and Urban Development Act authorizing $4.7 billion over the next 2 years for programs of urban renewal, model cities, rent supplements, and public housing.

AMERICAN INDIANS

For the benefit of American Indians, many bills were approved, including legislation to guarantee their rights and legislation to pay the expenses of the National Council on Indian Opportunity.

FOREIGN RELATIONS

Among Senate actions in the field of foreign affairs were a 2-year extension of foreign assistance programs, a U.S. contribution to the International Development Association, $98 million for the Peace Corps for fiscal year 1970, and provision for the convening of a conference to negotiate a Patent Cooperation Treaty. The Senate gave its advice and consent to ratification of eight treaties, the most significant of which is the Treaty on the Nonproliferation of Nuclear Weapons which had been negotiated during the prior administration. Another treaty—the Vienna Convention on Consular Relations—is the first multilateral agreement governing the regulation of consular relations between States.

Two very important resolutions developed by Senatorial initiative and subsequently adopted by the Senate related to recognition of foreign governments and to the definition of national commitments. The latter expressed as the sense of the Senate that a national commitment could result only from affirmative action taken by the executive and legislative branches by means of a treaty, statute, or concurrent resolution of both Houses of Congress providing for such a commitment.

JUDICIARY

To improve the Nation's judiciary, Congress raised the annual appropriations for the work of the Administrative Conference of the United States and increased the authorization for the National Commission on Reform of Federal Criminal Laws. The Senate endorsed, as well, modernization of procedures in the Customs Courts and the creation of 70 new district judgeships. Moreover, the Senate approved a long overdue repeal of the emergency detention provision of the Internal Security Act of 1950 to remove a threat to the established freedom of American citizens and their constitutional rights.

COAL MINE HEALTH AND SAFETY

This Congress promulgated the strongest Federal Coal Mine Health and Safety Act in the Nation's history. Not only will this bill improve the health and safety conditions in mines but it will also provide disability benefits for miners who have been totally disabled by black lung disease and for the widows of miners whose death was due to black lung disease.

In the nature of national memorials and tributes, the Congress authorized funds to develop the Eisenhower National Historic Site at Gettysburg, Pa., and established the Lyndon B. Johnson National Historic Site at Johnson City, Tex., and the Taft Historic Site in Cincinnati, Ohio. It also provided that November 9, 1969, be declared a national day of prayer and concern on behalf of the American servicemen being held prisoner by the North Vietnamese.

CONSERVATION

In efforts to conserve the Nation's resources, Congress took steps to preserve fish and wildlife species threatened with extinction; provided authorizations for a saline water conversion program; extended the National Council on Marine Resources and Engineering Development; established a Board of Environmental Quality Advisers; and extended the interstate oil and gas compact for an additional 2 years. Senate-approved legislation will aid in land acquisition for the Independence National Historical Park in Philadelphia, Pa., add to the wilderness preservation system the Lincoln Bank Country forest lands in Montana, the El Dorado National Forest in California, the Ventana Wilderness in California, the Monomoy Island in Massachusetts, Pelican Island lands in Florida, and wilderness areas in Michigan, Wisconsin, Maine, Oregon, Alaska, Washington, and New Mexico. Other legislation passed would establish the Sawtooth National Recreation Area in Idaho, the Buffalo National River Area in Arkansas, and the Apostle Islands National Lakeshore in Wisconsin. Also approved were a national mining and minerals policy measure and the establishment of a pilot youth conservation program.

ATOMIC ENERGY

Congress authorized $2.4 billion for the Atomic Energy Commission for fiscal year 1970 and, in addition, made some important amendments to the Atomic Energy Act.

SPACE

The National Aeronautics and Space Administration was authorized an appropriation of $3.7 billion for fiscal year 1970. Recognition was paid to the achievements of our astronauts by authorizing the President to award a Congressional Space Medal of Honor to astronauts who have performed distinguished service for the welfare of the Nation and of mankind; the success of the Apollo 11 lunar expedition was marked by a commendation to the moon astronauts.

TAX MEASURES

In addition to its landmark reform and relief legislation in the tax field, Congress also extended the interest equalization tax until March 31, 1971; provided for State taxation of national banks; extended the 10-percent surtax through December 31, 1969; and accelerated the collection of Federal unemployment taxes.

TRANSPORTATION

In connection with transportation Congress authorized $385 million for the Maritime Administration for fiscal year 1970 and a 1-year extension of the vessel construction differential subsidy. Both the Senate and the House have approved bills amending the National Traffic and Motor Vehicle Safety Act. Also passed by the Senate was the Railroad Safety Act and Hazardous Materials Transportation Control Act. It is designed to promote safety in all areas of railroad operations. It should reduce railroad-related accidents, and death and injuries to persons and damages to property caused by accidents involving any carrier of dangerous materials. Another bill, by prohibiting the movement in interstate commerce of "sored" horses, would serve to end the inhumane practice of deliberately making sore the feet of walking show horses.

VETERANS

The Senate has endeavored to meet responsibilities to veterans, and has approved measures concerning care of veterans in State homes, dependency and indemnity compensation increases, medical benefits for older veterans, nursing home care, outpatient care, service-connected disabilities, specialized medical resources, disability evaluation, and Vietnam era veterans' life insurance. Approved has been a strong Senate version of a bill to remedy the low participation rate under the current GI bill educational assistance program, by increasing GI bill allowance rates approximately 46 percent and establishing a number of new education and training programs.

SENIOR CITIZENS

For our older citizens, Congress extended and expanded the reach of the grant and contract programs of the Older Americans Act and authorized a national older Americans volunteer program to provide service opportunities for older Americans.

Mr. President, I ask unanimous consent that a more detailed summary of Senate activity this session be inserted in the RECORD at the end of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. (See exhibit 2.)

Mr. MANSFIELD. Mr. President, there has not been included the two bills passed yesterday, one sponsored by the distinguished Senator from Hawaii (Mr. INOUYE) having to do with abolition of so-called detention camps, and the other having to do with increased pay for firemen and policemen in the District of Columbia, nor was reference made to the export control conference report taken up today.

TRIBUTE TO THE SENATE WORK

In conclusion, I wish to pay a well-deserved tribute to the hard and concerted efforts of both the Democratic and Republican Members of the Senate to achieve in the first session of the 91st Congress a record of significant accomplishments. I also wish to express my personal appreciation to my colleagues for the assistance and cooperation they have extended to the Senate Democratic leadership. Without the constant and continous efforts of the Senate membership, working together, we could not possibly have responded as responsibly as we have in producing the creditable legislative product of this year.

EXHIBIT 1

SENATE ACTION ON PRIORITY ITEMS LISTED BY PRESIDENT NIXON ON OCTOBER 13, 1969

PROPOSAL

1. Draft Reform (Requested by the President in a Special Message on May 13, 1969)

SENATE RESPONSE

On November 19, 1969, the Senate passed HR 14001, the President's proposal to provide authority for a random system of selection for induction into the Armed Forces. Congressional action on this proposal has been completed. (Public Law 91–124)

Various non-Administration bills designed to eliminate inequities in, and improve, the Selective Service Act are pending before the Senate Armed Services Committee. On November 10, 1969 the Committee announced that it had unanimously agreed to begin comprehensive and extensive hearings on legislation pertaining to the draft not later than February 15, 1970.

PROPOSAL

2. Welfare Reform (Requested by the President in a Special Message on August 11, 1969)

SENATE RESPONSE

The Senate awaits House action on this revenue measure.

The welfare reforms proposed by the President received consideration in connection with the House Ways and Means Committee's examination of social security legislation this year, and will receive further consideration next year.

PROPOSAL

3. Tax Reform (Requested by the President in Special Messages of April 14 and 21, 1969)

SENATE RESPONSE

On February 18, 1969, nearly two months prior to the message from the President relating to tax reform, the House Ways and Means Committee initiated scrutinization of tax reform, which it considered thereafter at length and in detail, leading to the passage of HR 13270, the Tax Reform Act, by the House on August 7, 1969.

On September 4, 1969, the Senate Finance Committee began comprehensive and extensive consideration of HR 13270, the Tax Reform-Tax Relief bill passed by the House. The Committee reported HR 13270, as amended, to the Senate on November 21, on which date it was made the Senate's pending business. During Senate debate on the bill, numerous amendments were considered and 62 roll call votes taken. The bill passed the Senate amended on December 11 by a vote of 69–22. Congressional action on this proposal has been completed.

PROPOSAL

4. Investment Tax Credit Repeal (Requested by the President in Special Messages of March 26 and April 21, 1969)

SENATE RESPONSE

In the Senate version of HR 13270, the Tax Reform-Tax Relief bill, there was included a provision repealing the investment tax credit as of April 18, 1969, which is retained in the final version of the bill on which Congressional action has been completed.

PROPOSAL

5. Surtax Extension through June 30, 1970 at a 5% rate (Requested by the President in a Special Message of April 21, 1969)

SENATE RESPONSE

HR 13270, the Tax Reform-Tax Relief bill, on which Congressional action has been completed, extends the surtax at a 5 percent rate through June 30, 1970.

PROPOSAL

6. Revenue Reform-Sharing by States (Requested by the President in a Special Message on August 13, 1969)

SENATE RESPONSE

The Senate awaits House action on this revenue measure.

PROPOSAL

7. Postal Reforms (Requested by the President in Special Messages of April 14 and May 27, 1969)

SENATE RESPONSE

The Senate Post Office and Civil Service Committee has concluded its hearings on postal reforms and plans to continue its consideration of reforms in 1970.

The Senate passed on August 12, 1969 legislation (S. 1583) providing for the appointment of postmasters on a career basis (similar to a bill it passed in the 90th Congress) which responded to a request in a Presidential message of February 25, 1969 calling for elimination of Presidential appointment and Senatorial confirmation of postmasters.

A measure initiated by Congress (HR 13000) was passed by the Senate on December 12, 1969 with amendments. This measure raises the level of the salaries of certain Federal employees, including postal employees, to conform to salaries paid employees in private industry doing comparable work. The bill is now in conference.

PROPOSAL

8. Postal Rate Increase (Requested by the President in a Special Message of April 24, 1969)

SENATE RESPONSE

The President's proposal for a postal rate increase is related to the subject of postal reforms and it is expected the Senate Post Office and Civil Service Committee will consider it in an overall context during the next session of Congress.

PROPOSAL

9. Manpower Reform (Requested by the President in a Special Message of August 12, 1969)

SENATE RESPONSE

After concluding its consideration of Economic Opportunity Act amendments, a Senate Labor and Public Welfare subcommittee held hearings on S. 2838, the Administration bill, on November 4 and 5. This legislation is very complicated and controversial and would have a broad impact. Thus, the subcommittee has further hearings (including field hearings) scheduled for January, February and March of 1970.

PROPOSAL

10. Social Security Reform (Requested by the President in a Special Message on September 25, 1969)

SENATE RESPONSE

The Senate, on December 3, 1969, agreed to an amendment on HR 13270, the Tax Reform-Tax Relief bill, increasing social security benefits by 15 percent, effective January 1, 1970. (The President had proposed a 10 percent increase effective April 1, 1970.) The conference report on HR 13270 retained the 15 percent increase and the Congress has completed action on the bill.

The Senate awaits House action on further social security reforms which the House Ways and Means Committee will consider next year.

The House Ways and Means Committee, on December 5, 1969, reported to the House a clean bill, HR 15095, providing for increasing social security benefits by 15 percent effective January 1, 1970. The bill passed the House on December 15, 1969.

PROPOSAL

11. Grant-in-Aid System Reform (Requested by the President in a Special Message on April 30, 1969)

SENATE RESPONSE

A subcommittee of the Senate Government Operations Committee held hearings on S. 2035 and approved it for full committee consideration on December 15, 1969. It is expected the bill will receive full committee consideration early next year.

PROPOSAL

12. Electoral Reform (Requested by the President in a Special Message on February 20, 1969)

SENATE RESPONSE

A Senate Judiciary Committee subcommittee ordered favorably reported to the full Committee on May 26, 1969 a proposal providing for electoral reform.

PROPOSAL

13. District of Columbia Government Reform (Requested by the President in Special Messages on April 14 and April 28, 1969)

SENATE RESPONSE

On October 1, 1969 the Senate passed S. 2164, a bill to create a D.C. Commission on Government (requested by the President). Said Commission is to examine into the structure and authority of the District of Columbia Government.

On October 1, 1969 the Senate passed S. 2163, a bill to create the office of Congressional delegate from the District of Columbia.

On July 17, 1969 the Senate passed S. 2185, to provide a rapid rail system for D.C. and nearby areas. Congressional action on this proposal has been completed. (Public Law 91–143.)

PROPOSAL

14. Office of Economic Opportunity Reform (Requested by the President in a Special Message of February 19, 1969)

SENATE RESPONSE

Congressional action has been completed on S. 3016, a bill providing for an extension on economic opportunity programs.

PROPOSAL

15. Reform of Foreign Aid (Requested by the President May 28, 1969)

SENATE RESPONSE

Congressional action has been completed on HR 14580, the foreign assistance authorization.

Pursuant to a Congressional directive, is 1968, the President appointed a task force to study foreign aid and, by law, has been requested to submit his recommendations to the Congress not later than March 31, 1970.

PROPOSAL

16. National Computer Job Bank (Draft legislation submitted August 12 in connection with manpower request made in the President's message of that date)

SENATE RESPONSE

This proposal is included in S. 2838, the administration's manpower training bill. For Senate action on this proposal, to date and that contemplated, see the comments under item 9 above.

PROPOSAL

17. Airport and Airways Development (Requested by the President June 16, 1969)

SENATE RESPONSE

The Airport and Airways Development Act, HR 14465 (which passed the House on November 6, 1969) was reported by the Senate Commerce Committee on December 5 and is pending on the Senate calendar, amended. The Senate Finance Committee has been occupied with consideration of Tax Reform-Tax Relief and has not had an opportunity to consider the matter of user taxes pertinent to this legislation.

PROPOSAL

18. Public Transportation System (requested by the President in a Special Message August 7, 1969)

SENATE RESPONSE

S. 3154, the Public Transportation Assistance Act of 1969 was reported to the Senate on December 22, 1969 and is pending on the Senate calendar.

PROPOSAL

19. Unemployment Compensation System (Requested by the President in a Special Message July 8, 1969)

SENATE RESPONSE

On November 13, 1969, the House passed H.R. 14705, a bill to extend and improve the Federal-State unemployment compensation program. Inasmuch as the Senate Finance Committee has been involved in consideration of the Tax Reform-Tax Relief bill since that time, it has had no opportunity to consider the legislation this session.

PROPOSAL

20. Coal Mine Health and Safety (Requested by the President in a Special Message March 3, 1969)

SENATE RESPONSE

Congressional action has been completed on S. 2917, the Federal Coal Mine Health and Safety Act.

PROPOSAL

21. Occupational Health and Safety Board (Requested by the President in a Special Message August 6, 1969)

SENATE RESPONSE

A Senate Labor and Public Welfare Committee subcommittee has held a number of hearings on this subject and will continue its hearings in early January of 1970.

PROPOSAL

22. Equal Employment Opportunity Enforcement Power (Requested by the President in a Special Message April 14, 1969)

SENATE RESPONSE

A Senate Labor and Public Welfare subcommittee has concluded hearings on this subject and will schedule executive consideration as early as possible in January.

PROPOSAL

23. Illiteracy Tests—Ban as a Prerequisite for Voting (Administration draft 6/30)

SENATE RESPONSE

Senate Judiciary subcommittee hearings were held on S. 2507, the administration bill, and related bills on July 9, 10, 11 and 30, 1969. H.R. 4249, a bill to extend the Voting Rights Act of 1965 with respect to the discriminatory uses of tests and devices, passed the House on December 11, 1969. On December 16, 1969, by unanimous consent, the Senate referred the bill to the Committee on the Judiciary with instructions to report back not later than March 1, 1970, and at the conclusion of morning business on that date, or the first legislative day thereafter, it will be made the pending business of the Senate.

PROPOSAL

24. Hunger-Food Stamp Program (Requested by the President May 6, 1969)

SENATE RESPONSE

On September 24, 1969, the Senate passed S. 2547 which expanded and improved the Food Stamp program.

PROPOSAL

25. Population—Commission on Population Growth and the American Future (Requested by the President in a Special Message July 18, 1969)

SENATE RESPONSE

On September 29, 1969, the Senate passed S. 2701, to create the Commission and a similar bill, H.R. 15165, is pending on the House Calendar.

PROPOSAL

26. Crime Control: Illegal Gambling; Legitimate Business Racketeering; Witness Immunity (Requested by the President in a Special Message April 23, 1969)

SENATE RESPONSE

S. 30, the Organized Crime Control Act of 1969, was reported to the Senate on December 18, 1969, and is pending on the Senate Calendar.

PROPOSAL

27. District of Columbia Crime (Requested by the President in Special Messages of January 31 and April 14, 1969)

SENATE RESPONSE

During this session the Senate passed legislation covering all of the President's proposals dealing with D.C. Crime: the Bail Agency Act amendments (S. 545, July 8); a Reorganization of District of Columbia Courts (S. 2601, September 18); the Public Defender Act (S. 2602, November 21); Revisions in D.C. Criminal Law and Procedure (S. 2869, December 5); and a D.C. Juvenile Code (S. 2981, December 22, 1969).

PROPOSAL

28. Narcotics (Requested by the President in a Special Message on July 14, 1969)

SENATE RESPONSE

S. 3246, the Controlled Dangerous Substances Act, was reported to the Senate on December 16, 1969 and is pending on the Senate Calendar.

PROPOSAL

29. Pornography (Requested by the President in a Special Message May 2, 1969)

SENATE RESPONSE

S. 2073, a bill to prohibit transportation of obscene materials to minors, has been reported by a Senate Judiciary subcommittee to the full committee, as has S. 2074, a bill to prohibit transportation of salacious advertising. S. 2057, a anti-smut bill referred to the Senate Post Office and Civil Service Committee for action is expected to receive consideration next session.

EXHIBIT 2

SENATE LEGISLATIVE ACTIVITY THROUGH DEC. 22, 1969

(By Senate Democratic Policy Committee, 91st Congress, 1st session)

Days in session	175
Hours in session	924:45
Total measures passed	675
Public Laws	148
Treaties	8
Confirmations	66, 161

Symbols: P/H—Passed House; P/S—Passed Senate

Following is a brief summary of major Senate activity:

AGRICULTURE

Apple marketing orders.—Extended to apples those provision of the marketing law which now authorize paid advertising to be provided for in marketing orders for cherries, carrots, citrus fruits, onions, Tokay grapes, fresh pears, dates, plums, nectarines, celery, sweet corn, limes, olives, pecans, and avocados. S. 1456. P/S 11/10.

Durum wheat.—Increased wheat acreage allotments in the irrigable portion of the Tulelake area of California each year from a 1969 total allotment of 5,374 acres to a total of 12,000 acres, effective with the 1970 crop. S. 858. P/S 9/23.

Food stamp authorization.—Increased the authorization for the food stamp program for fiscal 1970 from $340 million to $610 million. PL 91–116.

Food stamp program revision and expansion.—Authorized $1.25 billion for fiscal 1970, $2 billion for fiscal 1971, and $2.5 billion for fiscal 1972; provided for self-certification; established a minimum of $125 per month for a family of 4; provided free stamps for family of 4 with a monthly income of $80 or less; and required that every county in the Nation have a Food Stamp program by 1971. S. 2547. P/S 9/24 amended.

Great Plains program extension.—Extended the Great Plains conservation program for 10 years and enlarged its scope. PL 91–118.

License fees and exemptions.—Amended the Perishable Agricultural Commodities Act to increase the maximum annual license fee to $100 (from $50), and to extend the retailer and frozen food broker exemptions to those doing less than $100,000 worth of covered business annually (now $90,000). PL 91–107.

Marketing quota review committees.—Amended the Agricultural Adjustment Act of 1938 to provide that review committee members may be appointed from any county within a State and that the Secretary of Agriculture may institute proceedings in court to obtain a review of any review committee determination. S. 2226. P/S 9/24.

Peanut acreage allotments transfer.—Provided a one-year extension through the 1970 crop year of the existing authority of the Secretary of Agriculture to permit transfer of peanut acreage allotments within a country where that will not impair the effective operation of the peanut marketing quota or price-support program. PL 91–122.

Potatoes.—Exempted potatoes for processing from marketing orders. S. 2214. P/S 10/16.

Potato and tomato promotion.—Provided for a program of potato research, development, advertising, and promotion, to be financed by assessments of not more than 1¢ per hundred pounds of potatoes produced commercially in the 48 contiguous States of the United States. S. 1181. P/S 10/20.

Seeds.—Authorized the Secretary of Agriculture to approve standards and procedures for seed certification. PL 91–89.

APPROPRIATION 1969

Continuing resolution.—Continued appropriations through October 31, 1969. PL 91–33.

Continuing resolution.—Continued appropriations through December 6, 1969. PL 91–117.

Continuing resolution.—Continued appropriations until sine die adjournment of the first session of the 91st Congress. PL 91–141.

Second supplemental.—Appropriated $4,352,357,644 in supplemental funds for Southeast Asia and various departments for fiscal 1969; set an expenditure ceiling of $191.9 billion for fiscal 1970; and repealed provision of law placing limitation on filling Government vacancies. PL 91–47.

Supplemental.—Appropriated $36 million in supplemental funds for fiscal 1969 for

Federal employees and ex-servicemen's unemployment compensation. PL 91-2.

Supplemental.—Appropriated $1 billion in supplemental funds for fiscal 1969 for the Commodity Credit Corporation. PL 91-7.

1970

Agriculture.—Appropriated a total of $7,488,903,150 for the Department of Agriculture and related agencies. PL 91-127.

Defense.—Appropriated a total of $69,640,568,000 for the Department of Defense. HR 15090. PL 91–

District of Columbia.—Appropriated a total of $650,249,600 for the District of Columbia. The appropriated Federal payment is $108,097,000. PL 91–

Foreign assistance.—Appropriated a total of $2,558,910,000 for foreign assistance and related agencies. HR 15149. P/S amended 12/18. Conference report—House adopted 12/20; Senate tabled 12/20 and requested further conference.

Independent Offices—HUD.—Appropriated a total of $15,111,870,500 for sundry independent executive bureaus, boards, commissions, corporations, agencies, offices and the Department of Housing and Urban Development. PL 91-126.

Interior.—Appropriated a total of $1,380,375,300 for the Department of Interior and related agencies. PL 91-98.

Labor-HEW.—Appropriated a total of $19,747,153,200 for the Departments of Labor and Health, Education and Welfare, and related agencies. HR 13111. Conference report filed 12/20.

Legislative.—Appropriated a total of $344,326,817 for the Legislative Branch. PL 91-145.

Military construction.—Appropriated a total of $1,560,456,000 for military construction for the Defense Department. HR 14751. PL 91–

Public Works-AEC.—Appropriated a total of $4,756,007,500 for public works for water, pollution control and power development and the Atomic Energy Commission. PL 91-144.

State-Justice-Commerce-the Judiciary.—Appropriated a total of $2,354,432,700 for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies. PL 91–

Supplemental.—Appropriated a total of $278,281,318 for Supplemental appropriations for fiscal year 1970, and provided for continuing appropriations through January 30, 1970. HR 15209. PL 91–

Transportation.—Appropriated a total of $2,143,738,630 for the Department of Transportation and related agencies. HR 14794. PL 91–

Treasury-Post Office.—Appropriated a total of $8,783,245,000 for the Departments of Treasury-Post Office, the Executive Office of the President and certain independent agencies. PL 91-74.

ATOMIC ENERGY

Atomic Energy Act amendments.—Extends for an additional five years, until September 1, 1974, the Atomic Energy Commission's authority to require the licensing of atomic energy patents, increases the maximum criminal penalties for unauthorized diversion of special nuclear material and related offenses, deletes authority to impose the death penalty and the requirement for a jury recommendation for imposition of life imprisonment before such penalty could be imposed, and confers upon the Commission statutory authority to levy civil monetary penalties on persons who violate certain licensing provisions of the act or any rule, regulation, order or license issued thereunder. S. 3169. PL 91–

AEC authorization.—Authorized a total of $2,448,052,000 for the Atomic Energy Commission for fiscal 1970. PL 91-44.

COMMUNICATIONS

COMSAT Board of Directors.—Related the number of directors on the board of directors of the Communications Satellite Corporation (Comsat) who may be elected by communications common carriers to the proportion of Comsat stock held by such carriers; specified that the articles of incorporation of Comsat may be amended by a vote of not less than two-thirds of all outstanding shares voting as a single class; and permitted Comsat to adopt bylaws which would permit its board of directors to transact business in the event of certain future national emergencies. PL 91-3.

CONGRESS

Commission for extension of the Capitol.—Increased from 5 to 7 the membership of the Commission for Extension of the U.S. Capitol by adding the majority leaders of the Senate and the House. PL 91-77.

Federal Contested Election Act.—Revised the law governing contests of elections of Members of the House of Representatives. PL 91-138.

House of Representatives office equipment.—Revised the existing office equipment program for Members, offices and committees of the House of Representatives. PL 91-139.

Library of Congress.—Increased from $75 million to $90 million the authorization contained in the Act of 1965 for the construction of the third Library of Congress Building to be known as the James Madison Memorial Building. S. 2910 P/S 10/15; H. Cal. amended.

Senate committees' witness fees.—Increased from $16 to $25 the limitation on daily witness fees payable to witnesses summoned to appear before the Senate or any of its committees and increased to 20 cents per mile the limitation on the payment of actual transportation expenses of witnesses traveling not more than 600 miles. S. Res. 278. Senate adopted 11/11.

Senate speech reinforcement system.—Authorized a speech reinforcement system for the Senate Chamber. S. Res. 167. Senate adopted 4/15/69.

CRIME

Gun control act amendments.—Strengthened the penalty provisions of the Gun Control Act of 1968 for those persons convicted of Federal felonies while armed with or carrying guns during the commission of the crime for which convicted. S. 849. P/S 11/19.

DEFENSE

Armed forces members serving in combat zones.—Continued for two years the duty-free status of certain gifts by members of the Armed Forces serving in combat zones. HR. 15071 PL 91-2.

Coast guard authorization.—Authorized a total of $142.8 million for fiscal 1970 of which $55,584,000 was for vessel procurement, $17,188,000 for aircraft, $57,378,000 for construction and $12,650,000 for bridge alterations. PL 91-49.

Dismemberment insurance coverage.—Added to servicemen's group life insurance coverage indemnity payments in the event of dismemberment or loss of use of a hand or foot, or loss of sight of an eye. S. 2186. P/S 9/18.

Draft reform.—Permitted the President to use a random system of selecting persons for induction into the Armed Forces. Under the new system, for the age group 19 to 20, and those older if in a deferred category, there will be 1 year of maximum exposure for prime vulnerability for induction. The system is designed to operate through the holding of national drawings. PL 91-124.

Extrahazardous duty.—Provided double indemnity servicemen's group life insurance coverage for members of the uniformed services assigned to duty in a combat zone or assigned to extrahazardous duty. S. 1650. P/S 9/18.

Joint Chiefs of Staff Chairman.—Authorized the President to reappoint General Earle G. Wheeler as Chairman of the Joint Chiefs of Staff for an additional term of one year. PL 91-19.

Legislative jurisdiction over lands.—Authorzied the Secretary of the Army to adjust the legislative jurisdiction exercised by the United States over lands within the Army National Guard Facility, Ethan Allen, and the U.S. Army Material Command Firing Range, Underhill, Vermont. S. 59. PL 91–

Marine Corps.—Established the grade of General for the Assistant Commandant of the Marine Corps when the personnel strength of the corps exceeds 200,000. PL 91-11.

Military construction authorization, 1970.—Authorized $1,626,920,000 to provide construction and other related authority for the military departments, and the Office of the Secretary of Defense, within and outside the United States, including authority for military housing and construction of facilities for the Reserve components. PL 91-142.

Military procurement—ABM.—Authorized $20,723,202,000 for fiscal year 1970, for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles and research, development, test, and evaluation for the Armed Forces, for construction and deployment of the Safeguard anti-ballistic missile system, and to prescribe the authorized personnel strength of the Selected Reserve of each Reserve component of the Armed Forces. PL 91-121.

Servicemen's group life insurance increase.—Increased from $10,000 to $15,000 the amount of servicemen's group life insurance. S. 1479. P/S 9/18.

Stockpile disposal.—Authorized the sale of 100,000 short tons of lead from the national and supplemental stockpiles. PL 91-46.

Submarine pay.—Provided that junior nuclear-trained submarine officers who have completed their minimum obligated service, but not more than 10 years, may be paid an additional $3,750 per year if they agree, by voluntary contract, to remain on active duty for an additional 4 years. PL 91-20.

DISTRICT OF COLUMBIA

Bail agency act.—Amended the D.C. Bail Agency Act of 1966 to require the Agency to supervise criminal defendants released under the Act to insure that they conform to the conditions of their release and actually appear for trial; and increased the Agency authorization from $130,000 to $360,000 for employing additional personnel to carry out the purposes of this bill. S. 545. P/S 7/8.

Commission on D.C. Government.—Established a home rule study commission to make a study and report to Congress its recommendations 18 months after its establishment. S. 2164. P/S 10/1.

Court suits.—Authorized suits in the courts of the District of Columbia for the collection of taxes owed to States, territories, or possessions, or or political subdivisions thereof, when a reciprocal right is accorded to the District. S. 2502. P/S 9/3.

Criminal law and procedure revisions.—Broadens the admissibility of evidence of prior conviction; permits the trial court to "waive" the defendant's privilege as to testimony regarding psychiatric treatment when District law requires the issue of the defendant's sanity be interjected over defense objection; provides special procedures for dealing with intrafamily offenses; authorizes the imposition of a sentence for an indeterminate number of years up to life for persons thrice convicted of a felony and otherwise demonstrably in need of extended supervision as a tool of rehabilitation; provides a right of appeal by the prosecution in criminal cases; provides procedures for the establishment of prior conviction in aid of the operation of the District's repeated offender laws; contains new procedures pertaining to the execution and issuance of search warrants; relates to the arrest powers of special police officers and private persons; and establishes a comprehensive "wiretapping" law for the District. S. 2869. P/S amended 12/5.

Debt adjusting.—Prohibited the business of debt adjusting in the District of Columbia except as an incident to the lawful practice of law or as an activity engaged in by a nonprofit corporation or association. S. 1458. P/S 7/8.

Delegate.—Created the office of congressional delegate from the District of Columbia and provides he shall be chosen by the qualified voters of the District, in a partisan, general election, following nomination by a political party by means of a party primary, or, in the alternative, following the submission of a nominating petition signed by 5,000 voters or 2 percent of the total District electorate, whichever is less. S. 2163. P/S 10/1.

Interstate compact on juveniles in D.C.—Authorized the Commissioner of the District of Columbia to enter into the interstate compact on juveniles which is now law in 47 States and provides a uniform nation-wide agreement for the disposition of juveniles who leave the State in which they have been found delinquent and also for the return of runaway youths to their home States. S. 2335 P/S 9/18. HR 8868. P/H 7/28.

Judges retirement act.—Amended title 11 of the District of Columbia Code to permit unmarried judges of the courts of the District of Columbia who have no dependent children to terminate their payments or survivors annuity and to receive a refund of amounts paid for such annuity. PL 91-140.

Judicial salary adjustments.—Increased the salaries of the six judges of the District of Columbia Court of Appeals, the 23 judges in the District of Columbia court of general sessions, and the one judge of the Tax Court of the District of Columbia. S. 3180 P/S 11/26.

Juvenile code.—Designed to expedite the adjudication of juveniles and enhance their rehabilitation, and to improve court procedures for juveniles so as to provide them their due process of law, and, to these ends, establishes time limits for the principal juvenile proceedings; telescopes many of the proceedings which a juvenile may have to undergo; provides separate treatment or disposition for the different categories of juveniles; requires proof of involvement beyond a reasonable doubt, while eliminating cumbersome and inappropriate trial by jury; provides a right to counsel and to be informed of the specific charges at the earliest practicable juncture; and relieves the juvenile system of those repeated offenders whom the system cannot realistically handle. S. 2981. P/S12/22.

Legal Aid Act amendment.—Amended the District of Columbia Legal Aid Act to permit the Legal Aid Agency's Board of Trustees to fix the salary of the Agency's Director, as it presently does respecting other Agency employees, following the salary scale for employees of similar qualifications and seniority in the office of the U.S. Attorney for the District of Columbia. S. 1421. P/S 11/21.

National Capital Transportation Act.—Authorized not to exceed $1,147,044,000 as the Federal contribution for the 97.7 mile rapid rail transit system for D.C. and nearby areas of Maryland and Virginia; and authorized $150,000 to study the feasibility of a rapid rail line between Dulles Airport and the main metro system utilizing the median of the Dulles access highway. PL 91-143.

Potomac River reservoirs costs.—Gave broad authorization to the Commissioner of the District of Columbia to enter into such contracts as he deems appropriate for the purpose of providing for payment to the United States of the District of Columbia's equitable share of the non-federal costs of any reservoir which may be authorized by Congress for construction on the Potomac River or any of its tributaries which would benefit the District of Columbia water supply. S. 3009. P/S 12/22.

Practice of Psychology Act.—Protected the public from unqualified and unethical practitioners of psychology in the District of Columbia. S. 1626. P/S 12/22.

Pay increases for police, firemen, and teachers.—Increased salaries and other benefits for officers and members of the Metropolitan Police Department, the U.S. Park Police, the White House Police, and the District of Columbia Fire Department; increased salaries of teachers and school officers and made other adjustments in relevant law; and authorized a special Federal payment to the District of Columbia to partially finance the cost of the bill through the remainder of fiscal year 1970. S. 2694. P/S 12/22.

Public Defender Act.—Established a Public Defender Service to replace the existing Legal Aid Agency. The Service will help provide legal representation to defendants in criminal cases financially unable to obtain adequate counsel, expedite criminal trials by providing experienced counsel in such cases, and assist the private bar and aid the courts in establishing an adequate system for the appointment of private counsel in appropriate cases. S. 2602. P/S 11/21.

Reorganization of D.C. courts.—Provided for a restructured court system in the District of Columbia. S. 2601. P/S 9/18.

Revenue.—Provided approximately $48 million, together with increases in property taxes already approved, in additional revenues for the D.C. government and authorizes a Federal payment of up to $105 million, with an additional $5 million for law enforcement. PL 91-106.

Unemployment Compensation Act.—Exempted certain public international organizations, which have headquarters or regional offices in the District of Columbia, from registering with the D.C. Unemployment Compensation Board and from the payment of the unemployment tax. PL 91-80.

Washington International School.—Authorized the Commissioner of the District of Columbia to convey the Phillips School, located in Georgetown, to the Washington International School, Inc. for the sum of $500,000. PL 91-63.

DUTIES

Chicory roots.—Made permanent the existing temporary suspension of duty on crude chicory roots; and added two amendments 1) repealing the limitation on Federal participation in Aid to Families with Dependent Children scheduled under present law to become effective July 1, 1969, and 2) extended through June 30, 1971 the authority to provide temporary assistance for the care of repatriated Americans. PL 91-41.

Electrodes — Aluminum. — Continued through December 31, 1970 the suspension of duties on electrodes imported for use in producing aluminum. PL 91-26.

Heptanoic acid.—Continued through December 31, 1970 the suspension of duties on heptanoic acid; and extended through July 31, 1969 the "surcharge" withholding tax rates. PL 91-36.

Istle.—Continued the existing suspension of duty on certain istle through September 5, 1972. PL 91-65.

Metal scrap.—Extended through June 30, 1972 the existing suspension of duty on metal waste scrap. PL 91—25.

Shoe lathes.—Extended through June 30, 1972 the existing suspension of duty on copying lathes used for making rough or finished shoe lasts from models of shoe lasts and capable of producing more than one size shoe from a single size model or shoe last; and a 2-year suspension of the law requiring States to constantly expand the benefits of medicaid so that such services will be provided to all indigent residents. PL 91-56.

Spun silk.—Extended through November 7, 1971 the suspension of duties on certain classifications of spun silk yarn which expired on November 7, 1968. PL 91-28.

ECONOMY AND FINANCE

Bankruptcy Commission.—Created a commission to study and recommend changes in the bankruptcy laws. S.J. Res. 88. P/S 6/20.

Commission on Balanced Economic Development.—Established a bipartisan 20-member Commission on Balanced Economic Development to undertake a thorough study and analysis of current geographic trends in the economic development of the Nation. S.J. Res. 60. P/S 5/27.

Debt limit.—Provided a permanent debt limitation of $365 billion and a temporary additional increase of $12 billion through June 30, 1970. PL 91-8.

Disaster relief.—Provided for Federal loan adjustments, grants to States for disaster planning, shelter for disaster victims, food stamp program, assistance to unemployed individuals, clearance of lake contamination, fire control, debris removal, and timber sale contracts. PL 91-79.

Economic opportunity amendments of 1969.—Authorized $2,195,500,000 for fiscal year 1970 and $2,295,500,000 for fiscal year 1971 for carrying out programs under the Economic Opportunity Act, and established a new alcoholic counseling and recovery program and a new drug rehabilitation program. S. 3016. PL 91-

Export Administration Act.—Continued until June 30, 1971 authority for the regulation and control of exports and made certain declarations of Congressional policy concerning the encouragement of trade with foreign countries and the use and application of export controls. HR 4293. PL 91-

Export Control Act extension.—Extended through October 31, 1969 the authority to control exports. PL 91-59.

Export Control Act extension.—Extended through December 31, 1969 the authority to control exports. PL 91-105.

Fair credit reporting.—Prevented consumers from being unjustly damaged because of inaccurate or arbitrary information in a credit report and from an undue invasion of the individual's right of privacy in the collection and dissemination of credit information. S. 823. P/S 11/6.

Gold and silver content.—Amended the National Gold and Silver Stamping Act to provide a civil remedy for misrepresentation of the quality of articles made from gold and silver. S. 1046. P/S 5/23.

Government bonds—interest rates.—Raised the maximum allowable interest rate ceiling on U.S. Savings bonds to 5 percent from its present level of 4¼ percent. The new ceiling applies to all savings bonds issued on or after June 1, 1969 and also to outstanding savings bonds for interest periods beginning on or after that date. PL 91-130.

Investors study.—Extended to September 1, 1970 the time in which the Securities and Exchange Commission has to study and make a report to Congress on institutional investing practices in the securities market, and increased the appropriation authorization from $875,000 to $945,000. PL 91-94.

Mortgage market expansion—flexible interest rates.—Extended until March 22, 1971 the authority to establish flexible ceilings on rates paid by financial institutions on time and savings deposits, increased the maximum insurance protection under FDIC and FSLIC deposit insurance programs from $15,000 to $20,000, provided for Presidential standby authority to curb inflation, increased from $1 billion to $4 billion the authority for the Federal Home Loan Bank Board to borrow from the Treasury, and provided other means of fighting inflation and helping small business. S. 2577. PL 91–

Mutual fund reforms.—Amended those sections of the Investment Company Act of 1940 which pertain to investment company management fees, mutual fund sales commissions and periodic payment or contractual plan sales commission; amended various provisions of the Federal securities laws to permit banks and savings and loan associations to operate commingled managing agency accounts in competition with mutual funds; amended other provisions of the Investment Company Act and the Investment Advisers Act to update and improve the administration and enforcement of these acts; and postponed until 18 months after enactment the effective date of the section of the bill that deals with oil and gas mutual funds. S. 2224. P/S 5/26.

Rates of interest and dividends on time and saving deposits.—Extended for an additional 3 months until December 22, 1969, flexible authority to regulate the rate of interest on savings deposits paid by financial institutions. PL 91–71.

Regional economic development legislation.—Revised and extended the Appalachian Regional Development Act of 1965 through June 30, 1971 and authorized for the 2-fiscal-year period, exclusive of highway construction funds, $268.5 million; extended the highway portion of the program through June 30, 1973, and authorized $695 million for the 4-fiscal-year period; extended title V of the Public Works and Economic Development Act for 2 years through June 30, 1971 and authorized for the 2-fiscal-year period $255 million; and extended title I of the Public Works and Economic Development Act for 1 year which authorizes grants for construction of public facilities. PL 91–123.

Small Business Administration.—Increased the ceiling on the amount of loans which can be outstanding at one time for loans to State and local development companies under title V of the Small Business Investment Act from $300 million to $500 million. S. 2815. P/S 8/13.

Small Business Investment Act amendments.—Clarified SBA's authority to enter into guarantee agreements on loans made by private lending institutions to small business investment companies. S. 2540. P/S 8/13.

Trust Territory of the Pacific Islands.—Established a Trust Territory of the Pacific Islands Economic Development Loan Fund to promote the development of private enterprise and private industry in the trust territory; and brought the total economic development authorization fund to a $5 million level. S. 232. P/S 10/23.

Uniform relocation assistance.—Provided for uniform and equitable treatment of persons displaced from their homes, businesses, or farms by Federal or federally assisted programs, and established uniform and equitable land acquisition policies for Federal and federally assisted programs. S. 1. P/S 10/27.

EDUCATION

Bureau of Indian Affairs teachers.—Reduced to a school year, from a full 12-month year, the time teachers appointed to positions in schools operated by the Bureau of Indian Affairs must agree to serve without loss of travel and transportation expenses. S. 2619. P/S 12/8.

Educational TV.—Authorized $20 million for fiscal 1970 and extended the appropriations authorization for the Public Broadcasting Act to July 1, 1974. Limited appropriations to $15 million for each of the fiscal years 1971–73. PL 91–97.

Guaranteed student loans.—Provided increased funds for Federal programs of college student assistance by increasing the authorization of appropriations for the national defense student loan program, the educational opportunity grant program, and the college work-study program, and by authorizing emergency special payments to eligible lenders under the insured student loan program of title IV–B of the Higher Education Act of 1965. PL 91–95.

National Center on Educational Media for the Handicapped.—Authorized the Secretary of Health, Education, and Welfare to enter into an agreement with an institution of higher education for the purpose of establishing and operating a National Center on Educational Media and Materials for the Handicapped. PL 91–61.

National Commission on Libraries.—Established a National Commission on Libraries and Information Science as an independent component of the Office of the Secretary of Health, Education, and Welfare to develop and recommend overall plans for carrying out the national policy with respect to libraries and information science and to advise appropriate governmental agencies at all levels relative to the means of carrying out such plans. S. 1519. P/S 5/23.

NEA.—Liberalized the corporate power of the National Education Association; eliminated the board of trustees and transferred their duties to the executive committee of the association. PL 91–37.

National Science Foundation authorization.—Authorized a total of $477,605,000 for fiscal year 1970. PL 91–120.

New Hampshire-Vermont compact.—Gave Congressional consent to the New Hampshire-Vermont interstate school compact. PL 91–21.

Scholarships and child-care centers.—Amended the Labor-Management Relations Act to permit employer contributions to trust funds to provide employees, their families, and dependents with scholarships for study at educational institutions or the establishment of child care centers for preschool and school age dependents of employees. PL 91–86.

FEDERAL EMPLOYEES

Additional supergrade positions.—Added 150 quota positions to the general pool of supergrade positions which the Civil Service Commission may establish: authorized additional supergrade positions for the Library of Congress, General Accounting Office, FBI, and other agencies; and removed supergrade limitations upon the National Security Agency and extended to it the same authority possessed by other agencies to establish and fill positions of this type. S. 2325. PL 91–

Central Intelligence Agency Retirement Act Amendments.—Made certain changes in the CIA Retirement Act of 1964 which will conform to certain changes already enacted into law with respect to the Civil Service Retirement Act (Public Law 91–93, effective October 31, 1969). HR 14571. PL 91–

Civil Service Commission revolving fund.—Increased the scope of the reimbursable services for which the revolving fund of the Civil Service Commission may be used and provided a 5-percent cost-of-living annuity increase for those who retire after November 1, 1969, and before January 2, 1970, and whose retirement is based upon involuntary separation. HR 9233. PL 91–

Civil Service retirement.—Authorized annual payments directly from the Treasury to the Civil Service Retirement and Disability Fund equal to the lost interest on the unfunded liability of the Fund; increased employee and agency contributions from 6½ percent to 7 percent, effective 1/1/70, and increased contributions by Congressional employees to 7½ and Members of Congress to 8 percent; used "high-3" instead of "high-5" for computing civil service annuities; added 1 percent to cost-of-living increases for annuitants; permitted accumulated sick leave to be added to computation of annuity; and permitted Congressional employees to receive 2½ percent credit for all years of Congressional employment. PL 91–93.

Employment of aliens.—Authorized the Secretary of Commerce to employ aliens in a scientific or technical capacity. S. 1173. P/S 6/19.

Federal pay raises.—Provided that Federal employees in all executive agencies, up through GS–15 or its equivalent, receive a pay increase effective January 1, 1970, by a decreasing percentage, beginning with 4 percent for employees in pay grades the initial rate of which is now less than $10,000; 3 percent for employees in grades between $10,000 and $15,000; 2 percent for employees in grades between $15,000 and $20,000; and 1 percent in other pay systems. H.R. 13000. P/S amended 12/12. In conference.

Government Printing Office apprentices.—Changed from 200 to 400 the limitation on the number of apprentices authorized to be employees of the Government Printing Office. H.R. 9366. PL. 91–

Intergovernmental Personnel Act of 1969.—Strengthened intergovernmental cooperation and the administration of grant-in-aid programs; extended State and local merit systems to additional programs financed by Federal funds; provided grants for improvement of State and local governments for training their employees. S. 11. P/S 10/27.

Military retired pay adjustments.—Provided the same 1 percent add-on in the cost of living adjustment for military retirees that was provided for retired civil service employees under Public Law 91–93 which became effective October 31, 1969. H.R. 14227. P.L. 91–

National Zoological Park.—Removed all positions in the National Zoological Park police force from the classification system of the Civil Service Commission and authorized the Secretary of the Smithsonian, with certain limitations, to fix the salaries. PL 91–34.

Park Police age limit.—Granted the Secretary of Interior discretionary authority to fix a maximum age for entry into Park Police duty in the 29-to 31-year age range. PL 91–73.

Postmaster appointments.—Provided for the appointment of all postmasters at post offices of the first, second, and third class by the Postmaster General; and prohibited political recommendations from being taken into account in the appointment of any person to any position in the Post Office Department other than Presidential nominees and policy making employees. S. 1583. P/S 8/12.

Retirement benefits—PHS.—Equalized retirement benefits for members of the Commissioned Corps in the Public Health Service with the retirement benefits received by members of the uniformed services. S. 2452. P/S 10/20.

Travel per diem increase for Federal civilian employees.—Increased from $16 to $25 the maximum per diem allowance for travel in the continental United States; from $30 to $40 for actual expenses; and from $10 to $18 per day the maximum actual expenses reimbursement for foreign travel authorized to be paid in addition to the maximum per diem established for the area involved. PL 91–114.

Travel per diem for members of uniformed services.—Increased for members of the uniformed services the maximum rates of per diem in lieu of subsistence from $16 to $25 per day and increased the maximum amount which may be reimbursed when actual expenses are paid from $30 to $40 per day. HR 944. PL 91–183.

GENERAL GOVERNMENT

Cabinet Committee on Opportunities for Spanish-Speaking People.—Established the Cabinet Committee to assure that Federal programs are reaching all Mexican Americans, Puerto Rican Americans, Cuban Americans, and all other Spanish-speaking and Spanish-surnamed Americans and providing assistance they need, and to seek out new programs that may be necessary to handle problems that are unique to such persons. S. 740. PL 91– .

Chickamauga and Chattanooga National Military Park, Ga., property disposal.—Authorized the disposal, under the Federal Property and Administrative Services Act, of certain excess lands presently included in the Chickamauga and Chattanooga National Military Park. The lands are to be used for educational purposes but will revert to the United States unless so utilized. HR 9163. PL 91–150.

Commerce Department special services.—Provided more uniform authority for the Secretary of Commerce to undertake Special Studies, and to perform services pertaining to matters within the province of the Commerce Department. S. 1170. P/S 11/20.

Commission on Government Procurement.—Established a 12-member Commission on Government Procurement which would be directed to make a study of Federal procurement statutes, policies, rules, regulations, procedures, and practices, and submit a final report of its findings and recommendations to Congress within 2 years from the date of enactment and cease to exist 120 days after the submission of its final report. PL 91–129.

Commission on Population Growth and the American Future.—Established the Commission on Population growth and the American Future to conduct and sponsor studies and research and to make such recommendations as are necessary to provide information and education at all levels of government in the United States, and to the public, regarding a broad range of problems associated with population growth and their implication for America's future. S. 2701. P/S 9/29.

Copyright protection.—Continued until December 31, 1970, the renewal term of any copyright subsisting on the date of approval of this resolution, or the term as extended by PL 87–668, by PL 89–442, by PL 90–141 or PL 90–416, where such term would otherwise expire prior to December 31, 1970. PL 91–147.

Council on youth opportunity.—Authorized appropriations for the operation of the President's Council on Youth Opportunity. H.J. Res. 764. PL 91–176.

John F. Kennedy Center.—Increased by $7.5 million (to $23 million) the Federal share for construction of the John F. Kennedy Center and by $5 million (to $20.4 million) the borrowing authority for the construction of underground parking facilities. PL 91–90.

Management of fish and resident wildlife on Federal land.—Confirmed the historic patterns that have evolved in the United States in connection with fish and resident wildlife and requires that, with certain exceptions, the taking of fish and resident wildlife on federally owned lands be accomplished within the framework of State law. S. 1232. P/S 12/8.

Medical supplies.—Authorized the head of any Federal department or agency who is responsible for the storage of medical materials or medical supplies held for a national emergency to determine when the shelf life is of too short duration for continued retention. S. 406. P/S 9/26.

Metric system study.—Authorized a total appropriation of $2.5 million, over a 3-year period, to enable the Secretary of Commerce to conduct the study of the metric system authorized last year by. PL 90–472. S. 1287. P/S 5/14. H. Cal.

Office of Intergovernmental Relations.—Authorized the appropriations of such sums as may be necessary for the expenses of the Office of Intergovernmental Relations established by Executive Order February 14, 1969, to advise and assist the Vice President with respect to his intergovernmental relations responsibilities as the President's liaison with executive and legislative officials of State and local governments. S.J. Res. 117. P/S 9/29. P/H amended 12/16.

Standard Reference Data Act authorization.—Authorized the appropriation of not to exceed $6 million for fiscal years 1970 and 1971 to the Commerce Department to carry out the Standard Reference Data Act. PL 91–131. (PR)

Surplus property for public museums.—Made public museums, such as public libraries, eligible to secure surplus property which is usable and necessary for purposes of education, public health, or for research for any such purpose. S. 2210. P/S 9/26.

Virgin Islands voting age.—Authorized the Virgin Islands legislature to lower the voting age to less than 21 years upon approval by a majority of the voters, in a referendum held for that purpose. S. 2314. P/S 10/28.

HEALTH

Child Protection and Toy Safety Act.—Amended the Federal Hazardous Substances Act so that the Secretary of Health, Education, and Welfare, in order to protect children from serious injury and illness, may ban from the marketplace toys and other articles intended for use by children which present electrical, mechanical, and thermal hazards. PL 91–113.

Clean Air Act amendments.—Granted a 1-year extension of the authorization for research relating to fuels and vehicles under the provisions of the Clean Air Act, and authorized $45 million for fiscal year 1970 for special research projects. PL 91–137.

Communicable disease control.—Authorized a 3-year program of project grants to continue our present commitment to States and local governments for assistance in eliminating diseases that are susceptible to vaccination or communicable disease control programs; and authorized $60 million for fiscal 1970, $75 million for each of fiscal years 1971 and 1972. S. 2264. P/S 10/20.

Community mental health centers amendments.—Improved and extended for 3 years the Community Mental Health Centers Act, authorizing for construction grants $95 million for fiscal year 1971 and $115 million for each of fiscal years 1972 and 1973 and for grants for operations $60 million for each of fiscal years 1971 and 1972 and $80 million for fiscal year 1973. Extended the alcoholism and narcotics addict rehabilitation portion of the law for two years and fixed the authorization therefor at $25 million for fiscal year 1971 and $30 million for fiscal year 1972. Added a program of special services for children and authorized therefor $18 million for fiscal year 1971, $30 million for fiscal year 1972, and $45 million for fiscal year 1973. S. 2523. P/S 12/11. P/H amended 12/16.

Medicaid.—Provided for a 2-year suspension of the law requiring States to constantly expand the benefits of medicaid so that such services will be provided to all indigent residents. PL 91–56.

Medical libraries and health communications.—Extended for 3 years, through June 30, 1973, the current program of assistance for medical library and other health information services and facilities; and increased the total authorization for funding these programs from the current $21 million a year to $25 million in fiscal 1973. HR 11702. In conference.

Migrant health services.—Extended until June 30, 1973, the authority of the Public Health Service Act to improve health services and the health conditions of domestic agricultural migratory workers and their families, and provided for this purpose increased funding authorizations of $20 million for fiscal year 1971, $25 million for fiscal year 1972, and $30 million for fiscal year 1973. HR 14733. P/S amended 12/19.

National Commission on Product Safety.—Extended the life of the National Commission on Product Safety from November 20, 1969, to no later than June 30, 1970. PL 91–51.

Public Health Cigarette Smoking Act.—Provided adequate warning to the public of the hazards of cigarette smoking through strengthened cautionary labeling of all cigarette packages and prohibited after January 1, 1971, all television and radio broadcasting of cigarette advertisements. HR 6543. P/S amended 12/12.

Public health training.—Extended until June 30, 1975 the existing programs of formula grants for schools of public health, project grants for graduate training in public health, and traineeships for professional public health personnel, and authorized appropriations of $263 million for fiscal years 1971 through 1975 for these programs. S. 2809. P/S 12/11. P/H amended 12/16.

Water pollution control.—Authorized the Federal Government to clean up oil spills; required Federal licensees and permittees to comply with water quality standards as a precondition of the license or permit; subjects vessel sewage to new methods of control; provided for consideration of environmental policies and brings other environmental policies into all other Federal programs. HR 4148. In conference.

HOUSING

Alaska Omnibus Act amendment.—Extended to June 30, 1967 the time in which funds appropriated under the 1964 Alaska Omnibus Act can be utilized for urban rehabilitation and development from damages resulting from the disastrous "Good Friday" earthquake of 1964. S. 778. P/S 12/12.

Housing programs.—Extended for 3 months, until January 1, 1970, all Federal housing programs which would otherwise expire on October 1, 1969. PL 91–78.

Housing and Urban Development Act of 1969.—Authorized $4.7 billion over the next two years for Federal Housing Administration programs, urban renewal, model cities, rent supplement, and public housing; provided rent subsidies for tenants of public housing; extended Federal Housing Administration loan guarantees to mobile homes; and raised the ceiling on the amounts that could be spent per room for constructing public and federally assisted housing. S. 2864. PL 91–.

Paraplegic veterans.—Extended the eligibility requirements governing the grant of assistance in acquiring specially adapted housing for paraplegic veterans to include loss or loss of use of a lower extremity and other service-connected neurological or orthopedic disability which impairs locomotion to the extent that a wheelchair is regularly required. PL 91–22.

IMMIGRATION

Immigration and Nationality Act amendment.—Repealed a provision in the Act which provides that U.S. citizenship cannot be acquired through naturalization during a period of 60 days preceding a general election. PL 91–136.

Western Hemisphere immigration.—Facilitated the entry into the U.S. of executive officers and managerial personnel of Western Hemisphere businesses having branch offices, affiliates, or subsidiary corporations in the U.S. S. 2593. P/S 8/13.

INDIANS

American Indian rights.—Clarified titles II and III of the Civil Rights Act of 1968 by providing that title II shall not be construed to affect any tribal property rights secured by law or treaty or to dilute the sovereignty of the tribal governments except to the extent of the prohibitions upon governmental action expressly set forth in title II, and by providing that the model code in title III will not become applicable to any tribe unless it is first adopted by the tribal council or other governing body of the tribe. S. 2173. P/S 7/11.

Cheyenne River Sioux Tribe.—Provided that all right, title, and interest of the U.S. in 640 acres located at an old school site, together with all improvements, except fencing owned by an Indian permittee, shall be held in trust by the U.S. for the Cheyenne River Sioux Tribe. PL 91–104.

Flathead Reservation in Montana.—Provided for the disposition of an award in the amount of $190,399.97 to the Confederated Salish and Kootenai Tribes of the Flathead Reservation in Montana. PL 91–75.

Fort Berthold Reservation.—Declared that the United States shall hold certain lands in trust for the Three Affiliated Tribes of the Fort Berthold Reservation. PL 91–100.

Indian land.—Compensated the Indians of California for the value of land erroneously used as an offset against a judgment. The offset was $83,275, plus interest at 4 percent from December 4, 1944. PL 91–64.

Indians of the Pueblo of Laguna.—Declared that the United States will hold approximately 1,016.65 acres of excess federally owned land in trust for the Laguna Pueblo, New Mexico. PL 91–112.

Loans.—Authorized the Secretary of Agriculture, through the Farmers Home Administration, to make loans to any Indian tribe or tribal corporation for the purpose of acquiring lands within the tribe's reservation. S. 227. P/S 9/12.

Long-term leases.—Authorized longer term leases of Indian trust or restricted lands located outside the boundaries of Indian reservations in New Mexico S. 1609. P/S 8/13.

Long-Term Leasing Act.—Increased from 50 to 65 years the maximum term of leases of individual and tribal lands for public, religious, educational, recreational, residential, and business purposes. S. 204. P/S 8/13.

National Council on Indian Opportunity.—Established an annual ceiling of $300,000 for the expenses of the National Council on Indian Opportunity, and stated that the Council shall terminate in five years unless Congress provides otherwise. PL 91–125.

Navajo Indian Reservation.—Amended the Navajo-Hopi Rehabilitation Act of 1950, to increase the total amount authorized for roads and trails by $5 million in order to construct and improve a road on the Navajo Reservation. S. 404. P/S 8/13.

Rosebud Sioux Indian Reservation.—Amended the 1963 act which authorized the sale or exchange or mortgaging of isolated tracts of tribal land on the reservation, to provide that any lands mortgaged shall be subject to foreclosure and in accord with the laws of South Dakota. PL 91–115.

Southern Ute Tribe.—Transferred the title to 214.37 acres of excess Federally-owned land located in La Plata County, Colorado, to the United States to be held in trust for the Southern Ute Indian Tribe. HR 12785. PL 91–

INTERNATIONAL

Cuban claims program.—Extended until July 6, 1972, the time within which the foreign Claims Settlement Commission shall complete its affairs in connection with the Cuban claims program (title V of the International Claims Settlement Act of 1949, as amended). HR 11711. PL 91–

Foreign assistance authorization.—Extended the foreign assistance program through June 30, 1971, and authorized for fiscal year 1970, $1,972,525,000 ($1,622,525,000 in economic aid and $350 million in military aid). For economic aid $350 million is for development loans, $20 million for a desalting plant for Israel, if development of such a plant is feasible, $183.5 million for technical cooperation and development grants, $25.9 million for American schools and hospitals abroad, $428,250,000 for the Alliance for Progress, $122,620,000 for international organizations and programs, $414,600,000 for supporting assistance, $15 million for the contingency fund, and $51,125,000 for administrative expenses for the Agency for International Development, $1,936,525,000, is authorized for fiscal year 1971, with sums identical to those for 1970, with certain exceptions. HR 14580, PL 91–

Foreign governments recognition.—Expressed as the sense of the Senate that when the United States recognizes a foreign government and exchanges diplomatic representatives with it, this does not of itself imply that the United States approves of the form, ideology, or policy of that foreign government. S. Res. 205. Senate adopted 9/25/69.

Greek Government.—Expressed the sense of the Senate that the United States exert all possible effort to influence a speedy return to a constitutional government in Greece. S. Res. 298. P/S 12/12.

International Development Association.—Authorized the United States to contribute $480 million to the World Bank's IDA over the next 3 years. PL 91–14.

International expositions.—Provided for Federal Government recognition of and participation in international expositions to be held in the United States. S. 856. P/S 6/18.

National commitment.—Defined national commitment as the use of Armed Forces on foreign territory, or a promise to assist a foreign government by use of Armed Forces or financial resources, and expressed as the sense of the Senate that a national commitment could result only from affirmative action taken by the executive and legislative branches by means of a treaty, statute or concurrent resolution of both Houses of Congress providing for such a commitment. S. Res. 85. Senate adopted June 25, 1969.

Patent conference.—Authorized the Secretaries of State and Commerce, in consultation with other interested parties, to arrange to convene an international conference to negotiate a Patent Cooperation Treaty and authorized the appropriation of $175,000 for this purpose. S.J. Res. 90. PL 91–

Peace Corps amendments.—Authorized $98,450,000 for the Peace Corps for fiscal 1970. PL 91–99.

United Nations Conference on Human Environment in 1972.—Stated the sense of the Senate that the United States should actively support and participate in the 1972 United Nations Conference on Environment and undertake such preparations as necessary to enable United States participation. S. Res. 179. P/S 11/10.

TREATIES

Agreement with Canada on adjustments in flood control payments.—Provided that the United States pay $278,000 to Canada as a result of its early completion of the Arrow and Duncan dam projects constructed pursuant to the Columbia River Treaty. Ex. H (91–1). Resolution of ratification agreed to 11/10/69.

Agreement with Canada on Niagara River diversions.—Provided for the temporary diversion of water from the American Falls of the Niagara River for power production purposes pending a study of ways to prevent the continued erosion of the rock underneath. Ex. C (91–1)). Resolution of ratification agreed to 5/13/69.

Broadcasting agreements with Mexico.—Encompassed two related but separate agreements concerning radio broadcasting in the standard broadcasting band and the operation of broadcasting stations in the standard band at presunrise and postsunrise. Ex. B (91–1). Resolution of ratification agreed to 6/19/69.

Consular convention with Belgium.—Replaced a consular convention of 1880 and deals with consular relations between the United States and Belgium and sets forth, as customary, the functions, privileges, and immunities of consular officers. Ex. F (91–1). Resolution of ratification agreed to 11/10/69.

Convention on Offenses Committed on Board Aircraft.—Established international rules providing for continuity of jurisdiction with respect to crimes and other offenses committed on board aircraft engaged in international aviation. Ex. L (90–2). Resolution of ratification agreed to 5/13/69.

Nonproliferation of nuclear weapons.—Retarded the further spread of nuclear weapons by prohibiting the nuclear weapon States party to the treaty from transferring nuclear weapons to others and by barring the nonnuclear-weapon countries from receiving, manufacturing, or otherwise acquiring nuclear weapons. Ex. H (90–2). Resolution of ratification agreed to 3/13/69.

North Atlantic fishing operations.—Established a uniform set of rules and regulations to govern the conduct of fishing operations in the North Atlantic fisheries zone which encompasses the area north of a line drawn between Gibraltar and Cape Hatteras. Ex. D (91–1). Resolution of ratification agreed to 10/22/69.

Vienna Convention on Consular Relations.—Because the first multilateral agreement governing the regulation of consular relations between States. The accompanying Optional Protocol provides for the compulsory settlement of disputes arising out of the interpretation or application of the convention. Ex. E (91–1). Resolution of ratification agreed to 10/22/69.

JUDICIAL

Administrative conference appropriations ceiling.—Increased the authorized annual appropriations for the work of the Administrative Conference of the United States from the present ceiling of $250,000 per annum to a new ceiling of $450,000 per annum. HR 4244. PL 91–

Customs Courts Act.—Modernized procedures in the Custom Court and related administrative processes in the Bureau of Customs so that the Court and the Bureau will be better able to cope effectively and expeditiously with their rapidly expanding workload. S. 2624. P/S 12/9.

Emergency Detention Act repeal.—Repealed the emergency detention provision of the Internal Security Act of 1950 to remove a threat to the established freedom of American citizens and their constitutional rights. S. 1872 P/S 12/22.

Jurisdiction of U.S. courts.—Provided courts of the United States with jurisdiction over contract claims against non appropriated fund activities of the U.S. S. 980. P/S 6/30.

Louisiana additional judicial district.—Created an additional judicial district in the State of Louisiana by dividing the present Eastern District of Louisiana into two districts, the Eastern and Middle districts. S. 1646. P/S 12/9.

National Commission on Reform of Federal Criminal Laws.—Extended to 11/8/70 the time within which the Commission shall submit its final report and increased the authorization from $500,000 to $850,000 with authority for the Commission to carry over any funds not expended in 1970 into 1971. PL 91–39.

Omnibus judgeship bill.—Created 70 new district judgeships of which 67 are permanent and 3 are temporary throughout the United States. S. 952. P/S 6/23.

Prince Georges County Court, Md.—Authorized the United States District Court for the District of Maryland to sit at a suitable site in Prince Georges County, as well as at Baltimore, Cumberland, and Denton, Maryland. S. 981. P/S 10/6.

Retirement of U.S. judges.—Provided for retirement benefits to Federal judges and justices after 20 years of service regardless of their age. S. 1508. P/S 10/29.

LABOR

Construction workers.—Promoted health and safety standards in the construction industry by authorizing the Secretary of Labor to set standards which contractors and subcontractors would be required to meet on Federal, federally financed, or federally assisted construction. PL 91–54.

Federal Coal Mine and Health and Safety Act of 1969.—Improved the health and safety conditions and practices at underground coal mines; provided protection in all other coal mines, including surface mines, not now covered by the Federal Coal Mine Safety Act as amended; established health standards; provided authority for the Interior Department to promulgate improved mandatory health and safety standards for all coal mines by regulation; authorized a disability benefit program for miners totally disabled due to pneumoconiosis and widows of miners whose death was due to pneumoconiosis; and authorized a $75 million research program to determine if pneumoconiosis can be cured or prevented. S. 2917. PL 91–

Manpower Development and Training Act amendment.—Authorized $100,000 as the minimum amount which can be apportioned to the Trust Territory of the Pacific Islands for job training. PL 91–4.

MEMORIALS AND TRIBUTES

American Fisheries Society Centennial Medal.—Provided for striking medals in commemoration of the 100th anniversary of the founding of the American Fisheries Society on December 20, 1870. PL 91–13.

American motion picture.—Designated 1969 as the Diamond Jubilee year of the American Motion Picture. H. Con. Res. 165. House adopted 4/21; Senate adopted 5/5.

American Revolution Bicentennial Commission.—Extended the reporting date of the Commission from July 4, 1969 to July 4, 1970, and extended the authorization for appropriations from fiscal year 1969 to fiscal year 1970. PL 91–84.

Apollo 11.—Commended the Apollo 11 astronauts on their successful lunar expedition. S. Res. 224. Senate adopted 7/25.

Baseball centennial.—Extended congratulations of Congress to organized baseball to commemorate its 100th anniversary in 1969. H. Con. Res. 300. House adopted 7/15; Senate adopted 7/17.

Carl Hayden Project.—Renamed the Central Arizona Project as the Carl Hayden Project. S.J. Res. 28. P/S 3/24.

Chouteau Lock and Dam, Okla.—Authorized the lock and dam numbered 17 on the Verdigris River, Oklahoma, to be named for the Chouteau family. S. 1499. P/S 9/5.

Congressional space medals of honor.—Authorized the President to award, and present in the name of Congress, a medal of appropriate design, which shall be known as the Congressional Space Medal of Honor, to any astronaut who in the performance of his duties has distinguished himself by exceptionally meritorious efforts and contributions to the welfare of the Nation and of mankind. PL 91–76.

Dartmouth College.—Expressed congratulations of Congress to Dartmouth College on the occasion of the 200th anniversary of its founding. H. Con. Res. 114. House adopted 4/29; Senate adopted 6/19.

Eisenhower Dam.—Renamed Glen Canyon Dam as the Dwight D. Eisenhower Dam. S. 1613. P/S 6/30.

Eisenhower Dollar.—Authorized the minting of approximately 300 million 40 percent silver dollars bearing the likeness of the late President Dwight David Eisenhower. S.J. Res. 158. P/S 10/15; P/H amended 10/15.

Eisenhower National Historic Site.—Authorized $1,081,000 for the development of the Eisenhower National Historic Site at Gettysburg, Pa., designated as such in 1967. PL 91–133.

Everett Bridge.—Named the Tennessee-Missouri Bridge, now under construction across the Mississippi River linking the States of Tennessee and Missouri, in honor of the late Congressman Robert A. Everett from the 8th Congressional District of Tennessee. S. 769. P/S 2/4.

Francis Asbury statue.—Authorized the Secretary of Interior to permit the removal of the Francis Asbury statue from its present location at 16th and Mt. Pleasant Streets, N.W., in the District of Columbia, and authorized the conveyance of title to the Methodist Corporation. S. 1968. P/S 10/23.

Frederick Douglass home.—Increased from $25,000 to $413,000 an authorization for the restoration and development of buildings and grounds at Cedar Hill, where the Frederick Douglass Home memorial is located in the District of Columbia. PL 91–109.

High speed photography.—Expressed the sense of Congress that all interested Federal agencies should participate actively in the Ninth International Congress on High-Speed Photography to be held in Denver, Colorado, in August of 1970. S. Con. Res. 12. Senate adopted 6/16; House adopted 11/3.

Lyndon B. Johnson National Historic Site.—Established the Lyndon B. Johnson National Historic Site at or in the vicinity of Johnson City, Texas, and authorized $180,000 for its development. PL 91–134.

National Day of Prayer for American prisoners in North Vietnam.—Provided that November 9, 1969 be declared a national day of prayer and concern on behalf of the American servicemen being held prisoner by the North Vietnamese. PL 91–111.

St. Lawrence Seaway.—Recognized the 10th anniversary of the opening of the St. Lawrence Seaway. S. Con. Res. 17. Senate adopted 6/19; House adopted, amended, 6/24; Senate concurred 6/26/69.

Taft Historic Site.—Established the birthplace of William Howard Taft, the 27th President of the United States, as a National Historic Site located at or in the vicinity of Auburn Avenue in Cincinnati, Ohio, and authorized $318,000 for its restoration and development. PL 91–132.

U.S. Diplomatic Courier Service.—Authorized the Secretary of the Treasury to strike bronze medals in commemoration of the fiftieth anniversary of the U.S. Diplomatic Courier Service. PL 91–48.

Winston Churchill Medal.—Provided for striking a medal in honor of the dedication of the Winston Churchill Memorial and Library at Fulton, Missouri, in May, 1969. PL 91–12.

PRESIDENCY

Mail.—Authorized free postage for Mrs. Mamie Doud Eisenhower, widow of former President Dwight David Eisenhower. PL 91–10.

Pay increase.—Provided a $100,000 pay increase for the President of the United States. PL 91–1.

PROCLAMATIONS

Adult Education Week.—Authorized the President to issue a proclamation designating the period September 1–7, 1969 as "Adult Education Week." S.J. Res. 45. P/S 5/5.

Day of Bread and Harvest Festival.—Authorized the President to issue a proclamation designating October 28, 1969 as a "Day of Bread" as a part of international observances, and that the last week of October within which it falls be designated as a period of "Harvest Festival." PL 91–91.

Helen Keller Memorial Week.—Authorized the President to issue a proclamation designating the first week in June of 1969 as "Helen Keller Memorial Week." PL 91–17.

National Adult-Youth Communications Week.—Authorized the President of the United States to issue a proclamation designating the week of September 28 through October 4, 1969, as "National Adult-Youth Communication Week." PL 91–72.

National Archery Week.—Authorizd the President to issue a proclamation designating the 7-day period beginning August 26, 1969, and ending October 18, 1969, as National In-Archery Week." PL 91–55.

National Blood Donor Month.—Authorized and requested the President to proclaim the month of January of each year as National Blood Donor Month. S.J. Res. 154. PL 91–

National Family Health Week.—Authorized the President to issue a proclamation designating the period November 16–22, 1969, as "National Family Health Week." PL 91–87.

National Industrial Hygiene Week.—Designated the period beginning October 12, 1969, and ending October 18, 1969, as "National Industrial Hygiene Week." PL 91–92.

Olympic Games in 1976.—Authorized and requested the President to issue a proclamation welcoming all Olympic delegations authorized by the International Olympic Committee to come and actively participate in the 1976 Olympic games, if they are to be held in the cities of Los Angeles or Denver. S.J. Res. 131. P/S 11/10.

Professional Photography Week.—Authorized the President to issue a proclamation designating the period June 8–14, 1969, as "Professional Photography Week in America." PL 91–23.

Volunteers of America Week.—Authorized and request the President to proclaim the second week of March 1970 as Volunteers of America Week. H.J. Res. 10. PL 91– .

Von Steuben Memorial Day.—Authorized the President to issue a proclamation designating September 17, 1969 as "General von Steuben Memorial Day" to commemorate his birth and services to the United States. PL 91–70.

REORGANIZATION

Authority extension.—Extended to April 1, 1971, the authority of the President to submit reorganization plans to the Congress proposing reorganizations in the executive branch of the Government. PL 91–5.

HEW—Appointments and confirmations.—Required that future appointments in the following positions in HEW be made by the President and confirmed by the Senate: Administrator of the Social and Rehabilitation Service; Commissioner of Rehabilitation Services Administration; Commissioner of Medical Services Administration; and Commissioner of Assistance Payments Administration. S. 1022. P/S 3/4.

Plan No. 1.—Reorganization of Interstate Commerce Commission to permit the President to designate the Chairman and to vest administrative authority in the Chairman. Effective October 11, 1969.

RESOURCES BUILDUP

Apostle Islands.—Authorized the establishment of the Apostle Islands National Lakeshore in Wisconsin and authorized $6,660,000 for land acquisition and $8,257,700 for development of the project. S. 621. P/S 6/26.

Buffalo National River.—Authorized the Secretary of Interior to establish the Buffalo National River on not more than 95,730 acres in the Ozark Mountains of northwest Arkansas. S. 855. P/S 9/3.

El Dorado National Forest.—Designated 63,469 acres in the El Dorado National Forest in California as a Wilderness preservation area. PL 91–82.

Environmental quality.—Established an independent, high-level three-member Board of Environmental Quality in the Executive Office of the President to provide an analysis and interpretation of environmental trends and the factors which affect these trends, and authorized to carry out the purposes of this National Environmental Policy Act $300,000 for fiscal year 1970, $700,000 for fiscal year 1971, and $1 million for each fiscal year thereafter. S. 1075. PL 91–

Everglades National Park, Fla.—Authorized $800,000 to acquire a 6,640-acre inholding in the Everglades National Park under option to the National Park Service and due to expire November 16, 1969. PL 91–88.

Feasibility studies.—Authorized the Secretary of Interior to undertake feasibility investigations of eight water resource development projects which may subsequently be presented for authorization by the Congress as elements of the Federal Reclamation Program. PL 91–81.

Fish and wildlife endangered species.—Prevented the importation into the United States of species of fish or wildlife threatened with extinction; made unlawful the sale or purchase of domestically endangered species taken in violation of the laws or regulations of a State or foreign country; and authorized the appropriation of $1 million for each of fiscal years 1970, 1971, and 1972 to enable the Secretary of the Interior to acquire lands to conserve, protect, restore, or propagate such species. PL 91–135.

Florissant fossil beds.—Established the Florissant Fossil Beds as a National Monument in the State of Colorado. PL 91–60.

Fort Donelson National Battlefield, Tenn.—Authorized the appropriation of $12,721.25, plus interest, for the acquisition of lands for the Fort Donelson National Battlefield in Tennessee. PL 91–146.

Golden Eagle Program.—Restored the golden eagle program to the Land and Water Conservation Fund Act, and guaranteed free access to and use of Federal lakes and reservoirs under the jurisdiction of the U.S. Army Corps of Engineers. S. 2315. P/S 9/24.

Great Smoky Mountains National Park.—Authorized construction of an entrance road at Great Smoky Mountain National Park, North Carolina. PL 91–108.

Independence National Historical Park.—Provided an increase of $3,250,000 in the funds authorized to be appropriated for Independence National Historical Park in Philadelphia, Pennsylvania, so as to acquire the last remaining tract of commercial land within the boundaries of the park. S. 2940. P/S 12/8.

Interstate oil compact.—Granted the consent of Congress to a 2-year extension (to September 1, 1971) of the Interstate Compact to Conserve Oil and Gas. S.J. Res. 54. PL 91–158.

Kennewick-Yakima project.—Authorized $6,735,000 to construct an extension to the existing Kennewick division of the Yakima reclamation project in southeastern Washington to irrigate an additional 6,300 acres. PL 91–66.

Kortes unit of the Missouri River Basin.—Authorized the Secretary of Interior to modify the operation of the Kortes unit of the Missouri River Basin project, Wyoming for fishery conservation. S. 40. P/S 8/13.

Lake Tahoe regional planning compact.—Granted Congressional consent of Congress to the California-Nevada Lake Tahoe regional planning compact and authorized the Secretary of the Interior and others to cooperate with the planning agency thereby created. S. 118. PL 91–148.

Lincoln back country, Mont.—Authorized the Secretary of Agriculture to classify as wilderness the national forest lands known as the Lincoln Back Country, and parts of the Lewis & Clark and Lolo National Forests, in Montana. S. 412. P/S 5/29.

Monomoy Wilderness.—Designated the 2,600-acre Monomoy Island, located in the Monomoy National Wildlife Refuge in Barnstable County, Mass., as part of the National Wilderness Preservation System. S. 1652. P/S 5/23.

National Council on Marine Resources and Engineering Development.—Extended to June 30, 1970 the National Council and reduced the annual authorized appropriation from $1.5 million to $1.2 million. PL 91–15.

National minerals policy.—Established a national mining and minerals policy to foster and encourage the development of the domestic mining and minerals industry, the development of domestic mineral resources to meet industrial and security needs, and mining, mineral, and metallurgical research. S. 719. P/S 9/5.

Navajo Indian irrigation project.—Increased the amount of appropriations authorized for project construction from $135 million to $175 million and included 8 additional townships in the area from which the project lands may be obtained. S. 203. P/S 8/12.

Oil and gas leases.—Conferred discretionary authority on the Secretary of Interior to prevent, administratively, termination of certain oil and gas leases on Federal lands and reinstated terminated leases under certain limitations and conditions. S. 1193. P/S 6/2.

Padre Island.—Authorized $4,129,829, plus interest, to satisfy a judgment against the United States in a condemnation action in the U.S. District Court for the Southern District of Texas, for the acquisition of lands and interests in land for the Padre Island National Seashore. PL 91–42.

Parks and recreation.—Authorized the sale of surplus Federal properties at less than the full 50 percent of fair market value to make surplus Federal property suitable for park and recreational uses more readily available to State and local governments. Required the Congress have 60 days to disapprove such sale. S. 1708. P/S 6/26.

Pelican Island wilderness.—Designated approximately 403 acres of the Pelican Island National Wildlife Refuge in Florida as part of the National Wilderness Preservation System. S. 126. P/S 5/23.

Public ownership of lands in Federal reclamation projects.—Clarified the acreage limitation provisions of the Federal reclamation laws with respect to lands owned by a State or local government entity or subdivision. S. 2062. P/S 10/30.

Saline water conversion program.—Authorized $26 million for fiscal 1970. Of this amount $17,223,000 is for research and development operating expenses; $5,355,000 is for design, construction, acquisition, modification, operation, and maintenance of saline water conversion test beds and test facilities; $1,450,000 is for design, construction, acquisition, modification, operation, and maintenance of saline water conversion modules; and $1,972,000 is for administration and coordination. PL 91–43.

Sawtooth National Recreation Area.—Establish the Sawtooth National Recreation Area, in Idaho, to preserve and protect the scenic, historic, pastoral, fish and wildlife and other recreational values of the Sawtooth Mountains and adjacent valley lands. S. 853. P/S 7/2.

Tocks Island Dam.—Amends existing law providing for the development of the Tocks Island Dam and Reservoir, Delaware River Basin, to permit the head and water releases of the project to be utilized as part of a comprehensive pumped-storage hydroelectric power project by certain New Jersey electric companies. S. 2678. P/S 7/30.

Touchet-Walla Walla project.—Authorized $22,774,000 for the construction and operation of the Touchet division of the Walla Walla reclamation project in southeastern Washington which will supply irrigation water to approximately 9,960 acres of land. S. 743. P/S 3/24.

Upper Niobrara River compact.—Granted congressional consent to the upper Niobrara River compact between the States of Wyoming and Nebraska. PL 91–52.

Ventana Wilderness.—Designated approximately 98,000 acres in the Los Padres National Forest in California as the Ventana Wilderness. PL 91–58.

Wilderness areas in Michigan, Wisconsin, and Maine.—Designated as units of the National Wilderness Preservation System the Seney, Huron Islands, and Michigan Islands Wilderness in the State of Michigan, the Wisconsin Islands Wilderness in the State of Wisconsin, and the Edmunds Wilderness and Birch Islands Wilderness in the State of Maine. All of the lands included are presently within the National Wildlife Refuge System. S. 826. P/S 5/26.

Wilderness areas in Oregon, Alaska, Washington, and New Mexico.—Designated as units of the National Wilderness Preservation System the Three Arch Rocks and Oregon Islands National Wildlife Refuges, in Oregon; The Bering Sea, Bogslof, Tuxedni, St. Lazaria, Hazy Islands, and Forrester Island National Wildlife Refuges, all in Alaska; the Copalis, Flattery Rocks and Quillayute Needles National Wildlife Refuges in the State of Washington, and the Bitter Lake National Wildlife Refuges in New Mexico. S. 3014. P/S 12/12.

Youth Conservation Corps.—Established a pilot Youth Conservation Corps program for young men and women, 14–18 years of age, who would participate in summar work and educational projects in our national parks, forests, recreation areas, wildlife refuges and other public lands administered by the Departments of Interior and Agriculture for periods up to 90 days. S. 1076. P/S 6/26.

SPACE

NASA authorization.—Authorized appropriations totaling $3,715,527,000 to the National Aeronautics and Space Administration for fiscal 1970. Of this total $58,200,000 is for construction of facilities, $3,019,927,000 for rsearch and development, and $637,400,000 for research and program management; and required disclosure of certain information by former employees, GS–15 and above, of NASA who are employed by aerospace contractors doing $10 million or more annual business with NASA. PL 91–119.

TAXES

Interest equalization extension—Gun registration.—Extended the interest equalization tax until March 31, 1971; modified the President's discretionary authority to vary the tax rates so he may prescribe a lower rate of tax for new issues than the rate applicable to outstanding issues; and modified the Gun Control Act of 1968 to repeal the registration requirements related to persons purchasing shotguns and rifles, or component parts of these types of ammunition. PL 91–128.

State taxation of national banks.—Granted States and their subdivisions the opportunity to tax banks within their jurisdiction in the same way they tax other business. H.R. 7491—PL 91–.

Surtax.—Extended the 10 percent surtax through December 31, 1969. PL 91–53.

Tax reform.—Made substantitive and comprehensive reforms in the tax laws and granted tax relief to persons in the low and middle income brackets. Some of the major provisions increased the personal income tax exemption from $600 graduated to $750 in 1972; granted a 15 percent Social Security increase effective January 1, 1970; extended the tax surcharge through June 30, 1970 at a 5 percent rate; reduced surtax exemptions; postponed excise tax reductions; terminated the investment tax credit in April, 1969; benefitted single persons by lowering their tax rates; granted an $1,100 low income allowance and $2,000 minimum standard deduction ($1,500 until 1972) to remove about 5.1 million poor families from the tax rolls; imposed a 10 percent "supertax" on "preference" income; reduced the oil depletion allowance from 27½ percent to 22 percent; made changes in the tax exemption of private foundations; phased out the unlimited charitable deduction; changed the rules for depreciation of real estate; changed taxation of banks and savings and loan associations; tightened farm loss rules; reduced anti-trust treble damage payment deductions. HR 13270. PL 91–

Unemployment tax.—Accelerated the collection of Federal unemployment taxes by requiring they be paid quarterly rather than annually; phased in the transition from an annual to quarterly basis over a 3-year period; and exempted an employer from the quarterly requirement if his cumulative tax liability is $100 or less. PL 91–53.

TRANSPORTATION

Acquisition of air carriers.—Provided that no person shall acquire control of an air carrier without first obtaining the approval of the Civil Aeronautics Board unless such acquisition has been exempted by the Board from that requirement consistent with the public interest. PL 91–62.

Connecticut-New York railroad passenger transportation compact.—Granted Congressional consent to this compact which was adopted by New York on June 16, 1968 and by Connecticut on April 21, 1969. S. 2734. PL 91–

Horse Protection Act.—Designed to end the inhumane practice of deliberately making sore the feet of Tennessee walking horses in order to alter their natural gait, by prohibiting the shipment of any horse in commerce, for showing or exhibition, which a person has reason to believe is sored; by making unlawful the exhibiting of a sored horse in any horse show or exhibition in which that horse or any other horse was moved in commerce; and by prohibiting the holding of any horse show in which a sored horse is exhibited if any of the horses in that show were moved in commerce. S. 2543. P/S 12/18.

Maritime Authorization.—Authorized a total appropriation of $384,608,000 for the Maritime Administration for fiscal 1970. PL 91–85.

Motor carrier operating authority.—Subjected motor carrier operating authorities to suspension, change, or revocation for willful failure to comply with any provision of the Explosives Act (18 U.S.C. 831–835), by amending section 212(a) of the Interstate Commerce Act, and permitted suspension of motor carrier operating rights upon notice for failure to comply with the Interstate Commerce Commission's insurance regulations. S. 2244. P/S 12/15.

National Traffic and Motor Safety Act amendments.—Authorized $23 million for fiscal year 1970, of which $2.8 million is to be available only for the employment of additional personnel, and $40 million for fiscal 1971, to implement the Act, authorized the Secretary of Transportation to conduct a study and report to Congress by January 1, 1971, on the causes and means of prevention of agricultural tractor accidents on both public roads and farms, and amended the Act in several other respects. HR 10105. P/H 9/3; P/S amended 12/2.

Outdoor advertising control pilot programs.—Authorized $15 million for pilot programs to determine the best means of accomplishing the purposes of the control of outdoor advertising provisions of section 131 of title 23, United States Code, and authorizes the Secretary of Transportation to enter into agreements with one or more States to carry out such programs. S. 1442. P/S 11/6.

Passenger vessels construction details.—Removed an unnecessary burden on passenger vessel operations by amending section 4400 of the Revised Statutes, as amended (46 U.S.C. 362), to eliminate the requirement to publicly disclose compliance with safety standards where such vessels meet prescribed safety standards and to require that the registry of any vessel named in promotional literature or advertising be specified therein. HR 210. PL 91–

Railroad employees' hours of service.—Amended the Hours of Service Act of 1907 to make it unlawful for a common carrier railroad to require or permit an employee engaged in or connected with the operation of a train: (a) in case he shall have been continuously on duty for 12 hours (a reduction from the present 16 reached in two steps over 3 years), to continue on duty or to go on duty until he has had at least 10 consecutive hours off duty; or (b) to continue on duty or to go on duty when he has not had at least 8 consecutive hours off duty during the preceding 24 hours; and made other changes in the Act to bring it up to date. HR 8449. PL 91–

Railroad Safety Act and Hazardous Materials Transportation Control Act.—Designed to promote safety in all areas of railroad operation, to reduce railroad related accidents, and to reduce death and injuries to persons and to reduce damage to property caused by accidents involving any carrier of hazardous materials. S. 1933. P/S 12/19.

Vessel construction differential subsidy.—Authorized a 1-year extension (June 30, 1970) of the present 55 percent ceiling on construction differential subsidy payments and 60 percent on reconstruction or reconditioning of passenger ships. PL 91–40.

VETERANS

Care of veterans in State homes.—Increased from $3.50 to $7.50 the Federal payment for hospital care for veterans in a State home; and authorized $5 million on a matching fund basis for 10 years to assist the States in remodeling and altering existing hospital and domiciliary facilities at State homes. HR 9334. P/S amended 10/21.

Dependency and indemnity compensation increases.—Provided an overall increase of 13 percent in the dependency and indemnity compensation program for the widows and orphans of servicemen and veterans whose death was service-related. PL 91–96.

Medical benefits for older veterans.—Provided that a veteran who is in receipt of a Veterans' Administration pension would no longer be required to sign under oath, a statement of inability to defray the necessary expenses of hospital or domiciliary care in order to gain admission to a VA hospital for a non-service-connected disability. HR 693. P/S amended 10/21.

Nursing home care.—Authorized community nursing home care of unlimited duration for veterans hospitalized for a service-connected disability and no longer in need of hospital care. PL 91–101.

Outpatient care.—Made available to any war veteran who has a permanent total disability resulting from a service-connected condition complete medical services which, in effect, means outpatient care for a non-service-connected disability. PL 91–102.

Service connection disabilities.—Provided that any disability of a veteran who is a former prisoner of war is presumed to be service connected for purposes of hospitalization and outpatient care. S. 1279. P/S 10/21.

Specialized medical resources.—Provided greater flexibility in the VA hospital and medical care program by providing the Administrator with greater administrative discretion in the appointment of nurses, in the internship and residency program, and in the appointment of dentists of high academic and research standing on a temporary full-time or part-time basis. HR 9634. PL 91–

Twenty-year disability.—Preserved disability evaluation in effect for 20 years for veterans with service-connected disabilities who have suffered certain anatomical losses or who are totally disabled with severe disabilities, PL 91–32.

VA center at Fort Harrison.— Ceded to the State of Montana concurrent jurisdiction with the U.S. over the real property comprising the Veterans' Administration Center, Fort Harrison, Montana, effective upon acceptance by that State. PL 91–45.

Veterans education and training benefits.—Increased GI bill allowance rates by approximately 46 percent in all programs including those for war orphans and widows. HR 11959. P/S amended 10/23. P/H amended 12/18. In conference.

Vietnam era veterans' life insurance.—Provided a special Government life insurance of $10,000 for veterans of the Vietnam era. S. S 2003. P/S 9/18.

WELFARE

Dependent children—Repatriated Americans.—Repealed the limitation on Federal participation in Aid to Families with Dependent Children scheduled under present law to become effective July 1, 1969; and extended through June 30, 1971 the authority to provide temporary assistance for the reception and care of repatriated Americans. PL 91–41.

Older Americans Act amendments.—Extended the grant and contract programs of the 1965 Older Americans Act beyond their June 30, 1969 expiration date and authorized increases for those programs; and authorized a National Older Americans Volunteer Program to provide service opportunities for older Americans. PL 91–69. (PR)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 13111) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1970, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 5, 6, 7, 15, 16, 25, 26, 41, 52, 57, 72, and 84 to the bill and concurred therein; and that the House receded from its disagreement to the amendments of the Senate numbered 4, 50, 51, 56, and 83 to the bill, and concurred therein, severally with an amendment, in which it requested the concurrence of the Senate.

DEPARTMENTS OF LABOR AND HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES BILL, 1970—CONFERENCE REPORT

Mr. MAGNUSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 13111) making appropriations for the Departments of Labor and Health, Education, and Welfare, and related agencies for the fiscal year ending June 30, 1970, and for other purposes.

Mr. President, I ask unanimous consent that the conference report on H.R. 13111 be made the pending business in the Senate when the Senate reconvenes on January 19, 1970.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The report will be read for the information of the Senate.

The bill clerk read the report.

(For conference report, see House proceedings of December 20, 1969, pp. 40488–40489, CONGRESSIONAL RECORD.)

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I would like to yield to the distinguished Senator from Washington without losing my right to the floor.

Mr. MAGNUSON. Mr. President, inasmuch as this is a bill so important to many Senators, and the public in general, I ask unanimous consent that the action taken to date on the Labor-HEW bill be printed in the RECORD. This is a tabulation showing the details of the final action taken on the bill, H.R. 13111, as agreed to by the House and Senate conferees; I ask unanimous consent to have printed in the RECORD at this point the House vote on the Labor-HEW conference report. The vote was 261 yeas and 110 nays; which I consider overwhelming approval. Mr. President, I also ask to have printed my statement which sums up briefly the conference report and gives the total appropriation in this bill, which is now $19,747,153,200.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

COMPARAT VE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1969 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1970

[Note: All amounts are in the form of definite appropriations unless otherwise indicated]

Agency and item	New budget (obligational) authority, fiscal year 1969 (enacted to date)[1]	Budget estimates of new (obligational) authority fiscal year 1970[2]	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	Conference agreement	Increase (+) or decrease (–) Conference agreement compared with— Appropriations 1969	Budget estimates 1970	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
TITLE I—DEPARTMENT OF LABOR									
MANPOWER ADMINISTRATION									
Manpower development and training activities	$407,492,000	$675,605,000	$655,605,000	$675,605,000	$655,605,000	+$248,113,000	–$20,000,000		–$20,000,000
Office of Manpower Administrator, salaries and expenses	26,635,000	36,907,000	35,325,000	36,907,000	36,116,000	+9,481,000	–791,000	+$791,000	–791,000
Bureau of Apprenticeship and Training, salaries and expenses	9,418,000	6,532,000	6,532,000	6,532,000	6,532,000	–2,886,000			
Unemployment compensation for Federal employees and ex-servicemen	148,200,000	135,000,000	135,000,000	135,000,000	135,000,000	–13,200,000			
Trade adjustment activities	1,300,000	600,000	600,000	600,000	600,000	–700,000			
Bureau of Employment Security, salaries and expenses	2,758,000					–2,758,000			
Trust fund transfer	(20,938,000)	(18,766,000)	(18,766,000)	(18,766,000)	(18,766,000)	(–2,172,000)			
Advances to employment security administration account	25,000,000					–25,000,000			
Grants to States for unemployment compensation and employment service administration	(604,073,000)	[3] (657,700,000)	(630,772,000)	(657,700,000)	(655,772,000)	(+51,699,000)	(–1,928,000)	(+25,000,000)	(–1,928,000)
Total, Manpower Administration	620,803,000	854,644,000	833,062,000	854,644,000	833,853,000	+213,050,000	–20,791,000	+791,000	–20,791,000
LABOR-MANAGEMENT RELATIONS									
Labor-Management Services Administration, salaries and expenses	9,011,000	[4] 12,426,000	9,585,000	12,426,000	12,335,000	+3,324,000	–91,000	+2,750,000	–91,000
WAGE AND LABOR STANDARDS									
Wage and Labor Standards Administration, salaries and expenses	11,929,000	12,473,000	12,050,000	12,300,000	12,050,000	+121,000	–423,000		–250,000
Employees compensation claims and expenses	68,591,000	60,116,000	60,116,000	60,116,000	60,116,000	–8,475,000			
Wage and Hour Division, salaries and expenses	25,303,000	25,960,000	25,960,000	25,960,000	25,960,000	+657,000			
Total, wage and labor standards	105,823,000	98,549,000	98,126,000	98,376,000	98,126,000	–7,697,000	–423,000		–250,000
BUREAU OF LABOR STATISTICS									
Salaries and expenses	21,943,000	23,704,000	22,420,000	22,420,000	22,420,000	+477,000	–1,284,000		
BUREAU OF INTERNATIONAL LABOR AFFAIRS									
Salaries and expenses	1,400,000	1,332,000	1,332,000	1,332,000	1,332,000	–68,000			
OFFICE OF THE SOLICITOR									
Salaries and expenses	6,147,000	5,978,000	5,978,000	5,978,000	5,978,000	–169,000			
Trust fund transfer	(144,000)	(144,000)	(144,000)	(144,000)	(144,000)				
Total, Office of the Solicitor	6,147,000	5,978,000	5,978,000	5,978,000	5,978,000	–169,000			

Footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1969 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1970—Continued

[Note: All amounts are in the form of definite appropriations unless otherwise indicated]

Agency and item	New budget (obligational) authority, fiscal year 1969 (enated to date) [1]	Budget estimates of new (obligational) authority fiscal year 1970 [2]	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	Conference agreement	Increase (+) or decrease (−) Conference agreement compared with—			
						Appropriations 1969	Budget estimates 1970	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
TITLE I—DEPARTMENT OF LABOR—Continued									
OFFICE OF THE SECRETARY									
Salaries and expenses	$4, 999, 000	$5, 476, 000	$5, 476, 000	$5, 476, 000	$5, 476, 000	+$477, 000			
Trust fund transfer	(556, 000)	(557, 000)	(557, 000)	(557, 000)	(557, 000)	(+1, 000)			
Federal contract compliance and civil rights program	943, 000	926, 000	926, 000	926, 000	926, 000	−17, 000			
Trust fund transfer	(535, 000)	(564, 000)	(564, 000)	(564, 000)	(564, 000)	(+29, 000)			
Preventing age discrimination in employment	500, 000	(5)	(5)	(5)	(5)	−500, 000			
Total, Office of the Secretary	6, 442, 000	6, 402, 000	6, 402, 000	6, 402, 000	6, 402, 000	−40, 000			
Total appropriations, Department of Labor	771, 569, 000	1, 003, 035, 000	976, 905, 000	1, 001, 578, 000	980, 446, 000	+208, 877, 000	−$22, 589, 000	+$3, 541, 000	−$21, 132, 000
TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE									
CONSUMER PROTECTION AND ENVIRONMENTAL HEALTH SERVICE									
Food and drug control	$68, 885, 000	$72, 007, 000	$72, 007, 000	$116, 900, 000	$72, 352, 500	+$3, 467, 500	+$345, 500	+$345, 500	−$345, 500
Air pollution control	88, 733, 000	95, 800, 000	93, 800, 000	93, 800, 000	108, 800, 000	+20, 067, 000	+13, 000, 000	+15, 000, 000	−8, 100, 000
Environmental control	42, 995, 000	55, 208, 000	55, 208, 000	55, 208, 000	55, 208, 000	+12, 213, 000			
Buildings and facilities		300, 000					300, 000		
Radiological health	18, 150, 000	(6)	(6)			−18, 150, 000			
Salaries and expenses, Office of the Administrator		[7] 6, 162, 000	[7] 6, 162, 000	6, 162, 000	6, 162, 000	+6, 162, 000			
Total, Consumer Protection and Environmental Health Service	218, 763, 000	229, 477, 000	227, 177, 000	250, 968, 000	242, 522, 500	+23, 759, 500	+13, 045, 500	+15, 345, 500	−8, 445, 500
HEALTH SERVICES AND MENTAL HEALTH ADMINISTRATION									
Mental health	263, 540, 000	357, 904, 000	360, 302, 000	385, 000, 000	360, 302, 000	+96, 762, 000	+2, 398, 000		−24, 698, 000
Community mental health resource support	72, 553, 000	(8)	(8)			−72, 553, 000			
St. Elizabeths Hospital (indefinite)	13, 380, 000	10, 405, 000	10, 405, 000	10, 405, 000	10, 405, 000	−2, 975, 000			
Health services research and development	49, 931, 000	44, 975, 000	44, 975, 000	44, 975, 000	44, 975, 000	−4, 956, 000			
Trust fund transfer	(4, 320, 000)	(9)	(9)			(−4, 320, 000)			
Comprehensive health planning and services	176, 290, 000	214, 033, 000	207, 143, 000	224, 033, 000	224, 033, 000	+47, 743, 000	+10, 000, 000	+16, 890, 000	
Trust fund transfer		[10] (4, 320, 000)	[10] (4, 320, 000)	(4, 320, 000)	(4, 320, 000)	(+4, 320, 000)			
Chronic diseases	29, 378, 000	(11)	(11)			−29, 378, 000			
Regional medical programs	61, 907, 000	100, 000, 000	76, 000, 000	100, 000, 000	100, 000, 000	+38, 093, 000		+24, 000, 000	
Communicable diseases	54, 217, 000	38, 638, 000	38, 638, 000	38, 638, 000	38, 638, 000	−15, 579, 000			
Hospital construction	258, 368, 000	153, 923, 000	258, 323, 000	258, 323, 000	258, 323, 000	−45, 000	+104, 400, 000		
District of Columbia medical facilities	15, 000, 000	[12] (15, 000, 000)	(12)	10, 000, 000	10, 000, 000	−5, 000, 000	+10, 000, 000	+10, 000, 000	
Patient care and special health services	72, 436, 000	72, 224, 000	72, 224, 000	72, 224, 000	72, 224, 000	−212, 000			
National health statistics	8, 230, 000	9, 641, 000	8, 841, 000	8, 841, 000	8, 841, 000	+611, 000	−800, 000		
Retired pay of commissioned officers (indefinite)	13, 041, 000	16, 700, 000	16, 700, 000	16, 700, 000	16, 700, 000	+3, 659, 000			
Buildings and facilities		2, 100, 000					−2, 100, 000		
Salaries and expenses, Office of the Administrator	9, 380, 000	9, 898, 000	9, 898, 000	9, 898, 000	9, 898, 000	+518, 000			
Total, Health Services and Mental Health Administration	1, 097, 651, 000	1, 030, 441, 000	1, 103, 449, 000	1, 179, 037, 000	1, 154, 339, 000	+56, 688, 000	+123, 898, 000	+50, 890, 000	−24, 698, 000
Consisting of—									
Definite appropriations	1, 071, 230, 000	1, 003, 336, 000	1, 076, 344, 000	1, 151, 932, 000	1, 127, 234, 000	56, 004, 000	+123, 898, 000	+50, 890, 000	−24, 698, 000
Indefinite appropriations	26, 421, 000	27, 105, 000	27, 105, 000	27, 105, 000	27, 105, 000	+684, 000			
NATIONAL INSTITUTES OF HEALTH									
Biologics Standards	8, 499, 000	8, 225, 000	8, 225, 000	8, 225, 000	8, 225, 000	−274, 000			
National Cancer Institute	185, 149, 500	180, 725, 000	180, 725, 000	200, 000, 000	190, 362, 500	+5, 213, 600	+9, 637, 500	+9, 637, 500	−9, 637, 500
National Heart Institute	166, 927, 500	160, 513, 000	160, 513, 000	182, 000, 000	171, 256, 500	+4, 329, 000	+10, 743, 500	+10, 743, 500	−10, 743, 500
National Institute of Dental Research	29, 983, 500	29, 289, 000	29, 289, 000	32, 000, 000	30, 644, 500	+661, 000	+1, 355, 500	+1, 355, 500	−1, 355, 500
National Institute of Arthritis and Metabolic Diseases	143, 888, 000	137, 668, 000	137, 668, 000	155, 000, 000	146, 334, 000	+2, 446, 000	+8, 666, 000	+8, 666, 000	−8, 666, 000
National Institute of Neurological Diseases and Stroke	128, 934, 500	101, 256, 000	101, 256, 000	112, 700, 000	106, 978, 000	−21, 956, 500	+5, 722, 000	+5, 722, 000	−5, 722, 000
National Institute of Allergy and Infectious Diseases	96, 840, 500	102, 389, 000	102, 389, 000	105, 000, 000	103, 694, 500	+6, 854, 000	+1, 305, 500	+1, 305, 500	−1, 305, 500
National Institute of General Medical Sciences	163, 513, 500	154, 288, 000	154, 288, 000	175, 000, 000	164, 644, 000	+1, 130, 500	+10, 356, 000	+10, 356, 000	−10, 356, 000
National Institute of Child Health and Human Development	73, 126, 500	75, 852, 000	73, 098, 000	80, 800, 000	76, 949, 000	+3, 822, 500	+1, 097, 000	+3, 851, 000	−3, 851, 000
National Eye Institute		23, 685, 000	23, 685, 000	25, 000, 000	24, 342, 500	+24, 342, 500	+657, 500	+657, 500	−657, 500
Environmental health sciences	17, 820, 000	18, 328, 000	18, 328, 000	18, 328, 000	18, 328, 000	+508, 000			
General research and services	84, 809, 500	69, 698, 000	73, 658, 000	79, 658, 000	76, 658, 000	−8, 151, 500	+6, 960, 000	+3, 000, 000	−3, 000, 000
John E. Fogarty International Center for Advanced Study in the Health Sciences	600, 000	2, 954, 000	2, 954, 000	2, 954, 000	2, 954, 000	+2, 354, 000			

Footnotes at end of tables.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1969 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1970—Continued

[Note: All amounts are in the form of definite appropriations unless otherwise indicated]

Agency and item	New budget (obligational) authority, fiscal year 1969 (enated to date)[1]	Budget estimates of new (obligational) authority fiscal year 1970[2]	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	Conference agreement	Increase (+) or decrease (−) Conference agreement compared with—			
						Appropriations 1969	Budget estimates 1970	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued									
NATIONAL INSTITUTES OF HEALTH—Continued									
Health manpower	$172,176,000	$218,021,000	$218,021,000	$251,200,000	$234,470,000	+$62,294,000	+$16,449,000	+$16,449,000	−$16,730,000
Dental health	10,224,000	10,887,000	10,722,000	11,887,000	11,722,000	+1,498,000	+835,000	+1,000,000	−165,000
Grants for construction of health research facilities	8,400,000	([13])	([13])			−8,400,000			
Construction of health educational, research, and library facilities	84,800,000	126,100,000	126,100,000	160,000,000	149,050,000	+64,250,000	+22,950,000	+22,950,000	−10,950,000
National Library of Medicine	18,160,500	19,682,000	19,682,000	19,682,000	19,682,000	+1,521,500			
Buildings and facilities		1,000,000	1,000,000	1,900,000	1,900,000	+1,900,000	+900,000	+900,000	
Salaries and expenses, Office of the Director		7,093,000	7,093,000	7,093,000	7,093,000	+7,093,000			
Scientific activities overseas (special foreign currency program)	15,000,000	3,455,000	3,455,000	3,455,000	3,455,000	−11,545,000			
Payment of sales insufficiencies and interest losses	200,000	957,000	957,000	957,000	957,000	+757,000			
General research support grants	(60,700,000)	(60,700,000)	(60,700,000)	(65,700,000)	(60,700,000)				(−5,000,000)
Total, National Institutes of Health	1,409,052,500	1,452,065,000	1,453,106,000	1,632,839,000	1,549,699,500	+140,647,000	+97,634,500	+96,593,500	−83,139,500
OFFICE OF EDUCATION									
Elementary and secondary education	1,476,993,000					−1,476,993,000			
Advance appropriation for 1970 (indefinite)	1,010,814,300					−1,010,814,300			
Supplemental to 1970 advance appropriation		404,578,700	[14] 750,776,700	702,036,700	717,036,700	+717,036,700	+312,458,000	−33,740,000	+15,000,000
Advance appropriation for 1971		[15] 1,226,000,000	([15])	1,117,580,000			−1,226,000,000		−1,117,580,000
Instructional equipment				[16] 93,240,000	48,740,000	+48,740,000	+48,740,000	+48,740,000	−44,500,000
School assistance in federally affected areas	520,861,000	202,167,000	600,167,000	660,167,000	600,167,000	+79,306,000	+398,000,000		−60,000,000
1968 special funds	90,965,000					−90,965,000			
Education professions development	171,900,000	95,000,000	95,000,000	120,000,000	107,500,000	−64,400,000	+12,500,000	+12,500,000	−12,500,000
Teacher Corps	20,900,000	31,100,000	21,737,000	31,100,000	21,737,000	+837,000	−9,363,000		−9,363,000
Higher education	700,387,000	* 788,080,000	859,633,000	1,006,874,000	871,874,000	+171,487,000	+83,794,000	+12,241,000	−135,000,000
Vocational education	248,216,000	279,216,000	488,716,000	488,716,000	488,716,000	+240,500,000	+209,500,000		
Libraries and community services	143,144,000	[17] 107,709,000	135,394,000	155,625,000	148,881,000	+5,737,000	+41,172,000	+13,487,000	−6,744,000
Education for the handicapped	78,850,000	85,850,000	[18] 100,000,000	105,000,000	100,000,000	+21,150,000	+14,150,000		−5,000,000
Research and training	89,417,000	115,000,000	85,750,000	98,250,000	85,750,000	−3,667,000	−29,250,000		12,500,000
Education in foreign languages and world affairs	15,700,000	20,000,000	18,000,000	12,000,000	18,000,000	+2,300,000	−2,000,000		+6,000,000
Research and training (special foreign currency program)	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000				
Salaries and expenses	42,694,000	43,375,000	42,157,000	42,157,000	42,157,000	−537,000	−1,218,000		
Student loan insurance fund		10,826,000	10,826,000	10,826,000	10,826,000	+10,826,000			
Higher education facilities loan fund	100,000,000					−100,000,000			
Payment of participation sales insufficiencies	3,275,000	2,918,000	2,918,000	2,918,000	2,918,000	−357,000			
Total, Office of Education	4,715,116,300	3,412,819,700	3,212,074,700	4,647,489,700	3,265,302,700	−1,449,813,600	−147,517,000	+53,228,000	−1,382,187,000
Consisting of—									
Definite appropriations:									
Regular	3,613,337,000	3,412,819,700	3,212,074,700	4,647,489,700	3,265,302,700	−348,034,300	−147,517,000	+53,228,000	−1,382,187,000
1968 special funds	90,965,000					−90,965,000			
Indefinite appropriation:									
1970 advance	1,010,814,300					−1,010,814,300			
SOCIAL AND REHABILITATION SERVICE									
Grants to States for public assistance	6,416,546,000	7,351,551,000	7,351,551,000	7,351,551,000	7,351,551,000	+935,005,000			
Work incentives	117,500,000	129,640,000	129,640,000	100,000,000	120,000,000	+2,500,000	−9,640,000	−9,640,000	+20,000,000
Assistance for repatriated U.S. nationals	645,000	700,000	700,000	700,000	700,000	+55,000			
Grants for rehabilitation services and facilities	368,990,000	499,783,000	499,783,000	464,783,000	464,783,000	+95,793,000	−35,000,000	−35,000,000	
Mental retardation	32,556,000	33,629,000	37,000,000	39,000,000	37,000,000	+4,444,000	+3,371,000		−2,000,000
Maternal and child health and welfare	265,400,000	[19] 285,300,000	284,800,000	284,800,000	284,800,000	+19,400,000	−500,000		
Development of programs for the aging	23,000,000	28,360,000	([20])	36,250,000	28,360,000	+5,360,000		+28,360,000	−7,890,000
Juvenile delinquency prevention and control	5,000,000	15,000,000	5,000,000	15,000,000	10,000,000	+5,000,000	−5,000,000	+5,000,000	−5,000,000
Rehabilitation research and training	64,000,000	60,000,000	60,000,000	60,000,000	60,000,000	−4,000,000			
Cooperative research or demonstration projects	3,150,000	11,500,000	11,500,000	11,500,000	11,500,000	+8,350,000			
Research and training (special foreign currency program)	5,000,000	2,000,000	2,000,000	2,000,000	2,000,000	−3,000,000			
Salaries and expenses	27,617,000	[21] 34,393,000	28,780,000	31,673,000	30,226,500	+2,609,500	−4,166,500	+4,166,500	−4,166,500
Trust fund transfers	(348,000)	(360,000)	(360,000)	(360,000)	(360,000)	(+12,000)			
Total, Social and Rehabilitation Service	7,329,404,000	8,451,856,000	8,410,754,000	8,397,257,000	8,400,920,500	+1,071,516,500	−50,935,500	−9,833,500	+3,663,500

Footnotes at end of tables.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1969 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1970—Continued

[Note: All amounts are in the form of definite appropriations unless otherwise indicated]

Agency and item	New budget (obligational) authority, fiscal year 1969 (enated to date)[1]	Budget estimates of new (obligational) authority fiscal year 1970[2]	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	Conference agreement	Increase (+) or decrease (−) Conference agreement compared with			
						Appropriations 1969	Budget estimates 1970	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued									
SOCIAL SECURITY ADMINISTRATION									
Payment to trust funds for health insurance for the aged	$1,360,227,000	$1,545,413,000	$1,545,413,000	$1,545,413,000	$1,545,413,000	+$185,186,000			
Payment for military service credits	105,000,000	105,000,000	105,000,000	105,000,000	105,000,000				
Payment for special benefits for the aged	225,545,000	364,151,000	364,151,000	364,151,000	364,151,000	+138,606,000			
Consumer credit training		300,000		300,000			−$300,000		−$300,000
Limitation on salaries and expenses	(807,492,000)	[22] (921,200,000)	(901,500,000)	(921,200,000)	(911,350,000)	(+103,858,000)	(−9,850,000)	(+$9,850,000)	(−9,850,000)
Total, Social Security Administration	1,690,772,000	2,014,864,000	2,014,564,000	2,014,864,000	2,014,564,000	+323,792,000	−300,000		−300,000
SPECIAL INSTITUTIONS									
American Printing House for the Blind, education of the blind	1,340,000	1,404,000	1,404,000	1,404,000	1,404,000	+64,000			
National Technical Institute for the Deaf, salaries and expenses	800,000	2,851,000	2,851,000	2,851,000	2,851,000	+2,051,000			
Model secondary school for the deaf, salaries and expenses	400,000	415,000	415,000	415,000	415,000	+15,000			
Model secondary school for the deaf, construction	445,000	351,000	351,000	351,000	351,000	−94,000			
Gallaudet College, salaries and expenses	3,691,000	4,257,000	4,257,000	4,332,000	4,332,000	+641,000	+75,000	+75,000	
Gallaudet College, construction		867,000	867,000	1,106,000	1,106,000	+1,106,000	+239,000	+239,000	
Howard University, salaries and expenses	18,231,000	20,445,000	20,445,000	20,445,000	20,445,000	+2,214,000			
Howard University, construction	2,209,000	22,710,000	22,710,000	22,710,000	22,710,000	+20,501,000			
Freedmen's Hospital	9,030,000	9,109,000	9,109,000	9,109,000	9,109,000	+79,000			
Total, special institutions	36,146,000	62,409,000	62,409,000	62,723,000	62,723,000	+26,577,000	+314,000	+314,000	
DEPARTMENTAL MANAGEMENT									
Office of the Secretary, salaries and expenses	8,621,000	5,975,000	5,975,000	5,975,000	5,975,000	−2,646,000			
Transfer from trust funds	(1,282,000)	(398,000)	(398,000)	(398,000)	(398,000)	(−884,000)			
Office for Civil Rights, salaries and expenses		5,259,000	5,259,000	5,259,000	5,259,000	+5,259,000			
Transfer from trust funds		(856,000)	(856,000)	(856,000)	(856,000)	(+856,000)			
Office of Community and Field Services, salaries and expenses	2,723,000	4,730,000	4,510,000	4,510,000	4,510,000	+1,787,000	−220,000		
Transfers	(2,079,000)	(2,486,000)	(2,325,000)	(2,325,000)	(2,325,000)	(+246,000)	(−161,000)		
Office of the Comptroller, salaries and expenses	8,544,000	10,425,000	10,425,000	10,425,000	10,425,000	+1,881,000			
Transfer from trust funds	(1,255,000)	[23] (2,060,000)	(1,808,000)	(2,060,000)	(2,060,000)	(+805,000)		(+252,000)	
Office of Administration, salaries and expenses	2,845,000	5,234,000	5,066,000	5,066,000	5,066,000	+2,221,000	−168,000		
Transfer from trust funds	(302,000)	(359,000)	(350,000)	(350,000)	(350,000)	(+48,000)	(−9,000)		
Surplus property utilization	1,243,000	1,255,000	1,255,000	1,255,000	1,255,000	+12,000			
Office of the General Counsel, salaries and expenses	2,181,000	2,282,000	2,244,000	2,244,000	2,244,000	+63,000	−38,000		
Transfers	(1,375,000)	(1,416,000)	(1,396,000)	(1,396,000)	(1,396,000)	(+21,000)	(−20,000)		
Educational broadcasting facilities	4,375,000	(24)	(24)	(24)	(24)	−4,375,000			
Total, departmental management	30,532,000	35,160,000	34,734,000	34,734,000	34,734,000	+4,202,000	−426,000		
Total, new budget (obligational) authority, Department of Health, Education, and Welfare	16,527,436,800	16,689,091,700	16,518,267,700	18,219,911,700	16,724,805,200	+197,368,400	+35,713,500	+206,537,500	−1,495,106,500
Consisting of—									
Definite appropriations:									
Regular	15,399,236,500	16,661,986,700	16,491,162,700	18,192,806,000	16,697,700,200	+1,298,463,700	+35,713,500	+206,537,500	−1,495,105,800
1968 special funds	90,965,000					−90,965,000			
Indefinite appropriations:									
Regular	26,421,000	27,105,000	27,105,000	27,105,000	27,105,000	+684,000			
1970 advance	1,010,814,300					−1,010,814,300			
TITLE III—RELATED AGENCIES									
National Labor Relations Board	$35,474,000	$36,880,000	$36,880,000	$36,880,000	$36,880,000	+$1,406,000			
National Mediation Board	2,492,000	2,226,000	2,226,000	2,226,000	2,226,000	−266,000			
Railroad Retirement Board:									
Limitation on salaries and expenses	(14,490,000)	(15,092,000)	(15,172,000)	(15,172,000)	(15,172,000)	(+682,000)	$(+80,000)		
Payment for military service credits	18,446,000	19,206,000	19,206,000	19,206,000	19,206,000	+760,000			
Federal Mediation and Conciliation Service	8,215,000	[25] 8,452,000	8,240,000	8,412,000	8,412,000	+197,000	−40,000	+$172,000	
United States Soldiers' Home (trust fund appropriation):									
Operation and maintenance	8,602,000	9,149,000	9,149,000	9,149,000	9,149,000	+547,000			
Capital outlay	726,000	170,000	170,000	170,000	170,000	−556,000			
Office of Economic Opportunity	1,948,000,000	2,048,000,000	(26)	2,048,000,000	1,948,000,000		−100,000,000	+1,948,000,000	−$100,000,000

Footnotes at end of tables.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1969 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1970—Continued

[Note: All amounts are in the form of definite appropriations unless otherwise indicated]

Agency and item	New budget (obligational) authority, fiscal year 1969 c(enated to date) [1]	Budget estimates of new (obligational) authority fiscal year 1970 [2]	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	Conference agreement	Increase (+) or decrease (−) Conference agreement compared with—			
						Appropriations 1969	Budget estimates 1970	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
TITLE III—RELATED AGENCIES—Continued									
Federal Radiation Council	$127,000	$124,000	$124,000	$124,000	$124,000	−$3,000			
President's Committee on Consumer Interests	421,000	450,000	450,000	450,000	450,000	+29,000			
National Commission on Product Safety	525,000	1,475,000	1,475,000	1,475,000	1,475,000	+950,000			
President's Council on Youth Opportunity		357,000	(20)	300,000	300,000	+300,000	−$57,000	+$300,000	
Agency Committee on Mexican-American Affairs		510,000	510,000	510,000	510,000	+510,000			
Payment to the Corporation for Public Broadcasting	5,000,000	[27] 15,000,000	(26)	15,000,000	15,000,000	+10,000,000		+15,000,000	
Grand total, new budget (obligational) authority	19,327,033,800	19,834,125,700	17,573,602,700	21,363,391,700	19,747,153,200	+420,119,400	−86,972,500	+2,173,550,500	−1,616,238,500
Consisting of—									
Definite appropriations:									
Regular	18,198,833,500	19,807,020,700	17,546,497,700	21,336,286,700	19,720,048,200	+1,521,214,700	−86,972,500	+2,173,550,500	−1,616,238,500
1968 special funds	90,965,000					−90,965,000			
Indefinite appropriations:									
Regular	26,421,000	27,105,000	27,105,000	27,105,000	27,105,000	+684,000			
1970 advance	1,010,814,300					−1,010,814,300			

[1] Includes supplemental appropriations. Amounts do not reflect reserves created pursuant to Public Law 90–364.

[2] Includes amendments contained in H. Doc. 91–100 and H. Doc. 91–113.

[3] Includes budget amendment of $26,928,000 (S. Doc. 91–41) which the House did not consider.

[4] Includes budget amendment of $750,000 (S. Doc. 91–41) which the House did not consider.

[5] Included under Wage and Hour Division, Salaries and expenses, in 1970.

[6] Included under "Environmental control" and "salaries and expenses, Office of the Administrator" in 1970.

[7] Formerly budgeted under "Radiological health."

[8] Included under "Mental health" in 1970.

[9] Included under "Comprehensive health planning and services" in 1970.

[10] Formerly budgeted under "Health services research and development."

[11] Included under "Regional medical programs" in 1970.

[12] Considered in connection with the Second Supplemental Appropriations Act, 1969.

[13] Included under "Construction of health, educational, research, and library facilities" in 1970.

[14] $10,055,000 not considered by House due to lack of authorization.

[15] $1,226,000,000 not considered by House due to lack of authorization.

[16] Includes $78,740,000 previously carried under "Elementary and secondary education" and $14,500,000 previously carried under "Higher education".

[17] Includes funds for "Educational broadcasting facilities," formerly budgeted under "Departmental Management."

[18] $60,000 not considered by House due to lack of authorization.

[19] The budget requested $228,500,000 for "Maternal and child health" and $56,800,000 for "Child Welfare."

[20] Not considered due to lack of authorization.

[21] Includes budget amendment of $2,893,000 (S. Doc. 91–34) which the House did not consider.

[22] Includes budget amendment of $19,700,000 (S. Doc. 91–34) which the House did not consider.

[23] Includes budget amendment of $252,000 (S. Doc. 91–34) which the House did not consider.

[24] Included under "Libraries and community services" in 1970.

[25] Includes budget amendment of $172,000 (S. Doc. 91–41) which the House did not consider.

[26] Consideration deferred.

[27] Includes budget amendment of $15,000,000 (S. Doc. 91–41) which the House did not consider.

*Includes budget amendment of $7,241,000 (S. Doc. 91–41) for Federal City College which the House did not consider.

Mr. MAGNUSON. Mr. President, the conference agreement total for this bill is now $19,747,153,200.

This is $420,119,400 over last year's appropriation and $86,972,500 under the Nixon budget. I repeat $86,972,500 under the request of the Administration. This conference bill now is $2,173,550,500 over the House passed bill. This includes the consideration by the Senate of an additional $3,338,531,000 in administrative requests which the House did not consider, and $1,616,238,500 under the Senate passed bill.

Since the conferees did not agree to include advance funding for title I, ESEA, a comparison excluding advance funding from the budget request and the conference agreement might be helpful. The budget estimate would then be $18,608,125,700. The conference allowance is $19,747,153,200, or an increase of $1,139,027,500 over the budget estimate. Most of this increase was added on the House floor and was not in conference between the House and Senate.

Mr. GRIFFIN. Mr. President, will the Senator from Washington yield for a question?

Mr. MAGNUSON. I yield.

Mr. GRIFFIN. The elimination of the advance funding which is an amount in excess of $1 billion; is that only a temporary elimination? It is understood, as I understand it, that that will be funded after the first of the year, so that it really does not mean very much at this point?

Mr. MAGNUSON. Congress may wait to make this appropriation for advanced funding next year. I suspect this item will come up in the fiscal 1971 budget, with the President again asking for funding. We did not include this because at the time we considered it, it had not been authorized, and is not authorized today so it is a matter for future consideration by the Congress.

Mr. GRIFFIN. Outside of that item, which is a substantial item, and something that the President asked for, what other changes, if any, were made by the conferees following the letter of the President of last week?

Mr. MAGNUSON. I can say the House was over the budget estimate and the Senate was over the House. We, as is usual, in the conference committee, split the difference about down the middle on many of the items, but the conference report did total $19,747,153,200, which is under the President's estimate if we include this advance funding of $86,972,500. The conference cut $1,616,238,500 from the Senate passed total. That cut was mostly the advance funding, with other items dividing up the difference between the House and Senate passed bill.

The HEW total in the bill is $16,724,805,200. The bill, which also contains all the functions of the Department of Labor. On HEW, the final conference figure was $35,713,500 over the budget estimate. That consisted mainly of the major areas the President complaint is about, I suppose.

Most of the education increases were allowed on the House floor and supported by both parties. The impacted aid increase in the Senate was offered by the Senator from Colorado (Mr. ALLOTT).

The table will clearly indicate where the House or Senate increased or decreased the President's requests, and where their suggested priorities are expressed. The conferees cut out practically all the construction items, knowing that the administration would not fund those amounts for construction as has been stated by the administration.

Then there is air pollution—we split the difference. Remember, the Senate put in something like $23.1 million more than was in the bill. We allowed $13 million in the conference. The House added $104 million for the Hill-Burton hospital grants, a $398 million increase for impacted aid. These and other increases add up to increases over what the President said he wanted. However, in total, including all the requests, we are under the estimates $86 million.

Mr. President, I have already put this tabulation in the RECORD, so Senators can examine it between now and the time we convene on January 19, 1970.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. SCOTT. Mr. President, if the Senator will yield, we are all very indebted to the distinguished Senator from Washington for the very considerable amount of labor in this matter, which he has directed so patiently and with such great interest and dedication throughout the long period of deliberations, and I express the hope that when we return on the 19th of January possibly some way may be found by which can arrive at a situation which would permit a favorable solution as between Congress and the President. I must admit that in these waning hours of the session that solution has not occurred to me, but as we go on what is really a well-deserved vacation, all of us may bear in mind the possibility of some means whereby we can find an area of agreement. I want to assure the Senator of my help in that search for an area of agreement, because this is a very important bill.

Mr. MAGNUSON. I appreciate the cooperation of the minority leader and the Senator from Michigan, and also the help of the Democratic leadership. I happen to think that this Labor-HEW appropriation bill, as it came out of conference, is a very good measure for the American people. Most of the arguments in conference were over amendments that had been offered on the floor of the Senate, such as the aid to impacted areas amendment. As the Senator knows, the Senator from New Hampshire and I voted against many of those amendments. However, the fact is that the budget figure approved by the House was way over the level requested in the revised budget request. The Senate also approved a Labor-HEW budget above the House figure. That is the situation we faced going into the conference.

I think the decision to pass a continuing resolution was wise, in view of the threatened veto by President Nixon. That will give the agencies and the programs involved one-twelfth of the House-passed appropriation level until January 30—which is an increase much different then over last year's appropriation level. In some instances it will be a little lower, and in some cases they will even benefit temporarily by this action. When Congress reconvenes on the 19th of January, the first order of business will be that the Senator from Washington will make a motion to approve the conference report, as the House did yesterday.

Then the Senate can work its will in deciding whether to accept the conference report which was passed overwhelmingly by the House. If the Senate agrees to the conference report, and I expect it will, it would then immediately go to the White House, and the President would either veto the Labor and HEW appropriation bill or he would approve it.

I am very hopeful that the President will take a longer look at some of the programs contained in this important bill, because I think it is a very good bill. There is an argument over where to put the priorities in our Federal budget but this certainly is one area where we cannot afford to be stingy. A majority of both the Senate and House believe that the priorities set in this bill are correct. Congress has slashed the President's budget by nearly $7 billion but felt obliged to add a little over $1 billion in this vital area of domestic concern. I do not say this in partisan fashion, but I do not think we are fighting inflation when we allow for a constant shortage of health manpower. The research in health has been excellent but we must put this research to work in providing more doctors, dentists, nurses and allied health personnel. There is a faint light at the end of the tunnel. But cutting back on health manpower will make the delivery of health from our research effort a very difficult task.

Mr. SCOTT. I think the research feature of the bill is very good.

Mr. MAGNUSON. There is a shortage of about 50,000 doctors. There is a shortage of dentists. If anyone does not believe this, I dare them to make an appointment with a dentist and then break the appointment.

Mr. SCOTT. It is just like pulling teeth to get an appointment with a dentist.

Mr. MAGNUSON. We need health manpower to deliver patient care to the people. We have gained a great deal of scientific knowledge. We are making breakthroughs in many areas of research.

In the field of education I am somewhat of a moderate. Many Members of Congress wanted to provide much higher appropriations. The House voted more than $1 billion over requested amount. I suppose the needs of education are that great. It also depends on what our capabilities are.

I close with this one statement. I do not mean to be partisan about it, but I think that with a gross national product of $999 billion, an expenditure of an additional $1.2 billion for these programs, for the poor, the handicapped, the ill, and for education is not going to shake the great fiscal foundation of this country.

Mr. SCOTT. Mr. President, if the Senator will yield, I would like to quote from a Republican and a Democrat. First I quote a Democrat, the Greek poet Menander, who said, "We live not as we would, but as we must." Then I quote a Republican, Grover Cleveland, who said, "It is a condition which confronts us—not a theory." So we must go over until January.

Mr. MANSFIELD. Mr. President, the distinguished minority leader offers us some hope from a quarter from which it was least expected.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. DOLE. The charge has been made that President Nixon is anti-education; that he proposes to close cancer clinics. I think the point at issue is between priorities on the one hand, and fighting inflation on the other; but it appears, as the Senator from Washington has illustrated, that there is still some hope we can avoid a confrontation on January 19 or 20, whatever the date is. There is still some room for giving on both sides, as I understand.

Mr. MAGNUSON. I do not know if that is true. All through this controversy, no one has talked to me about this appropriation bill, and I do not have any idea what they are thinking. As far as I know, no one has talked to the chairman of the House Appropriations Subcommittee. So I am going to leave on that note and also a "Happy Christmas" wish for my colleagues on the Republican side.

Mr. DOLE. The Senator indicates——

Mr. MAGNUSON. I indicate a hope. I think it is a good bill when and if you take a long look at it. It may be a little high in some of these vital areas. I admire the dedication and spirit of the personnel working at HEW, but they all want a fair advantage. I think it is a good bill, and believe the President will find it so when he examines it himself.

The conference committee was unanimous in its approval. We finished consideration of the bill in 4½ hours. The Republicans and Democrats agreed to the priorities set and to the level of funding.

The Senator from Kansas served in the House. He knows how tough they are to deal with. We got this bill passed because Members of the Congress support these programs. Its priorities must be evaluated by the President. No one is against efforts in the field of health, education, or welfare. Congress evaluated the priorities, and decided on a slightly different course of action than the White House suggested in its budget.

Mr. DOLE. We agree that reasonable men can reach a reasonable conclusion which may be different. So I see some hope in January.

Mr. MAGNUSON. Mr. President, this bill is not inflationary.

Let us talk about hospital costs, for a moment. Why are hospital costs so high? It is due in part to the lack of manpower. I need not tell anybody in this body about that fact. Everyone listening to me in this Chamber has either had the experience with high hospital costs himself or has had someone in his family who has. We do not have the trained manpower to deliver health care. We have a crisis, it is not just because of a lack of research it is due to our being unable to deliver the results of that health research. That is the issue we must focus upon and this measure does. That was one of the big priorities approved by the Congress in this bill.

Of course, we need Federal aid to education. I can remember when there was not any Federal aid to education at all. I can remember when I was the author of the first bill which permitted the entrance of the Federal Government into the health field. I refer to the creation of the Cancer Institute in 1938. I have been associated with the health field for a long time. In 1938, the argument was not the amount of money involved. The argument was whether there was a Federal responsibility to get into the health or research field. When that question was resolved, there was no argument as to money. That budget amounted to only $1 million. Now it is $190 million.

We are moving ahead but I think we can move a little faster with this bill. The real problem is in the delivering of health care and the high costs of hospital services and the terrible shortage of doctors. There is a shortage of 50,000 doctors in this country. Based on the percentage of doctors to our population, we have fewer doctors in this country than any other free country in the world.

That is a startling fact. We have in the bill a small amount of money—we raised it—for kidney machines. About 10,000 people are going to die in the next year because they cannot deliver the manpower or the machines. It is not so much the cost of the machines but the fact that we do not have the trained people who know how to use them. We can now save about two of eight. But eight are going to die. The same is true with heart disease and many other diseases, including cancer and lung diseases.

We do not have enough teachers in this country. We could argue from now until Christmas Eve on the quality and quantity of teachers, but a teacher is a teacher, and in this country we need more and better ones. We had an argument about the Teacher Corps, the Senate has often argued about this program but we increased the amount in the Senate quite a bit because we felt it was needed.

These are the priorities that we in Congress are talking about, and I am just hopeful that in the next 2½ or 3 weeks someone downtown will sit down and take a good long look at what has been provided for in this bill. We think it is a good bill, and most of Members of the House of Representaives think it is a good bill. They voted 261 to 110 yesterday in adopting the conference report; that indicates it is a good bill. The Senate and House voted for it by even a more overwhelming majority in passing the bill. Most of the amendments in the bill were put in on the floor of the House and more were added in the Senate floor action.

I think people have a feeling of approbation about certain segments of it. We had some testimony on the question of what we could do about strokes and spinal injuries. Few people realize that spinal injuries in this country cause more problems and more trouble than anything else, due to the large number of automobile accidents. There are 120,000 people involved in automobile accidents annually, and somebody always gets injured. We have few clinics to deal with that problem.

In the field of education, we put in an additional $15 million for bilingual education. This aids the Mexican-American—I guess some Swedes are involved in this, too, who cannot talk very good English.

Mr. SCOTT. And Norwegians?

Mr. MAGNUSON. And Norwegians, yes. But these are the issues we were talking about in all seriousness, and we did not pass this bill because of any kind of a lobby. We think the health, education, and welfare of the people is the Nation's first priority and we hope the President when he evaluates this measure will change his mind and sign this important appropriation measure.

RECESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess while the distinguished minority leader and I notify the President that we have finished with our business.

Mr. SCOTT. And, Mr. President, if I may add, we sincerely hope the President will have no suggestions to make.

The ACTING PRESIDENT pro tempore. Does the Senator from Montana request that the Senate stand in recess subject to the call of the Chair?

Mr. MANSFIELD. Subject to the call of the Chair.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Thereupon, at 2 o'clock and 44 minutes p.m., the Senate took a recess, subject to the call of the Chair.

The Senate reconvened at 2:54 p.m., when called to order by the Acting President pro tempore.

REPORT OF PRESIDENTIAL NOTIFICATION COMMITTEE

Mr. MANSFIELD. Mr. President, the distinguished minority leader and I have had a talk with the President. He informs us that he has no further business on hand for the Senate to consider at this time.

Unless the distinguished minority leader has some further comments, I am about to make the concluding motion of this session.

Mr. SCOTT. Mr. President, if the distinguished majority leader will yield, the long-awaited moment nearing as it is, the President, upon being asked what his desires were, said that his principal desire was that we have a very happy holiday season and a happy New Year and that we all return refreshed on the 19th of January.

We expressed the same wish to him. He has indicated that he has no other request to make of this session of the Congress.

I have nothing further to add, and therefore will join in the motion the distinguished majority leader is about to make.

ADJOURNMENT SINE DIE

Mr. MANSFIELD. Mr. President, wishing everyone a merry Christmas and a happy and, hopefully, a peaceful New Year, I move, in accordance with the terms of House Concurrent Resolution 475, previously agreed to, that the Senate stand adjourned sine die.

The motion was agreed to; and (at 2 o'clock and 56 minutes p.m. Tuesday, December 23, 1969) the Senate adjourned sine die.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED SUBSEQUENT TO SINE DIE ADJOURNMENT

Subsequent to the sine die adjournment of the Senate, the Acting President pro tempore, under authority of House Concurrent Resolution 476, signed the following enrolled bills and joint resolutions, which had previously been signed by the Speaker of the House of Representatives, and examined and found truly enrolled by the Secretary of the Senate:

On December 24, 1969:

S. 1075. An act to establish a national policy for the environment, to provide for the establishment of a Council on Environmental Quality, and for other purposes;

S. J. Res. 117. Joint resolution to authorize appropriations for expenses of the Office of Intergovernmental Relations, and for other purposes;

H.R. 944. An act to amend section 404(d) of title 37, United States Code, by increasing the maximum rates of per diem allowance and reimbursement authorized, under certain circumstances, to meet the actual expenses of travel;

H.R. 14227. An act to amend section 1401a (b) of title 10, United States Code, relating to adjustments of retired pay to reflect changes in Consumer Price Index;

H.R. 14571. An act to amend the Central Intelligence Agency Retirement Act of 1964 for certain employees, as amended, and for other purposes;

H.R. 15071. An act to continue for 2 additional years the duty-free status of certain gifts by members of the Armed Forces serving in combat zones;

H.R. 15209. An act making supplemental appropriations for the fiscal year ending June 30, 1970, and for other purposes;

H.J. Res. 1040. Joint resolution extending the time for filing the Economic Report and the report of the Joint Economic Committee; and

H.J. Res. 1041. Joint resolution establishing that the second regular session of the 91st Congress convene at noon on Monday, January 19, 1970.

On December 29, 1969:

H.R. 4293. An act to provide for continuation of authority for regulation of exports; and

H.R. 13270. An act to reform the income tax laws.

ENROLLED BILL AND JOINT RESOLUTION PRESENTED SUBSEQUENT TO SINE DIE ADJOURNMENT

The Secretary of the Senate reported that on December 26, 1969, he presented to the President of the United States the following enrolled bill and joint resolution:

S. 1075. An act to establish a national policy for the environment, to provide for the establishment of a Council on Environmental Quality, and for other purposes; and

S.J. Res. 117. Joint resolution to authorize appropriations for expenses of the Office of Intergovernmental Relations, and for other purposes.

APPROVAL OF BILLS AND JOINT RESOLUTIONS SUBSEQUENT TO SINE DIE ADJOURNMENT

The President of the United States, subsequent to the sine die adjournment of the first session of the 91st Congress, notified the Secretary of the Senate that he had approved and signed the following acts and joint resolutions:

On December 23, 1969:

S. 2577. An act to lower interest rates and fight inflation; to help housing, small business, and employment; to increase the availability of mortgage credit; and for other purposes.

On December 24, 1969:

S. 1108. An act to waive the acreage limitations of section 1(b) of the act of June 14, 1926, as amended, with respect to conveyance of lands to the State of Nevada for inclusion in the Valley of Fire State Park;

S. 2734. An act granting the consent of Congress to the Connecticut-New York railroad passenger transportation compact;

S. 2864. An act to amend and extend laws relating to housing and urban development, and for other purposes;

S. 3169. An act to amend the Atomic Energy Act of 1954, as amended, and for other purposes;

S.J. Res. 54. Joint resolution consenting to an extension and renewal of the interstate compact to conserve oil and gas; and

S.J. Res. 90. Joint resolution to enable the United States to organize and hold a diplomatic conference in the United States in fiscal year 1970 to negotiate a Patent Co-

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operation Treaty and authorize an appropriation therefor.

On December 26, 1969:

S. 59. An act to authorize the Secretary of the Army to adjust the legislative jurisdiction exercised by the United States over lands within the Army National Guard Facility, Ethan Allen, and the U.S. Army Materiel Command Firing Range, Underhill, Vt.

On December 30, 1969:

S. 65. An act to direct the Secretary of Agriculture to convey sand, gravel, stone, clay, and similar materials in certain lands to Emogene Tilmon of Logan County, Ark.;

S. 80. An act to direct the Secretary of Agriculture to convey sand, gravel, stone, clay, and similar materials in certain lands to Enoch A. Lowder of Logan County, Ark.;

S. 81. An act to direct the Secretary of Agriculture to convey sand, gravel, stone, clay, and similar materials in certain lands to J. B. Smith and Sula E. Smith, of Magazine, Ark.;

S. 82. An act to direct the Secretary of Agriculture to convey sand, gravel, stone, clay, and similar materials in certain lands to Wayne Tilmon and Emogene Tilmon of Logan County, Ark.;

S. 740. An act to establish the Cabinet Committee on Opportunities for Spanish-speaking People, and for other purposes;

S. 2325. An act to amend title 5, United States Code, to provide for additional positions in grades GS–16, GS–17, and GS–18;

S. 2917. An act to provide for the protection of the health and safety of persons working in the coal mining industry of the United States, and for other purposes;

S. 3016. An act to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, and for other purposes;

S.J. Res. 117. Joint resolution to authorize appropriations for expenses of the Office of Intergovernmental Relations, and for other purposes; and

S.J. Res. 154. Joint resolution to authorize and request the President to proclaim the month of January 1970 as "National Blood Donor Month."

On January 1, 1970:

S. 1075. An act to establish a national policy for the environment, to provide for the establishment of a Council on Environmental Quality, and for other purposes.

NOMINATIONS

Executive nominations received by the Senate December 23, 1969:

Foreign Claims Settlement Commission

Lyle S. Garlock, of Virginia, to be a member of the Foreign Claims Settlement Commission of the United States for a term of 3 years from October 22, 1969, vice Leonard v. B. Sutton, term expired.

In the Army

The following-named officers for appointment in the Regular Army of the United States to the grade indicated under the provisions of title 10, United States Code, sections 3284 and 3307:

To be major general

Maj. Gen. George Edward Pickett, 577–54–0390, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Roger Merrill Lilly, 176–32–2881, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Woodrow Wilson Vaughan, 444–40–8227, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Gilbert Hume Woodward, 224–52–6485, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Glenn David Walker, 425–07–7949, Army of the United States (brigadier general, U.S. Army).

Lt. Gen. Melvin Zais, 016–14–9359, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. William Charles Gribble, Junior, 574–12–9564, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Edward Leon Rowny, 219–18–9284, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John Norton, 421–52–8670, Army of the United States (brigadier, U.S. Army).

Maj. Gen. Walter James Woolwine, 704–12–6183, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. James William Sutherland, Jr., 432–01–3212, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Elmer Hugo Almquist, Jr., 224–52–8768, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Leo Bond Jones, 484–05–2930, Army of the United States (brigadier general U.S. Army).

Maj. Gen. William Albert Becker, 452–14–2696, Army of the United States (brigadier general, U.S. Army).

Lt. Gen. Frederick Carlton Weyand, 565–01–7616, Army of the United States (brigadier general, U.S. Army).

Lt. Gen. George Irvin Forsythe, 517–07–9904, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Orwin Clark Talbott, 572–03–9875, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Walter Philip Leber, 499–01–2011, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John Hancock Hay, Jr., 517–05–6304, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Richard Joe Seitz, 514–03–9046, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Clarence Joseph Lang, 480–09–6322, Army of the United States (brigadier general, U.S. Army).

Maj Gen. Ellis Warner Williamson, 238–22–3130, Army of the United States (brigadier general, U.S. Army).

Lt. Gen. William Eugene DePuy, 503–16–0459, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Richard Thomas Knowles, 340–10–3134, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John Russell Deane, Jr., 460–64–0004, Army of the United States (brigadier general, U.S. Army).

CONFIRMATIONS

Executive nominations confirmed by the Senate December 23, 1969:

In the Army

The following-named officer for temporary appointment in the Army of the United States to the grade indicated under the provisions of title 10, United States Code, sections 3442 and 3447:

To be brigadier general

Chaplain (Colonel) Gerhardt Wilfred Hyatt, 494–22–7575, Army of the United States (lieutenant colonel, U.S. Army).

In the Navy

Vice Adm. Allen M. Shinn, U.S. Navy, for appointment to the grade of vice admiral, when retired, in accordance with the provisions of title 10, United States Code, section 5233.

Rear Adm. Frederic A. Bardshar, U.S. Navy, having been designated for commands and other duties determined by the President to be within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

In the Army

The nominations beginning William J. Nelson, to be lieutenant colonel and ending Thomas F. Zurla, to be first lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on December 12, 1969.

In the Navy

The nominations beginning David G. Adams, to be ensign, and ending Charles T. Walter, Jr., to be a permanent lieutenant (j.g.) and a temporary lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on December 12, 1969.

The nominations beginning Kenneth Dean Aanerud, to be lieutenant, and ending Charles K. Kicker, to be lieutenant commander, which nominations were received by the Senate and appeared in the Congressional Record on December 16, 1969.

In the Marine Corps

The nominations beginning Michael R. Antonelli, to be second lieutenant, and ending George E. Zakielarz, to be second lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on December 12, 1969.

EXTENSIONS OF REMARKS

THE 91ST CONGRESS—ITS RECORD OF INITIATIVE AND INNOVATION

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. McCORMACK. Mr. Speaker, the House of Representatives during the first session of the 91st Congress has seized the initiative and been innovative in every significant area of legislation. Its record in this respect stands out in sharp contrast to that of the executive branch.

Early this year I urged the chairmen of the several committees of the House to promptly review the various legislative areas falling within their jurisdiction and to move ahead as expeditiously as possible on the major bills that Congress would have to deal with during this session. I am most gratified with the response given my request. In every major field the committee chairmen moved promptly to fill the vacuum created by the lack of Presidential recommendations. In all too many cases, unfortunately, their efforts were severely hampered by lack of recommendations and cooperation from the executive branch.

For example, Chairman Celler on January 6 introduced House Joint Resolution 179 to provide for the direct election of the President and Vice President. This was in response to the near constitutional crisis resulting from last year's presidential election. He commenced public hearings on February 5. President Nixon did not transmit his message on electoral college reform until February 24. I am informed that Attorney General Mitchell on at least three occasions requested a delay in appearing before the Judiciary Committee on the grounds that he was as yet not prepared to set forth the administration's proposals. He finally appeared before the Judiciary Committee on March 13, over 5 weeks after the commencement of hearings and almost 3 weeks after the submission of President Nixon's message. Only after the House had passed the direct election amendment did President Nixon see fit to give it his endorsement.

House Joint Resolution 681 would amend the Constitution to abolish the electoral college system for electing the President and Vice President. There would be substituted a direct popular election with the requirement that 40 percent of the popular vote must be secured for election. If no candidate receives such a number, a runoff election would be held between the candidates receiving the highest number of votes. The times and places and manner of holding elections and inclusion on the ballot are to be prescribed by each State legislature, but Congress may at any time by law alter such regulations. It would also provide for a uniform election day, to be determined by Congress, throughout the United States. Finally it would give Congress authority to provide by law for the case of the death or withdrawal of any candidate for President or Vice President before the election, and for the case of the death of a President-elect or Vice President-elect.

The Congress in 1969 enacted the most comprehensive tax reform bill in existence. The measure would provide tax relief by increasing the personal exemption and the standard deduction and by providing a special tax-free allowance for low-income individuals, and by taxing single persons at new rates lower than the present ones. The personal exemption, now $600, would rise to $650 on July 1, 1970, remain at that level through 1971, and then increase to $700 for 1972 and $750 for 1973. The present $1,000 standard deduction would be increased in stages to $2,000 by 1973. It includes a whole new concept in the tax law, a "minimum tax" aimed at preventing wealthy individuals or corporations from completely escaping the Federal income tax. The oil depletion allowance is reduced from 27½ percent to 22 percent.

The tax reform measure is an outstanding product of congressional initiative. The chairman of the Committee on Ways and Means announced on January 29 that he would begin extensive hearings on tax reform, and began those hearings on February 18. It was over 2 months later on April 21, before President Nixon sent a message on the subject. At that time, President Nixon said that "comprehensive" tax reform legislation would be submitted no later than November 20, very evidently indicating that even the President did not consider the April 21 message "comprehensive." An administration draft bill never was submitted.

Nevertheless, on April 22, hearings were held on the Nixon proposal. But the administration sent Under Secretary of the Treasury Charls Walker and Assistant Secretary Edwin Cohen to testify for Treasury, not Treasury Secretary Kennedy. Hearings on the administration proposal were completed April 24. Subsequently, the Ways and Means Committee went into executive session and drafted its own tax reform proposal. It passed the House 394 to 30 on August 6. Even the House Republican leader hailed the bill as "the most sweeping tax revision and tax relief bill in the 56 years since the Federal income tax was first adopted." The administration, however, double-talked, seeking credit for originating tax reform, but telling special interest groups what they wanted to hear. Treasury Secretary Kennedy recommended amendments to the Senate Finance Committee which would have transferred much of the tax relief from the low and moderate income groups to the wealthy and the large corporations. These regressive proposals were rejected by the Senate and the progressive character of the House bill preserved through every legislative step to final disposition.

Congressional leadership was also demonstrated in the vitally important area of education. Legislation to extend the Elementary and Secondary Education Act was introduced by Chairman PERKINS on January 3, and hearings commenced on January 15. Secretary Finch was not prepared to testify before March 10, the last day of the hearings. H.R. 514 cleared the committee on March 18 and passed the House on April 23 by a rollcall vote of 400 to 17. The Elementary and Secondary Education Amendments of 1969 would extend the 1965 act for 2 years, consolidate into a single package two ESEA programs and two programs contained in the National Defense Education Act and extend the impacted area aid program to children living in federally aided public housing. It maintained for the next 2 fiscal years the current authorization level of $4,368,500,000 for all ESEA programs, and $702 million for grant impact aid programs; $235 million was provided for the new public housing impact aid program. This measure is now pending in the Senate.

Likewise, in the actual appropriation of funds for education, it was the Congress rather than the administration which proved to be progressive. President Nixon's budget had provided a request of $370 million below that of the Johnson administration. Congress by way of contrast acted to increase the Nixon request by over $1 billion for education. Regrettably, the President has criticized the Congress for its proeducation stance and not only ordered the increased funds withheld from spending, but has actually ordered education expenditures to be reduced below those of last year.

In the field of education, the 91st Congress also enacted the Insured Student Loan Emergency Amendments of 1969. This measure in effect increases the effective interest rate on guaranteed student loans to 10 percent. Regrettably, this action was necessitated by the administration's tight money policy. Loans were simply not available at 7 percent. It also increases authorizations for the national defense student loan, work study, and educational opportunity grant programs by $100 million in fiscal 1970 and $140 million in fiscal 1971. It requires the Secretary of Health, Education, and Welfare to conduct a study by March 1, 1970, on bank practices which might be interfering with the guaranteed loan program. If he finds that such practices are obstructing the program he could take action to make financial assistance available to students in that area and adopt new regulations for the loan program within 60 days.

No facet of education has been neglected by the Congress during the past session. For example, the House has passed a Gifted and Talented Children Educational Assistance Act (H.R. 13304) amending title V of the Elementary and Secondary Education Act to include State departments of education services for gifted and talented children and to amend title V of the Higher Education Act to include fellowships for teachers pursuing or planning to pursue careers in the special education of gifted and talented children. The Commissioner of Education is directed to determine the usefulness of such special educational programs to show which existing Federal programs contribute to meeting these needs in this field.

The House has also passed H.R. 13310 to amend title VI of the Elementary and Secondary Education Act to provide special programs—research, training and model centers for children with specific learning disabilities. There is authorized $6 million for fiscal year 1971, $12 million for 1972, and $18 million for 1973. The measure also amends certain sections of various existing legislation including the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, the Handicapped Children's Education Assistance Act, title I of the Secondary and Elementary Education Act, and the Vocational Education Act to include children with specific learning disabilities.

The House also passed by unanimous vote of 290 to 0, a long-needed Drug Abuse Education Act of 1969, H.R. 14252, which authorizes $29 million over 3 years for Federal grants for drug abuse education. The Secretary of House, Education, and Welfare is authorized to make grants to both educational institutions and private and public organizations for drug abuse education, training for teachers and law enforcement officers, and community drug education programs. There would be established an interagency coordinating Council on Drug Abuse Education made up of representatives from agencies with a substantial interest in drug abuse education. It would be chaired by the Secretary of Health, Education, and Welfare. I's purpose would be to coordinate Federal drug abuse activities. While the administration talked at great length about the drug problem, the Congress acted.

Public Law 91-86, approved October 14, 1969, will permit employer contributions under the National Labor Relations Act for trust funds to provide employees, their families and their dependents with scholarships for study at educational institutions or for the establishment of child care centers for preschool and school-age dependents of employees.

Public Law 91–61 amends the Captioned Films for the Deaf Act to provide for the establishment and operation in the National Capital Area of a National Center on Education Media and Materials for the Handicapped to provide a comprehensive program of activities to facilitate the use of new educational technology in educational programs for handicapped persons including designing and developing, and adopting instructional materials. The Congress also enacted a measure authorizing appropriations of $15 million annually for fiscal years 1971, 1972, and 1973 for construction of educational radio and television stations and $20 million for 1970 for the Corporation for Public Broadcasting.

During the past year, the House, reflecting widespread national concern over the nutritional levels enjoyed by our schoolchildren, passed three important measures designed to improve their diets. On March 20 we passed H.R. 515 amending the National School Lunch Act and the Child Nutrition Act. This bill would amend these acts to establish eligibility standards by which children would be selected for the free or reduced price lunch and require the States to provide at least 4 percent of the matching requirement from State tax revenues. This figure would be eventually raised to 10 percent. The new standards would be based on criteria which will include level of family income, number of members, number of children attending school. Local officials would be prohibited from identifying children receiving free meals. Up to 1 percent of the appropriations under the National School Act and the Child Nutrition Act could be used for grants to States in providing for studies of food services requirements and for nutritional training and education for program participants and employees.

The House by a rollcall vote of 384 to 2 on May 6 also passed H.R. 5554 which will expand and make permanent the milk program authorized by the Child Nutrition Act. There would be authorized $125 million annually to encourage consumption of milk by children in nonprofit schools of high school grade and under, and in nonprofit nursery schools, child care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children. Unfortunately, the Nixon budget includes no funds to implement H.R. 5554.

Temporary emergency food assistance for children would be made available by H.R. 11651 which would provide $1 million in customs receipts, previously designated for agriculture programs, for the purpose of providing free or reduced-price meals to needy children not now being reached.

All three of the above measures are now pending in the other body and hopefully will become law early in 1970.

The 91st Congress also raised the fiscal year 1970 authorization for the food stamp program from $340 million to $610 million. The Agriculture Department appropriation bill appropriated the full $610 million provided for in the authorizing legislation.

In the field of consumer affairs, the Congress enacted the Toy Safety Act which amends the Federal Hazardous Substances Act to protect children from toys and other articles intended for their use which are hazardous for electrical, mechanical, or thermo reasons.

The 91st Congress has enacted an across-the-board increase in social security benefits of 15 percent effective January 1, 1970, for the 25 million elderly people, disabled people and their dependents, and widows and orphans who now get monthly social security benefits. In addition, the increase would apply to those people who will come on the benefit rolls in the future. Minimum benefits for retired workers would be increased from $55 to $64, the maximum worker's benefit ultimately from $218 to $250. The social security increase was included in the final version of the tax reform law.

This legislation once again reflects congressional rather than executive imprint. The President did not see fit to send a social security message to the Congress until September 25 and a draft bill did not arrive until September 30. Hearings were announced immediately by the chairman of the Ways and Means Committee to begin on October 15. The President had first publicly suggested a 7-percent increase, then in his message recommended a 10-percent social security increase. The House Ways and Means Committee moved to raise that to 15 percent. Because of Democratic action, Republicans in the Congress joined in. Once again the administration has followed congressional leadership.

We also passed Public Law 91–69, the Older Americans Act Amendments of 1969, which amends the Older Americans Act of 1965 to extend its duration, authorize assistance for projects for foster grandparents and senior companions, and to strengthen State agencies on aging.

Regional development legislation was yet another area where congressional initiative was demonstrated. The initial bill providing for an extension of the Appalachian Regional Commission was introduced by the chairman of the House Public Works Committee, Mr. FALLON, on January 17, 1969. Because the Nixon administration was not prepared to present its views, it was not possible to start hearings until March 25. The Assistant Secretary for Economic Development in the Commerce Department, Mr. Robert Podesta, did not appear until near the conclusion of the hearings on April 17. The House Public Works Committee in executive sessions then fashioned a measure which extended the Appalachian Regional Commission as well as the other regional commissions established pursuant to title V of the Public Works and Economic Development Act.

The bill drafted by the Public Works Committee was a well thought out balanced measure and passed the House by an overwhelming vote of 273 to 103 on July 15, 1969. Public Law 91–123 authorizes an additional $1,219,000,000 for regional economic development programs in fiscal years 1970–71. It extends the programs under the Appalachia Regional Development Act together with those five other multi-State regional commissions provided for in title V of the Public Works and Economic Development Act. The Appalachia highway program is extended through fiscal year 1973 and there is authorized an additional $150 million for this program. The Appalachia highway program henceforth will be operating under a contract authority which will allow highway funds to be obligated in advance of appropriations. Nonhighway Appalachia programs were authorized additional moneys amounting to $268.5 million, the five other regional commissions were given an authorization of $275 million. In addition, the Secretary of Commerce was directed to apportion at least 10 percent but not more than 25 percent to any one Commission. An additional $500 million authorization for public works grants under title I of the 1965 Public Works and Economic Development Act, as well as $25 million for demonstration grants and technical assistance under title III of that law were likewise provided.

The history of the Appalachian regional development bills in this body since 1965 is, I feel, an excellent case study of what happens to progressive legislative proposals. In 1965 when Appalachian legislation was first considered by the House, the RECORD shows that a motion to recommit the bill on March 3 witnessed the Republican membership voting 92 to 44 in favor of recommittal and then 109 to 25 against final passage. In 1967 when the question of extension was before the House on September 14, Republicans voted 143 to 17 in favor of recommittal and 123 to 35 against passage. This year, I am gratified to report that when the House acted on this matter on July 15, Republicans voted 90 to 77 in favor—this time they did not even choose to offer a recommittal motion. While the Republican record of support did not approach that of the Democrats who voted 183 to 26 in favor, it shows reluctant Republican acceptance, that these regional programs must be succeeding and must be popular. Regional redevelopment thus follows in the path of so many other Democratic pieces of progressive legislation, social security, unemployment compensation, minimum wage, and so forth. At first they are violently and vociferously opposed by our Republican friends then reluctantly tolerated and finally embraced.

The passage of the Water Quality Improvement Act of 1969 represents another example of congressional initiative. Water pollution control legislation was introduced by Chairman FALLON on January 23, 1969. Hearings commenced on February 26 but Secretary Hickel did not appear until March 5. This measure was reported on March 21 and passed the House on April 15. It subsequently passed the Senate in October and is now in conference. It amends the Federal Water Pollution Control Act to improve the means available to control the pollution of the offshore water and the rivers of the United States. It also provides for control of oil and other sea-carried pollutants, sewage from vessels; acid and other pollutants from mines; and pollution from any federally operated sources. It provides for research grants and a scholarship program for students for programs instituted by the Secretary of the Interior. It directs the Secretary of the Interior to make a study of any and all methods of financing the cost of preventing, controlling and abating water pollution.

Finally, it provides for a Great Lakes water control demonstration. There is authorized a total of $348 million for fiscal years 1970, 1971 and 1972, including $20 million for a water pollution cleanup fund, $15 million for acid mine drainage, $62 million for training grants and contracts, $121 million for project research and $130 million for general research, investigations and training.

In the public works appropriation bill, we provided an appropriation of $800 million for waste treatment plants. The Nixon administration had requested only $214 million. This near fourfold increase was unprecedented. We approved it because we feel very strongly that this country has to move more strongly and rapidly in pollution control. Congress, once again over the reluctance of the administration to recognize the necessity, demonstrated concern with a national problem of high priority. The administration abdicated leadership, but Congress acted.

We also have passed several other measures dealing with our environment and natural resources. Congress in 1969 acted to amend the Clean Air Act to extend the program of research relating to fuel and vehicles. An authorization of $45 million is provided for the current fiscal year. In Public Law 91-118 we extended the Great Plains conservation program for 10 years beyond its present expiration date of December 31, 1971. This measure also authorizes an appropriation of $250 million with not more than $25 million in any one year. A bill authorizing $27 million for the saline water conservation program for fiscal 1970 was likewise enacted into law. Public Law 91-15 amends the Marine Resources and Engineering Development Act of 1966 to continue the National Council on Marine Resources and Engineering Development for a period of 1 year until June 30, 1970, and authorizes funds not to exceed $1,200,000 for this period. House Joint Resolution 589 passed by the House on November 12 expresses the support of Congress and urges the support of the Federal departments as well as other persons and organizations for the international biological program. The Congress has enacted legislation amending and strengthening laws limiting the importation and sale of fish and wildlife which are in danger of becoming extinct. It also bars the importation of fish or wildlife and forbids the interstate shipment of amphibians, reptiles, mollusks, and crustaceans if they were obtained in violation of any Federal, State, or foreign law. It also requires the Federal Government to seek an international conference for the purpose of drawing up an international convention on the conservation of endangered species. Finally, S. 1075, awaiting the President's signature, authorizes the Secretary of the Interior to conduct investigations, studies, surveys and research relating to the Nation's ecological system, natural resources, environmental quality, and to establish a Council on Environmental Quality.

We have acted to extend for 2 additional years the Economic Opportunity Act of 1964. There is an authorization for fiscal year 1970 of $2,195,500,000 and for fiscal year 1971 of $2,295,500,000. This legislation also contains provisions strengthening Headstart, Follow Through, the manpower training program, Mainstream, and New Careers, and the emergency food and health service program. The successful 2-year extension of the war on poverty without crippling amendments is due exclusively to congressional efforts. Chairman PERKINS introduced legislation extending the antipoverty program for 5 years on January 3. He initiated 29 days of hearings before his full committee on March 24 taking testimony from witnesses representing all areas of the country. The administration's proposed 2-year extension was not transmitted and introduced in the House until June 3. Subsequently, however, Chairman PERKINS received no assurances that the Republican votes would be forthcoming to support the administration's own requested legislation against crippling floor amendments. He was forced to report out a 2-year bill without these assurances on November 6. When the bill was brought up on the floor on December 12 a substitute proposal, giving the States complete control over the program and which was strongly opposed by the Administrator of OEO, received the all-out support of the House Republican leadership and the senior Republican on the House Education and Labor Committee. The crippling substitute was defeated by a vote of 231 to 163. Republicans voted 103 to 63 to emasculate the antipoverty program while Democrats voted 168 to 60 to sustain a continuation of the war on poverty.

In the field of banking, the major legislation considered by the 91st Congress was undoubtedly H.R. 6778, amending the Bank Holding Company Act of 1956. As passed by the House, H.R. 6778 places single bank holding companies under the regulating authority of the Federal Reserve Board, by extending the Bank Holding Act of 1956 to apply to such institutions. They had been specifically exempted in the 1956 law. The bill also authorizes the Federal Reserve Board to rule on the types of nonbanking business interests that bank holding companies may acquire. It prohibits bank holding companies from engaging in certain businesses such as insurance, travel agencies, accounting, data processing, and equipment leasing. It requires the single bank holding company formed after the enactment of the 1956 law to divest itself of of all nonbanking interests. Finally the legislation changes the Bank Holding Company Act of 1956 by defining a bank holding company as one which actually controls a bank rather than one which owns 25 percent of the voting stock.

House passage of H.R. 6778, probably the most important banking legislation we have approved in a generation, was clearly the product of congressional rather than administration initiative. Chairman PATMAN, of the Banking and Currency Committee, introduced H.R. 6778 on February 17, 1969. Reports were immediately requested of all the relevant executive agencies. They were extremely tardy in responding, the report from the Treasury Department not arriving until April 16, the day after public hearings had commenced. The administration submitted a draft bill only after Chairman PATMAN announced the public hearings would commence on April 1 with or without administration recommendations. At administration request, they were further delayed until April 15. When Secretary Kennedy testified on the bill on April 17, he refused to endorse many of the key features of the Patman bill. The strong measure which ultimately passed the House was due entirely to the efforts of Chairman PATMAN, the administration throughout playing a negative and indecisive role. In pushing through H.R. 6778, the House majority has taken a decisive step to preserve the free enterprise system by protecting small businessmen from the monopolistic encroachment of bank holding companies.

The House also took the initiative in passing H.R. 2 establishing a separate Federal credit union agency. This measure was introduced by the chairman of the Banking and Currency Committee on January 3, 1969. Over the opposition of the Treasury Department, it was reported from committee on June 27 and on July 28 passed the House by a vote of 356 to 10. It has been approved by the Senate Banking and Currency Committee and is now pending on the Senate Calendar. H.R. 2 would create a National Credit Union Administration to be headed by an Administrator who will be appointed by the President with the advice and consent of the Senate. The Administrator will be under the direct control of a Board of Governors representing membership from each Federal credit union region, plus a Chairman to be appointed at large. Members of the Board will be appointed by the President, by and with the advice and consent of the Senate. The members of the Board will serve for a 6-year period, while the Administrator, in order to insure continuity with the President, shall serve at the pleasure of the President.

The National Credit Union Administration will be responsible for the regulation, supervision, and examination of Federal credit unions, and will perform all of the functions presently carried on by the Bureau of Federal Credit Unions.

The 91st Congress also enacted into law H.R. 7491 which will provide by 1972 identical tax treatment to all commercial banks either federally or State chartered. Prior to 1972, States could tax in-State national banks to the same degree as State banks except for intangible personal property. Branches of out-of-State national banks could be taxed for specified levies. Beginning in 1972, in-State banks could be treated as State banks and branches of out-of-State banks could have nondiscrminatory taxes levied on them.

We passed S. 2577 which extended the so-called regulation Q authority to March 22, 1971, under which the Federal financial regulatory authorities can impose maximum interest rates paid on time and savings deposits. In addition the legislation provides authority to the Federal Reserve Board to impose reserve requirements and interest ceilings on commercial paper and Eurodollar borrowing by banks.

Further and very important the legislation provides for an increase in FDIC and FSLIC deposit insurance from the now existing limit of $15,000 to $20,000.

In addition, the legislation directs the Administrator to make available $70 million for direct lending by the Small Business Administration to small business investment companies.

In an effort to curb any severe inflationary pressures the legislation provides the President with discretionary authority to impose selective and/or voluntary credit controls.

Finally, the legislation provides an additional $3 billion to be made available to the Federal Home Loan Bank Board by the Secretary of the Treasury when alternative means cannot be found for the savings and loan industry to supply reasonable amounts of funds for mortgage lending during periods of monetary stringency and rising interest rates. This legislation was passed over bitter Republican opposition. Republicans voted unanimously to recommit the measure.

Charges have emanated of late from certain quarters in the executive branch that the Congress has been responsible for delaying postal reform. The facts emphatically repudiate this allegation.

Chairman DULSKI on the first day of the 91st Congress introduced a comprehensive postal reform bill, H.R. 4, and announced it would be the first order of committee business.

He planned to begin public hearings on postal reform on the third Tuesday of March 1969. But, when the Postmaster General learned of this he asked, and Chairman DULSKI granted, a reasonable delay for preparation of the administration's postal reform recommendation.

Several other proposed hearing dates also were postponed at the request of the Postmaster General.

Finally, when the administration's postal rate increase proposal was sent to the Congress before postal reform, Chairman DULSKI announced that there should be no rate increase until after postal reform and that his committee would start hearings April 22, 1969.

The committee then proceeded with public hearings for more than a month, until finally the administration's official recommendation was submitted on May 28.

The Post Office and Civil Service Committee is now at work marking up Chairman DULSKI's proposal. A postal reform measure will be reported and passed by the House early next year.

The first session of the 91st Congress has acted to meet its responsibilities to our Federal employees. We enacted Public Law 91-93, the Civil Service Retirement Amendments of 1969. This measure amends the financing provision of the civil service retirement program so that the employees and employing agency will pay the full normal cost of the program, while the cost of the unfunded liability would be paid out of general revenues. Contribution rates are increased to 7 percent each for employees and their employing agencies and to 8 percent for Members of Congress. The Federal Government would be required to pay into the civil service retirement fund each year the interest due on the current unfunded liability of the program and to amortize over a period of 30 years unfunded liabilities created in the future by future improvements in the program. In the future annuities would be computed on a high 3-year average salary rather than on a high 5-year average. Service credit would be provided for unused sick leave in computing annuities. Future raises in annuities to cover future cost-of-living increases are provided.

The civil service retirement measure was exclusively a congressional product. Representative DOMINICK V. DANIELS introduced legislation on the first day of the 91st Congress. Official reports on the bill were requested promptly.

Public hearings were announced and were conducted promptly, after which the committee reported the bill on April 22, 1969. This bill was written entirely in the committee. No executive communication on the subject was ever received. It passed the House July 23, 1969, was amended and passed by the Senate August 1, 1969, and the House agreed to the Senate amendment by unanimous consent October 7, 1969.

The House also passed H.R. 14789 to grant Foreign Service personnel the same retirement benefits now provided civil service personnel.

Although postal and other Federal employees have long been promised pay equal to pay rates in private enterprise for positions of equal responsibilities, and have never gained current comparability, the administration has submitted no executive communication recommending any salary adjustments.

The Subcommittee on Compensation conducted public hearings during July 1969, and wrote its own salary bill, H.R. 13000. It passed the House on October 14 by a vote of 311 to 51. This measure establishes a Federal Salary Service Commission to make studies and set up salary schedules with the principles of pay comparability. It also establishes a Federal Salary Board of Arbitration for the purpose of reviewing any pay proposals when any member of the Commission requests such action. It also provides pay increases for postal employees in grades 1 through 11 by advancing them two ingrade pay levels effective October 1, 1969. H.R. 13000 is now pending in conference.

Last January we enacted Public Law 91-1 raising the salary of the President from $100,000 to $200,000. Increased salaries for Federal executives, judges, and Members of Congress became effective February 14, 1969, one House of the Congress having failed to disapprove them within 30 days after the submission of the budget by President Johnson. Public Law 91-67 providing comparable increases for leaders of the House and Senate was likewise enacted.

We acted to discharge our responsibilities to the Nation's urban areas. This year's omnibus housing measure, the Housing and Urban Development Act of 1969 is another major legislative product fashioned by the first session of the 91st Congress. Unfortunately, disposal of the housing bill has been prolonged this year because of the tardiness of the administration in presenting its recommendations. The draft bill transmitted from the executive branch on July 17, 1969, proved to be an emaciated skeleton which did little more than provide simple extensions for those housing laws expiring this year. The conversion of the administration's inadequate proposal to a far-reaching balanced measure providing increased funding for all our housing and urban development programs and containing many amendments to improve existing housing legislation was the work of Chairman PATMAN, Housing Subcommittee Chairman BARRETT, and other members of the House Banking and Currency Committee. The provision for $1.5 billion in additional mortgage money if not frozen by the President, should help reverse the precipitious drop in housing starts we have witnessed since the beginning of the year.

The estimated cost of the final product sent to the President is $4.8 billion. The major provisions of this measure are as follows:

First. The Government National Mortgage Association's authority to purchase mortgages on low-cost FHA and VA housing is increased by an additional $1.5 billion. In addition, this provision would raise the maximum mortgage amount on mortgages eligible for purchase by $2,500.

Second. Extends the life of FHA's mortgage insurance authority for 1 year to October 1, 1970. Mortgage ceilings are raised for both FHA sales and FHA rental housing. FHA insurance is provided for mobile homes.

Third. Authorizes $1.7 billion for the urban renewal program for fiscal year 1971 and earmarks 35 percent for the neighborhood development program. The legislation requires that where housing for low- and moderate-income people is demolished in an urban renewal area, it must be replaced by an equal amount of housing in the city or county under the jurisdiction of the urban renewal agency; however, if such housing cannot be provided, the Secretary is permitted to take into account housing provided outside the city or county.

Fourth. Provides a higher level of annual contributions under the public housing program by permitting HUD to use the full formula provided in the 1937 act in place of the present limitations to debt service. Also provides an additional subsidy for public housing tenants—HUD will pay the difference between 25 percent of a tenant's income and rent attributable to a unit.

Fifth. Increase the total amount to be appropriated for direct loans for housing for the elderly and the handicapped by $150 million.

Sixth. Increase by $4 million the aggregate amount of contracts which may be entered into to make annual debt service grants to help college housing facilities.

Seventh. Provides $600 million additional authorization for the model cities program.

Eighth. Extends for 1 year the present authorization for a number of programs including comprehensive planning, open space, and water and sewer grants. There is also provided an additional $100 million for water and sewer grants for fiscal year 1971.

Ninth. Provides $300 million advance funding for fiscal year 1971 for mass transit.

Tenth. Extends various rural housing programs administered by the Farmers Home Administartion for 4 years.

Eleventh. Contains a provision to make flood insurance available for 2-year period during which local actuarial studies will be conducted to provide a basis for the permanent flood insurance program.

Twelfth. Extends to October 1, 1970, the authority of the Secretary of Housing and Urban Development to waive the statutory interest rate ceiling on FHA-insured loans and authorizes the Administrator of the Veterans' Administration to waive the statutory interest rate ceiling, on VA-guaranteed mortgages.

The 91st Congress also acted with initiative in the field of health.

During the early hours of November 20, 1968, an explosion rocked Consolidation Coal Co.'s No. 9 mine near Farmington, W. Va. When the mine was sealed several days later, it became the tomb for 78 miners working that tragic midnight shift who could not escape and for whom no rescue operation could succeed. Since Farmington, over 170 additional miners have lost their lives in the much less publicized—yet equally outrageous—accidents that continue to make coal mining the most hazardous occupation in the United States. Moreover, countless thousands have suffered and died or presently suffer from the ravages of coal workers' pneumoconiosis—the dread miners disease caused by the inhalation of excessive amounts of coal dust.

The past session saw the enactment into law of the Federal Coal Mine Safety Act of 1969 (S. 2917) to protect the health and safety of coal miners and to combat the steady toll of life, limb, and lung which terrorizes so many unfortunate families. Here again, it was Congress that moved first and moved farther than the recommendations of the President. The initial bills in this area were introduced early in January by Chairman PERKINS, of the Education and Labor Committee, and Chairman DENT, of the General Subcommittee on Labor. The administration's proposals were not transmitted until March. The measure which evolved through subcommittee and full committee states, on the floor of the House and ultimately in conference, represented at every stage imaginative and dynamic legislative workmanship on the part of the Members of the Congress. The role of the executive branch throughout proved to be minimal.

S. 2917 can quite properly be deemed a milestone piece of health legislation. It is also, I might add, a milestone piece of labor legislation. It is the strongest Federal law ever enacted to protect miners at work. It will protect their health by setting limits on the amount of coal dust permitted in a mine. This dust is the cause of black lung disease which can prove fatal. The previous distinction between gaseous and nongaseous mines is ended and all mines will be required, according to an orderly schedule, to install nonspark electrical equipment to prevent explosions. In the future, it will be possible to further raise health and safety standards by administrative action without coming back to the Congress for additional legislation. A dust ceiling of 4.5 milligrams per cubic meter of air is imposed by the measure immediately and further reductions will be required within a year. Disability compensation is provided for miners suffering from black lung disease. A minimum of four unannounced inspections of each mine annually by the Bureau of Mines must be made in the future. A provision is included requiring the closing of mines and the withdrawal of all persons, except those needed to correct deficiencies where conditions of immediate danger exist. Fines and jail sentences are provided for violations of the legislation.

Congressional activity in the health field was by no means limited to passage of the Coal Mine Safety Act. The House on June 4 by a rollcall vote of 351 to 0 passed H.R. 11102 extending the Hill-Burton Act for hospital construction and modernization. This measure was solely the product of the labors of the Interstate and Foreign Commerce Committee. Legislation to extend and liberalize the Hill-Burton Act had been introduced early in February. Proposed hearings were delayed several times on request of the administration. When the administration finally did appear to present its views late in March it was able to offer only a few exceedingly broad and general suggestions as to proposed changes in the existing law. No draft bill or specific amendments were given the committee. In executive session, the administration's proposals were rejected in toto and H.R. 11102, a clean bill, was reported on May 20 embodying modifications in the hospital construction legislation developed by members of the committee and perfected in the give and take of the committee's deliberations.

The major provisions of H.R. 11102 include an extension for 3 years of the Hill-Burton program of matching Federal grants to States either for the construction or modernization of hospitals and other medical facilities. In addition, H.R. 11102 established a new program of guaranteed loans for hospital construction and modernization. Total authorization for appropriation over the 3-year period provided was $937 million. This includes $405 million for hospital construction, $165 million for modernization, and $300 million for the construction of facilities for long-term case diagnosis and treatment and rehabilitation. The Secretary of Health, Education, and Welfare was authorized to guarantee payment of principal on loans for construction and modernization of hospitals and health facilities. Such guaranteed loans are limited to $300 million in 1971, $600 million in 1972, and $900 million in 1973. The guaranteed loans would have an annual interest rate of 3 percent and the bill also authorized appropriation for interest subsidy payments of $37 million. The existing requirement in law that a State must give special consideration to projects for hospitals serving rural areas would be eliminated. A new grant program for the modernization of emergency rooms in hospitals was also added.

The House has passed a measure amending the Medical Library Assistance Act of 1965 by extending the authorizations for the program in the act for 3 additional years through fiscal year 1973. It also provides for the continuation of financial assistance for the construction of medical library facilities; training of librarians and information specialists; expansion of health library resources; projects for research and development and demonstrations in medical library science and health communications; special scientific projects; development of regional medical library programs; and biomedical scientific publications projects.

The House approved H.R. 14790 which would provide for a 3-year extension of authority under the Public Health Service Act for making formula grants to public health schools. The bill would authorize $7 million for fiscal 1971, $9 million for fiscal 1972 and $12 million for fiscal 1973.

It also passed H.R. 14733 to provide a 3-year extension of the Public Health Service Act's program of assistance for domestic migrant agricultural workers health services, due to expire on June 30, 1970. The bill authorizes $20 million for 1971, $25 million for 1972 and $30 million for 1773. The bill would also amend the act by broadening the definition of beneficiaries of the program, as well as by authorizing the use of grant funds for training.

We likewise approved a bill to provide a 3-year extension of authority for matching grants for construction and initial staffing costs of community mental health centers and for specialized services for alcoholism and narcotic addition as provided by the Community Mental Health Centers Act. The bill authorizes the appropriation of $133 million for fiscal 1971, $150 million for fiscal 1972, and $168 million for 1973.

The House acted favorably on H.R. 6543 to strengthen the warning label which must appear on cigarette packages.

The 91st Congress has likewise acted to meet its responsibilities to our veterans. Its actions have been in marked contrast to the position of the executive branch. The Nixon administration has opposed all congressionally initiated veterans bills, rejecting a proposal to use veteran-owned insurance funds for veterans home loans for returning Vietnam veterans killed or who died of service-connected causes, rejecting housing payment increases for paralyzed and other seriously disabled veterans, and asked that action to increase insurance for servicemen in Vietnam be deferred.

The House Veterans' Affairs Committee began hearings on June 25 on an increase in educational benefits for Vietnam-era veterans. A bill was reported from committee on July 10 and passed the House over the objections of the administration on August 4. H.R. 11959 would increase vocational rehabilitation assistance payments to disabled veterans by 15 percent. A full-time trainee would receive $127 per month rather than the present $100. A veteran with one dependent would receive $173 monthly instead of $150. The measure would also increase educational assistance payments by 27 percent, it would also increase educational assistance payments to children, widows, and wives of veterans to a like amount. Finally it would standardize the definition of a full time high school course of study.

During the past year over the objections of the Nixon administration we also acted to provide increased compensation for veterans' survivors. Public Law 91-96 changes the formula for computing the dependency and indemnity compensation payable to widows of veterans who die from service-connected causes with a table fixing the amounts of such payments in a range from $167 per month for the widow of a recruit to $457 for the widow of a member of the Joint Chiefs of Staff; it also provides for additional dependency and indemnity compensation payments to eligible widows with minor children at a monthly rate of $20 per child and increases by $50 a month the dependency and indemnity compensation or death compensation payable to a widow in a nursing home or otherwise in need of other aid and assistance.

The House in H.R. 372, pension eligibility, acted to restore eligibility for Veterans' Administration benefits to widows upon the termination of a subsequent marriage; to eliminate for veterans who have attained 72 years of age and have received a pension for 2 years the requirement of an annual report of income and assets; to establish additional income exemptions for the determination of eligibility for pensions and for dependency and indemnity compensation; and to provide eligibility for pension and for certain other benefits to veterans of the Mexican border period.

The House in passing House Resolution 661, voted to commend the American serviceman and veteran of Vietnam for his efforts and sacrifices and let him know that Members of the House, regardless of their opinions about the national policy concerning the conflict, take note of the bravery and dedication in the service of his country that the American serviceman has exhibited.

Although almost a million Vietnam-era veterans each year are being returned to civilian life, Mr. Nixon's budget director cut $41 million in VA hospital modernization funds, including $17 million which would have air-conditioned VA hospitals. Also cut was $4 million for States to modernize soldiers' homes. One of the most glaring examples of action contrary to words was the Nixon administration cut of $11 million for medical education and research and a reduction of 4,000 medical personnel below that recommended in January—although the administration decried the "massive health crisis" at a Presidential press conference July 10. This "massive health crisis" did not deter the administration from broad and sweeping cuts in practically every area of medical and health research just at a time when they are becoming most productive, nor disapproving personnel to man over $16 million of modern life-saving equipment standing idle in Federal hospitals.

The 91st Congress acted to meet its responsibility in the field of transportation. As previously stated, the housing bill authorized $300 million in advance funding for 1971 for mass transit. We have also provided aid for aviation.

The House on November 6 by a rollcall vote of 236 to 7 passed a 10-year $5 billion program of expansion and improvement of our airports and airway system to be financed by new taxes on airway users. Among other things, H.R. 14465 provides that the amount available for improvement of the airway system should be no less than $250 million annually between January 1, 1970, and June 30, 1979, and declares that the total amount available for airport assistance during the same period should be $2.5 billion. It requires the Secretary of Transportation to formally recommend to the Congress a national transportation policy and requires him thereafter to make annual reports to Congress on its implementation. It requires the Secretary of Transportation to conduct a 2-year study of an appropriate method for allocating cost among users of the airport and airway system. It provides $10 million a year during the next 5 years for grants for planning, location, and development of airports. The Secretary of Transportation also would be authorized to make grants of $24 million each during fiscal years 1970, 1971, and 1972 to develop reliever airports. Tax provisions of the bill would impose a levy of 7 cents a gallon on all general aviation fuel and increase the passenger ticket tax on domestic flights from 5 to 8 percent and would impose a new tax of 5 percent on air freight waybills. All revenue from the fuel, freight and flight taxes would be placed in an airport and airway trust fund for use only to defray costs incurred in this program.

We also passed the Highway Act of 1969 (H.R. 14741). This measure extends to April 15, 1970, the deadline for a new cost estimate for the Interstate Highway System. It extends to January 1, 1971, the date on which the 10-percent penalty on highway apportionments would be invoked for States failing to effectively control billboards and junkyards. It directs the Secretary of Transportation to work with State highway departments in preparing a report to Congress by April 15, 1970, on highway beautification. H.R. 14741 further sets highway safety fund apportionment for fiscal year 1970 and subsequent years at 50 percent on population and 50 percent on public road mileage. It also authorizes the President to negotiate an agreement with Canada for rebuilding and paving the 1,137 miles of Alaska Highway between Dawson Creek and the Alaska border.

H.R. 10105 passed the House on September 3, 1969; it would amend the National Traffic and Motor Vehicles Safety Act of 1966 to authorize appropriations for fiscal years 1970, 1971 and 1972.

In the field of labor, the House has passed H.R. 14705 to extend the coverage of the Federal unemployment tax to employers who employ one or more people in each of 20 weeks or who have quarterly payrolls over $800, to certain agricultural process workers, to certain agent-salesmen who are not employees under common law, and to certain nonprofessional employees of institutions of higher education and nonprofit organizations. It would also establish a new Federal-State program for paying unemployment compensation during periods of extensive unemployment. The taxable wage base would be increased to $4,200 on January 1, 1972, and the Federal part of the tax would be 1 percent. H.R. 14705 is now pending before the Senate Finance Committee.

Public Law 91-54 approved August 9, 1969, will promote health and safety in the construction industry at all federally assisted construction projects. It requires that no construction contractor or subcontractor may require an employee to work under any conditions that are unsanitary, hazardous, or dangerous to his health or safety.

The House also approved a measure limiting the number of consecutive hours a railroad operating employee may be on duty to 14 hours, and after 2 years, to 12 hours. This bill, H.R. 8449, would also establish additional regulations requiring certain off-duty hours between periods of service.

The House on September 30, 1969 passed H.R. 13300. This bill provides the financing necessary to continue payment of supplemental annuities under the Railroad Retirement Act and to extend the payment of supplemental annuities beyond October 31, 1971, with current rates to be preserved until June 30, 1975. It also provides for the mandatory retirement of all railroad employees initially at age 70 and by January 1, 1976, at age 65; except that an employer may retain at his own option an employee beyond the mandatory requirement age.

In the field of foreign affairs the 91st Congress has cooperated with the President to meet our Nation's obligations and to protect its interests in the international sphere. We have enacted Public Law 91-14 authorizing the U.S. Governor of the International Development Association to vote for an increase in the resources of the Association to authorize $480 million for payment of the U.S. share of this income. The House has passed the Foreign Assistance Act of 1969. The authorization is for fiscal years 1970 and 1971.

H.R. 14580 also revises existing foreign aid legislation in the following manner: First, establishes an overseas private investment corporation; second, puts renewed emphasis on technical assistance; third, gives greater priority in the field of population policy; and, fourth, authorizes the President to use funds provided by the act for famine and disaster relief. There is authorized to be appropriated $1.973 billion each for 1970 and 1971. We also acted to extend the life of the Peace Corps for an additional year.

Public Law 91-128 extends the Interest Equalization Act to March 31, 1971. The President is given the authority to remove the tax on new foreign securities without reducing the tax on outstanding securities. An exemption is granted from the tax on financing transactions in connection with certain U.S. exports, and there are exempted certain leases having substantially the same effect as sales in connection with U.S. exports.

The equalization tax, which was first enacted in 1964, applies to acquisitions of foreign securities by Americans. Its purpose was to reduce the outflow of dollars by increasing the cost to foreigners of raising capital in the United States and reducing the desirability of foreign securities to Americans. It does not apply to direct investment in foreign businesses.

We enacted the Export Administration Act to replace the Export Control Act. The Export Control Act which expires December 31, 1969, essentially provided the President with the complete discretionary authority to assist the United States in increasing its export of goods and services to all nations thereby enabling us to better our now existing deficit balance-of-payments situation. The new legislation preserves all these features. In addition, H.R. 4293 seeks to liberalize trade in those areas where there can be no question of such goods and services being used to the detriment of the United States in any situation. As a result therefore we hopefully can look forward to a further expansion of the sale of U.S. goods and services to foreign countries. In no respect does it direct the President to allow the export of any goods and services which would in any way be detrimental to our country's foreign policy question, our national security, or our domestic situation. The Export Administration Act will expire June 30, 1973.

Of greatest importance, however, the House by rollcall vote of 333 to 55, passed House Resolution 613 affirming support for the President in his efforts to negotiate a just peace in Vietnam, to express the earnest hope of the people of the United States for such a peace, to call attention to the numerous peace overtures which the United States has made in good faith toward the Government of North Vietnam to approve and support the principles announced by the President, and also former President Lyndon B. Johnson, that the people of South Vietnam are entitled to choose their own government by means of free elections open to all South Vietnamese and supervised by an impartial international body, and that the United States is willing to abide by the results of such elections. We also passed House Concurrent Resolution 454 calling for the humane treatment and release of American prisoners of war held by North Vietnam and the National Liberation Front.

The 91st Congress has met its responsibilities in the area of national defense.

We have provided a $69.6 billion defense appropriation for fiscal year 1970 to keep our Nation secure at home and abroad.

In addition, we provided an appropriation of $1,560,000,000 for military construction.

We acted to authorize and fund the Sentinel—Safeguard—ABM System.

We enacted Public Law 91-124 repealing the existing prohibition against changing the then existing method of selecting inductees. This has enabled the President to institute a random selection—lottery—system drafting 19-year-olds.

Under the new plan, the period of prime draft eligibility would be reduced from 7 years to 1 year. A registrant's period of maximum eligibility would begin on his 19th birthday and end on his 20th. Those not drafted during those 12 months would be assigned a lower priority and would be called up only in the case of an emergency.

Prior to each calendar year, all the dates of that year would be scrambled and drawn at random. The order of drafting the 19-year-olds would be established by matching their birthdays with this list of days.

Once a registrant's place in the sequence was determined, it would not change. Each month, his local draft board would induct registrants in the order of call established by the lottery.

If a young man were granted a deferment at age 19 or 20, he would reenter the prime eligibility pool when the deferment expired, taking the same place in the order of sequence as he originally was assigned.

This then has been the record of our successes. Unfortunately, that record likewise includes failure in one vital area; namely, civil rights.

Because the Republican Party chose to turn its back on Abraham Lincoln, we were unsuccessful in our efforts to extend the Voting Rights of 1965. Under that act, the use of any literacy test as a prerequisite to registering to vote in any election is suspended in any State or political subdivision which, on November 1, 1964, maintained a test or device, and in which less than 50 percent of the residents of voting age were registered on that date or voted in the 1964 presidential election. The act authorizes the Attorney General to provide for the appointment of Federal examiners and Federal election observers in those "covered" jurisdictions wherein literacy tests or similar voting qualifications or procedures different from those in force on November 1, 1964, unless and until the "covered" jurisdiction obtains judicial approval from the U.S. District Court for the District of Columbia that the change does not have the purpose and will not have the effect of denying or abridging the right to vote on account of race or color or the Attorney General has failed to interpose an objection within 60 days of the submission of the change to him.

Negro registration in the five States where Federal examiners have been appointed has risen from approximately 29 percent to approximately 52 percent of the Negro voting-age population. This rise in nonwhite registration has been accompanied by an increase in Negro voting participation and in the number of Negro officeholders and legislators. Although registration progress has been dramatic under the act, especially when compared to registration gains achieved under earlier voting rights legislation, significant disparities continue between white and nonwhite registration in areas covered by the act. In addition, there remain many counties where Negro registration remains extremely low.

It therefore has acted to preserve the gains already made and to further expand Negro voting that Chairman CELLER introduced H.R. 4269 providing for a 5-year extension of the Voting Rights Act of 1965 on January 23. The views of the Department of Justice were requested shortly thereafter. They were not forthcoming. On April 30, Attorney General Mitchell was invited to testify on May 14. On May 14 at the Attorney General's request his appearance was canceled and rescheduled for May 21. This appearance in turn was canceled at his request and so were appearances scheduled for May 28, June 5, and June 18. He finally appeared on June 26. The administration's voting rights proposal, H.R. 12695, which no senior Republican member of the House Judiciary Committee was willing to introduce, and which was opposed by every procivil rights groups, was finally introduced by the minority leader, Mr. FORD, on July 9. The Ford bill was substituted on the House floor for the 5-year extension which had been reported by the House Judiciary Committee. On the key vote, Republicans voted 129 to 49 against a continuation of the Voting Rights Act. Democrats voted 154 to 79 in favor of a continuation of the Voting Rights Act.

This then has been the record of the first session of the 91st Congress. Its hallmark, I believe, has been innovation and initiative. To an extent unprecedented for at least a generation, the year 1969 has witnessed the legislative branch of our Federal Government replacing the executive branch in moving forward decisively in all major areas of legislative activity. Such has been the case in electoral college reform, tax reform, postal reform, elementary and secondary education legislation, legislation to combat air and water pollution, veterans legislation, and many others. It was in hearings before the legislative committees of the Congress that new ideas were developed and then in the give-and-take of executive drafting sessions hammered out into specific legislative proposals. The leadership supplied by the administration in practically every major domestic area bordered on the nonexistent. Their contribution in almost every case to the final legislative product evolved whether it be in health, housing, education, taxes or antipollution, has been minimal. My congratulations, therefore, to the chairman of the legislative committees of the House, as well as to the membership of those committees which have labored so long and so effectively in producing a body of legislation which is extremely noteworthy as to the level of its quality.

A MATTER OF TOLERANCE

HON. H. R. GROSS

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. GROSS. Mr. Speaker, last week radio and television stations WMAL here in Washington broadcast a timely editorial commenting on some of the recent activities of the American Civil Liberties Union which, in view of the holiday sea-

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son and the events of the recent past in this country, offers a sad commentary of our times. I include the editorial for insertion in the RECORD at this point:

A Matter of Tolerance

This may be the last year that the nativity scene will be displayed on the Ellipse for the traditional Christmas pageant. The American Civil Liberties Union has gone to court, arguing that display of the manger scene on public property amounts to an unconstitutional establishment of religion. It is important to stress that the pageant is staged by a non-profit private corporation which obtains a permit from the Interior Department. Many private groups, such as the anti-Vietnam War protest groups with their Viet Cong flags, have obtained similar permits.

While the ACLU is challenging display of the manger scene on public property, the New Jersey ACLU is attacking the right of military authorities to ban anti-Vietnam demonstrators from handing out leaflets on the Ft. Dix, New Jersey, military reservation.

The Oregon ACLU has succeeded in having a cross taken out of a public park in Eugene, Oregon. The Iowa ACLU is defending eight Grinnell College students who undressed at a public meeting, on grounds that not allowing them to disrobe violates free speech.

The Pittsburgh ACLU is charging that a Pennsylvania School District violated the Supreme Court ban on prayer in public schools. The national ACLU is opposing Administration efforts to curb obscene mail.

The national ACLU wants church property taxed even if used for religious purposes. The national organization is, however, defending private foundations that indulge in political activity on grounds that foundations have made "an enormous contribution to our national well-being"—a compliment the ACLU apparently feels does not extend to churches.

Experience indicates that ACLU lawyers will argue fine points of law in each of these cases with admirable skill.

We believe, however, that some matters are better decided by commonsense tempered with tolerance.

It would not have been fair to argue that the Reverend Dr. Martin Luther King could not speak at the Lincoln Memorial because he was an ordained minister and his appearance constituted establishment of religion. The granting of march permits to the Southern Christian Leadership Conference certainly did not violate the Constitution.

Tolerance in America should be measured by how great a freedom we give all our pluralistic institutions—not by how we relentlessly suppress the majority.

RESOLUTION COMMENDING PRESIDENT NIXON

HON. JAMES B. UTT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. UTT. Mr. Speaker, under unanimous consent to extend my remarks in the CONGRESSIONAL RECORD, I wish to include a resolution commending President Richard Nixon for his accomplishments in the short time he has been in office.

This resolution was passed at the annual convention of the San Diego County Federation of Republican Women's Clubs on December 8, 1969. More than 400 delegates, representing 5,000 women, were in attendance and in accord with the resolution.

The resolution follows:

Resolution Commending President Nixon

Whereas, Richard M. Nixon has been in the office of President of the United States less than one year, and although individuals of us may not always completely agree with all he proposes, nevertheless,

Whereas, his cautious and studied approach to the nation's problems and his sincere efforts to be fair to all segments of our population has led to a period of considerable domestic calm and peace in spite of massive attempts at disruption, and

Whereas, his administrative officials are working almost unanimously to restore the Constitutional, American concept of government and its relationship to the citizen in spite of a sometimes obstreperous Congress, and

Whereas, his personal conduct and that of his family is developing a respect for the office of President of the United States and confidence in his judgment, sincerity and abilities, at home and abroad,

Therefore be it resolved that the San Diego County Federation of Republican Women's Clubs thank and commend the President for his endeavors to strengthen and protect our country's institutions, and

Be it further resolved that copies of this Resolution be forwarded to President Nixon and to Congressman Utt with the request that it be inserted in the Congressional Record.

THE RETIREMENT OF JUSTICE SAMUEL S. LEIBOWITZ: GREAT JUDGE, GOOD FRIEND, AND PROUD BROOKLYNITE

HON. BERTRAM L. PODELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. PODELL. Mr. Speaker, last week marked the retirement of one of the Nation's finest judges and one of New York's most distinguished citizens. Justice Samuel Leibowitz handed down a decision about his own future: he would be stepping from the New York State Supreme Court where he has sat for almost 30 years. He has received much praise and many tributes, and I would like to add mine to that long list.

The Leibowitz mark was an unmistakable one. As a strong personality and conscientious judge, he was known and respected by the people with whom he had contact.

His home in Brooklyn, with its bust of Byron in the front yard, has become a Brooklyn landmark. Young and old alike pass by and say, "This is the house of Judge Leibowitz." Indeed, I am proud to say that he is one of my constituents.

The judge's career was not lacking in landmarks of its own. The Scottsboro case, in which he served as an unpaid defense attorney, remains a cornerstone in the fight for civil and individual rights. De facto exclusion of Negroes from Southern juries, fraudulent jury roles, and the right to effective counsel were just a few of the important issues involved in the case. It was a head-on assault against decades of discrimination and the denial of due process, and Justice Leibowitz was in the forefront of the fight.

He continued in the forefront as justice on the New York State Supreme Court. The tribute bestowed upon him by colleagues and friends is but one indication of the influence he has had and the esteem in which he is held.

I cannot think of Justice Leibowitz as "fading away." He has many more years of productive work within him. He is a storehouse of knowledge and insight which can continue to serve his fellow man. I want to wish him all the best as he joins the faculty of the Practicing Lawyer's Institute and begins as counsel to a New York law firm.

We will watch for him in the years ahead. After all, life is only supposed to begin at 80.

THE HAMLET EVALUATION SYSTEM

HON. JOHN V. TUNNEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. TUNNEY. Mr. Speaker, in December 1968, I submitted a report on the Hamlet Evaluation System to the House Foreign Affairs Committee following a trip to Vietnam. It was quite critical in a number of different respects.

Ambassador Robert Komer, a man whose ability and integrity I respect, has written to me stating that some of the conclusions I drew were unwarranted.

Although I stand behind everything I said in that report, in fairness to Mr. Komer, I would like to make his letter known to the Members of Congress:

PACIFIC PALISADES, CALIF.,
October 28, 1969.

Hon. JOHN V. TUNNEY,
House of Representatives,
Washington, D.C.

DEAR JOHN: Having been abroad on public service, I have only recently caught up with your 23 December 1968 report to the House Foreign Affairs Committee on Measuring Hamlet Security in Vietnam. Most bureaucrats hardly dare take on members of Congress. But I'm now a private citizen and (as many colleagues and I told you in Vietnam) the one-sided criticisms in your report give a distorted and superficial picture of an honest attempt to do something which much needed doing in Vietnam. Let me take up a few of the more egregious errors:

(1) The implication in your Letter of Transmittal and Introduction that there had been no "public study" of the Hamlet Evaluation System and that you "learned" about it only when you got to Vietnam is quite unfair. We had briefed the press extensively on it in detail for over a year, the basic data and techniques were unclassified, and many articles had been written on it. That all our disclaimers and qualifiers received far less public mention than the barebones summary figures you deride is more symptomatic of the oversimplified press and public reporting on Vietnam than anything else.

(2) On p. 1 you talk of briefings which "usually carried to one or two decimal places" the percentage of South Vietnamese living in "relatively secure areas." I've never heard a briefing carried to two decimal places, but one decimal place covers over 17,000 people—hardly the attempt at "precise evaluation" you decry.

(3) Nor was HES an "evaluation of the political sympathies of [Vietnam's] rural people," as you misstate on p. 1. Again on p. 8 you say "it is made to serve the grandiose objective of presuming to measure Saigon's political support in the countryside. . . ." You know this is incorrect; you say so yourself at the bottom of p. 2 and in your Conclusion on p. 9. So why flog HES?

(4) Page 1 is also wrong in saying the HES was instituted by me, and "nearly three years" prior to December 1968. The attempt to measure physical security and development factors in the countryside was initially requested (and rightly so) by Secretary McNamara. When I became Presidential Assistant for the "other war," I heartily joined in. HES began in January 1967.

(5) True the GVN did have its own assessment of control in the countryside (bottom of p. 1), but we instituted the American HES precisely because the subjective GVN assessments seemed far too optimistic and unsystematic. They were consistently more bullish than HES. Judging from your own report, you should have applauded our intent.

(6) You lay great stress (p. 1) on how the 1968 Tet Offensive shook your confidence in official estimates of "government control." Yet as you know the HES was the only measurement system which faithfully reflected a sharp *drop* in post-Tet rural security. Moreover, the Tet Offensive was aimed at the towns—not the countryside—and the decline in rural security reflected a pullback of troops to defend the towns.

(7) Since you single me out in your Report, let me respond that my final Saigon press conference statements quoted on p. 2 proved quite conservative—as indicated by subsequent pacification results during December 1968 and 1969.

(8) Many of your comments on methodology (pp. 3–4) are also baffling. When measuring security, it is far better to use the hamlet as the basis than the village. The hamlet exists as a physical unit, as does the hamlet school, water supply, etc. But to say that we didn't try to "rebuild the cohesion of the village" (through reviving village councils, administrative autonomy, tax powers, etc.) is simply wrong.

(9) One place I agree vigorously with you is that weighing all 18 HES indicators equally could give a false impression. I think I told you that I objected to this too and was outvoted. In any case, a virtue of the HES was that one could easily extract and analyze the "security" indicators separately to avoid this distortion. We did so, and almost invariably the *nine security averages ran ahead of the nine development averages.* Thus if anything the bias was mostly the opposite of what you claim.

(10) It is misleading to claim that only "232 American officers" had to rate 8,650 hamlets. About a thousand of these hamlets were abandoned, consolidated, etc. over the years. Of the remainder many were urban areas. In any case the district advisory team (4–8) usually did the rating, not just the senior adviser. True, a very few hamlets were not visited for twelve months (we found this out during a study to improve HES). But *most* were visited far more frequently, and *rating changes were not usually made without visiting.* Indeed, to minimize adviser burden the HES was designed so that *only changes* were reported—not a whole new worksheet done on each hamlet each month.

(11) Short tours and language weakness of US advisers were a serious problem, but why not note that we started a special two-year tour for senior military pacification advisers (civilians already served two years), tried hard to get good advisers to extend or return (with some success), and set up our own Vietnam Training Center under the FSI in Washington to train advisers (13 weeks Vietnamese mandatory, and the best linguists kept for a full school year of intensive training).

(12) You grossly overdo (p. 9) the superficially impressive point that HES requires the adviser "to assess his own work." For better or for worse pacification was a GVN program. We didn't presume to say that Americans could do the job. In my time some 5,000 US advisers (mostly with RF/PF) were helping over 500,000 Vietnamese. It was GVN performance we were evaluating, and if you had investigated how many times our ratings marked them down or showed hamlet regression I think you'd have a higher opinion of the "objectivity" of our advisers. They were certainly objective in showing the widespread 1968 Tet setback. During my time in Vietnam, we stressed how we wanted to know what was going badly even more than what went well. HES is full of it—not just full of the apparent statistical progress which is all you cite.

The above are just some of the inaccuracies which lead me to write you more in sorrow than in anger. We held back nothing from you in Vietnam, and explained fully how the HES did not even attempt the difficult task of evaluating rural attitudes or commitment. It only sought to measure crudely (on a consistent countrywide hamlet-by-hamlet basis unavailable up till then) certain key physical security and development factors that studies indicated could reasonably be measured by Americans. HES has many candidly admitted weaknesses, but it is still more useful than your one-sided barrage of criticisms implies. Indeed you failed to say a single constructive word about this major innovative effort.

It seems to me, John, that what you're really complaining about is over-simplified official and press inferences from HES data. But instead of saying this you set up a straw man and then proceed to demolish it. Since in the process you also single me out as the evil genius, I'm entitled to ask whether my rebuttal can be put in the official record too.

Sincerely,

R. W. KOMER.

FARMERS DO NOT HAVE TO APOLOGIZE

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. ZWACH. Mr. Speaker, there is a lot of publicity these days about high prices of food, yet the consumers' expenditure for food has dropped to a new low of 16.4 percent of his disposable income, and of that amount, only a small part goes to the producer.

Despite a rapidly escalating cost of living, the farmers' share of the market basket of farm food products is at the same low level it has been for the past 10 years.

Mr. Speaker, I am inserting in the RECORD an editorial by Roe C. Black which appeared in the Top-Op Farm Journal in October and which deals with food problems from a farmer's point of view:

FARMERS DO NOT HAVE TO APOLOGIZE

(By Roe C. Black)

If you've ever fought a grass fire in a high wind, you'll understand the criticism being aimed at agriculture this fall. Just when you think the flames are easing up in front of you, the fire pops up in back, on the side and all around you.

The winds fanning these flames of criticism are being generated by tax reformers, consumer spokesmen and economic manipulators. And the worst of it is, many people in government whom we count as friends are sitting out the fire when they should be fighting it.

You've heard the "explanations" all too often: the cost of government support of agriculture is too high; consumer interests have to come first; farmers will just have to take their lumps in foreign trade patiently, even if no one else in the world is willing to do so.

You can see many signs on this indifference on the part of "our friends."

When the House passed a tax "reform" bill to close so-called loopholes and give a break to lower and middle income taxpayers, farmers (the original lower and middle income kids) were right in the target area along with big business, oil men and housing investors.

So in the first round at least, you lost your 7% investment credit on farm equipment, accelerated depreciation on old farm buildings, and had the screws tightened on your capital gains treatment of livestock.

Meanwhile, on the foreign scene, some more of our friends shattered the International Grains Agreement which they had hailed with such fanfare. With subsidized prices, they cut our throat in the export grain market.

Then up popped a plan with a land retirement label that would in effect let Uncle Sam subsidize cattle production on millions of retired acres to supposedly assure low beef prices for consumers in the mid-70's.

What will happen if farm groups battle to a standstill over new farm program legislation is anyone's guess. But you can be sure the reformers and consumer spokesmen will take advantage of it to agriculture's—and ultimately everyone's—disadvantage. And that's the point we have to make. There is absolutely no reason for agriculture to be apologetic.

At the very time that cattle prices peaked out and the screaming about high food was loudest last summer, consumers' expenditure for food had dropped to a *new low* of 16.4% of disposable income, compared to 16.8% last year. At the same time, farmers' share of the USDA's market basket of farm food products held almost steady with what it's been for 10 years.

And we don't have to be apologetic about our foreign trade either. Not only are we the single most dependable source of agricultural products in the world, but we also maintain the world's most consistent free trade policy, with open access to our domestic markets to virtually all comers. No major farm group today is asking for tariffs that will wall out competing imports. They are only asking for *reasonable* protection from foreign countries who wall us out and also want to flood our markets.

American farmers have done a fantastic job of cutting costs for consumers, battling inflation, and supporting foreign policy. Don't forget it, and don't let your people in Washington forget it, when the going gets rough.

HE PLANNED IT THAT WAY

HON. HERMAN E. TALMADGE

OF GEORGIA

IN THE SENATE OF THE UNITED STATES

Monday, December 22, 1969

Mr. TALMADGE. Mr. President, De Kalb County, Ga., is the State's second most populous county and the wealthiest in the Southeast. It is virtually a city unto itself situated next to the capital city, Atlanta. In every respect, it is a growing and booming area.

The Atlanta Journal of December 19 contains an excellent article in tribute to "Mr. De Kalb County" and "the master architect of De Kalb's industrial growth," Mr. Scott Candler, Sr.

Scott Candler, for 16 years commissioner of De Kalb, more than any other man, is credited with laying the foundations for the growth and prosperity that the county and its almost 400,000 people now enjoy. This is a well-deserved salute to a great man and a great citizen.

I ask unanimous consent that the article be printed in the Extensions of Remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CANDLER: DE KALB ALREADY A CITY

(By Morris Shelton)

The elderly gentleman sitting behind the paper-stacked desk in the Decatur office building had more than a remote interest in the proposal to transform DeKalb County into a city.

Since such a bill stood a good chance of being introduced in the upcoming session of the Georgia General Assembly, which convenes Jan. 12, it seemed appropriate to get a reaction from the man who holds the uniquely distinct title of "Mr. DeKalb County."

If the proposal were enacted, the 82-year-old Scott Candler Sr. who would have the unusual distinction of witnessing the creation of a city of nearly 400,000 residents from a county whose growth is credited to him.

"I'm in favor of it," said Candler. "I've always advocated it. We're a city now, except in name."

He is correct.

Water and sewage, garbage collection, librares, police and fire protection and other services paralleling those normally provided only by municipalities are furnished on a countrywide basis in DeKalb.

And the man urging the county to take the final step was one singularly credited with establishing the municipal-like county of DeKalb.

For he was THE government in DeKalb during that 16-year period of staggering growth between 1939 and 1955—an era which saw the rural dairying county blossom into Georgia's second most-populated county and the wealthiest in the Southeast.

Like many other counties in Georgia and the nation, DeKalb then vested all of its governing powers in the hands of a single commissioner of roads and revenues rather than the multiman commission form of government typical of today's heavily populated counties.

But unlike most counties, DeKalb, under the first leadership of Candler, aggressively undertook a futuristic course that penetrated a fourth demision in county government.

During Candler's reign, DeKalb inaugurated on a countywide basis most services which even today are expected only of cities or municipalities.

Under Candler, a countywide water and sewer system was inaugurated, and police and fire protection, library services, parks and recreation programs, and garbage collection were extended throughout the county.

Hundreds of miles of roads were constructed and paved, and a county airport which later became the busy DeKalb-Peachtree Airport was built.

During Candler's reign, DeKalb's population almost doubled. Subdivisions, schools and shopping centers sprang up throughout the county.

Big-name industries, lured to the metropolitan area by DeKalb's nearness to Atlanta and the availability of necessary services, moved in.

By 1969, the county's population mark was approaching 400,000.

Much of the money for county improvements inaugurated during Candler's administration came from the federal government.

While some folks denounced the WPA and other governmental agencies, Candler rushed in to match funds on the short end of a 75–25 basis.

Other programs were carried out on a self-liquidating basis by which receipts paid for investments.

Of all his accomplishments, Candler is most highly praised for having the forethought to establish what later was to become recognized as DeKalb's economic jugular vein—a county water system.

Later, after he left office in political defeat, he was hailed as the "master architect of DeKalb's industrial growth." In 1963, some 1,000 civic and government leaders turned out to honor him at an appreciation banquet during which he was dubbed "Mr. DeKalb County."

Many of his former constituents in Decatur, where he served as mayor for 17 years prior to assuming the top post in DeKalb County government, recall the day he fined a railroad engineer $100 for allowing a parked train to block traffic too long at a city crossing.

After he was elected DeKalb's sole commissioner, his administrative talents blossomed into full color.

Besides laying the groundwork for a "twin city" next door to Atlanta, he is credited with attracting 69 industries to his county to provide the broad tax base necessary for stable growth.

At the peak of his reign, the population of his 274-square-mile county surpassed the 250,000 mark. In addition, DeKalb boasted the highest purchasing power per family in the Southeast.

But like the political leaders who today are advocating the creation of a city-oriented government in DeKalb, Candler is aware of the problems of rapid growth in an area lying in the spillover path of a giant metropolis on the make.

Not only would the conversion of DeKalb into a city expand the availability of revenue-producing measures, it would enhance assistance from a federal government concerned with the problems of the cities—a federal government which Candler so heavily relied upon when he laid the groundwork for a unique county many years ago.

And Candler favors creation of a modern urban government equipped with a professional staff capable of dealing with the complexities of urban life in a metropolitan sprawl of office parks, high rises and homes in time to avoid the fragmented, disorderly growth experienced by the cities which realized their problems too late.

THE PRESIDENT AND THE VIETNAM SITUATION

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. HELSTOSKI. Mr. Speaker, as we near the beginning of a new year, I am still quite at sea as to the course the President is taking in the Vietnam situation.

On two occasions in recent weeks the President has addressed the American public on Vietnam. He has spoken in patriotic tones. There have been platitudes and promises. But has there been any indication that he is heading toward an early peace that will recognize the rights and honor of all involved. I think not.

In fact, there is every indication that he is preparing us for a longer war, which all students of history know is not usual for the Far East. He has promised there will be fewer American men and boys involved as time progresses under a timetable he has set for himself.

It has been predicted that when the President's timetable of troop withdrawals reaches its conclusion there still will be 200,000 troops in Vietnam. That is a very sizable commitment, and if my mail is an indication the youth of America is rising up in protest against the prospect.

Greater and more visible effort must be made by our Government to bring about a cease-fire on the part of all involved so that negotiations directed at settlement of the problems in Vietnam can be discussed in a nonshooting, nonkilling atmosphere.

Perhaps, the President is directing his efforts along those lines, but we do not know. He has chosen not to tell the public or Congress precisely what he is doing. The failure can bring in the upcoming weeks and months greater division in public thinking over what is taking place in Vietnam.

Right now the administration may have lulled many Americans into supportive silence, but it will not last if there is not a clear-cut indication that complete peace can be achieved and is being actively sought for an early date. Reducing our commitment in Vietnam to 200,000 men and boys at a time is not going to placate American fathers, mothers, wives and the young men who must offer their lives in an unwanted, unneeded, and unpopular war.

The 200,000 commitment can be most deceiving. That is what it would be for 1 year. If the war is prolonged for 5 years it would be a commitment of 1,000,000 men and boys and if for 10 years it would be a commitment of 2,000,000. Does the American government have the right to ask this of its young men? I think not.

Mr. Speaker, I have read and reread the text of the President's address of November 3, and had intended making detailed comment on it, and in the course of my deliberation I received a copy of George McTurnan Kahin's response to the President's speech.

Mr. Kahin is professor of government at Cornell University and director of Cornell's Southeast Asia program, and because I am in substantial agreement with his comments on the November 3 speech, I hereby place them in the CONGRESSIONAL RECORD in lieu of a detailed response of my own:

A RESPONSE TO THE PRESIDENT'S SPEECH

(By George McTurnan Kahin)

On November 3 the President undertook to tell us in which direction he would move in Vietnam. This was a speech addressed primarily to securing public support in this country and not to a solution in Vietnam. He began by telling us that one of the reasons for the deep division in this nation about Vietnam is that many Americans have lost confidence in what their government has told them about our policy. They cannot and should not, he said, be asked to support a policy involving war and peace unless they know the truth about that policy. If this was his major concern, his speech was clearly a failure, for it served to increase rather than decrease the misunderstanding. Indeed, he has embraced the same historical myths that served to rationalize his predecessor's policies and has in fact added a number of his own.

Let us then turn to his speech: beginning with what he describes as the fundamental issue: why and how did the U.S. become involved in Vietnam in the first place? He immediately answers his question with the statement: "Fifteen years ago North Vietnam, with the logistical support of Communist China and the Soviet Union, launched a campaign to impose a Communist government on South Vietnam by instigating and supporting a revolution." Fifteen years ago Ho Chi Minh's government was in fact in the process of withdrawing its troops from the South in accordance with Geneva and not instigating a revolution there. Ho Chi Minh's government confidently expected to win the elections two years later promised under Geneva and had no reason to intervene. What it did not expect was that as soon as it had withdrawn its troops, we would, contrary to the Geneva agreements, begin direct intervention in the southern half of the Vietnamese nation.

In fact, fifteen years ago in 1954, American intervention was not new. We had already been intervening heavily by four years of unstinting support to the French. Then, after failing in this effort and acquiesing in a Geneva settlement which we did not sign but promised not to overturn, we prepared to intervene more directly by building up a separate state in the South. Even so, Hanoi did not in fact begin to intervene in the South until five years later when heavy repression by this American supported southern regime drove thousands of Vietnamese—noncommunist as well as procommunist—into rebellion.

A precipitate withdrawal now by the United States, President Nixon continues, would inevitably allow the communists to repeat the massacres which he charges followed their takeover in the North fifteen years ago—when, he alleges, they "murdered more than 50,000 people and hundreds of thousands more died in slave labor camps." This is an unconscionable misrepresentation likely to deter Americans from moving towards a compromise settlement. If President Nixon had taken the trouble to look at the records of the International Control Commission he would know that during the entire three-year period following the armistice, they indicate allegations of only 55 incidents of political reprisal—whether murder, arrest, or confiscation of property—made by the French and Diem against Ho Chi Minh's regime. During the same period, the International Control Commission cited allegations involving a total of 1.404 incidents of political reprisal in the South involving murder, arrest, confiscation of property and in some cases massacres of several families or whole villages.

The significant violence that did occur in the North more than two years after the Geneva armistice did not involve reprisals against Vietnamese who had previously supported the French against the Vietminh. It had nothing to do with the civil war that had ended two years before. This violence in the North in which the pro-Diem historian Joseph Buttinger estimates that 10–15 thousand were killed, was the consequence of a clumsy and unrealistic attempt to impose a Chinese communist model of agrarian reorganization. Peasant resentment against the government's program in at least one province ended in a rebellion that troops suppressed. As a consequence, these agrarian policies were discredited and dropped and Hanoi's minister of agriculture sacked.

President Nixon then turns to reports of atrocities during the Tet offensive at Hue. During the terribly intense fighting at Hue there certainly were atrocities—perpetrated by both sides—though the number quoted by the President is much higher than any previous estimate. It is disturbing to see him equate the situation of battlefield reprisals against civilians that existed at Hue with a post-armistice situation which would obtain after a settlement between us and our adversaries. In heat-of-battle conditions both sides have in the past, and probably will in the future, carry out reprisals against those who have been identified as working for the enemy, particularly if they occupy positions in intelligence, the police, or are believed to be informers. So long as the battle in question is simply one episode in a series which is destined to go on, both sides are likely to take punitive measures that will ensure that in the next round of battle they will not be disadvantaged by the work of such enemy civilians. This kind of reprisal will probably continue in conjunction with the fighting *until* an armistice is achieved, and must be distinguished from the central question as to prospects of political reprisal *after* such an armistice, which is what we will be concerned with in working for a negotiated settlement.

Now what of the President's view of the present? This is, I am afraid, as unbalanced and inaccurate as his view of the past. It is an amazing example of double-think to find that nowhere, not once in his speech, does he make mention of the major adversary which both we and Saigon face in Vietnam, the National Liberation Front. By reading his speech one would assume that there are only three parties to the conflict: ourselves, Saigon and Hanoi. He is so rigorous in his insistence upon avoiding any reference to the NLF that in reading from his *own* letter of July 15 to Ho Chi Minh he even excises his own mention of the NLF and its 10 points. Why? I certainly don't understand the President's reasoning, but the consequence is to lay before the American public a picture of a situation in Vietnam which is grotesquely artificial.

Thus, as with President Johnson in 1965, there is presented for Americans a simplistic diagram of a battle between two states, North and South Vietnam. He avoids the central fact that the problem confronting us is a revolution in the South wherein Saigon has a local adversary which commands wide popular support and is militarily capable of defeating Saigon's armies on its own if American and North Vietnamese troops were withdrawn. Hanoi at least knows that it cannot negotiate over the NLF's head, and as we know from the past, no amount of American bombing could induce it to do so. If our President is serious about negotiations, it is unrealistic to bypass the NLF and pretend it does not exist.

The President then asks who is at fault for the lack of progress in negotiations, answering categorically that it is not the President of the United States and not the South Vietnamese government. The obstacle, he says, is "the other side's absolute refusal to show the least willingness to join us in seeking a just peace."

Let me first observe that it is difficult to read the exchange of letters between President Nixon and Ho Chi Minh and conclude with Nixon that Ho "flatly rejected" his initiative. Ho's letter constitutes no such rejection, and in emphasizing the NLF's 10 point program, which Nixon in his own letter had stated the U.S. was prepared to discuss, Ho was referring to matters which it is very much to our interest to discuss if we are serious and realistic about teaching a negotiated settlement.

If the enemy has refused to show the least willingness to join us in seeking a just peace, it is incomprehensible why the President later on in his speech in referring to what he describes as "significant developments which have occurred since this administration took office" points out that enemy infiltration during the last three months is less than 20% of what it was over the similar period last year," and that American casualties "have declined during the last two months to the lowest point in three years." If the President acknowledges this, but is unwilling to interpret these actions as showing "the least willingness" of the enemy "to join us in seeking a just peace", an enemy decision to step up military activity following the President's speech would not seem illogical. This is particularly serious in view of his statement that one of the factors which will govern the rate of withdrawal of American forces will be "the level of enemy activity."

Let me turn to another condition which the President says will determine our schedule of troop withdrawal—namely, the rate of Vietnamization—the rate at which Saigon's forces take over the burden of fighting from our troops. If we really intend to shift responsibility from American to Saigon forces, we are certain to discover what our own army officers have known for a long time, that modern military equipment is no substitute for the will to fight and a Vietnamese regime worth fighting for. With the desertion rate of Saigon's military forces still running between 20 and 25% per year it is senseless to assume that somehow miraculously the attitude of its reluctant soldiers is going to change. And here I am in full agreement with Senator McGovern that to turn "the war over to the South Vietnamese army only if we are certain that it is able to carry the load . . . is the same as proposing that we stay in Vietnam indefinitely."

And that, I am afraid, is apparently what this Administration proposes to do—assuming somehow that it can manage to have it both ways—withdrawing enough American troops to placate public opinion in this country, but leaving enough behind (presumably some 200,000) to provide the necessary shield to protect at least Saigon and its immediate hinterland until our Presidential campaign of 1972.

Thereby, the Administration apparently hopes to follow what it believes is a middle course which will cut the ground from beneath both the opponents of the war and from the Wallacites and potential Wallacites who would be quick to accuse it of surrendering Asian territory to communist control if the NLF came to power.

In the position he has now taken, President Nixon has really lost the power of initiative. By tying himself so closely to Saigon and so uncriticaly embracing General Thieu's position, he has robbed himself of almost all possibility of finding any common ground with our enemy—and without some common ground you simply cannot have a negotiated settlement. He has in fact made himself and the lives of Americans a prisoner of decision made in Saigon and Hanoi. In addition to being conditional upon the growing strength and self-sufficiency of Saigon's army, our willingness to withdraw is made dependent upon the utopian expectation that the NLF and Hanoi will meekly resign themselves to a major reduction in military activity—a reduction sufficient not only to keep American casualties low but also sufficient to sustain the myth that the Saigon military forces are increasingly effective, and that Nixon's policy of Vietnamization is really working. In effect, then, we will not withdraw, until our enemy cooperates with us to save our face by maintaining the credibility of Saigon's military forces and permitting the Thieu government to remain.

There is nothing, then, in the President's speech which eases the way for negotiations at Paris. His plan is not addressed to the NLF or Hanoi, but to the American public, and it centers about the major objective of strengthening and sustaining General Thieu's government. He has altered President Johnson's tactics, but he has embraced both his premises and his objectives. To buy himself a little time in managing the American public, he has been as guilty as his predecessor in denying the truth.

The greatest part of the tragedy, I think, is that in order to head off the pressure of anti-war sentiment he has resorted to seizing the national flag and waving it defiantly at those who oppose him. He has taken the tragic decision to shift the debate from consideration of the actual factual conditions that govern the present and future in Vietnam to a justification in terms of patriotism and what he alleges is our national honor. Once he tells Americans that their national honor is dependent upon maintaining a position which excludes the compromise ultimately necessary to end the fighting—then movement towards peace cannot be made without appearing to repudiate the very patriotism which he has called upon to justify his bankrupt policy. Once a President resorts to flag-waving in order to silence reasoned argument he reduces his own ability to move back to the course of reason.

SHOULD CBW TRAINING FOR FOREIGN PERSONNEL CONTINUE?

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. KASTENMEIER. Mr. Speaker, I have finally received a detailed response to my inquiry on the training in this country of foreign military personnel in chemical and biological warfare—CBW. I am disturbed over some of the more specific implications of the facts provided me by the Army, and I question the overall utility of continuing to disseminate offensive expertise in these forms of warfare so widely.

The relatively large number of Thai personnel, 24, who have received training suggests that the introduction of tear gases and defoliants into Thailand at some future date is being considered seriously. It may be seen from the information provided me that similar training was given to a number of South Vietnamese personnel prior to the commencement of the use of powerful tear gases in Vietnam in 1965. Parenthetically, I would like to cite the recent 58-to-3 vote in the General Assembly of the United Nations interpreting the Geneva protocol banning gas and germ warfare, as to including a prohibition of the use of tear gas and herbicides.

It is also apparent that this training for the use of chemical agents in Thailand is only part of a more generalized and dangerous involvement in Southeast Asia at a time when we are purportedly trying to disengage ourselves from the tragic mistake of Vietnam. I regard this as another indication that we have not learned the larger lessons of our involvement in Vietnam and have failed to appreciate the depth of the sentiment of most of our allies against the use of tear gas and herbicides.

Another specific cause for concern is the fact that some 35 Arab military officers have received CBW instruction here. This includes a dozen from Saudi Arabia since 1966. Nationals from Egypt, Iraq, Jordan, and Lebanon also have received training. By contrast, a single Israeli lieutenant took one course, in 1963. It should be noted that the United Arab Republic used poison gas in Yemen in 1965 and that it was reported that Israeli forces advancing into Sinai during the June 1967 war uncovered chemical warfare equipment.

Mr. Speaker, it seems to me that by continuing to offer these courses we are further undercutting the positive impact of the President's announcement on U.S. chemical and biological warfare policies. Already there has been severe slippage due to the administration's position with regard to tear gas and herbicides and, most recently, toxins. The acknowledgment by the Army of specific percentages of offensive content in many of the courses offered would seem to weaken existing deterrents against the use of CBW. Already we have provided training to some 550 foreign officers representing 36 countries, in the United States and an unknown number abroad. I think that it would be prudent to reconsider the wisdom of continuing to offer this instruction so indiscriminately.

The reply I have received from the Army will be printed below including the attachments giving details on the type of CBW training provided, and the numbers, ranks, and nationalities of the recipients:

DECEMBER 12, 1969.

Hon. ROBERT W. KASTENMEIER,
House of Representatives.

DEAR MR. KASTENMEIER: The Secretary of the Army has asked me to respond to your letter concerning training of foreign nationals in The Chemical Warfare Program and Biological Research Program.

The U.S. Army Chemical School at Fort McClellan, Alabama, has provided instruction to military personnel from 36 foreign countries. Approval procedures and final budgetary approval for training are based on the Foreign Assistance Act of 1961. All training conducted by the U.S. Army for foreign countries under the Military Assistance Program is approved by the United States Ambassador and the chief United States military representative in the country requesting the training. In addition, the training request must be approved by:

a. The U.S. Unified Commander responsible for the geographical area in which the country is located.

b. The Department of the Army for U.S. Army conducted training.

c. The Assistant Secretary of Defense for International Security Affairs, in coordination with the Department of State.

Final approval by the Assistant Secretary of Defense and the Department of State is designed to insure that training is conducted within the overall foreign policy objectives of the United States.

We do not solicit participation in these training courses. Training is conducted if a country desires the training, if approval is granted in the manner outlined above, and if the U.S. Army has the capability to provide spaces in the course desired. I have attached a list of U.S. Army Chemical School courses attended by foreign nationals with the information that you requested. The number of foreign students now at the school is also attached. As you will note from the course descriptions, the emphasis is on defensive aspects. However, it is not possible to separate offensive tactics from defense since some knowledge of the offense is necessary to prepare an adequate defense. In addition, there can be no absolute guarantee that defensive tactics will not have some utility in framing offensive tactics.

Funds used to provide this training have been primarily Military Assistance funds, although many spaces have been purchased under Foreign Military sales procedures by the NATO countries. The tuition costs of the various training courses vary from $50 to $550 per space. Overall costs for Military Assistance Program training consists of transportation, cost of living allowance, course tuition and information program funds. Under military sales, the country pays all costs involved.

Some training is provided foreign nationals overseas. An example is that provided our allies in joint exercises or within the NATO Department of VILSECK Germany school. Our present records do not indicate mobile training teams have been furnished. Any materials provided would have been under the military sales program.

There is no plan at present to discontinue any of the current courses. However, no requirement exists to operate courses only for foreign students.

I trust that this information will be helpful to you.

Sincerely,

RAYMOND T. REID,
Colonel, GS Office,
Chief of Legislative Liaison.

PRESENT TRAINING

Country	Number of students	Rank	
Australia	1	Captain	Now undergoing training.
Korea	2	Captains	Do.
Thailand	1	1st lieutenant	Do.
Germany	1	Captain	Training to start Nov. 17.
Saudi Arabia	1	do	Do.
United Kingdom	1	Major	Not yet arrived for training.

CHEMICAL OFFICER CAREER COURSE (3–A–C22) (5–3–C22)

Scope: Army personnel and administrative procedures. Military justice. Conference techniques, briefings, and effective writing. Army and other service organization and missions. Capabilities and employment of the Combat Arms. Map reading. Military instruction. Intelligence organization and foreign Armies orientation. Field fortifications, camouflage, mine warfare, weapons familiarization, counterinsurgency, survival, escape and evasion. Smoke operations. Principles of leadership. Staff procedures. Conducting CBR training. CB weapons employment. Personnel, supply, maintenance, and financial management. Technical aspects of Biological warfare, agents, and munitions. Technical aspects of chemical agents and munitions. Meteorology. Nuclear warfare and radiological defense. CBR materiel. Decontamination, protection, smoke and flame equipment. Medical support in the Army. Self and First Aid. Management of casualties. Four percent of the instructional material is offensive in nature.

Country	Number of students	Rank	Year
Australia	1	Captain	1968
Belgium	1	do	1968
China (Taiwan)	1	Major	1968
Japan	1	do	1967
Korea	1	Captain	1958
	1	1st lieutenant	1959
	1	Major	1959
	1	Captain	1967
	1	Major	1967
Thailand	1	Captain	1968

Inclosure

CHEMICAL OFFICER CAREER ASSOCIATE (3AC23)

Scope: This course was an abridged version of the 3–A–C22 (5–3–C22) Course. All categories of training were included, however, more emphasis and time were devoted to branch material instruction rather than to general military education. Four percent of the instructional material was offensive in nature.

Country	Number of students	Rank	Year
Argentina	1	Lt. colonel	1953
	1	Major	1962
	1	do	1964
	1	do	1965
Australia	1	Captain	1963
	1	Major	1966
	1	Captain	1969
Austria	1	1st lieutenant	1964
Belgium	1	do	1966
Brazil	1	Major	1954
	1	Lt. colonel	1954
China (Taiwan)	3	Majors	1960
	2	Lt. colonel	1960
	3	Colonels	1960
	1	Major	1961
	3	Lt. colonel	1961
	2	Colonels	1961
	1	2d lieutenant	1962
	1	1st lieutenant	1962
	2	Captains	1962
	1	Major	1962
	1	Lt. commander	1962
	1	1st lieutenant	1963
	1	Colonel	1963
	1	Lt. colonel	1963
	1	do	1964
	1	Major	1967
Denmark	1	1st lieutenant	1952
	1	Captain	1961
	1	Major	1962
	1	Captain	1964
Denmark	1	do	1964
Egpyt	1	do	1954
Germany	1	do	1961
	1	Major	1961
Greece	2	1st lieutenants	1962
	1	Captain	1962
	1	do	1964
Iraq	1	2d lieutenant	1961
	1	1st lieutenant	1963
	2	do	1963
	1	Major	1963
	1	Lt. colonel	1966
Japan	1	Captain	1960
	1	Lt. colonel	1960
	1	Major	1962
	1	Captain	1963
	1	do	1964
	1	Major	1965
	1	do	1967
Jordan	1	do	1965
Korea	2	1st lieutenants	1953
	1	Captain	1953
	1	Colonel	1953
	4	Captains	1961
	1	1st lieutenant	1962
	3	Majors	1962
	1	Lt. colonel	1962
	1	Major	1963
	1	Lt. colonel	1963
	1	Captain	1964
	1	Lt. colonel	1964
	1	Major	1965
	1	Captain	1966
	1	Major	1966
	2	Captains	1969
Norway	1	do	1960
	1	do	1961
	1	do	1962
	1	do	1963
Pakistan	1	Captain	1960
	1	Major	1961
	1	do	1962
	1	do	1964
Philippines	1	do	1961
	1	Lt. colonel	1961
	1	2d lieutenant	1962
	2	Captain	1962
	1	do	1965
	1	do	1966
Switzerland	1	do	1965
Thailand	1	Major	1953
	1	1st lieutenant	1962
	1	Lt. colonel	1962
	1	Colonel	1963
	1	Major	1966
	1	1st lieutenant	1969
Turkey	1	Captain	1960
	4	do	1961
	1	Major	1961
	2	do	1962
	1	do	1964
Venezuela	1	Captain	1960
Yugoslavia	1	do	1961

CHEMICAL COMPANY OFFICER (3–A–C2)*

Scope: Army organization. Fundamentals of military leadership and military justice. Personnel, supply, financial and maintenance management. Military intelligence, map reading, methods of instruction. Effective writing and listening, conference techniques. Individual weapons firing. Mine warfare and field fortifications. Physical training. Smoke operations. Organization, capabilities and employment of Combat Arms and sister services. Conduct of CBR training. Employment of chemical and biological weapons. Army logistics systems, logistical support in Theater of Operations. Technical aspects of biological operations to include characteristics of agents and weapons systems. Defensive biological operations. Technical aspects of chemical operations to include properties, use, detection and identification of chemical agents. Meteorology. Nuclear warfare and radiological defense. CBR material, offensive and defensive. Flame equipment. Medical training. Four percent of the instructional material is offensive in nature.

Country	Number of students	Rank	Year
Argentina	1	Lt. colonel	1956
Iran	1	Major	1956
Japan	1	1st lieutenant	1956
	1	Captain	1956
Korea	1	do	1957
	1	Lt. colonel	1958
Norway	1	Captain	1958
Thailand	1	Major	1956
Turkey	1	Captain	1957

CHEMICAL FIELD GRADE OFFICERS COURSE (3–A–C8) (5–3–C8)

Scope: New developments in administration, the Army command management system and basic principles of effective writing. Objectives and importance of intelligence. Foreign Armies orientation. Operations of chemical corps units. Review of chemical, biological, and radiological employment. Civil defense and disaster relief. Area damage control. Review of basic procedures in logistics. Orientation on future logistical concepts. Review of toxic chemical agents, field behavior, detection and identification. Review of chemical munitions requirements. Review of radiac instruments and fallout prediction. Review of CBR materiel and defensive equipment. Review of Combat Arms organizations and missions. Eight percent of the instructional material is offensive in nature.

Country	Number of students	Rank	Year
Spain	2	Captain	1955

CHEMICAL OFFICER REFRESHER (3–A–C9)*

Scope: A review and up-dating of the instruction presented in the Chemical Field Grade Officer Course (see prior sheet).

Country	Number of students	Rank	Year
Vietnam	5	Lieutenant	1960

CHEMICAL OFFICER ORIENTATION (3–A–C20) (5–3–C12)

Scope: Fundamentals of personnel and administration. Map reading. Intelligence organization and operations. Weapons familiarization firing. Mine warfare. Field fortifications and camouflage. Physical training. Survival, evasion and escape. Unconventional warfare. Fundamentals of leadership. Organization of Army and other services. Smoke operations. Principles of CBR weapons employment. Conducting CBR training. Fundamentals of supply and maintenance operation. Fundamentals of military biology. Defense against biological attack. Fundamentals of military chemistry. Chemical agents and weapons systems. Calculation of chemical munition requirements. Fundamentals of nuclear weapons effects. Fallout prediction. CBR protective devices and equipment. Decontamination. Chemical equipment and munitions. Flame and smoke weapons. Combat Arms organization and capabilities. Communications equipment. Fundamentals of medical support in CBR operations. Seven percent of the instructional material is offensive in nature.

Country	Number of students	Rank	Year
Austria	1	2d lieutenant	1960
Germany	2	do	1956
	1	do	1958
	2	Captain	1957
Iraq	1	1st lieutenant	1957
	1	do	1958
	1	do	1961
	2	Lieutenant	1962
	2	2d lieutenant	1963
	2	1st lieutenant	1963
	2	2d lieutenant	1964
	1	Lieutenant	1966
	1	2d lieutenant	1967
Italy	1	Lt. colonel	1955
Japan	2	do	1955
	1	Major	1956
	1	Captain	1956
	1	Lt. colonel	1956
	1	Major	1957
Korea	4	1st lieutenants	1954
	1	Lt. colonel	1954
	7	1st lieutenants	1955
	3	Captains	1955
	1	Major	1955
	1	Lt. colonel	1955
	3	1st lieutenants	1956
	1	Captain	1956
	1	Lt. colonel	1956
	2	do	1958
	4	Captains	1959
	4	1st lieutenants	1960
	6	Captains	1960
	2	do	1963
	1	1st lieutenant	1964
	1	Captain	1964
Lebanon	1	Lieutenant	1967
	1	Captain	1967
Norway	1	Lieutenant	1956
Philippines	1	1st lieutenant	1956
	2	Captains	1961
	1	2d lieutenant	1962

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*Course was phased out in 1959; no longer taught.

*Course was phased out in 1965; no longer taught.

Country	Number of students	Rank	Year
Thailand	1	Major	1954
	1	do	1956
	1	2d lieutenant	1959
	1	do	1960
	1	do	1961
	2	1st lieutenants	1960
	1	1st lieutenant	1965
	1	do	1966
Turkey	1	Captain	1955
	2	1st lieutenants	1956
	1	Major	1956
	1	1st lieutenant	1957
	2	1st lieutenants	1958
	1	Captain	1958
	1	do	1959
	1	Major	1959
	1	Captain	1960
	2	Captains	1963
	1	Major	1965
Vietnam	10	1st lieutenants	1958
	5	do	1961
	1	2d lieutenant	1963
	2	1st lieutenants	1963
	1	2d lieutenant	1965
	1	Captain	1965
	2	Captains	1966
	1	Warrant officer	1967
	8	1st lieutenants	1967
	1	Lieutenant	1967
	2	2d lieutenants	1968
	1	1st lieutenant	1968

CHEMICAL OFFICER ALLIED BASIC COURSE (3-A-C20X)*

Scope: Mission, organization, functions of U.S. Army. Fundamentals of leadership. DA publications. Map reading. Intelligence organization and operations. Mine warfare. Unconventional warfare and civil disturbance. Organization of Army and other services. Smoke operations. Principles of CBR weapons employment conducting CBR training. Fundamentals of logistics. Technical aspects of biological warfare and defense against biological attack. Technical aspects of chemical agents. Meteorology. Calculation of chemical munitions requirements. Fundamentals of nuclear weapons effects. Fallout prediction. Principles and techniques of CBR protection. Decontamination, chemical equipment and munitions. Flame and smoke equipment. Combat Arms organizations and capabilities. Medical aspects of CBR warfare. First Aid. Handling mass casualties. Four percent of the instructional material is offensive in nature.

Country	Number of students	Rank	Year
Argentina	1	Major	1964
Chile	1	Lt. colonel	1955
China	3	1st lieutenants	1969
	1	Captain	1959
	1	1st lieutenant	1960
	1	Captain	1960
	7	Captains	1961
	2	do	1962
	2	Majors	1962
Denmark	2	1st lieutenants	1957
	1	Lt. colonel	1957
	1	Major	1959
France	1	1st lieutenant	1956
Germany	1	2d lieutenant	1956
Greece	1	Lt. colonel	1957
Iran	1	Captain	1956
Korea	1	Lt. colonel	1956
Yugoslavia	1	Captain	1961

CRB OFFICER COURSE (3-A-F1) (2-E-F5)

Scope: Information necessary to perform comand, staff, or instructor duties requiring knowledge of CBR warfare operations and training techniques. Impact of CBR on logistical planning, supply and maintenance. Fundamentals of biological warfare necessary to teach and apply BW training and defense in his unit. Fundamentals of chemical agents and their effects. Self and First Aid for chemical agents. Effects of weather. Detection and identification of chemical agents. Fundamentals of nuclear warfare and radiological defense. CBR equipment and materiel. Decontamination, flame and smoke equipment. Medical aspects of CBR warfare. Five percent of the instructional material is offensive in nature.

Country	Number of students	Rank	Year
Argentina	1	Major	1956
Canada	1	2d lieutenant	1953
	1	Lieutenant	1953
	1	Captain	1960
	2	Captains	1962
	1	Major	1963
	1	Captain	1963
	2	Captains	1964
	1	Captain	1965
	1	Lieutenant	1966
	1	do	1968
China	1	Civilian	1954
	3	1st lieutenants	1959
	2	Captains	1959
	2	Majors	1959
France	1	Lt. colonel	1955
	1	Major	1956
Germany	2	1st lieutenants	1957
	1	Captain	1957
	1	1st lieutenant	1958
	4	Captains	1958
	4	Majors	1958
	5	do	1959
	2	do	1960
	3	do	1961
	1	Captain	1962
	3	Majors	1962
	1	Major	1963
	1	Colonel	1963
	2	Captain	1964
	4	Majors	1965
	1	Major	1966
	1	Captain	1968
	3	Lt. colonels	1957
	2	do	1958
	1	Lt. colonel	1961
	1	do	1962
	1	do	1966
	2	Lt. colonels	1967
	1	Colonel	1959
	1	Captain	1969
Great Britain	1	Major	1963
	3	Majors	1964
	1	Lt. colonel	1965
	1	Flight Lt.	1966
	1	Major	1966
	1	do	1967
	1	Lt. colonel	1967
	1	Major	1968
	1	Sq. leader	1968
	1	Major	1969
Greece	2	Lt. colonels	1955
	3	Captains	1964
	1	Captain	1965
	1	Major	1965
	1	1st lieutenant	1966
	1	Captain	1966
	4	Captains	1967
	2	do	1968
	1	Major	1968
Iran	3	1st lieutenants	1955
	1	Captain	1955
	1	Major	1955
	1	Lt. Colonel	1955
	1	1st lieutenant	1959
Italy	1	do	1952
	1	Lieutenant	1953
	1	Lt. colonel	1954
	1	Captain	1957
	1	Major	1958
	1	Lt. colonel	1962
Japan	1	Captain	1958
	1	Lt. colonel	1960
Korea	4	Captain	1959
	3	do	1962
	2	Major	1962
Lebanon	1	Lieutenant	1968
	1	Captain	1968
Mexico	1	Lt. colonel	1962
Norway	1	Captain	1956
Pakistan	1	Major	1958
Philippines	2	Lt. colonel	1958
	1	do	1959
	1	Captain	1959
	2	Major	1959
	1	Captain	1960
	2	Major	1960
	1	Lt. colonel	1960
Saudi Arabia	4	Captain	1966
	5	do	1967
	1	do	1968
	1	Colonel	1968
	1	Captain	1969
Spain	1	Major	1956
Sweden	1	do	1956
Thailand	1	Captain	1966
Turkey	1	do	1957
Vietnam	1	1st lieutenant	1961
	1	Captain	1961
	6	1st lieutenant	1962
	4	Captain	1966
	1	Major	1962
	1	2d lieutenant	1965
	1	Captain	1965
	1	Warrant officer	1967
	3	Lieutenant	1967
	3	1st lieutenant	1967
	1	2d lieutenant	1968
	3	1st lieutenant	1968
Yugoslavia	1	Lieutenant	1956

RADIOLOGICAL SPECIALIST COURSE (3-I-F5)*

Scope: This course trains commissioned officers, warrant officers, and selected civilian personnel in radiological safety techniques necessary for storing and handling radioactive material other than nuclear weapons.

Country	Number of students	Rank	Year
Australia	1	Major	1964
Canada	1	Lieutenant	1966
Mexico	1	Major	1966

RADIOLOGICAL SPECIALIST COURSE (3-I-F5)*

Scope: Provides training in fundamentals of nuclear weapons effects and radiological defense.

Country	Number of students	Rank	Year
Australia	1	Captain	1963

NUCLEAR WEAPONS EMPLOYMENT AND RADIOLOGICAL DEFENSE (3-G-F3)*

Scope: Provides training in the employment of nuclear weapons; defense against radio activity; and conduct of radiological surveys.

Country	Number of students	Rank	Year
Belgium	1	Captain	1954
Canada	2	2d lieutenant	1951
	1	1st lieutenant	1953
	2	do	1954
	2	2d lieutenant	1953
	5	do	1952
	4	do	1954
	2	do	1956
	10	Flight officer	1954
	2	Captain	1951
	1	do	1952
	6	do	1954
	3	do	1956
	9	Major	1954
	1	do	1956
	4	Lt. commander	1954
Denmark	1	Major	1953
France	1	Commander	1954
Italy	1	Captain	1953
	1	Colonel	1953
Netherlands	1	Commander	1952
	1	Major	1952
	1	1st lieutenant	1953
	1	Major	1961

CHEMICAL, BIOLOGICAL AND RADIOLOGICAL ENLISTED

(3-R-F2) (494-F1)

Scope: This course trains enlisted personnel of all arms and services in CBR operations and applicable training techniques. Five percent of the instructional material is offensive in nature.

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*Course was phased out in 1964; no longer taught.

*Course was phased out in 1964; no longer taught.

Country	Number of students	Rank	Year
Greece	2	Lieutenants	1960
	1	Captain	1964
Iran	1	Warrant officer	1960
	2	1st lieutenants	1960
Korea	1	1st lieutenant	1961
Philippines	1	T sergeant	1957
	2	Sergeants	1962
	2	Corporals	1963
	1	T sergeant	1963
Vietnam	1	do	1962

CHEMICAL ENTRY COURSE (30R–530) (030–54A10)

Scope and length: This trains personnel to assist in technical and tactical operations of units, including chemical decontamination, smoke generator, and direct support units.

Country	Number of students	Rank	Year
Greece	1	Captain	1961
	1	S sergeant	1963
	5	T sergeants	1963
	3	M sergeants	1963
	1	Sergeant	1965
Thailand	1	Sergeant FC	1967
	1	T sergeant	1960
	1	S sergeant	1961
	1	1st lieutenant	1961
Vietnam	1	Sergeant	1962
	1	Corporal	1963
	2	Sergeants	1964
	1	S sergeant	1964
Yugoslavia	2	Sergeant 1st class	1956

CHEMICAL SMOKE GENERATOR SPECIALIST (3–R–523.6) *

Scope: Provide training in techniques of employment and operations of smoke generators and munitions.

Country	Number of students	Rank	Year
Netherlands	1	Sergeant 1st class	1955

SPECIAL SMOKE COURSE (3–R–532.7) *

Scope: Employment of smoke, map reading, communications. Principles of leadership, organization of combat arms. Supply and maintenance procedures. Review of meteorology and chemical agent detection, identification, and decontamination. Smoke generating materiel.

Country	Number of students	Rank	Year
Korea	1	Captain	1954

CHEMICAL EQUIPMENT REPAIR COURSE (690–533.1) (690–54D20)

Scope: Army organization. Decontamination methods, procedures, and individual protection. Supply and maintenance publications. Distribution of chemical supplies, equipment, and material. Use of hand and power tools and testing equipment. Maintenance and repair of major types of chemical corps equipment; smoke, flame, decontamination, and protective.

Country	Number of students	Rank	Year
Canada	2	Staff sergeant	1965
Thailand	1	Sergeant 1st class	1967

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*Course was phased out in 1961; no longer taught.

CHEMICAL STAFF SPECIALIST (3–R–534.1)

Scope: Personnel and administrative procedures. Army organization, map reading, mine warfare, communications, weapons familiarization. Intelligence operations. Military instruction. Smoke operations. Counterinsurgency, operational and training aspects of CBR defense and weapons employment. Fundamental of supply and maintenance operations. Fundamentals of biological agents. Defensive measures and decontamination. Detection and identification of chemical agents, meteorology, types of chemical agents. Fundamentals of nuclear weapons effects and radiological defense. Fallout prediction. CBR equipment and materiel. Decontamination. Smoke and flame equipment. Principles of first aid and self aid. Medical aspects of CBR operations.

Country	Number of students	Rank	Year
Canada	1	Sergeant	1952
Korea	1	1st lieutenant	1960
	1	do	1961
	3	Lieutenant	1962
	2	Captain	1962
Netherlands	1	Sergeant	1953
Philippines	1	do	1952
Israel	1	Lieutenant	1963

CHEMICAL LABORATORY PROCEDURES (491–02D20)

Scope: Fundamentals of military correspondence, personnel management, and effective wiring, map reading. Military intelligence. Mine warfare and field fortifications. Communications, military instruction. CBR training. Employment of CB agents. Supply and maintenance operations. Technical aspects of biological agents and munitions. Technical aspects of chemical agents and munitions. Meteorology, detection and identification. Nuclear warfare and radiological defense. CBR equipment and munitions. Smoke, flame, decontamination and detection operations. Combat arms organization and capabilities.

Country	Number of students	Rank	Yea
Philippines	1	Corporal	1961
Korea	1	1st lieutenant	1961
Thailand	1	Corporal	1960

CHEMICAL LABORATORY PROCEDURES (491–02D20)

Scope: Techniques of handling and justifying bacteriological cultures. Use of microscope. Knowledge of chemical agents identification. Routine analytical techniques, principles of general and organic chemistry and lab procedures. Micro and semimicro analytical techniques. Radiological physics, mathematics, and radiological lab procedures. Use of protective mask and associated equipment. Three percent of the instructional material is offensive in nature.

Country	Number of students	Rank	Year
Korea	2	Captain	1969

EXPLOSIVE ORDNANCE DISPOSAL COURSE (4E–F3) (431–55D20)

Scope: This course qualifies commissioned officers and enlisted personnel of the Armed Forces in detection, sampling, first aid, decontamination, and handling and disposal for chemical and biological agents found in unexploded ordnance.

Country	Number of students	Rank	Year
Australia	2	Captain	1968
Great Britain	1	Chief petty officer	1966
	1	Captain	1966

CRISIS OF LEADERSHIP

HON. SAM GIBBONS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 20, 1969

Mr. GIBBONS. Mr. Speaker, I would like to place in the CONGRESSIONAL RECORD an outstanding speech of the Honorable John W. Gardner which he delivered at the National Press Club on December 9, 1969.

Mr. Gardner served with great distinction as Secretary of the Department of Health, Education, and Welfare and is presently the chairman of the Urban Coalition Action Council.

Mr. Gardner's remarks are particularly timely because of his perceptive analyses of the crises of leadership our country faces. I commend his remarks to the Members of the House:

REMARKS BY JOHN W. GARDNER, CHAIRMAN, URBAN COALITION ACTION COUNCIL

As we enter the 1970's there are many curious aspects of our situation, but none more strange than our state of mind. We are anxious but immobilized. We know what our problems are, but seem incapable of summoning our will and resources to act.

We see the brooding threat of nuclear warfare. We know our lakes are dying, our rivers growing filthier daily, our atmosphere increasingly polluted. We are aware of racial tensions that could tear the nation apart. We understand that oppressive poverty in the midst of affluence is intolerable. We see that our cities are sliding toward disaster.

And these are not problems that stop at our borders. The problems of nuclear warfare, of population, of the environment are impending planetary disasters. We are in trouble as a species.

But we are seized by a kind of paralysis of the will. It is like a waking nightmare.

I propose that as we enter the new decade we make a heroic effort to alter both our mood and our state of inactivity. Let 1970 be a year of renewal, and during that year let us give our institutions and ourselves a jolting reappraisal and overhaul.

The place to begin is with our national leadership in both the Executive branch and the Congress. With a few notable exceptions, there has been a failure of leadership. More than any other factor, it is the missing ingredient in our situation today.

We have had failures of leadership before. But rarely before have we had the widespread distrust of our own institutions that we see today. And that distrust is not limited to radicals. Ask shopkeepers, housewives, young executives or insurance salesmen what concerns them. If you travel around the country as I do more or less continuously, you will find that there is a deep and pervasive feeling among all segments of the populace that "things aren't working"—and Washington is given a major share of the blame. When the great majority of Americans share that uneasiness, when a growing number are losing all confidence in our society, when the problems themselves are terrifyingly real, then it is immoral for our national leaders—in the Congress and the Executive branch—to temporize. It is indecent for them to let us imagine that we can solve our problems without money or that we cannot afford to tackle them. It is criminal for either Republicans or Democrats to put politics before the nation's future.

Now let me speak specifically of the President. Any judgment on the President's leadership must take into account that he came into office at a difficult time, must deal with a Congress of the opposing party, and finds his options limited by inflation and the war.

But given all that, he must do more to set a tone of urgency to which we can all respond, and more to exemplify in his own actions a determination to solve our pressing problems.

We are not—and should not become—blind followers of the leader. But only the President's clearly expressed concern and clearly stated priorities can mobilize the federal apparatus, encourage Congress to shake off its lethargy, and enable leaders in other sectors of American life to move decisively.

His greatest test is on the international front. His first task—and one cannot exaggerate its urgency—is to end the war. Even more important in the long run will be steps that must be taken to cope with the threat of nuclear warfare. His recent action with respect to biological warfare was encouraging.

On the domestic front the President must say more explicitly—and with greater urgency—what he conceives to be an appropriate strategy for dealing with the dilemmas of the cities, with equality of opportunity, with the environment and with other problems that are wracking the nation.

Not only must he propose social programs adequate to our need, but when the legislation goes to Congress he must fight as hard for it as he fought for the ABM and Judge Haynsworth.

Now let's talk about the Congress. This Congress, which has acquired a reputation for lethargy, could dispel that reputation not only by passing needed legislation but by enacting genuinely meaningful Congressional reform. Few institutions in our national life are as gravely in need of renewal as is the Congress of the United States. Renewal requires first of all measures to abolish the seniority system and to curb the abuse of power by entrenched committee chairmen.

In 1958, Congress enacted a law requiring the chief judges of federal circuit and district courts to give up their administrative duties when they reach age 70. I propose Congress impose the same rule on its own members. The Speaker of the House is 78. Thirteen Senate and House committee chairmen are over 70, six of them over 75, two over 80. They are full of years and honors. They can serve their country best by stepping aside. That would be patriotism at its highest.

Congress must also put an end to the hyprocrisy of tolerating grave conflicts of interest among its own members while attacking the same fault in others. It should pass a conflict of interest statute with teeth in it.

These flaws in Congress have been debated for years. What is new is not the weakness in the institution but the mood of questioning in the nation. If there were ever a time when it is essential that our institutions merit our respect, this is it.

And what about industry? I would propose that as we enter the 1970s industry address itself to three central issues.

First, it should make an unqualified commitment to equality of opportunity for minority groups. Some firms have performed nobly in this respect. But the majority are still dabbling with the problem and many are engaged in outright fakery—giving lip service, preserving a public image and doing as little as possible.

Second, industry should commit itself to end pollution. Again, some farsighted business leaders have already done so, but the record of industry as a whole has been deplorable. It has lied to the public and to itself about the seriousness of the problem. We are just beginning to grasp the immense complexity—and danger—of environmental pollution. It is not wholly an industrial problem, but industry has a crucial role in it and could contribute enormously to its solution—if only by foreswearing its practice of emasculating pollution control legislation as it moves through Congress. Public anger over pollution is rising, and the time for effective action has come.

Third, industry should meet the rising tide of consumerism with constructive measures. Leaders in each industry should set standards of regard for the consumer and should be tough in demanding that the rest of their industry follow suit. If they don't they will be brought under increasingly savage criticism by a bilked and frustrated public.

Labor unions too have their tasks to accomplish—and the one that overshadows all others at the moment is to root out racial discrimination, to eliminate restrictive membership practices that deny the opportunity to work or to advance beyond menial work. I know all the arguments pro and con. I know the difficulties. But it must be done. For more than thirty years the unions have benefited enormously from the fact that America's conscience has been basically on their side. In many of the battles that had to be settled in the public forum, that fact was decisive. Today that advantage is leaking away very rapidly.

The possibilities of constructive change by the professions are enormous. Shaw said that every profession is a conspiracy against the public. Certainly every profession is deeply implicated in the institutional rigidities of the society.

The health professions must act at once to redesign the system of health services in this country. It is outworn, expensive and outrageously inefficient. Health professionals could modernize it. If they don't, pressures from outside, particularly from governmental initiatives, will increase enormously. Our best hope here is the ferment among young health professionals. They are eager to move.

Professionals in education must answer to much the same indictment. They preside all too complacently over a system that isn't working. They could change it, but often—as in the case of health professionals—they are obstacles to change rather than promoters of it. As for the colleges and universities, they have been jolted out of their complacency and are in an excellent position to accomplish the long-delayed overhaul of their institutions.

Let me say a word about private non-profit activities in general—cultural, civic, social service, religious, scientific and charitable organizations. Some of the worst known examples of organizational decay are in this category. And one of the gravest agents of decay is the sense of moral superiority that afflicts such institutions. Sad to say, people who believe that they are doing a noble thing are rarely good critics of their own efforts.

As we enter the 1970s, all such highminded organizations should re-examine their performance with unsparing honesty (not excluding the Urban Coalition). Let them ask whether they have spent too much time congratulating themselves. Let them ask what possible difference it would make if their organization went out of existence. Let them ask whether they are dabbling with a problem that calls for a massive assault. Let this be the year in which they ask toughminded outside critics to work with them in a no-holds-barred reappraisal of what they are doing.

Government agencies should not be exempted from such self-appraisal. They too are hampered in constructive change by the narcotic of self-congratulation. Somehow it is believed that one doesn't have to apply toughminded criticism to noble and dedicated effort. Let each government agency honestly appraise the extent to which it has built an empire rather than served the public. And let it ask how much risk it has taken in fighting for good causes. The natural state of the bureaucracy is to be unbloody but bowed. It would look better with some honorable scars.

Now let's have a look at the person whom practically no one ever attacks, the person who holds the highest title a free society can award: citizen. What has he done to give one confidence in self-government? Not as much as one would like. Too many take a free ride as far as any distinctive effort to serve the common good. Too many are apathetic, self-absorbed and self-serving.

In a vital society the citizen has a role that goes far beyond duties at the ballot box. He must man the party machinery, support social and civic reform, provide adequate funds, criticize, demand, expose corruption and honor leaders who lead.

One thing the citizen can do—must do—is to reject fiercely and consistently all politicians who exploit fear and anger and hatred for their own purposes. He cannot rid himself entirely of those emotions. But he can rid himself of politicians who live by manipulating them. Such leaders will not move him toward a better future.

For example, pitting white ethnic minorities against black and brown minorities can only bring sorrow to both; and the politician who pursues that strategy should be rejected by both.

Polls have repeatedly shown that when all is said and done, most Americans do want to see our problems solved, including the problems of poverty, race and the quality of life. They do want to see justice done.

Another thing the citizen can do is to throw the weight of public opinion against those in the private sector who are unwilling to work toward the soultion of our common problems. They should find out what major firms in their area are equal opportunity employers. Which firms are shirking on that front? Let those firms know that their failure is recognized. What firms are contributing most to pollution? Let them feel the weight of public disapproval.

Now let me say a word about the nature of the urban crisis. Too many Americans have come to equate the crisis in the cities with racial tensions—and they are tired of the race problem and wish it would go away.

It won't go away, but if it did, the urban crisis would remain. Discrimination, in some measure, touches most urban issues in this country. But such critically important issues as housing, manpower and income for poor deeply involve white as well as black. Most of the poor are white. And one cannot blame racial tensions for our monumental traffic jams, for the inexorable advance of air and water pollution, for the breakdown in administration of the courts, for the shocking inefficiency and often corruption of municipal government.

It is true that when urban systems malfunction, minorities and the poor are hit first and hardest, but the problem is deeper and broader and ultimately affects us all.

Make no mistake about it, the urban problem is a deep-running crisis in the management of complexity and change.

In closing, let me remind you of an important thing to understand about any institution or social system, whether it is a nation or a city, a corporation or a federal agency: it doesn't move unless you give it a solid push. Not a mild push—a solid jolt. If the push is not administered by vigorous and purposeful leaders, it will be administered eventually by an aroused citizenry or by a crisis. Systemic inertia is characteristic of every human institution, but overwhelmingly true of this nation as a whole. Our system of checks and balances dilutes the thrust of positive action. The competition of interests inherent in our pluralism acts as a brake on concerted action. The system grinds to a halt between crises. Madison designed it in such a way that it simply won't move without vigorous leadership. I've often wondered why he didn't say so. Perhaps, having in mind his brilliant contemporaries, it just never occurred to him that the day might come when leadership would be lacking.

One final word—I said earlier that we perceive the dangers confronting us but are seized with a paralyzing passivity. I believe that passivity is curable. I believe that we can recover our power to act decisively—as individual citizens and as a nation. All it takes is money, guts and leadership.

THE PRESS FAILS

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. ZWACH. Mr. Speaker, a lot of people, in high places and in low, have been taking a critical look at our news media, radio, television, newspapers, and magazines.

They are wondering if the media are measuring up to their responsibility, if they are worthy of the freedom guaranteed to them by the Constitution.

When the criticism is levied on the media, we tend to take it with a grain of salt, but when a newspaper speaks out and says, "The Press Fails," we come to the conclusion that there may be a base for that charge.

Mr. Speaker, I am inserting in the RECORD an editorial written by Earle LeMasurier of the Paynesville Press in our Minnesota Sixth Congressional District.

I am sure my colleagues, especially those who have looked askance at criticism of the media, can profit by reading Mr. LeMasurier's editorial:

THE PRESS FAILS

The press, and to a greater extent television, is failing the republic at a crucial time in the nation's history. Seeking action and sensationalism, and rating even staged incidents as news, television and much of the press has become a publicity outlet for militants.

Examples on television are too numerous to mention. Every disgraceful scene of violence, every staged militant demonstration or provocation, every ill-mannered extremist yelling outrages or lies is televised to millions throughout the nation. Such sucker "news" creates discord and division among Americans and encourages other irresponsibles to get into the spotlight as "leaders"—often enables them to build a following of gullible, misled citizens. It does great damage to the image and reputation of our nation abroad.

The press is almost as bad. For many years the wire services have literally jumped on every provocative or inflammatory utterance by dissidents and militants. Pictures of weirdies and extremists are wire-photoed all over the country and every phony, staged incident or confrontation is given blue-ribbon coverage. One page 1 of one of the nation's leading newspapers recently were three photographs: a picture of Massachusetts police charging a group of demonstrators, a professor weeping the cut-line saying he was breaking down as police rushed the students, and one of Black Panther Bobby Seale!

Many good things happened on the same day. Few made front-page news-patriotic deeds and actions, Americans who spoke or acted for democracy, for the American process of change through legal and constitutional means, for law and order.

Americans speaking for orderly progress don't make the news but represent the majority. Television and the press are guilty, at a critical time in the nation's history, of being "used" to give the nation and the world a distorted image.

A SONG POEM OF REMEMBRANCE

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. McCORMACK. Mr. Speaker, in my remarks I include a beautiful and expressive poem written by Anthony Cama of Lynn, Mass., entitled "Joseph P. Kennedy," and also "A Song Poem of Remembrance," written by Mr. Cama, both of which appeared in the Lynn Sunday Post, Lynn, Mass., in its edition of November 30, 1969:

JOSEPH P. KENNEDY

(By Anthony Cama)

(Distinguished patriarch of one of the nation's most famous families, patriot, devoted father, grandfather, and pious member of the Catholic Church, father of a President and two U.S. Senators, friend of Richard Cardinal Cushing, and benefactor of mentally retarded children.)

How many tears from a father's heart
can fill an ocean with their storms of pain?
God blessed you, Joseph, in life's every part
and made you martyr to life's mournful rain.
A splendid man of work and liberty,
You made the nation honor Kennedy.
In you, the father, shone the strongest love,
and proud and bright you made each sibling's birth.
In you, God's faith, shone brightly from above,
you labored well this democratic Earth!
Your father-love was as a giant tree
Its fulgent fruit was borne by Kennedy!
At last the peaceful sleep; the end of strife;
you leave this land a most enduring flame.
The Lord had blessed you with wondrous life;
And history shall shine upon your name!
For you eternal rest . . . God bless you, Kennedy!

A SONG POEM OF REMEMBRANCE

(By Anthony Cama)

(A haunting lyric of Cape Cod's shimmering sands and singing seas, a sentimental memento of the late President's family life at the cape.)

White whisper softly swirl the waves of sand
in silent silk-weave webs of surging sea.
Here he walked, the leader of our land.
a sand-dune flower, bright-abloom and free!
O, limpid, lancing laughter, Ireland spun
on Irish green and Erin's magic isle.
Were you, of Tara's Hall, an Irish sun
that warmed the earth-veins of life's weary mile?
Where shall we meet again, O soul, so brave?
This Nation's spirit searches sea and sky
O, incarnation, winging from the grave,
so young the fulgent flame; so young to die!
To you, the Grecian wreath, the Roman art,
The saints and martyrs of your Christian cross.
To you, the song eternal of this Nation's heart
for us the lamentations of your anguished loss.

It shall be so this sad November day
a fevered recollection in our sleep,
when all the world shall grieve and humbly pray
at holy altars where the angels weep.
O, liquefaction of a dream divine,
a sacred garden, blessed with wit and mirth.
Eternal rest, eternal bloom your vine,
You shall forever bless this mortal earth!

U.S. SAVINGS BONDS

HON. HALE BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. BOGGS. Mr. Speaker, the "eagle bonds" of U.S. savings are unquestionably a bond between good citizenship and good government. Both involve the rule of sound financing in establishing a stable foothold in the future.

By action of the Congress and signing by the President, the interest on all U.S. savings bonds is now at the improved rate of 5 percent, when held to maturity, and retroactive to June 1, 1969.

All bonds bought before and after that date now earn interest at the new and more compatible rate, starting with the first semiannual interest period, beginning on or after June 1, 1969.

The employed person may purchase bonds through the payroll savings plan, where he works, in industry or in government. The self-employed may buy them through the bond-a-month plan, where he banks.

Both plans have served materially to register the total outstanding figure of $52 billion, a substantial sum of real, hard-core saving, accounting for 24 percent of the privately held portion of the national debt.

Gordon M. Metcalf, chairman of the board and chief executive officer of Sears, Roebuck & Co., is 1970 Chairman of the U.S. Industrial Payroll Savings Committee, appointed by Secretary of the Treasury David M. Kennedy. He puts it this way, and I agree:

> The Payroll Savings Plan is the best self-defense against inflation. It is invaluable in helping the employee to develop a systematic saving program. With the new rate increase, Savings Bonds are a better-than-ever purchase for the employee who wants to improve his stake in the future.

I encourage this exercise in good citizenship that the practical, patriotic savings bonds program provides the people of my State and throughout the Nation. It enables them to further their own aims for financial security in the future.

At the same time, they will be helping the Treasury and other fiscal agencies and, of course, Members of the Congress in generating good government, through legislation and policies meant to assure added stamina for the economy through sound financing.

Members of Mr. Metcalf's committee are the chief executives of leading corporations throughout the Nation. It was first organized in late 1962 by then Secretary of the Treasury Douglas Dillon, as a means of increasing sales of savings bonds to aid the management of the national debt.

The mission of the committee is to stimulate the regular purchase of savings bonds by the industrial employees of America, using the guaranteed method of the payroll savings plan; also to increase the number of employees who utilize the program to gain greater personal and family security.

The Secretary of Health, Education, and Welfare, Hon. Robert H. Finch, is Chairman of a similar activity in government, the Interdepartmental Savings Bonds Committee, ex-officio members of which are the heads of Federal departments and agencies appointed by the President.

Setting something aside for the needs of tomorrow is a good old American custom. And, for my money, there is no better personal or family security than U.S. savings bonds, which are, in effect, guaranted loans to the country.

RESULTS OF QUESTIONNAIRES

HON. CHALMERS P. WYLIE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. WYLIE. Mr. Speaker, it has been my practice during my tenure in the House of Representatives to seek the opinion and advice of my constituents in the 15th Congressional District of Ohio on the major issues with which we must concern ourselves on a daily basis.

One way of obtaining constituent opinion and advice is through the use of questionnaires. In November, I mailed out 181,000 questionnaires; 34,000 answers came back. A tabulation of them has revealed the following results, in percentages, which I commend to my colleagues:

Results of Questionnaire

1. With regard to Vietnam, the United States should:

a. Unilaterally withdraw all U.S. troops by a specified date? Yes, 24.1; no, 58; undecided, 17.9.

b. Continue withdrawal as quickly as South Vietnam troops can take over the military responsibility—Nixon Plan? Yes, 76.7; no, 8.9; undecided, 14.4.

c. Increase military pressure on North Vietnam in an effort to bring about concessions from that nation and the Vietcong? Yes, 41.1; no, 24.8; undecided, 34.1.

d. Resume bombing in an effort to win military victory? Yes, 35.8; no, 35.9; undecided, 28.3.

2. Concerning the October 15 Vietnam Moratorium:

a. Did it have a desirable effect? Yes, 17.6; no, 64.8; undecided, 17.6.

b. Did it lessen our chance for effective negotiation of an honorable settlement with North Vietnam? Yes, 57.1; no, 25; undecided, 17.9.

c. Do you favor the monthly escalation plan for moratorium demonstrations? Yes, 9.9; no, 71.6; undecided, 18.5.

3. Inflation:

a. Do you believe President Nixon's program to combat inflation is effective? Yes, 62.2; no, 17.2; undecided, 20.6.

b. Would you favor additional reductions in federal spending? Yes, 73.7; no, 11.1; undecided, 15.2.

c. Should we first allow the effect of reductions in federal spending to date and proposed reductions take effect? Yes, 42.6; no, 24.6; undecided, 32.8.

4. Gun Registration and Penalty:

a. Do you now favor a federal gun registration law? Yes, 41.1; no, 58.2; undecided, .7.

b. Do you favor a mandatory increase in sentence on persons who use a gun in the commission of a crime? Yes, 86.7; no, 5.8; undecided, 7.5.

5. Concerning social security benefits, we should:

a. Enact a provision for automatic cost-of-living increases? Yes, 69.6; no, 14.7; undecided, 15.7.

b. Enact a 15 per cent benefit increase even though this might require additional payroll taxes? Yes, 21.3; no, 43.9; undecided, 34.8.

c. Enact a 10 per cent increase in benefits with a cost-of-living escalator? Yes, 40.9; no, 25.3; undecided, 33.8.

6. Would you support a complete overhaul of the welfare system which included these features:

a. Uniform national standard of payments to provide minimum necessary income for the aged, disabled, and children without parents? Yes, 71.1; no, 12; undecided, 16.9.

b. An annual minimum income for an able-bodied man with a family, if he enrolls in a prescribed training program to learn an acceptable skill to become self-sustaining? Yes, 60.9; no, 22.6; undecided, 16.5.

7. Do you favor the President's proposal that first-time possession of all narcotic and dangerous drugs be a misdemeanor rather than a felony? Yes, 50.9; no, 38.7; undecided, 10.4.

8. With the completion of the successful Apollo 11 Moon landing, do you believe that the United States should now:

a. Continue its space budget with a new goal of landing a man on Mars and/or other planets by the end of this century? Yes, 28.1; no, 50.4; undecided, 21.5.

b. Scale down our space budget and transfer more funds to domestic needs? Yes, 59.6; no, 24.2; undecided, 16.1.

AMERICAN STRATEGY

HON. OGDEN R. REID

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. REID of New York. Mr. Speaker, on March 4 of this year, Dr. George Wald, professor of biology at Harvard University, spoke to a group of students and faculty members at MIT about our national problems. His words, his concern, his commitment have made him a living symbol of much in which the young men and women of this country believe. As Dr. Wald himself said, since March 4 the question of national priorities has taken over his whole life.

On December 11, Dr. Wald received the Berg Award in New York City. His brief speech on that occasion outlines what he calls, an "American Strategy," a positive "package of issues" that he believes a liberal coalition must bring before the country. And he hopes that that liberal coalition will be in the Congress.

Dr. Wald's concerns are mine too, and I especially share his feeling that "America is our home, not a business." As we depart Washington to spend the holidays with our families, I hope that we will reflect upon the urgent goals that Dr. Wald sets for this country, and as we enter a new year and a new decade, I hope and pray that all the Members of this House will join Dr. Wald in his efforts to satisfy human needs and build a better world for our children.

I insert Dr. Wald's speech in the RECORD at this point:

Statement by Dr. George Wald on Receiving the Berg Award, New York, December 11, 1969

Since I first spoke about our national problems to a group of students and faculty members at M.I.T. on March 4, that has taken over my whole life. That and teaching. I am teaching now about 350 Harvard Freshmen and Sophomores. They and students everywhere I go feel helpless and hopeless in the present state of things, and insist almost desperately that it has to change. They concentrate on the Vietnam War, but they know that that's only the beginning of it.

So what can we do?

I think that the hope of the country—and of the world—rests now with a newly formed coalition of concerned Republicans and Democrats in the Congress. We have had for a long time now a well-oiled coalition of conservative Republicans with still more reactionary Southern Democrats. The liberal coalition is a new thing.

American politics is man-oriented rather than issue-oriented. There is right now no single figure who symbolizes all that we want and need. But there is a package of issues. If that liberal coalition would be willing to bring out that package of issues, the whole country could gather around them. All the young people of this country would know that there was a new deal, that we had taken a fresh turn, that there was something to work for. They would feel—as they do not now—that they have a future. And they would work for it, with new hope. You could forget about campus unrest and a lot of other troubles. All our young people, all our minorities, all the dispossessed and disenfranchised could take heart.

I've heard of Mr. Nixon's—or is it Mr. Mitchell's—so-called Southern Strategy. It calls upon all the worst things in American life. I want something to compete with it that calls upon the best things in American life. It is a strategy for America: the American Strategy.

What is it? It comes as a group of don'ts and dos—things to stop doing and things to do.

Let's start with the don'ts:

1. Get out of the Vietnam War—fast and completely.

2. Repeal the draft. A peacetime draft has no place in American life. We never should have started it. It's incompatible with everything America means. We have to get rid of it.

3. Cut back the size of the armed forces. They are now at 3.5 million. If there is an argument for having more than one million men in uniform, I would like to hear it.

4. Cut back the military budget. How far? Robert McNamara said it could be cut to about $60 billion with no loss in our defense posture. When it was about $45 billion, ex-President Eisenhower warned the country of the military-industrial complex. So cutting it

to about $50 billions would be a beginning, and we could go on from there.

That would give us some money with which to begin to satisfy human needs—and so now for the do's:

1. Housing—we're way behind on it. So lots of housing, and better, and lower-cost.

2. Schools—lots of them, and better; and much larger support for education.

3. Food—more of it, and better. All the classic nutritional diseases that we got rid of twenty to thirty years ago are back again. There is hunger in America—some ten to 15 million persons—including children—live hungry lives.

4. Decent water to drink. The water most of us drink isn't fit for people, or even fish. You can hardly get it down.

5. Decent air to breathe. Not smoke, not smog, not a suspension of dirt. Air.

6. Public transportation. Cars are most responsible for air pollution. You need a car nowadays to get to work, often even to get to school. Our public transportation has gone down the drain. A few years ago Americans were willing to buy Mussolini because he had made the trains run on time. American trains stopped running on time long ago. So more trains, better and faster; and many more buses; and many fewer cars on the roads.

7. Open beaches. In Great Britain all beaches belong to the Crown, and all are open to the public. You can't shut off access to a beach in Britain. That's the way it should be here.

8. No unwanted children. The population explosion threatens the quality of all our lives. It must be brought under control. This is the first step. It's no favor to be born unwanted. We need cheap—preferably free—legal and universally accessible contraception and abortion.

9. To help get all those things: lower the voting age. One talks as though if it weren't 21 it would have to be 18. There are two ages in between. How about starting at 20? When we've tried that, go to 19? Or go to 19 right off. But go.

So that's it.

A program for America. Hope for the young. A new life for all of us. And Congress can do all of it. And we'll pay for it. We'd rather pay for that than what we're paying for now.

A program needs slogans. I'd like to suggest some.

A better world for children. That's what it's all about. A better world for fewer children.

America is our home, not a business. Not a business to exploit, but a home to live in. We've never treated it as our home. It's high time we began.

THE ENGINEER—HIS COUNTRY AND PROFESSION

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. LANDGREBE. Mr. Speaker, I would like to bring to the attention of my colleagues an article which appeared in a recent edition of the Indiana Professional Engineer. It is entitled, "The Engineer—His Country and Profession" and is written by one of the most distinguished citizens of Indiana, Dean Andrey A. Potter.

Dean Potter began a distinguished career in engineering while a student at the Massachusetts Institute of Technology, graduating from there in 1903. After a short tour in business, he went to Kansas State College and rose to dean of engineering. He came to Purdue University, in Lafayette, Ind., in 1920, as dean of engineering and Purdue Research Foundation president, remaining until 1953. He continues to maintain a campus office and a busy schedule.

Dean Potter has written numerous books, more than 300 papers, and served as editorial and technical consultant for several publications. He has visited many campuses as visiting professor, been consultant for governments, industry, and educational institutions, and in 1948 was named the Indiana Society's first "Engineer of the Year."

His interesting and provocative article appears following my remarks and should be read by every Member of Congress.

THE ENGINEER—HIS COUNTRY AND PROFESSION

(By Andrey A. Potter, P.E., dean emeritus of engineering, Purdue University)

Engineers the world over share in common the responsibilities and opportunities for the advancement of civilization. They are more and more concerned, not only with wealth creating products and services which result from improved technologies, but also with the solution of social and economic problems brought into being by such advances. Human comforts and happiness must be the major objectives of engineers if they are to be recognized as vital factors in the lives of nations.

It is gratifying that engineers are now active in problems affecting human environment in such areas as air pollution, water pollution, safety in the home, factory, farm, office and road, effective waste disposal and utilization, better housing and improved urban conditions, as well as in matters relating to better and more economical construction and manufacturing, new forms of energy for power production and improved communication and transportation. There is need for greater cooperation between engineers and the medical professions in developing new tools and better techniques for the benefit of the crippled, in dentistry, in surgery and in other areas of the health field.

The Bureau of Labor Statistics of the U.S. Department of Labor estimates that this country has now one million engineers as compared with 43,000 in 1900, 218,000 in 1930 and 520,000 in 1950. The ratio of civilian labor force to engineers has decreased from 673 in 1900 to 218 in 1930 and to 75 in 1960.

Engineers in the U.S.A. have provided organizations for forwarding their profession by improving technologies and practices and by having forums for the discussion of the economic, social, scientific and technological aspects of their calling. Engineers in the U.S.A. are now being served by 171 national societies and by a larger number of state and local engineering groups; most of the national engineering societies are concerned with the scientific and technical advances in their specialized fields. These include the ASCE, founded in 1852, with present membership of 61,108; the AIME, founded in 1871 with present membership of 44,494; the ASME, founded in 1880, with present membership of 54,608; the IEEE, organized in 1884 as the AIEE, with present membership of 160,000; and the AIChE, organized in 1908 with its present membership of 31,784. About 270,000 engineers are registered to practice in one or more states; their interests are the concern of the National Society for Professional Engineers, organized in 1934, with a membership of 67,000.

The American Society for Engineering Education, organized in 1893 as the Society for the Promotion of Engineering Education, has a membership of 12,559 individual members, 195 engineering college institutional members, 34 technical institute members, 99 affiliate members, 20 associate members and 223 industry members. Its objective is to insure well prepared engineers who understand their environment.

U.S.A. engineers, in addition to their national, state, and local societies, have set up functional instrumentalities to bring about united action. Examples of these are: The Engineers' Council for Professional Development, formed in 1932, to improve the professional competence and status of the engineer; the Engineering Foundation, founded in 1914, for the furtherance of research; the American Standards Association, organized in 1918, to bring about cooperation in standardization; and the Engineers' Joint Council, organized in 1941, to deal with problems of public importance.

Engineers, as members of a profession, are differentiated from those in other callings by certain attributes, which ordinarily involve more education, specialized knowledge, and intellectual operations. Those in professions ordinarily guide, minister, supervise, instruct, heal, or practice a fine art, and are guided by ethical codes. The professional person has conscious group feeling, pride in his calling, public interest, special concern for the younger members of his profession, and high individual responsibility. He is constantly improving his competence by reading, advanced study, writing, and active participation in professional societies.

Irrespective of our calling, our success, happiness, and opportunities to contribute to general welfare depend upon the government under which we live and work. Creative genius does not flourish under governmental regulation and control. Individual freedom and private initiative do best under a type of government, like that of the U.S.A., which is the agent and not the master of the people and which exists to encourage and to serve, and not to dictate to the citizen.

It is to be regretted that too few of our most capable and best educated people take an interest in government and public affairs, not realizing that if we are unwilling to lose our rights to a totalitarian dictatorship we must demand and help create good government. We shall lose our liberty to a dictatorship if we fail in our duties and responsibilities as citizens.

The discharge of our duties as citizens is just as important, and probably more important, than our contributions to industry and to our profession.

How can we discharge our responsibilities as citizens?

(1) We must affiliate with the political party of our choice, as our two-party system is the basis for the strength of our government.

(2) We must know who in our ward, precinct, county, and state exerts political influence.

(3) We must study politics and politicians.

(4) Some will do well to take an active part in practical politics by running for local or state offices.

(5) We must work to insure that those who are elected to public office are competent and reliable.

(6) We must welcome service to our community, state, and country. This includes service on school boards, city councils, and other boards dealing with problems on the local, state, and national level.

(7) The least a citizen should do is to vote and pay taxes. Only half of eligible citizens vote in the U.S.A., as compared with 75 to 90% in Free Europe.

Neither professional competence nor education, no matter how liberal or scientific or advanced, make for the best and noblest in human conduct, unless people cultivate good will toward others and a full appreciation of human values. Our only defense against the new tools of destruction are decent people who have the good of their fellow men at heart, and who have the vision and wisdom to utilize their knowledge and skills for general human betterment. The future of civilization depends upon those who are not only competent and creative in their callings, but who are also civilized, broad, and cultured-citizens who work for excellence in their field of specialization, who stand for good government, and who feel most and act noblest toward their fellow human beings.

ANNUAL REPORT, 1969

HON. JACOB K. JAVITS

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Monday, December 22, 1969

Mr. JAVITS. Mr. President, this is my 21st annual report to my constituents in New York State, describing the work of this session of Congress as well as my own activities during the past year. This has been the year in which our own Nation has placed men on the moon with almost unbelievable grace and ease. But it was also the year in which we continued our inadequate struggle to cope with such domestic challenges as the crisis of the cities, hunger among our urban and rural poor, and the pollution of our environment. The year ended on a note of gloom in the continuing unsuccessful search for peace in Vietnam and in the dangerous stalemate being perpetuated by the radical Arab States in the Middle East. But there was also a note of hope in the reports of progress at the Strategic Arms Limitations Talks—SALT—with the Soviet Union in Helsinki.

While the President and the Congress sought to meet these domestic and international problems, we were handicapped all the while with continuing inflation and the related threat of a recession due to tight money. The Congress did finally enact a tax-reform bill, but a measure I opposed because I felt its relief provisions would provide the Federal Government with insufficient revenues for a budgetary surplus to help meet the inflation danger.

In the past year, I have urged that our Nation's first priority be a reordering of priorities away from the building of boundless military power and toward the restoration of domestic tranquility. It is with increasing alarm that I viewed the alienation of the poor, of nonwhites, and of our college youth toward our established representative government—and the resulting polarization of our society. Some progress was made in this regard when the administration decided to cut back on the next fiscal year's defense budget by $5 billion—the very figure that I proposed earlier in the year—but at the same time I regret that a greater portion of this $5 billion did not make its way into much-needed domestic programs. Thus, while the administration has committed itself to put an "end to hunger in America—for all time," and has also committed itself to replacing our inequitable and unfeeling welfare system with a family-assistance program that provides a minimum annual income, insufficient funds have been made available thus far properly to implement these two historic social breakthroughs.

In the past year my seniority in the Senate allowed me to become a member of the Foreign Relations Committee, as well as to become the senior Republican member of the Select Committee on Nutrition and Human Needs. I also serve as the ranking minority member of the Labor and Public Welfare Committee, the Joint Economic Committee, and the Select Committee on Small Business. I am second ranking Republican on the Government Operations Committee. These important assignments permitted me to play a greater role in the basic policy debates of the Senate and in the efforts to transform these words into action. Of particular significance, I feel, were the debates on the antiballistic-missile system, on the national commitments resolution, and on the war in Vietnam. The influential role played by the Foreign Relations Committee in reasserting the Senate's long-dormant power to offer its advice and give its consent to the President on foreign policy matters was perhaps the landmark development for this past session and for many sessions to come—and it was with great satisfaction that I joined in this historic endeavor.

While I continued to deal with the major issues in Congress, my offices in Washington, New York City, and Buffalo maintained their excellent record of handling constituent problems at home. My New York City office also continued to represent my office in many worthwhile community action and antipoverty projects.

VIETNAM AND ARMS CONTROL

Vietnam continued to be the Nation's top priority issue throughout 1969. In my judgment, the overwhelming mandate given to President-elect Nixon in the 1968 election was to disengage the United States from the combat role in Vietnam. I have welcomed and supported the steps taken in this direction by the Nixon administration, urging at the same time that the President, by establishing a timetable for the withdrawal of all U.S. combat troops from Vietnam, independent of any veto by Saigon or Hanoi, give a clear commitment to the Nation.

I met several times during the year with Ambassador Lodge when he was our peace negotiator in Paris for the purposes of learning first hand the situation with respect to the Paris negotiations, to convey to him my views concerning priorities and to convey through him to the North Vietnamese authorities my strong condemnation of the refusal of Hanoi and the NLF to observe the principles of the Geneva Convention on Prisoners of War.

On October 14, I introduced the Javits-Pell resolution in the Senate which calls for the withdrawal from Vietnam of all U.S. combat troops by December 31, 1970, the concurrent termination of the Tonkin Gulf resolution on that date, and a moral commitment by the United States to help arrange political sanctuary for any South Vietnamese whose lives might be endangered by our disengagement. The resolution has been referred to the Senate Foreign Relations Committee, which will hold hearings on it, as well as on other similar pending resolutions early in 1970.

Also, I participated in the October 15 moratorium activities. In a telegram to the moratorium leaders of the November 13–15 march on Washington, I pledged my support of their constitutional right lawfully to protest and subsequently publicly commended the participants for the peaceful and dignified nature of their protest.

As one of the 27 original sponsors with Senator COOPER, of Kentucky, of an amendment to defer the deployment of the Sentinel and Safeguard ABM systems, I played a role in the great Senate debate over U.S. strategic policy in the nuclear arms field. Although our effort was defeated by the narrowest of margins—50–50 and 49–50—in the historic votes of August 6, strong efforts will continue in the Senate to curb the nuclear arms race and to reduce defense spending.

The passage of the Nuclear Nonproliferation Treaty banning the spread of nuclear weapons, by a vote of 83 to 15, and passage of the national commitments resolution, by a vote of 70 to 16, requiring congressional approval before U.S. troops can be put into combat, were additional landmark developments in the foreign affairs field in which I played a role during my first year as a member of the Senate Foreign Relations Committee.

EUROPE AND NATO

As chairman of the Political Committee of the North Atlantic Assembly—NATO's parliamentary assembly—I made official visits to Europe in May and October. In addition to chairing the spring and fall meetings of the Political Committee in Brussels, I used the occasion to visit the major European capitals to confer with 100 government leaders and leading private citizens. These occasions provided me with an opportunity to learn first hand the trend of opinion and developments in Europe affecting vital U.S. interests in the political, security, and economic fields.

The three major objectives of U.S. policy in Europe, in my judgment, must be: First, to encourage a resumption of the movement toward European unity and especially the expansion of the Common Market to include Great Britain and other applicants. Second, to combat protectionist trends in trade, investment and monetary policies on both sides of the Atlantic. Third, to encourage our European NATO allies to assume a greater share of the collective defense burden so that U.S. troop levels in Europe can be reduced under arrangements which will maintain NATO's deterrent strength. With respect to defense, I proposed that Britain and France pool their nuclear weapons as part of an integrated Western European defense force.

MIDDLE EAST

In the past year, hopes have faded for an early peace breakthrough in the Middle East as Arab extremists aided and abetted by the Soviet Union, have resorted to guerrilla, commando, and terrorist tactics in an effort to defeat Israel in a war of attrition, including brutal attacks on her commercial air-

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line—her lifeline to the outside world. Also, by seeking to create panic over the threat of world war commencing in the Middle East, Arab extremists and their Soviet supporters attempted to win U.S. support for an imposed peace dictated by the big powers—a peace which would benefit the Arabs without committing them to peace.

In May, I again visited Israel to meet with her leaders and to acquaint myself firsthand with the situation with respect to the Arab guerrilla war and the diminishing prospects for early face-to-face peace negotiations. Throughout the year, I have remained in close contact with the Nixon administration at the highest levels concerning Middle East policy. I continued to denounce persecution of Jews and other minorities by the U.S.S.R. and Arab countries.

I expressed detailed criticism of Secretary of State Rogers' speech of December 9 in which a high-minded but misguided effort was made to strike a balanced and even-handed Mideast policy in the hopes that Arab moderates might be won over. The danger in this approach was of undermining Israel's security without achieving a just and lasting peace. This was confirmed by the totally intransigent response of the U.S.S.R. speaking on behalf of its radical Arab clients.

In my judgment, there are three important principles for U.S. policy to follow over the next year in the Middle East. First, while the Arab terrorist war-of-attrition runs its course, we should not be stampeded into supporting efforts to impose a peace on Israel from the outside. Second, Israel must be assured a source of supply for the sophisticated weaponry, particularly advanced aircraft, needed to ward off the Arab assaults. Third, the United States must make it clear to the U.S.S.R. that the world's two nuclear superpowers must themselves keep out of Mideast hostilities.

FOREIGN ECONOMIC POLICY

Near the session's end, the Senate approved by a 53 to 34 vote, my amendment to the foreign aid bill for establishing the Overseas Private Investment Corporation—OPIC. Since the House had previously incorporated language toward this end in the House-passed bill, the Overseas Private Investment Corporation—a project I have been working on for many years—became a reality.

The OPIC will complement U.S. foreign-development objectives by concentrating its assistance on projects that will yield greater benefits to the host countries, while yielding adequate returns for American private capital. The basic concept is simple: To involve American business more deeply in the economic developmental process of the developing countries—putting to work not only an expanding flow of American private capital, but more important over the long-run, putting to work the know-how, modern management methods, up-to-date science and technology, and individual entrepreneurial initiatives which helped develop and build our own powerful economy.

In September 1969, a Presidential Task Force on International Development was appointed as required by my amendment to the Foreign Assistance Act of 1968.

I was disappointed that the Congress again slashed the President's foreign aid request, which was the lowest request since the inception of the program. Unfortunately, too few Americans realize that developmental assistance has been effective and that we have committed a smaller percentage of our goods and services to developmental assistance than have other industrialized nations.

The Senate liberalized the Export Control Act regulating our trade with the Soviet Union and Eastern Europe—a step which I supported. Movement toward the establishment of a generalized, nondiscriminatory system of trade preferences for the developing world was given impetus by President Nixon's Latin American speech of October 31. I offered a similar proposal in my earlier speech on Latin America. Once again, I strenuously opposed protectionist pressures for import quotas. At the same time I urged the United States to take decisive action against countries which compete unfairly against U.S. exports or in selling to the United States.

Despite my disappointment over the lack of progress toward the restoration of parliamentary democracy in Greece, I continued my support of the Greek-Turkish project. I initiated this project in 1965 to promote cooperation toward social and economic betterment for the people of these two nations, as well as to insure peace in this volatile southeastern area of NATO. In 1969, the project saw greater cooperation between Turkey and Greece in the area of tourism and in the mutual development of the Meric-Evros River basin.

TAX REFORM AND THE ECONOMY

In the closing days of the session, the first major revision of the Internal Revenue Code was enacted since 1954. The tax-reform bill contained a number of worthwhile reform provisions, but in the main it was tax-cutting in a time of war and inflation, which was simply improvident. Tax reform, not tax relief, was the demand of the American people and I felt that tax cutting at this time would work to the detriment of consumers by keeping the cost of living and interest rates at record-high levels. The international competitive position of American industry would also be weakened and thereby would tend to increase unemployment at the very time when foreign imports have been on the upswing.

I supported those provisions of the tax-reform bill that provided a minimum tax for high-income individuals, the low-income allowance, the cut in the oil-depletion allowance, and some of the provisions regarding philanthrophy. I sponsored or cosponsored amendments to provide tax relief for the handicapped, benefits affecting low- and moderate-income housing and a Presidential Commission on Philanthrophy. I also supported the provision for increasing security benefits by 15 percent since this would be self-financing, and, therefore, fiscally responsible.

The measure was likely to become law at this printing, and I can only hope that its dangers are minimized by time and events.

Inflation is the biggest and most insidious tax of all, robbing everyone, but especially the poor and those with fixed incomes of their spending power. The "tax" of inflation is currently costing taxpayers approximately $36 billion a year, an amount many times that involved through tax deductions and social security increases.

One of the first responsibilities of Congress in this regard was to bring Federal spending under control. I introduced a bill which would have cut such spending by as much as $4 billion. I also supported the spending ceiling which was written into law last July, and which will reduce Federal outlays for fiscal 1970 by $2.4 billion below the amount originally budgeted.

The Joint Economic Committee, on which I serve as the ranking Republican, spotlighted the military budget as the prime area for cost cutting in 1969. This year also marked the first time that the military appropriation was given the critical examination it deserves.

I felt constrained to support continuation of the income tax surcharge for 1970. Its repeal would have guaranteed a budget deficit and a further build up of already serious inflationary effects.

I joined other members of a Joint Economic Committee Subcommittee to urge an easing of interest rates and a holding down of government expenditures. I spoke out on the danger of a recession which the severely restrictive monetary policy was bringing about, and made specific recommendaions for easing the disproportionate burden which housing and employment were bearing in the fight against inflation.

I cosponsored a bill to establish a Council of Social Advisers, and an amendment to create an Office of Priorities and Goals Analysis within the Congress. I reintroduced my bill to establish a National Tourism Resource Review Commission and to strengthen and streamline efforts to bolster the economy by attracting foreign tourists to the United States, and I am hopeful for favorable action in 1970.

CRISIS OF THE CITIES

The increasing rate of violent crime is a major cause of the exodus from the cities to the suburbs. Recognizing the direct relationship between easily available firearms and violent crime, I continued to fight for the national registration of all guns and the licensing of owners, cosponsoring several bills that would accomplish those ends. I also opposed the amendment attached as an unrelated rider to a tax bill which would water down the 1968 Gun Control Act by removing rifle and shotgun ammunition from the sales-recording provisions of that law. Seeking to break the logjam that blocks effective firearms legislation, I introduced a bill aimed at stimulating states to establish comprehensive firearms' information systems. The bill would condition 50 percent of the States grant allocations under the law-enforcement assistance program upon such action.

The high rate of urban crime is di-

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rectly related to narcotics addiction and the illicit traffic in dangerous drugs. As the ranking Republican on the Special Subcommittee on Narcotics and Alcoholism, I took an active part in its important investigations including a hearing in New York City. I cosponsored two comprehensive drug abuse bills this year.

The 1969 housing amendments, as passed by the Senate, contained two provisions I cosponsored—the first would raise the statutory cost limitations for the construction in high-cost areas, such as New York State, of federally subsidized homes for ownership by low- and moderate-income families; the second would remove the limitations on the incomes of persons eligible for Federal loans to rehabilitate their homes.

When the HUD appropriations bill was before the Senate, I cosponsored the amendment to add over $500,000,000 to the urban renewal program.

Recognizing that various local taxing, building code, and zoning powers have inhibited the construction of housing sufficient to meet our national goals of 26,000,000 units in 10 years, I introduced two bills which would help overcome these barriers. The first would establish a National Institute of Building Sciences; the second would establish Federal incentive grants for State and local governments to reform their zoning and tax laws to promote low-cost housing and thereby maximize housing opportunity for those now locked into decaying inner-city areas.

I have strongly supported efforts to develop mass transportation facilities for urban areas and have urged the President to adopt a position that will commit the Federal Government to a program of long-range assistance to States and cities.

I authored the Air Traffic Congestion Relief Act of 1969, which would establish an airport development trust fund raised by new user taxes to enable the development of new major airports as well as satellite airports to accommodate the increasing flow of general aviation traffic.

I have continually worked in the Senate for legislation to control the threat of all forms of pollution to our resources and health. I introduced a resolution to form an interstate air pollution control commission to investigate the causes of air pollution on a regional basis and to devise a means of attacking this problem. I also cosponsored two bills allowing tax incentives for the construction and installation of facilities to abate both air and water pollution, and similar provisions were included in the tax-reform bill.

I supported the Water Quality Improvement Act of 1969, which was passed by the Senate, authorizing among other things funds to combat and prevent Great Lakes pollution. I introduced an amendment to this bill which would authorize the Secretary of the Interior to reimburse States and communities that have advanced funds for water pollution control facilities in lieu of Federal funds, and I cosponsored an amendment calling for a study of the effects and control of such pesticides as DDT. I supported the $1 billion appropriation—$800,000,000 was finally appropriated—for construction grants for waste treatment works. New York State will receive approximately $70,000,000 from that appropriation, and because of my amendment, could receive as much as an additional $70,000,000.

I have cosponsored a measure designed to stimulate environmental education programs and have joined in a resolution, passed by the Senate, urging U.S. participation in the 1972 United Nations Conference on Human Environment. To help combat the problems of excessive noise, I offered appropriate provisions to bills dealing with airport construction and occupational health and safety.

CAMPUS UNREST

The rising tide of unrest on the Nation's compuses is symptomatic of a society increasingly uncertain and polarized over such vital issues as Vietnam, the draft, poverty, hunger, and pollution of our environment. The reaction of many has been a rising demand for punitive legislation at the Federal and State levels. Convinced that American universities have the means to deal with student disorder, I repeatedly stated my firm opposition to such punitive measures. Such action could well force the majority of students who are moderates into the arms of the extremists.

Accordingly, I was particularly gratified that the Senate adopted my amendment to kill a provision in the 1970 HEW appropriations bill which would have permitted the cutting off of Federal assistance to any college or university deemed by the Federal Government not to be dealing properly with student unrest.

The universities and colleges should have the opportunity, without threat of Federal punitive action, to undertake long overdue reform, to improve communications and to display firmness where required, especially when it comes to not tolerating the presence of weapons on campus. I approve the increased use of court injunctions by educational institutions as a balanced and reasonable way to control disorders. I am convinced that where these guidelines are followed, the majority of the faculties and student bodies can be mobilized to support peaceful and nonviolent change.

DRAFT REFORM

Congress took the first step toward comprehensive draft reform by removing the ban on the President's ability to institute a lottery system. I supported this measure and the followup action by the President which provides for the drafting of 19-year-olds first and thereby reduces the period of uncertainty for our young men from 7 years to only 1 year. But further reforms are necessary to eliminate the manifest inequities remaining in the system, and I have introduced a bill which would provide uniform standards for occupational and student deferments, conscientious objectors and judicial review of draft board decisions. I have long been a critic of the inequitable and inefficient operation of the Selective Service System, and I am confident that the President's decision to name a youthful and contemporary Director—a decision which I strongly urged the President to make—will result in some marked improvements in the coming year.

CIVIL RIGHTS

As far as Senate action is concerned, this has been a quiet year in the civil rights field. When the 91st Congress convened in January, I and other civil rights supporters once again attempted unsuccessfully to change Senate rule XXII, the so-called filibuster provision which has for so long stymied some fine efforts at progressive legislation in this field.

Attempts also were made this year to amend two vital civil rights statutes—the Voting Rights Act of 1965 and the equal employment provisions of the Civil Rights Act of 1964. Liberals and moderates, including myself, favored a simple extension of the Voting Rights Act, which has been so successful in aiding registration in the South and is due to expire in 1970. The administration proposed a sweeping revision which would apply the act to all States and dilute its impact in the South where it is needed the most. The House passed the administration version and the Senate will consider both bills next year.

Proposed changes in the equal employment law center around much-needed increased powers of enforcement, expanded coverage and consolidation of all Federal efforts in this field. But no bill was passed by either house during this session.

SUPREME COURT

President Nixon sent to the Congress two nominees—Judge Warren Burger to be Chief Justice and Judge Clement Haynsworth to be an Associate Justice. Both nominees represented a conservative judicial philosophy. I supported the Burger nomination, as I was confident that his thinking was within the framework of modern construction of the Constitution. The unanimous decisions of the Supreme Court calling for immediate school desegregation in southern districts justified that conclusion. However, I voted with a majority of Senators against confirmation of the Haynsworth nomination because I believed that Judge Haynsworth's constitutional philosophy—particularly in civil rights cases—would take us back to the pre-1954 days of "separate but equal" treatment of blacks—a doctrine outside the framework of contemporary thought and a threat to all the progress that has been made toward desegregation of schools and public accommodations.

HEALTH AND EDUCATION

I am preparing universal health insurance legislation which would not only provide all Americans with the means to obtain adequate health care, but would also seek to bring about significant improvement in the delivery of health services by providing a rational, effective, and systematic delivery system for the benefit of all Americans regardless of economic status or geographical location.

I also have authored legislation to help modernize the one-third of our hospital facilities that are outmoded and obsolete and I have introduced measures to give priority to development of innovative health facilities for the disadvantaged and which for the first time in more than 20 years gives New York a fair share of hospital construction funds.

I introduced legislation to provide $100,000,000 in "disaster relief" to our medical and dental schools, which face a grave fiscal crisis due to a sharp cutback in Federal research and scholarship grants. I also have authored legislation to assist medical corpsmen discharged from the Armed Forces and other qualified young men and women to receive the necessary training to establish careers in the allied health professions. And I introduced legislation to expand the recruitment of student nurses and thereby to relieve the critical national shortage of nurses.

I have taken a very active part in the fight against alcoholism—the Nation's fourth most serious health problem afflicting 6,000,000 Americans—by introducing, with Senator HUGHES, of Iowa, and with the bipartisan support of more than 40 Senators, a bill which includes Federal support for research, treatment, rehabilitation, and prevention of this "disease."

I introduced legislation—with the support of half the Senate—to establish a Federal commitment to combat kidney disease. Other measures which I introduced or cosponsored, and which have passed the Senate, are the Community Mental Health Centers amendments; the Communicable Disease and Vaccination Assistance Act, and the migrant health bill. Other health legislation I have introduced or cosponsored and which I anticipate Congress will act upon next year, include a bill to provide services to the mentally retarded and those with other developmental disabilities; a Humane Laboratories Animal Treatment Act; a bill to authorize loans to American medical students studying abroad, and a measure to establish a Federal Council on Health.

Noting that some 200,000 young Americans might be obliged to discontinue their college education because high interest rates and the tight money market made guaranteed student loans unobtainable, I introduced an administration bill authorizing the Federal Government to pay an incentive interest allowance on these loans and thus to forestall the crisis. The Congress acted quickly and it was enacated as the Emergency Insured Student Loan Act. To expedite the granting of these loans just before the commencement of the new semester, I also urged that banks immediately extend these loans even before final passage of the act. This plea resulted in a very encouraging and favorable response.

I have assumed a leadership role for adequate funding of Federal education programs. The Senate Labor and Public Welfare Committee, of which I am the ranking Republican member, approved a comprehensive education bill. Senate action is expected early next year. In addition to extending existing elementary and secondary Federal-aid-to-education laws, the measure also contains several major programs of which I am the author, including: the Gifted and Talented Children Educational Assistance Act to focus Federal resources on the improvement of educational opportunities for gifted and talented children; strengthening of local education agencies on innovation; a new Adult Education Act to provide an opportunity to "catch up" for the 56 million adult Americans who have not had the opportunity to obtain a high school education; inclusion of children residing in low-rent public housing in impacted areas education aid; inclusion of Puerto Rico as eligible for assistance for neglected and delinquent children, and strengthening of enforcement of title VI of the Civil Rights Act of 1964.

I introduced legislation to extend the life of the National Foundation on the Arts and the Humanities.

HUNGER, POVERTY

As the ranking Republican member of the Select Committee on Nutrition and Human Needs—the so-called Hunger Committee—I have been extensively engaged in the effort to end hunger in America, a role I have played since I was among the members of an earlier committee who journeyed to Mississippi to make the first congressional hunger investigation in June 1967.

In 1969, the first major stride to pass meaningful antihunger legislation took place when the Senate rejected an inadequate food stamp bill offered by the Senate Agriculture Committee. It passed instead a substitute bill that I joined in with Senator MCGOVERN, chairman of the select committee, to provide much-needed reform of the Federal food stamp program. Among its provisions were authority for issuance of free food stamps for the first time to families with incomes of less than $60 per month. I will do everything in my power to get acceptance of the main aspect of the Senate-passed bill in the House of Representatives and in the Senate-House conference.

I sought Federal grants to correct the inadequate teaching of, and research into, the problems of malnutrition in our Nation's medical schools. I brought about the formation of a committee of all medical school deans in New York State to survey and report back to me on any conditions of malnutrition in their respective areas, and I introduced bills designed to improve both the preschool and in-school feeding programs. I also recommended to the President that he organize leading food company representatives into a task force on hunger—a recommendation that saw fulfillment in the participation of these executives in the historic White House Conference on Food, Nutrition, and Health.

I introduced the administration's bill with 26 of my colleagues to extend the antipoverty programs under the Economic Opportunity Act for another 2 years. The Senate approved a 2-year extension of the programs at the level requested for fiscal 1970, and an authorization of $2.048 billion, an amount in excess of last year's appropriation. With Senator NELSON, chairman of the Poverty Subcommittee, I led a successful fight to add more than $350,000,000 to the $1.6 billion appropriation for fiscal 1970 recommended by the Appropriations Committee.

I also introduced the administration's Manpower Training Act of 1969, which incorporated a number of my proposals and would seek to improve the delivery of manpower services through a system giving States and localities greater local responsibility. The bill included a national computerized program to match unemployed persons with available jobs.

When it became evident last June that the administration's plans for summer job opportunities for disadvantaged youth would once again fall substantially short of the need, I urged a supplemental appropriation of $55,000,000 for the Neighborhood Youth Corps and related programs. The supplemental appropriation finally accepted by both Houses and by the President was for $7,500,000. I have already sought $26,400,000 in additional funds for the 1970 summer jobs program.

LABOR

In response to the tragic explosion which took the lives of 78 coal miners in Farmington, W. Va., last year, and to the high incidence of coal workers pneumoconiosis—also known as black lung—the Labor Subcommittee, of which I am ranking Republican member, shaped a truly effective coal mine health and safety bill. This year Congress also enacted into law, with my support, legislation to improve health and safety conditions for construction workers on federally assisted construction projects.

The Subcommittee on Labor also commenced hearings on general occupational health and safety legislation, including the administration's bill which I sponsored. The bill would establish minimum health and safety standards for all workers as well as provide a mechanism for enforcing such standards. During the course of hearings on this legislation I proposed the establishment of an autonomous institute, patterned after the National Science Foundation, to engage in research and development of occupational health and safety standards.

During the past several years, I have been seriously concerned with the inadequacy of workmen's compensation laws in this country. I have proposed that a broadly based commission be established to study existing laws and to make recommendations to Congress on the best method of securing the needed improvements. The present administration, as well as the previous one, has endorsed this proposal.

I have also received assurances that next year the Labor Subcommittee will commence hearings on my bill to establish comprehensive minimum standards for private pension plans. At present, most of the 25,000,000 American workers who depend on private pension plans have little or no protection against forfeiture of benefits because of unreasonable service requirements or premature termination of plans prior to their having been fully funded. My bill would provide minimum protection in these areas and encourage the growth of true pension portability so that when a worker leaves a job he can carry his accumulated private pension benefits with him just as he now carries his accumulated social security benefits with him.

SMALL BUSINESS

Seeking to achieve a balanced budget, the administration has severely restricted funds available to the Small Business Administration—SBA. I have worked to alleviate this critical shortage of funds by turning to the private sector and seeking the cooperation of the major banking institutions of New York State. The results so far have been encouraging, and I believe these banks will be making approximately $100,000,000 available to the small businesses of New York through the new SBA quick-approval, 90-percent loan-guarantee program, which is expected to be instituted in New York shortly after the first of the year.

I have been disturbed by how costs of crime frequently mean the difference between a profit and a loss to small business. The committee has determined that crime costs small business 300 percent more than it does large business, and I am helping to develop proposals which would improve the small businessman's ability to protect himself against the effects of crime.

NEW YORK STATE

To insure that New York receives a proportionate share of the Federal tax dollar, I supported numerous federally assisted new and ongoing programs sponsored by New York State communities this year including more than 38 urban renewal programs; the Niagara Frontier Transportation Authority's application for urban mass transportation funds to conduct a feasibility study for a rapid transit system; the United Housing Foundation's application for the Nation's first pneumatic waste disposal demonstration program to be installed in a public housing project.

When the public works appropriations were before the Senate, I was successful in obtaining funds for various New York State ongoing programs including Long Island's South Shore beach-erosion, hurricane-protection program, the research and demonstration program to abate pollution of the Great Lakes, the deepening of New York Harbor's anchorages, and the completion of the Lake Erie-Lake Ontario Waterway study.

While I am an ardent supporter of cutbacks in excessive military spending, I have questioned whether New York State has suffered an inordinate share of the military base closings compared with other States. I have requested the Secretary of Defense to report to me and the entire New York congressional delegation whether—within the limits of national security considerations—these base closings could be spread more equitably among the States with no State being compelled to bear an inequitable share of these personnel cutbacks. My office also has been working with the Defense Office of Economic Adjustment to insure the revitalization of the local areas affected.

I continued to maintain a deep concern for protecting the interests of consumers, and introduced a bill to provide Federal matching grants to States for the establishment of consumer protection agencies on the Federal level.

VETERANS, CIVIL SERVICE

The Senate passed a comprehensive veterans education bill this year, which I cosponsored, including special programs designed for educationally disadvantaged veterans and a 46-percent increase in GI education benefits. The House passed a smaller increase, and the bill must now go to a House-Senate conference. The veterans employment and relocation assistance bill, which I introduced last year, was also included in the Senate passed comprehensive veterans bill. Under this provision, the Veterans' Administration would assist veterans in finding employment, would pay travel expenses for job interviews, and would pay moving expenses for the veteran and his family if he accepts a job which requires relocation. In addition, I introduced a bill which would increase the availability of GI loans.

I generally support the President's postal reform proposal, although I am not completely satisfied as to those aspects which deal with the settlement of labor disputes and a possible dispute between the proposed Postal Corporation and the Congress over rate increases. I supported the recently passed retirement benefit and financing bill, as well as other progressive legislation dealing with Federal and postal worker programs.

As a Senator and also as a parent, I have been deeply concerned with the advertising and sale of obscene literature through the mails and I am confident that appropriate legislation can be framed to help meet the problem which would not compromise our cherished freedoms of speech and the press or the privacy of the mails.

RURAL LIFE

Consistent with my concern for the hungry and my dissatisfaction with the Department of Agriculture's practice of paying huge sums to relatively few farmers to keep land out of production, I supported the unsuccessful attempt to have the support payments limited to $20,000 to any one farmer.

In view of the importance of New York's dairy industry, I gave considerable attention to anti-inflation measures aimed at insuring that the support prices for milk products come as close to 90 percent of parity as possible. In addition, I cosponsored legislation which would provide indemnity payments to manufacturers of dairy products who have to withhold from commercial markets milk products containing chemical residues.

To meet the problems unique to the rural communities of our State, I cosponsored a measure to provide incentives for the establishment of new or expanded job-producing industrial and commercial establishments in rural areas; another measure to allow Federal financial assistance to States and communities for establishing a system of rural fire prevention, and another to authorize the Department of Housing and Urban Development to guarantee loans for development of recreational facilities.

In addition, I authored legislation which would provide Federal funds to help construct multipurpose water quality management projects for our smaller cities and towns.

AN EXPRESSION OF GRATITUDE TO THE MEMBERS OF THE HOUSE COMMITTEE ON EDUCATION AND LABOR

HON. JAMES KEE

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. KEE. Mr. Speaker, it is with a grateful heart that I take this opportunity to pay tribute to the Honorable CARL D. PERKINS, chairman of the House Committee on Education and Labor, the Honorable JOHN H. DENT of Pennsylvania, chairman of the General Subcommittee on Labor, the Honorable DOMINICK V. DANIELS of New Jersey, chairman of the Select Subcommittee on Labor, and the Honorable PHILLIP BURTON of California for their joint efforts in writing and securing passage of the Federal Coal Mine Health and Safety Act of 1969.

During these long months of deliberation, under the unsurpassed leadership of Chairman CARL D. PERKINS, I am intimately aware of the full and complete dedication of these superb legislators who successfully included title IV in this historic legislation that passed the House of Representatives by such an overlapping majority.

Mr. Speaker, Chairman DENT is a Representative with honor and distinction from a coal-producing district of Pennsylvania, and he, too, has an intimate firsthand knowledge of the necessity for including benefits for those coal miners who are victims of lung disease due to the inhalation of dust while working in the coal mines and their dependents. His effective work will never be forgotten.

On Saturday, December 20, 1969, I paid tribute to the Honorable DOMINICK V. DANIELS of New Jersey for his effective foresight as evidenced by his hearings and followthrough of the subject of compensation for "black lung" disease.

While Chairman PERKINS was the leader in this forward step in the House of Representatives I feel an obligation for all the world to know that the very distinguished Congressman from California, the Honorable PHILIP BURTON, gave every ounce of his energy in both writing and passing the Federal coal mine health and safety legislation. On numerous occasions, because Mr. BURTON is from a non-coal-producing district, he gave me every opportunity to put forth factual reasons why compensation payments were justified. In fact, Mr. Speaker, I would be derelict in my duty if I did not call to the attention of the entire membership of the House, as well as all those who read the CONGRESSIONAL RECORD, the fact that Mr. BURTON gave every ounce of energy that he had in a most energetic manner, both in the consideration of this measure in the Committee on Education and Labor, but equally important his persuasion carried essential weight during the sessions of the conferees.

Because my most able colleague cares about those in need he went far beyond the call of duty in order to write a conference report that would benefit coal miners in a most substantial way who suffered from pneumoconiosis, as well as their dependents and equally Congressman **Burton** made clear for all to see his interest in the dependents of those coal miners suffering from pneumoconiosis who have gone to an early grave.

Mr. Speaker, every individual in the United States who mines coal, and their dependents, as well as all who are dependent upon the production of coal for their livelihood, are deeply indebted to Mr. **Burton** because he so actively fought the battle to bring success to this measure in the House of Representatives.

In conclusion, Mr. Speaker, I do have a heart filled with gratitude to the distinguished gentleman from California (Mr. **Burton**).

A TIME TO SPEAK

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. JOHNSON of California. Mr. Speaker, over the years our responsibility to provide an intelligent road toward an orderly balanced environment which will permit both the development of our resources and the protection of our environment has become an increasing challenge.

The State of California, under the excellent leadership of Mr. William R. Gianelli, director, department of water resources, has developed a very progressive resource program. California's State water plan has brought more immediate and long-range benefits to our people than any other single type of resources development in the history of the State or Nation.

As. Mr. Gianelli has pointed out:

> The day of letting our deeds speak for us is gone. We now will have to speak for ourselves, and we will have to spell out the intrinsic and incomparable environmental benefits of water projects in this state.

Because of Mr. Gianelli's insight into the importance of maintaining a balanced water program which would allow for the development of our water resources and insure environmental protection, I thought it appropriate to share his speech before the general session of the Irrigation Districts Association winter convention, December 4, 1969, Los Angeles, Calif., with my colleagues. Accordingly, I include his remarks at this point in the Record:

A Time To Speak

(By William R. Gianelli)

I appreciate the opportunity to address the general session of your 1969 winter convention today. I always look forward to this particular invitation because it gives me a chance to present you with the general picture of accomplishments and plans in the field of water resources development.

Today, I want to discuss a particular area with respect to California's water resources—the area of our environment, the way we use that environment, and the way we protect it.

For many, many years this particular area has received major attention from those of us whose business it is to care for our natural resources and to recommend wise use of them. But, that attention of ours, that careful husbanding, has not received much attention of its own. It has played stepsister to the public's demand for progress, for more people, more houses, more roads, more comforts, more leisure.

If we are to believe what we have been told, it would seem that builders of water projects have spent their lives ravaging a virgin countryside and leaving nothing but waste in their wake. This is simply not true. Water projects have never been built without a prior demand from the people, and without a demonstration of need. The results, in the main, have produced tremendous good for mankind and for his environment. In the new excitement of right now, however, people are pushing that embarrassing accomplishment to the back of the parade because it is a truth that belies a new concept of thinking about ourselves.

As though it were a new toy on Christmas morning, "environment" has been discovered—and it's about time somebody discovered it besides the men who bear the responsibility for developing our resources.

California is beset on all sides by danger to our environment in smog-laden air, garbage-cluttered beaches, burned-out forests, and the chemical filth which is discharged hourly into our rivers and our bays. We have been beset by these problems for a long, long time—but the general public has ignored them until very recently. There is not one man in this room, one person in this State, who doesn't want to be rid of this filth, and who doesn't want to solve these problems. In our impatience and our disgust, we must take great, great care that we don't destroy the orderly and the balanced development of our resources. We have created one disaster. Let us not create another by swinging the pendulum of our demands too far in the opposite direction.

I have no wish to be redundant, but I will say again that water projects in this State have brought more immediate and long-range benefits to our people than any other single type of resources development. This is a simple fact—without a kicker in it—but we are not getting this basic fact across to our people. If we don't start coming through, pretty clear and pretty fast, we stand the chance of being tarred with a brush we don't deserve.

The Bible tells us: "There is a time to every purpose under the heavens." Well, the time to speak is now. If we don't speak out as we should, we stand to put the environment of this State into a danger area that will be suffered by our grandchildren, and their children, far more than it will be by you and me. We cannot abrogate our responsibilities to the future by refusing to open our mouths and use our brains to see that the public gets *all* the facts and not just *some* that are distorted in transmittal.

We know that opponents of the State Water Project are trying to fabricate and promote the idea that the Project is bad for the environment. Most of the present manufactured charges are being used to support self-centered opposition to construction of the Peripheral Canal.

One of the charges is that construction of the Peripheral Canal in the Delta would create pollution in San Francisco Bay. This is a blatant attempt to connect two separate problems which have no direct relationship at all. It is lying to the public by trading on public emotions for selfish profit.

The Peripheral Canal would improve water quality in the Delta by repelling and reducing salt water intrusion into the Delta from the Pacific Ocean. The Canal would have almost no effect on the Bay. All the fresh water in California couldn't make a freshwater lake out of San Francisco Bay.

The problem of water pollution in San Francisco Bay is created by the waste discharges from municipal and industrial complexes which line the shores of the Bay itself. This, more than any other factor, is what endangers the life of the Bay system. The solution, here, is to clean up the wastes as much as possible and to create a regional system which would collect and transport these waste discharges and waste waters.

Very valuable contributions to the enhancement of environment in this area are being made by the State Water Resources Control Board. The Board has been given a "big stick" in the Porter-Cologne Water Quality Control Act enacted during the last session of the Legislature, and they are well prepared to use it.

After January 2, 1970, waste dischargers in California must pay a fee of not more than $1,000 when filing a notice of discharge with the appropriate regional water quality control board. They will also be liable to tough civil fines of up to $6,000 a day for violation of cease and desist orders relative to waste discharges. This has been called the "toughest water protection law in the nation", but tough is exactly what we need to be if we are going to save that Bay from what is truly creating the pollution.

The development of California's water resources is facing problems today because new days bring new problems. New generations and swelling populations bring new and swelling needs. It is up to us to meet each one of them as rapidly and as thoroughly as we can.

As we meet these new needs, we are going to have to face our detractors and destroy them with the logic of truth. We are going to have to enumerate the increasing environmental achievements of water development projects, and we are going to have to make ourselves heard. We must speak out loudly and clearly, and we can do this because we have, at hand, the facts and figures and measurable results of project accomplishments.

We have been silent much too long. In an age of rapid communication, we have not been communicating with any rapidity at all. We excuse ourselves by saying that we have been so busy doing the things which were given us to do, and which were necessary to do, that we have not taken the time to let the general public know of the benefits our projects have accomplished. Well, the day of letting our deeds speak for us is long gone. We now will have to speak for ourselves, and we will have to spell out the intrinsic and incomparable environmental benefits of water projects in this State.

Not every water project has resulted in the perfection for which we all strive. I would be the last person in this State to try that one on for size. Some of them have been blunders when considered in the light of an environmental concept. But, for every one which has created a problem, one hundred more have created a good which has never existed before.

One very good example is the San Luis Reservoir. Before San Luis Dam was built, there was no reservoir in that desolate area. Nobody had bothered with any enhancement. There was no water. As a matter of fact, San Luis Dam and Reservoir is one of the few water projects in this State that was built without a natural source of water. The water input is from the California Aqueduct, and the project provides a recreational and fishing source that never existed there before. The people of that area no longer have to drive for miles to enjoy water sports. Water recreation has been brought to them, in a federal-state effort that enhanced a former environment of heat and dust.

Water is one of the most precious commodities man has. He's very protective about it, and I don't blame him. I am protective about it, too. The major part of my job is to see to it that our water resources receive constant protection. Yet, I constantly face the charge that the Department of Water

Resources and the water leaders of the State are threatening to endanger the environment of all Californians.

Two hundred years ago, the Franciscan friars and the Indians fought blisters and hardpan to dig out a 6-mile canal near the San Diego River because they needed water. Today, a larger group of Californians need a larger amount of water, and they are having to fight the hardpan of communications and the blisters of misinformation.

The proponents of environmental enhancement have become increasingly vociferous in their demands that environment become a purpose of all water projects. They want it identified just as flood control, water supply, recreation, and fish and wildlife enhancement and mitigation are identified as specific purposes of water projects. Those of us working in the field of water development have been so close to the problems, and working so hard on the solutions, that we have been lax in noticing the growth of this trend. Our laxness was not because we were not interested in the enhancement of our environment, but because enhancement of the environment was so much an automatic *result* of the construction of a water project that we never considered it had to be identified as a *purpose*.

In Oroville we built the highest dam in the United States and provided a reservoir that, in one short year, has become one of the most popular water recreation spots in the State. Two of the purposes of this project were the control of floods and the year-round storage of a water supply. The *result* of both purposes, and of all the other purposes involved, was the enhancement of the environment in the area.

No flood in the world ever enhanced an environment. What is enhancing about ruined crops, damaged buildings, obliterated towns, and dead people? But, being able to control a flood through engineering technology automatically protects and improves an environment.

Oroville has done other things to enhance the environment of our State. It has created a vast lake where no lake ever existed before. It has brought water-skiing and boat riding and swimming and a whole new recreation area to one of the most beautiful spots in California. For water supply, it has provided a firm commitment of good quality floodflow catches that can be stored in the winter and used downstream in the summer and fall months when waterflow in the rivers has historically been at low ebb.

Can anyone possibly believe that the environment of this area has been endangered by creation of this water project? If so, then they must be people who remember the Feather River with nostalgia—as a muddy stream winding slowly down a canyon through most of the year, and as a rampaging, roaring, destructive wall of water the rest of the year.

Environment, basically, means that which surrounds organisms: people, animals, fish, birds. Ecology is the branch of science that deals with the relationship of these organisms to their surroundings. Whose environment are we talking about? Who, or what, is being endangered by water conservation?

If we are going to bring up environment in relation to fish, for example, let's bring up the new habitat that water projects have created in the Sacramento River for steelhead. Before Shasta Dam was constructed and releasing enough cold water into the Sacramento River to enhance the environment for California's primary inland game fish, steelhead were not readily available in that river. Since 1944, however, the Shasta project has been providing this ecological balance and Oroville is contributing a further enhancement to this new fishery.

Isn't it about time to speak of this achievement, to record this enhancement that has been going on for 25 years and that is improving every day? Water projects get the blame but do they also get the credit? No, they do not.

Are we talking about environment in relation to people? Let's take a fast rundown on the State Water Project and the environmental enhancements it has provided for people within its 10-year history.

Begin in the north, in the Upper Feather region. Frenchman Dam and Lake—Antelope Dam and Lake—Grizzly Valley Dam and Lake Davis: every one of them constructed and operating to provide people with water-oriented recreation that they can't get on the city streets.

The Sacramento-San Joaquin Delta: where the Peripheral Canal is being designed to deliver Sacramento River water to the Delta in an orderly manner so this valuable resource of ours isn't destroyed or tampered with in a way which will affect this wonderland area. In this area, too, water quality is of paramount importance and the Delta must not be allowed to revert to its historic environment of saline ocean water intrusion—not if we are going to have a Delta that is going to last for future generations.

The San Joaquin Valley: where the natural environment was supporting jackrabbits and sagebrush in some areas, until project water came along and allowed people to irrigate and grow crops and live a little better because their livelihood had been enhanced by a water project. Fishing along the Aqueduct will allow people to enjoy this sport without having to travel many miles.

Riverside County: where, in 1973, Perris Dam will create a lake in a populated area that has always been totally devoid of any recreational attributes. There isn't even a stream in that location. Lake Perris will be the eastern terminus of the California Aqueduct and will provide an enhancement of the present environment so that people can have fishing, and water sports, and just the chance to have someplace to go and enjoy the outdoor life. In return for all this, the water project will be flooding out some barley fields that have never been of any particular note as far as enhancement of the environment is concerned.

I could go on indefinitely about the benefits that have been, and are being, accrued from the water projects in this State. But, I think I have made my point in bringing them to the forefront of your attention. This is the message I hope you will take back to your homes and pass on to the people who are as interested in a balanced environment as you and I are.

Governor Reagan has given the Department of Water Resources a mandate that the State Water Project will be completed, and that the 31 water service contractors who are repaying the construction costs of the Project will have their contracts honored by the State. That means water deliveries when and where the State of California has contracted to make those deliveries.

He has also given us a clear chart for the future and told us what he expects of us. He has told the water leaders, and the people of this State, that water development in California will take place in (and I quote) "a responsible, efficient, economical and balanced manner." And, that's exactly the way it will be done.

To accomplish this, we are going to have to apply a conservation plan of wise use to all the water supply areas of this State, and increase our technological development of all other water sources—waste water reclamation, desalination, ground water recharge and even weather modification.

For water supply after 1980, we will be looking to the North Coast, the home of California's greatest untapped resource for surplus water. This is our future waterbank, where the rivers and the snows and the rains provide such an abundance of water that most of it wastes into the sea each year. In flood years, a balanced system of conservation and conveyance of that surplus water would be more than an enhancement to most of the people in that area. It would be a blessing that, in turn, would benefit and enhance other Californians.

A flood on the North Coast is no enhancement to anyone. Just ask someone who lives there year after year. In 1964, the "Killer Eel", in just five days, devastated thousands of square miles, created an appraised damage in excess of $54 million, and murdered 19 men, women, and children—some of them attempting to rescue others. Two hundred homes and farmsteads were obliterated; three entire communities annihilated; and, four others terribly hurt. The entire Humboldt-Del Norte region was paralyzed economically for many months. Other losses extended into the Klamath and Trinity River areas.

This was one year—one example—one flood. Is this protection of our resources? Is this service to our people, our animals, our fish, our birds? Is this enhancement of the environment?

The truth of the matter is that this is pure destruction. Yet, every time mention is made of using surplus floodwaters in the North Coast region for any other portion of this State, somebody calls a press conference and the hue and cry goes up about the "rape of the North."

I have yet to hear a hue and cry about the "rape of Long Beach" when a Northern Californian sends his child to schools that are being financed by tideland oil funds. Nor do I see any Northern Californian refusing to eat the citrus fruits and fresh vegetables of the Imperial and the San Joaquin Valleys.

I am a Northern Californian myself. I was born and raised in Stockton. I have spent the majority of my adult life, and raised my own family, north of San Francisco Bay. The older I get, the more irritating this ridiculous "battle" between Northern California and Southern California becomes to me.

This is one State. We are one people—*all* Californians. We live together, and we work together, and we help each other because we need each other. Each community uses its own resources and, when that is not enough, it looks to its neighbors for help. Have we become so sophisticated that we have forgotten what the word neighbor really means? If so, then we had better draw a line across the State right now and let Northern California flood itself out of economic existence every year rather than offer a drop of water to Southern California. And, at the same time, we can let Southern California get fat on the revenues from its agriculture and oil resources and start charging the north export prices for food and fuel.

The quality of life which will sustain a dozen generations of Californians yet to come is being decided by those of us who are alive today. Cognizance of this responsibility has left the ivory towers of the universities and the research laboratories. Cudgels in defense of our environment are now being brandished by the people. And so they should be. For it is when the people assume responsibility that progress is truly progressive.

Now that the people have discovered "environment" and "ecology"—and I do not mean to sound facetious—let us welcome their interest in maintaining a program which will allow us to conserve, to use, and still to protect all of our valuable resources. But, let us not fall into the quagmire trap of Chicken Little emotionalists who tell us we have to bring development to a full stop in this State because we're desecrating our environment. There is no necessity to believe such ignorance. Reasonable thought, and a broad scope investigation of the actual facts, will give a much truer picture. Our real responsibility is to take the intelligent road toward a balanced environment which will permit *both* the development of our resources and the protection of our environment.

There is no choice in that, and it's up to you to do the job. You can start by seeing to it that *all* the people get *all* the facts, and you can start today. It is your time to speak—and to speak now. Our tomorrows begin today.

STATE OF THE UNION?

HON. GEORGE A. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. GOODLING. Mr. Speaker, Clement Clarke Moore penned the classic Christmas poem entitled "A Visit From St. Nicholas," opening with the well-known words, "'Twas the night before Christmas, when all through the house not a creature was stirring—not even a mouse."

Mr. Bear Wertz of Spruce Creek, Pa., has written a takeoff on Mr. Moore's work, using observations on current events for the poem's substance. Because of its unique structure and interesting commentary, I insert Mr. Wertz' poem into the CONGRESSIONAL RECORD and recommend a thoughtful reading of this piece.

STATE OF THE UNION?

T'was the night before Christmas and all through the nation
Some Communists were planning their next infiltration.
The children were nestled all snug in their bed
While a left-wing clergyman said that God is now dead.

This plot is not new, over 30 years it's been kept,
And instilled in our leaders, while America slept.
Now out on our streets there is such a clatter,
The majority wonders just what is the matter?

A Molotov cocktail explodes with a flash,
As SDS students turn over a Nash.
The moon on the breast of the new-fallen snow,
Is dimmed by the draft cards that are burning below.

When what to my wondering eyes should appear?
A firetruck to the rescue with a cop on the rear.
The snipers all shot at the fire-fighting rig,
As the rioters called the policeman, "a fascist pig".

More rapid than cancer their philosophy shames
And chides our leaders by calling them names:
Trigger-happy was Goldwater, a bigot was Wallace,
Reagan's a showman . . . . . what else will they call us?

To topple our system, watch it crumble and fall . . . .
Their aim is to destroy and bury us all.
As dry leaves that before the wild hurricane fly,
Hemlines go up and mount to the sky!

Teach raw sex in our schools, dress codes are taboo
The Bible is out . . . . . let's smoke pot or sniff glue.
And then in a twinkle, I heard on the news
The prattling and preaching of militant views.
Civil rights was the issue, a political plum!
Keep bussing our children 'til we're "overcome."
A Black Panther leader, in "gay" clothes . . . . so handsome
Broke into our churches and demanded a ransom.

His eyes how they twinkled! But not in jest . . . . . though.
As he delivered what he called, "The Black Manifesto".
Civil wrongs in America, take prayer from our schools,
Were the first two effective communist tools.

What else do we look for? What's next on their list?
How can apathetic America become communist?
Let's start some dissent and campus disorder
From the coast of Maine to the Mexican border!

Everyone hates war, let's be a public defender,
Let's have peace . . . . not through victory but through surrender.
We will split the nation through our "hate emporium"
And conceal it beneath a "Peace Moratorium".

In the name of peace, their heritage we'll refute . . . . .
They will join our ranks with a clenched fist salute!
If America keeps sleeping, she'll fade out of sight-ski!
So Merry Christmas to all . . . . and to all a goodnight-ski!

BEAR WERTZ.

SHELTERED WORKSHOP ON A FARM

HON. ODIN LANGEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. LANGEN. Mr. Speaker, following years of hard work and dedicated service, the Lake Region Sheltered Workshop near Fergus Falls, Minn., has acquired a farm on which to expand its present program. It is the only vocational rehabilitation facility of its kind in the Nation. I am proud of the Lake Region Sheltered Workshop and the people working to make Rehab Acres a successful venture.

The sheltered workshop acquired the farmland last summer from the State hospital. The staff and directors of the workshop were joined by members of welfare departments from surrounding counties, the State division for vocational rehabilitation, the Minnesota Society for Crippled Children and Adults, and several experienced professional and lay people from the community. The workshop plans to train workers with physical, emotional, and mental handicaps. Participants will learn the discipline and routine of gainful employment and will be paid for the work they do at the workshop at Rehab Acres.

The program will involve about 30 clients at a time and spokesmen for the program say about that number will be placed in jobs in agriculture and related industries each year. Citing figures drawn up earlier in the prgoram, it can be shown that a rehabilitated handicapped person can pay in taxes on earnings from gainful employment more than the cost of his training in such a workshop. That means a good investment by society. Plus the fact that the untrained handicapped person might remain on welfare rolls for life but for this organized program.

Important, too, is the fact that the sheltered workshop operation at Rehab Acres actually trains people for jobs that exist and for jobs where hard workers are hard to find. In the Fergus Falls area, farm labor is much in demand.

These handicapped people now have great hope for a life on a payroll instead of a welfare roll. They learn valuable skills according to their ability. Some are operating heavy farm planting, cultivating, and harvesting equipment. Some are learning to preserve and store food. Some are learning to produce good gardens including fruit and vegetables.

Also on the farm at Rehab Acres is a large livestock program. Cattle and hogs are major sources of income in Minnesota, and the handicapped workers are learning many areas of livestock raising firsthand. Meat cutting is included.

Responsibility and reliability are stressed in the program.

While the Lake Region Sheltered Workshop is an established program in Fergus Falls and has served the surrounding communities for many years, this is perhaps the most ambitious project ever undertaken. I am grateful for the opportunity to congratulate the individuals responsible for Rehab Acres and wish them continued success in the years ahead.

LABOR AND THE CHRISTIAN FAITH

HON. L. H. FOUNTAIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. FOUNTAIN. Mr. Speaker, it behooves us in these days of the "gimme society" to recall the words of the Apostle Paul, who preached the doctrine of work and basic to it the doctrine of love.

The doctrine of work is one of the great doctrines of our glorious Christian heritage. It is a philosophy that did much to make this Nation great.

But, sadly, too many today exhibit disdain for the rewards of honest toil and are content to coast along on the labors of others.

I recently had the high privilege of hearing an inspiring and thought-provoking sermon on this topic. It offers the kind of inspiration which should cause all of us to think through again and again a fundamental principle of life.

The sermon was preached by the Reverend Robert E. Burns III, minister of the Howard Memorial Presbyterian Church, Taboro, N.C., on August 31, 1969. I commend its reading to my colleagues in the House—in fact to all who read the CONGRESSIONAL RECORD.

The sermon follows:

Labor and the Christian Faith

(By Robert E. Burns III)

Text: "But we exhort you, brethren, to love more and more, to aspire to live quietly, to mind your own affairs, and to work with your hands, as we charged you; so that you may command the respect of outsiders, and be dependent on nobody."

Once upon a time there was a Little Red Hen who scratched about and uncovered some grains of wheat. She called her barnyard neighbors and said, "If we work together and plant this wheat, we will have some fine bread to eat. Who will help me to plant the wheat?"

"Not I," said the Cow. "Not I," said the Duck. "Not we," said the Goose and Pig. "Then I will," said the Little Red Hen—and she did.

After the wheat started growing, the ground turned dry and there was no rain in sight. "Who will help me water the wheat?" said the Little Red Hen.

"Not I," said the Cow. "Not I," said the Duck. "Not I," said the Pig. "Equal rights," said the Goose. "Then I will," said the Little Red Hen—and she did.

The wheat grew tall and ripened into golden grain. "Who will help me reap the wheat?" asked the Little Red Hen.

"Not I," said the Cow. "Not I," said the Duck. "Out of my classification," said the Pig. "I'd lose my food stamps," said the Goose.

"Then I will," said the Little Red Hen—and she did.

When it came time to grind the flour, "Not I," said the Cow. "I'd lose my unemployment compensation," said the Duck.

When it came time to bake the bread, "That's overtime for me," said the Cow. "I'm a dropout and never learned how," said the Duck. "I'd lose my welfare benefits," said the Pig. "If I'm the only one helping, that's discrimination," said the Goose.

"Then I will," said the Little Red Hen—and she did.

She baked five loaves of fine bread and held them up for her neighbors to see.

"I want some," said the Cow. "I want some," said the Duck. "I want some," said the Pig. "I demand my share," said the Goose.

"No," said the Little Red Hen. "I can rest for awhile and eat the five loaves myself."

II

"Excess profits," cried the Cow. "Capitalistic leech!" screamed the Duck. "Company fink," screamed the Goose. "Equal rights," grunted the Pig.

And they hurriedly painted picket signs and marched around the Little Red Hen singing, "We shall overcome." And they did.

For when the farmer came to investigate the commotion, he said, "You must not be greedy, Little Red Hen. Look at the oppressed Cow. Look at the disadvantaged Duck. Look at the underprivileged Pig. Look at the less fortunate Goose. You are guilty of making second-class citizens of them!"

"But—but—but I earned the bread," said the Little Red Hen.

"Exactly," the wise farmer said. "You should be happy to have this freedom. In other barnyards, you would have to give all five loaves to me. Here you give four loaves to your suffering neighbors."

And they all lived happily ever after. Including the Little Red Hen, who smiled and smiled and clucked, "I am grateful. I am grateful."

But her neighbors wondered why she never baked any more bread." (Source Unknown)

This contemporary parable sharply illumines one of the serious social and economic problems of our nation. It is also a parable that could be equally applied to a similar problem in Thessalonica in the time of Paul. It is a parable which brings into focus the conflict between labor and the Christian faith. Today there is apparent lack of relationship between labor and the Christian faith. There is little, if any, communication between the two. The result is that the laborer looks upon work as the curse of the middle and lower classes rather than as a noble gift of God, that the church fails to speak out when the high principle of justice and fairness are violated by labor or by the refusal to work, that the world of labor rests comfortably unchallenged by the Christian faith.

But this problem does not belong to the twentieth century alone. Even in the church at Thessalonica, a problem had arisen concerning the necessity of a day's work. In the first century there was a conflict between faith and labor. The preaching of the Second Coming of Christ had produced an odd and awkward situation. The Christians were so strongly convinced that the return of Christ was imminent that they had given up their jobs and were living off the support which the church furnished for the poor and the needy. They stood about in excited groups, upsetting themselves and everyone else by criticizing those who did not share their views. Yet they looked to the church for support. One commentator has observed: "Ordinary life had been disrupted; the problem of making a living had been abandoned; and the people waited excitedly for Christ to come." (Wm. Barclay) Because of the Christian's eager anticipation of Christ, the economy of the city was suffering, the treasury of the church was being rapidly depleted, the believers were weakening their evangelistic cause by forsaking their work. There was a conflict between faith and labor.

III

Today we experience problems of the same nature. The problem is that man's faith is often in conflict with his calling, his work, his labors; and if not in conflict, certainly not relational. The line of demarcation between "right" and "wrong" occupations is thinly drawn and the Christian laborer is hard put to reconcile his work with his faith. Competition, fewer hours, depersonalization, mechanizations, and higher salaries are increasingly becoming barriers separating labor and faith. One's calling as a Christian and one's calling as a worker obviously put him in contradictory positions. So we must confront questions such as these: How do you carry your faith into your work? Are your vocational or occupational decisions governed by your faith or by the exercise of power or exploitation that may be yours? How do you bridge the ravine between belief and practice? How do you make your work Christian? Can the conflict between faith and labor be resolved? To this dilemma Paul addresses some very practical advice.

In his words to the Thessalonian believers perhaps Paul can aid us in understanding our crisis. Paul addressed the Thessalonians directly: "You have been taught by God to love one another; and indeed you do love all berthren . . . But we exhort you, brethren to love more and more, to aspire to live quietly, to mind your own affairs, and to work with your hands, as we charged you." Paul told the anxious Thessalonians the "best way in which Jesus Christ could come upon them was that He should find them quietly, efficiently, and diligently doing their daily job." The expectation of the coming of Christ was no reason to stop working! Indeed such thoughts were all the more reason for working harder and more faithfully. To stand idly engaging in useless chatter, to allow their Christianity and future prospects to turn them into useless citizens, was simply to bring Christianity into discredit and to bring themselves into disdain.

Now, basic to his doctrine of work was Paul's doctrine of love. Paul suggests that the power of love initiated by God and accepted by mankind leads one to honest work with his hands. ". . . love more and more and at the same time work with your hands, as we charged you." One commentator, Dr. E. T. Thompson, notes that it seems a little strange that Paul exhorted the Thessalonians to work with their hands rather than to work with brain power. Perhaps Paul realized that there is a therapeutic value in doing things with our hands. More likely, there were those in Thessalonica who held the prevalent view that it demeaned a man to work with his hands; that was the lot of the slaves. They would rather accept welfare and charity than get dirt under their fingernails. Now doesn't that critique of Thessalonian life sound familiar? Paul's motivation for labor was his understanding of God's love and his concept of the nobility and dignity of work. He earned his living by weaving tents, you remember. He always upheld by his work and his life the Christian doctrine of work. The Thessalonians, however, were prone to idleness and meddlesome living. They paid no attention to his first advice, so Paul wrote a second time. In his second letter Paul again exhorted them concerning the necessity of work (II Thes. 3: 6–13):

"Now we command you, brethren, in the name of our Lord Jesus Christ, that you keep away from any brother who is living in idleness and not in accord with the tradition that you received from us. For you yourselves know how you ought to imitate us; we were not idle when we were with you, we did not eat any one's bread without paying, but with toil and labor we worked night and day, that we might not burden any of you. It was not because we have not that right, but to give you in our conduct an example to imitate. For even when we were with you, we gave you this command: If any one will not work, let him not eat. For we hear that some of you are living in idleness, mere busybodies, not doing any work. Now such persons we command and exhort in the Lord Jesus Christ to do their work in quietness and to earn their own living. Brethren, do not be weary in well-doing."

IV

Paul's words remind us that true Christian love should motivate one to labor.

Thus Paul's words apply to all laboring Christians at all times. Yet they speak more strongly to the man who waits idly for assistance. "Be motivated," Paul is saying, "in your labors by your Christian love." In that familiar masterpiece, *The Prophet,* Kahlil Gibran has a section entitled "On Work". He agrees with Paul in principle when he says, "Work is love made visible." When Christian laborers learn that in their work they are about God's business expressing His love, then labor and the Christian faith can engage in meaningful dialogue. When work becomes love made visible, then laborers will know a new satisfaction and happiness that has not been theirs. One's faith is directly related to his work. One's faith can be and is manifested in and through his work. Not until the Christian faith is translated into terms meaningful for the teacher in the classroom or the farmer in the field, the mechanic in the garage or the florist in her shop, the doctor at the bedside of the housewife at her sink, not until this faith is expressed in the Christian's work can the love of God be manifest in the world of labor. And not until the love of God finds a place in the work-a-day world can we expect labor and the Christian faith to join hands in significant advances.

Is your love of God manifest in your work?

Do you put your beliefs to practice in your vocation?

Do you rejoice as you accept your responsibility to work?

In your work, is love made visible?

Finally having shown love as the motive for work Paul sets forth two results of labor. ". . . work with your own hands, as we charged you; so that you may command the respect of outsiders, and be dependent on nobody." *First, Paul says that your work must command the respect of others.* We have already seen that the believers in Thessalonica created a very unfavorable impression upon the outsiders which affected the standing of the entire church in the community. It was important for the Thessalonian disciples to work and to live in such a way that their lives were exemplary. They should be known as industrious, hard-working, sober laborers.

What impression do you give others as you go about your work?

Does your example of faith in your work command the respect of others?

Do you seek to make your work a respectable labor?

Secondly, Paul concludes that one must work in order that he is dependent on nobody. These words suggest that because of their unemployment, these early believers had become dependent on others for daily bread. It is a Christian responsibility for each believer to maintain his independence as he labors. Paul advises us to be dependent on nobody. However, we cannot fail to note that it is our Christian responsibility to help others, *who through no fault of their own,* cannot attain their independence. A wise Scotsman has observed: "There will be in the Christian a lovely charity which delights to give and a proud independence which scorns to take, so long as his own two hands can supply his needs." The task before us as individuals and as citizens of this great nation is to delight in support that we can give and at the same time seek to develop a proud independence among others which scorns to take.

"But we exhort you, brethren, to love more and more, to aspire to live quietly, to mind your affairs, and to work with your hands, as we charged you; so that you may command the respect of outsiders, and be dependent on nobody." Paul's exhortation is a very practical injunction having to do with labor and the Christian faith. You are enjoined to correct your own faults, attitudes or misunderstandings and seek through your interest, activity, and exemplary labor to bridge the gap between labor and faith that exists in our land today.

Come, labor on! Who dares stand idle on the
harvest plain while all around him
waves the golden grain? And to each
servant does the Master say, "Go work
today."

Come, labor on! Away with gloomy doubts
and faithless fear! No arm so weak
but may do service here: By feeblest
agents may our God fulfill His righteous
will.

Come, labor on! No time for rest, till glows
the western sky, Till the long shadows
o'er our pathway lie, And a glad
sound comes with the setting sun,
"Well done, well done."

A LITTLE SOMETHING TO THINK ABOUT

HON. GEORGE A. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. GOODLING. Mr. Speaker, it is good that the shoulders of parents and grandparents of today are quite broad, because these representatives of two generations have had a lot of abuse heaped upon them by the younger generation of today.

Just recently Dr. Eric A. Walker, president of Pennsylvania State University, addressed a class of graduates at an outdoor ceremony in Beaver Stadium at University Park. His remarks brought into focus the need for recognition of an almost forgotten element of today's society, parents and grandparents who, over a span of five decades, have accomplished near miracles, have kept quiet in the process, and have earned deep respect rather than scorn.

Dr. Walker brings us a meaningful message, and because of its important application to today's situation, I insert it into the CONGRESSIONAL RECORD and heartily commend it to the attention of my colleagues. Dr. Walker's remarks follow:

[From the York (Pa.) Dispatch, Dec. 6, 1969]

A LITTLE SOMETHING TO THINK ABOUT

This ceremony marks the completion of an important phase of your life. It is an occasion in which all who know you can share in your sense of pride and accomplishment. But no one has more pride in your accomplishment than the next group I'd like to introduce to you.

If you of the graduating class will look over into the bleachers to your left or right, I would like to introduce you to representatives of some of the most remarkable people ever to walk on earth. These are people you already know—your parents and grandparents. And remarkable people they are indeed.

Not long ago an educator from Northwestern University by the name of Bergen Evans got together some facts about these two generations—your parents and grandparents. I'd like to share some of these facts with you.

These are the people who within just five decades have increased life expectancy by approximately 50 percent—who while cutting the working day by a third, have more than doubled per capita output.

These are the people who have given you a healthier world than they found. And because of this you no longer have to fear epidemics of flu, typhus, diphtheria, smallpox, scarlet fever, measles or mumps. And the dreaded polio is no longer a medical factor, while TB is almost unheard of.

Let me remind you that these remarkable people lived through history's greatest depression. Many of these people know what it is to be poor, what it is to be hungry and cold. And because of this, they determined that it would not happen to you, that you would have a better life, you would have food to eat, milk to drink, vitamins to nourish you, a warm home, better schools and greater opportunities to succeed.

Because they gave you the best, you are the tallest, healthiest, brightest, and probably the best looking generation to inhabit the land.

Because they were materialistic, you will work fewer hours, learn more, have more leisure time, travel to more distance places, and have more of a chance to follow your life's ambition.

These are also the people who fought man's grisliest war. They are the people who defeated the tyranny of Hitler, and who when it was all over, had the compassion to spend billions of dollars to help their former enemies rebuild their homelands. And these are the people who had the sense to begin the United Nations.

It was representatives of these two generations who, through the highest court of the land, fought racial discrimination at every turn to begin a new era in civil rights. They built thousands of high schools, trained and hired tens of thousands of better teachers, and at the same time made higher education a real possibility for millions of youngsters—where once it was only the dream of a wealthy few.

And they made a start—although a late one—in healing the scars of the earth and in fighting pollution and the destruction of our natural environment. They set into motion new laws giving conservation new meaning, and setting aside land for you and your children to enjoy for generations to come.

They also hold the dubious record for paying taxes—although you will probably exceed them in this.

While they have done all these things, they have had some failures. They have not yet found an alternative for war, nor for racial hatred. Perhaps you, the members of this graduating class, will perfect the social mechanisms by which all men may follow their ambitions without the threat of force—so that the earth will no longer need police to enforce the laws, nor armies to prevent some men from trespassing against others.

They made more progress by the sweat of their brows than in any previous era . . . and don't forget it. And if your generation can make as much progress in as many areas as these two generations have you should be able to solve a good many of the earth's remaining ills.

It is my hope and I know the hope of these two generations that you find the answers to many of these problems that plague mankind.

But it won't be easy. And you won't do it by negative thoughts, nor by tearing down or belittling. You may and can do it by hard work, humility, hope and faith in mankind. Try it.

DR. EDWARD J. BOLING

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. DUNCAN. Mr. Speaker, being president of a large university is one of the toughest and most demanding jobs. When a new president is named all eyes are on him and people say, "I hope he can do the job."

The University of Tennessee has selected a new president and he can do the job. Dr. Edward J. Boling is a hard worker and is known for his honesty and straightforwardness in all dealings.

This young man—just now 47 years old—was named to head the mighty University of Tennessee system last Friday by Gov. Buford Ellington. He succeeds Dr. Andrew Holt who is known around the world for his accomplishments as head of the university.

Dr. Boling has worked with President Holt for the past 9 years as University of Tennessee's vice president for development and administration. They have made a great team, and the university has grown so rapidly that there are constant building starts, jumps in student enrollment, and advancements and additions to the areas of study.

Being president of the University of Tennessee is a huge job. It encompasses the entire State, with campuses from east to west. The main campus with such colleges as business administration, law, liberal arts, agriculture, home economics, and education is located in Knoxville, largest urban area in my district and Dr. Boling's hometown.

Going from east to west other major campuses are located in Chattanooga, Nashville, Memphis—medical units—and Martin.

Dr. Ed Boling is well prepared to deal with the university, its faculty, its students, its administrative staff, and its growth problems. He has been a student at University of Tennessee—bachelor of science degree in accounting in 1948 and master of science in statistics in 1950; he has taught at the university; and he has been an administrator. Even when he was not directly a part of the university, Dr. Boling spent much time working on university matters for he was Tennessee's commissioner of finance and administration in 1958–61 and before that State budget director. As a member of the Governor's cabinet, he attended all university board meetings. In fact, he has a perfect attendance record from 1954.

Thus, University of Tennessee's new president knows the university from all sides. He is enthusiastic about its future, and he is outspoken and tough enough to carry this big job. Recently, he made this comment:

> The main thing in selecting a new university president in this age is to get a man callous enough to bear the brunt of what college presidents must bear today, and who can still maintain his cool.

Ed Boling is that kind of guy, and we are proud to have him as our next president of the University of Tennessee.

HALF A MILLION TONS OF JUNK MAIL EACH YEAR

HON. CORNELIUS E. GALLAGHER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. GALLAGHER. Mr. Speaker, on Wednesday, December 17, I introduced a bill designed to take several effective steps to eliminate the growing sense of citizen powerlessness to stop mail regarded as offensive from appearing in the family mailbox. That bill, H.R. 15309, has four basic provisions:

First. Register mailing list brokers with the Postmaster General.

Second. Provide means for the individual to avoid receiving any unsolicited mass mailings or to receive only those which relate to charitable, nonprofit purposes.

Third. Require every piece of unsolicited mail to contain identifying information clearly specifying where the sender obtained the name of the recipient.

Fourth. Provide an enforceable provision stipulating that the individual may direct his name to be removed from that particular list.

In this way, Mr. Speaker, we can let the individual decide for himself whether he wishes to receive unsolicited mail and give him the ability to take personal action to stop it. While I do not regard these new legislative concepts as being directed solely against the mounting problem of pornography through the mails, I was happy to learn that the American Civil Liberties Union has stated that my approach may well meet the constitutional objections to other legislation.

An indication of the dimensions of the direct mail problem is contained in an editorial from the Newark Evening News of Tuesday, December 9, 1969. "Weighing the Junk" discloses not only a real problem for the individual citizen, it also reveals the incredible burden now placed on our admittedly overburdened Post Office.

I believe that my new legislative concepts will help stop what is so often totally wasteful, what is occasionally disgustingly obscene, and yet continue the many valuable services which direct mail provides Americans.

Mr. Speaker, it must be realized that some citizens regard junk mail as an invasion of personal privacy, others see it as just another of the irritations of modern life, and a large number of people openly welcome it. I do not offer H.R. 15309 as the total answer to this problem, but I do believe it is a balanced approach which will be helpful to the Post Office Department, to the continuing debate over an effective way to control the mailing of pornographic solicitations, and most important, to provide legislation which clearly recognizes the primacy of personal privacy.

The article follows:

WEIGHING THE JUNK

An exasperated woman in Tacoma saved all her junk mail for a year, just to see how much she received. It weighed in at 33 pounds.

The only surprise is how easily she appears to have come off. Thirty-three pounds is less than two ounces a day, a calculation which suggests the lady in Tacoma is on fewer mailing lists than many of her fellow Americans seem to be.

In any event, her experience dramatizes a principal reason behind the postal deficit. If only half the households in the United States get 33 pounds of unsolicited mail a year, that's half a million tons. And, since the senders still aren't expected to pay their own way, their targets, the taxpayers, pick up the tab for about 125,000 of these tons.

THE "QUEEN MARY" IS ALIVE AND WELL AND IN LONG BEACH

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. HOSMER. Mr. Speaker, a little over 2 years ago, the city of Long Beach invested $3,450,000 in the purchase of the beloved Cunard liner, the R.M.S. *Queen Mary*.

The city had previously been searching for a major water-oriented recreational facility as the feature attraction of its massive Pier J development in the Long Beach harbor.

The city fathers felt that the *Queen Mary* would be ideal. Not only would it be a major attraction in its own right, but the ship would serve as a spur for other development of the harbor and downtown areas.

Today, 2 years after the purchase of this great ship, staff writer Don Brackenbury of the Long Beach Independent, Press-Telegram has taken an in-depth look at the city's decision to purchase the ship and develop Pier J around it.

His conclusion is that the economic benefit to the taxpayers of the city is even more fantastic than originally estimated. In the intervening 2 years, the magnitude of the development of the *Queen* and the investment also have jumped sharply.

Because of the worldwide interest in this great ship, which is so loved by millions of Americans, I am including the article in the RECORD to show clearly that the *Queen Mary* is alive and well in Long Beach:

EXPENSIVE LADY, BUT WORTH IT—"QUEEN MARY" INVESTMENT TO REACH $52 MILLION

(By Don Brackenbury)

As the Queen Mary nears her second anniversary Tuesday in Long Beach, everything about her—extent of development, costs and revenue to the city—has jumped in magnitude.

When she is opened for public tours next July or August, visitors will see things no passenger ever saw before, or few crew members, either. The commercial areas are expected to be ready in the same period and the Museum of the Sea will open next December.

Originally, it was estimated that 590,000 square feet of the Queen Mary's total of 960,000 square feet would be used for the Museum of the Sea, commercial and tour areas. The current estimate is 930,000 square feet, of which 400,000 square feet will be devoted to the museum.

Total expected investment of public and private capital is about $52 million.

The city's investment, from tideland oil revenues, will total about $32 million. The California Museum Foundation and private sponsors will put about $10 million into the Museum of the Sea, and Diners/Queen Mary Corp. and its sublessees are expected to invest at least $10 million.

In return, on the basis of leases already awarded and other revenues expected to develop, the city will receive between $2.5 and $3 million a year on its investment. In addition the city, county and state will get more than $1 million in taxes from the ship's operations.

Economic studies indicate that visitors to the Queen Mary will spend $19 million annually at the ship, according to City Manager John R. Mansell. The studies also predict that visitors drawn to Long Beach by the Queen Mary will spend an additional $14 million in this area.

"The size, scope and importance of the Queen Mary project is far greater than originally envisioned," Mansell said, "and the degree of private investment in the program has increased four-fold."

"The Queen Mary is a great lady," Fred Rosenberg, president of Diners/Queen Mary, told a Chamber of Commerce dinner in September. "She doesn't give up her favors easily or cheaply. She's expensive—but she's worth it."

Acquisition of the Queen Mary by Long Beach actually was the outgrowth of a development study, made to determine the best uses for the east side of Pier J. The survey was made by Real Estate Research Corp. for the city and port of Long Beach, and was completed in April, 1966.

The survey found that there is a market for a water-oriented recreation development along the east side of Pier J, overlooking the city's shoreline and downtown convention center on Pacific Terrace. It suggested development of a marina of 3,000 to 4,000 berths, with hotel-motel accommodations, various marine sale outlets, yacht clubs, sport fishing landings and restaurants.

As a key to the success of such a development, Real Estate Research Corp. recommended that the city try to establish "a major international tourist attraction" within the area.

The project was to be a combined city-port effort, and H. E. (Bud) Ridings, then president of the Board of Harbor Commissioners, and Harry Fulton, special assistant to the city manager, were named to spearhead a campaign for potential developers.

Although they found considerable interest in the Pier J project, Ridings and Fulton reported they also found that the need for the "major international attraction" was a real one. About this time—in May, 1966—news stories reported that Cunard Lines was considering the possibility of retiring its two veteran luxury liners, the Queen Mary and the Queen Elizabeth, probably in October, 1968.

"Why don't we try to get the Queen Mary as our tourist attraction?" Ridings proposed to Fulton.

The two men then began contacting various American corporations about the possibility of the firms purchasing the Queen Mary and bringing her to Long Beach as a hotel-convention center. In the following year, at least six firms indicated an interest in the project.

Through Roger Courtin, chief executive of the British-American Chamber of Commerce in Los Angeles, Ridings learned that Cunard also had shown an interest in the Long Beach idea. On March 7, 1967, Ridings wrote to Lord Mancroft, vice chairman of the board of Cunard Steamship Co., requesting an appointment to discuss the idea.

Suddenly, the timetable was speeded up. On May 9, 1967, the New York Times' news service carried a story from London that Cunard did plan to sell the two Queens—but in October of 1967, not 1968.

Lord Mancroft told the Long Beach representatives that Cunard would accept bids for the Queen Mary in London on July 24, 1967.

Up to this point, Ridings and Fulton had been proceeding on the idea that private enterprise would purchase the ship and bring it to Long Beach. The accelerated deadline, however, changed the picture. Several of the firms that Ridings and Fulton had contacted said they still were interested in the project, but could not meet the July 24 bidding deadline.

It was at this point that the California Museum Foundation came into the picture and, in fact, made the ship's acquisition possible.

The foundation, a nonprofit state organization dedicated to the development of museum facilities, had been negotiating with the city since 1958 with a goal of building a museum in Long Beach. Under agreements which had been reached, the city would build the museum, and the foundation would provide exhibits financed by private enterprise and would operate the museum. State legislation in 1964 had authorized Long Beach to spend tideland oil money for construction and operation of such a museum.

With the possibility that the Queen Mary might be brought to Long Beach, the idea was put forth that establishment of a Museum of the Sea aboard the ship would be a much bigger attraction than a land-based museum, because the luxury liner itself was an historical attraction.

Proponents of this plan—primarily Ridings, Fulton and Samuel C. Cameron, a member of the board of the California Museum Foundation—suggested that the city acquire the Queen Mary, develop a museum aboard ship and lease out areas not needed for the museum to private commercial interests for operation as a hotel-convention facility.

Acquisition of the ship would be financed by the city from tideland oil money, but private commercial interests would pay for the development of all commercial activities aboard.

During the months of June and July, 1967, this concept was submitted to, and approved by, the Long Beach City Council, the California Museum Foundation, State Lands commissioners. Gov. Ronald Reagan and various state legislative leaders.

The city had anticipated that the cost of the land-based museum would have been $8,750,000, not including the cost of the land itself.

For this amount, it was decided, the city could acquire the Queen Mary, return it to Long Beach, and convert it into a museum. In addition, the California Museum Foundation was expected to provide about $2.5 million worth of exhibits, and private enterprise would contribute an equal amount for the development of commercial spaces. At this point, the city was contemplating developing about 150,000 square feet aboard the ship for museum use.

With these plans in mind, a seven-man delegation went to London in late July to submit a bid for the purchase of the liner. This group included Ridings; Fulton; Cameron, representing the museum foundation; Llewellyn Bixby Jr., the newly elected president of the harbor board; Vice Mayor Robert F. Crow, representing the City Council; City Attorney Leonard Putnam, and special legal counsel Clark Heggeness.

Under authorization of the City Council, the delegation submitted a bid of $3,450,000. This bid would buy the ship and all its furnishings and equipment, except that which was only on lease to Cunard, or which was personally owned by the British Royal Family.

The bid carried a condition that the city be permitted to sponsor a last cruise of the Queen Mary from Southampton to Long Beach. The cruise would help defray costs of bringing the ship to Long Beach, but the delegation also pointed out that it would be "inconceivable" not to carry passengers on what came to be named "The Last Great Cruise" of the luxury liner.

The Long Beach bid was one of 18 submitted on July 24. Two days later, Cunard announced that Long Beach was the successful bidder. Cunard never made public the list of bidders, but it was learned through newspaper reports and subsequent statements by Cunard officials that the Long Beach bid was $50,000 higher than the second-best offer, which came from a group of Philadelphia businessmen.

The extent of international interest in the ship and her new future was evidenced almost instantly, as thousands of letters began pouring into Long Beach City Hall. They ranged from requests for leases of commercial space aboard ship to inquiries about accommodations in the proposed hotel, and they included many sentimental letters reminiscing about experiences aboard the Queen, or offering memorabilia of the ship.

While paper work of the purchase was worked out, plans were started for future development of the ship. The original space allocations were 140,000 square feet for the museum, 260,000 square feet for tour and collateral areas, and 190,000 square feet for commercial activities.

These original estimates contemplated only minor equipment removal and structural work below R Deck. They also presumed that most of the alterations and refurbishing work would be accomplished by local shipyards, whose prevailing union rates and job charges are substantially below those of land-based union wages and construction job rates. The city, however, was to be ordered by the state to specify that the contracts use the higher wages of land-based unions—a factor which made a sharp rise in costs.

The original economics of the project called for an $8,750,000 investment by the city, with $2.5 million in museum exhibits from private sponsors and another $2.5 million from private commercial investment.

It was anticipated that the city's income would be between $1 million and $2 million annually, plus state and local tax revenue of $700,000.

During the summer, arrangements were completed for the final delivery voyage. The 81,237-ton ship was too large to take through the Panama Canal, so she had to be routed around Cape Horn. This presented major problems, because the Queen Mary had been designed for cross-Atlantic trips of four or five days, not extended cruises with up to eight days between ports.

Travel arrangements were made, on behalf of the city, by the Fugazy Travel Bureau, and the "Last Great Cruise" started from Southampton on Oct. 31, 1967.

The ship made stops at Lisbon, Portugal; Las Palmas, Canary Islands; Rio de Janeiro, Brazil; Valparaiso, Chile; Callao, Peru; Balboa, Panama, and Acapulco, Mexico. She travelled on two engines—not to save money, as some reports said, but because her fuel tanks were not large enough for such long distances between ports if all four engines were used.

There was no air conditioning in the cabins—such service was not needed on the North Atlantic run—so the heat during her two crossings through tropical waters was uncomfortable. There were some complaints, but most passengers indicated they were having "the experience of a lifetime."

There also were reports of rats and cockroaches aboard, but these stories were grossly exaggerated. No rats were found aboard the ship, and the presence of cockroaches was "far less" than normal incidence aboard a ship at sea, health officials said.

It would have cost the city between $680,000 and $800,000 to bring the Queen Mary from Southampton to Long Beach. By carrying 1,200 passengers on the "Last Great Cruise," the city wound up with a profit of $150,000 above the cost.

Her arrival in Long Beach on Dec. 9, 1967, was greeted by an estimated 10,000 small craft and hundreds of thousands of people on boats and along the shore. The Queen Mary's skipper, Capt. J. Treasure Jones, said he had never received such a warm welcome.

While the Queen Mary was making her 39-day, 14,500-mile final trip, activity was being stepped up in Long Beach to make plans for the arrival and berthing of the ship, and then for the conversion to her new way of life. City Manager Mansell and Assistant City Manager Robert C. Creighton also began the search for commercial lessees to finance and create the proposed hotel-convention center.

Trustees of the California Museum Foundation, spearheaded by President Don M. Muchmore, board chairman J. Howard Edgerton and Cameron, began their planning for the Museum of the Sea. Subsequently, a Museum of the Sea committee was organized, with Cameron as chairman and Les H. Cohen as director.

On Sept. 1, 1967, the City Council hired consulting firms in naval architecture, museum design and hotel-restaurant management to study the ship and make recommendations for its conversion. This report was made Oct. 24, and it was enthusiastic.

The recommendations dealt principally with the assignment of space, and the council approved the following allocations: Museum of the Sea, 282,000 square feet below R Deck; tour and collateral areas, 155,000 square feet; commercial areas, 265,000 square feet.

This represented an increase of more than 110,000 square feet over all, with the Museum of the Sea being given twice the area originally proposed.

The consultants recommended to the city that it develop as much as possible of the Queen Mary's space, and asserted that the ship could become an attraction of "international significance."

They also warned that there could be a problem in keeping visitors to the museum and to the hotel separated, and they recommended a complete physical separation of the museum and commercial activities.

It was for this reason that spaces below R Deck were to be assigned to the museum. This, however, brought an added problem and cost—clearing out machinery and equipment in the engine and boiler rooms. This is an area roughly equivalent to a five-story building, with 40,000 square feet on each floor.

In November, 1967, following a study and report by Linesch and Reynolds, environmental planners, the City Council selected a site near the northeast corner of Pier J as the permanent berth of the Queen Mary.

The agreement between the city and the California Museum Foundation was executed on Dec. 12, 1967, and the museum pledge to acquire a minimum of $2.5 million worth of exhibits, and to operate and maintain the museum. It also agreed to conduct public tours, on behalf of the city. The contract was for 40 years.

At about this period, the city obtained the services of Rear Adm. John J. Fee, who was retiring after 36½ years with the U.S. Navy, to direct the Queen Mary project. Admiral Fee was no stranger to Long Beach. He was commander of Long Beach Naval Shipyard from 1961 to 1963. Just prior to retirement, he had commanded the Pearl Harbor Naval Shipyard, and he previously had spent four years in Washington, D.C., in several capacities with the Navy's Bureau of Ships.

The first major job for Admiral Fee and his staff was to render the Queen Mary fully dependent upon shore facilities. This was the first time this ever had happened to the Queen Mary. She was not equipped to take power from shore, and never before had her boilers been totally cold since she started her first voyage. She became fully dependent on shoreside services on Dec. 11, 1967—the day Long Beach assumed control.

The "takeover" ceremony was held aboard the Queen Mary, tied alongside Pier E, and it was attended by city, county, state and federal officials, representatives of Cunard Steamship Co. and the British government. The document officially transferring the vessel was signed by Capt. J. Treasure Jones, skipper of the Queen Mary; Gerald Dalton, representing Cunard; Mayor Edwin W. Wade and City Manager Mansell.

A trans-Atlantic and transcontinental telephone hookup had been arranged by General Telephone Co. to coordinate legal activities aboard ship with Cunard offices in London. At 11:05 a.m., dignitaries and spectators aboard the ship heard the voice of an attorney in London say:

"The Queen Mary now belongs to Long Beach."

One of the first jobs after the transfer was to remove about 700 tons of residual fuel aboard the vessel, and to clean out the tanks. All flammable material, and miscellaneous items which might present a hazard or which were not needed for the conversion work, also had to be removed.

With this preliminary work completed, the next major undertaking was to put the Queen Mary into drydock to sandblast the hull, close the underwater outlets, and repaint the bottom.

The only drydock in the area which could handle a ship of this size was the one at Long Beach Naval Shipyard, but it developed that getting the ship into drydock was a lot more difficult than just the problem of maneuvering such a leviathan.

In early February, 1968, seven maritime unions began picketing the ship at Pier E, contending they should have jurisdiction over the conversion work. This was the period of the "Is it a ship or a building?" dispute. The city was treating the vessel as a building inasmuch as it never again would operate as a vessel, and the 11th Coast Guard District concurred in this position. The maritime unions, however, argued that the Queen Mary was still a ship and, therefore, they were entitled to any jobs aboard.

The Queen Mary had been scheduled to go into the Naval Shipyard drydock on Feb. 22, but the picketing halted the move. The city went to the courts, called on the AFL–CIO's top officers to intervene, and even fought it out in the Navy Department. The Navy became involved because of charges that putting the vessel into the shipyard drydock would violate Navy regulations by being in competition with private industry. The Secretary of the Navy ruled the charge invalid, however, and the drydock work finally started—45 days late.

While in drydock, three of the ship's giant propellers and all four fin stabilizers were removed. About 90 hull openings were sealed, and the hull was sandblasted and painted. Although Cunard had sandblasted and painted the underwater portions of the hull from time to time, the company had not removed the paint above the water line since the ship originally was built.

The city decided to remove this topside paint as well, not only to reduce future maintenance problems, but to protect the ship from a potential fire hazard. This work actually was done after the ship came out of drydock.

Considering that the Queen Mary is longer than three football fields, is 113 feet wide, and is comparable in height to a 14-story building, it can be seen that removing paint that had been accumulating for 31 years would be a formidable task. The sandblasting contractors estimated they removed approximately 320 tons of paint, and the elimination of this weight actually made the ship float an inch and a half higher.

The paint removal was almost like an archeological expedition. On some sections, the paint was a quarter inch thick. Looking at it in cross-section, an observer could see the original red lead put on the steel when the ship was built in the mid-30s. On top of this was layer after layer of white paint, with one grey streak that marked the Queen's wartime service, followed by additional layers of white.

While the ship still was in drydock, however, one other major job was accomplished. A huge metal box was built around the one remaining propeller. Access to the box was provided from the interior of the ship, so visitors to the Museum of the Sea will be able to view the 35-ton, 18-foot-diameter propeller slowly revolving.

Another personnel problem which had arisen, whether the maritime wage rates or those of the building trades should be used on the Queen Mary conversion work, finally was resolved as a result of lengthy hearings by the State Labor Commission.

In most instances, the state ruled in favor of the building trades' rates. This meant a sharp increase in costs, because building trades union wages generally are higher than those of similar jobs in the maritime unions. The city estimated the cost would be raised at least 20 per cent as a result of the ruling.

After the Queen Mary arrived in Long Beach, the city began accepting proposals for a master lease on all commercial space to be made available. On March 26, 1968, the City Council approved in principle the selection of Diners Club, Inc., as master lessee, and authorized negotiations on a contract.

The 25-year lease, which gives the corporation options to extend for seven successive periods of five years each, also provides that diners/Queen Mary will pay the city an annual minimum rent of $300,000 from the first through the 17th year of the contract, increasing to $500,000 annual minimum for subsequent years.

The corporation, in addition, will pay certain percentages of gross receipts, ranging from 30 per cent on the gross up to $1.5 million to 50 per cent on gross receipts over $2 million annually.

The work of changing the one-time Cunard luxury liner to a hotel-convention center and Museum of the Sea is now well under way. The conversion contract calls for it to be completed by June 15, 1970. That is the same date planned for completion of the supporting shore facilities at the permanent Pier J berth. The museum expects, on present schedules, to open in December, 1970.

City Manager Mansell has predicted that the commercial areas aboard ship will be opened to the public by Aug. 15, 1970, however.

When completed, the Queen Mary will offer 402 staterooms, all of which have been completely rebuilt or remodeled.

The ballroom will accommodate about 1,000 persons for meetings or banquets with an adjacent room providing seating for an additional 500. There also will be numerous other rooms for receptions, cocktail parties, weddings or special get-togethers. The main kitchen-gallery encompasses more than 15,000 square feet, and a second galley on the Promenade Deck will serve the six public restaurants.

The Museum of the Sea, which is being planned and designed in consultation with the internationally known oceanographer, Capt. Jacques-Yves Cousteau, will be the world's largest public attraction of its type, according to the California Museum Foundation.

Capt. Cousteau has reported that the exhibits will be in seven major sections: (1) the Queen Mary history and technology tour exhibits, (2) physical marine environment, (3) biological marine environment, (4) the six undersea senses, (5) basic functions of marine creatures, (6) behavior of marine animals and (7) miscellaneous exhibits.

Related to the museum, but operated as a separate attraction, will be guided tours for the public. Plans are being made to handle 2 million persons a year on the tours, which are expected to begin between July 1 and Aug. 15, 1970. The California Museum Foundation will conduct the tours on behalf of the city.

Included in the tours will be a loading demonstration and display of cargo formerly carried by the liner, an "abandon ship" lifeboat drill, visits to the bridge, an authentic first-class suite and, by comparison, typical quarters for the American servicemen who rode her to the fighting fronts in World War II.

One of the newest developments for the Queen Mary area is the proposed aerial tramway, which will run a distance of nearly a mile from the Queen Mary site, across the water to a terminal just west of Pacific Terrace Center. Diners/Queen Mary Corp. proposes to finance and build the $2 million project, and will pay the city 10 per cent of gross revenues up to $750,000 annually, and 15 per cent above that figure. The ride will be capable of carrying between 1,000 and 1,200 passengers an hour in each direction.

Understandably, the size of the Queen Mary project has made it a target for some criticism, particularly on the $31 million investment of tidelands oil funds. City Manager Mansell maintains however, that the expenditure is an investment—one that will bring direct returns of about 10 per cent.

"I consider that a good investment," Mansell said.

In addition, acquisition of the Queen Mary already has stimulated the local economy. Mansell gives the ship credit for influencing the decision of Boise Cascade Corp. to sign agreements with the city to invest $40 million in the West Beach redevelopment, for example. The Long Beach Convention and Visitors Bureau had reported a sharp upsurge in convention reservations and inquiries since the advent of the Queen.

At a recent Chamber of Commerce dinner honoring Queen Mary lessees, Jack Wrather, president and chairman of the board of the Wrather Corp., predicted the Queen Mary will be "the next primary tourist attraction in the state."

THE 1969 SEAL BEACH BEAUTIFUL AWARDS

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. HOSMER. Mr. Speaker, the Junior Woman's Club of Seal Beach, Calif., has successfully concluded its first Seal Beach Beautiful campaign.

Under the leadership of Mrs. Lee Risner, president of the Junior Woman's Club, and Mrs. Mike Knapp, chairman of the Seal Beach Beautiful campaign, the women presented awards to 41 organizations and individuals, and 14 recognition certificates.

The objective of their campaign was to encourage the residents and businesses of the area to be more aware of the beauty of the community and work for its improvement.

I am pleased to pay tribute to the women of Seal Beach for this outstanding endeavor and offer my hope that their efforts will continue and flourish in future years.

I am including in the RECORD an article about the awards presentation banquet from the Seal Beach Journal:

BEAUTIFICATION AWARDS PRESENTED

In an impressive ceremony held at the Old Ranch Country Club, attended by most of the dignitaries and leaders of the community, the Seal Beach Junior Woman's Club presented awards to forty-one organizations and residents, and fourteen Recognition Certificates to others participating in the 1969 Seal Beach Beautiful Campaign.

Mrs. Lee Risner, president of the Junior Woman's Club, called attention to the awards presented for the many remodeling projects and new buildings that had been constructed prior to this year, but which deserved recognition for their improvement to the community. These projects were included in this first year of the program.

"I want to thank the City of Seal Beach Administrative Staff, friends of the club and organizations who helped to ensure the success of Seal Beach Beautiful," stated Mrs. Risner.

Mrs. Mike Knapp, Chairman of Seal Beach Beautiful, presented awards to the following:

In the Structures and Buildings Category, the winners in each of the seven divisions were: Institutions: Seal Beach City Hall, 211 Eighth Street; Commercial—New: Beverly Manor Convalescent Hospital, 3000 Beverly Manor Road; Marina Veterinary Clinic, 233 Seal Beach Blvd.; Old Ranch Country Club, 3901 Lampson; Union Federal Savings, 12501 Seal Beach Blvd.; and Atlantic Richfield Station, 12800 Seal Beach Blvd. Commercial—Remodeled: Bank of America, 208 Main Street. Industrial: North American Rockwell Corp., Space Division—Seal Beach, 2201 Seal Beach Blvd. Residential—Single Family: James Prentice, 202 6th Street; A. N. Kemp, 1405 Catalina; and George Falk, 246 16th St. Residential—Multi-Family: Herbert Benedict, 1421 Seal Way; Scheiblauer and Holeman D'Orleans, 124 1st Street; Henry A. Ericksen, 130 5th Street; and C. A. Steinman, 211 12th Street. Housing Developments: Shapell Industries, College Park East; and Suburbia, Inc., Bridgeport.

In the Advertising and Display Category: Ches-Men Shop and Antiques, 211 Main St. (sign and window); The General Store, 137½ Main Street (window display); The Wool Merchant, 129½ Main Street (sign); and La Scarpa, 133 Main Street (window display).

In the Beautification Projects Category, awards went to: The Leisure World Garden Club; The Golden Rain Foundation; Surfside Colony, Ltd.; Leisure World Mutual No. 4; City of Seal Beach; Shapell Industries; and Suburbia, Inc.

In the Special Awards Category, awards went to: John Nescher (John's Food King, 148 Main St.); Rita Herron (Herron's of Seal Beach, 214 Main St.); Rossmoor Business Center (North Seal Beach Community Center); Suburbia, Inc. (Schooner Park); Shapell Industries (Park Dedication); City of Long Beach; and City of Seal Beach.

1969 Recognition Certificates went to: Leisure World Garden Club; Woman's Club of Seal Beach; Suburbia, Inc.; U.S. Naval Weapons Station; P.T.A. of Seal Beach; Seal Beach School District; Seal Beach Sport Fishing; Teeples Garden Center; Tomco Marina; Girl Scout Troop #387; Brownie Troop #996; Girl Scout Juniors Troop #482; Brownie #1051; and Brownie Troop #840.

Tree Fund Donors who were recognized for their contributions were: Mr. and Mrs. Gine Stegman; Mr. and Mrs. Stan Anderson; Lioness Club of Seal Beach; and Marina Democratic Club.

According to Mrs. Risner, 137 were present at the awards dinner, and viewed the display of future plans for the City of Seal Beach in the lobby of the Country Club. On display were drawings and models of the Old Ranch Tennis Club; the new Marina Community Center; the proposed Rossmoor Park Apts.; and the Belmont Savings and Loan building, now under construction. Also on display were the preliminary renderings of the old City Hall drawn in 1929, and the plans for the existing North Seal Beach Community Center.

To help in promoting interest in the Campaign, four posters made by students from McGaugh School, were displayed by local merchants.

Guest speaker for the evening was Mr. David Johnson, Project Architect for William L. Periera and Associates, who presented a discussion with diagrams and charts of the projected growth of Orange County, and former planning.

FEDERAL GOVERNMENT FAMILY PLANNING PROGRAMS—DOMESTIC AND INTERNATIONAL

HON. GEORGE BUSH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. BUSH. Mr. Speaker, today the House Republican Task Force on Earth Resources and Population, of which I am chairman, released its reports and recommendations on Federal family planning programs—domestic and international. For the benefit of all my colleagues I will have this report published in the RECORD:

FEDERAL GOVERNMENT FAMILY PLANNING PROGRAMS—DOMESTIC AND INTERNATIONAL

(Report and recommendations of the Republican Task Force on Earth Resources and Population, House Republican Research Committee, Dec. 22, 1969)

HOUSE REPUBLICAN RESEARCH COMMITTEE

Robert Taft, Jr., Ohio, Chairman.

TASK FORCE ON EARTH RESOURCES AND POPULATION

George Bush, Tex., Chairman; Tim Lee Carter, Kentucky; Louis Frey Jr., Florida; James G. Fulton, Pennsylvania; Charles S. Gubser, California; Frank Horton, New York; Hastings Keith, Massachusetts; Donald E. Lukens, Ohio; Paul N. McCloskey, California; Charles A. Mosher, Ohio; Jerry L. Pettis, California; Howard W. Pollock, Alaska; Ogden R. Reid, New York; Guy Vander Jagt, Michigan; John Wold, Wyoming.

INTRODUCTION

This report of the House Republican Task Force on Earth Resources and Population is based upon extensive hearings and study during the 91st Congress, 1st Session. The report and the recommendations it contains are directed toward (1) achieving the national goal of providing family planning services[1] to the 5.3 million American women who wish and need such services, but who cannot afford or are unable to obtain these services, and (2) demonstrating America's concern over and commitment to meet the critical problems posed by the world population explosion.

POPULATION

Modern medicine and advances in nutrition have cut the death rates throughout the world, producing a fantastic population growth rate.

It took all of history, until about 1830, for the world's population to reach 1 billion.

In 1930, 100 years later, world population reached 2 billion.

In 1960, 30 years later, world population reached 3 billion.

By 1975, it is anticipated that the world population will be 4 billion. (Current world population is 3.5 billion.)

The current rate of population growth is 2% per year or 70 million per year. If this rate of growth continues, *we will reach a world population of 7 billion by the turn of the century.*

The most frightening aspect of this growth rate is that if it continues, *we will have 14 billion people or four times our present population by 2015.* The National Academy of Sciences has said: "Either the birth rate must come down or the death rate must go back up."

Rates of growth are significantly higher in the less-developed countries

Latin America—3% per year.

Africa—2.3% per year with a high death rate.

India—2.5% per year.

Pakistan—2.7% per year.

Both India and Pakistan have large family planning programs which can suppress their growth rates if the programs are successful.

The United States has a growth rate of 1%. At the present rate, our population will increase from its present 205 million to 300 million by the year 2000.

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[1] Family planning programs are designed to provide the education, materials, and services that are necessary in planning pregnancies when they are desired as well as to prevent unwanted pregnancies.

Population growth: Its relationship to GNP and the standard of living

The rate at which a country can increase its Gross National Product is limited by availability of labor, capital, and land, and how efficiently it can use all three. The GNP rises with population growth, but per capita GNP decreases. For a country to just maintain the standard of living for its people, it must be able to double its GNP in the period in which it doubles its population. To improve its standard of living of its people, it must more than double its GNP in that time.

Age distribution with a population: Its effect on population growth

In the developed countries such as the U.S. or Sweden, there are more people in the labor force age (18–65) than there are children. But in the underdeveloped countries, there are more people under 15 years of age than in the labor force age group. The larger number of dependent children relative to the number of persons in the labor force, the greater the economic burden of dependency. A high percentage of dependent children produces more spending for immediate consumption, restricts both private and public savings, and inhibits productive investment. It also means more persons entering the age of fertility than leaving the age of fertility each year, further driving up the population growth rate.

The earth has limited resources

The problem of population growth is more an economic and political one than it is a food and nutrition problem. We are physically limited to the amount of land to produce our food, water to nourish the land and minerals to produce our energy. However, our resources are ample to provide for the next 3 or 4 additional billion people. It is the cultivation, production, storage, and distribution of these resources that presents an enormous challenge to our technological abilities. We will have to get the resources to the people or the people to the resources. But then what about beyond the next 3 or 4 billion people?

THE DOMESTIC PROBLEM

The need for family planning services

At the present time there are about 5.3 million American women aged 18–44 who wish and need family planning services, but who cannot afford such services.[2] They represent one out of five of all U.S. women of reproductive age who need protection against unwanted pregnancy. The estimate of 5.3 million is arrived at by subtracting from the total number of women aged 18–44 now living in poverty or near poverty and estimated 10% who are infertile and 15% who are having or want a pregnancy at any given time. This calculation assumes that poor parents will want and have the average of three children that they, like other Americans, say they prefer and will be potential contraceptive patients only when they are not having these desired pregnancies.

Available data indicates a maximum of only 700,000 women in these income groups are currently receiving effective family planning help from all public and private agencies combined. This includes 250,000 low-income patients served by Planned Parenthood affiliates and an estimated 450,000 served by hospitals, public health clinics, and other services.

Thus, seven out of eight of the 5.3 million women who want and need family planning assistance are denied effective services.

These statistics are well accepted by the family planning experts both inside and outside of government. They are a result of a special survey by the U.S. Bureau of Census in March of 1966. An analysis of these statistics by the Planned Parenthood-World Population Research Department also shows that of these 5.3 million women:

Most live in cities—only 395,000, or 7.5 percent, of the 5.3 million women live on farms. About 1,580,000, or 30 percent, live in small towns in rural areas. (Estimate on basis of population patterns prevalent at time of the 1960 census) The rest, *over 3.3 million of them, live in the Nation's cities*. More than half, 2,663,000 are concentrated in the country's 110 largest Standard Metropolitan Areas with populations of 250,000 persons or more.

Most live in or near povery areas—nearly half of the target group live within the "poverty areas" officially designated in most U.S. communities for concentrated attention by the War on Poverty. The Office of Economic Opportunity estimates that approximately another 20 percent live in neighborhoods adjacent to official "poverty areas."

Most who need help are white—seven out of 10 women in the target group, or 3,695,000 are white. Only three out of ten, or 1,585,000, are non-white. Because non-whites are disproportionately poor, however, more than half of the 3.1 million fertile non-white women not seeking pregnancy need family planning help, compared to one out of six of the 23 million white women. In the Census Bureau's Northeast, North Central and Western regions, there are approximately four whites in the target group to each non-white; even in the 16 states of the Census Bureau's Southern region, there are three whites to every two non-whites. (In the South, however, two-thirds of all fertile non-white women not currently seeking pregnancy need family planning help, as against approximately one-third in the rest of the nation.)

Most are self-supporting—more than 4,500,000 or 86% of the women in the target population live in families which support themselves. Only 14%, or about 750,000, live in families whose major source of support is public welfare assistance.

Many work, but most must stay home—nearly half of the women in the target group—over 2.3 million—work at some gainful occupation at least part of the year. Almost one in five or 940,000 are employed full time.

Most stay put—Seven out of eight women in the target group—or 4.6 million—lived in the same county over at least the preceding 12 month period. Two out of three or 3.4 million did not move at all.

Most are married—nearly five out of six women in the target group—or 4.4 million—are, or have been, married. Three out of five or 3.1 million, are married and currently living with their husbands. One out of four—1.2 million—is separated, widowed, or divorced. One in six is single.

Most have gone to high school—three out of four of the women in the target group—nearly four million of them—have had some high school. The median number of grades completed is 11. More than four out of 10—or 2.2 million of them—are high school graduates. One out of 10 has had some college education. Only one of four members of target group—less than 1.4 million—has had only a grade school education.

Most are young, but children come fast—their median age is 30, and seven out of 10 currently have 3 children or less. More than half of the women at age 27 already have three children or more, with 17 childbearing years ahead of them. One out of five of the 570,000 women in the target group aged 18–19 already has at least one child, compared to one out of 12 non-poor women of this age. Similarly almost one-fifth of the 2.6 million poor women under age 30 have 4 or more children, compared to one out of 28 non-poor women.

Studies also demonstrate clearly that the larger the family size, the higher the risk of economic instability or of poverty.

With the enactment of Titles IV, V, and XIX of the Social Security Act, it has been government policy to share federal funds in the form of grants to health departments, hospitals, and any public or non-profit voluntary organizations to provide inexpensive or free family planning services for low income and poverty families or individuals. Under titles IV and V, up to 75% of the cost of family planning services is authorized. Title XIX provides for federal sharing from 50% to 83% of costs provided by a state. The percentage increase in appropriated funds for family planning programs under Title V has been significant in the past two years. However, the base was low and the current appropriation of about $30 million is far from the $150 to $170 million needed in federal funds for these grants and contracts.

Inadequate delivery system for family planning services

The Task Force and the Nixon Administration recognize that the major problem in providing family planning services to the needy lies in the area of inefficient delivery systems of medical services. It was also apparent to the Task Force that even if large amounts of money were immediately available to provide family planning services, the money could not be effectively utilized because of the lack of organized delivery systems.

To correct this inadequacy, Secretary Robert Finch made a reorganization within HEW and established the Center for Family Planning Services within the Health Services and Mental Health Administration. In his testimony before the Task Force, Dr. Roger Egeberg, Assistant Secretary for Health and Scientific Affairs, stated his desire to create a self standing Family Planning Institute within three years.

Another concern of the Task Force was the destiny of the successful OEO community family planning demonstration projects. The OEO family planning projects are the most successful community projects that the agency has developed.

There is a need for better coordination of government family planning programs. President Nixon recognized this fact and stressed the need for intergovernment coordination of these programs with those of HEW's in his Population Message. This responsibility for coordination he assigned, at the highest level, to his Special Assistant for Urban Affairs demonstrating the priority which his Administration gives to the problem.

Basic research

Increased basic research to develop a more convenient contraceptive (such as a once a month pill or an injection) as well as a male contraceptive was stressed by every witness that testified before the Task Force on population matters.

Currently, approximately $30 million is being spent annually on this type of research of which about $13 million came from the Federal treasury in FY '69. The remainder has been provided by independent non-profit organizations and the pharmaceutical manufacturers. The majority of witnesses felt that this should be increased to $150 million over the next five years with at least $100 million coming from Federal funds. This level of funding, it was felt, would almost certainly assure success in developing acceptable contraceptives.

A major criteria of a successful contraceptive is low cost. For this reason it is unrealistic to believe that the pharmaceutical manufacturers would willingly on their own spend the money necessary for such development in the short time period that is critically needed for this development. However, with a big research assist from the Federal government, it is hoped that the pharmaceutical manufacturers will be able to produce and market inexpensive contraceptive drugs successfully by the mid 1970's.

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[2] Planned Parenthood Federation of America, *Five Million Women*, New York, N.Y., 1967.

THE INTERNATIONAL PROBLEM

To understand the enormity of the population explosion in the under-developed countries, one must realize the fantastic success that modern sanitation and medicine has achieved in reducing death rates in these countries. Up until the conclusion of World War II, birth rates and death rates were at about the same levels. In the past 25 years death rates have dropped so rapidly in these less developed countries, while birth rates have remained almost constant that the population growth rates are between 2.3% and 3%.

At these rates of growth, populations treble in a 30 to 35 year period. If these rates were to continue, the populations would treble again in only a 15 to 20 year period. The average age levels of these populations will continue to decline thus creating a child dependency level that the productive age groups could not possibly support. Currently, the percentage of dependent children (under 15 years old) in the less developed countries runs between 40 and 50 percent of the population. In the U.S. this figure is around 30%.

As A.I.D. Administrator, Dr. John Hannah has pointed out: "Overpopulation and underdevelopment go hand in hand. The nation with population growth equal to or in excess of economic growth is in real trouble. Unless poor countries with too high birth rates do something about reducing them, it will be impossible to solve the problem of development."

The leadership of these countries has full cognizance of their problem. The United Nations Development Program is giving population control programs a high priority. Secretary-General U Thant has pledged expanded support for population activities and established a new trust fund with which to accomplish these activities. President Nixon, in his Population Message, emphasized the need for supporting these activities.

Lacking a national policy on population creates the most difficult problem facing the United States in providing direct support to the under-developed countries in population control problems. The United States becomes suspect in her motives for promoting these population programs without one of her own. Also, in several of the Latin American countries a direct support approach is entirely unacceptable to the recipients because of religious barriers. However, we have learned that indirect support through independent and international organizations in these cases has proven to be successful and is generally desired, though not officially, by the recipient countries.

PRESIDENT NIXON'S POPULATION MESSAGE

In his Population Message, President Nixon established a national goal: *"The provision of adequate family planning services within the next five years to all those who want them but cannot afford them."*

The President emphasized the following areas of government support and action:

1. Increased research

2. More trained people to work in population and family planning programs, both in this country and abroad.

3. Expanded and better domestic family planning services supported by the federal government.

4. Full cooperation from the United States with the leadership of the United Nations, its specialized agencies, and other international bodies in responding to the problems of world population growth.

The President charged his Assistant for Urban Affairs with the responsibility to coordinate the project of attracting people to work in family planning programs. This project will have the participation of the Secretaries of State, Interior, HEW, and Labor, along with the Administrator of the AID and the Director of OEO.

The President charged the Secretary of HEW with the responsibility for reorganizing the major family planning services of his agency, and a separate unit to deal with family planning services within the Health Services and Mental Health Administration has now been established. The President directed the Director of the OEO to extend the family planning activities of the agency-supported community action demonstration projects to help achieve the national goal.

The President stressed the need for coordination of domestic family planning programs between HEW and OEO and *that this coordination include the private sector as well as state and local governments*. The President said: "It would be unrealistic for the Federal government alone to shoulder the entire burden, but this Administration does accept a clear responsibility to provide essential leadership."

AGENCY ACTIVITY

During fiscal year 1969, the Department of Health, Education, and Welfare approved 79 project grants extending family planning services to the poor in 41 states. The grants, administered by the Children's Bureau, are authorized under the 1967 amendments to Title V of the Social Security Act. In addition, the Children's Bureau administers grants to the states for maternal and child health services, of which family planning is a part. The FY '69 family planning project grants were awarded to:

Alabama—$267,500 to Jefferson County Department of Health, Dr. Mary J. Tiller, for services in *Birmingham*.

Arizona—$186,300 to Maricopa County Health Department, Dr. Pearl M. Tang, for services in *Phoenix*; $25,792 to Arizona Department of Health, Dr. Putnam, for services in *Yuma*.

Arkansas—$115,000 to Arkansas State Board of Health, Dr. B. J. Reaves, for services in *East Arkansas*; $151,542 to Arkansas State Health Department, Dr. Reginald Ramsay, for services in *Little Rock*.

California—$43,500 to Sacramento County Health Department, Dr. Nemat O. Horhani, for services in *Sacramento;* $76,000 to Orange County Health Department, Dr. Emma B. Wharton, for services in *Orange County;* $18,000 to Planned Parenthood Association of San Diego County, Willard Johnson, for services in *San Diego;* $110,156 to San Bernardino County Health Department, Dr. Sue Anne Servoss, for services in *San* Bernardino; $124,834 to Contra-Costa County Health Department, Dr. Glen Kent, for services in *Contra-Costa County;* $26,500 to Solano County Department of Public Health, Dr. Henry G. Mello, for services in *Solano County;* $68,400 to Berkeley Department of Public Health, Dr. Alan Foord, for services in *Berkeley;* $81,500 to Alameda County Department of Health, Dr. Stewart B. Gross, for services in *Alameda County;* $69,884 to San Mateo County Department of Health, Dr. Jane Selzer, for services in *San Mateo County*.

Colorado—$112,500 to Department of Health and Hospitals, Dr. Horace E. Thompson, for services in *Denver*.

Connecticut—$40,300 to New Haven Health Department, Dr. Dorothy Brockway, for services in *New Haven;* $19,600 to Planned Parenthood League of Connecticut, Dr. Virginia M. Stuermer, for services in *Waterbury;* $20,000 to Bridgeport Chapter of Planned Parenthood League of Connecticut, Francis H. McCoy, for services in *Bridgeport*.

Delaware—$122,250 to Delaware State Board of Health, Dr. Catherine B. Middleton, for services in *Dover*.

Florida—$322,157 to Florida State Board of Health, Dr. Betty J. Vaughn, for services in *Miami*; $108,300 to Florida State Board of Health, Dr. John S. Neill, for services in *Tampa;* $90,000 to Florida State Board of Health, Paul W. Hughes, for services in *Fort Lauderdale;* $96,101 to Florida State Board of Health, Dr. C. L. Brumback, for services in *Palm Beach*.

Georgia—$110,000 To Fulton-DeKalb Hospital Authority, Dr. Robert A. Hatcher, for services in *Atlanta;* $48,882 to Hall County Department of Health, Dr. H. H. Lancaster, for services in *Gainesville*.

Hawaii—$87,300 to Hawaii Planned Parenthood, Inc., Dr. Robert W. Noyes, for services in *Honolulu*.

Idaho—$85,000 to Idaho Department of Health, Dr. J. R. Marks, for services in *Boise*.

Illinois—$341,700 to City of Chicago Board of Health, Dr. Donaldson F. Rawlings, for services in *Chicago;* $67,300 to Peoria City Health Department, Dr. Fred Long, for services in Peoria.

Indiana—$244,000 to Indiana University Foundation, Dr. Joseph F. Thompson, for services in *Indianapolis*.

Iowa—$40,052 to Iowa State Department of Health, Robert L. Webber, for services in *Des Moines*.

Kansas—$184,000 to Kansas State Department of Health, Dr. Patricia T. Schloesser, for services in *Topeka*.

Kentucky—$89,000 to Kentucky State Department of Health, Dr. Jo Anne Sexton, for services in *Covington*.

Louisiana—$596,539 to Louisiana Family Planning Program, Dr. Joseph D. Beasley, for services in *New Orleans*.

Maine—$30,000 to State Department of Health and Welfare, Dr. Helen C. Provost, for services in *Portland*.

Maryland—$91,300 to Sinai Hospital of Baltimore, Dr. Leon Gordis, for services in *Baltimore-Sinai Hospital;* $419,800 to Baltimore City Department of Health, Dr. Kathleen A. Swallow, for services in *Baltimore City;* $165,287 to Maryland Department of Health, Dr. J. King B. E. Seegar, Jr., for services in *Prince Georges County*.

Michigan—$175,000 to Planned Parenthood League, Inc., Frances Levine, for services in *Detroit;* $48,000 to Michigan State Department of Public Health, Dr. R. Gerald Rice, for services in *Flint;* $50,000 to Michigan State Department of Public Health, Dr. R. Gerald Rice, for services in *Grand Rapids;* $87,000 to Michigan State Department of Public Health, Dr. R. Gerald Rice, for services in *Saginaw;* $25,000 to Berrien County Health Department, Dr. Robert P. Locey, for services in *St. Joseph*.

Minnesota—$65,000 to Minneapolis Health Department, Dr. Evelyn E. Hartman, for services in *Minneapolis;* $55,800 to St. Paul Bureau of Health, Dr. Erick Y. Hakanson, for services in *St. Paul;* $50,110 to Duluth Department of Health, Dr. A. J. Houglum, for services in *Duluth*.

Mississippi—$100,000 to University Mississippi Medical Center, Dr. George Huggins, for services in *Mississippi-Delta Counties;* $66,000 to Mississippi State Board of Health, Dr. William E. Riecken, for services in *Jackson*.

Missouri—$112,000 to City of St. Louis Department of Health and Hospitals, Dr. William Smiley, for services in *St. Louis;* $169,058 to Kansas City Department of Health, Dr. Edwin O. Wicks, for services in *Kansas City;* $55,000 to St. Louis County Department of Health, Dr. Lawrence E. Maze, for services in *St. Louis County*.

Nebraska—$150,800 to Omaha-Douglas County Board of Health, Dr. Matilda S. McIntire, for services in *Omaha*.

Nevada—$26,641 to Reno-Washoe District Health Department, Dr. W. E. Winikow, for services in *Reno*.

New Hampshire—$10,400 to Planned Parenthood Association of the Upper Valley, Linda L. Van Wyk, for services in *Lebanon;* $45,000 to State Department of Health and Welfare, Dr. Selma R. Deitch, for services in *Concord*.

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New Jersey—$270,400 to New Jersey College of Medicine and Dentistry, Dr. Harold A. Kaminetzky, for services in *Newark*.

New York—$1,583,000 to New York City Health Department, Dr. David Harris, for services in *New York City;* $92,800 to Onandaga County Health Department, Dr. Virginia Harris, for services in *Syracuse*.

North Carolina—$141,700 to State Board of Health, Dr. John T. King, for services in Nash-Edgecomb; $93,143 to Mecklenburg County Department of Health, Betty Keziah, for services in *Charlotte*.

Ohio—$116,000 to Board of Health—Toledo District, Dr. Effie O. Ellis, for services in *Toledo;* $94,000 to Dayton Division of Health, Dr. Albert Hirsheimer, for services in *Dayton;* $152,700 to Ohio State Department of Health, Dr. Effie O. Ellis, for services in *Columbus;* $202,074 to Cincinnati College of Medicine, Dr. Richard Stander, for services in *Cincinnati*.

Oklahoma—$139,000 to Tulsa City-County Health Department, Dr. George W. Prothro, for services in *Tulsa;* $51,300 to Oklahoma State Department of Health, Dr. Charles E. Green, for services in *Lawton*.

Oregon—$133,000 to Oregon State Board of Health, Dr. Carl G. Ashley, for services in *Portland*.

Pennsylvania—$316,667 to Better Family Planning, Inc., Herbert J. Hutton, for services in *Philadelphia*.

Puerto Rico—$225,702 to University of Puerto Rico Medical School, Dr. Antonio S. Medina, for services in *San Juan;* $260,000 to Puerto Rico Department of Health, Juan J. Hernadez-Cibes, for services in *North East District*.

Rhode Island—$60,000 to State Department of Health, Dr. John F. Hogan, for services in *Providence*.

South Carolina—$57,000 to South Carolina State Board of Health, Dr. J. C. Hedden, for services in *Spartansburg*.

Tennessee—$481,000 to State Department of Public Health, Dr. R. H. Hutcheson, Jr., for services in *Memphis*.

Texas—$248,500 to City of Houston Health Department, Dr. C. A. Calhoun, for services in *Houston;* $236,000 to University of Texas Southwestern Medical School at Dallas, Dr. Jack A. Pritchard, for services in *Dallas;* $115,000 to Texas State Health Department, Dr. John R. Copenhaver, for services in *Starr-Hidalgo and Cameron Counties*.

Virginia—$260,000 to Virginia State Health Department, Dr. James J. Dunne, for services in *Richmond*.

Washington—$171,000 to Washington State Department of Health, Dr. Jess B. Spielholz, for services in *Seattle*.

West Virginia—$100,000 to West Virginia Department of Health, Dr. Frederick H. Dobbs, for services in *Ohio County*.

The Secretary of HEW has executed a reorganization within his Department. The reorganization:

(a) Moved the Children's Bureau from the Social and Rehabilitation Service to the Office of the Secretary.

(b) Transferred the health programs administered by the Children's Bureau to the Health Services and Mental Health Administration where they will comprise a new organizational unit.

(c) Established a separate unit for family planning within HSHMA.

The coordination of HEW and OEO family planning programs will require testing several approaches before a final arrangement is effected.

The Assistant to the President for Urban Affairs and the Department of Labor have mounted a study of manpower needs and training programs for domestic and international population activities. This report is expected to be completed very soon.

The National Institute of Child Health and Human Development awarded 66 new contracts this year in contraceptive development. The contracts are with universities, nonprofit organizations, and pharmaceutical companies in 24 states and Canada. Approximately $2.75 million in fiscal year 1969 funds have been allocated to these contracts.

The new contraceptive development contracts deal with research in four basic areas:

1. *Maturation and fertilizing capacity of spermatozoa.*—The goal is the development of modern contraceptives administered to men or women which alter normal sperm development in the reproductive tract of the male or female.

2. *Oviduct function and gamete transport.*—These studies could result in development of a means through which interference with the normal functions of the ductal musculature, cilia, or secretory cells would prevent fertilization.

3. *Corpus luteum function.*—If the corpus luteum is found to be essential to the continuation of the reproductive process following ovulation in humans, interruption of its function by means of normally occurring luteolytic or anti-progestational agents should produce temporary sterility.

4. *The biology of the pre-implantation ovum.*—The goal is the development of new contraceptives which would prevent ovulation or interfere with the development or implantation of the fertilized ovum.

As a vital adjunct to the development of new contraceptive methods, the Center is also launching a contract program in the behavioral sciences to enable action programs in family planning to be based on sound research, to access the effects of population trends on the future, and to investigate the factors influencing the use of contraceptive methods.

Nine new contracts in the social sciences totalling approximately $250,000 have been let in the following areas:

1. *Antecedents, processes, and consequences of population structure, distribution, and change.*—Special importance is attached to the interrelationships between economic factors and population growth, structure, and distribution for this and other nations and for national subgroups.

2. *Trends in fertility and related variables.*—Major concern focuses on such variables as marriage rates, age at marriage, the incidence of abortion, trends in divorce, and changes in attitudes toward childbearing, family size, and methods of fertility control. Emphasis is on developing a broader data base for more rapid determination of trends and the factors affecting them.

3. *Family structure, sexual behavior, and the relationship between childbearing patterns and child development.*—Ultimately the factors affecting trends in fertility will express themselves mainly within the framework of the family. Changes in family structure, sexual behavior in and outside of marriage, and the process of socialization for marriage and parenthood will all be investigated as potential influences on fertility.

4. *Population policies.*—Concern with problems of population growth leads ultimately to questions of public policy. Research is needed on the ways by which population growth or movement are influenced by public policy and the effects upon population of policies already adopted regarding family planning programs, welfare payments, parity payments, tax exemptions and allowances, to name a few.

THE PRIVATE SECTOR

In recent years, a number of agencies—private, governmental, international—have committed their resources to deal with the "population problem". It may suffice here to mention only a few of the private organizations which have pioneered in this field and which have accumulated, over the years, wide experience and expertise.

Planned Parenthood-World Population, established to ensure that individuals and families can freely determine the number and spacing of their children, was founded in 1914 by Margaret Sanger.

Another organization long active in the field of population is the Population Reference Bureau. For the past 40 years, the Bureau has concentrated its efforts in bringing the dangers of rapidly accelerating population growth to the forefront of public awareness. It continues to conduct a calm, reasoned public education program which examines the effects of population growth in all their social, economic, and environmental contexts.

The Population Council has pioneered in the area of population research. It was established in 1952 in order to "Stimulate, encourage, promote, conduct and support significant activities in the broad field of population."

The Population Crisis Committee founded in 1965 was organized to stimulate public awareness and action in the face of the world population explosion.

The work of these organizations, and numerous other activities in the population field have been consistently supported by the Rockefeller and Ford Foundations, by the Scaife Foundation, the Pathfinder Fund, the Hugh Moore Fund and others. Even at this date, the Ford Foundation, the Rockefeller Foundation and the Population Council combined investment in population research still exceeds that of all federal agencies combined.

Universities respected for their activities in the population field include:

University of North Carolina, Princeton University, University of Pittsburgh, Columbia University, University of Chicago, Harvard University, Tulane University, Cornell University, University of Michigan, University of Notre Dame, University of California at Berkeley.

TASK FORCE RECOMMENDATIONS

The overriding concern of the Task Force is for realization that the time for action is now and that the need is urgent. Few problems have been so over studied as this one. Few problems have received the attention of so many national and international leaders as this one. The splintered responsibility for administering grants for family planning services in the Federal government and in the State governments have crippled the financing and the logistics to provide these needed services.

There is a great need for leadership in encouraging the involvement of independent action in providing family planning services Facilities for services, as well as materials and personnel, are grossly inadequate at present to meet the need.

Achievement of the objective articulated by President Nixon of providing family planning services, in the next five years, to all low-income families who want and need them will depend upon the extent to which our health resources, in both private and public sectors, participate in the national program. To serve the population in need will require a very flexible delivery system which utilizes and enhances the diverse health resources present in the community: voluntary hospitals, public health agencies, Community Action Agencies, and private physicians. A uniform delivery pattern applicable throughout the country, even if it were feasible, would not be desirable. It is clear that major responsibility for delivery of services and for encouragement of community programs will need to be borne by private sector agencies. The major Federal support programs, therefore, should be administered in such a way that they can stimulate the participation of a broad variety of local health institutions in this program.

At the same time, it is clear that the planned diffusion of these services to the population in need presents a challenge of a kind which our health system has rarely faced. A comprehensive research/planning/

development/evaluation program will be needed to assist Federal, state and local service agencies in carrying out their programs in an efficient and effective way. Major Federal support should be available to enable universities and other centers to establish the capacity to assist the national effort in such areas as program planning, operational research, technical assistance, systems development, and training.

These organizations listed in our report have performed admirably in carrying the ball, but much more is needed in the way of dollars and people.

The average cost of $50 to $60 per patient per year should not be totally funded by Federal, State, and local governments alone. Nor can the requirements of needed paramedical personnel be met without the support of the private sector of our society. Many organizations, foundations, and trust funds are constantly searching for worthwhile social programs to support. Family planning activities must be recognized as one of the most important of these social functions in need of this support. More public sensitivity for family planning programs is needed. The Federal government cannot provide that sensitivity. Only through better and more public information on the subject will the independent sector of our society understand how to help, relying less and less on the Federal government to solve the problem.

We need to make population and family planning household words. We need to take the sensationalism out of this topic. If family planning is anything, it is a public health matter. Birth control, often misunderstood, is also an answer to our increasingly important poverty problem.

When the Task Force began its study of population growth and family planning, it was aware that the issue of the government providing family planning assistance to those who desire such services on a completely voluntary basis has stirred both religious and racial anxieties. We also recognized that some persons in developing nations mistakenly view United States support of family planning programs as a means of preventing the development of these nations.

Our hearings and research confirm, however, the conclusion of N. B. Ryder and C. F. Westoff who found that "clearly the norm of fertility control has become universal in contemporary America."[3] At the same time, our study has shown that developing countries are also receptive to family planning programs, especially if these programs are under such international auspices as the United Nations.

Therefore, the Task Force recommends:

(1) A national goal to provide adequate family planning services within the next five years to all those who want them, but cannot afford them, as recommended by President Nixon.

(2) Increased appropriations for family planning grants and contracts administered by the Center for Family Planning Services within HEW in the amounts of $35 million for FY'71, $70 million for FY'72, $100 million for FY'73, $130 million for FY'74, and $150 million for FY'75. These grants and contracts should include projects for training a professionals and para-professionals in family planning services, projects for operational and demonstration research as well as the primary need to provide services through public and non-profit agencies, institutions, and organizations.

(3) Amendment of Title V of the Social Security Act to postpone from 1972 to 1976 the conversion of federal family planning project to state formula grants thus allowing the States more time to develop adequate delivery systems of services with the assistance of independent organizations.

(4) Increased appropriations for family planning services through the OEO community action demonstration projects to the amount of $35 million for FY'71. Future appropriations should be reviewed with respect to coordinating OEO and HEW family planning activities.

(5) Increased appropriations for contraceptive research grants through the Center for Population Research to the amounts of $30 million for FY'71, $60 million for FY'72, $90 million for FY'73, $100 million for both FY'74 and '75.

(6) Establishment of a free standing Family Planning Institute within the next three years that would encompass both HEW and OEO projects to achieve the national goal as stated in recommendation No. 1.

(7) Support of the United Nations Trust Fund for Population Activities by an amount not less than 5% of the total AID appropriations for family planning programs.

(8) Support of earmarking AID appropriations for family planning programs at not less than $100 million per year in the immediate future and provision that at least 5% of the total economic dollar grant and loan funds allocated to any county be available only for population programs in that country. If a country could not utilize that 5%, whatever portion remains would be diverted to the United Nations Trust Fund for Population Activities.

(9) Encouragement of massive action on the part of the independent sector of society—(foundations, trust funds, associations, fraternities and community action organizations)—to participate and contribute money and people to improving family planning health centers and services.

(10) Oversight (through volunteer participation from Task Force Members and available staff) of family planning programs in various locations in order to determine the effectiveness of these programs and to ensure that Federal government programs are being coordinated to the best advantage of our citizens in need and to learn how volunteer services could be better encouraged and utilized in the area of family planning programs.

TESTIMONY

The Task Force heard testimony from the following persons relative to family planning programs:

6/5 Dr. Philander P. Claxton—Special Assistant to the Secretary of State for Population Matters. Dr. John Keppel—Director of Population Activities, United Nations Development Programs.

6/12 Dr. Gary London—Director of Health Services, Office of Economic Opportunity.

6/17 Dr. R. T. Ravenholt—Director, Population Service, Agency for International Development.

6/24 Dr. James Cavanaugh—Deputy Assistant Secretary for Health and Scientific Affairs, HEW, Dr. Carl Shultz—Acting Director, Office of Population and Family Planning, HEW.

7/8 Mr. Arthur A. Cambell—Deputy Director, Center for Population Research, NIH. Dr. Norman A. Hilmar—Chief, Program Liaison Branch, Center for Population Research, NIH.

7/15 General William H. Draper, Jr.—National Chairman, Population Crisis Committee.

7/24 Dr William Moran—President, Population Reference Bureau.

7/29 Mr. Oscar Harkavy—Program Officer in Charge, Population Activities, Ford Foundation.

7/31 Dr. William McElroy—Director, National Science Foundation and Past Chairman of National Academy of Science Population Committee.

10/9 Dr. Roger O. Egeberg—Assistant Secretary for Health and Scientific Affairs, HEW.

11/6 Dr. Daniel P. Moynihan—Counsellor to the President.

11/13 Hon. Donald Rumsfeld—Director, Office of Economic Opportunity.

11/25 Hon. Shirley Chisholm—Member of Congress.

PATIENCE! AN EDITORIAL

HON. G. ELLIOTT HAGAN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. HAGAN. Mr. Speaker, the December 1969 issue of the Reader's Digest contained two articles which I found most thought-provoking: "Patience! An Editorial" and "The Vietcong Is Losing Its Grip" by Joseph Alsop.

Because I feel these articles sum up so clearly the situation regarding Vietnam I am calling them to the attention of my colleagues and all those who read the CONGRESSIONAL RECORD.

I feel sure you will agree with me that the articles that follow are certainly well worth reading.

The articles follow:

[From the Reader's Digest, December 1969]

PATIENCE! AN EDITORIAL

(As the article by Joseph Alsop points out, time is running against the enemy. The need now is for courage, unity and, above all, patience on the part of the American people.)

For nearly five years our nation has been immersed in a bloody, baffling and undeclared war 12,000 miles from our shores. The immediate aim of the United States in this effort is to prevent the enforced communist domination of a people who ask only to be allowed to live in freedom. Seldom if ever in our history have we endured a more frustrating and traumatic experience.

Into the deltas and jungles of South Vietnam we have poured some 95 billions of dollars of our treasure. We have seen nearly 40,000 of our young men go to their graves. The American objective in this war has been clear and carefully limited. We seek no territory. We seek only to give the people of South Vietnam an opportunity to determine their own destiny. Our immutable, bedrock position is that the communist enslavement of the nations of Southeast Asia must stop at the 17th parallel.

Four American Presidents have committed our nation to this position—in the belief that the defense of South Vietnam is a defense not only of one country but of all of Asia.

Despite the dimensions of the threat, the United States has conducted the most restrained war that any nation has ever fought. Now, at last, we begin to see the successful end to our efforts. The American and South Vietnamese troops, as well as the troops of other nations who have fought, bled and died in this cause, have brought the war to a point where it is impossible for the enemy to win it by force of arms.

As the following article by Joseph Alsop points out, the enemy is in serious trouble. The Vietcong guerrillas control less and less of the countryside, and the North Vietnamese armies are feeling the heavy drain on their manpower. That the United States is able to order the withdrawal of 60,000 troops from Vietnam—with more to come—shows that our position is increasingly strong. The leaders of the communist world know that time is no longer on their side.

Why, then, do they continue to hold out? Where do they look for hope of victory? As they survey the scene of battle, the North

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[3] C. F. Westoff and N. B. Ryder, "Recent Trends in Attitdes Toward Fertility Control and in the Practice of Contraception in the U.S.," in S. J. Behrman, *et al, Fertility and Family Planning* (Michigan, 1969), p. 394.

Vietnamese leaders and their Soviet and Chinese allies do not yet despair, for they know there still remains one resource that can tip the scale in their favor.

The enemy's greatest hope lies in the division that he has created in public opinion in the United States. This is why the enemy fights on. This is why the Soviet Union has continued to support him in Vietnam. This is why Hanoi holds out in Paris. This is why the enemy refuses concession after concession offered him at the conference table. He clings to the belief that the American patience will run out, that sooner or later the American people will persuade their President to run up the white flag of ignominious surrender.

This is the hope that keeps the enemy going. Were it not for this, the war would have ended before this. No one will ever know how many American boys have gone to their death because the enemy holds on, watching for signs that American resolve is weakening.

To the enemy the constant outcries in the United States must sound like so many bombs being dropped against our troops in South Vietnam. The anti-war speeches in Congress, the campus protests from students and faculty, the barrage of defeatist editorials in some of the most powerful newspapers, these are worth regiments and whole divisions to the enemy. He reads his newspaper, hears the broadcasts, rubs his hands and once more refuses to talk in Paris, refuses to call his invaders back from South Vietnam.

Were it not for his belief that the American patience will crack, the enemy would lose his reason to keep on fighting. It is a monstrous irony that the louder the protest is raised against the war, the longer the war will continue.

Most of those who oppose the war sincerely believe that they are somehow helping to save the United States from error. But against that minority belief must be weighed the cost to the nation. For these are the voices that are listened to in Hanoi—and these are the voices that prolong the months of battle. In the interests of peace, they should now be lowered.

The President of the United States has said that he will not be shaken from his resolve to honor our nation's commitment—and our dead—in Vietnam. In this resolve, he is neither blind nor willful. No matter how loud the clamor from critics in Congress becomes, he will hold his course. He knows the nature of the enemy, the nature of the enemy's designs in Asia and the world. Most of all, he knows the consequences of a craven act of surrender on our part in South Vietnam. The results would haunt us for years to come.

The first consequence would be a blood bath for our friends—the certain slaughter of tens of thousands of South Vietnamese whose only mistake was to have trusted the word and will of the United States. The communists would deal swiftly and unmercifully with these as they butchered their way to power. Lest there be any doubt about this, we have only to look at what happened in Hue, where several thousand South Vietnamese were shot or buried alive during the brief communist occupation of the city during the 1968 Tet offensive.

The next to suffer from our betrayal would be the nearby countries of Cambodia, Laos, Thailand and Malaysia. They could not hope to remain free once the South Vietnamese roadblock to communism had been removed. The communist domination of Southeast Asia would shake countries ever farther away—such as Indonesia, India, Japan.

Vietnam has come to be a crisis point. If America and its allies in South Vietnam were to fail, the cause of freedom would fail and the area of freedom would be diminished. The lesson would be clear for all to read. Defeat lies in store for those who put their trust in the United States. Freedom is a dead dream; the future belongs to the enslaver.

If the world were to witness such a defeat, the United States, leader of the free world, overnight would lose the respect of the world and would lose its self-respect. In a test of will, the United States would have been found wanting. In a test of conscience, the United States would have been found to have no conscience. In a test of strength, the United States would have been found to have not strength enough.

Did 39,000 American boys die for this? Has America forgotten the stuff it is made of, its purpose in the world?

If one listened only to the cries of those who urge peace at any price, one would have cause to question—as Hanoi must question—the essential fiber of this nation. But the cries for a dishonorable end to the war do not reflect the will of anything like the majority of the American people. Nor do many of those who urge withdrawal really mean that they would accept peace on the enemy's terms. They simply want—as who does not?—an end to the war.

It is easy for the enemy to underestimate this country. In waiting for us to surrender, he hears the shrill protests and misses the true, patient heartbeat of America. This country has never lost a war; it has never surrendered to an enemy. And it is not about to do so now.

The need today, when an honorable end to the war is within sight, is for courage and patience, in the best American tradition. When their country is in trouble the American people close ranks and stand together. Together, we have brought our country through many storms.

We are now in the midst of a storm, and we will see it through. If the enemy is counting on this nation to falter, he is wrong. The heart of America is as strong as ever, and its patience will endure. Our enemy need not question it. Our allies need not doubt it. Our President need not wonder.

THE VIETCONG IS LOSING ITS GRIP

(The Vietcong is in deep trouble and time is running against the communist guerrillas. The enemy's chief hope of winning his objective in South Vietnam now lies in persuading America to withdraw its support.)

(Since World War II, when he served under Gen. Claire Chennault in the 14th Air Force in China, Joseph Alsop has covered every war of serious interest to the United States and its allies, ranging from Korea and Malaya to the Middle East. He has visited Vietnam, always for extended periods, no fewer than 18 times, so that he knows the provinces and the people, both Americans and South Vietnamese, with real intimacy. Very few reporters have the background to make the kind of before-and-after comparison that Alsop has equipped himself to make.)

(By Joseph Alsop)

Before many months pass, there should be mighty few communist guerrillas, as well as mighty few people under Vietncong control, in the war against the Vietcong in South Vietnam. The unreported process that is producing this dramatic and unforeseen result is the chief discovery that I made in Vietnam this September. It is an important discovery. For the progressive erosion of the whole Vietcong structure in South Vietnam—which is really what is happening—is bound to aid President Nixon greatly in his patient quest for an honorable peace.

It is simplest to begin with the way I made this discovery, vastly to my own surprise. This was my 18th visit to Vietnam since 1953. I spent most of my long trip going from district to district, quite literally from the DMZ to the Point of Ca Mau, always trying to find out what was happening in the crucial rice-roots war.

I specify the rice-roots war because two quite different, though related, wars are in fact being fought simultaneously in South Vietnam.

There is the big-unit war, in which the ARVN (South Vietnamese) and American and other allied troops fight mostly against North Vietnamese (NVA) battalions and regiments. And there is the rice-roots war, in which the true VC—the native communist South Vietnamese who serve as hamlet or village guerrillas, or as soldiers in the local-force companies—are the enemy. In this war the main burden is carried by the South Vietnamese "territorial" forces: the little Regional Force companies and Popular Force platoons, and the thousands upon thousands of villagers who have now joined the People's Self Defense Force.

Populated districts, rather than remote and empty base areas, are the scene of the rice-roots war, and district chiefs are in effect the frontline commanders. Since they are fighting the VC around the clock (and hardest of all, at night), the district chiefs and their American advisers know their enemy rather intimately.

THE RICE-ROOTS WAR

To start getting a feel of the countryside I first visited Cu Chi district, in Hau Nghia province. For many years Cu Chi had been celebrated as a VC mini-fortress. The able and courageous South Vietnamese district chief, Maj. Nguyen Xuan Sanh, had administered this little patch of rural Vietnam, with its tens of thousands of hardworking people, for more than a year and a half. I asked him for a before-and-after comparison.

"When I came here," Major Sanh answered, "it was very different. In this one district, the VC had at its command the Cu Chi local-force battalion, plus four local-force companies, plus over-strength guerrilla platoons in every village, plus guerrilla squads in almost every hamlet—well above 800 fighting men, altogether. They fought hard, too. And although officially it was my district, the VC party secretary for the district controlled most of Cu Chi."

And now? The answer was eye-opening. First, Major Sanh ticked off the units he no longer had to fight, beginning with the Cu Chi battalion. Since 1963 this had been a famously tough VC outfit, but in only seven weeks of 1968, it had lost four successive battalion commanders! The same hard fighting had also transformed the battalion's basic character; for there were no more recruits from the district to fill the terrible gaps in the ranks, and North Vietnamese infiltrators had to be used as replacements. Meanwhile, the North Vietnamese big units in the province were in just as much trouble. In the end, this battered VC battalion, so long deep-rooted in the soil of Cu Chi, was called out of the district to strengthen the 268th NVA Regiment.

For the same harsh reasons—heavy losses and near-zero recruitment—Cu Chi's four local-force companies had also dwindled, until only two were left. "And those two companies, with a combined strength of about 40 men, are more like platoons," said Major Sanh's American adviser, with marked satisfaction. Next, to my astonishment, the major and his adviser all but began counting the remaining VC in Cu Chi on their fingers. After knowingly reviewing the different situations in their villages and hamlets, they put the number of surviving guerrillas at about two dozen. In sum, this district—where only 18 months earlier the VC had some 800 fighting men—no longer contained more than a hunted remnant of around 60 armed VC. Most important of all, and in consequence, effective control of Cu Chi had naturally passed from the VC party secretary to Major Sanh.

The lesson I learned in Cu Chi suggested that the whole VC structure in Vietnam must be in deep trouble. This is a complex structure, exactly comparable to a clandestine government, with all the usual departments that any government must have. Yet its real strength in any district or province can always be measured with considerable accuracy by the numbers of armed VC. A VC village chief in refuge in deep jungle cannot function if he has no guerrillas to enforce his orders in his former village; and a province secretary hiding in the mountains, if he has no armed men to impose his will in the province's populated areas, is finished. All over South Vietnam, therefore, I asked the people in the districts, "How many armed VC do you still have to fight?" And what I learned in this manner is bad news for Hanoi—good news for our side.

NEW-FOUND PEACE

Our side should know, for example, that there are now whole districts, even whole provinces, where the VC structure has been entirely uprooted. These are still exceptional, but they are profoundly exciting. For in huge areas of this beautiful country, the industrious, long-enduring people are enjoying real peace for the first time in many years. The fertile coastal strip, which supports the entire population of Thua Thien and Quang Tri provinces, is a good example.

Except in two fringe districts still directly threatened by North Vietnamese troops, there are virtually no ARVN or U.S. forces in the long, rich strip. The regular troops are not there any longer because there is no enemy there any longer. The "territorial" self-defense troops stand guard, of course, against any attempted reinfiltration by the few hundred surviving VC, who have taken refuge in the mountains over toward the Laotian border.

Three of the less exposed districts of Thua Thien province are even being given a civilian administration—another first in Vietnam since the war started! And everywhere along the coastal strip, the people are tilling fields long fallow, heaping up new dikes to keep the salty sea tides from the land, rebuilding schoolhouses and roads and markets, and generally resuming the busy, cheerful, normal life of rural Vietnam in peacetime.

For the present, to be sure, this wonderful new-found peace of the million people in this area squarely depends on the continuing presence of U.S. and ARVN troops, to the west and north. From base areas in Laos, and from above the DMZ, no fewer than ten North Vietnamese regiments keep trying to press into the two provinces. If they ever manage to break through the protective screen of U.S. and ARVN troops, these Northern regiments will carry fire and sword all up and down the coastal strip. This is therefore something that President Nixon has to think about, when he ponders thinning the protective screen by further U.S. troop withdrawals. But what Hanoi has to think about is the effective elimination of just about the whole VC structure in Thua Thien and Quang Tri.

Hanoi has other unpleasant things to think about. Take Hau Nghia province, where my district-hopping began. In 1965, this was the province with the largest number of armed VC in the whole of Vietnam—more than 10,000 of them. But in the last year and a half, the same things that happened in Cu Chi have also happened in the other districts of Hau Nghia, so the total of armed VC in the whole province has dropped to no more than 400. You cannot say that the VC structure has been absolutely uprooted: this wretched, always dwindling remnant still hangs on precariously in the province's populated areas. There is no peace in Hau Nghia, either, because North Vietnamese big units, like the 268th Regiment, are also hanging on precariously. But, as their captured documents tell us, the condition of the VC structure in Hau Nghia is now dreadful to contemplate. And there are a good many other provinces, such as Binh Duong, also in III Corps, or Go Cong, in the Delta, where the VC structure is in the same grave plight.

THE DAYS ARE NUMBERED

Finally, there is a third kind of situation, which I found in the provinces of lower I Corps in big Binh Dinh province in II Corps, and in the VC's stronghold provinces in the Delta. In the places the VC's rice-roots strength, though still considerable, is visibly and rather rapidly declining. Everywhere the VC guerrillas and local-force soldiers are being killed or captured, most often by the government's territorial forces. In increasing numbers they are also defecting to the government, or fading into the landscape. And, everywhere, the VC recruiters are getting at best only one replacement—most often a woman or a little boy—for every three guerrillas they lose. Any structure suffering heavy and continuous losses, and unable to replace more than one loss in three, is obviously in trouble.

When I got back to Saigon from a trip to lower I Corps, I also got a crude numerical measurement of the erosion of the VC in the areas where they are strongest. Lower I Corps is one of these areas. The numbers of armed VC are still formidable but dropping conspicuously. I told what I had found to one of the most intelligent—and pessimistic—Americans in Vietnam.

"I've looked into all the facts," said my friend, glumly. (And no one had a better opportunity to know the rice-roots facts!) "You have to be careful not to exaggerate. After all, the VC in those provinces have lost only 14 percent of their strength since the end of May, although I admit that this rate of loss is likely to continue, and may even rise."

I answered, reasonably I think, that if I had lost 14 percent of all my worldly goods in three months, and were told I would go on losing indefinitely at the same rate, I should have to prepare for near bankruptcy before very long. That, so far as I can see, is what now lies ahead for the VC structure throughout South Vietnam. Even in those provinces where the VC as yet retain real strength, their days are numbered, unless President Nixon is finally driven to throw in the sponge.

In the big-unit war, one must always bear in mind, Hanoi has long been using North Vietnamese rather than VC as cannon fodder. Yet the new erosion of the VC structure, with its far-reaching and inevitable effects on the rice-roots war, has enormous significance; and it is important to know how it began to happen, and why.

The real turning point was the Tet offensive of 1968. Shockingly misreported in this country, Tet was in fact a disaster for Hanoi and a double disaster for the VC. The ablest Southern leaders of the VC, and the most seasoned of their soldiers, fell in vast numbers. And the ruthless brutality of the Tet attacks caused the fence-sitting masses in the cities and the countryside to turn bitterly against the VC.

After Tet, new, much more effective methods of government control of the countryside were adopted—which deserve a whole separate report. This control has now been enormously extended, and is still extending. It is crowding the VC out of more and more hamlets and villages, radically reducing the old VC recruiting base, and each month causing thousands of the more faint-hearted VC to go over the hill as defectors.

THE BIG-UNIT WAR

If the tide is turning in the rice-roots war, what of the big-unit war—the war fought with North Vietnamese troops in South Vietnam?

First, let's take a look at the massive numbers of troops that Hanoi has in fact sent to South Vietnam. This movement has not been infiltration so much as continuous invasion—and on a scale that most people will find hard to credit.

Imagine the United States sending off to a foreign war, in a single year and with little hope of return, all the able-bodied young Americans who reached draft age in 1965, 1966 and 1967. It is not easy to imagine, thank God, because we have never done anything like that. Yet that is closely comparable to what Hanoi did in 1968. To provide manpower for the Tet offensive and its two sequels, Hanoi in truth sent southward in that one year just under 350,000 men—despite the fact that in North Vietnam only about 125,000 able-bodied youths annually reach military age.

And this was merely the climax of a long process. At least 400,000 had already been sent off to the war in the South before the year of Tet began. Hence, when the Hanoi war planners studied their balance sheets after the dire failure of the third of the 1968 "victory" offensives, the first item on the debit side was the sacrifice of *six* entire "year classes" of North Vietnamese young men!

Any government not completely irrational would be inclined to stop, look and listen, after throwing so many of its young men down the drain to no good military purpose. And this is just what Hanoi did. The numbers being sent off to the South were sharply cut back, from an average of 29,000 a month in 1968, to 10,000 a month in the first six months of 1969, and to only about 3500 a month since July. The cutback was *not* a "signal" but a practical response to the cruel pressure of hard facts; and one may be sure that the cutback was a belated victory for those in the Hanoi Politbureau who have always advocated "protracted war," against the advocates of the much more costly "big-unit" war.

THE STRATEGY PARALLEL

Protracted war is the Hanoi theorists' phrase for classical guerrilla war, fought with small units and with minimal losses. After Hanoi's frightful and fruitless manpower losses in the 1968 offensives, it was only natural for its advocates to get their innings at last. No doubt they were aided, too, by the argument that American public opinion would not stand for a war indefinitely protracted. And their new policy could perhaps work, if the people President Nixon calls the "bug-outs" finally prevail in this country.

But if the President means what he has rather grimly said, about refusing to become "the first President of the United States to lose a war," he can take comfort from the fact that reversion to protracted war, which might have worked well in 1965, is working horribly badly in 1969. Four years ago, the Saigon government and army had had no time to recover from the near-total disintegration of the whole political-administrative apparatus that followed the death of President Ngo Dinh Diem. Meanwhile, the VC firmly controlled vast areas of the countryside; they had large reserves of manpower, and everywhere possessed the high morale that the South Vietnamese army then lacked.

By the beginning of this year, in contrast, the Saigon government and army had been strengthened in many ways; the huge fence-sitting element of the masses had been decisively turned against the VC; the VC structure and manpower reserves had also been severely strained. Furthermore, the whole VC structure had come to depend heavily on big-unit support. From 1966 onward, in fact, there was a kind of rough division of responsibilities: while the VC structure controlled as much of the countryside as possible, the North Vietnamese in the big units bore the main brunt of the fighting. In these greatly changed circumstances, Hanoi then began to starve the big units of replacements. The support for the VC structure was therefore drastically weakened; and the erosion of that structure thereupon became serious.

This is terribly bad news for Hanoi, because the protracted war that Hanoi is now trying to fight is, basically, guerrilla war; and you cannot indefinitely protract a guerrilla war if the number of guerrillas is continuously shrinking at a heavy rate. The rate of loss is such that, unless premature American troop withdrawals change the whole picture, the VC structure can be in ruins in most of South Vietnam by next spring. This constitutes a time problem for Hanoi, every bit as grave as the time problem President Nixon confronts because of American impatience to get the war over with.

Indeed, if you think about it, Hanoi's way of dealing with the war in South Vietnam has always oddly paralleled Washington's way of dealing with it. Both governments began in a small way, Hanoi aiding the VC, Washington aiding Saigon. Before U.S. intervention, Hanoi had in fact sent only two North Vietnamese divisions to the South, and the Hanoi Politbureau—which also controls the VC, of course—was counting on winning all of South Vietnam for this small investment of Northern manpower. Both governments then put in more and more troops, although, proportionately, the American effort was trifling.

For remember that the North Vietnamese sent off to the war in the South numbered close to 750,000 men by the end of 1968. Proportionately, because Vietnam is a small country, this figure is actually equivalent to about ten million Americans! Yet few of these poor North Vietnamese conscripts will ever come home again; and none at all have been sent home as yet, except for tragic thousands of hopeless cripples.

Both governments also responded in parallel to the bloody climax of the year of Tet. President Nixon's graduated withdrawal program is comparable to the Hanoi Politibureau's somewhat earlier decision to reduce greatly the flow of North Vietnamese troops to the South, and thus to transfer much more of the burden to the VC. To complete the parallel, picture what would have happened to the American effort in Vietnam if the Saigon government and army had fulfilled Hanoi's best hopes by collapsing under the impact of the 1968 offensives. You then get a rough idea of how unmanageable Hanoi's problems will be, if the erosion of the VC structure continues to the point of final breakdown all over South Vietnam.

IN SEARCH OF AN END

So we come back to the question: What can Hanoi do about it? I believe (or perhaps I should say, I hope with good reason) that we can rule out any prolonged return to the former dreadful level of expenditure of North Vietnamese manpower. If Ho Chi Minh were still alive, this would be less easy to rule out. But a viciously divided Politbureau, including at least four rivals for supreme power, and without the final arbiter of all decisions, is surely unlikely to be able to agree on resuming the appalling yearly sacrifice of three whole year classes of men of fighting age.

For the same reasons, however, it seems almost equally unlikely that this divided Politbureau will be able to agree on open admission of defeat. Seriously negotiating in Paris, on the basis of President Nixon's minimum condition of self-determination for the South Vietnamese, would really amount to that kind of open admission.

All the same, one must be careful to remember the difference between the two kinds of wars, the Vietcong rice-roots war and the North Vietnamese big-unit war, that are now going on in Vietnam.

Unless—and it is an important unless—President Nixon withdraws too many U.S. troops too soon, it is hard to see anything Hanoi can do to avoid effective defeat for the Vietcong in the rice-roots war in the next six to ten months. What is happening at the rice-roots cannot even be much slowed down, in fact, except by the kind of North Vietnamese big-unit effort that would require Hanoi to invest manpower as ruthlessly as in 1968.

On the other hand, the Hanoi leaders are remarkably wily, obstinate and resilient. They can still use all sorts of tactics of delay to keep the big-unit war going at a low level, in order to wear out American patience. They can also assault American public opinion politically, by proposing the kind of fake cease-fire that would permit massive North Vietnamese re-invasion of the South after American withdrawal. Or they can assault our public opinion even more directly, by mounting one or more spasm offensives—relatively low in cost, not really aimed to achieve solid military results, but sure, nonetheless, to increase casualty rates.

In sum, victory in the rice-roots war against the VC, which can now be hoped for, should in the end (but only in the end) be decisive, because, in the long run, it will create unmanageable problems for Hanoi. Yet most of the real fighting in Vietnam, above the rice-roots level, has long been done by Hanoi's North Vietnamese troops; and Hanoi still has various ways to drag out this other war, or even to change its character. At the moment, for instance, two of the North Vietnamese divisions that formerly threatened III Corps from Cambodian bases are apparently moving into the Delta, where there are no longer any U.S. troops.

Gen. Creighton W. Abrams, the brilliant U.S. commander in Vietnam, is reportedly confident that the resulting test between South Vietnamese and North Vietnamese big units will turn out very well indeed. Pray God he is as correct this time as he has been in the past; but the fortunes of war are never exactly predictable.

In any case, however, the real key to the problem in Hanoi is nothing more nor less than the degree of resolution that will be shown by the President and the people who chose him as their leader. For the first time, it can be said with some assurance that if we want an honorable peace, we can get it by being resolute, and without over-long delays. But shall we? Who can tell?

ILLINOIS CHARTS A NEW APPROACH TO VOCATIONAL EDUCATION

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. PUCINSKI. Mr. Speaker, a copy of the new Illinois State plan for the administration of vocational and technical education has just been called to my attention.

This plan is handsomely packaged in a bulletin that is being made available to those concerned with the development of vocational education in Illinois.

The plan is the creative work of Sherwood Dees, Illinois State director of vocational and technical education, and members of his staff. It was designed for implementation of the vocational education amendments of 1968, and is considered one of the most innovative state plans in the Nation.

Mr. Dees deserves the highest commendation for his initiative and innovation. This is a plan clearly designed to meet contemporary needs and will help make all of education more meaningful.

A reorganization of the State staff for vocational education provides for the following units: a new unit in program approval and evaluation; an occupational consultant unit with specialists in the substantive areas of vocational education; a special programs unit to include programs for guidance, handicapped and disadvantaged, cooperative education and workstudy, consumer and homemaking education, and residential and area center planning; a professional and curriculum development unit; research and development unit; a post-secondary coordination unit; and a manpower development and training unit.

The State of Illinois Advisory Council for Vocational Education played an important role in developing plans for this organization and plans for developing and carrying out the programs of vocational education in Illinois.

In developing long-range plans for vocational education in Illinois, analyses were made of manpower needs, job opportunities, the availability of vocational education programs in the State, and the State's population relating to vocational education needs. In view of the findings, vocational education program needs were identified as follows:

I would like to call particular attention to the dramatic increases foreseen in this plan in disadvantaged communities. When I wrote the 1968 amendments my bill insisted a mandatory set-aside for disadvantaged. This plan gives that mandate meaning.

Target population: Priority attention will be given "disadvantaged," defined as "persons who have academic, socioeconomic, cultural, or other handicaps that prevent them from succeeding in regular vocational education programs designed for persons without such handicaps, and who for that reason require specially designed educational programs or related services, or both, in order for them to benefit from a vocational education or consumer and homemaking education program. The term includes persons whose needs for such programs or services result from poverty, neglect, delinquency, or cultural or linguistic isolation from the community at large."

Persons identified as handicapped "will also receive priority attention as programs are developed." "Handicapped persons" means mentally retarded, hard of hearing, deaf, speech-impaired, visually handicapped, seriously emotionally disturbed, crippled, or other health impaired persons who by reason of their handicapping condition cannot succeed in a regular vocational or consumer and homemaking education program without special educational assistance or who require a modified vocational or consumer and homemaking education program.

Target areas: Priority attention to

program planning and allocation of funds will be given geographic areas designated as depressed and areas of high rates of youth unemployment and dropouts.

Program emphases: Long-range emphasis will be given:

First. Professional and curriculum development at all levels.

Second. Occupational programs designed to alleviate critical manpower shortages.

Third. New and emerging occupations.

The new Illinois state plan presents quantified objectives for the state vocational education program in Illinois in terms of the objectives of the Vocational Education Amendments of 1968 and in terms of expected outcomes for: current status, 1970, and 1974.

A few highlights follow:

	Expected outcome		
	Current status	1970	1974
Percentage of secondary school students enrolled in vocational education:			
Urban	9.9	11	30
Rural	19.1	21	45
Percentage of secondary vocational students entering postsecondary vocational programs	13.0	15	25
Percentage of population age 15–24 enrolled in postsecondary vocational education:			
Urban	1.52	1.84	3.88
Rural	1.30	1.58	3.30
Percentage of population age 16–64 enrolled in adult vocational education	.65	.7	1.0
Percentage of disadvantaged population (by level) enrolled vocational education:			
Secondary	2	15	40
Postsecondary	0	5	10
Adult	2	10	30
Number of instructional programs (for disadvantaged)	18	65	140
Percentage of handicapped population (by level) enrolled in vocational education:			
Secondary	3	10	40
Postsecondary	2	5	20
Adult	2	5	30
Number of instructional programs (for handicapped)	15	40	100
Exemplary programs—number of projects	8	20	60
Number of residential vocational schools	0	0	1
Number of students to be served in residential school	0	0	2,500
Number of consumer and homemaking education programs serving youth in economically depressed areas	150	200	300
Number of consumer and homemaking education programs serving adults in economically depressed areas	50	60	75
Number of cooperative vocational education programs	772	992	1,310
Number of secondary schools offering work-study program	80	140	300

The work of the Illinois Research Coordinating Unit is recognized as outstanding in the Nation. Illinois' commitment to research in vocational education undergirds the plans for the kind of innovation that will make the State truly responsive to the challenges inherent in the Vocational Education Amendments of 1968. The State's priorities in vocational education research are:

First. Innovation of new programs emphasizing contemporary occupational needs.

Second. Research activities designed to expedite total planning at local, regional, and State levels.

Third. Improvement of competencies of personnel in research and developmental activities.

Fourth. Implementation of a statewide system of research activities in vocational education.

A close liaison between the Illinois RCU and the Division of Comprehensive and Vocational Education of the National Center for Educational Research and Development, U.S. Office of Education, has been a positive aspect of the very viable vocational education research and development program in Illinois.

Sherwood Dees and members of his staff are to be congratulated on the achievement of an outstanding plan for the development of vocational education in Illinois.

A LITTLE THREAT THAT CAN GROW

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. HANNA. Mr. Speaker, earlier in the the year, this Chamber indulged itself in the dangerous luxury of reacting with its glands. In this mood an unfortunate and potentially disastrous amendment was attached to the education and labor appropriation.

The amendment ominously stripped local control from local educators. Over zealous legislators managed a slight of hand that imposed the long arm of Federal control over the basic and fundamental decisionmaking processes of local college campuses. The amendment dictates that Federal funds will be withheld from any campus which does not comply with the 1968 measure which required funds be cut off for 2 years from any student found guilty of disruption.

No guidelines or standards were established. The Federal Government can withhold for any reason—or worse, directly demand any actions from the campus before funds are released.

Is it any wonder there is growing distress among so many citizens about the ability and purpose of Government. This amendment is another indication that many in Washington have little faith in the people although cynical lip service is given the principle.

The House now has the opportunity to demonstrate responsibility. The conference committee on H.R. 13111 has reported back a modified recommendation on this issue, and the House should support its conferees.

Attached to these remarks is an editorial that recently appeared in the Los Angeles Times. It deals directly with this issue and I commend it to the attention of my colleagues:

[From the Los Angeles (Calif.) Times, Dec. 12, 1969]

A LITTLE THREAT THAT CAN GROW

(By D. J. R. Bruckner)

Congress seems a little less interested now than it was last spring in passing punitive measures against unruly students. But there are a number of such proposals in various committees; one has worked its way into law and another stands an even chance of becoming law.

The appropriation bill for the departments of Labor and Health, Education and Welfare, which is now before the Senate Appropriations Committee, carries a rider added in the House requiring a cutoff of federal funds from any student or teacher who disrupts a university or college; and it prohibits any of the vast funds under the bill from going to an institution which is not in "full compliance" with the 1968 riot amendments to the Higher Education Act. Welfare Secretary Robert Finch has denounced the new proposal as dangerous, and an administrative nightmare.

The 1968 amendments require that funds be cut off for two years from any student found guilty of disruption. There are cases under this law rising through the bureaucracy up to an adjudication by HEW, and HEW faces some crucial decisions. For instance, if a student was found by Harvard University to have disrupted that institution, and he has now transferred to, say, Stanford, is Stanford responsible for cutting him off from federal funds? If his guilt travels with him, is the institution that receives him liable to a penalty?

Such questions become very serious in light of the language of the rider on the Labor-HEW appropriations bill. It could turn the universities into investigative and judicial bodies in such a way as to cause serious student discontent; and, incidentally, it would turn HEW itself into both policeman and judge.

But most educators consider the implications of the appropriations bill for the State, Commerce and Justice departments, which has now been signed into law by the President, as much more dangerous. The bill prohibits giving any funds provided by it to any student or teacher who has disrupted a university; and it requires periodic certification by the universities that they are in compliance with the law. The funds involved are not great, but the precedent is taken seriously by university administrators.

The universities already face a most difficult crisis over the issue of governing themselves and maintaining individual academic freedom in the face of serious internal radical pressures. Many university teachers feel that any appearance of government repression would draw students and faculty together into radical positions, and this would pretty well destroy academic freedom.

Many teachers agree with Prof. William F. Baxter of the Stanford Law School, that one of the most important ways to prevent this kind of radicalizing is to protect the university's right to find its members guilty of breaking rules without imposing maximum penalties, such as cutting off federal funds.

Presumably, if a university were to apply the law strictly, it could create more disruption. What is more likely is that universities will simply choose to find no one, or very few, guilty, thus not only undermining the law but surrendering their own internal discipline. Some HEW officials would like to ease the impact by carefully redefining disruption, but they also fear that such an effort might arouse congressional anger and provoke harsher laws.

A recent study by the American Council on Education of the 1968–69 school year shows that more than 22% of all colleges and universities in the nation experienced either violent or non-violent disruption; among universities alone, 70% of the private, and 42% of the public, institutions were disrupted by protests at least once during the year. So, a small amendment to a routine appropriations bill becomes possibly a very extensive law.

Many educators fear it is a dangerous one, for, up to now, despite all the turmoil, the universities have been able to maintain their own internal order. That is precisely what the new laws and proposals tend to destroy.

REMARKS BY HON. THEODORE R. McKELDIN BEFORE THE PRINCE GEORGES COUNTY YOUNG REPUBLICANS

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. HOGAN. Mr. Speaker, once again a great public servant, former Governor of Maryland Theodore R. McKeldin, has expressed some thoughts concerning the Vietnam struggle which we might well study and consider. Here a former State chief executive brings his own experience and empathy to bear on the problem of ultimate responsibility which lies with President Nixon. It is not only an eloquent plea for understanding but an incisive analysis of the war and its relationship to the Presidency.

Here for the Record which I urge my colleagues to read is Governor McKeldin's remarks:

Remarks of Theodore R. McKeldin, Governor of Maryland, 1951–59; Mayor of Baltimore, 1943–47 and 1963–67, Prince Georges Young Republicans, Hampshire Motor Inn, Langley Park, Thursday, Nov. 20, 1969, 8:30 p.m.

"War is hell," said General Sherman. No better way has ever been found to describe the horror of war. War *is* hell, and all other phrases, sentences, paragraphs and books about war are simply commentary to what General Sherman said.

General Sherman's statement has of course become famous. What many seem to overlook though is that Sherman was a General when he said it. The author of one of the most devastating acts of war—the Sherman march through the South of our country—Sherman had the firsthand schooling to educate him to what war could do to a countryside and to a human inside.

Today, we are engaged once again in a war. No one disputes its horror, its drain, its awfulness. No one speaks anymore of making a desperate, all-out lunge for military victory. We may have at one time been divided on the initiation of that war, but we are all in common accord on our present goal of ending the war. The difference now lies simply in time.

President Nixon was elected on a platform of peace. He repeatedly announced during the campaign—and has echoed as President—his desire to become the Peacemaking President. As commander-in-chief of our armies, President Nixon could make that desperate lunge at military victory, but instead he has committed himself to bringing the war in Vietnam to a peaceful conclusion. Like General Sherman, he has seen and he has comprehended the horror of war and he has decided that he will make no bedfellow of the hell of war.

But to see the face of war and know its devilishness is one thing; to extricate oneself from it is another. We *are* in a war. The debate over whether to become engaged in Vietnam is a moot question of five years and 40,000 deaths. A President, especially a new President, must face reality, and the reality is that we are tied to a war where a hundred deaths a week is considered low. To end such a war cannot be done easily or quickly, any more than to stop a street fight can be done by asking one of the fighters to stop. I was in Vietnam during that country's first democratic elections more than two years ago, and I know how deep are the currents of this war.

President Nixon's proposal for timed withdrawal is therefore eminently sound, and his desire to keep such a timetable discretionary is profoundly sensible. President Nixon has clearly put us on the path to peace.

Since it is far easier to start a war than it is to end one (let us not forget that even victors have difficulty ending wars), this country should give President Nixon, not yet a year in office, sufficient time to work out the conclusion to one of the longest wars in American history. Such support is simply the reasonable action of a reasonable people. To criticize the President's actions not for being proper, but for being slow, is childish and unrealistic. This country has been founded on that delightful cry of the underdog: "Give a man a chance." I suggest we give President Nixon a chance.

This is why it is so important for Republicans especially to band together behind the President—to give him that solid support he needs to wage a war for peace. As the titular head of the Republican Party, President Nixon should not be exposed to embarrassment or to any action by his own Party which would weaken his quest for an end to the Vietnam war. The earnest support of our President is the freest expression we have to show that we join President Nixon in ending—as quickly as rationally possible—the hell of the Vietnam war.

In conclusion may I say that we as party members should be slow to reject his appointees or question his policies, not because we should allow ourselves to be stifled, but because Richard Nixon has come to the Presidency at one of the most difficult periods in American history and he is making decisions to shape and to mold a better America.

NO PEACE IN MIDDLE EAST WHILE ARABS EXPECT ISRAEL TO WITHDRAW

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. MURPHY of New York. There can be no peace in the Middle East so long as the Arabs, with the cunning approval of the Russians, expect Israel to withdraw from occupied territories as a precondition to negotiations for peace.

It is therefore inconceivable to me that the United States should even remotely suggest withdrawal by Israel. Secretary Rogers, in his December 9 statement, suggests that the intercession of the United States and Russia, and the abandonment of occupied territories, will hasten peace. Israel does not accept this position. I do not accept this as a sound position. The United States should not accept this position.

The lesson of 1957 is clear. Israel was amenable to accommodation with the Arabs after U.S. assurance and the Arabs used the presence of a weak-kneed United Nations force as a cover for building a war machine to smash Israel.

When that clash came in 1967, 10 years later, Israel responded heroically to her own survival and secured the homeland. Arab territory was taken. It would be foolish to abandon that territory now in the hope of inducing the Arabs to again participate in negotiations while it is clear that the Arabs are bent on nothing less than the total destruction of Israel and the annihilation of the Jews.

Israel must hold the occupied territory and negotiate its return to the Arabs only as part of genuine, substantive talks aimed at bringing a secure and lasting peace to the Middle East. You do not bargain with anyone by throwing in your best cards at the beginning of the game.

The United Nations also errs when it attempts to deal with the Russians to have them intercede with the Arabs. Russia is in absolute harmony with the intentions of the Arabs, and Israel is opposed to bilateral talks with Russia and the four-power talks with Britain and France. We should actually be pushing for face-to-face negotiations between Arabs and Israelis.

Nations not directly involved cannot hope to bring peace to the Middle East when one of those nations is the instigator and supporter of Arab aggression and hostility.

The security and integrity of the State of Israel cannot be compromised. Israel's best hope for long-range peace is strength. I have therefore recently urged the President to supply an additional 250 Phantom jets to Israel to insure her defensive power in the shadow of increasing Russian military assistance to the Arab States.

While Israel is strong she will survive. Her strength alone will finally compel the Arabs to recognize the reality of the existence of Israel and sit down to achieve a lasting and durable peace.

Vital to Israel's strength is the unswerving support of her position by the United States. The Secretary of State can do grave injustice to Israel should he attempt to compromise Israel's position in opposition to Israel's wishes.

There has been war in the Middle East three times in the last 20 years.

Let us learn from that history and not make the same mistakes again.

CONGRESSIONAL REFORM

HON. DONALD W. RIEGLE, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. RIEGLE. Mr. Speaker, our colleague, the gentleman from Missouri (Mr. Bolling) has done our country a great service by continuing to focus national attention on the pressing need for congressional reform.

His compelling article from the November issue of Playboy magazine speaks for itself and I would urge all Americans to read it.

This article follows:

THE HOUSE: "HOW THE LOWER CHAMBER BESET BY REACTIONARY COALITIONS, STALEMATED BY AN ARCHAIC AND CORRUPTIBLE COMMITTEE SYSTEM, FAILS IN FULFILLING THE NATION'S MOST PRESSING LEGISLATIVE NEEDS"

(By Representative RICHARD BOLLING)

It is my conviction, a heresy in my trade, that the primary failures of political leadership at the Federal level are found in the United States Congress. Particularly, these failures are found in the House of Representatives, where I serve—the legislative area of civil rights excepted. The House has failed to organize itself in such a way as to exercise effectively and responsibly its share of the political leadership that the American people may fairly expect from their Federal Government. A drastic change in the House power structure and major reforms of the House as an institution are needed. The House as now constituted is ineffective. It is negative in its approach to national tasks and usually unresponsive except to parochial economic interests. Its creaky procedures are outmoded. Its organization camouflages anonymous centers of irresponsible power. It often passes legislation that is a travesty of what is really needed.

The fundamental reforms I suggest are directed at the way Democrats in the House organize themselves. In the majority during 34 of the past 38 years, the Democrats are largely responsible for the present condition of the House. The inflammations in our cities and the unresponsiveness in our schools and the effluence of our polluted environment would be much less aggravated if the Democrats had faithfully put the House in order. If the House were properly organized, such reactionaries as Howard Smith of Virginia, longtime chairman of the House Rules Committee and a Democrat in name only, could not have arbitrarily throttled school aid, housing programs and civil rights legislation in the Forties, Fifties and early Sixties. If the House were properly organized, Representative Wilbur Mills of Arkansas, chairman of the powerful House Ways and Means Committee, would not have been able to pigeonhole Medicare for the elderly until 1965. Congress would be a more respected body today if it, rather than the Supreme Court, had outlawed malapportioned Congressional districts and segregated public school districts. A majority of the Democratic Party in the House has permitted its minority Tories to misuse seniority in order to obstruct, damage and deflate the party's national programs. The House must assume part of the blame for ghetto fires and rioting, Birmingham bombings and the Little Rock school confrontation.

Is the Congress, especially the House, to continue as the least responsible organ of Government, responding, if at all, often 10, 20 or 30 years after social problems arise? Is the essential well-being of the nation dependent on an occasional political landslide, such as occurred in 1964 because of the Goldwater Presidential candidacy? Will the nation learn to improve itself by means of other institutions and thereby push the Congress to the outskirts of American society?

The naysaying 90th Congress of 1967–1968 is a good illustration of how a legislative body should *not* work. The House during those years gave one of its worst performances. The Congressional trail was dotted with the sump holes of legislative ineptitudes and misadventures. The House mangled elementary-secondary school aid, Model Cities, the promising Teacher Corps, rent-supplement and other anti-poverty programs. It amounted to a virtual war *against* America's poor.

The first mishap was the handling of that flamboyant Harlem grandee, Adam Clayton Powell. At the time, Powell was in deep trouble of his own making. He had abused his trust as chairman of the Education and Labor Committee. It distressed the country. It distressed many House members. But the Speaker of the House, John W. McCormack of Massachusetts, did not see it that way. He felt that there was no problem. Just newspaper talk, the Speaker said. Yet mail demanding Powell's head was being delivered by the truckloads to House members from irate constituents. A few of the senior bulls shared McCormack's view. Disturb Powell, they reasoned, and who knows which of us committee chairmen may someday be dislodged from our seniority shelter?

So what happened? Powell was quite properly stripped of his chairmanship of the Education and Labor Committee by a caucus of his Democratic colleagues. This action then snowballed into a successful but unconstitutional move to deprive Powell of the seat to which his Harlem constituents had elected him. Incompetent leadership was to blame for not blocking the exclusion effort. As a result, Harlem, festering with dire poverty, was not represented in the House for the two-year life of the 90th Congress.

The Powell affair was only the first in a series of bumblings. The Democratic House leadership agreed to accept an apportionment of seats among Republicans and Democrats on the key Ways and Means and Appropriations committees that doomed at the outset the liberal domestic legislative program of the President. While urban ghettos blazed during the midsummer of 1967, the House gutted remedial legislation for urban areas in mindless fashion. It refused even to discuss a bill to authorize a rat-eradication program for cities—yet a few days later, it became known that a contract had been let to eradicate rats in the office buildings occupied by House members. A bill to renew and extend the anti-poverty program—a real hope for millions of Americans, both black and white—was so incompetently scheduled that it barely survived debate on the House floor.

Finally, in late 1968, the 90th Congress ended on perhaps the most outrageous note of all. The core of parliamentary government is the vote. When it is abused or besmirched, our democracy is gravely wounded. Yet last fall, it appeared that House assistant clerks were registering as present many members who were not present—indeed, one member was in California at the time he was recorded. This scandalous ghost voting caused no great outcry among House members, although it was referred for inquiry to the House Committee on Standards of Official Conduct. That committee has recommended a preliminary course of action that can lead to effective reform in this vital area.

Amid this bedlam, the conservative and reactionary committee chairmen prospered. One was Mills, the chairman of Ways and Means. Under the rules of the House, legislation involving tax reform, Social Security, Medicare, welfare programs and a vast array of other domestic problems are referred to this grand committee. Mills is a legislator of considerable ability and strong conservatism. At some time or other, he has voted against Medicare, minimum wage, foreign aid, Model Cities, anti-poverty funds and civil rights. He bottled up the surcharge until he forced the President into agreement on a ceiling on domestic spending, a deceptive-sounding objective that disguised its true purpose; rather than curtailing or stretching out such expenditures as postponable military construction, civil public works and highway construction, Mills assured slashes in the newer, innovative programs designed to solve the problems of our cities.

As chairman of the Committee on Committees, composed of the 15 Democrats on Ways and Means, Mills also occupies a powerful Democratic Party position in the House. Until this year, when a small halter was placed on it, this committee had, without restraint, assigned all other Democrats to seats on the other permanent committees of the House. Southern Democrats—actually, "Republicans with Southern accents"—have, until recently, been a majority on this key Committee on Committees. Over the years, this custom has enabled Southerners—many of whom are able men of great integrity, but virtually all of whom are stuck to the segregationist flypaper—to rise to head the major legislative committees and key subcommittees within these full committees. Even this year, nine of the 21 committees have Southern Democrats as chairmen and only one of the nine chairmen is what I would call a "national Democrat."

How in the devil did this regressive state of affairs develop? And why has it been permitted to continue? The story begins in 1910, when insurgent Republicans, joined by Democrats, successfully rebelled against a tyrannical and deeply conservative G.O.P. Speaker, Joseph "Uncle Joe" Cannon of Illinois. The bipartisan rebels forged a voting majority to strip the Speakership of its major powers, among them the unilateral power to appoint all members, Democrats as well as Republicans, to committees. Subsequently, House Democrats and Republicans each devised separate machinery to name their respective members to the committees. It soon became the firm practice to re-elect returning members to the committees on which they had served in the previous Congress. The Democratic committee members came to be listed in order of the length of time they had served on a particular committee. The one with the greatest service was chairman, if his party was the majority party in the House. In a broad sense, this custom was acceptable. After all, it takes time to learn to be a competent national legislator. But seniority became the overriding factor in determining appointments to committees—a custom no other state or national assembly in the world follows. Custom became Congressional "common law." Violating seniority became as unthinkable as soliciting for one's sister. Senior Congressmen, of course, enjoy the seniority system. Most of those far less senior tolerate it, in the hope they too, someday will enjoy the trappings of chairmanships. The few who recognize its evils are outgunned in any attempt to change matters.

The present state of affairs, then, is this: For a Democrat to become a chairman, he need only live long enough and get reelected often enough to outdistance his colleagues. Eventually, he'll make it, although he may have the morals of a Mafia *capo* or the mind of a moron—or both. And who among Democrats is most likely to achieve the cherished goal of chaiman? The answer is easy: He is a member from a one-party Congressional district, usually in the rural South—insular, suspicious and racist. His rise on the seniority ladder is aided by the competitive nature of many Northern districts, where Democrats fare less well. Consequently, Southern Democrats generally hostile to the moderately liberal cast of their national party came to dominate the House power structure. It is as if we named George Wallace to head the United States Civil Rights Commission, a Democrat to head the Republican National Committee or someone who believes the world is flat to head the Federal space agency. (Along their

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way to power, it should be noted, the Southerners have the assistance of the "doughfaces"—Northern men with political appetites rather than convictions—elected from rotten districts in New York, Chicago and other large cities. Both types come to the House to feast on the spoils. They don't give a damn about issues.)

Occasionally, an aspiring Southern Democrat lets slip his masks in this farce. Both Albert Watson of South Carolina and John Bell Williams of Mississippi, for example supported the Republican Presidential candidate, Barry Goldwater, in 1964. Their actions were so blatant that a thin majority of House Democrats, in caucus, was able to strip them of their accumulated seniority. Watson then showed his true colors. He resigned his seat in the House returned to South Carolina, ran as a Republican for the seat he had just vacated and was elected. He still sits as a Republican in the House. Williams, a much more senior member of the House, would now be the chairman of the House Committee on Interstate and Foreign Commerce had his seniority on that committee not been taken away. Deprived of this opportunity for great national power, he chose to seek the much less important position of governor of Mississippi. He succeeded, and now the people of that sad state are the exclusive beneficiaries of his reactionary tendencies. This year, Representative John Rarick of Louisiana, who had supported George Wallace, was likewise stripped of his seniority at a Democratic caucus—an action energetically fought by the House Democratic leadership, including Speaker McCormack.

But these are only dents in the iron system of seniority, a system with very real rewards. From his cockpit as committee chairman, a member may and does thumb his nose at the President, the Speaker and a majority of his own party. A chairman usually decides which bills will be granted hearings. He controls the timing of the hearings and the selection of witnesses. By absenting himself or refusing to call committee meetings, he often can deny a bill passage through his committee. It's that simple—and that arbitrary.

Among the most right-wing chairmen is Mendel Rivers of Charleston, South Carolina, a Snopes who whispered support for Hubert Humphrey in the 1968 Presidential election while winking at the supporters of George Wallace. During a TV interview, he once said, "I don't put myself on a parity with a Government employee. The people, in the Constitution, put me above them." He supported his party's national program only 37 percent of the time during 1965–1966, and hasn't changed since. He chairs the Armed Services Committee, which seldom gives searching thought to the major military matters within its jurisdiction but acts, instead, primarily as a committee on military real estate, parceling out military installations to districts of "deserving members." John McMillan of South Carolina heads the District of Columbia committee, which has made our national seat of Government a national disgrace. William Colmer of Mississippi heads the powerful Rules Committee, through which most legislation reported favorably by committees must pass before reaching the House floor for final action. And this is only a partial list.

The result has been a grand deception of the American people. For 34 of the past 38 years, as I noted earlier, the Democrats have been the "majority party" in the House. In the present 91st Congress, for example, there are 243 "Democrats" and 192 "Republicans" in the House. However, at least 60 of the 243 Democrats are opposed to the Democratic National Party platform. These 60 are Southerners almost without exception. And there are perhaps ten John Lindsay types among the 192 Republicans. Therefore, the true equation on major domestic remedial legislation is not 243 Democrats to 192 Republicans. In fact, 243 Democrats to 192 Republicans. In fact, 193 members are generally in favor of progress and 242 are usually opposed. Consequently, the Southerners still maintain a balance of power in those dozen or so hotly contested domestic legislative rows that erupt during each session of Congress. Their pivotal position is being eroded, but it still often thwarts the national, as opposed to the regional, interest.

This ratio is reflected within the key committees as well. Usually, the gutting of bills to aid the poor and mistreated takes place beyond the glare of publicity, behind the closed doors of the committee room. The truncated bill then comes to the floor—where it is very difficult to restore the lost features.

The condition of committee appointments has two faces, actually. One aspect is packing a committee, so that humane legislation does not get a fair chance to be considered. The second aspect is equally disastrous to fairness and justice. Certain House committees, as in the Senate, have become zealous watchdogs of special, high-powered economic interests. When a committee is dominated by special interests, "tunnel vision" develops in respect to the national interests. Our farm-subsidy program, for example, which is dominated by the House Agriculture Committee, benefits a few special crop interests at the expense of the national interest. As the President's National Advisory Commission on Rural Poverty has noted, our policy favors tobacco, cotton, corn and peanuts over the rural and urban poor. Instead of worrying about the hungry, the Committee engages in chronic, fierce sectarian fights among, for example, partisans of three varieties of peanuts—Spanish, Virginia and runner. Its Democratic members are almost always Southerners, almost always representative of crop interests—the Virginia peanut, the Georgia peach, the Texas cotton. The consumer aspect is ignored. Powerful outside farm groups work their will. Democratic Representative Joseph Resnick of New York discovered this in 1967. As chairman of the larger committee's Rural Development Subcommittee, he expressed the view that the right-wing American Farm Bureau Federation is, in fact, "not a farm organization but a large group of insurance companies without primary interest in the welfare of the Agriculture Department . . . using [the farmer] to build one of the largest insurance and financial empires in the United States, an empire bringing great profit to a select handful of men." The Farm Bureau struck back. Its long arm reached into the compliant Agriculture Committee and produced a resolution, with only one courageous dissent, that rebuked Resnick. House members, instead of being collectively outraged at this bold violation of Congressional sanctuary, sat silent when the Agriculture Committee danced a jig to the Farm Bureau's call. Resnick had erred: He had attacked an entrenched economic power. If he had attacked the defenseless poor, there would have been no retaliation.

Study the unpardonable problem of malnutrition and even starvation in this country and you'll encounter Representative Jamie Whitten of Mississippi, chairman of the Appropriations subcommittee on agriculture and lord of certain operations of the Agriculture Department. No Secretary of Agriculture, whether Democratic or Republican, can hope to administer his department without coming to terms with Jamie Whitten. Why the difficulty with obtaining an adequately funded and adequately administered food-stamp program? Why are there virtually no Negro county extension agents in supervisory positions? Why is it difficult for the Negro farmer in the Mississippi delta to obtain the same array of useful services, including valuable crop advice, as the white farmer? Why do nearly one out of four counties in the nation have no food program for the needy? Why do only 6,000,000 of an estimated 27,000,000 poor receive Federal food benefits? Why does the national school-lunch program serve free lunches to only one out of three needy pupils? Why did the Congress last fall kill the diversion of agriculture subsidies to feed the hungry? Why did it eliminate an open-end authorization for food stamps? Why did it kill a school-lunch-program amendment? And why is the Agriculture Department so staffed that it seems to have become one of the Confederate states—with social attitudes to match? One could do worse than to study the actions of Whitten's subcommittee of Appropriations and the Committee on Agriculture for answers to all of these questions.

Of course, the abuses are not limited to agriculture affairs. Until this summer, Congress tolerated a grossly unfair hodge-podge tax structure that permitted 21 persons, each with incomes of more than $1,000,000 in 1967, to escape paying a penny of Federal income taxes. So did more than 130 Americans who made more than $200,000 that year. These happy Americans lived in tax shelters while 27,000,000 Americans lived in poverty. It's a demonstrable case of socialism for the rich and free enterprise for the poor. The tax-writing communities of the Congress—Ways and Means in the House and Finance in the Senate—are too often manned by members pledged to protect such major economic advantages as lucrative tax benefits for oil and gas companies. In the face of a nationwide revulsion against tax injustices, the House did pass a major tax-reform bill last August; this article went to press before action was taken on the reform in the Senate. By Congressional custom, tax bills cannot be amended in the House. They can be amended in the Senate, however, and it is there that the special-interest groups threatened by the reform will launch their campaign to water down the bill.

The problems within the Congress cannot be attributed only to men of narrow vision and blurred ethics. There are also the timeservers who wave Old Glory and vote for appropriations for their districts; the fence straddlers who rhetorically favor brotherly love, Government solvency and pensions for all; the intellectuals who dream of "systems so perfect no one needs to be good"; and, finally, the smooth dealers for whom poltics is largely a matter of exchanging favors. These members butter up the senior bulls and eventually will be asked to help staff the back door through which the House is robbed—the hidden channels by which special favors are dispensed to special interests. All these types make the backbreaking job of Congressional reform more difficult.

Too few members are willing to stand up to the oligarchs of the committees. The seniors tend to regard new members as fraternity brothers regard pledges. A junior member is quickly made aware—by a chance remark, a gesture or a Dutch-uncle talk—that his rewards will come if he goes along like a good boy. The obverse implication is that a brash junior member can expect to be treated as a pariah at any political harvest.

The mortar that binds the system consists largely of what members in private inelegantly call "boodle." Boodle includes a military installation being assigned to one's Congressional district. This means a construction payroll, followed by a steady payroll for the military and civilian employees who will live and spend in a member's district. It also includes a variety of public works—dams, river and harbor projects, reclamation projects, conservation projects, Federal office buildings.

These projects, in most cases, are legitimate. The hitch, of course, comes in the manner in which they are distributed. There are just not enough Federal dollars each year to finance such projects in each of the 435 Congressional districts simultaneously. So 435 hungry House members jostle for projects adequate for, perhaps, 200 districts. The conservative, ruling committee chairmen and other leaders maintain their power by determining in large measure which members will get the projects. Generally, of course, the stay-in-line member, not the rebel with a cause, profits. I know about this from personal experience. A great multimillion-dollar flood-control program plays a large part in my re-election over the years. So does a $32,000,000 Federal office building. My political reputation in my district is probably more identified with these two projects than with my strong stands on behalf of civil rights, open housing and Congressional reform. Both of these projects were needed. Neither was a boon-doggle. Yet I know that my district received these projects primarily because—although relatively junior in those days—I was an insider when Sam Rayburn of Texas was Speaker of the House.

In addition to autonomous seniors and their junior accomplices, hidden power centers bedevil the House. There is one man who is more influential than all but a few House members—and who is not even a member himself. He is the House parliamentarian, Lewis Deschler. The title itself generates a vision of dried parchment paper and a blinkered figure who looks at the House through the prism of its rules and precedents. Deschler, parliamentarian for more than 40 years, doesn't fit the image. He is a large-sized man with large-sized influence growing out of his encyclopedic knowledge. He cultivates anonymity, never speaking to the press for quotation. There is little written about him. One article that purported to describe his functions included the incredible inaccuracy that the parliamentarian presides from the Speaker's chair at certain times. Actually, this is just about the only thing that Deschler does not do for a Speaker. His knowledge is that a ship's engineroom boss who knows the capacities of the boilers in all sorts of weather. The rules and older precedents of the House fill 11 large volumes, but the precedents of the past 30 years have not even been published. Thus, Deschler has a virtual monopoly on current precedents. Precedents are the 10,000 dos and don'ts of the House. Deschler, and Deschler alone, is a master of these. He may choose to be as helpful as a deaf-mute to a member who comes seeking advice on how to pursue a matter toward which the Speaker—or Deschler himself—is hostile. Deschler, not the Speaker, decides in practice to which committee a bill should be sent. I once cautiously raised this whole problem when I was a lieutenant of Speaker Rayburn. His reply was accurate but not helpful—"Deschler is loyal to me."

There is much breast beating in Congress about the loss of its power and influence to the Executive branch. The *Congressional Record* at least once a week carries a baleful lament to this effect by a House or Senate member, usually a Southern Democrat or equally conservative Midwestern Republican. Yet these same members, for some reason, have never insisted that Congress acquire computers for the storage and quick retrieval of information. There are 3000 computers within the departments, agencies and bureaus of the Executive branch. Thus, the Congress permits itself to be outgunned—like firemen equipped with water pistols or infantrymen equipped with peashooters.

The case for reform is obviously compelling. And a reformist mood is, in fact, growing. As a result of deaths, retirements and election defeats, 243 new members have entered the House since 1961, a turnover of 56 percent of the House membership. This postulates a membership far less willing to feed on the cake of custom. At the opening of the present Congress last January, the first effort to unseat a Speaker in nearly 50 years was launched. The candidacy of Representative Morris Udall of Arizona was not successful against 77-year-old Speaker McCormack but it is a harbinger of contests to come. In addition, there were minor rebellions this year against hoary committee rules and practices in the Judiciary and the District of Columbia committees. Banking and Currency Committee members are restive. The 30-year-long reactionary strangle hold on the Rules Committee was completely broken in 1967.

Another small step with a large potential was achieved this year. The Democratic leadership agreed to have regular monthly meetings—caucuses—with Democratic members. That agreement was forced by pressure from the Democratic Study Group, House members who are national Democrats. These caucuses, if employed wisely, can give the country the opportunity to see the difference between the appearance of Congress and the reality. In them, national Democrats may be able to propose and obtain majorities for progressive legislation. When such a majority emerges in caucus, it may begin to work effectively of a complete overhaul of the whole committee system.

For years, I have proposed simple reforms of the Democratic Party within the House that would accomplish this purpose by modifying but not junking the seniority system. The reforms are:

1. The member selected in caucus for Speaker (or Minority Leader when the Democrats are not a majority) would have the sole power to nominate the following: A. All the Democratic members of the Committee on Ways and Means and its chairman (or ranking minority member). B. All the Democratic members of the Rules Committee and its chairman (or ranking minority member).

2. After these nominations are made in caucus, a vote will be taken to confirm such nominees by majority vote. No nomination may be made from the floor. In the event that a majority rejects one or more of the nominees, the party leader will submit as many nominations as are necessary to fill the assignments.

3. The members approved for appointment to Ways and Means will continue to act as the Committee on Committees. But, at a subsequent caucus, they must submit their nominations for seats on the other committees of the House. Approval will be by majority vote. If one or more nominations are rejected in the caucus, the Committee on Committees will submit fresh nominees until all vacancies are filled.

4. The top leader, be he the Speaker or the Minority Leader, will now nominate the chairman or ranking minority member for each standing committee. If one or more are rejected, as in the other proceedings, he will continue to make nominations until all necessary appointments are approved.

These changes should lead to great improvement. But not automatically. Rearranging the political furniture is no guarantee of fair play. An open and aboveboard system of nomination does, of course, offer a greater promise of a better House of Representatives.

If the approximately 180 national Democrats in the House were all really what they seemed to be on the basis of votes cast and speeches made, the Democratic caucus would not now be accepting reactionaries and tyrants in powerful leadership positions. But of these 180, perhaps as many as half of those who vote right and talk right "sell out" at critical moments to the system for a good committee assignment or a favor, in the form of an empty honor or an important project, from the establishment. In the present circumstances, it pays to go along. Noble words can hide cheap deals. Liberal public voting records camouflage reactionary votes behind closed committee doors. In an open Democratic caucus, however, roll-call votes could be forced and members required to take public positions on leadership elections and committee-assignment selections. Under these circumstances and with public understanding of the significance of the votes on such matters, it is unthinkable that the majority would elect a reactionary or a tyrant.

There's no need for a blue-ribbon commission or a think-tank study by academicians. My reform program will work. It will provide the American people with a more effective national legislature. Currently, Congress resembles a crowded airport terminal where travelers have no planes to board because the runways are all torn up. Many members favor my reforms. Others disagree while informing me the reforms are feasible and practical. If enacted, competent seniors will continue to exercise their abilities. Other seniors, now as out of date in their comprehension of our national problems as dinosaurs, may not be so fortunate, but more junior members will be thrust into positions of responsibility without waiting until they pass retirement age.

Only then, when the power structure has been altered and the iron rule of seniority modified, will it be possible to institute a real modernization of House procedures, to strengthen the rules of ethical conduct for its members and to pass meaningful new laws controlling the threat of big money to free elections. Only then, when the power of the racists and reactionaries has been broken, will the poor and the blacks be treated as full members of American society by the House of Representatives.

ADDRESS AT 25TH ANNIVERSARY OF THE ILLINOIS DIVISION, POLISH AMERICAN CONGRESS

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. PUCINSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

REMARKS OF CONGRESSMAN ROMAN C. PUCINSKI DELIVERED AT THE 25TH ANNIVERSARY OF THE ILLINOIS DIVISION OF THE POLISH AMERICAN CONGRESS, SHERMAN HOUSE, CHICAGO, ILL., NOVEMBER 26, 1969

Your Excellency, Bishop Abramowicz, Mr. President Mazewski, Madame President Lagodzinska, Mr. President Pranica, Mr. President Janicki, distinguished guests, ladies and gentlemen, the 25th anniversary of the Illinois division, Polish American Congress, affords us an excellent opportunity to rekindle our faith in the enormous contribution that the Polish American Congress has made and continues to make toward realizing the day when the people of Poland will again join the family of free nations.

It is quite obvious as we view the situation behind the Iron Curtain today that on this 25th anniversary of the founding of the Polish American Congress, the basic mission of its high ideals has not as yet been completed. But as we honor this anniversary, we look at the men and women who have taken up the torch of the Polish American Congress and we like what we see.

President Al Mazewski, as national president of the Polish American Congress, and president of the Polish National Alliance, has brought to his task a new dimension of understanding and leadership, and because we know of his high dedication and devotion to the cause of human dignity, we know that under his leadership the Congress, indeed, shall flourish.

Ed Rozanski, as president of the Illinois division, constantly on the alert on how to make the State division a more effective instrument of the national organization, is imbued with the same lofty ideals and high dedication toward the cause of Poland as were his three predecessors, Judge Adesko, Judge Pluzdrak, and myself. We have every reason to view Ed Rozanski's contribution with the highest degree of confidence and admiration.

Mitchell Kobelinski, vice president of the Illinois division and chairman of this evening's anniversary banquet, is the architect of new and bold programs for the Polish American Congress, and has brought to Polonia an inspiring dimension of hope for our future.

The same could be said of all the other officers of the PAC, both at the national and State level, and as we honor the 25th anniversary of the Congress here this evening, we honor them and rededicate our loyalty and our support to help assure them success in their difficult assignment.

The Polish American Congress was born of necessity when it became apparent 25 years ago that Poland—the first victim of Nazi aggression and a nation that had made such an enormous contribution on the altar of freedom—was not going to be able to speak in her own behalf at the international postwar conference on the future of Europe.

Twenty-five years ago when this Congress was founded it was clear that Poland was not going to be able to enjoy the freedom for which she had so gallantly fought in World War II.

The founders of the PAC laid down the basic purpose of this organization and this purpose is as much valid today as it was 25 years ago, for by any standards one wishes to apply, Poland continues to be under the domination of an ideology totally foreign to her 1,000-year history as a champion of freedom and human dignity.

I say to you tonight that our work is not yet done, and we must never abandon the basic principles of the Polish American Congress until the glorious day comes when the people of Poland are again masters of their own destiny without the interference of Moscow or any other foreign ideology.

But times and conditions change, and just as the Polish American Congress has as its basic mission the continued struggle for the ultimate liberation of Poland from Communist domination, so must its leadership today look at the new problems of Polonia and add to its functions a new dimension of activity on behalf of those things which will raise the prestige and the reputation and the respect of Americans of Polish descent in Chicago and the Nation.

I am pleased with the work of the Illinois division in this direction.

In a number of major moves, the Illinois division has undertaken an impressive program of denouncing those who would bring ridicule and contempt on the Poles and Americans of Polish descent.

The Illinois division has wisely reached into a glorious 1,000 years of Polish history to demonstrate that in the veins of Americans of Polish descent flows the blood of a gallant people whose contributions to the cultural, scientific, philosophical, educational, and religious development of the world are literally beyond measure.

The Congress has wisely decided that its activities must include a greater concern for the immediate interest of Polonia as well as the long range effort for Poland's ultimate liberation.

I wish to congratulate the officers of the Congress for this decision for, indeed, we Americans live in a dynamic, multi-ethnic society, surrounded by the wealth of cultural legacies brought to this Nation by our forefathers. Fortunately, they have left us many treasures from all parts of the globe in the vivid beauty of their music, drama, dance, and art; the distinctive flavor of their folklore, language, and literature; the dignity of their values and beliefs.

Today, these priceless heirlooms continue to nourish and grace the American heritage.

This Nation thrives on a deep sense of ethnic community. It flourishes on the pride of origin shared by its people, both as committed Americans and as devoted individuals with strong ties to their own indigenous neighborhoods and groups.

In the past century, our society has begun to deny the existence of these origins. We have been challenging the concept of ethnicity, eroding the delicate tendrils that link us with our past. Indeed, we have oversold the value of homogenization, sacrificing the diversity of our pluralistic society for the sake of uniformity.

Consequently, many of our ethnic groups have developed a profound sense of cultural inferiority—a feeling that they are second best Americans because they have carefully preserved their original language, their customs and traditions, and their unique styles of life. Some have even totally forsaken their ethnic bonds.

This problem pervades every city and State, every corner of our Nation. It affects the lives of millions of Americans who are foreign born or second-generation American citizens. The most serious casualties of this quasi-cultural obliteration have been our youth.

Today, our Nation's youth is plagued by a sense of ruthlessness. Many of them are caught up in a maze of alien notions and are channeling their energies to a search for identity.

In a very real sense, these are the "forgotten young Americans," with no feeling of belonging in our heterogeneous society.

Society's transmitters of cultural values, its primary and secondary schools, have taught these young people nothing of their own ethnic backgrounds, and this omission has led them to conclude that their heritage has no status in the value system of our society. Therefore, it is scarcely surprising that so many young people have failed to develop a positive self-image, a feeling of not belonging that forces them to take to the streets to find expression.

Typically, their school history lessons teach about only one of two countries and remain indifferent to the rest of the world. Their art, music, literature, and language classes are equally narrow and exclusive, thus reinforcing a distorted picture of their environment and ancestry.

Such a pernicious educational deficiency warrants our utmost attention and offers the Polish American Congress its greatest challenge for the future.

One of our projects ought to be make certain that the inspiring history of Poland and her great struggle for human dignity, coupled with the enormous contributions of Poles in America, are properly reflected in the history books of this country.

Only by recognizing and respecting our own basis as a people can we give living meaning to the fact that there is no conflict between being a loyal, patriotic American and still being proud of your Polish ethnic heritage.

Too long have we tried to conceal our ethnicity and too long has the rest of our Nation been denied an opportunity to know full well the strengths of our own background.

We will restore tranquility to America when we restore self-respect in young Americans. One way to do this is to give them the identity they seek and impress upon them that in that identity there is a proud heritage which can give them strength and courage.

On this 25th anniversary of the Polish American Congress, let us all rededicate ourselves to the proposition that those of us who have a history—and the Poles indeed do have an inspiring history—Yes, those of us who have a history, cannot leave destiny to chance.

In our own history, we can find the strength and the understanding for the glorious growth of America.

The Poles have survived 1,000 years of heroic struggle for identity because each generation has helped the succeeding generation nurture and sustain its spirit. This spirit has been our mortar; our strength for survival.

On this 25th anniversary of the Polish American Congress, as I look at the new leadership—the young men whom we honor here tonight—I am extremely confident that this generation, as its predecessor, will reach—new heights of achievement in bringing forth the best in our fellow man.

Thank you.

LETTER FROM VIETNAM GI

HON. G. ELLIOTT HAGAN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. HAGAN. Mr. Speaker, the Liberty County, Ga., Herald of December 18, 1969, printed a letter written by Pvt. Reed Dent to his parents, Mr. and Mrs. Basil C. Dent, of Hinesville. I feel this letter is interesting reading and deserving of my colleagues' attention, not only because it comes from a serviceman stationed in South Vietnam, but because it is especially poignant at Christmastime.

Private Dent's remarks show clearly the "other" side to war—the concern of a young man wearing his country's uniform, stationed many miles from home in an unfamiliar land—but caring deeply about the plight of the citizens of that faraway country.

There is no doubt in my mind that as long as we have young people like Private Dent in our armed services, we will never have to worry about the possibility of anything approaching "American imperialism" or aggressiveness.

We are a proud and fortunate people, rearing our sons with a true dedication of belief and purpose and a real sense of honor.

Private Dent's letter follows:

LETTER FROM VIETNAM GI

The following letter was received by Mr. Basil C. Dent, Hinesville, from his son, Pvt. Reed Dent, who is stationed with the U.S. Army in South Vietnam:

"Dear Mom & Dad,

"Just a few lines to let you know I'm fine. I haven't had time to call you yet, the MARS station opens at 12:00 at night and closes at sun rise to the G.I. I have been working a lot lately, but it's worth it, I think.

"These people over here need all the help we can give them. I have made friends with some of the people and some of them can speak English good.

"When we stop at the little stores on the way to the cities, the kids run up to us and beg for candy and gum. Some of the older ones want cigarettes. Most of the people around here live in houses built from cardboard and bushes. It's not as good over here as some people think.

"If only the people of the U.S. could see the way they live and what they eat. When these people get C rations or dry food from the mess hall they act like they were given bars of gold. When our mess hall gets left over chow or they draw too much rations, they take them to the school for children that don't have mothers or fathers. The children want us to bring them back to camp and let them stay with us.

"Mom and Dad, I'm thinking of staying over here 'til I get out of the Army. I want to help these people as much as I can.

"If only the teenagers in the U.S. could see what these people go through every day and how they live, they wouldn't do the things they do at the colleges and think how lucky they are.

"When a person comes to a place like this he can see how lucky he is and it makes him thank God for the good life he has had.

"I don't know how to say this, but if I had a choice, I think I would like to stay here and help these people, but I have so much to come home to, I don't know now what I want to do. This country needs all the help it can get, but some of the people don't care how they live over here. They didn't know what money was until the Army came here and now the more they get, the more they want. We pay the women $1.00 a day to fill sand bags. It used to be they would work all day for a bar of soap.

"Well I guess I had better try to get some sleep. It's late again. So take care.

"Love always, your son Reed."

SDS PLANS FOR AMERICA'S HIGH SCHOOLS

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. ASHBROOK. Mr. Speaker, for a number of years various national organizations have stressed the need for education in the schools concerning the strategy, tactics, and philosophy of the international Communist movement as compared with the concept of human freedom and the American way of life. Organizations such as the American Bar Association, the National Education Association, and the American Legion have emphasized the value of responsible training of youth regarding the foremost worldwide threat to eventual peace with justice and freedom. In addition, the Freedom's Foundation at Valley Forge has for a number of years conducted summer and winter seminars for teachers to prepare them for such courses in the Nation's high schools. Young Americans for Freedom recently issued its "Freedom versus Communism" packet of information and action materials to encourage residents in various States to initiate courses about communism through legislation at the State level. The YAF recommendations are based on the courses now being taught in the high schools of Alabama, Louisiana, and Florida.

The value of the foresight of these organizations and State legislatures in seeking to acquaint our young people with the merits of our way of life as opposed to the evils of the Communist system is now more evident than ever with the publication of a report of the House Committee on Internal Security, entitled "SDS Plans for America's High Schools." While most people are by now familiar with the disruptive tactics on college campuses instigated by the SDS, their program for the high schools is not as well known. For those who even at this late state might have some doubts about SDS goals, the June 18, 1969, issue of the SDS publication "New Left Notes," should clarify the issue. The SDS position paper was quite blunt about SDS objectives:

> The goal is the destruction of US imperialism and the achievement of a classless world: world communism.

With specific reference to the high schools, the SDS paper states:

> What does it mean to organize around racism and imperialism in specific struggles? In the high schools (and colleges) at this time, it means putting forth a mass line to close down the schools, rather than to reform them so that they can serve the people. . . .

The SDS program is quite clear about their intention to close down the schools:

> And even where high school kids are not yet engaged in such sharp struggle, it is crucial not to build consciousness only around specific issues such as tracking or ROTC or racist teachers, but to use these issues to build toward the general consciousness that the schools should be shut down. . . .

In view of the stated objectives of the SDS, the recent report by the Committee on Internal Security should prove useful to all citizens, and especially educators, in alterting them to the current destructive plans of the SDS to foment strife and dissension among high school students.

The report can be obtained free of charge from the committee while the supply lasts, or can be purchased from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C.

S. SGT. RICHARD HILL KILLED IN VIETNAM

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. LONG of Maryland. Mr. Speaker, S. Sgt. Hill, a fine young man from Maryland, was killed recently in Vietnam. I wish to commend his courage and to honor his memory by including the following article in the RECORD:

STAFF SGT. RICHARD HILL, KILLED IN COMBAT; VOLUNTEERED FOR THREE TOURS IN VIETNAM

Army Staff Sgt. Richard G. Hill, a career soldier from Essex who volunteered for three tours of duty in Vietnam, was killed in combat December 9, the Defense Department reported yesterday.

Sergeant Hill, who was 24, had earlier been reported missing in action. He was a squad leader with the 1st Cavalry Division (Airmobile) at the time of his death.

He was born in Keene, N.H., and moved to Essex as a child. A slightly built youth, he attended Kenwood High School before joining the Army in May, 1963.

His mother, Mrs. Beulah Danesie, who remarried when Sergeant Hill was a child, said that "ever since he was a little boy he wanted to be in the Army. The Army was his life."

From August, 1965, to May 1966, he served his first tour in Vietnam with the 1st Cavalry Division, a unit that received a Presidential Unit Citation for extraordinary heroism in Vietnam in late 1965.

At his mother's request, he left the Army in 1966 and returned to Essex, where he attended computer school.

RE-ENTERED IN 1967

His mother said yesterday that her son's love of Army life was so great that he reentered the service in August, 1967. He immediately volunteered to go back to Vietnam to serve with the 1st Cavalry Division, but the Army reassigned him to the 1st Infantry Division.

In December, 1967, he was wounded in the foot by a mine explosion that was accidentally tripped while he was defending a position. He was then transferred to the Army Hospital at Fort Meade for recuperation.

After serving for a short period in Panama, he volunteered again for an assignment with the 1st Cavalry Division. He went there in August, 1968. On a combat mission January 3, he was struck again by shrapnel from a mine that exploded as he was wading through water. He was hospitalized in Vietnam for injuries to his feet and legs.

MONTH'S LEAVE AT HOME

In August, he returned to his Essex home for a one-month leave. At that time, the sergeant informed his parents that he had extended his duty in Vietnam for another six months.

According to Sergeant Hill's mother, her son explained to a friend why he was returning to Vietnam: "I was a squad leader. I want to go back to my men."

His mother and stepfather live at 418 Stemmers Run road, Essex.

Surviving, besides his mother, are his stepfather, Carmine Danesie, Jr.; a half-sister, Miss Toni Danesie; four half-brothers, David, Michael, Gordon, and Allan Danesie; a foster brother, Robert Fultz, and his grandmother, Mrs. Carmine Danesie, all of Essex. His father, George Hill, lives in Reading, Vermont.

A VIEW OF THE ALLEGED SONGMY INCIDENT

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. HOGAN. Mr. Speaker, I feel that there are two sides to a question. In the passion of initial shock and indignation sometimes we tend to forget this fact. Now that the matter lies in the hands of due process, I think that we can entertain a calmer view of the alleged incident and probe more deeply into reasons other than those already advanced in the heat of condemnation. Here is a letter which gives us another side of the story. What is more important, it gives us a penetrating insight into what our soldiers must face in these villages. I request that my colleagues read the letter and an article from the Washington Evening Star which substantiates the letterwriter's point of view. The letter and article follow:

MT. PLEASANT, S.C.,
December 1, 1969

Hon. LAWRENCE J. HOGAN,
Washington, D.C.

DEAR MR. HOGAN: I received a letter with enclosure dated 23 Oct. from you in reply to one I had written in September. I am most appreciative of your courtesy to me and the effort you have made to become informed on Vietnam.

I imagine I am only one of many "Vietnam Hands" greatly concerned about Lt. Calley who ran into a situation at Song My and dealt with it according to his judgment and orders. I was no closer than six miles from Song My and I don't know Lt. Calley probably because he was army but I do know that area 18 months ago was a very hostile place. The women and kids as young as 10 years old where often VC and good riflemen. I cannot imagine an officer wiping out a joint line Song My or his men obeying his orders unless it was clearly indicated as a matter of self preservation and a military necessity.

I suspect we have now a few cases of reaction on the part of a few sensitive, UN-oriental men formerly in his platoon who are just now getting Americanized again plus the feeling of some sincere citizens who have never walked into gunfire from 360 points of the compass plus some politics trying to score political gain plus groups more dedicated to Hanoi's ambitions than those of the U.S.

Unless Lt. Calley can be shown to be a rank berserker, he must be given the benefit of doubt.

If he is like all troop officers I have known he is hurting inside right now. I guess I identify with him very much. I am a scrupulous debt payer. I observe traffic laws with a passion. I have never been accused of a crime. I respect policemen. I live frugally to keep my kids in college. I don't cheat on my income tax. I think Lt. Calley must be much the same sort.

It is probable you learned enough about the oriental mind to find nothing incongruous about a Viet Cong woman advancing with a submachine gun on U.S. troops with her baby in her arms. These people are not stupid. They have our number very well. They know us better than we do. They know our reverence for soft women and helpless children and know how to capitalize on this strictly Judea-Christian hangup. Caucasians simply can't fight these people according to western precepts and the grunts in the field learn this often after they have been half wiped out.

Regardless of the law or UCMJ (in dire need of revision) it is up to concerned congressmen to see to it that morale and faith in Washington among field troopers is not further eroded.

It has been 25 years since we have been allowed to a win a war or even most of the battles. There is merit in the contention that we really lost the war in Korea and will have lost in Vietnam. This sort of thing can play havoc with a man's morale and his belief in the value of fighting for limited objectives.

Very respectfully,
WILLIAM H. WOOD,
(HMCM, USNFR.)

[From the Washington (D.C.) Evening Star, Dec. 5, 1969]

EVEN VIETNAMESE CHILDREN COULD TERRORIZE THE GI'S

(By John T. Wheeler)

To understand the alleged massacre by GIs of civilians at My Lai it is necessary also to understand the atmosphere of a war which has led many U.S. fighting men to feel they are as much at war against Vietnam as for it.

While the communiques speak of battles involving companies and battalions, each GI carries with him the certain knowledge that in any village there may be men, women, and even children who are also the enemy, waiting for the time and place to attack him.

Brutality, and indifference to human life, are commonplace in Vietnam. The disfigurement of dead GIs is common.

In Vietnam the killing of civilians was a practice established by the Viet Cong as a major part of the war long before the first U.S. ground troops were committed in March 1965.

By official count, more than 20,000 civilians had been murdered by that time in enemy executions aimed at so thoroughly terrorizing the countryside that no one would resist.

The total now is more than 40,000 including more than 3,000 killed by the enemy in Hue when they held part of that city for 2½ weeks.

At Hue, the victims were predominantly civilians of all ages. Many were killed simply by tying their hands behind their backs, shoving them into a trench and burying them alive.

It was into this conflict that the American troops were plunged. They had been told to kill the Viet Cong who were bad and woo the peasant who only aided the enemy because he had no choice. Given a chance, the official line went, Vietnam wanted to be free and democratic like America.

But the GIs found a war of sundered families, and divided allegiances to any regime, either Viet Cong or Saigon.

The infantry came to know that the farmer, who might be a friend by day, could become a guerrilla by night who killed just as surely and just as ruthlessly as the enemy's professional troops living in the jungle.

There is no front in Vietnam, no rear, no safety. To the GI of a rifle company everyone can be suspected of plotting to kill him.

Item: An elderly woman noted for her ready smile and broken betel nut-stained teeth, was caught smuggling out a detailed map of the defenses of an American base where she worked as a laundrywoman.

Item: U.S. Marines found begging children to whom they had been giving food were stealing grenades that were tossed back at the Leathernecks during the night.

Item: One Green Beret commander found his desk boobytrapped by one of the Vietnamese working for him. The Green Berets began using lie detectors because their mercenary forces in some camps were running as high as 30 percent Viet Cong.

Item: After one night attack by a large enemy force, Americans sweeping the perimeter found the body of the camp's barber, still clutching a rifle. He had been leading the enemy's assault.

Item: A U.S. truck was blown up, killing all aboard, on highway 13, called "bloody Route 13" because of the frequency of minings. GIs from another truck quickly traced out the electrical wires to the detonator and found a young girl still holding the handle. They shot her.

The Pentagon says that today's soldiers are the most sophisticated in history.

But more than being able to operate intricate electronic equipment and the like, the GIs in Vietnam also could see first hand the corruption, the indifference of Vietnamese soldiers to winning the war, the contrast between the poverty in the countryside and the comparative wealth of the cities and the way Vietnamese merchants, bar girls and even children selling black market American soft drinks gouged them.

Added to this were the deaths and maimings of friends. Many U.S. soldiers died by torturous means.

Cynicism mixed with anger rapidly replaced the early idealism among combat troops. Vietnamese were called "gooks" and "slopes" in a way that sometimes translated as subhuman.

No spark sets off a fire unless it falls into combustible material. The sparks that ignite American GIs are snipers, mines and booby traps. The major cause of casualties in Vietnam are mines and booby traps. Snipers also are a major factor. The three are all the more hated because each is hidden and after the damage is done, there usually is no chance for the American infantrymen to even the score because no enemy can be found.

Often intelligence will pinpoint a village as the source of the mine and booby trap makers and snipers. Repeated sweeps through the hamlet turn up little or nothing except more casualties. And hatred builds up against the villagers who know the snipers and know where the hidden traps are but don't tell.

Then one day something snaps in one or more men. The frustration and fear drives them across that line of civilized conduct that in combat zones is a hazy mark at best.

There are indications that these things might have been at work on the men who are accused of massacre in My Lai last year.

They certainly were at work on a group of American Marines I accompanied into a village south of Da Nang in 1965. A half squad, out of a regimental size force, went on a brief rampage, killing a group hiding in a civilian air raid shelter. One Marine called out, "Woosh, I'm a killer today. I got me two." Another said, "Kill them, I don't want anyone moving. We've got only a few more days of legal killing left."

The battalion was due to rotate home in four weeks. In the previous month, 15 percent of the battalion had been killed or wounded by snipers and boobytraps. None of the Marines had seen a Viet Cong soldier during the time.

The U.S. Command's position has been from the beginning that civilians are not to be harmed.

But the case for the sanctity of civilian life is weakened by the knowledge that there are South Vietnamese assassination teams—sometimes led by Americans—operating in the countryside killing enemy officials, as opposed to soldiers, often in their beds at home, Viet Cong style. And GIs who have searched out a village after American bombers have done their work cannot help but be a bit cynical about orders not to molest civilians.

A senior officer in the legal field was asked after a series of murder trials earlier this year what he thought had motivated the Americans involved, all found guilty.

He said nearly all the cases he had handled involved villagers in Viet Cong-held areas. When the pressure of fear or hate or some combination of these factors hit the men hard enough, they broke down with a sort of combat fatigue that ended with slayings.

"If these men never had come to Vietnam, they probably would have lived out their lives as useful citizens and with a police record no more serious than a speeding ticket or two," the officer said.

In some cases the same men who have had to stand trial for killing civilians have helped support Vietnamese orphanages or become involved in unofficial relief operations for families made refugees by the war.

"In war, everything is realer than real. The capacity for great violence rises to the surface, but so does a capacity for great compassion," an Army doctor said. "Remember, part of the brutalizing men undergo is necessary to their psychological survival. You can't look war in the face with the kind of emotional responses we use in the states. You would go mad."

IMPERATIVES FOR ACTION

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. PUCINSKI. Mr. Speaker, the Galaxy Conference on Adult Education met in Washington, D.C., the first week of December to discuss some of the critical issues in life-long learning, which is so vital to all of us.

The planning committee for the Wingspread Conference, headed by Arthur Flemming, proposed the "Imperatives for Action," which were unanimously adopted by 23 national organizations in adult education.

It is my sincere desire that the House will lend its full support to the achievement of the following "Imperatives for Action":

IMPERATIVES FOR ACTION

I. TO ELIMINATE EDUCATIONAL DEFICIENCIES OF AMERICAN ADULTS

More than eight million Americans over the age of twenty-five have less than five years of formal schooling, and millions more lack a high school education or its equivalent. Through adult and continuing education, these millions can be raised to new educational levels that will provide them with new and improved economic, political, and social opportunities.

Illiteracy. We support the concept advanced by Commissioner of Education James Allen in his pronouncement on "The Right to Read," and urge a total commitment on the part of all adult and continuing education agencies to raising each American to a level of literacy.

High School Education for Adults. We consider the completion of high school or its equivalent by every adult to be the minimum level of educational attainment acceptable in today's complex society and urge fullest efforts to achieve this goal.

To secure these ends we urge Congress to enact legislation that will provide state and local educational agencies with annual support of $500 million.

At the same time a concerted effort must be made to secure increased funds from private industry, trade unions, private foundations, and other non-public agencies. State and local educational agencies should not only continue their present levels of funding but also increase their financial efforts.

We further urge the present administration in Washington to undertake studies to reassess on-going programs for the under-educated and make recommendations to the Congress concerning the most effective means of distributing Federal funds to community educational agencies.

II. TO STRENGTHEN ADULT AND CONTINUING EDUCATION AND COMMUNITY SERVICE EFFORTS OF COMMUNITY COLLEGES, COLLEGES, AND UNIVERSITIES

The nation's need for well-informed citizens, coupled with the personal needs of its people for an understanding of the world in which they live and the skills with which to earn their living, gives emphasis to the need for increased levels of post high school education.

We endorse the national objective set forth by the Congress, that two years of post high school education, adapted where necessary to the occupational needs of adults, be made available to all who are capable of benefiting from it.

The clear need to support adult and continuing education in community colleges, colleges, and universities was recognized by the Congress with the enactment of Title I of the Higher Education Act of 1965. Designed to support established programs of extension, to provide community services, and to assist in the establishment of such programs in institutions of higher education, Title I has proved an effective instrument. Unfortunately appropriations have lagged far behind authorizations. In the present fiscal year, Title I is funded at $9½ million rather than the $50 million that was authorized.

We urge minimum annual funding of Title I of the Higher Education Act of 1965, at $100 million a year, with priorities to be spelled out anew each year, to meet the changing needs.

III. TO PROVIDE ADULT AND CONTINUING EDUCATION IN THE ARTS AND HUMANITIES, PUBLIC AFFAIRS, AND IN THE DEMOCRATIC PROCESS

Opportunities for life-long learning in the arts and humanities, and in public affairs, are essential to the preservation of our freedoms. To solve problems rationally and peacefully, we must continually acquire new social and political competencies, and the powerful and privileged must learn equally with the powerless and deprived.

There is an over-riding urgency for people to be informed and to be equipped to make informed judgments in matters that strike to the heart of our democratic society. To this end we urge major funding of programs of adult and continuing education in public affairs and in the democratic process.

Of equal importance is the need for each person to experience the fullest flowering of the human spirit. To achive this goal we urge greatly expanded funding for the National Endowment for the Arts, and the National Endowment for the Humanities.

IV. TO IMPROVE FINANCIAL SUPPORT FOR ADULT AND CONTINUING EDUCATION

Much of adult and continuing education is dependent on income from tuition and fees. As a result, many adults forgo instruction because they cannot afford the tuition and, in turn, agencies tend to conduct only those courses which will produce sufficient revenue. Many essential needs thus go unmet. A comprehensive program of adult and continuing education will be provided only when adult and continuing education receives financial support comparable to that presently provided to elementary, secondary and higher education.

We urge vigorous efforts to secure full funding on the part of the Congress for authorized programs serving adult and continuing education, and the development of new and imaginative programs to further meet these needs. At the same time we urge equally vigorous efforts on the part of the private sector to provide vastly expanded support and leadership.

V. TO PROVIDE ADEQUATE AND APPROPRIATE OPPORTUNITIES IN ADULT AND CONTINUING EDUCATION FOR PERSONS IN LOW INCOME GROUPS

Most adult and continuing education programs fail to reach low income and under-educated groups. Instead, programs draw largely from well-educated middle class groups. The reasons are numerous and sometimes difficult to ascertain. One factor is financial. Courses and workshops that must be self-supporting will draw only those students who are able to pay. Consequently they will meet only the educational needs of the more affluent. Further, most promotional materials are printed and, therefore, appeal essentially to a more literate clientele. Both the programs and the communications relating to them are aimed at the middle and upper economic groups.

New and aggressive programs must be instituted with a view to increasing the percentage of enrollments of low income and under-educated students.

Educational programs must be taken into the neighborhoods where people live rather than being conducted mainly in central facilities such as schools, colleges and universities.

Existing programs of adult and continuing education must be examined to insure that they are relevant to the needs of the 80 percent of the adult population that does not presently participate in such programs.

New and effective multi-media programs must be undertaken.

VI. TO STRENGTHEN WITHIN OUR EDUCATIONAL INSTITUTIONS THE SUPPORTING STRUCTURES FOR ADULT AND CONTINUING EDUCATION

Adult and continuing education is too often thought of as being apart from the traditional educational process. It is seldom integrated with the elementary and secondary establishment and its status in higher education is ill defined. Adult and continuing education must become a recognized responsibility of the educational establishment, must achieve its full commitment and support, and must attain fuller public understanding of its vital importance to society.

VII. TO URGE NATIONAL NON-GOVERNMENTAL ORGANIZATIONS TO STRENGTHEN THEIR ROLE

We recognize the importance of national non-governmental voluntary organizations in providing adult and continuing education, and urge these groups to strengthen their role and expand their efforts so that society may receive increased benefits from the full utilization of these unique resources.

VIII. TO INCREASES PUBLIC AWARENESS

A national campaign should be launched to acquaint Americans with the importance of life-long learning, and to gain their greater support for adult and continuing education.

IX. TO ACHIEVE HIGHER LEVELS OF FEDERAL SUPPORT AND COOPERATION

The United States Government should establish appropriate instrumentalities to provide leadership in adult and continuing education and to develop cooperation among the many non-Governmental organizations operating in this field.

CONGRESS AND THE COST OF LIVING

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. MICHEL. Mr. Speaker, an editorial in today's edition of the Chicago Sun-Times discusses the effect of our activities here in the Congress on the cost of living and since the House has just voted on the tax reform bill, the editorial is quite appropriate it seems to me.

Under unanimous consent, I place it in the RECORD at this point:

[From the Chicago (Ill.) Sun-Times, Dec. 22, 1969]

CONGRESS AND THE COST OF LIVING

What with it being the Christmas season and the New Year being an election year, Congress simply couldn't resist playing the Santa Claus bit last week. And both parties already are arguing who should get the credit.

The Christmas package of tax cuts agreed on by Senate-House conferees Friday would not be delivered until a few weeks before

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next November's election, when there would be a small decrease in withholding rates.

By that time the increasing cost of living might have gobbled up a lot more of workers' paychecks than the tax break Congress is cooking up.

On Friday, the cost of living was disclosed as having gone up another five-tenths of one percent nationally. It now costs $13.05 for goods and services that cost $10 in the 1957–59 base period. Prices are 5.8 percent higher than one year ago.

That means a family earning $8,000 has suffered a cut of $454 in buying power in 1969. By comparison, the increase to a $650 individual tax exemption next July would benefit such a family of four by less than $20. The increase to $750 in 1972 would cut less than $120 in taxes at present rates. The rise in the minimum standard deduction next year would cut another $20.

There are other tax breaks in the agreed-on bill, particularly for single persons and for high-bracket families after next year. Mr. Nixon's proposed 10 percent increase in Social Security payments was raised to 15 percent.

President Nixon has pledged to bring rising prices under control. This means a tight rein on government spending. It means a continuation of government tax collections sufficient to balance the federal budget and even to provide a substantial surplus. Congress can't play the benevolent Santa Claus and still be an inflation fighter.

Mr. Nixon's message that he would veto any tax bill with big reductions in revenue got through to the conferees. They trimmed the generosity of the Senate version and eliminated the House's minimum 5 percent tax cut for all. They provided a budget surplus of $6 billion for 1970 and $288,000,000 for 1971, the years in which Mr. Nixon sees his biggest period of crisis for getting inflation under control. So some of the intensity of Mr. Nixon's opposition to the tax cuts may have been lessened.

Still, Congress would have been far more realistic and even politically wise to put its emphasis on fighting inflation rather than on playing Santa Claus. Mr. Nixon does more for the average worker when he tries to keep the buck's buying power up than Congress does with its tax schemes.

ST. PAUL TRADES PRAISED AS LEAP MOVES INTO HIGH

HON. JOSEPH E. KARTH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. KARTH. Mr. Speaker, one of the main concerns of the Federal manpower training and redevelopment programs has been the recruitment of minority youth in the building trades apprenticeship programs. I am pleased to point out that one of the country's most successful projects is being operated in St. Paul, Minn.

All of those people from the Urban League, the St. Paul Building Trades Council, the St. Paul unions which are participating, the St. Paul public schools, and the U.S. Department of Labor deserve special credit for this achievement.

I include, as part of my remarks, the following article from the St. Paul Union Advocate of December 18, 1969, which describes the St. Paul LEAP program:

ST. PAUL TRADES PRAISED AS LEAP MOVES INTO HIGH

St. Paul's Building Trades Council (BTC) and its affiliated unions were given good marks this week as Project Director Donald Johnson of the Urban League's Labor Education Advancement Program (LEAP) described progress of the project which has already prepared 23 minority youth for entry into apprentice programs of the construction industry here.

The St. Paul program is one of 22 in as many cities sponsored by the Urban League with the cooperation of AFL–CIO building trades councils.

These make up the largest group of 55 Apprenticeship Outreach programs funded by the U.S. Department of Labor with the express goal of using a "tutor & cram" technique to assist minority youth—Negro, Puerto Rican, Mexican-American and Indian candidates—to start up the ladder to careers in the construction industry.

Co-director and right-hand man to Director Johnson is Jerry Lantry, a member of Bricklayers Local 1, chosen by the BTC to work full time with LEAP.

"He's terrific," reports Johnson. "Jerry puts in long, long hours, working selflessly at the job of building the kind of bridges that make for confidence among building trades leaders in LEAP's program, and among minority youth in the good will of the unions and employers in the industry."

With the help of four other staff members—a project recruiter, a tutorial consultant, a clerical aide and a secretary—an "excellent" cooperation from a number of contractors and building trades leaders, Johnson believes "the St. Paul LEAP program is second to none in the country."

A key role in the LEAP operation is played by the project recruiter, Talmer Curry, whose main responsibility lies in seeking out likely candidates for apprentice training and encouraging them to apply for the opportunity. He does this by going into the neighborhoods where minority youth live and explaining the program to youngsters wherever he finds them.

As of this week, LEAP has placed 27 youth in apprenticeship programs, 23 of them in the building trades, which is LEAP's main arena of action, and four others—two cooks, a meat cutter and a printing industry trainee.

The 23 building industry entrants are in these trades: carpenter, operating engineers, sheet metal, floor covering, sheet rock taping, painters and cement finisher.

Of these 23, seven have dropped out. Three have quit to enter college, one had to give up the program because of ill health, a fifth decided he had tackled the wrong apprenticeship program and only two lost interest in the plan.

Thus, 16 youngsters remain in the program, and the momentum is such that Director Johnson sees no difficulty in reaching LEAP's current goal of 30 successful placements by April 30.

"In fact," he reports, "we feel, from our experience to date, and that includes not only the reception we've had from the building trades unions and the industry, but from school counsellors and TVI and, most importantly, from the young men of the minority community, that we'll exceed our goal by April 30 and have no problems about continuing the work next year."

His optimism rests in part on LEAP's success with counsellors at four high schools—Washington, Mechanic Arts, Central and Humboldt—where most of the city's minority youngsters are enrolled.

At each the LEAP staff has worked closely with the counselling office in clarifying apprenticeship program entry requirements so that juniors and seniors may be encouraged to take those courses most likely to help them prepare for the tests awaiting prospective entrants into the trades.

One evidence of the value of this relationship to the project is to be found in the fact that 22 seniors from these four schools have been tested for apprentice entry at TVI.

Essentially, the project consists of the following:

1. Meeting with joint apprenticeship committees in the building industry, made up of craftsmen and contractors representatives, to learn the requirements for entry into the various apprentice programs.
2. Explaining to these committees the purposes of the LEAP plan, and establishing effective working relationships.
3. Working with high school counsellors and with St. Paul's Technical Vocational Institute to encourage promising youngsters to give serious consideration to careers in the construction crafts.
4. Recruiting young men to seek such careers.
5. Assisting those who choose this route to prepare for the required tests.
6. Working with all concerned, counsellors, TVI, unions and employers to help the budding craftsman to make the grade.

An important part of LEAP's work, according to Johnson and Lantry, has proved to be establishing a good working relationship with the joint apprenticeship committees, and they have high praise for the reception they've received when they meet with the committees to learn about the selection process and the reasoning behind the crafts' various entry requirements.

"The trades have been far more cooperative than I had expected," Johnson reports. "We've learned that the union leaders in St. Paul are willing to sit down and discuss problems as they arise, without a lot of fuss and fanfare of publicity."

He expressed particular thanks to Secretary Richard Radman of the BTC for "consistent support and cooperation," and cited a number of apprenticeship leaders for their active interest in LEAP's efforts, including Carl Christoffersen, Plumbers Local 34; Bill Gillespie, Operating Engineers Local 49; Leroy Shosten, Carpenters Twin Cities District Council and Roy Fishbeck, Painters Local 61.

Among many building contractors who have shown particular cooperation, Johnson mentioned the McGough, Poppenberger, Shelgren and Hurley organizations.

LEAP's Johnson reports that Grant Suiter, of the U.S. Department of Labor's Bureau of Apprenticeship & Training, a well-known figure among Twin Cities building tradesmen, has been of special help since the project's beginning in offering guidance to the staff and in working with the joint apprenticeship committees in support of the project.

MAKING A "TRIP" MORE DIFFICULT

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. CONTE. Mr. Speaker, as the senior minority member on the Appropriations Subcommittee on the Treasury Department, I have over the years become very familiar with the operation of the Customs Bureau in that Department.

Therefore, I know not only the great job our customs employees are doing, but also the many problems facing the

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bureau itself. That is why I was very favorably impressed with an article in the December edition of Government Executive magazine entitled "The Customs Bureau: Making 'A Trip' More Difficult."

The article deals with the bureau's recent Operation Intercept which was designed to stop the smuggling of drugs across our border with Mexico. Recently I had an opportunity to witness this operation in person and my estimation of the job of our customs personnel is now higher than ever.

Mr. Speaker, at this time I include this article in the RECORD:

THE CUSTOMS BUREAU: MAKING "A TRIP" MORE DIFFICULT

HIGHLIGHTS

1—Operation intercept proved that drug traffic can be interdicted; its lasting effects are fleeting but this does not disturb the Nixon team.

2—Mailed marijuana from Vietnam, in ever increasing amounts, will be the next crackdown.

3—Customs, one of the few moneymaking Federal agencies, faces tough days unless action is taken.

4—A dollar spent on customs reaps $25 in revenues.

You are immediately belted with the one-two punch of his nasal New York accent and his awesome physical dimensions. Myles Ambrose, the young and recently appointed Commissioner of Customs, dominates physically and orally any meeting he attends.

Steeled to the rough and tumble world of the New York waterfront and Mafia investigations. Ambrose was a natural to head up the operational end of Operation *Intercept*—with one exception: He is uncharacteristic of the Nixon Republican image. He is no humble man, he does not speak in a lowered voice; he tells it like it is and, as a matter of fact, he comes on like a Democrat—and an Irish one at that!

When talking of cutting the flow of marijuana from Mexico, Ambrose is quick to emphasize the fact that he's a law enforcement officer. He does not want to get into a philosophical debate concerning the rights or wrongs of the marijuana laws.

"The program commenced on Sunday, afternoon, September 21. The object was to interdict the flow of narcotic drugs as feasibly as possible from south of the border. Eighty-five percent of the marijuana used in this country comes from Mexico. It is also estimated that about 20 percent of the heroin that comes into the U.S. comes from south of the border.

"During the program, officials from all the agencies involved kept a constant eye on the availability of drugs across the country. We wanted to see what amounts of marijuana were available, and if we were actually able to interdict the flow.

"Many pointed out that the big-timers will merely sit it out, figuring *Intercept* was only a temporary phenomenon.

"On the other hand, when you have a lot of marijuana sitting in warehouses in Mexico, you have to get rid of it or it won't be any good. A lot of dealers tried to get it through and we made substantial seizures.

"We made over 600 arrests. We made a couple major seizures. We closed two airplanes cases. We made the largest hashish catch in history.

"More importantly we proved for the first time we could effectively interdict the flow of marijuana into the U.S. We can show conclusively that today (late October) Mexican marijuana is largely unavailable.

"Mexican marijuana is scarce to very scarce in Kansas City, San Antonio, San Ysidro, Brownsville, Dallas, Fort Worth, San Francisco, Phoenix and Philadelphia.

"It is reported unavailable in Miami and almost unavailable in New York. None of the new Mexican crops has been reported available in Chicago, and short supplies in Los Angeles are of extremely poor quality containing roots, sticks and assorted weeds.

"Some of the larger seizures included 1,000 pounds of marijuana, 250,000 barbiturate pills, 1,000 LSD capsules. They were found in cars, boats off the coast of California and in airplanes."

"The Mexicans are moving to resolve the problem. We have cooperated with them at the working level. We know who the dealers are, where the stuff is grown and how it is transported into the U.S.

"An exchange of information has led to the destruction of nearly a score of poppy fields in Mexico by Mexican authorities. Nearly 900,000 marijuana plants have been destroyed.

"One of the stumbling blocks in our cooperation with Mexico has been the lack of state laws in Mexico. The Mexican government is apparently taking steps to draft legislation in this area.

"We have a supplemental appropriation request in to Congress now, asking for a substantial increase in personnel. We want to increase our inspection facilities on the border. If we get the manpower authorization we can say unequivocally that the level of enforcement along the Mexican border will never reach the nadir that existed prior to September 21.

COOPERATION FROM ALL

"From the point of view of Federal-state relationships we can point to *Intercept* with pride. We got marvelous assistance from each and every state and local branch of government.

"Moreover, we had a cohesive inter-departmental effort among ourselves, the Bureau of Narcotics and Dangerous Drugs, the Immigration and Naturalization Service, the FAA, the Coast Guard, the Navy and the U.S. Marine units which manned radars for us. It was unbelievable. It was the first time the Federal Government ever mounted a multi-agency assault on a problem like this, and it augers well for the future.

"Another related problem that a recent survey disclosed is that there is a tremendous amount of marijuana and hashish arriving in the country by mail from Vietnam. GIs are sending it home in everything imaginable. We're working on this problem."

ECONOMICALLY AND POLITICALLY INVOLVED

In its 180 years of life, the U.S. Customs Service has been deeply tangled in the economic and political life of the country.

Congress in 1789 assigned the responsibility of taxes to itself and establishing uniform duties through the country.

That same year, Congress provided for customs officers and methods to be employed in the collection of tariffs and duties.

At the Boston custom house Nathaniel Hawthorne served as a measurer at an annual salary of $1,500. Herman Melville, author of *Moby Dick*, spent his last years as an inspector at the New York custom house. Chester A. Arthur also was affiliated with the customs service prior to becoming President in 1881.

It was not until 1875, when the Treasury Department was reorganized, that a Division of Customs was created. Up to 1910 the peacetime expenditures by the Government amounted to less than $1 billion, and the customs duties collected constituted about 60 percent of Federal income.

In 1927 the Bureau of Customs and the Office of the Commissioner were established.

In the first half of the Twentieth Century the customs service was renowned for the pork barrel role it played in party politics. At one point there were 60 customs districts in the country and each district collector was a political appointee. Efficiency was not the trademark of the service, and morale among the career employees was poor.

This system came to a halt, however, in 1965 when the Customs Bureau was reorganized into nine regions, headed up by career customs officers not political appointees.

Today in the nine regions there are approximately 300 customs ports in the U.S. Its 9,000 employees—just 200 more than were employed in 1939—collect more than $3 billion annually in revenue.

One of the unique characteristics of the Bureau is the fact that increased appropriations produce far more than the equivalent return in revenue collections. On an overall basis, more than $25 is produced for every $1 spent.

RESPONSIBILITIES OF CUSTOMS OFFICIALS

The Customs Bureau today has a variety of responsibilities including assessing and collecting customs duties on imports; processing persons, baggage, cargo and mail; detecting and preventing smuggling and fraud; protecting U.S. business and labor by enforcing the Antidumping Act, copyright, patent and trademark laws; compiling import-export data for trade statistics; and participating in the drive on organized crime.

The Bureau must provide fair and uniform treatment to the public and at the same time enforce laws for over 40 different U.S. Government agencies as divergent as the Atomic Energy Commission, the Patents Office, HEW and the Arms Control and Disarmament Agency.

Moreover, it has international working agreements with about 10 organizations such as Interpol, the OAS and the General Agreement on Tariff and Trade (GATT).

At 43, Ambrose has had an interesting assortment of experiences—not the least of which was helping to draw up Vince Lombardi's contract when he first went to the Green Bay Packers (which, by the way netted him two season tickets to the Redskins games on his arrival in Washington this Fall).

For three years during the Eisenhower Administration, Ambrose was an Assistant to the Secretary of Treasury. He was the American delegate to the U.N.'s Commission on Narcotic Drugs in Geneva, chairman of the 1960 U.S.-Mexico conference on the suppression of illicit narcotics traffic and Chief of the U.S. delegation to the London and Paris meetings of Interpol.

LAW ENFORCEMENT EXPERIENCE

When he left the Treasury in 1960, Ambrose became executive director of the Waterfront Commission of New York harbor to break the grip of organized crime and racketeering on the waterfront there.

He entered private law practice in 1963, but during the 1968 elections was tapped by the Nixon team to serve as an advisor on law enforcement.

"The paperwork here is frightening," Ambrose said, pointing to two piles of documents that were at least 10 inches high.

"That's going to change though. I have insisted that every level of supervision start making its own decisions, and only providing me with the meat of a problem.

"We're facing monumental problems. Law enforcement is only one of them. The fantastic growth in air traffic is another.

"Customs likes to facilitate the speedy movement of air, sea and land traffic, but that's not really our prime responsibility.

"We have to protect the revenues of the U.S. and we have to protect the people of the U.S. from dangerous merchandise and smug-

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gling. We have had very limited increases in personnel over the past two decades to keep up with the increased traffic.

"We hope to be able to put in one or two customs forms to handle processing rather than the multiple forms now required.

"We want to establish a single numbering system that will satisfy all parties . . . shippers, insurance companies, title holders, trucking firms, bills of lading and, of course, our own requirements at Customs.

"One of the great problems in this area is that we are dealing with legal systems of from 70 to 100 nations.

"By far the most difficult portion of our work is the classification of goods for duty. This is tremendously complicated.

"HOW DO WE CLASSIFY IT?

"It involves such items as mixed chemical products. Do we classify it in its raw form or do we consider to what use it will be put? Manufactured goods pose different problems. Parts of a finished product may come from different places, but they are shipped as one product. How do we classify it?

"A major area of concern for American business is our fraud investigations. Undervaluation and misinvoicing are common in the import-export business. If such practices are permitted to continue on any sizable scale, they will be detrimental to the competitive position of American manufactured goods.

"We have an unbelievably competent staff. Most have been with customs many years. The number of lawyers, for example, working in this field is quite high.

"We have many types of training programs. The uniformed personnel who meet the passengers get an intensive inspectors course which covers all the sins of this trade.

"We also have an import specialists course. They are the ones who sit in the custom house and go through the invoices. They have to be on their toes for fraud and misinvoicing.

"We recently established a 20-week training program at Hofstra University to train systems analysts for us. These men will play a crucial role in the future of customs.

"In our intelligence setup, for example, we need to go to automated data processing simply to handle the volume of information we have to scan.

"We have to build up a file on all pilots who have previous association with narcotics traffic, for example. We also want to keep tabs on the whereabouts of planes associated in the past with this kind of activity.

"We train our investigative agents first at the Treasury Law Enforcement Officers Training School. After that they get additional training in fraud investigations, smuggling methods and the legal ramifications of all our work."

"WHERE DO WE GO FROM HERE?"

Pausing, Ambrose reflected a moment. "Its been five years since the Bureau was reorganized and a lot of changes have taken place. There is a noticeable *espirit de corps* now and the people think of themselves as professionals . . . which they truly are.

"Our next major task—or rather, my next major task—is where do we go from here? I honestly don't know. I've listed the many problems that we face. Maybe it's time to just sit back and think for awhile. Maybe we should define our objectives more precisely . . . maybe we should establish a list of priorities."

Snapping out of this trend of thought he remarked: "But the demands of the present don't allow us too much luxury. I'm trying not to get bogged down in this office in the day-to-day paper flow. I'm getting paid to think about these things, and that's exactly what I hope to do."

He paused again. He bolted up in his chair and jabbing at the air with his finger said: "We've the widest variety of skills in the Customs Bureau you'd ever want to meet. Their jobs are quite diverse and interesting. We've one man in New York who is recognized as one of the world's leading authorities on antique appraisal. We've another man who is an internationally respected cheese sniffer. And, finally, we've a man, who has to be the envy of my Irish relatives, a world renowned whisky taster."

SECOND THOUGHTS ON VICE PRESIDENT AGNEW

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. MIKVA. Mr. Speaker, my colleagues are aware that Mr. Fred W. Friendly has over the years made substantial contributions to the communications field. First as an executive at CBS and now as a distinguished professor at the Columbia School of Journalism, he has developed an unsurpassed expertise in the problems and possibilities of electronic journalism. His recent article in the Saturday Review illustrates well Mr. Friendly's understanding of broadcasting and, especially, of news reporting.

Notable in Mr. Friendly's article on Vice President AGNEW's views about television journalism is a recognition of both the strengths and weaknesses of the Vice President's position. While agreeing with Mr. AGNEW that televised newscasts could be improved, Mr. Friendly properly rejects the belief that the media should be a vehicle for expressing merely the views of the Government or the majority. He also argues persuasively for the value of more news analysis—not less.

The article, which appears in the December 13, 1969, Saturday Review, follows:

SOME SOBER SECOND THOUGHTS ON VICE PRESIDENT AGNEW

(By Fred W. Friendly)

In defending Vice President Spiro Agnew, one of the most fair-minded men in the United States Senate said, "It is the pig that is caught under the fence that squeals." The analogy may be partly accurate, but the question is who is stuck under the fence—the broadcast journalist or the administration? Long ago, when broadcasting was fighting for its right to be responsible, Edward R. Murrow, then under attack, spoke words that might be paraphrased today: When the record is finally written it will answer the question, who helped the American people better understand the dilemma of Vietnam—the administration or the American journalist? History, of course, will decide that question. But I would suspect that in the struggle between the news media and the last two administrations, the record has been with the journalists.

The American people are worried about Vietnam, race, and youth, the three crucial stories of our time. What the Vice President of the United States is attemping to do is create doubts in the minds of the American public about the motivation and background of those charged with the responsibility of trying to understand and explain these complicated and sensitive controversies.

When Mr. Agnew asks, "Are we demanding enough of our television news presentations?" he is certainly asking a question that others, including many inside the profession, have asked for a generation. For some, the Vice President's question seemed to be about raised eyebrows, caustic remarks, and too much news analysis. For me, his speech was really about too little analysis. In fact, the Vice President may have provided a most valuable service in his Des Moines speech. He sharpened an issue that has been diffuse for too long, inviting us all to consider once again the state of broadcast journalism.

Agnew and I share the view that television journalism leaves something to be desired. We both fear the concentration of great power in a few individuals in the broadcasting industry. But we are apparently in profound disagreement on not only the nature of the networks' coverage of President Nixon's Vietnam address, but even more importantly, on our crying need for more, not less, interpretive reporting. We require bolder, not blander illumination of the issues that divide men of reason.

Where Agnew went astray, in my view, was in his suggestion that the media ought somehow to be a conduit for the views of the government, or merely a reflector of public opinion. He was not the first nor the last high official to equate fairness and the possession of great power with the obligation of conformity.

The Vice President has forgotten history when he criticizes ABC's journalistic enterprise in arranging for Ambassador Averell Harriman to participate in the broadcast that followed Mr. Nixon's speech of November 3. I don't think President Kennedy rejoiced in having the Republican Senator from Indiana, Homer Capehart, critique his Berlin crisis speech of 1961 nor in having Ladd Plumley, president of the National Chamber of Commerce, pursue him after his controversial 1962 speech on the state of the economy. How many times after a major address did President Johnson have to listen to the cutting remarks of Minority Leaders Everett Dirksen and Gerald Ford? It was all part of the democratic process. After all, the President had had prime time on all three networks, and a small measure of counterfire from the loyal opposition was hardly stacking the deck. In the end of the day, perhaps ABC might not be faulted for having invited Ambassador Harriman, an experienced negotiator with the Hanoi government, but rather for not having asked him enough hard questions.

The Vice President doubts that President Kennedy, during the Cuban missile crisis of 1962, had his words "chewed over by a round table of critics" immediately following his address to the nation. Would the Vice President believe Sander Vanocur, Ray Scherer, Frank McGee, David Schoenbrun, Roger Mudd, George Herman, Richard C. Hottelet, and Douglas Edwards? The date on that was October 22, 1962. The Vice President did not mention the Bay of Pigs, but certainly he must remember the news analyses and the GOP counter-briefings that followed. President Kennedy, who earlier had called upon broadcasters for self-censorship of the story in the national interest, later told the managing editor of *The New York Times* that revelation of the Bay of Pigs plan might have saved the nation "a colossal mistake."

A generation ago the most savage denouncements against news analysis involved Senator Joseph McCarthy. In an inflammatory speech in Wheeling, West Virginia, in 1950 he declared there were 205 Communists in the State Department. Good news, analysis, in fact, good reporting, would have required that the journalist not just hold up his mirror to that startling event, but that he report that the Senator had not one scrap of evidence to substantiate so extravagant a claim. It took broadcasting several years during the McCarthy period to learn that merely holding up a mirror could be deceptive, as in fact holding up a mirror to a riot or a peace march today can be deceptive. It took the shame of the McCarthy period and the cour-

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age of an Ed Murrow to elevate broadcast journalism to a point where it could give responsible insights to issues such as those raised by the junior Senator from Wisconsin.

For generations, editors and students of journalism have tried to define news analysis and interpretive reporting. The late Ed Klauber, one of the architects of broadcast news standards, offered the most durable description. I have always kept it in my wallet, and I provide copies to all my students at the Columbia Graduate School of Journalism:

"What news analysts are entitled to do and should do is to elucidate and illuminate the news out of common knowledge, or special knowledge possessed by them or made available to them by this organization through its sources. They should point out the facts on both sides, show contradictions with the known record, and so on. They should bear in mind that in a democracy it is important that people not only should know but should understand, and it is the analysts' function to help the listener to understand, to weigh, and to judge, but not to do the judging for him."

If the Vice President would test the brief analyses of November 3 against Mr. Klauber's criteria, I think he might agree that the correspondents did not cross the line in any attempt to make up the viewer's mind on a course of action. Agnew felt that the response to the President on November 3 was instant analysis. But it seems fair to remind the Vice President that the administration had provided correspondents with advance copies of the speech for study earlier that evening, and there had been a persuasive White House briefing on the content. While the comments of the correspondents were clearly appropriate, my own personal opinion is that only those of Eric Sevareid and Marvin Kalb were probing and thoughtful. Kalb conceivably erred in not quoting pertinent paragraphs from the Ho Chi Minh letter that he believed were subject to different interpretation from that of the President.

Part of our Vietnam dilemma is that during the fateful August of 1964, when the Tonkin Gulf Resolution escalated the war, there was little senatorial debate worthy of the name, and there was a dramatic shortage of news analysis. If I am inclined to give the networks an A for effort and a B for performance the night of November 3, 1969, let me tell you that I give CBS News and myself a D for effort and performance on the night of August 4, 1964, when President Johnson, in his Tonkin Gulf speech, asked for a blank check on Vietnam. In spite of the pleas of our Washington bureau, I made the decision to leave the air two minutes after the President had concluded his remarks. I shall always believe that, if journalism had done its job properly that night and in the days following, America might have been spared some of the agony that followed the Tonkin Gulf Resolution. I am not saying that we should have, in any way opposed the President's recommendations. But, to quote Klauber's doctrine of news analysis, if we had "out of common knowledge or special knowledge . . . [pointed] out the facts on both sides, [shown] contradictions with the known record," we might have explained that after bombers would come bases, and after bases, troops to protect those bases, and after that hundreds of thousands of more troops. Perhaps it is part of the record to note that Murrow, who understood the value of interpretive journalism from his years as a practitioner, and from his experience as director of the U.S. Information Agency, called minutes after the Johnson speech to castigate me and CBS for not having provided essential analysis of the meaning of the event.

One key aspect of the Vice President's speech did strike me as relating to the public interest as distinguished from the administration's political interest. This was his concern over the geographic and corporate concentration of power in broadcasting. Here he had the right target, but a misdirected aim. His criticism of broadcasters for centralization and conformity better describes the commercial system and its single-minded interest in maximum ratings and profits.

To some extent, it may be true that geography and working out of New York and Washington affect the views of Dan Rather of Wharton, Texas, Howard K. Smith of Ferriday, Louisiana, Chet Huntley of Cardwell, Montana, David Brinkley of Wilmington, North Carolina, Bill Lawrence of Lincoln, Nebraska, and Eric Sevareid of Velva, North Dakota. But I, for one, simply do not buy the Vice President's opinion that these responsible decision makers in news broadcasting and the professionals who work with them are single-minded in their views or unchecked in their performance. There is an independent, sometimes awkward complex of network executives, station managers, producers, and reporters whose joint production is the news we see. They represent a geographic, ethnic, and political profile nearly as far ranging as American society itself, with the tragic exception of blacks. The heads of the three major network news bureaus find their constituencies and their critics among the station managers they serve, the correspondents they employ, sponsors they lose, and in the wider public they please and occasionally disappoint. The news program emerges from a complicated system of argument, conflict, and compromise.

Beyond that, the record suggests that the best professionals recognize and acknowledge their limitations. Walter Cronkite was the first to admit that he erred in some of his reporting at the 1968 Democratic convention. It was David Brinkley, admitting that no reporter could always be objective but could only strive for fairness, who gave the Vice President a high visibility target. In his commentary of November 3, Eric Sevareid clearly noted that his views were "only the horseback opinion of one man and I could be wrong." Yet, if the Vice President's aim was wild, his target of concentrated power is valid and endures. The "truth" of commercial broadcasting is that it maximizes audiences by maximizing profits. This system minimizes the presentation of hard news and analysis leading the broadcast journalists into occasional oversimplification in the interest of time, overdramatization in the interest of impact.

If such distorting tendencies do exist, and I believe they sometimes do, the proper measure is not to subject the performance of professional journalists to governmental direction nor to majority approval. Rather, the task for government is to apply its leadership and authority to expand and diversify the broadcasting system and environment in which professional journalists work.

I do not see these public actions as inconsistent with or disruptive of the protections of the First Amendment. When Congress passed the Communications Act enabling the FCC to restrict a limited number of frequencies and channels to a limited amount of license-holders, everyone's freedom was slightly qualified because everyone cannot simultaneously broadcast over the same television channel. The Communications Act insisted that license-holders operate their franchise "in the public interest, convenience, and necessity." By every definition I have ever heard, that includes responsible news coverage. Selling cancer-giving cigarettes and not providing enough news and public affairs programing is certainly ample reason to reconsider a station's license, and doing so has nothing to do with the First Amendment. The FCC would be fufilling long-standing national policy by demanding more, not less, public service broadcasting from the commercial systems, as well as by accelerating development of a publicly supported noncommercial alternative.

The Vice President quotes Walter Lippmann to make a case that the networks have hidden behind the First Amendment. He does not add that Mr. Lippmann's point was that this demonstrated the necessity for just such a competitive, alternative system that most commercial broadcasters today support. Lippmann has also said that "the theory of a free press is that the truth will emerge from free reporting and free discussion, not that it will be presented perfectly and instantly in any one account." Public television, with national interconnection due in part to a new ruling by the FCC, now has a chance to make that "free reporting and free discussion" 25 percent more widespread and more effective.

In the days since the Vice President's speech, I have been jarred by the strange coalition of Americans who find an assortment of reasons for identifying with parts of the Vice President's remarks. The mobilizers for peace don't like the way the peace march was covered or, as they put it, left uncovered. My Democrat friends point to the Humphrey defeat, which they say happened at the hands of the television cameras in Chicago. My journalism students at Columbia feel that time after time broadcasters of my generation misjudge the youth movement and the black movement. In the end, I have had to plead with these students to believe in the integrity of a Cronkite, a Smith, a Brinkley, and in the professionalism of their producers—men such as Les Midgley of CBS, Av Westin of ABC, and Wally Westfeldt of NBC. My defense has been only partly successful, and this has been with an audience generally quite hostile to the main thrust of the Agnew attack. With sadness, I have painfully learned that the reservoir of good will that broadcast journalists could once rely on in time of crisis has now been partially dissipated.

Perhaps if the public knew that the broadcast newsman is fighting for longer news programs, fewer commercials, more investigative reporting, there might be a broader sense of identity.

The broadcast journalist knows how little news analysis appears on the air. Five or eight minutes after a major presidential address is not interpretive journalism as much as it is time to be filled to the nearest half-hour, or to the nearest commercial. He also knows that a half hour minus six commercials is just enough air time to present and analyze the news properly. Perhaps the broadcast newsman of today can no longer afford the luxury of abdicating his role in a decision-making process that now so clearly affects his profession and his standards. He is a far better newsman than the public ever sees and he has far more power to change the system than he and the public imagine.

For a long time the broadcasting companies have relied on the prestige of their news organizations to enhance their own corporate prestige, in fact, their very survival. The reputation of these newsmen is now at stake. They need to do their best, not their worst. They need to be seen at their most courageous, not to slip into timidity. This is not a time for public relations experts, although there will be a frantic search for a corporate line that will once again salvage the good name of broadcasting.

Television's battles will not be fought or won with the polemics of corporate handouts, First Amendment platitudes, or full-page ads. They will be won by what is on the air, and they will be lost by what is *not* on the air. It is later than many people

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think, and we all have Agnew to thank for reminding us.

Here we stand, with the image orthicon tube, the wired city, and the satellite the greatest tools of communication that civilization has ever known, while the second highest officeholder in the land implies that we use them less. Here we are in 1969, Mr. Vice President, with one leg on the moon and the other on earth, knee-deep in garbage. That's going to require some news analysis.

What the Vice President says is that he wants editorials (which network news divisions don't use) labeled for what they are. Certainly it is general custom to label news analysis and comment when it is taking place, and omission of that, even under the pressure of time, is a mistake.

But Agnew ought to have labeled his speech for what it was. Did he want to encourage responsible journalism, or did he wish to silence it?

The second salvo from the Agnew shotgun contained more buckshot and had even less precise aim. His facts were wobbly and subject to immediate rebuttal. He might have checked to see whether it was only the early out-of-town edition of *The New York Times* that missed the story of the 359 members of Congress who signed a letter endorsing the President's Vietnam policy. Making charges against the power of the *Times* and *The Washington Post* is the kind of anti-conglomerate philosophy usually identified with liberals. The Vice President jarred his own aim by being self-serving. His targets were only those organizations which he considered to be critical. The mighty complex that controls two of the largest newspapers in the nation—the New York *Daily News* and the Chicago *Tribune*, plus television and radio stations in those two cities and a lot more in other cities—was left unscathed, together with other media conglomerates that control huge circulations. Could the fact that hawks rather than doves fluttered atop those mastheads and transmitters have given them immunity?

Perhaps the journalist and the party in power are always destined to be on the outs. President Eisenhower was pretty sore with television news until he left office and became a big fan. President Kennedy was reading and watching more, and enjoying it less. President Johnson watched three sets and knew how to talk back to three talking heads at once, and the Nixon administration has let us know where it stands. It is my theory that, when the message from Des Moines or from the White House itself is always a valentine or a garland of flowers, television and radio will have failed their purpose.

WHERE DOES THE CHURCH STAND ON POPULATION?

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. UDALL. Mr. Speaker, the reluctance of the Catholic Church to permit the use of artificial birth control devices among its members has often been interpreted by its critics as a blanket condemnation of population stabilization as a goal. This is not the case. Representative of a large segment of Catholic opinion is the Rev. John A. O'Brien, a noted theologian at Notre Dame, who is one of the strongest and most persuasive voices in America for population stabilization. Two short and timely articles by Father O'Brien follow:

[From the Chicago (Ill.) New Star, Dec. 7, 1969]

MAN'S BEST HOPE FOR SURVIVAL

(By Rev. John A. O'Brien, Ph. D.)

One of the most exhaustive studies of the problem of the world's soaring population was made a few years ago at the University of Notre Dame. With a generous grant from the Ford Foundation, Dr. George Shuster, director of the Center for the Study of Man in Contemporary Society, brought noted demographers, economists, sociologists, anthropologists, medical-scientists and theologians to the campus to discuss this problem from every aspect.

The seminars lasting three days were held about three times a year for several years. I was privileged to participate in these conferences, and I felt it a duty to share their fruits with the general public. Accordingly I edited last year a symposium, "Family Planning in an Exploding Population" (Hawthorn Books, Inc. New York), which has gone through three printings and has won the commendation of scientists and theologians throughout the world.

The conclusion reached by all these scholars, as detailed in the book, is that the survival of human civilization is dependent upon man's ability to regulate the growth of the world's population. Unless that is done all other efforts will fail. One-half of the world's population suffers from outright hunger. Two-thirds suffers from undernourishment.

Each day 150,000 people are added to the World's population and each year the total is increased by more than 50 million. The population is skyrocketing at a rate unprecedented in history. Every two decades we add to the world's population as many people as accumulated between 4000 B. C. and A. D. 1830. The most tragic part of the whole pictures is that the population upsurge is the greatest in the underdeveloped countries least able to provide for such growth.

The view quite frequently advanced by ill-informed writers that the population crisis can be averted by migration, industrialization and especially by the newly developed "miracle" wheat and rice is illusionary. It is true that these latter yield larger crops and thereby provide a little more breathing time for man to find effective ways of regulating population growth. But since the habitable space on the earth's surface is limited, we must recognize that the population must be likewise limited or widespread famine and disaster will inevitably result.

In traveling through Africa I saw families of eight and nine members living in mud huts with dirt floors and scarcely a piece f furniture. The bellies of the children were greatly distended, indicating the starvation they were undergoing. The parents in many of these African countries stand in desperate need of simple effective methods of regulating birth.

Lacking them, they merely add more children to undergo the pain and misery of outright hunger from birth to death. Rarely free from pain, their entire life is a struggle simply to stay alive.

Much the same conditions exist in India. Describing those conditions to me, Mrs. John Kubish, wife of an American AID official, related: "We never really knew how many millions of people constantly suffer the pangs of hunger until we went to India and Ceylon. So undernourished are many of the people that they resemble walking skeletons.

"While in Ceylon we visited a school for the blind and deaf conducted by Belgian sisters near Colombo. Imagine our surprise and horror when the sister superior told us that in every case the blindness of the child was due to semistarvation. Misery, sickness, and disease from undernourishment stalk the visitor everywhere."

Such is a picture of the living conditions of millions of families in the underdeveloped countries. In the last forty years the population of Latin America doubled and is expected to reach the staggering total of 650 million by the year 2000. The annual per capita income averages but $289, and the ratio of increased income against population growth is among the worst in the world—worse even than Africa. The annual increase of approximately 3 per cent in the population more than nullifies the mere 1 per cent increase of the economy.

All of this adds up to what? To the conclusion that we must do everything within our power to head off a catastrophe of world proportions by supporting the efforts of our government to assist married couples in regulating births by means which are in conformity with their religious conviction and conscience. The time has come for Catholics particularly to drop their stones and clasp the hands of their fellow citizens in a nationwide effort to regulate the world's exploding population before famine, pestilence and disaster do it for us.

[From the Chicago (Ill.) Christian Century, Dec. 10, 1969]

THE VATICAN SPEAKS OUT

(By John A. O'Brien)

Shortly before the synod of 144 Roman Catholic bishops representing the church in all countries convened at Rome in October there appeared in newspapers in many of the larger American cities a series of eight articles, "The Vatican Speaks Out." The series was based chiefly on the encyclical *Humanae Vitae*, which treats of birth control. Each newspaper ran the following introduction to every articles:

"In an unprecendented series of articles, through his distinguished vatican emissaries, Pope Paul VI speaks out on the moral issues of today: the pill and population, the breakup of the family, love, sex and marriage. These exclusive articles were prepared at the request of this newspaper to answer the questions arising from the Pope's encyclical on regulation of birth."

This introduction would lead the reader to believe that the series had been prepared at the request of the particular newspaper he was reading. Investigation disclosed, however, that the series was sent out by the New York-based Publishers-Hall Syndicate to approximately 40 U.S. newspapers.

Many readers wondered why articles dealing with an encyclical issued more than a year previously were being run at this time. Certainly most editors consider an event thoroughly covered some 14 months before no longer newsworthy. How then did the Publishers-Hall Syndicate come to run a series on a subject so outdated? An inquiry addressed to the firm brought the information that the series was conceived by Mr. Hall, who went to Rome and arranged for it in conjunction with Bishop Carlo Colombo and Monsignor Giovanni Guzzetti, each of whom write one of the articles.

"The series seemed to me," remarked one reader, "to be an ill-concealed journalistic attempt to foist through great fanfare the conservative views of the Roman Curia upon the general public." Indeed the series raises a nice question: Wouldn't fairness and the ethics of journalism oblige the syndicate to give equal space to presentation of the opposing viewpoint, one held by that great majority of the general public which believes strongly in the necessity of effective medically approved methods of controlling the world's exploding population?

I

The contributors to the series were three cardinals—Wojtyla of Poland, Wright of the U.S. and Felici of Italy—plus a French Jesuit, a British layman, an Italian bishop and an

Italian monsignor. All are known for their conservative views on birth control and their wholehearted support of *Humanae Vitae.*

In the issue carrying the eighth article the *Chicago Sun-Times* printed four comments on the series by the Rev. James Tunstead Burtchaell, C.S.C., chairman of the University of Notre Dame's department of theology; by two other theologians—the Rev. Joseph T. Mangan, S.J., of Loyola University in Chicago and the Rev. John F. Dedek of St. Mary of the Lake Seminary in Mundelein, Illinois (chosen by the chancery of the church's Chicago archdiocese)—and by the newspaper's own religion writer.

The comments of Fr. Mangan and Fr. Dedek were alike brief, restrained and to the point. After commending the positive aspects of *Humane Vitae* and of the value of the eight articles in upholding the dignity of life, love, marriage and the human person, Fr. Mangan cited two disappointing omissions. First, although both encyclical and articles declared that the faithful should accept the teaching not so much because of the reasons presented as because of the guidance of the Holy Spirit, "in not one of the articles did the author attempt to explain more deeply the reasons adduced." Second, the articles failed to come to grips explicity with the practical question which has become so acute since the promulgation of the encyclical: " . . . whether dissent from the encyclical's teaching by the faithful is valid in practice or not."

In similar vein Fr. Dedek pointed out that the encyclical cannot be dismissed offhand simply as an obscurantist document written by an aging celibate. He acknowledged, however, that none of the articles adds anything new, and he agreed with Fr. Mangan that they do nothing to change the present condition of the individual Catholic. "There is nothing," he wrote, "that denies him his basic freedom of conscience. This freedom, of course, is not the freedom to do whatever he pleases. It is the freedom and duty to do always and only what he himself thinks is right."

Continuing, Fr. Dedek said that many Catholics who have been unable to appropriate personally all the values affirmed in the papal document are not likely to change as long as confusion on this question persists in the minds of so many theologians and confessors. And "there is no reason to expect that this confusion will subside until the difficulties that theologians have raised against the Church's doctrine are met more squarely and are better resolved than they are in any of the articles in 'The Vatican Speaks Out.' "

II

The comment by the Notre Dame theologian, titled "Curious Interpretation of Nature," was considerably more extensive. Fr. Burtchaell began by pointing out that Pope Paul VI must be greatly alarmed indeed about disregard for his authority to have approved the plan for eight churchmen to defend his *Humanae Vitae*. He recalled the resentment evoked by the pope's assertion that contraception inevitably tends to make woman "a mere instrument of selfish enjoyment." Even members of the papal commission protested such an assertion as both unfounded and insulting.

But the chief point to which Fr. Burtchaell addressed himself was the articles' curiously fatalistic interpretation of nature. Thus he cited Bishop Colombo's claim that there is an extra-ordinary divine inviolability about the cycle of female ovulation: "If in the 'nature' of the generative processes there are inscribed periods and rhythms of fecundity and infecundity, that means that God does not want each single act and each single moment of married life to be fertile." The bishop contended that contraception is offensive but abstinence is not, "for in the latter case, man holds himself in readiness to discharge his duty, which will be determined by God the Creator through man's organic make-up, whereas in the other cases, man puts his own will and his own designs in place of God's."

Fr. Burtchaell commented that detecting the all-purposeful hand of God in such natural events as ovulation would lead to the conclusion that women who are barren have been struck sterile by the Lord. Theologians generally, he observed, hesitate to declare that there is a particular rational and divine purpose behind natural phenomena, for such a view would lead to incredible, even shocking, conclusions.

Fr. Burtchaell's point here is of crucial importance, for it brings out clearly the curious and untenable interpretation of nature which runs through the encyclical as well as through practically all the articles in the eight-part series. Hence I shall undertake to illustrate this point with some simple examples.

If female infertility reflects a divine plan, what of such natural phenomena as earthquakes and hurricanes which bring about great destruction of property and take the lives of innocent victims? Are they to be regarded as expressions of divine anger? Take for example the great earthquake that occurred in Lisbon, Portugal at 9:40 in the morning on November 1, 1755. This tremendous upheaval demolished all large public buildings and about 12,000 dwellings, and in Lisbon alone it killed at least 60,000 persons. A singular bit of irony was the fact that the disaster struck on All Saints' Day when a large portion of the population was in the churches, most of which were destroyed with great loss of life. Do Bishop Colombo and his associates in this series want us to believe that this great catastrophe of "nature" reflected the divine plan? On that supposition, how embarrassing to explain that it occurred precisely at the time when so many thousands of devout Catholics were engaged in worshiping God!

Another example: At about 5:15 A.M., on April 18, 1906, an earthquake struck San Francisco, causing property loss amounting to $400 million and killing some 700 people. Here was another bit of irony: a large church was destroyed while a nearby brewery was spared. How impossible to explain these phenomena of nature as reflecting the thought and will of almighty God!

One other case, more recent and closer at hand: In the last week of August 1969 hurricane Camille coiled up in fury over the Gulf of Mexico and tore across the Louisiana and Mississippi coastlines with awesome destructiveness, killing hundreds, leaving thousands homeless, causing property damage that may exceed $1 billion. It threw its murderous punches at innocent children with the same mindlessness as at their parents. Must we say with Bishop Colombo that this savage phenomenon of "nature" reflected the express mind and will of God? That is what we would have to acknowledge if we insist that whatever "nature" does it does by decree of the Almighty. And then would we not also have to say that the effort to abort hurricanes by sowing them with dry-ice crystals frustrates the plan of God?

No, we must agree with Fr. Burchaell's conclusion: "If the ovulation cycle is part of a rational plan as described by these writers, then surely sterility and stillbirth must also be features of some perverse divine scheme of planned parenthood." Which would lead to the further shocking conclusion that a God whose decree and will are identified with all the catastrophes that bring death and destruction to mankind is not the Deity of compassion and love whom we worship but a demon of cruel and mindless fury.

However, like Frs. Mangan and Dedek, Fr. Burtchaell commented the positive elements of the encyclical—its stress on the dignity of man and the sanctity of human love in the divine institution of marriage.

III

The final comment on the series of articles was that of Roy Larson, a former United Methodist pastor who is now the *Chicago Sun-Times* religion writer. Pointing out that along with the encyclical each bishop was sent a letter expressing the hope that the document would be received with "joyful docility" by faithful Catholics, Larson remarked that the hope has evidently not been fulfilled. For *Humanae Vitae* has stirred up worldwide dissent which has precipitated today's crisis in papal authority.

He referred to the scathing denunciation the encyclical encountered from scientists struggling to find ways to regulate the world's rampaging population. But the most damaging critiques of the encyclical, he noted, came not from Protestant or secular circles but from persons within the Roman Catholic Church—among them the 650 theologians who voiced dissent and the various national heirarchies which, while managing to praise the document's positive elements, indicated concern for the right of Catholic couples to follow the dictates of a conscience enlightened by respectful study and rendered sensitive by fervent prayer.

As an example Larson cited the moving testimony by Bishop James P. Shannon, who resigned his post as auxiliary bishop of Minneapolis-St. Paul when he could not conscientiously square his own convictions on the encyclical with the Vatican's. "In my own pastoral experience," Bishop Shannon said, "I have found that this rigid teaching is simply impossible of observance by many faithful and generous spouses, and I cannot believe that God binds men to impossible standards." Larson also cited the blunt comment by John Cogley on the bishops' plight: "The bishops are in one hell of a spot. On the one hand they are hung up on their loyalty to the Pope and the traditional teachings about authority . . . on the other, they have a dissident laity and rebellious clergy on their hands—too numerous to purge, too independent to cow, too convinced to persuade."

Again, the *Sun-Times* writer drew attentin to the statement issued by the Belgian bishops, urging their people to "receive with respect and the spirit of docility the teaching authority" of the church. He noted, however, that this statement also made it clear that Belgian Catholics "are not bound to an unconditional and absolute adherence" to the demands of the encyclical, because it does not claim infallibility.

Further, Larson cites the statement issued by the bishops of Canada, affirming their oneness "with the pope" and "with the People of God" and speaking of the "agonizing problem of conscience" created by the encyclical. The church's unity, those bishops said:

". . . does not consist in bland conformity in all ideas, but rather in a union of faith and heart, in submission to God's will and a humble but honest and ongoing search for the truth. We stand in union with the Bishop of Rome . . . but this very union postulates such a love of the Church that we can do no less than to place all of our love and all of our intelligence at its service."

Finally, Larson quoted Louis Cassels, United Press International religion writer, who saw "portents of tragedy" in the bishops' synod at Rome in October 1969. He wrote:

"Pope Paul VI must decide soon whether he will permit a little more democracy in the Roman Catholic Church or try to crush a rising demand for forcefully reasserting papal authority. If he chooses the latter course, as seems likely, the Church may be torn by the greatest schism since the Protestant Reformation."

In the light of these comments on the series of articles, let me now sum up the reaction to it. Its weakneses were pointed out by Frs. Mangan, Dedek and Burtchaell and by Mr. Larson. In addition, readers have remarked, it failed to make sufficiently clear that *Humanae Vitae* made no claim to infallibility. That it made no such claim was explicitly stated by Monsignor Ferdinando Lambruschini in giving the text to the press. "The rule against artificial birth control," he said, "is not unreformable. It is up to theologians to debate and expand all moral aspects involved and if, for instance, some principle should become overwhelmingly accepted in the Church, contraception may even be launched."

Another defect of the series was its failure to acknowledge with candor and honesty the grave need for effective regulation of births. With the world's population soaring at a rate unprecedented in history, mankind faces a threat second only to that of global nuclear warfare. This is the conclusion of virtually all demographers, who tell us that the zero hour is closing in on us and that vigorous and prompt action must be taken on a worldwide scale.

The informed reader of the articles looked in vain for echoes of this view. The contributors showed no sensitivity to the warnings by the United Nations, by the heads of the underdeveloped nations, by the Nobel scientists, by the religious leaders of many faiths. They wrote as if they were living in an ivory tower, aloof from the problems and pains of a world in agony. That is why many readers would like to see the Publishers-Hall Syndicate launch a new series that would come to grips with the urgent problem of controlling the world's exploding population.

What was the total impact of the series? Most readers agree that it was slight. Written, as a newspaperman remarked, "in Vaticanese instead of journalese," it was found by others "repetitious, dull and boring." One experienced journalist said: "I doubt if one in a hundred read the series." That is probably a conservative estimate. How different would be the response if Publishers-Hall were to put out a series prepared by trained, well informed journalists on the burning question of how man can regulate the world's rampaging population before the time arrives when he will find standing room only on our little planet.

THE BOEING 747

HON. WARREN G. MAGNUSON

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Tuesday, December 23, 1969

Mr. MAGNUSON. Mr. President, when the Boeing 747 flew its preview flight from Seattle to New York the other day, praise began to flow from the pens of the pressmen aboard and many intriguing statistics on this fabulous craft were given exposure. Of course, we in Seattle have known all along, in watching the beautiful airplane develop, hardly anything you can say about it could be too exuberant or overstated.

It impresses some people to know that on the 747 there is an "upstairs" and a "downstairs" which are connected by a handsome spiral staircase. Others are fascinated by the idea that 10,298 pieces of silverware, dishes, trays, and so forth are brought along to accessorize the meals that will be dispensed from six galleys.

Rather than feeling crowded among the 362 passengers that this aircraft was configurated to carry, however, those on board delighted in the roominess, plush, theater effect, wider aisles, and wider seats they found in this craft created for comfort.

The 747 has so many fans eager to be on the first 747 commercial flight anywhere that Pan American Airways, who will be first to put it in service, has received over 5,000 requests for its waitlist. Obviously, not all 5,000 can be accommodated on Pan Am's first 747 flight, due to take off from New York to Frankfurt via London in February. Those missing the first flight can take comfort, however. By sitting in the first three rows of the first-class section they will get to their destination before the pilot does.

The explanation of how this can be done is to be found in an article written by Charles Yarborough and published by the Washington Star. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington (D.C.) Evening Star, Dec. 7, 1969]

THEY ARE ALREADY WAITING FOR BOEING'S BIG BIRD

(By Charles Yarbrough)

The late winter traveler is, in a manner of speaking, already in the queue for a seat on the first scheduled flight of the Boeing 747—no matter its direction.

He is a composite of the tourist who wants to be first, is unawed that it is the world's largest airliner, likes crowds and is undaunted by what happens after The Place unloads.

But he's already in trouble—even if he is Passenger No. 363. Capacity is 362.

Unfortunately there'll be no second section on standby when (according to current planning) Pan American World Airways' first 747 takes off from Kennedy International airport for Frankfurt via London.

The still-neubulous date is somewhere between Feb. 15 and Mar. 15 and there is already a long waiting list of still-unconfirmed reservations. (Pan Am and other transporters of note also have a similar-status list of those who say they want the first flight to the moon, but the 747 occasion is a bit more realistic.)

IT IS LIKE THIS

Let's assume he is Passenger No. 362 and gets the last seat.

Pliable as fare structures are wont to be and as fluctuating as they might, his ticket won't have cost any more than Boeing 707 fare—or the going rate on other jets.

All-year, round-trip economy would be $504; first class, $834, New York-Frankfurt. London-only economy, $420; first class, $750.

Fourteen-to-21-day excursion (travel during the week) is $300 round trip to London; $360 to Frankfurt.

Still pardonably smug after the first public demonstration flight of the Seven Four-Seven from Seattle to New York last Tuesday (2,422 statute miles in four hours and five minutes) may I offer a few observations? In chronological order?

Unless there is a "tiny" 707 or DC–8 nearby for comparison, the 747 is another instance of when you've seen one you've seen 'em all.

The immensity of it all begins to dawn on climbing the temporary boarding stair to one of 10 available doors wide enough to take a hand-holding couple.

LET US BE SEATED

On board, it is something like walking into a plush theater 20 feet wide; wider-than-normal aisles separating seats (also wider) in clusters of two, four and three. To eliminate the traditional "aluminum tube" airliner concept they've built the galleys into six "room dividers."

There are about 120 window seats for 362 customers, but the four-abreast center section allows a better view of the movies.

After buckling up and putting out the cigarettes in any of 400 ashtrays, the engine start will come through as something slightly under the decibels of a conventional jet. In the aft "zone", the noise is higher.

In the case of the Seattle takeoff, the vibration was enough to produce rattles—a disconcerting moment Boeing blamed on a rough runway. It was less less noticeable on the landing roll at JFK.

The takeoff, four engines pouring out over 43,000 pounds of thrust each (twice that of a 707) gave the aisles a San Francisco hill look.

QUICK SHRINKAGE

The first surprise, which can come even before a leveling off at 33,000 (in 31 minutes) is how the feeling of immensity in the cabin begins to diminish. It will return in reverse the first time you board anything less than a 747—like walking into a crowded elevator.

Then, because the roominess invites it, there'll begin the mass movement in rapid transit. (There were 192 of us aboard the Seattle-New York flight and passing the aisles was some impediment to trying out the established fact that 12 times around the cabin equals a mile).

Although the old Stratocruiser had a "downstairs lounge" and Lockheed built a two-off double-decker for the Navy one time, the 747's handsome, spiral stair to the upper lounge still is a bit startling.

Plush is the word for the lounge. In the fattest configuration, it likely will have standard airline seats to help carry up to 490 passengers. This one was strictly Lounge!

So it's meal time. From the six galleys will come up to 14 stewardesses, some of whom you will have met earlier laden with potables.

If the occasion warrants, it might be a meal buffet style, filing past the galleys a la cocktail party.

And if the dinner hour becomes audible, please remember there are 10,298 pieces of silverware, dishes, trays and glassware in use. (The 707 uses 3,981).

In flight, there can be clear air turbulence. On the Seattle inaugural, it was enough to make waves in the waterglasses.

By the time for Napoleon brandy, you might be well over 700 miles an hour.

It is a great ride!

In order to answer it, Pan Am asks the question:

"Won't this be more like a cattleboat than a luxury liner in the sky?"

A. "On the contrary, Boeing 747s will enable the airlines (28 have ordered 185 of them) to get away from what critics call 'steerage' seating.

"The cabin, nearly 20 feet wide and 186 feet long, with thick wall-to-wall carpeting will give the traveler the feeling of being in an airborne salon.

"First class passengers will find swivel chairs, tables and a plush lounge on the upper level. Economy passengers will find their thick foam-rubber seats are roomier—10 percent wider than seats in the 707."

And now, if the composite passenger really wants to be first:

Get in one of the first three rows of first class section near the nose.

You'll get there before the pilot does.

U.S. FLAG IS UNIQUE BAR MITZVAH GIFT

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. BROYHILL of Virginia. Mr. Speaker, during the year now drawing to a close there were not too many events to warm the heart and provide a bright ray of hope for the future of our Nation. But one event, quite small in its own way, did nevertheless have a great deal of meaning.

We are painfully aware of how many teenagers and young people are shirking their heritage and even burning our flag. It is, therefore, a source of tremendous reassurance to know that one young teenager, only 13, quite recently came to the very steps of the U.S. Capitol not to burn the American flag but to receive a flag as a cherished gift.

It was not just an ordinary flag but a very unique and special one. It had been flown over the Capitol Building to denote the day of the teenager's Bar Mitzvah, his 13th birthday.

The young man is Steven Smith, son of Mr. and Mrs. Robert H. Smith, a respected local family. The imaginative donors of the flag are Mr. and Mrs. I. Lee Potter, of Arlington.

It happens that Steven's Bar Mitzvah, held in a Washington synagogue, was the first they had ever attended. They were deeply moved.

Mr. and Mrs. Potter, in a beautiful letter to Steven, said that "experiencing a Bar Mitzvah at a time when many young people are seemingly evading responsibility by 'copping out' from their commitments," they saw great wisdom and strength of character in the ancient Jewish ceremony of Bar Mitzvah. They correctly observed that "this sense of involvement" made Judaism a vital component of Americanism.

In this season of Christmas, when we reflect upon the brotherhood of men under the fatherhood of God, I wish to share this event with all my colleagues. I am pleased to know that a U.S. flag has flown from this Capitol Building to denote a Bar Mitzvah for the first time in the history of the Nation.

Americans like the Potters and the Smiths, especially young Steven, give me great hope for the new year and the future.

I am inserting in the Record the letter sent by the Potters to Steven Smith and a news report from the Jewish Week pertaining to the event:

Arlington, Va.,
November 13, 1969.

Mr. Steven Smith,
Bethesda, Md.

Dear Steven: Mrs. Potter and I enjoyed attending your Bar Mitzvah at Adas Israel Synagogue and were deeply moved by the experience. It so happened, Steven, that it was our first participation in the beautiful Jewish ritual of Bar Mitzvah. We were affected not only by the relevance of the religious services, but by your own very meaningful and dignified prayers.

It was our conviction that your manliness in conducting the services underscored what I understand to be the real theme of the Bar Mitzvah—the coming of age of a young man and the assumption of responsibilities toward God and fellow man.

Experiencing a Bar Mitzvah at a time when many young people are seemingly evading responsibility by "copping out" from their commitments, Mrs. Potter and I saw great wisdom and strength of character in the ancient Jewish ceremony. It is this fortitude that has built the great Jewish heritage that dates back over 5,000 years. It is this sense of involvement that has made Judaism such a vital component of Americanism.

Mrs. Potter and I decided that we wanted to take notice of your Bar Mitzvah in some special way. It occurred to us that it was a truly historic day in your life and that of your family. To commemorate your Bar Mitzvah, November 1, 1969, we obtained a flag that was flown over the United States Capitol building on the day when you were reading from the Holy Torah at the Synagogue.

We felt it would be highly fitting for you and your family to have this flag as a symbol of a special moment of a special day. This particular flag symbolizes more than the colors of the United States Government. It denotes the cooperation and contributions of many States and peoples and the commitment of each one to privileges and responsibilities.

We were very proud to be asked to take part in your Bar Mitzvah, Steven. It is our wish that this historic flag will communicate to you the extent of our feeling and the conviction of how important a young man like yourself is to the future of our Nation.

With sincerity,
Mr. and Mrs. I. Lee Potter.

U.S. Flag Is Unique Bar Mitzvah Gift

A flag that was flown over the United States Capitol on Nov. 1 is in the proud hands of Steven Smith, providing a lifetime remembrance of the day of his bar mitzvah.

Friends of the Smith family, Mr. and Mrs. I. Lee Potter, wanted to "take notice of your bar mitzvah in some special way," and arranged for the gift "communicating to you the extent of our feeling and the conviction of how important a young man like yourself is to the future of our Nation."

According to the Potter's, who were deeply moved by the experience of attending their first bar mitzvah, "we were affected not only by the relevance of the religious services, but by your own very meaningful and dignified prayers. It was our conviction that your manliness in conducting the services underscored what I understand to be the real theme of the bar mitzvah—the coming of age of a young man and the assumption of responsibilities toward God and fellow man.

"Experiencing a bar mitzvah at a time when many young people are seemingly evading responsibility by 'copping out' from their commitments, Mrs. Potter and I saw great wisdom and strength of character in the ancient Jewish ceremony. It is this fortitude that has built the great Jewish heritage that dates back over 5,000 years. It is this sense of involvement that has made Judaism such a vital component of Americanism."

In stating their reason for obtaining the flag in a letter to Steven, the Potters said they felt "it would be highly fitting for you and your family to have this flag as a symbol of a special moment of a special day. This particular flag symbolizes more than the colors of the U.S. Government. It denotes the cooperation and contributions of many states and peoples and the commitment of each one to privileges and responsibilities." Potter is chairman of the board of Jelleff's.

According to Robert H. Smith, Steven's father, "it was the most unusual bar mitzvah gift anyone ever received." Aside from Steven's surprise and delight with the gift, he was "interested in the significance of it." Steven, grandson of Charles E. Smith, lives in Bethesda with his parents, a sister, Michelle, 16, and a brother, David, 11. The bar mitzvah was held at Adas Israel Synagogue.

FORMER REPRESENTATIVE PORTER HARDY, JR., NAMED ADVISER TO HOUSE COMMITTEE ON ARMED SERVICES FOR INVESTIGATION OF THE ALLEGED MASSACRE AT MYLAI

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, December 23, 1969

Mr. BYRD of Virginia. Mr. President, former Representative Porter Hardy, Jr., of the Second District of Virginia, has been named an adviser to the House Armed Services Committee in its investigation of the alleged massacre at Mylai.

This is a wise decision on the part of the committee. Mr. Hardy served on the committee for more than 20 years and earned a reputation as its outstanding investigator. He will bring great ability and vast experience to the current investigation.

I ask unanimous consent that an editorial entitled "Mr. Hardy: An Astute Choice," published in the Norfolk Ledger-Star on Monday, December 22, be printed in the Extensions of Remarks. The editor of the Ledger-Star is Mr. William H. Fitzpatrick.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Norfolk (Va.) Ledger-Star,
Dec. 22, 1969]

Mr. Hardy: An Astute Choice

So far the Washington approach to the charges of a massacre at the Vietnamese village of My Lai has been diffuse and muddled. There is an Army inquiry in progress, linked to charges already made against specific individuals, and the impending trial of these and any other soldiers who may be charged later has created legal problems—turning on the right of these men to a fair trial—when it comes to giving the public the facts about the event itself.

In Congress, where there have been demands for a major probe, there have been tentative moves to grasp the nettle, but the outlook for investigation and disclosure has remained uncertain.

But there is no uncertainty about the need to get to the bottom of the ugly mass of allegations and reports, to find a way around the problems and out of the confusion. For ths reason there is reason for encouragement in the direction now being taken by the House Armed Services Committee—and most especially Chairman Rivers' somewhat unusual, but promising choice of one non-Congressional advisor.

This was in his designation of former Representative Porter Hardy Jr., of our own Tidewater, to serve as an advisor in that committee's inquiry into the affair.

This selection of the retired Congressman will be recognized both here and elsewhere in the nation as most appropriate. Mr. Hardy is a veteran of the investigative wars, and his doggedness as well as a procession of objective findings in looking into military

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problems and areas of suspicion have earned him the highest reputation. Moreover, he can operate from an unbiased posture. He has always been an earnest advocate of well-run military activity, but his friendly stance has gone along with some of the sharpest of raps when he has uncovered malperformance.

Both this stature and his talents are a good portent for at least this phase of the urgently needed national effort to ascertain the truth of My Lai, and for helping to insure that what is made public will be fair and authentic.

TRAGIC CHAPTER IN POLISH HISTORY

HON. RALPH T. SMITH

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Tuesday, December 23, 1969

Mr. SMITH of Illinois. Mr. President, we recognize the truism that "history repeats itself" which is effectively portrayed in an article by the well-known columnist of the Copley Press, Mr. Dumitru Danielopol, writing in the Joliet, Ill., Herald-News on Monday, November 24.

One of the tragedies of modern history is the fact that the brave people of Poland who were the first to stand up and fight Hitler were denied restoration of freedom as a result of diabolic Communist activities.

Mr. Danielopol's timely article contains penetrating remarks on this tragic chapter in Polish history.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Joliet Herald-News, Nov. 24, 1969]

THE RAPE OF POLAND

(By Dumitru Danielopol)

WASHINGTON.—Communist perfidy never ceases to amaze. Today it even surpasses old standards—and that's not easy.

Here's a case in point:

Aug. 1 marked the 25th anniversary of the Warsaw uprising in which the Polish Home Army took up arms against the Nazis and was annihilated, thanks to the inaction of Stalin.

A factual account of the events was recently published by the Senate Internal Security Subcommittee. It shows that on July 26, 1944, when Soviet armies were rapidly advancing toward Warsaw, Polish patriots called for a revolt against the Nazis. The Soviet-controlled Kosciusko radio said: "Poles, the time of liberation is at hand. Poles, to arms . . . there is not one moment to lose."

The underground Polish Home Army under Gen. Tadeusz Bor-Komorowski, some 35,000 strong, was ill equipped. Only 20,000 were armed with rifles and light machine guns. Nonetheless, they attacked the Nazis on Aug. 1 with such elan that in five days they cleared two-thirds of Warsaw.

They expected support from the Russians, but this was denied them. Instead the Russians stopped. Furthermore, Stalin refused to allow American and British planes—that were flying supplies into Warsaw—to land and refuel on Soviet-held airfields. This reduced or blocked the possibility of massive help from the West. The battle for Warsaw lasted 63 days. The city was burned to rubble by the Germans. The Poles suffered 250,000 casualties and the Russians looked on.

Stalin didn't trust the patriotic Poles. He knew that they were both anti-Nazi and anti-Communist. He let them be massacred by the army of his former ally Hitler.

As Churchill put it, Stalin wanted to see the anti-Communist Poles killed to the fullest.

The Polish people showed their contempt to the Polish Communists who were installed in power on the wake of the Soviet army's arrival and treated them as "accomplices to the crime committed by Red Army when it refused to help Warsaw."

But as if the betrayal and the destruction was not enough, the Reds have tried for years to kill the Polish Home Army for a second time, by discrediting and denouncing them and destroying their reputation.

No lie is too great.

On Aug. 1, 1953, the Warsaw Radio charged that the leaders of the Home Army were in cahoots with the Nazis and that "the Hitlerites promised to abstain from attacking the units of the Home Army on condition that the uprising be directed against the Red Army and the Polish Army (Communist units attached to the Soviet army).

The Polish Communists, however, in total disregard to the truth—failed to mention that the Polish Home Army attacked not the Red army but the Nazis and was decimated by them.

The Polish government in exile which was operating out of London is also accused of all sorts of crimes by the Reds:

". . . the tragedy of the Warsaw uprising," said Poland's Red President Ladislaw Gomulka in 1968," was born out of the pretentious claims to govern Poland, out of the disastrous concept of the reactionaries."

The Communist version, might have credibility to the gullible if the Russians hadn't done exactly the same with the Slovak uprising which took place on Aug. 29, 1944. In that action the Soviets also withheld their help and blocked aid from the western allies until the Germans smashed and destroyed the entire Slovak insurgency.

"The heroism of the Polish Home Army was rewarded by one of the craziest betrayals in history" said S. Thomas J. Dodd, D-Conn., chairman of the Senate subcommittee.

Sen. Dodd understands the situation.

JEWS IN THE SOVIET UNION

HON. EMILIO Q. DADDARIO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. DADDARIO. Mr. Speaker, it is with deep concern that I view the plight of Jews residing in the Soviet Union. Not only are they prohibited from engaging in the full expression of their religious beliefs, but they are also denied the opportunity to emigrate at will, to join their relatives in other countries.

The Court of Common Council of the City of Hartford, concerned with this deprivation of rights, recently passed a resolution appealing to the Soviet Government to end such practices. Today, I commend this resolution to the attention of my colleagues:

RESOLUTION OF THE CITY OF HARTFORD, CONN.

Whereas, Chanukah, the Festival of Lights, is being celebrated by Jews throughout the world from December 4, 1969 through December 12, 1969; and

Whereas, this year the world-wide commemoration of the adoption of the Universal Declaration of Human Rights—a contemporary proclamation against tyranny—coincides with Chanukah, an ancient victory over oppression; and

Whereas, it is fitting that as we commemorate Human Rights Day, we give thought to the situation of more than three million Jews in the Soviet Union, the largest Jewish community in the world outside the United States, who are denied the fullest means of religious and cultural self-expression based on the rights guaranteed them by Soviet Law; now, therefore, be it

Resolved, that the Court of Common Council hereby appeals to the Government of the Soviet Union to restore to Soviet Jews their full rights and to grant to those who wish to leave the right to be reunited with war-torn families and to join their brethren in other countries, whether in Israel or in other countries.

Attest:

ROBERT J. GALLIVAN,
City Clerk.

TRIBUTE TO REPRESENTATIVE DOMINICK DANIELS

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. MINISH. Mr. Speaker, as one who was raised in the coal mining area of eastern Pennsylvania, I know firsthand the barbarous and brutal conditions under which miners often have been compelled to work. I was immensely pleased, therefore, when Congress last week cleared for the President's signature the strongest coal mine safety measure in our Nation's history. The bill represents a turning point in this country's heretofore shameful treatment of workers in that most dangerous of all occupations—coal mining.

One of the most significant features of the Coal Mine Health and Safety Act of 1969 is the benefit program for miners who are disabled by pneumoconiosis or "black lung" disease. Under title IV, the Federal Government will pay totally disabled victims of this dreaded disease up to $136 a month for single miners or widows of miners, and up to $272 a month for disabled miners with three dependents. Such a Federal compensation program was deemed necessary because the States have sorely neglected to provide a meaningful benefit program for the tragic victims of black lung.

My distiguished colleague and good friend, Mr. DANIELS of New Jersey, served as the chief architect and guiding light of this farsighted provision. Although not himself a representative of a mining area, Congressman DANIELS demonstrated a keen knowledge of the problems of miners and a real compassion for their health and safety. As chairman of the Select Subcommittee on Labor of the House Education and Labor Committee, Congressman DANIELS devoted long months of hearings and study to the plight of miners who have contracted black lung disease. The fruit of his labor is now before the President in the form of a program which, for the first time, will provide benefits for disabled miners and their families so they may live out their lives in dignity. I congratulate Representative DANIELS on a job well done.

EDDIE RICKENBACKER'S MESSAGE ABOUT AMERICA AND CHRISTMAS

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. BRAY. Mr. Speaker, a great American, a living legend in his time, Capt. Eddie Rickenbacker, has written a personal Christmas letter every year to his good friend, Jim Stuart, of Indianapolis, who is now editor emeritus of the Indianapolis Star. Following is his letter for 1969, which appeared in the Star on December 22. It reflects that which is best in our country—our hopes, our fears, our faith—and our magnificent heritage.

EDDIE RICKENBACKER'S MESSAGE ABOUT AMERICA AND CHRISTMAS

(EDITOR'S NOTE.—Every year since he was operator of the Indianapolis Motor Speedway, Rickenbacker has written a Christmas letter to James A. Stuart, now editor emeritus of The Star.)

To the EDITOR OF THE STAR:

DEAR JIM: Almost a year has passed since our new President and his Cabinet began the administration of the laws of our land, and what a relief it is to have confidence reestablished in our form of government and to realize that our fiscal and economic problems are in trustworthy hands again.

Frankly, it is almost too late to correct the many false steps taken by previous Presidents and administrations, as there never has been a period when so many problems have faced us as a nation.

I am certain, however, that our President and members of his Cabinet will take care of them to the best of their ability, so that when, as and if there is another change, we will not have to look back and see the closets filled with skeletons, such as those accumulated during several of the past administrations.

Let us hope that our new President and members of his Cabinet will take advantage of the opportunity to do a little housecleaning, and get rid of the bad philosophies and expensive and deadly programs in so far as the future of our country is concerned.

Let us not assume that we have all the money in the world and try to spread it in every direction. Let us complete the tasks started by previous administrations in many parts of the world as soon as possible, and bring our boys back to their homeland and families.

Let us realize that we have gone down the wrong highway far too long, and it is going to be a difficult task for the leadership of this country to detour and get us back on the straight and narrow highway that we should have always followed.

With the rapid approach of our Holiday Season, let us try to guide America back to the path of freedoms and peaceful philosophies that Christ brought to Mother Earth, because without His coming there never would have been an America as we have known it.

So let us remember during this period of joyful holidays to repeat again and again that wonderful phrase—"God Bless America"—that means each and every one of us who enjoys the heritage with which we have been blessed.

EDDIE RICKENBACKER.

NEW YORK, N.Y.

POSTAL REFORM GETS ACCENT IN 1969 WORK OF POST OFFICE AND CIVIL SERVICE COMMITEE

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. DULSKI. Mr. Speaker, reform of our postal system is a vital necessity. Our Post Office and Civil Service Committee has devoted many days this year to hearings and executive sessions aimed at producing the best possible reorganization of our mail system.

I have attended every hearing and every executive session on this subject, and I know full well the depth of the studies and actions which our committee is taking.

This is the most comprehensive effort ever made toward improving the workings of our postal system. The mail volume is growing every year, and our attempts have been inadequate in the past to keep abreast with the modernization and mechanization which are absolutely necessary.

LACK OF MANAGEMENT CONTROL

The principal problem is lack of control at the top. The Postmaster General and his staff are restricted by archaic procedures, particularly in the field of finance. They have practically no control of their funds and minimal control over buildings and equipment.

On the opening day of the 91st Congress last January, I introduced a comprehensive postal reform bill, H.R. 4. This was developed as a result of my experience on the committee and my own study of the recommendations of the 1968 Presidential study commission headed by Frederick R. Kappel.

H.R. 4 is not perfect and could not be expected to be at the outset. But it has served as a solid base for developing reform legislation in our committee.

FOUR MONTHS OF HEARINGS

After 4 months of full committee hearings, during which we gave every interest an opportunity to be heard, the committee began executive sessions in September. Those sessions have continued into mid-December and will be resumed when the second session convenes.

At our final executive session of the full committee on Thursday, December 18, the gentleman from Arizona (Mr. UDALL), original sponsor of the corporation plan, orally presented to the committee the outlines of a proposed new compromise on postal reform.

The details of the compromise were not available to the members in any form for the meeting, so the discussion was limited to the verbal summary by Mr. UDALL.

A complete draft of the new Udall bill is being made available to all members of the committee for their consideration during the period until the first executive session of our committee in January.

NO COMMITMENTS MADE

Because of the lack of specific details of the new proposal and the obvious impracticality of trying to obtain either committee or House action in the remaining days of the session, there were no final commitments made by the committee or its members. None were asked.

I view the proposal as another step in our effort to enact comprehensive postal reform. It is encouraging in that it contains many of the features which I support, including actions taken by our committee during executive sessions in the past 3 months.

Most importantly, it recognizes some of the glaring shortcomings of the corporation plan which was endorsed by the administration.

With regard to our executive sessions on postal reform beginning back in September, the first issue to be determined was whether to proceed to reorganize the present Department, as proposed in H.R. 4, or to convert the Department into a public corporation, as proposed in H.R. 11750 and similar bills with administration backing.

VOTE TO MARK UP H.R. 4

The committee decided on a 13-to-13 vote to mark up H.R. 4, and our progress has been steady in the weeks since. I had hoped that we might finish the markup before adjournment of the first session of the 91st Congress. But we have missed our mark—not because we did not try, but rather because the issue covers so much ground.

I am proud, however, of the outstanding reform legislation which we have developed to date. It is a good bill so far, with significant improvements over the original version.

We are now in the midst of the finance section, title IV of the bill. Two major titles remain: rates and labor-management. Much preliminary work has been done on both these subjects by the appropriate subcommittees, and I expect this background effort to be most helpful in our markup.

PROGRESS H.R. 4 TO DATE

Let me review briefly what we have done on H.R. 4 to date:

Title I sets out the congressional findings with respect to postal reform, pointing to the severe limitations on the present mangement system and listing the areas where corrective procedures are needed.

Title II completely changes the system for appointment of the Postmaster General, his deputy and assistant Postmasters General, all postmasters, and rural carriers.

The President will continue to appoint the Postmaster General, his deputy and Assistant Postmasters General, but only the Postmaster General will require confirmation by the Senate.

The Postmaster General will not be a member of the President's Cabinet, and his term will be 9 years. His deputy and assistants will have 6-year terms. The General Counsel will be named by and serve at the pleasure of the Postmaster General.

SELECTION OF POSTMASTERS

Local postmasters will be appointed by the Postmaster General—Senate confirmation is omitted—with priority given to qualified career employees. The Postmaster General also will choose rural carriers under a specified system of precedence.

A special section of the title removes politics from the postal service by prohibiting political influence in connection with appointments, promotions, assignment, transfers, and designations in the postal field service. The residence requirement for postmasters is eased somewhat to take in adjacent areas, as well as the delivery zone of the office involved.

Title III is one of the most important areas of operational reform. It deals with transportation. The present Department is hamstrung with a passenger railroad-oriented system when passenger trains generally are a thing of the past.

TRANSPORTATION FLEXIBILITY

Under the transportation system approved by the committee in markup, the Postmaster General is given the flexibility he needs to select the mode of transportation that will provide the most efficient and economical service in specific cases.

Providing this transportation latitude to the Department—to use surface, air, or water as he sees fit—is one of the most important needs at the present time, next to greater control over finances.

Title IV deals with financing. It sets up a body corporate within the postal service known as the Postal Modernization Authority. This Authority will have responsibility for all facilities, including buildings and major equipment, as well as for all research and engineering.

The Authority will have the right to issue bonds to finance construction and modernization of buildings, acquisition of major equipment, and financing of research and engineering.

TRUE REVOLVING FUND

A subsequent title will provide for a true revolving fund, long needed for efficient and practical operation of the Department. Instead of all postal revenues going into the U.S. Treasury, they will stay with the postal service to be used to operate the service on a day-to-day basis.

When the House reconvenes in January, we again will schedule executive sessions aimed at completing action as soon as possible on this postal reform bill.

By anyone's measure, the decisions which our committee has made to date are most significant, and I am more confident than ever that our committee is going to produce a meaningful postal reform bill that will give the Department the authority it has lacked for years in trying to meet its mounting responsibilities.

In developing our reform legislation I would like to comment briefly upon the role of the incumbent Postmaster General and his staff.

DELAYED START OF HEARINGS

When they came into office last January, they asked me to delay consideration of postal reform until they got their feet on the ground. This was a reasonable request, and I deferred the start of hearings until after the Easter recess.

This is a massive subject and I decided after Easter that we had waited long enough to get started on hearings—the Department witnesses could come in when they were ready.

I scheduled the first hearing for April 22, and in order to get the ball rolling, I took the unprecedented step of being the first public witness.

When the General and his team informed me they were ready, we set the hearing for their convenience. They appeared in a blaze of Madison Avenue publicity on behalf of legislation to convert the Department into a public corporation.

CORPORATION BACKERS TESTIFY

Our committee gave them the center stage for several days and heard from many of their supporters—many of whom, it turned out under questioning, really did not understand the corporation proposal they were espousing.

We let the Postmaster General have the last say in our hearings. By his own words, he told the committee and others that his treatment by the committee had been completely fair.

He made strong personal representations to individual committee members on behalf of his plan. But when the committee voted in September, it decided not to take up his corporation plan.

Since that time the Postmaster General and his staff have provided little help to our committee in our executive deliberations, even though our decisions reflect our conclusions in important areas. That is his privilege. We would welcome his cooperation. We are using some of his ideas and language, and we are proceeding with our work as our progress to date makes clear.

POSTAL REFORM NEED IS CLEAR

I have no quarrel with his efforts to sell his idea. However, I do not see the corporation plan as a panacea. We need postal reform, but I am convinced that we can accomplish it in a much more orderly manner without going the final step of conversion to a corporation.

Mr. Speaker, while postal reform has occupied a large part of the committee's attention during the first session, we also have dealt with other matters within our jurisdiction. Our subcommittees have been very busy with their independent investigative and preparatory work.

The most significant measure to emerge from our committee—it now is law—is the Daniels-McGee bill to strengthen the financial condition and improve the benefits structure of the civil service retirement system.

It is properly labeled the most significant bill on this subject in the 49-year history of the system.

REFINANCING RETIREMENT SYSTEM

Simply stated, the bill insures that the retirement system—which was headed for bankruptcy—now will be able to fulfill its future obligations, thus contributing importantly to the financial security of both the active and retired Federal work force.

There was a flurry of interest and concern early in the year about the details of the questionnaire for the 1970 decennial population census. There was considerable misinformation and misunderstanding about the purpose of the census and its handling.

Following field hearings and extensive studies, the Census and Statistics Subcommittee recommended legislation aimed at insuring the confidentiality of census data. This bill passed the House in September, but has not been acted upon by the Senate.

The House also approved legislation from our committee to provide additional free letter mail service and air transportation for mail for our servicemen in overseas assignments. This bill has not been considered by the Senate.

SALARY BOOST FOR PRESIDENT

At the beginning of the session, the committee and Congress were asked by the outgoing Chief Executive, President Johnson, to increase the salary of the Presidency effective with his successor's term.

To meet this request, expedited attention by the Congress was necessary, under the law, in order to complete action before Inauguration Day. The deadline was met through bipartisan cooperation of our committee and the House leadership.

President Johnson's modified recommendations for increases in congressional and executive salaries became effective early in the session. Our committee then acted to make appropriate increases in pay scales for the Vice President, the Speaker of the House, the Senate President pro tempore, and the majority and minority leaders of the House and the Senate. These were approved promptly by the House and later by the Senate.

FULL COMMITTEE ACTS ON REFORM

Because postal reform crosses the jurisdiction of several of our seven subcommittees, we decided to centralize related issues in the full committee hearings and executive sessions.

However, several of the subcommittees have had their own hearings and investigations on subjects within the reform bill—for example, labor relations, rates, and so forth—and this background is being utilized as we proceed to mark up the reform bill.

At this point, Mr. Speaker, I would like to highlight briefly the activities of our subcommittees, including those aforementioned matters which have proceeded through the full committee.

MANPOWER AND CIVIL SERVICE SUBCOMMITTEE

This subcommittee, chaired by our full committee vice chairman, the gentleman from North Carolina (Mr. HENDERSON), has a broad investigative as well as legislative responsibility.

This is the subcommittee which rides herd on personnel policies of all departments and agencies of the Federal Government. When complaints and apparent inequities are brought to its attention, the subcommittee initiates inquiries and necessary followup as the cases require.

Staff investigations are made on the spot from time to time and reports made to the subcommittee.

One measure which originated in the

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subcommittee and was approved by the Congress in the closing days of the session was H.R. 9233 which promotes efficient and effective use of the Civil Service Commission revolving fund.

Also approved in the closing days was a compromise on expansion of the Civil Service Commission pool of supergrade positions. The important factor here is to concentrate control and responsibility with the Commission, rather than earmarking positions for specific agencies.

Other issues before the subcommittee included Wage Board rates and leave for Federal employees in certain cases such as serving as witnesses at official proceedings.

POSTAL RATES SUBCOMMITTEE

Immediately after organization of the subcommittee, chaired by the gentleman from Montana (Mr. OLSEN), extensive hearings were held on the need for an improved cost ascertainment system for the Post Office Department.

After years of defense of its 1926 system, the Department finally backed off from its outmoded and anachronistic system. Later, the Department announced installation of a new cost accumulation data system on which the subcommittee is awaiting formal reports.

Extensive staff investigation was made on mail standardization. Unfortunately, the Department does not expect to have recommendations ready until early in the second session. Mechanization decisions only now are reaching the point where size minimums and maximums can be specified.

The subcommittee held hearings on free letter mail and air transportation mailing privileges for members of the Armed Forces serving abroad. The bill, H.R. 8434, was approved by the House and awaits Senate action.

The Department submitted a formal request for postal rate changes, and the subcommittee completed hearings on H.R. 10877. This matter is an integral ingredient of postal reform, but the subcommittee expects to schedule executive sessions early in the next session.

COMPENSATION SUBCOMMITTEE

Pay rates for classified and postal employees have been a most controversial issue. They combine the requests of the various employee groups—particularly the postal unions—plus the desires of the Congress and the administration to keep scales abreast of the cost of living, and the general effort to avoid actions which could add to the country's inflationary spiral.

The subcommittee, chaired by the gentleman from Arizona (Mr. UDALL), recommended a comprehensive measure to the full committee, H.R. 13000, which was sent to the floor and passed by the House by the overwhelming vote of 311 yeas to 51 nays.

The Senate approved only a token version, which was unacceptable to our committee, and we formally asked the House to send the measure to conference. There will be no further action until the next session.

RETIREMENT, INSURANCE, AND HEALTH BENEFITS SUBCOMMITTEE

As aforementioned in the full committee report, the subcommittee, chaired by the gentleman from New Jersey (Mr. DANIELS), pioneered vital legislation to restore the financial stability of the retirement system for Federal employees.

The legislation, now Public Law 91–93, is the most significant legislative effort in the system's 49-year history. It assures that the program will have the ability to fulfill its future obligations and contributes importantly toward the financial security of both the active and retired Federal work force.

Staff studies were focused on both the life insurance and health benefits programs. As for health benefits, the subcommittee is concerned about the relation to spiraling medical costs and expects to make this matter its initial legislative concern in the new session.

POSTAL OPERATIONS SUBCOMMITTEE

This subcommittee chaired by the gentleman from Pennsylvania (Mr. NIX), has done considerable spadework for the postal reform bill.

There were hearings on removal of postmaster appointments from politics, now a part of title II of H.R. 4.

There were hearings on labor-management relations, which is in a subsequent title of the postal reform bill.

Hearings were completed on antiobscenity legislation, and the subcommittee expects to mark up a bill early in the next session.

Hearings were also held on the widespread complaints about the mailing of unsolicited credit cards. Remedial legislation appears in order.

POSITION CLASSIFICATION SUBCOMMITTEE

The subcommittee, chaired by the gentleman from New York (Mr. HANLEY), picked up the previous year's intensive special study of job classification throughout the Federal service.

The long overdue study, initiated but not completed by the subcommittee in the 90th Congress, comprised the first major investigation of the administration of classification systems conducted by the Congress since passage of the original Classification Act in 1923. The last major change in the Classification Act was made in 1949, as a result of studies initiated by the executive branch.

As a result of the new study, the subcommittee published its "Report on Job Evaluation and Ranking in the Federal Government" which provided the basis for H.R. 13008. This bill, which is in final stages of subcommittee executive consideration, would establish broad guidelines for creation of a new classification system for the entire executive branch.

It would establish a special unit within the Civil Service Commission to develop details of the new plan to be presented in the form of proposed legislation within 2 years after enactment of H.R. 13008.

CENSUS AND STATISTICS SUBCOMMITTEE

As aforementioned in the full committee summary, considerable focus was placed on the controversy raging over the scope of the 1970 decennial population census. The subcommittee, chaired by the gentleman from California (Mr WILSON), made extensive studies, including hearings both in Washington and in the field. The resulting bill, H.R. 12884, was approved by the House, but awaits Senate action.

The subcommittee is considering renewed proposals for authorizing a mid-decade population census which would be limited in scope and would not be a basis for congressional reapportionment.

The subcommittee staff is now preparing the 1969 report of statistical activities of the Federal Government, which is expected to be completed in January.

Subcommittee members attended the International Statistical Institute in London and toured several European statistical centers. A full report was made on the subcommittee findings.

The logistics of a decennial population census were given special attention, including a tour of the facility which is assembling the 1970 census packets.

DAM THE RIVER

HON. KEITH G. SEBELIUS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. SEBELIUS. Mr. Speaker, recently the well-known and respected editor of the Garden City Telegram, Mr. Bill Brown, wrote a succinct editorial that not only sums up a most pressing problem we have in southwest Kansas, but is illustrative of the kind of grassroots journalism we enjoy and depend on in the "Big First" District of Kansas.

Interested citizens of Garden City do not have to wade through detailed paragraphs of grey editorial matter to alert them to the needs and issues concerning their community. To borrow a well-used phrase, Bill Brown "tells it like it is." In this editorial, he has summed up the feelings of many citizens in southwest Kansas who have been waiting over 50 years for adequate flood protection.

The editorial follows:

DAM THE RIVER

Recently the Arkansas Basin Development Assn. met in Dodge City, and among other recommendations recommended that the U.S. Corps of Engineers include $174,000 in its budget for "continued study of the development of the upper Arkansas River basin from Great Bend to John Martin Dam."

This was about the closest to any positive flood control measures in this area that the association got during its discussions.

I have the feeling that "study" has become a synonym for "delay." This river basin through western Kansas probably will be studied to death before any action is taken to prevent another 1965, or 1951.

Meanwhile, we sit out here and watch reservoir after reservoir, and dam after dam being built in the eastern part of the state. As one avid booster of the once-proposed Hartland Dam on the Arkansas near Lakin stated:

"Enough water has run into the Gulf of Mexico during the last 50 years to have watered Western Kansas for a good part of eternity."

It doesn't require a study to determine the need for flood-control measures along the Arkansas River west of here. The damage in Garden City and Dodge City alone, during the 1965 spillover, would pay for the Hartland Dam.

But if we eliminated the studies, some

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bureaucrats would no longer have reason for existence in their jobs. There would be no reason to publish long reports or meaningless lists of statistics—such as how many acre feet of water passed Charleston in the Arkansas River channel during February of 1961.

Let's damn the studies, and dam the river.

THE SOUTHERN RAILWAY

HON. WM. JENNINGS BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. DORN. Mr. Speaker, the Southern Railway is playing a major role in the dynamic progress and development of the South.

Southern, under its great President W. Graham Clayton, is confident this progress will continue. We are proud of Southern and its able leadership.

I commend to the attention of my colleagues and the people of our country a splendid article which appeared in the Washington Post yesterday morning:

THE SOUTHERN RAILWAY

(By William H. Jones)

Dec. 25, 1830, was both Christmas and an historic day for railroading on the North American continent.

In Charleston, S.C., the South Carolina Canal & Railroad company inaugurated the first scheduled train service pulled by a steam locomotive on the continent. Moreover, the engine, dubbed the Best Friend of Charleston, was the first locomotive built in the United States for regular railroad service.

Recognizing the importance of the event, officials placed a U.S. Army gun on a flat car behind the engine, and the gun was fired in salute "at proper intervals," drowning out the cheers of the passengers.

The regular service started that day was also the beginning of the family tree of what today is regarded by shippers, passengers, competing railroad executives and investors alike as one of the most efficient railroads in the world—the Southern Railway System.

Armed with their proud history and surrounded by paintings of former presidents in the paneled halls and rooms of the railroad's headquarters here in the Southern building, at 15th and K Streets NW—the engineer-designer of the *Best Friend,* Horatio Allen, is the only non-chief executive officer honored with a gilt-framed painting—railroad officials have something of a problem explaining just why Southern this year is celebrating its 75th anniversary.

Legally, they explain, the present corporation dates to an act of the Virginia Assembly in 1894 authorizing purchasers of the Richmond and Danville Railroad to organize a new company, with the goal of consolidating an extensive system of small and longer lines put together in the years following the Civil War.

SUCCESSFUL, OPTIMISTIC

Southern was successful where other companies had failed. In the years since, Southern had never defaulted on a financial obligation, and it has grown to become the nation's seventh largest rail-oriented transportation company. In 1968, Southern had operating revenues of $517.6 million and assets of $1.4 billion.

Moreover, at a time when many captains of the American railroad industry are calling for crying towels—and in some cases practically throwing in the towel—Southern president W. Graham Claytor Jr., is optimistic both about his own system's future and railroads in general.

For the first nine months of this year, Southern net income was up 17 per cent to $33.45 million ($4.59 a share) from $28.6 million ($3.95 a share) in 1968. And, for the second December in a row, Southern declared an extra dividend of 20 cents a share this month, on top of the regular quarterly 70-cent dividend. The 1968 dividend was the first such extra payment since February, 1956. (Southern contrasts sharply with the Penn Central and Northwest Industries, holding company of the Chicago & North Western, both of which omitted dividends for the fourth quarter.)

SOUTHERN DEVELOPMENT

"All major roads in the South are doing well," Claytor noted in an interview here, and he sees nothing but growth in the next decade. A key to this growth is the general economic boom in the Southern states, in turn helped by the generally modern rail transportation network.

Paper manufacturing, textiles, furniture and iron and steel are cited as major growth industries in future years, and new plants are being developed adjacent to the rail lines of Southern, the Seaboard Coast Line, the Frisco and the Louisville and Nashville railroads.

Claytor insists, however, that future railroad success is not confined to the Southern and its main competitors. A few rail systems with major difficulties—particularly in the Northeast—have convinced many people (Claytor calls them "prophets of gloom") that the industry is in serious trouble. Claytor thinks the railroads' problems have been exaggerated as he made clear in a speech last month:

"In spite of our admitted problems," he told the Richmond Traffic Club, "in spite of strong competition from other modes, and in spite of all the pot shots being taken at us from various governmental and financial quarters, the railroads of this country are on the move, are working together as they never have before, to solve their common problems and not merely complain about them, and that as a result the railroads are going to be a greater not a lesser factor in transportation in the great decade of the 1970's."

Claytor also points out that 9 per cent of the nation's Gross National Product is now represented by the cost of moving freight and says the rail share should increase. Analysts predict that in 1969 the railways held their own at 43 to 44 per cent of the nation's transportation dollar, down from 65 per cent in 1947 but up slightly from the modern-day low of 42.5 per cent in 1967.

At the same time, the railroads are near the bottom of industrial profitability scales. In 1969, experts believe the U.S. rails' rate of return—the ratio of net income to the investments in property used in transportation services—will fall below 2.5 per cent.

A major exception is the Southern, with a rate of return more than twice the national average. In 1968, when the national average was 2.6 per cent, Southern's was 5.6 per cent, and it may be slightly higher this year.

Such figures are not very satisfactory, Claytor noted, when compared to other regulated industries. American Telephone & Telegraph Co., with a virtual monopoly situation in telephone service, was recently permitted by the Federal Communications Commission to exceed the agency's limit of a 7.5 per cent rate of return.

RAILS OVERREGULATED

"But the railroads are in the sad position of having prices controlled by competitors (trucking, barges) and fixed by regulators," Claytor said. "We are substantially overregulated," he continued.

The only way to solve the problem, according to the Southern executive, is to change "ridiculous" national policy prohibiting establishment of transportation companies that could offer varied services.

"Largely as the result of historical accident," he said in the Richmond speech, "present law forbids common ownership of railroads and any other mode of transportation. This in turn builds in unnecessary inefficiency and needless costs for all modes. Railroads are performing transportation services today," Claytor said more recently. "People want a service—transportation—and they don't care how you do it."

"It doesn't make economic sense that could more cheaply and efficiently be performed by trucks, and vice versa . . ."

As a first step, he advocates permission for mergers among all surface transportation industries regulated by the Interstate Commerce Commission—trucking, buses, railroads and barge shipping. Later policy changes could permit entry into air transportation and ocean shipping, he said.

"If a transportation company could sell just that—transportation—and then perform it by whatever mode or combination of modes produced the required service at the cheapest cost, everyone would be ahead," Claytor stated. "Competition would remain, but it would be more effective competition between true transportation companies."

On other subjects in the interview, Claytor had these comments:

Rail passenger service is necessary in high density corridors and must be maintained. Elsewhere, unprofitable trains should either be discontinued or subsidized at a "fair" compensation.

The Southern has made "great strides" in racial integration, and is engaged in local programs to train hard-core unemployed.

The railroad safety measure passed by the Senate late Friday night is "perfectly terrible," because it doesn't provide uniform national controls but instead permits the states to set stiffer regulation and to enforce the federal standards.

Economic activity should level off for the first half of 1970 but increase in the last six months, with business on the whole "about the same" as 1969, and with the rate of growth in Southern's freight traffic slowed somewhat.

Railroads have to spend enormous amounts of capital, despite record interest rates, "just to stay even, and I don't propose to fall behind."

The president of the Southern Railway System is a railroad buff and model railroader who made it to the board room by way of a prestigious Washington law firm.

W. Graham Claytor Jr. is best known in Georgetown for the large-scale model railroad (40 feet of track) in his backyard at 2912 N St., N.W. His office, in the Southern Building is filled with models and drawings and he eagerly joins steam passenger expeditions. Claytor helped clear the tracks in the U.S. for the Flying Scotsman-British trade train.

He is a native of Roanoke, a graduate of the University of Virginia and Harvard Law School (where he was president of the Harvard Law Review in 1935–36). He served as law clerk to Judge Learned Hand and Supreme Court Justice Louis D. Brandeis, and in 1938 joined one of the capital's leading firms, Covington & Burling.

In the Navy during World War II he served as commanding officer of a submarine chaser and two destroyer escorts and achieved the rank of lieutenant commander prior to his departure from active duty in 1946.

He became interested in Southern during the railroad's battle to achieve lower rates for its pioneering "Big John" hopper cars in 1962 and joined Southern as its vice president for law the next year. A short time later—Oct. 1, 1967—he was the new president.

He married the former Frances Hammond in 1948 and has two children—a daughter, Murray, and son, Graham III.

SOUTHERN A PIONEER

Southern and its predecessors have been pioneers since the early days of American railroading. Among more recent innovations of the 10,400-mile Southern system:

It bought the first rail-freight diesel locomotive built in the U.S.

It was the first U.S. line 100 per cent dieselized.

It first applied the shuttle-train concept to coal.

It was the first American industry of any type to utilize a large-scale data processing computer. Southern spent $10 million in 1969 on new third generation computers for its Atlanta comunications and traffic center.

Southern has invested $156 million, or $1.5 million a week, over the past two years in new equipment, bringing its fleet to nearly 72,000 freight units.

BIG TRUCK BILL

HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. SCHWENGEL. Mr. Speaker, my editorial for today is from the News American, in the State of Maryland. The editorial follows:

THE HIGHWAY MONSTERS

Few things on the nation's open highways are as terrifying as those huge trucks which come barreling at you like trackless runaway locomotives, thundering like the hammers of hell and spewing diesel fumes from smokestacks which belong in the same place. As they miraculously pass you at an apparent 3,000 miles per hour, you and your car are rocked by wind blasts which are literally physical blows.

Pretty rough and pretty dangerous, right? Wrong, according to the American Trucking Associations, Inc., whose 17,000 member companies again are seeking federal permission to make their monsters bigger and more intimidating than ever. The only really important consideration, according to the ATA, is that broader and longer and taller trailer trucks would permit more economic hauling of freight and thus help the national economy.

At the behest of the powerful ATA lobby in Washington, legislation to this end has been introduced in Congress—for the second year in a row. Now awaiting early action by a House public works subcommittee, the bill would authorize jumbo trucks up to 70 feet long, extend their permissible breadth from 85 to 102 inches, and allow their maximum weight to jump from the present 73,280 pounds to 108,500 pounds.

That latter limit, if permitted would mean that private drivers would be challenged for road space by speeding behemoths weighing an incredible 54-plus tons. The same private drivers, as taxpayers, would have to pay the bills for inevitably increased road repair costs; as motorists, their safety obviously would be even more in jeopardy than at present.

Opponents of the pending bill, including the American Automobile Association, succeeded in killing the measure last year. We join them in urging that the bill be shelved once again—and kept in the pigeonhole indefinitely. Those tremendous rigs now thundering over our interstate highway system already are far too big, far too dangerous and far too harrowing to the millions and millions of America's ordinary drivers.

ORGANIZATION FOR THE DEFENSE OF FOUR FREEDOMS FOR UKRAINE, INC.

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. BROYHILL of Virginia. Mr. Speaker, under leave to extend my remarks I insert the following three items at this point in the RECORD:

First. A letter addressed to the Honorable Richard M. Nixon.

Second. A letter to Dr. Charles Moser, chairman of the Freedom Rally Committee.

Third. A letter to the editor mailed to the Alexandria Gazette and other Washington metropolitan newspapers.

All these items were written by Mr. Volodymyr W. Mayewsky, chairman of the Organization for the Defense of Four Freedoms for Ukraine, Inc., who made them available to me to let me know, as I should like our colleagues to know, that his members support policies of our President in Vietnam; participated in the Freedom Rally at the Washington Monument on Veterans' Day, and totally disagree with the defeatist, war-providing objectives of the moratorium.

The letters follow:

ORGANIZATION FOR THE DEFENSE OF
FOUR FREEDOMS FOR UKRAINE,
INC.,
Washington, D.C., November 15, 1969.

Hon. RICHARD M. NIXON,
President of the United States of America,
The White House, Washington, D.C.

DEAR MR. PRESIDENT: Members of the Organization for the Defense of Four Freedoms for Ukraine, Inc., Washington, D.C., Branch 17, fully support and respect your present policies in Vietnam.

In your address on Vietnam you correctly stated the importance of your obligation and the effect of your decision on the next generation and the future of peace and freedom in America and the world. We firmly believe in your effort to win America's peace.

Your keen awareness of your obligation to all American people, not merely a small vocal minority, is very heartening to the silent majority and their trust in the constitutional democracy of the United States of America.

Sincerely,

VOLODYMYR Y. MAYEWSKY,
Chairman.

ORGANIZATION FOR THE DEFENSE
OF FOUR FREEDOMS FOR UKRAINE,
INC.,
Washington, D.C., November 9, 1969.

Dr. CHARLES MOSER,
Chairman, Freedom Rally Committee,
Washington, D.C.

DEAR MR. MOSER: Members of the Organization for the Defense of Four Freedoms for Ukraine, Inc. support and proudly join other patriotic Americans in the Freedom Rally at the Washington Monument on Veterans' Day, November 11, 1969.

In joining the Freedom Rally, we re-affirm our faith in America; we express our pride to be Americans of Ukrainian descent; and we show that we are proud of our Ukranian and American heritage.

By participating in the Freedom Rally we demonstrate both our support and respect for the President of the United States and his policy decisions.

We express our support for the principle of due process under law; peace with freedom and justice for all; and manifest our solidarity with the whole of the country during "the Week of National Unity".

It is because of the historic experience of Ukrainians with Russian Communist totalitarian persecution, cultural and physical genocide, and abridgement of human rights that the Ukrainian-Americans strongly uphold and support constitutional democracy in the United States of America.

Sincerely yours,

VOLODYMYR Y. MAYEWSKY,
Chairman.

ORGANIZATION FOR THE DEFENSE OF
FOUR FREEDOMS FOR UKRAINE,
INC.,
Washington, D.C., November 11, 1969.

Mrs. SARAH CARLIN,
Editor, The Alexandria Gazette,
Alexandria, Va.

DEAR MRS. CARLIN: History has come round a complete cycle, and the "chickens" have come home to roost. The supreme irony and moral atrocity of communists, their sympathizers, and their dupes openly holding a rally in a city dedicated to one of the greatest architects of human freedom can be appropriately compared with a Church of Satan in Augustine's "City of God". A corollary to this irony is the particular form this protest is taking . . . imperialism in its grossest sense (Russian and Chinese) has been able to mobilize considerable public opinion in protest of alleged "American imperialism".

At the same time that America has been sacrificing billions of dollars and precious blood in a valorous effort to stem the tide of communist imperial aggression in South East Asia, and preserve some hope of a better future for the people of Viet Nam, Russia has been forging heavier shackles for the citizens of Czechoslovakia, Hungary, etc. Every day brings us fresh evidence of Russian imperio-colonial policies toward the republics of the USSR: imprisonment of hundreds of Ukrainian intellectuals for suggesting rights of self-determination for the enslaved people; forced resettlement of the citizens of the Baltic Republics in furtherance of Russian colonial ventures on the Chinese border; the denial of religious rights for Soviet Jews.

Surely the great American Silent Majority has not grown so complacent and apathetic as to permit the "Big Lie" of the radical left to shape our foreign policy. To withdraw from Viet Nam under pressure of communist arms will be interpreted as nothing less than capitulation. And if the N.L.F. succeeds in bringing America to her knees, will we be able to maintain the network of credibility and commitment that has kept a precarious peace in the world?

Those, like myself, who have lived under communist tyranny fully support the "Freedom Rally" in Washington of November 11, and condemn, in totality, the defeatist, war-provoking objectives of the Moratorium.

Cordially yours,

VOLODYMYR Y. MAYEWSKY,
Chairman.

IT IS TIME TO BLOW THE WHISTLE ON DDT

HON. JAMES G. O'HARA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. O'HARA. Mr. Speaker, Americans are becoming increasingly aware of the potential hazards of the use of the

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chlorinated hydrocarbon pesticides. They know that the residues of these persistent poisons endanger wildlife—and possibly man.

In recognition of this fact, the Federal Government recently took action to forbid nearly all use of DDT in this country by 1971.

Prior to this action, it occurred to me that many home gardeners were using chlorinated hydrocarbons not because they particularly wanted to, but because they knew of no alternative nonpersistent poisons.

Early last month, I wrote a letter to the Department of Agriculture. My letter contained two specific recommendations:

First, that the Department stop recommending the use of DDT and other persistent pesticides in the agriculture information bulletins which it makes available for purchase by home gardeners.

Second, that the Department publish a bulletin devoted to informing home gardeners of alternative nonpersistent poisons that could be used in place of the chlorinated hydrocarbons.

Last week, I received a reply from the Department of Agriculture. Most of the five paragraphs were concerned with what the Department has done to halt the use of DDT—a laudable action.

Only one short paragraph really addressed itself to the essence of my letter.

Said the USDA:

> Our information bulletins are routinely updated, and future issues will recommend non-persistent pesticides when they are available.

I had, of course, hoped for a response appropriate to the urgency I feel about this issue. If there are alternatives available, we should be encouraging their use now, not waiting for the routine updating of a USDA bulletin.

About the time I dispatched my initial letter to the USDA, I happened across an article in Sunset magazine. This magazine, not widely known east of the Rockies, is the Bible of Pacific coast gardeners.

The article, appearing in the August 1969 issue of Sunset was entitled "It's Time To Blow the Whistle on DDT."

Sunset had conducted a survey and, not surprisingly, found widespread use of DDT and its chlorinated hydrocarbon cousins in pesticides commonly used by home gardeners.

Acknowledging that there was a difference of opinion over whether DDT was dangerous, Sunset came down on the side of the biologists who say it is killing birdlife. It said:

> Sunset believes that we cannot afford to debate this question while using DDT any longer. The evidence against DDT as the cause of bird failure is such that we must agree with the biologists.

It added:

> Other chemicals on the store shelves will do the same jobs as DDT.
>
> Therefore, we urge our readers to cease buying DDT right now.
>
> We also urge Sunset readers to cease buying most of DDT's close relatives.

The article cited four other chlorinated hydrocarbons: Aldrin, Dieldrin, Endrin, and Heptachlor. Sunset also announced that henceforth it would reject advertising for products containing these five chlorinated hydrocarbons, stop recommending them in Sunset's many garden books, and stop using them in its test gardens.

Accompanying the article was a chart of acceptable insecticide ingredients and the insects which they destroy.

I will include the article "It Is Time To Blow the Whistle on DDT" and its accompanying chart in the Record.

I hope that the Department of Agriculture will follow Sunset's lead, and publish an information bulletin on alternatives to chlorinated hydrocarbons which will be available to those of us who live east of the Rockies and do not have easy access to Sunset magazine.

The material follows:

It's Time To Blow the Whistle on DDT

Here is why. And here is what to use instead of DDT and several related chlorinated hydrocarbons:

The DDT furor prompted us to make a *Sunset* survey early this summer. We tallied active ingredients in insect poisons sold for home gardens in the West.

The most frequently packaged ingredient turned out to be pyrethrum (or pyrethrins). An organic poison taken from flowers of a chrysanthemum, it has been widely used for generations. Aside from causing a skin allergy to a few people, it has never backfired upon or surprised mankind. We found it in 36 products.

The second most-packaged ingredient was DDT, active ingredient in 35 products.

You've probably read and heard a great deal about widely used DDT lately. These are the basic points:

DDT became a chemical hero of the mid-twentieth century when it combated malaria carrying mosquitoes and typhus-carrying lice.

DDT also became a hero to Western gardeners. It is safer for the user than many old and new insecticides because there is no danger of directly poisoning yourself with it. It is especially useful on insects where its lie-in-wait persistence counts.

But we also know now that good old persistent DDT has, in the 27 years since its introduction, spread around our earth—being found now in infinitesimal-to-significant quantities in soil, water, air, and organisms almost everywhere.

It has been discovered that many forms of wildlife—brown pelicans, peregrine falcons, and bald eagles, to name a few—(1) have large quantities of DDT in their systems and in their eggs, and (2) are, in some areas, no longer capable of reproducing. Biologists are convinced that fact 1 plus fact 2 is enough to indict DDT.

On the other hand, some manufacturers and packagers of DDT and related chemicals, and some scientists and government workers claim that the evidence is inconclusive, that other persistent chemicals could have caused the damage, and that the biologists are merely making allegations instead of supplying proof.

DDT is known to be accumulating in man's tissues, too, but there is no proof (yet) that this accumulation is doing biological damage.

How does it all add up?

Is it DDT in the birds and their eggs that causes the eggs or the embryos to fail—or could it be other chemicals or some unknown manifestation of civilization?

Sunset believes that we cannot afford to debate this question while using DDT any longer. The evidence against DDT as the cause of bird failure is such that we must agree with the biologists.

Other chemicals on the store shelves will do the same garden jobs as DDT.

Therefore, we urge our readers to cease buying DDT right now.

We also urge *Sunset* readers to cease buying most of DDT's close relatives.

DDT and 11 other garden insecticide ingredients are chlorinated hydrocarbons.

All share in varying degrees the troublesome characteristic that scientists call *non-degradability*. Many kinds of insecticide break down or change into harmless substances within hours or days after application. The chlorinated hydrocarbons—with the possible exception of methoxychlor—break down slowly, frequently into chemicals of equal hazard. They retain their chemical potency, wherever nature may take them, for years.

We have put together a dossier on the chlorinated hydrocarbon insecticide ingredients sold to Western gardeners. Wherever we found in scientific literature a documented statement that some chemical had polluted an environment, had been found in non-target organisms, or had caused biological damage to a non-target organism, we noted it on that chemical's dossier card.

All the dozen chlorinated hydrocarbons except methoxychlor have marks against them. They vary in the number of bad marks, and their records relate rather directly to how much they've been used.

Five chlorinated hydrocarbon insecticide ingredients are as bad or almost as bad as DDT in the degree to which they have spread about the world and to which they are suspected of causing death and failure of wildlife. They are: Aldrin (in 1 product); DDD (in 2 products); Dieldrin (in 10 products); Endrin (in 1 product); Heptachlor (in 3 products).

You should stop using these for anything except under-the-house termite control (the chemicals are likely to stay put there). *Sunset* will no longer recommend garden use of DDT or any of these five; will no longer accept advertising for products containing them; will remove them from future printings of its garden books; and has stopped using them in its demonstration and test gardens.

Three other chlorinated hydrocarbons should be put into the category of "use only when absolutely necessary—use a substitute if possible." Evidence of their damage to wildlife is not as complete as for the six already named, and two of them have uses for which they are unsurpassed. They are: Chlordane (in 27 products): Lindane (in 28 products); Toxaphene (in 14 products).

Two more appear in our records to be safe enough, perhaps because they are not used as extensively as the others: Kelthane (in 13 products, Tedion (in 3 products).

The 12th chlorinated hydrocarbon has no marks against it at all—for polluting, killing wildlife, or being banned anywhere: Methoxychlor (in 11 products).

What should you do with your present supplies of bottles, cans, and boxes of chlorinated hydrocarbons?

The things you should *not* do are obvious and numerous. Do not put containers in the garbage, turn them in to public agencies that aren't ready to handle them, dump undiluted contents out on the ground or pour down the drain. By all of those means the contents could simply add to existing pollution.

Attempts to isolate the materials from the world's vapors and juices by burying the containers, putting them in a box under the house, or by any similar method might be wise for the time but would leave to chance the ultimate release of all the concentrated contents.

Government collection has been proposed but not implemented as yet.

Until a better plan is developed and announced, the best available method is one that may seem strange:

Leave the material on your shelf and use it if there's need for it—at label-recommended dilutions. Then, throw the dry, empty container away.

Regular garden usage puts these chemicals where their slow breakdown becomes hastened—as caused by light, soil adsorption, microbial activity, and other factors. True, your routine spraying of the remainders will contribute one more iota to worldwide pollution, but it will also bring about the fastest kind of chemical deterioration that's at your disposal.

The chart below shows how you can control the common garden pests without using the most condemned chlorinated hydrocarbons. Insecticides recommended are listed under "active ingredients" on the labels, often in very small type. You have to be willing to squint a little.

Most of these recommended insecticides, being degradable, have a short effective period and must be applied more frequently than DDT and its relatives.

Insecticides on this list have their own built-in hazards. Read labels carefully. Use home and garden formulations only.

SUNSET'S 1969 CHART OF ACCEPTABLE INSECTICIDE INGREDIENTS

Pests	Nicotine sulfate[1]	Pyrethrum	Rotenone (cube)	Di-syston granules[1]	Meta-systox-R[1]	Cygon (dimethoate)	Sevin (carbaryl)	Malathion	Guthion[1]	Dibrom	DDVP (dichlorvos)[1]	Diazinon[1]	Mataldehyde	Petroleum oils[2]	Sodium fluosilicate	Ethylene dichloride	Dichloroethyl ether	Methoxychlor	Kelthane	Tedion (tedradifon)	Lindane	Chlordane
Leaf chewers:																						
Beetles			X				X	X				X						X				
Weevils							X	X				X						X				
Caterpillars		X	X				X		X	X		X						X				
Earwigs							X	X		X		X			X							
Grasshoppers							X	X	X	X		X										
Oak moths							X			X												
Snails and slugs													X									
Sucking insects:																						
Aphids	X	X	X	X	X	X	X	X	X	X		X		X								
Leafhoppers	X	X	X	X	X	X	X	X	X	X		X										
Mealybugs	X				X	X		X	X	X		X		X								
Scale	X			X	X	X	X	X	X	X		X		X								
Spider mites				X	X	X			X	X		X		X					X	X		
Spittlebugs	X			X	X		X	X	X	X		X						X				
Thrips	X	X	X	X	X	X	X	X	X	X		X										
Whiteflies	X			X	X	X	X	X	X	X		X		X								
Soil pests:																						
Cutworms							X			X		X					X					
Grubs							X					X					X					
Lawn moths		X	X				X			X		X					X					
Soil mealybugs					X	X						X					X					
Symphylids							X					X									X	
Wireworms												X						X				
Burrowers:																						
Codling moths							X		X			X						X				
Leaf miners			X	X	X	X		X		X		X										
Corn earworms							X															
Borers							X					X				X		X			X	
Nuisance insects:																						
Ants								X		X		X										X
Houseflies		X	X			X				X	X	X										
Mosquitoes		X	X				X	X		X	X	X										
Termites																						X
Yellow Jackets																						X

[1] These are highly toxic. Use extreme care.

[2] Can be used alone or combined with nicotine sulfate, pyrethrum, rotenone, malathon, or diazinon.

JIM DUFF

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. FULTON of Pennsylvania. Mr. Speaker, it is with a great sense of loss that I advise the Members of the House of the passing of former Pennsylvania attorney general, Governor, and U.S. Senator James H. Duff. We in Pennsylvania all knew Jim Duff as just plain "Jim" or "Big Red." He was a congenial friend and of determined progressive spirit, and he did much for Pennsylvania and the Nation. His fine wife, Jean, a member of an old Pennsylvania family, added much to Jim's ability to accomplish, as her loyal assistance was always helpful as we, her friends, can attest.

Jim Duff was born in Mansfield, Pa.—a borough which later changed its name to Carnegie. He attended the University of Pennsylvania Law School and transferred to the University of Pittsburgh Law School from which he was graduated in 1907. He became active in Allegheny County Republican activities and in 1943 was chosen by Gov. Edward Martin to be attorney general of Pennsylvania. In 1946 Jim Duff was elected Governor of the Commonwealth of Pennsylvania and is remembered especially for his work in conservation and clean water programs. In 1951 Jim came to the U.S. Senate where he served with distinction.

We in Pennsylvania will remember Jim Duff with affection, and my sincere sympathy goes to his wife, Jean, and his family.

A CHRISTIAN CREDO: IN THE WORDS OF RICHARD M. NIXON

HON. JAMES B. UTT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. UTT. Mr. Speaker, under unanimous consent to extend my remarks in the RECORD, I wish to include an article which appeared in the December 21, 1969, issue of the Sunday Star. This is an article, based entirely on President Nixon's own speeches and writings, compiled by Roland Gammon. I believe you will find it significant for this period. It follows:

A CHRISTIAN CREDO: IN THE WORDS OF RICHARD M. NIXON

(By Richard M. Nixon)

More than a hundred years ago our greatest American philosopher, Ralph Waldo Emerson, wrote:

"I say the real and permanent grandeur of these United States must be their religion. Otherwise there is no real and permanent grandeur."

As a life-long Quaker and church-going Christian, I deeply believe those Emersonian sentiments are truer today than in his own time. The principal challenge for us all is: Have we the moral drive and the spiritual resources to take charge of our destiny once again to regain the momentum and the international leadership that was ours after our victories in World War I? I believe we have.

Both as a believing Quaker and as America's 37th President, I am determined to prove that we have such God-given resources as individuals and as a people. My Quaker upbringing and my religious experience in the Society of Friends strengthen me today as they have in the past. My Christian creed includes the noble insight of Quaker founder George Fox: "There is that of God in every man," and therefore every man the world around—regardless of his race or religion or color or culture—merits my respect.

The gradual abolition of slavery in the English-speaking world and the global spread of the peace movement have been concrete results of Quaker preaching and practice, and I am pledged to pursue these perfect ends with all my might. Above all, in my personal prayer life as in my public day, I believe in God's "inner light" (as we Quakers call it), and today as President of the United States I pray for the divine guidance in my every decision, word and daily need.

For we Americans are embarked upon a great adventure, a demanding voyage from which there can be no turning back. For better or worse, the future of mankind depends on how we as a nation manage the trusteeship of power which has been placed in our hands. From the beginning, implicit in the whole American adventure has been the sense that we were building a nation, not for ourselves alone, but as a beacon to mankind, a land that held the hope and promise of the rainbow.

More than ever before the nations of the free world need such a beacon and such a hope. But they no longer look to the United States as the unquestioned champion of freedom and progress. The American right to leadership is in question and this is a challenge we must meet.

To meet it we must take new courage: courage to grow, courage to change, courage to lead once again. There are hazards in such a course and there are hardships. But we must embrace them. For a nation's energies do not thrive in a vacuum. Nations and individuals need challenge; they need to have their strength tested in order to discover their reach and staying power.

The world is undergoing a storm of change that affects all peoples and all societies and we in this country are in the eye of this social hurricane. How we direct our lives and our national fortunes to the months and years just ahead will determine our country's future for the rest of this century.

We have the manpower and the material resources to enter now on the greatest period of growth any nation has even known. The question is whether we have the will and the moral drive to take charge of our destiny once again. We have lost some of our vigor and some of our confidence. Only if these are restored can we meet our moment in history; only true religion can help each one of us restore them.

For generations, America was a new nation in an old world. Suddenly we have become an old nation in a new world. We are a battle-scarred veteran, and the young countries are looking us over. They want to know if we still have those qualities that have made us great. I say we have, and this is the time to prove it. This is a testing time for Americans.

We face enormous tasks, both at home and abroad. In a sense, these are extensions of one another. Abroad, we must bring peace to a warring world, at home, we must bring peace to a warring society. Abroad, we must bridge the gulfs between the have and have-not nations; at home, we must bridge the gulfs between the have and have-not parts of our own population. Both at home and abroad we must break down the racial barriers that set man against man. These challenges, foreign and domestic, must be met at the same time. For unless we win peace abroad, whatever progress we make at home could go up in the smoke of a disaster enveloping the entire planet. Unless we win peace at home, we will lose the respect of the world and our rightful place in it.

Our message to the people of the world is and must be one of hope and assurance. We must declare that there is a way to cast off the shackles that have crippled mankind; we must insist that the conditions of life in most of the world today can be changed. And we must carry this message even more with deeds than with words.

Our government represents the people of the United States, but it must also speak to the people of the world—just as our whole society must. But unless we can speak confidently and proudly, unless we can speak from a platform of social order and social progress at home, we cannot expect our words to get a hearing abroad.

There are great tasks ahead—and great goals to reach. Fortunately, we have the tools to work with. Man's resource of will is the greatest natural resource the world possesses. No energy source tapped by science will ever be a substitute for human will power. When driven by a sense of necessity, a sense of survival, men and nations can perform monumental tasks, and they can overcome seemingly impossible obstacles.

If America is to be true to its destiny, true to its future, true to its promise, we must restore the sense of a driving dream. The American dream has been one of extraordinary power—precisely because it is rooted in the innermost strivings of man's spirit. It was Ralph Waldo Emerson who said. "I sing the infinitude of the private man. To release these energies and develop these infinite potentials is the continuing challenge of America.

Without God's help, we will surely fail; but with God's help, we shall surely succeed. To all people everywhere, the long dark night for America is about to end. The time has come for us to leave the valley of despair and climb the mountain so that we may see the glory of the dawn—a new day for America, and a new dawn for peace and freedom in the world.

FIRST SESSION, 91ST CONGRESS FORWARD LOOKING

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. PRICE of Illinois. Mr. Speaker, the first session of the 91st Congress ranks as one of the most unique and productive legislative sessions in the history of the Congress. An incoming President faced a Congress controlled by the other party. Only three other Presidents since the Civil War have been elected with the opposition party in control of the House of Representatives. More importantly, the resulting creative tension between the White House and the Congress led to congressional initiation and reform in the absence of Presidential leadership in several crucial public policy areas.

At a time when the American people have been seeking determined leadership to help resolve domestic tensions and international quandries the Congress acted decisively on tax reform, education, pollution control, social security, and electoral reform. Congressional innovation in these important areas led the Los Angeles Times to editorialize:

> There is more genuine wave-making, precedent-shattering, forward-looking lawmaking going on than any time in recent legislative history with the possible exception of the 89th Congress.

The Wall Street Journal echoed these sentiments.

Whatever delay occurred in the legislative pace may be explained largely by the fact that President Nixon did not submit his budget to the Congress until April, almost 3 months after the Congress convened, that the President did not send up the bulk of his legislative proposals to the Congress until well after the session began, and that the Congress did not rush pellmell into enacting the $69 billion Defense budget before cutting $5.6 billion from the bill, the largest single budget item in national spending. In retrospect, the first session of the 91st Congress signaled the breakthrough for far-reaching reforms in important policy areas as a result of congressional initiative.

Tax reform by far must rate as the greatest legislative victory for the American people. Seizing the initiative in January the House of Representatives led the way to substantial tax breaks for the average taxpayer who has borne far too much of the load. When 21 millionaires and another 134 extremely wealthy individuals with incomes exceeding $200,000 paid no income taxes whatsoever in 1967, the notion of a taxpayer's revolt cannot be viewed an idle threat, and congressional leadership paved the way for enactment of the largest tax-reform measure ever passed. The reform bill increases the personal exemption, provides tax relief for single individuals and lowers tax rates for low- and middle-income taxpayers.

An additional $1 billion was voted to fund otherwise crippled or depleted education programs crucial to the operation of the American educational system. Despite administration opposition to providing these funds, the Congress felt a moral obligation for providing our schools the wherewithal to operate essential education programs. Without these increased funds, schools face curtailing operations or asking for increases in local taxes to fund them. Congress provided these funds and at the same time made reductions elsewhere to keep appropriations below the President's budget.

Social security benefits were hiked by 15 percent effective January 1 as a result of congressional initiative. Instead of accepting the President's recommendation of only a 10-percent increase effective mid-1970, the Congress noting the 9.1 percent increase in the cost of living since the last benefit hike voted overwhelmingly to help individuals living on fixed incomes. The 15-percent increase contained in legislation I cosponsored is being financed through existing surplus in the social security trust fund, with no increase in social security taxes or the tax base. I look forward to the Congress enacting into law next session a broad social security reform bill.

Pollution control received a big boost as a result of congressional determination. Overcoming the administration recommendation of only $214 million for clean water, the Congress voted $800 million to close the funding gap between the cited need and the actual amount available for continuing the national effort to protect our water. A number of communities in the 24th District are either awaiting construction grants from the Federal Water Pollution Control Administration or are expected to submit applications shortly.

Other important congressional actions included implementation of the draft lottery system, enactment of job, railroad, and mine safety legislation, approval of housing legislation aimed at providing more low-income and mobile housing opportunities, increased veterans educational benefits, improvement of the student loan program, and House passage of drug abuse educational assistance legislation and House approval of a resolution providing for direct election of the President, both of which I cosponsored.

Congress appropriated over $13 million for area flood control and navigation projects. Eleven million was allocated for the mammoth Kaskaskia River navigation project, $229,000 for the multi-million-dollar Madison-St. Clair County interior flood control project, $500,000 to start planning on new navigation locks for Alton Lock 26, $1.5 million for maintenance of the Mississippi River Channel, $31,000 for completion of planning of the Wood River interior flood control project and $10,000 to study the Silver Creek reservoir proposal.

Unfinished business remains. Vietnam still faces us. Certainly a national tragedy in terms of lives lost and dollars spent, Vietnam has pushed back the efforts to work on the national agenda of unfinished tasks. With disillusionment over Vietnam, the American people are demanding a reordering of national priorities. High on the list is further efforts to protect the environment. Air and water pollution and inundation from solid waste disposal are problems growing ever larger and unless an unswerving commitment is made to effectively control and reduce their impact we surely face the frightening prospect of being the effluent society.

Vietnam has also disrupted the American economy. The cost of living has soared. Home interest rates are at a 100-year high, the cost of essential foods has skyrocketed by 13 percent since January and medical costs have risen by over 8 percent since then. The Government has a moral obligation to the American people to halt this inflation, but not through cutbacks in education, environmental protection, medical research, and other socially important programs.

Vietnam has brought about demands for draft reform. I am hopeful the House Armed Services Committee will hold hearings next session on broad-scale reform. The registrant's right to legal counsel during classification procedures and uniform national standards for local boards are two points which should be considered.

The lack of a national urban policy continues to take its toll. The urban condition looms ever larger and the present piecemeal approach toward urban education, crime, transportation, housing, welfare, employment, pollution, economic development, and planning encourages sprawl and the distrubing prospects of a widespread urban wasteland. First of all there must be a national commitment toward doing something about the problems of urban America whose roots are in the rural environs. In other words, rural America must be helped. Second, that commitment must reflect a recognition that the problems are interrelated and that systematic, coordinated efforts at all levels of government in concert with the private sector must be undertaken. If we do not make this commitment and implement a national urban policy the 1970's will not be the promised decade as so many Americans hope.

Foreign policy and national security issues aside from Vietnam still confront us. Peace in the Middle East, the development of sound relations with Latin America and Africa, a solution to the whole question of the Far East, and the role of Red China, the Atlantic Community, United States-Soviet relations and arms control and disarmament are policy issues that will carry well into the 1970's and will shape the landscape of the world community for generations to come.

In sum, the 1970's can promise hope and peace. But it is up to us to take the first step toward those goals. The Congress, the most representative legislative body in the world, reflects the American people's concern for achieving these objectives and the first session may well be the start of a long journey toward realizing them.

A TRIBUTE TO SESAME STREET

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent to insert in the RECORD a column by Jack Gould, television critic of the New York Times paying tribute to the new Sesame Street television program for preschool children. The article which also appeared in the San Francisco Sunday Examiner and Chronicle follows:

THEY JUNKED THE NORM FOR A PIONEERING COURSE

(By Jack Gould)

NEW YORK.—The new program called "Sesame Street" understandably and deservedly has prompted cheers from the parents of preschool children. With high professional skill in using the techniques of television to woo youngsters into an awareness of the alphabet, numbers, healthy social relationships, lessons in logic and thoughtful behavior, the Children's Television Workshop has embarked on a six-month experiment that quite conceivably could have a larger influence on the home screen.

With the initial support of Alan Pifer, president of the Carnegie Corporation, the lively and attractive Mrs. Joan Ganz Cooney, executive director of the workshop, quietly junked all the accepted norms of video and embarked on a pioneering course.

Now financed to the tune of $8 million over two years, with $1 million sensibly set aside to evaluate the end results, the workshop set out to discover what was a public TV need from the social and educational standpoint, rather than surrender to the typed TV that just drifts along with the mob in hopes of garnering high ratings and income.

"Sesame Street," daily at 4 p.m. on Channel 9, KQED, has the inherent excitement of a bold and constructive venture aimed at ascertaining some facts about the wants and interests of preschoolers, but it is with a feeling of helpness that an adult tries to assess the potential impact of the children's television workshop. When dealing with 12 million prekindergarten youngsters, generalizations simply don't work.

The children of highly educated and affluent parents may have quite a different reaction from under-privileged youngsters whose mothers and fathers may have difficulty in reading. And each child, thank heaven, is a precious individual whose tastes and preferences may vary from those of his peers.

When the Educational Testing Service in Princeton, N.J. completes its analysis in the months to come, "Sesame Street" may prove to be far more than an unusual television program. On a large scale, the country's reward may be a social document of infinite value in education. Were the goals of "Sesame Street" to be duplicated on a classroom basis the cost would run upward of $3 billion, the project would take years and there would never be enough trained teachers.

What Mrs. Cooney has done is take the mobile appeal of television and adapt it to techniques that have been used for generations in books for preschoolers. And, since a whole generation of viewers has grown up on commercials, she is using what are, in effect, spot announcements to "sell" numbers, letters of the alphabet and civilized deportment in much the same manner as advertisers employ the element of repetition to drive home their sales messages.

Interlarded with these segments are short film sequences illustrating the beginning of all kinds of life, from a wobbly calf to a new baby; how milk reaches the supermarket; the difference between big, bigger and biggest; the distinction of going around, through, under or over an object, and catchy tunes of pertinency.

The program is rather clearly intended for the under-privileged child whose family cannot afford private nurseries, though it is also being shown in publicly operated daycare centers. The use of a cast of blacks and whites is one of its most attractive features. Children are the true mobility of interracial tolerance: theirs is the rapport of honest individualism—and "Sesame Street" will warm the hearts of all those who believe such an accord should be started at the earliest moment.

Whatever the long-range ramifications of "Sesame Street"—and its usefulness will be seriously impaired if kindergartens and early grade schools do not follow through on its lead—Mrs. Cooney and her associates, along with the funding organizations (the Carnegie Corporation, the Ford Foundation and the United States Office of Education) may yet do commercial broadcasting a formidable favor.

It is disgraceful that the commercial networks have callously neglected the wants of the young, that their standards have been dictated by what would attract advertising support, and that no top policy-making executive is expressly charged with the design of programs for the young. And what goes for young people is also applicable to adults.

The tedious cliche of "giving the people what they want" is ill-suited to the 1970s. The amorphous public does not and cannot initiate; it can only respond. It is to the dedicated craftsman that the public looks for fresh ideas, innovations and awareness of unfulfilled pleasures. To suggest that leadership belongs to the populace is folly; leadership belongs to those eager for and trained in its attainment. John Doe is not a playwright, a producer, an actor or a visionary impresario; he wants to be shown what he may have missed, not be asked what is missing. In politics, perhaps, one can poll voters on what they want; in theater, you don't make a survey in advance of the season.

The term "mass medium" is a misnomer. Any mass is composed of infinitely diverse groups a pool of different interests, and it is only to the broadcaster that one can look for recognition of its complex composition. Trying to please 20 million persons all the time is ludicrous.

"Sesame Street" happens to be directed at pre-schoolers and they deserve every hour that comes their way. But what is true of them is also true of another group where substantive entertainment is concerned, post-schoolers.

TRADE WITH RED CHINA AND A CHRISTIAN CREDO

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. RARICK. Mr. Speaker, the recent announcement that the President and his State Department unilaterally sanction trade with Communist China can only be interpreted as a national "trade with the enemy" foreign policy.

Grain and goods, produced by Chinese slave labor, will underprice all U.S. goods in foreign trade.

This new "soft on communism" policy by the administration may deliver huge profits to the international industrialists and capitalists, but must be considered a disgrace to every American who cherishes his liberty and the perpetration of his country.

Many Americans think we are fighting communism. At least our fighting men and their loved ones are led to believe we are in South Vietnam in the interest of national security.

It is ironic that our national security is threatened in Asia but is not endangered by a Communist dictator in Cuba 90 miles off our coast.

Red China is an enemy. The United States fought Red China in a United Nations organization war in Korea. That war continues. There is no peace, nor even a formal cessation of hostilities. Only a shaky cease-fire exists, and that at the pleasure of the Communists. The United States continues to suffer casualties in that Red war.

How can we be fighting communism abroad, when Communists in the United States of America enjoy full "constitutional rights"? The Red American works in defense plants, teaches our children, occupies our pulpits, and captures our institutions of higher learning as sanctuaries.

How can our people be told we fight communism while Communist dictatorships are diplomatically recognized, and maintain embassies here in Washington, D.C.?

Some compromise with communism, just as they compromise on Christianity.

The Second Epistle of John, 10th and 11th verses read:

> If there come any unto you, and bring not this doctrine, receive him not into your house, neither bid him God speed: For he that biddeth him God speed is partaker of his evil deeds.

Mr. Speaker, I insert recent news articles taken from the Washington Star, and the Post following my remarks:

A CHRISTIAN CREDO: IN THE WORDS OF RICHARD M. NIXON

(By Richard M. Nixon)

(NOTE.—Most all United States Presidents have been deeply religious men, and their faith has invariably grown on assuming the burdens of the highest office. This is an article, based entirely on President Nixon's own speeches and writings, compiled by Roland Gammon. It appears in his new book, "All Believers Are Brothers" (Doubleday).)

More than a hundred years ago our greatest American philosopher, Ralph Waldo Emerson, wrote:

"I say the real and permanent grandeur of these United States must be their religion. Otherwise there is no real and permanent grandeur."

As a life-long Quaker and church-going Christian, I deeply believe those Emersonian sentiments are truer today than in his own time. The principal challenge for us all is: Have we the moral drive and the spiritual resources to take charge of our destiny once again, to regain the momentum and the international leadership that was ours after our victories in World War I? I believe we have.

Both as a believing Quaker and as America's 37th President, I am determined to prove that we have such God-given resources as individuals and as a people. My Quaker upbringing and my religious experience in the Society of Friends strengthen me today as they have in the past. My Christian creed includes the noble insight of Quaker founder George Fox: "There is that of God in every man," and therefore every man the world around—regardless of his race or religion or color or culture—merits my respect.

The gradual abolition of slavery in the English-speaking world and the global spread of the peace movement have been concrete results of Quaker preaching and practice, and I am pledged to pursue these perfect ends with all my might. Above all, in my personal prayer life as in my public day, I believe in God's "inner light" (as we Quakers call it), and today as President of the United States I pray for the divine guidance in my every decision, word and daily need.

For we Americans are embarked upon a great adventure, a demanding voyage from which there can be no turning back. For better or worse, the future of mankind depends on how we as a nation manage the trusteeship of power which has been placed in our hands. From the beginning, implicit in the whole American adventure has been the sense that we were building a nation, not for ourselves alone, but as a beacon to mankind, a land that held the hope and promise of the rainbow.

More than ever before the nations of the free world need such a beacon and such a hope. But they no longer look to the United States as the unquestioned champion of freedom and progress. The American right to leadership is in question and this is a challenge we must meet.

To meet it we must take new courage: courage to grow, courage to change, courage to lead once again. There are hazards in such a course and there are hardships. But we must embrace them. For a nation's energies do not thrive in a vacuum. Nations and individuals need challenge; they need to have their strength tested in order to discover their reach and staying power.

The world is undergoing a storm of change that affects all peoples and all societies and we in this country are in the eye of this social hurricane. How we direct our lives and our national fortunes to the months and years just ahead will determine our country's future for the rest of this century.

We have the manpower and the material resources to enter now on the greatest period of growth any nation has ever known. The question is whether we have the will and the moral drive to take charge of our destiny once again. We have lost some of our vigor and some of our confidence. Only if these are restored can we meet our moment in history; only true religion can help each one of us restore them.

For generations, America was a new nation in an old world. Suddenly we have become an old nation in a new world. We are a battle-scarred veteran, and the young countries are looking us over. They want to know if we still have those qualities that have made us great. I say we have, and this is the time to prove it. This is a testing time for Americans.

We face enormous tasks, both at home and abroad. In a sense, these are extensions of one another. Abroad, we must bring peace to a warring world, at home, we must bring peace to warring society. Abroad, we must bridge the gulfs between the have and have-not nations; at home, we must bridge the gulfs between the have and have-not parts of our own population. Both at home and abroad we must break down the racial barriers that set man against man. These challenges, foreign and domestic, must be met at the same time. For unless we win peace abroad, whatever progress we make at home could go up in the smoke of a disaster enveloping the entire planet. Unless we win peace at home, we will lose the respect of the world and our rightful place in it.

Our message to the people of the world is and must be one of hope and assurance. We must declare that there is a way to cast off the shackles that have crippled mankind; we must insist that the conditions of life in most of the world today can be changed. And we must carry this message even more with deeds than with words.

Our government represents the people of the United States, but it must also speak to the people of the world—just as our whole society must. But unless we can speak confidently and proudly, unless we can speak from a platform of social order and social progress at home, we cannot expect our words to get a hearing abroad.

There are great tasks ahead—and great goals to reach. Fortunately, we have the tools to work with. Man's resource of will is the greatest natural resource the world possesses. No energy source tapped by science will ever be a substitute for human will power. When driven by a sense of necessity, a sense of survival, men and nations can perform monumental tasks, and they can overcome seemingly impossible obstacles.

If America is to be true to its destiny, true to its future, true to its promise, we must restore the sense of a driving dream. The American dream has been one of extraordinary power—precisely because it is rooted in the innermost strivings of man's spirit. It was Ralph Waldo Emerson who said. "I sing the infinitude of the private man." To release these energies and develop these infinite potentials is the continuing challenge of America.

Without God's help, we will surely fail; but with God's help, we shall surely succeed. To all people everywhere, the long dark night for America is about to end. The time has come for us to leave the valley of despair and climb the mountain so that we may see the glory of the dawn—a new day for America, and a new dawn for peace and freedom in the world.

[From the Washington Post, Dec. 20, 1969]

UNITED STATES RELAXES BAN ON CHINA TRADE

(By Murrey Marder)

The United States took its largest "small step" in 19 years yesterday to relax its embargo on trade with Communist China that was imposed to try to "isolate" that nation.

President Nixon approved, and the State Department announced, the first easing of the trade ban that goes beyond token relaxations. The core of the embargo is retained, however, forbidding direct U.S. trade with China.

The changes, effective Monday, are:

Foreign subsidiaries of American-owned firms will now be permitted to engage in trade with China on non-strategic items.

A U.S. firm's subsidiary in Canada, or Europe, for example, can sell trucks or radios or razor blades to China, and buy from it soybeans or tungsten or spices.

Restrictions are eliminated that now require U.S. firms or banks engaged in "third-country trade" to obtain certificates of origin where goods or commodities are of "presumptive Chinese origin" (to distinguish, say, between goods produced mainland in China and Hong Kong). Such goods produced in mainland require origin certificates to be shipped to the United States. This change is to improve the competitive position of American firms in foreign trade.

The $100 limit is removed on purchases of Chinese goods by Americans for non-commercial use, and the requirement is ended to limit such imports to "accompanied baggage." This makes it far easier for American tourists, museums or art collectors to import Chinese products for their own use, but not for resale.

State Department press officer Robert J. McCloskey described the triple actions as "a small step—not a great leap forward." These changes, he said, bear out the expressed desire of Secretary of State William P. Rogers to take actions that "we hope would improve relations with Communist China."

TWO POINTS STRESSED

For delicate diplomatic reasons, McCloskey stressed two explanatory points:

The new trade relaxations are "strictly unilateral and are not related to recent Warsaw contacts with Communist Chinese representatives," he said.

Also, "This should not in any way be construed to relate to Sino-Soviet problems."

The reference to Warsaw was designed to show that the trade decisions were not inspired by, or tied to, the new prospect of resuming a pattern of U.S.-Chinese diplomatic talks.

On Dec. 11, Walter J. Stoessel Jr., U.S. Ambassador in Warsaw, and China's Charge d'Affaires, Lei Yang, held the first of these talks in nearly two years, after China broke off a series of 134 meetings in Geneva and Warsaw that helped to compensate for the absence of normal diplomatic relations. Formal relations were broken, and the U.S. trade embargo imposed, after the Communists, in 1949, gained power.

The ambiguous disclaimer that the U.S. trade decision has any relationship to "Sino-Soviet problems" was intended to reassure the Soviet Union. The Kremlin has been openly suspicious that the United States may attempt to exploit Soviet-Chinese border tensions by acting with China against Soviet interests. China, in turn, regularly accuses the United States of engaging in "collusion" with the Soviet Union.

While seeking to disassociate the U.S. action from direct relationship to the American-Chinese talks in Warsaw, McCloskey said, "It does fit into the political desire to improve relations with Communist China and we hope this will prove to be true."

Secretary Rogers for months has taken the lead inside the Nixon administration to get approval of the trade relaxation measures. The relaxation encountered some opposition from the most conservative elements inside the administration, but the President and his national security adviser, Henry A. Kissinger, concurred.

REACTION IN TAIPEI

Unsurprisingly, the Nationalist Chinese government on Taiwan, informed in advance, did not support the decision. Its ambassador here, Chow Shu-kai, said after a call at the State Department yesterday that his nation has serious misgivings about the new U.S. policy.

In Taiwan's capital, Taipei, a government spokesman, when asked yesterday for comment about the U.S.-Chinese contact at Warsaw, said "to believe that the holding of talks with the Chinese Communists could ease world tensions is sheer wishful thinking." He cautioned non-Communist nations "not (to) play into the hands of the Chinese Communists."

For years many of the leading Chinese specialists in the United States have urged total abandonment of the U.S. trade embargo and yesterday's announcement stops far short of that. U.S. officials said yesterday that they have no way of estimating what the trade consequences will be of the new decision, partly because there is no assurance of China's reaction to it.

TRAVEL CURBS EASED

However China reacts, U.S. officials said privately, the new action, even though limited, marks an important move away from the concept of trying to "isolate" China. Until now, the U.S. policy shift was almost wholly symbolic. In July, the United States permitted Americans to bring home up to $100 worth of goods produced in mainland China, and eased restrictions on professionals to travel there. But China made no move to ease its admission of Americans.

One immediate enthusiast for yesterday's announcement was Senate Minority Leader Hugh Scott (R–Pa.), a collector of oriental art.

"485 DAYS IN MAJDANEK," BY JERZY KWIATKOWSKI

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. PUCINSKI. Mr. Speaker, I wish to direct the attention of the Congress and American society to the recently published book in the Polish language about German death camps during the Second World War.

This is a diary of an American of Polish descent, Dr. Jerzy Kwiatkowski, entitled "485 Days in Majdanek."

In the unanimous opinion of the critics, this book by Jerzy Kwiatkowski constitutes the most accurately documented and objective source of basic facts about concentration camps. Presenting without prejudice one of history's most depressing periods, this work by Kwiatkowski is, at the same time, a serious warning against inhuman devastation, caused by exuberant totalitarian chauvinism.

The author, a doctor of law, reserve officer before the war, and a member of the Polish underground—Armja Krajowa—during the occupation, having a knowledge of the German language, is an unusually bright, intelligent and objective observer. Though he himself was a prisoner, he describes the incidents as would an observer rather than a participant. He does not make any efforts to dramatize his experiences, writing with the sincere objectivism of a chronicler. On a few hundred pages, only a few times does he allow his personal feelings and emotions to show. However, he describes in a very detailed manner many common moments of life, which normally would not be worth mentioning, but which grew to matters of life and death in camp conditions.

The author attains a high level of objectivism in his characterization, not only of his fellow prisoners, but also the SS men and other minor camp officials, many of whom were often especially "imported" Nazi criminals. Because of the author's complete lack of dramatization, and thanks to his total of objectivism, the concentration camp appears in all its Dantesque terror.

In this book, more than in others concerned with the same topic, it is evident that in the camps the Nazis wanted not only to destroy the prisoner physically, but also to strip him of all his human feelings and reactions, to change him into a thoughtless animal. The author points out this cruel treachery of the Nazis, who put the execution of these goals to a large extent in the hands of the prisoners. And, in fact, many concentration camp prisoners were faced with the alternatives of either being beaten, or perhaps killed, or to beat and torture another creature as miserable as himself who never did anyone any harm at all.

Here is an example of the tone of this camp drama:

> After 15 minutes comes the command, "Arbeitskommando formieren" ("form a work detail"), and then to our great shock, we notice that near the bell on the pole hangs that Jew in uniform. Those standing the closest were told that he had been hung for attempting to escape, while actually he had fallen asleep in some corner while working at building barracks inside Postenkatte and had not returned to the field for dinner.—p. 167.

And further:

> "Researchers of Holy Scripture, so called Bifo, are martyrs of their own Faith. They are imprisoned only because their interpretation of Holy Scripture does not agree with the basic concepts of the national-socialistic structure. Every six months they are called to the camp administration office where they are presented with a declaration to sign, in which they deny their Faith. From the accounts of Hessl and some Kapos, I know, that in no concentration camp did any Bifo sign this declaration, thanks to which, supposedly, he would have gained his freedom . . . Because of this steadfastness the Bifo are held in high regard even by the SS.—p. 339.

Finally, an interesting observation by Kwiatkowski referring to his unprejudiced description of instances of really human SS-men and good Kapos:

> From my thoughts I absolutely do not draw the conclusion that the SS are angels and the fellow prisoners scoundrels. But the hate and the hypocrisy of the camp system depended on the fact, how often the SS left the chicancery of everyday baiting and poisoning of life to some of the characters among the prisoners—p. 464.

The author spent 485 days in Majdanek, after which he was transferred to Oswiecim—Auschwitz—and later to

Sachsenhausen; he was finally freed by the Americans on May 3, 1945, after spending 2 years in concentration camps. He was often beaten, suffered prolonged starvation, and suffered typhoid fever. In spite of this, he not only did not break down but—as is evident in every sentence of the diary—retained a perfect psychic and mental balance and did not lose faith in man or the ability to correctly judge human ethics.

The book by Kwiatkowski is definitely an invaluable document, which will be a source of excellent information to historians.

Though others have related to the same subject, Kwiatkowski's work describes in the most thorough detail to date the murder at Majdanek of 18,000 Jews on November 3, 1943. For this reason, this book has evoked interest among world Jewish organizations.

I strongly recommend this book as one of the most thorough accounts of man's inhumanity to his fellow man.

TOWARD PEACE WITH JUSTICE IN VIETNAM

HON. FLORENCE P. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mrs. DWYER. Mr. Speaker, on Tuesday, December 2, the House approved House Resolution 613, entitled "Toward Peace with Justice in Vietnam." As a cosponsor of the resolution, I voted to approve it. I did so for several reasons, including the following:

Because I believe that the President, as the constitutional officer with primary responsibility for the conduct of foreign relations and direction of the Armed Forces, deserves maximum understanding and support from the Congress so long as his policies are designed to end the destructive and costly war in Vietnam;

Because I believe that the President is genuinely committed to peace in Vietnam;

Because I believe that the President's efforts in this direction have already produced significant results, especially in terms of troop withdrawals, the continued halt in the bombing of North Vietnam, greater restraint in the conduct of offensive operations in South Vietnam, the speedup in equipping South Vietnamese forces to defend themselves, and his resistance of pressures to escalate the war;

And because the resolution itself is a positive expression of goals which I believe most of our people share for Vietnam: Peace and self-determination.

With regard to the rule under which we considered this resolution, Mr. Speaker, I should state that I voted for an open rule, rather than the closed rule, because of my conviction that on legislation of this importance the House should be encouraged to consider every aspect of the subject and permitted to vote on proposed amendments. Indeed, had an open rule prevailed and had the House considered amendments, the final action on the resolution would have carried substantially greater conviction and meaning.

It has been noted by many of our colleagues that House Resolution 613 is a simple, straightforward, to-the-point expression of the will of the House. I believe this is true. But the very fact of its brevity and simplicity necessarily introduces an element of ambiguity which, in the light of future events, could lend to possible misinterpretations of what the House or its individual Members really intended to accomplish with the resolution.

Consequently, Mr. Speaker, in addition to my statement of the reasons which led me to cosponsor and vote for House Resolution 613, I believe it would be useful to state the qualifications which accompany my support of the resolution.

First, approval of the resolution does not imply—to me—any kind of constitutional sanction to the undeclared war in Vietnam; the resolution is intended to help end the war, not to endow it with a legal status it does not and should not have.

Second, approval of the resolution must not be interpreted—so far as my vote is concerned—as providing advance approval of any step which would tend to escalate, widen, or prolong the war in Vietnam; again, the purpose of the resolution is to encourage U.S. efforts to end the war.

Third, approval of the resolution does not mean that I necessarily approve of every aspect of present U.S. policy in Vietnam; I have, for instance, long been urging that the United States take a strong initiative, either directly or through the Paris negotiations, to bring about a cease fire, mutually observed and enforced under international supervision—a move the United States has not yet made in any convincing way.

In summary, Mr. Speaker, my vote for the resolution is intended exclusively as a means of encouraging President Nixon to continue his efforts to end the war in Vietnam, to stop the killing and destruction there, and to resolve the issues by other than military means.

EIGHTH ANNIVERSARY OF U.S. GIFT OF SCHOLARSHIPS TO THE HAILE SELASSIE I UNIVERSITY

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. BRADEMAS. Mr. Speaker, I take this time to observe that this week marks the eighth anniversary of an important day in the relationship between the United States and Ethiopia in the field of education.

On December 18, 1961, on the grounds of Guenet Leul Palace His Imperial Majesty Haile Selassie I donated his ancestral home to the Haile Selassie I University.

At the convocation ceremonies, the Honorable J. Wayne Fredericks, then Deputy Assistant Secretary of State for African Affairs, read a message from President John F. Kennedy, which expressed best wishes on behalf of the American people and himself on the occasion of this great "Founder's Day." Mr. Fredericks also made the announcement of the U.S. offer of US$100,000 in scholarships to the new university.

The gift of up to US$100,000 will make possible 4-year scholarships for about 25 Ethiopian students in teacher education and about 25 students from other African countries in such fields as teacher education, agriculture, and health.

Mr. Speaker, President Kennedy's message to His Imperial Majesty on this occasion follows:

> Nothing evidences more clearly the faith of a nation in its own future and in the future of freedom everywhere than its creation of a great university. For a great university can stimulate those ideas and insights and inventions that service not only its own nation but all mankind. In the establishment of your first national university, to which you have given your honored name and ancestral palace and grounds, your nation has given new evidence of this faith.
>
> Through Haile Selassie I University, Ethiopia will have a greater place in the international common market of educational, scientific and cultural affairs. This world-wide common market offers, I believe, man's best hope of international understanding and peace.
>
> The University will also be the capstone of your nation's educational system, from the early grades to the level of graduate studies. Such an institution can exert great force for progress throughout all levels of an educational system. In this way it will help develop the human resources on which every nation must ultimately depend for its fullest economic and social development.
>
> On the occasion of "Founder's Day," and your presentation of the palace and grounds to the people of Ethiopia for the university, I have the privilege of expressing warm friendship and cordial best wishes on behalf of my country and for myself. In marking a new commitment to the power of education to assist not only national development but the wider diffusion of knowledge and understanding in all Africa and throughout the world, this day may well be historic even in Ethiopia's ancient traditions. We view the event with satisfaction for having a share of participation, through agencies of our government and through private universities and foundations, as well as through the role Dr. Bentley will play in helping to bring the institution into being. We hold great hope for long and fruitful service by Haile Selassie I University.

Mr. Speaker, the following is the full text of the inaugural speech delivered by His Imperial Majesty Haile Selassie I.

[From the Voice of Ethiopia, Dec. 18, 1961]

HAILE SELASSIE UNIVERSITY INAUGURATED BY EMPEROR

His Imperial Majesty Haile Selassie I inaugurated here this morning the Haile Selassie I University at an impressive ceremony attended by cabinet ministers, high ranking civil and military officials, hundreds of educationists and a large crowd of students. The ceremony took place on the lawns of the Guennete Leul Palace which His Majesty the Emperor has graciously donated to the newly-founded University.

The inauguration ceremony began with invocation prayers by ecclesiastical dignitaries led by His Holiness Abuna Basilios, Patriarch of Ethiopia. In a short address from the throne His Imperial Majesty, dressed in gabardine uniform bedecked with medals, formally announced the handing over of the Guennete Leul Palace to the University. H.E. Ato Yilma Deressa, Minister of Finance and Chairman of the Board of Governors of the University, thanked the Emperor "for the magnificent gift of Your Home Palace to the people of Ethiopia" and said "this splendid gift is an excellent example of Your Imperial Majesty's lasting faith and valiant struggle in the cause of education for more than three decades. It is a crowning gesture for the long record of achievement and the vision with which Your Imperial Majesty sponsored and advanced modern education in Ethiopia—a lasting symbol of benevolence and enlightened leadership."

H.E. Ato Yilma Deressa assured His Imperial Majesty that "this historic place will be preserved, at the same time serving as a reminder of Your Imperial Majesty's generosity, and serving the needs of the University."

His Imperial Majesty, who is the Chancellor of the University, then put on academic costume and delivered a moving speech formally inaugurating the University.

Associate Professor Alemayehu Haile heartily thanked the Emperor on behalf of the faculties of the University while Ato Mulu Bezzabeh expressed the gratitude on behalf of the students of the University for the magnificent gift the Emperor had made of his own Palace.

Ato Wubi-het Dilnesahu then presented guests representing foreign governments, universities, and other institutions. The guests included Prof. Rene David, (University of Paris), Sir Dennis Wright (University of Oxford), Prof. Kuhn Reetor (University of Vienna), Prof. Schnanbert (Technical Faculty of Giessen), Prof. Helstrom (Swedish Universities), Dr. William Hitzing (Columbia University), Prof. Ullrich (University of Bonn), Dr. Blagejovic (University of Belgrade), President Olpin (University of Utah), Prof. Miner (University of Michigan), Prof. Yani Wilson (University of Ghana), and Mr. Wayne Fredericks (representing President Kennedy and the United States).

All the visiting educationists made short speeches assuring full support for the development of the University. Mr. Wayne Fredericks read a special message from President Kennedy and announced that the United States was willing to provide Eth. $250,000 to assist in financing scholarships to Haile Selassie I University.

The Acting President of the University Dr. Harold W. Bentley, outlining the objectives and working plans of the University, said amidst applause "what kind of university is this aimed to be. First and always it is to be an Ethiopian University, designed, built, and operated to meet the present and future needs of Ethiopia. It is not to be a European, an English or an American University." (Full text of Dr. Bentley's speech will be published tomorrow).

Enthusiastic students then marched past His Imperial Majesty in a well turned-out procession carrying placards reading: "Haile Selassie I University, Agent of Unity, Symbol of Hard Work"; "Donation of Palace, an Expression of Genuine Dedication"; "Day to be Remembered—Beginning of a new era in education"; "Greatest Land-mark in Education and Symbol of Hopes of Ethiopia's Future"; and so on.

His Imperial Majesty then signed the Golden Book which was followed by a benediction ceremony conducted by His Holiness Abuna Basilios.

The inaugural ceremony which lasted about three a half hours came to a close with the playing of the National Anthem by the Imperial Bodyguard Band.

Following is the full text of the inaugural speech delivered by His Imperial Majesty:

"This is a most historic occasion for Us, and for the entire Ethiopian people. Today, the first convocation of this University, affords Us Our first opportunity, as Chancellor, to address the Governors, the Faculty, and the students as a single group.

"We welcome and greet you all on this occasion. You who have in the past, either as teachers or students, been united in spirit although members of diverse educational institutions, are now truly united in this University. We welcome the members of the Board of Governors, who will direct the policy of the University. We welcome the administrators, who will provide the framework within which teacher and student alike will work. We welcome you, the professors, the instructors, the lecturers, to whom has been confided the task of leading our youth to higher levels of knowledge and learning. We welcome the students, our own and those from other lands, who will study here and from among whom will come future leaders.

"We may pause briefly now to enquire why this University is being established, what goals it is seeking to achieve, what results we may expect of it and what contributions it can reasonably be expected to make.

"A fundamental objective of the University must be the safeguarding and the developing of the culture of the people which it serves. This University is a product of that culture; it is the grouping together of those capable of understanding and using the accumulated heritage of the Ethiopian people. In this University men and women will, working in association with one another, study the wellsprings of our culture, trace its development, and mould its future. That which enables Us today to open a university of such a standard is the wealth of literature and learning now extinct elsewhere in the world which through hard work and perseverance our forefathers have preserved for us. On this occasion We would like to remember with gratitude these fathers of great learning among whom We quote a few names such as Yared, Abba Giorgis of Gasicha, Absadi of Insaro, Wolde-Ab Wolde Mikael, Arat Ayina Goshu, Memihir Akala Wold and Aleka Gabre Medihin.

"Music, drama and other forms of art are rooted in the ancient history of our Empire, and their development to an even higher peak of perfection will be possible in the atmosphere of a University. Ethiopia is possessed of an ancient literature, and its study can be fostered here so that the Ethiopian youth, inspired by this national example, may raise it to yet higher levels of excellence. The study of the heroic history of Our Empire will stimulate the imagination of budding authors and teachers. The understanding of that philosophy of life which is the basis of our traditional customs will lead us all to a better understanding of our nation and of our nation's expression through the arts.

"The immediate and practical aim of this institution obviously is to educate the Ethiopian youth and to prepare them to serve their country. Although such education may be technical, it must nonetheless be founded in Ethiopia's cultural heritage if it is to bear fruit and if the student is to be well adapted to his environment and the effective use of his skills facilitated.

"Time was when strength and endurance, courage and faith, were sufficient to make leadership equal to the task. But times have changed and these spiritual qualities are no longer enough. Today, knowledge and training, as provided largely in the universities of the world, have become essential, and today leadership and advancement, both national, rely heavily upon the products of universities. Even as Mr. Tubman, Mr. U-Nu, and Madame Bandaranaika were each educated in their own land, We trust that this University will produce leaders of comparable stature. In all countries of the modern world, special competence is required to deal with the advancement of agriculture, industry, commerce, and the civil service. That competence can be secured only through facilities which are provided in modern universities. We have often pointed out that the future of Ethiopia is largely conditioned upon accelerated agricultural development, upon mineral exploitation and upon industrial expansion. Her survival depends on these, but they, in turn, depend upon the competence of those who have received and who will receive the essential education and training. It is Our confident hope that this institution, which has been planned for many years, will provide here, in our own land, for our own youth, higher education and the specialised training required for such development.

"That which man dreams of and to which he aspires, unless fulfilled in his own lifetime, can produce no actual satisfaction to him. As for Us thanks be unto God that in the founding of this University We have realised a lifelong aspiration.

"Considering the role of universities in a broader sense, We are persuaded that these institutions stand today as the most promising hope for constructive solutions to the problems which prevent the peaceful co-operation of nations, problems which threaten the world and humanity with death and disaster. From the universities must come men, ideas, knowledge, experience, technical skills, and the deep humane understanding vital to fruitful relations among nations. Without these, world order, for which we have so long strived, cannot be established. From the universities, too, must come that ability which is the most valuable attribute of civility men everywhere, the ability to transcend narrow passions and to engage in honest conversation; for civilization is by nature "the victory of persuasion over force'. Unity is strength. No nation can divide within itself and remain powerful. It is this strong conviction that underlies the decision to plan for the well-organised and coordinated system of education, training, and research which a university represents. A university is the fountain of learning; seek knowledge, and there you shall find it.

"Nor can we ignore the importance of the spiritual in this academic life. Learning and technical training must be nurtured by faith in God, reverence for the human soul, and respect for the reasoning mind. There is no safer anchorage for our learning, our lives, and our public actions than that provided by Divine teachings coupled with the best in human understanding. Leadership developed here should be guided by the fundamental values and the moral power which have for centuries constituted the essence of our religious teachings. These are crucial times when nations rise against nations. Tensions increase, and disaster is possible at any moment. Distances are shrinking; peace and life are threatened by misunderstanding and conflict. Now is the time when the sincere belief man's kinship to God must be the foundation for all of Man's efforts enlightenment and learning—the basis for the understanding, co-operation and peace. We charge all of you, the members of this University, that these special values remain foremost as a foundation for your knowledge and thought, so that the fundamental moral truths will buttress and support the whole structure of university life.

"Discipline of the mind is a basic ingredient of genuine morality and therefore of spiritual strength. Indeed, a university taken in all its aspects is essentially a spiritual enterprise which, along with the knowledge and training it imparts, leads students into more wise living and a greater sensitivity to life's true values and rewards. Because of this essential spirituality of the university experience, religious institutions can play an important role, particularly by inspiring the students to seek knowledge and training with great eagerness and to exert themselves to their utmost capacity in their studies.

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"Education is costly, and higher education is the most costly of all. But it is also an investment, a very profitable investment, and the money spent in coordinating, strengthening, and expanding higher education in Ethiopia is well invested. We are proud of Our people's recognition of the value of education. Their concerted effort in the building of schools and other social activities is most gratifying. Educational institutions, unlike business enterprise, do not exist and operate for profits in dollars and cents. They exist to perform public services, and they are judged by the effectiveness and economy with which they perform services.

"To the Board of Governors, to the administrators, We recommend economy so that the benefits of the University can be enjoyed by as many of our young men and women as possible. Not a dollar should be wasted of the money so hardly earned and so generously contributed by our own Government and by the Governments of other nations. Plan thoughtfully, supervise closely, and manage economically, to the end that the greatest possible returns may be realised in the preparation of competent manpower, in useful research and in training both technical and moral leadership. An immediate gain of the consolidation and coordination, the centralisation of resources and operation, should be a saving in costs, and We urge all to co-operate fully in the attempt to realise this objective. Diligence is demanded in developing the University as rapidly as possible to meet the compelling needs of Our Empire.

"We would ask that extraordinary emphasis be placed on the training of teachers for our primary and secondary schools. The educational process cannot be a narrow column; it must be in the shape of a pyramid and broadly based. To provide this broad base, large numbers of teachers are required, and we have a duty to provide Ethiopian teachers for these schools. This is why We have established teachers training centres in Harar and other places.

"The study of the humanities must not be neglected, and the College of Arts and Sciences must be strengthened and encouraged to develop its studies. These are the subjects which contribute most to the understanding and growth of our cultural heritage, and so assist in fulfilling one of the University's primary aims. These studies, which are concerned with human cultural achievements, human rights and duties, human freedoms, will enable youth to develop the understanding and judgment necessary to the formulation of a sound philosophy of life, to the making of wise choices, and to understanding what is involved in these choices. These young people face a world beset with the most effectively organised programme of deceptive propaganda and of thinly-screened operations ever known, they deserve the best that can be taught by their parents, by religious institutions and by the University, to prepare them for a wise choice among contending ideals.

"We would ask for the immediate founding of a graduate Faculty of Law, where our own graduates may be trained to enter the legal profession. Our Empire has need, in its courts, its government, its commerce, for well-educated lawyers, and particularly for those who have been trained in their own university, in their own codes and customs. We would also ask for the organisation of a Faculty of Medicine in the near future. The training of doctors is a long and arduous process, and this very fact makes it all the more urgent that our own Faculty be inaugurated as soon as possible.

"Up to the present, technical training has been achieved through the College of Engineering and in the Ethio-Swedish Building College. These institutions, we trust which are now merged into the University, will be expanded and developed so that the number of competent Ethiopian technicians will continue to increase.

"While laying great stress on education for our younger citizens, we should not forget the obligation and the opportunity which the University will have with respect to the older citizens. As we study the plans and projects of this University, We realise that much attention is being given to the extension of its usefulness to the entire population, in the form of extension courses and lectures. This is according to Our wish. Haile Selassie I University should attempt, either at this main site or at a branch, to serve every qualified citizen who wishes and is able to avail himself of the resources of the University if he is willing to do the required work.

"We do not suggest that the list of needs which We have mentioned is complete, but they represent needs to which this University is seeking to respond. The heaviest responsibility will, naturally, fall on the Faculty. Their is the job of training the minds and hands of the youth of Ethiopia in the knowledge and in the special skills. We may all be proud of the Ethiopian members of the Faculty who have adopted this highest of callings and who have in the past and will continue in the future to render great service to their nation. The teachers who, in the past, coming from many different countries, have discharged the duty of educating Ethiopia's young men and women have earned Our appreciation and gratitude and the appreciation and gratitude of all of us. Their example should spur on those who staff the Faculty of the University to pursue their tasks with diligence and to spare no effort to ensure that their teaching inspires those who study in their classrooms.

"We sincerely thank Dr. Lucien Matte who assisted Us for many years with loyalty, devotion and diligence in Our efforts for the progress of education in Our country and in the establishment of the University College of Addis Ababa which is one of the affiliated institutions to the Haile Selassie I University.

"Also we wish to remember the late Mr. A. Besse who was one of those who have generously contributed towards the establishment of this University.

"All of you must maintain the highest standards in your instruction in order that the overall standard of this University may be second to none. Work together in harmony, as a team, in raising this institution to the highest academic levels. Each of you must do his part to contribute to the advancement of knowledge. You must above all be scholarly, for it is by deeds rather than by words that you can most effectively inspire your students to heed your words. Each of you should consider it his duty to pursue research in your own field of study, for you will thereby bring renown both upon yourselves and upon the institution.

"On many occasions during recent years, We have had the opportunity to speak to our students. We trust that Our love and consideration for them and the deep interest which We feel in their progress has been felt and understood. Today, We have dedicated Our home, which We received from Our noble father, to their service as a free gift to the nation, in the hope that We thus contribute to the opportunity for them to prepare for fruitful careers.

"We ask that each student who passes through these halls devote himself to the development of his mind and body, his mental and physical prowess, so as to be better able to serve his country and his fellow countrymen. Choose the field of study which best suits your talents, continue unwavering in your diligent studies, prepare yourself for service in whatever profession you may best be fitted. God grant you success."

TIME FOR A NEW SQUARE DEAL

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. BROYHILL of Virginia. Mr. Speaker, Mr. C. Calvert Hines of 800 Villa Ridge Road, Falls Church, Va., has recently provided me with a copy of a letter he addressed to Dr. Nathan Pusey, president of Harvard University, and an article entitled "Time for a New Square Deal," both of which I feel merit the careful attention of all who read this RECORD.

I insert the text of the letter and the article at this point in the Record:

DECEMBER 12, 1969.

DR. NATHAN PUSEY,
President, Harvard University,
Cambridge, Mass.

DEAR DR. PUSEY: Since you took the trouble to acknowledge my letter and make a serious comment, a letter which could not have been pleasing to you personally, let me call a cease-fire on my attack on you as a self-appointed leader of middle-of-the-road alumni. Perhaps there is something in the Harvard situation which I have not perceived. If so, I and the rest of the alumni should know about it. Meanwhile, here are a few more thoughts from a lowly observer of the Harvard scene, which I know to be shared by many of the alumni.

Many of our leaders today, it seems to us, seem to be beclouded by subtleties of "liberal" thought which obscure the simple elemental facts of life. Our enemies, in using this fog to screen their purposeful maneuvers, never lose sight of these basic truths—that he who has power can rule, and that he who can capture men's minds wields power. The most untutored savage or the most immature youth can strike down the wisest of our savants, if he be left unguarded. It is the obligation of the wise to use their gift to free men from oppression, to protect those who are ignorant or foolish, but also, first and foremost, to maintain control and keep themselves alive and free from intimidation by force. Today, men who wish to make use of the voices and muscles of our own people against our free institutions have captured the minds of many who are immature and ignorant, and our leaders seem to have lost sight of the fact that force must sometimes be met with force.

Our leaders need to recognize that the challenge to their leadership is a powerful assault which could prove mortal. So far, I see this recognition in Nixon and Agnew but in few others, and those few seem to doubt whether it will avail anything for them to declare themselves and throw themselves into the fray.

In my opinion, now is a time when all good men should come to the aid of the party, and of the Nation. There are dangers on the left and dangers on the right, and those of us on the middle road cannot afford to sit still or go half way.

Representative Broyhill of my district, who sees realities in simpler and clearer focus than most, still is constrained by cloudy considerations of freedom to assemble and to speak, from directly facing the need to protect the seat of government from menacing mobs. Senator Scott and those of his luncheon group seem to be impelled by more practical considerations of being re-elected by constituencies infected with "liberalism", to sabotage their leader's efforts to return the Court to its proper job of protecting the structure rather than the termites gnawing at its foundations. All of these men work strenuously from day to day trying to shore up the crumbling bastions, apparently unable to contemplate the possibility that the whole structure may be swept away, that all their past efforts may be wasted, and indeed, that they may have no future.

The one simple fact is that if the mobs are allowed to continue and to strengthen their assaults, the structure will fall. And the remedy is simple also—simply to make it clear by legislation, that mass demonstrations will not be permitted in the Nation's Capital, and will be prevented by whatever degree of force is necessary. This is elementary, this is what was intended in giving the Federal Government control of the Federal District. Certainly it is a limitation, but it leaves open wide enough areas of freedom, certainly wider than will be left if the demonstrations continue.

Freedom is always necessarily limited in its own protection: without discipline there can be no family, and without law and order there can be no Nation and no protection to the sanctity of the body and its freedom. Mobs cannot be permitted to assemble and harangue in the halls of Congress; the first duty of government is to protect its own being and freedom. No more can we permit mobs to wander unchecked in Washington, endangering and attempting to intimidate our President and our Congress.

At Harvard also the facts are simple; the solution is not easy, but it is easier than the alternative. What is needed is simply to stop tolerating student violence and insurrection. You say you can understand my strong feelings, but you say nothing about measures to remove their cause. I would appreciate it much more if, when you learned of the recent planned attack, you had caused University Hall to be surrounded by several hundred fighting men, and if, when the lawbreakers had broken and entered, they had all been arrested and summarily expelled. You would only need to do this once or twice, and these attacks would cease. The alternative likely is, that one of these times the mob will burn down University Hall, and maybe all of Harvard. How will you feel if then they say, "He sat by while Harvard burned, and now he just sits and there is no Harvard." Ah, veritas.

We would hate to see it come to pass, but in all veritas we can get along better without Harvard than without Washington. This is where comes the need for all strong men to devote their full powers to supporting their government. The Republican party stands for conserving and preserving, foremost, our free form of government; faults it may have, but if it falls, it will be too late to institute reforms. I believe the majority of the people in all the states are thinking this way; and that this is a time when candidates who feel it necessary to hedge their bets should not be allowed to run under the Republican flag. Why should they not take a small risk; the day may be coming when a lot of people will risk their lives to keep the rabble out of Washington, as Stewart Alsop astutely infers. Plans are now under way to get around the press barrier if there is another demonstration, and call on the moderates by telephone and personal contact. The next time, they will merely give signs of support for the government. The time after—who knows.

Sir, my letter to Harvard alumni asked for action to put the University in stronger hands. If you are willing to exert the power vested in you to get the University back under control, we squares of the alumni, and I think we are the majority, will rally our support to the strength of your hands.

Sincerely yours,

C. CALVERT HINES.

TIME FOR A NEW SQUARE DEAL

(By C. Calvert Hines)

As the old saw goes, a word to the wise is sufficient. Well, the words are pouring forth, and the gist of what they say is, the middle-of-the-road squares don't think they've been getting a square deal from the media. Furthermore, it looks like the squares are in the majority, and that now they are getting into a fighting mood. The media will be very unwise indeed if they don't take heed.

As Alsop said recently on the last page of Newsweek, many of the demonstrator kids are undoubtedly sincere, but so are the solid citizens who have come to despise them and hate their guts. Again, many of the pro-liberal reporters and editors are sincere and believe they are doing the right thing, but so are the conservative readers who are so fed up that they are cancelling subscriptions, and, finding they have nowhere else to go, are now beginning to talk about a need for new media.

After 40 years of New Deal thinking the editors, particularly those in the rarefied atmosphere of Washington, sitting in their ivory towers and looking out through their pale pink Roosevelt-colored glasses, can't seem to see that there is a potentially explosive "square deal" counter-revolution getting under way, which just might sweep them off the plush thrones they have so long occupied. They need to see the light and starting mending their ways, and quickly.

For the message is coming in loud and clear. A thousand cars roll for the rule of reason in liberal New York City; letters pour into the halls of Congress and the White House; Mary McGrory, the Washington Star's square-needler, is swamped with requests to drop dead and cries plaintively for a Holidays mail moratorium. It seems clear that Agnew didn't start the reaction but merely triggered it. The middle-of-the-roaders sympathized with much that Wallace said, but not many felt they could march under his banner. Increasingly, in Nixon and Agnew they have found leaders to fall in behind, and they are dusting off their American flags and getting ready to march.

Like most of the other squares and unlike most of the demonstrators, I have a job to do, a living to earn, a family to support. It takes a very important cause to stir us squares into action. Well, we have such a cause today. I believe there are millions of us who feel that if things go on much longer as they have in the past two years of riots and confusion, our government and institutions may fall, and if this should come to pass, we see no happy future for families. So we are now willing to do battle for the Constitution (as strictly interpreted), even if we have to neglect some of our daily chores for a while.

From personal experience, I see some hope emerging in the struggle to get some representation in the existing media; for example, when the Washington Post published on December 12 the letter reproduced below. This letter was sent to Katherine Graham herself and she appears to have exerted some influence on the editor to print it.

A "SQUARE" REASSESSMENT

Perhaps Mr. Agnew and the rest of us pro-Nixon squares have been a little less than just in our feelings about the top management of The Washington Post and Newsweek. We still have no doubt that the pro-liberal bias is there, but perhaps it is due more to the staff of working reporters and editors imbued with 40 years Washington conditioning in "liberal" views and tactics.

I canceled my subscription to Newsweek before Agnew, when the cover featured the line "Nixon in Trouble." A careful perusal of the inside contents revealed only that Newsweek *wants* to find Nixon in trouble, and my reaction was, this is the last straw and as far as I am concerned Newsweek is in trouble, which proved to be prophetic.

While most of us squares are fully convinced that Newsweek and The Post are biased, in all justice we must admit that Mrs. Graham's reply to Agnew, while failing to take a square look at the charges, was much more temperate than most of the media reactions. In fixing the blame on the joint ownership. Agnew may have been overanxious to hoist the "liberals" on their own petards, since trust-busting of worthy enterprises is their own stock in trade. He might have been more correct in accusing the working stiffs of closed-union tactics against the untutored squares.

My grievances against the media fill 20 pages of an article which no news medium will publish, but in this letter, I will make only two brief points:

1. As Alsop said of the demonstrators, the media are having fun lambasting Nixon; so that no matter what Nixon may do, and he must have done one good thing or two, I defy anyone to produce a clip from Newsweek praising any Nixon word or action. Alsop may call this fun and games, but a lot of us call it bias, and on the part of men with a public responsibility, we also call it irresponsible and vicious.

2. During the disgraceful October and November demonstrations, The Post along with other Washington media published thousands of words portraying Sam Brown and his cohorts with sympathy, but *not one word* from supporters of our official government policy except *in a paid ad*. We tried repeatedly with all the media to get word out asking people to show support for the government by burning their headlights and displaying small flags on their antennae, but not one word went out. Next time if need be we will get the word out by telephone and personal contact and will explain why we find this necessary. Enough said.

C. CALVERT HINES.

FALLS CHURCH.

There were many phone calls regarding this letter, and one caller told me that she had a missive from Mrs. Graham saying that the Post was looking for a conservatively-oriented columnist. I immediately applied; as mentioned, I have a job and am not doing badly, but I would jump at a chance to get some conservative views into print on a regular basis.

Incidentally, many of my callers have volunteered to make phone calls and personal visits to get the word around on recommended counter-activities in the event of another mass demonstration, and this included some who remain loyal to the Democratic Party, at least in local politics.

So, unless the media change radically before the next demonstration, action is forthcoming. Volunteers are being signed up, the wires are already busy; and money will be found to get the message out in paid ads as well as in person of this proves necessary. The effort will be non-partisan, for Democrats and Republicans, rich and poor, black and white; they may disagree on many things, but all are agreed on the points brought out in the letter. It has been suggested that we adopt the title ASDM—American Square Deal Movement—and work for a revival of patriotism and support a middle-of-the-road position, not only on the war issue but in other important matters—opposing closed-mind reactionary thinking as well as overly liberal permissive attitudes.

To return to the media—evidence of pro-liberal bias in the Washington Post could be found by analysis of any day's news offerings, and I would be glad to provide documentary evidence if anyone feels it necessary. Broadening the view to the nation-wide press, radio and TV, reporting of the Tet offensive and the My Lai incident provide classic examples of reporting at its worst. The American press pictured the Tet offensive as a defeat for U.S. forces; the rest of the free world reported it accurately as a costly—almost a last gasp effort comparable with the Battle of the Bulge and the suicidal Kamakaze assaults north of Okinawa. The European press has been puzzled by the masochistic tone of U.S. news coverage of the My Lai affair; they see it as an isolated incident in no way typical of U.S. military behavior.

Certainly there should be some limitations on the freedom of the press, aside from the basic requirements of accuracy and impartiality; there should not be freedom to infer that top military officials ordered, or at least condoned the slaughtering of non-combatants; nor should there be freedom to bring out details and arouse emotions which make it impossible for the defendants to have a fair trial, let alone a chance for a future honorable career.

Well, so much for the past; let us look to the future and ask—if, as seems evident, many of the public have lost faith in the accuracy and fairness of the media, and if some of those in control of the media should decide to go to work to restore this faith, what shall they do?

First of all, they can police themselves: they can make sure that news they don't like is not suppressed; they can see to it that opinions on both sides of the great issues are presented in even proportions. However, while I see some change for the better since Agnew, I am afraid that more than self-policing is needed; most of the men are too set in their pro-liberal molds.

I have suggested to Congress that it set up an impartial commission to observe and report on the accuracy and impartiality of the media. Fairness self-imposed is the ideal, but perhaps it is more than can be expected of most humans; perhaps the best we can do is to make sure that the media give the people what they want. The commission would be composed of representatives of labor, of management, of the general public, and of the media themselves; to be appointed by the President and confirmed every two years by the House of Representatives, the organ of government most sensitive to current moods of the people. To my mind, no enforcement except publicity should be necessary; the commission need only be obligated to maintain continuous study and publish regular reports, perhaps semi-annually.

So I go a step beyond Mr. Agnew, and I believe I am not alone. And perhaps such a solution would be less onerous than what may come to pass if something of the kind is not done. And if the media themselves would take the initiative in such a venture, it would go a long way toward restoring the faith which the public should have, and deserve to have in their public media.

FUNDRAISING FOR RED STORM TROOPERS

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. RARICK. Mr. Speaker, the Black Panther's promoted notoriety is now being capitalized on for fundraising. Here in the District we learn that an Episcopal church was supplied a predominantly white audience to attend a fundraising rally—supposedly in support of the Panthers.

Similar greetings and laudations have come from Havana and from North Korea.

The color approach may differ, but behind the scenes it is the same leftist crowd, old and new, trying to captivate some un-American cause for profit. The "peace and justice throughout the world" movement is mobilizing for funds to hire its mercenaries—it is getting harder to fool the liberals and the poor people.

Mr. Speaker, a local news report, the November Latin America Report, a reprint of a monitored radio message from North Korea, and several letters follow my remarks:

[From the Washington Post, Dec. 21, 1969]

GOOD WISHES DON'T HELP—PANTHER RALLY TOLD OF FINANCIAL NEED

(By Joseph D. Whitaker)

A member of the Philadelphia Black Panther Party told a predominately white audience at St. Stephen and the Incarnation Episcopal Church here last night that the party needs more financial support and less well-wishing from so-called white liberals.

Speaking at the rally called in support of the Panthers, Marty Blue of Philadelphia said there are a lot of white people who wish them luck, "but the Panthers don't need luck, they need support."

Blue and Rennie Davis, a defendant in the Chicago conspiracy trial, were brought to Washington by 11 local organizations, including the D.C. Democratic Central Committee, the Emergency Committee on the Transportation Crisis and the Washington Mobilization for Peace in Vietnam.

In earlier comments to the audience, which was dotted with middle-aged whites flashing protest buttons, John Carter, vice chairman of the Emergency Committee on the Transportation Crisis, said that the "Nixon administration is coming down on black people with all intent to kill. We are here to question the value of the U.S. Constitution and what your relation is to it."

Rennie Davis told the group the trial in Chicago is part of the new administration's strategy to suppress antiwar protests. He said the President is using the antiriot act to disband any form of dissent, from campus rebellions to the Black Panther movement. (The antiriot act defines "riot" as any assembly of three people or more, one of whom threatens to break a law.)

John Rudder, of the Coalition Against Racism and Fascism, asked the group to support a public demonstration against Rep. Joel T. Broyhill (R-Va.) for comments he made on the House floor late last week involving Julius Hobson, Marion Barry, and Willie Hardy, whom he called "bleary-eyed malcontents."

"Broyhill's attack on Mrs. Hardy is tantamount to an attack on all women seeking peace and justice throughout the world," Rudder said. He said that white women "should re-examine their relationship with black women" and join the effort to bring an end to the defamation of black people.

[Foreign Broadcast Information Service, Daily Report, Dec. 18, 1969]

TELEGRAMS OF SUPPORT SENT TO BLACK PANTHERS

(Pyongyang KCNA International Service in English 0344 GMT/Dec 69 B)

Pyongyang December sixteenth (KCNA)—The Korean Democratic Lawyers Association and the Korean Committee for Asian-African Solidarity sent telegrams to the Black Panther Party of the United States of America, denouncing the U.S. imperialists ever-intensified fascist outrages against and suppression of the Black Panther Party of the USA and expressing solidarity with the righteous struggle of the party.

Pointing out that the U.S. imperialists' ever intensified fascist outrages against and suppression of the Black Panther Party of the USA have evoked surging indignation among the Korean people, the telegrams noted that such outrages of the U.S. imperialists are not only a vicious criminal act against the Black Panther Party of the USA but also a shameless challenge to the Asian, African and Latin American peoples and all the people who love freedom and justice.

The Korean people who always resolutely support the liberation struggle of all the oppressed peoples strongly hold that the U.S. imperialists must stop at once all their acts of suppression against your party and immediately and unconditionally release the leaders and members of the Black Panther Party of the USA whom they illegally arrested and imprisoned, the telegrams stressed.

The telegrams expressed the conviction that the leaders and members of the Black Panther Party of the USA would win final victory in the end bravely overcoming all kinds of suppression and persecution by U.S. imperialism and voiced once again firm solidarity with their righteous struggle to break the chains of slavery and achieve freedom and liberation.

[From the Latin America Report, November 1969]

ARE ANTIWAR DEMONSTRATIONS DIRECTED FROM HAVANA?

HOAXES PLAYED ON SOVIET EMBASSIES

On November 15, as Moratorium- and New Mobe-led Americans converged on Washington, Radio Havana, Cuba, broadcast the following message in English to the United States: "The Tricontinental Committee for Support of Vietnam urgently calls on the people of the whole world to organize a campaign of international mobilization, huge and powerful, in support of the Moratorium movement in the United States." The broadcast added: "Our campaign will continue into 1970 and will have its major emphasis in the week of solidarity with Vietnam, from December 14 to 20 of this year." For Communist Cuba, the Moratorium is "our campaign."

The majority of those participating in the Moratorium claim they are motivated by idealism, and pooh-pooh the thought that they may be responding to Communist leadership. While the overwhelming number firmly believe this, the evidence is no less overwhelming that they are following a Communist bluprint for victory that was hammered out in Havana, Cuba, four years ago.

The momentum to force the United States to withdraw its support to governments under Communist attack (Vietnam) came out of a "Tricontinental Conference," held in Havana from January 3–15. 1966. The Conference was attended by 782 accredited Communists from 82 countries in Asia, Africa and Latin America, who developed what is now known as the Tricontinental Organization (OSPAAAL). The Soviet Union gave the conference its overt sponsorship and sent 40 official delegates, including Sharaf Rashidov, a candidate member of the Supreme Soviet. Red China came next with 34 official delegates. The two Communist powers emerged as leaders of a Havana-based central strategy body within OSPAAAL which is now directing "wars of national liberation" throughout Asia, Africa and Latin America.

OSPAAAL has two missions—1. to foment and direct "wars of national liberation," and 2. to undercut nations of the free world who are fighting them. The point is that the Vietnam war is considered by the Communists to be the prototype of all future wars of Communist agression. The purpose of convening the Havana Conference was to devise a strategy to protect those wars from a free world, specifically, a United States, response. The test case is Vietnam.

The groundwork had been laid well in advance. On April 7, 1965, nearly one year before the Havana conference was convened, Cuba, under Soviet auspices, announced via Prensa Latina that it had organized what it called a "Latin American Commission to Aid Vietnam." Headed by Hilda Gadea, former wife of the late "Che" Guevara, the Commission boasted that by 1966 it had committees operating in 25 countries and dependencies in Latin America.

Their purpose: To terrorize and pressure governments in those countries into taking an anti-American position on Vietnam. This first, and necessary, step had to be taken if "Che" Guevara's call for exploding more "Vietnams" was to be realized. By under cutting the United States' war effort in Vietnam, governments in Latin America and elsewhere would, in fact, be undercutting their response to "Vietnams" exploding in their own countries. This OSPAAAL set out to accomplish.

The goals adopted by the Tricontinental Committee for Support of Vietnam follow:

"All progressive forces are to join in a mass movement to demand the immediate cessation of the war of aggression in Vietnam; the immediate, final and unconditional cessation of air raids against North Vietnam; the withdrawal of all North American troops as well as the troops of satellite countries from South Vietnam; and the dismantling and removal of the North American military bases in South Vietnam." How many U.S. Senators today espouse these same goals?

The way to achieve these goals was also spelled out, and follows:

"To develop in every way—through demonstrations, rallies of protest, boycotts against the loading and transportation of arms and war material and North American troops, celebration of days and weeks of solidarity (Moratorium) against the war . . ."

It is within the context of this Communist resolution of 1966 that the recently broadcast Tricontinental support for the Moratorium has its real importance.

Just why the Communists consider it vital that the United States be undercut in Vietnam is also spelled out in another resolution adopted in Havana back in 1966. Here it is:

"The Conference considers that the struggle of the people of Vietnam is in itself a direct support and a powerful contribution—especially through the rich experience accumulated—to the national liberation movements of the people . . . a brilliant and courageous example and a stimulus to all the progressive people of the world."

In short, stop the free world from responding to aggressive "wars of national liberation" as in Vietnam, and the road is left open to Communist conquest on enemy terms. So, what President Nixon does or does not do in Vitenam will affect the entire course of our foreign affairs for decades to come. And the Communists seek to inhibit the President's actions—to intimidate him—in typical Communist fashion.

Cuba, inspiration, training ground

Why Cuba? Why did the Russians choose Cuba as the site for this provocative conference? The answer is that the late President Kennedy, in exchange for the alleged withdrawal of Soviet long-range missiles in 1962, extended to Cuba the status of a Communist sanctuary. Cuba has since emerged as the "North Vietnam" of the Western Hemisphere and is ruled by a rabid anti-American, Fidel Castro. It's estimated 43 guerrilla training camps, leadership schools and political indoctrination centers turn out thousands of guerrillas and subversives now formenting "Vietnams" not only in Latin America, but in Africa and Asia as well. Ideology was relaxed enough to make room for non-Communist Arab officers to train alongside Communist Senegalese and Latin Americans. Cuba has an estimated 300 Negro troops in the Congo (Brazzaville), underscoring the global importance of that Caribbean island, only 90 miles from Florida.

Obviously, the Communist consortium operating in Havana has not overlooked the utility of Cuba as a base for subverting the United States itself. (H. Rap Brown: "We live in the heart of the monster and will destroy it from within.") Well before there were significant acts of resistance to the Vietnam war in this country, the OSPAAAL spelled out what it expected of American youths. Using the Communist lingo of reporting plans for the future in the present tense, the Havana conferees appealed to American youth in the following terms:

"We congratulate the youth of the United States who refuse to become accomplices to the crime of genocide perpetrated by Johnson's government against the Vietnamese people, who destroy their draft cards in order not to participate in the slaughter . . . refuse to permit the recruiting of mercenaries on American Campuses . . ." All of these have come to pass, in mounting response to Havana's call.

This resolution was followed by the creation of the Latin American Student Organization (OCLAE) and a call for youths to "launch a wave of sabotage against Yankee interests throughout the world." It urged "demonstrations, sit-ins, death marches, protest meetings and denunciations of Yankee policy" These, too, have come to pass.

In August of 1967 Stokely Carmichael, then of the Student Non-Violent Coordinating Committee, journeyed to Havana where he participated in an OSPAAAL conference, made common cause with the anti-war aims of Castro's student organization and concluded with a world tour denouncing the United States for trying to stem the Communist advance in Vietnam. Also present at the Havana meeting was Juan Mari Bras, head of Puerto Rico's Communist Pro-Independence Movement and its satellite students organization, FUPI. This September, FUPI burned down the ROTC facilities at the University of Puerto Rico (see Latin America Report, Oct. 1969). The faculty has since decided to ban the ROTC from the campus.

Dave Dellinger of the New Mobilization, and principal instigator of last year's Chicago convention riots, has attended subversive conference in Havana. So has George Murray, who exploded San Francisco State College last year following his return from Havana. S.D.S. leader Mark Rudd attended Havana's Student Mobilization Committee to End the War in Vietnam in early 1968, then returned to trigger the sacking of Colombia University in April of that year. The September 15 edition of Cuba's Granma reveals that Castro's OCLAE is in direct contact with the S.D.S. through the latter's office in Mexico City. Not least, Black Panther leader, Eldridge Cleaver, now operates out of Havana as did Robert Williams before him for many years.

H. Rap Brown has been on the phone with Havana a number of times, as has Stokely Carmichael, Floyd McKissick and Black Panther Bobby Seale. On August 15, 1968, Dave Dellinger told Havana by phone in advance of the Democratic Convention in Chicago: "Youths in the United States will force the Democratic Convention to quit the war in Vietnam . . . we will keep our active resistance in the streets until all U.S. soldiers return from Vietnam and the current policy of repression against the Negro community is stopped . . ."

A Tricontinental Resolution on American Negroes outlines Communist plans to use Negroes for political purposes:

"During the rioting in Watts, Los Angeles, and Chicago, Afro-Americans proclaimed that they were fighting a common cause with their Vietnamese brothers against racism and North American imperialism . . ." This certainly was not the case then, but few can deny that militants within the civil rights movement today indeed identify civil rights with the war in Vietnam.

How this came about is suggested in yet another Tricontinental Resolution:

"While Afro-Americans do not form part of Latin America, they merit special consideration, and we call upon the Tricontinental Organization to create the necessary mechanism so that these brothers in the struggle will in the future be able to participate in the great battle being fought . . ."

Circumstantial evidence more than suggests that the "necessary mechanism" has been forged since 1966 which identifies civil rights with an end to the Vietnam war. It appears to have started on March 30, 1967, when the Southern Christian Leadership Conference condemned the war in Vietnam, said that U.S. response to aggression was morally and politically unjust and charged that draft boards were racially motivated.

Then, on April 15, 1967, Stokely Carmichael joined Rev. Martin Luther King in staging a massive anti-Vietnam war rally near the United Nations, in New York. It was supported by something called the Spring Mobilization Committee to End the War.

There we have it. Only the naive can believe that these intricate, inter-locking events are mere coincidence. They represent ideological purpose and superb planning.

An even more recent event serves to dramatize the interest which Communist Cuba has in anti-war demonstrations. On November 16, the day following the Moratorium march on Washington, Castro's Prensa Latina issued this release:

"Messages of solidarity with the Moratorium and congratulations have been addressed to the American people by AALAPSO and by the Tricontinental Committee of Support for Vietnam."

STOP THE TRIAL

DEAR FRIEND: As you are surely aware, seven prominent political activists are now on trial in Chicago federal court, charged with intending to incite riot during the Democratic National Convention. An ACLU Director has called it "probably the most important political trial in the history of the United States." Certainly no other trial in recent memory has cast such dark shadows across our assumptions about the judicial and political process: An eighth defendant, Panther Chairman Bobby Seale was chained and gagged in the courtroom for his refusal to accept the denial of his right of self-defense in the absence of his attorney, Charles R. Garry. Because of the "outbursts," trial judge Julius J. Hoffman declared a mistrial for Seale, sentencing him to four years imprisonment for "contempt of court." Attorneys who were associated with the defense in pretrial work were likewise jailed for contempt of Judge Hoffman's court.

The continuing trial in Chicago is the first under the infamous anti-riot provision of the Civil Rights Act of 1968. Congress passed the provision under pressure from segregationists who were anxious to bring the enormous investigative and legal machinery of the federal government to bear against black civil rights activists.

As this first indictment shows, the blanket provisions of the Anti-Riot Act can all too readily be applied against political dissenters in general and anti-war protesters in particular. The new men at the Justice Department have been quite candid in their views on dissent. Will Wilson, the department's chief of prosecutions, told a reporter: "On the question of where does free speech

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move toward public disturbance, my answer would be: "pretty soon." Because the "Anti-Riot" Act undertakes to punish intent rather than acts, it is a frighteningly effective weapon for the intimidation and harassment of those who would speak too freely—on the war, on the crucial issues that grip this nation.

Those of us who have felt impelled to support organized protest against racial injustice at home and a horrendous war in Asia have an obligation to support the right of organized dissent. Seldom have the lines of liberty and repression been so clearly drawn as they are now in Chicago.

In order for the defense of the Chicago Conspiracy to be handled properly and a strong Constitutional test of the Anti-Riot to be made, funds are very urgently needed. Defense counsel have been serving without fee; even so, costs of the defense exceed $1,000 per day. I and other members of the National Committee to Defend the Conspiracy appeal to you for whatever you can afford—to defend the right of dissent in the streets of Chicago, and across the breadth of America.

Yours Sincerely,

BENJAMIN SPOCK, M.D.

P.S.—Checks should be made payable to the Chicago Defense Fund.

NATIONAL LAWYERS GUILD, SAN FRANCISCO BAY AREA CHAPTER,
San Francisco, April 22, 1969.

DEAR FRIEND: We are honoring a man in his time—his name is Charles R. Garry. You know him. He is known to Huey P. Newton, to Eldridge Cleaver, to the Oakland Seven, to Wesley Robert Wells, to Bobby Seale, now indicted in Chicago for protesting the Vietnam war at the Democratic National Convention.

If Charles Garry retired today, his magnificent legal contributions to the poor, the unrepresented, would entitle him to the greatest community recognition and gratitude. As one might expect of a man with his convictions, Charles Garry is a charter member of the National Lawyers Guild, a professional association which unites the lawyers of America as an effective force serving the people.

We in the Guild believe that many persons throughout the United States who know Charles Garry would want to join with us in a heartfelt tribute and warm embrace.

A testimonial banquet for Charles Garry will take place on the evening of May 10, 1969 in the Imperial Ballroom of the San Francisco Hilton. It is appropriate that such an event will also serve to raise much needed funds for the greatly expanded functions of the San Francisco Bay Area Chapter of the National Lawyers Guild. The Chapter has recently opened a regional office to more fully coordinate legal representation of people involved in current movements for social change.

We realize that many persons who would like to be present to pay tribute to Charles Garry and the National Lawyers Guild will not be able to attend. So that all may express their feelings, therefore, we invite letters from all over the country, to be bound in a single volume and presented to Charles Garry.

Would you join us in this? We ask that you send us your greeting on a single sheet of paper, together with a contribution of $5.00 or more in the enclosed envelope.

Checks should be made payable to the National Lawyers Guild, and the greeting and the check should be mailed in time to be received in San Francisco by May 1, 1969. You are, of course, free to make a contribution without a greeting, if lack of time or other considerations make a greeting impracticable.

Of course, if you are able to attend the banquet in person, you are cordially invited. Tickets are available at the above address for $25.00 per person.

Sincerely,

LAWRENCE L. DUGA,
Secretary.

THE PRINCE OF PEACE

HON. WM. JENNINGS BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. DORN. Mr. Speaker, it is estimated that William Jennings Bryan delivered his famous oration, "The Prince of Peace," over 3,000 times throughout the Nation and the world over.

At this Christmastime, I commend to the attention of my colleagues and the people of our Nation once again, this magnificent address.

THE PRINCE OF PEACE

(By William Jennings Bryan)

(A lecture delivered at many Chautauquas and religious gatherings, in America, beginning in 1904; also in Canada, Mexico, Tokyo, Manila, Bombay, Cairo, and Jerusalem. Mr. Bryan's famous "Cross of Gold" speech is printed in Volume XI and an after-dinner speech in Volume I.)

I offer no apology for speaking upon a religious theme, for it is the most universal of all themes. I am interested in the science of government, but I am more interested in religion than in government. I enjoy making a political speech—I have made a good many and shall make more—but I would rather speak on religion than politics. I commenced speaking on the stump when I was only twenty, but I commenced speaking in the church six years earlier—and I shall be in the church even after I am out of politics. I feel sure of my ground when I make a political speech, but I feel even more certain of my ground when I make a religious speech. If I addressed you upon the subject of law, I might interest the lawyers; if I discussed the science of medicine, I might interest the physicians; in like manner merchants might be interested in comments on commerce, and farmers in matters pertaining to agriculture; but no one of these subjects appeals to all. Even the science of government though broader than any profession or occupation, does not embrace the whole sum of life, and those who think upon it differ so among themselves that I could not speak upon the subject so as to please a part of the audience without displeasing others. While to me the science of government is intensely absorbing, I recognize that the most important things in life lie outside of the realm of government and that more depends upon what the individual does for himself than upon what the government does or can do for him. Men can be miserable under the best government and they can be happy under the worst government.

Government affects but a part of the life which we live here and does not deal at all with the life beyond, while religion touches the infinite circle of existence as well as the small arc of that circle which we spend on earth. No greater theme, therefore, can engage our attention. If I discuss questions of government, I must secure the coöperation of a majority before I can put my ideas into practice; but if, in speaking on religion, I can touch one human heart for good I have not spoken in vain, no matter how large the majority may be against me.

Man is a religious being; the heart instinctively seeks for a God. Whether he worships on the banks of the Ganges, prays with his face upturned to the sun, kneels toward Mecca, or, regarding all space as a temple, communes with the Heavenly Father according to the Christian creed, man is essentially devout.

There are honest doubters whose sincerity we recognize and respect, but occasionally I find young men who think it smart to be skeptical; they talk as if it were an evidence of larger intelligence to scoff at creeds and to refuse to connect themselves with churches. They call themselves "Liberal," as if a Christian were narrow-minded. Some go so far as to assert that the "advanced thought of the world" has discarded the idea that there is a God. To these young men I desire to address myself.

Even some older people profess to regard religion as a superstition, pardonable in the ignorant but unworthy of the educated. Those who hold this view look down with mild contempt upon such as give to religion a definite place in their thoughts and lives. They assume an intellectual superiority and often take little pains to conceal the assumption. Tolstoy administers to the "cultured crowd" (the words quoted are his) a severe rebuke when he declares that the religious sentiment rests not upon a superstitious fear of the invisible forces of nature, but upon man's consciousness of his finiteness amid an infinite universe and of his sinfulness; and this consciousness, the great philosopher adds, man can never outgrow. Tolstoy is right; man recognizes how limited are his own powers and how vast is the universe, and he leans upon the arm that is stronger than his. Man feels the weight of his sins and looks for One who is sinless.

Religion has been defined by Tolstoy as the relation which man fixes between himself and his God, and morality as the outward manifestation of this inward relation. Every one, by the time he reaches maturity, has fixed some relation between himself and God, and no material change in this relation can take place without a revolution in the man, for this relation is the most potent influence that acts upon a human life.

Religion is the foundation of morality in the individual and in the group of individuals. Materialists have attempted to build up a system of morality upon the basis of enlightened self-interest. They would have men figure out by mathematics that it pays him to abstain from wrongdoing; they would even inject an element of selfishness into altruism, but the moral system elaborated by the materialists has several defects. First, its virtues are borrowed from moral systems based upon religion. All those who are intelligent enough to discuss a system of morality are so saturated with the morals derived from systems resting upon religion that they cannot frame a system resting upon reason alone. Second, as it rests upon argument rather than upon authority, the young are not in a position to accept or reject. Our laws do not permit a young man to dispose of real estate until he is twenty-one. Why this restraint? Because his reason is not mature; and yet a man's life is largely molded by the environment of his youth. Third, one never knows just how much of his decision is due to reason and how much is due to passion or to selfish interest. Passion can dethrone reason—we recognize this in our criminal laws. We also recognize the bias of self-interest when we exclude from the jury every man, no matter how reasonable or upright he may be, who has a pecuniary interest in the result of the trial. And, fourth, one whose morality rests upon a nice calculation of benefits to be secured spends time figuring that he should spend in action. Those who keep a book account of their good deeds seldom do enough good to justify keeping books.

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A noble life cannot be built upon an arithmetic; it must be rather like the spring that pours forth constantly of that which refreshes and invigorates.

Morality is the power of endurance in man, and a religion which teaches personal responsibility to God gives strength to morality. There is a powerful restraining influence in the belief that an all-seeing eye scrutinizes every thought and word and act of the individual.

There is a wide difference between the man who is trying to conform his life to a standard of morality about him and the man who seeks to make his life approximate to a divine standard. The former attempts to live up to the standard if it is above him, and down to it if it is below him—and if he is doing right only when others are looking, he is sure to find a time when he thinks he is unobserved, and then he takes a vacation and falls. One needs the inner strength which comes with the conscious presence of a personal God. If those who are thus fortified sometimes yield to temptation, how helpless and hopeless must those be who rely upon their own strength alone!

There are difficulties to be encountered in religion, but there are difficulties to be encountered everywhere. If Christians sometimes have doubts and fears, unbelievers have more doubts and greater fears. I passed through a period of skepticism when I was in college, and I have been glad ever since that I became a member of the church before I left home for college, for it helped me during those trying days. And the college days cover the dangerous period in the young man's life; he is just coming into possession of his powers, and feels stronger than he ever feels afterward—and he thinks he knows more than he ever does know.

It was at this period that I became confused by the different theories of creation. But I examined these theories and found that they all assumed something to begin with. You can test this for yourselves. The nebular hypothesis, for instance, assumes that matter and force existed—matter in particles infinitely fine and each particle separated from every other particle by space infinitely great. Beginning with this assumption, force working on matter—according to this hypothesis—created a universe. Well, I have a right to assume, and I prefer to assume, a Designer back of the design—a Creator back of the creation; and no matter how long you draw out the process of creation, so long as God stands back of it you cannot shake my faith in Jehovah. In Genesis it is written that, in the beginning, God created the heavens and the earth, and I can stand on that proposition until I find some theory of creation that goes farther back than "the beginning." We must begin with something—we must start somewhere—and the Christian begins with God.

I do not carry the doctrine of evolution as far as some do; I am not yet convinced that man is a lineal descendant of the lower animals. I do not mean to find fault with you if you want to accept the theory; all I mean to say is that while you may trace your ancestry back to the monkey if you find pleasure or pride in doing so, you shall not connect me with your family tree without more evidence than has yet been produced. I object to the theory for several reasons. First, it is a dangerous theory. If a man links himself in generations with the monkey, it then becomes an important question whether he is going toward him or coming from him—and I have seen them going in both directions. I do not know of any argument that can be used to prove that man is an improved monkey that may not be used just as well to prove that the monkey is a degenerate man, and the latter theory is more plausible than the former.

It is true that man in some physical characteristics resembles the beast, but man has a mind as well as a body, and a soul as well as a mind. The mind is greater than the body and the soul is greater than the mind, and I object to having man's pedigree traced on one-third of him only—and that the lowest third. Fairburn, in his "Philosophy of Christianity," lays down a sound proposition when he says that it is not sufficient to explain man as an animal; that it is necessary to explain man in history—and the Darwinian theory does not do this. The ape, according to this theory, is older than man, and yet the ape is still an ape, while man is the author of the marvelous civilization which we see about us.

One does not escape from mystery, however, by accepting this theory, for it does not explain the origin of life. When the follower of Darwin has traced the germ of life back to the lowest form in which it appears—and to follow him one must exercise more faith than religion calls for—he finds that scientists differ. Those who reject the idea of creation are divided into two schools, some believing that the first germ of life came from another planet and others holding that it was the the result of spontaneous generation. Each school answers the arguments advanced by the other, and as they cannot agree with each other, I am not compelled to agree with either.

If I were compelled to accept one of these theories I would prefer the first, for if we can chase the germ of life off this planet and get it out into space we can guess the rest of the way and no one can contradict us, but if we accept the doctrine of spontaneous generation we cannot explain why spontaneous generation ceased to act after the first germ was created.

Go back as far as we may, we cannot escape from the creative act, and it is just as easy for me to believe that God created man as *he is* as to believe that, millions of years ago, He created a germ of life and endowed it with power to develop into all that we see to-day. I object to the Darwinian theory, until more conclusive proof is produced, because I fear we shall lose the consciousness of God's presence in our daily life, if we must accept the theory that through all the ages no spiritual force has touched the life of man or shaped the destiny of nations.

But there is another objection. The Darwinian theory represents man as reaching his present perfection by the operation of the law of hate—the merciless law by which the strong crowd out and kill off the weak. If this is the law of our development, then, if there is any logic that can bind the human mind, we shall turn backward toward the beast in proportion as we substitute the law of love. I prefer to believe that love rather than hatred is the law of development. How can hatred be the law of development when nations have advanced in proportion as they have departed from that law and adopted the law of love?

But, I repeat, while I do not accept the Darwinian theory I shall not quarrel with you about it; I only refer to it to remind you that it does not solve the mystery of life or explain human progress. I fear that some have accepted it in the hope of escaping from the miracle, but why should the miracle frighten us? And yet I am inclined to think that it is one of the test questions with the Christian.

Christ cannot be separated from the miraculous; His birth, His ministrations, and His resurrection, all involve the miraculous, and the change which His religion works in the human heart is a continuing miracle. Eliminate the miracles and Christ becomes merely a human being and His gospel is stripped of devine authortiy.

The miracle raises two questions: "Can God perform a miracle?" and, "Would He want to?" The first is easy to answer. A God who can make a world can do anything He wants to do with it. The power to perform miracles is necessarily implied in the power to create. But would God *want* to perform a miracle?—this is the question which has given most of the trouble. The more I have considered it the less inclined I am to answer in the negative. To say that God *would not* perform a miracle is to assume a more intimate knowledge of God's plans and purposes than I can claim to have. I will not deny that God does perform a miracle or may perform one, merely because I do not know how or why He does it. I find it so difficult to decide each day what God wants done now that I am not presumptuous enough to attempt to declare what God might have wanted to do thousands of years ago. The fact that we are constantly learning of the existence of new forces suggests the possibility that God may operate through forces yet unknown to us, and the mysteries with which we deal every day warn me that faith is as necessary as sight. Who would have credited a century ago the stories that are now told of the wonder-working electricity? For ages man had known the lightning, but only to fear it; now this invisible current is generated by a man-made machine, imprisoned in a man-made wire and made to do the bidding of man. We are even able to dispense with the wire and hurl words through space, and the X-ray has enabled us to look through substances which were supposed, until recently, to exclude all light. The miracle is not more mysterious than many of the things with which man now deals—it is simply different. The miraculous birth of Christ is not more mysterious than any other conception—it is simply unlike it; nor is the resurrection of Christ more mysterious than the myriad resurrections which mark each annual seed-time.

It is sometimes said that God could not suspend one of His laws without stopping the universe, but do we not suspend or overcome the law of gravitation every day? Every time we move a foot or lift a weight we temporarily overcome one of the most universal of natural laws and yet the world is not disturbed.

Science has taught us so many things that we are tempted to conclude that we know everything, but there is really a great unknown which is still unexplored and that which we have learned ought to increase our reverence rather than our egotism. Science has disclosed some of the machinery of the universe, but science has not yet revealed to us the great secret—the secret of life. It is to be found in every blade of grass, in every insect, in every bird, and in every animal, as well as in man. Six thousand years of recorded history and yet we know no more about the secret of life than they knew in the beginning. We live, we plan; we have our hopes, our fears; and yet in a moment a change may come over any one of us and this body will become a mass of lifeless clay. What is it that, having, we live, and, having not, we are as the clod? The progress of the race and the civilization which we now behold are the work of men and women who have not yet solved the mystery of their own lives.

And our food, must we understand it before we eat it? If we refused to eat anything until we could understand the mystery of its growth, we would die of starvation. But mystery does not bother us in the dining-room; it is only in the church that it is a stumbling block.

I was eating a piece of watermelon some months ago and was struck with its beauty. I took some of the seeds and dried them and weighed them, and found that it would require some five thousand seeds to weigh a

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pound; and then I applied mathematics to that forty-pound melon. One of these seeds, put into the ground, when warmed by the sun and moistened by the rain, takes off its coat and goes to work; it gathers from somewhere two hundred thousand times its own weight, and forcing this raw material through a tiny stem, constructs a watermelon. It ornaments the outside with a covering of green; inside the green it puts a layer of white, and within the white a core of red, and all through the red it scatters seeds, each one capable of continuing the work of reproduction. Who drew the plan by which that little seed works? Where does it get its tremendous strength? Where does it find its coloring matter? How does it collect its flavoring extract? How does it develop a watermelon? Until you can explain a watermelon, do not be too sure that you can set limits to the power of the Almighty and say just what He would do or how He would do it.

The egg is the most universal of foods, and its use dates from the beginning, but what is more mysterious than an egg? When an egg is fresh it is an important article of merchandise; a hen can destroy its market value in a week's time, but in two weeks more she can bring forth from it what man could not find in it. We eat eggs, but we cannot explain an egg.

Water has been used from the birth of man; we learned after it had been used for ages that it is merely a mixture of gases, but it is far more important that we have water to drink than that we know that it is not water.

Everything that grows tells a like story of infinite power. Why should I deny that a divine hand fed a multitude with a few loaves and fishes when I see hundreds of millions fed every year by a hand which converts the seeds scattered over the field into an abundant harvest? We know that food can be multiplied in a few months' time; shall we deny the power of the Creator to eliminate the element of time, when we have gone so far in eliminating the element of space? Who am I that I should attempt to measure the arm of the Almighty with my puny arm, or to measure the brain of the Infinite with my finite mind? Who am I that I should attempt to put metes and bounds to the power of the Creator?

But there is something even more wonderful still—the mysterious change that takes place in the human heart when the man begins to hate the things he loved and to love the things he hated—the marvelous transformation that takes place in the man who, before the change, would have sacrificed a world for his own advancement but who, after the change, would give his life for a principle and esteem it a privilege to make sacrifice for his convictions! What greater miracle than this, that converts a selfish, self-centered human being into a center from which good influences flow out in every direction! And yet this miracle has been wrought in the heart of each one of us—or may be wrought—and we have seen it wrought in the hearts and lives of those about us. No, living life is a mystery and living in the midst of mystery and miracles, I shall not allow either to deprive me of the benefits of the Christian religion. If you ask me if I understand everything in the Bible, I answer, no, but if we will try to live up to what we do understand, we shall be kept so busy doing good that we shall not have time to worry about the passages which we do not understand.

Some of those who question the miracle also question the theory of atonement; they assert that it does not accord with their idea of justice for one to die for all. Let each one bear his own sins and the punishment due for them, they say. The doctrine of vicarious suffering is not a new one; it is as old as the race. That one should suffer for others is one of the most familiar of principles, and we see the principle illustrated every day of our lives. Take the family, for instance; from the day the mother's first child is born, for twenty or thirty years her children are scarcely out of her waking thoughts. Her life trembles in the balance at each child's birth; she sacrifices for them, she surrenders herself to them. Is it because she expects them to pay her back? Fortunate for the parent and fortunate for the child if the latter has an opportunity to repay in part the debt it owes. But no child can compensate a parent for a parent's care. In the course of nature the debt is paid, not to the parent, but to the next generation, and the next—each generation suffering, sacrificing for and surrendering itself to the generation that follows. This is the law of our lives.

Nor is this confined to the family. Every step in civilization has been made possible by those who have been willing to sacrifice for posterity. Freedom of speech, freedom of the press, freedom of conscience, and free government have all been won for the world by those who were willing to labor unselfishly for their fellows. So well established is this doctrine that we do not regard any one as great unless he recognizes how unimportant his life is in comparison with the problems with which he deals.

I find proof that man was made in the image of his Creator in the fact that, throughout the centuries, man has been willing to die, if necessary, that blessings denied to him might be enjoyed by his children, his children's children, and the world.

The seeming paradox, "He that saveth his life shall lose it and he that loseth his life for my sake shall find it," has an application wider than that usually given to it; it is an epitome of history. Those who live only for themselves live little lives, but those who stand ready to give themselves for the advancement of things greater than themselves find a larger life than the one they would have surrendered. Wendell Phillips gave expression to the same idea when he said, "What imprudent men the benefactors of the race have been! How prudently most men sink into nameless graves, while now and then a few *forget* themselves into immortality!" We win immortality, not by remembering ourselves, but by forgetting ourselves in devotion to things larger than ourselves. Instead of being an unnatural plan, the plan of salvation is in perfect harmony with human nature as we understand it. Sacrifice is the language of love, and Christ, in suffering for the world, adopted the only means of reaching the heart. This can be demonstrated not only by theory but by experience, for the story of His life, His teachings, His sufferings and His death has been translated into every language, and everywhere it has touched the heart.

But if I were going to present an argument in favor of the divinity of Christ, I would not begin with miracles or mystery or with the theory of atonement. I would begin as Carnegie Simpson does in his book entitled "The Fact of Christ." Commencing with the undisputed fact that Christ lived, he points out that one cannot contemplate this fact without feeling that in some way it is related to those now living. He says that one can read of Alexander, of Caesar, or of Napoleon, and not feel that it is a matter of personal concern; but that when one reads that Christ lived, and how he lived and how He died, he feels that somehow there is a cord that stretches from that life to his. As he studies the character of Christ he becomes conscious of certain virtues which stand out in bold relief—His purity, His forgiving spirit and His unfathomable love. The author is correct. Christ presents an example of purity in thought and life, and man, conscious of his own imperfections and grieved over his shortcomings, finds inspiration in the fact that He was tempted in all points like as we are, and yet was without sin. I am not sure but that each can find just here a way of determining for himself whether he possesses the true spirit of a Christian. If the sinlessness of Christ inspires within him an earnest desire to conform his life more nearly to the perfect example, he is indeed a follower; if, on the other hand, he resents the reproof which the purity of Christ offers, and refuses to mend his ways, he has yet to be born again.

The most difficult of all the virtues to cultivate is the forgiving spirit. Revenge seems to be natural with man; it is human to want to get even with an enemy. It has even been popular to boast of vindictiveness; it was once inscribed on a man's monument that he had repaid both friends and enemies more than he had received. This was not the spirit of Christ. He taught forgiveness, and in that incomparable prayer which He left as a model for our petitions, He made our willingness to forgive the measure by which we may claim forgiveness. He not only taught forgiveness, but He exemplified His teachings in His life. When those who persecuted Him brought Him to the most disgraceful of all deaths, His spirit of forgiveness rose above His sufferings and He prayed, "Father, forgive them, for they know not what they do!"

But love is the foundation of Christ's creed. The world had known love before; parents had loved their children, and children their parents; husbands had loved their wives, and wives their husbands; and friend had loved friend; but Jesus gave a new definition of love. His love was as wide as the sea; its limits were so far-flung that even an enemy could not travel beyond its bounds. Other teachers sought to regulate the lives of their followers by rule and formula, but Christ's plan was to purify the heart and then to leave love to direct the footsteps.

What conclusion is to be drawn from the life, the teachings, and the death of this historic figure? Reared in a carpenter shop; with no knowledge of literature, save Bible literature; with no acquaintance with philosophers living or with the writings of sages dead, when only about thirty years old He gathered disciples about Him, promulgated a higher code of morals than the world had ever known before, and proclaimed Himself the Messiah. He taught and performed miracles for a few brief months and then was crucified; His disciples were scattered and many of them put to death; His claims were disputed, His resurrection denied, and His followers persecuted; and yet from this beginning His religion spread until hundreds of millions have taken His name with reverence upon their lips and millions have been willing to die rather than surrender the faith which He put into their hearts. How shall we account for him? Here is the greatest fact of history; here is One who has with increasing power, for nineteen hundred years, molded the hearts, the thoughts, and the lives of men, and He exerts more influence to-day than ever before. "What think ye of Christ?" It is easier to believe Him divine than to explain in any other way what He said and did and was. And I have greater faith, even than before, since I have visited the Orient and witnessed the successful contest which Christianity is waging against the religions and philosophies of the East.

I was thinking a few years ago of the Christmas which was then approaching and of Him in whose honor the day is celebrated. I recalled the message, "On earth peace, good will toward men," and then my thoughts ran back to the prophecy uttered centuries before His birth, in which He was described as the Prince of Peace. To reinforce my memory I re-read the prophecy, and I found immediately following a verse which I had forgotten—a verse which

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declares that of the increase of His peace and government there shall be no end, and, Isaiah adds, that He shall judge His people with justice and with judgment. I had been reading of the rise and fall of nations, and occasionally I had met a gloomy philosopher who preached the doctrine that nations, like individuals, must of necessity have their birth, their infancy, their maturity, and finally their decay and death. But here I read of a government that is to be perpetual—a government of increasing peace and blessedness—the government of the Prince of Peace—and it is to rest on justice. I have thought of this prophecy many times during the last few years, and I have selected this theme that I might present some of the reasons which lead me to believe that Christ has fully earned the right to be called the Prince of Peace—a title that will in the years to come be more and more applied to Him. If He can bring peace to each individual heart and if His creed when applied will bring peace throughout the earth, who will deny His right to be called the Prince of Peace?

All the world is in search of peace; every heart that ever beat has sought for peace, and many have been the methods employed to secure it. Some have thought to purchase it with riches and have labored to secure wealth, hoping to find peace when they were able to go where they pleased and buy what they liked. Of those who have endeavored to purchase peace with money, the large majority have failed to secure the money. But what has been the experience of those who have been eminently successful in finance? They all tell the same story, viz., that they spent the first half of their lives trying to get money from others and the last half trying to keep others from getting their money, and that they found peace in neither half. Some have even reached the point where they find difficulty in getting people to accept their money; and I know of no better indication of the ethical awakening in this country than the increasing tendency to scrutinize the methods of money-making. I am sanguine enough to believe that the time will yet come when respectability will no longer be sold to great criminals by helping them spend their ill-gotten gains. A long step in advance will have been taken when religious, educational, and charitable institutions refuse to condone conscienceless methods in business and leave the possessor of illegitimate accumulations to learn how lonely life is when one prefers money to morals.

Some have sought peace in social distinction, but whether they have been within the charmed circle and fearful lest they might fall out, or outside and hopeful that they might get in, they have not found peace. Some have thought, vain thought, to find peace in political prominence; but whether office comes by birth, as in monarchies, or by election, as in republics, it does not bring peace. An office is not considered a high one if all can occupy it. Only when few in a generation can hope to enjoy an honor do we call it a great honor. I am glad that our Heavenly Father did not make the peace of the human heart to depend upon ability to buy it with money, secure it in society, or win it at the polls, for in either case but few could have obtained it, but when He made peace the reward of a conscience void of offense toward God and man, He put it within the reach of all. The poor can secure it as easily as the rich, the social outcasts as freely as the leader of society, and the humblest citizen equally with those who wield political power.

To those who have grown gray in the Church, I need not speak of the peace to be found in faith in God and trust in an overruling Providence. Christ taught that our lives are precious in the sight of God, and poets have taken up the thought and woven it into immortal verse. No uninspired writer has expressed it more beautifully than William Cullen Bryant in his "Ode to a Waterfowl." After following the wanderings of the bird of passage as it seeks first its southern and then its northern home, he concludes:

"Thou are gone; the abyss of heaven
Hath swallowed up thy form, but on my heart
Deeply hath sunk the lesson thou hast given,
And shall not soon depart."

"He who, from zone to zone,
Guides through the boundless sky thy certain flight,
In the long way that I must tread alone,
Will lead my steps aright."

Christ promoted peace by giving us assurance that a line of communication can be established between the Father above and the child below. And who will measure the consolations of the hour of prayer?

And immortality! Who will estimate the peace which a belief in a future life has brought to the sorrowing hearts of the sons of men? You may talk to the young about death ending all, for life is full and hope is strong, but preach not this doctrine to the mother who stands by the death-bed of her babe or to one who is within the shadow of a great affliction. When I was a young man I wrote to Colonel Ingersoll and asked him for his views on God and immortality. His secretary answered that the great infidel was not at home, but inclosed a copy of a speech of Colonel Ingersoll's which covered my question. I scanned it with eagerness and found that he had expressed himself about as follows: "I do not say that there is no God, I simply say I do not know. I do not say that there is no life beyond the grave, I simply say I do not know." And from that day to this I have asked myself the question and have been unable to answer it to my own satisfaction, How could any one find pleasure in taking from a human heart a living faith and substituting therefor the cold and cheerless doctrine, "I do not know"?

Christ gave us proof of immortality, and it was a welcome assurance although it would hardly seem necessary that one should rise from the dead to convince us that the grave is not the end. To every created thing God has given a tongue that proclaims a future life.

If the Father deigns to touch with divine power the cold and pulseless heart of the buried acorn and to make it burst forth from its prison walls, will He leave neglected in the earth the soul of man, made in the image of his Creator? If He stoops to give to the rose bush, whose withered blossoms float upon the autumn breeze, the sweet assurance of another springtime, will He refuse the words of hope to the sons of men when the frosts of winter come? If matter, mute and inanimate, though changed by the forces of nature into a multitude of forms, can never die, will the imperial spirit of man suffer annihilation when it has paid a brief visit like a royal guest to this tenement of clay? No, I am sure that He who, notwithstanding His apparent prodigality, created nothing without a purpose, and wasted not a single atom in all His creation, has made provision for a future life in which man's universal longing for immortality will find its realization. I am as sure that we live again as I as I am sure that we live to-day.

In Cairo I secured a few grains of wheat that had slumbered for more than thirty centuries in an Egyptian tomb. As I looked at them this thought came into my mind: If one of those grains had been planted on the banks of the Nile the year after it grew, and all its lineal descendants had been planted and replanted from that time until now, its progeny would to-day be sufficiently numerous to feed the teeming millions of the world. An unbroken chain of life connects the earliest grains of wheat with the grains that we sow and reap. There is in the grain of wheat an invisible something which has power to discard the body that we see, and from earth and air fashion a new body so much like the old one that we cannot tell the one from the other. If this invisible germ of life in the grain of wheat can thus pass unimpaired through three thousand resurrections, I shall not doubt that my soul has power to clothe itself with a body suited to its new existence when this earthly frame has crumbled into dust.

A belief in immortality not only consoles the individual, but it exerts a powerful influence in bringing peace between individuals. If one actually thinks that man dies as the brute dies, he will yield more easily to the temptation to do injustice to his neighbor when the circumstances are such as to promise security from detection. But if one really expects to meet again, and live eternally with, those whom he knows to-day, he is restrained from evil deeds by the fear of endless remorse. We do not know what rewards are in store for us or what punishments may be reserved, but if there were no other it would be some punishment for one who deliberately and consciously wrongs another to have to live forever in the company of the person wronged and have his littleness and selfishness laid bare. I repeat, a belief in immortality must exert a powerful influence in establishing justice between men and thus laying the foundation for peace.

Again, Christ deserves to be called the Prince of Peace because He has given us a measure of greatness which promotes peace. When His disciples quarreled among themselves as to which should be greatest in the Kingdom of Heaven, He rebuked them and said: "Whosoever will be chief among you, let him be your servant." Service is the measure of greatness; it always has been true; it is true to-day, and it always will be true, that he is greatest who does the most good. And how this old world will be transformed when this standard of greatness becomes the standard of every life! Nearly all of our controversies and combats grow out of the fact that we are trying to get something from each other—there will be peace when our aim is to do something for each other. Our enmities and animosities arise largely from our efforts to get as much as possible out of the world—there will be peace when our endeavor is to put as much as possible into the world. The human measure of a human life is its income; the divine measure of a life is its outgo, its overflow—its contribution to the welfare of all.

Christ also led the way to peace by giving us a formula for the propagation of truth. Not all of those who have really desired to do good have employed the Christian method—not all Christians even. In the history of the human race but two methods have been used. The first is the forcible method, and it has been employed most frequently. A man has an idea which he thinks is good; he tells his neighbors about it and they do not like it. This makes him angry; he thinks it would be so much better for them if they would like it, and, seizing a club, he attempts to make them like it. But one trouble about this rule is that it works both ways; when a man starts out to compel his neighbors to think as he does, he generally finds them willing to accept the challenge, and they spend so much time in trying to coerce each other that they have no time left to do each other good.

The other is the Bible plan—"Be not overcome of evil, but overcome evil with good." And there is no other way of overcoming evil. I am not much of a farmer—I get more credit for my farming than I deserve, and my little farm receives more advertising than it is entitled to. But I am farmer enough to know that if I cut down weeds they will spring up again; and farmer enough to know that if I plant something there which has more vitality that the weeds I shall not only get rid of the constant cutting, but have the benefit of the crop besides.

In order that there might be no mistake in His plan of propagating the truth, Christ went into detail and laid emphasis upon the value of example—"So live that others seeing your good works may be constrained to glorify your Father which is in Heaven." There is no human influence so potent for good as that which goes out from an upright life. A sermon may be answered; the arguments presented in a speech may be disputed, but no one can answer a Christian life—it is the unanswerable argument in favor of our religion.

It may be a slow process—this conversion of the world by the silent influence of a noble example—but it is the only sure one, and the doctrine applies to nations as well as to individuals. The Gospel of the Prince of Peace gives us the only hope that the world has—and it is an increasing hope—of the substitution of reason for the arbitrament of force in the settlement of international disputes. And our nation ought not to wait for other nations—it ought to take the lead and prove its faith in the omnipotence of truth.

But Christ has given us a platform so fundamental that it can be applied successfully to all controversies. We are interested in platforms; we attend conventions, sometimes traveling long distances; we have wordy wars over the phraseology of various planks, and then we wage earnest campaigns to secure the endorsement of these platforms at the polls. The platform given to the world by the Prince of Peace is more far-reaching and more comprehensive than any platform ever written by the convention of any party in any country. When He condensed into one commandment those of the ten which relate to man's duty toward his fellows and enjoined upon us the rule, "Thou shalt love thy neighbor as thyself," He presented a plan for the solution of all the problems that now vex society or may hereafter arise. Other remedies may palliate or postpone the day of settlement, but this is all-sufficient, and the reconciliation which it effects is a permanent one.

My faith in the future—and I have faith—and my optimism—for I am an optimist—my faith and my optimism rest upon the belief that Christ's teachings are being more studied today than ever before, and that with this larger study will come a larger application of those teachings to the everyday life of the world, and to the questions with which we deal. In former times when men read that Christ came "to bring life and immortality to light," they placed the emphasis upon immortality; now they are studying Christ's relation to human life. People used to read the Bible to find out what it said of Heaven; now they read it more to find what light it throws upon the pathway of to-day. In former years many thought to prepare themselves for future bliss by a life of seclusion here; we are learning that to follow in the footsteps of the Master we must go about doing good. Christ declared that He came that we might have life and have it more abundantly. The world is learning that Christ came not to narrow life, but to enlarge it—not to rob it of its joy, but to fill it to overflowing with purpose, earnestness, and happiness.

But this Prince of Peace promises not only peace but strength. Some have thought His teachings fit only for the weak and the timid and unsuited to men of vigor, energy, and ambition. Nothing could be farther from the truth. Only the man of faith can be courageous. Confident that he fights on the side of Jehovah, he doubts not the success of his cause. What matters it whether he shares in the shouts of triumph? If every word spoken in behalf of truth has its influence and every deed done for the right weighs in the final account, it is immaterial to the Christian whether his eyes behold victory or whether he dies in the midst of the conflict.

"Yea, though thou lie upon the dust,
 When they who helped thee flee in fear,
Die full of hope and manly trust,
 Like those who fell in battle here."

"Another hand thy sword wield,
 Another hand the standard wave,
Till from the trumpet's mouth is pealed
 The blast of triumph o'er thy grave."

Only those who *believe* attempt the seemingly impossible, and, by attempting, prove that one, with God, can chase a thousand and that two can put ten thousand to flight. I can imagine that the early Christians who were carried into the Coliseum to make a spectacle for those more savage than the beasts, were entreated by their doubting companions not to endanger their lives. But, kneeling in the center of the arena, they prayed and sang until they were devoured. How helpless they seemed, and, measured by every human rule, how hopeless was their cause! And yet within a few decades the power which they invoked proved mighter than the legions of the emperor, and the faith in which they died was triumphant o'er all the land.

It is said that those who went to mock at their sufferings returned asking themselves, "What is it that can enter into the heart of man and make him die as these die?" They were greater conquerors in their death than they could have been had they purchased life by a surrender of their faith.

What would have been the fate of the church if the early Christians had had as little faith as many of our Christians of to-day? And if the Christians of to-day had the faith of the martyrs, how long would it be before the fulfillment of the prophecy that "every knee shall bow and every tongue confess"?

I am glad that He, who is called the Prince of Peace—who can bring peace to every troubled heart and whose teachings, exemplified in life, will bring peace between man and man, between community and community, between State and State, between nation and nation throughout the world—I am glad that He brings courage as well as peace, so that those who follow Him may take up and each day bravely do the duties that to that day fall.

As the Christian grows older he appreciates more and more the completeness with which Christ satisfies the longings of the heart, and, grateful for the peace which he enjoys and for the strength which he has received, he repeats the words of the great scholar, Sir William Jones.

"Before thy mystic alter, heavenly truth,
I kneel in manhood, as I knelt in youth;
Thus let me kneel, till this dull form decay.
And life's last shade be brightened by thy
 ray."

THE SENATE DEMOCRATIC POLICY COMMITTEE REPORTS

HON. MIKE MANSFIELD

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Tuesday, December 23, 1969

Mr. MANSFIELD. Mr. President, since the beginning of the session, the Senate majority policy committee has undertaken new responsibilities which confront Democrats as a majority in the Senate at a time when the executive branch is under a Republican administration. It was the view of the Senate Democrats that since the Presidency no longer provided the focus of party unity, the policy committee should strive to fill the void in developing and setting forth party positions on issues before the Senate. The committee has pursued these new responsibilities with the cooperation of the legislative committee chairmen and with the unanimous approval of the full Democratic conference.

Throughout the session, the committee's actions have been designed to strengthen party awareness and unity in the Senate to the end that Senate Democrats might make the largest possible contribution to the Nation's interests. In this context, the committee considered a number of issues which arose during the past session, in addition to its customary deliberations on the scheduling of legislation.

Senate Resolution 85, the national commitments resolution, was the first such issue. The resolution was regarded of great significance to the Nation in the reassertion of the proper constitutional role of the Senate in foreign affairs. It had already drawn support from individual members of both parties but seemed of sufficient import to warrant recommendation to the entire Democratic Membership. The action of the policy committee in so recommending was unanimous and the resolution subsequently passed the Senate by an overwhelming vote.

Beginning last winter, a number of meetings were held by the policy committee on the question of tax reform and tax relief. Inflation emphasized the urgency of meeting the issue during the first session if at all possible. The steep rise in prices was adding to the economic burdens of the people, particularly the low- and middle-income groups. These Americans were already carrying a disproportionate share of the tax burden because of accumulated inequities in the income tax laws.

To bring the issue to a head, the Democratic policy committee, in conjunction with and with the cooperation of the chairman and Democratic members of the Finance Committee, agreed that any extension of the surtax—a tax which, passed alone, only would have compounded the inequities in the existing tax structure—had to be coupled with full and meaningful tax reform. It was the unanimous determination of the committee that if the tax surcharge extension became law without tax reform and relief, the latter would, indeed, remain the impossible dream that it had been thought to be for years. The policy committee, therefore, gave its unanimous support to a growing Senate resistance to extend the surtax for the 12-month period unless the extension were coupled with firm guarantees of consideration of a full tax reform package in the first session. The committee's effort did much to overcome insistence from the administration and other quarters that the surtax be passed, with or without general tax reform and tax relief. The committee stood fast in this position, because, as noted, it was persuaded that linking the two was an essential procedure if the overhaul of the income tax structure was ever to be realized. An agreement to report the tax package to the Senate by October 31, 1969, was finally obtained and only then did the committee support extension of the surtax for an interim period of 6 months.

The committee was unanimous in all its actions on the tax reform bill. The motion to recommit immediately prior to final passage, thereby killing tax relief, for example, found 96 percent of the Senate Democrats all voting together to save the bill. Final passage of tax reform and tax relief found every Democrat voting for adoption.

Another significant issue recommended by the policy committee to Senate Democrats was the so-called Troops-in-Europe resolution. The committee called again, in a resolution, for a substantial reduction in American troops and dependents permanently stationed in Europe. The resolution was identical to that generated in the policy committee during the 90th Congress. Like all its actions this year it received the unanimous endorsement of the policy committee.

Under consideration by the policy committee late in the session were adequate social security benefits—including the 15-percent increase in annuities as well as other features of the social security laws. Adoption of the 15-percent increase as a part of the tax bill this session was a step in the right direction in bringing benefits closer to the needs of social security pensioners.

The issue of the continuing involvement in Southeast Asia and the war in Vietnam was under intense consideration during the session by the policy committee. The war in Vietnam—its ramifications abroad and at home—of course, received particular emphasis.

The action of the Senate which resulted in deferring final action on the foreign aid appropriations bill until next session was considered and also approved by the policy committee. Also considered at length were the new Asian doctrines enunciated by the President at Guam, the growing involvement of the United States in Laos and Thailand, the problems of national priorities and the competing needs of health, education, and other programs of social welfare and internal national security as contrasted with foreign aid appropriations, defense appropriations, and similar expenditures. Of looming importance, the committee addressed attention not only to problems of air and water pollution but to the whole question of the deterioration of the natural environment. Without any request from the administration, the Senate saw fit to move to establish a Council on Environmental Quality as an arm of the Presidency in dealing with this matter.

As I stated on the Senate floor on the closing day of the session:

> If this Senate is to be characterized at all, it seems to me that it should be remembered, first, as the Senate that stayed intensely with the Vietnamese issue until the lamp of peace showed at least a flicker of light. May I add the expectation and hope that the Senate's concern will not lessen until the casualties cease and the last American soldier is withdrawn. Second, this session should be remembered for the general tax reform and tax relief bill, sought unsuccessfully for many years, ridiculed as a possibility for this session, and regarded by many as an impossible dream. It now awaits the President's signature. Finally, this Senate ought to be remembered as that moment in legislative time when the concept of the nation's security ceased to be drawn in terms of the pilling up of more and more military hardware—as the Senate which began to require from the Executive Branch a full and complete explanation of the relationship of vast military expenditures to defense—as the Senate which insisted that, in the making of claims on the people's tax resources by any Administration, human values must be given their just consideration along with military demands.

The work of the Democratic policy committee this session pursuant to the unanimous directive of the full Democratic caucus provides hope for further actions on the part of the majority during the coming session of the Congress. I would just add that beyond party consideration, the Democrats in the Congress must remain constructive with regard to issues of national importance. It is our responsibility to cooperate with the administration when its leadership serves the best interests of the Nation and to oppose it when, in our judgment, it does not. In that case, moreover, it is our responsibility to offer constructive alternatives. In this connection, it is a function of the policy committee to provide a unifying stimulant to the Senate Democrats. The record of the majority policy committee this session sustains this approach. Its recommendations have been constructive. It has contributed to the initiative of this Congress, to the enhancement of the Senate as an institution, and to a necessary adjustment of the role of the Congress within the Government.

WHATEVER HAPPENED TO THE WORLD COURT?

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. OTTINGER. Mr. Speaker, the world seems to move daily further from adopting civilized methods of resolving international disputes. Most discouraging was the failure of the United Nations Security Council and General Assembly to even be able to take up the questions of Vietnam and the Middle East, the two greatest threats to peace, at the current session. U.S. public pronouncements that it would ignore the overwhelming vote of the General Assembly Political Committee interpreting the prohibitions of the Geneva Protocol on poison gas and biological weapons as including tear gas and herbicides was another body blow by this country to the acceptance of the United Nations as the appropriate body for resolving international disputes.

Certainly, high priority action must be taken to restore the authority of the United Nations, and the United States should take the leadership in this endeavor.

Virtually forgotten in the turmoil of international strife and the various debates that were undertaken in the United Nations is the sad state of the World Court, an international institution that should be a key in resolving inernational disputes that involve interpretations of international law. Again, the United States has been a disruptive force rather than assuming leadership to increase the Court's effectiveness. Our perpetuation of the Connally Reservation permitting us, and thus all nations, to withdraw all matters that we consider vital to our national interests, has rendered impotent the jurisdiction of that august body. It means that no nation can be required to submit to the jurisdiction of the Court—it can only deal with matters voluntarily set before it by all the parties to a dispute.

It is much to their credit that a number of concerned Members of Congress went to visit the World Court in October of this year to get a firsthand report on its grave problems. The delegation consisted of Representatives Paul Findley and Albert Quie, and Senators Claiborne Pell, Thomas Eagleton, and Jacob Javits. They had an opportunity to speak with the Justices of the Court and to see at firsthand the magnificent Court facilities and tremendous judicial talent reposed in the Court, as well as to become informed in detail about how inadequately used these great resources are. The waste of talent and facilities is colossal.

The conditions this congressional delegation found and some recommendations for overcoming the Court's problems are set forth in the very fine report of Congressman Paul Findley to Members of Congress for peace through law. I believe this report contains important information for all Members of Congress, indeed, for all Americans, and, therefore, am including it in the Record:

Whatever Happened to the World Court?

(By Congressman Paul Findley)

On October 19, several members of MCPL accompanied me on a trip to find out whatever happened to the World Court, the judicial arm of the United Nations, known officially as the International Court of Justice.

I had asked for the opportunity for us to meet with the United States Judge on the Court, Philip C. Jessup, and with any other officials of the Court who might be available.

MCPL members who met with Justices of the Court included Senators Pell of Rhode Island, Eagleton of Missouri and Javits of New York and myself. Representative Quie of Minnesota was also present.

In addition to Judge Jessup of the United States, these judges were present: Jose Bustamente, former president of Peru, Sir Gerald Fitzmaurice of Great Britain, Andre Gros of France, Manfred Lachs of Poland, Charles Onyeana of Biafra. Mr. Onyeana was careful to identify himself as being from Biafra, not Nigeria. Clearly, he is a partisan in the Nigerian civil war. Also present was Stanley Aquarone of Australia, Court registrar.

This meant that our circle included six of the Court's 15 Justices, nearly one-half the total.

The turnout was less a tribute to the drawing power of our Congressional group, I fear, than to the somber fact that the Court judges had very little else to do.

The Court has only one remaining case on its docket, adjudication of an expropriation case, known as the Barcelona Transit case. When that case is finished, the Court will have no litigation before it.

We asked why there was no business.

The French jurist supplied this answer: He said governments, like people, dislike litigation and avoid it when they can. He said governments, like people, dislike getting themselves into circumstances in which they may be the loser.

Others gave what may be a more fundamental reason: The foreign office or State Department officials simply prefer not to place matters before the Court. It's not the accustomed way to deal with problems. To an appalling extent, I'm afraid, our Department of State could accurately be named the Department of Status Quo when it comes to making the World Court a useful tribunal.

In any case, the World Court gets business only if all parties to a dispute agree to place before it a matter at issue, and this rarely occurs.

In other words, the transit case went to the Court only because the government of Spain and the Belgian interests which had originally owned the transit company agreed to let the Court make the settlement.

The Court itself is housed in a magnificent structure called the Peace Palace. It was financed by Andrew Carnegie in a brief peaceful interlude before the outbreak of World War I.

The courtroom is appropriately colorless, dusty and musty. Like the palace, the Court is largely a tourist attraction.

Actually, the Court has had success as far as its record goes. Of 60 cases since the Court resumed its work after World War II, the Court's decision has been carried out fully in each case but one.

But today the world's highest tribunal is a pathetic institution. What is more pathetic is the state of world affairs that has made it so.

What can be done?

Several suggestions developed from our discussion:

1. The availability and high quality of the tribunal should be called to public attention—and especially to governmental attention—at every opportunity. When problems arise, no one seems to think of the court as a place of settlement.

2. The court should be utilized for advisory opinions. Although not binding, these opinions can nevertheless be influential. The court's statute should be changed to permit individual governments to request advisory opinions. Only the U.N. General Assembly or Security Council can presently make such requests.

3. Future treaties should contain language bringing disputes arising from them under the court's jurisdiction. This would remove uncertainties caused by the Connolly Reservation.

Never in human history has the world had such great need for an international tribunal where disputes are settled, not by force of arms—or by lesser forms of power politics—but by the application of legal principles and precedents through a judicial process of hearings, testimony and cross-examination.

Nowhere is the need more clearly evident than in the Middle East, where clouds of war gather ominously.

Two years ago during the hostilities between Israel and its Arab neighbors, I urged that the United States use its influence to get the major parties in the dispute to place all the complex legal issues there involved before the World Court for adjudication. The issues are complex. Many go back as far as the Palestinian period. They involve refugee questions, seized and destroyed property, boundaries, and right of access. Neither side is without fault or responsibility, but feeling is so intense that a rational solution through negotiation between the parties seems out of the question.

The World Court provides a safe, face-saving, fair way out of the present dilemma. If all parties agreed in advance to the Court's adjudication of all issues, most likely each would eventually confront a Court order not entirely to its liking. But because of the circumstances of the settlement—the process of adjudication as opposed to arbitration—the outcome would be one which each could defend back home with a minimum of repercussions.

A Jewish rabbi described my proposal as an appeal to reason. I like that description. Put another way, it is a proposal for peace in the Middle East through the application of legal principles and due process.

I have suggested similar measures in respect to the Pueblo crisis and the legal issues involved in Vietnam. I make the same suggestion regrading the dispute over the expropriation of an oil company by Peru. As a sovereign nation, Peru has the right to take the property, but it also has the obligation to make a fair settlement. Why not place the whole question before the World Court and end the spectacle of the United States trying to shove Peru around?

The sad truth, a truth which our trip to The Hague confirmed, is that our State Department presently has almost no interest in utilizing the World Court.

ASHLAND COUNTY YOUTHS WIN WISCONSIN 4-H AWARDS

HON. ALVIN E. O'KONSKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. O'KONSKI. Mr. Speaker, Miss Grace E. Swensen, home economics agent for Ashland County, has written to me on Wisconsin 4-H awards which were won recently by two youths of Ashland County in the 10th Congressional District.

In sending me the releases on the awards, Miss Swensen wrote me as follows:

> At a time when the actions of youths who do violent destructive things seem to be monopolizing the headlines, I thought I would share with you the good news that many of our Ashland County youths are constructively building toward a better future for themselves and their communities.

So that my colleague may know of the achievements of the Ashland County youths, I am pleased to have printed in the CONGRESSIONAL RECORD the news releases on the awards to Mark Kretzschmar, Mellen, Wis., and George Mika, Marengo, Wis: The news releases follow:

TOP DAIRY AWARD

George Mika, son of Mr. and Mrs. Frank Mika, Marengo was one of 24 Wisconsin 4-H members who represented this state at the National 4-H Dairy Conference in Chicago December 4-6, Grace Swensen, Ashland County Home Economics Agent, announced.

A member of the Marengo Valley 4-H Club, George has established the foundation for a purebred dairy herd during his eight years of 4-H dairy project work. He now owns a herd of six purebreds and one grade cow. This herd began with a calf which was obtained through the 4-H calf program.

Local business and industry and members of the Chequamegon Cattle Club can take pride in the fact that they have helped make it possible for another Ashland County 4-H member to earn this award. The award is a national one and is the highest recognition given in the 4-H dairy project. Previous recipients have been Tom Riemer and Jerry Richardson. The foresight of adults in this community has made it possible for 4-H members to get a start in the dairy industry, to learn and apply modern dairy practices and to confidently build toward a future in Ashland County.

AWARDED STATE GRAIN MARKETING TOUR

Mark Kretzschmar, son of Mr. and Mrs. Richard Kretzschmar, Mellen, has been selected as one of five state 4-H members to attend the Wisconsin 4-H Grain Marketing Tour and Clinic which was held in Madison on December 5 and 6.

Mark participated in tours of grain marketing facilities in southern Wisconsin counties and observed grain marketing demonstrations by faculty members of the College of Agriculture and Life Sciences.

Mark is an active member of the Cozy Valley 4-H Club. In making the announcement, Grace Swensen, Ashland County Home Economics Agent, pointed out that Mark Kretzschmar has also done outstanding work in 4-H Dairy projects and Junior Leadership.

STATEMENT OF PERSONAL FINANCIAL CONDITION

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. KASTENMEIER. Mr. Speaker, following a practice adopted in 1963, and repeated each succeeding year, I am placing in the RECORD today my annual statement of personal financial condition.

In so doing, I would like to reiterate briefly comments made in the past in the House and in reports to constituents of Wisconsin's Second Congressional District.

Members of Congress and holders of high elective office in general ought to make periodic public disclosurses of personal holdings as a matter of course. Such reports of outside income and interests are needed to provide the public with information with which to assess whether their representative's personal holdings have affected the performance of his public trust.

Presently, House Members are required to make a limited financial disclosure report. This year marks the initial attempt at mandatory public disclosure. While part of the report is made available for public inspection, a more detailed section remains confidential in sealed envelopes to be held from public scrutiny and can be opened only by a majority vote of the House Committee on Standards of Official Conduct.

If conflicts of interest are to be avoided, however, and the integrity of the Congress upheld, both Houses of the Congress must adopt a standing rule providing for a public periodic report of all outside interests and income for all Members.

Mr. Speaker, my personal statement follows hereunder:

XUM

Robert W. Kastenmeier, Statement of Financial Condition, Dec. 1, 1969

Cash on account with the Sergeant at Arms Bank, House of Representatives	$1,249.32
Riggs National Bank of Washington, D.C., checking account	47.10
Securities:	
RIC International Industries	725.00
Banister Continental Corp	1,900.00
Residential real estate:	
House, Arlington, Va.:	
Purchase price	28,000.00
Less mortgage	15,903.00
Equity	12,097.00
Lot	14,750.00
House construction in process, subject to mortgage: Net value, Dec. 1, 1969	13,280.00
Household goods and miscellaneous personalty	4,800.00
Miscellaneous assets: Deposits with U.S. civil service retirement fund through Dec. 1, 1969, available only in accordance with applicable laws and regulations	21,877.81
Cash surrender value of life insurance policies:	
On the life of Robert W	None
On the life of Dorothy C	544.00
Automobiles:	
1963 Oldsmobile	700.00
1965 Chevrolet	800.00
Total	1,500.00
Total assets	72,770.23
Liabilities: National Bank of Washington note	4,800.00
Income for calendar year 1968, excluding congressional salary and expenses:	
Interest	102.15
Travel, per diem and speaking, honorariums and travel (including $849.55 from Fund for Republic)	1,047.58

GOOD ADVICE FOR FOUNDATIONS

HON. ROBERT N. GIAIMO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. GIAIMO. Mr. Speaker, as one who has not been afraid to criticize the activities of certain powerful tax-exempt foundations, I am pleased to note that John W. Gardner—an acknowledged expert in the area of private nonprofit activities—has called on these foundations and other nonprofit organizations to reexamine their attitudes and actions.

There is no question in my mind, nor apparently in Mr. Gardner's, that these tax-exempt foundations are going to have to reappraise their activities and are going to have to become more effective, responsible, and accountable if they are to retain their privileged status much longer. I hope that the foundations will heed Mr. Gardner as well as others who offer constructive criticism.

Mr. Gardner's statement was discussed in an excellent editorial in Friday's Washington Daily News. I wish to include the text of that editorial at this point in the RECORD, and I urge my colleagues and foundation officials to take note of it:

ADVICE TO NONPROFIT ORGANIZATIONS

Few men in America merit the title of "civic leader" more than John W. Gardner, former head of the Carnegie Foundation, former secretary of Health, Education and Welfare and now chairman of the Urban Coalition Action Council.

So what he had to say the other day in a speech here about his own field is of special interest.

"Let me say a word about private nonprofit activities in general—cultural, civic, social service, religious, scientific and charitable organizations," he began.

"Some of the worst known examples of organizational decay are in this category. And one of the gravest agents of decay is the sense of moral superiority that afflicts such institutions. Sad to say, people who believe they are doing a noble thing are rarely good critics of their own efforts.

"As we enter the 1970s, all such high-minded organizations should re-examine their performance with unsparing honesty. Let them ask whether they have spent too much time congratulating themselves.

"Let them ask what possible difference it would make if their organization went out of existence. Let them ask whether they are dabbling with a problem that calls for a massive assault. Let this be the year in which they ask tough-minded outside critics to work with them in a no-holds-barred reappraisal of what they are doing."

Those words should be pasted on the wall at every private nonprofit organization office in America, including foundations. And, hopefully, heeded.

WHO ARE THE PEOPLE OF THE "SILENT MAJORITY"?

HON. GLENN R. DAVIS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. DAVIS of Wisconsin. Mr. Speaker, many of the thoughtful and thought-provoking editorials which I see are those which are written "in the backroom" of the weekly newspapers of Wisconsin. At the Dousman Index, one of the smaller weeklies in the Ninth District, Chuck and Jeanne Hill do everything from sweeping the floor to setting the type, but they somehow find time to express themselves, each week, in a manner that shows they are deeply thinking while their hands are busy. Several of their recent editorials have shown their deep concern with the moral fiber of Americans. One such front-page editorial, entitled "Who Are the People of the 'Silent Majority'?" strikes a deep chord. It follows:

WHO ARE THE PEOPLE OF THE "SILENT MAJORITY"?

Much has been said and a great deal more written about this country's "Silent Majority." Who are the living, breathing humans who are thus grouped? Are they really silent? Consider their actions, then decide for yourself.

The people of the Silent Majority have faith in the United States Democracy . . . they are the people who pay their taxes to the federal, state and local government each year . . . they are the people who attend the church of their choice most Sunday mornings . . . add to their savings accounts regularly, and believe in their rights, freedoms and privileges—within reason—but not to the extent that those rights, freedoms and privileges interfere with those of other citizens.

The people of the Silent Majority do not agitate and protest to cause a revolution in our country—so that it can suffer an overthrow by another type of government. The Silent Majority knows that although we do not live under a perfect government in this imperfect world, it is the best possible government yet devised.

The Silent Majority is made up of people who . . . believe in America's lasting freedom, and consequently . . . pay their bills on time . . . buy homes for their families . . . and teach their children to love and honnor America and its heritage of freedom.

These people are the people who pray for our country's leader and firmly believe that once a United States citizen is elected to public office, his or her love for America will guide the public office holder toward the decisions which will keep America free.

The Silent Majority consists of the people in America who have faith in America's "government of the people, by the people, for the people."

It is to our country's credit that the "Vocal Minority" in America is made up of those of little faith.

ARTWORK BY PRISONERS IN OHIO PENAL INSTITUTIONS

HON. MICHAEL A. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. FEIGHAN. Mr. Speaker, recently it was my pleasure to view a show of art work by prisoners in Ohio penal institutions. The display of craftwork was interesting. However, the paintings displayed remarkable talent, creativity, and imagination. I was so impressed that I contacted Mr. Myrle E. Alexander, Director, Bureau of Prisons of the United States, bringing to his attention the unusual latent talents that have been brought, at least in part, to fruition in Ohio penal institutions.

Bearing in mind that Leavenworth and Lewisburg Federal Penitentiaries have had annual art shows and that the inmates buy materials and the Federal Government supplies direction, I am hopeful that Federal penal institutions will continue to encourage and provide more facilities for such avocations so that they can be nurtured and developed.

An article appeared in the magazine section of the Cleveland Plain Dealer, written by Helen Borsick, concerning the first all-Ohio exhibit. I believe it is well worthy of reading. Under leave granted, I include in my remarks the article by Helen Borsick, "Oh, If I Had the Wings of an Angel."

"OH, IF I HAD THE WINGS OF AN ANGEL"

Lacking wings, prisoners express longings for freedom with brush and palette. A remarkable show of prison art.

"Beauty can help liberate us from our prisons of ugliness," Prof. Richard Eeels of the Columbia University School of Business wrote somewhat loftily in his book on "The

Corporation and the Arts." He urged business interests to support the humanities and the arts, which he considers the basis of a health society and education for living.

The concept of art as respite for "prisons of ugliness" comes into focus (in a way not anticipated by the above-mentioned writer) this week in Cleveland with regard to an art exhibition opening Tuesday at Avco Delta Corp. in Tower East, the Shaker Heights office building designed by the late Walter Gropius. The show will present paintings and craftworks by prisoners in Ohio's penal institutions, a segment of society little associated in the public mind with the civility of "the art world."

The show, a first of its kind on a statewide and privately supported basis, is the result of a year-long project that began with the Utopian remark of the Rev. James Redding, director of Cleveland's Half-Way Houses for prison parolees. The Rev. Mr. Redding is a Missionary Baptist minister whose voluntary ministerial services have extended to every prison in the state and whose life work centers on helping released prisoners make the transition from imprisonment to responsible freedom.

"I think," he said in a chance conversation last winter with Mrs. Nelson Case of the North Olmsted Art League, "that something should be done to bring out the beauty in our prisons. There must be talent there. It should be encouraged."

Mrs. Case remembers the conversation very well because it led immediately to plans for a prison art show and she and the Rev. Mr. Redding became the nucleus of a committee that for many months has been visiting prisons, talking with officials and prisoners, shepherding artworks and coping with the innumerable details that art shows generate. Others who joined in the effort include Mrs. Redding, artist Shirley (Mrs. A. E.) Cooper of Rocky River, and WEWS–TV account executive John K. Betonte, who among other things persuaded Avco Delta to house the exhibition.

Few of the creators of the 300 paintings plus craftworks in the exhibit have had any formal art training. Some picked up a brush for the first time in their lives when the Rev. Mr. Redding invited them to produce something for the exhibit. In some cases his group provided materials with money out-of-pocket as occasional donations for expenses.

Only a few of Ohio's eight penal institutions—in Marion, Lebanon, London, Mansfield, Marysville, Chillicothe, Warrensville and Columbus—have any sort of art program or regular form of encouragement. Nevertheless, in several the committee found prisoners who on their own had been painting or were involved in some type of art work, using art materials supplied by relatives, and often painting on old bed sheets and "anything they can get their hands on." One prison artist did a striking portrait of Christ on the Cross, using burnt sugar in lieu of painting materials.

An inmate at London Correctional Institute who signs himself "Everett" and who painted the elves on the cover of this magazine, is a man in his 40s whose earliest chance for parole comes up in about the year 2170. He is an authentic primitive artist with no training. Prison officials say that he literally has been rehabilitated through painting which he took up since his imprisonment in the Ohio Penitentiary in February 1960. Two years ago he was transferred to London, a preferential placement, and in addition to the paintings that he does with art supplies provided by his foster mother who lives in Lynchburg, O., he is doing a mural for the prison.

A visit to the home of the 84-year-old foster mother to whom Everett lovingly dedicates and sends all his paintings wracked the committee with compassion when they found her living alone (there are no living relatives) and on a meager income in a tiny farmhouse. She was surrounded by his paintings.

Laura Lee Madden has filed a petition with 412 signatures requesting her foster son's release from prison. "Do you want to know more about him from the beginning?" she said. "We got him from the Welfare in Hillsboro when he was 14. He had a glass eye from an accident in the children's home before he came here. He made his home with us until he was married and then he lived in a house on the property and worked for seven years for a construction company where they said he was one of their best workers.

"Then when he and his wife broke up he left but we always kept in touch. I don't know where it started but he got a parking ticket I think and wouldn't pay it and they went after him. The next thing, he broke out of jail in Wilmington."

She told of a gun battle in which Everett escaped in a police car with a policeman at gunpoint; he didn't kill anyone but the prison penalty hinged on the theory that he might have.

"All I can say," said Mrs. Madden, "is that Everett was a good boy to us and treated us wonderful and we felt the same way about him. I'll do anything I can to help him. We—my husband died five years ago—always thought that Everett deserved more than he got in this life."

It developed as a project within a project that a large group of Everett's landscapes, animal paintings and others of miscellaneous subjects will hang separately in the Tower East exhibit and proceeds from sales will go to the foster mother.

The paintings of a prisoner at Marion (now a parolee) were so skillfully drawn, or at any rate copied from pictures in magazines and books, that a member of the committee, which rarely inquired of the nature of the artists' crimes, couldn't resist asking, "What's he in for? Counterfeiting?" No, the charge was armed robbery. He started painting and drawing as a pastime, quickly gained facility. He thrives on his new distinction as an artist.

Though not one to talk of art as therapy, Herbert Read, the late British scholar and theorist on education through art, stressed the utility of creating artworks as "a tool for tilling the psyche," giving form to inner feelings and reconciling inner conflicts. Many conclusions on that order could be drawn from this exhibition of prisoners' paintings ranging from sunny and idyllic landscapes, florals and portraits of Mandonnas and children to pictures of death's-heads, voluptuous women, prison cells, chains and handcuffs.

"They tend to paint about their problems," said an attendant in the women's section at the Warrensville House of Correction where a corner of the cafeteria served as art studio for women prisoners willing to participate in the prison exhibit. One of the painters in the group was a young woman who along with her boyfriend had been taken into custody on narcotics charges; he had been sent to a different location. Her painting pictured two silhouetted figures and a moon and a sun arranged in separate sections of a four-pane window.

"That's me and my boyfriend in jail," she said softly. "We can look out the window and see the same sun and moon but not each other."

Another woman in the group painted the figures of a black man, a white woman, and a half-black-half-white child against a checkerboard background. "I call it 'The Game of Life' because that's the way it is," she said. The painting was autobiographical.

A painter who did an abstraction in a leafy pattern of bright fall colors said, "Don't ask me what it means because I don't know how to explain it. I just painted it, that's all."

The Rev. Redding asked, "What do you feel about this picture that you are not saying? What about the colors?"

"I don't know—I guess that's it. I'm going home in October."

There was a discussion of whether or not someone should finish a painting started by a woman who had since left the prison. "No, we mustn't touch it," said one of the inmates with newly assumed authority in such matters. "You never interfere with the artwork of another person. So it's unfinished. That's the way she did it."

A prisoner in the Ohio Penitentiary painted the face of an inmate peering from behind bars, with flames soaring in the background—his representation of the Ohio Pen riots. "I hope you don't mind, Warden," he said. "It's just a little something I did for fun. It doesn't mean anything special."

The same self-taught artist did a painting of astronaut Neil Armstrong which was selected by the Ohio Historical Society for the Neil Armstrong Museum in preference to portraits offered by professional artists. Among his works in the Cleveland exhibit are religious paintings, florals, landscapes—and a copy of the Mona Lisa.

The money from the sale of the prison artworks largely will be held for the artists' use on release from confinement; and in part for art supplies for continued use in the prisons. The artists themselves have set the prices. The highest is $100.

Speaking of prices and prison art shows, Plain Dealer movie writer Ward Marsh found this note in a recent issue of Hollywood Reporter:

"From 'Barquero' location in Canon City, Colo., actor Warren Oates pens that he, Lee Van Cleef and Forrest Tucker drove to the Colorado State Penitentiary as honored guests for an exhibit of paintings daubed exclusively by inmates 'and all three of us bought some. How can you argue with cons who say they're offering you a steal?' . . . Tucker went beyond the call of duty to make the pen trip, sacrificing a golf date with Dow Finsterwald at Colorado Springs"—and so on.

NATIONAL BLOOD DONOR MONTH

HON. M. G. (GENE) SNYDER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. SNYDER. Mr. Speaker, recently House Resolution 911, which establishes January as National Blood Donor Month, was passed by this Chamber. This resolution was sponsored by my friend and colleague, Congressman TIM LEE CARTER, who distinguished himself as a practicing physician in Kentucky prior to his entering Congress. Congressman Carter worked diligently for the passage of this resolution, and I am sure that we can all be proud of the great public service this resolution will bring.

There is a critical need for blood donors during this month, and in a further move to encourage donations, my colleague, Congressman CARTER, informed me of his plans to have competition between the Republicans and Democrats in a blood donation drive to be conducted here at the Capitol on January 30. Such a drive might well illustrate which party is ready to start the New Year by bringing attention to the national need for donations.

PEMBROKE MAYOR FRANK MILLER DIES

HON. G. ELLIOTT HAGAN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. HAGAN. Mr. Speaker, the citizens of Pembroke, Ga., as well as the entire First Congressional District, were stricken last Friday with the news that its beloved mayor and editor of the Pembroke Journal passed away in a Savannah hospital.

The Honorable Frank O. Miller, a friend to all who knew him, a fine newsman, and an exceptionally good mayor, will be missed by everyone and especially by me for I was fortunate enough to have been able to call him my friend.

To write an obituary about so exceptional and colorful a person is most difficult. However, I feel the article which appeared in last Friday's Savannah Morning News is certainly a good likeness and a fine tribute to this fine individual and carries comments which help to show the outstanding qualities and characteristics which have endeared Frank to all who knew him.

The article follows:

Pembroke Mayor Frank Miller Dies

(By Barr Nobles)

Pembroke.—Mayor Frank O. Miller, just recently elected to his 13th term of office, and editor of the Pembroke Journal, died in a Savannah hospital Thursday. He was 76.

His death marked the end of a style of able politics and rural journalism matched by only a small number.

His illness did not dull the mind or the wit of the man. With the aid of relatives and friends, he ran an uncontested campaign from his bedside, taking out time to write a few articles of appreciation for visits from friends for publication in his Pembroke Journal.

The Journal reflected the man. As the masthead stated and as Miller liked to boast, it is "Liked by Many—Cussed by Some—and Read by Them All."

Tom Coffey, assistant City Manager of Savannah, an old friend of Miller said Thursday evening. "He had a basic country-boy honesty. He was a man of his word. If he said he'd do something, come hell or high water, he'd do it."

J. Dixie Harn, city clerk and county commissioner in Bryan County, said, "I'm going to be lost without him. He was a friend to everybody. He spent the better part of his life working for this community."

While Mayor Miller made many friends, he had feuded politically from time to time, and was once quoted as referring to his opponent for mayor as being "three shades lower than a two-headed dodo who is not fit to be a dogcatcher."

Last month, in an interview with the Morning News, Miller talked of his friendship with Gov. Lester Maddox, but added that Maddox's biggest problem was in "keeping a distance between his foot and his mouth." Miller retold with obvious pleasure and pride of his overnight visit in the Governor's Mansion.

Miller and his wife celebrated their 50th wedding anniversary earlier this year at the family home, "Needmore Farm," and as Tom Coffey said, "Cars were backed up into the next county. He was just as friendly with farmhands as governors and senators. I don't know anyone in the newspaper business I liked better."

The irrepressible politician took great interest in the welfare of his town. He was known to make trips to Atlanta with frequency to apply a little pressure to accomplish something for Pembroke. An editorial in the Savannah Evening Press on March 15, 1950 cited Miller by stating:

"Be it recalled . . . that in an era of spending Mayor Miller so handled Pembroke's affairs as mayor that the town's bookkeeper had no use for red ink."

As a journalist, he caught an occasional blast from his peers in the industry, but the Pembroke Journal demanded big city attention and was seldom without a front page story on the comings and goings of "Ye Editor" and "Ye Mayor." In a 1952 issue, Ye Editor gave good coverage of the trials and tribulations of breaking in a "pair of store-bought teeth." The article was extended into a weekly series, leading the reader from dentist's chair to the initial attempt to "wear the things."

CURBING THE THREAT OF A POISONED PLANET

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. DINGELL. Mr. Speaker, the Washington Sunday Star of November 16, 1969, carried a most incisive editorial entitled "Curbing the Threat of a Poisoned Planet," in which long overdue credit is given to Rachel Carson for her great foresight in warning against the dangers of DDT. So that my colleagues may have an opportunity to be aware of the Star's views on the question of DDT and Miss Carson's foresight, I include the text of the editorial at this point in the Congressional Record:

Curbing the Threat of a Poisoned Planet

In 1948, Paul Hermann Mueller, a Swiss chemist, was awarded the Nobel prize in medicine and physiology for his discovery, in the mid-1930s, that a man-made substance—dichlordiphenyl-trichloroethane—was a highly efficient insect-killer.

The award came as no surprise. DDT, which was put into production in 1942, was instantly recognizable as one of the most astounding substances ever produced by man. It was a potent weapon against insect-borne disease such as malaria and encephalitis. Food production increased radically. Areas made almost uninhabitable by insect infestation were transformed into instant Edens. Man's inventiveness had, in the space of a few short years, made the world a safer, a more comfortable, a better place to live.

So it seemed.

A few Nervous Nellies of the scientific community thought otherwise. From the beginning they questioned the blessings of DDT. The substance, they pointed out, was a poison. There was no assurance that its dark magic was limited to the insect world. All creatures with nervous systems might be vulnerable.

In addition, some chemists pointed out, DDT does not vanish after its deadly work is done. The chemical structure does not break down quickly into its harmless components. It takes ten years before the substance loses half of its potency. If other forms of animal life were indeed susceptible to the poison, the accumulation of DDT in the biosphere—that thin layer of earth, water and atmosphere that supports all the known life of the universe—could, with profligate use, soon reach the crisis stage.

Those voices went largely unheeded. DDT was in use all over the world. It was not just a means of saving a crop from total destruction; it was a way to end all insect-related problems of agriculture. It was not only a tool against disease; it was a means of ending the discomfort of mosquitoes on golf courses and at summer resorts.

Then the adverse reports began to come in. Insect species, after repeated exposure to DDT, began developing a resistance that was being passed along to succeeding generations. The response was to increase the dosage. Various forms of animal life, among them those on which man depends for food supply, were found to contain traces of the poison. It soon became clear that some varieties of birds, including the bald eagle—our nationl emblem—and the peregrine falcon, had fallen victim to DDT and were on the brink of extinction.

In 1962, the public was made privy to the debate that was raging in scientific circles and to the facts that had accumulated to support the warnings. A biologist in the Interior Department wrote a book. Rachel Carson was transformed overnight to an international celebrity. Her book, "Silent Spring," sounded an alarm that alerted millions to the peril that was developing. "As crude a weapon as the cave man's club," Miss Carson wrote, "has been hurled against the fabric of life."

There are those who argue that Miss Carson overstated her case, that she displayed a lack of proper scientific objectivity, giving way to emotionalism and sensationalism to drive home her point. The change is almost certainly true. But, somewhat more to the point, it is entirely possible that "Silent Spring" was the factor chiefly responsible for stopping mankind from blindly committing chemical suicide.

Even with the public outcry that followed Miss Carson's book, the governments of the world—and chief among them the federal government of the United States—have been slow to react. DDT, and the other chlorinated hydrocarbons that have been developed, can be found in virtually every kind of food that man eats today. Six years ago, its was discovered that every part of the globe, including Antarctica, was tainted. A recent study by the National Cancer Institute showed that six pesticides, including DDT, significantly increased the incidence of tumors in laboratory mice. Major bodies of water have been contaminated. Thousands of pounds of salmon from Lake Michigan have been condemned as unfit to eat because of high concentrations of DDT and dieldrin. It has been estimated that the average person now carries more DDT in his tissues than is tolerated in the meat he eats.

And yet, as late as last summer, government agencies sprayed a quarter of a million pounds of dieldrin over the nation's airports. And it was not until last week that the federal government finally moved to put effective controls on DDT, announcing plans to ban all nonessential use of the pesticide over the next two years.

Why was this action so slow in coming? It was not, despite some of the more extreme statements from dedicated conservationists—or survivalists as some have taken to calling themselves—merely a reflection of official blindness, insensitivity and stupidity. The fact is that today there is still no certain knowledge of just how much DDT can be safely tolerated by man. Indeed direct proof is lacking that the substance in any quantity can kill, weaken or impair man's ability to reproduce. And lacking such proof, the government was hesitant to impose prohibitions or controls on the use of the products.

It has done so not because of any new-found knowledge, but because of a growing realization on the part of officials and the general public that what ecologists have been saying all along is true: That anything that is patently harmful to a major segment of life is dangerous to man. Life is an interrelated process. Mankind is not an island; when the bell tolls for any form of life on earth, it tolls for man.

Man, at last, hears that bell and reads its significance. Concern over the future livability of earth is no longer limited to a handful of visionary naturalists. The people are getting the message that man is an endangered species, that the planet may soon be poisoned beyond redemption. The danger is not limited to DDT, or to the vast related family of pesticides and herbicides. The environment is being contaminated as well by industrial wastes, exhaust fumes, radiation, heat pollution—in brief by almost every activity of civilized man.

This state of affairs is not an accident, bred by indifference out of carelessness. It is the inevitable by-product of man's existence on earth.

One of the several things that makes man unique among animals is the fact that he is not in harmony with nature. Left to the unadjusted mercies of his environment, he would long since have vanished—or more properly would not have evolved at all. Man must change nature to survive. He must warm himself, clothe himself, cool himself, shield himself against the elements. He must, in order to feed himself, force the earth to produce more than the dictates of nature would provide. Man cannot, because of the DDT experience, decide that all tinkering with nature must be avoided. Food production could not be sustained at today's levels without chemical and organic fertilization and without control of weeds and insects.

What is needed is a more reasoned approached to environmental control. DDT may be the quickest way to get rid of a crop-eating bug, but it is not really necessary to poison the world to do it. More research is needed in the field of short-lived pesticides, or in the development of chemical additives that will destroy the persistent poisons once their work is done. More needs to be known about the possibilities of insect sterilization, the manipulation of insect genes, and the encouragement and transportation of natural enemies of pests.

Man must accept the fact that he is in conflict with nature. He has learned, through the uncontrolled use of DDT, that total war is self-destructive. The only reasonable course is for man to work out a system of peaceful coexistence with his hostile environment.

MEANS OF PROTEST

HON. LARRY WINN, JR.

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. WINN. Mr. Speaker, Mr. Bert Travis, one of my constituents, has clearly and concisely put into words some thoughts for those who protest and degrade what they choose to call the Establishment. His remarks appeared in a recent edition of the Kansas City Star follow:

MEANS OF PROTEST

I feel compelled to put a protest on paper today, because I am writing this from Boston's old South Meeting House, the site of many pre-Revolutionary gatherings, in this place, the voices of outraged giants once rang in protest. On this squeaky, drafty floor, Samuel Adams, Josiah Quincy, Jr., and other Boston men planted their boots and took a firm stand for honor.

But let's remember that these men did much more than merely say, "Down with the Establishment!" The new Establishment which they and the other freedom people finally put together in Philadelphia fell short of perfection. But the founders, fully aware that their new creation would have shortcomings, built into it an unprecedented array of devices for righting whatever matters would need righting as time went on.

Those first Americans, no strangers to indignation themselves, were intelligent enough to design modification systems so effective that they would forever after let a well-conceived protest really count. So today I wonder if the youngsters outside this meeting house have seriously studied the origins of the Establishment they're inheriting. Have they read the instructions that have come with the package thoroughly enough to learn that all those channels for alteration still exist?

Because they exist, we no longer have to dump tea in Boston harbor, or hurl stones, filth and obscenities at policemen. The machinery of the Establishment was so ingeniously engineered that there is no sense in beating it with a hammer. Nor, for that matter, with a hammer and sickle.

BERT TRAVIS.

ROELAND PARK.

RESERVE RECOGNITION DAY

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. SIKES. Mr. Speaker, I wish to call to the House's attention that the President of the United States signed a Reserve Recognition Day proclamation on December 16, 1969, paying special tribute to the 115 units from the Reserve components of the Army, Navy, and Air Force that were mobilized in 1968. Representatives from each Reserve unit mobilized were present at the White House for the signing of the proclamation. The Reserve representatives included the Army and Air National Guard, Army Reserve, Naval Reserve, Marine Reserve, Air Force Reserve, and the Coast Guard Reserve. The service Secretaries, the Chiefs of Staff, and the Reserve chiefs were present. Proclaiming the occasion Mr. Nixon said:

> The Nation is grateful to you for the service you have rendered. The Nation is also grateful to you for being in the Reserve.

Following the ceremony each service Secretary and Chief of Staff hosted a luncheon for their representatives. At the Army luncheon, General Westmoreland spoke. In part he said:

> As I see the future, your role will increase in importance. The Department of Defense already has taken steps to assure Reserve Component readiness—steps which will permit more effective resource distribution among all units within our One Army . . . and you will play an even greater role in shaping future force structure.

Mr. Speaker, I am proud of the outstanding manner in which our Reserve forces responded to their Nation's call to duty. The Reserve components of the Armed Forces serve their country honorably and well, in peace and in war. I fully support Reserve Recognition Day and commend this proclamation to the attention of my colleagues and to the American people:

RESERVE RECOGNITION DAY

In January and May of 1968, one hundred and fifteen units from the Reserve Components of the Army, Navy and Air Force were ordered to active duty to quickly augment the Active Forces. This action provided this country with armed strength capability with which to meet possible contingencies that might have arisen as a result of the threats and actions by the North Koreans and the need for additional troops in Vietnam caused by the TET offensive.

Many of these units have served in Vietnam while others have served in Korea, Japan, and the United States. Those units remaining in the United States were primarily used to strengthen the strategic reserve and participate in the Military Airlift Command operations.

By June 18th, Reserve units of the Naval Air Reserve, the Naval Reserve Mobile Construction Battalions (SEABEES), the Air National Guard, and the Air Force Reserve were demobilized and the units returned to inactive reserve status. The units of the Army National Guard and the Army Reserve have now been released.

All of these Reserve Component units responded to the Nation's call in time of need and established records of performance, both in and out of combat, which have demonstrated a level of readiness and training never before achieved by our reserve forces. In addition, many individual reservists volunteered for active duty during this period. They have truly upheld the heritage and tradition of the citizen soldier and have again proven that both the National Guard and the Reserves are a great resource for our country and one which is necessary to our national security.

Now, therefore, I Richard Nixon, President of the United States of America, do hereby issue this proclamation in recognition of and appreciation for the patriotic, dedicated and professional service of our loyal members of the Reserve Components of the Armed Forces of the United States.

In witness whereof, I have hereunto set my hand this 16th day of December, in the year of our Lord nineteen hundred and sixty-nine, and of the Independence of the United States of America the one hundred and ninety-fourth.

MICHAEL STEFFE DIES IN VIETNAM

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. LONG of Maryland. Mr. Speaker, Sp4C. Michael W. Steffe, a fine young man from Maryland, died recently in Vietnam. I wish to honor his memory and to commend his courage by including the following article in the RECORD:

MICHAEL STEFFE DIES IN VIETNAM—HAD BEEN MISSING SINCE NOVEMBER 5 BATTLE IN DELTA

The Defense Department announced yesterday the death of Spec. 4 Michael W. Steffe, who had been missing since November 5, when his unit was engaged in a battle in the Mekong delta in South Vietnam.

Specialist Steffe, whose 21st birthday would have been later this month, was the son of Mr. and Mrs. Morton B. Steffe, of the 600 block North Bend road, Baltimore.

A native of Baltimore, he was a 1966 graduate of Catonsville Senior High School. Before joining the Army two years ago, he worked in the computer department of Cloverland Farms Dairy.

Specialist Steffe would have had 80 more days to go before his discharge from the Army. He had planned to continue his education on the college level, majoring in electronic engineering.

"He was a quiet boy. He didn't tell too much in his letters . . . little action here and little action there, that's all," his father said yesterday.

In addition to his parents, he is survived by two brothers, Craig Steffe, 23, who finished his active training in the Naval Reserve less than two weeks ago, and David Steffe, 22, who is in the Air Force, stationed in Mississippi.

Specialist Steffe will be buried in the Baltimore National cemetery.

FIRST SESSION SUMMARY REPORT

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. DONOHUE. Mr. Speaker, in accord with the custom I have continuously followed as a Member of Congress, I would like to include, for the information of my constituents, a summary report on some of the major legislative issues and activities of this first session of the 91st Congress.

WE MUST SPEEDILY END THE VIETNAM WAR

The continuation of the Vietnam war is stifling domestic progress, feeding the fires of inflation, and promoting dangerous disunity throughout the country. It must be speedily brought to an honorable end. In this first congressional session, I joined in introducing resolutions urging the President to withdraw American military forces from Vietnam, and subsequently praising him for the withdrawal action he did initiate. I will continue to appeal to the President to accelerate troop withdrawal and to exercise every other resource of our Government to conclude the war as quickly as possible. I will further support every responsible effort for peaceful agreement and earnestly hope it will be finally accomplished well before the end of 1970.

INFLATION CONTROL IS IMPERATIVE

Our second most important national objective is to more effectively control inflation. Basic living costs and interest rates are at an all-time high. The hardest hit by inflation are the impoverished, those trying to live on fixed incomes, such as social security recipients, and the great majority of middle-income families who pay most of the Nation's taxes. Many economists believe the President will have to recommend stronger controls than the present ones to restrict the inflationary spiral. If and when he does I am sure the Congress will give them very serious consideration. Meanwhile, I advocated and supported two other measures to help contain inflation that were adopted, reductions in defense spending and tax reform.

SOCIAL SECURITY INCREASES ARE DESPERATELY NEEDED BY OUR OLDER CITIZENS

It is an established fact that, today, one out of every eight Americans count on their monthly social security payment for the mere essentials of a decent life. The further harsh economic fact is that the checks they are receiving are not large enough to overcome inflationary costs and provide even these basic essentials. Therefore, I introduced and urged the Congress to approve legislation, this past year, for immediate social security increases of at least 15 percent, pending action for additional overall increases and improvements this year. I am gratified that our recommendation was adopted and I shall continue my efforts for the approval of expanded benefits early in this second congressional session.

DEFENSE SPENDING CAN BE REDUCED AND THE SAVINGS TRANSFERRED TO OTHER URGENT DOMESTIC PROGRAMS

A great many military experts have suggested and recommended that our astronomical defense appropriations ought to and could be reduced by as much as $10 billion without hurting the security posture of the country and I am inclined to agree. For many years, I have argued against the Congress routinely giving military officials a "blank check" every time they request money for "national defense." I did this to encourage the closest possible congressional scrutiny of military spending to eliminate unnecessary wasteful and extravagant programs. This year, for the first time in history, the Congress devoted several weeks, instead of the usual 1 or 2 days, to closely examining every military appropriation item and the result was a substantial reduction of some $5 billion in the original requests. With this precedent, we can look for further and greater savings in the future, which can be transferred to urgent domestic improvement programs such as education, crime reduction, employment training, social security improvement, conducting the war on poverty, flood control, eliminating water and air pollution, and so many others vital to our national stability and progress.

TAX REFORM

The record shows that for several years, I have been urging correction and improvement in our antiquated and discriminatory tax laws. Something is greatly wrong when very wealthy individuals and corporations can legally escape payment of even 1 cent of taxes. I was extremely gratified, therefore, when a compromise tax measure to eliminate the poor from the tax rolls, raise personal exemptions, lessen the heavy burdens of the middle-income and single head-of-household taxpayers, and more equitably distribute the overall tax load was approved by the Congress. Although this compromise tax measure is far from perfect, it is a substantial forward step in essentially needed reform and I am proud to have had a part in its enactment. However, I shall further persevere in my efforts to encourage adoption of urgently needed tax relief to parents for college tuition and expenses, to persons over 65 for full medical expenses, to the handicapped, to small business, and in other areas where extreme economic distress is being experienced.

THE ALARMING INCREASE IN CRIME MUST BE HALTED

In my opinion a primary obligation of free government is the establishment and maintenance of law and order, with justice, to keep our citizens safe in the streets of their community and in their homes. That is why I have urged and voted for greater Federal assistance to our cities and towns for better police training, to strengthen our courts, impose heavier sentences for crimes of violence, sensibly restrict the interstate sale of firearms, expand juvenile correction facilities, and educate our young people to the dangers of drug misuse. The general public and our youth, particularly, must be effectively protected against organized crime and riotious killings and property destruction must stop. A stronger Federal commitment must be made in the common effort and urgency to overcome the foundation causes of increasing crime in our cities and towns, and I will continue to support programs to eliminate crime at its roots, such as those providing better education and housing, and more employment training and assistance in job placement.

EDUCATION FOR PROGRESS

Education is the key to constant improvement of the quality of American life. In this area, the Federal Government has promised much but delivered too little. Therefore, I sponsored and supported resolutions in this past session to greatly increase Federal funding for student loans, grants, and scholarships, teacher improvement, library equipment, vocational training, educational facilities expansion, impacted aid, educational research and pre-school learning programs. Adequate funding of these and other educational activities represents a prudent investment in America's future and I believe they merit our united support.

FLOOD, WATER, AND AIR POLLUTION CONTROL

Here are three other critical areas in which there has been too much talk and too little doing. Unless flood control measures are strengthened and pollution and poison eliminated from our waters and atmosphere, our whole society is threatened with extinction. Many well-intended programs have been initiated at Federal and local levels but not enough money has been made available to carry them out. Small communities throughout the country, like those bordering on the Blackstone River and other tributaries in our own area, are in real need of greater assistance to construct more and better flood control facilities. That is why I constantly urged and appealed, in this past congressional session, for approval of substantially increased Federal appropriations to enable our towns and our cities to more fully control the threatening dangers from river and ocean floods and water and air pollution. I shall persevere in my efforts for even greater increases in Federal assistance in these critical areas until these imperative local and national objectives have been achieved.

EQUITABLY REVISING OUR DRAFT SYSTEM PENDING ESTABLISHMENT OF AN ALL-VOLUNTEER FORCE

Having long believed that our military draft system should be equitably revised, I have persistently urged the complete removal of any partisan politics from this vitally important subject. When the President requested authority from the Congress, in this past session, to set up a lottery system, I supported his request. I did so in order to help restore the confidence of our youth in the ability of the President and the Congress to work together in their interest, to enable our young men to better plan their lives and to lessen the natural anxiety of parents about their children's future. I shall continue my efforts to further improve our selective service law, particularly in the areas of conscientious objection, legal representation and the application of identical standards throughout the country. As we try to establish an adequate all-volunteer force, it is imperative that our draft system be made as fair and impartial as is humanly possible.

PLEASE LET ME HEAR FROM YOU

Of course, many other activities occurred in this past congressional session that I cannot touch upon in this necessarily short summary; however, I will report to you again, from time to time, during this second session. Meanwhile, I hope you will never hesitate to contact me by letter or phone whenever you have problems connected with Federal agencies or are interested in pending legislation. In case of emergency, please call me collect at my Washington or central district office in Worcester.

MAIN OFFICES—ADDRESSES AND PHONE NUMBERS

Each weekend that the congressional schedule here will permit, I return to my Worcester office to meet and talk with constituents. The addresses and phone numbers of our two main offices are as follows: Hon. Harold D. Donohue, Member of Congress, room 425, 390 Main Street, Worcester, Mass. 01608—phone number, area code 617, 754–7264, and Hon. Harold D. Donohue, Member of Congress, room 2265 Rayburn House Office Building, Washington, D.C. 20515—phone number, area code 202, 225–6101. Let me repeat, in case of emergency, do not hesitate to call me collect.

THE NEW YEAR

As we prayerfully and perseveringly continue our individual and cooperative efforts to restore peace on earth and renew traditional virtues and strengths within our own beloved country, I would like to extend new year's greetings and my sincere wishes for continuing good health and fortune to all of you and your families.

IF YOU WANT TO FREEZE IN ONE PART OF THE HOUSE AND SWEAT IN ANOTHER, BE SURE TO PURCHASE YOUR EQUIPMENT THROUGH THE WASHINGTON GAS LIGHT CO. AND BE ABSOLUTELY CERTAIN THAT THE APPLIANCE IS MADE BY THE BRYANT CORP.

HON. GLENN CUNNINGHAM

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. CUNNINGHAM. Mr. Speaker, on several occasions I have expressed a consumer's regret for the installation made in my home by the Washington Gas Light Co. and the farming out of the installation of new equipment to the Bryant Corp., both for heating and cooling. I have introduced a resolution for an investigation of the shabby practices of the Washington Gas Light Co. and their contractors.

A little over 3 years ago, having some faith in the Washington Gas Light Co. and needing a new heating and air-conditioning system, I asked them to come to my home and I signed an agreement with them for the installation of heating and cooling equipment. I specified a certain type of equipment I wished to have installed, but instead the company pushed the Bryant equipment upon me. We have had nothing but trouble with the Bryant equipment and the installation. The outside air-conditioning unit has had to be repaired several times and new parts inserted. The heating unit has had to be repaired many times and the Aprilaire unit has continually malfunctioned. The installer also made mistakes in the installation of the louvers bringing the heat and/or cold into the house.

Now that the winter season is upon us, with the malfunction of the humidifier our children wake up in the morning with sore throats and at the present time they are in bed.

Mr. Speaker, I could go on. I could explain the installer's disregard for fire safety by placing the furnace room lamp directly in contact with the black tubing that comes into the furnace room from the outside air conditioning unit.

Mr. Speaker, I think the people who consider gas heating, and particularly the terribly bad heating and cooling appliances of the Bryant Corp., should be concerned, and as a consumer I would recommend to them that they never purchase anything built by the Bryant Corp. I would further recommend that they not contract through the Washington Gas Light Co., whose service is poor regardless of the fancy advertising I notice on television and in the newspapers.

GOSSIP GAME

HON. WAYNE L. HAYS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. HAYS. Mr. Speaker, under leave to extend my remarks in the Record, I include the following excerpt from a column written by Mr. Ralph H. Romig, farm editor of the Uhrichsville-Dennison Evening Chronicle of December 2, 1969:

GOSSIP GAME

Taking backyard gossip out of the backyard and putting it on a national basis is another fad that is sweeping America today. We can find the answer to it in seven words of wisdom that were first spoken in a countryside service in another land. They were spoken long ago but they might have been tailored for the national gossips of today.

Take a look at that backyard gossip and the attempt to make it nationally respectable today. We see certain national groups indicting whole classes of people because some member of that class aroused the dislike of another.

A man before a television microphone last night indicted by implication the whole United States army for the errors of a few. He indicted a lot of fine young men, and with them one very special young soldier I know quite well. He claims the right of free speech, but in the pages of Country Wisdom no one has a right to do that in the name of free speech.

A United States Senator recently called everyone who opposed him "fat cats." It sounds like a couple of frustrated gossips tossing epithets at each other over a back fence instead of the words of a responsible official.

"Don't trust anyone over thirty," is another mass indictment phrase, too long accepted and unchallenged.

Inventing dirty names for policemen and the "establishment" has become a national pastime.

The Babe in the Manger grew up to give us the answer to the national sport of mass indictment. He gave it in seven words spoken at a countryside service long ago. His seven words "judge not that ye be not judged," are foundation stones early American country life. They are the antithesis of the sport of national gossip and name calling.

SIX EX-VETERANS' LEADERS URGE AID FOR ISRAEL

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. PUCINSKI. Mr. Speaker, United Press International has written an interesting report which I would hope the State Department and the Nixon administration would take under serious consideration.

The report states that six past national commanders of major American veterans' organizations are urging President Nixon to provide Israel with all arms needed to maintain a Middle East power balance.

I am very pleased to see this report and to have the support of such distinguished Americans in a similar proposal that I had made recently here on the floor of the House. It would be my hope that the Nixon administration would once and for all realize that with the presence of the Soviet Union in the Middle East and with the Soviet Union rearming all of the Arab states, it is the height of folly for the United States to continue its policy of parity of military aid to the Middle East.

I believe the United States should give Israel 200 Phantom jets forthwith to preserve peace in that explosive part of the world. Only when the Arabs realize that any attack on Israel will be doomed to failure will we finally persuade them to act like civilized nations and enter into a discussion with the Israelis for a meaningful peace.

The article follows:

SIX EX-VETERANS' LEADERS URGE AID FOR ISRAEL

Tel Aviv, Israel, December 7.—Six past national commanders of major American veterans' organizations said today they will urge President Nixon to provide Israel all arms needed to maintain a middle east power balance.

The six included: Claude L. Callegary, Baltimore, Md., Disabled American Veterans; Ted C. Connell, Killeen, Tex., Veterans of

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Foreign Wars; Eldon James, Hampton, Va., and John Davis, Arlington, Va., both of the American Legion; Ralph Hall, Wheaton, Md., Amvets; Cooper Holt, VFW, Silver Spring, Md.; Robert O'Leary, Baltimore, Catholic War Veterans; and Malcolm Tarlov, Norwalk, Conn., Jewish War Veterans.

They and Bernard Direnfeld, Cleveland, present commander of the the Jewish War Veterans, are on a 10-day tour of Israel ending Tuesday. They met Foreign Minister Abba Eban and Israel military commanders and visited cease-fire fronts and occupied areas and saw how Israelis were using some American weaponry, including Phantom jets and Hawk anti-aircraft missiles.

PROBLEMS OF THE SEC

HON. H. R. GROSS

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. GROSS. Mr. Speaker, I have read with interest the statement recently made before a subcommittee of the House Interstate and Foreign Commerce Committee by our former colleague, the Honorable Hamer H. Budge, now Chairman of the Securities and Exchange Commission.

Because of the growing problems in the investment field, and particularly mutual funds, I suggest that Members of the House would do well to acquaint themselves with the excellent presentation made by Mr. Budge before the proper committee of the House. His statement follows:

STATEMENT OF HONORABLE HAMER H. BUDGE

I. INTRODUCTION

This is our second appearance before you on behalf of H.R. 11995. When we were last here, we briefly sketched the long history of the proposals now before you and outlined what the Bill would actually do. We did not discuss the reasons for the need for the Bill since we did not think it necessary to review again ground that we then believed noncontroversial. We had good reason for that belief. The Commission had gone as far as it could reasonably go in meeting the industry's objections to our original proposals. Compromises satisfactory to the major segments of the investment company industry and to the retail securities business appeared to have been arrived at, and when S. 2224 was reported out of the Senate Banking Committee, it was generally believed that the Bill reflected the agreement of the major segments of the industry, in particular, the ICI.

Thus, Senator Sparkman, the Chairman of the Senate Banking Committee and a key sponsor of the Bill and Senator Bennett, the ranking minority member of that Committee both understood, as did the other members of the Committee, that an agreement had been reached between the Commission and the ICI on the management fee issue, as well as the other items in the Bill. Senator Sparkman said,[1] "These amendments have widespread support throughout the securities industry." Senator Bennett also stated, on the floor of the Senate,[2] that "It may seem surprising, but both the Securities and Exchange Commission and the mutual fund industry are in general accord with the Bill's provisions." The Bill was unanimously passed and H.R. 11995 now before you is the Bill as it passed the Senate. Hence, our task, as we saw it when we were here last, was to explain those compromises and their effect.

During this past month, however, the spirit of compromise seems to have dissipated. It therefore appears necessary to review why we believe this legislation is vitally important to investment company shareholders, the one group who has not appeared before you because they depend upon the Commission to speak for them and the Congress to act for them.

It has been suggested that there is no public outcry demanding reform in the investment company area. However, in 1940 in enacting the present Act, the Congress directed the Commission, in Section 14(b) if it believes that "any substantial further increase in the size of investment companies creates any problem involving the protection of investors or the public interest, to make a study and investigation . . . and . . . to report the results of its studies and investigations and its recommendations to the Congress." We have made such a study and investigation and have reported to you and have made various recommendations embodied in this Bill. We feel it was our obligation to do so. On the other hand, we have studiously avoided attempting to influence your deliberations by contacting you directly or attempting to have others do so. We would, of course, welcome the opportunity to discuss this with you personally. Except for the ICI and the contractual plan sponsors, we know of no objection of any organized group in the securities industry to the mutual fund provisions of the bill.

In this connection, when the present Act was enacted the net asset value of all mutual funds was only about $450 million. As at June 30, 1969, that amount was $54.4 billion, 120 times as large. Even using the ICI's figure that the average advisory fee was 0.348% of net assets, the advisory fees paid in fiscal year 1969 were about $190 million. It is our opinion that the total may be significantly greater.

II. MANAGERIAL COMPENSATION—THE "ADVISORY FEE"

The S.E.C. has never suggested that the Congress pass a federal statute dealing with the compensation of business executives in industry and trade. Nor can I conceive of the Commission ever making any such proposal. Yet all of us at the Commission think that legislation dealing with managerial compensation in the investment company industry is desirable. Why? What is so special about investment companies?

To answer these questions one must look at the peculiar way in which mutual funds are organized. The mutual fund is unique. There is nothing like it anywhere else in the American economy. When promoters start a mutual fund, they almost always do so by launching not one entity, but two. One of those entities is the one into which the public is asked to put its money. That is the fund itself. To it, the promoters make a relatively small initial contribution. But the great bulk of the fund's capital is expected to come, and actually does come, from the general public to which it sells its shares. Very seldom do the promoters draw (or expect to draw) much from the fund itself by way of salary. In fact, they usually serve without salary.

The second of the two entities formed by the promoters is called an "investment adviser." It is formed, controlled, and dominated by the very same group that formed and controlled the fund. The fund then makes an arrangement called an advisory contract with the adviser. In most cases the flesh and blood people who enter into the contract for each entity are largely the same on both sides. The fund pays the adviser a fee, usually a percentage of the fund's assets, in return for investment management.

Of course, in addition to managing its investments, the fund has another function, that of selling its shares to the public. This share selling function is also contracted out. It is handled by an organization called a principal underwriter. In most cases, the principal underwriter is either the adviser itself or a close affiliate of the adviser. In fact, the fund itself is often a kind of a ghost. It may hold many millions of dollars in public savings. But, it may have no staff of its own and be really totally dependent upon its adviser-underwriter.

True, the fund itself looks—when viewed superficially—just like any other corporation. It has a board of directors and it also has one or more executive officers. But, in the case of most funds, a substantial portion of the directors, and all or virtually all of its officers, are normally associated with or employed by the adviser. So for all practical purposes the typical fund is under the adviser's thumb. It was conceived by the adviser and it never assumes a truly independent existence.

This pattern is commonly referred to as one of external management. It is the traditional way of doing things in the investment company field, but it is hard to conceive of anything like it anywhere else. There is no valid comparison between external management in the mutual fund business and the ordinary business practice of subcontracting. Mutual funds just do not go out to buy advisory and underwriting services on the open market on the best terms they can get. They are generally tied to their advisers. The adviser sets his price and, typically, the fund pays that price. The arms-length bargaining element in the ordinary business relationship, is completely lacking here.

The structural arrangements found in this industry create an economic environment in which normal market restraints on managerial compensation are conspicuous by their absence. This is a situation in which insiders usually bargain with themselves. In this type of system, legal controls are needed in order to do what normal market forces can be depended on to do elsewhere.

As long ago as 1940, there were those who considered external management an anomaly that should be banned by law and who argued that all investment companies should be required to do their own work through their own staffs. At that time, however, the problem of investment company managerial compensation did not seem to be of great magnitude. The funds were small in those days and the amount of compensation involved was not significant.

Accordingly, in 1940, the Commission took a very conservative view. It recommended only the imposition of what it then described as "a few elementary safeguards." Those safeguards consisted essentially of disclosures and of requirements as to the composition of boards of directors. The Congress of 1940 accepted that view. In the Investment Company Act it required that the funds must have boards of directors elected by the shareholders. The Investment Company Act also requires that at least 40 per cent of the directors must be unaffiliated with the adviser. The Investment Company Act also provide that investment advisory contracts must be approved at the outset by shareholder vote and periodically thereafter either by the shareholders or by the directors. If the adviser chooses to rely on the periodic approval by the directors, a majority of the unaffiliated directors must approve the contract.

The studies made for and by the Commission since 1958, demonstrate that these "elementary safeguards" have been ineffective.[3] The unaffiliated directors are chosen by the affiliated directors, and with very few exceptions they have no staffs of their own. They do not choose to dispute with their colleagues about the advisory fee nor do they

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have any alternative which would not disrupt management They typically have other businesses or occupations and receive very modest compensation from the fund or its adviser. There is a general pattern followed by most funds with respect to their advisory contracts. So, when the terms of the contract are not unusual, approval is pretty much a routine matter.

Nor has shareholder voting operated as an effective control on management fees. The shareholders have no real choice. All they can do is to approve or disapprove the advisory contracts that management submits to them. The shareholder who thinks of disapproving the contract faces the spectre of a fund with no facilities for running its day-to-day operations, since those facilities are supplied by and are in the hands of the external investment adviser who has been in charge of the fund's operations. Of course, the shareholder can dispose of his investment, but he has ordinarily paid a substantial sales charge and if he purchases shares of another fund he is subjected to another substantial sales charge. For the average shareholder, this is not much of a choice. Moreover, the wide dispersion of fund shares among many small shareholders, coupled with management's control of the proxy machinery, makes organized opposition to management practically impossible.

Experience during the two decades from 1940 to 1960 demonstrates the ineffectiveness of unaffiliated directors and shareholder voting as a restraint on managerial compensation. During those 20 years the funds grew enormously. This growth led to tremendous economies of scale. A billion dollar fund is ten times the size of a $100 million fund. But there is no such steep rise in operating costs. The actual cost of running a billion dollar fund is nothing like 10 times the cost of running a $100 million fund. Had normal free market forces been at work, the benefit of these lower advisory costs would have been passed on to shareholders in the form of lower advisory fees. Nothing of the sort happened. In spite of the funds' sensational growth, advisory fees continued to cluster around the traditional ½ of 1 percent.

Prior to 1960 the fund managers, with rare exceptions, made no move to lower their fees. Many funds grew tenfold in size and more. Nevertheless, the ½ of 1 per cent advisory fee remained constant.

In 1960, however, the situation began to change to some limited extent. Advisers began to scale down their fees to provide for charges of less than ½ of 1 per cent on that portion of the fund's assets in excess of some stipulated figure. For example, one fund now pays its advisers the traditional ½ of 1 per cent fee on its first $500 million in assets, with the fee dropping to 4/10 of 1 per cent on the next $250 million, to 3/10 of 1 per cent on the next $250 million, and finally to ¼ of 1 per cent on that portion of the assets in excess of a billion dollars.

This change developed after some 50 private lawsuits had been instituted by mutual fund shareholders to attack the advisory fees paid by most of the large externally managed funds as excessive. These lawsuits were derivative in nature—brought by one or more individual shareholders on behalf of their funds.

Only three of the cases were fully litigated.[4] One court thought that the fees were "high,"[5] and another thought that a flat ½ of 1 per cent management fee on $600 million, produced profits "certainly approaching the point where they are outstripping any reasonable relationship to expenses and effort even in a legal sense."[6] Nevertheless, all three actions resulted in judgments for the defendants. The courts viewed the fact that the advisory contracts had been approved by the shareholders in all three cases—and in one case by the unaffiliated directors—as changing the applicable standard from fairness or reasonableness to the much looser standard of waste of corporate assets. Thus the Congressional requirement of approval by the shareholders and a majority of the unaffiliated directors, which was intended to act as a protection for the shareholders, has actually served to insulate the fees and deny shareholders the benefit of judicial protections they would otherwise have enjoyed.

The courts themselves have not been happy about the results they felt they were constrained to reach under the present law. One judge said in part:

". . . if there is to be 'regulation', it must come from the legislative branch unless it results in the violation of some positive principle of law, such as that applicable to a waste of assets."[7]

In another case the court stated:

"If the fund management company format is to be legally questioned, such inquiry must come from some other place."[8]

Although judicial examination of advisory fees in the courts did not, therefore, serve as an effective substitute for competition and arm's length bargaining, most of the cases that were brought were settled under conditions which resulted in new advisory contracts somewhat more favorable to the funds.

Another factor came into the picture in the fall of 1962, when the Wharton School delivered its report to the Commission entitled "A Study of Mutual Funds."[9] That report documented the inflexibility of the mutual fund investment advisory fee situation and concluded that "the more important current problems in the mutual fund industry appear to be those which involve potential conflicts of interest between fund management and shareholders. . . ."[10] In response to that report additional, but still modest, advisory fee reductions were made. The Commission has firmly believed that further reductions may well be appropriate and that investment company shareholders should at least have the opportunity to question the adequacy of the reductions that have been made and the propriety of existing and future fee levels. Because it has not been possible successfully to maintain such a cause of action under the present state of the law as it has developed, the Commission considered the available alternatives in its Mutual Fund Report.[11]

One alternative would have been to urge that the Act should be amended so as to require that the funds do their own work under the direction of their own officers, directors, and employees—just as other companies and some few investment companies do. There were many who urged that course. It was argued that to attempt to superimpose protections upon the external management system would be like trying to treat a serious illness with band-aids and aspirins and that there was a basic incompatibility between external management and investor protection.

The Commission recognized the force of these views but rejected them as too drastic. It asked only that the Act be amended so as to include an express federal requirement of reasonableness with respect to managerial compensation. After all, there is nothing unreasonable about reasonableness.

The industry, we found to our regret, took a different view. They found the proposal that the law require reasonableness extremely objectionable, although they did not quarrel with the proposition that fees should be reasonable. Industry spokesmen from the out set made several arguments.

First, they said there is no advisory fee problem—full disclosure, shareholder voting, the presence of the unaffiliated directors, and "competition" in the business operate, they said, as effective checks on advisory fees. Experience has demonstrated, however that disclosure, voting and the unaffiliated directors all together have not been enough and whatever competition there has been in the industry has historically been for sales, and recently for performance, but never for lower advisory fees.

It was also argued that this "non-problem" was getting better all the time—that fees, which were always reasonable, have dropped further in recent years. Those reductions that have occurred, however, can be traced generally to the shareholder litigation, the Wharton Report and Congressional consideration of reform—not to the advisers' initiatives, the efforts of the unaffiliated directors, or shareholder balloting. Further, there are still many very big funds—including two of the largest in the industry—as well as the bulk of the smaller funds, which charge a flat ½ of 1 percent or more.

Another argument made was that fees that may look large in the aggregate are really small. After all, ½ of 1 percent on a $5.000 investment is only $25 a year and it is simply impossible for any one to get expert investment management individually for as little as $25 a year, Such an argument is sheer sophistry, of course, because even the most outrageously exorbitant fees or charges can be made to seem "reasonable" if they are spread over a very large group. In this argument the industry, which wishes to use the fund's corporate form to exact such high fees, now wishes to divide the fee by the hundreds of thousands of shareholders when we examine the fees closely.

The final objection most often heard was that the Commission's recommendation that the courts pass on a reasonableness of the fees on a case-by-case basis would lead to a rash of strike suits.

In the Commission's view, this argument was not convincing because first, the industry already faces a number of strike suits and second, because courts frequently are called upon to judge whether a charge for a service is reasonable and there is nothing undemocratic in having a court make such a determination.

Thus, the Commission was unable to discern any merit in the industry's objections to the proposed reasonableness standard. It is worth noting that in 1968, the Senate agreed with the Commission on this point. S. 3724, which the Senate passed in the first session of the 90th Congress in the summer of 1968, would, if enacted, have added to the Investment Company Act an express requirement that managerial compensation be reasonable.

But the Commission has never been wedded to any particular formula. It has always been more concerned with the substance of investor protection than with the particular words in which that substance is conveyed. Hence, when Senator McIntyre suggested the fiduciary duty approach now taken in H.R. 11995, and the ICI itself came to us to discuss the possibility of reaching an agreement along these lines, and when the negotiations our staff had with the ICI led us to believe that the industry would not only accept but would support the fiduciary duty language, we were willing to accommodate ourselves to the industry's preference.

That is why neither the bill that the Senate passed at this session (S. 2224) nor H.R. 11995 uses the word "reasonable" in this context. Instead, those bills provide for the addition of a new section to the Investment Company Act (proposed Section 36(b)), which would:

A. State specifically that the adviser has a "fiduciary duty" with respect to all compensation received from the fund itself or from its shareholders; and

B. Direct the courts to give the directors' approval of the management fee and the shareholders' ratification of that fee such consideration as they deem appropriate in the circumstances of the particular case.

Last month, we said that the Commission understands "that the Investment Company

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Institute does not oppose the adoption of these provisions." Unfortunately, we learned, to our dismay, that the situation has changed. Although the President of the ICI has since testified that the ICI does not oppose the Bill, he has also stated that

". . . it must be obvious that our understanding with the S.E.C. that we would not object to the management fee provisions now contained in H.R. 11995 was reached without any enthusiasm on our part in view of the fact that these provisions continue to be vague and will inevitably breed expensive, time-consuming and unnecessary litigation.

"We have never believed that this type of legislation in the management fee area was really necessary. . . ."

The Institue's president then told this Committee that it "should also know that some of our members [admittededly only a "very few"] have expressed the view that the management fee provisions of the present Bill are still unacceptable to them." So, after all this time, all this energy, and all of the accommodations that the Commission made, it turns out that we succeeded only in achieving a peculiar kind of an "understanding" with the Institute—an "understanding . . . without any enthusiasm" which is "unacceptable."

If they had these reservations during what now appears to have been a tongue in cheek negotiation, they certainly did not express them to us. The Institute's president has in his testimony again reviewed the industry's old arguments against any legislation in this area. We find those arguments unconvincing for the reasons we have already indicated and, with the Committee's permission, we are submitting for the record a separate memorandum dealing with his contention that the costs of investment company management are low.

The ICI also suggested the adoption at this time of "self-regulation" in the advisory fee area where they have always maintained—and still do—that a problem does not exist.

Of course, self-regulation has an appropriate place in the federal system of controls over the securities industry. From its earliest days, the Commission has recognized the value of the self-regulatory concept in certain areas. For example, in the area of business ethics, self-regulation is effective. It must be remembered, however, that the self-regulatory concept is a supplement to—not a substitute for—the rule of law.

We have serious doubts as to the desirability and workability of self-regulation in the area of management fees.

Nevertheless, at the request of Chairman Moss, our staff has had several meetings with industry representatives and staff members of your Committee. We understand that these discussions have demonstrated that the proposal involves very complex and difficult problems which do not appear likely to be resolved soon or easily.

The ICI admits that the entire proposal has been advanced for the purpose of depriving shareholders of the opportunity to sue fund managers in the federal courts in respect of management fees, a right provided in the present bill. Under the ICI self-regulatory proposal, shareholder suits against members of the self-regulatory association would be eliminated in this area. While we understand the desire to insulate management from shareholder actions, the fact is that such actions are often beneficial to the shareholders and provide a valuable supplement to the Commission's own activities. There are already in H.R. 11995 and in the FRCP[12] sufficient safeguards against frivolous or harassing law suits This is not a new area. Commissioner Owens in response to a question by Senator Bennett on April 22, 1969, detailed the Commision's views against prohibiting shareholder actions.[13] We question the desirability, under color of self-regulation, of now giving unprecedented special new protection from shareholder suits to mutual fund managements in the crucial area of advisory fees.

The ICI proposal also requires Commission action with respect to the level of management fees. The self-regulatory association's rules would be subject to Commission oversight and thus the industry and the Commission would be involved in rate regulation. We have resisted asking the Congress for power to set management fees. We have consistently held to the position that the Commission should not act as a rate-making body in the advisory fee area, as we do in the stock exchange commission rate area. Oddly enough, until this proposal was made, the industry emphatically agreed.

The ICI contemplates that the self-regulatory association will adopt rules to insure that the terms of the advisory contracts of its members do not provide for compensation which is unreasonable. It is not clear how they propose to accomplish this. Apparently, they do not contemplate a separate rule for each company. A single rule of fixing the fees for all funds, on the other hand, appears wholly impracticable. As the discussions our staff has had with the ICI have shown, it is doubtful that an objective standard could, in fact, be developed and applied fairly to such a diverse industry. Such a rule would disregard the vast differences in compensation received by the advisers as well as the immense variations in the nature, value, and cost of services rendered by different investment advisers. The ICI recognizes that this may not work. They do not know just how they would propose to go about this self-regulation.

We are also concerned that any new self-regulatory organization should not dilute the effectiveness of the NASD. The ICI proposal contemplates that the new self-regulatory association would be empowered to adopt rules to prohibit excessive sales loads—a function traditionally vested with the NASD and embodied in Section 12 of H.R. 11995. Serious questions would be raised by any such division of self-regulatory responsibility in the investment company industry.

Another problem is the manner and extent to which unreasonable fees, in violation of rules the Association may adopt, will be recoverable for the fund. Under the proposal, the Association could direct the repayment of unreasonable fees but the enforceability of such an order of the Association is not clear. Further, the constitutionality of this approach is doubtful.

Still another problem is raised by the fact that not only would the proposal provide unprecedented insulation to the Association's members from shareholders actions and from the power of courts to scrutinize violations of fiduciary obligations, but that it also provides for insulation from the antitrust laws. Setting fees—even advisory fees—requires exemption from the antitrust proscriptions against price-fixing and such an exemption is, in fact, part of the ICI proposal. We cannot at this point in good conscience advise this Committee that private price-fixing with antitrust immunity is in the public interest.

Finally, there is a basic philosophic and economic problem in this proposal. There is no business reason why anyone should join this proposed self-regulatory body as there is, for example, in the case of the New York Stock Exchange or the NASD. Members of the Exchange assume the costs and burdens of self-regulation in order to obtain the economic advantages of a "seat," and NASD members have almost exclusive access to the underwriting of any significant new issue of stock or corporate bonds. Members of this new organization would gain nothing except immunity from judicial scrutiny of advisory fees. This raises two questions: would the new body have to unduly lenient in dealing with advisory fees in order to attract and keep members? Would it be proper for a fund manager to cause his fund to join the organization, and assume whatever expense and burden that entails, when all the fund gets out of it is the possibility of paying a higher advisory fee than a court would find to be fair?

Because of all these problems, and possibly more, we find it difficult to conceive at this time just how the self-regulatory proposal of the ICI would work. If your Committee desires, our staff can continue to explore the possibility of self-regulation in the investment company industry. It may be possible that self-regulation can contribute something in the advisory-fee area. It appears that careful study—and perhaps even a period of experience with the actual workings of H.R. 11995—will be needed before informed opinions on that point can be formulated. In short, the possible use of self-regulation in the advisory-fee field is a subject that should be considered in the future and should not delay encatment of this Bill.

II. SALES LOADS

Now turning to sales loads, other than front-end loads, we are pleased that the NASD is still adhering to its agreement to support this legislation. However, representatives of several NASD members have appeared before you opposing our recommendations, so I would like as briefly as possible to review our position in this area.

Mutual fund sales charges are substantially out of line with charges in all other segments of the securities business. They are not determined by the normal interplay of competitive market forces and in most cases, are far higher than acquisition charges for other securities of comparable quality.

The Commission originally recommended that sales loads for investment company shares be limited to 5 per cent of the net amount invested, subject to authority in the Commission to allow higher loads where appropriate. Section 12(a) of H.R. 11995 does not do this. Rather, it would give the NASD authority to adopt rules designed to prevent "excessive sales loads" but allowing for reasonable compensation for sales personnel, broker-dealers and underwriters, and reasonable sales load levels to investors. The Commission would be authorized after the expiration of 18 months from the enactment of the Bill, to alter or supplement the NASD rules. It would also be granted authority to make rules covering non-NASD members, but such nonmember dealers could elect to be governed by the NASD's rules.

Some background information on why this is necessary may be helpful at this point.

Sales charges are fixed by the fund managers under Section 22(d) of the Investment Company Act, an exemption from the antitrust laws, which prohibits price competition by dealers in the sale of shares of any fund.

That is, Section 22(d) permits the funds' principal underwriters to fix prices to which every retail dealer in securities must adhere. Without any doubt, Section 22(d) is unique. It places the full force of the criminal laws of the federal government behind resale price maintenance in the investment company field, so that if a retail dealer knowingly sells a mutual fund share for less than the price stated in the prospectus, he violates the Investment Company Act. And as we have noted, sales charges for mutual fund shares are far higher in most cases than acquisition costs on other types of securities of comparable quality.

There is little difference in the sales loads charged by most of the load funds. With few exceptions, they range from 7.5 per cent to 8.9 per cent of the offering price. Expressed in the way sales charges are usually stated elsewhere in the securities industry, i.e., as

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a percentage of the net amount actually invested rather than as a percentage of the total gross dollar amount paid out by the investor, an 8.5 per cent sales load amounts to a sales charge of 9.3 per cent of the value of the fund shares purchased.

In recent years, sales loads have tended to cluster around 8.5 per cent and this 8.5 per cent figure is the one that most mutual fund investors pay today. In this connection, it is important to note that in 1950, when there was much less investor interest in mutual funds as an investment medium, the most typical sales load was 7.5 per cent.

Most funds offer reductions from the basic load for large purchasers. But very few of them offer quantity discounts below the $10,000 level, and even at that level, many still do not offer a quantity discount. When quantity discounts are offered to $10,000 purchasers, those discounts are very small. And, one Investment Company Institute survey showed that only 7.3 percent of mutual fund purchasers invest more than $10,000 in any one transaction.

These charges do not compare favorably with other sales commissions. Exchange commission rates on orders for lots of 100 shares or multiples thereof, run about 1 percent of the dollar amount involved. While exchange commission rates on small transactions and on the lowest priced stocks amount to quite a bit more than 1 percent, even in these situations, they are far below the typical mutual fund charges of 9.3 percent of the amount invested in the fund.

Charges for most transactions in over-the-counter securities and charges in connection with conventional underwritings of securities are also generally substantially less than mutual fund sales charges. Moreover, distribution of mutual fund shares is quite different from underwritings of other securities which involve the special risks and effort incident to the distribution of relatively large amounts of securities in a very limited period of time. In contrast, the distribution of mutual fund shares is a continuous merchandising operation. The distributor is under no pressure to dispose of a specific quantity of shares within a limited time, he has no inventory and he assumes no market risks. Whatever he may be in a legal form, the distributor is, in economic reality, a sales agent rather than a risk-taker. As such, he has little in common with underwriters of other types of securities.

These striking differences between mutual fund sales charges and charges for other securities transactions reflect the type of competition which has developed in the mutual fund industry. This competition focuses on securing the favor of retail dealers—it tends to raise, rather than lower, sales loads. All of this takes place under the umbrella of Section 22(d) which prohibits retail dealers from engaging in retail price competition for customer favor.

The testimony of Mr. Milton Mound before this Committee two weeks ago illustrates this point strikingly. The Bill fixes a low sales load for his type of fund. So, far from giving him a competitive advantage, he claims that this places him at a grave competitive disadvantage and he wants to charge more in order to be competitive. This shows how competition works in this business.

Finally, as Chairman Moss said, excessive sales loads cannot be justified by the fact that many mutual fund investors, like other participants in the securities market, have fared well. The fact that a given product ultimately benefits the purchaser does not justify a price for it which is neither competitively determined nor subject to a type of regulatory control which is an adequate substitute for such competition.

That is the problem as we see it today, and as we saw it in our Mutual Fund Report. During the 3 years that have passed since that Report, it has not gone away or diminished. ICI members have enjoyed record sales of $16.26 billion and have added more than 2 million new shareholder accounts, or almost 26% more accounts than those in force at the end of 1966. Thus, as each year has gone by, the numbers of accounts and the dollars involved have mounted. During this same period, we have considered a number of solutions designed to result in fairer treatment of investors in the purchase of fund shares. To clarify any substantive questions remaining in your minds, and more significantly because it illustrates our open-minded, flexible approach to this legislation, I would like to trace the evolution of our approach to this subject. Here again, we have reviewed and revised our thinking and adopted an industry suggestion in order to reach a solution we believe will be fair to investors and assures fair consideration to the interests of sellers.

Our consideration of methods of dealing with the levels of mutual fund sales charges began with the suggestion that Section 22 (d), the legal barrier to retail price competition, be repealed and normal market forces set sales price levels of mutual funds. It was suggested that, if that happened, fund distribution systems would be destroyed, dealers would no longer sell fund shares, funds would fall into a net redemption status and dump their portfolio securities onto the markets, wrecking the markets and ultimately, the economy. We thought this was somewhat exaggerated. However, we did recognize that permitting price competition might have little or no impact on funds distributed by "captive sales organizations" to the disadvantage of other broker-dealers.

We therefore did not make that recommendation and instead originally recommended that sales charges be limited to 5 percent of the amount invested. Even then, however, we were aware that there might be some situations in which higher sales charges might be appropriate, so we recommended that we have authority to raise that limit in such circumstances. In arriving at the 5 percent figure, we were influenced by the fact that 5 percent is considered by the NASD an outside limit on the mark-up that ordinarily can be charged on a securities transaction—including a transaction in which the customer sells one security and buys another.

An alternative to our initial proposal was suggested at a meeting of the Investment Bankers Association. It was proposed that the present authority of the NASD to make rules prohibiting "unconscionable or grossly excessive sales loads" simply be changed to rules prohibiting "excessive sales loads." We determined we would not oppose it if offered as an amendment. As passed by the Senate, the Bill embodies this provision with the Commission having authority to alter or supplement the rules of the securities association after 18 months from the effective date of the Act.

Still, there are some who fear that at the first opportunity the Commission will cast aside the work of the NASD and substitute its own preconceived standards. Indeed, the proposal does provide that the Commission may alter or supplement the rules of the Association. However, there are a number of safeguards. First, the NASD will conduct a study to determine the appropriate rate and I understand that it is beginning to organize a group for this purpose. If the Commission has any questions as to the propriety of the resultant rule, it must (1) make a written request to the NASD that it alter or supplement its rules; (2) the NASD must fail to adopt the requested alteration or supplement; (3) the Commission must hold a hearing after appropriate notice; and (4) a decision must be made by the Commission that the alteration or supplement is necessary or appropriate in the public interest or for the protection of investors to effectuate the purposes of the Section.

I would expect that the role of the Commission would be to review the study in order to insure that it has been thorough and objective and that any rules adopted by the NASD were consistent with the purposes of the Section. In doing so, we would, of course, be guided by the Congressionally expressed intent that any such rules "allow for reasonable compensation for sales personnel, broker-dealers and underwriters, and for reasonable sales loads to investors." We would also consider the nature and quantity of services necessary to effect the proper distribution of fund shares to the public. We believe that if Section 22(b) is amended, as proposed, and if the NASD acts in accordance with the intent of that Section to prevent "excessive" sales loads, there will be no need for the Commission to exercise its own oversight authority to alter or supplement the rules.

FRONT-END LOADS

As you know, the present law permits up to 50 per cent of the first year's payments on contractual plans for the purchase of mutual fund shares by monthly installment payments to be deducted as sales charges. In the Mutual Fund Report, the Commission had recommended that the front-end load be abolished. The present Bill however, allows two alternative means for selling with a front-end load. Under the first alternative, contractual plans may still be sold with the present authorized front-end load, under which up to 50 per cent of the first year's payments may be deducted for sales commissions, provided that if the investor elects for any reason to redeem his underlying shares for cash during the first three years of his contract he would be entitled to receive, in addition to his net asset value, a refund of the amount by which all sales charges paid exceed 15 percent of the total payments made under the plan. The Commission would be authorized to make rules and regulations specifying the form of refund notice required under this alternative and setting forth reserve requirements so that sponsors could meet their refund obligations.

In addition, contractual plan sponsors could elect a second alternative. Under this alternative, the Bill specifies a formula whereby the load could not exceed 20 per cent of any payment nor average more than 16 per cent over the first four years.

As I told you on November 12, after the Senate passed S. 2224, at the request of the Association of Mutual Fund Plan Sponsors, our staff met with their representatives. Despite some misgiving about decreasing investor protection even further than the minimum provided by the Bill that passed the Senate, we agreed we would not oppose a provision which would reduce the refund period to 18 months. We were advised this was agreeable to the Association of Plan Sponsors. The had some problems as to what sort of reserve requirements the Commission would impose and we were discussing this. We felt that this was a matter for rule making, not for legislation, and we were willing to cooperate in an effort to work out reserve requirements which would not be unduly burdensome to them, consistent with investor protection. However, the day before the hearings were to commence before your Committee, the Mutual Fund Plan Sponsors informed our staff that our agreement had come apart.

The November 18 testimony given on behalf of the Association of Mutual Fund Plan Sponsors, Inc. indicates the need to review the background of our recommendations in this area also. The statistics presented by the plan sponsors are essentially the same statistics as those presented for over six years to the Commission and for three years to the Congress. I refer to figures indicating that the great majority of contractual plan holders show a profit if they hold on to their certificate long enough and that the profit of the majority exceeds the losses incurred by a minority of contractual plan investors.

The plan sponsors' attempt to justify sale levels on the basis of prior investment experience is unique in the securities industry. They certainly guarantee no refund of sales charges if investors experience a loss.

We at the Commission have never questioned the utility of investment companies as a medium through which the small investor may obtain portfolio diversification and professional management otherwise unavailable to him. The fact that the stock market has generally risen since 1953 (the time when the plans which are the subject of these profit and loss statistics were bought) explains the figures offered by the plan sponsors. The managers of the mutual funds in which the contractual plans invest have been able, through portfolio diversification and professional management, to bring the benefits of rising common stock prices to investors. Because of this, it is not surprising that most contractual planholders who have been able to hold on to their plans for a great many years have shown a profit. Since World War II, we have seen generally rising stock markets which may offset the front-end load. Before then, in the 30's the experience was different. It is rather terrifying to consider the fate of small investors paying 50 per cent sales load if we should ever encounter a real bear market again.

What is surprising is that the statistics submitted by the plan sponsors to show the profitability of most contractual plan certificates demonstrate that most contractual plan buyers do not complete their payments and that most pay effective sales loads of 15 to 50 per cent.

It has never been disputed that the front-end load penalizes even those who complete their contractual plans. They would do better by investing the same amount in the underlying mutual fund through a voluntary plan which has an 8½ per cent sales load on each payment. This was demonstrated in both the 1963 Special Study Report and our 1966 Mutual Fund Report.

The plan sponsors state that the 50 per cent front-end load is necessary if salesmen are to seek out prospective investors in their homes and bring them their message of the value of mutual fund investment. The Commission in 1966 concluded, whether or not this incentive system is still necessary, that the front-end load be abolished because the Commission felt that the detriments to investors outweigh any benefits to them. As the plan sponsors' own statistics demonstrate, after 10- and 13-year periods, between 25 and 43 percent of planholders paid no more than the installments scheduled for the first three years and about half of these had not progressed beyond the first year's installments. These planholders paid effective sales loads of from 16 to 50 percent.[14] It is no answer to say, as do the plan sponsors, that many of them made money. Of course, many of them lost money—especially those who redeemed in the 3½ year period (some 13.5 percent) and this does not include an additional 22.1 percent whose accounts lapsed.[15]

Experience demonstrates that the steps taken by the plan sponsors in response to criticism are inadequate. The plan sponsors have voluntarily undertaken to extend the 30-day absolute refund privilege, already adopted, to 60 days; but their own statistics demonstrate that the investor's financial ability or desire to maintain his payments does not change so soon after the initial sale. Rather, the attrition is greatest during the first three or four years of the plan. It is not confined to the first two months or even the first year. Thus, a 60-day refund privilege does not reach the heart of the matter, which is that the front-end load makes investors pay the bulk of the sales load for the entire long-term investing program in the program's early stages.

The so-called one-year "hardship" refund provision does not solve the problem either. Seldom does investor attrition result from what the Plan Sponsors would treat as a "hardship" situation during the first year of the plan. These "hardship" situations are defined so narrowly that very few persons will be able to take advantage of them. This "hardship privilege" is granted only when the planholder is disabled for at least 30 consecutive days or a dependent member of the family is hospitalized for at least 30 consecutive days or the planholder or the head of the household is unemployed for 30 consecutive days.[16]

Another privilege offered by the sponsors to planholders who may find themselves in need of ready cash is the 90-per-cent withdrawal and reinvestment privilege. Desirable as that may seem, it does not provide a refund of the front-end load already paid.

The most important fact for your consideration is that contractual plan buyers pay effective sales loads much higher than those that other mutual fund investors pay. Is the 50-per-cent front-end load equitable when the industry's own statistics demonstrate the probability that a majority of the customers will not make the future investments for which the front-end load is a prepayment?

As I stated on November 12, 1969, while the Commission has believed that the abolition of the front-end-load would more effectively ensure fair treatment to future small investors, enactment of H.R. 11995 would constitute an important reform.

PERFORMANCE FEES

When we were here before, we briefly mentioned our legislative recommendation which would restrict the types of performance fees that can be charged to a registered investment company. We noted that our position was reached after a discussion with the industry although we had originally recommended a flat prohibition of performance fee arrangements.

We did not comment on this provision in significant detail, other than a brief explanation of how the proposal would operate to permit a performance fee scaled to an appropriate index, increasing and decreasing in equal proportion from the base fee that would be paid if the Fund's performance is exactly equal to that of the index selected. In view, however, of the testimony of several witnesses who have appeared before the Subcommittee, it seems necessary, in this area too, to review how and why we arrived at our present position and the protections we are recommending that Congress provide. But first we wish to emphasize that the proposal in the Bill would not prohibit performance fees—as the witnesses who oppose the proposal seem to argue. It would permit performance fees, but in a manner fair both to the advisory company and also to the funds' shareholders.

In the Mutual Fund Report, the Commission recommended that investment advisers to registered investment companies be required to register under the Investment Advisers Act of 1940 in full awareness of the fact that such registration would preclude any performance fee arrangement.

At the same time, however, the Commission did not take the position that the investment advisers who perform better should not be better compensated than investment advisers who perform poorly. In other words, we have always recognized and accepted the fundamental proposition that good performance merits increased compensation.

In our Report, we made clear that the standard of reasonableness would be applied to advisory fees in the light of all relevant factors including the nature and quality of the services provided, which might include growth in the net asset value per share of the Fund.[17] We took care to note that even though performance-based fees would be prohibited, "capital gains and appreciation of a registered investment company could be taken into account as a factor in setting the amount of the fee of its investment adviser. . . ."[18]

Performance fee arrangements for registered investment companies were at that time of little significance. In fact, when S. 1659, which embodied our recommendation, was introduced in 1967 only 16 funds had performance-based advisory fees and 12 of the 16 had commenced operation or changed to performance fees within the previous year.

The provision of S. 1659 that would have prohibited all performance fees did not go unnoticed or unchallenged as some who testified before you have suggested. In fact, it became the subject of considerable discussion between members of our staff and those of the industry who sought to comment on this recommendation—speaking principally through the Investment Company Institute. Further, various articles appeared which criticized this provision, including two which were included in 1967 as part of the hearings in the Senate.[19] In view of this background of discussion and criticism, we find it puzzling to hear the so-called Ad Hoc Group come before you now and complain that our position is new and has not been adequately explored.

As a result of the discussions that took place, we modified our original approach so as to exempt from the prohibition against performance fees those investment advisory contracts which provide for proportionate increases and decreases in compensation on the basis of the investment performance of a fund as measured against some appropriate standard. The Commission agreed to the modification to accommodate those who believed a performance fee was not inappropriate and because we believed the formula was a fair one. We understood this was acceptable to the Investment Company Institute and those individual investment advisory firms which had expressed concern over the original proposal.

The modified proposal was included in S. 3724 which was passed by the Senate in July, 1968, and is also part of S. 2224 which was passed by the Senate this Session and is now before you in H.R. 11995. Even this modified restriction is not inflexible, however. As the Senate Report on S. 2224 points out and as we stated in our earlier testimony before you, we also propose that the Investment Advisers Act be amended to add a new Section 206A to enable the Commission to exempt persons from provisions of the statute. Under the proposed Section 206A, upon a proper showing by the investment adviser, we would be able to exempt the adviser from the prohibition of Section 205 on performance-based advisory compensation even beyond that expressly permitted by the amended statute.

It should be helpful now to review just why we believe it important to restrict the types of performance fees charged registered investment companies. The dramatic increase in the use of these performance fees is clear when you realize that on June 30, 1966, there were approximately only a dozen such arrangements in effect. As previously noted, only 16 such arrangements were in effect when S. 1659 was introduced, and as recently as June 30, 1968, there were still less than 40; but as of June 30, 1969, there were 92 in operation with many more proposed.

Many of the performance fees now in use are unfair. Some so-called incentive fee arrangements subject the companies, but not their management, to a performance bonus if the fund outperforms a specified index but no penalty if the performance is worse than that of the index—truly, a one-way street. Recently, a number of funds have introduced arrangements which provide for some kind

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of penalties in the event of poor performance but many of these latter arrangements provide penalties which are significantly less on the downside than on the upside. Other arrangements establish, as a *minimum*, a base fee, regardless of performance, equivalent to (or in some cases substantially higher than) the conventional ½ of 1 per cent of net assets.

Even when penalties are provided, the situation is often still unfair. Although fees for favorable performance are payable by the fund to the adviser as they are earned, any credit owed to the fund by the adviser because of underperformance is seldom paid to the fund. Rather, it is used as an offset against future fees and, in some cases, where future fees are not adequate to absorb the offset, it is simply forgotten. This is so unfair. If the fund must pay fees to the adviser immediately for performance, why should the benefit of any amounts owed by the adviser to the fund because of underperformance be deferred? To the extent it is, the fund is deprived of a return on the amounts owed to it. Further, these arrangements provide no assurance that advisers would be financially able to meet their future obligations. This is essential because Section 15(a)(3) of the Act requires each advisory contract to provide that it may be terminated at any time without penalty by the fund on 60 days' notice. Advisers should have the financial ability to pay promptly any amounts owed to the funds in the event their contracts are terminated, assuming that there is some realistic possibility of termination.

Another problem with carry-forward fee credits for inferior performance is that they will tend to discourage the termination of an advisory contract despite a poor record of management. The fund may not be free to terminate the contract if the advisor does not have the financial resources to pay the amount of unsatisfied credits due, regardless of how poor the fund's performance is.

Finally, it is not possible accurately to compute asset value of fund shares where outstanding credits owed to the fund by its adviser by reason of under performance should be taken into account. These unfair provisions can be found in many of the performance fee arrangements now in effect. For example, as of June 30, 1969, of the 131 mutual funds which had performance related fees, 120 had contracts tied to indices of securities prices. Of that number, 76 funds had fee arrangements which provided for no reductions in basic fee rates for inferior performance or for reductions which were not proportionate to increases in fee rates for superior performance.[20]

We recognize, of course, that it is possible, as other witnesses before the Subcommittee have indeed acknowledged, for the Commission to promulgate appropriate rules under the general anti-fraud provisions of Section 206 of the Advisers Act which are applicable to all investment advisers whether registered under the Act or not. We have not taken this approach because the rule would provide no protection against unfair arrangements subsequently adopted which were not specifically contemplated and prohibited by the express language of the rule. Further, we felt that in dealing with performance fees, it would be desirable to permit advisers an opportunity to establish that a particular arrangement, different from that expressly permitted, might nevertheless be in the public interest. The exemptive authority we propose in the new Section 206A would provide such an opportunity. We therefore decided that the problems of performance fees should be first approached by recommending appropriate legislation.

We also believe that it is pertinent to note the unfair results to many mutual fund investors who have been subjected to advisory fee formulas where a performance bonus, but little or no penalty, is provided.

As of June 30, 1969, as we have already noted, 76 mutual funds, out of a total of 120 which had performance fee contracts related to indices of securities prices, had arrangements which provided for no reductions in basic fee rates for inferior performance or for reductions which were not proportionate to increases in fee rates for superior performance. Some 32 of these funds were operating publicly prior to January, 1969. The remainder—44 funds—commenced operations since that time or have proposals pending.

The relative performance of 29 of the funds operating during the entire year 1969 to date—comparative performance data is not available for the other three funds—illustrates graphically the apparent inequitable operation of their fee arrangements. Our staff's analysis of these results is set forth in Appendix B which consists of a chart comparing the performance of the group of 29 funds at four-week intervals during the year 1969 (January 1 to dates shown) with the performance of a number of indices.

It is clear from Appendix B that the performance of this group of funds was not only substantially below the performance of widely used market indices of securities prices but also below the performance of growth funds in general. Despite this, the basic fees paid by the funds to the advisers, which were subject under the contracts to increases for inferior performance or were subject to reductions which were proportionately less than the potential increases for superior performance. The total net assets of the 29 funds as of June 30, 1969, were approximately $1.6 billion. At that level of assets, the basic minimum annual fee payable by the funds, irrespective of the degree of performance below the index of securities prices, totals approximately $6.1 million.

Finally, it has been urged that the ordinary investor, by reading the prospectus, knows what the performance fee arrangement is and knowingly agrees to that fee. However, these fee arrangements are so complex that it is virtually impossible to understand them. We have attached as Appendices[21] those portions of the prospectuses of the Hartwell and Campbell Leverage Fund and Gibraltar Growth Fund which describe those arrangements. Representatives of the advisers of both of these funds commented before you on the Bill.

Our staff, in an effort to understand their fee arrangements, found them so baffling that they had to call counsel for each of the funds for an explanation as to how they operate. The present counsel of Gilbraltar Growth Fund confessed that he was unsure of the meaning of statements in that Fund's prospectus and had to refer us to the Fund's accountant for an explanation. The Fund's accountant, in turn, could explain the provisions only after considering the provisions further and discussing them with the Fund's Controller. Hartwell & Campbell's counsel understands his client's fee arrangement but he found that a very detailed analysis was necessary in order to explain how it works. Surely, an ordinary investor will not be expected to understand them, even though the formula may be fully disclosed.

There is one more point with regard to performance fees that we wish to comment upon. Other witnesses before you have urged that just as registered investment advisers would be permitted to charge registered investment companies the limited type of performance fees which would avoid the conflicts of interest inherent in arrangements that do not provide potential penalties equal to potential rewards, so should they also be permitted to charge similar fees to other sophisticated investors desiring to enter into such arrangements. We understand the types of investors contemplated are large private advisory clients, whose accounts under such an arrangement would substantially exceed $1,000,000 and large pension funds and other similar investors with net assets managed under such an arrangement of more than $5,000,000. We recognize the logic in such an approach and would not oppose an appropriate modification in H.R. 11995 to accomplish this purpose.

OIL AND GAS COMPANIES

Finally, with respect to the oil and gas provision, as we noted on November 12, 1969, Section 3(b)(5) of this bill changes Section 3(c)(11) of the Investment Company Act to delete the exemption for oil and gas funds which issue redeemable securities or sell their securities on the installment plan.

Oil and gas investment companies in which the investors make only a single investment and do not receive redeemable securities would still be excluded from the definition of investment company in the Act.

When we were last before you, we explained that our staff had already conferred with some representatives of the oil and gas industry and that as a result of those discussions, the Commission had concluded not to object to a further amendment of Section 3(b)(5) of the present bill in order to continue the present complete exemption for oil and gas investment companies if their investment contracts (1) require the participants to pay $10,000 or more during every consecutive 12 months, (2) do not afford the participants any cash surrender or redemption rights, and (3) provide that there be no front-end load or other disproportionate charges.

Subsequent to November 12, several witnesses appeared before your Committee objecting to this section of the Bill.

Prior to October of this year there was no organization representing this industry with whom we could discuss these matters and our staff was limited to holding discussions with such individual firms as presented themselves and were willing to consider the matter. There, however, now is such an organization, the Oil Investment Institute, which as I mentioned was created in October and which approached us subsequent to our appearance in November. Our staff has held discussions with them which have served to clarify the situation. They confirm our original view that there is a need for regulation to some degree of the type provided in the Investment Company Act for this industry. However, the industry vigorously opposes being regulated under the Investment Company Act. Such regulation would appear to present certain real problems for them, primarily because of the difficulty of accommodating the industry structure contemplated by the Investment Company Act with the structure in fact adopted by this industry in order to provide favorable treatment for its investors under the Internal Revenue Code.

The tentative understanding reached between our staff and representatives of the Oil Investment Institute was that we could arrive at a mutually satisfactory solution by sitting down with them and drafting a regulatory statute which would provide certain safeguards for investors which they recognize may well be needed and which in some instances parallel provisions of the Investment Company Act but are especially tailored to the practices, problems and operating methods of this industry. We also learned that the proposals advanced to our staff by representatives of individual companies and referred to when we were last before you are not satisfactory to the industry as a whole and would afford less protection to investors than the procedures now contemplated. Consequently, we propose to

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sit down with this group and work out a separate piece of legislation which would be submitted to the Congress before 18 months after the passage of H.R. 11995. We believe that this would be the best way to handle the matter and therefore if this Committee wishes to delete Section 3(b)(5) from the bill, the Commission would not object. Of course, we make this suggestion on the assumption that representatives of oil and gas industry will co-operate with the Commission in working out a reasonable regulatory statute consistent with the protection of investors.

One last word about the oil and gas funds. There has been considerable discussion as to whether Section 13(a) of the Investment Company Act would require shareholder approval of all real estate transactions if oil and gas companies were subject to the Investment Company Act. Our staff has prepared a memorandum, attached as Appendix E, which discusses this problem which I request be printed as a part of the hearing record.

CONCLUSION

This concludes our formal statement. We will be happy to answer any questions you may have.

FOOTNOTES

[1] Daily Congressional Record, May 23, 1969, p. 13646.

[2] Daily Congressional Record, May 26, 1969, p. 13692.

[3] Section 14(b) of the Investment Company Act authorizes the Commission to make studies of the effects of size on investment companies and on securities markets and to report the results of its studies and its recommendations to Congress.

[4] *Acampora* v. *Birkland,* 220 F. Supp. 527 (D. Colo., 1963); *Saxe* v. *Brady,* 40 Del. Ch. 474, 184 A. 2d 602 (Del. Ch, 1962); *Meiselman* v. *Eberstadt,* 39 Del. Ch. 563, 170 A. 2d 720 (Del. Ch., 1961).

[5] *Acampora* v. *Birkland,* supra, 220 F. Supp. at 549.

[6] *Saxe* v. *Brady,* supra, 40 Del. Ch. 474, 184 A. 2d at 616.

[7] *Saminsky* v. *Abbot,* 194 A. 2d 549, 551–52 (Del. Ch. 1963), *affirmed sub nom., Kleinman* v. *Saminsky,* 200 A. 2d 572 (Del. Sup. Ct., 1964), *cert. den.,* 379 U.S. 603.

[8] *Saxe* v. *Brady,* 40 Del. Ch. 474, 184 A. 2d 604, 616 (1962).

[9] H.R. No. 2274, 87th Cong., 2d Sess. 1 (1962) (usually referred to as the "Wharton Report").

[10] Wharton Report, p. X.

[11] H. Rept. No. 2337, 89th Cong., 2d Sess. (December 2, 1966) ("Mutual Fund Report").

[12] See e.g. Rule 23 FRCP.

[13] A copy of Commissioner Owens' letter is attached as Exhibit 1. Senate Hearings, S. 34 and 296, April, 1969, at page 30.

[14] Mutual Fund Report, p. 240.

[15] Id. p. 238.

[16] See page 11 of the October 1, 1969, prospectus of Trust Securities Programs for Shares of Investment Trust of Boston. See also pp. 304–305 of the Hearing Transcript of 11–18–69.

[17] Mutual Fund Report, p. 145.

[18] Mutual Fund Report, p. 345.

[19] See "Has the SEC Forgotten its Economics," by Leon Levy and Sidney Robbins, Columbia Journal of World Business of May-June, 1967, reprinted at pages 1140–1141 of the Senate Hearings on S. 1659 (90th Cong., 1st sess.). Mr. Levy is president of the Oppenheimer Fund and Mr. Robbins is one of its directors. This article criticized the proposed abolition of performance fees. Oppenheimer Fund is a member of the Ad Hoc Group for Performance Fees.

See also an article by Mr. Robbins, printed at pages 248–256 of the Senate Hearings, particularly pages 254–255 where the author, at p. 255, suggests a "bonus-penalty fee arrangement to provide an incentive for managers who attain superior performance."

[20] A list of companies registered as of June 30, 1969, which have performance fee arrangements in effect or proposed, and a brief description of their fee arrangements is attached as Appendix A–1 through A–3.

[21] See Appendices C and D.

MAGAZINE SERVICE AND CONSUMER PROTECTION

HON. DANIEL E. BUTTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. BUTTON. Mr. Speaker, recently my attention has been directed to a statement which bears uniquely on our tradition of responsibility and service in our American press. This is a subject in which I am personally and particularly concerned as it relates to the effective preservation of our free press heritage.

In a statement made last September 30 before the National Commission on Product Safety, Mr. Raymond J. Petersen, publisher of Good Housekeeping magazine, stated the case for the concept of service which his magazine has been performing for more than three-quarters of a century.

Because of the general interest in the subject of Mr. Petersen's remarks—consumer protection—I take this opportunity of directing it to the attention of my colleagues:

STATEMENT OF RAYMOND J. PETERSEN, PUBLISHER, GOOD HOUSEKEEPING MAGAZINE

Mr. Chairman, Commissioners, my name is Raymond J. Petersen. I am Publisher of Good Housekeeping Magazine. I am also Senior Vice President of Hearst Magazines Division of The Hearst Corporation, the corporate publisher of Good Housekeeping Magazine.

This statement has been prepared in response to your invitation to make a statement ". . . regarding use of the Good Housekeeping Seal, its meaning, and its recognition by the public in connection with products commonly used in and around the home." You further invited me to give testimony ". . . directed at Good Housekeeping Institute's methods of testing and its program of product certification. Further the Commission would want to know how the advertising policies of Good Housekeeping bear on the availability and dissemination of product safety information to consumers." You further stated that the subject of the hearing is, "Who Tells Us About Safety: Education, Advertising, Public Information?"

Submitted herewith for the Commission's review is a book entitled, "A History of American Magazines," by Frank Luther Mott, as edited by his daughter, Mildred Mott Wedel. May I refer you to Pages 125 through 143. This study, published by the Bellnap Press of Harvard University Press, Cambridge, Massachusetts, is an objective report of the editorial performance and growth of Good Housekeeping Magazine.

We would ask at this time that a letter, dated February 5, 1969, to your Chairman (your reference ZL014) from the Director of the Good Housekeeping Institute, which has previously been made a part of the record of this Commission, be considered a part of this statement.

Good Housekeeping Magazine is a monthly publication of The Hearst Corporation. It is an editorial enterprise that began in 1885. It has developed and progressed within the tradition of America's free press.

Good Housekeeping is a Women's Service Magazine. It enjoys an average monthly paid circulation in excess of 5,600,000 copies, which constitutes its primary readership. It has a secondary readership (or pass-along circulation) of an additional seven million, or a total readership of about 13 million people.

The purpose of Good Housekeeping is Service . . . service to the American homemaker in all aspects of her maintenance of her family unit and her home; providing her with editorial articles designed to educate, entertain, advise, stimulate, counsel and caution.

Good Housekeeping Magazine's basic editorial concept was started in 1885:

"This enterprise is the outcome of great thought . . . and is undertaken with the well-fixed conviction that it has a mission to fulfill compounded of about equal proportions of public duty and private enterprise . . . to produce and perpetuate perfection—or as near unto perfection—as may be attained in the household."

Good Housekeeping is an editorial product: a magazine.

It is a unique editorial product.

In order to develop the editorial service material that appears in its pages, the magazine inaugurated in 1901 an editorial facility known as the Good Housekeeping Experiment Station. This facility, today known as the Good Housekeeping Institute, was designed to provide the editorial pages of Good Housekeeping an authority and accuracy predicated upon expertise within the magazine . . . it was a facility created to investigate and check every fact offered to the reader in the editorial pages of Good Housekeeping Magazine.

A reputation for "Integrity" is difficult to earn. Good Housekeeping earned for itself, in the early 1900s, the friendship of the American consumer. It had established itself as an authority . . . a friend whose opinions its readers valued, whose articles she trusted as to accuracy of fact, and whose leadership she accepted. Nowhere else in the American publishing scene is such a service to be found.

Good Housekeeping Magazine talked to its readers. The readers talked back to the magazine, as they do to many magazines. But here was a difference. Good Housekeeping receives between fifty (50) and seventy-five (75) thousand letters a year . . . asking its help, seeking its assistance in purchasing decisions, complaining over experiences in the marketplace, making suggestions as to how the lot of the reader can be improved, telling of experiences with a particular product, giving to the magazine and its editors a full spectrum of the experiences, requirements, needs and hopes of the American homemaker.

In addition, Good Housekeeping regularly sends questionnaires to its readers and to its correspondents . . . questionnaires which sample the opinion and experiences of the homemaker in areas of interest to the editors of the magazines.

Once its proven authority and reader acceptance were established, Good Housekeeping became a prime and unique medium in which American business sought to present its goods and services to the homemaker.

Good Housekeeping was not interested in maintaining one climate in its editorial pages and another climate in its advertising pages. For 84 years, Good Housekeeping has been committed to its editorial concept . . . that which was stated earlier . . . to attain perfection or as near perfection in the household as is possible. This is done only by exercising the same careful scrutiny of the

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products, services and claims offered to it for advertising as is exercised in the preparation and presentation of its editorial articles.

We are offering as part of this statement the last 12 issues of our magazine, which, I submit to you, are the current result of these policies as they are reflected in the product we sell.

Let me establish now that, as an editorial product in the tradition of the free American press, Good Housekeeping requires revenue for its continued existence; revenue that is secured through the sale of our magazine to our readers; revenue secured through the purchase of our advertising pages by the business community.

In the early years of this century, the "age of proliferation of products" began. It began at a time when manufacturers had yet to develop adequate means of quality control. Today, we respect the technological progress that has been made in an effort to bring good products of uniform good quality to the American consumer. It is not perfect, and conceivably may never be perfect. During these years, however, Good Housekeeping's advertising-acceptance policies have been developed to accomplish one thing: Present to our readers products and services which, in our opinion, are good ones and the advertising claims, packaging and labeling for which are, in our opinion, truthful and understandable representations of their performance characteristics.

We've answered, I think, the question of why we do it; may I discuss with you how we do it.

We maintain, at our editorial offices the Good Housekeeping Institute staffed by over 100 people, including engineers, chemists, nutritionists, home economists and other technicians, whose professional training and practical expertise is used to evaluate all products or services that appear not only in our editorial pages, but in our advertising pages as well.

May I, gentleman, with respect for your time and schedules, invite you to visit the Good Housekeeping Institute: All the words we may use here will never adequate describe its technical sophistication and the integrity of its dedicated staff.

In our Institute, utilization is made of an accumulated knowledge of consumer preferences, use patterns, habits, desires and needs. Systems of product measurement have been devised, which, in conjunction with the Institute's knowledge of our reader, and the flow of technical data that reaches it from scientific associations, the medical and dental communities, hospitals, government and other respected sources, assist Good Housekeeping to reach its own opinions, which opinions determine whether or not a particular product will be accepted for advertising by Good Housekeeping.

Mindful of the subject of your hearing, we offer as part of this statement the attached schedule of "Articles on Safety in Whole or Part Which Have Been in Good Housekeeping Since 1961." Here are over 200 safety-oriented articles which have been published by us over the last eight years. Ninety-six editions of Good Housekeeping have reached the public during this period . . . for a conservative estimate of more than one billion reader exposures (not counting pass-along readership).

We respectfully submit, in response to your question, "Who Tells Us About Safety," that we, Good Housekeeping, more than any other editorial product, do.

May we also offer, for your review and as part of this statement, a library of Good Housekeeping's Consumer Service Bulletins, many of which further demonstrate our editorial concern for our reader . . . the type of concern and direction that we provide through this additional means of communicating fact and assistance.

In addition to this, various articles and features in our magazine have interwoven into them suggestions, cautions and advice on how a particular product should be regarded, used and handled. All of this material, all of this concern is the work product of the Good Housekeeping Institute, and therefore of Good Housekeeping Magazine.

How, in this context, does Good Housekeeping administer its relationships with would-be advertisers?

Submitted as part of this statement are Good Housekeeping's current Rate Card No. 39, and "The Good Housekeeping Consumer's Guaranty" booklet, incorporating a specimen form of our "agreement governing the use of the Good Housekeeping Consumers' Guaranty by the advertiser."

A word on each may be helpful.

Our Rate Card is the only basis on which we will do business with an advertiser. We call your attention to Pages 8 and 9 in the Rate Card and particularly the provisions on Page 9 which read as follows:

"Acceptance of advertising for any product or service is subject to provision by the advertiser of such samples as may be required, investigation and acceptance of the product or service and of the claims made for it upon its package, labels and accompanying materials as well as in the advertisements offered for publication in Good Housekeeping."

Once an advertiser has fulfilled these requirements, and we are satisfied, he may seek to make use of our Consumers' Guaranty which reads, "If product or performance defective, Good Housekeeping guarantees replacement or refund to consumer," outside the pages of our magazine. Page 10 of our Rate Card delineates the conditions of such use. The "agreement" to which I have referred speaks for itself not only as to our requirements of strict and limited use of our Consumers' Guaranty but also to the relationship of our advertiser to us.

Before a product sample is submitted to our Institute for investigation, we ascertain, through our Advertising Editor's office, that the particular advertiser is or is not a reputable and stable business organization. The nature of the product is given preliminary consideration in that office. For example, you are all familiar with the current high rate of crime in our major cities. We recently were asked to consider a device designed to be carried in either pocket or purse, a device in the nature of a small tear gas dispenser. This device, rather than spewing tear gas, spread a pepper-like substance. Its obvious design effect is momentary defense against a would-be assailant. The Advertising Editor concluded that the device was subject to both offensive and defensive use. For this reason, it was considered unacceptable for advertising in Good Housekeeping.

This was an opinion.

The device could be a very effective one. Good Housekeeping's judgment in this instance cannot be construed as an indictment of the effectiveness of the product. It is presented here as an example of an incident in Good Housekeeping's day-to-day consideration of products offered for advertising.

If the advertiser and his product clear the Advertising Editor's office, the product is then forwarded to the Institute. Additional samples are often required at this point. An advertiser may be required to submit technical data in support of copy claims and product efficacy and safety.

Upon receipt of the necessary samples, either from the advertiser or from the marketplace or both, the Institute commences its evaluation. It approaches the task both as scientist and as a highly knowledgeable consumer. It approaches the problem with reason, experience and technical expertise. Its expertise is equated to the present state of the art.

You have asked me to provide you with testimony as to Good Housekeeping's method of testing. This is an impossible assignment. Impossible because: Good Housekeeping "evaluates" rather than tests. It uses this word because its review procedures, while utilizing generally accepted test methods, also applies its knowledge of its reader, her use patterns, her needs, etc., as we anticipate she will approach the product in the marketplace.

During the course of any year, Good Housekeeping may evaluate or investigate over a thousand products. To detail in any report its investigation of each of these products would take, we estimate, at least a year or possibly longer to prepare. Here, however, are some illustrative safety requirements in various product categories as they are applied in the evaluation the Institute undertakes.

Textiles—flammability (we note there that there is a distinct lack of performance criteria and reproducible and meaningful methods of test for both clothing and home furnishings) bacteria static and germicidal performance characteristics.

Engineering—safety guidelines in the investigation of electrical products:

(a) the samples must be submitted to suitable (as determined by us) electrical safety tests.

In the case of gas appliances, compliance with American Gas Association standards is a basic norm. Added to this are suitable evaluation procedures to determine performance and safety characteristics.

(b) the product must be listed with Underwriters Laboratories.

Toys—Good Housekeeping has long given careful consideration, from the standpoint of practical child safety, to any toy it accepts for advertising. Some requirements which concern us are:

(1) in crib and toddler toys—small objects which can be swallowed or choked upon;

(2) presence of heavy metals such as leads in paint used on toys or on any surface to which a child has access;

(3) chemistry sets—Good Housekeeping requires what we believe are more stringent labeling requirements than the Federal Hazardous Substances Act demands. Specifically, we insist on calling special attention to the need for parental supervision and cautions against substitution of chemicals other than those that come in the set. On any plug-in, electrically operated toy, it must meet the Institute's own safety-oriented scrutiny and be listed with Underwriters Laboratories. The toy must include proper operating instructions and a prominent notice which will draw parents' attention to the need for supervision.

Juvenile Furniture—here the Institute concerns itself with tippability, sharp edges, burn capability, toxicity of paint, loose fasteners, etc.

Child Carseats—Good Housekeeping has long felt that a carseat that hooks over the back of the automobile's front seat and cannot be used on most rear carseats is unsafe. The carseat must be such that it can be secured with a regular automobile safety belt; however, such carseat is unacceptable if the child is restrained directly by the regular safety belt (child's pelvic bones not sufficiently developed to withstand full force of restraint).

Here are some other safety concerns used in reaching our opinions:

Cautionary statements must be made on any electrical device which is prone to inadvertent immersion in water; on aerosol paint we require all manufacturers to conform to industry safety checks for high temperature rupture.

Good Housekeeping does not accept for advertising regular or plate-glass shower enclosures, and requires that glass for such use be tempered or plastic substituted.

With respect to house appliances, the Institute is concerned with safety in areas such as:

Cooking Utensils—safe balancing in handling when hot and full; adequate handles to protect against burns; no rough edges or crevices to injure or prevent adequate cleaning.

Ranges—the ease of use and reliability of pan supports, oven racks, doors, controls and other critical parts; smooth edges with no projections that might injure hands, good working clearance around hot areas, no grease traps to cause fat fires.

Automatic Washers (here, may I note that we have not accepted wringer washers for some years)—we are concerned, among other things, with stability in operation, safety shut-offs, sharp edges and projections, among many other things.

Portable Appliances—with the stability of coffeemakers, ice crushers, can openers, etc., in use. Safe and accessible location and ease of operation of controls on mixers, blenders, toasters, etc.—safe surface temperatures of frying pans, broilers and other heating appliances.

These are just some of the safety concerns of one department in the Institute. Add to this engineering evaluations, chemical analyses and textile concerns, and the comprehensive nature of our efforts can be understood, and this is only in the area of safety.

It is, as I have said before, impossible to delineate articulately the procedure followed in the evaluations of the many products that have gone through our Institute. May I again remind you that all of this work, study, compilation of available data, communication with the consumer (who uses the particular product or service) is undertaken to *satisfy us* that a particular product or service is a good one and that, in our opinion, the claims made for it are truthful. We respectfully point out that this concern is repeatedly stated on Page 6 of every issue of our magazine.

Good Housekeeping's Consumer's Guaranty promises a refund if a product is defective.

Good Housekeeping does not *guarantee* the safety or wholesomeness of any product. Good Housekeeping *satisfied itself*, by criteria and systems of measurement unequalled in any consumer-oriented publication or service, that the samples of a product it has evaluated are good ones and safe, in its opinion, for the use for which they were intended. There can be no such thing, in our judgment, as a guarantee of safety and wholesomeness for the simple reason that the most advanced system of technological quality control still depends upon the human element and all the design characteristics incorporating safety, admonitions, notices, specifications, etc., can be rendered null and void by the intentional or inadvertent action of one person in the construction or use of any produce. To guarantee perfection is beyond the scope of human capability, since even the most simple, safe and wholesome rag doll is capable, in the hands of one child, of smothering another.

The Good Housekeeping Consumers' Guaranty is not, in any sense, a certification of a product since certification, by its definition, presupposes that the very product purchased by the consumer has met generally accepted standards of performance and quality.

May I again point out that Good Housekeeping's systems of measurement must be its own and must be used for the purpose of aiding us in our determination of those products and services which we are willing to accept for advertising and those which we must refuse to accept.

We would therefore offer to this Commission a supplemental statement concerning any specific questions regarding a method employed by the magazine in its evaluation of any specific product, and we would again state that the magazine never has been nor is it now involved in any form of any program of product certification as the term is understood today.

The total editorial dedication to our reader, with the commitments we have attempted to touch upon here today, must by their very nature incorporate our advertising policies. Our publication of over 200 editorial articles in the last eight years dealing with safety bears a direct relation to the part Good Housekeeping Magazine plays in the subject of this Commission's hearings today, "Who Tells Us About Safety . . ."

As we have stated earlier, advertising and the revenue derived therefrom, along with the subscriptions of five million six hundred thousand readers, supports this publication, enables it to carry on its self-assumed function and contributes—directly or indirectly, depending upon how you care to view it—to the dissemination of information about which we have attempted to tell you today. The very nature of Good Housekeeping Magazine's editorial pages, necessitated the facility now known as the Good Housekeeping Institute. These same editorial pages have contributed, through our mass circulation, to a well informed readership of 13 million women . . . well informed through the integrity of private enterprise and the free American press.

We are hard put to answer your question as to the meaning of this program to the consumer, since we are unable to measure her thinking. We do know (see Crossley—S. D. Surveys, Inc.—Survey—February 1964, submitted as part of this statement) that some 40 plus million consumers are "influenced in their buying decisions" in varying degrees, at the time of purchase, by the appearance of the Consumers' Guaranty Seal on a product.

We believe that this "influence" is predicated upon an integrity some 84 years young that the consumer in the marketplace knows, regardless of whether she has read our publication or not, and that the appearance of our Good Housekeeping Consumers' Guaranty indicates to her that an objective friend has concerned itself with that product to the point of risking its own resources should she find that her purchase proves to be defective.

May I thank the Commission for this opportunity to make this statement, which unfortunately must be so brief and must, because of time and physical limitations, neglect many of the vital areas with which Good Housekeeping concerns itself.

Good Housekeeping Magazine has watched the progress of the consumer for 84 years. It has contributed, in the capacity and in the fashion we have described, to her growing standard of living, the health of her children, and her own well-being, ever striving toward the attainment of perfection in the household."

Good Housekeeping is dedicated to this purpose.

Good Housekeeping will continue its chosen and dedicated work. In so doing we will completely support the proposition upon which the existence of this Commission is based: "The American consumer has a right to be protected against unreasonable risk of bodily harm from products purchased on the open market for the use of himself and his family."

We have been doing this for 84 years.

We would suggest that it be the common goal of us all ". . . to produce and perpetuate perfection—or as near unto perfection—as may be attained in the household."

TRIBUTE TO HARMON A. SMITH OF AGAWAM, MASS.

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. CONTE. Mr. Speaker, the great role athletics play in the development of our youth and the strengthening of our national fiber has long been recognized by educators and, indeed, all of our leaders.

Too often, however, our attention and our adulation in the field of sports is centered solely on the player—the young man or woman in uniform on the field. I would suggest that we would do well on occasion to look beyond the active participant and pay tribute to those who have guided, encouraged, and inspired them. If we did that, we would find a group of men and women who have dedicated their lives and their talents to the youth of America.

These unselfish people, of course, are the coaches and athletic directors who daily perform their duties in our country's schools—from the elementary grades down through our high schools and colleges.

Such a person, Mr. Speaker, is Harmon A. Smith of Agawam, Mass., who for nearly half a century has been the guiding spirit of athletics at Agawam High School. He has served as head coach of football, baseball, basketball, track, and golf. And for the past several years he has actively served as the school's athletic director.

There is no way to calculate the good this man has accomplished during his long and successful career. For how do we reduce to statistics the number of careers he has launched, the lives redirected, the knowledge dispensed?

And it is important to note here that "Harm" Smith's influence was not felt only by those youngsters who were able to make the varsity teams in the various sports he coached. As a graduate of Springfield College, which boasts a physical education course second to none in the country, he was an accomplished teacher in this field. In this role, he came into contact with and made an effort to know every student enrolled at Agawam High School.

"Harm" Smith was not a coach who learned sports only in the classroom or from books. Perhaps the greatest reason for the success he attained was the fact that he was an athlete, and an excellent one, himself. He knew well what it took to compete on the field or in the gym.

At Springfield College he excelled in football, basketball, and baseball. He also played semipro football and baseball. As an example of his versatility, he also took up tennis and became the city amateur champion.

His long career has not been without recognition. Mr. Smith was elected to the Football Coaches Hall of Fame for the State of Massachusetts. He is also a former president of the Massachusetts

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Athletic Directors Association and football commissioner of the western Massachusetts area.

Despite all of this, Mr. Speaker, Harmon Smith is not a one-dimensional man. He is a fine pianist and is well known throughout western Massachusetts as an entertaining and talented after-dinner speaker.

The illustrious career I have so briefly described here is now drawing to a close. Mr. Smith is retiring from his long service at Agawam High School.

To their credit, the grateful citizens of Agawam, whose lives "Harm" Smith touched, will honor him at a testimonial dinner on the evening of January 17, 1970. Appropriately, the function will be held at Agawam High School.

Mr. Speaker, Harmon A. Smith is one of the countless people in this country who have dedicated their lives for the betterment of our youth and therefore, ultimately, for the betterment of our Nation. I am pleased I was able today to bring this man's contributions to the attention of this great body.

CONSERVATION REPORT

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. DINGELL. Mr. Speaker, the National Wildlife Federation Conservation Report of December 19, 1969, comments on the record of the first session of the 91st Congress and on the accomplishments on behalf of conservation which were achieved during the 1960's.

It is good to note that this report, by one of the Nation's largest and foremost conservation organizations, sets out a record of accomplishment for both 1969 and for the decade of the 1960's. We who have served in the Congress during these last 10 years, I believe, can take pride in those things which we have done to preserve and protect our natural heritage. However, the grim thought persists that there is so much more to be done if we are to pass on to future generations an environment worthy of life.

So that my colleagues may have an opportunity to read the National Wildlife Federation's comments on the actions of Congress, I include text of the conservation report's article at this point in the CONGRESSIONAL RECORD:

CONSERVATION REPORT OF THE NATIONAL WILDLIFE FEDERATION

FINIS FOR 1969

As this issue went to press, adjournment of the First Session of the 91st Congress appeared imminent, with the Members expected to go home for the year within a matter of days—probably either late this week or early in the next. If adjournment occurs as expected, this will be the final issue for 1969. It will be resumed when the Congress reassembles for the Second Session, probably in mid-January, 1970. The Editor and other members of the Staff hope this publication has been useful, informative, and interesting to those who have received it. Sincere appreciation is expressed to those who aided in the collection and presentation of information.

MEMBERS OF CONGRESS REGISTER CONSERVATION GAINS

Members of the 91st Congress are wrapping up the lengthy First Session and will go home for the holidays with a record of having registered solid conservation accomplishments in several different areas of activity, capping off what must be considered as an outstanding and significant decade of progress in natural resources management.

While the record of conservation gains in 1969 is not as imposing as in some years, several noteworthy bills have been passed and added to the list of accomplishments scored during the 1960's. Among the important actions of the 1969 sessions are these:

Protection of Endangered Wildlife (P.L. 91–135). Prohibits the importation of endangered species, or their parts, and protects alligators (see Report No. 47, page 510).

Extension and expansion of the Great Plains Conservation Program (P.L. 91–118). Broadens scope of the program with added wildlife benefits (see Report No. 44, page 496).

Removal of ammunition record-keeping (P.L. 91–128). The "Interest Equalization Tax Act" contains a provision removing the requirement that sales of shotgun and rifle ammunition, except .22 calibre, be registered (Report No. 46, page 507).

Establishment of a national policy on the environment (S. 1075, Report No. 47, page 508). This has cleared both the Senate and House and recommendations of a conference committee are expected to be sent to the President prior to adournment (see details later this issue).

Adoption of the "Water Quality Improvement Act" (H.R. 4148, Report No. 47, page 508). This bill, strengthening the Federal Water Pollution Control Act with respect to oil pollution, thermal pollution, and pollution from water craft, was expected to clear a conference committee and possibly go to the President prior to adjournment (see details later this issue).

The addition of two California national forest areas, Desolation (P.L. 91–82) and Ventana (P.L. 91–58), to the National Wilderness Preservation System.

Establishment of the Florissant Fossil Beds National Monument (P.L. 91–60) in Colorado (Report No. 33, page 372).

Appropriation of $800 million for Federal grants to municipalities for the construction of waste treatment plants, whereas the Administration asked for only $214 million (Report No. 46, page 499). This is part of the Public Works Appropriations Bill (P.L. 91–144).

There were other significant actions. Important acquisitions were approved within Everglades National Park (P.L. 91–88) and Padre Island National Seashore (P.L. 91–42). Research on air pollution was extended for an additional year (P.L. 91–137). Established were the Lyndon B. Johnson (P.L. 91–134) and William Howard Taft (P.L. 91–132) National Historic Sites. The Appalachian Regional Development Act was extended (P.L. 91–123), with a continuing impact on natural resources in the area concerned.

The First Session, however, also was marked by disappointments from the conservation point-of-view. Severe budgetary restrictions resulted in a slowdown on authorizations for the establishment of new park and recreation areas, with only $124 million allowed from an authorization of $200 million for the funding of both Federal and State programs. Money, however, was found for the controversial Supersonic Transport (SST). No new contracts were approved for the Cropland Adjustment Program. The President ordered a 75 percent cutback in construction, a program reflected in appropriations for several resource projects.

In fact, the First Session was featured to some considerable degree by Congressional reaction to Executive branch decisions. Especially controversial were these: closure of many Job Corps Conservation Centers; Interior Secretary Hickel's announced delay in invoking the second step in the scheduled grazing fee increase (see elsewhere in this issue); stipulation on the construction of a controversial oil pipe line across the State of Alaska; and the Defense Department's transportation and proposed disposal of poison gasses.

Mounting concern about contamination of the environment was reflected in many ways. A group of conservation-minded Congressmen first held a Congressional Conference on the Environment and then called for the next decade to be designated as the "Environmental Decade." Committees of the Congress held significant hearings on effects of nuclear power generation on the environment; on the underground uses of nuclear energy with interest centering on a test at Amchitka Island in Alaska; on the disposal of solid wastes; and on specific problems such as the oil leak at Santa Barbara, California, and the gigantic jetport proposed at Miami, Florida.

As the Congress paused for the holidays before going into the final session next year, several significant resource bills were in varying stages of progress. Here is a brief summary of those which have been given the most consideration:

Fish and Wildlife: The Senate has passed and sent to the House a bill (S. 1232), giving primary jurisdiction over resident species of wildlife to the States (Report No. 47, page 510). The Subcommittee on Fisheries and Wildlife Conservation has cleared an anadromous fisheries bill (H.R. 1049, see elsewhere this issue) and it also has been the subject of hearings within the Senate Committee on Commerce. A proposed "Water Bank Act" (H.R. 11707, Report No. 34, page 375) has been the subject of hearings and likely will be among the proposals to receive early consideration within the House Committee on Merchant Marine and Fisheries early next year.

Firearms: The Senate passed and referred to the House S. 849, imposing mandatory prison terms for the use of firearms in the commission of felonies (Report No. 43, page 478). Hearings were held in the Senate on bills to require certification for the purchase of firearms and licensing of gun owners (S. 2433 and S. 2667, Report No. 28, page 319) and registration of all firearms.

Forests and Forestry: The House Committee on Agriculture has cleared "The National Forest Timber Conservation and Management Act" (H.R. 12025, Report No. 43, page 486) and hearings were held on similar legislation in the Senate.

Mining and Minerals: The Senate has passed S. 719, establishing a national mining and minerals policy (Report No. 33, page 372). The bill also has been the subject of hearings in the House Committee on Agriculture and consideration of it is expected early in the Second Session.

Parks, Monuments, and Recreation Areas: Passed by the Senate and referred to the House where they have been the subject of hearings are proposals establishing these areas: Sawtooth National Recreation Area in Idaho (S. 853, Report No. 26, page 288); and Apostle Islands National Lakeshore in Wisconsin (S. 621, Report No. 31, page 350). The Senate also has passed these: S. 855, Buffalo National River, Arkansas (Report No. 32, page 360); S. 1708, the "Federal Lands for Parks and Recreation Act" (Report No. 25, page 276); and S. 2315, restoring fee provisions of the Land and Water Conservation Fund Act (Report No. 36, page 399).

Wilderness Areas: Passed by the Senate, where they have been the subject of hearings in the House are proposals to add these areas to the National Wilderness Preservation System: Lincoln Back Country, Montana (S. 412, Report No. 21, page 244); Wildlife Refuges in Wisconsin, Michigan, and Maine (S. 826, Report No. 21, page 244); Pelican Island Refuge, Florida (S. 126, Report No. 20, page 229); Monomoy Refuge, Massachusetts (S. 1652, Report No. 21, page 236); and refuges in Alaska, Oregon, New Mexico, and Washington (S. 3014, Report No. 46, page 503, and "Actions on Bills" this issue).

Others: Both Committees on Interior and Insular Affairs have held hearings on various bills relating to Alaska native land claims. Passed by the Senate and referred to the House, where hearings have been held, is S. 1076, establishing a pilot Youth Conservation Corps (Report No. 25, page 277). Receiving prime attention in the House Committee on Merchant Marine and Fisheries are bills relating to the coastal zone and oceanography, particularly H.R. 13247, the "National Oceanic and Atmospheric Program Act" (Report No. 30, page 345).

The Decade and Conservation: The decade ending with 1969 has been highly significant for programs relating to the protection, preservation, and management of natural resources programs. Beginning and ending under Republican executive branch administrations with eight years of Democratic party control sandwiched in between, more conservation legislation was enacted during these ten years than in any comparable period of American history. These enactments mirror the mounting concern of the public about the welfare of the environment, especially in light of increasing demands exerted by an expanding human population.

Here are the major conservation gains and losses during the decade, other than 1969:

Fish and Wildlife: An emergency program to acquire and preserve waterfowl wetlands through a $105 million advance program was initiated by legislation enacted in 1961 and extended in 1967. In 1960, a significant proposal was enacted in that it provided for wildlife conservation programs on military lands. In 1966, the Secretary of the Interior was authorized to establish a major program for the protection of endangered species of wildlife. A highly successful and effective Federal-State program on anadromous fisheries was initiated in 1965. Permanent protection for four wildlife refuges in the Tule Lake-Klamath region of California, a troublesome problem for years, was assured with the adoption of legislation in 1964.

Agriculture: An ambitious Conservation Reserve program, whereby a maximum of 29 million acres of agricultural land was taken out of production and placed in conservation practices, was ended in 1960 although contracts remained in effect through the life of the agreements. A new Cropland and Adjustment Program was initiated in 1965 but funding for it was halted after only 4 million acres were taken out of production.

Air Pollution: In 1963, the Air Pollution Act of 1955 was amended and strengthened by adoption of a new "Clean Air Act." This was strengthened again in 1965 by amendments establishing a program somewhat paralleling the Federal Water Pollution Control Act, and again in 1966 and 1967 with adoption of the "Air Quality Act." States are being given an opportunity to establish and enforce air quality standards before the Federal Government steps into control a situation.

Firearms: A climate of riots and assassinations resulted in the establishment in 1968 of the Gun Control Act, replacing the Federal and National Firearms Acts. This statute, widely condemned and opposed by sportsmen, placed restrictions on the availability of firearms.

Highway Beautification. In 1963, the Federal Aid Highway Act was amended to extend the "bonus" provisions whereby States were given incentives to beautify roadways through the effective control of outdoor advertising. An ambitious program for highway beautification through the control of advertising along Federal aid highways and through the screening of junkyards was launched in 1965. Never fully funded, however, the program has not reached the expectations of its sponsors. Provisions in the Federal-Aid Highway Act and the organic Department of Transportation Act relating to the protection of natural areas and wildlife refuges were weakened in 1968.

Parks, Monuments, and Recreation Areas: Highly significant progress was made in this area of conservation effort. In 1961, the Cape Cod National Seashore (Mass.) and the Hawaii Volcanoes National Park (Hawaii) were established, followed by the Point Reyes (California) and Padre Island National Seashores (Texas) in 1962. However, 1963 was marked by the establishment of the basic organic Act establishing the Bureau of Outdoor Recreation in the Department of the Interior. This was followed by the Land and Water Conservation Fund Act, financing both Federal and State outdoor programs, and Wilderness Preservation Act in 1964, accompanied by authorizations for the Ozark National Scenic Riverways (Missouri), Canyonlands National Park (Utah), and Fire Island National Seashore (New York). Then, in 1968, two more basic Acts were approved; the "Wild and Scenic Rivers Act," initiating a Wild and Scenic Rivers system with eight streams and providing for studies on at least 27 others; and the "National Trails System Act," starting with the Appalachian and Pacific Crest Trails. The Land and Water Conservation Fund Act also was amended in 1968 to allow for an expanded appropriation for five years. Authorizations for the establishment of these major facilities have been approved; *national parks*—Redwood (California), 1968; North Cascades (Washington), 1968; and Guadalupe Mountains (Texas); *national monuments*—Biscayne (Florida), 1968; *National seashores*—Assateague Island (Maryland and Virginia), 1965; Cape Lookout, (North Carolina), 1966; *national lakeshores*—Indiana Dunes (Indiana), 1966; and Pictured Rocks (Michigan), 1966; *national recreation areas*—Delaware Water Gap (Pennsylvania and New Jersey), 1965; Spruce Knob-Seneca Rocks (West Virginia), 1965; Whiskeytown-Shasta-Trinity (California), 1965; Mount Rogers (Virginia), 1966; Bighorn Canyon (Montana and Wyoming), 1966; Flaming Gorge (Utah and Wyoming), 1968. Some of the acquisition programs, however, have run into trouble and these problems well may extend into the next decade. Four areas were added to the Wilderness System in 1968.

Water Conservation, Pollution Control: The Federal Water Pollution Control Act of 1948, updated in 1956, was strengthened additionally in 1961. Then, the "Water Quality Act of 1965" provided a system of State-Federal standards for effluents. This was followed in 1966 by amendments which allowed for significant increases in appropriations for waste treatment construction grants through the "Clean Waters Restoration Act." Important water resources research was authorized in 1964. This was followed in 1965 with enactment of the "Water Resources Planning Act." And, in 1968, the National Water Commission was established. The year 1968 also was featured for the once-controversial dams on the Grand Canyon portion of the stream. Several major irrigation projects contain significant values for fish and wildlife, a situation made possible, at least partially, through enactment of the Federal Water Project recreation Act in 1965. These statutes provides a system for assigning costs on Federal water projects.

Other: In 1964, a Public Land Law Review Commission was authorized and legislation to extend life of the study was approved in 1967, along with extensions of the Multiple Use and Classification Act. The Youth Conservation Corps was authorized in 1964. The Appalachian Region Development Act, and the Housing and Urban Development Act, both in 1965, contained significant provisions for open space preservation, water pollution control, and other conservation features.

SENATE AND HOUSE INTERIOR COMMITTEES CONSENT TO LIFTING OF ALASKAN LAND FREEZE

In separate actions, the Senate and House Committees on Interior Affairs have granted their consent to a lifting of Public Land Order No. 4582, the Alaskan Land Freeze Order. See Report No. 46, page 504. This will allow Secretary of the Interior Hickel to issue a permit to the Trans Alaskan Pipeline System (TAPS) to build an 800-mile hot oil pipeline over and under the Alaskan permafrost from Prudhoe Bay to Valdez under certain conditions.

The Senate Committee granted its consent in a letter to Secretary Hickel dated 12/11/69. The letter, signed by Chairman Henry M. Jackson (Wash.), stated that the Committee's considerations were limited to whether the lifting of the land freeze was a matter of public necessity and whether it would prejudice Congressional consideration of the Alaska Native land claims legislation. "Therefore, on this basis, the Committee does not object to the promulgation of the proposed modification of Public Land Order No. 4582," the letter stated. Chairman Jackson's letter stated that although the "Committee is very concerned about the many interrelated technological, environmental, ecological and scientific questions which have been raised concerning the proposed modification of PLO No. 4582 and the granting of a pipeline right-of-way to TAPS, . . . These are matters—based upon the best judgment of the professional personnel in the Department—for your (Secretary Hickel) decision pursuant to the administrative authority and responsibilities of your office."

In the House Committee on Interior and Insular Affairs, Congressman John P. Saylor (Pa.) stated that: "The Senate Committee had ducked the issue." But, after some debate, the Committee on 12/16/69 passed a resolution also consenting to the lifting of the land freeze. Wording of the resolution states: "The Committee has no objections to the proposed modification of PLO No. 4582, and the grant of the proposed right-of-way after the Secretary is fully satisfied that all reasonable efforts have been taken to preserve any rights regarding the Alaska native land claims, and to fully protect the general environment and ecology of the public domain together with the broad public interest in the wise use and conservation of the many resources and values."

The written resolution, which had been submitted to members of the Interior Committee immediately before the committee meeting, passed by a roll call vote of 17 ayes, 7 nos and 2 voting present. The resolution passed only after a motion to table the resolution was defeated 15 to 7. Those voting against the resolution were: John P. Saylor (Pa.), Thomas S. Foley (Wash.), Morris K. Udall (Ariz.), John V. Tunney (Calif.), William F. Ryan (N.Y.) and Robert W. Kastenmeier (Wis.). Chairman Wayne P. Aspinall (Colo.) and Congressman Howard W. Pollock (Alaska) led the fight for adoption of the resolution and both voted for the lifting of the Alaskan land freeze.

Chairman Aspinall stated that there had been a "misconception of our function in this matter," and that the "chair accepts

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all responsibility for not calling on environmental witnesses," including conservation groups who had written the Chairman requesting to testify. Mr. Saylor said: "We haven't really had hearings" because "only Assistant Secretary of the Interior Train came before us and we haven't heard from those that represent the public including interested conservation groups." Mr. Saylor felt "we're just wiping our hands" of the matter. He referred to House Report No. 91–747, a supplemental appropriation bill, reported by the House Committee on Appropriations on 12/11/69. In this report, the Subcommittee on the Department of the Interior granted a $1 million supplemental appropriation "for initial cost of permit issuance and firstyear supervision of the proposed oil pipeline across Alaska." However, the report further states that "The Committee strongly feels that any costs incurred by the Department of the Interior for inspection and protection of American natural resources in Alaska are properly chargeable to those oil companies constructing the pipeline, and the Committee directs that in negotiations for issuance of rights-of-way permits, adequate fees and/or reimbursement be charged for recovery of expenses incurred by the Department which are directly attributable to its immediate and continuing supervision of the pipeline."

The Appropriations Committee took issue with the request and progression of the hearings before the Interior Committee and stated: "The Committee was appalled and surprised that representatives of the Bureau of Commercial Fisheries did not attend the hearings to present the information necessary for total evaluation of the effects construction of the pipeline will have on this natural resource (fisheries)."

Mr. Saylor, referring to the language of the House Appropriations Committee regarding TAPS funding for enforcement of the stipulations, said: "I conclude that there are three categories involved. (1) The oil companies get the oil. (2) The State of Alaska gets the land and money from the oil. (3) The Federal Government gets the bill."

Mr. Udall (Ariz.) stated: "We are going to regret this—like Santa Barbara and other mistakes."

Secretary Hickel is now free to grant a permit for the right-of-way. TAPS already has ordered and recently received more pipe—by tanker on 12/7/69 and by a 38 box-car train delivery. Evidently, TAPS' owners—British Petroleum, Atlantic-Richfield and Humble Oil anticipated the lifting of the land freeze, and further, anticipate that the permi will be granted in the near future.

PUBLIC TO BE HEARD ON EFFECTS OF POWER PRODUCTION ON THE ENVIRONMENT

Chairman Chet Holifield (Calif.) has announced that the Joint Committee on Atomic Energy will conduct additional public hearings on the environmental effects of producing electric power.

The Committee earlier this year, during Phase I of the hearings, heard from Federal agencies. Now, in Phase II beginning the week of January 26, 1970, the Committee will receive testimony from state governmental agencies, representatives of private industry and environmental groups, and the public at large.

In announcing the hearings, Chairman Holifield said: "We want to get a balanced representation of the views of all who can contribute to our understanding of the factors involved in power plant siting, construction, and operation."

SENATOR METCALF LAMBASTS SECRETARY HICKEL ON GRAZING DELAY

Sen. Lee Metcalf (Mont.) has lambasted Secretary of the Interior Walter J. Hickel for failing to respond to the Senator's request for copies of reports and analysis upon which Secretary Hickel based his decision to delay the grazing fee increase for one year. (See Report No. 46, page 501.) Senator Metcalf had requested these reports in a letter dated 11/26/69, one day after Secretary Hickel's announced delay. Speaking from the Senate floor on 12/10/69 and 12/11/69, Sen. Metcalf called the attention of the Senate to "the inability of the Secretary of the Interior to provide in 15 days the information on grazing fees on which he has given the public 30 days in which to comment."

Sen. Metcalf also pointed out that, in Secretary Hickel's letter to the Senate Committee on Interior and Insular Affairs dated 11/25/69, he planned to publish the Federal Register before 12/1/69 the proposed rulemaking delaying the imposition of the grazing fees. Also, Secretary Hickel was to give interested members of the public 45 days in which to comment on the delay. However, the notice of proposed rulemaking did not appear in the Federal Register until 12/4/69 and the time for comment was cut to 30 days.

As of this writing, Secretary Hickel had still not responded to Sen. Metcalf's request for information on why the grazing fee increased imposed on January 14, 1969 was being delayed. The Senator stated: "I am at a complete loss to understand why this administration has not answered a simple request for information about the public business, required by Members of Congress who would like sensibly to respond to Secretary Hickel's own invitation to comment."

Sen. Metcalf then pointed to a review of the Forest Service Grazing Fee System as implemented on January 14, 1969 and which was submitted by Edward P. Cliff, Chief, Forest Service, Department of Agriculture to the Senate Interior Committee in November, 1969. The report concludes that, "A fee system is in effect that will return the Federal Government fair market value for the grazing privilege. It considers public equity. . . . Evaluation of extensive information collected from 97 National Forest areas throughout the 11 Western States and in South Dakota and Nebraska and other sources strongly indicates that the public interest and equity are being served under the new grazing fee system."

Sen. Metcalf asked: "If, on November 25, Secretary of the Interior Hickel had had such a report before him I wonder if he would have concluded that the Interior Department should not continue with the schedule of grazing fees announced January 14, 1969."

Sen. Metcalf further stated that the "Secretary of the Interior has an obligation to state why it isn't sound public policy to continue the schedule of proposed increases in grazing fees; he has an obligation to cite negative impact, if any, and to whom; he has an obligation to describe why the U.S. Government should forego increased revenue, a substantial part of which would be available to conserve the watershed and grass on the public range. And finally, Secretary Hickel has an obligation to explain why the public should respond in 30 days when it has taken him at least 15 days (as of 12/10/69) to reveal the substance of a review undertaken months ago."

The general principle of the new grazing fees implemented on January 14, 1969 was the establishment and recovery by the Government of the fair market value for use of the public lands. When implemented, the grazing fee on Interior-administered public lands was $.33 per animal unit month. The charge is now $.44 per animal unit month while the fair market value is about $1.25 per animal unit month.

HEARINGS ON EFFECTS OF PHOSPHATE-BASED DETERGENTS ON WATER QUALITY

The Conservation and Natural Resources Subcommittee on the House Committee on Government Operations held hearings on 12/15 and 12/16/69 on the effects of phosphate-based detergents on water quality.

Congressman Henry S. Reuss (Wis.), Chairman of the Subcommittee, stated that: "phosphates fertilize the growth of vegetation in water, and lead to accelerated eutrophication and destruction of a body of water by excessive vegetation, particularly algae. Lakes become uninhabitable by valuable sport and commercial fisheries." Carl L. Klein, Assistant Secretary of the Interior for Water Quality and Research agreed and commented that: "with present technology, the preferred procedure to control eutrophication is to impede plant production by making phosphorous less available for growth. One important step toward this goal is to curtail phosphorous-bearing effluents."

Detergents are the main contributor of phosphates to U.S. waters although human wastes, agricultural fertilizer run-off, natural run-off and industrial wastes also contribute materially to the eutrophication of lakes and streams. Secretary Klein stated that the Secretary of the Interior "is very perturbed about the problem" of phosphate-based detergents and wants it solved. But, he went on, "we believe that the reduction or elimination of phosphorous from detergents is essential but inappropriate for implementation *at this time*." Mr. Klein explained this position by pointing out that if phosphates were banned from detergents the substitute material used "could be equally stimulating to algal growth, it is even possible that these materials, or their degradation products, could cause other, more severe, pollution than does phosphorous. We do not want to solve one problem by creating an even greater problem."

David D. Dominick, Commissioner of the Federal Water Pollution Control Administration, amplified these views in urging that phosphates be banned from detergents only when less damaging substitutes are found. Mr. Dominick pointed to the development of a Provisional Algal Assay Procedure and efforts by the Joint Industry/Government Task Force on Eutrophication to come up with a viable substitute. The PAAP test, however, will not be available until 1972.

Chairman Reuss commented that although the Joint Industry/Government Task Force was established in August of 1967, the principal result seems to be an agreement to develop the PAAP system. He commented: "We don't need to assay algae nearly so much as we need to eliminate them." Congressman Reuss felt that the Joint Task Force was dominated by the representatives of the detergent industry and suggested that it should be disbanded. He stated: "In this field of phosphate cleanup I feel the Department of the Interior is fiddling while our lakes eutrophiphy and putrify." Assistant Secretary Klein promised that "we are not going to wait until PAAP tests to remove phosphates. They'll be removed.

The need for advanced waste treatment facilities to remove phosphates was also discussed. These advanced treatment facilities can remove 90–95% of phosphates from wastes but today less than 15% of wastes are so treated. Mr. Klein acknowledged the fact that if phosphates are taken out of waste treatment plants in Detroit and other cities surrounding Lake Erie, "then chances are Lake Erie will be restored in 4 to 5 years."

Representatives of the Soap and Detergent Association, which represents 129 soap and detergent manufacutrers including the largest phosphate-based detergent producers—Colgate-Palmolive Company, Lever Brothers Company, and Proctor and Gamble Company—told the Subcommittee that "there is no proof that detergent phosphates are the key element in accelerated eutrophication of lakes and other surface waters:—"and that if phosphates were removed from

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detergents this step would be equivalent to setting back health, cleanliness and sanitation standards many years."

Chairman Reuss has introduced legislation which would ban the use of phosphates in synthetic petroleum-based detergents used in the United States. The bill, H.R. 12435 (Report No. 26, page 296) is before the House Committee on Public Works and no action other than a request for agency reports has been taken.

SUBCOMMITTEE CLEARS ANADROMOUS FISHERIES BILL

The Subcommittee on Fisheries and Wildlife Conservation 12/16/69 ordered a favorable report to the full House Committee on Merchant Marine and Fisheries on H.R. 1049, extending the Anadromous Fish Conservation Act of 1965 (Report No. 47, page 509). As ordered reported, the Subcommittee amended the bill to remove the $1½ million provision, thereby leaving a ceiling at $1 million. A four-year extension was agreed to, with these fiscal year appropriations ceilings: 1971, $6 million; 1972, $7½ million 1973, $8½ million; and 1974, $10 million. The maximum that States could get under cooperative arrangements would be reduced from 75 per cent to 60 per cent. The Subcommittee, however, wonders if these limitations are reasonable in view of the fact that the States have $9 million in applications pending.

REPORT ON ENVIRONMENTAL QUALITY BILL IS COMPLETED

The formal report of a Senate-House Committee was expected to be filed and printed late this week on S. 1075, the "National Environmental Policy Act of 1969" (Report No. 47, page 508). The report was expected to be filed in time for clearance by both the Senate and House prior to adjournment.

The report was expected to declare a national policy which will encourage productive and enjoyable harmony between man and his environment and prevent or eliminate damage to the environment. Title I would have the Congress recognizing the impact of man's activities on the interrelations of all components of the natural environment and declaring it a policy of the Federal Government to use all practicable means and measures "to create and maintain conditions under which man and nature can exist in productive harmony, and fulfill the social, economic, and other requirements of present and future generations of Americans." A section declaring that each person has a fundamental and inalienable right to a healthful environment was modified, in the fear of stimulating law suits, to: "The Congress recognizes that each person should enjoy a healthful environment and that each person has a responsibility to contribute to the preservation and enhancement of the environment."

Title II establishes a three-person Council on Environmental Quality and requires an annual report on status of the environment.

NORTHWEST ATLANTIC FISHERIES

The Senate 12/12/69 received a proposed Protocol to the International Convention for the Northwest Atlantic Fisheries (EX. I, 91st Congress, First Session). After the injunction of secrecy was removed, it was referred to the Senate Committee on Foreign Relations.

NEW BILLS INTRODUCED

Fish and wildlife

S. 3221—Humane Treatment of Research Animals. Sen. Stephen M. Young (Ohio). Provides for the licensing of all persons who perform any research or experiments with any animal. Also the bill requires the Secretary of Health, Education, and Welfare to promulgate standards to govern the humane handling, care, treatment and transportation of research animals. Sen. Young said, in introducing the bill that, "man's inhumane treatment to man is not so separate from his inhumanity to animals. We must not ignore the conditions that now exist. Legislation setting forth standards for the treatment of animals used in research experiments should be enacted without further useless delay." Referred 12/9/69 to the Senate Committee on Commerce.

Identical bills were introduced in both Houses of Congress on 12/10/69 to prohibit the shooting of any bird, fish or any other animal from an aircraft while over land owned or reserved to the United States. A fine of $5,000 and imprisonment for one year are provided for violators. Sen Gaylord Nelson (Wisc.) introduced S. 3234 which was referred to the Senate Committee on Commerce. H.R. 15188 was introduced by Messrs. John P. Saylor (Pa.) and David R. Obey (Wis.) and referred to the House Committee on Merchant Marine and Fisheries. The bills are an apparent response to the recent NBC television documentary "The Wolfmen." The bill would outlaw not only the hunting of wolves by airplane as was shown in the documentary but all other wildlife including eagles. The wolf is listed as a rare and endangered species and only 800 or less remain in the contiguous U.S. while there are 5,000 wolves in Alaska. However, the State of Alaska pays a $50 bounty on wolves and in the past four years, 5,693 bounties have been paid for wolves in Alaska. Sen. Nelson said that "this bill will not give the protection to the timber wolf that it deserves but it will cut down on the mass extermination that is presently going on."

H.R. 15237—Restrictions on Pesticides Which Pollute Navigable Waters. Mr. Clarence E. Miller (Ohio). Amends 16 U.S.C. 742d–1 to authorize the Secretary of the Interior to restrict or prohibit the use of insecticides, herbicides, fungicides and pesticides which results in the pollution of any navigable waters of the U.S. so as to constitute a substantial threat to man or to fish and wildlife resources. See H.R. 14192 (Report No. 37, page 415) and others. Referred 12/12/69 to the House Committee on Merchant Marine and Fisheries.

Air pollution control

H.R. 15137—Extension of Clean Air Act. Mr. John Jarman (Okla.). Extends the Clean Air Act through fiscal year 1973. Referred 12/8/69 to the House Committee on Interstate and Foreign Commerce.

H.R. 15192—Extension of Clean Air Act. Mr. George P. Miller (Calif.). Same as H.R. 15137 above. Referred 12/10/69 to the Honse Committee on Interstate and Foreign Commerce.

H.R. 15230—Amendment to Clean Air Act. Mr. Robert O. Tiernan (R.I.) and six colleagues. Amends the Clean Air Act to authorize increased grants to be made to certain air pollution control agencies not now eligible therefor. Referred 12/12/69 to the House Committee on Interstate and Foreign Commerce.

S. 3229—"Air Quality Improvement Act" and Noise Pollution and Abatement Act. Sen. Edmund S. Muskie (Me.) and five colleagues. Amends the Clean Air Act to extend authorization under the Act, extends provisions relating to emission standards and provides for a study of noise and its effects. The bill would provide authority: First, to carry out low-emission vehicle research; second, to extend and expand the authorizations of the Clean Air Act for research and demonstration; third, to require public hearings in connection with the adoption of any plan for the implementation of air quality standards and to require 30 days notice of any hearing on air quality standards; fourth, for the Secretary to promulgate national emission standards for new and used aircraft, vessels, and other vehicles capable of moving interstate commerce; fifth, for the Secretary to set emission standards for existing commercial vehicles; sixth, to require the assurance of compliance with national emission standards for a period beyond the initial sale of a motor vehicle, vessel, or aircraft, and so forth; seventh, to set standards for low-emission vehicles and to test and certify vehicles as to their compliance with those standards; eighth, to set national emission standards for certain organic solvents, paints, and other oxidants which, because they are manufactured and shipped in interstate commerce, cannot be effectively controlled at their point of use; ninth, to establish an Office of Noise Pollution Abatement and Control in the Department of Health, Education, and Welfare; and tenth, to authorize the Office of Noise Pollution Abatement and Control to conduct a study of the health and welfare ramifications of noise and to include recommendations for needed legislation in a report to Congress.

Sen. Muskie in introducing the bill said that "it is a response to the growing public pressure for a clean environment and a recognition that certain kinds of air pollution control activities will not or cannot be carried out without Federal intervention." Sen. Muskie stated further that the Federal Aviation Agency should not have primary responsibility for air pollution controls or other environmental controls because of a built-in conflict of interest— . . . "clearly, the agency with the responsibility for promoting air commerce should not be the agency which determines the extent to which aircraft emission controls will be necessary to protect the public health and welfare." "Pollutants are emitted from jet engines at the rate of 78 million pounds a year," Sen. Muskie stated. The bill was referred 12/10/69 to the Senate Committee on Public Works.

Flood control, rivers and harbors

S. 3230—Construction of Low Diversion Structure on the Potomac River, Md. Sen. Joseph D. Tydings (Md.). Authorizes the construction of a low diversion structure or dam by the Washington Suburban Sanitary Commission into a portion of the North Channel of the Potomac River near Potomac, Md. Referred 12/10/69 to the Senate Committee on Public Works.

H.R. 15207—Modification of Denison Dam Project, Texas and Oklahoma. Mr. Ray Roberts (Texas). Provides for a modification of the Denison Dam project, Lake Texoma, Red River, Texas and Oklahoma to authorize the city of Sherman, Texas to construct a barrier dam to create a subimpoundment of up to 95,000 acre/feet to supply municipal and industrial water. Referred 12/11/69 to the House Committee on Public Works.

Firearms

H.R. 15180—Mandatory Sentence for Use of a Firearm in Crime of Violence. Mr. Bill Chappell, Jr. (Fla.). Provides for a mandatory one-year jail sentence for a conviction of using a firearm in a Federal crime of violence. A mandatory 25-year sentence would be imposed for subsequent convictions. See H.R. 14749 (Report No. 43, page 482) and others. Referred 12/10/69 to the House Committee on the Judiciary.

Forests and forestry

S. 3218—"Operations Fire Fund Act." Senators Robert W. Packwood (Oreg.), Mark O. Hatfield (Oreg.) and George Murphy (Calif.). Requires each purchase of national forest timber to deposit in a special Treasury fund not less than $0.05 per thousand board feet cut to pay the cost of suppressing operation fires. "Operation fires" is defined as fires caused without negligence by the operations of a purchaser of national forest timber in connection with his timber sale operation. Referred 12/8/69 to the Senate Committee on Agriculture and Forestry.

Indian land and resources

H.R. 15131—Federally Owned Lands Held for Trust for the Reno-Sparks Indian Colony. Mr. Walter S. Baring (Nev.). Declares that 28 acres of land in Nevada are held in trust for the Reno-Sparks Indian Colony. Referred 12/8/69 to the House Committee on Interior and Insular Affairs.

H.R. 15239—Lands in Trust for Salish and Kootenai Tribes, Montana. Mr. Arnold Olsen (Mont.). Declares that 82 acres of federal land are held in trust for the Confederated Salish and Kootenai Tribes of the Flathead Reservation, Montana. Referred 12/12/69 to the House Committee on Interior and Insular Affairs.

Mines and minerals

H.R. 15139—"California Marine Sanctuary Act of 1969." Mr. Paul N. McCloskey, Jr. (Calif.). Creates marine sanctuaries from leasing pursuant to the Outer Continental Shelf Lands Act in areas off the coast of California adjacent to State-owned submerged lands when such State suspends leasing of such submerged lands for mineral purposes. See H.R. 14787 (Report No. 42, page 474) and others. Referred 12/8/69 to the House Committee on Interior and Insular Affairs.

Parks, monuments, and recreation areas

S. 3228—"Balanced Urbanization Policy and Planning Act." Sen. Edmund S. Muskie. Provides for the balance urban development and growth of the U.S. Amendments are made to the Land and Water Conservation Fund Act of 1965, Watershed Protection and Flood Prevention Act and the Federal Water Pollution Control Act to provide for urban development consistent with adequate outdoor recreational facilities and clean water. Referred 12/10/69 to the Senate Committee on Government Operations.

Wilderness preservation

S.3222—Designation of Certain Lands in the Wichita Mountains National Wildlife Refuge as Wilderness. Sen. Fred R. Harris (Okla.). Designates certain lands within the Wichita Mountains National Wildlife Refuge, Oklahoma as wilderness under the Wilderness Act of 1964. Referred 12/9/69 to the Senate Committee on Interior and Insular Affairs.

Miscellaneous bills of interest

S. 3037—"Environmental Reclamation Education Act of 1969." Sen. Charles E. Goodell and 8 colleagues. Title I authorizes the Secretary of Health, Education and Welfare to develop a national environmental-ecological education program ranging from preschool to the graduate level. A three-year $37 million authorization is recommended. Regional ecological-environmental education centers are authorized. Title II creates a National Advisory Commission on Technology and the Environment to examine the capacity of the Federal Government to deal with the impact of technology on the environment. Referred 12/11/69 to the Senate Committee on Labor and Public Welfare.

H.R. 15147—"National Oceanic and Atmospheric Program Act of 1969." Mr. John D. Dingell (Mich.) Amends the Marine Resources and Agency Engineering Development Act of 1966 to encourage, develop and maintain a comprehensive national program in marine and atmospheric science, technology and technical services. The bill creates the position of Assistant Secretary of the Interior for Oceanic and Atmospheric Affairs. A National Advisory Committee for Oceans and Atmosphere is also created. Referred 12/8/69 to the House Committee on Merchant Marine and Fisheries.

H.R. 15233—"National Oceanic and Atmospheric Program Act of 1969." Mr. Mario Biaggi (N.Y.). Same as H.R. 15147 above. Referred 12/12/69 to the House Committee on Merchant Marine and Fisheries.

H.R. 15148—"National Oceanic and Atmospheric Program Act of 1969." Mr. John D. Dingell (Mich.). The same as H.R. 15147 above except that the Coast Guard and other agency functions are not transferred to the Department of the Interior. Referred 12/8/69 to the House Committee on Merchant Marine and Fisheries.

Nineteen identical bills by nineteen different Congressmen were introduced 12/12/69 which would establish a Joint Committee on Environmental Quality. The bills, H.R. 15241 through H.R. 15259 would place 10 Senators and 10 Representatives on the Joint Committee. An annual report would be issued to the Senate and House of Representatives concerning its findings and recommendations. The bills were referred to the House Committee on Rules.

H. Res. 751—Creation of a Standing Committee on the Environment. Mr. Donald G. Brotzman (Colo.). Amends the Rules of the House of Representatives to create a standing committee to be known as the Committee on the Environment. Included within this Committee's purview would be water quality, air quality, weather modification, waste disposal, pesticides and herbicides and acoustic problems. Referred 12/12/69 to the House Committee on Rules.

H.R. 15263—"National Oceanic and atmospheric Program Act of 1969." Mr. Louis Frey, Jr. (Fla.). Amends the Marine Resources and Engineering Development Act of 1966 to establish a comprehensive and long-range national program of resource, development, technical services, exploration and utilization with respect to the marine and atmospheric environment. Same as "clean bill" introduced as H.R. 13247 (Report No. 30, page 345). Referred 12/15/69 to the House Committee on Merchant Marine and Fisheries.

LATE BULLETIN

Congressional leaders have announced that the Second Session of the 91st Congress will be convened on Monday, January 19, 1970. Thus, the lawmakers will have something less than a month off from work from the time of adjournment of the First Session to the beginning of the Second Session. All work not completed in the First Session will be held over into the Second.

ACTION ON BILLS

S. 1108—Waiver of Acreage Limitations on Lands in Nevada. Waives the acreage limitation provisions of the Recreation and Public Purposes Act to permit Nevada to purchase 26,160 acres of public domain land necessary to complete the Valley of Fire State Park. Passed by the Senate earlier in the year, the bill was reported favorably, without amendment. 12/10/69 by the House Committee on Interior and Insular Affairs (House Report 91–731). Passed by the House, without amendment, 12/15/69 and cleared for the President.

S. 3014—Designation of Wildlife Refuge Lands and Wilderness. Designates as wilderness for addition to the National Wilderness Preservation System certain lands administered by the Bureau of Sport Fisheries and Wildlife (Report No. 38, page 428). Reported favorably, with amendments, 12/9/69 (Senate Report 91–594) by the Senate Committee on Interior and Insular Afffairs. The Committee removed the Hart National Antelope Refuge Wilderness and the Malheur National Wildlife Refuge Wilderness from the bill. This action leaves in the bill these refuge wilderness areas: the Three Arch Rocks and Oregon Islands National Wildlife Refuges, all in Oregon; the Bering Sea. Bogoslof, Tuxedni, St. Lazaria, Hazy Islands, and Forrester Island National Wildlife Refuges, all in Alaska; the Copalis, Flattery Rocks and Quillayute Needles National Wildlife Refuges in the State of Washington, and the Bitter Lake National Wildlife Refuge in New Mexico. Passed by the Senate, with amendments, 12/12/69 and referred to the House.

S. 3108—"Airport Airways Development Act." Provides for the expansion and improvement of airport and airway systems (Report No. 44, page 496). The formal report of the Senate Committee on Commerce was filed 12/5/69 (Senate Report 91–565). The Senate bill does not contain provisions in the House version for protection of parks, monuments, receation areas, or wildlife refuges although the report does say that the Committee "is concerned that airport development proceed with all due caution and concern for protection of the environment." Further, it said that "factors such as noise, air and water pollution, site selection consonant with the environmental surroundings and preservation of natural beauty should be taken into account." The bill now has been referred to the Senate Finance Committee and no action is expected before the Second Session.

S. 3219—"Family Planning Services Amendments of 1969." Senators Jacob K. Javits (N.Y.), Peter H. Dominick (Colo.) and Winston L. Prouty (Vt.). Amends the Public Health Service Act to provide for special project grants for the provision of family planning services and related research, training and technical assistance. The bill authorizes the Secretary of Health, Education and Welfare to pay for up to 90 per cent of the cost for public or nonprofit private agencies' family planning services. Referred 12/8/69 to the Senate Committee on Labor and Public Welfare.

H.R. 13407—Amendment of Pacific Marine Fisheries Compact. Consents to the amendment of the Pacific Marine Fisheries Compact, recognizing adherence of Idaho and Alaska to the document in addition to the original members: California, Oregon, and Washington. Other amendments to the compact would modify reference to the Pacific Ocean and provide a more equitable means of apportioning costs. Reported favorably, without amendment, 12/9/69 by the House Committee on Merchant Marine and Fisheries (Report 91–715). Passed by the House, without amendment, 12/15/69 and referred to the Senate.

H.R. 14159—Appropriations for Public Works, Fiscal 1970. Makes appropriations for Public Works, including water pollution control, for fiscal 1970 (Report No. 46, page 499). Signed by the President 12/11/69 (P.L. 91–144).

H.R. 15166—"River Basin Monetary Authorization Act of 1969." Authorizes additional appropriations for projects in certain comprehensive river basin plans for flood control, navigation, and other purposes. Introduced 12/6/69 by George H. Fallon (Md.) and six colleagues. Reported favorably, without amendments, 12/11/69 by the House Committee on Public Works to which it was referred (House Report 91–748). The authorization amounts to $830,000,000 plus $9 million for the Chesapeake Bay Basin Comprehensive study. The authorizations:

Alabama-Coosa River	$45, 000, 000
Arkansas River	89, 000, 000
Brazos River	5, 000, 000
Central and southern Florida	20, 000, 000
Columbia River	263, 000, 000
Lower Mississippi River	167, 000, 000
Missouri River	109, 000, 000
Ohio River	69, 000, 000
Quachita River	18, 000, 000
San Joaquin River	18, 000, 000
South Platte River	21, 000, 000
Upper Mississippi River	2, 000, 000
White River	4, 000, 000

H.R. 15187—Establishment of a Commission on Population Growth and the American Future. Mr. Ogden R. Reid (N.Y.) and eight colleagues. Same as H.R. 15165. Referred 12/10/69 to the House Committee on Government Operations.

The House Committee on Government Operations reported favorably H.R. 15165, establishing a Commission on Population Growth and the American Future (H. Rept.

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91-738). This action was taken on 12/10/69 after the Subcommittee on Executive and Legislative Reorganization held hearings on various population bills including the House companion bills to the Senate-passed S. 2701. See Report No. 46, page 502. The Subcommittee then introduced a "clean bill", H.R. 15165, which goes beyond the administration bill, S. 2701. This bill is now awaiting floor action. The bill directs the Commission to study five aspects of population growth. They are: 1. The probable course of population growth internal migration, and related demographic developments between now and the year 2000; 2. the resources in the public sector of the economy that will be required to deal with the anticipated growth in population; 3. the ways in which population growth may affect the activities of Federal, State and local government; 4. the impact of population growth on environmental pollution and on the depletion of natural resources; and 5. the various means appropriate to the ethical values and principles of the society by which our Nation can achieve a population level properly suited for its environmental, natural resources, and other needs. Numbers 1 through 3 are included in the Senate-passed S. 2701 while 4 and 5 are new in the clean bill. President Nixon has already requested a supplemental appropriation of $1,443,000 to implement the Commission's study over a 24-month period. (Report No. 47, page 502).

COMMUNIST RULES FOR REVOLUTION

HON. G. ELLIOTT HAGAN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. HAGAN. Mr. Speaker, as we approach the end of 1969 and look forward to the year ahead, I think it is appropriate that we look back to a document captured by the allied forces in May 1919. This document, "Communist Rules for Revolution", now 50 years old, should cause all of us to listen more carefully and more cautiously to the news events we hear day-by-day in the local press and radio.

This document, reprinted in PEN—Public Employees News of November 1969, follows:

COMMUNIST RULES FOR REVOLUTION

In May, 1919, at Dusseldorf, Germany, allied forces captured a very significant document: "Communist Rules for Revolution." As you read these "Rules" now, 50 years later, keep in mind what you are reading and hearing everyday via news media:

A. Corrupt the young; get them away from religion. Get them interested in sex. Make them superficial; destroy their ruggedness.

B. Get control of all means of publicity, thereby:

1. Get people's minds off their government by focusing their attention on athletics, sexy books and plays and other trivialities.

2. Divide the people into hostile groups by constantly harping on controversial matters of no importance.

3. Destroy the people's faith in their natural leaders by holding the latter up to contempt, ridicule, obloquy.

4. Always preach true democracy, but seize power as fast and as ruthlessly as possible.

5. By encouraging government extravagance, destroy its credit, produce fear of inflation with rising prices and general discontent.

6. Promote unnecessary strikes in vital industries, encourage civil disorders and foster a lenient and soft attitude on the part of the government toward such disorders.

7. By specious argument cause the breakdown of the old moral virtues, honesty, and sobriety.

C. Cause the registration of all firearms on some pretext with a view to confiscating them and leaving the population helpless.

BRIDGING THE GENERATION GAP

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mrs. HECKLER of Massachusetts. Mr. Speaker, one of the finest citizens of Fall River, Mass., is Manuel Mello. In his active retirement years, he is making many outstanding contributions to his church and to his community. Mr. Mello's time is largely taken up with organizing senior citizen activities and in teaching children.

Recently the Fall River Herald News paid a well-deserved tribute to Manuel Mello, pointing with pride to his work on behalf of senior citizens. He believes in senior power, as the newspaper article explains, and is one of three persons who are responsible for founding 24 of Fall River's 30 active senior citizens clubs. This, indeed, is a remarkable accomplishment.

But he has apparently also learned the secret of how to bridge the generation gap. Surely, there is a great lesson for all of us in how he does it. When teaching children, he says:

> I try to find out what interests them most and connect it all with God's love for us.

Perhaps there would be a greater understanding between the generations if others followed Mr. Mello's example?

Manuel Mello is an amazing individual. His wife is also active in his work, and I join in paying tribute to both. I include in the RECORD at this point the text of the article:

MELLO SPANS THE GENERATION GAP

Not everyone succumbs to the generation gap.

Manuel Mello, whose average day often includes both senior citizen activities and teaching catechism classes, doesn't even have time to worry about the span of years between his friends.

Retired since 1958, Mello has turned his senior years into vital years of favorable influence on the community.

This busy life started in 1962 when Rev. Msgr. Anthony M. Gomes asked Mello to help with Saturday catechism classes at Our Lady of Angels Church.

Filling in at first when needed, Mello now serves on the pastoral council of the church, supervises Saturday catechism classes and teaches Wednesday afternoons.

"I've learned that the day of the stern, grouchy teacher are gone," says Mello, who teaches by connecting the lesson with some current events that the children know about.

"I try to find out what interests them most and connect it all with God's love for us," he said.

His methods must work, because all his students love this energetic man who believes in "coming down to their level."

The other side of his retired life began early in 1963 when he became active in the King Philip Senior Citizens Club. In 1966 Mello and the late Samuel Clegg became the official Senior Citizen Club organizers. Later assisted by Mrs. Florence Benoit, the three are responsible for 24 of the 30 clubs now active in the city.

Back from the annual senior citizens convention in Washington, D.C., Mello proudly wore a large button proclaiming Senior Power * * * something he proves every day as he moves easily from one age to the other, equally at home with both.

Mello and his wife, who is also active in senior citizens, reside in the Morgan Apartments.

SOUTH-WEST AFRICA—NAMIBIA

HON. JOHN C. CULVER

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. CULVER. Mr. Speaker, October 27 marked the third anniversary of the almost unanimous finding of the United Nations General Assembly—GA Resolution 2145—that South Africa has forfeited its right to administer the international territory of South-West Africa—Namibia.

December 17 marked the 49th anniversary of the establishment of the League of Nations Mandate for South-West Africa pursuant to the principle that "the well-being and development" of its people "form a sacred trust of civilization."

A recent report in the Johannesburg Star—weekly edition, November 15, 1969—raised the question of what to do about that "sacred trust", in relation to the territory's 13,000 Bushman who are, of all its inhabitants, those least able to "stand by themselves in the strenuous conditions of the modern world." The wide-ranging implications of that question have been reemphasized in a report by Stanley Uys, political correspondent of the Johannesburg Sunday Times, which appeared in the Chicago Sun-Times of December 7, 1969.

I insert both of these articles at this point in the RECORD:

NEW PRESSURE ON BUSHMEN TO SETTLE DOWN

WINDHOEK.—South West African authorities have embarked on a vast resettlement scheme whereby it is hoped to lure groups of the notoriously shy Bushmen to "frontier posts."

It is hoped that they may be persuaded to move to their own homeland at Tsumkwe, north-east of Grootfontein.

The aim of the scheme is to cut the stock losses suffered by farmers in the remote northern areas of the territory as a result of thefts by groups of these nomadic hunters. It was conceived jointly by members of farmers associations, representatives of the Department of Bantu Affairs and the South African police at a meeting held earlier this year.

At the posts, one of which will be set up at Tsintsabis in the Okavango area, food, tobacco and other supplies will be made available to the Bushmen. Once their confidence has been gained the estimated few hundred groups distributed in an area stretching about 140 miles along the line which marks the boundary of the farming area will be persuaded to make their "big move."

It is hoped that the Bushmen will be encouraged to settle by making them work to pay for the items they purchase at the posts. In this way their nomadic instincts, the biggest obstacle in any Bushmen settlement plan, will gradually be blunted.

SOUTH-WEST AFRICA

(By Stanley Uys)

CAPE TOWN.— The Oct. 4 deadline set by the United Nations Security Council for South Africa to withdraw its administration from the trust territory of South-West Africa has come and gone, and the South African government remains in undisturbed control of the territory.

South Africa has no intention of handing over administration of South-West Africa to the UN, and, in fact, is drawing the territory steadily deeper into its administration. The relationship which now exists between South Africa and South-West Africa is undistinguishable in practice from incorporation.

The Security Council had resolved that if South Africa ignored the Oct. 4 ultimatum, it would "meet immediately to determine upon effective measures" provided by the UN Charter. On Oct. 21, the United Nations Trusteeship Committee, by 96 votes to 2 (South Africa and Portugal), with 6 abstentions (Australia, Botswana, France, Ivory Coast, Malawi and Britain) censured South Africa for ignoring the deadline, and asked the Security Council to note the "deteriorating situation" in South-West Africa.

But this is as far as the UN has been able to go, short of invading South-West Africa or applying sanctions against South Africa—measures which the Western nations, and many others, simply would not support.

Through the years in which the South-West Africa issue has been raised at the UN—annually since the founding of the world body in 1946, in fact—the protesting members have made no progress whatever in persuading the South African government to relinquish even a fraction of its control over the territory.

South Africa's "obduracy," as it is called, has left its mark on the prestige of the UN, whose members have quarrelled among themselves over whether they should continually be adopting resolutions which they cannot enforce.

In 1962, the UN sent a mission to South-West Africa, which after a farcical tour expressed divided opinions. In June, 1967, the UN appointed an 11-member council charged with the task of securing entry into South-West Africa and administering it until it was ready for independence. The council tried to fly into Windhoek, South-West Africa's capital, in April, 1968, but got no farther than Lusaka, Zambia, again in circumstances which, if anything, detracted from the UN's prestige.

But South-West Africa still remains a grave international issue. A German colony until World War I, it was entrusted to South Africa by the League of Nations to administer under a mandate as if it were part of South Africa, with the provision that South Africa "promote to the utmost the material and moral well-being and the social progress of the inhabitants of the territory."

When the League of Nations was dissolved, and the UN was founded in 1946, an international trusteeship system came into existence, and the former colonial powers were asked to place the remaining colonies under this system. The UN would appoint administrators, and through its various agencies would help the territories concerned to develop as quickly as possible towards self-rule.

But South Africa, maintaining that the UN had not inherited the league's power over former mandates and that its obligations to the international community had lapsed with the league's dissolution, refused to place South-West Africa under international trusteeship. It undertook, however, to administer the territory in the spirit of the terms of the original mandate.

This decision was made in 1946, and every year the debates at the UN on South Africa's attitude have become increasingly heated. Only Portugal, which has retained control of the African colonies of Guinea, Angola and Mozambique, has consistently supported the South African stand. The question has been submitted to the International Court of Justice several times, without conclusive result.

The essential charge against South Africa is that it is not administering the territory in the interests of all South-West Africa's inhabitants: That the 96,000 whites have all the political, economic and social rights and privileges, and that the 514,000 nonwhites are the hewers of wood and drawers of waters. Only white adults, for example, have the vote for the territory's 18-member (all-white) legislative assembly and for the South African parliament in Cape Town.

Apartheid exists in all South-West Africa's hotels, restaurants, cinemas and public transport. Residential areas, too, are segregated: The nonwhites of Windhock live in a township on the outskirts of the city.

Generally, South Africa's apartheid laws are applied in the territory. Africans who wish to leave the Northern Sector or the Reserves in the Southern Sector are subject to influx-control and pass laws, although these are not as strict as similar laws in South Africa.

In 1962, about 58.6 per cent of South-West Africa consisted of white-owned farms (close to 15 per cent of the territory is desert and a considerable area is semidesert), 26.6 per cent consisted of Reserves for Africans and colored, the rest being the Walvis Bay area (a South African-owned enclave of 434 square miles), townships, diamond areas, and game and nature parks.

In 1963 a commission of inquiry appointed by the South African government recommended the creation of "homelands" (no fewer than 10) for the territory's nonwhites, along the lines of the "bantustans" in South Africa itself, these homelands to become ultimately self-governing.

The commission recommended the purchase of both government land and white-owned farms, to be added to the Reserves to increase their size from 26.6 per cent to 38.7 per cent of the total area of the territory. Most of this purchasing now has been done.

Even so the 96,000 whites still own more land than the 514,000 nonwhites.

The African Reserves are mainly areas of subsistence farming. The charge against the whites is that they are in almost exclusive control of the territory's real wealth—its diamonds, copper, lead, zinc, its rich fishing enterprises.

South-west Africa's economy is much more dependent on migratory labor than South Africa's. This is partly because the government is anxious to keep white the "white south" where the work force is needed, and partly because of a seasonal cycle in labor requirements, especially in the fishing industry. At any time there may be 45,000 migratory laborers working away from their homes in the "black north."

Because of the shortage of skilled white labor, the industrial color bar is applied slightly less rigidly than in South Africa. The employers' approach is more paternalistic: they prefer to provide meals, clothes, accommodation and recreational facilities rather than give the same value in extra wages. Nevertheless, cash earnings, low as they are, have risen in recent years.

Another charge against the South African government is that it has neglected the education of the territory's indigenous inhabitants. In 1966, for example, only 11 Africans from South-West Africa took the examinations for the equivalent of high school graduation. Six of them passed, and none qualified for university entrance.

The South African government's answer to all these charges is that it is now providing for the "separate development" of the indigenous inhabitants through the creation of "homelands," which will be assisted financially, and with white skills, to advance toward independence. The emphasis at the moment is on the development of Ovamboland, the "homeland" of the Ovambo Africans in the north, and the biggest of all the "homelands."

The program will take time, the South African government says, but it believes it is the only possible way of securing coexistence of the races in South-West Africa. Otherwise, it says, there will be race friction if the races are integrated and compete within the same structure.

But the "homelands" program has not impressed apartheid critics, who see it as a classic divide-and-rule stratagem. They ask how these "mini-homelands" could possibly become economically viable and politically independent. Even Ovamboland, the biggest of the "homelands," has only 280,000 inhabitants. Thereafter, the "homelands" dwindle in population down to Tswanaland with only 11,300 inhabitants.

ON POLISH-JEWISH RELATIONS

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. PUCINSKI. Mr. Speaker, recently, Dr. Ludwig Krzyzanowski, professor of East-Central European area studies at New York University prepared an excellent address on the historic relationship of the Poles and the Jewish people.

His remarks were delivered at the opening of a special exhibit at the Polish Museum in Chicago, which is operated by the Polish-Roman Catholic Union. This exhibit depicts the horrors suffered by the Jewish people in the Warsaw ghetto uprising.

I believe Dr. Krzyzanowski has performed a notable public service by placing in proper perspective the historical role which has existed between the Poles and the Jewish people who lived in Poland for centuries past.

It would be a tragic error to judge the historical relationships of the Polish and the Jewish people on the basis of severe difficulties the Jewish people now suffer in a Poland dominated by a pro-Soviet regime. The denial of passports, the wanton prosecution and persecution of the Jewish people in Poland today is not the basis for judging the attitude of Poles toward the Jewish people over the centuries.

I would like to place in the RECORD today Dr. Grzyzanowski's excellent analysis of the historical relationship between Polish and Jewish people for indeed I believe that Dr. Krzyanowski has captured the true spirit of this relationship.

Dr. Krzyzanowski's remarks follow:

"It is not without a singular decree of Providence that the Jewish people lived in Poland for centuries, and that their fate is so clearly linked with the fate of the Polish nation."

These are the words of Poland's greatest poet, Adam Mickiewicz, from his lecture at the College de France on February 21, 1843.

Five years later during the so-called "Springtime of Nations" Mickiewicz conceived the idea of organizing a Polish legion to fight at the side of the Italians for their and Polish freedom. For this Promethean band of exiles, he composed a Set of Principles in which he envisaged the structure of the liberated Poland.

Among the fifteen principles one is particularly noteworthy on the occasion that has brought us together.

"To Israel, our elder brother, respect, brotherhood, help on the road to his eternal and temporal welfare, equal rights in everything."

Indeed, the Jews have coexisted with the Poles in one land since the dawn of recorded history. The causes of the mass-immigration of the Jews from the West, continuing throughout the middle ages and the modern era, were outbreaks of persecution in central European cities. Just as in the sixteenth century, Poland was known as a refuge of heretics, it was also an *asilium Judaeorum*.

Two years ago we celebrated the Millennium of Poland's history and nationhood. In 1964 our great event was the six hundredth anniversary of the founding of one of Europe's oldest institutions of Higher Learning—the University of Cracow. But perhaps we did not pay sufficient attention to a date that falls between the two—namely, the seven-hundredth anniversary of the promulgation in 1264 by Duke Bolesaw the Pious of the Piast Dynasty of the first privilege issued to the entire Jewish community—the Statute of Kalisz. By the Statute of Wislica in 1334 King Kazimierz the Great confirmed the application of the Statute of Kalisz to the entire State and later in 1364 to the territories which had then become attached to Poland. The Statute of Kalisz was afterwards confirmed by almost all the Kings who succeeded Kazimierz, and it was generally known as the General Privilege or the Jewish Statute to distinguish it from special privileges conferred by various kings on particular Jewish communities. The last to confirm the Jewish Statute was the last king of Poland, Stanislaw August Poniatowski, in 1765. In the course of time, the Statute of Kalisz became part of the Volumina Legum, the official collection of laws obligatory in Poland.

The short time allotted to me is not conducive to a detailed analysis of the provisions of these statutes. However, we are entitled to say that the old Polish-Lithuanian commonwealth manifests an unbroken continuity of protective Jewish legislature over several centuries. Of course, we should not close our eyes to the fact that the application of these immunities was not always exemplary; but all in all, the Jewish community in Poland was able to practise its religion, and to observe its own customs unmolested by outside interference.

The time since the partitions at the end of the eighteenth century to the beginning of the twentieth is a period of recurring efforts to regain independence by armed struggle. In all the struggles since the time of Taduesz Kosciuszk through the January Insurrection of 1863, and later, Polish Jews did their share, to mention only the name of Colonel Berek Joselewicz, who was killed in action in 1809 in the Polish army of the Napoleonic Duchy of Warsaw.

During the November Insurrection of 1830–31 the Jewish community set aside a day of fasting terminated by prayers lasting four consecutive hours; to quote the document in question: "Amid the chanting of the psalms, amid the recollections of a lost homeland in Palestine, the Israelites of the two sexes pray for the salvation of their second homeland, this Poland in which they have been living for centuries! How sweet and consoling is this spectacle which unites all opinions and all religions when the defense of the common cause of the common homeland is at stake."

There is a beautiful poem by Mieczyslaw Romanowski, the bard of the January, 1863 Insurrection, entitled, "The Rabbi." I regret that I can do no more than to give only its briefest outline. A venerable rabbi is sorrowfully reflecting on the sufferings of Poland and bemoans the fate of Warsaw, which he identifies with Jerusalem. A delegation from Germany arrives trying to persuade him to exchange the misfortunes of Poland for a peaceful and prosperous life in Germany. The rabbi listens to them and replies: "At the Lord's Judgment woe will befall traitors. I was born here. Serving Jehovah, I shall die here when my brethren perish." When the emissaries expostulate with him that he should not reject the gifts their country brings, and ironically ask him, "Who stands at the side of Poland?" the rabbi simply answers, "The noblehearted."

It is only natural that the part of the Jews in the development of Polish culture is considerable and that without this contribution, that culture would be so much poorer. Again we can only mention a few names. Julian Tuwim will remain in Polish literature as a star of first magnitude. Lesmian, Sionimski, Witlin, Wazyk, Jastrun, will forever have a place in the annals of Polish letters. Polish literary criticism boasts of such names as Julian Klaczko, Wilhelm Feldman, Ostafin Ortwin, Juliusz Kleiner.

Polish historiography owes much to Askenazy, Handelsman and Jozef Feldman.

In visual arts such names as Maurice Gottlieb, Artur Szyk, Zygmunt Menkes, and a long list of others come immediately to one's mind.

Everybody is of course familiar with such brilliant names in the performing arts as the harpsichordist, Wanda Landowska, the pianist, Artur Rubenstein, or the great theatrical producer, Arnold Schifman.

Polish jurisprudence has many outstanding Jewish representatives, as do medicine, the sciences, and technology. Many of them were active and well-known abroad. However, in most instances, they never denied their links with Poland and her culture.

The short period of regained independence, 1918–39, would require extensive treatment to explain the vicissitudes of the Polish-Jewish relationship. When the holocaust came, it should be fairly stated that no matter how anti-Semitic some segments of the population were, it was not the Poles who slaughtered the Jews; and the few who survived, survived only because there were Gentiles who did not hesitate to risk and sacrifice their lives in defense of their Jewish brethren.

It is not so much the passivity, of which the Poles were so often accused, but rather the indifference of the leaders of the Free World and of world Jewry which doomed the heroic Warsaw Ghetto Uprising in 1943. That the Polish Underground did what it could to assist the ghetto fighters, and the true sentiment of the Polish masses is evident from the stirring proclamation of the Central Organization of Polish workers. It is dated Warsaw, April, 1943: "The inhabitants of the Warsaw Ghetto are resisting the Germans who are attempting to annihilate the remnants of Polish Jewry. These Jewish workers—Polish citizens of Jewish nationality—are the very marrow and soul of the Jewish detachments who have raised an armed resistance to the Hitlerite criminals. To these workers of Jewish nationality who, facing unavoidable death, have decided to die fighting rather than to surrender passively, we send our brotherly greetings and our promise that their deeds will be remembered and will become part of the immortal legend of Fighting Poland."

By coincidence or design, this magnificent exhibit illustrating one thousand years of Polish-Jewish symbiosis is being opened on May 3rd, which until recently was celebrated as Poland's national holiday.

I vividly recall from my youth that there was almost no observance of this event without a recitation of Jankiel's Concert. It is striking, indeed, that Poland's national poet, Adam Mickiewicz, made a Jew, the village innkeeper, Jankiel, the spokesman for Polish patriotism. Playing his dulcimer, Jankiel stirringly evokes recent events of Polish history. Concluding with the triumphant song of hope, "Poland Has Not Yet Perished." The concluding lines of this famous passage in the great epic *Pan Tadeusz*, in the translation of a Jewish poet, Aaron Kramer, are as follows:

". . . Jankiel now began to play a stronger, higher strain;
he dropped the dirge-like measure, and proclaimed with every beat
a mood quite different from the one of sorrow and defeat.
Once more his eyes surveyed the strings; he raised his hands like one,
and brought down both the hammers in tremendous unison.
With such great artistry, such might, the master struck that chord,
his strings rang out like clarions of brass, and from them roared
a well-known march, a victory-march, that floated to the sky:
"Our Poland has not perished yet, nor shall she ever die!
Dombrowski march to Poland!" Then they shouted all in chorus:

"March on, Dombrowski, lead the way! Our land is waiting for us!" The master sat quite still, as though his own song had amazed him; he dropped his hammers on the ground, stretched forth his arms and raised them; down to his shoulder fell the cap from off his upturned head; majestically waved his beard; his cheeks grew strangely red; and in his glance of fire of youth appeared once more to blaze. At last, when on Dombrowski the musician turned his gaze, he tried to cover up his eyes, but through his fingers fell a stream of tears, that seemed to gush from far too deep a well. "O General! Our land awaits thee many a long year; long—as we Jews have waited for Messiah to appear; the minstrels sang of thee among the folk in times gone by; thy coming was announced by a great marvel in the sky. Live and wage war, O thou our—" as he spoke, the master sobbed; within the bosom of the Jew a love for Poland throbbed! Dombrowski held his hand out, and his thanks were rich reward; old Jankiel bowed, and kissed the hand that held his country's sword.

Our ceremony would not be complete if we did not make some mention of the events now occurring in Poland. I am convinced that this is an aberration of only a few rabble leaders who for purposes of their own are trying to find a scapegoat or their own mistakes or incompetence. Nevertheless, as people of Polish antecedents, we cannot help but feel regret and shame. The great contemporary poet, Kazimierz Wierzynski, gave apt expression to these sentiments. I will give a literal rendering of his short poem in English.

"ISRAEL

"Polish diplomats, the messengers of the Soviets,
went with their Moscow mail-pouches
to cast a black ballot against Israel;
to decree in a star-chamber court
Death in absentia

"Where is the Wailing Wall?
Where misfortune has turned to stone for centuries?
Where do the Jews assemble?
I want to go there, stand among them,
Bow my head, I a Pole who is ashamed."

CBW—FORWARD OR BACKWARD?

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. ROSENTHAL. Mr. Speaker, the President's recent announcement that he would urge ratification of the 1925 Geneva protocol on chemical and biological warfare was welcome.

For many years the United States has been conspicuous by its absence from the list of countries which accepted the protocol's prohibition of the first use in war of asphyxiating, poisonous, or other gases and of bacteriological methods of warfare.

Less encouraging is an analysis, by the National Action Research on the Military Industrial Complex—NARMIC—on what the President's message actually means. NARMIC, a special project of the American Friends Service Committee, questions whether the President's statement, and its subsequent interpretation by the Pentagon, does not in fact set back our country in the effort toward more elevated and humane standards of conduct in war.

The NARMIC report follows:

LITTLE OR NO CHANGE INDICATED IN U.S. CBW ACTIVITIES

On November 25 President Nixon held a press conference on chemical and biological warfare (CBW). This speech has been publicized as a major change in U.S. policy and a move on the President's part toward a ban on CBW agents. However, a close analysis of the President's speech reveals that it requires virtually no change in either our current use of chemical weapons in Vietnam, or our research, development and production of these and other CBW munitions.

In specific, the President made the following recommendations:

"As to our chemical warfare program, the U.S.: reaffirms its oft-repeated renunciation of the *first use* of *lethal* chemical weapons." (emphasis added)

This is not a ban on chemical weapons: It is a restriction on first use. However, even this restriction does not cover *all* chemical weapons; it only covers the ones that the U.S. is not currently using. The range of weapons defined by the U.S. as *non-lethal* includes all gases (even mustard gas) except the nerve gases (GB and VX). Gases like adamsite (DM), which is being used in Vietnam, are classified as "riot control agents," even though the Army says that DM is not to be used "in any operation where deaths are not acceptable."[1] Even the tear and lung cases, which do not kill their victim directly, are used to drive him into the open where he can be killed by aircraft or gun fire.[2] Yet they are exempted, as "non-lethal" weapons, from the President's restrictions.

"First use" of chemical herbicides and defoliants will also continue, despite the fact that they are used to destroy food crops to starve "the enemy," and to destroy the jungle cover to improve kill ratios. The substances used for these purposes include two arsenic compounds and 2,4-D and 2,4,5-T—the latter banned in the U.S. following a study which showed malformations and birth defects in all of the litters of the test mice administered the chemical during pregnancy. The study followed reports in Saigon newspapers of high rates of birth defects in the Vietnamese countryside.[3]

The "first use" of such chemical warfare munitions as napalm and white phosphorus, classified as incendiaries, will also continue.[4]

"Extends this renunciation to the first use of incapacitating chemicals."

The only CW munition classified by the Army as "incapacitating" is BZ, a psychochemical similar to LSD. The Pentagon has admitted that BZ is terribly expensive (at $20 a pound, it takes 10 tons to knock out a battalion[5]), and it seems, from trial uses in Vietnam, that the gas has been found to be unreliable. The French newspaper L'Express reported a use of BZ by the U.S. Army's 1st Cavalry (Airmobile), March 14, 1966, in the Vietnamese town of Bongson.[6] The problem with BZ is that it affects each person differently. While it makes some people passive, others may act violently irrational. So we are faced with a situation in which the President plans to extend the no-first-use ban to a weapon which we have reported used first and found to be ineffective.

"Consonant with these decisions, the administration will submit to the Senate, for its advice and consent to ratification, the Geneva Protocol of 1925 which prohibits the first use in war of 'asphyxiating, poisonous *or other gases*, and of bacteriological methods of warfare.'" (emphasis added)

This treaty, which was never ratified by the Senate largely due to pressure from the chemical industry, the American Legion, and the Army Chemical Corps, provides a ban on first-use-in-war, but does not prohibit research, development, production or stockpiling of CBW munitions.

In addition, the Nixon Administration does not consider tear gases and herbicides to be covered by the Protocol, even though two-thirds of the signatory nations (including Britain, France and the USSR) have officially interpreted the ban on "other gases" as inclusive of such weapons.[7] Thus, our ratification of the Protocol, if we impose these limitations, will serve to weaken the ban, while not affecting our curernt chemical warfare program in Vietnam.

"Biological weapons have massive unpredictable and potentially uncontrollable consequences. They may produce global epidemics and impair the health of future generations. I have therefore decided that: The U.S. shall renounce the *use* of lethal biological agents and weapons, and all other methods of biological warfare." (emphasis added)

This statement sounds sweeping indeed, at first reading. However, biological weapons constitute less than 10% of the U.S. arsenal of CBW (the rest being chemical). Furthermore, at least part of this BW arsenal will not be covered in the ban because of a redefining of biological toxins which was one result of U Thant's report to the U.N. General Assembly in July, 1969. That report, compiled by chemical warfare experts from all over the world, reclassified the non-reproductive toxins, which are produced by living organisms, as chemical, rather than biological, warfare agents.[8]

It was discovered that the first chapter of the U.N. report, which included the changed definition, was written by a team headed by Dr. Ivan Bennett, Director of the New York University Medical Center. He is also Research Contract Director of the Army Chemical Corps and an advisor to the Army on epidemiology and pathology.[9] His staff included three Pentagon officials, and the first draft of Bennett's chapter was written by the Army's CBW experts, according to Representative Richard McCarthy, Democrat of New York.[10]

In a telephone conversation with Dr. Bennett, he reported that his staff, even while in Geneva working on negotiations of the final draft, were in telephone contact with the Pentagon "every day." However, he stressed that his participation in the report was that of a private scientist, and thus he could not speak for the Pentagon as to whether they accepted the new definition.[11]

Dr. Benjamin L. Harris, Deputy Assistant Director of Chemical Technology of the Office of Defense Research and Engineering, was then contacted about the new definition. He acknowledged that until quite recently the military definition of biological warfare was the "employment of living organisms, *toxic biological products*, and plant growth regulators to produce death or casualties in man, animals or plants; or defense against such actions."[12] However, he said, now that the U.N. committee of "international experts" had decided on this new, clear definition, *"we certainly subscribe to it."* (emphasis added)

He was then asked specifically whether the stockpile of 20,000 Botulinum bullets at Pine Bluff Arsenal (revealed in recent press reports)[13] would be destroyed. Dr. Harris answered: "What we have and where we have it is still classified."[14]

Botulinum is the deadly toxin given off by Botulism bacteria. Such dead toxins, unlike live germs, would not set off epidemics that might spread beyond the "hostile territory," nor would they produce the "massive, unpredictable and potentially uncontrollable consequences" which the President cited as the drawbacks to the employment of germ warfare weapons.

Thus, far from being banned, as the President implied, the use of germs in warfare has merely been refined. We now produce a "chemical" agent extracted from live germs to induce the disease directly. This allows us to apply the disease to selected targets rather than to rely on random infection. Botulinum bullets, then, could be effective assassination or counterinsurgency weapons which would need only to nick their victims to produce death by Botulism, the disease induced by the powerful toxin.[14a]

The President has renounced the militarily unreliable part of the U.S. biological arsenal, and has reclassified the useful part as "chemical substances."

"The U.S. will confine its biological research to defensive measures *such as* immunization and safety measures." (emphasis added)

This statement provides a wide-open loophole for biological research and development (R&D). It practically negates the President's biological warfare renunciation, at least in respect to its impact on our current activities, since it has been traditional to define biological research and development as "defensive."

For example, the day of the President's speech, Secretary of Defense Melvin Laird told Senator Charles Mathias, Jr. (R-Md.) that "there will be no major impact on the basic research in defense systems and safety" being conducted at Fort Detrick, Md., the nations biological warfare research and development center. (Among the diseases involved in the work at Detrick are pneumonic plague, tularemia, brucellosis, anthrax, encephalitis, glanders, Rocky Mountain spotted fever, undulant fever, psittacosis, cholera, botulism and coccidioidomycosis.)[15] In fact, the Deputy Commanding Officer at Fort Detrick, Colonel Lucien Winegar, "said it would be 'fair to assume' that Detrick will continue to produce dangerous organisms that could be used offensively, since any defense against biological weapons involves the production of harmful agents that are potentially available to an enemy."[16]

As "defense" involves producing "offensive" diseases, so "offense" involves "de-

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Footnotes at end of article.

fensive" inoculation of one's own troops. Thus the lines between defense and offense are blurred to the degree that the distinction becomes meaningless. It would seem that Rep. Richard McCarthy's statement made at Tufts University on September 15, 1969, would still hold true even after the President's speech. McCarthy said: "there is very little of a defensive nature in our biological warfare program.

"We do not have any defense for our civilian population against a germ attack. We do not even have an effective warning system against attack with biological agents. . . . Even our armed forces have no effective means of protection against biological warfare. . . . We can conclude from the lack of a defense that our germ warfare policy is one that would defend against biological warfare by the threat of a biological attack in retaliation."[17]

Finally, we come to a point in the President's speech which suggests a small change in our actual activities, rather than merely a change in our rhetoric.

"The DOD has been asked to make recommendations as to the disposal of existing stock of bacteriological weapons."

Here the President, while not ordering any specific action has asked the Department of Defense to make recommendations about possible actions. It is hard to tell how this will affect our biological warfare facilities. Fort Detrick (the largest BW center, which had a 1969 budget of $421.5 million[18]) claims that it does not stockpile weapons,[19] but maintains only "limited components for biological testing." Pine Bluff Arsenal in Arkansas (which has 273 refrigerated "igloos" for storage, and biological production facilities to mass-produce its biological agents if they are needed)[20] may have a small portion of its activities cut back, but the Base Commander, Colonel Clyde L. Friar, says: "We have no plans at this time. . . . It will be Laird's job and that of the DOD to come up with the procedures."[21] If this base does give up storage of germs for biological warfare, it would still retain its stock of chemical and nerve gas weapons, its stocks of bacteria-produced "toxins," its production facilities for incendiaries and its "defensive" biological research and development

The Army's largest testing area, the Dugway Proving Grounds in Utah, apparently will not be affected. In fact, the President said nothing at all about the halting of open-air testing such as the kind that killed 6000 sheep outside of Dugway last year.

While little change is indicated in these three leading U.S. CBW installations, there have been reports of cuts in CBW staffs in some areas.[22] Such reports, however, should be carefully scrutinized in light of indications by White House spokesmen that "as much as possible, this [defensive] research will be shifted from the Defense Department to the Department of Health, Education and Welfare."[23] Senator Charles Mathias, in reporting on his interview with Secretary of Defense Laird on the day of the President's speech, also indicated a trend in this direction.[24] A shift of CBW research to such agencies as the National Institutes of Health would be a deceptive victory indeed for CBW critics.

If the purpose of the President's speech was not, then, to indicate a major change in U.S. CBW activities, what was its purpose? It is interesting to note that the President's speech was delivered at a time when the Song My revelations had generated an international atmosphere of anti-American feeling. The speech produced the expected wave of congratulation from European capitals.

The speech also came at a time when the big powers were becoming increasingly fearful of the proliferation of relatively cheap CBW munitions among the smaller nations of the world, as indicated by the final ratification of the nuclear non-proliferation treaty by the U.S. and the USSR the previous day.

Perhaps even more important, the statement came within one day of the publication of Representative McCarthy's book, *The Ultimate Folly: War by Pestilence, Asphyxiation, and Defoliation* (Knopf, 1969), a high point in the anti-CBW movement.

Further, it came the day of the release of still another Congressional investigation which scrutinized U.S. CBW activities.[25]

Thus, while the President's minor restrictions may help the world to breathe a microscopic degree easier, the overall effects of the speech may be the opposite. The President's speech may have served to disarm the President's critics more than to disarm the U.S. CBW capacity.

(Written by Arthur Kanegis, NARMIC Research Assistant.)

FOOTNOTES

[1] *Employment of Chemical and Biological Agents,* Army Field Manual FM 3-10, March 31, 1966, p. 7.

[2] This use is confirmed by sources as divergent as widespread newspaper accounts, first-hand letters from soldiers in Vietnam (reprint in *War/Peace Report,* November, 1969, p. 17), testimony before congressional hearings (U.S., Congress, Senate, Committee on Foreign Relations, *Hearings on CBW,* 91st Cong., April 30, 1969, p. 34) and *Army* magazine itself ("Infantry Support Weapons," *Army,* October 1969), although the Pentagon officially insists that it uses these gases "to save lives" (Pentagon Press Release, September 23, 1969).

[3] "Thalidomide Effects From Defoliants," *Scientific Research,* Vol. 4, No. 23, November 10, 1969, p. 12.

[4] The Army classifies these chemical substances as incendiaries rather than chemical weapons, arguing that they kill people by burning and asphyxiation rather than by poisoning. However, the Encyclopedia Brittanica defines Napalm as "an aluminum soap of naphthenic and palmitic acids which when mixed with gasolines from sticky syrup used in CHEMICAL WARFARE." The thickening substances used in Napalm were first developed in 1944–1945 under contract to the Chemical Warfare Service, and improved more recently by U.S. chemical companies (Dow's Napalm "B"). White phosphorous is also a chemical substance, and is manufactured in the chemical weapons production facilities at the Pine Bluff CBW Arsenal. (William Terry, "Huge Germ-War Arsenal Awaiting Orders to Close," *Washington Post,* November 27, 1969, p. A2.)

[5] Robert M. Smith, "Germ War: What Nixon Gave Up," *New York Times,* November 26, 1969, p. 16.

[6] Pierre Darcourt, "Le Temps Des Massacres," *L'Express,* March 14–20, 1966.

[7] Richard Homan, "Vietnam Use of Gas Could Block Treaty," *Washington Post,* November 26, 1969, p. A1.

[8] U Thant, "Report of the Secretary General on Chemical and Bacteriological (Biological) Weapons and the Effects of Their Possible Use," July 1, 1969, pp. 6–7.

[9] The 1969 edition of *Who's Who* included the following citations for Dr. Ivan L. Bennett: "special cons, Surgeon Gen, US Army Mem Commn on Epidemiological Survey 1966–" "Armed Forces Epidemiology Bd." "Research Contract Dir., Army Chem Corps." "mem bd sci advisors, Armed Forces Inst Pathology."

[10] Richard McCarthy, "Banning CB Weapons—the Pressure Mounts," *War/Peace Report,* November, 1969, p. 19.

[11] Telephone interview with Dr. Ivan L. Bennett at his N.Y.U. Medical Center office, December 4, 1969.

[12] This definition, with emphasis added, was quoted from the *Dictionary of US Military Terms for Joint Usage,* August 1, 1968.

[13] Robert M. Smith, "20,000 Poison Bullets Made and Stockpiled by Army," *New York Times,* October 31, 1969.

[14] Telephone interview with Dr. Albert Hayward at the Pentagon, December 4, 1969.

[15] John Hanrahan, "Germ Warfare Ban Is Expected to have Slight Effect on Detrick," *Washington Post,* November 26, 1969, p. A6.

[16] *Ibid.*

[17] Richard McCarthy, Press Release, "Remarks of Rep. Richard D. McCarthy at Tufts University-Medford, Massachusetts, September 15, 1969—CBW as National Policy."

[18] Defense Marketing Survey, as cited by Seymour Hersh, "On Uncovering the Great Nerve Gas Coverup," *Ramparts,* June, 1969, p. 15.

[19] Hanrahan, p. A6.

[20] Smith, "20,000 Poison Bullets."

[21] Terry, p. A2.

[22] Seymour Hersh, Dispatch News Analysis, Dispatch News Service, 199.

[23] James M. Naughton, "Nixon Renounces Germ Weapons," *New York Times,* Nov, 26, 1969, p. 16.

[24] Hanrahan, p. A6.

[25] U.S., Congress, House, Committee on Appropriations, *Hearings, Department of Defense Appropriations for 1970,* 91st Congress, July 1, 1969 (released November 26, 1969).

[26] Botulinum toxin, derived from Clostridium Botulinum, as well as toxins drived from Salmonella and Staylococcus, could be dispersed in a variety of ways in "chemical" biological warfare. Dr. Bennett himself noted: "It has been calculated that the placing of only 5.0 kilograms of botulinum toxin, a poisonous material produced by a bacterium (which, though biologically produced would be used as a chemical weapon) into a reservoir would result in the same degrees of poisoning that wolld be achieved by dumping 10 tons of potassium cyanide into the water supply."—testimony before the House Foreign Relations Subcommittee on National Security Policy and Scientific Developments, November 20, 1969, printed in the CONGRESSIONAL RECORD, November 25, 1969, pp. 35711–35713.

MARYLAND MARINE KILLED IN VIET ACTION

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. LONG of Maryland. Mr. Speaker, Pfc. Charles R. Pittinger, a fine young man from Maryland, was killed recently in Vietnam. I wish to honor his memory by including the following article in the RECORD:

PITTINGER KILLED IN VIET ACTION—SHELL FRAGMENTS FATAL TO MARINE ON NIGHT DUTY

A young marine from Thurmont, Md., was killed Monday after being in Vietnam for seven weeks, the Defense Department announced yesterday.

Pfc. Charles R. Pittinger, 21, was killed by enemy missile fragments while at a night defensive postion in Quang Nam province, his father Charles E. Pittinger said yesterday.

THURMONT HIGH GRADUATE

Private Pittinger graduated from Thurmont High School in 1967, and worked at a gas station until he was drafted in April.

His father said yesterday that the youth went to Baltimore for his Army induction,

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but that a Marine Corps recruiter at the induction center selected him for that service instead.

After training at Parris Island, S.C., Camp Lejeune, N.C. and Camp Pendleton, Calif., he was sent to Vietnam, his father said.

Besides his parents, Private Pittinger is survived by two sisters, Mr. Patricia Stambaugh of Fort Huachuca, Ariz., and Miss Ann Marie Pittinger, of Thurmont; and two brothers, John Pittinger and Larry Pittinger, both of Thurmont.

THE AMERICAN VOCATIONAL ASSOCIATION'S CITATION AWARD FOR 1969

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. PUCINSKI. Mr. Speaker, it was recently my privilege to attend the annual convention of the American Vocational Association in Boston to accept their highest decoration, the Citation Award for Contributions to Vocational Education in 1969.

Needless to say, I was tremendously moved by the honor bestowed upon me and am most grateful to the officers and delegates of the American Vocational Association for this distinction.

The AVA has been a formidable force in the development of an effective vocational education program in this Nation.

Its executive director, Lowell Burkett, and all of his aides, as well as the officers who change every year, have been of enormous help to the Congress of the United States in drafting meaningful legislation which today brings almost one-half billion dollars of Federal aid to the State departments of vocational education throughout the Nation.

The dedication of the AVA and its membership to the highest ideals of quality education brings all of us closer to the day when every American child will graduate from high school with a marketable skill.

The convention was attended by more than 6,500 delegates from all over the country and one could not help but be impressed by the high level of conferences and exhibits which marked this very important assembly.

Among the exhibits at the convention at the back of the auditorium where the awards were presented were a number of educational exhibits including one which was set up and manned cooperatively by member of the Division of Vocational and Technical Education and Division of Comprehensive and Vocational Research of the U.S. Office of Education.

I was tremendously impressed by this exhibit which illustrated more than 50 end products of vocational education research efforts supported by the U.S. Office of Education.

Dr. Philip R. Teske, acting chief of the Instructional Materials and Practices Branch, Division of Comprehensive and Vocational Education Research in the National Center for Educational Research Development—an agency of the USOE—gave an excellent description at the AVA convention of a number of fascinating studies in education included in the exhibit.

I shall like to take this opportunity to include in the Record today a copy of Dr. Teske's excellent remarks. Indeed, Mr. Robert Pruitt, chief of the Division of Comprehensive and Vocational Research, can be rightfully proud to have in his department men of Dr. Teske's stature. Dr. Teske's speech reflects the high standards that Mr. Pruitt has established for his agency.

The remarks by Dr. Teske follow:

Looking Ahead in Instructional Materials Development in Vocational Education

(By Dr. Philip R. Teske)

Mr. Chairman and Instructional Materials Specialists, I am pleased to have this opportunity to meet with such a distinguished group of vocational educators, and to share with you some thoughts on current and future developments in the area of curricula and instructional materials.

Before proceeding to my assignment for today, I want to take this opportunity to invite each of you to visit our Division exhibit on the main floor of the War Memorial Auditorium. Several of the instructional materials and other activities I shall refer to in my presentation are on display in our exhibit.

I also want to take this opportunity to commend the group on the establishment of the Vocational Instructional Materials Section within the A.V.A. organization. Individuals involved in the preparation, production, field-testing and adoption of instructional materials need to become better acquainted and to exchange information leading to more relevant, quality, efficient vocational education. VIM should and will provide that opportunity.

I do not possess a crystal ball into which I can peer and predict with acceptable probability of success the future in the development of curricula and instructional materials, including training aids, devices and equipment. It is said history gives us clues to the future. Today, I want to share with you some of the U.S.O.E.-supported research and development activities recently completed or still underway which, as history, will perhaps provide clues to the future in instructional materials development.

Now then, when I think of instructional materials, I think of instructional systems—systems which, for purposes of our discussion here, consists of four sub-systems: (1) the specification of the desired end-products of the total system; (2) the curriculum, courses of study, units of instruction, etc. and the companion instructor handbooks and student study materials; (3) the training aids, devices and equipment—the hardware and software—that are intended to increase the effectiveness and efficiency of the teaching-learning processes; and (4) the student evaluation/performance procedures and/or devices necessary to assess whether or not the specified end-product has, in fact, been produced.

Specification of the Desired End-Product of the System. The current literature contains many references to behavioral objectives, performance objectives, desired student outcomes, instructional objectives, etc. The key point here is that we specify as precisely as possible the desired end-products of the system. These specifications should be spelled out so that we can assess whether or not the specifications have been met. This is the "quality-control" aspect of the system. The work of Popham, Tuckman, Morrison and Crawford illustrate some of the work underway in specifying end-products of the system. Dr. Bruce Tuckman at Rutgers is developing a schema for classifying educational objectives in vocational education toward the future development of a concept-oriented curriculum. Dr. James Popham at UCLA is developing a bank or pool of behavioral objectives, organized by discipline and grade level, from which schools and teachers may order sets of objectives for use in guiding their curriculum improvement efforts. Dr. Ed Morrison at the Ohio State Leadership Development Center is developing performance goals or objectives for a new Office and Business Education instructional system. Dr. Lucy Crawford, while at VPI, developed a set of performance objectives in the distributive education area.

The concern being given to the specification of the desired end-products is a major breakthrough in improving education. The Armed Forces have used such quality control specifications in their training programs for nearly twenty years. I personally am pleased to see this concept being applied in our civilian educational institutions.

CURRICULUM GUIDES, COURSES OF STUDY, AND RELATED INSTRUCTOR AND STUDENT MATERIALS

Vocational educators, and instructional materials specialists in particular, are demonstrating exceptional leadership in developing viable curricula, instructor handbooks and student study materials. I wonder how many of you are really aware of the contributions you are making. Let me cite a few projects that are making a real impact on vocational education and on general education.

Drs. Lux and Ray at the Ohio State University are developing a two-year articulated program of study for industrial arts in the junior high school. At the present time the "construction" and "manufacturing" portions are undergoing field testing and evaluation.

Drs. Flug and Face at Stout State University are working on an "American Industries" curriculum designed to provide a transition between general and vocational education. The field testing and evaluation of the curriculum guides and materials developed in this project is nearing completion.

The experimental junior high school course in occupational opportunities and labor market processes developed by Drs. Bob Darcy and Phil Powell at the Ohio University, Athens has been a significant contribution to vocational education. Student study materials and teacher guides are available for the 75 unit, one semester course. During 1968–69, the course was adapted and offered fall and spring semester to over 4000 ninth grade students in 13 schools via the Arkansas ETV network. At the present time approximately 5000 students in 50 schools in 35 school systems in Arkansas are enrolled in the course via the ETV network. Schools in at least three other states are offering the course this year.

Dr. David McClay, Dr. Richard Stinson and others of the Pennsylvania State University Agricultural Education Department are developing an instructional program and materials in the vocational ornamental horticulture area. Approximately 1300 copies of the teacher's manuals and over 5000 copies of the student manuals in retail flower shop operations, turfgrass maintenance and establishment, landscape design, and landscape maintenance and establishment have already been distributed, including 80 copies of the Retail Flower Shop Operations student text ordered by a school in London, England.

Personnel of the five state departments of education and 14 local schools in the Western States Small Schools Project are well-along in the development of an integrated, career-development curriculum for use in small high schools in rural areas. The curriculum is being designed to be relevant for the student who remains in the area and the student who migrates out of the rural environment.

Ed Henderson, AAAE/VA at the University of Georgia, tells me over 20,000 copies of the recently developed Small Gas Engines volumes have already been purchased by school systems across the Nation.

A great deal of effort is underway in developing curricula and instructional materials for use at the post-high school technician training level. Again, let me cite a few examples. The recently completed two-year electromechanical technology curriculum developed by the Ward Technical Institute is now in use in 15 junior colleges, community colleges and technical institutes.

The Portland Cement Association has completed the preliminary design of a two-year post-high school curriculum to train persons for technician-level openings in the cement and concrete industries. The curriculum and allied materials are now being field tested in 6 institutions across the Nation.

Mel Barlow and his staff at UCLA are making excellent progress in developing curricula and instructional materials in the Allied Occupations area.

Approximately 20,000 copies of the "Guide For Planning Health Occupations Programs" developed by the N. Health Council and AAJC have been distributed across the Nation. The "feedback" we are getting suggests this Program Planning Guide is most helpful to institutions planning and/or upgrading such programs.

U.S. Office of Education supported curriculum development efforts are underway in the Bio-Medical Equipment, Nuclear-Medical, and other newer areas.

May I also note the Commercial Fisheries project underway at the University of Rhode Island to train captains, first mates and engineers for the commercial fishing fleet. Here is an "old occupations" area in which we are establishing and up-grading a formal training program at the technician level.

TRAINING AIDS, DEVICES, AND EQUIPMENT SUBSYSTEMS

As I noted earlier, we must have the hardware and software which will increase the quality and efficiency of the teaching-earning processes.

Warren Gibbons and Paul Lahner at SUNY, Buffalo are working in the career development area. An expected end-product of this project is a computerized game and associated curriculum units on vocational decision-making by high school students. Other "gaming technique" activities are underway.

The General Programmed Teaching Corp., at Palo Alto, California has prepared a programmed course for group instruction of secondary teachers and administrators in the various techniques of instructional technology. The programmed workshop of 18–20 hours has student workbooks, film strips, audiotapes, unit tests and a monitor's manual.

The Aerospace Education Foundation conducted an evaluation of three USAF instructional systems for use in civilian institutions. Materials from the standard USAF Aviation Mechanics, electronics technology, and medical technology training programs were tested in 5 schools in Utah. The preliminary data indicates more than 90% of these unmodified USAF materials are highly effective when used in civilian schools.

Drs. Brandon and Mitzel at the Pennsylvania State University are continuing their investigations on computer-assisted instruction in technical education. To date, 78 course segments in technical mathematics, communications skills and engineering science have been developed. More than 1000 slides are involved in these segments.

A study of the efficacy of a home economics curriculum designed to prepare girls—and boys—for the dual roles of homemaker-wage earner is being carried out at Cornell University, Purdue University, and Ohio State University. The curriculum guide which is a product of this study has broad applicability. It will be made available nationally through the State departments of education.

Swanson and Persons at the University of Minnesota are continuing their studies to refine and improve farm record keeping and analysis in which extensive use is made of the computer's capabilities. In recent correspondence, I was advised their system, still under test, has already been adopted in four other states.

At the U.S. Naval Academy, we are testing out individualized multi-media instructional models in the areas of leadership development, freshman economics and freshman science. The preliminary data suggests the three models are both effective and efficient.

STUDENT EVALUATION

Some work is being done in the development of standardized tests in vocational-technical education. I refer, for example, to the work of Dr. Thomas Baldwin at the University of Illinois who has developed achievement tests in 7 technical areas such as automotive mechanics, electrical repairs, Radio and TV repairs, etc.

From the above, I trust you realize a great deal of effort is underway in the development and improvement of instructional materials. I encourage you to pursue your work in this vital area of vocational education. Thank you for inviting me to appear on your program.

SPORTS AND SUBSCRIPTION TELEVISION

HON. FRED B. ROONEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. ROONEY of Pennsylvania. Mr. Speaker, under unanimous consent I include in the RECORD, so that all Members of Congress might have an opportunity to read it, the testimony of Mr. Bowie Kuhn, commissioner of baseball, Mr. Pete Rozelle, commissioner of professional football, and Mr. Robert Hall, secretary of the National Football Association and Hall of Fame. This testimony was given December 10 and 11 before the Subcommittee on Communications and Power of the House Interstate and Foreign Commerce Committee.

An important milestone has been reached in the many years of discussion and inquiry, pro and con, into subscription television, often called pay-TV.

For the first time, in meaningful sequence and surroundings, the top officials of professional baseball, professional football, and a well-identified authority and spokesman for collegiate and other amateur athletics, counseled with that subcommittee on the future of broadcast sports events. Their remarks and observations are key considerations in the unfolding future of both conventional commercial television broadcasting and the newly authorized over-the-air subscription television. Most important, from these gentlemen we get at long last some authoritative indications of what will and will not happen—settling the dusty cloud of conjecture raised by both proponents and opponents of STV as a supplementary television broadcasting service.

The material follows:

TESTIMONY BEFORE THE SUBCOMMITTEE ON COMMUNICATIONS AND POWER

(H.R. 420 and all identical bills, to amend the communications Act of 1934 so as to prohibit the granting of authority to broadcast pay television programs)

Mr. MACDONALD. The hearings will come to order.

The subcommittee met at 10:05 a.m., pursuant to recess, in room 2123, Rayburn House Office Building, Hon. Torbert H. Macdonald (chairman of the subcommittee) presiding.

Present: Representatives Macdonald, Van Deerling, Ottinger, Tiernan, Broyhill, Harvey, Brotzman and Brown.

Mr. MACDONALD. Mr. Broyhill?

This morning we resume on the subject of H.R. 420 and other related bills to amend the Communications Act of 1934 so as to prohibit the granting of authority to broadcast pay television programs.

The first witness this morning is the very distinguished Commissioner of Baseball, Mr. Bowie Kuhn, accompanied by his counsel, Mr. Porter of Washington.

Statement of Bowie Kuhn, commissioner of baseball

Mr. MACDONALD. Mr. Kuhn, Mr. Porter, we welcome you here this morning.

Mr. KUHN. Thank you, Mr. Chairman.

Mr. MACDONALD. I understand you don't have a prepared statement but inasmuch as there has been ever so much conversation and testimony both pro and con on this matter, it seems to me that one of the basic problems that the committee faces is the question of siphoning off of programs and as I think all of us know the rise in programs of sports events is fantastic over the last decade and one of the first things that is talked about is the siphoning off of so-called commercial TV programs to subscription TV.

The matter of the World Series, the All Star Game, and that sort of thing. Many of us on the committee are of the opinion, obviously, that any siphoning-off process would not be any good, so we thought we would go to the horse's mouth on this to get the reaction of you as the Commissioner of Baseball and eventually perhaps speaking for both of the leagues.

I don't know whether you can talk for Mr. Feeney, but in any event, we would certainly like to hear from you about that prospect in your judgment.

Mr. KUHN. Mr. Chairman, let me tell you a little bit about what my authority is in this area of broadcasting. In baseball, as distinguished from perhaps some other sports, the control of broadcasting rights has in the main resided at the club level, not at the level of the Commissioner or at the league level.

The clubs retain most of the broadcasting right with respect to their games and make whatever deals are appropriate for the radio broadcast or telecast of those games in their general market areas.

Now some years ago the clubs, many years ago, actually, clubs authorized the telecast of the World Series, the All Star Game, and now more recently the League Championship Series in each league, to be broadcast as part of the nationally negotiated agreement.

Now the sale of those rights has been handled by what is called the Major League Television Committee and not by the Commissioner.

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The Commissioner's job has been to administer those contracts after they have come into existence. So that I have no direct authority for the sale of broadcast rights at this time although I might conceivably in the future, but I do have some general knowledge in the area and I would be very happy to respond to any questions that you might like to put to me.

Mr. MACDONALD. I noticed, Mr. Kuhn, that you have a very highly developed sense of public relations. I was privileged to attend the banquet at the Sheraton Park on the occasion of your anniversary and I thought it was a terribly impressive thing. A lot of work obviously went into it. A very successful thing, too, I might add.

Therefore, I said earlier without any basis in knowledge of my own that I wouldn't think that baseball people would stand, because of their great feeling of public relations with the American public as the so-called American national game, to permit any thought of siphoning off of such landmark events as the World Series.

Mr. KUHN. Let me address myself to that specifically, Mr. Chairman. It has long been the view or perhaps you might say the policy, in any event, it has long been the view of baseball people that our premier events, World Series, All Star Game, and now the League Championship Series, should be made as widely available to the American public as possible.

This, no doubt, derives from the feeling of what is good for baseball in the sense of what is the best public relations for baseball and an interest in having the maximum number of people exposed to these games because that, obviously, is going to be in the best interests of baseball.

To implement that policy or view, baseball has authorized the broadcast and telecast of these games very widely. I imagine no other sport has gone quite as far as baseball.

Feeling so strongly about this, they even telecast those games in the city where the game was being played. In other words, we are telecasting against our own gate and we have done that as long as I can recollect. That gives you some idea how strongly baseball feels about the wide dispersion of the telecast of these games.

I find it difficult to foresee a situation where we would take a different view. I can't read the future with perfect clarity, Mr. Chairman, but I would have to be presented with a situation where I saw another medium which offered as wide a dispersion, and I don't anticipate seeing that.

Therefore, as far as I can see in my rather imperfect crystal ball, I would expect these games to continue to be telecast as they are.

Mr. MACDONALD. Just to clear up in my own mind the relationship between the league and the teams financially about broadcasting, do you authorize the individual clubs to enter into contracts?

Mr. KUHN. No. I do not authorize individual clubs to enter into contracts. That has been a club prerogative. I imagine that the Commission has some theoretical jurisdiction in the event a contract were contemplated or entered into which might not be deemed in the best interests of baseball, but that jurisdiction has never, to my knowledge, been exercised.

Mr. MACDONALD. Do you think that could be stretched not to the good interest of baseball to have clubs siphon off their individual games?

Mr. KUHN. I would hesitate to make that interpretation. I think I would really have to be faced with a particular situation and see what was in prospect before I could even make a sensible judgment on it. Take this kind of situation. I can conceive under some circumstances that pay television might offer new broadcast potential.

You are no doubt familiar that a relatively small number of away games of baseball teams are telecast in the market of that ball club. Hence, you would not see too many road games of the Senators telecast here. The reason for that is financial. The line costs tend to be prohibitive.

Therefore, relatively few are telecast. Now I imagine it is possible that a team which had not telecast significantly its road games might be prompted to do so by something that presented the possibility of overcoming these financial problems. This would not be a siphoning off. This would be a new availability. That is speculation on my part.

I can't say whether that is a realistic possibility or not, but it occurs to me.

Mr. MACDONALD. Would you care to discuss the arrangement for the Game of the Week that ABC carries?

Mr. KUHN. Yes. The Game of the Week is part of the national property which is negotiated at the national level and has been negotiated by the Major League Television Committee.

It happens to be on ABC at this time and that has been a very successful program and I would anticipate that that program will continue.

As to the prospect of pay TV, if that is the specific question, presenting an attraction for that, I am a little hard pressed to answer the question.

We have not had the philosophy there or as clearly there as the desirability of wide dispersion as we have with the wide availability as we have with the World Series, the All Star Game, and the League Championship Series.

However, I would think—and I am thinking out loud that we view the Game of the Week as an ongoing public relations phase of baseball. It is the one opportunity nationally during the season for people to see all over the country a prominent collision of baseball teams and therefore would have, I think, some of the same considerations in our mind as the crown jewels, the World Series, and so forth.

Mr. MACDONALD. Why I asked that, it seemed to me that it is perfectly clear to anybody who isn't prejudiced that the World Series will never go off and the other games we talked about, the All Star and League Championship. I think that is clear from the FCC rule promulgation.

But I was wondering if it would fall into language of the rule that talked about an event that had not been regularly broadcast. In other words, with the number of teams and the number of contemplated expansions, I could easily see where they could get some teams that hadn't been regularly been broadcast over a period of two or three years.

Baseball being what it is, you might have to be in contention one year and be the St. Louis Cardinals next year. So I was wondering if you had any comment about that.

Mr. KUHN. I have seen some thickets, Mr. Chairman, I am hesitant to walk into. I read the paragraphs of the FCC Order yesterday pertaining to sports events for the first time and I came away without any firm understanding of that language.

I am slightly confused in reading it, to be honest, and I would really be quite hesitant to try to answer that question.

Some of those questions that you just suggested occurred to me as I read it, but I honestly have no fixed views on that.

Mr. MACDONALD. Thank you very much.

Mr. KUHN. Thank you.

Mr. MACDONALD. Mr. Van Deerlin.

Mr. VAN DEERLIN. Good morning.

Mr. KUHN. Good morning.

Mr. VAN DEERLIN. I don't want to sound ungracious but I think you still owe Congress an All Star game.

Mr. KUHN. I owe one on the day scheduled. That is sure.

Mr. VAN DEERLIN. Does the revenue from these presently existing broadcasts go into a fund that is shared by all the teams in the league?

Mr. KUHN. Yes, it does. That is, I am talking now, and I assume you are, about what I call the national package. Yes, that goes into a joint bank account and is distributed to the clubs.

Mr. VAN DEERLIN. The individuals telecast games of local teams, such as the Senator road games that are a matter for the Senator management.

Mr. KUHN. That is correct.

Mr. VAN DEERLIN. I was interested, although it really isn't important to the central question of our discussion, I was interested in your remarks about the high line costs limiting the number of away games that the home team telecasts.

I would surely assume that these telecasts are carried at a profit for all concerned.

Mr. KUHN. Well, the line charges can create some question on that if you can analyze it from the accounting point of view on a per game basis which is not easy to do.

Apparently it is done, I judge.

Mr. VAN DEERLIN. Well, I can't imagine that the Senators operate as an eleemosynary institution here.

Mr. KUHN. No. I don't think that they intend to.

Mr. VAN DEERLIN. So whatever the arrangement is that it must be in the planning or they would be discontinued, don't you think?

Mr. KUHN. Well, the Senators will sell rights, or this could be any other club, will sell rights to a sponsor or broadcaster and it will then—this is a typical kind of arrangement. It wouldn't be every arrangement. It is then up to the broadcaster as to how many games he would like to bring back and he has to make a judgment within certain financial considerations as to how many he will.

Now he may bring games back from New York and not from Seattle, the line charges being particularly heavy, of course, coast to coast, but this can become in part the judgment of the sponsor of broadcasting.

As far as most of the ball clubs are concerned they would be delighted to see a substantial number of their road games carried because it does not compete with their local gate.

Mr. VAN DEERLIN. And increases interest.

Mr. KUHN. Yes.

Mr. VAN DEERLIN. The question as you know that has involved us here in considering rule-making and possible statutory arrangements for subscription television has been the fear that important sports events will no longer be carried by free television.

One of the proposals that has been made is that we should increase the FCC's proposed delay time from two years to three or five or even a greater number of years.

Would it be your guess that no sports promoter could keep his attraction out of view, so to speak, for five years or more with any hope of retaining public interest?

Mr. KUHN. I would think it would present a severe obstacle for him.

Mr. VAN DEERLIN. So this might be a very effective way of protecting the viewing rights of the public that they are now getting.

Mr. KUHN. I would think it would have a considerable effect. Again I would have to say what I said to the chairman. I am not fully certain I understand the FCC Order and these details. I am not certain I understand the full meaning of a delay period, but making certain assumptions, I think it would be a factor to consider for a sports operator.

Mr. VAN DEERLIN. Without revealing any private conversations, without betraying

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any trusts, do you know of any baseball owners who today are holding off any broadcast plans, any telecasting plans, waiting for the bonanza of pay television to which they can restrict their product?

Mr. KUHN. No, I do not. I anticipated the possibility of that question being asked and I searched my recollection and I cannot say that I know of any club which is awaiting pay television.

I must say that it is perfectly possible that I can be in ignorance in this area, but I know of none. You must also realize that there are some clubs who have had a no-telecast policy. Whereas others, such as the New York Mets, to take a dramatic example, telecast most of their games both home and away or authorize them to be telecast so you get a wide divergence of practice by the individual clubs in this area.

Mr. VAN DEERLIN. Thank you.

Mr. MACDONALD. Mr. Brown?

Mr. BROYHILL. Thank you, Mr. Chairman.

In answer to a question, by the answer that you did not fully understand the rules of pay TV promulgated by the Federal Communications Commission, and being an attorney with a vast reputation you are not sure that the rules would prevent sports contests such as the World Series from being siphoned away from commercial television and lead into pay television.

Mr. KUHN. What I say is that, Congressman, that I don't understand those clearly enough to make a judgment on that one way or the other.

I do not anticipate, however, that that kind of siphoning off would occur in anything.

Mr. BROYHILL. Now when you make a statement as an individual or as the Commissioner of Baseball?

Mr. KUHN. I am making that statement as Commissioner of Baseball.

Mr. BROYHILL. Do you have authority in your position as Commissioner of Baseball to issue an order so that you can put an injunction on the club owners?

Mr. KUHN. No, I don't believe I do, although I am hesitant to make any statement which would tend to limit my authority. I prefer the broader view of it.

At the present time I would not be prepared to say that I had that power but I want to be careful, I don't want to be filed out on that. I do not have the authority at this time even to negotiate a deal for the World Series after our present NBC contract expires. That runs '69, '70 and '71.

Mr. BROYHILL. Who has that authority?

Mr. KUHN. Authority is in the Major League Television Committee. For the agreement which is currently with NBC they have negotiated it and at the present time the clubs have not conveyed that authority either to the Television Committee or me for the following period.

I would anticipate that within a year or so some formal action will have to be taken by baseball to convey that authority.

Mr. BROYHILL. If you don't have that authority, then what you are saying is that it is your personal opinion, that it doesn't carry any weight, the weight of your office.

In other words, the owners could at some future time decide that they will sell their product to some other medium; is that not correct?

Mr. KUHN. Theoretically, that is correct. I would think it unlikely if I felt strongly that was not a wise move for baseball so long as I was Commissioner.

Mr. MACDONALD. Just on that point, Mr. Kuhn, you won't have to agree, but is it a fact since you have been Commissioner it seems to me awfully clear that you have upgraded the power and authority of the Commissioner?

As I recall, you are the first Commissioner in a long, long time that ever cracked down. As I recall, the Houston Astronauts did something in defiance of your office and you immediately cracked down on them and the rest of the club owners stood up to you and, therefore, I can see that in the past there have been some sort of rubber stamp commissioners.

You are not of that mold and I would think your authority is growing every day.

Mr. Tiernan.

Mr. TIERNAN. Thank you, Mr. Chairman.

I might say I was also at the banquet and it was very enjoyable. I also appreciate your coming up and keeping the Republicans and Democrats separated at the annual baseball fiasco that the Democrats always lose.

Mr. KUHN. It was a great pleasure.

Mr. TIERNAN. Mr. Commissioner, the committee that negotiates the contract is made up of representatives of the owners of clubs?

Mr. KUHN. Yes, it is made up of club presidents exclusively.

Mr. TIERNAN. And the contract that is executed is for varying packages or just for the World Series?

Mr. KUHN. The present agreement with NBC includes the World Series, All Star Game, and the League Championship Series.

Mr. TIERNAN. Then there is a separate agreement with regards to the Game of the Week?

Mr. KUHN. I misspoke. Add the Game of the Week to the present agreement. All four of these elements are in the present agreement with NBC.

Mr. TIERNAN. Is that contract in your office?

Mr. KUHN. Yes, it is.

Mr. TIERNAN. I would suggest that we might, Mr. Chairman, request a copy of that contract be made available to the committee.

Mr. MACDONALD. Does the Commissioner have any objection?

Mr. KUHN. I have no objection.

Mr. MACDONALD. All right.

Mr. TIERNAN. Do you know if that contract is written in a manner which would allow the agreement to be used in pay television?

Mr. KUHN. As I recollect, Congressman, there is a definition of pay television in it and as I recollect that is designed to make it clear what the granted rights is to NBC.

I couldn't go beyond that as I sit here right now in the effect of that contract.

Mr. TIERNAN. I gather from your testimony that really the owners two years from today or sometime in the future could conceivably enter into a contract with an operator of a system such as Mr. Hughes or somebody else, and your authority would be limited to a determination in your mind or your opinion that that would be not in the best interest of baseball.

You make that determination, but the owners would not be bound by that which might put you in a position of either them accepting it or you leaving it.

The point I am making is your power really is basically in the owners. If they agree with what you say, they will go along with it. But if they decide, the majority, that they are going to go into pay television, you are limited, aren't you?

Mr. KUHN. Well, my powers are—what you might describe as my areas of activity I would say are twofold. One is persuasive. I have always felt that the job is best carried out by the use of persuasion. I found that quite effective.

The other is my use of my broad legal power which is essentially injunctive but not simply that to prevent things which are not in the best interests of baseball.

If I felt that a particular course of conduct or act was not in the best interests of baseball I wouldn't hesitate to restrain it. But I am a little hard-pressed to, say, theorize as to the future, what particular act might——

Mr. BROTZMAN. May I interrupt there?

I just want to straighten out one thing, Mr. Commissioner.

Do I understand that the entire spectrum of practical arrangements relative to baseball teams and as far as televising their games is confined to this one basic document that you alluded to?

Mr. KUHN. No, it is not. There is a basic document which covers the World Series, the All Star Game, League Championship Series, and Game of the Week.

Then each club has its own individual broadcasting arrangement so there would be 24 more of that.

Mr. BROTZMAN. I won't go any further because I just wanted to settle that. I will go into that further on my own time.

Thank you, Mr. Tiernan.

Mr. TIERNAN. Those agreements with the individual clubs, are those on file with the Commissioner's office?

Mr. KUHN. No.

Mr. TIERNAN. They are strictly an arrangement with the individual club owners and the broadcaster or sponsor?

Mr. KUHN. That is correct.

Mr. TIERNAN. Also, you said that there have been a number of owners of clubs who have refrained from as wide a dispersion of their games. What clubs would that be? Could you help us with that?

Mr. KUHN. Oh, there would be a fair number of those. I say that have a wide television dispersion. They broadcast by radio in every instance very widely. I believe all of the newer clubs, the four new clubs as I recollect, and I must say I am speaking here from recollection, would have taken this policy, would have adopted this policy.

Mr. TIERNAN. Can I ask you specifically, does the Los Angeles Dodgers team refrain from exposure on television?

Mr. KUHN. My recollection is that the Dodgers have not telecast any of their home games. They have some of their road games.

Mr. TIERNAN. Because there has been testimony to the effect that Mr. O'Malley, when he moved to the West Coast, there were reports or rumors that the reason he was making the move was that he felt there could be great availability of money in the sense of a pay television system that was being started at that time.

Are you aware of that?

Mr. KUHN. I recollect that.

Mr. TIERNAN. The question was asked you whether or not we should change this rule from two to five years, and you felt that that would certainly make it difficult for an operator of a ball club to sustain himself without the financial or money that comes in, but wouldn't it be difficult even under the present regulations for an operator to go two years without that income?

Mr. KUHN. Oh, yes. Coming back to that point again, saying that I don't think I fully understand the FCC provisions, two years is probably as severe a prohibition as you have described the regulation as five.

Mr. TIERNAN. Thank you very much, Mr. Chairman.

Mr. MACDONALD. Mr. Harvey?

Mr. HARVEY. Mr. Kuhn, how many presidents are on the Committee on Television?

Mr. KUHN. There are four.

Mr. HARVEY. When were they appointed or elected?

Mr. KUHN. Oh, that committee has—is at least three years old. I think it is older than that but it is at least three years old.

Mr. HARVEY. So they were all appointed before you became Commissioner?

Mr. KUHN. Yes.

Mr. HARVEY. Since you have been Commissioner have they discussed their television future?

Mr. KUHN. No, they have not discussed prospects of the future other than this: There has been some discussion of the future administration of the Game of the Week.

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At the present time the Game of the Week program is administered, has been administered by the Television Committee and we have discussed our ability of having administration both of that phase of the program as well as he World Series, and so forth, administered by the Commissioner and that is the way they will be administered in the future.

Mr. Harvey. Have you ever discussed the prospects of pay television or possible penetration of pay television to the market?

Mr. Kuhn. Not to my knowledge.

Mr. Harvey. Never considered that, to your knowledge?

Mr. Kuhn. That is right.

Mr. Harvey. Any additional consideration of that prospect, you have no knowledge of that by any teams?

Mr. Kuhn. I have no knowledge of any consideration by teams. As I said before, it is perfectly possible this could have been considered and I not be aware of it, but I think it would be unlikely that it could have been considered without my being aware of it.

Mr. Harvey. Is it true what we keep hearing that the revenue from present televising has about reached its limit?

Mr. Kuhn. I hope not, Congressman. I don't know. This is a judgment that has to be made. I do not think it has reached its limit, no. There are some who feel that way. I don't.

Mr. Harvey. The network seems to feel that way, at least we gather that from what they have said and that perhaps advertising revenues as far as they are concerned have about reached their limits.

Mr. Kuhn. Well, you may understand that the networks might take a different point of view on this than we do.

Mr. Harvey. If they can reach their limits would you change your view at all?

Mr. Kuhn. No, I don't think I would. The principal consideration from my point of view remains the importance of the wide dissemination of telecasts of our great games and if the present revenue were to be the limit, I don't think it would change my view.

But I must say I do not consider it to be limited. I think there are all kinds of things we can do to enhance our present broadcast package and I anticipate that we will.

Mr. Harvey. Have you, yourself, arrived at a figure that you believe to be reasonable penetration of the market that could be conquered by pay television?

Mr. Kuhn. My present advice, Congressman, is that there is no reason to anticipate a significant penetration of the market by pay television and I am operating on that advice at this time.

I think it is an extremely remote thing which is a long way away from being a reality in terms of significant penetration.

Mr. Harvey. And all of your answers here today, I take it, are predicated on that thinking?

Mr. Kuhn. Yes. I would say my answers are predicated on that thinking.

Mr. Harvey. That there will be a very small penetration by pay television?

Mr. Kuhn. That is correct.

Mr. Harvey. My question to you is if that does not turn out to be the case, if as predicted, for example, pay television within a matter of a few years, will be in 6 million or 10 million homes, will your thinking then change?

Mr. Kuhn. I doubt it very much. Obviously, I can't sit here and foreclose the consideration of any substantial possibility that might emerge in the future, but if you ask my view as Commissioner of Baseball, I doubt that my view would change.

Mr. Harvey. I have no further questions, Mr. Chairman.

Mr. MacDonald. I am sure you couldn't have been aware of the testimony given yesterday, Mr. Commissioner, so I want to congratulate you on your astuteness because it was testified by one of the leading corporations that do market surveys, that going through various big markets, I don't know if all 100, but the big markets in the country, the answer to FCC was that pay TV would be attractive to only about 12 percent of the people owning TV sets, leaving 88 percent either not interested or thinking that they couldn't afford it.

So inasmuch as baseball, while the national game, I don't think it appeals to the highest economic groups of the country, that is the blue collar man, the high school student, the college student, and people maybe who would be represented in the 88 percent, not in the 12.

However, let me congratulate you on your perspicacity.

Mr. Kuhn. I do hope, Mr. Chairman, we appeal to the blue collars, white collars, Republicans, and Democrats, and whoever is left over. I think we do.

Mr. MacDonald. Mr. Brotzman.

Mr. Brotzman. Thank you, Mr. Chairman. I would just like to add to what somebody else said, Commissioner, in telling you how much I, too, enjoyed the celebration. I think it was one of the greatest things I have ever attended to be able to sit down with some of those people whom I have admired and respected so long. I was sorry it had to rain.

Mr. Kuhn. I would be glad if this committee can help me on that next year. You can help by putting a dome on the Washington stadium, but I am not suggesting it.

Mr. Brotzman. All right. Obviously, the question we are all concerned with is the economics, namely, and it has been stated here in a wide variety of ways, we would like to insure that non-subscription television for broadcasting of sporting events continues on because, obviously, the American people want it and I personally think it is very much in the public interest.

So that our question relative to that is does the FCC proposal adequately protect that future viewing or do we need to do something else, and I think I understand your testimony, you have equated yourself specifically with that particular rule.

It is a two-year program is what it really is and perhaps it might even be stated more succinctly to insure, I think, that two years would be a very effective bar economically?

Mr. Kuhn. Well, I have to say as I understand the two-year provision, I think it would be a significant bar, yes.

Mr. Brotzman. Now to just go into one other question very briefly. I think I understand the so-called owners package arrangement. From your office is there any control or any exercise of authority relative to individual contracts by the individual clubs? Do you have superintending over there?

Mr. Kuhn. No, I do not. Again, I think I am repeating what I said before. I do not. The clubs make those local broadcasting arrangements as they deem to be in their best interests.

If I have any authority it is in the broad best interests of baseball area.

Mr. Brotzman. This package contract which you are going to furnish us, is that money pooled and then distributed to all of the teams in the league?

Mr. Kuhn. Yes, I think with the exception of one or two of the new teams which may not be included, but that is just as matter of time before they will be included as well.

Mr. Brotzman. This is a general question, Mr. Commissioner, and possibly somebody asked it before I got here, but do you know what general percentage of revenues organized baseball has derived from television currently?

Mr. Kuhn. I couldn't give you a precise percentage, Congressman.

Mr. Brotzman. Maybe just a ball park figure.

Mr. Kuhn. I would say it was a substantial part of the general revenues of baseball and an important part.

Mr. Brotzman. Those are all the questions I have. Thank you very much.

Mr. MacDonald. Mr. Brown?

Mr Brown. Mr. Commissioner, I also want to say that it was a nice party, weather or not, but I would like to suggest to you that the weather may have been an act of divine retribution for your not having had it in Cincinnati, which some of us think the Cincinnati Reds are the greatest.

Mr. Kuhn. Congressman, we will move to rectify that error. We will have it in Cincinnati this year.

Mr. Brown. I will be there.

I want to go to this local television arrangement made by the individual club and the local station.

Can you clarify for me why the Dodgers, for instance, do not televise home games from games from Los Angeles, the economics of it?

Mr. Kuhn. Yes, I think I can at least give you an idea. If you do televise your regular season games there is a distinct possibility that you will adversely affect your gate and, therefore, you are not going to televise them if you think that the revenues from broadcasting don't sufficiently balance out the lost revenues from gate.

Some clubs reach different conclusions. I again cite the example of the New York Mets which broadcast home games extensively and draw very well. This is a matter of local judgment as to how your fans are going to react to television.

Mr. Brown. Of course, they have a somewhat bigger market in New York than any place else in the world.

Mr. Kuhn. Yes, they have.

Mr. Brown. Los Angeles doesn't follow too far behind, does it?

Mr. Kuhn. Well, both are very large markets. I would think New York is significantly larger.

Mr. Brown. It is more than just psychological then. Presumably the local team would be willing to have no one in the game except corporal's guard if they were making money with the television arrangement.

Mr. Kuhn. I don't think so, Congressman. It is the widely held view in baseball and certainly one that I hold that the presence of a live audience and hopefully a large live audience is an essential ingredient of the game.

I cannot imagine studio baseball.

Mr. Brown. Then, does it follow that also part of that is that if you get a crowd out to the stadium to watch the game in person that you keep over a period of years your audience more interested in the game than if it were all on television?

Mr. Kuhn. Oh, yes. I would think that would follow. Yes, the more people you can get out at your games the more lively interest you are going to have in your ball club locally, no question in my mind.

Mr. Brown. So it isn't a matter of being sold out for the Dodgers of seats at the game but rather a matter of the economics and a little bit of the long-range reaction that your audience may have to the game itself.

Mr. Kuhn. If I were in court I would ask you to rephrase that question for me because I am not sure I understand it.

Mr. Brown. I am trying to find out why it is that they do not televise home games, and I would assume there are two aspects that go into that decision.

First, the economic aspect of the individual game itself or the individual season itself were the revenues to be derived from televising the home games might not be equivalent to the revenues lost from the gate crowd.

And then the second point of our colloquy is that there is a factor, whatever it may mean, that they don't want to lose the long-range impact of people learning to come out to the stadium to watch the games there.

Mr. Kuhn. I understand that and I think that is a fair analysis of those two points.

Mr. Brown. So that it isn't totally a matter of the dollars that a local team considers or the institution of a contract that relates to the All-Star Game series and the World Series?

Mr. Kuhn. It is most definitely not totally a matter of dollars. The exposure to the maximum number of people is very important as we view it to the good name of baseball.

Mr. Brown. So that your decision wouldn't be entirely predicated on the possibility that somebody could buy up a contract, put this on pay TV, limit the audience and make money out of it?

Mr. Kuhn. No, it would not be.

Mr. Brown. Do I gather from this that you would generally be opposed then—I am sorry I missed your initial testimony—to the idea of an All-Star Game or the Series contract, that package going on pay TV?

Mr. Kuhn. Under the circumstances as I see them today, very definitely.

Mr. Brown. What could change those circumstances?

Mr. Kuhn. I cannot speculate on what might change it. I don't anticipate anything that might change my view.

Mr. Brown. Thank you, Mr. Chairman.

Mr. Macdonald. Thank you very much, Mr. Commissioner.

Just in closing, you will have to excuse this Congressman for being a little parochial, but as you were talking about the Dodgers and their judgment not to broadcast the games, the Red Sox on the other hand, as I am sure you know, broadcast and televise all their home games and many, many of their away games, and even with a small park as they have and it is nowhere near as big as the Dodgers' mammoth stadium, they are year in and year out among the leaders at the gate.

They have the slogan, and they used to get kidded about it, but it worked. Their slogan was "Being there is twice the fun," and the Red Sox, I repeat, didn't have the best team in either league this year and were among the leaders at the gate, if not the leader. They were the leader up towards the end, I believe.

Mr. Kuhn. They led the American League in attendance this year.

Mr. Macdonald. And, therefore, it would seem to me, I took it this was your answer to Mr. Brown, that when a club sells a TV contract to a local advertiser, the club gets the revenue but also gets advertised, itself, and therefore, they get a double revenue out of it.

Would you agree?

Mr. Kuhn. Oh, yes. Definitely.

Mr. Macdonald. Therefore, wouldn't it seem peculiar there is this great fear that the ball clubs would ignore the local market and go for an 88 percent market nationally?

Mr. Kuhn. Yes. I think that any consideration that suggests that the clubs would not be highly concerned about the local reaction would be erroneous.

Mr. Brown. Mr. Chairman, if I may ask one more question, I hesitated to ask this before but I would like to know whether you have had an opportunity to look into the prospects of CATV, cable television, which we are told in a technological sense offers the possibility of many more channels available locally than are now available over the air broadcast system.

And with that I would think then the prospect that—I don't know what the maximum number is, I am not too quick on the figures, of games in one day, but let us say——

Mr. Kuhn. Six in each league.

Mr. Brown. So with the maximum 12 games, that one might be able to watch 12 channels where you could watch one or the other of the games, you might be able in part of the country except maybe the local market where the game is being played, to watch any one of those 12 games under CATV arrangements.

Does that seem to offer any desirable prospect for baseball?

Mr. Kuhn. Well, I have not made any kind of study of CATV, Congressman. CATV, of course, is used locally to supplement baseball coverage within the primary contours of stations already carrying the game.

What the prospects are beyond that I am very hesitant to say because I don't know enough about it.

Mr. Brown. But if I can put the predicate, we might be in position, say, on the East Coast to watch 12 games so that the chairman can watch the Red Sox play and I can watch the Cincinnati Reds and we would both be relieved from watching the Washington Senators.

Do you think that offers any kind of encouragement for prospects of baseball or would it discourage it?

Mr. Kuhn. Well, I wouldn't be encouraged by that, notwithstanding that you would have an opportunity to watch your home teams.

In the first place, the Senators is a very good ball club so I hope you watch them anyway. Beyond that I think if you had a great deal of other television coming into each market, the value of the local rights would be greatly diminished and the local club's future would be jeopardized, particularly if it were a weak ball club.

Mr. Brown. Thank you.

Mr. Macdonald. Mr. Broyhill?

Mr. Broyhill. Commissioner, you have been emphatic here that pay TV is not for major league baseball. You made this clear.

In order to make sure, would you favor either a change in the regulations or the law to make it a little more clear that the games will not be siphoned off to pay TV?

Mr. Kuhn. I would have to say that I am in no position to be a proponent or the reverse of the FCC regulation because as I have said several times I am not certain I fully understand them or their possible impact.

Under those circumstances I think I am a little hard-pressed to answer your question in any intelligent way, Congressman.

Mr. Broyhill. The only thing that we would have to go on for the future is your authority as Commissioner or your attempt to exercise that authority.

Mr. Kuhn. Well, I believe there is more. I believe what we have said here today indicates that you have not only my authority and the possibility that it might be used in a certain way, but you have in addition some very hard practical considerations that the clubs must face if at some future time they should consider pay television.

Those hard practical realities are some of those we have been discussing here with respect to the situation in Boston or Los Angeles and the possible disaffection of their fans and the loss of opportunities to promote the interests of their fans. These are very hard realities that they have to deal with.

Mr. Broyhill. In order to insure that games will not be siphoned away, why wouldn't you support efforts to clarify the FCC rules or even in the basic law to make sure that it wouldn't happen?

Mr. Kuhn. Several reasons occur to me. One immediately. I have alluded to the possibility that through pay television it is theoretically concievable that you might have additional game material available for broadcast that is not now broadcast.

I don't think you would want to preclude that opportunity.

Mr. Brown. Will the gentleman yield?

Mr. Broyhill. Yes.

Mr. Brown. Do I understand you are saying you would prefer that we be flexible as to what rules affect sports events that would go on pay TV?

Mr. Kuhn. Yes, sir.

Mr. Broyhill. I can only conclude that you say today no baseball games on pay TV, but leave it open and might want to do it in the future.

Mr. Kuhn. Congressman, I have said that I cannot endlessly preclude the future. I do not see a future that offers much likelihood of our national program being on pay TV but I cannot endlessly preclude the future possibilities.

Mr. Broyhill. Thank you.

Mr. Macdonald. Thank you very much, Mr. Commissioner, especially because you came on rather short notice.

Mr. Kuhn. Thank you, Mr. Chairman, it was a pleasure to be with you gentlemen.

THURSDAY, DECEMBER 11, 1969

The subcommittee met at 10 a.m., pursuant to recess, in room 2123, Rayburn House Office Building, Hon. Torbert H. Macdonald (chairman of the subcommittee) presiding.

Present: Representatives Macdonald, Staggers, Van Deerlin, Rooney, Ottinger, Tiernan, Broyhill, Springer, Harvey, Brotzman, and Brown.

Mr. Macdonald. The hearings will be in order.

This morning we will take up again H.R. 420, and other similar bills, to amend the Communications Act of 1934 so as to prohibit the granting of authority to broadcast pay television programs.

Our first witness this morning is Mr. Pete Rozelle, Commissioner of Professional Football.

Commissioner?

Statement of Pete Rozelle, Commissioner of Professional Football

Mr. Rozelle. Mr. Chairman, I am here at your invitation because you felt that the testimony of professional football might be helpful to you during these hearings. We had not previously felt that these hearings were related to professional football interests.

I have no prepared statement, but I am here to answer any questions that you and your committee might have.

Mr. Macdonald. Originally, Commissioner, we didn't think professional football or professional sports in general would be a large part of the hearings, but after a few weeks of hearings it seems it is one of the main topics, what was going to happen to the professional sports in the country and, of course, the great fear was that in some manner—it never became very clear, but it seemed to bother a lot of people both on the committee and other witnesses, especially proponents of commercial TV—that in some way sports are now put on commercial TV and would be siphoned off, and there was some talk about some method or plan to take over the sports network of all types of sports and especially, of course, since yours is the prima donna of the sports world on TV, the one that has the highest appeal, that we should hear from you people as to the status of it. So if you would care to comment what your feeling is about even the possibility of your games being siphoned off we might start questioning from there.

Mr. Rozelle. Fine. We are now in the process of negotiating new three-year television contracts with the networks. They have been partially concluded and we hope to have arrangements finished within the next few weeks. These contracts will have provisions anticipating renewals of the contracts on free television.

We have been most successful in our use of commercial television. Primarily because of TV professional football attendance has more than quadrupled in the last decade and we feel that promotional aspects, totally apart from the direct dollar return in rights, have been extremely beneficial to pro football.

We have not at our league meetings discussed a plan for pay television. We have had no committee work on the subject. And our entire thinking has been geared to the pattern started in professional football in 1956, that of free television.

Mr. MACDONALD. We had some testimony yesterday from Commissioner Kuhn that he had no direct hand in the scheduling of TV, that each club made its own arrangements about it, and, in addition to that, that it was subject to a committee of club owners and by a man who I guess knows something about TV, having been a broadcaster himself, and I was wondering if you had a similar set-up.

Mr. ROZELLE. Football's arrangements are conducted differently. In football all network television income is shared equally. As an example, in 1970 Denver or Green Bay would receive as much money from network television as the New York Giants or the New York Jets. The clubs are committed to this policy in perpetuity and this was reaffirmed through the terms of our merger agreement. In other words, an individual team of professional football is obligated to participate as part of an overall league television program wherein the money is shared equally.

I negotiate television contracts on behalf of the league and have an advisory committee working with me, of Art Modell of the Cleveland Browns and Gene Klein of the San Diego Chargers.

Mr. MACDONALD. But in fact you have more or less control of how the TV rights are? You negotiate with the networks yourself?

Mr. ROZELLE. That has been the pattern; yes, sir.

Mr. MACDONALD. Would the same pattern be in existence in the future, since this bill looks to the future?

Mr. ROZELLE. Because it has been successful, I would certainly anticipate that this pattern will continue.

Mr. MACDONALD. And that goes for both leagues?

Mr. ROZELLE. As of February 1 we will be a single league entity, the National Football League. That will embrace all 26 teams and these teams will be divided into two conferences, the American and the National, so such negotiations would cover all teams in major professional football.

Mr. MACDONALD. Just for the record, I would point out at this point that an invitation was sent to your counterpart in the AFL, Mr. Woodard, but apparently knowing that this bill looked to the future and with the short time, he deferred to you, so I take it you are speaking for him at the moment.

Mr. ROZELLE. Yes, sir.

Mr. MACDONALD. Yesterday, Mr. Kuhn indicated that he didn't really have any control over the leagues or the clubs in many respects that his only power lay in that of avoiding what he thought could be construed as being not in the best interests of baseball. I didn't think it was the time to go into it with him, but he said he couldn't really speak for the owners as to what they would do about radio and TV and, of course we could have gotten in a bit of conversation, even if he didn't think it was in the worst interest of baseball to come off of free TV and to go to pay TV, that the Congress might take another look at the fact that they get an exemption from not being in interstate commerce, some many, many years ago. I think Oliver Wendell Holmes wrote the decision and I didn't that that it would be fair to point that out to him, that Congress would be watching very closely as to how pertinent that decision which was back in the Nineteenth Century, what effect, if he took away free TV and go on to a strictly commercial venture, that I would not like to be the lawyer for baseball to go before the Supreme Court or to come before, perhaps, this committee, or the Judiciary Committee, to argue they still were not in interstate commerce, but I know that pro football doesn't have that same exemption.

Mr. ROZELLE. That is correct.

Mr. MACDONALD. As I recall, you appeared before the Congress in 1966, didn't you?

Mr. ROZELLE. That is correct.

Mr. MACDONALD. To get an exemption at the time of the merger?

Mr. ROZELLE. A limited exemption pertaining only to merger, not the practices of the league.

Mr. MACDONALD. And at that time did the subject of pay TV come up?

That isn't a fair question. We are not in court, so I will take it back.

I checked it out and it did come up.

Mr. ROZELLE. I believe it came up in the Celler hearings Mr. Chairman.

Mr. MACDONALD. Right.

Mr. ROZELLE. Yes, sir.

Mr. MACDONALD. Those were the hearings I have reference to.

And, at that time, you indicated that football was not contemplating, would not contemplate, going on pay TV. I was wondering if anything had happened since that time to change your mind.

Mr. ROZELLE. Absolutely nothing. We have no plans and we are not in the process of making plans. I question whether I would have the authority or whether I should make a commitment into perpetuity. It would be purely speculative to talk about the future. Perhaps the entire television picture in our country will change 50 or a hundred years from now, but my thinking, personally, has not changed since those hearings and my views are the same.

Mr. SPRINGER. Would the gentleman yield at that point?

Mr. MACDONALD. I yield.

Mr. SPRINGER. Mr. Roselle, were you Commissioner in 1958?

Mr. ROZELLE. No, sir.

Mr. SPRINGER. We had hearings in this committee on this matter. The owner of the Dodgers was here and the Commissioner of Baseball was here. Do you remember a playoff of the Eastern Division between San Francisco and Detroit in 1957?

Mr. ROZELLE. Yes, sir.

Mr. SPRINGER. It was one of the great football games of the last 15 years.

Our staff run a survey on that. There were 33 million sets turned on and roughly 80 million people saw it. That was the biggest television audience up to that time in history.

We also ran a test to determine what would have happened if you had had a machine to put a dollar in. There would not have been 33 million sets turned on, but there could have been 9 million sets turned on. There was approximately $450,000 that walked through the gate. Pay TV would have been 18 times richer. You would have been 18 times richer on pay TV than what walked through the gate.

Now, it is my understanding that it is going now at roughly a million dollars a game. Is that about your contract, your receipts?

Mr. ROZELLE. It is difficult to put it on a per game basis.

Mr. SPRINGER. Well, isn't it roughly that?

Mr. ROZELLE. That would be high——

Mr. SPRINGER. Your contracts run for 12, 14 games?

Mr. ROZELLE. In other words, you are speaking weeks rather than games. We may play 112 games but we certainly don't get $112 million but we would have 14 weeks in our regular season.

Mr. SPRINGER. So you are running about $800,000 a week, roughly. Isn't that about right?

Mr. ROZELLE. In the National Football League it would be about a million dollars a week, if you were to consider the 14 weeks plus the Saturday special games, Thanksgiving, and so forth.

Mr. SPRINGER. Now, if we reduced this even to 50 cents, the figure would be fantastic, wouldn't it?

Mr. ROZELLE. On that basis it would be, yes, sir.

Mr. SPRINGER. If we reduced it to 50 cents. The Commissioner of Baseball, who was here—he is not Commissioner now—estimated the first year they would make $5 million, but in five years they would make $25 million on the World Series. The problem which I think the Chairman has been trying to get at in simple terms is the enormous amount of money that could be made by pay TV. This committee is subject to all the pressures that go from time to time. Thus far, the FCC has set out certain guidelines which prevent you from doing certain things. What worries this committee a whole lot is whether or not we are going to stay within those guidelines. That is what bothers us, and what I would like to know from you, for the record, at your next meeting is whether or not you people intend to stay in the free TV field or go into the pay TV field if you can.

Now, I think that ought to be reduced to writing. There ought to be some kind of a resolution. I am going to stay with it until I either get an answer in one way or another on this issue because this may determine a great deal of the outcome of these hearings on the whole question of whether you have anything to do with pay TV.

Thank you, Mr. Chairman. I am sorry to use so much time.

Mr. MACDONALD. On the same point, Mr. Springer—unless I misunderstood you, Commissioner, I thought you had just committed yourself on record that that was your position, that you had no plans to go into pay TV. Maybe Mr. Springer wasn't here, or I didn't understand.

Mr. ROZELLE. That is right. I gave one qualification, Mr. Chairman. I said I did not feel that I would have the authority to commit in perpetuity that professional football would never be on pay television, because perhaps pay television would be the sole medium a hundred years from now I don't know, but I did say that we have no plans. We have made no studies. We are now on a course of continuing free television on new three year contracts that may cover all three of the major networks and those contracts will have provisions in them relative to renewals.

Further, those contracts will have no provision for the league or the network to go into pay television during the period of the contracts.

Mr. SPRINGER. Mr. Rozelle, there is no doubt about it that the Sports Network is going to be the big one in the next few years—that is my belief—because of the money and that is all that is necessary to put it into effect.

There was a story in the Boston Globe the other day in which it was said pay TV is coming and there isn't anything to stop Pay TV from coming.

Now, this was the whole tenor of that story. I don't know where that staff story is, but it was here in one of the newspapers and quoted this fellow Bailey in considerable detail as to how they expected to bring this about and sports was where they were going to make all the money and, Mr. Rozelle, sports is the leading big thing in America today.

Mr. ROZELLE. Thank you, sir.

Mr. SPRINGER. There is no doubt about that. That is where the money is going to be made in pay TV because it is the biggest single attraction you have. All you have to do is look at the ratings every week. That is all the people are watching on Saturday and Sunday, is football, when it is in action. Until we get some kind of statement from you as Commissioner, and representing and having a meeting with the owners, I am not going to let this matter rest, unless we get an answer one way or another what you will do in this field. So I want you to be sure that you understand that before you go out of this room.

Mr. ROZELLE. I would like to fully understand the commitment that you would seek. Are you asking that we adopt a resolution stating that professional football will never be used on pay television?

Mr. SPRINGER. That is what I am trying to get from you.

Mr. ROZELLE. That is what I wanted to ascertain.

Mr. SPRINGER. What I was trying to get from you was that. Anything less than that is not a commitment in my estimation for free TV for spots.

Mr. MACDONALD. Commissioner Rozelle, I understand your problem. What you are saying, if I understand you correctly, is that at this time under the given circumstances that you now know about with the league set up as it is now and under everything that you can foresee, there will be no pay TV siphoning of what is now seen on commercial TV; that being a lawyer, a bright man, and somewhat conservative, I take it that all you are saying is under the foreseeable circumstances there would be no siphoning off to pay TV from commercial TV; that you don't want to commit yourself to saying that if everything changes in some way that you can't foresee, but something might happen, then it might change and, therefore, while we understand, or at least I understand your problem and being that conservative, you give us a big problem and I know Mr. Kuhn did yesterday in the same way because he didn't want to commit himself, as you say, in perpetuity, but other people like lawyers on this committee and wanting to serve in the public interest, might say, "Well, there is a loophole. They are saying there will be no siphoning from commercial TV to pay TV, but they have left themselves an out and the change might come from within."

That is what I am sure Mr. Springer is worrying about.

Mr. SPRINGER. Yes.

Mr. MACDONALD. And that, frankly, is what I am worried about. I don't believe that you mean that, but it could be interpreted that way.

Mr. SPRINGER. Would the Chairman yield for just a further clarification?

Mr. MACDONALD. Yes.

Mr. SPRINGER. I think the Chairman has put it about right.

Now, at the present time, Mr. Rozelle, you can't do anything because the FCC has adopted a rule and you are within that rule. Therefore, there is nothing you have to do. You don't have to be on free TV. You understand what I am talking about?

Mr. ROZELLE. Yes, sir.

Mr. SPRINGER. Right now the FCC says you are in the free TV field. What bothers me and bothers a lot of these people who are sports-minded people, and I watch every Sunday, and last Sunday I saw all the games, period, from beginning to end—I watched the Redskins and the Rams and the Vikings last Sunday, so I am a TV watcher, but I think what the Chairman was talking about is you are regulated now but what we want is an indication from you that you intend, regardless of regulation, to stay in the free TV field. Do you see what I mean?

Mr. ROZELLE. Yes, sir.

Mr. SPRINGER. Whereas if you are not going to do that, say so.

Mr. ROZELLE. I do not intend to make such a commitment in perpetuity today, sir.

Mr. SPRINGER. I don't want you to. I want you to take it up with the people who are your bosses and come back with a letter to us telling us what you intend to do.

Mr. ROZELLE. I would be very happy to take it up with the league at our annual meeting.

Mr. SPRINGER. You be frank with them on this because I tell you the outcome of this whole thing may depend a whole lot on what you say that the owners are going to do.

Am I making that pretty clear?

Mr. ROZELLE. Yes, you are.

I would only like to state that the outcome of this bill is of little interest to us, sir. We are here to answer your question and I will, as you suggest, take this matter up and be most forceful with the league owners at our annual meeting in March and ask them if they would like to commit in perpetuity that professional football will never be on pay television, and I will give you their answer.

Mr. SPRINGER. All right. All we are asking is that you have free television. If there is never any free television that is a different thing. But as long as there is free TV you will be on that free. There isn't any doubt about pay TV, and you know it just as well as I know it, of what it can be made in the future. It is going to be fantastic if you go to pay TV. There is no doubt about it.

Mr. Chairman, I beg your pardon for interrupting, but I did want to get this record cleared for Mr. Rozelle because I have been on this committee 15 years and on this subcommittee a good part of this time, and I know this question back and forward and I know the money involved in it, which is a pretty important factor as you well know.

Mr. MACDONALD. The House is in session, Mr. Rozelle, so the committee will stand adjourned for 20 minutes. We will reassemble here after we answer the call.

Mr. ROZELLE. Fine.

(Brief recess.)

Mr. MACDONALD. The hearing will resume.

Mr. ROZELLE. Mr. Chairman, I would like to emphasize one point that I attempted to earlier.

Professional football is not a proponent of this bill. We don't care what disposition is made of it.

Mr. MACDONALD. I understand. You made that quite clear in answer to Mr. Springer. I know Mr. Springer's point. As a matter of fact, before going further, let me say that I know how you got here, because I asked you to come, and you were kind enough to respond to my invitation and I appreciate it.

Mr. ROZELLE. There is another point that I feel we might well make if we are speculative about possible income should pay television become a reality at some future date. I don't particularly like to see figures thrown about, thrown around, that seem to have little reality. As an example, when you talk about how much money might go into that theoretical box, certainly the programmer would not derive all that income. I would assume from the little I read on the subject that the entity providing the programming would derive perhaps 20 to 35 percent of that income and I think that that should be taken into consideration if we are theorizing on the future of pay television and its possible bearing on the entity supplying such programming.

Mr. MACDONALD. Before Mr. Springer started questioning and before the bells rang, I was going back to your testimony before the Antitrust Subcommittee in 1966. The main reason I brought it up was you stated flatly at that time that the league had no idea at all of going into pay TV and you gave reasons why that was so, and I was just going to ask has anything changed since that to change your mind.

Mr. ROZELLE. None whatsoever. I have seen written, as an example, the income that could be derived from a Super Bowl game. From what I know of the policies adopted by the FCC—I am referring to the point that to go on pay television you could not have been seen on free television during the preceding two years—for the Super Bowl to be on pay television this would in effect call for us keeping it off free television. If we were to do that, I have the greatest respect in the world for Congress but I would have even greater respect for the 70 million people in this country who watch that football game and I can just conceive of no way that that game could be kept off of the television to lay the groundwork for pay TV.

Mr. MACDONALD. Speaking of the Super Bowl, how are the receipts of that divided up? I know the players get $15,000 apiece—don't they?

Mr. ROZELLE. Yes. This year's game will be played January 11th in New Orleans and it is expected to gross at the gate about $1,200,000, and there will be an additional $2½ million from television. After all expenses, the competing teams and the player pension funds will receive approximately 75 percent of the net.

Mr. MACDONALD. The only reason I ask that is because I thought there was some arrangement of that sort and, therefore, there would be very little inducement to go into pay TV, would there, if the players pension and players themselves share that? It would seem to me that the league wouldn't gain much unless, of course, you revised your contract, the circumstances surrounding the receipts.

Mr. ROZELLE. Particularly when the league is composed of 26 teams who would have to share that money equally, I can't see that it would be a significant amount of money.

Mr. MACDONALD. My last remark, or question, is that it seems to me that while everyone is talking about the fact that professional sports, and especially professional football, is a leading attraction on TV, there aren't that many games, even though sometimes our wives perhaps think that there are, starting back in August and going until February, but it wouldn't seem to me that there would be that money games to support pay TV. Would you care to comment about that?

Mr. ROZELLE. We have great pride in our sport. but I would have to accept the fact that of the truly prime attractions during the entire season there would not really be that many.

Mr. MACDONALD. Because that pay TV would be dark a lot of hours if it relied solely on sports.

Mr. ROZELLE. Yes, sir.

Mr. MACDONALD. Mr. Van Deerlin?

Mr. VAN DEERLIN. Mr. Chairman, I am sorry I was not here during the earlier portion of Mr. Rozelle's testimony. Did he explain the difference between the responsibility in the broadcasting between professional football and professional baseball?

Mr. MACDONALD. Yes.

Mr. ROZELLE. Yes.

Mr. MACDONALD. It is in the record.

Mr. VAN DEERLIN. I gather from what I have heard you have testified in the last few minutes that there is nothing in the consideration of the owners that you represent that would lead you to object to an increase from two years to three or five or even longer any FCC regulations regarding the transfer of sports events from conventional television to subscription television?

Mr. ROZELLE. I have so little awareness of that, sir. We did not even testify nor offer statements during the FCC hearings on the subject, and I am really not familiar with it and would have no interest one way or the other.

Mr. VAN DEERLIN. Well, I would explain to you that it has become a litany of testimony from opponents of subscript television that inevitably sports which are now available to the public on free television would be siphoned off by pay television. The FCC sought to meet this objection by specifying a two year period that such sports would have to remain off conventional TV before being bought out by the promoters of pay television. It has been suggested informally by members of the Subcommittee here that in order to allay such fears we might either enact into law or suggest to the FCC that it increase this time delay to a greater number of years without appearing to, you know, commit the future into the next succeeding generations, but to suggest that you could keep the World Series or the Pro Bowl off television for five years and maintain public interest or public peace would seem fantastic.

I assume that you agree with this.

Mr. Rozelle. Absolutely.

Mr. Van Deerlin. And you are satisfied with anything that we decide to do in that regard?

Mr. Rozelle. We would have no interest and whatever you people saw fit on this bill would be fine with us.

Mr. Van Deerlin. Some people say Congress has wisdom. Others say it is lack of wisdom.

Thank you very much, Mr. Chairman.

Mr. Macdonald. Mr. Harvey?

Mr. Harvey. Thank you, Mr. Chairman.

Mr. Rozelle, I keep reading in the sports pages where pro football has reached a plateau of diminishing returns with the costs still rising and yet the sources of revenue are drying up. Is this true?

Mr. Rozelle. Hopefully not. At present, as I testified earlier, we are in the process of negotiating new three-year television contracts and it is very possible that in 1970 major professional football will be seen on all three major networks. Indications at this point in our negotiations lead me to believe that there will be additional money forthcoming from television.

Mr. Harvey. Well, the networks themselves tell us that they have reached a plateau or an upper limit of advertising revenue as far as they are concerned of where they can possibly go. Is this true?

Mr. Rozelle. I don't know if it is true until I finish negotiating with them. I have reason to believe, however, that it may not be true, at least at this point.

Mr. Harvey. When did you say that your negotiations were going to start?

Mr. Rozelle. They have started.

Mr. Harvey. They have started?

Mr. Rozelle. Yes.

Mr. Harvey. And they will be for what year?

Mr. Rozelle. 1970, '71, and '72, with provisions looking to renegotiation at the end of that time.

Mr. Harvey. And who are you negotiating with?

Mr. Rozelle. We have completed negotiations with ABC for a series of 13 Monday night games for each of the next three years. We are now negotiating with both CBS and NBC because of the large number of teams to divide the television on Sunday.

Mr. Harvey. Is the Hughes Sports Network involved in that at all, in any negotiations for those years?

Mr. Rozelle. Hughes had some interest in the Monday night games which went to ABC. They are not involved in our Sunday negotiations. We are negotiating with the two networks that have been carrying professional football in recent years; CBS and NBC.

Mr. Harvey. Have you had any negotiations which the Hughes Sports Network with regard to any other aspect of televising the games?

Mr. Rozelle. Prior to the time that it was purchased by Mr. Hughes, we did have some negotiations with Mr. Bailey over the last 10 years on various events but we have not negotiated contracts with them.

Mr. Harvey. Mr. Bailey still represents Mr. Hughes, is that correct?

Mr. Rozelle. Yes. His organization was purchased by Mr. Hughes, but Mr. Bailey operates it.

Mr. Harvey. At any rate, what you are saying is that the Hughes Sports Network will not be one of those involved in the showing of professional football in 1970, '71, or '72, is that correct?

Mr. Rozelle. They will not be if we are successful in negotiating with CBS and NBC, and I anticipate that we will be.

Mr. Harvey. Yet I continue to read in the sports pages where the Howard Hughes Sports Network and Mr Bailey, both before he sold and since he has sold, continue their interest in pay television. I am sure you must read these sports pages.

Let me just read you the first paragraph of a story by Dave Brady in the Washington Post in March this past year, and I quote. He says:

"On a clear day in the sparkling desert air of Las Vegas, Howard Hughes can see beyond the outer limits of free television. And into the golden horizon of pay TV."

And then Mr. Brady goes on to outline many statements by Mr. Bailey showing clearly their interest in pay television and their intention to bid on pay television and so forth.

Would you care to comment on these remarks? After all, this is the very crux of the matter that you are here for and that the committee is assembled for and that we are all interested in, really.

Mr. Rozelle. I can only say that we have not negotiated or discussed with Mr. Bailey the Hughes Network carrying professional football through pay television and I have not discussed this with Mr. Brady. I wouldn't be aware of what information he obtained from Hughes or others. We have just had no interest in it because we are entirely oriented toward what has been successful for us since 1956, commercial television.

Mr. Harvey. Well, thus far, of course, we haven't had pay television for you to sit down and negotiate with him, and I take it that is the reason that you haven't discussed it in the past.

Mr. Rozelle. I have not been approached. The last approach I had with a firm offer for pay television was about seven years ago. It was not pay television that would be pertinent to this bill. It was theater television, and at a time when the National Football League was receiving $200,000 for its championship game. I was offered a minimum of $1 million to put the NLF championship game on theater television and that offer was rejected, and we continued on commercial television.

Mr. Harvey. Why was it rejected? I am curious. This subject has come up in the course of the hearings and I am wondering why some of the Redskin games, for example, which are sellouts, aren't shown even in the theaters today? Why is this?

Mr. Rozelle. The reason the Redskin games are not sold in the theaters, to the best of my knowledge, would be that there is so little income, if any, and there are risks involved in carrying them on theater television.

Mr. Harvey. By risks you mean lessening of the crowd? They are sellout games.

Mr. Rozelle. No; losses on the presentations themselves. Some clubs have experimented, not for perhaps four years, with theater television, and the costs are great. The rent on the arena is great, and they were not successful.

Mr. Harvey. All the risk is on the part of the club, is that correct?

Mr. Rozelle. In some cases it is on the part of the——

Mr. Harvey. I would think it would be on the part of the theatre owner or the interests putting together the deal.

Mr. Rozelle. Sometimes it is, but on other occasions it is divided. The expenses are divided.

Mr. Van Deerlin. Would the gentleman yield?

Mr. Harvey. Yes.

Mr. Van Deerlin. Isn't it possible that another reason that Mr. Rozelle would have decided against going into theatre television—and I will obviously ask Mr. Rozelle this rather than you, is that you would have diminished the viewing public so greatly by doing that that you might have been putting the first dagger into the golden goose?

Mr. Rozelle. I am sorry, that was a two-part question and I just answered the part relevant to the Redskins.

Mr. Harvey. That is the part I was asking about. I was concerned about the home games of the Redskins because this came up earlier in our hearings. Mr. Brown, or someone, brought it up.

Mr. Rozelle. I think you also asked why I didn't accept the million dollar theatre bid on the championship game which is something I did control, and the obvious reason is the one suggested by Mr. Van Deerlin, that it was certainly not in the public interest and I felt it would reflect adversely on our sport if we were to take a showcase game away from the general public and force them to go to theatres and pay to see it.

As I mentioned earlier this morning, our attendance has quadrupled in the last decade and in my opinion the main reason for this is the exposure that commercial free television has given us throughout the country.

Mr. Harvey. How many other clubs have sellout crowds such as the Redskins?

Mr. Rozelle. I would estimate that perhaps of the 26 teams in professional football, perhaps 60, 70 percent would be a sellout or close to it each Sunday.

Mr. Harvey. Sixty or seventy percent?

Mr. Rozelle. Of the 26.

Mr. Harvey. Dave Brady in his article, and I didn't mean to trap you there, but I just noticed he said the NFL is playing 87.1 percent capacity.

Mr. Rozelle. This would be the 16 teams in the NFL. As of February 1, we will have 26 teams, including 10 in the AFL. We will become one league.

Mr. Harvey. He said in the article that the AFL is playing to 74.8 percent of capacity.

Mr. Rozelle. I still feel that my figure is accurate, approximatley 60 to 70 percent of the 26 teams ordinarily have a sellout or close to a sellout in addition each week. His figures, I think, are based upon total stadium capacity.

Mr. Harvey. So that this would be the upper limit of income that we discussed earlier from gate receipts? In other words, you only have that difference between 60 and 100 percent or 70 and 100 percent or using his figures the difference between 87 and 100 percent.

Mr. Rozelle. Yes.

Mr. Harvey. I take it as to the assurances as to what the intentions of professional football are in the future your answer is just exactly what you gave Mr. Springer, that is, you are going to go back and talk with them and come back and tell us by letter or take some other means, is that correct?

Mr. Rozelle. Yes. Beyond that, I would simply like to say that I am not attempting to qualify or indicate in any way that our planning has changed since my previous testimony in Congress three years ago. I simply find it difficult to make a sweeping statement in perpetuity just as I would have in 1940 if appearing before a congressional committee I would have testified, had been asked to, that professional football would use radio as the sole medium in perpetuity. Conditions changed somewhat in the next 20 to 25 years, but I certainly through the qualification that I have given you do not want to infer that our planning or our thinking has altered in any way because it has not.

Mr. Harvey. I thank you.

Mr. Macdonald. Mr. Rooney?

Mr. Rooney. I would like to compliment you, Mr. Rozelle, on your fine leadership in providing the American people with the greatest sport I think of all time. You and the NFL have certainly done an outstanding job. I only wish you would give those Philadelphia Eagles a better draft choice next year. I am sure that some wives in this audience will be very displeased to hear that you are going on Monday night, also. But it has certainly become the country's greatest attraction and I am quite surprised because all of the testimony we have heard thus far in objecting to pay TV is the fact that sports is going to be taken off and it is going to have to be paid. I am surprised that you haven't given this consideration because it is a bonanza according to all the people who have testified prior to you.

I think you have indicated the theory to give it free coverage by your decision not to accept that million dollar closed circuit TV versus the $200,000, but aren't some games televised today by the NFL, closed circuit games? Aren't there theatres in Chicago that have closed circuit television?

Mr. ROZELLE. The last, I believe, was perhaps three or four years ago. We have none this year.

Mr. ROONEY. None now?

Mr. ROZELLE. In fact, it is prevented under the contract we have been operating under the last three years.

Mr. ROONEY. Mr. Rozelle, why do you continue to black out in areas like Philadelphia or Washington? Why do you deprive the people of the right to view those games when they are sold out two or three years in advance? I came to Washington six years ago and asked for four tickets to the Redskins and every year since I have been trying to get four tickets and it doesn't take an Act of Congress, because I have tried to enact one.

Mr. ROZELLE. The main reason is that we do not want to become a studio show. Unlike baseball, as an example, football is not played under ideal weather conditions throughout the year. We have seen what has happened to other sports when they have televised locally the event that is taking place, and while I certainly would accept the fact that for perhaps a limited period this could be done in Washington and perhaps other cities, we feel that breaking that precedent in time could wreck this sport, put it back to being a studio show, where it would lose its glamor and at that point probably television wouldn't even be interested in it. We attempt to compensate for that through a policy we started about four years ago of giving the public in such a blackout market another attractive game that day

As you are aware, when the Redskins are playing at home we do put another game into Washington. We feel that that satisfies to a certain extent a public need and does not risk the breaking of our precedent and the possible reduction in time of the the crowds at D. C. Stadium. Perhaps in inclement weather or late in the year or if the team happened to be down you wouldn't have the interest, if the people could sit in the comfort of their living room and watch it on television.

Mr. ROONEY. Thank you.

No further questions.

Mr. MACDONALD. Mr. Tiernan?

Mr. TIERNAN. Thank you, Mr. Chairman.

Mr. Rozelle, the Chicago Bears have apparently had the closed circuit TV of some of their games.

Mr. ROZELLE. About four or five years ago they experimented I think during a single season with it somewhat.

Mr. TIERNAN. Why was this discontinued? Was it successful financially?

Mr. ROZELLE. No.

Mr. TIERNAN. So it was discontinued really on the basis of financing?

Mr. ROZELLE. It didn't affect their attendance because so few people went and it was extremely costly. The rental of the theatres, the cost of production were extremely costly.

Mr. TIERNAN. Who did this? Was this done by the team itself in renting the theatre or was it done by a promoter or theatre owner?

Mr. ROZELLE. The team would make its own arrangement with an organization that provided such services.

Mr. TIERNAN. Under the present contract that you are operating under you are not allowed to have closed circuit theatre presentations, is that correct?

Mr. ROZELLE. Under the contract we are contemplating, that is correct.

Mr. TIERNAN. Is that of all games?

Mr. ROZELLE. Of all regular season games.

Mr. TIERNAN. Under the contract you do not cover the Super Bowl games?

Mr. ROZELLE. That is a separate negotiation.

Mr. TIERNAN. A separate one. And the monies derived from that do not go to the league or to all the teams in the league? It goes to those who participate?

Mr. ROZELLE. The participating players, the participating teams, and the players' pension fund takes about 75 percent of the net from that game.

Mr. TIERNAN. We have requested from the Commissioner of Baseball that a copy of the contract between the league and the network be supplied to the committee. I would like to make, if there is no objection, a similar request of you that a copy of the contract that you are now operating under be presented to the committee so that we would have that in the record.

Mr. ROZELLE. For the 1969 regular season?

Mr. TIERNAN. The present contract that you are operating on now. I understand you are negotiating now for '70, '71 and '72.

Mr. ROZELLE. Yes. There would be two contracts then that we would provide you, one for the National Football League and one for the American Football League. After this season we will be operating under one contract embracing all 26.

Mr. MACDONALD. I don't mean to be a stickler, gentlemen, but what is the purpose of that?

Mr. TIERNAN. Well, I frankly would like to see some of the language in the contract, whether or not there was any possibility for perhaps presentation of a game on pay television in an experimental area or whether or not the contract specifically bars presentation in any other area.

Mr. MACDONALD. Mr. Rozelle, do you have any objection to furnishing that?

Mr. ROZELLE. No. They will expire in three weeks. In fact, one of them was never signed. We operated under it for about three years and never did reach agreement in signing, but I would be very happy to.

Mr. TIERNAN. Is there much difference between, in the contracts between the American and National Football Leagues?

Mr. ROZELLE. Yes.

Mr. TIERNAN. There is.

You said earlier that you had some negotiations with the Hughes Sports Network with regard to the Monday night game. Do you know what their interest was in the presentation? Was it going to be for pay television?

Mr. ROZELLE. No, just to develop a commercial network of independent stations to carry the games on free television.

Mr. TIERNAN. Thank you.

Mr. MACDONALD. Thank you very much, Mr. Rozelle.

One last question, if I may.

The report that you agreed to furnish to the committee, at Mr. Springer's request, after you sat down with the owners, I was wondering, do you have any possible time in mind that that could be furnished, because the record has to be closed before we can mark up the bill.

Mr. ROZELLE. We will have our annual meeting of all 26 clubs on March 16th. That is the next time that I would have all of them together.

Mr. MACDONALD. Well, obviously, that can't be made a part of this record, but if we haven't acted on the bill by that time it would be helpful, I am sure.

Mr. ROZELLE. Fine.

Mr. MACDONALD. In closing, I would like to once again thank you ever so much for taking time out of what I know is a very busy schedule to come down here and submit yourself to our questions. I know that you know that all the questions asked are merely for our own edification and clarification in the thinking that we have to do before we go ahead with this bill.

Mr. ROONEY. Mr. Chairman, would you yield?

Mr. MACDONALD. Yes.

Mr. ROONEY. I think Mr. Springer was more or less insistent on that request so maybe we better hold this until we get that information, in deference to Mr. Springer.

Mr. MACDONALD. I don't think that these hearings ought to be held up just for one document. We will discuss that late.

Thank you again very much.

Mr. ROZELLE. Thank you, sir.

Mr. MACDONALD. The next witness is Mr. Robert Hall, Secretary of the National Football Foundation and Hall of Fame.

Statement of Robert Hall, Secretary, the National Football Association and Hall of Fame

Mr. HALL. Thank you, Mr. Chairman.

Mr. MACDONALD. It is a pleasure to have you here again, Mr. Hall. It is nice to see you.

Mr. HALL. I greatly appreciate this opportunity of being here and having this chance to state my feelings and views on the proposed legislation, particularly as it relates to sports.

For the record, my name is Robert Hall, of New Haven, Connecticut, former Chairman of the Board of Athletic Control and Director of Athletics at Yale University, also Chairman of the NCAA Television Committee representing well over 400 football playing institutions. I believe I am qualified as an expert on sports in general and on football in particular and their relation to the public and to television.

I might also add that I am heavily involved in presenting live entertainment with leading stars in theatrical offerings, including both variety and musical shows.

Having been the principal architect of the first NCAA restricted or controlled football program for television, I must admit, Mr. Chairman, that among my sins is the blackout which I also recommended to the late Bert Bell, Commissioner of the National Football League, and which was adopted in their plan.

At the time the restricted national football program was adopted the network and the advertising agencies made many dire predictions concerning its feasibility and salability. Their predictions and speculations were just as unsound then as many of the fears which now are being voiced about STV.

I have been actively involved in STV efforts to obtain a fair opportunity in the marketplace for over 19 years and it is still rather incredible to me that the pressure groups have been able to block this effort to establish this service in the marketplace along with so-called free or commercial TV, which has so many admitted faults and shortcomings.

I should like to discuss the FCC proposed sports rule and my understanding of its application to college football.

Let us assume that the University of Southern California is one of the best teams in the Nation. Assume then that this team is to have exposure on commercial television once on a national basis and once on a regional basis, as is now permitted under the NCAA rules.

By the time the University of Southern

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California and the University of California at Los Angeles game is to be played they are both undefeated and the winner will emerge as the undisputed national champion. Provided that game—and I emphasize the word "game"—has not been broadcast by commercial television within 2 years on a national basis, it would be available for subscription television.

If it had been broadcast on a regional basis within 2 years, it would only be available for STV outside of that region of the previous broadcast.

Incidentally, in this example I felt I would be most prudent to stay away from mentioning either Texas or Penn State. I might also mention that my interest and concern with football is evidenced by the fact that the Chairman alluded to that I have been Secretary of the National Football Foundation Hall of Fame since it was reorganized back in 1952 which reorganization I carried out on the request of the NCAA.

I am also a member of their executive committee and we were very happy to have football's No. 1 fan present at our Gold Medal Dinner on Tuesday night, and we were very happy to have Congressman Rooney there, and I am sure he appreciates why I have not put Penn State or Texas in as an example here.

Mr. VAN DEERLIN. Will the gentleman yield a moment?

Since the gentleman has become apologetic, would he care to change the wording in his third paragraph on page 2 which says, "Let us assume that the University of Southern California is one of the best teams in the Nation"?

Mr. HALL. I think I will have to apply the assumption to the total picture.

The assumption is more based, sir, on the fact that they didn't wind up eligible for this particular example. I certainly do not mean to imply that the University of Southern California isn't quite a football team. It is definitely so.

Another example would be the case of a team like Houston. In a given year, it might turn out to be one of the great football teams in the Nation. If this team were eligible for an NCAA telecast it might be overlooked in the early summer selection of the teams and games to be telecast that fall under the NCAA program. Under such circumstances, STV would certainly want a Houston game and under the proposed rules could carry it. The proposed rule thus provides an opportunity to see more football without any siphoning away of free TV football.

The rule would enable games of special and local interest to be seen by segments of the sports-minded public who now have no opportunity to see the game either live or on commercial TV.

There are many sports event which could be seen in the home for a small fee which are not now and in the foreseeable future will not be available on commercial TV. I could cite examples, but I know there are many such examples already in the record. I am sure that I am speaking for a majority of the sports world, both the public and the organizations that sponsor and hold or stage sports events, when I urge the support of the proposed rules and regulations adopted by the FCC.

A case in point on a game that would not be available to the public on free TV are the Rangers in New York. They are enjoying a great season and it is not available on free television.

I don't know how much more delay is warranted. Nineteen or more years it has been on fire and that has been long enough for any tests and determinations. After 19 years of study of the problem of subscription television with respect to sports I am convinced that under the proposed rules that allow only one STV operation, and only in major markets having at least five TV commercial stations operating, I feel that is unduly restrictive and that such a rule defeats the basic efforts of providing the public with programing that commercial TV cannot or will not provide.

The NCAA won't broaden its advertiser-sponsored offerings because the reason for the NCAA plan and the professional football plan is to protect the gate. But they would like to extend that box office and STV would enable them to do so.

Another important point is that college football has a very definite and important stake in its public image. I am convinced in my own mind that free TV or commercial TV is a very important element to secure the success of college football, to maintain its image and position with the public and to further the interest that we have in sports as a very important element in our process of educating these young men.

This particular aspect applies in the case of your bowl games.

Along with what Commissioner Rozelle said, I cannot foresee or believe that those great games would be taken by pay TV. Football has too much at stake, college football, with the public and with the youth of this country not to have that showcase made available as it presently is.

I do not see any chance that the NCAA will broaden its plan of restricting the amount of television that you now can get at home via commercial television.

I mentioned that and I am certain that it will not. It will stay with its present plan with the blackouts on the regional basis and this will provide areas where games which are not now seen could be seen by a local regional group.

Furthermore, products that the public will pay for are in very short supply. I am now addressing myself to other areas in the entertainment fields that will not and cannot go via commercial television. Fifty-two weeks a year, every evening, covers many more hours than can ever be filled with box office attractions.

I emphasize that again, when you charge whether it is in the home or down the road, you have to have what the public wants.

Of many STV stations competing for specific top entertainment events, certain stations will obviously lose out and will offer something else of an entirely different nature, or they might revert to commercial television.

The winners will also have to be very careful that they do not price themselves out of the market. This is not hard to do. When you pay so much for talent, as we are paying these days, and we do it every day now in our live operations—then you are very close to pricing yourself out of the market with the public.

So there is a control that just exists by virtue of the economics.

The reason that the commercial television does not upgrade more than it has, has been answered by others. They just cannot afford to do it.

In our theaters we already now pay more for the box office attractions than they can pay in Las Vegas, and we have reached a point where if we have to charge any higher admission we just won't have the people out there.

If STV is available to the public they will be able to see many more programs at low prices.

Now, I should emphasize again that colleagues want commercial television, or free TV for their public image. This is most important to them, it is paramount. The problem is very complicated. I have spent a great deal of time studying the proposed rules. I will admit they are not easy to completely understand and I am talking only about the sports rule, but I believe the examples that I have cited would be permissible under the rules and I am convinced that the rules do provide adequate protection against siphoning.

But in the event there should be further grave concern on this matter of siphoning, and I gather that there still is from what I have heard this morning, I would suggest that the proposed rule might provide no games—and I am addressing myself to both college and professional football—no games which are a part of the NCAA or the National Football League or the American Football League approved programs for free or commercial TV shall be available to STV for a period of two, three, four years—let us make it four years—following the actual broadcast of such games except where such games have been blacked out in the home team's market, presumably a 75-mile radius.

In that case there will still be games available to STV in the blacked out market. If the time bar is extended, you can secure both commercial or free TV and also give the public a chance to see those events which are not now available and won't be available on TV until the box office can be extended via STV.

Further, where a gam is broadcast by commercial TV on a regional basis, then such game may be available to STV in any community outside the particular region covered by the commercial broadcast, provided such game was not broadcast in such community or communities within two years or three years from the date of the proposed broadcast by STV.

What this would be in brief would be—let us take the Yale-Harvard game which was not on the national or regional telecast under the controlled NCAA program. There is a great deal of interest in that game in the greater New England area.

There would be, if STV were operating in Boston, Worcester, New Haven and other New England communities, a demand for that game, admittedly on a limited audience basis, but sufficiently large enough to warrant the extension of the Yale-Harvard box office if you will, to those people who would like to have it.

In fact, in the past, I made available several Yale games to the Zenith experiment in Hartford. I might add, also, that when the first NCAA plan was prepared and put into force and for every year since that time great care has been taken to leave room under the plan to provide for cooperation with pay TV when, as and if it should come about.

I am particularly mindful of the fact that this is based upon making games that will not now be available on free TV available under the pay plan.

So, I suggest that the bar might be extended to a longer period of time or you might wish to take certain specific events and reserve those strictly for commercial TV.

I, myself, would not advocate that as a part of the rule but if you wanted to go that far I think you could, and you could solve this siphoning problem.

I do not think very much stress has been placed either on the fact that because of the advances that have been made in the technical aspects of television, that you could not see replays of the most important plays and calls on the tapes and get an analysis of the game, which is difficult to do on commercial TV due to time factors and commercial interruptions.

It seems to me that those events that require box office extensions should be given that opportunity.

I cheerfully would pay to see such events on STV free of commercial interruptions.

But if I didn't care that much I could wait a couple of hours and see that same event played at home for free on commercial TV via tapes. I think a great deal of attention should be given to that fact.

I would limit STV or pay TV to box office attractions which are not now available. TV channels have been allocated for educational TV and that has been done in the public interest. It seems to me it would be in the public interest to do the same thing for STV.

I have indicated that other reasonable regulations would be in order and I think would be both legal and in the public interest.

I have addressed myself to the time bar, the two or three or four year rule. I have indicated that on the time bar if the interests which control various events which are now on free TV should elect to keep them away from the public for four or five years, the loss in public interest and in prestige as well as in dollars would be more than they could afford. That is an element that I haven't heard discussed in too much detail, and I think we should keep it in mind. There is much more at stake than just dollars when you are talking about college and professional football, and the public.

Their stake in the public has to depend on this kind of exposure. If they attempt to price themselves right out of the market because pay TV could come along, as one gentleman suggested, and make it possible for them to take their games that are on and hold them off for a couple of years, they would have another serious problem to concern themselves with, which has been alluded to by the two commissioners whom you heard from yesterday and today.

How long can you keep this away from the public and maintain this great interest of the kids that are coming along, that you have to have to keep that sport going? Not just to keep it going from the box office point of view, but if we are to have sports a competitive part of our life.

Unfortunately, college football has to depend on the gate, too. I say the public clamor would also be such that the public image of the particular sport would be seriously impaired.

Now the professional football people as well as the colleges could have the best of two worlds under the rules as they are proposed or as they might be modified; they could supplement commercial TV by putting their home games on STV, and stay with commercial TV for the network presentation in all areas outside the home base.

The FCC rules can protect siphoning away from commercial TV and yet make it possible to provide more college and professional football for viewers via STV. This statement also can apply to other sports events.

Further, events with special audience interest, both sports and other forms of entertainment, would be readily available in the home and under the present system we cannot get them.

That is the sum and substance of my statement, Mr. Chairman, I would like to place in the record a letter from Mr. Pat Weaver, who was the president of the company that had the abortive pay TV system which was operated on the West Coast. With your permission, I would like to put this in the record. This letter addressed to the Commission sets forth rather completely the experience that they had out there and the broad acceptance which a form of STV had received.

Mr. MACDONALD. Without objection, so ordered.

I want to thank you, again, for your fine testimony.

Once again, we have been summoned to the floor to answer the call of the House.

Will there be questions of Mr. Hall?

I would hate to keep you waiting here unless there are questions.

Mr. HALL. I am available here for questions.

Mr. MACDONALD. The committee will stand in recess for 15 minutes. Thank you.

(Brief recess.)

Mr. MACDONALD. The hearing will be back in order.

Mr. Hall, once again I want to thank you for appearing before us.

Of all the witnesses I would think, with your background, you speak with as much if not more authority than anybody, which leads me to my first question.

Where you listed among your sins the blackout, I was wondering what your thinking was in putting forth the blackout principle.

Mr. HALL. Mr. Chairman, before the NCAA plan was developed, we had had a full year of very intensive surveys made by the networks, or financed by the networks, and by the NCAA jointly, and the networks' position prior to this study had been that open and unrestrained television of football games would do nothing but develop attendance at every football institution, but this survey certainly proved conclusively that that would not be the case.

Since, unfortunately, college football and the college athletic programs in most instances depend upon the revenues derived from football, we naturally try to protect our gate in order to maintain the total athletic programs, and it was quite apparent that with the weather a factor, with large college stadiums, that with some few exceptions that if the game were not blacked out, should it be allowed to be televised, if it were not blacked out in its immediate area, there would be a serious impact on the home attendance.

Mr. MACDONALD. Could I interrupt you at that point and ask a question?

I understand that part of the blackout, but why a blackout, say, when Texas and Arkansas are playing, the most recent game, or before that, Ohio State and Michigan? Why black out that area, when the people cannot possibly get in, and it has been sold out for months?

Is that quite fair to the people of that area, to have them blacked out?

Mr. HALL. I can give you a specific example. When we first had the NCAA plan, I had inserted a provision that in the event that there was a sell-out game—let us take an actual case. The Michigan-Michigan State game was a sell-out. We had provided that it would have to be blacked out within 75 miles of the home site. We also provided that in the event the game were a sell-out, that then it could be televised and must be televised, provided no other game would be played within that radius that could be seriously hurt.

So I had to call Mr. Fritz Crisler, the director of athletics at Michigan and say, "Fritz, your game is a sell-out. You have said so, and so has Michigan State. I have canvassed the area, and there will be no game hurt by allowing that game to go on the Detroit station WJR–TV."

So it was announced three days before the game that it would now be available in that local market, which is the local regional market where most of the people are going to be drawn from that to go to the game.

Mr. Crisler received thousands of letters and telegrams to the effect that, "If I had known this game would be on television, I wouldn't have paid X dollars for your lousy goal line seats."

I can agree with you that in the case of the Texas-Arkansas game, not even a blizzard would have kept that stadium from being filled, and that would have been accomplished long before the blizzard came along, but there are other instances where that will not be the case, and you could wind up creating a lot of ill will with the people that now had the choice of seeing it for free at home, without putting some money on the line, and it is raining or snowing, and they don't want to go.

Mr. MACDONALD. I am certainly not going to quarrel with you, because you do make a case, and I am sorry for Mr. Crisler for getting those letters, but your Congressmen get inured to getting those letters after a while, so that it does not strike me as being that big a punishment.

Mr. HALL. It was not the letters so much as it clearly evidenced that if it were known that the game would be made available locally, far enough in advance, that then the game would not have been sold out, and people would then wait.

Mr. MACDONALD. I am talking about, when there is actually a sell-out, people who are very interested and have supported the team or teams earlier through tougher times trying to get tickets cannot and want to see the game, and I think it is terribly commercial on the part of the colleges to take this attitude. I would think that they could view the greater good for the greater number, and those people who were stuck with goal line seats just took their chances.

Mr. HALL. I would agree entirely with you. That is why I had the rule made that made it mandatory to put it on if it were a sell-out. I would advocate such a rule now.

Mr. MACDONALD. But the rule is no longer in effect?

Mr. HALL. No, it is not.

Mr. MACDONALD. So that therefore, when you say it was a sin to institute this policy, you are saying mea culpa.

Mr. HALL. Well, to a degree, but don't forget that I had the provision to have the game go on the air, so that somebody else is a bigger criminal than I am since I got off the committee.

Mr. MACDONALD. I had just one other question. As I went through your fine statement, I did not really understand this point.

I will yield to Mr. Brown while I find it.

Mr. BROWN. I wanted to get into the economics of professional football with Mr. Rozelle, and I am sorry that I was not here for his testimony and questioning, or for the beginning of your testimony, Mr. Hall.

It seems to me that this provision for blacking out in the local community is appropriate to so-called free TV, but may not be appropriate to pay TV, if the circumstances are right, and I would gather that the economics of professional football, and you have said that college football economics are not a great deal different, are based on the fact that you ought to have a full stadium if you can get it, and then anything that you charge for the tickets at that point is a reasonable fee, and, in fact, because there is a pressure to get the scarce tickets that are available.

On the other hand, if you have less than a full stadium, anything that you charge may not affect it too much, because there are empty seats.

In that regard, I guess football is like entertainment, and the psychology of having a full house is desirable. If there is a full house, and you throw it open for free TV, you get the kind of reaction that Mr. Crisler got from his fans, but if, then, you obliged viewers to pay for the right to watch that game, that is otherwise blacked out of free TV, it seems to me that the school or the professional team would get additional benefit from the pay TV relationship, or the contract.

Is that right?

Mr. HALL. I think that is very definitely the case, and I am convinced, myself that if pay TV is permitted, that in the case of the blacked out areas that it would be made available to provide the supplementary income, and the opportunity for the people who, as you all have heard here and know yourselves, cannot get to the stadium, cannot get in, cannot get the ticket, and would have a chance to see it, and it would not do the damage that it would do if it had to be given away.

Mr. BROWN. If it were on free TV, I assume they would get a commercial benefit, because it would be sponsored.

Mr. HALL. Right.

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Mr. BROWN. And that is permitted in college ball.

But you would have the psychological effect of somebody who could not buy a five buck ticket because it was a sell-out to watch it at the stadium being able to watch it free at home, whereas, if the economics of what you charged on pay TV were right, this could be in effect the overflow audience where you could still make it expensive, but—

Mr. HALL. But still within the range of a great many people who now could not go at any price.

I am convinced that that is the case, and I would be convinced that that would be the way it would happen.

Mr. BROWN. What happens when your threshold of interest falls below the full stadium at that point?

Mr. HALL. Well, if I had a franchise and was free to do as I wanted in my best interest, I think I would then not go on pay TV that next year. I would probably restrict my television, if I had it, to keeping the blacked out area, because I know that from the standpoint of the general interest and excitement that is maintained, you better have a full stadium, even leaving the economics out, but the economics are important there, too.

Mr. BROWN. The same thing would probably apply to commercial television, would it not? In other words, if you did not have a full stadium, you would not go on commercial TV?

Mr. HALL. Remember, I am talking about college and professional football, now, and you don't blanket the local market. It is blacked out, so that the free television is going to people who normally would not be coming to that game.

The attendance at the games, with the exception of some of the great major attractions, comes from within a 75-mile to 100-mile radius, so that most of the people that are going to be in your stadium would not see it by staying home, unless they did as they do in New York, get in a car and drive 75 miles up into Connecticut and rent a motel room and get it on television.

Mr. BROWN. So that if your viewing market is 75,000 people, and you only have 50,000 seats, then it is possible that college athletics or professional football could tap that additional 25,000 people through pay TV?

Mr. HALL. Right.

Mr. BROWN. Which they do not do at present through commercial TV.

Mr. HALL. That is correct.

Mr. BROWN. So that there is an economic benefit, then, that inures to college ball from this possibility, and I gather it is a psychological benefit that is controllable. In other words, you don't have people deciding to stay home because it is on pay TV, or if you do have that, you can say, "Well, it is not going to be on pay TV, then."

Mr. HALL. That is right.

You might find that in the course of a couple of years that your team was not doing as well, and so you would notice a lack of demand for your season tickets when they went on sale in June. That might lead you then to say, "Maybe this year I better not make it available on pay TV in my immediate area."

This could happen. On the other hand, as it stands now, a large segment of the public would get it via pay TV who could not, any way they might try, but a ticket to the game.

I am just pointing out that in the course of the success of the particular team, it might at some point withdraw from pay TV in its local area.

Mr. BROWN. I might observe that I was up at the Army-Navy game this year at that municipal stadium, which seats 100,000 people, and it was full for the Army-Navy game, in more ways than one, and just over from where we were sitting you could see them building a new stadium.

I asked if the Eagles played at Municipal Stadium, and the response was that they played at Franklin Field, and I asked how many that seated, and I think it seats 60,000 some.

Mr. HALL. 60,000-some.

Mr. BROWN. And the comment was made that, A, you could see better at Franklin Field, you were much closer to the field, but also they wanted to limit the availability of seating, so that they could have a full house in the available stadium seating, because of this economic interest of keeping your ticket price under demand.

Then, as I say, I noticed that they were building a new stadium, and I said, "How many will that seat," and they said, "Essentially not very many more than Franklin Field."

So that the economics in terms of the stadium is apparently designed with that thought in mind, and those of us who are not fortunate enough to be on the season ticket lists are not going to get to see the ball games, apparently, even if we want to.

Mr. HALL. That is correct in terms of all but the greatest and the most desirable, which are very few and far between.

It is very definitely true that most of these teams would have difficulty under a five-year span in selling out, if those stadiums that they were playing in would go, say, to 100,000, so that I agree with you that there will always be that limitation, I think, except when you have the Super Bowl, or the World Series, or Texas-Arkansas.

Mr. BROWN. If this were on pay TV, I might be able to put in three bucks instead of five bucks to watch it.

Mr. HALL. That is correct.

Mr. BROWN. Then if I live long enough, maybe I will inherit some tickets.

Mr. HALL. Pay TV would be a great benefit to a great many people who cannot get the tickets they want now, and I don't think they will get that opportunity by having the stadiums built larger, for the reason you cite about the Army-Navy game, which is the only game I know, virtually, outside of Ohio State on some occasions, and like the situation we had this year where you could go to 120,000.

Mr. BROWN. Now that you have mentioned Ohio State, my parochial pride requires me to pursue that just a little.

I think it is of interest to note that even at Ohio State, which had sell-outs at all of its home games this year, and drew, of course, very heavily on the road, the athletic program ran in the red in spite of that, and it seems to me that if there is a way of supplementing the income of a collegiate team, without at the same time derogating its home attendance, that it is worthy of some exploration, because it may benefit not just admission athletics, but also intermural athletics and less popular interscholastic athletics.

Mr. HALL. I am glad you mentioned that. I feel that I can speak on that with great authority.

If we all accept the fact, and I believe almost all of us do, that the competitive athletic program is essential, and I am not limiting it to football or any particular sport, but to competitive athletic programs, the availability of such programs is essential maybe more now than ever before in our American way of life, and unfortunately, those programs cannot be supported without the revenues that are derived from football, and even then, as you indicated in the case of Ohio State, they are not sufficient to do the job, so that the universities have to come up with additional funds.

The competition for the dollar that goes into the universities today is such that in many instances athletics are being shortchanged a bit, so that anything that would further cut down on these revenues would seriously impair something that the average member of the public would not be aware of. That would be the basis for our total interest in the things that are derived from competitive athletics, whether it be at a varsity level or intramural or freshman.

Mr. BROWN. Apparently Yale would have a problem, because they would have to set up a whole new plant for their students who cannot play on a boys' field.

Mr. HALL. We might let them play there, too.

Mr. BROWN. Thank you.

Mr. MACDONALD. I was tempted to say sometimes yet cannot tell the difference.

Mr. HALL. If I were not sitting in the august presence of the Congress, I might say it might be the other way.

Mr. MACDONALD. That is a Harvard man speaking.

The question that I had in mind was at the bottom of page 6, where you say:

"I do not think very much stress has been placed either on the fact that because of the advances that have been made in the technical aspects of television, that you could see replays of the most important plays and calls on the tapes and get an analysis of the game, which is difficult to do on commercial TV due to time factors and commercial interruptions.

"It seems to me that those events that require box office extensions should be given that opportunity.

"I cheerfully would pay to see such events on STV free of commercial interruptions."

Are you saying that if the game was both on commercial TV and pay TV that you would pay to watch it on pay TV merely to get the instant replays?

Mr. HALL. I believe that there would be some portion of the public that would do so.

Mr. MACDONALD. There are not that many football scouts in the country, are there?

Mr. HALL. But the advantage of the replay is that it makes the game understandable and more interesting for the person who is watching it on television.

In fact, to a slight degree, perhaps, the fact that there are instant replays on college football now, but not as many as you could have if you did not have the commercial interruptions, is having an effect I know on some people who say, 'Well, now, I would rather watch it there, because I get things out of the game I would not get if I were actually present."

And the audience for these events changes so rapidly that in the 15 years I have been in the entertainment business, we have a totally new audience available at your theater now than we had eight or nine years ago, and it is a different audience, and their interests are different.

I could see where, if you on free TV do such a magnificent job in the coverage that you are going to have a generation of people who would rather stay home than go to the stadium, and, as has been said here before, none of these sports can maintain the interest in our competitive athletic picture unless you are playing before a reasonably full house. The response of the athlete and the interest is tied to that.

Mr. MACDONALD. Thank you very much.

Mr. HALL. Thank you very much, gentlemen.

VOTING AND ATTENDANCE RECORD

HON. GERALD R. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. GERALD R. FORD. Mr. Speaker, under leave to extend my remarks, I

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include a report of my voting and attendance record during the first session of the 91st Congress, 1969.

The record includes all rollcall votes and all quorum calls. The description of the bills is for the purpose of identification only; no attempt has been made to describe the bills completely or to elaborate upon the issues involved.

The purpose of this report is to collect in one place information which is scattered through thousands of pages of the Congressional Record. I want to be able to provide any interested constituent with a simple compilation of my voting and attendance record.

The report is as follows:

Rollcall number	Date	Measure, question, and results	Vote
1	Jan. 3	Call of the Members	Present.
2	do	Election of the Speaker (McCormick 241; Ford 187)	Do.
3	do	H. Res. 1: To order the previous question on the resolution which would permit Representative-elect Powell to take the oath of office. (Defeated 176–248.)	No.
4	do	H. Res. 1: A motion similar to that in rollcall 3 to order the previous question. (Defeated 172-252.)	No.
5	do	H. Res. 1: On a substitute amendment providing that the matter involving Representative-elect Powell be referred to a special committee for investigation and recommendations. (Defeated 131 to 290.)	Yes.
6	do	H. Res. 2: To order the previous question on the resolution providing a fine of $25,000 and loss of seniority for Representative-elect Powell. (Passed 248 to 171.)	Yes.
7	do	H. Res. 2: To adopt the resolution seating Representative-elect Powell and providing for a fine of $25,000 and loss of seniority. (Passed 252 to 160.)	Yes.
8	do	Quorum call	Present.
9	Jan. 6	On the motion that the House of Representatives reject the objections to the electoral vote of the State of North Carolina by which 1 vote would be counted for George Wallace and Curtis LeMay. (Defeated 169 to 229.)	Yes.
10	Jan. 15	Quorum call	Absent.
11	Jan. 16	do	Present.
12	Jan. 17	do	Do.
13	Jan. 30	do	Do.
14	Feb. 5	H. Com. Res. 124: On the adoption of the resolution providing for the Lincoln day recess. (Passed 241 to 125.)	Yes.
15	Feb. 18	Quorum call	Present.
16	do	H. Res. 89: On a motion to order the "previous question" on the resolution to change the name of the Committee on Un-American Activities to Committee on Internal Security. (Passed 262 to 123.)	Yes.
17	do	H. Res. 89: To adopt the resolution changing the name of the Committee on Un-American Activities to Committee on Internal Security and clarifying its responsibilities. (Passed 305 to 79.)	Yes.
18	Mar. 4	Quorum call	Present.
19	Mar. 12	do	Do.
20	do	H.R. 33: To recommit to committee the bill providing for increased participation by the United States in the International Development Association. (Defeated 155 to 241.)	No.
21	do	H.R. 33: On final passage of the bill providing for increased participation by the United States in the International Development Association. (Passed 247 to 150.)	Yes.
22	Mar. 18	Quorum call	Present.
23	do	S. 1058: On passage of the bill to extend to Apr. 1, 1971, the authority of the President to submit reorganization plans to Congress. (Passed 334 to 44.)	Yes.
24	do	Quorum call	Present.
25	do	H.R. 2171: To suspend the rules and pass the bill establishing a commission to advise the President on national observances and holidays. (Defeated 164 to 212.)	Yes.
26	Mar. 19	Quorum call	Present.
27	do	H.R. 8508: To approve the bill increasing the limitation on the public debt to $377,000,000,000 until June 30 1970. (Passed 313 to 93.)	Yes.
28	Mar. 20	Quorum call	Present.
29	do	do	Do.
30	Mar. 26	do	Do.
31	Mar. 27	H.R. 7757: On passage of the supplemental military procurement authorization for 1969. (Passed 341 to 21.)	Yes.
32	Apr. 1	Quorum call	Present.
33	do	H. Res. 270: On a motion to recommit to committee the resolution authorizing $425,000 for use by the Committee on Internal Security. (Defeated 73 to 284.)	No.
34	do	H. Res. 270: To approve the resolution authorizing $425,000 for expenses of the Committee on Internal Security (Passed 305 to 51.)	Yes.
35	Apr. 16	Quorum	Present.
36	do	do	Do.
37	do	H.R. 4148: To adopt the bill amending the Federal Water Pollution Control Act. (Passed 392 to 1.)	Yes.
38	Apr. 21	Quorum Call	Present.
39	do	do	Do.
40	do	do	Absent.
41	Apr. 22	do	Present.
42	do	do	Do.
43	do	do	Do.
44	do	do	Do.
45	Apr. 23	do	Do.
46	do	H.R. 514: On the motion to adopt the substitute proposal providing a 2-year extension and certain block grants to the States in lieu of the committee's bill amending the Elementary and Secondary Education Act. (Passed 235 to 184.)	Yes.
47	do	H.R. 514: On final passage of the bill (the substitute) amending the Elementary and Secondary Education Act. (Passed 400 to 17.)	Yes.
48	Apr. 28	Quorum call	Present.
49	do	do	Do.
50	Apr. 29	do	Do.
51	do	H.R. 4153: To approve a $142,800,000 authorization bill for Coast Guard ships planes, shore facilities, aids to navigation, and bridge construction. (Passed 382 to 2.)	Yes.
52	Apr. 30	Quorum call	Present.
53	May 1	H. Res. 17: On adoption of the resolution to establish a 7-member Select Committee to Study Crime in the United States. (Passed 343 to 18.)	Yes.
54	May 6	Quorum call	Present.
55	do	H.R. 5554: To approve the bill making the special school milk program a permanent program and authorizing appropriations of $125,000,000 annually. (Passed 384 to 2.)	Yes.
56	May 20	Quorum call	Present.
57	May 21	do	Do.
58	do	H. Res. 414: On adoption of the rule waiving points of order in the consideration of H.R. 11400, the supplemental appropriation bill. (Passed 322 to 53.)	Yes.
59	do	H.R. 11400: To adopt an amendment to the supplemental appropriation bill denying interest grants to colleges which do not enforce the law relative to grants for students convicted of crimes in connection with campus disorders. (Passed 329 to 61.)	Yes.
60	do	H.R. 11400: On final passage of the supplemental appropriation bill. (Passed 347 to 40.)	Yes.
61	May 26	Quorum call	Present.
62	do	do	Do.
63	May 27	do	Do.
64	do	H.R. 11612: On an amendment to the appropriation bill for the Department of Agriculture limiting subsidy payments to any one farm to $20,000. (Passed 224 to 145.)	No.
65	do	H.R. 11612: On final passage of the Department of Agriculture appropriation bill. (Passed 321 to 50.)	No.
66	do	H. Res. 424: On adoption of the rule providing for the consideration of the appropriation bill for the Treasury and Post Office Departments and the Executive Office. (Passed 345 to 12.)	Yes.
67	do	Quorum call	Present.
68	do	H.R. 11582: On an amendment to the Post Office appropriation bill limiting to $20,000 the postal subsidy for any one mailer of 2d class mail. (Defeated 99 to 239.)	No.
69	do	H.R. 11582: On final passage of the appropriation bill for the Treasury and Post Office Departments and the Executive Office of the President. (Passed 325 to 6.)	Yes.
70	May 28	Quorum call	Present.
71	June 2	do	Do.
72	do	H.R. 763: To suspend the rules and pass the bill providing for a study of State laws governing the operation of youth camps. (Defeated 151 to 152.)	Yes.
73	do	H.R. 693: To suspend the rules and pass the bill permitting veterans 72 years of age and older to enter a VA hospital without declaring inability to pay. (Passed 302 to 3.)	Yes.
74	June 4	Quorum call	Absent.[1]
75	do	do	Do.[1]
76	do	H.R. 11102: On final passage of the Medical Facilities Construction and Modernization Amendments of 1969. (Passed 359 to 0.)	Do.[2]
77	June 10	Quorum call	Present.
78	do	H.R. 11271: To approve the bill authorizing appropriations for the National Aeronautics and Space Administration. (Passed 328 to 52.)	Yes.
79	June 11	Quorum call	Present.
80	do	H.R. 1035: To approve the bill prohibiting the use of public grounds in the District of Columbia for camping or erection of any temporary buildings. (Passed 327 to 51.)	Yes.
81	June 16	Quorum call	Present.
82	June 17	do	Do.
83	June 18	Quorum call	Do
84	do	do	Do
85	do	H.R. 6543: On a motion to recommit to committee "The Public Health Cigarette Smoking Act of 1969." (Defeated 137 to 252.)	No.
86	June 24	Quorum call	Present.
87	do	H.R. 12167: To approve the bill authorizing appropriations for the Atomic Energy Commission for fiscal 1970 (passed 406 to 3).	Yes.
88	do	Quorum call	Present.
89	do	H.R. 12307: To approve the $14,900,000,000 appropriation bill for the independent agencies and the Department of Housing and Urban Development (passed 388 to 6).	Yes.
90	June 25	Quorum call	Present.
91	do	H. Res. 357: On adoption of the resolution providing for an additional clerk for all House Members (passed 204 to 195).	Yes.
92	do	Quorum call	Present.
93	do	H.R. 7906: To approve the bill providing a system for the taxation of interstate commerce (passed 311 to 87).	Yes.
94	June 27	Quorum call	Present.
95	do	H.R. 8644: To adopt the conference report on the bill to make permanent the existing temporary suspension of duty on crude chicory roots and to repeal the freeze on aid to families with dependent children (passed 269 to 65).	Yes.
96	June 30	Quorum call	Present.
97	do	H.R. 12290: On final passage of the bill to continue the surtax and the excise taxes on automobiles and telephone service to terminate the investment credit, and provide for a low-income allowance for individuals (passed 210 to 205).	Yes.
98	July 8	Quorum call	Present.
99	do	H.R. 11249: To recommit to committee the authorizing of an additional $7,500,000 appropriation for the John F. Kennedy Center for the Performing Arts (defeated 162 to 217).	No.

Footnotes at end of table.

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Rollcall Number	Date	Measure, questions, and results	Vote
100	July 8	H.R. 11249: On final passage of the bill to authorize an additional $7,500,000 appropriation for the John F. Kennedy Center for the Performing Arts (passed 210 to 162).	Yes.
101	July 9	Quorum call	Present.
102	do	H.R. 11400: To approve the conference report on the 2d supplemental appropriation bill for 1969. (Passed 348 to 49.)	Yes.
103	July 10	H.R. 11702: To approve the Medical Library Assistance Extension Act of 1969.	Yes.
104	do	H.R. 4284: To approve the bill authorizing appropriations for the Standard Reference Data Act. (Passed 365 to 2.)	Yes.
105	July 15	Quorum call	Present.
106	do	H.R. 4018: To approve the bill renewing and extending the Appalachian and Regional Planning Commissions. (Passed 273 to 163.)	Yes.
107	July 17	Quorum call	Present.
108	do	do	Do.
109	do	H.R. 7491: To recommit to committee the bill relative to State taxation of national banks in order to substitute for the committee's bill a provision that would protect national banks from interstate taxation that would permit interstate taxation on State banks.	Yes.
110	do	H.R. 7491: On final passage of the bill relative to State taxation of national banks. (Passed 342 to 4.)	Yes.
111	July 21	Quorum call	Absent.
112	do	H.R. 11609: To suspend the rules and pass the bill authorizing the construction of an entrance road at Great Smoky Mountains National Park, N.C. (Passed 341 to 3.)	Absent. [2]
113	do	H.R. 11651: To suspend the rules and pass the bill concerning temporary emergency assistance to provide nutritious meals to needy children.	Do.
114	do	Quorum call	Present.
115	July 22	H.R. 12781: To approve the $1,500,000,000 appropriation bill for the Department of Interior and related agencies. (Passed 398 to 6.)	Yes.
116	July 23	Quorum call	Present.
117	do	do	Do.
118	do	do	Do.
119	do	H.R. 9825: To recommit to committee the bill relative to civil service retirement financing and benefits in order to continue the provision for "5 consecutive years" and to omit congressional employees from title II of the bill. (Defeated 129 to 261.)	Yes.
120	do	H.R. 9825: On final passage on the bill relative to civil service retirement financing and benefits. (Passed 358 to 48.)	Yes.
121	July 24	Quorum call	Present.
122	do	H.R. 12964: To approve the $2,300,000,000 appropriation bill for the Departments of State, Justice, Commerce, the Judiciary, and other related agencies. (Passed 366 to 31.)	Yes.
123	July 28	Quorum call	Absent.[1]
124	do	H.R. 9553: To amend the District of Columbia Minimum Wage Act for Hospital Employees. (Passed 220 to 141.)	Absent.[3]
125	do	H.R. 255: To recommit to committee the bill authorizing the deduction of interest in advance on installment loans in the District of Columbia. (Passed 356 to 19.)	Yes.
126	do	H.R. 2: To amend the Federal Credit Union Act to provide for an independent Federal agency for supervision of federally chartered credit unions. (Passed 365 to 10.)	Yes.
127	July 29	Quorum call	Present.
128	July 30	do	Do.
129	do	H.R. 13080: To approve the bill extending for 15 days to Aug. 15 the withholding of the 10-percent surtax. (Passed 306 to 103.)	Yes.
130	July 31	Quorum call	Present.
131	do	H.R. 13111: On an amendment to the Labor–HEW appropriation bill increasing the amount by $894,500,000 over that recommended by the committee. (Passed 293 to 120.)	No.
132	do	H.R. 13111: On an amendment to the Labor–HEW appropriation bill to prohibit funds to any college or university that does not comply with the law relative to disorders. (Passed 316 to 95.)	Yes.
133	do	H.R. 13111: Departments of Labor, and Health, Education, and Welfare, and related agencies appropriations, 1970. (Passed 319 to 16.)	Yes.
134	Aug. 4	Quorum call	Present.
135	do	do	Do.
136	do	H. Res. 509: To approve the resolution accepting the Senate amendment to H.R. 9951 (unemployment insurance) extending the 10-percent surtax to Dec. 31, 1969. (Passed 237 to 170.)	Yes.
137	do	Quorum call	Present.
138	do	H.J. Res. 764: To suspend the rules and pass the resolution authorizing appropriations for expenses of the President's Council on Youth Opportunity. (Passed 396 to 7.)	Yes.
139	do	S. 1611: To suspend the rules and pass the bill providing for a National Center on Educational Media and Materials for the Handicapped. (Passed 365 to 22.)	Yes.
140	Aug. 5	Quorum call	Present.
141	do	do	Do.
142	do	H.R. 13018: On a motion to recommit to committee the military construction authorization in order to strike the provision prohibiting pickets or parades in or near the Pentagon which would interfere with the administration of defense affairs. (Defeated 323 to 87.)	No.
143	do	H.R. 13018: On final passage of the $1,500,000,000 military construction authorization bill. (Passed 375 to 30.)	Yes.
144	Aug. 6	Quorum call	Present.
145	do	H. Res. 513: To adopt the previous question on the rule under which to consider H.R. 13270, the Tax Reform Act of 1969. (Passed 265 to 145.)	Yes.
146	do	Quorum call	Present.
147	Aug. 7	do	Do.
148	do	H.R. 13270: To recommit to committee the Tax Reform Act of 1969. (Defeated 79 to 345.)	No.
149	do	H.R. 13270: On final passage of the Tax Reform Act of 1969. (Passed 394 to 30.)	Yes.
150	Aug. 11	Quorum call	Present.
151	do	do	Do.
152	Aug. 12	do	Do.
153	do	H. Res. 269: To authorize the Committee on Post Office and Civil Service to conduct studies and investigations. (Passed 196 to 132.)	Yes.
154	Sept. 3	Quorum call	Present.
155	do	H.R. 10105: To amend the National Trade and Motor Vehicle Safety Act and to authorize appropriations for 1970 and 1971. (Passed 321 to 0.)	Yes.
156	Sept. 4	Quorum call	Present.
157	do	H.R. 7621: To adopt the Child Protection Act of 1969. (Passed 327 to 0.)	Yes.
158	do	H.R. 12085: To adopt the bill amending the Clean Air Act to extend the program of research to fuel and vehicles. (Passed 332 to 0.)	Yes.
159	Sept. 8	Quorum call	Present.
160	do	do	Do.
161	do	H.R. 11039: On the motion to recommit to committee the Peace Corps Act Amendments of 1969 in order to reduce the 1970 authorization from $101.1 million to $90 million. (Defeated 144 to 186.)	No.
162	do	H.R. 11039: To approve the Peace Corps Act Amendments of 1969 with the $101.1 million authorization. (Passed 281 to 52.)	Yes.
163	Sept. 9	Quorum call	Present.
164	do	H.J. Res. 247: To approve the resolution relative to the administration of the national park system. (Passed 334 to 55.)	Yes.
165	Sept. 10	Quroum call	Present.
166	Sept. 11	do	Absent.[3]
167	do	do	Do.
168	Sept. 15	do	Present.
169	do	H.R. 13194: To suspend the rules and pass the bill authorizing higher interest rates and market adjustment allowance for student insured bank loans. (Passed 322 to 60.)	Yes.
170	do	Quorum call	Present.
171	Sept. 16	do	Do.
172	Sept. 17	do	Do.
173	do	do	Do.
174	do	do	Do.
175	Sept. 18	do	Do.
176	do	H.J. Res. 681: To recommit to committee the resolution providing for the direct election of the President and Vice President in order to substitute the district plan. (Defeated 162 to 245.)	No.
177	do	H.J. Res. 681: To adopt the resolution providing for a constitutional amendment calling for the direct election of the President and Vice President by the people (Passed 339 to 70).	Yes.
178	Sept. 19	Quorum call	Present.
179	do	H.R. 13763: To pass the Legislative appropriation bill (Passed 177 to 94).	Yes.
180	Sept. 23	Quorum call	Present.
181	do	H.R. 12549: To approve the bill establishing a council on environmental quality (Passed 372 to 15).	Yes.
182	Sept. 24	Quorum call	Present.
183	do	S. 574: On a bill to authorize the Secretary of Interior to engage in feasibility investigations of certain water resource developments (Passed 364 to 16).	Yes.
184	Sept. 25	Quorum call	Present.
185	do	do	Do.
186	do	do	Do.
187	Sept. 29	do	Do.
188	do	H.R. 13369: To approve the bill extending for 2 additional years the authority of the Administrator to set interest rates for guaranteed and insured home loans to veterans (Passed 339 to 21).	Yes.
189	do	H.R. 4314: To approve the bill permitting employer contritions to trust funds for scholarships for employees and their families, and so forth (Passed 354 to 1).	Absent.[2]
190	Sept. 30	Quorum call	Present.
191	do	do	Absent.[1]
192	do	do	Do.[1]
193	do	H.R. 13300: To approve the bill amending the Railroad Retirement Act of 1937 and the Railroad Retirement Tax Act (Passed 372 to 17).	Do.[3]
194	Oct. 1	Quorum call	Present.
195	do	H. Res. 561: To adopt the rule under which to consider H.R. 14000, the military procurement authorization bill (Passed 324 to 61).	Yes.
196	Oct. 2	Quorum call	Present.
197	Oct. 3	do	Do.
198	do	H.R. 14000: On a motion to order the preveous question on a motion to recommit the military authorization bill to committee with restrictions (passed 223 to 141).	Yes.
199	do	H.R. 14000: On a motion to recommit to committee the military authorization bill in order to strike out funds for the ABM Safeguard missile (defeated 93 to 270).	No.
200	do	H.R. 14000: On final passage of the military authorization bill for 1970 (passed 311 to 44).	Yes.
201	Oct. 6	Quorum call	Present.
202	do	H.R .14127: To suspend the rules and pass the bill authorizing the minting of a nonsilver cupro-nickel half dollar coin and a nonsilver cupro-nickel dollar coint bearing the portrait of President Eisenhower (defeated 205 to 148, a ⅔ majority being necessary).	Yes.
203	do	H.R. 13304: To suspend the rules and pass the bill relating to educational programs for gifted and talented children (passed 352 to 0).	Yes.
204	do	H.R. 13310: To suspend the rules and pass the bill to include "children with learning disabilities" among "handicapped" and to provide research and demonstratives in the education of these children. (Passed 350 to 0.)	Yes.
205	do	H.R. 13576: To suspend the rules and pass the bill authorizing increases in the rates of dependency and indemnity compensation of widows and children of men who died in service or as a result of service-connected disability. (Passed 350 to 0.)	Yes.
206	Oct. 7	Quorum call	Present.

Footnotes at end of table.

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Rollcall number	Date	Measure, question, and results	Vote
207	Oct. 7	H.R. 10878: To pass the bill authorizing appropriations for the National Science Foundation. (Passed 384 to 5.)	Yes.
208	Oct. 8	Quorum call	Present.
209	do	H.R. 14159: On a motion to order the previous question on final passage of the Public Works Appropriation bill (Passed 215 to 187.)	Yes.
210	do	H.R. 14159: On a final passage of the Public Works Appropriation bill. (Passed 396 to 3.)	Yes.
211	Oct. 9	Quorum call	Present.
212	do	H.R. 11612: On a motion to lay on the table a motion to instruct the conferees on the agricultural appropriation bill to insist on the provisions in the House bill limiting subsidy payments to $20,000 to any one producer. (Passed 181 to 177.)	Yes.
213	do	H.R. 8449: To approve the Hours of Service Act Amendments of 1969 relating to railroads. (Passed 370 to 0.)	Yes.
214	do	H.R. 7737: On a motion to recommit to committae the bill relating to public (educational) telsvision in order to reduce from $20 million to $10 million the authorization for the Corporation for Public Broadcasting in 1970. (Defeated 131 to 190).	Yes.
215	do	H.R. 7737: On final passage of the bill relating to grants for public (educational) television. (Passed 279 to 21.)	Absent.[2]
216	Oct 13	Quorum call	Absent.[1]
217	Oct 14	do	Present.
218	do	H.R. 13000: To amend the Federal Salary Act to require Congress to take affirmative action on the yearly recommendations of the Federal Salary Commission. (Passed 191 to 169.)	Yes.
219	do	H.R. 13000: On a motion to recommit to committee the Federal Salary Comparability Act of 1969. (Defeated 81 to 281.)	Yes.
220	do	H.R. 13000: On final passage of the Federal Salary Comparability Act of 1969. (Passed 311 to 51.)	No.
221	do	On a motion to adjourn the House. (Defeated 99 to 210)	No.
222	do	Quorum Call	Present.
223	do	do	Do.
224	do	On a motion to adjourn the House. (Passed 112 to 110)	Yes.
225	Oct. 15	Quorum call	Present.
226	do	do	Do.
227	do	do	Do.
228	do	H.R. 14127: To approve the bill providing for the coinage of a cupro-nickel half dollar and dollar (Eisenhower-Apollo 11). (Passed 257 to 68.)	Yes.
229	do	Quorum call	Absent.[1]
230	Oct. 16	do	Present.
231	do	H.R. 13194: To adopt the conference report on the Emergency Insured Student Loan Act of 1969. (Passed 326 to 10.)	Yes.
232	do	Quorum call	Present.
233	do	H.R. 4293: On final passage of the bill to provide for continuation of authority for regulation of exports. (Passed 272 to 7.)	Absent.[2]
234	Oct. 20	Quorum call	Present.
235	do	H.R. 14195: To suspend the rules and pass the bill revising the law governing contests of elections of Members of the House of Representatives. (Passsd 311 to 12.)	Yes.
236	Oct. 21	Quorum call	Present.
237	do	do	Do.
238	do	do	Absent.[1]
239	do	do	Present.
240	Oct. 22	do	Do.
241	Oct. 23	H.R. 13763: On a motion to lay on the table a motion to instruct the conferees to accept the Senate position.	
242	do	Quorum call	Do.
243	do	H.R. 13827: (S. 2864) On final passage of the Housing and Urban Development Act of 1969. (Passed 339 to 9.)	Yes.
244	Oct. 27	Quorum call	Absent.[1]
245	do	do	Do.[1]
246	Oct. 28	do	Present.
247	Oct. 29	do	Do.
248	do	H.R. 13950 (S. 2917): On final passage of the Federal Coal Mine Health and Safety Act of 1969. (Passed 389 to 4.)	Yes.
249	do	Quorum call	Present.
250	do	do	Do.
251	Oct. 30	do	Do
252	do	H. Res. 586: On ordering the previous question on adoption of the "Rule" under which to consider H.R. 14001, amendmets to the Military Selective Service Act. (Passed 265 to 129.)	Yes.
253	do	H.R. 14001: On passage of the bill amending the Selective Service Act to permit the drafting of 19-year-olds first and the use of the lottery system. (Passed 382 to 13.)	Yes.
254	Oct. 31	H.R. 14252: On final passage of the Drug Abuse Education Act. (Passed 294 to 0.)	Yes
255	do	H.R. 4244: To recommit to committee the bill increasing the authorized annual appropriation for the Administrative Conference of the United States from $250,000 to $450,000. (Defeated 130 to 134.)	Yes.
256	do	H.R. 4244: On final passage of the bill increasing the authorized annual appropriation for the Administrative Conference of the United States from $250,000to $450,000. (Passed 133 to 127.)	No.
257	Nov. 4	Quorum call	Absent.[1]
258	do	do	Do.[1]
259	Nov. 5	do	Present.
260	do	H.R. 6778: On a motion to recommit to committee the 1-bank holding company bill as amended by the House. (Defeated 124 to 245.)	Yes.
261	do	H.R. 6778: On final passage of the 1-bank holding company bill as amended by the House. (Passed 351 to 24.)	Yes.
262	Nov. 6	Quorum call	Present.
263	do	do	Do.
264	do	H.R. 14465: To approve the Aviation Facilities and Expansion Act. (Passed 337 to 6.)	Yes.
265	Nov. 12	Quorum call	Present.
266	do	do	Do.
267	Nov. 12	H.R. 2777: On passage of the Potato Research and Promotion Act. (Defeated 171 to 198.)	No.
268	do	H. Res. 603: On ordering the previous question on the rule under which H.J. Res. 589 (expressing support for the international biological program) was to be considered. (Passed 230 to 100.)	Absent.[2]
269	Nov. 13	Quorum call	Present.
270	do	H. Res. 677: To adopt the rule under which H.R. 14751 (military construction appropriation bill) was to be considered. (Passed 326 to 43.)	Yes.
271	do	H.R. 14751: To approve the $1,450,000,000 military construction appropriation bill. (Passed 343 to 32.)	Yes.
272	do	H.R. 14705: To approve the Employment Security Amendments of 1969. (Passed 337 to 8.)	Yes.
273	Nov. 17	H. Res. 675: To approve the resolution agreeing to a conference with the Senate on H.R. 12829, extension of the interest equalization tax as amended by the Senate to repeal certain provisions of the Gun Control Act. (Passed 313 to 36.)	Yes.
274	do	S.J. Res. 121: To suspend the rules and pass the resolutions authorizing appropriations for expenses of the National Conference on Indian Opportunity. (Passed 316 to 31.)	Absent.[2]
275	Nov. 18	Quorum call	Present.
276	do	do	Do.
277	do	H.R. 14794: To approve the $6,600,000,000 appropriation bill for the Department of Transportation and other related agencies. (Passed 362 to 25.)	Yes.
278	Nov. 19	Quorum call	Present.
279	do	do	Do.
280	do	do	Do.
281	do	H.R. 11612: On a motion to order the previous question on adoption of the conference report on the Department of Agriculture appropriation bill. (Passed 214 to 172.)	Yes.
282	do	H.R. 12829: To agree to the conference report on the Interest Equalization Tax Extension Act of 1969 as amended to repeal certain provisions of the Gun Control Act of 1968. (Passed 334 to 47.)	Yes.
283	Nov. 20	Quorum call	Present.
284	do	H.R. 14580: On an amendment to the foreign aid authorization bill to add $54,500,000 for aircraft for the Republic of China.	Yes.
285	do	H.R. 14580: On a motion to recommit to committee the foreign aid authorization bill in order to reduce development loan funds by $50,000,000 for each year of the program. (Passed 185 to 187.)	No.
286	do	H.R. 14580: On final passage of the $2,100,000,000 foreign aid authorization bill. (Passed 176 to 163.)	Yes.
287	Nov. 24	Quorum call	Present.
288	do	H.R. 11193: To strike from the bill relating to the District of Columbia subway system, a provision for $150,000 for a study of extending the system to Dulles International Airport. (Defeated 52 to 256.)	No.
289	do	H.R. 11193 (S. 2185): To approve the National Capital Transportation Act 1969 (subway system). (Passed 285 to 23.)	Yes.
290	do	H.R. 14916: To approve the $683,000,000 appropriation bill for the District of Columbia. (Passed 305 to 9.)	Yes.
291	Nov. 25	Quorum call	Present.
292	do	H.R. 14741: On passage of the Federal-Aid Highway Act of 1969. (Passed 341 to 1.)	Yes.
293	Dec. 1	Quorum call	Present.
294	do	H. Res. 613: To order the previous question on the resolution of support for the President's efforts to negotiate a just peace in Vietnam. (Passed 225 to 132.)	Yes.
295	do	H. Res. 722: To adopt the rule under which H. Res. 613 was considered. (Passed 251 to 100.)	Yes.
296	do	Quorum call	Absent.
297	Dec. 2	do	Present.
298	do	do	Do.
299	do	H. Res. 613: On a motion to recommit the resolution to the Committee on Foreign Affairs with instructions to insert the following amendment "requests the Government of North Vietnam to abide by the Geneva Convention of 1949 in the treatment of prisoners of war". (Adopted 392 to 0.)	Yes.
300	do	H. Res. 613: To adopt the resolution as amended affirming House support of Nixon efforts to negotiate a just peace in Vietnam. (Passed 333 to 55.)	Yes.
301	Dec. 3	Quorum call	Present.
302	Dec. 4	do	Do.
303	do	do	Do.
304	Dec. 8	do	Do.
305	do	do	Do.
306	do	H.R. 15090: To approve the bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1970. (Passed 330 to 33.)	Yes.
307	Dec. 9	Quorum call	Present.
308	do	do	Do.
309	do	H.R. 15149: To amend the foreign aid appropriation bill to provide $50,000,000 for Korea and $54,500,000 for Taiwan. (Passed 250 to 142.)	Yes.
310	do	H.R. 15149: To pass the bill making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1970. (Passed 200 to 195.)	Yes.
311	Dec. 10	Quorum call	Present.
312	do	H.R. 4293: To adopt the conference report on the bill providing for the continuation of authority to regulate exports which liberalized the rules on trade with the Communist nations. (Rejected 238 to 157.)	No.
313	do	Quorum call	Present.
314	Dec..	do	Do.
315	do	do	Do.
316	do	H.R. 4249: On a motion to amend the committee bill by substituting an administration bill establishing a nationwide suspension of literacy tests extending nationwide the Attorney General's authority to monitor elections and initiate voting rights law suits, establishing uniform requirements for presidential elections and establishing a presidential commission to study voting practices. (Passed 208 to 203.)	Yes.

Footnotes at end of table.

Rollcall number	Date	Measure, question, and results	Vote
317	Dec. 11	H.R. 4229: On final passage of substitute voting rights bill. (Passed 234 to 179.)	Yes.
318	...do....	H.R. 15209: On a motion to recommit to committee the bill making supplemental appropriations in order to eliminate $7,500,000 for the Kennedy Center for the Performing Arts. (Defeated 142 to 243.)	Absent.[4]
319	Dec. 12	Quorum call	Present.
320	...do....	H.R. 12321: On a motion to recommit the bill with instructions to strike all after the enacting clause and insert a substitute which would give states greater control of the OEO program. (Rejected 163 to 231.)	Yes.
321	...do....	H.R. 12321 (S. 3016): On final passage of the bill extending for 2 years the Office of Economic Opportunity. (Passed 276 to 117.)	No.
322	Dec. 15	Quorum call	Present.
323	...do....	H.R. 15095: To suspend the rules and pass the bill providing for a 15 percent increase in social security effective January 1, 1970. (Passed 397 to 0.)	Yes.
324	...do....	H.R. 14646: To suspend the rules and pass the bill approving the Conneticut-New York Railroad Transportation Compact. (Passed 352 to 49.)	Yes.
325	...do....	H. Con. Res. 454: To suspend the rules and pass the resolution calling for the humane treatment and release of American prisoners of war held by North Vietnam and the National Federation Front. (Passed 405 to 0.)	Yes.
326	Dec. 16	Quorum call	Present.
327	...do....	S. 740: To suspend the rules and pass the bill establishing a Cabinet Committee on Opportunities for Spanish-Speaking People. (Passed 314 to 81.)	Yes.
328	...do....	H.R. 14213: To suspend the rules and pass the bill providing for additional members of the Board or Regents of the Smithsonian Institution. (Passed 273 to 119.)	No.
329	Dec. 17	Quorum call	Present.
330	...do....	do	Do.
331	...do....	H.R. 15091 (S. 2577): On an amendment to the bill relating to interest rates and inflation which would strike out the provision authorizing the Federal Reserve Board to purchase federally guaranteed mortgages to assist in meeting national housing needs. (Passed 231 to 171.)	Yes.
332	...do....	H.R. 15091 (S. 2577): On an amendment to the bill relating to interest rates and inflation which would strike out provisions authorizing the purchase of up to $6,000,000,000 in federally guaranteed mortgages by the Federal Reserve Board. (Passed 233 to 170.)	Yes.
333	...do....	H.R. 15091 (S. 2577): On a motion to recommit to committee the bill relating to interest rates and inflation in order to substitute portions of the Senate-passed bill, S. 2577, that would provide authorization for the purchase of $3,000,000,000 in federally guaranteed mortgages by the Federal Reserve Board. (Defeated 193 to 206.)	Yes.
334	Dec. 17	H.R. 15091 (S. 2577): On final passage of the bill relating to interest rates and inflation. (Passed 259 to 136.)	No.
335	...do....	S. 2917: To recommit the conference report on the Mine Health and Safety Act with instructions to insist upon the House position relative to sec. 110(B) on injunctions. (Defeated 83 to 258.)	Yes.
336	...do....	S. 2917: On final passage of the conference report on the Mine Health and Safety Act. (Passed 333 to 12.)	Yes.
337	Dec. 18	Quorum call	Absent.[1]
338	...do....	H.R. 14944: On passage of the bill to establish the Executive Protective Service. (Passed 394 to 7.)	Do.[2]
339	...do....	H.R. 13111: To table the motion which would have instructed the House conferees to agree to Senate amendments to the Labor-HEW appropriation bill which would uphold the authority of HEW to cut off funds from school districts that refuse to desegregate. (Defeated 180 to 216.)	Do.[4]
340	...do....	H. Res. 572: On adoption of the resolution to authorize investigative authority to the Committee on Education and Labor. (Passed 224 to 153.)	Do.[2]
341	Dec. 19	Quorum call	Present.
342	...do....	H.R. 14580: To adopt the conference report on the $1.970-000,000 foreign aid appropriation bill. (Passed 208 to 166.)	Yes.
343	...do....	S. 2577: To adopt the conference report on the bill relating to interest rates and inflation. (Passed 358 to 4.)	Yes.
344	Dec. 20	Quorum call	Present.
345	...do....	H.R. 15149: On a motion to recommit to committee the conference report on the foreign aid bill with instructions to agree with the Senate amendment deleting $54,500,000 for military assistance to the Republic of China. (Defeated 136 to 220.)	No.
346	...do....	H.R. 15149: To adopt the conference report on the foreign aid appropriation bill in the amount of $1,460,000,000. (Passed 181 to 174.)	Yes.
347	...do....	S. 3016: To adopt the conference report on the Economic Opportunity Amendments of 1969. (Passed 243 to 94.)	No.
348	Dec. 22	Quorum call	Absent.[5]
349	...do....	do	Do.[5]
350	...do....	H.R. 13111: On a motion to order the previous question on adoption of the conference report on the appropriation bill for the Departments of Labor, and Health, Education, and Welfare. (Passed 261 to 110.)	No.
351	...do....	H.R. 13270: On adoption of the conference report on the Tax Reform Act. (Passed 381 to 2.)	Yes.
352	...do....	H.R. 15209: On a motion to agree to a continuing resolution to Jan. 30, 1970, as provided in the supplemental appropriation bill. (Passed 276 to 99.)	Yes.
353	...do....	H.R. 15209: On a motion to agree to the Senate amendment to the supplemental appropriation bill limiting the application of the so-called Philadelphia plan on job discrimination. (Defeated 156 to 208.)	No.

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[1] Speaking engagement.
[2] If present, would have voted "yes."
[3] Senator Dirksen's funeral.
[4] If present, would have voted "no."
[5] At White House.

AND IF "VIETNAMIZATION" SHOULD FAIL?

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. MIKVA. Mr. Speaker, in an incisive article appearing in the Sunday New York Times Magaznie, Mr. George W. Ball has pointed out what may well turn out to be the fundamental weakness of the administration's policy of "Vietnamization." Mr. Ball, a distinguished former Under Secretary of State, wisely asks the question, "What do we do if Vietnamization fails?"

The fact is that President Nixon had an opportunity in his November 3 speech to change the entire tone of American involvement in South Vietnam. He could have, as Mr. Ball points out, said that America's commitment was a limited one, that it was conditioned on significant good faith efforts at reform by the South Vietnamese Government, and that when our limited objectives were achieved we would leave South Vietnam to the Vietnamese. This approach would have recognized what most observers already accept as fact, and what history will surely decide: that the United States has no vital national interest at stake in South Vietnam. Although this recognition would have been inconsistent with the thousands of American lives lost and billions of dollars spent in South Vietnam, President Nixon could certainly have claimed—and rightly so—that the responsibility for those lives and those expenditures rested with another administration, not his own.

Instead of de-escalating the rhetoric about South Vietnam, however, the President chose to continue to stress its importance to the United States. He continued to argue, as had his predecessors, that the fall of the present Government of South Vietnam would be a diplomatic and military disaster for America and Southeast Asia, that America's prestige and credibility with its allies would be irrevocably damaged, and that future wars would be inevitable. Thus, what could have been an honorable withdrawal, with our originally stated objectives fulfilled and our consciences clear, has been turned into a gigantic question mark. And the question which our present withdrawal policy, with its attendant cold war rhetoric, raises is precisely this: What if Vietnamization fails? That is the question the President has not answered.

As Mr. Ball points out, one of the lessons which the United States should have learned from Vietnam is that we must plan for the failure of our policies as well as for their success. To proceed blithely, as we did for years in Vietnam, on the assumption that our policies must inevitably triumph if only we would have patience, is patently irresponsible policymaking. It is in light of this history of irresponsibility that the question of what happens if "Vietnamization" fails becomes so ominous. If the South Vietnamese Government cannot take over the burden of defending itself, if the present Government is not able to maintain itself in power—what then? How much longer, how many more American lives, how many more billions of dollars?

By failing to change America's fundamental stance on the nature and extent of our commitment to South Vietnam, President Nixon may well have missed the greatest opportunity of his administration. He may well have forfeited whatever chance for greatness he ever had. What is certain is that he has raised some agonizing and ominous questions about America's future.

The article referred to follows:

WE SHOULD DE-ESCALATE THE IMPORTANCE OF VIETNAM

(By George W. Ball)

The course of action toward Vietnam laid out in the President's speech of Nov. 3 calls for the United States to continue to pursue the search for a negotiated solution in Paris. At the same time, the President is giving effect to an additional "plan" which, he promises, "will bring the war to an end regardless of what hapepns on the negotiating front."

This second "plan" is, in substance, a program for the gradual withdrawal of American forces while South Vietnamese armed strength is progressively built up to sustain the weight of Communist pressure and attack. The end of this program, so the President tells us, will see the return home of all American ground combat troops and—though his speech was less clear on this point—the ultimate repatriation of all American forces.

Given the disturbed state of domestic opinion and the acute problems created by an increasingly nasty and frustrating war, the President has, in his second plan, adopted the only responsible course of action still available. Yet since it is a course we have not followed before, we cannot be sure just where it will lead us. It is only prudent, therefore, that we take candid note of the hazards we may encounter while appraising our chances of success with hard-nosed realism.

To make a realistic appraisal we must consider not only our own view of the situation—too frequently marred by wishful thinking—but also the view from the other side. All too often we have failed to recognize that the North Vietnamese have a special vision of the military and political landscape, a vision colored by their own reading of their own history.

Ever since the United States sent its first troops to Vietnam, the strategy of the North Vietnamese and Vietcong has been based on the belief that, by protracted military pressure, they could accomplish at least one of two objectives:

They could make Americans sick of the war and thus persuade us to pull out.

They could generate such pressure on the fragile Government in Saigon that it would come apart at the seams.

Their belief in their ability to achieve the first of these objectives was based on solid precedent. At the time of the Geneva agreement in 1954, France still had a quarter of a million of its veterans in the field supported by an army of 205,000 Vietnamese. The French quit not because of military defeat but because of a political decision, made under pressure of a public opinion disgusted with "the dirty war." They simply concluded that their national interests in Indochina were no longer worth the cost in blood and money.

As President de Gaulle observed to me six years ago, what happened in Paris could eventually happen in Washington, and Hanoi has clung passionately to this belief. North Vietnam's conviction was apparent to anyone privy to the underground probing we were continually undertaking, beginning in about 1963. This probing was conducted through a number of different channels to Hanoi and the National Liberation Front, through third-country representatives or unofficial (and, therefore, disavowable) emissaries.

What we learned through these channels was, however, of little utility. The fact monotonously emphasized was that every minion of Hanoi or the National Liberation Front had—apparently as Government issue—an exhaustive dossier of statements made by the swelling legion of American professors, politicians and columnists, no matter how obscure, who were expressing views critical of America's involvement in the war.

What this disclosed, therefore, was not merely a hope but an article of faith—the conviction that no foreign interloper could withstand the iron resolve of North Vietnam. Sooner or later, doctrine decreed, the Americans would become fed up with the war. We would wearily conclude, as Paris had, that the game was not worth the candle, that our nation's interests in Vietnam were too marginal to support the vast costs of protracted struggle.

Today, the tough leaders in Hanoi see their hopes on the way to fulfillment. To them the announcement of our first withdrawal has confirmed their strategy, since, in spite of our perfunctory threats of re-escalation, they are sure we are on the way out.

In confirming that strategy, our adoption of a withdrawal program almost certainly snuffed out any lingering possibility of a negotiated settlement in Paris on terms we would ever be likely to accept. Yet, though this was a game that had to be played out, it was always a forlorn chance.

Here again, history can prove a useful tool in interpreting the thoughts of the leaders in Hanoi, since these same people were once leaders of the Vietminh. Just as many Americans have seen Vietnam in terms of their experiences in Korea—which were only marginally relevant—so the North Vietnamese have seen the American war as recapitulating their experiences with France.

To them, in fact, the present conflict is merely another chapter of the same book, the second phase of a fight that began almost 25 years ago, in August, 1945, when the Vietminh first set out to expel the French. Though the military phase was interrupted by partition at the 17th Parallel, even that was for Ho Chi Minh and his colleagues only a step toward their ultimate objective.

As now seems clear from intervening events, the Vietminh agreed to the partition of the country only because they were confident that the South would fall in their lap, either through the crumbling of the Saigon Government or through the elections to be held in 1956. Nevertheless, as an extra precaution, Ho sent an agent to speed the building of insurgency forces in the South. This agent, named Le Duan, was a functionary of the Communist party of the North.

Once Le Duan discovered that Premier Ngo Dinh Diem, with American help, was building support and that the 1956 elections would not be held, he returned from the South in a sad but wiser spirit. Ho, he proclaimed, had blundered in agreeing to partition. Had the Vietminh turned their backs on the Geneva agreement and continued the fight even a few months longer, he contended, the war-weary French would have yielded the whole country. Now they were in for a long struggle.

Le Duan's complaints caused painful discomfiture among the top Communist command, and ever since I learned of this episode four or five years ago, I have strongly doubted that Ho would make the same mistake twice, stopping the fight before he had gained the whole country. Now that Le Duan is apparently emerging as the strongest figure in the North Vietnamese hierarchy, a compromise seems even less likely.

Whatever weight one puts on the Le Duan episode, the objective evidence points strongly against the hope that the North Vietnamese will quit before they have achieved all they have sought for 25 years. With clear confirmation of an American intention to withdraw—even slowly—why should they accept half measures when things are going their way?

Let us never forget that the North Vietnamese are a formidable breed. They have been fighting for a quarter of a century (almost an entire generation has known no way of life other than bloody struggle) for only one objective: to rid their land of foreigners, whether French or American, and extend their dominion to the whole of the country. Now, with 300,000 soldiers in the North still uncommitted, they see history repeating itself—to their advantage.

Nevertheless, old habits do not die easily—that, after all, is the story of our last eight years in Vietnam—so even today many otherwise-sensible Americans still let hope give the lie to experience, seeking desperate comfort from impressionistic reports that attrition has taken its final toll of the North Vietnamese, that the losses during the Tet offensive were fatally debilitating and that the countryside has turned against the Vietcong. Perhaps—and I am sure some of it is true—but have we not heard it all before?

No one has yet explained that special quality of Vietnam which brings on periodic bouts of euphoria. Oddly enough, this is not a new—or even a peculiarly American—phenomenon. During France's struggle in Indochina, many of my friends in the French Government were subject to the same cycle of depression and exaltation that has long marked the mood of Washington. They lived and dined out on the same macabre statistics—kill ratios, body counts, the numbers of villages under Government control, etc—and, anticipating our own self-deception, they constantly pinned their hopes on a succession of bright new schemes (the Navarre Plan, the Salan Plan, the De Lattre de Tassigny Plan, etc.) that with a small amount of incremental effort, would bring a happy conclusion to the war.

Yet Vietnam, both for the French and ourselves, has proved a land of blighted expectations, because what neither Paris nor Washington could ever fully comprehend was the implacable—indeed, the fanatic—determination of the Communist North Vietnamese to drive the foreigners from Indochina and take over the country.

Having watched the Vietnamese war at close range for a number of years, I do not share the sanguine instincts of many of my countrymen. Indeed, I am inclined to attribute the present lull in the fighting more to a deliberate North Vietnamese ploy than to any confession of weakness, and I recently found this belief echoed by one of the most sophisticated political leaders in Southeast Asia—a man of extraordinary perception and experience—who said to me:

"In dealing with the North Vietnamese over the months ahead, you Americans must bear one point clearly in mind. The prime objective of North Vietnam is not to humiliate the United States; it is to bring about an American withdrawal. If, therefore, the leaders in Hanoi can encourage your withdrawal by lowering the level of violence for a period, they will accommodate you.

"This does not mean that they will stop fighting altogether. In fact, I think it is likely that they will hit hard from time to time in order to frighten the Thieu Government and remind you of your discontent; but do not be deceived into thinking that they are too weak to attack if they feel it useful to do so."

What, then, of the other assumption of our Vietnamese policy—that we will be able, while slowly withdrawing, to bring the level of fighting power of the South Vietnamese forces to the point where they can, without the presence of American combat troops, effectively protect those areas now under the control of Saigon, gradually destroy the Vietcong and finally expel the invader?

To answer this question one must look beyond the effort to recruit and train soldiers to the staying power of the political leadership to which they are responsive. It is here that I find myself most apprehensive as to the success of the President's plan because, after a substantial number of our forces have been brought home and withdrawals continue at a faster pace, the pressures on the Saigon Government are likely to build up beyond the threshold of tolerance. At the same time, the North Vietnamese can be counted on to use every device in the book—

propaganda, terror, assassination, subversion, infiltration and military harassment—to stimulate those pressures, build up discontent and political agitation and nurture doubt in the minds of the Saigon leaders.

Thus, though we must fervently hope that the South Vietnamese Army can do almost alone what it has been unable to do with the aid of a half million American troops, that is an assumption based more on faith than on history.

Communist propaganda has long insisted that the Government in Saigon is a creature of the United States which can last only so long as it is sustained by American force. Yet one need not accept this crass formulation to acknowledge that at some point in the progress toward final withdrawal the forces and counterforces let loose by the reduction of our presence and influence may prove more than Saigon can bear. And let us be in no doubt that, if the current regime should crumble, any successor government would almost certainly be driven by only one objective—to move as quickly as possible, in a spirit of *sauve qui peut,* to make a deal with the North Vietnamese, even on Hanoi's terms.

Though no one but The Farmer's Almanac should try to forecast the events of the coming year this far in advance, we should still take stock of possible contingencies if we are, as a nation, to be prepared for what may happen.

Under the optimistic scenario outlined in the President's speech, the Administration will presumably bring all conscript forces out of Vietnam as soon as possible. This seems eminently sensible, since it was a wrong and novel idea to try to fight what resembles a colonial war with a *levée en masse.* With the field left to volunteers and professional soldiers, American boys will no longer have to face the problem of fighting a war in which they do not believe.

Yet even this move may be coming too late to blunt the opposition to the war, since, for many Americans, distaste for Vietnam no longer stems merely from resentment at an agonizing personal decision. It has become a moral issue—heightened with each new revelation that even some of our own sons can be brutalized by an ambiguous combat in a foreign land under guerrilla conditions, surrounded by alien people of another race.

Nor will the return of some American boys quiet the clamor to bring others back. On the contrary, the President's decision to withdraw American troops—a decision required, as I see it, by the state of our political health—diminished the urgent character of the war. By making clear that the mission of our forces in Vietnam would from now on be a rear-guard action, the President seemed to confirm the futility of a struggle that has already lost meaning for many Americans. At the same time he set in motion a self-reinforcing process, since each withdrawal will inevitably heighten the expectation of wives and parents and even of the troops themselves that further withdrawals will rapidly follow, thus raising the fever for even faster disengagement.

All this suggests that we should, as contingency planning, recognize that we may have to face a different, less happy scenario than the one postulated by the President. First, a conscious effort of the North Vietnamese to dampen down the fighting until our program of withdrawals has acquired a sustained momentum. Then, an attack or series of attacks, raising still further the pressure to bring more boys home, while at the same time eroding the confidence of the South Vietnamese that they can carry on the fight alone—or of individual Vietnamese leaders that they have a secure future. The result: accelerated American withdrawals and ultimately the disintegration of the Thieu Government.

When historians dissect our experience in Vietnam—as they are already beginning to do—they will, I think, be amazed at the recurrent theme of recklessness throughout our policy. Again and again we have gambled that a new approach or emphasis or additional increment of effort would bring success, but we have refused to prepare for the possibility that we might not fully succeed in our objective. Thus, we have painted out one option after another while insisting we were acting to preserve options. We have built up our investment of men and material when the chances of success were too slight to justify the added risk.

Today we are repeating the same error, but in a somewhat different form. Although we are no longer engaging additional forces in Vietnam, we are, while tying our future to a plan that may not work, rejecting those measures that could ameliorate the costs in the event of failure.

That such costs would be considerable no matter how much we might try to reduce them is beyond question. No great power can extricate itself from an untenable position in which it has engaged vast resources without serious loss in prestige and authority.

Yet to a considerable extent we have already suffered that loss. The spectacle of more than half a million young men from the world's strongest power floundering for years in the jungles and paddies of a small, backward nation without decisive result has already impaired the legend of our omnipotence, while Gothic tales of massacres and Green Beret executions have challenged Lidice and Katyn as the shibboleths that distinguish the barbarians from the humanity we have worn like a badge.

Yet many of the other costs of the war need be only short-term if we choose to make them so, because, to a substantial degree, our predicament results from the gradual inflation of our political rhetoric.

From the very beginning of our active involvement, Vietnam has posed a dilemma for successive American administrations, stemming from the simple fact that to succeed in a democratic society, governmental policies need public support. Thus, whenever a President deploys our military power, he is obliged to prove to the satisfaction of the American people that the objective is worth the commitment; then, if success is not readily forthcoming and more force is required, he is under pressure to exaggerate the importance of the contest to justify the additional expenditure.

This process worked with a vengeance in Vietnam until, as repeated frustrations led us to commit massive ground forces, the need for ever-greater justification pushed Vietnam to center stage as the obsessive focus of American interest.

So we are caught in a tangled web of our own making. To justify our expanding commitment of force, we have continually restated our objective in increasingly strident terms, while at the same time exaggerating the political costs of extricating ourselves from a situation which large numbers of our people find totally unacceptable.

The lesson of all this should be quite obvious: since no one can guarantee that the present plan for measured withdrawals will prove successful, and there is a strong chance it will not, we should, as a matter of simple prudence, reverse the process by which we inflated the importance of Vietnam beyond life-size. We should, in other words, accompany our attempts to de-escalate the war by de-escalating our appraisal of it, at the same time preparing the political ground to mitigate the costs.

Thus, rather than harping on the calamitous consequences of failure, our Government should, by careful preparation, establish the proposition that if the present program does not function as hoped—if, for example, the Government in Saigon disintegrates and our troops are invited to leave the country—we will still have done all that anyone might reasonably have expected of us.

As a lesson in how to proceed we would do well to look back to the time it all started, in October, 1954, when President Eisenhower sent a letter to Diem promising assistance to South Vietnam. In that letter he offered to aid "the Government of Vietnam in developing and maintaining a strong, viable state, capable of resisting attempted subversion and aggression through military means."

But, as President Eisenhower made emphatically plain, this offer was *not* unqualified. It was made on the explicit condition that the Government of Vietnam "give assurances as to the standards of performance it would be able to maintain in the event such aid were supplied."

"The Government of the United States," he wrote, "expects that this aid will be met by performance on the part of the Government of Vietnam in undertaking needed reforms. It hopes that such aid, combined with your own continuing efforts, will contribute effectively toward an independent Vietnam endowed with a strong government. Such a government would, I hope, be so responsible to the nationalist aspirations of its people, so enlightened in purpose and effective in performance, that it will be respected both at home and abroad and discourage any who might wish to impose a foreign ideology on your free people."

Unfortunately, the quite-proper conditions that President Eisenhower underlined so clearly were largely lost sight of in later years, when American governments sought to save a succession of South Vietnamese governments, not so much from the depredations of the North as from their own inadequacies. Yet now, looking back with a great deal of painful experience behind us and an uncertain future ahead, do we not owe it to ourselves to reimport into the statement of our objectives in Vietnam the conditions that President Eisenhower so wisely spelled out when our effort was first undertaken? And would not this be particularly appropriate for President Nixon, who was Vice President of the Administration that attached those conditions?

Thus, President Nixon would, I think, be quite justified in making it clear that we regard his program announced on Nov. 3 as a final test for the Government in Saigon. Has it at long last met those standards which were the essential condition for American assistance? If the South Vietnamese armed forces are able to stand alone and the Government widens its base and extends its authority, the answer is clearly "yes." If, on the other hand—after all the years of effort—the Saigon Government should fail under the pressure of our phased withdrawals, the answer is just as clearly "no.". It has not become a "strong government" "enlightened in purpose" and "effective in performance."

Once we make this point explicit, we can with good reason claim to have upheld our part of the bargain, no matter what happens. If a breakdown of the Thieu Government leads to our being no longer wanted in South Vietnam, we need make no apologies; though disappointed, we will still have done all we contracted to do.

This is a reasonable position for America, wholly consistent with the program President Nixon has announced, and certainly far wiser than crying havoc. No purpose whatever is served by continuing to insist that the crumbling of South Vietnam would lead to the overrunning of all of Southeast Asia. No one can prove that assertion, and there is much history against it; in any case, the further expansion of the North Vietnamese—for that is what we are really talking about—would depend to a considerable extent on what we did to stop it.

After all, let us never forget that South

XUM

Vietnam has offered the worst possible terrain, both political and physical, on which to hold the line. Yet, in contrast to South Vietnam—which was historically only one-and-a-half kingdoms embodied for many years in the French empire—Thailand is a nation with a long, rich history and a sense of its own nationality. Malaysia drove out the equivalent of its Vietcong some years ago. Singapore is a small nation with almost an export surplus of skilled leadership, while Indonesia—the ultimate prize of the region—is not a part of the Asian mainland but protected from infiltration by a barrier of water.

These countries and others in the region are thus totally different from South Vietnam, and to equate the destiny of that poor beleaguered acreage of paddy and jungle with that of the whole of Southeast Asia is, I think, to distort the military and political realities. After all, the great captains of history drew their lessons from complex chess, not simple dominoes.

Not only is it factually dubious to exaggerate the dangers that may flow from the inability to achieve our overblown objectives, but it involves the risk of undercutting our own authority. Having spent a large part of my time abroad over the last few years, I am convinced that other nations, by and large, are inclined to put great weight on our own assessment of any situation in which we become deeply involved. Thus, if we continually emphasize that a North Vietnamese encroachment into South Vietnam would be a world-shaking catastrophe, we may well find ourselves the victim of a self-fulfilling prophecy. Let us recognize therefore, that alarmist predictions are a form of self-indulgence we can no longer afford.

Instead, the major thrust of our policy should be to restore a more rational perspective, correcting our political maps to make clear that, in spite of the impressions created by past rhetoric, there is no hill in South Vietnam named Armageddon nor any sacred redoubt called the Alamo.

What America has done is to spend a frightful amount of blood and treasure in a good-faith endeavor to help a handful of people in a far corner of the world build a nation where there was none before. In the frustrations of this effort we have, as President Nixon has perceptively pointed out, tended to take over too large a part of the burden ourselves. Not only too much of the military burden, but also of the internal political burden. Thus, we have tried—by the alchemy of our own will and resources—to make bricks with very little straw, to conjure up a "strong, viable state" where only a meager sense of nationality existed.

Today, as we seek to restore perspective to the Dadaist picture that is Vietnam, we should stop once and for all implying what the world knows to be quite untrue: that all areas of the globe are of the same importance to our national interest.

For, by what we have done—more than by what we have said—we have eloquently emphasized that this is not the case. Throughout the last 20 years we have made clear to prospective aggressors that an attack on Western Europe would be met with nuclear weapons, since encroachments on that vital industrial area would so drastically tip the power balance as to endanger our own security. By the same token, we have made it equally clear that the struggle in Vietnam was merely a "limited war for limited ends"; it would never be more than a local conflict, since the United States does not regard that agrarian area as of sufficient strategic importance to justify the risks of a nuclear collision.

To suggest, therefore, as has sometimes been done, that even if our failure in Vietnam should result from a breakdown in the Saigon Government, it would destroy the credibility of our worldwide commitments, is, in my view, reckless hyperbole. Certainly, the people of Berlin do not equate themselves with the Vietnamese, and it would not occur to them that an ambiguous end to the Vietnamese war could mean that we Americans could no longer be trusted to defend Berlin—not unless we continue to tell them so.

While earnestly seeking to regain a proper focus on Vietnam, we should also be studying the lessons to be gleaned from that tragic experience. This exercise will be useful if we succeed and imperative if we fail.

For if we do not succeed—if the war should shudder to a disappointing conclusion, quite possibly next year—then an unprepared America could well give itself to passion and reprisal. Even more important, our country could reach quite wrong conclusions as to its future course. We have seen political hysteria before in our lifetime—in post-World War I Germany and even in our own country—and, should it be unleashed again just as a new generation is about to take the levers of power, we might well throw overboard the policies that have protected civilized mankind for 25 years and move again toward an old discredited isolationism.

We followed that dismal course after World War I when we pulled the bedclothes over our heads and pretended that nothing that went on outside our hemisphere was of any concern to us. As a result, we did nothing whatever to stop the bully tactics of Hitler or to deflect the squalid maneuvering that led to World War II; we simply dropped out. When we were finally shocked awake, it was late in a dark night, and far more millions of people—including Americans—died than might have been the case had our country played a steadying and responsible role in the chaotic world politics of the nineteen twenties and thirties.

To those who lived through that grim period, the lesson of Vietnam should be remarkably simple. It is not that we should refrain from using our power, but that we should be more careful where and how we use it. Certainly we should never again commit our power in an area of marginal strategic importance, on physical terrain where it cannot be effectively applied and in a land where the political underpinning is too weak to sustain a major military effort.

What we should do instead is redefine quite carefully the outer limits of what we can effectively undertake. We have learned that we cannot do everything, and in the future we must be more selective in engaging our finite strength.

I fully recognize that to translate these generalities into usable guidelines will not be easy. It will require calm and responsible discussion, both public and private. Yet we had better get on with the task. That is all part of preparing ourselves for the critical months that lie ahead, for 1970—like the famous year 1666—could well be an *annus mirabilis*, a "year of wonders," and if we are to acquit ourselves with the wisdom in which we take so much pride, we had better prepare ourselves—in a mood of realism—for all that may happen.

HAZEL McCLURE IS NAMED KANSAS TEACHER OF THE YEAR

HON. LARRY WINN, JR.

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. WINN. Mr. Speaker, Miss Hazel Dean McClure, a native of Osawatomie, Kans., has been selected to represent Kansas in the National Teacher of the Year program sponsored by the Council of Chief State School Officers and Look magazine.

It is a constant source of pride to me to be able to note the outstanding accomplishments of the good people who live in the Third Congressional District of Kansas. I would like to share with my colleagues some of the reasons for the selection of Miss McClure as outlined in the following article from the Osawatomie Graphic-News:

DEANA MCCLURE IS NAMED KANSAS TEACHER OF YEAR

TOPEKA.—A re-assuring smile, a helpful suggestion, a friendly touch, a compliment for a job well done—these are characteristics of Hazel Dean McClure, the 1970 Kansas Teacher of the Year.

Deana, as Miss McClure is known to her many friends and colleagues, teaches freshman and junior English and literature in a bright, well-lighted classroom at Osawatomie High.

She was selected by Dr. C. Taylor Whittier, commissioner of education, as an outstanding classroom teacher to represent Kansas in the National Teacher of the Year program sponsored by the Council of Chief State School Officers and Look Magazine.

This award, presented annually by the president, emphasizes teaching both as an achievement and an inspiration. A superior ability to inspire love of learning in students of all backgrounds and abilities is the prime criteria for selecting state nominees.

Miss McClure meets this qualification well according to her administrators, board members, and colleagues.

"She is outstanding as a teacher because she is able to educate all children," emphasizes Ernest L. Swenson, Unified District 367 superintendent. "She is able to take them as they are and motivate them to their highest potential."

John Shaw, high school principal, added, "She has the ability to make every child feel that he is important, and she instills in each student the desire to achieve to benefit himself and those around him."

Miss McClure's attitudes and philosophy of education become obvious to an observer as she moves about her classroom—encouraging, praising, suggesting, and prodding when necessary—in her efforts to involve each student in the day's activities. The students frequent her doorway between and after classes seeking advice and assistance.

Reflected in her own words, this philosophy states, "Since a democracy needs its people to be able and willing to judge wisely not only for themselves but also for the common good, I believe that the objective of education is to build responsible, thinking, public spirited citizens. I believe that the educational program should help students build good characters and develop worthy interests as well as attitudes which can accept change and adapt to the challenges of the times."

In her own field of teaching Miss McClure's objectives includes helping the student learn to think clearly, critically, and independently; guiding him in learning to express himself clearly and effectively; helping him achieve the ability to glean all from the printed page that was intended; and teaching him to evaluate and select worthwhile books, movies, and television programs.

These attitudes are reflected outside the regular classroom as Miss McClure serves her school, profession, and community.

For 25 years she has sponsored Kayettes at Osawatomie High, and has been senior counselor at the Kansas Association for Youth Leadership summer camp for the past 15 years.

Her teaching is carried into the community through a succession of special Kayette service projects which have included a safety awareness program throughout the school and community, spring housecleaning at the city library, and sponsoring recreation activities and birthday parties for children in the adolescent center at the Osawatomie State Hospital.

Miss McClure is presently a member of the state president conference planning committee and the program development committee at the national level of the American Association of University Women. She served as State AAUW president from 1967 to 1969 and has held numerous positions at the state and local levels.

She also plays an active role as a member and officer of the Business and Professional Women's Club; Delta Kappa Gamma; local, state, and national professional teacher organizations; and various community membership in the Kansas Council of Women and Pi Lamba Theta, honorary society for women in education.

She also extends her teaching services to the Sunday School of the Methodist Church and, for the past four years, in the school's summer reading improvement program.

Deana taught one year at Lane before returning to her hometown of Osawatomie as a fifth grade teacher. After three years, she moved to the position she has filled for 23 years.

She attended Baker University two years on an undergraduate scholarship, completed her bachelor's degree at the University of Kansas in 1943, and earned a master's at Kansas State Teachers College of Emporia in 1964.

"I have always wanted to teach, even as a young girl," Miss McClure stated. "Teaching is the most important thing one can do, if he works at it."

She concluded, "Teaching is important because we are working with the future! Every young person presents a different challenge and these kids are our future!"

THE POPULATION PROBLEM

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. ANDERSON of Illinois. Mr. Speaker, I think it is highly regrettable that the leadership has chosen to delay action on H.R. 15165, a bill to establish a Commission on Population Growth and the American Future. This bill has already been approved by the other body and it has been reported out of the House Government Operations Committee. I fail to see any legitimate reason for postponing its consideration by this body. It seems to me that this is just one more example of the irresponsibility and foot dragging which has characterized this session of Congress. How can we possibly maintain the credibility and viability of this body if we continually back away from and ignore the basic problems which confront our society today? And the population problem is perhaps one of the greatest challenges to emerge in this century.

On July 18 of this year, President Nixon sent to the Congress a message which addressed itself to this challenge. The President stated, and I quote:

> One of the most serious challenges to human destiny in the last third of this century will be the growth of the population. Whether man's response to that challenge will be a cause for pride or for despair in the year 2000 will depend very much on what we do today. If we now begin our work in an appropriate manner, and if we continue to devote a considerable amount of attention and energy to this problem, then mankind will be able to surmount this challenge as it has surmounted so many during the long march of civilization.

The President made a number of far-reaching recommendations to deal with both the international and domestic population problem. One of his key domestic proposals was the creation of a Commission on Population Growth and the American Future. The President explained the urgent need for such a commission in the following manner:

> Perhaps the most dangerous element in the present situation is the fact that so few people are examining these questions from the viewpoint of the whole society. . . . In the governmental sphere . . . there is virtually no machinery through which we can develop a detailed understanding of demographic changes and bring that understanding to bear on public policy. The federal government makes only a minimal effort in this area. The efforts of state and local governments are also inadequate. Most importantly, the planning which does take place at some levels is poorly understood at others and is often based on unexamined assumptions.

The Commission proposed by the President would have a threefold purpose: To chart the probable course of population growth, internal migration, and related demographic developments in the next 30 years; to determine the resources required from the public sector of the economy to deal with the anticipated population growth; and to determine the ways in which the population growth may affect the activities of Federal, State, and local government.

The Government Operations Committee bill has added two additional areas for study by the Commission: the impact of population growth on environmental pollution and on the depletion of natural resources; and the various means appropriate to the ethical values and principles of this society by which our Nation can achieve a population level properly suited for its environmental, natural resources, and other needs.

Mr. Speaker, I think it is obvious that if this Commission is to do the job which needs to be done in planning for the next 30 years, it must be given the authority to begin its task today. This is not an issue which can be shoved onto some backburner for an indefinite period of time. The fact is that this is something which should have been started yesterday.

In conjunction with this, I think it should be pointed out that today the House Republican Research Committee Task Force on Earth and Population Resources released its report entitled "Federal Government Family Planning Programs, Domestic and International." Under the able leadership of Congressman GEORGE BUSH, this task force has been examining population and environmental problems over this past year. The task force report addresses itself to the need for achieving a national goal of providing family planning services to the 5.3 million American women who need such services yet cannot afford or are unable to obtain them; and secondly, it confronts the world population problem and the American role in assisting nations with their population planning programs.

As chairman of the House Republican conference I want to commend the task force on the outstanding work it has done and for the insight and foresight it has shown in confronting this problem. The task force report clearly reflects the concern expressed by the President in his population message and goes on to enumerate a set of recommendations aimed at meeting the need which exists. I commend the entire report, which may be found at another point in this RECORD, to the attention of my colleagues. At this point in the RECORD I include an editorial from the December 17 New York Times, entitled "The Next Hundred Million," which stresses the urgency of the population problem with special reference to the need for a Commission on Population Growth and the American Future.

The editorial follows:

THE NEXT HUNDRED MILLION

> It took three hundred years for this country to attain a population of one hundred million persons.
>
> The second hundred million Americans arrived, by immigration and birth, in only fifty years, between 1917 and 1967.
>
> At present rates of growth, the United States will reach a population of 300 million within the next thirty years.
>
> An increase of that magnitude in so short a time will place an enormous strain on American resources and institutions. For example, in order to provide housing and other facilities for the expected population increment, it will be necessary to build the equivalent of one new city of 250,000 inhabitants every forty days from now to the end of the century. If new cities are not created, the newcomers could place an intolerable strain on the overburdened urban centers where two-thirds of the nation's people already are concentrated on 2 per cent of the national land area.
>
> No one has yet calculated the resources that will be required to sustain a population of 300 million at the rising standards of living to which Americans have become accustomed. But it has been estimated that every child born in the United States will consume eight times as much of the world's resources as a child born in the underdeveloped world. William H. Draper Jr., former chairman of the Population Crisis Committee, has warned:
>
> "All the values we cherish—happy families, decent housing, universal education, equal economic opportunity, natural beauty, outdoor recreation, simple privacy and, above all, individual human freedom—are threatened by the prospect of a population which doubles every seventy years. In the things that really count, three hundred million Americans may be poorer in the year 2000 than we are today."
>
> It was with such grim prospects in view that President Nixon last July recommended to Congress creation of a Commission on Population Growth and the American Future to study the probable course of population growth and migration in this country and to estimate the public resources that will be required to meet future needs. The Senate has already approved a bill to create such a commission. Last week the House Government Operations Committee also endorsed the bill, wisely adding to the commission's assignment the determination of the effects of population growth on environmental pol-

lution and estimation of the most suitable population size in relation to the nation's resources.

The sooner this commission is established and starts its work, the better for all of us. No one who lives in this congested, polluted megalopolis of the northeastern United States can doubt that the population crisis is here and now.

WILLIAM BROWNE, A GREAT CONSERVATIONIST AND A GREAT AMERICAN

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. BENNETT. Mr. Speaker, Mr. William Browne III, a constituent of mine, has made a magnificent gift to future generations, an inspiration to me as well as to everyone who knows of it. I have long known and admired Mr. Browne, as well as his brother, the late Saxon Browne. I include in the CONGRESSIONAL RECORD the following articles, which speak of the tremendous gift that Mr. Browne has made, and of his own self-denial in the process:

[From the Florida Times-Union, Nov. 26, 1969]

SWAMP'S BEEN HIS HOME: RECLUSE DONATES $1-MILLION TRACT

(By Bill Foley)

William Browne III, who has lived in the wilds north of Fort Caroline Road for the last 80 years and kept the outside world away from them, is giving better than $1-million worth of land to be maintained as a nature preserve.

The Nature Conservancy, a private, nonprofit organization headquartered in Washington, said Browne is donating 361 acres fronting on the St. Johns River.

The area is to be named the Theodore Roosevelt Preserve, according to Thomas W. Richards, president of the Nature Conservancy.

It is to be used for scientific and educational purposes by Jacksonville University. JU President Robert H. Spiro says the university will observe both the letter and spirit of Browne's wishes in protecting the land.

"Jacksonville University is delighted to cooperate with the Nature Conservancy in effecting the wishes of Mr. William Browne," said Dr. Spiro. "Our biologists and other scientists will assist in the preservation of this property, which also will serve importantly in the scientific education of our students."

Richards said the land represents Browne's entire estate.

"He could have reaped great profit from its sale to commercial interests. He chose, instead, to give the people of northern Florida and their progeny a unique example of natural America," said Richards in announcing the gift Monday.

The land, bathed by wandering marshes and lushly grown with palmetto stands and Spanish moss-draped trees, is virtually the same as it was when Browne's father bought it in 1884.

"Mr. Willie," as Campfire Girls who camp nearby call him, has lived on the property since he was six months old—alone since his brother Saxon died 10 years ago.

Browne donated the land for the Campfire Girl camp—about 300 acres away from his electricity-less frame cabin—several years ago. The organization responded by naming it Camp Wil-Le-Ma, after "Willie's Ma."

Although Browne has successfully kept the world well away he has allowed archeologists from the University of Florida to do extensive work over the years. The property is abundant in Indian mounds and kitchen middens and the scientists say it was inhabited as long as 6,000 years ago by a people unrelated to the Seminole and Timucuan Indians who later settled there.

It's still overgrown with saw and cabbage palmetto, live oak, water oak, hickory, magnolia, long-leaf pine, sweetgum and loblolly bay—dark, silent and far removed from the cluster of commercial and residential Arlington.

The land is a haven for birds and other wildlife, with heron rookeries in each of the two major marshes that break up the dense undergrowth. Yellow-crowned night herons are common and bald eagles can be found there.

The gift was announced in Washington—while Browne remained alone in his preserved wilderness.

The Nature Conservancy also has regional offices in Evanston, Ill. and San Francisco. In its 15 years of operation, it has been responsible for preservation of more than 130,000 acres nationally, said a Conservancy spokesman.

Last year more than $5 million in land was turned over to the National Park Service, Bureau of Sport Fisheries and Wildlife and other agencies by the organization, he said.

[From the Washington Post, Nov. 27, 1969]

LAND DONATED FOR WILDLIFE

JACKSONVILLE, FLA.—Willie Browne III has donated as a wildlife refuge the 361 acres of marsh and palmetto land where he shunned civilization for most of his 80 years.

The gift was announced Monday by the Nature Conservancy, recipient of the land. The private nonprofit organization valued the land at approximately $1 million.

Denizens of the area include the bald eagle and the yellow-crowned night heron, both near extinction from the inroads of civilization.

Browne never went to school, married, attended church or rode in an airplane. He had hardly left the land—acquired by his lawyer father in 1884—since he was 6 months old. The last other surviving member of his family, a brother, died in 1959.

Self-educated under the guidance of his parents, Browne was an avid reader of newspapers, magazines and history books.

He never said why he chose isolation, but expressed one regret in life: He did not achieve his ambition to become a Pony Express rider.

Asked why he gave his land away after so many years of deep attachment to it, the old hermit replied:

"I believe the saying from the Bible that bread cast upon the waters comes back to you."

BIG TRUCK BILL

HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. SCHWENGEL. Mr. Speaker, my editorial for today is from station WBT in Charlotte, in the State of North Carolina. The editorial follows:

LONGER, WIDER, HEAVIER

Several months ago, this station opposed a bill before the General Assembly that would permit passenger buses to be eight-and-a-half feet wide—half-a-foot wider than the present limit. The bill, however, quickly passed both the House and Senate, with the slight modification that it would not take effect until federal regulations allow the same additional width on interstate highways.

Congress is already considering such legislation—not for the first time, either, and not just for buses but for trucks also, AND not just for increased width but for increased length and load weight as well.

Is there a single motorist who doesn't think trucks and buses are big enough already, or who hasn't clenched his teeth and tightened his steering grip in the presence of these snorting mammoths? Do we have to remind anyone of the strain on roads and bridges, of the crowding of traffic lanes, of the jolting suction and blinding spray that they create?

And yet someone wants to make them longer, wider, and heavier. Who? The people who own them, of course, not the general public. It might be expected that Congress would side with the public, yet last year the Senate actually *passed* a bill for longer-wider-heavier vehicles. Fortunately, it never reached the floor of the House. But the battle has started all over again this year with hearings before the House Public Works Committee.

This station recognizes the vital service that trucks and buses perform in moving goods and people from one point to another and the importance of the trucking industry to Charlotte and the Piedmont Carolinas. But that gives them no right to hog the highways even more and to clog the streets at the expense and to the danger of all other traffic. We believe you think the same thing, and we urge you to write your sentiments to the Public Works Committee, House of Representatives, Washington, D.C., or to the Congressmen of your choice. Or write to us, and we'll pass it on.

FRANCIS M. LEMAY PASSES

HON. BILL NICHOLS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 22, 1969

Mr. NICHOLS. Mr. Speaker, It is with sorrow that I inform the House of the death Saturday, December 20, of Francis M. LeMay, a longtime newsman who later served as Coordinator of Information for the House of Representatives and then as a staff member of the House Committee on Agriculture.

I know that a great many Members of the House knew Frank LeMay well and not only respected him highly in regard to his professional ability but considered him a true southern gentleman and a cherished friend. I know they will join me in voicing deepest sympathy to his wife, the former Jeanette Mitchell.

Funeral services for Frank are to be held at 2 p.m. today in Florence, Ala., with burial in Russellville, Ala.

I ask to have inserted in the CONGRESSIONAL RECORD the obituary which appeared in yesterday's Washington Post, December 21, 1969, under the heading: "F. M. LeMay, Newsman, Aide to House Panel":

Francis M. LeMay, 63, a retired newsman and aide to the House Agriculture Committee, died yesterday at his home in Town Creek, Ala., following a cerebral hemorrhage Friday.

He served on the House Committee for 15 years before his retirement in 1967. He had earlier worked for the Atlanta Constitution and Florence (Ala.) Times and joined the AP in 1928.

Before being appointed Co-ordinator of Information for the House of Representatives in 1951, Mr. LeMay had served as Chief of the AP staff covering the House. He was a native of Alabama and a graduate of the University of Alabama.

Mr. LeMay is survived by his wife, the former Jeanette Mitchell, who was office manager of Sears Roebuck and Co. corporate office here until her retirement in 1968.

A TRIBUTE TO ROSS WILSON

HON. KEN HECHLER

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. HECHLER of West Virginia. West Virginia lost one of its leading citizens Thanksgiving Day in the passing of Ross Wilson, of Elizabeth, who had been associated for 51 years with the Wirt County Journal, a weekly newspaper, and who up until a few weeks prior to his death at the age of 86, was actively engaged in helping to publish the Journal. During his long and illustrious career, Mr. Wilson also served as an educator and a leader in youth activities. I wish to extend my sympathy to his family. A son, Woodrow Wilson, editor of the Journal, published the following articles on his father, including a warmhearted tribute as seen through the eyes of a child—Mr. Ross Wilson's granddaughter, Susan Noyes:

Rites Conducted for Ross Wilson

Ross Wilson, City, retired Wirt County educator and newspaperman, died Thanksgiving evening, Thursday, November 27, in Camden-Clark Memorial Hospital in Parkersburg. He was 86 years of age, and had been in failing health the past few weeks, suffering with congestive heart failure.

Born in Wirt County December 26, 1882, he was a son of the late Emerson M. and Lucinda Haught Wilson of near Brohard.

He was a farm boy and school teacher for several years around the turn of the century, and was graduated from Marshall College in 1910. He served three terms as Superintendent of Wirt County Schools, being elected first in 1910, again in 1914, and was the last publicly elected Superintendent in 1930, before the West Virginia County Unit System went into effect.

In 1918, he and the late C. H. Snodgrass, also a Wirt County educator, purchased the Wirt County Journal, which had been founded in 1908 by Fred Haverty. The next year, Mr. Wilson purchased Mr. Snodgrass' interest in the publication and was the owner, editor and publisher until 1946, when he retired from active business life.

During his early years as School Superintendent, he was instrumental in the organization of what are now 4-H Clubs, as he assisted personnel from West Virginia University in introducing the program in Wirt County, then known as Farm or Garden Clubs. Later he served as a director of the Camp Barbe Association for many years. He was also a former Boy Scout leader in Elizabeth. During the World War I years, he served as clerk of the Selective Service Board.

He was a member of the Elizabeth Baptist Church, Burning Springs Lodge No. 132, A.F. & A.M., in which he had received his 50-year membership pin, and of Palestine Council No. 33, Jr. O.U.A.M.

Surviving are his widow, Mrs. Cassie Ferree Wilson; one daughter Mrs. John H. (Werneth) Noyes, of Amherst, Mass.; four sons, Elwin B. Wilson of Belmont, Ward Wilson of Athens, Ohio, Duane and Woodrow Wilson, City; one sister, Mrs. Zillah Caltrider, City; one brother, Harry B. Wilson, of Mt. Pleasant, Mich.; 16 grandchildren, and two great-grandsons.

Funeral services were conducted at 2 p.m. Sunday at the Elizabeth Baptist Church, with the Rev. Vairl C. Winter of Ripley officiating. Burial was in the Elizabeth K. of P. Cemetery where Masonic graveside rites were conducted. Pomroy Funeral Home, City, was in charge of the arrangements.

Side Views

(By the editor)

Our thoughts on the life of a wonderful Dad are shared, we know, by many of our readers who have known him personally in the school room and a variety of other ways in the educational field, as well as his connection with the Journal for the past 51 consecutive years.

A tribute to one departing the journalistic field and public eye is customary and expected. Many of you have already helped create and shared in that tribute by your kind expressions to family members, which we deeply appreciate.

On Thanksgiving evening, 1969, he "turned in his report," an expression of his own made in previous years in reference to this solemn occasion which must eventually come to us all, and which holds a similarity to activity in his first-chosen profession of teaching and education.

Your Editor leaves to a family member of a younger generation the remainder of this tribute. It was written, not with any thought of publication, more than four years ago (on Sept. 24, 1965) by Miss Susan Noyes, Werneth's daughter, then age 11 and in Grade 6, as a classroom assignment for a spelling story. It follows:

GRANDFATHER

My grandfather, Mr. Ross Wilson, lives with my grandmother in a little town, Elizabeth, West Virginia. He is my mother's father.

He has been retired for many years, but, before, he was a schoolteacher in one room schools, a principal of graded schools and taught eighth grade. He also was superintendent of Wirt County Schools. He was owner, editor and publisher of a weekly newspaper, the Wirt County Journal. One of his four sons, my Uncle Woodrow, now holds this position.

My grandfather is getting quite deaf, but that doesn't change him a bit, he's a wonderful man.

Grandpa doesn't get angry or frustrated very often, but when he does he says "Pshaw." This sounds like a perfectly harmless word, but, when he says it, it explodes! It bursts into flame!

Grandpa used to take care of several cows. He walked about a mile every morning and every evening to milk them. People along the road would set their clocks by him, for he always went to milk them at exactly the same time. He also kept kittens in the barn and helped grandma keep chickens. Now they have sold the chickens and given the cows and cats to Uncle Woodrow.

My grandfather has a beautiful garden. He works in it every morning. Grandpa grows huge, lush, juicy watermelons and muskmelons, and delicious corn (roasting ears). He seems to have thousands and thousands of beans and tomatos. He grows and digs potatoes and sweet potatoes. He has prize-winning pumpkins. He always sends me some of his peanuts that he has grown; they're the best tasting things! I don't know what else he has, but it's a huge garden! He never sells his surplus food—he says it tastes better if he gives it away.

No one else in the family has this amazing knack of his: he just walks along, bends down and picks a four-leaf clover. He has the sharpest eyes for them, and I never find any! We go to visit them every summer and grandpa has always saved some four-leaf clovers for me to find. We were so surprised this morning when we found in the mail a six-leaf clover he had sent us! I said, "Well, if anyone could find one, he sure could."

My grandfather has a wonderful sense of humor which we all love.

He loves to fish in his spare time.

He walks up to the printing office every day and helps Uncle Woody with the paper.

Grandpa has bright, cheery, blue, blue eyes and white hair that used to be black. We always see him in the summer, so he has a tan that he gets from working in the garden.

Mr. Ross Wilson, my grandfather, is 82 years old, getting deaf, but, as I said before, he's the most wonderful man I know, next to my Dad.

OLSEN YEAREND REPORT

HON. ARNOLD OLSEN

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. OLSEN. Mr. Speaker, I appreciate the opportunity to submit for the Record the following report which I have made to the working men and women of Montana:

COPE RATES OLSEN "ONE OF THE BEST" IN 91ST CONGRESS

The Committee on Political Education (COPE) scorecard for the 91st Congress recorded a perfect record for First District Congressman Arnold Olsen.

The scorecard indicates whether congressmen voted for or against the interests of labor on key votes this year.

In a report to Montana AFL–CIO executive committee, COPE Director Ernest Post said "Congresman Arnold Olsen voted right on all issues and points up the need for our continued support of the Congressman from the 1st District."

OLSEN PRESSES FOR OVERHAUL OF UNEMPLOYMENT INSURANCE

Workers and their families have less real protection against "temporary" unemployment today than when the nation's unemployment insurance system began more than 30 years ago. Nationwide standards for unemployment compensation benefit levels, duration and eligibility have been called for by 1st District Congresman Arnold Olsen.

Olsen emphasized that the lack of federal standards for unemployment insurance has led to "serious deterioration" of the system.

The first District Congressman pointed out:

Maximum benefits have fallen from 65 percent of the average weekly wage in covered employment in 1938, to about 30 percent today.

Some 18 million workers, many of them public employees, farm workers, and domestics, are still denied protection of the insurance. This "stands out like Pikes Peak in our present system of income maintenance."

Harsh disqualifications rule out protection for many who would otherwise be eligible for temporary help while looking for work.

He also pointed out that 11 million people were out of work at some time during 1966. Only three in ten drew even the "benefits that allow less than poverty level subsistence."

XUM

URGES SURTAX END

1st District Congressman, Arnold Olsen told the House Ways and Means Committee he will work against any extension of the surtax until it is combined with immediate substantial and equitable reform of the federal income tax structure.

OLSEN SEES "SOME RELIEF" FOR WORKERS IN TAX REFORM

Montana's Arnold Olsen said he is pleased the First Session of the 91st Congress resulted in some degree of tax reform, but expressed disappointment that the reforms did not go farther.

The Montana lawmaker had introduced legislation calling for broad reforms, with the closing of 13 tax loopholes which enable many wealthy Americans to escape taxation altogether.

"There is little justice to our nation's laboring men and women who must pay taxes on their earnings when persons with gross incomes of more than $1 million a year are not paying any taxes," Olsen commented.

Olsen said tax changes voted this year would "at least partially close many of the loopholes and provide tax relief soon for all middle class Americans," but he expressed hope that the Congress will turn its attention at once to other glaring tax inequities.

OLSEN PRESIDES AS CHILD MILK BILL IS PASSED IN HOUSE

Presiding over the House of Representatives during consideration of extension of the Child Nutrition Act, Olsen steered the legislation to an overwhelming victory with only two Congressmen casting negative votes. This House action extended indefinitely the special milk program authorization contained in the Child Nutrition Act of 1966. In addition, it increased the appropriation authorization for 1970 and following years by $5 million—from $120 to $125 million.

Speaker McCormack said he selected Olsen to preside over this legislation because of his "intense interest in education and in assuring an adequate diet for all school children."

HOUSE APPROVES DIRECT ELECTION

Representative Arnold Olsen reports success in co-sponsoring legislation providing for direct election of the President.

Olsen said the legislation just passed calls for an amendment to the Constitution to provide for the election of the President on the basis of the popular vote. If no candidate received a 40 per cent plurality, there would be a run-off election between the top two candidates. "This is a long overdue reform of our present antiquated electoral college system," Congressman Olsen commented.

OLSEN RECOMMENDS FULL DISCLOSURE

Arnold Olsen: Last year the House and Senate adopted new rules on ethics and conduct for congressmen and their staffs that were laudable in their intent but called for only limited financial disclosure reports.

The statements required under the new rules have been filed and their obvious shortcomings put on public display.

The basis for Olsen's bill is simple enough: a public official should be required to make full disclosure of income over and above his salary as a public official, and, just as important, the source of the outside income.

The electorate has a basic right to this information in making its choice of elected officials and in placing its full confidence in the government in terms of those appointed to office, Olsen states.

OLSEN TESTIFIES TO PRESERVE JOB CORPS CENTERS

As lead-off witness before House Education and Labor Committee hearings on the closing of Job Corps Centers, First District Congressman Arnold Olsen challenged the Nixon Administration judgment in its decision to close certain Job Corps Centers.

The Montana Centers remain open today because of the efforts of the Montana Congressional Delegation.

RAIL MERGER PLAN GETS OLSEN FIGHT

Rep. Arnold Olsen, asked the U.S. Attorney General to continue Justice Department opposition to the proposed Northern Line Railroad merger. Olsen's action followed a decision by a three judge federal court upholding the merger.

In a letter to the Attorney General, Olsen strongly supported the Justice Department opposition to the merger. "The Department correctly contends that the merger eliminates competition among five railroads serving the Northwest. This elimination of competition will be to the detriment of service to shippers and receivers of goods in Interstate Commerce," he asserted.

Olsen, who said he was hopeful the merger will be opposed "all the way to the Supreme Court if necessary," charged that the evils of such a merger included "the design and goal of the railroads to eliminate employment by eliminating service."

"FULL EMPLOYMENT FIRST PRIORITY," AND MONTANA'S OLSEN LEADS EFFORT

Montana Congressman Arnold Olsen has introduced major legislation designed to reach the goal of National full employment. "This legislation," Olsen said, "proposes that every American willing and able to work should be guaranted a job or the training needed to qualify for a job."

The Manpower Act of 1969, as the legislation will be known, has been cosponsored in the House by nearly 100 members. According to Olsen, the Act would give to the Secretary of Labor the power to move with greater flexibility to meet any manpower crisis that might arise.

The Act declares "It is within the capability of the United States to provide every American who is able and willing to work, full opportunity, within the framework of a free society, to prepare himself for and obtain employment at the highest level of productivity, responsibility and remuneration within the limits of his abilities."

NEW HIGHWAY—NEW COMMERCE MORE JOBS

A plan that was once no more than a pipedream—a paved Alaska Highway—may soon become a reality as a result of the plodding insistance of Montana's Congressman Arnold Olsen.

Through Olsen's preserverence, the House Works Committee, of which he is a member, voted to include plans for the paving project in the Highway Act of 1969. Hearings were held last summer in Montana and Alaska and all six of Olsen's colleagues who participated in the hearings introduced and gave strong support to the Olsen Alaska Highway bill.

The Congress has directed that necessary negotiations for international cooperation in the paving venture begin at once between the State Department and the Canadian government. The recently passed legislation also stipulates that the State Department should report back to the Congress after nine months.

"This is a major breakthrough," Olsen asserted. "I believe it is the first major breakthrough we have had, and I am confident the day is now closer when Montana will be the gateway to the Yukon Territory and our 49th State. The recreational and economical advantages for the United States and Canada of a paved highway to Alaska will become more and more apparent as negotiations continue."

FIRST DISTRICT FIRST AGAIN

First District Congressman Arnold Olsen announced that his Western District once again placed high on the Federal appropriation scale for construction, and improvement of airport facilities.

Congressman Olsen said that a total of $957,722 has been awarded to the State for fiscal year 1968, with more than half of this amount or $585,259 going to the First Congressional District.

Airports receiving assistance are: Bozeman's Gallatin Field, $304,392.00 for land acquisition and runway lighting; Choteau Airport, $45,000.00 for land acquisition and runway construction; Conrad Airport, $7,981.00 for runway lighting; Libby Airport, $185,-349.00 for construction and lighting of runway, taxiway, and apron, and West Yellowstone Airport, $42,537.00 for the construction of an apron.

THE 25TH ANNIVERSARY OF THE WEIZMANN INSTITUTE OF SCIENCE IN REHOVOT, ISRAEL

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. PUCINSKI. Mr. Speaker, early last month the Weizmann Institute of Science in Rehovot, Israel, observed its 25th anniversary.

This was an event of great significance, for indeed, the Weizmann Institute of Science stands out today literally as the eighth wonder of the world.

This unique institute of research and studies in scientific pursuits is rapidly taking on a reputation of international stature. In this grand institute, there are some 1,500 of the world's great scholars in tireless and endless pursuit of the mysteries that surround our universe and our every day life.

The 25th anniversary gave all of us an excellent opportunity not only to review the enormous contributions of the Weizmann Science Institute, but also for men and women from the world of science to join in a common tribute to the huge potential that man possesses for the solution of his problems.

Meyer Weisgal, president of the Weizmann Institute of Science, properly called attention to the many glories of this outstanding institute and paid tribute to Dr. Chaim Weizmann, first President of Israel and founder of this unique institute who had died 17 years ago, for his vision.

I should like to include in the RECORD today an account of the 25th anniversary as reported in the Jerusalem Post and also a brief description of the week-long series of ceremonies and lectures which preceded the main tribute on Sunday, November 2, in the Weizmann Memorial Plaza, at Rehovot, Israel. This account was prepared by the Public Information Service of the Weizmann Institute.

I shall also include in the RECORD today the inspiring words of President Weisgal, as well as the address by the President of Israel, Zalman Shazar.

I shall also include the brief remarks of Dr. Albert Sabin, who is the president-elect of the Weizmann Institute and who will assume his duties January 1. He is a most worthy and highly respected successor to President Weisgal.

The highlight of the anniversary festival was an address by Foreign Minister Abba Eban who spoke on behalf of Her Excellency, the Prime Minister of the State of Israel, Golda Meir, who at the last minute was detained in an important cabinet meeting.

Abba Eban has a rare quality for placing into proper perspective the rushing events of man's progress and his speech at the Weizmann Institute anniversary is a moving tribute not only to the institute but to all of Israel.

The culmination of this magnificent and inspiring tribute festival came with the reading of a special poem by Haim Hefer called "Trial and Error." It was translated by Hanna Meron and Yosef Yadin.

Earlier, Mr. Speaker, the Weizmann Institute conferred honorary fellowships to 10 outstanding citizens from various parts of the world for their enormous contributions both in science and in the humanities.

I was particularly pleased that in this group was a fellow Chicagoan, Philip David Sang, businessman and philanthropist. His citation read:

> In recognition of his dynamic and perceptive concern for the state of the arts in general, and for Jewish historical scholarship in particular; and of his unflagging support for those institutions in the Jewish National Home, such as Yad Haim Weizmann, which are dedicated to the study of the major events and personalities of the Jewish past.

I am enclosing in the RECORD today an article which appeared in the Jerusalem Post describing the 10 citizens at this inspiring ceremony and I am taking the liberty to include in this listing an article about Ambassador Walworth Barbour, who has done such an outstanding job for the United States in Israel and who was among those honored.

I am also including an article about a fellow American, Prof. Christian Boehmer Anfeinsen, a biochemist at the National Institutes of Health here in Bethesda who was honored as one of the 10 fellows for his three-dimensional study of protein structure.

The response for the honor paid to the 10 fellows was made by Dr. Ernst D. Bergman, Department of Organic Chemistry, Hebrew University of Jerusalem. I believe his outstanding address not only captured the spirit of the Weizmann Institute, but also reflected the contributions of the other nine distinguished citizens honored that day.

Mr. Speaker, I am tremendously grateful to Dr. William Novick, executive director of the Weizmann Institute Committee in Chicago for inviting me to participate in the 25th anniversary tribute. Dr. Novick has made many speeches about the Institute and is today one of its most enthusiastic supporters. It has been the tireless effort of Bill Novick that has helped raise the funds to bring such vast expansion to the Weizmann Institute. The tribute paid Dr. Novick and his lovely wife was well deserved.

After personally viewing this unique institute with its many buildings for scientific pursuit and after talking to its many scientists I am convinced that the Weizmann Institute will continue to play a key role in helping man develop the heights of his ability.

As chairman of the subcommittee here in Congress which has been holding hearings on a national science information retrieval system, I was particularly interested in the institute's work in information retrieval. I must say, Mr. Speaker, that the exciting programs being laid out by Prof. Chaim L. Pekris, head of the Department of Applied Mathematics, leave one with the distinct impression that Israel is making huge strides in this whole field of information retrieval. In many respects, the Weizmann Institute is pacing the world in computer methodology.

Mr. Speaker, the various papers that I have referred to follow. At the very conclusion of all of these papers, I have placed the official program of activities.

Not only the people of Israel, but all of us interested in man's pursuit for knowledge so he can better understand his fellow man, can be proud of the Weizmann Institute. This unique institute needs and deserves a great deal of help for indeed it is charting new courses in scientific pursuit and setting new challenges for the world's entire scientific community.

The papers follow:

PAGEANTRY AT OPENING OF WEIZMANN INSTITUTE SEMI-JUBILEE CELEBRATIONS

(By Philip Gillon)

REHOVOT.—Mr. Meyer Weisgal bowed out and Dr. Alfred Sabin bowed in as President of the Weizmann Institute of Science yesterday, at a ceremony commemorating Balfour Day, the 25th anniversary of the founding of the Institute, and the 17th anniversary of the death of Chaim Weizmann. Speeches, lights, torches, flowers, gowned and capped scientists in blue hoods, prominent actors, pretty girls, a chamber orchestra and a choir all played various parts in the pageant in the Weizmann Memorial Plaza in the Institute grounds.

The ceremony marked the last major public appearance of Meyer Weisgal in his capacity as President of the Institute, and the first such appearance of Dr. Alfred Sabin, the President-elect, to whom he is handing over at the end of the year, Mr. Weisgal paid tribute to the late Amos de-Shalit, as well as to Weizmann, and emphasized the value of the high tradition of excellence that men like these had established.

Dr. Sabin apologized for speaking in English, but said the deficiency would be remedied within a few months. He said that working for the Weizmann Institute automatically involved working for Israel's survival, for the enrichment of life for the country's inhabitants, and providing inspirations for thousands of Jews throughout the world.

President Zalman Shazar paid tribute to Weizmann, Lord Sieff, Meir Weisgal and Alfred Sabin. It was a proud day for Israel to see how far science had advanced, he said.

EBAN BATS FOR MEIR

Prime Minister Golda Meir, who was to deliver the keynote address, was unable to come and Foreign Minister Abba Eban spoke in her stead. Mr. Eban recalled the day when Chaim Weizmann laid the foundation-stone of the Institute 25 years before, at a time when the *Yishuv* was struggling for survival and the holocaust was at its height, a time when no man knew what the outcome would be. At such a time the dedication of a science institute was an act of spiritual faith, not just a means of advancing the economy, Mr. Eban said. In the course of the past 25 years, Israel, had established itself as one of the 12 nations contributing substantially to world science.

In a pageant of light and sound, directed by the Gershon Plotkin girls in Greek miniskirts carrying bouquets contrasted with torches burning from golden stands. Hanna Meron and Yosef Yadin read a ballad by Haim Hefer, "Trial and Error," in praise of Weizmann and Weisgal, of science and the collection of dollars.

Meyer Weisgal's traditional luck held: although there were rainstorms in Rehovot all morning, the skies cleared completely in time for the open air ceremony.

In the packed audience were Education Minister Zalman Aranne; Labour Party Secretary-General Pinhas Sapir; Mr. David Ben-Gurion, M.K.; Chief Rabbi Isser Unterman; the Chairman and Treasurer of the Jewish Agency Executive, Mr. Arye Pincus and L. Dultzin; numerous members of the Diplomatic Corps headed by the Doyen Ambassador Dr. Jerome Yancy, of Liberia, and Mr. Walworth Barbour, the U.S. Ambassador; and many world-famous scientists and friends of the Weizmann Institute.

Professor Gerhard Schmidt, Director of the Institute, presented Mr. Weisgal with a symbolic Tree of Life on behalf of the staff.

Mrs. Meir arrived in time for the dinner which followed the ceremony. In her remarks, she paid warm tribute to Mr. Weisgal.

WEEK-LONG SERIES OF CEREMONIES AND LECTURES INAUGURATE CELEBRATIONS OF WEIZMANN INSTITUTE'S 25TH ANNIVERSARY

REHOVOT, ISRAEL.—The Weizmann Institute of Science initiated the celebrations of its 25th anniversary this week with a series of colorful ceremonies and important scientific lectures attended by members of its Board of Governors, representatives of the Diplomatic Corps, and many guests from Israel and abroad, including special delegations from the United Kingdom, the United States and Latin America.

The celebrations began on November 2, Weizmann Day, with a State ceremony. addressed by President Zalman Shazar and Foreign Minister Abba Eban, and incorporating a majestic pageant of music and light. The ceremony, held in the Weizmann Memorial Plaza and attended by over 5,000 people, was opened by Institute President Meyer W. Weisgal, who paid tribute to Dr. Chaim Weizmann, the man who inspired and guided the builders of the Institute, and to Amos de-Shalit, one of the most brilliant of its scientists.

Dr. Albert Sabin, the President-elect of the Institute, said "it would become increasingly involved in the struggle of Israel for both survival and the development of an ever richer spiritual and material life for its inhabitants—the development of an Israel that will continue to be an ever greater source of pride to the Jews of the world and an inspiration to the hundreds of millions who are striving for the better life that has so long been denied them."

President Zalman Shazar paid tribute to Weizmann, Lord Sieff, Meyer Weisgal and Albert Sabin. It was a proud day for Israel to see how far its science had advanced, he said.

Foreign Minister Abba Eban recalled the day when Chaim Weizmann laid the foundation stone of the Institute 25 years before, at a time when the Yishuv was struggling for survival and the Holocaust was at its height. At such a time, the dedication of a science institute was an act of spiritual faith, Mr. Eban said. In the course of the past 25 years, Israel had established itself as one of the nations contributing most substantially to world science, he added.

The pageant, directed by Mr. Gershon Plotkin of the Cameri Theater, employed the talents of Dani Karavan, who provided the eye-catching scenery and special effects; the Israel Chamber Ensemble and the Rinat Choir, conducted by Gary Bertini, as well as the Cantor and Choir of the Defense Forces Chief Rabbinate, who provided the music; and actors Hanna Maron and Yosef Yadin, read a ballad by Haim Hefer retelling the history of the Weizmann Institute. The narrator was Amikam Gurevich.

A surprise feature of the program was the presentation to Mr. Weisgal of a symbolic Tree of Life by Professor Gerhard Schmidt, the Director of the Institute, on behalf of its staff.

Prime Minister Golda Meir spoke at the dinner which followed. She paid tribute to Mr. Weisgal for his dedicated work on behalf of the Zionist Movement, the State of Israel and the Weizmann Institute.

WEIZMANN INSTITUTE HONORS LORD SIEFF

The Weizmann Institute continued its 25th anniversary celebrations on November 3 with a ceremony honoring Lord Sieff of Brimpton, one of the men most responsible for its growth and development. Lord Sieff, who was unable to attend, was represented by his son, the Hon. Marcus J. Sieff, Deputy Chairman of the Institute's Board of Governors.

The highlight of the informal but colorful ceremony, which took place, appropriately, in front of the Daniel Sieff Research Institute, was the unveiling of an evocative bronze sculpture by Nathan Rapaport. The sculpture, "symbolizing the enduring link between Science and Man's pursuit of progress", was dedicated to Lord Sieff on the occasion of his eightieth birthday.

Speaking briefly, Marcus Sieff recalled the beginnings of the Daniel Sieff Research Institute, forerunner of the Weizmann Institute, which had been conceived by Dr. Weizmann in 1933 and opened a year later, thanks to the support of the Sieff, Marks and Sacher families. Praising Meyer Weisgal, President of the Weizmann Institute, and those who had helped create the Weizmann Institute of Science, he concluded with the hope that science would bring world peace.

Professor David Lavie, an Institute chemist since 1940, spoke on behalf of the scientists working in the Daniel Sieff Research Institute, while Prof. David Samuel of the Isotope Research Department, who worked at the Sieff Institute as an apprentice in his teens, read the scroll of dedication.

The Rapaport sculpture was unveiled by Lord Sieff's daughter, Mrs. A Shechterman, together with Mrs. M. Sieff and Lord Sieff's Sabra great-granddaughter, Rebecca.

SAMBURSKY LECTURE

The unveiling was followed by Prof. Shmuel Sambursky's brilliant lecture on "Balfour's Philosophy of Science." Prof. Sambursky, of the Hebrew University, is the first incumbent of the Arthur James Balfour Chair in the History of Science which was established at the Weizmann Institute by the Sieff, Marks and Sacher families in 1967 on the occasion of the 50th Anniversary of the Balfour Declaration.

INSTITUTE VETERANS HONORED

At the festive luncheon given that day in honor of Lord Sieff, the Institute paid tribute to two of its veteran scientists, Professors Emeritus Ernst Simon and David Shapiro. The scrolls, presented to them, describe Professors Simon and Shapiro as "among the devoted company of pioneering scientists who, under the leadership of Dr. Weizmann, laid the foundations of the Weizmann Institute."

On the same occasion, Dr. Josef Cohn, Executive Vice President of the European Committee of the Weizmann Institute of Science, was presented with the Weizmann Award in the Sciences and Humanities for 1969. It was given in appreciation for his endeavors for the Institute, first as a close associate of Dr. Weizmann and then as the guiding spirit of the European Committee.

Dr. Cohn replied on behalf of the three recipients.

British Ambassador John Barnes, speaking both in Hebrew and English, praised the contributions made by Lord Sieff to Britain, Israel and the friendship between the two countries. Other speakers included Mr. Harry Levine, Treasurer of the American Committee for the Weizmann Institute of Science.

BOARD MEETS

In the afternoon, the Institute's Board of Governors met under the chairmanship of Mr. Dewey D. Stone, of Brockton, Mass., for a review of the Institute development. The Board unanimously elected Mr. Weisgal Chancellor of the Institute, effective from January 1, when Dr. Sabin becomes the Institute's President.

The crowded day closed with the inaugural lecture of the I. I. Rabi Chair in Natural Philosophy, delivered by Prof. Rabi, Professor Emeritus of Columbia University, who spoke on "A Scientist's Credo."

TEN HONORARY FELLOWSHIPS

Ten distinguished personalities, five of them scientists and five laymen, were awarded Honorary Fellowships of the Weizmann Institute of Science in an impressive academic ceremony on November 4. Opening the proceedings, Board Chairman Stone said: "This year, the Weizmann Institute of Science celebrates its development from a small cluster of chemical laboratories into what is today, literally, a world-famous multi-disciplined institution of scientific research."

Institute President Weisgal declared that the new Fellows "from Israel, Great Britain, the United States and West Germany, represent the truly international character of the Institute."

The new Fellows are: Prof. Christian B. Anfinsen, of the National Institutes of Health in Bethesda, Maryland, known for his outstanding work in the field of protein structure and function; Mr. Walworth Barbour, U.S. Ambassador to Israel, who has made signal contributions to the maintenance of intellectual, cultural and educational ties between the U.S. and Israel; Prof. Ernst David Bergmann, Professor of Organic Chemistry at the Hebrew University, who plays and has long played a key role in the development of Israeli science; Mr. Charles Clore, British financier and philanthropist, who has been a leader in international commerce and a stalwart supporter of the Weizmann Institute; Prof. John C. Kendrew, Nobel Laureate of Cambridge, England, whose research on the structure of proteins has profoundly influenced the progress of molecular biology; Mr. Theodore R. Racoosin, New York business executive, and one of the central figures in the development of the Weizmann Institute since its inception; Mr. Philip David Sang of Chicago, who has shown particular concern for Jewish historical scholarship, as carried out by Yad Chaim Weizmann and other institutions; Prof. Gershom Scholem, Professor Emeritus of the Hebrew University, celebrated for his contribution to the study of Jewish mysticism; Mr. Axel C. Springer, West German publisher, whose friendship for the Jewish people and the State of Israel has been demonstrated both frequently and vividly; and Prof. Robert Burns Woodward, Nobel Laureate of Harvard University, whose work in modern synthetic chemistry and its application of to the synthesis of complex molecules have earned him world fame.

Prof. Joseph Gillis, Chairman of the Institute's Scientific Council, and Professor Gerhard Schmidt, Director of the Institute, both officiated at the ceremony.

Responding on behalf of the ten new Fellows, and speaking in Hebrew, English and German, Prof. Bergmann said, inter alia: "We are grateful for and proud of the honor bestowed on us because we share with you the belief that this great institution has in its power to bring nearer the days of redemption, because we believe with you—perhaps against all reason—that the truth is marching on."

Later in the week, scientific lectures were delivered by Professor Robert B. Woodward and by Prof. Herman Mark. Prof. Mark, of the Polytechnic Institute of Brooklyn, was among the members of the committee appointed in 1944 to plan the Weizmann Institute's program.

STAMP, MAGAZINE AND SUPPLEMENTS

The anniversary was also marked by a special issue of REHOVOT, the Weizmann Institute periodical, a new stamp issued by the Israel Post Office, and special supplements in the Israel Press.

There were also major stories in the *New York Times*, *Time* magazine and other overseas journals.

THE 25TH ANNIVERSARY COMMITTEE

More than 600 personalities, distinguished in science, education, public affairs, literature, music, art and business—including 63 Nobel Laureates—have joined an international Sponsorship Committee to honor the Weizmann Institute on its 25th anniversary and its President, Mr. Weisgal, on his 75th birthday.

OPENING REMARKS BY INSTITUTE PRESIDENT, MR. MEYER W. WEISGAL

For the benefit of the Diplomatic Corps and of our many guests from overseas, including the special delegations from the United States, Canada and Latin America, I shall take the liberty of making my few remarks this afternoon, in English.

It is integral to the Jewish tradition to combine *evel* with *Yom Tov*, to obey the injunction laid down so clearly in Ecclesiastes: "There is a time to weep and a time to laugh, a time to mourn and a time to dance . . ." Before we celebrate together, as we shall within a few minutes the start of the 25th anniversary of this institution, let us take time to remember and to mourn those who are no longer with us.

Seventeen years ago today, the greatest Jew of our era, the first President of the State of Israel, and of this institute, Dr. Chaim Weizmann, left us; and just two months ago we suffered the tragic loss of professor Amos de-Shalit.

It was Chaim Weizmann who inspired and guided those who built this Institute, and it was Amos de-Shalit who was one of the most brilliant, one of the youngest, one of the most dynamic among them.

But we, the living, must take up the torch they dropped, must continue to strive for the achievement of that which is most meaningful and good in Jewish life; must rededicate ourselves to the renaissance of our national existence in this land. If we are to honor the memory of those who have gone—and do so, well and truly, we must be wholly worthy of them. If we can carry on where they left off, we shall have paid the most effective tribute to them. . . .

Twenty-five years ago today, while a world conflagration raged, and in the midst of the greatest tragedy of Jewish history, the Weizmann Institute of Science was conceived. Its birth was both an affirmation of our determination to survive as a people, and a statement of the loftiest of our national aims. Since then, we have lived through three more wars, through the turbulence of independence, through tensions and unease such as few communities have ever known. But we did more than stay alive. Together, we built an institution which has made a singular and shining contribution, both nationally and internationally. We trained scores of young people to meet the most exacting standards of a most demanding profession. We made a place of beauty to which there came—and still come—some of the greatest men of our time; they come to share their knowledge with us and to take from us that which we can offer. For all these reasons, we are entitled, I believe, to pause from our labors and to rejoice tonight.

Now, I have said almost all that I have to say. From now on, let music and pageantry take over in celebration of this, our 25th anniversary.

Address by the President of Israel Mr. Zalman Shazar

The 25th anniversary of the Weizmann Institute of Science is the holiday of all the people of Israel.

The Institute reflects the vision of one of the nation's finest sons, the first President of Israel, who wished to make the Jewish genius in science the cornerstone for the State of Israel, and its international calling card. At this 25th anniversary, it can be safely said that the Institute has justified the hopes placed in it when it was founded. Moreover, its potential is still greater than its achievements.

The nation owes thanks to those who built and developed the Weizmann Institute. It is worth mentioning, in this context, Lord Sieff, who created the Daniel Sieff Research Institute, the nucleus of the Weizmann Institute, and my friend Meyer Weisgal. He has devoted all his talent, energy and many contacts to the development of the Weizmann Institute, until it finally became the pinnacle of scientific achievement in Israel. My friend Meyer Weisgal achieved a great deal in the United States, but he has achieved infinitely more since he was called upon by Chaim Weizmann, the man he loved and admired, to take over responsibility for the Institute.

We do not bid him farewell, for he retires from his present position while he still possesses all his strength, and I am sure that he will accomplish wonders in any field to which he turns his attention.

I would also like to extend a welcome to the world-famous Professor Albert Sabin, who has earned the gratitude of parents everywhere for his polio vaccine.

Let us honour the founders of the Weizmann Institute, give our thanks to those who carried forward the project and receive with open arms those who will continue on with it.

Address by Dr. Albert Sabin at Weizmann Assembly—25th Anniversary of the Weizmann Institute of Science, November 2, 1969

An occasion such as this is a time for dedication and I wish first of all to dedicate myself to Weizmann's own dedication to serve this country, to serve science and to serve humanity. We cannot continue our efforts for the Weizmann Institute of Science without becoming increasingly involved in the struggle of Israel for both survival and the development of an ever richer spiritual and material life for its inhabitants—and the development of an Israel that will continue to be an ever greater source of pride to the Jews of the world and an inspiration to the hundreds of millions who are striving for the better life that has so long been denied them.

I am proud now to be a part of this historic enterprise both as a member of the Weizmann Institute family and as a Jew participating in the historic events taking place in Israel.

The bomb shelters you may have seen on the campus of this Institute are in a way symbolic of what is going on in Israel i.e. prepare for the worst and continue to work for the best. We here, and the Jews all over the world, must dedicate ourselves to breaking the worst of all cycles in Jewish history—the cycle of great and heroic achievements followed by devastating catastrophe. We must dedicate ourselves to do all in our power to insure that such a cycle will never happen again.

Address by Foreign Minister Abba Eban

Your Excellencies, Ladies and Gentlemen, The President designate of the Weizmann Institute promised to learn Hebrew within the next few months. I wish that I could make a similar promise about any of the scientific disciplines in which he is already versed but I applaud his philological audacity and I am convinced that he will carry through that which he has undertaken to perform.

In the meantime, the Prime Minister, for whom I am deputising this evening, asked me to include in my remarks a word of appreciation to the many guests from abroad, whose festival this festival is, they who have contributed to the foundation of the growth and the expansion of the Weizmann Institute of Science. I see many before me who were present at the founding ceremony twenty-five years ago. There were very few buildings, and very few trees and none of the aesthetic grace and beauty which surround us today. But the leader of our national movement, later to be its first President, still in the turmoil of war and of our nation's struggle of sovereignty and survival, thought that high priority should be given to this community's scientific development.

Few people could understand, even in 1944, how vast and spectacular would be the expansion of new scientific concepts; new areas of thought, new countries of the mind, new terms for the understanding and definition of nature, were to unfold within the next few decades. And the nation which established an indigenous scientific tradition could assure itself a much swifter development than a nation in which such a tradition did not exist. Israel could not have reached even its present intermediate stage of economic and social progress, and therefore could not have achieved the cohesion and security which now mark its lift, if it had not given to science and technology a high place within its educational movement and within its national priorities. But there was another, more abstract, less tangible, but perhaps deeper vision of what the scientific tradition could do for a country: the elevation of its spiritual standards, the sharpening of its intellectual capacities, the assurance that reason, analysis, precision, order, severity of intellectual standards would plan a part in the development of its life. The founders of the Institute were keenly aware of the effects of scientific thought upon the country as a whole, and not only upon those engaged themselves in scientific investigation.

This vision is also very timely today. Science should be pursued not only for its results but also for its national purpose, for its creative insight, for its basic universal humility, and for the principles of international government which it fosters. Scientists alone amongst men have created the first real, universal, international community of men who speak to each other in the same tongue and the same idiom, across all the frontiers and oceans of the world. Reason itself, of course, is not the only basis for a national culture. There is in the Hebrew tradition also the element of faith and of emotion. Passion without reason is hysteria, reason without passion is sterility. It is only by the creative union of reason and emotions, the intuitions of the mind and the stirrings of the heart, that a nation's culture can reach its true point of equilibrium.

We are therefore here to pay tribute to those whose daring vision has been so gloriously revealed and fulfilled. There are those who have a very special place in the national gratitude and affection, notably Meyer Weisgal, who for twenty-five years has accompanied this dream, pursued it with an unexampled militance and singleness of purpose. He could not possibly have imagined 25 years ago what a heritage he would now be passing on to one who comes after him. Anybody who sees his efforts rewarded so tangibly does not stand in need of any rhetorical thanks.

I should like at the same time to say how deeply moved the Government and people of Israel were by the readiness of Professor Sabin to come and inaugurate a new period in his scientific career, here in Rehovot at the Weizmann Institute of Science. It was a testimony of faith in the standards which the Institute have already achieved, and of belief in his capacity to add new layers to the buildings that have already been erected. He can be assured, I am certain, of the cooperation not only of those who will work with him here but, also, of all those in the government and in this community to whom he may turn for assistance in his task.

We do well to gather here in pious homage to the founders of this institution, to express both a pride and an expectation, pride in the achievement of the past, and expectation of high fulfillment yet to come. After all, Jewish history is in essence a constant celebration of resilience. It proves that there are no conditions from which recovery is impossible. And through the full exercise of man's intellectual and spiritual genius, the new emergent Israeli society will be bountifully enriched.

Trial and Error

(By Haim Hefer)

This people, the Jews, who can fathom their strange ways at all. One day, just like that, they rise up as if they heard a bugle call. They abandon their homes which they built in days of yore. Leave behind them a language, their friends, gesheften, a rich folk-lore. And, to be perfectly frank, a pack of troubles not to be sneezed at. And to be frank again many happy years they can be pleased at. Just like that, up they get and take their staff in hand. And off they go to build their promised land. The reason? Nothing special if you look. Nothing really, except a certain Book. True, a best-seller that's taught in the schools, to be sure. But only a book, no more.

This people, the Jews, who can fathom their strange ways, I ask you. How wherever they went and wherever they happened to pass through. How in days of the blackest despair and in days when hope ran high. They treasured the written word like the apple of their eye. And not only the words but the spirit these words expressed. And none was more honored among them than the scholar at his desk. And even the scholars were graded with care and with keenness. There was the wit, and the learned, the zealous, and naturally the genius. And just for good measure, each Jew had his Rabbi, a leader and man of vision. Because a people who thrives on ideas for five thousand years also needs sometimes a man of decision. And so it was from the beginning, they resolved eager and yearning. To choose the Tree of Life but to eat from the Tree of Learning.

And that's how it was when Reb Chaim Weizmann left Mottele 80 years ago or more. And that's how it was when he learned to probe the intricacies of H2SO4. He trod in the footsteps of wise men up the byways of science mysterious. Whose dark mazes leave some men delighted and other delirious. And as he ascended he noted with awe and elation. The beauty and wonders all wise men see in the acts of creation.

But wise man that he was he never stood aloof. He knew that wisdom needs, among other things, four walls and a roof. (1) And here in Rehovot, between fields, grass and fruits. He set up some labs and a few institutes. He brought in some test tubes, computers, and other ABC's. And then gathered around him some old and some young Ph.D's.

(2) And so he said to his friend Weisgal, in Yiddish, without doubt. We've got to get down to business and see what we're about. Here in Rehovot between fields, grass and fruits. We have to get test tubes, computers and maybe a few cosmic rays. Because who better than Weisgal knew that a Jew feels good when he pays. Weisgal took up the challenge with a shout and a holler. And between the two of them they added scientist to scientist and dollar to dollar. And after a while midst the trees and the flora. One could see, here was bread, one could sense, here was Torah. This Weisgal, just give him something impossible—and it's done. He himself didn't know that his troubles had just begun.

Now perhaps there is among us someone young or old like me. Who will one day stand and say "I am joyous for I see. In days of peace and war, in times both bad and good, before my very eyes has been written the Rehovot Talmud."

This people, the Jews, who can fathom their strange ways, their history. They build no monuments to their heroes to proclaim this conquest or that victory. They just inscribe the words of the prophet or realize a dream dreamt far away. And is there better proof of it than this wondrous place today?

Weizmann Institute Honorary Fellows Cited for Service

ERNEST DAVID BERGMANN

(of the Hebrew University, Jerusalem)

"In recognition of his distinguished contribution to scientific research in the State of Israel in general, and in the field of organic chemistry in particular; of his dedicated work on behalf of the defence of this country; and, most especially—on this the 25th anniversary of the Weizmann Institute—in recognition of his pioneering role at Dr. Weizmann's side in setting those exacting scientific standards which have characterised this institution ever since."

CHARLES CLORE

(British financier)

"In recognition of his great and enlightened contributions, both as a leader in the world of international commerce and industry, and as a faithful and generous son of his people; and of his long and stalwart service to this institution as a ranking member of its Board of Governors."

JOHN COWDERY KENDREW

(British Nobel Prize winner)

"In recognition of his outstanding and revolutionary research on the structure of proteins; of the originality and brilliance of his experimental work which has so profoundly influenced the progress of molecular biology; and of his stalwart and wise counsel as scientist-member of the Weizmann Institute's Board of Governors."

THEODORE R. RACOOSIN

(New York businessman)

"In recognition of his active participation in the affairs of this institution since its inception a quarter of a century ago; of his indefatigable service as a member of the Weizmann Institute's Board of Governors; and of his devoted work, over the years, on behalf of the American Committee for the Weizmann Institute."

PHILIP DAVID SANG

(Chicago businessman, philanthropist)

"In recognition of his dynamic and perceptive concern for the state of the arts in general, and for Jewish historical scholarship in particular; and of his unflagging support for those institutions in the Jewish National Home, such as Yad Haim Weizmann, which are dedicated to the study of the major events and personalities of the Jewish past."

GERSHOM SCHOLEM

(Professor of Jewish Mysticism, Hebrew U.)

"In recognition of his systematic research in the field of Jewish mysticism; of his unrivalled contribution to the study of its various trends and periods; and of his profound and original interpretation of the history of Judaism and of the Jewish people."

AXEL CAESAR SPRINGER

(West German publisher)

"In recognition of his abiding friendship for the Jewish people and his gallant championship of the State of Israel; of his assistance to and support of Jewish authors in his homeland, even in times of dire peril; and of his steadfast and imaginative concern with the media of information and communication."

ROBERT BURNS WOODWARD

(Nobel laureate, Harvard University)

"In recognition of his illuminating contribution to the development of modern theoretical organic chemistry in general, and of his brilliant work in modern synthetic chemistry and its application to the synthesis of complex molecules in particular; and of his deeply felt and effectively expressed interest in the progress of science in the State of Israel."

Honorary Fellow Walworth Barbour: Ambassador Keeps His Speeches Brief

(By Sraya Shapiro)

In the eight-and-a-half years Ambassador Walworth Barbour has represented the U.S. here, nobody has ever succeeded in making a shorter public address than he does. But brevity at the microphone belies the Ambassador's good humour and easiness in private conversation. Statements, especially short ones, are inevitably over-simplifications, and over-simplification may lead to mis-representation—or to what is much worse, mis-interpretation, Ambassador Barbour believes. If there is one thing which he loathes it is being unclear or unreasonable. A New Englander by birth and education, he likes to regard man as a thinking creature.

Born in Cambridge, Mass., graduated from a private academy and then from Harvard, he served the U.S. foreign service first in Naples, Athens, Baghdad and Sofia.

He was a vice-consul in Sofia when the Second World War broke out. When Germany declared war on the U.S., the Allied diplomats were to be escorted to Lisbon. "Nonsense," the vice-consul protested. "There is the Turkish border at arm's reach, why travel to Portugal? Finally, the Bulgarians agreed. "But it took some talking . . ."

It was on his way from Sofia to his new post, in Cairo that the future Ambassador to Israel first passed the plains of Palestine. Later, he revisited Palestine on his way back from a mission to Baghdad. "We traveled by car, mainly by night, because the desert was cooler by night."

His later posts included an assignment as Minister-Councillor in Moscow.

But the first involvement with Israel occurred in 1956, when Mr. Barbour was Minister in London and deputy to the American Ambassador Winthrop Aldrich. During the Suez crisis, the U.S. Embassy asked the British for the facts. When Selwyn Lloyd, the Foreign Secretary, stated in the House of Commons that the British did not know what Israeli mobilization signified, Ambassador Aldrich was scandalized.

"Under the circumstances I arranged to have all telegrams to Washington from that time on drafted by Mr. Barbour and myself jointly. And thereafter I never had any conversation with the British without having Mr. Barbour with me," Ambassador Aldrich wrote later in "Foreign Affairs." He probably never believed that Selwyn Lloyd did not deliberately mislead the Americans—though it might be taken as a case of deliberate over-simplification. In the summer of 1961, on completing his tour of duty in London, Walworth Barbour was promoted to the rank of Ambassador and posted to Tel Aviv.

Ambassador Barbour's portly presence, in thin-rimmed spectacles, chewing a cigar when he tells of his experience in terse, precise sentences, has become a familiar figure in Israel society. He has the record of serving in Israel longer than any other American Ambassador. "I would not have stayed here if I did not like this country."

What was the most memorable experience in his 39-year-old diplomatic career?—"The Six Day War, of course. Especially, the first day. The excitement it caused . . ."

Three-dimensional Study of Protein Structure

(By Philip Gillon)

Professor Christian Boehmer Anfinsen, a biochemist in the National Institutes of Health, Bethesda, was made an Honorary Fellow of the Weizmann Institute this week, "in recognition," as his Scroll put it, "of his outstanding contributions to molecular biology, particularly in the field of protein structure and function." He arrived at the Institute three weeks ago, together with his wife; he is to spend several months here working with Professor Michael Sela.

Molecular biology was very much in fashion a year or two ago, I say, when we expected it to provide us with solutions to many problems, including the secret of life.

Tall and soft-spoken, with his height and looks indicating his Norwegian origin, although he was born in America, Professor Anfinsen looks dubious. "Molecular biology covers a lot of other disciplines: I call myself a biochemist trained in aspects of chemistry and biology. Some people seems to think that the most important discoveries have already been made in molecular biology, that the double helix wrapped it up, but I think that it just opened up an enormous field for us."

What is his particular interest?

"I'm concerned with protein structure. The aim is to understand how macro-molecules work in terms of three-dimensional structure. The genetic code determines what the linear code will be; this is translated into three dimensions. Since the development of X-Ray crystallography and computers, we have been able to study this three-dimensional structure.

"A very exciting development was the discovery of ways to synthesise macro-molecules Now we are engaged in what you may call molecular engineering. We look at the structure of an enzyme, for instance, and if we see a loop in the chain that doesn't seem to be doing anything, we see what happens if we chop it off. We say, let's synthesise this without the loop and see what funny things will happen. We get the most interesting results—as often as not, they confirm the first impression that the loop has no apparent use, it must have been preserved by evolution, perhaps it had a use we don't know about. Maybe, instead of molecular engineering, you can say that we are doing molecular surgery."

Can you change the function of molecules by this surgery?

"In 20 years, perhaps, somebody will be able to change the macromolecule for function. But we are only at the beginning."

Does this mean that you and your colleagues will be able to tailor the genetic code to get rid of genetic abnormalities?

"I think so—work is already being done, as you know, on abnormal hemoglobin."

XUM

I know that you have been a member of the Weizmann Institute's Board of Governors since the beginning of the decade, and have been to Israel many times, but is there any specific reason why you came to Israel for your Sabbatical?

"My wife and I have a tremendous number of friends here. Michael Sela came to work with us in Bethesda in 1956, and I enjoy working with him very much. Perhaps one of the main attractions Israel has for me is because of my Norwegian origin—and I still have many ties with Norway, although I was born and brought up in America. Like Israel, Norway is a small country, but an energetic one; even the language sounds something like Hebrew.

"Of course a major attraction is the quality of the work at the Weizmann; it is one of the four, five or six places in the world where one naturally thinks of spending a Sabbatical. It is really a phenomenon, as well equipped as most American institutions—everything I have at N.I.H. is here, in some respect the Weizmann may even be better off than many American institutes. The computers are phenomenal."

Science-based industries have become the vogue in Israel, and some people are alleging that the Weizmann people should come out of their ivory towers down into the marketplace.

"Applied science has to come from basic science—you have to have some science to apply. This ideal is to have both. And to keep them separate."

Science-based industries do not attract Israeli scientists in the same way as basic research; there is a sort of snobbery.

"I have heard that Israelis want to remain in academic life. In the U.S. people tend to move about more than they do here, they go from the academic life to industry and back again. Of course, there are more opportunities in America. I think that applied science is perhaps better for a man who is getting a little older, who is losing the drive and push needed to tackle new problems. The going gets tougher and tougher as the years pass."

But, fundamentally, you do not think that the Weizmann Institute should change the course it has taken for the last 25 years, should become more practical?

"Why change something that has brought so much prestige to Israel, that puts a small country among the world's leaders in science?"

REMARKS OF ERNST D. BERGMAN, DEPARTMENT OF ORGANIC CHEMISTRY, HEBREW UNIVERSITY OF JERUSALEM

Every one of us on whom the Honorary Fellowship of the Weizmann Institute has been conferred, feels deeply moved, and in some measure every one of us for different reasons that lie hidden deep in one's life history. However, I am sure that all of us alike, whether we are scientists or not, ponder in these solemn moments the same question: what it is that moves all of us so deeply, what it is that makes us so proud?

Is it not a fact to be marvelled at, that only the scientific community confers such honours on men outside its confines? No other profession, no other community knows such a festive and memorable ceremony. This fact expresses both the esteem in which Science is held and its value for society. There has been a time when the scientific community was a closed community, but not closed in the geographical sense; on the contrary, one was not really accepted into its membership before one had studied at all the different places of Higher Learning and had sat at the feet of all the famous men of learning—and for long years the young scientist had to be migratory and to wander from land to land all over the civilised world as it existed then—Europe.

It is interesting to recall that already two thousand years ago, the Jewish Sages had this advice to give to young people: go to the place where knowledge is flourishing, and do not think that knowledge will come to you on its own.

With the advent of the political theories of nationalism and the growth of scientific knowledge, this situation changed. The young scientist completed his studies at one University, very often with one teacher, because one considered the time spent on travelling as wasteful—too much had to be learned; *ars longa, vita brevis*. However, also in this period the civilised world was well aware of the international or rather supranational aspects of science. I recall the much too little known, much too little appreciated story of the French naval vessel captured at the time of the Napoleonic wars by the British Navy; the French vessel happened to carry a number of French scientists and a large treasure of data and samples from an exploration of South America, which all fell into British hands. However, the British Admiralty returned the scientists and their treasures to France with a letter saying H.M. Government are at war with France, but not with the French scientists and with French science. We may well profit today from this story.

In our generation, we are witnessing a synthesis of the opposing historical trends of thought, a synthesis in the Hegelian sense: we know that institutions of higher learning can only grow in the national frame which they serve; they resemble Anthaios of the Greek myth, the giant who had only strength when his feet stood firmly on the soil from which he sprang. But we do know that this necessity of having roots in a national society must not imply a limitation. Science organises itself across and beyond national boundaries; its problems and those of the society it serves, are the same in every country, and competition and collaboration must be interwoven, if scientists want to fulfill their dual obligation to understand the mysteries of nature and to make nature serve the needs of the human race.

The Romans called their priests pontifices, builders of bridges. I submit to you that today the scientists are the bridge-builders, perhaps (to our regret) the only ones, between nations; they are part of a national and an international community. One of my distinguished colleagues may well remind us that Schiller's words on joy, made immortal by Beethoven's music, are singularly applicable to science today: "Alle Menschen werden Brueder, wo dein sanfter Fluegel weilt." Science may help to create the brotherhood of men.

I wonder whether we are not all subconsciously influenced by Plato's idea of the philosopher-king: to be accepted into the membership of a scientific institution means then to be accepted into a princely family, and that is what makes us proud.

I hope, Mr. Chairman, my distinguished colleagues will agree with me that we have one more reason to be particularly proud and deeply moved. The Daniel Sieff Research Institute and the Weizmann Institute of Science, its successor, are not like other scientific institutions, in the same sense as Israel, the Promised Land, is not like other lands. The scientific institutions of this country have a history different from that of all other places of higher learning. They have not been created by a rich and satiated society, which could afford the luxury to promote science for the sake of science; they have not been built in the centre of cities which had accumulated power and wealth. They have been in some measure castles in the sky and certainly castles in the sand of the desert.

There are in this Hall many who still remember the sand dunes into which the proud buildings of the Weizmann Institute have been constructed; they know that faith moves not only mountains. Thus the Israeli scientists and their institutions have always been also pioneers and builders of their new-old country. There are two reasons why the Israeli scientific institutions have not been based on the firm basis of the past, but on the more elusive foundations of our dreams for the future—long before there was a State to support these efforts. We have always believed what a French philosopher has expressed so aptly—in our times, the only practical people are the dreamers of dreams. We wanted to pay tribute to the age-old yearnings of the Jewish people for knowledge, and we were convinced that a small country, poor in natural resources, poor also in the number of its inhabitants, in its human resources could only succeed in creating a stable society if it marshalled all that modern science and technology can offer. It is the awareness of this dual objective that, I believe, distinguishes us from so many other institutions of higher learning which find today—in an almost schizophrenic mood—the service of Science and the service to the nation mutually exclusive.

Let me recall that Dr. Weizmann who has watched so jealously over the purity of purpose of this institution, had originally planned it as a source of knowledge and impetus for the agricultural efforts of this country. Indeed, everyone who envisioned the future of this country, of a State to grow from it, knew that it would be faced with three complexes of scientific problems, and that we would have to solve all these problems simultaneously, under the pressure of circumstances: to create a modern agriculture in an area which has been largely a desert, both through the inequity of nature and the neglect by man—to establish an industry in a country which was devoid of almost all the natural resources on which our technological society is built—and to build up a defense establishment in a nation for which the war of attrition has been an integral part of its daily life for 2000 years, but which has always abhorred war and has rarely remembered that the God of the Bible is not only the God of Peace between all nations, but also the God "who teaches my hands to fight and my fingers to wage war".

All this is reflected also in the history of the Weizmann Institute. Its members can take pride in the fact that in spite of these pressures they have never forgotten that their pure scientific achievement, too, represents a service to their country, because the standing of a country in the comity of nations depends today more than ever on the contribution the country makes to the treasure of knowledge of the human society.

I cannot, Mr. Chairman, try to characterise this institution without mentioning one name, that of Meyer Weisgal who has contributed to the formation of its character more than any other person, who has made the Weizmann Institute not only a centre of learning, but also a meeting place for the friends of Science and the friends of Israel. It may seem paradoxical that a non-scientist should have contributed so much to the growth and success of a scientific institution and should have understood so well the individualistic, non-conformist trend of thought of scientists; in fact, this is in the best scientific tradition. Let me remind you that Socrates took pride not in *his* original thoughts, but in his being the obstetrician who assisted at the birth of the ideas of others. This, I believe, is also an apt description of Meyer Weisgal's role in the development of the Weizmann Institute: the man who helps the realisation of an idea is no less important than the one who conceives it.

Twenty years may be too short a period to permit an objective answer to the question, whether the Weizmann Institute, whether the scientific institutions of this country have succeeded in putting their aspirations, their dreams, into effect. But in magnis voluisse sat, in great undertakings it is enough to have tried.

Let us then again ask ourselves, who have been honoured by being adopted into this community, what is it that makes us so proud, that moves us so deeply? Do you remember, my friends, the old Jewish legend that the Messiah, disguised as a beggar, sits at the gates of Rome and waits to be called upon to bring redemption to the world? It is no longer Rome which can contribute to the coming of the Messiah; nor is it any other of the capitals of the world, West or East. We will have to change this legend; we believe that the Messiah today sits, waiting, at the gates of one of the great scientific institutions; they hold in their hand the key to the future.

Or if I may say so on your behalf, my distinguished colleagues from abroad, we are proud and moved because we feel that the words of the old hymn of the American Republic may have been written for this country and for today:

Mine eyes have seen the glory of the coming of the Lord
He is trampling out the vintage where the grapes of wrath are stored
He hath loosed the fateful lightning of his terrible swift sword
The truth is marching on.

Yes, Mr. Chairman, we are grateful for and proud of the honour bestowed on us because we share with you the belief that this great institution has in its power to bring nearer the days of redemption, because we believe with you—perhaps against all reason—that the truth is marching on.

CALENDAR OF EVENTS AT THE WEIZMANN INSTITUTE OF SCIENCE MARKING THE 25TH ANNIVERSARY OF ITS ESTABLISHMENT. NOVEMBER 1969

SUNDAY, 2.11.69

Weizmann Memorial Day 5:30–6:30 p.m.
Memorial Plaza

Opening Ceremony.

Speakers will include: The President of Israel, Mr. Zalman Shazar; the Prime Minister, Mrs. Golda Meir; the President of the Weizmann Institute, Mr. Meyer W. Weisgal; and the President-elect, Dr. Albert Sabin.

A pageant of sound and light, directed by Mr. Gershon Plotkin of the Cameri Theater, will be presented. Among the participants: the Israel Chamber Ensemble and the Rinat Choir, conducted by Gary Bertini; and the Cantor and Choir of the Chief Rabbinate of the Israel Defense Forces. Hanna Meron and Yosef Yadin will read a ballad by Haim Hefer. Narration will be Amikam Gurevich.

A special anniversary issue of REHOVOT, the Weizmann Institute periodical, will be published, as will special supplements in the Israeli press.

MONDAY, 3.11.69

10 a.m. Daniel Sieff Research Institute

Ceremony honoring Lord Sieff of Brimpton on his 80th birthday. A sculpture by Nathan Rapaport, dedicated to Lord Sieff, will be unveiled.

11 a.m., Wix Auditorium

Lecture by Prof. Samuel Sambursky of the Hebrew University, first incumbent of the Balfour Chair in the History of Science at the Weizmann Institute, on "Balfour's Philosophy of Science."

1 p.m., San Martin Faculty Clubhouse

Institute luncheon in honor of Lord Sieff.

3–6 p.m., Stone Administration Building

Meeting of the Weizmann Institute's Board of Governors (closed to Press).

8:30 p.m. Wix Auditorium

The inaugural lecture of the I. I. Rabi Chair in Natural Philosophy, delivered by Prof. I. I. Rabi, Nobel Laureate in Physics, of Columbia University. He will speak on "A Scientist's Credo."

TUESDAY, 4.11.69

9 a.m.–1 p.m.
Stone Administration Bldg.

Weizmann Institute's Board of Governors (closed to press).

4 p.m., Wix Auditorium

Conferment of Honorary Fellowships of the Weizmann Institute on: Prof. Christian B. Anfinsen, National Institutes of Health, Bethesda, Md.; Mr. Walworth Barbour, Ambassador of the United States to Israel; Prof. Ernest David Bergmann, Hebrew University, Jerusalem; Mr. Charles Clore, Financier of the United Kingdom; Prof. John C. Kendrew, Nobel Laureate, Cambridge University, England; Mr. Theodore R. Racoosin, New York businessman and member of the Weizmann Institute's Board of Governors; Mr. Philip David Sang, Chicago businessman; Prof. Gershom Scholem, Professor of Jewish Mysticism; Hebrew University, Jerusalem; Mr. Axel C. Springer, publisher, West Germany; Prof. Robert Burns Woodward, Nobel Laureate, Harvard University. (Brief biographies and photographs of new Fellows are available on request).

WEDNESDAY, 5.11.69

3 p.m., Wix Auditorium

Scientific lecture by Professor Robert Woodward of Harvard University. In the Chair: Prof. Gerhard Schmidt, Director of the Weizmann Institute of Science.

THURSDAY, 6.11.69

10 a.m., Wix Auditorium

Lecture by Prof. Herman Mark, Polytechnic Institute of Brooklyn, on "New Concepts, New Polymers, New Uses." In the Chair: Prof. Aharon Katzir, Head of the Weizmann Institute's Polymer Research Department.

MONDAY, 10.11.69

3–5 p.m., San Martin Faculty Clubhouse

Staff party honoring Institute President Meyer W. Weisgal on his 75th birthday.

MONDAY, 17.11.69 TO SATURDAY, 29.11.69

International Training Course on Molecular Aspects of Antigenicity and Immunoglobulins, sponsored by UNESCO, ICRO (International Cell Research Organization), WHO, and the Weizmann Institute.

LOUISVILLE SOLDIER KILLED IN VIETNAM

HON. M. G. (GENE) SNYDER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. SNYDER. Mr. Speaker, Mrs. Diana G. Fulks has just recently received notice that her husband Pfc. Charles E. Fulks had been killed in action in Vietnam.

Charles Fulks thus becomes another of the valiant men who has given his life in defense of his country and in protecting the free world.

The sympathy of thousands of other families who have paid this sacrifice goes out to Mrs. Fulks and the Fulks family. To them also goes the sincere gratitude of those of us whom Charles died protecting.

The recent Courier-Journal article, which reports the loss of Pfc. Charles E. Fulks to the war in Vietnam follows:

LOUISVILLE SOLDIER IS KILLED IN ACTION IN SOUTH VIETNAM

The Pentagon reported yesterday the death in action in Vietnam of Army Pfc. Charles E. Fulks, of Louisville.

Fulks, 20, had been in the Army since October 1968 and in Vietnam since April. He was a student at Durrett High School before he entered the Army.

Fulks is survived by his wife, Mrs. Diana G. Fulks, of 3311 Nelinda May Drive; a 5-month-old son, Charles Edward Fulks; his mother, Mrs. Virginia McHugh; his father, Irvin Fulks, of Bonnieville, Ky., and a grandmother, Mrs. Margaret Fulks, of Bonnieville.

Also surviving are his stepfather, Elrod McHugh; a brother, Wayne Fulks; six half brothers, Donald and Glendell Fulks and Jimmy, Bobby, Freddie and Johnny Graham; and a half sister, Mrs. Connie Graham Nutting.

The body will be at Arch L. Heady Okolona Funeral Home, 8519 Preston Highway, on arrival from Vietnam.

CFR: FOR WHOM WE SERVE

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. RARICK. Mr. Speaker, like many of our colleagues, I receive frequent inquiries as to who or what is responsible for causing the wars and in preventing peace. Most people do not buy the story that people provoke wars—therefore, they seek to discover sinister alternatives such as the lust for profit and power.

Many inquiries suggest the existence of an international conspiratorial plot—an invisible government—promoted by and for industrialists, intellectuals, and wealthy financiers. The CFR, Council on Foreign Relations, is commonly mentioned—and to the inquisitive mind the CFR itself may supply many answers.

Almost as a Christmas gift, I was supplied by the CFR with its annual report for the year ending June 30, 1969. The report, in addition to containing impressive data and accomplishments, supplies the CFR membership list. Among the 1,451 CFR members are former military commanders of Vietnam and Korea, Secretaries of State under both parties, labor czars, international bankers, and newsmen. Undoubtedly an index to the most powerful group of men ever assembled within one organization. In addition to their own finances they acknowledge grants received from Ford Foundation, Rockefeller Brothers Fund, and the Carnegie Corporation Fund.

Since the CFR membership list contains so many prominent individuals who preside as unelected decisionmakers in our Government—those who have and who are making the overall policy and decisions—perhaps it would be more feasible to direct the many inquiries of parents and survivors of our fighting men and POW's to them, CFR, Harold Pratt House, 58 East 68th Street, New York.

Mr. Speaker, I include pages of the CFR annual report including the membership list following my remarks:

CFR ANNUAL REPORT

MEMBERSHIP

For some time the Council has been in the process of a serious self-study regarding the direction and emphasis its program of studies and related activities should take in light of present and, insofar as they can be anticipated, future foreign policy priorities of the United States. An important aspect of this investigation relates to the quality of the Council's membership and the degree to which balance is maintained among the different types of members. Recognizing the need for a comprehensive examination of the membership situation, the Board of Directors set up an *ad hoc* committee, with Carroll L. Wilson as chairman, to review the present composition and to suggest guidelines for the future. It met during the past winter and spring and expects to present its conclusions and recommendations to the Board in the coming winter.

The Advisory Committee on Younger Members has just completed its second year and as a result of its recommendations, 34 exceptionally qualified younger members (principally in their thirties, with the remainder in their twenties) have been admitted during this period. The following have been serving on the committee: Eugene B. Skolnikoff, Michael V. Forrestal, Gerald Freund, Gerald M. Mayer, Jr., Lawrence C. McQuade, Stephen Stamas, and Alexander B. Trowbridge.

As of June 30, 1969, there were 1,451 members, of whom 704 were resident and 747 non-resident.

LORNA BRENNAN,
Membership Secretary.

Resident Members as of September 8, 1969

A

Akers, Anthony B; Albrecht-Carrie, Rene; Aldrich, Winthrop W.; Alexander, Archibald S.; Alexander, Henry C.; Alexander, Robert J.; Allan, F. Alley; Allen, Charles E.; Allen, Philip E.; Alley, James B.; Allport, Alexander W.; Alpern, Alan N.

Altschul, Arthur G.; Altchul, Frank; Ames, Amyas; Ammidon, Hoyt; Anderson, Robert B.; Armour, Norman; Armstrong, Hamilton Fish; Ascoli, Max; Attwood, William; Aubrey, Henry G.; Ault, Bromwell.

B

Backer, George; Badeau, John S.; Baird, Charles F.; Baldwin, Robert H. B.; Ball, George W.; Bancroft, Harding F.; Barber, Charles F.; Barber, Joseph; Barker, Robert R.; Barlow, William E.; Barnds, William J.; Barnes, Joseph; Barnes, Robert G.; Barnett, Frank R.; Barrand, Harry P., Jr.; Barrett, Edward W.; Barzun, Jacques; Bassow, Whitman.

Bastedo, Philip; Bator, Peter A.; Beal, Gerald F.; Becker, Loftus E.; Bedard, Pierre; Beebe, Frederick S.; Beinecke, William S.; Bell, Daniel; Bell, David E.; Benjamin, Robert S.; Bennett, Jack F.; Bennett, John C.; Benton, William; Beplat, Tristan E.; Berle, Adolf A.; Besse, Simon Michael; Bienstock, Abraham L.; Bingham, Jonathan B.; Birkelund, John P.

Black, Joseph E.; Black, Peter; Blake, Norman P.; Blough, Roger M.; Blough, Roy; Blum, John A.; Blumenthal, W. Michael; Bogdan, Norbert A.; Bolte, Charles G.; Bonsal, Dudley B.; Borch, Fred J.; Borton, Hugh.

Bowers, John Z.; Boyd, Hugh N.; Braxton, Carter M.; Breck, Henry C.; Brinckerhoff, Charles M.; Brittenham, Raymond L.; Bronk, Detlev W.; Brown, Courtney C.; Brown, Irving; Brown, Walter L.; Brownell, George A.; Bruce, James.

Brzezinski, Zbigniew; Buffum, William B.; Bullock, Hugh; Bundy, McGeorge; Burden, William A. M.; Burkhardt, Frederick; Burnett, John G.; Bush, Donald F.; Bushner, Rolland H.; Butler, William F.; Buttenweiser, Benjamin J.

C

Cabell, Richard A.; Calder, Alexander, Jr.; Calhoun, Alexander D.; Camp, Hugh D.; Campbell, John C.; Canfield, Cass; Canfield, Franklin O.; Carey, Andrew G.; Carroll, Mitchell B.; Carson, Ralph M.; Carter, George E.; Carter, William D.

Cary, William L.; Case, John C.; Cates, John M., Jr.; Cattier, Jean; Chartener, William H.; Chase, W. Howard; Chittenden, George H.; Chubb, Hendon, 2nd; Chubb, Percy, 2nd; Church, Edgar M.; Clay, Gen. Lucius D.

Cleveland, Harold van B.; Cleveland, William B.; Clinchy, Everett R.; Coffin, Edmund; Cohen, Jerome B.; Coles, James S.; Collado, Emilio G.; Colwell, Kent G.; Conant, James B.; Conant, Melvin; Connor, John T.; Considine, Rev. John J. M.M.

Cook, Howard A.; Coolidge, Nicholas J.; Coombs, Charles A.; Cooper, Franklin S.; Cordier, Andrew W.; Costanzo, G. A.; Coughran, Tom B.; Cousins, Norman; Cowan, L. Gray; Cowan, Louis G.; Cowles, Gardner; Creel, Dana S.; Cummings, Robert L.; Cusick, Peter.

Darlington, Charles F.; Darrell, Norris; Davenport, John; Davidson, Ralph K.; Davison, W. Phillips; Dean, Arthur H.; Debevoise, Eli Whitney; De Cubas, Jose; de Lima, Oscar A.; Deming, Frederick L.; De Rosso, Alphonse; de Vries, Henry P.; Dewey, Thomas E.; Dexter, Byron.

Dickson, R. Russell, Jr.; Diebold, John; Diebold, William, Jr.; Dillon, Clarence; Dillon, Douglas; Dilworth, J. Richardson; Dodge, Cleveland E.; Donahue, Donald J.; Donovan, Hedley; Dorr, Goldthwaite H.; Dorwin, Oscar John; Douglas, Lewis W.; Douglas, Paul W.; Dubinsky, David.

E

Eagle, Vernon A.; Eaton, Fredrick M.; Eberle, W. D.; Eberstadt, Ferdinand; Edelman, Albert I.; Edelstein, Julius C. C.; Eder, Phanor J.; Eichelberger, Clark M.; Elliott, L. W.; Elliott, Osborn.

Elson, Robert T.; Emmet, Christopher; Engel, Irving M.; Engelhard, Charles W., Jr.; Erpf, Armand G.; Estabrook, Robert H.; Ewing, Sherman; Ewing, William, Jr.; Exter, John.

F

Feer, Mark C.; Fenn, William P.; Ferguson, Glenn W.; Field, William Osgood, Jr.; Finger, Seymour M.; Finlay, Luke W.; Finletter, Thomas K.; Finney, Paul B.; Fischer, John; Fleck, G. Peter.

Ford, Neil; Forrestal, Michael V.; Fowler, Henry H.; Fox, Joseph C.; Fox, William T. R.; Foye, Arthur B.; Frankel, Charles; Franklin George S., Jr.; Frasche, Dean F.; Fredericks, J. Wayne.

Freedman, Emanuel R.; Frelinghuysen, Peter H. B.; French, John; Freudenthal, David M.; Friele, Berent, Friendly, Henry J.; Frye, William R.; Fuerbringer, Otto; Fuller, C. Dale; Fuller, Robert G.; Funkhouser, E. N., Jr.

G

Gage, Harlow W.; Gallatin, James P.; Gardner, Richard N.; Garretson, Albert H.; Garrison, Lloyd K.; Gates, Samuel E.; Gates, Thomas S.; Geneen, Harold S.; Gideones, Harry D.; Gillespie, S. Hazard; Gilpatric, Roswell L.; Goldberg, Arthur J.; Golden, William T.

Golden, Harrison J.; Goldstone, Harmon H.; Gordon, Albert H.; Grace, J. Peter; Graft, Robert D.; Grazier, Joseph A.; Griffith, Thomas; Grimm, Peter; Gross, Ernest A.; Grover, Allen; Gruson, Sydney; Guggenheim, Harry F; Gunther, John; Gurfein, Murray I.

H

Hager, Eric H.; Haider, Michael L.; Haight, George W.; Halaby, Najeeb E.; Halberstam, David; Hamilton, Fowler; Hammond, Capt. Paul; Hance, William A.; Harari, Maurice; Harbar, J. G.; Harriman, E. Roland; Haskell, Broderick.

Hauge, Gabriel; Hayes, Alfred; Hayes, Samuel P.; Haynes, Ulric, Jr.; Hazard, John N.; Heath, Donald R.; Heckscher, August; Helm, Harold H.; Henderson, William; Henkin, Louis; Herod, W. Rogers; Herter, Christian A., Jr.

Herzog, Paul M.; Hester, James M.; Hickey, William M.; Hill, Forrest F.; Hill, James T., Jr. Hilsman, Roger; Hochschild, Harold K.; Hochschild, Walter; Hoffman, Paul G.; Hoglund, Elis S.

Hoguet, Robert L.; Hohenberg, John; Holland, Kenneth; Holmes, Alan R.; Holt, L. Emmett, Jr.; Homer, Sidney; Hoover, Lyman; Horn, Garfield H.; Horton, Philip C.; Hottlet, Richard C.

Houghton, Arthur A., Jr.; Houston, Frank K.; Hovey, Allan, Jr.; Howard, John B.; Howell, John I.; Hughes, John Chambers; Hurewitz, J. C.; Hyde, Henry B.; Hyde, James N.

I

Inglis, John B.; Irwin, John N., 2d; Iselin, O'Donnell; Issawi, Charles.

J

Jackson, Elmore; Jackson, William E.; James, George F.; Jamieson, J. K.; Jaretzki, Alfred, Jr.; Jastrow, Robert; Javits, Jacob K.; Jay, Nelson Dean; Jessup, Alpheus W.; Jessup, John K.; Johnson, Edward F.; Johnson, Joseph E.; Johnson, Lester B.; Jones, David J.

K

Kahn, Herman; Kalinski, Felix A.; Kaminer, Peter H.; Kane, R. Keith; Katzenbach, Nicholas de B.; Keezer, Dexter M.; Keiser, David M.; Kempner, Maximillian W.; Kenen, Peter B.; Kenney, F. Donald; Keppel, Francis; Kern, Harry F.; Kettaneh, Francis A.

Keyser, Paul V., Jr.; King, Frederic R.; Kirk, Grayson; Kleiman, Robert; Knight, Douglas; Knight, Robert Huntington; Knoke, L. Werner; Knoppers, Antonie T.; Knowlton, Winthrop; Koenig, Robert P.; Kriedler, Robert N.

L

Labouisse, Henry R.; Lacy, Dan B.; Lamb, Horace R.; Lamont, Peter T.; Larmon, Sigurd S.; LaRoche, Chester J.; Lary, Hal B.; Laukhuff, Perry; Laybourne, Lawrence E.; LeBaron, Eugene; Lee, Elliott H.; Lehman, John R.; Lehman Orin; Lehrman, Hal; Leonard, James G.

Leroy, Norbert G.; Leslie, John C.; Levy, Walter J.; Lewis, Roger; Lieberman, Henry R.; Lilienthal, David E.; Lilley, A. N.; Lindbeck, John M. H.; Lindquist, Warren T.; Lindsay, George N.; Lindsay, John V.; Linen, James A.; Lippmann, Walter; Lissitzyn, Oliver J.;

Locke, Edwin A., Jr.; Lockwood, John E.; Loeb, John L.; Loft, George; Loomis, Alfred L.; Loos, Rev. A. William; Loucks, Harold H.; Lubar, Robert A.; Lubin, Isador; Luckey, E. Hugh; Ludt, R. E.; Luke, David L., 3rd; Lunt, Samuel D.; Lyford, Joseph P.

M

McCance, Thomas; McCarthy, John G.; McCloy, John J.; McCloy, John J., 2nd; McColough, C. Peter; McDermott, Walsh; McGraw, James H., Jr.; McKeever, Porter; McLean, John G.; MacEachron, David W.; MacGregor, Ian K.; MacIntyre, Malcolm A.; Maffry, August; Manshel, Warren D.

Mark, Rev. Julius; Markel, Lester; Marshall, Burke; Marvel, William W.; Masten, John E.; Mathews, Edward J.; Mattison, Graham D.; May, A. Wilfred; Mayer, Gerald M., Jr.; Menke, John R.; Merz, Charles; Metzger, Herman A.; Meyer, John M., Jr.; Mickelson, Sig.

Millard, Mark J.; Miller, Paul R., Jr.; Mills, Bradford; Model, Leo; Moe, Sherwood G.; Moore, Ben T.; Moore, Edward F.; Moore, George S.; Moore, Maurice T.; Moore, Robert A.; Moore, Walden; Moore, William T.; Morgan, D. P.

Morgan, Henry S.; Morley, James William; Morris, Grinnell; Morrisett, Lloyd N.; Mosely, Philip E.; Moyers, Bill D.; Muir, Malcolm; Munroe, George B.; Munroe, Vernon, Jr.; Munyan, Winthrop R.; Murden, Forrest D., Jr.; Murphy, Grayson M. P.; Murphy, J. Morden.

N

Neal, Alfred C.; Nelson, Clifford C.; Newton, Quigg, Jr.; Nichols, Thomas S.; Nichols, William I.; Nickerson, A. L.; Nielsen, Waldemar A.; Nimitz, Chester W., Jr.; Nolte, Richard H.; Notestein, Frank W.; Noyes, Charles Phelps.

O

Oakes, John B.; Ogden, Alfred; Olmstead, Cecil J.; O'Neill, Michael J.; Osborn, Earl D.; Osborn, Frederick H.; Osborn, William H.; Osborne, Stanley de J.; Ostrander, F. Taylor, Jr.; Overby, Andrew N.; Overton, Douglas W.

P

Pace, Frank, Jr.; Page, Howard W.; Page, John H.; Page, Robert G.; Page, Walter H.; Paley, William S.; Palfrey, John G.; Parker, Philo W.; Passin, Herbert; Patterson, Ellmore C.; Patterson, Frederick D.

Patterson, Herbert P.; Payne, Frederick B.; Payne, Samuel B.; Payson, Charles Shipman; Peardon, Thomas P.; Pearson, John E.; Pennoyer, Paul G.; Pennoyer, Robert M.; Perkins, James A.; Perkins, Roswell B.; Perry, Hart.

Petersen, Gustav H.; Petschek, Stephen R.; Phillips, Christopher H.; Picker, Harvey; Pickering, James V.; Piel, Gerard; Pierce, William C.; Piercy, George T.; Pierson, Warren Lee; Pifer, Alan; Pike, H. Harvey.

Place, John B. M.; Platten, Donald C.; Plimpton, Francis T. P.; Polk, Judd; Poor, J. Sheppard; Potter, Robert S.; Power, Thomas F., Jr.; Powers, Joshua B.; Pratt, H. Irving; Probst, George E.; Pulling, Edward.

Q

Quigg, Philip W.

R

Rabi, Isidor I.; Rambin, J. Howard, Jr.; Reber, Samuel; Reed, Philip D.; Reid, Ogden R.; Reid, Whitelaw; Reston, James B.; Rheinstein, Alfred; Richardson, Arthur Berry.

Riegelman, Harold; Robbins, Donald G., Jr.; Robertson, Charles S.; Robinson, Gerold T.; Roche, James M.; Rockefeller, David; Rockefeller, John D., 3d; Rockefeller, Nelson A.; Rockefeler, Rodman C.; Rockhill, Victor E.; Rodriguez, Vincent A.

Rogers, Lindsay; Roosa, Robert V.; Root, Oren; Rosenman, Samuel I.; Rosenstiel, Lewis; Rosenthal, A. M.; Rosenwald, William; Rosin, Axel G.; Ross, T. J.; Ruebhausen, Oscar M.; Russell, T. W., Jr.; Rustow, Dankwart A.

S

Sachs, Alexander; Sachs, Howard J.; Salisbury, Harrison E., Saltzman, Charles E.; Sargeant, Howland H.; Sargent, Noel; Sarnoff, Brig. Gen. David; Schachter, Oscar, Schaffner, Joseph Halle; Schapiro, J. Salwyn; Scherman, Harry; Schiff, John M.

Schiller, A. Arthur; Shilling, Warner R.; Schilthuis, Willem C.; Schlesinger, Arthur, Jr.; Schmidt, Herman J.; Schmoker, J. Benjamin; Schwartz, Harry; Schwarz, Frederick A. O.; Scott, John; Scott, Stuart N.; Seagrave, Norman P.; Seligman, Eustace.

Seymour, Whitney North; Shapiro, Isaac; Sharp, George C.; Sharp, James H.; Shea, Andrew B.; Sheean, Vincent; Sheeline, Paul C.; Sheffield, Frederick; Shepard, David A.; Shepard, Frank P.; Shulman, Marshall D.; Shute, Benjamin R.

Silver, K. H.; Simons, Hans; Sims, Albert G.; Slater, Joseph E.; Slawson, John; Smith, Carleton Sprague; Smith, Datus C., Jr.; Smith, David S.; Smith, Hayden N.; Smith, W. Mason; Sommers, Davidson; Sonne, Christian R.

Sonne, H. Christian; Sorensen, Theodore C.; Soubry, E. E.; Spang, Kenneth M.; Spencer, Percy C.; Spofford, Charles M.; Stackpole, Stephen H.; Stamas, Stephen; Stanton, Frank; Stebbins, James H.; Stebbins, Richard P.; Steiniger, Edward L.; Stern, Fritz; Stern, H. Peter.

Stewart, Robert McLean; Stillman, Chauncey; Stillman, Ralph S.; Stinebower, Leroy D.; Stoddard, George D.; Stokes, Isaac N.P.; Straka, Jerome A.; Stratton, Julius A.; Straus, Donald B.; Straus, Jack I.; Straus, Oscar S.

Straus, Ralph I.; Strauss, Simon D.; Streibert, Theodore C.; Strong, Benjamin; Sulzberger, Arthur Ochs; Sutton, Francis X.; Swearer, Howard R.; Swing, John Temple; Swinton, Stanley M.; Swope, Gerard, Jr.

T

Taylor, Arthur R.; Thomas, Evan; Thomas, H. Gregory; Thompson, Earle S.; Thompson, Kenneth W.; Tibby, John; Tomlinson, Alexander C.; Topping, Seymour.

Townsend, Edward; Townsend, Oliver; Trager, Frank N.; Traphagen, J. C.; Travis, Martin B., Jr.; Trippe, Juan Terry; Trowbridge, Alexander B.; Tweedy, Gordon B.

U

Uzielli, Giorgio.

V

Vance, Cyrus R.; Vila, George R.; von Klemperer, Alfred H.; Voorhees, Tracy S.

W

Wagley, Charles W.; Walker, A. Lightfoot; Walker, George G.; Walker, Joseph, Jr.; Walkowicz, T. F.; Warburg, Eric M.; Warburg, Frederick M.; Ward, F. Champion; Warfield, Ethelbert; Warner, Rawleigh, Jr.; Wasson, Donald.

Watson, Arthur K.; Watson, Thomas J., Jr.; Wauchope, Vice Adm. George; Weaver, Sylvester L. Jr.; Webster, Bethuel M.; Wernimont, Kenneth; Wharton, Clifton R., Jr.; Wheeler, Walter H., Jr.; Whidden, Howard P.; Whipple, Taggart.

White, Frank X.; White, Theorore H.; Whitney, John Hay; Whitridge, Arnold; Wilbur, C. Martin; Wilhelm, Harry; Wilkey, Malcolm Richard; Wilkinson, Theodore L.; Williams, Franklin H.; Williams, Langbourne M.

Wilson, Donald M.; Wilson, John D.; Wingate, Henry S.; Winslow, Richard S.; Wofford, Harris L.; Jr.; Wood, Bryce; Woodman, Herbert, B.; Woodward Donald B.; Wooley, Knight; Wriston, Henry M.; Wriston, Walter B.;

Y

Yost, Charles W.; Young, Edgar B.; Young, John M.; Young, Kenneth T., Jr.

Z

Zagoria, Donald S.; Zurcher, Arnold J.

NONRESIDENT MEMBERS AS OF SEPTEMBER 8, 1969

A

Abegglen, James C.; Abelson, Philip H.; Abram, Morris B.; Acheson, Dean G.; Achilles, Theodore C.; Agar, Herbert; Allen, Raymond B.; Amory, Robert, Jr.; Anderson, Dillon; Anderson, Adm. George W., Jr.; Anderson, Roger E.; Angell, James W.; Armstrong, Brig. Gen. DeWitt C., 3rd; Armstrong, John A.; Austin, Vice Adm. B. L.

B

Babcock, Maj. Gen. C. Stanton; Baker, George P.; Baldwin, Hanson W.; Ballou, George T.; Barco, James W.; Barger, Thomas C.; Barghoorn, Frederick C.; Barker, James M.; Barkin, Solomon; Barnett, Richard J.; Barnett, A. Doak;

Barnett, Robert W.; Barnett, Vincent M., Jr.; Barrows, Leland; Bartholomew, Dana T.; Bass, Robert P., Jr.; Bates, Marston; Bator, Francis M.; Baumer, William H.; Baxter, James P., 3rd; Bayne, Edward Ashley; Beam, Jacob D.; Bechtel, S. D.; Beckhart, Benjamin H;

Beckler, David Z.; Beer, Samuel H.; Behrman, Jack N.; Bell, Holley Mack; Benda, Harry J.; Bennett, Lt. Gen. Donald V.; Bennett, Martin Toscan; Bergson, Abram; Bergsten, C. Fred; Bernstein, Edward M.; Betts, Brig. Gen. Thomas J.;

Billington, James H.; Bissell, Richard M., Jr.; Black, Cyril E.; Black, Brig. Gen. Edwin F.; Blackie, William; Blake, Robert O.; Bliss, C. I.; Bloomfield, Lincoln P.; Boardman, Harry; Boeschenstein, Harold; Bohlen, Charles E.;

Bonesteel, Gen. C. H., 3rd; Bonsal, Philip W.; Boorman, Howard L.; Boothby, Albert C.; Bowie, Robert R.; Bowles, Chester; Bowles, Frank; Braden, Thomas W.; Bradfield, Richard; Bradford, Amory H.; Braisted, Paul J.

Bramstedt, W. F.; Brewster, Kingman, Jr.; Briggs, Ellis O.; Brimmer, Andrew F.; Bristol, William M.; Bronwell, Arthur; Brooks, Harvey; Brorby, Melvin; Bross, John A.; Brown, Harold; Brown, Lester R.; Brown, William O.; Brownell, Lincoln C.

Bruce, David K. E.; Brundage, Percival F.; Bundy, William P.; Bunker, Ellsworth; Bunnell, C. Sterling; Burchinal, Gen. David A.; Burgess, Carter L.; Burgess, W. Randolph; Burns, Arthur F.; Bussey, Col. Donald S.; Byrne, James MacGregor; Byrnes, Robert F.; Byroade, Henry A.

C

Cabot, John M.; Cabot, Louis W.; Cabot, Thomas D.; Caldwell, Robert G.; Calkins, Hugh; Caraway, Lt. Gen. Paul W.; Carpenter, W. Samuel, 3rd; Cary, Maj. Gen. John B.; Case, Clifford P.; Case, Everett N.

Cater, Douglass; Chapman, John F.; Charpie, Robert A.; Chartener, William H.; Chayes, Abram J.; Cheever, Daniel S.; Chenery, Hollis B.; Cherrington, Ben M.; Childs, Marquis; Church, Frank; Cisler, Walker L.; Clark, Ralph L.; Cleveland, Harlan.

Clough, Ernest T.; Coffey, Joseph Irving; Cohen, Benjamin V.; Cole, Charles W.; Collings, L. V.; Collingwood, Charles C.; Conlon, Richard P.; Conrad, Gen. Bryan; Coombs, Philip H.; Cooper, Chester L.; Cooper, John Sherman; Cooper, Richard N.

Copeland, Lammot du Pont; Corson, Dale R.; Cotting, Charles E.; Cowles, John; Cowles, John; Cowles, John Jr.; Crane, Winthrop Murray, 3rd; Cross, James E.; Crotty, Homer D.; Crowe, Philip K.; Curran, Jean A., Jr.; Curtis, Edward P.

D

Dale, William B.; Dallin, Alexander; Dangerfield, Royden; David, Donald K.; Davidson, Alfred A.; Davies, Fred A.; Davies, Rodger P.; Davis, John A.; Davis, Nathanael V.; Davis, Nathaniel; Davison, Daniel P.; Dean, Edgar P.; Deaver, John V.

Decker, William C.; De Guigne; Christian, 3rd; De Kiewiet, C. W.; DePalma, Samuel; Despres, Emile; Deuel, Wallace R.; Deutch, Michael J.; Dickey, John S.; Doherty, William C., Jr.; Dollard, Charles; Donham, Paul.

Donnell, James C., 2nd; Donnelley, Lt. Gen. Harold C.; Dorr, Russell H.; Doty, Paul M., Jr.; Douglas, Donald W., Jr.; Dowling, Walter; Draper, William H., Jr.; Dreier, John C.; Drummond, Roscoe; Ducas, Robert; Duke, Angier Biddle; Dungan, Ralph A.; Durdin, F. Tillman.

E

Eckstein, Alexander; Edwards, A. R.; Edwards, William H.; Einaudi, Mario; Elliott, Byron K.; Elliott, Randle; Elliott, William Y.; Ellsberg, Daniel; Emeny, Brooks.

Emerson, Rupert; Enthoven, Alain C.; Eppert, Ray R.; Ernst, Albert E.; Evans, John K.; Evans, Roger F.; Everton, John Scott.

F

Fahs, Charles B.; Fainsod, Merle; Fairbank, John King; Fairbanks, Douglas; Falk, Richard A.; Farmer, Garland R.; Farmer, Thomas L.; Feis, Herbert; Ferguson, John H.; Fifield, Russel H.

Finkelstein, Lawrence S.; Firestone, Harvey S., Jr.; Fishel, Wesley R.; Fisher, Adrian S.; Fisher, Roger; Flanigan, Peter M.; Florinsky, Michael T.; Folsom, Victor C.; Ford, Thomas K.

Forkner, Claude E.; Fosdick, Raymond B.; Foster, William C.; Frank, Isaiah; Fankel, Max; Free, Lloyd A.; Freeman, Fulton; Freund, Gerald; Fuller, Carlton P.; Furber, Holden.

G

Galbraith, J. Kenneth; Gallagher, Charles F.; Gallagher, John F.; Gant, George F.; Gardiner, Arthur Z.; Gardner, John W.; Garthoff, Raymond L.; Gaud, William S.; Gaylord, Bradley; Geier, Paul E.; Gerhart, Maj. Gen. John K.; Grevers, Max E.

Gibney, Frank B.; Giffin, Brig. Gen. Sidney F.; Gil, Peter P.; Gilbert, Carl J; Gilbert, H N.; Gilchrist, Huntington Gilpatric, Chadbourne; Ginsburgh, Brig. Gen. Robert N.; Gleason, S Everett; Glennan, T. Keith; Coheen, Robert F.

Goodhart, Arthur L.; Goodpaster, Gen. Andrew J. Goodrich, Carter; Goodrich, Leland M.; Gordon, Kermit; Gordon, Lincoln; Gornick, Alan L.; Gorter, Wytze; Grant, James P.; Graubard, Stephen R.; Gray, Gordon.

Gray, William Latimer; Green, Joseph C.; Greene, James C.; Greene, Brig. Gen. Michael J. L.; Greenwald, Joseph A; Griffith, Brig. Gen. Samuel B., 2nd; Griffith William E; Grondahl, Teg C.; Gruenther, Gen. Alfred M.; Gullion, Edmund A

H

Hall, John W.; Halle, Louis J., Jr.; Halperin, Morton H.; Hamilton, Edward K.; Hamilton, Thomas J.; Hammonds, Oliver W.; Hanes, John W., Jr.; Hansell, Maj. Gen. Haywood S., Jr.; Harbison, Frederick; Hare, Raymond A.

Harriman, W. Averell; Harris, Irving B.; Harris, James T. Jr.; Harsch, Joseph C.; Hart, Augustin S.; Hartley, Fred L.; Hartley, Robert W.; Haskins, Caryl P.; Hauck, Arthur A.; Haviland, H. Field, Jr.; Eays, Brooks; Heald, Henry T.

Heffelinger, Totton P.; Heilperin, Michael A.; Heintzen, Harry L.; Heinz, H. J., 2nd; Henderson, L. J., Jr.; Henderson, Loy W.; Hesburgh Rev. Theodore M., C.S.C.; Hill, George Watts; Hill, Robert C.; Hinshaw, Randall; Hirscham, Albert O.

Hitch, Charles J.; Hofer, Philip; Hoffman, Michael L.; Hoffmann, Stanley; Holland, William L.; Holst, Willem; Holt, Pat M. Hoopes, Townsend W.; Hoover, Herbert W., Jr.; Hopkins, D. Luke; Hopper, Bruce C.; Horton, Alan W.

Hoskins, Harold B.; Houghton, Amory; Hovde, Frederick L.; Hoyt, Edwin C., Jr.; Hoyt, Palmer; Hughes, Thomas L.; Huglin, Brig. Gen. H. C.; Humphrey, Hubert H.; Hunsberger, Warren S.; Hunt, James Ramsay; Hunter, Clarence E.; Huntington, Samuel P.

I

Isaacs, Norman E.; Iverson, Kenneth R.

J

Jacobson, Harold K.; Jaffe, Sam A.; Jansen, Marius B.; Jenney, John K.; Jessup, Philip C.; Jessup, Philip C., Jr.; Johnson, Gen. Harold K.; Johnson, Howard C.; Johnson, Howard W.; Johnston, Henry R.; Johnstone, W. H.; Jones, Peter T.; Jones, Thomas V.; Jordan, Col. Amos A., Jr.; Jorden, William J.

K

Kahin, George McT.; Kaiser, Philip M.; Kamarck, Andrew M.; Katz, Milton; Katzenbach, Edward L., Jr.; Kaufmann, William W.; Kaysen, Carl; Kempner, Frederick C.; Kennan, George F.; Kerr, Clark; Killian, James R., Jr.; Kimberly, John R.

King, James E., Jr.; King, John A., Jr.; Kintner, Col. William R.; Kissinger, Henry A.; Kistiakowsky, George B.; Kitchen, Jeffrey C.; Knorr, Klaus; Kohler, Foy D.; Kohler, Walter J.; Korbel, Josef; Korry, Edward M.; Kotschnig, Walter M.; Kraft, Joseph.

L

Ladejinsky, Wolf; La Farge, Francis W.; Laing, R. Stanley; Lampert, Lt. Gen. James B.; Lamson, Roy Jr.; Lang, Robert E.; Langer, Paul F.; Langer, William L.; Langsam, Walter Consuelo; Lanham, Maj. Gen. Charles T.

Lansdale, Maj. Gen. Edward G.; Lasswell, Harold D.; Lawrence, David; Lawrence, William H.; Laylin, John G.; Leddy, John M.; Lee, Charles Henry; Leghorn, Richard S.; Leich, John F.; Lemnitzer, Gen. Lyman L.; Leslie, Donald S.; Le Sueur, Larry.

Levine, Irving R.; Levy, Marion J., Jr.; Lincoln, Gen. G. A.; Lindblom, Charles E.; Linder, Harold F.; Lindley, Ernest K.; Lindsay, Franklin A.; Lingle, Walter L., Jr.; Linowitz, Sol M.; Lipson, Leon; Little, Herbert S.; Little, L. K.

Lockard, Derwood W.; Lockwood, Manice de F., 3rd; Lockwood, William W.; Lodge, George Cabot; Lodge, Henry Cabot; Long, Franklin A.; Longstreet, Victor M.; Loomis, Henry; Lovestone, Jay; Loy, Frank E.; Lynch, Edward S.; Lyon, E. Wilson.

M

McCabe, Thomas B.; McClintock, Robert M.; McCone, John Alex.; McCormack, Maj. Gen. James; McCracken, Paul W.; McCutcheon, John D.; McDaniel, Joseph M., Jr.; McDougal, Myres S.; McFarland, Ross A.; McGee, Gale W.; McGhe, George C.

McKay, Vernon; McKinney, Robert M.; McLaughlin, Donald H.; McLean, Donald H., Jr.; McNamara, Robert S.; McQuade, Lawrence C.; MacArthur, Douglas, 2nd; MacChesney, A. Brunson, 3rd; MacDonald, Gordon J. F.; MacDonald, J. Carlisle.

MacIver, Murdoch; MacLaury, Bruce K.; MacVeagh, Lincoln; Machold, William F.; Maddox, William P.; Mallinson, Harry; Mallory, George W.; Mallory, Walter H.; Mann, Thomas C.; Manning, Bayless; Manning, Robert J.; Mansager, Felix N.

Marcus, Stanley; Marcy, Carl; Marshall, C. Burton; Martin, Edwin M.; Martin, William McC., Jr.; Mason, Edward S.; Matthews, William R.; May, Ernest R.; May, Oliver; May, Stacy; Mayer, Ferdinand L.

Mayer, Gerald M.; Meagher, Robert F.; Meck, John F.; Merchant, Livingston T.; Merillat, H. C. L.; Merriwether, Duncan; Metcalf, George R.; Meyer, Albert J.; Meyer, Charles A.; Meyer, Cord, Jr.; Milbank, Robbins; Miller, Col. Francis P.

Miller, J. Irwin; Miller, William J.; Millikan, Max F.; Minor, Harold B.; Mladek, Jan V.; Molina, Edgar R.; Montias, J. Michael; Moore, Hugh; Moran, William E., Jr.; Morgan, Cecil; Morgan, George A.; Morgenstern, Oskar.

Morgenthau, Hans J.; Morse, David A.; Morton, Louis; Mudd, Henry T.; Muller, Steven; Munger, Edwin S.; Munoz Marvin, Luis; Munro, Dana G.; Murphy, Franklin D.; Murphy, Robert D.; Myers, Denys P.

N

Nason, John W.; Nathan, Robert R.; Nelson, Fred M.; Nelson, Merlin E.; Neustadt, Richard E.; Newman, Richard T.; Nichols, Calvin J.; Nitze, Paul H.; Nolting, Frederick E., Jr.; Norstad, Gen. Lauris; Nover, Barnett; Noyes, W. Albert, Jr.

O

O'Connor, Roderic L.; Oelman, R. S.; Oliver, Covey T.; Osborne, Lithgow; Osgood, Robert E.; Owen, Garry; Owen, Henry.

P

Paffrath, Leslie; Palmer, Norman D.; Pantzer, Kurt F.; Park, Richard L.; Parker, Barrett; Parkhurst, George L.; Parsons, John C.; Patterson, Gardner; Paul, Norman S.; Paul, Roland A.; Pedersen, Richard F.; Pell, Claiborne.

Pelzer, Karl J.; Penfield, James K.; Perera, Guido R.; Peretz, Don; Perkins, Courtland D.; Petersen, Howard C.; Petty, John R.; Phleger, Herman; Pierotti, Roland; Piquet, Howard S.; Plank, John N.; Platig, E. Raymond.

Plimpton, Calvin H.; Pogue, L. Welch; Poletti, Charles; Polk, William R.; Pool, Ithiel DeSola; Posvar, Wesley W.; Prauger, Frederick A.; Prance, P. F. A.; Price, Don K.; Prizer, John B.; Pusey, Nathan M.; Putzell, Edwin J., Jr.; Pye, Lucian W.

R

Radway, Laurence I.; Rathjens, George W.; Ravenholt, Albert; Ray, George W., Jr.; Redmon, E. Hayes; Reeves, Jay B. L.; Reinhardt, G. Frederick; Reischauer, Edwin O.; Reitzel, William; Rennie, Wesley F.; Resor, Stanley R.; Reuss, Henry S.; Reuther, Walter P.

Revelle, Roger; Reynolds, Lloyd G.; Rich, John H., Jr.; Richardson, David B.; Richardson, Dorsey; Richardson, Elliot L.; Richardson, John, Jr.; Ridgway, Gen. Matthew B.; Riefler, Winfield W.; Ries, Hans A.; Ripley, S. Dillon, 2nd; Roberts, Henry L.; Rogers, James Grafton.

Rogers, William D.; Roosevelt, Kermit; Rosengarten, Adolph G., Jr.; Ross, Roger; Rostow, Eugene V.; Rostow, Walt W.; Roth, William, M., Jr.; Rouse, Robert G.; Rowen, Henry S.; Rubin, Seymour J.; Rubina, J. P.; Rush, Kenneth; Rusk, Dean; Ryan, John T., Jr.

S

Salomon, Irving; Samuels, Nathaniel; Satterthwaite, Joseph C.; Sawin, Melvin E.; Sawyer, John E.; Scalapino, Robert A.; Schaetzel, J. Robert; Schelling, Thomas C.; Schiff, Frank W.; Schmidt, Adolph W.; Schorr, Daniel L.

Schuyler, Gen. C. V. R.; Schwab, William B.; Schwebel, Stephen M.; Seaborg, Glenn T.; Seabury, Paul; Sedwitz, Walter J.; Seymour, Forrest W.; Shaplen, Robert; Sharp, Walter R.; Shearer, Warren W.; Sherbert, Paul C.; Shields, Murray.

Shirer, William L.; Shishkin, Boris; Shuster, George N.; Simons, Howard; Simpson, John L.; Sisco, Joseph L.; Skolnikoff, Eugene B.; Slocum, John J.; Smith, Gerard C.; Smith, Horace H.; Smith, Robert W.

Smithies, Arthur; Smyth, Henry DeW.; Solbert, Peter O. A.; Solomon, Anthony M.; Sonnenfeldt, Helmut; Sontag, Raymond James; Soth, Lauren K.; Southard, Frank A., Jr.; Spaatz, Gen. Carl A.; Spaeth, Carl B.

Spain, James W.; Spencer, John H.; Spencer, William C.; Spiegel, Harold R.; Sprague, Mansfield D.; Sprague, Robert C.; Sprout, Harold; Staley, Eugene; Stanley, Timothy W.; Stason, E. Blythe; Stassen, Harold E.

Stein, Eric; Stephens, Claude O.; Sterling, J. E. Wallace; Stevenson, John R.; Stevenson, William E.; Stewart, Robert Burgess; Stilwell, Lt. Gen. Richard G.; Stone, Donald C.; Stone, Shepard; Straus, Robert Kenneth.

Straus, R. Peter; Strauss Lewis L.; Strausz-Hupe, Robert; Strayer, Joseph R.; Struble, Adm. A. D.; Sullivan, William H.; Sulzberger, C. L.; Sunderland, Thomas E.; Surrey, Walter Sterling; Swihart, James W.; Symington, W. Stuart.

T

Talbot, Phillips; Tanham, George K.; Tannenwald, Theodore, Jr.; Taylor, George E.; Taylor, Gen. Maxwell D.; Teller, Edward; Templeton, Richard H.; Tennyson, Leonard B.; Thayer, Robert H.

Thompson, Llewellyn E.; Thomson, James C., Jr.; Thorp, Willard L.; Timberlake, Clare H.; Trezise, Philip H.; Triffin, Robert; Truman, David B.; Turkevich, John; Tuthill, John W.; Tyler, William R.

U

Ullman, Richard H.; Ulmer, Alfred C., Jr.; Upgren, Arthur R.

V

Valentine, Alan; Van Dusen, Rev. Henry P.; Van Slyck, DeForest; Van Stirum, John; Vernon, Raymond; Von Mehren, Robert B.

W

Wait, Richard; Walker, George R.; Wallich, Henry C.; Walmsley, Walter N.; Ward, Rear Adm. Chester; Warren, John Edwin; Washburn, Abbott M.; Wasson, R. Gordon; Watkins, Ralph J.; Weaver, George L. P.; Weiner, Myron; Weisskopf, Victor F.

Welch, Leo D.; Wellborn, Vice Adm. Charles, Jr.; Wells, Herman B.; West, Robert LeRoy; Westmoreland, Gen. W. C.; Westphal, Albert C. F.; Wheeler, Oliver P.; Whipple, Brig. Gen. William; Whitaker, Arthur P.; White, Gilbert F.; Whiting, Allen S.

Wiesner, Jerome B.; Wight, Charles A.; Wilcox, Francis O.; Wilcox, Robert B.; Wild, Payson S.; Wilde, Frazar B.; Wilds, Walter W.; Williams, Haydn; Williams, John H.; Willits, Joseph H.; Wilmerding, Lucas, Jr.

Wilson, Carroll L.; Wimpfheimer, Jacques; Winton, David J.; Wohl, Elmer P.; Wohlstetter, Albert; Wolf, Charles, Jr.; Wood, Harleston R.; Woodbridge, Henry S.; Wriggins, W. Howard; Wright, Adm. Jerauld; Wright, Quincy; Wright, Theodore P.; Wyzanski, Charles E., Jr.

Y

Yarmolinsky, Adam; Yntema, Theodore O.; Young, T. Cuyler; Youngman, William S.; Yudkin, Maj. Gen. Richard A.

Z

Zimmerman, Edwin M.

FINANCES

During the Council's fiscal year ending on June 30, 1969, there were a number of important increases in income. Membership dues were raised during the year, resulting in new income of $60,900. Largely through a drive undertaken last January, subscriptions to the Corporation Service were increased by $46,600. For the first time in many years, the gross income of *Foreign Affairs* exceeded direct expenses, resulting in a net income of $7,600, as compared with a net loss of $12,300 in the preceding year. Net proceeds from the sale of Council books, on the other hand, fell slightly during the year, partly because extensive revisions have delayed publication of the *Political Handbook*.

The Council's expenses increased substantially, in part because of the pressures of inflation. In three areas, however, there were major increases not attributable to inflation. The largest of these, $91,000, was due to the Council's reassuming for the past seven months the major responsibility for the Foreign Relations Library, which in each of the two previous years had benefited from $100,000 provided by a most generous anonymous donor. Second, the International Affairs Fellowship Program is now in full swing, as the increase in expenses of $54,500 indicates; this entire program is financed by the Rockefeller Brothers Fund. Third, with the help of a fine special grant from the Ford Foundation, work has started on the *Foreign Affairs Fifty-Year Bibliography*, which will take three years to complete.

The Council's financial statements, as audited by Price Waterhouse & Co., follow. More detailed information is available to any member on request.

RUTH C. WITHERSPOON,
Comptroller.

FOREIGN RELATIONS LIBRARY

Use of the library's facilities, including reference services, books, and clipping files, has increased approximately 10 per cent during the past year, reflecting greater use of the Library by permanent staff and visiting fellows. The pattern of reference requests continues to be similar to that of the past few years in that the Library staff works more closely with the research staff, particularly in the bibliographical field.

The collection now contains 50,500 accessioned volumes, an increase of only 1,000 over last year's total. This is a pleasing statistic because it reflects progress in the program of weeding out obsolete and redundant material. Even with a large inflow of new volumes each year, it is possible through judicious discarding to maintain the collection within bounds. Discarded books are given to selected local and foreign libraries with interests similar to the Council's.

Some 53,000 United Nations documents were added, bringing the total to almost 126,000, which require considerable effort to house and catalog. The Library's collection of United Nations material is frequently consulted by others associated with similar depository organizations, a fact which is a source of pride to the staff. Documents of other international-intergovenmental organizations continue to flow in, and, as noted in an earlier report, our collection is among the finest in this field.

The clipping files continued to be used extensively. Almost the same number, 29,000, of clippings were added as last year, but there was a decided increase in the total number of complete folders circulated. It appears that with a change of administration in Washington, with many new envoys and special representatives seeking background information for new assignments, this phenomenon may be expected periodically.

Three steps were taken to ease the problem of limited space. The weeding-out process was continued as noted, a project which is now approximately 50 percent completed.

The card catalog in which there was no further room for expansion has been photocopied and will appear in book form (nine bound volumes) in November, 1969. It will be sold commercially to other libraries, so that aside from saving space and recouping perhaps a small portion of cataloging expenses, a good bibliographical tool will be available to other libraries in this country and abroad.

The decision to start replacing original U.N. documents with microprint copies has been implemented. It was first necessary to approach the United Nations for formal permission to do this. Permission has been granted, much to our satisfaction and that of other libraries which will use this decision as a precedent. Microprints of all U.N. documents and Official Records from 1946 to 1953 have now been purchased, thus freeing over 400 feet of shelving.

Since the early days of the Library it has been active in cooperating with other libraries and library associations. A large number of domestic and foreign books, documents, and pamphlets were received in exchange for 306 copies of Council books.

DONALD WASSON,
Librarian, Foreign Relations Library.

DIRECTORS AND OFFICERS

Original board of directors

Isaiah Bowman, 1921–1950.
Archibald Cary Coolidge, 1921–1928.
Paul D. Cravath, 1921–1940.
John W. Davis, 1921–1955.
Norman H. Davis, 1921–1944.
Stephen P. Duggan, 1921–1950.
John H. Finley, 1921–1929.
Edwin F. Gay, 1921–1945.
David F. Houston, 1921–1927.
Otto H. Kahn, 1921–1934.
Frank L. Polk, 1921–1943.
Whitney H. Shepardson, 1921–1966.
William R. Shepherd, 1921–1927.
Paul M. Warburg, 1921–1932.
George M. Wickersham, 1921–1936.

Succeeding directors according to beginning of term of office

Allen W. Dulles, 1927–1969.
R. C. Leffingwell, 1927–1960.
George O. May, 1927–1953.
Wesley C. Mitchell, 1927–1934.
Owen D. Young, 1927–1940.
Hamilton Fish Armstrong, 1928.
Charles P. Howland, 1929–1931.
Walter Lippmann, 1932–1937.
Clarence M. Woolley, 1932–1935.
Frank Altschul, 1934.
Philip C. Jessup, 1934–1942.
Harold W. Dodds, 1935–1943.
Leon Fraser, 1936–1945.
John H. Williams,* 1937–1964.
Lewis W. Douglas,* 1940–1964.
Edward Warner, 1940–1945.
Clarence E. Hunter, 1942–1953.
Myron C. Taylor, 1943–1959.
Henry M. Wriston,* 1943–1967.
Thomas K. Finletter,* 1944–1967.
William A. M. Burden, 1945.
Walter H. Mallory,* 1945–1968.
Philip D. Reed,* 1945–1969.
Winfield W. Riefler, 1945–1950.
David Rockefeller, 1949.
W. Averell Harriman, 1950–1955.
Joseph E. Johnson, 1950.
Grayson Kirk, 1950.
Devereux C. Josephs, 1951–1958.
Elliott V. Bell,* 1953–1966.
John J. McCloy, 1953.
Arthur H. Dean, 1955.
Charles M. Spofford, 1955.
Adlai E. Stevenson, 1958–1962.
William C. Foster, 1959.
Caryl P. Haskins, 1961.
James A. Perkins, 1963.
William P. Bundy, 1964.
Gabriel Hauge, 1964.
Carroll L. Wilson, 1964.
Douglas Dillon, 1965.
Henry R. Labouisse, 1965.
Robert V. Roosa, 1966.
Lucian W. Pye, 1966.
Alfred C. Neal, 1967.
Bill D. Moyers, 1967.
Cyrus A. Vance, 1968.
Hedley Donovan, 1969.

* Directors Emeriti.

FROM FOUNDING TO PRESENT

Honorary Presidents

Elihu Root, 1921–1937.
Henry M. Wriston, 1964.

Chairmen of the Board

R. C. Leffingwell, 1946–1953.
John C. McCloy, 1953.

Presidents

John W. Davis, 1921–1933.
George W. Wickersham, 1933–1936.
Norman H. Davis, 1936–1944.
R. C. Leffingwell, 1944–1946.
Allen W. Dulles, 1946–1950.
Henry M. Wriston, 1951–1964.
Grayson Kirk, 1964.

Vice presidents

Paul D. Cravath, 1921–1933.
Norma H. Davis, 1933–36.
Edwin F. Gay, 1933–1940.
Frank L. Polk, 1940–1943.
R. C. Leffingwell, 1943–1944.
Allen W. Dulles, 1944–1946.
Isaiah Bowman, 1945–1949.
Henry M. Wriston, 1950–1951.
David Rockefeller, 1950.
Frank Altschul, 1951.
Devereux C. Josephs, 1951–1952.

Secretaries

Edwin F. Gay, 1921–1933.
Allen W. Dulles, 1933–1944.
Frank Altschul, 1944.

Treasurers

Edwin F. Gay, 1921–1933.
Whitney H. Shepardson, 1933–1942.
Clarence E. Hunter, 1942–1951.
Devereux C. Josephs, 1951–1952.
Elliott V. Bell, 1952–1964.
Gabriel Hauge, 1964.

Executive directors

Hamilton Fish Armstrong, 1922–1928.
Malcolm W. Davis, 1925–1927.
Walter H. Mallory, 1927–1959.
George S. Franklin, Jr., 1953.

WEST VIRGINIA INDUSTRIAL DEVELOPMENT

HON. KEN HECHLER

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. HECHLER of West Virginia. Mr. Speaker, the beautiful mid-Ohio Valley, once surveyed by George Washington, is now teeming with industrial plants, including a major polyester manufacturing facility operated by the Goodyear Tire & Rubber Co., at scenic Apple Grove near Point Pleasant. This is one of the many plants located along West Virginia's Route 2.

Recently, Mr. John Gerstenmaier, vice president of domestic manufacturing for Goodyear, addressed the Central Ohio Valley Industrial Council at Point Pleasant. His speech gave an inside look at how Goodyear happened to locate at Apple Grove 10 years ago, pointed up the dramatic production increase from 17 million pounds of polyester resin a year to more than 150 million pounds. His comments were supplemented by a statement from United Rubber Workers Union, Local 644, in an article printed in the December 2 edition of the Point Pleasant Register. Mr. Gerstenmaier's speech and the United Rubber Workers Union comments follow:

Goodyear in West Virginia: Why?

(Address by John Gerstenmaier)

Thank you, Mr. Lanham, and good evening ladies and gentlemen.

Several weeks ago I read with interest two articles written by Edward Peeks, business and labor editor of the Charleston Gazette. The first one appeared Friday, October 31. It quoted West Virginia House Speaker Ivor Boiarsky as saying that labor in West Virginia projects an image of violence and that this image poses a great deterrent to locating a plant in the state.

The second article—as one might expect—followed pretty quickly. The next day, Mr. Peeks told us that someone disagreed with Speaker Boiarsky's assessment. Quoting Miles Stanley, the state AFL–CIO president, the second article said the charge was—quote—"as phony as a $3 bill." Mr. Stanley then proceeded to lay the problem at the state's doorstep.

This evening, I should like to offer the voice of one company, Goodyear, and describe its experiences, its successes, its disappointments, and its hopes during its association with West Virginia and the Central Ohio Valley. In conclusion, I should like to suggest some steps that could, from our viewpoint, lead to long-range mutual benefits for the state, business, labor and other citizens of West Virginia.

Maybe by stating our viewpoint, we can help you and COVIC carry out your organizational objective of promoting the economic growth of this region. We share with you that desire.

Goodyear's association with West Virginia pre-dates by many years the location of our plant here. Our headquarters city of Akron is thought of by many people as the Ohio capital of West Virginia. A number of years ago, Mountain Staters working and living in the Akron area formed the Society of West Virginia Club. I am happy to report, too, that there are many hard-working West Virginians among our employes in the Rubber Capital of the World.

When asked to speak during your annual meeting, I accepted with more than usual enthusiasm. Mike Bucci, our plant manager here, and Jerry Butcher, our personnel manager, told me that COVIC members represent Ohio and Kentucky as well as West Virginia. All three states bear special significance for me. Previous career assignments took me to two towns in Ohio—Logan, only a short hop from here, and St. Marys in the western part of the state. Upon returning to Akron in 1967 I became involved in the start-up of our first plant in Kentucky, at Madisonville, and in the operation of our vitally important plant at Point Pleasant, actually located just down the road a piece at Apple Grove.

Having accepted the assignment for tonight, I began shaping some thoughts about Goodyear in West Virginia. A story came to mind of the excited little boy who ran all the way home from school to tell his father:

"Dad, I've got my first part in a play. I'm going to take the part of a man who's been married 25 years."

"Cheer up," his father said.

"One of these days they'll give you a *speaking* part."

I guess that day has arrived. We mark the 10th anniversary of our "marriage" with West Virginia this year. If you happened to see any of the area newspapers, listened to radio or watched TV during the past long, hot summer, you might have been led to believe that the marriage was on the rocks. (Incidentally, Jerry, was that a two-day strike, or a three-day strike?)

The differences have been patched up—for a while, any way—so we can move ahead. I'd like to take you with me now on a little imaginary tour. Let's hop into the time capsule and go back to 1958. I'm going to break the rules tonight by giving you some money *before* the directors approve the budget; I'm going to set you up with a product to sell, and then send you on a mission to find a plant location where you can mass-produce that product.

While you're on that mental journey, tune one ear into me while I set the stage and trace the steps taken by Goodyear. See if your choice for the journey's path doesn't lead, as ours did, to Apple Grove, W. Va.

It's late in 1957. Intensive research since the early 1940's and seven years of commercial testing tell us that we have an exciting new product on our hands. It is a plastic, called Videne, a polyester laminating film that can be adhered under heat and pressure to a wide variety of things in many industries.

Applications seem unlimited: houses, furniture, automobiles and appliances can be protected and beautified with some form of this new plastic. It can be adhered to textiles, metals, wood, paper and even certain other plastics. Testing already has been successful in the aluminum, plywood, chemical, graphic arts, coated paper and converter industries. This polyester laminate can be used with glass, fabric, cotton, wood, Dacron, Orlon and nylon. It brings out beauty in colors, a richness in wood grains. It can be embossed and printed, opening new vistas in style and design. There's no end in sight.

And all the while you share a secret: this polyester film is produced by simply processing a little bit further a resin called Vitel, developed by Goodyear during an 18-year search for new and better tire cords. You know that soon, very soon, Goodyear will have solved the problems of adhesion in using polyester for tire cord. Tire sale expectations are staggering.

This plastic thing is a new ball game. Sixty per cent of your business is tires. But plastics are new for everybody. Polyester still is pretty much a novelty. You want to beat everyone to the marketplace, to start producing it . . . fast. Eagerness leads you to start producing it on a limited scale in an Akron plant, only to increase your desire for a new plant and volume production.

You have $10-million to build and equip a plant to produce 17-million pounds of resin a year.

The stage is set. But before you go scouring the country for a plant site, let's take a look at the chief requirements which the plant location—wherever it might be—must meet:

Enough available and suitable land—approximately 340 acres—to be bought for the construction of the plant and possible future plants.

A location strategic to the sources of raw materials and end products with reasonable proximity to corporate headquarters for the technical support needed in this new process.

Adequate supply of good manpower in an area whose leading wage and salary levels would induce the best available people without jeopardizing our potential competitive position in the marketplace.

Sufficient transportation routes and modes of transportation to meet shipping and receiving needs economically. River transportation rates high priority. Flood protection important. Easy access to raw material sources and distribution points by way of transportation arteries is essential.

Suitable water, electrical power and natural gas supplies to meet the needs of the plant as projected in engineering studies.

Zoning laws conducive to plant construction and future expansion.

Available housing for rentals and purchases.

Adequate community service facilities at all levels, health care facilities, and public transportation for commercial and private use.

Reasonable city, county or state tax structure.

Growing, or at least steady, population trend.

An attitude climate for mutually beneficial labor-management relations, good business-government relations and good plant-community relations.

The search is on. Your polyester project committee lays the groundwork and begins to seek out a suitable location; an engineering consultant, Catalytic Construction Company of Philadelphia, is enlisted to help.

You inspect potential land sites from New Jersey to Illinois; you visit local employment offices, state agency offices, industrial developers, and tax offices; you weigh the "pros" and "cons" in reams of reports; you disqualify many communities for one reason or another.

No less than 60 potential sites are considered—20 by your Goodyear team and 40 by Catalytic. Joliet, Ill., looms as a strong candidate; so does Wheeling, W. Va.; a Kentucky site is very promising, and so is Apple Grove, W. Va.

Correspondence stacks up; personal inspections intensify. Six months pass by since the search began and the list is pared down to three potential sites. The soon-to-be-elected company president, Russell DeYoung, inspects those three, Apple Grove included. The Goodyear polyester team and Catalytic agree on one site and recommend it. Mr. DeYoung agrees. Apple Grove, W. Va., is the unanimous choice.

Arrangements are made through Jack Llyod of Appalachian Electric Power to purchase 340 acres of farm land, a part of 1,450 acres bought by the power company for electric power and industrial development in the Ohio Valley.

The search is over.

On February 13, 1958, Goodyear publicly announced its decision to build a $10-million plastic film and resin plant at Apple Grove, marking a double "first" for the company.

It was the first Goodyear manufacturing unit to be built on West Virginia soil and it was the first—and still only—company plant devoted exclusively to the production of polyester resin materials.

Why? Why here in Mason County? What was there about this area that led Goodyear, with its half-century experience in finding and building plants in 50 U.S. locations, to call this the best available site between Pittsburgh, Pa. and Cairo, Ill.

Remember the earlier list of requirements? The geographic location of Apple Grove enables us to reach 70 per cent of our customers in a 300-mile radius. It lies almost exactly in the center of a large parameter that embraces the prime sources of raw materials.

Enough land was available to build the first plant and possible future plants.

Labor supply? It was estimated 2,400 people were unemployed in the Point Pleasant area; 10,500 in Charleston, and 4,100 in the Huntington area, producing a combined labor pool of 17,000. These figures did not reflect the much larger supply not on file in the W. Va. Department of Employment Security. We were told that an industry locating in Apple Grove would receive response from up to 20,000 applicants; that good labor-management relations existed, and that labor rates were—on the average—equivalent to those in other areas investigated by the company.

Transportation facilities for incoming and outgoing materials were excellent. The Ohio River provides access to barging along a network of navigable rivers, including the Mississippi and the Kanawha. The Baltimore & Ohio Railroad serves this site and there were 16 general freight carriers with terminals in Huntington. Bus and airline transportation were available.

For water supply, the Ohio River was the major source; a natural gas line extension to Apple Grove from Gallipolis Ferry was proposed; abundant electrical power was available from the Philip Sporn plant of Appalachian power.

Taxes seemed reasonable and community services in Point Pleasant, Gallipolis and nearby Huntington appeared good. With all the possibilities for industrial development in the area, indications pointed to an upward trend in population.

After careful study of all those assets, the choice, a practical one, became history. (Pause)

There's a story about a 90-year-old man who loved to read history. One day, while sitting in the library, the young and pretty librarian became alarmed when she noticed the old man was reading *Peyton Place*.

"Why, I thought you never read anything but history," she said to him.

The old man snapped back, "At my age, honey, this *is* history."

Goodyear in West Virginia is 10 years of history, containing many good chapters, and some we would like to re-write.

That first construction work began May 15, 1958 on five buildings, and they were completed on schedule, with limited production commencing in the first quarter of 1959. Initial employment needs were for 200 people.

Within the next six years, three major expansions of that original facility were announced, one overlapping another. The third expansion, launched in 1965, increased plant capacity to *five times* its original size to make the Apple Grove plant one of the largest polyester manufacturing facilities in the world.

The market dreamed of in 1957 and '58 was becoming a reality. United States' production of polyester fiber and film increased 15 per cent in 1965 alone.

Polyester cord for tires, a Goodyear innovation, was outpacing earlier sales estimates.

Then in November, 1966, we announced plans to expand the plant for the fourth time, boosting capacity to more than 150 million pounds a year—a far cry from the 17 million in 1959. We had to keep running fast in an industry whose domestic production of polyester fiber and film climbed nearly 30 per cent in 1966 and was expected to more than double in the following few years.

The growth of Goodyear at Apple Grove has contributed, naturally, to the economy of the area and the state. In 1968, the Goodyear payroll at Apple Grove reached nearly $6-million for wages paid to our employes and to contractor employes.

Average employment in one year rose 20 per cent to 479 in 1968, as the demand grew for polyester in tire cord, including the tremendously popular new Goodyear Polyglas tires. Sales of Polyglas tires, which contain cord spun from resins made at Apple Grove, are limited today only by our ability to produce them.

Goodyear impact on the area's economy has intensified in other ways, too. More than $12.5-million was spent in 1968 to purchase supplies and services from 290 companies within a 100-mile radius, and $379,000 was paid in local taxes. These expenditures represent increases of 41 per cent in tax payments and 32 per cent in local purchases over 1967.

The number of jobs protected or created in other organizations which provide products and service to Goodyear and its employes is an academic point, but one of certain significance to the economy.

Obviously, our current investment in our Apple Grove plant is substantially larger than our investment in 1959. Goodyear has become the county's largest employer in terms of both personnel and payroll. About half of our employes reside in West Virginia, the other half in Ohio.

Maybe some of you are a little upset with us because of it, but our employe benefits are among the best, not only in West Virginia, but in all American industry. These benefits account for several more millions of dollars in compensation for such things as free hospitalization and surgical care, and liberal holiday, vacation and retirement programs.

We have completed a new office area, a new and well-equipped first aid room and our plant is air-conditioned in many work areas. We sponsor numerous employe activities for men and women, and contribute a leading share to community programs. Recently we announced plans for a new, enclosed employe lunch room at the plant.

In the Charleston Gazette article mentioned earlier, AFL–CIO President Stanley said that West Virginia has a highly qualified competent labor force, and that they are positive people.

Our Point Pleasant employes last month shared honors with management in winning the Goodyear Chemical Division Housekeeping Award. When five production directors from Akron and I inspected the plant last spring, we gave it outstanding ratings in virtually every classification.

We have found West Virginia people to be competent in performing jobs at the plant, including technical ones that never existed in this area before. Point Pleasant is the only plant in our entire domestic plant organization for which we can say absenteeism is not a problem.

Yes, our Apple Grove employes have shown us they *are*, on the whole, competent and positive people.

"OK", you say, "you've traced the growth of Goodyear in West Virginia and you've told us why Goodyear selected the Central Ohio Valley as a plant site in 1958. What about 1969? What about the future!"

As I pointed out earlier, we do have more land at Apple Grove than what we are now using. But, I must in all honesty say that we look at Apple Grove a little differently now than we did in 1958.

In making a decision for future capital expansion we must look much more closely at factors that could affect our chances for success, and weigh them very carefully against all other advantages.

And, again, it is history which formulates that viewpoint.

In September, 1965, the plant at Apple Grove was hit by an illegal wildcat strike, violating a no-strike clause in the contract and ignoring established grievance and arbitration procedures.

In October, 1967, the plant was again hit by an illegal wildcat strike.

Also in 1967, the plant was struck—this time an authorized strike—for 23 days, until employes returned to work for an additional one-cent an hour shift differential increase. Violence, threats of violence, and property destruction accompanied that strike.

During our almost perpetual state of expansion during the Soaring Sixties, the contractor on the job has been plagued by costly work stoppages for a variety of reasons, including union jurisdictional disputes.

From May, 1967, through August, 1968, a period of about 15 months, we lost 18 days because of labor disputes during our construction projects.

Statistics show that while West Virginia ranks 29th among the 50 States in population, it ranks 9th in the number of non-farm work stoppages during 1968, according to the U.S. Department of Labor.

These expressions of labor attitude—not necessarily employe attitude—together with labor occurrences at other plants in this area must be weighed carefully today.

A strike after tentative agreement on a contract, such as happened this year to set off a 111-day strike, is disappointing, but not shocking. It happens in many states. But the violence, the vandalism, the destruction of property, and the threat to the personal welfare of employes—both union and non-union—is intolerable, regardless of where it happens.

The details of these incidents were adequately covered in the press, so I won't bother to go into them.

I don't mean to say that the labor situation is the only problem area.

We must not forget that many things contribute toward creating an atmosphere for a plant to become profitable, to be able to compete with plants of other companies located in other states. Much of this responsibility rests upon plant management.

Within his responsibility for profitability are such things as employe productivity, which must increase to offset rising labor and material costs product increases. For the employe and the community, this is the best assurance of job security. You cannot negotiate it.

A non-profitable, non-competitive plant whose costs are way out of line eventually will shrink into non-existence, or move to surroundings where there is possibility for a profit. It is axiomatic that a profitable plant can afford the better salaries and wages, and the better contributions to an area's economy.

But there are certain elements outside the plant manager's responsibilities that can adversely affect plant costs. One of these is the tax structure of the city, county and state.

A company like Goodyear expects, yes wants, to pay its fair share of taxes to support the local and state governments in areas where its plants are located. The benefit from taxes is shared.

However, a well-run business expects, and needs, a stable tax structure within which it can operate, and with which it can anticipate for a period of 5, 10 or 15 years how much tax it will be paying.

In 1967, in one fell swoop, the businesses of this state, your non-voting industrial citizens, had their Business and Occupation taxes *doubled*. As a result of this *immediate* doubling, it is costing Goodyear $200,000 more per year in Business and Occupation tax to operate the plant today than it would have cost under the pre-1967 schedule. We cannot describe this as a stable tax structure.

The fact remains Goodyear is still here, and we plan to stay here. Our investment is heavy, and we think it can bring mutually rewarding dividends for many years to come.

Our once-promising product, Videne, is gone. It became too costly to make for the applications dreamed of. But, new areas have opened up for polyester resins, not to mention the tremendous growth in the use of polyester as a tire cord. With other resins we are making greater inroads into the textile, appliance, clothing, and bedding industries. We're into carpeting, adhesives and magnetic tapes. Research into other market applications goes on continuously.

But our interest is not limited to Goodyear alone. This Central Ohio Valley presents tremendous potential for further economic development. However, first we need answers to important questions. I urge each of you in COVIC, working within your own spheres of influence, to seek those answers:

(1) Is there real concern on the part of state, county and local officials for the success of a business once it's located in West Virginia?

(2) Is there truly concern at all levels for the protection of business and personal rights of a company and its employes?

(3) What are the real causes of violence during strikes? Is it a vestige of the past carried over and practiced in modern times? Knowing full well that law enforcement applies to both business and unions, are courts and law enforcement agencies geared in manpower and processes to prevent or control such outbreaks?

(4) Can labor leadership, *within the framework of all its legal rights and obligations,* set the example and develop the sense of responsibility among all its members?

Gentlemen, I think once we have found the answers to these questions, we will have found the path on which business, labor, the state and its citizens can walk hand-in-hand toward greater prosperity.

Thank you.

UNION LOCAL 644 ANSWERS COMMENTS OF GOODYEAR EXECUTIVE

Officials of United Rubber Workers Union 644 today issued a statement saying its policy, and that of its officers, has been one of complete non-violence in the execution of union legal rights.

The statement was released by union officials as an answer to comments made by Goodyear Tire and Rubber Company Vice President John W. Gerstenmaier, concerning strikes at the Apple Grove plant when he spoke before a session of the Central Ohio Valley Industrial Council in November.

Local 644 commented in its statement that (it) "is not the monster which threatens to keep business expansion and future economic development from our county and state as some would lead the public to believe."

The complete statement of the union, of which Robert Allbright is president, follows:

"In a recent local public address before a meeting of the Central Ohio Valley Industrial Council, John W. Gerstenmaier, Vice-President of the Goodyear Tire and Rubber Company stated that his company now looks at our area differently from what it did in 1958, when it now decides upon capital expansion of its business facilities. Mr. Gerstenmaier explained that one of his reasons for this attitude is a rash of work stoppages and accompanying violence.

"Since Mr. Gerstenmaier's remarks seem to indicate that the local United Rubber Workers Union 644, in the exercise of its rights, has impeded this area's economic progress and development, we would like to take this opportunity to discuss just what events have occurred over the past few years.

"A work stoppage at the Goodyear Tire and Rubber Company plant at its Apple Grove location occurred in September of 1965, when the company stripped a senior operator of his seniority rights and cut his wages severely, without first bringing charges against this union member and discussing these charges with the local union officials. Our union had no choice but to walk out in order to protect our important right to bargain.

"After two and one-half days, Goodyear's management decided to discuss its act and as a result, this work stoppage ceased. The company agreed that this senior operator be reinstated as to certain seniority rights and that he be restored to his original pay. We feel that if the company had negotiated this issue in the beginning, there would have been no stoppage of work.

"The second interruption came in May, 1967, after the company refused to put into writing certain verbal agreements it had made with the union prior to the final negotiation of its upcoming contract. Our local union had informed the company approximately forty-five days before the expiration date of the existing contract that the issues that had been verbally agreed upon must be reduced to writing, because of past problems which had arisen prior to the negotiations due to an absence of a written statement of each party's position.

"When the company refused to place these verbal agreements, it had made, in writing, our union had no choice but to strike after the contract date had lapsed and negotiations ended without these verbal agreements being reduced to written form. After the failure to reach a negotiated contract, this labor stoppage lasted for twenty-three days before Goodyear agreed to place into writing thse verbal agreements they had made prior to this strike's occurrence. We believe that this work stoppage could have been averted if the company had been willing to put into writing what they had agreed to do verbally.

"In October of 1967, the company decided to initiate a new policy of reducing the number of employees on their polymer lines. Previous to these employee changes, these control rooms had required one employee per polymer line and the company was now requiring only one employee operating parts of two polymer line control rooms.

"The company's action was taken without first contacting any of our union's officials and our union employees on this particular evening shift requested the company to postpone the adoption of this new method until management and labor officials could discuss this newly proposed employee change. The company refused and our union members had no choice but to leave their jobs at 5:30 a.m. the following morning.

"Our union officers holding office at that time were successful in bringing our members back to work within six and one-half hours and the plant manager informed our union President that there was great leadership displayed in successfully getting the men back to work.

"The Plant Manager further stated that the company had acted hastily in this matter and should have brought this proposed change to the attention of the union first. Our position and our belief is that had Goodyear's management discussed this new employee reduction with our officials, this work stoppage would never have occurred.

"The last work interruption came in June of this year after negotiations for a new contract broke down without a successful adoption of a new agreement. Reports of violence and threats were commonplace and in our opinion were very poorly documented.

"Our membership was accused of many acts of which we had no knowledge. We wholeheartedly deny that our union officers adopted any policy or sanctioned the same, which approved or initiated any violence, threats or illegal occurrences by members of our Local 644, United Rubber Workers Union. In fact, our union officers caused a thorough investigation into many of the company's charges against us, and we are happy to report that we could not find any basis that these acts or threats were caused or effectuated by our membership.

"It is easy to accuse and delegate blame for wrongdoing upon the other party, but it is another thing to establish the truthfulness of these accusations. No strike is without some form of misbehavior, yet this union's policy and that of its officers has been of complete non-violence and lawful methods in the execution of our union's legal rights.

"Our union's membership ratified a successful negotiated contract with the company on September 20, 1969, and our membership returned to work on September 21. Twenty-eight of our regular bargaining-unit employees terminated their employment during this one-hundred-and-eleven-day strike and until this date have not been replaced by Goodyear.

"Yet, the production capacity and work of this plant has not been reduced and continues as it did prior to these 28 employees leaving. The Goodyear Company has made a great todo about granting to our union members a very large increase of 19 cents an hour over this next 3-year contract. Yet, elementary mathematics shows that with the reduced work force of 28 employees, the company, instead of spending more money through this raise, will save approximately $62,940.80 per year and for the 3-year contract period, Goodyear will have saved approximately $187,822.40 by not replacing these 28 union members employed at its Apple Grove plant.

"These figures are based upon Goodyear's granting this hourly increase and the savings Goodyear will receive by this reduced work force. Further, six employees' wages were cut approximately 48 cents per hour by their being assigned to other job positions within the Apple Grove plant. Based upon an approximately $998.40 reduction in pay per year this cut in hourly wages will save Goodyear approximately $5,990.40 per year on their labor cost. Now, who has benefited from this strike financially and economically?

"Mr. Gerstenmaier referred to his recent speech to the completion of a new lunchroom facility at the Apple Grove plant for its employees. We are sorry to say that we have the same old lunchroom with conditions so bad and noisy, that while talking it is necessary that you yell at a person three feet away in order to be heard.

"We can not go into all of the details in this short statement of our position and the events that have taken place over the last few years, yet these are but a few of the occurrences we feel should be brought to the public's attention.

"Management and Labor are the two most vital forces effecting our national business economy and each must of necessity respect the lawful rights of the other. This mutual respect includes the responsibility for each to correctly and objectively report to the public the true relationship that exists between them. This report should explain in full the position of management and of labor concerning the issues which have arisen between them. When only one side is heard, public understanding is incomplete and misleading.

"Our local union in Mason County is not the monster which threatens to keep business expansion and future economic development from our county and state as some would lead the public to believe. Organized labor exists for the purpose of protecting the workingman's rights to earn a decent living for himself and his family in direct relationship to the cost of living in our expanding economy.

"Labor does not exist for the purpose of destroying business development and economic expansion in this area, for to do so would destroy newly created jobs that labor hopes will develop and it can service and fill. It is therefore only reasonably that our Union does not attack and oppose in its * * *."

CHEERFULNESS

HON. NICK GALIFIANAKIS

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. GALIFIANAKIS. Mr. Speaker, in these closing days of this session, when the hours are long, the pace is frantic, and the frustrations are many, I think it would serve this body well to observe a bit of philosophy by Dr. Albert Schweitzer. Accordingly, with thanks to our noted benefactor, I should like to insert his thoughts into the RECORD to be shared by my esteemed colleagues:

CHEERFULNESS

(By Dr. Albert Schweitzer)

Of all the virtues, cheerfulness is the most profitable. It makes the person who exercises it happy, and it renders him acceptable to everything he meets in life. Cheerfulness puts the heart in tune with life. Age preserves itself in an easy and cheerful frame of mind. Cheerfulness ought to be the most important thing in a person's life. It gives perpetual youth. None ever decry play and fun but those who are strangers to their value. The love of them is one of the signs of a great nature. All true genius is, in its very essence, a joyous faculty. "Wit" originally signified the very highest efforts of mind. It is only by looking around, as well as upwards, that a large and just conception of life is attainable, and therefore that life is truly realized. A mind charged with vitality and sustained by cheerfulness will not only look cheerfully to the goal of its pilgrimage, but have ample amounts of gladness to expend upon the journey. People who are always cheerful are very useful in the world. They maintain peace and happiness. They are spiritually alive.

ISRAEL WILL ASSIST IN THE CREATION OF A WORLD RESERVOIR OF SCIENTIFIC ACHIEVEMENTS

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. PUCINSKI. Mr. Speaker, recently it was my great pleasure to participate in the 25th anniversary of the Weizmann Institute of Science at Rehovot, Israel.

During my visit to the institute, I had occasion to be interviewed by Mr. Israel Newman, a writer for the Daily Davar, which is published in Tel Aviv.

I participated in the 25th anniversary of the Weizmann Institute because of my continuing interest and efforts to set up in the United States a science information retrieval system which would make available to scientists whatever information they need in the pursuit of their own research.

Ultimately, it would be my hope that such a system would be available to all of our allies who wish to live in peace with the world.

Mr. Newman called my concept a "world bank of science" and I can think of no better way to define my great hope.

I shall like to place in the RECORD today a translation of the interview I granted Mr. Newman and which appeared in Davar.

The interview follows:

ISRAEL WILL ASSIST IN THE CREATION OF A WORLD RESERVOIR OF SCIENTIFIC ACHIEVEMENTS

(An interview with American Congressman ROMAN PUCINSKI by Israel Newman)

Roman C. Pucinski is a member of the American Congress, representing an electoral district in Chicago, and a Democrat who has placed before himself an original goal: to strive towards the creation of a world reservoir of knowledge which will prevent unnecessary duplication and a waste of scientific manpower, and to place at everyone's disposal the fruits of research from the best institutes and laboratories in the world. In his opinion, Israel is able to play a key role in creating this system—a form of "World Bank of Science." She should benefit from suitable assistance in order that she may contribute towards realizing this joint project.

Congressman Pucinski came to Israel as a guest of the Weizmann Institute and has devoted most of his time here to clarifying the possibility of benefiting from the work done at the Institute in order to advance his program. He explains, "I found that the Institute is a pioneer in the efforts to develop a modern method for the proper dissemination of information. We are living in an era of information explosion in different fields of science. Man is producing so much information that he can no longer manage it all. Therefore, I initiated the passing of a bill in Congress to create an "Information Retrieval System."

Q. What exactly is involved? How can this ambitious plan be executed?

A. The intention is to create a series of scientific centers connected to each other by electronic means. The information at our disposal will be fed into computers, and the results will be available to every scientist conducting a particular research work. Thus, he will save the time and the finances required to repeat the same work that others have already done. At the beginning, this arrangement will be used to create a scientific reservoir in America; every scientist will be able to present the computers with questions, and he will immediately obtain a complete answer. At a future date, the system will be expanded to an international level. This will be one of America's contributions to bolster international cooperation and world peace.

Q. And what about the place of Israel and the Weizmann Institute in this system? What role is envisaged for Israel's scientists?

A. At the Weizmann Institute, methods are being developed which will make possible the realization of this plan. In America we have modern computers—but we do not yet know how to exploit them for this job of accumulating information from various scientific fields, so that this information can be immediately available for use. One of the problems is coding the information. Furthermore, a satisfactory method must be developed to record scientific knowledge in terms acceptable and understandable to those working in various fields.

Q. And what is your concrete proposal?

A. In my opinion, the United States must cooperate with the Weizmann Institute to develop the scientific reservoir project which will be expanded by means of Telestar-type satellites into a global system at a future date. I have already brought before Congress a proposal to approve a grant to the Weizmann Institute of three million dollars for the purchase of parts for an exceptionally rapid computer currently being constructed in Israel. At the present, very little is known about the methodology which will facilitate creation of the reservoir. The Weizmann Institute is occupied with one of the most important projects for the future of science, in its search for methods of coding scientific knowledge. I hope that in the spirit of the proposal I placed before Congress, the American Government will sign a contract with the Weizmann Institute to advance the development of methodology in this field.

YOU HAVE ALREADY SAVED US $50 MILLION

Q. Is there a chance of your proposal being approved in the near future?

A. There is a reasonable chance, for one of the greatest scientific endeavors is involved. Incidentally, Israel has already been a blessing to the American scientific community by translating a wealth of scientific literature for us. As a result, the United States has saved a sum of 50 million dollars! In Israel there are people capable of translating scientific material from Chinese, Russian, and almost any other language into English. We have contracts with various institutions in Israel, and they have already given us more than 400,000 pages of scientific material translated from different languages. We have linguists capable of translating literature into English—but only you have the ability to provide a team that can handle scientific matter. About half of the research work currently being done in the world is published in languages other than English—and you cannot know what is going on in the world of science without being familiar with these publications. For this purpose, a cadre of translators is required, and only in Israel does there exist such a group.

A DECADE OF PEACE AND CONCILIATION

Q. As Chairman of the Congressional Sub-Committee for Educational Affairs, and as a representative of the city of Chicago, you are certainly interested in the Negro problem. What is your opinion? Is there a chance of solving the problem, and if so, how?

A. I have no pretense of being an expert on this problem. However, I believe that the decade of the Seventies which begins in several weeks, will be a decade of tranquility and conciliation. Everybody has learned from the mistakes of the Sixties—the Government agencies, the citizens and their elected representatives. We found out how terrible are the explosives concealed in the feelings of discrimination. The Negro problem is only part of the problem of discrimination and social injustice. There is also the problem of millions of whites suffering in poverty, some place below what is called "the poverty line." Also in the realm of foreign affairs I believe in conciliation—and I am referring to both the Vietnam war and the Middle East.

Q. From where do you derive your great optimism concerning the Middle East?

A. First and foremost, from the anticipated development of gigantic oil fields in Alaska. The flow of large amounts of oil from Alaska to the world market will force the Arab world to weigh twice whether they indeed desire that the world be involved in struggle. Their bargaining position will become weakened due to the stiff competition in the oil market. The approaching talks between the two major powers, which will not be easygoing, on the subject of reducing strategic nuclear armaments, will also help to calm the situation. In our time, war is an out-dated form of battle; the competition will take place on economic battlefields, in the field of science, and in other spheres.

Q. And what about Vietnam? Do you really believe that peace is near?

A. I have never been a 'dove.' Nevertheless, on the eve of the Moratorium I voted against discontinuing the debate on Vietnam. I disagreed with many of the late Bob Kennedy's opinions, but on one thing he was correct: the danger that continuation of the war in Vietnam will result in a general loathing of war by Americans to the extent that they will be deterred from it in the future, even if it will be essential. Take, for example, the Middle East. If it would be necessary for us to face up to a confrontation in this region, we would find it difficult to do so, because of Vietnam. I do not support the idea of unconditional evacuation, but I believe that the moment has arrived to announce a timetable for withdrawal of the fighting ground army, while leaving the air force and certain ground forces to provide logistic support. We did not go to Vietnam in order to carry the Saigon Government on our hands. Our purpose was to establish a stable government, to create a stable economy, and to organize a strong South Vietnam army. These objectives have been achieved. Is it so, that America is to serve as a world policeman?"

SOUTH ORANGE CENTENNIAL

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. MINISH. Mr Speaker, the village of South Orange, N.J., celebrated the 100th anniversary of its charter this year. A century ago, "an act to incorporate the village of South Orange in the county of Essex" was placed on the statute books.

Known originally as the Orange Dale section of Orange, South Orange today is one of the few incorporated villages in the State, with a nonsalaried board of trustees and a president. It has a first-class school system, as well as housing Seton Hall University. The university, which was founded at Madison in 1856, has 18 buildings and an enrollment of 8,800 students. It was named for Mother Seton, who introduced the Sisters of Charity into the United States.

The village of South Orange from its very beginning has been fortunate in the number of its public-spirited citizens, not the least of whom led a crusade against the mosquito back in 1901. The group was known as the Village Improvement Society Drainage Committee, and its chairman, Spencer Miller, is today considered the father of the New Jersey mosquito extermination crusade.

The first telephone exchange was opened on December 6, 1879, and 5 years thereafter had 18 subscribers. The first U.S. post office opened in 1841. The first village bank, the People's Bank, opened in 1897.

Columbia High School of South Orange is well known for its house plan structure. There are four house centers for 600 pupils, each containing study hall-commons, offices for counselor and dean, and adjacent faculty workroom. The students benefit thereby in having the advantages of a small school, such as a better ratio of leadership and activities opportunities and day-to-day contact combined with the advantages of a large school, such as specialized courses, staff and equipment, and a superior library. Curriculum, class sectioning, major athletics and activities are functions of the whole school, while the rest of the program and relationships involving counseling, discipline, placement, and attendance fall within the smaller houses. There are some unusual courses available to South Orange youngsters at Columbia such as data processing, electronics, auto mechanics, graphic arts, Russian language and history, Chinese, work experience and vocational home economics. The precursor to Columbia High School was the Columbia School, which dated back to 1814.

The South Orange Library Association had its first meeting in 1864. At the close of the first year there were 567 volumes on the shelves. Today, the library has a collection of about 57,000 volumes and has, in addition, a music table, microfilm readers and 16 millimeter sound films.

Recreation has its place in South Orange, too. The Little League baseball program uses village playgrounds, and is sponsored and supported by businesses and organizations of the village. Boy Scout and Girl Scout troops are available to the children of the village. The parks in the village are numerous, in addition to the availability of a swimming pool, playground equipment, a South Orange community center, a summer day camp, a senior citizens program, and a 2,000-acre tract of woodlands, South Mountain Reservation. This area has hiking and ski trails, bridle paths, the Turtle Back Zoo, and an indoor South Mountain arena for ice skating and related sports.

South Orange also has its problems. Annual flooding on the east branch of the Rahway River caused heavy damages. A bill introduced back in 1947 authorized a preliminary survey of the river with a view to control of floods, including channel and drainage improvements. Funds were initially allocated in 1956, and subsequent allocations were made in 1957 and 1958. However, when I took office for the first time in January of 1963, the project was at a standstill. The Korean conflict had placed such problems as domestic floodings well in the background of priorities insofar as Congress was concerned. However, I strongly pushed for completion, and after much involvement with redtape and listless bureaucrats, a survey report was completed and approved. Public notice of the recommended improvements was given, setting the Federal cost at $1,514,000. Although the project was then authorized in Public Law 89-298 in October 1965, it still required an appropriation of funds to cover the cost of engineering planning. Since a request for funds was not included in the budget request of January 1966, I found it necessary once again to keep reminding the powers that be that South Orange had a flood problem that needed attention. It proved possible to obtain approval by Congress of $50,000 to cover the first portion of preconstruction engineering planning. Additional funds of $60,000, required to complete planning, were requested in the budget of January 1967 and approved by Congress.

Preconstruction planning is now in its final stages of completion. Although the administration's budget had neglected to request funds for construction, the House Appropriations Committee heeded my pleas and approved $125,000 for construction in the Public Works Appropriations bill. The bill was signed into law on December 11 of South Orange's centennial year.

That is quite a birthday present, and South Orange is most deserving of it.

COURT ORDER REQUIRES COWLES SUBSIDIARY TO OBSERVE MAGAZINE INDUSTRY SELLING CODE

HON. FRED B. ROONEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. ROONEY of Pennsylvania. Mr. Speaker, in a statement last week dealing with magazine subscription sales abuses I alluded to the decision of an Allegheny County, Pa., judge, Arthur Wessel, Jr., imposing a mandatory permanent injunction against use of certain deceptive or fraudulent sales practices by a magazine sales agency, Mutual Readers League, Inc.

A subsidiary of Cowles Communications, Inc., Mutual Readers League, Inc., of Des Moines, Iowa, and its franchised dealership, Mutual Readers League of Pittsburgh, have been ordered by Judge Wessel to refrain from a long list of deceptive practices, including manipulation of magazine subscription contracts, padding monthly payment books with extra payment coupons, and representing certain subscriptions to be free when in fact they are charged to the subscriber without his knowledge.

Basically, Judge Wessel's decision now forces Mutual Readers League to comply with the magazine industry's code of fair practices or risk contempt of court charges for further sales abuses. The injunction is a victory not only for my own investigation of magazine sales abuses which produced information prompting the Pennsylvania attorney general's office to enter the Pittsburgh case as a friend of the court, but also it is a victory for the Commonwealth's special assistant attorney general, Joseph M. Gelman, of Pittsburgh, who was instrumental in protecting the public's interest in this case.

Mr. Gelman and a member of his staff, Mr. Marvin Sammberg, succeeded in having the court grant Pennsylvania access to the records of the Mutual Readers League franchise in Pittsburgh to determine whether subscribers had been victimized. Mr. Gelman also won court endorsement of his proposal to have Mutual's open accounts, valued at $670,000, held under trusteeship to insure that funds would be available to reimburse consumers who were victimized.

As the court decision, which I will insert in the RECORD with my remarks, will indicate, Judge Wessel was convinced of corporate involvement in the deceptive practices utilized by this and other Cowles franchises. Testimony during the hearing made that fact apparent.

The court decree specifically cited the actions of Mr. Herndon Hippee, a regional director for Mutual Readers League, in establishment of the deceptive practices. Mr. Hippee is an agent of the parent corporation.

Mr. Speaker, because of the keen interest shown by the attorneys general of many of the 50 States to bring to a halt the deceptive and fraudulent practices employed by some magazine subscription sales agencies, I believe all of my colleagues will be interested in reading the decision in this case. It follows:

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[In the Court of Common Pleas of Allegheny County, Pa., Civil Division, No. 1433 January term, 1970, in equity]

MUTUAL READERS LEAGUE, INC., A CORPORATION, PLAINTIFF, V. JOSEPH MARTINELLI, D/B/A MUTUAL READERS LEAGUE OF PITTSBURGH, DEFENDANT.

ADJUDICATION

This matter is before the Court on plaintiff's complaint in equity requesting injunctive relief against defendant for a breach of contract.

After hearing testimony, examining the exhibits admitted as evidence in this case, and considering arguments of counsel, the Chancellor finds the following facts:

1. That the plaintiff, Mutual Readers League, Inc., is a corporation organized and existing under the laws of the State of Delaware, with its principal office in Des Moines, Iowa, and is engaged in the business of clearing subscriptions to magazines and other periodicals pursuant to agreements with the publishers thereof, and granting franchises to dealers, and contracting with such dealers for the sale on a budget or installment basis of combination subscriptions to such magazines and periodicals in specified geographical areas throughout the United States.

2. That Mutual Readers League, Inc. is a subsidiary of Cowles Communications, Inc.

3. That defendant, Joseph Martinelli, is an individual doing business as Mutual Readers League of Pittsburgh, with offices at 810–812 Wood Street, in the Borough of Wilkinsburg, Allegheny County, Pennsylvania, and is engaged in the business of selling and servicing magazine subscription contracts.

4. On June 28, 1962, plaintiff and defendant entered into a franchise agreement, hereinafter referred to as Exhibit "A", under which plaintiff granted to defendant the right to sell within the counties of Allegheny, Washington, Westmoreland, Fayette, Butler, Beaver, Somerset, Cambria, Indiana, Armstrong, Clearfield, Jefferson, Clarion, Venango, Forest, Mercer, Lawrence, Erie, Warren and Elk, all in the Commonwealth of Pennsylvania, budget or installment subscriptions for its magazines and other periodicals obtained on lists furnished defendant by plaintiff.

5. The terms of the agreement required that all subscription sales by defendant should be made honestly and without misrepresentation and that all solicitations, sales and collections should be made in compliance with publisher's terms and conditions and all applicable requirements, rules and regulations of the United States Post Office Department, the Audit Bureau of Circulation and the Central Registry Bureau of the Magazine Publishers Association, Inc.

It is further required by the agreement that all subscription order forms, installment contract forms, and all other forms or documents used by defendant or by his organization, should be subject to plaintiff's approval and copies of the same be submitted by the defendant to plaintiff in advance of their use by defendant.

6. Defendant has failed to sell subscriptions in compliance with terms set by plaintiff and the publishers; has reported inaccurate information to plaintiff in regard to his accounts; has misrepresented to the plaintiff the extent of the sales he has actually made to subscribers; and has misrepresented to customers the subscriptions they will receive as a result of said sales.

7. On November 19, 1969, plaintiff Mutual Readers League, Inc. termianted its franchise agreement of June 28, 1962, with defendant Joseph Martinelli, d/b/a Mutual Readers League of Pittsburgh.

8. Defendant failed to submit for approval copies of all subscription order forms, installment contract forms, and other forms and documents used by him in his performance under the agreement.

9. That defendant had perforated and used subscriber coupon books which did not conform to those coupon books approved by plaintiff and which were calculated to mislead subscribers.

10. That Herndon Hippee of 407 28th Street, Des Moines, Iowa, is franchise director of Mutual Readers League, Inc., which included Pittsburgh district, and as director, supervised the personnel that handled the dealers. In addition thereto, assisted in sales techniques with various dealers and gave advice as to how the dealers should set up their accounts. The defendant Martinelli was under Hippee's jurisdiction as franchise dealer; that he spent considerable time on exhibit sales programs with Martinelli and had extensive meetings that varied from two to three times a week. That Hippee was aware of the 29 renewal coupon books that Martinelli had sent out as an experiment, in fact, had had negotiations with Mr. Bodkin about prices and rental for a perforating machine to be used in connection with defendant Martinelli's 29 renewal coupon book experiment.

DISCUSSION

After five days of trial, defendant's counsel raised the question of whether or not plaintiff has standing to sue in this court under 15 P.S. § 2014 on the ground that Mutual Readers League, Inc., a Delaware corporation with its principal office in Des Moines, Iowa, is a foreign corporation transacting business in the Commonwealth of Pennsylvania without a certificate of authority, and cited in support of its motion 15 P.S. § 2011 for a definition of what constitutes the doing of business in Pennsylvania by a foreign corporation.

In refusing defendant's motion to dismiss this case, the Chancellor pointed out that § 2011 cited by defendant is entirely inappropriate for determining what constitutes the transacting of business for the purposes of § 2014. § 2011 pertains solely to the question of jurisdiction and the power of the Commonwealth courts to exercise process over foreign corporations in doing business within the state.

It is clear that the standards applied for determining whether a foreign corporation is doing business within the Commonwealth for jurisdictional purposes are not the same standards that are applied for determining whether a foreign corporation is required to register in the Commonwealth. The Business Corporation Law of Pennsylvania in fact follows this distinction for in 15 P.S. § 2001 (b) it is clearly stated:

"Without excluding other activities which may not constitute doing business in this Commonwealth, a foreign business corporation shall not be considered doing business in this Commonwealth for the purposes of this section and of sections 1012 and 1014 (15 P.S. §§ 2012 and 2014) of this act, but not necessarily for the purposes of taxation or of section 1011 (15 P.S. § 2011) of this act concerning service of process, by reason of carrying on in this Commonwealth any one or more of the following activities:

"(5) Effecting sales through independent contractors;

"(6) Soliciting or procuring orders, whether by mail or through employees or agents or otherwise, and maintaining offices therefor, where such orders require acceptance without this Commonwealth before becoming binding contracts;

"(9) Transacting any business in interstate commerce;"

The testimony disclosed that the plaintiff has no offices in Pennsylvania; maintains no bank accounts here; has no employees in Pennsylvania; has no telephone listings; and owns no property in Pennsylvania. Its only contact with Pennsylvania is through independent contractors and, on occasions for business of the plaintiff, its franchise director visits the plaintiff's franchises within the franchised area of Pennsylvania.

We must conclude, therefore, that the definition of "doing business" in § 1011 of the Business Corporation Law applies only to service of process on foreign corporation sued here and has no reference to the right of a foreign corporation to institute suit. We are satisfied that the plaintiff's activities are clearly within interstate commerce and therefore do not require qualification as stated in § 1001 of the Business Corporation Law, 15 P.S. § 2001.

As the trial progressed the Chancellor became more and more aware of the public involvement in this proceeding. The testimony of plaintiff's witnesses, as well as those of the defendant, pointed out consumer deception in numerous subscription orders procured by the defendant under the franchise dealership contract with the plaintiff.

The Chancellor further became aware through a revelation of the testimony that these magazine sales in some instances were so neatly concealed the consumer most likely would never realize that he was victimized. As a result of the public involvement and public interest being seriously concerned, the Court requested the Commonwealth of Pennsylvania, Department of Justice, Bureau of Consumer Protection, be joined in this proceeding as amicus curiae.

These subscription sales abuses, such as, the deceptive sales pitch, the forged contract, the hidden gift subscription, all of which were revealed through the witnesses' testimony in this case, are merely in the Chancellor's opinion, end products of corporate organizational structures and operational policies which are keyed more to quantity sales than to quality.

While the plaintiff attempts to place full blame for deception or fraud upon the defendant franchised dealer, plaintiff's agent, Mr. Hippee, was directly involved with the dealer in his official capacity as franchise director of plaintiff. Hippee's testimony that he spent considerable time on exchange sales programs with the defendant Martinelli; that he had numerous meetings with Martinelli; that he was present and did some talking with Mr. Botkin in respect to procuring a perforating machine to be used in connection with the 29 renewal coupon books not authorized to be issued by the plaintiff; that the welcome letter sent out by defendant was dictated in part by Hippee with respect to the four additional coupons issued in connection with the 29 renewal coupon books.

We think that publishers have a responsibility to insure that any agencies which sell their publications do so by honest means. While we must hasten to point out that the plaintiff is to be commended in its position that it always fires field personnel, salesmen and dealers involved in serious sales abuses, we think the plaintiff should go a step further and correct the corporate policies which lead to these sales abuses, the root of which seems to stem from these subscription sales contracts, practices and franchised dealerships.

The parties to this litigation have agreed to settle, and have settled, their dispute as between plaintiff and defendant and have requested the Court to discontinue this proceeding, although the hearing on the preliminary injunction has not been completed nor have there been requests for findings of fact and conclusions of law submitted by the litigants, nor has the testimony been transcribed. The Court has no objection to the litigants settling matters as between themselves, but must consider the public interest in this matter and to protect the public from these sales abuses, must enter an injunction jointly and severally against plaintiff and defendant. The Court further considers the hearing on preliminary injunction

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to be a final hearing without prejudice to either party.

CONCLUSIONS OF LAW

1. That equity has jurisdiction of the parties and subject matter of this proceeding.

2. That this proceeding be considered a final hearing without prejudice to either party.

3. That the Commonwealth of Pennsylvania, Department of Justice, Bureau of Consumer Protection is joined in this case at the request of this Court as amicus curiae.

4. That the contract of plaintiff, Mutual Readers League, Inc., dated June 28, 1962, with Joseph Martinelli, d/b/a Mutual Readers League of Pittsburgh, was terminated for cause November 19, 1969.

5. That defendant's motion to dismiss under § 1014 of the Pennsylvania Business Corporation Law (15 P.S. § 2014) be denied.

6. That the parties plaintiff and defendant should be permitted to settle this case.

7. That a permanent injunction should be entered against both parties enjoining them from subscription sales abuses, such as the deceptive sales pitch, the forging contract, the hidden gift subscription, etc.

FINAL DECREE

And now, to-wit, this 11th day of December, 1969, after hearing and consideration of counsel's arguments and the testimony in this case, and plaintiff Mutual Readers League, Inc. having terminated its franchise agreement with Joseph Martinelli, d/b/a Mutual Readers League of Pittsburgh, defendant, on November 19, 1969, and the parties having agreed that the dispute between them be settled, and the Commonwealth of Pennsylvania, Department of Justice, Bureau of Consumer Protection, at the Court's request, having appeared as amicus curiae, and in order to protect the public from any of the practices listed herein below, and for the foregoing reasons, it is ordered, adjudged and decreed that:

1. Plaintiff Mutual Readers League, Inc. and defendant, Joseph Martinelli, d/b/a Mutual Readers League of Pittsburgh, are hereby jointly and severally permanently enjoined in this Commonwealth from engaging directly or indirectly, in concert or otherwise, through their respective agents, representatives or any nominal successor, corporate or otherwise, or successor, assignnee or substitute organization, or in any manner whatsoever in any unfair, deceptive or fraudulent acts or practices in the soliciting, taking of orders or selling of subscriptions to magazines or other periodicals which practices are in violation of any law of the Commonwealth of Pennsylvania or any provision of the "Selling Code for Paid-During-Service Periodical Subscription Sales Agencies" and are ordered to forthwith cease and desist from—

a. Using or causing to be used or engaging in the use of any coupon book containing more coupons than the number of payments after the initial payment to be made under the terms of the subscriber contract.

b. Altering the terms of a subscription contract without prior written authorization of the subscriber.

c. Representing that the subscription contract is noncancellable when in truth and fact under the "Selling Code for Paid-During-Service Periodical Subscription Sales Agency" such contracts are cancellable within 72 hours after the date on which the contract is finally executed, and may be cancelled within similar or other periods of time under Pennsylvania or Federal law.

d. Failing to notify subscribers in writing at or before the execution of the subscription contract of their right to cancel the same within 72 hours from the date in which the contract is fully executed and failing to fully explain the subscribers' rights to cancel the subscription contract.

e. Permitting a subscription contract to be signed by the subscriber with blank spaces in the contract at the time of signature by the subscriber, including, but not restricted to, the name and number of issues of the subscription for each magazine, the name and address of the seller, the number of payments, the amount and due date of each payment, and any and all other essential parts of the contract by which the parties or either of them will be bound, or which may be required by Pennsylvania or Federal law.

f. Making any misrepresentation as to the price or reason for the price or for a reduction in the price of any of the subscriptions contained in the contract.

g. Failing to show the true agreed price and length of subscription of each magazine or periodical purportedly subscribed for in the contract.

h. Causing a discrepancy between any provision of the customer's copy of the subscription contract and any other copy of such contract.

i. Entering a person's name on a subscription contract without such person's knowledge and prior written authorization.

j. Inducing minors, illiterates, mentally retarded or mentally handicapped persons, persons who are incapacitated because of severe vision defects, or persons incapacitated because of age to purchase magazine subscriptions.

k. Using a "sympathy appeal" or sales pitch, such as, but not limited to, the magazine subscriptions are needed to win a scholarship, or prize, or that earnings from subscription sales will help or benefit certain groups of persons, such as students, the underprivileged, or charitable, civic or eleemosynary groups, organizations or institutions.

l. Falsely representing, directly or indirectly, expressly, impliedly or in any manner that one or more magazine subscriptions offered during a sales presentation are free or that magazine subscriptions are free or that the customer pays only for the cost of postage, handling, editing and printing, or any of them, or that free magazine subscriptions or publications will be furnished to prospective customers for answering certain questions, participating in a survey the solicitor is making, advertising by certain business concerns to increase circulation, winning a contest or being selected as a prize winner.

m. Falsely representing, directly or indirectly, expressly, impliedly or in any manner that a subscriber will be given a gift subscription to be sent to a person designated by the subscriber without informing the subscriber that the subscriber is paying for the same.

n. Falsely representing, directly or indirectly, expressly, impliedly or in any manner that a prospective customer is signing a preference list of magazines, a guarantee or any inducement or paper other than a subscription contract when, in fact, said person is signing a subscription contract.

o. Altering the terms of the subscription contract without the knowledge and prior written authorization of the subscriber whereby cheaper magazines are submitted, additional subscriptions are added, or the length of any of the subscriptions shortened.

p. From using harassing or oppressive methods in collection of delinquent accounts or failing to comply with the Federal Trade Commission guides against debt collection deception and the Pennsylvania Bureau of Consumer Protection requirements.

2. The plaintiff and defendant shall fully comply in any respect with the provisions of "Selling Code for Paid-During-Service Periodical Subscription Sales Agency" and all applicable provisions of Pennsylvania law.

3. Plaintiff and defendant shall pay the claims of defendant's subscribers as verified by the Pennsylvania Bureau of Consumer Protection which claims arise from any of the practices enumerated in this order.

4. Any subscription contract entered into by defendant in violation of the provisions of this order shall be cancelled upon verification of the Pennsylvania Bureau of Consumer Protection that such contract violates any provision of this order, and upon receipt by plaintiff of a written request for cancellation signed by such subscriber.

5. The Bureau of Consumer Protection of Pennsylvania shall have access to all records and other documents pertaining to the franchise heretofore known as Mutual Readers League of Pittsburgh, and to the records and documents of Mutual Readers League, Inc., concerning the same.

6. This case shall be marked as settled and discontinued subject to the continuing jurisdiction of this court to enforce the provisions of this order.

7. The injunction bond in the amount of Five Thousand ($5,000.00) Dollars, heretofore filed in ths proceeding pursuant to this Court's order of November 19, 1969, with the Federal Insurance Company as surety, is cancelled.

By the Court.

WESSEL, J.

ORDER OF COURT

AND NOW, to-wit, this 15th day of December, 1969, a final decree of this Court entered December 11, 1969, be and the same is hereby amended to read "Decree Nisi" and the aforementioned decree is further amended by adding thereto "If no exceptions are filed hereto within twenty (20) days after notice of filing this adjudication, the decree nisi shall be entered by the Prothonotary upon praecipe as a final decree herein in accordance with R.C.P. No. 1519 (a)."

By the Court.

WESSEL, J.

ADMINISTRATION PEACE INITIATIVES HEIGHTEN MIDDLE EAST TENSION

HON. JOHN V. TUNNEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. TUNNEY. Mr. Speaker, I am deeply disturbed at reports indicating a dangerous shift in the administration's approach to achieving peace in the Middle East.

Until recently it seemed clear that our policy was based firmly on the belief that only direct negotiations between the parties to the conflict, ultimately resulting in signed peace agreements, could provide any real hope for a just and lasting settlement of hostilities. The administration's detailed peace initiatives revive speculations that we, with the other big powers, will attempt to impose a settlement on Israel and the Arab states.

On the surface, the latest proposals contain only guidelines for peace, the precise terms of which must still be worked out during the course of negotiations. Nonetheless, the guidelines themselves, as reported in the press, reflect

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certain biases which cannot help but prejudice Israel's position at the bargaining table. Moreover, the very fact that the administration has come forward with a detailed program makes it less likely that Israel and the Arab States will ever make it to the bargaining table. That this country is ready to lay down certain peace conditions in advance, before there is a single expression of willingness by any Arab state to deal directly with the Israelis, borders on the absurd. It can only inspire the Arab countries to perpetuate the state of terror which now exists. It can only tempt them to conclude that, by waiting, they can increase the chances for an imposed settlement, based on some vague notion of peaceful coexistence.

It can only seduce them into believing that they can obtain Israeli troop withdrawals and the cession of occupied territory, without reciprocal obligations to recognize the sovereignty, territorial integrity, and political independence of the State of Israel. It can only be taken by them as a sign that the United States is tired of the tension in the Middle East, and is ready to pressure its friend and ally into sacrificing security to obtain a temporary illusion of peace. However unintentionally, the administration proposals will defeat their ostensible purpose: bringing the adversary states together to negotiate.

The most alarming thing about the new administration proposal is its timing, coming as it did on the eve of the Arab summit meeting in Rabat, just a few days after White House meetings with representatives of oil and banking interests which have heavy investments in the Middle East. The inference that we are courting favor with the Arabs is obvious. As a consequence we are reaping the contempt of the Arabs and the anger of Israel.

This is the reward for our "evenhandedness," the word used by Governor Scranton to describe the new policy which the administration is now following in the Middle East. We talk now of requiring concessions from Israel as well as the Arabs. This superficial evenhandedness is nothing but a thinly concealed attempt to appease the Arab countries. What concessions should be necessary to secure Israel's basic right to live in peace, recognized by all as a sovereign, independent entity?

Our public policy has been distorted by the insistent demands of private economic self-interest. We cloak this policy in words which distract the mind from the shattering realization, so real to every Israeli, that the Arabs are publicly committed to the literal devastation of the State of Israel and her people. It takes a mind more comfortable with abstractions and rationalizations than hard facts to recite the virtues of evenhandedness in these circumstances.

The administration policy comes dangerously close to rejecting the open and friendly relationship we have long enjoyed with the State of Israel. Economic expediency, and the desire for increased status within the Arab world, have led the administration to ignore the deep importance of ideals of national independence, so crucial for the survival of Jews in Israel, and so significant a part of our own national heritage. As Abba Eban has beautifully expressed it, the history of both our lands can be prefaced with these same words:

> Men thirsting for freedom, driven by insecurity and persecution but also drawn by the attraction of building a new civilization, emigrated from all parts of the world to a new land across the seas. They reclaimed that land from primeval devastation. They liberated themselves from colonial shackles. They established a free republic which they then defended against every adversary and peril until it secured its recognized place in the international family. In their cultural effort, they merged their diverse immigrant cultures into the unity of a new civilization. They maintained through every ordeal the original moral heritage which had inspired their underlying unity of purpose.

We forget our own moral heritage when we forget for a moment that Israel's struggle is for freedom and independence.

I believe that we must reaffirm our original position of opposition to any attempts by outside powers to impose a peace settlement. We must reaffirm our position of opposition to any pressure to force premature withdrawal of Israeli presence from areas under its administration, as a condition for entering negotiation. We must emphasize that Arab States in the Middle East have the responsibility for the enforcement of peace, and the obligation to curb the activities of terrorists operating from within their borders. We must insist that the only framework for the achievement of peace is through direct negotiations between the parties to the conflict, leading to contractual peace agreements. Only a strong statement of these objectives will silence once and for all the false hopes of the Arab States that we will dictate the terms for settlement of tension in the Middle East.

Israel's expressions of readiness to fight in defense of her national existence must not obscure an awareness of her underlying desire for peace. The people who went to the desert and the hills of Galilee to bring life to a barren land that had not bloomed for centuries, have ears that delight in music, not the clamor of artillery, and hands which turn more eagerly to building their land than to shouldering a rifle.

The consequences of living in a state of constant terror are deeply tragic for both sides. Yet it is clear that the Arab war of attrition is not destroying Israel's strength. The Israelis have shown that they can survive the constant skirmishes along her existing borders. They have shown that their resolve is strong and that they will not be driven to accept an illusory peace out of fear. The perpetual harassment has not prompted the forfeiture of occupied territory, nor has it led the big powers to attempt to impose a makeshift peace in the Middle East. Sooner or later the Arabs will have to negotiate. That is what the Israelis believe, and that also appears to be the only realistic outcome of the present conflict.

We must remain convinced that time lies on the side of peace. We must be ever aware that only real peace, and not mere coexistence, can dissolve the tension. Only direct negotiations leading to agreements signed by the parties can guarantee peace. Only secure boundaries will insure that such a peace will be recognized and respected. Only an open Middle East, where there is a free flow of people, ideas, and goods will promise an end to the refugee problem. Only when the reasonableness of these simple propositions is accepted will there be an end to the terror and reprisal. We must await that end with strength and patience.

DR. H. MARTIN ENGLE, VA CHIEF MEDICAL DIRECTOR, RETIRING

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. TEAGUE of Texas. Mr. Speaker, rising medical costs focus our attention not only on increasing basic living costs, but on some of the expensive elements of quality medical care.

However, in recognizing the intensive, specialized training required by today's medical professionals, and in conceding their unselfish dedication to the difficult task of keeping abreast of new medical knowledge and new means of delivering health service, we often overlook this fact.

When someone in authority in the field of hospital and medical care is concerned enough about rising medical costs, something can be done, either to hold the line on these costs, or to maintain high quality medical care in the face of increasing costs.

Such a person is Dr. H. Martin Engle, the retiring Chief Medical Director of the Veterans' Administration.

His entire medical career, but especially his service since January 4, 1966 as the head of the world's largest hospital system, dramatizes Dr. Engle's single purpose devotion to the delivery of second-to-none medical care with maximum efficiency and economy.

For example, in fiscal year 1965, just before Dr. Engle became the Chief Medical Director of the Veterans' Administration, the VA had a ratio of 1.32 employees to each patient in its general hospitals. By fiscal year 1969, this was increased to approximately 1.5 employees per patient in the system.

This is still below the staffing level in the average general hospital which is 2.70 staff to each patient. The important point is that under Dr. Engle's direction the VA hospital system has increased its staffing ratio. And, most important, it has continued to provide veteran patients with good hospital and medical care, even though it has less staff and less funds than other hospital systems.

To the retiring Chief Medical Director belongs another statistical credit, if you will.

In fiscal year 1965, the Veterans' Ad-

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ministration treated a little more than 700,000 patients in its hospitals. This year, the VA will care for more than 800,000 patients in its 166 hospitals. And with fewer operating beds than in 1965.

This achievement, and it is nothing less than that, has been made possible because of improved treatment methods, progress in medical research, expanding programs of premedical and posthospital care, and nursing and domiciliary home care.

A graduate of the University of Illinois Medical School, Dr. Engle started his Federal career in 1942 as a wartime first lieutenant in the Army Medical Corps. He joined the VA as a medical officer at the VA center in Fort Harrison, Mont., in August 1946 following his discharge from the Army with the rank of major.

We all know that Dr. Engle and his associates in VA medicine have made considerable personal financial sacrifice to serve America's sick, aging, and disabled veterans, who, this year, numbering more than 7,250,000, will be treated in VA hospitals, clinics, domiciliaries, nursing homes, and restoration centers.

We know, too, that Dr. Engle and his associates, at personal sacrifice, have chosen to dedicate themselves to the cause of making VA medicine a major source of improved health care for our entire Nation.

The sixth Chief Medical Director of the Veterans' Administration, Dr. Engle is the first career civil servant to be chosen for this important position. He has used his intimate knowledge of the VA hospital system to improve its management, and has contributed his considerable professional statute to bring medical colleges and community medical programs into a closer working relationship with VA medicine.

Again, I would cite examples which reflect the concern and the effort of the House Veterans' Affairs Committee and the Congress to bring about this necessary and beneficial relationship.

But I would also reemphasize Dr. Engle's vigorous and effective leadership in calling to the attention of the Congress the mutual benefits that he knew, and confidently predicted, would result from this close relationship.

In retrospect, we might consider his pioneering efforts to effect this logical and essential cooperation as routine. But they are unique to the retiring Chief Medical Director. More important than the fact that he initiated this program, however, is the fact that the critical shortage of medical specialists in America will be alleviated to some degree in the future because of the Veterans' Administration medical education program.

This year more than 46,000 of the Nation's medical school graduates will receive training in VA hospitals. And while this number now represents more than half of all medical school graduates, it is expected that it will nearly double in the years ahead. VA is in the process of expanding by thousands its programs for paramedical personnel and technicians.

Surely, this prospect is one of the most meaningful monuments to Dr. Engle's service as Chief Medical Director of the Veterans' Administration.

It is, perhaps, a cliche to say that what is good for VA medicine is good for the entire medical community in America. Nonetheless, in recognizing and paying tribute today to Dr. Engle I would have to emphasize that the VA's integrated medical system—which included 166 hospitals plus nursing beds, outpatient clinics, restorative programs and domiciliaries—is pointing the way for expanding the Nation's limited medical resources for the growing number of Americans who need them.

To carry out his mission, Dr. Engle has conducted a $46 million a year medical research program which has refined methods of diagnosis, treatment and management.

During fiscal year 1968, for example, nearly 5,900 research projects were conducted by more than 5,400 investigators in 145 VA installations. VA lead the nation in organ transplants, VA's work in the mental health field has been outstanding, and VA is leading the Nation in research on the problems of the aging individual.

Dr. Engle's professional competence and his important contributions to the Nation's health have been recognized by his professional colleagues by their electing him to serve on their highest professional policy boards and governing councils. He has held faculty appointments with the many medical colleges affiliated ith the eight VA hospitals where he has served.

Those of us who worked closely with Dr. Engle will miss his steady guiding hand on VA medical programs, but we trust his retirement from Federal service will not remove him from close association with the programs for veterans.

Careers such as Dr. Engle's illustrate that Government programs not only are users of the top professional talent, but are at the same time producers of talents that are constantly flowing to the private sector. Wherever he might choose to serve, Dr. Engle will continue to contribute to improved medical care. Throughout his service, he has shown a resourceful ability to set goals and reach them. His dedication, creative ideas, and professional competence will continue to inspire confidence in his coworkers. His potential to further advance American medicine is undiminished, and those of us who have been privileged to know him are confident that his productive and distinguished career will continue with its characteristic mark of excellence.

FARMERS HAVE SOMETHING THAT CITY FOLKS DO NOT

HON. KEITH G. SEBELIUS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. SEBELIUS. Mr. Speaker, as this session of Congress finally draws to a close, I think it is most appropriate that we take time out to reflect on this past year and hopefully spend less time on partisan discussion and more on finding workable answers to our pressing problems.

Our Government has spent billions of dollars with the apparent philosophy that pouring out funds from the public purse can solve virtually every problem of human need. Now we find many of these programs have foundered on the shoals of human nature. Obviously, a further outpouring of Federal funds is not the answer.

At least a partial answer may well come from rural and smalltown America—from citizens who traditionally solve their own problems and who believe self-help is best help. Perhaps we have failed on a national level because we have ignored the basic philosophy of simple Christian concern. The desire to help others must come from the heart. Before a Federal program can truly achieve the desired result we should take into account realistic goals, the frailty of human nature and most important basic Christian concern.

It is in this regard that farmers truly have something that city folks do not and more important something that city folks desperately need. Mr. Bill Lee of the Smith County Pioneer has stated the case very well in the following editorial. I would like to bring this article to the attention of every urban Congressman as we work together next session to find workable answers to the problems of our cities and rural America:

FARMERS HAVE SOMETHING THAT CITY FOLKS DON'T

Farmers have something that we who live in towns and cities don't—the situation to really do something about it when a neighbor is sick, when there is a death in the family or when there is some other misfortune.

Farmers take their tractors, their plows, their combines or whatever equipment is needed and in they go to do the things that need to be done. Their love and compassion for a neighbor in trouble and the things they do for that person and his family are among the finest things in life. "Honor thy father and thy mother: and thou shalt love thy neighbor as thyself," said Jesus. Farmers follow that advice. How many, many times have we seen that exemplified among the fine rural people of this county. And what a wonderful thing it is for all concerned, both the receiver and the giver.

City dwellers are handicapped. Many of them, we think, have the same feelings of compassion but they can't express it by doing something—at least not in the way that farmers can—by doing something that really counts. How can you run a store for a sick or injured merchant or do the repair work for a mechanic who is in trouble?

It is true that the trades and professions often help others of their kind. Doctors care for another physician's patients, newspapermen print for their fellows in distress, etc., but it isn't quite the same as when a group of farmers pass the word around that someone needs help, and go out in a group to do it.

This desire to help and doing it is one of the finest things of rural life.

We see it exemplified in cities and towns when the women take in food and do household tasks for families in bereavement or when there is illness in the family. The women have it on us men in those situations.

We've seen so many, many occasions of farmers helping their neighbors in distress—leaving their own work to do something for their neighbors. That is one of the noblest traditions of rural life.

God bless you people who love your neighbors and do something about it!

INSPIRATIONAL LETTER FROM CONSTITUENT

HON. CHARLES W. SANDMAN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. SANDMAN. Mr. Speaker, several days ago, I received a thoughtful letter from one of my constituents in Margate, N.J. I believe this letter is one of the most truthful and candid presentations of the views of the silent majority I have received. It discusses a variety of subjects which are important to our country, and I would like to share these views with my colleagues.

The letter follows:

DEAR FELLOW AMERICAN: First of all, let me thank you for the opportunity of telling you what is in the heart of a member of the Silent Majority.

LOVE OF COUNTRY AND RESPECT DUE IT

We, as Americans, are the most fortunate people in the world. We also are the most complacent people. We stand idle while the forces that are trying to destroy us are at the peak of their efforts. This country was not founded by cowards or traitors. It has survived and become the leader of all nations only because of the men and women who gave their lives and devotion to it. To continue to survive and enjoy the freedoms we have, is becoming more and more difficult. I do not profess to know all the answers. I do know that I am fed up with what is going on today. I also know that I do not stand alone.

NEWS MEDIA

It makes me wonder when I see on television or read in newspapers the extended coverage given to traitors who are doing their best to destroy our way of life. Why does the news media make so much of so little? What have these creeps to offer us? What would these idiots do to defend their country? How come these so-called peaceniks do not march in front of Red embassies? Why? Where is the money coming from to organize these campaigns? Why are their leaders and organizers not charged with insurrection? The news media is helping these malcontents sow the seeds of treason!!!

DISRESPECT FOR LAW ENFORCEMENT

Today, as never before in our glorious history, the public has to get behind their police departments and support them. If we stand by and let these communist-inspired forces break down all respect for law and order, then we surely will destroy ourselves!

By the same token, newspapers and television stations should be reminded that they have an obligation to report the news as it happens. Not slant or change the presentation of it to border on sensationalism.

I am a proud American. I have had the privilege of honorably serving my country on two occasions . . . Europe and Korea. I have five sons. I do not want them to go through what I did. But if it is necessary, I want my boys to serve with honor and pride.

My children are taught that policemen are their friends and they are working for their protection and well-being. Support your police . . . your life depends on it!

PRESIDENT NIXON AND VICE PRESIDENT AGNEW

I heard President Nixon's speech and read the Vice President's statement on these so-called peace demonstrators. I thank God that we are fortunate in having men like them running our country!

Forgive me, sir, for taking so much of your valuable time. You have a tough job on your hands, but I know you are part of a team that will see to it that America remains the great nation that it is.

As my Congressman from the Second District, I most sincerely request that you do your utmost to remind the Supreme Court of the United States of America that they are sworn to uphold the Constitution and laws of our great nation. I also urge you to request J. Edgar Hoover send directives to all law enforcement agencies in the country to bombard their local newspapers and television stations with phone calls and letters demanding that their presentation of news stops making the job of law enforcement so tough. I charge the news media with giving a false image of the police by withholding all the facts of different situations and then showing police in a bad light to create their desired effect of sensationalism! Freedom of the press is a sacred duty . . . it is not intended to be a subterfuge!

Again, sir, let me thank you for your time and consideration to a proud American who is finding it more difficult to keep silent.

May the Good Lord grant you and the Administration the wisdom and power to restore patriotism and love of America into the hearts of all our countrymen.

Most respectfully yours,

ROBERT J. WEINSTEIN.

DEATH OF FRANCIS M. LEMAY

HON. ROBERT E. JONES

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. JONES of Alabama. Mr. Speaker, I join in extending my sincere sympathy to the wife of Francis M. LeMay on his death.

I first knew Frank when I came to Congress more than 23 years ago and he was in charge of the Associated Press bureau on the House side.

His great knowledge and skills as a newsman were recognized and he was promoted to higher station where he could engage his abilities in interpreting economic events for the people. His journalistic career made him an eyewitness to many of the outstanding events of our time. He was an intimate of the Presidents and a close friend of many Members of this body.

Later he was appointed by the late beloved Speaker, Sam Rayburn, as House Coordinator of Information.

In 1953 he was selected as a chief professional staff man for the House Committee on Agriculture where he served until his retirement 2 years ago.

During all this period he was recognized for his dedication to agriculture and the problems of farmers throughout this country. His vast knowledge of agricultural events and problems served him well and his efforts reflect great credit on the agricultural legislation which was brought before this body.

In his position he was able to influence more legislation in the field of agriculture than any other man.

Francis LeMay has had long and close associations with the district which elected me. He was born in Leighton and spent his earlier childhood in my hometown, Scottsboro, where his father was in the jewelry business.

After the death of his father, when Frank was only 7, he grew up in the Masonic Home in Montgomery, Ala. He worked his way through college displaying considerable talent with a trumpet.

He retired to a small farm near Wheeler Dam near Wilson Lake, a spot of rare beauty known as LeMay's Landing.

He had a distinguished and productive life. As a newsman, he was extraordinary. As a legislative staff man, he was outstanding. He was a man of fine directions, competent, imaginative, and esteemed in all his public and private endeavors.

I join with his many friends in this House in mourning his passing.

LIBYAN INDEPENDENCE DAY

HON. ADAM C. POWELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. POWELL. Mr. Speaker, the ancient land of Libya has long been the meeting place of empires. The Greek historian Herodotus mentioned the "Libyans" and the "Ethiopians" of the country, and described their agriculture and their cities along the Mediterranean coast and near the desert oases of the interior. The Phoenicians later established trading centers in Libya and the land became a part of the Carthaginian-African Empire that challenged the might of Imperial Rome. In medieval times, Libya was divided between the nations of Egypt and the nations of Morocco and Tunis, usually at the point where the hostile and forbidding Libyan Desert meets the sea at the Gulf of Cirte.

Europeans also had their day in Libya, from the Greek colonies of the seventh and sixth centuries B.C., the Alexandrian period, the invasions of the Vandals, the conquests of the Byzantines, and even an expedition of the Spanish King Ferdinand in the 15th century A.D. But it was the Muslim conquest that was to have the most lasting effect on the country, leaving as its heritage the language, culture, and religion of the Arabs. Libya finally became an Ottoman Turkish province in the 16th century, enjoying a semi-autonomous status during the declining years of the great Turkish Empire. It was during this period that Northern Africa, including Libya, became famous as a center for pirates and corsairs, as they were known to European seafaring nations whose ships they plundered and raided.

Italy landed troops in Libya in 1911, securing some coastal enclaves after battles with the Turkish armies. But the Italians were never able to complete their domination of the land because the Libyan people refused to submit to the will of the European conquerors. The tenuous Italian hold over this African land was broken in World War II by the combined efforts of the resisting Libyan people and the Allied forces.

From 1942 until 1950, Libya was administered by the British and the French. In 1952, the United Nations decreed that the nation of Libya was to have its independence, the only nation in the world

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to have achieved its freedom in this manner. On December 24, 1952, the United Kingdom of Libya, acting under the authority of the constitution promulgated the year before, became an independent nation.

For the first years after independence, Libya was unable to meet its own financial requirements, accepting foreign assistance from other nations. But oil concessions granted to American firms in 1955 and 1956 began to produce oil in the early 1960's, allowing the nation to become self-sufficient and totally independent. Now Libya shares its wealth with its Arab and African neighbors in the true spirit of brotherhood.

On September 1, 1969, a group of young military officers forestalled a grab for power by a self-seeking elite and declared Libya to be a democratic republic. On this anniversary of Libyan independence, we wish the new leaders of the Revolutionary Command Council and the people of Libya every success in their quest for their stated goal of "socialism, unity, and freedom."

THOUGHTS FROM VIETNAM

HON. LARRY WINN, JR.

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. WINN. Mr. Speaker, Jim Tomlinson, a resident of Wellsville, Kans., composed a very thought-provoking poem while stationed at Hue, Vietnam. I would like to share with my colleagues, Jim's thoughts as printed in the Miami Republican of Paola, Kans.

POEM FROM VIETNAM

Jim Tomlinson, son of Mr. and Mrs. J. W. Tomlinson, Wellsville, is stationed at Hue, Vietnam, with the 101st Airborne Division of the Army and has sent the following poem home to his parents:

Take a man and put him alone,
Put him 16,000 miles from home,
Empty his heart of all but blood,
Make him live in sweat and mud—
This is the life I have to live.
And while my soul to the devil I give,
You peace boys rant in your easy chair,
But you don't know what it's like over here,
You have a ball without really trying,
While over here your men are dying.
You burn your draft cards and march at dawn,
And plant your signs on the White House lawn.
You all want to ban the bomb,
There is no real war in Viet Nam.
So use your drugs and have your fun,
And then refuse to use a gun.
There's nothing else for you to do,
And I'm supposed to die for you.
I'll hate you to the day I die,
You made me hear my buddy cry,
I saw his bloody body shed,
I heard them say, "This one is dead."
It's a large price he had to pay,
Not to live another day.
He had the guts to fight and die.
He paid the price and what did he buy?
He bought your life by losing his,
But who gives a damn what a soldier gives?
His wife or his folks, and maybe his daughters,
And maybe his sons—
But they're about the only ones.

EXIMBANK IS ON ACTION LINE

HON. CHESTER L. MIZE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. MIZE. Mr. Speaker, one of the highlights of 1969 for the international trade task force was its meeting with Henry Kearns, Chairman and President of the Export-Import Bank of the United States.

Task force members were impressed with Mr. Kearns' grasp of the difficulties of promoting U.S. exports in an inflationary period, and of his determined efforts to overcome the disadvantages that U.S. exporters are facing.

The December 22 issue of International Commerce published an article by Mr. Kearns, highlighting initiatives he has taken in the few short months since assuming his post. Because of the extreme importance of better trade and payments balances for the United States, I insert Mr. Kearns' article in the RECORD at this point, as follows:

EXIMBANK IS ON ACTION LINE

(By Henry Kearns)

Clearly, achieving a favorable balance of payments, with its positive impact on the stability of the dollar, is largely dependent upon a surplus in our trade account. Confronted with this urgent need, it is regrettable that only a relatively small portion of the nation's total business is involved in exports. This historical lack of participation compounds our problems and emphasizes the urgent need to broaden recognition of the importance of foreign trade to assure the economic health of our country.

In our analysis of the current U.S. trade posture, there is some evidence that recent generations of American traders may have been lulled into a false sense of security by our country's overwhelmingly favorable financial situation throughout the past three decades. Until very recently, this country's availability of money at comparatively low interest rates was the envy of our competitors from other countries.

Indeed, until 1966, except in special cases, any enterprising U.S. exporter could find some source of private money at more favorable terms than could his counterpart elsewhere. The thought that the United States might find itself short of cash seemed impossible. We all believed "it couldn't happen here", but it did.

With the increasing inflationary pressures which reached alarming proportions last year, domestic demands for financial resources have gone beyond all expected bounds. Industries sensed that money would be tighter, prices higher, and that interest rates would continue to climb. They rushed to fill their growth needs at an early date, competing with each other for construction, for equipment, for personnel, and for money. Rising personal income levels similarly increased the demand for consumer goods of all kinds, as well as for durables and housing, again adding to the excessive competition for the money supply.

Money available for financing exports has diminished and its cost has correspondingly climbed. These factors would be bad enough, but the situation truly becomes intolerable when our exporters are increasingly faced with overseas competition from those who benefit from government-supported export finance. And the mix of U.S. exports includes an ever increasing element of capital equipment requiring massive longer term financing.

Since Mar. 20, when our new team assumed direction of the Export-Import Bank, we have been impressed with the reality that the need for Government assistance in export financing has never before been so great nor so critical in confronting foreign competition. Never has there been a time when effective export financial assistance could produce so much in the way of strength for our economy and versatility for our producers.

Recognizing both the challenge and the answer, the Nixon Administration instructed Eximbank to respond positively to the needs of American business and industry through a significant expansion of its activities. As a result, the reinforced and reinvigorated staff of Eximbank has developed a comprehensive series of programs to improve existing Bank operations and to establish new facilities and courses of action.

Each step taken has been designed to fulfill a recognized need of the current international commercial environment. We, of course, will not be able to satisfy fully all of the needs and desires of the exporting community—that is, immediately—but we are moving rapidly in the direction of comprehensive response to the needs so forcefully presented.

SPECIFIC MEASURES LISTED

The nature and scope of the new export financing initiatives we have taken at the Eximbank are indicated by the measures listed below.

Extended Use of Guarantee Authority. Application of the financial guarantee authority of the Eximbank has been extended, primarily to attract secondary sources of finance for exports. This program is expected to be administered primarily through commercial banks.

Use of Foreign Source Financing. A program has been devised to solicit and negotiate with non-U.S. institutions to provide sources of funds to pay for U.S. exports. In the execution of this program the executives of the Bank have made extensive personal exploration and a permanent representative of the Bank has been established in Europe. The results to date have been most encouraging.

Joint/Participation Financing. A program of joint/participation financing has been undertaken to achieve the greatest leverage from the actual cash resources of the Bank. This program is based upon the experience in financing aircraft sales over the past two years. Under this program, when Eximbank is requested to provide direct credits, it will require participation to a major degree by private financial institutions.

Relending Credit Program. The practice of extending relending credits to certain overseas institutions has been organized into a comprehensive export promotion program. Selected overseas institutions will be extended limited lines of credit in return for active promotion of the sales of certain categories of U.S. products in specific markets. Past experience has revealed that this seeding effect can produce sales of products which otherwise would not have been possible. Continuing financing is expected to be provided from other sources.

Revised Discount Program. The commercial bank export loan program (discount program) initiated in 1966 has been revised and simplified. The curernt program actually has increased the number of banks which will finance exports and will significantly add to the private resources available for continuing export financing.

Nuclear Power Support. A policy has been adopted to assist in the sale of U.S.-produced nuclear power production facilities. The program includes assurance of the continued availability of financing for fuel charges, of key importance in maintaining the competitive advantage of American exporters.

Pre-development Support. To support the country's engineering, planning and construction industries as well as to aid potential sales of large capital projects, a program has been approved for financing from the Export Expansion Facility to provide financing backing for U.S. participants in early feasibility and planning studies.

Equipment Insurance. To further assist engineering and construction exporters, a program has been adopted wherein the Eximbank will provide insurance on heavy and valuable equipment transported abroad for performance of contracts.

Local Cost Financing. Local cost financing has been one of the most troublesome demands upon U.S. exporters. To assist American firms in achieving large and important contracts, a program has now been approved that will help to provide local cost financing from various sources without a direct outflow of dollars from the United States (see story on p. 27).

Service to Commercial Banks. A series of programs has been adopted to assist and to work with private commercial banks. These include a free credit information service, a professional training program for young executives, and special assistance in marshalling consortium financing, when needed.

Improved Export Insurance. A special deductible policy has been developed and approved by the Eximbank and the Foreign Credit Insurance Association (FCIA) to reduce the cost and increase the usefulness of export insurance for major users.

Trade Promotion. A program of trade promotion has been undertaken in cooperation with the Department of Commerce for planning and active participation in trade fairs and exhibits in Mexico City, Bangkok, Tel Aviv, Madrid, and Osaka. This program will be continued and expanded.

Private Export Finance Corporation (PEFCO). Agreement has been developed with the Bankers Association for Foreign Trade (BAFT) to produce a joint agreement creating PEFCO, a massive consortium arrangement to finance major exports.

Agricultural Exports. Special attention has been given to agricultural exports, with increasing effectiveness.

Favorable Interest Rate. After a thorough examination and analysis, the Export-Import Bank has continued its direct credit interest rate at 6%.

Comprehensive Jet Aircraft Financing. A comprehensive policy and program to participate effectively in jet aircraft financing has been developed.

Seminar Program. A commercial bank seminar program, heretofore conducted on an *ad hoc* basis, has now been revised and programmed into a unified, planned arrangement to include regional meetings, state seminar programs, and commercial-bank-sponsored programs in various cities.

Special Industry Assistance. A series of special industry programs has been developed to explore in depth the financing needs and to develop specific programs of usefulness. These include: The National Cotton Council of America, the Electronic Industries Association, Machine Tool Builders Association, National Printing Equipment Association, Aerospace Industries Association, and others.

Inter-Agency Cooperation. Special cooperative programs have been developed with international institutions including: the International Bank for Reconstruction and Development, the International Monetary Fund, the International Finance Corporation, the privately-sponsored ADELA investment group, and similar organizations.

Financing Assistance Office. An export financing assistance office has been established to cooperate with banks, industries, or others who find difficutly in arranging satisfactory financing. The purpose is to combine the various resources and facilities to accomplish the major purpose.

Industry Discussions. A meeting has been scheduled with representatives of the major U.S. industries involved in exports to exchange experience and to stimulate interest in expansion of their export activities.

Advance Commitment Procedure. An effective advance commitment procedure has been adopted, including guidelines for borrowers, sellers and internal operational direction. It is intended that this development will significantly speed up case handling at all levels.

ADMINISTRATIVE CHANGES

Administrative changes include the following:

Directors. Agreement by the members of the Board of Directors to accept geographic and operational responsibilities.

Employee Exchange. The development of an employee exchange program between the Department of Commerce, Treasury Department and Eximbank.

Advisory Committee. The statutory Advisory Committee has been reconstructed, including a program of constant communication and quarterly meetings designed to create a true advisory capability.

Speed-up. The reporting procedure has been adopted to assure prompt and thorough consideration of all cases.

Revised Publications. A comprehensive series of pamphlets and explanatory material has been developed for internal and external use.

Collection procedures. A comprehensive and continuous delinquent account and loss recovery collection control program and procedure has been established.

Money Management. Procedures have been established to provide a greater element of money management, combining the resource availability of granted authority and current actions of the Board of Directors.

Overseas Representation. An overseas office has been established in Vienna to continue negotiations on the foreign bank guarantee program and other representation useful to the Bank.

Special Country Studies. A series of in-depth studies of key countries has been undertaken for the guidance of the staff and the Board of Directors. These include countries in which numerous applications are received or countries that are believed to be facing possible foreign exchange difficulties.

Sales of Assets. A comprehensive program to accomplish the maximum sale of assets has been undertaken. This includes exploration wtih potential foreign buyers, pension funds of major industries, insurance companies and trust. Actual case-by-case negotiation will be undertaken by key members of the Eximbank staff.

Bank programs on which further work is underway include:

Resources and programming to support short-term financing of exports;

An assured and flexible source of funds to provide the backing for continuing programs of the magnitude needed;

A program to assist in developing consortium arrangements on major projects;

Reduction in the time required to process cases;

Revised accounting procedures;

A more adequate program for financing agricultural products;

A program to provide special attention to key geographical areas;

Revision and improvement of the export finance insurance operation and clarification of the Eximbank's relationships with FCIA;

The need for vastly improved communications and public awareness of Bank export financing activities;

Increased and improved working relationships with commercial banks, and

Development of PEFCO coordination and working relationship.

HOW WARM IS THE COLD WAR?

HON. G. ELLIOTT HAGAN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. HAGAN. Mr. Speaker, former Ambassador of Pakistan and my friend, the Honorable Benjamin H. Oehlert, Jr., delivered to the English Speaking Union in Atlanta, Ga., on November 18 and again to the Rotary Club of Orlando, Fla., on November 19 a speech which deals in part with international communism and in part with some of our greatest domestic problems.

Inasmuch as it is believed that Ambassador Oehlert's comments are most pertinent at this time, I want to call them to the attention of my colleagues.

The speech follows:

HOW WARM IS THE COLD WAR?

Ladies and Gentlemen, it is orthodox doctrine that a speaker should open his remarks with a few stories or jokes to "warm up" the audience.

That is supposed to develop sympatico between audience and speaker. Thus the audience is more attentive and more apt to be persuaded by the speaker.

It is a good doctrine. I have often used it.

I shall not use it here.

The matters I wish to discuss are too serious for any levity. I hope that their seriousness and my sincerity will be enough to hold your attention, to cause you to think, and even perhaps to persuade you.

How warm *is* the cold war?

It is not even a *warm* war.

It is hot as Hell!

It is hotter than it or any other war has ever been.

The English-speaking nations and their free-world allies face the distinct possibility of utter annihilation.

Those are very extreme statements. I mean them to be. I believe that they are true.

From its invention, Communism has had one objective—to conquer the world.

Its leaders have always stated that objective and still do. They have never made any bones about it.

They have been equally frank in stating two other things.

First. The end is complete justification for the means.

Lies, deception, immorality, the destruction of all the virtues mankind has always treasured, individual assassination, mass murder, class annihilation, anarchy, God-lessness—and any and all means and methods are to be employed.

Second. The objective or world conquest can probably be accomplished by subversion. War will be employed if subversion fails, but only when the prospects of success are absolute.

Lenin once said that a capitalist is a man who will sell you the rope with which to hang him.

He was right then, but capitalists have made progress since his day.

Today a capitalist is a man who will *give* you the rope with which to hang him and help you put it around his neck.

And that is precisely what we are doing.

Hitler told us in writing what he proposed to do and how—and we laughed at him! We dismissed his words either as the impossible ravings of a maniac or as the extreme statements of a man trying to sell a lot of copies of his book.

But he meant it. And he very nearly carried it off.

From Marx and Engels, through Trotsky and Lenin, up to Stalin and Khruschev and now with the present rulers of the USSR and of the Peoples Republic of China, they have told us that they intend to bury us—but we don't believe them.

That is one of the heavy burdens of the Judeo-Christian ethics.

We want to believe the best of everyone and the worst of no one.

We lace this ethic with strong doses of "It can't happen to me", an overriding interest only in our own personal affairs, plus a dash of just plain laziness.

Why is it that so many people condemn the United States bitterly for honoring its treaty obligations to come to the defense of South Vietnam when brutally attacked and invaded by a North Vietnam Government, encouraged and armed by both Russia and China, which massacred hundreds of thousands of its own people when it came to power and forced two million others to flee for their lives?

Why do so few condemn North Vietnam for its crimes?

Why so much silence about the deep involvement of Russia and China?

Call the dreary roll. Have we forgotten Estonia, Latvia, Lithuania, Finland, Poland, East Germany, Hungary, the troubles of Greece and Iran?

Have we forgotten Cuba and Santo Domingo and the intrigues and troubles of so many other Latin American countries?

Have we already forgotten Russia's part in the Middle East problems and its powerful intrusion into the Mediterranean?

Have we so soon forgotten the even more recent rape of Czechoslovakia?

Are we not aware of what is happening in Laos and in Thailand?

Don't we know of the huge communist parties in France, Italy and India?

Have we no recollection of some of the shocking developments in Africa?

If we have any memories at all, how can we possibly believe that they are interested in detente, that they are anxious for peaceful co-existence?

They are interested in no such things. They have never changed their sights from the objective of world rule, the repeal of God, the elimination of the middle and upper economic classes, the cancellation of all rights of free speech and free press and even free thought, and the dreary control by the State of every facet of individual life from womb to tomb.

Now don't get me wrong. I am not advocating any holy wars or preventive strikes. I am not opposing disarmament talks or any other efforts to reach some understandings or accords.

But I am *pleading* that we open our eyes, that we do not allow ourselves to be bamboozled, and that we keep our powder dry. We must realize that we are dealing with monsters who have been let loose in the world and we must act accordingly.

I can't particularize without revealing classified information and violating security but I can assure you that both the Johnson and the Nixon Administrations have carefully explored every conceivable Avenue for the reasonable and honorable settlement of the Vietnam war. There have been, adnauseam, direct approaches to North Vietnam, direct approaches to Russia, and indirect approaches through friendly, neutral and even some communist countries to North Vietnam, to Russia and to China.

They have all met with nothing but disdainful and insulting rebuff.

I know.

I have participated in some of them.

I have heard the voice of Moscow and the voice of Peking revile and abuse the United States of America with the most outlandish lies imaginable.

I have personally been called a murderer with blood-drenched hands for no better reason than because of efforts to get the North Vietnamese to agree to tell us the names of their captives and to allow them to exchange mail with their families.

I have been the butt of angry, vicious violence, and even my gentle wife has been placed in great physical danger.

So *I do* know.

But what is happening here at home?

Two great tides are flowing.

The first I call the tide of permissiveness. Tracing in part at least from the teachings of John Dewey and Dr. Benjamin Spock we have sorely overdeveloped the concept of permissiveness both in the rearing of children and in education.

This has resulted in the lack of a concept of discipline—either self-discipline or the discipline of religion, or of the family, or of school, or of the state.

We seem to accept with equanimity crime, street violence, trespass, looting, arson, murder, the forceful closing of schools and other institutions, pornography, dope addiction, anarchy itself.

I make no rash charges of communism against the great majority of our demonstrators—especially not against our students.

I firmly believe that our young generation is, except for a few radical militants, the finest we have ever developed.

They have many just complaints against us and against "The Establishment". I'd like to talk at length on that subject, but time will not permit.

Let me mention only one thing. Most of my contemporaries seem to be furious with young men who wear beards. Why?

Is there anything illegal or immoral about a beard?

The grandfathers of most of us wore them. So did Stonewall Jackson, Robert E. Lee and Abraham Lincoln. The Master is usually depicted as having one.

But when we rant and rave about such an innocent, inconsequential thing we not only destroy our credibility and influence with youth, but, worse yet, we goad them into other, *much* more important and dangerous deviations.

Enough of that for now. Perhaps you'll invite me back again to talk at some length about our young—what's right and wrong about them—and most importantly what's wrong about us.

I was saying that I make no rash charges of communism against the great majority of our demonstrators—and I don't. But I maintain that:

1. Much of their conduct is inimical to the legitimate interests of society;

2. The chaos, violence and anarchy they produce is exactly what the communists want;

3. It is encouraged in every way possible by the communists;

4. It is multiplied by the tacit or active support of many fine, decent people who have allowed themselves to be blinded to the forest of social interest by their blandishment with a few trees masquerading under the false titles of freedom, liberty and democracy.

I have spoken of the great tide of permissiveness which is flowing, and I have said that there is a second great tide flowing.

What is the second tide?

Strangely enough, it is a tide of autocratic busybodyness.

Offhand, you may think this is a contradiction of the first tide, but it isn't.

They are handmaidens.

And this second tide too is just what the Communists want.

At the same time that we are being so permissive about what the individual does to violate the rights of society, we are being bureaucratically dictatorial about what the individual may or may not do when only he himself is concerned.

You are being bombarded day and night with the accusation of guilt for smoking cigarettes when there is little if any clinical evidence of a causal relationship between smoking and cancer.

You are being forced to buy and pay for seat belts. Harnesses and head-rests whether you want to or not, whether you will use them or not, and even though there is good reason to believe that at least some head-rests are downright dangerous.

After years of having been inundated with exaggerated condemnations, about the evils of sugar, you are now being told that you can't ingest cyclamates. Do you realize that in order to get the same amount of cyclamates as they fed those poor little animals you would have to drink 500 bottles of diet beverages each *day* for a lifetime? No human being could ingest that much sterile water if he took nothing else to eat or drink.

Then there are the flaps about monosodium glutamate, chicken fat in hot dogs, and even common table salt.

Where will it all end? God only knows. But I do know that, unless curbed, the so-called "consumer revolution" may destroy all consumer options and reduce us to a diet of bread and water—perhaps without the bread and maybe without the water.

But I'm sure you see the absurdity and the insidiousness of the juxtaposition of these two tides.

1. Let the individual do whatever he wants to violate the right of others and of society.

2. Force the individual to bow to the dictates of "Big Daddy" when only he himself is concerned.

The first is what the Communists want to see because it creates the chaos and anarchy which will allow them to take over without firing a shot.

The second is a taste of what will happen when they *do* take over.

You had better wake up to what's going on or you will assuredly lose your country. You may lose your lives. Without a doubt your grandchildren will be condemned to a life truly worse than death.

What can *you* do?

You can stop letting your lives be bounded by the narrow borders of your professions or businesses, yesterday's golf game, last night's bridge game, spectator sports, and your civic and cultural activities.

You have *much* at stake. You *must* concern yourselves.

You *must* raise your voices for the common decencies and virtues of life. You must raise them to the press and other media. You must raise them to the educators.

Above all you must raise them to Government at all levels—local, state and national.

Vote? Yes. (So very many didn't last time). But that's not nearly enough.

Write letters to the editor and to your congressman? Yes. But *that's* not nearly enough.

You are important people individually. You are much more important collectively.

You are members of a world-wide organization which could have a powerful influence.

Organize yourselves. Try to get all your sister groups to organize.

Decide on a positive program.

Call in person and en masse on your councilmen, your mayor, your state legislators, your governor, your congressman and senators.

Demand responsible and decent laws and law enforcement.

Don't plead for it. Don't ask for it. *Demand* it!

If you and like-minded people all over the country do that you'll *get* what you *demand*—and you'll save this country.

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You'll have to spend to get. Spend thought, energy, time and money. But you can afford it. You have them all.

And you *can't* afford *not* to spend them.

If we don't hang together, then assuredly we will all be hanged separately. It's much later than you think.

THE IDEOLOGICAL WAR

HON. KEITH G. SEBELIUS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. SEBELIUS. Mr. Speaker, over the past few years, American involvement in the Vietnam war has been defended and damned, discussed and debated, and criticized and praised by almost everyone.

Americans who speak out either for or against the war in accordance with their own conscience are of course, exercising one of our Nation's greatest traditions—the freedom of speech. Freedom of speech is a sacred right but, as with all rights, it cannot be separated from responsibility.

Those of us in public office must be particularly aware of this responsibility. We must be aware of the impact of our words and of the possible ways they may be used by others.

Communication is a complicated process, but one thing is obvious—once a statement has been made we lose control of it. Our words may be interpreted by anyone in any way they like; they may be twisted, they may be distorted, they may be used against innocent people.

I have here an editorial from the Hays, Kans., Daily News. The editor of the News, Bob McFarlin, points out the Vietcong have taken the words of prominent Americans and used them against American captives in prisoner-of-war camps. No one needs to tell us how effective this sort of ideological warfare can be.

I am sure that all Americans want peace. Let us make sure that in speaking for peace we do not provide the enemy with weapons to use against our young men in Vietnam.

The editorial follows:

THE IDEOLOGICAL WAR

Major James Rowe of McAllen, Tex., spent five years as a prisoner of war in Vietnam. He escaped with two convictions: That the Vietcong are exploiting statements of members of Congress, with devastating effect on the morale of American servicemen. And, that we are entering into an ideological conflict in which "the political and the military are married into one" and must pull together to win the conflict.

A 1960 graduate of West Point, Rowe is 31, personable and articulate. With the sponsorship of some congressmen and the knowledge of the Pentagon, Rowe is carrying on a campaign unusual in military usage. He has filmed at least 20 television shows and cut a half dozen radio tapes, with as many Representatives, for use at their home stations. Also, he filmed a 30-minute documentary.

Rowe's theme in all these appearances is essentially the same. He is convinced the war has reached a point where we all have to choose sides, for or against our country. When he sees anti-war demonstrators speaking under a Vietcong flag, he say they are assuming the posture of the enemy. And, he adds, "It's hard for the military not to take sides when a Vietcong flag is flying" because so many Americans died fighting that flag. He was especially perturbed when he saw the Vietcong flag flying at the Washington monument during the mid-November demonstration.

The trim, slight, blue-eyed fighting man served as a Special Forces officer, the Green Berets, and as an adviser to a company of irregulars in the Mekong Delta. In October, 1963, his unit was ambushed and he was taken captive. He escaped on his fourth attempt last December 31. His captors tried to turn him against the war, but their propaganda was ineffective.

Then, they began to quote Senator Mike Mansfield, the Senate Majority Leader; Senator J. W. Fulbright, the chairman of the Senate Foreign Affairs Committee, and Senator George McGovern, South Dakota Democrat, who ran for the Democratic presidential nomination last year. It was these quotations, for peace at any price, and encouragement to the enemy, that determined him to escape and come home to tell the effect they are having on American servicemen's morale. Such quotes are shattering to captive men whose lives are at stake.

In an ideological war, words are as deadly weapons as are bombs and mortars. To the silent majority, it has long seemed that certain Americans have deliberately "given aid and comfort to the enemy" by their remarks.

JUNIUS L. CROWTHER — VOLUNTEER WEATHER OBSERVER

HON. ORVAL HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. HANSEN of Idaho. Mr. Speaker, I am happy to call the attention of my colleagues to the deserved recognition recently given to one of Idaho's citizens for his long and faithful service as a volunteer weather observer. Since 1926, Junius L. Crowther of Malad, Idaho, has made and recorded daily weather observations in his community. For his service he has been selected to receive the Weather Bureau's John Companius Holm Award. Crowther's service continues a family tradition that started more than a half century ago. Since 1917, members of the Crowther family have been rendering a service of great value to the people of Malad and to the Weather Bureau by observing and making an accurate record of the weather in the area.

Mr. Speaker, I include as a part of my remarks a news release describing Mr. Crowther's service and the John Campanius Holm Award:

[From a news release of the U.S. Department of Commerce, Sept. 4, 1969]

WASHINGTON.—Since 1917 the Crowther family name has been officially associated with accurate weather observations in the Idaho community of Malad. Today, the Commerce Department's Environmental Science Services Administration (ESSA) announced that Julius L. Crowther, who has continued the family tradition since 1926, has been selected to receive the Weather Bureau's John Campanius Holm Award.

John Campanius Holm Awards, created in 1959 by ESSA's Weather Bureau, are made annually to honor volunteer observers for outstanding accomplishments in the field of meteorological observations. The award is named for a Lutheran minister who is the first person known to have taken systematic weather observations in the American colonies. In 1644 and 1645, the Reverend Holm made records of the climate, without the use of instruments, near the present site of Wilmington, Del.

Crowther's tabulations of monthly records past and present have been of great value to residents of the Oneida County community, particularly through his weekly weather column for the local newspaper.

The Weather Bureau has more than 12,000 volunteer observers throughout the United States who make and record daily weather observations. The information they gather is then processed and published by the Environmental Data Service, another ESSA component, and is invaluable in recording the Nation's climate. Many of these observers, like Crowther, serve without pay.

ENVIRONMENTAL ISSUES FOR STATE AND LOCAL GOVERNMENTS

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. SCHEUER. Mr. Speaker, we are finally becoming aware of the imminent danger facing our Nation's environment. Life in our cities has become intolerable. The very air we breathe endangers our health. In fact, a daily walk along the streets of New York City is as poisonous as a daily pack of cigarettes.

This danger does not exist merely in our cities. Throughout the country, our waterways are threatened with pollution; our forests are in constant danger of destruction. The danger is so serious that the Secretary of the Smithsonian Institution recently predicted that unless we stop destroying our natural resources, approximately 75 percent of all the species of living animals will be extinct in 25 years.

The problems of the environment are very complex and interwoven. Nevertheless, besides a general overall plan, more specific approaches are required.

Along with my distinguished colleagues, Congressmen BRADEMAS, REID, and HANSEN, I introduced the Environmental Quality Education Act of 1969. Such an educational approach to our environmental problems will help produce an informed citizenry, an essential prerequisite for a quality environment.

A speech which I believe can be very helpful for educators in developing suitable curricula is "Environmental Issues for State and Local Governments" by Michael F. Brewer, vice president of Resources for Future, Inc., in Washington, D.C. For the attention of the Members of the House, this speech follows:

ENVIRONMENTAL ISSUES FOR STATE AND LOCAL GOVERNMENTS

(By Michael F. Brewer)

THE PRIORITY OF ENVIRONMENTAL ISSUES

The environment, its use and abuse, claims high priority in public importance. Formerly, issues involving resources and the environ-

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ment carried only secondary importance on the national agenda. In recent years there has been growing awareness of the population to a variety of environmental problems. Prominent among these have been air and water pollution, evident in so many parts of our country, as well as the aesthetic degradation of our landscape.

Maintaining a high quality environment poses inevitable problems to advanced societies. These have received publicity and gained political prominence not only because of the large expenditures needed to clean up the environment, but also because the issue has elicited a new and powerful national constituency. An important, and perhaps dominant, element of this constituency are the younger citizens of the country who view environmental deterioration as one symptom of an outmoded "establishment." Members of this group, including such individuals as Ralph Nader, have given high visibility to the issue. Their numbers and political activism have assured "environmental quality" a very high priority on the national agenda of "challenges to meet."

This is as it should be, for the viability of our national economy and the welfare of the society it supports depends on an environment used and managed so that it retains a high quality. We all are plagued by such nagging questions as: will the future conditions of water pollution preclude further industrial developments within our river basins; will the costs of correcting air pollution shift the competitive margin between coal and natural gas in the generation of electricity; or will the accumulation of carbon dioxide in the earth's atmosphere do all of us in?

THE ROLE OF WASTES IN ENVIRONMENTAL DETERIORATION

There are of course many causes of environmental degradation. The ways in which we occupy our environment—the locational patterns of settlement, urban densities, and the aesthetic degradation of our landscapes—have given rise to disservices, neuroses, and considerable cost in terms of the general welfare of our population. For the purposes of our present discussion, however, it is necessary to limit the scope of environmental quality problems to a manageable range. Accordingly, I will concentrate on the more tangible aspects of environmental degradation—namely those associated with the generation and handling of waste materials.

ENVIRONMENTAL SYSTEMS

The problem of environmental degradation can be perceived quite clearly within a simplified environmental system. The system encompasses production and consumption activities by a resident population, and also includes other familiar dimensions of the environment—rock, soil, plants, animals, water, and atmosphere. We know that when we produce wastes in quantities that exceed the assimilative capacity of the environmental system, we run into problems. Abandoned automobiles clutter our streets and degrade the landscape. Smoggy air works its physical and psychological ills on the resident population, their structures, and their cleaning bills. Excessive biological oxygen demands produced by sewage in our rivers produce fish kills, offensive views, and smells.

Any type of human enterprise creates waste materials. However, we do have the technological capacity of determining the form and location of these materials. We can convert a portion of city smog into solid deposits of flyash. By washing sulphur from coal we create acid water problems where it is processed, but we diminish problems of sulphur dioxide in the air of cities where the coal is burned. In short, we have a capacity of purposefully determining the kinds of waste we produce. Also, we have the technological capability of substantially reducing the amount of waste materials we produce. Building automobiles that last longer, or conditioning the consumer to a longer period of utilization, means that a given population at a given level fo affluence will "consume" less automobiles and therefore "produce" less automobile carcasses to be disposed of in the environment. Furthermore, we have a capability—although somewhat limited at the present time—of changing the assimilative capacity of our natural environment. Construction of storage reservoirs enables us to augment the low flow of surface streams, increasing their capacity to dispose such waste materials as municipal sewage. In areas where sanitary landfill has been accepted by the local population and where ample opportunities exist such as in the Los Angeles metropolitan area, we can increase the capacity of our environment to assimilate solid wastes without serious degradation—at least in the mind of the resident population.

In short, the system which I wish to use as a context for discussing environmental quality has dimensions very similar to those of the space capsule or submarine. Fortunately our technical knowledge provides us numerous options in terms of: how much waste we generate, the form and locations in which that waste appears, and the capacity of our environment to handle that waste load. The central problem is how to manage our affairs so that the net contribution to human welfare of our production and consumption activities is as great as possible.

OPPORTUNITIES FOR ACTION

Having sketched out the environmental system which must assimilate the wastes of production and consumption activities, we must push on to the question of what we can do about improving our lot. Ultimately our options are limited only by our technology. It sets final bounds on our ability to shift production and consumption, to manipulate the amount and form of waste materials these activities yield, and to increase the capacity of the environment to assimilate these materials. More immediate limits are imposed by the extent to which government agencies and private industries can invoke the prohibitions, sanctions, and incentives necessary to fully use our technical opportunities. Our current technology, the efficacy of our present governmental institutions, and the traditional economic motivation of industry afford us a fairly wide range of opportunities.

Rather than endeavoring to spell out any grand design for improving environmental quality, I shall identify several types of action which are available to us, and illustrate how they could be fruitfully employed. First of all, we can endeavor to extend our technical capacity. This is accomplished by research and development activities devoted to specific technologies which can reduce the emissions of waste or increase the environment's assimilative capability. R&D activities, however, cost money and appropriate incentives would have to be designed and made effective for this investment to be forthcoming from the private sector, unless we look exclusively to the public sector for providing this technological advance.

Another avenue of action would be to devise policies which facilitate the adoption of technologies that reduce the generation of wastes. Several studies of production practices in high waste-producing industries have been undertaken by Resources for the Future. These indicate that there are major opportunities for either recycling waste materials or otherwise altering the production processes which substantially cut down the amount of wastes these industries currently discharge into the environment. Here again incentives for the adoption of these technologies must be devised and instituted.

A third avenue of action open to us is to try and match waste generating activities with those parts of the environment which have relatively high assimilative capacity for the type of waste generated. This would involve policies relating to the location of economic activities, which could take the form of government fiat, or incentive systems involving subsidies or penalties to newly locating industries characterized by high levels of waste generation.

Another line of possible action is to systematically manage the disposal of all wastes generated within our system. This would enable some management authority to modify the form of waste materials into the liquid, gaseous, or solid state which could be most effectively assimilated by the particular environmental setting. New forms of organizing waste disposal activities would be required. Currently these activities are typically handled through a variety of separate and often disassociated agencies and authorities. Garbage disposal activities of the city seldom are coordinated with programs to alleviate environmental pollution. New legislative authority at the level of state and local governments might well be required for this course of action to be effectively followed.

Another quite attractive alternative would be to discover ways in which today's wastes and residuals may be converted into tomorrow's goods and services. Experimentation with the conversion of municipal sewage into fertilizer, or methods of converting flyash into building products are possible examples. The requisites here identifying new products and new production processes and the development of commercial markets on which the profitability of these new products would have to be tested. We have had limited experience with this approach, such as the production of Millorganite fertilizer from the municipal sewage of Milwaukee. Further attention could be devoted to discovering similar opportunities.

Still other avenues for action exist which would affect consumer behavior. As already mentioned, we can reduce residual wastes by prolonging the usable life of various types of products. If consumers can be conditioned to new types of self-disposing containers, or purchasing in large lots with a reduction in overall container material, substantial reductions of solid waste could be achieved. Such shifts in consumer behavior would have to occur on a national scale, and could not be implemented at the state or local level.

THE ROLE OF INCENTIVES

For each course of action listed above certain incentives, technologies, or changes in consumer behavior must exist. Some of the public policies implied by the alternatives could be quite severe, such as the outright prohibition of certain types of wastes or the imposition of rigid environmental quality standards which would have to be met on pain of closing down production activities. Society has invoked severe measures in the past involving outright prohibition, when public health and safety were obviously involved. Usually such situations were characterized by one or a few sources of materials which caused widespread, substantial damage.

If we consider a more common case—where the social costs are real, and cumulatively perhaps very large, but which cannot be attributable to one or a small number of activities—incentive schemes may be relied upon to reduce environmental pollution. Incentives involve either a "carrot" to elicit the desired behavior, or a "stick" to impose penalties on those who fail to comply.

Much public debate has focused on the propriety of the "carrot" versus the "stick." Waste generators, who would have to incur costs to cut down their waste loads, invariably argue that the appropriate incentives should be a subsidy. Others—either the government or the public at large, who have to

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bear the costs of a polluted environment—frequently argue that producers have a moral if not legal obligation to manage their affairs in such a way that they do not impose external costs on others through environmental degradation. They frequently couple this argument with the suggestion that the cost of reducing waste load is an appropriate "production" cost and should be borne initially by the waste generators, and subsequently shifted to consumers through higher prices. This argument would make the relative competitiveness of a firm dependent not only on its production techniques and managerial skill, but also on its ability to keep its waste load within the assimilative capacity of its immediate environment.

It should be recognized that the carrot-type of incentive may result in quite different physical means for reducing wastes than would be the case if stick incentives were used. For example, water pollution alleviation has been sought by carrot incentives which subsidize the construction of waste treatment plants on an across-the-board basis. If "pollution tolls" or taxes were imposed on polluters, they might prefer to reduce waste emission by modifying production techniques or by recycling wastes within the firm, as opposed to constructing waste treatment plants. The cost of these two strategies for alleviating water pollution differ, and this difference can be calculated. Establishing public policy regarding pollution abatement incentive should not be divorced from such a calculation.

INSTITUTIONAL BOTTLENECKS IN IMPROVING ENVIRONMENTAL QUALITY

Up to this time we have really spoken about ranges of technical possibilities for reducing waste materials. We need also to ask whether our existing institutions—our laws and our organizations and our government—are appropriately designed to facilitate efficient waste materials management.

I have suggested above that one course of action involves comprehensive waste materials management under a common administration. If a corporation—it could be either public or private—has the responsibility of managing a wide array of waste materials, it would endeavor to do so at lowest cost or in the most efficient manner. Such an organization would be attentive to opportunities for changing the form of wastes so that they can be most efficiently assimilated by the receiving environment. Under our present arrangements, both at the national level and local governmental level, this is rarely done. We have sewer departments for cities, garbage companies, water pollution authorities, air pollution abatement organizations, etc. Each is doing its own thing. If these activities were collected under a single authority, we may be able to collectively do our own thing at lower cost to society and with less damage to the environment. We have had several initiatives to create waste management authorities which would include liquid effluent, gaseous discharges, garbage, trash, etc. In most instances, this would require a formidable reorganization of these activities at the local governmental level. While such reorganization is always difficult, there are real economies to be had from the comprehensive management of waste materials, and we should seriously pursue those new organization arrangements which would permit their realization.

CHALLENGES TO STATE AND LOCAL GOVERNMENTS

In conclusion, I would like to sketch out two approaches which may prove promising for coping with the management of waste materials at the state and local level. The first already has been suggested in my earlier comments, and involves the establishment of a public corporation—possibly an Authority—which would be fiscally responsible for its own operations, and could contract waste materials management services to communities throughout a state. Such an organization would be involved simultaneously in managing waste materials in liquid and solid forms—and possibly also gaseous emissions—and would be able to apply management techniques to a given area which were most efficient with respect to all residuals. There would be no compulsion in the arrangement; that is, individual municipalities would elect to proceed as they have in the past if they wish to. However, it is likely that a centralized and coordinated management would permit such an Authority to offer comparable services at lower cost than using present arrangements. Original financing for such an organization could be in the form of revenue bonds which would be repaid as contracts are secured.

A second possibility for state and local government involves the establishment of special districts which would have responsibility for particular kinds of waste materials management. For example, such a district might be established to handle water-borne wastes in a contained river basin. It would be empowered to levy assessments on establishments using the river basin for waste removal, and would also be able to charge tolls or fees for particular services rendered. This type of arrangement has been used fairly extensively in various parts of Europe to good advantage. Basically this arrangement would permit the local district to establish fees or assessments at a level roughly commensurate to the costs of restoring the river system to a satisfactory quality. Those enterprises for whom waste removal through the river system is extremely important would opt to pay those fees; other organizations currently using the river system might find it less costly to change in their current mode of operations—for example, to initiate waste receiving mechanisms—and thereby discharge less effluent into the river system. They of course would avoid charges or assessments by the public district if they did so.

In both of these instances the costs of managing waste materials within the local environmental system are being imposed on polluters. This philosophy of user charges is essential if we are to manage the waste materials our communities and industries produce at lowest social cost. If subsidies are heavily relied upon, local municipalities or industries will elect that form of waste management which imposes least cost upon them selves—regardless of whether that particular means of waste management is least costly to the economy at large.

The intensity and pervasiveness of waste-generating activities is going to require a substantial outlay of money if environmental quality is to be sustained at levels we now view as acceptable. The responsibility of public officials and public management agencies is to see that the job is done at lowest cost to the country as a whole. The outlays involved are so large that we simply cannot afford to use other than the most efficient means available in combating environmental pollution. State and local governments have a clear responsibility if that end is to be pursued vigorously; they also have available a fairly broad array of opportunities to respond imaginatively and effectively.

PURCHASE AGREEMENT

HON. RUSSELL B. LONG

OF LOUISIANA

IN THE SENATE OF THE UNITED STATES

Tuesday, December 23, 1969

Mr. LONG. Mr. President, about 2 weeks ago, I made a speech on the floor of the Senate in which I characterized certain action of the Mexican Government with respect to their treatment of Gulf Resources & Chemical Corp. as "creeping expropriation." As a result of that speech, it has been reported in the Mexican press that I have been badly informed of the problem and that my charges have no basis and make no sense. It is not my intention to engage in a war of words with either the Mexican press or officials of that country. However, I think the record should be set straight and we will then leave it up to my colleagues here in the Senate and the American people to judge whether my allegations do, in fact, make sense.

Mexico's defense to my charges is that their Government had nothing to do with the negotiations between Gulf Resources and the prospective Mexican purchaser and since this was strictly a private transaction, they cannot help it if the deal fell through. It was also stated that the sales contract was nothing more than an option on the part of a Mexican company to purchase Gulf Resources' interests and that after reviewing the current situation of depressed world sulphur prices, the Mexican concern decided not to exercise the option. If this were the true situation, I would not now be standing here before you but would simply consider the matter as one in which our Government has no concern. However, that is not the case. In January of this year, the Mexican Government in an attempt to force the Mexicanization of Gulf Resources placed upon that company certain production and sales restrictions which would make it impossible for them to operate at a profit and thus force a sale to Mexican nationals.

These restrictions limited Gulf Resources' total sulphur production in Mexico to 250,000 tons and required that they sell 150,000 of those tons in Mexico at controlled prices far lower than the world market price. Up until this year, Gulf Resources had been producing well over 300,000 tons and had been able to compete in the world market. No sulphur producing company in Mexico was so restricted, and, therefore, the only possible reason for imposing these restrictions on Gulf Resources was to force its Mexicanization. The desired result was accomplished when Gulf Resources began negotiations for the sale of its properties to a Mexican firm which had the blessings of the Mexican Government. These negotiations resulted in a contract of sale, which I have had an opportunity to read. It is not an option, but is, in fact, a straightforward sales contract subject, of course, to certain conditions which have to be met by the parties prior to the closing. For the benefit of my colleagues, I ask unanimous consent to have printed in the Record a copy of the contract so they can see that it is not an option. Two of the conditions to closing directly involve the Mexican Government and are really the subject of the controversy which led me to characterize Mexico's actions as "creeping expropriation."

One of these conditions was that the Mexican Government grant to the purchaser the very same concessions as that Government has awarded to another Mexicanized company. In other words, the same concessions that it gave to the purchaser of Pan American Sulphur

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Corp. when it was Mexicanized. Although I am reliably informed that the Mexican Government had at all times during the negotiations between the parties assured them that these concessions would be forthcoming, they have without explanation failed to treat Gulf Resources' sale and Mexicanization the same as they treated Pan American. The Mexican Government's failure to grant these concessions prohibited the sale from being closed and has materially affected the value of Gulf Resources' Mexican properties; particularly in light of the previously imposed production and sales restrictions.

Another condition of the closing was that Nacional Financiera, the Government development bank, guarantee certain notes to be given to Gulf Resources by the purchaser. Similar guarantees had been given to Pan American even though the terms of Gulf Resources' sale were much more liberal to the purchaser than Pan American's. In this connection, it should be noted that Nacional Financiera was not just a disinterested Government party but was, in fact, going to own 40 percent of the company which was actually making the purchase of Gulf Resources' interests in Mexico. In other words, Mexico was very much involved in the whole transaction and was, in fact, a party to it.

With this background, it can be easily seen that the Mexican Government was using its official offices to prevent Gulf Resources from selling its properties at a fair price with the end in view that it would eventually give up its operations in Mexico at a distress sale. Who would be the beneficiaries of such a forced sale other than the Mexican Government and its officials who have a direct interest in the remaining sulfur operations in that country? Thus, the Mexican Government has simply sabotaged good faith negotiations by Gulf Resources in an attempt to gain a financial advantage. Call it what you will but it all boils down to forcing Gulf Resources out of Mexico without just compensation and in my mind it is nothing more than another form of confiscation or expropriation.

As I said before, I do not intend to stand idly by and watch our country's businessmen be subjected to this type of treatment from a country to which we have been giving financial aid. It is Mexico which has been badly misinformed if they think I intend to do so.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PURCHASE AGREEMENT

(Purchase agreement executed as of August 6, 1969, on the one part by Gulf Resources & Chemical Corporation (a corporation organized under the laws of the State of Delaware, U.S.A., formerly named Gulf Sulphur Corporation, hereinafter called "Gulf"); and on the other part by Inversiones Azufreras, S.A. (a corporation organized under the laws of Mexico, hereinafter called "The Purchaser"), in accordance with the following antecedents and clauses.)

Antecedents

I

(1) Compañía de Azufre Veracruz, S. A. (hereinafter referred to as "CAVSA") is a Mexican corporation with a total authorized and paid-in corporate capital of $13,650,000.00 Mex. Cy., represented by 136,500 ordinary, registered, fully paid, non-assessable shares, with a par value of $100.00 Mex. Cy. each (hereinafter referred to as "the CAVSA Shares"), of which 136,496 are owned by Gulf and 4 director qualifying shares are owned 1 by each of the following directors: Messrs. Robert H. Allen, Luis J. Creel Luján, Alberto Hoyos Tello and José M. Díz de León (hereinafter referred to collectively as "The Individual Shareholders of CAVSA").

(2) Compañía Impulsora del Sur, S. A. (hereinafter referred to as "CISSA") is a Mexican corporation with a total authorized and paid-in corporate capital of $4,000,000.00 Mex. Cy., represented by 40,000 ordinary, registered, fully paid, non-assessable shares with a par value of $100.00 Mex. Cy. each (hereinafter referred to as "the CISSA Shares"), of which 39,996 are owned by CAVSA and 4 director qualifying shares are owned 1 by each of the following directors: Messrs. Luis J. Creel Luján, Alberto Hoyos Tello, José M. Díaz de León and Ernestina S. de Misrachi (hereinafter referred to collectively as "The Individual Shareholders of CISSA").

(3) Azufrera Tehuana, S.A. (hereinafter referred to as "ATSA") is a Mexican corporation with a total authorized corporate capital of $1,000,000.00 Mex. Cy., represented by 10,000 ordinary registered shares with a par value of $100.00 Mex. Cy. each, of which par value only 20% has been paid and the remaining 80% is pending payment (hereinafter referred to as "the ATSA Shares"), divided into two series, Series "A" with 6,600 shares and Series "B" with 3,400 shares, of which 6,597 Series "A" shares are owned by Mr. Luis J. Creel Luján, 1 Series "A" share by Mr. Carlos Sánchez Mejorada, 1 Series "A" share by Mr. Ricardo Manning Rivera, 1 Series "A" share by Mr. Luis J. Creel, Jr., and 3,400 Series "B" shares by Mr. Alberto Hoyos Tello (individuals who shall hereinafter be referred to collectively as "the individual shareholders of ATSA").

(4) The 136,500 CAVSA Shares, the 4 CISSA Shares owned by the individual shareholders of CISSA and the 10,000 ATSA Shares owned by the individual shareholders of ATSA will be hereinafter referred to jointly as "the Shares".

II

(1) Gulf is a party to and the holder of rights and obligations under the following contracts and agreements (all of which contracts and agreements shall hereinafter be referred to as "the Contracts Related to the Tampa Terminal"):

(a) Lease dated April 10, 1962, between Tampa Marine Company, as lessor, and Gulf Sulphur Corporation, as lessee, covering 2.6 acres of land in the City of Tampa, County of Hillsborough, State of Florida, recorded in Volume 950, page 326, of the Official Record Books of the Public Records of Hillsborough County, Florida, to which reference is made for all purposes, as amended by letter agreement dated January 14, 1965, between Gulf Sulphur Corporation and DeBardeleben Marine Corporation and letter dated July 17, 1963 from DeBardeleben Marine Corporation, together with all easements and rights of way appurtenant to such leasehold estate, and all lease-hold improvements situated on said 2.6 acres of land.

(b) Agreement dated May 1, 1962, between Tampa Marine Company, Atlantic Cement Company, Inc., and Gulf Sulphur Corporation, relating to dock space under a Lease and Sublease dated February 6, 1962, and recorded in Book 886, page 781, of the Public Records of Hillsborough County, Florida.

(c) Agreement dated November 1, 1962, between Gulf Sulphur Corporation and Moran Shipping Company relating to the operation of the facilities covered by the lease described in (a) above.

(d) Transportation contract dated June 28, 1968, between Louisiana Sulphur Carriers, Inc. and Gulf Resources & Chemical Corporation as amended by Amendment No. 1 dated September 30, 1968, providing for the transportation of liquid sulphur by the Vessel SS Louisiana Sulphur.

(2) Gulf is the owner and holder of all the machinery, equipment, installations, facilities, rights to services and facilities and all other property or rights which form part of or are directly related to the terminal for the reception, storage, handling, loading, shipping and other operations relating to sulphur, located on the land and dock space covered by the lease contract and the agreement referred to in Inserts (a) and (b) of the preceding paragraph (1), in Tampa, Florida, U.S.A., which are further described in Exhibit A signed by the Chief Executive Officer and the Secretary of Gulf and attached to this agreement as an integral part hereof (all of which properties and rights shall hereinafter be referred to as "the Tampa Terminal"). The sulphur in storage at the Tampa Terminal is owned by customers of COSCO and does not belong to Gulf.

(3) Gulf is a party to, and the hold of the rights and obligations under the following contracts (all of which contracts shall hereinafter be referred to as "the Transportation and Terminal Services Contracts"):

(a) Contract dated March 1, 1966 between Gulf Sulphur Corporation and W. R. Grace & Co., Davison Chemical Division, for the transportation and storage by Gulf Sulphur Corporation of the Mexican liquid sulphur purchased by W. R. Grace & Co., Davison Chemical Division, from Continental Overseas Sales Corporation.

(b) Contract dated April 1, 1966 between Gulf Sulphur Corporation and Mobil Chemical Company, a division of Socony Mobil Oil Company, Inc., for the transportation and storage by Gulf Sulphur Corporation of the Mexican liquid sulphur purchased by Mobil Chemical Company, a division of Socony Mobil Oil Company, Inc., from Continental Overseas Sales Corporation.

(c) Contract dated January 1, 1969 between Gulf Resources & Chemical Corporation and Royster Company for the transportation and storage by Gulf Resources & Chemical Corporation of the Mexican liquid sulphur purchased by Royster Company from Continental Overseas Sales Corporation.

(4) Gulf is the owner of 100% of the stock of Continental Overseas Sales Corporation (a corporation organized under the laws of the State of Delaware, U.S.A., with an office in the Bahama Islands, hereinafter referred to as "COSCO"), which has executed the contracts and agreements for the sale to third parties of sulphur produced by CAVSA, which are listed in Exhibit B signed by the Chief Executive Officer and the Secretary of GULF and attached to this agreement as an integral part hereof (which contracts and agreements shall hereinafter be referred to as "the COSCO Sales Contracts").

III

The Shares referred to in Antecedent I, the Contracts Related to the Tampa Terminal, the Tampa Terminal, the Transportation and Terminal Services Contracts and the COSCO Sales Contracts referred to in Antecedent II, shall hereinafter be referred to collectively as "the Assets Sold hereunder".

IV

Subject to the terms and conditions hereinafter set forth, Gulf is willing (1) to sell, transfer and assign to the purchaser, or to the purchaser's nominees or to the corporate entity or entities that the purchaser may designate the 136,496 CAVSA shares, the contracts related to the Tampa Terminal, the Tampa Terminal and the Transportation and Terminal Services Contracts; (2) to cause the individual shareholders of CAVSA to sell to the purchaser, or to the purchaser's nominees, the four CAVSA shares which they own; (3) to cause the individual shareholders of CISSA to sell to the purchaser, or to the purchaser's nominees, the four CISSA shares which they own; (4) to cause the individual shareholders of ATSA to sell to the purchaser, or the purchaser's nominees, the 10,000 ATSA shares which they own; and (5) to cause COSCO to transfer and assign to the purchaser or to the corporate entity or entities which the purchaser may designate, the COSCO Sales Contracts.

V

Subject to the terms and conditions and in reliance upon the representations and warranties of Gulf hereunder set forth, the purchaser wishes to acquire for itself or for its nominees or for the corporate entity or entities which it may designate, the Assets Sold hereunder.

Therefore, on the bases of these Antecedents the parties agree to the following

Clauses

1. *Sale of the Assets Sold Hereunder.* Subject to the terms and conditions of this agreement, on the Closing Date (as such Closing Date is defined in Clause 11 hereof), Gulf shall:

(a) Sell and deliver duly endorsed in ownership to The Purchaser, or to The Purchaser's nominees, 136, 496 CAVSA Shares;

(b) Cause The Individual Shareholders of CAVSA to sell and deliver duly endorsed in ownership to The Purchaser, or to The Purchaser's nominees, the 4 remaining CAVSA Shares;

(c) Cause The Individual Shareholders of CISSA to sell and deliver duly endorsed in ownership to The Purchaser or to The Purchaser's nominees, the 4 CISSA Shares which they own;

(d) Cause The Individual Shareholders of ATSA to sell and deliver duly endorsed in ownership to The Purchaser, or to The Purchaser's nominees, the 10,000 ATSA Shares which they own;

(e) Transfer and assign to The Purchaser, or the such corporate entity or entities as The Purchaser may designate, the Contracts Related to the Tampa Terminal;

(f) Sell and deliver to The Purchaser, or to such corporate entity or entities as The Purchaser may designate, the Tampa Terminal;

(g) Transfer and assign to The Purchaser, or to such corporate entity or entities as the Purchaser may designate, the Transportation and Terminal Services Contracts; and

(h) Cause COSCO to transfer and assign to The Purchaser, or to such corporate entity or entities as The Purchaser may designate, the COSCO Sales Contracts;

and The Purchaser, subject to the terms and conditions and in reliance upon the representations and warranties of Gulf hereinafter set forth, on the Closing Date, shall purchase and acquire the Assets Sold hereunder for itself or for its nominees or for the corporate entity or entities which it may designate.

2. *Purchase price.* The price for all of the Assets Sold hereunder shall be $24,000,000.00 U.S. Cy., less the amount to be deducted pursuant to Section (a) of Clause 4 below to determine the final purchase price. Of the final purchase price so determined:

(a) $194,509.00 U.S. Cy. shall be the price for the Contracts Related to the Tampa Terminal, the Tampa Terminal, the Transportation and Terminal Services Contracts and the COSCO Sales Contracts;

(b) $655.20 U.S. Cy. shall be the price for the 4 CAVSA Shares to be sold by The Individual Shareholders of CAVSA;

(c) $176.58 U.S. Cy. shall be the price for the 4 CISSA Shares to be sold by The Individual Shareholders of CISSA;

(d) $16,000.00 U.S. Cy. shall be the price for the 10,000 ATSA Shares to be sold by The Individual Shareholders of ATSA; and

(e) The difference shall be the price for the 136,496 CAVSA Shares to be sold by Gulf.

3. *Payment of the purchase price.* Subject to the terms and conditions hereinafter set forth, the final purchase price established in the foregoing Clause 2 shall be paid by The Purchaser, or by The Purchaser's nominees, or by the corporate entity or entities that The Purchaser may designate, to Gulf, as follows:

(a) On the Closing Date Gulf shall be paid and delivered in New York funds to the credit of Gulf at The Chase Manhattan Bank, N.A., New York, N.Y., $6,000,000.00 U.S. Cy., less the amount to be deducted pursuant to Section (a) of Clause 4 below to determine the final purchase price; the full purchase price for the Contracts Related to the Tampa Terminal, for the Tampa Terminal, for the Transportation and Terminal Services Contracts and for the COSCO Sales Contracts set forth in Section (a) of Clause 2; the full purchase price for the 4 CAVSA Shares sold by The Individual Shareholders of CAVSA set forth in Section (b) of Clause 2; the full purchase price for the 4 CISSA Shares sold by The Individual Shareholders of CISSA set forth in Section (c) of Clause 2; and the full purchase price for the 10,000 ATSA Shares sold by The Individual Shareholders of ATSA set forth in Section (d) of Clause 2, shall be considered to be included in the amount payable to Gulf on the Closing Date pursuant to this Section (a); and

(b) The balance of the purchase price, which shall be $18,000,000.00 U.S. Cy., shall be payable to Gulf at The Chase Manhattan Bank, N. A., 1 Chase Manhattan Plaza, New York, N.Y., in seven consecutive annual installments, the first six of which shall be in the amount of $2,500,000.00 U.S. Cy. each and the seventh and final installment shall be in the amount of $3,000,000.00 U.S. Cy., which seven installments shall be due, respectively, on the day preceding the first, second, third, fourth, fifth, sixth and seventh anniversaries of the Closing Date and shall bear interest at the rate of 8½% (eight and one-half per cent) per annum on unpaid balances, computed from the Closing Date until maturity of each installment, which interest shall be payable annually on the day preceding each anniversary of the Closing Date. To document The Purchaser's obligation to pay such balance of the purchase price and interest thereon, on the Closing Date The Purchaser shall deliver to Gulf seven negotiable promissory notes (hereinafter referred to as "the Notes") issued by The Purchaser and guaranteed "por aval" by Nacional Financiera, S. A. (a National credit institution of the Federal Government of Mexico), which Notes shall be substantially equal to the form attached to this agreement as Exhibit C, and shall be for the amounts of the installments and payable on the dates set forth above. Any one or more of the Notes may be prepaid, if paid in full, without any penalty or surcharge whatsoever. Upon making a payment for interest on the Notes, the maker of the Notes or, as the case may be Nacional Financiera, S. A., shall be entitled to withhold from such payment and to enter with the corresponding tax offices, for the account of the holder of the Notes, the Mexican federal income tax and the state or local taxes on capital investments applicable to such interest, unless rulings excepting such interest from the said taxes are obtained from the Mexican Ministry of Finance and Public Credit and other pertinent Mexican tax authorities.

4. *Indebtedness to be deducted to determine the purchase price.—Payment of balance of indebtedness.* Gulf and The Purchaser agree that:

(a) To determine the final purchase price for all of the Assets Sold hereunder, as provided in Clause 2 above, there shall be deducted from $24,000,000.00 U.S. Cy. $1,431,293.00 U.S. Cy. or the aggregate amount of the following indebtedness, whichever is lower:

(i) The amount of any indebtedness that CAVSA shall owe to Gulf on the Closing Date; plus

(ii) The amount of any indebtedness that CISSA shall owe to Gulf on the Closing Date; plus

(iii) The amount of any indebtedness that ATSA shall owe to Gulf on the Closing Date.

(b) If the aggregate amount of indebtedness that CAVSA, CISSA and ATSA shall owe Gulf on the Closing Date exceeds $1,431,293.00 U.S. Cy., the balance exceeding such amount shall be payable to Gulf by CAVSA, CISSA and ATSA in seven consecutive successive equal semi-annual installments, which shall be documented in seven negotiable promissory notes made by CAVSA in favor of Gulf and guaranteed "por aval" by The Purchaser, the first of which promissory notes will be due eighteen months after the Closing Date and thereafter at the end of each subsequent six-month period the other six notes will become successively due and payable. Said promissory notes shall bear interest at the rate of 8½% (eight and one-half percent) per annum on unpaid balances computed from the Closing Date until maturity of each promissory note, which interest shall be payable semi-annually, the first payment of interest being due at the end of the eighteenth month after the Closing Date. Upon making payment of such interest, CAVSA, CISSA and ATSA or in its case The Purchaser shall be entitled to withhold from such payment and to enter with the corresponding tax offices, for the account of Gulf, the Mexican federal income tax and the state or local taxes on capital investments applicable to such interest unless rulings excepting such interest from the said taxes are obtained from the Mexican Ministry of Finance and Public Credit and other pertinent Mexican tax authorities.

5. *Financing to be obtained by CAVSA and/or CISSA on the closing date and application of proceeds of financing.* Gulf and the purchaser hereby agree that:

(a) On the Closing Date CAVSA and/or CISSA, at the election of The Purchaser will either:

(i) Obtain a credit from The Chase Manhattan Bank, N. A., or from any other bank or credit institution designated by The Purchaser for an amount of up to $6,000,000.00 U. S. Cy. or its equivalent in any other currency, payable in the form, bearing the interest and subject to the terms and conditions satisfactory to The Purchaser; or

(ii) Sell machinery, equipment and installations of the plants of CAVSA and/or CISSA to the company(ies) or institution(s) designated by The Purchaser for an amount of approximately $4,000,000.00 U. S. Cy. or its equivalent in any other currency, and take back in lease from the latter the machinery, equipment and installations sold, for the rentals and subject to the terms and conditions which may be agreed upon between such company(ies) or institution(s) and The Purchaser;

provided, however, that if the transactions contemplated by this agreement are not consummated, the financing to be obtained pursuant to this Section (a) will not be consummated.

(b) On the Closing Date, CAVSA and/or CISSA will use the proceeds of the credit or the proceeds of sale of machinery, equipment and installations referred to in Section (a) above:

(i) To pay to Gulf the indebtedness referred to in Subsections (i), (ii) and (iii) of Section (a) of Clause 4 that CAVSA, CISSA and ATSA shall owe to Gulf, up to the amount of $1,431,293.00 U. S. Cy., and

(ii) To make advances, for the amount remaining of such proceeds, to the Purchaser which advances shall be made on the terms and conditions decided by the Purchaser.

6. *Representations and warranties of Gulf.* Gulf hereby represents and warrants to the purchaser as follow:

(a) Gulf is a corporation organized, validly existing and in good standing under the laws of the State of Delaware U.S.A., and has the corporate power to own and sell, transfer and assign or cause to sell the Shares, the Contracts Related to the Tampa Terminal, and the Transportation and Terminal Services Contracts, and to cause COSCO to transfer and assign the COSCO Sales Contracts; and all of its corporate bodies, including but not limited to its Stockholders Meeting, Board of Directors and Executive Committee, which may be required under law or under its bylaws, to approve and authorize the execution of this Purchase Agreement and the consummation of the transactions herein contemplated, have granted their authorization and approval.

(b) Gulf has full ownership and title to the 136,496 CA VSA Shares, to the rights deriving from the Contracts Related to the Tampa Terminal, to all of the property and rights which constitute the Tampa Terminal, and to the rights deriving from the Transportation and Terminal Services Contracts, free and clear of any encumbrances; and, therefore, Gulf may freely sell and deliver such CA VSA Shares and Tampa Terminal and may freely transfer and assign such Contracts Related to the Tampa Terminal.

* * * * *

and such Transportation and Terminal Services Contracts without any limitation, except for the need of obtaining the approval or authorization of the other parties to such contracts for the transfer and assignment thereof, when specifically required in the said contracts.

(c) COSCO has full ownership of the rights deriving from the COSCO Sales Contracts, free and clear of any encumbrance; and, therefore, COSCO may freely transfer and assign such COSCO Sales Contracts without any limitation, except for the need of obtaining the approval or authorization of the other parties to such contracts for the transfer and assignment thereof, when specifically required in the said contracts.

(d) The Contracts Related to the Tampa Terminal and the Transportation and Terminal Services Contracts are in full force and effect and all obligations of Gulf and all rentals or payments due under such contracts, have been complied with and paid and are current and up to date; and the COSCO Sales Contracts are in full force and effect and all obligations of COSCO under such COSCO Sales Contracts have been complied with and are current.

(e) The individual shareholders of CAVSA have full ownership and title to the remaining 4 CAVSA Shares, free and clear of any encumbrances; and, therefore, the individual shareholders of CAVSA may freely sell and deliver such CAVSA Shares; and Gulf has the representation of and the right to cause The Individual Shareholders of CAVSA to sell and deliver such 4 CAVSA Shares to The Purchaser or its nominees.

(f) CAVSA is a corporation organized, validly existing and in good standing under the laws of Mexico, has the corporate power to own its properties and to carry on its business as now conducted and is qualified to own the Mining Concessions for the exploitation of sulphur to which reference is made below, and also has the corporate power to conduct the exploration for, extraction and production of and the sale of sulphur in Mexico and for export, as now conducted.

(g) CAVSA has as its only authorized and paid-in corporate capital the amount of $13,650,000.00 Mex. Cy., represented by 136,500 ordinary, registered, fully paid and nonassessable shares with a par value of $100.00 Mex. Cy. each.

(h) CAVSA has full ownership and registered title to the 30 special mining concessions in National Reserves numbers 115535 to 115564, both included, for the exploitation of sulphur from mining claims Mezquital No. 1 to Mezquital No. 30, both included, with an area of 100 hectares each, all located within the Municipality of Minatitlán, State of Veracruz, Mexico (hereinafter referred to as "Mining Concessions"), validly issued September 5, 1950 by the Ministry of Economy of the Government of Mexico and registered September 5, 1950 in the Public Registry of Mining in volume 113 of the General Book of Concessions in pages 44 to 51, under Nos. 170 to 199, both included; and the Mining Concessions are free and clear of any encumbrance or limitation and continue to be valid and in full force and effect as issued, except for the limitations on production and sale which were established in January, 1969 by the Ministries of National Patrimony and Industry and Commerce of the Mexican Government; and CAVSA has full ownership and registered title to Concession No. 208 for the operation of its plant for the production and beneficiation of sulphur at Salinas, Municipality of Minatitlán, State of Veracruz, Mexico, which was issued to it by the Ministry of National Economy on March 28, 1955 and registered in the Public Registry of Mining under No. 208, in pages 72 (back) to 73 (front) of volume VII of the General Book of Concessions (hereinafter referred to as "the Plant Concession").

(i) All obligations or requirements deriving from the Mining Concessions and the Plant Concessions provided for in the respective concession titles or in the law or regulations of the Government of Mexico applicable to the Mining Concessions and to the Plant Concession, including but not limited to investments to be made in the mining claims covered by the Concessions, proof of assessment or regular minimum works, notices and reports to the Mexican mining authorities, payment of surface, production or export taxes, if any, and payment of royalties to the Mining Development Commission of the Mexican Government, have been complied with and are up to date, except that CAVSA has not complied, and will not be able to comply prior to October 31, 1969, with the exploration program corresponding to the period from November 1, 1968 to October 31, 1969, which it undertook to conduct pursuant to the request made by the Mexican Ministry of National Patrimony in official communication No. 10–3219 of June 3, 1965, program which was approved by such Ministry in official communication No. 112–1403 of November 30, 1968, and except that CAVSA has not complied, and will not be able to comply in 1969 with the requirement to sell 150,000 metric tons of sulphur in the domestic market of Mexico during the calendar year of 1969 as ordered by the Mexican Ministry of Industry and Commerce.

(j) All royalties whether in favor of the Mining Development Commission of the Mexican Government or of any other party, payable by CAVSA as holder of the Mining Concessions or as a successor or assignee of former holders of such Concessions, or payable by the predecessors of CAVSA, have been paid and shall have been paid to the Closing Date; or the provisions for those of said royalties which are not so paid, which appear on the books of CAVSA, will be adequate to satisfy the liability therefor; and the Mining Concessions, the Plant Concession and CAVSA as owner or holder of such Concessions or as successor or assignee of former holders of such Concessions, are no longer subject to any obligation or liability, actual or contingent, to pay any royalties to anybody, whether based on the production or sale of sulphur or otherwise, as all such royalties have been terminated, except only for the royalty payable to the Mining Development Commission of the Mexican Government provided in the titles of the Mining Concessions, and except as otherwise disclosed in writing by Gulf to the Purchaser prior to the execution of this agreement.

(k) The financial statements of CAVSA, CISSA and ATSA as of May 31, 1969, certified by Ruiz, Urquiza y Cía., S.C., representatives of Arthur Andersen & Co., furnished by Gulf to The Purchaser, fairly present the financial condition of CAVSA, CISSA and ATSA as of the date thereof and fairly reflect the results of CAVSA's, CISSA's and ATSA's operations for the period ended as at such date; and since May 31, 1969 there has been no material adverse change in the financial conditions, properties and businesses of CAVSA, CISSA and ATSA, and CAVSA, CISSA and ATSA have not: (i) incurred any substantial obligation for the purchase of fixed assets in addition to obligations and liabilities shown in the above-mentioned financial statements, except as otherwise disclosed in writing by Gulf to The Purchaser prior to the execution of this agreement, (ii) made any dividend payment or distribution to its shareholders, in their capacity as shareholders, except as it may have been expressly agreed upon in writing between Gulf and The Purchaser, (iii) incurred any current liabilities since that date, except in the ordinary course of CAVSA's, CISSA's and ATSA's business, nor entered into any transaction except in the said ordinary course of business; and (iv) made any change in the compensation of any director, officer or employee of CAVSA, CISSA or ATSA except pursuant to labor and/or employment contracts and normal salary increases for employees other than directors or officers nor named, elected or contracted any new directors, officers or employees, except replacement employees in the ordinary course of business, and except directors elected at a Stockholders Meeting held August 5, 1969.

(l) CAVSA, CISSA and ATSA have no important liabilities or obligations, as important liabilities and obligations are understood under normal accounting practices, actual or contingent not shown in the above-mentioned financial statements as of May 31, 1969 and the footnotes thereto, except current liabilities incurred thereafter in the ordinary course of business.

(m) CAVSA, CISSA and ATSA have full ownership and marketable title to all the properties, rights and assets reflected in the above-mentioned financial statements as of May 31, 1969 and to all other rights and assets thereafter acquired by them (except with respect to rights and assets thereafter disposed of in the ordinary course of business), and such properties, rights and assets are free and clear of any encumberance or any other limitation of ownership, except for a Caterpillar tractor model D7E, serial number 48A12171, which was purchased with retention of title from Mexicana de Tractores y Maquinaria, S. A. on April 25, 1969.

(n) CISSA is a corporation organized, validly existing and in good standing under the laws of Mexico and has the corporate power to own its properties and to carry on its business as now conducted; CISSA has a total and paid in corporate capital of $4.000,000.oo Mex, Cy., represented by 40,000 ordinary, registered, fully paid, non-assessable shares with a par value of $100.00 Mex Cy. each; CAVSA has full ownership and marketable title, free and clear of any encumbrances to 39,966 of such CISSA Shares; The Individual Shareholders of CISSA have full ownership and marketable title, free and clear of any encumbrance to the remaining 4 CISSA Shares; and GULF and/or CAVSA have the representation of and the right to cause The Individual Shareholders of CISSA to sell and deliver the 4 CISSA Shares owned by them to The Purchaser or to the companies or persons whom The Purchaser may designate.

(o) ATSA is a corporation organized, validly existing and in good standing under the laws of Mexico and has the corporate power to carry on its business as now conducted; ATSA has a total authorized corporate capital of $1,000,000.00 Mex. Cy., represented by 10,000 ordinary, registered shares with a par value of $100.00 Mex. Cy. each, of which par value only 20% is paid: The Individual Shareholders of ATSA have full ownership and marketable title, free and clear of any encumbrance, to such 10,000 ATSA Shares, and Gulf and/or CAVSA have the representation of and the right to cause The Individual Shareholders of ATSA to sell and deliver the 10,000 ATSA Shares owned by them to The Purchaser or to the companies or persons whom The Purchaser may designate, subject, however, to the rights, if any, of certain parties under agreement dated March 14, 1966 between Gulf Sulphur Corporation and Fernando González et al. ("Mexican Group").

(p) Except as otherwise specifically mentioned herein, CAVSA, CISSA and ATSA have in all material respects performed all obligations required to be performed by them to date and are not in default in any material respect under any concessions, contracts, agreements, leases or other instruments to which any of them is a party nor are they nor any one of them in default in any material respect under any law, decree, regulation or order of any governmental agency or court and there are no actions, suits or proceedings, pending or to the knowledge of any officer of GULF, CAVSA, CISSA or ATSA threatened against or affecting any of the three latter companies, with the exception of those shown in the list attached to this agreement as Exhibit D signed by the Chief Executive Officer and the Secretary of GULF.

(q) All Federal income, distributable profits, mercantile revenue, import duties or export duties, if any, and other taxes and duties; all taxes or duties of the Federal District of Mexico, of the State of Veracruz, or of any municipality of the State of Veracruz; all Social Security quotas; and all participations of profits to employees and workers; which have been payable to date by CAVSA, CISSA or ATSA, have been paid in full, and the provisions for those of said taxes, duties and quotas which are not yet due, which appear on the books of CAVSA, CISSA and ATSA, will be adequate to satisfy the liability therefor.

(r) CAVSA and/or CISSA have rights assured, at least for the initial term of the Mining Concessions, to occupy and use the land required for all of their existing plants, facilities, installations and operations as now conducted, as well as the right of access or ingress to and exit or egress from such plants, facilities and installations, either through ownership, leasehold, easement or otherwise.

(s) Neither the execution of this agreement, nor the consummation of the transactions herein contemplated, nor the compliance and fulfillment of the terms and provisions hereof will conflict with, or result in a breach of the terms, conditions or provisions of any law, decree or regulation of the Republic of Mexico or of any political subdivision or agency thereof or of the United States of America or of any political subdivision or agency thereof, or of any contract, agreement or instrument to which Gulf, COSCO, CAVSA, CISSA or ATSA is a party, with the exception of: (i) the Loan Agreement dated August 20, 1968 between Gulf and The Chase Manhattan Bank, N. A., Bank of Commonwealth, Franklin National Bank, First City National Bank of Houston, and Crocker-Citizens National Bank, with respect to which Loan Agreement the consent of the lenders for the consummation by Gulf of the transactions herein contemplated will be required and Gulf will use its best efforts to secure such consents prior to the Closing Date; (ii) the Contracts Related to the Tampa Terminal and the Transportation and Terminal Services Contracts, with respect to which the consent or authorization of the parties to such contracts for the transfer and assignment by Gulf of the said contracts be required and Gulf will use its best efforts to secure such consents prior to the Closing Date; and (iii) the COSCO Sales Contracts, with respect to which the consent or authorization of the other parties to such contracts for the transfer and assignment by COSCO of the said COSCO Sales Contracts be required and Gulf will use its best efforts to secure such consents.

7. *Representations and warranties of the purchaser.* The Purchaser hereby warrants to Gulf as follows:

(a) The Purchaser is a corporation duly organized, validly existing and in good standing under the laws of the Republic of Mexico, and has the corporate power to execute this agreement, to consummate the transactions herein contemplated and to undertake the obligations provided for herein, and on or prior to the Closing Date will have a subscribed corporate capital of not less than $275,000,000.00 Mex. Cy.; and all of the corporate bodies of The Purchaser, including but not limited to its Stockholders Meeting, Board of Directors and Executive Committee, which are required to approve or authorize the execution and performance of this Purchase Agreement under Mexican laws, decrees or regulations or under their by-laws, have granted their authorization and approval.

The Purchaser and its nominees and the corporate entity or entities which it may designate to acquire the Assets Sold hereunder have or will have on the Closing Date, the corporate power, legal capacity and authorizations which may be required under the laws, decrees or regulations of the Republic of Mexico, of the United States of America and of the Bahama Islands which may be applicable, to acquire the Assets Sold hereunder.

(c) Neither the execution of this agreement, nor the consummation of the transactions herein contemplated, nor the compliance and fulfillmet of the terms and provisions hereof will conflict with, or result in a breach of the terms, conditions or provisions of any law, decree or regulation of any governmental agency of the Republic of Mexico, or of any contract, agreement or instrument to which The Purchaser is a party.

(d) The issuance of the Notes to Gulf by The Purchaser in accordance with the provisions of Section (b) of Clause 3 above have been approved by all necessary corporate action on the part of The Purchaser and when executed, issued and delivered by The Purchaser to Gulf, such Notes will be valid and legally binding obligations of The Purchaser and enforceable in accordance with their terms.

(e) All action on the part of The Purchaser to obtain the guarantee "por aval" of the Notes by Nacional Financiera, S.A. has been taken or will have been taken on the Closing Date and such guarantee will be valid and a legally binding obligation of Nacional Financiera, S.A. and enforceable in accordance with its terms.

8. *Other action prior to the closing date.* Between the date hereof and the closing date:

Gulf shall cause CAVSA, CISSA and ATSA to continue giving to the officers and authorized representatives of The Purchaser free and full access to the plants, properties, books and records of CAVSA, CISSA, ATSA and the Tampa Terminal as an operating unit and to the COSCO Sales Contracts during normal working hours, and shall continue furnishing to The Purchaser such additional financing and operating data and other information as to the business and properties of CAVSA, CISSA, ATSA and the Tampa Terminal as an operating unit, and as to the COSCO Sales Contracts as The Purchaser shall from time to time reasonably request, provided that all of such information shall be treated by The Purchaser, its officers and authorized representatives as confidential and shall be returned to Gulf in the event the transactions contemplated herein are not consummated.

(b) Gulf will take all action and will cause CAVSA, CISSA, ATSA and COSCO to take all action as may be necessary to render accurate as of the Closing Date the representations and warranties contained in Clause 6 hereof, except to the extent that such representations and warranties may be incorrect as of the Closing Date because of events or changes occurring after the date hereof pursuant to express provisions of this agreement or pursuant to an express agreement in writing of the parties hereto, and they will refrain from taking any action which would render any such representations and warranties inaccurate as of such time.

(c) The purchaser will take all action as may be necessary to render accurate as of the Closing Date the representations and warranties contained in Clause 7 hereof and it will refrain from taking any action which would render any such representations and warranties inaccurate as of such time.

(d) Gulf shall not, and shall cause CAVSA, CISSA, ATSA and COSCO not to make any announcement or other statement to the press or the general public concerning the transactions covered by this agreement, without the prior written consent of the Purchaser, except such news releases as Gulf may deem necessary under the Securities Exchange Act of 1934 and under the rules, regulations or policies of the New York Stock Exchange, in which case Gulf will give advance notice to the Purchaser thereof, and the Purchaser shall not make any announcement or other statement to the press or to the general public concerning the transactions covered by this agreement without the prior written consent of Gulf, unless otherwise deemed necessary by The Purchaser, in which case The Purchaser will give advance notice to Gulf thereof.

(e) The Purchaser will take all action and at the request of The Purchaser Gulf will cause CAVSA and/or CISSA to take all action as may be necessary to assist The Purchaser to obtain for CAVSA and/or CISSA the financing referred to in Clause 5 hereof.

(f) Gulf shall cause COSCO to pay to CAVSA on or before the Closing Date, all amounts owed by COSCO to CAVSA as price of sulphur sold by the latter to the former which are due under the terms of the sales contract of March 1, 1966, between CAVSA and COSCO and to pay promptly when due all amounts which under such terms may become due after the Closing Date.

(g) Gulf shall take such action and shall cause CAVSA, CISSA and ATSA to take such action, as may be required to call the Extraordinary and Ordinary Stockholders Meetings of CAVSA, CISSA and ATSA, to be held on the Closing Date for the purpose of acting upon the matters described in Clause 11, Section (b), Subsections (ix) and (x) hereof.

(h) On or before the Closing Date, Gulf and The Purchaser shall have designated by written agreement such officers and employees of CAVSA and/or CISSA with whom five-year employment contracts are to be executed by CAVSA and/or CISSA, such employment contracts to be on terms and conditions heretofore accepted by The Purchaser and the officer or employee concerned.

(i) Gulf shall cause CAVSA, CISSA and ATSA to take all action and to obtain all authorizations as may be necessary to change the corporate and fiscal year of such companies in order that their present corporate and fiscal years terminate on the day before the Closing Date and that a new corporate and fiscal year of such companies be initiated as of the Closing Date.

9. *Conditions precedent to obligations of Gulf.* The obligations of Gulf hereunder are subject to the fulfillment of each of the following conditions effective on or before the Closing Date, except as may be waived in writing by Gulf:

(a) All the terms, convenants and conditions of this agreement to be complied with and performed by The Purchaser on or before the Closing Date shall have been duly complied with and performed.

(b) The representations and warranties of The Purchaser contained in Clause 7 hereof, shall be accurate as of the Closing Date, as though such representations and warranties had been made as of that time, and Gulf shall have received an opinion to that effect of Baker, Botts, Miranda, Santamarina & Steta, counsel for The Purchaser, dated the Closing Date, in form and substance satisfactory to Gulf.

(c) The consent for the sale by Gulf of the Shares and of the Tampa Terminal, from The Chase Manhattan Bank, N.A., Bank of the Commonwealth, Franklin National Bank, First City National Bank of Houston, and Crockers-Citizens National Bank, as lenders in the loan agreement between them and Gulf dated August 20, 1968, shall have been obtained; the consents or authorizations of the parties to the Contracts Related to the Tampa Terminal and of the parties to the Transportation and Terminal Services Contracts, for the transfer and assignment of such contracts to the corporate entity or entities which The Purchaser may have designated, shall have been obtained; and the consents or authorizations of the other parties to the COSCO Sales Contracts for the transfer and assignment of such contracts to the corporate entity or entities which The Purchaser may have designated, shall have been obtained.

(d) The Chase Manhattan Bank, N.A. or other financial institution shall have issued to GULF a satisfactory opinion that the Notes to be delivered by The Purchaser of Gulf may be discontinued.

(e) Gulf and COSCO shall have been released from all obligations, as guarantor or otherwise, with respect to the Contracts Related to the Tampa Terminal, to the Transportation and Terminal Services Contracts and to the COSCO Sales Contracts and with respect to any lease, charter, contracts or other agreements, pertaining to the operations of CAVSA, CISSA and ATSA and the operations of the Tampa Terminal, or in the absence of such releases, such obligations shall have been assumed by a corporate entity designated by The Purchaser and accepted by Gulf.

(f) Gulf shall have received satisfactory tax rulings from the Government of Mexico and of the United States of America on the consequences of the transactions herein contemplated, as listed in Exhibit E signed by the Chief Executive Officer and the Secretary of Gulf and attached hereto.

(g) Gulf shall have obtained a release of all rights of the Mexican Group under the agreement dated March 14, 1966 referred to in Section (o) of Clause 6 hereof.

10. *Conditions precedent to obligations of The Purchaser.* The obligations of The Purchaser hereunder are subject to the fulfillment of each of the following conditions effective on or before the Closing Date, except as may be waived in writing by The Purchaser:

(a) All terms, covenants and conditions of this agreement to be complied with and performed by Gulf on or before the Closing Date shall have been complied with and performed. The representations and warranties of Gulf contained in Clause 6 hereof, shall be accurate as of the Closing Date, as though such representations and warranties had been made as of that time; and The Purchaser shall have received an opinion of Messrs. Vinson, Elkins, Searls & Connally, counsel for Gulf, to the effect that (i) Gulf is a corporation organized, validly existing and in good standing under the laws of the State of Delaware, U.S.A., and has corporate power to own and sell the Shares, the Contracts Related to the Tampa Terminal, the Tampa Terminal and the Transportation and Terminal Services Contracts and to cause COSCO to transfer and assign the COSCO Sales Contracts; and all of its corporate bodies, including but not limited to its Stockholders, Board of Directors and Executive Committee, which may be required under law or under its by-laws, to approve and authorize the execution of this agreement and the consummation of the transactions herein contemplated, have granted their authorization and approval; (ii) Gulf and The Individual Shareholders of CAVSA have full ownership and title to the 136,500 CAVSA Shares, and Gulf has full ownership and title to the rights deriving from the Contracts Related to the Tampa Terminal, to all of the property and rights which constitute the Tampa Terminal, and to the rights deriving from the Transportation and Terminal Services Contracts, free and clear of any encumbrances; and, therefore Gulf and The Individual Shareholders of CAVSA may freely sell and deliver such CAVSA Shares and Gulf may freely sell and deliver such Tampa Terminal and may freely transfer and assign such Contracts Related to the Tampa Terminal and such Transportation and Terminal Services Contracts without any limitations, and has obtained the approval or authorization of all parties to such contracts for the transfer and assignment thereof as required in the contracts; (iii) COSCO has full ownership of the rights deriving from the COSCO Sales Contracts, free and clear of any encumbrances; and, therefore, COSCO may freely transfer and assign such COSCO Sales Contracts without any limitations, and has obtained the approval or authorization of all parties to such contracts for the transfer and assignment thereof as required in the contracts; and (iv) neither the execution of this agreement nor the consummation of the transactions herein contemplated, nor the compliance and fulfillment of the terms and provisions hereof will conflict with, or result in a breach of the terms, conditions or provisions of any law, decree or regulation of the United States of America or of any political subdivision or agency thereof or of any contract, agreement or instrument to which Gulf is a party, or the by-laws of Gulf and COSCO with the understanding that as to matters of Mexican law and particularly as to matters related to CAVSA, CISSA and ATSA, said counsel should rely upon the written opinions of Creel y Ogarrio and as to matters of Florida law with respect to the leasehold covered by the Contracts Related to the Tampa Terminal, said counsel should rely upon the written opinion of Florida legal counsel satisfactory to The Purchaser; and The Purchaser shall have received a written opinion of Creel y Ogarrio as to the accuracy of all the other representations and warranties of Gulf contained in Clause 6 hereof relating to Mexican law.

(c) COSCO shall have paid directly to CAVSA all amounts owed by COSCO to CAVSA as price of suphur sold by the latter to the former which are due under the terms of the sales contract of March 1, 1966 between CAVSA and COSCO.

(d) CAVSA and/or CISSA shall have received the financing referred to in Clause 5 hereof in either of the forms provided for in Subsections (i) and (ii) of Section (a) of such Clause 5.

(e) The Purchaser shall have received satisfactory rulings, resolutions, confirmations, authorizations and/or opinions from the corresponding authorities of the Government of Mexico on the consequences of the transactions contemplated herein, and on the other matters listed in Exhibit F signed by The Purchaser and attached hereto.

(f) The Purchaser shall have received satisfactory rulings, resolutions, confirmations, authorizations and/or opinions from the corresponding authorities of the Mexican Government that CAVSA and ATSA, as mexicanized companies, and The Purchaser, will receive all the tax, operating and commercial benefits that the Mexican Government has awarded in the mexicanization of other similar sulphur operations, which benefits are listed in Exhibit G signed by The Purchaser and attached hereto and shall include, but not be limited to, the reduction of the royalty payable by CAVSA to the Mining Development Commission of the Mexican Government under the Mining Concessions held by CAVSA, from 20% of value to 12% of value (as such value is presently being determined) for the term the Mining Concessions are in force and for the extensions of such term, by means satisfactory to The Purchaser.

(g) All necessary consents and approvals for the sale of the Shares, for the transfer and assignment by COSCO of the COSCO Sales Contracts and for the transfer and assignment by Gulf of the Contracts Related to the Tampa Terminal and the Transportation and Terminal Services Contracts, which in the opinion of counsel for The Purchaser may be required for such sale, transfer and assignment, shall have been obtained. Counsel for The Purchaser may rely as to matters of United States law or as to contracts or agreements entered into in the United States law or as to contracts or agreements entered into in the United States of America upon the written opinion of Baker, Botts, Shepherd & Coats, of Houston, Texas. In order to assist Gulf in obtaining such consents and approvals it is agreed by The Purchaser that the corporate entity or entities that may be designated by The Purchaser to receive title to the Tampa Terminal and to acquire the Contracts Related to the Tampa Terminal and the Transportation and Terminal Services Contracts and to acquire the COSCO Sales Contracts, will assume all obligations of Gulf and COSCO under such contracts accuring after the Closing Date and that The Purchaser will guarantee such assumption of obligations, if necessary.

(h) The accumulated inventories of saleable sulphur existing in Mexico on the Closing Date, owned by CAVSA, shall not be less than 80,000 metric tons excluding vat bottoms.

(i) Between May 31, 1969 and the Closing Date the properties and assets of CAVSA, CISSA and ATSA and the Tampa Terminal shall have not been materially and adversely damaged or affected by fire, explosion, accident, earthquake, flood or any other cause of force majeure or fortuitous circumstances.

(j) The agreements or contracts entered into by CAVSA for the sale of sulphur (whether entered into directly or through an agent or representative) and the commission or agency agreements entered into by CAVSA for the sale of its sulphur, which are listed in Exhibit H signed by The Purchaser attached to this agreement as an integral part hereof, shall have been terminated.

(k) The current account agreements between Gulf and CAVSA, CISSA and ATSA shall have been terminated and the corresponding current accounts closed; provided that the balance in excess of $1,431,293.00 U.S. Cy. which CAVSA, CISSA and ATSA may owe Gulf when such current accounts are closed, shall be paid to Gulf as stipulated in Section (b) of Clause 4 hereof.

(l) Any and all agreements or arrangements for the rendering of technical services and management assistance executed between Gulf and CAVSA and between Gulf and CISSA or for the payment of amounts by CAVSA or CISSA to Gulf for technical assistance and/or services, including but not limited to the technical services and management assistance agreement executed between Gulf and CAVSA on December 27, 1968, shall have been terminated.

(m) Gulf shall have delivered to The Purchaser five-year employment contracts executed by those of CAVSA's and CISSA's principal officers and employees which have been designated by Gulf and The Purchaser, as provided in Section (h) of Clause 8 hereof.

11. *Closing date and action to be taken at closing.*

(a) The Closing shall be the consummation of the transactions herein contemplated and shall take place at the offices located at Paseo de la Reforma 144–8th floor, Mexico, D.F., at 9:00 a.m. on September 2, 1969, or on such alternate date as Gulf and The Purchaser agree to in writing, provided that the sale, transfer and assignment of the Assets Sold hereunder shall be effective for all purposes as of September 1, 1969, or on such alternate date as Gulf and The Purchaser agree to in writing; and such date of September 1, 1969, or agreed alternate date, is herein referred to as and shall be "the Closing Date"; provided that if such Closing shall not have taken place by November 30, 1969, this agreement shall terminate and the parties hereto shall have no further liability or obligation hereunder.

(b) If on the Closing Date the conditions precedent to obligations of Gulf and of The Purchaser provided for in Clauses 9 and 10 hereof have been realized or have been waived in writing by the respective party, and subject to the terms of this agreement, the following action shall take place in the order set forth below:

(i) Gulf shall deliver to The Purchaser a certificate, executed by its Chief Executive Officer and attested by its Secretary, in form satisfactory to The Purchaser, stating the compliance by Gulf, as of the Closing Date, with all the terms and conditions of this agreement, and the accuracy, as of such Closing Date, of the representations and warranties contained in Clause 6 of this agreement; and Gulf shall further deliver to The Purchaser the signed opinions of Vinson, Elkins, Searls & Connally and Creel y Ogarrio, as provided for in Section (b) of Clause 10 hereof.

(ii) The Purchaser shall deliver to Gulf a certificate, executed by its Chief Executive Officer and attested by its Secretary, in form satisfactory to Gulf, stating the compliance by The Purchaser, as of the Closing Date, with all the terms and conditions of this agreement, and the accuracy, as of such Closing Date, of the representations and warranties contained in Clause 7 of this agreement; and The Purchaser shall further deliver to Gulf the signed opinion of Baker, Botts, Miranda, Santamarina & Steta of Mexico, D.F., as provided for in Section (b) of Clause 9 hereof.

(iii) The Purchaser shall pay and deliver to Gulf the amount provided for in Section (a) of Clause 3 in New York funds to the credit of Gulf in The Chase Manhattan Bank, N.A. in New York, N.Y., and The Purchaser shall deliver to Gulf the Notes, as provided for in Section (b) of Clause 3, endorsed "por aval" by Nacional Financiera, S.A.

(iv) CAVSA and/or CISSA shall pay and deliver to Gulf $1,431,293.00 U.S. Cy. or the aggregate amount of the indebtedness of CAVSA, CISSA and ATSA referred to in Section (a) of Clause 4 hereof, whichever is lower; provided that the payment shall be made in New York funds to the credit of Gulf in The Chase Manhattan Bank, N.A. in New York, N.Y.; and in its case, CAVSA will deliver to Gulf the notes referred to in Section (b) of Clause 4, endorsed "por aval" by The Purchaser.

(v) Gulf shall deliver to The Purchaser the stock certificates representing the CAVSA Shares sold by Gulf pursuant to this agreement, endorsed in ownership to The Purchaser and registered in the stock registry book of CAVSA in the name of The Purchaser.

(vi) The Individual Shareholders of CAVSA, The Individual Shareholders of CISSA and The Individual Shareholders of ATSA, shall deliver to The Purchaser or to its nominees the stock certificates representing the CAVSA Shares, the CISSA Shares and the ATSA Shares which they sell, endorsed in ownership to The Purchaser or to its nominees and registered in the stock registry book of each company in the name of The Purchaser or its nominees.

(vii) Gulf shall deliver to The Purchaser a title opinion dated not more than five days prior to the Closing Date by Florida legal counsel satisfactory to The Purchaser, showing good title in Gulf to the leasehold estate described in paragraph (1)(a) of Antecedent II of this agreement, and to all improvements situated thereon and showing that all property described in Exhibit A is free and clear of all liens and encumbrances.

(viii) Gulf shall sign and execute (1) the contracts and any other documents which may be required to transfer to the corporate entity or entities which The Purchaser may have designated full title to the Tampa Terminal; and (2) assignments transferring and assigning the Contracts Related to the Tampa Terminal and the Transportation and Terminal Service Contracts to the corporate entity or entities which The Purchaser may have designated, such assignments to be in a form satisfactory to The Purchaser. COSCO will sign the documents which may be necessary to transfer and assign the COSCO Sales Contracts to the corporate entity or entities which The Purchaser may have designated; provided that if under the laws of the State of Florida or under the laws of the United States of America, it shall be required for Gulf or COSCO to sign or ratify such contracts, assignments and documents in Florida or in any other part of the United States of America, they will do so as soon as requested by The Purchaser.

(ix) The purchaser and/or its nominees shall hold General Extraordinary Stockholders Assemblies of CACSA, CISSA and ATSA for the purpose of amending the charter and by-laws of such companies and for the purpose of changing the corporate years of such companies, as provided in Section (i) of Clause 8 hereof.

(x) The purchaser and/or its nominees shall hold General Ordinary Stockholders Assemblies of CAVSA, CISSA and ATSA for the purposes of accepting the resignations of the members of the Board of Directors and Stockholders Inspectors (Comisarios) of CAVSA, CISSA and ATSA, which written resignations shall be secured by Gulf, for the purpose of appointing new Directors and Stockholders Inspectors (Comisarios) designated by the purchaser and/or its nominees.

(xi) The purchaser shall cause CAVSA to execute the employment contracts referred to in Section (m) of Clause 10 hereof.

12. *Covenant of Gulf regarding contingent labor and tax liabilities of CAVSA, CISSA and ATSA.* Gulf covenants and agrees that it shall promptly pay for its account, or reimburse to The Purchaser, as The Purchaser may elect: a) Any amount in excess of the reserves made in the books of CAVSA, CISSA or ATSA which any of such companies may be condemned or obligated to pay as a result of any of the labor claims listed in Exhibit I signed by the Chief Executive Officer and Secretary of Gulf and attached hereto, or of labor claims which may be initiated against any of such companies prior to the Closing Date; and b) The amount of any tax liability, tax difference or indebtedness to any taxing authority of the Mexican Federal Government or of the Mexican States, Federal District and municipalities, including surcharges and fines, if any, of CAVSA, CISSA or ATSA, which may appear or be assessed or charged to any of such companies after the Closing Date, deriving from acts or transactions of any such companies performed or originated prior to the Closing Date, as a consequence of a revision of the tax returns of such companies; provided, however, that The Purchaser shall immediately advise Gulf in writing of any such tax or labor liability or claim asserted against CAVSA, CISSA or ATSA and if Gulf should elect to challenge or defend before the corresponding Mexican tax, judicial or labor authorities, any such tax liability, tax difference, tax indebtedness or labor claim, it may do so at its own risk and expense, but promptly delivering to CAVSA, CISSA or ATSA the necessary funds to effect any payments under protest as needed, in order that no property or operations of CAVSA, CISSA or ATSA be affected as a result thereof, and that CAVSA, CISSA or ATSA shall grant powers of attorney to the person or persons which Gulf may designate, and shall furnish the information and documentary evidence which they may have available and which may be required by Gulf for challenging or defending the matter.

13. *Transfer and assignment of insurance policies.* As of the Closing Date GULF shall transfer and assign to The Purchaser or to the corporate entity or entities which The Purchaser may designate, all insurance policies, except any general coverage policies, which may be in force as of such Closing Date and whch Gulf may have taken to cover properties, sulphur and liabilities, in the Tampa Terminal or with respect to the operations conducted in such Tampa Terminal or in connection with the Contracts Related to the Tampa Terminal and the Transportation and Terminal Services Contracts.

14. *Miscellaneous.*

(a) A breach of any of the representations and warranties, covenants or conditions contained herein by either party shall entitle the other party to abandon and terminate this agreement prior to or on the Closing Date.

(b) The covenants, warranties and representations contained in or made pursuant to this agreement shall survive the Closing Date for the period of the statute of limitations which may be applicable to the right, obligation or action referred in or related to the convenant warranty or representation concerned under the laws of the Republic of Mexico or of the United States of America or of any State of the latter country. Each party hereto shall, subsequent to the Closing Date, be and remain liable for such period to the other party for the amount of any damage or loss to such party because of any inaccuracy in such representations and warranties, or by failure to observe or comply with any such covenant.

(c) If the Closing provided for in Clause 11 hereof shall not be consummated for any reason, each party hereto shall pay its own expenses, including the fees of accountants and attorneys retained by it, incident to preparing to carry out this agreement and consummate the transactions contemplated herein.

(d) This agreement shall not be assignable by any party hereto, except that The Purchaser will have the right to designate nominees to purchase part of the Shares and the right to designate the corporate entity or entities which will acquire the Tampa Terminal, the Contracts Related to the Tampa Terminal, the Transportation and Terminal Services Contracts and the COSCO Sales Contracts.

(e) Any notice or communication required to be given hereunder shall be in writing and delivered personally or sent by registered air mail, with copy by ordinary mail, postage prepaid:

If to The Purchaser:

Inversiones Azufreras, S. A., c/o Metalúrgica Mexicana Peñoles, S. A., Uruguay 73-80. piso, Mexico 1, D. F., Mexico.

If to Gulf:

Gulf Resources & Chemical Corporation, 2125 Tenneco Building, Houston, Texas 77002, U.S.A.

Gulf and The Purchaser agree that if in the future they should change their names or addresses shown above, they will notify the other party of the respective change and of the new names or address, at least five days in advance to effecting such a change.

(f) This instrument with its Exhibits A to I both included contains the entire agreement between the parties hereto with respect to the sale, transfer and assignment of the Assets Sold hereunder by Gulf to The Purchaser and other transactions contemplated herein, and may be modified or terminated only by a written document signed by the parties hereto.

15. *Counterparts of this agreement*. This agreement is executed in four counterparts in the Spanish language and four counterparts in the English language.

16. *Controversies, courts and governing text*. With respect to any controversy arising out of or relating to this agreement or any of the transactions contemplated herein:

If Gulf shall sue The Purchaser, the courts of Mexico City, Federal District, Mexico, shall have exclusive jurisdiction, the laws of the Republic of Mexico shall apply and the Spanish text of this agreement shall govern. If The Purchaser shall sue Gulf, a United States Federal District court of the Southern District of Texas shall have exclusive jurisdiction and venue, the laws of the State of Texas shall apply and the English text of this agreement shall govern.

Notwithstanding the foregoing, the enforceability of the Notes, the jurisdiction of enforcement thereof, and the law applicable in determining the validity of the Notes shall be governed by the terms of the Notes.

The present agreement is signed by Gulf and by The Purchaser in Mexico, D. F., Mexico, on August 6, 1969, and will take effect as of the date first above written.

Gulf Resources & Chemical Corp.,
Robert H. Allen, *President*.

Attest:

William M. May,
Secretary.

The Purchaser: Inversiones Azufreras, S.A.
Lic. Alberto Bailleres,
President of the Board.

Exhibit "A" to the Purchase Agreement of August 6, 1969, Between Gulf Resources & Chemical Corporation and Inversiones Azufreras, S.A.

Description of Installations, Facilities and Other Property or Rights of the Tampa Terminal, as Referred to in Paragraph (2) of Antecedent II of the Purchase Agreement

One 12,500 Ton liquid sulphur tank.

One 10,000 Ton liquid sulphur tank.

Loading and receiving lines for storage tanks.

Two 105 HP Locomotive type boilers with condensate return system, condensate tank and zeolite softener.

One Bunker C fuel tank, 8,000 gallons.

One Storage warehouse.

One office adjoining roofed power plant.

One FM weight scale with drive-in ramp for trucks.

One Worthington CFM air compressor.

List of pumps:

Two fuel pumps.

Two sulphur pumps.

Two boiler feed pumps.

One liquid loading joint, chiksan.

One tool shed with cabinets and tools and lawn equipment.

Cathodic protection system for sulphur tanks.

One air conditioner.

Two jet air blowers.

400 feet fire hose .

Gulf Resources & Chemical Corp.
Robert H. Allen,
President and Chief Executive Officer.
William M. Wolf,
Secretary.

Exhibit "B" to the Purchase Agreement of August 6, 1969, Between Gulf Resources & Chemical Corporation and Inversiones Azufreras, S. A.

Contracts Between Continental Overseas Sales Corporation (COSCO) for the Sale to Third Parties of Sulphur Produced by CAVSA, as Referred to in Paragraph (4) of Antecedent II of the Above-Mentioned Purchase Agreement

1. Contract dated March 1st, 1966 between COSCO and W. R. Grace & Co., Davison Chemical Division.

2. Contract dated April 1st, 1966 between COSCO and Mobil Chemical Company, a division of Socony Mobil Oil Company, Inc. No deliveries of sulphur are being made under this contract due to the fact that Mobil has closed its fertilizer manufacturing plant near Tampa, Florida.

3. Contract dated January 1st, 1969 between COSCO and Royster Company.

4. Contract dated December 19, 1968 between COSCO and The British Phosphate Commissioners of Melbourne, Australia.

Gulf Resources & Chemical Corp.
Robert H. Allen,
President and Chief Executive Officer.
William M. Wolf, *Secretary*.

HELPING THE RAILROADS

HON. CLAIBORNE PELL

OF RHODE ISLAND

IN THE SENATE OF THE UNITED STATES

Tuesday, December 23, 1969

Mr. PELL. Mr. President, for those of us in the Senate who have been working to improve rail passenger service, the aspect of our efforts, which has been the greatest source of frustration to us, has been the attitude of railroad management toward passenger service.

At a time when there is increasing sentiment in the Congress to provide assistance to the railroads, there is still a distinct lack of evidence that the railroads themselves are willing to make a good faith effort to maintain passenger service. I would ask unanimous consent that an editorial from the Providence Sunday Journal of December 7, 1969, entitled "How Not To Run a Railroad" be printed in the Record at the conclusion of my remarks.

It is this lack of real effort on the part of the major railroads of the country that makes me look to nonprofit rail passenger service corporations, such as the Geo-Transport Foundation in New England, as a source of new invigorated public service minded passenger management for the future.

The Geo-Transport Foundation, under the leadership of very prominent business leaders from the New England area, is attempting to organize a passenger service corporation to manage passenger service in New England with an eye toward the future development of a tracked air cushioned vehicle system in New England. Geo-Transport has now the support of the New England Governors through the New England Regional Commission.

It also needs Federal support. I am hopeful that the provisions of the new legislation on rail asisstance will provide a source of further support for Geo-Transport, and I am hopeful that the administration in its effort to promote its regional Railpax concept will assist Geo-Transport with some seed money as a demonstration Railpax.

I see no reason why the Congress should pass rail assistance legislation which would reward the railroads for their weak efforts to maintain passenger service assistance at the expense of public spirited passenger corporations willing to make a good faith effort to provide rail passenger service.

I believe, that unless the Nation's railroads demonstrate some dramatic change of attitude, we must look to new institutional forms, such as the Geo-Transport, the compacts I have suggested in my bills, and the other kinds of regional organizations as the means for saving rail passenger service.

There being no objection, the article was ordered to be printed in the Record, as follows:

How Not To Run a Railroad

The continuing effort of Penn Central to divest itself of passenger service rates an "A" for ingenuity if nothing else. Where the business of running a railroad is concerned, Penn Central's logic seems to be: if at first you succeed, try, try again until you can't.

A number of strategies for confusing and inconveniencing passengers have been chronicled at length in these and other pages. One of the most effective of these devices involves compounding the difficulty of buying tickets and making reservations to the point where the passenger gives up in favor of car, plane or bus. The new "ACD" (automatic call director) is a particularly fiendish example of this technique.

The customer calls a Providence number to make a reservation or to ask about arrival and departure times. In the interests of "economy" there is either no one in the station to take the call, or the ticket agents are assumed to be concentrating exclusively on the hordes of passengers that Penn Central's best efforts have thus far been unable to discourage. In any case, and ACD routes the call to railroad headquarters in New York.

The Penn Central switchboard is, of course, unequipped to handle the volume of calls pouring in through this new device, which has recently been installed throughout New England, all the major cities of New York state and parts of Ohio (would you believe Cleveland and Toledo?) The caller therefore receives a busy signal, no response at all, or a recording that instructs him to wait and then disconnects. "Automatically," of course.

If the caller finally gets through to New York, the operator has no way of knowing what part of the system the call involves. There follows a long wait while the appropriate timetables and routings are researched. If the caller is of a mind to complain by this time, he learns that it is all the telephone company's fault.

There is something magnificent about this devious approach. If as much imagination and forethought were applied to making the Penn Central passenger service comfortable and efficient as are spent on frustrating potential riders (thus making the line even more unprofitable for all concerned), Penn Central would be out of the woods in no time.

ACCOMPLISHMENTS OF THE FIRST SESSION OF THE 91ST CONGRESS

HON. CARL ALBERT

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. ALBERT. Mr. Speaker, we have come to the end of a long and hard session. As in years past I take the floor to report to you on the accomplishments of this session, with a particular emphasis on action taken by the House of Representatives.

Before a general characterization of the past session and a few comments on highlights actions, it is fitting to extend my affection and esteem for our distinguished Speaker, John McCormack. For more than four decades he has served the people of his district, of the State of Massachusetts, and of the entire Nation with devotion and honor. Mr. Speaker, we salute you. As most Members are aware, the end of the 91st Congress will establish John McCormack as the man to serve the second longest term as Speaker of the House. Only the late, beloved Sam Rayburn will have guided the House in its parliamentary conduct for a longer period of time. Mr. Speaker, you may take justifiable pride in attaining this enviable goal. We all share that pride with you.

May I once again extend my thanks to Hale Boggs and all the assistant whips for their help and excellent service.

To the Honorable Gerald R. Ford, the minority leader, and his leadership team I express my thanks for the cooperation and spirit of comity which have always marked their relationship with me.

It does not stretch the imagination to suggest that "E Pluribus Unum" aptly describes this convocation of Representatives of the people. We represent a conflicting convergence of opinion and interests but we are dedicated to the welfare of that single entity, our Nation.

Mr. Speaker, the session just ended has been long and grueling, one of the longest in our history. There were difficulties, difficulties which naturally arise when a new administration takes office and difficulties inherent in divided control of the Government. These difficulties did not deter us from taking actions necessary to the welfare of the country. They did, however, delay the legislative processes in getting started, and this contributed to the extraordinary length of the first session.

In all fairness it cannot be said that this was a landmark Congress along the proportions of the 89th. But it can be said that we have met our responsibilities to the American people in many areas.

We have given extraordinary attention to priorities in Government. We have moved forward to strengthen our country, but we have examined all areas of Federal expenditures, civil and military. This has been wise and necessary as the inflation which grips the country demands it.

The heavy drain of the war in Vietnam limits at this time the opportunity to make needed reallocations but as we are withdrawing from that conflict it is imperative that a reordering occur.

We pray that the SALT talks at Helsinki will deescalate the arms race between the United States and the Soviet Union and thus make it possible to devote a larger effort to our pressing domesitc needs.

The President has expressed gratitude for the cooperation of Congress in the field of foreign policy. Domestically there were differences of opinion between the President and the Democratic Congress, as is to be expected. We did our level best to cooperate where possible but when not possible, we acted in accordance with our interpretation of what was best and necessary for the people of this Nation.

On the whole our record is good. The House acted to extend elementary and secondary education funds, the details of which can be found in the appropriate section of this report. Funds were continued for the fight to control air and water pollution although in regard to the latter differing versions passed by each House remain to be negotiated in conference.

Three items loom as particularly important actions taken in the first session. The House passed an amendment to the Constitution which will provide, upon passage by the Senate and ratification by the necessary number of States, for direct election of the President and Vice President. This is an action which meets with the approval of fully 80 percent of the American public and I think the House was well advised in its action. The most significant Tax Reform Act in the history of our country cleared the Congress just prior to adjournment. It is a judicious mix of reform and relief and it is to be hoped that the President will see his way clear to sign it into law. Included in this measure is a 15-percent increase in social security benefits, surely a compassionate and necessary action given the cruel effects of inflation on those who depend on these benefits for subsistence. Finally, we approved a draft lottery system which eliminates the inequities ascribed to the former method for selecting draftees into the military.

Other important actions were taken and I have provided for the benefit of Members succinct summaries of major legislative acts of the House and the Congress in this report. I hope Members will find it useful.

APPROPRIATIONS AND AUTHORIZATIONS

SUPPLEMENTALS, 1969

Due to unexpectedly high rates of separation among Federal employees and servicemen—many of the latter returning from Vietnam—the outflow of unemployment benefits was pushed higher than expected. Consequently, President Johnson requested additional unemployment benefit funds which were approved in both Houses by voice vote. As cleared for the President, House Joint Resolution 414 appropriated $36 million, in addition to $92.2 million already appropriated, to the Bureau of Employment Security in the Department of Labor for unemployment benefits for Federal employees and ex-servicemen. The bill was signed into law, Public Law 91–2, by President Nixon.

Supplemental funds were needed to bolster the Agriculture Department's Commodity Credit Corporation—CCC—which administers the farm subsidy programs. The House Appropriations Committee reported in its bill, House Joint Resolution 584, that this action was necessary. The capital of the CCC has been depleted by a rising demand for loans due to increased production of wheat, soybeans, and feed grains as well as a decline in receipts. The decline was caused by a national dock strike, which slowed exports, and a slackened demand in commodities. The House and Senate passed House Joint Resolution 584—Public Law 91–7—providing a fiscal 1969 supplemental appropriation of $1 billion to restore the capital of the CCC.

Additional costs for military operations in Southeast Asia and Federal pay raises accounted for the bulk of the second supplemental appropriations for 1969 of $4.3 billion reported by the House and Senate conference. Included in the appropriations bill (H.R. 11400, Public Law 91–47) was a spending limit of $191.9 billion in fiscal 1970 expenditures, $1 billion below the Nixon budget projections and the House ceiling.

The conference report accepted a House provision which permitted congressional flexibility in lowering or raising the expenditure ceiling. The conference compromise between the Senate's version exempting for "uncontrollable" programs such as social security, and the House measure, with no such provisions, resulted in permission for the President to raise the limit by as much as $2 billion if he found that expenditures for social security, social insurance trust funds, medicare, veteran's insurance, interest on the national debt, and farm price supports were exceeding their original estimates.

The conference agreed upon a supplemental funding of $1.27 billion for additional military expenditures entailed in South Vietnam. This appropriation was $224.9 million less than the revised Nixon budget request, the same amount approved by the Senate and $38 million more than accepted by the House. To meet portions of the pay increases that became effective in 1969, the conference allotted $1.29 billion as opposed to $1.46 billion requested in the Presidential budget. This sum represented a compromise between a House allocation of $1.23 billion and a Senate provision for $1.37 billion. The conference also accepted the Senate repeal of Public Law 90–364 Federal manpower restrictions. The report argued that the limit had cost more than it had saved since it resulted in costly overtime work, loss of internal revenue, and inefficient utilization of personnel.

Supplemental funding of the Departments of Labor and Health, Education, and Welfare amounted to $714 million, the largest appropriations being for public assistance grants. Military personnel expenses were the dominant consideration in the $227,000,000 allotment to the Department of Defense. This figure represented $22.7 million less than the Nixon budget request.

The Department of Housing and Urban Development received $494 million. A major compromise of this housing appropriation was between a Senate allocation of $50 million for both homeownership and rental assistance programs and the $40 million accorded by the House. Agreement was reached by apportioning $45 million to each program.

The conference bill contained a number of requests that were granted by the Senate but came too late for House consideration. Among these appropriations were $160 million for the first of three annual U.S. contributions for the International Development Association.

In addition the bill allocated funds for programs authorized earlier but not appropriated. The recipients of these allotments include Agriculture, Commerce, District of Columbia, Interior, Justice, Post Office, Public Works, State, Treasury, and Transportation.

TREASURY, POST OFFICE, EXECUTIVE OFFICE OF THE PRESIDENT, AND CERTAIN INDEPENDENT AGENCIES APPROPRIATIONS ACT

An appropriation of $2,276,232,000 was approved in a compromise bill (H.R. 11582, Public Law 91–74) for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies. This amount was $38,482,000 less than the administration's revised request, yet it constituted a $414,654,416 increase over 1969 appropriations. The compromise figure was reached by a decrease of $3,963,000 from the Senate-approved bill and an increase of $3,900,000 over the House version. The total appropriation, coupled with the $6,507,013,000 from postal revenues, amounted to $8,783,245,000.

The allotment of the Treasury Department came to $1,076,740,000 of which $799,795,000 went to the Internal Revenue Service. The Bureau of Customs was granted $107,551,000, which represents a compromise figure between the $108,110,000 proposed by the Senate and $106,151,000 sought by the House. The resulting amount allowed the recruiting of 500 new employees by the Bureau of Customs to shorten the serious passenger processing delays in major U.S. international airports and permitted a strengthening of law enforcement efforts along the Mexican border area with special reference to the smuggling of marihuana and drugs such as heroin.

The Post Office Department was apportioned $1,171,522,000. The conference committee accepted the House postal appropriations of $133,069,000 for administration and regional operation, $1 million more than the Senate proposal.

The Senate provision of $48,838,000 for postal research, development, and engineering was approved, instead of the House allotment of $46,838,000. The House allocation of $6,141,711,000 for operations was opted for by the conference committee over the $6,143,615,000 as sought by the Senate. In lieu of a Senate amendment which allotted $9,218,000 for additional window service at large post offices and for an increase in the multiple-trip business delivery and special delivery service, the conference committee earmarked $5,500,000 to maintain the special services. Yet the committee, in offering the amendment, left the option to the Postmaster General to determine which locations needed an increase in special delivery.

The Executive Office of the President was granted $23,295,000. Within the appropriation $11,650,000 was directed to the Bureau of the Budget, $3,630,000 to the White House office, $1,860,000 to the National Security Council, and $1,137,000 to the Council of Economic Advisers. Independent agencies were accorded $4,675,000, including $2,750,000 for the U.S. Tax Court and $1,100,000 for the Commission on Obscenity and Pornography.

DEPARTMENT OF INTERIOR APPROPRIATIONS ACT

Appropriations to support 1970 operations by the Department of the Interior and related agencies were provided in Public Law 91–98, H.R. 12781. All told $1,546,273,300 was granted: $1,380,375,300 in new budget authority and $168,898,000 to liquidate contract authorizations. The total appropriation was $23,181,200 below the administration's revised Budget, $6,088,600 more than the sum accepted by the House, and $2,391,600 below the sum accepted by the Senate.

The Department of the Interior itself was granted $948,153,100 for the activities of its various agencies and offices, including the Bureau of Land Management, $71,101,000; Bureau of Outdoor Recreation, $112,222,000; Office of Territories, $55,533,400; Bureau of Mines, $79,310,000; Bureau of Commercial Fisheries, $42,316,000; National Park Service, $101,717,000; Bureau of Sports Fisheries and Wildlife, $60,602,000; and the Office of Water Resources Research, $11,229,000. The largest allotment to an agency of the Interior Department went to the Bureau of Indian Affairs—$261,722,000. This amount represented a compromise of a $1,144,000 increase over the House appropriation and an $800,000 decrease in the Senate version.

Within conference the sum of $1.5 million was agreed to for kindergartens in public schools. Although the allotment for the Bureau of Indian Affairs exceeded by $31,372,000 the 1969 appropriation, it was $5.4 million less than the 1970 revised budget request. Included in the apportionment of $95,755,000 to the Department of the Interior's Geological Survey was $400,000 for an evaluation of exploratory geophysical data of unleased Outer Continental Shelf area. This program was an answer to critics of the Interior Department's leasing of the oil lands off Santa Barbara, Calif., where serious oil spill occurred. Additional allocations were provided for coal research and timber salvage as a result of the destruction of Hurricane Camille.

Major appropriations for related agencies included $259,456,000 for the Forest Service, in the Department of Agriculture, $118,481,000 for Indian health activities, administered by the Public Health Service; $15,790,000 for the National Foundation on the Arts and Humanities; and $35,165,000 for the Smithsonian Institution. The National Capital Planning Commission received $222,700, more than $1 million less than the President's revised budget request. The House conferees would not apportion funds for the Temporary Commission on Pennsylvania Avenue, which had been established by Executive order, but had no congressional mandate for the appropriation.

PUBLIC WORKS AND THE ATOMIC ENERGY COMMISSION AUTHORIZATIONS AND APPROPRIATIONS ACT

Authorization acts are required for both public works projects and the Atomic Energy Commission. Subsequently, funds for the activities authorized are appropriated in a Public Works/Atomic Energy Commission Appropriations Act.

Congress had completed authorizations for future public works in its last session while the authorizations for the Atomic Energy Commission were passed in Public Law 91–44, H.R. 12167. The amount authorized was $2,448,082,000, 53 percent of which was for military applications and 47 percent for civilian applications.

Public Law 91–144, H.R. 14159 allocated those sums to be spent in 1970 both by AEC and for public works projects. The Atomic Energy Commission received $2,217,769,000 for its 1970 activities which encompass among other things, special nuclear materials, weapons, naval and space propulsion, reactor development, and physical research. The AEC disbursement was $141,815,000 less than the Nixon budget. The remaining $2,538,238,500 was apportioned for public works, water pollution control, power development, and related independent agencies.

The chief controversy of the bill revolved around the gap between the $1 billion authorized for 1970 to clean up the water of the Nation and President Nixon's requested amount of $214 million. The conference accepted a compromise figure of $800 million, splitting the difference between the $600 million allocation by the House and the entire $1 billion appropriation submitted by the Senate. The total grant to the Federal Water Pollution Control Administration, in the Interior Department, which included pollution control operations and research, was $886,382,000.

Other appropriations to the Department of the Interior include funding for the operation of four Power Administrations: Alaska, $1,000,000; Bonneville, $118,000,000; Southeastern, $700,000; Southwestern, $8,250,000. Also within the Interior Department disbursement was the $267,701,500 for the Bureau of Reclamation, constituting an appropriation increase of $21,821,500 over the administration request.

The other major public works agency of the Federal Government besides the

Bureau of Reclamation is the Defense Department's Army Corps of Engineers. This agency's appropriation was $1,141,683,000 for flood control and rivers and harbors improvements. This 1970 allocation was almost $100 million less than the 1969 figure, $35.6 million less than the Senate sum and $54.2 million more than the House amount. Considerable controversy arose over the deletion of $807,000 in planning funds for the Dickey-Lincoln hydroelectric power project in Maine. Having been approved by the Senate and rejected by the House in their respective appropriation bills, this project was dropped for the fourth year in conference. Other funds to the Department of Defense were $15,125,000 for cemetery expenses and $42,700,000 for the Panama Canal, the total for DOD amounted to $1,199,508,000.

In addition, independent offices, besides the Atomic Energy Commission, were granted $56,697,000 which comprised the cost of maintaining and operating the Tennessee Valley Authority, $50,600,000; the Atlantic-Pacific Interoceanic Canal Study Commission, $917,000; the Delaware River Basin Commission; $200,000; the Interstate Commission on the Potomac River Basin, $5,000; the National Water Commission, $1,050,000; and the Water Resources Council, $3,925,000. The total allotment for Independent Offices was $300,000 over the Senate-approved sum, and the same figure as accepted by the House.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AND NATIONAL SCIENCE FOUNDATION AUTHORIZATIONS; DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND INDEPENDENT OFFICES APPROPRIATIONS ACT

Law requires that the Space Administration and National Science Foundation obtain annual authorization of funds. Congress provided for the NASA authorization in H.R. 11271, Public Law 91-121, for fiscal 1970. The authorization of $3,715,527,000 was the figure proposed by the administration and accepted by the Senate. However, the amount constituted a $250,850,000 decrease from the 1969 authorization, a budget cut necessitated by the need to reduce governmental expenditures in view of inflation, domestic needs and the war in Vietnam.

The Apollo program's tremendous success fulfilled President Kennedy's 1961 pledge to land a man on the moon by 1970. The authorization bill maintained this same tradition with its provision for three more manned moon flights. The bill was affected by campus unrest since it not only prohibited the use of funds to universities which denied military personnel recruitments—unless exception is made by the administrator—but also barred NASA program payments by institutions of higher education to individuals contributing to campus disruption. Actual 1970 funds for NASA were provided in the HUD-Independent Offices Appropriations Act, H.R. 12307, Public Law 91-126. They totaled $3,696,633,000, of which $3.006 billion is for research and development, $53.2 million is for construction of facilities, and $637.4 million is for administrative expenditures.

Authorizations for the National Science Foundation were made in H.R. 10878 Public Law 91-120. The amount authorized was $477,605,000, constituting a substantial cut from the Senate-approved figure of $500,150,000 and only $300,000 more than accepted by the House. The appropriations for NSF were also funded in H.R. 12307. That sum came to $440,000,000.

Important aspects of the poverty and cities' programs are financed through the HUD portion of this appropriation which amounted to $1,869,026,000—a sum $28,155,000 less than the Senate allocation but $208,700,000 more than the House appropriation. Conference compromise marked many of the major HUD program apportionments. The model cities project received $575 million, reached by an increase of $75 million over the House appropriation and a decrease of $25 million in the Senate figure. The contract authority for the low-income homeownership and rental assistance programs, as well as the allotment for the fair housing programs, constituted an even split between House and Senate versions. Ninety million dollars was agreed upon for homeownership assistance, $10 million less than the Senate figure and $10 million more than the House amount. A $30 million difference between the House and Senate versions was split to allow $85 million in contract authority for low-income rental housing assistance. Six million dollars was accepted for the fair housing and equal opportunity programs—$1 million more than the House-approved sum and $1 million less than accepted in the Senate. The conference agreed to the House figure of $50 million in contract authority for the rent supplement program instead of the $100 million amount approved by the Senate. However, the Senate-approved appropriation of $250 million for urban renewal was adopted by the conference rather than the $100 million sought by the House.

Important HUD programs found their funding increased over the 1969 appropriations. For example, the grants for neighborhood facilities increased from $35 to $40 million; total metropolitan development went from a 1969 allotment of $219,618,000 to the 1970 appropriation of $276 million; and the funds for urban research and technology were more than double the last year's appropriation, from $11 million to $25 million. Yet the total amount appropriated for the Department of Housing and Urban Development's 1970 activities was $173,612,000 less than the administration's request, itself a decrease of almost $113 million from the 1969 appropriations. The remaining $13.2 billion allocated by H.R. 12307 finances the activities of a number of executive and independent offices, including the previously mentioned National Aeronautics and Space Administration and National Science Foundation. Among these independent agencies with their 1970 funds are: Civil Service Commission, $156,228,500; Federal Communications Commission $22,225,000; Federal Power Commission, $16,400,000; Federal Trade Commission, $19,500,000; General Services Administration, $546,409,000; Securities and Exchange Commission, $20,416,000; Selective Service System, $68,348,000; and Civil Defense, D.O.D. $69,250,000.

More than half of the appropriations to independent offices went to the Veterans' Administration whose portion amounted to $7,705,192,000. This sum was the amount sought by the House and was achieved by the restoration of the Senate's cut of $13,935,000 earmarked for modernizing and air-conditioning three veterans hospitals. The 1970 congressional funding for the Veterans' Administration was $296,628,000 more than the 1969 appropriation and $34,491,000 more than the administration request. Also, a total of $452,500,000 was appropriated to the President, including an additional $125 million toward disaster relief for those areas ravaged by Hurricane Camille.

AGRICULTURE AND RELATED AGENCIES ACT

The administration's revised budget cited $6,967,562,050 for the fiscal 1970 activities of the Department of Agriculture and related agencies. The congressional bill (H.R. 11612, Public Law 91-127) approved an appropriation of $7,488,903,150, which exceeded the President's request by $251,341,100, but was $715,613,500 less than provided in fiscal 1969.

Two items accounted for the funding of a larger sum than requested in the President's budget: First, the continuation of the agricultural conservation program and second, the special milk program, both of which the administration had attempted to eliminate.

The bill utilized the House figure of $195.5 million in advance contract authorization for the agricultural conservation program over the Senate's $185 million. President Nixon had sought to end the program under which the Government shared with farmers, woodland owners, and ranchers the expenses incurred in soil and water conserving practices. The administration attempted to include milk funding within an expanded school lunch program. However, the special milk program remained intact as the Senate provision of an $84 million appropriation was adopted along with the Senate reservation of another $20 million in section 32 customs receipt funds for the program. The conference committee passed over the House recommendation to transfer $120 million section 32 funds to the special milk program.

The most controversial issue of the conference report was the deletion of the House-approved $20,000 limitation on payments to any single recipient of subsidies for wheat, feed grains, and cotton crops. A comparable amendment was defeated in the Senate. The conference referred the proposal to the Agriculture Committees for consideration prior to December 31, 1970—the expiration date of current commodity programs.

The final total for food assistance programs came to $1,820,343,000, which constituted an additional $89 million over the administration request and $577,011 over the fiscal 1969 funding. The allocations included within food assistance were $316,766,000 for child nutrition programs, $84 million for milk, and $610 million for food stamps. The Senate figure was utilized for child nutrition programs and constituted a $5 million increase over the House proposal. The food stamp allotment was the sum requested by the President. The House had originally appropriated the authorized limit, $340 million, while the Senate passed $750 million. Both Houses had passed the bill in early summer; however, the conference report was delayed until a higher authorization for the food stamp program was approved.

Other important programs financed in this appropriation are: Agricultural Research Service, $227,611,950; the Extension Service, $131,484,000; the Soil Conservation Service, $242,530,000; the Consumer and Marketing Service, $951,695,500—including the $610 million for the food stamp program; the Stabilization and Conservation Service, $555,550,000; Rural Electrification, $476,729,000; the Farmers Home Administration, $149,793,000; the Federal Crop Insurance Corporation, $12,000,000; Public Law 83–480 food-for-peace funds, $920,000,000; and the Commodity Credit Corporation, $3,655,742,000.

LEGISLATIVE BRANCH APPROPRIATION ACT

The Legislative Branch Appropriations Act—H.R. 13763—was highlighted by the debate over the proposed extension of the west front of the U.S. Capitol. The Senate refused to allocate funds for a detailed study of the extension proposal, while the House had allotted $2 million for that purpose. A compromise was reached in conference that approved of the $2 million sum but this was to be allotted only after a study was completed at the cost of $250,000 for restoring the Capitol west front. The total appropriation for the Architect of the Capitol was $24,036,100.

Joint expenses for the Congress amounted to $13,233,322 which was composed of such costs as the education of House and Senate pages, joint committees, Capitol Police, and mail. Funding for the Senate, which came to $54,837,660, included increases in senatorial staffing and also travel allowances for Senators and their staff members. The House of Representatives received $104,813,635 for 1970 expenses. This grant was $941,180 below the administration budget request while the Senate's disbursement was $11,416 below.

Other appropriations in H.R. 13763 went to the Botanic Garden, $599,800; the Government Printing Office, one of whose many services include the CONGRESSIONAL RECORD, $39,950,000; the General Accounting Office, which assists Congress in providing legislative control over the receipt, allocation, and application of public funds, $63,000,000; and the Library of Congress, which not only serves as the research agency for Congress, through the Legislative Reference Service, but also includes the Nation's Copyright Office, $43,856,300.

The total legislative appropriation for 1970 was $344,326,817 for new budget authority and $407,000 for liquidation of contract authorizations. This was more than $29 million below the administration estimate.

DEPARTMENTS OF STATE, JUSTICE, COMMERCE, AND THE JUDICIARY APPROPRIATIONS ACT AND THE MARITIME ADMINISTRATION AUTHORIZATION

This is the second year that the Maritime Administration has been required to obtain annual authorization. This was accomplished by H.R. 4152, Public Law 91–85, which authorized a total of $384,600,000 for various activities including operating differential subsidies, $212 million; research and development, $12 million; and ship construction subsidies, $145 million. The latter authorization for ship construction largely caused the discrepancy between the total congressional authorization and the Presidential request of $262,996,000.

Appropriations for the Maritime Administration were granted in the 1970 Appropriations Act for the Departments of State, Justice, Commerce, and the judiciary branch—H.R. 12964. These amounted to $54,385,000, as requested by the administration. A greater allocation for ship construction was referred to the supplemental appropriations since the increased authorization of $145 million for ship construction had been passed after the House had completed its appropriations. Also included in this appropriations act was $195,815,000 to liquidate the Maritime Administration's contract authority for ship operating-differential subsidies.

Congress voted $404,132,100 for the State Department, $4,250,000 less than the budget request, $9,500 more than the House version and $3,040,000 less than the Senate sum. The conference dropped both the Senate's extra funding for international commissions from $8,047,500 to $6,505,000 and the Senate-approved allocation for educational and cultural exchanges from $38,185,000 to $36,685,000. Also accepted for the State Department were $224,974,600 for administration of foreign affairs, and $135,967,000 for contributions and missions to international organizations and conferences.

H.R. 12964 appropriates $808,169,000 to the Justice Department, including $100,607,000 for legal activities and general administration; $232,855,000 to the Federal Bureau of Investigation; $93,750,000 to the Immigration and Naturalization Service; $87,640,000 to the Federal Prison System; and $25,317,000 to the Bureau of Narcotics and Dangerous Drugs. The allocation to the Law Enforcement Assistance Administration, which is responsible for financial assistance to the State and local law enforcement agencies, was increased from the 1969 appropriation of $59,407,000 to the 1970 appropriation of $268 million a compromise figure between the House provision for $250 million and the Senate funding of $275.5 million.

Moneys granted to the Commerce Department for 1970 operations totaled $778,018,000 as compared with the administration's request of $812,486,000. In addition to the grants to the Maritime Administration, other agencies financed in the Commerce appropriation include: the Bureau of the Census, $160,037,000; the Environmental Science Services Administration, $156,992,000; the Patent Office, $44,500,000; and the National Bureau of Standards, $37,500,000.

The conference accepted a $5 million, instead of the Senate-approved $9.1 million increase in the allotment for economic development assistance which amounted to $271 million. A drastic cut was made by an inflation-wary Congress in the funding for the Office of State Technical Services, which had received $5,300,000 in 1969 appropriations but received only $250,000 in 1970 funds. A sum of $24,558,000 was disbursed for international activities by the Department of Commerce.

The judiciary branch received $121,026,200 for 1970 activities which encompass such operations as the customs court, $1,870,000; the Court of Claims, $1,872,000; the Supreme Court of the United States, $3,332,200; and the courts of appeals, district courts, and other judicial services, $112,775,000.

Thirteen other agencies or commissions of the Government were appropriated for in H.R. 12964: American Battle Monuments Commission, $2,639,000; Arms Control and Disarmament Agency, $9,500,000; Commission on Civil Rights, $2,650,000; HEW, Office of Education, civil rights activities, $14,000,000; Equal Employment Opportunity Commission, $12,500,000; Federal Maritime Commission, $3,715,000; Foreign Claims Settlement Commission, $650,000; National Commission on Reform of Federal Criminal Laws, $300,000; Small Business Administration, $18,257,000; Special Representative for Trade Negotiations, $482,000; Subversive Activities Control Board, $344,400; Tariff Commission, $3,900,000, and the U.S. Information Agency, $174,150,000.

Total new budget authority appropriated in H.R. 12964 was $2,550,247,700 including the disbursement to liquidate the Maritime Administration's contract obligations. This 1970 appropriation was $121,271,900 less than the Administration request but $288,089,800 more than the 1969 funding.

DISTRICT OF COLUMBIA APPROPRIATION ACT

Appropriations for 1970 were granted the District in H.R. 14916. A sum of $104,169,000 was provided in Federal funds to the District of Columbia general fund. Additional Federal grants raised the Government's total contribution to the District to $108,097,000. Federal loans were authorized in the amount of $60,263,000 with appropriations from the District of Columbia revenues contributing the balance of funds which brought the total appropriation to $650,249,600.

Within the District of Columbia appropriated funds were $129,556,000 allocated to public safety which included grants for the construction of new police stations, the establishment of new programs for the treatment of narcotic addicts and the planning of a new city jail. Yet, since the congressional allotment was $4,343,000 below the budget estimate for public safety, a decrease in personnel requests was necessitated. This situation held as well for additional personnel in the District's health and recreation departments, whose apportionments were decreased $8,086,000 and $3,086,000, respectively, from the administration's request. Funds for the metropolitan area's rapid transit system were released after the District renewed construction on its freeway system, a decision arrived at after disputatious public debate.

MILITARY PROCUREMENT AUTHORIZATION; DEPARTMENT OF DEFENSE APPROPRIATIONS ACT

Military spending bore the brunt of an economy-minded Congress as the Defense Department expenditure policies underwent close scrutiny. This detailed analysis delayed the final approval of defense funding—H.R. 15090—which, in turn, caused delays in the other appropriations. After its time-consuming efforts the House committee—House Report 91-698—noted 1969 as "the year of the cost overrun" and noted further that there were duplications in certain training programs, questionable reliability in weapons systems, excessive public relations, and uncontrolled proliferation of data procession and communications facilities. In its recommendation the House committee did point out that cutbacks were necessary in "otherwise attractive programs" because of the fact that "without a healthy economy and a reasonably sound dollar, the probability of maintaining our military superiority would be greatly jeopardized."

The final Defense allocation by the House was $69,960,048,000 while the Senate allotted $69,322,656,000. The conference compromise figure for the 1970 appropriation bill, H.R. 15090, was $69,640,568,000. This sum constituted a $5,637,632,000 reduction from President Nixon's revised request of $75,278,200,000 and ranked as the second largest cut in a military appropriations bill, the largest being a $6.3 billion decrease in fiscal 1954.

The actual appropriation for military procurement in H.R. 15090 consisted of $17,841,848,000, which was $250,300,000 less than the House bill and $387,030,000 more than the Senate version. The conference agreed to the Senate reduction of $10 million in the MBT-70 main battle tank program. The Senate-approved $8.5 million advance procurement of F-14 fighter aircraft in fiscal year 1971 was dropped, and the House proposal was accepted that no congressional commitment of funds be made in support of production runs for F-14 aircraft. The Senate provision of $10 million toward the procurement of the Air Force's short-range attack missile—SRAM—was agreed to in conference.

The chief compromise was the allocation of $354,700,000 for the conversion of four Polaris submarines to the Poseidon configuration. The House had approved of the administration request for funds to convert six submarines during fiscal year 1970, but the Senate allowed only two questioning the advisability of converting a proven strategic missile system to one whose reliability had not been completely demonstrated.

A total of $110 million was allocated for advance procurement of five SSN-688 class high-speed submarines in fiscal year 1971, as opposed to the Senate-approved grant of $90 million for four submarines. The Navy also received $126,300,000 for the MK-48 torpedo program. This was the sum proposed by the Senate and $27,800,000 more than the House provision.

The total procurement appropriation was $3,044,952,000 below the final administration request of $20,886,800,000.

The allocation for research, development, test and evaluation amounted to $7,368,820,000—a decrease of $853,580,000 from the President's revised request. The conference urged the discontinuance of the Army's Project Mallard, an international program for the development of a tactical communications system for the field armies of the four participating countries. The Senate proposals of $10 million for the underwater long-range missile system and $8 million toward the Navy's Condor air-to-surface missile were accepted. Also the conference agreed to a $2 million grant for the development of the Air Force's A-X close air support aircraft, as proposed by the Senate. The entire research and development disbursement was $171,220,000 above the House-approved amount and $12,277,000 below the Senate-accepted figure. In addition, the conference agreed to the Senate language that limited availability of multiyear appropriations, and prohibited the use of funds to finance the introduction of U.S. ground combat troops into Laos and Thailand.

The disbursement toward military personnel of $20,834,800,000 was $807,100,000 less than the administration request but reflected additional troop withdrawals from Vietnam and criticism of military social programs and excessive Pentagon staffing. The conference action represented a $3,500,000 increase over the Senate version and a $222,400,000 decrease from the House bill. Retired military personnel were allotted the budget estimate of $2,735,000,000.

The conference compromised on a $20,860,100,000 allocation to the Defense Department operation and maintenance. This figure represented $932,000 less than the administration request, $18,000,000 less than the House sum and $60,341,000 less than the Senate amount. The Senate acceded to the House provision of $30.4 million for international military headquarters. The Senate had earlier rejected this allotment on the grounds that the Defense Department's appropriations bill was not the proper vehicle for these funds.

The President requested $21,963,660,000 for procurement of military weaponry. Congress authorized less than that in Public Law 91-121, S. 2546, H.R. 14000. The amount authorized totaled $20,723,202,000, a compromise figure between the authorization of $21,347,860,000 by the House and $20,001,586,000 by the Senate.

MILITARY CONSTRUCTION AUTHORIZATION AND APPROPRIATIONS ACT

Public Law 91-142, H.R. 13018 authorized $1,650,597,000 for construction of military and related facilities during 1970. This amount was $266,669,000 below that requested by the administration. New construction funds in the authorization were $1,626,920,000 while the remaining $23,677,000 covered the higher costs of previously authorized projects. The total authorization was $103,382,000 over the House version and $5,410,000 above the Senate bill. The conference restored a number of items previously deleted because of the administration's announced plan to defer 75 percent of the construction program for an indefinite period. A Senate provision was accepted that required reports on construction cost overruns and promoted competition for construction projects among a number of Government agencies; $279,988,000 was authorized for the Army, $306,305,000 for the Navy, and $268,994,000 for the Air Force. Military family housing received authorization of $689,518,000.

Actual 1970 appropriations for military construction were granted in H.R. 14751—approved late in the session. Considerable care was given to these appropriations which totaled $1,560,456,000. They were $90,141,000 below the authorization figure and $356,844,000 below the Nixon budget request of $1,917,300. Military family housing was allotted $688,476,000 providing 4,800 units of new family housing. Army military construction grants amounted to $287,228,000, while Navy construction disbursements were $300,028,000 and the Air Force construction allotments totaled $284,327,000.

COAST GUARD AUTHORIZATION, DEPARTMENT OF TRANSPORTATION APPROPRIATIONS ACT

The President requested $2,143,738,630 to finance 1970 activities by agencies within the Department of Transportation, including the Coast Guard which receives an annual authorization. The Congress cut this request by $53,265,000 in passing DOT's 1970 appropriations. First, however, it authorized funds for the Coast Guard.

The President requested $82.8 million for procurement of Coast Guard vessels and facilities. As it emerged from Congress, H.R. 4153, Public Law 91-49 increased that sum by $60 million, or 72.4 percent. The increased authorizations were provided in view of the additional responsibilities of the Coast Guard and the advancing age of its fleet. Three new high-endurance cutters were added, instead of the one requested, as well as nine new helicopters, instead of six. The total authorization of $142.8 million included $55,584,000 authorized for procurement of vessels and improvements on other vessels; $17,188,000 authorized for procurement of nine medium-ranged helicopters; $57,378,000 authorized for facility construction and modernization; and $12,650,000 authorized for alterations at railroad and public highway bridges to improve navigation. Of the $2,143,738,630 provided in H.R. 14794, $200 million was funding for fiscal 1971. The remainder will finance 1970 operation of the Department of Transportation and related agencies.

The Coast Guard received $55,518,630, including $386 million for operating expenses. The provision of $66.5 million for the procurement of vessels and construction and improvement of facilities constituted a decrease of $10.8 million from the administration request. Also within the Coast Guard appropriations was $57,750,000 for retirement pay, $25,-

900,000 for reserve training, and $14,500,000 for research, development, test, and evaluation.

The Federal Aviation Administration was granted $1,178,550,000, including $767 million, the full budget estimate, for FAA operations which would permit the hiring of 3,800 air traffic control personnel. Aviation safety was again the overriding factor in the consideration of raising the allocations for FAA facilities and equipment from the revised Budget estimate of $134 million to $224 million. A great deal of controversy arose over the $95,958,000 President Nixon requested to build two prototypes of a supersonic passenger transport aircraft—SST. The House appropriated the full administration request because the SST was considered to be not only viable but important to U.S. foreign trade and balance of payments. The final allocation amounted to $85 million, a compromise figure in view of the $80 million approved by the Senate. In addition, an amendment was approved by both House and Senate which restricted the use of funds for the construction of any airport in certain parts of the State of Florida until such time as a joint study by both the Department of the Interior and Transportation indicates that such an airport will not have an adverse environmental effect on the ecology of the Everglades.

The Federal Highway Administration was appropriated $38,600,000, including $29,550,000 for highway safety, $2,300,000 for motor carrier safety, and $1,100,000 for highway beautification. The Federal Railroad Administration received $16,400,000, of which $11 million was to support research and development of high speed ground transportation. Urban mass transportation grants for fiscal 1971 were funded at $214 million. This sum constituted a $34 million decrease from the Budget request and the reduction was directed toward research programs in an effort to shift the Urban Mass Transit Administration toward action.

The National Transportation Safety Board was allocated $5,050,000, while $43,700 was allotted to the Civil Aeronautics Board. The full amount of the revised budget estimate was disbursed to the Washington Metropolitan Area Transit Authority as the Federal portion of the funding for a rapid rail transit system in the Washington, D.C. metropolitan area. Also $4,526,279,000 was granted for liquidation of contract obligations, most of it for the Federal aid to highways trust fund.

FOREIGN ASSISTANCE AUTHORIZATION AND APPROPRIATION AND PEACE CORPS AUTHORIZATION ACTS

Three actions usually are taken by the Congress in authorizing and appropriating funds for foreign aid. A foreign aid authorization must be passed as well as a separate authorization required for the Peace Corps. Then actual funds must be appropriated.

Congress authorized $98,450,000 to finance the 1970 operations by the Peace Corps in Public Law 91–99, H.R. 11039. This sum represents a conference split of the difference between the House-approved administration request of $101,100,000 and the Senate-accepted figure of $95,800,000. A House provision was accepted in conference that prohibited the use of any Peace Corps funds to bring volunteers from other countries under the volunteer to America program or any other such program. The Senate bill has authorized the use of the Peace Corps funds for this purpose. The House acceded to the Senate authorization to contribute up to $300,000 for an international register of volunteers, which would advise interested organizations or governments of the availability of volunteers.

The foreign assistance authorization H.R. 14580 amounted to $1,972,525,000 for fiscal 1970 with the same amount authorized for fiscal 1971. For the first time in the foreign aid program's 22-year history, the aid authorization fell below $2 billion. Precedent was also set in that all assistance authorizations were made for a 2-year period. This procedure will allow Congress and the President to spend more time on the study of new long-range policies. The authorization for each year constituted as $738-million decrease from the President's request for fiscal 1970. The Senate authorized $1,970,650,000 while the House had authorized $223,250,000 more, amounting to $2,193,900,000.

Included within the bill was authorization for the Overseas Private Investment Corp. whose efforts are directed toward the encouragement of private enterprise in developing countries. The House-approved authorization for an Inter-American Social Development Institute was accepted in conference. The purpose of the Institute would be to stimulate the use of people-to-people channels for aid in social and economic development of Latin America.

The amount of $404,500,000 of the authorization funds were for military assistance. An authorization of $54.5 million to purchase for the Republic of China a new squadron of fighter aircraft and $50 million in additional military assistance to South Korea was passed by the House. The Senate would not agree to this specific authorization and it was deleted in conference. The China military aid issue proved to be the stumbling block for the completion of the foreign assistance appropriations for fiscal 1970 in H.R. 15149.

The House once again passed the $54.5 million aid to the Republic of China, this time in its appropriations bill. This House provision prevailed in conference but became the sole point of contention in the Senate's rejection of the conference report. The Senate refused to allocate the military funds to the Republic of China by instructing its conferees to insist that no earmarking of funds for particular countries be specified for military assistance. Nevertheless, maintaining a contrary view of the significance of this military assistance to the Republic of China, the House agreed to the conference report on H.R. 15149 and rejected a motion that would have deleted the $54.4 million provision. The conference report's total appropriation for foreign aid was $2,558,910,000, including a $1,847,000 reappropriation to the Ryukyu Island administration. This allocation represents a decrease of $1,120,654,000 from the President's request of $3,679,564,000. The portion of the foreign aid appropriation for economic assistance amounted to $1,462,530,000. Included within this sum were funds allocated for the following: technical assistance, $353,250,000; worldwide technical assistance, $166,750,000; Alliance for Progress, $81,500,000; multilateral organization technical assistance, $105,000,000; U.N. Children's Fund, $13,000,000; prototype desalting plant in Israel, $20,000,000; Alliance for Progress, development loans, $255,000,000; development loans, $300,000,000. Other foreign assistance included the $98,450,000 appropriation to the Peace Corps, the same figure as proposed by the Senate and $3,450,000 more than the House-approved sum.

Total military assistance amounted to $404,500,000 as a result of a conference compromise between the $454,500,000 approved by the House and $350,000,000 accepted by the Senate. Within military assistance was the $54.4 million allotment for fighter aircraft to the Republic of China. Inasmuch as the Senate and House could not reach an agreement on this issue both Houses adopted a continuing resolution as an amendment to the supplemental appropriations bill (H.R. 15209) which will maintain the current level of expenditures into the second session of the 91st Congress.

DEPARTMENT OF LABOR AND DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE APPROPRIATIONS ACT

At the time the House considered the appropriations act for the Department of Labor and the Department of Health, Education, and Welfare (HEW) in bill H.R. 13111, the administration requested $16,495,000,000. The House approved an allocation of $17,573,602,700. The amount represented an increase of around $1,078,000,000. When the measure was considered in the Senate significant items were added that had not been taken up by the House because they were not authorized. The largest of these items was a $2,048,000,000 Presidential request for the Office of Economic Opportunity. This sum together with the administration request for advanced funding for education—$1,226,000,000, aging—approximately $28,000,000, and public broadcasting—$15,000,000, added an approximate $3.3 billion to the budget request considered by the Senate.

The Senate passed a total appropriation of $21,363,391,700, which included a $1,117,580,000 advanced allotment for fiscal 1971, as opposed to the administration estimate of $19,834,125,700, of which $1,226,000,000 was advance funding for fiscal 1971.

The conference compromise figure came to $19,747,153,200 for fiscal 1970 operations, an increase of $1,139,027,500 over the administration's request of $18,581,020,700 for definite fiscal 1970 appropriations and $27,105,000 for indefinite appropriations. This increase consisted of approximately $1.078 billion for education, and approximately $96 million for the National Institutes of Health.

President Nixon had expressed to the Senate his intention to veto the Labor-

HEW-OEO appropriations act. He maintained that it was fiscally irresponsible for the Senate to add $0.6 billion more to the $1 billion increase already added by the House to his request. Even in the face of a congressional reduction of $5.6 billion in Defense appropriations, he stated that he could not "at this critical point in the battle against inflation approve so heavy an increase in Federal spending."

To prevent a pocket veto the Senate leadership declined to pass the appropriations bill this session. A continuing resolution was added to the supplemental appropriations bill (H.R. 15209) which will maintain the current level of expenditures into the second session of the 91st Congress.

The House, however, did approve the conference report for H.R. 13111. Total appropriations for the Department of Labor came to $980,446,000, including: $833,583,000 for the Manpower Administration; $12,335,000 for the Labor-Management Services Administration; $98,126,000 for wage and labor standards; $22,420,000 for the Bureau of Labor Statistics; and $1,332,000 for the Bureau of International Labor Affairs.

Total appropriations for the Department of Health, Education, and Welfare was $16,724,805,200. Major activities financed by these allocations include: Consumer Protection and Environmental Health Service, $242,522,500; Health Services and Mental Health Administration, $1,154,339,000; National Institutes of Health, $1,549,699,500; Office of Education, $3,265,302,700; Social and Rehabilitation Service, $8,400,920,500; Social Security Administration, $2,014,564,000; special institutions, including Gallaudet College, Howard University, American Printing House for the Blind and the National Technical Institute for the Deaf, $62,723,000; and departmental management, which entails the Office for Civil Rights, Office of Community and Field Services, Office of the Comptroller, and Office of the Secretary, $34,734,000.

The largest appropriation for a related agency was $1,948,000,000 to the Office of Economic Opportunity. Other allotments included $36,880,000 for the National Labor Relations Board, $8,412,000 for the Federal Mediation and Conciliation Service, and $1,475,000 for the President's Council on Youth Opportunity.

SUPPLEMENTALS, 1970

The final appropriations action by both Houses in the first session of the 91st Congress was on H.R. 15209, Supplemental Appropriations for 1970. Two continuing resolutions were added to this bill maintaining the 1969 expenditure levels for the operation of foreign assistance programs, and for the Department of Labor, the Department of Health, Education, and Welfare, and their related agencies. In addition, this supplemental provides those funds not granted in regular appropriations, often because Congress has enacted legislation during a session which increases expenditure for an agency.

The House had recommended appropriations of $244,225,933 when considering an administration budget estimate of $298,547,261. The Senate had considered budget estimates of $314,597,852 and consequently allocated $296,877,318 in supplemental funds. The Senate had amended this bill to reaffirm the authority of the Comptroller General, who had questioned the constitutionality of the Philadelphia plan. This would in effect have rejected this plan which sought an increase in the number of nonwhite construction workers on Federal contracts by means of a federally imposed quota system. This amendment became the point of disagreement to the measure. On December 22, the Senate withdrew the amendment and cleared the conference bill for the White House.

The conference compromise amount was $278,281,318 for supplemental funding in fiscal year 1970. Among the supplemental disbursement to independent offices were $300,000 for Federal Labor Relations Council, salaries and expenses, and $700,000 for the Commission on Government Procurement, salaries and expenses. Operations within the grants to the Department of the Interior included Bureau of Land Management, $1,250,000; Office of the Territories, Trust Territory of the Pacific Islands, $7,500,000; Bureau of Sport Fisheries and Wildlife, management, investigation of resources and construction, $2,610,000—including $105,000 for preservation of steamboat *Bertrand* and its cargo; National Park Service, management and protection, $50,000; Indian health services, $2,048,000; and construction of Indian health facilities, $1,952,000.

One million dollars was disbursed to the Wage and Labor Standard Administration, under the Department of Labor. Other major allocations were $1,040,000 for Department of Commerce, Environmental Science Services Administration, facilities, equipment, and construction; $1 million for the U.S. Coast Guard; and an additional $24,966 for the Office of the Vice President.

CIVIL RIGHTS

VOTING RIGHTS AMENDMENTS ACT

On December 11, 1969, the House voted to terminate the Voting Rights Act of 1965, and voted instead to accept a bill that proposes a nationwide approach to the problem of voter discrimination. The new measure would suspend literacy tests for voters in all 50 States until January 1, 1974, in contrast to the 1965 law, which moved against literacy tests only in States where fewer than 50 percent of the eligible voters were registered in the 1964 presidential election. Further, this measure would establish a uniform, nationwide residency requirement for voting in presidential elections, and create a new Voting Rights Study Commission to study laws and practices that affect registration and voting, and to recommend legislation on other action to protect the right to vote. The 1969 amendments differ from the 1965 law in that the trigger provision, which applied only to seven Southern States, is eliminated, along with the requirement that State election law changes receive prior approval from the Attorney General.

The importance of the Voting Rights Act of 1965 was underscored by Mayor Charles Evers, of Fayette, Miss., in a recent address to the Democratic Study Group. Since the enactment of the 1965 civil rights measure, great strides have been made in registering voters with one result being, for example, that over 500 black officials now hold public office in the South compared with less than 50 before the 1965 bill was passed.

CONSUMER AFFAIRS

Since 1966, Congress has given considerable attention to the needs of the American consumer. The important Auto Safety Act which set higher standards in the production of automobiles was passed in the 89th Congress. Additional consumer protection legislation was adopted during the 90th Congress including the establishment of the National Commission on Product Safety, the flammable fabrics amendments, and the Federal Meat Inspection Act. Nearly a decade of debate was ended in the 90th Congress with the passage of the Consumer Credit Protection Act which includes the Truth-in-Lending Act requiring the disclosure of credit costs and annual rates of finance charges in both percentages and dollar costs.

The 91st Congress has continued to insure the protection of the American consumer through the extension of the National Commission on Product Safety and by the passage of the Child Protection and Toy Safety Act of 1969.

NATIONAL COMMISSION ON PRODUCT SAFETY EXTENSION ACT

In extending the life of the National Commission on Product Safety through June 30, 1970—S. 1590, Public Law 91-51—Congress has recognized the importance of the contributions made by the Commission as a result of its studies of hazardous merchandise and its subsequent recommendations to Congress for additional consumer-protection legislation.

TOY SAFETY ACT

In February of this year the Commission issued a report recommending to Congress the consideration of legislation which would broaden the Federal Hazardous Substances Act to protect children from all hazards. In response to this recommendation, the 91st Congress has passed the Child Protection and Toy Safety Act of 1969 (S. 1689, Public Law 91-133) which amends the existing act to include protection of children from toys which are hazardous due to electrical, mechanical, or thermal hazards. The procedures incorporated in this bill for removing dangerous toys from the marketplace, including permission for the Secretary to remove any article which he considers an "imminent hazard" either before or after an informal or formal proceeding, will protect children from unnecessary dangers and will provide procedural safeguards for the industry.

The prompt action taken on this legislation together with the extension of the Commission proves Congress' continuing concern for the welfare of the consumer.

DISTRICT OF COLUMBIA

Despite increasing responsibility on the part of the Government and residents of the District of Columbia, as evidenced in the school board elections this past

November, Congress maintains primary responsibility for the District. This past session Congress enacted two bills of major importance to the residents in and millions of visitors to the Nation's Capital.

DISTRICT OF COLUMBIA REVENUE ACT

The 91st Congress recognized the problems facing the District from mounting financial needs and dwindling sources of revenue by authorizing an additional $15 million for fiscal 1970 and by approving increased and additional sales and excise taxes. The estimated additional annual revenue yield to the District of Columbia, from this act together with increases in real and personal property taxes already approved, is $48 million.

Public Law 91–106 (H.R. 12982) specifically authorizes $105 million in Federal payments to the District for fiscal 1970. This is an increase of $15 million over the 1969 authorization of $90 million. Congress also provided for $5 million to be appropriated to the District of Columbia, in addition to any other amounts appropriated, to enable the District to undertake new law enforcement programs authorized by law or to otherwise increase the effectiveness of law enforcement within the city.

The District of Columbia Revenue Act of 1969 also enables the city to collect necessary funds through increased taxes on cigarettes, beer, liquors, and groceries. The act authorizes new taxes to be placed on nonprescription drugs, laundry and drycleaning, and admission to theater and sports events, as well as increasing the excise tax on automobiles and raising the fees for motor vehicle permits and inspections. In order to lessen the impact of the increased sales tax on groceries on low-income residents of the District, Congress provided for a sales tax credit for those with incomes less than $6,000.

Other sections of the revenue act abolished the position of Public Safety Director in the District, limited the number of new government employees to 3,500, and prohibited the use of the District's funds to bus students to schools outside the District.

The impact of this legislation will allow the District of Columbia to continue to provide necessary and desirable services to its residents and many visitors without encouraging inflationary trends.

NATIONAL CAPITAL TRANSPORTATION ACT

The second major piece of legislation affecting the District of Columbia passed by Congress was the National Capital Transportation Act of 1969. This act, Public Law 91–143 (S. 2185), authorizes up to $1,147,044,000 in Federal funds for the construction of a rapid rail transit system in the Washington metropolitan area. The passage of this legislation signaled the end of a controversy almost 4 years old. In 1965 Congress passed the National Capital Transportation Act which approved a basic 25-mile subway system and authorized $100 million in Federal funds and an additional $50 million in District funds.

In ensuing years, the construction of a mass transit system became enmeshed in a dispute over the construction of additional freeways within the city and of the Three Sisters Bridge across the Potomac which were opposed by the District government and by several groups in the city. Federal funds for the transit system were held up until the controversy was resolved early in 1969 when the city agreed to begin construction of the freeways and the bridge. The construction of the first line of the rapid rail system was begun on December 9 following the President's signing of the National Capital Transportation Act of 1969.

Other major provisions of Public Law 91–43 include authorization of $216.5 million in District funds to be provided out of the District's authority to borrow funds from the U.S. Treasury, and $150,000 for a study of the feasibility of extending the transit system to Dulles Airport.

By substantially increasing both District and Federal funds and by extending the system from 25 to 98 miles to include the metropolitan area, the National Capital Transportation Act of 1969 signifies a major step in Congress' constant attention to the progress of the District of Columbia.

EDUCATION

During 1969, Congress, and particularly the House of Representatives, considered and passed several bills in the field of education which illustrate Congress' continuing concern. Federal involvement in education began in 1862 with the passage of the Morrill Act, but grew slowly until more than 100 years later. In 1965, Congress enacted the Elementary and Secondary Education Act having previously passed the Higher Education Act. These acts were respectively the first general aid to education program and the first attempt to provide a college education for needy students. Since 1965, major revisions and extensions have been made in these two acts, and in 1969 additional legislation was considered.

INSURED STUDENT LOAN EMERGENCY AMENDMENTS OF 1969

This act (H.R. 13194, Public Law 91–95), signed into law by the President on October 22, authorizes special interest allowances for lenders, with respect to insured student loans under title IV–B of the Higher Education Act of 1965, in order to assure that students will have reasonable access to such loans for financing their education. This amendment was considered necessary in that the number of students receiving loans under the program by the end of 1968 was approximately 750,000 whereas the goal for the first year alone had been 950,000. The 1970 authorization of $20 million is expected to result in loans to an additional 85,000 students and the 1971 authorization of $40 million in loans to another 100,000 students.

Public Law 91–95 also requires that the Secretary of Health, Education, and Welfare adopt guidelines or revise existing guidelines with respect to discrimination against student borrowers if a substantial number of students are denied a fair opportunity to obtain an insured student loan.

A third provision of the act increases authorizations for the national defense student loan program from $275 million to $300 million in fiscal 1970 and from $325 million to $375 million in fiscal 1971; the educational opportunity grant program from $100 million to $140 million in fiscal 1970 and from $125 million to $170 million in fiscal 1971; and the work-study program from $250 million to $285 million in fiscal 1970 and $275 million to $320 million in fiscal 1971. This final provision was added to the House bill, H.R. 13194, by the conference committee.

Through this legislation, thousands of students will have an opportunity to further their educations and thus to help realize one of the basic goals of our society.

NATIONAL CENTER ON EDUCATIONAL MEDIA AND MATERIALS FOR THE HANDICAPPED

Public Law 91–61 (S. 1611), to establish a National Center on Educational Media and Materials for the Handicapped, was adopted to expand the scope of educational opportunities available to America's handicapped children. Congress began to assume the initiative in this area in 1958 with Public Law 85–926 which provided for teacher training and continued it with the creation of the Bureau of Education for the Handicapped and the passage in 1968 of the Handicapped Children's Early Assistance Act.

This act authorizes the Secretary of Health, Education, and Welfare to enter into an agreement with an institution of higher education for the establishment and operation—including construction—of a National Center which will provide a coordinated program of activities and services for the handicapped. This center will be permitted to contract with private and public agencies for demonstration projects and is required to make annual reports to Congress. Action by the House of Representatives, agreed to by the Senate in conference, lifted the restriction requiring that the center be located in the District of Columbia metropolitan area.

This legislation, together with prior legislation, is expected to aid the estimated 60 percent of the five and one-half million handicapped children who do not now receive adequate educational programs.

NLRA, EMPLOYEE SCHOLARSHIPS AND DAY CARE CENTERS

Public Law 91–86 (S. 2068) recognizes the vital need for private action in the fields of education and day care and clarifies that the Federal Government will not inhibit voluntary labor-management cooperation in these areas. The bill permits employer contributions, under the Labor-Management Relations Act of 1947, to jointly administered trust funds to provide employees, their families, and dependents with scholarships for study at educational institutions and for the establishment of child care centers for preschool and school age dependents of employees. This act requires neither the use nor the appropriation of any Federal moneys.

ELEMENTARY AND SECONDARY EDUCATION ACT AMENDMENTS OF 1969

Early in the 91st Congress, the House of Representatives passed H.R. 514, extending the Elementary and Secondary Education Act for 2 years, consolidating certain programs of this act and of the National Defense Education Act of 1958, and extending the impacted areas aid program to children living in Federal-aid public housing. At the end of the first session, the House was still awaiting action by the Senate on two companion bills.

A major amendment adopted on the floor changed the proposed 5-year extension of programs to a 2-year extension in order to provide the present administration with time to prepare revisions after a review of the programs. The programs are to be continued for fiscal 1970 and 1971 at the present rate of expenditure. It is hoped that the Senate will act on their pending legislation early in the next session enabling the important provisions of this bill to go into effect as soon as possible.

VOCATIONAL EDUCATION EXTENSION ACT

The House of Representatives also passed H.R. 13630 which would extend until June 30, 1972, six worthwhile vocational education programs which were first authorized by the Vocational Education Amendments of 1968. The programs to be extended include special programs for the disadvantaged, grants to the States for residential vocational schools, interest subsidies for residential schools, grants for the improvement and development of vocational education curriculums, and teacher training provisions. There is no increased authorizations in this bill and the programs to be extended were unanimously approved by Congress in 1968.

Although these programs do not expire until June 30, 1970, it is hoped that the Senate will act quickly in the next session in order to permit the States much needed latitude in planning to meet their individual problems.

DRUG ABUSE EDUCATION ACT

On October 31, the House of Representatives passed H.R. 14252 which authorizes the Secretary of Health, Education, and Welfare to make grants and contracts in order to educate the public on the problems of drug abuse and to provide for the training of personnel and for community educational programs. The bill also establishes an Interagency Coordinating Council on Drug Abuse Education and an Advisory Committee on Drug Abuse Education.

It is hoped that the Senate will act promptly on this legislation which will assist in alleviating a serious social problem which affects many Americans.

GIFTED AND TALENTED CHILDREN EDUCATIONAL ASSISTANCE ACT

H.R. 13304, as passed in the House on October 6, broadens the authority now contained in title V of the Elementary and Secondary Education Act to authorize the Commissioner of Education to make grants to State educational agencies to enable them to provide local agencies with services and assistance to provide programs for gifted and talented children. The act also amends the Higher Education Act to include fellowships for teachers pursuing or planning to pursue careers in the special education of these children. A third provision of the bill directs the Commissioner to study and evaluate existing programs and determine the need for new programs.

This legislation will, when enacted into law, allow for better programs to develop the resources of these children and will afford them with the appropriate opportunities for learning which we provide other citizens with special needs.

CHILDREN WITH SPECIFIC LEARNING DISABILITIES ACT OF 1969

Title VI of the Elementary and Secondary Education Act, enacted in 1966, authorized the use of Federal funds to assist the States in the education of mentally and physically handicapped children. It was expanded in 1967 to improve the recruitment of personnel and to establish regional resource and model centers. On October 6, the House of Representatives passed H.R. 13310 to amend this title to include children with specific learning disabilities and to include these children in other special programs for the handicapped. This bill also authorized $6 million for 1970, $12 million for 1971, and $18 million for 1972. The National Advisory Committee on Handicapped Children specifically recommended this action and it is hoped that the Senate will follow the leadership of the House.

SCHOOL LUNCH AND CHILD NUTRITION ACT AMENDMENTS OF 1969

The National School Lunch Act of 1946 permanently authorized Federal matching cash grants to the states for nonprofit school lunches, while the school breakfast program of the Child Nutrition Act of 1966 approved appropriations for grants to States to provide breakfast at reduced costs or no cost for needy children. H.R. 515 was passed by the House of Representatives this year to establish eligibility requirements for children selected for both these programs and to require the States to provide at least 4 percent of their matching requirements form State tax revenues. The bill also authorized advanced funding up to 1 year.

MILK PROGRAM AMENDMENT

H.R. 5554 amends the special milk program, a section of the Child Nutrition Act, in order to extend permanently this program which encourages the consumption of milk in schools. The bill, as passed by the House of Representatives on May 6 also increases the authorization from $120 million to $125 million.

TEMPORARY EMERGENCY FOOD ASSISTANCE FOR CHILDREN

The House of Representatives also passed legislation aimed at increasing the funds available for child nutrition programs. H.R. 11651 amends the National School Lunch Act by authorizing the Secretary of Agriculture to transfer $100 million of section 32 funds to provide food services for needy children. These funds would be in addition to agricultural appropriations for child nutrition programs.

ENVIRONMENT AND NATURAL RESOURCES—IMPORTATION OF ENDANGERED SPECIES ACT

This act amends and supports the Endangered Species Act, passed by the 89th Congress, which directed the Secretary of the Interior to take special action to protect animals which would otherwise become extinct. The purpose of Public Law 91–135 is threefold. First, it prohibits the importation into the United States of any species which the Secretary of the Interior determines is threatened with extinction on a worldwide basis. Second, the legislation makes it unlawful for anyone to knowingly put into interstate or foreign commerce any such species captured contrary to Federal, State, or foreign law. Third, the Secretary is authorized to acquire privately owned lands within the boundaries of any area administered by him for the purpose of conserving and protecting such species. These provisions will aid the States and foreign nations in preserving endangered species and in reducing the traffic in these animals.

GREAT PLAINS CONSERVATION PROGRAM

Public Law 91–118 extends for 10 years the Plains Land Conservation Act of 1956 and authorizes $300 million for contracts through December 31, 1991. The Secretary of Agriculture is allowed to make 10-year contracts until 1981 with farmers who agree to retire land in order to stop soil erosion in the 10 Great Plains States. A major goal of this program is to convert land unsuitable for continued cultivation to grass cover to conserve moisture and stop soil erosion.

While drought, winds, floods, and other natural disasters cannot be prevented, their damaging effects can be minimized. The Great Plains conservation program is an important part in the reduction of these effects.

MARINE RESOURCES AND ENGINEERING DEVELOPMENT ACT AMENDMENTS

Congressional approval of H.R. 8794 extended the life of the National Council on Marine Resources and Engineering Development until June 30, 1970. The Council was established by the Marine Resources and Engineering Development Act of 1966 to be a coordinating body for all governmental activities in the development of long-range marine science activities by the Federal Government. The authorizations for fiscal 1970 are for no more than $1.2 million, a reduction from the 1969 authorizations of $300,000.

In the report issued by the council in 1969, the establishment of a permanent Federal agency to oversee marine science activities was recommended.

SALINE WATER CONVERSION AMENDMENTS

In 1952, the Federal saline water conversion program was begun with Congress authorizing $2 million in appropriations for a 5-year program of research on converting sea and brackish water into fresh water. Administration of the program was assigned to the Secretary of the Interior who created an Office of Saline Water within the Department.

Public Law 91–43, signed by the President on July 11, authorized appropriations of $26 million to carry out the provisions of the Saline Water Conversion Act. The act also provided for a 10-percent limit on the fund transfer between the various sections of the act.

CLEAN AIR ACT OF 1969

In 1963, Congress passed the Clean Air Act which provided for an expanded and strengthened program for the control of air pollution, including the authorization of grants for improving and establishing programs of air pollution control and prevention. The Air Quality Act of 1967 greatly expanded the existing Federal responsibility for air pollution control. One of the major provisions of this act authorized an expanded research and development program for the control of pollution from fuel combustion and automobiles, including authority for research grants to nonprofit organizations, with specific authorizations of $35 million in fiscal year 1968 and $90 million in fiscal year 1969.

Public Law 91-137, as passed by the 91st Congress amends this provision of the 1967 act to extend the research and development program through fiscal year 1970 and authorizes $45 million for this period. The other sections of the Air Quality Act of 1967 will expire in 1970, and for that reason only a 1-year extension was provided. In this way all the programs will expire at the same time and Congress will again have an opportunity to evaluate the research effort.

NATIONAL ENVIRONMENTAL POLICY ACT OF 1969

S. 1075, as agreed upon by the conference committee and as passed by both the House and the Senate, is one of the most important and far-reaching environmental and conservation measures acted upon by Congress in recent years. This measure is vital because it provides four new approaches to dealing with environmental problems on a preventive and anticipatory basis.

Title I of this act states that:

> It is the continuing policy of the Federal Government, in cooperation with State and local governments, and other concerned private and public organizations, to use all practicable means and measures, including financial and technical assistance, in a manner calculated to foster and promote the general welfare, to create and maintain conditions under which man and nature can exist in productive harmony, and fulfill the social, economic, and other requirements of present and future generations of Americans.

It also declares that, consistent with other essential considerations of national policy, the activities and resources of the Federal Government shall be improved and coordinated in order that the Nation may attain certain broad national goals in the management of the environment. Section 102 of this title authorizes and directs all Federal agencies to the fullest extent possible to administer their existing laws, regulations, and policies in conformance with the policies set forth in this act. It also directs all agencies to assure consideration of the environmental impact of their actions in decisionmaking.

Title II of the act establishes the Council on Environmental Quality in the Executive Office of the President. This Council will provide an organizational focus at the highest level for the concerns of environmental management. It will provide the President with objective advice and a continuing and comprehensive overview of the fragmented Federal jurisdictions involved with the environment. The Council shall be composed of three members appointed by the President with one member to be designated as Chairman. This title also requires that the President submit to the Congress and to the American people an annual environmental quality report. The purpose of this report is to provide a statement of progress, to review the programs and activities of the Federal, local, and State governments, and to propose a program, together with recommendations for legislation.

The Environmental Quality Act of 1969 is a significant starting point in the task of renewing our environment. It makes clear that Congress is responsive to the needs of present and future generation of Americans.

WATER QUALITY IMPROVEMENT ACT OF 1969

Congressional concern with water pollution dates back to 1947 when Public Law 80-845, the Federal Water Pollution Control Act, was adopted. This law authorized the Attorney General to assist in and encourage State studies, interstate compacts, and the creation of uniform State laws to control pollution in surface and underground waters. It also authorized him to support research in water pollution and established the Water Pollution Control Advisory Board. In 1965, Congress significantly strengthened this act with the passage of Public Law 89-234 which amended the Water Pollution Control Act to require the States to establish and enforce water quality standards for all interstate waters within their boundaries. This legislation was further reinforced by the Clean Waters Restoration Act of 1966 and the Water Pollution Control Act amendments of 1967.

In 1969, both the House of Representatives and the Senate passed legislation, entitled the Water Quality Improvement Act of 1969, amending the Federal Water Pollution Control Act.

The House version, similar to a bill passed in the House in the 90th Congress which failed to reach the Senate floor, is designed to protect public waters from pollution by oil, sewage, and other matter and authorizes grants for water quality research and education. Specific provisions of H.R. 4148 include prohibiting the discharge of oil or any other polluting matter in U.S. waters and requiring the immediate removal of the polluting material by the owner or operator; directed the Secretary of the Interior to set Federal standards for marine sanitation devices; authorized a $15 million demonstration program for the elimination or control of mine water pollution; authorized $62 million in educational grants over a 3-year period for training programs in waste treatment; provided for a Great Lakes water control demonstration; and authorized appropriations totaling $348 million for 1970–72.

On October 8, the Senate passed an amended version of H.R. 4148 which incorporated the provisions of an amended Senate bill, S. 7. The Senate version strengthened the House bill through provisions forbidding any Federal agency to pollute the Nation's waters, extending the provisions regarding the Great Lakes, and in other ways.

These two versions of the Water Quality Improvement Act of 1969 are now in conference committee and final action is expected in the second session.

FOREIGN AFFAIRS AND NATIONAL DEFENSE

VIETNAM

The United States, though still engaged in the bitter war in Vietnam, is beginning the process of reducing our military commitments in that part of the world under a troop withdrawal plan announced by President Nixon. In a televised address to the Nation on December 15, 1969, President Nixon announced a third round of American troop withdrawals, reducing military strength in Vietnam by an additional 50,000 men by April 15, 1970, a total decrease of approximately 110,000 men since the Nixon administration took office. President Nixon's conclusion about these most recent troop withdrawals was: "It marks further progress in turning over the defense of South Vietnam to the South Vietnamese. It is another clear sign of our readiness to bring an end to the war and achieve a just peace." The House shares Mr. Nixon's goal of achieving peace in Vietnam.

NONPROLIFERATION TREATY

The U.S. Senate on March 13, 1969, ratified the Nonproliferation Treaty. The treaty bars the nuclear countries from giving possession or control of atomic weapons to nations which do not already possess them, and prohibits nonnuclear nations accepting its terms from receiving or producing such weapons. As President Lyndon B. Johnson stated in 1968:

> I believe history will look on this treaty as a landmark in the effort of mankind to avoid nuclear disaster while insuring that all will benefit from the peaceful uses of nuclear energy. This treaty will be a testament to man's faith in the future.

I am sure I speak for all Members of the House in congratulating the Senate for ratifying this important treaty.

RESOLUTION TOWARD PEACE WITH JUSTICE IN VIETNAM

On December 2, 1969, the House approved House Resolution 613 endorsing President Nixon's efforts to secure a "just" peace in Vietnam. Speaker JOHN MCCORMACK stated that the passage of this resolution gave additional support to the principle of free elections in Vietnam. Another important provision of this resolution called upon the North Vietnamese Government to abide by the Geneva Convention of 1949 in the treatment of prisoners of war.

NATIONAL COMMITMENTS

On June 25, 1969, the U.S. Senate adopted Senate Resolution 85 which invited the Executive to reconsider its excesses, and the legislature to reconsider its omissions, in the making of foreign policy, and in the light of such reconsideration, to bring their foreign policy practices back into compliance with the division of responsibilities envisioned by the Constitution. The resolution amounts to a declaration that the Senate will henceforth insist upon its constitutional prerogatives. The House supports this reassertion of Congress role in foreign affairs.

CHEMICAL-BIOLOGICAL WARFARE

President Nixon announced on November 25, 1969, that the United States would never engage in germ warfare and renounced all but defensive uses of chemical warfare weapons. The President stated:

> Mankind already carries in its own hands too many of the seeds of its own destruction. By the examples we set today, we hope to contribute to an atmoshpere of peace and understanding between nations and among men.

President Nixon urged Senate passage of the Geneva Protocol of 1925, prohibiting the first use of "asphyxiating, poisonous, or other gases and of bacteriological weapons of warfare." The House, in my judgment, supports the President's recommendation.

INTERNATIONAL DEVELOPMENT ASSOCIATION ACT AMENDMENT

Public Law 91–14 was approved on May 23, 1969. This measure provided for U.S. participation in the amount of $480 million over 3 years in the second replenishment of funds of the International Development Association. By its passage the United States will meet its international obligations in the community of nations by aiding underdeveloped countries. This measure helps insure peace by giving underdeveloped nations hope that their condition will improve and that the advanced industrial nations are concerned about them.

SELECTIVE SERVICE SYSTEM

On November 26, 1969, President Nixon signed into law a change in the Selective Service System, allowing the institution of a draft lottery plan. This was made possible by congressional action that removed a provision from the old draft law forbidding the President to institute, by Executive order, a Selective Service System based on the principle of random selection. The draft lottery, the first since 1942, affects every man in the country between the ages of 19 and 26 who has not served in the military. Beginning in January 1970, potential draftees will be called in the order in which their birthdays were drawn on December 1, 1969, the date of the lottery.

ANTI-BALLISTIC-MISSILE SYSTEM

On October 3, 1969, the House officially approved, as the Senate did earlier on September 18, 1969, the military procurement bill which contained authorization for President Nixon's Safeguard anti-ballistic-missile (ABM) system. On December 8, 1969, the House approved fiscal 1970 appropriations for the Defense Department; the measure contained funds necessary for deploying the ABM system and additional moneys for research and development on the system.

EXPORT CONTROL ACT

The Export Control Act, which furnishes the basic authority for control of U.S. exports to Communist-bloc countries, was temporarily extended three times during the first session of the 91st Congress. On the day of adjournment, we gave final approval to legislation which modified the present law and extended the export control authority through June 30, 1971. As approved, the Export Administration Act of 1969 removes the reference to "economic potential" in present law, which should alleviate some of the confusion that has arisen in the implementation of the law, and states the policy that the United States will restrict the export of goods or technology which would make a significant contribution to the military potential of any other country to the detriment of our national security. Another important change from present law makes clear the intent of Congress that an item which is available from certain nations other than the United States, shall be freely exportable from the United States without licensing requirements, unless overriding national security considerations still require that the item be controlled. Passage of the law will enable American businesses to compete more freely in the world market, while continuing to restrict trade where it would be contrary to the national security interest of the United States.

GENERAL GOVERNMENT

ELECTORAL COLLEGE REFORM

Legislative interest in electoral college reform, growing since the 1960 election, reached its zenith with the passage by the House of Representatives of House Joint Resolution 681 on September 18. This resolution proposes the abolishment of the electoral college and substitutes the direct popular election of the President and the Vice President with the requirement that 40 percent of the popular vote must be secured for election. It also provides that if no presidential ticket obtains at least 40 percent of the vote, a runoff election would be held between the two tickets winning the greatest number of votes.

Other provisions of House Joint Resolution 681 authorize Congress to provide a method for filling vacancies caused by the death, resignation, or inability of presidential candidates before the election and a method for filling postelection vacancies caused by the death of either the President-elect or the Vice-President-elect, and permit Congress to establish uniform national residence requirements for voting in presidential elections while leaving to the States the power to regulate the times, places, and manner of holding presidential elections.

In order for this resolution to become an amendment to the Constitution, it must be approved by a two-thirds majority in the Senate and then ratified by three-fourths of the States.

Only twice since 1804 has the House of Representatives considered basic electoral reform, and this resolution is the first to receive favorable action. The 91st Congress has begun action on what may become one of the most significant proposals of modern times.

HOUSE COMMITTEE ON INTERNAL SECURITY

House Joint Resolution 89, as passed by the House of Representatives, amends the Rules of the House of Representatives to change the name of the House Un-American Activities Committee to the Committee on Internal Security, and to clarify the mandate of the committee. The resolution authorizes the committee to make investigations into Communist and other subversive activities affecting the internal security of the United States and to report to the House the results of any such investigation together with any recommendations it deems advisable.

CENSUS REFORM

During this session, the House of Representatives passed and sent to the Senate a bill, H.R. 12884, revising certain laws governing the decennial census. This bill would amend title 13 of the United States Code.

H.R. 12884 requires citizens to answer census questions, but replaces the present jail penalties for failure to do so with a provision for fines for noncompliance. Additional study on voluntary versus mandatory response to census questions will be undertaken by the Bureau of the Census.

Other provisions of the bill include a congressional review of the content of the census questionnaires after the 1970 census, additional safeguards against improper disclosure of census information, and replacement of the language in title 13 which restricted census questions to housing and unemployment with language authorizing the Secretary of Commerce to obtain such other census information as necessary.

CIVIL SERVICE RETIREMENT AMENDMENTS OF 1969

Final action was taken by Congress October 7, 1969, on H.R. 9825, the Civil Service Retirement Amendments of 1969. October 7, 1969, on H.R. 9825, the Civil Service retirement amendments of 1969. As approved by the President, Public Law 91–93 provides for an increase in the employee and agency retirement fund contributions for civil service employees to 7 percent, for congressional employees to 7½ percent, and those of Members to 8 percent. All contribution increases are effective January 1970.

Annuities will now be computed on a high-3-year average, rather than a high-5-year average. Service credit for unused sick leave will be included in the annuity computation. Formerly, no credit was given for unused sick leave.

The act requires the Federal Government to pay into the civil service retirement and disability fund each year the interest due on the current unfunded liability of the program, and to amortize over a period of 30 years unfunded liabilities created in the future by further changes in the program. This will have the effect of putting the retirement system on a much more solid financial basis.

The cost-of-living raises in annuities are to be increased by 1 percent more than the increase in the cost of living. This is to offset a 6-month lag between the cost-of-living surveys and the actual increase in annuities. The act grants a 5-percent increase to over 900,000 retirees on the rolls at the time of approval and extends it to anyone retiring by October 31. Several thousand employees retired this fall to take advantage of this provision.

The act also provides for several increases in survivor benefits.

EXTENSION ON EXECUTIVE REORGANIZATION ACT

In his first message to Congress, President Nixon asked that the Executive Reorganization Act be extended to allow him to transmit to the Congress plans for reorganization of departments and agencies within the executive branch.

The authority had expired December 31, 1968. Through Public Law 91-5, the reorganization authority was extended through April 1, 1971, and under its authority one reorganization plan has already taken effect.

SALARY INCREASE FOR THE PRESIDENT OF THE UNITED STATES

Public Law 91-1, signed by President Johnson January 17, 1969, provides for an increase in the President's salary from $100,000 to $200,000. This is the first raise in Presidential income since 1948.

COMMISSION ON GOVERNMENT PROCUREMENT

Public Law 91-129 (H.R. 474) establishes a Commission on Government Procurement composed of 12 members to study and investigate the present statutes affecting the procurement policies, rules, regulations, procedures, and practices followed by the departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch, and the organizations by which procurement is accomplished to determine to what extent these facilitate the policy set forth in this act. The purpose of the Commission is to achieve economy, efficiency, and effectiveness in procurement policies throughout the Federal Government.

HEALTH AND HEALTH INSURANCE

PUBLIC HEALTH CIGARETTE SMOKING ACT OF 1969

On June 18, 1969, the House passed the Public Health Cigarette Smoking Act which has as its purpose the extending of public health protection with respect to cigarette smoking. This bill continues the requirement for annual reports to the Congress from the Secretary of Health, Education, and Welfare on smoking and health developments, and from the Federal Trade Commission on cigarette labeling and cigarette advertising. In addition, both the Secretary and the Commission are authorized to make recommendations for legislation to Congress. Further, the measure postpones the termination date on preemption of certain aspects of regulation of cigarette advertising from July 1, 1969, to July 1, 1975.

In summary this bill extends the present controls on limiting the advertising of cigarettes and places a new health warning on cigarette packages for another 6 years. The new warning reads:

> Warning: The Surgeon General Has Determined That Cigarette Smoking Is Injurious to Your Health and May Cause Lung Cancer and Other Diseases.

MEDICAL FACILITIES CONSTRUCTION AND MODERNIZATION AMENDMENTS OF 1969

The House passed on June 4, 1969, H.R. 11102, which extended for 3 years the present program of matching grants to the States for construction and modernization of health facilities. It also established a new program of Federal guarantees for loans made for construction or modernization of public or nonprofit private hospitals and other health facilities, with an added provision for an interest subsidy on such loans. With a present need for an additional 85,007 acute care hospital beds, 893 public health centers, 164,430 additional long-term beds, 872 diagnostic and treatment centers, and 388 rehabilitation facilities, in addition to the modernizing and replacing of health facilities, this legislation will stimulate increased construction and modernization that will aid the ill in our society.

COMPREHENSIVENESS OF MEDICAID

Public Law 91-56 was approved on August 9, 1969. The bill amended title XIX of the Social Security Act which provides grants to the States for medical assistance programs. The first amendment suspended until 1977 the application of section 1903(e) of the act, which required the States to have in operation comprehensive medical assistance programs by July 1, 1975. The adoption of this amendment now gives an opportunity to further consider this requirement by taking into consideration the experience gained thus far under the medical assistance program.

The second amendment relates to section 1902(c) of the Social Security Act. The intention of section 1902(c) was to prohibit the States from reducing cash payments to public assistance recipients at the time they adopted their medicaid assistance plans and diverting the funds to pay for medical care. The amendment clarifies this congressional intention.

The third amendment adds a new provision to title XIX in the form of section 1902(d), which would require that whenever a State desires to reduce the scope or extent of care and services provided under its medical assistance plan, such modification must be obtained on the basis of an application submitted by the Governor of the State and approved by the Secretary of Health, Education, and Welfare.

The adoption of these amendments allows the States freedom in determining the dimensions of their own programs in the light of their own individual needs and resources.

FEDERAL CONSTRUCTION HEALTH AND SAFETY

The House passed on June 4, 1969, H.R. 10946 which eventually became Public Law 91-54, approved on August 9, 1969. This law adds to the Contract Work Hours Standards Act a provision, applicable to any contractor or subcontractor contracting for any part of the work, assuring that any laborer, mechanic, or other employee shall not be required to work in any place or under any working conditions, which are unsanitary, hazardous, or dangerous to a man's health or safety. Only construction financed in whole or part by Federal loans or grants is within its scope.

According to the National Safety Council, over 20 percent of the workers who are killed each year in accidents are killed in construction work. Last year there were 2,800 construction workers killed on the job, the highest death rate for any industry. Congress has acted to reduce this tragic loss by passing H.R. 10946.

MEDICAL LIBRARY ASSISTANCE

The House passed on July 10, 1969, a bill amending the Public Health Service Act to improve and extend for 3 years the provisions relating to assistance to medical libraries and related instrumentalities. Because of the flood of new information, medical libraries were unable to handle the great increase in publications. Accordingly, Congress has acted to increase new construction in the library field, thereby helping to make medical literature available to all medical and paramedical practitioners throughout the country. If there is to be equal opportunity for health, there must be equal access to health information.

FEDERAL COAL MINE HEALTH AND SAFETY ACT OF 1969

This bill deals with a vital issue of concern to miners and mine operators. The bill grants authority for the promulgation of mandatory health and safety standards to the Secretary of the Interior. At long last, it has been recognized that the heavy concentrations of coal dust in the large mines has been a cause of the disease known as "black lung." Title II of the bill establishes interim mandatory health standards, while title III establishes interim mandatory safety standards for underground coal mines—to help protect the lives and limbs of those who work in the mines. Further, the bill gives the Secretary of Health, Education, and Welfare the authority to carry on health and safety research, and requires the Secretary to expand programs for the education and training of miners and mine operators in accident control and healthful working conditions. It would give to the Secretary of HEW the authority to develop health standards, and the authority to develop safety standards to the Secretary of the Interior; the latter would be empowered to promulgate all mandatory standards. Finally, title IV of the bill provides for the payment of benefits for death or total disability due to pneumoconiosis—or black lung. All sections of this bill are designed to gain one goal—greater health and safety for the coal miners.

HOUSING

The major accomplishment of the 91st Congress in the field of housing was the passage of the Housing and Urban Development Act of 1969 (S. 2864). This act broadens and extends the existing programs as well as providing a 1-year authorization, for fiscal 1971, of $4.8 billion.

One of the most significant provisions of this act stipulates that housing tenants shall pay no more than 25 percent of their income for shelter. In order to lessen the burden of this requirement on local housing authorities, the act also authorizes $75 million a year in subsidies to these authorities.

A second provision of the legislation which also will benefit local housing authorities raises the basic construction cost limits per room from $2,400 to $2,800, or slightly more than 16 percent. It also raises the allowance for high-cost areas from $750 to $1,400, thus permitting a per-room cost for family housing in high-cost areas of up to $4,200. The basic per-room cost for housing for the elderly was also increased from $3,500 to $3,900. It also substantially increases construction-cost limits for Federal Housing Administration programs. These new ceilings will aid in meeting spiraling construction costs and will be particularly beneficial in high-cost areas where many projects have been blocked by high construction costs.

The 1969 act also endorses the principle of replacing low- and moderate-income housing torn down as a result of urban renewal with an equivalent number of units within the political jurisdiction. Greater flexibility in planning and executing projects is given to the local housing authorities by not requiring new units within the renewal project area exclusively.

Other important provisions in S. 2864 are: authorization for a new Federal Housing Administration insurance program for mobile homes; increasing the maximum mortgage amounts under FHA programs—permits insuring mortgages on single family homes up to $33,000; extension of the authority of the Secretary of Housing and Urban Development to fix ceilings on interest rates; expansion of the rural housing program of the Farmers Home Administration; and specific authorization for the use of new technologies in experimental programs.

The new authorizations together with the revisions of existing programs are designed to aid the Nation in reaching the housing goal of 26 million new housing units within 10 years.

MORTGAGE CREDIT

Public Law 91-151 (S. 2577; H.R. 15091) is a bill designed to fight inflation and to provide a boost for small business and housing—the two areas most severely hurt by the current tight money, high interest, and policies.

The bill, as finally passed, gives the President the broadest range of standby authority to prevent inflation from being fueled by an excessive use of credit. The bill would allow a selective use of these controls in any area of the economy where inflationary trends develop. For example, the President could use the controls to prevent excessive amounts of credit from being used to finance unnecessary and inflationary plant expansion.

The legislation gives the President full standby credit control authority as well as the right to encourage voluntary agreements to restrain credit. Basically, the law gives the President the broadest possible set of alternatives in fighting inflation, curbing unnecessary extensions of credit, and channeling credit into housing and other essential purposes.

The legislation helps dampen inflation by providing the Federal Reserve with important new controls over commercial paper and Euro-dollars. Under the legislation, the Federal Reserve can apply reserve requirements to these funds.

It authorizes the Federal Home Loan Bank Board to borrow up to $4 billion from the Treasury to aid the housing industry. The funds would then be made available to the various savings and loan institutions on a loan basis for relending to home buyers.

The law provides that the Small Business Administration shall make available $70 million to the small business investment companies for lending to small businesses across the Nation. The money would be released from funds now available and appropriated for this purpose in the SBA business loan and investment revolving fund.

The law increases the deposit insurance from $15,000 to $20,000 in commercial banks and savings and loan institutions. It also extends until March 22, 1971, the authority of the Federal Reserve Board and the Federal Home Loan Bank Board to set flexible interest rate ceilings on time deposits.

LABOR

UNEMPLOYMENT COMPENSATION

The House passed H.R. 14705 on November 13, 1969, a bill whose purpose is to extend and improve the Federal-State unemployment compensation program. It does this by several amendments to current law: coverage is extended, a permanent program of extended benefit coverage is provided to assist those unemployed who have exhausted their regular coverage; judicial review is provided for a review of decisions of the Secretary of Labor; and the tax which funds the Federal share of the program is increased. A key provision is the extension of coverage. Today, approximately 58 million jobs are protected by the unemployment compensation system. This bill will provide coverage for the first time to about 4.5 million additional jobs beginning, generally, as of January 1, 1972.

FEDERAL UNEMPLOYMENT TAX

Public Law 91-53 was approved on August 7, 1969. The measure provides for the collection of Federal unemployment tax in quarterly installments during each taxable year; makes the status of the employer depend on employment during the preceding as well as current taxable year; excludes from the computation of the excess the balance in the unemployment security administration account as of the close of fiscal years 1970 through 1972; and raises the limitation on the amount authorized to be made available for expenditure out of the employment security administration account by the amounts so excluded. The bill was amended on the Senate floor to include a provision extending the 10 percent income surtax until the end of 1969. The Senate amendments were then accepted by the House.

HOURS OF SERVICE, RAILROAD EMPLOYEES

The House passed H.R. 8449 on October 9, 1969, amending the Hours of Service Act of 1907. The purpose of this bill is to bring up to today's safety requirements and operating conditions the provisions established in 1907 prohibiting railway employees engaged in or connected with the movement of trains from being required or permitted to be or remain on duty beyond a maximum of 16 hours, and specifying certain hours they must have off duty.

The current law has remained unchanged since 1907. It provides that an employee may be required to work up to 16 straight hours. This bill sets the maximum consecutive hours of work at 12, and makes it unlawful to require a railroad employee to go on duty if he has not had at least 8 consecutive hours off duty during the preceding 24 hours. This measure represents a great step forward in bringing working conditions in the railroad industry in line with other industries.

LAW ENFORCEMENT AND CRIMINAL PROCEDURE—CRIME INVESTIGATIONS: SELECT COMMITTEE OF THE HOUSE

A select committee to study crime in the United States was created by the House on May 1, 1969. Seven Members of the House of Representatives, designated by the Speaker, are authorized to conduct a full and complete investigation of all aspects of crime in the United States. With a growing crime rate that amounts to a national disgrace, it is fitting that the group which handles the legislation on this subject—the Congress—should conduct its own studies and recommend corrective measures.

GUN CONTROL

For congressional action modifying the recordkeeping provisions of the 1968 State Firearms Control Assistance Act on the sale of ammunition, see the summary of action on the interest-equalization bill (under Monetary, Banking, Tax and Fiscal Policies).

MANPOWER TRAINING, JOB OPPORTUNITY, AND REGIONAL DEVELOPMENT

ECONOMIC OPPORTUNITY ACT AMENDMENTS OF 1969

On December 20, 1969, both Senate and House agreed to the conference report on S. 3016, to extend and amend the provisions of the Economic Opportunity Act of 1964. The amount of $2,195,500,000 is authorized for fiscal 1970 and $2,295,500,000 is authorized for fiscal 1971. The sum of $328,900,000 has been reserved for the purpose of local initiative programs. There is a limit of 10 percent on the amount by which the funds of any program or activity may be increased through transfer of funds by the Director. The 10-percent limit will continue until July 1, 1970, when it will be raised to 15 percent.

Several new programs have been initiated. "Mainstream" involves enabling the chronically unemployed or persons with poor employment opportunities to participate in community projects which contribute to the management, conservation, or development of natural resources, recreational areas, Federal, State and local government parks, highways, and other lands, to the rehabilitation of housing and to the improvement and expansion of health, education, day care, and recreation services. Another program, "New Careers," will provide unemployed or low-income persons with jobs leading to career opportunities in programs primarily involved with community public service and which include on-the-job training and advancement opportunities.

Because of the effectiveness of the Headstart program, we are providing for an intensive followthrough education for primary school children. Followthrough provides for parental and home involvement. The emergency food and medical services program, designed to insure that the present surplus foods and free meals programs be restructured so as to have effective impact on needy children and families, will emphasize improved delivery services, increased family food subsidies, and emergency family medical services.

Two additional new programs are the alcoholic counseling recovery program, structured to assist the individual and his family in discovering and treating the disease of alcoholism and a drug rehabilitation program for the purpose of discovering the causes of drug abuse and addiction, treating narcotic and drug addiction and the dependence associated with drug use, and rehabilitating the drug user and addict.

APPALACHIAN REGIONAL DEVELOPMENT ACT AMENDMENTS AND THE PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT AMENDMENTS OF 1969

Regional economic development was strengthened through the enactment of amendments to the Appalachian Regional Development Act of 1965 and the Public Works and Economic Development Act of 1965. Approved November 25, 1969, Public Law 91–123, extends the Appalachian Redevelopment Act for 2 years, until June 30, 1971, and authorizes for that period, exclusive of highway funds, $268.5 million. New emphasis in the demonstration health program is placed on intensive early childhood care, nutrition, and the early detection, diagnosis and treatment of black lung and other coal miners' occupational diseases. Also stressed are comprehensive manpower training programs including rehabilitation and training of coal miners.

Authorizations totaling $695 million, over a 4-year fiscal period, were approved to facilitate completion of the Appalachian Development Highway System. This system is considered vital to economic growth in the region.

The provisions of the Public Works and Economic Development Act have also been extended for 2 fiscal years with a total authorization, for that period, of $255 million. Regional commissions are accorded direct control over their own program development and the present authority for technical assistance is broadened to include innovative demonstration projects and training programs. Alaska is to be treated as a development region within the meaning of the act. The 1965 act was expanded to authorize the Secretary of Commerce to make grants, enter into contracts, or otherwise provide funds for any demonstration project within a redevelopment area which he determines are designed to foster regional productivity and growth and prevent outmigration.

MONETARY, BANKING, TAX, AND FISCAL POLICIES—TAX REFORM ACT OF 1969

The conference report on the Tax Reform Act of 1969 (H.R. 13270) was agreed to by both Houses December 22, 1969. The final version will provide $9.1 billion in relief, $6.6 billion in revenue gained and a net revenue loss of $2.4 billion. These figures do not include added revenues of $4.3 billion in 1970 and $800 million in the 2 succeeding years from extension of the income tax surcharge at 5 percent through next June and postponement of scheduled cuts in telephone and auto excise taxes.

Personal income tax relief is manifested in several ways. Personal exemptions will be raised to $650 next July 1—this will amount to $625 over the entire 1970 tax year—and to $700 on January 1, 1972, with the increase to $750 in effect as of 1973.

A new low-income allowance plus the new exemption levels are designed to remove 5.5 million of the poor and near-poor from the Federal tax rolls. A third relief device will raise the standard deduction, presently at 10 percent with a ceiling of $1,000, to 13 percent and a ceiling of $1,500 in 1971, to 14 percent with a $2,000 ceiling in 1972, and in 1973 to 15 percent maintaining the $2,000 ceiling.

One of the most controversial issues in the tax-reform package has been the proposed increase in social security benefits. The 15-percent increase, effective January 1, 1970, will benefit 25 million Americans and will cost $4.4 billion a year. The minimum payment for a single retired worker will rise from $55 to $64 a month. The average payment for an unmarried person will increase from $100 to $115, for a couple from $170 to $196, for a widow with two children from $254 to $296, and $113 and $130 for a disabled worker.

The depletion allowance for the oil and gas industry is reduced from 27½ percent to 22 percent. Allowances for other minerals were slightly reduced, with the exception of metal molybdenum which was raised from 15 percent to 22 percent. The depletion allowance for foreign operations of oil companies has been retained at its current level.

Other sections of the act provide tax relief for single persons by establishing a lower tax schedule; levy on foundations a 4-percent tax on investment income and require them to pay out to charity at least 6 percent of their assets a year; and establish a ceiling of $50,000 on the amount of capital gains on which an individual may pay the present tax of 25 percent—the rate then rises to a high of 35 percent on capital gains exceeding this ceiling.

Also affected by the act will be the real estate depreciation rate. Double depreciation is restricted to new housing only. Other new construction can be depreciated at a 150-percent rate and used construction will be confined to straight line depreciation, with some exceptions.

When an individual's extraordinary income in a single year exceeds 120 percent of an ordinary 5-year income average, lower rates can be applied to determine the tax. Income from capital gains and wagering are to be included. A minimum income tax of 10 percent is imposed on presently sheltered income exceeding $30,000. Taxes are increased on mutual savings banks, savings and loan associations, and commercial banks. The act also places limitations on a company's use of the lower corporate rate for the initial $25,000 of income for each of its subsidiaries.

These are but the major highlights of a very involved Tax Reform Act. It is to be hoped that the President will see his way clear to sign it into law.

INCOME TAX SURCHARGE EXTENSION

The House, on June 30, 1969, passed H.R. 12290 to continue the income tax surcharge at the 10-percent rate until January 1, 1970 and the 5-percent rate until June 30, 1970, to continue the excise tax on automobiles and communications services for temporary periods, and for other purposes. The bill was reported in the Senate but no action was taken.

Subsequently, the 10-percent surcharge was extended to January 1, 1970 through the provisions of Public Law 91–53, the Federal Unemployment Tax Act. The Tax Reform Act of 1969, which passed the Congress December 22, 1969, extends the surcharge until June 30, 1969 and reduces the rate to 5 percent. It also continues the excise taxes on automobiles and communications services.

INTEREST EQUALIZATION TAX

Public Law 91–128 (H.R. 12829) extends the interest equalization tax until March 31, 1971. The tax, which technically expired September 30, 1969, reduces the outflow of dollars by increasing the cost to foreigners of raising capital in the United States and decreasing the desirability of foreign securities to Americans, exclusive of direct investment in foreign businesses. The act also authorizes the President to reduce the tax on new foreign securities without reducing the tax on outstanding securities. Certain exemptions are specified.

An amendment to the act repeals sections of the Gun Control Act of 1968 which require recordkeeping of .22-caliber, and shotgun and rifle ammunition.

FEDERAL CREDIT UNION AGENCY ACT

Any organization or agency which affects over 20 million Americans is of major importance and should be accorded appropriate status in the governmental network. Therefore, we have passed the Federal Credit Union Agency Act (H.R. 2) which would dissolve the Bureau of Federal Credit Unions in the Department of Health, Education, and Welfare and create the National Credit Union Administration as a separate agency. The Administrator and Board of Governors are to be Presidential appointees. Since the first Federal credit union was established in 1934 the number has risen to 23,563 and this growth has taken place with a minimum expense to the taxpayer. The credit unions pay their own way through chartering, supervision and examination fees. During the 35-year lifespan of the Federal credit union program the regulation of the program has been shifted from one agency or department to another. This shifting is chaotic and expensive and should cease. H.R. 2 passed the House July 28 and has been reported in the Senate. Passage is expected early in the next session.

SOCIAL SECURITY AND PENSION PLANS

SOCIAL SECURITY AMENDMENTS OF 1969

The House passed, December 15, 1969, H.R. 15095 to provide a 15-percent, across-the-board increase in social security benefits. The need for the increase was pressing due to the 9.1 rise in the cost of living since the last such increase in February 1968. The provisions of this bill were included in the Tax Reform Act of 1969 which Congress enacted during the last week of the session. A summary of those provisions may be found in the "Monetary, Banking, Tax and Fiscal Policies" section of this report.

RAILROAD SUPPLEMENTAL ANNUITIES

On September 30, 1969, the House passed H.R. 13300 to extend supplemental annuities under the Railroad Retirement Act. The supplemental annuities will be financed by an excise tax imposed on every employer subject to the Railroad Retirement Tax Act. The payment of supplemental annuities will be extended beyond October 31,1971, with current rates to be preserved until June 30, 1975, and thereafter, unless changed.

H.R. 13300 also provides for the mandatory retirement of all railroad employees initially at age 70 and by January 1, 1976, at age 65. An employer may retain, at his option, an employee beyond the mandatory retirement age if he determines that safety or efficiency would not be endangered.

TRANSPORTATION

AVIATION FACILITIES EXPANSION ACT OF 1969

On November 6, 1969, the House passed and sent to the Senate an administration proposed bill (H.R. 14465) which recommends a 10-year $5 billion program of improvement and expansion of the U.S. airport and airway network. Costs of the program would be financed largely by new taxes on airway users.

The bill establishes a nine-member National Air System Guidelines Commission, which must make its final report by January 1, 1971, after studying and formulating guidelines for land uses surrounding airports, for ground access to airports, and for airways and airports. Following the Commission guidelines, the Secretary of Transportation must formulate a national airport system plan within 2 years.

Airline safety is of personal concern to all of the millions who take advantage of air transportation each year, therefore, we have required Federal certification of air carrier airports to insure that they meet minimum safety standards. To provide for the maximum satisfaction and well-being of the citizens who reside near airport facilities, we included those provisions which require public hearings on proposed airport location and that no construction of an airport be authorized if found to have an adverse effect on natural resources and the environment.

NATIONAL TRAFFIC AND MOTOR VEHICLE SAFETY ACT OF 1969

Due to the slaughter on our highways today, it is imperative that every conceivable effort be made to provide safer vehicles and equipment. Toward this end we have authorized funds through fiscal 1972 for the administration of the National Traffic and Motor Vehicle Safety Act of 1966. H.R. 10105, which passed the Senate with amendments December 2, 1969, is now in conference. Recently, the public was made aware of the inadequacy of the existing system of testing tire quality. We have, therefore, amended the original act to provide for the alteration of existing research and test facilities and the planning, designing, and construction of facilities suitable to conduct tire research and development, and in other ways to test for traffic safety.

To protect the consumer against the possibility of operating a vehicle on defective tires, we have provided that tire manufacturers maintain a file of distributors and first owners in the event that recall becomes necessary. We have further stipulated that there be an age limit imposed on tire carcasses suitable for retreading.

Other portions of the bill will require a uniform standard of protective headgear regulations for motorcycle operators. To lessen the number of casualties in farm accidents we have required minimum standards for tractor safety which will include the use of roll bars and harnesses.

VETERANS

Thus far in the 91st Congress, the House has passed three major bills concerning veterans and their survivors. These bills pertain to pension eligibility; increased compensation for veterans' survivors; and veterans' education and training.

Because we all are deeply concerned with assisting those Americans who serve their country so ably in the military, bills are in the mill which affect home loan financing, personal insurance, nursing home care, and increased Federal payments to States for the care of veterans in State soldiers' homes. Passage of some or all of these is likely in the second session.

VETERANS EDUCATION AND TRAINING ASSISTANCE AMENDMENTS ACT OF 1969

The reorientation of veterans to their society depends to a great extent on their education. To assist our young men in achieving the levels of education which they desire, the House, through the Veterans Education and Training Assistance Amendments Act of 1969, increased the benefits for Vietnam war veterans by 27 percent over existing levels. The Senate amended H.R. 11959 to provide for a 46-percent increase in those benefits. A conference has been requested to arrive at a figure agreeable to Members of each House.

Among the benefit categories included in the legislation are increased vocational rehabilitation payments to disabled veterans; increased educational assistance payments to veterans and to war orphans, widows, and wives of permanently disabled veterans; payments and loans to veterans engaged in flight training; and financial assistance to veterans engaged in on-the-job training in farm cooperatives. The legislation also establishes a new "outreach" service to seek out recently discharged veterans to advise them of the benefits to which they are entitled.

PENSION ELIGIBILITY

H.R. 372, passed by the House and now pending in the Senate, would restore veterans' survivor benefits to remarried widows upon the termination of their remarriage; eliminate the annual reporting of income by veterans who have reached the age of 72 years and have been paid pensions for 2 calendar years; permit the exclusion of certain additional types of income for pension purposes; and confer upon veterans of the 1916–17 Mexican border campaign benefits similar to wartime veterans. Another section of the bill prohibits requiring a veteran, who is 70 or older, to swear inability to pay costs in order to obtain VA hospital care.

INCREASED COMPENSATION FOR VETERANS' SURVIVORS

Public Law 91–96 (S. 1471) increases dependency and indemnity compensation for widows and children of veterans. With this increase monthly payments now range from $167 to a widow of a recruit to $457 to the widow of a member of the Joint Chiefs of Staff.

WELFARE

FOOD STAMP AUTHORIZATION

The President approved, November 13, 1969 (Public Law 91–116) H.J. Res. 934 which authorizes $610 million for the food stamp program. This law does not change the program itself, but provides Secretary of Agriculture Hardin with funds to deal with the problems of hunger and malnutrition. Congress is considering other legislation to alter the food stamp program so that it may more efficiently eliminate these problems which plague too many Americans.

AID TO FAMILIES WITH DEPENDENT CHILDREN

Two legislative areas are embodied in Public Law 91–41 (H.R. 8644). The first is the elimination of duty on crude chicory roots. The duty has been suspended, temporarily, for several years with no adverse effects on the market. This being the case, and because no crude chicory roots have been produced in this country since 1954, it is only logical to enact permanent suspension.

The most vital part of Public Law 91–41 repeals that provision of the Social Security Amendments Act of 1967 which imposed a freeze on Federal funds for the aid to dependent children program. That freeze was enacted in an effort to stimulate and obtain results under the work incentive program, also contained in the 1967 amendments. But that purpose would not necessarily be served by a freeze and since children of families in which the father is deceased or totally disabled would suffer as well from the consequences of the freeze, the House concurred with the Senate amendment for repeal.

OTHER

OLDER AMERICANS ACT AMENDMENTS

The Older Americans Act of 1965 has provided persons over 60 years of age with the means by which they may meaningfully participate in community programs. Public Law 91–69 (H.R. 11235) extends the provisions of that act and authorizes $62 million for fiscal 1970, with $85 million and $105 million for fiscal years 1971 and 1972, respectively.

Title III of the act which provides for grants for community planning, services and training, has resulted in service to over 600,000 older persons by home and health-aid services, recreation and leisure time programs, and special transportation services. The 1969 amendments act authorizes such programs on a regional basis. The research and development projects' provisions of the original legislation have been expanded to include the promulgation of conferences to facilitate the exchange of information.

A significant aspect of Public Law 91-69 creates the National Older Americans Volunteer Program. Within the framework of this program falls the retired senior volunteer programs—RSVP—which will recruit individuals aged 60 or over to provide services needed in their own communities, without compensation other than for transportation, meals, and other out-of-pocket expenses incident to their services. The other component of the volunteer program is the foster grandparents program. All new participants must be older persons of low income who are no longer in the regular work force. The reports on the current program, now under OEO, show that children who have been classified as "unmanageable" are now well behaved, that young people with motor defects have learned to perform such functions as self-feeding and communication, and that physical examinations of the foster grandparents indicate marked improvement after they had participated for a few months. This is a program that benefits the participants as well as those they care for.

WATER POLLUTION CONTROL

HON. THOMAS J. McINTYRE

OF NEW HAMPSHIRE

IN THE SENATE OF THE UNITED STATES

Tuesday, December 23, 1969

Mr. McINTYRE. Mr. President, only last month, the Senate voted to increase the appropriation for the water pollution control facilities grant program to the level authorized under the Clean Waters Act of 1966. This is a truly significant step in the Nation's efforts to control water pollution.

I can remember my own disappointment when the administration elected to request only $214 million of the $1 billion authorized for the next year. This would have continued the pattern of the past 2 years, which resulted in the Congress appropriating sums substantially less than were authorized by the Clean Waters Act.

I was disappointed because I can remember the hopes that were raised by the act. Many States took effective steps to enable their local communities to participate in the program. Some States, New Hampshire is one of them, voted to cooperate in the program to the extent of supplementing Federal funds with up to 40 percent of the total cost of the projects.

But over the past 3 years, appropriations have been scarcely one-third of the level authorized by the act, one-third of the level that the States had prepared to accommodate. Some States maintained their commitment by prefinancing local grants and by passing bond issues. New Hampshire again was one of these States.

But there is a limit to what the States can do alone. I believe that fiscal year 1970 was crucial to the continued success of the clean waters grant program. Most States had looked forward to expanding their programs as the level of funding authorized by the act increased. In the next 2 fiscal years, the funding levels were to have peaked. Most States had a backlog of applications which would be approved as the funds became available.

Yet the administration's request called for the lowest percentage of funds authorized in the history of the program. Certainly this was a promise unfulfilled. I feel that a failure to raise this level of funding would have resulted in a crisis of confidence, seriously jeopardizing any further State and Federal cooperation in this field.

Because of this, I was one who raised my voice in support of a higher level of funding when the appropriation was considered. I would like to congratulate my colleagues, Senator RANDOLPH and Senator MUSKIE, for their guidance of the appropriation bill through the Committee on Public Works. Though a House-Senate conference subsequently reduced the figure passed by the Senate to $800 million, this figure was almost four times as large as that requested by the administration.

During the time since the appropriation was passed, I have had the opportunity to view some of the progress that this program has engendered. I am aware that there have been some failures, as the recent report by the Government Accounting Office has indicated. But I also agree with the conclusion of that report that the successes outweigh the failures. I also agree with their conclusion that the failures can be rectified by a more coordinated planning effort. But it is only with a viable, properly financed program that the States and Federal agencies can take those steps that would insure projects broad enough to meet the goals set forth in the GAO report.

Despite occasional failures, however, there has been substantial success. One such instance came to my attention last week. A new pollution control facility became operational in Lincoln, N.H. This project is a substantial step in cleaning up the waters of the Pemigewasset River, one of the most scenic and polluted rivers in the State.

Lincoln, located near its headwaters, had been a major source of pollution for many years. Municipal sewerage and industrial wastes from the Franconia Paper Co. contributed large amounts of pollution to the river each day. But these people were concerned. Almost a decade ago, farsighted members of the town government, and directors of the Franconia Paper Co., decided to do something about the problem.

Now, 10 years and $4½ million later, a pollution control plant is in operation which treats both municipal sewerage and the industrial wastes from the paper company. This is a tremendous gain for the State and residents of the area. The project has some aspects that are significant beyond the State of New Hampshire, however.

This project was financed under Federal water pollution programs and under State programs to supplement Federal assistance. This project is also a singular example of the results that can be obtained by cooperation between local, State, and Federal governments working with industry. This project is also significant because it will raise the quality of the water in the river to such an extent that towns downstream may now be encouraged to implement their own programs knowing that the water that flows through their communities is of high quality.

I congratulate all of those involved with this project, especially the local government of Lincoln and the directors of the Franconia Paper Co. for their farsighted efforts. They undertook to correct a pollution problem long before the pressure of public opinion became a motivating force.

I regret that I could not join with the citizens of Lincoln in celebrating the beginning of the plant's operation. The press of Senate business during the month of December prevented my leaving Washington, but my brother John, who shares my deep concern about water pollution, kindly consented to represent me.

At this time, therefore, I wish to add my praise for those involved in this project. I ask unanimous consent that the following articles from the December 15 and 19 editions of the Laconia, N.H., Evening Citizen be printed in the RECORD. These were deserved tributes to those who made this project possible.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

NEW POLLUTION CONTROL PLANT AT LINCOLN TO BE UNVEILED—$4.25 MILLION PROJECT

LINCOLN.—A decade and $4¼ million dollars later, residents of this paper-making community of 1,200 persons will be given an opportunity this Thursday to see in operation what their foresight, time and money have produced.

Proud officials of the town term the project a "prototype for the nation" because of the cooperation between the townspeople and the Franconia Paper Company, which they describe as "the industrial backbone of Grafton County" in solving the pollution problems associated with paper-making.

Thursday's activities take the form of an "open house" and Gov. Walter Peterson will head a group of dignitaries saluting citizens of Lincoln, the company and its 550 employes. The company, producers of bond paper, generates a total annual payroll of some $3,000,000, Lincoln officials say.

The ceremonies start at noon. Open house, meaning guided tours of the gleaming new apparatus designed to cleanse both air and water, start two hours earlier on the company property. In addition to Governor Peterson, other dignitaries at the State level, employees of the mill and townspeople, plus officials affiliated with the paper-making industry from as far away as the midwest, and town fathers from other paper-making communities, will be present to find out, first-hand, "how Lincoln did it." An open invitation is extended to all members of the New Hampshire Legislature.

The Lincoln story is much too complex to relate in a comparatively few paragraphs. Actually it goes back somewhat more than a decade but certainly a major first step was to go before the 1969 Legislature to start the ball rolling towards the 90 per cent federal and state aid it was entitled to for its abatement program.

The unique feature of the Lincoln story was solving the problem of the very substantial financial outlay Franconia Paper had to make to take care of its own pollution problem. It positively couldn't shoulder the burden without assistance, the company said. Treading the very narrow line between public and private interests, the town fathers received authority from the voters to request state guarantee of the bonds for the total project, thereby reducing interest rates. Also the eventual costs will be less since the bonds for industrial treatment costs will be amortized over a ten year period. On four key votes by the citizenry over a period of a half-dozen years the maximum number of ballots against financial backing which aided the company was a mere seven and it had dwindled to but two by the time the final vote was taken. Somewhat more than 60 "yes" votes were recorded in each instance which implies, in the final vote, the citizenry backed support of its bread and butter industry by better than a 30–1 margin.

New Hampshire has seen nothing official to contradict its understanding that it has "the cleanest air in America." The new treatment plant at Franconia Paper will add substance to the claim. The mill will now emit a plume of smoke somewhat bluish in color and completely odorless. Exit gas sulfur dioxide will be less than 0.002 per cent; far below any air pollution regulation specification.

Additionally the pulp waste from the paper company, as well as sewage from the mill and the community, will be treated in separate facilities. By the time the treated water is returned to the East Branch of the Pemigewasset River its purity will rate a B-plus classification, good enough, and some to spare, for recreational uses including swimming.

An interesting side factor is that the town has offered to connect a prominent and popular State Parks property, Franconia Notch's celebrated Flume, into Lincoln's spanking new sewage system. It comes in the nick of time since the Flume is confronted with a sewage proglem of major proportions.

George M. McGee, Sr., is a Lincoln selectman and has lived with the ambitious abatement program day and night since it was launched. He has a special interest in pure water since he is chairman of the State Water Resources Board. He is a former legislator, whose seat in the General Court has been taken by his wife. McGee heads a committee planning the Dec. 18 open house.

Rightfully, Lincoln feels it has made a very substantial contribution to a better environment—not just for the "paper town" itself, but also for the state and the nation.

New Pollution Control Plant Opened—Dedication Held at Lincoln

(By Lynn Sweet)

Lincoln.—The Pemigewasset and Merrimack rivers, once called "the dirtiest in New England" have taken on new life with the installation of Lincoln's $4 million pollution control plant.

Franconia Paper Co. at the headwaters of the Pemigewasset dedicated the new pollution control facilities yesterday. The installation was financed through federal, state and local government funds and more than one-half million of private funds from the paper company.

Representatives from all of these sectors rose to speak in praise of the new installation.

"This river will carry the message that something can be done, that something has been done, as it flows in its new form through the downstream towns," said Gov. Walter Peterson.

The governor said that his administration is doing all that is possible to see that recent Federal cutbacks on funds for projects like this are restored.

John Palazzi, Chairman of the Water Supply and Pollution Control Commission said that, as of next spring, it was hoped that the entire Pemigewasset could be raised to Class B (recreational) waters. He added that the Fish and Game Department had informed him that 50,000 trout will be stocked in the stream.

Dedication ceremonies began in the morning with tours of the new installations. Anti-pollution processes take place at three different sites: the White Water plant which removes sludge, the Copeland Process plant which disposes of sulfite liquor and the sewage treatment plant.

The White Water plant forces the paper sludge to settle and then strips it from the water by two huge vacuum rollers. Dried sludge is carried away in trucks.

The Copeland process by an evaporation system releases sulphur from the sulfite liquor wastes as sulfur dioxide. An acid recovery system strips the sulfur dioxide from the exit gases and returns it as usable acid to the mill. Although this general process is in use in other paper mills, George Copeland, inventor of the idea, said that special adaptions were made for the Lincoln installation making it unique.

The town sewage treatment facilities consist of two five-acre stabilization ponds. About 4.5 miles of interceptors and 2.5 miles of lateral sewers were installed to provide sewer service to previously unserviced areas.

Following the tours at noon, a short ceremony was held at the mill and then the 200 guests moved to the Loon Mountain Lodge for a luncheon meeting.

Former Governor Sherman Adams served as master of ceremonies for the luncheon.

Governor Peterson was first to speak. He called the Lincoln installation "a first in that it brings together citizens, government and industry in a combined assault on one of our society's most depressing aspects." Peterson went on to say ". . . it must not be an isolated first in pollution control. It must be a "prototype."

Peterson's comments served as a keynote as other speakers rose to praise the town of Lincoln in its undertaking. George M. McGee, selectman of Lincoln and chairman of the Water Resources Board was lauded for his successful efforts in moving the town to action.

John McIntyre came as a representative of his brother, Sen. Thomas McIntyre, who was tied up in Washington. He said jokingly, that he wanted to make sure that his "little brother got all the credit he deserves."

Others speaking at the dedication were McGee, Palazzi, former Governor Wesley Powell, State Rep. Thomas Urie of New Hampton, a long-time advocate of pollution control measures, Roland P. Burlingame, one of the consulting engineers, Dr. Copeland and Robert L. Marcalus, president of the Franconia Paper Co.

FAVORITE HALL OF FAME CANDIDATE—HOWARD CLEVELAND

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. RHODES. Mr. Speaker, the names of the players and coaches who will be voted on for selection to the National Football Foundation Hall of Fame will bring back many memories to the Members of the Congress. It is for that reason that I felt impelled to include the names of these great players and coaches in the Congressional Record. Many of us will remember Ed Dooley, who served as a Member of the House. Each Member undoubtedly will have memories of at least one of the players or coaches on this list. I have a very vivid memory of Howard Cleveland of Kansas State. Howard was a classmate of mine. He was a complete football player in every sense of the word. He had a fine physique, perfect coordination, and all of it added up to a triple-threat halfback who kept the Wildcats of Kansas State in contention for the Big Six crown throughout the time he played. After playing professional football with the Saskatchewan Rough Riders and the Los Angeles Bulldogs, Howard went into the business world and has been very successful. He is now vice president, manufacturing, of the Douglas Aircraft Division, McDonnell Douglas Corp., Long Beach, Calif. The other Members will have their favorite Hall of Fame candidate. Mine is Howard Cleveland.

REPORT TO VIRGINIA EIGHTH DISTRICT

HON. WILLIAM LLOYD SCOTT

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. SCOTT. Mr. Speaker, for the fourth time, I have prepared and am sending to each home in the Eighth District of Virginia an annual questionnaire on matters which will be before the Congress during the coming session. A copy of this questionnaire, together with a newsletter which accompanies it, prepared in the closing hours of our first session of the 91st Congress, is being inserted in the Record for the information of the membership:

Congressman Bill Scott Reports

(January 1970, vol. IV, No. 1)

INFLATION

The President, in a recent message to Congress, expressed concern that the amounts of his budget requests were being increased and stated, "When government spending gets out of hand, consumer prices go out of sight." Of course, we are all aware of high prices, tight money and high interest rates. The President indicated that high quality bond issues could be marketed only at interest rates in excess fo 9%, and that savers and managers of money more insisting on rates high enough to give them a worthwhile return on their investment. The Nixon budget requests total $192.9 billion but his message stated that Congressional increases in aid to education, government employees' salaries, Social Security and Veterans' benefits among other things were contributing to the inflationary pressure. These, of course, are meritorious items as is almost every proposal that is presented to the Congress. However, Congress needs to pay heed to the Presidential message of holding down prices and this means that some of our most cherished programs cannot be increased any may even have to be reduced. Inflation hurts us all and especially those on a fixed income, particularly elderly people living on annuities.

REAPPORTIONMENT

The news media has commented recently regarding the wide difference in population between the various Virginia Congressional districts. However, it is unlikely that any reapportionment will take place until after the census of population is tabulated next fall. The House of Representatives has 435 members and under the Federal Constitution is divided among the states on the basis of the decennial census. Virginia now has ten seats in the House and is expected to retain the same number after the census. Therefore, the number of people in our district should be one-tenth of 4,750,000, the approximate number of people presently living in Virginia. Since we have the most populous district, about 600,000 people, 125,000 of them will be transferred to other Congressional districts. This transfer, however, will not take place until after new census figures are tabulated and the State legislature meets and redesigns the districts. No changes can be effective earlier than the November 1972 election of the 93rd Congress.

VOTING RIGHTS

In 1965, Congress adopted a temporary five-year Voting Rights Act. The act suspended literacy tests and similar devices and new voting regulations without federal review in those states in which less than half of the adult population was registered or in which less than half of the persons registered voted in the 1964 elections. The law also provided for assignment of federal registrars to compile lists of qualified voters and for federal observers to monitor the conduct of elections in states subject to the act. In practise, this law only applied to seven southern states and portions of Arizona and Hawaii. The House Judiciary Committee presented a proposal for the extension of the law for five additional years without any change and this would have meant that a determination as to whether a state would come within the provisions of the act would be based on facts existing in 1964 and not take into account any changes in circumstances since that date.

Of course, Virginia never had any federal registrars or observers sent into the state and no allegation made of denial of the right to vote of any person because of race, as guaranteed by the 15th amendment to the Federal Constitution. In a close roll-call vote of 208 to 203, the House passed a substitute measure proposed by the Administration placing a temporary nation-wide ban on literacy tests and similar devices, nation-wide authority to assign registrars and observers and to establish a Commission to study the effects of literacy tests and corrupt practises on voting, with instructions to report back to the President and the Congress prior to the expiration of the temporary law. This substitute act served to remove a stigma against Virginia and the other southern states in the field of voting rights and applied the principle that federal law should be equally applicable to all states. It seems reasonable that if literacy tests are banned in one state, they should be banned in all. Certainly, I hope that we have arrived at the time when no otherwise qualified individual will be denied the right to vote in any state on the basis of his race

TAX REFORM

The Congress has passed and sent to the President the Tax Reform Act of 1969. This measure substantially rewrites the federal tax law and even a report of a Conference on it between the House and the Senate contained 346 pages. Of course, no attempt can be made in this brief newsletter to discuss many individual items. However, the act endeavors to close loopholes under which a number of high-income persons were able to escape taxes altogether or to pay what the Ways and Means Committee considered to be less than their fair share of the tax burden, eliminates the 7% investment income credit, continues the surtax at 5% until June 30, 1970, and freezes certain excise taxes at the present level for another year. It is anticipated that these features will result in substantially higher tax receipts by the government and justifies tax benefits in other portions of the bill. The most prominent item of relief is gradually raising the personal exemption for individuals over a period of years from $600 to $750 and increasing Social Security benefits by 15%. While the bill will result in increased government revenue this year, as deductions and benefits increase it will ultimately mean a net loss in revenue. Many of the Senate provisions which would have resulted in further loss of revenue were omitted from the compromise bill. I believe the President will sign the measure into law and am hopeful that the entire federal budget can be adjusted so that we will live within the income produced by our tax laws.

PUBLICATIONS AVAILABLE

Please let us know the names of any of the following government bulletins you would like to receive. Home Planting by Design; Selecting Shrubs for Shady Areas; Money Saving Main Dishes; Growing Azaleas and Rhododendrons; Mini-gardens for Vegetables; House Construction—How to Reduce Costs; How to Buy Lawn Seed; Meat and Poultry—Wholesome for You; Clothing Repairs; Spring Flowering Bulbs.

LORTON PENAL INSTITUTIONS

Hearings were held last month on the proposal to transfer jurisdiction over the District of Columbia correctional institutions to the Federal Bureau of Prisons. The bill was introduced and hearings requested so that Congress could investigate charges made by constituents and determine the validity of the complaints. It does seem that during confinement efforts should be made to prepare inmates to re-enter society and to abide by its rules. However, testimony before the Committee indicates that the permissive attitude at the institutions is not helping to accomplish this purpose. Broadly speaking, the charges are that top management does not have adequate training in prison administration and that the general attitude is permitting, if not encouraging, militancy and lack of discipline. In all probability, a provision for transfer of the institution to the Bureau of Prisons will be included in the general crime control bill to be considered by the House later this winter.

OPINION POLL

Our fourth annual questionnaire is being sent with this newsletter to all homes in the District. Knowing your views helps me to be a more effective Representative and is persuasive in determining how to vote on proposed legislation. The results will be tabulated, shared with other Members by insertion in the Congressional Record, and reported in a later newsletter. So I hope you will take time to thoughtfully answer and return the enclosed questionnaire.

Sometimes constituents suggest that we have more frequent opinion polls. However, a considerable amount of time is spent in tabulating the results, responding to the additional mail generated, and a questionnaire sent to each home costs approximately $1,400 in private funds. In all probability, I am also able to learn your views by an annual poll almost as well as if one was taken more frequently.

While this mail is going to all postal patrons in the district, monthly newsletters are sent only to constituents now on the mailing list and those who ask that their names be added. You may want to use the following form for that purpose. However, if you have been regularly receiving the newsletter and the address is correct, no further action is necessary.

YOUR OPINION, PLEASE

1. If the cost of living continues to rise, would you favor—

a. General cut-back of government programs?

b. Freezing all government annuities such as Social Security and Veterans' payments at the present level?

c. Federal wage and price controls?

2. Do you favor—

a. Providing food stamps at low cost to needy families?

b. Federally guaranteed minimum income?

c. Requiring all able-bodied adults to be available for work before receiving welfare aid?

3. Do you favor Social Security—

a. Payments tied to cost-of-living?

b. Deduction increases to obtain higher payments?

c. Amendment to allow higher earned income by annuitant?

4. If the draft is continued, do you believe the present law is adequate?

5. Do you believe the Space Program financing should be—

a. Continued at the present level?

b. Increased?

c. Decreased?

6. Do you favor reducing the penalty for first offense use and possession of marihuana?

7. To reduce crime, would you favor—

a. Denying bail to persons previously convicted of a felony or presently on bail who are again arrested for a felony?

b. Making a felony all crimes involving a gun and the use or threat of force?

8. Do you favor U.S. recognition of Red China?

9. To deal with air and water pollution, do you favor—

a. Federal laws governing industrial pollution?

b. Permitting states to exercise control?

c. Federal funds and state control?

d. Tax credit to private industry?

10. Some Members of Congress feel the President should consult with the Congress and receive its approval prior to any future commitment of troops to combat abroad. Do you agree with this position?

11. Do you believe the Federal government should share a fixed percentage of tax funds with the states?

If an answer is "yes", should it be—

a. Based on population?

b. Based on percentage of funds collected in a state?

c. Based on formula whereby higher percentage be given to poor states?

12. Do you believe Federal assistance should be denied colleges which—

a. Fail to have a plan to deal with campus disorders?

b. Terminate ROTC programs?

c. Refuse to do important government research?

GRAZING FEE—PART V

HON. LEE METCALF

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Tuesday, December 23, 1969

Mr. METCALF. Mr. President, on December 12 I asked a series of questions of Secretary of the Interior Hickel about grazing and received a reply on December 17. I ask unanimous consent that these letters be printed at the conclusion of my remarks.

If the Secretary foregoes increasing grazing fees the general fund of the Treasury will lose $1,476,000 in fiscal year 1971. Given the often expressed views of the administration on fiscal matters, I will leave to them the consideration of whether this revenue loss can be justified.

The range improvement fund will lose $877,000. At a cost of $6 per acre for range reseeding this loss is equal to foregoing treating 146,166 acres. According to Interior Department data these acres now would support 7,308 cows and if reseeded would support 48,722 head of livestock. Failure to increase the fee will deny ranchers a chance to put an additional 41,414 head of livestock on the public range.

I hope that the Secretary will take this damage to ranchers into consideration as he weighs what his action ought to be.

Ranchers who seek to graze more livestock likewise will want to consider the results.

Payments to States and local government will be $373,000 less if the grazing fee is not increased. Ranchers who find their local taxes up ought to recognize that an increased grazing fee helps support local government needs.

I hope the Secretary of the Interior has at his command data which shows that States and local governments cannot use the additional payments they would have received.

Ranchers and those concerned with watershed conservation and wildlife have long supported programs of range improvement. For a cost of $6 per acre or $120 per 20 acres that previously supported one cow can be improved so that seven can graze on these 20 acres.

I hope the Secretary can explain why he should deny western ranchers this opportunity for a sevenfold increase in grazing.

The Department set forth some startling figures on rangeland condition. Only 16 percent of the public range is in good or better condition while 31 percent is poor or bad. Only 15 percent of the range is improving while 14 percent is still declining. The Department says it is noteworthy that in 1936, 95 percent of the public lands were declining and only 2 percent improving. The fact is that 1936 was 34 years ago and there was no real program of range conservation, the Taylor Act was but 2 years old and the whole concept of soil and water conservation was just getting on a sound footing. Here we are on the eve of 1970 with 22,400,000 acres of public range still declining and even worse, 49,600,000 acres is in poor or bad condition.

I hope the Secretary finds this noteworthy when he considers whether we should move 146,166 acres from the "bad" condition category to the "excellent" condition category.

I hope he will take note that only 1,600,000 acres of range is rated as "excellent" while five times as much 8,000,000 acres is rated "bad."

The current grazing fee is 44 cents and if the scheduled increase were made it would climb to around 55 cents. However, if a rancher puts livestock on the public range in trespass he is charged $2 per animal unit month or the commercial rate if it is higher. That is the charge for a grazing trespass not deemed to be clearly willful.

I hope the Secretary will also take notice of this fact.

In 1969, sportsmen accounted for 10,372,150 visitor days on the public lands.

I was curious about the cost of a "HUD," or hunter unit day cost for his license alone based on actual use.

In Alaska a cow can graze for a whole month for 44 cents. A resident hunter's license cost is 66 cents a day and a nonresident's cost is 95 cents a day.

In Montana a cow grazes a whole month for 44 cents but a hunter's license cost equals 50 cents a day and a nonresident's cost of $30 per day.

In virtually every State in the West the license cost per day for a hunter or fisherman exceeds the cost per month to graze a cow. Wyoming has a low fee for birds and rabbits but then since one cow AUM equals five sheep the small game hunter can readily see his fee per day is still more costly than a months grazing license for a sheep.

I think the millions of sportsmen of the Nation will find this table extremely interesting. This data ought to give the Secretary of the Interior a little food for thought. He can ruminate on this as he chews his cud of 44 cents range grass.

In my earlier remarks I noted the excellent analysis made by the Department of Agriculture on the question of a grazing fee increase. It showed that the fee increase schedule was justified. Perhaps if the public lands were in another Department the total need of the Federal Treasury, State, and local governments, ranchers and sportsmen would be better recognized.

As of December 17, I have not a single piece of evidence from any source in the executive branch, or from private sources, ranchers, sportsmen, or conservationists, which even remotely suggests that there is a case for not increasing the grazing fee.

In fact all the data I have indicate that the group that will benefit the most from a fee increase is the ranchers.

I hope the Secretary of the Interior Hickel, will examine these points as he decides on January 4, 1970, what he ought to do with his proposal.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DECEMBER 12, 1969.

Hon. WALTER J. HICKEL,
Secretary of the Interior,
Department of the Interior,
Washington, D.C.

DEAR SECRETARY HICKEL: This will refer to previous correspondence on grazing fees on public lands. I will appreciate having the following information by 16 December 1969:

1. Present grazing revenue; present allocation of revenue to rangeland; present allocation to state and local governments;

2. Amount of additional revenue if fees were increased on schedule; additional allocation of revenue to rangeland; additional allocation to state and local governments;

3. Average cost per acre to reseed rangeland for grazing and resultant increase in grazing based upon recent experience;

4. Data on current condition by classes of public land and trends for recent years. Are soil and watershed conditions static, improving or declining?

5. Number of sportsmen who use public lands.

6. Cost of resident and non-resident hunting and fishing licenses in the 11 western States; the best estimate available of the cost per day of hunting and fishing (listed separately). Specifically, I want the cost shown as follows: if non-resident hunting license costs $25, and the average hunter uses it for five days, his costs would equate at $5 per hunter day.

7. When persons graze livestock in trespass on public land, what is the charge assessed and how is it computed?

Very truly yours,

——— ———.

THE SECRETARY OF THE INTERIOR,
Washington, D.C., December 16, 1969.

Hon. LEE METCALF,
U.S. Senate,
Washington, D.C.

DEAR SENATOR METCALF: This refers to your correspondence of November 26 and December 12 with respect to the proposed rule making procedure on grazing fees.

I have expressed on many occasions my intention to carefully evaluate recommendations of the Public Land Law Review Commission relating to grazing fees. It was with this in mind that on December 4 I published a notice of proposed rule making. I have studied numerous documents and, as you know, I have met with representatives of the grazing industry, conservation organizations, and Members of Congress to discuss the grazing fee rate structure controversy. This Department participated with the United States Forest Service in a study entitled Western Livestock Grazing Survey. Certainly I intend to continue to evaluate the additional information relating to this matter before accomplishing any major revision of the grazing fee structure.

In your letter of December 12, you raised several questions. Attached for your information are the question and the answers. If I can provide you with any additional information, please let me know.

Sincerely yours,

WALTER J. HICKEL.

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1. Question: Present grazing revenue, present allocation of revenue to rangeland; present allocation to state and local governments;

2. Question: Amount of additional revenue if fees were increased on schedule; additional allocation to revenue to rangeland; additional allocation to state and local governments.

Answer:

GRAZING RECEIPTS

[In thousands of dollars]

	Constant 44 cents, fiscal year 1970	Previous increase schedule, fiscal year 1971	Difference
Total receipts	$5,788	$8,547	+$2,759
Distribution:			
Range improvements fund (available in following fiscal year)	1,841	2,718	+877
Reclamation fund	69	102	33
General fund of the Treasury	3,097	4,573	+1,476
Payments to States and counties (paid in following fiscal year)	−781	1,154	+373

3. Question: Average cost per acre to reseed rangeland for grazing and resultant increase in grazing based upon recent experience;

Answer: The average cost of reseeding, when livestock forage production is the primary reason for investing, is approximately $6.00 per acre. The type of land treated results in a grazing capacity conversion from about 20 acres per AUM (to support one cow for one month) to 3 acres per AUM.

4. Question: Data on current condition by classes of public land and trends for recent years. Are soil and watershed conditions static, improving, or declining?

Answer: In 1936 it was determined that forage production of the Western range region was less than half its potential as a result of livestock grazing. Only five percent of the entire region was in good or better condition.

Currently, 16 percent of the public rangelands are in good or better condition. This situation is depicted in the following table.

[Thousand acres and percent of total]

Condition class:	
Excellent (1,600)	1
Good (24,000)	15
Fair (84,800)	53
Poor (41,600)	26
Bad (8,000)	5
Trend:	
Improving (24,000)	15
Static (113,600)	71
Declining (22,400)	14

The 14% in a declining trend equals 22.4 million acres; currently, we estimate that 20.5 million acres are declining which indicates an overall improvement.

It is noteworthy that in 1936 95% of the public lands were declining, and only 2% of the public lands improving.

5. Question: Number of sportsmen who use public lands.

Answer: Sportsmen accounted for 10,372,150 visitor days in 1969. There were 5,662,150 hunter days and 4,710,000 fisherman days.

6. Question: Cost of resident and non-resident hunting and fishing licenses in the 11 western States; the best estimate available of the cost per day of hunting and fishing (listed separately). Specifically, I want the cost shown as follows: if non-resident hunting license costs $25, and the average hunter uses it for five days, his costs would equate at $5 per hunter day.

Answer: (See attached sheet).

7. Question: When persons graze livestock in trespass on public lnad, what is the charge assessed and how is it computed?

Answer: Regulations (43 CFR 9239.3-2(c)(2)) pursuant to the Taylor Grazing Act provide that damage to the Federal range and the value of the forage consumed will be paid by the trespasser.

Where the trespass grazing is not deemed to be clearly willful, the forage value and damage to the Federal range are computed at the rate of $2.00 per animal unit month, or at the commercial rate if such rate is higher. If the trespass is deemed clearly willful, grossly negligent or repeated, the charge assessed is $4.00 per animal month or twice the commercial rate if such amount is higher.

	Hunting				Fishing		
	Licenses big game [1]	Small game if different	Average number of days	Cost per day [2]	License	Average number of days	Cost per day [2]
Alaska:							
Resident	$7		10.6	66 cents	$5.00	9.8	$0.50
Nonresident	10			95 cents	10.00		1.02
Arizona:							
Resident	5	Same	12.7	39 cents	5.00	11.1	.27
Nonresident	20			$1.58	10.00		.81
California:							
Resident	4	4	15.0	27 cents	5.00	9.4	.53
Nonresident	(3)	25		$1.66	10.00		1.06
Colorado:							
Resident	[2]25.62		4.7	$5.44	6.00	8.7	.69
Nonresident	(3)				10.00		1.15
Idaho:							
Resident	3		4.6	$65 cents	4.00	19.2	.21
Nonresident	100				15.00		.78
Montana:							
Resident	[4]2.50		5.0	50 cents	4.00	(4)	(4).
Nonresident	150			$30	15.00		
Nevada:							
Resident	5	$5	4.0	$1.25	5.00	16.8	.30
Nonresident	[6]35	$25		$6.25+$7.75	10.00		.59
New Mexico							
Resident	15		15.1	$1.00	5.50	7.6	.72
Nonresident	[4]63			$4.20	10.00		1.31
Oregon:							
Resident	5	Same	9.0	55 cents	6.00	12.0	.50
Nonresident	35			$3.88	15.00		1.25
Utah:							
Resident	5		5.5	90 cents	5.00	9.0	.56
Nonresident	(3)				15.00		1.66
Washington:							
Resident	5.50	$5	10.0	55 cents + 50 cents	5.50	10.0	.55
Nonresident	35	$35		$3.50	15.00		1.50
Wyoming:							
Resident	5	$2 birds, $1 rabbits	5.0	$1.00—40 cents + 20 cents.	$3.00	5.0	$0.60
Nonresident	125	$20 birds, $5 rabbits		$25.00—$4, $1	12.00		2.40

[1] Excludes tags, permits, trophy fees.

[2] Cost of license only. Excludes permits, tags, equipment, transportation, etc.

[3] Resident only.

[4] Average of all big game animals.

[6] For only some animals.

Note: Statistical methods vary.

ERNIE PYLE COMMEMORATIVE STAMP

HON. DONALD E. LUKENS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. LUKENS. Mr. Speaker, all of us either remember or have heard of the late Ernie Pyle, the famous World War II correspondent. He was one of America's greatest and most beloved personalities.

Two bills have been introduced that authorize the issuance of a commemorative stamp honoring Ernie Pyle. Knowing of the interest of Congress in honoring him, I would like to bring to the attention of my colleagues several articles on Ernie Pyle and the efforts by a citizen of Ohio, Mr. Nunzio Calvo, to have a commemorative stamp issued.

Under unanimous consent, I include the following articles in the RECORD:

[From the Christian Science Monitor, Nov. 1, 1969]

COMMEMORATIVE STAMP

To the CHRISTIAN SCIENCE MONITOR:

On April 18, 1970, it will be 25 years since one of America's greatest and most beloved personalities was lost. Ernie Pyle has not only won a permanent place in the hearts of Americans as evidenced by the thousands who visit his grave in Honolulu, but he has won for our war correspondents the trust and respect of the American people and their fighting men. The memory of Ernie Pyle will continue to inspire today's war correspondents who are again bravely accompanying our fighting men into the swamps and jungles of Vietnam.

Ernie Pyle was responsible in World War II for combat infantrymen and medics receiving an extra $10 a month in pay—he was responsible for the wearing of overseas bars on the left sleeve of uniforms. He was beloved by the men in combat, as well as the people back home.

The late General Eisenhower said of Ernie Pyle, "we have lost one of our best and most understanding friends," and in the words of President Truman, "no man . . . has so well told the story of the American fighting man as American fighting men want it told. He deserves the gratitude of all his countrymen." These remarks are a lasting tribute for a great person.

Ernie Pyle still has our gratitude, and next April will be the month to remember him. What better way could this be done than to have a commemorative stamp issued to honor this outstanding individual? Next year will be the 25th anniversary of his death. This would be the ideal time to pay homage to him. All former GIs who knew him and served with him, as well as those back home to whom he reported, should entreat the Post Office Department and the Citizens Stamp Advisory Committee in Washington now to authorize the issuance of a commemorative stamp for Ernie Pyle.

N. R. CALVO.

CLEVELAND.

[From the Ohio VFW News, Oct. 1969]

ERNIE PYLE STAMP CONSIDERED

Veterans organizations are being asked to support a proposal which has led to bills being introduced in Congress to provide for the issuance of a commemorative stamp honoring World War II correspondent Ernie Pyle.

Having been referred to the committee on Post Office and Civil Services, one of the bills calls for date of issuance on April 18, 1970, the 25th anniversary of the death of Ernie Pyle.

Pyle has not only won a permanent place in the hearts of Americans, as evidenced by the thousands who visit his grave in Honolulu, but he has won for our war correspondents the trust and respect of the American people and their fighting men. The memory of Pyle will continue to inspire today's war correspondents who are again bravely accompanying our fighting men into the swamps and jungles of Vietnam.

Pyle was responsible in World War II for combat infantrymen and medics receiving an extra $10 a month in pay and he was responsible for the wearing of overseas bars on the left sleeve of uniforms.

The late General Eisenhower said of Pyle, "We have lost one of our best and most understanding friends," and in the words of President Truman, "No man . . . has so well told the story of the American fighting man as American fighting men want it told. He deserves the gratitude of all his countrymen."

The original proposal for the stamp was the idea of N. R. Calvo of Cleveland—a veteran of World War II. He has contacted members of the House and Senate in Washington, and received written approval from several. Postmaster Gen. Winton M. Blount also has been contacted. The proposal has been placed on the agenda for consideration by the Citizens' Stamp Advisory Committee.

Calvo is urging veterans organizations and all former GIs who knew Pyle and served with him, as well as "those back home" to whom he reported, to contact the Post Office Department and the Citizens' Stamp Advisory Committee in Washington to authorize the issuance of the commemorative stamp.

Calvo is a life member of VFW Post 5799 of Cleveland, and serves as commissioner of Soldiers Relief for Cuyahoga County in that city. He is active in veterans affairs and a member of other veterans organizations.

[From the Union, Oct. 10, 1969]

ERNIE PYLE COMMEMORATIVE STAMP BOOSTED

(By Nunzio Calvo)

CLEVELAND, OHIO.—An all-out effort is underway for the issuance of a commemorative stamp for Ernie Pyle. The project is spearheaded by Nunzio Calvo of Cleveland, Ohio, a member of Avanti Amerita Lodge No. 133.

Bills have been introduced in Congress to provide for the issuance of the stamp to honor the World War II correspondent. Having been referred to the committee on Post Office and Civil Service, one of the bills calls for date of issuance on April 18, 1970, the 25th anniversary of the death of Ernie Pyle. On that date, it will be twenty-five years that one of America's greatest and most beloved personalities was lost. Ernie Pyle has not only won a permanent place in the hearts of Americans as evidenced by the thousands who visit his grave in Honolulu, but he has won for our war correspondents the trust and respect of the American people and their fighting men. The memory of Ernie Pyle will continue to inspire today's war correspondents who are again bravely accompanying our fighting men into the swamps and jungles of Vietnam.

Ernie Pyle was responsible in World War II for combat infantrymen and medics receiving an extra $10 a month in pay—he was responsible for the wearing of overseas bars on the left sleeve of uniforms. He was beloved by the men in combat, as well as the people back home.

The late General Eisenhower said of Ernie Pyle, "we have lost one of our best and most understanding friends," and in the words of President Truman, "no man . . . has so well told the story of the American fighting man as American fighting men want it told. He deserves the gratitude of all, his countrymen." These remarks are a lasting tribute to a great person.

Ernie Pyle still has our gratitude, and next April will be the month to remember him. What better way could this be done than to have a commemorative stamp issued to honor this outstanding individual? Next year will be the 25th anniversary of his death. This would be the ideal time to pay homage to him.

The original proposal for the stamp was the idea of Nunzio Calvo of Cleveland, he himself a veteran of World War II. He has contacted members of the House and Senate in Washington, and received written approval of the idea from several, two of which introduced the legislation. He has received some national publicity on the project and received enthusiastic replies from individuals throughout the country. Postmaster General Winton W. Blount has also been contacted. The proposal has been placed on the agenda for consideration by the Citizens' Stamp Advisory Committee.

Calvo is urging all former GIs who knew Ernie Pyle and served with him, as well as "those back home" to whom he reported, to contact the Post Office Department and the Citizens' Stamp Advisory Committee in Washington by letter now to authorize the issuance of a commemorative stamp for Ernie Pyle.

Nunzio Calvo serves as commissioner of Soldiers Relief for Cuyahoga County in Cleveland, Ohio, where he is active in veteran affairs and a member of veteran organizations.

SPECIAL END-OF-SESSION LEGISLATIVE REPORT TO PENNSYLVANIA CONSTITUENTS, FIRST SESSION, 91ST CONGRESS

HON. HUGH SCOTT

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Tuesday, December 23, 1969

Mr. SCOTT. Mr. President, the first session of the 91st Congress has been spoken of rather disparagingly in recent months. I have joined, upon occasion, in some criticism. It is true that the session just concluded did not accomplish all I had hoped it would. It is also true that vital appropriations legislation was delayed in Democratic-controlled committees past an excusable period. Nevertheless, there was a lot of qualitative progress—massive tax reform and tax relief, the Nuclear Nonproliferation Treaty, the reassertion of the Senate's prerogatives in foreign affairs, a strong coal mine safety law, and a new emphasis on the environment, to name only a few. After the myriad of legislation flowing from the 89th and 90th Congresses, it was a time to retrench and to rethink some of the ways we have been doing things. This was a year which I feel set the stage for more massive reforms which Congress must act on this year. These include reform of the draft system, the welfare system, the complicated Federal-grant programs, postal service, and much more. The objective will be to make government more responsive and efficient.

As minority leader I am anxious and hopeful that we will be able to speed up the enactment of President Nixon's reform program. Following is a more detailed breakdown of my own record of legislative activity during the past year, prepared by my staff. I hope you will be able to look it over and to agree with me that although much was accomplished, much more remains to be done.

I ask unanimous consent that it be printed in the Extensions of Remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AGRICULTURE

Current farm program expires with 1970 crop year—hearings have been held in House and Senate—will move with the Administration to greatly reform and improve this area during the coming months.

CIVIL RIGHTS

Led battle against southern-bloc efforts to forbid use of federal funds for *school desegregation—Scott Amendment* defanged "Whitten" Amendment by adding words "Except as required by the Constitution."

Carried through Senate the President's plan to *assure fair minority employment* in construction industry.

Voted to deny to any state Governor an *item veto power over operation of an OEO legal services program* within a state.

Supported establishment of commission on Afro-American History and Culture to *foster better understanding* and knowledge of the contributions of Black Americans.

Primary co-sponsor of amendment *increasing funding of Equal Employment Opportunity Commission* from $11.5 million to $16 million.

Sponsor of amendment adding $8 million to appropriations for *enforcement of Civil Rights Act of 1964.*

Led battle for Yarborough-Scott Amendment to allow foundations to use funds for *voter registration education.*

Scott legislation pending

S. 818, to extend 1965 Voting Rights Act for 5 years.

S. 2029, Omnibus Civil Rights Act.

COMMERCE AND INDUSTRY

Co-sponsored and developed strategy to pass bill *exempting federally licensed sellers of ammunition from requirement of keeping records of shotgun and rifle ammunition* (Bennett-Scott bill).

Voted against confirmation of Carl J. Gilbert to be Special Representative for Trade Negotiations because of record as "free-trader"—Scott supports import quotas for *shoes, textiles, flatglass, steel, electronic products,* etc., to protect basic Pennsylvania industries.

Voted *not* to cut $130 million construction in U.S. Maritime (Merchant Marine) program greatly aiding our Commonwealth's major ports.

Voted—

To *increase trade in peaceful goods* with all nations except those against our national interests, but to *restrict exports of goods with significant military potential.*

To grant tax incentives to industries utilizing *pollution-control facilities.*

To authorize the President to impose *import quotas* and restrictions (to protect domestic industry).

Scott legislation pending

S. 1072, to extend the vital *Appalachian Regional Development Act* to 1971—affects 50 Pennsylvania counties and 6 million people.

S. 915, to authorize financial assistance to *small businesses* impaired by Philadelphia Port work stoppage.

S. 1520, to assist, preserve *struggling newspapers.*

S. 2004, to establish orderly reform system of *broadcast re-licensing.*

S. 3018, to repeal present public utilities exemption from *truth-in-lending* provision (to treat all fuel dealers equally).

S. 2143, to encourage *foreign travelers* to see U.S., particularly historic Pennsylvania.

S. 15, *Rural Job Development Act* providing incentives for industries to locate in rural areas.

CONSERVATION AND OUTDOORS

Co-sponsored, worked to enact *Water Quality Improvement Act*—includes *"Scott Amendment"* providing for training of *waste-treatment plant operators, strict new liability for tankers and off-shore drilling companies polluting water rights* and institutes tough water pollution controls (Public Law 91–144).

Co-sponsored, testified on Endangered Species Preservation Act *protecting fish and wildlife in danger of extinction* (Public Law 91–135).

Led battle for *repeal of burdensome ammunition registration requirements* in Gun Control Act of 1968.

As new member of Subcommittee on Energy, Natural Resources, and the Environment, instrumental in obtaining *hearings on the effects of insecticides and pesticides* on our national fishery resources.

Strongly opposed Tydings bill (S. 977) to establish a national system of firearms registration and Dodd Certificate Bill (S. 2433) to require every gun-owner to procure a "certificate" and recommendations of the Violence Commissioner which would confiscate 90% of all handguns.

Testified in support of various *flood control projects* including Rowlesburg, Stonewall Jackson, and Foster Joseph Rayre Dams; Raystown Reservoir; and Presque Island Beach Erosion Project.

Voted—

For *increased recreational facilities* for National Park Service and co-sponsored measure to continue *Golden Eagle Passport* program.

For top level *Council on Environmental Quality* to review national resources and environment.

For amendment of *Clean Air Act to extend research activities to curb air pollution from motor vehicles* (Public Law 91–137).

For full $1 billion for *clear water programs*—final appropriation of $800,000,000 is almost four times last year's and should guarantee funds for all 73 *pollution-control projects* pending in Pennsylvania.

Voted—

For guidelines and *controls over chemical and biological weapons* which endanger our environment.

For tax incentives to industries utilizing pollution-control facilities.

Worked with Department of Interior and others to *safeguard* growing *Koho salmon industry in Lake Erie area* from destruction by insecticide pollution.

Called for review of needs for flood control, recreation, etc., for *Schuylkill River Basin.*

Obtained *$3.25 million* for purchase of additional property to complete Philadelphia's *Independence National Historical Park.*

Scott legislation pending

S. 2311, to *channel Federal taxes collected from the sale of handguns into the Wildlife Restoration Fund.* Approximately $5 million a year would be added to fund—money now goes into general revenues with no direct benefit to Pennsylvania sportsmen.

S. 1079, calling for federal fiscal participation in the *Susquehanna River Basin Compact.*

Consumer Affairs

Co-sponsored, voted for *Child Protection and Toy Safety Act* to assure proper warnings on toys or articles for children (Public Law 91–113).

Voted for funds for Wholesale Meat and Poultry Products Acts assuring all *meat and poultry meet federal standards.*

Voted to confirm Pennsylvania's *Virginia Knauer* as President's Assistant for Consumer Affairs.

Scott legislation pending

S. 861, to assist states in establishing and strengthening *consumer protection programs.*

S. 3097, to establish new *Office of Consumer Affairs.*

CRIME CONTROL AND LAW ENFORCEMENT

Co-sponsored *repeal of burdensome ammunition registration requirements* and new law requiring mandatory *penalties for federal crimes committed with a gun* (Mansfield-Scott bill).

Voted to expand *crime control program* including $268 million for Administration program to aid state and local law enforcement agencies—amount is 9 times last year's funds.

Called for Senate action early this year on S.30, Organized Crime Control Act; and new federal narcotics, pornography legislation.

Scott legislation pending

S. 3099, permitting the Eastern District Federal Court to sit at *Allentown, Easton, Reading,* and *Philadelphia.*

DRAFT REFORM

Voted to authorize *random selection system* for draft reducing period of draft vulnerability from 7 years to 12 months (Public Law 91–124).

Supported Presidential Commission now studying possibility of an *all volunteer Army*—will report this year.

Scott legislation pending

S. 1433, to amend Selective Service Act (*general, in-depth draft reform*).

EDUCATION

Voted—

For *increased student loan program* (NDEA) and educational opportunity and work study grants (Public Law 91–95).

For *tax credits for expenses of higher education.*

To extend program for *improving Educational TV* and Radio facilities (Public Law 91–97).

Scott legislation pending

S. 1788, to assist persons in securing post-secondary education.

S. 2422, to permit HEW Secretary to prescribe maximum interest rate for student loans (rather than colleges or banks).

S. 2545, to authorize Commissioner of Education to arrange for community service programs seeking solutions to national and regional problems.

S. 2579, to authorize Commissioner of Education to make *vocational education opportunity grants.*

S. 2827, to give college Presidents power to obtain federal injunctions to *stop campus disorders* at federally assisted institutions of higher education.

S. 3850, to provide *emergency assistance to medical and dental schools.*

ELECTIONS

Supported *reform of outmoded Electoral College system.*

Scott legislation pending

Senate Joint Resolution 147, constitutional amendment *extending right to vote* in federal elections to persons 18 years or older.

FOREIGN AFFAIRS

Introduced and *obtained commitment for action on Scott-Mansfield resolution supporting President Nixon's plan for peace in Vietnam,* also calling for a mutually observed ceasefire.

Voted—

For *"National Commitments resolution"* declaring that U.S. military or financial response to events in other nations shall be subject to action by *both* the executive and legislative branches.

To ratify *Nuclear Non-Proliferation Treaty* denying the possession of nuclear weapons to nations who now do not have them.

To *limit U.S. support of local forces in Laos and Thailand* to the provision of supplies, material and training except where protection of U.S. personnel is involved.

To declare that U.S. diplomatic recognition of foreign governments does not mean U.S. approval of that government.

Urged on several occasions *direct Israel-Arab negotiations,* criticizing the four-power approach to *Mid-East* peace; met with top Administration and Israeli officials.

Scott legislation pending

S. 2846, authorizes State Department to develop a prototype desalting plant in Israel.

Senate Concurrent Resolution 37, prisoner of war resolution *appealing for humane treatment and immediate release of American POW's.*

HEALTH AND HUNGER

Co-sponsored and pushed through Senate *historic, strong Coal Mine Health and Safety Act* containing first dust-control standard special Federal *compensation for black lung disease.*

Voted to revise, expand the *food stamp program permitting wider coverage and better service to low-income families;* increased appropriation (P.L. 91–116).

Called for action next session on drugs and drug education programs.

Scott legislation pending

S. 1865, to establish causes and effects of malnutrition.

S. 2789, to *eliminate poverty-related hunger* and malnutrition.

S. 1997, to provide more *effective prevention and treatment of alcoholism.*

S. 2311, to *improve hunter safety programs by expanding Wildlife Restoration Fund* (see Conservation).

S. 2562, to establish state drug listing to *encourage physicians to prescribe most economical drugs* under federal health programs.

S. 2037, to construct Neighborhood *Health Centers in rural and urban areas.*

S. 2716, to investigate causes of power failures.

HOUSING AND URBAN DEVELOPMENT

Voted to increase funds for federal Urban Renewal and Model Cities commitments by $587 million over present appropriation of $1 billion—*28 Pennsylvania communities await funding.*

Asked HUD Secretary Romney for full report on future urban renewal fund needs—

promised to *lead fight for supplemental appropriations.*

Strongly supported and voted for $4.8 million housing bill which sets *far-reaching precedents*—it requires housing demolished for urban renewal to be replaced, permits insuring of loans up to $10,000 for purchase of *mobile homes,* and gives authority to *test new building* techniques.

Scott legislation pending

Senate Joint Resolution 113, directing Federal Trade Commission to *investigate unfair methods of competition or deceptive practices* in the home improvement industry.

S. 3025, to authorize federal incentive grants to state and local governments to *strengthen their capacity to utilize and plan* the use of land more productively.

INTERGOVERNMENTAL RELATIONS

Co-sponsored legislation to share portion of federal tax revenue directly with state and local governments.

JOB OPPORTUNITY AND REGIONAL DEVELOPMENT

Fought attempts to cut funds for Office of Economic Opportunity—voted to extend program for 2 years.

Supported Administration minority employment plan (see Civil Rights).

Co-sponsored Appalachia Rural Job Development bills (see Commerce and Industry).

LABOR

Voted for *health and safety standards for workers* at federally financed and assisted construction projects (Public Law 91–54).

Voted for *revision in hours railroad employees must work* each week.

Co-sponsored and pushed through Senate historic strong *Coal Mine Health and Safety Bill* (see Health).

SCOTT LEGISLATION PENDING

S. 2838 (co-sponsor), to establish *comprehensive manpower development program* to assist persons in overcoming obstacles to suitable employment.

S. 2769, *Human Investment Act* to provide tax credits to train employees, especially *hard-core unemployed.*

MILITARY SPENDING

In a year of shocking exposure of military waste the Senate re-affirmed its Constitutional prerogatives in this area.

Co-sponsored *Schweiker Amendment* requiring Defense Department quarterly reports on major contracts for development and procurement of weapons systems and to *authorize independent audits of major contracts.*

Voted—

For *control of chemical, biological warfare.*

To trim military research, development, test, and evaluation programs by $45.6 million.

To require a *comprehensive study and investigation of cost* and projected costs and *effectiveness of aircraft carriers.*

To place a *monetary cutoff on military funds* used for independent research and development by contractors.

For a *study of profits of certain defense contracts* and contracts not subject to competitive bidding.

To place a ceiling on number of active duty armed service personnel and to require that for every man withdrawn from Vietnam, ceiling must be reduced one man.

Reluctantly voted for lower-cost ABM system to modestly proceed with our defense capacity. If arms limitations talks with Russia proceed as well as they have been going, there will be no need for the expenditures Congress authorized. Strongly opposed *Sentinel* system.

MONETARY AND FISCAL POLICY

Voted for *additional mortgage credit* during periods of tight money so nation's housing shortage will not become worse.

Voted—

To *lessen restrictions in real estate* with respect to rental housing and rehabilitation expenses to ease housing shortage.

To *cut oil depletion allowance* from 27½% to 23%.

To increase personal income tax exemption on a gradual basis for $600 to $750. Tax bill conferees adopted moderate *"Percy-Scott" approach.*

To require foundations to distribute greater percentage of their assets to charity.

Scott legislation pending

S. 1285, establishing a *National Economic Conversion Commission* which would study ways to return, without economic difficulty, to peacetime economy.

S. 2259, to provide *federal credit union facilities for low-income* neighborhoods.

S. 3077, to provide *tax credit for higher education expenses.*

POSTAL EMPLOYEES AND OPERATIONS

Scott legislation pending

S. 309, to *improve employee-management relations* in Postal service.

PRAYER IN PUBLIC SCHOOLS

Called for *public hearings* early next year *on* constitutional amendment to permit *voluntary prayer in public schools.*

SOCIAL SECURITY AND PENSION PLANS

Voted—

For *15% across the board increase in Social Security* benefits and automatic cost-of-living increase.

Not to restrict criteria for eligibility under Civil Service Retirement Amendment.

For provision to encourage optional early retirement for federal employees (Public Law 91–93).

Scott legislation pending

S. 1896, to include *dental, eye, and hearing aids* among benefits provided by the insurance program.

S. 2184, to include *prescribed drugs* under coverage of the supplementary medical insurance program for aged.

S. 2518, to liberalize conditions governing *eligibility of blind persons* to receive disability insurance benefits.

TRANSPORTATION

Voted to extend and *improve 1966 Auto Safety Law.*

Obtained FAA speedups for *air safety equipment* for Pennsylvania airports.

Supported expansion of *federal aid for airport facilities.*

Called for more attention to *high-speed rail service* for nation.

Scott legislation pending

S. 2581, to provide safety improvements for *highway grade crossings for high-speed rail passenger trains.*

S. 1070, to establish a *Commission on Air Traffic Control.*

S. 2050, to provide for increased and improved *air navigation policies* to increase safety of U.S. airways.

VETERANS

Sponsored and supported *expansion of veteran's education and training assistance.*

Sponsored and voted to make permanently and *totally disabled veterans eligible for outpatient treatment* for entire life (Public Law 91–102).

Voted to provide more *equitable compensation formula* and increased payments for veteran's widows (Public Law 91–96).

Proposed *new Senate Committee on Veteran's Affairs* to alleviate current haphazard approach to veteran's legislation.

Introduced bills to *incorporate* Jewish War Veterans, Catholic War Veterans.

Scott legislation pending

S. 2813, to increase Veteran's *burial allowances* to $400.

S. 700, to provide additional *national cemeteries* in Pennsylvania—the need is critical.

WELFARE

Scott legislation pending

S. 2986, chief sponsor of Nixon Administration Family Assistance Act designed to replace present wasteful, inefficient, and degrading welfare system with *bold reform.*

S. 2470, authorizes elderly to *exchange food stamps for meals* prepared and served by private *non-profit* organizations.

TIMBER YIELD

HON. LUCIEN N. NEDZI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. NEDZI. Mr. Speaker, the Committee on Agriculture has approved a bill, H.R. 12025, aimed at increasing the timber yield in our national forests. This legislation has given rise to considerable comment throughout the country, including editorial comment in the press. The Courier-Journal of Louisville, Ky., carried an editorial in its November 4, 1969, issue which clearly sets forth one side of the controversy which H.R. 12025 has engendered. So that my colleagues may be aware of The Courier-Journal's comments, I include the text of the editorial at this point in the RECORD:

A LICENSE TO PLUNDER OUR FORESTS

One trouble in keeping up with efforts to destroy the country's natural beauty is the tricky way the destroyers have of putting innocent names on the destructive bills they introduce in Congress. For example, the lumber lobby is pushing through Congress a thing called the National Timber Supply Act. That sounds reasonable, doesn't it? And it is one of the most dangerous pieces of anti-conservation legislation to come before Congress in years.

Taking advantage of a temporary shortage that sent lumber prices soaring last spring the lumber companies are trying to get permission to loot the nation's forests. This bill would let them do just that. It would let them step up the present rate of cutting, which is geared to tree re-growth and replacement, and would give them the right to cut timber in all national forest land not now set aside for recreation. It would give them the right to plunder practically all of Kentucky's Daniel Boone Forest, and possibly the area around and including the Red River Gorge.

WOULD UPSET THE BALANCE

In 1964 Congress passed the Multiple-Use and Sustained Yield Act for the specific purpose of protecting the national forests against just the type of activity proposed in this bill. It protects the forests to insure continued healthy growth of timber, and to balance the use of forests for wood, water, wildlife and recreation.

This bill would tilt the balance in favor of timber-cutting, and endanger or destroy the value of the forests for recreation, water and wildlife purposes.

The bill would not only let loggers cut timber areas now preserved as wilderness, but would create a "high yield timber fund" which would be devoted to "increasing the yield" of the forests. This does not mean that the fund would necessarily be spent on replanting; it could be used to build logging roads through scenic sections of the national forests that are now roadless. And it would permit the Secretary of Agriculture to allow practices that would assure yearly increases in the amount of timber cut.

Under the guise of relieving a lumber

shortage, it would give the cutters the right they have long been denied to raid the national preserve. It is not only a bad bill, but an unnecessary one. More than 90 per cent of all public forest is already open to cutting; this would simply let lumbermen cut more and faster without regard to the health of the forests or the demands of sensible conservation.

Furthermore, the private lumber industry is now exporting more than 4 billion board feet of logs and lumber a year, enough to meet shortages in domestic needs. Even with this huge export, the domestic shortage of which they speak has already been materially reduced. Lumber price increases are already down to almost half of what they were six months ago.

Wood is not the only material involved in the problem of providing housing for Americans, and it is not necessary to pillage the few remaining protected areas of national forest in order to solve the housing problem. What is being attempted here is a steal, at a hideous potential cost to future Americans. The cost is too high. Kentuckians are fortunate that Senator Marlow Cook, who has shown an awareness of the needs of conservation, is on the subcommittee considering this bill. He should help to kill it.

TECHNICAL SERVICES PROGRAM

HON. THOMAS J. McINTYRE

OF NEW HAMPSHIRE

IN THE SENATE OF THE UNITED STATES

Tuesday, December 23, 1969

Mr. McINTYRE. Mr. President, it was disappointing to learn that the supplemental appropriations conference committee did not approve the Department of Commerce's request for a supplemental appropriation of $5 million for the State technical services program for fiscal year 1970. After the original budget this year requested $5.3 million to continue this very worthwhile program the new administration this spring reduced the request to $290,000 for salaries and administrative expenses. The rationale expressed at that time was that the Commerce Department was awaiting an evaluation by an independent consulting organization which had been provided for in an earlier authorization bill. In September, I joined with the Senator from West Virginia (Mr. RANDOLPH) and the Senator from Oklahoma (Mr. HARRIS) in writing to the Department of Commerce and the Small Business Administration to question the cutbacks of technology transfer activities that had taken place in both agencies.

As a result of a very favorable report by the consultant, the A. D. Little Co. of Boston, it was decided that the State technical services program should be continued. Accordingly, on November 24, funds were sought to continue the program by way of a supplemental appropriation.

Mr. President, the Senate approved this request in full, but the House would not approve any portion of it, and the House prevailed in conference. I feel this is a serious mistake. The failure to grant this supplemental appropriation request will result in crippling, if not the abandonment, of any extremely valuable program. Because only administrative funds were requested through regular appropriations, the supplemental appropriations were counted on to provide funding for the cooperative State-Federal programs which are planned in nearly all the 50 States and four territories.

The State Technical Services Act was passed in 1965, and authorized appropriations of $10, $20, and $30 million for the first 3 years. In 1969 the legislation was extended by Public Law 90–422 with another $10-, $20-, and $30-million authorization.

Although appropriations have fallen short of these targets, at least the program has been kept going until this year.

Now it faces collapse.

This would mean that many potential benefits of the money spent thus far would be lost. The State technical services program involves State agencies, educational institutions, and business advisory groups which have worked closely together to bring the benefits of the billions of dollars of taxpayer-financed research within reach of everyone in their parts of the country. It has taken much effort, including the concurrence of Governors and State legislatures to set up these operating mechanisms. The start-up costs incurred thus far would be lost. In addition, the failure of the Federal Government to support a program which it initiated would create considerable ill will among people who have made commitments to this program.

ADVANTAGES OF THE STATE TECHNICAL SERVICES PROGRAM

I would like to mention some of the benefits of this program.

First, the State technical services program offers a systematic method of offsetting some of the competitive bias resulting from the high concentration of Government contracting.

Much of the technology resulting from Federal research and development activities has great national value beyond its original purpose. Because of this, technology transfer programs have been encouraged by the Congress and have now been developed in NASA, AEC, DOD, and the Small Business Administration.

The firms that regularly engage in Government contracts usually do not receive proprietary benefits from federally financed research. But where research has commercial relevance, they receive other benefits. These are an intimate association with new technology before others are aware of it and an experienced technical staff. These are obvious competitive advantages.

Firms that gain firsthand knowledge of new technologies through research contracts and other Government businesses do not need the State technical services or other technology transfer programs. In fact, when these firms use technology gained through profitable Government business to compete in the private sector they create the need, and what appears to be the moral obligation for the Government to provide programs which would help to equalize competitive positions. This obligation can only be discharged through programs which concentrate on small business and those businesses that do not have regular business relations with the Federal Government.

It should also be noted that a great deal of money is being spent by many Federal agencies to make results of publicly financed research and development available to industry. Unfortunately, there is a great difference between making technology available and having it used. State technical services programs, because of their State and regional orientation have the variety and flexibility to meet a wide range of unique needs that would otherwise inhibit the effective transfer and use of commercially relevant technology.

Second, the State technical services program is helping many industries learn to look outward for more efficient and effective solutions to problems which previously were solved internally.

Much of the Nation's industry, particularly in the older parts of the Nation, had its beginnings in an era when a large body of taxpayer-financed technology did not exist. But even then, trade secrets were jealously guarded because of the competitive advantage it provided. In prior eras, the only place where solutions to technical problems could be found was within the firm. Naturally, a tradition of looking inward developed, and is still a sound business principle in many contexts.

However, the explosion of available technical information outside the firm has created a new environment that is almost the reverse of that in which much of American industry experienced its greatest growth. This massive change has taken place over a very short timespan, basically since World War II. Is it any wonder that many businesses are not yet fully aware of the value of public technology or are not giving thoughtful consideration to ways of using it?

The program brings the awareness of the value of public technology to inner directed firms for the business of State technical services programs. In doing this, the program accomplished much more than can be demonstrated by a cost-effectiveness analysis. It reorients the attitudes of many firms in a way that will produce immeasurable benefits far into the future.

Third, the State technical services program is a positive tool at the disposal of the Federal Government to fight inflation.

Federal anti-inflationary actions are generally negative because they must curtail existing demand or consumption in order to be effective. Manipulation of the money supply and credit changes in taxes and interest, and even reducing Federal expenditures can, at best, only temporarily alleviate the pressures that cause inflation. Some of these actions, and especially those involving reduced expenditures through the elimination of effective programs, can actually perpetuate inflationary pressures. The decision not to fund the State technical services program is an example of such an action.

The only real cure for inflation is to encourage a climate of competition and dynamism where goods and services can be produced at lower costs and in greater abundance. Such increases in efficiency can be accelerated through the application of new technology. To meet the ever increasing demands which cause inflationary pressures, the rate which the technology is applied must be increased, and the extent to which it is applied must be broadened. The State technical services program has demonstrated the ability to profitably affect the rate and scope of technical application. The continuation of this process is so vital to long term price stability that the proper anti-inflationary position of the Federal Government should be to expand the program instead of withdrawing support.

Fourth, technology transfer programs are becoming increasingly important in world trade. The transistor was invented in the United States. But what country do you associate with the transistor radio? Some of our greatest competition for world markets is in fields related to technology developed in the United States, but other countries have well established technology transfer programs. The program in Holland was started in 1910. Japan has had great success in its emergence from World War II because of its wise use of technology. In Japan, as in any other country, small buinesses have not been able to acquire new technologies without assistance. The national government has become an active partner in providing new technology to the country's industries. Our business community will lose not only export opportunities, but sales in the domestic market if we do not provide equivalent opportunities to use the technology that has largely been developed through the use of their taxes.

It should be noted also that this program embodies the best attributes of Federal-State-local-private cooperation. To allow a successful program of this kind, with so many advantages, to die will be a serious blow to many of the values of democracy and free enterprise that sustain this Nation.

We must not allow the impression to be given that the Federal Government retains a lack of faith in the abilities of the States and the small business community to fully participate in innovative programs in the public interest.

My distinguished colleague from Vermont (Mr. PROUTY), recently made an excellent statement on this floor in support of this program.

In the course of the material he presented he included statements from the governments of nearly a dozen States setting forth the merits of the program and the need for its full funding.

One of these was from Mr. Zandy Taft, the coordinator of Federal funds for the State of New Hampshire. I will not ask to reprint this statement of Mr. Taft again, but I would call his fine argument in favor of the STS program to the attention of my colleagues. It appears in the CONGRESSIONAL RECORD of December 23, 1969, at page 41119.

Accordingly, I would strongly recommend that a further supplemental appropriation be proposed. I will actively support such efforts to gain adequate funding for the STS program.

THE LESSON OF PEARL HARBOR

HON. GLENARD P. LIPSCOMB

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. LIPSCOMB. Mr. Speaker, the cost to the Nation of preparedness is high but the cost of nonpreparedness is higher still and could be fatal.

That is a lesson of Pearl Harbor. But that lesson notwithstanding there are those today who would permit or even encourage that we forget history, forget Pearl Harbor.

The Post Advocate of Alhambra, Calif., however, has not forgotten and in its editorial of December 6, 1969, performs a distinct service by reminding us that the Nation emerged from Pearl Harbor "with the resolve that it would never again be vulnerable to surprise attack."

Today there is every reason to restate that resolve and for us to maintain and strengthen our country's vigilance and defenses. As the editorial correctly states, "the basic lesson of Pearl Harbor is as valid today as ever."

I take this opportunity to commend for the reading of every Member the editorial which follows, entitled "Forgetting Pearl Harbor?"

FORGETTING PEARL HARBOR?

Americans whose memories reach back to the first Sunday in December 28 years ago will never forget the shock and anger that swept the nation with news of the attack on Pearl Harbor.

The United States of America emerged from that national trauma with the resolve that it would never again be vulnerable to surprise attack.

Since that time the lesson of Pearl Harbor has been the basis for the vigilance and military preparedness that has kept U.S. military forces on duty in Europe and the Far East for a turbulent quarter of a century.

It is true that the world has changed significantly since 1941. Once the Japanese had decided to attack the United States it still required months of planning in utmost secrecy to reach the point where planes were droning toward Hawaii on that peaceful Sunday morning.

Today, however the time lapse between the decision by one nation to attack another and the explosion of the first missile warhead could be measured in minutes.

But the basic lesson of Pearl Harbor is as valid today as ever.

There are those who have argued for a quarter of a century that nuclear weapons have so utterly changed the nature of war that conventional ideas of armed strength and preparedness are out of date.

But Korea proved them wrong. Vietnam has proved them wrong. The Middle East is proving them wrong. Countless "mini-wars" erupt and subside to prove them wrong.

The United States is now embarked on a drastic reduction in the size of its military forces and curtailment of the military commitments abroad which have served as an underpinning of strength in areas of the world subject to Communist pressures. This anniversary is a time to ask whether we are now turning our backs on the lesson of Pearl Harbor.

Japanese warlords calculated in 1941 that the United States was so vulnerable, so ill-prepared for war that we could not recover from a sudden, devastating blow on our defenses. They were almost right.

Japanese thrusts at Hawaii and the Philippines left our Pacific forces in woeful condition. Only the tenacious spirit of units that survived to keep fighting and the support of an aroused American people carried us through the dark period that ensued.

Today the United States of America and her allies face hostile threats as menacing in their intent as the thirst for conquest that possessed the Axis powers a generation ago. What has prevented World War III is the combined strength of free world alliances that stands against the probing for weakness which has characterized every twist of Communist strategy since World War II.

It was weakness that invited the attack on Pearl Harbor to be sure, weakness can still invite a comparable disaster.

That is the lesson of Pearl Harbor, and it should be studied again and again for a simple reason: our enemies have studied it, too.

JEWISH FEDERATION ANSWERS SECRETARY OF STATE ROGERS

HON. THOMAS M. PELLY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. PELLY. Mr. Speaker, the Jewish Federation and Council of Greater Seattle has prepared a statement on the speech by Secretary of State William Rogers on U.S. policy in the Middle East.

The Federation regards the Secretary's recent remarks as a material retreat from the previously firm position.

For the information of my colleagues, the statement of the Federation and Council appears at this point of the RECORD:

STATEMENT ON SPEECH BY SECRETARY OF STATE WILLIAM ROGERS ON U.S. POLICY IN THE MIDDLE EAST

The Jewish Federation and Council of Greater Seattle views the recent speech by Secretary of State Rogers as a material retreat from the previously firm position of our country that the terms for peace in the Middle East must be arrived at by direct negotiations between Israel and the Arab states.

The statement by Secretary Rogers concerning "new formulas" discussed with the U.S.S.R. indicates for the first time that our country is deviating from its previously sound approach to the problem of Mid-East peace. In view of Soviet unwillingness to seriously consider limitation of arm supplies to Egypt and its other middle East allies, Secretary Rogers' statement constitutes a unilateral concession to Soviet-Arab interest.

This position is contrary to our country's best interests, as it encourages Arab intransigence, and convinces both the Arab nations and the Soviet Union that a continued uncompromising attitude will yield further benefits.

We therefore urge Secretary of State Rogers to reaffirm our country's long-established policy of encouraging direct negotiation between the parties involved. We further urge that so long as there is continued massive Soviet economic, military and political aid to the Arab states, it is to the United States' best interest to continue economic and military support to Israel.

DEDICATION OF NEW ALBANY, IND., LIBRARY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. HAMILTON. Mr. Speaker, I insert in the Record the speech I gave upon dedicating the New Albany, Ind., public library on December 7, 1969:

The Public Library is going through a boat-rocking time.

Once upon a time, libraries were monuments of marble and stone, symbols of civic and cultural pride, designed to impress the public with the wealth and the dignity of knowledge and learning. As working institutions, however, they often were more like mausoleums.

As a young boy I can remember frequenting public libraries in several communities where my family lived. They were uncomfortable. Often there was no space for chairs and tables, lighting levels drove me half blind. Clicking heals, a whisper, a falling book made me feel as if I was an intruder, in a private sanctuary.

It was a refuge for children, for old folks with leisure time on their hands, and for a small band of scholars who resented the interference of anyone else. I had the feeling that libraries were primarily for books, then for librarians, and only finally for my benefit and enjoyment.

If that is the way you think of a library today—then may I politely suggest, you are not "with it". Your generation gap is showing.

Libraries are becoming creatively responsive to the needs of people. These venerable institutions know today that to serve patrons they must do more than quietly dole out the books:

Story reading sessions are under way, using non-professional aids to bring enrichment to children.

Mobile units make their rounds sometimes stopping at a shopping area with library aides reading to children in a warm carpeted mobile unit while the mothers shop.

Community coordinators go to social, religious, service, and business groups to encourage to use the libraries' special services.

The local library is becoming a real asset to the local businessman, storing scientific, technical and management information that can save him time and money.

A library hostess may greet you and offer friendly, personal assistance.

Data processing machines and complicated electronic equipment cope with problems of information retrieval and subject indexing.

Special telephone lines link groups of libraries together, enabling a person to have access to materials beyond those in his local library.

Libraries are no longer warehouses for books and librarians are not guards. Libraries are being designed to display their books attractively and make them available, like a department store displays its wares, to catch the customer's eye and make access to them easy.

Today the library is well located convenient to the office worker, school children and the shopper. It is comfortable, with upholstered furniture and carpeting in all but the most heavily trafficked areas for comfort and to absorb sound. Available space is used flexibly, for small and large groups. Glass and color and interior decorating are used to make it attractive and inviting. Natural light is encouraged; glass walls attract the passerby; even a smoking lounge is permitted for adults and special facilities are arranged for children.

The library is becoming a focus for community pride, unique in appearance and function—a force for culture in the community. Today, libraries often are an educational asset to a community, offering reading classes for illiterates, English courses for adults, and foreign language courses. They come equipped with sophisticated sound systems, record libraries and rooms for listening to music.

In urban centers the library helps immigrants orient themselves to American life, and establish health and consumer education classes for welfare recipients. In suburbia, libraries offer great books, discussions, art galleries, American heritage programs.

Community groups are often found meeting in the library and the building is designed to accommodate them without keeping the entire library open.

The purpose is to make the library a familiar, comfortable, inviting place, providing much needed activity space and insuring maximum use of an expensive building.

All of these efforts are made to convert non-users into users. The result has been such that today the modern library is becoming as busy as the local supermarket.

We have come a long way since only the rich could afford books, as was true in early America. Benjamin Franklin and his friends who founded the Library Company in Philadelphia in 1736, and pioneered group buying and subscription libraries, would be amazed and pleased.

So would Andrew Carnegie, who gave more than $42 million to build over 2800 public libraries in communities across the nation, including one in New Albany.

Surely the poets—who have spoken of a library as "medicine for the soul," a "hospital for the mind," a "diary of the human race," the "memory of the human race," a "dukedom large enough," a "place to beguile your sorrow"—would applaud the modern library.

There are those who suggest that libraries of the future will have no books in them at all—all the books will be placed on microfilm and the reader will have the world's knowledge at his fingertips. Model photographic and electronic library systems are already in use.

Libraries face formidable challenges in the years ahead with growing populations, rising educational standards, and the information explosion; 100,000 librarians are needed today and we are short hundreds of millions of dollars in library construction funds. Undoubtedly automation will solve many problems, but for the immediate future, the book is not about to go out of existence and will only increase in numbers.

We live, of course, in a time of an explosion in knowledge. Man's accumulated knowledge doubles every ten years. One man simply cannot keep up with the developments a decade has seen. Thirty-seven new nations in Africa have become independent. We have lasers, masers, DNA, RUA, the new mathematics, and the exploration of the moon in the sciences. I am told that a graduate from Purdue University in June of 1970 will find that one-half of everything he learned will be obsolete in eight years.

Even my dictionary reflects the growth of human knowledge. Think of the new words that have come upon us in recent days: Viet-cong, telestar, splashdown, LSD, hippie, Watusi.

The other day I was flipping through my children's set of World Book Encyclopedia. Described for them were such things as Vostok 1, Gemini 5, radioisotope biochemical probes, bioastronautics, advanced methods of heart surgery, implantation of artificial organs.

And with the explosion of knowledge has come an explosion in books. Total sales in publishing in 1954 amounted to $700 million. This year it will come to 2½ billion dollars. Just to pick out the volumes to put in a library is a task for a professional.

But this vast explosion of knowledge is not without danger. It is like fire—an invaluable blessing and an agent for destruction.

Its benefits are obvious: it will increase the yields from our fields and multiply the fruits of the earth. It makes time and space collapse. For 5000 years of recorded history, the only way man could travel faster than a horse was to fall out of a tree. Today in space he travels 25,000 miles per hour.

It causes the family of man to live in a shrinking house. Population, science, technology, industrial output, consumption—all accelerate at fantastic speeds. The impact of technology is upon us. In a few years, supersonic aircraft will fly from New York to Paris in a little over two hours. Today, satellite communications bring us knowledge of events half a world away instantaneously, and electronic computers store vast amounts of information gathered from far flung corners of the world.

The benefits from the explosion of knowledge come to us from abroad, too. The United States does not have a monopoly on brains. It was the Russians who put the first satellite into orbit and a South African who transplanted the first human heart.

Do you recall Astronaut Frank Borman's statement about his flight to the moon? He said, "We truly stood on the shoulders of giants." And then he mentioned them: Newton, an Englishman; Galileo, an Italian; Copernicus, a Pole; Keppler, a German; Jules Verne, a Frenchman; Oberth, a German; Tsiolokovskiy, a Russian; Goddard, an American; Konovak, a Russian; Grissom, White, and Chaffee, Americans.

Borman concluded: "And if Apollo 8 was a triumph at all, it was not an American triumph, it was a triumph of all mankind."

We will benefit from the wit and wisdom of all mankind—provided, of course, we have access to it. The library is the institution charged with the task of storing it and indexing it so that we can use it.

The dangers from the explosion of knowledge are not as generally recognized. If we are not careful, these benefits can come to us at a fearful price. It can place around our necks the yoke of highly specialized learning. It can bind us to the whims of a few who have access to the knowledge explosion.

You and I cannot become conversant with all there is to know. There is a tendency to rely upon specialists for the truth because we have little or no total understanding.

Specialization can breed ignorance in those who are not specialists. Ignorance can lead to excessive reliance upon those who have knowledge or to indifference. The specialist can become arrogant, or thirsty for power and control. He can easily persuade himself that only he and his colleagues should participate in the decision-making process.

The solution to these risks is to preserve, make available, and distribute the knowledge of mankind. Some institution must do this for us, and be charged with the task of perserving the heritage of rational and spiritual inquiry. Several institutions serve that vital purpose in a free society—the schools, the churches, and, pre-eminently, the library.

This library, then, serves as an institution to preserve and disseminate the spirit of balanced inquiry, to reconcile those who seek to know how and those who seek to know why. This spirit has guided the world from the days of ancient Greece to the present.

This building is dedicated because it is among the most important buildings in the community.

It is open to all persons.

It stores and catagorizes the wit and wisdom of the world.

It is staffed by persons who follow a noble pursuit—helping people to expand their knowledge and to enjoy their leisure as they read for pleasure.

It is an essential part of your educational system.

It is one among over 70,000 libraries in the U.S., forming an invaluable educational and recreational resource for us all.

It makes available to all persons in this community a comfortable and pleasant place to read, to meet friends, and to discuss matters of urgency and importance to the people of this community in the finest traditions of a democratic society.

It reminds us of what some few people in this community have done by the application of intelligence, energy, skill and time to enhance their community.

It serves a noble purpose: the free access to and exchange of information without which the democratic system would be, in the words of Ezekial, a valley of dry bones.

And, it stands in the city as a symbol of hope that all mankind will be guided by reason and human wisdom in our common efforts to enhance and enrich the quality of our lives.

For these purposes, then, this building of grace and distinction is dedicated. May God richly bless all who read and study and meet here.

COLLISION AVOIDANCE

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. PUCINSKI. Mr. Speaker, my interest in air safety extends back to World War II when I was flying bombers in the Pacific. Today, with more and more planes spending more and more hours in the air, aircraft safety must be one of the most important considerations of our technological society.

Since coming to Congress in 1959, I have endeavored to improve air safety through such means as the cockpit voice recorders which are now standard equipment on all commercial air carriers, through increased funds for airport improvements, and through specialized technological developments to assist pilots in every way possible.

One of the major concerns of all airlines is the development of a foolproof collision avoidance system—a device that will warn pilots in time to avert a disaster. Despite the world-renowned skill of American aviators, the crowded sky has become far too hazardous for any crew to navigate without substantial assistance and support. One of the men devoting a great amount of time to the subject of collision avoidance is Frank C. White, an electrical engineer on the management staff of the Air Transport Association. Mr. White's intense dedication to the realities of air safety and his determination to seek every avenue to continually improve that air safety ranks him among those outstanding men who enjoy solving difficult problems undeterred by the staggering challenge of those problems. Mr. White's experience and his persistence in striving to obtain maximum effort from the aircraft industry to improve their technology are well known throughout the air industry. He deserves the highest praise of civilians as well.

Recently, Business and Commercial Aviation described Mr. White and his efforts for its readers. I recommend this artcile to my colleagues, for it proves again what one indispensable man can add to the improvement of our highly complicated society. The article follows:

MAN OF THE MONTH: FRANK C. WHITE—MR. COLLISION AVOIDANCE

If and when an airborne collision avoidance system becomes a reality, all the aviation world will very likely owe a debt of gratitude to a quietly dynamic 53 year old electrical engineer on the management staff of the Air Transport Association of America. For 13 years, Frank C. White has been the prime mover behind the scheduled airlines' search for an airplane-installed anti-collision device. Hundreds of aspiring inventors, egg-headed scientists, practical engineers and contract-seeking salesmen have brought him their verbal ideas, paper sketches, mathematical analyses and breadboard prototypes—all eagerly hoping that he would open the first doors for airline acceptance.

White personally examined every proposal, sometimes impatiently, often dogmatically, but always expertly. Few men in the aviation world have had a better understanding of the midair collision problem with all its complex parameters. No one has been more dedicated to its solutions.

White has persisted in his search for a way out of the collision threat dilemma during a decade when airline management interest in an airborne anti-collision device was waxing and waning. Emphasis was continually shifting from an airborne method to placing full reliance on better ground-based air traffic control.

White and the airlines have been bitterly criticized by many potential contractors for their reluctance to release any study or development contracts and their insistence that the contractor first build his better mousetrap for the airlines to evaluate—and, possibly, buy. This was a 180-deg twist for most of the technical companies which had the capability of contributing to collision avoidance development. They had been accustomed to dealing with the military where studies and development work were funded by the agencies involved. White and ATA adamantly felt the airlines should buy a CAS just the way they purchased other avionics—even though this device required a research breakthrough.

B/CA also criticized White and ATA for their frugality in allocating funds toward the solution of this vital problem. It pointed out that the airlines had spent far more for in-flight movies, for example, than they had for collision avoidance. Nevertheless, neither B/CA nor any of White's critics could fault the man for his unrelenting search for the answer.

Largely through his efforts, four major firms in the electronics industry have produced flying prototypes of a so-called time frequency CAS which appears to have the capability of providing a reasonable solution. ATA has committed some $2 million for a flight test program scheduled to be completed by the end of this month.

White has been an airline-man since 1938 when he went with National as superintendent of communications. His one hiatus from airline servitude was in World War II when he lent his technical talents to the Navy, for which he was commended with the Legion of Merit. White still holds a lieutenant commander rank in the Naval Reserve.

Officially, Frank White is listed as manager of communications and data processing for ATA. However, the job has spilled over to include many other facets of airborne electronics—for example, CAS, proximity warners and airborne weather radar. White was largely responsible for the fleet-wide installation of weather radar among the airlines. This, in turn, inspired its adoption by thousands of aircraft in general aviation. Last year, Flight Safety Foundation presented him with its annual award for his contribution to the development of airborne weather radar.

The ATA superintendent is married and the father of two and grandfather of three. Though generally unknown, except to his confidantes, White spends part of his vacation each year in Brazil where he works for a mission supported by his parish church in Maryland.

Another avocation is ham radio. White has a sizable radio station in his home and is part of the military/amateur Mars network.

While suave and voluble lobbyists like its president Stuart Tipton typify the ATA to business flyers, dedicated men such as Frank White have made the organization the viable and valuable asset it is not only to the airlines but to all facets of civil aviation as well.

—J.H.

A CHAIN OF SHIPS—TRIBUTE TO MSTS

HON. EDWARD A. GARMATZ

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. GARMATZ. Mr. Speaker, many persons think of the MSTS as another shipping line, used to transport our men and materials wherever needed. In the November 1969 issue of the U.S. Naval Institute Proceedings, there is an article written by Capt. Edward F. Oliver of the U.S. Coast Guard, which gives detailed information on the splendid work of the MSTS in delivering the goods to Vietnam, not just port to port, but to the area where needed, despite numerous obstacles and dangers. Because this is a matter of great interest and concern to all Members of Congress, I am inserting it in the RECORD for their information and careful reading:

A CHAIN OF SHIPS

(Photography by Chief Journalist Byron S. Whitehead, Jr., U.S. Navy; text by Capt. Edward F. Oliver, U.S. Coast Guard)

The ships and the know-how. Today, as always, these elements of seapower are essential to the success of the logistic support of a major military effort being conducted far from our shores.

Today, as in years, and wars, past, this basic seapower truth continues to be demonstrated in Vietnam, where, for four years, the Navy-operated Military Sea Transportation Service (MSTS) has moved approximately 97 per cent of the materiel of war in what has become, probably, the longest military sealift in history.

While the story of MSTS operations has been chronicled on various occasions, such accounts usually overlook a significant aspect of that support effort—the beyond-the-beach delivery accomplished by the MSTS Office in Vietnam (MSTSOV) through its shallow-draft operations in moving a high percentage of in-country cargo from the point of initial off-loading to the ultimate customer-user, the combat unit.

Because even the professional observer tends to regard the MSTS as something of a military-type "Moore-McCormack/American-Isbrandtsen Lines" that operates between the world's major ports, presented here is another view of the "chain of ships" which serves to deliver the nation's instruments of war wherever they are needed.

The MSTS ship "links," now about 150 in number and extending halfway around the world, move an unending stream of military supplies to the Republic of Vietnam. Thirty-six million measurement tons of cargo were consigned to MSTSOV from 1965 through 1968, averaging nine million tons per year. At the height of the military buildup in 1967, there were over 300 ships engaged in the sealift. The freighters making up this supply line are mostly World War II ships, owned by the U.S. Government and controlled by MSTS. Today, there are 101 in service. The rest are privately-owned ships, each one time-, space-, or cargo-chartered to the Military Sea Transportation Service.

The Vietnam office of MSTS is headquartered in an old building on the banks of the Saigon River in the heart of Saigon. Small, six-man sub-units are located at Da Nang, Qui Nhon, Cam Ranh Bay, Chu Lai, Nha Trang, Phan Rang, Tuy Hoa, and Vung Tau.

The Port of Saigon, located 38 miles inland from the South China Sea, is the main deep-draft port in South Vietnam. There are two other principal deep-draft ports, at Cam Ranh Bay and Da Nang. One-third of all logistic support cargo is off-loaded at Saigon. The long quay on the muddy Saigon River, and the docks at the recently constructed new port (called "Newport") at the edge of the city, an addition to Saigon Port, can accommodate 35 deep-draft ships.

Although the river is congested with sampans, junks, and barges, there is a mooring area that can accommodate another 12 large freighters.

From Saigon Port, cargo is transshipped by shallow-draft craft to "upcountry" and "down-country" ports.

An ammunition discharge terminal at Cat Lai, six miles from downtown Saigon, near the junction of two rivers—the Saigon and the Dong Nai, is considered to be part of the port. Here, ammunition-laden vessels off-load cargo into waiting barges in an around-the-clock operation. As quickly as one vessel is emptied and slips her moorings, another vessel is upbound from Cape St. Jacques (Vung Tau) on the South China Sea to take her place in the line.

To reach Saigon, ships must transit the twisting Long Tau River, in a trip that takes four hours and requires the services of a Vietnamese pilot who is familiar with the tricky currents and shifting sandbars. The Long Tau bisects the Rung Sat Special Zone ("Assassins' Forest"), long a haven for anti-government forces. Each morning U.S. Navy minesweepers (MSBs) clear the main channel—then sweep the river continually during the day for contact and influence mines.

Because the Long Tau is the main shipping channel between Saigon and the South China Sea, it must be kept open for the 20-odd ships which transit the river each day. If a large ship should be sunk in the narrow channel, the only access to Saigon would be blocked. Two large freighters, the American *Baton Rouge Victory* and the Panamanian *Eastern Mariner*, were sunk by mines, but did not block the channel. In the past year, the tempo of Viet Cong attacks, by rockets, recoilless rifles, mines, and small arms fire has increased. Since 1965, there have been attacks on 102 vessels, and in the past two years 38 vessels have sustained hits with some loss of life and varying degrees of damage.

High in importance in MSTS operations is the movement of petroleum, oil, and lubricant (POL) products to Vietnam, where the unprecedentedly high rate of aircraft employment has required a tremendous quantity of jet fuel (JP-4).

As a result, a small fleet of MSTS-contracted tankers—approximately 10 per cent of the world-wide MSTS tanker operation—has been engaged since 1966 in providing two massive fuel lifts to Vietnam, one from the Persian Gulf, and the other from the U.S. Gulf Coast. In 1968, 28 million barrels of POL were moved to Vietnam in this manner, 24 million barrels of which were JP-4. Sixty per cent of POL brought to Vietnam in support of the war effort has been carried in commercial tankers.

The two principal discharge ports for MSTS-operated tankers are at DaNang and Cam Ranh Bay, where there are floating storage tankers under MSTS control. Three small MSTS T-1 tanker provide for the intra-country movement of POL.

Once the sealift freighters off-load cargo at the major ports of Saigon, Cam Ranh Bay, and DaNang, intra-country operations begin. The poor condition of South Vietnam's highway and railroad systems require that supplies for combat units be delivered either by water or air. Since the country has an excellent waterway system, it is ideally suited for shallow-draft vessel operations.

Of the nine million measurement tons of military supplies landed in South Vietnam in 1968, three and one-half million tons were transshipped by the MSTSOV shallow-draft division. The division is made up of Alaska Barge and Transport Company (AB&T) tugs, and United States Naval Ships (USNS) tank landing ships (LST). The LSTs move approximately 65 per cent of the in-country cargo and AB&T vessels carry most of the remainder.

Alaska Barge and Transport Company gained its expertise in unorthodox cargo operations in the Arctic Ocean during the construction of the Distant Early Warning Line.

The AB&T mission is to off-load cargo from ocean freighters and move it to up- or down-country destinations in an effort that involves 15 oceangoing tugs, five harbor tugs and a large fleet of flat barges, all manned by civilians. In 1968, over one million measurement tons of military supplies were moved in this manner.

AB&T has its base of operations in Saigon, with operating facilities at Vung Tau, Phan Rang, Cam Ranh Bay, Nha Trang, Qui Nhon and DaNang, and the familiar Indian Head insignia on its vessels can be seen almost anywhere in Vietnam where there is water. The tugs have operated within sight of the Cambodian border and up the coast as far north as Hue.

The ubiquitous tugs and their cumbersome tows have often transited the rivers of the Delta unescorted and with only a small contingent of military police on board for security. On numerous occasions they have been under Viet Cong rocket and recoilless rifle attack. Following the Tet offensive in early 1968, the tug *Michael* was hit in the wheelhouse by five rockets. The master and mate were killed.

In addition to barge-towing, the tugs engage in salvage operations, in fire fighting, in providing lighterage and stevedore services, and when required, support combat operations. In this latter role, nondescript tugs, on several occasions, have landed combat troops on some isolated stretch of beach.

The 24 civilian-manned LSTs, all of World War II vintage, are well suited for operations in the shallow waters of coastal inlets along Vietnam's coast, and in the Mekong Delta and Rung Sat Special Zone. They operate the entire length of the 1,000-mile South Vietnamese coastline to serve some 38 in-country berths, ramps, and beaching sites.

In addition to the 24 USNS LTSs under continuous MSTSOV control, there are several U.S. Seventh Fleet LSTs under temporary MSTSOV operational control.

The LSTs have also performed ably as troop transports. During 1968, an average of 4,000 troops were lifted each month by LSTs. Every large-scale military operation requiring the movement of troops in-country, such as Operation Oregon, has depended on a sealift by USNS LSTs. Another example was the relocation of U.S. Army Forces south to the Delta during October 1968. All movements of Free World forces between Thailand, the Republic of the Philippines and South Vietnam have been made by LSTs.

Besides the movement of millions of tons of logistic supplies in the traditional break-bulk freight method, MSTS has been instrumental in the development of one of the most advanced techniques of cargo movement in military history—the use of containerships. The MSTS-contracted containership shuttle between the U.S. West Coast and Vietnam has demonstrated the feasibility of moving military supplies to a beach enclave and then transshipping the supplies inland with maximum security and a minimum of handling.

To accomplish this, in 1967, MSTS contracted with Sea-Land Service, Inc., to provide containerships, together with their vans or containers. The first containership, the SS *Bienville*, arrived at DaNang in July 1967 with 226 vans. These 35-foot vans contained 7,221 measurement tons of cargo, and the off-loading was completed in 15 hours, compared to the five days that conventional off-loading would have taken. Since that date, a containership has arrived every two weeks at both DaNang and Cam Ranh Bay.

Sea-Land now has eight containerships operating as part of the Vietnam sealift: three converted C-2s, which are equipped with their own cranes for off-loading, shuttle between the Oakland, California, Terminal and DaNang, each carrying 226 vans; four jumboized C-4s, each carrying 609 vans, call at Cam Ranh Bay, and another C-4 containership runs a fast shuttle service between Cam Ranh Bay and Saigon with reefer vans and high priority cargo. The C-4s are not equipped with gantrys, so the vans must be unloaded by shore equipment. To facilitate the operation, a towering gantry crane was constructed on the DeLong pier at Cam Ranh Bay. Today, in less than 24 hours, these cargo containerships turn around and head east, back across the Pacific.

In 1968, a total of 60,181 vans, containing over two million measurement tons of supplies, were landed in Vietnam. The pattern of logistic support established by this sealift operation will be closely studied for future military use.

In addition to the dry cargo and POL brought to Vietnam by the MSTS-operated sealift, an unpublicized aspect of the overall support operation has been the transportation of troops by sea.

A massive movement of military personnel commenced in 1965 with the augmentation of U.S. forces from 50,000 men to over half a million. All military dependents' travel by sea was canceled, and the six MSTS transports operating between Europe and the United States were reassigned to move troops to Vietnam.

The USNS *Darby* and USNS *Patch* made the longest U.S. troop lift in military history—they transported 4,000 soldiers from Boston to Vung Tau, a distance of 11,272 miles. Two out of every three of the original half-million U.S. troops sent to Vietnam were transported there by MSTS transports. During 1968, the USNS *Upshur* and *Geiger* carried over 100,000 Republic of Korea (ROK) troops between Korea and Vietnam.

Three of the large transports, the *Upshur*, the *Geiger*, and the *Barrett*, now serve in Far East waters, two in an operational status, one in a standby status. Thirteen transports have been placed in reserve.

That MSTS has successfully fulfilled its mission of controlling the movement of shipping engaged in the logistic support of U.S. and Free World forces in Vietnam was evidenced earlier this year when the Secretary of the Navy presented MSTSOV the Navy Unit Commendation—the first time in the 20-year history of the Military Sea Transportation Service that one of its units earned such an award.

As in no other way, perhaps, the citation recognizes the unusual nature of the MSTS effort in Vietnam, where its traditional function of "maintaining security through sealift" has now been extended to include "to the beach—and beyond."

TWO MARYLANDERS KILLED IN VIETNAM

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. LONG of Maryland. Mr. Speaker, Pfc. Raymond O. Novasad and Seaman E. Leon Goodman were killed recently in Vietnam. I wish to commend their courage and to honor their memory by including the following article in the RECORD.

GI, SEAMAN FROM MARYLAND ARE LISTED DEAD IN VIETNAM

The Pentagon released the names yesterday of two more Maryland servicemen who have died in Vietnam. They are:

PFC. Raymond O. Novosad, 19, of 600 block Oella avenue, Ellicott City. He died in action October 15 in Central Vietnam.

Seaman E. Leon Goodman, 19, of 28 Bunche Street, Annapolis. He died aboard his ship October 15 after having had a tropical disease.

Private Novosad was a native of Howard County. He attended parochial schools and graduated from Catonsville High School in 1968.

LETTER OCTOBER 11

Before entering the Army in January, 1969, he worked as a letter carrier in the Ellicott City Post Office and also attended the Community College of Baltimore, where he took business courses.

His family received a letter from him October 11, in which he wrote about his experiences in Vietnam. In an earlier letter he wrote about his plans to enroll in college under the GI bill after completing his military service.

Private Novosad, who had been in Vietnam since late August, is survived by his parents, Mr. and Mrs. Nicolaus Novosad, of Ellicott City.

Seaman Goodman was a native of Baltimore, where he attended School No. 57, Lombard Junior School. When his father, Robert Goodman, who lived at 1522 East Eager street, died four years ago, he moved to Annapolis to live with an uncle.

Before entering the Navy in November, 1968, he worked at the Naval Academy in Annapolis as a custodian.

Seaman Goodman is survived by his uncle and aunt, Mr. and Mrs. Aaron Tuddles of Annapolis. He has also an aunt living in Richmond.

THE ACCOMPLISHMENTS OF THE FIRST SESSION OF THE 91ST CONGRESS

HON. HALE BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. BOGGS. Mr. Speaker, the first session of the 91st Congress is now recorded in the annals of history. Although important decisions remain to be made in the second session, actions taken in the first session are of great import to all Americans.

The temper of the American people has penetrated this body. Questions of national priority have been of great concern to Members of the House. Hence, we witnessed during the first session a diligent scrutiny of military spending and reassessment of expenditures in the domestic arena. Our legislative record reflects these twin concerns.

The 1969 session faced the reality of inflation and spiraling increases in the cost of living.

We have acted to correct many of the inequities in our Nation's present tax structure. The mood of the country has expressed clear evidence of discontent over high taxes and inflation. Certainly, spending and tax reform then were basic issues in the first session of the 91st Congress. With the Vietnam war still going on, inflation is an even more serious problem than it was in 1968. Probably no other item of legislation has received as much attention in Congress this session than the Tax Reform Act.

In the aggregate, the act reduces taxes over the next several years, and more specifically contains $9.1 billion in tax relief directed primarily at low- and middle-income Americans. Relief would be provided to the over 5 million persons with income below the poverty line, nearly all of whom would be fully relieved of tax liability in 1970. Relief would also be provided to those who use the standard deduction—primarily those who live in rental housing—to single persons. High-salaried persons would benefit from a provision limiting the marginal tax rate on earned income to 50 percent.

Another relief provision raises the personal exemption to $650 next July 1, to $700 in 1972, and to $750 in 1973. All taxpayers would benefit from proposed reductions in bracket rates ranging from 1 percentage point in the lowest taxable income brackets to 50 percentage points and more at upper levels.

We have included a variety of curbs on tax shelters, which mainly affect those Americans with more than $100,000 in income. These include a minimum income levy that would insure that no wealthy American would escape taxation, reduction of deductions in proportion to excluded income, higher taxes for financial institutions, limitation on the use of accelerated real estate depreciation, tougher treatment of capital gains, the first taxation of private foundations in history plus stricter regulation of them, curbs on deductions for hobby farm losses, stricter rules on charitable contributions, and a number of others.

With the $9.1 billion in relief, and $6.6 billion in reform there is a net revenue loss of $2.5 billion. However, this figure does not include added revenues estimated at $4.3 billion next year and $800 million in each of 1971 and 1972 from extension of the income tax surcharge at 5 percent through next June and postponement of scheduled cuts in telephone and auto excise taxes. These added revenues will reduce the loss incurred by relief provisions in the Tax Reform Act.

The House acted to modernize the process by which the American people elect their President and Vice President. In a historic action, the House voted to abolish the electoral college, which has elected the President since the beginning of the Republic. The amendment adopted in the House provides for a direct, popular election. Passage marked the first time that either House had ever approved direct election of the President. Only twice since 1804, when the 12th amendment revised the electoral college system, had the House considered basic electoral reform. Both times, in 1826 and 1950, it rejected change.

Under the proposed amendment, if no candidate received at least 40 percent of the popular vote, the winner is determined in a runoff election between the top two candidates.

Termination of the present system will prevent the possibility of a contingent election in the House in case no candidate receives a majority of electoral votes. The new system would also end the possibility of an elector, unknown to most voters of his State, casting his electoral vote for someone other than his party's candidate. It would end the winner-take-all rule by which the winner of the popular vote of a State, even if only by 0.1 percent, receives all the electoral votes of that State.

By eliminating some of the inherent threats in our present electoral system, the House has enacted one of the most far-reaching proposals to affect the democratic process in our Nation.

Congress has taken cognizance of the complex domestic problems facing our country in this past year. We have strengthened incentives for urban renewal by extending for 1 year most major housing programs in the authorization of $4.8 billion. This amount provides an additional thrust to current Federal efforts to make more housing available to low-income families by requiring that displaced families be provided decent housing. Each slum home or apartment unit razed by an urban renewal project is now to be replaced by a new or rehabilitated low-income dwelling unit within the city or county.

A major criticism of urban renewal over the years has been the replacement of slums with luxury apartments and shopping centers with little done to help the poor find better housing. The new program does provide for a stronger relocation program to provide more low-income housing within a community, if not direct relocation to a new building.

This new housing could be provided under any of a number of Government-aided programs ranging from public housing to a new program providing interest subsidies for poor families buying homes.

The measure sets a ceiling on public housing rents at 25 percent of a tenant's income. There has been no ceiling in the past and rents have at times exceeded 50 percent of income. Language was also approved directing Federal housing officials to do all possible to eliminate restraints against the rise of technological advances in housing.

We have continued to meet the challenge of providing an adequate assistance to education in America, with extension of the Elementary and Secondary Education Act. By extending the 1965 provisions, the House approved a 2-year continuation of $5.3 billion to fund all ESEA programs of those programs of aid to federally impacted areas. It maintains through fiscal 1972 the authorization level for fiscal 1970, which amounted to $4,368,500,000 for all ESEA programs, $702,407,000 for existing impact aid programs, and $235,000,000 for the new public housing impact aid programs. A provision also allows a State education or other public agency to take over programs of education for institutionalized, neglected, and delinquent children if the State determined a local educational agency not to be performing adequately.

There is pressing need for this Federal assistance to education in the United States. These amendments are consistent, in theory, with the historic concepts of educational responsibility, for they were passed—in the main—to meet a monetary need beyond the capacity of local and State resources. Congress has recognized that local authorities require significant outside assistance in order to provide disadvantaged students with the educational equipment they must have to become participating, contributing citizens in our society. Without the 2-year extension, local and State authorities would be denied the program continuity and advance funding required for proper financial planning.

The House approved subsidies to State and local school districts to provide free or reduced-cost breakfast and lunch programs in elementary and secondary schools. Passed as amendments to the National School Lunch Act of 1946 and the Child Nutrition Act of 1966, the measure made three major changes: it established eligibility standards by which children would be selected for free or reduced-price lunches; it authorized advance funding for the school lunch programs; and it changed the requirements on State matching funds to require additional contributions from the States.

While local authorities are to determine eligibility, a systematic plan is to be applied to all families, to be based on criteria which include level of family income, number of members in the family, and number of children from the family attending school. With the wide variations across the country in the problems of undernutrition among children and in the operation of child food programs local districts and the States are the logical focus for the development of eligibility standards. For fiscal years 1971 and 1972, States must provide funds for the school lunch program from State tax revenues in amounts equal to at least 4 percent of the matching requirement. Tax resources are to provide an additional 2 percent in each succeeding fiscal year until such revenues equal 10 percent of the matching requirement.

In the area of civil rights, the House approved a modification of the Federal Government's powers to send voting registrars and examiners into areas with a history of racial discrimination, by permitting asignment of Federal registrars nationwide rather than just to certain Southern States as the 1965 Voting Rights Act does in practice. The measure also suspends literacy tests in every State in which they exist and provides that anyone moving into a State not later than September 1 before a November election shall be eligible to vote for President. Several States at present require residence of a year or more.

Recognizing the plight of our older citizens whose fixed incomes are being ravaged by inflation, we have provided for an across-the-board increase of 15 percent in social security benefits. Since social security payments were increased, a year and a half ago, the cost of living has increased 10 percent. However, the token increase at that time left the majority of social security recipients living on incomes below the subsistence level. At present there is no provision in their benefits for escalation in line with the steady increase in the cost of living. Meanwhile, the sources of income for older Americans are limited and full-time employment exceedingly difficult to find.

These citizens cannot be blamed for their plight and they should not be required to suffer as they do now. At present there are 1.2 million elderly social security recipients who must rely on old-age assistance. The average social security benefit is less than one-third of the $3,900 which the Bureau of Labor Statistics says is necessary for a modest standard of living. The 15-percent increase means that the approximately 25 million people benefiting from social security payments can enjoy a more adequate standard of living. These include not only our senior citizens, but widows with minor children and disabled veterans as well.

Congress also extended programs for grants to community planning and training for the elderly for a total of 3 years. Authorizations were increased to a total $252 million for activities under the 1965 Older Americans Act which has led to a more creative life for elderly, retired citizens.

Under title III, for example, approximately 1,100 projects have been funded in all States and territories except for the four which do not have approved plans. Under these projects 83,000 older Americans were served through home maintenance; 41,000 benefited from special transportation services for those without available public transportation; 47,000 received personal counseling services; 290,000 participated in recreation and leisure-time programs; and thousands of older Americans received services appropriate to their needs.

In all, it is estimated that over 600,000 older Americans are being served under title III. However, at the present time in the United States, out of a population of 203 million, 20 million persons are 65 or over. With extension of assistance to State agencies in coordination and planning of services and training programs, volunteer service grants, research grants, we are on the way toward forging an active program to realistically meeting the needs of our senior citizens.

In an effort to aid those families with dependent children, we removed the present limitations on Federal participation in the grant program to States for financial aid and services to needy families with children. The repeal of the provisions limiting Federal matching and the number of children eligible for assistance aid which was included in the Social Security Amendments of 1967, reflected concern for responsibility to insure aid to those dependents in families with no father and no income to alleviate the neglect and lack of adequate food and shelter. With Federal aid assured, the burden on the States will be lifted and the threat of lowered benefit payments due to lack of adequate funds in the States will be alleviated. It would be virtually impossible for the State and local governments to assume 100 percent of aid-to-dependent-children payments. It is undoubtedly clear that had we not removed the freeze provision of the 1967 act, most States would have been required ultimately to have reduced benefit payments for all recipients and, probably on top of that, to increase their eligibility standards, thereby making it more difficult for individuals to qualify for assistance under the program. This is most definitely a positive attempt to cure the serious welfare problem to help alleviate the extreme hardships encountered by great numbers of innocent and blameless children.

With the acceptance of public responsibility for new health services, the House extended for 3 years the present program of matching grants to the States for construction and modernization of health facilities. We also established a new program of Federal guarantees for loans made for construction or modernization of public or nonprofit private hospitals and other health facilities, with an added provision for an interest subsidy on such loans. Appropriations of $937.3 million over the 3-year period were authorized to include $405 million for hospital construction grants, $165 million in modernization grants, and $300 million for construction of facilities for long-term care, diagnosis and treatment, and rehabilitation.

Since the inception of this program, over $3 billion in Federal funds have been matched by slightly over $7.2 billion in non-Federal funds, leading to the construction and expansion of over 9,800 facilities. These projects have provided 425,000 inpatient care beds in hospitals and nursing homes, and have provided approximately 2,800 other health facilities such as public health centers, diagnostic and treatment centers, and rehabilitation facilities.

At present there is however need for an additional 85,000 acute care hospital beds, 893 public health centers, 164,430 additional long-term beds, 872 diagnostic and treatment centers and 368 rehabilitation facilities, at a total estimated cost of $5.3 billion. There is no question of the continuing need for correcting these serious deficiencies in the area of health and patient care, at which this legislation is aimed.

While it is of utmost necessity to improve and expand our construction and modernization programs, it is imperative to maintain a qualified, responsible public health personnel. We have provided an extension for 3 years of formula grants to schools of public health to assist graduate training to upgrade our professional public health personnel training. The common objective of these formula grants, project grants, and traineeships is to increase the supply of well-trained public health personnel. For many years agencies concerned with community health programs have been faced by shortages of professional personnel with such training. Approximately 5,400 positions in State and local health departments are currently vacant or filled by individuals lacking appropriate training. This represents one-third of the total positions that require advanced training in public health.

To meet the need for training, grants are awarded on a formula basis which provides that one-third of the total appropriations be divided among the schools equally. The remaining two-thirds is divided among the schools according to the number of federally sponsored students enrolled. To meet this challenge of training the professional personnel required for our expanding community and environmental programs we have then authorized for the next 3 fiscal years the sums of $7, $9, and $12 million.

Realizing the gravity of the narcotics and drug addiction problem in the United States, the House authorized grants to conduct special educational programs and activities concerning the use of drugs. Grants are available to education institutions and private and public organizations for dissemination of information on the use and abuse of drugs. To be included in the grant program appropriations of $7 million in fiscal 1971, $10 million in fiscal 1972, and $12 million in fiscal 1973, are community education programs and training programs for teachers and law-enforcement officials, as well as courses for schoolchildren. Drug abuse in the United States is reaching alarming proportions with young people—whether living in our urban slums, in our affluent suburbs, or in small towns—experimenting with drugs ranging all the way from marihuana to heroin.

One of the best ways to combat the problem is through a frank and straightforward presentation of the facts. No solution is more reasonable than education, through Federal grants and contracts to local educational agencies. We have approved such a program to be devised and funded to train teachers, lawmen, and other officials who, in turn, will carry truth about drug misuse to children and their parents.

In the first session, Congress took a strong step to strengthen protection for the health and safety for the lives and health of the more than 144,000 coal miners in the United States. Previously legislation has been passed, but only on a piecemeal basis which has failed to provide the Bureau of Mines with the enforcement power it needs. Clearly, if we are to have any impact on the high accident rate, we need a law that gives the broader enforcement powers to the inspector and thereby provides stronger incentives for management and labor to think of safety at all times. Legislation passed by the House imposes immediately a dust ceiling of 4.5 milligrams per cubic meter of air and requires that it be reduced to 3 milligrams in 6 months. By setting limits on the amount of coal dust permitted in a mine, we have curtailed the threat of black lung disease, incurable and a major cause of death.

Another key provision permits further development of health and safety standards by administrative action without further legislation and provides for a panel of Federal officials to hear requests from coal operators for more time to comply with health and safety standards. At the same time, we have provided for liberal compensation for miners suffering this incurable disease.

As passed by the House, the bill ended legal distinctions between gassy and nongassy mines and required all mine to install nonspark electrical equipment to guard against explosions. The 4,500 mines now classified as nongassy have been given 6 years to install nonspark equipment.

Expressing concern for health protection in yet another area, the House took action to provide protection for the consumer by passing the Public Health Cigarette Smoking Act, requiring a stronger health warning on cigarettes than in existence now. Under a preemption clause in the 1965 Cigarette Labeling and Advertising Act, the regulatory agencies were prohibited from requiring warnings in advertising.

We have approved legislation that will enable us to continue and expand the continual fight against mental illness in the United States. Significant progress has been made in the past by our efforts to prevent mental illness, to cure those who suffer, and to rehabilitate them to become useful and productive citizens again. We intended for 3-year programs of assistance under the Community Mental Health Centers Act for staffing and construction of community health centers and facilities for the treatment of alcoholics and narcotic addicts. Basically authorizations fund construction and staffing the centers at the existing grant level of $70 million a year for fiscal years 1971, 1972, and 1973. The program of grants for paying a portion of the cost of professional and technical personnel and technical personnel staffing was extended also for 3 years.

While we have not changed the basic concepts and goals of the community mental health service programs, important operational changes have been approved. For alcoholic and narcotic treatment facilities, we authorized $15 million for 1970, then $20 million, $25 million, and $30 million for fiscal years 1971, 1972, and 1973. Changes in the present law also include new provisions for initiation and development grants for centers in poverty areas, a further means to improve the capability of these areas to apply for and to use Federal aid for their community mental health services.

We believe that these provisions, plus the preferential funding for construction and staffing grants in these areas will provide the assistance needed to equalize the availability of services to all Americans. They seek to liberalize Federal assistance for all communities and add incentives for programs directed to the special mental health problems of the underprivileged, the alcoholic, the drug addict, and the emotionally disturbed child.

In the continual fight on poverty, we extended programs for regional development, in Appalachia and for five other regional development commissions for fiscal 1970–71. A total of $1,219,000,000 was authorized: $268.5 million for nonhighway programs; $275 million for the other five regional commissions; and $525 million for other economic development programs administered under the Economic Development Administration. In the apportionment of funds to the five other regional developments, the Secretary of Commerce is authorized to apportion at least 10 percent but not more than 25 percent to any one commission.

The Appalachian experiment, in operation 4 years, has proved to be a success: employment has increased; unemployment has declined; and outmigration is subsiding. The Commission serves as an example model of intergovernmental cooperation. Once a system of coordinating available Federal grant-in-aid programs is established, State and local agencies can begin to make use of the funds authorized in those programs in order to compensate for lesser local financial capacities. The supplemental grant program, first envisaged for Appalachia, has been adapted to the needs of the other developmental regions. A most persuasive proof that the program is working is the significant increase in private investment in the region. For instance, the act stipulated that Appalachian Regional Commission funds could be used in conjunction with other Federal grant funds to raise to 100 percent the Federal share of Appalachian child health and nutrition programs. It is allowed in addition to use the funds allocated to supplement Federal grant-in-aid funds to raise the Federal share to 80 percent.

Under the new provisions the Secretary of Housing and Urban Development is authorized to assist nonprofit organizations in Appalachia to construct, rehabilitate, and operate housing units. Funds under title III of the Public Works and Economic Development Act were increased from $25 million to $50 million for fiscal 1970 for demonstration grants and technical assistance, and $20 million authorized for a study of regional transporation systems by the five commissions and the Secretary of Commerce.

New emphasis in the demonstration health program was placed on intensive early childhood care, nutrition, and early detection and treatment of black lung disease and other coal miners' occupational diseases. Approval was given to comprehensive manpower programs including rehabilitation, training and retraining of coal miners, and for special Federal financial aid to assist the area build health centers and vocational schools to serve as a base for economic expansion.

The war on poverty was continued by extension of the Economic Opportunity Act for 2 years. At present, about 25,400,000 persons, representing 13 percent of the population, live in virtual poverty. Of this large poverty population, 42 percent are children, under 18, and 18 percent are elderly, over 65. This estimate is based on a newly established level of $3,553 per year as the minimum income needed by a nonfarm family of four to live above the poverty level. We recognize the need for strong governmental action to attack the problems of poverty, and we have shown awareness of the need for substantial resources that must be committed to the fight. In the last 6 years, we have achieved much in eliminating the threat of poverty by authorizing action programs of the Office of Economic Opportunity to confront the complex problems of poverty in the rural as well as urban centers of our Nation.

Sufficient success has been achieved by OEO in its experimental operation in the coordination of Federal agencies, by serving as an advocate of the poor within these agencies. Its services were never designed to be all inclusive and long-range in the war on poverty, but to initiate programs which would immediately lift poor people out of poverty—programs which require governmental subsidies. These subsidies total $2.195 billion for fiscal 1970 and $2.295 billion for fiscal 1971. Programs to which funding applies are Headstart, Follow Through, legal services, comprehensive health, emergency and food and medical program, family planning, senior opportunities, alcoholic recovery, and drug rehabilitation.

We have responded to public demands to alleviate the threat of pollution, both water and air. As a result Congress has appropriated triple the administration request funding water pollution control grants, including sewage treatment plants administered by the Interior Department. The omnibus clean water bill establishes standards for cleaning up the Nation's waterways and preventing further water pollution by upgrading water quality standards across the Nation and setting controls on sewage emanating from vessels which foul many of the Nation's marinas, harbors, and ports.

Congress acted on the problem of air pollution control and abatement by authorizing $45 million, fiscal 1970, for extension of the Clean Air Act of 1967. Pressed by the Nation's need for practical solutions to the very serious air pollution problems, renewed emphasis has been given to research concerning the effects of fuel combustion and motor vehicle exhaust. The future success of air pollution abatement depends on the development of adequate control technology, essential not only to reduce the atmospheric emissions from existing sources, but also to counteract the increasing number of new sources.

There is already knowledge to reduce air pollution by a significant degree, but there are many control problems for which long-term solutions do not exist. In particular, the effective control of air pollution emissions from motor vehicles and fuel combustion will require intensive research and development over the next several years. To implement research and development the legislation provides for Federal payments to public and private groups; testing of air pollution control research to develop new or improved processes and designs which can be demonstrated on a practical scale; and establishment of demonstration plants for such new processes.

In the first session, we took further steps to strengthen safety design in highway travel. To implement the National Traffic and Motor Vehicle Safety Act of 1966, we authorized $23 million for fiscal 1970 and $40 million for fiscal 1971 for research in safety standards and sound planning and design of traffic safety test facilities. Motor vehicle accidents constitute one of the major causes of death in the United States today. In 1968 alone, over 55,000 Americans died on the highways, while it is estimated that 2 million persons are seriously injured each year in motor vehicle collisions.

The amendments incorporated in this authorization reflect concern that the critical motor vehicle safety program has been receiving inadequate priority in both past budget proposals. We have stressed the importance of a greater budgetry emphasis to our traffic safety program, and have attempted to take steps toward providing the Department of Transportation with an independent and substantial motor vehicle research capability.

Of the amount authorized, $10 million is designated for planning and design of traffic safety, research and test facilities, including engineering studies and site surveys.

Congress took necessary steps to strengthen laws limiting the importation and sale of endangered species threatened with extinction both in the United States and abroad. Importation of such species—animals, fish, and amphibians—is prohibited, as is the shipment in interstate commerce of these species if obtained in violation of any Federal, State, or foreign law. The act revises enforcement procedures and requires the Federal Government to seek a multinational conference by June 30, 1971, to draw up a binding international convention on the conservation of endangered species. Recognizing the diminishing property available for preserves and protection for a rapidly decreasing number of animal life, Congress provided $4.5 million for the acquisition of privately owned land on preserves and for the acquisition of new property for refuges.

The House extended one of the primary goals of the Nation's banking laws to the single-bank holding companies—separation of the sources of capital, the banks, from the users of capital, other commercial enterprises. To do so, the single-bank holding companies were placed under the regulating authority of the Federal Reserve Board and extended the Bank Holding Company Act of 1956 to apply to single-bank companies. The Federal Reserve Board was also authorized to rule on types of nonbanking business interests that bank holding companies were permitted to acquire. Among changes on the House floor were provisions to force the Nation's largest single-bank holding companies to divest themselves of their nonbanking interests and to bar all bank holding companies from acquiring certain types of nonbanking businesses.

This action clearly separated the business of banking from nonbanking and assured thousands of small businessmen protection from unfair competition. With more than 40 percent of all the commercial bank deposits in the entire United States today held by one-bank holding companies, we have simply brought all bank holding companies under the same type of regulation to provide protection not only to the insurance companies, but also small enterprise and other nonbanking businesses.

The conflict in Vietnam, of course, dominated congressional thinking in the area of foreign affairs. Congress provided the necessary tools for our fighting forces in Vietnam while cooperating with the President in his efforts to conclude the war. The defense appropriations measure for fiscal year 1970 totaled $69.64 billion, a substantial reduction in the administration budget, but still the largest money bill of this session. This total represents the biggest cut in defense appropriations since the Korean war.

These funds will enable our military forces to maintain national security. The reductions made will, at the same time, support the fight against inflation.

The House approved a resolution calling for the negotiation of a just peace in Vietnam, a gesture of further support for the President's efforts in this area.

Criticism of the draft system led the President to request that Congress remove the prohibition against a draft lottery. This we did. Under the random-selection method, each eligible young man enters a lottery pool during his 19th year. If he is not drafted that year, it is very unlikely that he ever will be. By utilization of the lottery system, we have eliminated one of the major criticisms of the present draft system—the extended period during which a young man has been kept in doubt about probable induction into the military.

Congress has also acted to benefit our veterans who have sacrificed for us all. We increased by 30 percent educational allowances for veterans. These increases reflect the sizable increases in education costs which have occurred in recent months. The first-year cost of this program is $206,500,000 while the 5-year total is estimated at $1,130,200,000.

Allowances authorized affect not only veterans, but also their widows or orphans attending school under the several educational benefits programs administered by the Veterans' Administration. An increase of 15 percent in aid to service-connected disabled veterans was provided under the vocational rehabilitation program and a 27-percent increase for assistance to veterans under the GI bill and for widows and orphans under the War Orphans Educational Assistance Act. With more than 70,000 veterans discharged each month from active service, faced with the spiraling cost of living and education, these increased allowances will make the entire educational assistance program more meaningful and responsive.

Congress supported and continued assistance to foreign countries. While the foreign aid authorization was approved in the amount of $1.972 billion, the two Houses failed to agree on the actual appropriations of funds. As passed by the House, appropriations for military and economic assistance totaled $1,649,380,000. The Senate, however, rejected $54.5 million for funding fighter planes for Nationalist China. The differences between the House and Senate appropriations must be resolved in the second session.

With concern for balance in international trade, Congress provided for the continuation of authority for the regulation of exports by defining a broader trade policy. The existing Export Control Act of 1949 was replaced by the new Export Administration Act of 1969 containing less restrictive legislation. In a new approach to export control, the act basically retains U.S. control over exports to Eastern European countries, while retaining the President's flexibility to administer the controls. At the same time, it updates the controls to respond to important changes in the international trade picture and to the needs of the American businessman. The new program, to terminate June 30, 1971, places encouragement on the expansion of trade with all countries with which the United States maintains diplomatic or trading relations.

While the present policy in the United States is to formulate and apply export controls in cooperation with all nations with which the United States has defense treaty commitments, the new act accentuates a national policy of encouraging trade in peaceful goods while restricting trade in goods of significant military import.

THE RETIREMENT OF DWIGHT PINION

HON. J. W. FULBRIGHT

OF ARKANSAS

IN THE SENATE OF THE UNITED STATES

Tuesday, December 23, 1969

Mr. FULBRIGHT. Mr. President, although we are caught up in the rush to adjourn, I do want to take a few minutes to draw the attention of my colleagues to the excellent service record of Mr. Dwight Pinion, who, as my colleagues know, recently retired after serving as director of the office of legislative counsel in the Senate.

During many of his 27 years of service to the Senate, Dwight Pinion worked very closely with the Foreign Relations Committee; and, speaking as chairman of that committee, I can only say that it was our good fortune to have his expert advice and counsel readily available. I think back particularly to some of the long and stormy sessions on foreign aid. Without his able assistance, many of those sessions would certainly have been longer and stormier; and on one or two occasions, we might still have been there yet.

But this is not to say that Dwight Pinion's talents were in any way limited to a particular legislative field. Indeed not—he served the Senate and the committee in all matters of legislation and, in this sense, distinguished himself as "a man for all seasons."

Thus, as Senators know, he provided this body with the kind of services that makes things tick around here. In the organized confusion that often prevails, he was always there to help us keep matters on an even keel, and I am sure his example will not be lost on those who follow in his footsteps. In short, his service was worth its weight in gold.

I am sure that all of my colleagues join with me in wishing the very best for Dwight and his family in the coming years, with one final request on our part—please pay us a visit whenever possible.

THE REAL SECURITY OF THE COUNTRY

HON. WILLIAM H. HARSHA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. HARSHA. Mr. Speaker, at the beginning of a new year—a new decade—it is natural and appropriate that we look back and evaluate our accomplishments and failures during that time from both a national and an individual standpoint.

So much was wishfully expected of the 1960's—peace, prosperity, and unprecedented educational and scientific opportunities and accomplishments. Much has been accomplished in some areas, but we, as a nation, have witnessed internal turmoil, controversy, and the greatest divisiveness our people have experienced during the past century. Riots, demonstrations, draft card burnings, student protests, moratoriums—many of which have been paraded under the banner of peace—have caused deep concern among the American people.

The great publicity that has been given these so-called peace demonstrations and peace protests has given an unfair and false impression of the true character of the American people and their feeling toward the war in Vietnam. In reality, those participating in such activities constitute only a tiny—albeit vocally strident—segment of our population. While many of these demonstrators and protesters may sincerely believe in what they are doing, the cost of their actions to our Nation must be considered. They are greatly encouraging the enemy by creating in their minds the belief that the American people are weak and lack the moral fiber necessary to fight for our principles and honor our commitments—and our dead—in Vietnam. It is sadly ironic that the actions of this misguided minority cannot help but give false hope and encouragement to the enemy and thereby prolong the war.

Much has been said and written in recent months about the "silent majority" in America. This group is composed of the great majority of the American people who, like their forefathers, believe in the principles upon which our Nation was founded and feel that these principles should and must be defended. These are the Americans who possess true courage and the patience and dedication necessary to support and take pride in their Nation's struggle to defend the principles of democracy both here and abroad. While devoutly desiring peace—but a peace with justice and honor—they are nonetheless willing to sacrifice their personal comfort and, if necessary, even their lives for their country.

I recently read a letter written by Mr. William G. Woolard, Sr., of Manchester, Ohio, to the President of North Vietnam which eloquently expressed the feelings and beliefs of many of us. Mr. Woolard and his family experienced a tragic loss when their son, James Harry Woolard, was killed in Vietnam, but their resolution and pride in their son and what he was fighting for gives us reassurance that the American people as a whole still possess the moral values and the essential fiber necessary if we are to continue as the greatest nation in the world. As long as America is populated by families like the Woolards with sons like Jim, we need not fear for the future of our country.

I would like to insert Mr. Woolard's letter in the CONGRESSIONAL RECORD so that you will be able to join with me in extending deepest sympathy to this family in its great loss and share my pride in their courage, resolution, and quiet patriotism which is in the best American tradition.

The letter follows:

THE MANCHESTER SIGNAL,
Manchester, Ohio, December 21, 1969.

OFFICE OF THE PRESIDENT,
Democratic Republic of Vietnam,
Hanoi, North Vietnam.

DEAR SIR: As we approach the holiday season, supposed to be a time of joy and rejoicing all over the world, there's nothing but sorrow in our home. You see this is the first Christmas in the Woolard home dating back 20 years that our son, Sp/4 James Harry Woolard, won't be with us to share in the gift giving and other happiness that has always been tradition with us.

Earlier this year one of your soldiers caused the death of our son, a boy that we loved better than our own lives. That's probably pretty difficult for you to understand, but it's a true statement. Before he left for Vietnam, on numerous occasions and letters I had tried to volunteer and save him from facing war, something he knew little about. During World War I his grandfather served in the trenches in Europe to stop the threat of the Kaiser. During World War II, I did a tiny part during the three years in the U.S. Army to wipe out the world domination plans Hitler had fantastically dreamed about.

What your side doesn't seem to realize, you can never win. For every Jim your soldiers are able to kill, there's a hundred American boys being raised in small communities, just like Manchester. Like Jim, their Dads and Moms will offer them all the opportunities in the world to stay out of this war. They can attend college, hoping in time the hostilities will cease by the time their studies are completed; they can become members of the National Guard, with better than even odds they'll never see foreign soil. But, of the hundreds mentioned, most will choose, just like our son, to respond when their Government calls, to undergo the change from a peace-loving young man to one who is willing to slay those who oppose the type of world in which he has been reared.

We know it must give your government heads satisfaction to read and be informed about the peace moratoriums, see published articles and pictures of those who gain publicity by burning their draft cards, or refusing to bathe. I admit they cause some concern within the borders of the United States, but what you apparently don't realize, those type of individuals are actually boys without a country to call their own, and constitute such a tiny segment that their presence in America should afford you very little hope or comfort. In fact, I know you wouldn't want that type individual, even in your North Vietnam society, And, after a few days under your type of rule, it's a certainty in my mind, they'd be glad to wash, shave, put your flags in trash cans and start a sincere appreciation of the freedom we and they enjoy under our democratic system of government.

So, by killing young American soldiers like my son, Jim, you actually accomplish nothing to further your cause. You wiped out a life that was precious, one of a young man who like every other true American boy, dreamed of driving a brand new car when he fulfilled his military obligation; possibly meeting a girl in the future, marrying, and rearing children who also would have been taught how precious freedom really is.

For every soldier like Jim slain, there'll be a dozen to step into the boots, willing to spill life's blood in South Vietnam or any other place in the world where some group or organization threatens to thrust a type of government on people that isn't of their own choosing.

In the short time that Jim read about the Vietnam War, both while in high school and before he went into the service, he knew anyone who would treat prisoners of war and members of their families the way your side has chosen to do, couldn't be a government controlled by persons with any feelings at all for mankind. Permitting hundreds of families in the United States to spend sleepless days and nights, wondering if their sons, husbands and relatives are alive or dead. It's difficult to realize even during wartime persons exist who are so inhumane. This, also, doesn't do a single thing to advance your cause. It merely has helped unite Americans to eliminate people and heads of government who can be so barbaric.

As we close this letter, we repeat when your side killed our son, Jim, it was an act that just merely made the present happy holiday season in our home one of sadness But, also, a time of fierce pride that we were able to rear a boy that was willing to forfeit his life and all the bright dreams he had for the future in the cause of freedom.

By this time, a dozen young men, bright-eyed and full of the same hopes he had, have filled his boots, and will respond to the call, if and when they're asked to climb on a plane which will take them to Vietnam. Like Jim, once there, they'll follow orders of their superior officers, and even sacrifice their lives, also, if it becomes necessary.

America is full of Jim's. Don't be misled by the metropolitan news media whose front pages and television cameras devote more time to the tiny segment of trouble-makers than they do the average young man from the country who knows it's his duty to protect and preserve the cause of freedom.

You can never win.

Jim's dad,
WILLIAM G. WOOLARD, Sr.

A PLEA FOR PEACE IN VIETNAM

HON. VANCE HARTKE

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Tuesday, December 23, 1969

Mr. HARTKE. Mr. President, we are all too painfully aware of how much the Vietnam war has cost our Nation. The 40,000 lives lost, the hundreds of thousands of maimed, the 120 billions of dollars expended, the grievous wounds to our spirit of community—these are elements in the accounting. Understandably, we are less conscious of the appalling price that the people of Vietnam have had to pay for a conflict that was thrust upon them utterly against their will. We shall never be able to calculate the total price: our numbers do not run that high. I do not think we could bear to face it if we could.

Americans most conscious of the horrors that have been inflicted upon Vietnam are those who went there not to wage war but to help war's victims—doctors, nurses, missionaries, among others. Recently 43 of them sent a letter home pleading for peace. That eloquent, disturbing document was printed as an editorial in the Plain Dealer, of Wabash, Ind., another great public service by a fine newspaper.

I ask unanimous consent that the December 16, 1969, editorial, entitled simply "Vietnam," be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

VIETNAM

(EDITOR'S NOTE.—The following letter was signed by 43 Americans in Vietnam, employed as doctors, nurses, physical therapists, teachers, social workers, journalists, agriculturists, and missionaries. The letter is dated October, 1969.)

For those of us here in Vietnam there is no forgetting the war nor escaping our complicity in it. At every turn there are grim reminders that this war is neither over nor slackening.

All of us have had considerable experience in Vietnam and speak the language with some facility. All of us have had deep personal relationships with Vietnamese people and feel we have insight into their plight. Our intent is not to balance the acts of one side against the other but to point out what war does to human beings.

What then do we know of the war in Vietnam?

We know the Vietnamese as fellow humans because we have touched their flesh, known their friendship, felt their hatred and shared their laughter. We have also in our various ways cried with them. We have witnessed war.

All of us have experienced the sense of rage, then futility that comes when a personal friend has died in this war, from one side or the other, brown, yellow, black or white. There is no greater meaning to war than the loss of one loved within the clanking impassive machinery of it.

Each of us has known one or more of the hundreds of thousands uprooted, buffeted and cast-about homeless here, whether they be broken, seemingly lifeless old men ripped from their soil with nowhere to die in peace, or screeching prostitutes, painted and cynical but gentle enough to slip a street urchin 10 cents to eat.

We have visited hospitals and know them to be too often overcrowded and spilling patients into every available space. We have watched people die there, while knowing that many, many more do not even reach the hospitals. We watch the steadily mounting numbers of maimed, the legless, the armless, the scarred and bent as they appear on the streets as beggars. We haven't enough nickels and dimes to go around.

One of our number inquired about a friend in Da Nang, a 13-year-old shoeshine boy who had fled from the war engulfing his home in the countryside. "Xu is a cripple now. He went home to visit his family and got caught in a bombing attack."

Recently one of us visiting in Da Lat was approached by an old woman in the city's market place who begged through tears to intercede with the government in her two sons' behalf. They were in prison as political offenders for advocating peace in Vietnam. He could do nothing—even as an American.

We have tried to care in an individual way for the physical and mental needs of our fellow humans but find ourselves being swallowed by the immensity of the task.

One of our number, a medical doctor, chanced upon a Viet Cong "suspect" in the company of a police guard. Going down a street in Saigon she had been stopped, questioned and taken into custody even though her papers were complete. The woman had been brought into a clinic during transit from one prison to another to be examined.

"I took her into a private examining room and found her to have bruises on the head, face, body and in the mouth," the doctor wrote home. "She had multiple fractures of the small bones of the hand, a result of having her hands, palms down, beaten with a heavy stick. There were several marks on her back which she stated were a result of electric shocks. When I asked her if most of the prisoners were treated this way, she nodded tearfully. She was worried about her husband and children. During her three day interrogation she was not allowed to notify them.

"I felt myself overcome with a combination of grief and anger but realized I dare not comment to the policeman about her situation as it might further jeopardize her health, so I wrote a statement saying I did not believe she could tolerate further interrogation and left the room. As I stepped back into my car, the thought continually haunted my mind of what lay ahead for that woman."

Many of us have sat late and hushed with friends as they described their secret activities in pressuring for peace and have tried to explain the foreign movement for peace. We have listened to their words of belief and hope for continued moral support from those who struggle for peace outside Vietnam.

We scoff at reports of "progress" because we witness the fruits of the claims: the rich who are getting richer, the poor who are getting poorer, the children not in school rather than those who are, the few who return to their villages in "secure" areas versus the hundreds of thousands who can't or won't. We witness the continuing humiliation of a proud people and do not believe the claim that it is all coming to an end. We witness the lie.

What do we know of the war in Vietnam?

We know that the war goes on and that it is more than shooting and bombing. We know that the vast majority of the Vietnamese are tired, deathly tired of this fratricide and maiming, hungering only for peace. We know that even among our closest friends a common wrath is being turned on us foreigners just as though we were not human individuals. For too many years we foreigners, we Americans, wouldn't believe them human.

We know that rhetoric can never solve nor justify this war for the Vietnamese, nor ourselves. We know that this war will not be over nor our individual complicity in its continuation be absolved until the last shot is fired.

Many of us have returned to Vietnam after visits in the United States and can speak with authority about a gap of knowledge existing between the two places. On that side we were humiliated and frustrated, on this side we are furious with the urgency. This war must be stopped.

It is easy to deride the efforts claimed by the American government to end the war; it is painful to watch the dwindling efforts and even counter-productive efforts of our antiwar friends around the world. We try to understand the problems elsewhere but the urgency here overwhelms both our desire and need to excuse it.

Destructive attacks by one peace group upon another must be stopped. Ideological differences must be put aside. There must be a new centering of attention upon the matter of life and death this war screams. The issue here is not "why the war?" nor "how to stop the war" but the bald statement that "This war must be stopped!"

We ask you to join with us and our Vietnamese friends, to join with your friends and neighbors, to join with anyone who opposes this war and demand that the American government end this war.

For peace!

THE NATIONAL ACCELERATOR LABORATORY, BATAVIA, ILL.

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. ANDERSON of Illinois. Mr. Speaker, there is some confusion in our country today about the value and goals of science and technology. Many would have us believe that technology has outpaced good sense and good practice and we had better stop to regroup. Some would like to have us return to the "good old days" by putting the technology genie back in the bottle. But this will never happen, and we know it. What we must do is to make sure that everybody benefits from advancing technologies. I would like to cite the 200 Bev National Accelerator Laboratory at Batavia, Ill., as a basic research facility that will not only enhance the prestige of the United States in the scientific world, but also as a facility under construction which is enhancing the status of many blacks and other minority people by involving them in the construction phase now, and in the operating phase in the future.

Those of you who were present at the time of site selection for the National Accelerator Laboratory will recall the strong fight that I and my colleagues on the Joint Committee on Atomic Energy made to have the State and local governments guarantee that the civil rights of all groups would be respected—and this meant open housing as well. The State and local governments guaranteed cooperation—and they have cooperated, more strongly at the local level where it really counts.

But what good is open housing for blacks if they cannot afford to rent, let alone buy? The directorate of the Laboratory has done much and gone far to mitigate this problem. I would like to read a promulgation of Drs. Wilson and Goldwasser, director and deputy director, respectively, of the Laboratory. It is a "Policy Statement on Human Rights," dated March 15, 1968:

> It will be the policy of the National Accelerator Laboratory to seek the achievement of its scientific goals within a framework of equal employment opportunity and of a deep dedication to the fundamental tenets of human rights and dignity.
>
> We have seen the creation of NAL near Chicago in a year of social tension and urban unrest, and we have observed the destiny of our Laboratory to be linked to the long history of neglect of the problems of minority groups. We intend that the formation of the Laboratory shall be a positive force in the progress toward open housing in the vicinity of the Laboratory site. We intend that it shall also make a real contribution toward providing employment opportunities for minority groups. For this, the principle of equal opportunity is not enough. Special opportunity must be provided to the educationally deprived if they are to be able to exploit their inherent potential to contribute to and to benefit from the development of our Laboratory. This is a matter of personal conviction as well as of practical necessity. We expect to create conditions for special opportunity by adopting aggressive employment practices and by instituting special educational and apprentice training programs.
>
> Prejudice has no place in the pursuit of knowledge. Perhaps this is why most scientists are sensitive to discrimination in any form. The National Accelerator Laboratory is in a position to attract to its program some of the greatest physicists, not only of this country but of other nations as well. Thus the Laboratory will be, in a very real sense, one of the windows through which the United States will be viewed by the rest of the world. Foreign visitors, laymen as well as scientists, will come to the Laboratory for short periods of time to participate in our work. These men will come from varied backgrounds with a variety of beliefs. It is essential that the Laboratory provide an environment in which both its staff and its visitors can live and work with pride and dignity.
>
> In any conflict between technical expediency and human rights we shall stand firmly on the side of human rights. This stand is taken because of, rather than in spite of, a dedication to science. However, such a conflict should never arise. Our support of the rights of members of minority groups in our Laboratory and in its environs is inextricably intertwined with our goal of creating a new center of technical and scientific excellence. The latter cannot be achieved unless we are successful in the former.
>
> ROBERT RATHBUN WILSON.
> EDWIN L. GOLDWASSER.

The extent to which this policy on human rights has been followed is spelled out quite clearly in an article by Dr. Goldwasser, "Science and Man: Breaking New Ground at Batavia," in the October 1969 issue of the Bulletin of Atomic Scientists. I would like to insert this article in the RECORD at the end of my remarks.

I point to this great effort being put forth at the National Accelerator Laboratory to enhance the status of minority people as a serendipitous result, from a basic research program, which could be lost because of congressional actions. The President's budget for fiscal year 1970 requested $96 million in construction funds for the accelerator laboratory. The House committee voted to appropriate $64 million, the Senate committee voted for $89 million, and they compromised on $70 million. If this $26 million reduction is not put back into the next Presidential budget in addition to the already projected $80 million for fiscal year 1971 and the total $106 million appropriated by Congress, the construction schedule will slip badly—by something like a year—and will eventually cost $30 million over the now projected total of $250 million. Each additional 1 year's slippage will cost another $30 million.

As I have stated on the floor of this House before, the kind of cut made in this year's laboratory construction budget is false economy, because in the final analysis the facility could cost more due to the rescoping and stretchout that might be required. The request for such large sums, like $96 million, was to provide the authority to obligate for the expensive, long leadtime articles at today's prices, while still doing the normal day-to-day business of local construction. If funds stay in critically short supply—like they most certainly will with a $26 million shortage—it is the small day-to-day businessman who will be discriminated against—the very person the laboratory directorate is trying to protect.

The magazine article referred to follows:

SCIENCE AND MAN: BREAKING NEW GROUND AT BATAVIA

(By Edwin L. Goldwasser)

Scientists are restless in these days of social strife. As a group, they tend to be concerned humanitarians. They believe in the intrinsically human value of basic research, yet they are repeatedly confronted by its military applications. At the same time, they find their science to be relatively dissociated from major social problems. As a result some are seeking ways to involve themselves more directly with the problems of our society and our cities. Such re-dedication of purpose must certainly be respected, but the constructive pursuit of science should not be abandoned. It has played a dominant role in the emergence of man from darker times than these, and it can still contribute crucially to further cultural, social and technological progress.

At the National Accelerator Laboratory (NAL), we have found it possible to pursue scientific objectives and, at the same time, to be more than mere spectators of the crises which grip our society. We have been able to channel our recruitment, purchasing and contracting policies in ways that contribute to the solution of some of these problems. This is possible, in part, because we are a large and influential scientific enterprise.

Our experience, however indicates that all scientists, in the pursuit of their research, may have a real opportunity not only to contribute, through their science, to the intellectual and cultural achievements of mankind, but also to lead the way in demonstrating that any business enterprise can make a significant contribution to improving the plight of the under-privileged, the under-educated and the under-employed.

THE ISSUE IS JOINED

The directorate of the National Accelerator Laboratory would in any case have been dedicated to an active program in support of the principles of minority rights in and around our laboratory. However, early in our history, in the summer of 1967, we had the issue thrust sharply upon us through the refusal of the Illinois State Legislature to pass an open-housing statute.

In response to that action Dr. Martin Luther King Jr. sponsored a tent-in at the newly chosen accelerator site near Batavia, outside of Chicago. This was his protest against the location of a national laboratory in a state whose legislature had almost defiantly refused to enact any open-housing legislation. In the course of that controversy, we had to face a critical decision. We were urged to clarify our position on minority rights by refusing to work on the project at the Illinois site. After much careful thought we decided to ignore this advice and elected to press ahead with the project.

Chicago, like other major American cities, was in a state of crisis. There was an urgent need for jobs, education and housing, particularly for the Negro population. We believed that with a project as large and potentially influential as ours we could make important contributions, not by turning our backs upon the area and its problems, but by consciously conducting our affairs in a manner which would help to solve some of those problems.

One of our first actions was to promulgate to members of our staff and to many of our outside contacts the "Policy Statement on Human Rights," reproduced here. Each new employee receives this document, and it is displayed prominently throughout the laboratory. As part of that policy, at the time of the open-housing fight, we supported Dr. King in his protest. In addition, we petitioned members of the State Legislature with an urgent—though futile—plea for passage of a strong open-housing statute.

STAFF ACTION

Of course, our activities in these matters have gone beyond the simple enunciation of strong words. These are not what really count. Rather it is the substantive action of the laboratory staff. This action is bound to be closely tied to the working-level understanding of the depth and seriousness of the commitment of the administration to its stated policies. We, therefore, believe that we must play an active role in implementing the policies that we espouse. Rather than delegating total responsibility to people with expertise in these areas, the directorate of the laboratory has acted to implement its philosophy. As this is given public exposure, it exerts influence not only outside the organization, but inside as well. We believe that it has a strong impact on our recruiting, purchasing, contracting and all other facets of the life of our laboratory.

During the last two years, we have made personal contacts with leaders of minority organizations as well as with many Chicago area and national experts on minority problems. We have appeared as witnesses at several town council meetings, supporting the adoption of urgent open-housing legislation.

Certainly the most important single step we have taken is the establishment within our laboratory of an Equal Opportunity Office, headed by Kennard Williams. It has received enthusiastic assistance from the joint ventuer known as DUSAF, our architect-engineering firm.

TRAINING UNEMPLOYED

One of the first programs in which we participated was the training of 100 young, hard-core unemployed. Two 10-week, pre-apprenticeship training sessions in the operation of heavy earth-moving machinery were sponsored by Local 150 of the International Union of Operating Engineers. Of the initial 100 trainees, 86 completed the course. Of these, six achieved full journeyman standing while the remaining 80 qualified as apprentices. Of the total, 72 are still known to be working as operating engineers. Many have worked or will work on NAL construction jobs.

In another pilot program, a group of young men between the ages of 18 and 30 were recruited from the inner city and trained for skilled technical jobs. After an initial orientation course at NAL, the men were sent to Oak Ridge, Tenn., where they were enrolled in the Training and Technology Program conducted by Oak Ridge Associated Universities. Representatives of NAL's Personnel Office, acting as guidance counselors, kept in close touch with the trainees, who compiled an outstanding record in the training program. On completion of the 30-week course, the men returned to NAL to take up positions as mechanists, draftsmen and mechanical and electronic technicians.

In the screening process, overriding emphasis was placed on the apparent motivation of the interviewees. No criteria were imposed concerning previous school or job achievement, police or prison records.

BLACK INDUSTRIES

NAL has also developed a list of "Black industries," consisting of minority-group contractors and suppliers who operate businesses relevant to the Labortory's present and future needs. This effort has been most successful where contracts below $10,000 are involved. Approximately 40 per cent of such contracts for work in the old village of Weston, awarded during the past six months, have gone to Black contractors.

Where larger contracts are involved, there are relatively few minority-group contractors willing to undertake the jobs. For these contracts NAL presents to the bidders, at a pre-bid conference, a sample plan of an affirmative action program for establishing training and jobs for members of minority groups. Bidders are then required to submit, with their bids, their proposed affirmative action programs. Each proposed program is considered together with other features of the bid. Unless it represents a strong positive selection of program elements from the Laboratory's sample plan, the bid may be rejected. Furthermore, when a contract is awarded, the proposed program becomes a part of the contract, and failure to implement that program may be interpreted as breach of contract. So far we have found that contractors, although in some cases reluctant to institute such programs on their own initiative, welcome the opportunity to do so under the external pressure represented by our contracting procedures.

We have not had uniform success in staffing our laboratory with minority-group employees. Among our non-professional employees more than 20 per cent are Black. Two of the four persons who interview prospective employees are Black. Nevertheless, the more specialized the job bracket, the smaller is the representation of Black applicants. We believe that this is not a shortcoming of our recruiting procedures but rather a reflection of inequities that have been operating for decades.

CAREER GUIDANCE

In an effort to remedy this situation—to stimulate a flow of inner-city school students into curricula and training programs that will later qualify them for highly skilled technical jobs and professional scientific positions—the Laboratory has initiated a joint program with the Council for the Bio-Medical Sciences. That group has been remarkably successful in guiding qualified Black students into careers in the bio-sciences. We hope for similar success in the preparation of young people for careers at NAL in engineering and the physical sciences.

The National Accelerator Laboratory clearly provides a unique opportunity to contribute to one of the most important activities of man—the discovery of the true nature of the world in which he lives. In the pursuit of that activity, however, we must not ignore, and have not ignored, other urgent problems which are pressing upon our society today. The traditional stance for an organization such as ours, attempting to do a difficult job on a tight schedule, is to "play it safe." On a matter like open housing, for example, it is tempting not to antagonize the anti-open-housing interests. In large construction projects, it is tempting not to impose a stiff non-discrimination policy and thus risk the loss of potential contractors. In purchasing it is easier to use only the well-established and better known vendor. In employment it is tempting to hire the trained rather than to train the ready and eager under-employed.

But the condition of our society demands a longer-range view, and in fact we have found that this is also the best short-range approach. We have been willing to accept whatever incremental cost might have been associated with the implementation of these programs, but we believe, in fact, that such a cost has not materialized. In any case, we are convinced that the cost to society of solving these problems through adaptation of its normal activities to these goals is ultimately much less than the cost of initiating special activities, ad hoc, to provide crash solutions which are likely to be of only temporary value.

Although the Illinois General Assembly has continued to resist passage of a strong open-housing statute, local ordinances have been adopted in more than 30 communities surrounding the laboratory. Construction is proceeding at the laboratory site. Black workers are involved. Recruitment for technical jobs is proceeding. Black citizens are being hired and trained. Procurement of technical components is underway. Black industry is contributing. It is more appropriate to say "because of" than "in spite of" these actions, our design and construction are on schedule and we have had no significant delays.

It is in part the size of our project which has made it possible for us to achieve some success in these early programs. It is because we are large that we can justify the employment of a staff with a full-time responsibility to discover opportunities through which the laboratory can contribute to the solution of social problems.

But our position as a large enterprise is not unique in the scientific community. In fact, basic science in the United States has become a large enterprise. Its managers control the hiring of many people. They have great influence in educational institutions. They supervise the spending of research funds in excess of a billion dollars annually. They have some influence over the expenditure of development funds at 10 times that annual level.

Yet most individual scientists are members of relatively small research groups or university departments, which can not justify an "opportunity" staff. How can a scientist in a small research group make a contribution?

INFLUENCE FOR SOCIAL ENDS

Perhaps the most effective way is to use his prestige and influence in the university or industrial organization of which he is a part to establish and to enforce strong policies with respect to minority rights, education, training and employment opportunities. But scientists may wish, in addition, a more direct involvement—one which bears the stamp of their profession. This might best be done through united action as a national community of scientists. As such they could support a major investment of funds and effort. These could be used to establish a national office and perhaps regional clearing-houses where expert advice could be available on matters of recruiting, training and employment of minority-group members, on methods of purchasing and contracting in a manner that will stimulate minority-group involvement in our industry and economy. Any scientist who wished to channel his activities in such a way as to make a positive contribution in this area could avail himself of these services. In this way, fundamental science, which has certainly been one of the most rewarding enterprises of mankind, could not only continue to contribute to the intellectual and technical growth of our society but could simultaneously implement imaginative programs reflecting the dedication of scientists to the precepts of human rights and dignity.

SENATE DISTRICT COMMITTEE MEETS ITS RESPONSIBILITIES AGAINST CRIME IN THE NATIONAL CAPITAL

HON. JOSEPH D. TYDINGS

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Tuesday, December 23, 1969

Mr. TYDINGS. Mr. President, as chairman of the Senate Committee on the District of Columbia, I dedicated the major efforts of that committee during 1969 to the fignt against crime in the Washington metropolitan area. We intend to continue that battle in 1970 and for as long as it takes to meet the crime crisis we face.

I am proud of the record our committee established this year in providing the police and prosecutors the tools they need. I am grateful for the outstanding service of my fellow committee members and their staffs who worked long and hard to perfect the legislation we reported.

Our committee secured Senate passage of every bill in the President's crime program for the District of Columbia. We were the first committee in either House to report and gain passage of any Presidential crime bill. We were the only committee in either House to process the entire Presidential crime program before the end of the session in December.

The District of Columbia Committee will shortly make its annual report to the Congress on its activities in 1969. That report will show that our committee not only completed the President's crime program, but also secured Senate passage of every other item in the President's program for the District of Columbia submitted to us in 1969, including legislation to provide the Federal cost share of the Washington metropolitan area mass transit system and home rule legislation for the District of Columbia. In the interim, however, I would like to have reprinted at the conclusion of these remarks a brief summary of the committee's activities this year.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

PARTIAL SUMMARY OF ANTI-CRIME ACTIVITIES OF THE SENATE COMMITTEE ON THE DISTRICT OF COLUMBIA

I. Court reform to cut the backlog of criminal cases

Feb. 18.—Senator Bible introduces S. 1066 and S. 1067 on court reform in the District of Columbia.

Feb. 28.—Senator Tydings introduces S. 1214 and S. 1215 on court reform in the District of Columbia.

Mar. 25–26.—Court reform hearings cancelled because Administration bill not ready. Committee begins hearings on drug abuse in Washington area instead.

Mar. 27.—Senator Tydings introduces S. 1711, an additional court reorganization measure.

May 19, 20, 21, and 22.—Planned hearings on Administration bill cancelled as President's bill still not ready. Committee hears testimony on court reform proposals—S. 1066, S. 1067, S. 1214, S. 1215, and S. 1711.

June.—Planned court proposal hearings again postponed because Administration has not yet submitted its bill.

July 1.—Chairman Tydings warns in speech to Board of Trade: "I have made every effort possible to wait for the Administration. But I cannot postpone the final court hearings any longer. The Committee will conclude its court hearings the week of July 17 and will proceed in due course to report a bill. I hope the Administration can be ready by mid-July. But we can have no more delays."

July 11.—President submits his "D.C. Crime Bill" to Congress. S. 2601 pertains to court reorganization in the District of Columbia.

July 15, 16, and 17.—Hearings on President's bill, S. 2601, and other court reform proposals.

Aug. 7–Sept. 4.—Committee orders court reform portions (80% of President's bill (S. 2601) reported. [On Sept. 9, Chairman Tydings reintroduces remaining portion (20%) of President's original proposal as S. 2869.]

Sept. 16.—S. 2601 reported to Senate in lieu of S. 1066, S. 1067, S. 1214, S. 1215, and S. 1711.

Sept. 18.—President's court reform bill, S. 2601 as amended, passes Senate.

II. Amendments of criminal law and procedure

July 11.—President submits his "D.C. Crime Bill" (S. 2601) to Congress.

Sept. 9.—Senator Tydings reintroduces 20% of President's original bill S. 2601 pertaining to criminal law and procedure as S. 2869 and states Committee's intention to report bill to Senate by November.

Sept. 18–25.—Hearings on S. 2869.

Oct. 2–Nov. 3.—Committee orders bill reported with amendments.

Nov. 18.—S. 2869 reported to Senate.

Dec. 5.—Senate passes S. 2869.

III. Strengthening the bail agency to reduce pretrial crime

Jan. 22.—Senator Tydings introduces S. 545 to amend D.C. Bail Agency Act.

Feb. 1.—Hearings on S. 545.

Apr. 22.—Department of Justice declines to comment on the bill.

July 3.—S. 545 reported to Senate.

July 8.—Senate passes S. 545.

July 11.—President submits his own proposals as part of his "D.C. Crime Bill."

Sept. 16.—Committee reports President's proposal to Senate.

Sept. 18.—Senate passes S. 2601, the President's court reform bill containing the Administration's Bail Agency recommendations.

IV. Juvenile crime

Feb. 18.—Senator Bible introduces S. 1066 regarding juvenile court procedures.

May 19, 20, 21–2.—Committee hears testimony on S. 1066.

June 5.—Senator Tydings introduces S. 2335 to provide for extradition of juvenile delinquents.

Aug. 8.—Hearing on S. 2335.

Aug. 11.—S. 2335 ordered reported with amendment.

Sept. 4.—S. 2601, containing juvenile procedure provisions, ordered reported in lieu of S. 1066.

Sept. 16.—S. 2335 and S. 2601 reported to Senate.

Sept. 18.—Senate passes S. 2335 and S. 2601.

Sept. 26.—President's Juvenile Court bill, promised last spring, is sent to Congress, and is introduced on October 1 as S. 2981.

Oct. 1.—Senator Spong opens hearings on violence in D.C. public schools.

Nov. 18, 20.—Hearings on S. 2981.

Dec. 17.—Committee orders bill reported with amendment.

Dec. 18.—S. 2981 reported to Senate.

Dec. 22.—Senate passes S. 2981.

V. Narcotics

Feb. 11.—Senator Tydings asks courts and Bail Agency to institute addiction tests on criminal defendants.

Mar. 2.—Senator Tydings asks President to support creation of Metropolitan Washington Regional Narcotics Treatment facility.

Mar. 25–26, April 9, 10, 11–June 17.—Hearings on Drug Abuse in the Metropolitan Washington Area.

Mar. 26.—Senator Tydings calls for Grand Jury to indict major narcotics traffickers.

Apr. 17.—Senator Tydings urges HEW to implement provision of Narcotics Addict Rehabilitation Act of 1966.

Apr. 23—Senator Tydings asks Metropolitan Washington Council of Governments to establish task force to coordinate area anti-narcotics program.

July 16.—President's national narcotics bill, S. 2637, introduced and referred to Committee on Labor and Public Welfare.

July 29.—Narcotics Law Enforcement Conference called by Senator Tydings meets to plan regional narcotics crackdown. Law enforcement officials from Maryland, Virginia, and D.C. participate.

Aug. 30.—*Staff Study on Drug Abuse in the Washington Area* published. Based on testimony at extensive Committee hearings, this 40-page study describes narcotics situation in region and reasons for it.

Oct. 27.—Senator Tydings introduces S. 3071, a comprehensive D.C. narcotics bill, providing toughest narcotics laws in the nation, cracking down on traffickers, detaining addicts, treating drug users, and creating new tools for police and prosecutors in handling drug-related crime.

Nov. 25.—Hearing on S. 3071.

VI. Pretrial detention

July 11.—President's national preventive detention bill, S. 2600, introduced and referred to Senate Judiciary Committee.

Oct. 15.—Senator Tydings introduces S. 3034, to provide in the District of Columbia for 30-day pretrial detention of certain dangerous persons.

Nov. 6–7.—Committee hearings on S. 3034.

VII. Strengthening the Public Defender Agency

July 11.—President submits as part of his "D.C. Crime Bill" S. 2602, to enlarge and improve the Public Defender Agency.

Sept. 18–25–Oct. 2.—Hearings on S. 2602.

Nov. 3.—Committee orders S. 2602 reported with amendments.

Nov. 19.—Bill reported to Senate.
Nov. 21.—S. 2602 passes Senate.

COMMITTEE ACTION ON OTHER PARTS OF THE PRESIDENT'S DISTRICT OF COLUMBIA PROGRAM

I. Mass transit development

May 16.—Administration bill, S. 2185, to authorize federal payment for transit system introduced with full commitee sponsorship.

June 10–11.—Hearings on S. 2185 held.
July 1.—S. 2185 ordered reported.
July 3.—S. 2185 reported to Senate.
July 8.—Senate passes S. 2185.
Dec. 9.—President signs bill. (P.L. 91–143)

II. Home rule

Apr. 25.—Committee member bills on home rule introduced. (S. 1971, S. 1972, and S. 1991).

Apr. 30.—Hearings on Committee home rule bills.

May 13.—President sends his home rule proposals to Congress. (S. 2163 and S. 2164).

Sept. 17.—Committee orders S. 2163 and S. 2164 reported in lieu of S. 1971, S. 1972, and S. 1991.

Sept. 25.—S. 2163 and S. 2164 reported to Senate.

Oct. 1.—Senate passes President's home rule legislation.

III. Revenue

Aug. 11.—D.C. Revenue Bill (H.R. 12982) passed by House.

Aug. 12–13–Sept. 3–5.—Hearings on H.R. 12982.

Aug. 13.—Senate formally refers bill to Committee.

Sept. 17.—Full Committee orders H.R. 12982 with amendments reported to Senate.

Sept. 24.—H.R. 12982 is reported to Senate.

Oct. 3.—Senate passes H.R. 12982 with amendments, calls for a conference, and appoints conferees.

Oct. 22, 23, 27.—Conferences on bill.

Oct. 30.—House and Senate agree to conference report.

Oct. 31.—President signs bill. (P.L. 91–106).

REPORT TO MICHIGAN'S SIXTH CONGRESSIONAL DISTRICT

HON. CHARLES E. CHAMBERLAIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. CHAMBERLAIN. Mr. Speaker, in accordance with my annual custom, the following report on the first session of the 91st Congress has been prepared for the information of the citizens of Michigan's Sixth Congressional District.

Mr. Speaker, the first half of the 91st Congress is now history. Overall it has been a very uneven performance. Some highly significant steps have been taken. However, many more urgent problems are still awaiting action by the Congress.

The year 1969 has been one of transition, a time in which a nation, torn by dissension and nearly overwhelmed by the problems and challenges of the sixties—Vietnam, inflation, crime, urban blight, poverty, pollution, an overpromising and underperforming Federal Government, and many others—has struggled to regain its self-confidence, its sense of balance and purpose.

The inauguration of a new administration in Washington at this critical juncture in our history has signaled not only a reaffirmation in the ability of our time-tested representative institutions to respond to change, but also the beginning of a new era of reform in government with fresh ideas and approaches to our problems.

As the President stated in a recent message to Congress:

> The legislative program of this Administration differs fundamentally from that of previous administrations. We do not seek more and more of the same. We were not elected to pile new resources and manpower on the top of old programs. We were elected to initiate an era of change. We intend to begin a decade of government reform such as this nation has not witnessed in half a century.

While we have new leadership in the White House, it must be kept in mind that the control of the legislative process has remained in essentially the same hands throughout the past decade. At adjournment, the party division was as follows—House: 245 Democrats, 189 Republicans, 1 vacancy; Senate: 57 Democrats, 43 Republicans. This was one of the longest sessions ever. There were 21,553 bills introduced and the floor proceedings of both Houses filled 30,894 pages in the CONGRESSIONAL RECORD. Some 169 public bills were enacted into law. Of the 353 rollcalls I was present and answered to 98 percent of the 177 record votes.

NEW DIRECTIONS: VIETNAM

Despite the mountain of problems the President inherited upon taking office last January, understandably Vietnam has been his principal concern. After years in which American involvement has constantly increased, the trend of the conflict has been reversed and over 100,000 U.S. servicemen have been ordered home. During 1969 the level of casualties dropped markedly and draft calls were significantly cut back. Even with the lack of success toward a negotiated settlement, the progress of the Vietnamization program enabled the President to put into effect an orderly timetable for the withdrawal of American combat forces.

In recognition of this the House, on December 2, passed by an overwhelming vote of 333 to 55, a bipartisan resolution affirming support for the President in his efforts to achieve a just peace in Vietnam. Heavy majorities in both parties approved the President's new initiatives.

U.S. troop levels in Vietnam

December 31:	
1960	900
1961	3,200
1962	11,300
1963	16,300
1964	23,300
1965	184,300
1966	385,300
1967	485,600
1968	536,100
1969	474,400
1970 (Apr. 15, authorized)	434,000

FREE WORLD SHIPPING TO NORTH VIETNAM

In connection with efforts to convince the Hanoi regime of the free world's determination for an end to hostilities, I have continued to follow closely the aid and comfort derived by North Vietnam from the chartering of free world registered ships in order to help carry on its vital trade especially with Red China and the Soviet Union.

During 1969 there were a total of 99 free world flag ship arrivals in North Vietnam as compared to 149 in 1968. This downward trend is indeed encouraging, but more can and should be done. To deny supplies to the enemy and hasten peace I have urged the administration to make a still greater effort to prevail upon the British Government with respect to the North Vietnamese trade of Hong Kong-based vessels.

Here is a 2-year breakdown of these arrivals by flag of registry:

Flag	1968	1969
British	114	74
Cyprus	14	9
Somalia	9	8
Singapore	6	4
Japan	1	3
Malta	1	1
Italy	1	0
Kuwait	1	0
Lebanon	2	0
Total	149	99

NEW DIRECTIONS: DEFENSE POLICY

During its first year, the new administration also conducted a searching review of our worldwide military strategy. This has already resulted in the setting of explicit guidelines for planning our defense posture in order to reduce and stabilize our defense spending over the next 5 years.

Moving early, the President cut the $81.5 billion Defense budget recommended by the last administration to $75.2 billion, and accepted further reductions made by Congress of an additional $5.6 billion. This was accomplished along with the approval by Congress of the initial construction of an antiballistic-missile system designed to protect our deterrent capability and to defend the American people against accidental nuclear attacks or nuclear blackmail by third countries; new efforts to build a modern navy in the face of the growing Soviet challenge on the high seas; the elimination of the manned orbital laboratory program; and the cutting back on hundreds of defense installations.

On related fronts, the President signed the Nuclear Nonproliferation Treaty; succeeded in opening talks on the limitation of strategic arms with the Soviet Union in Helsinki; and implemented a new policy on the use of chemical and biological weapons.

NEW DIRECTIONS: DOMESTIC POLICY

With all the pressing demands of Vietnam, the Mideast crisis, and other international matters, the President's ambitious legislative program clearly demonstrates his collateral determination to push for basic reforms and innovative concepts to deal with our urgent domestic problems.

Of prime concern has been inflation. Here the legacy of the sixties hangs heavy—during that time we saw Federal spending soar some 96 percent, the Federal debt jump 23 percent, and the cost-of-living rise 18 percent.

Rejecting wage and price controls or

ineffectual guidelines, the President has undertaken to restrain Federal spending in order to get at the root causes. At the end of fiscal 1968 there was an incredible budget deficit of over $25 billion. Last June, 12 months later, we had a surplus of more than $3 billion and the President has promised another balanced budget for fiscal 1970.

Of course, it would be politically more expedient just to go on increasing spending regardless of its impact on inflationary pressures—to promise everything to everybody. However, all across the Nation we are already suffering the long-term effects of such a policy. I am satisfied that a return to more prudent fiscal management is essential even though there will continue to be many difficulties.

Recognizing that simply throwing tax dollars at a problem will not necessarily solve it, the President, in a series of 46 separate messages to Congress, outlined a wide range of proposals, including a new welfare system with positive incentives for recipients to want to work; social security reforms; new initiatives for more housing, such as Operation Breakthrough; a new federalism to revitalize State and local governments through the sharing of Federal tax revenues; electoral college reform; a 10-year airport improvement program; a 12-year mass transit program; new laws to combat organized crime, pornography, and drug abuse; new steps to protect the consumer from harmful pesticides and food additives; postal reform; action to end discrimination in the job market; and a major effort to revive our badly decaying merchant marine.

NEW COMMITTEE ASSIGNMENT

As a result of my appointment on March 5, 1969, to the Ways and Means Committee, I had the opportunity to share in the initial consideration of both the tax reform and social security bills that passed. While these measures accounted for much of the committee's work, also under study was the President's welfare proposals, new taxes to help finance airport development; unemployment compensation revisions, changes in narcotic laws, Federal debt adjustments, and numerous minor import regulation bills. Our Constitution provides that only the House shall originate legislation for raising Federal revenue. It is this committee, first established in 1802, which has been entrusted with this broad power. To share the responsibility for legislation that so vitally affects our citizens and our economy provides a unique opportunity for service.

TAX REFORM

Looking to the positive side of this first session, the passage of the Tax Reform Act certainly will be recorded as a major achievement of this Congress. This is the most comprehensive revision of our tax system since the income tax became law in 1913. I am sure that without the prodding of the new administration it could not have been accomplished.

When fully operable in 1973 the bill will represent an estimated $6.6 billion in added annual Federal revenues due to loophole-closing and some $9.1 billion in tax cuts. In order to minimize the possible adverse impact on the Federal budget and anti-inflation efforts it was finally agreed to adjust reform and relief provisions so that there would be no revenue loss until 1972.

The bill reduces the 10-percent surcharge to 5 percent on January 1, 1970, and eliminates it completely on June 30 of this year. In addition it provides for the repeal of the 7-percent investment tax credit. Here are some of the other main provisions of this 585 page tax bill:

Personal exemption: Beginning in 1970, it is raised in four annual steps from the current $600 to $750 by 1973.

Standard deduction: Beginning in 1971, it is raised in three annual steps from the current 10 percent or $1,000 to 15 percent or $2,000 by 1973.

Low income allowance: Beginning in 1970, Federal taxation is ended on incomes at or below the Federal poverty line standard.

Minimum tax: Beginning in 1970, a new tax is imposed on certain types of currently untaxed "preference income."

Maximum tax: Sets a new maximum tax rate of 50 percent on earned income.

Single persons: Current tax rates are reduced by as much as 50 percent to achieve greater parity between taxes paid by single and married persons.

Foundations: A new 4 percent tax on investment income is imposed along with certain restrictions on foundation operations.

Depletion: The current 27½ percent oil allowance is cut to 22 percent and the allowance on hard minerals is reduced.

Other features include easier rules for income averaging; more liberal deductions for moving expenses; cut-in allowable depreciation of nonresidential buildings; tax on business income of charitable institutions; end of tax advantage for corporations with many subsidiaries; and a crackdown on treatment of some conglomerates.

The following chart gives an indication of the size and timing of projected tax reductions:

WHO GETS HOW MUCH TAX CUT

MARRIED COUPLE, TWO CHILDREN

Annual income	1969 tax (old law)	1970 tax	1971 tax	1972 tax	1973 tax
$5,000	$290	$294	$206	$170	$140
$8,000	849	776	688	635	586
$10,000	1,225	1,122	1,019	962	905
$20,000	3,201	2,957	2,860	2,810	2,760

SOCIAL SECURITY

Added to the final version of the tax reform bill was an across-the-board, 15-percent increase in social security benefits effective January 1, 1970. I also supported this proposal when it previously was before the House as a separate measure. Such action, I believe, was imperative in view of the inflation that has occurred since the last cost-of-living adjustment some 2 years ago. Not to act would simply mean that we were requiring 25 million Americans, the elderly, the disabled, widows and orphans, to accept monthly benefit reductions in terms of real income.

Unfortunately time limitations did not permit the Ways and Means Committee to act on other reforms in the social security system that are badly needed. However, we have been assured by Chairman WILBUR MILLS, Democrat, of Arkansas, that early consideration will be given to further remedial action next session.

I would particularly hope that the administration's request for automatic cost-of-living adjustment would be approved in order to end the problem of benefits unduly lagging behind the rest of the economy. Changes should also be made in the retirement test to minimize as much as possible the present limitations which stifle incentive to work. Our senior citizens who are able to work should not be penalized for wanting to supplement their modest incomes.

This session we made a good start but we should make these and other concerns the first order of business next year and finish the job.

DRAFT REFORM

Finally responding to the President's repeated requests for authority to institute a fairer Selective Service System, Congress, on November 19, approved legislation permitting the first draft lottery since 1942.

Under the new random selection plan, much of the uncertainty of the previous system will be eliminated by the reduction of the period of prime draft vulnerability from 7 years to 1 year. Young men at age 19 will now have some indication of the likelihood of their being drafted and can plan accordingly. The President has also initiated a new policy of bringing youth advisers into the system, and is making an intensive review of other major aspects of the draft law. Congressional hearings on these matters are scheduled to be held next session.

OTHER COMPLETED ACTIONS

Even with the long session, the list of other major bills cleared in the first session is remarkably short:

Housing: A $4.8 billion, 1-year extension of major housing laws was passed with an amendment requiring that a new low-income home be built for each one torn down by urban renewal.

Poverty program: A 2-year extension was approved after a House effort to decentralize OEO was narrowly defeated.

Environmental quality: A special Council was established to mount a comprehensive research effort to fight pollution and safeguard our natural environment.

Food aid: The President's request for doubling the food stamp program to $610 million was approved.

Mine safety: New health standards and compensation for "black lung" victims was cleared.

Student loans: Administration plan for an incentive fee system to encourage private loans to students was adopted.

Export control: The law restricting trade with Communist countries was extended, with new authority to permit the President, if he determines it is in the national interest, to permit sales of nonmilitary goods if available to Communist countries from other free world nations.

Water pollution: $800 million was included in public works appropriation bill for grants to build waste treatment plants.

Air pollution: The Clean Air Act research program on fuels and vehicles was extended and $45 million authorized.

APPROPRIATIONS BACKLOG

The failure to act on appropriation bills in an orderly and timely fashion as required by law has subjected the Congress to substantial criticism, much of which is clearly deserved. While this is not a new problem, it has been getting worse each year. By the time the new fiscal year began last July 1, not one of the 13 major money bills had cleared Congress, and by November 1 only two had passed. Even at adjournment two were left pending. The passage of emergency continuing resolutions just to keep the Government from closing up is a poor way to conduct the Nation's business and works a real hardship on our State and local governments in planning their federally supported activities. In an effort to alleviate this situation, I joined in sponsoring legislation that would make the fiscal year coincide with the calendar year. This way Congress would have, instead of 6 months, a full year to consider the important legislative function of making appropriations.

LEGISLATION INTRODUCED

During the first session I introduced a number of bills to prompt action in many areas. These included proposals that would—

Urge House adoption of resolution supporting President's efforts for a just peace in Vietnam;

Call on North Vietnam to honor the Geneva Convention concerning the treatment of prisoners of war;

Provide an escalator clause to make future cost-of-living increases of social security benefits automatic;

Raise the outside earnings allowance without loss of social security benefits;

Raise the personal income tax exemption;

Make available a Federal aid bonus incentive allotment to States actively fighting water pollution;

Provide a "plowback allowance" program of tax adjustment to assist small businesses;

Prohibit the mailing of pornographic material to minors, and broaden the present laws protecting against the unsolicited mailing of pornography;

Establish a system of sharing Federal revenues with State and local governments;

Extend the same tax exemption treatment allowed U.S. soldiers in Vietnam to those in Korea; and

Provide for a coordinated national safe boating program.

UNFINISHED BUSINESS

At adjournment a quick check of the legislative calendar revealed that numerous bills and most of the President's proposals were still awaiting action. Here is just a partial list with what has been done to date indicated.

Labor-HEW Departments appropriation bill: In conference.

Foreign aid appropriation bill: In conference.

Electoral college reform: House passed direct, popular presidential election plan; no Senate action.

Federal revenue sharing with State and local governments: Senate hearings only.

Voting Rights Act extension: House passed President's proposal broadening and revising 1965 law; no Senate action.

Welfare reform: Hearings only.

Postal reform: Hearings only.

Airport development: House passed; approved by Senate committee.

Merchant marine development: No action.

Drug traffic control: Hearings only.

Antiobscenity bills: Hearings only.

Organized crime control: Hearings only.

Water Quality Improvement Act: Final version still pending in conference.

Unemployment compensation revision: House passed; no Senate action.

Comprehensive Manpower Act: No action.

Gun crime penalties: Senate passed; no House action.

Federal employee pay increase: Final version still pending.

Cigarette advertising: Final version still pending in conference.

Urban mass transportation: Senate hearings only.

GI bill, increasing education and training benefits to Vietnam veterans: Still pending in conference.

Drugs: A 3-year, $29 million program in drug abuse education passed the House; no Senate action.

With reference to drug problems, I have obtained from the Department of Health, Education, and Welfare a supply of four pamphlets which factually discusses marihuana, LSD, amphetamines, barbiturates, and narcotics, and will be pleased to make these available upon request.

STATEMENT BY SENATOR CLAIBORNE PELL ON THE HIGH EFFICIENCY AT QUONSET POINT NAVAL AIR REWORK FACILITY

HON. CLAIBORNE PELL

OF RHODE ISLAND

IN THE SENATE OF THE UNITED STATES

Tuesday, December 23, 1969

Mr. PELL. Mr. President, I recently completed a tour of the Quonset Point Naval Air Rework Facility at Quonset Point, R.I., and I would like to bring to the attention of the Senate the quality and efficiency of the work being undertaken at that facility.

At a time when we are becoming increasingly aware of the high cost of military contract work in the private sector, I think it is important that we take note of the high quality and efficient work being undertaken within the Department of the Navy's civilian branch.

As a Senator from Rhode Island, I am particularly proud to report that the Naval Air Rework Facility in my State has been saving the taxpayer many dollars by its high quality work at a minimum of cost.

The product certification program at the rework facility is one of the key reasons why the naval rework facility is one of the most cost effective in the Nation. I would ask that a recent article by Mr. John R. Folloni describing that excellent program be inserted in the Record at this point in order that my colleagues would have the opportunity to gain a more detailed understanding of Quonset Point's fine effort.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From Quality Insurance, December 1969]

Certification—Cornerstone of Successful Motivation at NARF

(By John R. Folloni, Quality Management Division Head, Naval Air Rework Facility, Quonset Point, R.I.)

(Note.—The Naval Air Rework Facility (NARF), located at the Quonset Point, Rhode Island, Naval Air Station is the Navy's primary overhaul depot for anti-submarine aircraft, various jet engines, and thousands of aircraft components systems. The NARF has joint military/civilian administration and employs nearly 3,300 civilians. Work inducted into the NARF necessarily has strict requirements for both quality and adherence to schedule within targeted costs in order to supply the Fleet with reliable aircraft and related logistics support.)

How would you like to reduce your customer complaints and in-process defect rates by 25%?

This goal was not only achieved but exceeded by Edward Castagna, NARF's quality assurance director, with his new and unique Product Certification Program.

In less than two years, in-process deficiencies have been slashed 40%, while customer complaints fell 42% in aircraft programs and 88% in engine overhauls.

Moreover, this enviable record was accomplished without additional staffing of an already compact quality assurance department which numbers only 3.4% of the total work force.

Key factor in Quonset's approach to assist Navy industrial workers in regaining their pride and feeling of importance lies in the ability of its Product Certification Program to make effective use of the basic instincts of human behavior. Certification is not only a hardware program but also a motivational program based on the principle of individual responsibility and recognition for job accomplishment.

The NARF program stresses from the first contact with the worker that he is the most important part of the quality team; that he is responsible not only for doing his job, but for doing it right. It is emphasized that he is the key person who can make the Navy proud of Quonset's products.

The importance of each job is highlighted through every stage of processing by requiring that each artisan certify his own work. Accomplishment of a job assignment in accordance with the applicable maintenance quality standards is documented by affixing a certification stamp to the appropriate work documents.

To avoid confusion, to control quality and simultaneously increase productivity, a gradual but positive transition was made from traditional inspection methods to the Certification Program. Results were gratifying to both production and quality.

Fig. 1 graphically depicts the relationship between the development of the program and the quality of the outgoing product. It also shows the decline of rework costs and in-process defects (quality index). Not shown, however, was the fact that as the Certification Program expanded, the overall production manhour requirements were also reduced while production schedules continued to be met.

CHANGES IN RESPONSIBILITIES AND FUNCTIONS

Effectiveness of Certification also attributed to basic changes in the responsibilities and functions of both quality and production personnel. For example, the inspector . . . formerly the old policeman armed with a rejection stamp . . . has a new and different job; now his job is to help the artisan whenever the latter's desire to do the job right is being frustrated by conditions beyond his control.

The former inspector, who in the past only required a good trade background and a rejection stamp, has had to go back to school to learn some space age skills. He has studied statistical quality control to understand and use sampling plans; he has had to become acquanited with control charts, report writing techniques, methods of analyzing causes of defect trends, and many other tasks never expected of the old-time inspector.

Of equal importance, the inspector has had to develop skills in psychology and human relations to gain cooperation from members of other departments.

The new man is a detective, a troubleshooter, a father confessor, and a skilled analyst who warns of potential problems before they become real problems. The new man in quality . . the Quality Specialist . . . is truly a skilled professional.

Similarly, the production worker has changed. The old production worker, who tried to see if "anything goes" or who would depend on the inspector to tell him what else had to be done to make the job acceptable, has disappeared from Quonset. The program has restored a sense of pride in workmanship.

GUIDELINES TO SUCCESS

To assure a successful program, Quality Assurance Director Castagna devised the following policy guidelines:

Obtain total support from top management. The most easily overlooked, yet actually most important factor in introducing any new quality improvement programs, is obtaining all-out support from all levels of management, especially top management.

Due to the critical nature of NARF products . . . aircraft, engines, and survival equipment . . . management has always recognized that product quality is essential. However, NARF management was also well aware that the nature and complexity of processing was such that defective materials or processes could be undetectable once the processes or assembly operations were completed. In many cases, the only way of determining the quality of the product was to have inspection check every process and subassembly. Of course, this was economically prohibitive due to the larger number of inspection personnel required for 100% inspection. Additionally, even with so-called 100% inspection, defective material still has a way of getting out.

The NARF program was launched early in 1968 with the full support of top management beginning with Captain J. C. Kemp, USN, then commanding officer, and channeled through all levels of middle management to the shop foremen. Captain T. R. Rhees, USN, present NARF commanding officer, has continued to assure that vigorous top management support is provided to maintain the Certification Program's momentum.

Train the inspection force. Training of the new role began at Quonset several years ago with an "in-house" course in statistical quality control conducted by members of the quality department. A continuous training program encompassing new quality techniques has been conducted ever since and has become a way of life. The Inspector at Quonset Point has been supplanted by the Quality Specialist, a professional whose training continues throughout his career.

The new approach toward defect prevention, coupled with the flexibility of using quality specialists in lieu of single trade-oriented inspectors, has been a major factor in this NARF's ability to produce reliable aircraft products with a production-worker-to-quality verifier ratio of 28 to 1.

Involve production in planning the program. Establish a harmonious relationship with production workers, supervisors and union leaders by allowing them to participate in planning the program. There is no better way to sell a certification program.

Development of the ground rules for the NARF Product Certification Program required many manhours of research. A detailed analysis of other certification programs was made to determine what elements contributed to their success or failure.

"Brainstorming sessions" were held with both production and quality personnel before specific program policies were established. The program went through several stages of evolution, starting with certification restricted to only the most expert workers performing very selected functions, and finally evolving to the present basic policy of certifying anyone recommended by his supervisor.

To insure full acceptance of the program, production workers, production management and the unions were kept informed or planned policy changes . . . and they were continually solicited for comments and suggestions. Many very useful suggestions from the production department were incorporated into the final version of the certification policy directive. This team approach has yielded large dividends, greatest of which was the ready acceptance of the program by production.

Thousands of question-and-answer pamphlets describing the program in simple terms and amplifying the rules of the certification policy directives were distributed to all certifiers and their supervisors. Certification stamps were issued only after the individual signed a pledge to conform to quality specifications whenever he affixed a stamp to a document.

At Quonset, Automatic Data Processing Equipment is used to provide continuous up-to-date listings of certified individuals by name, stamp number, parent shop, and those shops in which his certification authority is valid.

Use positive approaches. Reinforce the quality motivation by continually praising good work.

This positive approach taken at Quonset has been highly successful. Both internal and external feedback information is used as prime sources of material to praise the production departments for continued good performance. Letters of appreciation/commendation from customers are printed in station newspapers and other plant communication media. Credit for high quality product is always given to the production worker.

Quality assurance reports always highlight quality progress made in a shop. When quality improvement in any area does not meet established goals, the shop simply is not praised or the shop is informed that their quality index could be raised by concentrating on certain types of defects, products or processes.

Quality investigations performed as a result of adverse feedback data are always focused on assisting production to locate the source of the problem. Production personnel are rarely reprimanded for poor quality work. Instead, the cause of the poor quality work is determined, and the worker is given the necessary training, tools or facilities to do the job right.

Direct problems to proper personnel. Establish procedures which call problems to the attention of the person or department that can take corrective action.

At Quonset, periodic internal quality reports are forwarded to all levels of management. Other quality reports and quality requests for action are forwarded as necessary.

When statistical data from internal or external sources indicate that the production department is experiencing quality problems, the statistical branch notifies the quality engineering division or the appropriate quality verification branch to perform an investigation and to report the results. When statistical data indicates any breakdown in the Certification Program, the production supervisor is immediately alerted.

The statistical branch provides production with data on the prevailing defect and the certifiers associated with these defects. The production supervisor is then given the first opportunity to correct the situation; however, he must advise the quality department of corrective action taken.

If abuse of the certification privilege is noted, the certification stamp may be recalled by the quality assurance department. Prior to recalling any certification stamp the case is fully investigated by quality personnel to insure that the certifier has been given the proper training, tools, work instructions, and facilities to permit him to comply with the job specifications.

Ensure effective follow-up. Procedures must be established to ensure corrective action is taken.

Whenever corrective action has been taken or promised at NARF to eliminate the cause of a quality problem, continued follow-up actions are utilized to assure the action is initially taken, is of a continuing nature, and that such action has, in fact, been effective in eliminating the problem.

Measure progress. A means of measuring the progress of the Certification Program is necessary.

Quonset utilizes traditional methods of pinpointing quality problems such as control charts and defect summaries. Periodic reports are issued by the quality statistical and analysis branch to monitor progress of shop and certifier quality performance. Summaries of the quality specialists' findings are used to quantitatively measure the Product Certification Program.

CONGRESSMAN ST. ONGE REPORTS TO THE PEOPLE

HON. WILLIAM L. ST. ONGE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. ST. ONGE. Mr. Speaker, it has been my custom ever since I came to Congress in 1963 to submit a report to the people of the Second Congressional District at the conclusion of every session of Congress. This is the seventh annual report. In this way I endeavor to present a summary of the session, the major issues, my own views and actions. I do not expect everyone to agree with everything I have said or done, nor with every decision of the Congress. My primary purpose is to keep my constituents informed on these matters. This report is not reprinted at Government expense.

THE 1969 SESSION

The 1969 session is the first year of the 91st Congress; the 1970 session, starting on January 19, will conclude this Congress. It was one of the longest in our Nation's history. The session began on January 3, 1969, and ended on December 23. Today, being a Member of Congress is a year-round responsibility. Gone are the days when Congress would meet for only 6 or 7 months in the year.

It is difficult to describe the 1969 session in a single phrase, but it is worth remembering that much of the work begun in 1969 will be concluded during 1970. Nevertheless, some people are hasty in their judgments. Thus, some will speak of a "confused Congress," while others maintain it has been "a year of innovation and great initiative."

Having been on the scene day in and day out, I would say that the truth lies somewhere in between these two views. I prefer to agree with Senate Majority Leader MIKE MANSFIELD who termed it a "responsible" session. It does not really matter how long a Congress sits or how many bills are passed, but what is important to the Nation's well-being is the quality of the legislation passed. What the 1969 session lacked in quantity, it more than made up in quality. In addition, Congress has grappled with major problems in a responsible manner and I feel certain that important legislation to deal with those problems will emerge from the 1970 session. In short, I would characterize it as a moderate Congress, cautiously leading the way in a period of turmoil and confusion throughout the world.

A MOST ACTIVE YEAR

Aside from the length of the session, 1969 has been a most active year for me because of the important legislation handled by the two full committees and several subcommittees on which I serve. On the Judiciary Committee we dealt with such problems as electoral college reform, voting rights, crime prevention, pornography, immigration, and judicial procedure, while on the Merchant Marine and Fisheries Committee we discussed oil pollution, U.S. merchant marine, oceanography, the Coast Guard, conservation, and environmental problems.

During the year I introduced a total of 115 bills and resolutions. In the 2 years of the previous Congress I introduced a total of 107 bills, and that was a record. In 1969 my total was greater than the previous 2-year record, which in itself is an indication of the volume of my activity, and the wide scope of my interests. Of the 115 bills, 94 dealt with public issues and 21 were primarily immigration cases. Many of these were enacted or included in modified form in measures enacted by Congress, others remain for the 1970 session.

FOREIGN AFFAIRS

Turmoil, confusion, and frustration continued to dominate the world scene. The war in Vietnam, campus unrest, racial problems in the cities, demonstrations, and mobilizations continued throughout the year. Dissatisfaction with the war and the growing number of losses of American lives finally prompted our Government to begin to curtail participation in Vietnam and a gradual withdrawal of our troops.

Many showed signs of impatience at the slowness of these withdrawals, while the Senate showed its determination to avoid future involvements by passing a resolution against foreign commitments by the President without the approval of Congress. The House passed a peace with justice resolution but some Members, myself included, saw this as another Gulf of Tonkin resolution and opposed it. I am very pessimistic, as I have stated in the past, about the willingness of the South Vietnamese to fight without the support of American combat troops and firepower. Since we will have withdrawn more than 110,000 troops by April 15, 1970, and apparently abandoned the possibility of military victory, it appears to me we are endangering the remaining American troops should the Vietcong initiate a strong offensive because they will have then become convinced that they can achieve a military victory.

Other actions by Congress in the field of foreign affairs include: participation by the United States in the International Development Association, control of exports to Communist countries, continuation of the foreign aid program, unfortunately at a lower level, a call for humane treatment and release of American prisoners of war held by North Vietnam, extension of the Peace Corps. I also cosponsored a resolution to ban bacteriological warfare but the administration subsequently ruled out such practices by the United States. I cosponsored a resolution to commend our servicemen and veterans of Vietnam for their efforts and sacrifices.

NATIONAL DEFENSE AND VETERANS

If any one point has been made clear in 1969 it is that the American people want to spend less on military activities and more on domestic problems. These include crime prevention, elimination of hunger, the needs of the core cities, education, pollution control, and health. However, Congress is well aware of the need for and has provided a first-rate defense effort, but it refused to accept without reservation all the requests for funds from the Pentagon.

The budget request for defense expenditures in the current fiscal year was over $75 billion, but after careful deliberation the Congress reduced it to $70 billion, a cut of $5.3 billion in military programs. It was generally agreed this would suffice and that it was a wise decision in the light of diminishing U.S. participation in Vietnam.

An act of major importance for the Nation was taken by Congress in amending the Selective Service System by authorizing the lottery draft. The new system goes into effect as of January 1, 1970, and will reduce the period of draft vulnerability for young men and remove the uncertainty which made the old system so unfair.

Several bills were passed to aid veterans and their dependents, such as more equitable compensation and increased payments for widows of veterans, increased educational allowances to Vietnam veterans attending college, housing loans, vocational rehabilitation, hospital and nursing home care.

TAX REFORM

At the start of the 1969 session I was one of the first Members to call for tax reform and tax relief for millions of our citizens in the lower income groups. On February 25, I cosponsored a 13-point tax reform bill which would close tax loopholes benefiting special interests, would bring in an additional $9 billion in revenue, eliminate the 10-percent tax surcharge, and provide tax relief for several million low-income taxpayers. Major points of the bill were: cut the oil depletion allowance from 27½ to 15 percent, tax capital gains presently untaxed at death, repeal the 7-percent investment tax credit, limit hobby farmers' use of farm losses, and eliminate accelerated depreciation on real estate.

Several of these provisions were included in the bill passed by Congress, though in amended form. For example, the oil depletion allowance was cut to 22 percent, the privilege accorded capital gains was tightened, a minimum tax will now be applied to income from real estate depreciation and other sources of sheltered income. At the same time, some 5.5 million low-income taxpayers will be completely removed from the tax rolls, while another 9 million low- and middle-income taxpayers will benefit through the increase in the personal exemption, the higher standard deduction, and other provisions.

In addition to the tax bill which I introduced in February, I also sponsored several bills to deal with specific tax problems. Some were subsequently included in the final version, among these the proposal to extend "head of household" benefits for single taxpayers; deductions for moving expenses incurred by employees; increase in personal income tax exemption from $600 to $750—this figure will have to be revised upward in the near future.

All in all, the tax bill approved by Congress is a massive reform and relief measure of vital interest to millions of Americans. It provides some $9 billion in tax relief and adds about $6 billion in new revenue on a more equitable basis. No doubt there are many weaknesses which can be corrected in time. I regard it as the most important piece of tax legislation in the last 25 years.

Congress also passed several other bills of interest in this field, that is, interest equalization tax to keep the balance-of-payments problem under control; Bank Holding Company Act requiring one-bank holding companies to sell their banks or their nonrelated businesses—passed by House; interstate taxation, of which I was a cosponsor, providing for taxation by States of corporations involved in interstate commerce.

OTHER MAJOR LEGISLATION

Among the more important bills enacted are the following:

Social security. An increase of 15 percent across the board for some 25 million beneficiaries, effective January 1, 1970. The President proposed a 10-percent increase to take effect next April. I had introduced several bills to increase social security benefits. One bill called for an increase in benefits of 50 percent plus a cost-of-living adjustment. When I realized there was no chance for passage, I revised my figures and on May 15, 1969, introduced a bill which called for a 15-percent increase. It was this latter version that the Congress adopted.

Housing. This is a $4.7 billion measure extending various housing programs, including more low-income housing, rent supplements, urban renewal, Government-backed housing insurance, model cities, and neighborhood development.

Hunger. To alleviate hunger in various sections of the country, Congress appropriated $610 million for the food stamp program in the current fiscal year, compared with only $280 million last year. Its purpose is to help the poor obtain an adequate diet. In addition, provisions are being made for free meals to needy children.

Education. In this field action remains unfinished. Congress approved programs for guaranteed loans to college students, education of the handicapped, Federal grants to build educational TV and radio facilities, and labor-management cooperation in educational scholarships and day care centers. The major education bill remains unfinished business, however, Congress approved an increase of $1.1 billion in education funds, including aid to schools in impacted areas, but because of a threatened veto by the President this measure was delayed until 1970.

Health. A law passed by Congress requires that States receiving money under the medicaid program use it for that purpose. It was found that some States merely reduced their contributions for other programs when they received medicaid funds from the Federal Government. Passage of the Coal Mine Safety Act was finally achieved. Other health measures to be completed in 1970 are: the public health cigarette smoking bill, modernization and construction of hospitals and medical facilities, construction of community mental health centers, and the Drug Abuse Education Act.

Environmental pollution. Notable progress was made in this field when Congress approved several vital measures. Most important is the appropriation of $800 million to combat water pollution and to provide aid to States and communities in building sewage treatment facilities. I fought for providing $1 billion for this program, but the administration urged only $214 million. Others are: establishment of a top-level Council on Environmental Quality to review national policy on natural resources and environmental control; research to curb air pollution from motor vehicles; saline water conversion program. The next session will consider a bill, which I cosponsored, to control oil pollution.

UNFINISHED BUSINESS

I have already mentioned several items of unfinished business scheduled for the 1970 session. One of the most important is action on crime prevention. One thing is sure: the Nation is tired of studies and research, the demand is for action now. There is also a demand for tightening the laws on mailing of obscene material. As a member of a subcommittee which is studying the problem of pornography, I expect our committee will come up with a constructive proposal.

The House approved an amendment to the Constitution, which I cosponsored, to abolish the electoral college and to provide for direct election of President and Vice President; it remains to be acted upon in the Senate. Civil rights was dealt a heavy blow, however, when the House voted to repeal the 1965 Voting Rights Act and to replace it with an administration measure which would permit the South to revert to old practices for curtailing the Negro vote. The Senate has not acted on this yet.

Other unfinished business includes proposals on welfare reform, postal reform, unemployment insurance coverage for another 5 million workers, consolidation of all job training programs under the Labor Department, consumer protection, a new U.S. merchant marine program.

SERVICES TO THE PEOPLE

One of my primary duties in Washington is to assist the people of my district, including individuals, groups, businesses, schools, towns, and the region as a whole. My office in Washington and the district offices are open at all times and ready to help in every way possible. A call or a letter will bring an immediate response.

During 1969 I was successful in obtaining grants, loans, and contracts for many communities, including New London, Groton, Norwich, Middletown, Willimantic, Rockville, and others, for housing, water, and sewer facilities, hospital expansion, urban renewal, open-space land for recreation areas, post offices. For business firms it involved Federal contracts for goods and services providing employment for thousands of people. For colleges and school districts it meant grants to carry on their educational and research activities. Federal funds were also obtained for pollution control projects, urban planning, antipoverty programs, manpower training, and for such Federal installations as the naval submarine base, the underwater sound laboratory, the Coast Guard Academy, and others in the New London-Groton area and elsewhere.

Many citizens came to me with their personal problems, such as military hardship cases, social security, welfare aid, employment, immigration matters, veterans problems, student loans, housing, and numerous others. Tours to Washington for families and school groups were arranged. Such requests are always welcome, and so are your letters on legislation and your views on national issues.

My thanks to all those who have sent me encouraging letters of support during the past year. I shall continue to represent all the people of my district to the best of my ability. It is an honor to serve the people and I pray that 1970 will see our beloved country secure, united, and at peace.

Address all correspondence to: Congressman William L. St. Onge, House Office Building, Washington, D.C. 20515.

VOTING RECORD IN FIRST SESSION OF 91ST CONGRESS

HON. BURT L. TALCOTT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. TALCOTT. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I insert an account of my voting record for all rollcall votes during the first session of the 91st Congress. I am confident that this report will be of interest to the residents of the 12th Congressional District of California, which I have the honor to represent.

More importantly, my constituents are entitled to this accounting.

The itemization of the rollcall votes of a Member of Congress is only one part of his total record of service. Many other factors must be considered in evaluating his stewardship of his office.

I cast many votes which were not recorded; however, the recorded votes are a representative first-hand account of my activities as their Representative on important legislative proposals considered by the House which recently adjourned.

I would be the first to recognize that every one of my votes will not please every one of my constituents. My objective is to make the best judgment possible at the time based on the facts and circumstances that I can ascertain, in the best interests of the individual citizen, our district, and our Nation.

If more detailed information is desired concerning any particular bill, I will be pleased to furnish that through correspondence.

I also wish to take this occasion to call attention to the fact that I am using the new form supplied by the Joint Committee on Printing. It required only that I indicate the position I took on a particular bill by typing the appropriate symbols as recommended for use by the joint committee.

The format of the voting record, including the succinct bill title and abridged description, is readymade for all Members' use.

This new form is easy to use, and permits enormous savings in personnel, time, space, and printing costs. I hope and recommend that other Members of the Congress avail themselves of this format and procedure. I am not completely satisfied with every description of the bills, but the identification is adequate.

By using this format and procedure, the impact on the personnel and equipment necessary to compose, edit, and print the CONGRESSIONAL RECORD will be greatly reduced. This format also permits an easy review of a Member's voting record and greatly reduces the space required.

Itemization of quorum calls was omitted for several good reasons. Most quorum calls are irrelevant, useless, and reveal practically nothing concerning a Member's record as a legislator and very little concerning his actual attendance at sessions of the House. I answered more than 90 percent of the quorum calls and was absent only for constituent or committee business.

My report follows:

VOTING RECORD OF BURT L. TALCOTT OF THE 12TH CONGRESSIONAL DISTRICT OF CALIFORNIA

Yes—For No—Against NV—Not voting NVA—Not voting, paired against NVF—Not voting, paired for

Roll-call No.	Date	Measure, question, and result	Vote
2	Jan. 3	To elect the Speaker. (McCormack 241; G. Ford 187; "Present" 2)	Ford
3	Jan. 3	H. Res. 1: Previous question: to permit Mr. Powell to take the oath of office. (Failed 176 to 248)	No
4	Jan. 3.	H. Res. 1: Second attempt to order the previous question. (Failed 172 to 252)	No
5	Jan. 3	H. Res. 1: MacGregor amendment to establish a special committee to investigate Mr. Powell's right to take the oath and to his seat. (Failed 131 to 291)	Yes
6	Jan. 3	H. Res. 2: Previous question: that Mr. Powell take the oath, be fined $25,000 and that his seniority begin as of the 91st Congress. (Passed 249 to 171)	Yes
7	Jan. 3	H. Res. 2: On passage: that Mr. Powell take the oath, be fined $25,000 and that his seniority begin as of the 91st Congress. (Passed 254 to 158, "Present" 6)	Yes
9	Jan. 6	Counting electoral votes. Objection to N.C. vote for George Wallace and Curtis LeMay in that they did not win a plurality in that state. (Failed 170 to 228)	No
14	Feb. 5	H. Con. Res. 124: To adjourn until February 17, 1969. (Passed 240 to 125)	Yes
16	Feb. 18	H. Res. 89: Previous question: to change name of Committee on Un-American Activities to Committee on Internal Security. (Passed 262 to 123)	Yes
17	Feb. 18	H. Res. 89: On passage: to change name of Committee on Un-American Activities to Committee on Internal Security. (Passed 307 to 80)	Yes
20	Mar. 12	H. R. 33: Recommittal motion: to increase U.S. participation in the International Development Association. (Failed 155 to 241)	No
21	Mar. 12	H.R. 33: On passage: to increase U.S. participation in the International Development Association. (Passed 247 to 150)	Yes
23	Mar. 18	S. 1058: Motion to suspend rules and pass: to extend authority of the President to submit reorganization plans. (Passed 335 to 44)	Yes
25	Mar. 18	H.R. 2171: Motion to suspend rules and pass: to establish a Commission on National Observances and Holidays. (Failed 164 to 213)	Yes
27	Mar. 19	H.R. 8508: On passage: to increase the public debt limit. (Passed 313 to 93)	Yes
31	Mar. 27	H. R. 7757: On passage: to authorize fiscal 1969 supplemental military appropriations for aircraft procurement and modification. (Passed 341 to 21)	Yes
33	Apr. 1	H. Res. 270: Recommittal motion: to authorize expenditure of certain funds by the Committee on Internal Security. (Failed 74 to 283)	No
34	Apr. 1	H. Res. 270: On passage: to authorize expenditure of certain funds by the Committee on Internal Security. (Passed 305 to 51)	Yes
37	Apr. 16	H. R. 4148: On passage: to amend Federal Water Pollution Control Act, as amended. (Passed 392 to 1)	Yes
46	Apr. 23	H. R. 514: Green substitute amendment, as amended: to extend the 1965 Elementary and Secondary Education Act for two years, to consolidate Titles II and III of ESEA and III(a) and IV(a) of NDEA. (Passed 235 to 184)	NVF
47	Apr. 23	H. R. 514: On passage: to extend programs of elementary and secondary education assistance, and for other purposes. (Passed 400 to 17; "Present" 1)	NVF
51	Apr. 29	H. R. 4153: On passage: to authorize fiscal 1970 appropriations for Coast Guard vessels, aircraft, and construction of shore and off-shore establishments. (Passed 384 to 2)	Yes
53	May 1	H. Res. 17: On passage: creating a select committee to investigate all aspects of crime in the U.S. (Passed 345 to 18)	Yes
55	May 6	H. R. 5554: On passage: to extend indefinitely the special milk program of the Child Nutrition Act. (Passed 384 to 2)	Yes
58	May 21	H. Res. 414: On passage: waiving all points of order against H.R. 11400 to make supplemental appropriations for fiscal 1969, and other purposes. (Passed 326 to 53)	Yes
59	May 21	H. R. 11400: Scherle amendment: to prohibit the use of funds in the bill for subsidizing interest on college construction loans to any institution not complying with the law which directs institutions to deny federal aid to students found guilty of participating in campus disorders. (Passed 329 to 61; "Present" 2)	Yes
60	May 21	H. R. 11400: On passage: fiscal 1969 supplemental appropriations. (Passed 349 to 40)	Yes
64	May 27	H.R. 11612: Conte amendment: to prohibit crop support payments in excess of $20,000 per annum to any producer, except for a sugar producer. (Passed 225 to 142)	No
65	May 27	H.R. 11612: On passage: to make fiscal 1970 appropriations to the Department of Agriculture and related agencies. (Passed 322 to 50)	Yes
66	May 27	H. Res. 424: On passage: to waive all points of order against section 502 (suspending the employment ceiling specified in P.L. 90-364) of H.R. 11582 making fiscal 1970 appropriations to the Treasury and Post Office Departments, the Executive Office of the President, and Independent Agencies. (Passed 345 to 12)	Yes
68	May 27	H.R. 11582: On Smith of Iowa amendment: to limit to $20,000 the total cost, exceeding revenues to the P.O. Dept., for providing postal service to any distributor of second-class mail. (Failed 100 to 239)	No
69	May 27	H.R. 11582: On passage: to appropriate fiscal 1970 funds to the Treasury and Post Office Departments, the Executive Office of the President, and Independent Agencies. (Passed 326 to 6)	Yes
72	June 2	H.R. 763: Motion to suspend rules and pass: to provide for a study of State laws and regulations governing the operation of youth camps. (Failed 151 to 152)	No
73	June 2	H.R. 693: Motion to suspend rules and pass: to provide VA hospital care for veterans 72 or older without their having to declare inability to pay, and for other purposes. (Passed 302 to 3)	Yes
76	June 4	H.R. 11102: On passage: to amend the Public Health Service Act relating to construction and modernization of hospitals and other facilities. (Passed 351 to 0; "Present" 1)	Yes
78	June 10	H.R. 11271: On passage: to authorize appropriations for N.A.S.A. for research and development, construction of facilities, research and program management, and other purposes. (Passed 330 to 52)	Yes
80	June 11	H.R. 1035: On passage: to prohibit encampments, sit-ins, or overnight use of parks or other public property in the District of Columbia, and for other purposes. (Passed 327 to 51)	Yes
85	June 18	H.R. 6543: Recommittal motion: to extend public health protection regarding cigarette smoking. (Failed 138 to 252; "Present" 3)	Yes
87	June 24	H.R. 12167: On passage: to authorize fiscal 1970 appropriations for Atomic Energy Commission. (Passed 406 to 3)	Yes
89	June 24	H.R. 12307: On passage: to make fiscal 1970 appropriations for independent offices and for H.U.D. (Passed 388 to 6)	Yes
91	June 25	H. Res. 357: On passage: to provide an additional clerk for all Members. (Passed 204 to 195)	No
93	June 25	H.R. 7906: On passage: to foster and regulate interstate commerce by providing system for taxation thereof. (Passed 311 to 87)	No
95	June 27	H.R. 8644: Adoption of conference report to make permanent temporary suspension of duty on chicory roots, and to relax limitations on aid to families with dependent children. (Passed 269 to 65)	Yes
97	June 30	H.R. 12290: On passage: to continue the surtax and excise taxes on automobiles and communication services temporarily; to terminate investment credit; to provide low-income allowances. (Passed 210 to 205; "Present" 2)	Yes
99	July 8	H.R. 11249: Recommittal motion: to amend John F. Kennedy Center Act to authorize additional funds. (Failed 162 to 217)	Yes
100	July 8	H.R. 11249: On passage: to amend John F. Kennedy Center Act to authorize additional funds. (Passed 210 to 163)	No
102	July 9	H.R. 11400: Adoption of conference report to make supplemental fiscal 1969 appropriations. (Passed 348 to 49)	Yes
103	July 10	H.R. 11702: On passage: to extend and improve provisions relating to medical libraries and related instrumentalities assistance in the Public Health Service Act. (Passed 370 to 3)	Yes
104	July 10	H.R. 4284: On passage: to authorize appropriations for the Standard Reference Data Act. (Passed 365 to 2)	Yes
106	July 15	H.R. 4018: On passage: to renew and extend certain sections of the Appalachian Regional Development Act. (Passed 273 to 103)	Yes
109	July 17	H.R. 7491: Recommittal motion: to clarify tax liability of national banks. (Failed 123 to 227; "Present" 7)	NVF
110	July 17	H.R. 7491: On passage: to clarify tax liability of national banks (Passed 345 to 4; "Present" 7)	NVF
112	July 21	H.R. 11609: Motion to suspend rules and pass: to amend act of Sept. 9, 1963, authorizing entrance road to Great Smoky Mountains National Park. (Passed 341 to 3)	NVF
113	July 21	H.R. 11651: Motion to suspend rules and pass: to amend National School Lunch Act to provide free and reduced-priced meals to needy children not being reached. (Passed 352 to 5)	NVF
115	July 22	H.R. 12781: On passage: to make fiscal 1970 appropriations for Department of Interior and related agencies, as amended. (Passed 399 to 6)	Yes
119	July 23	H.R. 9825: Derwinski recommittal motion with instructions: to eliminate provision that benefits be calculated on basis of high-three-year average salary and that provision liberalizing benefits for Congressional employees. (Failed 129 to 281; "Present" 1)	Yes
120	July 23	H.R. 9825: On passage: to strengthen the financing of the Civil Service Retirement and Disability Fund and liberalize some of its benefits. (Passed 359 to 48)	Yes
122	July 24	H.R. 12964: On passage: to make fiscal 1970 appropriations to Departments of State, Justice, Commerce, the Judiciary, and related agencies, as amended to provide additional funds for E.E.O.C. (Passed 366 to 31)	Yes
124	July 28	H.R. 9553: On passage: to amend D.C. Minimum Wage Act to authorize computation of overtime for hospital employees on a 14-day work period. (Passed 220 to 141)	Yes
125	July 28	H.R. 255: Recommittal motion: to authorize banks and other regulated lenders in D.C. to charge or deduct interest in advance on installment loans. (Passed 356 to 14; "Present" 2)	Yes
126	July 28	H.R. 2: On passage: to amend Federal Credit Union Act to provide for independent agency to supervise federally chartered credit unions. (Passed 357 to 10)	Yes

VOTING RECORD OF BURT L. TALCOTT OF THE 12TH CONGRESSIONAL DISTRICT OF CALIFORNIA—Continued

Yes – For No – Against NV – Not voting NVA – Not voting, paired against NVF – Not voting, paired for

Roll-call No.	Date	Measure, question, and result	Vote
129	July 30	H.R. 13080: On passage: to temporarily extend surcharge for 15 days. (Passed 307 to 105)	Yes
131	July 31	H.R. 13111: On Joelson of N.J. amendment: to increase by $894,547,000 the funds in the bill for various aid-to-education assistance programs. (Passed 294 to 119)	Yes
132	July 31	H.R. 13111: On Sikes-Smith amendment: to prohibit monetary assistance to any individual involved in campus disorders and to any college or university which fails to cut-off aid to anyone convicted of disruptive campus activity. (Passed 316 to 95)	Yes
133	July 31	H.R. 13111: On passage as amended: to make fiscal 1970 appropriations for Depts. of Labor, H.E.W., and related agencies. (Passed 393 to 16)	Yes
136	Aug. 4	H.Res. 509: Agreeing to resolution: to concur in Senate amendments to H.R. 9951 to extend tax surcharge until Dec. 31, 1969. (Passed 237 to 170)	Yes
138	Aug. 4	H.J. Res. 764: Motion to suspend rules and pass: to authorize appropriations for President's Council on Youth Opportunity. (Passed 396 to 7)	Yes
139	Aug. 4	S. 1611: Motion to suspend rules and pass: to establish National Center on Educational Media and Material for the Handicapped. (Passed 365 to 22)	Yes
142	Aug. 5	H.R. 13018: Recommittal motion: to strike provision making picketing of military installation or personnel a crime. (Failed 87 to 323)	No
143	Aug. 5	H.R. 13018: On passage: to authorize construction at military installations. (Passed 376 to 30)	Yes
145	Aug. 6	H. Res. 513: On passage: to consider H.R. 13270 to reform income tax laws. (Passed 264 to 145)	Yes
148	Aug. 7	H.R. 13270: Recommittal motion: to reform income tax laws. (Failed 78 to 345)	No
149	Aug. 7	H.R. 13270: On passage: to reform income tax laws. (Passed 395 to 30)	Yes
153	Aug. 12	H. Res. 269: On passage: to authorize the Committee on Post Office and Civil Service to conduct investigations. (Passed 196 to 132)	No
155	Sept. 3	H.R. 10105: On passage: to amend National Traffic and Motor Vehicle Act to authorize fiscal 1970 and 1971 appropriations. (Passed 321 to 0)	NV
157	Sept. 4	H.R. 7621: On passage: to amend Federal Hazardous Substances Act to protect children from hazardous mechanical, electrical, or thermal toys and other articles. (Passed 327 to 0)	Yes
158	Sept. 4	H.R. 12085: On passage: to amend Clean Air Act to extend research program relating to fuel and vehicles. (Passed 332 to 0)	Yes
161	Sept. 8	H.R. 11039: Recommittal motion: to amend further Peace Corps Act. (Failed 144 to 186)	Yes
162	Sept. 9	H.R. 11039: On passage: to amend further Peace Corps Act. (Passed 282 to 52)	Yes
164	Sept. 9	H.J. Res. 247: On passage: relating to administration of the national park system. (Passed 334 to 55)	NV
169	Sept. 15	H.R. 13194: On motion to suspend rules and pass: to amend Higher Education Act of 1965 to assure that students have reasonable access to loans for education. (Passed 322 to 60; "Present" 3)	Yes
176	Sept. 18	H.J. Res. 681: Recommittal motion: to propose amendment to the Constitution for direct election of President and Vice President. (Failed 162 to 245)	Yes
177	Sept. 18	H.J. Res. 681: On passage: to propose amendment to the Constitution for direct election of President and Vice President. (Passed 339 to 70)	Yes
179	Sept. 19	H.R. 13763: On passage: to make fiscal 1970 appropriations for the legislative branch. (Passed 177 to 94)	No
181	Sept. 23	H.R. 12549: On passage: to amend Fish and Wildlife Coordination Act to establish a Council on Environmental Quality. (Passed 372 to 15)	Yes
183	Sept. 24	S. 574: On passage: to authorize Secretary of Interior to investigate water resource developments with respect to feasibility. (Passed 364 to 16)	
188	Sept. 29	H.R. 13369: On passage: to extend authority to set interest rates on mortgages to veterans. (Passed 338 to 21)	Yes
189	Sept. 29	H.R. 4314: On passage: to permit joint labor-management funds for scholarships and child care centers. (Passed 354 to 1)	Yes
193	Sept. 30	H.R. 13300: On passage: to amend Railroad Retirement Act and Railroad Retirement Tax Act. (Passed 372 to 17)	Yes
195	Oct. 1	H. Res. 561: On passage: to consider H.R. 14000, to authorize fiscal 1970 appropriations for military procurement. (Passed 324 to 61)	Yes
198	Oct. 3	H.R. 14000: Previous question: to authorize fiscal 1970 appropriations for military procurement, and to prescribe the personnel strength of the Selected Reserve of each Reserve component of the Armed Forces. (Passed 223 to 141)	NV
199	Oct. 3	H.R. 14000: Recommital motion: by O'Konski with instructions to eliminate from the bill appropriations for research, development, and deployment of the ABM. (Failed 93 to 270; "Present" 2)	NV
200	Oct. 3	H.R. 14000: On passage as amended: to authorize fiscal 1970 appropriations for military procurement, and to prescribe the personnel strength of the Selected Reserve of each Reserve component of the Armed Forces. (Passed 311 to 44; "Present" 1)	NV
202	Oct. 6	H.R. 14127: Motion to suspend rules and pass: to carry out recommendations of the Joint Committee on Coinage. (Failed 205 to 148) [2/3ds vote required]	No
203	Oct. 6	H.R. 13304: Motion to suspend rules and pass: to provide educational assistance to gifted children. (Passed 352 to 0)	Yes
204	Oct. 6	H.R. 13310: Motion to suspend rules and pass: to provide programs for children with learning disabilities. (Passed 350 to 0)	Yes
205	Oct. 6	H.R. 372: Motion to suspend rules and pass: to establish new income exclusions for veterans and their widows, liberalize bar on payments to remarried widows, and liberalize oath requirement for hospitalization of veterans, as amended. (Passed 352 to 0).	Yes
207	Oct. 7	H.R. 10878: On passage: to authorize appropriations for National Science Foundation. (Passed 384 to 5)	Yes
209	Oct. 8	H.R. 14159: Previous question: to make fiscal 1970 public works appropriations for water, pollution control, and power development. (Passed 215 to 187)	Yes
210	Oct. 8	H.R. 14159: On passage: to make fiscal 1970 public works appropriations for water, pollution control, and power development. (Passed 396 to 3)	Yes
212	Oct. 9	H.R. 11612: Motion to table: a motion instructing House conferees to insist on Conte amendment to fiscal 1970 Department of Agriculture appropriations [see Roll Call 64 for amendment]. (Passed 181 to 177)	Yes
213	Oct. 9	H.R. 8449: On passage: to reduce from 16 to 12 the working hours of railroad crew employees. (Passed 370 to 0)	Yes
214	Oct. 9	H.R. 7737: Recommittal motion: with instructions to reduce from $20 to $10 million the 1970 authorization for the Public Broadcast Corporation. (Failed 131 to 170)	Yes
215	Oct. 9	H.R. 7737: On passage: to amend Communications Act of 1934 to provide grants for construction of educational television and radio facilities and relating to support of Corporation of Public Broadcasting. (Passed 279 to 21; "Present" 1)	Yes
218	Oct. 14	H.R. 13000: Gross amendment: to provide that both Houses must approve within 60 days the rates of pay increases recommended by the Federal Salary Commission as submitted by the President in order for them to take effect. (Passed 191 to 169)	Yes
219	Oct. 14	H.R. 13000: Recommittal motion: to implement a Federal employee pay comparability system, Federal Salary Commission and Board of Arbitration. (Failed 81 to 281; "Present" 1)	Yes
220	Oct. 14	H.R. 13000: On passage: to implement a Federal employee pay comparability system, Federal Salary Commission and Board of Arbitration. (Passed 310 to 52; "Present" 1)	Yes
221	Oct. 14	Motion to adjourn. (Failed 99 to 210; "Present" 1)	No
224	Oct. 14	Motion to adjourn. (Passed 112 to 110)	NV
228	Oct. 15	H.R. 14127: On passage: to carry out recommendations of the Joint Commission on the Coinage. (Passed 257 to 65)	No
231	Oct. 16	H.R. 13194: Agreeing to conference report: to amend Higher Education Act of 1965 to assure students will have access to insured loans for education. (Passed 326 to 10; "Present" 2)	Yes
233	Oct. 16	H.R. 4293: On passage: to continue authority for regulation of exports. (Passed 272 to 7)	Yes
235	Oct. 20	H.R. 14195: Motion to suspend rules and pass: to revise laws governing contested elections of Members of the House. (Passed 311 to 12)	Yes
241	Oct. 23	H.R. 13763: On motion to table motion to instruct conferees: to make fiscal 1970 appropriations for legislative branch. (Passed 199 to 165)	Yes
243	Oct. 23	H.R. 13827: On passage: to amend and extend laws relating to housing and urban development. (Passed 339 to 9; "Present" 3)	Yes
248	Oct. 29	H.R. 13950: On passage: to provide protection of health and safety of persons working in coal mining industry. (Passed 389 to 4)	Yes
252	Oct. 30	H. Res. 586: Previous question: to consider H.R. 14001, to amend Military Selective Service Act of 1967 to modify selection of persons into Armed Forces (draft lottery). (Passed 265 to 129)	Yes
253	Oct. 30	H.R. 14001: On passage: to amend Military Selective Service Act of 1967 to modify selection of persons into Armed Forces (draft lottery). (Passed 382 to 13; "Present" 1)	Yes
254	Oct. 31	H.R. 14252: On passage: to authorize Secretary of H.E.W. To make grants for educational programs concerning drug use, and for other purposes. (Passed 294 to 0)	Yes
255	Oct. 31	H.R. 4244: Recommittal motion: pertaining to the Administrative Conference. (Failed 130 to 134)	Yes
256	Oct. 31	H.R. 4244: On passage: pertaining to the Administrative Conference. (Passed 133 to 127)	No
260	Nov. 5	H.R. 6778: Recommittal motion: to amend Bank Holding Company Act of 1956. (Failed 124 to 245; "Present" 11)	Yes
261	Nov. 5	H.R. 6778: On passage: to amend Bank Holding Company Act of 1956. (Passed 351 to 24; "Present" 12)	Yes
264	Nov. 6	H.R. 14465: On passage: to expand and improve the Nation's airport, airway system, and for the imposition of user charges. (Passed 337 to 6)	Yes
267	Nov. 12	H.R. 2777: On passage: to enable potato growers to finance a research and promotion program. (Failed 171 to 198)	No

VOTING RECORD OF BURT L. TALCOTT OF THE 12TH CONGRESSIONAL DISTRICT OF CALIFORNIA—Continued

Yes—For No—Against NV—Not voting NVA—Not voting, paired against NVF—Not voting, paired for

Roll-call No.	Date	Measure, question, and result	Vote
268	Nov. 12	H. Res. 603: Previous question: to consider H.J. 589, a joint resolution expressing the support of Congress, and urging the support of the Federal agencies, for the international biological program. (Passed 230 to 100)	Yes
270	Nov. 13	H. Res. 677: On passage: to waive points of order against H.R. 14751 making fiscal 1970 military construction appropriations for Dept. of Defense. (Passed 326 to 43)	Yes
271	Nov. 13	H.R. 14751: On passage: to make fiscal 1970 military appropriations for Dept. of Defense. (Passed 343 to 32)	Yes
272	Nov. 13	H.R. 14705: On passage: to extend and improve Federal-State Unemployment Compensation Program. (Passed 337 to 8)	Yes
273	Nov. 17	H.Res. 675: On passage: agreeing to conference requested by Senate on H.R. 12829 providing for extension of interest equalization tax. (Passed 316 to 31)	Yes
274	Nov. 17	S.J. Res. 121: Motion to suspend rules and pass: to authorize appropriation for National Council of Indian Opportunity. (Passed 316 to 31)	NV
277	Nov. 18	H.R. 14794: On passage: to make fiscal 1970 appropriations for Dept. of Transportation and related agencies. (Passed 362 to 25)	Yes
281	Nov. 19	H.R. 11612: Previous question on agreeing to conference report: to make fiscal 1970 appropriations for Dept. of Agriculture. (Passed 214 to 172)	Yes
282	Nov. 19	H.R. 12829: Agreeing to conference report: to extend interest equalization tax. (Passed 334 to 47)	Yes
284	Nov. 20	H.R. 14580: Sikes amendment: to amend fiscal 1970 Foreign Aid Authorization Act to provide an additional $54,500,000 in military assistance to Nationalist China. (Passed 176 to 169)	NV
285	Nov. 20	H.R. 14580: Recommittal motion: with instructions to reduce development loans by $50,000,000. (Passed 185 to 158)	NV
286	Nov. 20	H.R. 14580: On passage as amended: fiscal 1970 Foreign Aid Authorization Act. (Passed 176 to 163; "Present" 4)	NV
288	Nov. 24	H.R. 11193: Gross amendment: to strike $150,000 for feasibility study of extending transit line to Dulles Airport. (Failed 52 to 256)	No
289	Nov. 24	H.R. 11193: On passage: to authorize a Federal contribution toward the D.C. transit development program. (Passed 285 to 23)	Yes
290	Nov. 24	H.R. 14916: On passage: to make fiscal 1970 appropriations for the District of Columbia. (Passed 305 to 9)	Yes
292	Nov. 25	H.R. 14741: On passage: to revise due date of cost estimate for Interstate Highway System, to amend law relating to highway safety, and for other purposes. (Passed 342 to 1)	Yes
294	Dec. 1	H. Res. 722: Previous question: to provide for consideration of H. Res. 613, "Toward Peace With Justice in Vietnam." (Passed 225 to 132)	Yes
295	Dec. 1	H. Res. 722: Agreeing to rule: to consider H.Res. 613. (Passed 251 to 100)	Yes
299	Dec. 2	H. Res. 613: Recommittal motion: with instructions to amend H. Res. 613 to urge the President to press N. Vietnam to abide by Geneva Convention in treatment of prisoners of war. (Passed 392 to 0)	Yes
300	Dec. 2	H. Res. 613: On passage: "Toward Peace With Justice in Vietnam [in support of President]." (Passed 333 to 55; "Present" 1)	Yes
306	Dec. 8	H.R. 15090: On passage as amended: to make fiscal 1970 appropriations for Dept. of Defense. (Passed 330 to 33)	Yes
309	Dec. 9	H.R. 15149: Broomfield amendment: to add $50,000,000 in military assistance for Nationalist China and S. Korea to fiscal 1970 appropriations for Foreign Assistance. (Passed 250 to 142)	Yes
310	Dec. 9	H.R. 15149: On passage as amended: to make fiscal 1970 appropriations for Foreign Assistance. (Passed 200 to 195; "Present" 2)	Yes
312	Dec. 10	H.R. 4293: Agreeing to conference report: to provide continuing authority for exports regulation. (Failed 157 to 238)	No
316	Dec. 11	H.R. 4249: G. Ford substitute amendment: nationwide to suspend literacy tests; nationwide to extend Atty. General's authority to oversee elections and initiate voting rights lawsuits; to establish uniform residency requirements for presidential elections; to establish presidential commission to study voting practices. (Passed 208 to 204)	Yes
317	Dec. 11	H.R. 4249: On passage as amended: to extend 1965 Voting Rights Act. (Passed 234 to 179)	Yes
318	Dec. 11	H.R. 15209: Recommittal motion: with instructions to eliminate funds for the Kennedy Center for the Performing Arts from fiscal 1970 supplemental appropriations bill. (Failed 142 to 243)	Yes
320	Dec. 12	H.R. 12321: Recommittal motion: with instructions to make Anti Poverty Act into a State program. (Failed 163 to 231)	Yes
321	Dec. 12	H.R. 12321: On passage as amended: to provide continuation of Economic Opportunity Act of 1964 and for other purposes. (Passed 276 to 117)	Yes
323	Dec. 15	H.R. 15095: Motion to suspend rules and pass: to increase Social Security benefits by 15 percent. (Passed 397 to 0)	Yes
324	Dec. 15	H.R. 14646: Motion to suspend rules and pass: to grant consent of Congress to the Connecticut-New York railroad passenger transportation compact. (Passed 352 to 49)	No
325	Dec. 15	H. Con. Res.454:Motion to suspend rules and pass:to call for humane treatment and release of American prisoners of war by N. Vietnam and Vietcong. (Passed 405 to 0)	Yes
327	Dec. 16	S. 740: Motion to suspend rules and pass: to establish a Cabinet Committee on Opportunities for Spanish-speaking People, and for other purposes. (Passed 314 to 81; "Present" 2)	Yes
328	Dec. 16	H.R. 14213: Motion to suspend rules and pass: to provide for 2 additional members on the Smithsonian Institution Board of Regents. (Passed 273 to 119)	Yes
331	Dec. 17	H.R. 15091: Patman amendment: to strike provisions authorizing Federal Reserve Board to purchase federally guaranteed mortgages. (Passed 231 to 171;"Present" 1)	Yes
332	Dec. 17	H.R. 15091: Patman amendment: to strike provisions authorizing purchase by Federal Reserve Board of $6 billion in federally guaranteed mortgages. (Passed 233 to 170; "Present" 1)	Yes
333	Dec. 17	H.R. 15091: Recommittal motion: with instructions to report back bill with language provided in S. 2577, a Senate-passed bill. (Failed 193 to 206; "Present" 1)	Yes
334	Dec. 17	H.R. 15091: On passage: to provide additional mortgage credit, to authorize standby presidential authority to institute selective credit controls, to authorize lending authority to the Small Business Administration, and for other purposes. (Passed 259 to 136; "Present" 3)	No
335	Dec. 17	S. 2917: Recommittal motion: with instructions that House conferees insist on House-passed provisions relating to compensation for black-lung disease.(Failed 83 to 258)	No
336	Dec. 17	S. 2917: Agreeing to conference report: to improve health and safety conditions in coal mines.(Passed 333 to 12)	Yes
338	Dec. 18	H.R. 14944: On passage: to authorize adequate police protection for the White House and foreign embassies. (Passed 394 to 7)	Yes
339	Dec. 18	H.R. 13111: Motion to lay on the table the motion: to instruct House conferees to accept Senate amendment,which adds the words "except as required by the Constitution" to the Whitten amendment prohibiting the expenditure of Federal funds for busing to force racial integration of schools. (Failed 180 to 216)	No
340	Dec. 18	H. Res. 572: On passage: to authorize Members and staff of the Committee on Education and Labor to make certain studies abroad. (Passed 224 to 153)	No
342	Dec. 19	H.R. 14580: On agreeing to conference report:to authorize appropriations for fiscal 1970 Foreign Assistance. (Passed 208 to 166)	No
343	Dec. 19	S. 2577: On agreeing to conference report: to provide additional mortgage credit, to authorize standby presidential authority to institute selective credit controls, to authorize lending authority to the Small Business Administration, and for other purposes. (Passed 358 to 4; "Present" 2)	Yes
345	Dec. 20	H.R. 15149: Recommittal motion: to instruct House conferees to accept Senate amendment eliminating funds for fighter planes for Nationalist China.(Failed 136 to 220)	No
346	Dec. 20	H.R. 15149: Agreeing to conference report:to make fiscal 1970 appropriations for Foreign Assistance (Passed 181 to 174)	Yes
347	Dec. 20	S. 3016: Agreeing to conference report: to continue programs authorized under the Economic Opportunity Act of 1964 (Passed 243 to 94)	Yes
350	Dec. 22	H.R. 13111. Previous question on conference report: to make fiscal 1970 appropriations for H.E.W. and related agencies. (Passed 261 to 110)	No
351	Dec. 22	H.R. 13270. Adoption of conference report: to reform income tax laws. (Passed 381 to 2)	NVF
352	Dec. 22	H.R. 15209. On conference report: to agree to Senate amendment continuing appropriations at the fiscal 1969 level for agencies not yet provided their fiscal 1970 appropriations. (Passed 276 to 99)	Yes
353	Dec. 22	H.R. 15209. On conference report: to agree to Senate amendment to limit application of the so-called Philadelphia plan to eliminate job discrimination. (Failed 156 to 208; "Present" 1)	No

SENATOR HARTKE CALLS FOR AN ALL-VOLUNTEER MILITARY

HON. VANCE HARTKE

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Tuesday, December 23, 1969

Mr. HARTKE. Mr. President, I am pleased today to join my distinguished friend, the senior Senator from Oregon (Mr. HATFIELD), in cosponsoring S. 503, entitled the Voluntary Military Procurement Act.

The goal of any effective military recruitment system must be to afford this country maximum security with the greatest efficiency and economy, while at the same time preserving as large a degree as possible of individual freedom. By these standards, our present system of conscription has largely failed us. It is inefficient; it is uneconomic; and it is grossly violative of the rights of free men.

Nor has the new lottery system lessened these faults to any significant degree. The alternatives open to a young man facing the draft are no different from what they were a year ago. And the economic and operational inefficiencies of a conscript Army remain unchanged.

Let us consider first the economics of the case. At present we spend over $6,000 just to train each inductee. But after we have made this heavy investment, 93 percent of those inducted leave the armed services after 2 years. All told, our annual training costs run to some $3 billion, much of which must be regarded as waste.

A closely related point is that, under present conditions, the 2-year conscript simply cannot be given the amount of technical training that a space-age military force requires of its members. Nor is the conscript likely to use to best advantage the training he does receive, for there is little or no incentive for him to do much more than put in his time until discharge. By contrast, the professionally oriented volunteer knows that the way to achieve success in his chosen career is to do the best he can with the training he gets. In time of war, of course, the American draftee has proved himself to be as brave and resourceful as any fighting man in the world. But we are talking here about a peacetime army, in which the sources of motivation are no different from those of employees in any large bureaucratic enterprise. I wonder how many great corporations would want to depend on conscript labor for their work force.

Admittedly there would be an initial cost increment in establishing an all-volunteer military. The bill now before us, S. 503, provides for $100 per month pay increases for enlisted men, with the price tag coming to about $3.7 billion at present force levels. And in time we would want to offer other inducements to attract and retain military personnel. Estimates as to the additional cost of an all-volunteer service have now been put at $2 to $4 billion, according to a soon-to-be-released Presidential commission study. The question we need to ask ourselves, is it worth it?

Here we must consider the whole great question of individual freedom. Surely there is no more shocking violation of the principles of the American political system than involuntary servitude in the peacetime Armed Forces. It was the threat of just such servitude in their native lands that brought so many of our ancestors to this country. And yet, for more than 20 years the American people have quietly accepted this imposition on their lives on the part of a government that lacked either the will or the imagination to find a substitute for the draft. But the fault is not the Government's alone. How long would either we in Congress or the President have withstood a storm of public protest against peacetime conscription? How long would we have dared ignore the demands of our constituents that we find some reasonable alternative to involuntary servitude for their sons?

But there were no such protests, no such demands. Somehow the people had been talked into believing that we could not afford our national defense except through conscripting our sons. And so, in order to save perhaps $4 billion a year—less than one-seventh the amount we are spending in Vietnam—we have for two decades tolerated an offense against freedom that our forefathers would have been unwilling to accept at any price.

The time is long overdue for facing up to the moral as well as economic consequences of conscription in peacetime. Even the $4 billion we think we save under the present system turns out upon examination to be illusory. For that figure is largely offset by the amount of forced labor we are extracting from our conscripted sons. The real economic costs of the draft have to be calculated by taking into account the difference between what the half million draftees receive in the services and what they would earn as civilians. Forcing men into the military, we are at the same time requiring them, in effect, to subsidize their own service out of lost wages. What we are doing, in other words, is shifting the financial burden from the 75 million civilian taxpayers to the half-million conscripts. And that only compounds the injustice we inflict upon these young men.

But the question has been asked, Can we possibly attract enough people into the Armed Forces to permit us safely to do away with the draft? The most authoritative study we have—by the economist and manpower consultant Prof. Walter Oi—assures us that we can. Even without increasing existing pay scales, volunteers would account for all but 75,000 of the personnel we require for a peacetime force of 2.65 million. By improving pay and other benefits we could unquestionably attract the 75,000 additional men and women we would need.

One other argument frequently advanced against proposals to create an all-volunteer military derives from the belief that such a force would constitute a threat to our civilian institutions. This belief is supported neither by history nor by logic. Through virtually the entire history of this Nation we have had a professional Military Establishment without its ever becoming a danger to our form of government. And in any case, military coups are made by the upper echelons of a nation's armed forces—where there are no draftees—not by the rank and file. Whether the latter is made up primarily of enlistees or draftees, the officers over them are products of the American culture, of the American way of life, with all that that connotes in the way of love and respect for our constitutional system. We have never, thank God, bred militarists in this country. Nor will we do so by returning to the volunteer concept that has always stood us in such good stead.

Removing the injustice of peacetime conscription can only strengthen, not weaken, American democracy. We should undertake to do so just as soon as our lessening involvement permits. The essential first step, Mr. President, is enactment of S. 503. I hope we can move speedily to that end.

REPORT TO THE PEOPLE OF THE EIGHTH CONGRESSIONAL DISTRICT OF WISCONSIN—XXIII

HON. JOHN W. BYRNES

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. BYRNES of Wisconsin. Mr. Speaker, under leave to extend my remarks, I include a report to the people of the Eighth Congressional District of Wisconsin on my voting and attendance record for the first session of the 91st Congress.

The report includes all rollcall votes taken during the first session. Its purpose is to collect in one place and in concise form information which is scattered through about 31,000 pages of the CONGRESSIONAL RECORD.

The description of the bills and the amendments or motions in the report are for purposes of identification only; no attempt is made to describe the legislation completely or to elaborate upon the issues involved. The descriptions used were prepared by the Legislative Reference Service of the Library of Congress. Upon request, I will be pleased to furnish more complete information concerning any particular bill as well as a summary of the issues involved and the reasons for my vote.

The furnishing of this report continues a service I began in the first session of the 80th Congress. This is the 23d report of my voting and attendance record. These 23 reports show how I voted on 3,307 questions in the House of Representatives. Based on quorum calls and record votes, they also show an attendance record of 93 percent.

In addition to the votes shown in this report, there were 176 quorum calls in the House which are omitted to conserve space. This accounts for the nonconsecutive numbering of the rollcalls. I was absent for 19 quorum calls and I was present for 157 quorum calls.

VOTING RECORD OF HON. JOHN W. BYRNES OF EIGHTH CONGRESSIONAL DISTRICT OF WISCONSIN

Yes—For No—Against NV—Not voting

Roll-call No.	Date	Measure, question, and result	Vote
2	Jan. 3	To elect the Speaker. (McCormack 241; G. Ford 187; "Present" 2)	Ford
3	Jan. 3	H. Res. 1: Previous question: to permit Mr. Powell to take the oath of office. (Failed 176 to 248)	No
4	Jan. 3.	H. Res. 1: Second attempt to order the previous question. (Failed 172 to 252)	No
5	Jan. 3	H. Res. 1: MacGregor amendment to establish a special committee to investigate Mr. Powell's right to take the oath and to his seat. (Failed 131 to 291)	Yes
6	Jan. 3	H. Res. 2: Previous question: that Mr. Powell take the oath, be fined $25,000 and that his seniority begin as of the 91st Congress. (Passed 249 to 171)	Yes
7	Jan. 3	H. Res. 2: On passage: that Mr. Powell take the oath, be fined $25,000 and that his seniority begin as of the 91st Congress. (Passed 254 to 158, "Present" 6)	Yes
9	Jan. 6	Counting electoral votes. Objection to N.C. vote for George Wallace and Curtis LeMay in that they did not win a plurality in that state. (Failed 170 to 228)	Yes
14	Feb. 5	H. Con. Res. 124: To adjourn until February 17, 1969. (Passed 240 to 125)	Yes
16	Feb. 18	H. Res. 89: Previous question: to change name of Committee on Un-American Activities to Committee on Internal Security. (Passed 262 to 123)	Yes
17	Feb. 18	H. Res. 89: On passage: to change name of Committee on Un-American Activities to Committee on Internal Security. (Passed 307 to 80)	Yes
20	Mar. 12	H. R. 33: Recommittal motion: to increase U.S. participation in the International Development Association. (Failed 155 to 241)	No
21	Mar. 12	H.R. 33: On passage: to increase U.S. participation in the International Development Association. (Passed 247 to 150)	Yes
23	Mar. 18	S. 1058: Motion to suspend rules and pass: to extend authority of the President to submit reorganization plans. (Passed 335 to 44)	Yes
25	Mar. 18	H.R. 2171: Motion to suspend rules and pass: to establish a Commission on National Observances and Holidays. (Failed 164 to 213)	No
27	Mar. 19	H.R. 8508: On passage: to increase the public debt limit. (Passed 313 to 93)	Yes
31	Mar. 27	H. R. 7757: On passage: to authorize fiscal 1969 supplemental military appropriations for aircraft procurement and modification. (Passed 341 to 21)	Yes
33	Apr. 1	H. Res. 270: Recommittal motion: to authorize expenditure of certain funds by the Committee on Internal Security. (Failed 74 to 283)	No
34	Apr. 1	H. Res. 270: On passage: to authorize expenditure of certain funds by the Committee on Internal Security. (Passed 305 to 51)	Yes
37	Apr. 16	H. R. 4148: On passage: to amend Federal Water Pollution Control Act, as amended. (Passed 392 to 1)	Yes
46	Apr. 23	H. R. 514: Green substitute amendment, as amended: to extend the 1965 Elementary and Secondary Education Act for two years, to consolidate Titles II and III of ESEA and III(a) and IV(a) of NDEA. (Passed 235 to 184)	Yes
47	Apr. 23	H. R. 514: On passage: to extend programs of elementary and secondary education assistance, and for other purposes. (Passed 400 to 17; "Present" 1)	Yes
51	Apr. 29	H. R. 4153: On passage: to authorize fiscal 1970 appropriations for Coast Guard vessels, aircraft, and construction of shore and off-shore establishments. (Passed 384 to 2)	Yes
53	May 1	H. Res. 17: On passage: creating a select committee to investigate all aspects of crime in the U.S. (Passed 345 to 18)	No
55	May 6	H. R. 5554: On passage: to extend indefinitely the special milk program of the Child Nutrition Act. (Passed 384 to 2)	Yes
58	May 21	H. Res. 414: On passage: waiving all points of order against H.R. 11400 to make supplemental appropriations for fiscal 1969, and other purposes. (Passed 326 to 53)	Yes
59	May 21	H. R. 11400: Scherle amendment: to prohibit the use of funds in the bill for subsidizing interest on college construction loans to any institution not complying with the law which directs institutions to deny federal aid to students found guilty of participating in campus disorders. (Passed 329 to 61; "Present" 2)	Yes
60	May 21	H. R. 11400: On passage: fiscal 1969 supplemental appropriations. (Passed 349 to 40)	Yes
64	May 27	H.R. 11612: Conte amendment: to prohibit crop support payments in excess of $20,000 per annum to any producer, except for a sugar producer. (Passed 225 to 142)	No
65	May 27	H.R. 11612: On passage: to make fiscal 1970 appropriations to the Department of Agriculture and related agencies. (Passed 322 to 50)	Yes
66	May 27	H. Res. 424: On passage: to waive all points of order against section 502 (suspending the employment ceiling specified in P.L. 90-364) of H.R. 11582 making fiscal 1970 appropriations to the Treasury and Post Office Departments, the Executive Office of the President, and Independent Agencies. (Passed 345 to 12)	Yes
68	May 27	H.R. 11582: On Smith of Iowa amendment: to limit to $20,000 the total cost, exceeding revenues to the P.O. Dept., for providing postal service to any distributor of second-class mail. (Failed 100 to 239)	No
69	May 27	H.R. 11582: On passage: to appropriate fiscal 1970 funds to the Treasury and Post Office Departments, the Executive Office of the President, and Independent Agencies. (Passed 326 to 6)	Yes
72	June 2	H.R. 763: Motion to suspend rules and pass: to provide for a study of State laws and regulations governing the operation of youth camps. (Failed 151 to 152)	No
73	June 2	H.R. 693: Motion to suspend rules and pass: to provide VA hospital care for veterans 72 or older without their having to declare inability to pay, and for other purposes. (Passed 302 to 3)	Yes
76	June 4	H.R. 11102: On passage: to amend the Public Health Service Act relating to construction and modernization of hospitals and other facilities. (Passed 351 to 0; "Present" 1)	Yes
78	June 10	H.R. 11271: On passage: to authorize appropriations for N.A.S.A. for research and development, construction of facilities, research and program management, and other purposes. (Passed 330 to 52)	Yes
80	June 11	H.R. 1035: On passage: to prohibit encampments, sit-ins, or overnight use of parks or other public property in the District of Columbia, and for other purposes. (Passed 327 to 51)	Yes
85	June 18	H.R. 6543: Recommittal motion: to extend public health protection regarding cigarette smoking. (Failed 138 to 252; "Present" 3)	No
87	June 24	H.R. 12167: On passage: to authorize fiscal 1970 appropriations for Atomic Energy Commission. (Passed 406 to 3)	Yes
89	June 24	H.R. 12307: On passage: to make fiscal 1970 appropriations for independent offices and for H.U.D. (Passed 388 to 6)	Yes
91	June 25	H. Res. 357: On passage: to provide an additional clerk for all Members. (Passed 204 to 195)	No
93	June 25	H.R. 7906: On passage: to foster and regulate interstate commerce by providing system for taxation thereof. (Passed 311 to 87)	Yes
95	June 27	H.R. 8644: Adoption of conference report to make permanent temporary suspension of duty on chicory roots, and to relax limitations on aid to families with dependent children. (Passed 269 to 65)	Yes
97	June 30	H.R. 12290: On passage: to continue the surtax and excise taxes on automobiles and communication services temporarily; to terminate investment credit; to provide low-income allowances. (Passed 210 to 205; "Present" 2)	Yes
99	July 8	H.R. 11249: Recommittal motion: to amend John F. Kennedy Center Act to authorize additional funds. (Failed 162 to 217)	Yes
100	July 8	H.R. 11249: On passage: to amend John F. Kennedy Center Act to authorize additional funds. (Passed 210 to 163)	No
102	July 9	H.R. 11400: Adoption of conference report to make supplemental fiscal 1969 appropriations. (Passed 348 to 49)	Yes
103	July 10	H.R. 11702: On passage: to extend and improve provisions relating to medical libraries and related instrumentalities assistance in the Public Health Service Act. (Passed 370 to 3)	Yes
104	July 10	H.R. 4284: On passage: to authorize appropriations for the Standard Reference Data Act. (Passed 365 to 2)	Yes
106	July 15	H.R. 4018: On passage: to renew and extend certain sections of the Appalachian Regional Development Act. (Passed 273 to 103)	Yes
109	July 17	H.R. 7491: Recommittal motion: to clarify tax liability of national banks. (Failed 123 to 227; "Present" 7)	Yes
110	July 17	H.R. 7491: On passage: to clarify tax liability of national banks (Passed 345 to 4: "Present" 7)	Yes
112	July 21	H.R. 11609: Motion to suspend rules and pass: to amend act of Sept. 9, 1963, authorizing entrance road to Great Smoky Mountains National Park. (Passed 341 to 3)	Yes
113	July 21	H.R. 11651: Motion to suspend rules and pass: to amend National School Lunch Act to provide free and reduced-priced meals to needy children not being reached. (Passed 352 to 5)	Yes
115	July 22	H.R. 12781: On passage: to make fiscal 1970 appropriations for Department of Interior and related agencies, as amended. (Passed 399 to 6)	Yes
119	July 23	H.R. 9825: Dervinski recommittal motion with instructions: to eliminate provision that benefits be calculated on basis of high-three-year average salary and that provision liberalizing benefits for Congressional employees. (Failed 129 to 281; "Present" 1)	Yes
120	July 23	H.R. 9825: On passage: to strengthen the financing of the Civil Service Retirement and Disability Fund and liberalize some of its benefits. (Passed 359 to 48)	Yes
122	July 24	H.R. 12964: On passage: to make fiscal 1970 appropriations to Departments of State, Justice, Commerce, the Judiciary, and related agencies, as amended to provide additional funds for E.E.O.C. (Passed 366 to 31)	Yes
124	July 28	H.R. 9553: On passage: to amend D.C. Minimum Wage Act to authorize computation of overtime for hospital employees on a 14-day work period. (Passed 220 to 141)	Yes
125	July 28	H.R. 255: Recommittal motion: to authorize banks and other regulated lenders in D.C. to charge or deduct interest in advance on installment loans. (Passed 356 to 14; "Present" 2)	Yes
126	July 28	H.R. 2: On passage: to amend Federal Credit Union Act to provide for independent agency to supervise federally chartered credit unions. (Passed 357 to 10)	Yes

VOTING RECORD OF HON. JOHN W. BYRNES OF EIGHTH CONGRESSIONAL DISTRICT OF WISCONSIN—Continued

Yes—For No—Against NV—Not voting

Roll-call No.	Date	Measure, question, and result	Vote
129	July 30	H.R. 13080: On passage: to temporarily extend surcharge for 15 days. (Passed 307 to 105)	Yes
131	July 31	H.R. 13111: On Joelson of N.J. amendment: to increase by $894,547,000 the funds in the bill for various aid-to-education assistance programs. (Passed 294 to 119)	No
132	July 31	H.R. 13111: On Sikes-Smith amendment: to prohibit monetary assistance to any individual involved in campus disorders and to any college or university which fails to cut-off aid to anyone convicted of disruptive campus activity. (Passed 316 to 95)	Yes
133	July 31	H.R. 13111: On passage as amended: to make fiscal 1970 appropriations for Depts. of Labor, H.E.W., and related agencies. (Passed 393 to 16)	No
136	Aug. 4	H.Res. 509: Agreeing to resolution: to concur in Senate amendments to H.R. 9951 to extend tax surcharge until Dec. 31, 1969. (Passed 237 to 170)	Yes
138	Aug. 4	H.J. Res. 764: Motion to suspend rules and pass: to authorize appropriations for President's Council on Youth Opportunity. (Passed 396 to 7)	Yes
139	Aug. 4	S. 1611: Motion to suspend rules and pass: to establish National Center on Educational Media and Material for the Handicapped. (Passed 365 to 22)	Yes
142	Aug. 5	H.R. 13018: Recommittal motion: to strike provision making picketing of military installation or personnel a crime. (Failed 87 to 323)	No
143	Aug. 5	H.R. 13018: On passage: to authorize construction at military installations. (Passed 376 to 30)	Yes
145	Aug. 6	H. Res. 513: On passage: to consider H.R. 13270 to reform income tax laws. (Passed 264 to 145)	Yes
148	Aug. 7	H.R. 13270: Recommittal motion: to reform income tax laws. (Failed 78 to 345)	No
149	Aug. 7	H.R. 13270: On passage: to reform income tax laws. (Passed 395 to 30)	Yes
153	Aug. 12	H. Res. 269: On passage: to authorize the Committee on Post Office and Civil Service to conduct investigations. (Passed 196 to 132)	NV[1]
155	Sept. 3	H.R. 10105: On passage: to amend National Traffic and Motor Vehicle Act to authorize fiscal 1970 and 1971 appropriations. (Passed 321 to 0)	Yes
157	Sept. 4	H.R. 7621: On passage: to amend Federal Hazardous Substances Act to protect children from hazardous mechanical, electrical, or thermal toys and other articles. (Passed 327 to 0)	Yes
158	Sept. 4	H.R. 12085: On passage: to amend Clean Air Act to extend research program relating to fuel and vehicles. (Passed 332 to 0)	Yes
161	Sept. 8	H.R. 11039: Recommittal motion: to amend further Peace Corps Act. (Failed 144 to 186)	No
162	Sept. 9	H.R. 11039: On passage: to amend further Peace Corps Act. (Passed 282 to 52)	Yes
164	Sept. 9	H.J. Res. 247: On passage: relating to administration of the national park system. (Passed 334 to 55)	Yes
169	Sept. 15	H.R. 13194: On motion to suspend rules and pass: to amend Higher Education Act of 1965 to assure that students have reasonable access to loans for education. (Passed 322 to 60; "Present" 3)	Yes
176	Sept. 18	H.J. Res. 681: Recommittal motion: to propose amendment to the Constitution for direct election of President and Vice President. (Failed 162 to 245)	No
177	Sept. 18	H.J. Res. 681: On passage: to propose amendment to the Constitution for direct election of President and Vice President. (Passed 339 to 70)	Yes
179	Sept. 19	H.R. 13763: On passage: to make fiscal 1970 appropriations for the legislative branch. (Passed 177 to 94)	Yes
181	Sept. 23	H.R. 12549: On passage: to amend Fish and Wildlife Coordination Act to establish a Council on Environmental Quality. (Passed 372 to 15)	Yes
183	Sept. 24	S. 574: On passage: to authorize Secretary of Interior to investigate water resource developments with respect to feasibility. (Passed 364 to 16)	Yes
188	Sept. 29	H.R. 13369: On passage: to extend authority to set interest rates on mortgages to veterans. (Passed 338 to 21)	Yes
189	Sept. 29	H.R. 4314: On passage: to permit joint labor-management funds for scholarships and child care centers. (Passed 354 to 1)	NV[2]
193	Sept. 30	H.R. 13300: On passage: to amend Railroad Retirement Act and Railroad Retirement Tax Act. (Passed 372 to 17)	Yes
195	Oct. 1	H. Res. 561: On passage: to consider H.R. 14000, to authorize fiscal 1970 appropriations for military procurement. (Passed 324 to 61)	Yes
198	Oct. 3	H.R. 14000: Previous question: to authorize fiscal 1970 appropriations for military procurement, and to prescribe the personnel strength of the Selected Reserve of each Reserve component of the Armed Forces. (Passed 223 to 141)	Yes
199	Oct. 3	H.R. 14000: Recommital motion: by O'Konski with instructions to eliminate from the bill appropriations for research, development, and deployment of the ABM. (Failed 93 to 270; "Present" 2)	No
200	Oct. 3	H.R. 14000: On passage as amended: to authorize fiscal 1970 appropriations for military procurement, and to prescribe the personnel strength of the Selected Reserve of each Reserve component of the Armed Forces. (Passed 311 to 44; "Present" 1)	Yes
202	Oct. 6	H.R. 14127: Motion to suspend rules and pass: to carry out recommendations of the Joint Committee on Coinage. (Failed 205 to 148) [2/3ds vote required]	Yes
203	Oct. 6	H.R. 13304: Motion to suspend rules and pass: to provide educational assistance to gifted children. (Passed 352 to 0)	Yes
204	Oct. 6	H.R. 13310: Motion to suspend rules and pass: to provide programs for children with learning disabilities. (Passed 350 to 0)	Yes
205	Oct. 6	H.R. 372: Motion to suspend rules and pass: to establish new income exclusions for veterans and their widows, liberalize bar on payments to remarried widows, and liberalize oath requirement for hospitalization of veterans, as amended. (Passed 352 to 0)	Yes
207	Oct. 7	H.R. 10878: On passage: to authorize appropriations for National Science Foundation. (Passed 384 to 5)	Yes
209	Oct. 8	H.R. 14159: Previous question: to make fiscal 1970 public works appropriations for water, pollution control, and power development. (Passed 215 to 187)	Yes
210	Oct. 8	H.R. 14159: On passage: to make fiscal 1970 public works appropriations for water, pollution control, and power development. (Passed 396 to 3)	Yes
212	Oct. 9	H.R. 11612: Motion to table: a motion instructing House conferees to insist on Conte amendment to fiscal 1970 Department of Agriculture appropriations [see Roll Call 64 for amendment]. (Passed 181 to 177)	Yes
213	Oct. 9	H.R. 8449: On passage: to reduce from 16 to 12 the working hours of railroad crew employees. (Passed 370 to 0)	Yes
214	Oct. 9	H.R. 7737: Recommittal motion: with instructions to reduce from $20 to $10 million the 1970 authorization for the Public Broadcast Corporation. (Failed 131 to 170)	Yes
215	Oct. 9	H.R. 7737: On passage: to amend Communications Act of 1934 to provide grants for construction of educational television and radio facilities and relating to support of Corporation of Public Broadcasting. (Passed 279 to 21; "Present" 1)	Yes
218	Oct. 14	H.R. 13000: Gross amendment: to provide that both Houses must approve within 60 days the rates of pay increases recommended by the Federal Salary Commission as submitted by the President in order for them to take effect. (Passed 191 to 169)	Yes
219	Oct. 14	H.R. 13000: Recommittal motion: to implement a Federal employee pay comparability system, Federal Salary Commission and Board of Arbitration. (Failed 81 to 281; "Present" 1)	Yes
220	Oct. 14	H.R. 13000: On passage: to implement a Federal employee pay comparability system, Federal Salary Commission and Board of Arbitration. (Passed 310 to 52; "Present" 1)	No
221	Oct. 14	Motion to adjourn. (Failed 99 to 210; "Present" 1)	No
224	Oct. 14	Motion to adjourn. (Passed 112 to 110)	Yes
228	Oct. 15	H.R. 14127: On passage: to carry out recommendations of the Joint Commission on the Coinage. (Passed 257 to 65)	Yes
231	Oct. 16	H.R. 13194: Agreeing to conference report: to amend Higher Education Act of 1965 to assure students will have access to insured loans for education. (Passed 326 to 10; "Present" 2)	Yes
233	Oct. 16	H.R. 4293: On passage: to continue authority for regulation of exports. (Passed 272 to 7)	NV[2]
235	Oct. 20	H.R. 14195: Motion to suspend rules and pass: to revise laws governing contested elections of Members of the House. (Passed 311 to 12)	Yes
241	Oct. 23	H.R. 13763: On motion to table motion to instruct conferees: to make fiscal 1970 appropriations for legislative branch. (Passed 199 to 165)	Yes
243	Oct. 23	H.R. 13827: On passage: to amend and extend laws relating to housing and urban development. (Passed 339 to 9; "Present" 3)	Yes
248	Oct. 29	H.R. 13950: On passage: to provide protection of health and safety of persons working in coal mining industry. (Passed 389 to 4)	Yes
252	Oct. 30	H. Res. 586: Previous question: to consider H.R. 14001, to amend Military Selective Service Act of 1967 to modify selection of persons into Armed Forces (draft lottery). (Passed 265 to 129)	Yes
253	Oct. 30	H.R. 14001: On passage: to amend Military Selective Service Act of 1967 to modify selection of persons into Armed Forces (draft lottery). (Passed 382 to 13; "Present" 1)	Yes
254	Oct. 31	H.R. 14252: On passage: to authorize Secretary of H.E.W. To make grants for educational programs concerning drug use, and for other purposes. (Passed 294 to 0)	Yes
255	Oct. 31	H.R. 4244: Recommittal motion: pertaining to the Administrative Conference. (Failed 130 to 134)	Yes
256	Oct. 31	H.R. 4244: On passage: pertaining to the Administrative Conference. (Passed 133 to 127)	No
260	Nov. 5	H.R. 6778: Recommittal motion: to amend Bank Holding Company Act of 1956. (Failed 124 to 245; "Present" 11)	Yes
261	Nov. 5	H.R. 6778: On passage: to amend Bank Holding Company Act of 1956. (Passed 351 to 24; "Present" 12)	Yes
264	Nov. 6	H.R. 14465: On passage: to expand and improve the Nation's airport, airway system, and for the imposition of user charges. (Passed 337 to 6)	Yes
267	Nov. 12	H.R. 2777: On passage: to enable potato growers to finance a research and promotion program. (Failed 171 to 198)	No

VOTING RECORD OF HON. JOHN W. BYRNES OF EIGHTH CONGRESSIONAL DISTRICT OF WISCONSIN—Continued

Yes—For No—Against NV—Not voting

Roll-call No.	Date	Measure, question, and result	Vote
268	Nov. 12	H. Res. 603: Previous question: to consider H.J. 589, a joint resolution expressing the support of Congress, and urging the support of the Federal agencies, for the international biological program. (Passed 230 to 100)	NV[2]
270	Nov. 13	H. Res. 677: On passage: to waive points of order against H.R. 14751 making fiscal 1970 military construction appropriations for Dept. of Defense. (Passed 326 to 43)	Yes
271	Nov. 13	H.R. 14751: On passage: to make fiscal 1970 military appropriations for Dept. of Defense. (Passed 343 to 32)	Yes
272	Nov. 13	H.R. 14705: On passage: to extend and improve Federal-State Unemployment Compensation Program. (Passed 337 to 8)	Yes
273	Nov. 17	H.Res. 675: On passage: agreeing to conference requested by Senate on H.R. 12829 providing for extension of interest equalization tax. (Passed 316 to 31)	Yes
274	Nov. 17	S.J. Res. 121: Motion to suspend rules and pass: to authorize appropriation for National Council of Indian Opportunity. (Passed 316 to 31)	Yes
277	Nov. 18	H.R. 14794: On passage: to make fiscal 1970 appropriations for Dept. of Transportation and related agencies. (Passed 362 to 25)	No
281	Nov. 19	H.R. 11612: Previous question on agreeing to conference report: to make fiscal 1970 appropriations for Dept. of Agriculture. (Passed 214 to 172)	Yes
282	Nov. 19	H.R. 12829: Agreeing to conference report: to extend interest equalization tax. (Passed 334 to 47)	Yes
284	Nov. 20	H.R. 14580: Sikes amendment: to amend fiscal 1970 Foreign Aid Authorization Act to provide an additional $54,500,000 in military assistance to Nationalist China. (Passed 176 to 169)	NV[2]
285	Nov. 20	H.R. 14580: Recommittal motion: with instructions to reduce development loans by $50,000,000. (Passed 185 to 158)	NV[2]
286	Nov. 20	H.R. 14580: On passage as amended: fiscal 1970 Foreign Aid Authorization Act. (Passed 176 to 163; "Present" 4)	NV[2]
288	Nov. 24	H.R. 11193: Gross amendment: to strike $150,000 for feasibility study of extending transit line to Dulles Airport. (Failed 52 to 256)	No
289	Nov. 24	H.R. 11193: On passage: to authorize a Federal contribution toward the D.C. transit development program. (Passed 285 to 23)	Yes
290	Nov. 24	H.R. 14916: On passage: to make fiscal 1970 appropriations for the District of Columbia. (Passed 305 to 9)	Yes
292	Nov. 25	H.R. 14741: On passage: to revise due date of cost estimate for Interstate Highway System, to amend law relating to highway safety, and for other purposes. (Passed 342 to 1)	Yes
294	Dec. 1	H. Res. 722: Previous question: to provide for consideration of H. Res. 613, "Toward Peace With Justice in Vietnam." (Passed 225 to 132)	Yes
295	Dec. 1	H. Res. 722: Agreeing to rule: to consider H.Res. 613. (Passed 251 to 100)	Yes
299	Dec. 2	H. Res. 613: Recommittal motion: with instructions to amend H. Res. 613 to urge the President to press N. Vietnam to abide by Geneva Convention in treatment of prisoners of war. (Passed 392 to 0)	Yes
300	Dec. 2	H. Res. 613: On passage: "Toward Peace With Justice in Vietnam [in support of President]." (Passed 333 to 55; "Present" 1)	Yes
306	Dec. 8	H.R. 15090: On passage as amended: to make fiscal 1970 appropriations for Dept. of Defense. (Passed 330 to 33)	Yes
309	Dec. 9	H.R. 15149: Broomfield amendment: to add $50,000,000 in military assistance for Nationalist China and S. Korea to fiscal 1970 appropriations for Foreign Assistance. (Passed 250 to 142)	Yes
310	Dec. 9	H.R. 15149: On passage as amended: to make fiscal 1970 appropriations for Foreign Assistance. (Passed 200 to 195; "Present" 2)	Yes
312	Dec. 10	H.R. 4293: Agreeing to conference report: to provide continuing authority for exports regulation. (Failed 157 to 238)	No
316	Dec. 11	H.R. 4249: G. Ford substitute amendment: nationwide to suspend literacy tests; nationwide to extend Atty. General's authority to oversee elections and initiate voting rights lawsuits; to establish uniform residency requirements for presidential elections; to establish presidential commission to study voting practices. (Passed 208 to 204)	Yes
317	Dec. 11	H.R. 4249: On passage as amended: to extend 1965 Voting Rights Act. (Passed 234 to 179)	Yes
318	Dec. 11	H.R. 15209: Recommittal motion: with instructions to eliminate funds for the Kennedy Center for the Performing Arts from fiscal 1970 supplemental appropriations bill. (Failed 142 to 243)	No
320	Dec. 12	H.R. 12321: Recommittal motion: with instructions to make Anti Poverty Act into a State program. (Failed 163 to 231)	Yes
321	Dec. 12	H.R. 12321: On passage as amended: to provide continuation of Economic Opportunity Act of 1964 and for other purposes. (Passed 276 to 117)	No
323	Dec. 15	H.R. 15095: Motion to suspend rules and pass: to increase Social Security benefits by 15 percent. (Passed 397 to 0)	Yes
324	Dec. 15	H.R. 14646: Motion to suspend rules and pass: to grant consent of Congress to the Connecticut-New York railroad passenger transportation compact. (Passed 352 to 49)	Yes
325	Dec. 15	H. Con. Res.454:Motion to suspend rules and pass:to call for humane treatment and release of American prisoners of war by N. Vietnam and Vietcong. (Passed 405 to 0)	Yes
327	Dec. 16	S. 740: Motion to suspend rules and pass: to establish a Cabinet Committee on Opportunities for Spanish-speaking People, and for other purposes. (Passed 314 to 81; "Present" 2)	Yes
328	Dec. 16	H.R. 14213: Motion to suspend rules and pass: to provide for 2 additional members on the Smithsonian Institution Board of Regents. (Passed 273 to 119)	No
331	Dec. 17	H.R. 15091: Patman amendment: to strike provisions authorizing Federal Reserve Board to purchase federally guaranteed mortgages. (Passed 231 to 171;"Present" 1)	Yes
332	Dec. 17	H.R. 15091: Patman amendment: to strike provisions authorizing purchase by Federal Reserve Board of $6 billion in federally guaranteed mortgages. (Passed 233 to 170; "Present" 1)	Yes
333	Dec. 17	H.R. 15091: Recommittal motion: with instructions to report back bill with language provided in S. 2577, a Senate-passed bill. (Failed 193 to 206; "Present" 1)	Yes
334	Dec. 17	H.R. 15091: On passage: to provide additional mortgage credit, to authorize standby presidential authority to institute selective credit controls, to authorize lending authority to the Small Business Administration, and for other purposes. (Passed 259 to 136; "Present" 3)	No
335	Dec. 17	S. 2917: Recommittal motion: with instructions that House conferees insist on House-passed provisions relating to compensation for black-lung disease.(Failed 83 to 258)	Yes
336	Dec. 17	S. 2917: Agreeing to conference report: to improve health and safety conditions in coal mines.(Passed 333 to 12)	Yes
338	Dec. 18	H.R. 14944: On passage: to authorize adequate police protection for the White House and foreign embassies. (Passed 394 to 7)	Yes
339	Dec. 18	H.R. 13111: Motion to lay on the table the motion: to instruct House conferees to accept Senate amendment,which adds the words "except as required by the Constitution" to the Whitten amendment prohibiting the expenditure of Federal funds for busing to force racial integration of schools. (Failed 180 to 216)	No
340	Dec. 18	H. Res. 572: On passage: to authorize Members and staff of the Committee on Education and Labor to make certain studies abroad. (Passed 224 to 153)	No
342	Dec. 19	H.R. 14580: On agreeing to conference report:to authorize appropriations for fiscal 1970 Foreign Assistance. (Passed 208 to 166)	Yes
343	Dec. 19	S. 2577: On agreeing to conference report: to provide additional mortgage credit, to authorize standby presidential authority to institute selective credit controls, to authorize lending authority to the Small Business Administration, and for other purposes. (Passed 358 to 4; "Present" 2)	Yes
345	Dec. 20	H.R. 15149: Recommittal motion: to instruct House conferees to accept Senate amendment eliminating funds for fighter planes for Nationalist China.(Failed 136 to 220)	No
346	Dec. 20	H.R. 15149: Agreeing to conference report:to make fiscal 1970 appropriations for Foreign Assistance (Passed 181 to 174)	Yes
347	Dec. 20	S. 3016: Agreeing to conference report: to continue programs authorizes under the Economic Opportunity Act of 1964 (Passed 243 to 94)	NV[1]
350	Dec. 22	H.R. 13111. Previous question on conference report: to make fiscal 1970 appropriations for H.E.W. and related agencies. (Passed 261 to 110)	No
351	Dec. 22	H.R. 13270. Adoption of conference report: to reform income tax laws. (Passed 381 to 2)	Yes
352	Dec. 22	H.R. 15209. On conference report: to agree to Senate amendment continuing appropriations at the fiscal 1969 level for agencies not yet provided their fiscal 1970 appropriations. (Passed 276 to 99)	Yes
353	Dec. 22	H.R. 15209. On conference report: to agree to Senate amendment to limit application of the so-called Philadelphia plan to eliminate job discrimination. (Failed 156 to 208; "Present" 1)	No

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[1] Absent. If present, would have voted "no".

[2] Absent. If present, would have voted "yes".

EXPLANATION OF TERMS USED IN PRECEDING PAGES RE THE EIGHTH CONGRSSIONAL DISTRICT OF WISCONSIN

Of necessity the report contains parliamentary and legislative terms with which the reader may not be familiar. An explanation of some of these terms may, therefore, be helpful:

A. A *quorum call* consists of a calling of the roll of Members to determine whether or not a quorum—a majority of Members—is present. No business may be conducted when it is found that a quorum is not present.

B. *Recommittal*: Generally, on all important bills, a motion to recommit the bill to a committee, with or without instructions, is voted upon by the House before it votes upon passage of the bill. If such a motion is adopted, it means that the bill will be changed, delayed, or even killed. However, when a motion to recommit is accompanied by instructions, the vote generally indicates whether the Member is in favor of or opposed to the change in the legislation proposed by the instructions and does not necessarily indicate his position on the bill as a whole. A motion to recommit with instructions, if adopted, does not kill the bill.

C. The type of bill can be determined by the letters which precede its number. All bills that originate in the House are designated by an "H," those that originate in the Senate by an "S." There are four main types:

(1) *H.R.* (*S.*) designates a bill which, when passed by both Houses in identical form and signed by the President, becomes law.

(2) *H.J. Res.* (*S.J. Res.*) designates a joint resolution which must pass both Houses and be signed by the President before becoming law. It is generally used for continuing the life of an existing law, or in submitting to the States a constitutional amendment, in which case it does not require the signature of the President but must be passed by a two-thirds majority of both Houses.

(3) *H. Con. Res.* (*S. Con. Res.*) designates a concurrent resolution. To become effective it must be passed by both the House and Senate but does not require the President's signature. It is used to take joint action which is purely within the jurisdiction of Congress. Many emergency laws carry the provision that they may be terminated by concurrent resolution, thus eliminating the possibility of a Presidential veto.

(4) *H. Res.* (*S. Res.*) designates a simple resolution of either body. It does not require approval by the other body nor the signature of the President. It is used to deal with matters that concern one House only, such as changing rules, creating special committees, and so forth.

D. *Rule:* Important bills, after approval of the committee concerned, go to the House Committee on Rules where a rule, in the form of a House resolution (H. Res.) is granted covering the time allowed for debate, consideration of amendments, and other parliamentary questions.

E. *Conference:* Representatives from both Houses of Congress meet in conference to work out differences existing in the legislation as passed by the two bodies. Upon conclusion of their conference, a report is submitted to each House setting forth the agreements reached. Each House then must act by way of adopting or rejecting the report in whole or in part.

F. *Ordering the previous question:* A motion to order the previous question, if adopted, shuts off further debate on the question before the House and prevents further amendments to such proposition.

REPORTER IN HANOI

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. ROSENTHAL. Mr. Speaker, the St. Louis Post Dispatch, a distinguished American newspaper, recently presented three reports from Hanoi on official North Vietnamese views of the Vietnam war.

The correspondent who reported from Hanoi was Richard J. Barnet, author of the recently published "The Economy of Death," and codirector of the Institute for Policy Studies in Washington.

It is important that we understand better the atmosphere in the North Vietnamese capital if we want to understand how Hanoi reacts to events like President Nixon's November 3 statement on our Vietnam policy. It is also very pertinent to understand the historical perspective of the North Vietnamese who see, Barnet reports, the present hostilities as a continuation of a 25-year war for an independent Vietnam.

The three articles follow:

Hanoi View of Nixon Speech

(By Richard J. Barnet)

(Richard J. Barnet, who served with the United States Arms Control and Disarmament Agency and the Department of State in the Kennedy Administration, wrote the following article after interviewing in North Vietnam Prime Minister Pham Van Dong and other Hanoi and National Liberation Front officials.)

Hanoi, North Vietnam.—North Vietnamese leaders interpret President Richard M. Nixon's Nov. 3 speech as the toughest statement yet on continuing American involvement and a less than subtle pledge to win the war.

In a series of interviews, North Vietnamese and National Liberation Front officials continually raised two principal points: The United States is not really interested in negotiations, and the Nixon policy is a direct continuation of the Lyndon B. Johnson policy with the objective of permanent American domination of South Vietnam politics.

"Your President is foxy, but I don't think he really knows what he is going to do tomorrow," a Cabinet minister commented. Said another: "The Americans are stronger than the French, but they are not as clever."

North Vietnam leaders are convinced that Mr. Nixon has no interest in the Paris talks. Some of the most highly placed sources in Hanoi assured me that there have been no substantive negotiations at all, either public or private. They pointed to the Nov. 3 speech as a clear signal that the United States is not interested in changing the nature or the substance of the Paris talks.

NIXON'S "BRAZEN CHALLENGE"

Prime Minister Pham Van Dong, in a rare interview, said in referring to Mr. Nixon's speech: "The Vietnamese people have taken note of this brazen challenge."

This "challenge of Mr. Nixon's is viewed by North Vietnamese as an American strategy of maintaining steady pressure on the Viet Cong and North Vietnamese regulars. Mr. Nixon's goal, the officials were sure, remains a military victory through a war of attrition.

Mr. Nixon's political goal, Hanoi leaders believe, is to force them and the National Liberation Front to submit to an election organized by the Thieu regime. And they repeatedly assured me that this they would never accept.

An election under Thieu's direction is seen by North Vietnamese leaders as an American-controlled election. Even if someone other than Thieu should win in an election managed by the present Saigon leadership he, too, officials said, would be sure to be an American agent. As one high official put it: "The marionettes may change but the play remains the same. Uncle Sam continues to pull the strings."

In North Vietnamese eyes, a Saigon-directed election would abandon everything that the North Vietnamese leaders have been fighting for for the last 25 years. It would legitimatize a permanent South Vietnamese state. It would legitimatize the present constitution, which makes it illegal for Communists or neutralists to hold office.

"JOHNSON CONSTITUTION"

And, by legitimatizing what the North Vietnamese continually refer to as the "Johnson Constitution," the election would legitimatize the American presence in Vietnam, while insuring its continuation. National Liberation Front participation in the Thieu-sponsored election, they say, removes none of these objections.

Only with a new structure for elections, developed by a "very broad coalition," leaders told me, is there a chance that the outcome would be truly representative. And, they contend, there is nothing to suggest in the last Thieu election that he has any conception of a free election.

They say that in 1966 Thieu scratched one formidable opponent from the ballot while jailing another. They say that battalions of troops were sent to villages to vote for their commander in chief. They say that frequently these troops voted several times. North Vietnamese officials maintain that all this is so obvious to observers in the United States that Mr. Nixon's insistence on Thieu-style free elections shows that the President has no real interest in a compromise solution.

The North Vietnamese analysis of the Nov. 3 speech points up what they consider the real issue; Mr. Nixon's credibility. Does he really intend to get out of Vietnam? At this moment, they are firmly convinced that the answer is no.

"Nixon's Vietnamization is Johnson's de-Americanization all over again," one official said. "How can it work?" North Vietnamese leaders see Vietnamization as a strategy designed to enable the President to fight a war of attrition indefinitely—at a level acceptable to a majority of the American people.

AIR AND ARTILLERY POWER

Although North Vietnamese officials believe that Mr. Nixon will continue to withdraw combat troops, they see him relying more heavily on air power and heavy artillery. Even if the entire force of 300,000 combat troops is pulled out, Hanoi officials say, there would still remain 200,000 support troops in Vietnam itself—backed up by almost 500,000 U.S. troops elsewhere in the Pacific.

North Vietnamese officials see Mr. Nixon returning to the "special war" of the Kennedy era, 1960 through 1965, when American "advisers" did the planning, training and supplying, but the Vietnamese did most of the fighting. That strategy, North Vietnamese claim, led to the rout of the South Vietnamese army in the spring of 1965, a defeat stemmed only by a rapid and massive introduction of U.S. troops.

Today the National Liberation Front and North Vietnamese forces insist that they are far stronger than they were in 1965, and assert that the forces of the Saigon regime are weaker—politically, militarily and economically. And, they say, the National Liberation Front has already demonstrated that it can withstand far greater punishment than what is currently facing them. They said that in 1965–66, for example, the U.S. launched an offensive with 80,000 troops and failed. And, by the end of 1967, with 500,000 U.S. troops in Vietnam, the Americans were no longer able to carry out a strategic offensive, Hanoi officials say.

REDS SEARCH AND DESTROY

North Vietnam offilcals say it is their troops who must now go looking for the enemy. The U.S. has curtailed its "search and destroy" missions to minimize casualties, while stationing the bulk of its forces in defensive positions around Saigon, Hue and Da Nang.

North Vietnamese believe that the 1968 Tet offensive was primarily responsible for Johnson's first move towards de-escalation. Although they say they are increasingly impressed by the American antiwar movement, they continue to put their primary faith in their own efforts on the battlefield.

All of the foregoing changes in U.S. strategy convinced Hanoi officials that the U.S. has lost the war of attrition—but they are under no illusions that they have yet won. They are preparing for a long war.

Mr. Nixon's threat to take "strong and effective measures" did not go unnoticed in Hanoi. They believe that the Vietnamization policy implies a distinct possibility of a re-escalation, including the resumption of the bombing of the North.

Most of the children are back in Hanoi from the evacuation centers in the country; but the new Polytechnical Institute, the only really modern building in the city, stands empty. Factories are still dispersed in hundreds of caves and grottos throughout the countryside. The shelters one sees every few feet along each street of Hanoi are kept in readiness. Little has been done to repair the considerable damage to the residential areas of the capital.

"We are very much on the alert," an elderly former mandarin, now a deputy in the National Assembly, told me.

North Vietnamese leaders believe that no one, even Mr. Nixon, takes seriously the prospect of South Vietnamese completely taking over the fighting. They point out that in the first week of November the National Liberation Front launched a series of attacks, as many as 68 on a single day, against positions held by the South Vietnamese forces. In a number of such engagements, such as at Dar Lac, they overran the South Vietnamese positions and caused other units to flee, the North Vietnamese say.

SAIGON WOULD FALL

Mr. Nixon must know, they reason, that if he really withdraws the U.S. combat units, the Saigon regime would fall. Therefore, they suspect that he is merely attempting to set an elaborate stage for some sort of re-escalation when the failure of the present strategy becomes evident. North Vietnam leaders see Mr. Nixon as attempting to gain public support for intensifying the war by cutting down the draft and moving toward a professional army, by emphasizing Hanoi's alleged intransigence at the negotiating table, and by fanning the flames of nationalism in the United States. This Mr. Nixon will do, Hanoi officials believe, by continuing to evoke the prospect of mass reprisals if the U.S. would leave Vietnam and by making emotional appeals to preserve the national honor.

If Mr. Nixon's present strategy is premised on National Liberation Front restraint on the battlefield, it is bound to fail, these officials say. There is no lull on the battlefield even now, officials contend. Nor is there any understanding for a future lull.

A Viet Cong leader explained, "The battlefield has a rhythm of its own."

Reduction of military activity at one time or another are temporary. They have not renounced the initiative on the battlefield, nor do they lack the capacity, Pham Van Dong told me, to step up the war if necessary. Their analysis of Mr. Nixon's speech has convinced them that it may be necessary.

U.S. DEFEAT EVIDENT, HANOI IS CONVINCED

HANOI, NORTH VIETNAM.—I went to North Vietnam sure that its leaders would seek to convince me of their unshakable determination to carry on the war if their minimum political objections were not met. The United States and all other foreigners must be out of Vietnam, bag and baggage. Not only must the troops go, but more important, the foreign political control which those troops represent must be ended.

In the course of my recent talks with high officials in Hanoi, including Premier Pham Van Dong, these minimum objections were emphasized again and again. North Vietnamese leaders told me that they were eager for a political settlement along these lines but were prepared to fight indefinitely if the United States would not agree.

"Our will is stronger than ever," Dong stated with quiet assurance.

The determination of Vietnamese leadership to resist American military pressure is, of course, their principal weapon. In a war of attrition, staying power makes the crucial difference. I therefore expected to hear expressions of self-confidence. What I was completely unprepared for was the depth and obvious sincerity of their conviction that they are winning.

"The United States defeat is already evident," Dong declared in the course of an interview. They are certain that they will drive the foreigners from their land and they hold this belief with all the tenacity of a religious faith.

No American can comprehend Vietnamese thinking on the war unless he tries to see their history and tradition as they do.

Vietnamese officials gently remind American visitors that they have arrived in the middle of the play. Again and again the high officials to whom I talked spoke of the 2000-year history of Vietnam, its single culture, its one language.

Many of these leaders, including Premier Dong, were born in the South (just as South Vietnamese Vice President Nguyen Cao Ky was born in the north).

They see their national history as a 2000-year successful struggle to keep their land free from successive waves of foreign invaders, all far more powerful than themselves—Chinese warlords in the eleventh century, the Ming Dynasty in the Fifteenth Century, the Sungs in the Eighteenth Century, and the French in this century.

The U.S. efforts that began in 1954 to create and maintain a separate state in South Vietnam is for them merely one more such effort. It is a brief interlude in the long history of a united Vietnam.

North Vietnamese leaders are not prepared to let the United States dismiss the Geneva settlement as ancient history. The state created below the Seventeenth Parallel under Ngo Dinh Diem after the Geneva Conference of 1954 they see as nothing more than a U.S. political device for keeping a foothold in Southeast Asia.

The meaning of the Geneva settlement, they say again and again, is that Vietnam is one country. It will take a long time, they admit, to achieve reunification, but the fundamental right of the Vietnamese themselves to bring this about by peaceful means must be recognized.

The Seventeenth Parallel, according to the Geneva settlement, was "a temporary military demarcation line" and not a political boundary.

"The United States began to sabotage that settlement the day it was signed," a Cabinet minister who had been a delegate at Geneva told me. The passionate belief that they have law and history on their side goes far to explain their extraordinary determination to win their minimum demands.

What do they believe will enable them to carry on the fight against the world's strongest power "for another twenty-five years or more, if necessary."

First, they know that in the severe trials to which they have been subject they have shown that they can take punishment and even thrive on it.

One high official pointed out that North and South Vietnam had received the equivalent of one-megaton hydrogen bomb apiece. More than 600 sections of dikes have been bombed, they say, and they have been able to contain the floods. (They showed me a number of pictures in corroboration.)

The wide use of defoliants and toxic gases has caused some chemical change in the soil, but the rice crop is up. I saw entire towns where as many as 40,000 had lived with nothing left but a dozen fragments of charred wall, but the survivors do not appear intimidated.

North Vietnamese officials concede that more horrors may lie ahead of them. Some fully expect it. But they feel that they have been tested and that they have emerged from the trial with greater strength than ever.

Second, there is abundant evidence of economic growth in the years of escalation, they assert. There are 20,000 more university students this year than in 1965. The yield per acre in the rice crop, despite periodic setbacks, has almost doubled. Under the pressure of war, age-old public health problems have been solved. Malaria, plague, cholera and yellow fever have been virtually eliminated.

Each year new dispensaries and hospitals are built in villages and districts. Since 1965, an entire new industrial network has been established. Hundreds of small workshops, machine tool factories and light industry have been built into the sides of mountains and in grottos. I saw one workshop inside an enlarged cave where men and women were huddled over simple lathes turning out pistons for trucks and other spare parts.

Under the pressure of war the Vietnamese have decentralized their education, medical services, agriculture, as well as industrial production. The administrative head of a province emphasized that the radical reforms the Vietnamese had carried out under the bombings should more accurately be characterized as "divided responsibility" rather than "decentralization." Their economy, he pointed out, is still centrally managed. Whatever the term, there is no doubt that the changes are popular and have raised morale.

The third source of strength is the increasing sense of unity of the people. For this, Vietnamese leaders give the U.S. Air Force much of the credit.

"When the first wave of planes came over the North," one of the country's leading intellectuals told me, "some Catholic priests openly applauded." These long-time foes of North Vietnam's Communist government led their flocks into the local churches certain that they would be the last places the Americans would bomb. But Catholic churches have been bombed in great number. The official count is 465. (I counted more than 10 in a short visit to a single province.)

The result has been to unite dissident elements in the society in the common struggle against the outside attacker.

Commenting on Gen. Curtis E. LeMay's famous strategy to bring their country to its knees by "bombing it into the Stone Age," a high party official remarked: "If you get a chance to see the general when you return to your country, tell him that it's all right with us if he wants to go back to the Stone Age. As for us, we are going forward."

I kept asking everyone from a high school student to the Premier to explain the extraordinary spirit of determination and even lightheartedness I saw wherever I went.

While they are quite ready to concede that there is a special toughness to the Vietnamese, a product of history and culture, they point out that other countries have also found added strength in adversity. The classic case is Britain during the bombing of London.

"Your country, too," a top Hanoi official observed, "experienced an extraordinary growth in the Second World War."

But perhaps the crucial source of strength of the Vietnamese, as they see it, is their very backwardness. I was shown movies of the Viet Cong at work, navigating streams in rafts, obtaining food, shelter and protection from the forest.

"Look how little we need for fighting," was the message constantly impressed upon me. It is clearly a message they believe themselves.

Another point they make is symbolized by the giant bomb craters I saw scarring the countryside in Thanh Hoa province. They seemed irrelevant. At their edge new huts had been built or a new rice crop planted.

Although province officials were concerned that the craters were becoming breeding grounds for mosquitos, the bombings had not disrupted the social system. Many had been killed and wounded, but life went on much as it always has. Vietnam appears to be one of the countries in the world least vulnerable to massive air bombardment.

While conceding that the advanced Chinese and Soviet military equipment I saw on the highway had something to do with their survival, Vietnamese officials constantly repeated, "We are a primitive country." They said it triumphantly. "Our people don't need much to eat. We can get along on rice, fish and a little meat, if it is available. Ten meters of cloth and one pair of shoes a year is more than enough."

The kind of house to which most of the population is accustomed can be put together in short order with a minimum of easily available materials.

One of the most important exhibits in the Museum of the Revolution in Hanoi shows Ho Chi Minh's small straw suitcase with his sandals and tunic, the total possessions he carried with him in the long months of World War II. It is a pointed symbol of the national capacity for making do.

Time on Their Side, Hanoi Leaders Believe

(By Richard J. Barnet)

Hanoi, North Vietnam.—The top leadership in Hanoi believes that time is on their side. "Mr. Nixon is in no hurry to withdraw the troops. He thinks he has plenty of time, but he doesn't," one of Hanoi's most authoritative political figures told me in an extended discussion. "As for us, time is something we have in great supply."

I questioned the North Vietnamese and National Liberation Front officials closely on two factors which, according to United States military sources, are seriously weakening their capacity to continue the war: The supposedly serious decline in morale in the North, and the unacceptability high casualty rate in the South. When I asked Premier Pham Van Dong about morale, he replied, "After the death of our president, Ho Chi Minh, we are closing ranks." He was referring specifically to speculation about rivalry among the leadership, and he spoke with the authority of a man in charge.

When I asked whether the bombing halt had not produced a psychological letdown in the North, another speculation popular in Washington, I received this answer: "The country is still at war and the people still feel part of the struggle." I understood these words better when I heard a class of kindergarten children singing songs about shooting down American planes.

Wherever I turned, I saw small groups of Vietnamese preparing for the long war they see ahead. In the early morning, I walked alone in Hanoi's Unity Park and watched classes of young women assembling rifles among neatly planted flower beds. Several mornings at 4 o'clock I heard the clatter of militia marching in shouted cadence below my bedroom window.

When I questioned National Liberation Front leaders about the crippling losses the U.S. Army claims to have inflicted on the Viet Cong, they said that after reading the U.S. figures they did not understand how they themselves could still be alive. They produced a complete list of the annual estimates of U.S. military leaders on the demise of the Viet Cong dated back to 1965, then noted their offensive operations that followed these premature death notices. The Viet Cong do not deny that they have suffered heavy casualties but, as a National Liberation Front official just back from the front told me: "We are now operating far more effectively in the cities than ever before. The National Liberation Front has a major military headquarters operating within the city limits of Saigon itself."

Every high official with whom I talked spoke with contempt about the United States' Vietnamization program. "It is Nixon's grand design," said one top political figure, "but it will turn out to be a nightmare for him." There is no assurance, they insist, that any temporary lull will continue. They were visibly angry at what they regard as the Nixon Administration's attempts to use their restraint on the battlefield as a political weapon against them. Another top leader said, "Mr. Nixon wants to tell the American public, 'I have succeeded in doing this. I am able to do that. Give me your confidence. Don't bother me. Leave me alone.' When he has to request more appropriations he will say something different."

Although the Hanoi leaders believe that they are more than holding their own on the battlefield, they see two favorable political trends.

The rising opposition to the war in the United States has plainly surprised them, but they have a realistic estimate of its strength. Above all, they rely on their own will and strength. They believe that U.S. policy will eventually change enough to permit a negotiated settlement because the United States is willing to accept considerably fewer losses to protect a distant imperial outpost than they themselves are prepared to accept to rid Vietnam of foreign domination. "Some day the United States must come to see its own interest," said one Hanoi official.

The second trend to which they attach considerable importance is the deterioration of political strength of the Saigon government. (President Nguyen Van) "Thieu, (Vice President Nguyen Cao) Ky, and Premier Tran Thien Khiem are in a very bad way," a Cabinet minister told me. "And there is no way out for them." Another official suggested, "They have their bags packed Hanoi officials believe that it is highly significant that Gen Duong Van Ming and Gen. Tran Van Don are now willing to oppose Thieu openly.

Much attention is being paid to the economic crisis in Saigon. One of the ministers in charge of economic matters, reading from the Saigon press, analyzed what he called the runaway inflation in the South. The steep rise in the cost of living over the last several months has encouraged a mounting tide of opposition to Thieu's Minister of Economics. "Members of the middle class are co-operating more and more and more with the National Liberation Front," he said, "because of the Saigon government's failure to manage the economy."

Although impressed with signs of political movement independent from the Thieu-Ky government in Saigon, top Hanoi officials are wary of what will happen. "Everything depends on Washington," one minister declared. "In the old days the Americans could change horses in midstream. Although the situation is now more difficult for them, perhaps even now they are readying a new horse."

Their over-all conclusion about developments in Saigon is highly optimistic. A high level official noted: "The situation in Saigon is developing in our favor. It is an irreversible process. It is quite possible that this process will take place under extremely favorable conditions, and rapidly."

Top Hanoi officials are convinced that the day is not too far off when the people in the South will demand a "government of peace" to talk seriously with the National Liberation Front with a view to "setting up a very broad coalition government". The central question, as they see it, is: When will the United States permit this inevitable evolution to take place? When Washington is ready to accept such a development, North Vietnamese leaders indicate, the road to serious negotiation will be open.

"There are many things in our 10-point program," a leading Hanoi political figure told me, "if people will only look."

REPORT TO THE PEOPLE OF MISSISSIPPI FOR 1969

HON. JOHN STENNIS

OF MISSISSIPPI

IN THE SENATE OF THE UNITED STATES

Tuesday, December 23, 1969

Mr. STENNIS. Mr. President, as we approach the end of calendar year 1969 and the conclusion of the first session of the 91st Congress, I have been reviewing the direction and scope of my principal efforts during the year and what has been accomplished. I do so in part because I believe it is well in any field of endeavor to retain a knowledgeable view of the recent past, for it helps in maintaining a good perspective and in anticipating future problems.

Also, however, I hold in trust from the people of Mississippi a responsibility which I respect and treasure. I owe to those fine people of my State a report of my stewardship of that trust for the year 1969. This I will undertake to do now, as this session draws to a close.

First, I will say that my review indicates that there are many to whom I owe my thanks. Foremost are my constituents, for their continued assistance, support, and encouragement. I am indebted to the entire congressional delegation of Mississippi, for their unfailing cooperation and assistance. I thank all my colleagues in the Senate for their many courtesies, for the wisdom with which they have approached the problems we have dealt with during the year, and for their support in many matters important to my State. My staff, and the staffs of the committees with which I am associated have worked hard and effectively, and are deserving of the confidence I place in them. My friends and family have been at my side, and when burdens seemed heavy I have been blessed with faith and spiritual solace. It has been a good year, and one for which I am grateful.

It has not been an easy year. As we all know, there is much divisiveness in our country these days, on many scores. The wise, equitable, and prudent action is not easily discerned. Our country is engaged in an honorable but saddening war, fought in defense of a beleaguered people—a war from which we all seek a just, honorable, and early peace. Our people are struggling with inflationary pressures, and our Nation is sorely taxed by responsibilities of world leadership. It has been a year of fiscal restraints, where we have not had the means to meet all the problems as we would have liked. Nevertheless, much has been done, of a very constructive nature, and I take pride in presenting this report, under the following headings, to the people of Mississippi.

AGRICULTURE

The Agriculture Subcommittee of the Committee on Appropriations, of which I am a member, had a number of matters before it which were of great importance to our farm programs in Mississippi.

The agriculture appropriations bill contained a provision under which payments under all price support programs to any one producer would be limited to $20,000. Such a measure would work a great hardship on our agricultural program and would have severe economic repercussions. In the Senate subcommittee we deleted this provision, and the deletion was sustained by a vote of the Senate. I was designated as one of the Senate conferees, to reconcile differences between the House and Senate bills. We were able to have our view prevail, and the payment limitation was excluded from the bill in its final form, as it was sent to the President. Congressman JAMIE WHITTEN rendered his fine services on this appropriations bill as usual.

In the Senate subcommittee I proposed the addition of funds in a number of categories, over and above the amounts in the House bill or in the budget request. I was able to obtain an extra $500,000 each in the production cost-cutting research program on cotton and on the cooperative fire ant eradication program. Added for payments to agricultural experiment stations was $1,335,000, and $1,615,000 for extension service payments to States. Retained in the bill for grants for facilities was $1 million. Under the Farmers Home Administration grants for rural water and waste disposal grants, I was pleased to be able to retain an added $6 million, the full amount of my amendment.

PUBLIC WORKS PROJECTS

This year, besides serving on the Public Works Subcommittee of the Appropriations Committee, and meeting with the full committee on the public works bill, I was also designated by the Senate as a member of the conference committee, to resolve differences between the House and Senate versions of the public works appropriation bill. This gave me an excellent opportunity to set forth the merits of our Mississippi projects, and to obtain for them a level of funding with which I am quite pleased, considering the budgetary limitations with which we were dealing.

Among the projects funded for fiscal year 1970 are the initiation of the comprehensive study of the lower Mississippi region, $500,000; the continuing engineering design of the Tennessee-Tombigee Waterway, $500,000; Biloxi Harbor, $330,000; flood control work on the Tombigbee River and tributaries, $650,000; beach, harbor, and channel repairs after Hurricane Camille, $5,000,000; and survey reports at Gulfport Harbor, Hancock County beaches, Pascagoula River Basin, and Tombigbee River, $212,000.

The Mississippi River and tributaries project is concerned with flood control and navigation on the main stem of the river and in the backwater areas. I supported an increase of $12,440,000 for this project, to a total of $87,040,000, the increase to be used for levees, channel improvement, maintenance in the Big Sunflower River, and examinations and surveys. In conference we were able to hold a half of this increase. I also supported funds for starting work on the Upper Auxiliary Channel, Ascalmore-Tippo, and O'Possum Bayou, in the Yazoo Basin. These funds originated in the House bill and were approved in conference.

I am particularly pleased that I was able to get approved an amendment in the Senate bill $200,000 to initiate engineering and design of Tallahala Reservoir in Jasper County. This item was not among the budget approved items. This dam, authorized in the 1968 Flood Control Act, will provide much needed flood control, water supply, water quality control, recreation, and fish and wildlife improvements. In conference and in the final bill, with the able help of my colleagues in the House, these funds were retained, and we have taken an important step toward the construction of this project.

TVA projects are also considered in the public works bill, of course. I supported the inclusion of the Yellow Creek Port project, in Tishomingo County, even though it had active opposition. It was supported by the Mississippi delegation in the House, and in conference, and we were able to retain $450,000 in the final bill, to begin design and dredging of the port. This project will be a fine development and will develop barge tonnage and industrial development by taking advantage of the presence of Pickwick Lake and the Tennessee River at the northeastern tip of Mississippi.

In the present fiscal year we have $500,000 for engineering and design for the Tennessee-Tombigbee waterway. I have been working hard to help to obtain a construction start on this vast project, in the new budget being prepared for fiscal year 1971. I do not yet know whether it will be in the budget, but I do know that the national and regional benefits of the project, as well as those in eastern Mississippi, are tremendous, and should no longer be foregone. It is time to begin actual construction of this Tennessee-Tombigbee waterway. I am going all out for at least $3 million construction money for fiscal year 1971.

I have high hopes for the authorizations that may develop from the comprehensive studies of the Pearl River and Pascagoula River basins, now nearing completion. The coming year will develop what we can expect from these very thorough examinations of potential water resource developments in Mississippi.

RURAL WATER AND SEWER SYSTEMS

I am a very strong believer in the rural water and waste disposal systems of the Farmers Home Administration. In my judgment they have a key role in economic development and revitalization of our rural areas and smaller towns. As I indicate elsewhere in this report, under the discussion of the agriculture appropriations bill, I successfully supported this year an increase of $6,000,000 in the grant program for this purpose, raising the total to $46,000,000.

As I look back over the period of less than a year since the first of January, 1969, I am quite impressed and proud of what has been accomplished by Mississippians under this program. During that period 46 associations in 34 different counties of Mississippi participated in the program. There were 31 water systems, three waste systems, and 12 associations with both water and waste systems.

For these systems, grants from the FHA were made to a total amount of $682,990. Direct loans to associations by FHA totaled $1,929,000, and insured loans totaled $4,785,520. This makes a grand total of $7,397,510.

Considering the relatively short period of time involved, this is a very substantial investment, and it is money used to the best advantage, in a way that benefits entire communities, individual families, and the economy as a whole. I intend to again give vigorous support to this program next year and hope to get it doubled in 1970. It is one of the most useful means we have of encouraging industrial development and placing rural areas in a more competitive position with larger cities. The most of this money is repaid, with interest.

WATERSHED PROJECTS

One of the highly effective programs in Mississippi is the watershed development program of the Soil Conservation Service. I have been an active supporter of the program since the passage of the Watershed Protection and Flood Prevention Act in 1954.

This year in the Agriculture Appropriations Subcommittee, I supported an increase of $6 million for watershed works of improvement, to a total of $63,873,000, and I am glad to say that this figure prevailed in conference and was included in the final bill for fiscal year 1970.

We have a number of authorized watershed projects in Mississippi that are awaiting funding. Under the fiscal constraints that have been imposed this year, with the administration impounding as an economy measure a part of the funds already appropriated, it has been difficult to obtain the money for construction. Nevertheless, I am glad to say that funds were provided in calendar year 1969 to 12 watershed projects in Mississippi: Big Creek, Box Creek, Browns Creek, Chunky River, Eutacutaches Creek, Five Creek, Richland Creek, Roberson Creek, Silver Creek, Tri-County Hopson Bayou, Upper Leaf River, and Whitesand-Greens Creek. The total Federal share of the costs amounts to $26,732,780.

This is a commendable showing for Mississippi, all in all, and a reflection of the willingness of Mississippians to raise the large sums which must be invested locally in these projects. I intend to help in every way possible in the coming year to see that the watershed program in our State continues to grow.

ECONOMIC DEVELOPMENT PROJECTS

Since the establishment of the Economic Development Administration by the Public Works and Economic Development Act of 1965, I have advocated and supported its programs. Its purpose is long-range economic development by developing and expanding enterprises through a program of public works grants and loans, loans for industrial or commercial facilities, and technical research assistance.

In the last 4 years this program has been highly successful in Mississippi. I am glad to say that in 1969 there was a still greater increase of EDA activities in our State. Since January 1, EDA funds have been made available for 43 projects at 33 different locations in Mississippi. The money involved is a total of $8,434,930.

The types of projects funded this year include street, water, and sewer systems, water and sewage treatment plants, industrial parks, airports, shops and classrooms, port reconstruction, expansion of industrial enterprises, and grants for long-range planning.

There are 15 other projects pending in Mississippi, at the end of the year. The funds which will be involved in these total about $4,589,000.

Thus the total EDA funds committed or pending in Mississippi this year is the imposing amount of $13,023,930. This is a commendable indication of the progress that is being made in this one program of economic development in our State.

APPALACHIAN PROGRAM

My successful efforts in 1967 to have 20 counties of northeast Mississippi included in the area covered by the Senate version of the Appalachian Regional Development Act continue to pay dividends in the form of approved projects aimed at economic development. Fortunately, I serve on the Independent Offices Subcommittee of the Appropriations Committee, and this affords me an opportunity to participate in establishing the level of funding for the program, and to have an active voice in the relative distribution of the funds, by State and project.

The program is supervised by a Commission made up of the Governors of the 13 member States, together with a Federal member who is a cochairman. Activities are focused upon stimulating the economy of the area by a wide variety of types of projects. These include work in the field of roads, water resources, land treatment, health and sanitation, vocational education, low-income housing, and public facilities of many kinds.

I am pleased to say that in calendar year 1969, Appalachian funds in a total amount of $5,356,602 have been provided for 33 projects in 16 counties in Mississippi. These include access roads, airports, water and sewer facilities, vocational schools, hospitals, libraries, and academic facilities.

The Appalachian regional development program has much to offer northeast Mississippi. I intend to see that approved projects not yet funded are given careful attention in the coming year, and that authorization processes continue for additional projects.

EDUCATION

I have a strong and lasting interest in doing everything possible for the improvement of education, from elementary through higher education. The opportunities we provide our young people will be reflected in the accomplishments of our State and its people in the years to come.

The providing of modern educational systems has grown to be a very expensive undertaking. Consequently, the importance of Federal funds for educational purposes has become vital. I am fortunate to serve on the Labor, and Health, Education, and Welfare Subcommittee of the Appropriations Committee, where I can have a direct hand in the establishment of funding levels for educational activities.

This year, although constrained by overall fiscal considerations, we gave educational matters such a high relative priority that increases were provided in many categories, over and about the budgeted amounts. We considered all of the following fields: elementary and secondary education, federally impacted areas, teacher development, vocational training, and higher education, including construction of community colleges, 4-year colleges, and graduate and technical schools. We reviewed grants and loans for students and teachers, and fellowships. We gave careful attention to libraries, including financial aid for construction of public libraries, for library services, for college library resources, and librarian training.

I am glad to say that in the Senate bill all educational categories of strong interest to Mississippi are being adequately funded, and that several are receiving substantial increases. Among the programs provided additional funds by the Senate are grants for public libraries, school library resources, federally impacted areas, elementary and secondary facilities and equipment, college construction, vocational education, library training, teacher training, and student loans. Our Mississippi educational system will benefit markedly from these increases.

HURRICANE CAMILLE

The devastating effect of Hurricane Camille on the gulf coast of Mississippi left us all with heavy hearts, and with a long and difficult task of rebuilding and restoring the stricken area.

I made trips through the area to assess the situation, and the problems that would be involved in recovery. I accompanied the Vice President on his inspection trip, and met the President there at the time of his visit.

Immediately after the hurricane I initiated preparation of disaster relief legislation, and introduced a bill. Various provisions of my bill, together with parts of other bills prepared by the delegations from Mississippi and other States hit by Camille, were considered by a conference committee of the House and Senate and incorporated into the Disaster Relief Act of 1969. With unprecedented speed the bill was approved by both the House and Senate. It was signed into law by the President on October 1, 1969.

In the interim, existing legislation permitted certain more limited Federal assistance to proceed. I worked very closely with the Office of Emergency Preparedness, which was charged by the President with coordinating the activities of all Federal agencies in the area. I have received regular reports from OEP, and have taken such steps as were necessary to bring to the attention of that office matters that needed attention. I have assisted in the Senate to insure that necessary funds were provided the OEP and the Federal agencies to carry out this work.

My office has handled literally thousands of individual requests for assistance or advice as a result of Hurricane Camille. We have dealt directly with a large number of Federal agencies and with the Red Cross, to expedite or otherwise assist in the emergency. I have worked with the Governor's emergency council, with the State agencies, with local authorities, with delegations of businessmen, and with individuals. I have spared no effort to assist in every possible way in this terrible blow to the people of our State. The assistance given the Camille area by the Federal Government was sorely needed and much deserved. All concerned wish more might have been done, and accomplished more quickly. However, as a whole, it has been a fine response to a tremendous disaster, and I am happy that my efforts have contributed to this response.

Although much has been done so far in the Camille disaster area, a long and difficult task remains. It is probable that additional legislation will be needed. Soon a Subcommittee of the Senate Public Works Committee will hold hearings in Mississippi, to evaluate what remains to be done. I intend to follow this entire problem vigorously, and dedicate my continued effort to the premise that our gulf coast is going to be rebuilt, and that one day it will be fully restored, as a finer place than ever to live and work, and a greater attraction than ever for those who live elsewhere to come and visit.

SCHOOL DESEGREGATION

As is well known to the people of our State, one of the most distressing problems with which we must deal these days is the disruption and threatened destruction of our public school system. This is brought about by the impractical haste with which our school districts are being required to attain desegregated status. This is being required by court decree and by administrative fiat from officials of the Department of Health, Education, and Welfare.

I oppose this arbitrary and harmful dislocation of our schoolchildren. It is not a matter of arguing the question of civil rights. This has been decided by the law and the courts. It is, however, a matter of saving the neighborhood school and the public school system. I believe strongly that the public schools must be made to survive—that private schools cannot provide a full answer. The community school is the backbone of the educational system for all children, white and black, and it is entitled to the consideration and protection of the law and of administrative agencies.

My position and my long fight here in 1969 on the school situation in Mississippi is well known and will not be repeated in detail here. Through intensive research I obtained the actual official figures on the school student population by races in northern States—Illinois, Ohio, Indiana, Pennsylvania, New Jersey, and New York. These figures showed that in large areas of those States, school students were segregated by races as much, and in many instances more, than in the South. As an illustration, Chicago alone has 104 schools in which 100 percent of the students are Negro, and over a hundred more schools that are 95 to 99 percent Negro. Many such illustrations were found in other States like New Jersey, Indiana, Ohio, and New York. I made 10 Senate speeches exposing this double standard which showed there is no policy of application, that the enforcement is confined to the South with no real effort to enforce integration outside the South. These exposures of the double standard and double talk on school integration helped get votes in the Senate for Congressman WHITTEN's amendment—on which he worked long and hard in the House and I did in the Senate. This amendment would have given a measure of freedom of choice so far as the money in the HEW appropriations bill was concerned, and would have been helpful in other ways. I was able to get this amendment passed by the Senate Subcommittee of Appropriations by a vote of 10 to 1, and by the full Senate committee by a vote of 13 to 8. On the Senate floor we got 38 votes on a recorded rollcall vote. This was not enough votes to hold the amendment intact and later the amendment failed in the House on a recorded rollcall vote which was close. However, this left us powerless to follow up in the conference committee.

These substantial votes in the House and in the Senate are encouragement to continue the fight. That was about twice as many recorded votes in the Senate as we had been able to muster on a school integration question in many years. The facts and argument brought out in both the House and the Senate helped our cause, I am sure greatly.

I shall keep pressing vigorously for a change of the policy as to us, or an application of the same rule in the North and the East. I believe this pressure will finally bring results. They are not willing to take a dose of their own medicine so I believe they can be forced to yield to a modified form of freedom of choice, which is of course fairer and is desired by the parents of all children, white and colored.

I pitched my fight on the grounds that I was trying to save the community school, the neighborhood public school. This strikes a responsive chord with parents, north, south, east, and west.

I believe in the public school system and know it must be preserved to care for the needs of a great majority of the children. Private schools have a legitimate place but cannot take care of the children of all families.

During 1969, and before, I made several speeches in Mississippi to statewide audiences strongly advocating the retention of our public school system. I shall vigorously renew this school battle in Washington at every chance where my judgment dictates that we can help our position. Our schools are being used, wrongfully, not for education but as instruments of social change. This is a fundamental error and I believe a remedy can be found.

FORESTRY

In view of the fiscal restraints in effect this year, I was pleased that funds for the Forestry Service in Mississippi were appropriated at a level slightly greater than in the previous year, about $9,100,000. As a member of the Interior Subcomittee of the Appropriations Committee, which passes on these funds, I submitted and supported an amendment to provide additional money in the general forestry assistance program, because of Hurricane Camille. The problem of salvage of downed timber was a very serious one, and I am glad to say that an additional $200,000 was obtained for Mississippi for this purpose.

In areas where timber has been blown down, there is a significant increased danger of serious forest fires, during the period November to April. With this in mind I joined with State representatives in initiating contingency planning for action by elements of the Gulfport Seabee Center, in the event of such fires. I pray that the season of maximum danger from such fires can be passed without any great fires, but there is no doubt that the danger was greatly increased by the effects of the hurricane.

Also, I have continued my interest in and support for our National Forest Service, including long range reasearch and cooperative effort with State forestry commissions and State university schools of forestry.

FEES FOR USE OF RESERVOIRS

A bill was considered by the Senate which would have applied a fee system, called the golden eagle program, to Corps of Engineers reservoirs in Mississippi. I supported an amendment that retained the present policies in this respect. That is, no fees can be charged for the use of these waters, nor can fees be charged at federally operated picnic areas, launching ramps, or similar facilities.

Federal reservoirs are constructed with taxpayers' money, and I do not think it proper that taxpayers should be required to pay an entrance fee to have access to these waters for purposes of fishing.

FLOOD INSURANCE

One of the most difficult problems in rebuilding in the area devastated by Hurricane Camille results from the fact that it is practically impossible to obtain flood insurance. This applies to river valleys, as well as hurricane induced flooding along the coast, and it is true countrywide, as well as in Mississippi.

The National Flood Insurance Control Act of 1968 provided a means whereby communities could obtain flood insurance, but this required that flood plain studies be made first. This is a very time-consuming process, and so far there are only four communities in the United States that actually have flood insurance.

I have had discussions with the Federal Insurance Administrator, of the Department of Housing and Urban Development. It has been developed that an amendment to the HUD authorization bill which was offered in the House may provide a means by which a federally sponsored flood insurance program could become available. The amendment provides authority to the Secretary, HUD, to implement the authority of the 1968 act for 2 years on an emergency basis, without waiting for flood plain studies to be made. With this authority the Federal Government could then underwrite a program of commercial companies to offer insurance at a reasonable premium.

I worked actively for the adoption by the Senate of this House provision, and am pleased to say that it has been approved by the Senate this month. I am very hopeful that this will help the people of Mississippi in solving one of the very serious problems in rebuilding our gulf coast.

WATER POLLUTION CONTROL

Under the Water Quality Act of 1965, and the Water Pollution Control Act of 1966, the Federal Water Pollution Control Administration assists States and municipalities in improving the quality of water in rivers and lakes. In doing so this agency is authorized to make grants for planning, training, and research in connection with water quality control. Grants for construction of waste treatment works are also authorized, usually in the amount of 30 percent of the total cost.

The funds for this program are established in the Appropriations Committee by the Public Works Subcommittee, of which I am a member. In recent years these funds have been very substantial in amount, as it becomes apparent that pollution of the Nation's water is one of the most serious problems facing us today.

We are fortunate that in Mississippi we have, in most areas, abundant water. Further, in comparison with the vast metropolitan and highly industrialized areas of the country, our water is of relatively high quality. This is a condition that could deteriorate rapidly, however, if care is not taken to construct treatment plants at a rate that will take care of population growth and industrial development.

In Mississippi, during calendar year 1969, I am glad to say, Federal funds have been provided by the Water Pollution Control Administration to finance 30 percent of the costs of 24 waste treatment installations, in 23 different countries. The total cost of all of these installations is $7,662,340. This is a substantial investment by Mississippians in clean water, and also a sizable contribution by the Federal Government.

I know that this relatively new Federal program is going to continue to grow in Mississippi, and I will try to see that it is adequately funded. We must maintain the quality of our water if we are to retain our desirable natural environment, including some of the finest fishing in the United States, and at the same time provide clean and healthy water for our children and to attract commerce and industry into our State.

HIGHWAYS

In addition to the work on the highway program accomplished in my capacity as chairman of the Transportation Subcommittee of the Appropriations Committee, I have been engaged in special efforts related to Hurricane Camille.

A key factor in the rebuilding in the Camille area, and in economic recovery and growth, will be the completion of Interstate 10 and its connecting routes. Highway 90 must be rebuilt, and work is underway. However, I–10 will be the backbone of the transportation system, and a basic element of the long range regional plan.

The previously established time frame for work on I–10 will be too slow for our post-Camille purposes. Accordingly, I have urged the Federal Highway Administration to accelerate the schedule of I–10. I am glad to say that I have been able to obtain for the State Highway Commission authority for increased advance obligations. Presently I am engaged in an effort to have the Biloxi access highway to I–10 incorporated into the interstate system. This also would serve to expedite the attainment of a fine network of top quality modern highways in the gulf coast area.

PREPAREDNESS

I continued to serve as chairman of the Preparedness Investigating Subcommittee of the Committee on Armed Services during 1969 because I foresaw the desirability of utilizing the subcommittee staff and its resources in support of the full committee's consideration of and action upon the fiscal year 1970 military authorization bill. Members of the subcommittee staff gave general support in the authorization hearings, during the debate on the bill on the Senate floor, and during its consideration in the conference with the House of Representatives when the differences between the Senate and House versions were ironed out.

In addition, arrangements were made for the assignment, on a reimbursable basis, of two competent men from the General Accounting Office to assist in our effort to exercise and maintain surveillance over the larger and more important defense programs authorized by the Congress and oversight of the manner and method by which funds authorized and appropriated for defense purposes are obligated and expended. As a part of this, shortly after I became chairman of the full committee in January I established a reporting system under which the Department of Defense is required to furnish quarterly reports indicating any significant changes in cost estimates production schedules, performance characteristics, and other significant items connected with major defense programs and contractural obligations with respect to them.

This is a valuable system and a valuable program. It enables us to keep both the Committee on Armed Services and the Congress as a whole informed of the progress of these major defense programs and to identify cost overruns, degradation of performance characteristics, and slippages in production schedules at an early date. It is very important that an arm of the Congress maintain such a surveillance on a permanent and systematic basis, and this will be continued in 1970. I shall pursue with vigor my concept that the bone and muscle of our military program must be preserved but all the fat taken out. I propose to hold the military to a high degree of accountability in the spending of the taxpayers' dollars. We must have the most modern weapons, and they are expensive, but this shall never be used as a license for useless spending.

CONCLUSION

I have summarized briefly some of the more important matters with which I have been dealing during this past year. There are many other legislative matters which I have not singled out for discussion, but which demand and are entitled to attention. My committee assignments take time and hard work, but they are rewarding in that they permit me to accomplish more for Mississippi and the Nation. I chair a major committee, Armed Services, and the Preparedness Subcommittee. I serve on the Aeronautics and Space Committee. As a member of the Appropriations Committee, I serve on seven subcommittees, and as chairman of one, dealing with a wide spectrum of the interests and well-being of our people. This enables me to make a direct and substantial input at the early stages of many actions important to Mississippi.

The year 1969 has been my most active and perhaps the most productive year in the Senate. The work has been demanding and exacting, but never too severe. It is a privilege to be a Member of the U.S. Senate, especially representing the people of Mississippi, who expect you to use your own judgment but are demanding in expecting your utmost effort. This is as it should be.

I expect a heavy work year indeed in 1970, but look forward to the challenges and opportunities that go with our times. Further, I seek the counsel and continued interest and inspiration of the people of Mississippi.

JIM FARLEY

HON. JOHN S. MONAGAN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. MONAGAN. Mr. Speaker, an old friend made his appearance in the columns of the Washington Post on December 20, 1969, when Jim Farley was interviewed in a column by Michael Kernan. It was a pleasure to hear from Mr. Farley again and to realize that he is hale and active and in full possession of his formidable array of talents. As usual his statements made sense and this achievement is in itself somewhat unusual among public figures today.

I am happy to place the Kernan article in the RECORD as a tribute to an old friend and a great citizen of our country whose patriotism and devotion to its fundamental ideals have been proven over the years.

The article referred to follows:

F. D. R.'s MAN

(By Michael Kernan)

"May I say very, very modestly that if Roosevelt hadn't run in '40, I would have been elected President?"

Jim Farley leaned back in his big leather chair and spelled it out on his fingers: a formula long since become as familiar to him as his name.

"I was the best known cabinet member," he said. "The Gallup polls showed Hull topping Roosevelt, and even if I'd run with Hull I could have succeeded him. I was in control of that third-term convention. I was running it. If Roosevelt had stayed out—there's no doubt about it. But if I had been elected I wouldn't be here talking to you, either."

James Aloysius Farley, the great political tactician of the Roosevelt era, the former postmaster general and National Democratic party chairman the man who called the shot on the amazing 1936 election, is 81 years old now, and possibly he would be a little disappointed if not surprised at how many people are around today who don't know who he is.

But for anyone who remembers the Roosevelt years, the name conjures up an image of the prototype politician, the big genial Irishman with a bit of a stomach, heavy jowls and a Roman senator's laurel wreath of white hair, the man who never forgot a name or a face, who could steer a convention, nudge a Congressional committee, cajole a candidate; the master of possibilities who made the art of the possible really look like an art.

And for anyone who had met him in those days, even after Roosevelt brushed aside Secretary of State Cordell Hull to run for a third term, and after this politician's politician had quit to become chairman of the board of the Coca-Cola Export Corp., Jim Farley was much more man than his newspaper photos showed.

For one thing, he was tall: nearly 6 feet 3. What had appeared to be stomach turned out to be simply the solidity of a big man. The cigar one half-expected wasn't there; Farley never smoked or drank. And the voice was clear and strong and big.

Today, still working hard for Coca-Cola (he would have attended 60 banquets this year had he not been slowed down by a prostate operation), he keeps trim and hale, his voice is as vigorous as ever and his replies incisive as he answers the constantly ringing phone, and the tight-skinned oval of the famous face has been agreeably softened by wrinkles.

Farley has called his nomination for the Democratic candidacy for President in 1940 the high point of his life, the moment when his opposition to the idea of a third term overrode his decades of faultless (enemies called it doglike) loyalty to "the Boss." He rose above the possible, though at the time it must have seemed possible enough considering Roosevelt's assurances that he wouldn't run.

A drive for acclamation by the FDR inner circle under Harry Hopkins and James Byrnes (who coincidentally occupied Suite 308–9 in Chicago's Blackstone Hotel, the original "smoke-filled room") left Farley high and dry. Even Ambassador Joseph Kennedy was phoned in London and pressured to get his son Joseph Jr., a delegate, to switch, but the elder Kennedy stayed out of it. Farley recalls in his memoirs his emotion as he heard "that resolute young voice calling 'James A. Farley' when the Massachusetts delegation was polled."

A connoisseur of the averages and never a romantic believer in long shots, Farley moved for unanimous nomination of Roosevelt after the overwhelming first ballot. Characteristically, he was surprised when Wendell Willkie took the GOP nomination from the party regulars, and much later, in 1967, he predicted confidently, that Lyndon Johnson would run and win in 1968.

There are no surprises in Farley's Madison Avenue office: photos of the seven Presidents he had known, large pictures of Roosevelt and Churchill, portraits of three Popes and Cardinal Spellman, crowded formal scenes of banquets and cabinet meetings and the 80th birthday party at the Biltmore, two busts and a painting of himself in his prime, a samurai sword, a model ricksha under glass plaques and citations and, in the corner, a magnificent old console radio with shoulders.

"The techniques are changing, of course," he said. "TV is the big thing. A candidate used to be able to get on the train in Albany and make a speech, go to Syracuse and make the same speech and do it again in Buffalo. Every stop, he could bring on the local candidates and be seen with them.

"Today, they all hear the speech on the news, and you have to have a different one for each place. The panel shows are hard. too. You can tell by a man's expression if he's lying; he just can't hide it."

But even if television has become an election factor ("that debate cost Nixon the '60 election, no doubt about it") and the airport speech has replaced the whistle-stopper, he believes certain fundamentals will never change.

"You've got to make every effort to get your voters registered," he said, "and keep them apprised during the campaign, and then get 'em to the polls. They're no use unless they vote."

Remembering names is of course a standard device though Farley admitted that his own legend gives him trouble sometimes. People challenge him—"Bet you don't know who I am!"—and he is expected to recall a handshake 30 years ago. He still can link up more names and faces than half the hostesses in Washington put together.

There also is the matter of closing ranks after the nomination. "In '32 Roosevelt had his enemies around him: Hague and Reed and McAdoo, who came over at the convention. Reed said, 'I don't like the s.o.b., but I'm going along.' "

The 1968 McCarthy rebellion and the youth rebellion that fueled it baffled Farley. "I just don't understand the attitude of the youth today," said this product of a strong Catholic home where the Rosary was recited daily. "You have to have discipline in the home. My own grandchildren—thank God, their parents are doing a good job with them."

There are 10 grandchildren, parceled out among his three children, Betty, Ann and James Jr. Farley's wife Elizabeth died in 1955. He still lives in the apartment at the Waldorf that he has occupied since 1943, shortly after leaving Washington and the political scene.

Though he visits Washington several times a year, most recently for the Boys Club of America dinner and soon probably for the Gridiron dinner—the banquet, like the diplomatic cocktail party, being another venerable method of politicking—his ties as always have been strongest in New York State. Born in Grassy Point, on the lower Hudson, he discovered the hail-fellow male world of local politics in his teens (his father had been killed by a horse when James was 9), and at 20 he was named a Democratic committeeman of nearby Stony Point.

"They elected me chairman of the town committee because the other members weren't speaking to each other," he chuckled. "Two years later I was elected town clerk, the first Catholic to hold the job."

Rising steadily, he entered bigtime politics, as he put it, in 1918 as Democratic chairman of Rockland County, hitched his star to Al Smith's wagon and four years later was elected to the State Assembly, the second Catholic ever named to that group, at a salary of $1,500.

As a devoted party stalwart he encountered Franklin Roosevelt early in the game, even though FDR had something of a reputation as a rebel, having tried to buck the party's choice, James Gerard, for the State Senate in 1914. ("My vote went to Gerard because I was an organization man and strongly opposed to party rebels.")

To give an idea of Farley's value to his party as an organizer, Roosevelt's margin in winning his first term as New York governor was 25,564 votes; on his re-election in 1930 two years later, with Farley as state chairman, the plurality was 725,001. It was a key factor in the march to the Presidency.

It is easier for Farley to talk about the Roosevelt years than about the violent, kaleidoscopic politics of today. Even Washington—where he used to do his thinking on long nocturnal walks by the Reflecting Pool, sometimes with a friend like Joe Tumulty and sometimes alone, his stride short and quick—is a different city to him. At the 1956 convention his right eye was damaged by a flying placard.

"I don't feel 81," he said. "I go to the Biltmore turkish bath twice a week. I watch my weight. I eat very little at those banquets, just the meat, maybe, but I always eat the ice cream. I walk to the office when I can."

PAY-TV AND THE THEATER INDUSTRY

HON. VANCE HARTKE

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Tuesday, December 23, 1969

Mr. HARTKE. Mr. President, at the present time, there is much controversy over subscription television, known as pay-TV. For many months an ardent campaign has been waged by such interests as the National Association of Theater Owners—N.A.T.O.—to convince the public that the advent of pay-TV is prejudicial to a basic right, that of unrestricted access to the airwaves, and would deprive large segments of the American people, particularly those in the lower income brackets, of quality television programing. Unless the Supreme Court reverses a decision by the U.S. circuit court of appeals, subscription television will become a fully legal development of commercial television broadcasting.

It is significant that not every theater owner believes pay-TV will put movie theaters out of business. Barry B. Yellen, president of Cinecom Corp., which owns 78 theaters and plans further theater acquisitions, is philosophical about the advent of pay-TV and has some interesting advice for his colleagues. In a speech delivered to the Indiana chapter of N.A.T.O., December 1, 1969, Mr. Yellen, who at 36 has built a $20 million corporation—including interests in education and communications, as well as entertainment—made the following remarks, which I ask unanimous consent be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SPEECH BY BARRY B. YELLEN, BEFORE INDIANA CHAPTER OF NATIONAL ASSOCIATION OF THEATRE OWNERS, DECEMBER 2, 1969

As we approach 1970 and a new decade, we had all better fasten our seat belts because we don't know how rough the landing will be. Also, some think we'd better not look back because—as Satchel Paige said—"something might be gaining on us." Although I am a distributor as well as an exhibitor, I am not going to suggest that that something is allowing a distributor to participate in our concession income.

Most of you are already convinced that that "something" is the big ogre on the little screen . . . pay-TV. After a campaign extending over two decades, and a great deal of money spent to block the Federal Communications Commission's jurisdiction to authorize subscription TV licensing, it would appear at the moment that the National Association of Theatre owners and some of its allies may be losing its fight. The decision of the United States Circuit Court of Appeals of the District of Columbia to uphold that authority was a severe blow to many NATO members. The decision, of course, might be reversed when the appeal reaches the Supreme Court. But that is something that lies in the hands of eight good men and true.

That is also something that no amount of funds, marquee signs, huddles, campaigns, tactical maneuvers or anti-pay-TV publicity is likely to affect.

The question I'd like to raise today is—just what effect this whole campaign is having against pay-TV?

Is it a fight we can win? Win or lose, is it worthwhile?

I do not suggest that one should never fight unless one can win. Sometimes an individual or a group has to fight as a matter of honor and principle. But I don't think the questions of honor or principle are involved here. The agonizing wringing of hands and the fears and panic that are evident in many sectors of our industry are engendered by what happens to our pocketbooks; not our honor or principle.

It is a situation with plenty of precedent. Through the years our incomes and our business have been threatened frequently, some might say almost continuously.

Back in the days of the Great Depression, everybody thought all movie theatres were going to die of malnutrition. What died instead were the forecasts. The theatres prospered in the depression.

And as if a depression and a world war wasn't enough to plow the exhibitors under, along came that little idiot box. I think I remember signs on New York subway walls, "Help Stamp Out TV." But of course, we didn't and couldn't. And that hurt for a while, but the healthy parts of our industry weathered the storm.

The tiny screen proliferated. And pretty soon still another menace appeared to add to our fears: color TV. Suddenly everybody was rushing to buy color sets so they could see their favorite puppets in full, natural colors, like orange, green and purple. Just as with TV shows in the old days, it didn't matter how awful the thing was—it was new and, in this case, colorful.

Well, color TV came right on, even "improving to the point where not all the faces were green or fuchsia. But, to the surprise of many doomsayers, when the public looked up from the boob tube, most theatres were still going strong at the same old stands and there were even a number of new ones.

And now, like a double Frankenstein-Dracula bill, we have the so-called pay-TV menace, sending shudders and terrified shrieks throughout the industry.

The unknown is always frightening, to civilized people as well as primitives. Let's disregard Satchel Paige's warning and look back over our shoulder to see if something is gaining on us and if it is, what then?

First of all, is pay-TV really coming? I'm quite convinced that it is. I doubt that it will burst upon us in full bloom as pay-TV. Rather, it will gradually sneak up on us in some other form—such as cablevision. Cable TV is now including live program material, notably sporting events, and they also intend to originate their own programs.

So pay-TV is gaining on us.

Next. Can it hurt us? Maybe. Will it kill us? My answer is definitely "no".

I say maybe it will hurt us simply because I do not want to be dogmatic, but hurting is a matter of degree—from a pin prick to an amputation. I look for the pain meter to register definitely on the pin-prick side, and I'll explain why. Pay-TV is not seriously competitive unless it runs a full program of films and of the 833 CATV systems now originating programs only 11 are originating motion pictures. I do not believe first run films will be an important part of pay-TV or CATV.

Free TV today is not giving us any competition with first run pictures, or even second run or third run. There is more reason for this than meets the eye. The fact is TV needs for its motion pictures the kind of promotion, publicity and excitement the theatres have already given these motion pictures. They need it to attract their audiences and keep up their ratings. They're better off leaving the first runs to the theatres and they know it. The situation is analogous to the paperback book publishers and the hard cover publishers. The paperbacks sell huge quantities but they must first depend on the interest and advertising generated by the hard cover, or first run, publishers. I don't see where that situation would be altered in the least by pay-TV. They need the theatres! They too will do better with pictures the theatres have already exhibited. If they don't know that, they'll soon find out the hard way.

Furthermore, it's inconceivable to imagine either free TV or pay-TV competing with us for the sophisticated films that today's adults want to see. Pay-TV, like free TV, is going to have to stick pretty close to the "G" classification, suitable for the entire family, and I think the FCC and Congress will make sure of it. "Heidi" to the now generation can't really compete with "The Graduate" or "The Fox" or "Last Summer."

I firmly believe and the U.S. Supreme Court has stated that adult or "X" rated films make a definite contribution to a newly matured generation and a newly adjusted society that is neither shocked nor alarmed by a frank treatment of sex, a subject that largely governs the lives of all of us. Which is not to imply that I convinced the Supreme Court or they convinced me. I happen to be part of the generation that is reshaping and expanding a great many attitudes, including the Supreme Court's.

Theatres, and only theatres, can show the today trend in films. In certain sections of the country, this sometimes takes guts, but it's guts we need in the face of pay-TV, not *fear*.

We have been running scared and the public is beginning to sense it. People are beginning to think that if we're this insecure, it must be because we're promoting a product that is inferior to what pay-TV can offer.

The NATO campaign against pay-TV has taken a high moral tone, championing the American people's right to free broadcasts. "Pay-TV breaks faith with the American people. The FCC fails to protect the public." These are the banner lines the anti pay-TV campaign has flaunted.

Whom do we think we're kidding? Does anybody educated enough to sign his name to a petition without making an "X" believe that we're so wrought up about anybody's rights to free television? They know what we're afraid of and you and I know, although I don't know why. I just can't believe pay-TV is that fearsome, even though I think it's inevitable. When it comes, we theatre owners ought not to be in the position of the scared rabbit, or the poor loser fighting "progress." It's bad merchandising and bad for our own morale.

I trust that I'm not pushing any new panic button when I tell you that there's a little device scheduled to go on the market next year that can give theatres additional competition. It's called EVR for electronic videotape recording. It's an electronic playback machine on which is placed a cartridge containing 780 feet of miniaturized film. All you do is attach a single wire to the antenna terminals of any TV set, push a button and see on the TV screen whatever films you can rent from CBS, which announced the device.

RCA has a similar playback—and—cartridge device called selectavision and definitely plans to go after the home entertainment market in 1972.

That sounds pretty awful, doesn't it? Yet, if you rule out sabotage, I don't know of a damned thing you can do about it. You can't legislate it away, you can't regulate it away, and you can't public relations it away!

So what do we do? Run for the bomb shelters?

I don't know what you're going to do, but I know what my company is going to do. We're going to buy more theatres.

Most owners acquired their theatres before any of these electronic demons started haunting the lobbies and the inner offices. But that's not the case with us. We acquired our theatres with our eyes wide open, fully aware of the bogey man with the 17-, 21- or 25-inch glass eye.

At the beginning of this year, my company, Cinecom Corporation, didn't own a single theatre. Today, we have seventy-seven, acquired singly or in chains and will be opening 3 more in December in various parts of the country. By the end of 1970 we expect to have 200 theatres. By April, we plan to be opening at least three theatres per month in shopping centers. Cinecom is a diversified company with interests in the fields of education, communications and entertainment, yet our biggest investment today is in theatres—motion picture theatres—and we want, and plan to get, more!

When we were first considering theatre ownership on a large scale, one of our executives came to me with warnings about pay-TV and some early reports about the film attachments for TV sets. He urged us to reconsider going into the theatre business. We reconsidered all right, then we went on buying up theatres.

Why? Because you can't apply the same standards of behavior evaluation to the public of the seventies that you could to the public of the fifties or anything before or even after in the early sixties. This is a restless generation, dominated by young people, and unwilling to stay home glued to the boob tube, even if it becomes a boon tube. They want to get out, they are gregarious, especially on weekends.

We're going to have the most convenient and most entertaining places for them to go. We are making our theatres as un-homelike as possible.

We are making them as attractive and comfortable as possible, places where people will want to gather; the "in" place to be; where the crowd goes; where the fun is. We provide convenient parking and many other conveniences. And we will show our crowds the films only theatres can show. Whether first run or revivals, they will be theatre, not TV shows. They will be promoted as only theatre shows can be, presented in color that people can enjoy and on screens where audiences can read that vital-to-the-plot letter John leaves for Mary, every word of it, instead of straining their eyes wondering what it says. Films meant for a wide screen will be shown on a wide screen and films meant for adult audiences will be available to adults uncut at any time they want to see them, without having to wait until the kiddies are in bed.

We've come a long way from the Hayes Office and dish night. We're entering the 1970's, a decade we can make pretty much what we want it to be.

If that means closer cooperation with film makers and distributors, well and good. If it means more local theatrical promotion, that's to our advantage because TV films can't be promoted theatrically as ours can. If it means taking a long range view, we should. Cinecom is signing long term leases with shopping centers. Even if it means eventually getting involved in cable TV—who knows? We might wake up and find that it's all part of the same business after all. I'll tell you, I have no projudices against TV. And if Cinecom sees a good opportunity, we'll be in that too.

Before I conclude, let me tell you one story if only to relieve the seriousness of my talk thus far. It's a story that was told around Hollywood about the great Cecil B. deMille after his death.

They said he went right up to heaven in the most splendiferous chariot he could find in the Paramount warehouse. But he was kept cooling his heels outside the Pearly Gates and was becoming more and more impatient. He'd been so used to passing through into the Paramount lot while absorbed in a script or something that he didn't like it a bit, being kept waiting—finally, St. Peter appeared and said, "Come this way, Mr. deMille."

He followed in bad grace, grumbling, and again was left waiting, this time in an outer office on a marble bench. As he waited, Mr. deMille got madder and madder. Finally, a great brass door creaked open and an angel with huge wings waved him in. He got up and walked into the room inside, which turned out to be a replica of his own office on Earth—a tremendous room with a long carpet and a presence at the end on a dais behind a vast desk and with a light shining all around him.

As he moved forward toward the dais, a vast voice thundered: 'you wanted to see me?"

Mr. De Mille walked fearlessly up the long red carpet toward the dais, looking the presence straight in the eye and said,

"Listen—I made you—and I can break you!"

(Pause.)

As the seventies approach, we find ourselves in a diametrically different situation than the apocryphal position of Mr. De Mille. TV isn't very Godlike in the first place. We didn't make TV, and we can't break it, although, like De Mille, we may not all know it yet. We have to realize and appreciate that anyone who stands in the way of progress gets run over. Progress has a divine right of way.

The trick is to keep ahead of it. Motion picture theatres can do that. I'd bet on it. I already have.

SUMMARY OF PUBLIC WORKS LEGISLATION IN FIRST SESSION OF THE 91ST CONGRESS

HON. GEORGE H. FALLON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. FALLON. Mr. Speaker, under leave to extend my remarks, I submit the following summary of public works legislation and various actions taken by the Committee on Public Works during the first session of the 91st Congress.

GENERAL STATEMENT

May I first express my appreciation for the efforts of the committee during a long and difficult session. Particularly, I want to say that the majority and the minority have been helpful in the operations of the committee and in consideration of the legislation the committee handled this first session of the 91st Congress.

The committee had 272 bills referred to it during the first session. These dealt with a multitude of subjects covering many fields including river basin monetary authorizations; the Water Quality Improvement Act of 1969, revising and extending the Appalachian Regional Development Act of 1965 and amending the Public Works and Economic Development Act of 1965; the California Disaster Relief Act of 1965 which later became the nationwide Disaster Relief Act of 1969; additional funding for the John F. Kennedy Center; limiting the use of publicly owned or controlled property in the District of Columbia and requiring posting of a bond for the use of such property; provide the municipal use of storage water for Benbrook Dam, Tex.; the Federal-Aid Highway Act of 1969; that design and construction of facilities constructed under Federal law be accessible to the physically handicapped; authorize adequate force for the protection of the Executive Mansion and foreign embassies; provide better facilities for the enforcement of the customs and immigration laws; and amending Public Law 89-260 to authorize additional funds for the Library of Congress James Madison Memorial Building.

The committee adopted 42 navigation, flood control and beach erosion resolutions proposed by individual Members of Congress which require only committee action. The civil works resolutions authorized review survey studies by the Corps of Engineers, Department of the Army, that will ultimately result in the submission of project reports to Congress if the projects are found feasible and are approved by the Board of Engineers for Rivers and Harbors and the Chief of Engineers.

The committee adopted 32 watershed resolutions, approved pursuant to the Watershed Protection and Flood Prevention Act—Public Law 566, 83d Congress, as amended—which requires major watershed projects having not more than 12,500 acre-feet of flood control capacity to be approved by the Committee on Public Works.

The committee approved 31 construction projects, eight lease projects, and four alteration projects, making a total of 43 projects approved under the Public Buildings Act of 1959.

In addition, subcommittees made three special inspection trips to investigate flood, storm and oil pollution damage in California; tornado and flood damage in northern Ohio; and Hurricane Camille damages in Alabama, Mississippi, and Louisiana. Subcommittees also held hearings in Texas on the Sabine River Basin; in Oklahoma and Arkansas on projects in the Arkansas River Basin; in Montana and Alaska on water resource projects in those States and on the proposed future development and use of the Alaska highway; inspected the Savannah River Basin and held hearings on its future development, as well as conducting a survey of the Tennessee Valley Authority installations in northern Alabama and Tennessee.

SPECIAL SUBCOMMITTEE ON THE FEDERAL-AID HIGHWAY PROGRAM

The Special Subcommittee on the Federal-Aid Highway program during the 91st Congress, first session, continued to monitor the practices, policies, and procedures involved in the administration of the highway program. Special attention was directed to those areas which previous inquiries and hearings identified as containing deficiencies and weaknesses. Corrective measures have been taken by the responsible Federal agencies and individual States, but the need for continuous oversight is apparent.

Concerned with the tragic accident toll that continues to mount on the Nation's highways each year, the subcommittee also carried forward its broad inquiry into the subject of highway safety, design, and operations. Opening phases of this study had analyzed roadside hazards and freeway signing and resulted in significant changes in design and construction practices.

Hearings, commenced in 1969, opened the third phase of the overall safety study, the nationwide lack of uniformity of traffic control devices, signs, signals, and markings and their effectiveness. Highway users must depend upon such devices for information, warning and guidance to such an extent that uniform, high quality devices are necessary to the productive use and public acceptance of any highway regardless of its excellence in design. Consequently, the subcommittee considers this a subject of extreme importance and is pursuing the matter.

Attention has also been devoted to the subject of wet weather performance which includes the vitally important relationship between pavement surfaces and the steady growth of highway casualty statistics. During 1968, 14.6 million highway crashes in this country killed 55,200 Americans, while some 2 million others suffered disabling injuries, an intolerable new high. Of the fatal accidents, 16.3 percent or 7,628, occurred when the road was wet. Beyond that, wet-road accidents injured some 402,000 persons. These facts and figures, representing what appears to be a wholly disproportionate segment of the whole accident record, clearly merit special and expeditious attention in the judgment of the subcommittee. Preliminary study has already indicated that real improvement can be had in this critical area.

SPECIAL SUBCOMMITTEE ON ECONOMIC DEVELOPMENT PROGRAMS

The Special Subcommittee on Economic Development Programs during the 91st Congress, first session, was directed to begin a full-scale in-depth study of the economic programs that have been enacted into law through legislation developed by the full Committee in recent years. These programs include such acts as the Public Works Acceleration Act, the Area Redevelopment Act, the Appalachian Regional Development Act of 1965 and the Public Works and Economic Development Act of 1965 including the Regional Commissions that have been established under title V of this act.

As an initial step in undertaking such a comprehensive study, the subcommittee decided it would be helpful to hear from those individuals directly in charge of administering these programs. Testimony was received from the Assistant Secretary of Commerce for Economic Development, the Federal Cochairman of the Appalachian Commission, and the Federal Cochairmen of the Regional Commissions established under title V of the Economic Development Act.

These witnesses supplied the subcommittee with the studies and findings on the effectiveness of the programs that they have made as well as their own judgment and evaluation of the effectiveness of the programs under their jurisdiction. The committee was also advised of the problems that have been encountered by the administrators in attempting to evaluate the programs and received suggestions and recommendations as to how the subcommittee could most effectively discharge its own responsibility in carrying out its study.

Subsequent to these hearings, a random selection of completed projects was made from some of these programs to be evaluated through an in-depth examination by the subcommittee. The evaluation of some of these projects have now been completed; however, it will be some time before the subcommittee's task is finished.

In addition to these activities, the subcommittee made an inspection of the newly completed tourism facilities of the pipestem addition of Bluestone State Park located near Hinton, W. Va. These projects were funded with the assistance of the Area Redevelopment Administration and the Economic Development Administration. The subcommittee met with the businessmen and officials of Hinton, W. Va., to discuss the effect that these projects have had in increasing the economic growth of this community.

The subcommittee expects to continue the evaluation of these projects, as well as look into problem areas to the effective administration of these programs during the next session.

BILLS AND RESOLUTIONS ENACTED INTO LAW

TO AUTHORIZE FUNDS TO CARRY OUT THE PURPOSES OF THE APPALACHIAN REGIONAL DEVELOPMENT ACT OF 1965, AS AMENDED, AND TITLES I, III, IV, AND V OF THE PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF 1965, AS AMENDED

SECTION-BY-SECTION ANALYSIS OF TITLE I, THE APPALACHIAN REGIONAL DEVELOPMENT ACT AMENDMENTS OF 1969—PUBLIC LAW 91–123

Section 101: Short title, citing title I as the Appalachian Regional Development Act Amendments of 1969.

Section 102: Administrative expenses of the Commission. Amends section 105 of the Appalachian Regional Development Act of 1965—hereinafter referred to as "the act"—to authorize the appropriation of $1,900,000 to the Commission for the 2-fiscal-year period ending June 30, 1971, including $475,000 for expenses of the Federal Cochairman, his alternate, and his staff. Commission administrative expenses are shared equally by the Federal Government and the States. The expenses of the Federal Cochairman, his alternate, and his staff are borne solely by the Federal Government.

Section 103: Appalachian highway program. Amends section 201 of the act as follows:

First, authorizes the appropriation to the President of $175,000,000 for each of fiscal years, 1970, 1971, and 1972, and $170,000,000 for fiscal year 1973. This represents a 2-year extension of the highway program and an increase of $150,000,000 in the authorization, bringing the total authorization for the program to $1,165,000,000; and

Second, makes provisions in sections 106(a) and 118 of title 23, United States Code, relating to the obligation, period of availability, and expenditure of Federal-aid highway funds applicable to the Appalachian development highway and local access road programs. This amendment makes clear that Appalachian highway funds allocated to the States by the Commission can be obligated in advance of appropriations in a manner similar to the regular Federal-aid highway programs.

Section 104: Demonstration health projects. Amends section 202 of the act as follows:

First, adds a specific reference to nutrition and child care projects to emphasize the need for increased attention to these elements of comprehensive health care;

Second, increases, from 50 percent to 75 percent, the Federal percentage payable in operating grants for demonstration health projects in the third, fourth, and fifth years of project operation;

Third, makes clear that grants for operating expenses may be made entirely from section 202 funds or in combination with grants from other programs assisting in the operation of health-related facilities or the provision of health services to the maximum percentage authorized by section 202; and

Fourth, adds language providing for emphasis to programs and research for the early detection, diagnosis, and treatment of "black lung" and other occupational diseases arising from coal mining.

Section 105: Mining area restoration. Amends section 205 of the act to make clear that the Secretary of the Interior may make grants to the States for planning and executing mine fire projects. Previously, the law had been interpreted as requiring Federal contracting and supervision on all such projects.

The existing maximum 75–25 Federal-State matching ratio for mining area restoration projects is continued for fiscal years 1970 and 1971.

Section 106: Assistance for planning and other preliminary expenses of proposed housing projects under sections 221 and 236 of the National Housing Act. Amends section 207 of the act to authorize the Secretary of Housing and Urban Development to provide, directly or through contract with private or public organizations, including the Commission, technical assistance to encourage the establishment of nonprofit and limited dividend groups, including State housing corporations, and to stimulate the construction, rehabilitation, and operation of housing for low and moderate income families in the region. Previously, the law had been interpreted to permit the use of section 207 funds only in connection with specifically identifiable housing projects.

Section 107: Supplemental grants. Amends section 214 as follows:

First, makes Federal grant-in-aid programs authorized on or before December 31, 1970, which assist in land acquisition or the construction or equipment of facilities, eligible for supplemental grants. The previous cutoff date was December 31, 1967; and

Second, permits supplemental grants for sewage treatment projects constructed, in advance of appropriations, under section 8(c) of the Federal Water Pollution Control Act.

Section 108: Local development districts and demonstrations and training. Amends section 302 of the act to eliminate the 3-year limitation on financial assistance for administrative expenses of multicounty organizations certified as local development districts. The 3-year limitation is retained for State agencies certified as local development districts.

Section 109: Authorizations. Amends section 401 of the act to authorize $268,500,000 for the 2-fiscal-year period ending June 30, 1971, to carry out non-highway programs under the act, as follows:

Sec. 202: Demonstration health projects	$90,000,000
Sec. 203: Land stabilization, conservation, and erosion control	15,000,000
Sec. 205: Mining area restoration	15,000,000
Sec. 207: Housing assistance	3,000,000
Sec. 211: Vocational education	50,000,000
Sec. 214: Supplemental grants	82,500,000
Sec. 302: Administrative expenses of local development districts and research	13,000,000

Section 110: Upper New York study. Amends section 403 by adding a new provision authorizing a study by the President to determine which, if any, portions of upper New York State should be added to the Appalachian region or the New England region, established under title V of the Economic Development Act of 1965. Study results and recommendations are to be made to Congress no later than June 30, 1970.

Section 111: Amends section 405 of the act to conform to the amendment in section 201 continuing the Appalachian highway program beyond July 1, 1971.

SECTION-BY-SECTION ANALYSIS OF TITLE II, AMENDMENTS TO TITLE V OF THE PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF 1965, OF PUBLIC LAW 91–123

Section 201: Short title, citing title II as the Regional Planning Commission Amendments of 1969.

Section 202: Regional boundaries. Amends section 501 of Public Works and Economic Development Act of 1965—hereinafter referred to as "the act"—to provide that the Secretary of Commerce, upon request of the Public Works Committee of either House of Representatives or the Senate, will study the advisability of changing the geographic area of any economic development region established under such section.

Section 203: Regional, technical, and planning assistance; and administrative expenses of commissions. Amends section 505 of the act as follows:

First, confirms that regional action planning commissions' administrative expenses after the first 2 years of operations will be shared 50–50 by the Federal Government and the States, except that the Federal Government will continue to pay the full cost of the administrative expenses of the Federal Cochairmen and their staffs.

Second, expands the authority for technical and planning assistance under section 505 of the act to permit broader use of funds for planning, studies, investigations, training programs, and demonstration projects—including high-speed ground transportation and marine research activities, and so forth—as follows:

Commissions are given independent authority in subsection 505(a)(2) to engage in activities which will further the purposes of the act, after programs are approved by the Secretary of Commerce. These activities are to be carried out through the Federal departments or agencies or by contract with private individuals or institutions, or through grants-in-aid to State or local government agencies. Demonstration projects and training programs, to the maximum extent possible, are to be carried out through public agencies or institutions.

The Secretary has separate authority under subsection 505(a)(1) to assist the commissions by undertaking planning, investigations, studies, training programs, and demonstration projects which would be useful in aiding the commissions to carry out their functions. Such assistance may be provided through members of his staff or through contract with public agencies or private institutions or firms, or through grants-in-aid to the commissions.

Third, subsection 505(c) limits the total expenditures by the Secretary for assistance under subsection 505(a)(1) and for administrative expenses of the commissions under subsection 505(b) to a maximum of 10 percent of the funds appropriated for any fiscal year under subsection 509(d) of the act.

Section 204: Headquarters of Federal Cochairmen. Amends section 506 of the act to direct the Federal Cochairman of each regional action planning commission to maintain his headquarters office in the District of Columbia.

Section 205: Supplements to Federal grant-in-aid programs; title V authorization: Amends section 509 of the act as follows:

First, supplemental funds:

Provides additional funds for Federal grant-in-aid programs authorized on or before December 31, 1970, which assist in land acquisition or the construction or equipment of facilities.

Permits section 509 funds to be used for all or any portion of the basic Federal grant for any project authorized by an eligible grant-in-aid program, where funds are not available within the region from the national program for that purpose. The responsible Federal official administering the basic grant-in-aid program must certify that the project meets the requirements of that program and could be approved for a Federal contribution under that program if funds were available.

Continues present authority for supplemental grants under which the total Federal share may be increased to a maximum of 80 percent of the project costs. The degree of supplementation is determined by the applicant's ability to provide matching funds.

The Commission can approve grants for a program under section 509 only if it determines that the level of Federal and State financial assistance for the same type of program in that portion of the State within the region will not be diminished in order to substitute section 509 funds.

Second, title V authorization: Authorizes the appropriation of $255,000,000 to the Secretary to carry out title V for the 2-fiscal-year period ending June 30, 1971. Provides that the Secretary, after deducting funds authorized for his technical assistance activities and for administrative expenses of the commissions under subsections 505(a)(1) and 505(b), shall apportion the remainder of the sums appropriated for any fiscal year to the regional commissions. Not less than 10 percent nor more than 25 percent of such remaining amounts shall be allocated to any one regional commission. All available funds must be apportioned to the regional commissions prior to the end of the fiscal year for which appropriated.

Section 206: Coordination; Alaska; regional transportation systems. Amends title V of the act by adding at the end three new sections as follows:

First, section 511 requires the Secretary and the Federal Cochairmen to coordinate their respective activities under titles I, II, and V of this act;

Second, section 512 authorizes the appropriation of $500,000 to the Federal Field Committee for Development Planning in Alaska, for the 2-fiscal-year period ending June 30, 1971, to plan economic development programs and projects in Alaska in cooperation with the State of Alaska. This section does not preclude the establishment of a regional commission for Alaska.

Third, section 513 authorizes the Secretary of Transportation, acting jointly with the regional commissions, to conduct and facilitate investigations and studies of all types and modes of transportation relevant to the needs of the economic development regions, to carry out demonstration projects incident to such activities, and to report the results, together with his recommendations and those of each regional commission, to Congress not later than January 10, 1971. An additional $20 million is authorized to carry out this section. This section does not preclude the use of other funds available under any title of the act for authorized transportation projects.

SECTION-BY-SECTION ANALYSIS OF TITLE III, AMENDMENTS TO THE PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF 1965, OF PUBLIC LAW 91-123

Section 301: Amends section 101(c) of title I of the Public Works and Economic Development Act of 1965—hereinafter referred to as "the act"—as follows:

First, permits the Secretary in the case of grants to Indian tribes to reduce or entirely waive the required non-Federal share below the minimum of 20 percent otherwise required; and

Second, amends section 105 to extend the annual authorization of $500 million to June 30, 1970, for direct and supplementary grants for public works and development facilities.

Section 302: Amends section 301 of the act to authorize the Secretary to make grants for any demonstration project within a redevelopment area or areas which he determines is designed to foster regional productivity and growth, prevent outmigration, and otherwise carry out the purposes of this act.

Section 303: Amends section 302 of the act to increase the authorization for title III of the act for the fiscal year ending on June 30, 1970, from $25 million to $50 million.

Section 304: Amends section 401 of the act as follows:

First, requires the Secretary to designate as redevelopment areas those areas selected for assistance under part D of title I of the Economic Opportunity Act of 1964 and authorizes the Secretary to designate as redevelopment areas those areas which he determines meet the purpose of section 150 of part D of title I of the Economic Opportunity Act of 1964 and otherwise meet the requirements of the Economic Development Act. The purpose of section 150 of the Economic Opportunity Act is to establish special programs for the solution of critical problems in particular communities or neighborhoods—defined without regard to political or other subdivisions or boundaries—within those urban areas having especially large concentrations of low-income persons, and within those rural areas having substantial outmigration to eligible urban areas. These areas that the Secretary designates are exempt from the population and boundary limitations in section 401(b) (3) and (4) and are not considered a redevelopment area for the purposes of determining the continued eligibility of an area designated in accordance with section 401(d) which requires the designation of at least one redevelopment area in each State.

Second, the areas that the Secretary designates under this amendment would not be eligible to meet the requirements for establishing an economic development district in accordance with section 403(a)(1)(B) of the Economic Development Act.

DISASTER RELIEF ACT OF 1969—PUBLIC LAW 91-79

This act provides additional assistance for the reconstruction of areas damaged by major disasters occurring after June 30, 1967, and on or before December 31, 1970.

Throughout our history, nature has struck devastating blows to the United States and to the citizens through floods, hurricanes, earthquakes, fires, and other disasters.

In the early days of the Republic, the Federal Government's responsibility to assist communities in times of great disaster was recognized. For example, in the early 1800's, the Congress extended the time for discharging customhouse bonds of the sufferers from the great Portsmouth fire.

However, it was not until 1947 that the framework for a general policy for disaster relief came into being. In that year Congress empowered the President to make surplus wartime supplies available in disaster areas.

The policy for disaster relief was established by the Federal Disaster Act of 1950, Public Law 875 of the 81st Congress, which gives the President broad powers to provide an orderly and continuing means of assistance by the Federal Government to States and local governments in carrying out their responsibilities to alleviate suffering and damage resulting from major disasters.

Today, there are fully half a hundred Federal agencies, bureaus, and offices which have statutory responsibility for providing disaster assistance either under the provisions of the Federal Disaster Act or under other statutes which give them specific authority in certain areas.

The continuing disasters which have struck with lightning fury in various sections of our Nation just since the beginning of this year have further emphasized the importance of the entire program of Federal participation in disaster relief. The Congress has firsthand knowledge of all of these disasters and several in particular were of major proportions including the catastrophes suffered by the State of California in January, the State of Ohio in July, the Southeastern

States devastated by Hurricane Camille in August, and the Midwestern States on several occasions during the year.

On July 9 of this year, this body passed and sent to the Senate H.R. 6508, the California Disaster Relief Act of 1969. This bill was a comprehensive relief bill necessitated by extensive property loss and damage in the State of California as a result of storms, floods, and high waters during the winter of 1968–69 and the spring of 1969, and the need for special measures to assist in the reconstruction and rehabilitation of these devastated areas. This was a good bill. The House on that day was alerted to several other disasters which had occurred and we specifically pointed out that the Subcommittee on Flood Control would be going out to Ohio to investigate the extensive damages which had just occurred there.

The Senate later amended H.R. 6508 so as to change the bill into a general relief bill—the Disaster Relief Act of 1969—with application throughout the United States.

The House and Senate conferees met in August in an attempt to resolve differences in the legislation. The House conferees, although generally convinced that the Senate provisions had a great deal of merit, insisted at that time that additional hearings on a general bill should be held. However, during the period of our discussions, additional disasters occurred which convinced the House conferees that we could not wait for additional hearings. All the conferees were convinced that legislation was needed now—not at a later date. However, the conferees agreed that H.R. 6508 should have an expiration date of December 31, 1970, and that the affected interested committees of the Congress should hold hearings and act as expeditiously as possible upon legislation designed to be of permanent application with respect to the Federal aid and assistance for areas suffering major disasters.

The experience gained as a result of the administration of the provisions of this legislation will unquestionably be of value in making the determination of the type and content of permanent legislation.

Following is a discussion of several specific sections:

Section 2 authorizes the President to allocate funds to States affected by a major disaster for the permanent repair and reconstruction of permanent street, road, and highway facilities which are not on a Federal-aid highway system and which are destroyed or damaged as a result of a major disaster. Those funds are to be allocated on the condition the State pay at least 50 percent of the cost of the repair or reconstruction.

Section 6 of the conference substitute provides that in the administration of the disaster loan program under section 7(b)(1) of the Small Business Act the Small Business Administration to the extent the loss or damage is not compensated for by insurance or otherwise would, at the borrower's option, be required to cancel up to $1,800 of interest, principal, or any combination thereof, and, in addition, would be authorized to defer any or all interest or principal payments during the first 3 years of the term of the loan without regard to the borrower's ability to make these payments. In addition, the SBA will be authorized by paragraph (2) to grant loans to repair, rehabilitate, or replace lost or damaged property without regard to whether the financial assistance is otherwise available from private sources, except that, first, a loan made under this authority would bear interest at a rate equal to the average interest rate on all interest-bearing obligations of the United States having maturities of 20 years or more and forming a part of the public debt computed at the end of the fiscal year next preceding the date of the loan and adjusted to the nearest one-eighth of 1 percent; second, any such loan would not be eligible for cancellation or deferral as otherwise authorized in paragraph (1) of this section. In addition, the SBA is authorized by paragraph (3) in the case of total destruction or substantial property damage of a home or business concern to refinance mortgages or liens outstanding against the destroyed or damaged property if the refinancing is for the repair, rehabilitation, or replacement of that property with any such refinancing loan subject to the provisions of paragraphs (1) and (2) of this section

Section 7 authorizes in the administration of the emergency loan program under subtitle C of the Consolidated Farmers Home Administration Act of 1961 the same benefits subject to the same conditions and limitations as are provided in section 6 in the case of SBA loans.

Section 10 of the conference substitute authorizes the President to provide dwelling accommodations for individuals and families displaced by a major disaster. These accommodations are to be made available only to individuals or families certified as having occupied as owner or tenant a dwelling destroyed or damaged to such an extent as to make it uninhabitable as a result of a major disaster. These accommodations are to be provided on a temporary basis and the President is authorized to provide these accommodations by first, using unoccupied housing owned by the United States; second, arranging for the use of unoccupied public housing; third, acquiring existing dwellings through leasing; or, fourth, acquiring mobile homes or other readily fabricated dwellings, through leasing, and placing them on sites furnished by the State or local government or by the owner-occupant upon condition that no site charge be made. Rentals for these accommodations are to be established by the President under such rules and regulations as he may prescribe and these rentals are to take into consideration the financial ability of the occupant. In the case of financial hardship rentals may be compromised, adjusted, or waived for not more than 12 months. However, no individual or family is to be required to incur a monthly housing expense—including any fixed expense relating to the amortization of debt owing on a house destroyed or damaged in a major disaster—in excess of 25 percent of the individual's or family's monthly income.

Section 12 authorizes the President to provide assistance to an individual unemployed as a result of a major disaster. This assistance is not to exceed the maximum amount and the maximum duration of payments under the State unemployment compensation program and that any amount of assistance to an individual under this section will be reduced by any amount of unemployment compensation or of private income protection insurance available to him for that period of unemployment.

Section 15 defines a major disaster as one which has been determined by the President pursuant to the act of September 30, 1952, as amended—42 U.S.C. 1855-1855g—with respect to those disasters which occurred after June 30, 1967, and on or before December 31, 1970.

Following is a list of major disasters declared by the President from July 1, 1967, to date:

Date of declaration	State	Type of disaster	Allocation through September 1969
June 15, 1968	New Jersey	Heavy rains, high winds, and flooding	$3,000,000
July 5, 1968	Texas	Severe storms, high winds, and flooding	300,000
July 30, 1968	Indiana	Heavy rains and flooding	220,000
Aug. 4, 1968	Iowa	do	650,000
Aug. 15, 1968	Minnesota	do	500,000
Sept. 9, 1968	do	do	260,000
Sept. 13, 1968	Hawaii	do	300,000
Nov. 7, 1968	Florida	Hurricane Gladys	750,000
Jan. 26, 1969	California	Severe storms and flooding	38,000,000
Feb. 15, 1969	Arkansas	do	350,000
Apr. 18, 1969	Minnesota	Flooding	2,500,0000
Do	North Dakota	do	3,700,000
Do	South Dakota	do	1,000,000
Apr. 19, 1969	Nevada	do	150,000
Apr. 25, 1969	Iowa	do	1,250,000
May 1, 1969	Wisconsin	do	500,000
May 19, 1969	Colorado	Severe storms and flooding	2,500,000
June 6, 1969	Illinois	Flooding	$500,000
July 11, 1969	Tennessee	Severe storms and flooding	200,000
Do	Wisconsin	do	200,000
July 15, 1969	Kentucky	do	200,000
Do	Ohio	Tornado, severe storms and flooding	2,000,000
Do	Kansas	do	500,000
Aug. 5, 1969	Minnesota	Heavy rains and flooding	150,000
Aug. 14, 1969	Iowa	do	500,000
Aug. 15, 1969	California	Flooding	250,000
Aug. 18, 1969	Mississippi	Hurricane Camille	1,000,000
Aug. 19, 1969	Louisiana	do	1,000,000
Do	Pennsylvania	Severe storms and flooding	400,000
Aug. 23, 1969	Virginia	Severe storms (Camille) and flooding	1,000,000
Aug. 26, 1969	New York	Heavy rains and flooding	250,000
Aug. 30, 1969	Illinois	do	500,000
Do	Vermont	Severe storms and flooding	200,000
Sept. 3, 1969	West Virginia	Severe storms (Camille) and flooding	220,000

JOHN F. KENNEDY CENTER—PUBLIC LAW 91-90

Public Law 91-90, amended section 8 of the John F. Kennedy Center Act by increasing the authority for direct appropriations from $15,500,000 to $23 million, an increase of $7.5 million provided, as in the basic act, that this increase is matched by an equal amount of money, securities, and other property from other sources. In addition, Public Law 91-90 amended section 9 of the John F. Kennedy Center Act by authorizing an increase in the amount of bonds authorized to be issued to pay for the cost of the underground parking facilities by $5 million from the original $15,400,000 to $20,400,000.

The original authorization of $15,500,000 has been matched by an equivalent amount of gifts as required by present law. It is the committee's understanding that approximately $5.5 million worth of additional gifts have also been received by the Trustees and may be applied toward matching the additional appropriations authorized by this legislation.

BILLS REPORTED BY COMMITTEE AND PENDING ON HOUSE UNION CALENDAR

CONSTRUCTION OF CUSTOM AND IMMIGRATION FACILITIES—H.R. 12795

The purpose of H.R. 12795 is to increase the existing limitation of $100,000 to a limitation of $200,000 on the total amount of funds which may be expended to provide facilities for the enforcement of the customs and immigration laws where no suitable facilities exist, such monetary limitation for any one project to include the cost of the site.

LIBRARY OF CONGRESS JAMES MADISON MEMORIAL BUILDING—S. 2910

In 1965 the Congress enacted into law Senate Joint Resolution 69, authorizing the construction of the third Library of Congress building. By the terms of that act, the building is to be constructed on the federally owned property adjacent to the Cannon House Office Building. It is to contain a suitable memorial hall honoring the fourth President of the United States for his many and brilliant achievements as one of the Nation's Founding Fathers.

On September 17, 1965, this committee reported legislation, which shortly thereafter became law without further amendment. The committee's report, House Report 1024, 89th Congress, set forth in substantial detail the urgent need for this additional Library of Congress facility. We do not propose to repeat that report here, other than to state that the urgency of need described herein has been increasingly aggravated during the ensuing 4½ years. The Public Works Committee strongly recommends that the Members of the House review that September 17, 1965, report.

The resulting law—Public Law 89-260—stated clearly the purposes for which the Madison Memorial Library Building is to be used, and authorized the appropriation of not to exceed $75 million to construct the building, including the preparation of necessary designs, plans, and specifications.

In 1965, $500,000 was appropriated "for preliminary plans and designs and cost estimates." It is worth noting that when Senate Joint Resolution 69 was under consideration, the Public Works Committee was informed by the General Services Administrator that a realistic estimate of cost for "fully completed design of the building, including preparation of working drawings and specifications, which would enable proceeding with construction," would be $3 million.

In June 1968, as part of a supplemental appropriation request, and again in the budget for fiscal year 1969, $2.8 million were requested by the Architect of the Capitol so that design work might proceed. The Appropriations Committee denied both requests.

The Architect's budget request for fiscal year 1970 included $18,410,000 to cover final plans and specifications, contracts for excavation and foundation work, and the ordering of the masonry for the exterior of the building.

The Librarian of Congress has informed this committee as follows:

> During hearings on this item before the Subcommittee on Legislative Appropriations of the House Committee on Appropriations, the Architect testified that because of delays in the construction of the building for lack of funds and because the associate architects estimate that 54 months will be required for construction under a three-phase construction program, escalating construction costs would increase the cost of the building. The current annual rate of escalation in the cost of construction work is 10 percent, whereas 2 years ago it was between 3 and 4 percent. On the premise that the escalation rate will level off to an average of 7 percent over the next 4 years, the associate architects estimate that the cost of the project, as originally envisioned, would total $90 million. I have discussed this matter recently with the associate architects and they have confirmed this figure.

The House Committee on Appropriations, in reporting the bill making appropriations for the legislative branch for fiscal year 1970 approved an appropriation of $2.8 million for final plans and specifications, but added a provision which says:

> The availability of these funds for obligation shall be contingent upon enactment of legislation adjusting the limit of cost of the project (fixed by section 3 of such act) to reflect an accurate Cost Estimate plus any projected escalated construction costs required to complete the project on the basis of the preliminary plans heretofore approved by the committee and commissions designated in such act.

The Senate has concurred in the action of the House and has appropriated $2.8 million based on the contingency's being enacted into law during this fiscal year.

Three points need to be made absolutely clear. First, the exact estimate of costs and the escalation in the estimated cost to build this third Library facility is due solely to the continuing rise in construction costs. This committee has considerable experience in dealing with programs involving federally financed construction, and we are finding that all public buildings are costing more.

Second, this facility is a library building. It is not intended to be used as an office building of any kind except to the extent that working space must obviously be provided for the employees who service the Library in its numerous functions. S. 2910 here reported with amendment specifically so states.

Third, the Library of Congress is presently paying close to $2 million a year for rental space scattered—most inefficiently, it should be noted, though that is no fault of the Library—over the city. This rental cost will be eliminated when the Madison Memorial Library is completed.

Delay in appropriating the funds necessary to complete this facility has therefore substantially increased its cost and at the same time forced significant costs for makeshift rental space.

The appropriation of the $2.8 million for final plans and specifications, contingent upon legislative action making an adjustment "to reflect projected escalated construction costs required to complete the project," is, in effect, the forcing of a legislative reauthorization which very possibly would not have been necessary if timely appropriations for this unquestionably essential facility had been made.

BILLS PASSED BY HOUSE AND PENDING IN SENATE COMMITTEE

LIMITATIONS ON USE OF PUBLIC PROPERTY—H.R. 1035

PUBLIC GROUNDS IN THE DISTRICT OF COLUMBIA

Subsection (a) of the first section of the bill as passed the House prohibits the issuance of any permit, authority, or other permission to use any real property in the District of Columbia owned by the United States, and under its control or under the control of the District of Columbia, for camping, sleeping, sitting in, or other overnight occupancy or for constructing or erecting any temporary building or structure on such property. This is a complete prohibition against the use of these public grounds for these specified purposes. Nothing in this act, however, is to be construed as prohibiting any governmental activity.

Governmental activity referred to is official activity by the Federal Government and the government of the District of Columbia. The committee intends this to cover all forms of legitimate activity on a Federal or District level. Specifically this would cover such examples as the stationing of military personnel in public buildings or on public grounds or as need be in the District of Columbia, the use of such property in connection with providing emergency medical care to a person who has come to the District to participate in a march or other category and who while here is injured or becomes ill, and the use of such property in connection with the inauguration of a President of the United States. This does not mean that sponsorship of essentially private activities by a department or agency of the District or Federal Government is to be deemed to be a governmental activity exempting the private organization from restrictions of this bill.

The issuance of any permit or other license in connection with any demonstration or related activity is not to be construed as authority to engage in any camping or other activity expressly prohibited by this act.

Subsection (b) of the first section provides that in issuing permits or granting permission to use such property for any other purpose if the officer or employee issuing that permit or giving that permission has reason to believe that damage may occur he must require the furnishing of surety in an amount reasonable to indemnify the United States for such damage and to save the United States harmless from any injury to persons or property caused by such use. The committee has determined that recent demonstrations within the District of Columbia are requiring substantial Federal expenditures to repair damages resulting from the use of public property for these demonstrations. It is the committee's belief that all of the costs of these demonstrations should be borne by those who participate in them.

Subsection (c) of the first section revokes any outstanding permit, authority, or other permission, including any renewal or extension of an original permit which is in existence on the date of enactment of this act, if that permit, authority, or permission could not be issued after such date under the terms of this act.

The title of the bill is amended to more accurately reflect the text of the reported bill.

PROVIDING FOR MUNICIPAL USE OF STORAGE WATER IN BENBROOK DAM, TEX.—H.R. 5278

The purpose of H.R. 5278 is to authorize the Secretary of the Army to contract with the Benbrook Water and Sewer Authority for the beneficial use of a portion of the waters now impounded by the Benbrook Dam and Reservoir, Tex., for municipal water supply purposes.

ACCESSIBILITY TO PHYSICALLY HANDICAPPED OF CERTAIN PUBLIC FACILITIES—H.R. 14464

In the second session of the 90th Congress the Committee on Public Works reported out legislation which would make the design and construction of buildings financed by Federal funds accessible to the physically handicapped. Public Law 90–480 made it incumbent upon the Federal Government to insure that all public buildings constructed with Federal funds or constructed on behalf of the Federal Government be constructed in such a way that they are accessible to all people. This much-needed public law has received enthusiastic support in all sections of the country from all those concerned with providing our handicapped citizens with an opportunity to fully participate in all activities of public life. The committee, however, was informed on some further problems dealing with the implementation of this legislation and for this reason H.R. 14464 was introduced, reported, and passed by the House.

Congress has authorized a complete subway system for Washington and the metropolitan area. The question arose as to whether the provisions of Public Law 90–480 were applicable to the construction of this particular public facility. By virtue of the unique Federal-State relationship created through the compact and otherwise, in this instance, doubt has been cast as to whether this metro facility was in fact subject to this law. This legislation will resolve that doubt to make it clear that the construction of the subway stations, entrances, exits thereto and all other related facilities necessary for this metro system will in fact be subject to the requirements of this law. Specific exemption has been made, however, with respect to the buses, subway cars, trains, and other rolling stock.

FEDERAL-AID HIGHWAY ACT OF 1969—H.R. 14741

H.R. 14741, reported to the House November 14, 1969, and passed and sent to the Senate on November 25, 1969, covered those matters which, as a result of its hearings, the subcommittee and the full committee believed warranted legislative action this year. In summary, H.R. 14741 required the submission of a complete cost estimate on the Interstate System by no later than April 15, 1970; extended the applicable date of the penalty clauses of the Highway Beautification Act from January 1, 1968, to January 1, 1971; authorized a $26 million Federal share demonstration program for the elimination of grade crossings on the high-speed rail route in the northeast corridor—recognizing that a nationwide program to deal with this safety problem will ultimately be required; revised the formula for allocation of funds to the States under the Highway Safety Act; and authorized the Department of State to enter into serious negotiations with the Government of Canada to work out proposed methods of reconstructing the Alaska Highway. Substantial legislation guidance was included in the committee's report on H.R. 14741 with respect to policy and procedures under the Highway Safety Act.

HEARINGS HELD BY SUBCOMMITTEE ON ROADS

The Subcommittee on Roads held extensive hearings on pending highway matters and conducted an intensive overview of progress and problems under the Highway Safety Act of 1966.

Included in the subcommittee hearings were a request for the extension of the Interstate System to include U.S. Highway 52 in West Virginia; proposals to delay the penalty date and otherwise amend the Highway Beautification Act of 1965; the planning and coordination of the Lewis and Clark Trail Highway; revised sizes and weights of vehicles operating on the Interstate System; the reconstruction of the Alaska Highway; continued cooperation by the United States in the construction of the Darien Gap Highway; the need for a complete cost estimate for completion of the Interstate System, on which to base both future authorizations for that system and as a foundation for how to deal with the Nation's highway construction needs during the coming 10 to 15 years; a revised formula, required by law, for allocation among the States of funds under the Highway Safety Act; and a program for the elimination of grade crossings along the high-speed rail line between Washington, D.C., New York City, and Boston, Mass.

In addition to the hearings held by the subcommittee in Washington, hearings were held on the proposed reconstruction of the Alaska Highway in Montana, Canada, and Alaska.

The subcommittee continued to work, on an informal basis, with other concerned House committees, the Department of Transportation and the government of the District of Columbia, to resolve the conflicts which had been strangling the continued development of an adequate and coordinated transportation system for the Nation's Capital.

EXECUTIVE PROTECTIVE SERVICE—H.R. 14944

H.R. 14944, with amendments, will change the name of the White House Police to the Executive Protective Service, which more adequately describes the functions already assigned to it as well as the function to be added here. In addition, this legislation will extend the jurisdictional area within which the Service may function to the metropolitan area surrounding the city of Washington itself. Some embassies are already located outside the city limits, and it may reasonably be assumed that other embassies will so locate in the future. To carry out its function, the Service must be able to protect these embassies as well as those located within the city proper.

Foreign representatives are accredited to the President; they necessarily must be so situated physically as to be in relatively close proximity to the central seat of this Government. The authority for embassy protection is limited to the metropolitan area itself, except as the President otherwise provides, on a case by case basis. Where embassies are located in Maryland or Virginia, to the extent those States comprise a part of the metropolitan area, the same cooperation with local police forces would apply as now applies with respect to the Metropolitan Police Department. In this regard, the embassy protective function cannot, and is not intended to, assume the local police department's responsibility—whether it be in the District of Columbia, Maryland, or Virginia—to conduct criminal investigations involving embassy personnel but to furnish police officers in adequate numbers to control major demonstrations and other large disturbances occurring in close proximity to foreign diplomatic missions.

With respect to the authority granted the President to utilize the Executive Protective Service for the protection of "foreign diplomatic missions located in such other areas in the United States, its territories and possessions, on a case-by-case basis," this authority extends only to situations of extraordinary gravity, where the local police force is totally incapable of providing a level of protection deemed essential to the international integrity of the United States, or where the protection of the President himself, for example, would be involved. This additional authority is not, and may not be construed to be, a substitute for the responsibility of local police forces to provide protection for consulates, the United Nations, and similar foreign delegations within the United States. The increased protection to be provided by the Executive Protective Service is designed primarily as a preventive measure within the Washington metropolitan area. It is not intended that this new Service assume the responsibility of other police departments to provide protection to persons and property within their respective jurisdictions.

The number of personnel assigned to the Service will be increased from the present 250 to not more than 850. Not all of this authorized increase in personnel, of course, is attributable to embassy protection. The need for increased protection for the President accounts for part of the added personnel. The direction of the Executive Protective Service will be a responsibility of the Director of the U.S. Secret Service, and it is contemplated that the members of the Service will be recruited under the civil service laws and regulations on a nationwide basis. It is not anticipated that the local police forces of the metropolitan area will be a primary source of recruitment. To emphasize this point, the bill as reported by the committee was further amended on the floor to highlight the fact that recruiting for this Service will not in any way hinder recruiting efforts of the District of Columbia Metropolitan Police.

RIVER BASIN MONETARY AUTHORIZATIONS FOR CERTAIN RIVER BASIN PLANS—H.R.15166

This legislation authorizes an increase in the monetary authorization for 13 comprehensive river basin plans previously approved by Congress, authorizes the completion of the Chesapeake Bay Basin comprehensive study and modifies the flood control projects on the Scioto River, Ohio, and the multiple purpose project at Tocks Island Dam and Reservoir, Pennsylvania and New Jersey. Following is a discussion of the sections of the bill, H.R. 15166:

SECTION 1

Section 1 provides increased authorizations for the prosecution of river basin plans for flood control and related purposes under the jurisdiction of the Secretary of the Army and the Chief of Engineers. The appropriations intended to be covered by the increased and completion authorizations are those necessary for the scheduled funding requirements through calendar year 1971. Allowance is made for the amount of monetary authorization presently available in the various basins. The necessity for these increased authorizations is explained below.

Monetary authorizations first were put into effect by the Flood Control Acts of 1936 and 1938. They limit authority to appropriate and expend funds within specified basins or specified major projects to levels below the total costs of the authorized basin or project developments. In this way they give the Congress opportunity to review and control the rate of accomplishment of the basin plans and major projects to which they apply.

In these plans, the Congress has approved an entire plan for development of a river basin in the interest of flood control, navigation, power, and allied water uses, but limited the amounts of funds to anticipated appropriations for a specified period of years, allowing accomplishment of only part of the plan. Subsequently the Congress has augmented some of the previously approved plans, by authorizing additional projects, or modifications of projects, and increased the monetary authorization to provide for additional appropriations. When the monetary authorization limit of a plan is approached, legislation is required to provide additional authorization so that appropriations can be made to permit the plan to continue. If such legislation is not forthcoming when needed, construction of projects in the basin plan cannot proceed, even if funds have been included in appropriation acts for this purpose.

In addition to projects comprising these basin plans subject to monetary authorization, Congress has authorized other projects in the basins for which full monetary authorization for appropriations has been provided under the terms of the authorizing act. Projects in this category require no further monetary authorization action by the Congress.

At the present time there are 22 basin development plans subject to basin monetary authorization limitations. Authorizations provided to date, including the most recent provided by legislation in 1968, are adequate for work to be performed in most of the basins through calendar year 1969. However, there are 12 basins whose monetary authorizations will be exhausted in calendar year 1970, unless further authorization is provided and there is a 13th basin which will run out of authorization in calendar year 1971 unless additional authorization is provided.

The following table furnishes for the basins shown in section 1 of the bill the dates of original authorization and the amount of increased authorizations needed for the work to be performed through calendar year 1971:

Basin	Act of Congress	Monetary authorization required through calendar year 1971
Alabama-Coosa River	Mar. 2, 1945	$45,000,000
Arkansas River	June 28, 1938	89,000,000
Brazos River	Sept. 3, 1954	5,000,000
Central and Southern Florida	June 30, 1948	20,000,000
Columbia River	June 28, 1938	263,000,000
Lower Mississippi River	May 15, 1928	167,000,000
Missouri River	June 28, 1938	109,000,000
Ohio River	June 22, 1936	69,000,000
Ouachita River	May 17, 1950	18,000,000
San Joaquin River	Dec. 22, 1944	18,000,000
South Platte River	May 17, 1950	21,000,000
Upper Mississippi River	June 28, 1938	2,000,000
White River	do	4,000,000
Total		830,000,000

SECTION 2—CHESAPEAKE BAY BASIN COMPREHENSIVE STUDY

Chesapeake Bay is the largest estuary on the Atlantic coast of the United States and one of the most important estuaries in the world. Rivers having combined drainage areas totaling 74,000 square miles flow into the estuary, including the Susquehanna, Potomac, Rappahannock, and James Rivers.

Section 312 of the River and Harbor Act of 1965 authorized and directed the Secretary of the Army, acting through the Chief of Engineers, to make a complete investigation and study of water utilization and control of the Chesapeake Bay Basin, including navigation, flood control, fisheries, control of noxious weeds, water pollution, water quality control, beach erosion, and recreation and to construct, operate, and maintain in the State of Maryland a hydraulic model of the Chesapeake Bay Basin and an associated technical center, in order to carry out the purposes of the study. Not to exceed $6 million was authorized to carry out the study.

A reevaluation of the study with a view to reducing the cost was made during fiscal year 1969 upon request of the House Appropriations Committee. The Corps of Engineers prepared plans and estimates for each feature of the study using its Chesapeake Bay Study Advisory Group, and its six task groups, representing the affected States, interested agencies, and a wide variety of disciplines. The reevaluation considered various alternative methods of study including several less costly programs which the Corps of Engineers found would not satisfy the broad objectives of the authorizing act and could not insure success of the study. Without the hydraulic model the study would not provide data for many facets of the water quality, sedimentation, and ecological problems. These are urgent and challenging problems; they require a sound foundation of knowledge for planning and managing the development needed by an exploding population, balanced with the need for conservation of the complex estuarine environment of Chesapeake Bay.

The plan developed is estimated to cost $15 million as compared with the original $6 million authorization. The authorized hydraulic model of Chesapeake Bay, shelter and associated technical center would be constructed, operated, and maintained at Matapeake, Md., to be utilized by any department of the Federal Government, the States of Maryland, Virginia, and Pennsylvania in connection with their research, investigation, or study of the Chesapeake Bay Basin. The study also provides for multidisciplinary research in the technical center for hydraulic and ecological studies to obtain definitive answers to many bay problems.

The benefits resulting from the investigations are estimated to be at a high level relative to the estimated costs. The well-organized Chesapeake Bay Study Advisory Group and its task groups, representing a broad spectrum of the expertise of many State and Federal agencies assisted the Corps of Engineers in preparing the plan of study and they are available and prepared to participate in the authorized investigations.

This comprehensive study, when completed, will project economic development within the bay area and the consequent resources demands. It will serve as a viable management guide to maintaining the environmental integrity of the Chesapeake Bay while encouraging beneficial resource use and enjoyment. In view of the importance of this study, language was included in the bill which would permit completion of the Chesapeake Bay Basin comprehensive study at an estimated additional amount of $9 million.

SECTION 3—SCIOTO RIVER, OHIO

This section modifies the flood control project for the Scioto River, Ohio, authorized in section 203 of the Flood Control Act of 1962 and modified by section 205 of the Flood Control Act of 1965, so as to authorize construction of the local protection works at Chillicothe, Ohio, prior to commencement of construction of the Big Darby Reservior. The section also authorizes such revisions to the plan for the local protection works as are necessary to provide, without the Big Darby Reservoir, a degree of protection substantially equivalent to that provided for Chillicothe by the overall project as originally authorized.

The project for the Scioto River, authorized in 1962, consisted of a combination of upstream reservoirs and local protection works at Columbus and Chillicothe, Ohio. The works at Chillicothe were designed to accommodate the reduced flows resulting from the proposed upstream reservoirs. For this reason, the project provided that the works at Chillicothe would not be constructed until the reservoirs on Alum, Mill, Big Darby, and Deer Creeks were completed and in operation for flood control. The 1965 amendment provided that construction of the works at Chillicothe could proceed at such time as these reservoirs were under construction.

The reservoirs on Alum, Mill, and Deer Creeks are proceeding as planned, but the committee understands that construction of the Big Darby Reservoir has been delayed, and may not be started for several years. The committee feels that under these circumstances the construction of the urgently needed local protection works at Chillicothe should be allowed to proceed prior to construction of the Big Darby Reservoir, with such revisions as are necessary to provide substantially the same degree of protection as contemplated by the overall plan.

SECTION 4—HYDROELECTRIC POWER DEVELOPMENT AT THE TOCKS ISLAND DAM-DELAWARE RIVER BASIN

The purpose of this section is to modify the congressional authorization for the Tocks Island Dam and Reservoir, to be located in the Delaware River, between Pennsylvania and New Jersey, to clarify the authority of appropriate Government agencies to consider an application providing for the use of Tocks Island project water releases as part of a proposed comprehensive pumped storage hydroelectric power development by certain New Jersey electric companies.

The existing Tocks Island authorization provides for use of those releases by a conventional Federal powerplant. The modification clarifies the authority of the licensing agencies to consider a proposal that such releases be used by New Jersey companies, instead, as part of a comprehensive pumped storage development.

ANALYSIS BY SUBSECTIONS

Subsection (a): Modifies the provisions of the Flood Control Act of October 23, 1962, Public Law 87–874, relating to the Tocks Island Dam and Reservoir, Delaware River Basin, to permit the head and water releases of that project to be utilized as part of a comprehensive pumped-storage hydroelectric power project by certain New Jersey electric companies having an application now pending before the Delaware River Basin Commission. Language in this subsection makes the use of such releases as part of the aforesaid proposal subject to the provisions of this section, the Delaware River Basin compact and the Federal Power Act. In the event the DRBC and the FPC license the combination power proposal, this subsection provides that the annual payment required by section 10(e) of the Federal Power Act to be made for the use of Government property at Tocks Island shall be not less than $1 million. Exact amount of such annual payment will be determined by the Federal Power Commission.

Subsection (b): This subsection effectively prohibits use of Sunfish Pond, a small pond atop Kittatinny Mountain, as an upper reservoir of the comprehensive pumped-storage project. It incorporates by reference those provisions of the Delaware River Basin Commission amendment of its comprehensive plan for the Delaware River Basin which provide that Sunfish Pond shall not be so used and its recreation values not significantly impaired, that construction of the alternate upper reservoir be accomplished with minimum disruption of the nautral environment, that the project penstocks, powerhouse, and transmission lines extending therefrom on the western slope and top of Kittatinny Ridge be underground, and the area restored and landscaped.

Subsection (c): This subsection provides that power equivalent to that which would have been available to preference customers from the presently authorized Federal conventional plant, if built, will be made available to them by the licensee. The Delaware River Basin Commission is considered a preference customer for this purpose. The Secretary of the Interior is to allocate such power as may be available under this subsection not taken from the licensee by the Delaware River Basin Commission for pumping of water, for pumping, collecting, and treating sewage, and for purposes associated with the Delaware Water Gap National Recreational Area on an equitable basis among the other preference customers.

Subsection (d): This subsection directs the licensee to furnish power to the United States free of cost for operation and maintenance of the Tocks Island Dam.

Subsection (e): This subsection requires the Tocks Island project and, if built, the companies' proposed combination power development both to be constructed in a manner that will not preclude Government installation of the authorized conventional powerplant at any time.

Subsection (f): Pending a decision as to the development of the hydroelectric features of the project, and in order that there will be no delay in the prosecution of the Tocks Island project, the Corps of Engineers will proceed with planning and construction of the project so as to permit either Federal or company development of the conventional power potential. This subsection provides that the companies and the Government shall enter an agreement or agreements as necessary providing that, in the event a license is issued to the companies for combined power development, the companies shall pay the cost incurred by the United States to preserve the suitability of Tocks Island Dam for installation of both the combined power development and the authorized powerplant; and that in the event a license is not issued for the combined power development, the companies shall pay the cost incurred by the United States to preserve the suitability of Tocks Island Dam for installation of the combined power development. The subsection further provides that in the event the companies and the Government fail to reach timely agreement regarding the amount of such payment to be made by the companies, the amount shall be set by the Secretary of the Army subject to review by the Federal Power Commission.

SECTION 5

This section identifies the bill as the River Basin Monetary Authorization Act of 1969.

BILL IN CONFERENCE BETWEEN HOUSE AND SENATE

WATER QUALITY IMPROVEMENT ACT OF 1969—H.R. 4148

The committee held hearings on H.R. 4148 and other related bills on February 26 and 27, and March 4, 5, and 6, 1969, and as a result of these hearings, H.R. 4148 was reported to the House. This legislation as it passed the House included the following:

OIL AND OTHER MATTER POLLUTION

The bill would—

Apply to discharges of oil and matter into the navigable waters, the contiguous zone, and the high seas from vessels and onshore and offshore facilities;

Provide for notice of discharges by individuals in charge of a vessel or onshore or offshore facility;

Prohibit oil discharges from vessels except in emergency situations;

Establish civil penalties of up to $10,000 for willful or negligent oil or matter discharged from vessels;

Direct that the United States remove oil or matter discharged where there is a pollution hazard;

Authorize the United States to remove or destroy a vessel when a marine disaster creates a substantial pollution threat to the United States;

Require the owner or operator of the vessel or onshore or offshore facility to remove the discharged oil or matter immediately;

Provide a limitation of liability for U.S. costs of removal of vessel discharges up to a maximum of $10 million or $100 per gross registered ton, whichever is the lesser;

Provide an $8 million limitation of liability for U.S. costs of removal in case of onshore or offshore facilities within the States, with an exception for onshore facilities;

Establish a $20 million revolving fund for cleanup; and

Provide for a system of financial responsibility for vessels.

CONTROL OF SEWAGE FROM VESSELS

The bill would—

Direct the Secretary of the Interior to issue Federal standards of performance for marine sanitation devices for all vessels except vessels not equipped with installed toilet facilities, and it would direct the Coast Guard to issue regulations relative to the design, construction, installation, and operation of the devices on board vessels;

Apply to existing vessels, construction of which is initiated prior to issuance of the standards and regulations;

Apply to new vessels, the construction of which is initiated after issuance of the standards and regulations;

Provide that the initial standards shall be effective for new vessels 2 years after promulgation, but not earlier than December 31, 1971, and for existing vessels 5 years after promulgation;

Authorize the Secretary of the Interior and the Coast Guard to distinguish between classes, types, and sizes of vessels and permit waivers of the applicability of the standards and regulations for such classes, types, and sizes of vessels.

Provide that the standards and regulations shall apply to Defense Department vessels, but such regulations and certifications shall be issued by the Secretary of Defense and not the Coast Guard.

Provide for coordination with various Federal and State agencies and other interested persons and require that section 4 of the Administrative Procedures Act apply to the issuance of standards and regulations;

Provide that after the effective date of the standards and regulations, no State can adopt or enforce any statute or regulation with respect to the design, manufacture, or installation of a marine sanitation device on a vessel except that the State or subdivision of a State may prohibit discharges of sewage whether treated or not from a vessel within all or part of intrastate waters of the State if discharges from other sources are likewise prohibited in such waters;

Provide for a system of certification by the Coast Guard of marine sanitation devices;

Provide that it be unlawful for a manufacturer to sell or distribute for sale or resale any vessel that is not equipped with a device once the standards and regulations are effective;

Provide that a vessel subject to the standards and regulations cannot operate on U.S. waters unless it is equipped with an operable marine sanitation device;

Provide for the issuance of injunctions;

Provide for the establishment of civil penalties after notice and opportunity for a hearing; and

Provide that provisions of this section shall be enforced by the Coast Guard.

ACID MINE POLLUTION

The bill would—

Authorize the Secretary of the Interior to enter into agreements with any State or interstate agency to carry out research and demonstration projects designed to eliminate or control within all or part of a watershed acid or other mine water pollution resulting from active or abandoned mines;

Require that the State or interstate agency pay at least 75 percent of the project cost; and

Authorize appropriations of up to $15 million for this purpose.

TRAINING OF PERSONNEL

The bill would—

Authorize the Secretary to make grants or to enter into contracts with institutions of higher education to assist them in planning, developing, strengthening, improving, or carrying out programs or projects to prepare undergraduate students entering into occupations involving the design, operation, and maintenance of waste treatment works;

Provide that these grants or contracts may be used to pay the compensation of students employed in connection with the operation and maintenance of treatment works;

Authorize the award of scholarships for undergraduate studies for periods up to 4 academic years and the making of stipends;

Provide that the Secretary by regulation will require that any person awarded a scholarship must enter into an agreement in writing to enter and remain in an occupation involving the design, operation, or maintenance of treatment works for such period as the Secretary determines appropriate after the completion of the student's studies; and

Authorize appropriations for fiscal year 1970 of $12 million and for fiscal years 1971 and 1972 of $25 million annually.

CONTROL OF POLLUTION FROM FEDERAL ACTIVITIES

The bill would—

Require that every Federal agency having jurisdiction over real property or a facility shall within available appropriations and consistent with U.S. interests insure compliance with applicable water quality standards in the administration of such property or facility;

Require that any applicant for a Federal license or permit—for example, from the Corps of Engineers, Federal Power Commission, Atomic Energy Commission, and so forth—to conduct an activity which may discharge into the navigable waters of the United States provide the Federal agency issuing the license or permit with a certification from the affected State or States or interstate water pollution control agency that the activity will be conducted in a manner that will not reduce the quality of the water below applicable water quality standards;

Provide that where water quality standards are issued by the Secretary under the Water Quality Act of 1965 or where a State or interstate agency lacks authority to issue certification, the Secretary shall provide the certification;

Provide that in the case of multiple licenses or permits by one or more Federal agencies for the same project, if the applicant receives a certification by one agency, he need not obtain a certification from the other agency or for succeeding permits or licenses unless the Secretary or the State, upon receipt of notice, objects; and

Provide that no Federal license or permit may be issued until certification is received.

RESEARCH

The bill would—

Authorize grants and contracts for the prevention, removal, and control of lake pollution;

Authorize grants and contracts relative to research and development on the prevention and control of oil pollution;

Authorize the Secretary to engage in studies, research, experiments, and demonstrations relative to discharges from recreational vessels and the equipment installed thereon with the requirement of a report to Congress;

Authorize the Secretary to acquire lands and interests therein for field laboratories and research facilities and in connection with demonstration projects;

Extend the appropriation authorization provisions of sections 5 and 6 of the act 2 additional years at the current level of appropriation authorizations; and

Provides a Great Lakes demonstration program.

CHANGE OF NAME

The bill would change the name of the Federal Water Pollution Control Administration to the National Water Quality Administration.

The Senate amended the bill on October 8, 1969, and this measure, H.R. 4148, is now in conference. Several meetings have been held by the House and Senate conferees in an attempt to resolve the differences. Other meetings of the conferees will be held early in the second session of the 91st Congress, and it is anticipated that a bill will be reported out to both Houses of Congress shortly after the second session of the 91st Congress convenes.

MAJOR LEGISLATION ON WHICH HEARINGS WERE HELD—NO COMMITTEE ACTION TAKEN

UNIFORM RELOCATION ASSISTANCE AND LAND ACQUISITION POLICIES APPLICABLE TO FEDERAL PROGRAMS AND FEDERAL GRANT-IN-AID PROGRAM

The Committee on Public Works held hearings on December 2 and 4, 1969, on H.R. 14898, H.R. 14899, S. 1, and related bills providing for uniform relocation assistance and land acquisition policies in Federal and federally assisted programs.

The committee has been concerned for a number of years about the growing number of complaints to the Congress questioning the fairness of Government agency land acquisition practices, the sufficiency of traditional standards of compensation, and the adequacy of assistance for persons adversely affected by public improvement programs undertaken by the Federal Government, or with the aid of Federal funds. There have been reports of many persons suffering severe hardships and financial losses and of others being overpaid. There has been particular concern about the lack of uniformity in the various programs, with citizens apparently receiving varying amounts of compensation or assistance, depending on the program involved rather than the actual loss suffered.

The Select Subcommittee on Real Property Acquisition under the leadership of Congressman Clifford Davis was created in 1961 by this committee to make a comprehensive, impartial, and nonpartisan study in order to determine whether owners, tenants, and other persons affected by the acquisition of real property in Federal and federally assisted programs received fair and equal treatment and adequate compensation, considering the value of their property and the losses and expenses they incurred on being required to move from their homes, farms, or business locations. The product of this effort was a staff report entitled "Study of Compensation and Assistance for Persons Affected by Real Property Acquisition in Federal and Federally Assisted Programs" and was published as Committee Print No. 31, 88th Congress.

Additional exhaustive studies and reports on this general subject have been made by the Advisory Commission on Intergovernmental Relations and on the specific question on highway relocation assistance by the Secretary of Transportation pursuant to section 12 of the Federal-Aid Highway Act of 1966.

In the last several years considerable legislation dealing with uniformity of acquisition and relocation assistance has been considered by the Congress. In the Federal-Aid Highway Act of 1968, reported by this committee, the Congress enacted landmark legislation as to highway relocation assistance.

At the committee hearings held in December 1969, the committee heard testimony from Members of Congress, and it is the committee's intention to hold additional comprehensive hearings early in the second session of the 91st Congress to afford all interested parties an opportunity to present testimony and to examine carefully the entire subject and recommend to the House of Representatives appropriate legislation.

ESTABLISHMENT OF A NATIONAL POLICY AND COMPREHENSIVE NATIONAL PROGRAM FOR THE MANAGEMENT, BENEFICIAL USE, PROTECTION, AND DEVELOPMENT OF THE LAND AND WATER RESOURCES OF THE NATION'S ESTUARINE AND COASTAL ZONE—H.R. 14845

Section 201(b) of the Clean Water Restoration Act of 1966 authorized the Secretary of the Interior to undertake a comprehensive study of the effects of pollution in the estuaries and estuarine zones of the United States. This legislation, which originated in the Committee on Public Works, directed that in conducting the study, the Secretary should assemble, coordinate, and organize all existing pertinent information on the Nation's estuaries and estuarine zones; carry out a program of investigations and surveys to supplement existing information in representative estuaries and estuarine zones; and to identify the problems where further research and study are required.

The Secretary was directed to submit to the Congress by November 3, 1969, a final report of this study. The report was required to include, but not be limited to—

First, an analysis of the importance of estuaries to the economic and social well-being of the people of the United States and of the effects of pollution upon the use and enjoyment of such estuaries;

Second, a discussion of the major economic, social, and ecological trends occurring in the estuarine zones of the Nation; and

Third, recommendations for a comprehensive national program for the preservation, study, use, and development of estuaries of the Nation, and the respective responsibilities which should be assumed by Federal, State, and local governments and by public and private interests.

Accordingly, the committee held hearings on this report which consists of three volumes submitted by the Department of the Interior entitled "The National Estuarine Pollution Study," which was submitted to the Congress and referred to this committee; as well as on H.R. 14845, a bill to amend the Federal Water Pollution Control Act to provide for the establishment of a national policy and comprehensive national program for the management, beneficial use, protection, and development of the land and water resources of the Nation's estuarine and coastal zones. Testimony was taken from the Secretary of the Interior, the Honorable Walter Hickel, on this matter. Additional hearings will be held by the committee early in the second session of the 91st Congress and it is anticipated that legislation will be reported to the Congress during this next session on this subject.

As one of the leaders in the field of protecting environment as can be seen from the committee's long history in the field of water pollution, as well as in its implementation of proper use of the environment in the Federal-aid highway program and the Corps of Engineers projects, along with other programs under its jurisdiction the committee has been vitally concerned during this period of time with legislation which will provide proper use of the environment for the benefit of all citizens in the development of public works projects.

The committee's record in this field is a well-known one and during the second session of the 91st Congress the committee intends to pursue with vigor full-scale implementation of environmental quality protection as it fits in with the various programs under the jurisdiction of the committee.

My sincere appreciation for their splendid cooperation goes to the committee members, particularly the subcommittee chairmen. Congressman JOHN A. BLATNIK, chairman of the Subcommittee on Rivers and Harbors and the Federal-Aid Highway Program Subcommittee; Congressman ROBERT E. JONES, chairman of the Subcommittee on Flood Control, and Ad Hoc Subcommittee on Appalachia; Congressman JOHN C. KLUCZYNSKI, chairman of the Subcommittee on Roads; Congressman KENNETH J. GRAY, chairman of the Subcommittee on Public Buildings and Grounds; Congressman JIM WRIGHT, chairman of the Subcommittee on Watershed Development; and Congressman ED EDMONDSON, chairman of the Special Subcommittee on Economic Development Programs.

To Congressman WILLIAM C. CRAMER, of Florida, the ranking minority member of the committee, as well as the other able members of the minority side who have done much to further the work of the committee, I wish to extend my deep and sincere appreciation also. To all the staff of the committee and subcommittees may I thank you sincerely for a job well done.

SUMMARY

Following is a summary of the bills and resolutions acted upon by the committee in the first session:

BILLS AND RESOLUTIONS ENACTED INTO LAW

Public Law No.	Bill No.	Date approved	Title
79	H.R. 6508	Oct. 1, 1969	California Disaster Relief Act of 1969 (Disaster Relief Act of 1969).
90	H.R. 11249	Oct. 17, 1969	John F. Kennedy Center additional funds.
123	H.R. 4018	Nov. 25, 1969	Appalachian Regional Development Act Amendments of 1969 and Regional Action Planning Commission Amendments of 1969.

BILLS REPORTED BY THE COMMITTEE AND PENDING ON THE HOUSE UNION CALENDAR

Bill No.	Date reported	Title
H.R. 12795	Dec. 12, 1969	Better facilities for the enforcement of the customs and immigration laws.
S. 2910	Dec. 22, 1969	An Act to amend Public Law 89-260 to authorize additional funds for the Library of Congress James Madison Memorial Building.

BILLS PASSED BY THE HOUSE AND PENDING IN SENATE COMMITTEE

Bill No.	Passed House	Title
H.R. 1035	June 11, 1969	Limit use of publicly owned or controlled property in the District of Columbia and require posting of a bond for the use of such property.
H.R. 5278	Dec. 1, 1969	Benbrook Dam, Tex., municipal use of storage water, provide.
H.R. 14464	Dec. 15, 1969	Facilities constructed under Federal law, design and contruct to be accessible to the physically handicapped.
H.R. 14741	Nov. 25, 1969	Federal-Aid Highway Act of 1969.
H.R. 14944	Dec. 18, 1969	Adequate force for the protection of the Executive Mansion and foreign embassies.
H.R. 15166	Dec. 15, 1969	River Basin Monetary Authorization Act of 1969.

BILL IN CONFERENCE BETWEEN HOUSE AND SENATE

Bill No.	Passed House	Passed Senate	Title
H.R. 4148	Apr. 16, 1969	Oct. 8, 1969	Water Quality Improvement Act of 1969.

SUMMARY OF THE 91ST CONGRESS, FIRST SESSION

HON. CHARLES McC. MATHIAS, JR.

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Tuesday, December 23, 1969

Mr. MATHIAS. Mr. President, 1969 was a year of transition, the last year of a turbulent decade and the first year of a new administration. For President Nixon and the 91st Congress, the guiding principle of 1969 was reform—reform in economic policy, in foreign affairs, in domestic programs, and in the balance of national priorities.

One measure of success was a Federal budget showing a 10-percent shift since the last year of the Johnson administration in the proportional relationship between military and civilian spending.

For the first time in nearly a decade, Defense appropriations were reduced below the level of the previous year. Although still more needs to be done in this regard, this reordering of financial priorities reflected the first steps toward disengagement from Vietnam and toward a deeper engagement in the effort to solve the problems afflicting our domestic life.

These larger themes of commitment shaped literally hundreds of specific legislative undertakings considered by the Senate in 1969. Without attempting to list all of them, I want to report to the people of Maryland on some of the most important issues on the agenda of this congressional session.

TAX BILL

On December 22, the Senate passed the most significant reworking of the Federal income tax since its inception in 1913. Offering both reform and relief, the bill will cut taxes paid by individuals by about $9.1 billion when fully effective in 1973, while increasing annual revenue by some $6.6 billion.

Title X of the bill increases social security payments by 15 percent, effective January 1970. To allow for computerization, the first checks reflecting the new increase will not be received until early April, together with a separate check covering the increase for January and February.

I voted for the final version of the bill which passed the Senate 71 to 6 and was signed by the President on December 30. Highlights of the 255-page measure include the following:

Increased personal exemption: The personal exemption is increased to $625 for calendar year 1970, to $650 for 1971, to $700 for 1972, and to $750 for 1973 and thereafter.

Increased standard deduction: The present standard deduction of 10 percent with a $1,000 ceiling is increased to 13 percent with a $1,500 ceiling in 1971, to 14 percent with a $2,000 ceiling in 1972, and to 15 percent with a $2,000 ceiling for 1973 and thereafter.

Single taxpayers: A new rate schedule for single persons of all ages provides a tax that is no more than 20 percent in excess of that paid on a joint return with the same amount of taxable income.

Capital gains: The current 25-percent rate on capital gains will be gradually increased on such income in excess of $50,000, reaching an eventual figure of 35 percent for 1972.

Oil depletion and production payments: The percentage of foreign and domestic oil and gas well income that can be written off for tax purposes under the depletion allowance is reduced from 27½ to 22 percent. Other special benefits for the oil industry are also reformed.

Real estate depreciation: Special accelerated depreciation rules for real estate are tightened considerably except with respect to urgently needed new residential construction.

Minimum tax: For the first time the principle is established that every citizen above the poverty level should pay some tax. Items of special "tax preference" such as accelerated real estate depreciation and the untaxed one-half of capital gains are subjected to a 10-percent tax if they total over $30,000 after subtraction of regular income tax payments. Treatment of municipal bonds, however, was not changed.

Foundations: Standards are set to prevent use of foundations for financial activity unrelated to their tax-exempt purposes. Undue accumulation of income and other abuses of tax-exempt status are prohibited and rules are specified for nonpartisan voter registration activity.

Charitable contributions: Rules are enacted to eliminate undue tax advantages such as the special unlimited deduction which chiefly benefits the very highest income contributors to charity. On the other hand, the general charitable deduction limit is raised from 30 to 50 percent.

Financial institutions: Present tax advantages of banks and thrift institutions are reduced, with the result that they will be taxed more like other businesses.

Farm losses: Changes are made designed to insure that tax provisions favorable to agriculture are limited to legitimate farming and livestock operations.

DOMESTIC PROGRAMS

Beyond the tax bill, the theme of reform was basic to President Nixon's most important messages to the Congress and the American people on domestic problems. The President's recommendations for revenue sharing and welfare reform, for example, constitute the most significant such initiatives in over a generation. His proposals in other fields such as the draft, manpower training, and consumer affairs reveal a refreshing and constructive commitment to improving the quality of American Government and making national programs responsive to the needs of American society in the 1970's.

DRAFT REFORM

Fundamental reforms of our military manpower system are long overdue. This year President Nixon achieved at least interim goals by securing passage of an act which enabled him to institute a draft lottery, reduce the period of a young man's draft liability to 1 year, and reverse the order of draft calls so that a youth's primary liability will come when he is 19 or has completed his undergraduate education.

Additional steps remain. Nationwide standards for induction and deferment should be established, as I have urged for several years. The Congress should review carefully the report which will be forthcoming from the Presidential commission studying the feasibility of ending the draft in favor of all-volunteer Armed Forces.

EDUCATION AND SOCIAL WELFARE

This year the Senate made significant progress toward a more rational alinement of national priorities and a more adequate commitment to meeting basic national needs. For example, while reducing defense spending by $5.6 billion, the Congress approved a major expansion of aid for education and for health care and research. A bill expanding and improving our attack on hunger and malnutrition was passed by the Senate and sent to the House. A 2-year extension of the Office of Economic Opportunity was approved. Funds were provided for the important urban development and housing programs enacted in 1968.

High on the agenda of unfinished business are the President's proposals for welfare reform and revenue sharing. I am cosponsoring both measures. The welfare bill proposes a new family security plan to replace the current, 35-year-old public assistance programs which have consigned millions of Americans to a bog of dependence and despair, eroded the social fabric of our cities, and drained the resources of State and local governments.

The revenue-sharing measure, equally far reaching, would turn over an increasing portion of Federal revenues to States and localities without the strings, redtape, and restrictions which have hampered so many narrow, specific Federal-aid programs. The bill is based on the principle that, while Federal financial resources and revenue sources far exceed those of the individual States, State and local government is often best equipped to establish priorities for action in a given jurisdiction and to respond effectively to local needs.

LAW ENFORCEMENT

Crime and the fear of crime have become pervasive influences over American life. Two of the committes on which I serve, the Judiciary and District of Columbia Committees, focused their attention on legislation to improve law enforcement and strengthen the administration of justice.

The Judiciary Committee, for example, has reported to the Senate a drug control bill which, in line with the President's recommendations, modifies Federal penalties for the sale and possession of marihuana and narcotics. This bill also strengthens Federal efforts to curb the widespread traffic in narcotics and dangerous drugs, and is complementary to the steps already taken by the administration in this area. A bill to control organized crime has also been reported by the Judiciary Committee. Both measures are awaiting floor action.

The District of Columbia Committee, after a series of intensive hearings on the critical problem of crime in the Washington metropolitan area, has completed work on legislation to improve the criminal laws, to modernize procedures for dealing with juvenile delinquents, and to reorganize the District of Columbia court system and reduce the long delays which currently snarl the administration of justice. These bills have been passed by the Senate and sent to the House.

FARM LEGISLATION

In spite of the enormous impact of the current revolution in our farm economy, the Congress passed no major farm legislation in 1969. I regret this omission, which will have a serious impact on the future of the Nation. The cost of the agricultural subsidy program has grown during my service in the Congress from a relatively modest $600 million in the last Eisenhower budget to the current $4.6 billion. Much of this huge sum is concentrated in a few Southern States and is of minimal assistance to either Maryland farmers or to the rural and urban taxpayers who foot the bill for it.

Senator Everett McKinley Dirksen, the late Republican Senate leader, and I cosponsored a farm bill that is now pending in the Senate Agricuture Committee. The bill would phase out the current program of farm subsidies and controls by 1975, establish a long-term land retirement program, and initiate retraining, relocation, and loan programs to open new opportunities to farmers who now struggle along on marginal incomes.

It was my privilege, as a member of the Senate Judiciary Committee, to recommend to the full Senate the confirmation of President Nixon's nomination of Judge Warren Burger to be Chief Justice of the Supreme Court. The committee was impressed by the nominee's candor and ability when he appeared before us, and by his prior record as a judge and legal officer. I was gratified by the Senate's overwhelming acceptance of the committee report.

I was, therefore, regretful to observe the gradual accumulation of evidence during the subsequent hearings on the nomination of Judge Clement F. Haynsworth, Jr., which made it increasingly dubious that confirmation would be in the best interest of the Court or the country. I made no commitment until all the evidence was in. A review of all the facts indicated that Judge Haynsworth had repeatedly given credence to charges that he violated the fundamental principle that "no man shall be the judge of his own case." With great reluctance, I concluded that I must vote against confirmation.

CONSERVATION

The sorry state of our environment has justifiably become an issue of National and State concern. In Maryland, as in other States, we can see the full impact of an exploding population and advanced technology on our national resources and heritage. Our greatest natural asset, the Chesapeake Bay, is endangered, as are the Potomac River and most of our smaller streams. Our atmosphere is often foul in metropolitan areas and impure even in rural regions. The beauty and health of the land is at stake.

This Congress has already taken several important steps toward protecting our environment. A National Environmental Policy Act has been passed and signed by the President. More adequate funds were granted for water pollution control projects. The Senate has approved important water quality legislation designed to combat the problems of oil spills and thermal pollution. One important portion of that measure will require all federally licensed projects and facilities to conform to State water quality standards. I secured Senate adoption of my amendment to insure that the public interest and citizen opinion will be heard in all such cases, including new nuclear powerplants. I am also pleased that the Secretary of the Interior announced his intention to develop new policies on the location of oil processing facilities to minimize adverse effects on the environment.

This year the Senate will be considering other environmental bills and the President has promised to submit new recommendations. In addition to working on national legislation, I intend to press for Senate action on my bills to provide sufficient funds for an hydraulic model of Chesapeake Bay, and to establish the C. & O. Canal National Historic Park along the Potomac.

OTHER ITEMS

In addition to the bills mentioned above, the Senate this year will be considering many other significant questions: improvement of mass transit systems; air safety and airport development; consumer protection; increases in railroad retirement benefits; and aid to higher education, including community colleges.

In the Judiciary Committee, I plan to press for action on measures I have sponsored to extend the Voting Rights Act for 5 years, to abolish the electoral college in favor of direct popular election of the President, and to reduce the voting age to 18.

LOOKING AHEAD

The second session of the 91st Congress promises to be busy and challenging. The Senate, in cooperation with the President, will bear major responsibility for shaping new foreign and domestic policies as we enter a new demanding decade. If the principle of reform continues to guide us in 1970 as in 1969, significant progress is likely.

All our undertakings will be overshadowed by two great related problems, inherited by the new administration and courageously engaged by it but still by no means overcome. One is Vietnam and the other is inflation. Inflation demoralizes all our working citizens, inflicts a special penalty on those on low or fixed incomes, erodes our balance-of-international payments, and distorts and distends the national economy. The Vietnam war, which deeply contributes to inflation, also works its special demoralization on the Nation's youth, distorts our foreign priorities, and envenoms the national spirit with bitter disputes irrelevant to the new challenges of the seventies.

With regard to inflation, I believe that we have little choice but to support the prudent fiscal policies of the Nixon administration. The obvious need for restraint imposed many difficult choices on the President and Congress in 1969, for example, during consideration of the tax-reform bill and individual appropriations bills. In most such cases, I did vote to uphold the President's position.

Although progress toward more stable economic growth is slow, the President's commitment to fiscal responsibility is most heartening. Especially reassuring is the appointment of Dr. Arthur Burns, one of the most brilliant and responsible of the Nation's economists, as the new Chairman of the Federal Reserve Board.

FOREIGN AFFAIRS

In regard to Vietnam, the President's responsibility is paramount, both in his role as Commander in Chief and in his role in shaping our negotiating position. He deserves our support in his effort to disengage our forces from the distant quagmire of Vietnam. At the same time, the President should not be expected to bear alone the great political burden of extricating America from the war. Not only the administration but also the Congress should replace the old Johnson policies with a rational plan for ending this national tragedy.

In this spirit, I introduced on December 8, with the cosponsorship of Majority Leader MANSFIELD and the encouragement of Minority Leader SCOTT, a comprehensive foreign policy resolution designed to give the President congressional support for his program of accelerated troop withdrawals from Vietnam and to reorient American foreign policies in order to avoid similar disasters in the future. Among the purposes of the measure is to clear away the clutter of previous congressional resolutions, some enacted nearly 20 years ago, which collectively grant the President broad powers to intervene militarily around the world.

I will be discussing this resolution further in the months to come, beginning with my testimony in early February before the Senate Foreign Relations Committee. My purpose is not to propose a new isolationism, but to engage the Senate in the foreign policy reappraisal required by the changing conditions of our involvement in world affairs.

Substantial steps have already been taken by President Nixon, with congressional support and encouragement, in the direction of international cooperation and concord. Among the most important advances of 1969 were the opening of preliminary talks between the United States and the Soviet Union on strategic arms limitations; the ratification and signing of the Nuclear Nonproliferation Treaty; the proclamation of a new American policy renouncing the first use of weapons of chemical and biological warfare; a new posture toward the nations of Eastern Europe and greater cooperation with our NATO allies; and a series of recommendations for reforms in foreign aid and trade.

In line with these initiatives, the Nixon administration has undertaken a comprehensive review of our worldwide military strategy and defense policies. At the same time, the Senate in 1969 devoted over a month to floor debate on individual weapons systems, in the most intensive review of such defense projects undertaken by the entire Senate in many years. The product of these executive and legislative reassessments was a significant reduction in defense spending for fiscal 1970.

I felt that further cuts could have been made without endangering our national security. For instance, I voted against any deployment of an anti-ballistic-missile system this year, in the belief that further research and development were essential, and that massive spending on an ABM at this time would be inflationary and unproductive.

CONCLUSION

Since January 1969, thousands of Marylanders have shared with me their thoughts on the vital and often difficult issues before the Senate. This advice and counsel, from all parts of the State, and reflecting all shades of opinion, has been invaluable in helping me to represent the interests of the Free State and reach informed judgments. As we move into a new decade, bringing unresolved national problems with us and facing additional challenges, I will need and solicit the suggestions, the thoughts and the participation of every Marylander.

RENEWAL AT GETTYSBURG

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. McCLORY. Mr. Speaker, my friend, Barbara Joy Henderson, of Washington, D.C., has prepared a most interesting and enlightening composition interpreting Lincoln's famed Gettysburg Address. Mrs. Henderson has been inspired by the various translations of this historic, literary work and she comments meaningfully on the translations of Lincoln's words into the Swedish, German, Spanish, Portuguese, Italian, and French languages. She calls attention to the fact that translations of Lincoln's Gettysburg Address are also available in Russian and Greek at Gettysburg.

I am pleased to include Mrs. Henderson's article for the CONGRESSIONAL RECORD, as follows:

The idea of translating Abraham Lincoln's Gettysburg Address into other languages came in response to requests by many visitors from abroad who wished to gain deeper insight into Lincoln's irresistible proclamation of the infinitely equal value of every individual. The following article was written because, as the work of translation proceeded, it became obvious that some of the basic ideas in the address were being either misunderstood or resisted. (It should be recognized that references to a particular language are merely a metonymic device to describe a cultural attitude.)

Most notable was an apparent reluctance in Romance thought to distinguish between spiritual creation and human birth. The claim that all men are *born* equal is open to question; but the truth of Lincoln's perception of the equality of their *creation,* with its endowment of intrinsic spirituality common to all men, is undeniable.

The cornerstone on which this country's unique structure has rested is a sense of individual freedom coupled with the respect due to equals by equals. We have seldom achieved this ideal practically, nor do we fulfill it adequately now; but we have the ideal, and a great many of us try to live it out in our daily round.

It therefore seems important to recognize the deep contemporary validity of Lincoln's insights, not only for the rising tide of independent thinkers in this country, but for all men the world over who are striving to realize outwardly the full stature of their innate manhood. Between equals need there—can there—be aught but peace?

* * * * *

"Four score and seven years ago our fathers brought forth on this continent a new nation, conceived in Liberty, and dedicated to the proposition that all men are created equal."

So begins the Gettysburg Address, that great requiem and reveille which tolls like a bell down the decades. A beginning, not an end, was Lincoln's vision, even in the midst of battle, even when remembering the nearly 15,000 men in gray who swept across the fields into the blazing guns of men in blue steadfast on a ridge named Cemetery. Equality of creation is the ringing message—a *new* nation, conceived, brought forth, and dedicated to actualize a new ideal.

What word-clothing to choose in publishing this very ethos of our nation to other lands? For our Swedish fellows, whose thought—and therefore whose tongue—marches at the same crisp pace as our own, translation is simple, pure, identically forceful:

"Vara fäder frambringade för attiosju ar sedan pa denna kontinent en ny nation, uppgjord i frihet och tillägnad pastaendet att alla människor äro skapade jämlika."

German echoes, a shade more ponderously:

"Siebenundachzig Jahre ist es her, dass unsere Vorfahren auf diesem Kontinent eine neue Nation ins Leben riefen—eine Nation in Freiheit begründet und dem Grundsatz geweiht, dass alle Menschen gleich geschaffen sind."

Perhaps a gentler interpretation of the conception metaphor here, with "called into being" instead of "brought forth"; but the meaning is manifest.

But what of the Latin-rich languages? Spanish, besides "founding" a nation (a refraction from "Founding Fathers", perhaps), had to be guided from "the principle of equality between men", through "all men are born equal", to final recognition of the immense essential difference between creation and birth:

"Hace ochenta y siete años, nuestros padres fundaron en este continente una nueva nación concebida en la Libertad y consagrada al principio de que todos los hombres son creados iguales."

Italian visualized our fathers as "building" a new nation, but was fairly easily persuaded to adopt equality of creation:

"Ottanta e sette anni or sono i nostri padri edificarono su questo continente una nuova nazione, concepita nella Libertà, e dedicata al principio che tutti gli uomini sono creati uguali."

Portuguese, too, "founded" our nation, but dedicated it to the principle by which "all men are created upon conditions of equality" lest (it was said) the implication be that of the lowest, rather than the highest, common denominator:

"Há oitenta e sete anos nossos antepassados fundaram neste continente uma nova nação, concebida em liberdade e dedicada ao principio segundo o qual todos os homens são criados em condições de igualdade."

And French—that loveliest of modulations, that flute-like transmutation of Latin—many are her versions of Lincoln's ageless eloquence, but in all of them men are "born equal". A theological crux, of course, with Genesis 1 at issue. So we made a new translation:

"Il y a de cela dix-sept lustres et deux ans, nos pères ont mis au monde sur ce continent une nation nouvelle, conçue dans la liberté et consacrée à la proposition que tous les hommes sont créés égaux.

Thus creation, not birth, sets the spirit of this nation resounding throughout the world.

* * * * *

"Now we are engaged in a great civil war, testing whether that nation, or any nation so conceived and so dedicated, can long endure."

Lincoln's uniquely ambiguous participle causes a slight difficulty for Swedish: "Vi äro nu engagerade i ett väldigt inbördeskrig prövande . . ." Without the comma it can be taken either way. But German attributes the testing to us: "Wir stehen jetzt inmitten eines grossen Bürgerkrieges. Es ist an uns, zu beweisen, dass diese Nation . . ." ("it is for us to prove").

Italian gets out of it neatly by using an identical construction: "Ora noi ci troviamo impegnati in una terribile guerra civile, mettendo alla prova . . ." French takes a slight liberty in deference to the main idea: "Nous sommes actuellement engagés dans une grande guerre civile, en train de vérifier . . ." ("by way of testing").

But Spanish insists that it is the war itself "which will decide" the question: "Estamos ahora empeñados en una gran guerra civil que decidirá . . ." Portuguese is almost identical: "Estamos agora empenhados numa grande guerra civil que demonstrará . . ." ("which will prove").

So we question. Did Lincoln consciously choose a cloudy form? Or, in the course of drafting his "few words", did he assume public understanding of what must have been of such terrible trenchancy in his own thought? Surely the latter—"Now *we* are engaged"; and now, here, in this place, at this time, we do not know the outcome. We can only trust God, not to give "our side" the victory, but to lead us all to a pinnacle of resolve never before reached in our history.

* * * * *

"We are met on a great battle field of that war. We have come to dedicate a portion of that field, as a final resting place for those who here gave their lives that this nation might live."

A second theological question arises: Portuguese and German both equate "final" with "eternal". Does this negate resurrection? From nearly twenty centuries ago the inspired teaching has traveled down the generations that no lodging in the ground, however final for the body, can hold man in eternal nothingness. There is a triumph to be enjoyed, for "the last enemy" shall inevitably be destroyed. Perhaps Italian recognizes this least clearly, with its "ultima dimora" ("final dwelling"); the others agree on "resting place"—a more temporary implication.

Spanish and Italian at first insisted that a nation has no life as such and therefore can only "survive", not "live". Persuaded to examine the essence of "nation" (from "nascire," "to be born"), they agreed that individual lives might indeed be given to the end that a collective life be saved: "quienes aquí dieron su vida para que esa nación pudiera vivir"; and "coloro che qui diedero la loro vita affinchè quella nazione possa vivere." But Portuguese was adamant for "survive", thus losing the measured gift: "daqueles que aqui deram suas vidas para que esta nação pudesse sobreviver." And German blurs the sharp equivalent of the English life-for-a-life by wordiness: "jene, die hier ihr Leben liessen, damit die Nation am Leben bliebe" ("those who here sacrificed their life so that the nation might continue in life"). But Swedish—"dem, som gav sina liv här så att denna nation matte leva"—and French—"ceux qui ont donné ici leur vie afin que cette nation puisse vivre"—speak true.

The bravest love, the hardest love, the ongoing love.

* * * * *

"It is altogether fitting and proper that we should do this."

Redundance? Repetition? No. This is unequivocal conviction, spoken in heritage-words whose meaning was set centuries ago: "Fitting (1535)—becoming, suitable; that fits exactly." "Proper (1449)—strictly belonging or applicable; accurate, exact, correct; *esp.* appropriate to the circumstances." Altogether so!

Swedish uses "helt och hallet" ("wholly, totally, completely") "tillbehörligt och passande" ("fitting and proper"). German weakens it into: "Es ziehmt sich für uns, so zu handeln" ("it becomes us so to act"). Do the southern cultures feel the weight? Italian uses "perfettamente congruo e giusto ("perfectly adequate/fair and right"). Spanish says "nada más propio y justo" ("nothing more proper and correct"). Portuguese finds it "de todo natural e apropriado" ("altogether natural/normal and fit"). But French makes it a matter of logic: "Il est tout à fait juste" ("appropriate" in the sense of "right") "et raisonnable" ("rational", and only thus "proper")—the heart's command subdued to the mind's choice.

* * * * *

"But, in a larger sense, we cannot dedicate—we cannot consecrate—we cannot hallow this ground. The brave men, living and dead, who struggled here, have consecrated it, far above our poor power to add or detract."

With only the subtlest of differences in interpretation, Swedish likes "comprehensive, large-scale" ("omfattande"), while Spanish prefers "larger" (Más amplio"); Italian, Portuguese, and French all go for "wider" ("più lato"; "mais lato"; "plus large"). German is odd-man-out, with special perception, perhaps: "and yet, if/when we consider it rightly" ("und doch, wenn wir es recht bedenken").

"Dedicate . . . consecrate . . . hallow"—an ascending arpeggio of tribute to man-wide devotion and courage, whether those calling it forth be termed "valiant" (Spanish), "gallant" (Italian), or "brave" (the other four). And, although Spanish elaborates with "tanto los sobrevivientes como los muertos" ("those who survive as well as those who are killed"), and Germanic exactitude—"mögen sie leben, oder gefallen sein" ("be they living or killed")—seems to ignore the essential unity of the brothers who fought there, in the others' understanding death itself makes no final difference: "levande OCH döda"; "vivi E morti"; "vivos E mortos"; "vivants ET morts."

For Lincoln, always the fact, never the symbol-substitute. Words and gestures are superfluous; consecration has already taken place, the sprinkling done not with holy water but with blood, not with ritual tool but with the immanent spirit of self-sacrifice. It is a simple concept, literally stated by Spanish, Italian, and French. Both Portuguese and German like "exalt or minimize" ("elevar ou reduzir"; "zu erhöhen oder zu mindern"); Swedish says "contribute or lessen" ("bidraga eller förringa"). But all are true to the idea.

* * * * *

"The world will little note, nor long remember what we say here, but it can never forget what they did here."

Wrong, Mr. Lincoln. Your voice will still speak strong even when Gettysburg becomes a place to visit among other places. But you used an interesting word: "note". Swedish and German interpret it as "heed" ("världen kommer föga"; "die Welt wird . . . kaum aufhorchen"). Italian has a slight variant: "scarcely be aware of" ("accorgerà appena"). Spanish and Portuguese are both literal: "apenas advertirá"; "pouco notará". French likes "retain" and "recall" ("le monde retiendra peu et ne se rappellera pas longtemps").

Agreement in the thought is total. Let "Taps" be sounded.

* * * * *

Now sound Reveille! Sound the call to look forward, to invest with continuing meaning and substance what has been done at such great cost:

"It is for us the living, rather, to be dedicated here to the unfinished work which they who fought here have thus far so nobly advanced. It is rather for us to be here dedicated to the great task remaining before us"—

Dedication is not for the past, an act over and done with; it is for all time, never to be quite finished. All tongues echo the simple charge almost identically. It continues:

"that from these honored dead we take increased devotion to that cause for which they gave the last full measure of devotion"—

Spanish calls it "the final proof of love" (a suprema prueba de afecto"); Swedish, "the last full measure of sacrifice" ("det sista fulla màttet av uppoffring"); the others are literal. Love—sacrifice—devotion—all are understatements of a gift "pressed down, and running over."

"that we here highly resolve that these dead shall not have died in vain"—

"Highly resolve" is difficult in all but Swedish: "att vi här högeligen föresätta oss." German uses "auf das wir feierlich bezeugen" ("that we solemnly attest"). French says "que nous prenions ici la résolution solennelle" ("that we take here the solemn resolution"), Italian prefers "solemnly resolve"; Spanish, "firmly resolve"; and Portuguese phrases it "adopting here the high purpose." But—have all nations had so many die "in vain" that there is casual historical acceptance of this tragic phrase? Italian uses "fallen," Spanish says "perished"; otherwise it comes off almost glibly, with practically no variation.

But Lincoln will not have it so.

* * * * *

"that this nation, under God, shall have a new birth of freedom"—

Ah! We return now, not to death, but to birth—to a nation remade, through reliance on God, in a new freedom of spirit, "a new baptism" (as the Spanish sees it) by which it can take up a hitherto unknown leadership in the world. French and Spanish agree that Lincoln's inspired interpolation, "under God", means "with God's help"; Italian and Portuguese place our nation "under God's protection". Swedish says clearly "under Gud"; German prefers "God willing". But (like Nicodemus) German denies the possibility of a second birth: "auf dass diese Nation, nach Gottes Willen, den Weg zu einer neuen Freiheit finde" ("find the way to a new freedom"). Is there a metaphysical oversight here?

* * * * *

Now the climax, the very goal itself, for then and for now:

"and that government of the people, by the people, for the people, shall not perish from the earth."

Our English "of" can be devastating for translators, and Swedish has a variant—possibly more accurate, possibly not—"över", "av", "för" ("government over the people, of the people, and for the people"). German uses "des", "für', and "durch" ("of", "for", and "by"). All others follow Lincoln's choice. No matter; the point is not the phrase, but the warning:

If this nation dies, true government will go into the shadows for long decades to come; another Middle Ages will spread its darkness over millions. But if this nation lives, the light with which it shines will become clearer and clearer in the minds of men—of "all men, created equal", equally able to govern themselves, by themselves, and for themselves and for each other.

Law, yes; order, yes; but wrought out by self-discipline, not by whip or coin or color.

From within, not from without, comes the kingdom.

HOOSIER ENERGY READY TO PRODUCE MUCH NEEDED ELECTRICITY

HON. VANCE HARTKE

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Tuesday, December 23, 1969

Mr. HARTKE. Mr. President, I invite the attention of my colleagues to a series of two articles which have appeared in the Indiana Rural News, the official monthly publication of Indiana Statewide Rural Electrical Cooperative, Inc., which has a readership of more than 700,000 rural Hoosiers. These articles appeared November 1969 and December 1969.

The articles detail factually the complete story of the much needed Hoosier Energy generating plant at Petersburg, on the banks of White River in Pike County, Ind. More and more, America is finding the need for electricity as we hear of brownouts and blackouts. Here, in beautiful southern Indiana is a modern, well-equipped electrical generating plant, which, incidentally, has been furnished with Federal moneys under a loan from the Rural Electrification Adminstration. But, today, because of court orders and legal battles, the plant still stands idle. It is ready to operate and to produce electricity—a commodity much needed in Indiana to further the economy of not only our State but also of America.

I ask unanimous consent that the two articles be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Hoosier Energy—A 20-Year Struggle for Rural Power

More than 20 years have slipped by since Hoosier Cooperative Energy was incorporated by nine of Indiana's rural electric cooperatives.

It has been 20 years of trials and triumphs. The two decades have been years of fulfillment, frustrations, and faith.

The formal organization of Hoosier Energy on June 9, 1949, was the first step taken by Indiana's rural electric leaders along a difficult road leading to a rural electric generation and transmission system, a new source of much needed electric power for REMCs in southern Indiana.

The huge Hoosier Energy power plant located on the White River near Petersburg and the network of transmission lines are the results of Indiana's rural electric leaders who joined together 20 years ago to seek better ways to obtain an adequate and secure source of electricity and to determine the best means of achieving reductions in the cost of wholesale electric power.

When Hoosier Energy was incorporated at Rushville in June of 1949, nine REMCs formed the nucleus of the new cooperative. Today, 17 REMCs, who together serve the electric power needs of nearly 380,000 Hoosiers in 44 southern Indiana counties, are members of Hoosier Energy. In addition to the original nine incorporators—Bartholomew, Decatur, Fayette-Union, Johnson, Morgan, Rush, Shelby, and Wayne County REMCs and Southeastern Indiana REMC—other members of Hoosier Energy are Daviess-Martin, Harrison, Knox, Orange and Sullivan County REMCs, Utilities District of Western Indiana REMC, and Dubois and Southern Indiana RECs.

The history of Hoosier Energy can be traced back to the very first years of rural electrification in Indiana.

For years, since the beginning of cooperative rural electrification in the Hoosier State when Boone County REMC at Lebanon began electric service to its first consumer-owner on May 22, 1936, Indiana REMCs have negotiated with the state's five commercial power companies for assurances of adequate and dependable supplies of wholesale power under acceptable conditions and reasonable rates. These negotiations have been, and continue to be, critical to REMC management.

The cost of wholesale power is the largest single factor in a rural electric cooperative's overall operating expenses. If wholesale rates are high, retail rates must also be high. Apart from costs, REMCs find they must be concerned with restrictive terms and conditions in wholesale contracts which handicap them in serving new consumers and improving operating efficiency.

Efforts in the early years of Hoosier Energy to achieve power supply arrangements compatible with the legitimate business interests and responsibilities of the REMCs were not successful. It was decided that the possibilities of power supply through self generation and transmission began to be explored.

The results of the exploration led to Hoosier Energy's application to the Rural Electrification Administration for a $42-million loan to build a 198,000-kilowatt steam generating plant near Petersburg in southwestern Indiana, plus construction of 950 miles of transmission line to serve the wholesale power requirements of the nine member distribution cooperatives. The application for the loan was filed with REA on May 10, 1957, eight years after Hoosier Energy's inception.

Seven months later, however, the application was withdrawn for further study. On August 24, 1959, Hoosier Energy filed a revised proposal with REA, requesting a loan of $53,872,000. This called for construction of a power plant of the same capacity as in the first application, but a larger 1,400-mile transmission network to serve an expanded Hoosier Energy membership which had grown to 17 REMCs.

Throughout the long period the Hoosier Energy loan application was under consideration—slightly more than four years—the commercial power companies had numerous opportunities to make new offers to meet the needs and requirements of Hoosier Energy's member systems. During this period the companies' offers still were not satisfactory.

Approval of the Hoosier Energy loan was announced by REA on June 15, 1961. Indiana's rural electric leaders met the REA Administrator, Norman Clapp, in Washington, D.C., to sign a loan contract. Because the second application for loan funds had been further revised a year earlier, the loan provided for $60,225,000 to finance a 198,000-kilowatt generating station 1,552 miles of transmission lines, and 125 substations for delivering power to Hoosier Energy's member REMCs, then serving more than 290,000 Hoosiers.

An exhaustive analysis of Hoosier Energy's loan application had convinced REA officials that the member REMCs would realize significant savings in wholesale power costs if the Hoosier Energy system was built. The savings were based on what the REMCs would have paid under the best offers of the commercial power companies for wholesale electricity. An additional consideration was that the loan would assure the rural electrics an adequate supply of power for existing and anticipated needs.

Southern Indiana REMCs by this time were rapidly approaching the day when it would not be possible for them to meet their service responsibilities.

On December 7, 1961, Hoosier Energy applied to the Public Service Commission of Indiana for a certificate of convenience and necessity which would formally authorize construction of the facilities provided for in the loan.

Immediately, all the power companies in the state—Public Service Company of Indiana, Southern Indiana Gas and Electric Company, Indianapolis Power and Light Company, Northern Indiana Public Service Company, and Indiana and Michigan Electric Company—petitioned the Public Service Commission for permission to intervene and oppose the granting of the certificate.

In an effort to shorten the course of threatened litigation, Hoosier Energy and Indiana Statewide Rural Electric Cooperative, the central service association of the state's REMCs, agreed to transfer the generating plant loan to Statewide in order to expedite plant construction. This action was based on the legal opinion that Statewide had been granted the necessary authority to generate and transmit power by Indiana's Rural Electric Membership Corporation Act of 1935. Consequently, through action of the REA Administrator, the loan was transferred to the Statewide organization on April 26, 1962. The Hoosier Energy Division was created within the Indiana Statewide Rural Electric Cooperative. A motion to withdraw the Hoosier Energy application for a certificate was granted by the Public Service Commission.

Ground-breaking ceremonies for the Hoosier Energy plant drew a large crowd of Indiana's rural electric leaders to the Petersburg site on May 14, 1962.

Then began a series of almost unbelievable legal maneuvers by the commercial power companies. They were determined to prevent the Hoosier Energy group from preventing its project.

First, Indianapolis Power and Light Company filed a complaint in the Pike County Circuit Court at Petersburg seeking an injunction against construction of the plant. The suit, filed four days after the ground-breaking ceremonies, alleged that the Indianapolis utility had long planned a generating plant on the White River a few miles above the site of the proposed Hoosier Energy site. The power company asked the Court to determine who had the right to use the water in White River.

Less than a week later, on May 23, 1962, the Southern Indiana Gas and Electric Company at Evansville filed suit in Marion County Circuit Court at Indianapolis—also seeking an injunction against construction of the Hoosier Energy plant. SIGECO contended the Statewide association would have to obtain a new certificate of convenience and necessity from the Public Service Commission. The Evansville utility also alleged duplication of facilities and argued that the certificate vested in the Statewide organization in 1935 by the state legislature had expired through non-use.

A third suit was filed on June 1, 1962. This suit also was filed in the Marion County Circuit Court on essentially the same grounds as SIGECO presented. This time the protesting party was Public Service Company of Indiana.

In the face of these suits, and in anticipation of others by the remaining Indiana commercial power companies, Statewide moved to bring all the power companies into the complaint filed by Indianapolis Power and Light. This was done to accelerate existing and potential litigation. The motion was granted by the Pike County Circuit Court.

The commercial power companies appealed this decision to the Indiana Supreme Court and on August 23, 1963, the state's highest court ruled against joining the lawsuits. Each case would have to be heard separately.

Tactics of the power companies to delay construction of the REMC generating plant were proving successful. Although reports issued by the Federal Power Commission showed a serious shortage of electricity in Indiana, not a pole had been set nor any line built to bring Hoosiers their own rural electric power. Two and one-half years would elapse from the time REA had approved the Hoosier Energy loan until the first of the court cases actually would come to trial.

A NEW SOURCE OF STRENGTH FOR INDIANA

Hoosier energy was incorporated as a power supply cooperative 20 years ago by Indiana's southern REMCs. The goal of the rural electric leaders who met at Rushville in June of 1949 to formally organize Hoosier Energy was to provide much needed electricity at reasonable rates to thousands of rural families living and working in the southern half of Indiana.

Although the need for a new source of electric power for southern Indiana had long been recognized, Indiana's rural electric leaders worked more than 12 years to make detailed plans for meeting that need.

It was not until June of 1961 that the Rural Electrication Administration, the federal lending agency, approved Hoosier Energy's plans for a generating paint on the White River near Petersburg and a network of transmission lines which would connect the plant to the 17 REMCs which are members of Hoosier Energy.

Soon after the loan application had been approved, Indiana's commercial power companies began a series of legal maneuvers to delay or prevent construction of the Hoosier Energy plant. In December of 1961, Hoosier Energy's request before the Public Service Commission for the certicate of convenience and necessity required to build and operate a power plant, was opposed by several of the commercial utilities. This opposition was overcome by transferring the loan to Indiana Statewide Rural Electric Cooperative, the association of Indiana's REMCs, which had been given such a certicate by the Indiana REMC Act.

Consequently, in May of 1962 ground-breaking ceremonies for the Hoosier Energy plant were celebrated at the plant's site in Pike County. It was a celebration of the beginning of a new era and new strength for Indiana.

The ground-breaking ceremonies also signaled the beginning of a new round of legal battles with Indiana's commercial power companies which were determined to prevent Hoosier Energy from accomplishing goals.

Separate legal suits filed by the commercial companies alleged that Hoosier Energy's generating plant and transmission system would use water from the White River it had no right to use, that the plant would represent a duplication of existing facilities, and that Indiana Statewide's certificate for operating the plant had expired because it had not previously been used.

The three suits were filed separately in two different Indiana Circuit Courts. Indiana Statewide asked the Pike County Circuit Court, where the first suit had been filed, to join the separate suits together in order to accelerate the existing and threatened litigation which was delaying construction of the Hoosier Energy power supply plant.

Indiana Statewide's request was granted by the Pike County Court, but the Indiana Supreme Court was to reverse the decision in August of 1963, forcing Indiana Statewide and Hoosier Energy to spend several more years struggling for the right to build their plant.

Attorneys for Indiana Statewide and Hoosier Energy were to spend many weeks in several county courthouses during the next several years fighting the lawsuits brought against the rural electric cooperatives. In the meantime, construction work was put off pending the outcome of the litigation.

The first Hoosier Energy courtroom victory came in 1964 when the Hancock County Circuit Court at Greenfield ruled that Indiana Statewide's certificate of convenience and necessity was valid.

Hoosier Energy won its second court-room victory in 1965 when the Hancock County Circuit Court again upheld its decision that Statewide's authority to generate and transmit electric energy was a legislative grant of power not subject to forfeiture for non-use.

Consequently, on the basis of these two court decisions in August of 1965, four years and two months after it had approve Hoosier Energy's loan application, the Rural Electrification Administration began advancing funds to Hoosier Energy for construction of its plant.

A second loan to Indiana Statewide's Hoosier Energy Division for $11.2-million was approved by REA in December, 1965. This loan supplemented Hoosier Energy's original loan for $60.2-million. The additional $11.2-million reflected increases in construction costs and the increased need for wholesale power of the member REMCs—increases which occurred during the delay forced on Hoosier Energy by the power companies' litigation.

The revised plans for Hoosier Energy called for a 200,000-kilowatt generating plant, 1,786 miles of transmission lines, and 133 substations throughout southern Indiana.

The new year of 1966 seemed to be a rebirth of a bright, new era for Indiana's southern REMCs. The giant Hoosier Energy plant and transmission system was under construction. Only the day-to-day problems of building such a huge power plant seemed to be delaying the arrival of that time when REMCs could "turn on the lights the country" in southern Indiana with power they had generated themselves.

The only major courtroom activity in 1966 saw the Indiana Appellate Court confirm the second Hancock County Circuit Court decision. This represented yet another legal victory for Hoosier Energy.

Throughout the following months of 1966, 1967, and 1968, the building site near Petersburg was the scene of much activity as steel and concrete began to take on the shape of a generating plant. Towers for the transmission system were being erected.

In January the Indiana Appellate Court split 3-3 when it ruled on the appeal of the first Hancock County Circuit Court case. This meant the case automatically went up to the Indiana Supreme Court.

This did not stop construction of the Hoosier Energy plant, however, and work continued at the building site. Near the end of 1968, the completion of the generating plant was in sight.

The lamp of hope was burning brightly, but then it flickered and almost went out on December 10, 1969. In a 3 to 2 decision, the Indiana Supreme Court reversed the lower court decision, ruling that Indiana Statewide Rural Electric Cooperative's original authority to generate and transmit electric power had lapsed because the right had not previously been used. This reversal of the lower court decision, which had been made four years earlier, was an unanticipated body blow to Indiana's rural electric leaders.

The Supreme Court ruling made it necessary for Indiana Statewide to obtain a new certificate of convenience and necessity from the Indiana Public Service Commission. A petition has subsequently been filed, and, expectedly, the commercial power companies opposed the application.

On December 28, 1968, eighteen days after the unexpected Supreme Court ruling, REA assumed temporary ownership of the Hoosier Energy project. REA then signed an agreement with Indiana Statewide, employing its Hoosier Energy Division as an agent of the United States government to complete construction of the Petersburg plant, energize the system, and operate it for a period not to exceed five years.

Commenting on the government's decision to acquire Hoosier Energy properties, Norman Clapp, then REA Administrator, said:

"The Indiana Supreme Court has not ruled on the merits of Indiana Statewide's generation and transmission project. The court has only ruled that the cooperative's original authority to generate and transmit electricity has now lapsed and that it must go to the Public Service Commission for a new certificate of convenience and necessity. We have no reason to assume that the Statewide will not get its certificate. In the meantime, the United States is taking title to facilities and will take the steps to complete and put them on a revenue-producing basis to give maximum protection to the government's investment in the project"

The light was burning brightly again, but not for long. Two of the commercial power companies successfully sought a federal court injunction which prevented REA from operating the Hoosier Energy power plant. The Federal District Court for Southern Indiana granted the injunction in March of this year, thus stopping REA and Hoosier Energy from putting the power plant "on the line."

This past summer has been a long, long summer for Indiana's southern rural electric cooperatives, but on September 18, 1969, the United States Court of Appeals in Chicago reversed the Federal District Court decision announced in March. The light was again shining through.

Removal of the injunction against the REA Administrator enables him today to secure revenues to preserve and protect the security of the government's loan to Hoosier Energy.

At the generating plant on the White River, Hoosier Energy officials are anxiously awaiting the decision of the United States Supreme Court which is being asked by the commercial power companies to reverse the U.S. Court of Appeals decision.

As this was being written, it was not known exactly when the Supreme Court would act, but some indication of the future of the Hoosier Energy plant was expected sometime this month.

Indiana's rural electric leaders are convinced that Hoosier Energy's brightest days are ahead.

WHY INDIANA NEEDS HOOSIER ENERGY

A continuing supply of wholesale power at reasonable rates is very important to Indiana's REMCs. Wholesale power costs represent the largest part of any REMC's annual budget, averaging around 42 percent of all expenses.

If wholesale rates are high, the retail rates charged each REMC member will be correspondingly high.

Many years ago the managers and elected officials of southern Indiana's REMCs became increasingly concerned about the price they had to pay for wholesale power.

REMC studies indicated that the members could save large amounts of money over a period of time if the REMCs had the means to generate and transmit their own electricity. REA analysis of Hoosier Energy's studies and plans confirmed the fact that the members of the REMCs in Hoosier Energy would realize significant savings if the proposed plant were built.

While the Hoosier Energy loan was under consideration by REA, a period of four years, the commercial power companies had many opportunities to make new offers to meet the needs and requirements of the rural electric cooperatives, but they did not extend a satisfactory offer.

Besides the dollar costs of wholesale power purchased from the commercial power companies, the REMCs were equally concerned with the other terms of the wholesale power contracts offered to them. Some of the terms were restrictive and would have handicapped the REMCs in serving new consumers and in improving operating efficiency.

The commercial power companies at one time claimed Hoosier Energy's plant would be a duplication of facilities. Experience, however, has shown that the consumption of electricity has been doubling almost every ten years. This growing need for more and more electrical power is expected to accelerate even faster in the immediate future. Use of electricity is expected to double every six to eight years.

The addition to Hoosier Energy to the economy of southern Indiana is expected to provide the region with a much needed source of new power.

Indiana's southern REMCs, which are distribution cooperatives, combined with Hoosier Energy, which is a power supply cooperative will be able to provide Indiana with an effective "yardstick" of the state's electric power industry.

When an effective amount of electricity in this state is generated, transmitted, and distributed to the ultimate consumer without any profit added on, the public will be in a position to judge how much profit is being included in the rest of the industry's prices. This is the way the consumer's "electric yardstick" works. It is the best protection against excessive power costs.

Indiana REMC leaders believe the "yardstick" will be dramatically demonstrated in the Hoosier state as it has been in Ohio, Michigan, Illinois, and Kentucky—the four states bordering Indiana and which all have cooperative power supply systems in operation.

Using the "yardstick" that Hoosier Energy will provide, Indiana's consumers will find out just how much, in dollars and cents, a kilowatt of power should cost.

DEFECTS IN THE 1970 CENSUS

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. PHILBIN. Mr. Speaker, it has recently come to my attention that the pending 1970 census will not count very important segments of our population: primarily, minority groups, the urban poor, the foreign born, and, in some lesser degree, the handicapped; this allegedly due to defects in the methods and procedures to be used.

The able, distinguished gentleman

from California, our friend Congressman BURTON, has brought this matter to my attention and has ably summarized the causes of his concern about this matter.

He states generally that census taking in densely populated urban areas, in which high concentration of the classes of people referred to above reside, will rely primarily on mailings rather than personal interviews.

This is true, notwithstanding the fact that many people in these areas share mailing addresses, an incredibly large number of units and apartments are inhabited by more than one family, and that many will not respond, out of fear, ignorance, or physical disability to a lengthy, impersonal, and complex form.

It is also pointed out that the census forms and accompanying instruction sheet will be printed only in English, notwithstanding the fact that millions of people, mainly Spanish-speaking, orientals, and other foreign born, can neither read nor write English.

There is apparently no official or standard translation of the census questionnaire, instruction sheet, or census taker handbook in Spanish, Chinese, Japanese, or any language other than English.

There is also no requirement that the census takers in a bilingual area be bilingual, or reside in that area, or must pass standardized, objective, hiring tests.

These census takers will receive low pay, so I am advised, a maximum of $2 an hour and, in most cases, a mere 50 cents per interview piece rate. For this, it is almost impossible to find qualified, trained, and bilingual census takers.

There are apparently no other plans or funds for assistance and information centers with well-trained and well-paid staffs, and little prospect for volunteer centers or community educators.

Several serious gaps in canvassing these people have emerged and the census field offices do not have the funds, power, or discretion to conduct effective recruitment programs to hire required employees that meet the unique residential and population situations of their localities.

As we all know, the census data are extremely useful not only to Federal programs but to other programs of governmental agencies and private groups.

Obviously, we need to take immediate action toward this situation for extreme intensification and I have advised Director of the Census, Dr. George H. Brown, of my views in this matter and hope he will move as soon as possible to try to rectify these drawbacks, maladjustments, and lack of personnel in order to obtain an efficient, helpful census which is very important to the country and to many people.

LEGISLATIVE REPORT OF SENATOR RALPH YARBOROUGH: FIRST SESSION OF THE 91ST CONGRESS

HON. RALPH YARBOROUGH

OF TEXAS

IN THE SENATE OF THE UNITED STATES

Tuesday, December 23, 1969

Mr. YARBOROUGH. Mr. President, it is my privilege to report to the people of Texas upon the activities and accomplishments of the first session of the 91st Congress. The year 1969 can best be described as a period of challenge and change in the history of America. January not only marked the beginning of a new year but also the change of administration. With the change of administrations came not only a change in personnel but also a change in emphasis and, more importantly, a change in priorities.

The new administration, in the name of economy, began 1969 by making large cuts in the budgets of our vital health and education programs while at the same time advocating costly new military weapons programs. This development brought the predominantly Democratic Congress into direct conflict with the administration over the question. Congress, and particularly the Senate, accepted the President's challenge and conducted the most thorough review of our military spending in history. In addition Congress refused to retreat from the progress we have made in the past 8 years on the domestic front and restored funds for many vital domestic projects which the administration had eliminated. These problems were time consuming and consequently this was an unusually long session of Congress. However, this first session of Congress did complete a program of legislation that maintained domestic progress while still dealing with the problems of ever-increasing inflation.

The first session of the 91st Congress was also a period of personal change and challenge for me.

At the beginning of this session, I became chairman of the Senate Committee on Labor and Public Welfare. This is one of the most important committees in Congress because its jurisdiction covers subjects which touch the lives of all Americans. Its jurisdiction includes—

First, all labor laws and labor-management relations;

Second, all Federal education laws and programs;

Third, all health legislation needed to provide the research, manpower, and care within financial reach of all Americans;

Fourth, the economic opportunity program which is the basic instrument for the war on poverty;

Fifth, veterans readjustment to civilian life under the GI bill, and medical care for veterans;

Sixth, the problems of migrant workers;

Seventh, railroad retirement benefits;

Eighth, the special needs of Indian education;

Ninth, the needs of the arts and humanities;

Tenth, the operation of the National Science Foundation; and

Eleventh, the problems of aging.

In addition to my new duties a chairman of the full Labor and Public Welfare Committee, I became chairman of the Health Subcommittee so that I could continue my efforts to pass legislation that improves the health of all our people.

Although my responsibilities with the Labor and Public Welfare Committee greatly increased upon becoming chairman, I retained my position as the ranking majority member of the Senate Post Office and Civil Service Committee and also my position on the all important Senate Appropriations Committee.

The challenge of new responsibility that become mine in the first session of the 91st Congress was one I welcomed because it increased my opportunity to work for legislation that directly benefits the people of Texas and the country as a whole. I cannot say that Congress or I accomplished everything that was needed, but I believe that very commendable progress was made in solving the perplexing problems of our State and Nation. In the following report, I wish to highlight the accomplishments of this session of Congress for the people who I am grateful to serve and represent.

EDUCATION AND HEALTH

Upon adjournment in December, the committee had just completed action on a massive, 4-year extension of the Elementary and Secondary Education Act.

Its major provisions include the payments to school districts that are heavily impacted by Federal employment and activities, the big title I section that provides additional money for districts serving large numbers of children from low-income families, grants for bilingual education so that children may learn in Spanish as well as in English, changes in adult education to help more people who have not finished high school, grants for libraries in elementary and secondary schools, and institute a new special program for children with learning disabilities.

The Senate will take up this bill early next year.

Also in the field of education, we enacted my bill, S. 1611, creating a National Center on Educational Media and Materials for the Handicapped. It is Public Law 91–61, and will provide a national center where the latest devices and techniques for teaching the physically handicapped can be brought together.

A National Commission on Libraries and Information Science will be created when the House of Representatives acts on another of my bills, S. 1519. It was passed by the Senate on May 23, 1969. The Commission will keep track of national needs for library science and services, and make proposals for meeting them.

The significant support for science research in colleges and universities through the National Science Foundation was extended in Public Law 91–120. It authorized $477 million in 1970 for research and education in science and engineering in furtherance of American leadership in these fields.

The alarming rise in the cost of medical care and the shortage of sufficient care and facilities for those in need prompted me to take the chairmanship of the important Subcommittee on Health.

We have already recommended six measures, all of them passed by the Senate. A major one, S. 2264, authorizes grants to control dangerous communicable diseases. It is a 3-year program, providing money to State and local governments to control contagious diseases, including those susceptible to control through vaccination and immunization. Tuberculosis, German measles, venereal disease, polio, diphtheria, tetanus, whooping cough, and Rh disease are targets of the bill.

Vaccination against German measles can prevent mental and physical disorders in thousands of unborn children, who are jeopardized when this disease strikes a pregnant woman.

The Senate passed this bill October 20.

It has also acted on a second major health measure, S. 2523, expanding the community mental health centers program. Mental illness strikes more Americans than all physical illnesses combined. We could not cope with mental disease under old-fashioned methods of mass hospitalization. Instead, we are learning to treat these people in their home communities, usually without hospitalization.

This bill will stimulate the organization of these centers by providing a longer period of Federal support for their operation and by increasing the Federal share where they established in low-income communities. The House has passed a similar bill, and we should complete action on it early next year.

The growing problem of hazards in the environment is approached in a bill of mine passed by the Senate December 11. It extends until 1975 Federal support for schools of public health and the training of professionals in the field. The addition of a new school of public health by the University of Texas in Houston brought to 16 the number of such schools in the country. They provide the qualified people to staff essential public health positions in State, local, and Federal governments. The bill will help them improve their course material, expand enrollments, and encourage organizations of more schools of public health.

Of further help to the Public Health Service will be S. 2452, passed on October 20. It will equalize the retirement benefits of Federal Public Health Service officers with those of the uniformed military services. The commissioned corps of the Public Health Service is the oldest medical service in the Federal Government. Its officers deserve equal treatment with military officers, and this improvement will help attract and keep qualified people in the Public Health Service.

The special health programs of migratory farmworkers are treated in my bill, S. 2660. It extends until 1973 the health services program for migratory agricultural workers and increases the funds that may be spent for them. One million migrants and families have great difficulty obtaining medical care in communities where they reside only a few weeks and have no familiarity with local doctors or hospitals. Many communities are reluctant to treat them. Consequently, migrants have the Nation's highest rates of many infectious diseases and the lowest per capita health expenditure. This program deserves to be expanded, as called for in my bill. It was passed by the Senate on December 19.

My bill to create regional medical libraries is also through the Senate. It is S. 2549. It would help construct and equip health medical information facilities.

The committee will take up in January the expansion of hospital construction and modernization under the Hill-Burton program. My bill, S. 2182, extends the program for 5 years and raises Federal funding to over $5 billion over the 5-year period.

There is urgent need for construction of new health facilities that would total $6 billion now, and need for modernization at an estimated cost of $10.5 billion. In Texas alone, new health facilities costing $383 million are needed. There is no way to expand health care without expanding physical plant and equipment, as this measure will do.

During 1969, the Health Subcommittee, and the Alcoholism and Narcotics Subcommittee, also began work in other fields. We held hearings on drug abuse and alcoholism, on mental retardation, and public health hospitals. We will resume work on legislation in these fields next year, and we plan hearings on the whole important subject of health insurance.

To fund the vital domestic programs administered by the Department of Health, Education, and Welfare, the congressional conferees have agreed to appropriate $17.7 billion for 1970. This is an increase of approximately $1.3 billion over the administration's request. Of this $1.3 billion increase, approximately $1.1 billion is for education.

In particular, we have more than tripled the funding level for bilingual education, which is so important for Texas. I also was successful in adding $14 million for construction of much needed new medical school construction.

We have added $400 million for educational aid to impacted areas; the administration is attempting to reduce this program to $200 million. I fought successfully for full funding of the migrant health program, which will double the funds available in 1970.

VETERANS

During the first session of the 91st Congress, a number of important bills were introduced and passed that are vital to the lives and well-being of America's veterans. I am particularly pleased with the work of the Committee on Labor and Public Welfare's Subcommittee on Veterans' Affairs for considering and reporting out a record number of veterans bills. As the ranking majority member of the Subcommittee on Veterans' Affairs, I was able to work directly for these important measures.

In one area that the Senate made great progress this past year was veterans education. In January of 1969, I introduced S. 338, which would increase the education and training allowances under the cold war GI bill by 46 percent. This 46-percent increase is necessary to bring the benefits paid to veterans of Vietnam and the cold war era in line with the benefits paid to Korean war veterans.

The allowances presently paid under the cold war GI bill cover only 67 percent of the cost of education. Under the Korean GI bill, the allowances paid to veterans accounted for 98 percent of the average tuition board and room costs, at public and private institutions of higher learning. Therefore, if the present veterans are to be placed on equal footing with the veterans of the Korean war, it is necessary that the allowance rates be increased by at least 46 percent. This is what my bill, S. 338 is aimed at doing.

Another important problem that my bill, S. 338, is designed to remedy is low participation in the education and training programs provided by the cold war GI bill of 1966. Of the over 6 million eligible veterans, only 1,303,977, or 20.7 percent, have used their education and training benefits. This rate of participation is shocking when compared with the 50 percent participation rate under the World War II GI bill and the 42 percent under the Korean conflict GI bill. The major cause of this lack of participation is unrealistically low allowances paid veterans under the present law. These allowances have not kept pace with the rapidly rising cost of living and cost of education. The 46 percent increases provided by my bill will provide the stimulus to increase participation in this important program.

In addition to the rate increases, my bill also includes a new addition to the veterans flight program which would permit a veteran to obtain a low interest loan for the purpose of receiving a private pilot's license.

After careful study and consideration by the Subcommittee on Veteran's Affairs, my bill was unanimously reported to the full Committee on Labor and Public Welfare as title I of H.R. 11959. Also included in title I of H.R. 11959 is another of my bills, S. 1998, which establishes a new and broader farm cooperative training program designed after the program provided under the Korean conflict GI bill. This bill is designed specifically to encourage young men to go into farming as their life's vocation. The bill also eliminates the requirements that the veteran own his farm to be eligible to take the training and also the restrictive classroom requirement under the present law. I firmly believe that this new farm training program with its increased allowances and less restrictive requirements will greatly stimulate interest in agricultural education.

The Committee on Labor and Public Welfare unanimously approved my bills and on October 23, 1969, the Senate, despite the threat of a Presidential veto, passed H.R. 11959 by 77 to zero in an unusual display of bypartisan support.

Prior to the passage of the Senate version of this bill, the House passed a measure that would have provided an increase of only 27 percent in the education and training allowances. Such a small increase was in the opinion of the Senate a mere token and would not accomplish the two major purposes of my bill: First, to increase veteran participation in these programs; and, second, to make the cold war GI bill benefits equal to those paid under the Korean conflict GI bill. The bill that finally passed the Senate, presents a reasonable and thoughtful solution to these two problems. This bill received careful study during the public hearings which were held on it from

June to August. The testimony received at these hearings comprised three volumes of over 630 pages. Every major veterans organization in America has enthusiastically endorsed the Senate version of this bill.

I was hopeful that the House would accept the Senate version of H.R. 11969 and pass it swiftly so that our veterans could start receiving their increased benefits before the end of the current academic semester. Unfortunately, the House took no action on this important bill until the final week of the session and then the House rejected the Senate's bill and passed a much more limited measure. The new House bill provides for only a 31-percent increase in education and training allowances instead of the 46-percent increase contained in the Senate bill. In addition the House bill eliminated the new flight program, the farm cooperative training program, and certain other measures contained in the Senate version of the bill which were designed to aid the educationally disadvantaged veteran. The Senate rejected the new House bill and immediately asked for a conference between the two Houses so that a fair and effective compromise could be reached. The House rejected the Senate's request for a conference and thus put this matter over until the new session. Although I shared the disappointment of thousands of veterans throughout the country that the House would not come to conference on H.R. 11959 prior to the close of this session, I shall continue to work for the passage of this important bill early in the new session.

In addition to H.R. 11959, which is an omnibus bill composed of nine separate veterans education bills, the Subcommittee on Veterans' Affairs considered and reported favorably six veterans health and medical care bills. The full Labor and Public Welfare Committee gave prompt approval to those bills and the Senate passed them unanimously.

Briefly summarizing these bills: First, create a rebuttable presumption that disabilities suffered by former prisoners of war are service connected; second, eliminate the humiliating requirement that a veteran who is receiving a VA pension sign a paupers' affidavit to receive hospital care for a non-service-connected disability; third, authorize community nursing home care for unlimited periods of time for veterans suffering with service-connected disabilities; fourth, authorize medical care to veterans with service-connected disabilities regardless of whether the care is for that particular disability or some other; fifth, raise the Federal per diem pay for each veteran hospitalized in a State veterans home from $3.50 to $7.50 and authorize $5 million in matching funds for remodeling of State veterans homes; and sixth, authorize the VA to enter into sharing agreements with other private and public hospitals for the use of vital medical resources.

Two of these bills have already been signed into law. One is now before the President for his signature and the other three bills are pending in the House for that body's action. I am proud of the record of the Subcommittee on Veterans' Affairs and also the full Committee on Labor and Public Welfare for the diligent work that has been done in the area of veterans legislation. I am looking forward to another productive period during the coming session of Congress.

For some time I have been concerned by the plight of many of our World War I veterans. These brave men may not be forgotten veterans .but they certainly have been neglected by Congress. The average age of the World War I veterans is now 74. A great majority of these veterans can no longer work and therefore must depend on various retirement programs such as social security for their income. It is time that these veterans be provided a general pension which is not tied to welfare programs. Consequently, in July of 1969, I introduced S. 2658 which would provide World War I veterans with the same general pension as the veterans of the Spanish American War. In dollars and cents, this would mean that a veteran who served 70 days or more would be entitled to a pension of $67.73 a month. If the veteran served 90 days or more, he would be entitled to a pension of $101.59 a month. This bill is presently being considered by the Senate Finance Committee.

This session I also introduced two measures which will greatly benefit the lives of those veterans who are drawing pensions under our present law. These bills, S. 2665 and S. 2666, would entitle these veterans to the rent supplement and food stamp program. These bills will assure that any veteran whose income is so small as to make him eligible for the present meager pensions will also receive the same Federal benefits as others who are in the low-income bracket. I shall continue to work for the passage of these bills in the coming session.

In 1969, we witnessed one of the most serious cutbacks in the housing industry in recent history. A combination of the administration's tight-money policy and high bank interest rates has forced many small homebuilders out of business and has seriously limited the veteran's ability to obtain a veterans home loan. To provide a measure of relief to those two embattled groups, the small homebuilders and the veterans, I introduced S. 3008, which would authorize the investment of $5 billion, over a 5-year period at the rate of $1 billion a year, of the funds in the national service life insurance fund, in veterans home loans. This bill would not only stimulate home building but it would also increase the income for the national service life insurance fund. The Senate Finance Committee held public hearings for this bill in November and I hope that it will be reported favorably to the Senate next session.

During the first session of Congress, funds were appropriated for two important veterans hospitals in Texas. The independent offices appropriation bill for 1970 contains $25 million for the construction of a veterans hospital in San Antonio, Tex. I worked for over 12 years to obtain a veterans hospital for the south Texas area and this year I was successful in obtaining the funds so that construction can begin. I shall urge the President to release these funds so that work on this vital hospital can be started in 1970. The bill also contains funds for air conditioning the veterans hospital in Waco, Tex. This work has been needed for a long time, and I am glad that we were successful this year in obtaining the necessary funds for it.

In summary, 1969 has been a significant year for veterans legislation. However, there is still much to do in this important field; therefore, I shall continue to work for laws that will better lives of all our veterans during the next session of Congress.

TEXAS PUBLIC WORKS PROJECTS

During the first session of the 91st Congress, landmark legislation was passed which provides funds for vital Texas public works projects. As a member of the Senate Appropriations Committee, I have had the opportunity to work for these projects which are so vital to people of Texas, and I am pleased to report that during this session of Congress I was successful in obtaining funds for many of them.

The public works appropriations bill, H.R. 14159, that passed the Senate and the House, provides for total appropriations of $4,756,007,500. This sum includes $250,561,000 more than the House bill. Of this total amount, over $32 million has been designated for Texas projects.

Included in this amount are funds for new Texas projects which have been delayed much too long. These new projects include: First, $150,000 preconstruction money for Aubrey Reservoir. These funds will be used to start this reservoir which will be a future source of water for the heavily populated Dallas and Denton area; second, $15,000 preconstruction money for the Cedar Bayou navigation district in Chambers County. When completed the Cedar Bayou navigation district will service the growing industrial area in Chambers County; third $35,000 preconstruction money for deepening the Corpus Christi ship channel. When this important project is completed, 15,000,000 tons of commerce can be shipped through the Corpus Christi ship channel each year.

In addition to these new projects, appropriations for certain Texas projects were increased by the Senate over the original amounts appropriated by the House. They include an additional $300,000 for the construction of the Sabine-Neches Waterway bringing the total appropriations for this project to $5,000,000; an additional $150,000 for land acquisition on the San Gabriel River tributary to the Brazos River; and an additional $150,000 for the Lake Whitney Reservoir. These increases are essential if progress is to be made on these vital projects.

In addition to these projects that I have already mentioned the Senate and House, working together, appropriated funds for many projects which were omitted from the budget entirely or which insufficient amounts were requested. These projects include:

Project	Budget request	Allowance by Congress
Belton Reservoir	$100,000	$200,000
Cooper Reservoir and channels	500,000	1,580,000
El Paso flood project	300,000	350,000
Highland Bayou flood project	100,000	300,000
Lavon Reservoir	2,500,000	3,750,000
Colorado River jetty project	0	75,000
San Antonio channel improvement	900,000	1,200,000
Taylor's Bayou project	0	250,000
Trinity River Bridge	1,300,000	1,400,000
Palmetto Bend Reclamation project	0	200,000

In the Senate I was successful in obtaining $200,000 preconstruction money for the proposed Millican Dam and Reservoir project which would be built on the Navasota River, approximately 7 miles north of Navasota, Tex., despite the fact that the administration had not requested funds for this project. Unfortunately, in conference, between the Senate and the House, these funds were lost. Because of the importance of this project to the people of southeast Texas, I have requested the Bureau of the Budget to include it in the 1971 budget. I am hopeful that during the second session of the 91st Congress we will be able to appropriate the funds necessary to get this project underway.

Another project which is vital to the people of the Rio Grande Valley is the lower Rio Grande flood project. This is a project which is the joint responsibility of the United States and Mexico, and it is designed to protect the people of the lower Rio Grande Valley from the dreadful affects of floods such as the one that struck the area in 1967 as a result of Hurricane Beulah. In that terrible flood, property damage amounted to $12 million and countless numbers of families were driven from their homes.

To prevent this type of disaster from ever occuring again, it is imperative that the lower Rio Grande flood project be completed soon. Despite the administration's action in deleting funds from this project, I was able to obtain $1,500,000 in the State, Justice, Commerce, and related agencies appropriations bill to start construction work on this important project. Unfortunately, in conference, the House deleted these funds.

Because of the great potential danger from future floods, that confronts the lower Rio Grande Valley, I shall do all I can to obtain the funds necessary to continue construction on this flood control project.

In summary, 1969 has been a significant year for public works in Texas. In months ahead, I shall continue to work for these projects which are so vital to the people and industry of Texas.

TAX REFORM

The 91st Congress will be known as the tax reform Congress. With the passage of the landmark Tax Reform Act of 1969, we have made an important beginning in an effort to redistribute the tax burden more equitably among all our people.

I am proud to have contributed two very important amendments to this measure—amendments which made it a better bill.

First, I joined with Senator Gore in his successful effort to increase the personal exemption. Throughout the 12 years I have been in the Senate, I have worked for a significant and meaningful increase in the personal exemption. I had favored an exemption of $1,200 as provided for in my bill, S. 1717, and my amendment to the tax bill. The compromise measure, worked out on the floor of the Senate, provided for an increase to $800 over a 2-year period. The House-Senate conferees further reduced this figure to $750 to be reached in four steps from 1970 to 1973. This amount is still too small, but I supported it as first step in increasing the personal exemption to a more realistic level.

Second, Senator Harris, of Oklahoma, and I introduced an amendment, which was accepted by the Senate, which would assure that those citizens drawing State welfare would receive the benefits of the 15-percent increase in social security. In some States, Texas included, the State government sets a ceiling on the amount of welfare any one person can receive. Social security payments are not welfare and should not be included in this figure. In conference our amendment was modified; however, it still guarantees these citizens a portion of the increase in social security benefits which they had not been able to obtain in the past.

Unfortunately the failure to tax excess war profits still remains, one of the most shocking inequities in our tax structure, despite the attempt which Senator McGovern and I made to eliminate it. Many large war contractors have been making tremendous profits—far above their normal profit margin—on the manufacture of weapons and other materials to fight the war in Vietnam. It strikes me as being grossly unfair that some people make tremendous excess profits from the war which escapes taxation while the tax burdens on the average taxpayer grow steadily heavier. Even worse, a large portion of the tax increases in recent years has been necessitated by the war—the very war which has provided so much untaxed excess profits to a few large war contractors.

Along with Senator McGovern and several other Senators, I introduced S. 2277, the Excess War Profits Tax Act of 1969. Had this bill been enacted, it would have recovered a share of the excess profits which have not been taxed and thus lighten the burden of many millions of taxpayers. It would have provided almost $9 billion in additional revenues for the Government in fiscal year 1970 alone money which could have been put to use solving some of our grave domestic problems. Though my effort was not successful this year, I shall continue it in the coming year and for as long as the war lasts and excess profits are made while the average man bears the heavy financial burden imposed by the struggle.

AGRICULTURE

The first session of the 91st Congress passed legislation that is of direct benefit to the many Texans who live on farms and ranches. As a member of the Senate Appropriations Subcommittee on Agriculture, I had the opportunity to work directly with critical funding problems for many vital agricultural programs.

One of the most significant agricultural programs to pass Congress this session was H.R. 10595, which extends the Great Plains conservation program for 10 years. This program which was first enacted in 1956 is specifically designed to meet the drought and soil erosion problems which have plagued the Great Plains region of the United States for years. Under this program, the Secretary of Agriculture is authorized to enter into 10-year cost-sharing assistance contracts with farmers and ranchers who are willing to install and maintain complete conservation treatment and practices on this property. This program covers the counties in a 10-State area that are most subject to the adverse effects of wind erosion. In Texas, 99 counties are included in the Great Plains conservation program.

The bill that passed Congress this session provides for a 10-year extension of the Great Plains conservation project and authorizes a total of $300,000,000 for this program. Because of my experience during the 1930's with the terrible "dust bowl" conditions which existed in many parts of Texas, I am convinced that the Great Plains conservation program is one of the best pieces of agricultural legislation to be passed in recent years. Therefore, I am proud I was able to take an active part in seeing that this landmark conservation act was extended and improved in this session of Congress.

The Department of Agriculture and related agencies appropriations bill for 1970 provides the funds necessary to carry out many programs which are vital to Texas farmers and ranchers and their families. More specifically the bill appropriates $340 million for the Rural Electrification Administration. This represents an increase of $120 million over the original House bill. Since Texas is the largest REA user in the United States, these additional funds are especially significant to me. In addition, the bill includes $133,595,500 for consumer protective marketing and regulatory programs which provide protection to consumers through mandatory meat and poultry inspections.

One of the most significant pieces of farm legislation in recent years was introduced during the first session of the 91st Congress. This is S. 3068, the Agricultural Stabilization Act of 1969, which I introduced together with Senator George McGovern on October 23, 1969. This bill represents the combined efforts of 22 different farm organizations who are working in unity for the passage of a farm bill that will guarantee economic equality to all farmers.

In summary, S. 3068, would renew and extend the Agriculture Act of 1965 with the following improvements: First, it improves the class I base plan for milk; second, it extends the present cotton program; third, it continues the present corn and feed grains programs with a new price floor based on 90 percent of parity; fourth, it extends the voluntary wheat certificate program and adds a certificate on exported wheat to bring total returns on that portion of the crop to between 65 and 90 percent of parity; fifth, it permanently extends the present cropland adjustment program and rice programs; sixth, it authorizes a price support program for soybeans and flaxseed with a guarantee of at least 75 percent parity; seventh, it authorizes an emergency or consumer protective reserve of cotton feed grains, wheat and soybeans to protect against crop failure and the harsh effects of price-dressing sales of commodity credit corporation stocks; eighth, it continues on a permanent basis the 1964 food-stamp program; and, ninth, it extends and broadens the Agricultural Marketing Agreements Act to authorize market orders on any farm commodity when requested by the producer.

In summary, S. 3068 embodies my belief that the average farmer and his family should be assured a fair return for his work and investment. I intend to continue to work for Senate approval of S. 3068 during next session.

Adlai Stevenson once said:

> A society can be no better than the men and women who compose it. The heart of any farm policy must therefore be the life of those who work the farms. Our objective is to make that life full and satisfying.

Like Adlai Stevenson, I, too, am dedicated to that objective and shall continue to work for legislation that betters the lives of our citizens who live and work on the farms and ranches of America.

NATIONAL PARKS FOR TEXAS

President Kennedy once said:

> It is our task in our time and in our generation to hand down undiminished to those who come after us, as was handed down to us by those who went before, the natural wealth and beauty which is ours.

In this spirit I introduced several bills during the 91st Congress which would preserve the various natural wonders of Texas for future generations and also provide the people of our State with new recreational facilities.

In March of 1969, I introduced S. 1688, which would establish the Dinosaur Trail National Monument on the Paluxy River near Glen Rose, Tex. In this beautiful area over 30 dinosaur tracks may be seen today in the limestone bed of the Paluxy River. The Department of the Interior has designated this site as a national landmark. However, registration as a national landmark does not provide the protection necessary to insure that this area will be adequately preserved. In the 90th Congress, I introduced a similar bill; however, no action was taken on that bill. Therefore, I reintroduced this measure and am hopeful that the Senate will act upon it next session.

In July of this year I introduced a bill, S. 2627, which would create a national recreation area at the Amistad damsite along the boundary between the United States and Mexico near Del Rio, Tex. I first introduced this measure in the 89th Congress in 1965. Since that time the proposal has gained considerable public and private support. In 1966, the Department of the Interior in a formal report endorsed this project. During that same year, President Johnson emphasized the importance of this proposed recreational area by saying that Amistad Dam would "enable development of a great inland water recreational facility for the benefit of this region in two countries."

On September 8, 1969, Amistad Dam was formally dedicated with ceremonies attended by President Nixon and President Ordaz of Mexico. During this trip to the area, President Nixon and various members of his Cabinet were introduced to the many possibilities of the Amistad area. I am hopeful that now that the President has seen the Amistad area that he will give his support to my bill which would mean so much to the people on both sides of the border.

The time for action on this bill is now. With every day that passes, the threat that this unspoiled area will be marred by undesirable commercial establishments. I am hopeful the Senate will act on my bill during the next session.

In addition to these two bills, I introduced in October of this year, S. 3044, the National Open Beaches Act. This bill would restore to all Americans the use of beaches of this country which are now fenced up and barricaded. More specifically, this bill declares that the public shall have free and unrestricted right to use the beaches of the United States and that Congress shall constitutionally protect this right.

One important feature of this bill is its provision for a joint Federal-State effort to protect public beaches. Under this plan, the Federal Government would furnish, if requested by the State, up to 75 percent of the funds necessary for the State to acquire easements and rights-of-way to beaches. The State would be required to furnish only 25 percent of such financing. This bill was first introduced in the House by Congressman ECKHARDT, of Houston, Tex.

I am hopeful that the Senate Committee on Interior and Insular Affairs will give favorable consideration to my bill next session.

On January 15, 1969, I reintroduced my bill, S. 4, to create a 100,000-acre Big Thicket National Park in southeast Texas. I first introduced this bill in the 89th Congress and have reintroduced it in every Congress since then. It has given me great pleasure to see the evergrowing interest in my bill by people and groups from all over America. Numerous conservation, civic, and other public-spirited organizations have endorsed my bill.

The Big Thicket has been the subject of articles which have been published in newspapers and national magazines. I firmly believe that the climate of public opinion and interest in the Big Thicket is reaching such a high point that the Senate will hold public hearings on S. 4 next session.

The establishment of a national park is one of the most difficult and challenging tasks a Member of Congress can undertake. It cannot be done overnight. On the contrary, it takes steady and relentless effort to generate the momentum necessary to pass a national park bill. I believe my efforts and those of the many people interested in the Big Thicket are beginning to bear fruit and I am optimistic that the Senate will move this important bill into an active status next session. I am dedicated to seeing the natural beauty and the unique wildlife of the Big Thicket preserved; therefore, I shall continue to work for my bill until it is passed.

Of particular significance to the people of Texas, was the action of Congress in appropriating funds necessary to complete land acquisition for Texas' newest national parks, Guadalupe Mountains National Park and Padre Island National Seashore. The interior appropriations bill which passed Congress this session contained $1,130,000 for the acquisition of substantially all the lands for Guadalupe Mountains National Park. These funds assure that the scenic grandeur of the Guadalupe Mountains will be preserved forever. These appropriations of these funds also represent a fulfillment of a dream of mine that started in 1963 when I first introduced the Guadalupe Mountains National Park bill. My bill was passed by Congress and enacted into law in 1966. However, obtaining the funds to purchase the land for the parks has been a long struggle. With the appropriations of these funds the long struggle to preserve the scenic wonders of the Guadalupe Mountains region, which covers part of Culberson and Hudspeth Counties, is almost over.

Also contained in the Interior appropriations bill is over $12 million to pay in full the cost of the land acquisition for Padre Island National Seashore. These funds will complete the work I started over 11 years ago when I first introduced the Padre Island National Park bill. With these funds, the Government can purchase full title to the lands that constitute the park.

In addition to these important achievements, with regard to Guadalupe Mountains National Park and Padre Island National Seashore, I was also successful in obtaining an appropriation of $360,000 for the purpose of constructing a wildlife habitat and silviculture laboratory for the College of Forestry at Stephen F. Austin University at Nacogdoches, Tex. This laboratory will be of great use and value to the scientists who are working on methods of preserving and improving the pine forests of the Southern United States.

The Interior appropriations bill also contains $100,000 for the proposed San Marcos Fishery and the Port Aransas Fishery.

In summary, the first session of the 91st Congress has been one of accomplishment and progress in the area of national parks and nature protection for Texas.

THE ENDANGERED SPECIES BILL

During the first session of the 91st Congress, both Houses of Congress passed H.R. 11363, the endangered species bill. With the passage of this important conservation measure, a struggle which began for me in the 90th Congress came to a successful end. During that Congress, I introduced the first endangered species bill after I learned of the serious dangers that face this Nation's unique and rare forms of wildlife. Never has the need for this legislation been greater. In the United States alone 14 mammals, 36 birds, six reptiles and amphibians, and 26 types of fish are on the verge of becoming extinct. Included among these endangered species, are the grizzly bear, the bald eagle, the whooping crane, the American alligator. My original bill, S. 2984, was reported favorably by the Commerce Committee but was not voted on by the Senate prior to adjournment of the 90th Congress. Therefore, in January of 1969 I reintroduced my bill as S. 335 and in November both Houses of Congress passed the endangered species bill, H.R. 11363, which incorporated the most important features of my two bills.

This bill represents a dramatic step forward in the area of fish and wildlife conservation. I am proud that I was able to contribute to the passage of this landmark legislation.

COMPENSATION FOR INNOCENT VICTIMS OF CRIME

For several years, I have been seeking congressional action on my proposal to create a commission which would be empowered to compensate innocent victims of crime. In September of this year, I introduced a modified version of my proposal in the form of S. 2936, a bill to provide for the compensation of innocent victims of crime in the District of Columbia. On December 17, 1969, the Senate Committee on the District of Columbia held a hearing on my bill at which the proposal received the endorsement of legal scholars from a number of the Nation's leading schools of law. The chairman of the committee, Senator TYDINGS, expressed the hope that the bill would be cleared for floor action by late winter.

MILITARY CONSTRUCTION

As a member of the Subcommittee on Military Construction Appropriations, I was able to work for the funds necessary for the construction of vital housing, hospital and other projects on Texas military installations. The military construction appropriations bill, which was passed by both Houses of Congress prior to adjournment, contains $69.5 million for military construction projects in Texas. More than $22 million of these funds were added in the Senate. As the bill was originally passed by the House, it contained only $47 million for Texas projects. However, as a member of the Senate subcommittee and as a conferee in the diliberations with the House, I was able to obtain funds for several new projects.

One of these projects of which I am particularly proud is $9,891,000 for the Medical Field Service School at Brooke Army Medical Center in San Antonio, Tex. This school trains the medical personnel who care for our wounded servicemen in Vietnam. These funds which the Senate added to the bill will be used to update and modernize the school facilities so that our Army medical personnel will continue to receive the best training possible.

In addition to the funds for the medical field service school, I was also successful in obtaining $2,004,000 for a guided missile maintenance building at Fort Bliss, Tex., $7,789,000 for recruit training and housing facilities at Lackland Air Force Base; $791,000 for a radar transmitter and receiver facility and for land acquisition at the naval air station at Chase Field in Beeville; and $2,681,000 for an aircraft maintenance hangar at the naval air station in Kingsville.

These funds that the Senate added to the bill and which the House accepted where necessary and responsible expenditures. I am pleased that I was successful in obtaining these funds for Texas.

THE ENVIRONMENT

Next to Vietnam, no other problem concerns the American people more than that of air and water pollution. Most scientists who have looked into this serious matter are in agreement that our biosphere is in the process of decay. Unless action is taken soon to control pollution, the survival of man on this planet may become impossible.

In the first session of the 91st Congress, an important step was taken toward the goal of controlling pollution by the passage of H.R. 4148, the Water Quality Improvement Act. This bill provides for control of the discharge of sewage from vessels into the navigable waters of the United States. It also provides for the identification control and cleanup of all discharges into our inland waters and the 9-mile zones off our shores. I am proud to have been one of the original cosponsors of this important measure. At present this bill is in conference between the House and the Senate. I am hopeful that it will obtain approval by both Houses soon after the start of next session.

The problem of pollution is not confined to the United States alone. It is a worldwide problem which requires cooperation among the nations to solve. In an effort to encourage and promote international cooperation in the area of pollution control, I introduced in October Senate Joint Resolution 156, which calls for the creation of an interagency commission for the planning and coordination of this Nation's participation in the United Nations Conference on the Human Environment which will be held in 1972. This resolution has been cosponsored by 19 of my fellow Senators, and I am hopeful of approval of this resolution early next session.

Furthermore, the Senate took another significant step in the fight against pollution by appropriating $1 billion in the public works appropriations bill for Federal grants to fight water pollution. The House had only appropriated $600 million for this important work. In conference between the House and Senate, this $1 billion was cut back to $800 million; however, this amount represents an increase of $200 million over what the House had previously appropriated. As a member of the Senate Appropriations Committee, I worked for the full $1 billion because I believe in the necessity of making an all-out effort to win the pollution battle. It is my intention to continue to work for full appropriations for antipollution projects during the next session of Congress.

OCCUPATIONAL SAFETY LEGISLATION

The first session of the 91st Congress will be remembered for the major advancements that were made in the area of occupational and industrial safety legislation. I am proud to report that the Labor and Public Welfare Committee played a major role in shaping two important bills that will greatly benefit millions of workers throughout America.

During this session, Congress passed the historic coal mine health and safety law. This law is designed to eliminate many of the conditions which have maimed and killed coal miners for centuries, including the dread "black lung" disease. The law directs the Secretary of Labor to promulgate health and safety standards for this Nation's coal mines and to enforce these standards. Futhermore, the law establishes the administrative framework for assuring continued improvement of conditions and practices in coal mining to assure that miners can work their entire adult lives without the fear of mine hazards.

I am proud of the work of my committee on this important measure. Senators from coal-producing States and those who were not, labored long and hard to produce this landmark legislation. I am proud to have been a cosponsor of this law and to have had the opportunity of contributing to its passage.

Another important measure in the area of occupational and industrial safety which passed Congress this past session and became law was the Contract Work Hours and Safety Act, Public Law 91-54. The law is designed to provide safety standards to protect workers on Federal construction projects.

Construction work is one of this Nation's most dangerous occupations. In 1968 alone, 2,800 construction workers were killed in on-the-job accidents. Department of Labor statistics reveal that since 1959 there have been at least 209,000 construction workers disabled each year.

Despite the seriousness of this problem, there have never been nationally recognized safety standards for the construction industry. With the enactment of this law, a major step toward improving conditions in this hazardous industry was taken. This law prohibits a contractor or subcontractor under a Federal or federally financed construction contract to require his employees to work in any place or under any conditions that are unsanitary, hazardous, or dangerous to his health. To implement these directives this law requires the Secretary of Labor to establish and enforce health and safety standards.

These two important laws represent an excellent example of Congress responding to the needs and problems of our people. They are humane laws and I am proud to have cosponsored them and to have helped write them in the Committee on Labor and Public Welfare. There still remains much to be accomplished in the area of occupational and industrial safety; however, these two important laws are tangible evidence of the progress Congress is making in this field. Through my position as chairman of the Committee on Labor and Public Welfare, I shall continue to work for laws that will assure America's workers safe and healthy working conditions.

POVERTY AND HUNGER IN AMERICA

Poverty still remains one of America's most pressing problems. In these times of unprecedented affluence, we cannot continue to tolerate conditions which subject 25 million of our fellow citizens, or 13 percent of our total population, to a life of poverty. Poverty does not discriminate with regard to its victims. It affects every race and ethnic group in America in some way. Neither is poverty confined to any one city, State, or region of the country. In short, poverty is everyone's problem.

With the enactment in 1965 of the Economic Opportunity Act, this country fired the first shot in the war on poverty. During its brief history, OEO has experienced amazing success with its programs to help the poor help themselves. One program which has had a significant impact in Texas has been Project Headstart. This program has helped many disadvantaged children to get an equal start in school. The complete impact of this program on these children's education development is still not completely known.

The Committee on Labor and Public Welfare conducted an exhaustive nationwide study of the poverty program which covered a 2-year period. The findings of the committee's investigation are compiled in 15 volumes. As a result of this study, the committee reported out a comprehensive bill which extends the OEO program for 2 more years. I have supported OEO legislation since its inception of this program. I realize that we have not yet achieved our ultimate goal of eliminating poverty for America; however, I believe that we are making progress. Therefore, in the coming session, I intend, through my committee, to continue to seek solutions to the riddle of poverty.

In addition to the three permanent Senate committees on which I serve, I am a member of the Select Committee on Nutrition and Human Needs chaired by Senator McGovern. This committee has carried on an investigation of the problems of hunger in America and of the governmental attempts to solve this problem.

Perhaps the most important achievement in the fight against hunger this year has been the amendments to the Food Stamp Act which the Senate passed on September 24, 1969. The effect of these amendments will be to make food stamps more easily available to more people. Though this bill has not yet passed the House of Representatives, I hope that final action will be taken sometime early in the second session of the 91st Congress.

COMMITTEE ON AGING

In December of 1969, the Committee on Aging held 2 days of hearings in Washington on Federal programs designed to assist elderly Mexican Americans. It was my privilege to chair these hearings.

My concern for the problems of elderly Mexican Americans is a long standing one and I was able to chair hearings in Texas in 1968 on this very important but often forgotten group of our citizens. What the December hearings revealed was that the Federal Government is making some progress in its effort to bring the benefits of programs to the elderly Mexican Americans whose linguistic and cultural uniqueness may deprive them of the full benefit to which they are entitled.

The Social Security Administration is now publishing some of its literature in Spanish as well as in English. The Department of Housing and Urban Development is now taking into account the housing styles familiar to elderly Mexican Americans in designing housing to be used by them.

But it should be stressed, as I emphasized at the hearings, that what has been done so far is only a first step. In order to insure that the progress which has been made so far is not temporary, I left open the possibility that I may reconvene these hearings later in the year.

MEXICAN AMERICANS

There are more Mexican Americans living in Texas than in any other State in the Union except California. Over 15 percent of our State's population is Mexican American. But in spite of this fact and in spite of the many contributions which the civilizations of Spain and Mexico have made to our culture in the Southwest and Texas, the Mexican American has often been forgotten and his problems have not been dealt with.

In my own opinion, one of the milestones of my legislative career has been passage of the Bilingual Education Act which as passed in the 90th Congress and signed into law by President Johnson. This year I was able to obtain congressional approval of $25 million to be spent on this program.

Early in 1968, I cosponsored Senator Montoya's bill to establish a permanent Interagency Committee on Mexican American Affairs. There had been a Commission on Mexican American Affairs which functioned under an Executive order. This bill gave the committee permanent authority under law. It passed Congress on December 19, 1969, and became Public Law 91-181 with the President's signature on December 30, 1969.

I think that the most important thing which can be done to improve the lot of our Mexican American minority is to provide them with opportunity for economic advancement. On May 13, 1969, I introduced S. 2151, a bill to amend the Economic Opportunity Act to create a Southwestern Human Development Commission. This Commission would function as the Appalachian Regional Commission does to develop new economic opportunities for Mexican Americans in the entire Southwest. Although this bill has not yet passed Congress, I think it should be high on the agenda for action in the second session.

RAILROAD SAFETY AND WORKING CONDITIONS LEGISLATION

In recent years the number of railroad accidents in America has reached an all-time high. Recent alarming statistics reveal that nearly 100 railroad accidents occur each day in this Nation. In 1968 alone, there were 8,028 railroad accidents and 2,359 deaths that resulted from them. This is a 93.5-percent increase since 1961. In addition to the deaths and personal injuries, there was also millions of dollars of property damage that resulted from these accidents.

One of the principal causes of the rapid rise in the accident rate in the railroad industry are the out-of-date safety laws that are now in effect. These antiquated statutes, most of which were passed 50 years ago, apply only to a limited number of hazards and are riddled with loopholes in their coverage.

To remedy this deplorable situation, I cosponsored S. 1933, the Federal Railroad Safety Act of 1969. This bill would provide Federal regulations of the major causes of railroad accidents—faulty equipment and faulty tracks and roadbeds. This bill represents a great step forward in the area of industrial safety and its passage is of upmost importance. I am hopeful that Congress will approve it next session.

In the first session of the 91st Congress, we were successful in passing a bill which amended the Hours-of-Service Act for the first time since 1907. This bill, H.R. 8449, of which I am a cosponsor, reduces the maximum hours a railroad employee can be compelled to work from 16 to 12. This bill is a humane and necessary piece of legislation and one that has been needed for a long time. I am proud that I was able to take a part in its passage.

OUTLOOK FOR THE FUTURE

The first session of the 91st Congress is now behind us. History will ultimately be the judge of the work of this Congress However, in my opinion this session in a thoughtful and exacting manner accomplished a great deal, particularly for the average American citizen. Many tasks, however, still lie ahead.

In the new session, Congress must renew its efforts to find solutions to the pressing problems of hunger and poverty in America. We must continue our search for programs that will meet the ever-growing needs of our cities. We must develop programs that will revitalize our rural communities and stimulate the growth of our agricultural economy.

In the coming session of Congress, it is imperative that we launch an all-out attack on air and water pollution in our country and throughout the world. If man is to survive, we must act now. Continued inaction in this area is much too dangerous.

During the coming year, I expect to continue my efforts to develop programs to improve the health and education of our people through my work in the Subcommittee on Health and as chairman of the Committee on Labor and Public Welfare. There is still much to be done in these areas and I am impatient to push ahead. I also will continue my efforts to establish a Big Thicket National Park and an Amistad National Recreational Area. I shall seek to obtain the enactment of my Innocent Victims Compensation Act.

In addition, I shall strive to obtain passage of the comprehensive farm bill, S. 3068, and to obtain final approval of a just and equitable increase in the education and training allowance for our veterans under the cold war GI bill.

Above all else, I shall try, through my position as chairman of the Committee on Labor and Public Welfare, my positions on the Committee on Appropriations and the Committee on Post Office and Civil Service, and the Special Committees on Aging and Hunger, to make the interests, needs, and well-being of all of the American people Congress' first and most important priority. I firmly believe that the 1970's should be the "decade of the people," and therefore I shall work for that goal.

I am grateful for the privilege of serving the people of Texas as their senior U.S. Senator. It is a particular pleasure to be able to work with the other distinguished members of the Texas congressional delegation in solving the problems of our great State. I look forward to 1970 in the firm belief that this year will mark the beginning of a new decade of progress and achievement for Texas and the Nation.

OIL IMPORT QUOTAS NECESSARY

HON. JOHN WOLD

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. WOLD. Mr. Speaker, those of us from oil-producing States who are acutely aware of the dangers of arbitrary tampering with oil-depletion allowance or the oil import program are distressed at reports that increasing quantities of foreign oil might be permitted to flood our domestic markets.

This—at least according to the press—is the thrust of the recommendation by the Cabinet Task Force on Oil Imports.

Recently the Star-Tribune, the daily newspaper of Casper, Wyo., the city we refer to as the "oil capital of the Rockies," ran an editorial entitled "Oil Import Quotas Necessary."

The argument is summed up in the lead paragraph:

> Any program which would eliminate the mandatory quota system on crude oil imports is certain to have an adverse effect on the economy of Wyoming and other oil producing states.

The editorial continues:

> The attractive bait in all this campaign (to eliminate quotas) is created on the assumption that American consumers will be able to get cheaper gasoline or cheaper fuel oil. The oil industry is either too polite or too vulnerable to say that this is hogwash, but that is what it amounts to under any long-range consideration.
>
> Middle East oil, for instance, will be cheap only so long as American domestic sources are in a competitive position. Shut down the marginal wells, curtail the expensive drilling of wildcats, and permit the political leaders of foreign countries to have their way. Once they find a demand in America, it is a foregone conclusion that they will hike the price.

Mr. Speaker, I include thought-provoking and factual editorial from the Casper, Wyo., Star-Tribune in the CONGRESSIONAL RECORD with my remarks:

OIL IMPORT QUOTAS NECESSARY

> Any program which would eliminate the mandatory quota system on crude oil imports is certain to have an adverse effect on the economy of Wyoming and other oil-producing states. When the recommendation of President Nixon's task force was made known a few days ago—a proposal which would substitute preferential tariffs for quotas—there was an immediate reaction of dissent of the part of Wyoming spokesmen.
>
> The oil industry has been the target of numerous attacks, and there has been a hue and cry that it takes unfair advantage of so-called tax loopholes. Part of that argument may be stilled with the reduction of the income tax depletion allowance from 27½ per cent to 22 per cent, depending on whether the President signs the tax measure.
>
> The depletion allowance is a broad subject in itself, just as is the issue of intangible drilling costs. The more immediate question has to do with the proposal to abandon import quotas. It is a bad proposal, ill conceived and not taking into consideration either the problems of the industry or the financial well being of the interested states.
>
> This may have come about from the New England campaign for a free international trade zone at Machiasport, Me., so that a refinery could be built there and supplied with foreign oil exempted from the established quotas. Whether it was that situation or whether it was merely a wave of criticism, is beside the point. The oil industry is not objecting to the Machiasport project in toto, execpt that it feels the removal of the quota limitation would be unrealistically high. It also has some concern as to whether this would set a precedent and would open the dikes for other areas to go and do likewise. The dikes most assuredly would be opened under a preferential tariff system.
>
> The attractive bait in all this campaign is created on the assumption that American consumers will be able to get cheaper gasoline or cheaper fuel oil. The oil industry is either too polite or too vulnerable to say that this is hogwash, but that is what it amounts to under any long-range consideration.
>
> Middle East oil, for instance, will be cheap only so long as American domestic sources are in a competitive position. Shut down the marginal wells, curtail the expensive drilling of wildcats, and permit the political leaders of foreign countries to have their way. Once they find a demand in America, it is a foregone conclusion that they will hike the price.
>
> The point has been raised that the abandonment of import quotas might force the closing of the Little America refinery in Casper and also of some others in Wyoming. It is a valid point and it represents an ever-present danger.
>
> This is all beyond the question that the Wyoming purchaser of gasoline for highway use is paying 11 cents in state and federal taxes, a cost which can by no means be chargeable against the industry.
>
> Neither does it take into consideration the fact that the oil industry in Wyoming pays 37 per cent of ad valorem taxes on a statewide basis and that there are 6,000 persons directly employed.
>
> The curtailment of both exploratory and development drilling, the threatened shutdown of refineries, present no hypothetical questions. The inevitable reduction in state tax revenues, the loss of jobs, are realities.
>
> President Nixon's task force should take another look.

FARMWORKERS: THEY DESERVE EQUALITY

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. BROWN of California. Mr. Speaker, one of the important items of unfinished business which we must act on in 1970 relates to protection for the farmworker under the National Labor Relations Act.

Los Angeles Times staff writer Harry Bernstein, who specializes in labor reporting, has written an excellent article delineating the current situation. In the end, he concludes:

> The family farm is no longer economically or socially feasible, and as it continues to diminish in importance, the large industrialized farms which remain cannot expect to be treated differently from other industries much longer.
>
> And this nation's farm workers do not deserve to be treated differently.

The fact that the family farm is disappearing does not mean that farming is not still big business. It is even bigger business, and there is no justification for our failure to enact legislation which will give the farmworker the protection and the right to organize which the carpenter or the factory worker has.

Mr. Bernstein's article follows:

FARMWORKERS: THEY DESERVE EQUALITY

(By Harry Bernstein)

> The bitter, prolonged strike-boycott against California table grapes has evoked a smattering of interest in the problems of America's farm workers.
>
> But the fact remains that today, as in years past, those deep-seated problems of farm worker poverty have been shamefully ignored by almost every segment of the community, and that includes the government, organized labor, the growers and other business interests.
>
> Only now there are a few signs of possible change, sparked by men like farm union leader Cesar Chavez and some attorneys.
>
> Industrial relations experts in the universities have long discussed the question, but they are still talking about the "terrible complexities" of agricultural labor-management relationships. This is used as an excuse for inaction at all levels.
>
> Farm workers, as a group, are on the lowest rung of the nation's economic ladder but they are excluded from most of the laws designed to protect employes in other industries.
>
> Until recently, they were excluded from minimum wage laws, and they are still not covered by unemployment benefit programs or by a host of other measures Congress and the various state legislatures have adopted to assist most workers.
>
> One such exclusion is in the National Labor Relations Act, which gives most Americans the right to vote by secret ballot in government-supervised elections to decide whether they want collective bargaining.
>
> This exclusion came in 1935, when the NLRA was adopted, and was put into the law as a result of pressure from powerful farm state congressmen. It is generally agreed however, that farm workers were excluded with the consent of union leaders who felt the NLRA could pass only with the support of the farm bloc.
>
> Organized labor is probably to be the most severely criticized, for, by definition, unions are supposed to be vitally concerned with the welfare of all workers. Yet, other than the sporadic and sometimes heroic efforts of a relatively few men and women, the labor unions have given almost no attention to farm workers.
>
> This is true on a historical scale, although in the past few years, the unions have joined in support of Chavez and his AFL–CIO United Farm Workers Organizing Committee, giving both money and manpower to a cause that still seems a long way from its goals.
>
> Some unions not only have refused to help farm workers organize in the past; they have used proposals for helping them as bargaining weapons for other legislative ideas.

IMPROVEMENTS DEMANDED, THEN BARGAINED AWAY

Labor lobbyists in Sacramento, for instance, have demanded state laws giving collective bargaining rights to farm workers and including them under unemployment benefit programs.

But, as the legislative "collective bargaining" process grinds on, the labor lobbyists said, in effect, "All right, let's drop these proposals for farm workers, but instead give us a damn good piece of safety legislation for nonfarm employes already in our unions."

Government usually responds only to pressures from voters and the farm workers of America are not regarded as a significant voting bloc.

There are, however, two forces which now seem to be trying to do something about the situation and have what appears to be a chance of success.

One is the legal profession, or at least a small segment of it as exemplified by California Rural Legal Assistance, a legal aid society funded by the federal government.

CRLA lawyers are now doing what union lawyers have done fairly well in other industries for years: finding ways through established legal channels to help their clients.

In 1965, for instance, the California Legislature passed laws to protect the health and safety of farm workers, to force growers to provide workers with toilets, fresh drinking water and a place to wash.

But the law has seldom been enforced.

The "good" growers usually provided such amenities, even without the power of law. Others, who didn't provide them before the law was enacted, still don't.

CRLA filed suits on behalf of farm workers to enforce the law. Unfortunately, most of the suits are still pending, but CRLA lawyers are trying.

And as the debate about the kind of farm labor legislation this country wants goes into its 35th year, CRLA attorneys have moved in on this issue, too.

Most significant, perhaps is CRLA's action challenging the exclusion of farm workers from unemployment benefits.

A three-judge federal panel is now studying the argument from CRLA that the federal government should be required to collect jobless fund contributions from farmers, and to pay farm workers benefits when they are out of work.

Failure to do so, the CRLA argues, deprives farm workers of their constitutional right to equal protection under the law. If other American workers are entitled by law to unemployment benefits, farm workers should have the same benefits of that law, CRLA says.

This is a long-neglected frontier of the legal battle which should have been waged on behalf of farm workers; namely, the use of the Constitution to make sure farm workers have equal protection under the law.

Perhaps the idea has just not occurred to anyone before. Or perhaps it is an indication that the legal profession, too, hasn't really taken an interest in the problems of farm workers.

If a steel mill owner can be made to bargain in good faith with the union chosen by his employes, then how can the law exclude farm workers from that system without depriving them of equal protection under the law?

The second force trying to change the farm labor picture is Chavez and his union, which now has a few union contracts with California wine growers.

The grape strike-boycott started in 1966, growing slowly until today the impact of that relatively small labor dispute has been felt around the world.

One of the most obvious changes brought about by the strike-boycott is that farm workers' wages have gone up significantly on California farms. This has had a slow but noticeable impact on the rest of the country, since about 10% of the nation's 3.5 million to 4 million farm workers are employed in California.

There have been several factors in the decisions to boost California farm wages, which have long been higher than farm wages in other parts of the nation. One factor was the threat of unionization, which sometimes can be fought off by management with higher wages.

A second obvious change that has occurred as a result of the strike-boycott is the reversal of the growers' position on farm labor legislation.

Today, growers all over the country are saying there is a need for such legislation after fighting every attempt to get farm labor laws for more than three decades.

It is true that the growers would like to restrict the proposed law in a way that would make it less than acceptable to organized labor since they want to outlaw strikes at harvest time, when strikes could be effective. But the point is that, at last, growers do want laws on the subject, and not just the "laws of the jungle" which have so long prevailed in agricultural labor relations.

In fact, the growers have hired the public relations firm of Whitaker & Baxter of San Francisco and given it at least $1 million (some say $3 million) to publicize the need for a federal farm labor law, among other things.

The simplest way to bring about a rule of law in farm labor relations would be to amend the present National Labor Relations Act to delete the three words, "except agricultural employees" from its provisions.

Unions once accepted this proposal, but now they say it does not give farm workers enough protection, especially to carry on boycotts, which are limited by the present federal law. And growers say it doesn't limit strikes or boycotts enough.

If farm workers were included under present law, they could, like other workers, vote by secret ballot for or against union representation in government-run elections.

Some growers fear that this would move Chavez and his union ahead very rapidly, and it is true that the union has lost no election so far. But that test is inconclusive, since there have been so few elections.

GROWERS HAVE OPPOSED SECRET-BALLOT ELECTION

Growers generally have opposed any secret-ballot election, saying now that they will participate in one only after Congress adopts legislation on the subject.

Chavez might win such elections on a wide basis partly because the union is centered around an ethnic base of Mexican-Americans who make up 67% of California's farm labor work force.

With this kind of ethnic base, the union might win a majority of the elections. And even if the union were to lose all elections, that, too, would only be part of a system which seems essential in a society which believes in order, not chaos.

Since just 7% of all farms in California employ 75% of the farm workers, application of industrial-type laws to such firms might be easier than imagined. The law need not involve small, family farms.

The big farms themselves are going through a period of rapid industrialization which requires a stabilized work force, one which is not torn by constant labor strife of the kind so obvious in the table grape industry now.

Legislation to help bring labor stability to agriculture might well force a sharp reduction in the size of the work force, but at the same time it would raise the average farmworker family from the present $3,500-a-year average income which puts it in the below-poverty category.

The family farm is no longer economically or socially feasible, and as it continues to diminish in importance, the large industrialized farms which remain cannot expect to be treated differently from other industries much longer.

And this nation's farm workers do not deserve to be treated differently.

THE TRAGEDY OF JUVENILE CRIME

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. RAILSBACK. Mr. Speaker, since becoming a Member of Congress, one of my major concerns has been the alarming increase in the number of crimes committed by juveniles. Juvenile crime, I am convinced, is the single most pressing and threatening aspect of the crime problem. Arrests of juveniles for serious crimes increased by 78 percent from 1960 to 1968, while the number of persons in the under-18 age group increased during that same period by only 25 percent.

The interest and concern of young people in problems involving other young people are very important and encouraging. Recently I received a letter from one of my younger constitutents, Keith Hermann, an eighth grader from Williamsfield, Ill. Keith is a good example of a concerned young person.

He has asked me to let my colleagues in the House read an editorial which appeared in the Peoria Journal Star. The following editorial should be read by everyone who believes, as I do, that action must be taken to update the system as far as juvenile delinquency is concerned:

THE TRAGEDY OF JUVENILE CRIME

When a child is gravely ill, money is no object.

Let a 14-year-old boy come into St. Francis Hospital clinic and be diagnosed as having a brain tumor, no matter how little hope there is of his recovery, nobody questions the cost.

Anything that might possibly be done to save him is done, and whatever can be done to ease his pain is done. Somehow the community finds a way to meet the cost—which can run up to $10,000—and when he dies our only regret is that we did not cure him.

This is as it should be.

Now let another 14-year-old boy come into the Peoria Police Station in a police car, arrested after a robbery attempt. It's his second serious bout with the law, and he's headed down hill for a life of crime, with no hope left for making probation at home succeed.

For this youngster we do—nothing.

Oh, we are humane and civilized about the nothing we do for this child. Nothing so crude and primitive as the State of Florida which recently made national headlines by sending two such boys to the state penitentiary—not in Illinois.

We send him to Charlestown—St. Charles State School—or Sheridan State School, where he spends a few months learning the fine points of crime and sexual perversion, and comes back home. Then he sins again, and we send him back, and so on, until he is 17—and then we send him to state prison.

Don't blame the Illinois Youth Commission, which runs our children's prisons, because there is hardly one reputable authority in the field who will say children's prisons are the way to rehabilitate children.

Don't blame "the system" because there are places in this country with juvenile problems as bad or worse than ours where "the system" is doing something for the children whose problems are behavioral rather than physical.

Don't blame state and county officials—despite their apparent attitude of penny-pinching callousness toward these youngsters whose misdeeds are so often only a pitiful cry in the night of "help me—nobody cares about me." These officials are sincerely following what they believe is the mandate of the electorate.

The people, they say, are concerned with keeping the tax rate down. Start them talking, and perhaps they'll allow that something should be done about these kids—like get tough with them.

How tough can we get?

A child picked up for even a relatively minor law violation in Peoria County today—if he has a material record of prior offenses—is either taken to County Jail and placed alone in a cell or taken to Gift Avenue Home until a hearing can be held. Gift Avenue Home is an aging building, with unheated basement lockups and barred dormitories and private rooms on the first and second floors.

Children can attempt suicide in the upstairs rooms, and if they are quiet enough about it, they will succeed. That none has succeeded thus far is just dumb luck, for plenty have tried.

The building is not fireproof, and a fire at midnight which somehow kept the one matron on duty away from a set of electric controls could end with up to 17 children—boys and girls, some of whom have not even had their day in court—frying in locked rooms, charred fingers gripping newly reinforced window screens.

But don't blame the officials for perpetuating this state of affairs—despite responsible call after responsible call for termination of Gift Avenue Home as a detention facility. Survey committees and consultants don't vote in any number and the consultants likely don't even live in the county.

Gift Avenue Home is your home, if you pay taxes in Peoria County, and the County Board is conserving your tax dollar by running it the way it now does.

The total absence in this county of any public rehabilitation facility for juveniles is the result of massive indifference on the part of the people of this county to the problems of children. We are equally indifferent to the problems of the police we pay to keep these children in line and of the courts we support to shuffle the children out of the county and out of our sight when the police fail.

Robert Perlman, a Journal Star staff writer, has put his mind and heart into an article detailing the situation facing these children who are dying the living death of habitual criminality. It will be published in tomorrow's Weekender magazine and we want no reader to miss it.

"Maybe it has to be the way it is," Perlman says. "After all these are our children, and if we want to let them go it alone, that's our business. Just as long as we know what we are doing."

THE IMPACT OF CUBAN REFUGEES ON THE ECONOMY OF SOUTH FLORIDA

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. PEPPER. Mr. Speaker, one of the outstanding representatives of the Cuban refugee community in my congressional district in Miami is my close personal friend, Dr. Bernardo Benes, vice president of the Washington Federal Savings and Loan Association of Miami Beach. Dr. Benes is a distinguished graduate of the University of Havana where he obtained his education as an attorney and as an accountant, was a partner of one of the most distinguished Cuban jurists before becoming legal consultant to the Cuban Treasury Department. He is the author of two books including one on capital corporations which won him first prize in the competition sponsored by the Cuban Bar Asssociation. He fled Castro's Communist terror in Cuba in late 1960 and began as a $65-a-week employee of Washington Federal Savings and Loan. He has now advanced to the position of vice president in charge of all branch operations, savings operations, accounting, security, and all mortgage activity for Latin American customers. His success story in the United States has been featured in Fortune magazine as well as in other publications but he considers his U.S. citizenship, obtained August 20, 1969, one of his greatest greatest achievements. Dr. Benes recently spoke to the Economic Society of South Florida. I would like for my colleagues to have the benefit of Dr. Benes' remarks and I am therefore inserting them in the RECORD at this point:

THE IMPACT OF THE CUBAN REFUGEES ON THE ECONOMY OF SOUTH FLORIDA)

(Address by Dr. Bernardo Benes)

I have been present at many talks such as this and I have noticed that one of the ways in which a guest speaker would start his talk is by making one or two jokes; however, with your leave, I am not going to follow this custom which seems to be proverbial in the United States, but I will begin with an idea which I consider very serious and which, unfortunately, is lost in the struggle of every day life.

I wonder how many of those here present have thought of the similarities between Berlin, in the old continent, and South Florida, in this continent. The Wall of Berlin, an artificial barrier created by man, divides Berlin in two. On one side East Berlin, which has gone backwards, has declined under a communist regime. On the other side, West Berlin, which has set an example of what a group of men receiving foreign support were able to do for the economic, political and social recovery of a nation.

As you may all know, this caused late President John F. Kennedy to make, a few months before his assassination, one of the finest speeches the World has heard, when he invited those who thought that a totalitarian and materialistic regime could do more for its citizens than a group of men living under a democratic regime to come to Berlin.

The Straits of Florida created by nature, separate our beloved Cuba from this progressive and beautiful area of Florida.

In Cuba, for the last decade, a dictatorial and materialistic regime has made its people suffer miseries and tragedies beyond human understanding. On this side, 225,000 Cubans have reorganized their lives, both economically and socially, and today they can give you and the World an example of what most qualified independent sources have considered to have been a great contribution to South Florida and to the country—achieved through liberty, love and dedication.

The same analogy exists when comparing the motivation of the Germans in East Berlin and the Cubans who live in Cuba, when the former, risking their lives, jump over the Wall of Berlin where many fall dead from the bullets of the guards, and the latter who, in the most unbelievable and rudimentary rafts, try to cross the Straits of Florida, only to die, in many instances, from the bullets of the communist patrols, or are drowned at sea; however, some of them, Germans and Cubans eventually reach their ultimate objective: to live in freedom.

The words of President Kennedy may be repeated—with the proper geographical change.

It would be immodest on my part to try to impress you with numbers and statistics which may tire you this afternoon, but I do want to make it known clearly and emphatically that nothing of what we have been able to do in this area would have been achieved without the great sense of humanity, support and comprehension of the majority, not to say all, of the community of South Florida.

We are not too many; we are not too few. We are not all wealthy. Many of us are really poor. But few or many, rich or poor, all of us freely acknowledge the debt we owe to not just America but to the people of America. It is a debt we have begun to repay with our hearts, with our minds and with our labor.

In order to analyze the contribution made by Cuban refugees to the economy of Miami we have to explain that, unlike the majority of other groups of immigrants who have contributed to the formation of this great country, Cubans have come to the United States, and to this area, for political reasons, and, therefore, we have been political exiles. As years have gone by, Cubans have been assimilated by the community and have gradually changed their initial status of political exiles for that of immigrants.

Regardless of the fact that independent sources establish a number of between 2,500 and 6,000 Cuban businesses in Dade County, we consider that the major contribution which we have offered the U.S., and the Miami area specifically, has been the human resources which we have supplied. We find, for example, Cuban doctors practicing in Miami who may very well be compared, as far as their qualifications are concerned, with their American counterparts. To mention only one example, Dr. Manuel Viamonte, a Cuban doctor, less than 40 years of age, is the Chairman of the X-ray department of the University of Miami, Jackson Memorial Hospital and Mt. Sinai Hospital, and is considered one of the most prominent men in the field of radiology.

Another example is the student Rafael Peñalver, who was designated by the "Outstanding American Foundation" as the most outstanding youth in the U.S. How much these human resources have contributed to the economic development of South Florida I leave to your judgment.

I will now like to refer to some of the specific areas to which Cuban refugees have greatly contributed.

1. The opening in this area, especially in the Coral Gables area, of offices of national companies doing business in Latin America is directly due, in addition to the geographical factor, to the existence of bilingual technical and secretarial personnel, which these companies need and are presently hiring.

2. Latin American tourists today come to Miami in greater numbers since the language barrier, which would be a handicap in other cities, does not exist in Miami. It is this fact, and not only its geographical position, which makes the city of Miami the true "gateway" for Latin America.

3. I shall not go deeply into the facts governing the hotel business in Miami and Miami Beach, but I want to mention only that more than 50% of all personnel in hotels are of Cuban extraction.

4. The extraordinary growth experienced by the garment industry, which according to information published by the New York

Times, now ranks as second or third in importance in the United States. The same growth applies to the boat manufacturing industry.

5. The import and export business, not only as regards Latin America, but also with the Far East and Europe, has made of this area a great electronic center as well as an important shoe distribution area.

6. In the building industry, the contribution of Cuban manual workers as well as contractors has been outstanding. We can assure you that foremen who arrived from Cuba only a few years ago are now small contractors and some of them may even show a net worth of more than a quarter million dollars.

7. I won't elaborate on the special sense of identity of Latin culture which our coming has given to the city of Miami, but I do invite you to visit a "mini-gallery" of oil paintings which is located on 8th Street between 22 and 23 Avenues, occupying a space 46 inches wide, listen carefully: 46 inches wide by 19 feet deep, where Cuban artists sell their paintings to North Americans and Cubans alike. Any time you pass by this place you may see what I have just explained.

Another example of what our coming has given to this area is in the Restaurant business. In the Supper Club "Les Violines", where clients from cities as afar away as London, Los Angeles and New York make their reservations well in advance, you may spend an evening as if you were in one of the major capital cities of the World. There are truly approximately 10 Restaurants with this cosmopolitan flavor in the area.

8. Going back to our 8th Street, I wish to tell you that the United Fund has on record a list of 386 retail businesses existing on this NEW avenue, and I say 'new' comparing it to what it was at the beginning of this decade.

9. In the financial field, most local Banks, Insurance Companies and Stock Brokers are always on the look out for Cuban personnel at managerial level. We have two Cubans who are Presidents of local banks. We could go on and on mentioning examples such as these, but it is not my intention to tire you with them. Today the income of the Cuban population is over $350 million a year, which is higher than the income of all residents of at least 10 Capital cities in Latin America.

I remember my very dear friend Marshall Wise, then Director of the Cuban Refugee Program, and an outstanding civic and community leader, when he said in October 1966: "the criers of doom of the community in 1962 said that the influx of Cubans to this area would: take away jobs from needy Americans; increase the crime rate; affect South Florida Tourist industry; create slums and depress the real estate market; affect our school system and slow up the education of our own children."

History, and the records of different public and private entities prove that it was not true then and is not true now . . . and I add: if it was not true in 1962 and in 1966 when Marshall Wise said it, it is even less of a fact today in 1969.

What the future will be, only God knows. In the meantime, we can only see the projections of the Dade County Planning Department on population increase in Dade County. By the year 1980 the population of Miami will have increased by 450,000 from today's population, or 40,000 a year. If this is true, Dade County will be the first county in the history of this country, at least in the last century, where the majority of the population increase will be represented by foreigners: Cubans.

The best proof of the impact of the Cubans on this community is the number of politicians who are actively seeking the support of the Cubans in this community. Five years ago we hardly knew the name of the politicians in this country. Today, some of them are so popular with us that sometimes we feel that we have know them all our lives, and we still believe that politicians have a 6th sense . . . They cannot be wrong.

There is no admission charge to enter into the United States. No one has ever had to buy his way in. And no one has ever really been asked to make any kind of repayment for being allowed to come in. And this has gone for three and a half centuries since 1619.

But in those 350 years, everyone who has come—all of the refugees from all of the places—has made some significant contribution to forming the kind of country in which all of us are privileged to live today.

This is the real repayment—and it is the only one that means anything at all. If you will look around you at just this one community, I think that you will see your Cuban neighbors are making this kind of repayment—to Miami, to Florida and to America.

And I, as an individual, will continue to do everything within my power to work for the betterment of this community, America, and of all mankind.

REPORT TO CONSTITUENTS

HON. JOHN W. BYRNES

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. BYRNES of Wisconsin. Mr. Speaker, under leave to extend my remarks, I include the following report to my constituency on the first session of the 91st Congress and on the results of a public opinion questionnaire I conducted:

DEAR CITIZEN OF THE EIGHTH DISTRICT: I am pleased to send you this report on the first session of the 91st Congress, on my activities as your representative, and on the results of the public opinion questionnaire I sent to each household in our congressional district last fall. I hope you will find it interesting and informative.

The response to the questionnaire—the first ever sent out in our district—was particularly gratifying. My office was swamped with over 36,000 replies! The results (which are tabulated on the last page of this report) have been exceedingly helpful to me in my work as your representative. Many of you—thousands, in fact—indicated that you also liked the questionnaire and that it offered a convenient way of expressing your opinions to me.

I have one regret. Thousands of you took the time to expand upon your answers to the questions or to offer additional thoughts and views on other major issues. Unfortunately, the sheer number of these prevented me from sending each person an individual response. I do want to assure those who did write, however, that their additional views were most valuable to me and received my careful consideration.

Because of the favorable response and keen interest shown in the questionnaire, I am making plans to send out another one during the second session of this Congress. The constructive suggestions you offered will, I hope, help us do a better job and we will, of course, be able to cover important issues for which we did not have space the first time.

Sincerely yours,

JOHN W. BYRNES,
Member of Congress.

REPORT ON 1ST SESSION, 91ST CONGRESS

A host of critical problems—war, crime, urban decay, domestic unrest, environmental pollution, inflation—confronted the 91st Congress when it convened in January, 1969. The congressional record in cooperating with the new President toward a solution of these problems has been spotty and disappointing.

On the positive side, Congress has acted on tax and draft reform after considerable prodding. It has supported the President's program to end the war in Vietnam. It has passed a much-needed and long-delayed cost of living increase in Social Security benefits. It has begun work on some of the reforms requested by the President—in welfare, voting rights and Presidential elections.

But, the list of unfinished business and ignored problems is long. Nearly 40 Presidential proposals await action. Urgently needed reforms, such as in the postal service, in the grant-in-aid system and in manpower training programs, have not been acted upon. New legislation sought by the President to combat crime and pornography languishes in committee. No action has been taken upon congressional reform. The record on appropriation bills has been dismal. By December only 4 out of 13 appropriation bills which should have been passed by June 30 had been enacted, creating critical problems in operating government programs and in fiscal planning.

In the fight against inflation, the Congress has too often acted irresponsibly. Large increases in some appropriations have been approved and, in the Senate, large revenue losses were voted in action on the tax reform bill—all without regard to the need to curb federal deficits in order to stabilize the value of the dollar. Unless inflation is controlled, it will be difficult, if not impossible, to solve other national problems and, in the meantime, the average American will continue to suffer from a constantly mounting price level.

VOTING RECORD AVAILABLE

For my vote on all of the questions before the House in the first session, including many issuse covered in the Questionnaire, you are invited to request a copy of my complete voting record for the first session, now being compiled and printed. Send a postcard to Rep. John W. Byrnes, 2206 Rayburn HOB, Washington, D.C. 20515.

REPORT ON PROGRAM AHEAD

The 91st Congress, in its second session, will have the opportunity to improve its record and to make a solid contribution, through cooperation with the President, toward the solution of our pressing national problems.

Continued support of the effort to end the war in Vietnam with justice, adoption of the vital reforms proposed by the President, action to protect and preserve our environment from all forms of pollution, sound programs to overcome poverty and urban decay, passage of laws to combat crime, pornography and drug abuse—these will be some of the major issues on which the Congress will be judged.

In addition, reform of the present welfare system, in my judgment, must have top priority. This legislation, involving development of a program to put people to work instead of making welfare a way of life, will be before my committee, Ways and Means, as will legislation to improve the Social Security system, including Medicare.

In all of its action, the Congress must keep uppermost the need to curb inflation, through control of spending, elimination of waste and the establishment of priorities. Sound programs, based upon the productivity of a sound economy, must be its goal.

REPORT ON YOUR CONGRESSMAN

My efforts this year were concentrated on a major reform of our tax laws—a fight that proved successful in the face of cries from many quarters that "it couldn't be done."

The correction of the many inequities in our taxes was absolutely necessary, I felt, and my early efforts, at the White House, in public speeches and in committee, led to the decision to hold hearings and to enact the bill this year.

While this complex legislation consumed a great share of my time, including six months of hearings, I was also deeply involved in other legislation before Ways and Means Committee, on which I serve as the senior Republican. Bills which include my name as co-sponsor with the Ways and Means Chairman and which passed the House included; a 15% increase in Social Security benefits, improvements and extension of coverage of unemployment compensation and an increase in interest payable to holders of savings bonds.

I also was active in legislative areas outside the jurisdiction of my committee. I testified on behalf of my bills to curb the kind of pornographic advertisements which have flooded our district and to provide wilderness protection to islands in Door County. I continued my efforts to remove postal appointments from politics—a policy later adopted by President Nixon. I gave strong support to legislation to reform the postal system.

During the year, I cast our district's vote on 177 questions before the House and compiled an attendance record of 95%. I also was able to spend 36 days in the various counties of our district holding office hours, speaking to numerous groups, visiting plants, attending civic functions and just talking with the people back home. I always came back from these many trips home refreshed and with renewed faith in the commonsense and patriotism of the American people.

BYRNES' BILLS

Here is a brief summary of the status of major bills introduced by Congressman Byrnes in the 91st Congress:

Enacted into law.—tax reform; savings bond interest increase: Social Security increase; Tax Court clarification.

Passed by House or Senate.—Resolution protesting POW treatment and supporting President's Vietnam policy; Wisconsin wilderness; removing postmaster appointments from politics; Apostle Islands; unemployment compensation.

Committee hearings begun.—Prohibiting obscene mail to children; curbing pornography; postal corporation; welfare reform.

Pending in committee.—government modernization; dairy and mink imports control; interstate shipment of milk; federal programs catalog; narcotic drugs control; international trade; Social Security improvements; juvenile delinquency institute; congressional reform; extradition of aircraft hijackers; Presidential item veto; milk pesticide indemnities.

REPORT ON RESULTS—1969 QUESTIONNAIRE

1. Do you believe government employees should have the right to strike?

[Answers in percent]

Yes	18.7
No	71.4
Undecided	9.9

2. Do you support the proposal to replace the present Post Office Department with a government-owned corporation operating on a self-supporting basis?

Yes	70.1
No	17.9
Undecided	12.0

3. Do you favor my bill taking post office appointments out of politics and putting them on a merit basis?

Yes	95.2
No	2.2
Undecided	2.6

4. Do you favor federal action lowering the voting age to 18?

Yes	37.4
No	55.5
Undecided	7.1

5. Do you favor my proposal for automatic cost-of-living adjustments in social security?

Yes	82.0
No	11.0
Undecided	7.1

6. Should the federal government assume greater responsibility for welfare programs?

Yes	31.0
No	58.2
Undecided	10.8

7. Do you believe the federal government should guarantee heads of families a minimum annual income?

Yes	18.7
No	71.4
Undecided	9.9

8. Should adults on welfare be required to accept training and suitable employment if they are capable of working?

Yes	97.1
No	1.7
Undecided	1.2

9. Do you favor President Nixon's recommendation for a limited anti-ballistic missile system?

Yes	46.4
No	29.9
Undecided	23.7

10. Do you believe federal services and spending should be reduced?

Yes	93.8
No	3.1
Undecided	3.1

11. If your answer to the preceding question (No. 10) is "yes", check up the three areas in which you believe spending cuts should be made: [1]

Foreign Aid	85.5
Space	64.6
Welfare	44.4
Defense	31.0
Poverty	12.3
Health	3.1
Education	10.2
Agriculture	23.7
Other	12.6

12. If the Paris negotiations to end the Vietnam War fail, should we:

(a) go all-out, short of using nuclear weapons, to achieve a military victory?	22.1
(b) withdraw U.S. troops at once, even if this means a Communist takeover?	14.5
(c) withdraw U.S. troops gradually as South Vietnamese troops are trained and equipped to take over fighting	48.2
(d) (some combination of alternatives above and others)	11.0
(e) (no response to question)	4.3

13. Which of the following federal actions do you favor in dealing with campus disturbances: [1]

(a) cut off federal funds to students guilty of serious violations of college rules	73.5
(b) cut off funds to colleges which fail or refuse to deal firmly with student disorders	54.4
(c) no federal action	10.1

14. What is needed to combat crime? [1]

(a) more federal laws	28.2
(b) more police	31.1
(c) better living conditions	42.0
(d) enforce present laws [2]	12.1
(e) other	19.1

[1] Total percentage is more than 100 due to multiple answers to the question.

[2] Write-in.

SOCIAL SECURITY IMPROVEMENT

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. PHILBIN. Mr. Speaker, I was pleased to learn that the House Ways and Means Committee has plans for further consideration of improvements of the present social security program. I take it that during these hearings, broad proposals for revising benefits up to date in an orderly but substantial manner can be considered, and this should certainly entail bringing the benefits in line with the cost-of-living index.

I think that there are other phases of the social security benefit program that should be carefully studied by the committee with a view to revision, ranging from the benefits on the highest 5 years of earnings, raising widow's benefits to 100 percent of a deceased husband's benefits, increasing the lump-sum death benefit, adjustment of the disability benefit waiting period, the scraping of outmoded age limitations for disabled widows, more reasonable earning privileges without cutting social security benefits, and most important of all, penetrating study, expert analysis, mature consideration of proposals to bring together privileges and benefits and reclassification and jointure of the various entitlements, benefits, and privileges of current social security programs and reappraisal of functions, the elimination of redtape and administrative practices that stall and delay granting and comprehensive treatment of benefits and the introduction of up-to-date accounting and administrative practices and procedures that result in simplification and more ready comprehension of legal rights provided in social security legislation, and amount of the benefits, the ways and means of securing speediest possible action, the creation, where needed, of additional administrative measures to improve counseling, expeditious handling, and speedy results throughout the entire system.

Admittedly, this is a big and challenging job, but social security and social legislation has become a vital part of this Government's obligation to the American people as well as to the needs of millions of fellow citizens and it is only fitting and just that we should establish the proper priorities to accelerate necessary measures to establish overall bureaucratic organization and functional efficiency that can handle the many problems of our citizens in the entire social security system with a maximum of understanding, speedy procedures, expeditious functional action, and improvements where necesary in current organizations, training, increase in assignment and pay of personnel, the enlistment of highly trained experts all which are essential if we are to render proper service to the American people with regard to these vital social programs.

I would be the last one to minimize the depth, the complexity of our social programs, but nevertheless I believe we must boldly and aggressively tackle the problems that are contained in this proposal without further delay if we are to prove worthy of the great confidence imposed upon us by the people to make improvements that are required by this growing country and the needs of our fellow citizens and all those who live in this country and in this rapidly moving space-age society of ours with its problems that are so vexing, ponderous, and multiplying at such a rapid rate.

I also hope that as the committee undertakes its labors in this very important field, its able distinguished chairman and members and outstanding staff will also have in mind, as we all should and must, the tremendous contribution through the years and at present, of the leadership and personnel of the Social Security Administration. A day hardly passes that I am not deeply impressed by the honor, respect, sympathetic understanding, persistent attention, and expeditious action and ready assistance that is rendered by this great Government agency and and those associated with it, and I want to express my personal appreciation for this outstanding public service.

HOUSE RESOLUTION 661—CONGRATULATIONS

HON. ROBERT N. GIAIMO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. GIAIMO. Mr. Speaker, I strongly believe that the efforts and sacrifices of our servicemen in Vietnam have been overshadowed by the debate over our future course in that war-torn land. I am convinced that these servicemen, who, after all, do not formulate American foreign policy, should be judged on their own merits rather than on the wisdom of our overall involvement in Vietnam.

More than 140 of our colleagues joined with me last month to introduce House Resolution 661, a resolution designed to commend these men for their efforts and sacrifices and to reaffirm our commitment to bring this tragic conflict to an end as soon as possible.

I am gratified that this resolution was adopted unanimously earlier this week. I am also pleased that the New Haven Veterans' Council, an outstanding veterans' organization in my congressional district, has taken note of this action. I wish to insert at this point in the Record a copy of a letter I received today from the council on this subject:

New Haven Veterans' Council,
New Haven, Conn., December 16, 1969.

Hon. Robert N. Giaimo,
House of Representatives,
Washington, D.C.

Dear Congressman Giaimo: We the officers and members of the New Haven Veterans' Council wish to convey to you our heartiest and sincerest congratulations in your resolution that you introduced in the House of Representatives, on November 6 and cosponsored by more than 140 of your colleagues and was passed unanimously on Monday, December 15, 1969 in the House of Representatives, to recognize the sacrifices by the individual serviceman and veterans of tho Vietnam war.

As veterans of previous wars and conflicts as well as of Vietnam, we are well aware that as servicemen and servicewomen we do not make up American policy and therefore should be honored, respected and receive the gratitude and respect from our people in this great Country during periods of war or conflicts.

Again our heartiest and sincerest congratulations in your great interest and welfare and in the betterment of our service men and women, we wish you the joys of a Merry Christmas and a Happy New Year, filled with health and happiness and continued success in your future endeavors.

Yours in veterans affairs,
Gary Garibaldi,
Chairman, Public Relations Committee.

AS JIM SCHLEMMER RETIRES

HON. WILLIAM H. AYRES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. AYRES. Mr. Speaker, it was with regret that I learned of the retirement of that outstanding sports editor—Jim Schlemmer. I, together with most of the citizens of Summit and its neighboring counties, turned daily to his columns in the Akron Beacon Journal.

No one was more knowledgeable about sports than this veteran sports reporter but beyond this expertise was his great sense of responsibility to his readers.

He sought out the truth and shared it with his followers. Those followers came to rely upon him as their ultimate authority in his field.

Never one to pontificate, Jim Schlemmer brought a great human quality to his writing.

Jim Schlemmer is most deserving of some quiet moments. He served in the field of journalism for 56 years—45 years with the Akron Beacon Journal. In 1953, Ohio State University College of Journalism presented him with a diamond-studded journalism key and plaque in recognition of his 50 years of great service in his field.

Two of Jim Schlemmer's sons, Bill and Paul, are following in his footsteps, and have already achieved recognition in the journalistic field.

The following editorial appeared in the Akron Beacon Journal:

As Jim Schlemmer Retires

It was a year that started off with Notre Dame's victory over Stanford in the Rose Bowl. Jack Dempsey was the heavyweight champion. Flying Ebony won the Kentucky Derby. It was 1925—Sept. 13 to be exact—when Jim Schlemmer came to the Beacon Journal as sports editor.

He was 25 years old. He had worked for the Times-Press, and before that, while still a student at Ohio State, for the Press.

Our sports department was a two-man operation in those days (compared to 11 today) so versatility was essential. Jim was versatile all right. In addition to being knowledgeable in all fields of sports, he was from the beginning an extremely gifted writer. And on top of that, he was a born promoter. Later, with his friend, Shorty Fulton, he built the Rubber Bowl and started the Soap Box Derby on its way to becoming the national institution that it is today.

Jim was versatile in another way, too.

He could be nasty. Readers sometimes got so mad they cancelled their subscriptions—and then bought the paper at the drug store because they just had to know what that so-and-so would say next.

He also could be generous and kind, a colleague remembers with gratitude. This man was away at war and his family was quarantined because one of the children had whooping cough. Somehow, Jim found out. He kept the family supplied with food until the quarantine was lifted.

Devoted to his family and loyal to his friends, Jim has suffered his share of sorrow and won many honors. Hanging on the wall behind his desk is a handsome plaque which was presented to him on Akron Area Night at Cleveland Stadium, July 26, 1968. It bears the names of 60 organizations which joined in saluting him as "the dean of Ohio sports writers."

As the years passed and his staff grew, the sports writer for all seasons became more and more a specialist on Cleveland Indians baseball and Ohio State football. But his writing remained as sharp as ever and he never broke the habit of coming to work at 4 o'clock in the morning. Many of the younger men, we might add, tried to imitate his writing style, but none, that we recall, attempted to match his working schedule.

Now 70, Jim retired the day before yesterday. A host of faithful readers will miss him. And of course, his Beacon Journal friends will miss him, too. Only a few remain whose service goes back farther than Sept. 13, 1925: John S. Knight, the boss; John Horrigan, Joe Collins and Harry Hagenbush in the press room; Ray Bartolon and Adeline Ewald, composing room; Ben Weiss, circulation, and Jess Hagenbush, mailing room.

Speaking for these old timers and for hundreds of others, we wish Jim health, happiness and good fishing in retirement. He's one of a kind.

CARL HAYDEN MEMORIAL AWARD PRESENTED TO CONGRESSMAN OMAR BURLESON

HON. JACK BROOKS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. BROOKS. Mr. Speaker, our distinguished colleague Omar Burleson was awarded the Carl Hayden Memorial Award earlier this month. The award was presented by the Chairman of the Joint Committee on Printing, Senator B. Everett Jordan of North Carolina.

The Hayden Award is given for outstanding achievement in the field of Federal Government printing. The selection of the gentleman from Texas is most appropriate as he served as vice chairman of the joint committee from 1955 until July 30 of last year. During this period the chairman was the venerable gentleman from Arizona who was given to referring to him as "my cochairman."

Mr. Burleson was presented with a plaque on which was inscribed:

Joint Committee on Printing, Congress of the United States, Carl Hayden Memorial Award

Presented to Congressman Omar Burleson, of Texas, Vice Chairman of the Joint Committee on Printing from 1955 to 1968, under Chairman Hayden.

As a highlight in a distinguished congressional career, Congressman Burleson is saluted as a devoted and discerning administrator of the Federal Government's worldwide program.

The citation is signed by Chairman JORDAN, and Vice Chairman SAMUEL FRIEDEL, JAMES B. ALLEN, HUGH SCOTT, JOHN DENT, GLEN LIPSCOMB, members; and John F. Haley, staff director of the Joint Committee on Printing.

The award was made at an impressive dinner in the Rayburn House Office Building on December 10, 1969, with the presentation being made by Public Printer James L. Harrison on behalf of Senator B. EVERETT JORDAN who, with the other Senate members of the Joint Committee on Printing, were not able to leave the Senate floor. A capacity crowd including representatives of the printing industry and the Government Printing Office heard Congressman JOHN H. DENT, Democrat of Pennsylvania, and SAMUEL N. FRIEDEL, Democrat of Maryland, honor Mr. BURLESON as they joined the observance of the occasion.

In presenting Chairman JORDAN'S text, Mr. Harrison lauded Congressman BURLESON as one who has "compiled an outstanding record of talented dedication to honesty, integrity, unswerving and strong support of worthwhile achievement, all within the scope of sound character and a warm personality which always demonstrated a willingness to reason amicably.

"Contributing forcefully to the launching of the research and development program which led to the creation of the high-speed electronic photocomposition Linotron system and to the joint committee's determination to effect the most far-reaching change in policy direction of the Federal printing program in approximately three quarters of a century, he obviously has been the right man in the right place at the right time."

Having been elected in 1946 in the 80th Congress OMAR BURLESON is compiling an outstanding record of congressional service. From 1954 until 1968 he was chairman of the House Administration Committee. He resigned that position to accept election to the Committee on Ways and Means, a post he now fills with distinction.

Congressman BURLESON, in accepting the 1969 award, paid warm tribute to Senator Carl Hayden, recipient of the original award in 1968, and advised that even though he no longer is a member of the Printing Committee he will maintain his keen interest and will continue to support the future success of the national printing procurement policy which he helped to initiate.

The program ended with the playing of a taped message, especially recorded for the occasion by Senator Carl Hayden, now ending his first year of retirement in Arizona.

Speaking in gratifyingly strong, clear tones, the 92-year-old former President pro tempore of the Senate, Appropriations Committee and Joint Committee on Printing chairman, expressed his obvious pleasure and appreciation at having the opportunity to join the assemblage in paying tribute to a fine man, Congressman OMAR BURLESON of Texas. He said:

> The forward-looking program, now nearing completion, which would bring the Federal printing program into 1970, will be assured of success because of his insistence in pioneering a joint government and private printing industry partnership.
>
> My fondest wish is to see this printing program be a fine success—that will be a singular tribute to him and those who worked with the Joint Committee on Printing to bring about such a fulfillment.

FOOD ENTERPRISES FOR POOR PEOPLE

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. FINDLEY. Mr. Speaker, President Nixon's recent White House Conference on Food, Nutrition, and Health brought to light many imaginative and interesting ideas and projects for dealing with the serious national problem of malnutrition and hunger. Some of the most exciting ideas were generated by a new nonprofit organization, the Food Business Center, in a report entitled "Food Enterprises for Poor People."

As the President said in his message to Congress of May 6:

> We must therefore work to make the private food market serve these (disadvantaged) citizens . . . by making nutritious foods widely available in popular forms.

The Food Business Center has built on this proposition by seeking to develop imaginative ways for minority group people to cooperate with the food industry in developing food production and distribution enterprises, emphasizing jobs, income, and business ownership on one hand and improved nutrition for low-income families on the other.

The Food Business Center is organized to provide research in food industry partnerships organize imaginative demonstration projects, facilitate the two-way flow of information, promote the acceptance and distribution of new high-nutrition foods, and work for constructive change in the Nation's food supply system.

These are lofty and important goals, combining a dedication to better nutrition, minority business enterprise, and voluntary action to meet social problems. The center hopes to become a highly effective intermediary between poor communities and the food industry and I am sure the food industry will be most interested in the center's programs.

At the request of Dr. Jean Mayer, Chairman of the White House Conference, the Food Business Center assembled a varied group of consultants and food experts to assess the prospects for joint efforts in this area. Assisting in the preparation of the center's report were Radolph Blackwell, a leader in the Negro community; Raul Yzaguirre, a leader of the Mexican-American community; Etoh Edwardsen of the Arctic Slope Native Association of Alaska; Louis Nunez of ASPIRA, a Puerto Rican self-help group in New York; Antoine Perot of the Urban Institute; Harvey Silver of the Freedom From Hunger Foundation; Ruth Sykes of the National Council of Negro Women; and the executive director of the Food Business Center, Lee Fryer.

The report describes four imaginative food production and distribution projects now in the proposal stages, ranging from the distribution of protein-fortified cookies in the rural South to oyster growing in Alaskan waters. In view of the interest these projects should generate, I include a condensed version of the Food Business Center report at the end of my remarks.

Mr. Speaker, any attempt to bring together the food industry, Government, and the people of poor and minority communities in a joint effort to combat hunger and malnutrition merits the highest praise. I extend my best wishes to the fledgling Food Business Center, and hope that its efforts may meet with outstanding success.

The report follows:

FOOD ENTERPRISES FOR POOR PEOPLE

(A Report prepared by the Food Business Center, 2100 M Street NW, Washington, D.C. 20037, for the White House Conference on Food, Nutrition, and Health, December 2, 1969, at the request of the Conference Chairman, Dr. Jean Mayer.*)

PREFACE

At the request of Dr. Jean Mayer, the Food Business Center accepted the assignment to assess the potential for involving minority enterprise in the production and distribution of high nutrition foods to low income people of all kinds in cooperation with the food industry and government agencies, and to study and many Conference task force reports from this perspective.

In presenting this report, the Food Business Center wishes to emphasize the following basic premises:

1. *When a poor person is successfully employed in a food enterprise* (*production, distribution, preparation, evaluation research, training, etc.*) *private or public—the prime cause for his hunger may be removed* by the provision to him of a minimum adequate income. We, therefore, advocate an enlarged commitment to employ the minority poor in food programs and to open food business opportunities for such people.

2. *The efficiency of food enterprises—public and private—may be significantly improved by a full involvement of poor people,* and particularly minority poor people, in the production and distribution of foods. Food selection and consumption are ethnic and cultural—as well as economic—processes. Smart food companies will employ indigenous people of ghettos—and will encourage successful minority enterprises in food fields. Smart food program administrators will employ indigenous people, at all levels of operations, knowing that 50 percent of their duty is to serve the food and nutrition needs of minority people—on *their* food-cultural terms, and not on the terms of middle class White people.

We are aware that utilizing these premises raises the question of whether—in our highly organized and automated business system—minority poor people can be successful in food production and distribution enterprises, an entrepreneurs and employees.

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*This version of "Food Enterprises for Poor People" has been condensed by the Food Business Center from the full document presented to the White House Conference.

We take the position, advisedly, that underused factors and resources are present for significantly opening such fields of opportunity. In the following assessment and development of recommendations and illustrations, we shall try to make clear some of the conditions for success in such a public and private effort.

3. *The planning and development of food programs at the Federal, state and local levels must involve poor people, especially minority poor people.* The poor must be involved from the beginning in advising on all aspects of food programs. In particular, the poor, and especially the minority poor, must participate actively on all levels of governmental planning, including the state and local levels where they are usually ignored. While many of the panel recommendations provide for the involvement of "consumers" in various advisory roles, it is necessary specifically to mention minority group members in such recommendations.

About half of all hungry Americans are Black, Mexican-American, Indian, Puerto Rican, or Eskimo people. An effective National food and nutrition program must take this special cultural factor into account.

Our pre-occupation with the special situation of minority poor people does not diminish our concern, however, for the equal number of White poor people, of Appalachia, the Northeast, the North Central region and elsewhere in the United States. They, too, can utilize the same basic principles that are expressed in the supplementary statements and recommendations that follow, which link jobs, participation, and business opportunities with the objectives of a National nutrition program.

FOOD DELIVERY AND DISTRIBUTION AS A SYSTEM

The Food Business Center believes that three basic premises underlie the creation of an effective food delivery and distribution system:

Premise No. 1. The public resources, available from Congressional appropriations, will be inadequate at best to fuel a truly effective National food and nutrition program. New business patterns and incentives must be developed, therefore, in order to utilize the resources of the private food industry.

Premise No. 2. The business and civic incentives that may be mounted, in such a National program, must be related to a progressive opening of the market in serving the 25 million Americans who are chronically hungry. Old-style business and public program policies were clearly inadequate for reaching and serving this latent market. It can only be done through coordinate public and private enterprise, under partnership concepts—where public food agencies and private food firms may find mutually acceptable terms for achieving the goals stated in the Introduction to this Section: "to guarantee to all Americans the availability of an adequate diet".

We include within "private food firms", of course, those that are owned and/or operated by minority people; and we find it within the scope of sound policy that many of the partnerships should be triumverates, including the three basic parties: (a) local and regional food enterprises of minority people, (b) major U.S. food firms, and (c) the government, via its food agencies.

Premise No. 3. The public investments can and should be made in patterns that (a) assist in opening the underserved markets of 25 million underfed people, and also (b) utilize the powers of public purchasing for encouraging food business policies that are found to be compatible with the over-all National food and nutrition goals. These include, of course, the policy of opening maximum business and employment opportunities for minority people, in order to increase the flow of income into the rural and urban ghettos of the Nation, and also improve the food services and supplies for such deprived communities.

It is our belief that many enlightened food companies of the United States will respond to sound challenges made by government agencies in terms of these premises; and that they will assist in developing sound civic and business policies that may be utilized in coordinate public-private efforts to overcome hunger and malnutrition in the United States.

MODELS AND ILLUSTRATIONS OF BUSINESS PATTERNS TO ENCOURAGE FULL INVOLVEMENT OF MINORITY PEOPLE IN THE PRODUCTION AND DISTRIBUTION OF NUTRITION FOODS

The essential improvements in food production and distribution may be hastened by a more adequate provision in public program and corporate business budgets of funds to support practical pilot and demonstration work.

Take the school lunch programs, for example. It is generally thought that no one can go ahead with the demonstration of new patterns for producing and distributing good breakfasts and lunches until a number of school districts decide simultaneously to provide money and purchase contracts for this purpose.

That they will probably *not do this* is part of the problem; so a paralysis of sound development occurs.

The models and examples of improved ways to produce and distribute new and nutritious foods must—in some instances—be supported by private corporate and non-profit organizations in order to set examples and develop experience that can then be projected into public laws, policies and appropriations.

The Force and Power of Public Purchasing. Further, it should be more clearly recognized that the force and power of public purchasing is vitally involved in the encouragement of desireable new business patterns.

As an analogy, the feasibility of manufacturing certain military and space exploration equipment and supplies is established by the issuance of firm public orders at profitable prices—and the manufacture of such goods would be fantastically impractical for private companies unless such public purchase orders are provided. This is the way the "space sticks" were developed and brought into the new food scene, as an illustration of an interesting new food candy.

We need some of the same approaches in solving the U.S. hunger and malnutrition problem.

In the models and examples that follow, we make the primary assumption that log jams will be broken, and that both public and private resources may become more readily available for vitally needed demonstrations of new business arrangements—public and private—in the provision and distribution of foods.

We recommend, specifically, that food program appropriations should provide specific percentages of funds for use in innovative exploratory and demonstration work, addressed to the central problems in food fields—such as how to deliver on the National commitment that *all* U.S. children should have good foods available in their schools.

We recommend, further, that specific portions of the funds for Federal procurements of foods for military, institutions and food programs uses be "set aside" for purchasing from production and distribution units that are owned and/or operated by minority people. The provisions of the Small Business Act and of the General Services Administration Acts, providing for "set asides" for buying from certain types of small businesses should be used as examples for similar provisions in food agency appropriation acts.

Encouraging Viable Business Units and Patterns. When the powers of public purchasing and of public investments in demonstrations are adequately utilized, some of the chronic business problems in minority enterprise fields may be overcome.

New and useful food business units need not be developed on Adam Smith economic designs—and predestined to failure—but rather can reflect modern business realism. The leverage of public purchasing and financing can assist in supporting viable modern business designs.

Recent explorations in the food business fields indicate that some kinds of food products lend themselves to decentralized production, under contract with major food firms, and to successful handling by minority business units in ghetto situations. These explorations indicate, further, that the leading executives of many U.S. food firms are willing to undertake innovative food production and distribution projects—particularly in serving the needs of deprived communities and people—if they can get even minimum practical cooperation and essential investments in such projects from the public sector.

The models and illustrations that follow make the assumption that "break-throughs" will be made, and that both public and private business support can be obtained for truly significant pilot and demonstration work.

Model No. 1—The cookie project

The Cookie Project has been designed and activated by Southern Rural Action, Inc., under the leadership of Mr. Randolph Blackwell, with the assistance of the Food Business Center. It is an outgrowth, in part, from the Taliaferro County Emergency Food Program that is described in one of the more interesting documents of this Conference.

The key idea is that a major contribution may now be made in food fields by proceeding directly into the manufacture and distribution of new and fortified foods for the school lunch and other institutional markets. Further, that a national market may be developed for certain products that will assist in the success of the project.

This special factor may account for the name: the Cookie Project, since it is contemplated that one of the initial products will be nutritious fortified cookies and other food confections to be merchandised in a way similar to that used nationally in sale of Girl Scout cookies and mints.

During the development of this phase of the enterprise, work will proceed in developing and distributing new and fortified foods—as well as conventional foods—for school lunch, child feeding, maternity and other program uses.

The directors of this project are fully aware that adequate markets do not exist, initially, and that use of private, public and non-profit resources will be essential in a sound market development. They are equally aware that this food enterprise is "on a power curve in a national trend"—being deeply relevant to overcoming problems that now exist in the paralysis of public food programs and agencies—and they intend to mount various alternative resources in making it successful.

Negotiations are now under way with several major food firms that may find business and civic incentives for becoming related to this interesting Cookie Project. A budget of 460 days of professional-technical services has been prepared to serve the first cycle of development. This will be drawn from the "Technology Bank" that is now being "capitalized" by the Food Business Center with "deposits" from major food firms. The Center will serve as a conduit for moving such resources to Southern Rural Action, Inc., to help in underwriting the success of the Cookie Project.

Since every package of cookies and other products sold in the national distribution of such products will contain attractive brochure materials about new, fortified and nutritious foods, a collateral educational value will be generated.

Model No. 2—The aquaculture project

Alaska is blessed with a massive resource called "special sunlight". Its light supply, combined with the unique Arctic temperatures, supports a superior production of protein: in plankton, shell fish, algae, salmon, other fishes, seals, whales, walrus and land vegetation.

Historically, the Eskimos and Northern Indians lived fairly well on these high protein foods. The White man has broken their cultures, however, and now threatens to destroy even the environment for fish, birds, and animals with his heedless petroleum and commercial developments.

The Arctic Slope Native Association is interested in a modernization of the food supply for Eskimos and other Alaskan Natives, developed through a constructive control of marine and estuary environment. This is called Aquaculture.

It may be far more significant in values for people—Native and White—than the transient oil boom.

The Arctic Slope Native Association has made contact with the Lummi Indians of Washington State in an initial aquaculture project. The Lummi Indians have improved an estuary near Bellingham, by dikes and other structures, using both OEO and EDA financing. They can now control the salinity level of the water, the movement of fish, their nutrition, and even—to an extent—the water temperature in portions of the controlled area. They have created a balanced ecological system—governed by skilled Native people—that nourishes their crops of fish, worms, algae, oysters, etc. They have been successful, this year, in producing oyster spawn that experts said could come only from Japan. They can feed their fish economically for maximum yields.

Since fish, being cold blooded animals, do not use food energy to keep themselves warm, they are rather efficient in converting foods into their growth and gain of weight.

The Lummi Indian—and the Alaskan—aquaculture projects can eventually produce 3,000 to 4,000 pounds of fish per acre per year. This is an attainable target after sufficent experience and management skills are developed. It raises the possibility that dependent Indian and Native people may eventually produce about $1 million of gross income per year per square mile of area that is devoted to aquaculture.

Such an achievement—even half of such a production—could (a) provide these people with enough income so they might rise above poverty and hunger, (b) also provide them with a better direct food supply, and (c) make them strong enough to have greatly increased social and political power.

The Arctic Slope Native Association wishes to move the Lummi Indian Aquaculture "model" North and repeat it many times in the estuaries of Alaska where Eskimos and Native people live. Private sector resources will be sought and used, on a partnership basis, for these vital enterprises. Both the oil companies and the newly rich State of Alaska will be among the targets for the vital financing. This does not exempt, however, the conventional public agencies from doing their share.

Model No. 3—The Chicano food project

The desire by Mexican Americans for a piece of the action in food production and distribution enterprises is not unlike that of other minority people. The reports by Drs. Arnold Schaefer and William McGanity on the nutritional situation in Texas among low income Mexican American people have certainly focussed attention on the need for a better distribution of good foods in these communities.

Certain factors favor success in especially selected food fields, for example these:

1. Many Mexican Americans have advanced skills in farming and husbandry.
2. There is a tendency among people of these communities to patronize their own business units.
3. Many independent small retailers exist, in the scattered Mexican American communities, and they are still served by wholesalers.
4. Some of the traditional Mexican American foods, such as tacos, tortillas, etc., are popular among nonindigenous people and possibility could be marketed successfully in wider areas.
5. The corn-based foods can be fortified with nutritional benefit to the whole community.
6. Many Mexican American communities have small bakeries and producers of confections that lend themselves to arrangements for fortification of the products, supported by public financing.
7. Sufficient land can be purchased or leased in many Mexican American communities—if the financial resources are available—for supporting crop production for fresh or processed food markets.

Careful study is being given at the present time to ways that such factors might be combined for opening new opportunities for Mexican American people in food enterprise fields. A substantial fresh vegetable enterprise in Texas is now being considered for public funding.

The basic design of the Chicano Food Project would be one in which commercial production of selected food crops would be undertaken on land leased or purchased for this purpose. At least part of the products would be processed by canning and/or freezing for sale under the Chicano label. This specialty food line would include indigenous Mexican American foods that might be successfully sold into the broad U.S. markets.

The Chicano brand and mechandising program would also be used, however, for a nutritious and fortified food line that could be sold into Mexican American communities, and would include items for school lunch and other public food program distribution.

A kindred line of products would include confections and items for snack bar and vending machines—if these markets were found to be feasible under the commercial and public assistance arrangements that could be developed.

Foundation funding would almost certainly be needed during the development period of such a specialized enterprise, including funds for underwriting school lunch and related markets that at a later date would come under public support.

Negotiations would be undertaken to form partnership arrangements with several major food companies that might find business and civic incentives for relating to such a project. The Quaker Oats Company has done substantial work in the field of fortifying and developing corn-based food materials for the Mexican American and Latin American communities, for civic as well as business reasons.

Model No. 4—The supermarket project

One of the problems in the successful introduction of meritorious new foods into the main stream of American food demand is a lack of business and educational facilities for doing this—as an alternative to orthodox advertising and product promotion.

When the new food line truly has civic importance—and a potential generic value among U.S. food resources—as will be the case for fortified breads in ghetto and other markets, a combination of public and private business promotion is warranted. Facilities for such promotions are still lacking in the U.S. food system.

This "model" is suggested as part of the answer to this current deficiency.

We propose that business and program arrangements should be made for the establishment in selected supermarkets of special "retail islands", where new, nutritious and especially significant foods may be displayed and offered for sale, with the assistance of smart, uniformed nutritionist-clerks who are of the same race and language as prevails in the community.

These commercial-educational islands can also serve as the focal points for civic education in nutrition and food selection, with tied-in use of television, radio, and newspaper promotion and education that support the operations of the supermarket units. An opportunity may also exist to co-relate these retail islands with the work of nutrionist aides in the same community radius. The retail islands can be places where interested ADC mothers and other people may obtain guidance and literature about care of themselves and their families.

Such innovative business units might be qualified as places where food stamp transactions could be made by needy persons of the community; both to get processed for inclusion in the food stamp program and to buy stamps. The hours for such services could be slack hours in shopping.

The business pattern for such a model would be in a chain-or "cluster" of such units, served by a central wholesale business unit that provided products and all supplies, financing, business services, public program services, personnel, training, and relations with cooperating food companies. The central business units could be operated either for private profit, or as non-profit enterprises.

It is felt that civic and business incentives may exist for the development of innovative enterprises of this kind. Well operated, they might be of sufficient value to a supermarket to warrant provision of free space. From the standpoint of food manufacturers, they might render valuable product and market development work. Their civic value should also be significant. We would foresee that they assist in a simplification of food program research. These nutritionist-clerks should be able, in due time, to have valid answers in food acceptance fields.

THE CIVIC AND BUSINESS DIVIDENDS FROM ADEQUATE NUTRITION IN AMERICA

Project and program planners often overlook the support that may be available for valuable human undertakings from the business community, based upon the direct benefits and incomes that will be generated.

In the case of the Taliaferro County Program, conducted by the Southern Rural Action, Inc., a direct increase in local spending of over $100,000 was generated. When multipliers were considered, this probably represented an injection of about $200,000 of financial plasma into the commerce of this impoverished community.

One result was that 18 of the 19 food retailers of the County had incentives to participate in the food and nutrition education work of the project.

An illustration of benefits was that one of the storekeepers had enough increased trade to justify a new floor in his store—something he had been waiting for years to install. This as a side-effect of enabling 300 families in the County to have enough to eat for 6 months.

It is a mistake to think in the dead-level terms that an adequate U.S. food and nutrition program would *cost* from $4 to $6 billion a year. There will also be dividends.

It should be remembered that the public recovers in taxes during the same year about half of the funds invested in salaries and direct expenses of such programs, when both personal and business taxes are considered, at all levels and points of collection.

A step-by-step improvement in the adequacy of the food stamp program, to underwrite "the availability of an adequate diet for all Americans" has a financial implication of from $1 to $2 billion of market expansion in areas where it is needed most and may have maximum secondary effects from respending. Poor people spend their money locally, and a maximum of respending occurs. The initial public investment could easily generate an increase in food and non-food trade of $4 to $6 billion.

A step-by-step improvement of the school lunch and child feeding programs would have at least equal trade and income impacts. It was estimated in the Senate hearings that to provide school lunches to all children, regardless of income, would require a public investment of $4 billion annually. Less will be needed, of course, to handle the provisions for low income children.

When all the factors are considered, including the essential expansion of educational and research services, the implications of an adequate U. S. food and nutrition program are of the order of:

An increase of $4 to $5 billion in direct spending, mainly in food trade sectors.

Collateral trade expansion in food and non-food fields of $10 billion due to the economic multiplier effects.

If a "normal" gross business profit of 20 percent is in view from this primary increment in food trade—generated from a vital project in improving the quality of American life—the food industry has a gross business incentive of the order of $1 billion annually, as a stimulus for relating constructively to improved food and nutrition programs. Taxes and other items must, of course, still be paid.

This potential private sector earning is actually the foundation upon which a general improvement in the U.S. food system needs to be built.

The role of the government is to mobilize this sound business incentive, by judicious investment of its appropriated funds, so they generate maximum food and nutrition improvements per dollar of public funds invested.

It might be mathematically correct for minority people to advance arguments for an investment of about half of such funds in their own communities. This would not, however, be statesmanlike, and it may finally prove to be unsound factually, if America ever gets around to making an accurate food and nutrition census.

Meanwhile, it is appropriate that substantial investments—perhaps of $100 billion per year—be made in the development of sound new food business enterprises in which minority people may be constructively involved, as owners, dealers, managers, technicians and employees.

The twin benefits will then be created: (a) the root cause of hunger, a lack of money with which to buy foods, will be ameliorated, and (b) the processes of fabrication and distribution will be improved by a better adaptation of those processes to the dynamics and conditions of communities in which minority people—and other poor people—may live, thereby improving the U.S. food system and strengthening the Nation.

DR. BRADFORD'S CHRISTMAS POEM

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. PHILBIN. Mr. Speaker, under unanimous consent to revise and extend my remarks in the RECORD, I include therein a very remarkable Christmas poem written by my friend, Dr. Charles Bradford of Boston, one of the outstanding medical doctors of our times.

The eminent doctor is descended from a renowned Massachusetts family that dates back to the early days of the establishment of the Nation.

Its members have made tremendous contributions in many fields of endeavor, and have been Governors and other high-ranking officials of the civil government, business and professional leaders, charitable and humanitarian champions, and preeminent in the care of the sick, the mentally afflicted, and retarded children and overall medical expertise.

Dr. Bradford exemplifies the highest standards of American citizenship and the medical profession, and I am sure that the Members of the House and others will greatly enjoy his very unusual new poem on Christmas and Santa Claus:

GEORGE G. GIFFORD AND HIS ZIG ZAG CHIMNEY: A MERRY TALE OF CHRISTMAS

Now, this is how it happened, as I've heard
From Cape Cod Yankees, and they say it's true.
A chimney swift, or some such kind of bird
Built a nest right in George G. Gifford's flue.
Smoke filled the living room like a thick fog,
And choked the family who sat inside,
And half asphyxiated, Pooch, their dog,
While the cat ran to the woodbox to hide.
So, George G. Gifford made a vow, right then,
He'd build himself a bird-proof chimney stack,
And no such nonsense would occur again
For neither swifts nor swallows could come back.
That's how his zig-zag chimney came to be,
With its bent flue, that twisted left and right,
Letting the smoke rise upward, nice and free,
Though none could suck down 'cause it was too tight.
When swallows come again, they blowed away
In up drafts that was constantly drawed through:
And chimney swifts that once more tried to stay,
Was clean evicted by that criss-cross flue.

This was in May of Eighteen Ninety Three,
And through the summer everything went well,
Though naturally, no one could foresee
The complications that so soon befell.
Not even Santa Claus anticipated
The problem that a zig zag smoke stack made,
Not knowing chimneys could get constipated
When strained to bulging with the Christmas trade.
As he descended at the midnight hour,
He stuck where the flue zigged and couldn't zag;
And it proved utterly beyond his power
To extricate himself or his kit bag.
He wriggled, squirmed, and kicked up with his knee,
And breathed out hard, and even rubbed his nose,
Which, other times, had always got him free,
But here, it seemed to make the chimney close.
His rapid spasms, like a fever chill,
Convulsed the chimney 'til the whole house rocked,
And with each turn he was caught tighter still—
In that crooked contraption: meshed and locked.
At the time, George G. Gifford was in bed
Enjoying a deep sleep of sweet repose,
When he was roused, and lifting up his head,
He heard strange sounds that from the stack arose,
"Them birds again!" he muttered sulkily,
But louder still came forth the batterings,
Until he wondered somewhat sleepily
If he was hearing ghosts or ghouls or things.
Then all at once, he somehow recollected
That this was Christmas, and the racket's cause
Must be from where the chimney had collected,
And rammed, and jammed, and plugged in, Santa Claus.
Immediately, the Fire Chief was called,
Arriving soon, with men, and hooks, and ladders;
But no one in the whole brigade recalled
The slightest clue for handling such odd matters.
The local ministers was summoned in;
Three church wardens, and five selectmen too,
But still, they couldn't say where to begin,
Or how, or why, or what on earth to do.

Well, George G. Gifford warnt no common fool.
He knew as much as any man in town.
In fact, they said that when he was to school
Even the teacher couldn't spell him down.
So him, and Nathan Nye, whom we called Nate,
The former captain of the fishing fleet,
Concocted ideas how to extricate
Poor Santa, by the head or by the feet.
"It's like a ship in irons," old Nate said,
"For when a vessel's slow to come about.
No wind from either side takes her ahead
Until she's swung enough to fetch her out.
There aint no way that Santa can get loose
Without we take the stack down, brick by brick—
Unless we catch his legs in a slip-noose
And winch him out—Yep. That might do the trick."
"Sure thing!" said Jim, the plumber, "that would do;
And it would also tear him limb from limb;
And I'll be busted, fore I'm willing to
Stretch Santa til we've separated him."
Then George G. Gifford had a bright idea,
Knowing the draft itself held Santa there;
And if so, they could prob'ly get him clear
By just reversing round the flow of air.
A vacuum cleaner was at once obtained,
And set compactly in the fireplace,
And when the motor, its full speed attained,
It sucked right into that tight, zig zag space.

At first, no quick improvement could be seen
Except that gobs of dusty soot came down,

While scratchy cinders, grating in between,
Was, from the chimney, sucked away or blown.
Then, sets of rumbling, gurgling sounds appeared
Like water running from a bathtub's drain
When the last bubbles, down its pipe has cleared,
And it chokes up and swallows hard again.
It gulped as if it had regurgitated,
And gasped like locomotives do at first,
And grunted from the force it generated,
And heaved until the flue seemed like to burst.
Then finally, the vacuum's power surged,
And plunk, a tumbling mass, the folks could hear,
And from it, smiling Santa Claus emerged
To wish a Merry Christmas and New Year.

Now this, of course, must have a moral to it;
And it is plain, without us pondering long:
If we've a plan, before we go and do it,
Let's think, "What in tarnation might go wrong?"

—Charles Bradford.

MARINE WRITES POETIC LETTER AGAINST PROTEST

HON. JOHN J. DUNCAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. DUNCAN. Mr. Speaker, I would like to include in the Record a letter written by a young Knoxvillian who is now serving in Vietnam. The letter appeared in the November 14, 1969, Knoxville, Tenn., Journal, as follows:

Marine Writes Poetic Letter Against Protest

(By Guy Smith IV)

During this week when the "Silent Majority" is speaking out on the war, civic groups are rallying around the Flag in support of the President, antiwar demonstrators are making the headlines and the newscasts, there is one individual no one has heard from—the GI in the jungles and rice paddies of South Vietnam.

The following note from a Marine stationed in Vietnam this week crossed The Knoxville Journal's city desk:

"Take a man, then put him alone, put him alone 2,000 miles from home.

"Empty his heart of all but blood, make him live in sweat and mud. This is the life I have and live, and why my soul to the devil give, you 'peace boys' rant from your easy chair.

"But you don't know what it's like over here, you have a ball without 'never' trying, while over here your boys are dying.

"Burn your draft cards, march at dawn, plant your signs on the White House lawn. You all want to ban the bomb, there's no real war in Vietnam.

"Use your drugs and have your fun, and then refuse to use a gun. There's nothing else for you to do—and I'm suppose to die for YOU?

"I'll hate you till the day I die, you made me hear my buddy cry. I saw his arm a bloody shred and I heard them say—'This one's dead.'

"It's a large price he had to pay, not to live another day. He had the guts to fight and die. He paid the price, but what'd he buy? But who gives a damn what a soldier gives?

"His wife does, and maybe his son—but they're about the only ones."

This letter was written by Marine Lance Cpl. Daniel L. Bradshaw, 21, son of Mr. and Mrs. Lawrence Bradshaw, 200 Burn Road, and a 1966 graduate of West High School. Cpl. Bradshaw volunteered for the Marine Corps after studying business administration for two years at the University of Tennessee.

Bradshaw's mother said he plans to return to UT when he returns from Vietnam in May, 1970.

She said he joined the Marine Corps in November, 1968. Bradshaw plans to take his R and R (rest and relaxation) in December to see the summer Australian Christmas, his parents said.

THE 194TH ANNIVERSARY OF THE U.S. MARINE CORPS

HON. JACK BROOKS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. BROOKS. Mr. Speaker, this year the U.S. Marine Corps celebrated its 194th anniversary. Over that span of time the corps has forged a record of loyalty, bravery, and heroism in the defense of their country that is unsurpassed in all of history.

That record is so impressive that the word "marine" conjures up a vision of a tough, leathery combat hardened drill sergeant. However, upon reflection we see that the average marine is the young boy next door—the courageous leatherneck of so many battles is really just another American boy. It is their dedication—their commitment to freedom—their devotion to their country, their family and their comrades, that sets the marine apart.

This "esprit" does not just happen; it is an integral part of the marines' life and training. From the most senior officer to the newest "boot" the pride in being a marine is evident. No individual demonstrates that characteristic more clearly than the Commandant.

Leonard F. Chapman, Jr., is an officer and a gentleman in the highest military tradition. His bearing and manner reflect clearly the love, pride, and dedication he feels for the Marine Corps and his country. In order to understand the corps and its history one need only to look to the "No. 1 marine." General Chapman is a fighter but he is also a father, a husband—a human being.

I am proud to have served as a marine during World War II and now as a member of the Reserve. That pride does not come from my achievements but from knowing that I was a part of such a fine group of men such as General Chapman.

On the Marine Corps birthday last November 10, the Commandant sent a message to all his fellow marines. That message expresses the dedication of all marines. As I would like to share that message with my colleagues; the text follows:

November 10, 1969.

This is a time for remembering. It is a time for detailed inspection of our heritage and a careful review of our history. We can only know who we are by being certain of who we have been.

This is the 194th anniversary of the founding of our Corps. In these long years we have compiled a proud list of old honors for old battles. But we have fresh honors, too. Honors won in a long, hard war. And somehow, old battles do not seem so ancient when it is remembered that the Marines who fought them were as young as the Marines who fight in Vietnam today. Our motto, "Semper Fidelis," loses the cold air of marble inscription when applied to sacrifice on any battlefield, at any point in history.

As in years past, this anniversary finds Marines serving our country in every corner of the world. And standing four-square behind today's dedicated Marine is his predecessor in the retired ranks and his family on the home front—and in the wings and at the ready, our powerful Marine Corps Reserve.

History proves there is no old or new. We are of one breed. We are Marines.

This is our heritage.

Gen. L. F. Chapman, Jr.,
Commandant of the Marine Corps.

THE APPROPRIATIONS RECORD—1969

HON. FRANK T. BOW

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. BOW. Mr. Speaker, in preparing to discuss our budget work of the session today, I was reminded of a letter from a young soldier in Germany who wrote to me about the problems of our country. He was disturbed by the news he received and he asked this question:

> Has the system grown so large that it is now crumbling under its own weight?

That is a good question for us to ask ourselves today. At the end of the year, we find ourselves wrestling with difficult decisions that should and could have been made last summer. Has the system grown so large that it is no longer possible for Congress to cope with it effectively? Or is there a lack of will to get the job done? These are questions we should ponder before we return here in January to tackle a new budget and a new set of hard decisions.

Everyone knows the Government of the United States is difficult to manage under the best of circumstances. For the past 6 months I have wondered how it is possible to manage it at all in the absence of the fiscal decisions which are the basic guidelines for the operation of every agency. And I have been terribly concerned about the effect of this fiscal indecision upon our entire social and economic structures, so heavily involved as they are with the operations of the Government.

The Congress has the constitutional authority to control the strings of the public purse. With that goes the responsibility to do so efficiently and effectively, without procrastination and delay. In discharging that responsibility in 1969 we have been dilatory at times, we have bordered on irresponsibility at other times, and we have caused many of the always eager congressional critics to question whether we are capable of doing the job.

NIXON BUDGET CUTS

The President has been firm and forthright in his dealings with the people and the Congress on this budget. His first action was a careful review of the Johnson budget which resulted in an April 15 message reducing by $4.2 billion the new obligational authority requested by the former President. At the same time Mr. Nixon proposed reductions in actual spending of $4 billion and established a ceiling on Federal spending of $192.9 billion. He has held to that figure. The President's spending plans by September estimates would result in a budget surplus for this fiscal year of $5.9 billion. Congressional action to date would reduce if not eliminate that projected surplus.

Perhaps the most significant feature of the Nixon budget review was the proposal for severe cuts in the Defense Department. This constitutes a reversal of a trend that has been giving increasing concern to many Americans. Mr. Nixon ordered and Secretray Laird complied with an initial reduction of $2.5 billion in the Johnson budget request for Defense. Later on when it appeared that uncontrollable costs in other areas of Government were forcing the President to breach his self-imposed budget ceiling, he ordered another $3 billion reduction in Defense outlays.

In this area of legislation the Congress has responded to the White House leadership with additional savings, with the result that the final Defense Department appropriation measure is $7.8 billion below the Johnson budget request and $5.3 billion below the revised April 15 request.

This is a significant turning point in our national priorities. It represents appropriate concern for our national defense, conditioned only by the most pressing domestic problems and the ominous threat of continued inflation.

The record on some other appropriation items is not as commendable.

UNNECESSARY CHANGES

In the public works appropriation bill the administration requested $4.2 billion including $214 million for construction grants for waste treatment facilities of the Federal Water Pollution Control Administration program. This was the same amount requested for the purpose by the Johnson budget. What follows is a classical example of mixing politics and emotion with the appropriations process. A massive campaign of propaganda and pressure was launched to increase the $214 million to $1 billion even though it was clearly understood by everyone familiar with the program that it would be impossible to spend $1 billion in fiscal 1970 for this purpose.

Mr. Speaker, I believe your Appropriations Committee acted responsibly when it sought and obtained from the Secretary of the Interior an estimate of the maximum amount that could be used for waste treatment facilities. That figure, given to the Appropriations Committee, was $600 million and that is the figure we recommended. However, the other body increased the figure to $1 billion, the conference cut it to $800 million, and we now have available in this fund $200 million at the very least which cannot be put to use. Millions of Americans have a deep interest in pollution control. It is one of the most emotional issues on the domestic scene today. It is a disservice to these sincere and honest Americans to lead them to believe that we are doing great things for pollution control by voting for $1 billion when the facts are that the money cannot be used and the entire procedure is no more than an empty gesture.

HEW FUNDS INCREASED

Some of our greatest difficulties have come with the appropriations for Health, Education, and Welfare. Enactment of new social programs during the past 8 years have resulted in a tremendous increase in the budget for this Department. It requires great delicacy to balance the demands for these appealing programs against the fiscal facts of life.

The Johnson administration faced the issue squarely when it submitted a January budget that held to reasonable levels the rate of growth of many new HEW programs. President Nixon followed the same principle in his revision of the budget but went beyond the L. B. J. goals to improve overall results by combining under single headings many of the so-called categorical grants-in-aid.

Unfortunately, congressional action on the HEW appropriation has not been as soundly reasoned as the administration's program. Starting with a budget request for Labor-HEW of $16.5 billion, the Appropriations Committee recommended a modest increase when it reported the bill to the floor. Our recommendation was disregarded as the House itself added $922.6 million during debate. With this momentum the bill began to snowball. As reported in the Senate, it was increased another $3.2 billion. The Senate added $543.7 million during its debate.

HARD DECISIONS

Much has been said in Congress and in the press about the President's threat to veto this bill if it came to him grossly enlarged. The fact is that the President is simply living up to his responsibilities and, to paraphrase Kipling, he has tried "to keep his head when those around him are losing theirs."

My desk has been covered with telegrams the past few days and I have had many telephone calls from people who are sincerely concerned about handicapped children, education, retarded children, cancer research, and a dozen or more equally desirable and necessary programs. I understand and sympathize, but the fact remains that there are a limited number of dollars to spread among all the programs of the Government and we must make some hard decisions. As matters now stand, if the Congress is not willing to make those decisions, the President must make them. His personal commitment to an anti-inflation budget ceiling is reinforced by the congressionally imposed ceiling in Public Law 91-47.

A veto of the swollen HEW budget might be a field day for critics who would like to portray the President as an opponent of social programs. The fact is that it would be a dramatic demonstration of the need for great responsibility when dealing with fiscal matters no matter what the emotional appeal. The bleeding hearts tell us that much of the trouble among the poor and minority groups in the cities is the result of great expectations unfulfilled. What folly to create more great expectations which cannot be fulfilled.

In this area as in many others in Government, more consideration must be given to the identification and development of alternative means of correcting some of the severe social problems, welfare, health, and education, without increasing Federal spending.

SOME BUDGET CUTS

With regard to other appropriations, a request for $3.7 billion for foreign assistance was reduced by $1.1 billion. I believe this reflects our reservations about the use of public funds as an instrument of foreign policy. The narrow margins by which the authorization and the appropriation bills passed the House is fair warning to all concerned that the representatives of the people want to see this old program refashioned and reduced, failing which they will see to it that it is terminated.

For the sixth consecutive year, an unbalanced budget request was received from the District of Columbia. As in the past Congress has acted carefully in attempting to meet priority needs of the Nation's Capital while maintaining a responsible fiscal policy upon which it can build a stable future. Funds are included for the development of a rapid transit system concurrently with completion of the city's network of freeways. The people of this entire area are indebted to the President and to Secretary Volpe for taking a personal interest in ending a stalemate that has prevented this necessary development for the past several years.

The budget for the Department of Transportation and related agencies has been increased by $53.3 million over the amount requested. It includes a substantial increase for additional air traffic controllers and other measures aimed at improving traffic safety, and provides for the continued development of an SST considered essential to the U.S. leadership in this industry. I can hardly take issue with the importance of air safety, but we must provide for these kinds of requirements by identifying and reducing other activities of lower priority. I continue to believe the SST should be funded by the private sector of our economy.

Budget estimates for the Treasury-Post Office, independent offices, Interior, State-Justice, military construction, and legislative appropriation bills totaled $24 billion. These were reduced by $1.2 billion in the House and subsequent Senate and conference action resulted in bills totaling $23 billion. This is $956 million below the estimates submitted to Congress.

A supplemental budget request relating primarily to damage from Hurricane Camille has been acted upon within 4 weeks in response to the need for this assistance.

In the waning hours of the session we were confronted by the Philadelphia plan rider, added to the supplemental appropriation bill in Senate action. It was intended to block without hearing or debate a program that the administration believes will have great significance for individuals in our minority groups. The rider had no place on an appropriations measure. The issue should be developed and debated and decided on its merit. My own information is that it is not a quota system as some contend. It does not violate the Civil Rights Act. It is a plan that would encourage in the very best American tradition the cooperation of government, business, labor, and the individuals concerned in our effort to provide opportunity for the underprivileged and underemployed.

Mr. Speaker, I believe the above constitutes an appropriate summary of congressional action on appropriation bills during this session. I trust I have emphasized adequately my concern on the two general issues involved in delaying for so long final action on these money bills:

First, we have forced the Government to operate in a most uncertain and tenuous fashion for one-half the fiscal year, with the result that Government-related programs at the State and local levels and in business have also been forced to limp along in uncertainty.

Second, Mr. Speaker, our President has repeatedly expressed his concern at the threat posed to this Nation by inflation. I believe this problem dictates prudence and reason in meeting our responsibility for the judicious use of public funds. We must be more sensitive to this issue during consideration of the budget next session.

In closing, I do want to express on behalf of the members of the Appropriations Committee who sit on this side of the aisle, our appreciation for the many courtesies and support received from our colleagues during the past year. We join together in expressing greetings and our best wishes of this holiday season to each of you.

LANCE CPL. JOHN J. CROCE IS KILLED IN VIETNAM ACTION

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. LONG of Maryland. Mr. Speaker, Lance Cpl. John J. Croce, a fine young man from Maryland was killed recently in Vietnam. I wish to commend his courage and to honor his memory by including the following article in the RECORD:

LANCE CPL. JOHN J. CROCE

The son of an associate director of the Patuxent Institution was killed last Saturday in Vietnam, the Defense Department announced yesterday.

Marine Lance Cpl. John J. Croce, 19, was killed by small arms fire while at an ambush site in Thua Thien province, the Defense Department said.

BORN IN CARACAS

Corporal Croce was the son of Dr. Giovanni Croce, an associate director of the security facility for defective delinquents in Jessup. Dr. Croce, who lives in Columbia, also teaches psychiatry at the Johns Hopkins University.

Corporal Croce was born in Caracas, Venezuela, and attended high school in Miami. He enlisted in the Marine Corps last October and had been in Vietnam six months.

He will be buried in Caracas, where his mother, who has reassumed her maiden name of Miss Rosario Boulton, has returned to live, his stepmother said today. His parents were divorced in 1955

Besides his mother and father, Corporal Croce is survived by his stepmother, Mrs. Cynthia Croce, and two half-brothers, Matthew Croce and Christopher Croce.

LET'S NOT CRIPPLE THE TEACHER CORPS

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. BRADEMAS. Mr. Speaker, one of the finest editorial endorsements of the work of the Teacher Corps I have seen is in the following editorial from the October 31, 1969, issue of the Plymouth, Ind., Pilot News, in my own congressional district.

The editorial, entitled, "Let's Not Cripple the Teacher Corps," follows:

LET'S NOT CRIPPLE THE TEACHER CORPS

The nation is experiencing withdrawal symptoms from more than one war.

As Vietnam has turned sour, so has the grand design launched so hopefully at about the same time for a massive assault on ignorance, disease, blight and deprivation here at home.

Willard Wirtz, former secretary of Labor, charged the other day that the war in Vietnam "has created a divisiveness and bitterness in the U.S. that has reduced it to a state of stagnation." As long as the war lasts, he said, it "destroys the national capacity to move ahead with anything."

In large degree, of course, the administration's continuing battle with inflation is a factor in this "stagnation" since gains against inflation depend upon retreats all along the federal spending front, from defense procurement to funding of antipoverty programs.

Yet despite all the talk about what could be done when the war in Vietnam is over, neither the people nor the administration nor the Congress seem to be exactly chafing at the bit to unleash all those looked-for billions and re-direct them at our domestic problems. In some areas of domestic concern we are, in fact, doing less than was true at the height of the Vietnam conflict.

One example of an idea that started out as a bright hope but which is now all but dead is the Appalachian Volunteers, a program under which the Office of Economic Opportunity once sent hundreds of young people into the mountains of Virginia, West Virginia and Kentucky to organize and educate the poor with the aim of helping them to help themselves to better their lives. In this case, political reaction as well as budgetry retrenchment has caused the program to be officially abandoned.

Not in such dire straits but still indicative of the waning national enthusiasm for the war on poverty, ignorance, etc. is the Teacher Corps.

Established in 1965, the corps is a countrywide effort to improve educational opportunities for children from low-income families by attracting able college students in two-year programs in which they continue their own educations while serving in poverty area schools.

Some 1,950 men and women college undergraduates and graduates are currently involved in Teacher Corps programs located in 36 states and the District of Columbia and working with 72 institutions of higher learning, 136 school districts and three state correctional institutions.

Since the corps began, more than 5,500 interns and team leaders have been enrolled. Of those interns who completed service in 1968, 86 per cent said they planned to continue their careers in education, 72 per cent of them in poverty area schools. The same patterns seem to be continuing among 1969 interns.

This is especially encouraging in view of other surveys which show that very few of the nation's graduating teachers intend to seek jobs in poverty area schools.

Nevertheless, "The Teacher Corps usually has about as much trouble getting money out of Congress as Eva had crossing the ice," says one official.

This year the House lopped the administration's request for fiscal 1970 appropriations from $31.1 million to $21.7 million. Although this is $800,000 more than was appropriated in fiscal 1969, because of inflation and other factors it will actually support fewer corps members than in the previous year.

The appropriations bill is now in the Senate, where the corps had scaled down its request to $24.7 million. At this figure, it could enlist 500 more corps members than last year.

This is 1/100th the number of GIs the nation is supporting at immensely greater cost, in Vietnam.

QUESTIONNAIRE RESULTS

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. UDALL. Mr. Speaker, last October, as I had done for several years in the past, I mailed a legislative questionnaire to all of the residents in the Second Congressional District of Arizona. The response of my constituents was most gratifying; 35,480 Arizonans, or about 19 percent of those registered, cast their "votes." I believe my colleagues may be interested in the results, which have just been tabulated.

Let me say at the outset, however, that I do not pretend that the survey responses represent a completely accurate cross section of my district, either from an occupational or a political standpoint. A disproportionate number of business and professional people were among the respondents, for example. And, whereas 62 percent of the registered voters in my district are Democrats, with 38 percent classified as Republicans or Independents, there were actually more Republicans—44 percent—than Democrats—41 percent—who replied to my questionnaire.

Nonetheless, it is reassuring to know that so many Arizonans were willing to take the time to let me know their views on important questions of public policy. And the questionnaire responses, whatever their limitations, do give a Congressman a much better "feel" for the opinions of the people he represents than any other device I have been able to uncover.

STRONG SUPPORT FOR POPULATION POLICY

Mr. Speaker, one of the most decisive verdicts registered by my constituents in their questionnaire replies resulted from a question I asked on population control.

I pointed out that this Nation's population has doubled since 1917 to 200 million, and that projections indicate we will add another 100 million by the year 2000. While some people may argue that this population growth can be easily accommodated and is good for the economic health of the country, others believe that it will add to our environmental problems and generally reduce the quality of life. Given this difference of opinion, I asked the voters of the Second District to choose which of the following views most closely approximated their opinions:

First. I favor a national policy aimed at stabilizing our population through voluntary means.

Second. I believe this is a strictly private matter and not a proper concern of Government.

Mr. Speaker, 71 percent of my constituents said they favor a national policy aimed at population stabilization. In the past, birth control has always been regarded as an extremely delicate subject, one which Government approached with extreme caution. I recall that it was just 6 years ago that I introduced what I believe to be the first House bill bearing on the topic. And yet today nearly three-quarters of the people in my district apparently favor adoption of a national policy of population control. I find this heartening evidence of a growing awareness of the population explosion and the ever-increasing danger that it poses.

LOW PRIORITY FOR MILITARY SPENDING

Another basic conclusion I have drawn from studying views set forth in the questionnaire responses is that the voters in my district are very concerned about the commitment of so large a percentage of our national wealth to defense projects. This was reflected primarily in a question I posed about the current level of military spending.

Noting that the United States now has 3.4 million men in uniform and that military spending, exclusive of Vietnam, was estimated at $53 billion, I asked if this level was too low, about right, or too high. Overall, 61 percent of those replying considered the amount of military expenditures to be too high, and this reaction did not vary significantly among age and occupational groups. Democrats—65 percent—were slightly more opposed to defense spending, but their view was shared by a majority of Republicans—55 percent.

Another response which suggested that new military programs would be greeted with scant enthusiasm in the Second District developed from a question on budget priorities. I posed a hypothetical situation in which the Vietnam war had ended and the surtax had been dropped, but in which other taxes were the same. I then suggested that we would have a Federal budget surplus of $10 billion and asked in what order of priority the respondent would rank the following possible uses for that surplus:

First. Stepped-up efforts to combat air and water pollution, to acquire and develop park lands, and to protect our environment.

Second. New initiative in attacking the problems of our cities—unemployment, transportation, housing, education, and poverty.

Third. National defense—the building of new weapons systems, missiles, ships, and planes.

Mr. Speaker, we know that the Tax Reform Act of 1969 has slightly altered my hypothetical situation; "other taxes," as I described them, will not be the same. However, recognizing that fact, I think it is nonetheless interesting to see how my constituents assigned priorities to these areas of governmental activity.

I found that just 20 percent of the respondents believed that national defense warranted top priority, while 45 percent ranked it last among the three options.

As might have been expected, persons from 21 to 29 years of age—57 percent—and students—65 percent—were among the groups who felt most strongly that defense should be assigned the lowest priority. More Democrats than Republicans—50 percent to 38 percent—gave a third place rating to national defense and more Republicans than Democrats—24 percent to 17 percent—placed it first on their lists.

More Arizonans polled—42 percent—believed protection of the environment should head the list of priorities than any of the other choices; three-quarters of the respondents placed it either first or second.

A new attack on the problems of the cities was the first selection of 31 percent; 32 percent chose it second and 20 percent third, with the balance not responding.

WHAT POLICY FOR VIETNAM?

As I indicated in the question on priorities, any future budgetary surplus that we may have is likely to be a "peace dividend," a result of the conclusion of the war in Vietnam.

What is the present administration's Vietnam policy? Will it lead to peace? Or will it lead to a prolonged war at a lower level of American involvement?

President Nixon has said he will pull all combat troops out of Vietnam within a certain time period not made public. Many in Washington have concluded this means we will leave noncombat forces in Vietnam. The Chairman of the Joint Chiefs of Staff has testified he believes our involvement there will continue for "several years." And the most commonly held view is that the President intends to leave about 200,000 U.S. servicemen in Vietnam to support the war effort of the South Vietnamese.

I do not know that this is, in fact, the President's policy. I hope it is not. But, in view of the many signs that this is what President Nixon and his advisers have in mind. I thought it would be instructive to know how the people of my district would vote on such a policy, if given a choice.

What I asked was: Some people say the United States intends to reduce its forces in South Vietnam to perhaps 200,000 and then dig in for a long struggle—perhaps 5 or 10 years—to defend that country from a Communist takeover. Would you favor or oppose such a course?

If this is the plan of the administration, a solid majority of my constituents is opposed to it. The responses were 34 percent in favor, 62 percent opposed, the rest undecided. Opposition was pronounced among students—77 percent—and those in the 21–29 age group—66 percent, but was consistently high among virtually all age and occupational groups.

However, I want to make clear that I do not interpret this as a vote against President Nixon or his Vietnam policy; it is merely a vote against a course of action which might or might not be embraced by the administration, either now or later.

OTHER ISSUES

In addition to the topics I already have discussed, there were five other issues on which I solicited the views of my constituents. Three of the questions already have been answered, at least partially, by the Congress in 1969—those involving the anti-ballistic-missile system, increasing the tax rate on capital gains and direct election of the President—pending in the Senate. Two other hard questions remain, questions which all of us will have to ponder in the weeks and months ahead. Following are the results on these five questions expressed in percentages.

Volunteer Army: It has been proposed that, except in times of a national emergency or a major war, the military draft be ended and that pay and benefits of military service be increased sufficiently to recruit an all-volunteer Army, Navy, and Air Force. Would you favor—67 percent; or oppose—30 percent—such a plan? It is pertinent to mention here that 60 percent of the students and 64 percent of those in the 21–29 age bracket, those most directly affected by the draft, favored the all-volunteer Army concept.

Direct election of the President: The House has passed a constitutional amendment which would abolish the electoral college and have the President and the Vice President elected by direct popular vote. Those in favor argue that the electoral college is dangerous and outdated. Those opposed say that election by popular vote would change our federal system and deprive small States, like Arizona, of some of their voting power. Would you favor—83 percent; or oppose—14 percent—this amendment?

Space program: The United States has now spent about $50 billion on its space program, nearly half of this in landing men on the moon. NASA plans nine more moon landings in the next 3 years and some believe we must start now on a $25 to $40 billion program to put men on Mars. Which of the following statements comes closest to your view: This is a great adventure for man, and we should proceed full speed ahead—28 percent; I support the space program but believe we should cut back on spending and go more slowly—39 percent; I favor major cutbacks in space spending until we have taken care of our more pressing domestic problems—32 percent. Note that 71 percent of the respondents favor some reduction in our space program.

Capital gains income: At present, income from investment is taxed at rates below income from employment or profits from business. A bill before Congress proposes to increase the maximum rate on investment income from 25 to 35 percent. Would you favor—57 percent; or oppose—36 percent—this increase in the capital gains tax? Democrats approved the rate hike by 65 percent—27 percent; Republicans were less enthusiastic, but a majority still was favorable by 52 percent—42 percent.

Antiballistic missile—ABM: From what you have read and heard, do you think this country should proceed to build the Safeguard anti-ballistic-missile system? Yes—50 percent; or no—45 percent. Republicans supported President Nixon's proposal to build the system by 57 percent—37 percent; Democrats were opposed by a slim 49-to-48-percent margin.

COMMUNIST PRESSURE ON SOUTH KOREA

HON. DONALD E. LUKENS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

December 23, 1698

Mr. LUKENS. Mr. Speaker, as the year draws to an end, I should like to bring the attention of the House and my distinguished colleagues recent political situations in one of our strongest allies on the other side of the Pacific.

In the Republic of Korea, on December 11, a few trained Communist agents kidnaped a Korean passenger plane, Y.S. 11, with its 47 passengers, and to this date, neither plane nor passengers have returned. Because Korea has been a stanch supporter for America, she is under constant pressures and threats by Communists engaging in various types of subversive activities to create a political chaos and thereby setting the stage for another Vietnam in Korea.

Thanks to the strong leadership of President Chung Hee Park and the resolute will of South Koreans to resist the Communist threats, Korea has successfully remained as the most anti-Communist country in Asia. The determined will of South Koreans, however, is not sufficient. Facing growing power of an aggressive Red China and Soviet Russia, both contiguous with the Korean peninsula, an unyielding U.S. support and readiness for retaliatory action to the Communist provocation are absolutely required for the survival of the Republic and maintenance of political stability.

Miscalculation is one of the most common causes of war. I firmly believed that a weak U.S. policy toward provocative actions committed by the Communists induce North Koreans to commit more aggressive actions. Conversely speaking, the Communist, through a provocative offense, tries to find out the truthfulness and seriousness of the U.S. commitment as was dramatized by the *Pueblo* incident. It is still vivid in our minds that the infirm U.S. attitude lacking any physical retaliation after the seizure of the *Pueblo* obviously convinced North Korea that they can get away with such offensive acts. The result was more aggressive and vicious acts, the shooting down of an unarmed American plane. It was only after the powerful display of the 7th Fleet Task Force that North Korea began to slow down their series of atrocities. Yet it is not the end or abandonment of their scheme.

The hijacking of a Korean plane is radically different from the cases of hijacking of U.S. planes to Cuba today. The Korean case is evidently premeditated by the North Korean regime and is intended to disturb political stability as well as to test the will of both Korean and American Governments.

This series of illegal and offensive acts must be met with stronger U.S. action. A firmer U.S. stand to the Communist provocations will not only help prevent the recurrence of vicious acts by them but is the only means of deterring another conventional war in Korea and other parts of the world.

Shifting from the enemy to the civil preparedness on our domestic scene, one of our leading newspapers recently carried, on several occasions, a full-page ad concerning the biography of Il Sung Kim, the North Korean Prime Minister, branded by the U.N. and the United States as an aggressor in the Korean war, 1950 to 1953.

Jo-Chong Yon, a political agent for the North Korean Communist regime in Japan, gave a copyright of Kim's biography to a Japanese publishing company, "Miraisha" and commissioned an American advertising agent in Japan with expenses to carry expensive ads in various leading newspapers in the West.

The cardinal design of the ads mentioned is clear: Its prime objective does not lie in commercial objectives but in the political strategic scheme. The ads were intended to plant for Il Sung Kim an image as "another Ho Chi Minh of Korea" who will launch a nonregular warfare in the south at a proper, chosen time.

While we are spending our taxpayers money to assist South Korea to establish a self-sufficient economy and political stability, some of our news media are promoting the man who is directly responsible for the death of hundreds of thousands of our boys during the Korean conflict. Even at this very moment, he is frantically trying to destroy whatever progress that has been accomplished in Korea.

The mistakes of this sort in the U.S. domestic politics are tacitly encouraging our enemies to launch such provocative acts as illogical seizure of the *Pueblo*, atrocity of shooting down the EC-121 and the hijacking of the Korean plane with 47 passengers this month. In the long run, however, their provocative acts will not end in a mere provocative act, but will lead to bigger and more aggressive war activity.

I, therefore, would like to urge my distinguished colleagues and the administration to let the Communist know of our firm stand behind the free people of Korea as well as other parts of the world by manifesting a sterner policy against aggression and acts of provocation.

EATON'S HANOI TRIP HELPS PEACE CAUSE

HON. WILLIAM F. RYAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. RYAN. Mr. Speaker, the Vietnam war grinds on. Although the administration points to reduced casualties, to the slain soldier or civilian, and to his family, there is no solace in smaller numbers. Death is absolute, and group statistics do not alter its finality.

It is encouraging to see the increasing number of newspapers and influential media in this country affirming peace. In this regard, I commend to my colleagues an editorial by John S. Knight, which appeared in the Akron Beacon Journal on December 21, and in other newspapers in the Knight chain. This editorial pays tribute to Cyrus Eaton, the Ohio industrialist, who, in the words of Mr. Knight, "in his way and with remarkable courage obeyed the Biblical injunction to live peaceably with all men." The editorial follows:

EATON'S HANOI TRIP HELPS PEACE CAUSE

(By John S. Knight)

At this season of the year, as we pray for peace and the safety of loved ones in Vietnam, it seems appropriate to talk of a man who has dedicated his wintry years to ending a cruel and senseless war.

I speak of Cyrus S. Eaton, the 86-year-old Ohio industrialist, who in recent weeks has visited Paris, Moscow and Hanoi in the quest for a solution to the impasse between the United States and North Vietnam.

But first, as a noted editor is fond of saying, "Let me give you the background."

Cyrus Eaton is an atypical capitalist. Though he presides as chairman of the Chesapeake & Ohio Railway and has served on dozens of corporate boards, his interests range from cattle breeding to membership in the Academy of Poltical and Social Sciences.

He is the founder of the famed Pugwash seminars where world leaders of government, science, education and philosophy gather each Summer in Nova Scotia to exchange views and explore common problems.

What distinguishes Eaton from his fellow tycoons of the business world is his long held conviction that Russia and the United States must reach accommodations on trade and other questions at issue if we hope to have a peaceful world.

He was largely responsible for arranging the visits to this country of Nikita Khrushchev, Alexei Kosygin and Anastas Mikoyan. It all began some 15 years ago when a group of Russian journalists wanted to see the home of an American industrialist. The State Department requested Cyrus Eaton to undertake this responsibility because of his contacts with the Russians during World War I.

Eaton's advocacy of the need for better relations with Russia has not contributed to his popularity. He has been called a Communist and worse by the business establishment. The general public has shown but little sympathy for his views.

To such criticism, Eaton replies: "I am a dedicated capitalist, both in theory and practice. The Soviet Union exists, so let's meet them halfway—let's know the top people and work with them. As long as we carry on warfare, we just make them fanatics—they go to extremes. So let's see if we cannot compromise with them."

In an interview with Merriman Smith of United Press International, Eaton added: "We need to export our food products in great quantities and extend credit. We also ought to supply backward countries with machinery and equipment. At a profit, of course. This is better than sending military missions to police them."

Eaton observes that "it used to be fashionable to be anti-Communist and denounce anything of that kind. Now, half of the world is Communist—that's a hell of a lot."

He thinks, too, that the United States was wrong in placing an embargo on Cuba. "We thought an embargo would bring an end to the Castro regime, but the things Cuba needs of American origin can be obtained from our allies—Canada, Great Britain, France—and, of course, from the Communist countries."

As Merriman Smith has written, "Cyrus Eaton is not only a capitalist, he is a highly pragmatic capitalist."

There are overtones of Eaton's pragmatism in his just concluded eight day discussions with the leaders of North Vietnam in Hanoi. For he feels that to prolong the war is to invite serious economic consequences in our own country.

The main obstacle to peace, as Eaton sees it, is Hanoi's conviction that President Nixon's peace gestures are not sincere and that he really wants to continue the war.

In a Hong Kong talk to foreign correspondents, Eaton expressed the view that he thought he had made "some progress" in convincing North Vietnamese leaders to the contrary.

Another hang-up is the refusal of Premier Pham Van Dong and Foreign Minister Nguyen Duy Trinh to have any dealings with the present Saigon government. They are still demanding the complete withdrawal of American troops and formation of a provisional government to replace President Thieu and Vice President Ky.

Even so, Eaton said he has "discovered enough give; and enough good will in Hanoi to indicate that compromises are possible to end the war." In this connection, he mentioned assurances from the North Vietnamese that American prisoners would henceforth receive better treatment including mail from home and dispatching of letters to the United States.

None of the above is intended to have you believe that Mr. Eaton will succeed where two Presidents have failed.

As the old saying goes, it is easier to get involved in wars than to get out of them.

Yet Mr. Eaton has performed a useful mission. As he told me, "I wanted the Communist world to see an American capitalist who is opposed to the war. North Vietnam has the notion that our industrialists are interested only in profiting from the war."

This vigorous man of 86, the object of derision in the past, may have made an invaluable contribution to the cause of peace by providing a better understanding of the barriers of peace.

Cyrus Eaton will hear that he has been brainwashed, and be scorned as a Russian lover by those whose hatred of the Soviet Union paralyzes the ability to reason.

But never mind. Cyrus Eaton has in his way and with remarkable courage obeyed the Biblical injunction to live peaceably with all men.

BLACK LUNG BENEFITS

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. BURTON of California. Mr. Speaker, I think it is important that the black lung benefit provision of the Coal Mine Health and Safety Act be clearly understood. Therefore, I have prepared the following analysis.

This new program provides a congressional recognition of the debt owed by this Nation to those who work—or have worked and are now retired—in the Nation's coal mines and their families.

The black lung benefit payments represent some financial recognition of the decreased earning capacity, shortened lifespan, and physical pain and suffering inflicted on many miners—and their families—by the dreaded black lung disease.

This program is not a welfare program. Payments to those found eligible is a matter of right, written into Federal statute. There is to be no "means" or "assets" test of any kind whatsoever. The law does provide certain limited "offset" provisions that I shall mention later.

Congress intended that this black lung provision be construed in a manner that will assure accomplishment of the purposes of the title and will provide benefit payments to the greatest number of eligible persons possible.

The material referred to follows:

Explanation of Black Lung Benefit Provision—General Procedure To Follow in the Filing of Black Lung Claims

Claims should be filed at the local Social Security office which will provide the forms to be filled out and assistance in filling them out.

The Social Security Agency will reimburse all claimants for reasonable medical expenses incurred in the filing of their claims. In other words, a miner (active or retired), or his widow who files a claim for black lung benefits, will have that claim processed by the local Social Security office in the same way as claims are filed for total disability under the Social Security system. But also, in the case of a black lung claim, the Social Security will reimburse the claimant for reasonable medical costs.

COAL MINER'S WIDOW'S BENEFITS

1. See Black Lung Benefit Chart for varying amounts, according to family size.

2. Benefits Are Payable to Widows—if eligible—from the date the claim is filed. So, all widows should *immediately file* with the local Social Security office a claim for Black Lung Benefits.

3. What coal miner's widows are eligible?

Answer: A wife living with or dependent for support on the miner at the time of his death, or living apart for reasonable cause, or because of his desertion, who has not remarried, is entitled to payments if—

(a) Her husband died due to pneumoconiosis (there is a rebuttable presumption that any coal miner who worked in the mines for at least 10 years and died of a respiratory disease that the miner died of pneumoconiosis); or

(b) Any miner who died with (need not be from) complicated pneumoconiosis, his widow is automatically entitled to benefits; or

(c) The miner was receiving Black Lung Benefits at the time of his death. (Currently there are no miners receiving this payment—because of the newness of the law.)

COAL MINERS BENEFITS

1. See Black Lung Benefit Chart for varying amounts, according to family size.

2. Benefits are payable to a coal miner (active or retired) if eligible—from the date the claim is filed. (Because of the limit on earnings (see Benefit Chart)—an active miner should consult with the union representative—and the local Social Security office before filing a claim.)

3. What coal miners (active or retired) are eligible?

Answer: 1. Active and retired coal miners who have "complicated" pneumoconiosis are automatically eligible (subject to offset provision) for Black Lung Benefits.

2. Active and retired coal miners who are found by the Social Security Administration to be "totally disabled" due to pneumoconiosis.

4. What is pneumoconiosis?

Answer: Congress defined pneumoconiosis as "a chronic dust disease of the lung arising out of employment in an underground coal mine."

Partial list of chronic dust diseases of the lung arising out of employment in an underground coal mine (e.g. pneumoconiosis):

Coal workers pneumoconiosis.

Anthrocosis.

Silicosis (sometimes referred to as Grinders Rot, Miners Consumption; Miners Phthisis; Potters Asthma; Stone Masons Phthisis).

Diatomite pneumoconiosis.

Talcosis.

5. Can a coal miner (active or retired) be found eligible for Black Lung Benefits even though social security found him not eligible for disability under social security?

Answer: This question must be answered in 2 ways.

One, if Social Security has found that the miner was not "totally disabled"—the miner is not eligible for Black Lung, *unless* he has "complicated" pneumoconiosis. However Social Security has eased its rules recently and it would be advisable for a miner whose previous claim was denied by Social Security to file a Black Lung Benefit claim.

On the other hand, if Social Security found that the miner was "totally disabled" but denied his claim on other grounds—such as being over 65 years old, not having current earnings—or other non "disability" grounds, that miner would be eligible for Black Lung Benefits (a large number of miners—over 65 years old are eligible for Black Lung Benefits—even though they do not receive Social Security Disability because of the age limit of 64 years old in that program).

6. How will active miners know if they have pneumoconiosis?

Answer: The new Coal Mine Health and Safety Law requires the Federal government to provide free x-rays to the miners. (The coal operators must pay for the x-rays).

Although the new law does not require that active coal miners take or submit to an x-ray—it will always be in the coal miner's interest to accept x-ray examination.

Black Lung Benefit Claim Chart

Although coal miners (active and retired) and widows have until December 31, 1971 to file claims; all claims by *retired* miners and widows should be filed immediately because the benefits are payable from the date the claim is filed. (Active miners should consult with the union before filing a claim).

An eligible single miner (active or retired) is entitled to $1,635 a year.

An eligible miner with a wife is entitled to $2,452.50 a year.

An eligible miner with a wife and one child is entitled to $2,860.25 a year.

An eligible miner with a wife and two children is entitled to $3,270 a year (the maximum).

An eligible widow is entitled to $1,635 a year.

An eligible widow with one child is entitled to $2,452.50 a year.

An eligible widow with two children is entitled to $2,860.25 a year.

An eligible widow with three children is entitled to $3,270 a year (the maximum).

An eligible miner with no wife and one child is entitled to $2,452.50 a year.

An eligible miner with no wife and two children is entitled to $2,860.25 a year.

An eligible miner with no wife and three children is entitled to $3,270 a year (the maximum).

OFFSETS, REDUCTIONS IN AMOUNTS OF BLACK LUNG BENEFITS

1. There is no reduction in black lung benefit payments for any Federal Workmen's compensation, or Social Security payments (disability or retirement).

2. There is no reduction in black lung benefit payments for any union pension received by the Claimant.

3. There is no reduction in black lung benefit payments for any earnings of a coal miner's wife or widow. Therefore, the wife of a living coal miner, and the widow of a deceased coal miner can earn an unlimited amount of money with no reduction in Black Lung Benefit Payments.

4. There is no reduction in any social security payment for any black lung benefit payment.

5. Any payments received by a miner or a widow under *State* (there is no offset to any Federal payment) unemployment insurance, disability insurance, or workmen's compensation have their black lung benefits reduced by the amount of such payments.

It is the Congressional intention that these offsets (reductions) due to State social insurance programs be attributable to the miner's—not his wife or widows, as the case may be—earnings, disability or death.

Any workmen's compensation, unemployment insurance, or disability payments due to the earnings, death or disability of the wife or widow are not intended to reduce Black Lung Payments amounts.

6. However, the miner (active or retired) can only earn $1,680 per year. Any amount he earns more than that will cause an automatic dollar-for-dollar reduction in the amount of the black lung payment.

7. Any public welfare being received by a claimant *will be reduced* by the amount of the Black Lung Benefit. However, in virtually all cases the Black Lung Benefit is much higher than the public welfare amount.

MISCELLANEOUS PROVISIONS

1. Black Lung payments are not subject to the Federal Income Tax.

2. There is an automatic escalator (cost of living-like) clause in the Black Lung Benefit structure.

3. There are conditions under which claims may be filed after December 31, 1971. These provisions are less favorable than claims filed on or before December 31, 1971.

4. The Black Lung Benefits discussed in this article are not intended to be considered Workmen's Compensation payments and therefore not to be so treated for purposes of Section 224 of the Social Security Act.

Mr. Speaker, I am proud to be the author of the black lung benefit provision.

From the early days of John L. Lewis—until the present, there has been an effort to bring added dignity, safety, and a decent standard of living to those who "toil in the bowels of the earth." The passage of this year's health and safety law comes too late to help the thousands who have been crippled, maimed, and killed in past years. It will, however, make coal mining a much safer and healtheir job.

It is my fervent hope that the black lung benefit provision will, in some small way, ease the suffering and lift the weight of loneliness inflicted on the miners and their widows by this dreaded disease.

PRESIDENT NIXON GIVES ADDRESS AT NATIONAL FOOTBALL FOUNDATION AND HALL OF FAME DINNER

HON. GERALD R. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. GERALD R. FORD. Mr. Speaker, for the edification and entertainment of our colleagues who follow football, as we near the end of the game's 100th season, I would like to insert at this point in the RECORD the remarks of the President of the United States at the National Football Foundation and Hall of Fame dinner at the Waldorf-Astoria in New York on December 9, 1969:

REMARKS OF THE PRESIDENT OF THE UNITED STATES AT THE NATIONAL FOOTBALL FOUNDATION AND HALL OF FAME DINNER

Mr. Chairman and Mr. Toastmaster, Your Eminence Cardinal Cooke, all of the distinguished guests at the head tables and all of the distinguished award winners and all of those who are here on this very momentous occasion:

It would be momentous because of this organization meeting to honor the man that you have honored and I speak of others, of course, than myself and it would be momentous too because it is the 100th year of a very great game.

I was trying to think of something that would appropriately describe how I feel in accepting this award. I would have to be less than candid if I were not to say that because of the offices I have held I have received many awards.

But I think Archibald MacLeish, in that perfectly eloquent tribute to football, quoting Secretary of State Dean Acheson, put it very well. He said, "The honors you don't deserve are the ones you are most grateful to receive."

I simply want to set the record straight with regard to my football qualifications. This is a candid, open Administration. We believe in telling the truth about football and everything.

I can only say that as far as this award is concerned that it is certainly a small step for the National Football Foundation and a small step for football but it is a giant leap for a man who never even made the team at Whittier.

I have looked around that wall. Whittier is not up there I can assure you. I didn't hear the Whittier song either a moment ago. In fact only the coach from Loyola knows where Whittier is. We used to play Loyola.

I got into a game once when we were so far behind it didn't matter. I even got into one against Southern California once when we were so far behind it didn't matter.

Just to tell you a little about Whittier so the record will be straight it is a school with very high academic standing. We had a very remarkable coach.

Today as we pay tribute to the players, I am glad that one of those who made the Hall of Fame is a coach, Bud Wilkinson.

I pointed out in my acceptance address in Miami that one of the men who influenced me most in my life was my coach and I think that could be true of many public men.

My coach was an American Indian, a truly remarkable man and a great leader. I learned more about life from him than I did about football; but a little about football.

One of the reasons he didn't put me in was because I didn't know the plays. There was a good reason for that. It wasn't because I wasn't smart enough. I knew the enemy's plays. I played them all week long. Believe me, nobody in the Southern California Conference knew Occidental's or Pomona's plays better than I did, because I was on that side.

I learned a lot sitting by the coach on the bench—learned about football and learned about life.

Incidentally, since this is a night for confession, I want to tell you one thing about Chief Newman. He played for Southern California. He played on their first Rose Bowl team and that first Rose Bowl team beat Penn State in the only game Penn State ever played in the Rose Bowl.

Now, because Governor Shafer is here and because I had an uncle who taught at Penn State and had a very distinguished record and because somebody suggested that some day I might want to visit the campus—after I have left the Presidency—I can only say that they have a great football team.

As a matter of fact, I was going to suggest that we have a super college bowl after the November or January 1 games and then I thought I was in deep enough already because look what could happen: Southern California could beat Michigan and they would claim they were Number One; Notre Dame might beat Texas and they would claim they were One; and, of course, you never know what would happen with Penn State and Missouri. I understand they are pretty good.

So I can only say this: I understand that Penn State certainly is among those that should be considered for One in the United States of America.

Now, could I share with you for a moment, in a somewhat serious vein, what football means to me? I think that is what the man who receives this award, particularly one who really doesn't deserve it because of his football prowess, that is something he is expected to do.

First, without talking about those factors that are tremendously important that Archibald MacLeish touched on, the character, all of the great spirit that comes into individuals who are either participants in the game, participate in it or watch it, I look back on football and have many pleasant memories: I just enjoyed playing it, watching it, reading about it over the years.

Among all of the people who have been honored tonight, let me just say a good word about sports writers. After all, I must say that this is not an unselfish statement, most sports writers become political writers in the end—"Scotty" Reston, Bob Considine, Bill Henry. So I am just planning for the future.

But, in any event, thinking of sports writers for the moment, they have made football live before the days of television and even now for many who never got to the games.

My first recollection of big-time college football was Ernie Nevers against Notre Dame in 1925. I see Ernie Nevers here and I sat in the stands with Father Hesburgh when Southern Cal played and lost to Notre Dame and I know the great spirit between those two schools. But I remember that game. I remember the score. I think it was 25 to 10 or four touchdowns to a touchdown and a field goal and I remember that the sports writers, Bill Henry of the L.A. Times, and others, were writing about the game, wrote about one play where Nevers went through the line close to the goal and there was a dispute about whether he went over and was pushed back.

I wonder whether or not, with the replays we have on television, the game might have turned out differently if we had had television in 1925. I am not saying it would, Father Hesburgh. I have enough trouble with Penn State. I don't want any with Notre Dame.

Then my memory goes on, just to share them with you, and interestingly enough I remember performances by men who lost as well as who won. That is rather natural, I am sure you can understand.

The first Rose Bowl game I saw was between one of the great Howard Jones teams of the early '30s and Jock Sutherland's Pitt teams. Pitt was overmanned. They had a fine quarterback in Warren Heller; a good passer. And Howard Jones had a team that beat them 35 to nothing.

But my memories of that team was not of the awesome power of Howard Jones' team moving down with the unbalanced single wing going down, down the field and scoring again and again with that tremendous blocking, but of two very gallant Pittsburgh ends, Stedani and Dailey.

For the first half, I remember they plowed into that awesome USC interference and knocked it down time and time again and held the score down. The game was lost, but I remember right to the last they were in there fighting and that spirit stayed with me as a memory and the years go on.

I think of another game, Southern Cal and Duke, 1938. I had attended Duke University for law school and I remember that Duke came there undefeated, untied, unscored upon. The score was three to nothing going into the last few minutes of the game. So out came a fourth string quarterback, not a third string, Doyle Nave, and he threw passes as they throw them today, one after another, to Al Kreuger, an end from Antelope Valley, Southern California scored. It was seven to three.

I must say that I was terribly disappointed, of course, but the woman who was to be my future wife went to Southern Cal and that is how it all worked out. We met at that game.

The years go on and I am not going to bore you with more of my own recollections, except to give you a feel of what football has meant to me as a spectator, and college football particularly.

I remember some Ohio State games. I recall going to Ohio State to a football game, and until you have been to Columbus to see an Ohio State game—in fact, until I went to Fayetteville, Arkansas, I thought the Columbus crowds were the most exciting. But in any event, that year, I think it was about 1958, I went there with Senator John Bricker. Iowa had a great team. They were a favorite over Ohio State.

They led going into the last quarter. Woody Hayes—in those days, it was just three yards and a cloud of dust. They didn't have the passers. But he had a great big fullback by the name of White and he ran him, starting at the 35 yard line of Ohio State, ten different times over the same hole in the Iowa line, going off the left side, until they scored, and they won the game 17 to 14.

If you think enthusiastic crowds developed in other places, you ought to see an Ohio State crowd when they beat anybody.

But in any event, on through the years, I come to more recent years, years that these younger men here will remember and recall with the same zest and enthusiasm, I am sure, that I do.

This year, 1969, certainly of all the hundred years of football none could be more exciting. There were never so many great teams, never so many Saturdays when the favorite could not be sure that he was going to come through, never so many times when a team that was behind came on to win or tie in the last quarter.

I am referring, of course, to Southern Cal, what they did to UCLA.

If you talk to somebody from UCLA they say it should not have happened. So, watch out, Michigan, for SC, it could happen. I am not predicting now. I have had enough trouble with Penn State. I don't want any with Michigan. Before I get through I will only have friends in Texas and I didn't carry Texas. So let's not talk any further about that.

But now, one serious moment. Archibald MacLeish did say what I wish I could have written about what football means to this country, what it means to me as an individual, what it means to me as one who is serving as President of the United States. I can only tell you that in the Cabinet Room there are the pictures of three men who I consider to be great Presidents: President Eisenhower, President Woodrow Wilson, President Theodore Roosevelt. There were other great ones, but these three in this century, I consider to be among the great Presidents.

All of them had one thing in common. They were very different men; Eisenhower, the great general; Theodore Roosevelt, the tremendous extrovert, explorer, writer, one of the most talented men of our time in so many fields; Woodrow Wilson, probably the greatest scholar who has ever occupied the Presidency, a man with the biggest vocabulary of any President in our history in case you want to put it down in your memory book.

But each of them had a passion for football. Woodrow Wilson, when he taught at Wessley and used to talk about the spirit of football, and later on when he was President of Princeton, he insisted on scholarship, but he recognized and tried to encourage football. T. R. was dictating a speech one day, a very important one. He got a call telling of two of his sons participating in a prep school game which they had won. He dropped the speech and ran shouting for joy to his wife and said, "They won, they won."

I remember President Eisenhower talking to me after his heart attack. He said one of the things he hated to give up was that the doctor said he should not listen to those football games because he got too excited and became too involved.

What does this mean, this common interest in football of Presidents, of leaders, of people generally? It means a competitive spirit. It means, also, to me, the ability and the determination to be able to lose and then come back and try again, to sit on the bench and then come back. It means basically the character, the drive, the pride, the teamwork, the feeling of being in a cause bigger than yourself.

All of these great factors are essential if a Nation is to maintain character and greatness for that Nation. So, on the 100th year of football, as we approach the 200th year of the United States, remember that our great assets are not our military strength or our economic wealth, but the character of our young people and I am glad that America's young people produce the kind of men that we have in American football today.

I close on a note that will tell you why I think Texas deserved to be Number One. It was not because they scored the second touchdown, but it was because after the first touchdown when they were ahead (behind) 14 to 0, the coach sent in a play. They executed the play and they went for two. When they went for two and the score was 18 (8) to 14, they moved the momentum in their direction. They were not sure to win because Arkansas still had a lot of fight left and I remember the great drive in those last few minutes. But Texas, by that very act, demonstrated the qualities of a champion, the qualities to come back when they were behind and then when they could have played it safe just to tie, they played to win.

This allows me to tell a favorite anecdote of mine in the world of sports. In another field, one of the great tennis players of all time, of course—the first really big tennis player in terms of the big serve and the rest, in our time—was Bill Tilden.

When he was coaching, after he completed his playing years, a young player had won a match in a minor tournament and won it rather well. He came off the court and expected Tilden to say something to him in words of congratulation, and Tilden didn't.

The player said, "What is the matter, I won it, didn't I? Tilden said, "Yes, you won, but playing that way you will never be a champion, because you played not to lose. You didn't play to win."

That is what America needs today. What we need in the spirit of this country and the spirit of our young people is not playing it safe always, not being afraid of defeat—being ready to get into the battle and playing to win; not with the idea of destroying or defeating or hurting anybody else, but with the idea of achieving excellence.

Because Texas demonstrated that day that they were playing to win, they set an example worthy of being Number One in the 100th year of college football.

Thank you.

EROSION OF U.S. SUPPORT FOR ISRAEL

HON. WILLIAM F. RYAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. RYAN. Mr. Speaker, Secretary of State Rogers held a news conference today in which he discussed United States-Israeli relations. He stated:

> I can understand why Israel is concerned, and why they don't necessarily agree with everything we do. But we have to conduct our foreign policy in a way that we think is best for our national interests.

I cannot fault the Secretary on his basic premise—we must be guided by our national interests. But its practice, so far as the Mideast is concerned is, in my view, seriously in error. This administration's posture toward Israel is undermining the possibilities of a viable peace being achieved between Israel and the Arab States pledged to destroy her. And this posture is thereby seriously endangering the viability—even existence—of Israel.

Yet it is essential to our national interest that Israel survives and thrives, just as a stable peace in the Mideast is essential. In fact, there cannot be one without the other. The President himself has said as much. On September 8, 1968, then candidate Richard Nixon stated:

> The United States has a firm and unwavering commitment to the national existence of Israel, repeated by four Presidents, and after Inauguration Day next year, it will be repeated by another President.
>
> America supports Israel because we believe in the self-determination of nations; America supports Israel because we oppose aggression in every form; America supports Israel because it is threatened by Soviet imperialism;

> and America supports Israel because its example offers long range hope to the Middle East.
>
> We recognize Israel's predicament; its enemies can afford to fight a war and lose, and come back to fight again. Israel cannot afford to lose once. America knows that. And America is determined that Israel is here in the family of nations to stay.

Since the Nixon administration took office, U.S. policy toward Israel has, in fact, changed, attempting to force dangerous compromise on Israel in an effort to curry unwarranted favor with the Arab States of the area. This signals a departure from the consistent commitment to Israel expressed by four Presidents of the United States—Truman, Eisenhower, Kennedy, and Johnson.

Following the 6-day war, in June of 1967, President Johnson stated, on June 19, 1967, this country's "commitment today—to a peace that is based on five principles: first, the recognized right of national life; second, justice for the refugees; third, innocent maritime passage; fourth, limits on the wasteful and destructive arms race; and fifth, political independence and territorial integrity for all."

In the same speech, President Johnson made clear that the peace would have to be reached by the parties themselves. He said:

> Clearly, the parties to the conflict must be the parties to the peace. Sooner or later, it is they who must make a settlement in the area.

President Johnson's speech of September 10, 1968, somewhat amplified his June 19 speech by adding reference to the Jerusalem question and to the issue of borders. Jerusalem was recognized as "a critical issue of any peace settlement," and the parties were urged "to stretch their imaginations so that their interests, and all the world's interests in Jerusalem can be taken into account in any final settlement." In discussing the question of borders, the President said:

> We are not the ones to say where other nations should draw lines between them that will assure each the greatest security. It is clear, however, that a return to the situation of June 4, 1967, will not bring peace. There must be secure and there must be recognized borders.

In also discussing the refugee problem, President Johnson urged Israel and her Arab neighbors to "participate directly and wholeheartedly in a massive program to assure these people a better and a more stable future."

Thus, until January 20 of 1969, the United States was committed to the parties themselves making the peace. It urged the general principles on which such a peace should be based, and considerations—such as Jerusalem—which should be taken to account. It supported border changes which would achieve security. It opposed unilateral withdrawal by Israel.

This changes with the inauguration of the Nixon administration. First, four power talks became a cornerstone of U.S. strategy. And by his March 4 news conference, President Nixon expanded the notion of these talks to include the idea of four power guarantees:

> (F)rom the four power conference can come an absolute essential to any kind of peaceful settlement in the Mideast, and that is a major power guarantee of the settlement.

At the same press conference, the President maintained that the four power talks could indicate those areas where they believe the parties directly involved in the Mideast could have profitable discussion.

Israel maintained consistent opposition to any idea of an imposed peace; on March 31 it announced that it opposed any settlement and any procedure that is not agreed upon by the governments concerned.

While not rejecting the idea of direct negotiations, the Nixon administration continued to undermine the Israeli position by seeking to involve other parties in the settlement. Thus, on April 8, Secretary of State Rogers reiterated the idea of guarantees, except now he said:

> What we are thinking of principally are some guarantees, probably by the United Nations.

Throughout this period, the United States was making proposals through diplomatic channels—chiefly to the Soviets—for suggested peace plans. The administration was still committed, according to an article in the Christian Science Monitor of May 22, to no Israel withdrawal without prior agreement between Israel and the Arab States on all elements of a peace settlement, and to the signing of a contractual, reciprocally binding, legally documented peace treaty between the conflicting parties.

But by November 13, there were reports that the newest U.S. proposal spoke of an Israel-Egypt border based on the 1949–65 line, whereas previous proposals in the spring had been more general in stating that that line should not be excluded—that is, it was just one possibility for border settlement.

On December 9, Secretary Rogers made the major speech on U.S. policy vis-a-vis the Mideast peace issue. Again, there were subtle changes from previous positions. Now, he stated the Nixon administration's policy thusly:

> (It) is to encourage the Arabs to accept a permanent peace based on a binding agreement and to urge the Israelis to withdraw from occupied territory when their territorial integrity is assured as envisaged by the Security Council resolution (of November 22, 1967).

Thus, whereas previously the United States had been committed to a contractual, reciprocally binding, legally documented peace treaty, the Secretary of State was now calling only for some undefined binding agreement to achieve what he later in his speech referred to as a state of peace.

Any border changes were to be confined to insubstantial alterations required for mutual security, whereas the Johnson speech of September 10, 1968, spoke of not returning to the situation of June 4, 1967, and of "secure and recognized borders." In fact, the Secretary of State's speech of December 9 called for complete withdrawal from occupied Egyptian territory to the pre-6-day war lines.

On December 20, reports appeared in the press about an Israel-Jordan peace settlement proposal made by the United States. Whereas, previously there was ostensibly a commitment on the part of the United States that the parties to the peace would make the peace—a commitment stated as early as June 19, 1967, by then President Johnson—with outside parties merely providing assistance, the new U.S. proposal made specific suggestions which appeared to leave the Israelis little maneuvering room. In the view of the Israelis, "the U.S. proposals do more than to undermine the principle of negotiation; they preempt its very prospect. For there can be little meaningful left for the parties to negotiate once outside powers decide on each and every item for solution. Certainly, the Arabs are not going to give an inch on anything that has already been decided upon in their favor by the powers."

Apart from this change in concept, the Israel-Jordan proposal also signaled more changes in substance. As reported in the New York Times on December 22, the proposal called for the withdrawal of Israeli troops from substantially all of Jordan's west bank. This differed from the Israel-Egypt settlement proposal, which Secretary of State Rogers had first discussed publicly in his December 9 speech, by at least acknowledging the possibility of some border changes. On the question of refugees, the proposal called for giving them the choice of repatriation or reparations along with resettlment in Arab countries, whereas the U.S. position previously was much more general, and thus enabled more flexibility.

The following interview on December 22, reported by James Feron in the New York Times today, with Premier Golda Meir of Israel presents the Israel reaction:

> Mrs. Meir spoke of the stream of proposals that have been presented to the major powers by Washington. Under President Johnson Israel apparently was consulted beforehand; now, it appears, some were submitted to Israel as late as 11 weeks after they were presented to the big powers.
>
> "They've submitted I don't know how many papers—10, maybe 15—since 1967, and the Russians have presented one," she said.
>
> "If I were the Russians I would do exactly the same. They sit there and say nothing, or at best, 'This is too pro-Israel. This we can't accept.' O.K. In another month or even two weeks there's another paper and the Russians say, 'This?' and turn it back."
>
> "I don't think it's Washington's intention," the Premier continued, "but each new proposal encourages the Arabs to increase their military activity across the borders. Things are going good for them. They just have to shoot more."
>
> "How can this lead to peace?" she asked.
>
> "But procedure is one thing," she said. "What we are especially concerned with is substance. There are matters of peace and borders and refugees and Jerusalem." * * *
>
> At one point, she said, an American proposal stated that "the international boundary is not necessarily excluded". The next document read "the international boundary is not excluded." Now, she went on, it is "the international boundary should be the boundary." * * *
>
> Where American proposals once spoke of peace agreements they now speak of final

accords, she said, and there are references now to a final document or "documents" instead of the "binding, contractual" pacts suggested earlier.

Mrs. Meir maintained that even beyond the changes in references to border adjustments, "which now leave us very little to negotiate," the more basic issues are being ignored or eroded.

"Nothing says there should be formal recognition of Israel," she said. "There's no recognition of statehood in these documents."

On the refugee problem she said there was a time when "there was a limit, then they were talking of an annual quota, when we had a veto of sorts.

"Now they want to take us back to the geography of 1967," she continued, referring to the proposed "insubstantial" border changes proposed in the US paper, "and the demography of 1947."

"We are supposed to absorb I don't know how many refugees," she said. "The principle outlined is that the refugees of the 1948 war be returned, including all those ever under the mandate of the United Nations Relief and Works Administration."

This formulation, Mrs. Meir said, was intended to include the many thousands of refugees who "never stepped into a refugee camp, who have established themselves, who live in Cairo, Damascus and Beirut."

She said the thrust had also changed, so that instead of Israel and Jordan negotiating a refugee settlement, all they had to do was agree to the "procedures" for repatriation of those refugees who declined resettlement.

The Premier spoke of the United States proposal for Jerusalem, a divided city the Arab part of which was taken by the Israelis in the 1967 war and annexed a month later. The Arabs insist that they have a say in the city.

"The only positive element in the American plan is that it's agreed that Jerusalem should remain united," she said. Then she spoke of how Washington's position had changed on this issue in the face of what she termed Arab intransigence.

An earlier document, she said, spoke of Jordan's "having a defined role, civic, economic and religious, in Jerusalem, which would remain a unified city; arrangements would be made to insure the interests of all religions."

The latest proposal, she added, contains this formulation: "Arrangements for the administration of the unified city should take into account the interests of all its inhabitants and of international"—"Jewish, Islamia and Christian communities."

"It doesn't say that Jerusalem should be internationalized," she commented, "but if this isn't internationalization I don't know what it means."

Mrs. Meir, thumping a fist on the table, said:

"Look, Israel won't accept this. We're not going to commit suicide. We didn't survive three wars in order to commit suicide so that the Russians can celebrate victory for Nasser.

"That isn't what we're living here for and what thousands have died for. Nobody in the world can make us accept it. What can happen is that life can be made difficult for us."

Mr. Speaker, the U.S. position so far as Israel is concerned is one of continual retrogression. It has gone from the commitment under the Johnson administration to, first, a peace made by the parties to the conflict; second, adjustment of borders to insure security; third, maneuverability in resolving the refugee problem, and fourth, flexibility on the question of Jerusalem; to now calling, under the Nixon administration, for, first, the parties merely to fill in the details of specific proposals made by this Government; second, Israel to totally withdraw from former Egyptian territory, and "insubstantial alterations" in other borders; third, repatriation of 1.4 million Palestinian refugees into an Israel with less than twice that many people right now; and fourth, a unified Jerusalem under, apparently, dual Jordanian-Israel control.

I do not contend that the Nixon administration is made up of men of ill will, bent on selling Israel down the river. It is commendable that the Government is seeking a peaceful resolution of the tragic Mideast conflict—a conflict in which the victims have been suffering for 20 years now. But I do contend that the U.S. shift toward what Secretary of State Rogers has termed a "balanced policy" is misplaced, dangerous, and does violence to Israel's national interests, and, thereby, to the national interests of the United States. The shift wrought by the Nixon administration has undercut Israel's insistence on direct negotiations and, should such negotiations finally occur, Israel's flexibility in them.

If nothing else, the grim record of the past 20 years should have made clear that, until the Arab States and Israel negotiate directly, there will be no viable peace. Twenty years of resolutions by the United Nations, 20 years of statements by the United States and by Russia and by England and by France have been unavailing in bringing peace to the Mideast. Yet, perversely—in the face of this history—the Nixon administration continues to develop a policy inconsistent with a directly negotiated peace.

Permanent peace in the Mideast will not be achieved by a policy which sacrifices the interests of a beleaguered democracy—a democracy which alone in the Mideast has brought life to the desert; a democracy which has had the courage to fight its own battles; a democracy which embodies and upholds those very traditions upon which this Nation is founded.

THE YEAR 1969—A YEAR OF TRANSITION FOR CONGRESS AND THE NATION

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. BROOMFIELD. Mr. Speaker, 1969 was a year in which Congress and the Federal Government shifted gears to begin moving in new directions in basic new ways.

It was a period of transition in which Congress gave more than usual attention to national priorities, to reexamining and questioning old objectives and methods, and to setting new goals for the 1970's. It was also a year for rethinking our role as a world superpower.

For the first time in decades, Congress raised serious questions about military spending and cut it substantially. Congress reasserted some of its dormant authority in the shaping of foreign policy and gave unprecedented priority status to the problems of pollution and environmental quality. In addition, it tackled such vital, far-reaching issues as tax reform, the draft, and our method of electing Presidents.

It was a frustrating and confusing process that made action on ordinarily routine legislation difficult and kept Congress in Washington until the closing days of 1969—one of the longest sessions in congressional history.

By June 30 when the Government's fiscal year began and when all appropriation bills technically should be passed, not a single one had cleared Congress. As late as November only four of the 13 basic money measures were approved and two remain to be completed when Congress reconvenes this month.

A new President presented a fresh and forthright approach to the overriding problem of Vietnam and began outlining a new foreign policy aimed at reducing U.S. presence and influence to rational limits throughout the world.

The President's Vietnam policy won broad endorsement from Congress and, according to most polls, from the majority of the American people.

At home, President Nixon proposed basic innovations or reforms in virtually every major area in which the Federal Government is involved. These proposals were made in more than 40 speeches and special messages to a Democratic-controlled Congress often inclined more toward delay than prompt action.

These included recommendations for reform of the Federal tax structure, the welfare system, Federal-State relationships, the draft, social security, transportation programs, our approaches to hunger and poverty, the Post Office, foreign aid, presidential election procedures, efforts to control and reduce crime, drug abuse, and pornography, population control projects, shipbuilding, and consumer programs.

Important action was taken in the areas of tax reform and relief, revision of the draft law, and presidential election procedures. In others, such as social security, consumer programs, hunger and poverty reform, a promising start was made. Congress moved hardly at all in other areas, especially those involving the most innovative changes, such as welfare and postal reform and revenue sharing with the States.

Inflation, with its roots deep in Vietnam spending, continued to cast a shadow on efforts to deal more meaningfully with domestic problems. One of the principal weapons the President employed against it—the creation of a budget surplus by reducing Government spending—cut directly into those efforts. Congress cooperated in the economy effort in some instances, reducing domestic as well as military programs. Despite the tremendous success of the Apollo moon landing program, Congress trimmed $250 million from the space spending authorization. But in other areas, especially those involving education and environmental programs, Congress went ahead with spending increases which the President has threatened to veto because he believes they will heighten the inflationary spiral.

Following is a summary of some of the major proposals of the new administration along with their status at midpoint in this term of Congress and an indication of my views and votes on them. Particular emphasis is placed on action taken by the House of Representatives.

VIETNAM

The war continued to affect directly or indirectly most of the major decisions faced by Congress. Vietnam was the focal point of the President's new policy of reduced U.S. involvement throughout the world. The war also helped trigger a fundamental reappraisal of defense spending and the role of Congress in foreign policymaking.

After years of frustration in Vietnam, the President's plan to Vietnamize the war and withdraw U.S. troops in an orderly fashion was welcomed by Congress as the most responsible and reasonable approach to a complicated problem. The President demonstrated his determination to stick to the withdrawal plan by reducing U.S. military strength in Vietnam by about 65,000 men through December and promising to bring back another 50,000 by April.

Formal congressional approval came in early December when the House of Representatives voted 333 to 55 to approve a resolution calling for "peace with justice in Vietnam." This was generally interpreted as an expression of support for the President's efforts. As a ranking member of the House Foreign Affairs Committee, I was pleased to help draft and sponsor the resolution.

The measure gives the President no new powers. Its intent is to make clear to Hanoi that the President has the broad support of Congress and a majority of the American people in his determination to end the war responsibly and reasonably. Hopefully, it will help hasten that day. A majority of the Members of the Senate offered similar backing for the President in letters and public statements.

MILITARY SPENDING

Congressional concern over our ill-directed policies in Vietnam during the past several years was manifested in a number of other ways during 1969.

As in the past, Congress found that its control of the national pursestrings provided the most direct and effective means of influencing military policy. For the first time since World War II Congress took a close, critical look at military spending requests and by year's end had cut nearly $6 billion.

It was the largest cut in defense spending since 1954 when a $6.3 billion reduction followed the cease-fire in the Korean war.

Unlike those in 1954, the reductions of the past year were prompted more by concern about the large proportion of our national wealth earmarked for defense and the inefficient and wasteful use of that money than by developments on the battlefield.

Congressional investigations which preceded the cuts revealed wasteful or deceptive policies and practices within the Defense Department and excessive cost overruns in the procurement of some military equipment. One result was the creation of a Commission on Government Procurement made up of 12 Members of Congress to investigate present procurement policies, practices and procedures with the goal of making them more effective and efficient.

The attack on military spending also was fueled by less clear-cut considerations—the hope that the war in Vietnam would continue to cool, that the draft would gradually be reduced as a result, and that nuclear arms limitation talks between the United States and the Soviet Union would begin to ease militant East-West relations.

ABM DEBATE

The year-long debate over the future of the proposed anti-ballistic-missile—ABM—system turned to a great extent on the latter hope. President Nixon moved soon after taking office to scale down the previous administration's plan for installation of 25 to 50 ABM sites at an eventual cost estimated by some as high as $100 billion. President Nixon's modified plan called for 12 sites to be built over a period of 5 years at a cost under $10 billion. None of the installations would be located near populated areas.

Following that fundamental change the ABM debate centered mainly on estimates about the future course of United States-Soviet relations. I supported an amendment on the floor of the House which would have provided money for continued research and development, but not deployment. Unfortunately, a vote on this amendment was not permitted and I voted for the modified deployment plan. The former approach would permit us to stay abreast of the Soviets in technology while strategic arms limitation talks proceed. It would avoid any provocative move on our part which might upset the progress of the talks. At the same time, it would leave us the option of deploying at a later date if the talks fail to produce meaningful agreements.

The assault on military spending also involved some considerations not directly related to our defense posture or our foreign policy. The general effort to curb inflation by cutting Federal spending was reflected in the House Armed Services Committee report on one large military spending bill. It said in support of reductions:

> Without a healthy economy and a reasonably sound dollar, the probability of maintaining our military superiority would be greatly jeopardized.

POLLUTION AND ENVIRONMENT

Still another factor was the growing concern that we must begin diverting more of our resources to solving fundamental problems at home. Programs to improve the general quality of our environment were among the major beneficiaries of this shift in priorities.

A prime example was congressional handling of legislation authorizing funds for water pollution control, principally to build sewage treatment plants. President Johnson's 1970 budget recommendations, approved by President Nixon, called for spending $214 million—about the same amount authorized in each of the immediate past years. But Congress in a series of actions more than tripled the President's request, finally recommending an $800 million authorization—easily the largest amount ever approved for water pollution control. Although I am deeply concerned about the inflationary effect of such actions, I supported the increase in the belief that pollution control is an area we can afford to neglect no longer.

New Federal water quality standards were approved in differing versions by the House and Senate with a final draft still to be agreed upon. Included are provisions affecting oil and sewage pollution, sewage discharge from shipping and pleasure boats, special efforts to reduce contamination in the Great Lakes, and grants for research to end mine water pollution, and for training programs in waste treatment.

For the long range, the National Environmental Policy Act passed by the Congress may be among the most important environmental and conservation measures adopted in recent years. It creates a Council on Environmental Quality within the White House to provide the President with a continuing overview of the problems of our environment and the fragmented Federal jurisdictions affecting it. It also establishes for the first time a Government commitment to the problems of environment and calls on all Federal agencies to weigh each of their actions in light of this commitment.

The Clean Air Act, first adopted in 1963, was extended and an additional $45 million was authorized for expanded research and development into programs for control of air pollution from automobiles and fuel combustion during 1970.

Additional safeguards for the protection of endangered wildlife, legislation which I cosponsored, were approved along with a 3-year extension of the National Council on Marine Resources and Engineering Development, the coordinator for all long-range marine science activities of the Federal Government. A program to minimize soil erosion in the Great Plains States through payments to farmers was extended, as was a project to further research into methods of purifying salt water.

EDUCATION

Another signal of shifting national priorities came in congressional efforts to add more than $1 billion to the President's requests for spending on education. President Nixon has warned he will veto the increase if Congress fails to trim it during final consideration of the huge Labor-Health, Education, and Welfare appropriations bill later this month. The President points out that while Congress last summer imposed an overall spending ceiling on him in the interests of curbing inflation, it has in instances such as this ignored its own limitation.

About half the increase would go to continue badly needed innovative and research programs and to assist the educationally disadvantaged. These are vital programs worth some economic risk taking. An equal amount, paid out in grants to federally impacted areas, is totally unjustified. Impacted aid is a program which in 1968 paid $5.8 million to Montgomery County, Md., a Washington suburb often described as the Nation's richest county. At the same time, the program provided a total of only $3.2 million to the country's 100 poorest counties. In many cases these payments exceed the costs to local schools of educating children of Federal workers. In other instances the program enables wealthy school districts to levy lower taxes than other, often poorer districts, in the same State.

A major pruning of the impacted aid program would go a long way toward meeting the President's legitimate concerns about inflation and the Congress' real concerns about national educational needs.

The basic authority for dispensing whatever Federal aid is appropriated for local schools, the Elementary and Secondary Education Act, was extended for 2 more years by the House but still awaits Senate approval. Programs to assist gifted and talented children as well as those with handicaps and special learning disabilities, vocational training assistance programs, and the school lunch and milk programs were similarly extended by the House but as yet not by the Senate.

Legislation to provide an interest subsidy to banks and lending institutions to encourage them to make student loans was given final approval. A general rise in interest rates coupled with a Federal ceiling on student loan interest rates discouraged many banks from participating last fall. As a result many young people faced an unexpected crisis in financing higher education.

Additional aid for handicapped children was provided through the establishment of a National Center on Educational Media and Materials for the Handicapped. It is designed primarily to serve the estimated two-thirds of the Nation's 5½ million handicapped children who do not now receive adequate educational programs.

TAX REFORM AND RELIEF

The desire for greater efforts at solving domestic problems, already entangled with inflation and the Vietnam war was further complicated by demands for tax relief.

In April, President Nixon recommended to Congress the most comprehensive set of tax reforms in decades. Before the year ended Congress had approved a huge package containing not only sweeping tax reforms, but also an estimated $9 billion in long-range tax relief and a 15 percent increase in social security benefits.

While I voted for the package, I continue to have reservations about the bill's inflationary aspects. The act demonstrates the difficult choice Americans must make in coming years about the high costs of some very worthwhile domestic programs. In my judgment we must determine to pay as we go for whatever programs we approve, avoiding wherever possible a return to the deficit financing of the past decade.

Despite these reservations, I was especially pleased that the bill provided some relief for the middle- and low-income taxpayer by an increase in the standard $600 personal exemption. I sponsored a bill to double that exemption.

Under the act the exemption goes up to $625 this year, $650 in 1971, $700 in 1972, and $750 in 1973. Further relief is provided by an increase in the standard income tax deduction to 13 percent with a $1,500 ceiling 1971, to 14 percent with a $2,000 ceiling in 1972, and 15 percent with a $2,000 limit in 1973.

The income tax surcharge was reduced from 10 percent to 5 percent on January 1 and will be eliminated next June 30. The 7-percent investment tax credit was repealed with a number of exceptions including certain investments in depressed areas and the first $20,000 of investment in eligible property by small businessmen.

The law reduces the oil depletion allowance from 27½ percent to 22 percent, sets a tax on income of foundations and stricter rules governing their tax status, and also establishes taxes on specific types of income of charitable, social, and religious organizations.

A new low-income allowance will remove many of the elderly, the poor, and working students from the tax rolls entirely, and the burden of single taxpayers will be lightened.

A new minimum tax is established to be paid regardless of deductions. The 6-month holding period for capital gains was retained as was the tax-exempt status of State and local government bonds. In addition to these highlights, a great many more detailed changes in tax law were made in the several hundred pages of the act, easily the single most ambitious work of the 1969 Congress.

SOCIAL SECURITY

In an emergency effort to ease the oppressive burden of inflation which falls most heavily on the elderly and retired, Congress approved a 15-percent increase in social security benefits in the closing days of the session. The increase will benefit 25 million Americans and help those on fixed incomes offset the 9.1 percent increase in the cost of living since February 1968 when benefits were last raised. Costing an additional $4.4 billion a year, the increase will be retroactive to January 1, 1970, although increased payment checks will not arrive until April due to the time required to convert social security records.

The minimum payment for a single retired worker will rise from $55 to $64 a month. The average payment for an unmarried person will increase from $100 to $115, for a couple from $254 to $296, and from $113 to $130 for a disabled worker.

The House Ways and Means Committee has promised that further consideration of all aspects of social security programs, including medicare, will be its first order of business this year. Proposals to link future benefit increases to the cost of living and to increase the amount of income that may be earned without loss of benefits, both of which I support, are expected to receive early consideration.

Congress also extended the Older Americans Act, which provides persons over 60 years of age with the means to participate in community programs, and established another program to utilize the skills of senior citizens on a volunteer basis. Called the national older Americans volunteer program, it will recruit persons aged 60 and over to provide services needed in their own community, without compensation except for transportation, meals and other out-of-pocket expenses.

DRAFT REFORM

In addition to providing fresh leadership toward solving the difficult dilemma of Vietnam, President Nixon prodded a reluctant Congress into action on the related problem of draft reform.

Although I have urged more extensive changes, I was pleased at the creation of a national lottery to guarantee random selection of draftees as a first step. Even more significant was the President's executive order limiting the draft essentially to 19-year-olds. It reduces a young man's period of uncertainty about the draft from 7 years to 1 year. This single change will go a long way toward removing the doubts that now hang over most young men enabling them to better plan for an education, marriage, and a job. Under the new law, young men with deferments will go into the lottery pool and be treated as 19-year-olds for 1 year after their deferment expires.

Committees in both the House and Senate have promised to undertake a comprehensive review of the draft this year including consideration of an all-volunteer military which may someday replace selective service. As a cosponsor of legislation endorsing a study of this approach, I am hopeful it may provide some long-range answers to the draft dilemma.

ELECTORAL REFORM

In an effort to bring presidential elections more directly under the control of the voters, the House approved a constitutional amendment abolishing the electoral college and providing for the direct election of the President and Vice President.

It was only the second time since 1804 that the House had tackled electoral reform and the result could stand as one of the most significant changes to be recommended by any Congress in modern times

The amendment, which is still under consideration in the Senate and which must be approved by three-fourths of the State legislatures, provides that in an election involving more than two candidates, the winner must receive at least 40 percent of the popular vote. A runoff election between the two top vote getters is provided for if no candidate receives at least 40 percent of the vote.

The House-passed resolution also provides for the filling of vacancies caused by the death of the President-elect or Vice-President-elect and permits Congress to establish uniform national residence requirements for voting in presidential elections. It would leave the States authority to regulate the times, places, and manner of holding presidential elections.

As a cosponsor of the House-passed amendment, I have urged repeatedly that the Senate move quickly so that a change might affect the 1972 presidential election, although this appears to be only a remote possibility now. Hopefully, Congress eventually will complete the job of electoral reform by improving procedures for nominating presidential candidates, possibly through changes in the party convention system or by establishing a national presidential primary.

LAW ENFORCEMENT

Although the Nixon administration moved quickly to mount prosecutions against organized crime and corruption throughout the United States, Congress so far has been slow to approve new approaches and additional funds. One exception was funding to assist in the training and equipping of local law enforcement agencies which was increased from $59 million last year to $268 million this year. Action was delayed, however, on most of the other items in a package of 20 anticrime measures proposed by the President.

These include a proposed $61 million program against organized crime, a $25 million program aimed at drug abuse, and $22 million to fight crime in the District of Columbia.

The House approved creation of a special committee to investigate all aspects of crime in the United States and recommend legislation, a proposal I cosponsored. Congress repealed a section of the 1968 Gun Control Act requiring recordkeeping of sales of .22 caliber, shotgun, and rifle ammunition.

DRUG ABUSE

Congress similarly was slow to act on a comprehensive set of proposals offered by the President in recognition that drug abuse has grown within the last decade from essentially a local police problem to a serious national threat.

While proposing stiffer penalties for narcotics sellers, more flexible penalties for users, and international cooperation to reduce narcotics traffic, the President's proposals go beyond law enforcement. They include emphasis on rehabilitative programs, education, and research. These are areas requiring prompt Congressional attention during 1970.

As a beginning, Congress approved 500 new employees for the Bureau of Customs to help strengthen administration efforts to reduce drug smuggling, especially along the Mexican border. The House also approved and sent to the Senate legislation authorizing educational grants to promote understanding of drug abuse problems and dangers and for the training of specialists in the field.

PORNOGRAPHY

Few issues in dispute between Congress and the Supreme Court touch parents and householders more personally than restricting obscene mail.

Congress has made a number of efforts to legislate pornographers out of business during the last decade. Each time the Supreme Court has ruled that the attempt violated constitutional guarantees of freedom of expression or imposed conditions which made enforcement costly and impractical.

Recognizing the broad protection given human expression by the Constitution, Congress has continued to work carefully within Court-drawn guidelines in an effort to come up with meaningful and legal safeguards against obscene mail. Bills I am cosponsoring are the result of such careful study. One proposal would prohibit the mail order sale of hard-core pornography to children under the age of 16 as well as mailing of obscene advertisements to them. It would place the burden on the sender to determine if underage children reside in homes receiving such material. Committees of both the House and Senate held hearings on these and other proposals last year and hopefully will recommend approval during 1970. President Nixon has given his full endorsement.

WELFARE REFORM

Among those items receiving only cursory attention by Congress during 1969 were the President's proposals for welfare and postal reform and for an overall effort to meet mounting transportation problems.

One of the most innovative of all the administration's proposals is its recommendation for replacing the demeaning and bankrupt welfare system with which the country is now burdened. Although hearings began in the House late in the year, much more remains to be accomplished this year.

The President's proposals would restructure the existing system in basic ways, by providing incentives for families to stay together and economic rewards for men and women on welfare who enroll in job training and search out jobs, and by establishing a floor under income to assure the minimum necessary for food and shelter.

POSTAL REFORM

Although the President's welfare reform plan was not presented until August, Congress could not blame the White House for its failure to act on Post Office reform. Recognizing the rising costs of postal service accompanied step by step by a decline in quality, the President early in the year proposed a complete revamping of the Post Office. The key to the reorganization was to be the creation of a semi-governmental, privately-operated postal corporation.

The President took the initiative early in the year by removing all postal jobs from political patronage and giving them civil service status. Although extensive hearings have been held on the President's reorganization plan and a number of substitutes, neither the House or Senate took final action. The President has indicated he will continue to press for sweeping reforms in 1970 and he will have my continued support in this effort.

TRANSPORTATION

The administration made a number of proposals during the past year for a start on our mushrooming national transit problems—problems almost certain to reach crisis proportions during the new decade.

Congress approved $85 million to build two prototypes of a supersonic passenger transport aircraft—SST—but was slower in acting on proposals to deal with the increasing airway and airport congestion crisis they will intensify.

The House approved a 10-year, $5 billion airport and airways construction and improvement program. The financing—largely through taxes on airway users—is a source of controversy.

The Senate has yet to consider the plan. It would provide a running start on the national effort to prepare for the doubling of airline traffic expected by 1975 and its tripling by 1980. Additional funds were allocated to the Federal Aviation Administration, chiefly so that it may hire 3,800 air traffic control personnel to insure a high level of safety as air traffic grows.

A similar multibillion dollar attack on urban transportation congestion, proposed by President Nixon in August, is slowly gaining support in Congress although no final action was taken during 1969.

The President's proposal, now under consideration by House and Senate committees, proposes spending $10 billion out of General Treasury funds over a 12-year period for developing and improving transportation systems in local communities. Mr. Nixon has asked Congress to obligate $3.1 billion in stages over the first 5 years of the program—more than triple the $865 million authorized during the past 6 years.

Congress gave the Federal Railroad Administration $11 million to support research and development of high speed ground transportation, but urged the Urban Mass Transit Administration to begin concentrating less on research and more on implementation.

HUNGER AND POVERTY

The struggle over national priorities was evident again in congressional action on a number of programs proposed by President Nixon to form a massive national commitment to end hunger and malnutrition and to provide for the 100 million new Americans expected by the turn of the century.

Congress responded to the campaign to end hunger in an unprecedented way by appropriating $610 million for the food stamp program, a main vehicle for attacking hunger in America. Unfortunately, Congress also continued to pour about $4 billion a year into a wasteful and outmoded farm subsidy program—the price demanded by agricultural interests for food stamp increases.

Rural leaders also succeeded in killing an amendment which I supported to place a $20,000 limit on subsidy payments to any single farmer. The effort to reduce or eliminate the subsidy program will continue in 1970 and hopefully result in a redirection of these valuable resources to more vital programs. A possible solution which I am sponsoring calls for the phasing out of the subsidy program over a 5-year period and providing job training and relocation services to marginal farmers forced to seek new careers.

The President has promised to give careful consideration to the hundreds of recommendations for improving the Nation's food assistance, consumer protection, and health programs made by the recently concluded White House Conference on Food, Nutrition, and Health.

Early in the year, the President split away the Headstart and Job Corps programs from the Office of Economic Opportunity in the hopes that both could be operated more efficiently by the Departments of Labor and Health, Education, and Welfare. Congress then approved a 2-year extension of the poverty program with my support.

The administration has pledged to restructure OEO as an efficient research and development agency responsible for devising new approaches to the problems of the poor. A Presidential proposal to establish a National Commission on Population Growth to provide family guidance and planning services to those who voluntarily seek help remains under study by Congress.

SAFETY AND HEALTH

Some of the most significant action taken by Congress during 1969 was in the field of occupational safety and health for coal miners and construction workers.

The most far-reaching mine safety and health legislation in history was approved, reflecting a national concern about the long neglect shown the coal miner. The law not only provides new protection from disasters caused by explosions and cave-ins but also from the dreaded "black lung" disease caused by the breathing of excessive amounts of coal dust. A corps of mine inspectors to enforce the new standards is authorized along with increased funds for research into cures for occupational diseases.

Construction workers, who according to statistics, are engaged in the most hazardous work in the Nation, gained additional protection from legislation forbidding unsanitary or hazardous conditions of Federal projects. It resulted from findings that construction worker deaths account for 20 percent of all on-the-job fatalities in America.

A 3-year extension of legislation to provide matching grants to States for construction and modernization of hospitals and health facilities was passed by the House and sent to the Senate. The bill also would establish a new program of Federal guarantees on loans for construction or modernization of public or nonprofit private health facilities. This measure is an effort to meet the national need for some 85,000 additional acute-care hospital beds and nearly 900 new health centers. The House also approved assistance for medical libraries in coping with the flood of new information.

CONSUMER PROGRAMS

In a related area, Congress and the administration continued their attention to the needs of the American consumer, begun formally in 1966. The President appointed his own special adviser on consumer affairs, while Congress continued to consider a variety of proposals to give permanent status to the post, some calling for a Cabinet level Office of Consumer Affairs.

The principal body authorized to study consumer protection needs and recommend legislation, the National Commission on Product Safety, was extended for another year and Congress approved the Commission's recommendations for legislation to protect children from dangerous toys. The so-called Toy Safety Act provides extra safeguards against toys which present electrical, mechanical or thermal hazards.

Additional precautions relating to automobile and tire safety and cigarette advertising passed the House and Senate in differing versions with the final drafts still to be agreed upon.

CENSUS REFORM

The House gave a great deal of consideration to bills which I cosponsored calling for mandatory answers to only seven questions in the upcoming 1970 census. However, the legislation finally approved by the House and sent to the Senate still requires answers to all census questions, although the jail penalty for failure to respond was removed. The House bill requires the Census Bureau to give further study to the possibility of voluntary responses to all questions.

Other provisions of the bill call for a congressional review of future census questionnaires, additional safeguards against disclosure of confidential information, and the creation of a citizens committee to help plan the 1980 census.

FOREIGN AFFAIRS

Weary from years of mismanagement and misdirection of U.S. foreign policy, Congress generally gave bipartisan support to President Nixon's new initiatives, not only in Vietnam, but throughout the world. The Democratic-controlled House Foreign Affairs Committee endorsed or paralleled the President's actions in a number of areas.

After several weeks of hearings by the committee on germ and chemical warfare, the President in late November announced that the United States would never engage in germ warfare and renounced all but defensive uses of chemical warfare weapons. The President said:

> Mankind already carries in its own hands too many of the seeds of its own destruction. By the examples we set today, we hope to contribute to an atmosphere of peace and understanding between nations and among men.

He urged the Senate to ratify the 1925 Geneva protocol prohibiting the use of such gases, a step urged in a resolution I sponsored following the committee hearings.

Along with several other Foreign Affairs Committee members, I introduced a resolution urging humane treatment of U.S. servicemen held by North Vietnam and specifically calling on Hanoi to adhere to the Geneva conventions on the treatment of war prisoners.

An exception to congressional support for the President's programs was foreign aid, which became another victim of Vietnam, inflation, and concern about Federal spending and national priorities.

Although a House-Senate committee must still resolve details, the final appropriation promises to be about $1.6 billion, the smallest in the 22-year history of the program. The figure is about $1 billion less than the President requested. About $425 million is earmarked for military assistance, the remainder for economic aid programs.

The bill places new emphasis on technical assistance and multilateral aid programs as well as establishing an Overseas Private Investment Corporation to encourage the participation of the private sector in the future of the developing nations. Congress clearly served notice on the administration that it must come up with basic new directions and new methods if it expects continuation of the program after 1970.

Congress was much more impressed with the President's efforts to reduce U.S. involvement throughout the world and his pledge to replace the policy of confrontation with the superpowers with an era of negotiation.

The Senate opened the way in March by ratifying the Nuclear Nonproliferation Treaty—a step I urged 2 years ago. The treaty bars nuclear nations from giving atomic weapons to non-nuclear nations.

This preliminary step was followed in the fall by the opening of high-level strategic arms limitation talks—SALT—between the United States and the Soviets.

The President also opened the door gradually to communication with Communist China by slightly easing trade and travel restrictions. Resumption of diplomatic discussions between the United States and Red China was announced within the last several days. The results of these initiatives as well as the SALT discussions with the Soviet Union will play a major role in determining the arrangement of our national priorities for years to come.

The Middle East continued next to Vietnam as the most volatile and insoluble of the world's major trouble spots. While the major powers must continue to create an atmosphere conducive to a peaceful settlement, I am firmly convinced that any permanent settlement must be based on direct agreements between the principal parties to the conflict—Israel and the Arab States. No lasting peace can result from solutions imposed on either side by the major world powers.

In its efforts to help set the Nation on new paths and to establish new national goals, the 1969 Congress enacted 220 public and private bills out of more than 20,000 introduced in the House and Senate. The foregoing is a summary of just some of the highlights. I will be pleased to provide more detailed information on specific bills on request.

NEW HEW PROCEDURES

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. ASHBROOK. Mr. Speaker, Health, Education, and Welfare Secretary Robert Finch announced the adoption of new procedures concerning the hiring of part-time advisers and consultants. This issue

has made the news because of charges of so-called blacklisting of certain individuals by the Department in the past. The new procedures are the result of a study conducted by Under Secretary John G. Veneman and Prof. H. Reed Ellis of Columbia University. To provide additional background on this latest development, I include the Health, Education, and Welfare news release, along with the text of the report by Professor Ellis at this point in the RECORD:

[A news release from the Department of Health, Education, and Welfare]

PART-TIME ADVISORS AND CONSULTANTS

Secretary of Health, Education, and Welfare Robert H. Finch today announced approval of revised procedures for the selection and appointment of advisors and consultants hired on a part-time basis to assist the Department in non-sensitive work areas.

Highlights of these new procedures are:

(1) The present HEW practice of pre-appointive investigations by the Department's Office of Internal Security will be discontinued.

(2) The constituent agencies of the Department will be responsible for evaluating prospective advisors and consultants.

(3) Appointments will be made on the basis of professional competence, that is, integrity, judgment and ability.

(4) If an agency has evidence suggesting that a prospective appointee possesses traits that would so adversely affect the performance of his job as to disqualify him, the individual will be given the opportunity to challenge the evidence.

(5) In lieu of a pre-appointment investigation for loyalty, the individual will be required to execute an appointment affidavit which will be subject to a post-appointment veracity check as is done for all Federal employees.

The decision to institute new procedures climaxes several months of intensive study of current practices of the Department by Department officials. This study was led by HEW Under Secretary John G. Veneman, and a consultant, H. Reed Ellis, of Columbia University, who submitted a report and recommendations on December 1, 1969.

The study was initiated in response to longstanding criticisms from the scientific community and elsewhere alleging the "blacklisting" of certain scientists as well as other arbitrary and unfair aspects of the investigation of prospective advisors and consultants. About a month after the study began, Under Secretary Veneman directed all agency heads in the Department to insure that "blacklisting" did not occur in such agencies, and agency heads were invited to submit comments and suggestions on the appointment process.

Secretary Finch said:

"On the basis of the study and the constructive comments of many interested individuals and organizations, both within and outside of the Department, we feel we can implement a procedure that will protect the rights of individuals while at the same time safeguard the public interest."

Details of the new appointment procedures will be drafted for formal inclusion in the Department's manuals.

Secretary Finch further said:

"The Ellis report traces the historical development of the Department's appointment procedures. It suggests that much of the difficulty was self-imposed by the Department over the years, but that we can overcome the difficulties by replacing archaic practices with pragmatic ones adequate to do the job. Today's decision is the first step in a long overdue updating of our appointment procedures."

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
Washington, D.C., December 1, 1969.
Hon. ROBERT H. FINCH,
Secretary, Department of Health, Education, and Welfare, Washington, D.C.

DEAR MR. SECRETARY: I am pleased to submit for your consideration my report "A Review of Procedures For Pre-Appointment Investigations of Advisors and Consultants Appointed To Non-Sensitive Positions in the Department of Health, Education, and Welfare". I hope you find my analysis and accompanying recommendations worthy of this rather imposing title. The Report is divided into four sections: Section I is a summary; Section II is historical and descriptive; Section III is evaluative; and Section IV is a series of recommendations.

My investigation would have been inordinately more difficult had it not been for the assistance of several men in the Department. First, Mr. Frederick Schmidt, Director of the Office of Internal Security, patiently answered all of my inquiries, some of which I now perceive were not as intelligent as I had first thought. Mr. Sol Elson, Acting Deputy Assistant Secretary for Administration, offered helpful advice at several critical junctures in this study. Two men, however, offered assistance which I now realize was invaluable and without which this Report could not have been written. Mr. Phillips Rockefeller subjected the first draft of this study to intellectual surgery and from that operation has emerged a much more tightly reasoned study. Mr. Samuel Tilton, a lawyer in the Office of the General Counsel, did most of the basic research and prepared several cogent memoranda. Of course, the shortcomings of the Report are totally my responsibility.

Sincerely,

HARLAN REED ELLIS.

A REVIEW OF PROCEDURES FOR PRE-APPOINTMENT INVESTIGATIONS OF ADVISORS AND CONSULTANTS APPOINTED TO NON-SENSITIVE POSITIONS IN THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

(By Harlan Reed Ellis)

I. SUMMARY OF FINDINGS AND RECOMMENDATIONS

As one who has carefully studied the historical development of present procedures for the investigation of advisors and consultants appointed to non-sensitive positions in the Department, I conclude that they are supported by a logic all their own. This is to say that no reasonable man would design the present system as it has evolved. Several anomalies are worth highlighting: (1) DHEW conducts one kind of investigation for Departmental advisors while the Civil Service Commission conducts another kind for Departmental consultants; (2) Officially, prospective advisors and consultants are not to know that they are being investigated; yet, in reality, very few do not know they are being investigated; (3) Officially, blacklists are condemned but the operation of the system itself encourages bureaucrats in the bowels of the appointing agencies to make them up and use them anyway. (4) The whole operation takes on a Kafkaesque aura in the public mind when Nobel laureates are excluded from the Government service for whatever reason.

Yet, considerations of self-interest should convince Governmeent officials of the desirability of excluding an individual from the Government service who (1) is either an active member of an organization which advocates the violent overthrow of the Government of the United States or as an individual advocates the violent overthrow of the Government and in either case has demonstrated an intent to carry out this objective or (2) possesses certain personal traits which will adversely affect the performance of his duties or the overall efficiency of his agency. Not coincidentally, these two standards of disqualification are the only ones the courts have indicated are permissible.

Therefore, the problem becomes one of reconciling the admitted need for some standards of exclusion with the admitted liabilities of the present system. I am convinced that such a reconciliation is impossible. Consequently, I have proposed the adoption of an entirely new set of investigatory procedures. I have outlined these procedures in Recommendation One of Section IV. Briefly, I proposed (1) to allow the head of each operating agency in the Department to make the final determination on the suitability of his prospective advisors and consultants, and (2) to require each advisor and consultant to sign a constitutionally permissible loyalty affidavit. A name check of FBI files would then be conducted to protect the Government and its employees from an individual who might willingly perjure himself.

Alternative recommendations are also discussed in Section IV, but they are decidedly inferior to the one just described.

II. PRESENT PROCEDURES FOR INVESTIGATIONS OF ADVISORS AND CONSULTANTS APPOINTED TO NON-SENSITIVE POSITIONS IN THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

A brief history

Advisors

Prior to the issuance of Executive Order 10450 on April 27, 1953, only the Public Health Service (PHS) of those agencies which would eventually comprise the Department of Health, Education, and Welfare (DHEW) maintained a security office. This Office existed to process the requests of PHS' employees for access to security materials in the Department of Defense (DOD). However, after several instances where members of advisory committees had been dismissed through the operation of the post-appointment loyalty review procedures of Executive Order 9835 (issued on March 21, 1947), the Surgeon General ordered the PHS' Security Office also to conduct preappointment checks on all potential advisors. By direction of the Surgeon General, individuals being considered for advisory groups and committees were to be given a preliminary screening by the PHS' Security Office and, if subsequently appointed, were only to be formally processed under Executive Order 9835.

Pursuant to P.L. 81–733, Executive Order 10450 outlined investigatory procedures for the appointment of Government employees. Section 3–A required, *inter alia*, that:

"The appointment of each civilian officer or employee in any department or agency of the Government shall be made subject to investigation . . . in no event shall the investigation include less than a national agency check . . . and written inquiries to appropriate local law enforcement agencies, former employers and supervisors, references, and schools attended by the person under investigation . . . ."

Subsequently, the PHS' security operation was incorporated into the newly created DHEW Office of Internal Security (OIS), and pre-appointment checks were continued for all potential advisory personnel of PHS at the request of the Surgeon General. Soon thereafter Departmental regulations were issued requiring that confidential pre-appointment checks be conducted for all persons (not just advisory personnel) appointed by or with the approval of the Secretary of DHEW. (The decision to institute pre-appointment investigations in these cases was a departmental, not a statutory or Executive Order, requirement. Although Executive Order 10450 required that certain investigatory procedures be followed, it did not specify that such procedures include a pre-appointment component.) These Departmental pre-appointment checks were never intended to substituted for the investigatory requirements of Executive Order 10450. Once the pre-appointment check had been completed, and a decision was made to appoint the individual concerned on the basis of information which had been collected, the prospective appointee was invited to serve. If the individual accepted, he was then required to complete Standard Form (SF) 57 (Application For Federal Employment), 85 (Security Investigation Data For Non-Sensitive Positions), and 87 (Fingerprint Chart). These forms were then sent to the Civil Service Commission where the national agency check (NAC) and inquiries required by Executive Order 10450 were conducted.

In the case of individuals who were to be appointed not by or with the approval of the Secretary, pre-appointment procedures for members of advisory committees varied. The PHS continued to request pre-appointment checks for its prospective advisors. Other agencies within the Department gradually adopted the PHS' approach as their committee structure expanded and as security and suitability questions were raised more frequently by the Civil Service Commission through its investigations required by Executive Order 10450. Eventually, all DHEW agencies were routinely requesting preappoint checks for prospective members of advisory committees.

Complaints, primarily from members of the scientific community, concerning the necessity of having advisors complete SF 57, 85, and be fingerprinted as a condition of appointment, resulted in extended correspondence between DHEW and the Civil Service Commission during 1965 and 1966. The Department requested, and the Civil Service Commission granted in a letter dated May 21, 1965, an exemption to the normal investigatory requirements for individuals serving as members of advisory groups or committees if the prospective employee met certain qualifications. These qualifications were: (1) his employment was to be temporary or intermittent; (2) it was estimated that he would work no more than thirty days in any one year; and (3) his job was classified "non-sensitive". The exemption granted by the Commission relieved the Department of requiring that advisors in these cases complete SF 57, 85 and be fingerprinted on the condition that "the Department take appropriate measures to insure that employment under this agreement would not be adverse to the interest of the United States". Consequently, the Department ordered the appointing agency to complete DHEW Form 209 (Request for Security Check) for all prospective advisors without the knowledge of the individual concerned. OIS was directed to conduct a pre-appointment investigation on the basis of information provided in that form. This new procedure was extended to all prospective advisors who might qualify under terms of the exemption, not just to those appointed by or with the approval of the Secretary.

Consultants

Present pre-appointment investigatory procedures for consultants developed in a manner similar to that for advisors. The first exemption to the required procedures under Executive Order 10450 was granted by the Civil Service Commission on July 30, 1953. Under the terms of that exemption, DHEW is not required to submit any cases to the Commission for investigation if the consultant is to be appointed to a nonsensitive position for 90 days or less. A second exemption for other classes of consultants, i.e., consultants who would be temporary or intermittent employees of the Department in non-sensitive positions appointed for one year or less or for longer than one year but not expected to work more than thirty days in any one year, was requested on August 16, 1965. This request was made three months after the Commission had granted a similar exemption for certain advisors. Specifically, the request was to allow the appointing agency to forward to the Commission biographical sketches from which the Commission would conduct its investigation in lieu of SF 57, 85, and 87 which would necessarily have to be completed by the prospetcive employee. The Commisison replied on August 27, 1965 that such a substitution would make the conduct of a complete national agency check impossible and outlined objections to the suggested new procedures.

The Department did not respond to this letter until March 23, 1966. On that date a different Assistant Secretary for Administration wrote the Commission that it was the conclusion of the Department that the advantages of substituting biographical sketches for SF 57, 85, and 87 outweighed the risks associated with a more limited investigation which would result from the change in procedures. The Commission replied on April 20, 1966 and agreed to the substitution. The Commission informed DHEW that consultants investigated under the new procedure would have their names checked against Civil Service and FBI records only. However, if a question of loyalty were raised, the prospective consultant would automatically undergo a full field investigation by the FBI. This new procedure was modified by the Department in May, 1969. Prospective consultants "without normal qualifications" were again required to submit SF 57, 85, and 87 to the Commission so the Commission could conduct a complete national agency check on each individual prior to appointment.

Overview

Authority to make adjustments in the investigatory procedures for both advisors and consultants under the conditions specified *supra* was granted to the Civil Service Commission in Section 3A of Executive Order 10450:

"Provided that upon request of the head of the department or agency concerned, the Civil Service Commission may, in its discretion, authorize such less investigation (less than the national agency check and inquiries required by Executive Order 10450 quoted earlier) as may meet the requirements of national security with respect to per-diem, intermittent, temporary or seasonal employees, or aliens employed outside the United States."

On September 8, 1966, the Commission issued Bulletin No. 736–3 which granted to all departments and agencies on request the exemptions approved for DHEW. The exemption was granted for the employment of advisors and consultants subject to three conditions: (1) the appointment would be to a non-sensitive position; (2) the employment would be temporary and limited to one year or if longer than one year, the employment would be no longer than thirty days in any one year; and (3) the head of the agency reports that the submission of the usual investigatory forms is impeding recruitment.

Thus, by the spring of 1966, DHEW was appointing advisors and consultants pursuant to exemptions granted by the Civil Service Commission, the exact procedure depending on whether the appointment was to an advisory committee or a consultantship. In the former case, the appointing agency completed HEW Form 209 and sent it to OIS which conducted an investigation. In the latter case, the appointing agency sent a biographical sketch to the Civil Service Commission which supervised a limited pre-appointment check. If the results of the investigation raised no questions of loyalty or suitability, the investigating agency so notified the appointing authority. However, if grounds for disqualification appeared, the procedures differed. In the case of consultants, once the Commission had completed its investigations, including a full field FBI investigation if questions of loyalty were raised, the data was sent to OIS. OIS then conducted a check of its own files and pursued any other sources of information clearly indicated by the record. The collected data then was delivered to the head of the appointing agency by OIS. If the issue were a question of loyalty, OIS usually made a recommendation on the disposition of the case; otherwise the Office allowed the agency concerned to make an independent evaluation and judgment. In the case of advisors, the complete investigation was handled by OIS. However, if a question of loyalty arose, the operating agency was notified, and if the decision were to keep the individual under consideration, OIS arranged for a full field investigation by the FBI. Once all data had been collected, OIS followed the same procedures in sending the data to the operating agency as was described supra with regard to consultants.

On October 5, 1968, the Secretary instituted a new procedure for evaluating all cases where OIS felt it could not issue a routine approval of a prospective appointee. This procedure provided that the Assistant Secretary for Administration make the final determination. The action was taken primarily for three reasons: (1) it was believed that the heads of agencies were not giving full and fair consideration to data furnished them by OIS, particularly in cases of suitability; (2) a uniform standard for all DHEW agencies would be desirable; and (3) adverse decisions on prospective employees should be made at a high level in the Department.

The present system

Different procedures for the pre-appointment checks of prospective advisors and consultants are followed today. In the case of advisors, the operating agency seeking to make the appointment submits the names and biographical data requested in HEW Form 209 to the Office of Internal Security (OIS). Form 209 is theoretically to be completed with the aid of reference materials only and without contacting the prospective employee. OIS then checks its own records for any previously collected information on the individual. If such information does exist, whether or not the check is to be updated depends on the appointing authority. If the Secretary is making the appointment, the pre-appointment check must be updated if the information is more than one year old. If the appointing officer is someone other than the Secretary, the check must be more than two years old to warrant any updating.

When an updating is required or when OIS has no record on a prospective advisor, Form 209 is used to conduct a national agency name check (re. FPM 736–3, March 29, 1968) which involves the following:

(1) Copies of Form 209 are sent to the FBI for a check of its investigative files (arrest record) as well as its Identification Division files;

(2) A copy of Form 209 is sent to the Civil Service Commission. If CSC has a record on the individual, OIS must go to the Commission to review it there.

(3) OIS checks the records of the House Committee on Internal Security.

(4) A Department of Defense form is sent to DOD's Central Index of Investigation. If there are records, they are sent to the Pentagon where OIS may review them.

(5) Finally, any other investigating agencies indicated by Form 209 are checked, e.g. if the individual is foreign born, inquiry is made at the Immigration and Naturalization Service.

No inquiries are made to local police chiefs, former employers, or schools which the individual attended. If approval is routine, the operating agency is so informed by OIS. In cases where routine approval cannot be granted, the information is submitted to the Deputy Assistant Secretary for Administration who makes the final judgment. (Theoretically, the Assistant Secretary for Administration should make that judgment but he has delegated the responsibility to his Deputy.)

In the case of consultants who will serve intermittently, the investigation is less thorough. The appointing authority submits a brief biographical sketch of the prospective employee directly to the Civil Service Commission, not to OIS as is the case in appointing advisors. The Commission arranges for a check of its own files as well as those of the FBI. If there is no record of information which may be considered unfavorable, the Commission so notifies the appointing authority. DHEW's records are not checked unless the appointment cannot be routinely approved.

Where there may be questions of loyalty, the Commission automatically refers the case to the FBI which conducts a full field investigation. Where the question is one of suitability, the data is sent to OIS for further action. This always includes a check of HEW's own records. OIS then submits the data on suitability collected by the Commission and data gathered through its own investigations to the Deputy Assistant Secretary for Administration. In addition to a check of Departmental records, OIS conducts no other investigation unless there is *prima facie* evidence which suggests a ready source of further information.

When adverse data of a loyalty or suitability nature is submitted to the Deputy Assistant Secretary for Administration for his judgment, in the case of both advisors and consultants three alternative courses of action may be followed:

(1) The individual can be approved and the appointing agency will be informed by the OIS. In the case of advisors, this action is no different from that of routine approval except for a possible time lag. However, in the case of consultants, OIS notifies the agency directly which differs from the routine approval procedure where the Commission notifies the appointing agency.

(2) The individual can be rejected, and OIS notifies the appointing agency of this decision. The head of the agency may pursue the matter further with the Deputy Assistant Secretary or he can drop the individual from consideration.

(3) The Deputy Assistant Secretary may request further information about the invidual before making his decision. At this juncture, the head of the appointing agency is given the opportunity to withdraw the name from consideration. Obviously, if the decision is made to go ahead, the individual becomes aware that he is being investigated. He must complete certain forms and be fingerprinted. If the adverse data is of a loyalty nature, the investigation must be conducted by the FBI. (Of course, in the case of consultants, if loyalty questions were raised at any point in the Commission's investigation, the case would automatically go to the FBI before it ever reached the Office of the Deputy Assistant Secretary for Administration.) If the information is of a suitability nature, OIS may conduct the investigation itself or may ask the Civil Service Commission to assume that responsibility. Once the additional information is collected, the Deputy Assistant Secretary makes his decision and advises the appointing agency by letter.

A comparison with other agencies

It may be helpful to compare the DHEW's pre-appointment clearance procedures with those of other agencies of the Government. While some agencies follow similar practices, others operate under significantly different procedures due to Civil Service exemptions or specific statutory authority which allows the agency to establish alternative procedures.

The Department of Commerce, the National Aeronautics and Space Administration, and the Veterans Administration. all have pre-appointment investigatory procedures similar to those of DHEW. Of these agencies employing different practices, undoubtedly the most unusual are those of the Department of Agriculture. Most advisors are not appointed Federal employees and thus are exempt from the requirements of Executive Order 10450. Instead, the Department enters into contractual arrangements with advisory personnel pursuant to authority granted to the Secretary of Agriculture by 5 USCA 3109, 7 USCA 1627, and 7 USCA 2225. However, these individuals are still subject to pre-appointment national agency name checks in accordance with a Departmental policy determination. If the Security Office, which conducts the investigation believes that the individual should not be appointed, it presents the data to the appointing authority and together they attempt to reach a mutually acceptable conclusion. In rare cases, where resolution is impossible, the matter is forwarded directly to the Secretary with recommendations from both the Security Office and the Appointing Agency. In the case of consultants, who are also not classified as federal employees, if the consultant is to be appointed for a short period of time, i.e. less than 100 days, no investigation is conducted. However, if the consultant is invited to serve for a longer period of time, the appointment investigatory procedures are similar to those for advisors.

Security requirements for the Atomic Energy Commission (AEC) are outlined in the law which created the Agency. The statute requires that the Civil Service Commission investigate all individuals to be employed by the Agency unless the AEC determines that a different course of action is "clearly consistent with the national interest." 42 U.S.C. 2165(b). For both consultants and advisors, the AEC requires an FBI investigation regardless of whether the appointee will have access to restricted materials. Although advisory board members are not considered employees, a Commission policy determination subjects them to the same FBI background investigation.

The National Science Foundation (NSF) is often singled out by critics of DHEW's procedures as the agency with the most reasonable approch to pre-appointment investigations. The peculiar nature of the NSF's approach can be attributed to a more flexible interpretation of relevant statutory and regulatory rules than other agencies and its relatively small size which allows it to be more personal in dealing with questions of security and suitability. NSF appoints most of its scientific advisors as federal employees, thereby bringing them within the reach of Executive Order 10450. (Approximately 2,000 consultants serve intermittently without compensation and are not subject to any investigation.) Almost since its inception, NSF has operated under a special agreement with the Civil Service Commission which allows the Agency to appoint all advisory personnel who would serve in non-sensitive positions to a one year term without investigation.

At the time of the advisor's appointment, he is informed that he will be subject to a national agency name check if he is to be reappointed, a decision which must be made no later than seven months after the initial appointment. However, because of the regularity with which NSF reappoints its advisory personnel, the postponement of the investigatory process is not as significant as the matter in which decisions on candidates are made. A brief biographical sketch is prepared and is used to conduct the national agency name check. If no data is discovered which might be considered grounds for disqualification, the Security Office grants a routine approval. If, on the other hand, routine approval is not possible, the Security Office sends the data, without comment, to the Administrative Manager.

The Administrative Manager may request further information or he may choose at that point to discuss the matter personally with the individual concerned without the knowledge of the appointing agency or the individual's immediate supervisor. In any case, the Administrative Manager makes the final decision. The criterion of disapproval is do the facts demonstrate that the individual will not be able to devote himself wholeheartedly to the goals of NSF in general and carry out his assigned task in particular.

III. A CONSIDERATION OF ARGUMENTS FOR AND AGAINST EXCLUDING PROSPECTIVE ADVISORS AND CONSULTANTS FROM NON-SENSITIVE POSITIONS FOR LOYALTY AND SUITABILITY REASONS

Behind the complaints of many critics of present investigatory procedures for determining the loyalty and suitability qualifications of advisors and consultants appointed to non-sensitive positions in the Department is the feeling that an underlying rationale for any such procedures is non-existent. Put more bluntly, these critics believe that the continued exclusion of individuals from these positions for loyalty and suitability reasons is absurd. In contrast, some defenders of the *status quo* sincerely believe that the fabric of Government would be rent asunder if loyalty and suitability information were not considered in decisions to hire advisory personnel. Furthermore, they argue, present investigatory practices are too lax. Consequently, the Department may now be appointing disloyal or unsuitable advisors and consultants. As is often the case with highly emotional issues, the principal protagonists on both sides of this question have ceased to find any merit in the other's position.

Arguments for

The argument most often heard, although rarely examined, in favor of continuing to exclude advisory personnel for loyalty and suitability reasons is that working for the Government is a privilege, not a right. While few would deny the validity of this assertion, the statement is merely conclusory and thus meaningless without further analysis. The right of the Government to hire whom it wants is circumscribed by its own regulations, by statute and, most importantly, by the Constitution. Only after the limits of discretion are defined, can the argument of privilege be meaningfully considered.

Recently, there has emerged a clear trend in constitutional law toward restricting the power of government to dismiss or disqualify individuals on ground relating to their political beliefs or personal traits. At the outset, it must be understood that the Constitution recognizes no difference between prospective employees and employees in so far as their hiring or firing is based on unconstitutional considerations:

"There can be little difference in principle between discharging one because of his constitutionally protected associations and refusing to hire him for the same reasons. The result is an unconstitutional deprivation in either case." *Gilmore* v. *James,* 274 F. Supp. at 93.

Concerning political associations, or for our purposes considerations of loyalty criteria, court rulings have struck hardest at the notion that membership alone in any organization is *prima facie* grounds for disqualification from Government employment.

In *Elfbrandt* v. *Russell*, 384 U.S. 11 (1966), the Supreme Court declared an Arizona loyalty oath unconstitutional. The Court held that since the statute (1) did not require a showing that the prospective employee was an active member of a group which sought the unlawful overthrow of the State Government and (2) did not require that the prospective employee specifically intend to further the unlawful arms of that group, the statute infringed on the individual's constitutionally protected right of freedom of association. (See also *Keyishian* v. *Board of Regents*, 385 U.S. 589 (1967)).

In *Stewart* v. *Washington*, 301 F. Supp. 610 (D.C. 1969), the Court ruled that the District of Columbia's requirement that all employees sign a loyalty oath or be barred from employment was unconstitutional. The oath was declared unconstitutional for two reasons: (1) it referred merely to passive membership in an organization which advocated the overthrow (not violent overthrow) of the United States Government and (2) it was required of all employees whether or not their positions were sensitive. The Attorney General did not appeal this decision and on September 29, 1969, the Government, through FPM Letter 295–2, stated that federal employees would no longer be required to sign Section B of the Civil Service's Appointment Affidavits as a condition of employment.

Therefore, it appears that membership alone in an organization which advocates the overthrow (also violent overthrow) of the Government of the United States is not sufficient grounds for denying an individual employment unless the Government can clearly show that such membership will adversely affect the national security. The Courts have indicated that only when the position is sensitive can the Government argue that the employment of a passive member of such an organization will have an adverse effect on national security. However, an individual's active membership in an organization which advocates the violent overthrow of the United States Government accompanied by a specific intent to carry out that organization's objective does seem to be *prima facie* grounds for denying that person employment regardless of the sensitivity of the position he seeks.

Concerning the application of suitability standards to exclude an individual from employment, the trend in constitutional law is toward recognizing a greater area of individual privacy so long as the questionable trait does not adversely affect the individual's job performance or the overall operation of the agency. In *Norton* v. *Macy*, #21,625 (D.C. Cir. 1969), the Court reinstated plaintiff, a NASA budget analyst, holding that the Civil Service Commission had not shown a specific connection between the employees' potentially embarrassing conduct and his job performance or the efficiency of the service. The Court stated at 8:

> "The notion that it could be an appropriate function of the federal bureaucracy to enforce the majority's conventional codes of conduct in the private lives of its employees is at war with elementary concepts of liberty, privacy, and diversity."

The reasoning in the *Norton* case closely follows that of Judge Bazelon in *Scott* v. *Macy*, 345, F. 2d (D.C. Cir. 1965). In this case, Scott was denied employment on grounds of homosexuality based on statements made by the applicant himself. Judge Bazelon argued that in order to deny Scott employment the Civil Service Commission had to show first that plaintiff was in fact a homosexual and that this condition would adversely affect the performance of his duties.

As a result of these court decisions considering the constitutionality of loyalty and suitability criteria as conditions of employment, the grounds on which the Government can legally exclude prospective employees has narrowed considerably since the issuance of Executive Order 10450 in 1953. This is not to say that disqualification on these grounds is now impossible, only that standards for disqualification have been more restrictively defined. There are those who would argue that these new limitations apply only to applicants for government employment and not to those being considered as prospective applicants. Although it is true that the cases I have cited refer only to applicants, it is doubtful that the courts will accept a distinction as subtle as that between applicants and prospective applicants to draw a constitutional line. If one considers the rationale behind the courts' reasoning, it is obvious that what concerns these judges most is the possibility that the Government will administer unconstitutional standards to exclude an individual from employment. It is irrelevant to that concern at what stage of the proceedings these unconstitutional standards are applied. Surely, no one will argue that an individual is entitled to have his rights constitutionally protected only if he consciously knows that they may be abused.

It is not convincing to argue that the Government should continue to exercise the discretion left to it to deny certain individuals employment in non-sensitive positions on loyalty or suitability grounds merely because it has that privilege. The privilege to take a certain action is obviously a necessary prerequisite of the action itself, but it is hardly a sufficient reason for taking it.

A second argument often heard in favor of continuing to exclude individuals for loyalty and suitability reasons is that otherwise the Secretary (or the Government) would be embarrassed. Of course, this argument is no more persuasive than its privilege counterpart if one would hope to use it to make standards for disqualification on security and suitability grounds more flexible than the law presently allows. In fact, the Court in *Norton* v. *Macy, op. cit.*, specifically rejected the embarrassment theory as unsound. Moreover, the embarrassment argument adds little weight to the conclusion that the Government should exercise the discretion available to it in security and suitability matters because the argument is blatantly circular and easily refuted. It is argued that the Government will be embrrassed by certain acts of an individual. But obviously this is because someone feels that the Government should be embarrassed by these acts. However, if that same person were to take the position that the Government should not be embarrassed, then the Government is not embarrassed.

Third, there is the argument that the Government has an obligation to that individual who might otherwise be excluded from employment on loyalty or suitability grounds to protect him from temptation. Like the argument of embarrassment, the argument of paternalism advances the discussion very little. Very simply, it suggests a fundamental misunderstanding of the relationship between an individual and his Government in these circumstances. The relationship is one of employer to prospective employee, not one of parent to child. The Government's interest should not automatically be equated with that of the individual in these circumstances.

Actually, the only compelling argument in support of the proposition that the Government should exercise the discretion left to it to exclude individuals from employment for loyalty and suitability reasons is that of self-interest. A decision to exclude from employment an active member of an organization (or any individual) which (who) advocates the violent overthrow of the Government and who possesses specific intent to carry out this objective can be justified solely in terms of self-preservation. Very few men would argue that it is unreasonable for the Government to seek to preserve itself and that the employment of such a dedicated revolutionary to any governmental position contravenes that objective. As for excluding individuals whose personal traits may interfere with the performance of their duties or the efficient operation of the agency concerned, the rationale is common sense. The Government, like any employer, should not be required to hire incompetents.

Arguments against

Many critics of DHEW's clearance system begin their argument with the assertion that loyalty and suitability considerations are irrelevant to the work of advisors and consultants employed in non-sensitive positions. Consequently, they argue, decisions to disqualify a prospective appointee on these grounds are arbitrary and unjustified. As I have already indicated, the courts have accepted the validity of this argument insofar as traditional considerations of suitability are concerned. However, even if it cannot be proven that an individual's unswerving commitment to overthrow the Government of the United States will interfere with the performance of his responsibilities, I have argued that such a commitment should also be grounds for disqualification. But I do believe that this is the only exception which can be justified. Stated somewhat differently, with one exception, it is my judgment that the only acceptable rationale for excluding an individual from employment on loyalty or suitability grounds, even independent of legal considerations, is that the disqualifying characteristic would affect the individual's performance of his duties.

A second argument against excluding individuals from employment for loyalty and suitability reasons really relates to the operational effects of any investigatory system which is established to carry out this objective. These considerations are more appropriately considered in Section IV, Recommendations. Finally, there is the argument that excluding individuals for legally permissible loyalty and suitability reasons will adversely affect the recruitment of advisors and consultants. It is true that some individuals have turned down appointments to these positions since DHEW's clearance system has come under attack. However, it is my judgment that once the procedures which I will recommend are adopted and publicly explained, the argument will no longer be considered relevant.

Conclusion

After balancing the arguments for and against continuing the exclusion of prospective advisors and consultants who serve in non-sensitive positions on what I have argued to be permissible constitutional grounds, it is my conclusion that such exclusion should continue. However, exclusion for loyalty and suitability reasons is specifically limited to two criteria:

(1) The prospective appointee is an active member of an organization which advocates the violent overthrow of the Government of the United States and possesses a specific intent to carry out this objective or, as an individual, he advocates the violent overthrow of the Government and possesses a specific intent to carry out this objective.

(2) The prospective appointee has personal traits which will adversely affect the performance of his job or the overall efficiency of the agency by which he is to be employed.

IV. RECOMMENDATIONS

These three recommendations are listed in descending order from the most favorable to the least favorable.

Recommendation 1: ***Abolish Present Pre-Appointment Investigations For Advisors and Consultants Appointed to Non-Sensitive Positions in the Department And Replace These Procedures With Those Described Below:***

I have argued in Section III that the Department should continue to exclude individuals from employment on two traditional loyalty and suitability grounds. However, it does not follow that such exclusion should necessarily occur through the operation of DHEW's present clearance system. The following liabilities of the present system are irrefutable once it is decided that the only grounds for exclusion on loyalty and suitability grounds are the two I have listed:

(1) To administer a basic national agency name check for all prospective advisors costs DHEW between $10 and $20 each. For the Civil Service Commission to administer similar checks for consultants, the cost is comparable. OIS alone conducts between 2000 and 3000 name checks on advisors annually. Moreover, these cost estimates do not include the expense to the Government of employees' time expended to conduct the investigations. Money is simply wasted by operating the present system if another procedure can be instituted at significantly less cost and still accomplish the desired objective.

(2) Under present procedures, unofficial "blacklists" have been and may still be used to avoid the operation of DHEW's clearance system. Such lists not only exist at the threshold level, i.e. when an individual's name is recommended, but may be used by individuals through the operation of their own mental processes to preclude individuals from even being recommended.

(3) The present system is pock-marked by secrecy. Individuals officially do not know that they are being investigated until some question of loyalty or suitability is raised. Unofficially, they may learn they are being considered, and when they are not appointed, they and their colleagues may unjustly conclude that they were not appointed for "loyalty and suitability" reasons.

(4) Criticism of the present system has taken on a momentum of its own. We are all familiar with attacks which have been directed against the Department's procedures. Whether or not these attacks are justified (and in many cases, they are not), the intransigent opposition of a significant group of DHEW's clients cannot be ignored.

(5) The present operation of DHEW's clearance system blantantly ignores the constitutional rights of those whom it investigates. Individuals may be excluded for loyalty and suitability reasons which are impermissible. Yet, under present procedures, they may never know that their fundamental legal rights have been violated.

For these reasons, I strongly recommend that new procedures be adopted.

Advisors

In the May 21, 1965 letter from the Civil Service Commission to the Department, DHEW's advisors were exempted from usual investigatory procedures on the condition that "the Department take appropriate measures to insure that employment under this agreement will not be adverse to the interests of the United States." Subsequently, the following Departmental procedures were announced in Attachment No. 40 to DHEW's Security Manual issued on September 9, 1966. Section 3(c), Note: Non-Sensitive Positions reads in part:

"Cases will not normally be submitted to the Civil Service Commission for investigation under Executive Order 10450 when the positions are not sensitive, and the appointments are . . . or (c) specific authority not to submit to the Civil Service Commission has been approved. *The Department shall conduct such inquiries or investigations in these cases as it deems necessary.*" (Italics mine.)

Therefore, the Secretary has the authority to modify existing investigatory procedures relating to advisors on the condition stated *supra*. This condition is met by the new procedures which I recommend. They are:

(1) *Every prospective advisor be required to submit to the appointing agency a curriculum vitae and three references.*

The head of each appointing agency (or his delegate) will contact former employers and references through a form letter solely for the purpose of judging the professional competence of the prospective appointee. A question in this letter should ask whether the interviewee knows from personal experience that the prospective appointee possesses certain traits which will adversely affect the individual in the performance of his job or the overall efficiency of the agency. If evidence is presented which suggests that the prospective appointee may possess such traits and it is determined by the agency head that these traits would disqualify him, the prospective appointee will automatically be given an opportunity to confront the evidence in accordance with procedures outlined in FPM Supp. (Int.) 736–71, Chapter IX, Special Interviews.

(2) *As in the case of all Government employees, advisors will be required to sign Appointment Affidavits.*

Once Section B of the Civil Service Commission's Appointment Affidavits is rewritten to conform with the guidelines of the *Stewart* case, every employee will be required to sign a statement which will be worded significantly as follows:

I do not advocate the violent overthrow of the constitutional form of the Government of the United States, nor am I an active member, with the specific intent to further the unlawful goals, of (the Communist Party or) any group that advocates the violent overthrow of the constitutional form of the Government of the United States or which seeks by force or violence to deny other persons their rights under the Constitution. I do further swear (or affirm) that I will not so advocate, nor will I become an active member of such an organization and share in furthering its unlawful goals during the period that I am an employee of the Federal Government or any agency thereof.

To protect the Government and its employees from an individual who may perjure himself, the names of all appointed advisors will be checked against FBI files. If it is discovered that, in fact, an individual may have perjured himself, administrative procedures for dismissal can be instituted.

(3) *All prospective advisors will be informed of these procedures prior to submitting curriculum vitae. Consultants.*

Due to historical accident, the Civil Service Commission still conducts pre-appointment investigations for prospective consultants. Therefore, because it is desirable to have uniform procedures for both advisors and consultants, I recommend that the Secretary request the Civil Service Commission to allow DHEW to establish the same investigatory procedures for consultants as he has authorized for advisors. The Commission clearly has the authority to grant such a request under the authority of Executive Order 10450. Furthermore, Section 8(c) of Executive Order 10450 indicates that appointment-investigations are primarily the responsibility of the employing department:

The investigation of persons (including consultants, however employed), entering employment of, or employed by, the Government other than in the competitive service shall primarily be the responsibility of the employing department or agency. Departments and agencies without investigative facilities may use the investigative facilities of the Civil Service Commission, and other departments and agencies may use such facilities under agreement with the Commission.

General statement

The Secretary should publicly announce that hereafter the only two reasons why a prospective advisor or consultant will be excluded on loyalty or suitability grounds are:

(1) The prospective appointee is an active member of an organization which advocates the violent overthrow of the Government of the United States and possesses a specific intent to carry out this objective, or, as an individual, he advocates the violent overthrow of the Government and possesses a specific intent to carry out this objective.

(2) The prospective appointee has personal traits which will adversely affect the performance of his job or the overall efficiency of the agency by which he is to be employed.

This announcement should be made whether new procedures are introduced or old procedures are reformed. Executive Order 10450 makes it clear that the Secretary has the authority to establish for DHEW the substantive standards he will follow regarding the disposition of loyalty and suitability information.

Recommendation 2: *Institute the Pre-Appointment Investigatory Procedures of the National Science Foundation.* (Please see description of NSF's procedures in Section II, Part C.)

The essential feature of this recommendation is that advisors and consultants could hereafter be appointed to a one year term without any investigation. Although it may be possible for the Secretary unilaterally to institute such a procedure regarding advisors under the terms of the May 21, 1965, letter, it is clear to me that the Civil Service Commission would have to approve such a procedure for consultants. Furthermore, since the Commission has consistently expressed disapproval of NSF's procedure, it is doubtful that they would agree to such an exemption for DHEW without an endorsement from the White House.

If the NSF's procedures were adopted by DHEW, and it was decided to reappoint the advisor or consultant to a second term, all of the reforms suggested in Recommendation 3 should be adopted in administering the investigation.

Recommendation: *Reform Certain Procedures in the Present Clearance System.*

If a decision is made neither to modify existing procedures as I have suggested nor to adopt NSF's procedures, the very least that should be done is to reform the operation of the existing system. I recommend that the following internal procedures be changed in the manner indicated.

(1) Presently, in the case of consultants, once the Civil Service Commission discovers information which may be interpreted to disqualify an individual, it notifies OIS which in turn carries the information to the Deputy Assistant Secretary. If a decision is made at that point to disregard the derogatory information, OIS not the Civil Service Commission so informs the appointing agency. Consequently, the appointing agency learns at the very least the individual was suspect. A preferable procedure would be to have OIS inform the Civil Service Commission that the information has been considered and that a decision was made not to disqualify the prospective employee. Then, the Civil Service Commission can notify the appointing agency, as is done in all cases of routine approval.

(2) Presently, the extent of investigation differs for advisors and consultants. The Civil Service Commission checks only its files and those of the FBI in the case of consultants while OIS subjects all advisors to a complete national agency name check, including a review of the records of the House Committee on Internal Security. Although some have argued that the more thorough investigation for advisors than consultants is justified because advisors are appointed to more responsible positions than consultants, a closer examination should lead one to conclude that the difference in responsibilities do not rise to the level of distinction. A careful reading of the history outlined in Section Two shows that the variations in procedures actually developed quite arbitrarily. I recommend that investigations by OIS in the case of advisors be limited to a check of Civil

Service and FBI files. Further checks, particularly a review of the records of the House Committee on Internal Security, add very little data and do not seem justified in terms either of cost or the adverse reaction such addition investigation causes.

(3) Presently, when a question of loyalty or suitability might preclude the employment of a prospective advisor or consultant, the Director of OIS meets with the Deputy Assistant Secretary for Administration to discuss the case. Although the Director does not offer an opinion on the evidence unless requested, his very presence at the review results in an unnecessary combination of investigatory and judgmental responsibilities. I recommend that in the future the Director of OIS merely forward the material to the Deputy Assistant Secretary for his review. Furthermore, if present procedures are generally continued but grounds for qualification are limited to the two causes I have outlined supra, I recommend that an ultimate adverse decision on the individual be taken only with the approval of the Under Secretary.

(4) Presently, if an advisor is to be appointed by the Secretary, and information on him is already on file in OIS, OIS updates the record if it is older than one year. For advisors appointed by personnel other than the Secretary, the update occurs only if the file is two years old. A convincing rationale for the differences in procedure is lacking. Therefore, I recommend that an updating be completed only if the record is over two years old.

(5) On May 26, 1969, the Department announced a modification of a prior agreement with the Civil Service Commission allowing the Department to submit biographical sketches in lieu of certain standard forms for purposes of the pre-appointment investigation of consultants. That modification reinstated the requirement that persons "without the usual professional qualifications" be required to submit SF 171, 85, and 87. The rationale for this modification was that information on the biographical sketches of these individuals was insufficient to enable the Commission to conduct its investigation. However, if the biographical sketch were to identify clearly the person to be appointed so he could not be confused with another person of the same name, the sketch would be sufficiently complete for the Commission to conduct an investigation of its files and those of the FBI. Even if the prospective consultant must be contacted so that the agency can make the biographical sketch sufficiently informative, this procedure is preferable to the one presently in operation. Obviously, those consultants "without normal professional qualifications" are generally poor or young or both. Most of them are probably black. It smacks of unnecessary discrimination to require these people to complete forms which the better educated have objected to as personally demeaning.

In addition to these five recommendations for internal change, I strongly recommend the adoption of two other procedures:

(1) If it is determined by the Deputy Assistant Secretary for Administration, after he has all the data he feels he needs before him, that the individual should be disqualified, the prospective employee automatically be given an opportunity to confront the evidence in accordance with procedures outlined in FPM Supp. (Int.) 736–71, Chapter IX, Special Interviews.

(2) Any individual being considered for appointment as a DHEW advisor or consultant will not be disqualified if he has been approved within the last two years as an advisor or consultant in another Government agency which conducts pre-appointment investigations of its prospective employees. A check of other agency records would not be made until a question of loyalty or suitability were raised as a result of our own investigation.

END-OF-SESSION REPORT TO THE CITIZENS OF THE FIRST CONGRESSIONAL DISTRICT OF THE STATE OF NEW HAMPSHIRE

HON. LOUIS C. WYMAN

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. WYMAN. Mr. Speaker, after some 355 days, the first session of the 91st Congress—the sixth longest in history—came to a close. Any final appraisal of the 91st Congress must await the end of the second session, but the first session has not been auspicious. The first session had no distinctive character. The New York Times labeled it an "uncertain Congress." The Senate majority leader says it was a "responsible" Congress. The House minority leader said it was a "do little" Congress. There is an element of truth in all of these opinions or descriptions.

A Congress controlled by the Democrats did react uncertainly when confronted with the 40 or so major legislative initiatives of a President who is a Republican. It occasionally acted responsibly, but compared to previous recent sessions, it did little. At the same time, however, none of the labels I have seen placed on the Congress adequately describe the character of the first session.

UNFINISHED BUSINESS

Perhaps the best method of measuring the accomplishments of a given session is to look carefully at the amount of work left undone. In this regard, the first session scores a less than average grade.

Labor-HEW, foreign aid funds: The first business facing Congress upon its return is to decide what to do about the appropriations bills for these agencies and programs. Neither of the two bills involved cleared Congress. The Labor-HEW measure, H.R. 13111, is caught in a squeeze between a Congress which, in a blatant political move by the Democrats to paint the Republican President in anti-education colors, acted to appropriate $1 billion more than the administration asked, and President Nixon, who says he will veto it because it is inflationary, which is exactly what the Democratic leadership wants.

Welfare reform: This issue, one of Mr. Nixon's most important domestic proposals, was studied by the House Ways and Means Committee, which will return to the subject this month.

Revenue sharing: Although another key part of the President's program, this proposal received little attention last year.

Voting rights: The House passed the administration's bill, but a Senate fight is expected.

Education: The administration will be under heavy pressure to increase funding for education as the second session considers extension of the elementary and secondary education assistance law, and advance funding for fiscal year 1971 under that law.

Crime: Under pressure from the administration, the Senate Judiciary Committee finally reported the Organized Crime Control Act. This, after months of waiting, was like pulling teeth.

Electoral reform: The House passed a bill to discard the 182-year-old electoral college system for electing Presidents. The Senate scheduled no action, but is expected to debate the measure this year.

Cigarette advertising: Both the Senate and the House have passed legislation dealing with advertising of cigarettes. Differences between the two versions of the bill must be ironed out in conference.

Postal reform: Congress moved hardly at all in 1969 on administration proposals to reform the Post Office Department which have generated fierce controversy among interested groups.

Mass transit: A measure containing a multibillion-dollar attack on urban transportation congestion will be debated early in the spring, but no legislation except for the District of Columbia was enacted during the first session.

Airports: Aid for airports bill passed the House and is pending in the Senate.

Farm program: The multibillion-dollar program of farm subsidies will be under attack again as Congress considers extension of the basic farm programs which expire at the end of 1970.

Health, drugs: An omnibus drug bill has been reported from the Senate Judiciary Committee. The bill would end mandatory minimum sentences for illicit drug use and is expected to run into stiff opposition in the House. The House passed a bill authorizing $29 million over 3 years for education to prevent drug abuse. A bill to extend the Federal—Hill-Burton—hospital construction program remained in the Senate when Congress adjourned.

Consumer affairs: There was gathering momentum during 1969 for a stronger consumer affairs office in the Government and perhaps a Cabinet-level department. However, legislation to accomplish these aims remained unenacted.

Draft: Although Congress allowed the President to begin a draft lottery, it did not undertake major revisions in the draft law itself. Further study is scheduled in the second session. A court order redraw of the first lottery pool remains a distinct possibility.

Legislative reorganization: A special subcommittee of the House Rules Committee is attempting to report a bill revising certain congressional procedures. I have testified in support of a bill I introduced on this subject which is outlined elsewhere in this report.

Trade: President Nixon sent a major message on trade which would have some bearing on the problem the New England shoe industry is facing from cheaply produced foreign imports. First action on this is scheduled in the House Ways and Means Committee which will begin hearings early in February. The free-traders promise to kill any meaningful legislation if they can.

Manpower: The White House promoted a bill to consolidate all existing job training programs within the jurisdiction of the Labor Department; to give States more authority in running Federal training programs and to establish a computer "job bank" designed to match applicants with jobs available. No hearings were held in either the Senate or House.

WHAT DID CONGRESS DO?

The major piece of legislation enacted by the first session of this Congress was the tax-reform bill, the most comprehensive revision of the tax code since the income tax was established in 1913. This included a 15-percent increase in social security benefits on an across-the-board basis, reflecting a bill I had introduced earlier in the session.

In other important economic legislation completed, Congress cleared for the President a bill granting States broader authority to tax federally chartered banks and enacted legislation extending the interest equalization tax to March 31, 1971. It also cleared legislation raising permissible interest rates on series E and H savings bonds from 4.25 percent to 5 percent. It passed legislation establishing a ceiling on Federal expenditures of $191.9 billion for fiscal year 1970.

DEFENSE

A major development during the session was the critical scrutiny that Congress, particularly the Senate, focused on defense spending. The main result of this attention was passage of a Defense appropriation bill $8 billion less than President Johnson's outgoing administration estimated cost of fiscal year 1970.

Also, a 2-month heated debate over ABM materially contributed to a general slowing down of congressional activity and the resultant length of the session.

It should be mentioned, too, that the Portsmouth Naval Shipyard will receive the scheduled overhaul of the "Sam Rayburn" thanks largely to House conferees insisting on four authorized overhauls instead of the Senate's suggested two overhauls. If the latter figure had held, chances are that the "Sam Rayburn" overhaul would not have been undertaken at Portsmouth, and the First District would have been the loser here.

HOUSING

The $4.8 billion Housing and Urban Development Act of 1969 extended major programs through 1971. The act required for the first time that a new low-income dwelling be built for each one razed as a part of an urban renewal project. The new unit could be built in the slum clearance area or elsewhere in the city.

In New Hampshire, urban renewal progressed in Laconia, and Manchester received its initial award of $1.6 million under the model cities program.

ENVIRONMENT AND POLLUTION

The Senate and House agreed to a conference report enacting the National Environment Policy Act aimed at dealing with problems on a preventive basis and establishing a Board of Advisers which would make environmental policy.

Both Chambers passed bills known as the Federal Water Pollution Control Act and appropriated $800 million for water pollution control in an appropriations measure for public works. This figure was one-half billion dollars above the administration's request. I supported the higher figure for this important and continuing effort.

LABOR

In major labor legislation, Congress approved a comprehensive Coal Mine Health and Safety Act providing compensation for victims of coal miners' diseases and setting standards to prevent coal mine disasters. In another action on labor safety, Congress passed a bill setting standards for safety for the construction industry in all Federal projects.

CONSUMERS

The Child Protection and Toy Safety Act was passed increasing protection for children from toys which contained thermal, electrical, or mechanical hazards. Congress also extended the life of the National Commission on Product Safety. The Tire Safety Act was passed which requires manufacturers to recall defective tires.

GUN CONTROL

Congress approved and I voted for an amendment which repealed provisions of the Gun Control Act of 1968 requiring merchants to keep records of their sales of shotgun and rifle ammunition.

FOREIGN POLICY

Congress continued foreign aid, passing the lowest authorization in the history of the program.

It also extended funding for the Peace Corps which received a $98 million authorization in fiscal 1970.

Congressional debate on Vietnam did not become heated until the fall of 1969 and by the end of the session it was again muted. The height of congressional concern coincided with an October 15 nationwide "moratorium" antiwar demonstration and, to a lesser extent, with the November 15 "mass rally in Washington." The House of Representatives, in an overwhelming show of bipartisan support, passed a resolution backing President Nixon's efforts to achieve "peace with justice" in Vietnam.

A measure I cosponsored concerning the Prisoner of War issue passed the House and has been sent to the Senate.

HEALTH

Congress enacted legislation to reduce the growing costs of medicaid, the program of matching State and Federal grants to provide medical services for the poor.

SPACE

For the 5th year in succession Congress cut back on appropriations for NASA.

The $3.7 billion figure enacted last November was the lowest spending figure for the Space Agency since 1963 and represents a shift of national priorities in terms of congressional thinking.

HOUSE KEY VOTES IN FIRST SESSION

Surtax: Vote to extend surtax at 10 percent thru 1969 and 5 percent thru 1970. President Nixon made urgent appeal for the measure as an anti-inflationary act. Wyman voted "yea."

Joelson amendment: Despite administration efforts to hold the line on spending for Federal programs to help curb spending, the House voted to increase education programs by more than $1 billion. Wyman voted "nay."

Tax reform: Climaxing 7 months' work by the House Ways and Means Committee, a major tax-reform measure was presented for a vote. Wyman voted "yea."

Electoral college: With the memory of the possibility of the 1968 presidential election being thrown into the House of Representatives, the House voted to provide for the direct popular election of the President and Vice President. A substitute district plan was defeated in the House. Wyman voted "yea" on both.

Selective Service Reform: The House acted on the request of the President for a draft-lottery proposal. Wyman voted "yea."

Vietnam resolution: The first major policy declaration on Vietnam since the Tonkin Gulf resolution was approved by the House after 2 days' debate. The resolution declared support for President Nixon's efforts in Vietnam. Wyman voted "yea."

Foreign aid: By a narrow 200-to-195 vote, the House passed the lowest appropriation in the history of the program. Wyman voted "nay."

Voting rights: Another close victory for the administration came when the House approved by a 208-to-203 vote the administration's voting rights bill which extends the act nationwide instead of "aiming it" on a regional basis. Wyman voted "yea."

Poverty program: The strongest effort in the history of the poverty program to turn its control over to the States was beaten after House Democrats delayed action on the bill for several weeks to rally support behind a straight 2-year extension of the program. The State-control effort was defeated when the House rejected by a 163-to-231 vote a motion to recommit the bill to committee with instructions to report back the substitute bill providing for State administration of the program. Wyman voted "yea."

WYMAN LEGISLATION INTRODUCED

In the circumstances of the Congress' failure to enact all necessary appropriations bills during the first session an important proposal I introduced was a bill designed to change the rules of the House of Representatives permitting the Appropriations Committee to bring to the floor of the House after June 1, without prior authorizing committee action, measures which the Appropriations Committee has completed. More than 100 Members of Congress, of both political parties have joined as cosponsors of this bill. In this session, the House could have completed its work on the important appropriations bills before September 1. My proposal would allow action at the discretion of the Appropriations Committee, to bring these proposals to the floor for a vote after the first of June and would thus give impetus to the authorizing committees to get their work done prior to the beginning of each new fiscal year. Among other bills I introduced during this session were:

H.R. 719, a bill to establish a commission on the organization of the executive branch of the Government which would basically be another "Hoover" Commission charged with the responsibility of reorganizing the executive.

H.R. 722, a bill for the humane care of laboratory test animals.

H.R. 723, a bill which would permit the publication of information on the New Hampshire sweepstakes program, thereby increasing sales outlets.

H.R. 726, a bill which would authorize police officers to detain and question persons suspected of committing Federal crimes.

H.R. 729, a bill which would allow the free mailing to any relatives in Vietnam of packages and letters from family members at home.

H.R. 734, legislation allowing teachers to deduct from income expenses for higher education.

H.R. 735, 7696, and 14178, legislation designed to provide for the orderly trade in certain articles such as footwear and textiles.

H.R. 9791, a bill which would materially improve the operation and function of Congress.

H.R. 10801, legislation which would eliminate the mandatory oil import control program thus decreasing the cost of home heating oil to consumers in New England and elsewhere.

H.R. 10863, a bill which would prohibit overseas travel at Government expense for "lame duck" Members of Congress—Members who had lost an election or who had announced retirement.

H.R. 11032, a bill which would prohibit the use of interstate facilities for the mailing or distribution of pornographic material.

H.R. 11802, a bill designed to impose criminal penalties upon students willfully disrupting educational institutions and denying fellow students education when such institutions are supported with Federal funds.

H.R. 12806, to amend the Bail Reform Act of 1966 to prevent repeaters from the opportunity of committing like crimes while on bail.

H.R. 13358, a bill amending the Federal Water Pollution Control Act to provide adequate financial assistance and to increase the allotment to States of construction grant funds.

H.R. 13985, the administration's bill to share income revenues with the States.

H.R. 14575, increasing social security benefits across the board by 15 percent and containing an automatic cost-of-living rider which would bring payments upward as the cost of living continued to erase recipient benefits.

House Resolution 253, designed to continue a study of violence in television programing.

House Resolution 598, allowing voluntary prayer in public schools.

House Resolution 727, an equal rights amendment for men and women.

House Resolution 460, to create a standing committee in the Congress on the environment.

The second session of this Congress will be controversial, often acrimonious and unfortunately increasingly political with next fall's elections in the offing. Predictably, the administration will make numerous popular proposals in the form of legislation requested, which if rejected by this Democrat-controlled Congress, will set the stage for the national choice in November. This will be whether or not to provide a Republican majority in both Houses of Congress to permit a more favorable response to administration requests in the 92d Congress.

ECONOMIC OPPORTUNITY ACT AMENDMENTS OF 1969

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. FULTON of Pennsylvania. Mr. Speaker, under leave to extend my remarks in the Record, I include the following:

Office of Economic Opportunity,
Washington, D.C.

Hon. James G. Fulton,
House of Representatives,
Washington, D.C.

Dear Jim: Your support and interest in the Economic Opportunity Act Amendments of 1969 is deeply appreciated.

As I indicated in the speech I have attached, we do not take the action by Congress to be an endorsement of errors of the past but rather as a mandate to work to improve and strengthen the programs of the Agency.

My best wishes for a pleasant holiday.

Sincerely,

Donald Rumsfeld,
Director.

Address by Donald Rumsfeld, Director, Office of Economic Opportunity

This has been a wild time for the Office of Economic Opportunity. It's always difficult when this legislation is before the Congress. For a while, I thought that we might have to find the sign that appeared in one of the Office of Economic Opportunity elevators this time during last December which said: "This building will self-destruct on January 20." But the House of Representatives, in my judgment, did itself proud last week and voted to authorize the programs of the Economic Opportunity Act for another two years.

With the major legislative questions behind us, we can get on with the work of dealing with some of the urgent problems facing this country, knowing that we have what has to be described as broader support in both political parties and in both houses of the Congress than before.

The Office of Economic Opportunity authorization was approved this year by the largest margin, I believe, in the history of the program. And one of the most exciting facts, from my standpoint, about the vote is that the legislation was supported by individuals in some instances who had not supported it previously. Congressmen of *both* parties changed their voting pattern.

The real role of the President in this matter has been missed in many discussions in recent weeks. Actually, the debate on the future of the Office of Economic Opportunity did not begin last week when it was brought to the floor of the House of Representatives for that critical vote. It began last January when the President assumed office—and even earlier in fact—and it is worth recalling the situation when the new Administration took office. I was still in Congress so I would take no credit or blame, depending on one's viewpoint, for the decisions that were made.

There was no doubt in my mind but that the President could have in fact abolished the agency and probably gone up twenty points in the polls if he had done so. But he didn't. He could have appealed to some less admirable instincts in the country—to those who misunderstood or those who feared or those who doubted.

The risk, I think, clearly would have been polarization, and he made a judgment that he would not do so. In fact he made the Office of Economic Opportunity the subject of his first message to Congress on February 19th—announcing that he intended to define and organize its activities more effectively so that it could concentrate on innovation and experimentation, on seeking new methods and developing new programs. This message was a sound document—it was one of the reasons that I accepted the position of Director. And it played an important part in building greater awareness and understanding and support for the role of the agency throughout the country. It said, in part:

"If we are to make the most of experimental programs, we must frankly recognize their experimental nature and frankly acknowledge whatever shortcomings they develop.

"The men and women who will be valued most in this Administration will be those who understand that not every experiment succeeds, who do not cover up failures but rather lay open problems, frankly and constructively, so that next time we will know how to do better."

During the next months, he fulfilled that pledge to press ahead with support for the Office of Economic Opportunity and improvements in its operations. He sent to Congress a request for a two-year extension of the Office of Economic Opportunity, explaining that that extension would allow longer range planning, more efficient allocation of funds, promote recruiting of talented new personnel, and assure the continuity and flexibility that such an agency needs.

On August 8, in his New Federalism speech, he made the *pioneering role* of the Office of Economic Opportunity one of four major segments in his new domestic program, along with the family assistance program, the manpower training bill, and revenue sharing. He said:

"This Administration believes that every American should have the opportunity to participate in our Nation's economic life to the full extent to his abilities. The Office of Economic Opportunity will make this objective its highest priority . . . OEO is to be the cutting edge by means of which the government moves into unexplored areas."

This was a significant role in enlightening and, yes, *leading* the Nation—informing and persuading those who had opposed the program, including many of the Congressmen who later voted for it, while setting new directions for the agency's future.

I know that many of the criticisms made of the agency in the past have validity—believe me, I don't interpret the vote that took place last week as an order for "full steam ahead, business as usual." Despite the changes that have been made already—and they have been substantial, some prior to my joining the agency and some subsequently, the reorganization, changes in the guidelines, defunding of ineffective programs, the President's new mandate for the agency—further improvements are necessary.

The picture of the Office of Economic Opportunity in some people's eyes of course consists of employees picketing city halls, VISTA volunteers engaged in partisan politicking, scandals with local grantees, Black Panthers, dope and guns—this is what we hear. And I understand that there has been some of that. Those things exist in this society—and indeed would be sure to exist if there were no Office of Economic Opportunity.

But what is the Office of Economic Opportunity today? From a quantitative standpoint, it is 962 community action agencies, private local agencies spread across the country, that receive funds, hire people and proceed to be involved either actively themselves or through delegate agencies in a variety of programs; 600 legal services offices, handling some 610,000 cases last year; 91 migrant and Indian programs in 37 states; 200 programs for older persons; 49 neighborhood health centers; 230 family planning programs involving some 350,000 women; 475 emergency food programs; believe it or not—250 research, development or evaluation activities; some 15 economic development activities; more than 5,000 VISTA volunteers; Head Start, manpower programs and so on.

Also, of course, it's a symbol for many—a symbol of this nation's commitment to do a better job of improving the quality of life for all Americans. One of the most important programs aimed at increasing the responsiveness of institutions is the Legal Services program. It symbolizes much of the mission of our agency: justice for the poor, effective advocacy on behalf of the poor, orderly institutional change within the legal system—and this is so important in a complicated society. Just as this agency represents the concerns and needs of the poor within government, so also the Legal Services program, with its more than 1800 attorneys across this country, provides the poor with representation and advocacy before all levels of government.

Beyond that, the Office of Economic Opportunity represents a very small portion of the Federal budget that is not handled in the traditional way through the existing Executive departments and the state and local governmental apparatus. It offers, I think, the opportunity, properly managed, properly handled, to see if we in this society can help to make these institutions and private institutions as well, function as more perfect problem-solving mechanisms.

With its $2 billion budget, however, the Office of Economic Opportunity is not the "War on Poverty," contrary to what you've all heard. There has been a good deal of rhetoric about the Office of Economic Opportunity being the only agency concerned with the poor—of "total victory over poverty," "eradicating poverty," and the like.

The national effort to aid the poor in my judgment involves most domestic departments and agencies of the Federal government, other levels of government, and the private sector. The advance billing of the Office of Economic Opportunity made me feel like a midget with a 40-foot lance when I arrived there.

Further, the real task of the Office of Economic Opportunity is not income maintenance, as some feel or seem to assume. The family assistance program, with its great possibilities for changing the economic and social landscape of this country will be operated by HEW, the Department which is and has been responsible for income maintenance programs. Nor is our task to operate a complete duplicate system for delivery of all services that affect all people.

The real task of the Office of Economic Opportunity is to find better ways of opening economic opportunity, of raising the capacity of individuals to participate in the economic life of the country. It is to develop new programs that can be used to help solve social problems, and to make our institutions more responsive.

We have seen during these first ten months of this Administration a shifting of priorities; defense and military spending have been squeezed somewhat; domestic spending has been increased. The trend has been quite different from the trend in previous years. The hope, quite honestly, is that we'll be able to find the answers to questions that we are asking now and will be asking in the coming years so that we'll have some choices—some options—and will not simply flush more funds, as the priorities shift, through the same faucets that exist today, many of which are corroded and rusted and not functioning perfectly.

There has been a broad range of reforms offered to the Congress: welfare reform, draft reform, tax reform, postal reform, manpower reform, reform in the District government, changes in the social security legislation. The Ash Commission is looking at the Executive Branch to find ways of making government more responsive to the problems of human beings across this country.

It is important to remind ourselves that unlocking the potential of individuals has to be a cooperative effort if we are to be successful—that we need to involve as many individuals and groups and levels of government as possible. We seek in the agency to involve the poor meaningfully in the planning and administration and conduct of our programs. And we must involve state governments, as has been suggested county governments, and local governments as well. We have taken steps to do so, such as completely revising our guidelines, because of the important resources these other levels of government have to offer. These programs must not set cities against states, or states against the Federal Government—they must involve all levels of government.

The old attitude of the agency which in some instances suggested that it was an island and that everyone else was the "enemy," first, last, and always, yesterday, today, and tomorrow, is certainly not designed to encourage the cooperation and the allocation of other institutions' resources on these problems. The critics in Congress and the press have made many sound points in my judgment, which we in the agency will have to heed, if we are to construct over the coming two years the requisite number of legs so that our table will stand. One leg isn't enough. And further, no program can do anyone much good if it's required to function in the atmosphere of hostility that has existed so often in the past and has drained so much of our energy.

The vote in Congress reflected an increased concern on the part of the country generally—not in one region. Further, the majority assembled to support the legislation I believe will be assembled again—not exactly the same, but something along the line—to support other domestic programs such as the family assistance program and manpower program.

And let me emphasize one important point. The conventional wisdom on the Office of Economic Opportunity is that its only constituency is the poor, and that it need concern itself only with their problems. But this is precisely the "wisdom" that jeopardized the future of the agency last week. The effect of enlisting advice and support for only the poor is to create a dangerous hardening of the crust of resentment and misunderstanding among many other groups. The effect, in short, is to *isolate* the poor. It is to risk depriving those separated from society of their natural allies—men and women throughout society who believe that our present institutions are far from perfect problem-solving mechanisms, that our social problems are becoming more serious, and that we must find new methods for opening greater economic opportunity to all Americans. This Nation is wise enough and big enough to recognize that there is much work to be done if we are to meet the problems which face our society—for the benefit of the poor *and* the non-poor—and get on with the task.

During the past few days I've been asked repeatedly what happened in the House of Representatives. I must honestly say I don't have a simple answer.

One Republican Congressman called and said with pleasure last Friday just after the vote on the Office of Economic Opportunity, "Mr. Director, the silent majority has spoken." And he was only half kidding.

In his thoughtful and challenging speech to you last week, John Gardner said that the Nation needs a solid jolt—not a mild push, but a solid jolt—from "vigorous and purposeful leaders." Mr. Gardner expressed his concern with what he considers the failures of leadership on the part of industry, unions, education professionals and the individual citizen, as well as of government.

"Too many take a free ride as far as any distinctive effort to serve the common good is concerned," Mr. Gardner said. "Too many are apathetic, self-absorbed and self-serving." He also said, "One thing the citizen can do—must do—is to reject fiercely all politicians who exploit fear and anger and hatred for their purposes."

The emotions cannot be wished away. Nor can politicians. Nor will citizens be rid of them merely because they are *told* to be rid of them.

The great challenge to leadership at this moment is to draw into the system—a great system—those who feel such emotions and follow such politicians; draw them back by appealing to the larger interest in progress and social justice which we all share; by defining problems in a way that unites rather than divides; by proposing solutions in a tone that emphasizes the good of one group.

Simple solutions—such as one- or two-group strategies—are deceptive and dangerous.

As H. L. Mencken once said, "For every human problem there is a solution which is simple, neat and *wrong*."

This is not to say that there are not or will not be groupings or citizens with separate interests on many matters. The existence of such interests, and of competition between them, is a healthy part of our system and helps produce much of the light, as well as the heat, by which our Nation resolves great issues.

But the days of national leaders appealing to any one of them should be gone. With communications so rapid and intensive, and our population so mobile, neither the President nor other national leaders can go with impunity before a farm or labor group, or a poor or a non-poor group, or a black or a white group, and appeal only to their interest at the expense of other groups. We have seen that issues are related—farm policy to labor policy, tax policy to foreign policy. And individual groups, along with issues, are increasingly interdependent.

It would be a risky and unwise business to have a strategy based on an appeal to interest groups or regional groups—a farm strategy or black strategy or a northern or southern strategy. Those who would contemplate such a strategy, who appeal to a special constellation of groups, risk a further polarization of society that will harm all groups. And most groups know it or are learning it.

The effect of giving undue preference to one group is to exclude others—or to give the feeling of being excluded—and thus to divide the Nation when we need most to be brought together. And at this stage in history with so many powerful forces contending so divisively, such a course would produce disaster. We cannot afford to exclude the South and we cannot afford to exclude the North or the poor or non-poor, white or black. Those who play by the old rules—the rules of groupings, the rules of polarization—will be duly and properly blamed for the damage done to all groups in our society, and will be discarded by the people.

The American people understand the dangers of polarization even though some politicians are still operating on the old rules. This may be a time, indeed, when the people are ahead of some leaders.

The goal of National leadership is to set priorities and goals—a vision of society—that restores some sense of mutual trust.

The goal of leadership must be to appeal to what is best in the American people—the sense of adventure that brought us to explore and tame this land, the energy and enterprise that caused us to make it the most productive on earth, and the fundamental sense of fairness and decency that allowed us to live in peace with each other. A leader must believe in the people whom he serves, must believe deeply in their most generous and trusting instincts. He must understand their fears and angers and hatreds in order to reach what is best. He cannot dismiss the emotions on which demagogues would play—ordinary, human emotions—but must attempt to raise the Nation above them.

QUESTIONS AND ANSWERS

Question. According to Evans and Novak, you are treated with open hostility by President Nixon and some of his advisors. If this is so, is there anything you can accomplish by staying on? Do you regret giving up your seat in Congress to take this job?

Mr. RUMSFELD. I don't feel any open hostility either by the President or by people in the White House. And as to whether or not I regret giving up my seat in Congress to take this job, I would say very very emphatically, "No," that this literally has been the most incredible experience of my lifetime. I admit I feel like I'm sitting on a bubbling volcano half the time and I concede that it asks about 40 times more of me than I've got in me each day, but I wouldn't trade these first six months for anything.

Question. After last week's Congressional victory, do you think it wise to increase the cooperation between OEO and Community Action Agencies and the state and local officials?

Mr. RUMSFELD. I covered that in my address. As a matter of fact, we had moved prior to the bill's ever coming up in the Congress several months ago, to try and rectify what I felt was a very unhealthy situation. I believe very strongly that it is to the benefit of the people to be served, the benefit of the programs, as well as to the benefit of the state and local governments to try and encourage to the extent we're able, cooperation by both levels of government.

Question. Do you feel America's moral fiber has deteriorated with people now willing to accept relief from government programs and so on?

Mr. RUMSFELD. Well, I would guess there is no question but that this society has changed certainly during my lifetime. It's a very distressing thing when a society looks at the unemployment rolls going down, employment going up, and at the same time relief rolls going up. I don't think there's anyone who has been able to precisely pinpoint what caused that rather strange and frightening phenomenon. It is my best judgment that there is hope. I recognize the complexities of the new family assistance proposal, but it strikes me, after very careful study, that there is contained in that system a variety of actions that will help correct those things which tended to encourage dependence in the present welfare system and supplant them with approaches and procedures which I would think we'll find in the coming years will tend to increase independence rather than dependence.

Question. Is the President giving you as much support in fighting against the Murphy Amendment in the OEO conference as he did in your successful opposition to the Quie-Green substitute in the House?

Mr. RUMSFELD. You know, I get this everywhere I go. When you go before a group, it's a strange thing—I'll speak for example to a group of Community Action workers and I proceed with my discussion about why we are doing what we're doing with respect to a certain funding level or a certain approach, and they'll listen and they'll listen, and then they will say, "What's the hidden agenda? What's really going on?" With respect to the Murphy Amendment, I don't think it's a problem. We worked very hard. I think the dialogue that took place was a healthy one. I think the amendment would be very harmful. There is no question in my mind but that it would lead to a situation where there would be great numbers of poor across this country that would be denied access to the legal system. This is the position of the Administration. It was not included in the House-passed bill. There is no doubt in my mind but that it will not be included in the final Conference Report, at least I'm certainly hopeful. And if I feel that I need any assistance from the President on it, I'm sure I'll seek it. And there is very little question in my mind but that if I seek it that he would respond and be very helpful. As it happens, I have not asked for his support or assistance on this particular Amendment.

Question. Many instances of abuse or malfeasance of OEO programs have been spread on the public and Congressional Record over the years. In your six months in office have you found any or all of these criticisms to be valid? If so, what have you done about them?

Mr. RUMSFELD. There have been a variety of things spread on the public record. We've investigated a great many of them. There is no question but that a number of them are valid. There happen also to be some problems with respect to contracts and grants and conduct of individuals which have not yet been spread on the public record. We are in the process under the direction of the Deputy Director, Wesley Hyornevik, completely revising and rewriting our procedures for handling of all grants and contracts. The General Counsel, Don Lowitz, has already rewritten our procedures and requirements with respect to conduct of individual employees. We are going to break our neck and see that these types of activities don't place in jeopardy a program which I feel has a great deal of potential. I would add one thing however. I don't believe there is a Federal program that doesn't have some problems. I don't believe there is an activity with human beings involved where there aren't some problems. And I would submit that it should not come as any great surprise to any one that in programs that are dealing with the least sophisticated and the least educated in this society, there would be problems. This is understandable to me. It doesn't excuse them. It doesn't mean that we shouldn't do everything in the world, as we are trying to do, to see that they don't happen. Because every dollar that is wasted or taken, doesn't get to the people whom the taxpayers intended it to get to. But, I would say that I think that was as a society should recognize that when we ask, as the Congress has, that we involve people who do not have the benefit of the education, background, or the administrative experience that people involved in most other Federal programming have—when we ask that participation and believe it is important, we should then, I think, understand that there conceivably will be problems with the style of that participation and involvement.

Question. Would not a guaranteed annual income, however small, put you out of business? Do you favor such a minimum income for every family, black or white?

Mr. RUMSFELD. Certainly anything that the Federal government does should be done without regard to one's color, in response to the last part of the question. The tax collector is color blind and one would hope that the tax disseminator should be color blind. I don't know exactly what a guaranteed annual income is. I sat through weeks of hearings in the Joint Economic Committee when I was in the Congress and heard all of the different proposals and I guess that beauty is in the eyes of the beholder. But we have a welfare system: This Administration has come forward with a very bold proposal to replace that system with a system that I supported within the Administration and I support with respect to the pending Congressional action. I think it is a very very desirable piece of legislation, as complicated and difficult as this subject is.

Question. Are you happy with the President turning down the $5,500 guaranteed annual wage which the Hunger Conference recommended?

Mr. RUMSFELD. I agree with his position. There is no question but that there is going to be a tremendously difficult time getting the pending family assistance program passed. Now one can always make a case that X number of dollars—$1,000, $1,600, $2,200, $2,500—isn't enough. I don't think anyone is suggesting that it is. It is a national minimum. It's a figure that appears to be within the present financial capability of this country, and I fully agree with the President's response to the question that was posed to him concerning his recommending a $5,500 guaranteed annual income at this time.

Question. You say it is not OEO's job to eradicate poverty. Whose job is it? Or will the poor always be with us?

Mr. RUMSFELD. Well, on the first part of it, I don't believe I did say that it was not OEO's job to eradicate poverty. I indicated that the suggestion that OEO was the "War on Poverty" is misleading . . . and that in fact, this agency, true, is the only one that has as its complete and special concern, the problems of the poor. Nonetheless, it is but a part of an entire Federal, state, local, as well as private sector effort of this society over a period of many years to deal with the problems of the poor. Now as to whether or not the poor will always be with us, I would submit that depends on how one defines it. And whether one in that definition looked only to income or a certain level of income, as the determining criterion.

Question. Are the comments and actions of the Attorney General and the Vice President polarizing the country or bringing us together in your opinion?

Mr. RUMSFELD. I don't know whether anyone can prove whether or not something is pulling people in or pushing people out. But I will say that I have discussed this with a number of people; we all have. It's been a question of some discussion in Washington and elsewhere in the country. And I was impressed. I can remember making an argument for a friend of mine one time who's a Democrat, and saying that I didn't feel he was polarizing because he happened to have positions that were very different from mine; but that in fact, I felt that this individual was being very effective in bringing people into this system—because he was a part of the system, he believed in it very deeply, and his approach and his thrust tended, in my judgment, to bring people in. I was surprised to have a young man who happens to be a Democrat give me essentially that same argument with respect to the comments of the Vice President and the Attorney General. He pointed out that this is a big country. There are a lot of different viewpoints. The feeling that many people have—and let there be no doubt about it, there's feeling in this country of reaction—is that the comments of the Vice President could very likely be having not a polarizing effect as seems to be the general conclusion of so many in the press, but rather a depolarizing effect by providing a voice, by providing a viewpoint that deserves and merits expression in this country. I think that's very likely the case.

Question. A working mother with children recently quit work and went on welfare because of the high cost of babysitters. What is the status of your Day Care Program to handle this type of case?

Mr. RUMSFELD. We are working with the Department of Health, Education, and Welfare and have plans for the very immediate future to build on the base we already have in the day care area to try and find out the answers to some of the questions, particularly such questions as how rapidly we can expand the day care capability in this country. It is still in the very early stages. There are a tremendous number of restrictions and inhibitions on expansion of day care. Local codes, city codes, sanitation requirements, education requirements, teacher requirements and all of these matters are being looked at by the Office of Economic Opportunity with the Department of Health, Education, and Welfare and I would imagine that in the near future some specific research and demonstration projects, within the next six weeks, I should say, will be in place.

Question. A little demanding, this question, sir. How about confiding in us some of the abuses which you say have not yet been spread on the public record and why not?

Mr. RUMSFELD. Believe me, every abuse that I know of that is a matter of record, the vast majority of them. As was suggested earlier in the introduction, I was involved in the so-called "Freedom of Information Legislation" and I guess what's good for the goose is good for the gander. So we have been supplying information to fill requests of members of the House, members of the Senate and investigating committees, as well as the General Accounting Office. Some of the ones I was thinking of are things that I really probably shouldn't here describe as abuses, but, rather alleged abuses. They are pending in various places in the Executive branch of the government that have a responsibility for investigating such matters. And certainly at that point where some judgment is made, then we will take the corrective action, should any be required. And at that point it obviously would become a matter of public record. In my judgment it would not be desirable to spread alleged abuses all over the record and bring unnecessary embarrassment or harm in the event they prove not to be valid.

Question. What is OEO doing to insure compliance with its program guidelines?

Mr. RUMSFELD. One of the things we have done is to recognize the difficulty that existed under the old organization where we had regional offices operating somewhat as separate satellites just spinning loose. And we have combined the organization there so that now all of the regional offices will report directly to Frank Carlucci in the Office of Operations. Through this considerably better coordinated approach, we'll be able to monitor the decisions and regulations that are being utilized by each of the regional directors and, in fact, enforce the kind of compliance that I believe each of us in the agency feels is so important if we are going to get the programs straightened out.

Question. Do you believe that you can ever woo the black vote into the Republican column?

Mr. RUMSFELD. I was kind of amused at that in the Evans and Novak article because it's natural that people involved in politics would think in terms of votes. I must say that my involvement in this agency and my activities as Director of this agency, quite honestly don't have anything to do with wooing the black vote. I just happen to believe very deeply that we're in trouble if there are large groups of people who don't feel that they're a part of the Nation. For us to expect as individuals or as society as a whole, that the conduct of individuals who don't feel a part of this society, should conform to some norms or standards that we in society would set forth, is unreasonable. I think we should recognize that. I would say that both political parties, if they want to have any future, should actively seek to see that the decisions their party makes have the benefit of input from people who are black as well as people who are white. And people who are from the North as well as from the South. I think that it would be a very unwise thing for either political party to think that it could fill its bag with one or two chunks of the society and forget the rest. So I would hope that the Republican Party as well as the Democratic Party would actively seek to include people of all minority backgrounds in their activities and decision-making.

Question. During the depression of the 1930s people were hungry and fought desperately to work at any menial job. With plenty of jobs now, especially menial jobs, why don't people want to work instead of seeking the easy way out?

Mr. RUMSFELD. There is no question but that a number of things have happened in the society to create a substantial dependent group. This isn't good for them and this isn't good for society. Once one separates out the aged, the blind, the disabled, those suffering from alcoholism or some mental defect, those that are too young to work, there still remains a substantial number of human beings who, if the society were perfect or if they were perfect, would in fact be a part of the economic life of this country. They're not today. I don't know the answer to it. I would guess that government is not guiltless. I would guess that some of those things that we've done have tended to encourage dependency rather than the contrary. I think that one thing we've got to do as a society is to stop thinking in terms of menial jobs. I think we do ourselves and the Nation a great disservice when we, through our white institutions, suggest to people that certain types of jobs are menial—certain types of work are for certain types of people. That is not a healthy thing for this country. It is not a healthy thing for white and not a healthy thing for black.

Question. Someone must have got this in last, so I'll put it in. During last year's campaign, Mr. Agnew promised the voters that the Community Action Programs would be abolished. When will this occur?

Mr. RUMSFELD. Well that's one quote I hadn't heard. And I would think maybe the best way to respond to it since I'd not heard the Vice President's quote would be to point out that when I was still in the Congress February 19th, the President of the United States in his message to the Congress, with no assist from me, announced that the important work of Community Action should be pressed forward.

MODERATOR. I would like to thank you Mr. Rumsfeld for coming here today and telling us about some of the problems you are facing and in recognition of that, I'd like you to accept this Certificate of Appreciation from the National Press Club.

Mr. RUMSFELD. Thank you very much.

WHAT CONGRESS HATH WROUGHT: THE 1969 LEGISLATIVE SESSION

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. ANDERSON of Illinois. Mr. Speaker, the first session of the 91st Congress moved at a snail's pace, produced a handful of important new laws, and began a debate over national priorities that signals the emerging concerns of the 1970's. I think it is appropriate at this time to make a brief accounting of the finished and unfinished business of the 91st Congress to those whom we represent.

TAX REFORM AND THE ECONOMY

The most important bill of the legislative session was the Tax Reform Act of 1969. Cleared by both Houses December 22 and signed by the President December 30, this most comprehensive tax reform law in American history takes a sizable load off middle-income taxpayers, shuts several major tax loopholes, extends the income tax surcharge for 6 months at 5 percent, and raises social security benefits by 15 percent across the board. The bill produced by the House Ways and Means Committee was a solid, balanced reform package which dealt with almost all major weaknesses of the former tax structure. The Senate Finance Committee diluted several of the most important reform provisions, such as the cut in the oil depletion allowance, and added several clearly inflationary features of its own. House leaders succeeded in toning down the more inflationary aspects of the Senate version, but the President may yet be forced to ask for more tax weapons to control an economy which is still overheated.

In other action affecting the economy, congressional Democrats throughout the session loaded appropriations bills for the executive departments with more money than the President had requested. Now lacking both the power and the responsibility to balance Federal income and expenditures against the needs of the national economy, the Democratic majority in Congress boosted Federal funds for education, public works, health, social security, and water treatment plants beyond the President's budget ceiling. In the case of education, not only was the administration's budget request hiked by a tidy $900 million, but the extra money was funneled into old programs which have come under increasing suspicion for their failure to aid disadvantaged students, rather than into high priority experimental programs supported by the Department of Health, Education, and Welfare. Taken together, these overbudgeted programs will make it very difficult for President Nixon to hold the line against inflation. That battle has only begun, and the Democratic majority in Congress is apparently not anxious to give Mr. Nixon the weapons he needs to fight it.

VIETNAM

The session's most important development on Vietnam was the solidifying of congressional support behind the President's policy in the fall. On October 14, the House Republican conference, which I have the honor to chair, overwhelmingly passed a resolution commending the President for reversing the course of the war and seeking an early, honorable peace. On December 2 the House voted 344 to 55 to support the President's efforts to achieve peace with justice in Vietnam. Shortly thereafter the Senate passed a similar resolution, further evidence that the Congress and the Nation support the President's efforts to end this tragic war quickly and honorably.

THE DRAFT

In November Congress completed action on the administration's draft reform bill. Implemented immediately, this reform now allows for 1970 draft calls to be made by random selection, or the "lottery" system. More important in my judgment, the chairmen of the Armed Services Committees in both the House and the Senate promised extensive hearings in 1970 on the entire draft system, with the intent of establishing more equitable and uniform national standards for selection.

CIVIL RIGHTS AND SOCIAL WELFARE

One of the most crucial questions facing our Nation in the last third of the 20th century is whether we want one society, integrated and equal—or two, segregated and unequal. Our society is in danger of being split two ways, between whites and blacks and between the affluent and the poor. Congress in 1969 passed several bills which bear on this question.

After prolonged debate on the appropriation bill for the Department of Health, Education, and Welfare, the House and Senate agreed to defang the Whitten amendment, which would have allowed southern school districts to continue receiving Federal funds without integrating their school systems. Both Houses also voted to retain control of the antipoverty program in the hands of the Federal Director, giving him the necessary power to implement priority programs over the opposition of established local interests. A greatly expanded food stamp program passed in November, following President Nixon's commitment to eliminate hunger in America. Finally, the administration's "Philadelphia plan," which sets hiring goals for black workers in the construction industry, passed both Houses in late December. This important legislation could become a model for promoting equality of job opportunity among all American citizens.

All these actions represent important gains in the effort to bring all Americans fully into the mainstream of our society. But there was one action which in my judgment represents a retreat, a step backward and not forward. On December 11 the House of Representatives, by a slim margin of eight votes, moved to dilute the strong Voting Rights Act of 1965 by extending its provisions throughout all 50 States rather than continuing to concentrate in those few States where the voting rights of many black citizens have been denied by discriminatory practices. The Senate has yet to vote on this bill and I hope that the House action may yet be reversed.

DEFENSE AND DISARMAMENT

One of the most significant developments of the session was the beginning of a tough reappraisal of U.S. military spending in light of our defense needs and other national priorities. More than 75 cents out of each tax dollar now goes to pay for past, present, and future wars. Conscious of mounting environmental pollution, decaying urban centers, housing lags, pressing needs in health, education and other areas, Congress sliced more than $8 billion off the defense budget proposed by outgoing President Lyndon Johnson, and whittled President Nixon's more modest budget by $5.6 billion. By a margin of three votes the House failed to support an amendment which I offered, providing for a quarterly review of major new weapons systems to prevent huge cost overruns which have plagued such programs as the C–5A transport plane. But this and other weapons systems came under close congressional scrutiny for the first time, and the ABM defense missile system, which received strong support in the House, passed in the Senate by only the slimmest of margins. As awareness of our pressing domestic needs spreads among the public, I anticipate that this debate over national priorities will grow in scope and urgency.

Along with the loud and often strident clash over defense spending went a quiet but hopeful search for new breakthroughs in disarmament and an easing of international tensions. In the Congress this movement reached a high point in midsummer, when Senator EDWARD BROOKE in the Senate and Representative JEFFERY COHELAN and I in the House offered identical resolutions supporting a mutual moratorium by the United States and Russia on testing of a new offensive missile called MIRV—for multiple independently targeted reentry vehicle—which might dangerously escalate the arms race. Forty-eight out of one hundred Senators and more than one-fourth of the House of Representatives supported these resolutions. On November 17 the administration took an important step forward when strategic arms limitation talks—SALT—were opened in Helsinki, Finland. We are hopeful that progress may be made on several questions, including MIRV, if the Soviets continue to show good faith.

HOUSING AND URBAN DEVELOPMENT

The Nation is far behind schedule in its announced goal of providing 2.6 million new housing units per year until 1978. The 1969 housing bill was small—only $4.8 billion—but it did include a requirement that for every low-income housing unit torn down in urban renewal a new one must be built, and an amendment which I offered that prohibits restrictions on the use of new technology and materials in experimental Housing and Urban Development programs.

In addition to the important completed measures which I have summarized, there remain several high-priority items of unfinished business for the second session of Congress, which convenes January 19.

THE ENVIRONMENT

During the 1969 session Congress made a symbolic start on environmental problems when it passed the National Environmental Policy Act. This law provides for a high-level planning board to advise the President in the establishment of a national policy for the use and preservation of our land, water, and air. To date a coherent national environmental policy has emerged neither in the Congress nor in the administration. At the close of the first session the only major piece of legislation which purported to deal with pollution on a national scale—the Water Quality Improvement Act—was held up in conference between the two Houses while Senators and Representatives bickered about who should have jurisdiction over the bill's provisions. Plainly, the question of the environment must receive higher priority in the coming session.

CRIME

It is a hard fact of American life that crime—in both its organized and street forms—is increasing in many parts of the country. Against this backdrop it seems incredible that throughout the first session Congress failed to complete action on any major crime bill. Representative EMANUEL CELLER, chairman of the House Judiciary Committee, not only refused to take action on any of the Nixon administration's major bills, but pointedly refrained from offering any substitute proposals of his own. And although the Senate Judiciary Committee reported two administration bills, one on organized crime and one on drug control, the Senate failed to act on either one. This problem can no longer be postponed.

WELFARE

High on the agenda for the second session will be the administration's new welfare reform proposal, called the "family assistance plan," which provides for a minimum income floor for the working and nonworking poor, and emphasizes work incentives rather than welfare standards.

ELECTORAL REFORM

In one of the most hopeful actions in recent constitutional history, the House of Representatives on September 18 voted 5 to 1 in favor of a proposed constitutional amendment abolishing the electoral college and providing for direct popular election of the President and Vice President. The proposed amendment must be passed by a two-thirds majority in the Senate and ratified by three-fourths of the States before it becomes law.

OTHER UPCOMING ISSUES

Several consumer protection measures are now pending in congressional committees. Federal aid to primary, secondary, and higher education is due for review and possible revamping at the initiative of either the President or the Congress. In the transportation field Congress is expected to complete action on major bills affecting airport development, the new federally sponsored SST program, and mass urban transport systems. The space program will be reviewed but is not likely to be increased. Finally, it is my hope that Congress will turn its attention to the serious shortcomings of its own organization and structure: a major effort in congressional reform is needed if the Nation's Legislature is to meet the increasing demands of a new decade.

Mr. Speaker, the Congress as a whole and Congressmen as individuals should both be held accountable by the people they seek to serve. This yearend summary is intended to encourage all who are interested to make known their views on any issue of current concern. Only by encouraging a dialog between Representatives and represented can we know if we are making progress in the effort to give our districts, States, and Nation the government they deserve.

ACCOMPLISHMENTS OF THE 91ST CONGRESS, FIRST SESSION: REPORT TO THE PEOPLE OF THE FOURTH DISTRICT OF WISCONSIN

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. ZABLOCKI. Mr. Speaker, as we look back on the record of the first session of the 91st Congress we can take satisfaction in its notable achievements.

The Republican administration has accused this Congress of lacking a sense of urgency in acting to meet our pressing national problems, as well as delaying legislative action on many administration proposals. In view of these accusations it seems especially important that my constituents in the Fourth District of Wisconsin be given an accounting of congressional action in 1969.

A close look at the record of achievement will show, I believe, that the administration has apparently succumbed to playing politics, particularly with the needs of this country.

To be sure, many of our serious national problems persist, and much remains to be done in the second session. Yet, as indicated in the summary of major actions which accompanies my remarks, Congress has actually taken the initiative in such important areas as tax reform, social security, electoral reform, inflation, draft reform, air and water pollution control, and aid to education.

In addition, Congress has taken a closer than usual look at administration proposals for foreign aid and military spending, reform of the welfare system, increased consumer protection, and changes in the Voting Rights Act. In some instances, approval of administration bills has been threatened or denied by opposition in Congress from members of the President's own party.

Many of us supported the President in his Vietnamization policy and welcomed the prospect of cooperation with him on constructive legislative proposals. To us, the President's charges of congressional inaction and his claim of credit for accomplishments, therefore, are particularly disappointing.

A review of the record indicates that the administration has been more concerned about the publicity involved in sending messages to Congress—such as the August 11 welfare reform message—than about submitting concrete proposals for action—such as the welfare reform bill, which was not presented to Congress until October 2. In addition, the President's decision to claim credit for several proposals which have been under consideration in Congress for some time further indicates excessive politicking.

A survey of congressional committees shows that the work of Congress has been delayed by the reluctance of top administration officials to appear before the committees or to issue recommendations on pending bills.

For example, despite the administration's pointing at Congress as the source of inaction on crime control measures, we find that Congress has substantially increased funds available for grants to local and State law enforcement agencies. In this area, as in other vital problems, full cooperation is necessary to expeditiously and effectively bring about solutions.

In the case of reforming our tax laws, the President's belated tax reform proposal left much to be desired. It was apparent that the administration proposal expressed more concern for the oil industry and for big business than for the average taxpayer who would benefit from meaningful tax reform.

The President threatened to veto the landmark Tax Reform Act of 1969 and finally signed it into law only "reluctantly" because of its revenue effects.

Indeed, Congress has also been concerned about "revenue effects" and about reducing Federal spending and the national debt. However, Congress has acted in a responsible way, cutting spending in those areas which are less important and, if possible, maintaining or increasing spending in vital areas such as pollution control where funds are desperately needed.

While we hear much talk from the administration about the need for such decisions and for a reordering of our national priorities we have seen little followthrough. Actually, the burden of acting on this talk has fallen on the Congress.

For example, Congress sought to take responsible action in the case of a compromise increase in funds for Federal health and education programs. Yet this legislation is threatened with a Presidential veto, despite the President's campaign pledge to make the American educational system second to none.

To combat rising inflation, perhaps the most pressing domestic problem facing this country, the administration has relied almost exclusively on high interest rates—a solution which has not only proved to be ineffective but has also placed an added burden on the average American.

Obviously, the problem of inflation is complex and not an easy one to solve. As in so many other equally difficult and frustrating areas, we must avoid the temptation of seeking simple solutions to this problem. Accordingly, after extensive hearings on the subject, Congress approved a carefully thought-out and comprehensive bill designed to help break the inflationary cycle.

Among the intended objectives of this legislation is that of lowering interest rates, thereby increasing the availability of funds to the home mortgage market. Further, it is expected to help the home construction industry and small businesses, both of which have been particularly hard hit by high interest rates.

Undoubtedly, Congress will continue to give highest priority to the problem of inflation in the second session of the 91st Congress.

Certainly one of the most effective means of fighting inflation and also lightening the tax burden is the elimination of needless and wasteful Government spending. In this connection, I have continued to work for reductions in Federal spending wherever possible and desirable.

In another but related consideration, it is also interesting to note that action taken by the Subcommittee on National Security Policy and Scientific Developments appears to have had an important influence on administration decisions to give serious consideration to a moratorium on the testing of multiple warhead missiles—MIRV's—to prohibit U.S. use of chemical and biological instruments of warfare, and to pursue more vigorously the issue of American prisoners of war in Vietnam.

It was my privilege to chair the subcommittee's investigations into these and other matters, such as the "green revolution" of increased food production which is occurring in the developing nations.

Many of us in Congress wish that even more could have been accomplished in the first session of the 91st Congress. However, it is our sincere hope that, with improved cooperation from the administration, this will be possible in the second session.

A summary of the major actions of the first session follows:

VOTING RECORD OF REPRESENTATIVE CLEMENT J. ZABLOCKI, 91ST CONGRESS, 1ST SESSION

NATIONAL ECONOMY

Stand	Issue	Status
Voted for	Substantial reductions in nonessential Federal spending to curb inflation and reduce the tax burden	Became law.
Do	$5,600,000,000 less for military spending than requested by the administration	Do.
Cosponsored	Tax reform legislation to close tax loopholes and reduce the tax burden by more than $9,000,000,000 a year	Do.
Sponsored	An increase in the personal and dependency income tax exemptions	Do.
Do	Income tax deduction for expenses involved in adopting a child	Pending in House.
Opposed	Extension of surtax at reduced rate of 5 percent until June 1970	Became law.
Voted for	$4,800,000,000 in funds to bring decent housing within the reach of more Americans and to help develop "model cities"	Do.
Do	Measures to curb inflation and unemployment, including broad authority for President to restrict credit if necessary	Do.
Do	Legislation to make more money available in the home mortgage market and bring down interest rates	Do.
Do	Interstate Taxation Act to establish uniform limits on State taxation of small businesses	Passed by House.
Supported	Pay increases for executive, legislative, and judicial officers	Became effective.
Voted for	Expansion of mutually beneficial trade in nonstrategic goods	Became law.
Support	Additional Federal relief for victims of major natural disasters	Passed Senate.
Do	Measures to help American industries and workers adjust to the conditions of an expanded world trade	Pending in House.

Footnotes at end of tables.

VOTING RECORD OF REPRESENTATIVE CLEMENT J. ZABLOCKI, 91ST CONGRESS, 1ST SESSION—Continued

SOCIAL SECURITY, HEALTH, AND WELFARE

Stand	Issue	Status
Voted for	15 percent across-the-board increase in social security benefits	Became law.
Testified for	Further improvements in the social security and medicare programs	Hearings in House.
Sponsored	Reduced social security benefits for those who want to retire at age 60	Passed by Senate.
Voted for	Expanded Older Americans Act programs to aid senior citizens	Became law.
Do	3-year Federal drug abuse education program	Passed by House.
Do	3-year extension of community mental health centers program, including aid to mentally ill children in poverty areas	Passed in different versions.
Do	Federal grant and loan programs to build or modernize hospitals or hospital emergency rooms	Passed House.
Do	Stronger health warning on cigarette packages	Passed in differing versions.
Sponsored	National minimum standards and elgibility requirements to curb welfare abuses	Hearings in House.
Testified for	Welfare reform to make the program more adequate to those in real need and less costly in relation to benefits received by the needy	Do.
Voted for	2-year extension of the Federal antipoverty program	Became law.
Do	Increase from $340,000,000 to $610,000,000 in funds authorized for the food stamp program in fiscal 1970	Do.
Favor	Expansion and reform of food stamp program to help eliminate hunger in this country	Passed by Senate.

CONSUMER PROTECTION AND CRIME CONTROL

Cosponsored	Creation of a Department of Consumer Affairs	Hearings in House.
Sponsored	Legislation to protect consumers against false or malicious credit reports	Passed by Senate.
Voted for	Extension of time for National Commission on Product Safety to complete its study of hazardous products and report to Congress	Became law.
Sponsored	Measures to curb the flow of mail order pornography	Hearings in House.
Voted for	Toy Safety Act to keep hazardous toys off the market	Became law.
Do	Extension of National Traffic and Motor Vehicle Safety Act	In conference.[1]
Do	Tire Safety Act to require manufacturers to recall defective tires	Do.
Do	Comprehensive program to increase the capacity and safety of the Nation's airports and airways	Passed by House.
Support	Uniform Federal standards for railroad safety	Passed by Senate.
Voted for	Limit of 12 consecutive hours of duty for railroad employees	Became law.
Do	$268,000,000 in aid to States and cities for law enforcement and crime prevention programs	Do.
Cosponsored	Creation of a House Select Committee on Crime to study all aspects of crime in the United States, including drug abuse and criminal justice	Approved and operating.
Voted for	Repeal of provisions of Gun Control Act requiring records of sales of shotgun and rifle ammunition used by hunters	Became law.
Do	Increased funds for National Commission on Reform of Federal Criminal Laws	Do.

EDUCATION AND LABOR

Voted for	A $1,000,000,000 increase in Federal aid to education funds	Approved by House.
Do	Consolidation and extension of Federal programs to aid public and private nonprofit elementary and secondary schools	Passed by House.
Sponsored	Extension of certain National Defense Education Act benefits to private nonprofit as well as public schools	Do.
Voted for	Legislation to make more guaranteed student loans available to college and vocational school students	Became law.
Sponsored	Legislation to improve educational programs in public and private nonprofit child day care centers	Hearings in House.
Voted for	Revision of the National School Lunch and Child Nutrition Acts to help more disadvantaged children	Passed by House.
Do	Federal program to encourage the consumption of milk by children in schools, day care centers, etc	Do.
Do	Strengthened coal mine health and safety regulations	Became law.
Do	Uniform safety standards for Federal construction projects	Do.
Support	Creation of a Federal-State program to promote occupational health and safety	Hearings in House and Senate.
Voted for	Extension of unemployment insurance benefits to an additional 4,500,000 workers	Passed by House.
Support	Additional Federal protection for those who contribute to private pension plans	Hearings in House.
Do	Situs picketing legislation to permit lawful picketing at common construction sites	Pending in House.
Cosponsored	Proposed Manpower Act to help provide the opportunity for appropriate training and employment to every American and to help provide needed public service programs.	Hearings in House.

POLLUTION CONTROL, CONSERVATION AND AGRICULTURE

Voted for	$800,000,000 in funds to aid communities in building sewage treatment facilities	Became law.
Do	Legislation to upgrade water quality standards, aid in cleaning up the Nation's waterways, and authorize a Great Lakes water pollution control demonstration project.	In conference.[1]
Do	Establishment of an Environmental Quality Council to study and recommend measures to deal with environmental pollution	Became law.
Do	Amendment to the Clean Air Act authorizing $45,000,000 for studies of air pollution resulting from fuel combustion	Do.
Do	Prohibition against the importation of endangered species of fish and wildlife	Do.
Do	Continuation of program providing for the conversion of salt water to fresh water	Do.
Cosponsored	Creation of an Apostle Islands National Lakeshore in Wisconsin	Passed by Senate, Hearings in House.

GOVERNMENT ORGANIZATION AND OPERATION

Voted for	Replacement of the electoral college with a direct popular election of the President and Vice President	Passed by House.
Support	More efficient congressional procedures, as recommended by the Joint Committee on the Organization of Congress	Pending in House
Voted against	Crippling amendments to the Voting Rights Act of 1965 which were proposed by the administration	Passed by House.
Cosponsored	Repeal of the Emergency Detention Act of 1950	Passed by Senate.
Support	Constitutional amendment lowering the voting age to 18 years	Pending in House.
Do	Revision of the copyright laws	Do.
Voted for	Census reform bill, including provisions to protect individuals against illegal disclosure of information	Passed by House.
Do	Federal Salary Comparability Act of 1969	In conference.[1]
Do	Establishment of an independent agency to regulate Federal credit unions	Passed by House.

SERVICEMEN AND VETERANS, NATIONAL DEFENSE, AND SPACE

Voted for	Approval of initial deployment of modified ABM system	Became law.
Do	Creation of a random selection (lottery) system for the draft and reduction of draft vulnerability to 1 year	Do.
Support	Further reforms in the selective service system	Pending in House and Senate.
Sponsored	Prohibition of assignment to a combat area for a serviceman when another member of the family has been killed, captured, or disabled in a combat area.	Implemented by Defense Department.
Cosponsored	Continuation of health benefits for survivors of servicemen killed in hostile fire areas such as Viatnam	Hearings in House.
Voted for	Increases in dependency and indemnity compensation for widows and children of veterans	Became law.
Do	Increased allowances to veterans for vocational rehabilitation, educational assistance, and special training	Passed in differing versions.
Do	Additional income exclusions for veterans and widows receiving pensions	Passed by House.
Do	Continuation of funds for U.S. space and atomic energy programs	Became law.

INTERNATIONAL AFFAIRS

Cosponsored	Resolution reaffirming House support for the President's efforts to negotiate a just peace in Vietnam	Passed by House.
Sponsored	Resolution calling for the humane treatment and release of American prisoners of war held by North Vietnam and the National Liberation Front.	Do.
Voted for	Resolution commending American servicemen and veterans of Vietnam action for their efforts and sacrifices	Do.
Support	U.S. participation in nuclear nonproliferation agreement	Approved by Senate.
Sponsored	Resolution urgining U.S. ratification of Geneva Protocol regarding chemical and biological warfare	Hearings in House.
Recommended	High priority in strategic arms limitations talks with the Soviet Union for a moratorium on the testing of multiple warhead missiles (MIRV's)	Reported by House subcommittee.
Voted for	Extension and revision of U.S. economic and military aid programs to developing foreign countries	Became law.
Do	Continued operation of the Peace Corps program	Do.
Do	Increased U.S. participation in the International Development Association	Do.
Sponsored	Authority to open U.S. Information Agency materials distributed abroad to public inspection	Pending in House.
Do	Sense of Congress resolution regarding U.S. policy on satellite broadcasting	Hearings in House.

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[1] A House-Senate conference committee meets to resolve the differences between the House and Senate versions of a particular bill.

MARSHALL FIELD OUTLINES GOALS FOR THE 1970'S

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 23, 1969

Mr. PUCINSKI. Mr. Speaker, Marshall Field, publisher of the very distinguished publications, the Chicago Sun Times and the Chicago Daily News, has outlined the goals for the 1970's which he and his two prestigious publications hope to support.

Mr. Field has brought a new dimension of understanding and leadership to American journalism through the three editorials which outline the highly laudatory goals for the 1970's.

Our Nation's Constitution is unique throughout the world in that it guarantees the press of America complete freedom.

With this unique right to freedom, the American press also has a responsibility. Mr. Field has given that responsibility a new sense of dignity by outlining for this country a program of action for the 1970's which can continue America's great growth and progress and indeed make her a meaningful world leader.

The historical role of the press in the United States has been to lead the way; to chart the course; to praise that which is good in us and denounce that which is evil; to fearlessly defend the cause of freedom and to chronicle the events of man's behavior as they affect himself and the world around him.

The three editorials which set out Mr. Field's goals for the 1970's place American journalism in its most laudatory perspective and I am placing today in the RECORD these editorials for I am sure they can be an inspiring goal for all Americans—in and out of Government.

Mr. Field is to be congratulated for bringing youthful vigor and zest toward a better understanding of the problems which face America in the 1970's. He has boldly charted a series of solutions which, if followed, can make all of us look back upon the 1970's as a decade of great achievement.

The three editorials authored by Marshall Field, which appeared in both the Chicago Sun Times and the Chicago Daily News as an expression of those two publications' goals, follow:

OUR GOALS FOR THE 1970's—I

(By Marshall Field)

The turn of the decade is always a time for looking ahead, and therefore a time of challenge. For me the challenge is all the keener because the new decade also marks the beginning of my time as publisher of the Field Newspapers.

So it is a good time to think aloud with you, to dream dreams, to set a course toward goals appropriate for great newspapers serving a city like Chicago, in a state like Illinois, in a country like ours in these exciting times.

An old Chinese philosopher spoke of challenge as a two-sided coin with danger on one side and opportunity on the other.

That's how the Field Newspapers regard the '70s.

Far from resisting change, the Field Newspapers intend to ride its crest, helping to guide it to constructive ends, helping to report it and explain it, but never fearing it. We will not turn our back on the past or forget all that my father and grandfather and their generations have put into these newspapers and this community to make them great.

But we will go on from there—as they would have done—to dedicate ourselves anew in the '70s to improving both the city that they loved and the society to which they were so devoted.

IMPARTIAL NEWS PRESENTATION

The Field family entered the newspaper business in Chicago to provide a morning newspaper whose news columns would be objective and impartial in their presentation of the news.

Equally important was a desire to provide an avenue through which all points of view could find expression.

These are still my goals for the Chicago Daily News and The Chicago Sun-Times.

In the context of today's conflicts it has become necessary to redefine these goals even further.

Objectivity in our news columns and the desire to open men's minds through exposure to the truth remain fundamental.

But as we move forward in our attempts to redress wrongs in our society, there is another truth that is equally fundamental—there can be no liberty without law; there can be no freedom for one man if he attempts to deny freedom to another.

Thus, while the Field Newspapers will continue to support the dissent and protest that historically have produced social change, we will oppose the extralegal efforts to stifle any voice through terrorism, anarchy or violence. We will support those who have positive programs to improve our society; we will oppose those who have as their objective the destruction of our social fabric.

We will use our editorial pages to help you, our readers, get a better insight into issues and to tell you how we feel about them.

POLITICALLY INDEPENDENT

We shall continue to be politically independent, supporting for national and local office those candidates—Republican or Democratic—whose principal concern is using the machinery of government to bring the good life to all Americans.

In the context of world affairs, the '70s is an appropriate time for the United States to evolve mature policies based on the grim lesson of the '60s—that there are limits to its power. Vietnam brought home the point forcibly, just as China and Cuba brought it home to Russia.

The most pressing problem, of course, is winding down the war in Vietnam. And the most compelling reason for getting out of Vietnam, beyond its terrible price in human lives, is that progress in great tasks here at home is impeded and crippled by the harsh demands that unwanted and brutalizing war places upon our time, energy and money.

The constant drain of blood and treasure has done more to alienate the nation's youth than all of the other shortcomings of our society that they find fault with. Surely one of the great dividends of ending the war would be the opportunity to enlist the idealism, the vision and the creative energy of the nation's youth in helping make America the kind of place it ought to be.

NO MORE VIETNAMS

While we must scrupulously meet our foreign policy obligations incurred in the cause of world peace and America's own interest, it is obvious we can no longer afford to try to police the world. We must devote our know-how, good will and energy to positive, not negative, works. To me the lesson of Vietnam is that we should try never to be drawn into another.

Practical help for the underdeveloped countries, unhindered trade relations with all who care to trade with us, communications and cultural relations with the whole world, a place at the conference table for all the world's nations whether we like them or not, ideologically or otherwise—these are the means of striving for peace. In our own enlightened self-interest we must continue to press for accommodations with China aimed at drawing her into the world community. By the same token we should seek diplomatic rapprochement with Cuba as a means of bringing her back into the Inter-American community.

DEFUSE THE MIDDLE EAST

Above all, we must continue our exploratory dialogs with Russia on ways and means of lessening the balance of terror under which an uneasy world is now forced to live. And somehow the two superpowers must devise a formula to defuse the Middle East that will at once guarantee Israel's right to an independent existence and resolve the nagging Palestinian refugee problem. We must, finally, continue to work to strengthen the United Nations.

Next to the attainment of peace, no world task looms larger than finding means of coping with the population explosion. The crushing burden of poverty and hunger cannot be lifted from much of mankind unless the explosion is brought under control through family planning on a scale never before attempted.

In the context of America's domestic affairs there is an urgent need at the national level for a rearrangement of priorities that will enable Washington to concentrate on helping resolve the country's most pressing problems: the urban crisis in all of its manifestations, environmental pollution, poverty, disease and the inflation that beggars our senior citizens as well as others on fixed or small incomes.

While I feel strongly that America must continue to be a constructive force in world affairs, it seems to me that the federal government's first concern must be our own people. Its policies must be aimed at creating a national climate in which economic security, justice and a life of dignity can be put within the reach of all Americans, regardless of race or ethnic background.

Tomorrow we shall discuss these matters as they affect all of us who live in Metropolitan Chicago.

OUR GOALS FOR THE 1970's—II

All the symptoms of the urban crisis plaguing America are starkly visible in Chicago. In common with other metropolitan centers, Chicago is afflicted by racial tensions and a rising incidence of violent crime that are sources of anxiety and fear for every law-abiding citizen, white or black. Poverty, hunger and substandard housing cause or aggravate much of this seething unrest. Environmental pollution, civil disorders, traffic congestion, inadequate public transportation, escalating taxes and deteriorating services—all contribute to a general feeling of frustration and disillusionment.

Since the urban crisis is national in scope it calls for broad national policies and programs to help the cities help themselves out of a deepening slough of human and physical decay. Surely a nation that spent billions of dollars to resolve a farm crisis affecting only a small part of the population can be expected to commit even more to its troubled urban areas in which a vast majority of Americans now live.

UNITED STATES MUST HELP CITIES

The type of massive financial aid and coordinated planning that Washington might normally be in a unique position to provide has been sharply restricted by the heavy drain of the Vietnam war. But even with the war in progress, the administration should do much more than it has to cut back low-priority programs and apply the money to the ailing metropolitan centers.

Until such assistance is forthcoming, however, Chicago must cope as best it can with the limited resources it has at hand and hope that the Illinois Constitutional Convention and the Legislature will provide it with more modern tools. Home rule and sharply increased state aid for the public schools are imperative. The new constitution should require the nonpolitical selection of judges, both as a logical extension of judicial reform and as a means of speeding up the administration of justice.

LOOKING AHEAD 30 YEARS

Much was done in the past decade to expand and rejuvenate the city's physical plant—the bricks and mortar, glass and steel, the highways and subways, the parks and sewers and airports that house and service our city. But much more remains to be done. Urbanologists contend that in the next 30 years most big cities will have to double their physical plants to take care of population growth, despite a slowing down of migration from the rural South. In the space of three decades, the cities will thus have to accomplish as much as was previously achieved in three centuries.

Whether or not Chicago is subjected to such a rate of growth—with all the stresses and pain it implies—the main challenge will remain, to preserve the vitality of the central city in an ever-growing metropolitan area. The leaders of the community must dedicate every effort to counteracting the forces that accelerate the flight to the suburbs where, ironically, the quality of life is also eroding. Suburbia, exurbia and beyond are feeling the impact of the soaring costs and declining quality of public schools, as is the central city; suburban crime is on the rise, pollution of one sort or another is increasing, traffic jams become more widespread, and small pockets of poverty grow larger, creating new welfare and health problems. In other words, the problems of the city simply follow to the suburbs.

The constant reconfiguration of the city's skyline testifies eloquently to the building up of our physical plant, both in the downtown Loop district and outlying areas. Promising plans are well under way to further expand the CTA's subway and rapid transit lines, and similar imagination should be applied to devising ways of holding down the already high fares. The completion of the Crosstown Expressway and the building of a third airport, at a site yet to be determined, will contribute much to the alleviation of other transportation bottlenecks.

But against such plusses are many negatives, one of the worst of which is increasing pollution of our metropolitan environment. The deteriorating quality of the environment requires that we make major efforts in the war on pollution as well as in the battles against racism and crime. The Field Newspapers will wage a constant and vigorous campaign against pollution of all kinds—air, water and noise.

MUST BATTLE POLLUTION

The battle against environmental pollution must be won in this decade or it will be forever lost. Every source of air pollution—including the principal offender, the automobile combustion engine—must be brought under strict control at whatever level of government is appropriate to get the job done. The same is true of water pollution. Chicago and the rest of the country cannot rest easily until our lakes and streams have been cleaned up to provide safe water for drinking, swimming, boating and fishing.

As an integral part of upgrading our environment we must continue to build our physical plant with a constant eye to providing adequate recreation areas and plentiful open spaces, filled with greenery. The further despoliation of our lakefront is unthinkable, and its development in the future must concentrate on adding more public acreage as envisioned in the Comprehensive Plan for Chicago.

Probably of most importance in the whole warp of our plans for a new society are the challenges of education and the transmission and enrichment of our cultural heritage.

Education must be our best and most efficient weapon in the battle for a better city, state, nation and world. This means a new concept of its importance, innovation in its approaches, re-evaluation of its effectiveness and a greatly increased financial investment.

Every child is entitled to a quality education—whether he or she lives in a blighted inner-city neighborhood or along the spacious streets of an affluent suburb. We have learned the hard way that education needs differ in different social settings and that the educational tools of a small-town America are not adequate to our needs today. Using such techniques as are valid in these changing situations, our goal must be to provide quality education wherever the educational plant is located.

UNIVERSITIES MUST REASSESS ROLE

In higher education, the challenge is equally acute. Private universities are facing almost insurmountable financial problems and face extinction without government support—but even with such support their administration must stay in private hands. Of equal importance is the necessity for these universities to reassess their own role and function.

The current period of campus unrest has not produced any great solutions on the part of the students or administrations involved. At best they have produced a series of patchwork armistices. But what they have demonstrated without doubt is the fact that something is radically wrong with our educational process and that our students feel cheated and frustrated by the educational process to which they must be subjected.

Our school officials must also bear in mind the needs and desires of many school-agers for a vocational education that will open new doors of opportunity for them in a world that is chronically short of skilled mechanical technicians. Vocational education must be expanded, and those who want it should not be sidetracked into exclusively academic courses on the theory that "it's best for them."

In the promotion of the nation's cultural life, it becomes increasingly clear that government subsidy is inextricably linked not only to its expansion but to its survival as well. Private philanthropy can do only so much. But even with subsidies from the government, the management of our art museums, symphony orchestras, opera and ballet companies, etc., must be left in the hands of private enterprise. American business ingenuity is far better equipped than government to compete in the open market for the professional talent and artistic works that bring the beauty, grace and spiritual fulfillment that modern man so sorely needs. Such an approach to the arts at the national level would be of immense benefit to Chicago and all areas of the country.

Tomorrow we will conclude this series of editorial discussions with an exploration of racial unrest and crime in the streets.

OUR GOALS FOR THE 1970's—III

In these editorials, we have been talking about the kind of society in which we hope to live during the next decade and the balance of this century. There is every reason to anticipate not only great physical improvements, but breakthroughs in science and research that will improve the quality of human life.

This future promise underscores the one remaining question that must be asked:

Will we be able to live with one another—nation to nation, man to man, family to family—in a way that will make it possible for mankind to enjoy the world which has been created around him? In short, can we learn to live with each other?

Of the challenges that face us—in the world as much as in Chicago—the challenge of human relations is the greatest.

Racism threatens the foundations of our modern society. Because it lurks in men's hearts it is not easily dispelled by appeals to reason or by laws, however well-intentioned the latter may be. Yet it is only through laws, properly enforced, that the basis for racial peace can be established.

NO "TIME OUT" ON RACIAL PEACE

There can be no "time out" on this issue. All of us, both black and white, must work at it constantly.

For all of us it means that the "free and equal" principle enunciated in the Declaration of Independence must have relevance for blacks as well as whites. There must be no letup in efforts at all levels of government to enforce those laws that protect the Negro's right to equal opportunities in quality education, housing and employment. Failure to perform in this area can only increase the black man's distrust of law and government; if we wish him to be a full citizen, we should be certain he has the full rights of citizenship. This principle applies equally to our rural white migrants to the city and to our Spanish-speaking peoples.

MUST STOP POLARIZATION

The blacks themselves have a responsibility to help stop the polarization that tends more and more to divide the races into armed camps. They must recognize that all whites are not racists—indeed, a large and growing number are actively involved in trying to obtain a better deal for the Negro.

The blacks, like the whites, will be best served by listening to the voices of moderation in their midst and turning their backs on those who preach violence and hatred. Ultimately, only mutual respect between blacks and whites will fully resolve the racial issue. The black who believes it is up to the white man to earn the black man's respect must recognize he has an equal obligation to earn the respect of the white man.

One of the most encouraging trends in recent years has been the emergence of strong and responsible black leaders. These leaders, with roots in their own communities, can form the basis for the Negro's emergence as an effective political force in the mainstream of American life. Out of this political effectiveness can come a means of securing gains for the black man, and this will also enable the Negro to deal on terms of greater parity with his fellow white citizen.

WHITE WORKERS AND URBAN CRISIS

At the same time we must remember that there can be no true solutions of the problems that are rending our cities if we do not listen to the middle- and lower middle-income white workers who live in the midst of our urban crisis.

Many of these workers have through years of toil and regular savings been able to buy homes in the center city or in nearby suburbs. But high and regressive property and sales taxes, inflation, the threat of automation, a rising cost of living, street crime and the increasing material expectations of large families have prevented them from achieving their dreamed-of economic security.

If we are to prevent a total polarization between city and suburb in terms of black and white, action must be taken to enhance city living for these white workers who are, after all, the people who are living next to the black ghettos. Many of these white families are fleeing to the suburbs even at the cost of taking substantial losses on their homes; if we are to save the city we must have policies that will encourage these workers to stay in the city and help build a bridge of understanding with their black neighbors.

One of the problems with the greatest impact on the possibilities of urban life is that of crime and violence against persons. Unfortunately, much of the talk about crime has racial overtones mostly in regard to blacks—an understandable if deplorable situation because from time immemorial crime has been associated with poverty, social ostracism and lack of education and employment opportunities.

THE RIGHT TO SECURITY

Ultimately, the problem of crime will be solved only as we create more stable communities within our city. Meanwhile, it should be basic that all Chicagoans have an inalienable right to be secure in their persons and possessions. The ghettos must be made as safe as possible for their residents and other areas must be similarly protected. This is the function of the police, whose job is not made any easier by the mobility of the modern criminal and the reluctance, especially in the ghetto, of the victims to identify their tormentors.

Chicago's police force is as fine as any in the country, and the best paid. We hope the numbers of police can be increased. But without the co-operation and full support of the public, the police will be handicapped in their efforts to do the best possible job of detecting and preventing crime.

MUST SUPPORT POLICE

It will be the policy of the Field Newspapers to support the police department in these efforts, while at the same time urging police officials to proceed with speed born of crisis to develop the same kind of relationship between the police and the black community that has traditionally existed between the policeman and the white community. Public officials should likewise be reminded that the function of police is proper law enforcement and not social control to prevent the legitimate expression of social grievances.

Even the most efficient police force cannot cope effectively with crime unless our courts and prison system function effectively. Means must be found to clear the clogged court dockets to provide swift determination of guilt or innocence. The prisons must find better ways to rehabilitate and train their inmates for a return to society as useful citizens, even if it means building more prisons to alleviate overcrowding.

THE PROMISE OF AMERICA

These comments bring us to the conclusion of this final editorial. The purpose of these editorials has been to identify some of the problems we face as citizens of one of the world's greatest metropolitan areas and to indicate as best I can how all of us at the Field Newspapers hope to play a role in solving these problems and bringing the promise of America closer to realization.

We carry on the principles stated in the platforms written by my father and, more recently, by Bailey K. Howard, president of these newspapers, who guided our editorial policies after my father's death.

Many years ago, when my father first presented his Platform for Chicago, he closed with words that I would like to repeat today:

"With faith in a kindly Providence and confidence in ourselves, we should be able to build not only a fabulous Metropolitan Chicago but contribute much to the building of a better world. That is our real destiny and we are honor-bound to fulfill it."